

# SECURITIES STATISTICS – REPORTING INSTRUCTIONS

## I Introduction

These Instructions regulate the contents, the submission procedures and methodology of the "PU" record – Report on securities holdings.

The Croatian National Bank prescribes securities holdings data collection for the purpose of compiling the securities statistics (issues and holdings), the financial account of the balance of payments, international investment position, the external debt of the Republic of Croatia and other statistics.

The securities statistics reporting institutions shall comprise:

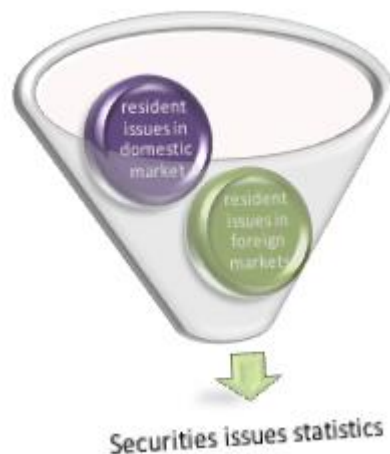
- a) Central Depository & Clearing Company (CDCC),
- b) custodians – credit institutions or investment companies that provide their clients with the services of safekeeping and administration of financial instruments, including custodianship and related services pursuant to the provisions of the Capital Market Act (Official Gazette 88/2008, 146/2008, 74/2009 and 54/2013), and
- c) residents (legal and natural persons) having holdings in securities issued by residents or non-residents, not held in custody with a resident custodian. Financial institutions reporting securities holdings data to the Croatian National Bank (CNB) according to other reporting requirements that are not obliged to reporting pursuant to the Decision on collecting data for the compilation of securities statistics shall include:
  - banks, savings banks, branches of foreign banks in the Republic of Croatia, housing savings banks and the Croatian Bank for Reconstruction and Development that report to the CNB pursuant to the Decision on statistical and prudential reporting (Official Gazette 35/2010, 95/2010, 146/2010 and 68/2011), and
  - investment funds that report to the Croatian Financial Services Supervisory Agency (HANFA) pursuant to the Decision on submitting investment fund statistical reports, prescribed by HANFA on the basis of the Ordinance on the mandatory content, time limits and form of

mandatory reports on business operations of investment funds, management companies and depository banks (Official Gazette 155/2009, 65/2010 and 42/2011).

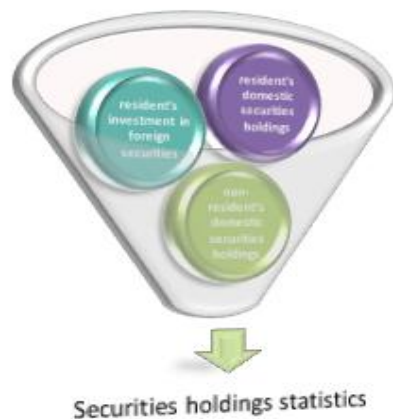
## II Reporting requirement

The basic task of securities statistics is to establish a data collection system that will enable the CNB to calculate residents' holdings stocks and transactions in securities in the context of securities issues and securities holdings statistics.

For the purposes of securities issues statistics, it is necessary to cover all securities (debt and equity) issued by the residents of the Republic of Croatia regardless of the market of issue (domestically or abroad). On the basis of data collected, the CNB will calculate the amounts outstanding, issues and principal and interest repayments during the reporting month.



For the purposes of securities holdings statistics, it is necessary to cover all residents' holdings in securities, regardless of the issuer's residency (resident or non-resident), as well as non-residents' holdings of securities issued in the Republic of Croatia. On the basis of data collected, the CNB will calculate the stocks of securities holdings, and transactions during the reporting month (purchase and sale).



As an additional element of the two statistics, data are also collected about non-residents' holdings of securities issued by non-residents in the domestic market, or about non-residents' holdings of securities issued in foreign markets held in custody with a domestic custodian. This additional information is exchanged within the European System of Central Banks.

The central part of the reporting requirement represents “PU” record – Report on securities holdings. By submitting the “PU” record, reporting institutions report the holdings stock for each individual security (ISIN by ISIN) on the last day of the reporting month. Reporting is enabled on an investor-by-investor or aggregated basis, in accordance with the definition of the reporting record.

The obligation of a monthly reporting of the "PU" record is therefore prescribed to collect the data:

- d) on residents and non-residents' investments in securities issued and traded in the domestic market – regardless of the issuer's residency,
- a) on residents' investments in securities issued in international capital markets – regardless of the issuer's residency, and
- b) on non-residents' investments in securities issued in international capital markets – regardless of the issuer's residency – if they are held in custody with a domestic custodian.

For equity securities, within the "PU" reporting record, the reporting institutions submit the data on quantity or the number of shares that an individual investor/a group of investors holds in its portfolio on the last day of the reporting month.

For debt securities, within the "PU" reporting record, the reporting institutions submit the data about the nominal amount of the purchased debt securities

(denominated in the currency of the security issue) and the stock of accrued interest payable to the investor on the last day of the reporting month.

Data collected through the "PU" record are complemented with the additional sources of information on securities that are available to the CNB, which include:

- a) the register of securities issued in the domestic market (source of data: CDCC),
- b) the register of corporate actions performed for securities issued in the domestic market (source of data: CDCC and different public sources of data),
- c) the repayment schedule of debt securities issued in the domestic market (source of data: CDCC),
- d) market prices of securities (source of data: ZSE, CSDB, other available sources),
- e) market value assessments for non-marketable securities (the assessment is made by the CNB using different valuation models, depending on the available data for the issuer's company), and
- f) the Centralised Securities Database (CSDB) of the European Central Bank providing the data of the register, corporate actions, prices and repayment schedules for all debt and equity securities issued by the residents of the EU Member States and those in which the residents of the EU Member States invest.

By using the mentioned data sources and appropriate statistical methods, the CNB calculates the outstanding stocks and transactions for the purpose of compiling the securities issues and securities holdings statistics in accordance with the reporting requirements of the European Central Bank and other statistics within the CNB's competence.

### **III The medium and the form of data submission**

Data are submitted only electronically, in the form of an XML file, according to the prescribed scheme that is an integral part of these Instructions.

In order to facilitate the submission of data for the reporting institutions, the CNB has developed an online application. The reports are then submitted by accessing the application online, and, by using online technology with a secure connection.

To enable the access to the application, the CNB will assign a username and a password to each individual (legal or natural person) obliged to report.

As a result, several employees in charge of reporting within one legal person can use the same password.

The application also provides the reporting institutions with procedures for changing the username and password if the employee authorised for the submission of data to the CNB changes.

It is the responsibility of the reporting institutions to prevent unauthorised persons from accessing the application by changing the username and password.

For the reporting institutions without infrastructure for the generation of an XML file, the CNB will enable the entry of data in a formatted Excel table enabling conversion into the set XML format of the data transfer file. The table will be accessible to all reporting institutions on the CNB's website ([www.hnb.hr](http://www.hnb.hr)).

Following the receipt of data, the CNB shall carry out a formal accuracy control that comprises the verification of the contents of the individual features in accordance with the set rules.

If data do not meet the formal control, they cannot be received in the CNB's database and will be considered as not submitted. The system generates an e-mail message simultaneously for the reporting institutions, prompting the reporting institutions to download a file containing messages on the identified formal errors.

Schedule 3 in addition to these Instructions, "Verification of accuracy at the submission of files with data on securities holdings", contains a list of formal controls carried out at the submission of the "PU" records file.

The name of the file for the submission of data on reports, begins with the word "VRPA" – describing reporting area, followed by 5 further elements, separated by the "-" minus symbol:

- a) reporting institution's tax number,
- b) calendar months for which data are submitted in the set format of YYYYMM,
- c) the code of the reporting record that is submitted – PU,

- d) the ordinal number of the file that is submitted in the reporting month, where each submitted file must contain the ordinal number code in the "00" format, and
- e) the number of records contained in the file that is submitted.

#### **IV The scope of data in the reporting record**

Reporting institutions submit data in accordance with the rules of the "PU" record that are elaborated further in these Instructions.

This report collects data about the quantity of securities (equity, debt or units in an investment fund) that a specific investor/group of investors defined by the reporting requirement features is holding at the end of the reporting month.

The reporting institutions can choose one of the two available modes for the submission of data:

- a) The "PU" record is submitted on an ISIN-by-ISIN and investor-by-investor basis for resident legal persons. Data on non-residents are reported aggregated since detailed data on those institutions are not available to the CNB. If a reporting institution chooses this reporting mode, it submits the data about the tax number of the resident investor in the "P Tax number" feature, and does not have to submit data in the features of "Activity", "Investor country", "Institutional sector" and "Type of financial institution". Natural persons' records are also submitted aggregated if this reporting mode is selected!
- b) The "PU" record is submitted on an ISIN-by-ISIN basis, but aggregately for a group of resident and non-resident investors. If a reporting institution chooses this reporting mode, it does not have to complete the "P Tax number" feature, but must both submit and aggregate data on investors in the features of "Activity", "Investor country", "Institutional sector", "Type of financial institution" and "Ownership relationship between the issuer and the investor". The reporting institutions have to enter the values of these features in accordance with Schedule 1 Overview of resident legal persons. The CNB will update this overview in the form of a TXT file on its website every month, and the reporting institutions have to ensure the use of the updated overview for every reporting period.

For equity securities, within the "PU" reporting record, the reporting institutions submit data on the quantity or number of shares that an individual investor/a group of investors is holding on the last day of the reporting month.

For debt securities, within the "PU" reporting record, the reporting institutions submit data on the nominal amount of the purchased debt securities (expressed in the issue currency) and the stock of accrued interest payable to the investor on the last day of the reporting month.

For every group of reporting institutions the scope of data about which they are obliged to report is given further in these Instructions.

**CDCC** reports about the stock of holdings on the last day of the reporting month for an individual investor/a group of investors for all securities issued in the Republic of Croatia in accordance with the records of the central depository for the maintenance of which the CDCC is authorised under the Capital Market Act. The stocks of holdings are shown for the individual groups of investors broken down by the type of the account in which the investor's position is maintained in the depository:

- a) accounts opened for the investor (UU),
- b) custodial accounts for the investor – data about the end investor known to the CDCC (SU),
- c) omnibus custody accounts – data about the end investor unknown to the CDCC (SS), and
- d) treasury accounts (TR).

**Custodians** shall report about investments in securities **for resident and non-resident clients** to whom they provide custody services within the following scope:

- a) on clients' investments in securities issued in the Republic of Croatia (regardless of whether the issuer is a resident or non-resident) – only in the part of investments maintained at the CDCC in accounts opened at the order of a custodian from the Republic of Croatia and in which securities are held for the client, while data about the client – end investor are unknown to the CDCC – SS accounts (omnibus custody accounts, password protected custody accounts or similar accounts), and

- b) on clients' investments in securities issued in international capital markets, regardless of the residency of the issuer.

Custodians report on clients' holdings according to the modes of the "Type of account" feature separately for the following investments:

- a) Clients' holdings in resident securities maintained at the CDCC in accounts opened following a custodian's order, while data about the end investor are unknown to the CDCC. Custodians must use the SS code for these investments in the "Type of account" feature.
- b) Clients' investments in non-resident securities that clients have acquired in the legal business operations of purchase and sale in the capital market (primary or secondary). The UU code is used for these investments in the "Type of account" feature.
- c) Clients' investments in non-resident securities that the clients have acquired in the legal business operations of reverse transactions in securities. Reverse transactions imply a contractual relation in which one party legally acquires a security, but at the same time assumes the obligation to return the same amount of the same or an equivalent security on a certain day or until an agreed date. These agreements are known as repo agreements, the sell/buy-back and the securities lending arrangements. As in accordance with statistical standards securities in reverse transactions are shown as part of the balance sheet position of the party providing a security, securities acquired by the recipient in this transaction should be shown in a separate position. In this way, a double presentation of the same security as a part of holdings, both in the position of the provider and in the position of the recipient of the security, will be avoided if such a transaction with a non-resident security is agreed between two residents. The RT code is used for this type of investment in the "Type of account" feature.

**Residents** (legal and natural persons) that have invested in securities issued in international capital markets are obliged to report on holdings in debt and equity securities if the securities are not held in custody with a resident custodian.

Residents report on investments on the basis of the acquisition of a security separately for these investments:



- a) Investments in securities acquired by purchase and sale in the capital market (primary or secondary). Residents use the UU code for these investments in the "Type of account" feature.
- b) Investments in securities acquired in legal operations of reverse transactions in securities (repo, reverse repo, sell/buy-back, securities lending). Residents use the RT code for this type of investment in the "Type of account" feature.

The scope of securities statistics, the reporting institutions and the scope of reporting can be shown, as follows:



## V Definitions of the features of the "PU" record – Report on securities holdings

### 1 "Report code"

This feature enables an unambiguous identification of the entry type of securities statistics.

The value of this feature is entered in all the records of the reporting month.

PU is the only permitted mode in the "Report code" feature.

Within the "PU" record, for the purpose of securities statistics, the reporting institutions submit data on holdings for each security (ISIN) that investors are

holding in the portfolio on the last day of the reporting month. In the "PU" record, investments are shown for every investor or aggregately for a group of investors for each ISIN at the level of:

- a) type of account in which the position of the investor/basis of acquisition of the security is maintained,
- b) investor's activity,
- c) investor's country of residence,
- d) investor's institutional sector,
- e) type of investor's financial institution, and
- f) ownership relationship between the investor and the issuer of the security.

If data on holdings in an equity security or an interest-free debt security are shown in the "PU" record, one record with data on the investment quantity (number of shares or nominal amount of the principal of an interest-free debt security) held by the investor must be shown for the investor (a group of investors).

If data on investment in an interest-bearing debt security are shown in the "PU" record, a minimum of two reporting records – one with data on the nominal amount of investment, and another with data on the stock of accrued interest payable to the investor on the last day of the reporting period, must be submitted for the investor (a group of investors).

## **2 "Reporting period"**

This feature enables an unambiguous identification of the reporting period for which data are submitted.

The value of this feature is entered in all the records of the reporting month.

The "Reporting period" feature must contain the date in the "yyyymmdd" format, where "dd", or the day code, must always be the last (calendar) day of the reporting month for which the data are submitted.

## **3 "Tax number"**

This feature enables an unambiguous identification of the reporting institution submitting the report.

The value of this feature is entered in all the records of the reporting month.

The feature is completed by writing the tax number (OIB), allocated to the reporting institution by the Ministry of Finance of the Republic of Croatia on the basis of the Personal Identification Number Act.

#### **4 "ISIN"**

This feature specifies the International Securities Identification Number (ISIN) – the code of the security defined in accordance with the provisions of the International Organisation for Standardisation (ISO). The ISIN code is used in international trading in securities to ensure the transparency of international trading in these securities.

The value of this feature is entered in all the records of the reporting month.

Exceptionally, a group identification code should be written for securities without the allocated ISIN code that are traded and that investors hold in custody (for instance, the specific bonds of the Republic of Croatia). No aggregation of a security without the ISIN code with any other security is permitted.

With the ISIN code, the permitted modes in the "ISIN" feature include:

Ordinal number:	"ISIN"	Description
1	HRRHMFO99991	Replacement bonds for the economic restructuring of the Republic of Croatia
2	HRRHMFO99992	Bonds of the Republic of Croatia arising from blocked f/c deposits
3	HRRHMFO99993	Bank rehabilitation bonds of the Republic of Croatia
4	HRRHMFO99994	Bonds of the Republic of Croatia for the repurchase of socially-owned flats
5	**OFOND00000	Unit in an open-ended investment fund
6	**ODUZN00000	Debt securities
7	**OVLAS00000	Equity securities
8	**OOSTA00000	Other

The first two places in the aggregate modes under ordinal number 5 through 8, marked by asterisks ("\*\*"), are places for the two-letter code of the country of residence of the issuer of the security without the ISIN code.

In the case of reporting on a security without the international ISIN code, as the characteristics of the security in which it is invested are unknown to the CNB, the market value of the investment expressed in kuna is exceptionally given in the "Amount" feature with the code of the type of amount "01"! The market value implies the investment amount multiplied by market price on the last day of the reporting month (or the latest available market price), or the number of investors' units in the investment fund, multiplied by the price of the unit on the last day in the month. The corresponding amount of accrued interest, also expressed in kuna, is given with the code for the type of amount "03".

### **5 "Type of account"**

In this feature, by selecting the appropriate mode, the reporting institution specifies the code for the type of the account in which the investment in securities issued in the Republic of Croatia is maintained with the CDCC, or the basis of the acquisition of securities issued in international capital markets.

With regard to the prescribed scope of reporting, the specific reporting institution can only use certain modes of the "Type of account" feature:

- a) CDCC – UU, SU, SS and TR modes are permitted,
- b) custodians – SS, UU and RT modes are permitted, and
- c) residents – UU and RT modes are permitted.

The value of this feature is entered in all the records of the reporting month.

The "Type of account" feature is completed by selecting one of the possible modes:

- a) **UU** – investor's account code. The UU mode is used for marking investments in securities issued in the Republic of Croatia that are maintained in the investor position with the CDCC, or investments in securities issued in international markets reported by residents or custodians. The reporting institutions use the UU mode, as follows:
  - i. CDCC – to mark investments in securities maintained in the accounts opened at the investor's order, for which data on the end investor is known to the CDCC. This code is also used for marking investments in omnibus accounts, for which the units of all account co-holders are specified; in representative accounts, for which the holder of securities is always the represented investor, and others.

- ii. Custodians – to mark clients' investments in securities acquired from transactions in the capital market (primary or secondary).
- iii. Residents – to mark own investments in securities not held in custody with a domestic custodian that are acquired by the purchase or sale in the capital market (primary or secondary).

If the UU mode is selected in the "Type of account" feature, all of the remaining features of the "PU" record ("Activity", "Investor country", "Institutional sector", "Ownership relationship between the issuer and the investor"... ) are completed with data on the investor to whom the securities belong. For example: for a representative account according to which XY Ltd. is the legal representative, data on the representative are not written in the "Activity" feature, but data on the end investor, ZZ Ltd., are written instead, for example 7311...

- b) **SU** – custody account code. The selection of this mode is permitted only for the CDCC as the reporting institution. This code is used for marking all accounts opened at the order of the custodian holding securities for third persons, while the data on the end investor (custody accounts for the investor) are known to the CDCC. This mode will be used, for example, to mark a named custody account. If the SU mode is selected in the "Type of account" feature, the data on the custodian at whose order the account has been opened is written in the "P Tax number" feature, while data of the same type of investors are aggregated in all other features.
- c) **SS** – custody accounts code. The selection of the SS mode is used for marking investments in securities issued in the Republic of Croatia maintained at the CDCC in accounts opened at the order by the custodian holding the securities for third persons, while end investor's data are unknown to the CDCC. The reporting institutions use the SS mode, as follows:
  - i. CDCC – the SS mode is used for marking investments in omnibus custody accounts and password protected custody accounts (and similar accounts) in which investments of investors unknown to the CDCC are maintained.
  - ii. Custodians – custodians use the SS mode to make holdings in securities issued in the domestic market held in SS accounts with the CDCC transparent to the CNB. These holdings are

maintained at the CDCC in custody accounts that do not enable the CDCC identification of the end investor. By matching the CDCC and the custodian's data on holdings in SS accounts, the CNB will be able to collect information on the structure of investors whose holdings are held on the SS type of accounts by the "PU" record features ("Activity", "Investor country", "Ownership relationship between the issuer and the investor"...).

When selecting the SS mode, the CDCC will complete all of the remaining features of the "PU" record with data on the custodian because data on the end investor are unknown. However, when selecting the "SS" mode, custodians will complete all of the remaining features of the "PU" record with data on the end investor.

- d) **TR** – The selection of the TR mode is permitted only to the CDCC as the reporting institution. This mode is used for marking positions that the investor holds in its own security issued.
- e) **RT** – The RT mode is used for marking investments in securities issued in international markets that investors have acquired in reverse securities transactions. Custodians will use the RT mode if they report on holdings by clients (resident and non-resident), or residents for their own holdings that refer to securities acquired by concluding repo agreements, sell/buy-back or securities lending arrangements.

## **6 "P Tax number"**

The "P Tax Number" feature is used if the reporting institution has opted for ISIN-by-ISIN and investor-by-investor reporting for resident legal persons. The reporting of natural persons' holdings remains aggregated!

The value of this feature is entered by writing the OIB (tax number) allocated to the investor – legal person by the Tax Administration of the Ministry of Finance.

The value of this feature may be written only for resident investors – legal persons for which the remaining data of the "PU" record, necessary for the aggregation of data, are available to the CNB by inspecting the registers.

If the tax number of the end investor – resident legal person is written in the "P Tax number" feature, the reporting institution does not have to complete the following features of the "PU" record:

- a) "Activity"
- b) "Investor country"
- c) "Institutional sector", and
- d) "Type of financial institution".

The value of the "P Tax number" feature is not written if the reporting institution has selected the aggregated report mode for a group of investors.

In the case of aggregated reporting, the reporting institution must complete all of the remaining features of the "PU" record with the appropriate modes.

If the reporting institution has selected the aggregated report mode, the reporting institution shall aggregate the data of the investors of the same kind for the same ISIN. It is not permitted to submit several records with the identical values of all features of the "PU" record.

## **7 "Activity"**

In this feature, the activity is given in accordance with the Decision on the National Classification of Activities 2007 – NKD 2007 (Official Gazette 58/2007).

The activity code is given at the lowest level of the classes of the National Classification of Activities in the format of four digits without points, with the obligatory entry of the leading zeros.

The activity shown in this way will enable the CNB the aggregation at the level of the group, section and division (e.g. 0111).

If the reporting institution has selected aggregated reporting, the "Activity" feature is completed, as follows:

- a) For the investor – resident legal persons, the data on activity is written by entering the numerical code of the activity class in accordance with NKD 2007.
- b) For the investor – resident legal person whose position is still maintained, but which has ceased to exist for any reason, or data on activity is not available, mode "0000" must be entered.
- c) For the investor – non-resident legal person, the data on activity is written if it is available to the reporting institution through the OIB system or from the investor's statement.

d) The "Activity" feature is not completed for investors – natural persons.

### **8 "Investor country"**

The completion of aggregate reports on securities statistics also requires a geographic identification of investors, with respect to the domicile country (country where the company is established/registered) or place of residence.

Apart from the domicile country or place of residence, important for legal and natural persons, international financial institutions should be identified separately in accordance with special, internationally standardised list determined and maintained by Eurostat, which the CNB will publish on its website together with the text of the Decision and the Securities statistics – reporting instructions.

This feature is completed for investors – non-residents with a two-letter international code of the domicile country/place of residence in accordance with the regulations of the CNB on the use of letter codes and numerical codes for states and countries and currencies in international payment transactions.

For the purpose of these Instructions, the list of countries has been expanded so that the code for the Republic of Kosovo is added (XK).

For investors – residents, this feature is completed with HR.

For investors – international financial institutions, this feature is completed in accordance with Schedule 2 List of international institutions.

The CNB will ensure the updating of the List of international institutions, and the reporting institutions shall ensure the use of the list applicable in a specific reporting period.

The CNB will make the List of international institutions from Schedule 2 available to the reporting institutions on its website, together with these Instructions.

The value of this feature must be written in records for investors – non-residents and for investors – residents if the reporting institution has selected the aggregated reporting mode.

### **9 "Institutional sector"**

The completion of aggregated reports on securities statistics requires the grouping of investors and issuers in accordance with the international standards of classification by institutional sectors, based on the System of National Accounts – SNA and the European System of Accounts – ESA.



The value of this feature must be written for investors – non-residents and for investors – residents if the reporting institution has selected aggregated reporting.

If the record contains data about an investor – natural person (resident or non-resident), it is completed with mode 14.

The allocation of the institutional sector for residents – legal persons is carried out in accordance with the sector classification of institutional units that the Croatian Bureau of Statistics publishes on its website.

The CNB will provide the reporting institutions that select aggregated reporting with an updated Schedule 1 The overview of resident legal persons in the form of a TXT file each month. The CNB will publish this overview on its website ([www.hnb.hr](http://www.hnb.hr)) in the form of a TXT file, and the reporting institutions must ensure the use of the updated overview for every reporting period.

The allocation of the institutional sector for investors – non-resident legal persons is carried out by selecting one of the possible modes:

- a) "11"– non-financial corporations,
- b) "121"– central bank,
- c) "122" – deposit-taking institutions, except central bank, whose primary activities include deposit-taking and granting of loans,
- d) "123"– money market funds,
- e) "124" – non-money market investment funds,
- f) "1251" – other financial intermediaries, except insurance corporations and pension funds,
- g) "1252" – financial vehicle corporations – institutions implementing financial vehicle schemes,
- h) "126" – financial auxiliaries,
- i) "127" – captive financial institutions and money lenders – institutions for which financial intermediation or rendering of auxiliary financial services are not their primary activity, and the majority of transactions with their assets or liabilities are not carried out in an open market,
- j) "128"– insurance corporations,

- k) "129"– pension funds,
- l) "13"– general government,
- m) "14"– households,
- n) "15" – non-profit institutions serving households, and
- o) "22000" – general governments and international institutions.

Exceptionally, if the institutional sector cannot be determined (for a resident or a non-resident) the feature is completed with mode "0000" – not classified by institutional sector.

The reporting institutions select the mode of the "Institutional sector" feature according to their best knowledge.

### ***10 "Type of financial institution"***

The value of this feature must be written for investors – residents of the Republic of Croatia that constitute institutional sector 12\*\*, or for all financial institutions.

The value of this feature is selected in accordance with Schedule 1 Overview of resident legal persons if the reporting institution reports aggregately. If the reporting institution reports individually, the feature will be completed by the CNB.

### ***11 "Ownership relationship between the issuer and the investor"***

This feature enables the identification of the existence of ownership relationship between the issuer of a security and its investor as well as the type of ownership relationship.

In terms of the reporting requirement, ownership relationship represents the percentage of investor's shareholding in the total issued equity. Equity for the calculation of ownership relationship comprises ordinary and preferential voting shares.

The calculation of ownership relationship is identical for investors in equity securities and investors in debt securities.

The value of this feature is entered in all the records of the reporting month.

The value of the feature is entered by selecting one of the possible modes:

- a) "N00000" – ownership relationship does not exist – the investor does not hold ordinary or preferential voting shares of the issuer of the security,
- b) "P01000" – ownership relationship exists and the investor holds less than 10% of the total issuer's shareholding,
- c) "P05000" – ownership relationship exists – the investor holds between 10% and 50% of the total issuer's shareholding (including 10% and excluding 50%), and
- d) "P10000" – ownership relationship exists – the investor holds 50% or more of the total issuer's shareholding.

## ***12 "Type of amount"***

The type of the amount of securities statistics is given in this feature. The identification of the type of amount will enable the CNB to calculate the stocks and transactions as well as foreign exchange revaluation.

The value of this feature is entered in all the records of the reporting month.

The value of the feature is entered by selecting one of the possible modes:

- a) "01" – the quantity of the security held by the investor at the end of a reporting month is marked by this type of amount. If data on equity holdings is reported, the **number of equity securities** (e.g. 10 shares) is written. If data on holdings in a debt security is reported, the nominal amount of the purchased debt security is written, regardless of the current pool factor. For instance, an investor has purchased a HRK 10,000 worth of issuer's bonds. At the time of purchase, pool factor was 1. Therefore, at the time of the bond purchase no instalment for the repayment of the principal was due. On 31 December 2012, pool factor was 0.8, which means that in the mean time the principal was due in the amount of  $0.2 \cdot 10,000 = 2000$ . Regardless of the investor's current pool factor, the nominal amount of the purchased principal should always be shown, or the investor shows the amount of 10,000.
- b) "03" – this type of amount shows the **stock of accrued interest** payable to the investor on the last day of the reporting period. With this type of amount, the amount of the **corresponding interest in the currency of issue** of the security is reported numerically. For instance, on 31 December 2012, EUR 2,350.45 in interests on HRATGRO077A5 security was payable to the investor. We select mode 03 in the "Type of amount" feature and we report 2,350.45 in the "Amount" feature. The CNB draws the data on the currency to which the amount

refers from the securities register that *provides* additional data on securities. For simplicity's sake, if custodians do not have the data on the actual stock of accrued interest, the amount of accrued interest can be calculated by using the nominal interest rate on the nominal value of the debt security, according to the following formula:

$$AI_t = NV \times \frac{k \times T}{360} \times \frac{t}{T} = NV \times \frac{k \times t}{360}$$

With the symbols contained in the formula representing:

$AI_t$  – accrued interest on day  $t$

$NV$  – nominal value of the principal

$k$  – nominal annual interest rate

$t$  – calendar number of days elapsed since the latest paid out coupon

$T$  – calendar number of days between two coupon payments.

- c) "06" – this type of amount *shows the amount* of the security for which the investor accepted the offer in a **corporate action** or which the offerer (recipient) bought back in carrying out the corporate action. This mode is used in reporting records for the delivery of data only while carrying out one of the following corporate actions:
- i. takeover of a target company,
  - ii. purchase offer (takeover of a company that is not a target company), and
  - iii. distribution with pre-emption rights.

When carrying out these corporate actions, the offerer pays out securities to investors at a price different from the usual stock market price. In order to enable the CNB to evaluate transactions arising from the carrying out of these corporate actions properly, the amount of the securities participating in the carrying out of the action should be shown separately. In this way, when carrying out the corporate action of distribution with pre-emption rights, the amounts of securities aggregated for investors that have accepted the issuer's offer for the purchase of newly issued shares is marked by the type of amount 06. When carrying out the action of takeover of the target company or of a company that is not a target, the data on the quantity of securities sold by investors to the acquirer in the corporate action at the offered price are delivered with the type of

amount 06. These amounts are written with a "-" sign. If the amount of securities that the acquirer has purchased during the carrying out of the corporate action is shown with the type of amount 06, the amount is written with a "+" sign. Here, it is very important to emphasise the distinction with regard to the delivery of data on the stock of investment with the type of amount 01. In contrast to these types of amounts, when using the type of amount 06, records are aggregated according to the description of the investor at the end of the previous reporting month – it is shown what type of investor has accepted the acquirer's offer, and not what the investor has become having accepted the offer. If, for example, the investor with a shareholder percentage between 10% and 50% during the corporate action sells a portion of his investment to the acquirer, and on the basis of the remaining number of shares, after the implementation of the corporate action he belongs to the group of investors with a shareholder percentage of up to 10% of the shares, these types of amounts should be aggregated in the "PU" record, as follows:

"PU" RECORD								Type of amount		
Reporting period	ISIN	Type of account	Activity	Investor country	Institutional sector	Type of FI	Ownership relationship	1	3	6
20120229	HRSLDRRA0004	UU	X	HR	14	X	P05000	1.000.000,00	0	
20120331	HRSLDRRA0004	UU	X	HR	14	X	P05000		0	-700.000,00
20120331	HRSLDRRA0004	UU	X	HR	14	X	P01000	300.000,00	0	

### **13 "Amount"**

The value of this feature is entered in all the records of the reporting month.

The value of this feature is entered in the form of a decimal number with two decimal places.

If the nominal stock of the purchased security is shown, the amount is given in the currency of issue of the security.

If the amount shows the data that refer to the holdings in an equity security, decimal places must be filled in with a zero.

Exceptionally, data with a negative sign can be entered in the "Amount" feature in records with the type of amount "06" to show the amount of the security for which investors have accepted the offer from takeover actions (offer for the takeover of the target company and the purchase offer).

## **Schedule 1 Overview of resident legal persons**

Resident legal persons are identified on the basis of a list published on the Croatian Bureau of Statistics website <http://www.dzs.hr/Hrv/important/Sektorizacija/sektorizacija.asp> and on the basis of the CNB's classification.

The CNB will publish this overview on its website ([www.hnb.hr](http://www.hnb.hr)) in the form of a TXT file, and the reporting institutions must ensure the use of the updated overview for every reporting period.

## **Schedule 2 List of international institutions**

The list of codes of international institutions referred to in this Schedule is the list of international institutions published by Eurostat.

The CNB will publish the List of international institutions on its website ([www.hnb.hr](http://www.hnb.hr)), and the reporting institutions must ensure the use of the updated overview for every reporting period.