



DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

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REPORT ON U.S. PORTFOLIO HOLDINGS OF FOREIGN SECURITIES AT END-YEAR 2007

The findings from an annual survey of U.S. portfolio holdings of foreign securities at end-year 2007 are released today and posted on the U.S. Treasury web site (www.treas.gov/tic/fpis.html).

A complementary survey measuring foreign portfolio holdings of U.S. securities is also carried out annually. Preliminary results from the most recent such survey, covering securities held as of June 30, 2008, are expected to be reported by February 27, 2009.

These surveys are undertaken jointly by the U.S. Treasury, the Federal Reserve Bank of New York, and the Board of Governors of the Federal Reserve System.

Overall Results

The survey measured the value of U.S. holdings of foreign securities at year-end 2007 of approximately \$7,212 billion, with \$5,248 billion held in foreign equities, \$1,607 billion in foreign long-term debt securities (original term-to-maturity in excess of one year), and \$357 billion in foreign short-term debt securities. The previous survey measured U.S. holdings at year-end 2006 of approximately \$5,991 billion, with \$4,329 billion held in foreign equities, \$1,294 billion in foreign long-term debt securities, and \$368 billion in foreign short-term debt securities (see Table 1).

U.S. portfolio holdings of foreign securities by country at the end of 2007 were by far the largest for the United Kingdom (\$1,142 billion), followed by Japan (\$594 billion) and Canada (\$586 billion) (see Table 2).

The surveys are part of an internationally-coordinated effort under the auspices of the International Monetary Fund (IMF) to improve the measurement of portfolio asset holdings.

Table 1. Value of U.S. holdings of foreign securities, by type of security, at end-2006 and end-2007¹ (Billions of dollars)

Type of Security	Dec. 31, 2006	Dec. 31, 2007
Long-term Securities	5,623	6,855
Equity	4,329	5,248
long-term debt	1,294	1,607
Short-term debt securities	368	357
Total	5,991	7,212

U.S. Portfolio Investment by Country

Table 2. Value of U.S. holdings of foreign securities, by country and type of security, for the countries attracting the most U.S. investment, as of December 31, 2007 (Billions of dollars)

	Total	Equity	Debt Securities:	
			Long-term	Short-term
United Kingdom	1,142	715	286	141
Japan	594	529	60	4
Canada	586	379	185	22
Cayman Islands	544	232	271	41
France	448	348	83	17
Germany	426	329	89	8
Switzerland	288	281	4	3
Bermuda	273	256	17	*
Netherlands	235	154	76	5
Australia	223	138	73	11
Brazil	189	173	16	*
Spain	146	107	38	2
Korea, South	140	129	10	*
Ireland	132	49	50	33
Hong Kong	121	120	2	*
Italy	120	97	22	1
Sweden	112	57	29	26
Mexico	110	85	24	*
China	97	96	1	*
Luxembourg	95	40	44	11
Finland	94	90	4	*
Netherlands Antilles	89	88	1	*
India	85	82	3	*
Taiwan	81	81	*	0
Russia	81	74	7	*
Rest of world	761	519	211	30
Total	7,212	5,248	1,607	357

*Greater than zero, but less than \$500,000,000.

¹ The stock of foreign securities for December 31, 2007, reported in this survey does not, for a number of reasons, correspond to the stock of foreign securities on December 31, 2006, plus cumulative flows reported in Treasury's transactions reporting system. An analysis of the relation between the stock and flow data is available in Table 4 and the associated text of the final report on U.S. holdings of foreign securities at end-year 2007.