



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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REPORT ON FOREIGN PORTFOLIO HOLDINGS OF U.S. SECURITIES AT END- JUNE 2012

WASHINGTON - The final results from the annual survey of foreign portfolio holdings of U.S. securities at the end of June 2012 were released today on the Treasury website at <http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/fpis.aspx>. The survey was undertaken jointly by Treasury, the Federal Reserve Bank of New York, and the Board of Governors of the Federal Reserve System. The next survey will cover holdings at the end of June 2013; preliminary data are expected to be released by February 28, 2014.

Complementary surveys measuring U.S. holdings of foreign securities are also carried out annually. Data from the most recent survey, reporting on securities held at year-end 2012, are currently being processed. Preliminary results are expected to be reported by August 30, 2013.

Overall Results

The survey measured the value of foreign portfolio holdings of U.S. securities as of June 30, 2012, to be \$13,261 billion, with \$4,237 billion held in U.S. equities, \$8,213 billion in U.S. long-term debt securities [1] (of which \$1,121 billion are holdings of asset-backed securities (ABS) [2] and \$7,092 billion are holdings of non-ABS securities), and \$811 billion held in U.S. short-term debt securities. The previous survey, conducted as of June 30, 2011, measured the value of total foreign holdings of U.S. securities at \$12,440 billion, with holdings of \$3,830 billion in U.S. equities, \$7,731 billion in U.S. long-term debt securities, and \$878 billion in U.S. short-term debt securities (see Table A).

Revisions to the Major Foreign Holders of Treasury Securities Table

A revised table on Major Foreign Holders of Treasury Securities was also released (at <http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/ticsec2.aspx>, on line 1 of Part A). Since January of 2012, data on foreign holdings of Treasury securities have been collected monthly instead of annually and have been included in the Major Foreign Holders table. The new data have improved the accuracy of country attribution for foreign holdings of Treasury securities by removing the “transactions bias” in the monthly estimates that, before

2012, were based solely on monthly transactions data (see TIC FAQ #7 at: <http://www.treasury.gov/resource-center/faqs/Treasury-International-Capital/Pages/tic-faqs.aspx#q7>). In past years, the accumulated monthly transactions bias was often large and often resulted in some sizable reallocations of holdings across countries when the data from the comprehensive annual June survey were released the following February. In the new Major Foreign Holders of Treasury Securities Table being released with this announcement, the revisions are minor. [3]

1. Long-term debt securities have an *original* term-to-maturity of over one year.
2. Asset-backed securities are backed by pools of assets, such as pools of residential home mortgages or credit card receivables, which give the security owners claims against the cash flows generated by the underlying assets. Unlike most other debt securities, these securities generally repay both principal and interest on a regular basis, reducing the principal outstanding with each payment cycle.
3. Data on holdings of long-term securities, as well as the table on Major Foreign Holders of Treasury Securities, reflect foreign holdings of U.S. securities collected primarily on the basis of custodial data. These data help provide a window into foreign ownership of U.S. securities, but they cannot attribute holdings of U.S. securities with complete accuracy. For example, if a U.S. Treasury security purchased by a foreign resident is held in a custodial account in a third country, the true ownership of the security will not be reflected in the data. The custodial data will also not properly attribute U.S. Treasury securities managed by foreign private portfolio managers who invest on behalf of residents of other countries. In addition, foreign countries may hold dollars and other U.S. assets that are not captured in the TIC data. For these reasons, it is difficult to draw precise conclusions from TIC data about changes in the foreign holdings of U.S. financial assets by individual countries.

**Table A. Foreign holdings of U.S. securities,
by type of security, as of selected survey dates**
(Billions of dollars)

	June 30, 2011	June 30, 2012
Long-term securities	11,561	12,451
Equities	3,830	4,237
Long-term debt	7,731	8,213
Asset-backed	1,140	1,122
Other	6,591	7,092
Short-term debt securities	878	811
Total	12,440	13,261
Of which: Official	4,847	5,149

Table B. Foreign holdings of U.S. securities, by country and type of security, for the major investing countries into the U.S., as of June 30, 2012

(Billions of dollars)

Country or category	Total	Equities	Long-term debt		Short-term debt
			ABS	Other	
Japan	1,835	314	200	1,259	63
China, mainland [i]	1,592	221	182	1,180	9
Cayman Islands	1,031	516	140	291	83
United Kingdom	1,008	495	39	451	22
Luxembourg	837	292	61	413	72
Canada	635	471	17	131	15
Switzerland	566	263	22	255	26
Middle East oil-exporters [ii]	489	226	10	161	91
Ireland	453	108	50	190	104
Belgium	447	22	29	386	11
Hong Kong	306	47	95	124	40
Bermuda	300	68	47	162	22
Taiwan	286	18	42	225	2
Brazil	252	4	*	239	9
Netherlands	251	151	27	70	3
Singapore	241	106	4	122	9
Germany	227	79	30	112	6
France	225	120	8	85	13
Norway	213	124	3	85	*
Russia	165	*	*	159	5
Australia	161	112	4	38	7
Korea, South	148	24	46	73	5
British Virgin Islands	131	84	7	27	12
Mexico	122	23	5	83	11
Sweden	112	70	1	40	1
Country Unknown	89	*	1	87	*
Rest of world	1,140	277	51	642	170
Total	13,261	4,237	1,122	7,092	811
of which: Foreign Official	5,149	630	380	3,762	377

* Greater than zero but less than \$500 million.

i. Excludes Hong Kong and Macau, which are reported separately.

ii. Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

Note: Components may not sum to totals because of rounding.