

## **Capturing Portfolio Flows Statistics – Purpose for Usage Matters**

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The purpose of this paper is to outline three traditions of collecting non-resident bond statistics in relation to its usage, employing South African data. The measurement of portfolio capital flows requires a well-functioning Securities Exchange and careful interpretation. The purpose for usage is a critical aspect of determining the data collection activity. Although this is relevant for both bonds and equities, this paper focuses on bonds. The bond market has many transaction types that can be confusing and perhaps, misleading, if care is not taken during analysis. The note begins by defining the South African bond market. Following this, various types of data collection and usage will be outlined. Thereafter, possible monetary policy confusions that may arise when using bond statistics incorrectly will be discussed before concluding.

**Keywords:** bond market, bond statistics, non-residents