

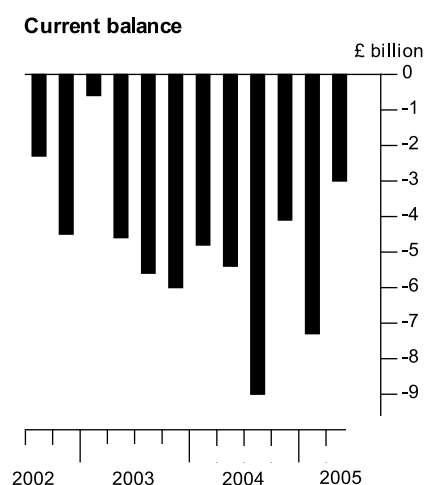
28 September 2005

**Coverage**  
United Kingdom  
**Theme**  
The Economy

## Balance of payments 2nd quarter 2005

The current account recorded a deficit of £3.1 billion in the second quarter of 2005, equating to -1.0 per cent of GDP. This compares with a revised deficit of £7.3 billion (-2.5 per cent of GDP) in the first quarter. A deficit of £4.8 billion was recorded with the EU compared with a deficit of £6.7 billion in the previous quarter.

Compared with the first quarter the current account showed a higher surplus on investment income and a lower deficit on trade in goods and services and on current transfers. The deficit on trade in goods was £1.1 billion lower than in the first quarter whilst the surplus on trade in services was £0.2 billion higher than in the first quarter.



Data in this release have been revised from the first quarter of 2004. The current balance now shows a deficit of £23.3 billion in 2004, equivalent to -2.0 per cent of GDP.

### Current account (balances)

		Trade in goods	Trade in services	Income	Transfers	Current Balance	Current balance as per cent of GDP
<i>seasonally adjusted: £ billion</i>							<i>%</i>
2003	Q2	-11.0	+4.2	+5.1	-2.9	-4.6	-1.7
	Q3	-12.3	+4.3	+5.0	-2.5	-5.6	-2.0
	Q4	-13.9	+4.2	+6.0	-2.3	-6.0	-2.1
2004	Q1	-13.5	+5.5	+6.0	-2.7	-4.8	-1.7
	Q2	-15.0	+5.3	+6.7	-2.4	-5.4	-1.9
	Q3	-15.6	+5.0	+4.4	-2.8	-9.0	-3.1
	Q4	-16.1	+5.4	+9.4	-2.9	-4.1	-1.4
2005	Q1	-15.7	+4.6	+7.3	-3.5	-7.3	-2.5
	Q2	-14.6	+4.8	+9.2	-2.5	-3.1	-1.0

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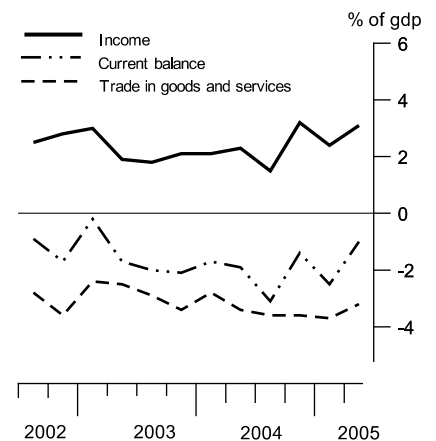
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## Current account balance as percentage of GDP

The current account balance equates to -1.0 per cent of GDP at current market prices in the second quarter of 2005, compared to -2.5 per cent in the first quarter. The deficit on trade in goods and services is equivalent to -3.2 per cent of GDP in the latest quarter, compared to -3.7 per cent in quarter one, whilst the surplus on investment income is 3.1 per cent of GDP in the latest quarter, up from 2.4 per cent in the previous quarter.

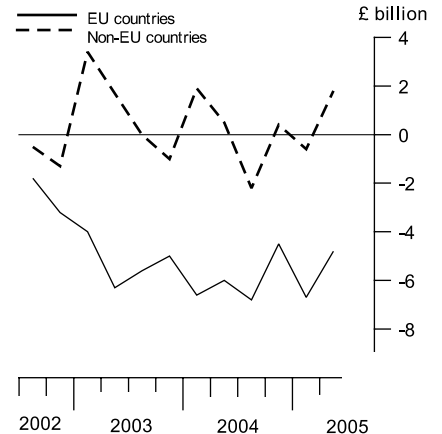
Balances as percentage of GDP



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

The current account deficit with EU countries narrowed to £4.8 billion in the second quarter of 2005, compared to the £6.7 billion deficit recorded in the previous quarter, largely due to higher income receipts and lower transfers to EU institutions. The current account with non-EU countries showed a surplus of £1.8 billion in the second quarter following a deficit of £0.6 billion in the first quarter of 2005, reflecting a lower deficit on trade in goods and a higher surplus on income when compared to the first quarter.

EU/non-EU current account



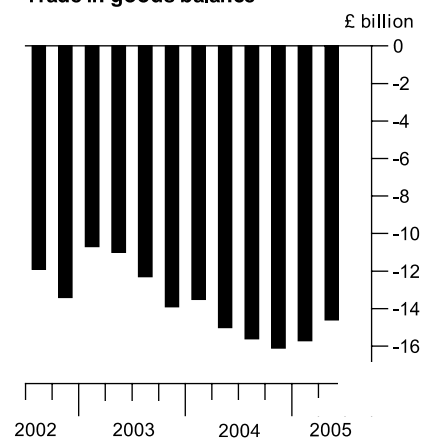
Following a change in the pattern of Missing Trader Intra-Community fraud associated with trade in goods, interpretation of the breakdown between EU and non-EU is more difficult. See background note 3 for more detail.

## Trade in Goods (Table E)

The deficit on **trade in goods** in the second quarter was £14.6 billion compared with a deficit of £15.7 billion in the previous quarter. Exports rose by £2.9 billion and imports rose by £1.8 billion.

The deficit with the EU rose to £8.3 billion from £7.8 billion in the previous quarter. Exports to EU countries rose by £0.3 billion and imports from the EU rose by £0.8 billion. Exports to non-EU countries rose by £2.6 billion and imports from those countries rose by £0.9 billion. As a result the deficit with non-EU countries fell from £8.0 billion in the previous quarter to £6.3 billion in the second quarter. (Please see background note 3 regarding interpretation of these figures.)

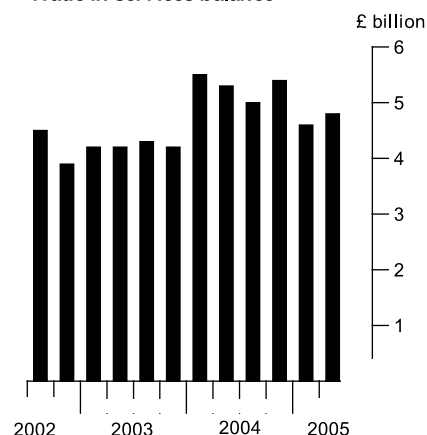
Trade in goods balance



### Trade in Services (Table F)

The **trade in services** surplus stood at £4.8 billion in the second quarter of 2005, an increase of £0.2 billion from the revised figure for the first quarter. Exports of services rose by £0.2 billion in the second quarter as higher exports of other business services and financial services exceeded lower exports of royalties and transportation service. Total imports remained flat in the second quarter, with rises in other business services and transportation services being cancelled out by a fall in travel services.

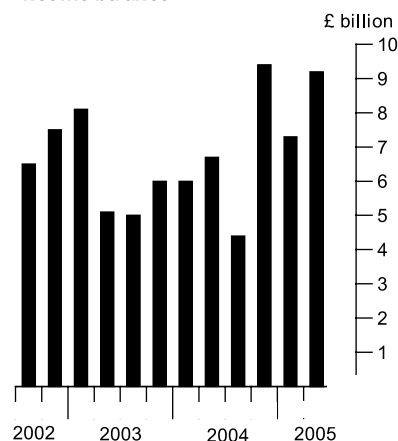
Trade in services balance



### Income (Table G)

The surplus on **income** in the second quarter of 2005 rose to £9.2 billion from £7.3 billion in the first quarter. Income credits rose £3.2 billion to £44.8 billion whilst income debits rose £2.3 billion to £35.6 billion, driven by a rise in interest receipts from deposit and lending activity.

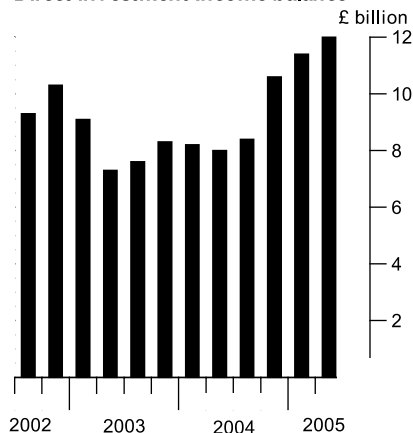
Income balance



The **compensation of employees'** account remained broadly in balance.

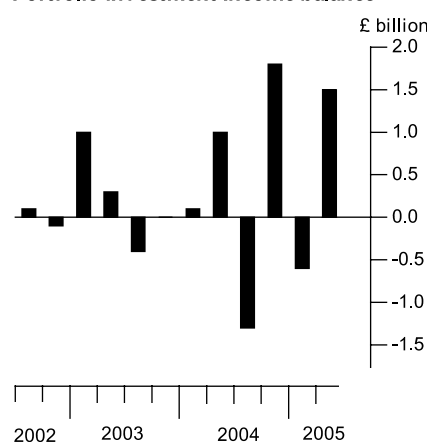
The surplus on **direct investment** income was £12.0 billion in the second quarter, an increase of £0.6 billion on the previous quarter. Earnings on direct investment abroad were £18.5 billion in the latest period, with strong profits being reported within banking and non-financial sectors. Within private non-financial corporations, oil and mining industries were particularly strong. Continuing the pattern of recent quarters, these increased earnings are leading to higher levels of reinvested earnings, with dividend receipts remaining broadly flat. Inward direct investment income was £6.5 billion, maintaining the relatively high total recorded in quarter one.

Direct investment income balance



**Portfolio investment** income recorded a surplus of £1.5 billion in the latest quarter, compared to a deficit of £0.6 billion in the previous quarter. UK earnings on holdings of foreign securities rose by £1.0 billion on the first quarter, to £11.7 billion, largely due to higher earnings on debt. Over the same period foreign earnings on portfolio investment in the UK fell by £1.1 billion, to £10.3 billion, with increased earnings on debt securities more than offset by lower earnings on equity. The seasonal path of dividend payments has been more erratic over the last four quarters.

Portfolio investment income balance



The deficit on earnings from **other investment** widened by £0.7 billion in the latest period, to a record £4.5 billion. This compares with a deficit of £3.7 billion in the first quarter. UK earnings on other investment abroad were £14.0 billion, an increase of £1.7 billion from the previous quarter, largely due to higher banks' earnings on foreign currency deposits abroad. Earnings on other investment in the UK increased by £2.5 billion, to £18.5 billion, due to increased earnings on foreign currency deposit liabilities and on loans. The increases in both UK and foreign earnings reflect higher US interest rates combined with increasing balance sheets.

Income on **reserve assets** was £0.2 billion in the second quarter, unchanged from the income earned in the previous quarter.

### Current transfers (Table H)

The deficit on **current transfers** fell by £1.0 billion in the second quarter of 2005, to £2.5 billion, following the high first quarter figure. Credits rose by £0.1 billion on the first quarter to £3.7 billion, whilst debits fell by £0.9 billion, to £6.2 billion, as the GNP 4th resource contribution returned to more normal levels.

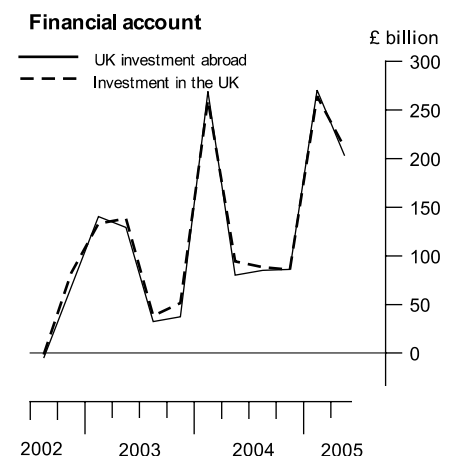
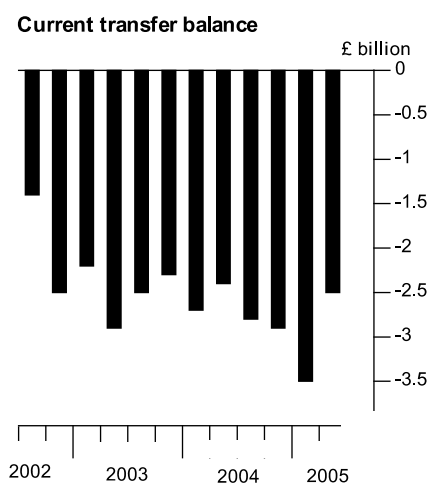
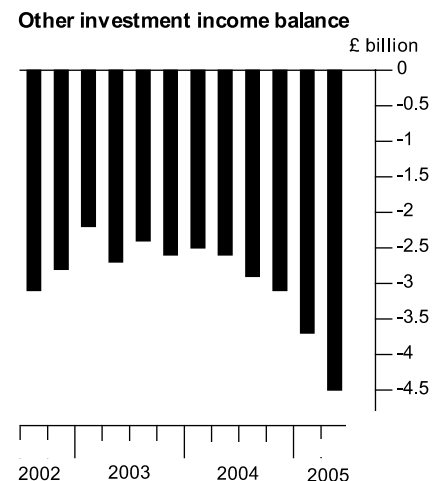
### Capital Account (Table I)

The surplus on the **capital account** remained at £0.7 billion in the second quarter of 2005. Total credits and total debits were unchanged from the first quarter at £1.1 billion and £0.4 billion respectively.

### Financial Account (Table J)

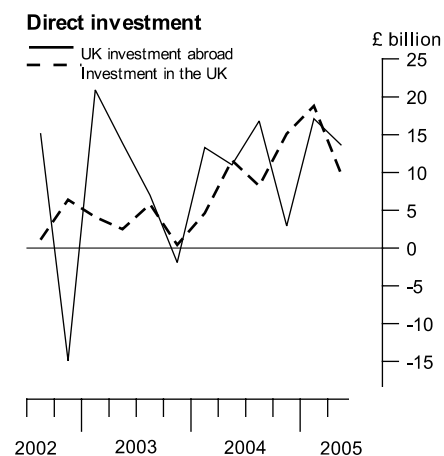
The **financial account** showed a net inflow (i.e. inward investment) of £8.1 billion in the second quarter of 2005, compared with a net outflow of £6.5 billion in the first quarter. There was net investment abroad of £203.1 billion and net investment in the UK of £211.3 billion in the second quarter.

**Direct investment abroad** showed net investment of £13.6 billion in the second quarter, compared to £17.2 billion in the first quarter. Transactions in equity capital increased to £1.9 billion and other capital flows showed a small net disinvestment of £0.3 billion in the second quarter following investment of £6.3 billion in the previous period. These flows reflect the



balance of inter-company accounts at the end of the reporting period, and are relatively volatile series. The imputed flow that counterparts to the high reinvested earnings figure seen in direct investment income contributes the majority (£11.9 billion) of the investment seen in the latest quarter. With investment of £9.9 billion, private non-financial corporations were the largest investors in the second quarter, followed by banks with £3.3 billion net investment.

**Direct investment into the UK** was £9.7 billion in the second quarter of 2005, a fall from the £18.8 billion recorded in the previous quarter. Investment from reinvested earnings were £3.0 billion, whilst other capital flows showed net investment of £4.7 billion. Net investment in equity capital fell to £2.0 billion in the latest quarter. This reflects the absence of any high value inward acquisitions in the quarter, following some relatively large deals in previous periods. With net investment of £7.0 billion, private non-financial corporations dominate inward investment in the latest period.



#### **Direct investment acquisitions and disposals in the second quarter of 2005 included :**

##### **Outward** acquisitions (of foreign companies):

The purchase of United Defense Industries Inc by BAE Systems for a publicly reported value of £2.3 billion.

The purchase of Korea First Bank by Standard Charter for a publicly reported value of £1.8 billion

The purchase of Mobifon SA and Oskar Mobil a.s by Vodafone Group PLC for a publicly reported value of £1.8 billion.

##### **Outward** disposals (of foreign companies):

There were no large disposals in this period.

##### **Inward** acquisitions (of UK companies):

The purchase of Kidde PLC by United Technologies Corporation for a publicly reported value of £1.4 billion.

The purchase of the North of England distribution network of National Grid Transco by a consortium led by Cheung Kong Infrastructure Holdings Ltd for a publicly reported value of £1.4 billion.

The purchase of the Wales and West distribution network of National Grid Transco by a consortium led by Macquarie Bank Group for a publicly reported value of £1.2 billion.

##### **Inward** disposals (of UK companies):

There were no large disposals in this period.

*Note: The figures used are those reported in the financial press.*

**Portfolio investment abroad** showed net investment of £51.7 billion in the second quarter of 2005, compared with net investment of £24.7 billion in the first quarter. The increase in net investment reflects higher investment in foreign debt securities by UK resident banks. There was continued disinvestment in equity in the second quarter, by £2.6 billion.

**Portfolio investment in the UK** showed net investment of £23.8 billion in the second quarter, significantly less than the net investment of £56.1 billion in the first quarter. There was £2.2 billion investment in equity securities, whilst net investment in debt securities was £21.7 billion in the second quarter, down from the £49.1 billion in the first quarter following lower investment in bonds and disinvestment of £8.2 billion in money market instruments.

**Financial derivatives** showed net settlement payments from interest rate swaps contracts of £1.2 billion in the second quarter, compared with net settlement receipts of £0.3 billion in the previous quarter.

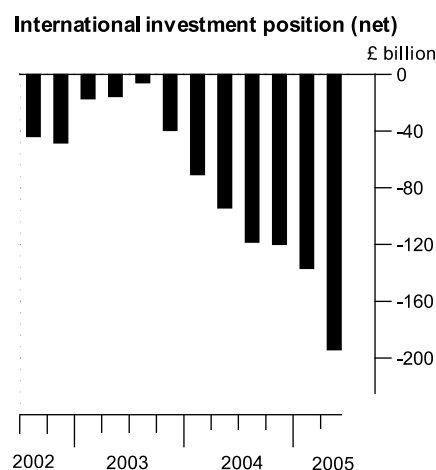
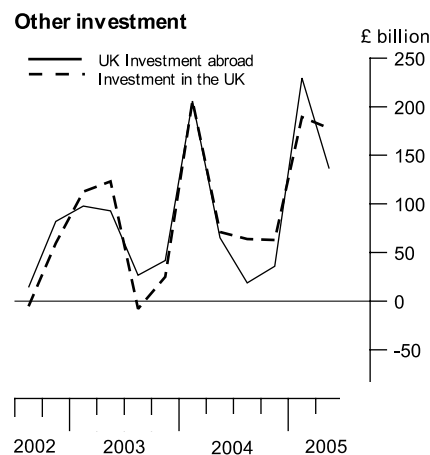
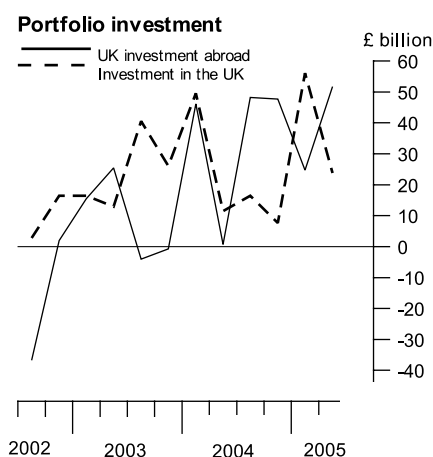
**Other investment abroad** showed net investment of £136.2 billion in the second quarter, compared with net investment of £229.5 billion in the first quarter. The fall in net investment was largely due to decreases in loans by banks, and decreases in deposits by banks, securities dealers and, most significantly, other UK residents.

**Other investment in the UK** showed net investment of £177.8 billion in the second quarter of 2005, £11.4 billion lower than in the first quarter. Total loans from the rest of the world increased by nearly £30 billion, whilst total deposits from abroad fell by nearly £40 billion compared with the previous quarter.

**Reserve assets** showed net investment of £0.5 billion in the second quarter, compared with net disinvestment of £0.5 billion in the first quarter of 2005.

**International Investment Position (Table K)**

The **international investment position** showed net external liabilities (i.e. liabilities exceed assets) of £194.1 billion at the end of the second quarter of 2005 compared with net external liabilities of £136.9 billion at the end of the previous quarter. UK assets abroad rose by £236.0 billion from the end of the first quarter to reach £4,455.1 billion at the end of the second quarter, whilst UK liabilities rose by £293.2 billion over the same period to reach £4,649.2 billion.



## Revisions since last Balance of Payments First Release (Table R)

Data have been revised from the first quarter of 2004.

Overall changes to the **current account**, by current balance component, are as follows:

	£ billion					
	2004	04q1	04q2	04q3	04q4	05q1
Goods	-1.6	-	-0.6	-0.5	-0.6	-0.8
Services	1.0	0.3	0.1	0.3	0.4	0.1
Income	0.3	-0.1	-	0.1	0.3	-0.7
Transfers	-	-	-	-	-	-0.1
<b>Current balance</b>	<b>-0.3</b>	<b>0.2</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-</b>	<b>-1.5</b>

Notes: columns may not sum due to rounding; - means nil or less than £50 million

**Trade in goods** - Revisions from 2004 reflect revised data from HM Revenue & Customs and other data suppliers, revised estimates of trading associated with VAT (MTIC) fraud, and a reassessment of seasonal factors.

**Trade in services** - Revisions from 2004 mainly reflect full annual inquiry results from the Chamber of Shipping plus late and amended results from insurance inquiries and the international trade in services inquiry.

**Income, Financial account and International Investment Position** - Revisions from 2004 reflect new and revised survey data.

## BACKGROUND NOTES

### This quarter

1. This release includes data available up to 13 September 2005.

### Revisions analysis

2. One indication of the reliability of the key indicators in this release can be obtained by monitoring the size of revisions. The table below records the size and pattern of revisions which have occurred over the last five years. Please note that these indicators only report summary measures for revisions. The revised data may itself be subject to sampling or other sources of error. This table uses estimates first published from September 1997 (1997q2) to June 2002 (2002q1).

£ 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 revision)
Current account (seasonally adjusted)			
Credits (HBON)	126380	905	2726
Debits (HBOO)	129430	2120*	2478
Balance (HBOP)	-3050	-1215	2012

A spreadsheet giving these estimates and the calculations behind the averages in the table is available on the National Statistics website at <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1118>.

A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (\*) indicates where statistically significant mean revision has been found. An article analysing balance of payments current account revisions was published on 11 May 2005. It can be found at <http://www.statistics.gov.uk/cci/article.asp?ID=1125>

More detailed information about revisions material in First Releases can be found on the National Statistics website at <http://www.statistics.gov.uk/cci/article.asp?ID=793>.

### Status of figures and planned future revisions

3. Import figures for Trade in Goods include adjustments to allow for the impact of 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 the fraud and the impact on the trade figures was published on 9 July 2003. A follow-up report was published on 17 February 2005 which summarises the work carried out since July 2003 to review the estimates of the impact on the trade figures. The articles can be found at [www.statistics.gov.uk/cci/article.asp?ID=402](http://www.statistics.gov.uk/cci/article.asp?ID=402) and [www.statistics.gov.uk/cci/article.asp?ID=1066](http://www.statistics.gov.uk/cci/article.asp?ID=1066).

Following a change in the pattern of MTIC fraud, interpretation of the breakdown between EU and non-EU trade is more difficult. ONS and HMRC statisticians are investigating the impact on the trade in goods estimates. A project group has been set up and estimates may change as the analysis of the fraud continues

Some VAT MTIC fraud is currently affecting non-EU exports. 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 recorded. Changes to the pattern of trade associated with MTIC can therefore make it difficult to analyse trade by commodity group and by country as increases inflate both imports and exports. In particular, adjustments affect trade in capital goods and intermediate goods - these categories include mobile phones and computer components.

4. Figures for total exports and imports less MTIC adjustments are given in the monthly UK Trade First Release, which can be found at [www.statistics.gov.uk/StatBase/Product.asp?vlnk=1119](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1119).
5. Figures for the most recent periods are provisional and subject to revision in light of: (a) late and corrected responses to surveys; (b) direct investment and other annual survey results, which are mostly published within the December data release.

#### **General notes**

6. Table C provides an EU/non-EU breakdown of the current account. Data in this release are presented on an EU25 basis, reflecting the expansion of EU membership on 1 May 2004. A quarterly geographic breakdown of the UK's current account with the Euro area, the USA, Japan, Canada and Switzerland is also available and is published in *United Kingdom Economic Accounts* (UKEA).
7. Current and capital accounts are seasonally adjusted. Financial account and international investment position data are not seasonally adjusted.

8. 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.
9. International investment position statistics are based on recording direct investments at book values and other assets and liabilities at estimated market values and 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.
10. 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.

#### Further information

11. The United Nations Statistics Commission and the IMF Board of Directors have approved the comprehensive and parallel updating of the following National Accounts manuals, in order to ensure their consistency and achieve greater harmonisation.
  - 1993 System of National Accounts, 1993 (SNA93)
  - Balance of Payments Manual, 5th edition (BPM5)
  - Government Finance Statistics Manual, 2001 (GFSM2001)The ONS has developed the following webpage to inform users of progress and to invite their input:  
<http://www.statistics.gov.uk/about/Consultations/NA/default.asp>
12. Free access to National Statistics data is available online at:  
**[www.statistics.gov.uk](http://www.statistics.gov.uk)**
13. Details of the policy governing the release of new data are available from the press office. Also available is a list of the names of those given pre-publication access to the contents of this release.
14. **National Statistics** are produced to high professional standards set out in the National Statistics Code of Practice. They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown Copyright 2005.

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# A Summary of balance of payments Balances (net transactions)

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	BOKI	-47 864	-60 260	-11 043	-12 300	-13 869	-13 516	-15 048	-15 595	-16 101	-15 735	-14 590
Trade in services	IKBD	16 882	21 232	4 228	4 253	4 215	5 482	5 322	5 009	5 419	4 615	4 812
Total trade	IKBJ	-30 982	-39 028	-6 815	-8 047	-9 654	-8 034	-9 726	-10 586	-10 682	-11 120	-9 778
Income												
Compensation of employees	IJAJ	59	71	23	11	9	15	32	17	7	5	34
Investment income	HBOM	24 133	26 393	5 077	4 983	5 963	5 977	6 644	4 341	9 431	7 267	9 194
Total income	HBOJ	24 192	26 464	5 100	4 994	5 972	5 992	6 676	4 358	9 438	7 272	9 228
Current transfers												
Central government	FNSV	-6 971	-8 278	-1 949	-1 655	-1 751	-2 031	-1 906	-2 147	-2 194	-2 729	-2 194
Other sectors	FNTC	-2 990	-2 477	-949	-846	-574	-684	-489	-629	-675	-759	-306
Total current transfers	IKBP	-9 961	-10 755	-2 898	-2 501	-2 325	-2 715	-2 395	-2 776	-2 869	-3 488	-2 500
<b>Current balance</b>	HBOP	<b>-16 751</b>	<b>-23 319</b>	<b>-4 613</b>	<b>-5 554</b>	<b>-6 007</b>	<b>-4 757</b>	<b>-5 445</b>	<b>-9 004</b>	<b>-4 113</b>	<b>-7 336</b>	<b>-3 050</b>
<b>Capital balance</b>	FNVQ	<b>1 296</b>	<b>1 992</b>	<b>156</b>	<b>276</b>	<b>642</b>	<b>695</b>	<b>581</b>	<b>250</b>	<b>466</b>	<b>732</b>	<b>655</b>
<b>Not seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	LQCT	-47 864	-60 260	-11 582	-12 587	-12 423	-14 315	-15 378	-15 657	-14 910	-16 036	-15 587
Trade in services	KTMS	16 882	21 232	4 160	3 006	4 501	6 369	5 344	3 709	5 810	5 469	4 869
Total trade	KTMJ	-30 982	-39 028	-7 422	-9 581	-7 922	-7 946	-10 034	-11 948	-9 100	-10 567	-10 718
Income												
Compensation of employees	KTMP	59	71	39	91	18	-95	48	102	16	-114	51
Investment income	HMBM	24 133	26 393	2 926	7 196	4 818	7 297	4 213	6 535	8 348	8 287	7 210
Total income	HMBP	24 192	26 464	2 965	7 287	4 836	7 202	4 261	6 637	8 364	8 173	7 261
Current transfers												
Central government	FJUQ	-6 971	-8 278	-1 876	-1 790	-1 348	-2 393	-1 801	-2 303	-1 781	-3 317	-2 135
Other sectors	FJUR	-2 990	-2 477	-920	-814	-552	-772	-452	-610	-643	-852	-256
Total current transfers	KTNF	-9 961	-10 755	-2 796	-2 604	-1 900	-3 165	-2 253	-2 913	-2 424	-4 169	-2 391
<b>Current balance</b>	HBOG	<b>-16 751</b>	<b>-23 319</b>	<b>-7 253</b>	<b>-4 898</b>	<b>-4 986</b>	<b>-3 909</b>	<b>-8 026</b>	<b>-8 224</b>	<b>-3 160</b>	<b>-6 563</b>	<b>-5 848</b>
<b>Capital balance</b>	FKMJ	<b>1 296</b>	<b>1 992</b>	<b>185</b>	<b>295</b>	<b>627</b>	<b>660</b>	<b>614</b>	<b>267</b>	<b>451</b>	<b>696</b>	<b>688</b>
<b>Financial account</b>												
Direct investment	HJYV	-27 105	-4 430	-11 393	-1 213	2 286	-8 625	562	-8 592	12 225	1 676	-3 869
Portfolio investment	HHZD	59 624	-57 620	-12 562	44 427	26 854	3 512	10 844	-31 799	-40 177	31 375	-27 898
Financial derivatives (net)	ZPNN	-5 401	-7 875	2 302	-1 348	1 322	-4 504	-3 967	-1 278	1 874	269	-1 155
Other investment	HHYR	-6 344	78 307	30 157	-34 572	-16 717	188	5 966	45 010	27 143	-40 380	41 581
Reserve assets	LTCV	1 559	-196	647	-1 303	589	525	595	54	-1 370	533	-527
<b>Net financial transactions</b>	HBNT	<b>22 333</b>	<b>8 186</b>	<b>9 151</b>	<b>5 991</b>	<b>14 334</b>	<b>-8 904</b>	<b>14 000</b>	<b>3 395</b>	<b>-305</b>	<b>-6 527</b>	<b>8 132</b>
<b>Net errors and omissions<sup>1</sup></b>	HHDH	<b>-6 878</b>	<b>13 141</b>	<b>-2 083</b>	<b>-1 388</b>	<b>-9 975</b>	<b>12 153</b>	<b>-6 588</b>	<b>4 562</b>	<b>3 014</b>	<b>12 394</b>	<b>-2 972</b>

<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.

# B Current account

## Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Credits</b>												
Exports of goods and services												
Exports of goods	BOKG	188 615	190 950	46 813	46 302	46 466	46 184	47 044	48 228	49 494	49 129	52 056
Exports of services	IKBB	93 616	100 156	23 082	23 635	23 720	24 613	24 905	24 884	25 754	25 627	25 789
Total exports of goods and services	IKBH	282 231	291 106	69 895	69 937	70 186	70 797	71 949	73 112	75 248	74 756	77 845
Income												
Compensation of employees	IJAH	1 116	1 171	280	281	282	284	296	295	296	303	304
Investment income	HBOK	124 969	138 708	31 080	30 389	31 457	31 801	33 162	34 146	39 599	41 308	44 522
Total income	HBOH	126 085	139 879	31 360	30 670	31 739	32 085	33 458	34 441	39 895	41 611	44 826
Current transfers												
Central government	FHDM	3 968	4 022	1 016	1 041	1 121	1 060	896	975	1 091	1 164	962
Other sectors	FHIB	8 400	8 651	2 010	2 244	2 028	2 015	2 287	2 234	2 115	2 406	2 747
Total current transfers	IKBN	12 368	12 673	3 026	3 285	3 149	3 075	3 183	3 209	3 206	3 570	3 709
<b>Total</b>	<b>HBON</b>	<b>420 684</b>	<b>443 658</b>	<b>104 281</b>	<b>103 892</b>	<b>105 074</b>	<b>105 957</b>	<b>108 590</b>	<b>110 762</b>	<b>118 349</b>	<b>119 937</b>	<b>126 380</b>
<b>Debits</b>												
Imports of goods and services												
Imports of goods	BOKH	236 479	251 210	57 856	58 602	60 335	59 700	62 092	63 823	65 595	64 864	66 646
Imports of services	IKBC	76 734	78 924	18 854	19 382	19 505	19 131	19 583	19 875	20 335	21 012	20 977
Total imports of goods and services	IKBI	313 213	330 134	76 710	77 984	79 840	78 831	81 675	83 698	85 930	85 876	87 623
Income												
Compensation of employees	IJAI	1 057	1 100	257	270	273	269	264	278	289	298	270
Investment income	HBOL	100 836	112 315	26 003	25 406	25 494	25 824	26 518	29 805	30 168	34 041	35 328
Total income	HBOI	101 893	113 415	26 260	25 676	25 767	26 093	26 782	30 083	30 457	34 339	35 598
Current transfers												
Central government	FLUD	10 939	12 300	2 965	2 696	2 872	3 091	2 802	3 122	3 285	3 893	3 156
Other sectors	FLUZ	11 390	11 128	2 959	3 090	2 602	2 699	2 776	2 863	2 790	3 165	3 053
Total current transfers	IKBO	22 329	23 428	5 924	5 786	5 474	5 790	5 578	5 985	6 075	7 058	6 209
<b>Total</b>	<b>HBOO</b>	<b>437 435</b>	<b>466 977</b>	<b>108 894</b>	<b>109 446</b>	<b>111 081</b>	<b>110 714</b>	<b>114 035</b>	<b>119 766</b>	<b>122 462</b>	<b>127 273</b>	<b>129 430</b>
<b>Balances</b>												
Trade in goods and services												
Trade in goods	BOKI	-47 864	-60 260	-11 043	-12 300	-13 869	-13 516	-15 048	-15 595	-16 101	-15 735	-14 590
Trade in services	IKBD	16 882	21 232	4 228	4 253	4 215	5 482	5 322	5 009	5 419	4 615	4 812
Total trade in goods and services	IKBJ	-30 982	-39 028	-6 815	-8 047	-9 654	-8 034	-9 726	-10 586	-10 682	-11 120	-9 778
Income												
Compensation of employees	IJAJ	59	71	23	11	9	15	32	17	7	5	34
Investment income	HBOM	24 133	26 393	5 077	4 983	5 963	5 977	6 644	4 341	9 431	7 267	9 194
Total income	HBOJ	24 192	26 464	5 100	4 994	5 972	5 992	6 676	4 358	9 438	7 272	9 228
Current transfers												
Central government	FNSV	-6 971	-8 278	-1 949	-1 655	-1 751	-2 031	-1 906	-2 147	-2 194	-2 729	-2 194
Other sectors	FNTC	-2 990	-2 477	-949	-846	-574	-684	-489	-629	-675	-759	-306
Total current transfers	IKBP	-9 961	-10 755	-2 898	-2 501	-2 325	-2 715	-2 395	-2 776	-2 869	-3 488	-2 500
<b>Current balance</b>	<b>HBOP</b>	<b>-16 751</b>	<b>-23 319</b>	<b>-4 613</b>	<b>-5 554</b>	<b>-6 007</b>	<b>-4 757</b>	<b>-5 445</b>	<b>-9 004</b>	<b>-4 113</b>	<b>-7 336</b>	<b>-3 050</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>												
Trade in goods and services												
Trade in goods	D28J	-4.3	-5.2	-4.0	-4.4	-4.9	-4.7	-5.2	-5.3	-5.4	-5.3	-4.8
Trade in services	D28K	1.5	1.8	1.5	1.5	1.5	1.9	1.8	1.7	1.8	1.5	1.6
Total trade in goods and services	D28L	-2.8	-3.4	-2.5	-2.9	-3.4	-2.8	-3.4	-3.6	-3.6	-3.7	-3.2
Total income	D28M	2.2	2.3	1.9	1.8	2.1	2.1	2.3	1.5	3.2	2.4	3.1
Total current transfers	D28N	-0.9	-0.9	-1.1	-0.9	-0.8	-0.9	-0.8	-0.9	-1.0	-1.2	-0.8
<b>Current balance as percentage of GDP</b>	<b>AA6H</b>	<b>-1.5</b>	<b>-2.0</b>	<b>-1.7</b>	<b>-2.0</b>	<b>-2.1</b>	<b>-1.7</b>	<b>-1.9</b>	<b>-3.1</b>	<b>-1.4</b>	<b>-2.5</b>	<b>-1.0</b>

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

# C Current account: Transactions with the European Union (EU) and with non-EU countries

Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Transactions with the European Union <sup>1 2</sup></b>												
<b>Credits</b>												
Exports of goods	LGCK	110 589	110 904	27 266	26 991	27 316	26 860	27 337	27 959	28 748	28 752	29 054
Exports of services	A8K7	37 998	40 066	8 918	9 541	10 894	9 279	10 144	9 994	10 649	10 241	10 357
Total exports of goods and services	A8K2	148 587	150 970	36 184	36 532	38 210	36 139	37 481	37 953	39 397	38 993	39 411
Income	AA59	58 080	64 738	14 297	14 355	14 400	14 839	15 581	16 156	18 162	18 421	19 796
Current transfers	A8JG	8 629	8 946	2 083	2 306	2 257	2 208	2 144	2 228	2 366	2 640	2 545
<b>Total</b>	<b>AA5F</b>	<b>215 296</b>	<b>224 654</b>	<b>52 564</b>	<b>53 193</b>	<b>54 867</b>	<b>53 186</b>	<b>55 206</b>	<b>56 337</b>	<b>59 925</b>	<b>60 054</b>	<b>61 752</b>
<b>Debits</b>												
Imports of goods	LGDC	136 417	141 641	33 343	33 471	34 620	34 273	35 278	35 438	36 652	36 504	37 349
Imports of services	A8MT	41 878	42 665	10 327	10 677	10 748	10 562	10 549	10 825	10 729	11 024	10 967
Total imports of goods and services	A8MO	178 295	184 306	43 670	44 148	45 368	44 835	45 827	46 263	47 381	47 528	48 316
Income	AA5G	44 331	50 550	11 469	11 061	11 269	11 412	12 010	13 278	13 850	14 553	14 785
Current transfers	A8M4	13 523	13 753	3 691	3 554	3 223	3 564	3 339	3 631	3 219	4 688	3 467
<b>Total</b>	<b>AA5M</b>	<b>236 149</b>	<b>248 609</b>	<b>58 830</b>	<b>58 763</b>	<b>59 860</b>	<b>59 811</b>	<b>61 176</b>	<b>63 172</b>	<b>64 450</b>	<b>66 769</b>	<b>66 568</b>
<b>Balances</b>												
Trade in goods	LGCG	-25 828	-30 737	-6 077	-6 480	-7 304	-7 413	-7 941	-7 479	-7 904	-7 752	-8 295
Trade in services	A8NK	-3 880	-2 599	-1 409	-1 136	146	-1 283	-405	-831	-80	-783	-610
Total trade in goods and services	A8NF	-29 708	-33 336	-7 486	-7 616	-7 158	-8 696	-8 346	-8 310	-7 984	-8 535	-8 905
Income	AA5N	13 749	14 188	2 828	3 294	3 131	3 427	3 571	2 878	4 312	3 868	5 011
Current transfers	A8N5	-4 894	-4 807	-1 608	-1 248	-966	-1 356	-1 195	-1 403	-853	-2 048	-922
<b>Total</b>	<b>AA5T</b>	<b>-20 853</b>	<b>-23 955</b>	<b>-6 266</b>	<b>-5 570</b>	<b>-4 993</b>	<b>-6 625</b>	<b>-5 970</b>	<b>-6 835</b>	<b>-4 525</b>	<b>-6 715</b>	<b>-4 816</b>
<b>Transactions with non-EU countries <sup>3</sup></b>												
<b>Credits</b>												
Exports of goods	LGDY	78 026	80 046	19 547	19 311	19 150	19 324	19 707	20 269	20 746	20 377	23 002
Exports of services	A8QV	55 618	60 090	14 164	14 094	12 826	15 334	14 761	14 890	15 105	15 386	15 432
Total exports of goods and services	A8QT	133 644	140 136	33 711	33 405	31 976	34 658	34 468	35 159	35 851	35 763	38 434
Income	AA66	68 005	75 141	17 063	16 315	17 339	17 246	17 877	18 285	21 733	23 190	25 030
Current transfers	A8QP	3 739	3 727	943	979	892	867	1 039	981	840	930	1 164
<b>Total</b>	<b>AA6A</b>	<b>205 388</b>	<b>219 004</b>	<b>51 717</b>	<b>50 699</b>	<b>50 207</b>	<b>52 771</b>	<b>53 384</b>	<b>54 425</b>	<b>58 424</b>	<b>59 883</b>	<b>64 628</b>
<b>Debits</b>												
Imports of goods	LGER	100 062	109 569	24 513	25 131	25 715	25 427	26 814	28 385	28 943	28 360	29 297
Imports of services	A8RT	34 856	36 259	8 527	8 705	8 757	8 569	9 034	9 050	9 606	9 988	10 010
Total imports of goods and services	A8RR	134 918	145 828	33 040	33 836	34 472	33 996	35 848	37 435	38 549	38 348	39 307
Income	AA6C	57 562	62 865	14 791	14 615	14 498	14 681	14 772	16 805	16 607	19 786	20 813
Current transfers	A8RN	8 806	9 675	2 233	2 232	2 251	2 226	2 239	2 354	2 856	2 370	2 742
<b>Total</b>	<b>AA6G</b>	<b>201 286</b>	<b>218 368</b>	<b>50 064</b>	<b>50 683</b>	<b>51 221</b>	<b>50 903</b>	<b>52 859</b>	<b>56 594</b>	<b>58 012</b>	<b>60 504</b>	<b>62 862</b>
<b>Balances</b>												
Trade in goods	LGDT	-22 036	-29 523	-4 966	-5 820	-6 565	-6 103	-7 107	-8 116	-8 197	-7 983	-6 295
Trade in services	A8S5	20 762	23 831	5 637	5 389	4 069	6 765	5 727	5 840	5 499	5 398	5 422
Total trade in goods and services	A8S3	-1 274	-5 692	671	-431	-2 496	662	-1 380	-2 276	-2 698	-2 585	-873
Income	AA6M	10 443	12 276	2 272	1 700	2 841	2 565	3 105	1 480	5 126	3 404	4 217
Current transfers	A8RX	-5 067	-5 948	-1 290	-1 253	-1 359	-1 359	-1 200	-1 373	-2 016	-1 440	-1 578
<b>Total</b>	<b>AA6O</b>	<b>4 102</b>	<b>636</b>	<b>1 653</b>	<b>16</b>	<b>-1 014</b>	<b>1 868</b>	<b>525</b>	<b>-2 169</b>	<b>412</b>	<b>-621</b>	<b>1 766</b>

1 EU presented on an EU25 basis.

2 Includes transactions with European Union institutions.

3 Includes transactions with international organisations other than European Union institutions.

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

Not seasonally adjusted

£billion

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Investment abroad</b>												
International Investment Position												
Direct investment	HBWD	696.1	721.5	698.2	707.4	696.1	683.1	688.6	707.4	721.5	734.9	741.3
Portfolio investment	HHZZ	935.9	1 071.2	901.7	916.1	935.9	973.1	971.5	1 008.6	1 071.2	1 083.4	1 144.7
Other investment	HLXV	1 890.8	2 158.0	1 861.1	1 901.4	1 890.8	2 029.6	2 104.7	2 147.3	2 158.0	2 378.3	2 545.6
Reserve assets	LTEB	23.8	23.3	23.5	25.1	23.8	22.8	21.7	22.0	23.3	22.4	23.4
<b>Total</b>	<b>HBQA</b>	<b>3 546.6</b>	<b>3 974.0</b>	<b>3 484.5</b>	<b>3 550.1</b>	<b>3 546.6</b>	<b>3 708.7</b>	<b>3 786.5</b>	<b>3 885.3</b>	<b>3 974.0</b>	<b>4 219.1</b>	<b>4 455.1</b>
Financial Account transactions												
Direct investment	-HJYP	39.9	44.0	13.9	7.0	-1.9	13.3	11.0	16.8	2.9	17.1	13.6
Portfolio investment	-HHZC	36.3	142.7	25.4	-4.0	-0.7	46.1	0.7	48.2	47.7	24.7	51.7
Financial derivatives (net)	-ZPNN	5.4	7.9	-2.3	1.3	-1.3	4.5	4.0	1.3	-1.9	-0.3	1.2
Other investment	-XBMM	259.2	325.8	92.9	26.7	41.8	205.8	65.1	18.9	35.9	229.5	136.2
Reserve assets	-LTCV	-1.6	0.2	-0.6	1.3	-0.6	-0.5	-0.6	-0.1	1.4	-0.5	0.5
<b>Total</b>	<b>-HBNR</b>	<b>339.2</b>	<b>520.5</b>	<b>129.3</b>	<b>32.4</b>	<b>37.3</b>	<b>269.1</b>	<b>80.2</b>	<b>85.1</b>	<b>86.0</b>	<b>270.6</b>	<b>203.1</b>
Investment income earnings												
Direct investment	HJYW	54.7	60.9	13.1	14.3	13.7	13.4	14.1	15.6	17.8	17.0	18.5
Portfolio investment	HLYX	32.6	37.9	8.7	7.8	8.0	8.8	10.3	9.1	9.7	10.4	12.6
Other investment	ATOP	36.9	39.3	9.8	9.0	8.8	8.5	9.2	10.2	11.4	12.3	14.0
Reserve assets	HHCB	0.8	0.7	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>125.0</b>	<b>138.7</b>	<b>31.7</b>	<b>31.3</b>	<b>30.7</b>	<b>30.8</b>	<b>33.8</b>	<b>35.1</b>	<b>39.1</b>	<b>39.9</b>	<b>45.4</b>
<b>Investment in the UK</b>												
International Investment Position												
Direct investment	HBWI	356.7	397.5	348.4	355.3	356.7	361.5	373.5	382.4	397.5	416.2	425.8
Portfolio investment	HLXW	1 046.2	1 178.0	949.8	992.8	1 046.2	1 086.8	1 097.3	1 135.0	1 178.0	1 239.7	1 309.5
Other investment	HLYD	2 183.3	2 518.6	2 202.0	2 208.0	2 183.3	2 331.1	2 409.9	2 486.3	2 518.6	2 700.1	2 913.9
<b>Total</b>	<b>HBQB</b>	<b>3 586.2</b>	<b>4 094.1</b>	<b>3 500.2</b>	<b>3 556.1</b>	<b>3 586.2</b>	<b>3 779.3</b>	<b>3 880.7</b>	<b>4 003.7</b>	<b>4 094.1</b>	<b>4 356.0</b>	<b>4 649.2</b>
Financial Account transactions												
Direct investment	HJYU	12.8	39.6	2.5	5.8	0.4	4.6	11.6	8.2	15.1	18.8	9.7
Portfolio investment	HHZF	95.9	85.0	12.9	40.5	26.1	49.6	11.5	16.4	7.6	56.1	23.8
Other investment	XBMN	252.8	404.1	123.0	-7.9	25.1	206.0	71.1	64.0	63.0	189.2	177.8
<b>Total</b>	<b>HBNS</b>	<b>361.6</b>	<b>528.7</b>	<b>138.4</b>	<b>38.4</b>	<b>51.6</b>	<b>260.2</b>	<b>94.2</b>	<b>88.5</b>	<b>85.7</b>	<b>264.1</b>	<b>211.3</b>
Investment income												
Direct investment	HJYX	22.4	25.6	6.2	5.5	5.9	5.5	6.8	6.0	7.4	6.4	7.1
Portfolio investment	HLZC	31.6	36.3	10.1	7.2	8.6	7.1	11.0	9.4	8.8	9.2	12.6
Other investment	HLZN	46.8	50.4	12.5	11.4	11.4	10.9	11.8	13.2	14.5	16.0	18.5
<b>Total</b>	<b>HMBO</b>	<b>100.8</b>	<b>112.3</b>	<b>28.8</b>	<b>24.1</b>	<b>25.9</b>	<b>23.5</b>	<b>29.5</b>	<b>28.5</b>	<b>30.7</b>	<b>31.6</b>	<b>38.2</b>
<b>Net investment</b>												
International Investment Position												
Direct investment	HBWQ	339.4	324.0	349.7	352.2	339.4	321.7	315.1	325.0	324.0	318.8	315.5
Portfolio investment	CGNH	-110.3	-106.7	-48.1	-76.7	-110.3	-113.7	-125.8	-126.4	-106.7	-156.3	-164.8
Other investment	CGNG	-292.5	-360.5	-340.8	-306.6	-292.5	-301.5	-305.2	-339.0	-360.5	-321.8	-368.3
Reserve assets	LTEB	23.8	23.3	23.5	25.1	23.8	22.8	21.7	22.0	23.3	22.4	23.4
<b>Net investment</b>	<b>HBQC</b>	<b>-39.6</b>	<b>-120.0</b>	<b>-15.7</b>	<b>-6.0</b>	<b>-39.6</b>	<b>-70.7</b>	<b>-94.2</b>	<b>-118.4</b>	<b>-120.0</b>	<b>-136.9</b>	<b>-194.1</b>
Financial Accounts transactions												
Direct investment	HJYV	-27.1	-4.4	-11.4	-1.2	2.3	-8.6	0.6	-8.6	12.2	1.7	-3.9
Portfolio investment	HHZD	59.6	-57.6	-12.6	44.4	26.9	3.5	10.8	-31.8	-40.2	31.4	-27.9
Financial derivatives	ZPNN	-5.4	-7.9	2.3	-1.3	1.3	-4.5	-4.0	-1.3	1.9	0.3	-1.2
Other investment	HHYR	-6.3	78.3	30.2	-34.6	-16.7	0.2	6.0	45.0	27.1	-40.4	41.6
Reserve assets	LTCV	1.6	-0.2	0.6	-1.3	0.6	0.5	0.6	0.1	-1.4	0.5	-0.5
<b>Net transactions</b>	<b>HBNT</b>	<b>22.3</b>	<b>8.2</b>	<b>9.2</b>	<b>6.0</b>	<b>14.3</b>	<b>-8.9</b>	<b>14.0</b>	<b>3.4</b>	<b>-0.3</b>	<b>-6.5</b>	<b>8.1</b>
Investment income earnings												
Direct investment	HJYE	32.3	35.2	6.8	8.8	7.8	7.9	7.3	9.6	10.4	10.6	11.5
Portfolio investment	HLZX	1.0	1.6	-1.4	0.6	-0.6	1.7	-0.7	-0.3	0.8	1.1	-
Other investment	CGNA	-9.9	-11.1	-2.7	-2.4	-2.6	-2.4	-2.6	-2.9	-3.1	-3.7	-4.5
Reserve assets	HHCB	0.8	0.7	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>24.1</b>	<b>26.4</b>	<b>2.9</b>	<b>7.2</b>	<b>4.8</b>	<b>7.3</b>	<b>4.2</b>	<b>6.5</b>	<b>8.3</b>	<b>8.3</b>	<b>7.2</b>

# E Trade in goods

Seasonally adjusted

£ million

		2003	2004	2003	2003	2003	2004	2004	2004	2004	2005	2005
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Exports</b>												
Food, beverages and tobacco	BOPL	10 886	10 578	2 687	2 756	2 652	2 577	2 737	2 613	2 651	2 649	2 778
Basic materials	BOPM	3 337	3 771	810	846	830	871	923	993	984	965	985
Oil	ELBL	14 608	16 259	3 542	3 539	3 334	3 656	3 937	4 080	4 586	4 496	4 981
Other fuels	BOQI	1 950	1 685	569	481	421	369	423	487	406	406	418
Semi-manufactured goods	BOPO	54 539	56 470	13 770	13 608	13 928	13 861	13 765	14 250	14 594	14 537	14 848
Finished manufactured goods	BOPP	102 427	101 306	25 213	24 880	25 087	24 640	25 063	25 598	26 005	25 865	27 836
Unspecified goods	BOQL	868	881	222	192	214	210	196	207	268	211	210
<b>Total</b>	<b>BOKG</b>	<b>188 615</b>	<b>190 950</b>	<b>46 813</b>	<b>46 302</b>	<b>46 466</b>	<b>46 184</b>	<b>47 044</b>	<b>48 228</b>	<b>49 494</b>	<b>49 129</b>	<b>52 056</b>
<b>Imports</b>												
Food, beverages and tobacco	BQAR	21 195	22 145	5 273	5 315	5 458	5 392	5 547	5 570	5 636	5 755	5 912
Basic materials	BQAS	6 144	6 340	1 506	1 488	1 641	1 578	1 547	1 599	1 616	1 610	1 663
Oil	ENXO	10 484	14 528	2 366	2 746	2 700	2 777	3 573	3 844	4 334	3 986	4 527
Other fuels	BPBI	1 079	2 240	276	250	349	459	480	618	683	854	807
Semi-manufactured goods	BQAU	56 089	60 219	14 114	14 186	14 174	14 389	14 508	15 479	15 843	15 578	15 283
Finished manufactured goods	BQAV	139 880	143 931	33 935	34 221	35 565	34 664	35 985	36 287	36 995	36 618	37 947
Unspecified goods	BQAW	1 608	1 807	386	396	448	441	452	426	488	463	507
<b>Total</b>	<b>BOKH</b>	<b>236 479</b>	<b>251 210</b>	<b>57 856</b>	<b>58 602</b>	<b>60 335</b>	<b>59 700</b>	<b>62 092</b>	<b>63 823</b>	<b>65 595</b>	<b>64 864</b>	<b>66 646</b>
<b>Balances</b>												
Food, beverages and tobacco	ELBE	-10 309	-11 567	-2 586	-2 559	-2 806	-2 815	-2 810	-2 957	-2 985	-3 106	-3 134
Basic materials	ELBF	-2 807	-2 569	-696	-642	-811	-707	-624	-606	-632	-645	-678
Oil	ENXQ	4 124	1 731	1 176	793	634	879	364	236	252	510	454
Other fuels	ENIW	871	-555	293	231	72	-90	-57	-131	-277	-448	-389
Semi-manufactured goods	ELBH	-1 550	-3 749	-344	-578	-246	-528	-743	-1 229	-1 249	-1 041	-435
Finished manufactured goods	ELBI	-37 453	-42 625	-8 722	-9 341	-10 478	-10 024	-10 922	-10 689	-10 990	-10 753	-10 111
Unspecified goods	BQKX	-740	-926	-164	-204	-234	-231	-256	-219	-220	-252	-297
<b>Total</b>	<b>BOKI</b>	<b>-47 864</b>	<b>-60 260</b>	<b>-11 043</b>	<b>-12 300</b>	<b>-13 869</b>	<b>-13 516</b>	<b>-15 048</b>	<b>-15 595</b>	<b>-16 101</b>	<b>-15 735</b>	<b>-14 590</b>



# F Trade in services

Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Exports</b>												
Transportation	FKOA	13 579	16 358	3 284	3 530	3 545	3 840	4 140	3 969	4 409	4 366	4 296
Travel	FAP0	13 876	15 406	3 280	3 516	3 654	3 667	3 869	3 825	4 045	4 177	4 122
Communications	FDQP	2 079	2 022	515	519	516	456	495	583	488	564	571
Construction	FDSG	205	228	50	51	40	48	54	64	62	60	79
Insurance	FDTF	6 765	6 511	1 846	1 743	1 266	1 759	1 772	1 731	1 249	1 413	1 490
Financial	FDYI	13 492	15 591	3 278	3 406	3 605	4 012	3 801	3 790	3 988	3 955	4 040
Computer and information	FDYQ	4 826	5 755	1 147	1 064	1 304	1 495	1 225	1 428	1 607	1 235	1 270
Royalties and license fees	FEBA	6 264	6 564	1 578	1 519	1 676	1 634	1 650	1 649	1 631	1 650	1 540
Other business	FEHH	28 955	27 850	7 239	7 375	7 212	6 772	6 957	6 906	7 215	7 247	7 418
Personal, cultural and recreational	FGXJ	1 685	1 837	409	419	434	410	436	450	541	467	461
Government	FGZA	1 890	2 034	456	493	468	520	506	489	519	493	502
<b>Total</b>	<b>IKBB</b>	<b>93 616</b>	<b>100 156</b>	<b>23 082</b>	<b>23 635</b>	<b>23 720</b>	<b>24 613</b>	<b>24 905</b>	<b>24 884</b>	<b>25 754</b>	<b>25 627</b>	<b>25 789</b>
<b>Imports</b>												
Transportation	FHME	17 270	18 596	4 187	4 353	4 426	4 338	4 666	4 747	4 845	4 993	5 047
Travel	APQL	29 355	30 864	7 179	7 489	7 415	7 504	7 661	7 713	7 986	8 288	7 878
Communications	FIND	2 098	1 928	503	547	527	517	493	499	419	477	444
Construction	FI0U	100	132	25	34	11	21	22	46	43	48	65
Insurance	FIPT	778	823	193	193	183	198	202	205	218	223	228
Financial	FITY	3 558	3 351	916	893	927	770	826	797	958	1 022	1 023
Computer and information	FIUG	1 712	1 944	396	447	476	503	440	446	555	586	634
Royalties and license fees	FIVX	4 810	4 567	1 182	1 228	1 218	1 140	1 093	1 117	1 217	1 286	1 285
Other business	FIWF	13 741	13 530	3 405	3 449	3 519	3 329	3 444	3 457	3 300	3 355	3 672
Personal, cultural and recreational	FLQJ	682	792	155	161	166	190	183	202	217	216	181
Government	FLSA	2 630	2 397	713	588	637	621	553	646	577	518	520
<b>Total</b>	<b>IKBC</b>	<b>76 734</b>	<b>78 924</b>	<b>18 854</b>	<b>19 382</b>	<b>19 505</b>	<b>19 131</b>	<b>19 583</b>	<b>19 875</b>	<b>20 335</b>	<b>21 012</b>	<b>20 977</b>
<b>Balances</b>												
Transportation	FLYS	-3 691	-2 238	-903	-823	-881	-498	-526	-778	-436	-627	-751
Travel	FNGY	-15 479	-15 458	-3 899	-3 973	-3 761	-3 837	-3 792	-3 888	-3 941	-4 111	-3 756
Communications	FNIT	-19	94	12	-28	-11	-61	2	84	69	87	127
Construction	FNJM	105	96	25	17	29	27	32	18	19	12	14
Insurance	FNKF	5 987	5 688	1 653	1 550	1 083	1 561	1 570	1 526	1 031	1 190	1 262
Financial	FNLQ	9 934	12 240	2 362	2 513	2 678	3 242	2 975	2 993	3 030	2 933	3 017
Computer and information	FNLY	3 114	3 811	751	617	828	992	785	982	1 052	649	636
Royalties and license fees	FNMR	1 454	1 997	396	291	458	494	557	532	414	364	255
Other business	FNMZ	15 214	14 320	3 834	3 926	3 693	3 443	3 513	3 449	3 915	3 892	3 746
Personal, cultural and recreational	FNRB	1 003	1 045	254	258	268	220	253	248	324	251	280
Government	FNRU	-740	-363	-257	-95	-169	-101	-47	-157	-58	-25	-18
<b>Total</b>	<b>IKBD</b>	<b>16 882</b>	<b>21 232</b>	<b>4 228</b>	<b>4 253</b>	<b>4 215</b>	<b>5 482</b>	<b>5 322</b>	<b>5 009</b>	<b>5 419</b>	<b>4 615</b>	<b>4 812</b>

		2003	2004	2003	2003	2003	2004	2004	2004	2004	2005	2005
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Credits</b>												
Compensation of employees	IJAH	1 116	1 171	280	281	282	284	296	295	296	303	304
Investment income												
Earnings on direct investment abroad	CNZQ	54 728	60 857	13 022	13 448	14 117	14 096	14 211	14 664	17 886	18 067	18 532
Earnings on portfolio investment abroad												
Earnings on equity securities	CGDT	10 386	11 808	2 501	2 671	2 610	2 665	3 066	2 880	3 197	3 292	3 440
Earnings on debt securities	CGDU	22 169	26 053	5 603	5 123	5 716	6 373	6 542	6 221	6 917	7 448	8 304
Total portfolio investment	CGDV	32 555	37 861	8 104	7 794	8 326	9 038	9 608	9 101	10 114	10 740	11 744
Earnings on other investment abroad	CGDW	36 898	39 266	9 758	8 952	8 822	8 489	9 167	10 208	11 402	12 304	14 040
Earnings on reserve assets	HHCC	788	724	196	195	192	178	176	173	197	197	206
Total investment income	HBOK	124 969	138 708	31 080	30 389	31 457	31 801	33 162	34 146	39 599	41 308	44 522
<b>Total</b>	<b>HBOH</b>	<b>126 085</b>	<b>139 879</b>	<b>31 360</b>	<b>30 670</b>	<b>31 739</b>	<b>32 085</b>	<b>33 458</b>	<b>34 441</b>	<b>39 895</b>	<b>41 611</b>	<b>44 826</b>
<b>Debits</b>												
Compensation of employees	IJAI	1 057	1 100	257	270	273	269	264	278	289	298	270
Investment income												
Foreign earnings on direct investment in the UK	CNZR	22 420	25 635	5 698	5 880	5 772	5 898	6 163	6 304	7 270	6 641	6 541
Foreign earnings on portfolio investment in the UK												
Earnings on equity securities	HGOT	13 669	13 998	3 474	3 635	3 492	3 873	3 318	4 602	2 205	4 644	3 064
Earnings on debt securities	CGDX	17 929	22 297	4 346	4 558	4 795	5 033	5 306	5 808	6 150	6 721	7 207
Total portfolio investment	CGDZ	31 598	36 295	7 820	8 193	8 287	8 906	8 624	10 410	8 355	11 365	10 271
Earnings on other investment in the UK	CGEB	46 818	50 385	12 485	11 333	11 435	11 020	11 731	13 091	14 543	16 035	18 516
Total investment income	HBOI	100 836	112 315	26 003	25 406	25 494	25 824	26 518	29 805	30 168	34 041	35 328
<b>Total</b>	<b>HBOI</b>	<b>101 893</b>	<b>113 415</b>	<b>26 260</b>	<b>25 676</b>	<b>25 767</b>	<b>26 093</b>	<b>26 782</b>	<b>30 083</b>	<b>30 457</b>	<b>34 339</b>	<b>35 598</b>
<b>Balances</b>												
Compensation of employees	IJAJ	59	71	23	11	9	15	32	17	7	5	34
Investment income												
Direct investment	CVWX	32 308	35 222	7 324	7 568	8 345	8 198	8 048	8 360	10 616	11 426	11 991
Portfolio investment												
Earnings on equity securities	CGEC	-3 283	-2 190	-973	-964	-882	-1 208	-252	-1 722	992	-1 352	376
Earnings on debt securities	CGED	4 240	3 756	1 257	565	921	1 340	1 236	413	767	727	1 097
Total portfolio investment	CGEE	957	1 566	284	-399	39	132	984	-1 309	1 759	-625	1 473
Other investment	CGFF	-9 920	-11 119	-2 727	-2 381	-2 613	-2 531	-2 564	-2 883	-3 141	-3 731	-4 476
Reserve assets	HHCC	788	724	196	195	192	178	176	173	197	197	206
Total investment income	HBOJ	24 133	26 393	5 077	4 983	5 963	5 977	6 644	4 341	9 431	7 267	9 194
<b>Total</b>	<b>HBOJ</b>	<b>24 192</b>	<b>26 464</b>	<b>5 100</b>	<b>4 994</b>	<b>5 972</b>	<b>5 992</b>	<b>6 676</b>	<b>4 358</b>	<b>9 438</b>	<b>7 272</b>	<b>9 228</b>

# H Current transfers

## Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Credits</b>												
Central government												
Receipts from EU Institutions:												
Abatement	FKKM	3 560	3 592	913	939	1 018	957	790	867	978	1 057	855
Other EU receipts	GTTA	10	12	3	2	2	4	3	2	3	–	–
Other receipts	CGDN	398	418	100	100	101	99	103	106	110	107	107
<b>Total central government</b>	<b>FHDM</b>	<b>3 968</b>	<b>4 022</b>	<b>1 016</b>	<b>1 041</b>	<b>1 121</b>	<b>1 060</b>	<b>896</b>	<b>975</b>	<b>1 091</b>	<b>1 164</b>	<b>962</b>
Other sectors												
Receipts from EU Institutions:												
Social fund	HHAD	427	433	18	199	113	15	165	147	106	275	445
Agricultural guarantee fund	ZXIA	2 856	2 936	701	701	701	701	745	745	745	745	795
ECSC Grant	FHHS	–	2	–	–	–	2	–	–	–	–	–
Other receipts	CGDO	5 117	5 280	1 291	1 344	1 214	1 297	1 377	1 342	1 264	1 386	1 507
<b>Total other sectors</b>	<b>FHIB</b>	<b>8 400</b>	<b>8 651</b>	<b>2 010</b>	<b>2 244</b>	<b>2 028</b>	<b>2 015</b>	<b>2 287</b>	<b>2 234</b>	<b>2 115</b>	<b>2 406</b>	<b>2 747</b>
<b>Total</b>	<b>IKBN</b>	<b>12 368</b>	<b>12 673</b>	<b>3 026</b>	<b>3 285</b>	<b>3 149</b>	<b>3 075</b>	<b>3 183</b>	<b>3 209</b>	<b>3 206</b>	<b>3 570</b>	<b>3 709</b>
<b>Debits</b>												
Central government												
Payments to EU institutions												
GNP:4th resource	HCSF	6 622	7 565	1 884	1 684	1 588	1 981	1 810	1 906	1 868	2 906	1 879
GNP adjustments	HCSN	150	–16	–	–	150	–	–	–	–16	–	–
Other	FLMT	13	–7	2	–	7	–	1	1	–9	–	–
Other payments	CGDP	4 154	4 758	1 079	1 012	1 127	1 110	991	1 215	1 442	987	1 277
<b>Total central government</b>	<b>FLUD</b>	<b>10 939</b>	<b>12 300</b>	<b>2 965</b>	<b>2 696</b>	<b>2 872</b>	<b>3 091</b>	<b>2 802</b>	<b>3 122</b>	<b>3 285</b>	<b>3 893</b>	<b>3 156</b>
Other sectors												
Payments to EU institutions	CGDR	4 695	3 959	1 287	1 352	956	949	930	1 046	1 034	1 117	983
Other payments	CGDS	6 695	7 169	1 672	1 738	1 646	1 750	1 846	1 817	1 756	2 048	2 070
<b>Total other sectors</b>	<b>FLUZ</b>	<b>11 390</b>	<b>11 128</b>	<b>2 959</b>	<b>3 090</b>	<b>2 602</b>	<b>2 699</b>	<b>2 776</b>	<b>2 863</b>	<b>2 790</b>	<b>3 165</b>	<b>3 053</b>
<b>Total</b>	<b>IKBO</b>	<b>22 329</b>	<b>23 428</b>	<b>5 924</b>	<b>5 786</b>	<b>5 474</b>	<b>5 790</b>	<b>5 578</b>	<b>5 985</b>	<b>6 075</b>	<b>7 058</b>	<b>6 209</b>
<b>Balances</b>												
Central government	FNSV	–6 971	–8 278	–1 949	–1 655	–1 751	–2 031	–1 906	–2 147	–2 194	–2 729	–2 194
Other sectors	FNTC	–2 990	–2 477	–949	–846	–574	–684	–489	–629	–675	–759	–306
<b>Total</b>	<b>IKBP</b>	<b>–9 961</b>	<b>–10 755</b>	<b>–2 898</b>	<b>–2 501</b>	<b>–2 325</b>	<b>–2 715</b>	<b>–2 395</b>	<b>–2 776</b>	<b>–2 869</b>	<b>–3 488</b>	<b>–2 500</b>
<i>Of which: EU institutions</i>	GTTB	–4 627	–4 526	–1 538	–1 195	–867	–1 251	–1 038	–1 192	–1 045	–1 946	–767

# Capital account

## Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>Credits</b>												
Capital transfers												
Central government												
Debt forgiveness	FHIV	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	FHJA	-	-	-	-	-	-	-	-	-	-	-
Total central government	FHIU	-	-	-	-	-	-	-	-	-	-	-
Other sectors												
Migrants' transfers	FHJC	1 951	2 298	430	429	661	557	571	581	589	601	617
Debt forgiveness	FHJD	-	-	-	-	-	-	-	-	-	-	-
EU Institutions:												
Regional development fund	GTX	622	1 062	43	223	257	495	382	20	165	481	362
Agricultural guidance fund	FHJF	2	49	-	-	-	22	-	7	20	3	30
Other capital transfers	EBGO	-	-	-	-	-	-	-	-	-	-	-
Total EU institutions	GTTY	624	1 111	43	223	257	517	382	27	185	484	392
Total other sectors	FHJB	2 575	3 409	473	652	918	1 074	953	608	774	1 085	1 009
Total capital transfers	FHIT	2 575	3 409	473	652	918	1 074	953	608	774	1 085	1 009
Sales of non-produced, non-financial assets	FHJL	218	175	49	29	88	47	47	29	52	51	61
<b>Total</b>	FHLD	<b>2 793</b>	<b>3 584</b>	<b>522</b>	<b>681</b>	<b>1 006</b>	<b>1 121</b>	<b>1 000</b>	<b>637</b>	<b>826</b>	<b>1 136</b>	<b>1 070</b>
<b>Debits</b>												
Capital transfers												
Central government												
Debt forgiveness	FLWD	16	13	3	5	2	4	2	5	2	5	2
Other capital transfers (project grants)	FLWH	345	390	83	95	82	98	101	93	98	95	106
Total central government	FLWB	361	403	86	100	84	102	103	98	100	100	108
Other sectors												
Migrants' transfers	FLWJ	547	515	129	143	159	165	145	118	87	129	130
Debt Forgiveness												
Monetary financial institutions	FLWL	-	-	-	-	-	-	-	-	-	-	-
Public corporations	HMLY	300	288	75	75	75	75	71	71	71	71	65
Total debt forgiveness	JCWM	300	288	75	75	75	75	71	71	71	71	65
Other capital transfers	FLWQ	-	-	-	-	-	-	-	-	-	-	-
Total other sectors	FLWI	847	803	204	218	234	240	216	189	158	200	195
Total capital transfers	FLWA	1 208	1 206	290	318	318	342	319	287	258	300	303
Purchases of non-produced, non-financial assets	FLWT	289	386	76	87	46	84	100	100	102	104	112
<b>Total</b>	FLYL	<b>1 497</b>	<b>1 592</b>	<b>366</b>	<b>405</b>	<b>364</b>	<b>426</b>	<b>419</b>	<b>387</b>	<b>360</b>	<b>404</b>	<b>415</b>
<b>Balances</b>												
Capital transfers												
Central government												
Debt forgiveness	FNTM	-16	-13	-3	-5	-2	-4	-2	-5	-2	-5	-2
Other capital transfers	FNTN	-345	-390	-83	-95	-82	-98	-101	-93	-98	-95	-106
Total central government	FNTL	-361	-403	-86	-100	-84	-102	-103	-98	-100	-100	-108
Other sectors												
Migrants' transfers	FNTP	1 404	1 783	301	286	502	392	426	463	502	472	487
Debt forgiveness	FNTQ	-300	-288	-75	-75	-75	-75	-71	-71	-71	-71	-65
Other capital transfers	FNTR	624	1 111	43	223	257	517	382	27	185	484	392
Total other sectors	FNTO	1 728	2 606	269	434	684	834	737	419	616	885	814
Total capital transfers	FNTK	1 367	2 203	183	334	600	732	634	321	516	785	706
Non-produced, non-financial assets	FNTS	-71	-211	-27	-58	42	-37	-53	-71	-50	-53	-51
<b>Total</b>	FNVQ	<b>1 296</b>	<b>1 992</b>	<b>156</b>	<b>276</b>	<b>642</b>	<b>695</b>	<b>581</b>	<b>250</b>	<b>466</b>	<b>732</b>	<b>655</b>

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1	2005 Q2
<b>UK investment abroad</b> (net debits)												
Direct investment abroad												
Equity capital	-HJYM	17 001	17 904	1 351	3 241	237	3 127	4 688	9 541	548	830	1 933
Reinvested earnings	-HDNY	21 013	27 591	-1 240	8 281	4 389	2 152	6 099	8 432	10 908	10 029	11 922
Other capital transactions	-HMAB	1 929	-1 499	13 808	-4 498	-6 500	7 991	246	-1 180	-8 556	6 291	-278
Total direct investment abroad	-HJYP	39 943	43 996	13 919	7 024	-1 874	13 270	11 033	16 793	2 900	17 150	13 577
Portfolio investment abroad												
Equity securities	-HBVI	19 684	56 439	25 384	16 595	-22 256	3 989	29 005	17 339	6 106	-150	-2 640
Debt securities	-XBMW	16 583	86 222	42	-20 553	21 529	42 089	-28 345	30 836	41 642	24 885	54 345
Total portfolio investment abroad	-HHZC	36 267	142 661	25 426	-3 958	-727	46 078	660	48 175	47 748	24 735	51 705
Financial derivatives (net)	-ZPNN	5 401	7 875	-2 302	1 348	-1 322	4 504	3 967	1 278	-1 874	-269	1 155
Other investment abroad	-XBMM	259 170	325 763	92 863	26 663	41 803	205 818	65 147	18 941	35 857	229 540	136 179
Reserve assets	-LTCV	-1 559	196	-647	1 303	-589	-525	-595	-54	1 370	-533	527
<b>Total</b>	<b>-HBNR</b>	<b>339 222</b>	<b>520 491</b>	<b>129 259</b>	<b>32 380</b>	<b>37 291</b>	<b>269 145</b>	<b>80 212</b>	<b>85 133</b>	<b>86 001</b>	<b>270 623</b>	<b>203 143</b>
<b>Investment in the UK</b> (net credits)												
Direct investment in the UK												
Equity capital	HJYR	4 094	22 313	501	1 678	1 670	1 345	7 816	2 127	11 025	6 358	2 033
Reinvested earnings	CYFV	7 448	9 443	1 946	2 544	146	2 761	2 217	3 187	1 278	2 748	2 999
Other capital transactions	HMAD	1 296	7 810	79	1 589	-1 404	539	1 562	2 887	2 822	9 720	4 676
Total direct investment in the UK	HJYU	12 838	39 566	2 526	5 811	412	4 645	11 595	8 201	15 125	18 826	9 708
Portfolio investment in the UK												
Equity securities	XBLW	9 738	-8 387	-744	-225	-290	-3 481	-3 837	-462	-607	7 046	2 152
Debt securities	XBLX	86 153	93 428	13 608	40 694	26 417	53 071	15 341	16 838	8 178	49 064	21 655
Total portfolio investment in the UK	HHZF	95 891	85 041	12 864	40 469	26 127	49 590	11 504	16 376	7 571	56 110	23 807
Other investment in the UK	XBMN	252 826	404 070	123 020	-7 909	25 086	206 006	71 113	63 951	63 000	189 160	177 760
<b>Total</b>	<b>HBNS</b>	<b>361 555</b>	<b>528 677</b>	<b>138 410</b>	<b>38 371</b>	<b>51 625</b>	<b>260 241</b>	<b>94 212</b>	<b>88 528</b>	<b>85 696</b>	<b>264 096</b>	<b>211 275</b>
<b>Net transactions</b> (net credits less net debits)												
Direct investment												
Equity capital	HBWN	-12 907	4 409	-850	-1 563	1 433	-1 782	3 128	-7 414	10 477	5 528	100
Reinvested earnings	HBWT	-13 565	-18 148	3 186	-5 737	-4 243	609	-3 882	-5 245	-9 630	-7 281	-8 923
Other capital transactions	HBWU	-633	9 309	-13 729	6 087	5 096	-7 452	1 316	4 067	11 378	3 429	4 954
Total net direct investment	HJYV	-27 105	-4 430	-11 393	-1 213	2 286	-8 625	562	-8 592	12 225	1 676	-3 869
Portfolio investment												
Equity securities	HBWV	-9 946	-64 826	-26 128	-16 820	21 966	-7 470	-32 842	-17 801	-6 713	7 196	4 792
Debt securities	HBWX	69 570	7 206	13 566	61 247	4 888	10 982	43 686	-13 998	-33 464	24 179	-32 690
Total net portfolio investment	HHZD	59 624	-57 620	-12 562	44 427	26 854	3 512	10 844	-31 799	-40 177	31 375	-27 898
Financial derivatives	ZPNN	-5 401	-7 875	2 302	-1 348	1 322	-4 504	-3 967	-1 278	1 874	269	-1 155
Other investment	HHYR	-6 344	78 307	30 157	-34 572	-16 717	188	5 966	45 010	27 143	-40 380	41 581
Reserve assets	LTCV	1 559	-196	647	-1 303	589	525	595	54	-1 370	533	-527
<b>Total</b>	<b>HBNT</b>	<b>22 333</b>	<b>8 186</b>	<b>9 151</b>	<b>5 991</b>	<b>14 334</b>	<b>-8 904</b>	<b>14 000</b>	<b>3 395</b>	<b>-305</b>	<b>-6 527</b>	<b>8 132</b>

# K International Investment Position

Balance sheets valued at end of period: Not seasonally adjusted

£billion

		2003	2004	2003	2003	2003	2004	2004	2004	2004	2005	2005
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>UK Assets</b>												
Direct investment abroad												
Equity capital and reinvested earnings	CGMO	674.4	703.5	666.1	678.7	674.4	654.9	659.9	680.0	703.5	710.8	717.1
Other capital assets	HBWU	21.7	18.0	32.1	28.7	21.7	28.2	28.7	27.4	18.0	24.1	24.2
Total direct investment abroad	HBWD	696.1	721.5	698.2	707.4	696.1	683.1	688.6	707.4	721.5	734.9	741.3
Portfolio investment abroad												
Equity securities	HEPX	372.1	453.9	339.7	370.0	372.1	377.7	403.7	411.4	453.9	445.0	450.1
Debt securities	HHZX	563.9	617.3	562.0	546.1	563.9	595.4	567.8	597.2	617.3	638.4	694.7
Total portfolio investment abroad	HHZZ	935.9	1 071.2	901.7	916.1	935.9	973.1	971.5	1 008.6	1 071.2	1 083.4	1 144.7
Other investment abroad	HLXV	1 890.8	2 158.0	1 861.1	1 901.4	1 890.8	2 029.6	2 104.7	2 147.3	2 158.0	2 378.3	2 545.6
Reserve assets	LTEB	23.8	23.3	23.5	25.1	23.8	22.8	21.7	22.0	23.3	22.4	23.4
<b>Total</b>	HBQA	<b>3 546.6</b>	<b>3 974.0</b>	<b>3 484.5</b>	<b>3 550.1</b>	<b>3 546.6</b>	<b>3 708.7</b>	<b>3 786.5</b>	<b>3 885.3</b>	<b>3 974.0</b>	<b>4 219.1</b>	<b>4 455.1</b>
<b>UK Liabilities</b>												
Direct investment in the UK												
Equity capital and reinvested earnings	HBUY	246.8	279.8	237.3	243.3	246.8	251.0	261.5	267.5	279.8	288.8	293.7
Other capital liabilities	HBVC	109.9	117.7	111.1	112.0	109.9	110.4	112.0	114.9	117.7	127.4	132.1
Total direct investment in the UK	HBWI	356.7	397.5	348.4	355.3	356.7	361.5	373.5	382.4	397.5	416.2	425.8
Portfolio investment in the UK												
Equity securities	HLXX	489.8	528.4	439.7	450.6	489.8	489.1	492.0	500.2	528.4	545.1	569.6
Debt securities	HLXY	556.5	649.5	510.1	542.2	556.5	597.7	605.3	634.8	649.5	694.6	739.9
Total portfolio investment in the UK	HLXW	1 046.2	1 178.0	949.8	992.8	1 046.2	1 086.8	1 097.3	1 135.0	1 178.0	1 239.7	1 309.5
Other investment in the UK	HLXD	2 183.3	2 518.6	2 202.0	2 208.0	2 183.3	2 331.1	2 409.9	2 486.3	2 518.6	2 700.1	2 913.9
<b>Total</b>	HBQB	<b>3 586.2</b>	<b>4 094.1</b>	<b>3 500.2</b>	<b>3 556.1</b>	<b>3 586.2</b>	<b>3 779.3</b>	<b>3 880.7</b>	<b>4 003.7</b>	<b>4 094.1</b>	<b>4 356.0</b>	<b>4 649.2</b>
<b>Net International Investment Position</b>												
Direct investment												
Equity capital and reinvested earnings	HBSH	427.6	423.6	428.7	435.5	427.6	403.9	398.3	412.5	423.6	422.1	423.4
Other capital	CGKF	-88.1	-99.7	-79.0	-83.3	-88.1	-82.2	-83.3	-87.5	-99.7	-103.3	-107.9
Total net direct investment	HBWQ	339.4	324.0	349.7	352.2	339.4	321.7	315.1	325.0	324.0	318.8	315.5
Portfolio investment												
Equity securities	CGNE	-117.7	-74.5	-100.0	-80.6	-117.7	-111.4	-88.3	-88.9	-74.5	-100.1	-119.5
Debt securities	CGNF	7.4	-32.2	51.9	3.9	7.4	-2.2	-37.4	-37.5	-32.2	-56.2	-45.3
Total net portfolio investment	CGNH	-110.3	-106.7	-48.1	-76.7	-110.3	-113.7	-125.8	-126.4	-106.7	-156.3	-164.8
Other investment	CGNG	-292.5	-360.5	-340.8	-306.6	-292.5	-301.5	-305.2	-339.0	-360.5	-321.8	-368.3
Reserve assets	LTEB	23.8	23.3	23.5	25.1	23.8	22.8	21.7	22.0	23.3	22.4	23.4
<b>Total</b>	HBQC	<b>-39.6</b>	<b>-120.0</b>	<b>-15.7</b>	<b>-6.0</b>	<b>-39.6</b>	<b>-70.7</b>	<b>-94.2</b>	<b>-118.4</b>	<b>-120.0</b>	<b>-136.9</b>	<b>-194.1</b>

# R1 Summary of revisions since last Balance of Payments First Release

## Balances (net transactions)

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1
<b>Seasonally adjusted</b>											
<b>Current account</b>											
Trade in goods and services											
Trade in goods	BOKI	-	-1 646	-	-	-	14	-550	-467	-643	-845
Trade in services	IKBD	-	1 043	-	-	-	277	142	255	369	79
Total trade	IKBJ	-	-603	-	-	-	291	-408	-212	-274	-766
Income											
Compensation of employees	IJAJ	-	-	-	-	-	-	-	-	-	1
Investment income	HBOM	-	301	-	-	-	-113	35	124	255	-690
Total income	HBOJ	-	301	-	-	-	-113	35	124	255	-689
Current transfers											
Central government	FNSV	-	-	-	-	-	-38	-8	22	24	-56
Other sectors	FNTC	-	-42	-	-	-	11	-26	-12	-15	-1
Total current transfers	IKBP	-	-42	-	-	-	-27	-34	10	9	-57
<b>Current balance</b>	HBOP	-	<b>-344</b>	-	-	-	<b>151</b>	<b>-407</b>	<b>-78</b>	<b>-10</b>	<b>-1 512</b>
<b>Capital balance</b>	FNVQ	-	<b>12</b>	-	-	-	-	<b>3</b>	<b>5</b>	<b>4</b>	<b>-5</b>
<b>Not seasonally adjusted</b>											
<b>Current account</b>											
Trade in goods and services											
Trade in goods	LQCT	-	-1 646	-	-	-	-107	-459	-437	-643	-879
Trade in services	KTMS	-	1 043	-	-	-	182	205	268	388	-48
Total trade	KTMJ	-	-603	-	-	-	75	-254	-169	-255	-927
Income											
Compensation of employees	KTMP	-	-	-	-	-	-	-	-	-	-
Investment income	HMBM	-	301	-	-	-	22	127	13	139	-781
Total income	HMBP	-	301	-	-	-	22	127	13	139	-781
Current transfers											
Central government	FJUQ	-	-	-	-	-	-	-	-	-	-
Other sectors	FJUR	-	-42	-	-	-	-	-14	-14	-14	-13
Total current transfers	KTNF	-	-42	-	-	-	-	-14	-14	-14	-13
<b>Current balance</b>	HBOG	-	<b>-344</b>	-	-	-	<b>97</b>	<b>-141</b>	<b>-170</b>	<b>-130</b>	<b>-1 721</b>
<b>Capital balance</b>	FKMJ	-	<b>12</b>	-	-	-	-	<b>4</b>	<b>4</b>	<b>4</b>	<b>-5</b>
<b>Financial account</b>											
Direct investment	HJYV	-	-	-	-	-	-	-	-	-	5 129
Portfolio investment	HHZD	-	-8 541	-	-	-	-165	-4 021	-1 345	-3 010	-2 744
Financial derivatives	ZPNN	-	-	-	-	-	-	-	-	-	-
Other investment	HHYR	-	4 689	-	-	-	87	7 227	165	-2 790	1 048
Reserve assets	LTCV	-	-	-	-	-	-	-	-	-	-
<b>Net financial transactions</b>	HBNT	-	<b>-3 852</b>	-	-	-	<b>-78</b>	<b>3 206</b>	<b>-1 180</b>	<b>-5 800</b>	<b>3 433</b>
<b>Net errors and omissions<sup>1</sup></b>	HHDH	-	<b>4 184</b>	-	-	-	<b>-19</b>	<b>-3 069</b>	<b>1 346</b>	<b>5 926</b>	<b>-1 707</b>

1 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.

# R2 Current account revisions since last Balance of Payments First Release

Seasonally adjusted

£ million

		2003	2004	2003 Q2	2003 Q3	2003 Q4	2004 Q1	2004 Q2	2004 Q3	2004 Q4	2005 Q1
<b>Credits</b>											
Exports of goods and services											
Exports of goods	BOKG	–	91	–	–	–	19	–136	145	63	73
Exports of services	IKBB	–	1 056	–	–	–	151	203	270	432	451
Total exports of goods and services	IKBH	–	1 147	–	–	–	170	67	415	495	524
Income											
Compensation of employees	IJAH	–	–	–	–	–	–	–	–	–	1
Investment income	HBOK	–	223	–	–	–	66	–25	68	114	451
Total income	HBOH	–	223	–	–	–	66	–25	68	114	452
Current transfers											
Central government	FHDM	–	–	–	–	–	–17	37	–5	–15	–22
Other sectors	FHIB	–	–146	–	–	–	–	–46	–73	–27	22
Total current transfers	IKBN	–	–146	–	–	–	–17	–9	–78	–42	–
<b>Total</b>	<b>HBOH</b>	<b>–</b>	<b>1 224</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>219</b>	<b>33</b>	<b>405</b>	<b>567</b>	<b>976</b>
<b>Debits</b>											
Imports of goods and services											
Imports of goods	BOKH	–	1 737	–	–	–	5	414	612	706	918
Imports of services	IKBC	–	13	–	–	–	–126	61	15	63	372
Total imports of goods and services	IKBI	–	1 750	–	–	–	–121	475	627	769	1 290
Income											
Compensation of employees	IJAI	–	–	–	–	–	–	–	–	–	–
Investment income	HBOL	–	–78	–	–	–	179	–60	–56	–141	1 141
Total income	HBOI	–	–78	–	–	–	179	–60	–56	–141	1 141
Current transfers											
Central government	FLUD	–	–	–	–	–	21	45	–27	–39	34
Other sectors	FLUZ	–	–104	–	–	–	–11	–20	–61	–12	23
Total current transfers	IKBO	–	–104	–	–	–	10	25	–88	–51	57
<b>Total</b>	<b>HBOO</b>	<b>–</b>	<b>1 568</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>68</b>	<b>440</b>	<b>483</b>	<b>577</b>	<b>2 488</b>
<b>Balances</b>											
Trade in goods and services											
Trade in goods	BOKI	–	–1 646	–	–	–	14	–550	–467	–643	–845
Trade in services	IKBD	–	1 043	–	–	–	277	142	255	369	79
Total trade in goods and services	IKBJ	–	–603	–	–	–	291	–408	–212	–274	–766
Income											
Compensation of employees	IJAJ	–	–	–	–	–	–	–	–	–	1
Investment income	HBOM	–	301	–	–	–	–113	35	124	255	–690
Total income	HBOJ	–	301	–	–	–	–113	35	124	255	–689
Current transfers											
Central government	FNSV	–	–	–	–	–	–38	–8	22	24	–56
Other sectors	FNTC	–	–42	–	–	–	11	–26	–12	–15	–1
Total current transfers	IKBP	–	–42	–	–	–	–27	–34	10	9	–57
<b>Current balance</b>	<b>HBOP</b>	<b>–</b>	<b>–344</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>151</b>	<b>–407</b>	<b>–78</b>	<b>–10</b>	<b>–1 512</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>											
Trade in goods and services											
Trade in goods	D28J	–	–0.2	–	–	–	–	–0.2	–0.1	–0.2	–0.3
Trade in services	D28K	–	0.1	–	–	–	0.1	–	0.1	0.1	–
Total trade in goods and services	D28L	–	–0.1	–	–	–	0.1	–0.2	–0.1	–0.1	–0.2
Total income	D28M	–	0.1	–	–	–	–	–	0.1	0.1	–0.3
Total current transfers	D28N	–	–	–	–	–	–	–	0.1	–	–0.1
<b>Current balance as percentage of GDP</b>	<b>AA6H</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–0.2</b>	<b>–</b>	<b>–</b>	<b>–0.5</b>

1 Using series YBHA: GDP at current market prices