

Communications

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Switzerland's international investment position in 2011

International investment position increases – Growth in foreign assets greater than that in foreign liabilities

In 2011, the international investment position was shaped by the financial account and falling share prices. In contrast to the previous year, exchange rate fluctuations only mildly affected the valuation of stocks.

Foreign assets climbed by CHF 81 billion to CHF 3,319 billion. The Swiss National Bank's (SNB) capital outflows made a major contribution to this increase: The SNB strengthened its reserve assets by CHF 59 billion to CHF 311 billion and increased its other claims abroad by CHF 14 billion to CHF 15 billion. Stocks of direct investment abroad rose by CHF 30 billion to CHF 1,000 billion. Derivatives and structured products also exceeded the previous year's level (+ CHF 11 billion to CHF 187 billion). Stocks of portfolio investment abroad declined, however, by CHF 29 billion to CHF 1,021 billion. Stocks of equity securities receded, mainly due to the lower equity prices in Europe. Sales and slight exchange rate-related valuation losses on investments in euros were the reasons for a decline in debt securities. Fiduciary investments abroad also decreased.

Foreign liabilities grew by CHF 43 billion to CHF 2,493 billion. In particular, banks' liabilities from loans rose for the first time since 2007, increasing by CHF 58 billion to CHF 701 billion. Of this rise, CHF 23 billion were attributed to the interbank business and CHF 35 billion to customer deposits from non-residents. Stocks of foreign direct investment in Switzerland climbed once again, by CHF 26 billion to CHF 607 billion. Stocks of derivatives and structured products also saw an increase, by CHF 19 billion to CHF 162 billion. In contrast, stocks of foreign portfolio investment in Switzerland recorded CHF 72 billion less than in the previous year, totalling CHF 649 billion at year-end 2011. The lower exchange rates, in particular affected stocks of equity securities, and in the case of debt securities, the decline was particularly attributable to the fact that the SNB reduced stocks of outstanding SNB Bills.

Since foreign assets grew more markedly than foreign liabilities, the net international investment position widened by CHF 38 billion to CHF 826 billion. In relation to GDP, the net international investment position amounted to 146%, compared with 144% in 2010.

14 December 2012

2

International investment position in brief

Total at year-end

In CHF billions

	2010	2011	Year-on-year change in CHF billions
Foreign assets			
Direct investment	970.4	1 000.3	29.9
Portfolio investment	1 050.0	1 020.5	-29.5
Derivatives and structured products	175.8	186.5	10.7
Other assets	789.8	800.5	10.7
of which, loans by			
Banks	493.8	498.7	4.9
Swiss National Bank	1.4	15.3	13.9
Reserve assets	252.4	311.4	58.9
Total	3 238.5	3 319.2	80.6
Foreign liabilities			
Direct investment	580.4	606.8	26.3
Portfolio investment	720.3	648.7	-71.6
Derivatives and structured products	142.5	161.7	19.2
Other liabilities	1 007.2	1 076.0	68.8
of which, loans to			
Banks	642.2	700.6	58.4
Swiss National Bank	3.8	6.5	2.7
Total	2 450.4	2 493.2	42.7
Net international investment position			
Direct investment	390.0	393.5	3.6
Portfolio investment	329.7	371.8	42.1
Derivatives and structured products	33.3	24.8	-8.5
Other positions	-217.3	-275.5	-58.1
of which, loans			
Banks	-148.4	-201.9	-53.5
Swiss National Bank	-2.4	8.8	11.2
Reserve assets	252.4	311.4	58.9
Total	788.1	826.0	38.0

Press release

The report on Switzerland's international investment position in 2011 has been reorganised and introductory paragraphs on longer-term developments have been added. These sections are highlighted in grey. As of today, the report is available on the SNB website, www.snb.ch, *Publications, Statistical publications*. The printed version may be obtained from the SNB as of 27 December 2012. (Subscribers to the SNB's *Monthly Statistical Bulletin* will receive the report automatically.)

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