



## Securities statistics by ISIN codes

Sources	<p>The securities statistics by ISIN codes are prepared on the basis of information compiled by Danmarks Nationalbank from VP Securities (VP) and banks and business enterprises. The statistics cover stock-exchange quoted shares and bonds that are registered with VP, as well as all investment fund shares registered with VP. The statistics contain details of the owner distribution of the individual securities adjusted for residents' holdings in safe custody accounts abroad as well as repurchase transactions and similar.</p> <p>The distribution of the individual securities by owner is potentially available to 4 levels of sub-division. In order to ensure that the identities of individual investors remain confidential the publication of the owner-distribution structure for individual securities at a given level of sub-division is kept strictly confidential, based on a <i>quantity principle</i> and a <i>dominance principle</i>.</p> <p>Reference is made to the section on Confidentiality for more details of this method of handling confidentiality.</p>
Paper types/instruments	<p>The statistics cover all stock-exchange quoted bonds and shares, and all investment fund shares registered with VP irrespective of the issuer's home country (domestic or foreign).</p>
- ISIN code	<p>A given paper is identified by its ISIN (<u>I</u>nternational <u>S</u>ecurities <u>I</u>dentification <u>N</u>umber) code, which is an international ISO standard for unique identification of securities.</p>
- stock-exchange quoted shares	<p>The shares are quoted on Nasdaq OMX Copenhagen. Shares which become quoted are included in the statistics at the end of the month in which they become quoted. Quoted shares are removed from the statistics at the end of the month in which they are delisted.</p>
- stock-exchange quoted bonds	<p>The bonds are quoted on Nasdaq OMX Copenhagen. Bonds which become quoted bonds are included in the statistics at the end of the month in which they become quoted. Quoted bonds are removed from the statistics at the end of the month in which they are delisted.</p>
- all investment fund shares	<p>Investment fund shares solely comprise share-issuing investment funds. The statistics therefore do not correspond to Danmarks Nationalbank's quarterly statistics "Balance sheets of investment funds", which also comprise account-holding funds that do not issue investment fund shares.</p>
Valuation	<p>The nominal stock is valued according to the following principles:</p>

- stocks	<p>The stock is in principle compiled at market price as of month-end (closing price from Nasdaq OMX Copenhagen). In the absence of a month-end price the following applies:</p> <ul style="list-style-type: none"> <li>• quoted bonds: the last registered price or price 100.</li> <li>• quoted shares: the last registered market price or prices obtained from other sources, including accounting details.</li> <li>• investment fund shares: net book value as of month-end.</li> </ul> <p>For quoted bonds, stock data at nominal value is also available.</p>
- currency conversion	<p>All stock in currency is converted to Danish kroner at the exchange rates as of month-end.</p>
Issuing sector	<p>The statistics comprise VP-registered securities that may be issued by either a resident or non-resident. Sector distributions adhere to the guidelines of ESA95 (The <u>E</u>uropean <u>S</u>ystem of <u>A</u>ccounts).</p> <p>The statistics are divided into the following issuing sectors:</p> <ul style="list-style-type: none"> <li>• Non-financial corporations</li> <li>• Banks</li> <li>• Mortgage banks</li> <li>• Other credit institutions and money-market funds</li> <li>• Other financial intermediaries and financial auxiliaries (comprises investment funds, financial holding corporations, etc.)</li> <li>• Insurance corporations and pension funds</li> <li>• General government (central and local governments)</li> <li>• Unallocated domestic</li> <li>• Abroad.</li> </ul> <p>The sector distribution of domestic investors is compiled on the basis of information from the Statistical Business Register.</p>
Investor sector	<p>The sector distribution of investors likewise adheres to the guidelines of ESA95 (The <u>E</u>uropean <u>S</u>ystem of <u>A</u>ccounts). The owner-distributed securities statistics by ISIN codes are potentially available to 4 levels of sub-division, cf. Box 1.</p>
- level 1	<p>Level 1 shows a holder distribution between Denmark and abroad.</p>
- level 2	<p>Level 2 shows a domestic sector distribution on 6 domestic sectors: non-financial corporations, MFIs and other financial intermediaries, insurance corporations and pension funds, general government, households, etc., and unallocated domestic.</p>
- level 3	<p>Level 3 shows further distribution by sector (a total of 8 sub-sectors) of non-financial corporations (publicly- and privately-owned), general government (central government, local government and social security funds) and households, etc. (self-employed individuals, private individuals and non-profit institutions servicing households).</p>

OWNER-DISTRIBUTION STRUCTURE				Box 1
Level 1	Level 2	Level 3	Level 4	
0.0.0 Total outstanding				
1.0.0 All domestic sectors (DK)				
1.1.0 Non-financial corporations				
1.1.1 Publicly-owned non-financial corporations				
1.1.2 Privately-owned non-financial corporations				
1.2.0 Monetary fin. institutions (MFIs) and other financial intermediaries				
1.2.1 Banks incl. Danmarks Nationalbank				
1.2.2 Mortgage banks				
1.2.3 Financial leasing corporations				
1.2.4 Other credit intermediaries				
1.2.5 Investment funds				
1.2.6 Other financial institutions				
1.2.7 Corp. engaged in aux. fin. activities related to banking and finance				
1.3.0 Insurance corporations and pension funds				
1.3.1 Life insurance and other insurance related to pension				
1.3.2 Pension funds				
1.3.3 General insurance corporations				
1.3.4 Other insurance corporations				
1.3.5 Corp. engaged in aux. fin. activities related to insurance				
1.4.0 General government				
1.4.1 Central government				
1.4.2 Local government				
1.4.3 Social security funds				
1.5.0 Households incl. NPISHs				
1.5.1 Self-employed individuals				
1.5.2 Private individuals				
1.5.3 NPISHs (Non-profit institutions servicing households)				
1.6.0 Unallocated domestic				
2.0.0 Foreign countries				

- level 4

The fourth and last level is a distribution of the financial sector (MFIs and other financial intermediaries and insurance corporations and pension funds) into 12 groups.

The sector distribution of domestic investors is likewise compiled on the basis of information from the Statistical Business Register.

Adjustment of the distribution by owner

Danmarks Nationalbank adjusts the ownership distribution of bonds and shares registered with VP, partly for holdings held in safe custody accounts abroad, partly for repurchase transactions with non-residents and similar.

- safe custody accounts abroad

In principle a paper will be registered as owned by a non-resident even if it is owned by a resident, if it has been registered in a safe custody account abroad, e.g. Euroclear. The non-resident ownership will therefore in principle be overvalued. Thus, Danmarks Nationalbank collects information from Danish banks and business enterprises on holdings of securities held in safe custody accounts abroad, and adjusts the data from VP accordingly.

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- Repurchase adjustments      Repurchase agreements and securities lending are considered as lending transactions and thus should not affect the securities' ownership distribution. However, the paper is moved from the selling party's VP account to the purchasing party's VP account as the legal ownership of the paper is transferred temporarily to the buyer. Thus, Danmarks Nationalbank adjusts data from VP for repurchase transactions, securities lending and other transactions which similarly distort the ownership distribution.
- may cause negative holdings      The purpose of buying securities in repurchase agreements/securities lending will often be to resell the paper in the market. When the buyer has resold the paper the repurchase adjustment can result in the buyer's holding in the respective paper being negative. This is quite in accordance with the accounting practice for repurchase agreements and resale.
- Consequently, on Danmarks Nationalbank's publication of the ownership distribution of bonds and shares negative holdings for one or more investor sectors may appear.
- Confidentiality      The purpose of the statistics is to provide users with as detailed owner-distributed data as possible at ISIN code level, with due protection of the identity of investors.
- discretion requirements      In order to protect the identity of investors the owner-distribution structure of the statistics (levels 2, 3 and 4, cf. Box 1) is subject to the following confidentiality requirements:
- For investors in all sectors of sector distribution 3, as well as for share/stock/equity investors and holders of investment fund shares in all sectors of sector distributions 2 and 4, the following confidentiality requirements apply:
- *Quantity principle*: stock data for a given investor sector must comprise the holdings of at least three investors.
  - *Dominance principle*: a given investor's holdings may not constitute more than 90 per cent of the sector's total holding.
- For all sectors of sector distributions 2 and 4 apply that the three largest bond investors may not hold more than 90 per cent of the sector's total Danish bond investments. Thus, the confidentiality criterion which allows data to be published at minimum three investors and no investor over 90 per cent has been eased from applying to any combination of ISIN code and sector (for the given sector distribution) to solely applying to the individual/each ISIN code seen as one.
- Consequently the following confidentiality requirements apply for bond investors in all sectors of sector distributions 2 and 4:
- *Quantity principle*: stock data for a given ISIN code must comprise the holdings of at least three investors.
  - *Dominance principle*: a given investor's holdings may not constitute more than 90 per cent of the total issue of a given ISIN code.

- stringent interpretation of discretion principles	Danmarks Nationalbank applies a <i>stringent</i> interpretation of the above discretion principles by requiring compliance with the quantity principle and the dominance principle for <i>all</i> table cells in a given sector distribution (levels 2, 3 and 4) at any time.
- if breach of discretion principles	Breach of one or both discretion principles in one or more table cells in a given sector distribution at a given time entails that no statistics are published for the given distribution at the given time. This implies that the availability of data in the individual levels of sub-division for a given paper can fluctuate over time.
Investor concentration	<p>Ownership concentration is only computed for bonds and reflects maximum ownership share in the bond. Maximum ownership share is computed as the share of the bond series that is owned by the biggest investor in the series. Thus, if the biggest investor owns 60 per cent of a given bond series, the maximum ownership share will be equal 60 per cent. Bonds are divided in the following groups as per their ownership concentration:</p> <p>1 – Series with low concentration. Maximum ownership share &lt; 20 per cent.  2 – Series with medium concentration. 20 per cent &lt;= maximum ownership share &lt; 50 per cent  3 – Series with high concentration. Maximum ownership share &gt;= 50 per cent  0 – The total amount of the bonds series is owned by the issuer  L – Ownership concentration is not computed  M – Ownership concentration is not available.</p> <p>The data on owner distribution for foreign investors and Danish private investors (here: private and self-employed individuals) are only available on the aggregate level. Foreign investors and Danish private investors are eliminated from the calculation of maximum investor share, as it is assumed that no single foreign investor or Danish private investor own more than 20 pct. of a bond series. If the whole bond series is owned by either foreign investors or Danish private investors, the series is categorized as group 1 – series with low concentration.</p>
Revision	The statistics are revised according to "Danmarks Nationalbank's revision policy for financial statistics". Times of revision and revision periods for the individual statistics appear from "Danmarks Nationalbank's revision cycle for financial statistics". Both documents can be found on Danmarks Nationalbank's website under Statistics – Revisions.
Explanation of symbols	Details may not add because of rounding-off.

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