

## **DEFINITIONS AND EXPLANATIONS**

Below are some definitions and explanations about compilation of non-residents' portfolio investments.

### **I- Coverage**

Non-residents' holdings of government debt securities and equities registered at Istanbul Stock Exchange are covered.

### **II-Definitions**

#### **Residency**

"Residents" refers to an institutional unit or an individual who regularly resides and engages in economic activities in an economic territory for more than one year. Others not covered by this definition refers to non-residents

#### **Equity**

Equity refers to a security, which represents each one of the equal shares of capital of a corporation and is issued in accordance with related laws and is traded at Istanbul Stock Exchange.

#### **Government Domestic Debt Security (GDDS)**

GDDS refers to debt securities issued in Turkey by the Undersecretariat of Treasury of the Republic of Turkey with maturity less than a year (Treasury Bill) and more than a year (Government Bond) Eurobond

#### **Eurobond**

Eurobond refers to debt securities denominated in foreign currencies and issued in markets abroad by the Undersecretariat of Treasury of the Republic of Turkey.

#### **Nominal Value**

Face value of a security, par value.

## **Market Value**

Transaction value at the time of the calculation made

### **III- Compilation Method and Calculations**

Equities held by non-residents are calculated by using the day-end security-by-security stock data on equities (excluding equities in the form of foreign direct investment) registered with non-residents obtained from the Central Registry Agency.

For equities, market values are calculated as the average of both first and second sessions' weighted average prices on security basis.

The data on GDDSs issued domestically by the Treasury are compiled from the weekly reports sent by the custodian banks as of the last business day of every week. GDDSs owned by residents and used both as collateral and in repo transactions with non-residents are assumed as holdings of non-residents.

Nominal values of GDDSs are converted into market values using "Daily Indicative Values of Government Domestic Debt Instruments" published in official gazette and set by the Central Bank of the Republic of Turkey.

Net weekly flows of equities and GDDS are calculated by adjusting the stock data for foreign exchange rate effect and price changes.

The data on Eurobonds issued abroad by the Treasury are calculated from weekly reports sent by banks to the Central Bank by deducting residents' holdings of Eurobond from total Eurobond figures.

Market values of eurobonds issued abroad by the Treasury are determined by daily eurobond prices obtained from international financial data providers.

#### **IV- Categorization**

Below are the contents of lender categorization in detailed tables.

**Banks**: Non-resident banks and foreign branches of domestic banks.

**Non-bank Financial Institutions**: Financial Leasing, Insurance and Factoring institutions.

**Non-financial Institutions**: Real sector companies.

**Real Persons**: Households

#### **V- Dissemination**

Weekly data including last 24 weeks, are disseminated at **Data, Periodic Data**, under the heading of "**Non-residents' Holdings of Securities**". The data beginning from 2005 can be retrieved, from the Electronic Data Dissemination System (EDDS) located at our Bank's web site.

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