



The Currency Composition of Official Foreign Exchange Reserves

COFER Data and Reporting to the IMF

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The views expressed herein are those of the author and should not necessarily be attributed to the IMF,
its Executive Board, or its management

COFER Data Collection and Dissemination

■ Data Reporting

- Collected by IMF since the 1960s
- Data of quarterly periodicity
- Reporting on voluntary basis
- Individual countries' data strictly confidential

■ Data Dissemination

- Before December 2005—Annual data published in IMF's Annual Reports
- Beginning in December 2005—Quarterly publication of aggregate COFER data on IMF's website
(<http://www-stg-ext/external/np/sta/cofer/eng/index.htm>)

Definition of Official Foreign Exchange Reserves

- Reserve definition follows *BPM6*
- Consistent with *Foreign Exchange (1 d.d) in International Financial Statistics (IFS)*
- Defined as monetary authorities' claims on nonresidents in the form of
 - Foreign banknotes,
 - bank deposits,
 - treasury bills,
 - short-term and long-term, government securities, and
 - other claims usable in the event of balance of payments needs
- Excluding holdings of a currency by the issuing country, examples:
 - The US dollar-denominated assets held by the US Fed
 - The euro assets of the ECB and the central banks of the member countries of the EMU

Currency Composition

- **COFER database distinguishes the following currency denominations**
 - U.S. Dollars
 - Euro
 - Pound Sterling
 - Japanese yen
 - Swiss franc, and
 - Other currencies

- **Before the 1999 introduction of the euro, European currencies identified separately were**
 - European Currency Unit (ECU)
 - Deutsche mark
 - French franc, and
 - Netherlands guilder

Data Presentation

■ Three groupings of countries

- “All countries”
- “Industrial countries”
- “Developing countries”
- Classifications follow that of WEO
- Consistent with those currently used in IFS

■ Three data aggregates

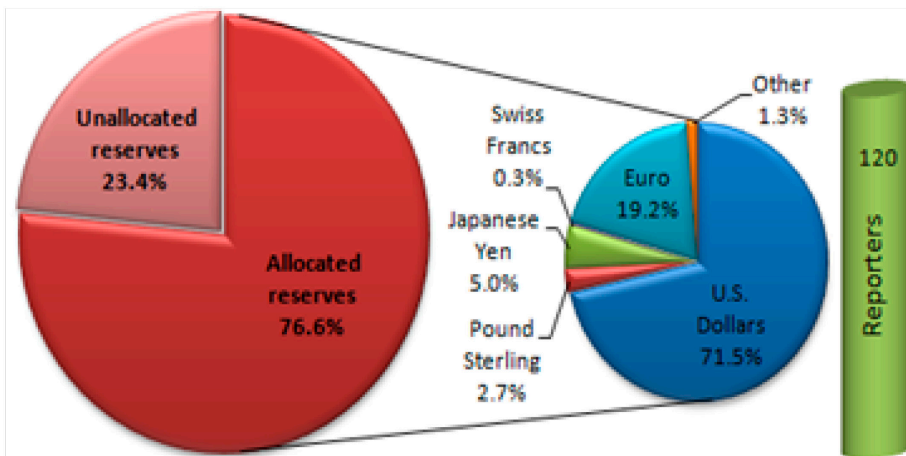
- Total foreign exchange holdings (IFS data source)
- Allocated reserves (COFER data source)
- Unallocated reserves, consisting of
 - Total reserves of non-COFER-reporters
 - Discrepancy between data reporters' data on total reserves as reported to COFER and to *IFS* rep

Country Coverage of Data

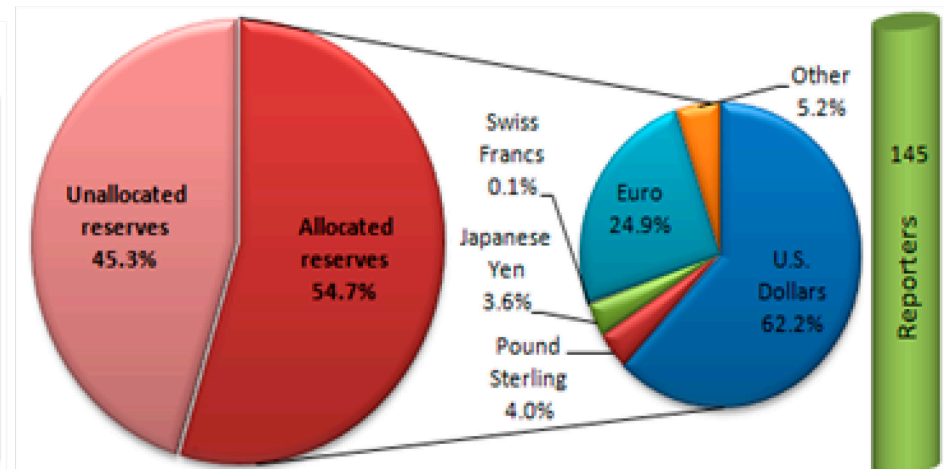
- 145 countries report to COFER as of Q1, 2012
 - All 34 advanced economies
 - 110 emerging and developing economies
- Number of reporting countries has increased through the years (120 reporters in 2001)
- Percentage of COFER data (allocated reserves) in the world's total official reserves has fallen slightly, reflecting the more rapid growth in official reserves in non-reporting countries
- IMF continues its efforts to explore new ways to encourage more countries to become reporters as increased coverage is critical for further improving the usefulness of COFER data

Country Coverage of Data

2001



2012



COFER Data Reporting to the IMF

- Report Form
- Reporting Modality
 - Early stage: Telegram/airmail/Fax
 - Email (STACOFER@imf.org)
 - ICS (integrated correspondence system) and procedures for use
- Confidentiality policy for COFER Database
- One of the most strictly confidential databases
- Access to individual country data limited to only four staff in IMF/STA
- Data provided to other IMF departments are in the form of aggregates only
- Data are only published in the format of statistical aggregates

COFER in SDDS Plus

- Public disclosure of country's participation in the COFER reporting to the IMF
- Public dissemination of COFER data is not prescribed under the SDDS Plus.
- Quarterly data reporting with one quarter timeliness.