

Technical Notes on the Revision of the 1999-2005 BOP Series, as of Sept 2006

The BSP released a revised 1999-2004 and preliminary 2005 BOP series on 23 March 2006, with some explanatory notes on the nature of revisions, by account (see: <http://www.bsp.gov.ph/downloads/Statistics/BOP1999-2004technotes.pdf>; and http://www.bsp.gov.ph/publications/tables/2006_03/news-03232006a2.pdf).

With the September 2006 issue of the BOP covering data up to June 2006, a revised historical series is also released. Revisions pertain mainly to updates of 2005 estimates to reflect final data from various sources, summarized as follows:

Account	Nature of revision for 2005 data
Goods and goods-related services (e.g., freight and insurance)	Reflects the final Foreign Trade Statistics of the NSO released on 24 March 2006.
Income (payments)	Takes into account data updates from the International Department (ID), Supervisory Data Center (SDC), and Treasury Department (TD) of the BSP
Current transfers (receipts)	Incorporates revised data on donations
Direct investment (liabilities)	Uses updated data on foreign stockholdings in local banks and final data from ID
Portfolio investment (assets)	Makes use of the results of the 2005 Coordinated Portfolio Investment Survey (CPIS)
Portfolio investment (liabilities)	Takes into account updated portfolio investment data on debt securities from ID and trading of bonds in the secondary market from SDC
Other investment (assets and liabilities)	Reflects final data from SDC, CPIS, and ID, and revised banking data from the Bank for International Settlements (BIS).
Change in net reserves	Reflects mark-to-market valuation of reserve asset holdings of the BSP in line with the adoption of International Accounting Standards (IAS) by the TD.

In addition to updates of the 2005 BOP data, a few revisions were also incorporated in the prior years' data, including:

1. Reclassification of transactions previously recorded under merchanting services imports to miscellaneous business, professional and technical services

Based on further validation of the transactions, the merchanting services imports earlier reported were actually transactions that should be part of miscellaneous business, professional and technical services.

2. Correction of the reinvested earnings under the income account for misclassification
3. Revision of the 2004 portfolio investment assets to incorporate the revised results of the CPIS

With the availability of the results of the 2005 CPIS which also covers the comparative 2004 data, estimates of portfolio investment assets for 2004 and 2005 were revised correspondingly.