



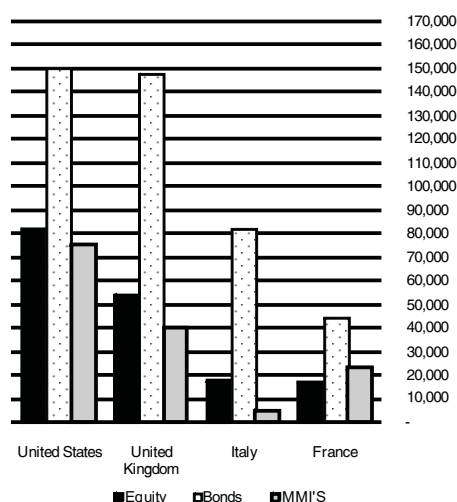
**An Phríomh-Oifig Staidrimh**  
Central Statistics Office

15 October 2010

## Resident Holdings of Foreign Portfolio Securities

31 December 2009

**Portfolio Investment by country**  
**31 December 2009**



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€million

December 2009	Equity	Bonds and notes	Money market instruments	Total
<b>Total</b>	<b>374,756</b>	<b>659,214</b>	<b>216,936</b>	<b>1,250,906</b>
<i>of which:</i>				
<b>United States</b>	81,526	149,952	75,684	307,162
<b>United Kingdom</b>	53,539	147,258	39,887	240,683
<b>Italy</b>	17,993	81,563	4,522	104,078
<b>France</b>	16,739	43,438	23,454	83,631

### Investment in foreign securities exceeds €1.25 trillion at end-2009

The value of Irish residents' holdings of foreign securities at the end of December 2009 amounted to €1,251bn, up €86bn on the revised 2008 level of €1,165bn. The bulk of the increase was in equity assets and was largely the result of a recovery in global equity markets. Equity assets now account for 30% of total assets, up from 26% in 2008. Combined investment in US-issued and UK-issued instruments (€548bn) accounted for 44% of the total stock, slightly less than at end-2008. Investment in other euro-area countries (€462bn) increased slightly to 37% of the total. Other points of note from the end-2009 results are:

- ◆ Overall investment in US securities showed a drop of €1.9bn. This was comprised of an increase in *equity* of €17.5bn offset by decreases in *bonds and notes* and *money market instruments*. The value of investment in UK *bonds and notes* increased significantly to €147.3bn but this was largely offset by decreased investment in *money market instruments*, whereas *equity* investment increased by €11.7bn.
- ◆ Investment in Italian securities showed an increase of €4.4bn to €104bn while investment in French securities increased significantly to €83.6bn, overtaking Germany as the 4<sup>th</sup> most popular investment location. Increased investment in *money market instruments* accounted for much of the increase.
- ◆ Significant holdings are also shown for Germany (€71bn), Spain (€51bn), Portugal (€43.5bn), Netherlands (€39.4bn), Luxembourg (€32.5bn), Japan (€30.5bn), the Cayman Islands (€24.4bn) and Australia (€24bn).

The figures presented update the series on the stocks of foreign portfolio assets held by Irish investors at 31 December 2009 and give a detailed geographical analysis by country of issuer of the securities and by type of instrument. Corresponding data for the two previous years are shown including revisions for 2008 resulting from later information becoming available. Overall, the data are compatible in form and content with the data submitted to the International Monetary Fund (IMF) as part of Ireland's ongoing participation in the IMF's world-wide annual Coordinated Portfolio Investment Survey – see *Background Notes*. They are also consistent with the portfolio investment stock statistics published on the 8<sup>th</sup> October 2010 in the Release *International Investment Position – 31 December 2009* – see *Background Notes*.

For more information contact Stephen Treacy at 01 498 4076 or Stephen McDonagh at 01 498 4364.

Table 1 - Resident Holdings of Foreign Portfolio Securities<sup>1</sup> - by Country

€ million

Country	Equity			Bonds and notes			Money market instruments			Total		
	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009
Argentina	210	*	3	*	*	*	*	*	*	1,070	90	506
Australia	5,961	3,389	5,839	13,384	9,774	10,784	4,198	1,032	7,425	23,542	14,195	24,048
Austria	1,323	815	1,124	6,975	6,721	*	488	298	*	8,786	7,834	6,802
Bahamas	*	*	*	*	*	*	0	*	0	832	324	198
Bahrain	*	*	*	41	*	*	*	*	*	194	90	66
Barbados	0	*	*	125	*	*	0	0	0	125	318	77
Belgium	2,319	1,350	1,973	7,599	5,573	5,812	738	2,361	5,649	10,656	9,284	13,434
Bermuda	3,734	*	3,898	*	*	*	*	*	*	4,041	3,334	4,850
Brazil	3,451	*	5,382	964	*	*	0	0	*	4,415	3,354	6,275
British Virgin Islands	2,108	*	865	*	*	71	*	0	0	2,180	1,206	936
Bulgaria	*	*	*	*	*	*	*	0	*	80	116	121
Canada	2,466	1,676	3,490	12,895	*	11,154	1,494	*	1,495	16,855	13,022	16,138
Cayman Islands	11,468	*	13,598	19,783	14,896	10,034	5,291	*	749	36,542	34,164	24,381
Chile	165	*	309	*	*	124	*	*	0	302	197	433
China, P.R.	*	*	*	*	*	*	*	0	*	4,926	5,041	8,719
Cocos (Keeling) Islands	*	0	0	*	0	0	0	0	0	121	0	0
Colombia	*	*	*	747	*	*	*	0	0	817	198	263
Côte d'Ivoire	*	*	*	*	*	*	*	0	0	150	1	23
Croatia	*	*	*	*	*	*	0	0	0	252	255	250
Cyprus	72	*	74	*	69	89	*	*	0	214	190	163
Czech Republic	147	*	296	1,205	*	507	0	*	0	1,352	1,415	803
Denmark	2,193	594	880	5,684	5,377	3,751	1,230	857	611	9,108	6,829	5,242
Dominican Republic	0	*	*	51	*	13	0	0	*	51	9	14
Ecuador	*	*	*	*	*	*	0	0	0	38	51	18
Egypt	224	*	193	*	*	3	*	*	8	300	130	204
El Salvador	0	*	0	38	*	15	0	0	0	38	35	15
Estonia	*	*	*	*	*	*	0	0	0	44	146	113
Finland	4,226	1,796	1,883	2,289	2,486	2,641	1,018	1,244	3,390	7,533	5,526	7,914
France	25,956	14,471	16,739	45,918	36,182	43,438	8,234	11,807	23,454	80,108	62,460	83,631
Germany	23,195	12,610	15,135	59,289	40,827	39,995	10,826	14,888	15,847	93,310	68,325	70,976
Gibraltar	*	*	*	*	*	*	0	0	0	13	7	51
Greece	1,708	454	552	*	*	7,626	*	*	0	8,431	10,640	8,178
Guernsey	385	*	598	*	*	62	*	0	0	748	663	660
Hong Kong SAR of China	10,264	*	7,303	*	*	*	*	*	*	10,701	5,640	7,780

Table 1 - Resident Holdings of Foreign Portfolio Securities<sup>1</sup> - by Country - continued

€ million

Country	Equity			Bonds and notes			Money market instruments			Total		
	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009
Hungary	136	*	351	1,701	*	2,410	0	0	0	1,837	3,105	2,761
Iceland	*	*	*	*	*	*	0	0	0	945	211	450
India	1,792	*	*	338	*	*	0	0	*	2,130	1,413	2,977
Indonesia	613	*	909	*	*	*	*	*	*	840	444	1,096
Isle of Man	*	27	*	*	0	*	0	0	0	108	27	54
Israel	319	*	*	*	96	*	*	*	0	410	646	709
Italy	18,558	14,355	17,993	73,073	83,267	81,563	5,741	2,100	4,522	97,371	99,722	104,078
Japan	27,472	*	15,482	*	*	11,460	*	3,150	3,510	40,860	31,350	30,452
Jersey	463	*	990	6,732	2,041	1,761	4,709	*	4,381	11,904	5,364	7,132
Kazakhstan	*	*	*	*	*	*	0	0	0	54	33	33
Kuwait	*	*	*	*	*	*	0	0	0	31	8	3
Lebanon	*	*	*	*	*	*	0	0	0	9	11	1
Liberia	*	*	17	*	*	42	0	0	0	45	35	59
Liechtenstein	*	*	*	*	*	*	0	0	0	32	5	4
Lithuania	*	*	*	*	*	*	0	0	0	230	5	226
Luxembourg	24,956	19,840	25,543	6,162	4,502	5,713	577	715	1,198	31,695	25,057	32,454
Malaysia	986	*	973	172	*	*	0	*	*	1,158	854	1,182
Malta	*	*	*	*	*	*	0	0	0	15	834	154
Marshall Islands	*	*	*	*	*	*	*	0	0	21	8	4
Mauritius	*	*	*	*	*	*	*	*	0	161	155	259
Mexico	1,455	*	1,067	*	924	*	*	*	*	3,053	1,785	2,554
Morocco	*	*	13	*	*	56	0	0	0	86	67	69
Netherlands	10,059	5,081	5,554	29,017	24,216	24,334	4,878	6,273	9,477	43,954	35,570	39,365
Netherlands Antilles	*	*	*	*	*	*	*	*	0	676	308	454
New Zealand	354	36	55	482	*	355	654	*	49	1,490	324	459
Nigeria	*	*	*	*	*	*	0	*	0	24	42	51
Norway	1,936	*	1,940	2,537	2,635	2,706	1,311	*	851	5,784	5,285	5,497
Oman	*	*	*	*	*	*	0	0	0	67	11	21
Pakistan	*	*	*	*	*	*	0	0	0	57	18	24
Panama	119	*	*	136	*	*	0	0	0	255	154	183
Papua New Guinea	45	*	201	0	*	0	0	0	0	45	98	201
Peru	41	*	9	219	*	114	0	0	0	260	210	123
Philippines	373	*	325	913	*	407	0	*	0	1,286	383	732
Poland	413	*	639	3,506	*	*	0	0	*	3,919	5,129	4,203
Portugal	30,624	34,366	34,428	5,495	7,886	7,855	408	1,122	1,211	36,527	43,374	43,494

**Table 1 - Resident Holdings of Foreign Portfolio Securities<sup>1</sup> - by Country - continued**

€ million

Country	Equity			Bonds and notes			Money market instruments			Total		
	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009	31 Dec 2007	31 Dec 2008 <sup>2</sup>	31 Dec 2009
Qatar	*	*	*	*	*	*	0	0	0	309	307	367
Republic of Korea ( South )	5,294	*	5,506	*	4,335	2,934	*	*	85	9,750	7,246	8,525
Romania	*	*	9	*	*	149	0	0	0	224	134	158
Russian Federation	1,668	*	862	1,024	*	*	0	0	*	2,692	1,855	1,477
Saudi Arabia	0	*	*	45	*	*	0	0	0	45	62	46
Singapore	2,670	*	2,328	*	308	*	*	*	*	4,190	2,309	3,286
Slovak Republic	*	*	*	*	*	*	0	0	0	179	327	368
Slovenia	*	*	5	*	*	58	0	0	0	76	91	63
South Africa	1,074	*	1,983	627	*	*	0	0	*	1,701	1,417	2,327
Spain	7,959	5,085	7,627	41,067	40,700	35,895	4,993	3,621	7,470	54,019	49,406	50,992
Sri Lanka	16	*	*	10	*	*	0	0	0	26	18	25
Sweden	5,236	2,425	4,164	8,414	5,672	5,214	5,260	3,766	3,720	18,910	11,862	13,099
Switzerland	9,357	7,063	8,309	2,841	4,062	4,121	1,562	248	605	13,760	11,373	13,034
Taiwan Province of China	2,866	*	4,772	132	*	*	0	0	*	2,998	2,383	4,794
Thailand	597	*	812	46	*	78	0	0	0	643	584	890
Trinidad and Tobago	0	*	*	*	*	*	*	*	0	9	19	21
Tunisia	0	*	0	211	*	213	0	0	0	211	156	213
Turkey	625	*	1,418	485	*	195	0	0	0	1,110	1,062	1,613
Ukraine	*	*	*	*	*	*	0	0	0	521	62	262
United Arab Emirates	*	*	*	211	*	133	*	*	*	333	292	585
United Kingdom	71,252	41,802	53,539	109,937	107,894	147,258	80,715	77,417	39,887	261,903	227,114	240,683
United States	100,375	64,033	81,526	150,477	165,763	149,952	82,780	79,287	75,684	333,631	309,083	307,162
Uruguay	*	*	*	*	*	*	0	0	0	135	69	47
Venezuela	*	*	*	371	*	*	*	0	0	421	190	71
Vietnam	*	*	*	*	*	*	0	0	0	47	5	47
Virgin Islands, U.S.	*	0	*	*	0	*	0	0	0	37	0	0
Other countries (not geographically allocated) <sup>3</sup>	2,618	1,823	2,217	8,752	11,368	14,220	488	407	3,815	11,855	13,598	20,253
International Organisations	0	672	256	2201	5565	5037	1392	405	405	3,593	6,642	5,698
<b>Total</b>	<b>440,984</b>	<b>307,443</b>	<b>374,756</b>	<b>664,938</b>	<b>641,336</b>	<b>659,214</b>	<b>232,620</b>	<b>216,023</b>	<b>216,936</b>	<b>1,338,542</b>	<b>1,164,802</b>	<b>1,250,906</b>

<sup>1</sup> The figures exclude Reserve Assets (see background notes)

<sup>2</sup> Revised

<sup>3</sup> This category covers data supplied by respondents without a geographical breakdown

\* Suppressed for confidentiality reasons

## Background Notes (updated October 2009)

**Introduction** This Release updates the annual (end-December) series on foreign portfolio asset stock statistics introduced in October 2003. These figures result from the CSO's ongoing participation in the annual Co-ordinated Portfolio Investment Survey (CPIS) conducted by the IMF. The information is compiled on the basis of the IMF's methodological recommendations described in its *Co-ordinated Portfolio Investment Survey Guide*. This methodology is designed to harmonise the timing and valuation conventions used by all countries participating in the Survey. The results are conceptually consistent with the International Investment Position (IIP) statistics on foreign assets published by the CSO. Therefore, the compilation methodology, which is designed to meet the recommendations of the IMF's *Balance of Payments Manual - 5<sup>th</sup> Edition* (BPM5) concerning compilation of international investment position statistics, is essentially the same for both series.

The CPIS project was established by the IMF to address global discrepancies in international portfolio investment statistics through the reporting by countries of their portfolio assets on an individual country basis. In addition to providing very valuable data on countries' portfolio assets stocks, a further main objective of the CPIS project is to facilitate the determination of counterpart portfolio liabilities for individual reporting countries, i.e. on the basis that one country's asset is another country's liability. Where there is very wide compiler country participation in the CPIS and where a full geographical breakdown of assets is given, the reporting country's assets data for a particular counterpart country is a good indicator of the latter's portfolio investment liabilities to the former.

The CPIS is concerned with portfolio investment stock statistics for *equities* and long-term (i.e. *bonds and notes*) and short-term (i.e. *money market instruments*) securities – see the Section *Types of financial instrument* below. The results are classified by country of issue of the securities – see the Section *Geographical allocation principle* below – and are also cross-classified by type of financial instrument.

For reasons of consistency with the CPIS results for Ireland to be published in due course by the IMF, the data in this Release exclude the portfolio asset component of the external reserves (or *reserve assets*) held by the Central Bank of Ireland (CBI). The relevant information on Ireland's external reserves along with that for other EMU member states is supplied by the European Central Bank to the IMF under the so-called "SEFER" arrangement. The aggregate reserve assets data with a breakdown by country of counterpart will be included as a separate component in the CPIS results to be published by the IMF.

**Data collection** The basic data have been obtained from statutory quarterly surveys conducted by the CSO and by the CBI as input into the general body of balance of payments (BOP), international investment position (IIP), External Debt and other data compilation requirements of both the CSO and the CBI. The data collection system covers financial and non-financial enterprises and includes enterprises engaged in internationally-traded financial service activities, known collectively as IFSC (International Financial Services Centre) enterprises. Data obtained from administrative sources are also used. Up to 2007, the CSO undertook all the necessary survey collection and compilation required. However, following a recent joint initiative involving the CSO and the CBI to rationalize statistical data collection and compilation for the financial sector and also to reduce the burden on data providers the data collection arrangements have changed. As a consequence, since 2008 the data required from licensed banks (credit institutions) and from investment funds (including money market funds) to meet BOP, IIP and external debt requirements (as well as other statistical demands on both organisations) are being collected quarterly by the CBI under its legislation as well as European legislation<sup>1</sup>. These data are supplied by the CBI to CSO for statistical compilation purposes. The CSO has therefore discontinued its surveys of credit institutions and investment funds but continues to collect the required data from other financial enterprises as well as non-financial enterprises using its ongoing quarterly statutory surveys. These are conducted under the Statistics (Balance of Payments and Financial Accounts) Order, 2010 (S.I. No. 206 of 2010) made under the Statistics Act, 1993. The CSO and CBI surveys underpinning data collection are designed to address the internationally agreed statistical standards for BOP-related statistics. Regarding financial securities, the CBI surveys of credit institutions and investment funds collect assets and liabilities data on an individual security basis to the extent possible.

The CSO surveys collect this information on an aggregate basis but, over time, security-by-security collection is planned. In general terms, the combination of both stock and the related flow data reporting on a single form greatly facilitates the quality-checking and reconciliation of both types of information.

**Types of financial instrument - Definition of equity and long and short-term debt securities**

A **security** is defined as an instrument that is traded or tradable. This survey covers investment by domestic residents in equity and short and long-term debt securities only. Long-term securities are those with an **original** term to maturity of more than one year; they are generally labelled as *bonds and notes*. Short-term securities are those with an **original** term to maturity of one year or less and are generally referred to as *money market instruments*.

**Equity securities** are defined in the CPIS – *Compilation Guide* to cover all financial instruments and records representing the holder's claims to the residual values of enterprises after the claims of all creditors have been met. They include:

- ◆ ordinary shares
- ◆ stocks
- ◆ participating preference shares
- ◆ depositary receipts (e.g., American depositary receipts) denoting ownership of equity securities issued by non-residents
- ◆ shares/units in mutual funds and investment trusts
- ◆ equity securities that have been sold under repurchase agreements
- ◆ equity securities that have been lent under a securities lending arrangement.

They exclude:

- ◆ non-participating preference shares (which are included under long-term debt)
- ◆ rights, options, warrants and other derivative instruments
- ◆ equity securities that have been bought under repurchase agreements
- ◆ equity securities that have been acquired under a securities lending arrangement.

**Long-term debt securities** cover bonds, debentures, notes, etc. that usually give the holder the unconditional right to a fixed money income or contractually determined variable money income, and have an original term to maturity of over one year. They include:

- ◆ bonds such as treasury, zero coupon, stripped, deep discounted, currency linked (e.g. dual-currency), floating rate, equity-related (e.g., convertible bonds), and eurobonds
- ◆ asset-backed securities such as mortgage backed bonds, collateralized mortgage obligations (CMO)
- ◆ index-linked securities (e.g. property index certificates)
- ◆ non-participating preference shares
- ◆ floating rate notes (FRN) such as perpetual notes (PRN), variable rate notes (VRN), structured FRN, reverse FRN, collared FRN, step up recovery FRN (SURF), range/corridor/accrual notes
- ◆ euro medium-term notes (EMTN)
- ◆ schuldscheine (German) notes
- ◆ bonds with optional maturity dates, the latest of which is more than one year after issue
- ◆ debentures
- ◆ negotiable certificates of deposits with contractual maturity of more than one year
- ◆ other long-term securities
- ◆ bearer depositary receipts denoting ownership of debt securities issued by non-residents
- ◆ debt securities sold under repurchase agreements
- ◆ debt securities lent under securities lending arrangements.



They exclude:

- ◆ derivative instruments
- ◆ loans
- ◆ trade credit and accounts receivable
- ◆ money market instruments (e.g., treasury notes, banker's acceptances, certificates of deposit with contractual maturity of one year or less, note issuance facilities, revolving underwriting facilities, and promissory notes)
- ◆ debt securities bought under repurchase agreements
- ◆ debt securities acquired under securities lending arrangements.

**Short-term debt securities** refer to bills, commercial paper, bankers' acceptances, etc. that usually give the holder the unconditional right to receive a stated, fixed sum of money on a specified date and have an original term to maturity of **one year or less**. Money market instruments usually are issued at a discount, in organized markets. They include:

- ◆ money market instruments with an original term to maturity of one year or less, such as treasury bills/notes bankers' acceptances, commercial and financial paper, certificates of deposit with contractual maturity of one year or less
- ◆ short-term notes issued under note issuance facilities or revolving underwriting facilities and promissory notes.

They exclude:

- ◆ any securities listed earlier under *long-term debt securities*
- ◆ derivative instruments
- ◆ loans
- ◆ trade credit and accounts receivable.

<b>Valuation</b>	For the purposes of the CPIS (as well as BOP and IIP) statistics, portfolio securities should be recorded using current market values at the reference date (31 December) and data providers are instructed to report their holdings on this basis. When converting foreign currency valuations, the relevant euro exchange rate as at 31 December should be used.
<b>Geographical allocation principle</b>	The so-called 'debtor' principle is used as the basic guideline for geographical allocation of foreign assets. This approach requires that asset positions (i.e. stocks) are allocated to the country of residence of the debtor counterpart. Therefore, investment in a foreign security should be reported and classified to the country of residence of the issuer of the security (and not to the country of the market of issue or any other substitute for country of issuer).
<b>Presentation of the results</b>	Table 1 gives the full details of the market values of Irish residents' holdings of foreign portfolio securities as at 31 December of the reference years shown classified according to type of financial instrument (columns) and by individual country of issuer (rows). The countries are listed in alphabetical order and the list includes the category <i>international organisations</i> whose residencies, by their nature and under the guidelines, are not attributed to any particular country. The portfolio investment results on the assets side in the related International Investment Position (IIP) Release show that IFSC enterprises account for a major proportion of the investment by Irish residents in foreign equity and debt securities.
<b>Confidential data</b>	In order to protect the confidentiality of some of the results, certain cells are suppressed (indicated by an *). The confidential data are aggregated at the level of individual country.
<b>Sign convention</b>	The stocks figures are shown unsigned i.e. as positive numbers. Amounts are shown in millions of Euro; '0' means amounts of less than €500,000; '-' means 'not relevant'. Cell entries may not add to totals due to rounding.

<sup>1</sup> ECB Regulation on the Assets and Liabilities of Investment Funds (ECB/2007/8) of 27 July 2007, the ECB Balance of Payments and International Investment Statistics Guideline (ECB/2004/15) of 16 July 2004, as amended by (ECB/2007/3) of 31 May 2007, and the ECB Guideline on Monetary, Financial Institutions and Markets Statistics (ECB/2007/9) of 1 August 2007