

Glossary: Financial corporations sector

Statistics Explained

The **financial corporations sector** is an [institutional sector](#) in [national accounts](#) . Institutional sectors within national accounts bring together economic units with broadly similar characteristics and behaviour.

The financial corporations sector is defined in ESA 2010 paragraph 2.55.

The financial corporations sector consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of financial services. Such institutional units comprise all corporations and quasi-corporations which are principally engaged in:

(a) financial intermediation (financial intermediaries);

and/or

(b) auxiliary financial activities (financial auxiliaries).

Also included are institutional units providing financial services, where most of either their assets or their liabilities are not transacted on open markets.

Financial intermediation is defined in ESA 2010 paragraph 2.56.

Financial intermediation is the activity in which an institutional unit acquires financial assets and incurs liabilities on its own account by engaging in financial transactions on the market. The assets and liabilities of financial intermediaries are transformed or repackaged in relation to, for example, maturity, scale, risk, etc. in the financial intermediation process. Auxiliary financial activities are activities related to financial intermediation but which do not involve financial intermediation themselves.

The other institutional sectors in national accounts are:

- [government](#) ;
- [households](#) ;
- [non-financial corporations sector](#) ;
- [non-profit institutions serving households](#) .

Related concepts

- [Non-profit institutions serving households](#)
- [Government sector](#) ;
- [Household sector](#) ;
- [Non-financial corporations sector](#) .

Statistical data

- [National accounts and GDP](#)