

The Who-to-Whom tables in the French financial accounts

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In many countries, financial accounts that are currently published (transaction and balance sheet items) display for each institutional sector the total amount of net acquisition of financial assets (and the outstanding amounts) vis-à-vis all counterpart sectors. They also show the total amount of for each institutional sector the net increase in financial liabilities (and the outstanding amounts) vis-à-vis all counterpart sectors. This type of “building block” presentation does not provide neither indications regarding a breakdown by debtor sector (thus showing the sectors on which the assets present claims for net acquisition of financial assets) nor a breakdown by creditor sector (that is showing the sectors acquiring the financial instruments concerned for net incurrence of liabilities). In the wake of the financial crisis and with the ESA 2010 changeover, the whom to whom approach has gained more importance. Such an approach allows analysis of who is financing whom, to what amount and by which financial asset. It provides the answers to questions such as: what are the counterpart sectors for the financial assets acquired net, or for the liabilities incurred net by an institutional sector? Which are the corporations with which the general government sector participates? What amounts of debt securities issued by general government, financial or non-financial corporations, and the rest of the world do resident sectors and the rest of the world acquire? To sum up, this framework allows the analysis of relationships between institutional sectors and sub-sectors within an economy. Such analyses shed light on the sectoral compositions of assets and liabilities, and on potential strengths and vulnerabilities in portfolios of specific sectors. For France, financial accounts are already partially based on whom to whom information. Collected data for financial intermediaries and insurance corporations provide for deposits, credits, life and non life insurance technical reserves both total amounts of the reporting sector but also its breakdown by counterpart sectors. However, some lines in the French financial accounts are still compiled on the basis of total amounts issued and held because of a lack of granular data. However, since a few years, new reporting systems have been developed notably related to securities holdings through intermediaries in charge of the custody. This security by security data collection system provides not only whom to whom information but also accurate valuation indexes for quoted shares and securities other than shares. This paper presents the main results of the use of this new information in the financial accounts.