*Scope and Classification*

The main accounts in the IIP are direct investments, portfolio investments, financial derivatives, other investments and reserve assets. Assets and liabilities are presented separately. Direct investments include equity and investment fund shares, reinvestment of earnings, and debt instruments. Portfolio investments include both equity and debt securities. Other investments include other equity, loans, currency and deposits, trade credit and advances, among others. Reserve assets consist of monetary gold, special drawing rights, reserve position in the International Monetary Fund (IMF), and other reserve assets.

*Source of Data and Methodology*

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| ***Conformity with standards:***  The compilation of the IIP statistics, including data sources and methodologies used, conform to the internationally accepted standards and guidelines set out in the IMF’s Balance of Payments and International Investment Position Manual, 6th Edition (BPM6) and the IMF’s Operational Guidelines on International Investment Position. Dissemination of IIP statistics follows the standards prescribed in the IMF’s Special Data Dissemination Standard. | |
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| ***Data Sources***: | |
| • Direct investment: Data are derived largely from the balance sheet of corporations and results of the BSP’s Foreign Direct Investment Survey (FDIS) and Coordinated Direct Investment Survey (CDIS), banking statistics, external debt statistics, and company web sites. | |
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| • Portfolio investment: Equity and debt securities (asset side) are based on banking statistics and assets and liabilities of offshore banking units (OBUs) and results of the Coordinated Portfolio Investment Survey (CPIS). Estimates on individuals’ portfolio investments abroad are incorporated based on information from the International Transactions Reporting System (ITRS). Equity and debt securities (liability side) are based largely on bank reports, external debt statistics and Report on Outstanding Peso-denominated Securities held by Custodian Banks for Non-resident Investors. | |
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| • Other investment: Primary sources of data are banking statistics, external debt statistics, and the Locational Banking Statistics published by the Bank for International Settlements. | |
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| • Reserve assets: Data are provided by the BSP's Treasury Department (TD). | |
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| ***Periodicity:*** | |
| • Based on BPM6 – Annual (2006-2012); Quarterly (1st quarter 2013 onwards) | |
| • Based on BPM5 – Annual (2001-2012) | |
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| ***Valuation:*** Generally, data are valued at market prices. However, there are cases in which market prices are difficult to approximate. In particular, book values are used for data sourced from balance sheets of banks and corporations. | |
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| ***Unit of account:*** The IIP is compiled in US dollars. Data in currencies other than the US dollar are converted to their US dollar equivalent using the exchange rate prevailing at close of the reporting period. | |