

## Balance of Payments, Q3 2012



Coverage: **UK**

Date: **21 December 2012**

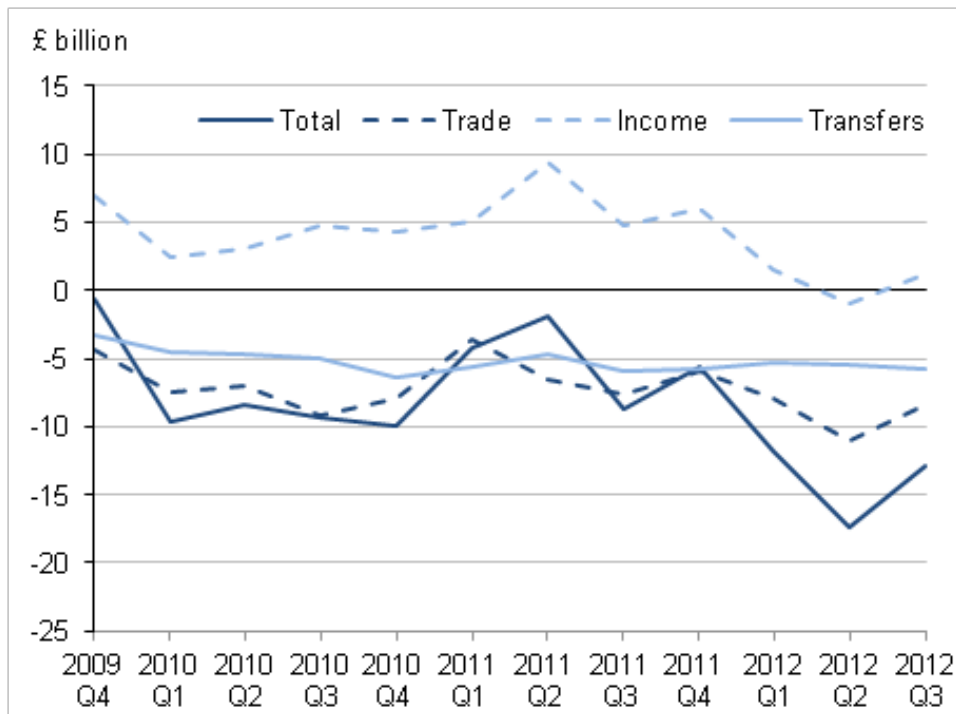
Geographical Area: **UK**

Theme: **Economy**

### Key points

- The United Kingdom's (UK) current account deficit was £12.8 billion in the third quarter of 2012, down from a revised deficit of £17.4 billion in the previous quarter. The deficit in the third quarter equated to 3.3% of GDP at current market prices.
- The trade deficit narrowed to £8.3 billion in the third quarter of 2012, down from £11.0 billion in the previous quarter.
- The income balance switched to a surplus of £1.2 billion, from a deficit of £1.0 billion in the second quarter of 2012.
- The financial account recorded net inward investment of £5.8 billion during the third quarter of 2012.
- The international investment position recorded UK net liabilities of £317.4 billion at the end of the third quarter of 2012.

### Summary

**Figure 1: Current account balances (Seasonally adjusted)**

Source: Office for National Statistics

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The balance of payments summarises the economic transactions of the UK with the rest of the world. These transactions can be broken down into three main accounts namely the current account, the capital account and the financial account.

The current account comprises of the trade in goods and services account, the income account and current transfers. A difference in the monetary value of these accounts is known as the current account balance. A current account balance is in surplus if overall credits exceed debits and in deficit if debits exceed credits.

A deficit or surplus on the current account is offset with an equal and opposite surplus or deficit on the capital and financial account. As the capital account is relatively small in comparison, the current account and financial account can be said to be counterparts.

The current account balance plus the capital account balance measures the extent to which the UK is a net lender (i.e. in surplus) or net borrower (i.e. in deficit). The UK has run a combined current and capital account deficit in every year since 1997 and every quarter since the fourth quarter of 2009.

### Annual

In the latest full year, 2011, the UK was a net borrower of £17.2 billion, down from £33.6 billion in 2010. This was as a result of an increased trade in services surplus, the largest on record, combined with an increased income surplus.

Both exports and imports of services were at a record high in 2011, but as exports grew by more than imports, this led to an increase in the trade in services surplus. This was mainly due to the increase in exports of financial and other business services.

The increase in the income surplus in 2011 was due to an increase in the direct investment income surplus, as income receipts increased by more than income payments. Receipts increased primarily due to the foreign subsidiaries of UK banks returning to profits after recording losses in 2010.

In 2011, the current account deficit equated to 1.3% of GDP at current market prices, compared with 2.5% in 2010. The deficit in trade in goods and services was equivalent to 1.6% of GDP in 2011 compared with 2.1% in 2010, and the income surplus equated to 1.7% of GDP in 2011 compared with 1.0% in 2010.

## Quarterly

In the latest quarter, the third quarter of 2012, the UK was a net borrower of £11.9 billion, down from £16.5 billion in the previous quarter. This was due to a decrease of £2.3 billion in the deficit in trade in goods, and the income balance moving from a deficit of £1.0 billion to a surplus of £1.2 billion.

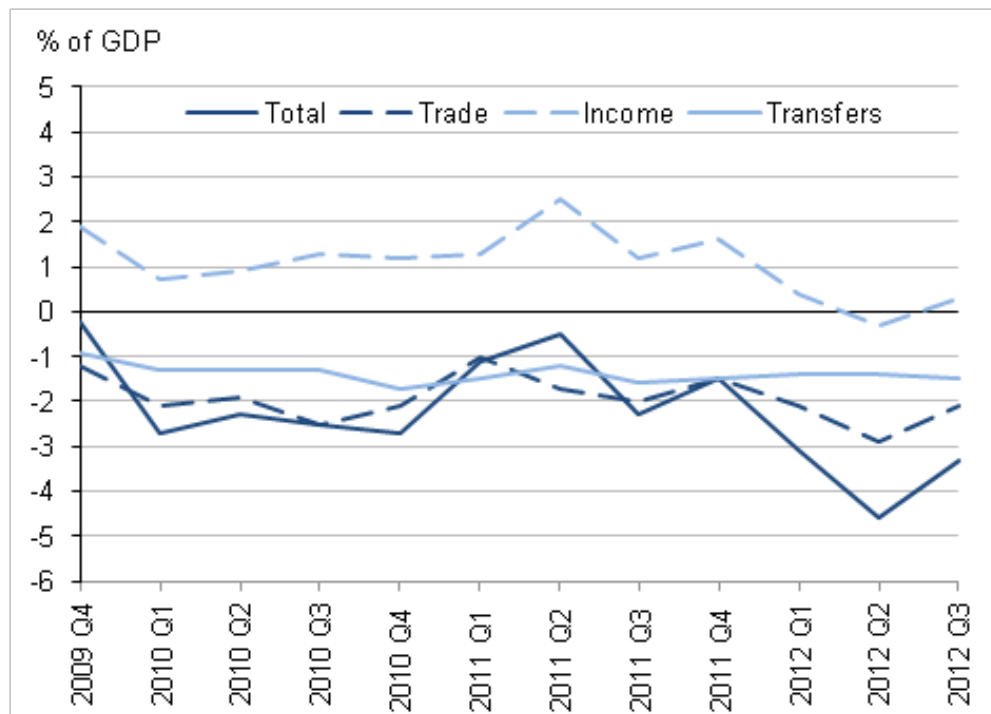
The moving of the income balance from deficit to surplus was due to a decrease in foreign earnings on direct, portfolio and other investment in the UK, and an increase in UK earnings on direct investment abroad, partially offset by a decrease in UK earnings on portfolio investment abroad. This meant that the direct investment income surplus increased by £3.8 billion, and the portfolio investment deficit increased by £1.4 billion.

The narrowing in the trade in goods deficit was due to a fall of £0.8 billion in imports of goods and an increase of £1.5 billion in exports, primarily due to exports of semi-manufactured goods, which rose by £1.3 billion to £21.5 billion in the third quarter 2012. Imports of semi-manufactured goods fell by £0.9 billion, which reduced the semi-manufactured goods deficit by £2.2 billion to £3.0 billion in the latest quarter. This was partially offset by a widening of £0.6 billion in the deficit in oil to £3.6 billion.

In 2012 quarter three, the current account deficit equated to 3.3% of GDP at current market prices, compared with 4.6% in quarter two. The deficit in trade in goods and services was equivalent to 2.1% of GDP in 2012 quarter three compared with 2.9% in the previous quarter. The income surplus equated to 0.3% of GDP in quarter three, whereas the income deficit in quarter two was equivalent to 0.3% of GDP.

## Current account balance as percentage of GDP

Figure 2: Balances as percentage of GDP



Source: Office for National Statistics

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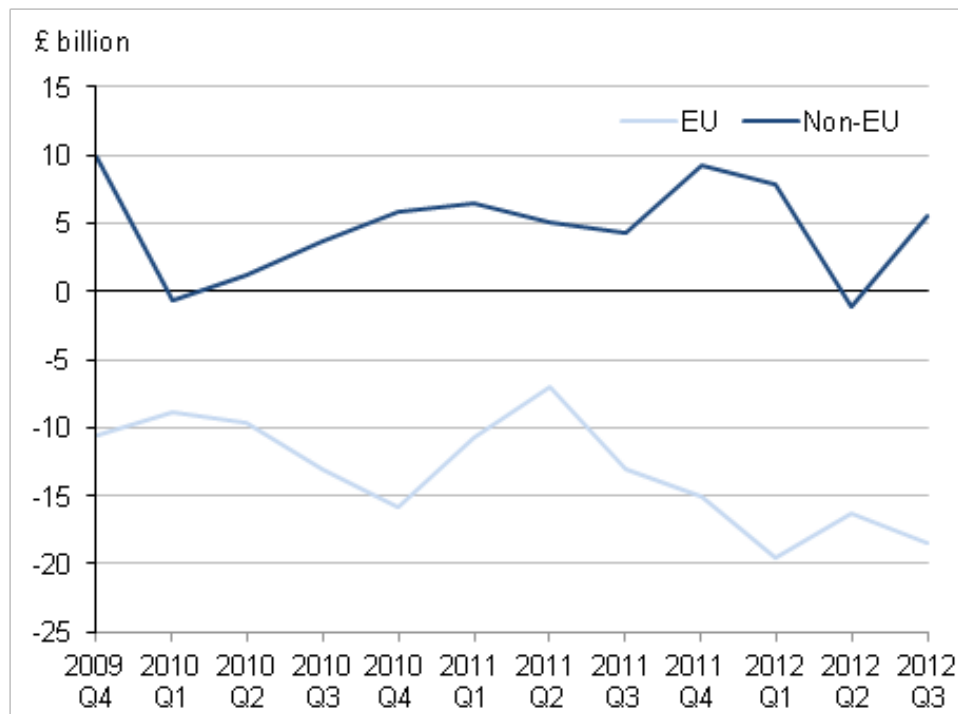
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The current account deficit equated to 3.3% of GDP at current market prices in the third quarter of 2012, compared with 4.6% in the previous quarter. The deficit on trade in goods and services was equivalent to 2.1% of GDP in the latest quarter, compared with 2.9% in the second quarter of 2012. The surplus on income equated to 0.3% of GDP in the latest quarter, compared with a deficit equivalent to 0.3% in the previous quarter.

## Current account with EU and non-EU countries (Table C)

Figure 3: EU/non-EU current account balance (Seasonally adjusted)



Source: Office for National Statistics

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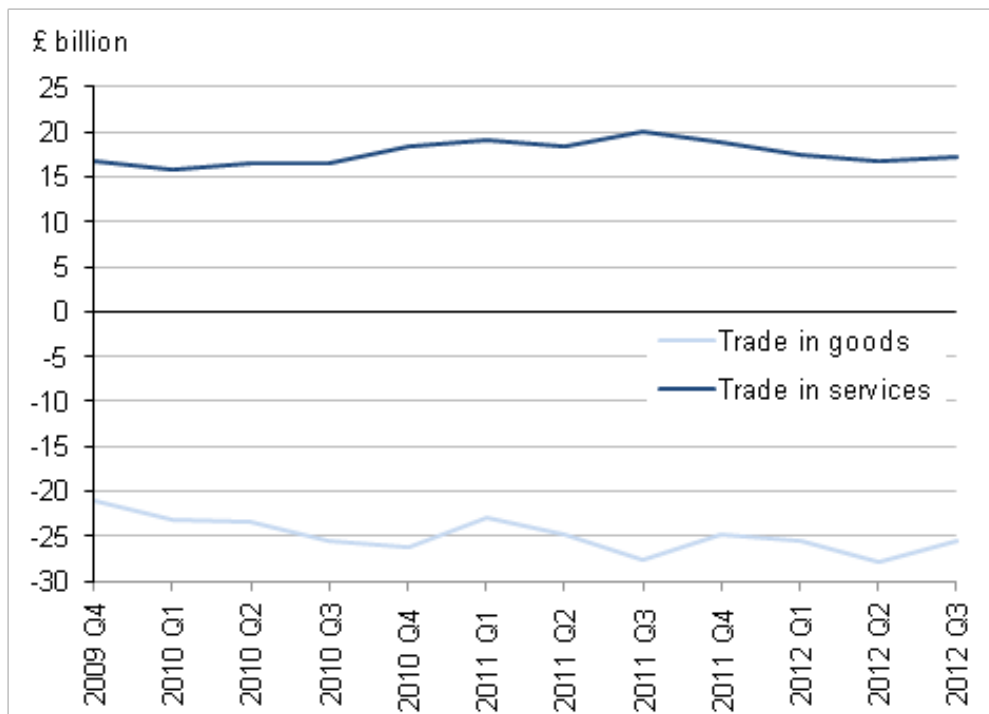
A deficit of £18.4 billion was recorded with the **EU** in the third quarter of 2012, compared with a deficit of £16.4 billion in the previous quarter. This increase was due to higher deficits on income and total trade, which were partially offset by a fall in the deficit on current transfers.

The current account with **non-EU** countries showed a surplus of £5.6 billion in the third quarter of 2012, compared with a deficit of £1.1 billion in the previous quarter. This switch was due to a higher surplus on income and lower deficit on trade in goods, partially offset by a rise in the deficit on current transfers.

World totals for trade in services incorporate latest benchmark estimates from the ONS International Trade in Services survey from 2011 onwards, however it has not been possible to revise the geographic breakdown of services data for EU and Non-EU (Table C).

## Trade in goods (Table E) and services (Table F)

Figure 4: Trade in goods and services balances (Seasonally adjusted)



Source: Office for National Statistics

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**Trade in goods** covers transactions in general merchandise, goods for processing, repairs on goods, goods procured in ports by carriers, and non-monetary gold. General merchandise (with some exceptions) refers to moveable goods for which real or imputed changes of ownership occur between UK residents and the rest of the world.

The **trade in goods** deficit in the third quarter of 2012 was £25.6 billion, compared with £27.9 billion in the previous quarter. Exports rose by £1.5 billion while imports fell by £0.8 billion.

The deficit in semi-manufactured goods narrowed by £2.2 billion to a deficit of £3.0 billion. This was partially offset by the deficit in oil which widened by £0.6 billion to £3.6 billion.

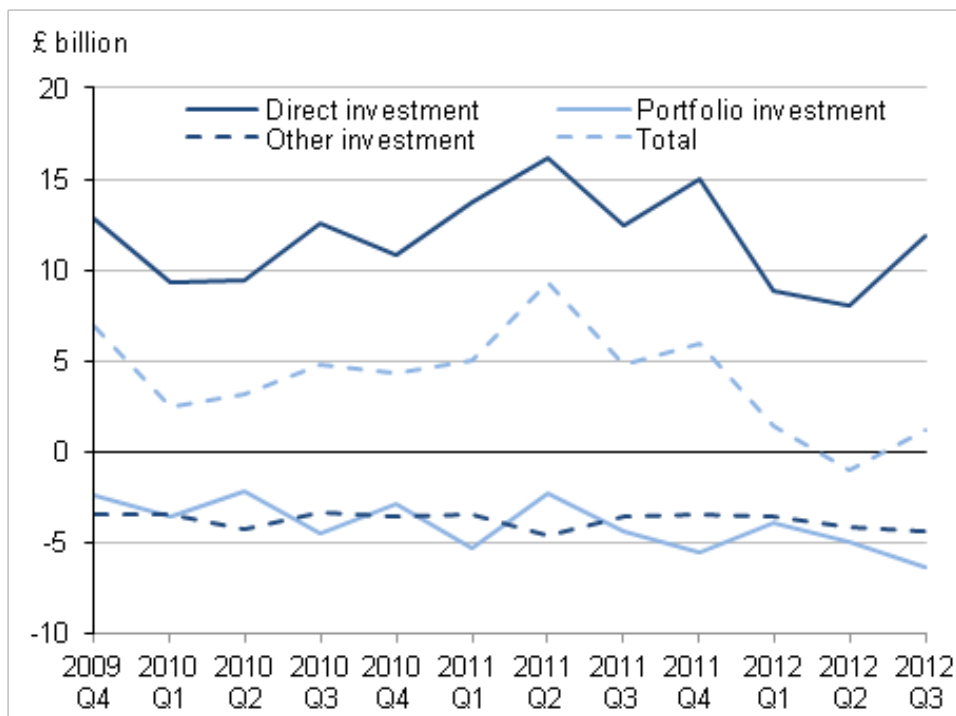
**Trade in services** covers the provision of services by UK residents to non-residents and vice versa. It also covers transactions in goods which are not freighted out of the country in which transactions take place, for example purchases for local use by foreign forces in the UK or by UK forces abroad, and purchases by tourists. Transactions in goods which are freighted into/out of the UK are included under trade in goods.

The **trade in services** surplus was £17.3 billion in the third quarter of 2012, an increase of £0.4 billion from the previous quarter. Exports overall remained flat at £46.9 billion, with increases in

other business services and royalties & license fees offset by decreases in financial services and personal, cultural & recreational services. Imports decreased by £0.4 billion to £29.6 billion, due to a decrease in other business services and government services, partially offset by increase in travel and computer & information services.

## Income (Table G)

Figure 5: Income account balances (Seasonally adjusted)



Source: Office for National Statistics

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The investment **income account** covers earnings (for example, profits, dividends and interest payments and receipts) arising from foreign investment in financial assets and liabilities. Credits are the earnings of UK residents from their investments abroad and other foreign assets. Debits are the earnings of foreign residents from their investments in the UK and other UK liabilities.

The flow of investment in the financial account is recorded separately from the earnings, although reinvested earnings of companies with foreign affiliates are a component of both. The total value of UK assets and liabilities held at any time is also recorded separately under the international investment position.

The **income account** switched from £1.0 billion deficit in the second quarter to £1.2 billion surplus in the third quarter of 2012. The change was due to income payments (debits) falling more than income receipts (credits). In terms of functional categories, the switch to surplus was due to a £3.8

billion increase in the direct investment surplus, which was partially offset by a £1.4 billion increase to the portfolio investment deficit.

The deficit on **compensation of employees** rose in the third quarter of 2012 to £56 million.

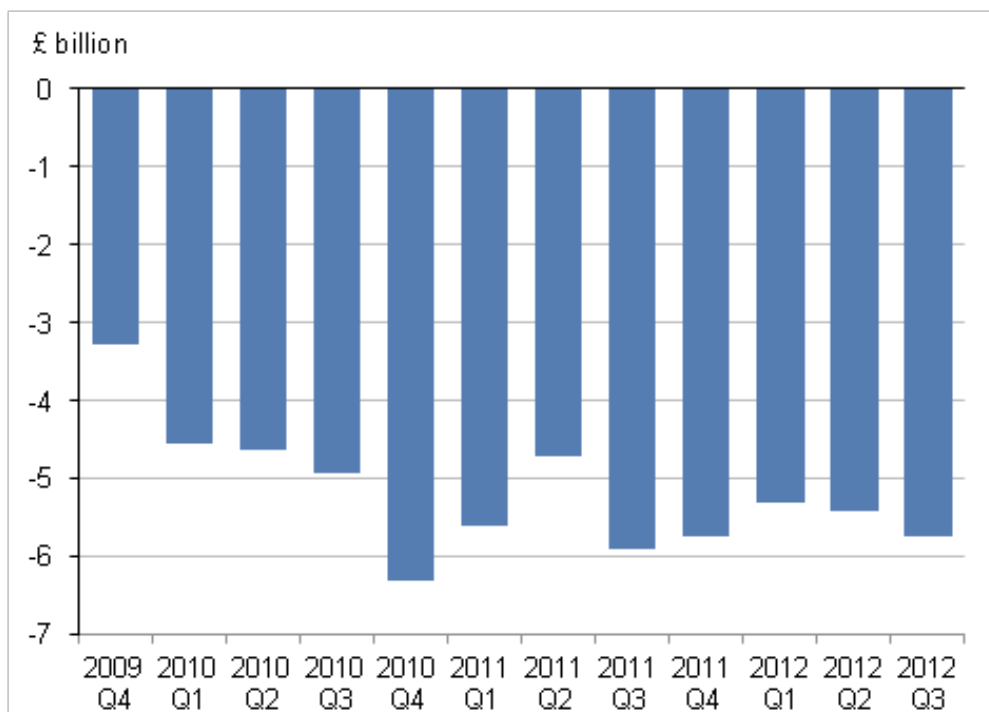
The surplus on **direct investment** income was £11.8 billion in the third quarter of 2012, up from £8.0 billion in the previous quarter. The increased surplus was due to receipts increasing and payments falling. Receipts were £23.4 billion in the latest period, £2.6 billion higher than in the second quarter of 2012. This rise was mainly due to increased earnings abroad by UK private non-financial corporations. Payments fell by £1.3 billion in the latest quarter to £11.6 billion. The decrease was mainly due to lower profits by foreign-owned UK private non-financial corporations.

**Portfolio investment** income recorded a deficit of £6.3 billion in the third quarter of 2012, following a deficit of £4.9 billion in the previous quarter. This increase was due to increases in both debt and equity securities deficits. UK earnings on portfolio investment abroad decreased by £2.2 billion, due to decreased earnings on both debt and equity securities. Foreign earnings on portfolio investment in the UK decreased by £0.8 billion, due to lower earnings on UK debt and equity securities.

The deficit on earnings from **other investment** increased by £0.2 billion to £4.4 billion in the latest quarter. Earnings from other investment abroad fell by £0.9 billion to £7.3 billion while earnings on other investment in the UK decreased by £0.7 billion to £11.7 billion.

## Current transfers (Table H)

Figure 6: Current transfers (Seasonally adjusted)



Source: Office for National Statistics



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**Transfers** represent the provision (or receipt) of an economic value by one party without directly receiving (or providing) a counterpart item of economic value. In plain terms a transaction representing 'something for nothing' or without a quid pro quo.

Transfers can be in the form of money, or of goods or services provided without the expectation of payment. General government transfers include receipts, contributions and subscriptions from or to European Union (EU) institutions and other international bodies, bilateral aid and military grants.

The deficit on **current transfers** increased by £0.3 billion to £5.7 billion in the third quarter of 2012. It should be noted that the quarterly path of net contributions to EU institutions can be erratic.

## Capital account (Table I)

The **capital account** comprises of two components: capital transfers and the acquisition/disposal of non-produced, non-financial assets.

**Capital transfers** are those involving transfers of ownership of fixed assets, transfers of funds associated with the acquisition or disposal of fixed assets, and cancellation of liabilities by creditors without any counterparts being received in return. As with current transfers, they can be subdivided into general government transfers and other sectors transfers.

The main sources of information are government departments (Department for International Development and HM Treasury) and the Bank of England. Compensation payments from the EU related to the destruction of animals to combat BSE and foot and mouth disease are also included here.

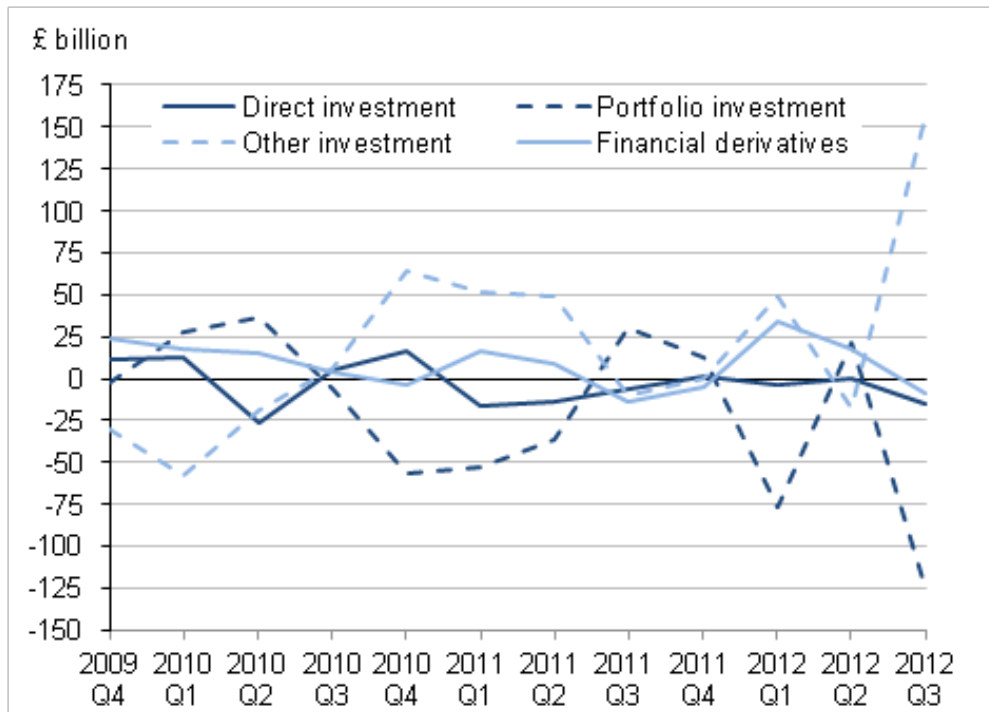
The **sale/purchase of non-produced, non-financial assets** covers intangibles such as patents, copyrights, franchises, leases and other transferable contracts, and goodwill; and transactions involving tangible assets that may be used or needed for the production of goods and services but have not themselves been produced, such as land and sub-soil assets.

The use of such assets is recorded under trade in services as royalties and license fees; only the outright purchase or sale of such assets is recorded in the capital account.

The **capital account** recorded a surplus of £1.0 billion in the third quarter of 2012, unchanged from the previous quarter.

## Financial account (Table J)

Figure 7: Financial account balances (Not seasonally adjusted)



Source: Office for National Statistics

### Download chart

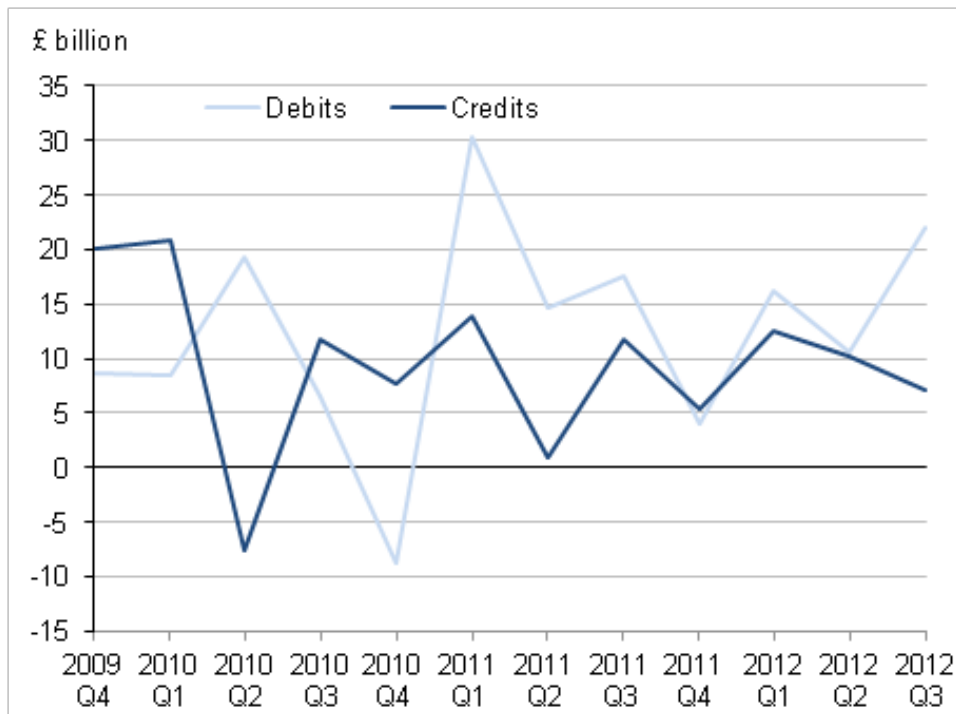
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The **financial account** covers transactions which result in a change of ownership of financial assets and liabilities between UK residents and non-residents, for example, the acquisitions and disposals of foreign shares by UK residents.

The **financial account** showed a net inflow (i.e. inward investment) of £5.8 billion in the third quarter of 2012, compared with a net inflow of £18.5 billion in the previous quarter. UK investment abroad showed a switch from £127.0 billion disinvestment (inflow) to investment of £9.8 billion in the latest quarter. Investment in the UK switched from disinvestment (outflow) of £108.5 billion in the second quarter to investment of £15.5 billion in the latest quarter.

**Direct investment** recorded a net outflow (i.e. outward investment) of £15.0 billion in the third quarter of 2012, an increase from £0.5 billion in the previous quarter.

**Figure 8: Financial account: Direct investment (Not seasonally adjusted)**

Source: Office for National Statistics

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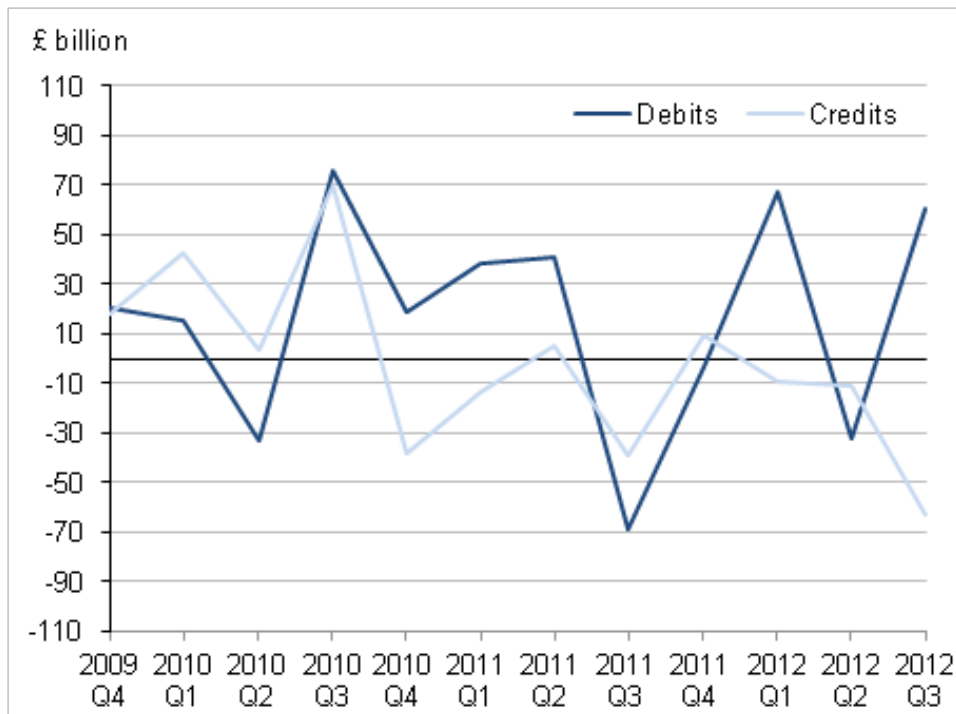
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**Direct investment abroad** increased by £11.4 billion in the latest quarter to £22.1 billion. This was due mainly to reinvested earnings increasing £5.3 billion to £13.4 billion and other capital transactions increasing £4.2 billion to £5.0 billion. On a sector basis, the rise in investment was largely due to a switch to investment of £1.5 billion by UK monetary financial institutions following disinvestment of £5.9 billion the previous quarter. In addition, other financial intermediaries increased net investment from £0.6 billion to £2.7 billion in the third quarter of 2012.

**Direct investment in the UK** decreased by £3.1 billion in the third quarter of 2012 to £7.1 billion. The fall was due to investment in equity capital decreasing £6.2 billion to £3.9 billion. Offsetting this were increases in investment in reinvested earnings and other capital transactions. On a sector basis, the decrease in net investment was due to a fall in investment in UK private non-financial corporations of £4.1 billion to net investment of £5.2 billion in the latest quarter. Offsetting this were other financial intermediaries which switched from disinvestment of £0.3 billion in the second quarter of 2012 to net investment of £0.8 billion in the latest quarter.

**Portfolio investment** recorded a net outflow of £124.2 billion in the third quarter of 2012, a switch from a net inflow of £21.1 billion in the previous quarter. Both debt securities and equity securities showed a net outflow in the latest quarter of £87.8 billion and £36.4 billion respectively.

**Figure 9: Financial account: Portfolio investment (Not seasonally adjusted)**

Source: Office for National Statistics

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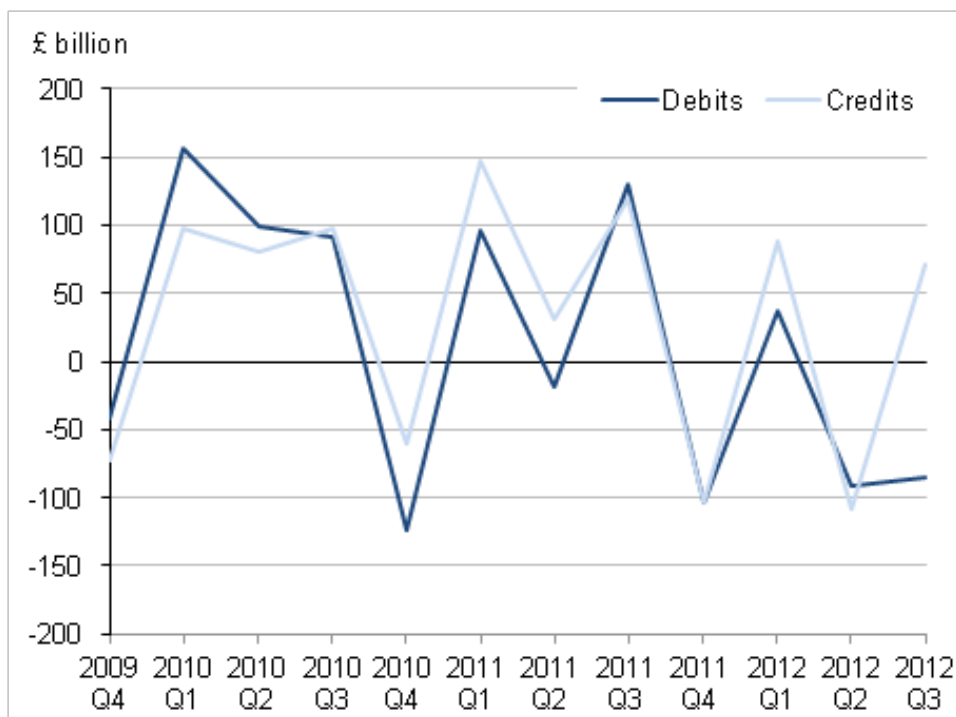
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**Portfolio investment abroad** switched from £31.9 billion net disinvestment in the previous quarter to £60.9 billion net investment in the third quarter of 2012. The change was due to UK monetary financial institutions switching from net disinvestment of £34.9 billion to net investment of £34.3 billion, combined with an increase in net investment by other financial intermediaries from £6.0 billion in the previous quarter to £24.4 billion in the third quarter of 2012.

**Portfolio investment in the UK** showed net disinvestment of £63.2 billion in the third quarter of 2012, following net disinvestment of £10.8 billion in the previous quarter. This was mainly due to net disinvestment in UK debt securities of £54.2 billion in the third quarter of 2012 following net disinvestment of £8.7 billion in the previous quarter.

**Financial derivatives** showed net settlement receipts of £9.2 billion in the third quarter of 2012 following net settlement payments of £17.8 billion in the previous quarter.

**Other investment** in the latest quarter recorded net inflows of £156.7 billion compared with net outflows of £17.2 billion in the previous quarter.

**Figure 10: Financial account: Other investment (Not seasonally adjusted)**

Source: Office for National Statistics

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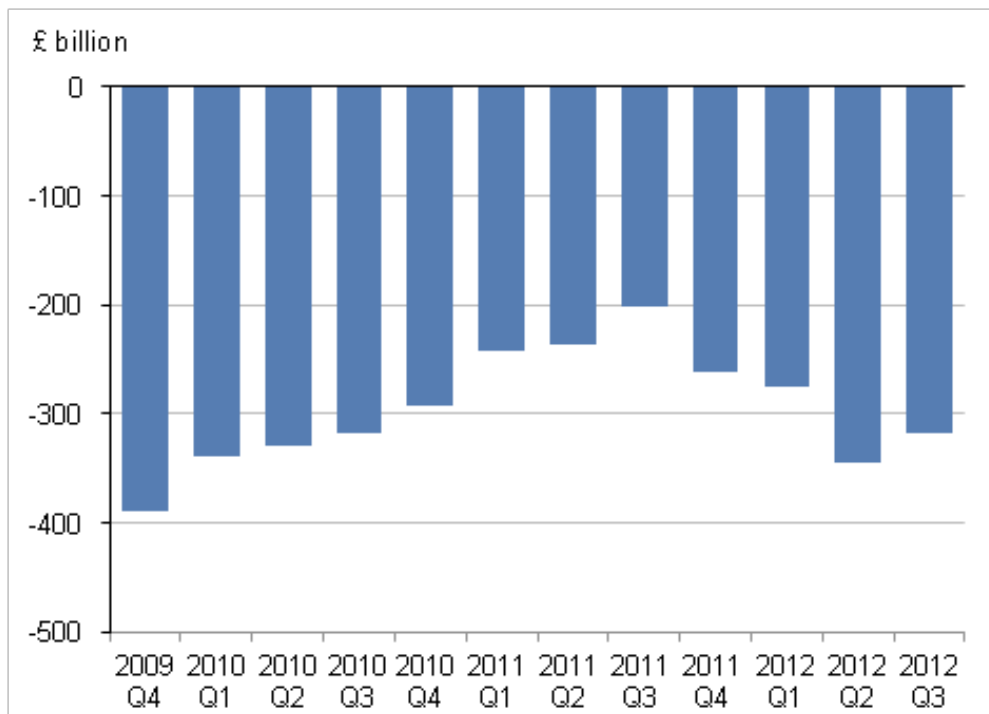
**Other investment abroad** recorded net disinvestment of £85.0 billion in the third quarter of 2012, following net disinvestment of £90.6 billion in the previous quarter. The fall in net disinvestment was mainly due to UK residents reducing net withdrawal abroad from £97.4 billion to £54.7 billion net withdrawal of deposits from abroad in the latest quarter. This was offset by non-residents short term loans, switching to net repayment of £31.3 billion, following net advances of £5.9 billion in the previous quarter.

**Other investment in the UK** showed net investment of £71.7 billion in the third quarter of 2012 a switch from net disinvestment of £107.8 billion in the previous quarter. This was due to non-resident deposits with UK monetary financial institutions switching from net withdrawal of £124.0 billion to net deposits of £7.9 billion in the latest quarter, together with net borrowing by UK residents of short term loans increasing from £15.0 billion to £64.2 billion in the latest quarter.

**Reserve assets** showed net investment of £2.5 billion in the third quarter of 2012 compared with net investment of £2.7 billion in the previous quarter.

## International investment position (Table K)

**Figure 11: Net international investment position (Not seasonally adjusted)**



Source: Office for National Statistics

### Download chart

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(29.5 Kb)

The **international investment position** brings together the available estimates of the levels of identified UK external assets (foreign assets owned by UK residents) and identified UK external liabilities (UK assets owned by foreign residents) at the end of each calendar period.

The **international investment position** showed net external liabilities (i.e. liabilities exceed assets) of £317.4 billion at the end of the third quarter of 2012 compared with net external liabilities of £344.1 billion at the end of the previous quarter. UK assets abroad decreased by £183.5 billion from the end of the second quarter of 2012 to a level of £10,453.4 billion at the end of the third quarter of 2012.

The decrease in the stock of UK assets in the latest quarter was mainly due to a decrease in the stock of financial derivative assets and other investment abroad. UK liabilities decreased by £210.2 billion in the third quarter of 2012 to a level of £10,770.9 billion. The decrease in UK liabilities was primarily due to a decrease in the stock of financial derivatives liabilities.

## Revisions

### Revisions since last Balance of Payments Statistical Bulletin (Table R1, R2 and R3)

Data in this release have been revised from the first quarter of 2011. Revisions tables are included in the balance of payments reference tables (Tables R1, R2 and R3).

**Trade in goods** – Revisions from the first quarter of 2011 reflect revised data from HM Revenue & Customs and other data suppliers, revised estimates of trading associated with VAT MTIC fraud, later survey data on trade prices and a re-assessment of seasonal factors.

**Trade in services** – Revisions from first quarter of 2011 are due to annual benchmarking of ONS International Trade in Services survey. With revisions to Bank of England and other survey and administrative sources.

**Current transfers** – Revisions from the first quarter of 2011 are due to revised source data for transfers involving the UK government and the use of the latest data for various ONS surveys.

**Capital account** – Revisions to the capital account from the first quarter of 2011 are attributable to revised source data from the International Trade in Services survey.

**Investment income, financial account and international investment position** – Revisions from the first quarter of 2011 reflect new and revised survey data (eg, benchmarking to the latest Foreign Direct Investment data), a reassessment of coverage adjustments to data from the Bank for International Settlements and a reassessment of seasonal factors. Revisions to the first quarter of 2012 also reflect new estimates from the Bank for International Settlements.

## Background notes

### 1. What's new?

#### This quarter

In accordance with the National Accounts revision policy, the current revisions period is open from Q1 2011.

#### Future revision period

The next balance of payments release, for Q4 2012, will have the revision period open from Q1 2012.

### 2. Code of Practice for Official Statistics

National Statistics are produced to high professional standards set out in the [Code of Practice for Official Statistics](#). They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown Copyright 2012.

### 3. Understanding the data

#### 1. Short guide to Balance of Payments

A [brief introduction to the United Kingdom balance of payments \(92.1 Kb Pdf\)](#) provides an overview of the concepts and coverage of the UK Balance of Payments.

## 2. Interpreting the data

ONS and the Bank of England are reviewing the measurement of banks' earnings on Foreign Direct Investment (FDI). The current estimates of banks' earnings on FDI are shown on an all inclusive basis, including holding gains and losses, but FDI earnings can also be presented on a current operating performance basis, which excludes holding gains and losses. Current international standards, as defined in the fifth edition of the Balance of Payments Manual, allow presentation on either basis. The UK intends to move to a current operating performance measure when it implements the sixth edition of the Balance of Payments Manual in 2014.

Import figures for Trade in Goods include adjustments to allow for the impact of trade associated with VAT Missing Trader Intra-Community (MTIC) fraud. The adjustments were introduced for the first time in the UK Trade May 2003 First Release published on 9 July 2003. The adjustments are added to the EU import estimates derived from Intrastat returns.

[An article explaining MTIC fraud and the impact on the trade figures \(131 Kb Pdf\)](#) was published on 9 July 2003. [A report on further research into MTIC fraud \(137.3 Kb Pdf\)](#) was published on 17 February 2005, which summarises the work carried out to review the estimates of the impact on the trade figures.

Changes to the pattern of trading associated with MTIC fraud can make it difficult to analyse trade by commodity group and by country, as changes in the impact of activity associated with this fraud affect both imports and exports. Originally, most carousel chains only involved EU member states. From 2004 in particular, some carousel chains included non-EU countries, e.g. Dubai and Switzerland. However, the MTIC trade adjustments are added to the EU import estimates derived from Intrastat returns as it is this part of the chain that is not generally recorded. In particular, adjustments affect trade in capital goods and intermediate goods - these categories include mobile phones and computer components, which are still the most widely affected goods.

Figures for total exports and imports less adjustments for trade associated with VAT MTIC fraud are given in the monthly [UK Trade Statistical Bulletin](#).

From the first quarter 2010, ONS have included financial derivatives business of UK securities dealers in both the UK's financial account (flows) and the international investment position (stocks). The inclusion of this data improves the sector coverage of financial derivatives which previously included only data on financial derivatives business of UK banks.

[An article detailing the improvements to the coverage of derivatives within the United Kingdom Economic Accounts \(51.5 Kb Pdf\)](#) was published on 25 October 2011.

Figures for the most recent periods are provisional and subject to revision in light of: (a) late and corrected responses to surveys; (b) revisions to seasonal adjustment factors which are re-estimated annually; and (c) annual benchmarking of surveys.



ONS delivered Q3 2012 flash estimates of the current account at the end of November 2012 to Eurostat solely for them to estimate aggregate euro-indicators. The same approach is followed for each quarterly delivery.

In order to comply with Regulation (EC) No 184/2005, ONS supply Eurostat and the European Central Bank with current account data for trade in services and investment income unadjusted for FISIM e.g. FISIM will not be included in trade in services but will remain in investment income. Additionally, a detailed geographical and product breakdown of trade in services is supplied to Eurostat to comply with the same regulation. Both deliveries are scheduled to take place on 3 January 2013.

### 3. Definition and explanation

[A glossary \(123.3 Kb Pdf\)](#) of terms used in the UK balance of payments is available on the National Statistics website.

### 4. Special events

[An article outlining the ONS policy on special events](#) can be found on the National Statistics website.

### 5. Use of the data

Balance of payments estimates are used by the Bank of England and the Treasury to inform decisions on monetary and fiscal policy. The Department for Business, Innovation and Skills also uses balance of payments estimates to identify international trade partners. International users include the Statistical Office for the European Union (Eurostat) and the International Monetary Fund (IMF); Eurostat uses UK figures to compile aggregate EU accounts and the IMF collate data as a means of ensuring financial stability and sustainability.

Examples of how government departments and others use balance of payments estimates are:

- In providing ministerial briefing on the headline Balance of Payments and Trade statistics pre-release.
- Feeding data into their own regular analyses of the macro economy, and also into more ad-hoc and in-depth analyses. For example, importance of trade with particular countries or groups of countries, importance of trade in different commodities/services, identifying comparative advantage, changes in import and export prices, economic contribution from trade and income, and looking at inward and outward investment. These analyses/briefings are aimed to inform ministers/decision makers of the current/historical situation, and provide evidence for the policy debate.
- Balance of payments data are also of interest to a wider range of user groups including the media, researchers and other regional, national and international policy makers. Some users focus primarily on the developments in the current account and their financing, including the sustainability of the current account imbalances in the longer term and the need for policy adjustments. Others focus on an analytic presentation, classifying its standard components of balance of payments and their relationship to other components (eg. trade and direct

investment, and foreign direct investment and productivity). The balance of payments allows a sector breakdown of the financial account and their relationship to domestic sources of finance.

Further details on use of the data can be found in the [results of the balance of payments user engagement survey](#).

#### 4. **Methods**

More detailed [methodological notes for the UK balance of payments \(307.4 Kb Pdf\)](#) are available on the National Statistics website.

##### **1. Composition of the data**

Table C provides an EU/non-EU breakdown of the current account. Data in this release are presented on an EU27 basis, reflecting the expansion of EU membership on 1 January 2007. A quarterly geographic breakdown of the UK's current account with the Euro area, the USA, Japan, Canada, Switzerland, Brazil, China, Hong Kong, India and Russia is also available and is published in [United Kingdom Economic Accounts \(UKEA\)](#).

From the first quarter 2011 edition of the UKEA, as Estonia joined the euro area on 1 January 2011, Estonia has been included within the time series for transactions with economic and monetary union (EMU) members shown in tables B6 and B6A. As a result of this change to coverage, most of the time series for transactions with EMU members now have new four character identifiers. The time series for trade in goods have retained their previous identifiers, though their coverage has also been amended to include Estonia.

International investment position statistics are based on recording direct investments at book values and other assets and liabilities at estimated market values. These estimates are likely in some respects to be deficient in scope and coverage. Quarterly estimates tend to be less reliable because they are largely based on cumulated flows and not reported levels.

In theory, every credit entry should be matched by a corresponding debit so that total current, capital and financial account credits should be equal to, and therefore offset by, total debits. In practice there is a discrepancy termed net errors and omissions. The net errors and omissions are shown on Table A.

##### **2. Seasonal adjustment**

Current and capital accounts are seasonally adjusted. Financial account and international investment position data are not seasonally adjusted.

When compiling the geographic breakdown of income, current transfers and trade in services, the EU countries are seasonally adjusted. The non-EU seasonally adjusted figure is calculated by subtracting the seasonally adjusted EU total from the seasonally adjusted world total. Both EU and non-EU data are seasonally adjusted for trade in goods; these are aggregated to form the world total.

## 5. Quality

### 1. Basic quality information

Common pitfalls in interpreting series: Expectations of accuracy and reliability in early estimates are often too high. Revisions are an inevitable consequence of the trade off between timeliness and accuracy. Early estimates are based on incomplete data.

Very few statistical revisions arise as a result of 'errors' in the popular sense of the word. All estimates, by definition, are subject to statistical 'error'; but in this context the word refers to the uncertainty inherent in any process or calculation that uses sampling, estimation or modelling. Most revisions reflect either the adoption of new statistical techniques, or the incorporation of new information which allows the statistical error of previous estimates to be reduced. Only rarely are there avoidable 'errors' such as human or system failures, and such mistakes are made quite clear when they do occur.

### 2. Summary Quality Report

[The balance of payments Statistical Bulletin Summary Quality Report \(117.6 Kb Pdf\)](#) is available on the National Statistics website.

### 3. National Accounts revisions policy

The data in this Statistical Bulletin are subject to revisions following the ONS [National Accounts Revision policy \(41.6 Kb Pdf\)](#).

Estimates for the most recent quarters are provisional and, as usual, are subject to revision in light of updated source information. ONS provides analysis of past revisions in the Balance of Payments and other Statistical Bulletins which present time series.

### 4. Revision triangles

Revisions to data provide one indication of the reliability of key indicators. The table below show summary information on the size and direction of the revisions which have been made to the data covering a five year period. A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (\*) shows that the test is significant.

Table 1 covers estimates first published in the balance of payments from March 2005 (2004Q4) to December 2009 (2009Q3).

**Table 1: Balance of Payments Revisions Analysis**

Current account (seasonally adjusted)	£ million			
	Value in latest period	Revisions between first publication and estimates three years later		
		Average over the last five years	Average over the last five years without regard to sign (average absolute revisions)	
Credits (HBON)	168702	4859*	5424*	
Debits (HBOO)	181536	3392	4648	
Net (HBOP)	-12834	1467	2345	

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[Spreadsheets giving revisions analysis \(real time databases\) of estimates from 1996 to date \(729.3 Kb ZIP\)](#) and the calculations behind the averages in the table are available on the National Statistics website.

[An article analysing balance of payments current account revisions \(340.2 Kb Pdf\)](#) was published in the May 2007 edition of Economic & Labour Market Review.

**6. Publication policy**

Details of the policy governing the release of new data are available from the Media Relations Office. Also available is [a list of the organisations given pre-publication access \(42.8 Kb Pdf\)](#) to the contents of this bulletin.

**7. Accessing data**

The complete run of data in the tables of this statistical bulletin is available to view and download in electronic format through ONS Time Series Data. Users can download the complete bulletin in a choice of zipped formats, or view and then download their own sections of individual series. The [Time Series Data](#) can be accessed on the National Statistics website.

Further balance of payments data is available online in the quarterly ONS publication [United Kingdom Economic Accounts \(UKEA\)](#).

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- are managed impartially and objectively in the public interest.

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## Summary of statistics for the 3rd quarter 2012

billion

	Latest quarter	Record since	Record highest	Record lowest
<b>Current account (net)</b>				
Trade in goods	-£25.6	Largest deficit since 2012 Q2	£1.7 (1981 Q1)	-£27.9 (2012 Q2)
Trade in services	£17.3	Largest surplus since 2012 Q1	£20.1 (2011 Q3)	£0.0 (1965 Q3)
Income	£1.2	Largest surplus since 2012 Q1	£14.1 (2008 Q1)	-£1.8 (1999 Q1)
Transfers	-£5.7	Largest deficit since 2011 Q4	£0.3 (1982 Q1)	-£6.3 (2010 Q4)
Current balance	-£12.8	Largest deficit since 2012 Q2	£2.8 (1981 Q1)	-£17.4 (2012 Q2)
<b>Capital account (net)</b>				
Capital balance	£1.0	Largest surplus since 2011 Q3	£1.1 (2010 Q1)	-£0.7 (2006 Q2)
<b>Financial account (net)</b>				
Direct Investment	-£15.0	Largest outflow since 2011 Q1	£61.0 (2005 Q3)	-£98.4 (2000 Q1)
<b>Portfolio investment</b>	<b>-£124.2</b>	<b>Largest outflow ever recorded</b>	<b>£123.0 (2008 Q4)</b>	<b>-£124.2 (2012 Q3)</b>
Financial derivatives	-£9.2	Largest net settlement receipts since 2011 Q3	£34.3 (2012 Q1)	-£63.3 (2008 Q1)
<b>Other investment</b>	<b>£156.7</b>	<b>Largest inflow ever recorded</b>	<b>£156.7 (2012 Q3)</b>	<b>-£71.4 (2008 Q2)</b>
Reserve assets	-£2.5	Largest investment since 2012 Q2	£2.6 (2001 Q1)	-£6.8 (2009 Q3)
<b>International investment position (net)</b>				
Direct investment	£341.9	Largest net asset position since 2008 Q4	£408.4 (2008 Q4)	-£4.0 (1990 Q3)
Portfolio investment	-£251.6	Largest net liability position since 2012Q2	£162.9 (1993 Q4)	-£521.8 (2009 Q4)
Financial derivatives	£15.3	Largest net asset position since 2012 Q1	£138.1 (2009 Q1)	-£37.6 (2007 Q1)
<b>Other investment</b>	<b>-£484.3</b>	<b>Largest net liability position ever recorded</b>	<b>£6.9 (1987 Q1)</b>	<b>-£484.3 (2012 Q3)</b>
<b>Reserve assets</b>	<b>£61.2</b>	<b>Largest net asset position ever recorded</b>	<b>£61.2 (2012 Q3)</b>	<b>£1.1 (1970 Q3)</b>



# A Summary of balance of payments

## Balances (net transactions)

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	<b>BOKI</b>	- 98 509	- 100 228	- 25 612	- 26 252	- 22 829	- 24 871	- 27 671	- 24 857	- 25 534	- 27 908	- 25 631
Trade in services	<b>IKBD</b>	67 007	76 639	16 452	18 304	19 222	18 341	20 098	18 978	17 586	16 868	17 301
Total trade	<b>IKBJ</b>	- 31 502	- 23 589	- 9 160	- 7 948	- 3 607	- 6 530	- 7 573	- 5 879	- 7 948	- 11 040	- 8 330
Income												
Compensation of employees	<b>IJAJ</b>	- 389	- 172	- 84	- 164	- 50	- 64	- 5	- 53	- 18	- 23	- 56
Investment income	<b>HBOM</b>	15 017	25 309	4 833	4 490	5 103	9 416	4 752	6 038	1 482	- 949	1 294
Total income	<b>HBOJ</b>	14 628	25 137	4 749	4 326	5 053	9 352	4 747	5 985	1 464	- 972	1 238
Current transfers												
General government	<b>FNSV</b>	- 14 796	- 16 330	- 3 361	- 4 753	- 4 372	- 3 271	- 4 543	- 4 144	- 3 818	- 3 838	- 4 205
Other sectors	<b>FNTC</b>	- 5 614	- 5 655	- 1 558	- 1 555	- 1 253	- 1 435	- 1 359	- 1 608	- 1 498	- 1 583	- 1 537
Total current transfers	<b>IKBP</b>	- 20 410	- 21 985	- 4 919	- 6 308	- 5 625	- 4 706	- 5 902	- 5 752	- 5 316	- 5 421	- 5 742
<b>Current balance</b>	<b>HBOP</b>	<b>- 37 284</b>	<b>- 20 437</b>	<b>- 9 330</b>	<b>- 9 930</b>	<b>- 4 179</b>	<b>- 1 884</b>	<b>- 8 728</b>	<b>- 5 646</b>	<b>- 11 800</b>	<b>- 17 433</b>	<b>- 12 834</b>
<b>Capital balance</b>	<b>FNVQ</b>	<b>3 704</b>	<b>3 228</b>	<b>684</b>	<b>1 043</b>	<b>593</b>	<b>880</b>	<b>983</b>	<b>772</b>	<b>925</b>	<b>975</b>	<b>977</b>
<b>Not seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	<b>LQCT</b>	- 98 509	- 100 228	- 26 158	- 26 301	- 23 049	- 24 300	- 28 309	- 24 570	- 25 724	- 27 461	- 26 669
Trade in services	<b>KTMS</b>	67 007	76 639	15 417	17 350	19 703	18 456	18 399	20 081	17 988	16 891	15 467
Total trade	<b>KTMJ</b>	- 31 502	- 23 589	- 10 741	- 8 951	- 3 346	- 5 844	- 9 910	- 4 489	- 7 736	- 10 570	- 11 202
Income												
Compensation of employees	<b>KTMP</b>	- 389	- 172	- 102	- 160	- 58	- 55	- 16	- 43	- 31	- 10	- 65
Investment income	<b>HMBM</b>	15 017	25 309	5 174	3 678	5 854	8 619	3 872	6 964	2 246	- 1 871	410
Total income	<b>HMBP</b>	14 628	25 137	5 072	3 518	5 796	8 564	3 856	6 921	2 215	- 1 881	345
Current transfers												
General government	<b>FJUQ</b>	- 14 796	- 16 330	- 2 981	- 4 615	- 5 663	- 2 391	- 3 897	- 4 379	- 5 080	- 2 961	- 3 609
Other sectors	<b>FJUR</b>	- 5 614	- 5 655	- 1 540	- 1 457	- 1 564	- 1 225	- 1 315	- 1 551	- 1 790	- 1 382	- 1 496
Total current transfers	<b>KTNF</b>	- 20 410	- 21 985	- 4 521	- 6 072	- 7 227	- 3 616	- 5 212	- 5 930	- 6 870	- 4 343	- 5 105
<b>Current balance</b>	<b>HBOG</b>	<b>- 37 284</b>	<b>- 20 437</b>	<b>- 10 190</b>	<b>- 11 505</b>	<b>- 4 777</b>	<b>- 896</b>	<b>- 11 266</b>	<b>- 3 498</b>	<b>- 12 391</b>	<b>- 16 794</b>	<b>- 15 962</b>
<b>Capital balance</b>	<b>FKMJ</b>	<b>3 704</b>	<b>3 228</b>	<b>716</b>	<b>1 011</b>	<b>569</b>	<b>912</b>	<b>1 008</b>	<b>739</b>	<b>907</b>	<b>1 005</b>	<b>1 000</b>
<b>Financial account</b>												
Direct investment	<b>HJYY</b>	7 185	- 34 662	5 257	16 523	- 16 581	- 13 638	- 5 724	1 281	- 3 798	- 541	- 15 004
Portfolio investment	<b>HHZD</b>	1 091	- 45 336	- 6 369	- 56 751	- 52 176	- 36 202	29 901	13 141	- 77 201	21 147	- 124 152
Financial derivatives (net)	<b>ZPNN</b>	32 788	7 089	3 374	- 4 010	16 218	9 493	- 13 806	- 4 816	34 279	17 842	- 9 239
Other investment	<b>HHYR</b>	- 6 717	89 353	6 469	64 029	51 462	48 827	- 10 485	- 451	49 709	- 17 211	156 673
Reserve assets	<b>LTCV</b>	- 6 070	- 4 948	- 676	- 1 209	- 2 300	- 2 450	959	- 1 157	- 612	- 2 730	- 2 493
<b>Net financial transactions</b>	<b>HBNT</b>	<b>28 277</b>	<b>11 496</b>	<b>8 055</b>	<b>18 582</b>	<b>- 3 377</b>	<b>6 030</b>	<b>845</b>	<b>7 998</b>	<b>2 377</b>	<b>18 507</b>	<b>5 785</b>
<b>Net errors and omissions</b> <sup>1</sup>	<b>HHDH</b>	5 303	5 713	1 419	- 8 088	7 585	- 6 046	9 413	- 5 239	9 107	- 2 718	9 177

<sup>1</sup> This series represents net errors and omissions in the balance of payments accounts. It is the converse of the current and capital balances (HBOG and FKMJ) and net financial account transactions (HBNT) and is required to balance these three accounts, not seasonally adjusted.

Source: Office for National Statistics

## B Current account

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Credits</b>												
Exports of goods and services												
Exports of goods	<b>BOKG</b>	265 708	299 073	66 624	70 113	73 842	74 326	74 011	76 894	76 590	73 742	75 257
Exports of services	<b>IKBB</b>	182 177	193 933	45 392	47 376	48 000	47 895	49 404	48 634	47 008	46 863	46 905
Total exports of goods and services	<b>IKBH</b>	447 885	493 006	112 016	117 489	121 842	122 221	123 415	125 528	123 598	120 605	122 162
Income												
Compensation of employees	<b>IJAH</b>	1 097	1 121	295	261	262	257	311	291	268	306	275
Investment income	<b>HBOK</b>	159 369	191 439	41 469	36 226	47 773	51 225	46 984	45 457	40 628	42 418	41 897
Total income	<b>HBOH</b>	160 466	192 560	41 764	36 487	48 035	51 482	47 295	45 748	40 896	42 724	42 172
Current transfers												
Central government	<b>FHDM</b>	3 866	3 448	1 324	742	469	662	790	1 527	1 102	961	801
Other sectors	<b>FHIB</b>	13 367	12 950	3 065	3 617	2 728	3 198	3 624	3 400	3 559	3 626	3 567
Total current transfers	<b>IKBN</b>	17 233	16 398	4 389	4 359	3 197	3 860	4 414	4 927	4 661	4 587	4 368
<b>Total</b>	<b>HBON</b>	<b>625 584</b>	<b>701 964</b>	<b>158 169</b>	<b>158 335</b>	<b>173 074</b>	<b>177 563</b>	<b>175 124</b>	<b>176 203</b>	<b>169 155</b>	<b>167 916</b>	<b>168 702</b>
<b>Debits</b>												
Imports of goods and services												
Imports of goods	<b>BOKH</b>	364 217	399 301	92 236	96 365	96 671	99 197	101 682	101 751	102 124	101 650	100 888
Imports of services	<b>IKBC</b>	115 170	117 294	28 940	29 072	28 778	29 554	29 306	29 656	29 422	29 995	29 604
Total imports of goods and services	<b>IKBI</b>	479 387	516 595	121 176	125 437	125 449	128 751	130 988	131 407	131 546	131 645	130 492
Income												
Compensation of employees	<b>IJAI</b>	1 486	1 293	379	425	312	321	316	344	286	329	331
Investment income	<b>HBOL</b>	144 352	166 130	36 636	31 736	42 670	41 809	42 232	39 419	39 146	43 367	40 603
Total income	<b>HBOI</b>	145 838	167 423	37 015	32 161	42 982	42 130	42 548	39 763	39 432	43 696	40 934
Current transfers												
Central government	<b>FLUD</b>	18 662	19 778	4 685	5 495	4 841	3 933	5 333	5 671	4 920	4 799	5 006
Other sectors	<b>FLUZ</b>	18 981	18 605	4 623	5 172	3 981	4 633	4 983	5 008	5 057	5 209	5 104
Total current transfers	<b>IKBO</b>	37 643	38 383	9 308	10 667	8 822	8 566	10 316	10 679	9 977	10 008	10 110
<b>Total</b>	<b>HBOO</b>	<b>662 868</b>	<b>722 401</b>	<b>167 499</b>	<b>168 265</b>	<b>177 253</b>	<b>179 447</b>	<b>183 852</b>	<b>181 849</b>	<b>180 955</b>	<b>185 349</b>	<b>181 536</b>
<b>Balances</b>												
Trade in goods and services												
Trade in goods	<b>BOKI</b>	- 98 509	- 100 228	- 25 612	- 26 252	- 22 829	- 24 871	- 27 671	- 24 857	- 25 534	- 27 908	- 25 631
Trade in services	<b>IKBD</b>	67 007	76 639	16 452	18 304	19 222	18 341	20 098	18 978	17 586	16 868	17 301
Total trade in goods and services	<b>IKBJ</b>	- 31 502	- 23 589	- 9 160	- 7 948	- 3 607	- 6 530	- 7 573	- 5 879	- 7 948	- 11 040	- 8 330
Income												
Compensation of employees	<b>IJAJ</b>	- 389	- 172	- 84	- 164	- 50	- 64	- 5	- 53	- 18	- 23	- 56
Investment income	<b>HBOM</b>	15 017	25 309	4 833	4 490	5 103	9 416	4 752	6 038	1 482	- 949	1 294
Total income	<b>HBOJ</b>	14 628	25 137	4 749	4 326	5 053	9 352	4 747	5 985	1 464	- 972	1 238
Current transfers												
Central government	<b>FNSV</b>	- 14 796	- 16 330	- 3 361	- 4 753	- 4 372	- 3 271	- 4 543	- 4 144	- 3 818	- 3 838	- 4 205
Other sectors	<b>FNTC</b>	- 5 614	- 5 655	- 1 558	- 1 555	- 1 253	- 1 435	- 1 359	- 1 608	- 1 498	- 1 583	- 1 537
Total current transfers	<b>IKBP</b>	- 20 410	- 21 985	- 4 919	- 6 308	- 5 625	- 4 706	- 5 902	- 5 752	- 5 316	- 5 421	- 5 742
<b>Current balance</b>	<b>HBOP</b>	<b>- 37 284</b>	<b>- 20 437</b>	<b>- 9 330</b>	<b>- 9 930</b>	<b>- 4 179</b>	<b>- 1 884</b>	<b>- 8 728</b>	<b>- 5 646</b>	<b>- 11 800</b>	<b>- 17 433</b>	<b>- 12 834</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>												
Trade in goods and services												
Trade in goods	<b>D28J</b>	-6.7	-6.6	-6.9	-7.1	-6.1	-6.6	-7.3	-6.5	-6.7	-7.3	-6.6
Trade in services	<b>D28K</b>	4.6	5.1	4.5	4.9	5.1	4.9	5.3	5.0	4.6	4.4	4.4
Total trade in goods and services	<b>D28L</b>	-2.1	-1.6	-2.5	-2.1	-1.0	-1.7	-2.0	-1.5	-2.1	-2.9	-2.1
Total income	<b>D28M</b>	1.0	1.7	1.3	1.2	1.3	2.5	1.2	1.6	0.4	-0.3	0.3
Total current transfers	<b>D28N</b>	-1.4	-1.4	-1.3	-1.7	-1.5	-1.2	-1.6	-1.5	-1.4	-1.4	-1.5
<b>Current balances as percentage of GDP</b>	<b>AA6H</b>	<b>-2.5</b>	<b>-1.3</b>	<b>-2.5</b>	<b>-2.7</b>	<b>-1.1</b>	<b>-0.5</b>	<b>-2.3</b>	<b>-1.5</b>	<b>-3.1</b>	<b>-4.6</b>	<b>-3.3</b>

<sup>1</sup> Using series YBHA: GDP at current market prices.

Source: Office for National Statistics

# C Current account: Transactions with the European Union (EU) and with non-EU countries<sup>1</sup>

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Transactions with the European Union<sup>2,3,4</sup></b>												
<b>Credits</b>												
Exports of goods	LGCK	142 009	159 056	34 281	37 692	38 896	40 602	39 780	39 778	38 879	36 923	37 309
Exports of services	GD7B	69 472	74 777	17 488	17 546	18 430	19 059	19 191	18 097	17 603	18 171	18 167
Total exports of goods and services	GD7A	211 481	233 833	51 769	55 238	57 326	59 661	58 971	57 875	56 482	55 094	55 476
Income	G97T	56 726	68 124	14 982	9 086	17 779	18 836	17 109	14 400	11 059	15 070	12 423
Current transfers	GD76	9 601	9 179	2 434	2 292	2 116	1 945	2 369	2 749	2 444	2 027	2 329
<b>Total</b>	<b>G97N</b>	<b>277 808</b>	<b>311 136</b>	<b>69 185</b>	<b>66 616</b>	<b>77 221</b>	<b>80 442</b>	<b>78 449</b>	<b>75 024</b>	<b>69 985</b>	<b>72 191</b>	<b>70 228</b>
<b>Debits</b>												
Imports of goods	LGDC	186 064	202 348	46 557	48 711	49 530	49 750	51 679	51 389	51 626	50 808	51 170
Imports of services	GD7T	57 554	58 899	14 640	14 355	14 828	14 824	14 311	14 936	14 545	14 601	14 820
Total imports in goods and services	GD7S	243 618	261 247	61 197	63 066	64 358	64 574	65 990	66 325	66 171	65 409	65 990
Income	G97K	61 898	75 638	16 048	13 910	18 058	18 520	20 423	18 637	17 855	18 438	17 729
Current transfers	GD7O	19 688	19 878	4 899	5 496	5 487	4 328	5 019	5 044	5 444	4 704	4 898
<b>Total</b>	<b>G97E</b>	<b>325 204</b>	<b>356 763</b>	<b>82 144</b>	<b>82 472</b>	<b>87 903</b>	<b>87 422</b>	<b>91 432</b>	<b>90 006</b>	<b>89 599</b>	<b>88 551</b>	<b>88 617</b>
<b>Balances</b>												
Trade in goods	LGCG	- 44 055	- 43 292	- 12 276	- 11 019	- 10 634	- 9 148	- 11 899	- 11 611	- 12 747	- 13 885	- 13 861
Trade in services	GD7Y	11 918	15 878	2 848	3 191	3 602	4 235	4 880	3 161	3 058	3 570	3 347
Total trade in goods and services	GD7X	- 32 137	- 27 414	- 9 428	- 7 828	- 7 032	- 4 913	- 7 019	- 8 450	- 9 689	- 10 315	- 10 514
Income	G97C	- 5 172	- 7 514	- 1 066	- 4 824	- 279	316	- 3 314	- 4 237	- 6 796	- 3 368	- 5 306
Current transfers	GD7V	- 10 087	- 10 699	- 2 465	- 3 204	- 3 371	- 2 383	- 2 650	- 2 295	- 3 129	- 2 677	- 2 569
<b>Total</b>	<b>G976</b>	<b>- 47 396</b>	<b>- 45 627</b>	<b>- 12 959</b>	<b>- 15 856</b>	<b>- 10 682</b>	<b>- 6 980</b>	<b>- 12 983</b>	<b>- 14 982</b>	<b>- 19 614</b>	<b>- 16 360</b>	<b>- 18 389</b>
<b>Transactions with non-EU countries<sup>5,6</sup></b>												
<b>Credits</b>												
Exports of goods	LGDY	123 699	140 017	32 343	32 421	34 946	33 724	34 231	37 116	37 711	36 819	37 948
Exports of services	GEK9	112 705	119 156	27 904	29 830	29 570	28 836	30 213	30 537	29 405	28 692	28 738
Total exports of goods and services	GEK8	236 404	259 173	60 247	62 251	64 516	62 560	64 444	67 653	67 116	65 511	66 686
Income	G98L	103 740	124 436	26 782	27 401	30 256	32 646	30 186	31 348	29 837	27 654	29 749
Current transfers	GEK6	7 632	7 219	1 955	2 067	1 081	1 915	2 045	2 178	2 217	2 560	2 039
<b>Total</b>	<b>G98E</b>	<b>347 776</b>	<b>390 828</b>	<b>88 984</b>	<b>91 719</b>	<b>95 853</b>	<b>97 121</b>	<b>96 675</b>	<b>101 179</b>	<b>99 170</b>	<b>95 725</b>	<b>98 474</b>
<b>Debits</b>												
Imports of goods	LGER	178 153	196 953	45 679	47 654	47 141	49 447	50 003	50 362	50 498	50 842	49 718
Imports of services	GEM9	57 616	58 395	14 300	14 717	13 950	14 730	14 995	14 720	14 877	15 394	14 784
Total imports of goods and services	GEM8	235 769	255 348	59 979	62 371	61 091	64 177	64 998	65 082	65 375	66 236	64 502
Income	G98C	83 940	91 785	20 967	18 251	24 924	23 610	22 125	21 126	21 577	25 258	23 205
Current transfers	GEM6	17 955	18 505	4 409	5 171	3 335	4 238	5 297	5 635	4 404	5 304	5 212
<b>Total</b>	<b>G985</b>	<b>337 664</b>	<b>365 638</b>	<b>85 355</b>	<b>85 793</b>	<b>89 350</b>	<b>92 025</b>	<b>92 420</b>	<b>91 843</b>	<b>91 356</b>	<b>96 798</b>	<b>92 919</b>
<b>Balances</b>												
Trade in goods	LGDT	- 54 454	- 56 936	- 13 336	- 15 233	- 12 195	- 15 723	- 15 772	- 13 246	- 12 787	- 14 023	- 11 770
Trade in services	GEN6	55 089	60 761	13 604	15 113	15 620	14 106	15 218	15 817	14 528	13 298	13 954
Total trade in goods and services	GEN5	635	3 825	268	- 120	3 425	- 1 617	- 554	2 571	1 741	- 725	2 184
Income	G983	19 800	32 651	5 815	9 150	5 332	9 036	8 061	10 222	8 260	2 396	6 544
Current transfers	GEN3	- 10 323	- 11 286	- 2 454	- 3 104	- 2 254	- 2 323	- 3 252	- 3 457	- 2 187	- 2 744	- 3 173
<b>Total</b>	<b>G97V</b>	<b>10 112</b>	<b>25 190</b>	<b>3 629</b>	<b>5 926</b>	<b>6 503</b>	<b>5 096</b>	<b>4 255</b>	<b>9 336</b>	<b>7 814</b>	<b>- 1 073</b>	<b>5 555</b>

<sup>1</sup> World totals for trade in services incorporate latest benchmark estimates from the ONS International Trade in Services survey from 2011 onwards, however it has not been possible to revise the geographic breakdown of services data for EU and Non-EU.

Source: Office for National Statistics

<sup>2</sup> EU presented on an EU27 basis.

<sup>3</sup> Includes transactions with European Union Institutions.

<sup>4</sup> A quarterly breakdown of the UK's current account with the Euro area (as a whole) is published in table B6 of *United Kingdom Economic Accounts* (UKEA) at <http://www.ons.gov.uk/ons/search/index.html?newquery=ukag>

<sup>5</sup> Includes transactions with international organisations other than European Union Institutions.

<sup>6</sup> A quarterly geographic breakdown of the UK's current account with the USA, Japan, Canada, Switzerland, Brazil, China, Hong Kong, India and Russia is also available and is published in table B6B of UKEA (see note 3).

# D Summary of international investment position, financial account and investment income

Not seasonally adjusted

£ billion

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Investment abroad</b>												
International investment position												
Direct investment	<b>HBWD</b>	1039.2	1097.5	1021.1	1039.2	1073.7	1084.3	1088.8	1097.5	1110.5	1116.8	1145.6
Portfolio investment	<b>HHZZ</b>	2070.3	2075.9	1983.7	2070.3	2110.4	2177.1	2030.2	2075.9	2189.7	2123.5	2194.3
Financial derivatives	<b>JX96</b>	2962.8	3617.8	4016.7	2962.8	2680.4	2688.9	3900.2	3617.8	3185.5	3426.1	3296.1
Other investment	<b>HLXV</b>	3780.6	4068.7	3914.5	3780.6	3878.7	3900.1	4224.4	4068.7	4026.2	3911.6	3756.2
Reserve assets	<b>LTEB</b>	49.7	56.8	47.4	49.7	51.7	54.9	55.6	56.8	56.8	58.9	61.2
<b>Total</b>	<b>HBQA</b>	<b>9902.7</b>	<b>10916.7</b>	<b>10983.5</b>	<b>9902.7</b>	<b>9794.9</b>	<b>9905.3</b>	<b>11299.3</b>	<b>10916.7</b>	<b>10568.7</b>	<b>10637.0</b>	<b>10453.4</b>
Financial account transactions												
Direct investment	- <b>HJYP</b>	25.6	66.6	6.5	-8.8	30.4	14.6	17.5	4.1	16.3	10.7	22.1
Portfolio investment	- <b>HHZZ</b>	76.8	7.3	76.1	18.5	38.7	41.0	-69.2	-3.3	67.6	-31.9	60.9
Financial derivatives (net)	- <b>ZPNN</b>	-32.8	-7.1	-3.4	4.0	-16.2	-9.5	13.8	4.8	-34.3	-17.8	9.2
Other investment	- <b>XBMM</b>	224.1	105.0	91.3	-123.7	96.4	-18.4	130.0	-103.0	38.0	-90.6	-85.0
Reserve assets	- <b>LTCV</b>	6.1	4.9	0.7	1.2	2.3	2.5	-1.0	1.2	0.6	2.7	2.5
<b>Total</b>	- <b>HBNR</b>	<b>299.8</b>	<b>176.7</b>	<b>171.2</b>	<b>-108.8</b>	<b>151.6</b>	<b>30.2</b>	<b>91.1</b>	<b>-96.2</b>	<b>88.2</b>	<b>-127.0</b>	<b>9.8</b>
Investment income earnings												
Direct investment	<b>HJYW</b>	79.2	100.9	22.5	15.0	26.2	26.7	24.1	23.9	19.4	21.0	23.8
Portfolio investment	<b>HLYX</b>	47.1	51.0	11.0	11.2	11.6	15.4	12.7	11.4	11.8	14.5	10.7
Other investment	<b>AIOP</b>	32.4	38.8	8.2	8.5	9.0	10.2	10.1	9.5	8.4	8.2	7.3
Reserve assets	<b>HHCB</b>	0.7	0.8	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Total</b>	<b>HMBN</b>	<b>159.4</b>	<b>191.4</b>	<b>41.9</b>	<b>34.9</b>	<b>46.9</b>	<b>52.5</b>	<b>47.1</b>	<b>45.0</b>	<b>39.8</b>	<b>43.8</b>	<b>41.9</b>
<b>Investment in the UK</b>												
International investment position												
Direct investment	<b>HBWI</b>	742.7	766.2	732.8	742.7	746.5	749.7	763.9	766.2	773.9	792.4	803.7
Portfolio investment	<b>HLXW</b>	2509.2	2487.0	2486.9	2509.2	2495.3	2512.5	2385.5	2487.0	2540.9	2533.3	2445.9
Financial derivatives	<b>JX97</b>	2895.0	3554.9	3953.7	2895.0	2627.5	2642.9	3832.7	3554.9	3157.7	3418.7	3280.8
Other investment	<b>HLVD</b>	4047.2	4369.9	4128.1	4047.2	4166.9	4236.9	4518.2	4369.9	4371.3	4236.6	4240.5
<b>Total</b>	<b>HBQB</b>	<b>10194.1</b>	<b>11178.0</b>	<b>11301.4</b>	<b>10194.1</b>	<b>10036.2</b>	<b>10142.0</b>	<b>11500.2</b>	<b>11178.0</b>	<b>10843.7</b>	<b>10981.1</b>	<b>10770.9</b>
Financial account transactions												
Direct investment	<b>HJYU</b>	32.8	31.9	11.8	7.7	13.8	1.0	11.8	5.4	12.5	10.2	7.1
Portfolio investment	<b>HHZF</b>	77.9	-38.1	69.7	-38.2	-13.5	4.8	-39.3	9.9	-9.6	-10.8	-63.2
Other investment	<b>XBMM</b>	217.4	194.4	97.8	-59.7	147.9	30.4	119.5	-103.5	87.7	-107.8	71.7
<b>Total</b>	<b>HBNS</b>	<b>328.1</b>	<b>188.2</b>	<b>179.3</b>	<b>-90.3</b>	<b>148.2</b>	<b>36.2</b>	<b>92.0</b>	<b>-88.2</b>	<b>90.6</b>	<b>-108.5</b>	<b>15.5</b>
Investment income												
Direct investment	<b>HJYX</b>	37.1	43.6	8.8	5.7	12.9	10.4	10.9	9.4	10.9	13.0	11.2
Portfolio investment	<b>HLZC</b>	60.2	68.7	16.6	13.6	16.1	17.9	18.9	15.8	14.9	19.5	19.0
Other investment	<b>HLZN</b>	47.1	53.8	11.4	11.9	12.1	15.6	13.4	12.7	11.7	13.2	11.3
<b>Total</b>	<b>HMBO</b>	<b>144.4</b>	<b>166.1</b>	<b>36.8</b>	<b>31.2</b>	<b>41.1</b>	<b>43.9</b>	<b>43.2</b>	<b>38.0</b>	<b>37.5</b>	<b>45.7</b>	<b>41.5</b>
<b>Net investment</b>												
International investment position												
Direct investment	<b>HBWQ</b>	296.5	331.3	288.4	296.5	327.2	334.6	324.9	331.3	336.7	324.4	341.9
Portfolio investment	<b>CGNH</b>	-438.9	-411.1	-503.2	-438.9	-384.8	-335.4	-355.3	-411.1	-351.2	-409.8	-251.6
Financial derivatives	<b>JX98</b>	67.8	62.9	63.0	67.8	53.0	46.0	67.5	62.9	27.8	7.4	15.3
Other investment	<b>CGNG</b>	-266.6	-301.2	-213.6	-266.6	-288.2	-336.8	-293.8	-301.2	-345.1	-325.0	-484.3
Reserve assets	<b>LTEB</b>	49.7	56.8	47.4	49.7	51.7	54.9	55.6	56.8	56.8	58.9	61.2
<b>Net investment</b>	<b>HBQC</b>	<b>-291.4</b>	<b>-261.3</b>	<b>-318.0</b>	<b>-291.4</b>	<b>-241.3</b>	<b>-236.7</b>	<b>-201.0</b>	<b>-261.3</b>	<b>-275.0</b>	<b>-344.1</b>	<b>-317.4</b>
Financial account transactions												
Direct investment	<b>HJYV</b>	7.2	-34.7	5.3	16.5	-16.6	-13.6	-5.7	1.3	-3.8	-0.5	-15.0
Portfolio investment	<b>HHZD</b>	1.1	-45.3	-6.4	-56.8	-52.2	-36.2	29.9	13.1	-77.2	21.1	-124.2
Financial derivatives	<b>ZPNN</b>	32.8	7.1	3.4	-4.0	16.2	9.5	-13.8	-4.8	34.3	17.8	-9.2
Other investment	<b>HHYR</b>	-6.7	89.4	6.5	64.0	51.5	48.8	-10.5	-0.5	49.7	-17.2	156.7
Reserve assets	<b>LTCV</b>	-6.1	-4.9	-0.7	-1.2	-2.3	-2.5	1.0	-1.2	-0.6	-2.7	-2.5
<b>Net transactions</b>	<b>HBNT</b>	<b>28.3</b>	<b>11.5</b>	<b>8.1</b>	<b>18.6</b>	<b>-3.4</b>	<b>6.0</b>	<b>0.8</b>	<b>8.0</b>	<b>2.4</b>	<b>18.5</b>	<b>5.8</b>
Investment income earnings												
Direct investment	<b>HJYE</b>	42.1	57.2	13.7	9.3	13.3	16.3	13.2	14.5	8.4	8.0	12.6
Portfolio investment	<b>HLZC</b>	-13.1	-17.7	-5.5	-2.4	-4.5	-2.5	-6.2	-4.5	-3.2	-5.1	-8.3
Other investment	<b>CGNA</b>	-14.7	-15.0	-3.2	-3.4	-3.1	-5.3	-3.3	-3.2	-3.2	-5.0	-4.0
Reserve assets	<b>HHCB</b>	0.7	0.8	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
<b>Net earnings</b>	<b>HMBM</b>	<b>15.0</b>	<b>25.3</b>	<b>5.2</b>	<b>3.7</b>	<b>5.9</b>	<b>8.6</b>	<b>3.9</b>	<b>7.0</b>	<b>2.2</b>	<b>-1.9</b>	<b>0.4</b>

Source: Office for National Statistics

# E Trade in goods

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Exports</b>												
Food, beverages and tobacco	<b>BOPL</b>	16 090	18 085	4 106	4 170	4 577	4 429	4 483	4 596	4 472	4 293	4 539
Basic materials	<b>BOPM</b>	7 348	9 015	1 823	2 046	2 259	2 167	2 283	2 306	2 322	1 957	2 066
Oil	<b>ELBL</b>	31 329	38 039	6 954	8 539	9 518	10 251	8 775	9 495	10 444	10 294	9 736
Other fuels	<b>BOQI</b>	3 810	4 723	1 071	1 029	727	1 479	1 207	1 310	1 162	1 186	1 057
Semi-manufactured goods	<b>BOPO</b>	80 171	88 093	20 125	20 872	21 525	21 866	22 321	22 381	22 100	20 150	21 462
Finished manufactured goods	<b>BOPP</b>	124 182	137 270	31 842	32 739	34 318	33 206	34 014	35 732	35 118	34 823	35 135
Unspecified goods	<b>BOQL</b>	2 778	3 848	703	718	918	928	928	1 074	972	1 039	1 262
<b>Total</b>	<b>BOKG</b>	<b>265 708</b>	<b>299 073</b>	<b>66 624</b>	<b>70 113</b>	<b>73 842</b>	<b>74 326</b>	<b>74 011</b>	<b>76 894</b>	<b>76 590</b>	<b>73 742</b>	<b>75 257</b>
<b>Imports</b>												
Food, beverages and tobacco	<b>BQAR</b>	33 470	35 990	8 310	8 743	8 754	8 890	9 089	9 257	8 954	8 871	9 217
Basic materials	<b>BQAS</b>	10 276	11 953	2 659	2 840	3 016	2 916	3 084	2 937	2 821	2 611	2 603
Oil	<b>ENXO</b>	36 048	49 548	9 371	9 782	11 063	12 526	12 632	13 327	13 565	13 366	13 379
Other fuels	<b>BPBI</b>	8 875	12 378	2 380	2 773	2 733	3 230	3 439	2 976	2 768	2 825	2 670
Semi-manufactured goods	<b>BQAU</b>	88 347	98 143	22 287	22 755	23 806	24 398	25 512	24 427	24 528	25 402	24 510
Finished manufactured goods	<b>BQAV</b>	183 999	187 767	46 486	48 594	46 485	46 460	47 023	47 799	48 519	47 611	47 619
Unspecified goods	<b>BQAW</b>	3 202	3 522	743	878	814	777	903	1 028	969	964	890
<b>Total</b>	<b>BOKH</b>	<b>364 217</b>	<b>399 301</b>	<b>92 236</b>	<b>96 365</b>	<b>96 671</b>	<b>99 197</b>	<b>101 682</b>	<b>101 751</b>	<b>102 124</b>	<b>101 650</b>	<b>100 888</b>
<b>Balances</b>												
Food, beverages and tobacco	<b>ELBE</b>	- 17 380	- 17 905	- 4 204	- 4 573	- 4 177	- 4 461	- 4 606	- 4 661	- 4 482	- 4 578	- 4 678
Basic materials	<b>ELBF</b>	- 2 928	- 2 938	- 836	- 794	- 757	- 749	- 801	- 631	- 499	- 654	- 537
Oil	<b>ENXQ</b>	- 4 719	- 11 509	- 2 417	- 1 243	- 1 545	- 2 275	- 3 857	- 3 832	- 3 121	- 3 072	- 3 643
Other fuels	<b>ENIW</b>	- 5 065	- 7 655	- 1 309	- 1 744	- 2 006	- 1 751	- 2 232	- 1 666	- 1 606	- 1 639	- 1 613
Semi-manufactured goods	<b>ELBH</b>	- 8 176	- 10 050	- 2 162	- 1 883	- 2 281	- 2 532	- 3 191	- 2 046	- 2 428	- 5 252	- 3 048
Finished manufactured goods	<b>ELBI</b>	- 59 817	- 50 497	- 14 644	- 15 855	- 12 167	- 13 254	- 13 009	- 12 067	- 13 401	- 12 788	- 12 484
Unspecified goods	<b>BQKX</b>	- 424	326	- 40	- 160	104	151	25	46	3	75	372
<b>Total</b>	<b>BOKI</b>	<b>- 98 509</b>	<b>- 100 228</b>	<b>- 25 612</b>	<b>- 26 252</b>	<b>- 22 829</b>	<b>- 24 871</b>	<b>- 27 671</b>	<b>- 24 857</b>	<b>- 25 534</b>	<b>- 27 908</b>	<b>- 25 631</b>

Source: Office for National Statistics

# F Trade in services

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Exports</b>												
Transportation	<b>Fkoa</b>	20 673	22 999	5 273	5 369	5 564	5 849	5 822	5 764	5 848	5 869	5 771
Travel	<b>Fapo</b>	20 969	21 888	4 811	5 780	5 281	5 576	5 395	5 636	5 569	5 825	5 882
Communications	<b>Fdqp</b>	5 260	5 591	1 339	1 303	1 238	1 357	1 478	1 518	1 584	1 459	1 576
Construction	<b>Fdsg</b>	1 455	1 605	378	519	389	412	424	380	445	429	375
Insurance	<b>Fdtf</b>	15 124	11 180	4 174	3 805	3 537	1 730	2 615	3 298	3 084	3 502	3 336
Financial	<b>Fdyi</b>	44 083	50 298	10 535	11 085	12 079	13 010	13 614	11 595	11 445	11 302	10 643
Computer and information	<b>Fdyq</b>	8 740	9 198	2 221	2 140	2 133	2 302	2 338	2 425	2 314	2 367	2 198
Royalties and license fees	<b>Feba</b>	9 167	8 789	2 696	2 112	2 427	2 121	2 141	2 100	1 696	1 605	1 907
Other business	<b>Fhh</b>	51 848	57 466	12 779	13 942	14 150	14 463	14 371	14 482	13 797	13 291	14 192
Personal, cultural and recreational	<b>Fgxj</b>	2 554	2 482	600	732	598	495	595	794	606	634	442
Government	<b>Fgza</b>	2 304	2 437	586	589	604	580	611	642	620	580	583
<b>Total</b>	<b>IKBB</b>	<b>182 177</b>	<b>193 933</b>	<b>45 392</b>	<b>47 376</b>	<b>48 000</b>	<b>47 895</b>	<b>49 404</b>	<b>48 634</b>	<b>47 008</b>	<b>46 863</b>	<b>46 905</b>
<b>Imports</b>												
Transportation	<b>Fhme</b>	18 625	19 965	4 702	4 698	4 882	5 120	4 988	4 975	5 011	4 959	4 949
Travel	<b>Apql</b>	32 360	31 830	8 233	7 972	7 807	8 074	7 921	8 028	7 959	8 449	8 561
Communications	<b>Find</b>	4 667	4 179	1 192	1 117	1 094	1 025	1 015	1 045	1 116	1 056	1 021
Construction	<b>Fiou</b>	1 297	879	363	341	231	248	202	198	270	223	217
Insurance	<b>Fipt</b>	3 049	2 103	595	571	517	514	535	537	536	527	519
Financial	<b>Fity</b>	10 693	12 173	2 661	2 813	2 819	3 202	3 153	2 999	2 834	2 592	2 622
Computer and information	<b>Fiug</b>	4 280	4 268	1 086	1 010	1 102	1 078	1 006	1 082	1 182	1 020	1 127
Royalties and license fees	<b>Fivx</b>	5 494	6 570	1 386	1 394	1 750	1 522	1 588	1 710	1 265	1 227	1 251
Other business	<b>Fiwf</b>	29 753	30 658	7 482	7 812	7 363	7 620	7 730	7 945	8 129	8 589	8 237
Personal, cultural and recreational	<b>Flqj</b>	672	620	181	178	170	158	147	145	156	146	136
Government	<b>Flsa</b>	4 280	4 049	1 059	1 166	1 043	993	1 021	992	964	1 207	964
<b>Total</b>	<b>IKBC</b>	<b>115 170</b>	<b>117 294</b>	<b>28 940</b>	<b>29 072</b>	<b>28 778</b>	<b>29 554</b>	<b>29 306</b>	<b>29 656</b>	<b>29 422</b>	<b>29 995</b>	<b>29 604</b>
<b>Balances</b>												
Transportation	<b>Flys</b>	2 048	3 034	571	671	682	729	834	789	837	910	822
Travel	<b>Fngy</b>	- 11 391	- 9 942	- 3 422	- 2 192	- 2 526	- 2 498	- 2 526	- 2 392	- 2 390	- 2 624	- 2 679
Communications	<b>Fnit</b>	593	1 412	147	186	144	332	463	473	468	403	555
Construction	<b>Fnjm</b>	158	726	15	178	158	164	222	182	175	206	158
Insurance	<b>Fnkf</b>	12 075	9 077	3 579	3 234	3 020	1 216	2 080	2 761	2 548	2 975	2 817
Financial	<b>Fnlq</b>	33 390	38 125	7 874	8 272	9 260	9 808	10 461	8 596	8 611	8 710	8 021
Computer and information	<b>Fnlly</b>	4 460	4 930	1 135	1 130	1 031	1 224	1 332	1 343	1 132	1 347	1 071
Royalties and license fees	<b>Fnmr</b>	3 673	2 219	1 310	718	677	599	553	390	431	378	656
Other business	<b>Fnmz</b>	22 095	26 808	5 297	6 130	6 787	6 843	6 641	6 537	5 668	4 702	5 955
Personal, cultural and recreational	<b>FnrB</b>	1 882	1 862	419	554	428	337	448	649	450	488	306
Government	<b>FnrU</b>	- 1 976	- 1 612	- 473	- 577	- 439	- 413	- 410	- 350	- 344	- 627	- 381
<b>Total</b>	<b>IKBD</b>	<b>67 007</b>	<b>76 639</b>	<b>16 452</b>	<b>18 304</b>	<b>19 222</b>	<b>18 341</b>	<b>20 098</b>	<b>18 978</b>	<b>17 586</b>	<b>16 868</b>	<b>17 301</b>

Source: Office for National Statistics

# G Income

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Credits</b>												
Compensation of employees	IJAH	1 097	1 121	295	261	262	257	311	291	268	306	275
Investment income												
Earnings on direct investment abroad	CNZQ	79 173	100 888	21 867	15 839	26 785	26 432	23 779	23 892	19 971	20 886	23 446
Earnings on portfolio investment abroad												
Earnings on equity securities	CGDT	15 742	17 815	3 804	4 246	4 169	4 445	4 758	4 443	4 762	5 153	4 635
Earnings on debt securities	CGDU	31 358	33 159	7 380	7 454	7 604	9 909	8 188	7 458	7 286	7 969	6 333
Total portfolio investment	CGDV	47 100	50 974	11 184	11 700	11 773	14 354	12 946	11 901	12 048	13 122	10 968
Earnings on other investment abroad	CGDW	32 384	38 816	8 239	8 503	9 028	10 239	10 064	9 485	8 438	8 237	7 308
Earnings on reserve assets	HHCC	712	761	179	184	187	200	195	179	171	173	175
Total investment income	HBOK	159 369	191 439	41 469	36 226	47 773	51 225	46 984	45 457	40 628	42 418	41 897
<b>Total</b>	<b>HBOH</b>	<b>160 466</b>	<b>192 560</b>	<b>41 764</b>	<b>36 487</b>	<b>48 035</b>	<b>51 482</b>	<b>47 295</b>	<b>45 748</b>	<b>40 896</b>	<b>42 724</b>	<b>42 172</b>
<b>Debits</b>												
Compensation of employees	IJAI	1 486	1 293	379	425	312	321	316	344	286	329	331
Investment income												
Foreign earnings on direct investment in the UK	CNZR	37 091	43 640	9 353	5 009	13 118	10 298	11 311	8 913	11 089	12 876	11 616
Foreign earnings on portfolio investment in the UK												
Earnings on equity securities	HGOT	22 326	27 007	6 042	4 934	7 271	6 572	6 786	6 378	5 970	6 935	6 818
Earnings on debt securities	CGDX	37 858	41 652	9 653	9 669	9 841	10 132	10 542	11 137	10 037	11 136	10 487
Total portfolio investment	CGDZ	60 184	68 659	15 695	14 603	17 112	16 704	17 328	17 515	16 007	18 071	17 305
Earnings on other investment in the UK	CGEB	47 077	53 831	11 588	12 124	12 440	14 807	13 593	12 991	12 050	12 420	11 682
Total investment income	HBOL	144 352	166 130	36 636	31 736	42 670	41 809	42 232	39 419	39 146	43 367	40 603
<b>Total</b>	<b>HBOI</b>	<b>145 838</b>	<b>167 423</b>	<b>37 015</b>	<b>32 161</b>	<b>42 982</b>	<b>42 130</b>	<b>42 548</b>	<b>39 763</b>	<b>39 432</b>	<b>43 696</b>	<b>40 934</b>
<b>Balances</b>												
Compensation of employees	IJAJ	- 389	- 172	- 84	- 164	- 50	- 64	- 5	- 53	- 18	- 23	- 56
Investment income												
Direct investment	CVWX	42 082	57 248	12 514	10 830	13 667	16 134	12 468	14 979	8 882	8 010	11 830
Portfolio investment												
Earnings on equity securities	CGEC	- 6 584	- 9 192	- 2 238	- 688	- 3 102	- 2 127	- 2 028	- 1 935	- 1 208	- 1 782	- 2 183
Earnings on debt securities	CGED	- 6 500	- 8 493	- 2 273	- 2 215	- 2 237	- 223	- 2 354	- 3 679	- 2 751	- 3 167	- 4 154
Total portfolio investment	CGEE	- 13 084	- 17 685	- 4 511	- 2 903	- 5 339	- 2 350	- 4 382	- 5 614	- 3 959	- 4 949	- 6 337
Other investment	CGFF	- 14 693	- 15 015	- 3 349	- 3 621	- 3 412	- 4 568	- 3 529	- 3 506	- 3 612	- 4 183	- 4 374
Reserve assets	HHCC	712	761	179	184	187	200	195	179	171	173	175
Total investment income	HBOM	15 017	25 309	4 833	4 490	5 103	9 416	4 752	6 038	1 482	- 949	1 294
<b>Total</b>	<b>HBOJ</b>	<b>14 628</b>	<b>25 137</b>	<b>4 749</b>	<b>4 326</b>	<b>5 053</b>	<b>9 352</b>	<b>4 747</b>	<b>5 985</b>	<b>1 464</b>	<b>- 972</b>	<b>1 238</b>

Source: Office for National Statistics

# H Current transfers

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Credits</b>												
General government												
Receipts from EU Institutions:												
Abatement	<b>FKKM</b>	3 046	3 144	955	481	569	518	661	1 396	774	834	677
Other EU receipts	<b>GTTA</b>	133	- 176	154	97	- 227	22	13	16	47	9	9
Other receipts	<b>CGDN</b>	687	480	215	164	127	122	116	115	281	118	115
<b>Total general government</b>	<b>FHDM</b>	<b>3 866</b>	<b>3 448</b>	<b>1 324</b>	<b>742</b>	<b>469</b>	<b>662</b>	<b>790</b>	<b>1 527</b>	<b>1 102</b>	<b>961</b>	<b>801</b>
Other sectors												
Receipts from EU Institutions:												
Social fund	<b>H5U3</b>	660	369	46	364	227	- 22	180	- 16	- 11	0	0
Agricultural guarantee fund	<b>ZXIA</b>	3 032	3 157	718	718	718	813	813	813	813	759	759
ECSC Grant	<b>FHHS</b>	0	0	0	0	0	0	0	0	0	0	0
Other receipts	<b>CGDO</b>	9 675	9 424	2 301	2 535	1 783	2 407	2 631	2 603	2 757	2 867	2 808
<b>Total other sectors</b>	<b>FHIB</b>	<b>13 367</b>	<b>12 950</b>	<b>3 065</b>	<b>3 617</b>	<b>2 728</b>	<b>3 198</b>	<b>3 624</b>	<b>3 400</b>	<b>3 559</b>	<b>3 626</b>	<b>3 567</b>
<b>Total</b>	<b>IKBN</b>	<b>17 233</b>	<b>16 398</b>	<b>4 389</b>	<b>4 359</b>	<b>3 197</b>	<b>3 860</b>	<b>4 414</b>	<b>4 927</b>	<b>4 661</b>	<b>4 587</b>	<b>4 368</b>
<b>Debits</b>												
General government												
Payments to EU institutions:												
GNI 4th resource	<b>HCSP</b>	10 718	10 946	2 814	3 125	2 780	2 376	2 877	2 913	2 937	3 003	2 609
GNI adjustments	<b>HCSN</b>	101	12	0	101	0	0	0	12	0	0	0
Other	<b>FLMT</b>	- 18	- 17	0	- 23	3	0	0	- 20	0	0	0
Other payments	<b>CGDP</b>	7 861	8 837	1 871	2 292	2 058	1 557	2 456	2 766	1 983	1 796	2 397
<b>Total general government</b>	<b>FLUD</b>	<b>18 662</b>	<b>19 778</b>	<b>4 685</b>	<b>5 495</b>	<b>4 841</b>	<b>3 933</b>	<b>5 333</b>	<b>5 671</b>	<b>4 920</b>	<b>4 799</b>	<b>5 006</b>
Other sectors												
Payments to EU institutions	<b>CGDR</b>	5 186	5 122	1 298	1 573	1 212	1 229	1 331	1 350	1 277	1 302	1 254
Other payments	<b>CGDS</b>	13 795	13 483	3 325	3 599	2 769	3 404	3 652	3 658	3 780	3 907	3 850
<b>Total other sectors</b>	<b>FLUZ</b>	<b>18 981</b>	<b>18 605</b>	<b>4 623</b>	<b>5 172</b>	<b>3 981</b>	<b>4 633</b>	<b>4 983</b>	<b>5 008</b>	<b>5 057</b>	<b>5 209</b>	<b>5 104</b>
<b>Total</b>	<b>IKBO</b>	<b>37 643</b>	<b>38 383</b>	<b>9 308</b>	<b>10 667</b>	<b>8 822</b>	<b>8 566</b>	<b>10 316</b>	<b>10 679</b>	<b>9 977</b>	<b>10 008</b>	<b>10 110</b>
<b>Balances</b>												
General government	<b>FNSV</b>	- 14 796	- 16 330	- 3 361	- 4 753	- 4 372	- 3 271	- 4 543	- 4 144	- 3 818	- 3 838	- 4 205
Other sectors	<b>FNTC</b>	- 5 614	- 5 655	- 1 558	- 1 555	- 1 253	- 1 435	- 1 359	- 1 608	- 1 498	- 1 583	- 1 537
<b>Total</b>	<b>IKBP</b>	<b>- 20 410</b>	<b>- 21 985</b>	<b>- 4 919</b>	<b>- 6 308</b>	<b>- 5 625</b>	<b>- 4 706</b>	<b>- 5 902</b>	<b>- 5 752</b>	<b>- 5 316</b>	<b>- 5 421</b>	<b>- 5 742</b>
<i>Of which: EU institutions</i>	<b>GTTB</b>	- 9 116	- 9 569	- 2 239	- 3 116	- 2 708	- 2 274	- 2 541	- 2 046	- 2 591	- 2 703	- 2 418

Source: Office for National Statistics



# Capital account

Seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>Credits</b>												
Capital transfers												
Central government												
Debt forgiveness	FHIV	0	0	0	0	0	0	0	0	0	0	0
Other capital transfers	FHJA	0	0	0	0	0	0	0	0	0	0	0
Total central government	FHIU	0	0	0	0	0	0	0	0	0	0	0
Other sectors												
Migrants' transfers	FHJC	3 688	3 921	927	945	959	973	985	1 004	1 018	1 033	1 047
Debt forgiveness	FHJD	0	0	0	0	0	0	0	0	0	0	0
EU institutions:												
Regional development fund	GTTX	609	31	1	176	1	0	0	30	0	0	0
Agricultural fund for regional development	FHJF	431	199	74	130	0	103	96	0	0	0	0
Other capital transfers	EBGO	0	0	0	0	0	0	0	0	0	0	0
Total EU institutions	GTTY	1 040	230	75	306	1	103	96	30	0	0	0
Total other sectors	FHJB	4 728	4 151	1 002	1 251	960	1 076	1 081	1 034	1 018	1 033	1 047
Total capital transfers	FHIT	4 728	4 151	1 002	1 251	960	1 076	1 081	1 034	1 018	1 033	1 047
Sales of non-produced, non-financial assets	FHJL	1 289	1 277	299	366	258	295	417	307	413	419	582
<b>Total</b>	<b>FHLD</b>	<b>6 017</b>	<b>5 428</b>	<b>1 301</b>	<b>1 617</b>	<b>1 218</b>	<b>1 371</b>	<b>1 498</b>	<b>1 341</b>	<b>1 431</b>	<b>1 452</b>	<b>1 629</b>
<b>Debits</b>												
Capital transfers												
Central government												
Debt forgiveness	FLWD	101	146	11	43	73	4	4	65	18	0	0
Other capital transfers (project grants)	FLWH	239	235	61	59	23	74	51	87	37	62	79
Total central government	FLWB	340	381	72	102	96	78	55	152	55	62	79
Other sectors												
Migrants' transfers	FLWJ	737	738	175	175	203	184	175	176	205	193	187
Debt forgiveness												
Monetary financial institutions	FLWL	0	0	0	0	0	0	0	0	0	0	0
Public corporations	HMLY	0	0	0	0	0	0	0	0	0	0	0
Total debt forgiveness	JCWM	0	0	0	0	0	0	0	0	0	0	0
Other capital transfers	FLWQ	0	0	0	0	0	0	0	0	0	0	0
Total other sectors	FLWI	737	738	175	175	203	184	175	176	205	193	187
Total capital transfers	FLWA	1 077	1 119	247	277	299	262	230	328	260	255	266
Purchases of non-produced, non-financial assets	FLWT	1 236	1 081	370	297	326	229	285	241	246	222	386
<b>Total</b>	<b>FLYL</b>	<b>2 313</b>	<b>2 200</b>	<b>617</b>	<b>574</b>	<b>625</b>	<b>491</b>	<b>515</b>	<b>569</b>	<b>506</b>	<b>477</b>	<b>652</b>
<b>Balances</b>												
Capital transfers												
Central government												
Debt forgiveness	FNTM	- 101	- 146	- 11	- 43	- 73	- 4	- 4	- 65	- 18	0	0
Other capital transfers	FNTN	- 239	- 235	- 61	- 59	- 23	- 74	- 51	- 87	- 37	- 62	- 79
Total central government	FNTL	- 340	- 381	- 72	- 102	- 96	- 78	- 55	- 152	- 55	- 62	- 79
Other sectors												
Migrants' transfers	FNTP	2 951	3 183	752	770	756	789	810	828	813	840	860
Debt forgiveness	FNTQ	0	0	0	0	0	0	0	0	0	0	0
Other capital transfers	FNTR	1 040	230	75	306	1	103	96	30	0	0	0
Total other sectors	FNTO	3 991	3 413	827	1 076	757	892	906	858	813	840	860
Total capital transfers	FNTK	3 651	3 032	755	974	661	814	851	706	758	778	781
Non-produced, non-financial assets	FNTS	53	196	- 71	69	- 68	66	132	66	167	197	196
<b>Total</b>	<b>FNVQ</b>	<b>3 704</b>	<b>3 228</b>	<b>684</b>	<b>1 043</b>	<b>593</b>	<b>880</b>	<b>983</b>	<b>772</b>	<b>925</b>	<b>975</b>	<b>977</b>

Source: Office for National Statistics

# J Financial account<sup>1</sup>

Not seasonally adjusted

£ million

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>UK investment abroad</b>												
(net debits)												
Direct investment abroad												
Equity capital	- HJYM	22 508	37 353	6 177	6 106	22 141	10 018	6 006	- 812	993	1 703	3 628
Reinvested earnings	- HDNY	23 243	32 307	7 944	- 4 745	14 508	13 983	3 353	463	11 587	8 124	13 413
Other capital transactions	- HMAB	- 20 186	- 3 081	- 7 622	- 10 175	- 6 234	- 9 402	8 116	4 439	3 699	875	5 033
Total direct investment abroad	- HJYP	25 565	66 579	6 499	- 8 814	30 415	14 599	17 475	4 090	16 279	10 702	22 074
Portfolio investment abroad												
Equity securities	- HBVI	3 161	- 31 621	14 641	22 815	- 1 207	- 190	- 38 909	8 685	18 685	- 23 315	27 349
Debt securities	- XBWW	73 682	38 887	61 450	- 4 308	39 907	41 232	- 30 301	- 11 951	48 939	- 8 629	33 578
Total portfolio investment abroad	- HHZC	76 843	7 266	76 091	18 507	38 700	41 042	- 69 210	- 3 266	67 624	- 31 944	60 927
Financial derivatives (net)	- ZPNN	- 32 788	- 7 089	- 3 374	4 010	- 16 218	- 9 493	13 806	4 816	- 34 279	- 17 842	9 239
Other investment abroad	- XBMM	224 094	105 021	91 347	- 123 745	96 408	- 18 390	130 025	- 103 022	37 994	- 90 621	- 84 974
Reserve assets	- LTCV	6 070	4 948	676	1 209	2 300	2 450	- 959	1 157	612	2 730	2 493
<b>Total</b>	- HBNR	<b>299 784</b>	<b>176 725</b>	<b>171 239</b>	<b>- 108 833</b>	<b>151 605</b>	<b>30 208</b>	<b>91 137</b>	<b>- 96 225</b>	<b>88 230</b>	<b>- 126 975</b>	<b>9 759</b>
<b>Investment in the UK</b>												
(net credits)												
Direct investment in the UK												
Equity capital	HJYR	43 977	32 299	13 348	14 792	17 763	564	3 474	10 498	5 032	10 064	3 883
Reinvested earnings	CYFV	- 907	- 4 277	446	- 6 172	- 2 998	- 1 878	470	129	1 583	4 496	5 442
Other capital transactions	HMAD	- 10 320	3 895	- 2 038	- 911	- 931	2 275	7 807	- 5 256	5 866	- 4 399	- 2 255
Total direct investment in the UK	HJYU	32 750	31 917	11 756	7 709	13 834	961	11 751	5 371	12 481	10 161	7 070
Portfolio investment in the UK												
Equity securities	XBLW	- 7 164	- 10 412	- 10 526	394	- 9 280	- 760	- 7 812	7 440	- 3 603	- 2 147	- 9 042
Debt securities	XBLX	85 098	- 27 658	80 248	- 38 638	- 4 196	5 600	- 31 497	2 435	- 5 974	- 8 650	- 54 183
Total portfolio investment in the UK	HHZF	77 934	- 38 070	69 722	- 38 244	- 13 476	4 840	- 39 309	9 875	- 9 577	- 10 797	- 63 225
Other investment in the UK	XBMM	217 377	194 374	97 816	- 59 716	147 870	30 437	119 540	- 103 473	87 703	- 107 832	71 699
<b>Total</b>	HBNS	<b>328 061</b>	<b>188 221</b>	<b>179 294</b>	<b>- 90 251</b>	<b>148 228</b>	<b>36 238</b>	<b>91 982</b>	<b>- 88 227</b>	<b>90 607</b>	<b>- 108 468</b>	<b>15 544</b>
<b>Net transactions</b>												
(net credits less net debits)												
Direct investment												
Equity capital	HBWN	21 469	- 5 054	7 171	8 686	- 4 378	- 9 454	- 2 532	11 310	4 039	8 361	255
Reinvested earnings	HBWT	- 24 150	- 36 584	- 7 498	- 1 427	- 17 506	- 15 861	- 2 883	- 334	- 10 004	- 3 628	- 7 971
Other capital transactions	HBWU	9 866	6 976	5 584	9 264	5 303	11 677	- 309	- 9 695	2 167	- 5 274	- 7 288
Total net direct investment	HJYV	7 185	- 34 662	5 257	16 523	- 16 581	- 13 638	- 5 724	1 281	- 3 798	- 541	- 15 004
Portfolio investment												
Equity securities	HBWV	- 10 325	21 209	- 25 167	- 22 421	- 8 073	- 570	31 097	- 1 245	- 22 288	21 168	- 36 391
Debt securities	HBWX	11 416	- 66 545	18 798	- 34 330	- 44 103	- 35 632	- 1 196	14 386	- 54 913	- 21	- 87 761
Total net portfolio investment	HHZD	1 091	- 45 336	- 6 369	- 56 751	- 52 176	- 36 202	29 901	13 141	- 77 201	21 147	- 124 152
Financial derivatives	ZPNN	32 788	7 089	3 374	- 4 010	16 218	9 493	- 13 806	- 4 816	34 279	17 842	- 9 239
Other investment	HHYR	- 6 717	89 353	6 469	64 029	51 462	48 827	- 10 485	- 451	49 709	- 17 211	156 673
Reserve assets	LTCV	- 6 070	- 4 948	- 676	- 1 209	- 2 300	- 2 450	959	- 1 157	- 612	- 2 730	- 2 493
<b>Total</b>	HBNT	<b>28 277</b>	<b>11 496</b>	<b>8 055</b>	<b>18 582</b>	<b>- 3 377</b>	<b>6 030</b>	<b>845</b>	<b>7 998</b>	<b>2 377</b>	<b>18 507</b>	<b>5 785</b>

<sup>1</sup> Further detail of the quarterly financial account is published in tables B8 to B13 of *United Kingdom Economic Accounts* at [www.ons.gov.uk/ons/search/index.html?newquery=ukea](http://www.ons.gov.uk/ons/search/index.html?newquery=ukea)

Source: Office for National Statistics

# K International investment position<sup>1</sup>

Balance sheets valued at end of period: Not seasonally adjusted

£ billion

		2010	2011	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3
<b>UK Assets</b>												
Direct investment abroad												
Equity capital and reinvested earnings	<b>CGMO</b>	1038.5	1099.8	1010.6	1038.5	1083.7	1103.3	1099.7	1099.8	1109.1	1113.7	1137.6
Other capital assets	<b>HBUIW</b>	0.7	-2.3	10.5	0.7	-10.0	-19.0	-10.8	-2.3	1.4	3.1	7.9
Total direct investment abroad	<b>HBWD</b>	1039.2	1097.5	1021.1	1039.2	1073.7	1084.3	1088.8	1097.5	1110.5	1116.8	1145.6
Portfolio investment abroad												
Equity securities	<b>HEPX</b>	750.7	678.8	662.8	750.7	761.0	772.6	636.4	678.8	756.7	692.1	742.1
Debt securities	<b>HHZX</b>	1319.6	1397.2	1321.0	1319.6	1349.5	1404.5	1393.8	1397.2	1433.0	1431.4	1452.2
Total portfolio investment abroad	<b>HHZZ</b>	2070.3	2075.9	1983.7	2070.3	2110.4	2177.1	2030.2	2075.9	2189.7	2123.5	2194.3
Financial derivatives	<b>JX96</b>	2962.8	3617.8	4016.7	2962.8	2680.4	2688.9	3900.2	3617.8	3185.5	3426.1	3296.1
Other investment abroad	<b>HLXV</b>	3780.6	4068.7	3914.5	3780.6	3878.7	3900.1	4224.4	4068.7	4026.2	3911.6	3756.2
Reserve assets	<b>LTEB</b>	49.7	56.8	47.4	49.7	51.7	54.9	55.6	56.8	56.8	58.9	61.2
<b>Total</b>	<b>HBQA</b>	<b>9902.7</b>	<b>10916.7</b>	<b>10983.5</b>	<b>9902.7</b>	<b>9794.9</b>	<b>9905.3</b>	<b>11299.3</b>	<b>10916.7</b>	<b>10568.7</b>	<b>10637.0</b>	<b>10453.4</b>
<b>UK Liabilities</b>												
Direct investment in the UK												
Equity capital and reinvested earnings	<b>HBUY</b>	602.0	615.9	591.8	602.0	599.3	600.7	607.7	615.9	618.0	640.9	654.4
Other capital liabilities	<b>HBVC</b>	140.7	150.2	140.9	140.7	147.2	149.0	156.2	150.2	155.9	151.5	149.3
Total direct investment in the UK	<b>HBWI</b>	742.7	766.2	732.8	742.7	746.5	749.7	763.9	766.2	773.9	792.4	803.7
Portfolio investment in the UK												
Equity securities	<b>HLXX</b>	936.7	833.9	885.6	936.7	934.4	931.6	794.6	833.9	874.3	828.7	734.3
Debt securities	<b>HLXY</b>	1572.5	1653.1	1601.3	1572.5	1560.9	1580.9	1590.9	1653.1	1666.6	1704.6	1711.7
Total portfolio investment in the UK	<b>HLXW</b>	2509.2	2487.0	2486.9	2509.2	2495.3	2512.5	2385.5	2487.0	2540.9	2533.3	2445.9
Financial derivatives	<b>JX97</b>	2895.0	3554.9	3953.7	2895.0	2627.5	2642.9	3832.7	3554.9	3157.7	3418.7	3280.8
Other investment in the UK	<b>HLYD</b>	4047.2	4369.9	4128.1	4047.2	4166.9	4236.9	4518.2	4369.9	4371.3	4236.6	4240.5
<b>Total</b>	<b>HBQB</b>	<b>10194.1</b>	<b>11178.0</b>	<b>11301.4</b>	<b>10194.1</b>	<b>10036.2</b>	<b>10142.0</b>	<b>11500.2</b>	<b>11178.0</b>	<b>10843.7</b>	<b>10981.1</b>	<b>10770.9</b>
<b>Net international investment position</b>												
Direct investment												
Equity capital and reinvested earnings	<b>HBSH</b>	436.5	483.9	418.8	436.5	484.4	502.6	492.0	483.9	491.2	472.8	483.2
Other capital	<b>CGKF</b>	-140.0	-152.5	-130.4	-140.0	-157.2	-168.0	-167.0	-152.5	-154.5	-148.4	-141.3
Total net direct investment	<b>HBWQ</b>	296.5	331.3	288.4	296.5	327.2	334.6	324.9	331.3	336.7	324.4	341.9
Portfolio investment												
Equity securities	<b>CGNE</b>	-186.0	-155.2	-222.8	-186.0	-173.4	-159.0	-158.2	-155.2	-117.6	-136.6	7.9
Debt securities	<b>CGNF</b>	-252.9	-255.9	-280.3	-252.9	-211.4	-176.4	-197.1	-255.9	-233.6	-273.2	-259.5
Total net portfolio investment	<b>CGNH</b>	-438.9	-411.1	-503.2	-438.9	-384.8	-335.4	-355.3	-411.1	-351.2	-409.8	-251.6
Financial derivatives	<b>JX98</b>	67.8	62.9	63.0	67.8	53.0	46.0	67.5	62.9	27.8	7.4	15.3
Other investment	<b>CGNG</b>	-266.6	-301.2	-213.6	-266.6	-288.2	-336.8	-293.8	-301.2	-345.1	-325.0	-484.3
Reserve assets	<b>LTEB</b>	49.7	56.8	47.4	49.7	51.7	54.9	55.6	56.8	56.8	58.9	61.2
<b>Total</b>	<b>HBQC</b>	<b>-291.4</b>	<b>-261.3</b>	<b>-318.0</b>	<b>-291.4</b>	<b>-241.3</b>	<b>-236.7</b>	<b>-201.0</b>	<b>-261.3</b>	<b>-275.0</b>	<b>-344.1</b>	<b>-317.4</b>

<sup>1</sup> Further detail of the quarterly international investment position is published in tables B14 to B19 of *United Kingdom Economic Accounts* at [www.ons.gov.uk/ons/search/index.html?newquery=ukea](http://www.ons.gov.uk/ons/search/index.html?newquery=ukea)

Source: Office for National Statistics

# R1 Summary of revisions since last balance of payments statistical bulletin

## Balances (net transactions)

£ million

		2010	2011	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
<b>Seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	<b>BOKI</b>	0	- 214	0	0	0	- 75	- 64	80	- 155	- 119	151
Trade in services	<b>IKBD</b>	0	334	0	0	0	255	- 206	305	- 20	284	- 1 074
Total trade	<b>IKBJ</b>	0	120	0	0	0	180	- 270	385	- 175	165	- 923
Income												
Compensation of employees	<b>IJAJ</b>	0	0	0	0	0	2	- 11	10	- 1	10	60
Investment income	<b>HBOM</b>	0	8 288	0	0	0	2 139	1 309	1 974	2 866	3 372	4 118
Total income	<b>HBOJ</b>	0	8 288	0	0	0	2 141	1 298	1 984	2 865	3 382	4 178
Current transfers												
General government	<b>FNSV</b>	0	- 19	0	0	0	- 5	- 1	- 94	81	20	0
Other sectors	<b>FNTC</b>	0	176	0	0	0	24	119	- 6	39	- 1	79
Total current transfers	<b>IKBP</b>	0	157	0	0	0	19	118	- 100	120	19	79
<b>Current balance</b>	<b>HBOP</b>	<b>0</b>	<b>8 565</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 340</b>	<b>1 146</b>	<b>2 269</b>	<b>2 810</b>	<b>3 566</b>	<b>3 334</b>
<b>Capital balance</b>	<b>FNVQ</b>	<b>0</b>	<b>- 216</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 44</b>	<b>- 38</b>	<b>- 41</b>	<b>- 93</b>	<b>35</b>	<b>110</b>
<b>Not seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	<b>LQCT</b>	0	- 214	0	0	0	- 44	- 46	- 108	- 16	- 149	133
Trade in services	<b>KTMS</b>	0	334	0	0	0	- 142	129	4	343	- 10	- 654
Total trade	<b>KTMY</b>	0	120	0	0	0	- 186	83	- 104	327	- 159	- 521
Income												
Compensation of employees	<b>KTMP</b>	0	0	0	0	0	0	0	0	0	6	77
Investment income	<b>HMBM</b>	0	8 288	0	0	0	2 279	1 542	1 645	2 822	3 672	3 858
Total income	<b>HMBP</b>	0	8 288	0	0	0	2 279	1 542	1 645	2 822	3 678	3 935
Current transfers												
General government	<b>FJUQ</b>	0	- 19	0	0	0	- 3	- 8	- 5	- 3	26	90
Other sectors	<b>FJUR</b>	0	176	0	0	0	44	46	46	40	23	9
Total current transfers	<b>KTNF</b>	0	157	0	0	0	41	38	41	37	49	99
<b>Current balance</b>	<b>HBOG</b>	<b>0</b>	<b>8 565</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 134</b>	<b>1 663</b>	<b>1 582</b>	<b>3 186</b>	<b>3 568</b>	<b>3 513</b>
<b>Capital balance</b>	<b>FKMJ</b>	<b>0</b>	<b>- 216</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 43</b>	<b>- 35</b>	<b>- 46</b>	<b>- 92</b>	<b>37</b>	<b>113</b>
<b>Financial account</b>												
Direct investment	<b>HJYV</b>	0	- 2 192	0	0	0	- 5 694	- 194	857	2 839	- 4 989	- 1 745
Portfolio investment	<b>HHZD</b>	0	2 837	0	0	0	- 5 021	2 860	1 833	3 165	- 3 431	- 16 440
Financial derivatives (net)	<b>ZPNN</b>	0	101	0	0	0	0	1	- 34	134	- 127	- 2 719
Other investment	<b>HHYR</b>	0	- 5 247	0	0	0	5 049	167	- 5 393	- 5 070	5 173	28 339
Reserve assets	<b>LTCV</b>	0	0	0	0	0	0	0	0	0	0	0
<b>Net financial transactions</b>	<b>HBNT</b>	<b>0</b>	<b>- 4 501</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 5 666</b>	<b>2 834</b>	<b>- 2 737</b>	<b>1 068</b>	<b>- 3 374</b>	<b>7 435</b>
<b>Net errors and omissions</b> <sup>1</sup>	<b>HHDH</b>	0	- 3 848	0	0	0	3 575	- 4 462	1 201	- 4 162	- 231	- 11 061

<sup>1</sup> This series represents net errors and omissions in the balance of payments accounts. It is the converse of the not seasonally adjusted current and capital balances (HBOG and FKMJ) and net financial account transactions (HBNT) and is required to balance these three accounts.

Source: Office for National Statistics

# R2 Current account revisions since last balance of payments statistical bulletin

Seasonally adjusted

£ million

		2010	2011	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
<b>Credits</b>												
Exports of goods and services												
Exports of goods	BOKG	0	6	0	0	0	- 55	- 92	55	98	- 97	247
Exports of services	IKBB	0	120	0	0	0	218	- 96	233	- 235	427	- 760
Total exports of goods and services	IKBH	0	126	0	0	0	163	- 188	288	- 137	330	- 513
Income												
Compensation of employees	IJAH	0	0	0	0	0	2	- 11	10	- 1	4	23
Investment income	HBOK	0	4 092	0	0	0	1 048	227	705	2 112	4 007	5 958
Total income	HBOH	0	4 092	0	0	0	1 050	216	715	2 111	4 011	5 981
Current transfers												
Central government	FHDM	0	- 16	0	0	0	- 24	- 42	5	45	6	- 60
Other sectors	FHIB	0	- 756	0	0	0	- 829	- 184	137	120	396	524
Total current transfers	IKBN	0	- 772	0	0	0	- 853	- 226	142	165	402	464
<b>Total</b>	<b>HBON</b>	<b>0</b>	<b>3 446</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>360</b>	<b>- 198</b>	<b>1 145</b>	<b>2 139</b>	<b>4 743</b>	<b>5 932</b>
<b>Debits</b>												
Imports of goods and services												
Imports of goods	BOKH	0	220	0	0	0	20	- 28	- 25	253	22	96
Imports of services	IKBC	0	- 214	0	0	0	- 37	110	- 72	- 215	143	314
Total imports of goods and services	IKBI	0	6	0	0	0	- 17	82	- 97	38	165	410
Income												
Compensation of employees	IJAI	0	0	0	0	0	0	0	0	0	- 6	- 37
Investment income	HBOL	0	- 4 196	0	0	0	- 1 091	- 1 082	- 1 269	- 754	635	1 840
Total income	HBOI	0	- 4 196	0	0	0	- 1 091	- 1 082	- 1 269	- 754	629	1 803
Current transfers												
Central government	FLUD	0	3	0	0	0	- 19	- 41	99	- 36	- 14	- 60
Other sectors	FLUZ	0	- 932	0	0	0	- 853	- 303	143	81	397	445
Total current transfers	IKBO	0	- 929	0	0	0	- 872	- 344	242	45	383	385
<b>Total</b>	<b>HBOO</b>	<b>0</b>	<b>- 5 119</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>- 1 980</b>	<b>- 1 344</b>	<b>- 1 124</b>	<b>- 671</b>	<b>1 177</b>	<b>2 598</b>
<b>Balances</b>												
Trade in goods and services												
Trade in goods	BOKI	0	- 214	0	0	0	- 75	- 64	80	- 155	- 119	151
Trade in services	IKBD	0	334	0	0	0	255	- 206	305	- 20	284	- 1 074
Total trade in goods and services	IKBJ	0	120	0	0	0	180	- 270	385	- 175	165	- 923
Income												
Compensation of employees	IJAJ	0	0	0	0	0	2	- 11	10	- 1	10	60
Investment income	HBOM	0	8 288	0	0	0	2 139	1 309	1 974	2 866	3 372	4 118
Total income	HBOJ	0	8 288	0	0	0	2 141	1 298	1 984	2 865	3 382	4 178
Current transfers												
Central government	FNSV	0	- 19	0	0	0	- 5	- 1	- 94	81	20	0
Other sectors	FNTC	0	176	0	0	0	24	119	- 6	39	- 1	79
Total current transfers	IKBP	0	157	0	0	0	19	118	- 100	120	19	79
<b>Current balance</b>	<b>HBOP</b>	<b>0</b>	<b>8 565</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2 340</b>	<b>1 146</b>	<b>2 269</b>	<b>2 810</b>	<b>3 566</b>	<b>3 334</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>												
Trade in goods and services												
Trade in goods	D28J	0	0	0	0	0	-0.1	0	0	0	-0.1	0
Trade in services	D28K	0	0.1	0	0	0	0.1	0	0.1	0	0.1	-0.2
Total trade in goods and services	D28L	0	0	0	0	0	0	0	0.1	0	0	-0.3
Total income	D28M	0	0.6	0	0	0	0.5	0.4	0.5	0.8	0.9	1
Total current transfers	D28N	0	0.1	0	0	0	0	0.1	-0.1	0	0	0
Current balances as percentage of GDP	AA6H	0	0.6	0	0	0	0.6	0.3	0.6	0.7	0.9	0.8

<sup>1</sup> Using series YBHA: GDP at current market prices

# R3 Revisions to international investment since last balance of payments statistical bulletin

Not seasonally adjusted

£ billion

		2010	2011	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2
<b>Investment abroad</b>												
International investment position												
Direct investment	HBWD	0.0	-22.2	0.0	0.0	0.0	8.9	-2.5	-12.6	-22.2	-17.7	-19.5
Portfolio investment	HHZZ	0.0	-6.2	0.0	0.0	0.0	-2.7	-3.8	-3.9	-6.2	-2.0	-1.6
Financial derivatives	JX96	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	HLXV	0.0	5.0	0.0	0.0	0.0	1.1	1.9	4.1	5.0	5.7	-31.4
Reserve assets	LTEB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>HBQA</b>	<b>0.0</b>	<b>-23.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.3</b>	<b>-4.4</b>	<b>-12.5</b>	<b>-23.4</b>	<b>-13.9</b>	<b>-52.5</b>
Financial account transactions												
Direct investment	- HJYP	0.0	-0.3	0.0	0.0	0.0	0.9	0.2	-1.7	0.4	5.9	4.0
Portfolio investment	- HHZC	0.0	-15.0	0.0	0.0	0.0	-4.9	-3.6	-2.2	-4.3	2.9	1.7
Financial derivatives (net)	- ZPNN	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.1	2.7
Other investment	- XBMM	0.0	-0.2	0.0	0.0	0.0	-0.1	0.1	0.2	-0.4	0.7	-33.4
Reserve assets	- LTCV	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>- HBNR</b>	<b>0.0</b>	<b>-15.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-4.1</b>	<b>-3.3</b>	<b>-3.8</b>	<b>-4.4</b>	<b>9.6</b>	<b>-25.0</b>
Investment income earnings												
Direct investment	HJYW	0.0	4.4	0.0	0.0	0.0	1.2	0.4	0.6	2.1	4.4	5.5
Portfolio investment	HLYX	0.0	-0.6	0.0	0.0	0.0	-0.1	-0.1	-0.2	-0.2	-0.3	0.3
Other investment	AIOP	0.0	0.3	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Reserve assets	HHCB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>HMBN</b>	<b>0.0</b>	<b>4.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.2</b>	<b>0.4</b>	<b>0.6</b>	<b>1.9</b>	<b>4.1</b>	<b>5.9</b>
<b>Investment in the UK</b>												
International investment position												
Direct investment	HBWI	0.0	-10.0	0.0	0.0	0.0	-7.4	-8.2	-9.8	-10.0	-13.2	-4.1
Portfolio investment	HLXW	0.0	-9.9	0.0	0.0	0.0	-7.2	-8.1	-8.9	-9.9	-10.4	-25.3
Financial derivatives	JX97	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	HLXD	0.0	-5.4	0.0	0.0	0.0	5.0	5.3	0.1	-5.4	-4.6	-4.8
<b>Total</b>	<b>HBQB</b>	<b>0.0</b>	<b>-25.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-9.6</b>	<b>-11.1</b>	<b>-18.6</b>	<b>-25.2</b>	<b>-28.3</b>	<b>-34.2</b>
Financial account transactions												
Direct investment	HJYU	0.0	-2.5	0.0	0.0	0.0	-4.8	0.0	-0.9	3.2	0.9	2.2
Portfolio investment	HHZF	0.0	-12.2	0.0	0.0	0.0	-9.9	-0.7	-0.4	-1.1	-0.6	-14.7
Other investment	XBMM	0.0	-5.4	0.0	0.0	0.0	5.0	0.3	-5.2	-5.4	5.9	-5.1
<b>Total</b>	<b>HBNS</b>	<b>0.0</b>	<b>-20.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-9.7</b>	<b>-0.4</b>	<b>-6.5</b>	<b>-3.3</b>	<b>6.2</b>	<b>-17.6</b>
Investment income												
Direct investment	HJYX	0.0	-3.8	0.0	0.0	0.0	-1.0	-1.1	-1.0	-0.8	0.6	2.2
Portfolio investment	HLZC	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.1
Other investment	HLZN	0.0	-0.3	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
<b>Total</b>	<b>HMBO</b>	<b>0.0</b>	<b>-4.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1.1</b>	<b>-1.1</b>	<b>-1.1</b>	<b>-0.9</b>	<b>0.5</b>	<b>2.0</b>
<b>Net investment</b>												
International investment position												
Direct investment	HBWQ	0.0	-12.2	0.0	0.0	0.0	16.3	5.8	-2.8	-12.2	-4.4	-15.4
Portfolio investment	CGNH	0.0	3.7	0.0	0.0	0.0	4.5	4.3	4.9	3.7	8.5	23.7
Financial derivatives	JX98	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	CGNG	0.0	10.3	0.0	0.0	0.0	-3.9	-3.4	4.0	10.3	10.4	-26.7
Reserve assets	LTEB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net investment</b>	<b>HBQC</b>	<b>0.0</b>	<b>1.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>16.9</b>	<b>6.7</b>	<b>6.1</b>	<b>1.8</b>	<b>14.4</b>	<b>-18.3</b>
Financial account transactions												
Direct investment	HJYV	0.0	-2.2	0.0	0.0	0.0	-5.7	-0.2	0.9	2.8	-5.0	-1.7
Portfolio investment	HHZD	0.0	2.8	0.0	0.0	0.0	-5.0	2.9	1.8	3.2	-3.4	-16.4
Financial derivatives	ZPNN	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.1	-0.1	-2.7
Other investment	HHYR	0.0	-5.2	0.0	0.0	0.0	5.0	0.2	-5.4	-5.1	5.2	28.3
Reserve assets	LTCV	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net transactions</b>	<b>HBNT</b>	<b>0.0</b>	<b>-4.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-5.7</b>	<b>2.8</b>	<b>-2.7</b>	<b>1.1</b>	<b>-3.4</b>	<b>7.4</b>
Investment income earnings												
Direct investment	HJYE	0.0	8.2	0.0	0.0	0.0	2.2	1.5	1.6	2.9	3.8	3.3
Portfolio investment	HLZX	0.0	-0.4	0.0	0.0	0.0	0.0	-0.1	-0.1	-0.2	-0.3	0.4
Other investment	CGNA	0.0	0.5	0.0	0.0	0.0	0.1	0.1	0.2	0.1	0.1	0.1
Reserve assets	HHCB	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net earnings</b>	<b>HMBM</b>	<b>0.0</b>	<b>8.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.3</b>	<b>1.5</b>	<b>1.6</b>	<b>2.8</b>	<b>3.7</b>	<b>3.9</b>

Source: Office for National Statistics