

## COORDINATED PORTFOLIO INVESTMENT METADATA INDIVIDUAL ECONOMY INFORMATION

### URUGUAY

#### Contact

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#### *Note for the reader*

This report presents individual country responses to the IMF's CPIS Metadata Questionnaire. The information is presented for nearly all CPIS participating economies, and organized under five headings (1. Data Collection System, 2. General Section, 3. End-Investor Source, 4. Custodian Source, and 5. Security-by-Security Basis). The first two headings are used to present responses of all of the CPIS participants. The remaining three headings are presented when they are relevant for the specific economy's data collection system:

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.

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

The 2001 CPIS Metadata Questionnaire also reflects the collection procedure and conceptual framework followed in the conduct of the 2002 CPIS.

## 1. Data Collection System

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

**Response**

Aggregated end-investors and custodians as well as other indirect sources (e.g.: securities depositories or registers)

## 2. General Section

This module describes issues such as the legal framework, concepts and definitions, and statistical techniques underlying the CPIS.

### 1. Legal and institutional environment

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

	<b>Response</b>	<b>Comments</b>
✓	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	
	Other	

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

	<b>Response</b>	<b>Comments</b>
✓	National central bank	
	National statistical office	
	Ministry of Finance or other ministries	
	Financial regulator	
	Other	

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

	<b>Response</b>	<b>Comments</b>
✓	National central bank	
	National statistical office	
	Ministry of Finance or other ministries	
	Financial regulator	
	Other	

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

	<b>Not allowed to invest in securities issued by nonresidents</b>	<b>Allowed to invest in securities issued by nonresidents only within a certain threshold (Please specify the threshold in terms of %)</b>	<b>Comments</b>
Banks			
Insurance			
Pension funds	✓		
Mutual funds, unit trusts, etc			
General government			
Monetary authorities			
Nonfinancial corporations			
Households			
Other			

1. 5. How did you organize your survey in order to avoid double-counting between end-investors and custodians?

End-investors are required to report the name and address of the custodian for all securities held. For securities held with resident custodians, the data for individual holdings are compared with data for those holdings reported by custodians. A decision is then made as to which source to use.

## 2. Concepts and Definitions

### 2. 1. Residence of the securities holder

2. 1. 1. Was the CPISG2 principle for determining the country of residence of the security holder adopted? (Ref.: CPISG2, par. 3.6 to 3.10)

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	

2. 1. 2. Were you able to implement the definition of residence of holders of securities in accordance with the CPIS principle? Please pay attention to 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." SPEs commonly provide business and financial services connected with the management of financial assets and liabilities. The residence of an SPE should be its legal domicile, which, in most cases, is the country where it is incorporated. (Ref.: CPISG2, par. 3.17 to 3.27)

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	
	Do not know	

**2. 2. Residence of the issuer of securities held by domestic investors: principle adopted and practical implementation**

2. 2. 1. Was the CPISG2 principle for defining the country/jurisdiction of nonresident entities issuing securities adopted? (Ref.: CPISG2, par. 3.17 to 3.27)

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	Other	

2. 2. 2. In practice, were respondents generally able to implement the definitions of residence of the issuer of securities in accordance with the principle underlining the CPIS?

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	
	Do not know	

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

2. 3. 1. Was the CPISG2 principle on distinguishing short and long-term debt securities adopted? (CPISG2, par. 3.87 to 3.94)

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	

2. 3. 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?

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	
	Do not know	

**2. 4. Distinction between direct and portfolio investment: principle adopted and practical implementation**

2. 4. 1. Were the CPISG2 principles for distinguishing between direct and portfolio investment adopted? (Ref.: CPISG2, par. 3.51 to 3.58)

	<b>Response</b>	<b>Comments</b>
✓	Yes	
	Partly	
	No	

2. 4. 2. In practice, how did you implement the distinction between direct and portfolio investments in accordance with the principle underlining the CPIS?

	Response	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	

## 2. 5. Valuation of portfolio investment holdings

2. 5. 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	Comments
✓	Yes	
	Partly	
	No	

2. 5. 2. In practice, were respondents able to implement the market valuation of securities in accordance with the principle underlining the CPIS?

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

## 2. 6. Recording debt securities on accrual basis

2. 6. 1. Was the following CPISG2 principle adopted: interest accrued, but yet not payable, should included in the price of the debt security.

(Ref.: CPISG2, par. 3.35)

	Response	Comments
✓	Yes	
	Partly	
	No	

2. 6. 2. In practice, were respondents able to implement the recording on accrual basis in accordance with the principle underlining the CPIS?

	Response	Comments
	Yes	
	Partly	
	No	
✓	Do not know	

### 3. Statistical techniques

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 Value	Type of Threshold		Comments
		Simplification	Exemption	
For all respondents				
For some class of respondents only				

3. 2. If exemption thresholds exist, do you know the proportion of securities held by the population below these thresholds? (Otherwise please go to next question.)

	Response	Comments
	Yes	
✓	No	Not applicable.

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

	Response	Comments
	Grossing-up techniques	
	Other estimation techniques	
	Contact with respondents	
	No action	
✓	Other	In case of nonresponse, a fine could be applied.

### 4. Assessment and validation of data

4. 1. Are independent checks made on CPIS data supplied by respondents? (Ref.: CPISG2, par. 5.28 to 5.52)

	Response	Comments
✓	CPIS data compared with totals obtained from regulatory sources	For institutional Investors.
	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	
✓	No	For households and other non institutional investors.

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

For institutional investors, the CPIS data are checked against data reported for regulatory purposes.
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### 5. Consistency issues

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

	Response	Comments
✓	The same institution(s) that is/are in charge of compiling the CPIS	
	Institution(s) other than the institution(s) in charge of compiling the CPIS	
	International investment position data are not compiled	
	Other	

5. 2. If the IIP is compiled, will your 2001 CPIS results be used to compile the portfolio investment item of the 2001 IIP?

Response	Comments
Yes, CPIS and IIP data will be identical	When revised data be published.

5. 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	Comments
✓	Not applicable - international investment position data are not compiled or are identical to CPIS data.	
	Yes, differences between 2001 CPIS and 2001 IIP will be documented and explained	
	No	

**6. Other**

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

None.
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### 3. End-Investor Source

This module provides information on the collection of CPIS data directly reported by the holders of securities.

#### 1. Source data

1. 1. Which domestic sectors are surveyed in your CPIS by directly addressing end-investors?

	Reporting equity securities	Reporting long term-debt instruments	Reporting short-term debt instruments	Comments
Banks	✓	✓	✓	
Insurance	✓	✓	✓	
Pension funds				
Mutual funds, unit trusts, etc	✓	✓	✓	
General government				
Nonfinancial corporations	✓	✓	✓	
Households	✓	✓	✓	
Other				

1. 2. What was the reason for adopting a collection system based on reporting by end-investors? (Ref.: CPISG2, Chapter 4)

	Response	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	We combine custodian and end-investor reporting and compare the two sources for individual holdings of securities with resident custodians.

1. 3. If your end-investor CPIS collection system covers the household sector, could you describe the main difficulties encountered in approaching this sector?

No major difficulties encountered.
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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?

	<b>Response</b>	<b>Comments</b>
✓	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	

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	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	✓			Custodians are under supervision of Central Bank
	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				
	Trade associations and their associated reports and releases.				
	Other				

1. 6. Could you please indicate the number of end-investors approached and the number of end-investors reporting CPIS data?

	<b>Entities approached</b>	<b>Entities reporting</b>	<b>Comments</b>
Total	51	51	
Banks	38	38	
Insurance	6	6	
Pension funds			
Mutual funds, unit trusts, etc	7	7	
IBCs / SPEs			
General government			
Nonfinancial corporations			
Other			

## 4. Custodian Source

This module provides information on the collection of CPIS data reported by indirect sources, such as custodians, brokers, dealers or investment managers.

### 1. Source data

1. 1. Which sectors are indirectly surveyed in your CPIS via resident custodians and other indirect sources (e.g.: securities depositories or registers)?

	<b>Response</b>	<b>Comments</b>
✓	Banks	
✓	Insurance	
✓	Pension funds	
✓	Mutual funds, unit trusts, etc	
✓	General government	
✓	Nonfinancial corporations	
✓	Households	
	Other	

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

	<b>Response</b>	<b>Comments</b>
	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	
✓	Other	We combine custodian and end-investor reporting and compare the two sources for individual holdings of securities with resident custodians.

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

<b>Response</b>	<b>Comments</b>
Yes	

1. 4. If "yes" or "partly" to question 1.3., are investment managers likely to use the services of resident custodians? (If "no" to question 1.3, go to the question 1.6)

<b>Response</b>	<b>Comments</b>
Yes	

1. 5. If "yes" or "partly" to question 1.3., are resident brokers/dealers likely to use the services of resident custodians? (If "no" to question 1.3, go to the question 1.6.)

Response	Comments
Yes	

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

Custodians are able to identify whether their clients are resident beneficial holders.

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

End-investors will provide the name and address of custodians used and the value of securities held with each custodian. Domestic custodians provide information on securities held for each resident client together with a determination whether the client is a resident beneficial holder or an intermediary (such as another custodian or an investment manager or a nominee). Securities held for resident beneficial holders are then matched with the data reported by end-investors. In these instances, either end-investor or custodian data sources may be used for the CPIS. Where the custodian reports securities held for a resident beneficial holder that is not matched in the end-investor source, these data are also included in the CPIS.

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

Direct investors are unlikely to hold securities with resident custodians that are issued by related companies abroad.

1. 9. 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?

Custodians, investment managers, and brokers/dealers are able to identify securities held on behalf of resident beneficial holders.

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

End-investors are asked to identify securities held with nonresident custodians.

1. 11. Could you please indicate the number of custodians approached and the number of custodians reporting CPIS data?

	Entities approached	Entities reporting
Total	51	51
Custodians	38	38
Investment managers/ brokers/ dealers	13	13