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Balance of Payments and International Investment Position: Year ended 31 March 2009

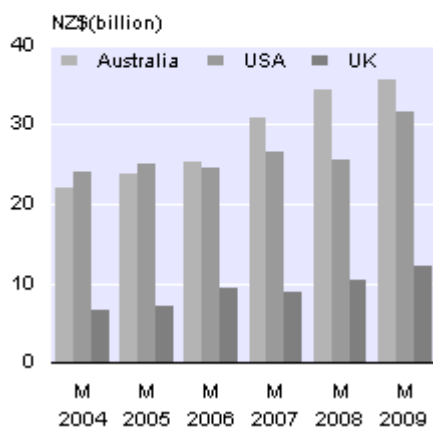
Highlights

At 31 March 2009:

- The value of New Zealand's assets held in the USA was \$31.5 billion, an increase of 23.2 percent from 31 March 2008.
- New Zealand's net international investment position was 96.4 percent of GDP, compared with 77.5 percent of GDP at 31 March 2004.
- 91.9 percent of New Zealand's foreign currency external debt was hedged.
- Australia was the main source of direct investment in New Zealand, while the USA and the UK remained the main sources of portfolio investment.
- Together, Australia, the UK, and the USA were the source of 67.8 percent of the value of foreign investment in New Zealand.
- The finance and insurance industry held 62.5 percent of New Zealand's international assets, and 60.7 percent of international liabilities.

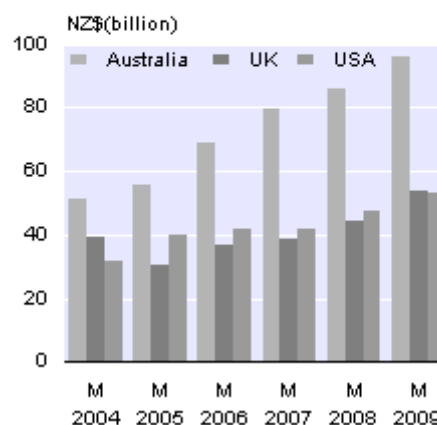
Stock of Total New Zealand Investment Abroad

Three main countries
Year ended March



Stock of Total Foreign Investment in New Zealand

Three main countries
Year ended March



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Commentary

Overview

This release brings together previously released quarterly statistics into year ended March totals. Additional tables, which have not previously been published, are included.

Included in this release:

- additional information on financial account flows and international investment position (IIP) stocks, disaggregated by country (tables 3 to 10)
- New Zealand's total international assets and liabilities, disaggregated by industry (table 11) – these have been created under the Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 edition methodology (see technical notes for more details)
- New Zealand's imports and exports of services by type (tables 12 and 13)
- hedging of New Zealand's foreign-currency denominated overseas debt (tables 14 to 16).

Review: the year ended March 2009

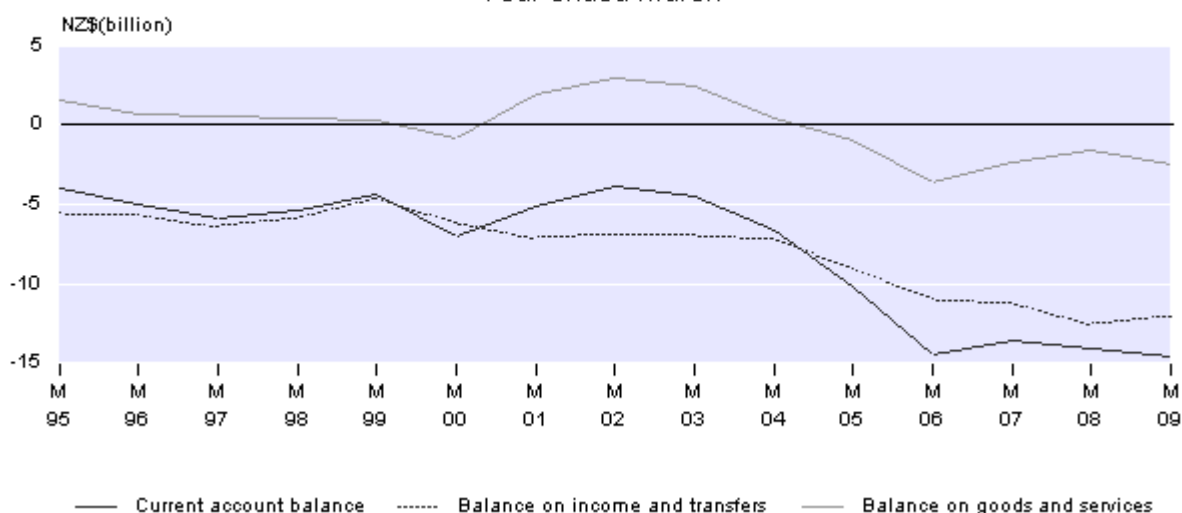
The current account deficit for the year ended March 2009 was \$14.6 billion (8.1 percent of GDP), compared with a year ended March 2008 deficit of \$14.1 billion (7.9 percent of GDP). The \$0.4 billion increase in the deficit was due to a turnaround in the balance on services from a surplus to a deficit over this time. This was partly offset by smaller deficits on the balance on goods and the investment income balance.

The balance on services changed from a surplus of \$0.2 billion in the March 2008 year, to a deficit of \$1.1 billion in the March 2009 year – the first March year services deficit in eight years. Imports of services increased \$1.1 billion, mainly driven by transportation services and other business services. Falls in exports of transportation and travel services were behind the decrease in total services exports in the March 2009 year.

The goods deficit was \$1.3 billion in the March 2009 year, down from \$1.8 billion in the March 2008 year. Exports of goods increased \$5.5 billion, mainly due to an increase in food and beverages exports. This was in turn driven by exports of meat and dairy products, with prices for dairy products higher in the March 2009 year than in the March 2008 year. Imports of goods were up \$5.1 billion over the same period, due to high prices for imports of petroleum and petroleum products, while imported volumes remained stable. World oil prices peaked in July 2008.

The investment income deficit was \$0.3 billion smaller in the March 2009 year than in the March 2008 year. A fall in income earned by foreign direct investors from their shareholdings in New Zealand was partly offset by a fall in income earned by overseas subsidiaries of New Zealand companies.

Current Account Annual Component Balances *Year ended March*



A current account deficit requires a net inflow of capital to finance it. This can be a combination of a withdrawal of New Zealand investment from abroad, an inflow of foreign investment, or through inflows through the capital account. The net inflow of capital measured in the capital and financial accounts in the March 2009 year (\$6.7 billion) was not sufficient to finance the \$14.6 billion current account deficit. This resulted in a net errors and omissions (residual) of \$7.9 billion for the year ended March 2009.

The residual indicates either overstatement of transactions reducing liabilities, or understatement of transactions reducing assets. The quarterly accounts show the largest impact on the residual occurred in the December 2008 quarter, at the height of the global financial crisis. In the [December 2008 quarter release](#), Statistics New Zealand discussed the probable causes of the residual, which include measurement difficulties, and the non-measurement of some transactions.

Measurement difficulties arising from market price and exchange rate volatility lead to greater difficulty in separating the impact of revaluations from actual transactions, leading to their under or overstatement. Significant types of non-measurement of financial transactions and positions include transactions in financial derivative contracts, and investment by individuals in equity securities overseas. The large residual is consistent with the latest estimate for New Zealand-resident individuals' holdings of overseas shares. This estimate was \$10.7 billion at 31 December 2007, and fell to \$2.6 billion at 31 December 2008.

The March 2009 year residual of \$7.9 billion means that the financial account does not fully explain the financing of the current account deficit. Therefore, the financial account must be viewed with caution for this period.

In the March 2009 year, the current account deficit of \$14.6 billion was only partly financed by a net capital inflow of \$7.3 billion during the period. This net inflow was made up of a \$16.1 billion withdrawal of New Zealand investment from overseas, partly offset by an \$8.9 billion withdrawal of foreign investment from New Zealand.

The \$16.1 billion withdrawal of New Zealand investment from abroad was mainly due to the official sector (Reserve Bank of New Zealand (RBNZ) and the New Zealand Treasury) drawing down reserve assets during the March 2009 year. This follows three years of reserve asset accumulation. Also, New Zealand banks withdrew loan assets from abroad, and New Zealand fund managers sold shares held in overseas companies.

The \$8.9 billion withdrawal of foreign investment from New Zealand was the first time there has been an annual withdrawal of foreign investment since the current series began in the year ended March 2001. Portfolio investment outflows of \$14.7 billion drove the overall withdrawal in the March 2009 year. The outflows were mainly driven by banking sector transactions reducing debt security liabilities. This was partly offset by an increase in net borrowing by New Zealand subsidiaries of foreign parents, combined with an increase in equity investment in the banking sector.

The reduction in debt security liabilities by the banking sector was partly funded through the RBNZ's expanded liquidity management facilities, for example the Term Auction Facility. Using this facility, banks can enter into security repurchase agreements with the RBNZ using approved securities (eg Residential Mortgage Backed Securities). Funding of these liquidity operations by the RBNZ included the unwinding of mostly short-term reserve asset positions, and is reflected in the \$9.9 billion divestment of reserves transactions recorded in the March 2009 year.

The net international investment position (IIP) showed a net debtor position (liabilities exceeding assets) of \$173.5 billion at 31 March 2009, a \$21.8 billion (14.4 percent) increase from the net debtor position at 31 March 2008. The increase was driven by \$14.5 billion of changes in the valuation of New Zealand's financial assets and liabilities, combined with \$7.3 billion of net financial account transactions.

Valuation changes arise from changes in exchange rates, market prices of assets and liabilities, changes in the market value of financial derivative contracts, and other changes such as write-offs. The large valuation changes from 31 March 2008 are a reflection of the financial instability and exchange rate volatility that New Zealand and the rest of the world have been experiencing over the last year.

The larger net debtor position at 31 March 2009 compared with 31 March 2008 was mainly due to an increase in the value of total foreign investment in New Zealand. There were significant increases in the value of both financial derivative assets and liabilities, which are held mostly by the banking sector. However, this increase was mostly offset by falls in other types of investment on the assets side, whereas there were no large falls in the value of our liabilities.

Reconciling the March 2009 year financial account and the international investment position

The reconciliation table below shows both the transaction and non-transaction causes of the shift in the IIP from the position at 31 March 2008 to the position at 31 March 2009. The term IIP is defined in the technical notes of this publication along with the associated term net debtor position.

Reconciliation statement – year ended March 2009⁽¹⁾⁽²⁾						
<i>NZ\$ (billion)</i>						
	Opening balance at 31 March 2008	Financial account flows (transactions)	Exchange rate changes	Financial derivative valuation changes	Market price and other valuation changes	Opening balance at 31 March 2009
New Zealand investment abroad	122.2	-16.1	15.5	15.0	-10.5	126.0
Foreign investment in New Zealand	273.9	-8.9	20.7	17.4	-3.7	299.6
Net international investment position	-151.7	-7.3	-5.3	-2.4	-6.8	-173.5

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

(2) Data may not add to stated totals due to rounding.

At 31 March 2009, New Zealand's net international debtor position was \$173.5 billion, an increase of \$21.8 billion (14.4 percent) from the 31 March 2008 net debtor position of \$151.7 billion.

Changes in the value of New Zealand's assets and liabilities increased the net debtor position by \$14.5 billion. A net \$7.3 billion inflow of capital further increased the net debtor position.

Changes in the value of assets and liabilities arise from changes in exchange rates, market prices of assets and liabilities (eg shares), market values of financial derivative contracts, and other changes such as write-offs.

- **Exchange rate changes.** At 31 March 2008 one New Zealand dollar (NZD) purchased 79 US cents, while at 31 March 2009 one NZD purchased 56 US cents. A depreciation of the NZD against major currencies over the year caused the value of liabilities to increase by more than the value of assets. The overall effect was to increase the net debtor position by \$5.3 billion.
- **Market price and other valuation effects.** Major overseas share indexes fell between 34 and 41 percent over the year ended March 2009, while the NZX 50 fell by 23 percent. This caused New Zealand's investment abroad to fall by more than foreign investment in New Zealand. The overall effect was to increase the net debtor position by \$6.8 billion.
- **Financial derivative valuation changes.** The net effect was to increase the net debtor position by \$2.4 billion. Financial derivative contracts in asset positions at 31 March 2009 were \$15.0 billion higher than at 31 March 2008, while contracts in

a liability position were \$17.4 billion higher compared with 31 March 2008.

Review: the years since March 2004

The current account deficit of \$14.6 billion in the year ended March 2009 is \$7.9 billion larger than the deficit for the year ended March 2004. The growth in the deficit has been mainly driven by the investment income deficit, which has increased from \$7.4 billion to \$13.0 billion over this time. The balance on services has gone from a surplus in the year ended March 2004 to a \$1.1 billion deficit, while the balance on goods is a similar-sized deficit in the latest year compared with the March 2004 year.

The balance on services shifted from a surplus of \$1.7 billion in the March 2004 year to a deficit of \$1.1 billion in the March 2009 year. Imports of services increased \$3.8 billion, while exports of services increased \$1.0 billion over this time. The change in the services balance was driven by expenditure of New Zealanders travelling abroad, which increased \$1.3 billion between the March 2004 and March 2008 years, before falling slightly in the latest year. Meanwhile, foreign tourists' expenditure in New Zealand remained stable.

Increased transportation services imports (driven by higher expenditure on freight during the March 2009 year), as well as increased expenditure on other business services, also contributed to the change in the services balance from a surplus to a deficit. The higher freight payments are linked to the increased volumes of goods imported during the March 2009 year.

The balance on goods has improved \$2.8 billion from its peak of a \$4.1 billion deficit in the March 2006 year, and is now at a similar level to the goods deficit recorded in the March 2004 year. Increased exports of dairy products are behind this contraction of the deficit from the March 2006 year. However, dairy exports flattened in the March 2009 year, with exports of food and beverages (particularly meat) driving the increase in goods exports instead. Also, the Tui oilfield has been exporting oil since the end of the 2007 calendar year.

The investment income deficit widened steadily between the March 2004 and March 2008 years, before narrowing by \$0.3 billion in the latest year. The smaller income deficit in the March 2009 year, compared with the March 2008 year, was due to income from foreign investment in New Zealand falling by more than income from New Zealand investment abroad. Both these falls occurred mainly within direct investment income, and were caused by decreased profitability of firms both here and abroad.

Foreign investors' earnings from their investments in New Zealand increased from \$9.8 billion in the March 2004 year, to \$17.1 billion in the March 2008 year. Profits earned by foreign-owned New Zealand companies increased over this time, while interest paid on overseas debt also rose.

The current account deficit for the year ended March 2009 was partially funded by a withdrawal of New Zealand investment from abroad, which was somewhat offset by a withdrawal of foreign investment in New Zealand. Compared with previous periods, this is an unusual way for New Zealand to fund a current account deficit and partly reflects

the RBNZ running down its overseas reserve assets. In the past, New Zealand's current account deficits have mainly been funded by inflows of foreign capital through the financial account. These net inflows were mostly debt, rather than equity, and this is reflected in the net international debt figures.

New Zealand's net overseas debt rose \$72.7 billion from the March 2004 year to the March 2009 year. This was partly offset by a \$7.7 billion fall in New Zealand's net equity liability position. These movements resulted in a \$65.0 billion (59.9 percent) increase in New Zealand's net IIP liability position at 31 March 2009 compared with 31 March 2004. New Zealand's net IIP liability position was \$108.5 billion (77.5 percent of GDP) at 31 March 2004, compared with \$173.5 billion (96.4 percent of GDP) at 31 March 2009.

The stock of New Zealand's other investment liabilities has almost doubled over the last five years, to \$88.6 billion. This has primarily been driven by an increase in borrowing, especially by the banking sector. Additionally, portfolio investment liabilities have become increasingly geared towards debt securities over this time.

At 31 March 2004, equity securities made up 20.1 percent of foreign portfolio investment in New Zealand (while the remainder consisted of debt securities), while at 31 March 2009 equity securities made up 11.1 percent of foreign portfolio investment. This change has been especially evident since the March 2007 year, and occurred mainly in the banking sector.

Trade in services

New Zealand's trade in services with the rest of the world is a major component of the current account. Services are collected by type, with the main types being transportation services and travel services. Exports of services occur when a New Zealand resident provides a service to a non-resident. Imports of services occur when New Zealand residents purchase services from non-residents.

The balance on services was a deficit of \$1,118 million for the March 2009 year, compared with a surplus of \$184 million in the March 2008 year. The shift in the balance from a surplus to a deficit over this time was due to an increase in imports of services, combined with a decrease in exports of services.

Imports of services increased \$1,142 million between the March 2008 and March 2009 years. An increase in imports of transportation services, driven by expenditure on sea freight, was a major contributor to this increase. This is linked to the higher value of goods imported into New Zealand during the March 2009 year. In addition, there was a \$644 million increase in other business services. This was due to an increase in miscellaneous services expenditure (mainly in services related to oil exploration and production), as well as a rise in operational leasing payments made on ships, aircraft, and other large capital items.

Exports of services fell \$159 million from the March 2008 year to the March 2009 year. There was a \$202 million fall in travel services (which measures spending by overseas visitors in New Zealand), due to lower visitor numbers. Transportation services also fell over this time, mainly due to lower expenditure by foreign-owned ships and aircraft while in New Zealand ports. Rises in most other service categories partly offset these falls.

Investment by country

When interpreting country statistics, please note that the country of investment is the country in which the immediate counterparty resides, rather than the ultimate source or destination of the investment. This is further discussed in the technical notes section of this release.

Australia remains New Zealand's main investment partner, both as a destination for New Zealand investment abroad, and as a source of foreign investment into New Zealand. Our other main investment partners are the United Kingdom (UK) and the United States of America (USA). Australia is our main investment partner for direct investment, while the USA and the UK are our main sources of portfolio investment. However, the relative proportions attributed to these countries have changed over time.

New Zealand held 62.9 percent of its international assets in our three main investment partner countries at 31 March 2009. This compares with 57.6 percent at 31 March 2008. New Zealand's investment in the USA has increased \$5.9 billion over this time, while investment in Australia and the UK remained relatively stable. Investment in the USA now represents 25.0 percent of New Zealand's total international assets, up from 20.9 percent at 31 March 2008.

Australia accounted for \$12.1 billion (50.4 percent) of New Zealand's direct investment abroad at 31 March 2009, down from 53.4 percent at 31 March 2007. Since that time, New Zealand has increased its direct investment in the USA by \$2.9 billion. Portfolio investment in Australia, the UK, and the USA was \$6.0 billion lower at 31 March 2009 compared with 31 March 2007. The proportion of total portfolio investment that this represents has decreased from 67.8 percent to 62.4 percent. These three countries are where the majority of equity investment by New Zealand fund managers is placed.

The value of foreign investment in New Zealand was \$299.6 billion at 31 March 2009, up \$25.7 billion from 31 March 2008. At 31 March 2009, New Zealand's three main sources of foreign investment accounted for \$203.2 billion (67.8 percent) of total international liabilities. This compares with \$178.3 billion (65.1 percent) at 31 March 2008. Investment sourced from the UK and the USA was up \$9.3 billion and \$5.6 billion respectively. This is mostly the result of an increase in the value of financial derivatives, as opposed to increased direct, portfolio, or other investment.

Foreign direct investment in New Zealand by Australia, the UK, and the USA was \$60.8 billion at 31 March 2009, compared with \$62.3 billion a year earlier. The proportion of total direct investment that this represents decreased from 70.0 percent to 65.5 percent between these two points in time. An increase in direct investment from Japan has contributed to the decreasing proportion sourced from New Zealand's three main investment source countries.

The 'other' investment category comprises mostly loans and deposits. Australian other investment in New Zealand has increased by \$21.1 billion since 31 March 2004, and at 31 March 2009 was \$31.1 billion (35.1 percent of total other investment). Other investment from Australia was 21.1 percent of total other investment in New Zealand at 31 March 2004. The increase over this period mainly represents loans by Australian banks to their New Zealand subsidiaries.

For the year ended March 2009, the financial account measured \$16.1 billion of transactions that were withdrawing New Zealand's investment from abroad. This was mostly due to the RBNZ reducing its holdings of reserve assets over the year. New Zealand investors also withdrew \$1.4 billion of portfolio investment from overseas, mainly from Japan and the USA. However, New Zealand increased its portfolio investment in Australia during the year ended March 2009.

Transactions by foreign investors withdrew \$8.9 billion of their investment in New Zealand in the March 2009 year. There was a \$14.7 billion withdrawal of portfolio investment out of New Zealand during the March 2009 year. This was mostly due to banks decreasing their portfolio liabilities in Europe, as well as a \$5.3 billion fall in portfolio investment from the USA. This was partly offset by a rise in investment from Australia (mostly loans).

Also partly offsetting the fall in portfolio investment was a \$6.1 billion inflow of foreign direct investment in New Zealand, mainly from Japan and the USA. Meanwhile, flows of foreign direct investment in New Zealand by Australia were significantly lower in the March 2009 year than in each of the previous five years. This represents a drop-off in merger and acquisition activity.

Investment by industry

Table 11 presents the stock of New Zealand's total international assets and liabilities by industry, at 31 March 2009. The data is presented on a balance sheet basis, as opposed to an international investment position basis. The industry classification used is the ANZSIC 2006 edition.

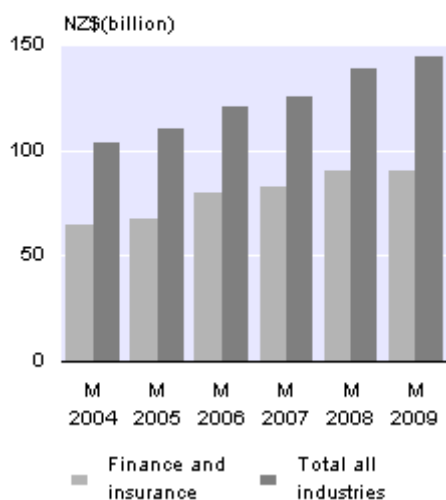
At 31 March 2009, New Zealand's total international assets were valued at \$143.6 billion, a 3.5 percent increase from 31 March 2008. Most industries increased their holdings of international assets from 31 March 2008, with the finance and insurance industry an exception to this.

The finance and insurance industry's holdings of New Zealand's international assets fell for the first time since the series began at 31 March 2001. This industry held 62.5 percent of New Zealand's international assets at 31 March 2009, compared with 65.1 percent at 31 March 2008. The main features of the fall were the RBNZ decreasing its holdings of reserve assets, and a fall in investment abroad by New Zealand fund managers.

The manufacturing industry's overseas assets were valued at \$17.5 billion at 31 March 2009. This is a \$0.5 billion increase from the year ended March 2008, and manufacturing now holds 12.2 percent of New Zealand's total assets abroad (12.3 percent at 31 March 2008). The public administration industry held \$9.4 billion of overseas assets at 31 March 2009, down from \$10.7 billion at 31 March 2008.

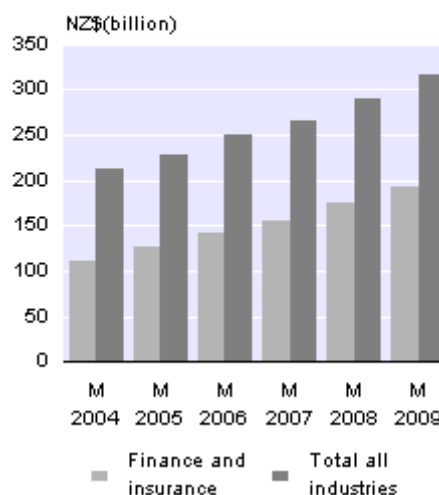
Stock of International Assets by Industry

Year ended March



Stock of International Liabilities by Industry

Year ended March



New Zealand's international liabilities at 31 March 2009 were valued at \$317.1 billion, a 9.2 percent increase from the year ended March 2008. An increase in foreign investment in the finance and insurance industry was the main driver. This is mainly due to an increase in the value of financial derivative contracts entered into by foreign investors.

The electricity, gas, water, and waste services industry increased its holdings of international liabilities by \$2.7 billion between 31 March 2008 and 31 March 2009, to \$7.8 billion. Compared with 31 March 2004, this industry has increased its holdings of international liabilities by \$5.4 billion. This is mainly due to an increase in foreign direct investment within this industry.

At 31 March 2009 the finance and insurance industry held 60.7 percent of New Zealand's international liabilities (60.0 percent at 31 March 2008). The second-largest holder of New Zealand's international liabilities is the manufacturing sector. Foreign investment in this industry made up 8.6 percent of New Zealand's liabilities at 31 March 2009, compared with 8.9 percent at 31 March 2008.

The public administration industry held \$19.2 billion of New Zealand's overseas liabilities at 31 March 2009. This is an increase of \$1.7 billion from the same time a year ago, although as a proportion of New Zealand's total overseas liabilities those held by this industry remain the same (6.0 percent).

Comparing 31 March 2004 and 31 March 2009, the finance and insurance industry has accounted for 62.5 percent of the rise in New Zealand's international assets, and 76.9 percent of the rise in New Zealand's international liabilities. The industry's international assets increased by \$25.4 billion (39.4 percent) over this time, while its international liabilities increased by \$81.2 billion (73.0 percent).

The fall in the finance and insurance industry's international assets at 31 March 2009, compared with 31 March 2008, is mainly due to lower levels of reserve assets held by the RBNZ and lower levels of investments held abroad by fund managers. The growth in the industry's liabilities mostly represents banks borrowing from abroad in their role as financial intermediaries.

Hedging

At 31 March 2009, 91.9 percent of New Zealand's total foreign currency denominated external debt was hedged, compared with 92.2 percent at 31 March 2008 and 92.8 percent at 31 March 2007.

New Zealand's total foreign currency denominated external debt rose to \$117.5 billion at 31 March 2009, from \$109.9 billion at 31 March 2008. Of this debt at 31 March 2009, \$108.0 billion (91.9 percent) was hedged, and \$9.5 billion (8.1 percent) was not hedged.

Of the \$108.0 billion hedged debt, 91.5 percent (\$98.8 billion) was hedged by financial derivative contracts and 8.5 percent (\$9.2 billion) was naturally hedged against foreign currency balance sheet assets and expected foreign currency receipts.

Of New Zealand's \$117.5 billion foreign currency external debt at 31 March 2009, US dollar denominated external debt was \$71.4 billion (60.8 percent) and Australian dollar denominated external debt was \$22.0 billion (18.8 percent). At 31 March 2008, the US dollar denominated external debt was \$59.1 billion and the Australian dollar denominated external debt was \$16.3 billion.

For New Zealand's four major borrowing currencies (USD, AUD, euro, and JPY), hedging of the March 2009 year debt levels ranged from 86.4 percent (AUD) to 98.4 percent (euro).

Of the \$71.4 billion in US dollar denominated external debt at 31 March 2009, \$65.9 billion (92.3 percent) was hedged. Of the hedged debt, 92.4 percent was hedged using financial derivatives and 7.6 percent was naturally hedged against foreign currency balance sheet assets or expected foreign currency receipts.

Of the \$22.0 billion Australian dollar denominated external debt, \$19.0 billion (86.4 percent) was hedged. Of the hedged debt, 84.3 percent was hedged using financial derivatives and 15.7 percent was hedged by use of natural hedges against foreign currency balance sheet assets or expected foreign currency receipts.

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Next release ...

Balance of Payments and International Investment Position: September 2009 quarter will be released on 22 December 2009

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 (IMF)'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](#) 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](mailto: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 the current 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. This is goods exports (credits) less goods imports (debits).
- Balance on services. This is services exports (credits) less services imports (debits).
- Balance on income. This is income receipts (credits) less income payments (debits).
- Balance on current transfers. This is current transfer inflows (credits) less current transfer outflows (debits).
- Balance on goods and services. This is goods and services exports (credits) less goods and services imports (debits).
- Balance on income and current transfers. This is income and current transfer inflows (credits) less income and current transfer outflows (debits).
- Balance on current account. This is the sum of the balance on goods and services and the balance on income and current transfers.

Capital account

The capital account comprises 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 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, 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.
- Equity shareholding in overseas companies directly held by New Zealand individuals was estimated at \$2.6 billion at 31 December 2008. Neither financial account transactions nor current account income are estimated for this item.

It is also possible that 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, reported 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 (ie 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.

Balance of payments quality plan

Work is continuing on issues identified in the 2004 BoP Quality Plan document. The plan was developed in response to potential weaknesses in BoP data sources, methods, and processes. A number of BoP data quality improvement projects were undertaken and late in 2008 the outcomes from these projects were incorporated into the quarterly BoP and IIP statistics.

The current BoP data quality projects underway include:

- coverage and collection of BoP data as a result of offshoring activities of New Zealand companies
- update to the methodology for the individual holdings of assets abroad.

Offshoring activity

Statistics NZ has started a project to investigate the coverage and collection of BoP data on the offshoring activities of New Zealand companies. This is a three-stage project. The initial stage is almost complete. It involves producing an information paper on the knowledge gained on the offshoring activity to date. The second stage involves investigating data coverage and collection issues and making recommendations for improvements. The final stage will involve implementing the recommendations identified in stage two.

Individual holdings of assets abroad

The tasks completed to date included:

- discussing the project outcomes with other government and non-government organisations that have an interest in this project
- identifying the various paths chosen by individuals in New Zealand to invest abroad and the mechanisms currently in place to collect data on these investments
- identifying a number of options for collecting data where no current collection mechanisms exist.

This project is progressing more slowly than expected, as staff have been concentrating on the production of quarterly statistics. Issues identified in this project link with work that Statistics NZ and the RBNZ are doing to improve the coverage and quality of foreign issues and holdings of securities data.

International investment position

The 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 occurred during the period. Examples of the latter are revaluations, changes in market prices, and other changes such as write-offs.

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

The balance sheet presentation 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 by industry (table 11).

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.

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

Kauri bonds are debt securities issued in New Zealand, in New Zealand dollars, by non-resident issuers. In accordance with 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 treatment in respect to Kangaroo bonds (that is, 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 investment 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 from the March 2008 year.

Reserve Bank of New Zealand securities subject to repurchase agreements

Non-resident issued debt securities, denominated in foreign currencies and held by the Reserve Bank of New Zealand (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.

Annual Managed Funds Survey

The Annual Managed Funds Survey (AMFS) is conducted jointly by the RBNZ and Statistics NZ and has collected data 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 of:

Results from the Annual Managed Funds Survey	
At 31 December	Assets held abroad NZ\$(million)
2008	4,126
2007	4,497 R
2006	5,159 R
2005	4,190 R
2004	3,472 R
2003	3,185 R
2002	4,235 R
2001	3,404 R

Symbol:

R revised

The AMFS does not capture any financial account transaction flow or current account investment income data. This data 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 QMFS. After each AMFS cycle, a review of the QMFS sample population is undertaken and where appropriate, larger AMFS respondents are added to the quarterly sample.

The AMFS data series from 2001–07 presented in the above table are revisions to those previously published. The revision has come about as a result of work undertaken by Statistics NZ and the RBNZ on the coverage of transactors and transactions between the AMFS and the QMFS. In addition, the coverage of AMFS data also extended to checking against data reported by some companies in Statistics NZ's Quarterly International Investment Survey.

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 Salendra Kumar 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			
	Latest estimate	Previously published	Amount held in Australia
At 31 December	\$(billion)		
2008	2.6	..	2.2
2007	10.1	10.6	8.4
2006	7.0	7.8	5.6
2005	5.9	6.4	4.6
2004	5.4	5.2	4.3

Symbol:

.. data unavailable

Country breakdowns

The disaggregations by country made available with this release are for the BoP financial account and IIP components (direct, portfolio, and other) with a country disaggregation of total investment. Financial derivatives and reserve assets are not disaggregated by component by country in this release. The data for these two components is, however, included in the tables of total investment by country: financial derivatives (table 6) and reserve assets (tables 6 and 10). For example, the sum of each component in tables 3 (direct investment), 4 (portfolio investment), and 5 (other investment) do not add to total investment in table 6, the difference being the value of reserves and financial derivatives included in table 6.

The country allocation represents the country in which the immediate non-resident counter-party is resident. This provides the first-level source or destination in all cases, but will not necessarily describe the ultimate source or destination of the transaction or investment.

This attribution of country of the non-resident counter-party in the BoP and IIP statistics is consistent with IMF BPM5 standards. For example, if an investor from the United States acquires the majority ownership in a New Zealand company via a regional head office in Australia, then this direct investment would be classified to Australia. Similarly for New Zealand investment overseas, the country classification is the country in which the immediate non-resident investee is located. There are cases where New Zealand companies own subsidiaries overseas, which in turn raise funds in international capital markets and lend to the New Zealand parent companies. The liabilities of the New Zealand direct investor is classified to the country in which the overseas subsidiary is located.

For portfolio assets that are under the management of New Zealand fund managers, a common practice is for the New Zealand fund managers to place these funds under the management of overseas fund managers, who then invest in a worldwide portfolio. These assets are classified to the country of the first-level destination, that is, the country in which the first-level overseas fund manager is resident.

The primary source of financial account and IIP data is the Quarterly International Investment Survey, a sample survey. Each March year-end, the AIIS is directed at a selection of the enterprises that are not in the regular quarterly sample (refer to 'Undercoverage estimate for the international investment position' below). These results are used to update the non-sampled estimate that has been in use since the previous census. Because the AIIS results are not allocated to countries, in tables 3 to 6 of this release the data is reflected at the aggregate levels only; and in table 11 the results form part of the item 'unallocated to industry'.

Economic regions

The countries that are allocated to the European Union (EU), Organisation for Economic Co-operation and Development (OECD), Association of South-East Asian Nations (ASEAN), and the Asia Pacific Economic Co-operation (APEC) economic regions are presented below.

EU* United Kingdom, Ireland, Austria, Belgium, France, Germany, Luxembourg, Netherlands, Denmark, Finland, Sweden, Italy, Portugal, Spain, Greece.

OECD Australia, New Zealand, United Kingdom, Ireland, Austria, Belgium, France, Germany, Luxembourg, Netherlands, Switzerland, Denmark, Finland, Iceland, Norway, Sweden, Italy, Portugal, Spain, Greece, Czech Republic, Hungary, Poland, Slovakia, Turkey, Japan, Republic of Korea, Canada, United States of America, Mexico.

ASEAN Myanmar, Cambodia, Laos, Thailand, Viet Nam, Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore.

APEC Australia, New Zealand, Papua New Guinea, Russia, Thailand, Viet Nam, Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, People's Republic of China, Hong Kong (Special Administrative Region), Japan, Republic of Korea, Republic of Taiwan, Canada, United States of America, Chile, Peru, Mexico.

*Ten countries that joined the EU on 1 May 2004 [Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia] are included in statistics published at March 2005. Two additional countries [Bulgaria and Romania] joined the EU on 1 January 2007 and these are included in the March 2007 statistics.

Industry classifications

The ABS and Statistics NZ jointly developed the Australian and New Zealand Standard Industrial Classification (ANZSIC) for use in the compilation and analysis of industry statistics in Australia and New Zealand, to enhance the comparability of industry statistics between the two countries and the rest of the world.

The industry assigned to New Zealand's overseas assets is the industry classification of the New Zealand firm making the investment abroad. The data does not necessarily represent the overseas industry in which the New Zealand investment is held. Foreign investment into New Zealand is recorded as being held in the industry in which the New Zealand-resident recipient firms are classified.

ANZSIC 2006 edition

Table 11 in this publication has been compiled on the ANZSIC 2006 basis.

The 2006 edition of ANZSIC replaces the 1993 edition. It has been developed to reflect changes in the structure and composition of the economy, changing user requirements, and to further enhance comparability with international industry statistics.

The implementation of ANZSIC 2006 has resulted in the following changes:

- the addition of two new categories: professional, scientific and technical services; and administrative and support services.
- the movement of some assets and liabilities between the redefined classifications.

More detailed information on the ANZSIC 2006 and 1993 editions can be found [here](#).

An alternative version of table 11 in this publication has been compiled using the ANZSIC 1993 edition. This version of the table is available upon request.

Reclassification of group top enterprises

In the data collection process the survey target is usually the top New Zealand enterprise of the group of enterprises linked by common ownership. Typically the New Zealand group top enterprise will have an ANZSIC of K6240 (financial asset investing). This classification usually does not reflect the main activity of the group as a whole.

To improve analysis, group top enterprises may be reclassified to better reflect the industry in which they operate. These are assigned using the following process:

- all New Zealand-resident activity units of the New Zealand group have their ANZSIC codes truncated to four characters
- the activity units are grouped by ANZSIC classification
- the New Zealand group top enterprise is assigned the ANZSIC of the grouping with the highest employee count (EC)
- there are cases where the EC does not reflect the principal industry of the enterprise. In such cases financial information is used to determine a more appropriate ANZSIC.

Hedging

The hedging survey collects information measuring the extent of hedging of New Zealand's overseas debt liabilities denominated in foreign currencies. The results are intended to supplement the IIP statistics by providing indicative information on risk management practice of New Zealand enterprises, in respect of their overseas financial

liabilities denominated in foreign currencies. The hedging (risk management) measured in the survey is by way of financial derivative contract, balance sheet assets or expected foreign currency revenues.

At 31 March each year, a selection of New Zealand enterprises is surveyed to obtain information covering the extent to which their overseas liabilities denominated in foreign currencies are hedged, and by what means. The first such statistics were collected for 31 March 1998. Users need to be aware that the methodology used since the 2003 survey differs from that used in the 2002 and previous surveys, and the data series are not directly comparable.

Up to and including the 2002 survey, the survey encompassed New Zealand-resident enterprises that collectively accounted for about 80 percent of New Zealand's overseas debt liabilities denominated in foreign currencies. In 2003, a new stratified sampling methodology was designed and implemented to account for all foreign currency external liabilities. The objective was to include an estimate of the extent of hedging by the small enterprises previously excluded. The new sampling methodology selects enterprises on the basis of full coverage for the major banks and non-bank enterprises (including official sector) and a stratified sample of the remaining enterprises known to have overseas financial liabilities denominated in foreign currencies. The sample continues to be drawn from the population for the QIIS.

In table 14:

- From March 2004 onwards, the total foreign currency denominated overseas debt represents New Zealand overseas debt denominated in foreign currencies, excluding financial derivatives in a net liability position. For comparability purposes, the 2001 and 2002 figures for total foreign currency denominated overseas debt were revised to exclude financial derivatives in a net liability position.
- The data series reflect the statistics as they were first published and do not incorporate any subsequent revisions.
- The figure for 'encompassed by the supplement' is the total foreign currency debt of the enterprises included in the hedging sample survey. In the 2009 survey, a 98 percent response rate was achieved.

Undercoverage estimate for the international investment position

The data sources for BoP financial account and IIP statistics are a set of surveys. The main survey is the QIIS. Other sources include: the Treasury and RBNZ, surveyed directly each quarter; a quarterly survey of New Zealand-resident nominees; and the 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, available on 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 AIIS. The AIIS survey 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. AIIS is intended to be a census every three years and sample surveys in the interim years. The results of the AIIS are used to:

- Provide IIP (table 2) 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 make up New Zealand's measured international investment positions.
- Update the sample used in the regular quarterly sample survey (QIIS). To reduce the compliance load faced by the smaller businesses that typically make up the AIIS population, the AIIS questionnaire is an abbreviated form of the QIIS questionnaire.

Note that in respect of NSE investment positions, the associated current account investment income flows, and financial account transactions, are neither collected nor estimated.

More information

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

[Quarterly Balance of Payments](#)

[International Trade in Services Survey](#)

[International Transportation](#)

[International Visitors Survey](#)

[International Insurance](#)

[New Zealand Travellers Expenditure Model](#)

[Quarterly International Investment](#)

[Government Services](#)

[Government Transfers](#)

[Migrants Transfers](#)

[Transfers](#)

[Quarterly Nominees](#)

[Managed Funds](#)

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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, year ended 31 March
2. International investment position, at 31 March
3. Stock of direct investment by country, at 31 March
4. Stock of portfolio investment by country, at 31 March
5. Stock of other investment by country, at 31 March
6. Stock of total investment by country, at 31 March
7. Flow of direct investment by country, year ended 31 March
8. Flow of portfolio investment by country, year ended 31 March
9. Flow of other investment by country, year ended 31 March
10. Flow of total investment by country, year ended 31 March
11. International assets and liabilities by industry, at 31 March
12. Exports of services, year ended 31 March
13. Imports of services, year ended 31 March
14. Hedging: scope of the supplement, at 31 March
15. Hedging of New Zealand's foreign currency denominated external debt, at 31 March
16. Hedging by currency of denomination, at 31 March.