

**Table 1 Hong Kong's Balance of Payments Account**

	HK\$ million									
Standard Components	2004 Annual	2005 Annual	2004 1st Qtr	2004 2nd Qtr	2004 3rd Qtr	2004 4th Qtr	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr
<b>Current Account<sup>(1)</sup></b>	<b>122,491</b>	<b>153,200</b>	<b>9,116</b>	<b>4,504</b>	<b>50,895</b>	<b>57,976</b>	<b>32,487</b>	<b>31,198</b>	<b>42,905</b>	<b>46,611</b>
Goods	-72,514	-59,347	-32,814	-29,432	-8,511	-1,757	-19,677	-19,646	-6,941	-13,083
Services	187,056	227,131	43,118	39,814	49,385	54,739	49,645	50,002	60,199	67,285
Factor income	23,410	2,463	2,561	-2,374	14,054	9,169	6,999	4,763	-6,085	-3,214
Current transfers	-15,461	-17,046	-3,749	-3,504	-4,033	-4,176	-4,481	-3,921	-4,268	-4,377
<b>Capital and Financial Account<sup>(1)</sup></b>	<b>-184,640</b>	<b>-160,882</b>	<b>-23,330</b>	<b>-19,745</b>	<b>-66,701</b>	<b>-74,864</b>	<b>-54,444</b>	<b>-7,427</b>	<b>-48,610</b>	<b>-50,400</b>
Capital transfers	-2,561	-5,237	-95	-122	-1,479	-865	-2,653	-1,511	-683	-390
<i>Financial non-reserve assets (net change)</i>	<i>-156,594</i>	<i>-144,966</i>	<i>12,286</i>	<i>-27,592</i>	<i>-85,714</i>	<i>-55,574</i>	<i>-49,238</i>	<i>-11,415</i>	<i>-44,956</i>	<i>-39,356</i>
Direct investment	-91,038	25,845	-107,308	23,843	-92,924	85,351	970	3,928	-30,607	51,554
Portfolio investment	-306,368	-168,100	-167,258	-130,704	-62,916	54,510	-70,770	-91,131	-19,263	13,063
Financial derivatives	44,319	13,754	12,722	8,981	5,940	16,676	4,206	5,749	952	2,847
Other investment	196,492	-16,464	274,130	70,287	64,187	-212,111	16,357	70,038	3,961	-106,821
Reserve assets (net change) <sup>(2)</sup>	<b>-25,486</b>	<b>-10,679</b>	<b>-35,520</b>	<b>7,969</b>	<b>20,492</b>	<b>-18,426</b>	<b>-2,554</b>	<b>5,500</b>	<b>-2,971</b>	<b>-10,654</b>
<b>Net errors and omissions<sup>(3)</sup></b>	<b>62,149</b>	<b>7,682</b>	<b>14,213</b>	<b>15,241</b>	<b>15,806</b>	<b>16,889</b>	<b>21,958</b>	<b>-23,771</b>	<b>5,706</b>	<b>3,789</b>
<b>Overall Balance of Payments</b>	<b>25,486</b>	<b>10,679</b>	<b>35,520</b>	<b>-7,969</b>	<b>-20,492</b>	<b>18,426</b>	<b>2,554</b>	<b>-5,500</b>	<b>2,971</b>	<b>10,654</b>
	(in surplus)	(in surplus)	(in surplus)	(in deficit)	(in deficit)	(in surplus)	(in surplus)	(in deficit)	(in surplus)	(in surplus)

Notes : (1) In accordance with the Balance of Payments accounting rules, a positive value for the balance figure in the current account represents a surplus whereas a negative value represents a deficit. For the capital and financial account, a positive value indicates a net capital and financial inflow and a negative value indicates a net outflow. As increases in external assets are debit entries and decreases are credit entries, a negative value for net change in reserve assets represents a net increase and a positive value represents a net decrease.

(2) The estimates on net change in reserve assets under the Balance of Payments framework are transaction figures. Effects from valuation changes (including price changes and exchange rate changes) and reclassifications are excluded.

(3) In principle, the net sum of credit entries and debit entries is zero. In practice, discrepancies between the credit and debit entries may occur for various reasons, as the data are collected from many sources. Equality between the sums of credit entries and debit entries is brought about by the inclusion of a balancing item which reflects net errors and omissions.

**Table 2 Hong Kong's Balance of Payments Sub-account Components:  
Current Account**

HK\$ million

Standard Components	2004 Annual	2005 Annual	2004 1st Qtr	2004 2nd Qtr	2004 3rd Qtr	2004 4th Qtr	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr
<b>Current Account<sup>(1)</sup></b>	<b>122,491</b>	<b>153,200</b>	<b>9,116</b>	<b>4,504</b>	<b>50,895</b>	<b>57,976</b>	<b>32,487</b>	<b>31,198</b>	<b>42,905</b>	<b>46,611</b>
<i>Credit</i> <sup>(2)</sup>	2,866,456	3,240,397	628,275	692,966	765,558	779,656	700,579	799,098	869,199	871,520
<i>Debit</i> <sup>(2)</sup>	-2,743,965	-3,087,197	-619,159	-688,462	-714,663	-721,680	-668,092	-767,900	-826,295	-824,909
<b>Goods</b>	<b>-72,514</b>	<b>-59,347</b>	<b>-32,814</b>	<b>-29,432</b>	<b>-8,511</b>	<b>-1,757</b>	<b>-19,677</b>	<b>-19,646</b>	<b>-6,941</b>	<b>-13,083</b>
<i>Credit</i>	2,027,031	2,251,744	434,433	497,894	546,732	547,972	479,096	555,352	614,625	602,671
<i>Debit</i>	-2,099,545	-2,311,091	-467,247	-527,326	-555,243	-549,729	-498,773	-574,998	-621,566	-615,754
<b>Services</b>	<b>187,056</b>	<b>227,131</b>	<b>43,118</b>	<b>39,814</b>	<b>49,385</b>	<b>54,739</b>	<b>49,645</b>	<b>50,002</b>	<b>60,199</b>	<b>67,285</b>
<i>Credit</i>	429,563	479,510	98,369	97,858	114,551	118,785	109,508	109,601	128,501	131,900
<i>Debit</i>	-242,507	-252,379	-55,251	-58,044	-65,166	-64,046	-59,863	-59,599	-68,302	-64,615
Transportation, credit	135,188	151,721	30,839	32,755	36,471	35,123	34,882	37,120	40,845	38,874
Transportation, debit	-67,657	-72,954	-15,247	-16,389	-18,055	-17,966	-16,806	-17,900	-19,739	-18,509
Travel, credit	70,084	78,698	16,546	16,451	17,609	19,478	19,163	18,248	19,549	21,738
Travel, debit	-103,347	-104,425	-23,483	-25,650	-28,434	-25,780	-25,567	-24,643	-28,780	-25,435
Insurance services, credit	3,197	3,451	739	821	758	879	808	901	825	917
Insurance services, debit	-4,761	-5,220	-1,005	-1,169	-1,160	-1,427	-1,160	-1,323	-1,306	-1,431
Financial services, credit	35,460	42,481	9,077	8,603	8,686	9,094	9,527	9,943	11,412	11,599
Financial services, debit	-9,070	-8,601	-2,344	-2,223	-2,192	-2,311	-2,205	-2,050	-2,107	-2,239
Other services, credit	185,634	203,159	41,168	39,228	51,027	54,211	45,128	43,389	55,870	58,772
Other services, debit	-57,672	-61,179	-13,172	-12,613	-15,325	-16,562	-14,125	-13,683	-16,370	-17,001
<b>Factor income</b>	<b>23,410</b>	<b>2,463</b>	<b>2,561</b>	<b>-2,374</b>	<b>14,054</b>	<b>9,169</b>	<b>6,999</b>	<b>4,763</b>	<b>-6,085</b>	<b>-3,214</b>
<i>Credit</i>	404,991	503,370	94,253	96,203	103,106	111,429	110,408	133,049	124,892	135,021
<i>Debit</i>	-381,581	-500,908	-91,692	-98,577	-89,052	-102,259	-103,409	-128,287	-130,977	-138,235
Investment income, credit	403,122	501,504	93,786	95,736	102,639	110,961	109,942	132,583	124,425	134,554
<b>Direct investment income</b>	<b>230,066</b>	<b>272,596</b>	<b>57,358</b>	<b>52,764</b>	<b>56,965</b>	<b>62,979</b>	<b>54,378</b>	<b>76,796</b>	<b>66,254</b>	<b>75,168</b>
Dividends and distributed branch profits	154,058	94,358	18,771	32,699	43,037	59,551	10,791	27,651	19,607	36,310
Reinvested earnings and undistributed branch profits	70,729	173,640	37,619	18,837	12,732	1,542	42,756	48,146	45,374	37,364
Income on debt (interest)	5,279	4,598	969	1,228	1,196	1,887	831	1,000	1,273	1,494
<b>Portfolio investment income</b>	<b>124,934</b>	<b>136,348</b>	<b>28,088</b>	<b>32,888</b>	<b>32,524</b>	<b>31,434</b>	<b>34,877</b>	<b>33,504</b>	<b>35,184</b>	<b>32,783</b>
Income on equity	50,122	48,365	9,923	14,592	13,964	11,644	14,275	11,874	12,513	9,703
Income on bonds and notes	69,762	81,767	17,055	17,083	17,225	18,399	19,193	20,086	21,038	21,451
Income on money market instruments	5,050	6,217	1,111	1,213	1,335	1,391	1,410	1,544	1,634	1,629
<b>Other investment income</b>	<b>48,122</b>	<b>92,560</b>	<b>8,339</b>	<b>10,084</b>	<b>13,150</b>	<b>16,549</b>	<b>20,687</b>	<b>22,282</b>	<b>22,987</b>	<b>26,603</b>
Investment income, debit	-379,084	-498,299	-91,069	-97,951	-88,425	-101,640	-102,777	-127,636	-130,319	-137,567
<b>Direct investment income</b>	<b>-313,591</b>	<b>-392,739</b>	<b>-80,872</b>	<b>-77,206</b>	<b>-71,119</b>	<b>-84,393</b>	<b>-84,994</b>	<b>-96,143</b>	<b>-103,795</b>	<b>-107,807</b>
Dividends and distributed branch profits	-134,129	-165,121	-27,721	-47,611	-33,116	-25,682	-23,683	-44,495	-47,797	-49,147
Reinvested earnings and undistributed branch profits	-174,731	-223,134	-52,003	-28,504	-36,784	-57,440	-60,283	-50,635	-54,749	-57,466
Income on debt (interest)	-4,731	-4,484	-1,149	-1,091	-1,219	-1,272	-1,028	-1,013	-1,248	-1,195

**Table 2 (Cont'd.) Hong Kong's Balance of Payments Sub-account Components:  
Current Account**

HK\$ million

Standard Components	2004	2005	2004	2004	2004	2004	2005	2005	2005	2005
	Annual	Annual	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
<b>Portfolio investment income</b>	<b>-31,411</b>	<b>-38,208</b>	<b>-4,354</b>	<b>-13,473</b>	<b>-7,839</b>	<b>-5,745</b>	<b>-3,949</b>	<b>-17,213</b>	<b>-8,915</b>	<b>-8,130</b>
Income on equity	-28,715	-35,077	-3,780	-12,890	-7,086	-4,958	-3,143	-16,425	-8,123	-7,386
Income on bonds and notes	-2,643	-3,061	-560	-566	-742	-776	-791	-769	-768	-733
Income on money market instruments	-53	-70	-14	-18	-11	-10	-15	-20	-24	-11
<b>Other investment income</b>	<b>-34,082</b>	<b>-67,352</b>	<b>-5,842</b>	<b>-7,271</b>	<b>-9,467</b>	<b>-11,501</b>	<b>-13,834</b>	<b>-14,280</b>	<b>-17,609</b>	<b>-21,629</b>
Compensation of employees, credit	1,869	1,866	467	467	467	467	466	466	467	467
Compensation of employees, debit	-2,497	-2,609	-624	-627	-626	-620	-632	-650	-658	-668
<b>Current transfers</b>	<b>-15,461</b>	<b>-17,046</b>	<b>-3,749</b>	<b>-3,504</b>	<b>-4,033</b>	<b>-4,176</b>	<b>-4,481</b>	<b>-3,921</b>	<b>-4,268</b>	<b>-4,377</b>
<i>Credit</i>	<i>4,871</i>	<i>5,773</i>	<i>1,220</i>	<i>1,011</i>	<i>1,170</i>	<i>1,470</i>	<i>1,567</i>	<i>1,096</i>	<i>1,181</i>	<i>1,928</i>
General government	0	0	0	0	0	0	0	0	0	0
Other sectors	4,871	5,773	1,220	1,011	1,170	1,470	1,567	1,096	1,181	1,928
<i>Debit</i>	<i>-20,332</i>	<i>-22,819</i>	<i>-4,969</i>	<i>-4,515</i>	<i>-5,203</i>	<i>-5,646</i>	<i>-6,048</i>	<i>-5,017</i>	<i>-5,449</i>	<i>-6,306</i>
General government	-1,330	-1,361	-359	-338	-318	-314	-364	-338	-339	-320
Other sectors	-19,003	-21,458	-4,609	-4,177	-4,884	-5,332	-5,683	-4,679	-5,111	-5,985

Notes : (1) In accordance with the Balance of Payments accounting rules, a positive value for the balance figure in the current account represents a surplus whereas a negative value represents a deficit.

(2) In a Balance of Payments account, every external transaction is presented by two entries, a credit and a debit. In the current account, exports of goods and services, factor income inflows and transfers from abroad are credit entries, while imports of goods and services, factor income outflows and transfers to abroad are debit entries.

**Table 3 Hong Kong's Balance of Payments Sub-account Components:  
Capital and Financial Account**

HK\$ million

Standard Components	2004 Annual	2005 Annual	2004 1st Qtr	2004 2nd Qtr	2004 3rd Qtr	2004 4th Qtr	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr
<b>Capital and Financial Account<sup>(1)</sup></b>	<b>-184,640</b>	<b>-160,882</b>	<b>-23,330</b>	<b>-19,745</b>	<b>-66,701</b>	<b>-74,864</b>	<b>-54,444</b>	<b>-7,427</b>	<b>-48,610</b>	<b>-50,400</b>
<b>Capital Account</b>	<b>-2,561</b>	<b>-5,237</b>	<b>-95</b>	<b>-122</b>	<b>-1,479</b>	<b>-865</b>	<b>-2,653</b>	<b>-1,511</b>	<b>-683</b>	<b>-390</b>
Capital transfers	-2,561	-5,237	-95	-122	-1,479	-865	-2,653	-1,511	-683	-390
General government	0	0	0	0	0	0	0	0	0	0
Other sectors	-2,561	-5,237	-95	-122	-1,479	-865	-2,653	-1,511	-683	-390
Non-produced and non-financial assets	...	...	...	...	...	...	...	...	...	...
<b>Financial Account</b>	<b>-182,080</b>	<b>-155,645</b>	<b>-23,235</b>	<b>-19,624</b>	<b>-65,222</b>	<b>-73,999</b>	<b>-51,792</b>	<b>-5,915</b>	<b>-47,928</b>	<b>-50,011</b>
<i>Financial non-reserve assets (net change)</i>	<i>-156,594</i>	<i>-144,966</i>	<i>12,286</i>	<i>-27,592</i>	<i>-85,714</i>	<i>-55,574</i>	<i>-49,238</i>	<i>-11,415</i>	<i>-44,956</i>	<i>-39,356</i>
<i>Direct investment</i>	<i>-91,038</i>	<i>25,845</i>	<i>-107,308</i>	<i>23,843</i>	<i>-92,924</i>	<i>85,351</i>	<i>970</i>	<i>3,928</i>	<i>-30,607</i>	<i>51,554</i>
<i>Direct investment abroad</i>	<i>-356,111</i>	<i>-253,402</i>	<i>-159,075</i>	<i>-27,280</i>	<i>-183,810</i>	<i>14,054</i>	<i>-92,378</i>	<i>-57,386</i>	<i>-84,303</i>	<i>-19,335</i>
Equity capital	-88,862	-68,822	-7,888	-18,519	-51,507	-10,948	-10,724	-25,671	-9,722	-22,705
Claims on affiliated enterprises	-88,862	-68,822	-7,888	-18,519	-51,507	-10,948	-10,724	-25,671	-9,722	-22,705
Liabilities to affiliated enterprises	...	...	...	...	...	...	...	...	...	...
Reinvested earnings	-70,729	-173,640	-37,619	-18,837	-12,732	-1,542	-42,756	-48,146	-45,374	-37,364
Other capital	-196,519	-10,940	-113,567	10,075	-119,571	26,544	-38,898	16,431	-29,207	40,734
Claims on affiliated enterprises	-104,048	-42,605	-23,018	572	-117,778	36,177	-36,203	14,535	-45,544	24,605
Liabilities to affiliated enterprises	-92,472	31,665	-90,549	9,503	-1,793	-9,633	-2,695	1,895	16,337	16,128
<i>Direct investment in Hong Kong</i>	<i>265,072</i>	<i>279,247</i>	<i>51,767</i>	<i>51,123</i>	<i>90,886</i>	<i>71,297</i>	<i>93,347</i>	<i>61,315</i>	<i>53,696</i>	<i>70,889</i>
Equity capital	29,559	21,921	1,864	2,241	19,694	5,760	-1,037	16,612	3,196	3,150
Claims on direct investors	...	...	...	...	...	...	...	...	...	...
Liabilities to direct investors	29,559	21,921	1,864	2,241	19,694	5,760	-1,037	16,612	3,196	3,150
Reinvested earnings	174,731	223,134	52,003	28,504	36,784	57,440	60,283	50,635	54,749	57,466
Other capital	60,782	34,192	-2,100	20,377	34,408	8,097	34,102	-5,932	-4,250	10,273
Claims on direct investors	-4,384	-10,854	-225	2,008	-2,698	-3,469	2,261	-2,550	-7,396	-3,169
Liabilities to direct investors	65,166	45,046	-1,876	18,370	37,106	11,567	31,841	-3,382	3,145	13,442
<i>Portfolio investment</i>	<i>-306,368</i>	<i>-168,100</i>	<i>-167,258</i>	<i>-130,704</i>	<i>-62,916</i>	<i>54,510</i>	<i>-70,770</i>	<i>-91,131</i>	<i>-19,263</i>	<i>13,063</i>
<i>Assets</i>	<i>-336,549</i>	<i>-238,631</i>	<i>-169,479</i>	<i>-101,701</i>	<i>-79,273</i>	<i>13,903</i>	<i>-77,461</i>	<i>-107,108</i>	<i>-44,125</i>	<i>-9,938</i>
Equity securities	-237,423	-197,988	-125,727	-64,000	-64,027	16,331	-69,977	-39,790	-31,627	-56,594
Banks	-5,959	-12,849	-527	-5,588	69	87	866	-3,072	-4,640	-6,004
Other sectors	-231,464	-185,138	-125,200	-58,412	-64,096	16,244	-70,843	-36,718	-26,988	-50,590
Debt securities	-99,126	-40,643	-43,752	-37,701	-15,246	-2,428	-7,484	-67,318	-12,498	46,656
Bonds and notes	-70,734	-39,642	-27,344	-32,303	-5,969	-5,118	-22,095	-45,580	-12,082	40,114
Banks	-10,757	-48,623	-3,593	2,162	-6,546	-2,780	-11,424	-24,627	-10,767	-1,805
Other sectors	-59,977	8,980	-23,751	-34,465	577	-2,337	-10,671	-20,953	-1,315	41,920
Money market instruments	-28,393	-1,001	-16,407	-5,398	-9,278	2,690	14,611	-21,738	-416	6,542
Banks	-27,442	15,915	-15,470	-3,189	-10,487	1,704	19,913	-10,027	-581	6,609
Other sectors	-950	-16,916	-937	-2,209	1,210	986	-5,302	-11,711	165	-68
<i>Liabilities</i>	<i>30,181</i>	<i>70,530</i>	<i>2,220</i>	<i>-29,003</i>	<i>16,357</i>	<i>40,607</i>	<i>6,690</i>	<i>15,977</i>	<i>24,862</i>	<i>23,001</i>
Equity securities	15,349	84,487	-143	-27,202	2,107	40,587	7,450	19,466	19,589	37,982
Banks	-3,093	-3,614	-1,198	-1,625	-573	302	-1,312	328	-802	-1,827
Other sectors	18,442	88,100	1,055	-25,578	2,680	40,285	8,762	19,138	20,391	39,809
Debt securities	14,832	-13,956	2,363	-1,801	14,249	20	-760	-3,489	5,273	-14,981
Bonds and notes	13,835	-11,402	1,567	1,690	12,893	-2,315	-630	-5,514	7,245	-12,503
Banks	7,580	2,802	-78	2,019	4,141	1,499	141	1,981	3,495	-2,814
Other sectors	6,255	-14,204	1,645	-329	8,752	-3,814	-770	-7,495	3,750	-9,689
Money market instruments	997	-2,555	797	-3,491	1,356	2,335	-130	2,025	-1,972	-2,478
Banks	1,402	-2,382	1,025	-3,532	1,460	2,449	...	2,082	-1,040	-3,424
Other sectors	-405	-172	-228	41	-104	-114	-130	-57	-931	946

**Table 3 (Cont'd.) Hong Kong's Balance of Payments Sub-account Components:  
Capital and Financial Account**

HK\$ million

Standard Components	2004 Annual	2005 Annual	2004 1st Qtr	2004 2nd Qtr	2004 3rd Qtr	2004 4th Qtr	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr
<b>Financial derivatives</b>	<b>44,319</b>	<b>13,754</b>	<b>12,722</b>	<b>8,981</b>	<b>5,940</b>	<b>16,676</b>	<b>4,206</b>	<b>5,749</b>	<b>952</b>	<b>2,847</b>
<i>Assets</i>	160,444	136,611	41,941	39,656	30,684	48,162	43,467	29,671	34,916	28,558
Banks	148,261	117,911	41,031	33,063	29,355	44,812	36,160	26,722	28,443	26,586
Other sectors	12,183	18,701	910	6,594	1,329	3,350	7,308	2,949	6,473	1,972
<i>Liabilities</i>	-116,125	-122,857	-29,220	-30,675	-24,744	-31,486	-39,262	-23,922	-33,963	-25,710
Banks	-103,211	-108,333	-25,126	-26,943	-21,111	-30,031	-33,479	-21,024	-31,865	-21,966
Other sectors	-12,914	-14,524	-4,094	-3,733	-3,633	-1,455	-5,782	-2,898	-2,099	-3,744
<b>Other investment</b>	<b>196,492</b>	<b>-16,464</b>	<b>274,130</b>	<b>70,287</b>	<b>64,187</b>	<b>-212,111</b>	<b>16,357</b>	<b>70,038</b>	<b>3,961</b>	<b>-106,821</b>
<i>Assets</i>	-253,687	-57,879	30,181	-102,152	87,518	-269,235	204,682	29,998	307	-292,866
Trade credits	-72,078	-22,094	-8,122	-27,168	-22,331	-14,457	-4,080	-8,608	-8,705	-702
Loans	-44,943	5,262	26,141	12,867	-8,597	-75,354	17,348	34,302	-19,336	-27,052
Banks	-32,388	6,873	34,699	9,485	-2,168	-74,404	17,088	31,557	-10,350	-31,422
Other sectors	-12,555	-1,611	-8,557	3,382	-6,429	-950	260	2,745	-8,986	4,370
Currency and deposits	-139,864	-39,592	15,329	-80,809	105,659	-180,044	197,904	6,188	24,828	-268,513
Banks	-262,135	-22,154	-70,008	-120,188	19,979	-91,918	209,079	-11,459	-6,701	-213,074
Other sectors	122,270	-17,438	85,337	39,379	85,680	-88,126	-11,175	17,647	31,529	-55,439
Other assets	3,198	-1,455	-3,167	-7,042	12,786	620	-6,491	-1,884	3,520	3,400
Banks	2,127	-2,527	-2,120	-5,614	5,724	4,136	-4,837	-544	-419	3,273
Other sectors	1,071	1,072	-1,047	-1,428	7,062	-3,516	-1,654	-1,341	3,939	127
<i>Liabilities</i>	450,180	41,415	243,949	172,439	-23,331	57,124	-188,325	40,041	3,655	186,045
Trade credits	11,324	12,491	-2,252	4,932	4,979	3,665	-3,976	5,646	11,450	-629
Loans	963	32,977	12,586	-16,393	2,593	2,178	-18,598	6,916	-14,905	59,563
Banks	11,499	-7,140	-1,251	3,962	113	8,674	-19,591	3,949	-8,598	17,100
Other sectors	-10,535	40,117	13,837	-20,356	2,480	-6,496	993	2,967	-6,307	42,464
Currency and deposits	440,283	-24,295	228,133	184,716	-24,689	52,123	-168,913	18,757	6,056	119,805
Banks	439,672	-24,973	227,922	184,905	-24,922	51,766	-169,141	18,318	5,574	120,276
Other sectors	611	678	211	-190	233	357	227	439	482	-471
Other liabilities	-2,391	20,242	5,482	-816	-6,215	-842	3,161	8,722	1,053	7,306
Banks	-7,548	6,026	3,429	-2,099	-4,002	-4,876	6,024	10,728	-7,572	-3,153
Other sectors	5,157	14,216	2,052	1,283	-2,213	4,034	-2,863	-2,006	8,625	10,459
<b>Reserve assets (net change)<sup>(2)</sup></b>	<b>-25,486</b>	<b>-10,679</b>	<b>-35,520</b>	<b>7,969</b>	<b>20,492</b>	<b>-18,426</b>	<b>-2,554</b>	<b>5,500</b>	<b>-2,971</b>	<b>-10,654</b>

Notes : (1) In accordance with the Balance of Payments accounting rules, a positive value for the balance figure in the current account represents a surplus whereas a negative value represents a deficit. For the capital and financial account, a positive value indicates a net capital and financial inflow and a negative value indicates a net outflow. As increases in external assets are debit entries and decreases are credit entries, a negative value for net change in reserve assets represents a net increase and a positive value represents a net decrease.

(2) The estimates on net change in reserve assets under the Balance of Payments framework are transaction figures. Effects from valuation changes (including price changes and exchange rate changes) and reclassifications are excluded.

... Transaction value is relatively insignificant (less than HK\$10 million).

**Table 4 Hong Kong's External Debt Statistics (position as at end of period)**

HK\$ million

Gross External Debt Position	2004	2005	2004 1st Qtr	2004 2nd Qtr	2004 3rd Qtr	2004 4th Qtr	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr
<b>General Government</b>	<b>12,490</b>	<b>12,325</b>	<b>0</b>	<b>1,210</b>	<b>12,582</b>	<b>12,490</b>	<b>12,261</b>	<b>12,457</b>	<b>12,260</b>	<b>12,325</b>
<i>Short-term</i>	149	0	0	148	148	149	148	0	0	0
Money market instruments	149	0	0	148	148	149	148	0	0	0
Loans	0	0	0	0	0	0	0	0	0	0
Trade credits	0	0	0	0	0	0	0	0	0	0
Other debt liabilities	0	0	0	0	0	0	0	0	0	0
<i>Long-term</i>	12,341	12,325	0	1,062	12,435	12,341	12,113	12,457	12,260	12,325
Bonds and notes	12,341	12,325	0	1,062	12,435	12,341	12,113	12,457	12,260	12,325
Loans	0	0	0	0	0	0	0	0	0	0
Trade credits	0	0	0	0	0	0	0	0	0	0
Other debt liabilities	0	0	0	0	0	0	0	0	0	0
<b>Monetary Authority</b>	<b>258</b>	<b>1,564</b>	<b>963</b>	<b>2,351</b>	<b>3,767</b>	<b>258</b>	<b>1,480</b>	<b>6,161</b>	<b>1,799</b>	<b>1,564</b>
<i>Short-term</i>	160	1,194	928	2,291	3,683	160	1,437	5,966	1,504	1,194
Money market instruments	...	...	...	...	...	...	...	...	...	...
Loans	0	1,001	765	2,138	3,541	0	1,266	5,813	1,341	1,001
Currency and deposits	0	0	0	0	0	0	0	0	0	0
Other debt liabilities	160	193	163	153	142	160	172	153	163	193
<i>Long-term</i>	97	370	35	59	83	97	42	195	294	370
Bonds and notes	97	370	35	59	83	97	42	195	294	370
Loans	0	0	0	0	0	0	0	0	0	0
Other debt liabilities	0	0	0	0	0	0	0	0	0	0
<b>Banks</b>	<b>2,358,450</b>	<b>2,272,025</b>	<b>2,131,609</b>	<b>2,310,601</b>	<b>2,287,906</b>	<b>2,358,450</b>	<b>2,137,830</b>	<b>2,163,960</b>	<b>2,150,327</b>	<b>2,272,025</b>
<i>Short-term</i>	2,313,036	2,220,674	2,095,877	2,273,704	2,245,475	2,313,036	2,093,578	2,113,194	2,098,983	2,220,674
Money market instruments	24,230	23,068	23,793	20,646	22,140	24,230	24,232	25,447	24,642	23,068
Loans	37,450	20,070	31,997	34,431	31,436	37,450	10,566	12,019	6,399	20,070
Currency and deposits	2,244,175	2,164,589	2,023,432	2,203,220	2,180,500	2,244,175	2,045,982	2,051,618	2,051,773	2,164,589
Other debt liabilities	7,181	12,946	16,655	15,407	11,399	7,181	12,798	24,110	16,169	12,946
<i>Long-term</i>	45,414	51,351	35,732	36,897	42,431	45,414	44,252	50,767	51,344	51,351
Bonds and notes	29,290	31,171	21,152	22,439	27,274	29,290	28,483	30,849	33,806	31,171
Loans	12,203	16,274	9,837	10,632	11,216	12,203	11,773	16,019	13,610	16,274
Other debt liabilities	3,921	3,906	4,743	3,826	3,941	3,921	3,996	3,898	3,928	3,906
<b>Other Sectors</b>	<b>224,817</b>	<b>328,455</b>	<b>240,160</b>	<b>219,964</b>	<b>222,969</b>	<b>224,817</b>	<b>238,227</b>	<b>269,356</b>	<b>290,200</b>	<b>328,455</b>
<i>Short-term</i>	84,664	117,296	73,189	77,233	79,305	84,664	91,928	97,799	111,038	117,296
Money market instruments	1,753	1,905	2,077	1,968	1,855	1,753	1,529	1,644	713	1,905
Loans	22,599	33,844	24,297	23,504	21,413	22,599	23,127	28,297	29,186	33,844
Currency and deposits	1,254	1,696	887	664	897	1,254	1,105	1,641	2,222	1,696
Trade credits	45,033	55,964	30,317	35,465	41,518	45,033	46,406	45,701	55,838	55,964
Other debt liabilities	14,026	23,886	15,611	15,632	13,622	14,026	19,760	20,516	23,078	23,886
<i>Long-term</i>	140,153	211,160	166,971	142,731	143,664	140,153	146,299	171,557	179,162	211,160
Bonds and notes	24,314	10,865	31,648	29,297	28,186	24,314	24,346	18,781	21,889	10,865
Loans	89,320	155,256	111,911	89,949	92,845	89,320	95,541	118,246	117,794	155,256
Trade credits	1,257	2,008	1,019	953	1,049	1,257	912	3,937	4,370	2,008
Other debt liabilities	25,262	43,030	22,394	22,532	21,584	25,262	25,499	30,593	35,108	43,030
<b>Direct Investment: Inter-company Lending</b>	<b>747,746</b>	<b>849,151</b>	<b>683,763</b>	<b>714,141</b>	<b>746,516</b>	<b>747,746</b>	<b>802,877</b>	<b>785,446</b>	<b>819,375</b>	<b>849,151</b>
Debt liabilities to affiliated enterprises	162,738	200,893	164,615	174,206	172,519	162,738	163,924	151,936	184,802	200,893
Debt liabilities to direct investors	585,008	648,258	519,148	539,934	573,997	585,008	638,953	633,510	634,573	648,258
<b>Gross External Debt</b>	<b>3,343,760</b>	<b>3,463,521</b>	<b>3,056,494</b>	<b>3,248,266</b>	<b>3,273,741</b>	<b>3,343,760</b>	<b>3,192,676</b>	<b>3,237,380</b>	<b>3,273,960</b>	<b>3,463,521</b>

Note: ... Value is relatively insignificant (less than HK\$10 million).