

Abstract for “The Implementation of the 2008 SNA in the Accounts by Institutional Sectors of Mexico”

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The Office in charge to elaborate the National Accounts in Mexico, INEGI, released in August 2013 the update of the base year of reference moving it from 2003 to 2008, this exercise of change of base year has been used by the INEGI for the methodological review of the Accounts by institutional sectors, being this one the project where the changes proposed by the SNA 2008 take a more direct form and wider extent.

An important slope in this project is the commitment assumed by the INEGI, in its performance as National Office of Statistics, in the fulfillment of the Initiative for data gaps of the Group of Economies G20, in particular form the attention of the Recommendation #15 Sectoral Accounts. This recommendation proposes the elaboration of Sectoral accounts of quarterly periodicity with Balance sheets and matrixes of financial flows, and particular aspects for certain categories of financial assets as the separation of national and foreign currency and residual maturity, which will allow the users and makers of decisions to have on time information for the evaluation of the credit risks and liquidity of the economy.

The tasks in the framework of this recommendation have constituted a project that has been developed during the last two years and that has given as first results the compilation of stocks for financial and not financial assets in a first stage of development, being in the case of Mexico its first approximation to figures of net worth for the Economy. The series already released include nine years; the data is presented in an accounting integrated framework with current and accumulation accounts, accounts of other changes in the volume and stocks of assets for the five sectors of the economy and the rest of the world. The annual update of the series is foreseen and for the end of year 2014 it is expected to complete the requirements of the Recommendation # 15 of the G20.

Within the recommendations already incorporated in the Sectoral accounts of the System of National Accounts of Mexico are the following items:

- Redefinition of the sector of financial corporations. For the fulfilling of nine subsectors that integrate this sector, the procedures were to review deeply the mechanism of each type of financial intermediary to get funds in the financial market, as well as the inclusion of the holdings of non financial corporations.
- Review of the categories of financial assets. It has been incorporated the categories of financial assets that proposes the 2008 SNA, having special attention in the items related to the transactions on pensions. Likewise, there have been identified in particular form the set of financial transactions that shape every category of assets according to the financial market of Mexico.

- Review of the categories of not financial assets. The capital account and the corresponding stocks of not financial assets were detailed as much as it was possible depending on the available data and the possibilities to elaborate estimations on the base of present value of future incomes.
- There was included the set of current and financial transactions that describe the system of social insurance of Mexico, and as part of this one, the system of pensions, the links of the current accounts with the accumulation accounts by means of the Adjustment for change in the entitlements of pensions has been included. The system of pensions in Mexico is hybrid and during the last years has faced a transition from a scheme of benefit defined to another of definite contribution.
- Incorporation of the accounts of other changes in the volume of the assets and the account of revaluation. These accounts required specific measurements for every type of assets, reflecting the incidents on the six kinds of changes, and in case of the account of revaluation, the nominal, neutral and real holdings.

In general, these changes have incorporated into the System of National Accounts of Mexico a wide number of recommendations of the set of 44 items that gave origin to the 2008 SNA.

The compilations of Balance sheet were developed firstly with the compilation of accounts for type of assets for every category of the financial account and the non financial assets of the capital account as a whole, and in simultaneous works were compiled the Balance sheets by institutional units. In a second stage the total amounts by type of financial asset were reviewed to identify the holdings of assets and issues of liabilities, the incorporation of the external sector was done in conformity with the data reported by the Central Bank for the Position of the International Investment. In every cases were adapted the valuations of nominal and neutral holdings that the 2008 SNA defines. The same case is the relative one to the not financial assets, where there were incorporated the price indexes most appropriated according to the type of assets. The treatment and measurement of the not financial assets, particularly, the related ones to the intellectual property and the natural resources constitute a great current and future challenge, the low availability of specific statistics that allow the development of methods to achieve an economic measurement is aspect to strengthen.

Regarding the sources of information that have been exploited for the compilation of the reached measurements, the main ones are the administrative records for private and public corporations, the financial statistics, the public finances, the data from the institutions depositaries of issued values and issuers of the stock market. The development reached in this stage of the Accounts by institutional sectors of Mexico is an advance that will meet reinforced in 2014, once that the measurements proposed by the Recommendation #15 Sectoral Accounts are being achieved.

Key Words

Sectoral accounts, Balance sheets, financial and non financial assets