

# **EESTI PANK**

## **Governor's Decree**

No 8 of 19 September 2006

### **Establishment of Foreign Currency Purchase and Sale Report**

This Decree shall be laid down based on subsection 3(3) of Official Statistics Act and subsection 2(8) of Eesti Pank Act.

#### **§ 1. Scope of Application**

This decree establishes requirements for the content, preparation methods, and rules of submission to the Foreign Currency Purchase and Sale Report.

#### **§ 2. Application of the Decree**

This decree shall be applicable to all credit institutions operating in Estonia and to branches of foreign credit institutions operating in Estonia (hereinafter referred to as the credit institution).

#### **§ 3. Definitions Used**

The definitions used in this decree are based on Eesti Pank Governor's Decree no 4 of 7 March 2005 "Supplementary Reports of Credit Institution's Balance Sheet".

#### **§ 4. Preparation of Reports**

The credit institution shall prepare Foreign Currency Purchase and Sale Reports pursuant to the appendix to this decree "Foreign Currency Purchase and Sale Report".

#### **§ 5. Reporting Period and Terms**

(1) The reporting period for the Foreign Currency Purchase and Sale Report is one month.

(2) The report shall be submitted as at the end of month.

(3) The report shall be submitted by the third banking day after the end of the reporting period.

If Eesti Pank so requests, the credit institution shall submit this report more frequently.

#### **§ 6. Submission of Reports**

(1) The Foreign Currency Purchase and Sale Report shall be submitted to Eesti Pank electronically in the XML (*eXtensible Markup Language*) format in pursuance of the Eesti Pank Governor's Decree No 15 of 20 September 2002 "Electronic Format of Reports".

(2) The code of the Foreign Currency Purchase and Sale Report is 40.

(3) In the absence of data concerning the respective report, an empty report shall be submitted.

§ 7. Using Classifications and International Standards

(1) The currency code in the Foreign Currency Purchase and Sale Report shall be indicated according to the currency codes table of the international standard ISO 4217.

(2) The currency code shall be written in capital letters.

§ 8. Implementing Provisions

The first Foreign Currency Purchase and Sale Report in pursuance of the appendix to this decree shall cover January 2007 and it shall be submitted to Eesti Pank by the term established in section 5 of this decree.

§ 9. Repeal of Decree

The decree of the Governor of Eesti Pank No 5 of 10 February 2004 “Foreign Currency Purchase and sale Report” (RTL 2004, 17, 275) shall be repealed.

§ 10. Entry into Force

This decree shall enter into force on 1 January 2007.

Märten Ross

Deputy Governor

Acting Governor

## **FOREIGN CURRENCY PURCHASE AND SALE REPORT**

### 1. Area of Report

All the currency spot transactions and transactions with derivative instruments performed during a reporting period that have the Estonian kroon as one of the transaction currencies and whose value date comes under the reporting period. The report shall cover such transactions where the will to perform a transaction has been clearly expressed by both parties. Thus, the report shall not include automatic conversions, where the customer's agreement to perform a transaction is passive (e.g., conversion of loan repayments made in Estonian kroons if the loan had been issued in another currency according to the loan contract). In addition, the report shall not cover conversions related to the withdrawal of cash from ATMs abroad or to card payments made abroad.

### 2. General Requirements for Data Summarising

The sum of the transactions having coinciding identifiers has to be shown as one row.

### 3. Structure of Reporting Rows

- 1) transaction type
- 2) transaction category
- 3) instrument
- 4) currency code
- 5) residency
- 6) customer
- 7) agreed maturity
- 8) swap type
- 9) transaction turnover in Estonian kroons
- 10) transaction turnover in foreign currency

### 1) Transaction type identifiers

Purchase 1

Sale 2

The transaction type 1 “Purchase” shall be used when as a result of a spot transaction, the credit institution issues Estonian kroons and receives foreign currency; in case of transactions with derivative instruments there arises a claim in foreign currency.

The transaction type 2 “Sale” shall be used when as a result of a spot transaction, the credit institution issues foreign currency and receives Estonian kroons; in case of transactions with derivative instruments there arises a liability in foreign currency.

Purchase and sale transactions are taken into account from the point of view of the reporting credit institution.

### 3) Identifiers of the foreign currency purchase and sale transactions category

Forward 1

Swap 3

Other 8

Spot 9

The purchase and sale of traveller’s cheques are recorded as spot transactions in this report.

In case of forward swaps a transaction is divided into two halves, which are treated separately according to the value date.

### 3) Instrument

Cash 1

Account money 2

Cash transactions are also such transactions where only one half is related to cash.

### 4) Currency code

Here is indicated the foreign currency in which a transaction was performed or a claim/liability occurred.

5) Customer residency identifiers

Resident 1

Non-resident 2

Undetermined 11

Here is indicated the residency of the other party of a transaction. The customer residency indicator may be 11 (undetermined) only in case of cash transactions.

6) Customer identifiers

Central government 1

Local government 2

State social security fund 13

Other non-budgetary fund 3

Insurance company and pension fund 4

Other financial institution 5

Credit institution 6

Commercial undertaking of state or local government 7

Other commercial undertaking 8

Non-profit association 9

Private person 10

Central bank 12

Undetermined 11

The customer indicator may be 11 (undetermined) only in case of cash transactions.

7) Agreed maturity

1 to 5 banking days	27
5 to 10 banking days	19
10 banking days to 1 month	20
1 to 2 months	12
2 to 3 months	13
3 to 6 months	4
6 to 12 months	5
1 to 2 years	6
2 to 3 years	7
3 to 5 years	8
5 to 10 years	9
Over 10 years	10

Agreed maturity shall be determined only in case of transactions with derivative instruments, according to the period from the date of signing the contract to the term specified in the contract. In case of swaps, the agreed maturity for both a first leg and a second leg is the period between the first leg and the second leg. For the rest of transaction categories the agreed maturity shall be marked as 0.

#### 8) Swap type

First leg	1
Second leg	2

The swap type shall be determined only for transaction category 3 (swap). For the rest of transaction categories the type shall be marked as 0.

A first leg is a transaction which took place to initiate a transaction with derivative instruments (spot leg).

A second leg is a transaction which took place to conclude a transaction with derivative instruments (forward leg).

9) Transaction turnover in Estonian kroons

Here is indicated the turnover of a transaction in Estonian kroons, rounded up to integers.

10) Transaction turnover in foreign currency

Here is indicated the turnover of a transaction in foreign currency, rounded up to integers.