

Methodological sheet

Methodology of Structure of Foreign Exchange Reserves

I. Definition and content

International reserves are the Czech National Bank's liquid external assets in convertible currencies.

International reserves include monetary gold (gold deposits and gold swaps), special drawing rights (SDR's), the reserve position in the International Monetary Fund (IMF) and other reserve assets (i.e. currency and deposits, securities, financial derivatives, other claims).

Czech National Bank reports international reserves in a form of data template created by IMF (*Guidelines for a Data Template on International Reserves and Foreign Currency Liquidity*) consistent with the BPM6 manual (*Balance of Payments and International Investment Position Manual, 6th edition*).

II. Sources and methodology of ascertainment

The CNB's databases are sources for ascertainment of the International Assets (the Reserves Data Template). The template is processed on monthly basis and is posted 7th day in month after the reference period (preliminary data) on the CNB's internet website. The preliminary data are revised every following month.

III. Breakdown

Foreign exchange reserves and foreign currency liquidity are divided into four parts:

1. Official reserves assets and other foreign currency assets
2. Predetermined short-term net drains on foreign currency assets
3. Contingent short-term net drains on foreign currency assets
4. Memo items

IV. Method of calculation

Calculation is processed according to the methodology created by IMF.

V. Changes in methodology and content

Since October 2014, international reserves are newly published according to the manual BPM6 in time series since January 2013. In comparison to the BPM5, international reserves (acc. BPM6) are on a gross basis, i.e. repo operations are included.

VI. Reporting entities

Czech National Bank