

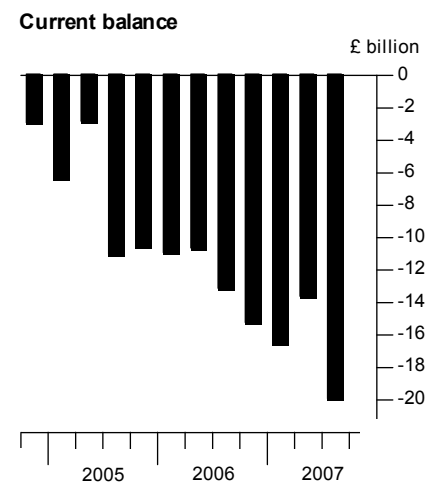
20 December 2007

Coverage
United Kingdom
Theme
The Economy

Balance of payments 3rd quarter 2007

The current account recorded a deficit of £20.0 billion in the third quarter of 2007, equating to -5.7 per cent of GDP. This compares with a revised deficit of £13.7 billion (-4.0 per cent of GDP) in the second quarter. A deficit of £11.8 billion was recorded with the EU compared with a deficit of £10.9 billion in the previous quarter.

Compared with the second quarter, the current account showed higher deficits on income and on trade in goods, partially offset by a higher surplus on trade in services. The deficit on income increased to £3.8 billion and the deficit on trade in goods widened to £22.6 billion. The surplus in trade in services increased to £9.3 billion. The deficit in current transfers was little changed at £3.0 billion.



Data in this release have been revised from the first quarter of 2005. The current account balance now shows a deficit of £50.2 billion in 2006, equivalent to -3.9 per cent of GDP.

Current account (balances)

		Trade in goods	Trade in services	Income	Transfers	Current Balance	Current balance as per cent of GDP
						£ billion	%
2005	Q4	-18.4	+7.0	+3.5	-2.8	-10.6	-3.4
2006	Q1	-19.2	+7.5	+3.8	-3.1	-11.0	-3.5
	Q2	-18.8	+7.3	+3.4	-2.6	-10.7	-3.3
	Q3	-19.3	+7.7	+0.8	-2.4	-13.2	-4.0
	Q4	-20.1	+8.6	+0.1	-3.8	-15.3	-4.6
2007	Q1	-20.4	+9.0	-1.9	-3.1	-16.6	-4.9
	Q2	-19.6	+9.1	-0.2	-3.1	-13.7	-4.0
	Q3	-22.6	+9.3	-3.8	-3.0	-20.0	-5.7

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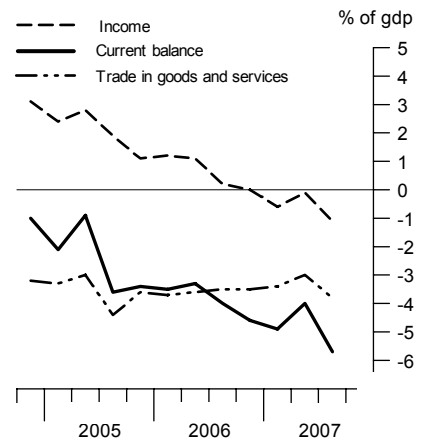
Next publication date
28 March 2008



Current account balance as percentage of GDP

The current account balance equates to -5.7 per cent of GDP at current market prices in the third quarter, compared with -4.0 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 -3.0 per cent in the previous quarter, whilst the deficit on income is -1.1 per cent of GDP in the latest quarter, compared with -0.1 per cent in the second quarter.

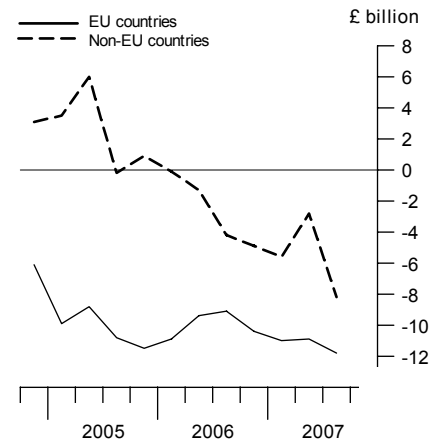
Balances as percentage of GDP



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

A deficit of £11.8 billion was recorded with the **EU** in the third quarter, compared with a deficit of £10.9 billion in the previous quarter. This increase was driven by higher deficits on income and current transfers and a fall in the surplus on trade in services. The deficit on trade in goods remained virtually unchanged from the previous quarter. A deficit of £8.2 billion was recorded with **non-EU countries** compared with a deficit of £2.8 billion in the previous quarter. This was driven by an increase in the deficit on trade in goods of £3.1 billion to reach £13.0 billion, together with a deficit on income of £2.8 billion following a surplus of £0.3 billion in the previous quarter. These outweighed an increase in the surplus on trade in services and a fall in the deficit on current transfers in the latest quarter.

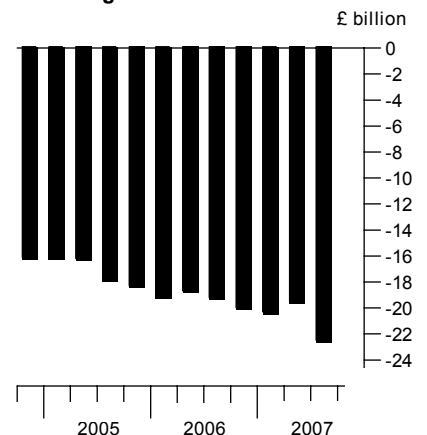
EU/non-EU current account



Trade in Goods (Table E)

The deficit on **trade in goods** in the third quarter was £22.6 billion, compared with a deficit of £19.6 billion in the previous quarter. Exports rose by £1.6 billion but imports rose by £4.6 billion. The deficit on trade in oil widened by £1.2 billion to £1.3 billion; exports were virtually unchanged while imports rose by £1.2 billion. The deficit for semi-manufactured goods widened by £0.4 billion to £1.9 billion and the deficit for finished manufactured goods widened by £0.9 billion to £13.5 billion, in both cases an increase in exports was outweighed by increased imports.

Trade in goods balance

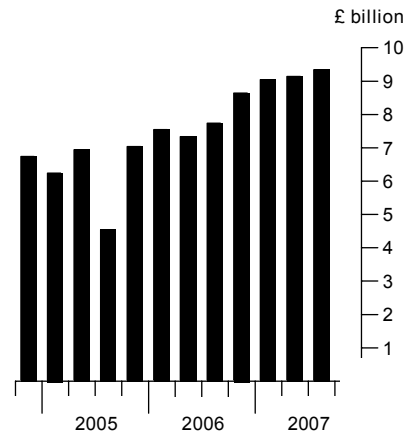




Trade in Services (Table F)

The **trade in services** surplus was £9.3 billion in the third quarter, an increase of £0.2 billion compared with the previous quarter. Exports rose by £0.3 billion to £34.4 billion, mainly reflecting increases in financial, insurance and other business services, partially offset by a fall in exports of travel services. Imports showed a small rise of £0.1 billion to £25.1 billion, with slight rises across several categories of services.

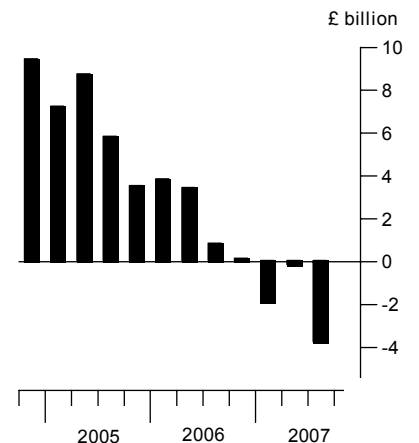
Trade in services balance



Income (Table G)

The deficit on **income** in the third quarter increased to £3.8 billion, from £0.2 billion in the previous quarter. Income credits were £70.5 billion in the third quarter, £0.7 billion higher than in the previous quarter. This increase was driven by a rise in earnings on other investment abroad, which outweighed a fall in earnings on direct investment abroad. Income debits increased by £4.2 billion in the latest quarter, to £74.2 billion, driven by increased earnings on other investment in the UK, on direct investment in the UK and on UK debt securities.

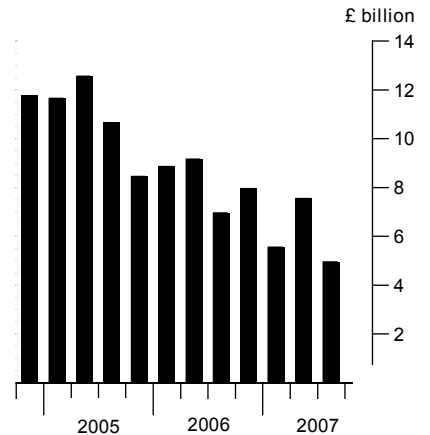
Income balance



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

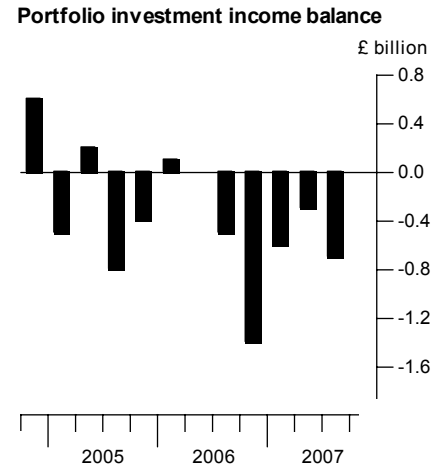
The surplus on **direct investment** income was £4.9 billion in the third quarter, down on the £7.5 billion surplus in the previous quarter. Earnings on direct investment abroad fell to £19.9 billion in the latest period with lower earnings reported by both the financial and non-financial sectors. Earnings on direct investment in the UK rose to £14.9 billion in the third quarter compared with £13.8 billion in the second quarter. Reported earnings by sector in the latest period were mixed, with monetary financial institutions and the other financial institutions sector reporting lower earnings while the insurance sector and the non-financial sector reported increased earnings by foreign investors in the UK.

Direct investment income balance

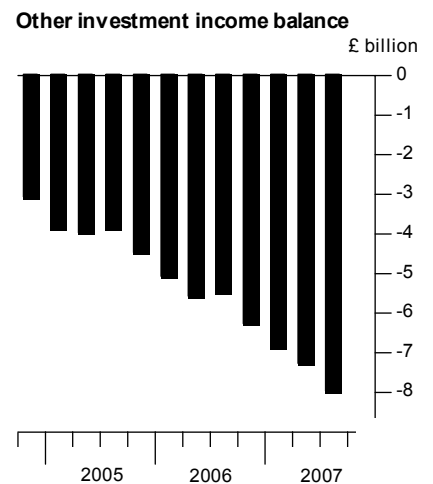




Portfolio investment income recorded a deficit of £0.7 billion in the third quarter, up from a deficit of £0.3 billion in the previous quarter. UK earnings on holdings of foreign securities rose by £0.1 billion in the third quarter, to £16.1 billion, the highest on record, driven by higher earnings on equity securities. Foreign earnings on portfolio investment in the UK increased by £0.4 billion in the latest quarter, to £16.7 billion, also the highest on record, with an increase in earnings on debt securities outweighing a fall in earnings on equity securities.



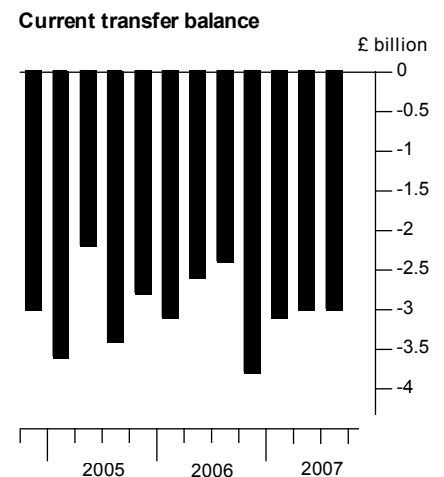
The deficit on earnings from **other investment** increased by £0.7 billion to £8.0 billion in the latest period, the highest on record. Earnings on other investment abroad were £34.1 billion, an increase of £1.9 billion from the previous quarter, largely due to higher banks' earnings on loans to and deposits with non-residents, in both foreign currency and Sterling. Earnings on other investment in the UK increased by £2.6 billion, to £42.1 billion, mainly due to increased interest payments on both Sterling and foreign currency bank deposit liabilities. The increase to both credits and debits reflect recent investment and upward movements in Sterling and certain market interest rates.



Income on **reserve assets** was £0.1 billion in the third quarter, little changed from the income earned in the second quarter.

Current transfers (Table H)

The deficit on **current transfers** fell by £0.1 billion in the third quarter to £3.0 billion. A rise in receipts, mainly from the European Social Fund and the UK's EU VAT abatement, was offset by a rise in contributions to the EU Budget (GNP 4th resource).



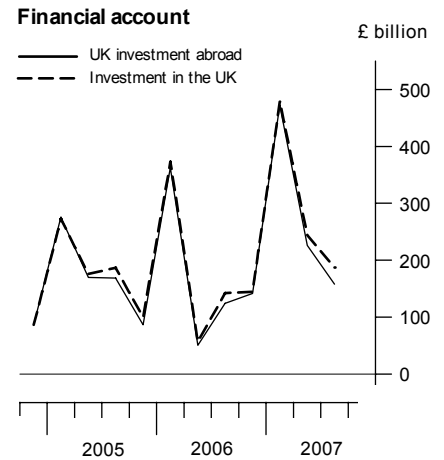
Capital Account (Table I)

The **capital account** recorded a surplus of £0.5 billion in the third quarter, up slightly from £0.4 billion in the previous quarter.

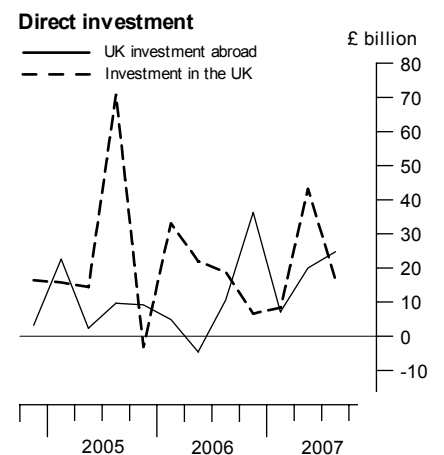


Financial Account (Table J)

The **financial account** showed a net inflow (i.e. inward investment) of £29.3 billion in the third quarter, compared with a net inflow of £18.4 billion in the previous quarter. There was net investment abroad of £157.8 billion and net investment in the UK of £187.0 billion in the latest quarter, both of which were lower than the flows reported in the previous quarter.



Direct investment abroad showed net investment of £24.8 billion in the third quarter, compared to net investment of £20.0 billion in the previous quarter. Higher net investment in the latest quarter reflected higher reinvested earnings and the move from disinvestment to net investment in other capital transactions, which more than offset lower net investment in equity capital. Investment in other capital transactions went from disinvestment of £0.8 billion in the second quarter to investment of £8.9 billion in the latest period. Non-financial corporations, monetary financial institutions and the other financial institutions sector showed increased investment over the latest quarter while the insurance sector showed a decrease in investment over the same period.



Direct investment into the UK was £16.7 billion in the third quarter, down from £43.2 billion in the previous quarter. This mainly reflected lower investment in equity in the UK. There was a small increase in reinvested earnings, while net disinvestment in other capital decreased slightly over the quarter. Other capital transactions went from net disinvestment of £6.5 billion to net disinvestment of £5.9 billion, while investment in equity capital went from £42.2 billion in the previous quarter to £14.6 billion in the latest quarter. Overall, lower investment in the latest period was driven mainly by the non-financial sector, which went from investment of £45.1 billion in the second quarter to investment of £16.3 billion in the latest quarter.

Direct investment acquisitions and disposals in the third quarter of 2007 included:

Outward acquisitions (of foreign companies) -

- the purchase of Armor Holdings Inc by BAE Systems Plc for a press reported value of £2.2 billion;
- the purchase of SPM Flow Control Inc by The Weir Group Plc for a press reported value of £0.3 billion;



Outward disposals (of foreign companies) -

the disposal of The Thule Group AB by Candover for a press reported value of £0.3 billion;
the disposal of the Hermal business by Reckitt Benckiser Plc for a press reported value of £0.3 billion;

Inward acquisitions (of UK companies) -

the purchase of Hanson Plc by HeidelbergCement AG for a press reported value of £8.3 billion;
the purchase of EMI Group Plc by Terra Firma Capital Partners Holdings Ltd for a press reported value of £2.4 billion;

Inward disposals (of UK companies) -

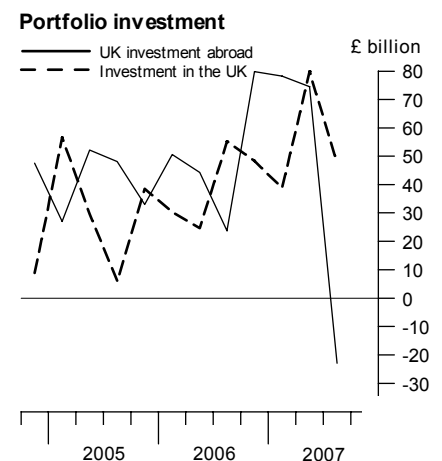
no large disposals to report.

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

Portfolio investment abroad showed net disinvestment of £22.9 billion in the third quarter, following net investment of £74.5 billion in the second quarter. There was net disinvestment of £4.4 billion in equity securities, following net investment of £10.9 billion in the previous quarter, together with net disinvestment in debt securities of £18.5 billion in the third quarter, following net investment of £63.5 billion in the second quarter. UK banks reported net disinvestment of £16.1 billion. Other financial intermediaries reported net disinvestment in long term debt securities of £15.4 billion in the third quarter.

Portfolio investment in the UK showed net investment of £47.6 billion in the third quarter, compared with net investment of £79.8 billion in the second quarter. Net investment in equity securities was virtually zero in the latest quarter, following net disinvestment of £7.6 billion in the previous quarter. Net investment in debt securities fell back to £47.6 billion in the third quarter, following very high net investment of £87.4 billion in the second quarter. The lower investment in debt securities was driven by lower net investment in UK company bonds and in British government stocks (gilts).

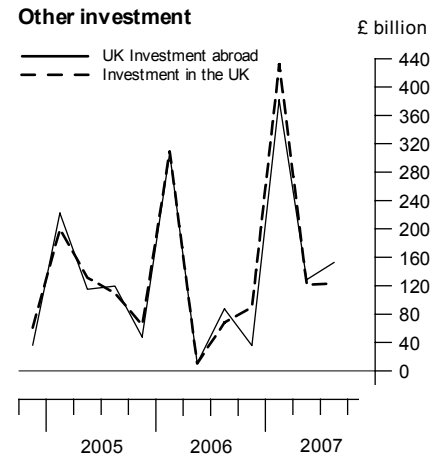
Financial derivatives showed net settlement payments of £3.7 billion in the third quarter, following net settlement payments of £2.5 billion in the previous quarter.





Other investment abroad showed net investment of £152.8 billion in the third quarter, compared with £128.7 billion in the second quarter. The increase was mainly driven by higher net deposits abroad by UK banks, together with higher net advances of foreign currency loans by UK banks.

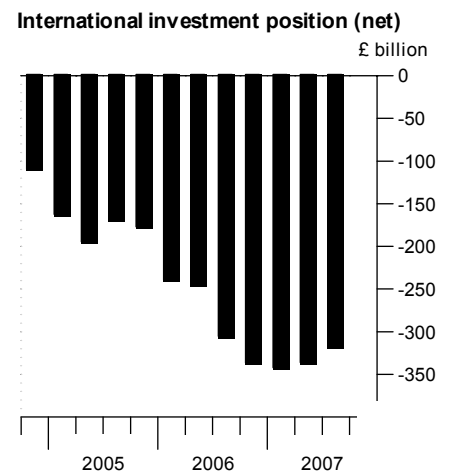
Other investment in the UK showed net investment of £122.8 billion in the third quarter, up slightly on the £121.1 billion in the second quarter. A switch to net repayments of loans from abroad in the third quarter, following net advances in the previous quarter, was outweighed by higher net deposits with UK banks.



Reserve assets showed net disinvestment of £0.6 billion in the third quarter, compared with net investment of £0.1 billion in the previous quarter.

International Investment Position (Table K)

The **international investment position** showed net external liabilities (i.e. liabilities exceed assets) of £318.8 billion at the end of the third quarter compared with net external liabilities of £337.6 billion at end of the previous quarter. UK assets abroad increased by £225.8 billion from the end of the second quarter to a level of £6190.3 billion at the end of the third quarter. UK liabilities increased by £207.0 billion over the same period to a level of £6509.1 billion. The rise in the level of both UK assets and UK liabilities in the third quarter reflects net investment and increases in the price of certain equity and debt securities.



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

Data in this release have been revised from the first quarter of 2005.

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

	£ billion							
	2005	2006	06q1	06q2	06q3	06q4	07q1	07q2
Trade in goods	-	0.2	0.1	-0.2	0.3	-	0.2	0.8
Trade in services	-	1.8	0.2	0.2	0.7	0.7	0.7	0.2
Income	-0.5	-10.3	-1.6	-3.5	-3.2	-1.8	-6.8	-5.5
Current transfers	-	-	-	-	-	-	-	-0.2
Current balance	-0.5	-8.3	-1.4	-3.6	-2.2	-1.1	-5.9	-4.6

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 2006 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 to data from the first quarter of 2006 for trade in services reflect revised source data, particularly the receipt of final annual results from the International Trade in Services (ITIS) survey and the Film and Television survey.

Current transfers - Revisions to current transfers from the first quarter of 2006 are mostly attributable to revised source data from ONS Insurance surveys. Revisions to the second quarter of 2007 also reflect the receipt of latest data from HM Treasury.

Capital account - The revisions to the capital account from the first quarter of 2006 are also attributable to revised source data, following receipt of the final annual results from the ITIS survey for 2006.



Investment income, financial account and international investment position - Revisions from the first quarter of 2005 reflect new and revised survey data and a reassessment of seasonal factors. The incorporation of annual inquiry results for foreign direct investment has caused revisions from the first quarter of 2005. Additionally there are revisions from the first quarter of 2006 due to the incorporation of annual inquiry results for portfolio investment by UK pension funds, insurance companies, unit trusts and open ended investment companies, and investment trusts. 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 December 2007.

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 December 1999 (1999q3) to September 2004 (2004q2).

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)	165131	1519	2261
Debits (HBOO)	185179	2239*	2334
Balance (HBOP)	-20048	-721	1970

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

Status of figures and planned future revisions

6. 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 in recent months.

7. 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>.
8. 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.
9. ONS delivered Q3 2007 current account estimates at the end of November to Eurostat solely for them to estimate aggregate euro-indicators. The same approach is followed for each quarterly delivery.

General notes

10. 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. The full range of geographical data compiled for delivery to Eurostat and the European Central Bank and published in United Kingdom Economic Accounts has not been compiled this quarter. This is due to production problems in the delivery of the geographical breakdown of Foreign Direct Investment. The quarterly EU/non-EU estimate for Foreign Direct Investment is also provisional at this stage and may be subject to further revision.
11. Current and capital accounts are seasonally adjusted. Financial account and international investment position data are not seasonally adjusted.
12. 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.



13. 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.
14. 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

15. 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>

16. Free access to National Statistics data is available online at:
<http://www.statistics.gov.uk>
17. 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.
18. 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 2007.

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A Summary of balance of payments Balances (net transactions)

£ million

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Seasonally adjusted												
Current account												
Trade in goods and services												
Trade in goods	BOKI	-68 789	-77 399	-17 878	-18 378	-19 168	-18 810	-19 278	-20 143	-20 448	-19 573	-22 637
Trade in services	IKBD	24 611	31 005	4 455	7 041	7 489	7 305	7 652	8 559	8 956	9 112	9 345
Total trade	IKBJ	-44 178	-46 394	-13 423	-11 337	-11 679	-11 505	-11 626	-11 584	-11 492	-10 461	-13 292
Income												
Compensation of employees	IJAJ	-610	-735	-208	-195	-96	-214	-237	-188	-85	-198	-160
Investment income	HBOM	25 814	8 861	6 004	3 683	3 901	3 658	1 022	280	-1 837	6	-3 596
Total income	HBOJ	25 204	8 126	5 796	3 488	3 805	3 444	785	92	-1 922	-192	-3 756
Current transfers												
Central government	FNSV	-9 427	-9 542	-2 663	-2 074	-2 451	-1 912	-2 139	-3 040	-2 192	-2 093	-2 127
Other sectors	FNTC	-2 584	-2 426	-774	-693	-691	-689	-264	-782	-946	-957	-873
Total current transfers	IKBP	-12 011	-11 968	-3 437	-2 767	-3 142	-2 601	-2 403	-3 822	-3 138	-3 050	-3 000
Current balance	HBOP	-30 985	-50 236	-11 064	-10 616	-11 016	-10 662	-13 244	-15 314	-16 552	-13 703	-20 048
Capital balance	FNVO	1 491	853	358	-310	617	-685	426	495	422	435	516
Not seasonally adjusted												
Current account												
Trade in goods and services												
Trade in goods	LQCT	-68 789	-77 399	-18 539	-17 174	-19 972	-17 311	-20 628	-19 488	-21 483	-20 133	-23 936
Trade in services	KTMS	24 611	31 005	3 196	7 847	8 112	7 223	6 446	9 224	9 564	9 066	7 949
Total trade	KTMY	-44 178	-46 394	-15 343	-9 327	-11 860	-10 088	-14 182	-10 264	-11 919	-11 067	-15 987
Income												
Compensation of employees	KTMP	-610	-735	-183	-182	-142	-190	-225	-178	-124	-173	-155
Investment income	HMEM	25 814	8 861	7 417	2 642	3 437	2 853	1 928	643	-2 698	-849	-2 750
Total income	HMBP	25 204	8 126	7 234	2 460	3 295	2 663	1 703	465	-2 822	-1 022	-2 905
Current transfers												
Central government	FJUQ	-9 427	-9 542	-2 804	-1 657	-2 972	-1 788	-2 349	-2 433	-2 795	-1 912	-2 311
Other sectors	FJUR	-2 584	-2 426	-761	-668	-849	-547	-263	-767	-1 117	-801	-866
Total current transfers	KTNF	-12 011	-11 968	-3 565	-2 325	-3 821	-2 335	-2 612	-3 200	-3 912	-2 713	-3 177
Current balance	HBOG	-30 985	-50 236	-11 674	-9 192	-12 386	-9 760	-15 091	-12 999	-18 653	-14 802	-22 069
Capital balance	FKMJ	1 491	853	373	-314	576	-661	453	485	375	470	539
Financial account												
Direct investment	HJYV	53 840	33 304	60 972	-12 458	28 260	26 572	8 116	-29 644	1 131	23 251	-8 127
Portfolio investment	HHZD	-29 465	-39 801	-42 083	5 658	-20 170	-19 556	31 409	-31 484	-39 349	5 338	70 508
Financial derivatives (net)	ZPNN	9 556	7 449	9 211	3 762	-827	174	-2 101	10 203	-6 057	-2 522	-3 681
Other investment	HHYR	679	36 555	-9 938	16 720	2 618	-662	-19 315	53 914	50 233	-7 629	-30 000
Reserve assets	LTCV	-656	426	-376	-286	465	210	-385	136	824	-67	558
Net financial transactions	HBNT	33 954	37 933	17 786	13 396	10 346	6 738	17 724	3 125	6 782	18 371	29 258
Net errors and omissions¹	HHDH	-4 460	11 450	-6 485	-3 890	1 464	3 683	-3 086	9 389	11 496	-4 039	-7 728

¹ 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

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Credits												
Exports of goods and services												
Exports of goods	BOKG	211 608	244 666	54 632	57 414	65 080	67 920	56 788	54 878	54 026	55 092	56 644
Exports of services	IKBB	115 182	127 139	27 252	30 178	31 503	31 193	31 906	32 537	33 672	34 153	34 436
Total exports of goods and services	IKBH	326 790	371 805	81 884	87 592	96 583	99 113	88 694	87 415	87 698	89 245	91 080
Income												
Compensation of employees	IJAH	974	1 047	183	251	292	254	229	272	303	277	269
Investment income	HBOK	186 259	234 463	47 138	50 779	53 924	56 979	59 911	63 649	64 585	69 554	70 223
Total income	HBOH	187 233	235 510	47 321	51 030	54 216	57 233	60 140	63 921	64 888	69 831	70 492
Current transfers												
Central government	FHDM	4 236	4 344	1 051	1 062	1 188	1 066	1 236	854	1 144	907	1 025
Other sectors	FHIB	13 021	12 239	4 375	2 693	3 023	2 906	3 251	3 059	2 456	2 332	2 534
Total current transfers	IKBN	17 257	16 583	5 426	3 755	4 211	3 972	4 487	3 913	3 600	3 239	3 559
Total	HBON	531 280	623 898	134 631	142 377	155 010	160 318	153 321	155 249	156 186	162 315	165 131
Debits												
Imports of goods and services												
Imports of goods	BOKH	280 397	322 065	72 510	75 792	84 248	86 730	76 066	75 021	74 474	74 665	79 281
Imports of services	IKBC	90 571	96 134	22 797	23 137	24 014	23 888	24 254	23 978	24 716	25 041	25 091
Total imports of goods and services	IKBI	370 968	418 199	95 307	98 929	108 262	110 618	100 320	98 999	99 190	99 706	104 372
Income												
Compensation of employees	IJAI	1 584	1 782	391	446	388	468	466	460	388	475	429
Investment income	HBOL	160 445	225 602	41 134	47 096	50 023	53 321	58 889	63 369	66 422	69 548	73 819
Total income	HBOI	162 029	227 384	41 525	47 542	50 411	53 789	59 355	63 829	66 810	70 023	74 248
Current transfers												
Central government	FLUD	13 663	13 886	3 714	3 136	3 639	2 978	3 375	3 894	3 336	3 000	3 152
Other sectors	FLUZ	15 605	14 665	5 149	3 386	3 714	3 595	3 515	3 841	3 402	3 289	3 407
Total current transfers	IKBO	29 268	28 551	8 863	6 522	7 353	6 573	6 890	7 735	6 738	6 289	6 559
Total	HBOO	562 265	674 134	145 695	152 993	166 026	170 980	166 565	170 563	172 738	176 018	185 179
Balances												
Trade in goods and services												
Trade in goods	BOKI	-68 789	-77 399	-17 878	-18 378	-19 168	-18 810	-19 278	-20 143	-20 448	-19 573	-22 637
Trade in services	IKBD	24 611	31 005	4 455	7 041	7 489	7 305	7 652	8 559	8 956	9 112	9 345
Total trade in goods and services	IKBJ	-44 178	-46 394	-13 423	-11 337	-11 679	-11 505	-11 626	-11 584	-11 492	-10 461	-13 292
Income												
Compensation of employees	IJAJ	-610	-735	-208	-195	-96	-214	-237	-188	-85	-198	-160
Investment income	HBOM	25 814	8 861	6 004	3 683	3 901	3 658	1 022	280	-1 837	6	-3 596
Total income	HBOJ	25 204	8 126	5 796	3 488	3 805	3 444	785	92	-1 922	-192	-3 756
Current transfers												
Central government	FNSV	-9 427	-9 542	-2 663	-2 074	-2 451	-1 912	-2 139	-3 040	-2 192	-2 093	-2 127
Other sectors	FNTC	-2 584	-2 426	-774	-693	-691	-689	-264	-782	-946	-957	-873
Total current transfers	IKBP	-12 011	-11 968	-3 437	-2 767	-3 142	-2 601	-2 403	-3 822	-3 138	-3 050	-3 000
Current balance	HBOP	-30 985	-50 236	-11 064	-10 616	-11 016	-10 662	-13 244	-15 314	-16 552	-13 703	-20 048
Balances as a percentage of GDP¹												
Trade in goods and services												
Trade in goods	D28J	-5.6	-5.9	-5.8	-5.8	-6.0	-5.8	-5.9	-6.0	-6.0	-5.7	-6.5
Trade in services	D28K	2.0	2.4	1.4	2.2	2.4	2.3	2.3	2.6	2.6	2.6	2.7
Total trade in goods and services	D28L	-3.6	-3.6	-4.4	-3.6	-3.7	-3.6	-3.5	-3.5	-3.4	-3.0	-3.8
Total income	D28M	2.0	0.6	1.9	1.1	1.2	1.1	0.2	-	-0.6	-0.1	-1.1
Total current transfers	D28N	-1.0	-0.9	-1.1	-0.9	-1.0	-0.8	-0.7	-1.1	-0.9	-0.9	-0.9
Current balance as percentage of GDP	AA6H	-2.5	-3.9	-3.6	-3.4	-3.5	-3.3	-4.0	-4.6	-4.9	-4.0	-5.7

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

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Transactions with the European Union ^{1 2}												
Credits												
Exports of goods	LGCK	121 486	153 388	31 100	33 400	41 231	44 147	34 954	33 056	31 784	31 509	33 664
Exports of services	GD7B	48 119	52 031	11 919	12 624	12 953	12 955	13 005	13 118	12 936	13 396	13 235
Total exports of goods and services	GD7A	169 605	205 419	43 019	46 024	54 184	57 102	47 959	46 174	44 720	44 905	46 899
Income	G97T	74 100	93 166	18 677	19 337	21 296	22 481	23 841	25 548	26 364	27 228	28 660
Current transfers	GD76	10 242	10 596	2 233	2 595	2 776	2 278	3 033	2 509	2 559	1 892	2 342
Total	G97N	253 947	309 181	63 929	67 956	78 256	81 861	74 833	74 231	73 643	74 025	77 901
Debits												
Imports of goods	LGDC	158 363	185 319	40 583	43 000	50 194	52 429	41 956	40 740	40 831	41 149	43 307
Imports of services	GD7T	48 655	51 360	12 011	12 102	12 797	12 769	12 767	13 027	12 945	13 154	13 192
Total imports of goods and services	GD7S	207 018	236 679	52 594	55 102	62 991	65 198	54 723	53 767	53 776	54 303	56 499
Income	G97K	72 407	96 793	18 441	20 922	22 074	22 802	25 429	26 488	27 025	27 672	29 664
Current transfers	GD7O	15 624	15 521	3 720	3 452	4 138	3 252	3 770	4 361	3 823	2 961	3 577
Total	G97E	295 049	348 993	74 755	79 476	89 203	91 252	83 922	84 616	84 624	84 936	89 740
Balances												
Trade in goods	LGCG	-36 877	-31 931	-9 483	-9 600	-8 963	-8 282	-7 002	-7 684	-9 047	-9 640	-9 643
Trade in services	GD7Y	-536	671	-92	522	156	186	238	91	-9	242	43
Total trade in goods and services	GD7X	-37 413	-31 260	-9 575	-9 078	-8 807	-8 096	-6 764	-7 593	-9 056	-9 398	-9 600
Income	G97C	1 693	-3 627	236	-1 585	-778	-321	-1 588	-940	-661	-444	-1 004
Current transfers	GD7V	-5 382	-4 925	-1 487	-857	-1 362	-974	-737	-1 852	-1 264	-1 069	-1 235
Total	G976	-41 102	-39 812	-10 826	-11 520	-10 947	-9 391	-9 089	-10 385	-10 981	-10 911	-11 839
Transactions with non-EU countries ³												
Credits												
Exports of goods	LGDY	90 122	91 278	23 532	24 014	23 849	23 773	21 834	21 822	22 242	23 583	22 980
Exports of services	GEK9	67 063	75 108	15 333	17 554	18 550	18 238	18 901	19 419	20 736	20 757	21 201
Total exports of goods and services	GEK8	157 185	166 386	38 865	41 568	42 399	42 011	40 735	41 241	42 978	44 340	44 181
Income	G98L	113 133	142 344	28 644	31 693	32 920	34 752	36 299	38 373	38 524	42 603	41 832
Current transfers	GEK6	7 015	5 987	3 193	1 160	1 435	1 694	1 454	1 404	1 041	1 347	1 217
Total	G98E	277 333	314 717	70 702	74 421	76 754	78 457	78 488	81 018	82 543	88 290	87 230
Debits												
Imports of goods	LGER	122 034	136 746	31 927	32 792	34 054	34 301	34 110	34 281	33 643	33 516	35 974
Imports of services	GEM9	41 916	44 774	10 786	11 035	11 217	11 119	11 487	10 951	11 771	11 887	11 899
Total imports of goods and services	GEM8	163 950	181 520	42 713	43 827	45 271	45 420	45 597	45 232	45 414	45 403	47 873
Income	G98C	89 622	130 591	23 084	26 620	28 337	30 987	33 926	37 341	39 785	42 351	44 584
Current transfers	GEM6	13 644	13 030	5 143	3 070	3 215	3 321	3 120	3 374	2 915	3 328	2 982
Total	G985	267 216	325 141	70 940	73 517	76 823	79 728	82 643	85 947	88 114	91 082	95 439
Balances												
Trade in goods	LGDT	-31 912	-45 468	-8 395	-8 778	-10 205	-10 528	-12 276	-12 459	-11 401	-9 933	-12 994
Trade in services	GEN6	25 147	30 334	4 547	6 519	7 333	7 119	7 414	8 468	8 965	8 870	9 302
Total trade in goods and services	GEN5	-6 765	-15 134	-3 848	-2 259	-2 872	-3 409	-4 862	-3 991	-2 436	-1 063	-3 692
Income	G983	23 511	11 753	5 560	5 073	4 583	3 765	2 373	1 032	-1 261	252	-2 752
Current transfers	GEN3	-6 629	-7 043	-1 950	-1 910	-1 780	-1 627	-1 666	-1 970	-1 874	-1 981	-1 765
Total	G97V	10 117	-10 424	-238	904	-69	-1 271	-4 155	-4 929	-5 571	-2 792	-8 209

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

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Investment abroad												
International Investment Position												
Direct investment	HBWD	705.9	732.6	705.2	705.9	722.8	712.3	708.5	732.6	741.1	760.4	796.9
Portfolio investment	HHZZ	1 374.3	1 600.2	1 289.6	1 374.3	1 466.9	1 461.0	1 504.5	1 600.2	1 689.7	1 782.1	1 783.8
Other investment	HLXV	2 745.3	2 954.3	2 674.0	2 745.3	3 058.0	2 970.4	3 006.9	2 954.3	3 336.7	3 400.1	3 587.2
Reserve assets	LTEB	24.7	22.9	24.0	24.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4
Total	HBQA	4 850.3	5 310.0	4 692.8	4 850.3	5 272.2	5 167.3	5 243.6	5 310.0	5 789.9	5 964.5	6 190.3
Financial Account transactions												
Direct investment	-HJYP	44.0	47.2	9.7	9.2	4.9	-4.6	10.6	36.3	7.2	20.0	24.8
Portfolio investment	-HHZC	160.3	198.4	48.1	33.0	50.6	44.3	23.7	79.8	78.2	74.5	-22.9
Financial derivatives (net)	-ZPNN	-9.6	-7.4	-9.2	-3.8	0.8	-0.2	2.1	-10.2	6.1	2.5	3.7
Other investment	-XBMM	505.0	441.0	119.7	47.8	306.9	11.0	87.4	35.7	382.0	128.7	152.8
Reserve assets	-LTCV	0.7	-0.4	0.4	0.3	-0.5	-0.2	0.4	-0.1	-0.8	0.1	-0.6
Total	-HBNR	700.5	678.7	168.6	86.5	362.7	50.4	124.2	141.4	472.6	225.7	157.8
Investment income earnings												
Direct investment	HJYW	79.2	84.6	20.6	19.7	18.5	20.6	21.8	23.6	20.1	21.5	20.1
Portfolio investment	HLXX	45.4	55.1	11.1	11.5	13.0	14.7	13.6	13.8	15.1	17.3	15.8
Other investment	AIOP	61.0	94.1	16.0	18.3	20.8	22.8	24.4	26.1	27.3	32.2	34.1
Reserve assets	HHCB	0.7	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1
Total	HMBN	186.3	234.5	47.9	49.6	52.4	58.4	60.0	63.6	62.7	71.1	70.2
Investment in the UK												
International Investment Position												
Direct investment	HBWI	494.2	577.4	490.3	494.2	540.1	552.8	573.1	577.4	583.8	622.8	646.1
Portfolio investment	HLXW	1 426.7	1 704.8	1 364.0	1 426.7	1 546.4	1 530.0	1 622.6	1 704.8	1 740.8	1 804.4	1 828.1
Other investment	HLXD	3 108.0	3 366.0	3 008.2	3 108.0	3 426.6	3 330.8	3 354.8	3 366.0	3 809.1	3 874.9	4 034.9
Total	HBQB	5 028.9	5 648.2	4 862.5	5 028.9	5 513.2	5 413.6	5 550.5	5 648.2	6 133.7	6 302.1	6 509.1
Financial Account transactions												
Direct investment	HJYU	97.8	80.5	70.7	-3.2	33.1	22.0	18.8	6.6	8.4	43.2	16.6
Portfolio investment	HHZF	130.9	158.6	6.0	38.6	30.4	24.7	55.2	48.3	38.8	79.8	47.6
Other investment	XBMN	505.7	477.5	109.7	64.5	309.5	10.4	68.0	89.6	432.2	121.1	122.8
Total	HBNS	734.4	716.7	186.4	99.9	373.0	57.1	142.0	144.5	479.4	244.1	187.0
Investment income												
Direct investment	HJYX	36.2	52.0	8.6	12.5	11.3	11.1	14.0	15.6	16.7	13.5	14.3
Portfolio investment	HLZC	46.9	56.9	11.9	11.8	11.9	16.0	14.1	15.0	14.6	19.0	16.4
Other investment	HLZN	77.3	116.6	20.0	22.7	25.8	28.5	30.0	32.4	34.1	39.5	42.3
Total	HMBO	160.4	225.6	40.4	47.0	49.0	55.5	58.1	63.0	65.4	72.0	72.9
Net investment												
International Investment Position												
Direct investment	HBWQ	211.7	155.2	214.9	211.7	182.7	159.6	135.3	155.2	157.3	137.6	150.8
Portfolio investment	CGNH	-52.4	-104.6	-74.4	-52.4	-79.5	-69.0	-118.0	-104.6	-51.1	-22.3	-44.3
Other investment	CGNG	-362.7	-411.7	-334.3	-362.7	-368.7	-360.4	-347.9	-411.7	-472.5	-474.7	-447.7
Reserve assets	LTEB	24.7	22.9	24.0	24.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4
Net investment	HBQC	-178.7	-338.1	-169.7	-178.7	-240.9	-246.3	-307.0	-338.1	-343.8	-337.6	-318.8
Financial Accounts transactions												
Direct investment	HJYV	53.8	33.3	61.0	-12.5	28.3	26.6	8.1	-29.6	1.1	23.3	-8.1
Portfolio investment	HHZD	-29.5	-39.8	-42.1	5.7	-20.2	-19.6	31.4	-31.5	-39.3	5.3	70.5
Financial derivatives	ZPNN	9.6	7.4	9.2	3.8	-0.8	0.2	-2.1	10.2	-6.1	-2.5	-3.7
Other investment	HHYR	0.7	36.6	-9.9	16.7	2.6	-0.7	-19.3	53.9	50.2	-7.6	-30.0
Reserve assets	LTCV	-0.7	0.4	-0.4	-0.3	0.5	0.2	-0.4	0.1	0.8	-0.1	0.6
Net transactions	HBNT	34.0	37.9	17.8	13.4	10.3	6.7	17.7	3.1	6.8	18.4	29.3
Investment income earnings												
Direct investment	HJYE	43.0	32.6	12.0	7.2	7.2	9.5	7.9	8.0	3.4	8.0	5.8
Portfolio investment	HLZX	-1.6	-1.8	-0.7	-0.3	1.1	-1.2	-0.5	-1.2	0.5	-1.7	-0.6
Other investment	CGNA	-16.3	-22.5	-4.0	-4.4	-5.0	-5.6	-5.6	-6.3	-6.8	-7.3	-8.2
Reserve assets	HHCB	0.7	0.6	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1
Net earnings	HMBM	25.8	8.9	7.4	2.6	3.4	2.9	1.9	0.6	-2.7	-0.8	-2.8

E Trade in goods

Seasonally adjusted

£ million

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Exports												
Food, beverages and tobacco	BOPL	10 647	10 997	2 667	2 620	2 662	2 728	2 757	2 850	2 930	2 915	3 008
Basic materials	BOPM	3 981	4 910	1 031	1 007	1 112	1 202	1 222	1 374	1 293	1 460	1 318
Oil	ELBL	19 794	23 319	5 127	5 475	5 805	6 447	5 928	5 139	4 867	5 614	5 583
Other fuels	BOQI	1 702	2 141	431	399	497	610	631	403	320	485	461
Semi-manufactured goods	BOPO	59 880	65 103	15 323	15 230	15 931	16 453	16 167	16 552	16 792	16 818	17 382
Finished manufactured goods	BOPP	114 484	136 906	29 772	32 268	38 695	40 168	29 774	28 269	27 466	27 548	28 628
Unspecified goods	BOQL	1 120	1 290	281	415	378	312	309	291	358	252	264
Total	BOKG	211 608	244 666	54 632	57 414	65 080	67 920	56 788	54 878	54 026	55 092	56 644
Imports												
Food, beverages and tobacco	BQAR	23 695	25 105	5 918	6 034	6 239	6 202	6 252	6 412	6 458	6 534	6 830
Basic materials	BQAS	6 770	7 907	1 769	1 738	1 893	1 893	1 932	2 189	2 155	2 399	2 547
Oil	ENXO	21 989	26 730	6 655	6 190	6 831	6 786	7 232	5 881	5 492	5 751	6 917
Other fuels	BPBI	3 932	4 928	869	1 602	1 637	1 012	1 126	1 153	1 225	1 013	1 081
Semi-manufactured goods	BQAU	62 677	69 573	15 572	15 968	16 823	17 070	17 424	18 256	18 021	18 256	19 239
Finished manufactured goods	BQAV	159 493	185 751	41 303	43 785	50 279	53 258	41 637	40 577	40 596	40 166	42 143
Unspecified goods	BQAW	1 841	2 071	424	475	546	509	463	553	527	546	524
Total	BOKH	280 397	322 065	72 510	75 792	84 248	86 730	76 066	75 021	74 474	74 665	79 281
Balances												
Food, beverages and tobacco	ELBE	-13 048	-14 108	-3 251	-3 414	-3 577	-3 474	-3 495	-3 562	-3 528	-3 619	-3 822
Basic materials	ELBF	-2 789	-2 997	-738	-731	-781	-691	-710	-815	-862	-939	-1 229
Oil	ENXQ	-2 195	-3 411	-1 528	-715	-1 026	-339	-1 304	-742	-625	-137	-1 334
Other fuels	ENIW	-2 230	-2 787	-438	-1 203	-1 140	-402	-495	-750	-905	-528	-620
Semi-manufactured goods	ELBH	-2 797	-4 470	-249	-738	-892	-617	-1 257	-1 704	-1 229	-1 438	-1 857
Finished manufactured goods	ELBI	-45 009	-48 845	-11 531	-11 517	-11 584	-13 090	-11 863	-12 308	-13 130	-12 618	-13 515
Unspecified goods	BQKX	-721	-781	-143	-60	-168	-197	-154	-262	-169	-294	-260
Total	BOKI	-68 789	-77 399	-17 878	-18 378	-19 168	-18 810	-19 278	-20 143	-20 448	-19 573	-22 637

F Trade in services

Seasonally adjusted

£ million

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Exports												
Transportation	FKOA	18 167	16 407	4 475	4 796	4 463	4 130	3 924	3 890	4 010	4 024	3 926
Travel	FAPO	16 871	18 313	4 031	4 446	4 366	4 593	4 684	4 670	4 861	4 663	4 433
Communications	FDQP	3 776	4 295	930	977	1 155	1 039	1 066	1 035	1 057	1 051	1 016
Construction	FDSG	625	815	150	147	201	204	202	208	213	222	302
Insurance	FDTF	1 552	3 731	-1 080	795	1 010	884	881	956	1 125	1 424	1 669
Financial	FDYI	23 403	28 672	5 922	6 063	6 822	7 071	7 170	7 609	8 544	8 642	8 906
Computer and information	FDYQ	6 186	7 036	1 592	1 539	1 715	1 748	1 913	1 660	1 525	1 478	1 406
Royalties and license fees	FEBA	7 585	7 741	1 943	1 915	2 090	1 824	1 835	1 992	2 150	2 077	2 004
Other business	FEHH	32 792	35 932	8 218	8 434	8 644	8 616	9 212	9 460	9 096	9 534	9 662
Personal, cultural and recreational	FGXJ	2 243	2 141	564	570	552	546	486	557	551	526	544
Government	FGZA	1 982	2 056	507	496	485	538	533	500	540	512	568
Total	IKBB	115 182	127 139	27 252	30 178	31 503	31 193	31 906	32 537	33 672	34 153	34 436
Imports												
Transportation	FHME	20 330	19 511	5 071	5 177	5 235	4 886	4 791	4 599	4 692	4 733	4 682
Travel	APQL	32 781	34 291	8 189	8 300	8 418	8 622	8 494	8 757	9 126	8 912	8 936
Communications	FIND	3 531	4 013	936	918	994	987	1 086	946	966	1 170	1 159
Construction	FIOU	570	625	174	174	171	121	158	175	150	153	223
Insurance	FIPT	891	979	215	230	242	268	234	235	252	253	239
Financial	FITY	5 088	5 861	1 295	1 283	1 450	1 405	1 499	1 507	1 444	1 603	1 661
Computer and information	FIUG	2 362	2 709	557	523	670	704	681	654	797	693	769
Royalties and license fees	FIVX	5 202	5 166	1 297	1 348	1 300	1 231	1 288	1 347	1 341	1 335	1 310
Other business	FIWF	16 489	19 443	4 187	4 269	4 728	4 650	5 150	4 915	5 096	5 252	5 178
Personal, cultural and recreational	FLQJ	851	856	183	192	215	206	221	214	198	199	189
Government	FLSA	2 476	2 680	693	723	591	808	652	629	654	738	745
Total	IKBC	90 571	96 134	22 797	23 137	24 014	23 888	24 254	23 978	24 716	25 041	25 091
Balances												
Transportation	FLYS	-2 163	-3 104	-596	-381	-772	-756	-867	-709	-682	-709	-756
Travel	FNGY	-15 910	-15 978	-4 158	-3 854	-4 052	-4 029	-3 810	-4 087	-4 265	-4 249	-4 503
Communications	FNIT	245	282	-6	59	161	52	-20	89	91	-119	-143
Construction	FNJM	55	190	-24	-27	30	83	44	33	63	69	79
Insurance	FNKF	661	2 752	-1 295	565	768	616	647	721	873	1 171	1 430
Financial	FNLQ	18 315	22 811	4 627	4 780	5 372	5 666	5 671	6 102	7 100	7 039	7 245
Computer and information	FNLY	3 824	4 327	1 035	1 016	1 045	1 044	1 232	1 006	728	785	637
Royalties and license fees	FNMR	2 383	2 575	646	567	790	593	547	645	809	742	694
Other business	FNMZ	16 303	16 489	4 031	4 165	3 916	3 966	4 062	4 545	4 000	4 282	4 484
Personal, cultural and recreational	FNRB	1 392	1 285	381	378	337	340	265	343	353	327	355
Government	FNRU	-494	-624	-186	-227	-106	-270	-119	-129	-114	-226	-177
Total	IKBD	24 611	31 005	4 455	7 041	7 489	7 305	7 652	8 559	8 956	9 112	9 345

		2005	2006	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3
Credits												
Compensation of employees	IJAH	974	1 047	183	251	292	254	229	272	303	277	269
Investment income												
Earnings on direct investment abroad	CNZQ	79 192	84 603	19 719	20 331	19 769	20 316	21 486	23 032	21 761	21 226	19 886
Earnings on portfolio investment abroad												
Earnings on equity securities	CGDT	13 165	15 521	3 186	3 469	3 751	3 791	3 916	4 063	4 427	4 439	4 554
Earnings on debt securities	CGDU	32 207	39 596	8 090	8 549	9 469	9 861	9 947	10 319	10 962	11 544	11 515
Total portfolio investment	CGDV	45 372	55 117	11 276	12 018	13 220	13 652	13 863	14 382	15 389	15 983	16 069
Earnings on other investment abroad	CGDW	61 036	94 098	15 980	18 264	20 770	22 845	24 407	26 076	27 281	32 201	34 122
Earnings on reserve assets	HHCC	659	645	163	166	165	166	155	159	154	144	146
Total investment income	HBOK	186 259	234 463	47 138	50 779	53 924	56 979	59 911	63 649	64 585	69 554	70 223
Total	HBOH	187 233	235 510	47 321	51 030	54 216	57 233	60 140	63 921	64 888	69 831	70 492
Debits												
Compensation of employees	IJAI	1 584	1 782	391	446	388	468	466	460	388	475	429
Investment income												
Foreign earnings on direct investment in the UK	CNZR	36 154	52 013	9 145	11 940	10 996	11 245	14 621	15 151	16 271	13 753	14 937
Foreign earnings on portfolio investment in the UK												
Earnings on equity securities	HGOT	17 704	21 075	4 673	4 580	4 904	5 022	5 172	5 977	5 557	5 778	5 588
Earnings on debt securities	CGDX	29 243	35 869	7 446	7 843	8 216	8 620	9 203	9 830	10 402	10 523	11 152
Total portfolio investment	CGDZ	46 947	56 944	12 119	12 423	13 120	13 642	14 375	15 807	15 959	16 301	16 740
Earnings on other investment in the UK	CGEB	77 344	116 645	19 870	22 733	25 907	28 434	29 893	32 411	34 192	39 494	42 142
Total investment income	HBOL	160 445	225 602	41 134	47 096	50 023	53 321	58 889	63 369	66 422	69 548	73 819
Total	HBOI	162 029	227 384	41 525	47 542	50 411	53 789	59 355	63 829	66 810	70 023	74 248
Balances												
Compensation of employees	IJAJ	-610	-735	-208	-195	-96	-214	-237	-188	-85	-198	-160
Investment income												
Direct investment	CVWX	43 038	32 590	10 574	8 391	8 773	9 071	6 865	7 881	5 490	7 473	4 949
Portfolio investment												
Earnings on equity securities	CGEC	-4 539	-5 554	-1 487	-1 111	-1 153	-1 231	-1 256	-1 914	-1 130	-1 339	-1 034
Earnings on debt securities	CGED	2 964	3 727	644	706	1 253	1 241	744	489	560	1 021	363
Total portfolio investment	CGEE	-1 575	-1 827	-843	-405	100	10	-512	-1 425	-570	-318	-671
Other investment	CGFF	-16 308	-22 547	-3 890	-4 469	-5 137	-5 589	-5 486	-6 335	-6 911	-7 293	-8 020
Reserve assets	HHCC	659	645	163	166	165	166	155	159	154	144	146
Total investment income	HBOM	25 814	8 861	6 004	3 683	3 901	3 658	1 022	280	-1 837	6	-3 596
Total	HBOJ	25 204	8 126	5 796	3 488	3 805	3 444	785	92	-1 922	-192	-3 756

H Current transfers

Seasonally adjusted

£ million

		2005	2006	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3
Credits												
General government												
Receipts from EU Institutions:												
Abatement	FKKM	3 655	3 570	908	899	1 013	890	1 041	626	989	746	866
Other EU receipts	GTTA	13	104	2	4	24	7	12	61	11	–	6
Other receipts	CGDN	568	670	141	159	151	169	183	167	144	161	153
Total general government	FHDM	4 236	4 344	1 051	1 062	1 188	1 066	1 236	854	1 144	907	1 025
Other sectors												
Receipts from EU Institutions:												
Social fund ¹	HSU3	900	1 225	35	145	96	109	657	363	101	–	252
Agricultural guarantee fund	ZXIA	3 272	3 212	845	845	845	789	789	789	789	729	729
ECSC Grant	FHHS	–	–	–	–	–	–	–	–	–	–	–
Other receipts	CGDO	8 849	7 802	3 495	1 703	2 082	2 008	1 805	1 907	1 566	1 603	1 553
Total other sectors	FHIB	13 021	12 239	4 375	2 693	3 023	2 906	3 251	3 059	2 456	2 332	2 534
Total	IKBN	17 257	16 583	5 426	3 755	4 211	3 972	4 487	3 913	3 600	3 239	3 559
Debits												
General government												
Payments to EU institutions												
GNP:4th resource	HCSP	8 597	8 358	2 011	1 701	2 114	1 766	1 994	2 484	1 782	1 479	1 751
GNP adjustments	HCSN	135	163	–	135	–	–	–	163	–	–	–
Other	FLMT	106	8	19	85	5	1	2	–	3	–	–
Other payments	CGDP	4 825	5 357	1 684	1 215	1 520	1 211	1 379	1 247	1 551	1 521	1 401
Total general government	FLUD	13 663	13 886	3 714	3 136	3 639	2 978	3 375	3 894	3 336	3 000	3 152
Other sectors												
Payments to EU institutions	CGDR	4 260	4 496	1 066	1 061	1 073	1 034	1 107	1 282	1 187	1 053	1 159
Other payments	CGDS	11 345	10 169	4 083	2 325	2 641	2 561	2 408	2 559	2 215	2 236	2 248
Total other sectors	FLUZ	15 605	14 665	5 149	3 386	3 714	3 595	3 515	3 841	3 402	3 289	3 407
Total	IKBO	29 268	28 551	8 863	6 522	7 353	6 573	6 890	7 735	6 738	6 289	6 559
Balances												
General government	FNSV	–9 427	–9 542	–2 663	–2 074	–2 451	–1 912	–2 139	–3 040	–2 192	–2 093	–2 127
Other sectors	FNTC	–2 584	–2 426	–774	–693	–691	–689	–264	–782	–946	–957	–873
Total	IKBP	–12 011	–11 968	–3 437	–2 767	–3 142	–2 601	–2 403	–3 822	–3 138	–3 050	–3 000
<i>Of which: EU institutions</i>	GTTB	–5 258	–4 914	–1 306	–1 089	–1 214	–1 006	–604	–2 090	–1 082	–1 057	–1 057

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

		2005	2006	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2	2007 Q3
Credits												
Capital transfers												
Central government												
Debt forgiveness	FHIV	-	-	-	-	-	-	-	-	-	-	-
Other capital transfers	FHJA	-	-	-	-	-	-	-	-	-	-	-
Total central government	FHIU	-	-	-	-	-	-	-	-	-	-	-
Other sectors												
Migrants' transfers	FHJC	2 491	2 725	624	649	661	674	685	705	717	732	744
Debt forgiveness	FHJD	-	-	-	-	-	-	-	-	-	-	-
EU Institutions:												
Regional development fund	GTTX	1 402	618	80	477	285	81	125	127	143	51	83
Agricultural guidance fund	FHJF	80	50	1	46	8	2	8	32	10	-	8
Other capital transfers	EBGO	-	-	-	-	-	-	-	-	-	-	-
Total EU institutions	GTTY	1 482	668	81	523	293	83	133	159	153	51	91
Total other sectors	FHJB	3 973	3 393	705	1 172	954	757	818	864	870	783	835
Total capital transfers	FHIT	3 973	3 393	705	1 172	954	757	818	864	870	783	835
Sales of non-produced, non-financial assets	FHJL	337	509	45	75	122	148	120	119	107	138	109
Total	FHLD	4 310	3 902	750	1 247	1 076	905	938	983	977	921	944
Debits												
Capital transfers												
Central government												
Debt forgiveness	FLWD	16	13	7	2	6	1	5	1	11	1	4
Other capital transfers (project grants)	FLWH	408	388	101	114	98	86	124	80	112	129	100
Total central government	FLWB	424	401	108	116	104	87	129	81	123	130	104
Other sectors												
Migrants' transfers	FLWJ	551	669	141	151	180	162	163	164	191	171	168
Debt Forgiveness												
Monetary financial institutions	FLWL	-	-	-	-	-	-	-	-	-	-	-
Public corporations	HMLY	1 249	1 356	26	1 168	26	1 178	76	76	76	-	-
Total debt forgiveness	JCWM	1 249	1 356	26	1 168	26	1 178	76	76	76	-	-
Other capital transfers	FLWQ	-	-	-	-	-	-	-	-	-	-	-
Total other sectors	FLWI	1 800	2 025	167	1 319	206	1 340	239	240	267	171	168
Total capital transfers	FLWA	2 224	2 426	275	1 435	310	1 427	368	321	390	301	272
Purchases of non-produced, non-financial assets	FLWT	595	623	117	122	149	163	144	167	165	185	156
Total	FLYL	2 819	3 049	392	1 557	459	1 590	512	488	555	486	428
Balances												
Capital transfers												
Central government												
Debt forgiveness	FNTM	-16	-13	-7	-2	-6	-1	-5	-1	-11	-1	-4
Other capital transfers	FNTN	-408	-388	-101	-114	-98	-86	-124	-80	-112	-129	-100
Total central government	FNTL	-424	-401	-108	-116	-104	-87	-129	-81	-123	-130	-104
Other sectors												
Migrants' transfers	FNTP	1 940	2 056	483	498	481	512	522	541	526	561	576
Debt forgiveness	FNTQ	-1 249	-1 356	-26	-1 168	-26	-1 178	-76	-76	-76	-	-
Other capital transfers	FNTR	1 482	668	81	523	293	83	133	159	153	51	91
Total other sectors	FNTQ	2 173	1 368	538	-147	748	-583	579	624	603	612	667
Total capital transfers	FNTK	1 749	967	430	-263	644	-670	450	543	480	482	563
Non-produced, non-financial assets	FNTS	-258	-114	-72	-47	-27	-15	-24	-48	-58	-47	-47
Total	FNVQ	1 491	853	358	-310	617	-685	426	495	422	435	516

J Financial Account

Not seasonally adjusted

£ million

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
UK investment abroad												
(net debits)												
Direct investment abroad												
Equity capital	-HJYM	15 612	25 647	6 089	6 430	5 778	3 018	5 629	11 222	3 369	10 531	3 404
Reinvested earnings	-HDNY	43 555	47 875	8 891	9 139	12 427	12 916	13 976	8 556	14 756	10 264	12 465
Other capital transactions	-HMAB	-15 162	-26 287	-5 242	-6 343	-13 334	-20 496	-8 959	16 502	-10 883	-834	8 908
Total direct investment abroad	-HJYP	44 005	47 235	9 738	9 226	4 871	-4 562	10 646	36 280	7 242	19 961	24 777
Portfolio investment abroad												
Equity securities	-HBVI	64 050	18 450	57 378	9 464	-3 808	5 251	17 161	-154	25 004	10 940	-4 394
Debt securities	-XBMW	96 282	179 931	-9 311	23 513	54 380	39 046	6 583	79 922	53 146	63 525	-18 513
Total portfolio investment abroad	-HHZC	160 332	198 381	48 067	32 977	50 572	44 297	23 744	79 768	78 150	74 465	-22 907
Financial derivatives (net)	-ZPNN	-9 556	-7 449	-9 211	-3 762	827	-174	2 101	-10 203	6 057	2 522	3 681
Other investment abroad	-XBMM	505 032	440 983	119 650	47 771	306 872	11 044	87 364	35 703	381 951	128 715	152 764
Reserve assets	-LTCV	656	-426	376	286	-465	-210	385	-136	-824	67	-558
Total	-HBNR	700 469	678 724	168 620	86 498	362 677	50 395	124 240	141 412	472 576	225 730	157 757
Investment in the UK												
(net credits)												
Direct investment in the UK												
Equity capital	HJYR	82 949	56 005	64 961	6 757	26 068	14 024	12 635	3 278	3 308	42 198	14 551
Reinvested earnings	CYFV	10 501	22 930	3 497	1 231	5 010	6 986	8 303	2 631	10 029	7 494	7 964
Other capital transactions	HMAD	4 395	1 604	2 252	-11 220	2 053	1 000	-2 176	727	-4 964	-6 480	-5 865
Total direct investment in the UK	HJYU	97 845	80 539	70 710	-3 232	33 131	22 010	18 762	6 636	8 373	43 212	16 650
Portfolio investment in the UK												
Equity securities	XBLW	7 926	-5 554	-13 021	7 231	-8 181	-5 236	5 832	2 031	4 507	-7 618	9
Debt securities	XBLX	122 941	164 134	19 005	31 404	38 583	29 977	49 321	46 253	34 294	87 421	47 592
Total portfolio investment in the UK	HHZF	130 867	158 580	5 984	38 635	30 402	24 741	55 153	48 284	38 801	79 803	47 601
Other investment in the UK	XBMN	505 711	477 538	109 712	64 491	309 490	10 382	68 049	89 617	432 184	121 086	122 764
Total	HBNS	734 423	716 657	186 406	99 894	373 023	57 133	141 964	144 537	479 358	244 101	187 015
Net transactions												
(net credits less net debits)												
Direct investment												
Equity capital	HBWN	67 337	30 358	58 872	327	20 290	11 006	7 006	-7 944	-61	31 667	11 147
Reinvested earnings	HBWT	-33 054	-24 945	-5 394	-7 908	-7 417	-5 930	-5 673	-5 925	-4 727	-2 770	-4 501
Other capital transactions	HBWU	19 557	27 891	7 494	-4 877	15 387	21 496	6 783	-15 775	5 919	-5 646	-14 773
Total net direct investment	HJYV	53 840	33 304	60 972	-12 458	28 260	26 572	8 116	-29 644	1 131	23 251	-8 127
Portfolio investment												
Equity securities	HBWV	-56 124	-24 004	-70 399	-2 233	-4 373	-10 487	-11 329	2 185	-20 497	-18 558	4 403
Debt securities	HBWX	26 659	-15 797	28 316	7 891	-15 797	-9 069	42 738	-33 669	-18 852	23 896	66 105
Total net portfolio investment	HHZD	-29 465	-39 801	-42 083	5 658	-20 170	-19 556	31 409	-31 484	-39 349	5 338	70 508
Financial derivatives	ZPNN	9 556	7 449	9 211	3 762	-827	174	-2 101	10 203	-6 057	-2 522	-3 681
Other investment	HHYR	679	36 555	-9 938	16 720	2 618	-662	-19 315	53 914	50 233	-7 629	-30 000
Reserve assets	LTCV	-656	426	-376	-286	465	210	-385	136	824	-67	558
Total	HBNT	33 954	37 933	17 786	13 396	10 346	6 738	17 724	3 125	6 782	18 371	29 258

K International Investment Position

Balance sheets valued at end of period: Not seasonally adjusted

£billion

		2005	2006	2005	2005	2006	2006	2006	2006	2007	2007	2007
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
UK Assets												
Direct investment abroad												
Equity capital and reinvested earnings	CGMO	726.8	758.7	711.5	726.8	735.8	744.8	750.5	758.7	777.3	797.3	824.6
Other capital assets	HBWU	-20.9	-26.1	-6.3	-20.9	-13.0	-32.5	-42.0	-26.1	-36.2	-36.8	-27.8
Total direct investment abroad	HBWD	705.9	732.6	705.2	705.9	722.8	712.3	708.5	732.6	741.1	760.4	796.9
Portfolio investment abroad												
Equity securities	HEPX	620.5	696.0	571.0	620.5	653.6	632.0	665.0	696.0	729.1	778.2	787.0
Debt securities	HHZX	753.8	904.2	718.6	753.8	813.3	828.9	839.6	904.2	960.6	1 003.9	996.8
Total portfolio investment abroad	HHZZ	1 374.3	1 600.2	1 289.6	1 374.3	1 466.9	1 461.0	1 504.5	1 600.2	1 689.7	1 782.1	1 783.8
Other investment abroad	HLXV	2 745.3	2 954.3	2 674.0	2 745.3	3 058.0	2 970.4	3 006.9	2 954.3	3 336.7	3 400.1	3 587.2
Reserve assets	LTEB	24.7	22.9	24.0	24.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4
Total	HBQA	4 850.3	5 310.0	4 692.8	4 850.3	5 272.2	5 167.3	5 243.6	5 310.0	5 789.9	5 964.5	6 190.3
UK Liabilities												
Direct investment in the UK												
Equity capital and reinvested earnings	HBWU	368.7	432.5	355.0	368.7	394.0	406.2	428.2	432.5	444.7	491.6	514.4
Other capital liabilities	HBVC	125.5	144.9	135.3	125.5	146.2	146.5	145.0	144.9	139.1	131.2	131.7
Total direct investment in the UK	HBWI	494.2	577.4	490.3	494.2	540.1	552.8	573.1	577.4	583.8	622.8	646.1
Portfolio investment in the UK												
Equity securities	HLXX	623.9	780.2	606.5	623.9	720.6	696.5	730.7	780.2	800.5	811.3	789.3
Debt securities	HLXY	802.7	924.5	757.5	802.7	825.8	833.5	891.8	924.5	940.3	993.1	1 038.8
Total portfolio investment in the UK	HLXW	1 426.7	1 704.8	1 364.0	1 426.7	1 546.4	1 530.0	1 622.6	1 704.8	1 740.8	1 804.4	1 828.1
Other investment in the UK	HLXD	3 108.0	3 366.0	3 008.2	3 108.0	3 426.6	3 330.8	3 354.8	3 366.0	3 809.1	3 874.9	4 034.9
Total	HBQB	5 028.9	5 648.2	4 862.5	5 028.9	5 513.2	5 413.6	5 550.5	5 648.2	6 133.7	6 302.1	6 509.1
Net International Investment Position												
Direct investment												
Equity capital and reinvested earnings	HBSH	358.1	326.2	356.5	358.1	341.8	338.6	322.4	326.2	332.6	305.7	310.3
Other capital	CGKF	-146.4	-171.0	-141.6	-146.4	-159.1	-179.0	-187.0	-171.0	-175.3	-168.1	-159.5
Total net direct investment	HBWQ	211.7	155.2	214.9	211.7	182.7	159.6	135.3	155.2	157.3	137.6	150.8
Portfolio investment												
Equity securities	CGNE	-3.4	-84.2	-35.5	-3.4	-66.9	-64.4	-65.8	-84.2	-71.4	-33.2	-2.3
Debt securities	CGNF	-49.0	-20.4	-38.9	-49.0	-12.6	-4.6	-52.3	-20.4	20.3	10.8	-42.0
Total net portfolio investment	CGNH	-52.4	-104.6	-74.4	-52.4	-79.5	-69.0	-118.0	-104.6	-51.1	-22.3	-44.3
Other investment	CGNG	-362.7	-411.7	-334.3	-362.7	-368.7	-360.4	-347.9	-411.7	-472.5	-474.7	-447.7
Reserve assets	LTEB	24.7	22.9	24.0	24.7	24.6	23.6	23.6	22.9	22.4	21.8	22.4
Total	HBQC	-178.7	-338.1	-169.7	-178.7	-240.9	-246.3	-307.0	-338.1	-343.8	-337.6	-318.8

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

£ million

		2005	2006	2005 Q2	2005 Q3	2005 Q4	2006 Q1	2006 Q2	2006 Q3	2006 Q4	2007 Q1	2007 Q2
Seasonally adjusted												
Current account												
Trade in goods and services												
Trade in goods	BOKI	-	164	-	-	-	56	-197	277	28	157	773
Trade in services	IKBD	-	1 811	-	-	-	236	188	727	660	708	224
Total trade	IKBJ	-	1 975	-	-	-	292	-9	1 004	688	865	997
Income												
Compensation of employees	IJAJ	-	3	-	-	-	-2	1	4	-	-3	-3
Investment income	HBOM	-530	-10 272	-331	-353	-138	-1 632	-3 542	-3 253	-1 845	-6 792	-5 459
Total income	HBOJ	-530	-10 269	-331	-353	-138	-1 634	-3 541	-3 249	-1 845	-6 795	-5 462
Current transfers												
Central government	FNSV	2	-59	2	2	1	-27	-28	-6	2	6	-87
Other sectors	FNTC	-5	33	-2	-1	-1	-4	-2	24	15	-2	-97
Total current transfers	IKBP	-3	-26	-	1	-	-31	-30	18	17	4	-184
Current balance	HBOP	-533	-8 320	-331	-352	-138	-1 373	-3 580	-2 227	-1 140	-5 926	-4 649
Capital balance	FNVQ	-	175	-	-	-	43	39	13	80	58	81
Not seasonally adjusted												
Current account												
Trade in goods and services												
Trade in goods	LQCT	-	164	-	-	-	34	46	50	34	65	827
Trade in services	KTMS	-	1 811	-	-	-	216	447	627	521	784	305
Total trade	KTMJ	-	1 975	-	-	-	250	493	677	555	849	1 132
Income												
Compensation of employees	KTMP	-	3	-	-	-	-	1	1	1	1	-2
Investment income	HMBM	-530	-10 272	8	-199	-481	-1 904	-4 818	-3 247	-303	-6 848	-7 343
Total income	HMBP	-530	-10 269	8	-199	-481	-1 904	-4 817	-3 246	-302	-6 847	-7 345
Current transfers												
Central government	FJUQ	2	-59	2	2	1	-45	-11	-1	-2	-3	-77
Other sectors	FJUR	-5	33	-2	-1	-1	-3	5	11	20	-	-90
Total current transfers	KTNF	-3	-26	-	1	-	-48	-6	10	18	-3	-167
Current balance	HBOG	-533	-8 320	8	-198	-481	-1 702	-4 330	-2 559	271	-6 001	-6 380
Capital balance	FKMJ	-	175	-	-	-	56	32	17	70	55	75
Financial account												
Direct investment	HJYV	-3 955	25 909	-643	1 402	-2 633	15 872	10 075	18 213	-18 251	5 300	4 737
Portfolio investment	HHZD	-2	932	-2	-	-	-1 449	4 776	-842	-1 553	2 805	-9 901
Financial derivatives	ZPNN	-	-	-	-	-	-	-	-	-	-13	231
Other investment	HHYR	-3 000	-15 555	-	-	-3 000	-8 507	-10 595	-8 187	11 734	-3 893	21 193
Reserve assets	LTCV	-	-	-	-	-	-	-	-	-	-	-
Net financial transactions	HBNT	-6 957	11 286	-645	1 402	-5 633	5 916	4 256	9 184	-8 070	4 199	16 260
Net errors and omissions¹	HHDH	7 490	-3 141	637	-1 204	6 114	-4 270	42	-6 642	7 729	1 747	-9 955

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

		2005	2006	2005	2005	2005	2006	2006	2006	2006	2007	2007
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Credits												
Exports of goods and services												
Exports of goods	BOKG	-	5	-	-	-	-14	-194	115	98	144	786
Exports of services	IKBB	-	2 553	-	-	-	298	307	1 007	941	441	167
Total exports of goods and services	IKBH	-	2 558	-	-	-	284	113	1 122	1 039	585	953
Income												
Compensation of employees	IJAH	-	-	-	-	-	-2	-	3	-1	-4	-1
Investment income	HBOK	-254	-5 943	-173	-210	-73	-1 739	-3 301	-1 384	481	-2 271	-2 539
Total income	HBOH	-254	-5 943	-173	-210	-73	-1 741	-3 301	-1 381	480	-2 275	-2 540
Current transfers												
Central government	FHDM	2	17	2	2	1	-1	9	-7	16	-15	-36
Other sectors	FHIB	-	448	-	-	-	196	126	83	43	-152	-167
Total current transfers	IKBN	2	465	2	2	1	195	135	76	59	-167	-203
Total	HBON	-252	-2 920	-171	-208	-72	-1 262	-3 053	-183	1 578	-1 857	-1 790
Debits												
Imports of goods and services												
Imports of goods	BOKH	-	-159	-	-	-	-70	3	-162	70	-13	13
Imports of services	IKBC	-	742	-	-	-	62	119	280	281	-267	-57
Total imports of goods and services	IKBI	-	583	-	-	-	-8	122	118	351	-280	-44
Income												
Compensation of employees	IJAI	-	-3	-	-	-	-	-1	-1	-1	-1	2
Investment income	HBOL	276	4 329	158	143	65	-107	241	1 869	2 326	4 521	2 920
Total income	HBOI	276	4 326	158	143	65	-107	240	1 868	2 325	4 520	2 922
Current transfers												
Central government	FLUD	-	76	-	-	-	26	37	-1	14	-21	51
Other sectors	FLUZ	5	415	2	1	1	200	128	59	28	-150	-70
Total current transfers	IKBO	5	491	2	1	1	226	165	58	42	-171	-19
Total	HBOO	281	5 400	160	144	66	111	527	2 044	2 718	4 069	2 859
Balances												
Trade in goods and services												
Trade in goods	BOKI	-	164	-	-	-	56	-197	277	28	157	773
Trade in services	IKBD	-	1 811	-	-	-	236	188	727	660	708	224
Total trade in goods and services	IKBJ	-	1 975	-	-	-	292	-9	1 004	688	865	997
Income												
Compensation of employees	IJAJ	-	3	-	-	-	-2	1	4	-	-3	-3
Investment income	HBOM	-530	-10 272	-331	-353	-138	-1 632	-3 542	-3 253	-1 845	-6 792	-5 459
Total income	HBOJ	-530	-10 269	-331	-353	-138	-1 634	-3 541	-3 249	-1 845	-6 795	-5 462
Current transfers												
Central government	FNSV	2	-59	2	2	1	-27	-28	-6	2	6	-87
Other sectors	FNTC	-5	33	-2	-1	-1	-4	-2	24	15	-2	-97
Total current transfers	IKBP	-3	-26	-	1	-	-31	-30	18	17	4	-184
Current balance	HBOP	-533	-8 320	-331	-352	-138	-1 373	-3 580	-2 227	-1 140	-5 926	-4 649
Balances as a percentage of GDP¹												
Trade in goods and services												
Trade in goods	D28J	-	0.1	-	-	-	-	-	-	0.1	0.1	0.2
Trade in services	D28K	-	0.2	-	-	-	0.1	0.1	0.2	0.2	0.2	-
Total trade in goods and services	D28L	-	0.1	-	-	-	0.1	-	0.3	0.2	0.3	0.3
Total income	D28M	-0.1	-0.8	-0.1	-0.1	-0.1	-0.5	-1.1	-1.0	-0.6	-2.0	-1.6
Total current transfers	D28N	-	-	-	-	-	-	-	-	0.1	-	-0.1
Current balance as percentage of GDP	AA6H	-	-0.7	-0.1	-0.1	-0.1	-0.5	-1.1	-0.7	-0.3	-1.8	-1.4

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

		2005	2006	2005	2005	2005	2006	2006	2006	2006	2007	2007
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Investment abroad												
International Investment Position												
Direct investment	HBWD	-46.8	-37.4	-20.4	-30.5	-46.8	-25.7	-19.3	-47.4	-37.4	-35.8	-38.4
Portfolio investment	HHZZ	-	37.2	-	-	-	8.7	17.8	24.4	37.2	36.3	62.8
Other investment	HLXV	-	30.0	-	-	-	10.0	19.9	28.0	30.0	31.2	23.0
Reserve assets	LTEB	-	-	-	-	-	-	-	-	-	-	-
Total	HBQA	-46.7	29.8	-20.4	-30.5	-46.7	-7.1	18.4	5.1	29.8	31.7	47.5
Financial Account transactions												
Direct investment	-HJYP	-6.0	-22.3	-1.5	-2.0	-1.1	-13.1	-8.3	-18.2	17.3	0.5	-5.5
Portfolio investment	-HHZC	-	-0.9	-	-	-	-0.3	0.3	-3.3	2.3	-0.5	6.4
Financial derivatives (net)	-ZPNN	-	-	-	-	-	-	-	-	-	0.1	-0.3
Other investment	-XBMM	-	31.3	-	-	-	10.3	10.3	8.5	2.2	1.0	12.0
Reserve assets	-LTCV	-	-	-	-	-	-	-	-	-	-	-
Total	-HBNR	-6.0	8.0	-1.4	-2.0	-1.1	-3.2	2.4	-13.1	21.8	1.0	12.6
Investment income earnings												
Direct investment	HJYW	-0.2	-5.9	0.1	-0.1	-0.4	-1.1	-3.9	-2.3	1.3	-1.8	-3.9
Portfolio investment	HLYX	-	0.5	-	-	-	0.1	0.1	0.1	0.2	0.2	0.6
Other investment	AIOP	-	-0.6	-	-	-	-0.2	-0.2	-0.1	-	-	-0.2
Reserve assets	HHCB	-	-	-	-	-	-	-	-	-	-	-
Total	HMBN	-0.2	-5.9	0.1	-0.1	-0.4	-1.3	-3.9	-2.2	1.4	-1.6	-3.5
Investment in the UK												
International Investment Position												
Direct investment	HBWI	-7.0	-2.0	-8.4	-7.4	-7.0	8.4	0.5	1.5	-2.0	1.3	-4.2
Portfolio investment	HLXW	-4.6	49.1	2.5	-1.7	-4.6	35.4	40.3	44.9	49.1	48.8	58.4
Other investment	HLYD	-	15.8	-	-	-	0.6	0.6	0.7	15.8	12.6	37.0
Total	HBQB	-11.6	62.9	-5.9	-9.2	-11.6	44.5	41.4	47.0	62.9	62.6	91.1
Financial Account transactions												
Direct investment	HJYU	-10.0	3.6	-2.2	-0.5	-3.7	2.7	1.8	0.1	-1.0	5.9	-0.8
Portfolio investment	HHZF	-	-	-	-	-	-1.8	5.1	-4.1	0.8	2.2	-3.5
Other investment	XBMN	-3.0	15.7	-	-	-3.0	1.7	-0.2	0.2	13.9	-2.9	33.2
Total	HBNS	-13.0	19.4	-2.1	-0.5	-6.7	2.7	6.7	-3.8	13.7	5.2	28.9
Investment income												
Direct investment	HJYX	0.3	4.6	0.1	0.1	0.1	0.8	1.1	1.3	1.5	5.3	3.7
Portfolio investment	HLZC	-	-0.1	-	-	-	-	-	-	-	-0.1	-
Other investment	HLZN	-	-0.3	-	-	-	-0.1	-0.1	-0.2	0.2	-	0.3
Total	HMBO	0.2	4.3	0.1	-	0.1	0.7	0.9	1.1	1.7	5.3	3.9
Net investment												
International Investment Position												
Direct investment	HBWQ	-39.8	-35.3	-12.0	-23.1	-39.8	-34.1	-19.7	-48.9	-35.3	-37.0	-34.1
Portfolio investment	CGNH	4.6	-11.9	-2.5	1.7	4.6	-26.7	-22.5	-20.4	-11.9	-12.5	4.5
Other investment	CGNG	-	14.2	-	-	-	9.3	19.3	27.3	14.2	18.5	-13.9
Reserve assets	LTEB	-	-	-	-	-	-	-	-	-	-	-
Net investment	HBQC	-35.2	-33.0	-14.5	-21.4	-35.2	-51.4	-23.1	-42.0	-33.0	-30.9	-43.6
Financial Accounts transactions												
Direct investment	HJYV	-4.0	25.9	-0.7	1.4	-2.7	15.9	10.1	18.2	-18.2	5.3	4.8
Portfolio investment	HHZD	-	0.9	-	-	-	-1.5	4.7	-0.9	-1.6	2.9	-9.9
Financial derivatives	ZPNN	-	-	-	-	-	-	-	-	-	-0.1	0.3
Other investment	HHYR	-3.0	-15.5	-	-	-3.0	-8.5	-10.6	-8.2	11.7	-3.9	21.2
Reserve assets	LTCV	-	-	-	-	-	-	-	-	-	-	-
Net transactions	HBNT	-6.9	11.3	-0.7	1.4	-5.6	5.9	4.2	9.2	-8.1	4.2	16.3
Investment income earnings												
Direct investment	HJYE	-0.6	-10.5	-	-0.2	-0.5	-1.9	-5.0	-3.4	-0.2	-7.2	-7.6
Portfolio investment	HLZX	-	0.6	-	-	-	0.1	0.2	0.1	0.2	0.3	0.6
Other investment	CGNA	-	-0.3	-	-	-	-0.1	-	0.1	-0.3	-0.1	-0.4
Reserve assets	HHCB	-	-	-	-	-	-	-	-	-	-	-
Net earnings	HMBM	-0.5	-10.2	0.1	-0.2	-0.5	-1.9	-4.8	-3.3	-0.3	-6.9	-7.3