MEASUREMENT OF FISIM IN MALAYSIA

Abstract
(200 – 350 words)

Financial services represent the output of financial intermediaries where the fees charged by these corporations can be both explicitly and implicitly priced. Financial intermediation services indirectly measured or FISIM is an estimate of the implicitly priced financial services. This measures the services paid for as part of the margin between rates applied to depositors and borrowers. Prior to System of National Account (SNA) 2008, FISIM was incorporated in compilation of Malaysia’s GDP based 2000=100 but not yet allocated to the economic sectors accordance to SNA 1993. This paper review the implementation of FISIM measurement recommended by SNA 2008 in the compilation of Malaysia’s GDP based 2005=100 and further enhanced in based 2010=100. In SNA 2008, FISIM was calculated using a reference rate and applies only to loans and deposits which was provided by, or deposited with, financial institutions. FISIM was allocated to industry, government and household based on loans and deposits data obtained from Bank Negara Malaysia as this was essential recommendation in SNA 2008.