

This metadata describes the compilation practices, sources and methodology in use in 2001. Please refer to the contact person below for details of any changes that may have been introduced by the country since that time.

## **Thailand:**

### **Direct Investment Compilation Practices, Data Sources and Methodology**

**Contact person:**

Balance of Payments and International Statistics Team  
Data Management Group  
Bank of Thailand  
273 Samsen Road, Bangkhunprom  
Bangkok 10200, Thailand

Telephone: (662) 283-5626  
Fax: (662) 283-5185  
E-mail: [dmg\\_bopstat@bot.or.th](mailto:dmg_bopstat@bot.or.th)

#### **Direct Investment in Thailand**

- **Balance of Payments (“Transactions Data”)**
- **International Investment Position (“Position Data”)**

#### **Direct Investment Abroad**

- **Balance of Payments (“Transactions Data”)**
- **International Investment Position (“Position Data”)**

**[Glossary of Direct Investment Terms and Definitions](#)**

## DIRECT INVESTMENT IN THAILAND

### BALANCE OF PAYMENTS (“TRANSACTIONS DATA”)

#### A. Compilation Practices and Data Sources

**Data Availability:** Preliminary monthly data on direct investment financial flows (equity capital, and other capital) are disseminated with a timeliness of 2 months after the end of the reference month. Data on (i) income on equity, and (ii) income on debt (interest), are compiled, but are disseminated indistinguishably under investment income in the balance of payments statistics. Data on reinvested earnings are not compiled at present.

**Revision Policy:** The data become final 6 months after their first release.

**Data Coverage:** No major industrial sectors are excluded from the data.

**Data Collection Methods:** The data are collected on an individual transactions basis, and reporting requirements are compulsory.

**Data Sources:** The data are compiled primarily from an international transactions reporting system (ITRS). Enterprise surveys of resident enterprises are used as a secondary data source. A business register of enterprises involved in direct investment is not maintained for the transactions data.

**Geographic Classification:** Monthly data showing country breakdowns are disseminated for direct investment financial flows (non-banking sectors only), with a timeliness of 2 months after the end of the reference period. Data showing country breakdowns for direct investment income are not compiled. In accordance with the international standards, the debtor/creditor principle, rather than the transactor principle, is used as the basis for the geographic allocation of the data. Bilateral information is used in the compilation of the data. Data are also disseminated showing breakdowns of direct investment financial flows by regions or economic zones for: (i) the European Union countries; and (ii) the ASEAN countries. The five countries with the largest amount of direct investment flows into Thailand during the period 1993-2001 (ranked in descending order) were: Japan, the United States, Singapore, Hong Kong, and Taiwan.

**Industrial Classification:** Monthly data showing a breakdown by industry are disseminated for direct investment financial flows, with a timeliness of 2 months after the end of the reference period. Data showing country breakdowns for direct investment income are not compiled. The data are based on the industry of the resident direct investment enterprise. The sector classification is as follows: (i) industry, further broken down into 9 sub-categories, (ii) financial institutions, (iii) trade, (iv) construction, (v) mining and quarrying, (vi) agriculture, (vii) services, (viii) investment, (ix) real estate, and (x) other. Data are disseminated showing a breakdown by industrial sector/region or economic zone for: (i) the European Union countries, and (ii) the ASEAN countries. Data showing a breakdown by industrial sector/partner country are also disseminated.

#### B. Methodology

**Definition of Direct Investment Enterprises in Thailand:** In accordance with the international standards, the basic criterion for defining direct investment enterprises in Thailand is a minimum 10 percent ownership by a nonresident investor, regardless of whether the investor has an effective voice in management. Enterprises in which the nonresident investor owns less than 10 percent but has an effective voice in management are not included. No value threshold is used to identify direct investment enterprises, and unincorporated enterprises are not treated differently from incorporated enterprises.

**Treatment of Indirectly-Owned Direct Investment Enterprises:** The “Fully Consolidated System” (FCS) recommended in the international standards is not applied. Specifically, (i) the direct investment earnings data do not include the relevant share of indirectly-owned direct investment enterprises, and (ii) the direct investment financial flows data do not include the equity and other capital transactions between resident enterprises and nonresident enterprises of the same group of related enterprises. Enterprises in Thailand are required by law to produce consolidated accounts covering their subsidiaries and associates, either domestic or foreign, but are not required by law to identify all transactions with the parent company.

**Measurement of Direct Investment Earnings:** Contrary to the international standards, the “Current Operating Performance Concept” (COPC) is not fully used to calculate earnings of direct investment enterprises. In

accordance with the COPC, deductions are made for depreciation of capital, and for provisions for host-country income and corporation taxes. However, contrary to the COPC, realized and unrealized capital gains and losses, write-offs, and exchange rate gains or losses are included. Contrary to the international standards, when a direct investment enterprise makes a loss, the net loss is not recorded as negative reinvested earnings. (Data on reinvested earnings are not compiled at present.)

**Treatment of Income on Equity (Dividends and Distributed Branch Profits):** Data on income on equity, are compiled, but are disseminated indistinguishably under Investment Income in the balance of payments statistics. The data cover both incorporated enterprises and unincorporated enterprises. Contrary to the international standards, dividends and distributed branch profits are recorded (i) on the date they are paid in most instances, rather than the date they are payable, although some enterprises record them on the date they are payable, and (ii) net, rather than gross, of any withholding taxes.

**Treatment of Reinvested Earnings and Undistributed Branch Profits:** Not applicable. Data on direct investment income are not compiled at present.

**Treatment of Income on Debt (Interest):** Data on income on debt (interest) are compiled, but are disseminated indistinguishably under Investment Income in the balance of payments statistics. The data cover interest income from: (i) bonds and money market instruments, (ii) long-term loans, (iii) short-term loans, and (iv) trade credits. In accordance with the international standards, the data do not include interest from financial derivatives. Interest from deposits, loans and other claims and liabilities related to usual banking and financial intermediation activities between affiliated banks and affiliated financial intermediaries is not applicable at present. Contrary to the international standards, the data are compiled on a paid basis in most instances, rather than on an accrual basis, although some interest transactions are compiled on an accrual basis.

**Treatment of Equity Capital:** The data cover: (i) listed voting stocks (shares), (ii) unlisted voting stocks, and (iii) other non-voting stocks (including participating preference shares). The data do not include noncash acquisitions of equity, such as through the provision of capital equipment. In accordance with the international standards, the data include equity transactions between affiliated banks and between affiliated financial intermediaries

**Treatment of Other Capital:** The data cover (i) long-term loans; and (ii) short-terms loans. The data do not cover: (i) bonds and money market instruments, (ii) financial leases, (iii) trade credits, and (iv) financial derivatives. In accordance with the international standards, the data exclude: (i) loans merely guaranteed by direct investors or related direct investment enterprises, (ii) changes in insurance company technical reserves, and (iii) transactions between banks and between financial intermediaries involving deposits, loans, and other claims and liabilities related to usual banking and financial intermediation activities. In accordance with the international standards, the data include transactions associated with permanent debt (that is, loan capital representing a permanent interest) between affiliated banks and between affiliated financial intermediaries.

**Treatment of Reverse Investment:** Transactions involving reverse investment are not treated in accordance with the international standards in all instances. Assuming that the direct investment enterprise is a resident of Thailand and the direct investor is a nonresident, when the direct investment enterprise owns at least 10 percent of its nonresident direct investor, and has therefore established a direct investment relationship in its own right, equity and loan transactions are recorded in accordance with the international standards as "Direct Investment Abroad: Increase in Claims on Affiliated Enterprises". However, contrary to the international standards, when the direct investment enterprise owns less than 10 percent of its nonresident direct investor, equity transactions are recorded as "Portfolio Investment: Increase in Assets: Equity Securities", and loan transactions are recorded as "Other Investment: Increase in Assets: Loans", rather than as "Direct Investment in Thailand: Increase in Claims on the Direct Investor" in both instances.

**Treatment of Quasi-corporations:** Not applicable. There are no quasi-corporations involving the operation in Thailand by nonresidents of (i) mobile equipment, such as ships, aircraft, and drilling rigs, and (ii) construction enterprises, at present.

**Treatment of Offshore Enterprises:** Not applicable. There are no offshore enterprises established in Thailand by nonresidents at present.

**Treatment of Special Purpose Entities (SPEs):** In accordance with the international standards: (i) activities of SPEs established in Thailand by nonresidents are generally included in the direct investment data, and (ii) in the case of SPEs established in Thailand by nonresidents that have the sole purpose of financial intermediation, transactions with affiliated banks and affiliated financial intermediaries, except transactions involving equity capital and permanent debt, are excluded from the data.

**Treatment of Land and Buildings:** In accordance with the international standards, the data include purchases and sales of land and buildings in Thailand by nonresident enterprises and individuals.

**Treatment of Natural Resources Exploration:** In accordance with the international standards, expenditure on natural resource exploration in Thailand by nonresidents is included in the data.

**Exchange Rate Conversion:** Transactions are converted to the unit of account at the average exchange rate in the period in which the transactions are recorded.

**DIRECT INVESTMENT IN THAILAND**  
**INTERNATIONAL INVESTMENT POSITION (“POSITION DATA”)**

**A. Compilation Practices and Data Sources**

**Data Availability:** Annual (calendar year) position data on other capital only are disseminated with a timeliness of 6 months after the end of the reference year. Presently these data are disseminated only in the IMF's *Balance of Payments Statistics Yearbook* and not in a national publication. Data on (i) equity capital, and (ii) reinvested earnings, are not compiled at present, although there are plans to begin to do so in 2002.

**Revision Policy:** The data generally become final within 6 months after their first release.

**Data Coverage:** The data cover only the banking sector. However, there are plans to cover all major industrial sectors beginning with data obtained from a new six-monthly international investment position survey to be introduced in 2002.

**Data Collection Methods:** Reporting requirements are voluntary.

**Data Sources:** The data are compiled primarily from an international transactions reporting system (ITRS). The perpetual inventory method is used to derive the position data from transactions data, making adjustments for price changes, exchange rate changes and other non-transaction changes. A business register of enterprises involved in direct investment is maintained. This register is updated twice a year using information from (i) the ITRS list of transactors, (ii) registers maintained by government licensing and regulatory authorities, (iii) registers maintained by corporate affairs and stock exchange authorities, (iv) information from the Ministry of Commerce, and (v) the financial press.

**Geographic Classification:** Not applicable. Data showing geographic breakdowns are not compiled at present.

**Industrial Classification:** Annual data showing a breakdown by industry are disseminated with a timeliness of 6 months after the end of the reference period. The data are based on the industry of the resident direct investment enterprise. The classification is as follows: (i) industry, further broken down into 9 sub-categories, (ii) financial institutions, (iii) trade, (iv) construction, (v) mining and quarrying, (vi) agriculture, (vii) services, (viii) investment, (ix) real estate, and (x) other. Data are disseminated showing a breakdown by industrial sector/region or economic zone for: (i) the European Union countries, and (ii) the ASEAN countries. Data showing a breakdown by industrial sector/partner country are also disseminated.

**B. Methodology**

**Definition of Direct Investment Enterprises in Thailand:** In accordance with the international standards, the basic criterion for defining direct investment enterprises in Thailand is a minimum 10 percent ownership by a nonresident investor, regardless of whether the investor has an effective voice in management. Enterprises in which the nonresident investor owns less than 10 percent but has an effective voice in management are not included. No value threshold is used to identify direct investment enterprises, and unincorporated enterprises are not treated differently from incorporated enterprises.

**Treatment of Indirectly-Owned Direct Investment Enterprises:** The “Fully Consolidated System” (FCS) recommended by the international standards is not applied. Specifically, the other capital data do not include the other capital positions between resident enterprises and nonresident enterprises of the same group of related enterprises. (Position data on equity capital and reinvested earnings are not compiled at present.) Enterprises in Thailand are required by law to produce consolidated accounts covering their subsidiaries and associates, either domestic or foreign, but are not required by law to identify all transactions with the parent company.

**Treatment of Equity Capital and Reinvested Earnings:** Not applicable. Position data on equity capital and reinvested earnings are not compiled at present.

**Treatment of Other Capital:** The data cover: (i) bonds and money market instruments, (ii) long-term loans, (iii) short-term loans, (iv) trade credits, and (v) financial derivatives. The data do not cover financial leases. In accordance with the international standards, the data exclude: (i) loans merely guaranteed by direct investors or

related direct investment enterprises, (ii) changes in insurance company technical reserves, and (iii) positions between banks and between financial intermediaries involving deposits, loans, and other claims and liabilities related to usual banking and financial intermediation activities. In accordance with the international standards, the data include positions associated with permanent debt (that is, loan capital representing a permanent interest) between affiliated banks and between affiliated financial intermediaries.

**Treatment of Reverse Investment:** Loan positions involving reverse investment are not treated in accordance with the international standards in all instances. Assuming that the direct investment enterprise is a resident of Thailand and the direct investor is a nonresident, when the direct investment enterprise owns at least 10 percent of its nonresident direct investor, and has therefore established a direct investment relationship in its own right, loan positions are recorded in accordance with the international standards as "Assets: Direct Investment Abroad: Claims on Affiliated Enterprises". However, contrary to the international standards, when the direct investment enterprise owns less than 10 percent of its nonresident direct investor, loan positions are recorded as "Assets: Other Investment: Loans", rather than as "Liabilities: Direct Investment in Thailand: Claims on the Direct Investor". (Data on equity capital positions are not compiled at present.)

**Treatment of Quasi-corporations:** Not applicable. There are no quasi-corporations involving the operation in Thailand by nonresidents of (i) mobile equipment, such as ships, aircraft, and drilling rigs, and (ii) construction enterprises, at present.

**Treatment of Offshore Enterprises:** Not applicable. There are no offshore enterprises established in Thailand by nonresidents at present.

**Treatment of Special Purpose Entities (SPEs):** In accordance with the international standards: (i) activities of SPEs established in Thailand by nonresidents are generally included in the direct investment data; and (ii) in the case of SPEs established in Thailand by nonresidents that have the sole purpose of financial intermediation, positions with affiliated banks and affiliated financial intermediaries, except positions involving equity capital and permanent debt, are excluded from the data.

**Treatment of Land and Buildings:** In accordance with the international standards, the data include ownership of land and buildings in Thailand by nonresident enterprises and individuals.

**Treatment of Natural Resources Exploration:** In accordance with the international standards, expenditure on natural resource exploration in Thailand by nonresidents is included in the data.

**Valuation:** In accordance with the international standards, the data are recorded primarily at market values. However, when the market value is not available, other valuation estimates are used, such as net asset values (that is, total assets, including intangibles, less (i) non-equity liabilities, and (ii) the paid-up value of the non-voting shares).

**Exchange Rate Conversion:** The exchange rate used to convert foreign currencies into the unit of account is primarily that prevailing on the day to which the position data relate. However, in some instances the exchange rate used is that prevailing on the day the loans were transacted.

**THAILAND: DIRECT INVESTMENT ABROAD**  
**BALANCE OF PAYMENTS (“TRANSACTIONS DATA”)**

**A. Compilation Practices and Data Sources**

**Data Availability:** Preliminary monthly data on direct investment financial flows (equity capital only) are disseminated with a timeliness of 2 months after the end of the reference month. Data on (i) income on equity, and (ii) income on debt (interest), are compiled, but are disseminated indistinguishably under Investment Income in the balance of payments statistics. Data on (i) reinvested earnings, and (ii) other capital, are not compiled at present.

**Revision Policy:** The data generally become final 6 months after their first release.

**Data Coverage:** No major industrial sectors are excluded from the data.

**Data Collection Methods:** Data are collected on an individual transactions basis, and reporting requirements are compulsory.

**Data Sources:** The data are compiled primarily from an international transactions reporting system (ITRS). Enterprise surveys of resident direct investors are used as a secondary data source. A business register of enterprises involved in direct investment is not maintained for the transactions data.

**Geographic Classification:** Monthly data showing country breakdowns are disseminated for equity capital financial flows (nonbanking sectors only) with a timeliness of 2 months after the end of the reference period. Data showing country breakdowns for other capital financial flows and direct investment income are not compiled. In accordance with the international standards, the debtor/creditor principle, rather than the transactor principle, is used as the basis for the geographic allocation of the data. Bilateral information is used in the compilation of the data. Data are also disseminated showing breakdowns by regions or economic zones for: (i) the European Union countries, and (ii) the ASEAN countries. The five countries with the largest amount of direct investment flows from Thailand during 1993-2001 (ranked in descending order) were: Hong Kong SAR, the United States, Singapore, China, and the Philippines.

**Industrial Classification:** Monthly data showing a breakdown by industry are disseminated for equity capital financial flows (nonbanking sectors only), with a timeliness of 2 months after the end of the reference period. Data showing breakdowns by industry for other capital financial flows and direct investment income are not compiled. The data are based on the industry of the resident direct investor. The sector classification is as follows: (i) industry, further broken down into 9 sub-categories, (ii) financial institutions, (iii) trade, (iv) construction, (v) mining and quarrying, (vi) agriculture, (vii) services, (viii) investment, (ix) real estate, and (x) other. Data are disseminated showing a breakdown by industrial sector/region or economic zone for: (i) the European Union countries, and (ii) the ASEAN countries. Data showing a breakdown by industrial sector/partner country are also disseminated.

**B. Methodology**

**Definition of Direct Investors Abroad:** Contrary to the international standards, the basic criterion for defining direct investors abroad is 25 percent ownership of a nonresident enterprise by a resident investor, rather than the recommended 10 percent ownership. The issue of whether direct investors have an effective voice in management is not used as a criterion. No value threshold is used to identify direct investors abroad, and unincorporated enterprises are not treated differently from incorporated enterprises.

**Treatment of Indirectly-Owned Direct Investment Enterprises:** Contrary to the international standards, the “Fully Consolidated System” (FCS) is not applied. Specifically, (i) the direct investment earnings data do not include the relevant share of indirectly-owned direct investment enterprises, and (ii) the equity capital data do not include the equity transactions between resident enterprises and nonresident enterprises of the same group of related enterprises. (Data on other capital are not compiled at present.) Enterprises in Thailand are required by law to produce consolidated accounts covering their subsidiaries and associates, either domestic or foreign, but are not required by law to identify all transactions with the parent company.

**Measurement of Direct Investment Earnings:** Contrary to the international standards, the “Current Operating Performance Concept” (COPC) is not fully used to calculate earnings of direct investment enterprises. In

accordance with the COPC, deductions are made for depreciation of capital, and for provisions for host-country income and corporation taxes. However, contrary to the COPC, realized and unrealized capital gains and losses, write-offs, and exchange rate gains or losses are included. Contrary to the international standards, when a direct investment enterprise makes a loss, the net loss is not recorded as negative reinvested earnings. (Data on reinvested earnings are not compiled at present.)

**Treatment of Income on Equity (Dividends and Distributed Branch Profits):** Data on income on equity are compiled, but are disseminated indistinguishably under Investment Income in the balance of payments statistics. The data cover both incorporated enterprises and unincorporated enterprises. Contrary to the international standards, dividends and distributed branch profits are recorded (i) on the date they are paid in most instances, rather than the date they are payable, although some enterprises record them on the date they are payable, and (ii) net, rather than gross, of any withholding taxes.

**Treatment of Reinvested Earnings and Undistributed Branch Profits:** Not applicable. Data on direct investment income are not compiled at present.

**Treatment of Income on Debt (Interest):** Data on income on debt (interest), are compiled, but are disseminated indistinguishably under Investment Income in the balance of payments statistics. The data cover interest income from: (i) bonds and money market instruments, (ii) long-term loans, and (iii) short-term loans. The data do not cover interest from trade credits. In accordance with the international standards, the data do not include interest from financial derivatives. Interest from deposits, loans and other claims and liabilities related to usual banking and financial intermediation activities between affiliated banks and affiliated financial intermediaries is not applicable at present. Contrary to the international standards, the data are compiled on a paid basis in most instances, rather than on an accrual basis, although some interest transactions are compiled on an accrual basis.

**Treatment of Equity Capital:** The data cover: (i) listed voting stocks (shares), (ii) unlisted voting stocks, and (iii) other non-voting stocks (including participating preference shares). The data do not include noncash acquisitions of equity, such as through the provision of capital equipment. In accordance with the international standards, the data include equity transactions between affiliated banks and between affiliated financial intermediaries.

**Treatment of Other Capital:** Not applicable. Data on other capital are not compiled at present.

**Treatment of Reverse Investment:** Equity transactions involving reverse investment are not treated in accordance with the international standards in all instances. Assuming that the direct investment enterprise is a resident of Thailand and the direct investor is a nonresident, when the direct investment enterprise owns at least 10 percent of its nonresident direct investor, and has therefore established a direct investment relationship in its own right, equity transactions are recorded in accordance with the international standards as "Direct Investment Abroad: Increase in Claims on Affiliated Enterprises". However, contrary to the international standards, when the direct investment enterprise owns less than 10 percent of its nonresident direct investor, equity transactions are recorded as "Portfolio Investment: Increase in Assets: Equity Securities", rather than as "Direct Investment in Thailand: Increase in Claims on the Direct Investor". (Data on other capital transactions, which include loan transactions, are not compiled at present.)

**Treatment of Quasi-corporations:** Not applicable. There are no quasi-corporations involving the operation abroad by Thai residents of (i) mobile equipment, such as ships, aircraft, and drilling rigs, and (ii) construction enterprises, at present.

**Treatment of Offshore Enterprises:** Not applicable. There are no offshore enterprises established abroad by Thai residents at present.

**Treatment of Special Purpose Entities (SPEs):** In accordance with the international standards: (i) activities of SPEs established abroad by Thai residents are generally included in the direct investment data, and (ii) in the case of SPEs established abroad by Thai residents that have the sole purpose of financial intermediation, transactions with affiliated banks and affiliated financial intermediaries, except transactions in equity capital and permanent debt, are excluded from the data.

**Treatment of Land and Buildings:** In accordance with the international standards, the data include purchases and sales of land and buildings abroad by Thai resident enterprises and individuals.

**Treatment of Natural Resources Exploration:** In accordance with the international standards, expenditure on natural resource exploration abroad by Thai residents is included in the data.



**Exchange Rate Conversion:** Transactions are converted to the unit of account at the average exchange rate in the period in which the transactions are recorded.

**THAILAND: DIRECT INVESTMENT ABROAD**  
**INTERNATIONAL INVESTMENT POSITION (“POSITION DATA”)**

**A. Compilation Practices and Data Sources**

**Data Availability:** Annual (calendar year) position data are disseminated on direct investment equity capital only, with a timeliness of 6 months after the end of the reference year. These data are presently disseminated only in the IMF's *Balance of Payments Statistics Yearbook*, and not in a national publication. Position data on (i) reinvested earnings, and (ii) other capital, are not compiled at present, although there are plans to begin to do so in 2002.

**Revision Policy:** The data generally become final within 6 months after their first release.

**Data Coverage:** The data cover only the banking sector. However, there are plans to cover all major industrial sectors beginning with data obtained from a new international investment position survey to be introduced in 2002.

**Data Collection Methods:** Reporting requirements are compulsory.

**Data Sources:** The data are compiled primarily from an international transactions reporting system (ITRS). The perpetual inventory method is used to derive the position data from transactions data, making adjustments for price changes, exchange rate changes and other non-transaction changes. A business register of enterprises involved in direct investment is maintained. This register is updated twice a year using information from (i) the ITRS list of transactors, (ii) registers maintained by government licensing and regulatory authorities, (iii) registers maintained by corporate affairs and stock exchange authorities, (iv) information from the Ministry of Commerce, and (v) the financial press.

**Geographic Classification:** Not applicable. Position data showing geographic breakdowns are not compiled.

**Industrial Classification:** Annual data showing a breakdown by industry are disseminated with a timeliness of 6 months after the end of the reference period. The data are based on the industry of the resident direct investor. Data are disseminated showing a breakdown by industrial sector/region or economic zone for: (i) the European Union countries, and (ii) ASEAN. Data showing a breakdown by industrial sector/partner country are also disseminated.

**B. Methodology**

**Definition of Direct Investors Abroad:** Contrary to the international standards, the basic criterion for defining direct investors abroad is 25 percent ownership of a nonresident enterprise by a resident investor, rather than the recommended 10 percent ownership. The issue of whether the direct investors have an effective voice in management is not used as a criterion. No value threshold is used to identify direct investors abroad, and unincorporated enterprises are not treated differently from incorporated enterprises.

**Treatment of Indirectly-Owned Direct Investment Enterprises:** The “Fully Consolidated System” (FCS) recommended by the international standards is not applied. Specifically, the equity capital data do not include the equity positions between resident enterprises and nonresident enterprises of the same group of related enterprises. (Position data on reinvested earnings, and other capital are not compiled at present.) Enterprises in Thailand are required by law to produce consolidated accounts covering their subsidiaries and associates, either domestic or foreign, but are not required by law to identify all transactions with the parent company.

**Treatment of Equity Capital and Reinvested Earnings:** The equity capital position data cover: (i) listed voting stocks (shares), (ii) unlisted voting stocks, and (iii) other non-voting stocks (including participating preference shares). The data do not include non-cash acquisitions of equity, such as through the provision of capital equipment. Data on reinvested earnings are not compiled. In accordance with the international standards, the data include equity positions between affiliated banks and between affiliated financial intermediaries.

**Treatment of Other Capital:** Not applicable. Position data on other capital are not compiled at present.

**Treatment of Reverse Investment:** Equity positions involving reverse investment are not treated in accordance with the international standards in all instances. Assuming that the direct investment enterprise is a resident of Thailand and the direct investor is a nonresident, when the direct investment enterprise owns at least 10 percent of its nonresident direct investor, and has therefore established a direct investment relationship in its own right, equity positions are recorded in accordance with the international standards as “Assets: Direct Investment Abroad: Claims on Affiliated Enterprises”. However, contrary to the international standards, when the direct investment enterprise owns less than 10 percent of its nonresident direct investor, equity positions are recorded as “Assets: Portfolio Investment: Equity Securities”, rather than as “Liabilities: Direct Investment in Thailand: Claims on the Direct Investor”. (Data on other capital positions, which include loan transactions, are not compiled at present.)

**Treatment of Quasi-corporations:** Not applicable. There are no quasi-corporations involving the operation abroad by Thai residents of (i) mobile equipment, such as ships, aircraft, and drilling rigs, and (ii) construction enterprises, at present.

**Treatment of Offshore Enterprises:** Not applicable. There are no offshore enterprises established abroad by Thai residents at present.

**Treatment of Special Purpose Entities (SPEs):** In accordance with the international standards: (i) activities of SPEs established abroad by Thai residents are generally included in the direct investment data, and (ii) in the case of SPEs established abroad by Thai residents that have the sole purpose of financial intermediation, positions with affiliated banks and affiliated financial intermediaries, except positions involving equity capital and permanent debt, are excluded from the data.

**Treatment of Land and Buildings:** In accordance with the international standards, the data include ownership of land and buildings abroad by Thai resident enterprises and individuals.

**Treatment of Natural Resources Exploration:** In accordance with the international standards, expenditure on natural resource exploration abroad by Thai residents is included in the data.

**Valuation:** In accordance with the international standards, the data are recorded primarily at market values. However, when the market value is not available, other valuation estimates are used, such as net asset values (that is, total assets, including intangibles, less (i) non-equity liabilities, and (ii) the paid-up value of the non-voting shares).

**Exchange Rate Conversion:** The exchange rate used to convert foreign currencies into the unit of account is primarily that prevailing on the day to which the position data relate. However, in some instances the exchange rate used is that prevailing on the day the stocks were acquired.