



# Coordinated Portfolio Investment Survey (CPIS)

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its Executive Board, or its management

# Outline

- ▣ Purpose
- ▣ Scope
- ▣ Outputs
- ▣ Data Enhancements
- ▣ CPIS and SDDS Plus
- ▣ Going Forward

# Purpose of the CPIS

Conducted annually by STA since 2001 (75 economies currently participate), the CPIS aims at improving statistics on portfolio investment assets, through:

- the collection of comprehensive position data on a bilateral basis of portfolio investment assets (equity, debt securities broken down by short and long-term maturities), and
- the resulting availability of a global database of reported cross-border holdings of securities (as reported by creditors); and derived portfolio investment liabilities from data reported by CPIS reporting economies.

*Surveys are conducted during September, covering data for the previous year, and results are available by mid-November.*

# Scope of the CPIS and Complementary Surveys

**CPIS : Securities classified as portfolio investment**

**SEFER : Securities held as reserve assets**

**SSIO : Securities held by international organizations**

International Organizations (IOs)' holdings in securities are not included in country reported data. IOs are nonresidents of the economy in which they are located (host economy), and thus their holdings in securities are not included in the host economy's external position.

By conducting the SEFER and SSIO, the IMF seeks to facilitate the reconciliation of global portfolio investment assets and liabilities positions.

# Scope of the CPIS

## CPIS-minimum requirements

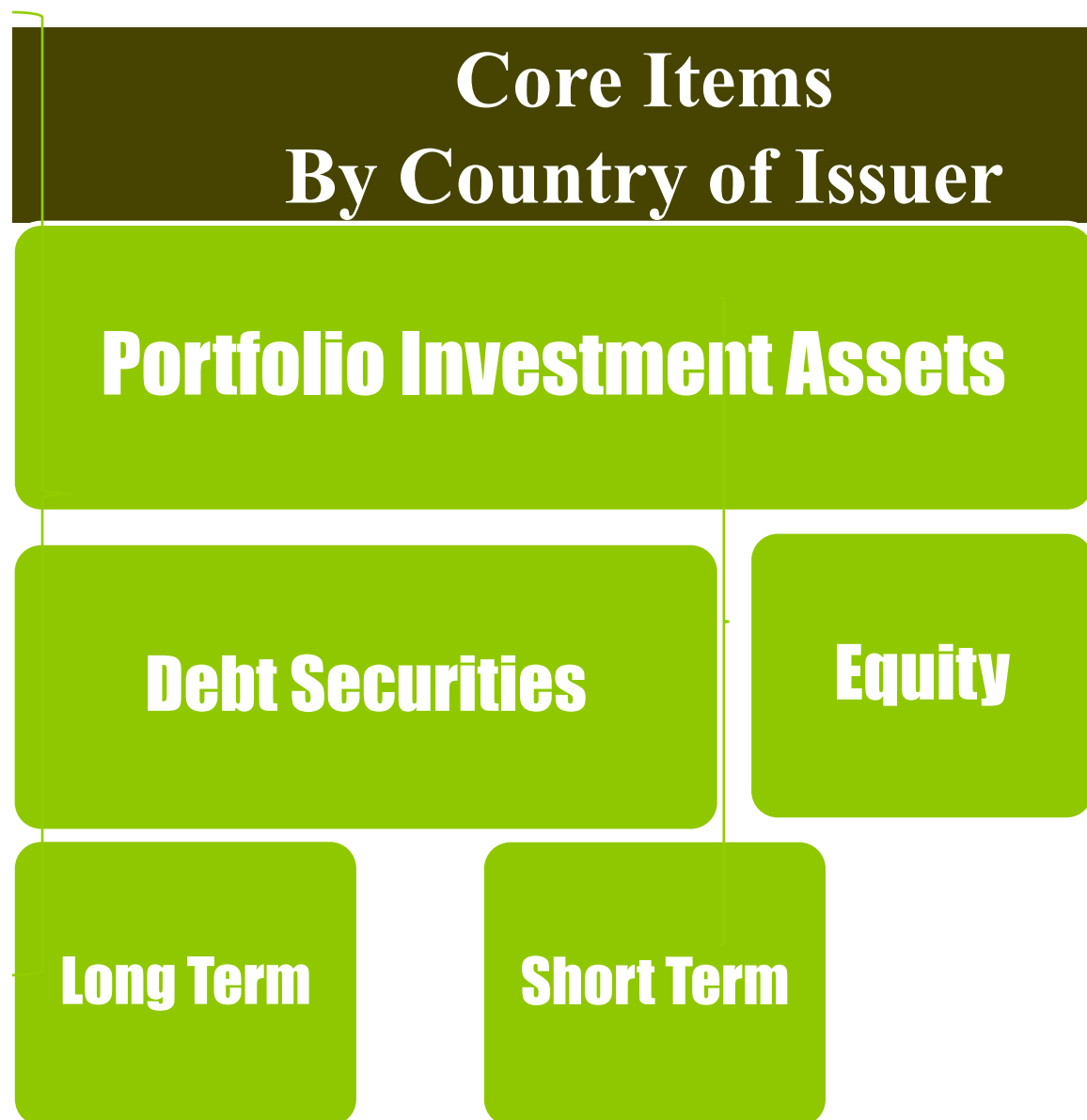
- The survey covers outward portfolio investments, i.e. securities issued by nonresidents and held by residents.
- Securities are to be allocated geographically by the country of residence of the issuer and by type of security (country classification by ISO codes). Geographical allocation is a necessary feature of the CPIS.
- Securities are valued at market prices.
- The survey also includes “encouraged” items (see next slide).

### Encouraged Items:

**Liabilities:** Including securities issued by residents and owned by nonresidents (that is, portfolio investment liabilities of residents—inward investment). The national survey would then cover both outward and inward investment.

**Currency Breakdown:** Including currency breakdown of securities (by type of instrument, not by counterpart country) issued by nonresidents and owned by residents.

**Sectoral breakdown:** Identifying institutional sector of resident holders.



# Outputs

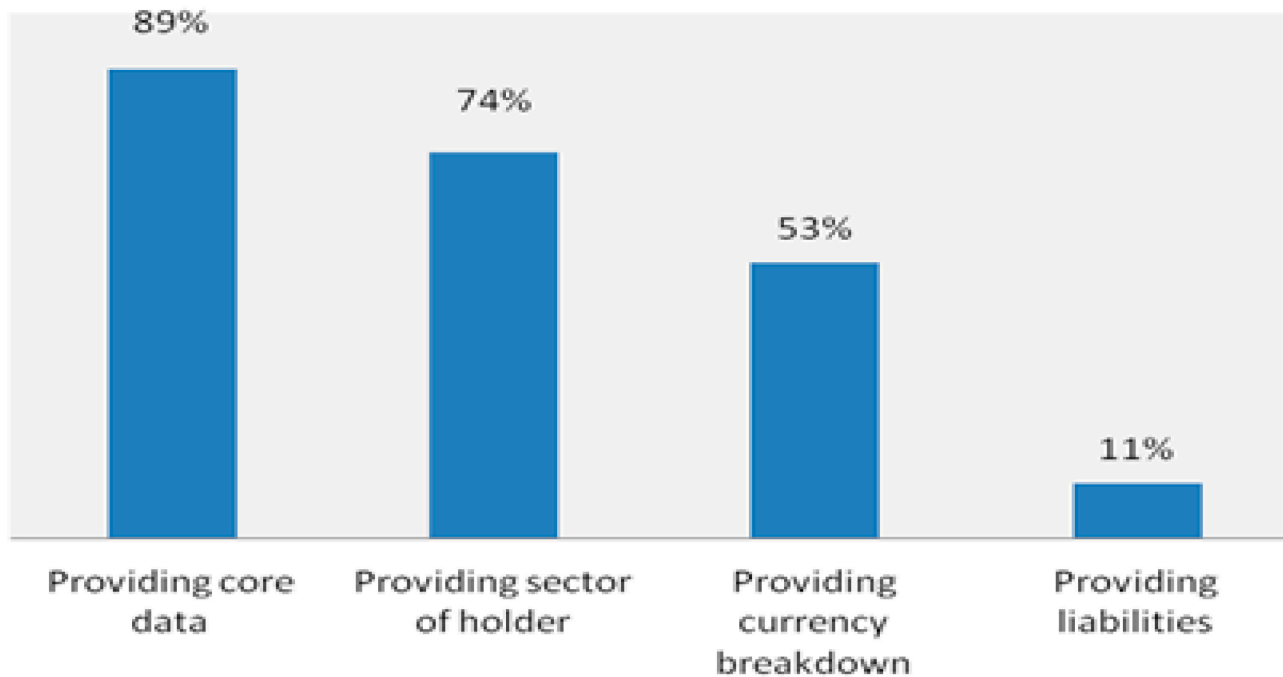
CPIS website: <http://cpis.imf.org/>

- Individual Economy Tables show reported required items and encouraged data for each reporting economy,\* as well as derived portfolio investment liabilities for 160 economies.
- Tables on Securities Held as Reserve Assets and Securities Held by International Organizations (aggregated for all individual holders combined).
- Global matrix tables ( “whom-to-whom” matrices on an economy wide basis).
- New technologies for presenting and exchanging data: IMF elibrary, complemented by applications for hand-held devices (iPhone, iTouch and Android).
- Updated metadata.

***\*For 2010, 52 economies reported sectoral breakdowns, 37 reported currency breakdowns, and 14 reported data on portfolio investment liabilities***

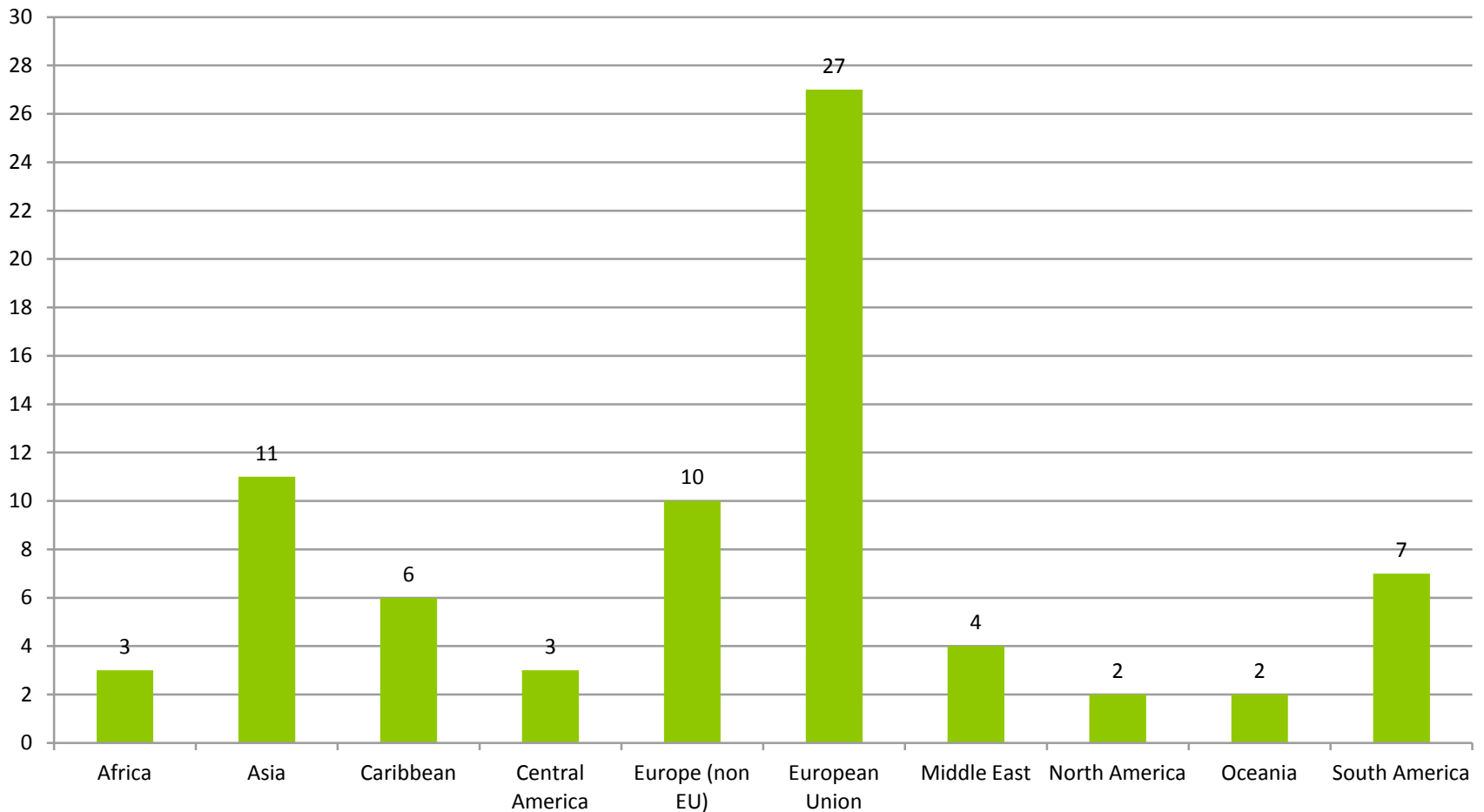
# G-20 Participants in the CPIS

## G-20 members participation in CPIS core and encouraged data categories





# CPIIS Number of Participants by Region



# Total Investments by Region

Regions	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Africa	32	48	69	88	122	155	234	198	282	296
Asia	1,617	1,782	2,240	2,638	2,828	3,329	3,896	3,369	4,227	4,907
Caribbean	70	71	84	84	113	128	133	88	116	112
Central America	3	3	9	10	15	19	20	19	25	19
European Union	6,067	7,052	9,785	12,246	13,352	17,369	20,185	16,049	19,000	19,194
Europe (non -EU)	766	920	1,183	1,440	1,499	1,908	2,327	1,915	2,212	2,378
Middle East	24	11	24	55	74	101	128	114	126	136
North America	2,727	2,673	3,711	4,455	5,453	7,053	8,539	5,140	7,070	8,033
Oceania	94	106	150	194	226	309	431	283	424	516
South America	30	31	42	51	65	118	160	122	156	210
SEFER+SSIO	1,282	1,429	1,850	2,145	2,221	2,558	3,109	3,643	3,818	4,534
Total	12,712	14,125	19,146	23,406	25,967	33,046	39,162	30,939	37,454	40,335

# Responding to the Crisis: Enhancing the CPIS

- **The Data Gaps Initiative:** In early 2009, G-20 Finance Ministers and Central Bank Governors called on the IMF and the Financial Stability Board (FSB) to explore information gaps and provide appropriate proposals for strengthening data collection. In response, the report on “The Financial Crisis and Information Gaps” provided to G-20 on October 2009 identified the main financial and economic information gaps and presented recommendations.
  - **The need for strengthening** the scope, frequency and timeliness of CPIS was **expressed**.
  - **CPIS, as a source of whom-to-whom data on portfolio investment positions, is considered a valuable source of information on:**
    - cross-border financial linkages,
    - subsequent risks of cross-border spillovers,
    - sources of systemic risk.
  
- **The IMF’s proposals for enhancements to CPIS were endorsed by the IMF Committee on Balance of Payments Statistics in October 2010:**
  - Increasing the frequency of data collection from annual to semi-annual;
  - Accelerating the timeliness of reported data; and
  - Enhancing the scope of the data on an encouraged basis.

# CPIS Data Enhancements

Agreed with the IMF Committee on Balance of Payments Statistics in 2010

## □ Frequency:

- Semi-annual with data reported for end-June and end-December.

## □ First implementation:

- Reporting of data for end-June 2013 to be submitted in mid-January 2014.

## □ Timeliness:

- Dissemination by IMF from 11 months to less than 9 months.
- Reporting of year-end data in mid-July instead of mid-October at present.

## □ Enhancements to scope: On an encouraged basis



- Separate data on short or negative positions.
- Institutional sector of foreign debtor (issuer).
- Institutional sector of resident holder cross-classified by the institutional sector of the nonresident issuer.

## □ Enhancements to be applied to SEFER, but not SSIO

# CPIS Data Enhancements

## Short or negative positions

Short or negative positions are already reported but netted out with assets; they will be reported separately.

Short or negative position	
Institutional unit sells securities for which it is not the economic owner, see <b>examples</b> below:	
Depository receipt issued before acquiring the original	
Securities acquired under reverse repos or borrowed and sold to a third party	

# CPIS Data Enhancements

## Institutional sector of issuer (encouraged)

This template applies to each category of instrument (total investments, equity, debt securities, of which long- and short-term).

Economy of nonresident issuer	Total holdings	Monetary Authorities	Other Deposit-taking Corporations	Other Financial Corporations	Of which		General Government	Other
					Insurance and pension funds	Money market funds		
Argentina								
.....								
Zimbabwe								
Unallocated								

## CPIS Data Enhancements

### Institutional sector of issuer by sector of holder (encouraged)

Same template applies to each category of instrument

Economy and Sector of Nonresident Issuer	SECTOR OF RESIDENT HOLDER								
	TOTAL HOLDINGS	Monetary Authorities	Other Deposit-taking Corporations	Other Financial Corporations	of which			General Government	Other Nonfinancial Corporations, Households, and NPISHs
					Insurance Corporations and Pension Funds	Money Market Funds	Other		
<div>↓</div> Australia <i>Financial corporations</i> - deposit taking corporations - other <i>General government</i> <i>Other</i>			<div>↑</div>						
Austria Belgium Brazil Canada China, P.R.: Mainland China, P.R.: Hong Kong France Germany India Ireland Italy Japan Luxembourg Mexico Netherlands Russian Federation Singapore South Korea Spain Sweden Switzerland Turkey United Kingdom United States All Other Economies Combined (without sector detail)	<div>←</div>								

Whom-to-whom

•The breakdown by institutional sector of issuer is limited to a group of 25 countries (see next slide)

# **CPIS Data Enhancements**

## **Institutional sector of issuer**

### **(encouraged)**

- The 25 countries targeted in CPIS on the issuer side are those for which the IMF decided at end-2010 to make the Financial Sector Assessment Program (FSAP) mandatory. An FSAP is a comprehensive and in-depth analysis of a country's financial sector.
- These 25 jurisdictions selected have large financial sectors that are highly interconnected with the rest of the world.

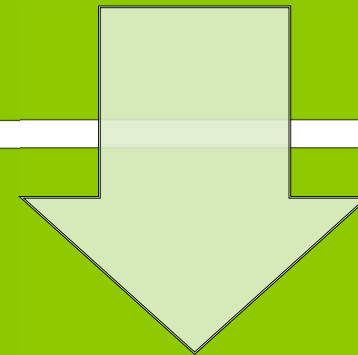


# CPIS and the DGI

Data gaps identified during the global financial crisis

The meeting of the G-20 finance ministers and central bank governors in St. Andrews, Scotland, in November 2009, endorsed

→ twenty recommendations for closing information gaps



Two recommendations refers to the CPIS:

→ Recommendation 10: All G-20 countries are encouraged to participate in the **CPIS**.

→ Recommendation 11: CPIS data enhancements.

# CPIS and SDDS Plus

- ▣ SDDS Plus: the primary focus will be on the target group of countries that play a leading role in international capital markets and have institutions that are interconnected through channels such as cross-border operations.

## **SDDS Plus** : in line with the data gaps initiative

Strengthening transparency for countries with important global financial sector, through a survey contributing to the monitoring of cross-border interconnectedness.

➔ Participation in the CPIS by reporting at least the core set of data. The SDDS Plus would require semi-annual data, as of end of June and December each year, beginning in 2015, starting with end-June 2015 data to be reported in January 2016. However the CPIS itself becomes semi-annual as of June 2013 data.

# CPIs and SDDS Plus

## ■ Coverage:

The SDDS Plus requires participation in the CPIs by provision of at least the core set of data

## ■ Periodicity:

Semi-annual data beginning in 2015 (report in January 2016 data for the reference period June 2015)

## ■ Timeliness :

7 months beginning in 2015

## ■ Dissemination:

Countries should disseminate CPIs data on their National Summary Data Page(NSDP) once the data are disseminated by the IMF or provide a hyperlink on their NSDPs to the data

## Going Forward

- Increase economy participation in the CPIS; ensure full coverage of economies with systemically important financial centers.
- Implement CPIS data enhancements.
- Increase the number of economies that report encouraged items, including the sector of holder (to strengthen data coverage of “shadow banking” and other financial corporations).