In case of discrepancies between the French and the English text, the French text shall prevail

Report S 1.1

«Monthly statistical balance sheet

of credit institutions»

Banque centrale du Luxembourg

Contents

1 Introduction

1.1 Reporting population

Report S 1.1 must be provided by all resident credit institutions regardless of their legal status.

1.2 Frequency and reporting deadlines

Report S 1.1 must be transmitted to the BCL on a monthly basis no later than 10 working days after the end of the reference period.

The BCL establishes and publishes, on its website, a calendar with the remittance dates for statistical reports.

2   Types of breakdowns

Reported amounts must be broken down according to the following four criteria:

- country of the counterpart
- currency in which they are denominated
- economic sector of the counterpart
- initial maturity

The nomenclature and the codes to use are detailed in the document «Definitions and concepts for the statistical reporting of credit institutions».

However, reported amounts must not always be broken down according to the complete set of available breakdowns listed in this document. Hence, only the breakdowns requested in report S 1.1 «Monthly statistical balance sheet of credit institutions» attached to the present instructions must be reported to BCL.

2.1   Country

Reported amounts must be broken down according to the country of residency or of the registered office of a counterpart with a two-character ISO code.

2.2   Currency

Reported amounts must be broken down according to the currency in which they are expressed using a three-character ISO code.

2.3   Economic sector

Reported amounts must be broken down according to the economic sector of the counterparty with a five-character code on the list of sectors in the «Definitions and concepts for the statistical reporting of credit institutions».

In addition, for the purposes of calculating reserve requirements, the following sub-sectors must be provided for certain items on the liability side of the balance sheet:

Item	Code	Sector
Deposits	MRR02	Credit institutions subject to the ECB's reserve requirement system
Debt securities	MRR01	ECB, EIB, NCB of euro area member states and credit institutions subject to the ECB's reserve requirement system

2.4 Initial maturity

Reported amounts must be broken down according to their initial maturity with an eight-character code on the list included in the document «Definitions and concepts for the statistical reporting of credit institutions».

3 Additional details on assets, liabilities and off-balance sheet items

The cells of sub-tables:

- «Assets - Details - 1»,
- «Assets - Details - 2»
- «Liabilities - Details - 1»
- «Off-Balance Sheet - Details - 1»

provide additional information relating to the lines contained in the main sub-tables «Assets», «Liabilities» and «Off-balance sheet».

In this context, the following instructions relating to loans granted to non-financial corporations as well as households & non-profit institutions serving households must be observed.

3.1 Loans to non-financial corporations

Loans to non-financial corporations resident in Luxembourg and other euro area countries, reported on sub-table «Assets» under item 1-002000 with sector code 21000 must be broken down in the following items:

- 1-002020 «Claims - Lending for house purchase»
- 1-002030 «Claims - Loans for investment purpose»
- 1-002040 «Claims - Loans for operational purpose»
- 1-002999 «Claims - Other loans»

The breakdown of the amounts included in item 1-002000 with sector code 21000 must be done in such a way that the aggregated total of the detailed items corresponds to the total reported in item 1-002000 with sector code 21000 for country codes «LU» and «X3».

In this context, it is also important to note that claims arising from:

- 1-RD2000 «Claims - Revolving loans and overdrafts»
- 1-CD2000 «Claims - Convenience credit card credit»
- 1-CP2000 «Claims - Extended credit card credit»

must be broken down into items:

- 1-002020 «Claims - Lending for house purchase»
- 1-002030 «Claims - Loans for investment purposes»
- 1-002040 «Claims - Loans for operational purposes»
- 1-002999 «Claims - Other loans»

according to the use of these loans by customers.

3.2   Loans to households and non-profit institutions serving households

Loans to households and non-profit institutions serving households resident in Luxembourg and other euro area countries, reported on sub-table «Assets» under item 1-002000 with sector code 22000 must be broken down in the following items:

- 1-002010 «Claims - Credit for consumption»
- 1-002020 «Claims - Lending for house purchase»
- 1-002999 «Claims - Other loans»

The breakdown of the amounts included in item 1-002000 with sector code 22000 must be done in such a way that the aggregated total of the detailed items corresponds to the total reported in item 1-002000 with sector code 22000 for country codes «LU» and «X3».

In this context, it is also important to note that claims arising from:

- 1-RD2000 «Claims - Revolving loans and overdrafts»
- 1-CD2000 «Claims - Convenience credit card credit»
- 1-CP2000 «Claims - Extended credit card credit»

must be broken down into items:

- 1-002010 «Claims - Credit for consumption»
- 1-002020 «Claims - Lending for house purchase»
- 1-002999 «Claims - Other loans »

according to the use of these loans by customers.

4   Total assets and total liabilities

The items 1-000000 «Total Assets» and 2-000000 «Total liabilities» are obtained by adding the amounts pertaining to all other items except the «of which» lines.

4.1   Assets

The following «of which» lines should not be considered for the compilation of total assets.

Lines not to be taken into account for compiling the total of line 1-000000	
1-002000-LU-EUR-41000	1-002000-X3-XX2-41000
1-002000-LU-EUR-42100	1-002000-X3-XX2-42100
1-002000-LU-EUR-42200	1-002000-X3-XX2-42200
1-002000-LU-EUR-45000	1-002000-X3-XX2-45000
1-002000-LU-EUR-46000	1-002000-X3-XX2-46000
1-002000-LU-XX2-41000	1-002000-X4-EUR-41000
1-002000-LU-XX2-42100	1-002000-X4-EUR-42100
1-002000-LU-XX2-42200	1-002000-X4-EUR-42200
1-002000-LU-XX2-45000	1-002000-X4-EUR-45000
1-002000-LU-XX2-46000	1-002000-X4-EUR-46000
1-002000-X3-EUR-41000	1-002000-X4-XX2-41000
1-002000-X3-EUR-42100	1-002000-X4-XX2-42100
1-002000-X3-EUR-42200	1-002000-X4-XX2-42200
1-002000-X3-EUR-45000	1-002000-X4-XX2-45000
1-002000-X3-EUR-46000	1-002000-X4-XX2-46000

4.2   Liabilities

The following «of which» lines should not be considered for the compilation of total liabilities.

Lines not to be taken into account for compiling the total of line 2-000000	
2-002010-LU-EUR-MRR02	2-002010-X3-XX2-MRR02
2-002010-LU-EUR-41000	2-002010-X3-XX2-41000
2-002010-LU-EUR-42100	2-002010-X3-XX2-42100
2-002010-LU-EUR-42200	2-002010-X3-XX2-42200
2-002010-LU-EUR-45000	2-002010-X3-XX2-45000
2-002010-LU-EUR-46000	2-002010-X3-XX2-46000
2-002010-LU-XX2-MRR02	2-002010-X4-EUR-41000
2-002010-LU-XX2-41000	2-002010-X4-EUR-42100
2-002010-LU-XX2-42100	2-002010-X4-EUR-42200
2-002010-LU-XX2-42200	2-002010-X4-EUR-45000
2-002010-LU-XX2-45000	2-002010-X4-EUR-46000
2-002010-LU-XX2-46000	2-002010-X4-XX2-41000
2-002010-X3-EUR-MRR02	2-002010-X4-XX2-42100
2-002010-X3-EUR-41000	2-002010-X4-XX2-42200
2-002010-X3-EUR-42100	2-002010-X4-XX2-45000
2-002010-X3-EUR-42200	2-002010-X4-XX2-46000
2-002010-X3-EUR-45000	
2-002010-X3-EUR-46000	

Lines not to be taken into account for compiling the total of line 2-000000	
2-002020-LU-EUR-MRR02	2-002020-X3-XX2-MRR02
2-002020-LU-EUR-41000	2-002020-X3-XX2-41000
2-002020-LU-EUR-42100	2-002020-X3-XX2-42100
2-002020-LU-EUR-42200	2-002020-X3-XX2-42200
2-002020-LU-EUR-45000	2-002020-X3-XX2-45000
2-002020-LU-EUR-46000	2-002020-X3-XX2-46000
2-002020-LU-XX2-MRR02	2-002020-X4-EUR-41000
2-002020-LU-XX2-41000	2-002020-X4-EUR-42100
2-002020-LU-XX2-42100	2-002020-X4-EUR-42200
2-002020-LU-XX2-42200	2-002020-X4-EUR-45000
2-002020-LU-XX2-45000	2-002020-X4-EUR-46000
2-002020-LU-XX2-46000	2-002020-X4-XX2-41000
2-002020-X3-EUR-MRR02	2-002020-X4-XX2-42100
2-002020-X3-EUR-41000	2-002020-X4-XX2-42200
2-002020-X3-EUR-42100	2-002020-X4-XX2-45000
2-002020-X3-EUR-42200	2-002020-X4-XX2-46000
2-002020-X3-EUR-45000	
2-002020-X3-EUR-46000	

Lines not to be taken into account for compiling the total of line 2-000000	
2-002030-LU-EUR-MRR02	2-002030-X3-XX2-MRR02
2-002030-LU-EUR-41000	2-002030-X3-XX2-41000
2-002030-LU-EUR-42100	2-002030-X3-XX2-42100
2-002030-LU-EUR-42200	2-002030-X3-XX2-42200
2-002030-LU-EUR-45000	2-002030-X3-XX2-45000
2-002030-LU-EUR-46000	2-002030-X3-XX2-46000
2-002030-LU-XX2-MRR02	2-002030-X4-EUR-41000
2-002030-LU-XX2-41000	2-002030-X4-EUR-42100
2-002030-LU-XX2-42100	2-002030-X4-EUR-42200
2-002030-LU-XX2-42200	2-002030-X4-EUR-45000
2-002030-LU-XX2-45000	2-002030-X4-EUR-46000
2-002030-LU-XX2-46000	2-002030-X4-XX2-41000
2-002030-X3-EUR-MRR02	2-002030-X4-XX2-42100
2-002030-X3-EUR-41000	2-002030-X4-XX2-42200
2-002030-X3-EUR-42100	2-002030-X4-XX2-45000
2-002030-X3-EUR-42200	2-002030-X4-XX2-46000
2-002030-X3-EUR-45000	
2-002030-X3-EUR-46000	

Lines not to be taken into account for compiling the total of line 2-000000	
2-002040-LU-EUR-MRR02	2-002040-X3-XX2-MRR02
2-002040-LU-EUR-41000	2-002040-X3-XX2-41000
2-002040-LU-EUR-42100	2-002040-X3-XX2-42100
2-002040-LU-EUR-42200	2-002040-X3-XX2-42200
2-002040-LU-EUR-45000	2-002040-X3-XX2-45000
2-002040-LU-EUR-46000	2-002040-X3-XX2-46000
2-002040-LU-XX2-MRR02	2-002040-X4-EUR-41000
2-002040-LU-XX2-41000	2-002040-X4-EUR-42100
2-002040-LU-XX2-42100	2-002040-X4-EUR-42200
2-002040-LU-XX2-42200	2-002040-X4-EUR-45000
2-002040-LU-XX2-45000	2-002040-X4-EUR-46000
2-002040-LU-XX2-46000	2-002040-X4-XX2-41000
2-002040-X3-EUR-MRR02	2-002040-X4-XX2-42100
2-002040-X3-EUR-41000	2-002040-X4-XX2-42200
2-002040-X3-EUR-42100	2-002040-X4-XX2-45000
2-002040-X3-EUR-42200	2-002040-X4-XX2-46000
2-002040-X3-EUR-45000	
2-002040-X3-EUR-46000	

Lines not to be taken into account for compiling the total of line 2-000000
2-003000-XX-XXX-MRR01
2-ERO000-XX-XXX-90000

4.3   Lines containing additional information on assets and liabilities

The lines containing additional information on assets and liabilities must not be taken into consideration for compiling total assets and liabilities.

5   Compilation of the reserve requirement

5.1   Line ERO000 reserve requirement

The calculation of the reserve base and the reserve requirement of a credit institution is based on liability items of its monthly statistical balance sheet. For this purpose, report S 1.1 «Monthly statistical balance sheet of credit institutions» contains a line, entitled 2-ERO000-XX-XXX-90000 «Reserve requirement», that should contain the amount of the reserve requirement.

In order to compile the reserve requirement, the credit institution proceeds step by step.

5.1.1   Compilation of the reserve base

The reserve base is defined on the basis of certain liability items and may be split into two parts.

5.1.1.1.   Liability Items included in the reserve base with a reserve ratio of 1%

These are the following items:

- Overnight deposits
- Deposits with agreed initial maturity up to or including 2 years
- Deposits redeemable at notice up to or including 2 years notice
- Debt securities issued with initial maturity up to or including 2 years

5.1.1.2.   Liability Items included in the reserve base with a reserve ratio of 0%

These are the following items:

- Deposits with agreed initial maturity over 2 years
- Deposits redeemable at notice over 2 years notice
- Sale and repurchase agreements
- Debt securities issued with initial maturity over 2 years

5.1.2   Deductions

5.1.2.1.   Liabilities vis-à-vis central banks and credit institutions subject to reserve requirements

Commitments to the European Central Bank, the European Investment Bank, the National Central Banks of euro area member countries as well as credit institutions (including the EIB) that are subject to the ECB's minimum reserve system are excluded from the reserve base.

It is important that banks report the volume of commitments to these institutions in order to make the deduction of these amounts in the calculation of the reserve base. These amounts must be entered in lines:

Item	Code	Sector
Deposits	MRR02	Credit institutions subject to the ECB's reserve requirement system
Debt securities	MRR01	ECB, NCB of euro area member states and credit institutions (including the EIB) subject to the ECB's reserve requirement system

5.1.2.2.   Debt securities issued

As far as concerns «Debt securities issued», the issuing credit institutions must confirm the amount held by the ECB, NCB or credit institutions that are subject to the ECB's reserve requirement in order to be allowed to deduct these amounts from their reserve base. If credit institutions cannot provide that proof, they may deduct a standardised amount that is compiled with a ratio defined by the ECB.

For the time being this ratio is fixed at ~~30~~15%. However, this ratio is revised by the ECB on a semi-annual basis and the BCL will inform credit institutions of any change of this ratio.

If credit institutions record, in line 2-003000-XX-XXX-MRR01, an amount that is higher than ~~30~~15% of the amount recorded in line 2-003000-XX-XXX-90000, they must provide the BCL with the information that is necessary in order to prove that the actual holder of the securities is subject to the ECB's reserve requirement.

This information must be provided together with the report S 1.1 «Monthly statistical balance sheet of credit institutions».

It is important to mention that credit institutions must report the amount to be deducted under line 2-003000-XX-XXX-MRR1. In the event that the deduction is limited to the standardised 3015%, this amount must be reported.

5.1.3   Compilation of the reserve requirement

The reserve requirement is compiled by applying a 1% ratio to the liability items included in the reserve base with a 1% reserve ratio and by applying the 0% ratio to the liability items included in the reserve base with a 0% reserve ratio.

Finally, the reserve requirement is reduced by an allowance. For the time being, this allowance is fixed at 100 000 EUR. Should this deduction be revised by the ECB, the BCL will inform credit institutions of this change.

5.1.4   Example

The simplified example on the following page illustrates the calculation of the reserve requirement.

It is important to mention that this example (figures in EUR) does not contain amounts for all the liability items that come into account for the calculation of the base and the reserve requirement. It is only intended to briefly illustrate the methodology used to calculate the reserve requirement.

Line	<= 3 months	> 3 months and <= 1 an	> 1 year and <= 2 years	> 2 years and <= 5 years	> 5 years	No breakdown		Reserve base 1%	Reserve base 0%
2-002010-LU-EUR-32100						2 000 000		2 000 000	
2-002010-LU-EUR-MRR02						*1 000 000*		-1 000 000	
2-002010-X3-EUR-11000						500 000		500 000	
2-002020-LU-EUR-12000	100 000	0	2 000 000	150 000	150 000			2 100 000	300 000
2-002020-X3-XX2-22000	0	25 000	1 000 000	1 500 000	1 500 000			1 025 000	3 000 000
2-002030-LU-EUR-40000	100 000	0	2 000 000	0	0			2 100 000	0
2-002030-X3-XX2-21000	0	25 000	1 000 000	750 000	750 000			1 025 000	1 500 000
2-002030-X4-XX2-32100	1 000 000	500 000	0	250 000	250 000			1 500 000	500 000
2-002040-LU-EUR-21000						1 000 000			1 000 000
2-002040-X3-XX2-40000						2 000 000			2 000 000
2-003000-XX-XXX-90000	15 000	0	2 000 000	1 500 000	1 500 000			2 015 000	3 000 000
2-003000-XX-XXX-MRR01	*0*	*250 000*	*600 000*	*450 000*	*450 000*			-850 000	-900 000

	Reserve base	**10 415 000**	**10 400 000**
	Gross reserve requirement	**104 150**	
	Deduction	**100 000**	
	Net reserve requirement	**4 150**	

Line	Initial maturity						Reserve base 1%	Reserve base 0%
	<= 3 months	> 3 months & <= 1 year	> 1 year & <= 2 years	> 2 year & <= 5 years	> 5 years	No breakdown		
2-002010-LU-EUR-32100						2 000 000	2 000 000	
2-002010-LU-EUR-MRR02						*1 000 000*	*-1 000 000*	
2-002010-X3-EUR-11000						500 000	500 000	
2-002020-LU-EUR-12000	100 000	0	2 000 000	15 000	150 000		2 100 000	165 000
2-002020-X3-XX2-22000	0	25 000	1 000 000	1 500 000	1 500 000		1 025 000	3 000 000
2-002030-LU-EUR-40000	100 000	0	2 000 000	0	0		2 100 000	0
2-002030-X3-XX2-21000	0	25 000	1 000 000	750 000	750 000		1 025 000	1 500 000
2-002030-X4-EUR-32100	1 000 000	500 000	0	250 000	250 000		1 500 000	500 000
2-002040-LU-EUR-21000						1 000 000		1 000 000
2-002040-X3-XX2-40000						2 000 000		2 000 000
2-003000-XX-XXX-90000	15 000	300 000	2 000 000	1 500 000	1 500 000		2 315 000	3 000 000
2-003000-XX-XXX-MRR01	*2 250*	*45 000*	*300 000*	*0*	*0*		*-347 250*	*0*

	Reserve base 1%	Reserve base 0%
Reserve base	11 217 750	11 165 000
Gross reserve requirement	112 178	
Deduction	100 000	
Net reserve requirement	12 178	

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According to the example of the previous page, the reserve requirement is compiled as follows:

- the amount of liabilities included in the reserve base with a 1% reserve ratio amounts to ~~10 415 000~~11 217 750 EUR

- the amount of liabilities included in the reserve base with a 0% reserve ratio amounts to ~~10 400 000~~11 165 000 EUR;

The reserve requirement is compiled as follows:

$$\text{(10 415 000 x 0,01) + (10 400 000 x 0,00) = 104 150 EUR}$$
$$\text{(11 217 750 x 0,01) + (11 165 000 x 0,00) = 112 178}$$

The allowance of 100 000 EUR is deducted from this reserve requirement. Thus, a net reserve requirement of ~~4 150~~12 178 EUR must be reported under line 2-ERO000-XX-XXX-90000 of report S 1.1 «Monthly statistical balance sheet of credit institutions».

If the BCL does not question this amount before the start of the maintenance period, the credit institution considers the amount as correct and fulfils its reserve requirement on the basis of this amount.