

27 June 2008

**Coverage**  
United Kingdom

**Theme**  
The Economy

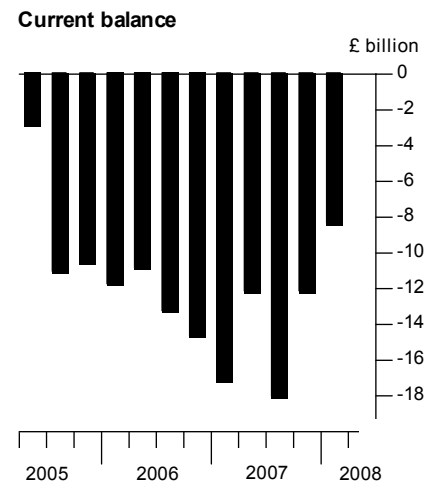


# Balance of payments

## 1st quarter 2008

The current account recorded a deficit of £8.4 billion in the first quarter of 2008, equating to -2.4 per cent of GDP. This compares with a revised deficit of £12.2 billion (-3.5 per cent of GDP) in the fourth quarter of 2007. A deficit of £8.4 billion was recorded with the EU compared with a deficit of £12.5 billion in the previous quarter.

Compared with the fourth quarter, the current account showed a higher surplus on income, together with lower deficits on trade in goods and on current transfers, partially offset by a fall in the surplus on trade in services. The surplus on income increased by £2.2 billion to £9.0 billion and the deficit on trade in goods fell by £1.4 billion to £22.7 billion. The deficit in current transfers narrowed to £3.9 billion, while the surplus on trade in services fell to £9.2 billion.



Data in this release have been revised from the first quarter of 2007. The current account balance now shows a deficit of £59.7 billion in 2007, equivalent to -4.3 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>							
2006	Q1	-19.3	+7.5	+3.2	-3.2	-11.8	-3.7
	Q2	-18.7	+7.3	+3.1	-2.6	-10.9	-3.4
	Q3	-19.5	+7.7	+1.0	-2.5	-13.3	-4.0
	Q4	-20.1	+8.6	+0.5	-3.7	-14.7	-4.4
2007	Q1	-21.4	+9.2	-1.8	-3.1	-17.2	-5.1
	Q2	-20.3	+9.7	+1.5	-3.1	-12.2	-3.5
	Q3	-23.6	+9.8	-1.2	-3.0	-18.1	-5.2
	Q4	-24.1	+9.6	+6.9	-4.5	-12.2	-3.5
2008	Q1	-22.7	+9.2	+9.0	-3.9	-8.4	-2.4

**Issued by**

Office for National Statistics  
Cardiff Road  
Newport  
NP10 8XG

**Contact**

Media Office 0845 6041858  
Public Enquiries 0845 6013034

**Statistician**

Perry Francis 020 7014 2001

**Email**

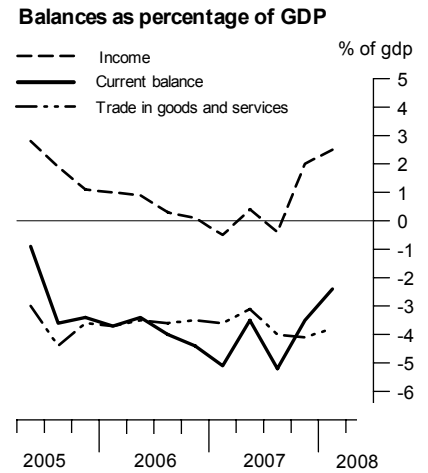
bop@ons.gov.uk

www.statistics.gov.uk

**Next publication date**  
30 September 2008

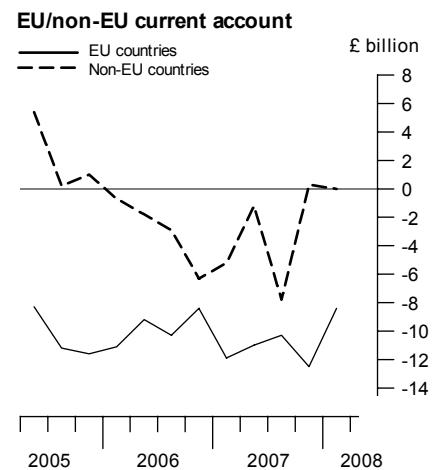
### Current account balance as percentage of GDP

The current account balance equates to -2.4 per cent of GDP at current market prices in the first quarter, compared with -3.5 per cent in the previous quarter. The deficit on trade in goods and services is equivalent to -3.8 per cent of GDP in the latest quarter, compared with -4.1 per cent in the previous quarter, whilst the surplus on income is 2.5 per cent of GDP in the latest quarter, compared with 2.0 per cent in the fourth quarter.



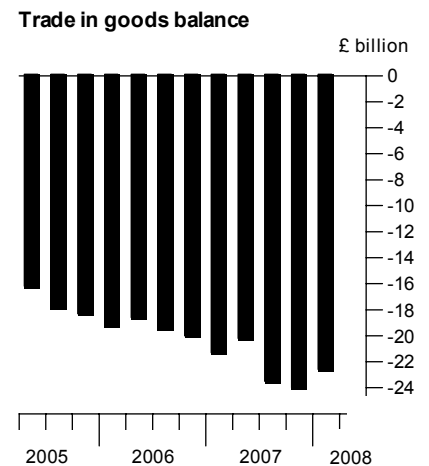
### Current account with EU and non-EU countries (Table C)

A deficit of £8.4 billion was recorded with the **EU** in the first quarter, compared with a deficit of £12.5 billion in the previous quarter. This decrease was driven by an increase in the surplus on income together with decreases in the deficits on trade in goods and on current transfers. The surplus on trade in services narrowed slightly in the latest quarter. The current account with **non-EU countries** was broadly in balance in the latest quarter, compared with a surplus of £0.3 billion in the previous quarter. This was driven by falls in the surpluses on income and on trade in services, which outweighed decreases in the deficits in trade in goods and on current transfers.



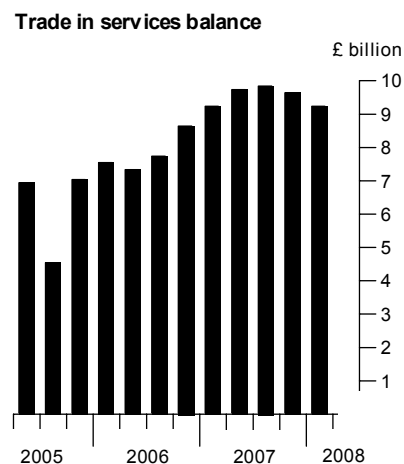
### Trade in Goods (Table E)

The deficit on **trade in goods** in the first quarter was £22.7 billion, compared with £24.1 billion in the previous quarter. Exports rose by £3.0 billion and imports rose by £1.5 billion. The deficit on trade in oil narrowed to £1.1 billion; exports rose by £0.6 billion while imports remained virtually unchanged. The deficit for fuels other than oil widened by £0.4 billion to £1.7 billion, mainly due to increased imports. The deficit for semi-manufactured goods narrowed by £0.3 billion to £1.3 billion, with a rise in imports being outweighed by a larger rise in exports, whilst the deficit for finished manufactured goods narrowed by £1.3 billion to £13.0 billion, due to an increase in exports together with a fall in imports.



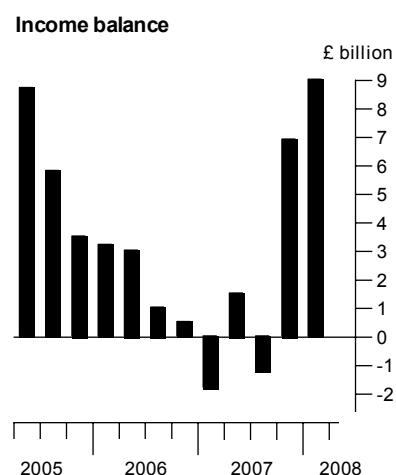
### Trade in Services (Table F)

The **trade in services** surplus was £9.2 billion in the first quarter, a decrease of £0.4 billion compared with the previous quarter. Exports rose by £0.9 billion to £36.2 billion, mainly reflecting increases in exports of financial, computer and information and travel services. Imports rose by £1.2 billion to £27.0 billion, with rises in imports of travel and other business services.



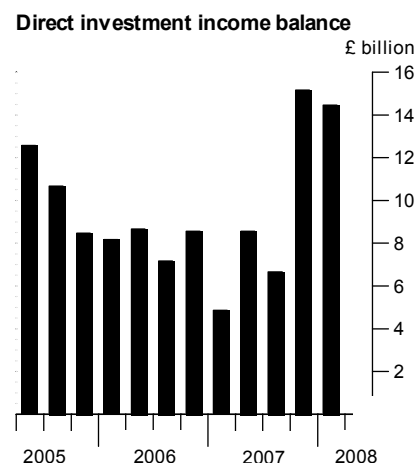
### Income (Table G)

The surplus on **income** in the first quarter increased to £9.0 billion, from £6.9 billion in the previous quarter. Income credits were £73.1 billion in the first quarter, £0.9 billion lower than in the previous quarter. This fall was due to decreases in earnings on portfolio investment in debt securities, on direct investment abroad and on other investment abroad. Income debits fell by £3.1 billion in the latest quarter, to £64.1 billion, mainly driven by a fall in earnings on other investment in the UK.



The deficit on **compensation of employees** was £0.2 billion in the first quarter, little changed from the previous quarter.

The surplus on **direct investment** income was £14.4 billion in the first quarter, down £0.7 billion on the £15.1 billion surplus in the previous quarter. Earnings on direct investment abroad were £20.6 billion in the latest period, down £0.3 billion on the fourth quarter, driven by lower earnings in all sectors. Over the first quarter, earnings on direct investment in the UK rose to £6.1 billion, compared with earnings of £5.8 billion in the fourth quarter. Higher earnings were reported by all sectors apart from monetary financial institutions, who reported similar losses when compared with the previous quarter. The losses in the latest quarter stem from the reassessment of the value of debt securities in light of the recent market turmoil.



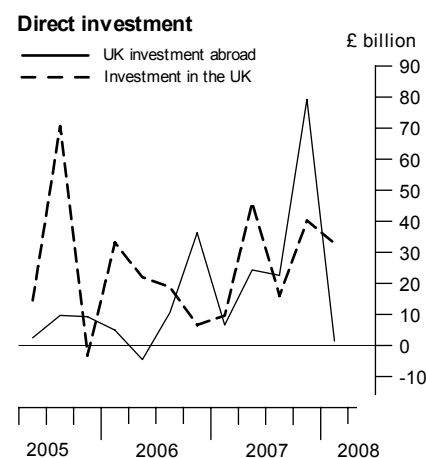
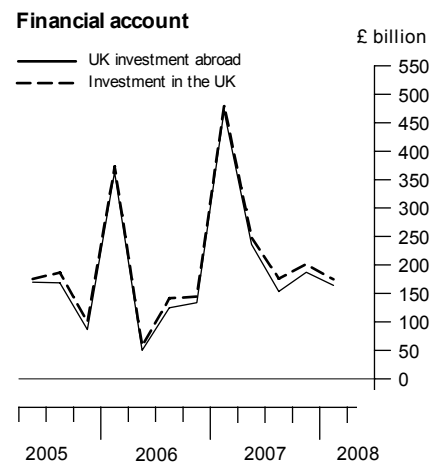


## Financial Account (Table J)

The **financial account** showed a net inflow (i.e. inward investment) of £10.6 billion in the first quarter, compared with a net inflow of £14.1 billion in the previous quarter. There was net investment abroad of £164.2 billion in the latest quarter, £23.0 billion lower than in the fourth quarter. Net investment in the UK was £174.8 billion in the first quarter, £26.4 billion lower than in the previous quarter.

**Direct investment abroad** showed net investment of £1.4 billion in the first quarter, compared to net investment of £79.3 billion in the previous quarter. The decrease in net investment in the latest quarter largely reflects lower investment in equity capital and net disinvestment in other capital. Transactions in equity capital fell from £39.0 billion in the fourth quarter to £13.4 billion in the latest period, while other capital flows switched from investment of £26.3 billion in the fourth quarter to disinvestment of £27.4 billion in the first quarter. Non-financial corporations and other financial intermediaries dominated the fall in investment in the latest quarter. Non-financial corporations went from net investment of £54.1 billion in the fourth quarter to net disinvestment of £4.8 billion, while investment by other financial intermediaries fell from £21.7 billion in the fourth quarter to £2.2 billion in the latest period. Monetary financial institutions showed increased investment in the latest quarter, while the insurance sector showed lower investment.

**Direct investment into the UK** showed net investment of £32.9 billion in the first quarter, compared with net investment of £40.3 billion in the fourth quarter. Lower investment in other capital transactions more than offset increased investment in equity capital and higher reinvested earnings. Net investment in other capital went from investment of £13.0 billion in the fourth quarter to negligible investment in the latest period. Increased investment by non-financial corporations was more than offset by lower investment in monetary financial institutions and other financial intermediaries.



**Direct investment acquisitions and disposals in the first quarter of 2008 included:**

**Outward** acquisitions (of foreign companies) -

the purchase of Altadis S.A. by Imperial Tobacco Group Plc for a publicly reported value of £9.3 billion;

the purchase of Adams Respiratory Therapeutics by Reckitt Benckiser Group Plc for a publicly reported value of £1.1 billion;

the purchase of Airtricity Holdings Ltd by Scottish and Southern Energy Plc for a publicly reported value of £0.8 billion;

the purchase of Koninklijke Grolsch N.V. by SABMiller Plc for a publicly reported value of £0.6 billion;

the purchase of Kerling AS by Ineos Group Ltd for a publicly reported value of £0.4 billion;

the purchase of American Express Bank Ltd by Standard Chartered Plc for a publicly reported value of £0.4 billion;

the purchase of Health Dialog Services Corporation by British United Provident Association for a publicly reported value of £0.3 billion;

**Outward** disposals (of foreign companies) -

the disposal of BUT SAS by Kesa Electricals Plc for a publicly reported value of £0.4 billion;

**Inward** acquisitions (of UK companies) -

the purchase of Imperial Chemical Industries Plc by Akzo Nobel N.V. for a publicly reported value of £8.1 billion;

the purchase of Burren Energy Plc by Eni S.p.A for a publicly reported value of £1.7 billion;

the purchase of Abbot Group Plc by Turbo Cayman Ltd, through Turbo Alpha Ltd for a publicly reported value of £0.9 billion;

the purchase of Northgate Information Solutions Plc by Kohlberg Kravis Roberts & Co. L.P. through NIS Acquisitions Ltd for a publicly reported value of £0.6 billion;

the purchase of Kiln Ltd by Millea Holdings Inc for a publicly reported value of £0.4 billion;

**Inward** disposals (of UK companies) -

no large disposals to report.

**Portfolio investment abroad** showed net disinvestment of £80.6 billion in the first quarter, the highest on record, following net disinvestment of £7.9 billion in the fourth quarter. There was net disinvestment of £37.3 billion in equity securities, following net disinvestment of £1.2 billion in the previous quarter, together with net disinvestment in debt securities of £43.3 billion in the first quarter, following net disinvestment of £6.7 billion in the fourth quarter. UK banks reported net disinvestment of £30.8 billion in equity securities and net disinvestment of £39.6 billion in debt securities.

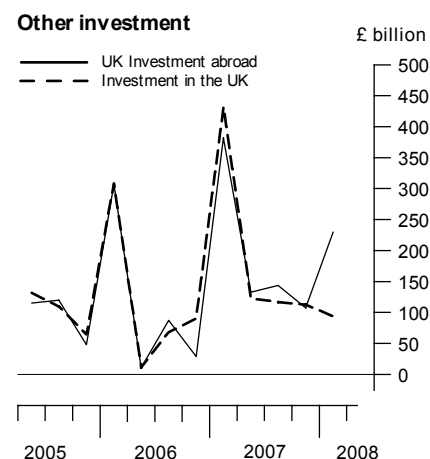
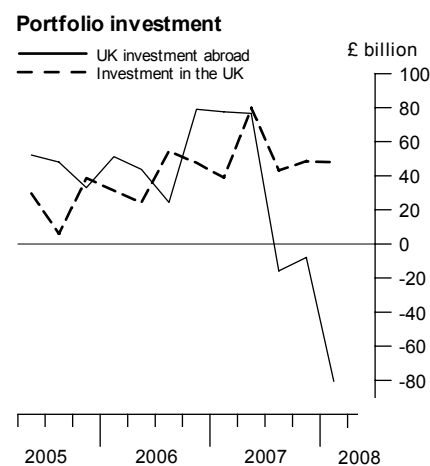
**Portfolio investment in the UK** showed net investment of £47.9 billion in the first quarter, compared with net investment of £48.5 billion in the fourth quarter. Net investment in equity securities fell to £3.2 billion in the latest quarter, following net investment of £22.8 billion in the previous quarter. Net investment in debt securities rose to £44.7 billion in the first quarter, following net investment of £25.7 billion in the fourth quarter. The higher net investment in debt securities was mostly the result of net investment in money market instruments issued by UK banks, following net disinvestment in the fourth quarter.

**Financial derivatives** showed net settlement receipts of £14.5 billion in the first quarter, following net settlement receipts of £5.8 billion in the previous quarter.

**Other investment abroad** showed net investment of £229.9 billion in the first quarter, up from £107.5 billion in the fourth quarter. The increase in net investment was due to both higher net deposits abroad by UK residents and higher net advances of loans by UK banks.

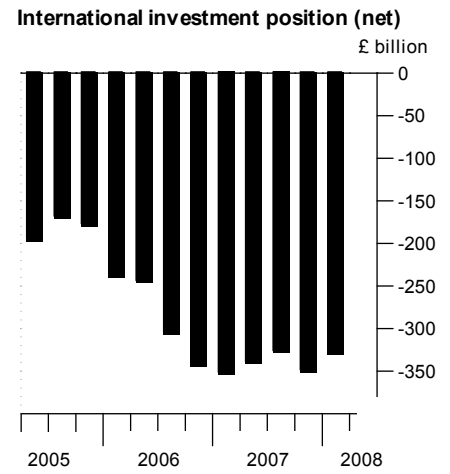
**Other investment in the UK** showed net investment of £94.0 billion in the first quarter, compared with £112.5 billion in the fourth quarter. In the latest quarter, net repayments of loans were outweighed by net deposits with UK banks.

**Reserve assets** showed net disinvestment of £0.9 billion in the first quarter, compared with net investment of £2.5 billion in the previous quarter.



### International Investment Position (Table K)

The **international investment position** showed net external liabilities (i.e. liabilities exceed assets) of £329.0 billion at the end of the first quarter compared with net external liabilities of £350.4 billion at end of the previous quarter. UK assets abroad increased by £310.5 billion from the end of the fourth quarter to a level of £6797.0 billion at the end of the first quarter. UK liabilities increased by £289.0 billion over the same period to a level of £7125.9 billion. The rise in the level of both UK assets and UK liabilities in the first quarter reflects net investment, the depreciation in the value of sterling and increases in the price of some debt securities.



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

Data in this release have been revised from the first quarter of 2007.

Overall changes to the current account in the latest periods, by current balance component, are as follows:

	£ billion				
	2007	07q1	07q2	07q3	07q4
Trade in goods	-1.9	-0.3	-0.1	-0.4	-1.0
Trade in services	-0.1	0.2	0.1	0.2	-0.6
Income	-	0.1	1.1	1.2	-2.4
Current transfers	0.1	-	-	-	0.1
<b>Current balance</b>	<b>-1.9</b>	<b>-0.1</b>	<b>1.0</b>	<b>0.9</b>	<b>-3.8</b>

**Notes:** columns may not sum due to rounding;

- means nil or less than £50 million.

**Trade in goods** - The revisions to data from the first quarter of 2007 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** - The revisions for 2007 affect all service categories and result from the use of late returns to the ONS's International Trade in Services (ITIS) and Insurance surveys along with revised transportation and travel data.

**Current transfers** - The revisions to both current transfers credits and debits from the first quarter of 2007 reflect revised government and insurance data.

**Capital account** - The revisions to the capital account in the fourth quarter of 2007 are attributable to revised source data from the ITIS survey.

**Investment income, financial account and international investment position** - Revisions from the first quarter of 2007 reflect new and revised survey data and a reassessment of seasonal factors. Revisions in the latest period also reflect amended data from quarterly inquiries and new estimates from the Bank for International Settlements.

## BACKGROUND NOTES

### This quarter

1. This release includes data available up to 10 June 2008.

### Basic Quality Information for BoP First Release Summary Quality Report

2. A Summary Quality Report for this First Release is available on the National Statistics website at:

<http://www.statistics.gov.uk/cci/article.asp?ID=1453>

### Key quality issues

3. *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.

### Reliability

4. Estimates for the most recent quarters are provisional and, as usual, are subject to revision in light of updated source information. ONS has recently started to provide an analysis of past revisions in the BoP and other First Releases which present time series. Details can be found at:

<http://www.statistics.gov.uk/cci/article.asp?ID=793>

Spreadsheets giving revisions triangles (real time databases) of estimates from 1996 to date and the calculations behind the averages in the table are available on the National Statistics website at:

<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1118>.

5. Revisions to data provide one indication of the reliability of key indicators. The table below shows 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.

The table covers estimates from the balance of payments first published from June 2000 (2000q1) to March 2005 (2004q4).

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 revision)
Credits (HBON)	173383	2046	2789
Debits (HBOO)	181778	2417*	2512*
Balance (HBOP)	-8395	-370	2009

An article analysing balance of payments current account revisions was published in the May 2007 edition of *Economic & Labour Market Review*. It is available on the National Statistics website at:

[http://www.statistics.gov.uk/elmr/05\\_07/downloads/ELMR\\_May07.pdf](http://www.statistics.gov.uk/elmr/05_07/downloads/ELMR_May07.pdf)

#### Status of figures and planned future revisions

6. The ONS and Bank of England intend to review 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. International standards currently allow presentation on either basis but this is also under review by the international organisations as part of the regular update of international guidelines.

7. 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 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:

<http://www.statistics.gov.uk/cci/article.asp?ID=402>

and <http://www.statistics.gov.uk/cci/article.asp?ID=1066>.

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. Some trade associated with VAT MTIC fraud has affected non-EU exports from 2004 onwards. 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.

HMRC are completing a project to review the methodology for producing the estimates of the impact on the trade statistics. The level of such trading has reduced over the last year.

8. Figures for total exports and imports less adjustments for trade associated with VAT MTIC fraud are given in the monthly UK Trade First Release, which can be found at:  
<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=1119>.
9. 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.
10. ONS delivered Q1 2008 current account estimates at the end of May to Eurostat solely for them to estimate aggregate euro-indicators. The same approach is followed for each quarterly delivery.

### General notes

11. 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).

12. Current and capital accounts are seasonally adjusted. Financial account and international investment position data are not seasonally adjusted.
13. 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.
14. 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.
15. 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**

16. 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>

17. Free access to National Statistics data is available online at:

<http://www.statistics.gov.uk>

18. Details of the policy governing the release of new data are available from the media office. Also available is a list of the names of those given pre-publication access to the contents of this release.
19. 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 2008.

**Index to tables**

- A Summary of balance of payments
- B Current account
- C Current account transactions with the EU and with non-EU countries
- D Summary of International investment position, financial account and investment income
- E Trade in goods
- F Trade in services
- G Income
- H Current transfers
- I Capital transfers
- J Financial account
- K International investment position
- R1 Summary of revisions since last Balance of Payments First Release
- R2 Current account revisions since last Balance of Payments First Release
- R3 Revisions to international investment since last Balance of Payments First Release

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

£ million

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	BOKI	-77 555	-89 515	-19 276	-18 694	-19 465	-20 120	-21 446	-20 308	-23 618	-24 143	-22 720
Trade in services	IKBD	31 023	38 331	7 470	7 324	7 653	8 576	9 241	9 733	9 772	9 585	9 231
Total trade	IKBJ	-46 532	-51 184	-11 806	-11 370	-11 812	-11 544	-12 205	-10 575	-13 846	-14 558	-13 489
Income												
Compensation of employees	IJAJ	-745	-665	-100	-212	-235	-198	-135	-155	-191	-184	-164
Investment income	HBOH	8 505	5 967	3 289	3 262	1 264	690	-1 697	1 664	-1 055	7 055	9 188
Total income	HBOJ	7 760	5 302	3 189	3 050	1 029	492	-1 832	1 509	-1 246	6 871	9 024
Current transfers												
Central government	FNSV	-9 531	-9 930	-2 477	-1 907	-2 216	-2 931	-2 231	-2 088	-2 094	-3 517	-2 529
Other sectors	FNTC	-2 422	-3 863	-693	-698	-275	-756	-896	-1 010	-928	-1 029	-1 401
Total current transfers	IKBP	-11 953	-13 793	-3 170	-2 605	-2 491	-3 687	-3 127	-3 098	-3 022	-4 546	-3 930
<b>Current balance</b>	<b>HBOF</b>	<b>-50 725</b>	<b>-59 675</b>	<b>-11 787</b>	<b>-10 925</b>	<b>-13 274</b>	<b>-14 739</b>	<b>-17 164</b>	<b>-12 164</b>	<b>-18 114</b>	<b>-12 233</b>	<b>-8 395</b>
<b>Capital balance</b>	<b>FNVQ</b>	<b>853</b>	<b>2 528</b>	<b>619</b>	<b>-686</b>	<b>429</b>	<b>491</b>	<b>436</b>	<b>434</b>	<b>644</b>	<b>1 014</b>	<b>1 018</b>
<b>Not seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	LQCT	-77 555	-89 515	-20 002	-17 347	-20 662	-19 544	-21 925	-20 646	-24 168	-22 776	-22 828
Trade in services	KTMS	31 023	38 331	8 103	7 217	6 434	9 269	9 770	9 694	8 570	10 297	9 846
Total trade	KTMY	-46 532	-51 184	-11 899	-10 130	-14 228	-10 275	-12 155	-10 952	-15 598	-12 479	-12 982
Income												
Compensation of employees	KTMP	-745	-665	-142	-190	-225	-188	-156	-135	-203	-171	-178
Investment income	HMBM	8 505	5 967	3 366	2 782	1 865	492	-2 200	1 173	208	6 786	9 205
Total income	HMBP	7 760	5 302	3 224	2 592	1 640	304	-2 356	1 038	5	6 615	9 027
Current transfers												
Central government	FJUQ	-9 531	-9 930	-2 974	-1 786	-2 346	-2 425	-2 774	-1 896	-2 267	-2 993	-3 394
Other sectors	FJUR	-2 422	-3 863	-849	-544	-260	-769	-1 119	-825	-887	-1 032	-1 632
Total current transfers	KTNF	-11 953	-13 793	-3 823	-2 330	-2 606	-3 194	-3 893	-2 721	-3 154	-4 025	-5 026
<b>Current balance</b>	<b>HBOG</b>	<b>-50 725</b>	<b>-59 675</b>	<b>-12 498</b>	<b>-9 868</b>	<b>-15 194</b>	<b>-13 165</b>	<b>-18 404</b>	<b>-12 635</b>	<b>-18 747</b>	<b>-9 889</b>	<b>-8 981</b>
<b>Capital balance</b>	<b>FKMJ</b>	<b>853</b>	<b>2 528</b>	<b>576</b>	<b>-661</b>	<b>453</b>	<b>485</b>	<b>381</b>	<b>470</b>	<b>662</b>	<b>1 015</b>	<b>951</b>
<b>Financial account</b>												
Direct investment	HJYV	33 384	-20 903	28 280	26 592	8 136	-29 624	2 991	21 732	-6 669	-38 957	31 553
Portfolio investment	HHZD	-40 834	79 925	-19 911	-19 428	30 002	-31 497	-38 499	3 002	59 061	56 361	128 477
Financial derivatives (net)	ZPNN	7 449	-17 871	-827	174	-2 101	10 203	-6 057	-2 522	-3 537	-5 755	-14 480
Other investment	HHYR	44 375	18 361	1 839	24	-19 112	61 624	50 186	-9 942	-26 809	4 926	-135 851
Reserve assets	LTCV	426	-1 191	465	210	-385	136	824	-67	558	-2 506	931
<b>Net financial transactions</b>	<b>HBNT</b>	<b>44 800</b>	<b>58 321</b>	<b>9 846</b>	<b>7 572</b>	<b>16 540</b>	<b>10 842</b>	<b>9 445</b>	<b>12 203</b>	<b>22 604</b>	<b>14 069</b>	<b>10 630</b>
<b>Net errors and omissions<sup>1</sup></b>	<b>HHDH</b>	<b>5 072</b>	<b>-1 174</b>	<b>2 076</b>	<b>2 957</b>	<b>-1 799</b>	<b>1 838</b>	<b>8 578</b>	<b>-38</b>	<b>-4 519</b>	<b>-5 195</b>	<b>-2 600</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

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Credits</b>												
Exports of goods and services												
Exports of goods	BOKG	243 631	220 797	64 734	67 748	56 498	54 651	53 306	54 681	55 960	56 850	59 807
Exports of services	IKBB	127 157	139 156	31 499	31 205	31 896	32 557	33 943	34 711	35 160	35 342	36 194
Total exports of goods and services	IKBH	370 788	359 953	96 233	98 953	88 394	87 208	87 249	89 392	91 120	92 192	96 001
Income												
Compensation of employees	IJAH	1 058	1 159	288	256	231	283	301	272	265	321	364
Investment income	HBOK	234 143	283 985	53 825	56 334	59 728	64 256	65 355	71 947	72 959	73 724	72 736
Total income	HBOH	235 201	285 144	54 113	56 590	59 959	64 539	65 656	72 219	73 224	74 045	73 100
Current transfers												
Central government	FHDM	4 351	4 230	1 177	1 069	1 246	859	1 062	931	1 116	1 121	1 355
Other sectors	FHIB	13 995	11 422	3 366	3 404	3 757	3 468	2 796	2 606	2 818	3 202	2 927
Total current transfers	IKBN	18 346	15 652	4 543	4 473	5 003	4 327	3 858	3 537	3 934	4 323	4 282
<b>Total</b>	HBON	<b>624 335</b>	<b>660 749</b>	<b>154 889</b>	<b>160 016</b>	<b>153 356</b>	<b>156 074</b>	<b>156 763</b>	<b>165 148</b>	<b>168 278</b>	<b>170 560</b>	<b>173 383</b>
<b>Debits</b>												
Imports of goods and services												
Imports of goods	BOKH	321 186	310 312	84 010	86 442	75 963	74 771	74 752	74 989	79 578	80 993	82 527
Imports of services	IKBC	96 134	100 825	24 029	23 881	24 243	23 981	24 702	24 978	25 388	25 757	26 963
Total imports of goods and services	IKBI	417 320	411 137	108 039	110 323	100 206	98 752	99 454	99 967	104 966	106 750	109 490
Income												
Compensation of employees	IJAI	1 803	1 824	388	468	466	481	436	427	456	505	528
Investment income	HBOL	225 638	278 018	50 536	53 072	58 464	63 566	67 052	70 283	74 014	66 669	63 548
Total income	HBOI	227 441	279 842	50 924	53 540	58 930	64 047	67 488	70 710	74 470	67 174	64 076
Current transfers												
Central government	FLUD	13 882	14 160	3 654	2 976	3 462	3 790	3 293	3 019	3 210	4 638	3 884
Other sectors	FLUZ	16 417	15 285	4 059	4 102	4 032	4 224	3 692	3 616	3 746	4 231	4 328
Total current transfers	IKBO	30 299	29 445	7 713	7 078	7 494	8 014	6 985	6 635	6 956	8 869	8 212
<b>Total</b>	HBOO	<b>675 060</b>	<b>720 424</b>	<b>166 676</b>	<b>170 941</b>	<b>166 630</b>	<b>170 813</b>	<b>173 927</b>	<b>177 312</b>	<b>186 392</b>	<b>182 793</b>	<b>181 778</b>
<b>Balances</b>												
Trade in goods and services												
Trade in goods	BOKI	-77 555	-89 515	-19 276	-18 694	-19 465	-20 120	-21 446	-20 308	-23 618	-24 143	-22 720
Trade in services	IKBD	31 023	38 331	7 470	7 324	7 653	8 576	9 241	9 733	9 772	9 585	9 231
Total trade in goods and services	IKBJ	-46 532	-51 184	-11 806	-11 370	-11 812	-11 544	-12 205	-10 575	-13 846	-14 558	-13 489
Income												
Compensation of employees	IJAJ	-745	-665	-100	-212	-235	-198	-135	-155	-191	-184	-164
Investment income	HBOM	8 505	5 967	3 289	3 262	1 264	690	-1 697	1 664	-1 055	7 055	9 188
Total income	HBOJ	7 760	5 302	3 189	3 050	1 029	492	-1 832	1 509	-1 246	6 871	9 024
Current transfers												
Central government	FNSV	-9 531	-9 930	-2 477	-1 907	-2 216	-2 931	-2 231	-2 088	-2 094	-3 517	-2 529
Other sectors	FNTC	-2 422	-3 863	-693	-698	-275	-756	-896	-1 010	-928	-1 029	-1 401
Total current transfers	IKBP	-11 953	-13 793	-3 170	-2 605	-2 491	-3 687	-3 127	-3 098	-3 022	-4 546	-3 930
<b>Current balance</b>	HBOP	<b>-50 725</b>	<b>-59 675</b>	<b>-11 787</b>	<b>-10 925</b>	<b>-13 274</b>	<b>-14 739</b>	<b>-17 164</b>	<b>-12 164</b>	<b>-18 114</b>	<b>-12 233</b>	<b>-8 395</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>												
Trade in goods and services												
Trade in goods	D28J	-5.9	-6.5	-6.0	-5.8	-5.9	-6.0	-6.4	-5.9	-6.8	-6.9	-6.4
Trade in services	D28K	2.4	2.8	2.3	2.3	2.3	2.6	2.7	2.8	2.8	2.7	2.6
Total trade in goods and services	D28L	-3.6	-3.7	-3.7	-3.5	-3.6	-3.5	-3.6	-3.1	-4.0	-4.1	-3.8
Total income	D28M	0.6	0.4	1.0	0.9	0.3	0.1	-0.5	0.4	-0.4	2.0	2.5
Total current transfers	D28N	-0.9	-1.0	-1.0	-0.8	-0.8	-1.1	-0.9	-0.9	-0.9	-1.3	-1.1
Current balance as percentage of GDP	AA6H	-3.9	-4.3	-3.7	-3.4	-4.0	-4.4	-5.1	-3.5	-5.2	-3.5	-2.4

1 Using series YBHA: GDP at current market prices



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

Seasonally adjusted

£ million

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Transactions with the European Union <sup>1 2</sup></b>												
<b>Credits</b>												
Exports of goods	LGCK	152 353	127 788	40 960	43 990	34 709	32 694	31 099	31 015	32 574	33 100	34 462
Exports of services	GD7B	52 057	54 768	12 992	13 008	12 917	13 140	13 043	13 669	13 975	14 081	14 383
Total exports of goods and services	GD7A	204 410	182 556	53 952	56 998	47 626	45 834	44 142	44 684	46 549	47 181	48 845
Income	G97T	90 128	117 327	19 923	21 404	22 302	26 499	27 090	28 454	30 595	31 188	31 358
Current transfers	GD76	10 873	9 729	2 797	2 357	3 149	2 570	2 596	1 913	2 476	2 744	2 932
<b>Total</b>	<b>G97N</b>	<b>305 411</b>	<b>309 612</b>	<b>76 672</b>	<b>80 759</b>	<b>73 077</b>	<b>74 903</b>	<b>73 828</b>	<b>75 051</b>	<b>79 620</b>	<b>81 113</b>	<b>83 135</b>
<b>Debits</b>												
Imports of goods	LGDC	184 440	169 612	49 942	52 152	41 859	40 487	40 996	41 290	43 204	44 122	45 071
Imports of services	GD7T	51 362	52 829	12 792	12 752	12 687	13 131	12 936	13 182	13 344	13 367	13 783
Total imports of goods and services	GD7S	235 802	222 441	62 734	64 904	54 546	53 618	53 932	54 472	56 548	57 489	58 854
Income	G97K	92 848	117 126	20 832	21 694	24 935	25 387	27 971	28 508	29 626	31 021	27 708
Current transfers	GD7O	15 784	15 732	4 190	3 328	3 928	4 338	3 862	3 031	3 728	5 111	4 949
<b>Total</b>	<b>G97E</b>	<b>344 434</b>	<b>355 299</b>	<b>87 756</b>	<b>89 926</b>	<b>83 409</b>	<b>83 343</b>	<b>85 765</b>	<b>86 011</b>	<b>89 902</b>	<b>93 621</b>	<b>91 511</b>
<b>Balances</b>												
Trade in goods	LGCG	-32 087	-41 824	-8 982	-8 162	-7 150	-7 793	-9 897	-10 275	-10 630	-11 022	-10 609
Trade in services	GD7Y	695	1 939	200	256	230	9	107	487	631	714	600
Total trade in goods and services	GD7X	-31 392	-39 885	-8 782	-7 906	-6 920	-7 784	-9 790	-9 788	-9 999	-10 308	-10 009
Income	G97C	-2 720	201	-909	-290	-2 633	1 112	-881	-54	969	167	3 650
Current transfers	GD7V	-4 911	-6 003	-1 393	-971	-779	-1 768	-1 266	-1 118	-1 252	-2 367	-2 017
<b>Total</b>	<b>G976</b>	<b>-39 023</b>	<b>-45 687</b>	<b>-11 084</b>	<b>-9 167</b>	<b>-10 332</b>	<b>-8 440</b>	<b>-11 937</b>	<b>-10 960</b>	<b>-10 282</b>	<b>-12 508</b>	<b>-8 376</b>
<b>Transactions with non-EU countries <sup>3</sup></b>												
<b>Credits</b>												
Exports of goods	LGDY	91 278	93 009	23 774	23 758	21 789	21 957	22 207	23 666	23 386	23 750	25 345
Exports of services	GEK9	75 100	84 388	18 507	18 197	18 979	19 417	20 900	21 042	21 185	21 261	21 811
Total exports of goods and services	GEK8	166 378	177 397	42 281	41 955	40 768	41 374	43 107	44 708	44 571	45 011	47 156
Income	G98L	145 073	167 817	34 190	35 186	37 657	38 040	38 566	43 765	42 629	42 857	41 742
Current transfers	GEK6	7 473	5 923	1 746	2 116	1 854	1 757	1 262	1 624	1 458	1 579	1 350
<b>Total</b>	<b>G98E</b>	<b>318 924</b>	<b>351 137</b>	<b>78 217</b>	<b>79 257</b>	<b>80 279</b>	<b>81 171</b>	<b>82 935</b>	<b>90 097</b>	<b>88 658</b>	<b>89 447</b>	<b>90 248</b>
<b>Debits</b>												
Imports of goods	LGER	136 746	140 700	34 068	34 290	34 104	34 284	33 756	33 699	36 374	36 871	37 456
Imports of services	GEM9	44 772	47 996	11 237	11 129	11 556	10 850	11 766	11 796	12 044	12 390	13 180
Total imports of goods and services	GEM8	181 518	188 696	45 305	45 419	45 660	45 134	45 522	45 495	48 418	49 261	50 636
Income	G98C	134 593	162 716	30 092	31 846	33 995	38 660	39 517	42 202	44 844	36 153	36 368
Current transfers	GEM6	14 515	13 713	3 523	3 750	3 566	3 676	3 123	3 604	3 228	3 758	3 263
<b>Total</b>	<b>G985</b>	<b>330 626</b>	<b>365 125</b>	<b>78 920</b>	<b>81 015</b>	<b>83 221</b>	<b>87 470</b>	<b>88 162</b>	<b>91 301</b>	<b>96 490</b>	<b>89 172</b>	<b>90 267</b>
<b>Balances</b>												
Trade in goods	LGDT	-45 468	-47 691	-10 294	-10 532	-12 315	-12 327	-11 549	-10 033	-12 988	-13 121	-12 111
Trade in services	GEN6	30 328	36 392	7 270	7 068	7 423	8 567	9 134	9 246	9 141	8 871	8 631
Total trade in goods and services	GEN5	-15 140	-11 299	-3 024	-3 464	-4 892	-3 760	-2 415	-787	-3 847	-4 250	-3 480
Income	G983	10 480	5 101	4 098	3 340	3 662	-620	-951	1 563	-2 215	6 704	5 374
Current transfers	GEN3	-7 042	-7 790	-1 777	-1 634	-1 712	-1 919	-1 861	-1 980	-1 770	-2 179	-1 913
<b>Total</b>	<b>G97V</b>	<b>-11 702</b>	<b>-13 988</b>	<b>-703</b>	<b>-1 758</b>	<b>-2 942</b>	<b>-6 299</b>	<b>-5 227</b>	<b>-1 204</b>	<b>-7 832</b>	<b>275</b>	<b>-19</b>

1 EU presented on an EU27 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

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Investment abroad</b>												
International Investment Position												
Direct investment	HBWD	733.6	851.1	723.8	713.3	709.3	733.6	743.3	766.9	790.4	851.1	858.8
Portfolio investment	HHZZ	1 599.9	1 824.1	1 467.2	1 460.6	1 504.9	1 599.9	1 687.2	1 780.6	1 788.8	1 824.1	1 733.8
Other investment	HLXV	2 947.3	3 784.6	3 058.0	2 970.4	3 006.9	2 947.3	3 329.5	3 397.1	3 573.6	3 784.6	4 176.1
Reserve assets	LTEB	22.9	26.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4	26.7	28.2
<b>Total</b>	<b>HBQA</b>	<b>5 303.6</b>	<b>6 486.5</b>	<b>5 273.5</b>	<b>5 168.0</b>	<b>5 244.8</b>	<b>5 303.6</b>	<b>5 782.4</b>	<b>5 966.3</b>	<b>6 175.1</b>	<b>6 486.5</b>	<b>6 797.0</b>
Financial Account transactions												
Direct investment	-HJYP	47.2	132.8	4.9	-4.6	10.6	36.3	6.6	24.3	22.6	79.3	1.4
Portfolio investment	-HHZC	198.5	130.4	51.2	43.7	24.5	79.1	77.5	76.7	-15.8	-7.9	-80.6
Financial derivatives (net)	-ZPNN	-7.4	17.9	0.8	-0.2	2.1	-10.2	6.1	2.5	3.5	5.8	14.5
Other investment	-XBMM	434.0	765.7	306.9	11.0	87.4	28.7	381.7	132.8	143.6	107.5	229.9
Reserve assets	-LTCV	-0.4	1.2	-0.5	-0.2	0.4	-0.1	-0.8	0.1	-0.6	2.5	-0.9
<b>Total</b>	<b>-HBNR</b>	<b>671.7</b>	<b>1 048.0</b>	<b>363.3</b>	<b>49.8</b>	<b>125.0</b>	<b>133.7</b>	<b>471.1</b>	<b>236.4</b>	<b>153.4</b>	<b>187.2</b>	<b>164.2</b>
Investment income earnings												
Direct investment	HJYW	84.3	86.3	18.5	20.6	21.8	23.5	19.4	23.3	22.6	20.9	19.0
Portfolio investment	HLXY	55.1	66.2	13.0	14.7	13.6	13.8	15.6	17.8	16.3	16.4	16.5
Other investment	AIOP	94.0	130.9	20.8	22.8	24.4	26.0	28.0	32.7	34.7	35.5	35.2
Reserve assets	HHCB	0.6	0.6	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2
<b>Total</b>	<b>HMBN</b>	<b>234.1</b>	<b>284.0</b>	<b>52.4</b>	<b>58.3</b>	<b>60.0</b>	<b>63.5</b>	<b>63.2</b>	<b>74.0</b>	<b>73.7</b>	<b>73.0</b>	<b>71.0</b>
<b>Investment in the UK</b>												
International Investment Position												
Direct investment	HBWI	577.4	672.7	540.1	552.8	573.1	577.4	583.1	625.4	639.8	672.7	701.6
Portfolio investment	HLXW	1 701.1	1 900.1	1 545.2	1 528.0	1 620.2	1 701.1	1 740.7	1 801.6	1 828.6	1 900.1	1 875.6
Other investment	HLYD	3 369.0	4 264.1	3 427.3	3 332.3	3 357.0	3 369.0	3 812.0	3 879.7	4 034.3	4 264.1	4 548.8
<b>Total</b>	<b>HBQB</b>	<b>5 647.5</b>	<b>6 836.9</b>	<b>5 512.7</b>	<b>5 413.0</b>	<b>5 550.4</b>	<b>5 647.5</b>	<b>6 135.8</b>	<b>6 306.6</b>	<b>6 502.8</b>	<b>6 836.9</b>	<b>7 125.9</b>
Financial Account transactions												
Direct investment	HJYU	80.5	111.9	33.1	22.0	18.8	6.6	9.6	46.0	16.0	40.3	32.9
Portfolio investment	HHZF	157.6	210.3	31.3	24.3	54.5	47.6	39.0	79.7	43.2	48.5	47.9
Other investment	XBMN	478.4	784.1	308.7	11.1	68.3	90.3	431.9	122.9	116.8	112.5	94.0
<b>Total</b>	<b>HBNS</b>	<b>716.5</b>	<b>1 106.3</b>	<b>373.1</b>	<b>57.4</b>	<b>141.5</b>	<b>144.5</b>	<b>480.5</b>	<b>248.6</b>	<b>176.0</b>	<b>201.3</b>	<b>174.8</b>
Investment income												
Direct investment	HJYX	52.0	51.3	11.3	11.1	14.0	15.6	16.3	13.9	14.8	6.3	5.9
Portfolio investment	HLZC	56.9	66.0	11.9	16.0	14.1	15.0	14.6	19.0	16.2	16.2	15.6
Other investment	HLZN	116.7	160.6	25.8	28.5	30.1	32.4	34.5	40.0	42.5	43.7	40.3
<b>Total</b>	<b>HMBO</b>	<b>225.6</b>	<b>278.0</b>	<b>49.0</b>	<b>55.5</b>	<b>58.1</b>	<b>63.0</b>	<b>65.4</b>	<b>72.9</b>	<b>73.5</b>	<b>66.2</b>	<b>61.8</b>
<b>Net investment</b>												
International Investment Position												
Direct investment	HBWQ	156.2	178.5	183.7	160.6	136.2	156.2	160.2	141.5	150.6	178.5	157.3
Portfolio investment	CGNH	-101.2	-76.0	-78.0	-67.4	-115.2	-101.2	-53.5	-21.0	-39.9	-76.0	-141.8
Other investment	CGNG	-421.7	-479.5	-369.4	-361.9	-350.1	-421.7	-482.5	-482.6	-460.8	-479.5	-372.7
Reserve assets	LTEB	22.9	26.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4	26.7	28.2
<b>Net investment</b>	<b>HBQC</b>	<b>-343.8</b>	<b>-350.4</b>	<b>-239.1</b>	<b>-245.1</b>	<b>-305.5</b>	<b>-343.8</b>	<b>-353.4</b>	<b>-340.3</b>	<b>-327.6</b>	<b>-350.4</b>	<b>-329.0</b>
Financial Accounts transactions												
Direct investment	HJYV	33.4	-20.9	28.3	26.6	8.1	-29.6	3.0	21.7	-6.7	-39.0	31.6
Portfolio investment	HHZD	-40.8	79.9	-19.9	-19.4	30.0	-31.5	-38.5	3.0	59.1	56.4	128.5
Financial derivatives	ZPNN	7.4	-17.9	-0.8	0.2	-2.1	10.2	-6.1	-2.5	-3.5	-5.8	-14.5
Other investment	HHYR	44.4	18.4	1.8	-	-19.1	61.6	50.2	-9.9	-26.8	4.9	-135.9
Reserve assets	LTCV	0.4	-1.2	0.5	0.2	-0.4	0.1	0.8	-0.1	0.6	-2.5	0.9
<b>Net transactions</b>	<b>HBNT</b>	<b>44.8</b>	<b>58.3</b>	<b>9.8</b>	<b>7.6</b>	<b>16.5</b>	<b>10.8</b>	<b>9.4</b>	<b>12.2</b>	<b>22.6</b>	<b>14.1</b>	<b>10.6</b>
Investment income earnings												
Direct investment	HJYE	32.3	34.9	7.1	9.5	7.8	7.9	3.1	9.4	7.8	14.6	13.2
Portfolio investment	HLZX	-1.8	0.2	1.1	-1.2	-0.4	-1.2	1.0	-1.1	0.1	0.2	1.0
Other investment	CGNA	-22.7	-29.8	-5.0	-5.6	-5.6	-6.4	-6.5	-7.2	-7.8	-8.2	-5.1
Reserve assets	HHCB	0.6	0.6	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2
<b>Net earnings</b>	<b>HMBM</b>	<b>8.5</b>	<b>6.0</b>	<b>3.4</b>	<b>2.8</b>	<b>1.9</b>	<b>0.5</b>	<b>-2.2</b>	<b>1.2</b>	<b>0.2</b>	<b>6.8</b>	<b>9.2</b>

# E Trade in goods

Seasonally adjusted

£ million

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Exports</b>												
Food, beverages and tobacco	BOPL	10 940	11 755	2 629	2 723	2 758	2 830	2 912	2 865	2 992	2 986	3 251
Basic materials	BOPM	4 890	5 516	1 103	1 198	1 218	1 371	1 297	1 453	1 299	1 467	1 556
Oil	ELBL	23 274	22 764	5 795	6 438	5 915	5 126	4 774	5 669	5 850	6 471	7 041
Other fuels	BOQI	2 126	1 942	494	607	626	399	318	495	459	670	609
Semi-manufactured goods	BOPO	64 811	68 306	15 780	16 317	16 094	16 620	16 778	17 019	17 474	17 035	18 302
Finished manufactured goods	BOPP	136 304	109 345	38 556	40 153	29 580	28 015	26 870	26 928	27 618	27 929	28 729
Unspecified goods	BOQL	1 286	1 169	377	312	307	290	357	252	268	292	319
<b>Total</b>	<b>BOKG</b>	<b>243 631</b>	<b>220 797</b>	<b>64 734</b>	<b>67 748</b>	<b>56 498</b>	<b>54 651</b>	<b>53 306</b>	<b>54 681</b>	<b>55 960</b>	<b>56 850</b>	<b>59 807</b>
<b>Imports</b>												
Food, beverages and tobacco	BQAR	25 013	26 727	6 188	6 159	6 255	6 411	6 427	6 569	6 794	6 937	7 463
Basic materials	BQAS	7 887	9 564	1 871	1 886	1 926	2 204	2 152	2 422	2 556	2 434	2 682
Oil	ENXO	26 706	26 689	6 824	6 781	7 225	5 876	5 560	5 906	7 101	8 122	8 146
Other fuels	BPBI	4 921	5 137	1 623	1 018	1 153	1 127	1 242	916	1 091	1 888	2 268
Semi-manufactured goods	BQAU	69 342	74 606	16 730	16 973	17 399	18 240	18 184	18 497	19 238	18 687	19 620
Finished manufactured goods	BQAV	185 247	165 298	50 228	53 116	41 542	40 361	40 659	40 135	42 266	42 238	41 702
Unspecified goods	BQAW	2 070	2 291	546	509	463	552	528	544	532	687	646
<b>Total</b>	<b>BOKH</b>	<b>321 186</b>	<b>310 312</b>	<b>84 010</b>	<b>86 442</b>	<b>75 963</b>	<b>74 771</b>	<b>74 752</b>	<b>74 989</b>	<b>79 578</b>	<b>80 993</b>	<b>82 527</b>
<b>Balances</b>												
Food, beverages and tobacco	ELBE	-14 073	-14 972	-3 559	-3 436	-3 497	-3 581	-3 515	-3 704	-3 802	-3 951	-4 212
Basic materials	ELBF	-2 997	-4 048	-768	-688	-708	-833	-855	-969	-1 257	-967	-1 126
Oil	ENXQ	-3 432	-3 925	-1 029	-343	-1 310	-750	-786	-237	-1 251	-1 651	-1 105
Other fuels	ENIW	-2 795	-3 195	-1 129	-411	-527	-728	-924	-421	-632	-1 218	-1 659
Semi-manufactured goods	ELBH	-4 531	-6 300	-950	-656	-1 305	-1 620	-1 406	-1 478	-1 764	-1 652	-1 318
Finished manufactured goods	ELBI	-48 943	-55 953	-11 672	-12 963	-11 962	-12 346	-13 789	-13 207	-14 648	-14 309	-12 973
Unspecified goods	BQKX	-784	-1 122	-169	-197	-156	-262	-171	-292	-264	-395	-327
<b>Total</b>	<b>BOKI</b>	<b>-77 555</b>	<b>-89 515</b>	<b>-19 276</b>	<b>-18 694</b>	<b>-19 465</b>	<b>-20 120</b>	<b>-21 446</b>	<b>-20 308</b>	<b>-23 618</b>	<b>-24 143</b>	<b>-22 720</b>

# F Trade in services

Seasonally adjusted

£ million

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Exports</b>												
Transportation	FKOA	16 324	16 265	4 456	4 129	3 926	3 813	4 006	4 112	4 011	4 136	4 301
Travel	FAPO	18 313	18 800	4 366	4 593	4 684	4 670	4 836	4 680	4 713	4 571	4 765
Communications	FDQP	4 295	4 185	1 155	1 039	1 066	1 035	1 057	1 051	1 041	1 036	1 140
Construction	FDSG	815	1 076	201	204	202	208	213	222	291	350	387
Insurance	FDTF	3 832	5 259	1 002	888	880	1 062	1 208	1 338	1 389	1 324	1 129
Financial	FDYI	28 672	35 399	6 822	7 071	7 170	7 609	8 474	8 664	9 020	9 241	9 430
Computer and information	FDYQ	7 036	7 023	1 715	1 748	1 913	1 660	1 619	1 895	1 768	1 741	2 106
Royalties and license fees	FEBA	7 741	8 019	2 090	1 824	1 835	1 992	2 153	2 065	1 977	1 824	1 699
Other business	FEHH	35 932	38 914	8 658	8 630	9 203	9 441	9 302	9 670	9 867	10 075	10 122
Personal, cultural and recreational	FGXJ	2 141	2 113	552	546	486	557	539	501	517	556	563
Government	FGZA	2 056	2 103	482	533	531	510	536	513	566	488	552
<b>Total</b>	<b>IKBB</b>	<b>127 157</b>	<b>139 156</b>	<b>31 499</b>	<b>31 205</b>	<b>31 896</b>	<b>32 557</b>	<b>33 943</b>	<b>34 711</b>	<b>35 160</b>	<b>35 342</b>	<b>36 194</b>
<b>Imports</b>												
Transportation	FHME	19 511	18 797	5 247	4 872	4 785	4 607	4 686	4 729	4 634	4 748	4 797
Travel	APQL	34 291	36 158	8 418	8 622	8 494	8 757	9 039	8 948	9 098	9 073	9 938
Communications	FIND	4 013	4 451	994	987	1 086	946	966	1 170	1 169	1 146	1 223
Construction	FIOU	625	757	171	121	158	175	150	153	212	242	254
Insurance	FIPT	979	999	242	268	234	235	252	253	246	248	258
Financial	FIYI	5 861	5 975	1 454	1 416	1 494	1 497	1 412	1 474	1 580	1 509	1 467
Computer and information	FIUG	2 709	3 002	670	704	681	654	785	695	707	815	837
Royalties and license fees	FIVX	5 166	5 554	1 300	1 231	1 288	1 347	1 338	1 326	1 356	1 534	1 406
Other business	FIWF	19 443	21 174	4 727	4 646	5 150	4 920	5 197	5 260	5 414	5 303	5 633
Personal, cultural and recreational	FLQJ	856	927	215	206	221	214	223	233	227	244	246
Government	FLSA	2 680	3 031	591	808	652	629	654	737	745	895	904
<b>Total</b>	<b>IKBC</b>	<b>96 134</b>	<b>100 825</b>	<b>24 029</b>	<b>23 881</b>	<b>24 243</b>	<b>23 981</b>	<b>24 702</b>	<b>24 978</b>	<b>25 388</b>	<b>25 757</b>	<b>26 963</b>
<b>Balances</b>												
Transportation	FLYS	-3 187	-2 532	-791	-743	-859	-794	-680	-617	-623	-612	-496
Travel	FNGY	-15 978	-17 358	-4 052	-4 029	-3 810	-4 087	-4 203	-4 268	-4 385	-4 502	-5 173
Communications	FNIT	282	-266	161	52	-20	89	91	-119	-128	-110	-83
Construction	FNJM	190	319	30	83	44	33	63	69	79	108	133
Insurance	FNKF	2 853	4 260	760	620	646	827	956	1 085	1 143	1 076	871
Financial	FNLQ	22 811	29 424	5 368	5 655	5 676	6 112	7 062	7 190	7 440	7 732	7 963
Computer and information	FNLY	4 327	4 021	1 045	1 044	1 232	1 006	834	1 200	1 061	926	1 269
Royalties and license fees	FNMR	2 575	2 465	790	593	547	645	815	739	621	290	293
Other business	FNMZ	16 489	17 740	3 931	3 984	4 053	4 521	4 105	4 410	4 453	4 772	4 489
Personal, cultural and recreational	FNRB	1 285	1 186	337	340	265	343	316	268	290	312	317
Government	FNRU	-624	-928	-109	-275	-121	-119	-118	-224	-179	-407	-352
<b>Total</b>	<b>IKBD</b>	<b>31 023</b>	<b>38 331</b>	<b>7 470</b>	<b>7 324</b>	<b>7 653</b>	<b>8 576</b>	<b>9 241</b>	<b>9 733</b>	<b>9 772</b>	<b>9 585</b>	<b>9 231</b>

		2006	2007	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1
<b>Credits</b>												
Compensation of employees	IJAH	1 058	1 159	288	256	231	283	301	272	265	321	364
Investment income												
Earnings on direct investment abroad	CNZQ	84 339	86 265	19 675	19 674	21 294	23 696	21 329	22 497	21 544	20 895	20 551
Earnings on portfolio investment abroad												
Earnings on equity securities	CGDT	15 521	17 946	3 746	3 784	3 918	4 073	4 449	4 437	4 518	4 542	4 599
Earnings on debt securities	CGDU	39 593	48 272	9 467	9 865	9 954	10 307	11 451	12 130	12 075	12 616	12 167
Total portfolio investment	CGDV	55 114	66 218	13 213	13 649	13 872	14 380	15 900	16 567	16 593	17 158	16 766
Earnings on other investment abroad	CGDW	94 045	130 892	20 772	22 845	24 407	26 021	27 972	32 739	34 676	35 505	35 232
Earnings on reserve assets	HHCC	645	610	165	166	155	159	154	144	146	166	187
Total investment income	HBOK	234 143	283 985	53 825	56 334	59 728	64 256	65 355	71 947	72 959	73 724	72 736
<b>Total</b>	<b>HBOH</b>	<b>235 201</b>	<b>285 144</b>	<b>54 113</b>	<b>56 590</b>	<b>59 959</b>	<b>64 539</b>	<b>65 656</b>	<b>72 219</b>	<b>73 224</b>	<b>74 045</b>	<b>73 100</b>
<b>Debits</b>												
Compensation of employees	IJAI	1 803	1 824	388	468	466	481	436	427	456	505	528
Investment income												
Foreign earnings on direct investment in the UK	CNZR	52 013	51 338	11 577	11 056	14 162	15 218	16 572	14 022	14 917	5 827	6 137
Foreign earnings on portfolio investment in the UK												
Earnings on equity securities	HGOT	21 013	22 471	4 849	4 953	5 088	6 123	5 574	5 808	5 623	5 466	6 050
Earnings on debt securities	CGDX	35 872	43 562	8 238	8 595	9 214	9 825	10 434	10 532	11 038	11 558	11 052
Total portfolio investment	CGDZ	56 885	66 033	13 087	13 548	14 302	15 948	16 008	16 340	16 661	17 024	17 102
Earnings on other investment in the UK	CGEB	116 740	160 647	25 872	28 468	30 000	32 400	34 472	39 921	42 436	43 818	40 309
Total investment income	HBOL	225 638	278 018	50 536	53 072	58 464	63 566	67 052	70 283	74 014	66 669	63 548
<b>Total</b>	<b>HBOI</b>	<b>227 441</b>	<b>279 842</b>	<b>50 924</b>	<b>53 540</b>	<b>58 930</b>	<b>64 047</b>	<b>67 488</b>	<b>70 710</b>	<b>74 470</b>	<b>67 174</b>	<b>64 076</b>
<b>Balances</b>												
Compensation of employees	IJAJ	-745	-665	-100	-212	-235	-198	-135	-155	-191	-184	-164
Investment income												
Direct investment	CVWX	32 326	34 927	8 098	8 618	7 132	8 478	4 757	8 475	6 627	15 068	14 414
Portfolio investment												
Earnings on equity securities	CGEC	-5 492	-4 525	-1 103	-1 169	-1 170	-2 050	-1 125	-1 371	-1 105	-924	-1 451
Earnings on debt securities	CGED	3 721	4 710	1 229	1 270	740	482	1 017	1 598	1 037	1 058	1 115
Total portfolio investment	CGEE	-1 771	185	126	101	-430	-1 568	-108	227	-68	134	-336
Other investment	CGFF	-22 695	-29 755	-5 100	-5 623	-5 593	-6 379	-6 500	-7 182	-7 760	-8 313	-5 077
Reserve assets	HHCC	645	610	165	166	155	159	154	144	146	166	187
Total investment income	HBOM	8 505	5 967	3 289	3 262	1 264	690	-1 697	1 664	-1 055	7 055	9 188
<b>Total</b>	<b>HBOJ</b>	<b>7 760</b>	<b>5 302</b>	<b>3 189</b>	<b>3 050</b>	<b>1 029</b>	<b>492</b>	<b>-1 832</b>	<b>1 509</b>	<b>-1 246</b>	<b>6 871</b>	<b>9 024</b>

# H Current transfers

Seasonally adjusted

£ million

		2006	2007	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1
<b>Credits</b>												
General government												
Receipts from EU Institutions:												
Abatement	<b>FKKM</b>	3 570	3 523	1 007	890	1 052	621	887	775	941	920	1 159
Other EU receipts	<b>GTIA</b>	104	36	24	7	12	61	11	–	6	19	6
Other receipts	<b>CGDN</b>	677	671	146	172	182	177	164	156	169	182	190
<b>Total general government</b>	<b>FHDM</b>	<b>4 351</b>	<b>4 230</b>	<b>1 177</b>	<b>1 069</b>	<b>1 246</b>	<b>859</b>	<b>1 062</b>	<b>931</b>	<b>1 116</b>	<b>1 121</b>	<b>1 355</b>
Other sectors												
Receipts from EU Institutions:												
Social fund <sup>1</sup>	<b>HSU3</b>	1 225	763	96	109	657	363	101	–	252	410	137
Agricultural guarantee fund	<b>ZXIA</b>	3 220	2 943	845	792	792	791	792	717	717	717	717
ECSC Grant	<b>FHHS</b>	–	–	–	–	–	–	–	–	–	–	–
Other receipts	<b>CGDO</b>	9 550	7 716	2 425	2 503	2 308	2 314	1 903	1 889	1 849	2 075	2 073
<b>Total other sectors</b>	<b>FHIB</b>	<b>13 995</b>	<b>11 422</b>	<b>3 366</b>	<b>3 404</b>	<b>3 757</b>	<b>3 468</b>	<b>2 796</b>	<b>2 606</b>	<b>2 818</b>	<b>3 202</b>	<b>2 927</b>
<b>Total</b>	<b>IKBN</b>	<b>18 346</b>	<b>15 652</b>	<b>4 543</b>	<b>4 473</b>	<b>5 003</b>	<b>4 327</b>	<b>3 858</b>	<b>3 537</b>	<b>3 934</b>	<b>4 323</b>	<b>4 282</b>
<b>Debits</b>												
General government												
Payments to EU institutions												
GNP:4th resource	<b>HCSP</b>	8 358	7 996	2 138	1 778	2 063	2 379	1 770	1 499	1 834	2 893	2 464
GNP adjustments	<b>HCSN</b>	163	327	–	–	–	163	–	–	–	327	–
Other	<b>FLMT</b>	8	6	5	1	2	–	3	–	–	3	4
Other payments	<b>CGDP</b>	5 353	5 831	1 511	1 197	1 397	1 248	1 520	1 520	1 376	1 415	1 416
<b>Total general government</b>	<b>FLUD</b>	<b>13 882</b>	<b>14 160</b>	<b>3 654</b>	<b>2 976</b>	<b>3 462</b>	<b>3 790</b>	<b>3 293</b>	<b>3 019</b>	<b>3 210</b>	<b>4 638</b>	<b>3 884</b>
Other sectors												
Payments to EU institutions	<b>CGDR</b>	4 496	4 731	1 077	1 046	1 120	1 253	1 142	1 080	1 187	1 322	1 443
Other payments	<b>CGDS</b>	11 921	10 554	2 982	3 056	2 912	2 971	2 550	2 536	2 559	2 909	2 885
<b>Total other sectors</b>	<b>FLUZ</b>	<b>16 417</b>	<b>15 285</b>	<b>4 059</b>	<b>4 102</b>	<b>4 032</b>	<b>4 224</b>	<b>3 692</b>	<b>3 616</b>	<b>3 746</b>	<b>4 231</b>	<b>4 328</b>
<b>Total</b>	<b>IKBO</b>	<b>30 299</b>	<b>29 445</b>	<b>7 713</b>	<b>7 078</b>	<b>7 494</b>	<b>8 014</b>	<b>6 985</b>	<b>6 635</b>	<b>6 956</b>	<b>8 869</b>	<b>8 212</b>
<b>Balances</b>												
General government	<b>FNSV</b>	–9 531	–9 930	–2 477	–1 907	–2 216	–2 931	–2 231	–2 088	–2 094	–3 517	–2 529
Other sectors	<b>FNTC</b>	–2 422	–3 863	–693	–698	–275	–756	–896	–1 010	–928	–1 029	–1 401
<b>Total</b>	<b>IKBP</b>	<b>–11 953</b>	<b>–13 793</b>	<b>–3 170</b>	<b>–2 605</b>	<b>–2 491</b>	<b>–3 687</b>	<b>–3 127</b>	<b>–3 098</b>	<b>–3 022</b>	<b>–4 546</b>	<b>–3 930</b>
<i>Of which:</i> EU institutions	<b>GTTB</b>	–4 906	–5 795	–1 248	–1 027	–672	–1 959	–1 124	–1 087	–1 105	–2 479	–1 892

1 Social fund receipts by local government are included up to 2005 Q4. From 2006 Q1 they are included in general government other EU receipts.

# Capital account

## Seasonally adjusted

£ million

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>Credits</b>												
Capital transfers												
Central government												
Debt forgiveness	FHIV	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	FHJA	-	-	-	-	-	-	-	-	-	-	-
Total central government	FHIU	-	-	-	-	-	-	-	-	-	-	-
Other sectors												
Migrants' transfers	FHJC	2 725	2 953	661	674	685	705	717	732	744	760	773
Debt forgiveness	FHJD	-	-	-	-	-	-	-	-	-	-	-
EU Institutions:												
Regional development fund	GTTX	618	707	285	81	125	127	143	51	83	430	466
Agricultural guidance fund	FHJF	50	22	8	2	8	32	10	-	8	4	13
Other capital transfers	EBGO	-	-	-	-	-	-	-	-	-	-	-
Total EU institutions	GTTY	668	729	293	83	133	159	153	51	91	434	479
Total other sectors	FHJB	3 393	3 682	954	757	818	864	870	783	835	1 194	1 252
Total capital transfers	FHIT	3 393	3 682	954	757	818	864	870	783	835	1 194	1 252
Sales of non-produced, non-financial assets	FHJL	509	775	122	148	120	119	107	138	237	293	294
<b>Total</b>	<b>FHLD</b>	<b>3 902</b>	<b>4 457</b>	<b>1 076</b>	<b>905</b>	<b>938</b>	<b>983</b>	<b>977</b>	<b>921</b>	<b>1 072</b>	<b>1 487</b>	<b>1 546</b>
<b>Debits</b>												
Capital transfers												
Central government												
Debt forgiveness	FLWD	13	11	6	1	5	1	5	1	4	1	4
Other capital transfers (project grants)	FLWH	388	428	96	87	121	84	104	130	95	99	120
Total central government	FLWB	401	439	102	88	126	85	109	131	99	100	124
Other sectors												
Migrants' transfers	FLWJ	669	697	180	162	163	164	191	171	168	167	195
Debt Forgiveness												
Monetary financial institutions	FLWL	-	-	-	-	-	-	-	-	-	-	-
Public corporations	HMLY	1 356	76	26	1 178	76	76	76	-	-	-	-
Total debt forgiveness	JCWM	1 356	76	26	1 178	76	76	76	-	-	-	-
Other capital transfers	FLWQ	-	-	-	-	-	-	-	-	-	-	-
Total other sectors	FLWI	2 025	773	206	1 340	239	240	267	171	168	167	195
Total capital transfers	FLWA	2 426	1 212	308	1 428	365	325	376	302	267	267	319
Purchases of non-produced, non-financial assets	FLWT	623	717	149	163	144	167	165	185	161	206	209
<b>Total</b>	<b>FLYL</b>	<b>3 049</b>	<b>1 929</b>	<b>457</b>	<b>1 591</b>	<b>509</b>	<b>492</b>	<b>541</b>	<b>487</b>	<b>428</b>	<b>473</b>	<b>528</b>
<b>Balances</b>												
Capital transfers												
Central government												
Debt forgiveness	FNTM	-13	-11	-6	-1	-5	-1	-5	-1	-4	-1	-4
Other capital transfers	FNTN	-388	-428	-96	-87	-121	-84	-104	-130	-95	-99	-120
Total central government	FNTL	-401	-439	-102	-88	-126	-85	-109	-131	-99	-100	-124
Other sectors												
Migrants' transfers	FNTP	2 056	2 256	481	512	522	541	526	561	576	593	578
Debt forgiveness	FNTQ	-1 356	-76	-26	-1 178	-76	-76	-76	-	-	-	-
Other capital transfers	FNTR	668	729	293	83	133	159	153	51	91	434	479
Total other sectors	FNTO	1 368	2 909	748	-583	579	624	603	612	667	1 027	1 057
Total capital transfers	FNTK	967	2 470	646	-671	453	539	494	481	568	927	933
Non-produced, non-financial assets	FNTS	-114	58	-27	-15	-24	-48	-58	-47	76	87	85
<b>Total</b>	<b>FNVQ</b>	<b>853</b>	<b>2 528</b>	<b>619</b>	<b>-686</b>	<b>429</b>	<b>491</b>	<b>436</b>	<b>434</b>	<b>644</b>	<b>1 014</b>	<b>1 018</b>

# J Financial Account

Not seasonally adjusted

£ million

		2006	2007	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4	2008 Q1
<b>UK investment abroad</b> (net debits)												
Direct investment abroad												
Equity capital	-HJYM	25 647	56 658	5 778	3 018	5 629	11 222	2 523	9 551	5 609	38 975	13 442
Reinvested earnings	-HDNY	47 795	55 796	12 407	12 896	13 956	8 536	14 042	13 076	14 715	13 963	15 314
Other capital transactions	-HMAB	-26 287	20 381	-13 334	-20 496	-8 959	16 502	-9 921	1 669	2 301	26 332	-27 391
Total direct investment abroad	-HJYP	47 155	132 835	4 851	-4 582	10 626	36 260	6 644	24 296	22 625	79 270	1 365
Portfolio investment abroad												
Equity securities	-HBVI	18 571	40 200	-3 793	5 265	17 167	-68	23 399	13 576	4 431	-1 206	-37 299
Debt securities	-XBMW	179 885	90 209	54 964	38 458	7 334	79 129	54 058	63 093	-20 255	-6 687	-43 306
Total portfolio investment abroad	-HHZC	198 456	130 409	51 171	43 723	24 501	79 061	77 457	76 669	-15 824	-7 893	-80 605
Financial derivatives (net)	-ZPNN	-7 449	17 871	827	-174	2 101	-10 203	6 057	2 522	3 537	5 755	14 480
Other investment abroad	-XBMM	433 990	765 722	306 874	11 043	87 367	28 706	381 741	132 807	143 628	107 546	229 896
Reserve assets	-LTCV	-426	1 191	-465	-210	385	-136	-824	67	-558	2 506	-931
<b>Total</b>	-HBNR	<b>671 726</b>	<b>1 048 028</b>	<b>363 258</b>	<b>49 800</b>	<b>124 980</b>	<b>133 688</b>	<b>471 075</b>	<b>236 361</b>	<b>153 408</b>	<b>187 184</b>	<b>164 205</b>
<b>Investment in the UK</b> (net credits)												
Direct investment in the UK												
Equity capital	HJYR	56 005	77 776	26 068	14 024	12 635	3 278	3 306	42 842	12 701	18 927	22 740
Reinvested earnings	CYFV	22 930	33 118	5 010	6 986	8 303	2 631	9 618	6 843	8 272	8 385	10 153
Other capital transactions	HMAD	1 604	1 038	2 053	1 000	-2 176	727	-3 289	-3 657	-5 017	13 001	25
Total direct investment in the UK	HJYU	80 539	111 932	33 131	22 010	18 762	6 636	9 635	46 028	15 956	40 313	32 918
Portfolio investment in the UK												
Equity securities	XBLW	-5 563	19 211	-8 181	-5 244	5 832	2 030	4 501	-8 053	10	22 753	3 185
Debt securities	XBLX	163 185	191 123	39 441	29 539	48 671	45 534	34 457	87 724	43 227	25 715	44 687
Total portfolio investment in the UK	HHZF	157 622	210 334	31 260	24 295	54 503	47 564	38 958	79 671	43 237	48 468	47 872
Other investment in the UK	XBMN	478 365	784 083	308 713	11 067	68 255	90 330	431 927	122 865	116 819	112 472	94 045
<b>Total</b>	HBNS	<b>716 526</b>	<b>1 106 349</b>	<b>373 104</b>	<b>57 372</b>	<b>141 520</b>	<b>144 530</b>	<b>480 520</b>	<b>248 564</b>	<b>176 012</b>	<b>201 253</b>	<b>174 835</b>
<b>Net transactions</b> (net credits less net debits)												
Direct investment												
Equity capital	HBWN	30 358	21 118	20 290	11 006	7 006	-7 944	783	33 291	7 092	-20 048	9 298
Reinvested earnings	HBWT	-24 865	-22 678	-7 397	-5 910	-5 653	-5 905	-4 424	-6 233	-6 443	-5 578	-5 161
Other capital transactions	HBWU	27 891	-19 343	15 387	21 496	6 783	-15 775	6 632	-5 326	-7 318	-13 331	27 416
Total net direct investment	HJYV	33 384	-20 903	28 280	26 592	8 136	-29 624	2 991	21 732	-6 669	-38 957	31 553
Portfolio investment												
Equity securities	HBVW	-24 134	-20 989	-4 388	-10 509	-11 335	2 098	-18 898	-21 629	-4 421	23 959	40 484
Debt securities	HBWX	-16 700	100 914	-15 523	-8 919	41 337	-33 595	-19 601	24 631	63 482	32 402	87 993
Total net portfolio investment	HHZD	-40 834	79 925	-19 911	-19 428	30 002	-31 497	-38 499	3 002	59 061	56 361	128 477
Financial derivatives	ZPNN	7 449	-17 871	-827	174	-2 101	10 203	-6 057	-2 522	-3 537	-5 755	-14 480
Other investment	HHYR	44 375	18 361	1 839	24	-19 112	61 624	50 186	-9 942	-26 809	4 926	-135 851
Reserve assets	LTCV	426	-1 191	465	210	-385	136	824	-67	558	-2 506	931
<b>Total</b>	HBNT	<b>44 800</b>	<b>58 321</b>	<b>9 846</b>	<b>7 572</b>	<b>16 540</b>	<b>10 842</b>	<b>9 445</b>	<b>12 203</b>	<b>22 604</b>	<b>14 069</b>	<b>10 630</b>

# K International Investment Position

Balance sheets valued at end of period: Not seasonally adjusted

£billion

		2006	2007	2006	2006	2006	2006	2007	2007	2007	2007	2008
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>UK Assets</b>												
Direct investment abroad												
Equity capital and reinvested earnings	CGMO	759.7	855.6	737.1	746.0	751.5	759.7	778.5	800.3	821.2	855.6	889.3
Other capital assets	HBWU	-26.1	-4.5	-13.3	-32.7	-42.2	-26.1	-35.2	-33.4	-30.9	-4.5	-30.5
Total direct investment abroad	HBWD	733.6	851.1	723.8	713.3	709.3	733.6	743.3	766.9	790.4	851.1	858.8
Portfolio investment abroad												
Equity securities	HEPX	696.1	791.0	653.6	632.0	665.0	696.1	725.8	775.8	791.7	791.0	705.5
Debt securities	HHZX	903.7	1 033.1	813.6	828.6	839.9	903.7	961.3	1 004.8	997.1	1 033.1	1 028.3
Total portfolio investment abroad	HHZZ	1 599.9	1 824.1	1 467.2	1 460.6	1 504.9	1 599.9	1 687.2	1 780.6	1 788.8	1 824.1	1 733.8
Other investment abroad	HLXV	2 947.3	3 784.6	3 058.0	2 970.4	3 006.9	2 947.3	3 329.5	3 397.1	3 573.6	3 784.6	4 176.1
Reserve assets	LTEB	22.9	26.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4	26.7	28.2
<b>Total</b>	<b>HBQA</b>	<b>5 303.6</b>	<b>6 486.5</b>	<b>5 273.5</b>	<b>5 168.0</b>	<b>5 244.8</b>	<b>5 303.6</b>	<b>5 782.4</b>	<b>5 966.3</b>	<b>6 175.1</b>	<b>6 486.5</b>	<b>6 797.0</b>
<b>UK Liabilities</b>												
Direct investment in the UK												
Equity capital and reinvested earnings	HBUY	432.5	530.4	394.0	406.2	428.2	432.5	442.6	490.5	511.0	530.4	559.2
Other capital liabilities	HBVC	144.9	142.3	146.2	146.5	145.0	144.9	140.5	134.9	128.8	142.3	142.3
Total direct investment in the UK	HBWI	577.4	672.7	540.1	552.8	573.1	577.4	583.1	625.4	639.8	672.7	701.6
Portfolio investment in the UK												
Equity securities	HLXX	778.0	801.2	718.6	694.0	728.5	778.0	800.6	810.9	788.5	801.2	708.3
Debt securities	HLXY	923.1	1 099.0	826.6	834.0	891.6	923.1	940.1	990.6	1 040.1	1 099.0	1 167.3
Total portfolio investment in the UK	HLXW	1 701.1	1 900.1	1 545.2	1 528.0	1 620.2	1 701.1	1 740.7	1 801.6	1 828.6	1 900.1	1 875.6
Other investment in the UK	HLYD	3 369.0	4 264.1	3 427.3	3 332.3	3 357.0	3 369.0	3 812.0	3 879.7	4 034.3	4 264.1	4 548.8
<b>Total</b>	<b>HBQB</b>	<b>5 647.5</b>	<b>6 836.9</b>	<b>5 512.7</b>	<b>5 413.0</b>	<b>5 550.4</b>	<b>5 647.5</b>	<b>6 135.8</b>	<b>6 306.6</b>	<b>6 502.8</b>	<b>6 836.9</b>	<b>7 125.9</b>
<b>Net International Investment Position</b>												
Direct investment												
Equity capital and reinvested earnings	HBSH	327.1	325.3	343.1	339.8	323.3	327.1	335.8	309.8	310.2	325.3	330.1
Other capital	CGKF	-171.0	-146.8	-159.4	-179.2	-187.1	-171.0	-175.6	-168.3	-159.7	-146.8	-172.8
Total net direct investment	HBWQ	156.2	178.5	183.7	160.6	136.2	156.2	160.2	141.5	150.6	178.5	157.3
Portfolio investment												
Equity securities	CGNE	-81.8	-10.2	-65.0	-61.9	-63.6	-81.8	-74.8	-35.1	3.2	-10.2	-2.8
Debt securities	CGNF	-19.4	-65.9	-13.0	-5.4	-51.7	-19.4	21.3	14.1	-43.1	-65.9	-138.9
Total net portfolio investment	CGNH	-101.2	-76.0	-78.0	-67.4	-115.2	-101.2	-53.5	-21.0	-39.9	-76.0	-141.8
Other investment	CGNG	-421.7	-479.5	-369.4	-361.9	-350.1	-421.7	-482.5	-482.6	-460.8	-479.5	-372.7
Reserve assets	LTEB	22.9	26.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4	26.7	28.2
<b>Total</b>	<b>HBQC</b>	<b>-343.8</b>	<b>-350.4</b>	<b>-239.1</b>	<b>-245.1</b>	<b>-305.5</b>	<b>-343.8</b>	<b>-353.4</b>	<b>-340.3</b>	<b>-327.6</b>	<b>-350.4</b>	<b>-329.0</b>

# R1 Summary of revisions since last Balance of Payments First Release Balances (net transactions)

£ million

		2006	2007	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4
<b>Seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	BOKI	-	-1 866	-	-	-	-	-	-330	-135	-449	-952
Trade in services	IKBD	-	-119	-	-	-	-	-	153	102	180	-554
Total trade	IKBJ	-	-1 985	-	-	-	-	-	-177	-33	-269	-1 506
Income												
Compensation of employees	IJAJ	-	-43	-	-	-	-	-	-16	2	-18	-11
Investment income	HBOM	-	65	-	-	-	-	-	126	1 082	1 198	-2 341
Total income	HBOJ	-	22	-	-	-	-	-	110	1 084	1 180	-2 352
Current transfers												
Central government	FNSV	-	101	-	-	-	-	-	-66	-17	51	133
Other sectors	FNTC	-	-18	-	-	-	-	-	57	-12	-13	-50
Total current transfers	IKBP	-	83	-	-	-	-	-	-9	-29	38	83
<b>Current balance</b>	<b>HBOP</b>	<b>-</b>	<b>-1 880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-76</b>	<b>1 022</b>	<b>949</b>	<b>-3 775</b>
<b>Capital balance</b>	<b>FNVQ</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>1</b>	<b>62</b>
<b>Not seasonally adjusted</b>												
<b>Current account</b>												
Trade in goods and services												
Trade in goods	LQCT	-	-1 866	-	-	-	-	-	-374	-465	-449	-578
Trade in services	KTMS	-	-119	-	-	-	-	-	118	157	272	-666
Total trade	KTMY	-	-1 985	-	-	-	-	-	-256	-308	-177	-1 244
Income												
Compensation of employees	KTMP	-	-43	-	-	-	-	-	-	-	-32	-11
Investment income	HMBM	-	65	-	-	-	-	-	-100	1 336	1 651	-2 822
Total income	HMBP	-	22	-	-	-	-	-	-100	1 336	1 619	-2 833
Current transfers												
Central government	FJUQ	-	101	-	-	-	-	-	4	35	36	26
Other sectors	FJUR	-	-18	-	-	-	-	-	-	-	2	-20
Total current transfers	KTNF	-	83	-	-	-	-	-	4	35	38	6
<b>Current balance</b>	<b>HBOG</b>	<b>-</b>	<b>-1 880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-352</b>	<b>1 063</b>	<b>1 480</b>	<b>-4 071</b>
<b>Capital balance</b>	<b>FKMJ</b>	<b>-</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69</b>
<b>Financial account</b>												
Direct investment	HJYV	-	1 036	-	-	-	-	-	1 156	-3 333	407	2 806
Portfolio investment	HHZD	-	24 492	-	-	-	-	-	1 193	-3 562	-2 580	29 441
Financial derivatives	ZPNN	-	-374	-	-	-	-	-	-	-	-	-374
Other investment	HHYR	-	-28 821	-	-	-	-	-	1 662	-1 732	-3 453	-25 298
Reserve assets	LTCV	-	-	-	-	-	-	-	-	-	-	-
<b>Net financial transactions</b>	<b>HBNT</b>	<b>-</b>	<b>-3 667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 011</b>	<b>-8 627</b>	<b>-5 626</b>	<b>6 575</b>
<b>Net errors and omissions<sup>1</sup></b>	<b>HHDH</b>	<b>-</b>	<b>5 478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-3 659</b>	<b>7 564</b>	<b>4 146</b>	<b>-2 573</b>

<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.

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

Seasonally adjusted

£ million

		2006	2007	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4
<b>Credits</b>												
Exports of goods and services												
Exports of goods	BOKG	-	-60	-	-	-	-	-	-58	173	181	-356
Exports of services	IKBB	-	732	-	-	-	-	-	142	164	355	71
Total exports of goods and services	IKBH	-	672	-	-	-	-	-	84	337	536	-285
Income												
Compensation of employees	IJAH	-	54	-	-	-	-	-	-16	2	9	59
Investment income	HBOK	-	2 311	-	-	-	-	-	163	1 104	1 628	-584
Total income	HBOH	-	2 365	-	-	-	-	-	147	1 106	1 637	-525
Current transfers												
Central government	FHDM	-	33	-	-	-	-	-	-109	8	61	73
Other sectors	FHIB	-	17	-	-	-	-	-	49	-69	16	21
Total current transfers	IKBN	-	50	-	-	-	-	-	-60	-61	77	94
<b>Total</b>	<b>HBON</b>	<b>-</b>	<b>3 087</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>171</b>	<b>1 382</b>	<b>2 250</b>	<b>-716</b>
<b>Debits</b>												
Imports of goods and services												
Imports of goods	BOKH	-	1 806	-	-	-	-	-	272	308	630	596
Imports of services	IKBC	-	851	-	-	-	-	-	-11	62	175	625
Total imports of goods and services	IKBI	-	2 657	-	-	-	-	-	261	370	805	1 221
Income												
Compensation of employees	IJAI	-	97	-	-	-	-	-	-	-	27	70
Investment income	HBOL	-	2 246	-	-	-	-	-	37	22	430	1 757
Total income	HBOI	-	2 343	-	-	-	-	-	37	22	457	1 827
Current transfers												
Central government	FLUD	-	-68	-	-	-	-	-	-43	25	10	-60
Other sectors	FLUZ	-	35	-	-	-	-	-	-8	-57	29	71
Total current transfers	IKBO	-	-33	-	-	-	-	-	-51	-32	39	11
<b>Total</b>	<b>HBOO</b>	<b>-</b>	<b>4 967</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>247</b>	<b>360</b>	<b>1 301</b>	<b>3 059</b>
<b>Balances</b>												
Trade in goods and services												
Trade in goods	BOKI	-	-1 866	-	-	-	-	-	-330	-135	-449	-952
Trade in services	IKBD	-	-119	-	-	-	-	-	153	102	180	-554
Total trade in goods and services	IKBJ	-	-1 985	-	-	-	-	-	-177	-33	-269	-1 506
Income												
Compensation of employees	IJAJ	-	-43	-	-	-	-	-	-16	2	-18	-11
Investment income	HBOM	-	65	-	-	-	-	-	126	1 082	1 198	-2 341
Total income	HBOJ	-	22	-	-	-	-	-	110	1 084	1 180	-2 352
Current transfers												
Central government	FNSV	-	101	-	-	-	-	-	-66	-17	51	133
Other sectors	FNTC	-	-18	-	-	-	-	-	57	-12	-13	-50
Total current transfers	IKBP	-	83	-	-	-	-	-	-9	-29	38	83
<b>Current balance</b>	<b>HBOP</b>	<b>-</b>	<b>-1 880</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-76</b>	<b>1 022</b>	<b>949</b>	<b>-3 775</b>
<b>Balances as a percentage of GDP<sup>1</sup></b>												
Trade in goods and services												
Trade in goods	D28J	-	-0.2	-	-	-	-	-	-0.1	-0.1	-0.2	-0.3
Trade in services	D28K	-	-	-	-	-	-	-	-	-	0.1	-0.2
Total trade in goods and services	D28L	-	-0.1	-	-	-	-	-	-	-	-0.1	-0.4
Total income	D28M	-	-	-	-	-	-	-	0.1	0.3	0.3	-0.6
Total current transfers	D28N	-	-	-	-	-	-	-	-	-	-	-
<b>Current balance as percentage of GDP</b>	<b>AA6H</b>	<b>-</b>	<b>-0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>0.3</b>	<b>-1.1</b>

1 Using series YBHA: GDP at current market prices

# R3 Revisions to international investment since last Balance of Payments First Release

Not seasonally adjusted

£billion

		2006	2007	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3	2007 Q4
<b>Investment abroad</b>												
International Investment Position												
Direct investment	HBWD	-	-0.8	-	-	-	-	-	0.5	4.5	5.0	-0.8
Portfolio investment	HHZZ	-	15.7	-	-	-	-	-	-1.5	0.6	1.9	15.7
Other investment	HLXV	-	25.6	-	-	-	-	-	-0.2	3.2	-0.9	25.6
Reserve assets	LTEB	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>HBQA</b>	<b>-</b>	<b>40.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1.2</b>	<b>8.2</b>	<b>5.8</b>	<b>40.6</b>
Financial Account transactions												
Direct investment	-HJYP	-	17.9	-	-	-	-	-	-1.0	4.0	-0.1	15.0
Portfolio investment	-HHZC	-	-3.8	-	-	-	-	-	0.2	3.5	3.0	-10.4
Financial derivatives (net)	-ZFNN	-	0.4	-	-	-	-	-	-	-	-	0.4
Other investment	-XBMM	-	9.4	-	-	-	-	-	-0.3	3.4	-4.1	10.3
Reserve assets	-LTCV	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-HBNR</b>	<b>-</b>	<b>23.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1.0</b>	<b>10.8</b>	<b>-1.2</b>	<b>15.4</b>
Investment income earnings												
Direct investment	HJYW	-	-0.4	-	-	-	-	-	-0.8	0.9	1.3	-1.8
Portfolio investment	HLYX	-	1.9	-	-	-	-	-	0.4	0.4	0.5	0.5
Other investment	AIOP	-	0.8	-	-	-	-	-	0.2	0.1	0.3	0.1
Reserve assets	HHCB	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>HMBN</b>	<b>-</b>	<b>2.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.2</b>	<b>1.4</b>	<b>2.1</b>	<b>-1.1</b>
<b>Investment in the UK</b>												
International Investment Position												
Direct investment	HBWI	-	29.8	-	-	-	-	-	15.3	15.5	16.3	29.8
Portfolio investment	HLXW	-	21.2	-	-	-	-	-	3.7	3.4	3.8	21.2
Other investment	HLYD	-	-11.2	-	-	-	-	-	-0.1	1.7	-5.0	-11.2
<b>Total</b>	<b>HBQB</b>	<b>-</b>	<b>39.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18.9</b>	<b>20.5</b>	<b>15.1</b>	<b>39.7</b>
Financial Account transactions												
Direct investment	HJYU	-	19.0	-	-	-	-	-	0.1	0.6	0.4	17.8
Portfolio investment	HHZF	-	20.7	-	-	-	-	-	1.4	-0.1	0.3	19.1
Other investment	XBMN	-	-19.4	-	-	-	-	-	1.4	1.7	-7.5	-15.0
<b>Total</b>	<b>HBNS</b>	<b>-</b>	<b>20.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.9</b>	<b>2.2</b>	<b>-6.8</b>	<b>22.0</b>
Investment income												
Direct investment	HJYX	-	2.1	-	-	-	-	-	-0.3	-	0.7	1.7
Portfolio investment	HLZC	-	0.1	-	-	-	-	-	-	-	-0.1	0.1
Other investment	HLZN	-	-0.1	-	-	-	-	-	0.2	0.2	-0.2	-0.2
<b>Total</b>	<b>HMBO</b>	<b>-</b>	<b>2.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.1</b>	<b>0.2</b>	<b>0.5</b>	<b>1.7</b>
<b>Net investment</b>												
International Investment Position												
Direct investment	HBWQ	-	-30.4	-	-	-	-	-	-14.8	-11.0	-11.3	-30.4
Portfolio investment	CGNH	-	-5.5	-	-	-	-	-	-5.2	-2.8	-2.0	-5.5
Other investment	CGNG	-	36.9	-	-	-	-	-	-0.1	1.6	4.0	36.9
Reserve assets	LTEB	-	-	-	-	-	-	-	-	-	-	-
<b>Net investment</b>	<b>HBQC</b>	<b>-</b>	<b>0.9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-20.1</b>	<b>-12.3</b>	<b>-9.2</b>	<b>0.9</b>
Financial Accounts transactions												
Direct investment	HJYV	-	1.0	-	-	-	-	-	1.2	-3.4	0.4	2.8
Portfolio investment	HHZD	-	24.5	-	-	-	-	-	1.2	-3.6	-2.5	29.5
Financial derivatives	ZFNN	-	-0.4	-	-	-	-	-	-	-	-	-0.4
Other investment	HHYR	-	-28.8	-	-	-	-	-	1.7	-1.7	-3.4	-25.3
Reserve assets	LTCV	-	-	-	-	-	-	-	-	-	-	-
<b>Net transactions</b>	<b>HBNT</b>	<b>-</b>	<b>-3.7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.0</b>	<b>-8.6</b>	<b>-5.6</b>	<b>6.6</b>
Investment income earnings												
Direct investment	HJYE	-	-2.6	-	-	-	-	-	-0.5	0.9	0.6	-3.6
Portfolio investment	HLZX	-	1.9	-	-	-	-	-	0.5	0.5	0.5	0.4
Other investment	CGNA	-	0.7	-	-	-	-	-	-0.1	-	0.5	0.3
Reserve assets	HHCB	-	-	-	-	-	-	-	-	-	-	-
<b>Net earnings</b>	<b>HMBM</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-0.1</b>	<b>1.4</b>	<b>1.6</b>	<b>-2.8</b>