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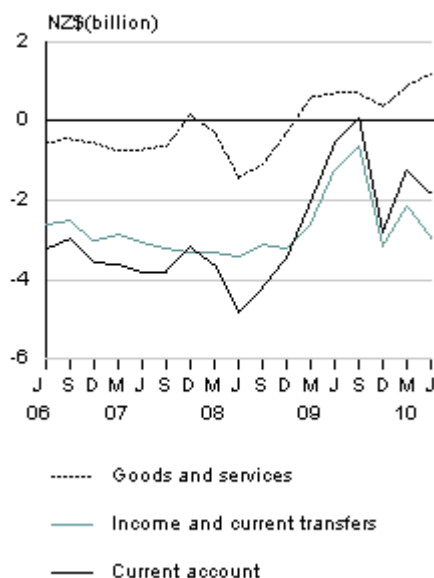
Balance of Payments and International Investment Position: June 2010 quarter

Highlights

- New Zealand's seasonally adjusted current account deficit was \$1,814 million in the June 2010 quarter, an increase of \$560 million from the March 2010 quarter deficit.
- For the year ended June 2010 the current account deficit was 3.0 percent of GDP, compared with 5.7 percent for the year ended June 2009.
- The net inflow of investment into New Zealand was \$1.3 billion in the June 2010 quarter, mainly due to an inflow of investment from abroad.
- Net international liabilities were \$163.7 billion (86.5 percent of GDP) at 30 June 2010, \$2.7 billion larger than the 31 March 2010 position.

Seasonally adjusted balances

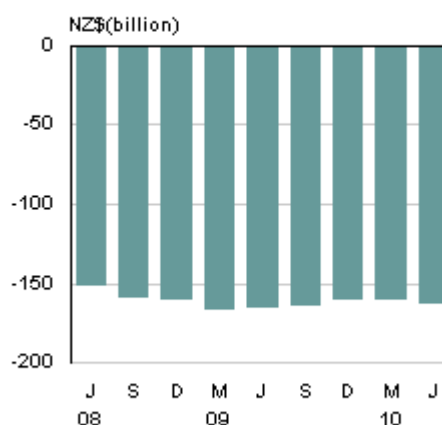
Quarterly



Source: Statistics New Zealand

Net international investment position

Quarterly



Source: Statistics New Zealand

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Commentary

Revisions have been made to Balance of Payments and International Investment Position data as part of our annual revisions process. These revisions are due to new and improved information becoming available. In particular, the investment income series (both credits and debits) have been revised due to the inclusion of Inland Revenue data. Please see the paper, [Improvements to income in balance of payments statistics](#) for further details.

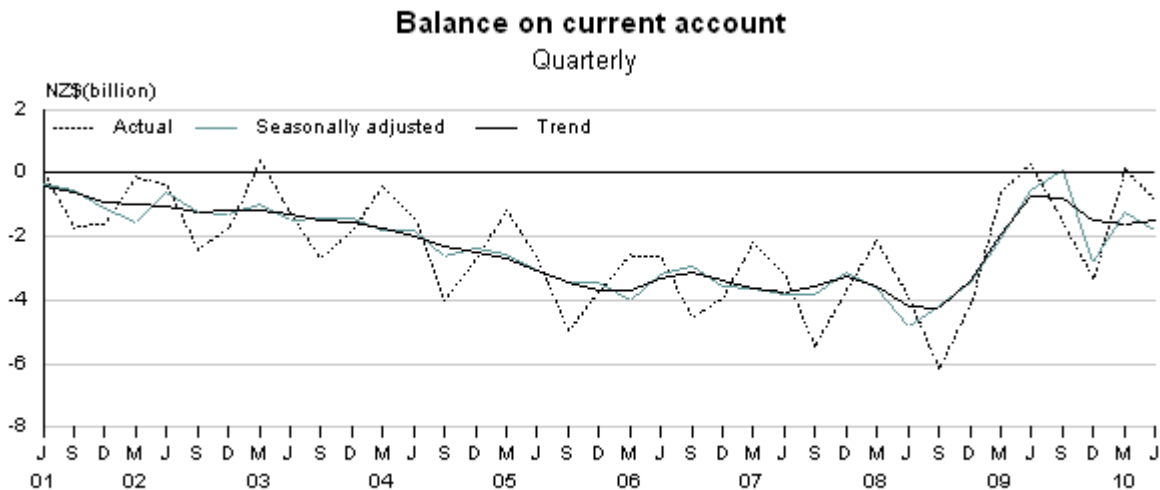
Overview

Quarterly

The **seasonally adjusted current account balance** was a deficit of \$1,814 million in the June 2010 quarter, a \$560 million larger deficit than in the March 2010 quarter. The larger current account deficit this quarter was due to:

- the income deficit rising \$449 million (this series is not seasonally adjusted)
- the transfers balance falling \$382 million, from a surplus to a deficit
- the trade in services deficit rising \$21 million.

These changes were partly offset by a \$290 million increase in the balance on goods surplus.



Source: Statistics New Zealand

The **increase in the income deficit** was mainly due to an increase in income earned by foreign investors from their investments in New Zealand. Foreign-owned New Zealand companies earned higher profits this quarter.

The **seasonally adjusted transfers balance** moved from a surplus in the previous quarter to a deficit of \$170 million in the June 2010 quarter. Non-resident withholding tax received by the New Zealand government fell, partly due to a policy change introduced in February 2010.

The **seasonally adjusted balance on goods** was a surplus of \$1,226 million in the June 2010 quarter. This is the largest goods surplus since the series began in March 1987 and was due to exports rising by more than imports this quarter. Higher prices for New Zealand goods overseas (especially dairy products) were behind the rise in exports.

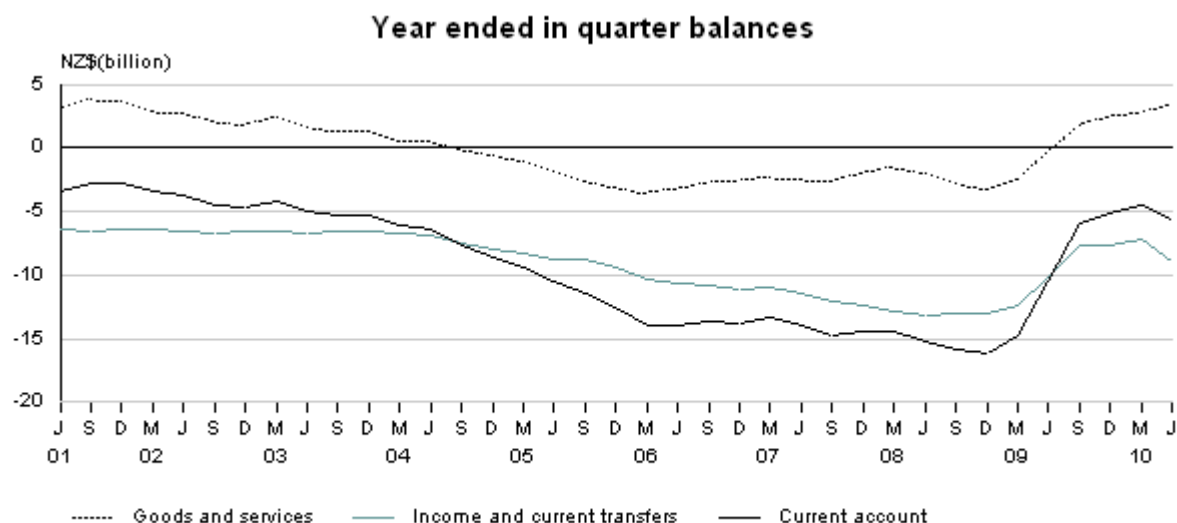
The **unadjusted current account balance** was a deficit of \$880 million this quarter. The deficit was financed by a \$1,289 million net financial account inflow, which was partly offset by a net capital account outflow of \$149 million. Financial account activity during the quarter included:

- increased short-term borrowing from overseas by the domestic banking sector
- foreign investors purchasing New Zealand government-issued debt securities
- New Zealand fund managers increasing their investment in overseas sharemarkets.

New Zealand's **net debtor position** (liabilities exceeding assets) was \$163.7 billion (86.5 percent of GDP) at 30 June 2010, compared with \$161.0 billion (85.9 percent of GDP) at 31 March 2010. Financial account transactions accounted for \$1.3 billion of the increase in the net debtor position, while changes in the valuation of foreign assets and liabilities accounted for the remaining \$1.4 billion.

Annual

For the **year ended June 2010, the current account deficit was \$5.6 billion** (3.0 percent of GDP). This compares with deficits of \$4.5 billion (2.4 percent of GDP) for the year ended March 2010, and \$10.5 billion (5.7 percent of GDP) for the year ended June 2009.



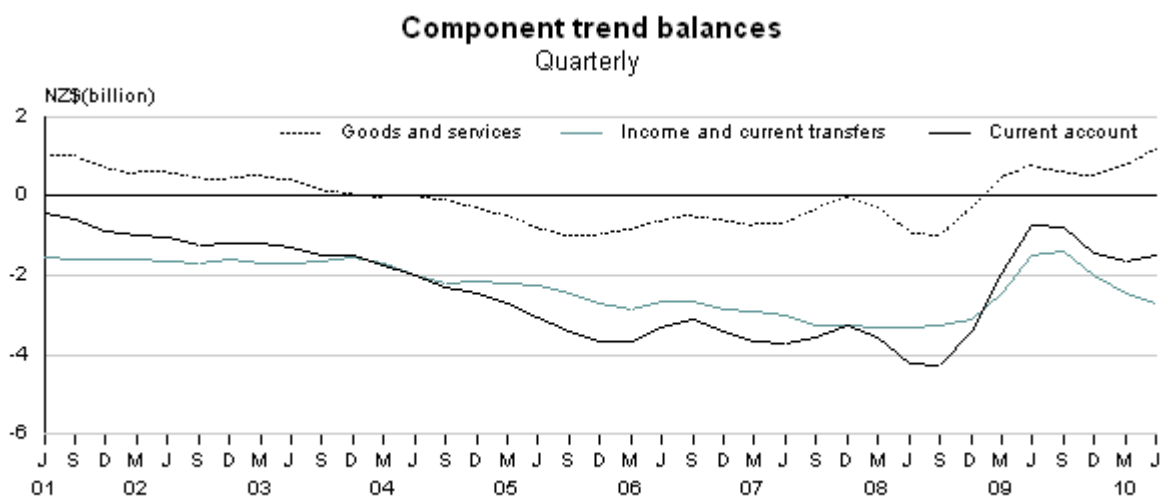
The fall in the year ended current account deficit between the June 2009 and June 2010 years was driven by:

- the goods balance surplus increasing \$2.9 billion. Imports of goods fell \$5.5 billion, which was partly offset by a \$2.6 billion fall in exports
- the income deficit falling \$1.9 billion as foreign investors earned less income from their New Zealand investments
- the services balance undergoing a \$0.7 billion turnaround from a June 2009 year deficit to a June 2010 year surplus, mainly due to a fall in imports of services.

Trend

The current account balance trend series was a deficit of \$1.5 billion in the June 2010 quarter, narrowing slightly from the previous quarter. This deficit was similar in size to the deficit recorded in the September 2003 quarter, when the income and transfers deficit trend was \$1.0 billion smaller than in the current quarter.

Rising goods exports in recent quarters drove an increase in the balance on goods and services trend. The income and transfers deficit trend continued to widen in the latest quarter, and has been doing so over the last year.



Source: Statistics New Zealand

Further detail

Goods

Quarterly goods

All references are to seasonally adjusted numbers unless otherwise stated.

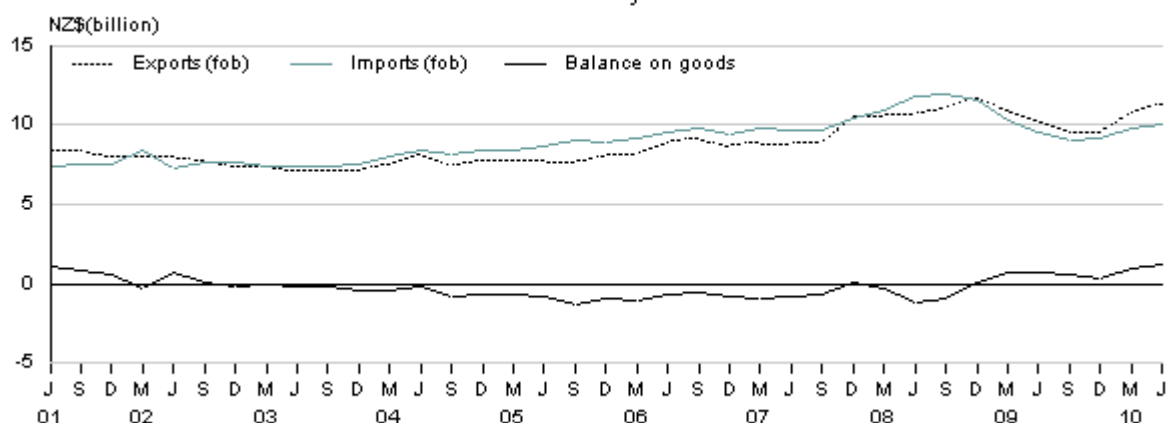
The goods balance was a surplus of \$1,226 million in the June 2010 quarter, an increase of \$290 million from the March 2010 quarter. This is the largest goods surplus recorded since the series began in March 1987. Exports of goods increased \$578 million, partly offset by a \$288 million increase in imports.

An **increase in exports of dairy products**, driven by higher prices, largely contributed to the increase in goods exports this quarter. Dairy prices rose for a third consecutive quarter, buoyed by strong world commodity prices. Higher export volumes and prices for non-food manufactures and non-fuel crude materials also contributed to the increase in goods exports.

An increase in imports of intermediate goods (including petroleum products and raw materials), caused by higher prices and volumes, contributed most to the increase in total goods imports this quarter. Consumption goods imports increased slightly, while imports of capital goods fell during the latest quarter.

Seasonally adjusted goods

Quarterly



Source: Statistics New Zealand

Annual goods

The goods balance was a surplus of \$3.2 billion for the year ended June 2010, an increase of \$2.9 billion from the June 2009 year surplus. Imports of goods (down \$5.5 billion) fell by more than exports of goods (down \$2.6 billion) over that time.

Lower volumes and prices of goods imports caused the decline in imports of goods in the year ended June 2010, with non-food manufactures contributing the most to the fall. Imports of petroleum and petroleum products also fell due to lower prices. Exports of goods decreased mainly due to lower prices for non-food manufactures, and food and beverages over the same period.

Services

Quarterly services

All references are to seasonally adjusted numbers unless otherwise stated.

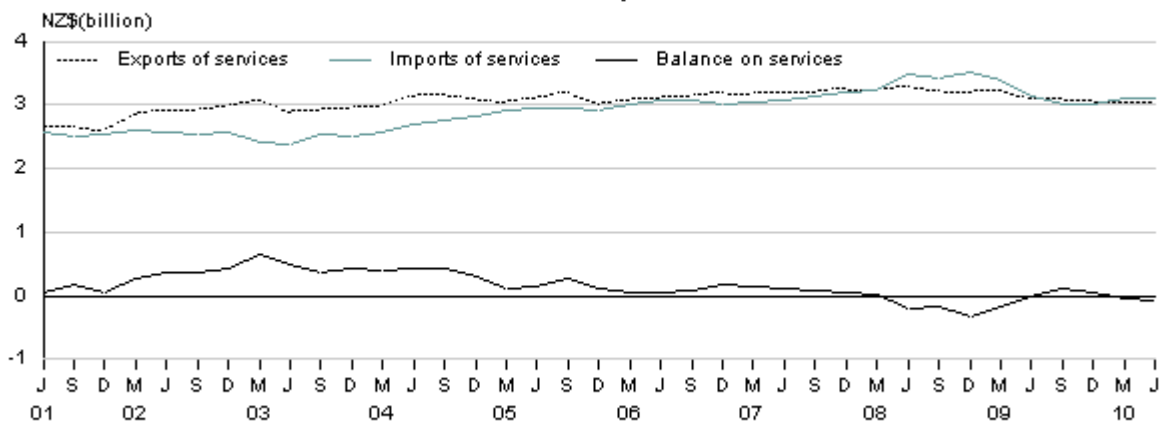
The balance on services was a deficit of \$76 million in the June 2010 quarter, an increase of \$21 million from the March 2010 quarter deficit. The deficit this quarter was driven by a rise in imports of services combined with a slight decrease in exports.

Exports of services were relatively flat in the June 2010 quarter, at \$3,031 million. Travel services fell \$56 million (3.2 percent) in the June 2010 quarter, down to its lowest level since the June 2002 quarter. The number of international visitors to New Zealand fell by 2.0 percent and the total number of days spent by these visitors while in New Zealand fell 4.9 percent. There was also a decrease in expenditure per person from the previous quarter. Of the services which are not seasonally adjusted, other business services increased \$52 million. The largest contributors were merchanting, management consultancy, and engineering services.

Imports of services rose \$16 million in the June 2010 quarter. This rise was driven by an increase in imports of transportation services, which includes costs of international freight. Freight payments on goods increased as volume of goods imported were 2.9 percent higher than in the March 2010 quarter. Other business services also increased this quarter, up \$60 million. The largest contributors were advertising, management consultancy services, and management fees. These services are not seasonally adjusted.

Seasonally adjusted services

Quarterly



Source: Statistics New Zealand

Annual services

The year ended June 2010 balance on services was a surplus of \$45 million, an improved balance from a deficit of \$698 million in the June 2009 year.

The surplus was mainly due to a drop in imports of transportation services from the June 2009 year. Imports of transportation services fell 16.1 percent as payment for freight services were down in the year ended June 2010. This was influenced by a 12.7 percent drop in the volume of goods imported in the current year. Imports of other business services also fell.

Income

The composition and presentation of international income statistics has changed effective from this release. The current account income series now comprises two subseries:

- compensation of employees (COE)
- international investment income.

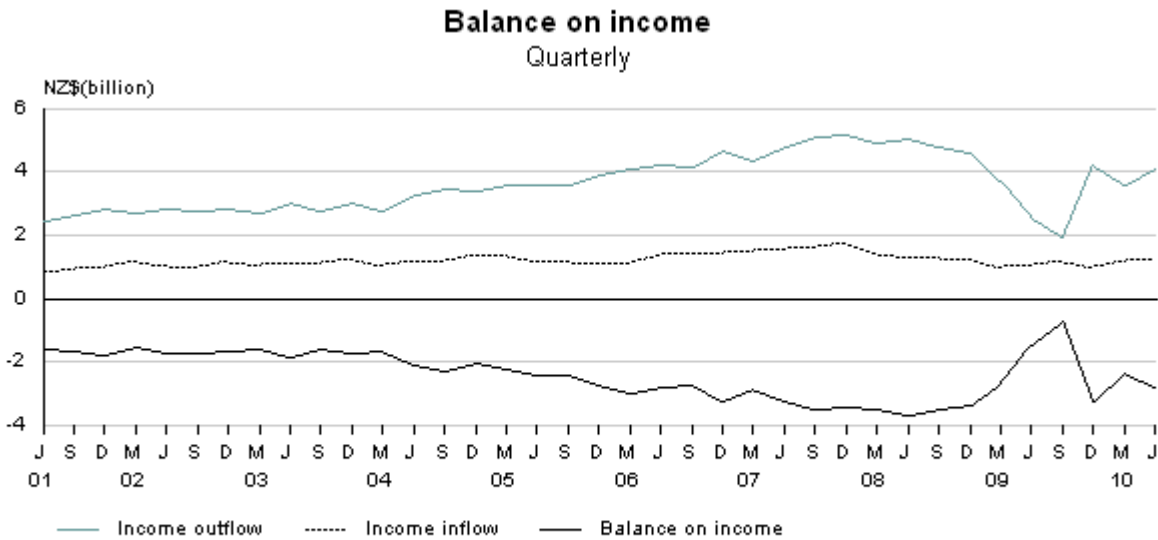
The balance on income is the sum of the balance on COE and balance on investment income. Because only outflow (debit) data is available for COE, and the magnitude is small, this commentary focuses on the investment income series.

Quarterly income

The composition of the investment income series has been changed by the inclusion of income data sourced from Inland Revenue (IRD). The IRD income data has been incorporated into 'other' investment income. These revisions date back to the June 1998 quarter and affect income from New Zealand investment abroad and foreign investment income in New Zealand. The general effect has been to reduce the investment income deficit. More information about the IRD income data and its use can be found in the paper, [Improvements to income in balance of payments statistics](#).

The **income deficit for the June 2010 quarter was \$2,795 million**, an increase of \$449 million from the March 2010 quarter. The increase in the deficit was caused by a \$429 million increase in the investment income deficit and a \$19 million increase in outflows of compensation of employees.

The **investment income deficit** for the June 2010 quarter was \$2,732 million. The increase in the deficit this quarter was caused by a \$480 million increase in foreign investors' earnings on their investments in New Zealand, which was partly offset by a \$50 million increase in income on New Zealand's investments abroad.



Source: Statistics New Zealand

Investment income from abroad remained relatively stable during the June 2010 quarter, increasing to \$1,262 million. The rise in income earned from New Zealand's investments abroad was mainly driven by a \$98 million rise in dividends and interest earned by New Zealand's portfolio investments abroad. This rise was partly offset by a fall in earnings from overseas subsidiaries of New Zealand direct investors.

Excluding the IRD income data, other investment income comprises interest on overseas assets and liabilities primarily in the form of loans and deposits. In the June 2010 quarter interest earned from loans and deposits abroad was \$61 million, up \$5 million from March 2010.

Foreign investors' earnings from their investments in New Zealand were \$3,995 million in the June 2010 quarter, an increase of \$480 million from the March 2010 quarter. The key feature was a rise in income earned by foreign direct and portfolio investors from their equity investments in New Zealand companies. Profits earned by foreign direct investors rose by \$290 million and dividends paid to foreign portfolio investors increased by \$48 million.

Excluding the IRD income data means other investment income from abroad was \$562 million in the June 2010 quarter, up \$42 million from March 2010.

The table below separates other investment income (interest paid on borrowing abroad, interest received from lending abroad) and income added from IRD data. See the technical notes to this release for a full table going back to the June 2000 quarter.

Other investment income breakdown						
Quarter	Mar 09	Jun 09	Sep 09	Dec 09	Mar 10	Jun 10
NZ\$ (million)						
Income from New Zealand other investment abroad	636	626	615	577	583	615
Interest data from surveys	128	99	88	50	56	61
Inland Revenue income data	508	527	527	527	527	554
Income from foreign other investment in New Zealand	1,148	1,134	1,037	1,028	1,000	1,100
Interest data from surveys	718	652	555	546	520	562
Inland Revenue income data	430	482	482	482	482	538

Annual income

The year ended June 2010 income deficit was \$1.9 billion lower than the June 2009 deficit of \$11.0 billion. This fall was driven by a \$2.4 billion decrease in interest payable to overseas lenders. Also, dividends paid to foreign portfolio investors fell \$0.2 billion, while profits earned by foreign direct investors rose by \$0.6 billion.

The bank sector tax cases brought to account in the June to December 2009 quarters reduced after tax profits earned by foreign direct investors from their New Zealand subsidiaries by \$0.7 billion in the June 2009 year, and by \$1.0 billion in the 2010 year. Further information about this can be found in their respective [Hot Off the Press](#) releases.

Current transfers

The balance on current transfers was a deficit of \$120 million for the June 2010 quarter, a \$287 million turnaround from the March 2010 surplus. This is the first recorded deficit since the March 2007 quarter.

Current transfers into New Zealand fell \$394 million from the previous quarter, down to \$173 million in the June 2010 quarter. This fall was caused by a drop in earnings from non-resident withholding tax (NRWT) received by the New Zealand government from foreign investors.

NRWT is payable by foreigners on distributed income from their investments in New Zealand, such as interest, royalties, and dividends. It dropped substantially this quarter following policy changes in February 2010, which introduced a zero percent tax rate for some foreign non-portfolio investors. Before this change, NRWT received was redistributed to New Zealand enterprises as a tax credit, which was then used to pay a supplementary dividend to foreign investors.

Current transfers out of New Zealand fell \$107 million from the previous quarter, down to \$293 million in the June 2010 quarter. This decrease was due to lower foreign aid payments and lower fees paid to international organisations.

Capital account

The capital account mainly measures the value of assets transferred by migrants into, and out of, New Zealand. In the June 2010 quarter, **the balance on the capital account** was a deficit of \$149 million, \$73 million larger than the deficit recorded in the March 2010 quarter.

Inflows of capital transfers fell \$73 million from the March 2010 quarter due to a fall in migrant arrival numbers. Migrant arrivals fell across all categories, which is typical for June quarters. Investment fund transfers increased slightly over the same period.

In the June 2010 quarter, outflows of capital transfers were stable at \$386 million. Migration to Australia from New Zealand fell during this quarter, the effect of which was partly offset by an increase in migrants moving to other parts of the world.

Following revisions due to improved information, a surplus of \$828 million is now recorded in the capital account for the March 2009 quarter. This was due to sales of intangible assets occurring in that quarter.

Financial account and International Investment Position (IIP)

Financial account (flows)

The June 2010 quarter current account deficit was principally financed by a net financial account inflow of \$1.3 billion. Foreign investment in New Zealand of \$4.8 billion was partly offset by New Zealand investment abroad of \$3.5 billion.

The \$4.8 billion inflow of foreign investment into New Zealand featured:

- \$2.6 billion of foreign other investment, primarily short-term loans raised from abroad by the New Zealand banking sector.
- \$2.3 billion of foreign portfolio investment in New Zealand. Foreign investors bought a net \$1.4 billion of New Zealand government debt securities in the quarter. Also, banks issued more short-term securities to overseas investors, partly offset by maturities of long-term debt securities issued abroad.

These inflows of foreign portfolio and other investment were partly offset by foreign direct investors divesting a net \$0.1 billion from New Zealand. A \$1.3 billion equity divestment was partly offset by a \$0.9 billion investment in the form of profits reinvested by foreign direct investors in their New Zealand subsidiaries. The equity divestment included a switch from foreign to New Zealand ownership of businesses located in New Zealand.

The \$3.5 billion of New Zealand investment abroad mainly comprised:

- \$1.5 billion of portfolio investment abroad, attributed mainly to New Zealand fund managers investing in overseas company shares
- \$0.8 billion of official sector investment in reserve assets abroad
- \$0.6 billion of direct investment abroad, principally New Zealand companies increasing net lending to their overseas subsidiaries
- \$0.6 billion of other investment abroad, primarily New Zealand banks and corporates lending and depositing funds abroad.

Reconciling the June 2010 quarter financial account and the International Investment Position (IIP)

The reconciliation table below shows both the transaction and non-transaction causes of the shift in the net IIP from the position at 31 March 2010 to the position at 30 June 2010 (table 2 of the attached Excel tables). The IIP is defined in the technical notes of this publication along with the associated term net debtor position.

Reconciliation statement – June 2010 quarter					
Net IIP at 31 March 2010	Net financial account flows (transactions)	Net exchange rate changes	Net financial derivative valuation changes	Net market price and other valuation changes	Net IIP at 30 June 2010
NZ\$(million)					
-160,981	-1,289	54	0	-1,478	-163,694

As at 30 June 2010, New Zealand's net international debtor position increased by \$2,713 million (1.7 percent) from the 31 March 2010 net debtor position. Changes in the valuation of financial assets and liabilities increased New Zealand's net international liabilities by \$1,423 million in the June 2010 quarter, and net financial account transactions financing the current account deficit added a further \$1,289 million to the net debtor position.

- **Market price changes.** Market values in the overseas share markets in which New Zealand funds are principally invested were between 6 and 16 percent lower at 30 June 2010 compared with 31 March 2010. Along with other valuation changes, the overall effect was to increase the net debtor position by \$1,478 million in June 2010 quarter.
- **Exchange rate changes** of a net \$54 million had a minimal impact on the net international debtor position this quarter. Of the main currencies in which New Zealand's foreign assets and liabilities are primarily held, the New Zealand dollar (NZD) appreciated against the euro and the Australian dollar, but depreciated against the US dollar and Japanese yen. An appreciation of the NZD reduces the NZD value of foreign currency assets and liabilities while a depreciation of the NZD increases the NZD value of foreign currency assets and liabilities.
- Comparing March and June 2010, changes in the asset and liability values of **financial derivative** contracts completely offset each other.

International Investment Position (stocks)

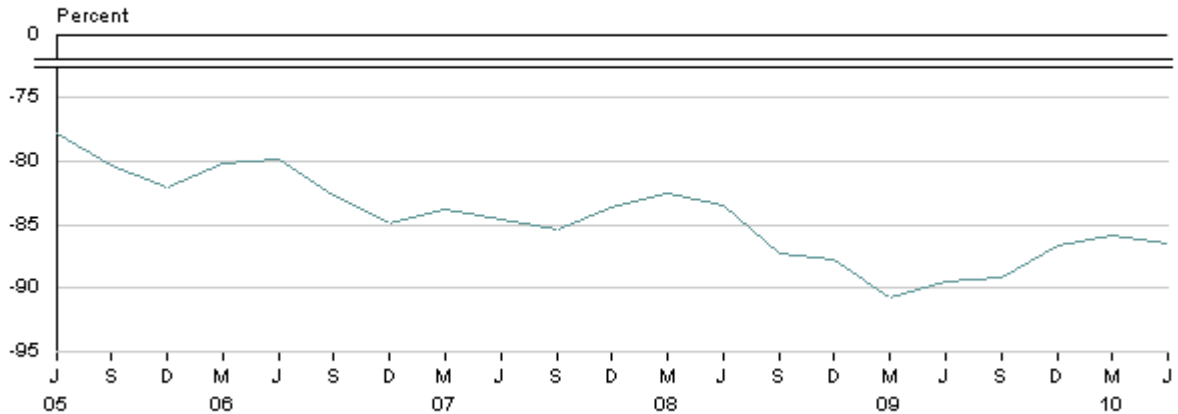
This commentary discusses the presentation of New Zealand's international assets and liabilities as shown in tables 10–13.

At 30 June 2010, New Zealand's **net international debtor position** was \$163.7 billion (86.5 percent of GDP) and comprised \$144.2 billion of international assets and \$307.9 billion of international liabilities. The 30 June 2010 net debtor position was \$2.7 billion larger than the 31 March 2010 position of \$161.0 billion (85.9 percent of GDP).

The \$2.7 billion (1.7 percent) increase in New Zealand's net IIP liability position from March 2010 to June 2010 follows a \$0.2 billion (0.1 percent) increase from December 2009 to March 2010. The net IIP liability position had been decreasing or flat since March 2009.

Net international investment position gross domestic product ratio

Quarterly



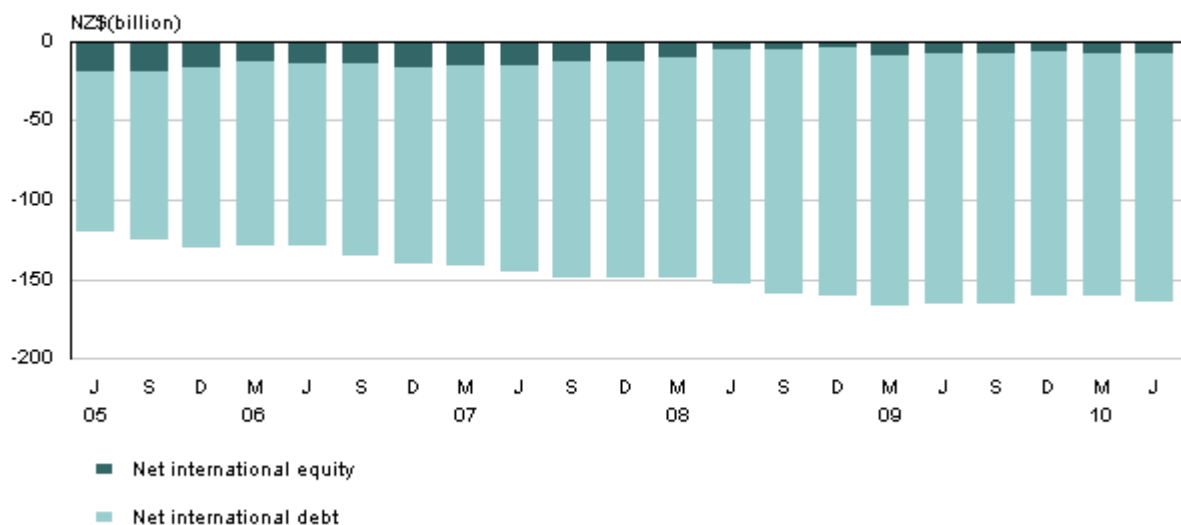
Source: Statistics New Zealand

The increase in the net international debtor position between 31 March 2010 and 30 June 2010 was driven by a \$1.8 billion increase in net international debt liabilities, reinforced by a \$0.9 billion increase in net international equity liabilities. At 30 June 2010 compared with 31 March 2010, the rise in the net international debt position featured:

- The banking sector's net overseas debt rose \$2.1 billion, driven by a \$2.7 billion increase in borrowing, partly offset by a \$0.6 billion rise in lending.
- Net overseas debt of the other sector (mainly non-bank corporates) fell \$0.6 billion, to \$41.0 billion.
- The official sector's (Reserve Bank and general government) net lending (asset) position fell \$0.3 billion to \$6.9 billion.

Net international debt and equity

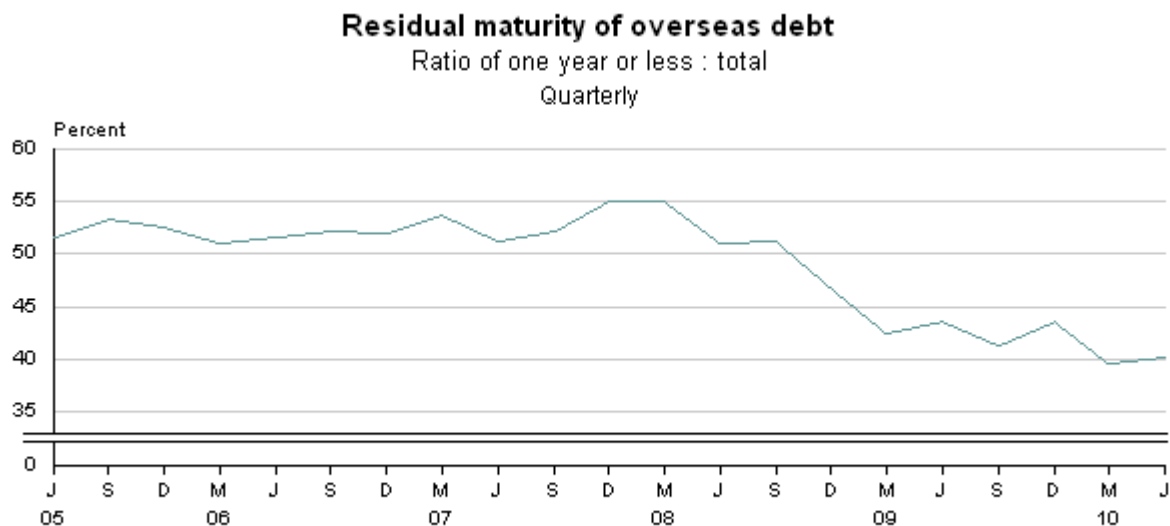
Quarterly



Source: Statistics New Zealand

Overseas debt with a time to maturity of one year or less was 40.2 percent of the total at 30 June 2010, compared with 39.5 percent at 31 March 2010, and 43.6 percent at 30 June 2009.

In general, overseas debt with a time to maturity of one year or less as a proportion of total overseas debt has been decreasing from 31 March 2008. The June 2010 rise in the proportion of debt maturing in less than one year was driven by funding arrangements in the banking sector. Some respondents have indicated that higher short-term debt balances at June 2010 will be replaced by longer-term debt next quarter.



Source: Statistics New Zealand

Next release ...

Balance of Payments and International Investment Position: September 2010 quarter will be released on 22 December 2010.

Balance of Payments and International Investment Position: Year Ended 31 March 2010 will be released on 30 September 2010.

Canterbury earthquake

The earthquake in Canterbury earlier this month will likely affect the BOP and IIP statistics. The following summarises the main factors likely to affect the statistics.

Current account

There will be an impact from insurance transactions between New Zealand residents and overseas insurers and reinsurers. Media reports indicate that those New Zealand resident entities engaged in providing insurance cover for this type of event have reinsurance contracts with overseas reinsurers. Claims generated from these reinsurance contracts will be reflected in the current transfers component of the BoP current account as a negative debit, resulting in an inflow of funds. For those entities that insure directly with overseas insurers, the claims will be reflected the same way.

Other effects may impact on the goods component, as exports may be affected by the dislocation of operations as a result of the quake, and imports may rise due to the needs of

rebuilding work. Similar impacts may affect services exports and imports, including travel (tourism).

Investment income may be affected as a result of financing arrangements arising from the earthquake. These are discussed below.

Financial account and IIP

Insurers hold investments in order to meet expected claims arising from insured events. Some of these investments are held abroad. To the extent that these claims exceed reinsurance contracts and are financed by running down overseas investments, then New Zealand investment abroad will fall and the net international liability position will increase.

If various agencies engaged in the reconstruction effort finance their commitments by increasing debt, then to the extent that this debt is met by overseas investors, New Zealand's overseas debt will rise. As is the case when investment abroad is reduced, the effect of increasing overseas debt is to increase the net international liability position.

Both of these financing methods – reducing investment abroad and increasing debt liabilities to abroad – result in financial account inflows. Reducing investments abroad reduces investment income earned from abroad, while increasing debt liabilities increases interest payments to abroad. The effect of both of these income movements is to increase the investment income deficit in the current account.

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Revisions

The tables below present a summary of revisions to the March 2010 quarter BoP and IIP major components, as a result of new or improved data.

Revisions have been made back as far as the June 1998 quarter for current account data and as far back as the June 2000 quarter for financial account and IIP data. For further details see the supplementary revisions tables, Improvements to income in balance of payments statistics, and the technical notes to this release.

Current and capital accounts			
Component	Previously published March 2010 quarter	Revised March 2010 quarter	Magnitude of revision
NZ\$(million)			
Current account balance	176	159	-17
Current account credits	15,412	16,073	661
Current account debits	15,236	15,914	678
Balance on goods	1,513	1,484	-29
Exports (FOB)	10,592	10,601	9
Imports (FOB)	9,079	9,117	38
Balance on services	758	854	96
Exports of services	3,569	3,693	124
Imports of services	2,811	2,839	28
Balance on income	-2,265	-2,346	-81
Income inflow	684	1,212	528
Income outflow	2,949	3,558	609
Balance on current transfers	170	167	-3
Inflow of current transfers	567	567	--
Outflow of current transfers	397	400	3
Balance on capital account	-88	-76	12
Capital account inflow	300	311	11
Capital account outflow	388	387	-1
Symbol: -- amount too small to be expressed			

Balance of payments financial account			
Component	Previously published March 2010 quarter	Revised March 2010 quarter	Magnitude of revision
NZ\$ (million)			
New Zealand investment abroad	-1,217	-846	371
Direct investment	66	224	158
Portfolio investment	678	673	-5
Other investment	-3,721	-3,460	261
Reserve assets	1,760	1,718	-42
Foreign investment in New Zealand	-1,130	-1,358	-228
Direct investment	-68	108	176
Portfolio investment	592	436	-156
Other investment	-1,654	-1,902	-248

Net errors and omissions			
Component	Previously published March 2010 quarter	Revised March 2010 quarter	Magnitude of revision
NZ\$(million)			
Net errors and omissions	-175	429	604

International Investment Position			
Component	Previously published March 2010 quarter	Revised March 2010 quarter	Magnitude of revision
NZ\$(million)			
New Zealand investment abroad	126,616	127,646	1,030
Direct investment	21,333	21,430	97
Portfolio investment	50,543	51,357	814
Other investment	16,704	16,866	162
Financial derivatives	14,569	14,569	0
Reserve assets	23,466	23,424	-42
Foreign investment in New Zealand	293,273	288,627	-4,646
Direct investment	92,580	92,487	-93
Portfolio investment	96,839	93,205	-3,634
Other investment	88,416	87,456	-960
Financial derivatives	15,438	15,479	41

Technical notes

Introduction

The conceptual framework used in New Zealand's Balance of Payments (BoP) and International Investment Position (IIP) statistics is based on the fifth edition of the International Monetary Fund's *Balance of Payments Manual* (BPM5). Descriptions of the underlying concepts, data sources, and methods used in compiling the estimates are presented in the [Balance of Payments Sources and Methods: 2004](#) report. A printed copy can be obtained from Statistics New Zealand: phone (64) 4 931 4600; fax (64) 4 932 2026; email publications@stats.govt.nz; or download the [PDF](#) online.

Balance of payments

New Zealand's BoP statement is a record of the value of New Zealand's transactions in goods, services, income, and transfers with the rest of the world, and the changes in New Zealand's financial claims on (assets) and liabilities to the rest of the world. New Zealand's BoP statement comprises the current and capital accounts (which record the value of New Zealand's transactions in goods, services, income, and transfers with non-residents) and the financial account (which records financial transactions involving New Zealand's transactions with non-residents).

Series available online

To access more data from the BoP and IIP time series, go to Infoshare at www.stats.govt.nz/infoshare, click on Browse, then choose:

Subject category: Economic indicators, then choose: Balance of Payments

The time series can be downloaded in Excel or comma delimited format.

More information about Infoshare can be found on our website at www.stats.govt.nz/about-infoshare.

Current account

The credit side of this account shows the export of goods and services, investment income earned and, under current transfers, the offsetting entries to resources received by residents without payment required.

The debit side shows the import of goods and services, investment income paid and, under current transfers, the offsetting entries to resources supplied to foreign residents without payment required.

To aid analysis, flows of goods, services, income, and current transfers are categorised into major types of transactions. In addition, certain balances are calculated. A 'balance' is the credits less debits for a particular item or group of items. A negative number represents a deficit, while a positive number represents a surplus.

Balances are usually in surplus or deficit; zero balances are unusual. The balances are:

- Balance on goods – goods exports (credits) less goods imports (debits).

- Balance on services – services exports (credits) less services imports (debits).
- Balance on income – income receipts (credits) less income payments (debits).
- Balance on current transfers – current transfer inflows (credits) less current transfer outflows (debits).
- Balance on goods and services – goods and services exports (credits) less goods and services imports (debits).
- Balance on income and current transfers – income and current transfer inflows (credits) less income and current transfer outflows (debits).
- Balance on current account – the sum of the balance on goods and services and the balance on income and current transfers.

Conceptual adjustments to exports and imports of goods

Conceptual adjustments are made to the overseas merchandise trade statistics (sourced from the New Zealand Customs Service) to comply with the BoP convention of recording goods in the current account. In BoP, exports and imports of goods are recorded when ownership of the goods passes from a resident to a non-resident, or vice versa. A change of ownership is said to have occurred when "the two parties (exporter and importer) record the transaction in their books or accounts." For merchandise trade statistics, goods are recorded as exports or imports when they cross a customs frontier.

The following adjustments are made to overseas merchandise trade data to meet BoP recording conventions:

- goods that cross the customs frontier without a change in ownership are removed from imports and exports data – an example of this is large capital items imported or exported on an operational lease
- goods that are sold on consignment are removed from trade data, as no change of ownership has occurred
- freight and insurance charges are removed from the value of imports of goods, and reclassified as services
- adding/subtracting changes in oil stocks abroad.

Exports or imports that do not change ownership are excluded from the overseas merchandise trade statistics to determine the goods component in BoP. This adjustment is reflected under the heading 'BoP conceptual adjustments' in table 4 of this release. An example of such an adjustment is when a large capital item is imported to New Zealand on an operational lease. In such a case, the ownership of the large capital item has not changed, so the value of it needs to be removed from merchandise trade imports data where it was recorded as an import when it crossed the customs frontier.

Goods on consignment are goods that are intended for sale but not actually sold at the time that they cross the border of the exporting country. To meet BoP recording convention, the value of goods exported on consignment is removed from the overseas merchandise trade exports in the quarter they leave the country, then added back into exports in the quarter in which the goods are actually sold (that is, when the change of ownership occurs).

Seasonal adjustment and trend analysis

Quarterly current account statistics are subject to large, short-term movements, both irregular and seasonal, which make the interpretation of trends in the original series difficult.

Seasonally adjusted and trend series help to reveal the underlying behaviour of a series. While seasonally adjusted series have had the seasonal component removed, trend series have had both the seasonal and the irregular components removed. An example of an irregular event is the purchase of a frigate in the December 1999 quarter. Trend estimates reveal the underlying direction of movement in a series and are likely to indicate turning points more accurately than are seasonally adjusted estimates.

The adjusted balance on the current account is the sum of the adjusted goods, services, income, and current transfers balances. The smoothed, seasonally adjusted current account balance (the trend) is formed in the same way.

The seasonally adjusted series are produced using the X-12-ARIMA seasonal adjustment package. The trend estimates are based on a five-term Henderson moving average of the seasonally adjusted series, with an adjustment for outlying values.

Towards the end of the series, trend estimates are subject to change, owing to the use of new data points in the estimation process as they become available. The main reason behind this is that the trend is calculated as a 'centred moving average' of the seasonally adjusted series. Seasonally adjusted values are also subject to some revision, as they are also calculated using centred moving average technology. Generally, these revisions are not as great as for the trend.

Revisions can be particularly large if an observation is treated as an outlier in one period, but is found to be part of the underlying movement as further observations are added to the series. All trend estimates are subject to revisions each quarter, but normally only the previous two or three estimates are likely to be substantially altered.

Reporting on an accrual basis

Balance of Payments (BoP) asks survey respondents to provide data on an accrual basis (that is, when the service occurs), as opposed to a payments basis (that is, when the payment is actually received/made). However, when it is not possible to separate payments out on an accrual basis, BoP can sometimes receive data relating to multiple periods in one lump sum. Where possible, BoP reallocates the payment to the period in which the service was performed, but irregular movements can still occur in some service categories.

Capital account

The capital account has two components: capital transfers and the acquisition or disposal of non-produced, non-financial assets. Capital transfers involve the transfer of ownership of fixed assets or the transfer of funds linked to them, without any counterpart transaction. Migrants' transfers are an example of a capital transfer.

Financial account

The financial account records financial transactions involving New Zealand claims on (assets) and liabilities to non-residents. The financial account is classified into assets and liabilities, which are broken down by type of investment (direct, portfolio, other investment, and reserve assets) and instrument of investment.

Financial account inflows reflect either increases in New Zealand liabilities or decreases in international financial assets. Correspondingly, outflows reflect either increases in New Zealand's international financial assets, or decreases in its international financial liabilities.

Note that the income generated/paid from holding the asset/liability is recorded in the BoP current account component as international investment income.

Net errors and omissions (residual)

BoP statements are compiled using the double-entry bookkeeping system to ensure that the accounts balance in the accounting sense. For example, exports of goods are recorded as credits while payments in exchange for the goods are recorded as debits, denoting either increases in financial assets or decreases in financial liabilities. When goods are supplied as aid to foreign countries with no payment in return, then the goods are included as exports (credits) and an offsetting entry for the value of the goods is made under current transfers (debits).

In practice, the BoP statement does not always balance. In compiling the BoP statement a variety of data sources are used; therefore, some transactions may not be captured and there is a possibility of reporting or compilation errors. To balance the accounts, a balancing item called the 'net errors and omissions' or 'residual' is used. The residual is always entered on the credit side of the account.

The residual can be calculated by one of two means: (1) the sum of all current, capital, and financial account credits (inflows), less the sum of all the debits (outflows); or (2) the current account balance, plus the net flow of the capital and financial accounts. A positive entry means that the sum of the debits is greater than the sum of the credits.

Persistent large residuals in one direction (negative or positive) may be taken as an indication of serious and systemic errors. However, a small figure does not necessarily mean that only small errors and omissions have occurred, since large positive and negative errors may be offsetting. Offsetting errors may either be related or unrelated, resulting from a measurement problem affecting both sides or only one side of a transaction. Timing differences in data reported by the different sources used to estimate the credit and debit sides of a transaction may result in positive and negative errors and omissions offsetting each other in successive periods.

The following areas of known financial account undercoverage may contribute to the residual:

- The primary data sources for the financial account and IIP are sample surveys. While a new estimate is made for the non-sampled IIP stock positions each year, no estimate is made for financial account transactions, nor for the associated current account investment income flows.
- Transactions related to managed funds that are not surveyed each quarter. Note that neither the financial account transactions nor current account income are estimated for this item.
- Data about transactions arising from settling and trading in financial derivative contracts are not requested from survey respondents.
- Equity shareholding in overseas companies directly held by New Zealand individuals was estimated at \$4.1 billion at 31 December 2009. Neither financial account transactions nor current account income are estimated for this item.

In any quarter, there may be financial account transactions that, for a number of reasons, are not included in the accounts. Reasons for such undercoverage may include: transactions undertaken by entities that are not in the BoP survey frame; transactions not reported by existing survey respondents; and errors in data reporting and compilation.

The data quality is safeguarded by undertaking regular assurance checks including:

- comparing Reserve Bank of New Zealand (RBNZ) and IIP banking sector data

- monitoring investment activity approved by the Overseas Investment Office
- reconciling changes in stock position of inwards and outwards investment against financial account transactions, reporting changes due to exchange rate movements, changes in the valuation of assets and liabilities, and other changes such as reclassification between components
- monitoring media reports of business activities relevant to the BoP and IIP
- annually reviewing the survey populations, with additions made at any time during the year where warranted
- editing and validating data received from survey respondents – this process often involves consulting survey respondents, particularly in respect of large and complex transactions.

Data confidentiality

Where data within a table in this release discloses information about an individual respondent, or would allow close estimation of such information, data has been published only after obtaining the consent of those respondents (that is, published under section 37(4)(a) of the Statistics Act 1975). Where affected respondents have not provided their consent, data remains confidential.

Data sources

The source data and information for BoP and IIP statistics that are collected and processed each quarter include:

- Surveys of New Zealand resident enterprises conducted by Statistics NZ. These surveys operate with the approval of the Minister of Statistics and their completion is therefore a compulsory requirement as set out in the Statistics Act 1975. These surveys are directed at New Zealand-resident enterprises that have been identified as being relevant to BoP and IIP statistics.
- Surveys conducted by other entities. Some of the data used is purchased by Statistics NZ from other organisations that operate an appropriate survey. Statistics NZ has input into the design of these surveys. One example is the International Visitors Survey operated by a marketing company for the Ministry of Tourism (which supplies quarterly data used in the measure of exports of travel services in the current account). Another example is the Quarterly Managed Funds Survey (QMFS). This is a joint RBNZ and Statistics NZ operation, which supplies data for the current account component of income (credit), and the financial account and IIP components of portfolio investment, financial derivatives and other investment (assets).
- Administrative data, for example non-resident withholding tax data from Inland Revenue and New Zealand Customs Service records of imports and exports, published by Statistics NZ each month as overseas merchandise trade statistics.
- Financial market information, including interest and exchange rates and share prices. Much of this information is taken from publicly available information sites.

Revisions to back series data

The BoP revisions policy is explained in the publication [Balance of Payments Sources and Methods: 2004](#), chapter 4, 'Data dissemination and related issues'. The main features of this policy are repeated here. The release of statistics for each September, December, and March quarter includes revisions to the previous quarter. These quarterly revisions typically arise from the inclusion of data received that is late for the first release, re-statement of data already received and incorporated in published statistics, and corrections to any errors in data processing. The release of each June quarter statistics includes revisions to previous quarters as

far back as necessary. The June quarter revisions are termed 'annual revisions'. These revisions typically arise from validation of data previously received against company accounts, conceptual and methodological changes, and reviews of data against more recent information and census benchmarks.

The revisions to the statistics introduced in this June 2010 quarter release extend back to June 1998 quarter. The main reasons for the revisions are:

1. Reconciling data reported in the Quarterly International Investment Survey (QIIS) against published company reports. Company reports are obtained either from the companies concerned, or from the Companies Office. The reconciliation usually possible between a company report and data reported to QIIS is at the level of degree of overseas ownership, profits/loss, value of the company (whether on a listed price, net asset, or some other basis), and the levels of financial assets and liabilities. The process of reconciliation identifies those surveyed companies with significant differences or inconsistencies between survey data and company report information. Issues are queried with data suppliers, and resultant changes to survey data made. Revisions to statistics arising from this process cover IIP positions, financial account flows, and current account income.
2. Improved information in respect of the classification of some assets and liabilities. This affects classification between instrument types (eg between loans and debt securities, and between equity and debt instruments) and between financial account components (eg between direct investment – other capital, and portfolio or other investment). The improved information typically arises from explicit enquiry, as a result of the reconciliation process outlined in point 1 above, or from changed reporting. These revisions do not change the total financial account flows or IIP stock positions, but do change component subtotals.
3. Improved reporting. The main features are corrections to previously reported data, or reporting of data not previously reported. These revisions change total financial account flows, IIP stock positions, and current account investment income.
4. Incorporation of results from the Annual International Investment Survey (AIIS). This (i) updates the estimate for those enterprises not included in the quarterly sample survey (the non-sampled estimate – NSE), and (ii) updates the sample of enterprises each quarter in the QIIS. The NSE applies to international investment position (IIP) data only, and is further explained in the section 'Undercoverage estimate for the IIP'. In brief, the 2010 AIIS results have been used to revise the NSE for the quarter-end IIP positions from June 2009.
5. Interest revisions. Statistics New Zealand has reviewed the reporting of interest to the QIIS survey. As a result of this review, revisions have been made to interest data in the investment income series. Sources used in making these revisions include direct enquiry with respondents, reference to company accounts, and reference to benchmark interest rates. In general, the effect of the interest revisions has been to increase debits more than income credits, and have therefore enlarged the current account deficit.

In addition to the normal cycle of revisions, major changes have been made to the income component of the BoP statistics. These changes include:

- estimate for compensation of employees debits (wages and salaries earned by non-residents from New Zealand) from the June 1999 quarter onwards
- estimates for investment income flows that were not measured previously. This estimate is from the June 1998 quarter onwards.

Compensation of employees

A new data series for compensation of employees debits has been included in the income series. This series is based on:

- estimates derived from the Inland Revenue's income data, in particular, earning declared by resident enterprises in the employer monthly schedule (EMS)
- estimates for workers earnings for those workers in the Recognised Seasonal Employer scheme (the number of workers and average earnings are sourced from the Department of Labour)
- re-classification of payments to local staff by New Zealand embassies abroad, from government services to compensation of employees.

Investment income

The Inland Revenue's income data has been used to derive estimates of investment income flows that have not been previously measured in BoP statistics. The estimates include investment income inflows and outflows of companies (those not already surveyed), individuals, estates, and trusts and partnerships. For further information and discussion refer to Improvements to income in balance of payments statistics.

Other investment income						
	Credits			Debits		
Period	Total	Survey data	Inland Revenue income data	Total	Survey data	Inland Revenue income data
NZ\$ (million)						
June 2000	569	103	466	780	552	229
September 2000	573	107	466	756	527	229
December 2000	597	131	466	813	584	229
March 2001	635	169	466	806	577	229
June 2001	598	173	425	796	544	252
September 2001	646	221	425	822	570	252
December 2001	678	253	425	816	564	252
March 2002	662	237	425	787	535	252
June 2002	719	241	478	866	547	319
September 2002	724	246	478	877	557	319
December 2002	737	259	478	851	532	319
March 2003	684	206	478	801	482	319
June 2003	689	188	501	808	505	304
September 2003	687	185	501	765	461	304
December 2003	725	224	501	772	469	304
March 2004	706	205	501	768	464	304
June 2004	768	211	557	780	495	285
September 2004	808	251	557	953	669	285
December 2004	766	208	557	855	571	285
March 2005	855	298	557	949	664	285
June 2005	945	321	625	900	564	336
September 2005	885	261	625	961	625	336
December 2005	811	186	625	1,033	697	336
March 2006	825	200	625	1,139	803	336
June 2006	870	210	659	1,241	905	336
September 2006	851	191	659	1,321	986	336
December 2006	844	185	659	1,354	1,018	336
March 2007	839	179	659	1,357	1,022	336
June 2007	834	223	611	1,467	1,078	389
September 2007	890	279	611	1,540	1,150	389
December 2007	842	231	611	1,459	1,069	389
March 2008	830	219	611	1,470	1,080	389
June 2008	705	197	508	1,561	1,132	430
September 2008	696	188	508	1,534	1,104	430
December 2008	680	172	508	1,476	1,047	430
March 2009	636	128	508	1,148	718	430
June 2009	626	99	527	1,134	652	482
September 2009	615	88	527	1,037	555	482
December 2009	577	50	527	1,028	546	482
March 2010	583	56	527	1,000	520	482
June 2010	615	61	554	1,100	562	538

International Investment Position

The International Investment Position (IIP) measures the stock (or level) of New Zealand's financial assets and liabilities with the rest of the world at a particular point in time. It comprises New Zealand's net international debt (lending to non-residents less borrowing from non-residents) and net international equity investment (investment in shares abroad less foreign investment in New Zealand company shares). A net international debtor position means that international liabilities exceed international assets.

The BoP and IIP statistics are closely related, with the former measuring transaction flows and the latter measuring stock positions. The difference in the level of international financial assets and liabilities between two points in time is due to: (1) the BoP financial account transactions; and (2) the other (non-transactional) changes that occur during the period. Examples of the latter are revaluations, changes in market prices, changes in exchange rates, and other changes such as write-offs.

Exchange rate and share index movements: June 2010 quarter

A comparison of the exchange rates at 30 June 2010 and 31 March 2010 showed that the New Zealand dollar appreciated against the British pound, the Australian dollar, and the euro, but depreciated against the United States dollar and the Japanese yen. An appreciation of the New Zealand dollar decreases the New Zealand dollar value of foreign currency assets and liabilities within the IIP. A depreciation of the New Zealand dollar has the opposite effect. All major sharemarket indexes decreased over the period from 31 March 2010 to 30 June 2010. The value of New Zealand investors' overseas shareholdings decreased with these decreasing share indexes, while foreign investors' New Zealand shares also decreased in value due to the NZX50 decreasing in the quarter.

Presentation of International Investment Position statistics

There are two ways of presenting IIP statistics: the BoP presentation and the balance sheet presentation. While total assets and liabilities differ in each presentation, the net IIP result is identical, regardless of the presentation method used.

Balance of Payments presentation

The BoP presentation of New Zealand's IIP classifies investment by the relationship between the investor and the investment enterprise. This approach presents New Zealand's investment abroad (assets) by direct investment, portfolio investment, other investment, financial derivatives, and reserve assets. Foreign investment in New Zealand (liabilities) is classified in the same way, except for reserve assets, which are not applicable. The BoP approach is the one recommended by the International Monetary Fund.

Balance sheet presentation

This approach uses a balance sheet format to present New Zealand's international assets and liabilities. The use of the balance sheet format enables presentation of assets and liabilities disaggregated into:

- gross and net equity positions, overseas debt (borrowing), lending abroad, and net overseas debt (table 10)

- borrowing and lending disaggregated by broad sector (table 10), by instrument type (table 11), by currency in which the obligations are repayable (table 12), and by residual maturity (table 13).

The relationship between the two presentations

Although there are differences in the classification of some transactions between the balance sheet and the BoP presentation, it is still possible to reconcile some items. The equity positions in the BoP presentation for New Zealand investment abroad sum to the equity figure under international assets in the balance sheet presentation. Similarly, the equity positions in the BoP presentation for foreign investment in New Zealand sum to the equity figure under international liabilities in the balance sheet presentation. Reserve assets are treated the same way in both presentations.

Lending and borrowing in the balance sheet and BoP presentations are treated differently and will not reconcile. All lending in the balance sheet presentation is treated as an asset and all borrowing treated as a liability. In the BoP presentation for New Zealand investment abroad, net lending by New Zealand enterprises is reported, and for foreign investment in New Zealand, net borrowing by New Zealand subsidiaries is reported.

In the BoP presentation, net lending refers to the total lending by New Zealand parent enterprises to their overseas subsidiaries, less any borrowing by New Zealand parent enterprises from their overseas subsidiaries. Net borrowing refers to the total borrowing by New Zealand subsidiaries from their overseas parent enterprise, less any lending by New Zealand subsidiaries to their overseas parent.

As the BoP presentation treats some borrowing as negative lending and some lending as negative borrowing, the values of lending and borrowing reported in the BoP presentation will not reconcile with those in the balance sheet presentation. For example, prepaid inter-company accounts with overseas parent enterprises are viewed as lending using the balance sheet presentation, but as negative borrowing using the BoP presentation.

International debt and external debt statistics

As described above, net international debt comprises lending to non-residents less borrowing from non-residents. Debt is an actual current contractual obligation that requires payment of principal and/or interest by the debtor at some point(s) in the future. Conversely, equity ownership represents a claim over the residual value of an enterprise.

Table 10 of the BoP and IIP release presents New Zealand's international balance sheet position, a contributing part of which is New Zealand's international debt. In table 10, gross international debt is termed 'borrowing'. Statistics NZ's measurement of international borrowing differs from the IMF's measure of external debt as set out in the *External Debt Guide* (2003). The difference lies in the treatment of financial derivative liability positions. The *External Debt Guide* excludes these positions; whereas in table 10, measures of international lending, borrowing, and net international debt include these positions.

The IMF's *External Debt Guide* excludes financial derivative asset and liability positions because no principal is required to be repaid and interest is not accrued. An overdue obligation to settle a financial derivative contract is treated in both the IMF's guide and the table 10 series, like any arrears, as a debt liability because payment is required.

New Zealand's external debt, lending, and net external debt can be derived from the data presented in table 11. This table presents New Zealand's international financial assets and

liabilities disaggregated by instrument type, where financial assets and liabilities equate to international lending and borrowing, respectively, in table 10. Deriving external debt and external lending is done using table 11 data by deducting from each of total international assets (IIPQ.S5AA3) and liabilities (IIPQ.S5AL3) the value of financial derivative asset (IIPQ.S5AA6F) and liability (IIPQ.S5AL6F) positions, respectively; and using the adjusted totals of international financial assets (external lending) and liabilities (external debt) to calculate net external debt.

The table below derives the net external debt position from table 11 data and compares it with the net international debt position of table 10.

Calculating New Zealand's net external debt			
Period	30 June 2009	31 March 2010	30 June 2010
	NZ\$(million)		
Total international financial lending IIPQ.S5AA3	85,282	87,715	91,211
less financial derivatives IIPQ.S5AA6F	19,461	15,169	16,080
External lending	65,821	72,546	75,131
Total international liabilities IIPQ.S5AL3	242,684	241,201	246,462
less financial derivatives IIPQ.S5AL6F	24,494	15,915	16,958
External debt	218,190	225,286	229,504
Net external debt	-152,369	-152,740	-154,373
Net international debt IIPQ.S5AA2B	-157,401	-153,486	-155,252
Difference: net external debt less net international debt	5,032	746	879

Debt securities issued in New Zealand by overseas resident issuers (Kauri bonds)

Kauri bonds are debt securities issued in New Zealand, in New Zealand dollars, by non-resident issuers. According to BoP compilation principles, if a New Zealand resident investor holds such bonds, then the resident holder has a claim over the non-resident issuer. These holdings contribute to New Zealand investment abroad (international assets). When Kauri bonds are held by non-residents, then they are neither assets nor liabilities of New Zealand; they are a claim by the non-resident holder over the non-resident issuer. The Australian Bureau of Statistics (ABS) has adopted the same practice in respect of the Australian equivalent of Kauri bonds; Kangaroo bonds are debt securities issued in Australia by non-residents.

When reporting to surveys that collect data for the international accounts, some respondents have treated their investments in Kauri bonds as investment in New Zealand, leading to under-measurement of international assets and associated income in the statistics. This misreporting arises because these bonds are issued in New Zealand and denominated in New Zealand dollars, and are therefore often interpreted by respondents as not relevant to the international accounts surveys.

After consultation, a number of respondents to international investment surveys now report their holdings of Kauri bonds as investment abroad in their surveys, along with the associated income. This data is incorporated into the statistics effective from the December 2007 quarter. In addition, an estimate of Kauri bonds acquired by the New Zealand household sector in the December 2007 quarter has been included in the BoP financial account transactions and the IIP as investment abroad. The estimate of resident households' investment in Kauri bonds is held constant from quarter to quarter, and the sectoral classification is to 'other sectors' (table 10). Income earned from the investment is estimated using published rates of return, and is included in: income from New Zealand investment abroad, portfolio investment income, income on debt, bonds and notes (table 6). The estimates are subject to change in the expectation that further work leads to improved data.

Holdings of Kauri bonds by New Zealand residents included in the statistics as investment abroad are estimated to understate residents' total holdings by approximately \$1.4 billion as at 30 June 2010 (1.1 percent of total New Zealand investment abroad, table 2). This conclusion is drawn from comparing estimates of Kauri bond assets included in the international investment position statistics with information about Kauri bonds obtained primarily from RBNZ published data, and from other published sources. Further work aimed at improving data about the issuance and holding of Kauri bonds is under way. This includes work being done in conjunction with the RBNZ.

RBNZ securities subject to repurchase agreements

Non-resident issued debt securities, denominated in foreign currencies and held by the RBNZ, contribute to New Zealand's official sector reserve assets. When such a security is subject to a repurchase (repo) agreement, it remains in the IIP as an asset, but not as a reserve asset. The appropriate IIP classification is: New Zealand investment abroad: portfolio investment; debt securities (as opposed to investment abroad; reserve assets). The cash received for the 'repoed' security is recorded as a liability in the IIP as: foreign investment in New Zealand: other investment; loans. This is the collateralised loan approach to recording repoed securities. However, in the IIP, the repoed security is misclassified to New Zealand investment abroad; other investment; other instruments (instead of to portfolio investment); debt securities. Statistics NZ plans to improve the classification of the repoed securities within the financial account at a future point in time.

Undercoverage estimate for the International Investment Position

The data sources for BoP financial account and IIP statistics comprise a set of surveys. The main survey is the Quarterly International Investment Survey (QIIS). Other sources include the Treasury and RBNZ (surveyed directly each quarter), a quarterly survey of New Zealand resident nominees, and the Quarterly Managed Funds Survey (QMFS), which is a joint RBNZ/Statistics NZ collection. For further information about the BoP financial account and IIP data sources refer to chapter 11 of the Balance of Payments Sources and Methods: 2004, available at: www.stats.govt.nz.

The QIIS, Quarterly Nominees, and QMFS are all sample surveys. Estimates for non-surveyed enterprises (undercoverage estimates) are determined each year for the QIIS and incorporated into the published accounts. No estimate is made for survey undercoverage in respect of the Quarterly Nominees Survey (which supplies data on foreign portfolio equity investment in New Zealand via resident nominees). Information available from the equities market indicates that the level of survey undercoverage is negligible. The QMFS is a sample of principal New Zealand fund managers. No estimate for QMFS undercoverage is currently included in the published tables. However, smaller fund managers are surveyed annually, and estimates of their funds under management are presented in the footnotes to the tables covering international assets and liabilities.

The QIIS is a quarterly sample of approximately 500 enterprises. The sample is intended to capture approximately 95 percent of the stock levels of the main IIP components. The amount by which the quarterly sample survey is estimated to undercover the population is derived from the Annual International Investment Survey (AIIS). The AIIS collects data as at 31 March each year from a population of enterprises identified as being relevant to the BoP financial account and the IIP, but not surveyed in the QIIS. The AIIS is intended to be a census every three years and a sample survey in the interim years. The results of the AIIS are used to:

(i) Provide IIP (table 2) and international asset and liability (tables 10 to 13) positions to supplement the regular quarterly sample survey (QIIS). This estimate is known as the non-sampled estimate (NSE) and is added to the results of each quarter's QIIS results and included in the published accounts. The QIIS and NSE estimates of investment positions comprise New Zealand's measured international investment positions.

(ii) Update the sample used in the regular quarterly sample survey (QIIS). To reduce the compliance load faced by the smaller businesses that typically comprises the AIIS population. The AIIS questionnaire is an abbreviated form of the QIIS questionnaire.

Note that in respect of NSE investment positions the financial account transactions are neither collected nor estimated.

Non-sampled estimate		
Period	New Zealand investment abroad	Foreign investment in New Zealand
NZ\$(billion)		
March 2009	2.7	13.2
June 2009–December 2009	2.7	11.5
March 2010	3.6	14.1
June 2010	3.3	13.1

Currency and maturity breakdowns of the non-sampled estimate

To improve the usefulness of the assets and liabilities data, Statistics NZ has allocated the NSE across the different currency and residual maturity profiles. The allocation is reset each year in the release of June quarter statistics. The allocation uses QIIS data collected from non-bank enterprises applied to the results of the annual survey. The assumption is that the behaviour of the NSE data is similar to that of the non-bank enterprises surveyed in the QIIS. The resulting apportionment of NSE estimates is then added to the QIIS residual maturity and currency totals.

Annual Managed Funds Survey

The Annual Managed Funds Survey (AMFS) is conducted jointly by the RBNZ and Statistics NZ and has collected data as at 31 December since 2001. The AMFS measures the stock of investment held (both in New Zealand and abroad) by fund managers who are not in the QMFS.

The results from the sample surveys showed assets held abroad as follows:

Results from the AMFS	
Period	Assets held abroad NZ\$(million)
December 2009	3,827
December 2008	3,355 R
December 2007	4,075 R
December 2006	5,159
December 2005	4,190
December 2004	3,472
December 2003	3,185
December 2002	4,235
December 2001	3,404
Symbol: R revised	

From 2009 the AMFS has been expanded to collect data on financial account transaction flow and current account investment income data. These new data has not been included in BoP statistics as further work is required to assess the quality of the data.

The stock of assets held abroad by the smaller fund managers is not included in the IIP series of New Zealand investment abroad. The data from the AMFS for portfolio investment abroad is shown in the IIP tables of this release as an addendum item. The data is as at 31 December only.

In addition to providing an estimate of investments held abroad by smaller New Zealand fund managers and organisations, the survey data is used to adjust the sample population for the Quarterly Managed Funds Survey. After each AMFS cycle, a review of the Quarterly Managed Funds Survey sample population is undertaken and where appropriate, larger AMFS respondents are added to the quarterly sample.

An overall review of the survey's results and an investigation into the feasibility of adjusting the data (to take account of market price and exchange rate movements) are planned, before the

data series is formally migrated into the New Zealand IIP statistics. For further information on the AMFS, contact Ranjith Nanayakkara on 04 931 4600 or email: bop.surveys@stats.govt.nz.

Equity shareholding in overseas companies directly held by New Zealand individuals

Many New Zealand individuals invest directly abroad and hold these overseas assets in their own custody or in the custody of an overseas entity. Only data relating to overseas financial assets of New Zealand enterprises, and those held by New Zealand individuals and organisations where the investments are undertaken by New Zealand fund managers, are reported in the BoP and IIP statistics. To cover the gap (that is, between assets invested and held directly), Statistics NZ has made estimates of the level of individuals' directly-held overseas equities. The estimates are presented as an addendum item in the IIP (table 2). This is because the estimation methodology relies on several key assumptions that cannot, at this stage, be fully tested by reference to available data. Changes to these assumptions can significantly alter the size of the estimate.

Equity shareholding in overseas companies directly held by New Zealand individuals			
Period	Latest estimate	Previously published	Amount held in Australia
NZ\$(billion)			
December 2009	4.1	..	3.7
December 2008	2.8 R	2.6 R	2.4 R
December 2007	10.1	10.1 R	8.6 R
December 2006	6.8 R	7.0 R	5.6
December 2005	5.9	6.4	4.6
December 2004	5.4	5.2	4.3
Symbols: .. figure not available R revised			

International trade in carbon emissions units

The classification and treatment of emission units is still under discussion in international accounting and statistical forums. In compiling BoP and IIP statistics, Statistics NZ regards emission units as intangible non-produced assets. Therefore, international trade in these units is recorded in the capital account of the BoP. For example, the sale of emission units by a resident to a non-resident is recorded as a capital account receipt.

More information

For more information, click on the following links from 'Technical notes' of this release on the Statistics NZ website.

[Quarterly Balance of Payments](#)
[International Trade in Services Survey](#)
[International Transportation Survey](#)
[International Visitors Survey](#)
[International Insurance Survey](#)
[New Zealand Travellers Expenditure Model](#)
[Quarterly International Investment](#)
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Tables

The following tables are printed with this Hot Off The Press and can also be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print, and export the contents of the file.

1. Balance of payments major components, quarter ended
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4. Current account goods, quarter ended
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Supplementary revisions tables

The following tables show revisions to figures published in the Balance of Payments and International Investment Position: March 2010 quarter release. These tables can be downloaded from the Statistics New Zealand website in Excel format. If you do not have access to Excel, you may use the [Excel file viewer](#) to view, print, and export the contents of the file.

1. Revisions to the current and capital account for the June 2010 quarter
2. Revisions to the financial account and international investment position for the June 2010 quarter

Table 1

Balance of payments major components⁽¹⁾⁽²⁾

Quarter ended

NZ\$(million)

	Series ref: BOPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's current account summary							
Balance on goods	S5AC3A1	1,272 R	1,749 R	-349 R	-243 R	1,484 R	2,353
Exports (fob)	S5AC1A1	10,798 R	10,936 R	9,054	9,501	10,601 R	12,044
Imports (fob)	S5AD1A1	9,526 R	9,187 R	9,403 R	9,745 R	9,117 R	9,691
Balance on services	S5AC3A2	807 R	-271 R	-562 R	71 R	854 R	-318
Exports of services	S5AC1A2	3,921 R	2,819 R	2,671 R	3,149 R	3,693 R	2,734
Imports of services	S5AD1A2	3,114 R	3,090 R	3,232 R	3,078 R	2,839 R	3,053
Balance on income	S5AC3B1	-2,677 R	-1,488 R	-738 R	-3,201 R	-2,346 R	-2,795
Income inflow	S5AC1B	1,015 R	1,063 R	1,208 R	1,011 R	1,212 R	1,262
Income outflow	S5AD1B	3,692 R	2,552 R	1,946 R	4,212 R	3,558 R	4,057
Balance on current transfers	S5AC3B2	11 R	272 R	101 R	41 R	167 R	-120
Inflow of current transfers	S5AC1C	455	581 R	461 R	394 R	567 R	173
Outflow of current transfers	S5AD1C	444 R	310 R	359 R	353 R	400 R	293
Current account balance	S5AC3	-587 R	262 R	-1,547 R	-3,332 R	159 R	-880
New Zealand's capital account summary							
Balance on capital account	S5AC4A	828 R	-139 R	-85 R	-38 R	-76 R	-149
Capital account inflow	S5AC2A	1,227 R	199 R	255 R	298 R	311 R	238
Capital account outflow	S5AD2A	399	338	340	337 R	387 R	386
New Zealand's financial account summary							
New Zealand investment abroad	S5AD2B	-1,026 R	1,941 R	5,297 R	5,366 R	-846 R	3,537
Direct investment	S5AD2B1	464 R	1,061 R	503 R	-2,521 R	224 R	591
Portfolio investment	S5AD2B2	-677 R	2,207 R	1,695 R	1,811 R	673 R	1,507
Other investment	S5AD2B3	-1,565 R	-2,709 R	1,798 R	3,984 R	-3,460 R	622
Reserve assets	S5AD2B5	751 R	1,382 R	1,301	2,092	1,718 R	816
Foreign investment in New Zealand	S5AC2B	-3,571 R	1,980 R	6,821 R	5,695 R	-1,358 R	4,826
Direct investment	S5AC2B1	-269 R	-1,271 R	-600 R	71 R	108 R	-135
Portfolio investment	S5AC2B2	-4,521 R	3,320 R	4,453 R	4,863 R	436 R	2,312
Other investment	S5AC2B3	1,219 R	-69 R	2,968 R	762 R	-1,902 R	2,649
Net errors and omissions							
Net errors and omissions	S5AC4B6	2,304 R	-162 R	108 R	3,041 R	429 R	-261

1. These tables are presented in general accordance with principles laid down by the International Monetary Fund, in the fifth edition of the *Balance of Payments Manual*.

2. Data may not sum to stated totals due to rounding.

Note:

fob free on board

Symbol:

R revised

Table 2

International investment position⁽¹⁾

At end of quarter

NZ\$(million)

	Series ref: IIPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's investment abroad							
Direct investment abroad	S5AAA1	24,949 R	23,666 R	22,890 R	20,419 R	21,430 R	21,550
Equity capital	S5AAA11	21,460	20,134	19,184	19,069 R	20,028 R	19,186
Other capital	S5AAA12	3,489 R	3,532 R	3,706 R	1,350 R	1,402 R	2,364
Portfolio investment ⁽²⁾	S5AAA2	39,169 R	42,666 R	45,808 R	48,918 R	51,357 R	49,651
Equity securities ⁽³⁾	S5AAA21	27,618 R	30,368 R	32,530 R	34,690 R	35,926 R	33,844
Debt securities	S5AAA22	11,551 R	12,298 R	13,278 R	14,228 R	15,431 R	15,807
Other investment	S5AAA3	17,424 R	14,580 R	16,276 R	20,212 R	16,866 R	17,794
Trade credits	S5AAA31	3,672	C	3,174	3,324 R	4,037 R	C
Loans	S5AAA32	7,717	5,279	6,506	8,007 R	6,049 R	6,391
Deposits	S5AAA33	4,582 R	4,451 R	5,641 R	7,566 R	5,533 R	5,840
Other instruments	S5AAA34	1,453 R	C	955 R	1,315 R	1,247 R	C
Financial derivatives	S5AAA4	25,059 R	18,378 R	17,729 R	13,893	14,569	15,496
Reserve assets	S5AAA5	20,463 R	20,267 R	19,995	21,591	23,424 R	24,672
Total New Zealand investment abroad	S5AAA	127,063 R	119,556 R	122,698 R	125,034 R	127,646 R	129,163
Foreign investment in New Zealand							
Direct investment	S5ALA1	91,191 R	90,062 R	89,136 R	89,788 R	92,487 R	91,905
Equity capital	S5ALA11	48,165 R	47,094 R	46,802 R	47,831 R	50,814 R	49,961
Other capital	S5ALA12	43,026 R	42,968 R	42,334 R	41,957 R	41,673 R	41,944
Portfolio investment	S5ALA2	86,869 R	85,348 R	87,547 R	91,598 R	93,205 R	94,949
Equity securities	S5ALA21	10,038 R	11,232 R	12,412 R	12,803 R	12,636 R	11,511
Debt securities	S5ALA22	76,831 R	74,115 R	75,134 R	78,795 R	80,569 R	83,438
Other investment	S5ALA3	88,476 R	85,532 R	87,511 R	88,216 R	87,456 R	89,597
Trade credits	S5ALA31	1,732	1,701	1,886	1,860 R	C	C
Loans	S5ALA32	64,850 R	60,963 R	60,601 R	59,784 R	59,133 R	60,811
Deposits	S5ALA33	21,173 R	22,343 R	22,479 R	24,418 R	24,298 R	24,402
Other instruments	S5ALA34	721 R	525 R	2,545 R	2,153 R	C	C
Financial derivatives	S5ALA4	27,502 R	23,840 R	23,533 R	16,174 R	15,479 R	16,406
Total foreign investment in New Zealand	S5ALA	294,038 R	284,782 R	287,727 R	285,777 R	288,627 R	292,857
New Zealand's net international investment position							
Net international investment position	S5AAB	-166,975 R	-165,225 R	-165,028 R	-160,742 R	-160,981 R	-163,694

1. Data may not sum to stated totals due to rounding.

2. Annual Managed Funds Survey data estimate of funds invested abroad through smaller fund managers was \$3.8 billion at 31 December 2009. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

3. Statistics New Zealand has updated its estimates of the value of overseas shares held directly by New Zealand individuals. The estimate at 31 December 2009 is \$4.1 billion. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

Symbols:

C confidential

R revised

Table 3

Balance of payments seasonally adjusted and trend series⁽¹⁾

Quarter ended

NZ\$(million)

	Balance on goods and services		Balance on income and current transfers		Balance on current account	
	Seasonally adjusted	Trend ⁽²⁾	Seasonally adjusted	Trend ⁽²⁾	Seasonally adjusted	Trend ⁽²⁾
Series ref: BOP	S5SC3A	S5TC3A	S5SC3B	S5TC3B	S5SC3	S5TC3
Quarter						
2000 Jun	92	143	-1,393	-1,531	-1,301	-1,388
Sep	226	383	-1,549	-1,558	-1,323	-1,175
Dec	758	693	-1,778	-1,712	-1,020	-1,019
2001 Mar	852	926	-1,631	-1,640	-779	-715
Jun	1,129	1,092	-1,500	-1,536	-371	-444
Sep	1,067	1,017	-1,604	-1,604	-537	-587
Dec	628	703	-1,733	-1,612	-1,105	-909
2002 Mar	-56	577	-1,509	-1,589	-1,565	-1,011
Jun	1,065	609	-1,702	-1,641	-637	-1,032
Sep	480	455	-1,700	-1,699	-1,219	-1,244
Dec	254	414	-1,579	-1,615	-1,325	-1,201
2003 Mar	668	495	-1,643	-1,675	-975	-1,180
Jun	311	399	-1,810	-1,700	-1,499	-1,301
Sep	154	162	-1,589	-1,648	-1,435	-1,486
Dec	55	45	-1,508	-1,564	-1,454	-1,520
2004 Mar	-51	-24	-1,723	-1,713	-1,774	-1,736
Jun	221	12	-2,001	-2,003	-1,780	-1,991
Sep	-356	-71	-2,249	-2,209	-2,605	-2,280
Dec	-381	-309	-2,002	-2,159	-2,383	-2,467
2005 Mar	-493	-502	-2,079	-2,186	-2,572	-2,688
Jun	-686	-791	-2,361	-2,276	-3,047	-3,067
Sep	-1,068	-979	-2,354	-2,431	-3,423	-3,411
Dec	-770	-979	-2,660	-2,689	-3,430	-3,668
2006 Mar	-1,004	-842	-2,980	-2,835	-3,984	-3,677
Jun	-593	-663	-2,605	-2,646	-3,198	-3,309
Sep	-457	-466	-2,510	-2,666	-2,966	-3,132
Dec	-562	-572	-2,988	-2,833	-3,551	-3,404
2007 Mar	-752	-743	-2,863	-2,915	-3,614	-3,658
Jun	-742	-711	-3,062	-3,026	-3,804	-3,738
Sep	-639	-322	-3,189	-3,237	-3,828	-3,559
Dec	144	-32	-3,287	-3,239	-3,143	-3,272
2008 Mar	-301	-285	-3,303	-3,294	-3,604	-3,579
Jun	-1,422	-894	-3,389	-3,326	-4,810	-4,220
Sep	-1,111	-990	-3,095	-3,279	-4,206	-4,270
Dec	-263	-307	-3,207	-3,100	-3,469	-3,407
2009 Mar	566	476	-2,620	-2,431	-2,054	-1,955
Jun	694	755	-1,264	-1,474	-570	-719
Sep	707	599	-624	-1,372	83	-773
Dec	360	533	-3,168	-2,002	-2,808	-1,470
2010 Mar	881	794	-2,135	-2,432	-1,254	-1,639
Jun	1,150	1,196	-2,964	-2,697	-1,814	-1,500

1. The incorporation of the latest quarterly New Zealand Balance of Payments data has resulted in revisions to the seasonally adjusted statistics, back to the March 1994 quarter.

2. The trend series is the smoothed, seasonally adjusted series.

Table 4

Current account goods⁽¹⁾

Quarter ended

NZ\$(million)

	Series ref: BOPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
Actual							
Exports (fob)	S5AC1A1	10,798 R	10,936 R	9,054	9,501	10,601 R	12,044
General merchandise	S5AC1A101	10,375	10,557	8,708	9,170	10,283 R	11,677
Overseas trade – exports	S5AC1A1011	10,666	10,837	8,740	9,429	10,553 R	11,947
BOP conceptual adjustments	S5AC1A1012	-292	-279	-32	-259	-270	-270
Goods for processing	S5AC1A102	C	C	C	C	C	C
Repairs on goods	S5AC1A103	C	C	C	C	C	C
Goods procured in ports by carriers	S5AC1A104	C	C	C	C	C	C
Non-monetary gold	S5AC1A105	185	148	92	122	112	125
Imports (fob)	S5AD1A1	9,526 R	9,187 R	9,403 R	9,745 R	9,117 R	9,691
General merchandise	S5AD1A101	9,317	9,050	9,217	9,585	8,927 R	9,507
Overseas trade – imports	S5AD1A1011	9,848	9,940	10,195	10,238	9,347 R	10,308
BOP conceptual adjustments	S5AD1A1012	-531	-889	-978	-652	-420 R	-801
Goods for processing	S5AD1A102	C	C	C	C	C	C
Repairs on goods	S5AD1A103	C	C	C	C	C	C
Goods procured in ports by carriers	S5AD1A104	C	C	C	C	C	C
Non-monetary gold	S5AD1A105	13	11	8	14	8	12
Balance on goods	S5AC3A1	1,272 R	1,749 R	-349 R	-243 R	1,484 R	2,353
Seasonally adjusted							
Exports (fob)	S5SC1A1	10,965 R	10,256 R	9,569 R	9,486 R	10,738 R	11,316
Imports (fob)	S5SD1A1	10,238 R	9,543 R	8,974 R	9,190 R	9,802 R	10,090
Balance on goods	S5SC3A1	727 R	713 R	595 R	296 R	936 R	1,226
Trend⁽²⁾							
Exports (fob)	S5TC1A1	11,050 R	10,218 R	9,558 R	9,687 R	10,540 R	11,440
Imports (fob)	S5TD1A1	10,386 R	9,458 R	9,051 R	9,214 R	9,716 R	10,149
Balance on goods	S5TC3A1	664 R	760 R	507 R	473 R	824 R	1,290

1. Data may not sum to stated totals due to rounding.

2. The trend series is the smoothed, seasonally adjusted series.

Note:

fob free on board

Symbols:

C confidential

R revised

Table 5

Current account services⁽¹⁾

Quarter ended

NZ\$(million)

	Series ref: BOPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
Actual							
Total exports of services	S5AC1A2	3,921 R	2,819 R	2,671 R	3,149 R	3,693 R	2,734
Transportation	S5AC1A201	757 R	494 R	506 R	599 R	688 R	493
Travel	S5AC1A202	2,382 R	1,587 R	1,504 R	1,865 R	2,318 R	1,490
Communication	S5AC1A203	85 R	70 R	62 R	68 R	78 R	59
Construction	S5AC1A204	C	3	2	3	C	C
Insurance	S5AC1A205	C	13	11	14 R	C	C
Financial	S5AC1A206	32 R	31 R	31 R	34 R	26 R	34
Computer and information	S5AC1A207	83	78 R	76	81 R	88 R	99
Royalties and licence fees	S5AC1A208	68 R	70 R	60 R	56 R	64 R	65
Other business services	S5AC1A209	335 R	330 R	319 R	321 R	300 R	352
Personal, cultural and recreational	S5AC1A210	110 R	96 R	56 R	66 R	70 R	81
Government services nei	S5AC1A211	46	47	43 R	44	46	47
Total imports of services	S5AD1A2	3,114 R	3,090 R	3,232 R	3,078 R	2,839 R	3,053
Transportation	S5AD1A201	960	846 R	858 R	876 R	869 R	929
Travel	S5AD1A202	877 R	951 R	1,204 R	1,026 R	872 R	983
Communication	S5AD1A203	88 R	85 R	75	74 R	75 R	75
Construction	S5AD1A204	24	95	34	22	C	13
Insurance	S5AD1A205	78 R	85 R	94 R	105 R	C	86
Financial	S5AD1A206	32 R	38 R	31 R	39 R	35 R	32
Computer and information	S5AD1A207	112 R	113 R	123 R	118 R	98 R	83
Royalties and licence fees	S5AD1A208	206 R	199 R	210 R	217 R	196 R	204
Other business services	S5AD1A209	672 R	602 R	548 R	541 R	519 R	579
Personal, cultural and recreational	S5AD1A210	19	26	18	23 R	20	23
Government services nei	S5AD1A211	46 R	50 R	38 R	37 R	41 R	45
Balance on services	S5AC3A2	807 R	-271 R	-562 R	71 R	854 R	-318
Seasonally adjusted							
Exports of services	S5SC1A2	3,230 R	3,122 R	3,117 R	3,074 R	3,036 R	3,031
Transportation	S5SC1A201	629 R	578 R	560 R	578 R	570 R	579
Travel	S5SC1A202	1,816 R	1,825 R	1,892 R	1,824 R	1,766 R	1,710
Imports of services	S5SD1A2	3,391 R	3,140 R	3,005 R	3,010 R	3,091 R	3,107
Transportation	S5SD1A201	1,002 R	870 R	824 R	851 R	907 R	957
Travel	S5SD1A202	1,032 R	1,006 R	1,008 R	1,016 R	1,025 R	1,042
Balance on services	S5SC3A2	-160 R	-19 R	112 R	65 R	-55 R	-76
Trend⁽²⁾							
Exports of services	S5TC1A2	3,194 R	3,151 R	3,103 R	3,075 R	3,043 R	3,025
Transportation	S5TC1A201	622 R	582 R	565 R	570 R	575 R	576
Travel	S5TC1A202	1,792 R	1,849 R	1,867 R	1,836 R	1,766 R	1,710
Imports of services	S5TD1A2	3,382 R	3,155 R	3,011 R	3,015 R	3,074 R	3,119
Transportation	S5TD1A201	1,001 R	878 R	826 R	850 R	905 R	959
Travel	S5TD1A202	1,030 R	1,011 R	1,007 R	1,015 R	1,027 R	1,041
Balance on services	S5TC3A2	-188 R	-4 R	92 R	60 R	-31 R	-94

1. Data may not sum to stated totals due to rounding.

2. The trend series is the smoothed, seasonally adjusted series.

Note:

nei not elsewhere included

Symbols:

C confidential

R revised

Table 6

Current account income⁽¹⁾⁽²⁾

Quarter ended

NZ\$(million)

	Series ref: BOPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
Actual							
Compensation of Employees							
Inflow	S5AC1B1
Outflow	S5AD1B1	71	38	37	28	43	62
Compensation of employees balance	S5AC3B101	-71	-38	-37	-28	-43	-62
Income from New Zealand investment abroad							
Direct investment income	S5AC1B201	8 R	4 R	206 R	95 R	269 R	189
Income on equity	S5AC1B2011	35	9	207	86 R	293 R	219
Dividends	S5AC1B20111	C	158 R	C	C	55 R	147
Reinvested	S5AC1B20112	C	-149 R	C	C	238 R	71
Income on debt	S5AC1B2012	-26 R	-6 R	-2 R	9 R	-24 R	-30
Portfolio investment income	S5AC1B202	371 R	434 R	388 R	339 R	360 R	458
Income on equity	S5AC1B2021	185	237 R	209 R	146 R	165	237
Income on debt	S5AC1B2022	186 R	197 R	179 R	193 R	196 R	222
Bonds and notes	S5AC1B20221	143 R	170 R	164 R	181 R	183 R	207
Money market instruments	S5AC1B20222	43	27 R	15	12 R	13	14
Other investment income ⁽³⁾	S5AC1B203	636 R	626 R	615 R	577 R	583 R	615
Total investment income	S5AC1B2	1,015 R	1,063 R	1,208 R	1,011 R	1,212 R	1,262
Income from foreign investment in New Zealand							
Direct investment income	S5AD1B201	1,690 R	641 R	207 R	2,448 R	1,857 R	2,161
Income on equity	S5AD1B2011	1,203 R	211 R	-258 R	2,031 R	1,451 R	1,741
Dividends	S5AD1B20111	1,475 R	1,218 R	376 R	789 R	866 R	808
Reinvested	S5AD1B20112	-272 R	-1,007 R	-634 R	1,242 R	585 R	933
Income on debt	S5AD1B2012	487 R	431 R	465 R	416 R	406 R	419
Portfolio investment income	S5AD1B202	783 R	738 R	665 R	709 R	658 R	734
Income on equity	S5AD1B2021	148	200	164	187	142	190
Income on debt	S5AD1B2022	634 R	538 R	501 R	523 R	516 R	544
Bonds and notes	S5AD1B20221	502 R	453 R	454 R	483 R	483 R	501
Money market instruments	S5AD1B20222	132 R	85 R	46 R	40 R	33 R	43
Other investment income ⁽³⁾	S5AD1B203	1,148 R	1,134 R	1,037 R	1,028 R	1,000 R	1,100
Total investment income	S5AD1B2	3,621 R	2,513 R	1,909 R	4,184 R	3,515 R	3,995
Balance on investment income	S5AC3B102	-2,606 R	-1,450 R	-701 R	-3,173 R	-2,303 R	-2,732
Balance on income	S5AC3B1	-2,677 R	-1,488 R	-738 R	-3,201 R	-2,346 R	-2,795
Trend⁽⁴⁾							
Income inflow	S5TC1B	1,058 R	1,075 R	1,153 R	1,165 R	1,195 R	1,270
Income outflow	S5TD1B	3,622 R	2,682 R	2,648 R	3,207 R	3,652 R	3,998
Balance on income	S5TC3B1	-2,564 R	-1,607 R	-1,495 R	-2,041 R	-2,457 R	-2,727

1. Data may not sum to stated totals due to rounding.

2. Investment income is not seasonal, so no separate seasonally adjusted series is produced.

3. This series includes Inland Revenue data representing all categories of income, which cannot be disaggregated at this time. Please see the income commentary and technical notes for the split between Inland Revenue data and 'other investment income'.

4. The trend series is the smoothed, actual series.

Symbols:

C confidential

R revised

.. data not available

Table 7

Balance of payments major balances⁽¹⁾

Actual

NZ\$(million)

	Balance on goods	Balance on services	Balance on income	Balance on current transfers	Balance on current account	Balance on capital account
Series ref: BOPQ	S5AC3A1	S5AC3A2	S5AC3B1	S5AC3B2	S5AC3	S5AC4A
Quarter						
2000 Jun	770	-322 R	-1,513 R	118	-947 R	-134
Sep	-49	-808 R	-1,689 R	129	-2,417 R	-71
Dec	203	73 R	-1,893 R	134	-1,483 R	-35
2001 Mar	1,142	953 R	-1,739 R	101	456 R	59
Jun	1,796	-268 R	-1,599 R	98 R	26 R	324
Sep	417	-515 R	-1,676 R	57 R	-1,717 R	340
Dec	22	99 R	-1,810 R	101 R	-1,588 R	428
2002 Mar	99	1,289 R	-1,502 R	-15 R	-129 R	424
Jun	1,375	3 R	-1,726 R	19 R	-328 R	493
Sep	-404	-348 R	-1,730 R	19 R	-2,463 R	464
Dec	-696	489 R	-1,678 R	124 R	-1,760 R	375
2003 Mar	391	1,683 R	-1,614 R	-38 R	423 R	253
Jun	410	166 R	-1,858 R	44 R	-1,238 R	197
Sep	-769	-308 R	-1,611 R	14 R	-2,674 R	274
Dec	-815	488 R	-1,729 R	239 R	-1,817 R	146
2004 Mar	-18	1,347 R	-1,678 R	-55 R	-404 R	106
Jun	465	109 R	-2,082 R	79 R	-1,428 R	43
Sep	-1,427	-317 R	-2,303 R	48 R	-4,000 R	23
Dec	-1,102	373 R	-2,048 R	63 R	-2,714 R	61
2005 Mar	-164	1,056 R	-2,206 R	115 R	-1,200 R	-19
Jun	-142	-155 R	-2,381 R	27 R	-2,651 R	-109
Sep	-2,099	-460 R	-2,404 R	40 R	-4,923 R	-95
Dec	-1,306	181 R	-2,747 R	102 R	-3,770 R	-58
2006 Mar	-557	975 R	-2,970 R	-27 R	-2,579 R	-64
Jun	170	-220 R	-2,818 R	230 R	-2,637 R	-92
Sep	-1,435	-647 R	-2,720 R	198 R	-4,603 R	-71
Dec	-1,221	263 R	-3,214 R	236 R	-3,936 R	-104
2007 Mar	-345 R	1,057 R	-2,864 R	-21 R	-2,173 R	-190
Jun	10 R	-159 R	-3,217 R	183 R	-3,183 R	-230 R
Sep	-1,640	-641 R	-3,456 R	253 R	-5,484 R	-172 R
Dec	-445	102 R	-3,400 R	124 R	-3,619 R	-162 R
2008 Mar	277	958 R	-3,471 R	139 R	-2,098 R	-195 R
Jun	-138 R	-451 R	-3,690 R	340 R	-3,939 R	-106 R
Sep	-2,105 R	-908 R	-3,461 R	351 R	-6,123 R	-191 R
Dec	-551 R	-326 R	-3,348 R	151 R	-4,074 R	-127 R
2009 Mar	1,272 R	807 R	-2,677 R	11 R	-587 R	828 R
Jun	1,749 R	-271 R	-1,488 R	272 R	262 R	-139 R
Sep	-349 R	-562 R	-738 R	101 R	-1,547 R	-85 R
Dec	-243 R	71 R	-3,201 R	41 R	-3,332 R	-38 R
2010 Mar	1,484 R	854 R	-2,346 R	167 R	159 R	-76 R
Jun	2,353	-318	-2,795	-120	-880	-149

1. Data may not add to stated totals due to rounding.

Symbol:

R revised

Table 8

Balance of payments major balances⁽¹⁾

Year ended in quarter

NZ\$(million)

	Balance on goods	Balance on services	Balance on income	Balance on current transfers	Balance on current account	Balance on capital account
Series ref: BOPQ	S5Y1	S5Y2	S5Y3	S5Y4	S5Y6	S5Y7
Quarter						
2000 Jun	-210	62 R	-1,365 R	465 R	-1,047 R	-428
Sep	-18	-110 R	-3,196 R	438 R	-2,886 R	-425
Dec	1,282	-195 R	-5,158 R	528 R	-3,543 R	-381
2001 Mar	2,065	-105 R	-6,834 R	483	-4,391 R	-181
Jun	3,091	-50 R	-6,921 R	463 R	-3,418 R	277
Sep	3,557	242 R	-6,908 R	390 R	-2,718 R	688
Dec	3,377	268 R	-6,824 R	357 R	-2,822 R	1,151
2002 Mar	2,334	604 R	-6,587 R	241 R	-3,408 R	1,516
Jun	1,913	876 R	-6,713 R	162 R	-3,762 R	1,685
Sep	1,092	1,044 R	-6,767 R	124 R	-4,508 R	1,809
Dec	374	1,434 R	-6,635 R	147 R	-4,680 R	1,756
2003 Mar	667	1,828 R	-6,747 R	124 R	-4,128 R	1,585
Jun	-298	1,991 R	-6,880 R	149 R	-5,038 R	1,289
Sep	-663	2,030 R	-6,761 R	145 R	-5,249 R	1,099
Dec	-783	2,030 R	-6,812 R	260 R	-5,306 R	870
2004 Mar	-1,192	1,693 R	-6,876 R	242 R	-6,132 R	723
Jun	-1,137	1,636 R	-7,099 R	278 R	-6,323 R	568
Sep	-1,796	1,628 R	-7,791 R	311 R	-7,649 R	317
Dec	-2,083	1,513 R	-8,111 R	134 R	-8,546 R	233
2005 Mar	-2,230	1,222 R	-8,639 R	305 R	-9,342 R	108
Jun	-2,837	958 R	-8,938 R	252 R	-10,565 R	-44
Sep	-3,508	815 R	-9,039 R	244 R	-11,488 R	-162
Dec	-3,712	622 R	-9,737 R	283 R	-12,544 R	-281
2006 Mar	-4,104	542 R	-10,501 R	141 R	-13,923 R	-327
Jun	-3,791	477 R	-10,938 R	344 R	-13,909 R	-310
Sep	-3,127	290 R	-11,254 R	503 R	-13,589 R	-286
Dec	-3,042	372 R	-11,722 R	637 R	-13,755 R	-332
2007 Mar	-2,831 R	454 R	-11,616 R	644 R	-13,349 R	-458
Jun	-2,991 R	514 R	-12,015 R	597 R	-13,896 R	-595 R
Sep	-3,196 R	519 R	-12,751 R	651 R	-14,776 R	-696 R
Dec	-2,420 R	358 R	-12,937 R	539 R	-14,459 R	-753 R
2008 Mar	-1,798 R	259 R	-13,544 R	699 R	-14,384 R	-758 R
Jun	-1,946 R	-33 R	-14,017 R	856 R	-15,140 R	-634 R
Sep	-2,411 R	-300 R	-14,022 R	954 R	-15,780 R	-653 R
Dec	-2,518 R	-728 R	-13,970 R	981 R	-16,234 R	-619 R
2009 Mar	-1,522 R	-878 R	-13,176 R	853 R	-14,723 R	404 R
Jun	365 R	-698 R	-10,974 R	785 R	-10,522 R	371 R
Sep	2,121 R	-351 R	-8,252 R	535 R	-5,946 R	478 R
Dec	2,429 R	46 R	-8,104 R	425 R	-5,204 R	566 R
2010 Mar	2,641 R	93 R	-7,773 R	581 R	-4,458 R	-337 R
Jun	3,245	45	-9,080	189	-5,600	-347

1. Data may not add to stated totals due to rounding.

Symbol:

R revised

Table 9

Balance of payments financial account⁽¹⁾

Quarter ended

NZ\$(million)

	Series ref: BOPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand investment abroad	<i>S5AD2B</i>	-1,026 R	1,941 R	5,297 R	5,366 R	-846 R	3,537
Direct investment	<i>S5AD2B1</i>	464 R	1,061 R	503 R	-2,521 R	224 R	591
Equity capital	<i>S5AD2B101</i>	C	1,076 R	C	C	159	-45
Reinvested earnings	<i>S5AD2B102</i>	C	-149 R	C	C	238 R	71
Other capital	<i>S5AD2B103</i>	361 R	133 R	219 R	-2,500 R	-173 R	565
Portfolio investment	<i>S5AD2B2</i>	-677 R	2,207 R	1,695 R	1,811 R	673 R	1,507
Equity securities	<i>S5AD2B201</i>	199 R	1,043 R	451 R	797 R	-476 R	1,243
Debt securities	<i>S5AD2B202</i>	-876	1,163 R	1,243 R	1,014 R	1,149 R	264
Other investment	<i>S5AD2B3</i>	-1,565 R	-2,709 R	1,798 R	3,984 R	-3,460 R	622
Trade credits	<i>S5AD2B301</i>	C	C	C	151 R	714 R	-20
Loans	<i>S5AD2B302</i>	-826	-2,275	1,284	1,504 R	-1,932 R	196
Deposits	<i>S5AD2B303</i>	-743 R	-153 R	1,244 R	1,944 R	-2,171 R	263
Other instruments	<i>S5AD2B304</i>	C	C	C	385 R	-72 R	183
Reserve assets	<i>S5AD2B5</i>	751 R	1,382 R	1,301	2,092	1,718 R	816
Special drawing rights	<i>S5AD2B502</i>	-1	--	1,621	283	--	--
Reserve position in the fund	<i>S5AD2B503</i>	--	147	--	--	--	--
Foreign exchange	<i>S5AD2B504</i>	1,373 R	578 R	-180	2,675	1,753 R	76
Other reserve asset claims	<i>S5AD2B505</i>	-621	657	-139	-866	-35	739
Foreign investment in New Zealand	<i>S5AC2B</i>	-3,571 R	1,980 R	6,821 R	5,695 R	-1,358 R	4,826
Direct investment	<i>S5AC2B1</i>	-269 R	-1,271 R	-600 R	71 R	108 R	-135
Equity capital	<i>S5AC2B101</i>	1,263 R	420 R	349 R	-658 R	86 R	-1,337
Reinvested earnings	<i>S5AC2B102</i>	-272 R	-1,007 R	-634 R	1,242 R	585 R	933
Other capital	<i>S5AC2B103</i>	-1,260 R	-684 R	-315 R	-514 R	-564 R	269
Portfolio investment	<i>S5AC2B2</i>	-4,521 R	3,320 R	4,453 R	4,863 R	436 R	2,312
Equity securities	<i>S5AC2B201</i>	250	288	276 R	652 R	-136 R	-98
Debt securities	<i>S5AC2B202</i>	-4,771 R	3,032 R	4,177 R	4,211 R	573 R	2,410
Other investment	<i>S5AC2B3</i>	1,219 R	-69 R	2,968 R	762 R	-1,902 R	2,649
Trade credits	<i>S5AC2B301</i>	-168	23	184	-25 R	-137 R	170
Loans	<i>S5AC2B302</i>	2,552 R	-1,322 R	998 R	-741 R	-1,591 R	2,130
Deposits	<i>S5AC2B303</i>	-1,428 R	1,413 R	1	1,880 R	-317 R	252
Other instruments	<i>S5AC2B304</i>	263	-184 R	1,785	-353 R	142 R	97

1. Data may not sum to stated totals due to rounding.

Symbols:

C confidential

R revised

-- amount too small to be expressed

Table 10

International assets and liabilities⁽¹⁾⁽²⁾

At end of quarter

NZ\$(million)

	Series ref: IIPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's international assets⁽³⁾							
Equity assets ⁽⁴⁾	S5AA1A	49,078 R	50,502 R	51,715 R	53,759 R	55,954 R	53,030
Lending	S5AA3	95,991 R	85,282 R	86,831 R	86,857 R	87,715 R	91,211
Banks	S5AA8C	37,790	28,262	29,427	29,116 R	26,123	26,719
General government	S5AA8B	8,288 R	9,112 R	11,078 R	11,998 R	13,662 R	13,696
Monetary authorities	S5AA8A	18,256	17,736 R	16,101	16,811	17,922	20,585
Other sectors	S5AA8D	31,657 R	30,173 R	30,225 R	28,932 R	30,007 R	30,212
Total international assets	S5AA1	145,069 R	135,785 R	138,546 R	140,616 R	143,669 R	144,241
New Zealand's international liabilities							
Equity liabilities	S5AL1A	58,203 R	58,326 R	59,214 R	60,634 R	63,450 R	61,473
Borrowing	S5AL3	253,841 R	242,684 R	244,360 R	240,724 R	241,201 R	246,462
Banks	S5AL8C	156,109 R	147,377 R	148,110 R	146,295 R	145,210 R	147,890
General government	S5AL8B	19,227	20,372	23,034	22,442	23,749	26,471
Monetary authorities	S5AL8A	1,166 R	739 R	854	689	648	886
Other sectors	S5AL8D	77,338 R	74,196 R	72,361 R	71,299 R	71,594 R	71,215
Total international liabilities	S5AL1	312,044 R	301,010 R	303,574 R	301,358 R	304,650 R	307,935
New Zealand's net international asset position							
Net international equity	S5AA2A	-9,125 R	-7,824 R	-7,500 R	-6,875 R	-7,495 R	-8,443
Net international debt	S5AA2B	-157,850 R	-157,401 R	-157,528 R	-153,867 R	-153,486 R	-155,252
Net international asset position	S5AA2	-166,975 R	-165,225 R	-165,028 R	-160,742 R	-160,981 R	-163,694

1. This table is prepared on a balance sheet basis.

2. Data may not sum to stated totals due to rounding.

3. Annual Managed Funds Survey data estimate of funds invested abroad through smaller fund managers was \$3.8 billion at 31 December 2009. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

4. Statistics New Zealand estimates the value of overseas shares held directly by New Zealand individuals. The estimate at 31 December 2009 is \$4.1 billion. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

Symbol:

R revised

Table 11

International financial assets and liabilities by instrument⁽¹⁾⁽²⁾

At end of quarter

NZ\$(million)

	Series ref: IIPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's international financial assets⁽³⁾							
Loans	S5AA6A	19,866 R	17,442 R	17,912 R	16,874 R	14,675 R	15,918
Bonds and notes	S5AA6B	16,804 R	17,777 R	18,106 R	19,479 R	20,867 R	20,750
Deposits	S5AA6C	6,083 R	5,084 R	6,367 R	8,526 R	7,285 R	6,861
Trade credits	S5AA6D	7,085 R	6,177 R	5,512 R	5,835 R	6,988 R	7,119
Money market instruments	S5AA6E	16,745	16,185 R	15,207	16,549 R	17,739 R	19,371
Financial derivatives	S5AA6F	26,403 R	19,461 R	18,775 R	14,775	15,169	16,080
Other instruments	S5AA6G	3,004 R	3,158 R	4,953 R	4,819 R	4,992 R	5,112
Total international financial assets	S5AA3	95,991 R	85,282 R	86,831 R	86,857 R	87,715 R	91,211
New Zealand's international financial liabilities							
Loans	S5AL6A	103,646 R	98,520 R	97,145 R	96,022 R	95,679 R	96,577
Bonds and notes	S5AL6B	69,341 R	66,362 R	63,257 R	61,829 R	65,371 R	65,910
Deposits	S5AL6C	21,449 R	22,706 R	23,003 R	24,788 R	24,566 R	24,785
Trade credits	S5AL6D	5,201	4,664 R	4,753 R	4,673 R	C	C
Money market instruments	S5AL6E	24,170 R	25,048 R	29,206 R	34,255 R	32,251 R	34,652
Financial derivatives	S5AL6F	28,908 R	24,494 R	24,095 R	16,626 R	15,915 R	16,958
Other instruments	S5AL6G	1,126 R	890 R	2,902 R	2,531 R	C	C
Total international financial liabilities	S5AL3	253,841 R	242,684 R	244,360 R	240,724 R	241,201 R	246,462

1. This table is prepared on a balance sheet basis.
2. Data may not sum to stated totals due to rounding.
3. Annual Managed Funds Survey data estimate of funds invested abroad through smaller fund managers was \$3.8 billion at 31 December 2009. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

Symbol:

C confidential
R revised

Table 12

International financial assets and liabilities by currency⁽¹⁾⁽²⁾

At end of quarter

\$NZ(million)

	Series ref: IIPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's international financial assets⁽³⁾							
Australian dollar	S5XA3AUD	8,870	8,130 R	8,408 R	8,215 R	9,078 R	8,113
European Union euro	S5XA3EUR	9,031	8,792	7,881	7,053	7,098 R	7,315
United Kingdom pound	S5XA3GBP	2,860	2,240 R	2,133	2,182	2,430 R	2,498
Japanese yen	S5XA3JPY	2,568	2,519 R	2,186 R	2,137	2,089 R	1,990
New Zealand dollar	S5XA3NZD	35,762 R	31,191 R	33,692 R	30,751 R	30,169 R	30,941
United States dollar	S5XA3USD	32,122 R	27,752 R	27,935 R	31,338 R	31,918 R	34,724
Total international financial assets	S5AA3	95,991 R	85,282 R	86,831 R	86,857 R	87,715 R	91,211
New Zealand's international financial liabilities							
Australian dollar	S5XL3AUD	22,735 R	20,009 R	24,528 R	27,857 R	29,573 R	29,424
European Union euro	S5XL3EUR	8,182 R	5,886 R	3,418 R	3,547 R	6,244 R	5,938
United Kingdom pound	S5XL3GBP	9,366 R	8,133 R	6,738 R	6,189 R	6,692 R	6,649
Japanese yen	S5XL3JPY	3,063 R	2,835 R	2,123 R	1,775 R	2,174 R	2,857
New Zealand dollar	S5XL3NZD	129,021 R	129,471 R	128,828 R	117,912 R	120,066 R	119,675
United States dollar	S5XL3USD	76,374 R	72,101 R	74,930 R	79,732 R	71,763 R	77,480
Total international financial liabilities	S5AL3	253,841 R	242,684 R	244,360 R	240,724 R	241,201 R	246,462

1. This table is prepared on a balance sheet basis.
2. Only a limited currency profile is shown in this table. Therefore, data does not sum to stated totals.
3. Annual Managed Funds Survey data estimate of funds invested abroad through smaller fund managers was \$3.8 billion at 31 December 2009. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

Symbol:

R revised

Table 13

International financial assets and liabilities by residual maturity⁽¹⁾⁽²⁾

At end of quarter

NZ\$(million)

	Series ref: IIPQ	Quarter					
		2009				2010	
		Mar	Jun	Sep	Dec	Mar	Jun
New Zealand's international financial assets⁽³⁾							
At call	S5AA4A	14,407 R	13,597 R	14,808 R	14,190 R	15,328 R	14,315
2 days up to and including 90 days	S5AA4B	21,246	19,963	21,921	22,787 R	21,919 R	26,137
91 days up to and including 6 months	S5AA4C	4,667	3,311	2,143	4,717	3,106 R	3,471
Over 6 months up to and including 9 months	S5AA4D	1,817	341	143 R	1,418 R	760 R	724
Over 9 months up to and including 1 year	S5AA4E	1,110	957	1,820	2,049	2,100 R	2,268
Over 1 year up to and including 2 years	S5AA4F	5,492 R	5,713 R	5,093 R	3,409 R	4,374 R	4,002
Over 2 years up to and including 5 years	S5AA4G	5,959 R	5,514 R	5,145 R	4,986 R	5,802 R	6,271
Over 5 years	S5AA4H	8,570 R	8,657 R	8,139 R	9,564 R	9,616 R	8,371
Unspecified ⁽⁴⁾	S5AA4I	32,724 R	27,230 R	27,620 R	23,736 R	24,710 R	25,652
Total international financial assets	S5AA3	95,991 R	85,282 R	86,831 R	86,857 R	87,715 R	91,211
New Zealand's international financial liabilities							
At call	S5AL4A	25,820 R	25,710 R	24,501 R	22,889 R	21,081 R	23,577
2 days up to and including 90 days	S5AL4B	56,614 R	54,824 R	46,792 R	46,459 R	44,463 R	47,525
91 days up to and including 6 months	S5AL4C	15,992 R	14,560 R	20,047 R	22,192 R	14,482 R	15,855
Over 6 months up to and including 9 months	S5AL4D	5,642 R	3,742 R	5,403 R	4,345 R	7,692 R	8,492
Over 9 months up to and including 1 year	S5AL4E	3,902 R	6,854 R	4,367 R	8,987 R	7,645 R	3,734
Over 1 year up to and including 2 years	S5AL4F	15,593 R	13,576 R	16,242 R	21,771 R	24,544 R	29,043
Over 2 years up to and including 5 years	S5AL4G	42,824 R	42,876 R	45,494 R	37,441 R	42,539 R	44,310
Over 5 years	S5AL4H	58,546 R	56,048 R	57,418 R	60,015 R	62,840 R	56,969
Unspecified ⁽⁴⁾	S5AL4I	28,908 R	24,494 R	24,095 R	16,626 R	15,915 R	16,958
Total international financial liabilities	S5AL3	253,841 R	242,684 R	244,360 R	240,724 R	241,201 R	246,462

1. This table is prepared on a balance sheet basis.

2. Data may not sum to stated totals due to rounding.

3. Annual Managed Funds Survey data estimate of funds invested abroad through smaller fund managers was \$3.8 billion at 31 December 2009. This and the estimates for earlier periods are not included in this table. Refer to the technical notes of this release.

4. Includes financial derivatives.

Symbol:

R revised

Table 14

Balance of payments ratios

Year ended in quarter

		Current account balance	Current account balance to GDP ⁽¹⁾	Net international investment position to GDP ⁽²⁾	Net investment income to goods & services credits ⁽³⁾	Debt service to exports of goods & services ⁽⁴⁾	Goods & services credits to GDP ⁽⁵⁾	Goods & services debits to GNE ⁽⁶⁾
		NZ\$(million)	Percent					
Series ref:	BOPQ	S5Y8	S5R01	S5R13	S5R04	S5R12	S5R05	S5R06
Quarter								
2000	Jun	-1,047 R	-0.9 R	-81.4 R	-3.9 R	14.8	31.4 R	31.4 R
	Sep	-2,886 R	-2.5 R	-82.4 R	-8.7 R	13.9	32.3 R	32.4 R
	Dec	-3,543 R	-3.1 R	-80.0 R	-13.1 R	14.8	33.9 R	33.3 R
2001	Mar	-4,391 R	-3.7 R	-75.0 R	-16.6 R	14.4 R	35.1 R	34.0 R
	Jun	-3,418 R	-2.9 R	-76.2 R	-16.1 R	13.4 R	35.9 R	34.2 R
	Sep	-2,718 R	-2.2 R	-74.6 R	-15.7 R	12.7 R	36.2 R	34.2 R
	Dec	-2,822 R	-2.3 R	-73.7 R	-15.7 R	12.2 R	35.2 R	33.3 R
2002	Mar	-3,408 R	-2.7 R	-76.7 R	-15.1 R	11.7 R	34.7 R	33.1 R
	Jun	-3,762 R	-3.0 R	-76.1 R	-15.4 R	11.7 R	34.3 R	32.8 R
	Sep	-4,508 R	-3.5 R	-75.6 R	-15.7 R	11.7 R	33.3 R	32.2 R
	Dec	-4,680 R	-3.6 R	-76.2 R	-15.4 R	11.5 R	32.8 R	31.9 R
2003	Mar	-4,128 R	-3.1 R	-75.4 R	-15.9 R	11.4 R	32.1 R	30.8 R
	Jun	-5,038 R	-3.8 R	-76.3 R	-16.5 R	11.4 R	31.1 R	30.2 R
	Sep	-5,249 R	-3.8 R	-76.0 R	-16.5 R	11.3 R	30.1 R	29.4 R
	Dec	-5,306 R	-3.8 R	-74.7 R	-16.7 R	11.2 R	29.3 R	28.7 R
2004	Mar	-6,132 R	-4.3 R	-76.5 R	-16.9 R	11.2 R	28.7 R	28.5 R
	Jun	-6,323 R	-4.4 R	-74.0 R	-16.9 R	10.9 R	29.0 R	28.8 R
	Sep	-7,649 R	-5.2 R	-77.1 R	-18.3 R	11.7 R	28.8 R	28.9 R
	Dec	-8,546 R	-5.7 R	-79.6 R	-18.8 R	12.4 R	28.8 R	29.1 R
2005	Mar	-9,342 R	-6.2 R	-78.5 R	-19.9 R	13.3 R	28.7 R	29.1 R
	Jun	-10,565 R	-6.9 R	-77.8 R	-20.7 R	14.1 R	28.0 R	28.9 R
	Sep	-11,488 R	-7.3 R	-80.3 R	-20.8 R	14.2 R	27.8 R	29.0 R
	Dec	-12,544 R	-7.9 R	-82.0 R	-22.4 R	14.6 R	27.5 R	28.9 R
2006	Mar	-13,923 R	-8.7 R	-80.1 R	-23.9 R	15.3 R	27.4 R	29.0 R
	Jun	-13,909 R	-8.6 R	-79.9 R	-24.2 R	16.1 R	28.0 R	29.4 R
	Sep	-13,589 R	-8.3 R	-82.6 R	-24.2 R	16.9 R	28.5 R	29.8 R
	Dec	-13,755 R	-8.3 R	-84.9 R	-24.8 R	17.8 R	28.6 R	29.7 R
2007	Mar	-13,349 R	-7.9 R	-83.8 R	-24.1 R	18.4 R	28.7 R	29.7 R
	Jun	-13,896 R	-8.1 R	-84.6 R	-24.9 R	19.4 R	28.1 R	29.1 R
	Sep	-14,776 R	-8.5 R	-85.4 R	-26.6 R	20.5 R	27.5 R	28.6 R
	Dec	-14,459 R	-8.1 R	-83.6 R	-26.0 R	20.5 R	28.0 R	28.8 R
2008	Mar	-14,384 R	-7.9 R	-82.5 R	-26.2 R	20.3 R	28.5 R	29.1 R
	Jun	-15,140 R	-8.3 R	-83.5 R	-26.1 R	20.1 R	29.4 R	30.2 R
	Sep	-15,780 R	-8.6 R	-87.3 R	-25.2 R	19.5 R	30.5 R	31.5 R
	Dec	-16,234 R	-8.8 R	-87.7 R	-24.6 R	18.8 R	30.9 R	32.1 R
2009	Mar	-14,723 R	-8.0 R	-90.7 R	-23.0 R	17.5 R	31.1 R	32.0 R
	Jun	-10,522 R	-5.7 R	-89.5 R	-19.4 R	15.8 R	30.7 R	30.8 R
	Sep	-5,946 R	-3.2 R	-89.2 R	-15.0 R	14.2 R	29.8 R	29.1 R
	Dec	-5,204 R	-2.8 R	-86.6 R	-15.3 R	13.0 R	28.5 R	27.5 R
2010	Mar	-4,458 R	-2.4 R	-85.9 R	-14.8 R	12.2 R	28.0 R	26.9 R
	Jun	-5,600 R	-3.0 R	-86.5 R	-17.0 R	11.8	28.2	27.0

1. This ratio uses year ended in quarter current account balance divided by year ended in quarter expenditure on GDP at current prices.
2. This ratio uses net international investment position at end of period divided by year ended in quarter expenditure on GDP at current prices.
3. This ratio uses year ended in quarter net investment income divided by year ended in quarter goods and services credits.
4. This ratio uses year ended in quarter total gross interest flows divided by year ended in quarter goods and services credits.
5. This ratio uses year ended in quarter goods and services credits divided by year ended in quarter expenditure on GDP at current prices.
6. This ratio uses year ended in quarter goods and services debits divided by year ended in quarter gross national expenditure at current prices.

Symbol:

R revised