

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

	HK\$ million									
Standard Components	2005 Annual	2006 Annual	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr	2006 1st Qtr	2006 2nd Qtr	2006 3rd Qtr	2006 4th Qtr
<b>Current Account<sup>(1)</sup></b>	<b>157,338</b>	<b>157,276</b>	<b>40,911</b>	<b>34,967</b>	<b>35,474</b>	<b>45,986</b>	<b>37,063</b>	<b>15,116</b>	<b>51,748</b>	<b>53,349</b>
Goods	-59,347	-108,983	-19,677	-19,646	-6,941	-13,083	-29,801	-35,369	-18,569	-25,243
Services	231,562	278,405	50,877	50,664	60,219	69,802	63,073	61,858	74,605	78,869
Factor income	1,648	5,114	14,195	7,674	-13,601	-6,621	8,053	-7,622	238	4,446
Current transfers	-16,524	-17,260	-4,484	-3,725	-4,203	-4,112	-4,262	-3,750	-4,526	-4,722
<b>Capital and Financial Account<sup>(1)</sup></b>	<b>-182,431</b>	<b>-201,722</b>	<b>-48,179</b>	<b>-34,704</b>	<b>-53,025</b>	<b>-46,524</b>	<b>-49,186</b>	<b>-26,394</b>	<b>-60,115</b>	<b>-66,028</b>
Capital transfers	-4,939	-2,226	-2,531	-1,362	-603	-442	-415	472	-1,729	-554
<i>Financial non-reserve assets (net change)</i>	<b>-166,812</b>	<b>-152,761</b>	<b>-43,094</b>	<b>-38,841</b>	<b>-49,451</b>	<b>-35,427</b>	<b>-37,308</b>	<b>-16,803</b>	<b>-45,233</b>	<b>-53,418</b>
Direct investment	49,996	-4,402	37,092	21,291	-31,505	23,119	27,362	-29,913	-15,817	13,967
Portfolio investment	-245,017	-258,082	-61,976	-141,149	-31,480	-10,412	34,018	-78,343	17,248	-231,005
Financial derivatives	30,502	38,873	12,236	6,676	1,423	10,166	2,275	14,544	8,312	13,742
Other investment	-2,294	70,850	-30,445	74,340	12,111	-58,300	-100,963	76,910	-54,975	149,879
<b>Reserve assets (net change)<sup>(2)</sup></b>	<b>-10,679</b>	<b>-46,735</b>	<b>-2,554</b>	<b>5,500</b>	<b>-2,971</b>	<b>-10,654</b>	<b>-11,463</b>	<b>-10,063</b>	<b>-13,153</b>	<b>-12,056</b>
<b>Net errors and omissions<sup>(3)</sup></b>	<b>25,093</b>	<b>44,446</b>	<b>7,268</b>	<b>-264</b>	<b>17,551</b>	<b>538</b>	<b>12,123</b>	<b>11,277</b>	<b>8,367</b>	<b>12,678</b>
<b>Overall Balance of Payments</b>	<b>10,679</b>	<b>46,735</b>	<b>2,554</b>	<b>-5,500</b>	<b>2,971</b>	<b>10,654</b>	<b>11,463</b>	<b>10,063</b>	<b>13,153</b>	<b>12,056</b>
	(in surplus)	(in surplus)	(in surplus)	(in deficit)	(in surplus)	(in surplus)	(in surplus)	(in surplus)	(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	2005 Annual	2006 Annual	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr	2006 1st Qtr	2006 2nd Qtr	2006 3rd Qtr	2006 4th Qtr
<b>Current Account<sup>(1)</sup></b>	<b>157,338</b>	<b>157,276</b>	<b>40,911</b>	<b>34,967</b>	<b>35,474</b>	<b>45,986</b>	<b>37,063</b>	<b>15,116</b>	<b>51,748</b>	<b>53,349</b>
<i>Credit</i> <sup>(2)</sup>	3,258,838	3,680,102	708,359	801,396	870,075	879,008	817,907	882,109	978,253	1,001,835
<i>Debit</i> <sup>(2)</sup>	-3,101,500	-3,522,826	-667,448	-766,429	-834,601	-833,022	-780,844	-866,992	-926,505	-948,485
<b>Goods</b>	<b>-59,347</b>	<b>-108,983</b>	<b>-19,677</b>	<b>-19,646</b>	<b>-6,941</b>	<b>-13,083</b>	<b>-29,801</b>	<b>-35,369</b>	<b>-18,569</b>	<b>-25,243</b>
<i>Credit</i>	2,251,744	2,467,357	479,096	555,352	614,625	602,671	538,460	586,741	667,228	674,929
<i>Debit</i>	-2,311,091	-2,576,340	-498,773	-574,998	-621,566	-615,754	-568,261	-622,110	-685,797	-700,172
<b>Services</b>	<b>231,562</b>	<b>278,405</b>	<b>50,877</b>	<b>50,664</b>	<b>60,219</b>	<b>69,802</b>	<b>63,073</b>	<b>61,858</b>	<b>74,605</b>	<b>78,869</b>
<i>Credit</i>	495,799	562,304	113,420	112,700	131,513	138,166	128,843	129,770	150,777	152,914
<i>Debit</i>	-264,237	-283,899	-62,543	-62,036	-71,294	-68,364	-65,770	-67,912	-76,172	-74,045
Transportation, credit	158,007	172,384	36,348	38,521	42,363	40,775	39,955	42,437	46,047	43,945
Transportation, debit	-81,361	-87,739	-18,679	-19,896	-21,989	-20,797	-20,012	-21,899	-23,520	-22,308
Travel, credit	80,061	88,713	19,322	18,482	19,742	22,515	22,022	20,909	22,264	23,518
Travel, debit	-103,474	-108,572	-25,456	-24,091	-28,465	-25,462	-25,862	-26,028	-29,365	-27,317
Insurance services, credit	3,218	3,638	742	827	757	892	874	918	864	982
Insurance services, debit	-4,710	-5,193	-1,038	-1,183	-1,175	-1,314	-1,158	-1,307	-1,256	-1,472
Financial services, credit	49,158	69,138	11,461	11,120	12,411	14,166	15,270	17,003	18,184	18,681
Financial services, debit	-10,932	-11,720	-2,756	-2,692	-2,696	-2,788	-2,724	-2,916	-2,959	-3,121
Other services, credit	205,355	228,431	45,547	43,750	56,240	59,818	50,722	48,503	63,418	65,788
Other services, debit	-63,760	-70,675	-14,614	-14,174	-16,969	-18,003	-16,014	-15,762	-19,072	-19,827
<b>Factor income</b>	<b>1,648</b>	<b>5,114</b>	<b>14,195</b>	<b>7,674</b>	<b>-13,601</b>	<b>-6,621</b>	<b>8,053</b>	<b>-7,622</b>	<b>238</b>	<b>4,446</b>
<i>Credit</i>	503,964	643,141	113,846	132,008	122,166	135,944	149,209	163,840	158,243	171,849
<i>Debit</i>	-502,316	-638,027	-99,651	-124,334	-135,766	-142,565	-141,156	-171,463	-158,005	-167,403
Investment income, credit	501,654	640,833	113,269	131,430	121,589	135,367	148,634	163,264	157,665	171,271
<b>Direct investment income</b>	<b>272,525</b>	<b>336,872</b>	<b>59,221</b>	<b>73,309</b>	<b>63,928</b>	<b>76,068</b>	<b>80,642</b>	<b>84,958</b>	<b>80,980</b>	<b>90,291</b>
Dividends and distributed branch profits	112,489	101,357	10,992	36,173	24,181	41,142	11,125	38,856	36,436	14,940
Reinvested earnings and undistributed branch profits	155,384	229,011	47,279	36,157	38,474	33,474	68,074	44,569	42,555	73,813
Income on debt (interest)	4,653	6,504	950	979	1,273	1,451	1,443	1,534	1,990	1,537
<b>Portfolio investment income</b>	<b>140,595</b>	<b>171,406</b>	<b>34,402</b>	<b>38,067</b>	<b>34,953</b>	<b>33,173</b>	<b>39,765</b>	<b>45,720</b>	<b>41,900</b>	<b>44,021</b>
Income on equity	52,622	59,458	13,784	16,530	12,181	10,126	13,657	18,836	13,205	13,759
Income on bonds and notes	81,733	101,531	19,178	19,997	21,135	21,424	24,016	24,421	26,107	26,987
Income on money market instruments	6,240	10,416	1,441	1,540	1,636	1,624	2,092	2,463	2,587	3,274
<b>Other investment income</b>	<b>88,534</b>	<b>132,555</b>	<b>19,645</b>	<b>20,055</b>	<b>22,708</b>	<b>26,126</b>	<b>28,226</b>	<b>32,586</b>	<b>34,784</b>	<b>36,959</b>
Investment income, debit	-499,608	-635,190	-98,990	-123,674	-135,096	-141,849	-140,478	-170,758	-157,286	-166,668
<b>Direct investment income</b>	<b>-394,982</b>	<b>-478,649</b>	<b>-81,956</b>	<b>-92,378</b>	<b>-108,630</b>	<b>-112,017</b>	<b>-112,928</b>	<b>-121,009</b>	<b>-118,538</b>	<b>-126,174</b>
Dividends and distributed branch profits	-191,761	-183,820	-26,567	-53,070	-50,580	-61,545	-36,870	-59,521	-61,242	-26,186
Reinvested earnings and undistributed branch profits	-198,371	-289,519	-54,288	-37,994	-56,714	-49,374	-74,504	-60,388	-56,298	-98,329
Income on debt (interest)	-4,850	-5,311	-1,101	-1,314	-1,337	-1,098	-1,554	-1,100	-999	-1,659

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

HK\$ million

Standard Components	2005	2006	2005	2005	2005	2005	2006	2006	2006	2006
	Annual	Annual	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
<b>Portfolio investment income</b>	<b>-38,317</b>	<b>-51,389</b>	<b>-3,948</b>	<b>-17,045</b>	<b>-8,882</b>	<b>-8,442</b>	<b>-4,037</b>	<b>-22,122</b>	<b>-12,826</b>	<b>-12,403</b>
Income on equity	-35,178	-48,259	-3,130	-16,270	-8,112	-7,665	-3,301	-21,349	-12,041	-11,568
Income on bonds and notes	-3,052	-2,787	-803	-757	-745	-748	-701	-708	-659	-719
Income on money market instruments	-87	-343	-15	-18	-25	-30	-35	-66	-127	-116
<b>Other investment income</b>	<b>-66,309</b>	<b>-105,152</b>	<b>-13,085</b>	<b>-14,250</b>	<b>-17,584</b>	<b>-21,390</b>	<b>-23,513</b>	<b>-27,626</b>	<b>-25,922</b>	<b>-28,091</b>
Compensation of employees, credit	2,309	2,307	577	577	577	577	575	576	578	578
Compensation of employees, debit	-2,708	-2,837	-661	-660	-670	-716	-678	-705	-719	-735
<b>Current transfers</b>	<b>-16,524</b>	<b>-17,260</b>	<b>-4,484</b>	<b>-3,725</b>	<b>-4,203</b>	<b>-4,112</b>	<b>-4,262</b>	<b>-3,750</b>	<b>-4,526</b>	<b>-4,722</b>
<i>Credit</i>	<i>7,331</i>	<i>7,301</i>	<i>1,997</i>	<i>1,337</i>	<i>1,771</i>	<i>2,227</i>	<i>1,395</i>	<i>1,757</i>	<i>2,005</i>	<i>2,143</i>
General government	0	0	0	0	0	0	0	0	0	0
Other sectors	7,331	7,301	1,997	1,337	1,771	2,227	1,395	1,757	2,005	2,143
<i>Debit</i>	<i>-23,856</i>	<i>-24,560</i>	<i>-6,481</i>	<i>-5,061</i>	<i>-5,974</i>	<i>-6,339</i>	<i>-5,657</i>	<i>-5,507</i>	<i>-6,531</i>	<i>-6,865</i>
General government	-1,408	-1,501	-375	-351	-352	-329	-367	-343	-380	-412
Other sectors	-22,447	-23,059	-6,106	-4,710	-5,622	-6,010	-5,290	-5,164	-6,151	-6,454

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	2005 Annual	2006 Annual	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr	2006 1st Qtr	2006 2nd Qtr	2006 3rd Qtr	2006 4th Qtr
<b>Capital and Financial Account<sup>(1)</sup></b>	<b>-182,431</b>	<b>-201,722</b>	<b>-48,179</b>	<b>-34,704</b>	<b>-53,025</b>	<b>-46,524</b>	<b>-49,186</b>	<b>-26,394</b>	<b>-60,115</b>	<b>-66,028</b>
<b>Capital Account</b>	<b>-4,939</b>	<b>-2,226</b>	<b>-2,531</b>	<b>-1,362</b>	<b>-603</b>	<b>-442</b>	<b>-415</b>	<b>472</b>	<b>-1,729</b>	<b>-554</b>
Capital transfers	-4,939	-2,226	-2,531	-1,362	-603	-442	-415	472	-1,729	-554
General government	0	0	0	0	0	0	0	0	0	0
Other sectors	-4,939	-2,226	-2,531	-1,362	-603	-442	-415	472	-1,729	-554
Non-produced and non-financial assets	...	...	...	...	...	...	...	...	...	...
<b>Financial Account</b>	<b>-177,492</b>	<b>-199,497</b>	<b>-45,648</b>	<b>-33,341</b>	<b>-52,422</b>	<b>-46,081</b>	<b>-48,771</b>	<b>-26,866</b>	<b>-58,386</b>	<b>-65,473</b>
<b>Financial non-reserve assets (net change)</b>	<b>-166,812</b>	<b>-152,761</b>	<b>-43,094</b>	<b>-38,841</b>	<b>-49,451</b>	<b>-35,427</b>	<b>-37,308</b>	<b>-16,803</b>	<b>-45,233</b>	<b>-53,418</b>
<b>Direct investment</b>	<b>49,996</b>	<b>-4,402</b>	<b>37,092</b>	<b>21,291</b>	<b>-31,505</b>	<b>23,119</b>	<b>27,362</b>	<b>-29,913</b>	<b>-15,817</b>	<b>13,967</b>
<b>Direct investment abroad</b>	<b>-211,513</b>	<b>-337,592</b>	<b>-56,271</b>	<b>-28,653</b>	<b>-78,859</b>	<b>-47,731</b>	<b>-75,257</b>	<b>-88,435</b>	<b>-85,633</b>	<b>-88,268</b>
Equity capital	-63,796	-40,513	-13,448	-15,058	-8,669	-26,620	-9,318	-10,714	-11,479	-9,003
Claims on affiliated enterprises	-63,796	-40,513	-13,448	-15,058	-8,669	-26,620	-9,318	-10,714	-11,479	-9,003
Liabilities to affiliated enterprises	...	...	...	...	...	...	...	...	...	...
Reinvested earnings	-155,384	-229,011	-47,279	-36,157	-38,474	-33,474	-68,074	-44,569	-42,555	-73,813
Other capital	7,666	-68,068	4,456	22,562	-31,716	12,363	2,135	-33,152	-31,600	-5,452
Claims on affiliated enterprises	-25,188	-52,990	3,776	15,748	-51,298	6,585	7,028	-33,368	-27,256	605
Liabilities to affiliated enterprises	32,854	-15,078	680	6,814	19,582	5,778	-4,893	216	-4,344	-6,057
<b>Direct investment in Hong Kong</b>	<b>261,510</b>	<b>333,190</b>	<b>93,362</b>	<b>49,944</b>	<b>47,354</b>	<b>70,850</b>	<b>102,618</b>	<b>58,521</b>	<b>69,816</b>	<b>102,235</b>
Equity capital	28,509	20,235	-714	19,692	3,230	6,301	3,052	4,762	9,514	2,907
Claims on direct investors	...	...	...	...	...	...	...	...	...	...
Liabilities to direct investors	28,509	20,235	-714	19,692	3,230	6,301	3,052	4,762	9,514	2,907
Reinvested earnings	198,371	289,519	54,288	37,994	56,714	49,374	74,504	60,388	56,298	98,329
Other capital	34,630	23,436	39,788	-7,743	-12,590	15,175	25,063	-6,629	4,004	998
Claims on direct investors	-7,093	12,487	5,715	-3,655	-9,093	-60	12,456	1,977	-6,733	4,788
Liabilities to direct investors	41,723	10,949	34,073	-4,088	-3,497	15,235	12,607	-8,605	10,738	-3,790
<b>Portfolio investment</b>	<b>-245,017</b>	<b>-258,082</b>	<b>-61,976</b>	<b>-141,149</b>	<b>-31,480</b>	<b>-10,412</b>	<b>34,018</b>	<b>-78,343</b>	<b>17,248</b>	<b>-231,005</b>
<b>Assets</b>	<b>-316,860</b>	<b>-392,979</b>	<b>-56,562</b>	<b>-148,460</b>	<b>-65,490</b>	<b>-46,348</b>	<b>-14,265</b>	<b>-124,181</b>	<b>-15,487</b>	<b>-239,045</b>
Equity securities	-217,366	-171,568	-38,028	-66,915	-50,644	-61,779	64,214	-113,904	12	-121,891
Banks	-12,018	-932	1,020	-3,013	-4,037	-5,988	7,446	-4,244	611	-4,744
Other sectors	-205,348	-170,637	-39,048	-63,902	-46,607	-55,791	56,768	-109,660	-599	-117,146
Debt securities	-99,495	-221,410	-18,534	-81,545	-14,846	15,430	-78,479	-10,277	-15,499	-117,155
Bonds and notes	-86,048	-67,163	-27,022	-53,834	-10,112	4,920	-30,637	-34,937	27,698	-29,286
Banks	-64,765	-48,535	-11,850	-37,232	-12,312	-3,372	-31,026	-29,212	26,804	-15,102
Other sectors	-21,283	-18,628	-15,172	-16,602	2,200	8,292	388	-5,726	894	-14,185
Money market instruments	-13,446	-154,247	8,488	-27,711	-4,734	10,510	-47,842	24,660	-43,197	-87,868
Banks	2,321	-151,799	14,394	-18,240	-4,392	10,560	-39,221	19,735	-35,304	-97,009
Other sectors	-15,767	-2,448	-5,906	-9,471	-341	-49	-8,621	4,925	-7,893	9,141
<b>Liabilities</b>	<b>71,843</b>	<b>134,897</b>	<b>-5,415</b>	<b>7,311</b>	<b>34,010</b>	<b>35,936</b>	<b>48,283</b>	<b>45,838</b>	<b>32,735</b>	<b>8,040</b>
Equity securities	77,303	122,080	-7,269	12,157	25,960	46,455	51,025	41,743	23,826	5,486
Banks	-5,581	8,831	-2,497	-202	-889	-1,993	2,504	2,018	-477	4,786
Other sectors	82,884	113,249	-4,772	12,358	26,849	48,448	48,521	39,725	24,303	700
Debt securities	-5,460	12,816	1,854	-4,845	8,050	-10,519	-2,742	4,096	8,909	2,554
Bonds and notes	-6,638	7,743	1,747	-6,819	7,233	-8,798	-3,177	-9	6,063	4,867
Banks	6,908	-5,479	819	1,937	3,545	607	-7,880	914	-478	1,965
Other sectors	-13,547	13,222	928	-8,757	3,687	-9,406	4,703	-923	6,541	2,902
Money market instruments	1,179	5,073	107	1,974	818	-1,720	435	4,105	2,845	-2,312
Banks	1,058	4,181	241	2,009	1,488	-2,680	760	4,089	2,138	-2,807
Other sectors	121	892	-133	-35	-670	959	-325	15	707	495

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

HK\$ million

Standard Components	2005 Annual	2006 Annual	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr	2006 1st Qtr	2006 2nd Qtr	2006 3rd Qtr	2006 4th Qtr
<b>Financial derivatives</b>	<b>30,502</b>	<b>38,873</b>	<b>12,236</b>	<b>6,676</b>	<b>1,423</b>	<b>10,166</b>	<b>2,275</b>	<b>14,544</b>	<b>8,312</b>	<b>13,742</b>
<i>Assets</i>	161,784	142,762	56,012	31,852	33,410	40,510	31,766	32,283	40,352	38,362
Banks	140,690	123,006	47,431	28,947	27,666	36,646	27,115	30,137	27,981	37,772
Other sectors	21,094	19,756	8,580	2,905	5,745	3,864	4,651	2,146	12,370	589
<i>Liabilities</i>	-131,282	-103,889	-43,776	-25,175	-31,987	-30,344	-29,491	-17,738	-32,040	-24,620
Banks	-119,005	-93,130	-40,680	-21,968	-29,380	-26,979	-26,961	-14,930	-28,553	-22,686
Other sectors	-12,277	-10,760	-3,096	-3,208	-2,607	-3,366	-2,530	-2,809	-3,487	-1,934
<b>Other investment</b>	<b>-2,294</b>	<b>70,850</b>	<b>-30,445</b>	<b>74,340</b>	<b>12,111</b>	<b>-58,300</b>	<b>-100,963</b>	<b>76,910</b>	<b>-54,975</b>	<b>149,879</b>
<i>Assets</i>	-144,599	-391,279	118,723	62,465	-69,327	-256,460	-43,959	-73,764	-236,628	-36,928
Trade credits	-28,133	-13,797	-782	-14,954	-8,244	-4,153	-5,711	-3,851	-7,534	3,298
Loans	-793	-55,121	17,482	42,776	-44,107	-16,944	-105	-12,078	15,636	-58,574
Banks	-5,242	-60,307	13,661	40,672	-35,670	-23,905	-7,455	-14,956	16,913	-54,809
Other sectors	4,449	5,187	3,821	2,104	-8,438	6,961	7,350	2,879	-1,278	-3,765
Currency and deposits	-112,975	-313,969	109,618	36,183	-20,736	-238,040	-31,703	-58,466	-244,191	20,392
Banks	-20,315	-424,236	170,834	55,956	3,774	-250,879	-2,507	-94,529	-262,279	-64,921
Other sectors	-92,660	110,267	-61,216	-19,773	-24,510	12,839	-29,196	36,063	18,087	85,312
Other assets	-2,698	-8,392	-7,595	-1,540	3,760	2,677	-6,441	630	-538	-2,044
Banks	-4,592	-5,061	-4,963	-357	-610	1,337	-2,175	4,270	-4,348	-2,807
Other sectors	1,894	-3,332	-2,632	-1,183	4,370	1,340	-4,265	-3,639	3,810	763
<i>Liabilities</i>	142,305	462,129	-149,168	11,875	81,438	198,159	-57,004	150,674	181,653	186,807
Trade credits	5,047	-2,293	-2,212	4,628	10,752	-8,122	3,567	3,768	-6,240	-3,388
Loans	68,929	56,816	9,743	7,824	-13,246	64,609	-29,141	30,982	9,892	45,083
Banks	-5,318	-20,285	-19,057	4,678	-8,543	17,605	-6,110	-10,171	-3,009	-995
Other sectors	74,247	77,101	28,800	3,146	-4,703	47,004	-23,031	41,153	12,900	46,078
Currency and deposits	46,294	405,909	-160,706	-8,223	82,624	132,599	-28,309	122,516	178,914	132,789
Banks	45,476	404,530	-161,030	-8,760	82,196	133,070	-27,888	122,180	178,400	131,838
Other sectors	818	1,379	324	538	427	-471	-422	336	514	951
Other liabilities	22,036	1,698	4,007	7,646	1,309	9,074	-3,120	-6,592	-912	12,322
Banks	2,630	6,182	6,214	10,439	-7,651	-6,372	4,267	-4,374	1,595	4,693
Other sectors	19,406	-4,484	-2,207	-2,793	8,961	15,446	-7,388	-2,218	-2,507	7,629
<b>Reserve assets (net change)<sup>(2)</sup></b>	<b>-10,679</b>	<b>-46,735</b>	<b>-2,554</b>	<b>5,500</b>	<b>-2,971</b>	<b>-10,654</b>	<b>-11,463</b>	<b>-10,063</b>	<b>-13,153</b>	<b>-12,056</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	2005	2006	2005 1st Qtr	2005 2nd Qtr	2005 3rd Qtr	2005 4th Qtr	2006 1st Qtr	2006 2nd Qtr	2006 3rd Qtr	2006 4th Qtr
<b>General Government</b>	<b>12,227</b>	<b>13,008</b>	<b>12,133</b>	<b>12,457</b>	<b>12,168</b>	<b>12,227</b>	<b>12,848</b>	<b>12,666</b>	<b>12,736</b>	<b>13,008</b>
<i>Short-term</i>	0	0	148	0	0	0	0	0	0	0
Money market instruments	0	0	148	0	0	0	0	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>	12,227	13,008	11,985	12,457	12,168	12,227	12,848	12,666	12,736	13,008
Bonds and notes	12,227	13,008	11,985	12,457	12,168	12,227	12,848	12,666	12,736	13,008
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>1,668</b>	<b>3,217</b>	<b>1,676</b>	<b>6,205</b>	<b>1,889</b>	<b>1,668</b>	<b>2,109</b>	<b>2,115</b>	<b>2,225</b>	<b>3,217</b>
<i>Short-term</i>	1,194	256	1,437	5,966	1,504	1,194	1,746	1,676	1,788	256
Money market instruments	...	...	...	...	...	...	...	...	...	...
Loans	1,001	0	1,266	5,813	1,341	1,001	1,535	1,446	1,512	0
Currency and deposits	0	0	0	0	0	0	0	0	0	0
Other debt liabilities	193	256	172	153	163	193	211	229	276	256
<i>Long-term</i>	474	2,960	239	239	385	474	364	439	437	2,960
Bonds and notes	474	2,960	239	239	385	474	364	439	437	2,960
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>2,346,349</b>	<b>2,681,670</b>	<b>2,147,065</b>	<b>2,145,968</b>	<b>2,209,761</b>	<b>2,346,349</b>	<b>2,236,807</b>	<b>2,361,853</b>	<b>2,547,601</b>	<b>2,681,670</b>
<i>Short-term</i>	2,293,185	2,633,417	2,101,174	2,094,296	2,157,942	2,293,185	2,194,128	2,316,851	2,500,485	2,633,417
Money market instruments	24,065	29,474	23,464	25,381	26,795	24,065	25,023	30,494	32,755	29,474
Loans	21,765	10,623	11,617	11,923	5,732	21,765	14,581	13,039	10,564	10,623
Currency and deposits	2,237,604	2,575,635	2,052,664	2,033,229	2,109,355	2,237,604	2,140,735	2,260,159	2,442,708	2,575,635
Other debt liabilities	9,751	17,684	13,429	23,764	16,060	9,751	13,789	13,161	14,458	17,684
<i>Long-term</i>	53,164	48,253	45,891	51,672	51,820	53,164	42,679	45,001	47,115	48,253
Bonds and notes	34,605	29,151	29,280	30,805	33,902	34,605	26,046	27,149	27,365	29,151
Loans	14,686	14,477	12,785	16,952	13,989	14,686	12,507	13,904	15,648	14,477
Other debt liabilities	3,874	4,624	3,825	3,915	3,929	3,874	4,126	3,949	4,102	4,624
<b>Other Sectors</b>	<b>334,026</b>	<b>398,591</b>	<b>273,046</b>	<b>266,838</b>	<b>288,948</b>	<b>334,026</b>	<b>328,804</b>	<b>362,993</b>	<b>343,628</b>	<b>398,591</b>
<i>Short-term</i>	112,405	183,126	90,249	96,611	111,421	112,405	141,347	155,502	146,046	183,126
Money market instruments	1,918	2,738	1,518	1,644	965	1,918	1,587	1,595	2,250	2,738
Loans	33,714	92,674	24,354	28,527	29,182	33,714	45,640	58,536	62,028	92,674
Currency and deposits	1,696	4,621	1,202	1,739	2,167	1,696	1,160	3,040	3,637	4,621
Trade credits	47,692	46,543	43,888	45,135	55,964	47,692	56,277	61,864	49,720	46,543
Other debt liabilities	27,385	36,551	19,287	19,566	23,142	27,385	36,682	30,468	28,411	36,551
<i>Long-term</i>	221,621	215,465	182,797	170,227	177,527	221,621	187,457	207,491	197,582	215,465
Bonds and notes	10,983	17,548	25,811	17,322	20,305	10,983	14,475	13,185	18,087	17,548
Loans	161,316	171,399	121,786	118,217	119,391	161,316	149,973	165,330	153,490	171,399
Trade credits	3,310	4,480	1,823	4,427	2,363	3,310	2,297	4,157	4,010	4,480
Other debt liabilities	46,011	22,038	33,377	30,262	35,468	46,011	20,712	24,819	21,996	22,038
<b>Direct Investment: Inter-company Lending</b>	<b>830,194</b>	<b>892,529</b>	<b>786,152</b>	<b>785,351</b>	<b>814,804</b>	<b>830,194</b>	<b>888,117</b>	<b>933,201</b>	<b>913,818</b>	<b>892,529</b>
Debt liabilities to affiliated enterprises	204,371	184,852	159,730	166,553	199,295	204,371	208,416	201,666	196,393	184,852
Debt liabilities to direct investors	625,823	707,677	626,422	618,798	615,509	625,823	679,701	731,535	717,425	707,677
<b>Gross External Debt</b>	<b>3,524,463</b>	<b>3,989,016</b>	<b>3,220,072</b>	<b>3,216,818</b>	<b>3,327,571</b>	<b>3,524,463</b>	<b>3,468,686</b>	<b>3,672,827</b>	<b>3,820,009</b>	<b>3,989,016</b>

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