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Zagreb Croatia

TURNOVER/ OUTPUT OF THE ACTIVITIES AUXILIARY TO FINANCIAL SERVICES, EXCEPT INSURANCE AND PENSION FUNDING (ISIC 66.1) IN MALAYSIA

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Definition of the service

Activities auxiliary to financial services, except insurance and pension funding

• The provision of services involved in or closely related to financial services activities, but not themselves providing financial services

• Includes the activities of furnishing of physical or electronic marketplace for the purpose of facilitating the buying and selling of stocks, stock option, bonds or commodity contract
Definition of the service

• SNA 2008 - Financial auxiliaries are institutional units principally engaged in serving financial markets, but do not take ownership of the financial assets and liabilities they handle.
Classification of Activities

• Malaysia Standard Industrial Classification 2008 Ver. 1.0 (MSIC 2008)

• MSIC 2008 and ISIC are compatible

• More detail breakdown of additional 5th digit level for Malaysia specification
Classification of Activities (cont’d.)

DIVISION 64
Financial services activities

DIVISION 65
Insurance/takaful, reinsurance/retakaful and pension funding

DIVISION 66
Activities auxiliary to financial services and insurance/takaful activities
### Classification of Activities (cont’d.)

<table>
<thead>
<tr>
<th>MSIC 2008 Ver. 1.0</th>
<th>ACTIVITY</th>
<th>ISIC REV 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>Activities auxiliary to financial service and insurance/ takaful activities</td>
<td>66</td>
</tr>
<tr>
<td>661</td>
<td>Activities auxiliary to financial service, except insurance/ takaful and pension funding</td>
<td>661</td>
</tr>
<tr>
<td>6611</td>
<td>Administration of financial markets</td>
<td>6611</td>
</tr>
<tr>
<td>66111</td>
<td>Stock exchange</td>
<td></td>
</tr>
<tr>
<td>66112</td>
<td>Exchanges for commodity contracts</td>
<td></td>
</tr>
<tr>
<td>66113</td>
<td>Securities exchange</td>
<td></td>
</tr>
<tr>
<td>66114</td>
<td>Exchange for commodity futures contracts</td>
<td></td>
</tr>
<tr>
<td>66119</td>
<td>Administration of financial markets n.e.c</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Takaful is a type of Islamic insurance
### Classification of Activities (cont’d.)

<table>
<thead>
<tr>
<th>MSIC 2008 Ver. 1.0</th>
<th>ACTIVITY</th>
<th>ISIC REV 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>6612</td>
<td>Security and commodity contracts brokerage</td>
<td>6612</td>
</tr>
<tr>
<td>66121</td>
<td>Stock, share and bond brokers</td>
<td></td>
</tr>
<tr>
<td>66122</td>
<td>Commodity brokers and dealers</td>
<td></td>
</tr>
<tr>
<td>66123</td>
<td>Gold bullion dealers</td>
<td></td>
</tr>
<tr>
<td>66124</td>
<td>Foreign exchange broker and dealers (Bureaux de change)</td>
<td></td>
</tr>
<tr>
<td>66125</td>
<td>Money changing services</td>
<td></td>
</tr>
<tr>
<td>66129</td>
<td>Other financial and commodity futures brokers and dealers</td>
<td></td>
</tr>
</tbody>
</table>
### Classification of Activities (cont’d.)

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<th>MSIC 2008 Ver. 1.0</th>
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<th>ISIC REV 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>6619</td>
<td>Other activities auxiliary to financial service activities</td>
<td>6619</td>
</tr>
<tr>
<td>66191</td>
<td>Investment advisory services</td>
<td></td>
</tr>
<tr>
<td>66192</td>
<td>Financial consultancy services</td>
<td></td>
</tr>
<tr>
<td>66199</td>
<td>Activities auxiliary to finance n.e.c.</td>
<td></td>
</tr>
</tbody>
</table>
Data collection

• Data availability

- Conducted in every 5 years
- Currently conducting EC 2016
- Comprehensive coverage

- Survey of Services Establishments (SSE)
- Selected services activities

ANNUAL SURVEYS

ECONOMIC CENSUS
Data Collection (cont’d.)

- Unit of measurement

**Ringgit Malaysia (RM)**
Turnover in local currency, Ringgit Malaysia (RM)

**Establishment**
Statistical Unit
Data Collection (cont’d.)

- Coverage: Legally registered units
Data Collection (cont’d.)

Turnover/ income includes:

• Income from management services / fee / consultancy;

• Commissions and brokerage earned;

• Gain from foreign exchange / financial assets;

• Value of stamp duties collected on share transactions; and

• Other such as rental income, remittance, gifts, budget grants, subsidies received etc.
Data Collection (cont’d.)

• Main income

66111: Stock exchange
66113: Securities exchange
66129: Administration of financial markets n.e.c

PEROLEHAN / PENDAPATAN (Tidak termasuk CBP)
TURNOVER / INCOME (Exclusive of GST)

8.1 Pendapatan daripada perkhidmatan pengurusan / fi / perundingan
Income from management services / fee / consultancy

Nilai / Value
RM

Note: 66112: Exchanges for commodity contracts and 66114: Exchange for commodity futures contracts are excluded from the coverage
Data Collection (cont’d.)

• Main income

66121: Stock, share and bond brokers
66122: Commodity brokers and dealers
66123: Gold bullion dealers
66124: Foreign exchange broker and dealers (Bureaux de change)
66125: Money changing services

Note: 66129: Other financial and commodity futures brokers and dealers is excluded from the coverage
Data Collection (cont’d.)

• Main income

  66191: Investment advisory services
  66192: Financial consultancy services
  66199: Activities auxiliary to finance n.e.c.

PEROLEHAN / PENDAPATAN (Tidak termasuk CBP)
TURNOVER / INCOME (Exclusive of GST)

8.1 Pendapatan daripada perkhidmatan pengurusan / fi / perundingan
Income from management services / fee / consultancy

<table>
<thead>
<tr>
<th>Nilai / Value RM</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
</tr>
</tbody>
</table>

DEPARTMENT OF STATISTICS, MALAYSIA
## Market Condition

Total number of establishments & number of persons engaged, MSIC 2008 Ver. 1.0 Class 6612

<table>
<thead>
<tr>
<th>Reference Year</th>
<th>Number of establishments</th>
<th>Number of persons engaged</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>239</td>
<td>9,225 person</td>
</tr>
<tr>
<td>2005</td>
<td>336</td>
<td>9,707 person</td>
</tr>
<tr>
<td>2007</td>
<td>335</td>
<td>9,891 person</td>
</tr>
</tbody>
</table>

Market Condition (cont’d.)

• Value of gross output of MSIC 2008 Ver. 1.0
  Class 6612

![Bar graph showing value of gross output](image)

## Market Condition (cont’d.)

### • Principal statistics, 2010

<table>
<thead>
<tr>
<th>Sector/Sub sector</th>
<th>No. of Establishment</th>
<th>Revenue (RM’000)</th>
<th>Value of gross output (RM’000)</th>
<th>Value of intermediate input (RM’000)</th>
<th>Total Employment</th>
<th>Salary and wages paid (RM’000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>591,137</td>
<td>1,291,439,934</td>
<td>650,948,100</td>
<td>279,373,448</td>
<td>3,687,787</td>
<td>77,727,659</td>
</tr>
<tr>
<td>Financial service</td>
<td>5,653</td>
<td>270,102,477</td>
<td>148,423,035</td>
<td>265,948</td>
<td>246,000</td>
<td>14,400,382</td>
</tr>
<tr>
<td>%</td>
<td>0.96</td>
<td>20.91</td>
<td>22.80</td>
<td>0.10</td>
<td>6.67</td>
<td>18.53</td>
</tr>
</tbody>
</table>

Source: EC2011
Market Condition (cont’d.)

- Share of value of gross output by Class

Source: EC2011
Challenges ... and Areas of Improvement

Keeping up with new emerging areas of modern services in financial services subsector

Updating the list of establishments in MSIC 2008 Group 661

Determining the main income and output measurement of MSIC 2008 Group 661

Availibility of time series data for MSIC 2008 Group 661
Conclusion & Way forward

01 Further explore new areas of modern financial services and updating of MSIC to reflect significant changes and emergence of new activities.

02 Continuous collaboration with regulatory agencies – BNM, SC, CCM etc.

03 Identifying accurate types of main income of each activity to be captured in the questionnaire.

04 Short term survey to increase data tapping/secondary data source.
Thank you
Hvala ti
Terima kasih...