

Switzerland's International Investment Position 2012

SCHWEIZERISCHE NATIONALBANK
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INCREASE IN INTERNATIONAL INVESTMENT POSITION

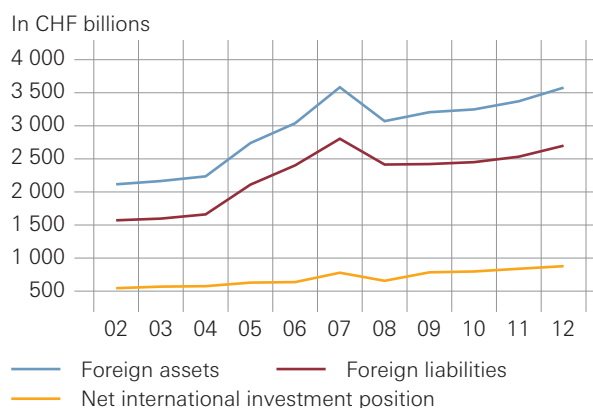
In 2012, Switzerland's international investment position was shaped primarily by the financial account. Higher share prices and the lower valuation of US dollar holdings also had an impact on the international investment position. A rise was recorded in both foreign assets and foreign liabilities. Since foreign assets grew more markedly than foreign liabilities, the net international investment position increased by CHF 39 billion to CHF 878 billion. In relation to GDP, the net international investment position amounted to 148%, compared with 143% in 2011.

Foreign assets climbed by CHF 206 billion to CHF 3,577 billion. Capital outflows were the primary factor behind this increase, with the expansion of reserve assets playing a marked role, as they grew by CHF 174 billion to CHF 485 billion. Stocks of portfolio investment abroad increased by CHF 65 billion to CHF 1,085 billion. This was due in large part to equity securities, which benefited from the rising share prices. As a result of capital outflows, stocks of direct investment abroad grew by CHF 24 billion to CHF 1,071 billion. By contrast, bank claims abroad from loans decreased by CHF 11 billion to CHF 488 billion, with interbank claims down by CHF 25 billion and claims from customer business up by CHF 14 billion. The SNB's claims against central banks and commercial banks abroad from loans declined by CHF 10 billion to CHF 5 billion. Stocks of derivatives and structured products were also below their year-back level (down by CHF 26 billion to CHF 161 billion), as were fiduciary investments abroad (down by CHF 9 billion to CHF 32 billion).

Foreign liabilities grew by CHF 167 billion to CHF 2,700 billion. The biggest advance was registered by stocks of foreign portfolio investment in Switzerland – up by CHF 113 billion to CHF 762 billion. This was largely due to higher share prices. Banks' liabilities from loans abroad again recorded an increase, advancing by CHF 47 billion to CHF 748 billion. In this item, customer deposits rose by CHF 56 billion, whereas liabilities from cross-border interbank business decreased by CHF 9 billion. Stocks of foreign direct investment in Switzerland

Chart 1

SWITZERLAND'S INTERNATIONAL INVESTMENT POSITION



Source: SNB

climbed by CHF 19 billion to CHF 672 billion. By contrast, stocks of derivatives and structured products declined by CHF 27 billion to CHF 135 billion.

In 2014, the SNB will adjust the international investment position statistics to bring them into line with the statistical standards of the IMF (*Balance of Payments and International Investment Position Manual*, sixth edition, BPM6). These adjustments are explained in the special topic chapter 'Aligning the international investment position statistics with new international statistical standards'.

As a result of the changeover to the new statistical standards, no annual report on Switzerland's international investment position will be published for 2013. The 2014 annual report on Switzerland's international investment position will be published in the summer of 2015, together with the 2014 balance of payments report.

INTERNATIONAL INVESTMENT POSITION IN BRIEF

Total at year-end In CHF billions

Table 1

	2008	2009	2010	2011	2012	Year-on-year change
Foreign assets						
Total	3 070.7	3 205.9	3 248.2	3 371.5	3 577.1	205.6
Direct investment	769.9	891.3	980.1	1 046.3	1 070.5	24.2
Portfolio investment	967.6	1 108.7	1 050.0	1 020.2	1 084.8	64.6
Debt securities	628.9	697.7	635.3	619.4	638.4	19.0
Equity securities	338.8	411.1	414.7	400.8	446.4	45.6
Derivatives and structured products	234.9	171.3	175.8	186.2	160.8	-25.5
Other assets	1 019.4	894.9	789.8	807.4	776.0	-31.4
of which, loans by Swiss National Bank	79.5	33.0	1.4	15.3	5.3	-10.0
of which, loans by Banks	613.4	555.0	493.8	498.7	487.6	-11.1
Reserve assets	78.9	139.7	252.4	311.4	485.0	173.6
Foreign liabilities						
Total	2 414.4	2 421.7	2 450.7	2 533.1	2 699.6	166.5
Direct investment	476.0	514.8	580.6	652.3	671.6	19.2
Portfolio investment	625.4	705.8	720.3	648.8	762.0	113.2
Debt securities	61.3	57.5	88.9	67.7	76.0	8.3
Equity securities	564.1	648.3	631.4	581.1	686.0	104.9
Derivatives and structured products	205.7	135.8	142.5	162.0	135.0	-27.0
Other liabilities	1 107.3	1 065.3	1 007.2	1 069.9	1 131.0	61.0
of which, loans by Swiss National Bank	34.4	4.5	3.8	6.5	19.3	12.8
of which, loans by Banks	720.9	705.6	642.2	700.6	747.5	46.9
Net international investment position						
Total	656.2	784.2	797.5	838.4	877.6	39.1
Direct investment	293.9	376.5	399.5	394.0	399.0	5.0
Portfolio investment	342.2	402.9	329.7	371.4	322.8	-48.6
Debt securities	567.5	640.1	546.4	551.7	562.4	10.7
Equity securities	-225.3	-237.2	-216.7	-180.3	-239.6	-59.3
Derivatives and structured products	29.1	35.5	33.3	24.2	25.7	1.5
Other positions	-87.9	-170.4	-217.4	-262.5	-355.0	-92.4
of which, loans by Swiss National Bank	45.0	28.5	-2.4	8.8	-14.0	-22.8
of which, loans by Banks	-107.5	-150.6	-148.4	-201.9	-259.9	-58.0
Reserve assets	78.9	139.7	252.4	311.4	485.0	173.6

Switzerland's international investment position – composition and factors responsible for change

Foreign assets and foreign liabilities are both broken down into direct investment, portfolio investment, derivatives and structured products, other assets and other liabilities. Foreign assets also contain reserve assets. Like the balance of payments, Switzerland's international investment position is compiled in accordance with IMF guidelines (*Balance of Payments Manual*, fifth edition, 1993).

The largest components making up Switzerland's international investment position are direct investment and portfolio investment. Direct investment shows the capital relationships of companies in Switzerland with companies abroad, and is deemed to be such when the participation in the company's voting capital amounts to 10% or more. In direct investment, the focus is on both the long-term interest in the investment and the exertion of influence on the company's business activity. Portfolio investment, by contrast, is an investment in securities, where the main interest lies in return and security. Important components under other assets and liabilities are loans (both claims and liabilities) by banks. The size of these items reflects the major importance of the Swiss financial centre. Further components in these categories are loans by or to companies and loans by or to the Swiss National Bank. Loans by or to the Swiss National Bank cover all claims and liabilities abroad that are not part of reserve assets. Reserve assets consist of liquid assets in foreign currencies, which are available to the SNB at all times, as well as gold.

Changes in foreign assets and liabilities are attributable to three factors. These are capital flows, valuation changes and modifications to the statistical sources. Capital flows are recorded in the balance of payments under the financial account, and involve the creation and settlement of financial claims and

liabilities as well as the inflows and outflows of equity capital. If Swiss outflows abroad exceed foreign inflows into Switzerland, the net international investment position increases; in the opposite case, it decreases. The second factor, valuation changes attributable to fluctuations in exchange rates or the prices of either precious metals or securities, particularly shares, is also of major importance. The composition of foreign assets differs significantly from that of foreign liabilities with respect to currencies and components. Consequently, the effect of valuation changes on assets deviates from that on liabilities in the following ways:

1. In the case of foreign assets, the stock of foreign currencies is around three times as high as in the case of foreign liabilities. Therefore, when the Swiss franc appreciates, the value of foreign assets declines faster than that of foreign liabilities. This means that an appreciation of the Swiss franc results in a decrease in the net international investment position.
2. The stock of shares held by foreign investors in Switzerland (foreign liabilities) is more than twice as high as that held by Swiss investors abroad (foreign assets). Consequently, in absolute terms, a similar movement in share prices in Switzerland and abroad will have a stronger impact on the liabilities side of the account.

The third factor that determines changes in foreign assets and liabilities is modifications in statistical sources. These modifications include an expansion in the number of companies surveyed and the inclusion of items that were not previously collected in the statistics.

Switzerland's international investment position – longer-term view and commentary on 2012

FOREIGN ASSETS

From 2002 to 2011, foreign assets rose from CHF 2,116 billion to CHF 3,372 billion (an increase of CHF 1,256 billion). Capital outflows (investment abroad) accounted for a CHF 960 billion expansion in the international investment position. Also in this period, price gains were recorded on shares (CHF 216 billion). By contrast, exchange rate losses were responsible for a decline in foreign assets which, over the period under consideration, accumulated to CHF 611 billion. Statistical modifications gave rise to an increase in foreign assets, with the reporting population for direct investment being expanded in 2004, and the derivatives and structured products item being introduced from 2005.

Between 2002 and 2011, movements in foreign assets were variable. From 2002 to 2004, little change was recorded. By contrast, from 2004 to 2007, foreign assets rose sharply, from CHF 2,236 billion to CHF 3,583 billion. This increase was driven, on the one hand, by a substantial increase in share prices, which considerably boosted the value of portfolio investment abroad. On the other hand, banks sharply increased their interbank claims abroad. Direct investment abroad also rose substantially as a result of investment activity by Swiss companies. The financial crisis put a stop to this upward trend and led to a marked decline in foreign assets. In 2008, foreign assets were

down by CHF 512 billion to CHF 3,071 billion. This sharp decrease was attributable to three factors. First, stocks abroad were reduced, particularly by banks. Second, plummeting share prices resulted in a drop in portfolio stocks abroad, and, third, the appreciation in the Swiss franc led to a lower valuation of foreign currency stocks. From 2009, direct investment stocks and reserve assets rose considerably. However, the growth in foreign assets was curbed by the continued rise in the value of the Swiss franc. The reduction in bank claims abroad continued until 2010.

Between 2002 and 2011, these developments gave rise to shifts in the composition of foreign assets. This applied to the breakdown by both component and currency. The share of direct investment in foreign assets rose from 19% to 31%, and the share of reserve assets from 4% to 9%. By contrast, the share of bank claims from cross-border lending business declined from 31% to 15%. The share of portfolio investment abroad was down from 35% to 30%.

The foreign currency share fluctuated around 84% during the period under consideration. There were shifts in the foreign currencies: The percentage of assets held in US dollars declined sharply for exchange rate reasons, from 33% to 26%. By contrast, the share of assets held in euros was up from 29% to 31%, while that in other currencies rose from 20% to 25%.

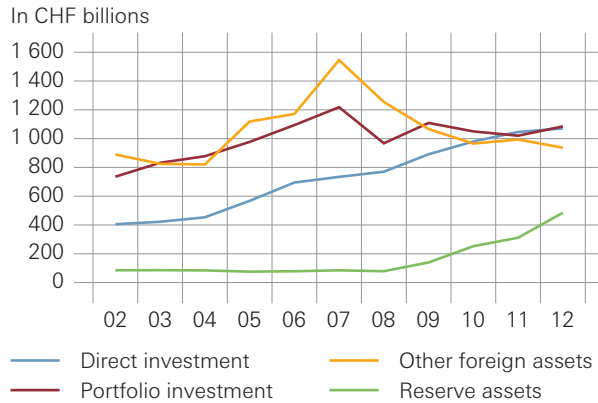
Foreign assets climbed by CHF 206 billion to CHF 3,577 billion in the year under review. Reserve assets were the main contributor to this increase, rising by CHF 174 billion to CHF 485 billion. Developments in stock market prices led to an increase of CHF 65 billion in stocks of portfolio investment, to CHF 1,085 billion. Stocks of direct investment abroad were also higher than in the previous year, climbing by CHF 24 billion to CHF 1,071 billion. The manufacturing industry, in particular, expanded its presence abroad. By contrast, banks recorded lower foreign assets, reducing claims from loans abroad once again. Interbank claims declined by CHF 25 billion to CHF 325 billion, while claims against customers grew by CHF 14 billion to CHF 162 billion. Stocks of derivatives and structured products rose by CHF 26 billion to CHF 161 billion.

The share of currencies in foreign assets shifted significantly, with that of the Swiss franc dropping from 16% to 14%. Accordingly, the foreign currency share (including precious metals) rose from 84% to 86%, with the proportion of investments in US dollars and the category of other currencies rising in particular. The proportion of investments in euros and precious metals receded slightly.

Chart 2

FOREIGN ASSETS

Breakdown by components

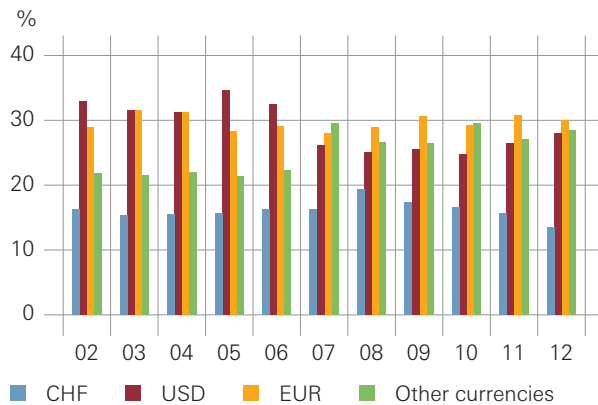


Source: SNB

Chart 3

FOREIGN ASSETS

Breakdown by currency



Source: SNB

FOREIGN LIABILITIES

From 2002 to 2011, foreign liabilities rose from CHF 1,571 billion to CHF 2,533 billion (an increase of CHF 962 billion). Of this growth, CHF 462 billion was attributable to capital inflows from abroad (foreign investment). Price gains on Swiss shares also resulted in an advance of CHF 146 billion in foreign liabilities. By contrast, exchange rate movements during this period resulted in losses of CHF 261 billion on foreign liabilities. The expansion in the reporting population for direct investment in 2004 and the inclusion of derivatives and structured products from 2005 onwards both contributed to an increase in foreign liabilities.

In the period under review, movements in foreign liabilities were variable. From 2002 to 2004, stocks declined by CHF 90 billion to CHF 1,661 billion. Thereafter, from 2004 to 2007, foreign liabilities registered a sharp increase, from CHF 1,661 billion to CHF 2,805 billion, due chiefly to three factors. First, banks significantly increased their liabilities abroad, from CHF 642 billion to CHF 1,085 billion. Second, stocks of Swiss securities held by non-residents advanced due to higher share prices. Third, stocks of foreign direct investment in Switzerland rose

sharply as a result of high investment from abroad. With the onset of the financial crisis, foreign liabilities declined. Between 2007 and 2011, they decreased by CHF 272 billion, and in 2011 they amounted to CHF 2,533 billion. Banks, in particular, significantly reduced their liabilities abroad. In addition, the lower value of foreign currencies contributed to a fall in foreign liabilities. Foreign portfolio investment in Switzerland also diminished substantially as a result of the drop in share prices. By contrast, foreign direct investment in Switzerland advanced further due to capital inflows (new foreign investment).

Between 2002 and 2011, the composition of foreign liabilities changed substantially. While the share of direct investment increased from 11% to 26%, that of other liabilities decreased from 58% to 42% and that of portfolio investment from 31% to 26%.

From 2002 to 2011, the foreign currency share fell from 48% to 35%. This was particularly noticeable for the US dollar, where the percentage was down from 26% to 17%. The share of the euro and other currencies changed little, amounting to 12% at the end of 2011 in the case of the euro, and 6% for other currencies.

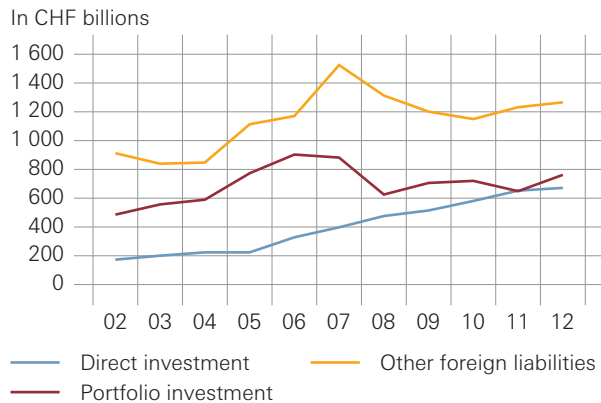
Foreign liabilities rose by CHF 167 billion to CHF 2,700 billion in the year under review. Stocks of portfolio investment recorded the largest growth, increasing by CHF 113 billion to CHF 762 billion. Of this rise, equity securities accounted for CHF 105 billion and debt securities for CHF 8 billion. The increase in equity securities was mainly attributable to higher share prices. Banks' liabilities from loans to customers abroad again recorded an increase, going up by CHF 56 billion to CHF 342 billion. Interbank liabilities declined, however, by CHF 9 billion to CHF 406 billion. The SNB increased its liabilities towards central banks and banks abroad by CHF 13 billion to CHF 19 billion. The stock of foreign direct investment in Switzerland rose by CHF 19 billion to CHF 672 billion, only a slight increase in comparison with previous years. By contrast, stocks of derivatives and structured products registered a decline, by CHF 27 billion to CHF 135 billion.

There was a shift in the currency breakdown of foreign liabilities: The Swiss franc share rose again, by 2 percentage points to 67%, while the shares of the US dollar, the euro and the category of other currencies receded by 1 percentage point each. At the end of 2012, the US dollar share was 16%, the euro 11% and other currencies (including precious metals) 6%.

Chart 4

FOREIGN LIABILITIES

Breakdown by components

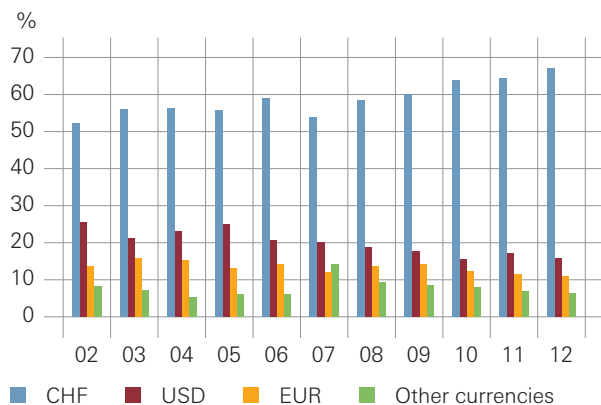


Source: SNB

Chart 5

FOREIGN LIABILITIES

Breakdown by currency



Source: SNB

NET INTERNATIONAL INVESTMENT POSITION

Since statistics were first collected in 1985, Switzerland's foreign assets have been higher than its foreign liabilities; its net international investment position has therefore been positive throughout this period. This reflects both the high savings rate and the limited investment possibilities in Switzerland. By international standards, Switzerland's net international investment position is very high. In 2011, the Swiss net international investment position ranked fourth in the world, behind Japan, China and Germany. Other small open economies such as Hong Kong, Singapore and the Netherlands also have a high net international investment position.

From 2002 to 2011, the net international investment position grew from CHF 544 billion to CHF 838 billion (an increase of CHF 294 billion).

If Swiss net capital outflows are accumulated for the period from 2002 to 2011 (investment abroad minus investment in Switzerland), we obtain an increase in the net international investment position of CHF 464 billion. By contrast, the appreciation in the Swiss franc had a significantly negative impact. Because the stocks of foreign currency on the foreign assets side of the account are substantially higher than those on the foreign liabilities side, exchange rate losses on foreign assets from 2002 to 2011 were more than twice as high as those on foreign liabilities. In net terms, this gave rise to an exchange rate-related valuation loss on the net international investment position of CHF 350 billion. Between 2002 and 2011, valuation gains and losses attributable to share price fluctuations almost offset one another; accumulated over the entire time period, a share price-related valuation gain of CHF 70 billion was recorded.

The net international investment position rose by CHF 39 billion to CHF 878 billion in the year under review. Reserve assets, which by definition have no liabilities counterpart, increased by CHF 174 billion to CHF 485 billion. The net position in direct investment was up by CHF 5 billion to CHF 399 billion. In portfolio investment, the surplus of foreign assets over foreign liabilities decreased by CHF 49 billion to CHF 323 billion. Higher share prices had a greater impact on the liabilities side than on the assets side as a result of the prominence of shares on the liabilities side. Other investment increased the surplus of liabilities by CHF 92 billion to CHF 355 billion, largely due to the substantial rise in net liabilities of banks and the SNB. In derivatives and structured products, the surplus of assets advanced by CHF 2 billion to CHF 26 billion.

Chart 6

NET INTERNATIONAL INVESTMENT POSITION

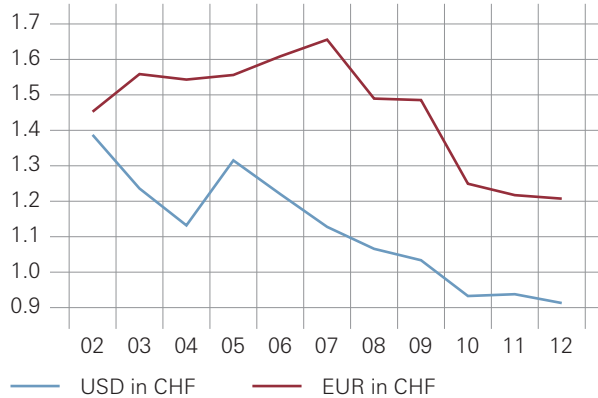


Source: SNB

Chart 7

EXCHANGE RATES

End of year

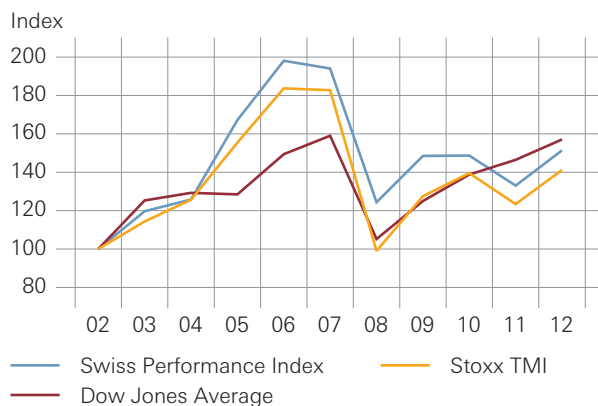


Source: SNB

Chart 8

SHARE PRICES

2002 = 100, end of year



Sources: Bloomberg, Thomson Reuters Datastream

DIRECT INVESTMENT ABROAD

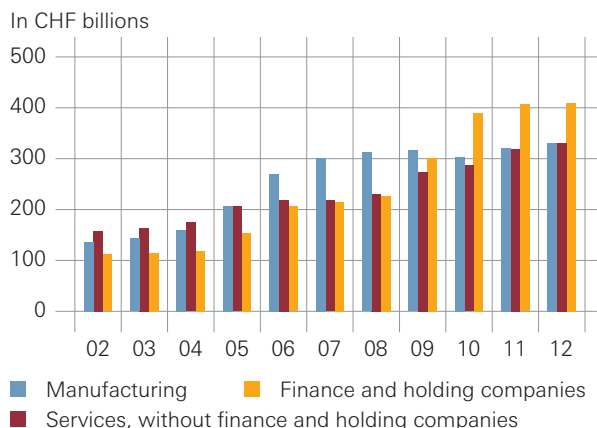
Direct investment abroad covers intragroup capital relationships between companies in Switzerland and their participations abroad. As a rule, if an investor owns at least 10% of the voting stock of a company abroad or sets up a subsidiary or branch office abroad, this situation may be classified as direct investment. Investment can take the form of equity capital (establishment of new companies, acquisition, increasing capital in existing subsidiaries), retained profits (reinvested earnings) or loans. Generally, the focus is on the long-term interest in the investment. This distinguishes direct investment from portfolio investment. The main motivation for Swiss direct investment abroad is to open up foreign sales markets. Obtaining access to resources (labour, capital and land) is also important. In addition, different production costs in Switzerland and other countries play a significant role for direct investment. As opposed to most other stock items, direct investment is stated at book values and not at market values. By comparison with other countries, Switzerland has very high stocks of direct investment abroad. At the end of 2011, Switzerland was the eighth-highest direct investor in the world (source: IMF, <http://cdis.imf.org/>).

From 2002 to 2004, stocks of direct investment abroad rose little due to the weak economy. In the years that followed, lively investment by the manufacturing industry resulted in a substantial rise in these stocks. Moreover, in 2004, the reporting population was expanded. From 2007, the financial crisis held back investment activity. In addition, in 2008 and 2010, the appreciation of the Swiss franc had a negative impact on stocks.

Between 2002 and 2011, stocks of direct investment abroad more than doubled, rising from CHF 405 billion to CHF 1,046 billion. Swiss companies acquired participations abroad on a large scale and reinvested the income earned there. These investments exceeded the exchange rate-related valuation losses by far. From 2002 to 2011, the share of direct investment in total foreign assets rose from 19% to 31%.

Chart 9

DIRECT INVESTMENT ABROAD



Source: SNB

There were substantial shifts in the breakdown of direct investment abroad by industry, with finance and holding companies, in particular, gaining in importance over the years. Their share rose from 28% at the end of 2002 to 39% at the end of 2011. By contrast, the share of other service companies declined from 39% to 30%, and that of manufacturing companies from 34% to 31%.

In 2012, direct investment abroad rose by CHF 24 billion to CHF 1,071 billion. Capital outflows for direct investment abroad amounted to CHF 42 billion. This was partly offset by other changes amounting to CHF 18 billion, half of which was attributable to exchange rate losses. Manufacturing companies' stocks of direct investment rose by CHF 10 billion to CHF 330 billion. The increase was mainly attributable to investment by companies in the chemicals and plastics, and the metals and machinery categories. Stocks of direct investment in the services sector (excluding finance and holding companies) increased by CHF 12 billion to CHF 330 billion, mainly as a result of insurance companies and trading companies expanding their direct investment capital abroad. The direct investment stocks of finance and holding companies increased by CHF 3 billion to CHF 410 billion. At the end of 2012, the share of direct investment in foreign assets was 30%, 1 percentage point lower than in the previous year.

PORTFOLIO INVESTMENT ABROAD

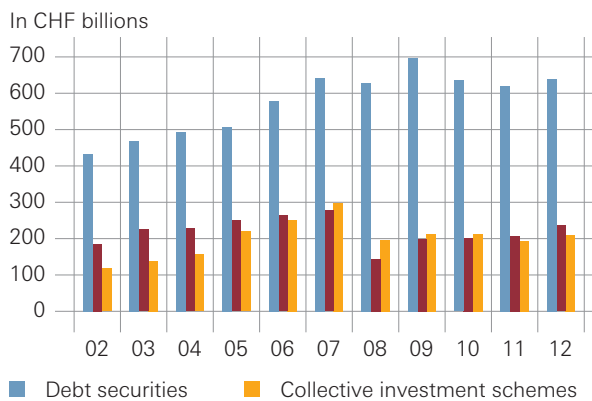
Portfolio investment covers negotiable debt securities (bonds and money market instruments) and equity securities (shares and collective investment schemes) that are not included under direct investment or reserve assets. In the case of portfolio investment, short-term interests are predominant. Over half of portfolio investment abroad is held in debt securities. From 2002 to 2007, portfolio investment abroad increased from CHF 483 billion to CHF 1,218 billion. This increase in stocks was due, on the one hand, to purchases of securities and, on the other, to rising share prices. In 2008, shares lost considerable value in the wake of the financial crisis; despite new investment, stocks of portfolio investment fell below those of 2005. Also in 2008, illiquid UBS assets abroad were purchased by the SNB's special purpose vehicle. In the following year, stocks increased somewhat, due to the fact that part of the valuation losses suffered in the previous year were recouped. From 2010, stocks again declined, mainly as a result of exchange rate-related valuation losses.

From 2002 to 2011, the share of portfolio investment in total foreign assets decreased from 35% to 30%.

Stocks of portfolio investment abroad rose in 2012 by CHF 65 billion to CHF 1,085 billion, largely due to higher share prices. Capital flows made no contribution to the rise; indeed, domestic investors sold foreign-issued securities for a net CHF 1 billion. Stocks of equity securities grew by CHF 46 billion to CHF 446 billion, and those of debt securities by CHF 19 billion to CHF 638 billion. The bulk of the increase in the stocks of securities held abroad concerned US dollar investments (up by CHF 43 billion). As in the previous year, the share of portfolio investment in total foreign assets was 30%.

Chart 10

PORTFOLIO INVESTMENT ABROAD



Source: SNB

PORTFOLIO INVESTMENT ABROAD BY COUNTRY OF ISSUER

Since 2001, the SNB has been collecting data on stocks of foreign securities held by domestic investors, broken down by country. This has been done on an annual basis. The breakdown by country is determined by the domicile of the issuer of the security. The survey is coordinated by the IMF and conducted once a year in 75 countries. The data are published by the IMF on its website, <http://cpis.imf.org/>.

The majority of securities in the hands of Swiss investors – around five-sixths – are issued by borrowers in Europe and North America and by offshore financial centres.

Debt securities were the predominant investment vehicle in most countries. In the US and some Asian countries – in particular Japan, Hong Kong, Singapore, Taiwan and China – shares accounted for a comparatively large proportion of investments. Collective investment schemes dominated in Luxembourg, South Africa and in the Central and South American offshore financial centres.

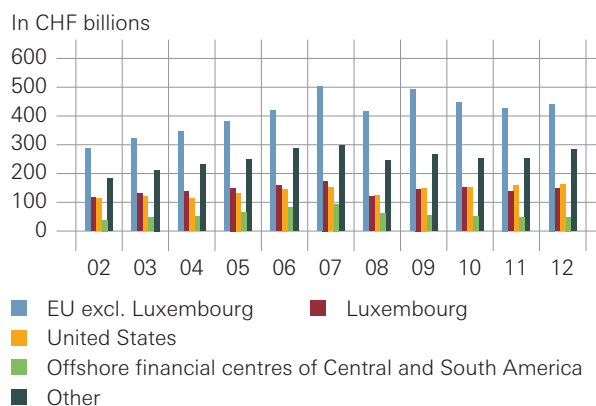
In the year under review, just under half of the increase in portfolio investment abroad was attributable to Europe (up by CHF 31 billion). Stocks of European-issued shares rose by CHF 12 billion, and those of units in collective investment schemes by CHF 20 billion, whereas investments in debt securities declined by CHF 1 billion. Within Europe, securities issued by borrowers from Luxembourg saw the greatest increase; this mainly affected collective investment schemes. In the Netherlands and the UK, the rise was concentrated in debt securities and shares. By contrast, fewer German-issued instruments were held, a decrease which mainly affected debt securities.

Outside Europe, investment in debt securities increased by CHF 20 billion and that in shares by CHF 17 billion, while collective investment schemes saw investment decline by CHF 3 billion.

Chart 11

PORTFOLIO INVESTMENT ABROAD

Selected countries and regions



Source: SNB

EU: Until 2003, EU15; between 2004 and 2006, EU25; as of 2007, EU27

**PORTFOLIO INVESTMENT ABROAD IN 2012 – BREAKDOWN BY INSTRUMENT CATEGORY
IN SELECTED COUNTRIES AND REGIONS**

Total at year-end In CHF billions

Table 2

	Debt securities	Shares	Collective investment schemes	Total	Year-on-year change	
					In CHF billions	in percent
Total of all countries	638.4	236.1	210.3	1 084.8	64.6	6.3
Europe	361.8	101.1	165.2	628.0	30.7	5.1
EU27	339.8	92.9	158.3	591.0	27.0	4.8
of which Germany	52.7	26.0	3.7	82.4	-7.3	-8.2
of which France	68.1	16.2	4.7	89.1	2.1	2.4
of which Luxembourg	24.3	3.8	121.1	149.3	13.1	9.6
of which Netherlands	66.2	6.3	0.4	72.9	4.5	6.6
of which United Kingdom	39.0	25.1	2.8	66.9	3.1	4.8
Offshore financial centres	11.2	3.5	6.6	21.3	1.2	5.9
North America	103.2	77.1	9.6	189.9	6.4	3.5
of which United States	84.8	68.3	9.3	162.4	5.1	3.2
Central and South America	14.8	9.6	34.6	59.0	4.5	8.2
of which Offshore financial centres	9.6	4.7	34.5	48.8	2.1	4.4
Asia	17.9	27.3	0.7	45.9	7.1	18.3
Rest of the world and international organisations	40.5	7.5	0.2	48.3	10.6	28.0
Not broken down by country	100.8	13.5	-	114.3	6.0	5.5

DERIVATIVES AND STRUCTURED PRODUCTS ABROAD

Derivatives are forward transactions whose values depend on one or more underlying financial instruments, indices or goods. The amounts stated are the positive replacement values of outstanding derivative financial instruments with counterparties abroad. Structured products are standardised debt certificates that combine the properties of two or more financial instruments, thus forming a new investment product. Apart from basic investments, such as shares or bonds, structured products include derivatives. Structured products also include pure certificates, which reflect the performance of the underlying asset.

This item has been reported in Switzerland's international investment position since 2005. From 2005 to 2011, the share of derivatives and structured products in total foreign assets rose from 3% to 6%.

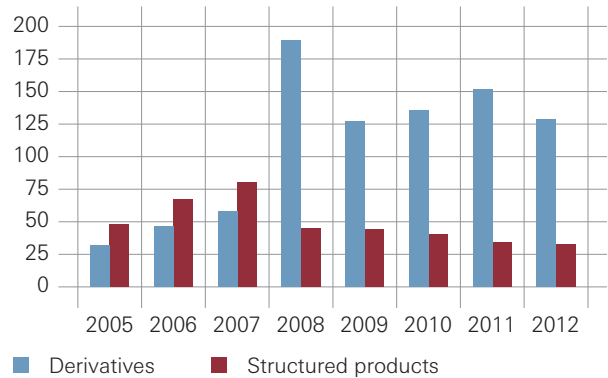
In 2008, the stocks of derivatives rose significantly due, in particular, to the expansion in the reporting population.

In 2012, derivatives claims (positive replacement values) decreased by CHF 24 billion to CHF 128 billion. Stocks of structured products issued by foreign borrowers declined by CHF 2 billion to CHF 32 billion as a result of sales. The share of derivatives and structured products in total foreign assets fell by 2 percentage points year-on-year, to 4%.

Chart 12

DERIVATIVES AND STRUCTURED PRODUCTS ABROAD

In CHF billions



Source: SNB

OTHER ASSETS

The other assets item covers all foreign assets that are not included under direct investment, portfolio investment, derivatives and structured products, or reserve assets. It includes claims abroad from cross-border lending (loans) – broken down by sector of investor – as well as other investment abroad, such as fiduciary funds, real estate, claims against pension funds abroad, etc. Bank claims abroad from loans account for the major part of other foreign assets.

From 2002 to 2011, the share of other investment in total foreign assets decreased from 42% to 24%.

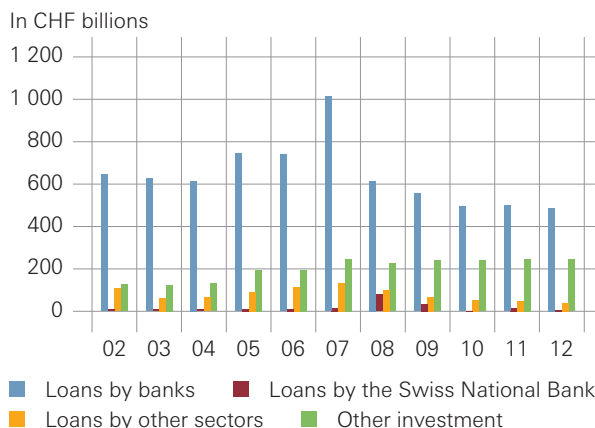
In 2012, stocks of other assets dropped by CHF 31 billion to CHF 776 billion. Bank claims from loans abroad posted a decline of CHF 11 billion to CHF 488 billion. The SNB's claims abroad from loans fell by CHF 10 billion to CHF 5 billion, while fiduciary assets decreased by CHF 9 billion to CHF 32 billion.

There were shifts in the currency breakdown: The share of other assets in US dollars increased, from 42% to 46%. By contrast, the share of other assets denominated in Swiss francs fell, from 14% to 11%. The shares of other currencies remained unchanged.

At the end of 2012, the share of other assets in total foreign assets was 22%, compared to 24% at the end of 2011.

Chart 13

OTHER ASSETS



Source: SNB

OTHER ASSETS – LOANS BY BANKS

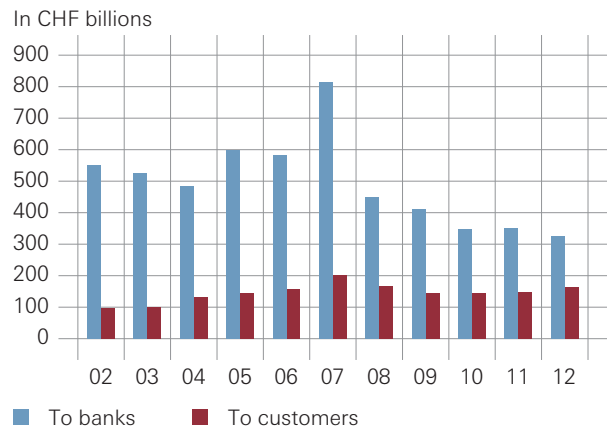
Bank claims abroad from loans are stated under this item. Transactions with banks are differentiated from those with customers. A large proportion of bank claims from loans are made up of interbank business.

From 2002 to 2004, stocks of bank claims declined from CHF 646 billion to CHF 614 billion. While valuation losses were recorded on stocks in US dollars, capital outflows were minor. From 2005, banks sharply increased their claims abroad, reaching a peak of CHF 1,013 billion in 2007. Interbank balances, in particular, rose significantly. However, as a result of the financial crisis these were reduced substantially – especially in 2008, but also in the years that followed. Moreover, considerable valuation losses were recorded on stocks in foreign currencies as a result of the appreciation of the Swiss franc. At the end of 2011, bank claims abroad amounted to CHF 499 billion.

At the end of 2012, bank claims abroad from loans totalled CHF 488 billion, CHF 11 billion less than the previous year. Claims against banks abroad fell by CHF 25 billion to CHF 326 billion, the lowest figure since 1997. Claims against customers abroad, by contrast, rose by CHF 14 billion to CHF 162 billion.

Chart 14

OTHER ASSETS – LOANS BY BANKS



OTHER ASSETS – LOANS BY COMPANIES

This item covers domestic company (non-bank) claims abroad from loans that are not included under direct investment or portfolio investment. Some of these relate to funds deposited with banks abroad. Intragroup loans by finance and holding companies not included under direct investment are also important, as well as insurance claims from cross-border insurance business.

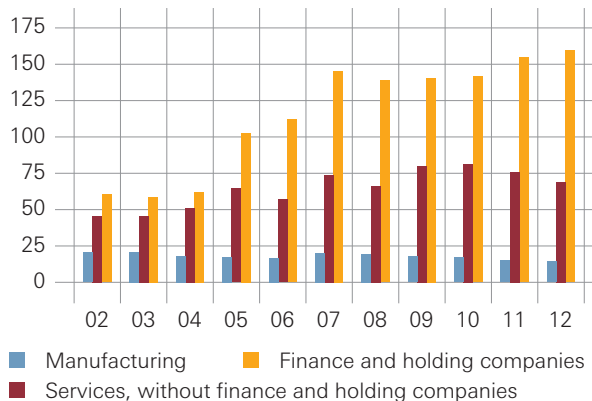
Company loans abroad are mainly granted by service companies. Of these, finance and holding companies account for the major part. From 2002 to 2011, company loans almost doubled, rising from CHF 125 to CHF 245 billion. The main drivers of the rise were finance and holding companies, although trading companies also played a role, particularly between 2004 and 2007.

In 2012, companies' claims from loans decreased by CHF 2 billion to CHF 243 billion. While finance and holding companies increased their loan claims abroad, companies in the trade and in the chemicals and plastics categories reduced their loan claims.

Chart 15

OTHER ASSETS – LOANS BY COMPANIES

In CHF billions



Source: SNB

**OTHER ASSETS –
LOANS BY THE SWISS NATIONAL BANK**

Loans by the SNB comprise claims against other central banks and commercial banks abroad that do not form part of reserve assets.

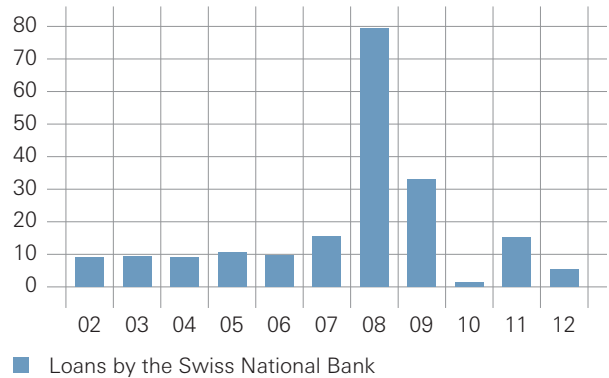
Until 2006, the extent of this business was minor. From the end of 2007, the SNB took a series of internationally coordinated liquidity measures together with other central banks, for which it conducted swap and repo transactions. From 2006 to 2008, claims from swap and repo transactions increased from CHF 10 billion to CHF 80 billion. Over the two years that followed, they were reduced to CHF 1 billion. In 2011, they rose once more, totalling CHF 15 billion at year-end.

In 2012, the SNB reduced its claims against other central banks and commercial banks abroad by CHF 10 billion to CHF 5 billion.

Chart 16

OTHER ASSETS – LOANS BY THE SWISS NATIONAL BANK

In CHF billions



Source: SNB

OTHER ASSETS – OTHER INVESTMENT

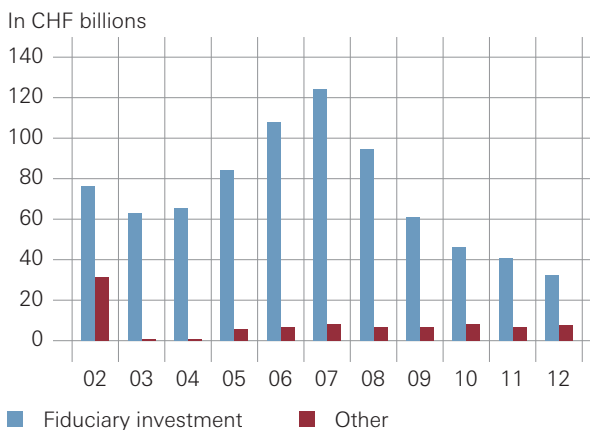
This item covers various investments abroad that cannot be assigned to any other category under foreign assets. Fiduciary investment abroad accounts for a large part of other investment.

From 2002 to 2007, fiduciary funds abroad rose from CHF 77 billion to CHF 124 billion. Since 2008, domestic investors have substantially reduced their fiduciary investments abroad; at the end of 2011, this item amounted to CHF 41 billion.

In 2012, fiduciary investment abroad declined once again, by CHF 9 billion to CHF 32 billion.

Chart 17

OTHER ASSETS – OTHER INVESTMENT



Source: SNB

RESERVE ASSETS

Reserve assets are liquid assets in foreign currencies, which are available to the currency authority at all times, as well as gold. The SNB's reserve assets mainly consist of gold and foreign currency investments. Reserve assets also include the reserve position at the IMF and international payment instruments in the form of special drawing rights (SDRs).

Until 2008, reserve assets recorded little change. Although the SNB distributed the proceeds from gold sales to the Confederation and the cantons in 2005, which caused reserve assets to diminish, this was more than offset by a sharp increase in the value of the remaining gold.

Since 2009, the SNB has been conducting extensive foreign currency purchases, and as a result, reserve assets rose by CHF 233 billion to CHF 311 billion from the end of 2008 to the end of 2011. In addition, in 2009, the IMF increased the SDRs substantially, allocating the newly created SDRs to the member countries in accordance with their share of voting rights. SDR 3 billion, equivalent to CHF 6 billion, was allocated to Switzerland.

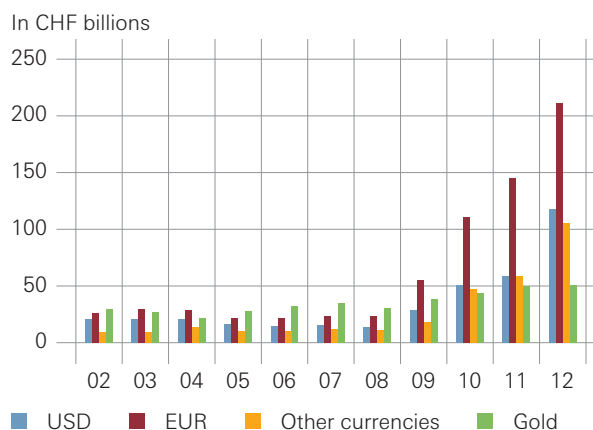
The large foreign currency purchases affected the composition of the reserve assets. From 2002 to 2011, the share of the US dollar decreased from 24% to 19%, while that of gold fell from 34% to 16%. By contrast, the percentage accounted for by the euro increased from 30% to 46%, and that of other currencies rose from 11% to 19%.

From 2002 to 2011, the share of reserve assets in total foreign assets grew from 4% to 9%.

In 2012, reserve assets expanded by CHF 174 billion to CHF 485 billion. The main reason for this was the SNB's foreign currency purchases: Foreign exchange reserves grew by CHF 173 billion to CHF 427 billion. In addition, the rise in the gold price added CHF 1 billion to the gold reserves, taking them to CHF 51 billion. At the end of 2012, the share of the euro in reserve assets was 44% (2011: 46%). The US dollar's share was 24% (19%), while that of other currencies was 22% (19%). The share of gold in reserve assets amounted to 10% (16%). The share of reserve assets in total foreign assets rose from 9% to 14%.

Chart 18

RESERVE ASSETS



Source: SNB

FOREIGN LIABILITIES – COMPONENTS

FOREIGN DIRECT INVESTMENT IN SWITZERLAND

Foreign direct investment in Switzerland covers the intragroup capital relationships of companies in Switzerland with their parent companies abroad. As opposed to portfolio investment, this item reflects the long-term interest of foreign investors in Switzerland as a business location. In general, if a foreign investor directly or indirectly owns 10% or more of the voting capital of a domestic company, or if he establishes a subsidiary or sets up a branch office, this is deemed to be direct investment. The investment can take the form of equity capital (establishment of new companies, acquisition, increasing capital in existing subsidiaries), retained profits (reinvested earnings) or loans.

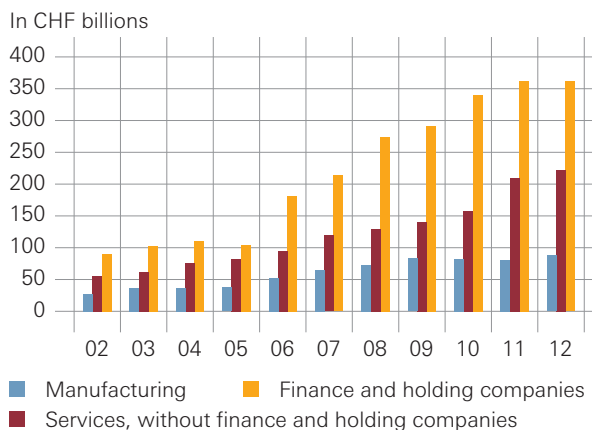
Service companies account for more than 80% of stocks of foreign direct investment in Switzerland, with finance and holding companies as the most important industry. The share of service companies in the total stock of direct investment in Switzerland increased from 52% to 56%.

Between 2002 and 2011, stocks of foreign participation in companies in Switzerland rose more than threefold, from CHF 173 billion to CHF 652 billion. Until 2004, growth was relatively slow. In 2005, it remained unchanged due to the fact that US investors, benefiting from a temporary tax amnesty in the US, repatriated capital from finance and holding companies. From 2006, stocks of capital increased substantially, driven by finance and holding companies. At the end of 2011, Switzerland was ranked tenth by the IMF as a destination country for direct investment (source: <http://cdis.imf.org>).

From 2002 to 2011, the share of foreign direct investment in Switzerland in total foreign liabilities grew from 11% to 26%.

Chart 19

DIRECT INVESTMENT IN SWITZERLAND



In 2012, stocks of foreign direct investment in Switzerland climbed by CHF 19 billion to CHF 672 billion. In the services sector, foreign capital rose by CHF 12 billion to CHF 584 billion. As in the previous year, the greatest increase, at CHF 10 billion, was recorded in trade, while increased investment was also recorded in the transportation and communications category. By contrast, foreign investors withdrew capital from banks, finance and holding companies, and companies in the other services category, leading to lower stocks in these industries. In manufacturing, stocks of foreign capital rose by CHF 7 billion to CHF 87 billion. Around half of the increase was recorded in the electronics, energy, optical and watchmaking categories. At the end of 2012, the share of direct investment in total foreign liabilities was 25%.

FOREIGN PORTFOLIO INVESTMENT IN SWITZERLAND

Portfolio investment covers negotiable debt securities (bonds and money market instruments) and equity securities (shares and collective investment schemes) that are not included under direct investment or reserve assets. In the case of portfolio investment, short-term interests are predominant. Most of the holdings by foreign investors in Switzerland are equity securities (around 90%). Consequently, fluctuations in share prices have a particularly strong impact on foreign portfolio investment in Switzerland.

From 2002 to 2006, foreign portfolio investment in Switzerland rose from CHF 486 billion to CHF 903 billion. From 2007 to 2008, it declined to CHF 625 billion due to the stock market slump, with valuation losses far exceeding the high investment in the banking industry. In 2009 and 2010, share prices recovered somewhat, resulting in the previous year's losses being partly offset, with portfolio investment in Switzerland amounting to CHF 720 billion by the end of this period. In 2011 the stock market slumped again, and foreign portfolio investment declined to CHF 649 billion. There was additional downward pressure in the same year due to the SNB reducing its stocks of outstanding SNB Bills.

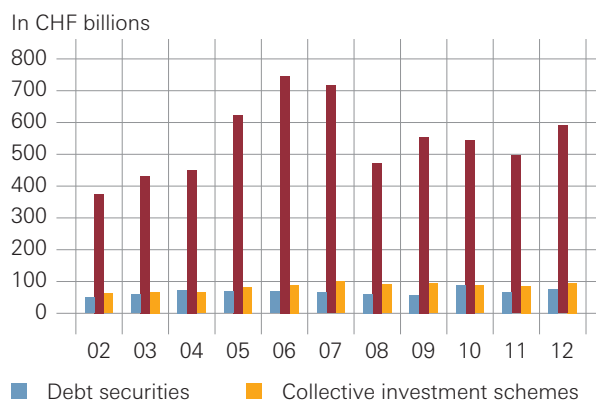
From 2002 to 2011, the share of portfolio investment in total foreign assets declined from 31% to 26%.

In the year under review, foreign portfolio investment in Switzerland rose by CHF 113 billion to CHF 762 billion. The bulk of this investment was in equity securities, which increased by CHF 105 billion to CHF 686 billion. This was mainly due to increased share prices, although purchases of shares and collective investment schemes also played a part. Stocks of debt securities went up by CHF 8 billion to CHF 76 billion, and investments in bonds rose by CHF 10 billion, while money market instruments declined by CHF 2 billion.

Close to 90% of foreign portfolio investment in Switzerland was in Swiss franc-denominated securities; accordingly, the bulk of the increase, at CHF 107 billion, was made up of investments in Swiss francs. The share of portfolio investment in total foreign liabilities rose by 2 percentage points to 28%.

Chart 20

PORTFOLIO INVESTMENT IN SWITZERLAND



Source: SNB

DERIVATIVES AND STRUCTURED PRODUCTS IN SWITZERLAND

Derivatives are forward transactions whose values depend on one or more underlying financial instruments, indices or goods. The amounts stated are the negative replacement values of outstanding derivative financial instruments with counterparties abroad. Structured products are standardised debt certificates that combine the properties of two or more financial instruments, thus forming a new investment product. Apart from basic investments, such as shares or bonds, structured products include derivatives. They also include pure certificates, which reflect the performance of the underlying asset.

This item has been reported in Switzerland's international investment position since 2005. The increase in 2008 was mainly attributable to an expansion in the reporting population.

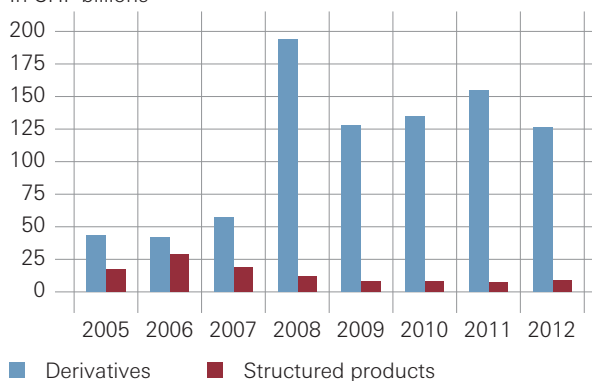
From 2005 to 2011, the share of derivatives and structured products in total foreign liabilities rose from 3% to 6%.

In 2012, liabilities in the form of derivatives (negative replacement values) declined by CHF 29 billion to CHF 126 billion. By contrast, stocks of domestic-issued structured products rose by CHF 2 billion to CHF 9 billion, due to purchases. The share of derivatives and structured products in total foreign assets fell year-on-year by 1 percentage point to 5%.

Chart 21

DERIVATIVES AND STRUCTURED PRODUCTS IN SWITZERLAND

In CHF billions



Source: SNB

OTHER LIABILITIES

Other foreign liabilities is a collective item, covering all foreign liabilities that are not included under direct investment, portfolio investment, or derivatives and structured products. The other foreign liabilities item includes liabilities abroad from cross-border lending (loans), broken down by sector of borrower, as well as other investments such as real estate and claims against domestic pension funds. The largest part of other foreign liabilities is made up of bank liabilities from loans.

From 2002 to 2011, the share of other foreign liabilities in total foreign liabilities declined from 58% to 42%.

In the year under review, other liabilities climbed by CHF 61 billion to CHF 1,131 billion. This growth was largely due to bank liabilities abroad from loans, which went up by CHF 47 billion to CHF 748 billion.

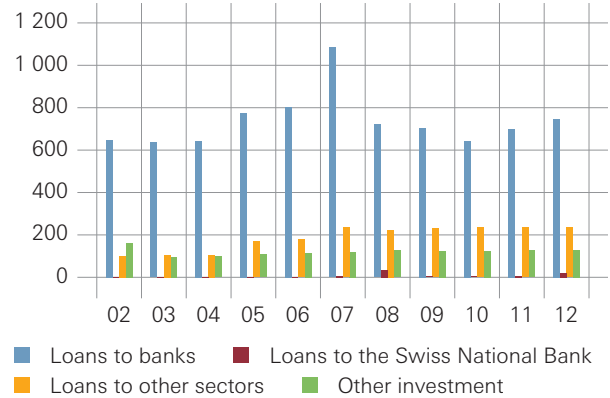
There were shifts in the currency breakdown of other liabilities. The share of the Swiss franc rose from 32% to 36%, while the share of the US dollar declined from 34% to 31% and that of other currencies from 11% to 10%.

The share of other liabilities in total foreign liabilities remained unchanged at 42%.

Chart 22

OTHER LIABILITIES

In CHF billions



Source: SNB

OTHER LIABILITIES – LOANS TO BANKS

Bank liabilities abroad from loans make up the largest item within foreign liabilities. Liabilities towards banks and customers abroad are stated under this item, with interbank business normally predominant.

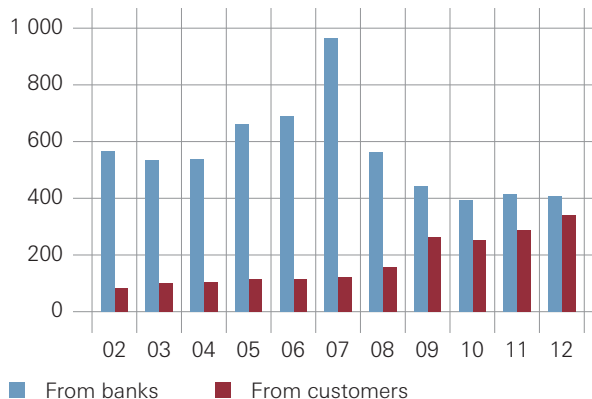
Between 2002 and 2004, stocks of loans to banks declined from CHF 647 billion to CHF 642 billion. While valuation losses on US dollar stocks were recorded, capital inflows were only minor. From 2005 to 2007, banks sharply increased their liabilities, which peaked at CHF 1,085 billion in 2007; this sum comprised liabilities towards banks abroad (CHF 964 billion) and liabilities towards customers abroad (CHF 121 billion). The following three years saw a substantial reduction of interbank liabilities, which totalled CHF 392 billion by the end of 2010. In 2011, interbank liabilities rose to CHF 415 billion, which was the first increase since 2007. Deposits by customers abroad went up to CHF 286 billion by the end of 2011. This increase was partly due to foreign investors switching their fiduciary investments abroad to deposits with banks in Switzerland.

In 2012, bank liabilities abroad from loans grew by CHF 47 billion to CHF 748 billion. This was due mainly to capital inflows, with customer deposits up by CHF 56 billion to CHF 342 billion. By contrast, liabilities arising from interbank business declined by CHF 9 billion to CHF 406 billion.

Chart 23

OTHER LIABILITIES – LOANS TO BANKS

In CHF billions



Source: SNB

OTHER LIABILITIES – LOANS TO COMPANIES

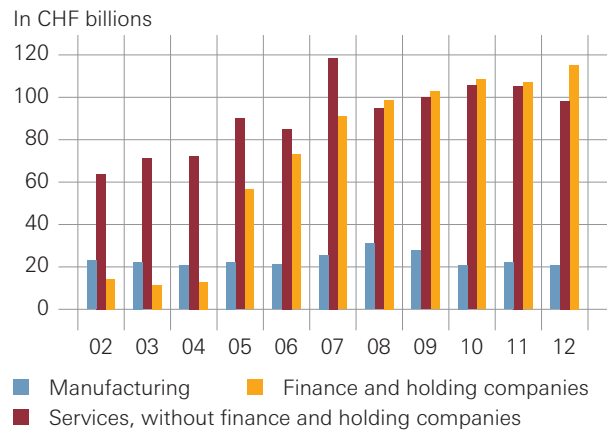
This item covers company liabilities abroad from loans that are not included under direct investment or portfolio investment. Some of these relate to liabilities towards banks abroad. Intragroup loans by finance companies, which do not constitute part of direct investment, are another important component. In addition, loans to companies also include insurers' liabilities arising out of cross-border insurance business.

Finance and holding companies hold more than half of liabilities from loans, other service companies around one-third and manufacturing companies the remainder. Until 2004, the breakdown of company foreign liabilities by industry changed little. From that year onwards, however, financial and holding company liabilities, in particular, increased significantly. Between 2002 and 2011, total company liabilities abroad rose from CHF 101 billion to CHF 235 billion.

In 2012, company liabilities from loans declined by CHF 1 billion to CHF 234 billion; the companies mainly affected were in the trade, metals and machinery, and chemicals and plastics categories. By contrast, increased liabilities from loans were recorded by financial and holding companies as well as insurance companies.

Chart 24

OTHER LIABILITIES – LOANS TO COMPANIES



Source: SNB

OTHER LIABILITIES – LOANS TO THE SWISS NATIONAL BANK

SNB liabilities from loans are stated under this item, including those arising from swap and repo transactions with central banks and banks abroad.

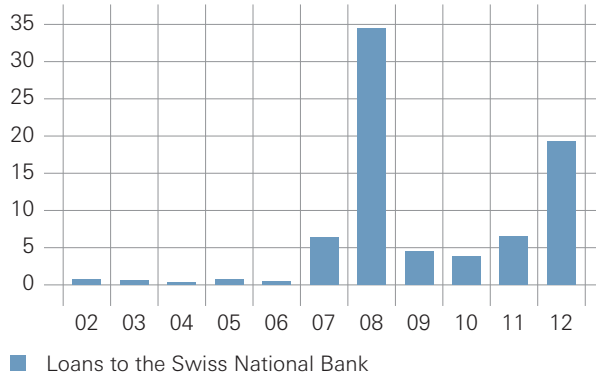
Until the beginning of the financial crisis, SNB liabilities were unimportant from a statistical point of view. In connection with measures taken to combat the financial crisis, the SNB increased its liabilities towards central banks and banks abroad to CHF 34 billion in 2008. In the following year it reduced a large portion of these liabilities, and by the end of 2011 they amounted to CHF 6 billion.

In the year under review, the SNB's liabilities abroad from loans rose by CHF 13 billion to CHF 19 billion.

Chart 25

OTHER LIABILITIES – LOANS TO THE SWISS NATIONAL BANK

In CHF billions



Source: SNB

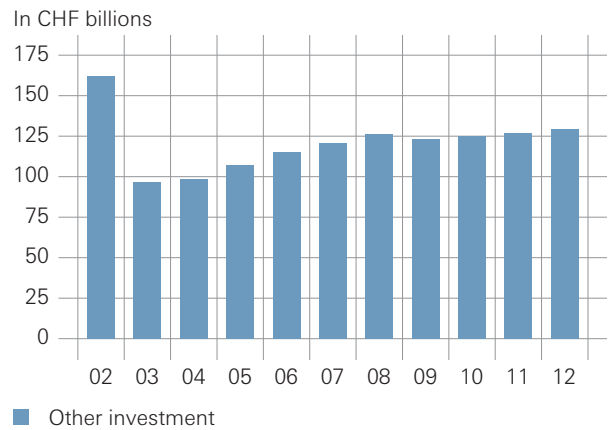
OTHER LIABILITIES – OTHER INVESTMENT

This item contains various domestic investments that cannot be assigned to any other category under foreign liabilities. A large proportion of these investments comprises life insurance and pension fund liabilities towards households abroad, as well as real estate in Switzerland held by foreign investors.

In 2012, other investment rose by CHF 2 billion to CHF 129 billion.

Chart 26

OTHER LIABILITIES – OTHER INVESTMENT



Source: SNB

ALIGNING THE INTERNATIONAL INVESTMENT POSITION STATISTICS WITH NEW INTERNATIONAL STATISTICAL STANDARDS

The SNB is currently updating its balance of payments, international investment position and direct investment statistics to reflect revisions to the leading international statistical standards, thereby ensuring the international comparability of these statistics. As a result, from 2014 the international investment position statistics for Switzerland will be compiled according to the sixth edition of the IMF *Balance of Payments and International Investment Position Manual* (BPM6), rather than the fifth edition (BPM5), as hitherto.

In the context of the changeover to BPM6, the surveys on capital flows and on foreign assets and liabilities have been comprehensively revised, in order to comply with the additional requirements of the new standards. However, these surveys will not be introduced until 2014 and 2015. The changeover to BPM6 will thus take place in two stages. In the first stage, the currently available data will be reclassified according to the new method. In the second stage, the data from the new surveys will be reported in the international investment position.

The text below examines the reasons for the revision, explains the main changes to the standards, and outlines how these changes will affect the data and publications relating to the international investment position.

REASONS FOR REVISING THE STATISTICAL STANDARDS

The balance of payments manual was last revised in 1993. Since then, ongoing globalisation and developments in the finance industry have brought to greater prominence a range of phenomena which place new demands on statistics. For instance, the proliferation of special purpose entities (SPEs) within multinational companies has led to growing complexity in global direct investment relationships, which can compromise data quality. Moreover, it has become necessary to align BPM6 with the United Nations System of National Accounts (SNA 2008). Some of the changes in BPM6 are thus attributable to the harmonisation of BPM6 with SNA 2008. The revision of these manuals will allow developments in foreign trade to be reflected more accurately and will improve consistency between statistical systems.

MAIN CHANGES:

1. New presentation concept for direct investment

In the international investment position statistics, direct investment will now be presented according to the asset/liability principle rather than the directional principle. Under the directional principle, claims and liabilities between direct investors and subsidiaries were netted against each other. Under the asset/liability principle, positions are no longer netted. Claims against direct investors, subsidiaries and affiliates are now reported in the international investment position under assets; the corresponding liabilities are reported under liabilities.

This reporting of direct investment on a gross basis will lead to a substantial increase in capital holdings (assets and liabilities). The net investment position will not be affected by this, however.

2. New components: Liabilities from Special Drawing Rights

IMF Special Drawing Rights allocated to member countries as part of a quota increase were hitherto only reported on the assets side under reserve assets. Such allocations will now also be treated as liabilities and reported in the international investment position statistics as liabilities under other investment.

This new component will result in slightly higher foreign liabilities and, therefore, in a slightly lower net investment position.

3. Reclassifications

Real estate holdings will be reported under direct investment instead of under other investment.

Structured products will be reported as portfolio investment under debt securities rather than under derivative financial instruments.

These reclassifications have no impact on the totals for foreign assets, foreign liabilities and the net investment position; they influence only the structure of the international investment position statistics.

4. Institutional sector classification

The current classification of institutional sectors is to be extended. As in the past, the central bank, deposit-taking corporations other than the central bank, and general government are treated as sectors. However, the aggregate 'other sectors' is now divided into two sub-sectors – 'other financial corporations' and 'non-financial corporations, households, and non-profit institutions serving households (NPISHs)'. Portfolio investment (assets only), derivatives and other investment are broken down by sector.

5. More detailed functional breakdown of other assets and other liabilities

The new statistical standards contain a more detailed breakdown of other assets and other liabilities: currency and deposits, loans, trade credit and advances, Special Drawing Rights, and other accounts receivable/payable.

EFFECTS ON DATA

Table 3 shows a pro forma comparison of the international investment position as per BPM6 with today's presentation as per BPM5. This comparison only takes account of the formal changes resulting from the new classification. The more detailed breakdown of other assets and liabilities cannot be included until the results of the revised surveys are available.

CHANGEOVER PERIOD FOR PUBLICATIONS

As a result of the changeover to the new statistical standards, no annual report on the international investment position will be published for 2013. The 2014 annual report on Switzerland's international investment position will be published in the summer of 2015, together with the 2014 balance of payments report.

RETROSPECTIVE CALCULATION

In order to ensure that new and old data are comparable, and to ensure that data users have long data series at their disposal, the SNB will formally reclassify the old data series in line with BPM6.

PRO FORMA PRESENTATION OF THE 2012 INTERNATIONAL INVESTMENT POSITION AS PER BPM6 AND BPM5, EXCLUDING CHANGES ASSOCIATED WITH REVISIONS OF THE SURVEYS

In CHF billions

Table 3

Terms and classification as per BPM6	Values as per BPM6	Values as per BPM5	Terms and classification as per BPM5	Changes: BPM5 vs. BPM6
Foreign assets, total	3 827.2	3 577.1	Foreign assets, total	
Direct investment	1 323.1	1 070.5	Direct investment	
Equity capital	1 004.4	1 001.9	Equity capital	In (reclassification): real estate
Loans	318.7	68.6	Claims and liabilities, net	Change of concept: from directional principle to asset/liability principle
Portfolio investment	1 117.3	1 084.8	Portfolio investment	
Equity securities	446.4	446.4	Equity securities	
Debt securities	670.9	638.4	Debt securities	In (reclassification): structured products
Derivatives	128.3	160.8	Derivatives and structured products	Out (reclassification): structured products
Other foreign assets	773.5	776.0	Other foreign assets	Out (reclassification): real estate
Currency and deposits	361.5			Interbank claims, fiduciary claims, claims of collective investment schemes, bank claims against the BIS
Loans	411.0			Bank claims against customers, company claims, SNB claims, Confederation claims
Trade credit and advances	n.a.			
Other accounts receivable/payable	1.0			Swiss Confederation's participation in international organisations, SNB's participation in the BIS, insurance, claims against pension funds abroad, other
Reserve assets	485.0	485.0	Reserve assets	
Gold	50.8	50.8	Gold	
Special Drawing Rights	4.2	4.2	International payment instruments	
Reserve position in the IMF	2.8	2.8	Reserve position in the IMF	
Foreign exchange reserves, incl. financial derivatives	427.2	427.2	Foreign exchange reserves	
		0.0	Other reserve assets (derivatives)	Out (reclassification): financial derivatives

PRO FORMA PRESENTATION OF THE 2012 INTERNATIONAL INVESTMENT POSITION AS PER BPM6 AND BPM5, EXCLUDING CHANGES ASSOCIATED WITH REVISIONS OF THE SURVEYS

In CHF billions

Table 3 (continued)

Terms and classification as per BPM6	Values as per BPM6	Values as per BPM5	Terms and classification as per BPM5	Changes: BPM5 vs. BPM6
Foreign liabilities, total	2 954.3	2 699.6	Foreign liabilities, total	
Direct investment	957.6	671.6	Direct investment	
Equity capital	688.6	652.6	Equity capital	In (reclassification): real estate
Loans	269.0	18.9	Claims and liabilities, net	Change of concept: from directional principle to asset/liability principle
Portfolio investment	771.0	762.0	Portfolio investment	
Equity securities	686.0	686.0	Equity securities	
Debt securities	85.0	76.0	Debt securities	In (reclassification): structured products
Derivatives	126.1	135.0	Derivatives and structured products	Out (reclassification): structured products
Other foreign liabilities	1 099.6	1 131.0	Other foreign liabilities	Out (reclassification): real estate
Currency and deposits	765.1			Bank liabilities (interbank and customer), fiduciary liabilities, collective investment scheme liabilities, bank liabilities towards the BIS, currency
Loans	254.3			Company liabilities, SNB liabilities, Confederation liabilities
Trade credit and advances	n.a.			
Special Drawing Rights	4.6			New: counterpart of SDRs allocated by the IMF
Other accounts receivable/payable	75.6			Insurance, foreign claims on pension funds in Switzerland, other

PRO FORMA PRESENTATION OF THE 2012 INTERNATIONAL INVESTMENT POSITION AS PER BPM6 AND BPM5, EXCLUDING CHANGES ASSOCIATED WITH REVISIONS OF THE SURVEYS

In CHF billions

Table 3 (continued)

Terms and classification as per BPM6	Values as per BPM6	Values as per BPM5	Terms and classification as per BPM5	Changes: BPM5 vs. BPM6
Net investment position, total	873.0	877.6	Net investment position, total	
Direct investment	365.6	399.0	Direct investment, net	
Equity capital	315.8	349.2	Equity capital	In (reclassification): real estate
Loans	49.7	49.7	Claims and liabilities, net	Change of concept: from directional principle to asset/liability principle
Portfolio investment, net	346.3	322.8	Portfolio investment, net	
Equity securities	-239.6	-239.6	Equity securities	
Debt securities	585.9	562.4	Debt securities	In (reclassification): structured products
Derivatives, net	2.2	25.7	Derivatives and structured products, net	Out (reclassification): structured products
Other foreign assets/liabilities, net	-326.1	-354.9	Other foreign assets/liabilities, net	Out (reclassification): real estate
Currency and deposits	-403.6			
Loans	156.7			
Trade credit and advances	n.a.			
Special Drawing Rights	-4.6			New: counterpart of SDRs allocated by the IMF
Other accounts receivable/payable	-74.6			
Reserve assets	485.0	485.0	Reserve assets	

NOTES

CHANGES FROM THE PREVIOUS YEAR

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STATISTICAL BASIS

DIRECT INVESTMENT

Swiss direct investment abroad

Swiss participations of no less than 10% in companies abroad (subsidiaries, branch offices), as well as intragroup lending.

Foreign direct investment in Switzerland

Foreign participations of no less than 10% in companies in Switzerland (subsidiaries, branch offices), as well as intragroup lending.

The statistics are based on data submitted to the SNB by banks and companies.

PORTFOLIO INVESTMENT

Swiss portfolio investment abroad

Investment by residents in securities issued by foreign borrowers which are not included in direct investment or reserve assets, such as debt securities (money market instruments, bonds), equity securities (shares, participation certificates, dividend-right certificates) and units in collective investment schemes.

Foreign portfolio investment in Switzerland

Foreign investment in securities issued by domestic borrowers which are not included in direct investment, such as debt securities (money market instruments, bonds, medium-term bank-issued notes), equity securities (shares, participation certificates, dividend-right certificates) and units in collective investment schemes.

The statistics are based on data submitted to the SNB by banks and companies.

DERIVATIVES AND STRUCTURED PRODUCTS

Derivatives include unconditional forward transactions (forwards, futures, swaps) and conditional forward transactions (options). Derivatives abroad: Positive replacement values of outstanding derivative financial instruments with counterparties abroad. Derivatives in Switzerland: Negative replacement values of outstanding derivative financial instruments with counterparties abroad.

The statistics are based on data submitted to the SNB by banks and companies.

Structured products are standardised debt certificates that combine the properties of two

or more financial instruments, thus forming a new investment product. A wide variety of structured products are available on the market. A commonly used breakdown divides structured products into participation products (certificates), yield-optimisation products (certificates, convertibles) and capital-protected products (with or without cap). Structured finance products (asset-backed securities, collateralised debt obligations and similar products), for which the financing purpose or risk transfer is of central importance, are recorded under debt securities rather than under structured products. Investment abroad: investment by Swiss residents in structured products of foreign issuers. Investment in Switzerland: investment by non-residents in structured products of domestic issuers. Stocks in bank custody accounts are reported.

The statistics are based on data submitted to the SNB by the banks.

OTHER ASSETS AND LIABILITIES

Loans by the SNB

Claims abroad: Claims from repo transactions, claims from swap transactions, monetary assistance loans and other claims against monetary authorities and banks abroad. Liabilities abroad: Liabilities from repo transactions and other liabilities towards monetary authorities and banks abroad.

Bank loans

Claims abroad: Lending to banks and customers abroad; as of 2010, including all loans to branches abroad. Liabilities abroad: Deposits of foreign banks and foreign customers; as of 2010, including all deposits held by branches abroad.

Private sector loans

Claims abroad: Loans abroad by companies; excluding intragroup lending, which is recorded under direct investment abroad. Liabilities abroad: Loans from abroad to companies in Switzerland; excluding intragroup loans, which are recorded under direct investment in Switzerland.

Public sector loans

Claims abroad: Loans abroad by the public sector. Liabilities abroad: short-term liabilities of the public sector towards other countries.

Other claims and liabilities abroad

Claims abroad: Residents' fiduciary funds which are invested abroad. The Swiss Confederation's participation in international organisations, the SNB's participation in the Bank for International Settlements (BIS), non-bank claims against banks abroad, balances held abroad by collective investment schemes and pension funds, real estate held abroad. Liabilities abroad: Banknotes in Swiss francs held by non-residents. Non-residents'

fiduciary funds which are invested in Switzerland.
Real estate in Switzerland owned by non-residents.
Liabilities held abroad by collective investment schemes and pension funds.

The statistics are based on data submitted by the Swiss Confederation, banks, the SNB, companies and the BIS.

RESERVE ASSETS

Gold holdings, foreign exchange holdings, the reserve position in the International Monetary Fund and international payment instruments (SDRs) held by the SNB.

METHODOLOGICAL BASIS

DEFINITION

The international investment position indicates the stocks of Switzerland's financial assets and liabilities. The net investment position denotes the balance of these assets and liabilities. The international investment position comprises portfolio investment, direct investment stocks, the SNB's reserve assets, as well as other financial assets and liabilities.

Switzerland's international investment position is compiled in accordance with IMF guidelines (Balance of Payments Manual, fifth edition).

VALUATION OF STOCKS

The stocks at the end of the year are generally stated at market prices. Direct investment stocks are an exception, as they are shown at book value.

INTERNATIONAL INVESTMENT POSITION AND BALANCE OF PAYMENTS

The international investment position is closely related to the balance of payments. It reflects the stocks of foreign assets and liabilities at a given point in time. In the balance of payments, capital flows (investments) are shown during a specified period. Capital outflows (Swiss investment abroad) lead to an increase in foreign assets, while capital inflows (foreign investment in Switzerland) bring about an increase in foreign liabilities. If Switzerland invests more abroad than vice versa, this results in a net capital outflow and the net international investment position increases. In this case, the corresponding balance in the current account shows a surplus.

However, changes in the international investment position are determined not only by investment, but by other factors as well. In particular, the stocks reflect fluctuations in exchange rates and precious metal prices, as well as changes in share prices.

LEGAL BASIS

According to the Federal Act on the Swiss National Bank of 3 October 2003 (National Bank Act) and the Ordinance on the National Bank Act of 18 March 2004 (National Bank Ordinance), the Swiss National Bank is authorised to collect the statistical data required for drawing up the balance of payments as well as the statistics on the international investment position. Pursuant to the Annex to the National Bank Ordinance, legal entities and companies are obliged to supply information if their financial claims or liabilities abroad exceed CHF 10 million at the time of the survey, or if their direct investment abroad or direct investment from abroad exceeds CHF 10 million at the time of the survey.

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Conventions and notes

CONVENTIONS

.	Data confidential, not available or not applicable.
195	Figures in bold type show new or revised values.
|	Break in the series.

NOTES

Rounding differences

Deviations between the totals and the sums of components are due to rounding.

Revision procedure

Annual revisions are conducted in connection with the publication of the report on the international investment position in December. When the provisional data for the year under review are published in December, the figures for the previous period are generally also revised. For these revisions, information supplied after the deadline and new data from secondary sources are taken into account; provisional estimates are revised or replaced.

If the new information relates to periods dating even further back, the older figures are also revised. Methodological modifications, new classifications and new sources – also for periods dating further back – are discussed in the explanatory notes of the publication in question.

Long time series

The international investment position tables, including tables covering longer periods of time, are available on the SNB website in a format that can be processed electronically: www.snb.ch, *Statistics, Statistical Publications, Switzerland's International Investment Position*.

1.1 Switzerland's international investment position – overview

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Foreign assets	3 070 651	3 205 863	3 248 221	3 371 529	3 577 135
Direct investment	769 883	891 309	980 102	1 046 293	1 070 516
Portfolio investment	967 619	1 108 737	1 050 028	1 020 210	1 084 840
Derivatives and structured products	234 862	171 252	175 807	186 245	160 777
Other assets	1 019 399	894 901	789 839	807 387	776 000
Reserve assets	78 887	139 664	252 446	311 394	485 001
Foreign liabilities	2 414 428	2 421 709	2 450 695	2 533 087	2 699 575
Direct investment	476 013	514 833	580 619	652 342	671 551
Portfolio investment	625 395	705 805	720 344	648 791	762 020
Derivatives and structured products	205 733	135 795	142 522	162 018	135 050
Other liabilities	1 107 288	1 065 276	1 007 210	1 069 936	1 130 954
Net investment position	656 222	784 153	797 526	838 442	877 559
Direct investment	293 870	376 476	399 483	393 951	398 965
Portfolio investment	342 224	402 932	329 684	371 419	322 819
Derivatives and structured products	29 130	35 457	33 285	24 227	25 727
Other assets and liabilities	- 87 889	- 170 376	- 217 371	- 262 549	- 354 954
Reserve assets	78 887	139 664	252 446	311 394	485 001

2.1 Assets – breakdown by components

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Direct investment¹	769 883	891 309	980 102	1 046 293	1 070 516
Equity capital ²	709 857	833 048	929 059	971 441	1 001 869
Loans	60 026	58 261	51 043	74 852	68 648
Portfolio investment³	967 619	1 108 737	1 050 028	1 020 210	1 084 840
Debt securities	628 864	697 677	635 313	619 400	638 431
Bonds and notes	542 554	610 534	576 023	558 868	577 107
Money market instruments ⁴	86 310	87 142	59 291	60 532	61 325
Equity securities	338 755	411 061	414 715	400 810	446 409
Shares	143 362	198 734	201 530	207 530	236 123
Collective investment schemes ⁵	195 392	212 327	213 184	193 280	210 285
Derivatives and structured products	234 862	171 252	175 807	186 245	160 777
Derivatives ⁶	189 563	127 121	135 726	151 741	128 291
Structured products	45 299	44 131	40 081	34 504	32 486
Other foreign assets	1 019 399	894 901	789 839	807 387	776 000
Loans by	918 016	826 954	735 546	760 128	736 475
Swiss National Bank ⁷	79 461	33 047	1 368	15 274	5 292
Public sector	445	451	455	816	861
Banks ⁸	613 442	555 022	493 809	498 696	487 583
To banks	447 706	411 196	348 713	350 683	325 456
To customers	165 736	143 826	145 096	148 013	162 127
Companies ⁹	224 668	238 434	239 914	245 342	242 740
Other investment	101 383	67 946	54 293	47 259	39 525
of which					
Fiduciary investments	94 521	61 196	46 352	40 586	32 107
Reserve assets	78 887	139 664	252 446	311 394	485 001
Gold ¹⁰	30 862	38 186	43 988	49 380	50 772
Foreign exchange ¹¹	47 063	94 680	202 742	254 254	427 196
Reserve position in the IMF	725	1 231	1 068	3 135	2 804
Other reserve assets ¹²	238	5 568	4 648	4 625	4 229
Total	3 070 651	3 205 863	3 248 221	3 371 529	3 577 135

¹ Expansion of the reporting population in 1993 and 2004.

² Until 1985, excluding banks.

³ Until 1998, only securities held by banks or in banks' open customer custody accounts. As of 1999, including public sector and Swiss National Bank holdings which do not constitute part of the reserve assets.

⁴ Until 2004, money market instruments held by banks. As of 2005, including money market instruments held by insurance companies. As of 2008, including money market instruments held by non-financial companies.

⁵ Until 2004, containing exclusively investment fund certificates. 2005 and 2006, containing exclusively units in collective investment schemes with an open-end structure. Units in collective investment schemes with a closed-end structure were recorded under shares. As of 2007, including all units in collective investment schemes (with both open-end and closed-end structures).

⁶ Until 2007, only derivatives issued by banks and insurance companies. As of 2008, derivatives issued by all industries.

⁷ As of 2003, including monetary assistance loans.

⁸ As of 1995, excluding data attributable to finance companies (as such companies are no longer subject to the Banking Act).

As of 1999, excluding securities lending. As of 2003, there has been a change in bank reporting.

⁹ As of 1995, including data attributable to finance companies (as such companies are no longer subject to the Banking Act).

¹⁰ Until 1999, gold holdings were valued at the official parity of CHF 4,596 per kilogram.

As of 2000, they have been priced at market value.

¹¹ In 2005, distribution to the Confederation and the cantons of the proceeds from gold sales.

¹² As of 2003, excluding monetary assistance loans. In 2009, allocation of Special Drawing Rights (SDR) by the IMF.

2.2 Assets – breakdown by currency

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Direct investment¹	769 883	891 309	980 102	1 046 293	1 070 516
CHF	8 672	6 478	6 003	6 879	6 722
USD	129 621	154 612	174 283	195 453	196 263
EUR	227 542	267 652	284 145	359 177	327 227
Other currencies	404 048	462 567	515 669	484 784	540 304
Portfolio investment	967 619	1 108 737	1 050 028	1 020 210	1 084 840
CHF	314 217	343 033	340 513	315 806	311 989
USD	232 753	267 064	259 978	261 271	304 331
EUR	326 994	380 003	312 468	281 040	288 681
Other currencies	93 655	118 637	137 068	162 093	179 839
Derivatives and structured products	234 862	171 252	175 807	186 245	160 777
CHF	120 560	76 126	87 068	89 182	84 204
USD	53 759	36 724	33 268	35 718	25 230
EUR	40 567	34 876	33 811	38 349	31 122
Other currencies	19 867	23 451	21 520	22 873	20 151
Precious metals	109	74	141	122	70
Other foreign assets	1 019 399	894 901	789 839	807 387	776 000
CHF	149 612	131 591	105 659	116 737	82 010
USD	341 534	333 192	285 659	340 704	359 470
EUR	269 454	244 756	207 022	216 373	213 053
Other currencies	254 334	178 006	183 011	122 557	113 282
Precious metals	4 465	7 356	8 488	11 016	8 185
Reserve assets	78 887	139 664	252 446	311 394	485 001
USD	13 487	28 525	50 615	59 014	117 458
EUR	23 442	55 027	110 891	144 727	211 362
Other currencies	11 097	17 926	46 952	58 273	105 410
Precious metals	30 862	38 186	43 988	49 380	50 772
Total	3 070 651	3 205 863	3 248 221	3 371 529	3 577 135
CHF	593 061	557 228	539 244	528 604	484 924
USD	771 154	820 118	803 804	892 160	1 002 753
EUR	888 000	982 314	948 338	1 039 667	1 071 444
Other currencies	783 000	800 587	904 219	850 580	958 987
Precious metals	35 436	45 616	52 617	60 518	59 027

¹ Given that claims and liabilities are offset within loans, the balance may be negative.

2.3 Assets – breakdown by sector

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Swiss National Bank	178 016	195 451	267 381	336 021	496 240
Portfolio investment	16 935	22 619	13 435	9 246	5 857
Derivatives and structured products	2 642	30	43	17	0
Loans and other foreign assets	79 552	33 138	1 458	15 364	5 382
Reserve assets	78 887	139 664	252 446	311 394	485 001
Public sector	13 255	5 604	5 609	4 897	4 712
Portfolio investment	11 538	4 015	3 902	3 104	2 785
Derivatives and structured products	349	220	207	173	171
Loans and other foreign assets	1 369	1 369	1 499	1 620	1 756
Banks	890 512	775 763	699 532	704 970	687 595
Direct investment	79 982	82 856	75 887	76 706	78 384
Portfolio investment	90 380	84 552	64 010	58 314	58 278
Derivatives and structured products	106 708	53 334	65 826	71 254	63 350
Loans and other foreign assets	613 442	555 022	493 809	498 696	487 583
Other sectors	1 988 868	2 229 044	2 275 698	2 325 641	2 388 588
Direct investment	689 901	808 453	904 214	969 587	992 133
Portfolio investment	848 766	997 551	968 681	949 545	1 017 919
Derivatives and structured products	125 164	117 669	109 730	114 801	97 256
Loans and other foreign assets	325 036	305 371	293 072	291 707	281 280
Total	3 070 651	3 205 863	3 248 221	3 371 529	3 577 135

3.1 Liabilities – breakdown by components

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Direct investment¹	476 013	514 833	580 619	652 342	671 551
Equity capital	455 863	512 670	568 580	640 975	652 626
Loans	20 150	2 163	12 039	11 367	18 926
Portfolio investment	625 395	705 805	720 344	648 791	762 020
Debt securities	61 331	57 540	88 936	67 706	76 039
Bonds and notes	58 431	53 502	53 781	58 446	68 316
Money market instruments ²	2 900	4 038	35 155	9 260	7 722
Equity securities	564 064	648 265	631 408	581 085	685 982
Shares	473 259	554 938	544 059	495 866	590 848
Collective investment schemes ³	90 805	93 327	87 350	85 219	95 133
Derivatives and structured products	205 733	135 795	142 522	162 018	135 050
Derivatives ⁴	193 718	127 677	134 538	155 084	126 079
Structured products	12 015	8 118	7 984	6 934	8 971
Other foreign liabilities	1 107 288	1 065 276	1 007 210	1 069 936	1 130 954
Loans to	981 084	942 047	882 460	942 878	1 001 773
Swiss National Bank	34 426	4 531	3 790	6 510	19 309
Public sector	1 389	1 416	1 532	1 162	915
Banks ⁵	720 934	705 633	642 170	700 550	747 469
From banks	563 003	442 381	391 544	414 734	405 826
From customers	157 931	263 252	250 626	285 816	341 643
Companies ⁶	224 336	230 467	234 968	234 656	234 080
Other investment	126 204	123 230	124 750	127 058	129 181
Total	2 414 428	2 421 709	2 450 695	2 533 087	2 699 575

¹ Expansion of the reporting population in 1993 and 2004.

² As of 2005, including money market instruments issued by insurance companies. As of 2008, including money market instruments issued by non-financial companies.

³ Until 2004, containing exclusively investment fund certificates. 2005 and 2006, containing exclusively units in collective investment schemes with an open-end structure. Units in collective investment schemes with a closed-end structure were recorded under shares. As of 2007, including all units in collective investment schemes (with both open-end and closed-end structures).

⁴ Until 2007, only derivatives issued by banks and insurance companies. As of 2008, derivatives issued by all industries.

⁵ As of 1995, excluding data attributable to finance companies (as such companies are no longer subject to the Banking Act). As of 1999, excluding securities lending. As of 2003, there has been a change in bank reporting.

⁶ As of 1995, including data attributable to finance companies (as such companies are no longer subject to the Banking Act).

3.2 Liabilities – breakdown by currency

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Direct investment¹	476 013	514 833	580 619	652 342	671 551
CHF	458 774	512 910	569 996	642 020	654 479
USD	8 975	1 096	7 318	6 380	11 404
EUR	6 364	607	2 173	2 940	4 058
Other currencies	1 900	220	1 132	1 003	1 610
Portfolio investment	625 395	705 805	720 344	648 791	762 020
CHF	532 548	609 637	635 860	568 036	675 209
USD	39 725	43 070	39 474	38 773	46 044
EUR	42 090	40 687	33 028	30 831	30 894
Other currencies	11 031	12 410	11 982	11 151	9 873
Derivatives and structured products	205 733	135 795	142 522	162 018	135 050
CHF	113 634	56 468	68 975	80 053	74 881
USD	39 983	29 980	24 832	27 402	16 420
EUR	31 813	36 535	35 435	41 044	33 461
Other currencies	20 212	12 693	13 168	13 344	10 200
Precious metals	91	119	112	174	88
Other foreign liabilities	1 107 288	1 065 276	1 007 210	1 069 936	1 130 954
CHF	302 942	272 731	292 191	343 759	402 988
USD	361 129	351 293	311 964	360 365	351 268
EUR	249 102	262 807	233 411	218 567	228 286
Other currencies	178 298	157 477	143 025	117 838	115 118
Precious metals	15 816	20 968	26 619	29 408	33 294
Total	2 414 428	2 421 709	2 450 695	2 533 087	2 699 575
CHF	1 407 898	1 451 746	1 567 022	1 633 868	1 807 558
USD	449 813	425 439	383 588	432 919	425 137
EUR	329 369	340 636	304 047	293 381	296 699
Other currencies	211 441	182 801	169 308	143 336	136 800
Precious metals	15 907	21 087	26 731	29 582	33 382

¹ Given that claims and liabilities are offset within loans, the balance may be negative.

3.3 Liabilities – breakdown by sector

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Swiss National Bank	45 839	16 000	15 652	19 452	33 816
Portfolio investment ¹	.	.	.	.	.
Derivatives and structured products	265	22	0	4	13
Loans and other foreign liabilities	45 574	15 978	15 652	19 447	33 804
Public sector	23 972	20 056	19 894	25 823	33 252
Portfolio investment ²	22 583	18 641	18 363	24 661	32 338
Derivatives and structured products	.	.	.	.	.
Loans and other foreign liabilities	1 389	1 416	1 532	1 162	915
Banks	886 408	801 673	743 628	813 967	847 012
Direct investment	38 346	38 952	34 400	34 203	32 996
Portfolio investment ¹	.	.	.	.	.
Derivatives and structured products	112 895	51 874	65 825	77 745	66 039
Loans and other foreign liabilities	735 167	710 847	643 403	702 019	747 977
Other sectors	1 458 210	1 583 980	1 671 521	1 673 846	1 785 495
Direct investment	437 667	475 881	546 220	618 139	638 555
Portfolio investment ³	602 812	687 164	701 982	624 130	729 683
Derivatives and structured products	92 573	83 899	76 697	84 269	68 998
Loans and other foreign liabilities	325 158	337 035	346 623	347 308	348 259
Total	2 414 428	2 421 709	2 450 695	2 533 087	2 699 575

¹ Included in the portfolio investment of the other sectors.

² Money market instruments included in the portfolio investment of the other sectors.

³ Including public sector money market instruments and portfolio investment by banks and the Swiss National Bank.

4.1 Assets – portfolio investment abroad – by country of issuer

Total

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Europe	610 344	692 608	635 239	597 343	628 030
EU ¹	536 205	638 931	598 368	564 055	591 036
Other European countries ²	74 139	53 677	36 871	33 288	36 994
Selected countries					
Belgium	7 305	7 628	6 342	5 430	5 914
Denmark	5 912	7 847	7 463	8 357	10 132
Germany	100 871	108 751	98 840	89 778	82 437
Finland	7 101	7 946	7 416	7 648	7 439
France	81 070	105 743	92 185	86 955	89 052
Greece	3 074	3 378	1 349	239	212
Ireland	26 732	29 838	25 317	24 435	32 995
Italy	7 601	9 275	7 847	6 684	8 195
Luxembourg	120 794	146 086	150 437	136 201	149 280
Netherlands	60 882	71 364	67 861	68 361	72 901
Norway	8 254	8 645	9 025	9 571	10 121
Austria	38 609	38 290	32 818	29 334	28 747
Portugal	1 794	1 900	1 036	391	259
Russian Federation	1 632	2 810	2 674	2 815	3 836
Sweden	11 739	16 589	18 325	19 862	20 516
Spain	10 393	15 072	12 087	10 843	8 939
Turkey	721	552	618	533	908
United Kingdom	48 208	64 670	63 640	63 849	66 927
Offshore financial centres ³	63 264	41 121	24 291	20 101	21 292
North America	138 953	170 645	175 242	183 500	189 892
Canada	15 678	20 751	24 196	26 162	27 250
United States	123 275	149 894	151 046	157 338	162 437
Central and South America	65 129	60 144	55 893	54 524	58 994
of which					
Brazil	1 205	2 577	2 973	3 289	4 314
Mexico	1 046	1 563	2 069	2 997	3 538
Offshore financial centres ⁴	62 187	55 163	49 534	46 745	48 812

2008	2009	2010	2011	2012
1	2	3	4	5

Asia	25 007	31 659	35 495	38 793	45 896
of which					
Hong Kong	1 323	1 953	2 278	2 691	3 825
Japan	16 371	17 333	18 710	19 231	18 410
Korea, Republic of (South Korea)	2 329	4 372	4 785	6 145	8 683
Philippines	591	684	968	1 064	594
Singapore	1 016	1 564	1 821	2 235	3 036
Taiwan	498	971	1 406	1 385	2 103
Africa	1 424	1 972	2 377	2 486	2 948
of which					
South Africa	857	1 055	1 352	1 491	2 269
Oceania	13 446	18 559	22 165	24 816	27 908
of which					
Australia	12 734	17 499	20 889	23 550	26 097
New Zealand	636	807	1 070	1 043	1 783
International organisations	6 794	8 934	8 651	10 440	17 439
Not broken down by country	106 523	124 215	114 968	108 308	113 733
All countries	967 619	1 108 737	1 050 028	1 020 210	1 084 840

¹ Until 2003, EU15; as of 2004, EU25; as of 2007, EU27.

² Until 2003, including Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, including Bulgaria and Romania.

³ Gibraltar, Guernsey, Jersey and the Isle of Man.

⁴ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Curaçao, Dominica, Grenada, Cayman Islands, Montserrat, Panama, St Kitts and Nevis, Saint Lucia, Sint Maarten, St Vincent and the Grenadines, Turks and Caicos Islands; as of 2011, including Aruba, excluding Bonaire, Sint Eustatius and Saba, Jamaica.

4.2 Assets – portfolio investment abroad – by country of issuer

Debt securities

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Europe	409 889	441 563	384 050	362 641	361 790
EU ¹	356 441	406 546	365 212	343 401	339 807
Other European countries ²	53 448	35 017	18 838	19 240	21 983
Selected countries					
Belgium	6 058	5 959	4 915	3 963	4 100
Denmark	5 423	7 083	6 562	7 445	9 004
Germany	81 202	80 261	70 457	63 613	52 737
Finland	5 971	6 438	6 202	6 814	6 595
France	65 792	82 885	71 597	67 774	68 123
Greece	2 817	3 056	1 201	144	117
Ireland	15 941	14 719	9 555	6 825	7 873
Italy	4 856	5 706	4 997	4 334	5 232
Luxembourg	19 037	25 900	26 812	24 696	24 319
Netherlands	56 410	65 099	62 110	62 786	66 221
Norway	7 587	7 585	7 932	8 374	8 823
Austria	36 869	36 244	30 577	27 392	26 555
Portugal	1 671	1 719	894	243	112
Russian Federation	191	130	209	296	539
Sweden	10 608	14 648	15 857	17 259	17 699
Spain	6 907	10 338	8 641	7 312	5 840
Turkey	680	415	461	359	491
United Kingdom	33 191	42 487	40 143	37 822	39 011
Offshore financial centres ³	44 738	26 560	9 996	9 966	11 208
North America	85 047	99 584	99 136	100 784	103 219
Canada	11 276	13 461	15 704	17 611	18 433
United States	73 772	86 123	83 433	83 172	84 819
Central and South America	12 186	11 015	11 198	11 743	14 778
of which					
Brazil	592	575	715	951	1 203
Mexico	433	699	1 211	1 542	2 216
Offshore financial centres ⁴	10 544	9 051	8 207	8 043	9 577

	2008	2009	2010	2011	2012
	1	2	3	4	5

Asia	10 651	12 881	13 821	16 651	17 891
of which					
Hong Kong	189	120	110	446	728
Japan	5 987	6 363	7 182	7 935	6 591
Korea, Republic of (South Korea)	1 782	3 084	3 034	4 158	5 393
Philippines	556	637	892	950	389
Singapore	480	520	615	1 036	1 448
Taiwan	20	19	118	66	137
Africa	703	1 046	1 061	1 043	1 156
of which					
South Africa	326	342	327	393	739
Oceania	11 313	14 139	17 202	20 135	21 935
of which					
Australia	10 710	13 381	16 181	19 156	20 228
New Zealand	600	755	1 017	970	1 691
International organisations	6 626	8 586	8 651	10 440	17 438
Not broken down by country	92 450	108 863	100 195	95 964	100 224
All countries	628 864	697 677	635 313	619 400	638 432

¹ Until 2003, EU15; as of 2004, EU25; as of 2007, EU27.

² Until 2003, including Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, including Bulgaria and Romania.

³ Gibraltar, Guernsey, Jersey and the Isle of Man.

⁴ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Curaçao, Dominica, Grenada, Cayman Islands, Montserrat, Panama, St Kitts and Nevis, Saint Lucia, Sint Maarten, St Vincent and the Grenadines, Turks and Caicos Islands; as of 2011, including Aruba, excluding Bonaire, Sint Eustatius and Saba, Jamaica.

4.3 Assets – portfolio investment abroad – by country of issuer

Equity securities

Stocks at year-end

In CHF millions

	2008	2009	2010	2011	2012
	1	2	3	4	5
Europe	200 455	251 045	251 189	234 702	266 241
EU ¹	179 763	232 385	233 157	220 654	251 229
Other European countries ²	20 691	18 660	18 032	14 048	15 011
Selected countries					
Belgium	1 246	1 668	1 427	1 467	1 814
Denmark	489	764	901	912	1 128
Germany	19 669	28 490	28 383	26 165	29 701
Finland	1 130	1 507	1 214	834	844
France	15 278	22 858	20 588	19 180	20 929
Greece	257	322	148	95	95
Ireland	10 791	15 120	15 762	17 610	25 122
Italy	2 745	3 569	2 850	2 351	2 963
Luxembourg	101 757	120 186	123 625	111 505	124 961
Netherlands	4 471	6 265	5 751	5 574	6 681
Norway	667	1 060	1 093	1 196	1 298
Austria	1 740	2 045	2 242	1 942	2 192
Portugal	123	181	143	147	147
Russian Federation	1 441	2 679	2 465	2 519	3 297
Sweden	1 131	1 941	2 468	2 603	2 817
Spain	3 487	4 734	3 445	3 531	3 099
Turkey	41	137	157	174	417
United Kingdom	15 018	22 183	23 496	26 027	27 916
Offshore financial centres ³	18 526	14 561	14 296	10 135	10 084
North America	53 906	71 061	76 106	82 716	86 674
Canada	4 402	7 290	8 492	8 550	8 817
United States	49 503	63 771	67 614	74 166	77 618
Central and South America	52 943	49 129	44 695	42 781	44 216
of which					
Brazil	613	2 003	2 257	2 338	3 112
Mexico	614	864	858	1 455	1 322
Offshore financial centres ⁴	51 644	46 113	41 327	38 703	39 234

2008	2009	2010	2011	2012
1	2	3	4	5

Asia	14 356	18 778	21 674	22 141	28 005
of which					
Hong Kong	1 133	1 832	2 168	2 244	3 097
Japan	10 385	10 969	11 529	11 296	11 819
Korea, Republic of (South Korea)	548	1 288	1 750	1 987	3 290
Philippines	35	47	76	114	206
Singapore	536	1 044	1 206	1 199	1 588
Taiwan	477	951	1 289	1 319	1 966
Africa	721	926	1 315	1 443	1 792
of which					
South Africa	531	713	1 025	1 098	1 529
Oceania	2 133	4 420	4 963	4 682	5 973
of which					
Australia	2 024	4 118	4 708	4 394	5 869
New Zealand	36	52	52	72	92
International organisations	168	349	—	0	0
Not broken down by country	14 073	15 352	14 773	12 344	13 508
All countries	338 755	411 061	414 715	400 810	446 408

¹ Until 2003, EU15; as of 2004, EU25; as of 2007, EU27.

² Until 2003, including Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, including Bulgaria and Romania.

³ Gibraltar, Guernsey, Jersey and the Isle of Man.

⁴ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Curaçao, Dominica, Grenada, Cayman Islands, Montserrat, Panama, St Kitts and Nevis, Saint Lucia, Sint Maarten, St Vincent and the Grenadines, Turks and Caicos Islands; as of 2011, including Aruba, excluding Bonaire, Sint Eustatius and Saba, Jamaica.

Further information on the international investment position and special topics

The SNB website provides additional information on the international investment position at www.snb.ch, *Statistics, Statistical publications*.

The tables from *Switzerland's International Investment Position* are available in an electronically processable format and for longer time series from the same webpage, via *Switzerland's International Investment Position*. The special topics from earlier reports are available in the archive.¹ The table below provides an overview of all topics covered since 2006.

The SNB provides further annual and quarterly data on Switzerland's international investment position in the *Monthly Statistical Bulletin* (online version), which can be found on the SNB website at www.snb.ch, *Statistics, Statistical publications*. The latest quarterly estimates are published in the March, June, September and December editions.

Year	Special topic
2006	The impact of valuation changes on the international investment position since 2001
2010	Switzerland's external debt
2012	Aligning the international investment position statistics with new international statistical standards

¹ Archive URL: www.snb.ch/en/i/about/stat/statpub/iip/stats/iip

Published by

Swiss National Bank
Statistics
CH-8022 Zurich
Telephone +41 44 631 31 11

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bop@snb.ch

Languages

German, French and English

Design

Interbrand Ltd, Zurich

Printed by

Neidhart + Schön AG, Zurich

Date of publication

December 2013

ISSN 1662-4351 (printed version)

ISSN 1661-559X (online version)

Accessing SNB publications

Swiss National Bank publications are available at www.snb.ch, *Publications*.

Publication dates are listed at www.snb.ch, *Media, Time schedule*.

Many of the publications are available in printed form, either as single copies or in subscription, from:
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