

Swiss National Bank
Switzerland's International Investment
Position in 2010

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

Further information

bop@snb.ch

Subscriptions, individual issues and changes of address

Swiss National Bank, Library, P.O. Box, CH-8022 Zurich
Telephone +41 44 631 32 84, fax +41 44 631 81 14
E-mail: library@snb.ch

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Summary

Foreign assets and liabilities decline due to exchange rate losses, net international investment position increases slightly

The strong appreciation of the Swiss franc in 2010 was the main driver of developments in foreign assets and liabilities. It led to sizeable exchange rate losses on foreign currency holdings, especially euro and US dollar holdings. The euro lost 16% of its value against the Swiss franc, while the US dollar lost 10%. Foreign assets contracted by CHF 52 billion to CHF 3,115 billion and foreign liabilities by CHF 57 billion to CHF 2,357 billion. Since foreign liabilities declined somewhat more than foreign assets overall, the net international investment position increased slightly, by CHF 6 billion to CHF 758 billion. In relation to GDP, the net international investment position amounted to 138%, compared with 143% in 2009.

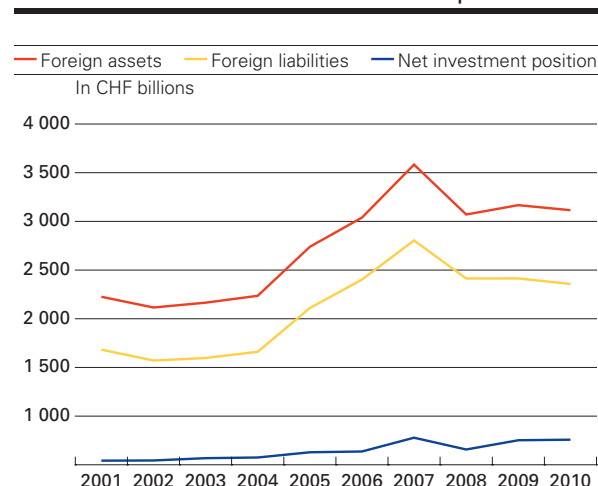
With regard to foreign assets, the lower valuation of foreign currency holdings resulted in an exchange rate loss of CHF 282 billion. A large portion of these exchange rate losses were offset by capital outflows and valuation gains on foreign shares and derivatives. Activities by the Swiss National Bank (SNB) resulted in a major capital outflow; its foreign exchange purchases led to a marked increase in reserve assets, by CHF 113 billion to CHF 252 billion. Direct investment abroad also rose, due to capital outflows in the form of retained profits and intragroup lending, increasing by CHF 26 billion to CHF 878 billion. Bank claims dropped sharply by CHF 92 billion. This reflected large exchange rate losses and the reduction of cross-border interbank business. The stock of portfolio investment abroad also declined, by CHF 59 billion. The exchange rate losses and the sale of foreign securities (in particular money market instruments) exceeded the price gains on shares and derivatives by a substantial degree. SNB claims in connection with swap and repo transactions were also lower than in the previous year.

In the case of foreign liabilities, exchange rate losses amounted to CHF 107 billion. This was smaller than that for the foreign assets, because foreign currency holdings are substantially lower on the liabilities side than on the assets side. Capital inflows and valuation gains partially offset the exchange rate losses. The stock of portfolio investment in Switzerland climbed by CHF 15 billion to CHF 720 billion. This rise was mainly due to purchases of Swiss money market instruments, in particular SNB Bills. By contrast, investors sold shares. The stock of foreign direct investment in Switzerland rose by CHF 18 billion to CHF 526 billion, largely as a result of increased intragroup lending. Bank liabilities registered a sharp decline of CHF 95 billion. This was mainly attributable to large exchange rate losses, but also to reduced cross-border interbank business.

This year's report on Switzerland's international investment position includes a special topic on Switzerland's external debt. In particular, it examines why external debt in Switzerland has fallen in the wake of the financial crisis, while rising in many other countries.

Chart 1

Switzerland's international investment position



International investment position in brief

Table 1

Total at year-end

In CHF billions

	2009	2010	Year-on-year change in CHF billions
Foreign assets			
Direct investment	852.0	877.7	25.7
Portfolio investment	1 108.7	1 050.3	-58.5
Derivatives and structured products	171.3	175.8	4.6
Other assets	894.9	758.7	-136.2
of which, loans by			
Banks	555.0	463.1	-91.9
Swiss National Bank	33.0	1.4	-31.7
Reserve assets	139.7	252.4	112.8
Total	3 166.6	3 114.9	-51.6
Foreign liabilities			
Direct investment	507.4	525.5	18.2
Portfolio investment	705.8	720.3	14.5
Derivatives and structured products	135.8	142.5	6.7
Other liabilities	1 065.3	968.5	-96.8
of which, loans to			
Banks	705.6	611.1	-94.5
Swiss National Bank	4.5	3.8	-0.7
Total	2 414.2	2 356.9	-57.3
Net international investment position			
Direct investment	344.6	352.2	7.5
Portfolio investment	402.9	329.9	-73.0
Derivatives and structured products	35.5	33.3	-2.2
Other positions	-170.4	-209.8	-39.4
of which, loans			
Banks	-150.6	-148.0	2.6
Swiss National Bank	28.5	-2.4	-30.9
Reserve assets	139.7	252.4	112.8
Total	752.3	758.0	5.7

Foreign assets

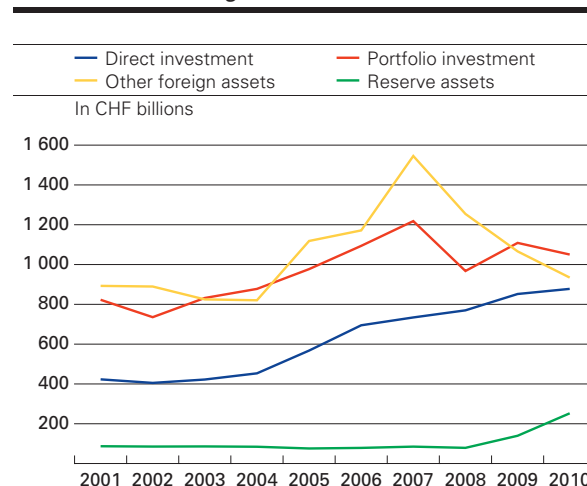
Foreign assets decreased by CHF 52 billion to CHF 3,115 billion (-1.6%). Exchange rate losses on foreign currency holdings amounted to CHF 282 billion. To a large extent these losses were offset by capital outflows and valuation gains on foreign shares and derivatives. Activities by the SNB resulted in major capital outflows, with its purchases of foreign exchange increasing the reserve assets.

Direct investment abroad grew by CHF 26 billion to CHF 878 billion. The rise was driven by increased intragroup lending and retained profits, which considerably exceeded the exchange rate losses on the foreign currency holdings.

Portfolio investment abroad contracted by CHF 59 billion to CHF 1,050 billion. The decline was mainly due to exchange rate-related valuation losses. Moreover, investors sold foreign money market instruments in euros on a large scale. Since there was low investment in foreign bonds, the stock of debt securities decreased overall by CHF 62 billion to CHF 636 billion. By contrast, the stock of equity securities rose by CHF 4 billion to CHF 415 billion as a result of purchases and higher share prices.

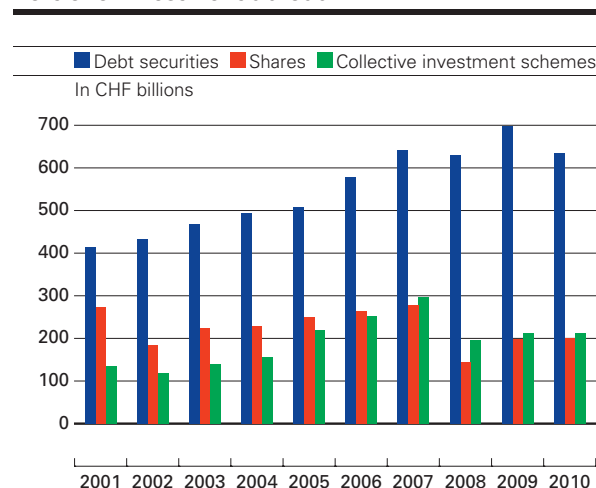
The stock of derivatives and structured products increased from CHF 171 billion to CHF 176 billion. This growth was attributable to the rise from CHF 127 billion to CHF 136 billion in the positive replacement values of derivatives with counterparties abroad. The stock of foreign-issued structured products receded by CHF 4 billion to CHF 40 billion, owing to exchange rate movements.

Chart 2
Switzerland's foreign assets



Other foreign assets include derivatives and structured products as well as the category other assets.

Chart 3
Portfolio investment abroad



The category other assets fell by CHF 136 billion to CHF 759 billion. The decline was due to exchange rate losses of CHF 77 billion as well as the reduction in claims of CHF 68 billion. The major share of this decline was attributable to interbank claims, which decreased by CHF 93 billion to CHF 318 billion. The SNB reduced its swap and repo transactions with central banks and commercial banks abroad by CHF 32 billion to CHF 1 billion. Moreover, domestic investors again reduced their fiduciary investments abroad, by CHF 15 billion to CHF 46 billion.

Reserve assets climbed by CHF 113 billion to CHF 252 billion, owing to foreign exchange purchases by the SNB.

These developments affected the relative shares of the different components of total foreign assets. While the share of reserve assets increased from 4% to 8%, the share of the category other assets fell from 28% to 24%. The shares of the other components changed only slightly.

Switzerland's international investment position – assets

Table 2

Total at year-end

In CHF billions

	2009	2010	Year-on-year change in percent	Share in percent
Direct investment	852.0	877.7	3.0	28.2
Portfolio investment	1 108.7	1 050.3	-5.3	33.7
Debt securities	697.7	635.6	-8.9	20.4
Shares	198.7	201.5	1.4	6.5
Collective investment schemes	212.3	213.2	0.4	6.8
Derivatives and structured products	171.3	175.8	2.7	5.6
Derivatives	127.1	135.7	6.8	4.4
Structured products	44.1	40.1	-9.2	1.3
Other assets	894.9	758.7	-15.2	24.4
of which, loans by				
Banks to banks	411.2	318.0	-22.7	10.2
Banks to customers	143.8	145.1	0.9	4.7
Swiss National Bank	33.0	1.4	-95.9	0.0
of which fiduciary investments	61.2	46.4	-24.3	1.5
Reserve assets	139.7	252.4	80.8	8.1
Total	3 166.6	3 114.9	-1.6	100.0

Foreign liabilities

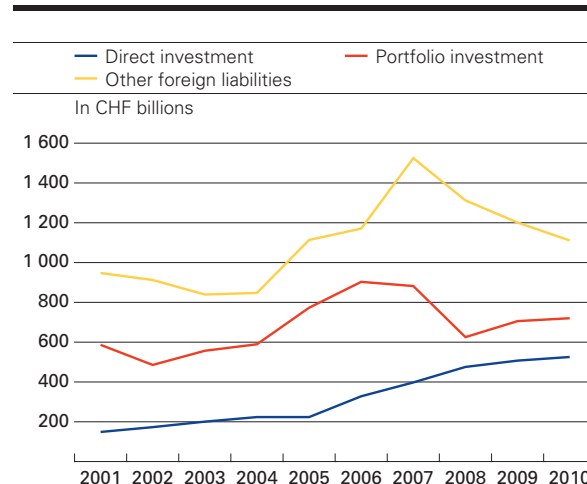
Foreign liabilities fell by CHF 57 billion to CHF 2,356 billion (-2.4%). Exchange rate-related valuation losses on foreign liabilities amounted to CHF 107 billion, and were thus considerably lower than currency losses on the assets side. The reason is that the foreign currency holdings on the liabilities side are some three times smaller than those on the assets side. Almost half of the exchange rate losses on foreign liabilities were offset by capital inflows and valuation gains on domestic securities and derivatives.

The stock of foreign direct investment in Switzerland increased by CHF 18 billion to CHF 526 billion. The rise was mainly due to the increase in intragroup lending; equity capital was reduced.

Foreign portfolio investment in Switzerland grew by CHF 15 billion to CHF 720 billion. This increase was due to purchases by foreign investors of money market instruments, especially SNB Bills, amounting to around CHF 30 billion. Bond holdings changed very little. Overall, debt securities grew by CHF 31 billion to CHF 89 billion. By contrast, holdings of shares declined by CHF 11 billion to CHF 544 billion, and those in collective investment schemes by CHF 6 billion to CHF 87 billion. The decrease was mainly attributable to sales, with price gains slightly offsetting the decline in holdings.

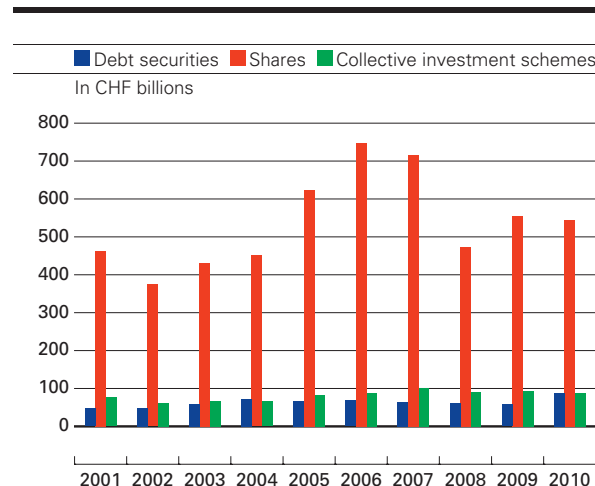
Derivatives and structured products amounted to CHF 143 billion, compared with CHF 136 billion in 2009. The negative replacement values of derivatives with counterparties abroad increased from CHF 128 billion to CHF 135 billion. Structured products of domestic issuers held by foreign investors remained unchanged at CHF 8 billion.

Chart 4
Switzerland's foreign liabilities



Other foreign liabilities include derivatives and structured products as well as the category other liabilities.

Chart 5
Portfolio investment in Switzerland



The category other liabilities contracted by CHF 97 billion to CHF 969 billion, mainly as a result of exchange rate losses (CHF 85 billion). A large decline was registered in bank liabilities. Interbank liabilities fell by CHF 82 billion to CHF 360 billion, and deposits made by customers abroad in Swiss banks decreased by CHF 13 billion to CHF 251 billion. The SNB reduced its liabilities towards central banks and commercial banks abroad by CHF 1 billion to CHF 4 billion.

These developments hardly affected the relative shares of the different components of total foreign liabilities. The share of the category other liabilities declined slightly, while the shares of direct investment and portfolio investment increased marginally.

Switzerland's international investment position – liabilities

Table 3

Total at year-end

In CHF billions

	2009	2010	Year-on-year change in percent	Share in percent
Direct investment	507.4	525.5	3.6	22.3
Portfolio investment	705.8	720.3	2.1	30.6
Debt securities	57.5	88.9	54.6	3.8
Shares	554.9	544.1	-2.0	23.1
Collective investment schemes	93.3	87.3	-6.4	3.7
Derivatives and structured products	135.8	142.5	5.0	6.0
Derivatives	127.7	134.5	5.4	5.7
Structured products	8.1	8.0	-1.7	0.3
Other liabilities	1 065.3	968.5	-9.1	41.1
of which, loans to				
Banks from banks	442.4	360.5	-18.5	15.3
Banks from customers	263.3	250.6	-4.8	10.6
Swiss National Bank	4.5	3.8	-16.4	0.2
Total	2 414.2	2 356.9	-2.4	100.0

Breakdown of foreign assets and liabilities by currency

Despite massive exchange rate losses on US dollar and euro holdings, the currency composition of foreign assets remained practically unchanged. At the end of 2010, foreign currencies accounted for 82% of foreign assets (2009: 83%), of which 29% were held in euros (2009: 31%), 26% in US dollars (2009: 26%) and 28% (2009: 26%) in other foreign currencies. The stability of the currency breakdown is due to the SNB's US dollar and euro purchases, which largely offset the decline in assets in these currencies as a result of exchange rate movements.

By contrast, the share of foreign currencies in foreign liabilities decreased to 37%, down from 40% in the previous year, owing to purchases by foreign investors of SNB bills denominated in Swiss francs. The US dollar remained the most important foreign currency in this category at 16% (2009: 17%), followed by the euro at 13% (2009: 15%) and other currencies at 8% (2009: 8%).

Chart 6
Foreign assets

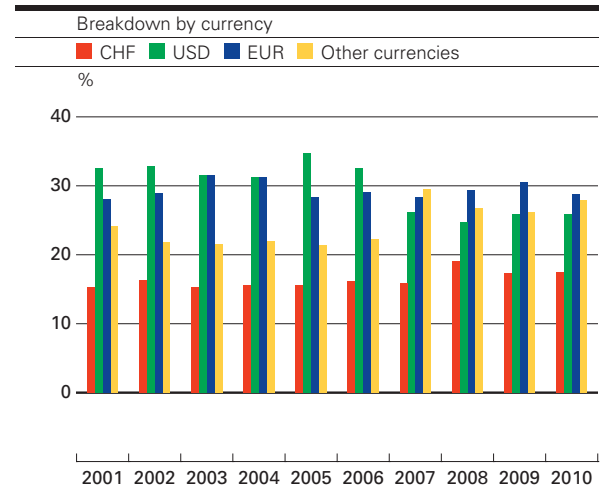
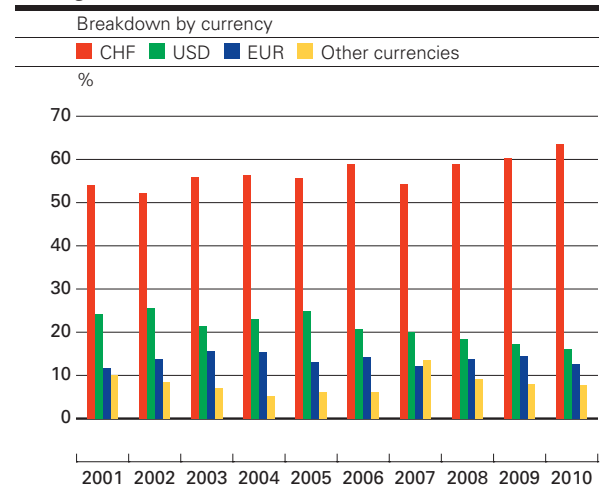


Chart 7
Foreign liabilities



Foreign portfolio investment by country of issuer

As in the year before, the vast majority – 83% – of securities held by Swiss investors in the year under review were issued by borrowers in Europe, North America and offshore financial centres. The most important countries of origin for foreign issuers were the US (17%), Luxembourg (14%), Germany and France (9% each). The proportion of securities issued by borrowers from offshore financial centres in Europe and in Central and South America amounted to 2% and 5%, respectively. The proportion from the PIGS countries (Portugal, Ireland, Greece, Spain) came to 4%.

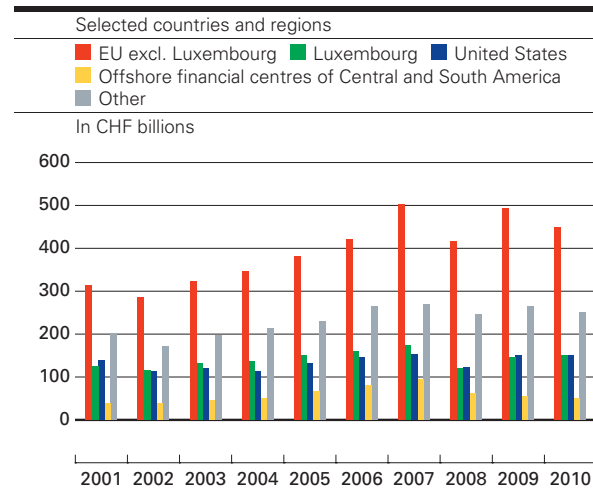
Swiss investors held 61% of their investments in securities issued by foreign borrowers in the form of debt securities, 19% in shares and 20% in collective investment schemes. Debt securities were the main investment vehicle in most of the issuers' countries of origin. In the US and some Asian countries – in particular Japan, Singapore and China – shares accounted for a comparatively large proportion of investments. Collective investment schemes were the largest component in Luxembourg and in the Central and South American offshore financial centres.

The stock of securities issued by foreign borrowers and held by Swiss investors declined with regard to most regions and countries, in particular the European offshore financial centres (CHF –41 billion), the PIGS countries (CHF –21 billion) and France (CHF –14 billion).

The decrease was particularly strong in money market paper from these regions and countries. By contrast, there was an increase in the stocks of securities issued by borrowers from North America (CHF +5 billion), Luxembourg (CHF +4 billion) and Asian countries (CHF +4 billion). Since Swiss investors hold a comparatively high proportion of shares and of units in collective investment schemes in these countries, they were able to benefit from price gains in these categories in 2010.

Chart 8

Portfolio investment abroad



EU: up to 2003 EU15, from 2004 EU25, from 2007 EU27.

Portfolio investment abroad in 2010 – Breakdown by instrument category in selected countries and regions

Table 4

Total at year-end

In CHF billions

	Debt securities	Shares	Collective investment schemes	Total	Total year-on-year change	
					in CHF billions	in percent
Europe	384.0	88.9	162.3	635.2	-57.4	-8.3
EU27	365.2	84.5	148.7	598.4	-40.6	-6.3
of which						
Germany	70.5	24.6	3.7	98.8	-9.9	-9.1
France	71.6	14.6	6.0	92.2	-13.6	-12.8
Luxembourg	26.8	4.8	118.9	150.4	4.4	3.0
Netherlands	62.1	5.2	0.6	67.9	-3.5	-4.9
United Kingdom	40.1	20.9	2.6	63.6	-1.0	-1.6
PIGS ¹	20.3	4.3	15.2	39.8	-10.4	-20.7
Offshore financial centres	10.0	0.9	13.4	24.3	-16.8	-40.9
North America	99.1	63.8	12.3	175.2	4.6	2.7
of which						
United States	83.4	55.6	12.0	151.0	1.2	0.8
Central and South America	11.2	7.5	37.2	55.9	-4.3	-7.1
of which						
Offshore financial centres	8.2	4.1	37.2	49.5	-5.6	-10.2
Asia	13.8	20.6	1.0	35.5	3.8	12.1
Rest of the world and international organisations	26.9	6.0	0.2	33.2	3.7	12.6
Other/miscellaneous	100.4	14.8	-	115.2	-9.0	-7.3
Total all countries	635.6	201.5	213.2	1 050.3	-58.5	-5.3

¹ PIGS: Portugal, Ireland, Greece, Spain.

Special topic: Switzerland's external debt

Introduction

Switzerland's foreign assets and foreign liabilities are very high. The fact that assets far exceed liabilities means that the high level of external debt in relation to GDP, by international standards, tends to be overlooked. Switzerland's large external debt is linked to the size of the banking industry and its international focus. The chapters that follow examine the development of Switzerland's external debt over the last few years and show why it has been falling since the financial crisis while it has risen in many other countries.

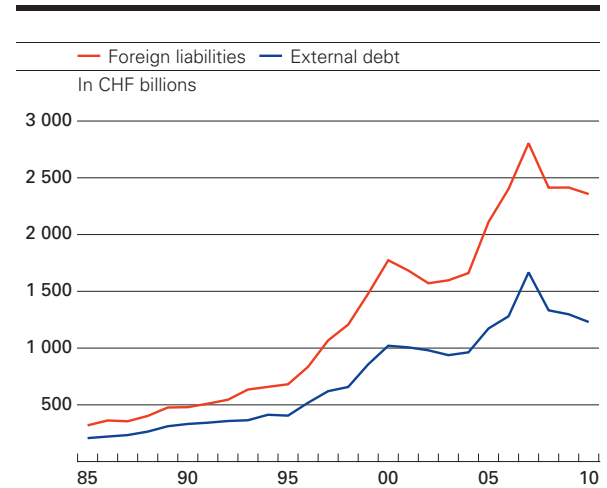
Level and structure of Switzerland's external debt

Switzerland's external debt captures a part of foreign liabilities. In principle, it comprises those liabilities for which repayment of principal plus interest payments are required, and where the associated payment obligations could lead to solvency problems for the country in question. These liabilities include loans from abroad, as well as debt securities (bonds and money market instruments) issued by residents and held by foreign investors.

Chart 9 shows Switzerland's foreign liabilities and external debt during the period from 1985 to 2010. Foreign liabilities rose more markedly than external debt. This was because foreigners increasingly placed their funds in investments without payment obligations for Switzerland, in other words, direct investment and equity securities. Between 1985 and 2010, the share of external debt in total foreign liabilities decreased from roughly 65% to 52%.

Table 5 shows the movements of the individual components of external debt over the last five years. The presentation is based on guidelines laid down in the International Monetary Fund's Special Data Dissemination Standard (SDDS).¹

Chart 9
Foreign liabilities and external debt



¹ Through the Special Data Dissemination Standard (SDDS), introduced in 1996, economic and financial data collected at a national level are made available and comparable at an international level – in terms of definition, periodicity and topicality.

In Switzerland, the private sector accounts for most of the external debt. By contrast, the proportion of the public sector (general government and the Swiss National Bank (SNB))² is negligible (cf. chart 10). In the private sector, it is primarily the banks that determine the level and the development of external debt. Their external debt rose sharply prior to the financial crisis. After the crisis, banks significantly reduced their interbank liabilities towards other countries. At the same time, Switzerland's overall external debt fell from CHF 1,667 billion in 2007 to CHF 1,230 billion in 2010, with the banking industry still accounting for half of the total in 2010.

Switzerland's external debt is mainly short-term, i.e. Swiss debtors must repay the majority of their external debt (debt securities and loans) within a year. The majority of short-term external debt is made up of interbank business. At the beginning of the financial crisis in 2007, the short-term proportion of external debt reached a peak (72%). In 2010, short-term commitments only accounted for 63% of external debt (cf. chart 11). This is because, after 2007, banks had massively reduced interbank liabilities.

Chart 10
External debt by sector

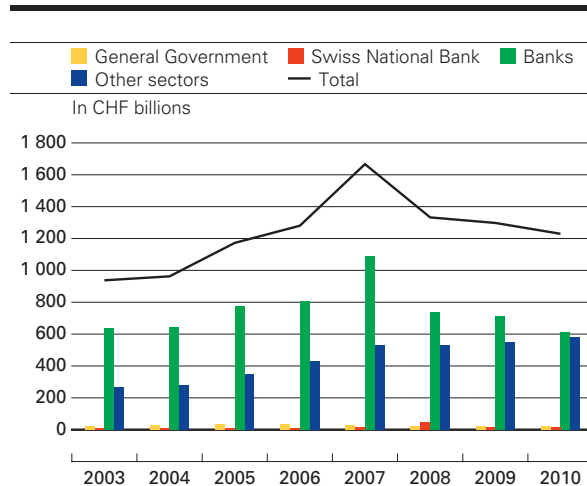
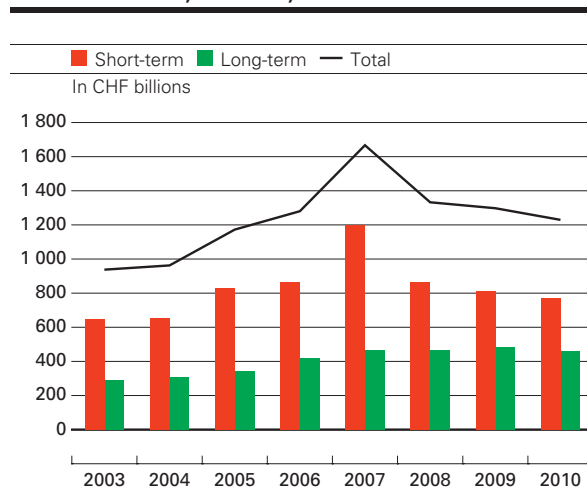


Chart 11
External debt by maturity



² Since 2008, the SNB has been issuing its own debt certificates (SNB Bills). SNB Bills held by foreigners are included in the National Bank's external debt in the form of short-term money market instruments. For statistical reasons, the SNB's short-term money market instruments cannot be reported separately, but only together with short-term money market instruments shown in the category other sectors.

External debt in net terms

Switzerland does not only have liabilities with respect to counterparties abroad; they are matched by claims which include loans as well debt securities issued by foreign borrowers and held by domestic investors. Chart 12 shows that Switzerland's claims against other countries exceed its liabilities. Net claims, i.e. the difference between claims and liabilities, amounted to CHF 691 billion in 2010. Especially net claims in other sectors – in particular those of insurance companies – and since 2009 also those of the SNB, are high. The banking industry, on the other hand, has been showing net liabilities towards counterparties abroad since 2008.

In the aftermath of the financial crisis, the proportion of the public sector's net claims increased at the expense of the private sector, rising from 9 percent to 34 percent between 2007 and 2010. The reason for this rise was the acquisition, in 2008, of illiquid UBS assets by the SNB's special purpose vehicle (SPV). In 2009 and 2010, the SNB's foreign currency purchases contributed to the increase.

Switzerland's short-term and long-term liabilities are both lower than the corresponding claims. In other words, Switzerland is a net creditor both at the short and the long end of the market (cf. chart 13). The net claims are mainly long-term commitments. In 2007 and 2010, 87 percent and 88 percent respectively of the net claims were long-term.

Chart 12
Net claims abroad by sector

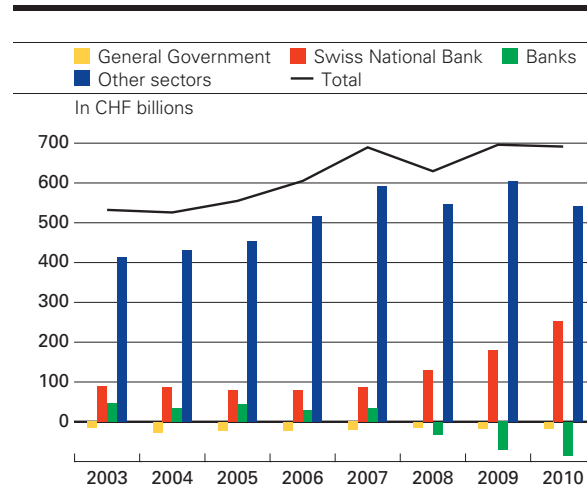
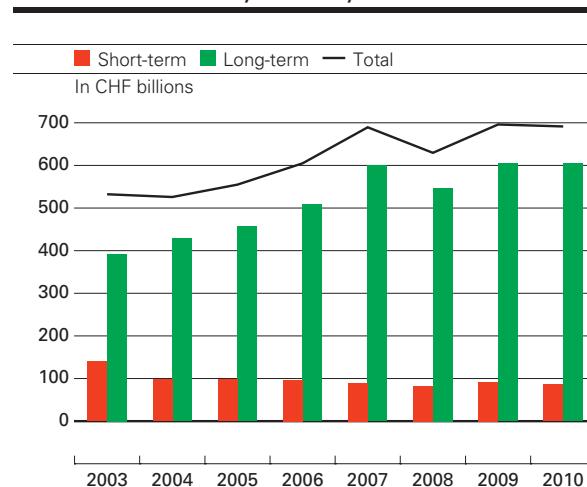


Chart 13
Net claims abroad by maturity



International comparison

Compared to countries of the European Union^{3,4} Switzerland's external debt figures – expressed as a percentage of GDP – are in the upper middle range (cf. chart 14). This relatively high level of external debt is attributable to the size of the banking industry and its international focus. In this respect, Switzerland is comparable to countries such as the UK and the Netherlands. The banking industry in both of these countries has a strong international focus.

After 2007, the external debt of the banking industry decreased in all the countries listed in chart 14. In Switzerland, the decline was the most substantial (cf. chart 15). Consequently, Switzerland is also the country whose overall external debt has recorded the sharpest decrease since 2007. The Netherlands is the only other country to have seen a marked decrease. Overall external debt increased in various countries. In nearly all European countries, general government, (public sector excluding the central bank) where external debt increased after the financial crisis, contributed to this development (cf. chart 16). General government in Switzerland has not only reduced its external debt since 2007, but its level of external debt is low in general compared to other countries.

Chart 14
External debt

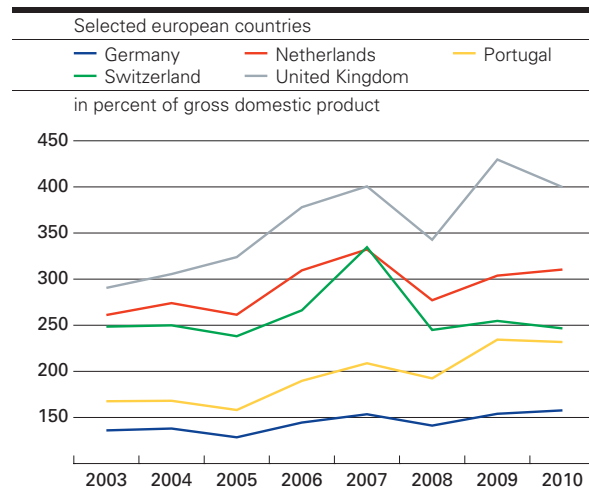


Chart 15
External debt of the banks

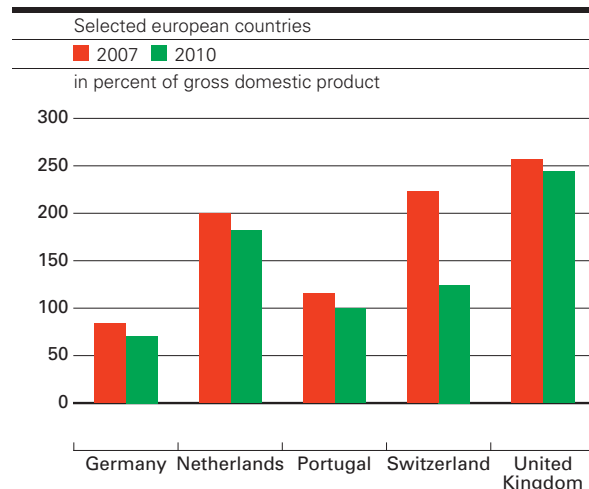
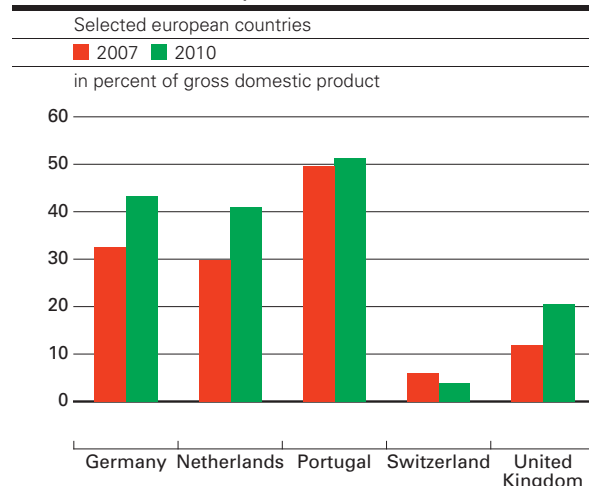


Chart 16
External debt of the public sector



³ For purposes of comparing Switzerland with countries of the European Union (EU), the Netherlands was chosen because its economic structure is similar, the UK because of its international financial centre and Germany because it is a neighbouring country and an important trading partner. Portugal was selected because of the debt crisis in the EU.

⁴ Source of data on external debt: <http://go.worldbank.org/6V603CE490>. The annual external debt data are based on figures for the fourth quarter. External debt for the UK in 2001 constitutes an exception, being based on the second quarter. Source for GDP data: IMF *International Financial Statistic*

Source chart 14 to 16:
International Financial Statistics (IMF)

Switzerland's external debt

Table 5

Stocks at year-end

In CHF billions

	2006	2007	2008	2009	2010
Public sector	34.0	30.0	24.0	20.1	19.9
Short-term	1.5	1.8	1.4	1.4	1.5
Money market instruments ¹	–	–	–	–	–
Liabilities abroad	1.5	1.8	1.4	1.4	1.5
Long-term	32.6	28.2	22.6	18.6	18.4
Bonds and notes	32.6	28.2	22.6	18.6	18.4
Liabilities abroad	–	–	–	–	–
Swiss National Bank	10.0	16.1	45.6	16.0	15.7
Short-term	10.0	16.1	45.6	16.0	15.7
Money market instruments ¹	–	–	–	–	–
Liabilities abroad	10.0	16.1	45.6	16.0	15.7
Long-term	–	–	–	–	–
Bonds and notes	–	–	–	–	–
Liabilities abroad	–	–	–	–	–
Banks	806.4	1 088.2	735.2	710.8	612.3
Short-term	755.3	1 038.1	673.0	650.9	564.9
Money market instruments ¹	–	–	–	–	–
Liabilities abroad	755.3	1 038.1	673.0	650.9	564.9
Long-term	51.1	50.1	62.2	60.0	47.5
Bonds and notes ²	–	–	–	–	–
Liabilities abroad	51.1	50.1	62.2	60.0	47.5
Other sectors	287.3	348.4	330.6	342.1	374.6
Short-term	97.0	144.0	144.2	144.5	186.8
Money market instruments ³	1.7	1.9	2.9	4.0	35.2
Liabilities abroad	95.3	142.1	141.3	140.5	151.7
Long-term	190.3	204.4	186.3	197.6	187.8
Bonds and notes ⁴	33.9	35.3	35.8	34.9	35.4
Liabilities abroad	156.4	169.1	150.4	162.8	152.3
Direct investment loans	142.5	184.2	197.3	208.7	207.1
Liabilities towards subsidiaries abroad	69.1	90.3	88.9	108.7	92.7
Liabilities towards direct investors abroad	73.5	93.8	108.3	100.0	114.4
Total	1 280.2	1 666.8	1 332.5	1 297.7	1 229.5
Short-term	863.8	1 200.0	864.2	812.8	768.7
Money market instruments ³	1.7	1.9	2.9	4.0	35.2
Liabilities abroad	862.0	1 198.1	861.3	808.7	733.7
Long-term	416.5	466.8	468.4	485.0	460.7
Bonds and notes ⁴	66.4	63.5	58.4	53.5	53.8
Liabilities abroad	350.0	403.3	409.9	431.5	406.9

¹ Included in money market instruments issued by the other sectors.

² Included in bonds issued by the other sectors.

³ Including money market instruments issued by banks, the public sector and the Swiss National Bank.

⁴ Including bonds issued by banks.

Definition of external debt

According to the International Monetary Fund (IMF), external debt comprises all foreign liabilities that require payment(s) of principal and/or interest by the debtor⁵ and which thus constitute payment obligations for an economy. These liabilities include short and long-term loans from abroad, as well as debt securities (bonds and money market instruments) issued by residents and held by foreign investors. External debt does not include foreign liabilities that do not convey a payment obligation. This is the case for equity securities of resident companies and investment funds (shares and units in collective investment schemes) held by non-resident investors, as well as capital participations by non-resident direct investors in resident companies. Contingent liabilities from derivative financial transactions are also not included in external debt.

The history of the term 'external debt' is closely bound up with the currency and financial crises of the 1990s, in which countries like Mexico and Thailand experienced liquidity or solvency problems.

In response to the Mexican crisis of the mid-1990s, the IMF decided to make national economic and financial data internationally available and comparable as regards definitions, periodicity and topicality.

The introduction of the Special Data Dissemination Standard (SDDS) was designed to improve the basis for monetary policy decision-making and the functioning of capital markets. The SDDS entered into force in March 1996; 47 countries – including Switzerland – subscribed; today 68 countries are subscribers.

In 1997–1998 the Asian crisis erupted. This was mainly brought about by the large number of foreign loans taken out by Asian banks to finance their domestic operations. The foreign loans were short-term in nature, and denominated in foreign currency. Meanwhile, the level of matching currency reserves was low. Thus there was a danger that, when the loans fell due, currency reserves would not be sufficient to meet foreign currency liabilities. In the light of these liquidity crises, the IMF expanded the SDDS, especially as regards currency reserves and foreign liabilities: the new data category of external debt was created.

Switzerland's external debt figures are compiled according to the SDDS guidelines and published by the SNB in the internet version of its *Monthly Statistical Bulletin* (Table R6a, 'Switzerland's external debt'). At international level, the IMF publishes data for Switzerland and the other subscriber countries on the SDDS website.⁶

⁵ In reality, foreign liabilities that require payment(s) of principal and interest make up the majority of external debt. Only in the case of perpetual bonds does the liability require the payment of interest but not of principal. For the definition of external debt, cf. IMS, *External Debt Statistics, Guide for Compiler and Users*, 2003.

⁶ <http://go.worldbank.org/6V603CE490>.

Notes

Changes from the previous year

None.

Statistical basis

Direct investment

Swiss direct investment abroad

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

Foreign direct investment in Switzerland

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

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

Portfolio investment

Swiss portfolio investment abroad

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

Foreign portfolio investment in Switzerland

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

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

Derivatives and structured products

Derivatives include unconditional forward transactions (forwards, futures, swaps) and conditional forward transactions (options). Derivatives abroad: Positive replacement values of outstanding derivative financial instruments with counterparties abroad. Derivatives in Switzerland: Negative replacement values of outstanding derivative financial instruments with counterparties abroad. The statistics are based on data submitted to the SNB by banks and companies.

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

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

Other assets and liabilities

Lending by the SNB

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

Bank lending

Claims abroad: Lending to banks and customers abroad. Liabilities abroad: Deposits of foreign banks and foreign customers.

Private sector lending

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

Public sector lending

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

Other claims and liabilities abroad

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

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

Reserve assets

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

Methodological basis

Definition

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

Switzerland's international investment position is compiled in accordance with IMF guidelines (*Balance of Payments Manual*, 5th edition).

Valuation of stocks

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

International investment position and balance of payments

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

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

Legal basis

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

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Explanation of symbols

Data confidential, not available or not applicable.
Figures in bold type show new or revised values.
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 the international investment position in December. When the provisional data for the year under review are published in December, the figures for the previous period are generally also revised.

For these revisions, information supplied after the deadline and new data from secondary sources are taken into account; provisional estimates are revised or replaced.

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

Long time series

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

1.1 Switzerland's international investment position – overview

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Foreign assets	3 038 779	3 582 839	3 070 627	3 166 550	3 114 925
Direct investment	694 777	734 161	769 882	851 997	877 705
Portfolio investment	1 093 842	1 218 243	967 596	1 108 737	1 050 267
Derivatives and structured products	113 568	138 867	234 862	171 252	175 815
Other assets	1 057 924	1 406 540	1 019 399	894 901	758 692
Reserve assets	78 668	85 029	78 887	139 664	252 446
Foreign liabilities	2 402 031	2 804 548	2 413 363	2 414 239	2 356 919
Direct investment	328 174	397 667	475 612	507 363	525 550
Portfolio investment	903 140	882 077	625 395	705 805	720 345
Derivatives and structured products	70 936	75 938	205 733	135 795	142 521
Other liabilities	1 099 781	1 448 867	1 106 624	1 065 277	968 504
Net investment position	636 748	778 291	657 263	752 311	758 006
Direct investment	366 603	336 493	294 270	344 634	352 155
Portfolio investment	190 702	336 167	342 202	402 932	329 922
Derivatives and structured products	42 633	62 929	29 130	35 457	33 294
Other assets and liabilities	- 41 857	- 42 327	- 87 225	- 170 376	- 209 811
Reserve assets	78 668	85 029	78 887	139 664	252 446

2.1 Assets – breakdown by components

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Direct investment¹	694 777	734 161	769 882	851 997	877 705
Equity capital ²	631 771	700 180	709 857	794 163	793 424
Loans	63 005	33 980	60 025	57 834	84 281
Portfolio investment³	1 093 842	1 218 243	967 596	1 108 737	1 050 267
Debt securities	579 490	642 784	628 842	697 677	635 553
Bonds and notes	517 988	553 913	542 532	610 534	576 023
Money market instruments ⁴	61 502	88 871	86 310	87 142	59 530
Equity securities	514 353	575 459	338 755	411 061	414 715
Shares	263 135	277 530	143 362	198 734	201 530
Collective investment schemes ⁵	251 218	297 929	195 392	212 327	213 184
Derivatives and structured products	113 568	138 867	234 862	171 252	175 815
Derivatives ⁶	46 244	58 312	189 563	127 121	135 734
Structured products	67 324	80 555	45 299	44 131	40 081
Other foreign assets	1 057 924	1 406 540	1 019 399	894 901	758 692
Loans by	943 435	1 274 229	918 016	826 954	704 425
Swiss National Bank ⁷	9 785	15 641	79 461	33 047	1 368
Public sector	8 954	6 167	445	451	455
Banks ⁸	739 126	1 013 141	613 442	555 022	463 086
To banks	581 195	812 726	447 706	411 196	318 014
To customers	157 931	200 415	165 736	143 826	145 072
Companies ⁹	185 571	239 281	224 668	238 434	239 516
Other investment	114 488	132 310	101 383	67 946	54 267
of which					
Fiduciary investments	107 818	124 060	94 521	61 196	46 352
Reserve assets	78 668	85 029	78 887	139 664	252 446
Gold ¹⁰	32 221	34 776	30 862	38 186	43 988
Foreign exchange ¹¹	45 592	49 468	47 063	94 680	202 742
Reserve position in the IMF	557	406	725	1 231	1 068
Other reserve assets ¹²	298	379	238	5 568	4 648
Total	3 038 779	3 582 839	3 070 627	3 166 550	3 114 925

¹ Expansion of the reporting population in 1993 and 2004.

² Until 1985, excluding banks.

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

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

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

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

⁷ As of 2003, including monetary assistance loans.

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

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

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

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

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

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

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

2.2 Assets – breakdown by currency

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Direct investment¹	694 777	734 161	769 882	851 997	877 705
CHF	- 4 113	- 8 869	- 33	- 600	11 647
USD	154 712	118 033	119 689	153 528	179 306
EUR	209 150	238 107	243 130	254 149	257 168
Other currencies	335 027	386 889	407 096	444 919	429 584
Portfolio investment	1 093 842	1 218 243	967 596	1 108 737	1 050 267
CHF	294 704	340 676	314 217	343 033	340 513
USD	269 940	294 791	232 734	267 064	259 978
EUR	394 247	436 025	326 992	380 003	312 708
Other currencies	134 952	146 751	93 653	118 637	137 068
Derivatives and structured products	113 568	138 867	234 862	171 252	175 815
CHF	73 092	89 858	120 560	76 126	87 068
USD	14 810	19 078	53 759	36 724	33 268
EUR	22 528	24 646	40 567	34 876	33 819
Other currencies	3 092	5 148	19 867	23 451	21 520
Precious metals	46	137	109	74	141
Other foreign assets	1 057 924	1 406 540	1 019 399	894 901	758 692
CHF	128 808	149 193	149 612	131 591	103 630
USD	534 232	489 835	341 534	333 192	284 458
EUR	234 252	295 023	269 454	244 756	181 585
Other currencies	149 502	459 279	254 334	178 006	180 531
Precious metals	11 129	13 209	4 465	7 356	8 488
Reserve assets	78 668	85 029	78 887	139 664	252 446
USD	14 956	15 711	13 487	28 525	50 615
EUR	21 443	23 047	23 442	55 027	110 891
Other currencies	10 048	11 495	11 097	17 926	46 952
Precious metals	32 221	34 776	30 862	38 186	43 988
Total	3 038 779	3 582 839	3 070 627	3 166 550	3 114 925
CHF	492 491	570 858	584 356	550 150	542 858
USD	988 650	937 449	761 203	819 034	807 624
EUR	881 620	1 016 849	903 585	968 811	896 172
Other currencies	632 622	1 009 562	786 047	782 940	815 654
Precious metals	43 396	48 122	35 436	45 616	52 617

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

2.3 Assets – breakdown by sector

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Swiss National Bank	90 250	102 502	177 993	195 451	267 381
Portfolio investment	1 707	1 742	16 913	22 619	13 435
Derivatives and structured products	.	.	2 642	30	43
Loans and other foreign assets	9 875	15 731	79 552	33 138	1 458
Reserve assets	78 668	85 029	78 887	139 664	252 446
Public sector	18 754	20 972	13 255	5 604	5 609
Portfolio investment	8 832	13 126	11 538	4 015	3 902
Derivatives and structured products	532	718	349	220	207
Loans and other foreign assets	9 390	7 128	1 369	1 369	1 499
Banks	959 078	1 264 937	890 512	775 763	667 592
Direct investment	81 410	86 794	79 982	82 856	74 670
Portfolio investment	96 534	108 352	90 380	84 552	64 010
Derivatives and structured products	42 003	56 650	106 708	53 334	65 826
Loans and other foreign assets	739 131	1 013 141	613 442	555 022	463 086
Other sectors	1 970 696	2 194 428	1 988 866	2 189 732	2 174 343
Direct investment	613 366	647 367	689 900	769 141	803 035
Portfolio investment	986 769	1 095 023	848 766	997 551	968 920
Derivatives and structured products	71 033	81 499	125 164	117 669	109 739
Loans and other foreign assets	299 528	370 540	325 036	305 371	292 649
Total	3 038 779	3 582 839	3 070 627	3 166 550	3 114 925

3.1 Liabilities – breakdown by components

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Direct investment¹	328 174	397 667	475 612	507 363	525 550
Equity capital	293 811	404 677	455 863	504 858	511 255
Loans	34 363	- 7 010	19 749	2 505	14 295
Portfolio investment	903 140	882 077	625 395	705 805	720 345
Debt securities	68 150	65 365	61 331	57 540	88 937
Bonds and notes	66 415	63 479	58 431	53 502	53 781
Money market instruments ²	1 735	1 886	2 900	4 038	35 155
Equity securities	834 990	816 712	564 064	648 265	631 408
Shares	746 653	716 378	473 259	554 938	544 059
Collective investment schemes ³	88 337	100 334	90 805	93 327	87 350
Derivatives and structured products	70 936	75 938	205 733	135 795	142 521
Derivatives ⁴	41 914	57 199	193 718	127 677	134 537
Structured products	29 021	18 739	12 015	8 118	7 984
Other foreign liabilities	1 099 781	1 448 867	1 106 624	1 065 277	968 504
Loans to	984 894	1 328 112	981 084	942 047	848 117
Swiss National Bank	426	6 380	34 426	4 531	3 790
Public sector	1 463	1 755	1 389	1 416	1 532
Banks ⁵	803 859	1 084 793	720 934	705 633	611 098
From banks	688 407	963 738	563 003	442 381	360 472
From customers	115 452	121 055	157 931	263 252	250 626
Companies ⁶	179 146	235 184	224 336	230 467	231 697
Other investment	114 887	120 755	125 540	123 230	120 387
Total	2 402 031	2 804 548	2 413 363	2 414 239	2 356 919

¹ Expansion of the reporting population in 1993 and 2004.

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

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

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

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

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

3.2 Liabilities – breakdown by currency

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Direct investment¹	328 174	397 667	475 612	507 363	525 550
CHF	311 599	414 844	473 708	515 812	520 645
USD	20 890	- 6 210	1 094	- 7 848	12 367
EUR	1 995	4 525	8 321	10 401	198
Other currencies	- 6 310	- 15 492	- 7 510	- 11 002	- 7 660
Portfolio investment	903 140	882 077	625 395	705 805	720 345
CHF	810 813	779 514	532 548	609 637	635 861
USD	36 776	43 483	39 725	43 070	39 474
EUR	41 774	43 909	42 090	40 687	33 028
Other currencies	13 777	15 171	11 031	12 410	11 982
Derivatives and structured products	70 936	75 938	205 733	135 795	142 521
CHF	57 849	58 155	113 634	56 468	68 975
USD	5 905	7 093	39 983	29 980	24 831
EUR	5 818	8 992	31 813	36 535	35 435
Other currencies	1 338	1 624	20 212	12 693	13 168
Precious metals	26	73	91	119	112
Other foreign liabilities	1 099 781	1 448 867	1 106 624	1 065 277	968 504
CHF	234 940	267 077	302 278	272 731	272 743
USD	433 481	519 001	361 129	351 293	301 853
EUR	292 735	283 395	249 102	262 807	228 327
Other currencies	117 769	354 974	178 298	157 477	140 167
Precious metals	20 856	24 420	15 816	20 968	25 414
Total	2 402 031	2 804 548	2 413 363	2 414 239	2 356 919
CHF	1 415 200	1 519 590	1 422 168	1 454 648	1 498 224
USD	497 051	563 367	441 931	416 495	378 525
EUR	342 323	340 821	331 326	350 430	296 987
Other currencies	126 575	356 276	202 031	171 579	157 657
Precious metals	20 882	24 493	15 907	21 087	25 526

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

3.3 Liabilities – breakdown by sector

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Swiss National Bank	10 019	16 140	45 839	16 000	15 652
Portfolio investment ¹	.	.	.	.	.
Derivatives and structured products	.	.	265	22	0
Loans and other foreign liabilities	10 019	16 140	45 574	15 978	15 652
Public sector	34 019	29 957	23 972	20 056	19 894
Portfolio investment ²	32 556	28 202	22 583	18 641	18 363
Derivatives and structured products	.	.	.	.	.
Loans and other foreign liabilities	1 463	1 755	1 389	1 416	1 532
Banks	879 198	1 179 752	886 408	801 673	712 459
Direct investment	32 063	35 660	38 346	38 952	34 302
Portfolio investment ¹	.	.	.	.	.
Derivatives and structured products	40 757	55 923	112 895	51 874	65 825
Loans and other foreign liabilities	806 377	1 088 169	735 167	710 847	612 331
Other sectors	1 478 795	1 578 700	1 457 145	1 576 510	1 608 914
Direct investment	296 111	362 007	437 266	468 411	491 247
Portfolio investment ³	870 584	853 875	602 812	687 164	701 982
Derivatives and structured products	30 179	20 015	92 573	83 899	76 696
Loans and other foreign liabilities	281 921	342 803	324 494	337 036	338 988
Total	2 402 031	2 804 548	2 413 363	2 414 239	2 356 919

¹ Included in the portfolio investment of the other sectors.

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

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

4.1 Assets – portfolio investment abroad – by country of issuer

Total

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Europe	705 015	782 964	610 344	692 608	635 239
EU ¹	618 645	676 111	536 205	638 931	598 368
Other European countries ²	86 369	106 853	74 139	53 677	36 871
Selected countries					
Belgium	8 608	10 590	7 305	7 628	6 342
Denmark	6 380	7 826	5 912	7 847	7 463
Germany	125 243	132 982	100 871	108 751	98 840
Finland	6 696	7 821	7 101	7 946	7 416
France	77 584	85 584	81 070	105 743	92 185
Greece	3 405	3 950	3 074	3 378	1 349
Ireland	28 561	33 953	26 732	29 838	25 317
Italy	12 695	13 497	7 601	9 275	7 847
Luxembourg	159 828	174 033	120 794	146 086	150 437
Netherlands	66 184	65 942	60 882	71 364	67 861
Norway	6 491	8 479	8 254	8 645	9 025
Austria	35 088	40 036	38 609	38 290	32 818
Portugal	1 438	1 628	1 794	1 900	1 036
Russian Federation	3 898	5 701	1 632	2 810	2 674
Sweden	10 428	11 680	11 739	16 589	18 325
Spain	10 015	10 691	10 393	15 072	12 087
Turkey	2 658	1 286	721	552	618
United Kingdom	64 574	72 861	48 208	64 670	63 640
Offshore financial centres ³	71 607	89 536	63 264	41 121	24 291
North America	161 852	170 656	138 953	170 645	175 242
Canada	15 607	18 678	15 678	20 751	24 196
United States	146 245	151 978	123 275	149 894	151 046
Central and South America	85 773	98 556	65 129	60 144	55 893
of which					
Brazil	2 010	2 431	1 205	2 577	2 973
Mexico	1 119	1 223	1 046	1 563	2 069
Offshore financial centres ⁴	81 387	94 161	62 187	55 163	49 534

	2006	2007	2008	2009	2010
	1	2	3	4	5

Asia	34 573	36 470	25 007	31 659	35 495
of which					
Hong Kong	1 766	2 683	1 323	1 953	2 278
Japan	22 845	21 804	16 371	17 333	18 710
Korea, Republic of (South Korea)	2 582	3 128	2 329	4 372	4 785
Philippines	479	632	591	684	968
Singapore	1 509	2 081	1 016	1 564	1 821
Taiwan	1 196	1 050	498	971	1 406
Africa	2 090	2 357	1 424	1 972	2 377
of which					
South Africa	1 245	1 293	857	1 055	1 352
Oceania	13 984	16 933	13 446	18 559	22 165
of which					
Australia	12 640	15 160	12 734	17 499	20 889
New Zealand	1 270	1 645	636	807	1 070
International organisations	5 919	6 564	6 794	8 934	8 651
Not broken down by country	84 638	103 743	106 500	124 215	115 207
All countries	1 093 843	1 218 243	967 596	1 108 737	1 050 267

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

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

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

⁴ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

4.2 Assets – portfolio investment abroad – by country of issuer

Debt securities

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Europe	395 347	435 064	409 889	441 563	384 050
EU ¹	332 783	362 476	356 441	406 546	365 212
Other European countries ²	62 565	72 588	53 448	35 017	18 838
Selected countries					
Belgium	5 835	6 527	6 058	5 959	4 915
Denmark	5 536	6 887	5 423	7 083	6 562
Germany	89 628	85 710	81 202	80 261	70 457
Finland	4 149	4 725	5 971	6 438	6 202
France	51 170	56 553	65 792	82 885	71 597
Greece	2 397	2 788	2 817	3 056	1 201
Ireland	14 085	16 779	15 941	14 719	9 555
Italy	6 854	6 536	4 856	5 706	4 997
Luxembourg	19 641	22 211	19 037	25 900	26 812
Netherlands	54 434	56 591	56 410	65 099	62 110
Norway	5 246	6 946	7 587	7 585	7 932
Austria	31 765	36 474	36 869	36 244	30 577
Portugal	1 205	1 399	1 671	1 719	894
Russian Federation	370	294	191	130	209
Sweden	7 322	8 973	10 608	14 648	15 857
Spain	4 606	5 429	6 907	10 338	8 641
Turkey	390	1 180	680	415	461
United Kingdom	32 854	42 641	33 191	42 487	40 143
Offshore financial centres ³	54 882	62 337	44 738	26 560	9 996
North America	77 146	86 684	85 047	99 584	99 136
Canada	8 215	9 971	11 276	13 461	15 704
United States	68 932	76 713	73 772	86 123	83 433
Central and South America	17 994	16 687	12 186	11 015	11 198
of which					
Brazil	696	635	592	575	715
Mexico	538	526	433	699	1 211
Offshore financial centres ⁴	15 591	14 932	10 544	9 051	8 207

2006	2007	2008	2009	2010
1	2	3	4	5

Asia	7 628	10 567	10 651	12 881	13 821
of which					
Hong Kong	104	140	189	120	110
Japan	4 865	5 464	5 987	6 363	7 182
Korea, Republic of (South Korea)	838	1 418	1 782	3 084	3 034
Philippines	424	562	556	637	892
Singapore	370	811	480	520	615
Taiwan	75	75	20	19	118
Africa	851	970	703	1 046	1 061
of which					
South Africa	319	415	326	342	327
Oceania	10 507	12 541	11 313	14 139	17 202
of which					
Australia	9 302	10 967	10 710	13 381	16 181
New Zealand	1 203	1 571	600	755	1 017
International organisations	5 604	6 011	6 626	8 586	8 651
Not broken down by country	64 412	74 260	92 427	108 863	100 434
All countries	579 490	642 784	628 842	697 677	635 552

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

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

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⁴ 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.

4.3 Assets – portfolio investment abroad – by country of issuer

Equity securities

Stocks at year-end

In CHF millions

	2006	2007	2008	2009	2010
	1	2	3	4	5
Europe	309 667	347 900	200 455	251 045	251 189
EU ¹	285 862	313 636	179 763	232 385	233 157
Other European countries ²	23 805	34 264	20 691	18 660	18 032
Selected countries					
Belgium	2 772	4 063	1 246	1 668	1 427
Denmark	844	939	489	764	901
Germany	35 614	47 272	19 669	28 490	28 383
Finland	2 547	3 096	1 130	1 507	1 214
France	26 414	29 031	15 278	22 858	20 588
Greece	1 009	1 162	257	322	148
Ireland	14 476	17 174	10 791	15 120	15 762
Italy	5 841	6 961	2 745	3 569	2 850
Luxembourg	140 187	151 822	101 757	120 186	123 625
Netherlands	11 750	9 351	4 471	6 265	5 751
Norway	1 245	1 533	667	1 060	1 093
Austria	3 324	3 562	1 740	2 045	2 242
Portugal	233	229	123	181	143
Russian Federation	3 528	5 407	1 441	2 679	2 465
Sweden	3 106	2 706	1 131	1 941	2 468
Spain	5 409	5 262	3 487	4 734	3 445
Turkey	2 269	106	41	137	157
United Kingdom	31 721	30 220	15 018	22 183	23 496
Offshore financial centres ³	16 725	27 199	18 526	14 561	14 296
North America	84 706	83 972	53 906	71 061	76 106
Canada	7 392	8 707	4 402	7 290	8 492
United States	77 313	75 265	49 503	63 771	67 614
Central and South America	67 778	81 869	52 943	49 129	44 695
of which					
Brazil	1 314	1 796	613	2 003	2 257
Mexico	581	697	614	864	858
Offshore financial centres ⁴	65 796	79 229	51 644	46 113	41 327

2006	2007	2008	2009	2010
1	2	3	4	5

Asia	26 945	25 903	14 356	18 778	21 674
of which					
Hong Kong	1 662	2 543	1 133	1 832	2 168
Japan	17 979	16 340	10 385	10 969	11 529
Korea, Republic of (South Korea)	1 745	1 710	548	1 288	1 750
Philippines	55	70	35	47	76
Singapore	1 139	1 271	536	1 044	1 206
Taiwan	1 121	975	477	951	1 289
Africa	1 239	1 387	721	926	1 315
of which					
South Africa	926	877	531	713	1 025
Oceania	3 477	4 392	2 133	4 420	4 963
of which					
Australia	3 338	4 193	2 024	4 118	4 708
New Zealand	67	74	36	52	52
International organisations	315	553	168	349	—
Not broken down by country	20 226	29 483	14 073	15 352	14 773
All countries	514 353	575 459	338 755	411 061	414 715

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

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

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

⁴ Virgin Islands (US), Anguilla, Antigua and Barbuda, Bahamas, Barbados, Belize, Bermuda, Virgin Islands (British), Dominica, Grenada, Jamaica, Cayman Islands, Montserrat, Netherlands Antilles, Panama, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines, Turks and Caicos Islands.

Additonal SNB publication with data on Switzerland's international investment position

The SNB issues data on the international investment position in another publication, which is available in the form of a pdf document at www.snb.ch, *Publications, Monthly Statistical Bulletin*. Long time series can also be accessed on this webpage – on an annual basis from 1985, and on a quarterly basis from 2000.

Monthly Statistical Bulletin, R tables

Quarterly and yearly data on Switzerland's international investment position may be found in the R section of the *Monthly Statistical Bulletin*. The March, June, September and December issues contain the latest data on the investment position.

Further information

bop@snb.ch