

COORDINATED PORTFOLIO INVESTMENT SURVEY (CPIS)

METADATA QUESTIONNAIRE FOR PARTICIPATING COUNTRIES/JURISDICTIONS

THAILAND

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Note for the reader

This report provides information on individual economies' CPIS collection procedures and the conceptual framework used for the conduct of the 2003 CPIS.

The information is organized under five headings:

1. Data Collection System
2. General Section
3. End Investor Source – those economies with direct reporting of some end-investors in some or all sectors.

4. Custodian Source – those economies with indirect reporting by custodian (or other entities) on behalf of clients in some sectors.
5. Security-by-Security basis – those economies with security-by-security reporting by end-investors or custodians for some or all sectors.

The last three headings are only presented when they are relevant for the specific economy's data collection system.

The metadata comprise responses to the IMF's CPIS Metadata Questionnaire in the form of tick boxes that contain a closed list of possible answers, as well as answers to open-ended questions. Compilers were encouraged to supplement their responses in the tick boxes by providing supplementary information.

Reference is made throughout this document to the *Coordinated Portfolio Investment Survey Guide, second edition* (CPISG2).

Preface

0. 1. What is the data collection system underlying your CPIS?

			Equity	Long Term	Short Term	Comments
Security-By-Security	End-Investor	Banks				
		Insurance				
		Pension fund				
		Mutual funds, unit trusts				
		General Government				
		Nonfinancial corporation				
		Household				
		Other				
	Custodian	Banks				
		Insurance				
		Pension fund				
		Mutual funds, unit trusts				
		General Government				
		Nonfinancial corporation				
		Household				
		Other				
Aggregated	End-Investor	Banks	✓	✓	✓	Commercial banks are required to report data to Bank of Thailand on regular basis.
		Insurance	✓	✓	✓	
		Pension fund	✓	✓	✓	
		Mutual funds, unit trusts	✓	✓	✓	
		General Government	✓	✓	✓	
		Nonfinancial corporation	✓	✓	✓	The IIP survey includes private non-bank companies

International Monetary Fund
 Coordinated Portfolio Investment Metadata
 Individual Economy Information: Thailand

			Equity	Long Term	Short Term	Comments
		Household	✓	✓	✓	A survey of households was also conducted, but the response rate was low. For households to invest in foreign issued securities official approval is required from the Bank of Thailand. Such transactions are likely to be negligible.
		Other				
	Custodian	Banks	✓	✓	✓	Custodians who are commercial banks
		Insurance				
		Pension fund				
		Mutual funds, unit trusts				
		General Government				
		Nonfinancial corporation	✓	✓	✓	Custodians who are either brokers or sub-brokers
		Household				
		Other				

General Section

1. 1 Legal and institutional environment

1. 1. 1. What is the legal basis that governs the collection of the CPIS information? Ref.: CPISG2, par. 4.8 & 4.9

	Response	Specify	Comments
	CPIS is collected under statistical or other legislation that empowers the collection of statistics in general		
	CPIS is collected under specific legislation empowering the collection of CPIS statistics		
✓	CPIS is on a voluntary basis		There is no specific law giving the Central Bank authority to mandate the completion of statistical surveys. Statistical surveys conducted for the compilation of balance of payments and international investment position statistics are also conducted on a voluntary basis.
	Other		

1. 1. 2. Which institution(s) is/are responsible for collecting the CPIS statistics.? Ref.: CPISG2, par. 4.8 & 4.9

	Response	Specify	Comments
✓	National central bank		
	National statistical office		
	Ministry of Finance or other ministries		
	Financial regulator (if not central bank or other government ministry)		
	Other		

1. 1. 3. Which domestic institution(s) is/are responsible for publishing the CPIS statistics? Ref.: CPISG2, par. 4.8 & 4.9

	Response	Specify	Comments
✓	National central bank		
	National statistical office		
	Ministry of Finance or other ministries		
	Financial regulator		
	Other		
	Do not publish the CPIS data		

1. 1. 4. If there are restrictions placed on cross-border portfolio investments, which of the following sectors (i) cannot invest in securities issued by nonresidents or (ii) can invest in securities issued by nonresident only within a certain threshold? (If there are not restrictions on outward portfolio investment, please go to the next question.)

	No restriction	Not allowed	Allowed up to a threshold	Threshold	Specify	Comments	
Banks			✓			See comments	There are limits on banks' holdings of shares in individual companies, the percentage share of assets held in securities, and limits on short and long positions in foreign exchange exposure.
Insurance		✓					They may invest up to the limit as stated by law and have to invest through the custodians (commercial banks) only. Direct purchase from nonresidents is not allowed.
Pension funds		✓					They may invest up to the limit as stated by law and have to invest through the custodians (commercial banks) only. Direct purchase from nonresidents is not allowed.
Mutual funds, unit trusts, etc		✓					They may invest up to the limit as stated by law and have to invest through the custodians (commercial banks) only. Direct purchase from nonresidents is not allowed.
General Government		✓					Subject to approval by the Ministry of Finance and the Public Debt Management Office

	No restriction	Not allowed	Allowed up to a threshold	Threshold	Specify	Comments
Monetary authorities			✓	See comments		Permission must be granted prior to the transactions upon case-by-case basis
Nonfinancial corporation		✓				
Households		✓				Permission must be granted prior to the transactions.
Other						

1. 1. 5. If you follow a mixed end-investor and custodian approach: how did you organize your survey in order to avoid double-counting between end-investors and custodians? (Otherwise go to the next question)

What we had already accomplished our survey are described as follows:

Firstly, for our survey on the asset side by using survey form 40 we have employed information totally from aggregated end-investors, while on the liability side by using survey form 41 we have utilized custodian approach. However, we do obtain liability information from survey from 40 by directly survey data providers who are not listed companies on Stock Exchange of Thailand. We had individually revised and compared the details of liability information from survey form 40 and 41; we then could screen out a number of double-counting on liability side. For asset side or the foreign securities transactions held by residents through domestic custodians, transactions were clearly negligible as a result of high degree restrictions placed on cross-border portfolio investments. Nevertheless, if asset side transaction becomes matter, we will individually revise and clean out a possible number of double counting as well.

Secondly, we do survey separately, not combine aggregate end-investors with custodian approach. Considering custodian chain perspective, we have used our survey form 41 to gain non-resident investor information, domestic custodians can not include the information from other domestic custodians because that kind of information will be automatically out of scope of survey form 41 focusing on non-resident transaction. Furthermore, we have always instruct custodians to not include inter transaction with other custodians.

Lastly, regarding further on our survey 41 editing process, after receiving information that report securities held by non-resident, we have examined all items reported to ensure that the same holding or recording is not shown. We have also informed and explained custodians to make sure that they understand all the concepts and can provide correct non-resident transaction data. In addition, we have informed each custodian to provide singly filed individual non-resident customer so securities held for others will not be repeatedly reported.

As we have mentioned above, this will prevent double-counting possibility.

1. 2. Concepts and Definitions

1. 2. 1. Residence of the securities holder

1. 2. 1. 1. Was the CPISG2 principle adopted for determining the country of residence of the security holder?

Ref.: CPISG2, par. 3.6 to 3.10

	Response	Specify	Comments
✓	Yes		
	Partly		
	No		

1. 2. 1. 2. For countries without offshore financial centers, were you able to implement the definition of residence of holders of securities in accordance with the principle underlining the CPIS? (in line with the answer to question 1. 2. 1. 1.) (Please pay attention to the treatment of resident Special Purpose Entities (SPEs), if relevant; those are defined in the IMF's Balance of Payments Textbook as entities "(1) generally organized or established in economies other than those in which the parent companies are resident and (2) engaged primarily in international transactions but in few or no local operations." For the CPIS, the country of residence of an SPE should be determined by its legal domicile, which, in most cases, will be the country where it is incorporated.

	Response	Specify	Comments
✓	Yes		So far as we know, there are no SPEs domiciled in Thailand at present.
	Partly		
	No		
	Do not know		

1. 2. 1. 3. For countries with offshore financial centers: were entities without a physical presence treated as resident for the purposes of the CPIS? (Enterprises without a physical presence are those incorporated and unincorporated enterprises legally domiciled in the reporting economy, that (i) either perform little production activity in the reporting country or (ii) undertake productive activities that do not require any physical presence (commonly business services and financial services connected with management of financial assets and liabilities)).

	Response	Specify	Comments
	Yes		
	Partly		
	No		
✓	Do not know		Not applicable

1. 2. 2. Distinction between long-term and short term debt securities: principle adopted and practical implementation

1. 2. 2. 1. Were the CPISG2 principles on distinguishing short and long-term debt securities adopted?

Ref.: CPISG2, Appendix 1

	Response	Specify	Comments
✓	Yes		The 1-year maturity rule applies.
	Partly		
	No		

1. 2. 2. 2. In practice, were respondents generally able to implement the distinction between short and long-term debt securities in accordance with the principle underlining the CPIS? (in line with answer to question 1. 2. 2. 1.)

Ref.: CPISG2, par. 3.87 to 3.94

	Response	Specify	Comments
✓	Yes		In our survey form, explanatory notes were also provided to respondents to make sure that they understand all the concepts.
	Partly		
	No		
	Do not know		

1. 2. 3. Distinction between direct and portfolio investment: principle adopted and practical implementation

1. 2. 3. 1. Were the CPISG2 principles for distinguishing between direct and portfolio investment adopted?

Ref.: CPISG2, par. 3.51 to 3.58

	Response	Specify	Comments
✓	Yes		The 10% ownership rule strictly applies.
	Partly		
	No		

1. 2. 3. 2. In practice, how did you implement the distinction between direct and portfolio investments in accordance with the principle underlining the CPIS? (in line with answer to question 1.2.3.1.)

Ref.: CPISG2, par. 3.51 to 3.58

	Response	Specify	Comments
	A separate direct investment survey was run for sectors believed to have direct investment relationship		
✓	Guidance note was supplied to respondents to clarify the definition of direct and portfolio investment		
✓	Other		In our comprehensive survey, separate sections are provided for direct investment and portfolio investment, along with explanatory notes to complement the survey form.

1. 2. 4. Valuation of portfolio investment holdings

1. 2. 4. 1. Were the CPISG2 principles on valuing stock of assets at current market prices at the appropriate reference date adopted?

Ref.: CPISG2, par. 3.33 to 3.42

	Response	Specify	Comments
✓	Yes		priority is given to market price for mark-to-market, but if not available, book value or NAV is used instead.
	Partly		
	No		

1. 2. 4. 2. In practice, were respondents able to implement the market valuation of securities in accordance with the principle underlining the CPIS? (in line with answer to question 1.2.4.1.)

Ref.: CPISG2, par. 3.33 to 3.42

	Equity securities		Debt securities	Specify	Comments
	Listed on organized market/readily tradable	Not quoted on stock exchanges/not regularly traded			
Yes					
Partly					
No					
Do not know					

1. 3. Statistical techniques

1. 3. 1. Was there any exemption threshold? (if yes, please specify the sector where the threshold applies, the value and the currency and currency unit used)

	Threshold	Simplification	Exemption	Specify	Comments
For all respondents					
For some class of respondents only					
No					

1. 3. 2. If you answer "Yes" to question 1. 3. 1., do you have an indication of the proportion of holdings in hands of the survey population below the threshold?

	Response	Specify	Comments
	Yes		
✓	No		Not applicable.

1. 3. 3. What steps were undertaken to deal with nonresponse?

	Response	Specify	Comments
	Grossing-up techniques		
	Other estimation techniques		
✓	Contact with respondents		For nonresponses, we do contact them directly via personal follow-up phone calls as well as company visits for large companies
	No action		
	Other		

1. 4. Assessment and validation of data

1. 4. 1. Are independent checks made on CPIS data supplied by respondents?

Ref.: CPISG2, par. 5.28 to 5.52

	Response	Specify	Comments
	CPIS data compared with totals obtained from regulatory sources		
	CPIS data reconciled with IIP data supplied by respondent		
	CPIS data reconciled with BOP flow data for the respondent		
	CPIS data compared with data supplied from other statistical collections		
✓	Other		CPIS data are very close to those from the IIP survey. CPIS data are checked for accuracy and plausibility against the IIP and BOP statistics derived from ITRS sources.
	No		

1. 4. 2. What kind of action was taken when the checks showed some errors?

In general, no significant error should appear as the CPIS statistics are derived from the same database. Nevertheless, in case of such discrepancy, checking was immediately implemented with any other available information source such as the corresponding foreign transaction records or even follow-up phone call to the data providers directly.

1. 5. 1. Were data collected (but not provided) for any of the following CPIS encouraged items?

Ref.: CPISG2, par. 2.11 to 2.14

	Equity securities	Long-term debt securities	Short-term debt securities	Comments
Portfolio investment liabilities	✓	✓	✓	
Currency breakdown of portfolio investment assets		✓	✓	Most debt security items would have the currency breakdown, while some were reported in 'aggregate' amount.
Sector breakdown of portfolio investment assets according to institutional sector of the holder	✓	✓	✓	The sector breakdown strictly follows ISIC classification codes

1. 5. 2. If sector data for assets were produced, which sector classification was used?

Ref.: CPISG2, par. 3.43 to 3.50

	Response	Specify	Comments
	Not applicable, no sector data.		
	1993 System of National Accounts (SNA) classification		
	Balance of Payments Manual (5th edition) (BPM5) classification		
✓	BPM5 classification extended in line with the SNA framework		
	Other		

1. 6. Consistency issues

1. 6. 1. Which institution is in charge of compiling the international investment position (IIP) statement in your country/jurisdiction?

	Response	Specify	Comments
✓	The same institution(s) that is/are in charge of compiling the CPIS		The Bank of Thailand compile both the IIP and CPIS.
	Institution(s) other than the institution(s) in charge of compiling the CPIS		
	International investment position data are not compiled		
	Other		

1. 6. 2. If the IIP is compiled, will your CPIS results be used to compile the portfolio investment item of the IIP?

	Response	Specify	Comments
	Not applicable - international investment position data are not compiled		
✓	Yes, CPIS and IIP data will be identical		For our 2001-2002 CPIS and IIP data, CPIS and IIP data are different base on the reason that we had to report IIP data at the end of June, while report CPIS at the end of September. Then IIP data update and adjustment before CPIS report caused the differences. For 2003 CPIS and IIP data as IMF allowed members more time to prepare IIP report, we could prepare CPIS and IIP data by using the same data set. So CPIS and IIP data were identical and the differences had already been solved.
	Yes, but they will differ due to differences in coverage/adjustments etc.		
	No		

1. 6. 3. If the IIP data are compiled and differ from the corresponding CPIS results, will the differences be documented and explained for data users?

	Response	Specify	Comments
	Not applicable - international investment position data are not compiled or are identical to CPIS data.		
✓	Yes, differences between CPIS and IIP will be documented and explained		All major discrepancies would be reconciled and explained in our IIP and CPIS release with footnotes.
	No		

1. 7. 1. If the CPIS results are subject to revision, is there a policy regarding the treatment of revised data?

	Response	Specify	Comments
✓	Yes		Any CPIS data revision would be done in line with revision of the IIP statistics.
	No		

1. 8. 1. Will the CPIS results be published (other than in IMF publications)?

	Response	Specify	Comments
	Paper publication		
	Web site		
	Press releases		
	Other		
✓	No		We have a plan to publish the data & metadata in the future.

1. 9. 1. Will CPIS metadata (i.e., information on definitions, methods, etc.) be disseminated (other than in IMF publications)?

	Response	Specify	Comments
	Paper publication		
	Web site		
	Press releases		
	Other		
✓	No		We have a plan to publish the data & metadata in the future.

1. 11. Other

1. 11. 1 Are there any other comments that you wish to make that would assist users in the interpretation of the CPIS results?

No additional comments.

End-Investor

2. 1. Source data

2. 1. 1. For what were data collected from end-investors?

	Response
✓	All holdings
	Own custody or nonresident custodian holdings

2. 1. 2. Please give the reason for adopting a collection system based on reporting by end-investors?

Ref.: CPISG2, Chapter 4

	Response	Specify	Comments
✓	Investment in foreign securities is mostly carried out by a relatively small number of large domestic institutional investors.		
	There is a tradition and/or sound legal framework for collecting cross-border financial statistics from end-investors		
✓	Resident investors keep securities mostly with nonresident custodians		
	Reporting preference by respondents		
	Other		

2. 1. 3. If your end-investor CPIS collection system covers the household sector, could you describe the main difficulties encountered in approaching this sector? (Otherwise, please go to the next question)

Data for the household sector were collected through a household survey conducted by the Bank of Thailand but this suffered quite high percentage of non-response. Under exchange control regulations, all portfolio investment abroad by individuals would require the approval of the Bank of Thailand. As a result, portfolio investment abroad by households is considered to be negligible.

2. 1. 4. In the framework of your end-investor approach, what steps were taken to ensure that (end-investor) respondents provide the correct identification of the residence of issuers of securities?

	Response	Specify	Comments
✓	Respondents were provided with comprehensive explanatory notes for completing the CPIS forms		
	Respondents were required to check against ISIN or other security identification codes		
	Respondents were told that the market of issue should not be a proxy for residence of the issuer		
	Other		

2. 1. 5. What are the sources used to build up registers of resident entities included in the CPIS and to maintain them over time?

Ref.: CPISG2, par. 5.9 to 5.24

		Main	Secondary	Occasional	Specify	Comments
Government administrative sources	International Transaction Reporting System		✓			
	Taxation records, files, or lists.					
	Information held by foreign investment approval or monitoring boards.					
	Central bank records			✓		
	Information held by other regulatory authorities		✓			
	Statutory company reports and company registration details.	✓				
	Records held in foreign exchange controls or international transaction reporting systems			✓		
	Other					
Publicly available databases	The stock exchange register.	✓				
	Commercial equity registers' information services.	✓				
	Market research reports or services			✓		
	Media reports		✓			

		Main	Secondary	Occasional	Specify	Comments
	Trade associations and their associated reports and releases.					
	Other					

2. 1. 6. Could you please indicate (1) the number of CPIS end-investors approached (outside the household sector), (2) the entities actually reporting CPIS data, and (3) the coverage of the reported CPIS holdings as a percentage over the national total? (Careful estimates are acceptable.)

(Careful estimates are acceptable.)

	Entities approached	Entities reporting	CPIS coverage as a percentage of the national total value of holdings in foreign securities.	Specify	Comments
Total	130	97	NA		
Banks	63	63	NA		Reduction in number due to bank closure and merges.
Insurance	25	25	NA		
Pension funds					
Mutual funds, unit trusts, etc	5	5	NA		
IBCs / SPEs					
General government	1	1	NA		
Nonfinancial corporations	36	3	NA		Private non-bank
Other					

Custodian

3. 1. Source data

3. 1. 1. Could you please explain the reason for adopting a collection system centered around resident custodians and other indirect sources?

	Response	Specify	Comments
	There is a tradition and/or sound legal framework for collecting cross-border financial statistics from custodians.		
	Domestic investors by large keep their securities with resident custodians.		
	Ability to reduce reporting burden on respondents		

	Response	Specify	Comments
✓	Other		<p>Firstly, we have directly surveyed respondents by using Survey Form 40 for the IIP in which respondents can not identify whether investors are non-residents or not.</p> <p>Furthermore, we need to use our Survey Form 41 for resident custodian survey because Survey Form 40 can not trace non-residents who normally use the service of resident custodians.</p> <p>Secondly, our Survey Form 40 does not cover nominees who act under either small scale investors or non-voting investors. Lastly, surveyed data from resident custodians efficiently cover almost all securities held by non-resident investors and provide details about non-resident investors who invest in SET listed stocks or securities issued by Thai resident entities.</p>

3. 1. 2. Are custodian services provided by resident entities other than banks? (e.g. investment managers, brokers, dealers, etc)

	Response	Comments
✓	Yes	Brokers, Sub-brokers
	Partly	
	No	

3. 1. 3. If "yes" or "partly" to question 3. 1. 3., are investment managers likely to use the services of resident custodians? (If "no" to question 3. 1. 3., go to the question 3. 1. 5.)

	Response	Comments
✓	Yes	
	Partly	
	No	

3. 1. 4. If "yes" or "partly" to question 3. 1. 3., are resident brokers/dealers likely to use the services of resident custodians? (If "no" to question 3. 1. 3., go to the question 3. 1. 5.)

	Response	Comments
✓	Yes	
	Partly	
	No	

3. 1. 5. What are the main difficulties that resident custodians encounter in identifying the residence of beneficial holder?

3. 1. 6. How did you organize your survey in order to avoid double-counting between custodians (resulting from chains of custodians responsible for the same security)?

3. 1. 7. How did you organize your survey in order to avoid inclusion of securities held on behalf of direct investors?

3. 1. 8. If your survey includes custodians, investment managers and brokers/dealers, how did you organize your survey to avoid the double counting between custodians, investment managers and brokers/dealers? (otherwise, go to next question)

3. 1. 9. How did you organize your survey to cover holdings of residents with nonresident custodians?

3. 1. 10. Could you please indicate (1) the number of custodians/investment managers/brokers/dealers approached (as relevant), (2) the entities actually reporting CPIS data, and (3) the coverage of the reported CPIS holdings as a percentage over the national total? (Careful estimates are acceptable.)

	Entities approached	Entities reporting	CPIS coverage as a percentage of the notional total value of holdings in foreign securities.
Total	44	41	NA
Custodians	10	10	NA
Investment managers/ brokers/ dealers	34	31	NA

