

Development of direct investment in 2001

Overview

This report sets out the results of the 2001 direct investment survey. The first part covers Swiss direct investment abroad, notably capital outflows (investment), capital stock (Swiss interests in companies abroad), investment income and the number of staff employed by subsidiaries abroad. The second part of the report takes a closer look at foreign direct investment in Switzerland. In particular, it focuses on capital inflows (investment in Switzerland), capital stock (foreign interests in companies in Switzerland) and investment income remitted abroad.

1 Swiss direct investment abroad

Capital outflows

Capital outflows for direct investment abroad were down from Sfr 75 billion in 2000 to Sfr 29 billion in 2001. This was the first decline since 1995, mainly brought about by fewer mergers and acquisitions. This development corresponds to the global trend and comes after a phase marked by an extraordinarily strong rise in cross-border mergers and acquisitions, which peaked in 1999 and 2000. Moreover, the losses incurred by banks, insurance companies and holding companies on their interests in the US and Britain led to a sharp decline in retained profits (reinvested earnings), which are also classed as direct investment flows, to Sfr 5 billion in 2001. In 2000, retained profits had still amounted to Sfr 17 billion. Capital outflows in the form of intra-group lending fell Sfr 1 billion short of the previous year's level.

The banks reduced their interests abroad by Sfr 1 billion in 2001; in the year before, they had still exported capital to the amount of Sfr 31 billion. In 2001, majority foreign-controlled finance and holding companies were the largest exporters of capital, exporting Sfr 10 billion, followed by the insurance industry with Sfr 7 billion. Direct investment by the manufacturing sector receded by two-thirds to Sfr 9 billion, with the machinery industry investing Sfr 3 billion and the chemicals and electronics industries Sfr 2 billion each.

The regional breakdown of direct investment shows that capital outflows to the EU declined from Sfr 29 billion in 2000 to Sfr 10 billion in 2001. From Ireland and Belgium, capital flowed back to Switzerland, and direct investment in Britain fell steeply. By contrast, considerably larger amounts were invested in Germany, Luxembourg and Italy in comparison with the previous year. The US attracted a mere Sfr 9 billion in investment, as against Sfr 34 billion a year earlier. A total of Sfr 5 billion was invested in the off-shore financial centres of Central and South America, primarily by insurance and holding companies (previous year: Sfr 9 billion).

Capital stock

Switzerland's stock of direct investment abroad expanded by 9% to Sfr 416 billion in 2001. The increase was lower than in recent years, which mainly mirrors the weaker acquisition activity. The manufacturing industry's share of the capital stock shrank further from 33% to 30%. In the electronics industry, losses and accounting changes resulted in a Sfr 5 billion decline in the capital stock to Sfr 11 billion. The service sector companies increased their capital stock abroad by Sfr 35 billion to Sfr 292 billion. Insurance companies as well as finance and holding companies exhibited an especially high rise in capital stock. The transportation and communications industry doubled its capital stock to Sfr 7 billion as a result of acquisitions.

Swiss direct investment abroad in billions of Swiss francs

	2000 ^r	2001 ^p	Changes against previous year in percent
Capital outflows	75.4	29.2	-61.3
Capital stock	381.9	415.6	8.8
Investment income	44.1	31.7	-28.1

r = revised, p = provisional

Broken down by region, the US share of the capital stock declined by one percentage point to 23%, that of the EU by two percentage points to 47%. Within the EU, capital stock showed varied development. While the stock in Luxembourg and in the Scandinavian countries rose markedly, it receded in the Netherlands, Ireland and France. As in the previous year, Germany accounted for 6% of the capital stock. The offshore financial centres in Central and South America exhibited a remarkable expansion in their share of capital stock from 12% to 14%.

Investment income

Income from direct investment consists of dividends on equity capital, net interest on intra-group lending, and reinvested earnings. In 2001, income from direct investment abroad fell by nearly one-third to Sfr 32 billion. Of this amount, Sfr 27 billion were transferred to Switzerland, and Sfr 5 billion were reinvested abroad. Direct investment income of the chemicals and the insurance industries suffered a particularly steep fall. The banking industry even recorded a loss. Foreign-controlled finance and holding companies, by contrast, saw their income from direct investment go up from Sfr 7 billion to Sfr 11 billion.

Number of staff

The number of staff employed by direct investment enterprises abroad dropped by 3% to 1.72 million in 2001. The decline is due to significant payroll cuts abroad of the majority foreign-controlled finance and holding companies in 2001. Slightly lower staff numbers were reported by the textile and the chemicals industries. The other business segments increased their number of staff abroad.

2 Foreign direct investment in Switzerland

Capital inflows

Capital inflows for direct investment in Switzerland shrank by more than half to Sfr 15 billion in 2001. The main reason for this result was the drop in retained earnings from Sfr 11 billion to Sfr 1 billion. Acquisitions and capital increases, however, diminished only modestly; at Sfr 15 billion, they almost attained the previous year's record high of Sfr 19 billion.

Foreign investors withdrew Sfr 2 billion from the manufacturing sector. In the previous year, an amount of Sfr 16 billion had been channelled into manufacturing due to extraordinarily large acquisitions. At Sfr 17 billion, foreign investment in the service sector slightly topped the previous year's level (Sfr 16 billion). A total of Sfr 6 billion of this amount was invested in transportation and communications, Sfr 5 billion in finance and holding companies.

Broken down by country, the decline in total foreign direct investment can largely be attributed to lower capital inflows from North America, which plummeted by Sfr 16 billion to Sfr 2 billion. Direct investment from the EU remained virtually stable at Sfr 12 billion. Of this amount, Sfr 7 billion came from the Netherlands (previous year: Sfr 1 billion). German companies withdrew Sfr 1 billion. In the previous year, inflows of direct investment from Germany had amounted to Sfr 4 billion.

Foreign direct investment in Switzerland in billions of Swiss francs	2000 ^r	2001 ^p	Changes against previous year in percent
Capital inflows	32.5	15.0	-54.0
Capital stock	142.1	149.7	5.4
Investment income	17.8	13.3	-25.3

r = revised, p = provisional

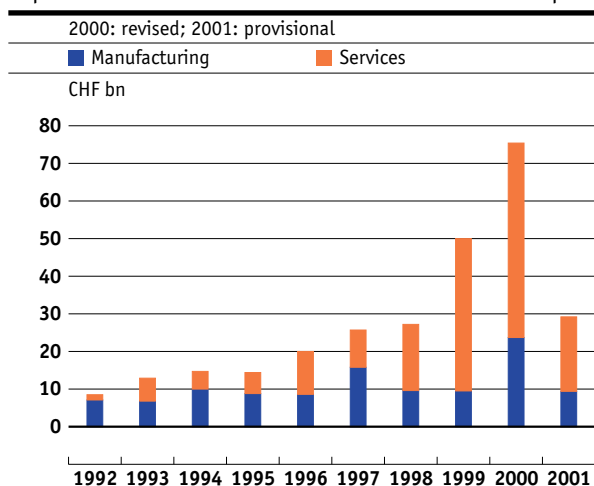
Capital stock

The stock of foreign direct investment in Switzerland grew by 5% to Sfr 150 billion in 2001. The chemicals and banking industries as well as transportation and communications exhibited an increase. The category "Other services" doubled its stock of foreign direct investment as the scope of data collection was expanded. Owing to losses, the capital stock in the electronics industry fell. Broken down by region, 62% of capital stock was accounted for by the EU in 2001 (previous year: 60%). In particular, companies from Denmark, Luxembourg and the Netherlands increased their capital stock in Switzerland. The US proportion of foreign direct investment stock in Switzerland was down by one percentage point to 34%.

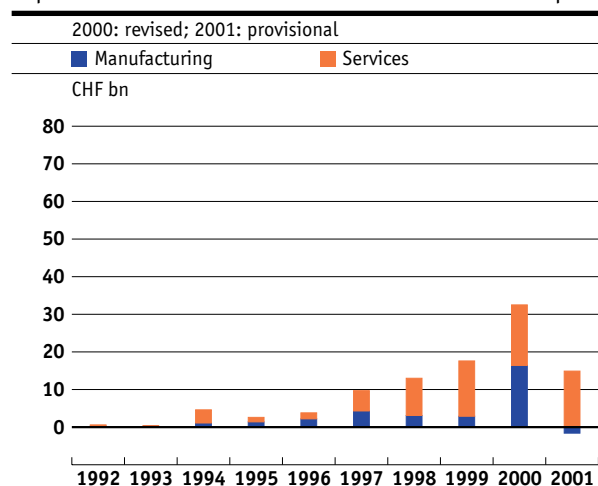
Investment income

Income from foreign direct investment in Switzerland declined by one-quarter to Sfr 13 billion in 2001. A total of Sfr 12 billion of this amount was transferred abroad and Sfr 1 billion was reinvested in Switzerland. In most business segments, investment income was significantly lower than a year earlier. The electronics industry as well as transportation and communications even posted losses. Finance and holding companies, by contrast, saw their investment income rise by Sfr 4 billion to Sfr 11 billion.

Capital outflows Graph 1



Capital inflows Graph 2



Notes

Definition

Direct investment serves to acquire a lasting interest in a company abroad, giving the investor an effective voice in the management of a company. As a rule, direct investment is deemed to exist if an investor owns at least 10% of the voting stock of a company abroad or sets up a subsidiary or branch abroad.

Data collection

The Swiss National Bank collects data on international investments, i.e. Swiss direct investment abroad and foreign direct investment in Switzerland, on an annual and quarterly basis. The data are collected at the end of each year or quarter.

Statutory basis

The statutory basis for collecting data on direct investment is provided in Article 2 of the Swiss Federal Statistics Act of 9 October 1992. The Ordinance on the conduct of federal statistical surveys of 30 June 1993 stipulates that the National Bank shall be responsible for data collection. Participation in the survey is mandatory for all companies with direct investment capital of at least Sfr 10 million.

Data coverage

The annual survey covers capital stock (equity capital and intra-group lending), financial movements on equity capital (establishment, acquisition, sale, capital increases, etc.) and on intra-group lending, and reinvested earnings. Reinvested earnings are deemed to be the part of a company's profit that is not distributed. Through reinvested earnings, the direct investment position can be increased without an actual outflow of capital taking place. Furthermore, the companies are queried as to the number of staff employed in Switzerland and in the subsidiaries or branches abroad.

The data on transferred earnings are drawn from the quarterly survey of direct investment and comprise transferred earnings on direct investment capital abroad (dividends) and net interest on intra-group lending. From this, reorganisation contributions paid by the direct investor and non-reclaimable withholding tax are deducted.

Valuation of stock

Book values rather than market values are indicated for stock. Book values are generally lower than market values.

Correlation between changes in capital stock and capital movements

Although capital movements influence the capital stock, a change in the capital stock does not give any direct indication of capital flows, and vice versa. Changes in the capital stock can be due to various factors that do not result in capital movements. For instance, changes in capital stock may also be triggered by exchange rate movements, new valuation principles (e.g. adjustment to international accounting standards), etc. In case of new investments, goodwill (the difference between the purchasing price and the book value of a company) almost always leads to capital movements that may be larger than the actual increase in stock. Conversely, acquisitions that are financed abroad are not accompanied by a corresponding outflow of capital from Switzerland.

Breakdown by country

As regards Swiss direct investment abroad, the country of the ultimate beneficial owner is indicated wherever possible. In practice, however, this principle cannot always be applied. With respect to foreign direct investment in Switzerland, it is always the country of the immediate investor that is stated.

Breakdown by economic activity

Classification by economic activity is determined by the main field of activity of the company in Switzerland.

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Swiss direct investment abroad
Capital outflows¹ in millions of Swiss francs: breakdown by country

Table 1.1

	1997	1998	1999	2000 ^r	2001 ^p
1. Europe and extra-European industrial countries	21 765	16 090	38 128	63 689	22 510
EU	12 596	10 154	21 359	28 917	10 077
Belgium	-655	349	1 179	4 429	-563
Denmark	30	-31	280	-167	-30
Germany	4 131	889	5 799	-1 113	5 334
Finland	152	224	126	263	151
France	213	333	827	-1 055	-1 706
Greece	116	205	179	355	164
Ireland	317	-54	5 446	1 303	-4 713
Italy	1 134	-197	192	-222	1 910
Luxembourg	-959	1 651	-47	3 440	7 824
Netherlands	2 752	1 003	1 716	3 227	-630
Austria	343	344	515	100	398
Portugal	311	-69	561	1 594	263
Sweden	632	844	-656	328	-169
Spain	35	377	-545	97	1 380
United Kingdom ²	4 043	4 287	5 788	16 338	462
EFTA	181	-93	362	-1 208	242
Central and Eastern Europe, of which	215	1 175	1 174	1 095	1 582
Croatia	4	70	-44	16	21
Poland	173	208	473	586	201
Russian Federation	46	335	599	-7	696
Czech Republic	-19	356	-64	183	275
Slovakia	13	21	38	13	9
Hungary	-35	-76	100	77	170
Other European countries, of which	314	-449	744	571	171
Turkey	51	296	-95	-242	-153
North America	8 058	4 458	13 640	34 232	9 963
Canada	368	1 232	83	553	692
United States	7 690	3 226	13 557	33 678	9 271
Other extra-European industrial countries	402	845	850	83	476
Australia	153	572	322	-267	-67
Japan	-203	124	628	336	466
New Zealand	298	11	-215	-3	18
South Africa	154	138	116	18	59

	1997	1998	1999	2000 ^r	2001 ^p
2. Emerging economies	2 176	6 932	6 244	2 014	842
Asia	2 383	5 689	4 949	838	393
Hong Kong	236	447	665	-63	277
Korea (South)	-57	283	179	184	86
Malaysia	82	102	227	-25	72
Philippines	50	1 169	57	313	96
Singapore	1 879	3 173	3 811	222	-387
Taiwan	45	121	92	160	34
Thailand	148	395	-82	46	215
Central and South America	-207	1 243	1 295	1 177	449
Argentina	-10	321	-103	48	471
Brazil	-338	446	844	246	-800
Chile	29	-178	17	-27	-163
Mexico	111	654	537	910	941
3. Developing countries	1 793	4 187	5 614	9 742	5 845
Asia, of which	629	441	-21	251	634
China (People's Republic)	255	123	-143	212	207
India	160	29	-59	-43	139
Indonesia	134	90	10	-22	156
Lebanon	2	-2	-13	-143	-12
Pakistan	34	-17	7	59	38
Saudi Arabia	43	-2	60	-83	-1
United Arab Emirates	12	11	19	85	55
Vietnam	21	-2	-18	-33	-19
Central and South America, of which	935	3 645	5 343	9 233	5 194
Costa Rica	-1	-26	0	-17	13
Ecuador	27	10	20	23	55
Guatemala	60	-4	22	-97	-8
Colombia	34	387	115	-109	-70
Peru	158	-25	47	57	36
Uruguay	217	284	291	299	90
Venezuela	97	61	11	127	176
Offshore financial centres ³	236	2 991	4 703	8 998	4 788
Africa, of which	230	102	293	259	17
Egypt	92	57	93	11	41
Ivory Coast	16	51	-26	-47	-20
Morocco	32	-12	2	-30	0
Nigeria	-9	5	-7	4	17
All countries	25 734	27 209	49 986	75 446	29 197

1 The minus sign (-) indicates a return flow of capital into Switzerland (disinvestment).

2 Incl. Guernsey, Jersey and the Isle of Man.

3 According to geonomenclature Eurostat: Bahamas, Barbados, Bermudas, British Virgin Islands, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St. Kitts-Nevis.

r revised
p provisional

Swiss direct investment abroad
Capital stock in millions of Swiss francs: **breakdown by country**

Table 1.2

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
1. Europe and extra-European industrial countries	189 877	197 861	241 873	304 148	321 885	77.4
EU	113 781	119 025	149 983	186 345	196 041	47.2
Belgium	3 136	3 396	4 924	11 364	10 630	2.6
Denmark	693	632	1 187	990	1 217	0.3
Germany	18 311	18 901	26 784	22 854	26 126	6.3
Finland	1 373	1 387	1 794	1 885	2 195	0.5
France	13 923	13 640	16 594	18 308	16 915	4.1
Greece	573	398	2 317	1 882	1 878	0.5
Ireland	6 494	5 478	10 282	12 329	10 255	2.5
Italy	7 754	7 607	9 766	7 911	8 387	2.0
Luxembourg	4 383	6 005	7 849	16 646	24 447	5.9
Netherlands	16 407	16 826	18 869	20 165	17 580	4.2
Austria	2 886	3 123	4 434	4 669	4 720	1.1
Portugal	961	995	1 747	1 930	1 818	0.4
Sweden	3 304	3 420	2 005	1 835	5 078	1.2
Spain	4 344	4 651	5 574	4 818	5 811	1.4
United Kingdom ¹	29 239	32 567	35 858	58 759	58 986	14.2
EFTA	1 366	1 485	3 129	3 274	3 668	0.9
Central and Eastern Europe, of which	2 880	4 462	6 156	6 549	8 196	2.0
Croatia	145	117	159	217	241	0.1
Poland	670	1 062	1 667	2 167	2 332	0.6
Russian Federation	410	748	1 197	733	1 597	0.4
Czech Republic	1 144	1 648	1 625	1 779	1 937	0.5
Slovakia	158	103	157	147	166	0.0
Hungary	285	328	868	999	1 216	0.3
Other European countries, of which	962	1 082	2 727	2 737	3 309	0.8
Turkey	392	725	1 019	1 050	1 069	0.3
North America	62 761	63 934	68 986	95 975	101 467	24.4
Canada	5 471	6 276	3 511	5 284	4 269	1.0
United States	57 290	57 658	65 475	90 691	97 197	23.4
Other extra-European industrial countries	8 127	7 874	10 892	9 268	9 204	2.2
Australia	2 619	3 147	3 923	3 154	3 465	0.8
Japan	3 975	3 730	5 187	4 702	4 598	1.1
New Zealand	452	125	451	93	134	0.0
South Africa	1 081	872	1 331	1 318	1 007	0.2

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
2. Emerging economies	21 822	25 711	31 929	33 480	35 473	8.5
Asia	12 929	16 804	20 805	20 825	22 377	5.4
Hong Kong	2 162	2 064	2 316	2 683	2 989	0.7
Korea (South)	342	692	997	1 050	831	0.2
Malaysia	1 192	901	937	1 432	1 402	0.3
Philippines	324	1 281	1 433	1 677	1 996	0.5
Singapore	8 044	10 755	13 779	12 298	12 941	3.1
Taiwan	355	480	631	852	901	0.2
Thailand	509	631	712	832	1 318	0.3
Central and South America	8 894	8 908	11 124	12 655	13 096	3.2
Argentina	722	1 085	1 317	1 782	1 670	0.4
Brazil	4 387	4 375	5 072	5 707	5 668	1.4
Chile	1 442	686	828	790	831	0.2
Mexico	2 343	2 762	3 907	4 377	4 928	1.2
3. Developing countries	28 956	30 024	37 457	44 282	58 288	14.0
Asia, of which	3 684	3 441	4 116	4 808	5 653	1.4
China (People's Republic)	1 322	1 362	1 403	1 583	2 084	0.5
India	746	448	529	408	560	0.1
Indonesia	302	297	391	511	627	0.2
Lebanon	130	120	120	104	105	0.0
Pakistan	134	118	192	211	231	0.1
Saudi Arabia	230	253	323	326	305	0.1
United Arab Emirates	92	114	143	213	327	0.1
Vietnam	154	128	128	112	159	0.0
Central and South America, of which	23 665	24 964	30 721	36 222	49 507	11.9
Costa Rica	188	138	180	130	158	0.0
Ecuador	327	299	376	441	443	0.1
Guatemala	133	118	145	88	80	0.0
Colombia	684	974	1 166	1 092	1 151	0.3
Peru	251	192	261	310	296	0.1
Uruguay	254	307	447	421	414	0.1
Venezuela	732	621	696	1 116	1 163	0.3
Offshore financial centres ²	20 779	22 098	26 993	31 549	43 703	10.5
Africa, of which	1 607	1 619	2 621	3 253	3 128	0.8
Egypt	326	354	472	605	587	0.1
Ivory Coast	121	101	114	113	117	0.0
Morocco	321	330	318	294	256	0.1
Nigeria	44	26	35	15	31	0.0
All countries	240 655	253 596	311 258	381 910	415 646	100.0

1 Incl. Guernsey, Jersey and the Isle of Man.

r revised
p provisional

2 According to geonomenclature Eurostat: Bahamas, Barbados, Bermudas, British Virgin Islands, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St. Kitts-Nevis.

Swiss direct investment abroad
Number of staff abroad (at year-end): breakdown by country

Table 1.3

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
1. Europe and extra-European industrial countries	1 184 754	1 219 740	1 241 472	1 339 468	1 287 642	74.9
EU	748 247	778 499	780 845	811 030	761 913	44.3
Belgium	25 248	25 125	25 899	30 431	22 798	1.3
Denmark	12 245	11 356	11 223	10 439	14 746	0.9
Germany	231 652	268 107	249 165	254 010	212 905	12.4
Finland	13 632	13 793	13 607	14 844	15 670	0.9
France	131 335	121 377	132 421	133 144	135 494	7.9
Greece	5 953	8 397	8 392	9 108	8 671	0.5
Ireland	4 024	4 347	5 332	4 807	6 075	0.4
Italy	63 372	56 795	58 581	62 650	63 707	3.7
Luxembourg	1 685	1 852	2 487	2 529	2 379	0.1
Netherlands	30 415	32 380	31 441	30 594	27 855	1.6
Austria	40 140	27 775	33 001	35 668	34 929	2.0
Portugal	10 435	9 291	10 172	9 959	10 235	0.6
Sweden	37 968	37 057	32 572	29 596	28 298	1.6
Spain	46 061	45 568	44 383	56 676	58 710	3.4
United Kingdom ¹	94 082	115 281	122 172	126 577	119 443	6.9
EFTA	13 910	12 631	12 621	12 526	13 238	0.8
Central and Eastern Europe, of which	71 467	77 213	73 059	84 648	87 243	5.1
Croatia	2 735	2 540	2 170	2 870	3 237	0.2
Poland	20 301	23 193	19 893	22 875	19 908	1.2
Russian Federation	6 409	8 836	9 692	10 889	12 062	0.7
Czech Republic	19 712	18 768	15 982	18 023	18 899	1.1
Slovakia	3 994	3 185	3 905	3 653	3 393	0.2
Hungary	10 764	9 692	9 581	11 483	11 737	0.7
Other European countries, of which	8 926	9 750	10 858	11 501	10 837	0.6
Turkey	8 451	9 129	10 228	9 824	9 658	0.6
North America	256 366	268 176	291 243	341 894	334 808	19.5
Canada	27 404	26 744	28 011	34 823	30 104	1.8
United States	228 962	241 432	263 232	307 071	304 704	17.7
Other extra-European industrial countries	85 837	73 471	72 847	77 871	79 603	4.6
Australia	22 846	27 338	24 651	26 709	24 986	1.5
Japan	23 444	21 749	24 060	28 112	29 314	1.7
New Zealand	8 340	4 006	3 223	3 355	4 285	0.2
South Africa	31 207	20 378	20 913	19 695	21 019	1.2

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
2. Emerging economies	219 899	223 014	224 915	240 231	240 776	14.0
Asia	108 683	107 689	102 073	116 809	118 822	6.9
Hong Kong	14 880	14 319	14 016	15 276	15 236	0.9
Korea (South)	4 058	4 007	4 716	5 394	5 327	0.3
Malaysia	18 320	15 982	13 035	18 974	18 648	1.1
Philippines	13 582	13 293	13 050	12 579	12 955	0.8
Singapore	19 749	18 945	19 137	20 348	19 263	1.1
Taiwan	7 239	10 424	9 887	9 968	10 520	0.6
Thailand	30 855	30 720	28 232	34 270	36 873	2.1
Central and South America	111 217	115 325	122 842	123 422	121 954	7.1
Argentina	10 853	11 961	12 995	13 358	12 372	0.7
Brazil	63 943	67 552	72 322	72 939	73 874	4.3
Chile	13 164	10 622	9 819	9 588	9 366	0.5
Mexico	23 257	25 190	27 706	27 538	26 342	1.5
3. Developing countries	164 326	169 191	174 569	183 323	190 263	11.1
Asia, of which	93 327	89 994	94 790	100 797	103 769	6.0
China (People's Republic)	29 282	32 795	37 457	40 291	40 424	2.4
India	24 531	21 604	19 443	20 146	20 164	1.2
Indonesia	13 146	10 031	10 021	11 375	10 834	0.6
Lebanon	1 368	872	909	716	649	0.0
Pakistan	4 122	3 521	4 298	4 853	5 222	0.3
Saudi Arabia	2 485	3 255	2 866	2 658	3 865	0.2
United Arab Emirates	1 213	1 427	1 190	1 123	1 301	0.1
Vietnam	4 511	4 567	5 086	5 189	5 678	0.3
Central and South America, of which	38 867	36 376	41 346	38 781	43 544	2.5
Costa Rica	3 292	3 032	2 856	2 313	2 361	0.1
Ecuador	4 521	2 911	3 418	3 316	3 842	0.2
Guatemala	1 456	1 481	1 539	1 627	1 438	0.1
Colombia	9 952	7 292	8 479	8 440	9 129	0.5
Peru	4 322	3 736	3 895	3 676	4 118	0.2
Uruguay	430	869	858	934	924	0.1
Venezuela	7 360	8 092	8 493	7 782	8 869	0.5
Offshore financial centres ²	4 544	5 743	6 122	5 507	7 307	0.4
Africa, of which	32 132	42 821	38 433	43 745	42 950	2.5
Egypt	8 213	9 793	8 428	8 450	8 242	0.5
Ivory Coast	2 077	2 517	2 217	2 906	2 424	0.1
Morocco	4 148	3 652	3 489	3 467	3 636	0.2
Nigeria	7 767	6 047	5 505	6 763	4 135	0.2
All countries	1 568 979	1 611 945	1 640 957	1 763 022	1 718 681	100.0

1 Incl. Guernsey, Jersey and the Isle of Man.

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2 According to geonomenclature Eurostat: Bahamas, Barbados, Bermudas, British Virgin Islands, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St. Kitts-Nevis.

Swiss direct investment abroad
Capital outflows¹ in millions of Swiss francs: breakdown by economic activity

Table 1.4

	1997	1998	1999	2000 ^r	2001 ^p
Manufacturing	15 804	9 640	9 477	23 726	9 373
Textiles and clothing	118	623	395	-90	-279
Chemicals and plastics	8 373	5 156	6 430	17 695	2 283
Metals and machinery	2 593	1 421	659	173	3 107
Electronics, energy, optical and watchmaking industries	3 477	-890	1 007	2 395	2 319
Other manufacturing and construction	1 243	3 329	986	3 555	1 942
Services	9 930	17 569	40 509	51 720	19 824
Trade	517	2 376	2 805	-656	760
Finance and holding companies	5 195	6 559	14 067	4 813	9 637
of which foreign-controlled ²	4 172	3 870	11 480	2 519	7 038
Banks	1 796	-321	6 082	31 059	-926
Insurance	1 334	8 034	9 910	14 042	7 493
Transportation and communications	214	859	3 524	196	1 521
Other services	874	62	4 121	2 266	1 339
Total	25 734	27 209	49 986	75 446	29 197

Swiss direct investment abroad
Capital stock¹ in millions of Swiss francs: breakdown by economic activity

Table 1.5

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
Manufacturing	99 617	106 858	106 978	125 393	123 314	29.7
Textiles and clothing	724	1 771	2 164	2 093	1 451	0.3
Chemicals and plastics	34 551	44 712	42 358	56 178	56 057	13.5
Metals and machinery	14 779	17 071	17 423	17 894	18 625	4.5
Electronics, energy, optical and watchmaking industries	19 852	19 131	16 015	15 942	11 228	2.7
Other manufacturing and construction	29 711	24 174	29 019	33 286	35 953	8.6
Services	141 038	146 738	204 280	256 518	292 333	70.3
Trade	7 031	8 846	12 750	11 790	12 245	2.9
Finance and holding companies	46 908	55 426	80 924	90 432	100 465	24.2
of which foreign-controlled ²	42 637	47 336	64 528	69 898	81 672	19.6
Banks	23 733	18 651	25 198	54 231	55 657	13.4
Insurance	54 200	55 667	67 252	85 914	104 463	25.1
Transportation and communications	3 000	3 253	7 009	3 571	7 192	1.7
Other services	6 167	4 895	11 148	10 580	12 310	3.0
Total	240 655	253 596	311 258	381 910	415 646	100.0

1 The minus sign (-) indicates a return flow of capital into Switzerland (disinvestment).

2 An enterprise is considered to be a foreign-controlled enterprise if a majority share of its capital is in foreign hands.

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Swiss direct investment abroad
Number of staff abroad (at year-end): breakdown by economic activity

Table 1.6

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
Manufacturing	949 336	954 353	942 126	993 244	992 243	57.7
Textiles and clothing	43 312	55 379	53 397	53 592	49 033	2.9
Chemicals and plastics	190 769	204 570	205 947	236 454	217 904	12.7
Metals and machinery	159 249	166 505	165 450	178 548	185 365	10.8
Electronics, energy, optical and watchmaking industries	259 547	241 700	230 439	238 455	239 943	14.0
Other manufacturing and construction	296 459	286 199	286 893	286 196	299 998	17.5
Services	619 643	657 591	698 831	769 778	726 439	42.3
Trade	65 373	64 534	70 238	66 415	81 151	4.7
Finance and holding companies	323 474	330 122	335 783	366 942	293 863	17.1
of which foreign-controlled ¹	308 889	308 104	297 765	314 159	252 605	14.7
Banks	33 482	33 784	35 127	75 583	77 227	4.5
Insurance	71 902	95 853	105 445	109 158	114 233	6.6
Transportation and communications	43 188	43 761	45 191	40 894	45 918	2.7
Other services	82 224	89 539	107 047	110 786	114 047	6.6
Total	1 568 979	1 611 945	1 640 957	1 763 022	1 718 681	100.0

1 An enterprise is considered to be a foreign-controlled enterprise if a majority share of its capital is in foreign hands.

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**Swiss direct investment abroad – Capital outflows¹ in millions of Swiss francs:
breakdown by type of capital and geographical/economic zone**

Table 1.7

	1997	1998	1999	2000 ^r	2001 ^p
Equity capital					
Europe and extra-European industrial countries	10 633	6 988	20 118	48 834	16 247
EU	7 635	4 454	13 657	23 440	4 559
EFTA	53	-123	104	-1 186	81
Central and Eastern Europe	226	766	570	547	593
Other European countries	193	385	298	120	25
North America	2 514	1 188	4 812	25 383	11 017
Other extra-European industrial countries ²	13	317	676	530	-27
Emerging economies	565	5 327	2 400	933	-605
Asia ³	796	3 861	1 619	458	-326
Central and South America ⁴	-232	1 465	781	475	-279
Developing countries	2 317	4 634	1 317	6 245	7 030
Asia	634	465	288	377	410
Central and South America	1 606	4 146	999	5 851	6 564
Africa	78	24	30	17	57
All countries	13 515	16 949	23 835	56 012	22 671
Reinvested earnings					
Europe and extra-European industrial countries	7 004	6 145	11 318	11 468	2 384
EU	5 053	4 182	4 850	6 525	4 763
EFTA	124	19	250	-20	2
Central and Eastern Europe	-32	-244	361	348	860
Other European countries	108	-956	374	489	128
North America	1 518	2 833	5 380	4 448	-3 601
Other extra-European industrial countries ²	233	311	101	-322	233
Emerging economies	1 343	1 357	4 256	1 728	975
Asia ³	1 355	1 794	3 940	1 084	511
Central and South America ⁴	-12	-437	316	643	463
Developing countries	1 542	-300	2 706	3 642	1 219
Asia	-93	-202	-350	-118	184
Central and South America	1 550	-146	2 760	3 515	1 065
Africa	84	49	296	245	-30
All countries	9 889	7 203	18 280	16 837	4 578

	1997	1998	1999	2000 ^r	2001 ^p
Other capital					
Europe and extra-European industrial countries					
	4 127	2 957	6 693	3 387	3 879
EU	-92	1 518	2 851	-1 049	755
EFTA	3	11	7	-2	160
Central and Eastern Europe	21	653	242	200	130
Other European countries	13	122	71	-37	18
North America	4 027	437	3 448	4 401	2 547
Other extra-European industrial countries ²	156	217	73	-125	270
Emerging economies					
	269	248	-412	-647	473
Asia ³	232	33	-610	-705	208
Central and South America ⁴	37	215	198	59	265
Developing countries					
	-2 066	-147	1 591	-145	-2 405
Asia	88	178	41	-9	40
Central and South America	-2 222	-355	1 583	-133	-2 435
Africa	68	30	-33	-3	-10
All countries					
	2 331	3 058	7 872	2 596	1 947

	1997	1998	1999	2000 ^r	2001 ^p
Total					
Europe and extra-European industrial countries					
	21 765	16 090	38 128	63 689	22 510
EU	12 596	10 154	21 359	28 917	10 077
EFTA	181	-93	362	-1 208	242
Central and Eastern Europe	215	1 175	1 174	1 095	1 582
Other European countries	314	-449	744	571	171
North America	8 058	4 458	13 640	34 232	9 963
Other extra-European industrial countries ²	402	845	850	83	476
Emerging economies					
	2 176	6 932	6 244	2 014	842
Asia ³	2 383	5 689	4 949	838	393
Central and South America ⁴	-207	1 243	1 295	1 177	449
Developing countries					
	1 793	4 187	5 614	9 742	5 845
Asia	629	441	-21	251	634
Central and South America	935	3 645	5 343	9 233	5 194
Africa	230	102	293	259	17
All countries					
	25 734	27 209	49 986	75 446	29 197

1 The minus sign (-) indicates a return flow of capital into Switzerland (disinvestment).

2 Australia, Japan, New Zealand, South Africa.

3 Hong Kong, Korea (South), Malaysia, Philippines, Singapore, Taiwan, Thailand.

4 Argentina, Brazil, Chile, Mexico.

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Investment income^{1, 2} in millions of Swiss francs: **breakdown by economic activity**

	1998	1999	2000 ^r	2001 ^p
Manufacturing	13 006	14 926	21 511	16 750
Textiles and clothing	88	4	-77	-15
Chemicals and plastics	6 462	7 308	12 298	5 423
Metals and machinery	1 758	877	1 305	1 426
Electronics, energy, optical and watchmaking industries	990	1 943	2 475	3 593
Other manufacturing and construction	3 708	4 795	5 510	6 324
Services	13 128	20 005	22 592	14 976
Trade	875	1 150	484	1 237
Finance and holding companies	11 056	11 043	7 022	10 717
of which foreign-controlled ³	8 846	8 532	6 774	10 946
Banks	-2 325	-1 328	5 593	-379
Insurance	2 585	7 001	9 129	3 722
Transportation and communications	39	277	-711	153
Other services	400	256	1 076	-474
Total	26 134	34 931	44 103	31 725

1 The income on direct investment consists of dividends (less reorganisation contributions and non-reclaimable withholding tax), net interest income from intra-group lending, and reinvested earnings.

2 The minus sign (-) indicates a loss.

3 An enterprise is considered to be a foreign-controlled enterprise if a majority share of its capital is in foreign hands.

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Foreign direct investment in Switzerland
Capital inflows¹ in millions of Swiss francs: breakdown by investing country

Table 2.1

	1997	1998	1999	2000 ^r	2001 ^p
1. Europe and extra-European industrial countries	9 629	11 763	17 459	31 355	14 613
EU, of which	5 927	5 625	9 224	12 964	11 845
Belgium	-4	-50	177	226	424
Denmark	21	27	-52	873	1 854
Germany	2 871	2 715	2 907	4 022	-1 242
France	517	-393	615	587	945
Italy	111	1 584	476	1 954	296
Luxembourg	1 682	505	431	2 852	913
Netherlands	498	1 612	-1 183	538	7 280
Austria	68	38	114	266	23
Sweden	165	75	-1	62	-17
Spain	18	-113	475	102	50
United Kingdom ²	-161	-378	5 238	1 356	1 291
EFTA	2	0	3	30	-26
Other European countries, of which	24	12	27	-2	8
Turkey	2	22	23	26	1
North America	3 778	6 509	9 669	18 443	2 475
Canada	-46	-55	-189	7 832	-455
United States	3 824	6 564	9 858	10 611	2 929
Other extra-European industrial countries, of which	-101	-383	-1 464	-80	312
Japan	-326	-457	-1 509	-37	315
2. Emerging economies	-65	-10	-11	814	181
3. Developing countries	67	1 211	155	351	165
Asia, of which	32	-47	44	20	22
Israel	18	36	36	-8	14
Central and South America	33	1 255	109	322	138
Africa	2	3	3	9	5
All countries	9 631	12 963	17 603	32 519	14 959

1 The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

2 Incl. Guernsey, Jersey and the Isle of Man.

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Foreign direct investment in Switzerland
Capital stock in millions of Swiss francs: breakdown by investing country

Table 2.2

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
1. Europe and extra-European industrial countries	85 229	97 028	119 674	139 338	146 590	97.9
EU, of which	60 706	65 650	75 294	84 517	92 121	61.5
Belgium	604	569	778	1 469	1 405	0.9
Denmark	207	329	825	1 941	5 823	3.9
Germany	14 497	15 944	17 461	20 212	16 381	10.9
France	10 306	11 891	15 362	13 523	11 355	7.6
Italy	4 564	5 762	5 530	7 014	5 916	4.0
Luxembourg	3 514	4 906	4 857	4 914	7 068	4.7
Netherlands	19 852	19 696	21 061	28 445	35 896	24.0
Austria	370	345	550	682	720	0.5
Sweden	4 010	4 089	426	531	470	0.3
Spain	254	162	491	257	524	0.4
United Kingdom ¹	2 092	1 751	7 596	5 069	6 176	4.1
EFTA	16	17	16	53	40	0.0
Other European countries, of which	266	333	298	139	158	0.1
Turkey	112	128	155	19	22	0.0
North America	20 477	28 031	41 213	52 171	52 602	35.1
Canada	252	197	250	2 265	1 776	1.2
United States	20 225	27 834	40 963	49 906	50 826	33.9
Other extra-European industrial countries, of which	3 763	2 997	2 853	2 457	1 670	1.1
Japan	2 754	1 973	1 455	1 424	1 674	1.1
2. Emerging economies	56	53	46	533	715	0.5
3. Developing countries	1 334	2 020	1 842	2 184	2 426	1.6
Asia, of which	630	574	996	984	1 058	0.7
Israel	332	354	741	711	764	0.5
Central and South America	637	1 376	776	1 126	1 287	0.9
Africa	67	70	70	75	82	0.1
All countries	86 618	99 101	121 561	142 055	149 731	100.0

1 Incl. Guernsey, Jersey and the Isle of Man.

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Foreign direct investment in Switzerland
Capital inflows¹ in millions of Swiss francs: breakdown by economic activity

Table 2.3

	1997	1998	1999	2000 ^r	2001 ^p
Manufacturing	4 264	3 069	2 944	16 380	-1 581
Chemicals and plastics	2 362	3 029	361	3 119	243
Metals and machinery	1 691	28	-710	7 992	-43
Electronics, energy, optical and watchmaking industries	204	-55	2 312	3 239	-2 261
Other manufacturing and construction	6	69	983	2 030	481
Services	5 367	9 894	14 659	16 139	16 540
Trade	362	971	1 750	2 231	175
Finance and holding companies	4 038	5 165	5 520	5 156	5 583
Banks	558	2 253	65	2 626	2 579
Insurance	²	1 220	4 707	1 917	1 794
Transportation and communications	²	66	1 853	3 552	6 420
Other services	409	218	764	656	-11
Total	9 631	12 963	17 603	32 519	14 959

Foreign direct investment in Switzerland
Capital stock in millions of Swiss francs: breakdown by economic activity

Table 2.4

	1997	1998	1999	2000 ^r	2001 ^p	Share in percent
Manufacturing	15 389	18 906	17 613	25 117	25 134	16.8
Chemicals and plastics	5 108	7 816	7 389	7 447	9 920	6.6
Metals and machinery	2 173	2 524	851	3 446	3 400	2.3
Electronics, energy, optical and watchmaking industries	6 452	6 583	5 528	9 301	7 222	4.8
Other manufacturing and construction	1 656	1 982	3 845	4 923	4 590	3.1
Services	71 229	80 196	103 948	116 938	124 598	83.2
Trade	12 120	12 612	15 060	19 939	19 362	12.9
Finance and holding companies	39 675	43 674	56 153	63 536	63 228	42.2
Banks	15 276	16 922	17 798	21 337	23 069	15.4
Insurance	²	4 139	8 947	5 528	4 922	3.3
Transportation and communications	²	545	2 664	3 732	6 198	4.1
Other services	4 159	2 303	3 327	2 866	7 820	5.2
Total	86 618	99 101	121 561	142 055	149 731	100.0

1 The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

2 Until 1997 included in "Other services".

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Foreign direct investment in Switzerland – Capital inflows¹ in millions of Swiss francs: Table 2.5
breakdown by type of capital and geographical/economic zone

	1997	1998	1999	2000 ^r	2001 ^p
Equity capital					
Europe and extra-European industrial countries	6 017	4 026	7 529	18 834	15 082
EU and EFTA	3 790	1 172	5 716	7 472	11 951
Other European countries	15	11	13	-30	2
North America	2 487	3 296	3 407	11 544	3 178
Other extra-European industrial countries ²	-275	-454	-1 608	-152	-50
Emerging economies	-61	-4	0	806	71
Developing countries	10	1 071	48	243	120
All countries	5 966	5 093	7 577	19 883	15 272
Reinvested earnings					
Europe and extra-European industrial countries	1 171	6 358	9 611	10 831	1 363
EU and EFTA	2 178	2 997	3 324	4 999	-361
Other European countries	8	1	14	28	6
North America	-1 204	3 289	6 222	5 843	1 745
Other extra-European industrial countries ²	189	71	51	-39	-27
Emerging economies	3	2	0	8	-14
Developing countries	71	142	97	145	50
All countries	1 245	6 502	9 708	10 985	1 398

	1997	1998	1999	2000 ^r	2001 ^p
Other capital					
Europe and extra-European industrial countries	2 440	1 379	319	1 689	-1 831
EU and EFTA	-40	1 456	186	523	228
Other European countries	0	0	1	0	0
North America	2 494	-76	40	1 056	-2 448
Other extra-European industrial countries ²	-15	0	93	110	388
Emerging economies	-7	-8	-11	0	125
Developing countries	-14	-3	11	-37	-4
All countries	2 420	1 368	319	1 651	-1 711

	1997	1998	1999	2000 ^r	2001 ^p
Total					
Europe and extra-European industrial countries	9 629	11 763	17 459	31 355	14 613
EU and EFTA	5 927	5 625	9 224	12 964	11 845
Other European countries	23	-10	7	1	-19
North America	3 780	6 531	9 692	18 469	2 475
Other extra-European industrial countries ²	-101	-383	-1 464	-80	312
Emerging economies	-65	-10	-11	814	181
Developing countries	67	1 211	155	351	165
All countries	9 631	12 963	17 603	32 519	14 959

1 The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

2 Australia, Japan, New Zealand, South Africa.

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Foreign direct investment in Switzerland

Table 2.6

Investment income^{1, 2} in millions of Swiss francs: breakdown by economic activity

	1998	1999	2000 ^r	2001 ^p
Manufacturing	1 618	2 037	4 821	-772
Chemicals and plastics	583	980	1 103	765
Metals and machinery	81	-166	300	352
Electronics, energy, optical and watchmaking industries	740	537	2 784	-2 121
Other manufacturing and construction	215	687	633	233
Services	10 056	13 636	12 940	14 036
Trade	2 362	2 618	-1 423	993
Finance and holding companies	6 111	8 640	7 212	11 270
Banks	1 598	1 949	2 592	1 611
Insurance	128	247	181	233
Transportation and communications	-207	-79	-1 164	-263
Other services	27	260	1 026	32
Total	11 674	15 674	17 761	13 264

1 The income on direct investment consists of dividends (less reorganisation contributions and non-reclaimable withholding tax), net interest income from intra-group lending, and reinvested earnings.

2 The minus sign (-) indicates a loss.

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