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

Further information

bop@snb.ch

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Swiss National Bank, Library, P.O. Box, CH-8022 Zurich
Telephone +41 44 631 32 84, fax +41 44 631 81 14
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Summary

Fewer acquisitions abroad by Swiss companies but record levels of foreign direct investment in Switzerland

In 2007, direct investment abroad (capital outflows) amounted to CHF 60 billion. It was thus roughly one-third lower than a year earlier, when it reached a new peak of CHF 95 billion. The major reason for the decline was the strong drop in acquisitions on the part of manufacturing. Moreover, foreign investment by banks fell to half its previous level. Investment by Swiss companies focused on the EU (EU27) and on Central and South America. Funds were withdrawn from the US, however.

The stock of outward foreign direct investment rose by CHF 57 billion to CHF 740 billion, with capital outflows making the main contribution to this increase. Income from direct investment decreased from

CHF 69 billion to CHF 60 billion. This was attributable to bank losses. In the other industries, however, investment income was above the figure for the previous year. Swiss companies increased staff numbers in their subsidiaries abroad by 6% to 2.35 million. This was mainly due to acquisitions. In Switzerland, Swiss companies with direct investment abroad increased staff numbers by 2% to 810,000.

By comparison with other countries, the operations of Swiss companies abroad are particularly extensive. This is evident from the ratio of Swiss direct investment abroad to nominal gross domestic product (GDP), which was 145% at the end of 2007. The comparable figure for Belgium was 135% and for the Netherlands 111%. In Sweden it was significantly lower, at 68%, and in Ireland it was 57% (source: Unctad, *World Investment Report 2008*).

Direct investment in 2007: Overview

Table 1

		2006	2007	Change in percent
Swiss direct investment abroad¹				
Capital outflows	in CHF billions	95.1	59.6	-37.3
Capital stock	in CHF billions	683.3	740.5	8.4
Investment income	in CHF billions	69.0	59.8	-13.3
Number of staff	in thousands	2212.4	2350.2	6.2
Foreign direct investment in Switzerland¹				
Capital inflows	in CHF billions	38.7	59.1	52.9
Capital stock	in CHF billions	323.3	379.9	17.5
Investment income	in CHF billions	28.1	52.6	87.3
Number of staff ²	in thousands	352.8	374.6	6.2

¹ In the statistics on direct investment, the Principality of Liechtenstein is included with the domestic data.

² Including companies not covered by the survey on direct investments since they are below the reporting limit.

Foreign direct investment in Switzerland (capital inflows) rose from CHF 39 billion to CHF 59 billion, thereby exceeding the previous record established the year before. This surge was attributable to two main factors. First, foreign acquisitions rose by CHF 3 billion to CHF 24 billion, and second, investments financed from retained profits (reinvested earnings) increased by CHF 21 billion to CHF 35 billion.

The stock of foreign direct investment in Switzerland increased by CHF 57 billion to CHF 380 billion. This was due, first and foremost, to the high level of capital inflows. Broken down according to the country of the immediate investor, it was the capital stock of the EU (EU27) that gained the most ground, rising by CHF 52 billion to CHF 272 billion. The capital stock in terms of com-

panies in the immediate possession of US investors increased by CHF 4 billion to CHF 70 billion. The breakdown by country of origin of the ultimate beneficial investor reveals a different picture. According to this calculation, the capital stock of investors from the EU increased by only CHF 29 billion to CHF 167 billion, while the capital stock of investors from the US was up by CHF 16 billion to CHF 116 billion.

Income earned on direct investment in Switzerland increased by CHF 25 billion to CHF 53 billion. This sharp rise was mainly attributable to higher income of finance and holding companies. The number of staff employed by foreign companies in Switzerland rose by 6% to 375,000.

Swiss direct investment abroad

Capital outflows

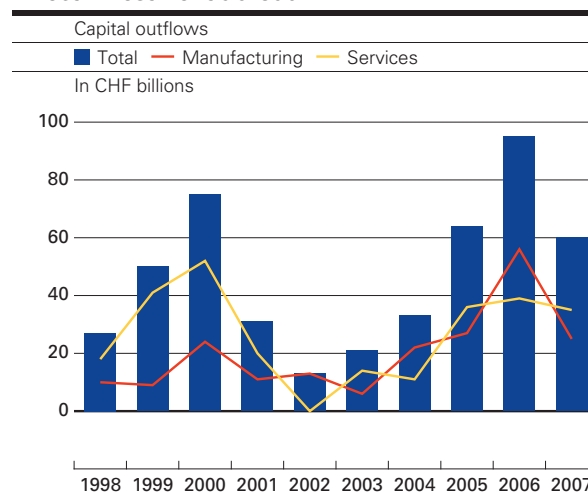
Direct investment abroad (capital outflows) amounted to CHF 60 billion. It was thus roughly one-third lower than a year earlier, when it reached a new peak of CHF 95 billion. The decline was mainly attributable to decreased expenditure on acquisitions abroad. Moreover, retained profits (reinvested earnings) of subsidiaries abroad declined.

The slowdown in acquisition activity was manifested primarily in manufacturing, where direct investment retreated from CHF 56 billion to CHF 25 billion. The largest decline was recorded by chemicals and plastics. Direct investment of banks was determined by two opposing trends: on the one hand, losses in connection with the US real estate crisis led to a negative result in retained profits (reinvested earnings). On the other hand, banks injected fresh equity capital into their foreign subsidiaries. Overall, this resulted in a capital outflow of CHF 12 billion (2006: CHF 22 billion). Finance and holding companies, by contrast, invested CHF 15 billion, considerably more than the previous year's figure (CHF 9 billion). A marked increase in capital outflows was also

recorded by the transportation and communications category and by the final category, other services. For both categories, this rise was attributable to large acquisitions. Insurance companies, however, sold subsidiaries abroad for CHF 4 billion.

The main focus of Swiss investment was on the EU countries (EU27) and Central and South America. Swiss companies invested CHF 32 billion (2006: CHF 36 billion) in the EU countries, the bulk of it in Luxembourg (CHF 12 billion), followed by the UK (CHF 10 billion) and Italy (CHF 8 billion). Central and South America saw inflows amounting to CHF 16 billion (2006: CHF 21 billion). Of this amount, CHF 12 billion was invested in Brazil, with transactions by finance and holding companies accounting for the lion's share. Swiss direct investment in Asia dropped from CHF 10 billion to CHF 6 billion. Half of this amount went to Japan, while China and India saw inflows of CHF 1 billion each. By contrast, Swiss companies withdrew capital totalling CHF 8 billion from the United States. One year previously, investment there had amounted to CHF 21 billion, with the majority being spent on acquisitions. During the year under review, considerably fewer funds were used for acquisitions in the US.

Chart 1
Direct investment abroad



Capital stock

The stock of direct investment abroad increased by CHF 57 billion to CHF 740 billion. Of this amount, 41% (CHF 303 billion) was attributable to manufacturing. In 2001, the share of manufacturing reached its lowest point, at 31%. Since then it has risen through acquisitions. Within manufacturing, chemicals and plastics continued to account for the largest share of capital stock abroad, at CHF 128 billion (2006: CHF 118 billion). Accordingly, the share of the services sector was 59% (CHF 438 billion). Almost half of this amount came from finance and holding companies.

The EU countries (EU27) accounted for 39% of the capital stock (CHF 292 billion). The United Kingdom remained the most important European destination for Swiss direct investors, with stocks amounting to CHF 57 billion, virtually unchanged from the previous year's figure. In Germany, acquisitions by Swiss companies resulted in a marked increase, from CHF 42 billion to CHF 49 billion. The stock of capital invested in the two new EU member states, Bulgaria and Romania, totalled CHF 2 billion.

Losses sustained by banks' US subsidiaries and the weaker US dollar had a considerable impact on the capital stock in the United States. It fell from CHF 128 billion to CHF 114 billion. The share of the US in the total capital stock abroad thus declined from 19% to 15%, its lowest level since these statistics were first recorded in 1986.

The capital stock in the offshore financial centres of Central and South America increased from CHF 112 billion to CHF 118 billion, while that in European offshore financial centres rose from CHF 25 billion to CHF 35 billion. The offshore financial centres – of which Bermuda and the Cayman Islands are the most important – mainly serve as a hub for investments in other countries. Singapore – where the capital stock decreased from CHF 17 billion to CHF 14 billion – has a similar function. As regards other countries, the capital stock in Brazil rose particularly strongly: it increased from CHF 22 billion to CHF 35 billion. This increase was mainly driven by transactions carried out by foreign-controlled finance and holding companies.

Investment income

Income from direct investment abroad was shaped by two opposing trends. Owing to the persistently favourable business environment, the returns on foreign participations achieved by most industry categories were comparable to previous figures, if not higher. In particular, Swiss-domiciled but foreign-controlled finance and holding companies increased their investment returns considerably. Banks, by contrast, were obliged to take huge losses on their foreign participations. One year earlier, banks had recorded the highest income of all industry categories. Overall, income from direct investment abroad declined from CHF 69 billion to CHF 60 billion. The majority of this (CHF 49 billion) was transferred to the parent companies in Switzerland, while CHF 11 billion remained with the foreign subsidiaries as retained profits (reinvested earnings).

Chart 2
Direct investment abroad

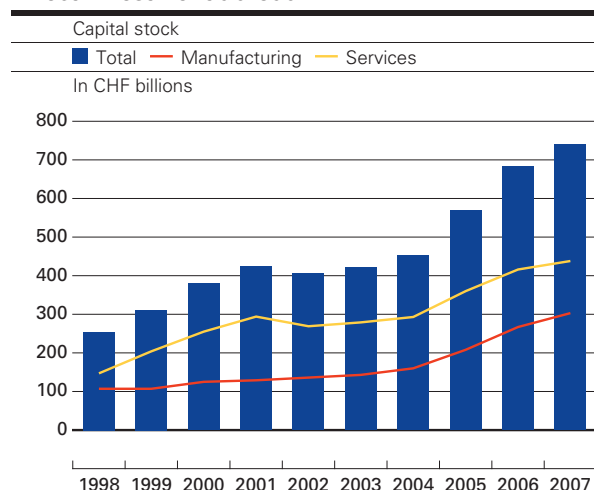
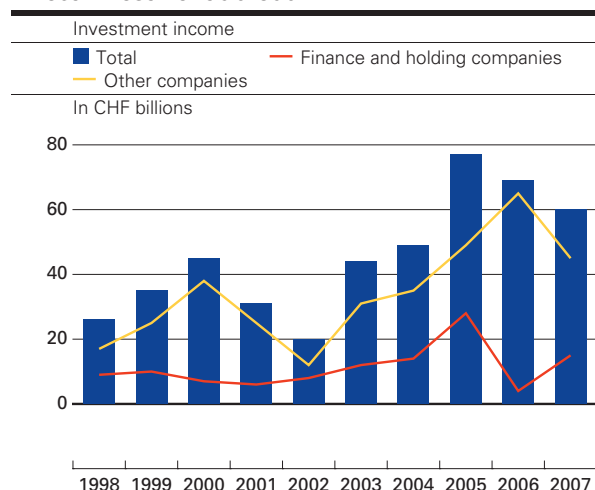


Chart 3
Direct investment abroad



Number of staff

The number of staff employed by Swiss subsidiaries abroad rose by 138,000 to 2.35 million, continuing the trend of the past five years. As in previous years, the increase was mainly due to acquisitions abroad and was spread across all industries. There was particularly strong growth in staff numbers at subsidiaries of finance and holding companies, as well as at subsidiaries in the electronics, energy, optical and watchmaking industries.

The number of staff employed in the EU (EU27) rose by 61,000, passing the 1 million mark for the first time. Around one-third of this increase (19,000) resulted from the expansion of the EU to include Romania and Bulgaria. Consequently, in terms of employee numbers,

the EU remained by far the most important location for Swiss direct investment. Germany consolidated its leading position within the EU, with staff numbers increasing by 14,000 to 242,000. Swiss companies continued hiring staff in Asia too, where numbers were up by 58,000 to 466,000. China (+14,000) and India (+12,000) again saw particularly strong headcount growth, which was spread across all industries. Subsidiaries of Swiss companies in the US (+15,000), Brazil (+12,000) and Mexico (+8,000) also recorded large increases in staff numbers. However, the increase in employee numbers in Japan (+20,000) was mainly attributable to the fact that new companies were included in the survey.

Chart 4
Direct investment abroad

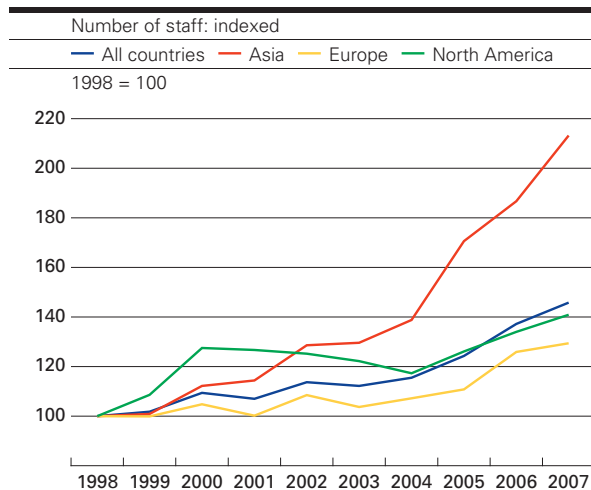
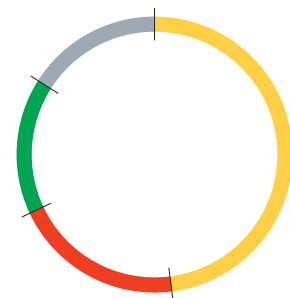


Chart 5



Number of staff abroad in 2007
Breakdown by continent in %

- Europe 48
- Asia 20
- North America 16
- Other 16

Total: 2.4 million

Foreign direct investment in Switzerland

Capital inflows

Foreign direct investment in Switzerland (capital inflows) rose from CHF 39 billion to CHF 59 billion. This is the highest figure ever recorded. Acquisitions increased from CHF 21 billion to CHF 24 billion and reinvested earnings in Switzerland from CHF 14 billion to CHF 35 billion.

Direct investment in manufacturing picked up from CHF 12 billion to CHF 27 billion. This increase was mainly accounted for by the acquisition of a large company in the chemical industry. Foreign investment in this industry grew from CHF 5 billion to CHF 18 billion. As was the case in the previous year, metals and machinery recorded an inflow of CHF 6 billion, which was also chiefly the result of acquisitions. Direct investment in the service sector advanced from CHF 27 billion to CHF 32 billion. It consisted mainly of profits retained by finance and holding companies (reinvested earnings). In the previous year, inflows had been primarily attributable to acquisitions.

Categorising inflows by country of immediate investor shows that the funds came mostly from the EU countries (EU27), which accounted for CHF 54 billion (2006: CHF 29 billion). At CHF 17 billion, Germany was the largest investor, followed by the Netherlands, Austria (CHF 13 billion each) and Luxembourg (CHF 4 billion). These countries mainly serve as hubs for investments from other countries. In the case of Austria, this is a relatively new development. In all three countries, investments mainly originated in the US and South America. Another CHF 2 billion flowed to Switzerland from France. North American investors placed CHF 6 billion in Switzerland, which was CHF 3 billion less than a year before.

Chart 6

Direct investment in Switzerland

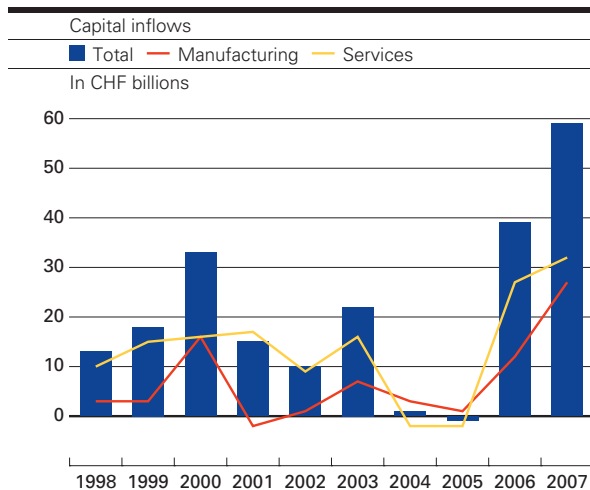
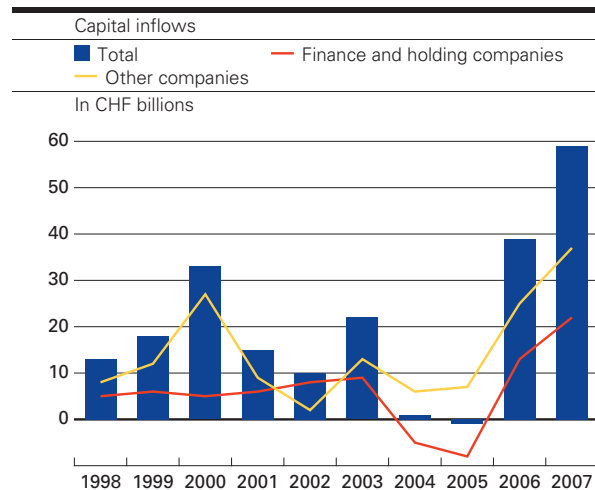


Chart 7

Direct investment in Switzerland



Capital stock

The stock of foreign direct investment in Switzerland climbed by CHF 57 billion to CHF 380 billion. Finance and holding companies accounted for more than half of the capital stock (CHF 202 billion). In addition, they again recorded the largest increase (CHF 23 billion). The service sector, excluding finance and holding companies, accounted for CHF 115 billion (a share of 30%), CHF 17 billion more than a year previously. The capital stock of the entire manufacturing sector rose by CHF 17 billion to CHF 63 billion (a share of 17%).

The capital stock of investors from the EU (EU27) amounted to CHF 272 billion (a share of 72%). Companies based in the Netherlands or Austria, both of which are holding locations, held most capital stock and also recorded the largest increases. The capital stock of the Netherlands expanded by CHF 18 billion to CHF 84 billion, while that of Austria rose by CHF 13 billion to CHF 58 billion. These two countries were followed by France and Germany, holding capital stocks amounting to CHF 35 billion (CHF +4 billion) and CHF 28 billion (CHF +5 billion) respectively. US investors held CHF 70 billion (a share of 18%), which was CHF 4 billion more than a year previously.

Investment income

Income earned on direct investment in Switzerland increased by CHF 25 billion to CHF 53 billion. This sharp rise was mainly attributable to significantly higher income earned by finance and holding companies. They accounted for more than half of the total income figure. Some CHF 35 billion of total income was reinvested as retained profits (reinvested earnings) in subsidiaries in Switzerland, more than twice as much as in the previous year. Approximately CHF 18 billion was transferred to parent companies abroad, an increase of CHF 4 billion as compared to the previous year.

Chart 8

Direct investment in Switzerland

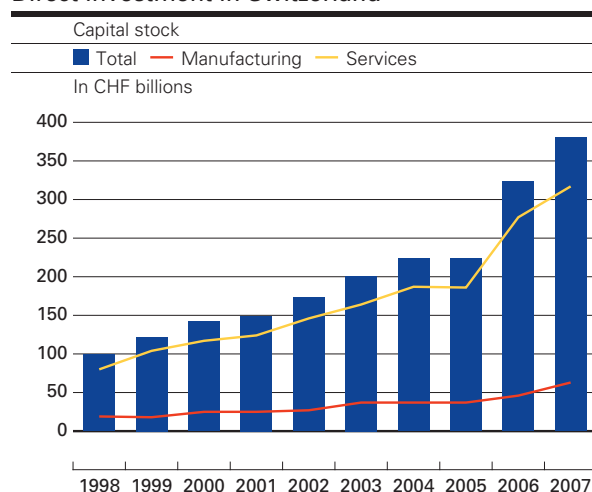
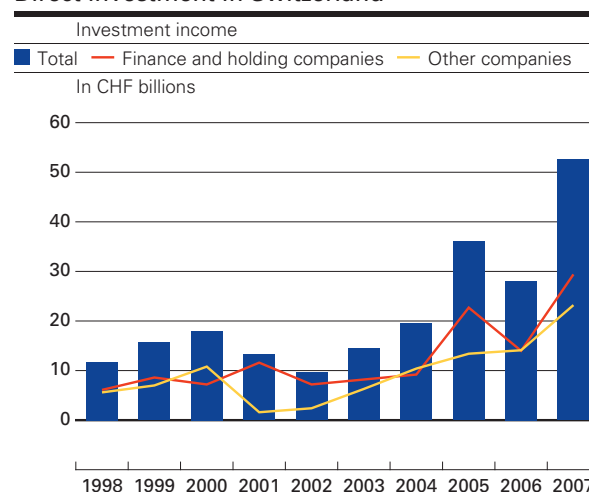


Chart 9

Direct investment in Switzerland



Number of staff

The roughly 800 reporting companies with foreign investors included in the survey of direct investment employed 228,000 people (+15,000). All of these companies had a capital stock of at least CHF 10 million. In addition, there are approximately 5,000 further foreign-controlled companies in Switzerland. Staff numbers in these other companies rose less markedly, increasing by 7,000 to 147,000 people. Due to their low level of capital stock, these companies are not taken into account in the survey of direct investment. However, their staff numbers are determined in cooperation with the Swiss Federal Statistical Office (SFSO).

The total number of people working for foreign companies in Switzerland was 375,000, an increase of

22,000 as compared to the previous year. This corresponded to about 10% of the total number of individuals employed in the domestic manufacturing and service sectors, which amounted to 3.9 million at the end of 2007. Employment in foreign companies increased mainly in the service sector, where it rose by 17,000 to reach 238,000. The largest number of people were employed by trading companies (84,000) and companies recorded under other services (71,000). Employment by foreign-controlled enterprises in the manufacturing sector increased by 5,000 to 137,000 individuals. German investors had the biggest workforce in Switzerland (94,000), followed by US investors, who employed 55,000 people, and Dutch investors with 49,000 individuals on their payrolls.

Number of staff in Switzerland (at year-end)

In thousands

Table 2

	2006	2007	Percentage share of total
Total employment in Switzerland¹	3811.2	3915.3	100.0
of which			
Companies with foreign investors	352.8	374.6	9.6
in companies which are covered in the direct investment survey	213.2	227.5	5.8
in companies which are not covered in the direct investment survey ¹	139.6	147.0	3.8

¹ Sources: Swiss Federal Statistical Office, Neuchâtel, and Office of Economic Affairs, Vaduz

Special topics

Number of staff employed by Swiss direct investors in Switzerland and abroad

Swiss direct investors are also major employers in Switzerland. At the end of 2007, they employed 811,000 people in Switzerland, which corresponds to about 21% of total employment in the secondary and tertiary sectors. Compared to the previous year, the number of staff employed by Swiss direct investors in Switzerland rose by 2% (18,000 people). Metals and machinery accounted for the largest increase, with the number of employees in Switzerland rising by 9,000 to 93,000. As in 2006, 79% (641,000 individuals) worked in companies covered by the direct investment survey. The remaining 21% (169,000 people) were employed by companies with participating interests abroad that fall below the survey's reporting limit and were determined in cooperation with the Swiss Federal Statistical Office (SFSO).

Swiss direct investors employed 2,350,000 people in subsidiaries abroad. This is 138,000 more than a year ago (+6%). The overall figure does not include employees in the foreign subsidiaries of Swiss direct investors that fall below the survey threshold for direct investment.

Overall, 3.16 million people worked for Swiss direct investors in Switzerland and abroad. At 74%, the proportion of these employees working abroad was at the same level as in 2006. The proportion of staff working in the manufacturing sector remained steady at 80%, while the corresponding proportion in the services sector was up slightly from 68% to 69%.

Number of staff employed by Swiss direct investors (at year-end)

Table 3

In thousands

	2005	2006	2007	Percentage share of total employees
Employees in Switzerland¹	770.8	792.5	810.9	25.7
Manufacturing	288.7	303.1	317.1	10.0
Services	482.1	489.4	493.8	15.6
Employees abroad	2004.1	2212.4	2350.2	74.3
Manufacturing	1085.5	1182.2	1244.6	39.4
Services	918.6	1030.2	1105.6	35.0
Total employees	2774.9	3004.9	3161.1	100.0
Manufacturing	1374.2	1485.3	1561.7	49.4
Services	1400.7	1519.6	1599.5	50.6

¹ Including companies not covered by the direct investment survey. Staff numbers for these companies are provided by the SFSO, Neuchâtel.

Categorising direct investment in Switzerland by country of ultimate beneficial owner

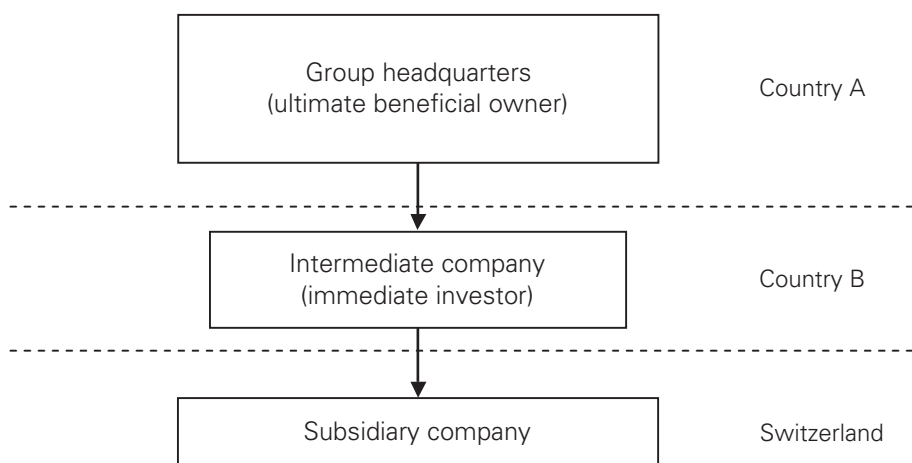
The main part of the commentary on foreign direct investment in Switzerland records the country of origin of the investor who has immediate control over the foreign company in Switzerland. This is not always the country of origin of the investor with ultimate control over the company. Many of these immediate investors are owned by groups whose headquarters are located in other countries (cf. chart 10). In this event, the company in Switzerland is ultimately controlled by group headquarters in country A, and the immediate investor in country B merely acts as an intermediate company.

These types of group structure are having an increasing impact on the breakdown of foreign direct investment in Switzerland by country. As compared to the previous year, the level of equity capital in foreign subsidiaries in Switzerland held through intermediary companies in intermediate countries was up by CHF 30 billion to CHF 139 billion. Expressed as a percentage, the share was up from 38% to 40% (cf. chart 11). In 2001, this share was only 21%.

Consequently, the SNB presents an additional breakdown of foreign direct investment in Switzerland by country, based on the country of the ultimate beneficial owner. This breakdown identifies the country where the investor who ultimately controls a given subsidiary in Switzerland is located. Generally speaking, this is the country where the group headquarters is situated. Ultimate beneficiary ownership is assessed on the basis of ownership structure. The assessment is carried out with respect to capital stock and staff numbers only. No assessment of ultimate beneficial ownership is carried out with respect to capital flows, because of the burden it would place on the reporting companies.

Chart 10

Difference between the immediate and the ultimate beneficial owner



For the most important investing countries, tables 4 and 5 show the difference between an evaluation with respect to capital stock and to staff numbers, focusing both on the immediate investor and on the ultimate beneficial owner. The main locations with significantly higher capital stocks when measured by ultimate beneficial owner are the US (CHF +47 billion), South and Central America (CHF +41 billion) and the UK (CHF +13 billion). This means that investors from these countries often invest in Switzerland via other countries. The Netherlands was the most important of these intermediate countries. According to the evaluation by ultimate beneficial owner, the capital stock of Dutch investors was less than half as large, at CHF 34 billion, than it was according to the evaluation by immediate investor, at CHF 84 billion. Austria and Luxembourg were further important hubs for investment in Switzerland.

A similar picture is obtained from the evaluation of the ultimate beneficial owner with respect to staff numbers. In 2007, there were significantly higher staff numbers for the US (+23,000), the UK (+14,000) and France (+8,000) than were measured according to the calculation for immediate investors. However, the figure for the Netherlands fell to 20,000 when measured according to the ultimate beneficial owner approach, as opposed to 49,000 using the immediate investor approach.

A breakdown according to the ultimate beneficial owner also generates a different picture on changes in capital stock from that obtained from the immediate investor calculation (cf. chart 12). In 2007, capital stock controlled by investors from the EU only rose by CHF 29 billion (according to the immediate investor measurement, CHF 52 billion). By contrast, capital stock controlled by US investors was up CHF 16 billion (according to the immediate investor measurement, CHF 4 billion).

Chart 11
Direct investment in Switzerland

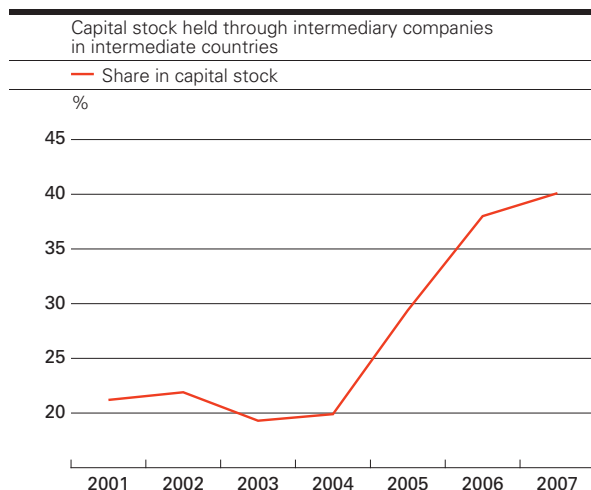
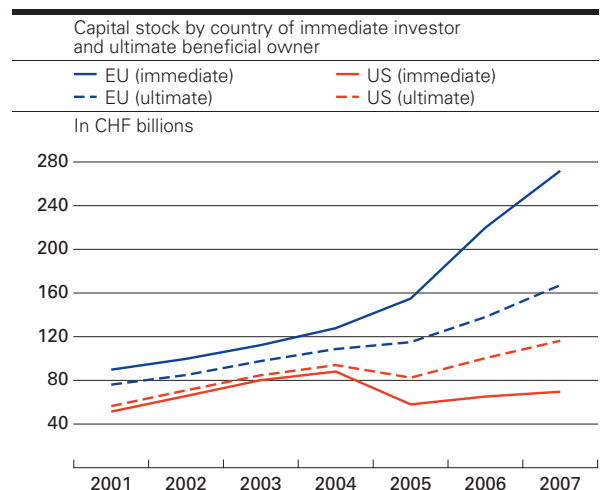


Chart 12
Direct investment in Switzerland



Capital stock: breakdown by country of immediate investor and ultimate beneficial owner (at year-end) in CHF billions

Table 4

	Breakdown by immediate investor		Breakdown by ultimate beneficial owner		Difference
	In CHF billions	Percentage share of total	In CHF billions	Percentage share of total	In CHF billions
Europe	274.3	72%	172.0	45%	-102.4
EU	271.9	72%	167.2	44%	-104.7
of which					
Germany	28.3	7%	31.6	8%	3.3
France	34.7	9%	38.1	10%	3.4
Luxembourg	22.8	6%	-1.8	0%	-24.6
Netherlands	83.9	22%	33.6	9%	-50.2
Austria	57.7	15%	5.3	1%	-52.5
United Kingdom	17.0	4%	29.9	8%	12.9
North America	73.0	19%	120.1	32%	47.1
of which					
United States	69.6	18%	116.3	31%	46.7
Central and South America	29.2	8%	70.6	19%	41.4
Asia, Africa, Oceania	3.3	1%	17.3	5%	13.9
of which					
Japan	0.9	0%	6.7	2%	5.8
All countries	379.9	100%	379.9	100%	0.0

Staff numbers: breakdown by country of immediate investor and ultimate beneficial owner (at year-end) in thousands

Table 5

	Breakdown by immediate investor		Breakdown by ultimate beneficial owner		Difference
	In thousands	Percentage share of total	In thousands	Percentage share of total	In thousands
Europe	299.7	80%	263.8	70%	-35.9
EU	297.4	79%	258.8	69%	-38.5
of which					
Germany	94.0	25%	94.0	25%	0.1
France	41.5	11%	49.4	13%	7.9
Luxembourg	24.3	6%	5.1	1%	-19.2
Netherlands	49.2	13%	19.7	5%	-29.5
Austria	12.8	3%	10.2	3%	-2.6
United Kingdom	19.8	5%	33.4	9%	13.5
North America	58.1	16%	82.5	22%	24.4
of which					
United States	54.9	15%	78.2	21%	23.3
Central and South America	9.4	3%	10.0	3%	0.6
Asia, Africa, Oceania	7.4	2%	18.3	5%	10.9
of which					
Japan	2.6	1%	4.4	1%	1.8
All countries	374.6	100%	374.6	100%	0.0

Notes

Changes from the previous year

Methodological and statistical basis

Definition

The objective of direct investment is to exert a direct and lasting influence on the operations of a company 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 abroad, this situation may be classified as direct investment. Swiss statistics on direct investment are based both on IMF guidelines (*Balance of Payments Manual*, 5th edition) and OECD guidelines (*Benchmark Definition of Foreign Direct Investment*, 3rd edition).

Data collection

The Swiss National Bank collects data on international participations, 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. The annual survey is carried out among approximately 1,100 companies and groups of companies in Switzerland and the Principality of Liechtenstein. Only companies whose capital stock exceeds CHF 10 million are surveyed.

Data coverage

The annual survey covers reinvested earnings, capital stock (equity capital and intragroup lending) as well as financial movements in both equity capital (establishment, acquisition, sale, capital increases, etc.) and intragroup lending. Reinvested earnings are deemed to be that 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 asked to specify the number of people employed in Switzerland and in the subsidiaries or branches abroad. The SFSO provides information about the number of staff in foreign-controlled subsidiaries in Switzerland which fall below the reporting limit for the SNB survey.

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 intragroup lending. From this figure, contributions to cover losses paid by the direct investor and non-reclaimable withholding tax are deducted.

Valuation of capital stock

Book values rather than market values are stated 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 about 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 due to exchange rate movements, new valuation principles (e.g. adjustment to international accounting standards), etc. In the 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. Discrepancies may also arise when new companies are included in the statistics (expansion in the reporting population), provided that these companies have previously made or received direct investments. In this case, there are no capital flows corresponding to the new capital stocks.

Number of staff

Data for the number of staff comprise all employees whose working week lasts six or more hours (including apprentices, temporary employees and field staff). These data are taken from SNB and SFSO sources. Data taken from SNB surveys cover both minority and majority participations and are stated in relation to the capital participation of the direct investor. The SFSO data, however, only state staff numbers in the case of companies where a majority participation is held by foreign investors. They do not express the number of staff in percentage terms.

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 complied with. Foreign direct investment in Switzerland is published according to the country of the immediate investor. As a complement to this, capital stock and staff numbers are also published according to the country of the ultimate beneficial owner.

Breakdown by economic activity

Classification by economic activity is determined by the main domestic field of activity of the company. Since 2004, classification by economic activity has been based on the General Classification of Economic Activities NOGA 2002 (*Nomenclature générale des activités économiques*). Previously it was based on the General Classification of Economic Activities ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*). For the purposes of this publication, industries are combined in industry groupings. The definitions of these industry groupings are provided overleaf.

Legal basis

The legal basis for collecting data on direct investment is provided by the Federal Act on the Swiss National Bank (National Bank Act) of 3 October 2003 and the Implementing Ordinance on the National Bank Act of 18 March 2004. Pursuant to the Appendix to the Implementing Ordinance on the National Bank Act, legal entities and companies are required to report data if their direct investments abroad or their direct investments from abroad exceed CHF 10 billion at the time of the survey.

Definition of industry categories¹

Textiles and clothing	17: Manufacture of textiles; 18: Manufacture of wearing apparel; dressing and dyeing of fur; 19: Tanning and dressing of leather; manufacture of luggage, handbags, saddlery, harness and footwear
Chemicals and plastics	23: Manufacture of coke, refined petroleum products and nuclear fuel; 24: Manufacture of chemicals and chemical products; 25: Manufacture of rubber and plastic products
Metals and machinery	27: Manufacture of basic metals; 28: Manufacture of fabricated metal products, except machinery and equipment; 29: Manufacture of machinery and equipment n.e.c.; 30: Manufacture of office machinery and computers; 34: Manufacture of motor vehicles, trailers and semi-trailers; 35: Manufacture of other transport equipment
Electronics, energy, optical and watchmaking	31: Manufacture of electrical machinery and apparatus n.e.c.; 32: Manufacture of radio, television and communication equipment and apparatus; 33: Manufacture of medical, precision and optical instruments, watches and clocks; 40: Electricity, gas, steam and hot water supply; 41: Collection, purification and distribution of water
Other manufacturing and construction	01: Agriculture, hunting and related service activities; 02: Forestry, logging and related service activities; 05: Fishing, operation of fish hatcheries and fish farms; service activities incidental to fishing; 10: Mining of coal and lignite; extraction of peat; 11: Extraction of crude petroleum and natural gas; service activities incidental to oil and gas extraction excluding surveying; 12: Mining of uranium and thorium ores; 13: Mining of metal ores; 14: Other mining and quarrying; 15: Manufacture of food products and beverages; 16: Manufacture of tobacco products; 20: Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials; 21: Manufacture of pulp, paper and paper products; 22: Publishing, printing and reproduction of recorded media; 26: Manufacture of other non-metallic mineral products; 36: Manufacture of furniture; manufacturing n.e.c.; 37: Recycling; 45: Construction
Trade	50: Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel; 51: Wholesale trade and commission trade, except of motor vehicles and motorcycles; 52: Retail trade, except of motor vehicles and motorcycles; repair of personal and household goods
Finance and holding companies	65.2: Other financial intermediation (incl. management activities of holding companies (74.15)); 67: Activities auxiliary to financial intermediation
Banks	65.1: Monetary intermediation (subject to the Federal Act on Banks and Savings Banks)
Insurance companies	66: Insurance and pension funding, except compulsory social security
Transportation and communications	60: Land transport; transport via pipelines; 61: Water transport; 62: Air transport; 63: Supporting and auxiliary transport activities; activities of travel agencies; 64: Post and telecommunications
Other services	55: Hotels and restaurants; 70: Real estate activities; 71: Renting of machinery and equipment without operator and of personal and household goods; 72: Computer and related activities; 73: Research and development; 74: Other management activities (excl. management activities of holding companies (74.15)); 75: Public administration and defence; compulsory social security; 80: Education; 85: Health and social work; 90: Sewage and refuse disposal, sanitation and similar activities; 91: Activities of membership organisation n.e.c.; 92: Recreational, cultural and sporting activities; 93: Other service activities; 95: Private households with employed persons; 99: Extra-territorial organisations and bodies

¹ The industries are defined in accordance with the General Classification of Economic Activities NOGA 2002 (*Nomenclature générale des activités économiques*) drawn up by the Swiss Federal Statistical Office.

Definition of countries and regions¹

Definition of countries	
France	Incl. French Guiana, Guadeloupe, Martinique, Mayotte, Monaco, Réunion, Saint-Pierre and Miquelon.
Portugal	Incl. Azores and Madeira.
Spain	Incl. Ceuta, Melilla, Balearic Islands and Canary Islands.
United Kingdom	Comprises England, Scotland, Wales and Northern Ireland.
Norway	Incl. Svalbard and Jan Mayen.
United States	Incl. Puerto Rico and Navassa.
New Zealand	Incl. Chatham Islands, Kermadec Islands and the Three Kings, Auckland, Campbell, Antipodes Islands, Bounty and Snares Islands. Excl. Ross Dependency (Antarctica).
Malaysia	Peninsular Malaysia and Eastern Malaysia (Sarawak, Sabah and Labuan).
Taiwan	Separate customs territory of Taiwan, Penghu, Kinmen and Matsu.
India	Incl. Laccadive Island, Minicoy Island, Amindivi Island, Andaman and Nicobar Islands.
Indonesia	Until 2003, incl. Timor-Leste.
United Arab Emirates	Abu Dhabi, Dubai, Sharjah, Ajman, Umm al Qaiwain, Ras al Khaimah and Fujairah.
Morocco	Incl. Occidental Sahara.

Definition of regions

EU	Belgium, Denmark, Germany, Finland, France, Greece, Ireland, Italy, Luxembourg, Netherlands, Austria, Portugal, Sweden, Spain, United Kingdom; as of 2004, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; as of 2007, incl. Bulgaria and Romania.
Other European countries	Albania, Andorra, Belarus, Bosnia and Herzegovina, Faroe Islands, Holy See (Vatican City State), Iceland, Croatia, Macedonia, Moldova, Montenegro, Norway, Offshore financial centres in Europe, Russian Federation, San Marino, Serbia, Turkey, Ukraine. Until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania. Excl. the Principality of Liechtenstein, which is listed with Switzerland for statistical purposes.
Offshore financial centres in Europe	Gibraltar, Guernsey, Jersey and the Isle of Man.
North America	Comprises, in addition to the published countries: Greenland.
Asia	Comprises, in addition to the published countries: Afghanistan, Armenia, Azerbaijan, Bahrain, Bhutan, Brunei, Occupied Palestinian Territory, Georgia, Iraq, Iran, Yemen, Jordan, Cambodia, Kazakhstan, Qatar, Kyrgyzstan, Korea (Democratic People's Republic of; North Korea), Kuwait, Laos, Lebanon, Macao, Maldives, Mongolia, Myanmar, Nepal, Oman, Syria, Tajikistan, Timor-Leste, Turkmenistan and Uzbekistan.
Central and South America	Comprises, in addition to the published countries: Aruba, Cuba, Dominican Republic, Falkland Islands, Guyana, Honduras, Haiti, Nicaragua, Paraguay, Suriname, El Salvador, Trinidad and Tobago.
Offshore financial centres in Central and South America	Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.
Africa	Comprises, in addition to the published countries: Algeria, Angola, Equatorial Guinea, Ethiopia, Benin, Botswana, British Indian Ocean Territory, Burkina Faso, Burundi, Djibouti, Eritrea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Cameroon, Cape Verde, Comoros, Congo, Congo (Democratic Republic of the), Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Rwanda, Zambia, São Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, Zimbabwe, Somalia, St Helena, Sudan, Swaziland, Tanzania, Togo, Chad, Uganda, Central African Republic.
Oceania (and Polar regions)	Comprises, in addition to the published countries: Antarctica, American Samoa, Bouvet Island, Cocos Islands (Keeling Islands), Cook Islands, Christmas Island, Fiji, Federated States of Micronesia, South Georgia and the South Sandwich Islands, Guam, Heard Island and McDonald Islands, Kiribati, Marshall Islands, Northern Mariana Islands, New Caledonia, Norfolk Island, Nauru, Niue, French Polynesia, Papua New Guinea, Pitcairn, Palau, Solomon Islands, French Southern Territories, Tokelau, Tonga, Tuvalu, US Minor Outlying Islands, Vanuatu, Wallis and Futuna, Samoa.

¹ The country and regional definitions correspond to those used by Eurostat. The country and regional definitions before 2003 are included in the documentation relating to the long time series of the *Balance of Payments*, which can be found on the SNB website (www.snb.ch) under *Publications* (xls file).

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Explanation of symbols

. Figure unknown, confidential, meaningless, no longer reported or no reporting institutions (missing value).

| Break in the series.

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 direct investment in December. In addition, direct investment flows and income are revised when the Swiss balance of payments is published in August. 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 is taken into account.

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 direct investment 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, *Publications, Direct investment* (annual report).

1.1 Swiss direct investment abroad – by country¹

Capital outflows^{2,3,4}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Europe	9 437	14 550	24 649	38 396	39 603
EU⁵	6 524	14 911	20 963	36 247	32 137
Other European countries⁶	2 912	- 361	3 687	2 149	7 466
Selected countries					
Baltic countries ⁷	7	- 14	79	75	62
Belgium	2 634	786	- 2 981	138	- 558
Bulgaria	37	29	78	57	89
Denmark	485	220	- 416	570	- 1 065
Germany	304	98	8 259	8 854	3 841
Finland	16	405	- 14	406	406
France ⁸	- 1 873	3 197	1 909	1 704	1 366
Greece	369	108	282	536	937
Ireland	33	- 511	1 493	9 331	1 314
Italy	- 1 877	154	900	1 736	8 390
Croatia	64	50	51	71	194
Luxembourg	4 352	- 302	- 3 266	7 603	11 562
Netherlands	583	3 785	8 877	- 6 189	- 2 144
Norway	.	- 1 975	261	204	- 15
Austria	595	627	605	1 730	670
Poland	117	340	465	481	682
Portugal	- 266	45	- 21	1 853	- 1 040
Romania	86	108	154	320	99
Russian Federation	- 21	294	887	1 381	1 063
Sweden	401	737	- 2 020	- 493	- 107
Slovakia	- 4	93	31	88	85
Spain	27	471	2 699	971	- 2 535
Czech Republic	- 496	366	822	- 251	592
Turkey	51	213	722	50	413
Ukraine	69	180	192	683	205
Hungary	132	- 65	564	284	- 886
United Kingdom ⁹	741	4 597	2 639	6 785	9 611
Offshore financial centres ¹⁰	2 855	661	1 212	- 765	5 429
North America	6 769	8 878	22 832	23 007	- 5 032
Canada	353	3 141	6 077	1 907	2 498
United States	6 416	5 737	16 755	21 100	- 7 531
Central and South America	3 753	3 281	6 732	21 346	16 463
of which					
Argentina	345	62	407	10	249
Bolivia	10	3	8	0	42
Brazil	163	444	662	3 784	12 434
Chile	- 14	31	96	152	- 117
Costa Rica	85	38	476	646	752
Ecuador	14	15	50	- 38	47
Guatemala	13	1	0	14	6
Colombia	- 19	12	119	- 99	19
Mexico	- 61	155	107	757	442
Peru	- 61	100	- 34	- 26	82
Uruguay	33	80	135	746	57
Venezuela	178	97	90	181	- 102
Offshore financial centres ¹¹	3 943	2 081	2 636	15 682	1 258

2003	2004	2005	2006	2007
1	2	3	4	5

Asia	128	5 180	6 757	10 318	5 640
of which					
Bangladesh	- 0	19	- 3	13	- 13
China	- 188	196	829	919	774
Hong Kong	101	- 144	607	1 154	262
India	140	164	248	370	846
Indonesia	- 32	2	108	25	153
Israel	44	47	80	154	40
Japan	- 165	1 045	113	645	2 767
Korea, Republic of (South Korea)	6	22	670	498	782
Malaysia	209	- 3	- 76	109	99
Pakistan	21	220	183	296	277
Philippines	- 62	- 212	775	584	373
Saudi Arabia	- 18	- 19	108	69	15
Singapore	- 202	3 687	2 162	4 442	- 1 148
Sri Lanka	- 14	6	10	6	14
Taiwan	45	55	189	116	67
Thailand	180	124	285	509	460
United Arab Emirates	- 22	4	- 47	178	- 113
Viet Nam	25	8	- 22	48	- 21
Africa	- 248	- 372	1 731	810	1 585
of which					
Egypt	31	28	276	161	137
Côte d'Ivoire	4	- 16	- 2	77	79
Kenya	- 2	11	13	20	18
Morocco	34	6	59	34	- 35
Nigeria	26	3	- 6	19	22
South Africa	- 243	- 72	1 095	431	1 016
Tunisia	- 9	4	6	- 5	0
Oceania	957	1 150	949	1 192	1 353
of which					
Australia	992	1 138	869	1 126	1 212
New Zealand	- 54	9	58	38	114
All countries	20 795	32 666	63 651	95 068	59 612

¹ The definition of countries is based on the Eurostat geonomenclature.

² The minus sign (-) indicates a return flow of capital into Switzerland (disinvestment).

³ Expansion of the reporting population in 1993 and 2004.

⁴ Until 1985, excl. banks.

⁵ Until 1994, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁶ Until 1994, incl. Finland, Austria and Sweden; as of 2000 incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁷ Estonia, Latvia and Lithuania.

⁸ As of 2000, incl. Monaco, Réunion, French Guiana, Guadeloupe and Martinique.

⁹ Until 1999, incl. Guernsey, Jersey and the Isle of Man.

¹⁰ Gibraltar, Guernsey, Jersey and the Isle of Man.

¹¹ Anguilla, Bahamas, Barbados, Bermuda, Virgin Islands (British), Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis; as of 2000, incl. Virgin Islands (US), Antigua and Barbuda, Belize, Dominica, Grenada, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

1.2 Swiss direct investment abroad – by country¹

Capital stock at year-end (book value)^{2,3}

In CHF millions

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Europe	218 498	233 967	288 358	302 720	344 030	46.5
EU⁴	181 082	200 961	249 248	263 688	291 697	39.4
Other European countries⁵	37 416	33 006	39 110	39 032	52 333	7.1
Selected countries						
Baltic countries ⁶	150	109	235	275	402	0.1
Belgium	13 732	14 886	11 342	9 419	7 003	0.9
Bulgaria	89	121	193	365	472	0.1
Denmark	1 216	1 646	1 652	2 339	3 002	0.4
Germany	26 366	24 388	39 424	42 498	49 153	6.6
Finland	1 783	2 003	2 926	3 062	2 912	0.4
France ⁷	20 273	22 553	26 749	30 261	29 373	4.0
Greece	2 069	1 967	2 299	2 757	4 059	0.5
Ireland	6 674	6 005	9 695	8 686	8 162	1.1
Italy	8 855	10 388	12 610	14 460	23 131	3.1
Croatia	208	228	442	461	572	0.1
Luxembourg	20 859	22 284	19 022	24 052	31 963	4.3
Netherlands	18 183	20 416	34 381	31 247	33 968	4.6
Norway	.	1 806	3 193	3 366	3 293	0.4
Austria	5 653	5 295	5 352	7 807	8 049	1.1
Poland	1 964	2 581	3 470	4 144	4 972	0.7
Portugal	1 700	2 080	2 240	4 407	3 814	0.5
Romania	351	410	852	1 288	1 600	0.2
Russian Federation	1 607	2 194	3 594	4 684	5 639	0.8
Sweden	2 917	1 780	1 369	1 348	1 469	0.2
Slovakia	172	300	382	543	592	0.1
Spain	8 824	8 201	11 772	12 200	13 038	1.8
Czech Republic	1 564	2 094	3 037	2 535	3 031	0.4
Turkey	1 129	1 401	2 110	1 875	2 598	0.4
Ukraine	242	420	615	1 045	1 177	0.2
Hungary	790	1 058	2 035	2 056	1 813	0.2
United Kingdom ⁸	41 977	49 207	57 356	56 549	57 076	7.7
Offshore financial centres ⁹	23 737	26 023	27 474	25 131	35 235	4.8
North America	83 334	84 438	124 993	161 636	147 956	20.0
Canada	2 952	1 026	9 505	33 382	34 220	4.6
United States	80 382	83 412	115 487	128 254	113 736	15.4
Central and South America	74 188	87 359	93 715	144 035	164 732	22.2
of which						
Argentina	1 372	1 284	1 610	1 005	1 193	0.2
Bolivia	59	51	54	47	43	0.0
Brazil	3 858	4 288	6 801	21 961	34 689	4.7
Chile	579	805	1 172	1 165	964	0.1
Costa Rica	402	- 70	629	805	1 143	0.2
Ecuador	405	355	436	363	354	0.0
Guatemala	152	144	181	152	155	0.0
Colombia	801	810	1 192	1 035	1 203	0.2
Mexico	3 836	3 206	3 362	4 444	4 912	0.7
Peru	224	331	507	465	564	0.1
Uruguay	378	102	123	1 119	976	0.1
Venezuela	849	891	911	890	1 141	0.2
Offshore financial centres ¹⁰	55 104	69 188	67 858	111 691	117 877	15.9

2003	2004	2005	2006	2007	Share in percent
1	2	3	4	5	6

Asia	32 374	35 462	45 529	55 943	60 367	8.2
of which						
Bangladesh	35	50	25	29	11	0.0
China	2 404	2 723	3 535	3 915	4 754	0.6
Hong Kong	3 942	3 052	3 811	4 187	4 505	0.6
India	628	794	1 924	2 203	2 751	0.4
Indonesia	791	739	3 511	6 126	6 336	0.9
Israel	209	740	859	1 006	1 046	0.1
Japan	7 239	8 067	8 877	9 843	13 682	1.8
Korea, Republic of (South Korea)	1 532	1 576	2 263	2 557	3 284	0.4
Malaysia	1 347	1 338	1 502	1 593	1 694	0.2
Pakistan	296	567	686	955	1 289	0.2
Philippines	1 747	1 671	1 825	2 058	2 472	0.3
Saudi Arabia	243	212	177	314	148	0.0
Singapore	9 045	11 147	12 890	16 797	13 547	1.8
Sri Lanka	- 21	- 16	- 4	- 10	1	0.0
Taiwan	736	814	966	1 006	1 110	0.1
Thailand	1 088	1 045	1 016	1 379	2 004	0.3
United Arab Emirates	626	526	568	672	417	0.1
Viet Nam	86	- 1	94	154	139	0.0
Africa	3 305	2 567	3 510	7 724	10 888	1.5
of which						
Egypt	338	351	537	531	558	0.1
Côte d'Ivoire	94	146	124	165	273	0.0
Kenya	96	105	124	143	159	0.0
Morocco	263	287	292	340	346	0.0
Nigeria	41	35	56	75	233	0.0
South Africa	1 156	1 387	1 835	5 007	7 459	1.0
Tunisia	20	29	36	50	21	0.0
Oceania	10 545	9 514	11 646	11 249	12 501	1.7
of which						
Australia	10 307	9 300	11 195	10 752	11 893	1.6
New Zealand	38	10	212	245	348	0.0
All countries	422 244	453 307	567 751	683 307	740 472	100.0

¹ The definition of countries is based on the Eurostat geonomenclature.

² Expansion of the reporting population in 1993 and 2004.

³ Until 1985, excl. banks.

⁴ Until 1985, EU10; as of 1986, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁵ Until 1985, incl. Portugal and Spain, until 1994, incl. Finland, Austria and Sweden; as of 2000, incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁶ Estonia, Latvia and Lithuania.

⁷ As of 2000, incl. Monaco, Réunion, French Guiana, Guadeloupe and Martinique.

⁸ Until 1999, incl. Guernsey, Jersey and the Isle of Man.

⁹ Gibraltar, Guernsey, Jersey and the Isle of Man.

¹⁰ Anguilla, Bahamas, Barbados, Bermuda, Virgin Islands (British), Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis; as of 2000, incl. Virgin Islands (US), Antigua and Barbuda, Belize, Dominica, Grenada, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

1.3 Swiss direct investment abroad – by country¹

Number of staff abroad at year-end^{2,3}

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Europe	910 654	941 212	973 141	1 105 326	1 136 550	48.4
EU ⁴	758 999	853 374	877 296	942 737	1 003 889	42.7
Other European countries ⁵	151 655	87 838	95 845	162 589	132 661	5.6
Selected countries						
Baltic countries ⁶	1 891	2 005	2 363	2 752	3 723	0.2
Belgium	22 853	23 304	23 322	25 927	25 563	1.1
Bulgaria	3 648	4 151	5 085	6 137	6 643	0.3
Denmark	11 687	11 799	11 410	11 726	12 009	0.5
Germany	218 267	213 338	218 900	228 093	241 847	10.3
Finland	12 001	12 493	11 264	15 227	16 219	0.7
France ⁷	158 648	158 121	162 670	184 038	167 427	7.1
Greece	9 852	9 915	10 463	12 478	15 113	0.6
Ireland	5 158	7 478	7 699	8 570	9 506	0.4
Italy	62 295	67 730	65 484	69 438	78 683	3.3
Croatia	3 343	3 541	3 817	3 874	4 659	0.2
Luxembourg	2 584	3 039	3 308	3 608	3 806	0.2
Netherlands	35 480	36 968	36 773	37 662	40 705	1.7
Norway	.	7 707	7 750	8 286	8 886	0.4
Austria	34 454	37 243	38 245	40 066	41 470	1.8
Poland	20 946	22 454	23 436	28 464	32 012	1.4
Portugal	9 447	9 743	9 691	10 332	10 329	0.4
Romania	8 376	9 559	10 075	10 902	12 850	0.5
Russian Federation	41 182	41 130	46 068	97 524	81 581	3.5
Sweden	21 305	21 320	20 932	22 582	23 735	1.0
Slovakia	4 072	7 901	7 585	7 385	7 656	0.3
Spain	49 183	51 913	54 466	57 776	59 757	2.5
Czech Republic	20 886	24 662	26 952	27 764	28 848	1.2
Turkey	8 930	8 461	9 758	11 253	12 482	0.5
Ukraine	6 713	8 144	8 125	18 649	17 864	0.8
Hungary	12 158	20 817	25 303	27 568	29 657	1.3
United Kingdom ⁸	105 788	103 414	108 915	112 211	126 000	5.4
Offshore financial centres ⁹	1 476	1 606	1 152	1 338	2 278	0.1
North America	327 624	314 666	338 068	359 455	377 960	16.1
Canada	30 818	28 981	29 943	34 902	38 037	1.6
United States	296 806	285 685	308 125	324 553	339 922	14.5
Central and South America	180 203	197 750	210 457	221 821	244 518	10.4
of which						
Argentina	13 928	14 867	18 070	17 535	19 057	0.8
Bolivia	196	221	4 005	4 251	4 232	0.2
Brazil	87 062	91 486	91 541	94 134	105 655	4.5
Chile	13 420	14 372	15 898	16 576	14 650	0.6
Costa Rica	2 052	2 450	2 449	2 493	3 755	0.2
Ecuador	4 290	4 212	3 012	3 642	3 242	0.1
Guatemala	1 532	2 265	2 044	2 039	2 548	0.1
Colombia	7 799	7 969	9 529	10 744	11 031	0.5
Mexico	26 300	31 055	32 715	36 681	45 057	1.9
Peru	4 821	5 481	5 526	5 885	6 630	0.3
Uruguay	557	713	830	982	1 058	0.0
Venezuela	8 045	8 945	9 356	10 628	11 313	0.5
Offshore financial centres ¹⁰	6 212	7 143	7 665	8 106	8 122	0.3

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6

Asia	283 620	303 701	373 104	408 446	466 490	19.8
of which						
Bangladesh	1 769	1 733	1 921	1 863	2 064	0.1
China	60 164	68 875	81 116	94 252	108 588	4.6
Hong Kong	16 770	16 155	17 455	19 356	21 206	0.9
India	21 481	22 584	26 611	41 285	53 257	2.3
Indonesia	12 884	12 955	59 587	48 840	47 725	2.0
Israel	4 955	5 457	5 311	5 650	5 846	0.2
Japan	35 134	39 170	40 546	44 418	65 303	2.8
Korea, Republic of (South Korea)	6 601	7 105	7 362	7 989	8 772	0.4
Malaysia	20 017	22 186	21 454	23 695	21 902	0.9
Pakistan	5 587	6 909	5 720	10 008	12 976	0.6
Philippines	12 204	12 723	14 082	15 301	12 265	0.5
Saudi Arabia	3 584	3 485	3 590	3 715	4 303	0.2
Singapore	16 679	16 813	18 243	20 404	24 397	1.0
Sri Lanka	1 701	1 667	1 756	1 507	1 576	0.1
Taiwan	11 070	10 497	10 874	11 133	11 564	0.5
Thailand	36 499	37 974	39 358	39 391	41 315	1.8
United Arab Emirates	2 576	2 566	3 262	3 151	4 269	0.2
Viet Nam	7 408	7 800	7 959	8 583	10 003	0.4
Africa	74 204	68 968	73 402	77 949	83 842	3.6
of which						
Egypt	7 762	8 570	9 416	9 422	10 648	0.5
Côte d'Ivoire	2 224	2 145	2 171	2 140	2 603	0.1
Kenya	1 193	1 245	1 480	1 552	2 036	0.1
Morocco	3 263	3 263	3 306	3 573	3 478	0.1
Nigeria	6 419	5 843	5 957	6 085	4 514	0.2
South Africa	28 074	29 069	29 626	31 615	35 020	1.5
Tunisia	1 865	2 395	2 596	2 796	2 449	0.1
Oceania	32 633	36 040	35 962	39 386	40 878	1.7
of which						
Australia	28 213	31 412	30 912	33 773	34 873	1.5
New Zealand	3 630	3 791	4 050	4 316	4 616	0.2
All countries	1 808 938	1 862 338	2 004 133	2 212 383	2 350 238	100.0

¹ The definition of countries is based on the Eurostat geonomenclature.

² Expansion of the reporting population in 1993 and 2004.

³ Until 1985, excl. banks.

⁴ Until 1985, EU10; as of 1986, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁵ Until 1985, incl. Portugal and Spain, until 1994, incl. Finland, Austria and Sweden; as of 2000, incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁶ Estonia, Latvia and Lithuania.

⁷ As of 2000, incl. Monaco, Réunion, French Guiana, Guadeloupe and Martinique.

⁸ Until 1999, incl. Guernsey, Jersey and the Isle of Man.

⁹ Gibraltar, Guernsey, Jersey and the Isle of Man.

¹⁰ Anguilla, Bahamas, Barbados, Bermuda, Virgin Islands (British), Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis; as of 2000, incl. Virgin Islands (US), Antigua and Barbuda, Belize, Dominica, Grenada, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

1.4 Swiss direct investment abroad – by economic activity¹

Capital outflows^{2, 3, 4}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Manufacturing	6 425	21 620	27 214	55 779	24 856
Textiles and clothing ^{5, 6}	813	- 56	- 1 683	2 485	4 686
Chemicals and plastics	3 238	11 893	20 221	23 224	6 181
Metals and machinery	1 433	2 053	798	9 748	5 173
Electronics, energy, optical and watchmaking	- 3 247	836	1 048	3 553	1 863
Other manufacturing and construction ⁷	4 189	6 894	6 830	16 769	6 953
Services	14 369	11 046	36 436	39 289	34 755
Trade	- 617	1 387	8 260	- 2 239	- 855
Finance and holding companies	7 359	1 940	10 443	8 895	14 769
of which					
Swiss-controlled ⁸	2 663	- 306	1 993	3 658	2 717
foreign-controlled ⁹	4 696	2 246	8 450	5 237	12 052
Banks	6 176	3 225	8 383	21 907	12 187
Insurance	1 414	3 815	5 893	8 942	- 3 608
Transportation and communications ¹⁰	- 540	- 47	1 317	1 325	7 338
Other services ¹¹	576	726	2 140	460	4 924
Total	20 795	32 666	63 651	95 068	59 612
Total excluding foreign-controlled finance and holding companies⁹	16 098	30 421	55 201	89 832	47 560

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland. Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² The minus (-) indicates a return flow of capital into Switzerland (disinvestment).

³ Expansion of the reporting population in 1993 and 2004.

⁴ Until 1985, excl. banks

⁵ Until 1992, in Other manufacturing and construction.

⁶ Expansion of the reporting population in 2003.

⁷ Until 1992, incl. textiles and clothing.

⁸ A company is considered to be Swiss-controlled if a majority share of its capital is in Swiss hands.

⁹ A company is considered to be foreign-controlled if a majority share of its capital is in foreign hands.

¹⁰ Until 1992, in Other services.

¹¹ Until 1992, incl. transportation and communications.

1.5 Swiss direct investment abroad – by economic activity¹

Capital stock at year-end (book value)^{2, 3}

In CHF millions

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Manufacturing	142 867	160 186	207 555	267 045	302 598	40.9
Textiles and clothing ^{4, 5}	9 443	9 525	7 581	15 888	21 462	2.9
Chemicals and plastics	62 647	74 905	95 892	118 263	127 684	17.2
Metals and machinery	20 477	23 508	26 182	42 013	47 301	6.4
Electronics, energy, optical and watchmaking	12 397	11 554	24 226	27 349	33 745	4.6
Other manufacturing and construction ⁶	37 903	40 695	53 673	63 532	72 406	9.8
Services	279 377	293 121	360 197	416 262	437 874	59.1
Trade	10 819	16 203	24 924	24 568	27 197	3.7
Finance and holding companies	115 140	118 291	154 468	195 661	209 719	28.3
of which						
Swiss-controlled ⁷	25 849	28 856	31 912	34 492	34 238	4.6
foreign-controlled ^{8, 9}	89 291	89 435	122 556	161 169	175 481	23.7
Banks	57 078	59 480	70 038	81 410	86 794	11.7
Insurance	82 826	86 585	95 902	96 847	84 393	11.4
Transportation and communications ¹⁰	3 847	3 300	4 219	5 544	12 082	1.6
Other services ¹¹	9 669	9 263	10 646	12 232	17 689	2.4
Total	422 244	453 307	567 751	683 307	740 472	100.0
Total excluding foreign-controlled finance and holding companies⁸	332 954	363 873	445 195	522 137	564 991	76.3

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland. Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² Expansion of the reporting population in 1993 and 2004.

³ Until 1985, excl. banks

⁴ Until 1992, in Other manufacturing and construction.

⁵ Expansion of the reporting population in 2003.

⁶ Until 1992, incl. textiles and clothing.

⁷ A company is considered to be Swiss-controlled if a majority share of its capital is in Swiss hands.

⁸ A company is considered to be foreign-controlled if a majority share of its capital is in foreign hands.

⁹ Expansion of the reporting population in 2006.

¹⁰ Until 1992, in Other services.

¹¹ Until 1992, incl. transportation and communications.

1.6 Swiss direct investment abroad – by economic activity¹

Number of staff abroad at year-end^{2,3}

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Manufacturing	1 046 638	1 036 510	1 085 528	1 182 157	1 244 610	53.0
Textiles and clothing ^{4,5}	93 098	83 651	88 282	93 214	100 018	4.3
Chemicals and plastics	254 291	256 546	267 457	276 768	283 751	12.1
Metals and machinery	190 704	198 189	207 901	259 573	268 043	11.4
Electronics, energy, optical and watchmaking	182 873	177 324	181 397	184 383	207 848	8.8
Other manufacturing and construction ⁶	325 672	320 801	340 491	368 218	384 951	16.4
Services	762 300	825 828	918 605	1 030 226	1 105 628	47.0
Trade	118 004	149 130	165 209	184 954	199 468	8.5
Finance and holding companies of which	315 086	360 560	413 492	462 317	496 574	21.1
Swiss-controlled ⁷	40 019	42 726	43 405	44 034	38 815	1.7
foreign-controlled ⁸	275 068	317 833	370 087	418 283	457 759	19.5
Banks	71 580	75 904	81 710	92 765	102 984	4.4
Insurance	89 951	85 283	83 725	85 492	78 828	3.4
Transportation and communications ⁹	59 471	66 181	76 852	97 953	113 280	4.8
Other services ¹⁰	108 208	88 770	97 618	106 746	114 495	4.9
Total	1 808 938	1 862 338	2 004 133	2 212 383	2 350 238	100.0
Total excluding foreign-controlled finance and holding companies⁸	1 533 870	1 544 505	1 634 046	1 794 100	1 892 479	80.5

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland.

Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² Expansion of the reporting population in 1993 and 2004.

³ Until 1985, excl. banks

⁴ Until 1992, in Other manufacturing and construction.

⁵ Expansion of the reporting population in 2003.

⁶ Until 1992, incl. textiles and clothing.

⁷ A company is considered to be Swiss-controlled if a majority share of its capital is in Swiss hands.

⁸ A company is considered to be foreign-controlled if a majority share of its capital is in foreign hands.

⁹ Until 1992, in Other services.

¹⁰ Until 1992, incl. transportation and communications.

1.7 Swiss direct investment abroad – by economic activity¹

Investment income^{2,3,4}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Manufacturing	17 333	20 839	27 657	32 555	36 181
Textiles and clothing ⁵	684	515	2 002	211	3 139
Chemicals and plastics	9 165	9 927	13 700	15 576	12 703
Metals and machinery	1 366	3 051	2 885	3 036	4 053
Electronics, energy, optical and watchmaking	- 40	2	716	2 679	3 237
Other manufacturing and construction	6 159	7 345	8 354	11 053	13 048
Services	26 244	28 106	48 866	36 429	23 654
Trade	1 743	1 113	3 251	24	2 540
Finance and holding companies	13 524	14 579	29 568	6 649	18 982
of which					
Swiss-controlled ⁶	1 205	813	1 608	2 607	3 819
foreign-controlled ⁷	12 319	13 767	27 960	4 041	15 164
Banks	3 581	6 637	8 021	17 031	- 8 671
Insurance	7 064	4 532	6 836	10 729	8 081
Transportation and communications	119	378	612	1 053	1 290
Other services	212	867	578	944	1 433
Total	43 577	48 945	76 523	68 983	59 835
Total excluding foreign-controlled finance and holding companies⁷	31 258	35 178	48 563	64 942	44 672

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland.

Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² The income on direct investment consists of dividends (less contributions to cover losses and non-reclaimable withholding tax), net interest from intragroup lending, and reinvested earnings.

³ The minus sign (-) indicates a loss.

⁴ Expansion of the reporting population in 2004.

⁵ Expansion of the reporting population in 2003.

⁶ A company is considered to be Swiss-controlled if a majority share of its capital is in Swiss hands.

⁷ A company is considered to be foreign-controlled if a majority share of its capital is in foreign hands.

1.8 Swiss direct investment abroad – by type of capital and by geographical/economic zone¹

Capital outflows^{2,3}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Equity capital					
Europe	142	4 751	7 743	40 553	23 821
EU ⁴	- 1 975	5 595	5 756	41 944	20 947
Other European countries ⁵	2 116	- 844	1 988	- 1 391	2 875
North America	7 811	5 710	9 755	6 284	3 454
Central and South America	- 1 017	1 105	2 783	11 698	2 094
of which					
Offshore financial centres ⁶	- 660	398	1 296	7 212	966
Asia	- 1 462	52	854	3 604	4 452
Africa	- 14	- 37	235	114	288
Oceania	121	37	612	422	46
All countries	5 581	11 617	21 982	62 676	34 155
Reinvested earnings					
Europe	6 643	8 227	19 431	2 912	15 113
EU ⁴	7 089	7 247	16 759	656	11 734
Other European countries ⁵	- 447	980	2 672	2 256	3 379
North America	772	1 505	10 933	6 195	- 13 109
Central and South America	4 497	4 747	5 589	10 671	5 878
of which					
Offshore financial centres ⁶	3 861	4 100	4 275	7 967	930
Asia	3 101	5 336	4 983	5 911	705
Africa	- 34	39	336	579	1 079
Oceania	1 142	1 314	- 255	156	1 199
All countries	16 121	21 168	41 017	26 424	10 864

	2003	2004	2005	2006	2007
	1	2	3	4	5

Other capital

Europe	2 652	1 572	- 2 525	- 5 069	670
EU ⁴	1 410	2 070	- 1 552	- 6 352	- 543
Other European countries ⁶	1 243	- 498	- 973	1 283	1 213
North America	- 1 813	1 663	2 144	10 528	4 624
Central and South America	273	- 2 572	- 1 640	- 1 023	8 491
of which					
Offshore financial centres ⁶	741	- 2 418	- 2 934	504	- 638
Asia	- 1 511	- 207	920	803	482
Africa	- 200	- 374	1 161	117	219
Oceania	- 307	- 201	591	613	108
All countries	- 906	- 119	651	5 969	14 593

Total

Europe	9 437	14 550	24 649	38 396	39 603
EU ⁴	6 524	14 911	20 963	36 247	32 137
Other European countries ⁵	2 912	- 361	3 687	2 149	7 466
North America	6 769	8 878	22 832	23 007	- 5 032
Central and South America	3 753	3 281	6 732	21 346	16 463
of which					
Offshore financial centres ⁶	3 943	2 081	2 636	15 682	1 258
Asia	128	5 180	6 757	10 318	5 640
Africa	- 248	- 372	1 731	810	1 585
Oceania	957	1 150	949	1 192	1 353
All countries	20 795	32 666	63 651	95 068	59 612

¹ The definition of countries is based on the Eurostat geonomenclature.

² The minus sign (-) indicates a return flow of capital into Switzerland (disinvestment).

³ Expansion of the reporting population in 1993 and 2004.

⁴ Until 1994, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁵ Until 1994, incl. Finland, Austria and Sweden; as of 2000 incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁶ Anguilla, Bahamas, Barbados, Bermuda, Virgin Islands (British), Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis; as of 2000, incl. Virgin Islands (US), Antigua and Barbuda, Belize, Dominica, Grenada, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

2.1 Foreign direct investment in Switzerland – by country¹

Capital inflows^{2,3}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Europe	14 159	- 3924	24 000	29 150	53 047
EU⁴	14 125	- 4034	24 031	29 083	53 707
Other European countries⁵	34	110	- 31	68	- 660
Selected countries					
Belgium	4 807	320	- 1 073	69	939
Denmark	- 33	314	1 037	933	434
Germany	- 21	- 295	768	1 134	16 769
France ⁶	939	784	2 158	13 895	1 919
Italy	- 96	- 2 131	211	428	753
Luxembourg	314	574	- 278	3 264	4 367
Netherlands	6 025	- 2 437	10 330	8 188	13 382
Austria	- 9	735	9 826	2 534	13 022
Sweden	244	- 25	- 913	73	955
Spain	29	122	500	68	- 268
United Kingdom ⁷	1 765	- 1 874	1 370	- 1 896	- 428
North America	7 213	7 007	- 26 048	9 206	5 757
Canada	290	111	- 455	5 372	2 127
United States	6 923	6 896	- 25 594	3 834	3 630
Central and South America	932	- 1 400	878	164	350
of which					
Offshore financial centres ⁸	941	- 1 967	653	113	- 18
Asia, Africa and Oceania	- 79	- 524	- 14	147	- 42
of which					
Israel	26	33	62	54	45
Japan	- 263	- 229	- 117	- 90	- 44
All countries	22 224	1 159	- 1 184	38 667	59 113

¹ The definition of countries is based on the Eurostat geonomenclature.

² The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

³ Expansion of the reporting population in in 1993 and 2004.

⁴ Until 1994, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁵ Until 1994, incl. Finland, Austria and Sweden; as of 2000 incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁶ As of 2000, incl. Monaco, Réunion, French Guiana, Guadeloupe and Martinique.

⁷ Until 1999, incl. Guernsey, Jersey and the Isle of Man.

⁸ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

2.2 Foreign direct investment in Switzerland – by country¹

Capital stock at year-end (book value)²

In CHF millions

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Europe	114 210	130 185	158 110	223 103	274 338	72.2
EU ³	112 304	128 063	155 108	219 885	271 854	71.6
Other European countries ⁴	1 906	2 122	3 002	3 217	2 484	0.7
Selected countries						
Belgium	5 535	5 899	5 230	5 334	6 293	1.7
Denmark	5 854	9 416	8 776	9 540	9 670	2.5
Germany	16 327	18 225	20 961	22 876	28 257	7.4
France ⁵	13 797	16 305	18 138	30 418	34 701	9.1
Italy	6 391	4 340	4 510	4 856	5 931	1.6
Luxembourg	9 214	9 650	11 806	17 009	22 779	6.0
Netherlands	41 840	46 902	55 556	65 478	83 880	22.1
Austria	891	2 317	12 703	45 121	57 707	15.2
Sweden	1 514	2 821	2 184	1 612	2 331	0.6
Spain	630	856	1 268	1 402	1 403	0.4
United Kingdom ⁶	9 755	10 703	13 311	15 148	17 039	4.5
North America	81 931	89 590	59 164	66 480	72 966	19.2
Canada	1 758	1 457	1 188	1 234	3 338	0.9
United States	80 173	88 133	57 976	65 246	69 628	18.3
Central and South America	1 953	1 515	3 458	30 449	29 249	7.7
of which						
Offshore financial centres ⁷	1 649	70	1 784	28 844	27 077	7.1
Asia, Africa and Oceania	2 572	2 404	2 904	3 278	3 341	0.9
of which						
Israel	487	516	617	665	602	0.2
Japan	1 102	1 081	1 019	937	932	0.2
All countries	200 666	223 693	223 636	323 310	379 894	100.0

¹ The definition of countries is based on the Eurostat geonomenclature.

² Expansion of the reporting population in 1993 and 2004.

³ Until 1985, EU10; as of 1986, EU12; as of 1995, EU15; as of 2004, EU25; as of 2007, EU27.

⁴ Until 1985, incl. Portugal and Spain, until 1994, incl. Finland, Austria and Sweden; as of 2000, incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁵ As of 2000, incl. Monaco, Réunion, French Guiana, Guadeloupe and Martinique.

⁶ Until 1999, incl. Guernsey, Jersey and the Isle of Man.

⁷ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

2.3 Foreign direct investment in Switzerland – by country¹

Number of staff in Switzerland at year-end

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6

Companies included in data collection for direct investment statistics²

Europe	124 517	153 167	167 112	177 260	192 083	84.4
EU ³	124 032	152 506	166 482	176 777	191 537	84.2
Other European countries ⁴	486	661	630	483	546	0.2
Selected countries						
Belgium	2 141	2 988	1 745	2 298	1 975	0.9
Denmark	6 092	12 712	13 492	14 404	14 820	6.5
Germany	35 249	46 094	48 695	47 160	53 655	23.6
France	8 600	12 999	14 443	21 259	21 970	9.7
Italy	4 225	4 656	6 154	6 805	9 806	4.3
Luxembourg	15 464	13 802	7 791	13 339	21 029	9.2
Netherlands	37 797	40 894	44 012	42 903	41 786	18.4
Austria	1 558	2 763	6 389	7 217	7 775	3.4
Sweden	2 811	4 678	3 952	4 019	4 679	2.1
Spain	541	723	3 580	3 581	3 890	1.7
United Kingdom	7 483	7 911	14 431	11 338	7 109	3.1
North America	30 505	32 590	29 208	31 086	30 496	13.4
Canada	3 482	3 237	2 384	2 293	2 298	1.0
United States	27 023	29 353	26 825	28 792	28 198	12.4
Central and South America	1 339	1 680	1 313	1 760	1 745	0.8
of which						
Offshore financial centres ⁵	1 259	1 541	1 159	1 596	1 560	0.7
Asia, Africa and Oceania	1 468	1 162	2 017	3 083	3 217	1.4
of which						
Israel	248	257	291	287	312	0.1
Japan	124	110	305	301	302	0.1
All countries	157 829	188 599	199 650	213 188	227 539	100.0

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6

Companies not included in data collection for direct investment statistics⁶

Europe	109 499	92 477	90 219	101 724	107 587	73.2
EU ³	109 166	91 813	88 112	97 777	105 818	72.0
Other European countries ⁴	333	664	2 107	3 947	1 769	1.2
Selected countries						
Belgium	1 796	2 627	2 422	2 200	1 922	1.3
Denmark	7 421	1 483	1 529	1 620	1 351	0.9
Germany	43 442	34 522	35 657	39 944	40 312	27.4
France	17 407	14 538	12 905	15 803	19 566	13.3
Italy	4 038	3 836	3 513	3 672	4 602	3.1
Luxembourg	3 136	3 617	3 032	3 533	3 265	2.2
Netherlands	8 216	7 195	6 130	7 130	7 419	5.0
Austria	3 453	4 486	4 400	5 174	5 054	3.4
Sweden	5 329	6 056	5 657	6 165	6 226	4.2
Spain	369	686	1 437	1 065	1 311	0.9
United Kingdom	11 697	10 085	8 581	9 082	12 722	8.7
North America	26 606	23 677	23 900	25 845	27 616	18.8
Canada	604	849	711	1 073	916	0.6
United States	26 002	22 828	23 189	24 772	26 700	18.2
Central and South America	3 598	2 683	5 444	7 328	7 677	5.2
of which						
Offshore financial centres ⁵	3 595	2 673	5 434	7 300	7 648	5.2
Asia, Africa and Oceania	3 644	5 026	4 780	4 671	4 159	2.8
of which						
Israel	144	209	156	176	209	0.1
Japan	1 897	2 181	2 264	2 311	2 313	1.6
All countries	143 347	123 863	124 343	139 568	147 039	100.0

¹ The definition of countries is based on the Eurostat geonomenclature.

² Expansion of the reporting population in 2004.

³ Until 2003, EU15; as of 2004, EU25; as of 2007, EU27.

⁴ Until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁵ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

⁶ Source: Swiss Federal Statistical Office (SFSO).

2.3 Foreign direct investment in Switzerland – by country¹ (continued)

Number of staff in Switzerland at year-end

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
All companies						
Europe	234 016	245 644	257 331	278 984	299 670	80.0
EU ³	233 198	244 319	254 594	274 554	297 355	79.4
Other European countries ⁴	819	1 325	2 737	4 430	2 315	0.6
Selected countries						
Belgium	3 937	5 615	4 167	4 498	3 897	1.0
Denmark	13 513	14 195	15 021	16 024	16 171	4.3
Germany	78 691	80 616	84 352	87 104	93 967	25.1
France	26 007	27 537	27 348	37 062	41 536	11.1
Italy	8 263	8 492	9 667	10 477	14 408	3.8
Luxembourg	18 600	17 419	10 823	16 872	24 294	6.5
Netherlands	46 013	48 089	50 142	50 033	49 205	13.1
Austria	5 011	7 249	10 789	12 391	12 829	3.4
Sweden	8 140	10 734	9 609	10 184	10 905	2.9
Spain	910	1 409	5 017	4 646	5 201	1.4
United Kingdom	19 180	17 996	23 012	20 420	19 831	5.3
North America	57 111	56 267	53 108	56 931	58 112	15.5
Canada	4 086	4 086	3 095	3 366	3 214	0.9
United States	53 025	52 181	50 014	53 564	54 898	14.7
Central and South America	4 937	4 363	6 757	9 088	9 422	2.5
of which						
Offshore financial centres ⁵	4 854	4 214	6 593	8 896	9 208	2.5
Asia, Africa and Oceania	5 112	6 188	6 797	7 754	7 376	2.0
of which						
Israel	392	466	447	463	521	0.1
Japan	2 021	2 291	2 569	2 612	2 615	0.7
All countries	301 176	312 462	323 993	352 756	374 578	100.0

¹ The definition of countries is based on the Eurostat nomenclature.

² Expansion of the reporting population in 2004.

³ Until 2003, EU15; as of 2004, EU25; as of 2007, EU27.

⁴ Until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

⁵ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

⁶ Source: Swiss Federal Statistical Office (SFSO).

2.4 Foreign direct investment in Switzerland – by economic activity¹

Capital inflows^{2,3}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Manufacturing	6 650	3 000	1 037	11 685	26 887
Chemicals and plastics	2 522	2 545	955	4 724	18 042
Metals and machinery	1 797	443	- 122	5 778	6 225
Electronics, energy, optical and watchmaking	1 953	286	- 192	1 381	1 960
Other manufacturing and construction	378	- 273	395	- 198	661
Services	15 575	- 1 841	- 2 221	26 982	32 226
Trade	4 409	1 773	926	1 368	2 869
Finance and holding companies	9 012	- 4 550	- 7 815	13 433	21 985
Banks ⁵	733	198	1 759	1 553	3 420
Insurance	467	- 106	309	13 370	1 712
Transportation and communications ⁶	807	- 280	1 870	- 2 065	1 052
Other services ⁷	146	1 125	730	- 677	1 188
Total	22 224	1 159	- 1 184	38 667	59 113

2.5 Foreign direct investment in Switzerland – by economic activity¹

Capital stock at year-end (book value)³

In CHF millions

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6
Manufacturing	36 519	37 094	37 145	46 119	62 898	16.6
Chemicals and plastics	15 432	17 457	17 087	22 950	30 708	8.1
Metals and machinery	4 928	5 350	5 916	5 581	9 370	2.5
Electronics, energy, optical and watchmaking	10 078	9 086	8 643	12 171	16 631	4.4
Other manufacturing and construction	6 082	5 201	5 500	5 417	6 188	1.6
Services	164 147	186 600	186 491	277 191	316 996	83.4
Trade	21 340	31 197	32 592	35 247	42 986	11.3
Finance and holding companies ⁴	102 345	110 496	104 401	179 866	202 429	53.3
Banks ⁵	26 536	27 288	29 688	32 063	35 761	9.4
Insurance	4 022	5 405	5 786	16 684	18 423	4.8
Transportation and communications ⁶	5 822	5 801	7 166	7 220	9 596	2.5
Other services ⁷	4 082	6 413	6 859	6 110	7 800	2.1
Total	200 666	223 693	223 636	323 310	379 894	100.0

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland.

Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985

(*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

³ Expansion of the reporting population in 1993 and 2004.

⁴ Expansion of the reporting population in 2006.

⁵ Source until 1992: SNB banking statistics.

⁶ Until 1992, in Other services.

⁷ Until 1992, incl. transportation and communications.

2.6 Foreign direct investment in Switzerland – by economic activity¹

Number of staff in Switzerland at year-end

	2003	2004	2005	2006	2007	Share in percent
	1	2	3	4	5	6

Companies included in data collection for direct investment statistics²

	2003	2004	2005	2006	2007	Share in percent
Manufacturing	65 017	77 196	77 003	81 128	87 041	38.3
Chemicals and plastics	11 180	16 082	16 215	17 884	19 418	8.5
Metals and machinery	18 996	22 009	21 061	22 065	23 255	10.2
Electronics, energy, optical and watchmaking	18 899	22 717	23 178	24 215	26 778	11.8
Other manufacturing and construction	15 943	16 389	16 550	16 964	17 590	7.7
Services	92 812	111 403	122 646	132 060	140 499	61.7
Trade	26 436	37 744	40 722	41 324	42 041	18.5
Finance and holding companies	11 282	11 292	10 256	11 004	10 309	4.5
Banks	16 891	17 677	18 324	19 379	19 959	8.8
Insurance	5 071	4 346	4 210	10 675	10 487	4.6
Transportation and communications	17 730	15 137	21 442	20 960	25 856	11.4
Other services	15 402	25 207	27 694	28 718	31 847	14.0
Total	157 829	188 599	199 650	213 188	227 539	100.0

Companies not included in data collection for direct investment statistics³

	2003	2004	2005	2006	2007	Share in percent
Manufacturing	54 008	46 781	47 456	50 824	49 597	33.7
Chemicals and plastics	6 936	6 658	6 103	6 821	6 568	4.5
Metals and machinery	16 208	16 067	16 280	16 636	16 866	11.5
Electronics, energy, optical and watchmaking	17 507	11 188	11 033	12 250	11 270	7.7
Other manufacturing and construction	13 357	12 868	14 040	15 117	14 893	10.1
Services	89 339	77 082	76 887	88 744	97 442	66.3
Trade	35 671	34 497	33 664	38 545	42 325	28.8
Finance and holding companies	4 972	4 439	4 410	4 573	5 447	3.7
Banks	568	385	428	406	459	0.3
Insurance	1 068	1 021	1 019	1 268	1 023	0.7
Transportation and communications	8 213	7 650	7 095	7 625	8 608	5.9
Other services	38 847	29 090	30 271	36 327	39 580	26.9
Total	143 347	123 863	124 343	139 568	147 039	100.0

All companies

	2003	2004	2005	2006	2007	Share in percent
Manufacturing	119 025	123 977	124 459	131 952	136 638	36.5
Chemicals and plastics	18 116	22 740	22 318	24 705	25 986	6.9
Metals and machinery	35 204	38 076	37 341	38 701	40 121	10.7
Electronics, energy, optical and watchmaking	36 406	33 905	34 211	36 465	38 048	10.2
Other manufacturing and construction	29 300	29 257	30 590	32 081	32 483	8.7
Services	182 151	188 485	199 533	220 804	237 941	63.5
Trade	62 107	72 241	74 386	79 869	84 366	22.5
Finance and holding companies	16 254	15 731	14 666	15 577	15 756	4.2
Banks	17 459	18 062	18 752	19 785	20 418	5.5
Insurance	6 139	5 367	5 229	11 943	11 510	3.1
Transportation and communications	25 943	22 787	28 537	28 585	34 464	9.2
Other services	54 249	54 297	57 965	65 045	71 427	19.1
Total	301 176	312 462	323 993	352 756	374 578	100.0

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland.
Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985
(*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General
Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² Expansion of the reporting population in 2004.

³ Source: Swiss Federal Statistical Office (SFSO).

2.7 Foreign direct investment in Switzerland – by economic activity¹

Investment income^{2,3,4}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Manufacturing	3 000	3 898	5 461	4 640	8 001
Chemicals and plastics	575	2 367	4 364	3 616	4 014
Metals and machinery	1 413	683	602	- 411	1 492
Electronics, energy, optical and watchmaking	560	693	- 238	964	1 801
Other manufacturing and construction	452	155	732	472	694
Services	11 450	15 629	30 646	23 467	44 630
Trade	959	3 314	5 334	4 694	4 941
Finance and holding companies	8 166	9 169	22 667	14 038	29 440
Banks	1 601	2 136	1 653	2 353	3 157
Insurance	288	- 61	435	1 146	5 084
Transportation and communications	387	673	100	870	1 466
Other services	50	397	457	366	543
Total	14 451	19 526	36 107	28 107	52 632

¹ The breakdown by sector and by economic activity refers to the company's core business in Switzerland. Until 2003, classification according to the General Classification of Economic Activities, ASWZ 1985 (*Allgemeine Systematik der Wirtschaftszweige*), from 2004 onwards, classification according to the General Classification of Economic Activities, NOGA 2002 (*Nomenclature générale des activités économiques*).

² The income on direct investment consists of dividends (less contributions to cover losses and non-reclaimable withholding tax), net interest from intragroup lending, and reinvested earnings.

³ The minus sign (-) indicates a loss.

⁴ Expansion of the reporting population in 2004.

2.8 Foreign direct investment in Switzerland – by type of capital and by geographical/economic zone¹

Capital inflows^{2,3}

In CHF millions

	2003	2004	2005	2006	2007
	1	2	3	4	5
Equity capital					
Europe	8 912	- 4 212	32 636	13 250	23 599
EU ⁴	8 910	- 4 135	33 924	13 392	23 825
Other European countries ⁵	2	- 77	- 1 288	- 142	- 226
North America	1 975	1 414	- 31 891	7 936	191
Central and South America	799	76	- 759	- 257	292
Asia, Africa and Oceania	- 23	- 475	14	0	- 25
All countries	11 663	- 3 197	- 1	20 930	24 057
Reinvested earnings					
Europe	615	3 835	- 9 136	12 587	29 385
EU ⁴	569	3 629	- 9 443	12 391	29 542
Other European countries ⁵	46	206	307	196	- 158
North America	3 146	4 383	6 227	1 294	5 415
Central and South America	63	140	82	324	46
Asia, Africa and Oceania	- 29	38	- 5	111	79
All countries	3 795	8 396	- 2 833	14 316	34 925

	2003	2004	2005	2006	2007
	1	2	3	4	5

Other capital

Europe	4 632	- 3 547	500	3 313	63
EU ⁴	4 646	- 3 528	- 450	3 299	340
Other European countries ⁵	- 14	- 19	950	14	- 276
North America	2 093	1 210	- 383	- 24	150
Central and South America	69	- 1 615	1 556	96	12
Asia, Africa and Oceania	- 28	- 87	- 23	35	- 95
All countries	6 766	- 4 039	1 649	3 421	131

Total

Europe	14 159	- 3 924	24 000	29 150	53 047
EU ⁴	14 125	- 4 034	24 031	29 083	53 707
Other European countries ⁵	34	110	- 31	68	- 660
North America	7 213	7 007	- 26 048	9 206	5 757
Central and South America	932	- 1 400	878	164	350
Asia, Africa and Oceania	- 79	- 524	- 14	147	- 42
All countries	22 224	1 159	- 1 184	38 667	59 113

¹ The definition of countries is based on the Eurostat geonomenclature.

² The minus sign (-) indicates an outflow of capital from Switzerland (disinvestment).

³ Expansion of the reporting population in 1993 and 2004.

⁴ Until 1994, EU 12; as of 1995, EU 15; as of 2004, EU 25; as of 2007, EU27.

⁵ Until 1994, incl. Finland, Austria and Sweden; as of 2000, incl. Guernsey, Jersey and the Isle of Man, excl. Monaco; until 2003, incl. Baltic countries, Malta, Poland, Slovakia, Slovenia, Czech Republic, Hungary and Cyprus; until 2006, incl. Bulgaria and Romania.

Other SNB publications on direct investment

The SNB issues data on direct investment in three additional publications. They are available as pdf files on the SNB website at www.snb.ch, *Publications*. In addition, long time series are available.

Swiss Balance of Payments (quarterly estimates)

Published three months after the end of each quarter, the quarterly estimates of the balance of payments show direct investment flows broken down by economic activity.

Swiss Balance of Payments

Published in September, the *Swiss Balance of Payments* contains annual data relating to direct investment flows in the previous year, broken down by economic activity.

Monthly Statistical Bulletin, tables Q3, R and S

The *Monthly Statistical Bulletin* (online version) presents the latest data on direct investment, including a breakdown by country and by economic activity.

Further information

bop@snb.ch

