

# Current account survey for banks

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## NOTES

### I. GENERAL REMARKS

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#### 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 Annex to the National Bank Ordinance, legal entities and companies are required to report data if the transaction value exceeds CHF 100,000 for each individual survey (CABQ/CAGQ/CAIQ/CATQ) in the period under review.

#### REPORTING PERIOD

Data reporting covers one calendar quarter. Receipts and expenses must be reported on an accrual basis. Data for the second, third or fourth quarter must not be combined with data for the preceding quarters. Errors are to be rectified by correction notification, corrective bookings in subsequent quarters are not allowed.

#### SUBMISSION DEADLINE

One month after the end of the reporting quarter.

#### QUERIES AND INFORMATION

Questions regarding contents of the survey      email: [serviceBOP@snb.ch](mailto:serviceBOP@snb.ch);  
tel: +41 58 631 35 34  
Questions regarding forms in Excel format      email: [forms@snb.ch](mailto:forms@snb.ch)

## II. EXPLANATIONS

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### 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, an international organisation or a diplomatic institution (embassy, consulate) of a foreign state. Also included is all cross-border trade within corporate groups. 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 party 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. For more information on the geographical breakdown, see the 'Country definitions' worksheet.

### ESTIMATES

Data estimates will be accepted for all items as long as the estimates have been made on a best efforts basis. Estimates may be necessary, for example, in the allocation of transactions to countries or regions. In such cases, the SNB recommends using an allocation formula based on plausible assumptions. The same formula can be used for several quarters, or even years, provided the underlying assumptions do not change. For queries and assistance relating to estimates or estimation methods, entities are invited to contact the SNB, which will be happy to help.

#### Example (allocating to countries using an allocation formula):

Entity XYZ Ltd reports total receipts of CHF 100 million, of which CHF 40 million (40%) are allocated to 'Germany' and CHF 30 million (30%) to 'France'. The information in the reporting system does not allow a clear allocation of the remaining CHF 30 million (= 30%). However, it is known that the residual amount is divided almost equally between 'Italy' and 'Spain'. On the basis of this information, XYZ Ltd applies the following allocation formula: 50% to 'Italy' and 50% to 'Spain'. XYZ Ltd thus reports CHF 15 million under 'Spain' (= CHF 30 million x 50%) and CHF 15 million under 'Italy' (= CHF 30 million x 50%).

### 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 (GROUP REPORT)

Where several companies within a group are required to report in Switzerland, the group may either submit an aggregated report for all group companies in Switzerland, or the individual reporting companies may report their transactions themselves. If a group submits an aggregated report, it should notify the SNB as to which companies in Switzerland are covered by the report (cf. the 'Start' worksheet, table for group report).

### VALUATION

Transactions must be reported at market prices.

## CONVERSION RULES FOR TRANSACTIONS IN FOREIGN CURRENCY

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

## NEGATIVE VALUES

As a rule, receipts and expenses are to be reported in positive figures. Exceptions are detailed in the corresponding items in the notes.

**These notes complement general information on reporting and the delivery formats on our website [www.snb.ch](http://www.snb.ch), *Statistics, Surveys*.**

## III. DESCRIPTION OF CATEGORIES

Item	Category	Description
1.	<b>Net income from banks' cross-border commission business and services</b>	<p><b>Description</b></p> <p>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, fiduciary transactions, retrocessions, etc.</p> <p><b>1.1 Commission income</b> Income from financial services performed on behalf of non-resident customers.</p> <p><b>1.2 Commission expenses</b> Expenses for financial services performed by a non-resident contracting party.</p> <p><b>Excluding:</b> Interest payments -&gt; Net income from banks' cross-border interest business (2.) Commission expenses which the resident bank pays to non-resident banks and passes on to its resident bank customers -&gt; 3. Banks' commission expenses incurred abroad and charged to resident customers</p>
2.	<b>Net income from banks' cross-border interest business</b>	<p><b>Description</b></p> <p><b>2.1 Interest and discount income</b></p> <p><b>2.1.1 Interest income from claims against customers</b> Interest income from claims against non-resident customers.</p> <p><b>2.1.2 Interest income from claims against banks</b> Interest income from claims against non-resident banks.</p> <p><b>2.1.3 Other interest and discount income</b> 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><b>2.2 Interest and dividend income from trading portfolios and financial investments</b> 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.</p> <p><b>2.3 Interest expenses</b></p> <p><b>2.3.1 Interest expenses on liabilities towards customers</b> Interest expenses on liabilities towards non-resident customers.</p> <p><b>2.3.2 Interest expenses on liabilities towards banks</b> Interest expenses on liabilities towards non-resident banks.</p>

Item	Category	
		<p><b>2.3.3 Other interest expenses</b> 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> <p><b>Note</b> Negative interest from claims is to be reported as negative receipts. Negative interest from liabilities is to be reported as negative expenses.</p>
3.	<b>Banks' commission expenses incurred abroad and charged to resident customers</b>	<p><b>Description</b> 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> <p><b>Excluding</b> Expenses for financial services which the resident bank pays to non-resident banks and does not pass on to its resident customers -&gt; 1.2 Commission expenses</p>
4.	<b>Income from banks' trading business for non-resident customers</b> (excluding proprietary trading)	<p><b>Description</b> Receipts which are earned by a bank acting as a broker on behalf of non-resident bank customers and which are not remunerated as commissions must be reported. Such trading business relates, in particular, to trading in securities, foreign exchange, commodities and precious metals.</p> <p>The receipts can be calculated using a reference rate, which is defined as the mean price between the purchase and sale prices: Spread between the reference rate and the purchase price = Remuneration generated by the purchaser + Spread between the reference rate and the sale price = Remuneration generated by the seller</p> <p>The spread between the reference rate and the purchase price corresponds to the bank's receipts on the purchaser's side. The spread between the reference rate and the sale price corresponds to the bank's receipts on the seller's side.</p> <p><b>Recommended method of estimation</b> In the event that estimates are made, the following method is recommended: Income = (average trading margin) x (trading volume)</p> <p><b>Excluding</b> - Valuation gains or losses - Net trading income from proprietary trading</p>

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**Questions on surveys**

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Forms, notes and further information on  
SNB surveys are available at [www.snb.ch](http://www.snb.ch),  
*Statistics, Surveys*.