

5 Foreign sector – rest of the world

Non-resident institutional units transacting with resident institutional units are grouped into the *foreign sector* or *the rest of the world*. The classification of the foreign sector is based on the distinction between residents and non-residents. The concept of residency is based on the *center of economic interest* and not on nationality or purely legal criteria. An institutional unit is considered to be a *resident* of a country when it has an *economic interest* in a country, i.e. when it has a location (dwelling or premises) within the economic territory of a country from where it intends to engage indefinitely or over a finite but lengthy period of time (longer than a year) in economic activity on a significant scale. The *economic territory of a country* consists of the geographic territory administered by government within which persons, goods and capital move freely inclusive of airspace, territorial waters and enclaves.

An institutional unit or enterprise is therefore a *resident* of the Republic of South Africa when it has an economic interest in South Africa, i.e. when it has premises within the economic territory of South Africa from where it engages or intends to engage indefinitely or over a finite but lengthy period of time in significant economic activity in South Africa. The *foreign sector* or *non-residents* could similarly be defined as institutional units or enterprises with a center of economic interest outside the borders of the Republic of South Africa.

Branches and subsidiaries of foreign enterprises domiciled in South Africa are therefore classified as resident institutional units. In this instance, the foreign enterprise/non-resident owner is classified as part of the foreign sector while the foreign-owned subsidiary or branch is classified as a South African resident. By contrast, branches and subsidiaries of South African companies domiciled in the rest of world are classified as non-resident or part of the foreign sector.

5.1 Foreign financial corporate sector

5.1.1 Financial companies listed on the JSE and classified as non-resident (September 2004)

Financial companies with a *primary listing on bourses other than the JSE Securities Exchange South Africa* (JSE) and a secondary listing on the JSE are classified as non-resident.

www.jse.co.za

Brait SA
Investec plc
Liberty International plc

London Finance and Investment Group plc
Old Mutual plc

5.1.2 Foreign banks ⁵

A *foreign bank* is an institution lawfully established in a country other than the Republic of South Africa which conducts the business of a bank in another country.

⁵ Foreign banks not included under paragraph 5.1.1.

5.1.3 Other foreign financial corporations

Other foreign financial corporations are lawfully established institutions in a country other than the Republic of South Africa which conduct the business of institutions as defined in paragraph 1.

- Approved foreign collective investment schemes (September 2004)

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Accorn Global Fund	Invesco GT Small Companies Series (Ireland)
Appleton Global Portfolio (Guernsey)	Invesco GT World Bond Series (Ireland)
Ashburton Global Funds Ltd (Jersey)	Invesco GT World Series (Ireland)
Ashburton Money Market Funds Ltd (Jersey)	Invesco Series
Ashburton Replica Portfolio Ltd (Jersey)	Investec Global Strategy Fund Ltd (Guernsey)
Aviva Funds	Investec International Accumulation Fund Ltd (Guernsey)
Barclays International Funds SICAV (Luxembourg)	Investec International Fund (Ireland)
Barclays Investment Funds SICAV (Luxembourg)	Investec Liquidity Funds plc (Ireland)
Corinthian Portfolio Selection Funds Ltd (Jersey)	Investec Select Funds plc (Ireland)
Coronation Retail Fund (Ireland)	Investment Solutions Strategic Global Fund (Jersey)
Crescent Global Investment Fund plc (Ireland)	Irish Life International Global Funds plc (Ireland)
Elite Personal Portfolio Service (Guernsey)	Liberty Ermitage Funds Ltd
Fidelity Funds SICAV (Luxembourg)	Liberty Ermitage Institutional Money Market Funds Ltd (Jersey)
Fidelity Institutional Funds	Lloyds TSB Money Fund Ltd
Franklin Templeton Investment Funds (Luxembourg)	Lloyds TSB Offshore Funds Ltd
Frank Russell Investment Company plc (Ireland)	Lloyds TSB Offshore Gilt Fund Ltd
Gensec Global Multi-Manager Fund plc (Ireland)	Marriott Singer International Funds plc (Ireland)
Gensec Universal Fund (Pty) Ltd plc (Ireland)	m Cubed Capital Mutual Fund Pcc Ltd (Guernsey)
Gerrard Japanese Growth Fund	Nedcor International Investor Series plc
Gerrard UK Growth Fund	Oasis Global Investment Fund plc (Ireland)
Gerrard UK Smaller Companies Fund	Old Mutual Emerging Asia Trust (UK)
Ginsglobal Index Funds Ltd (Mauritius)	Old Mutual European Blue Chip Trust
HSBC Global Investment Funds SICAV (Luxembourg)	Old Mutual International Portfolio (Guernsey)
Insight Investment International Portfolios Funds	Old Mutual Latin American Companies Trust
Insinger De Beaufort Asset Selection SICAV (Luxembourg)	Old Mutual North American Trust
International Mutual Fund Pcc Ltd	Old Mutual UK Money Market Trust
Invesco GT Investment SICAV (Luxembourg)	Old Mutual UK Select Smaller Companies Trust
Invesco GT Pathfinder Series (Ireland)	Old Mutual US Dollar Money Market Trust
Invesco GT SICAV (Luxembourg)	Old Mutual Worldwide Bond Trust
	Old Mutual Worldwide Trust
	Orbis Global Equity Fund (Bermuda)
	Orbis Japan US Dollar Fund Ltd (Bermuda)
	Orbis SICAV Japan Equity Fund (Luxembourg)

Prudential Cash Haven Trust	Sarasin (CI) Globalsar Sterling Balanced Fund (Guernsey)
Prudential European Trust	Sarasin (CI) Income Portfolio
Prudential International Growth Trust (UK)	Sasfin International Fund
Prudential Japanese Trust	Scottish Mutual International Investment Fund plc (Ireland)
Prudential North American Trust	SEI Global Master Fund plc (Ireland)
Prudential Pacific Markets Trust	Standard Bank Offshore Unit Trust Scheme (Jersey)
Prudential UK Growth Trust	Standard Bank Strategist Funds Ltd (Jersey)
PSG Global Ltd (Mauritius)	Strategic Investment Services (Ireland)
Sarasin (CI) Equisar Dollar Global Thematic Fund	Trialpha Select Unit Trust
Sarasin (CI) Equisar Sterling Global Thematic Fund (Guernsey)	Trialpha Liquid Unit Trust (Jersey)
Sarasin (CI) Globalsar Dollar Balanced Fund (Guernsey)	

5.2 Foreign non-financial corporate sector

5.2.1 Non-financial companies listed on the JSE and classified as non-resident (September 2004)

Non-financial companies with a *primary listing on bourses other than the JSE Securities Exchange South Africa* (JSE) and a secondary listing on the JSE are classified as non-resident.

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Anglo American plc	Lonmin plc
BHP Billiton plc	Lonrho Africa plc
Bicc Cafca Ltd	Monteagle Holdings Société Anonyme
Canadian Overseas Packaging Industries Ltd	Namibian Sea Products Ltd
Conafex Holdings Societe Anonyme	Richemont Securities AG
Dimension Data Holdings plc	SABMiller plc
Falcon Investment Holdings Société Anonyme	Wankie Colliery Company Ltd

5.2.2 Other foreign non-financial corporations

5.3 Foreign governments

Foreign governments are institutional units conducting the functions of government as primary activity with legislative, judicial and executive authority over other institutional units within a specific area outside the Republic of South Africa.

5.4 International organisations

International organisations are supra-national institutions such as the International Monetary Fund and authorities with the authority to raise taxes or compulsory contributions within the territories of the countries that are members of the international organisations.

5.5 Other non-residents

Other non-residents are natural persons or legal entities that are not residents of the Republic of South Africa.