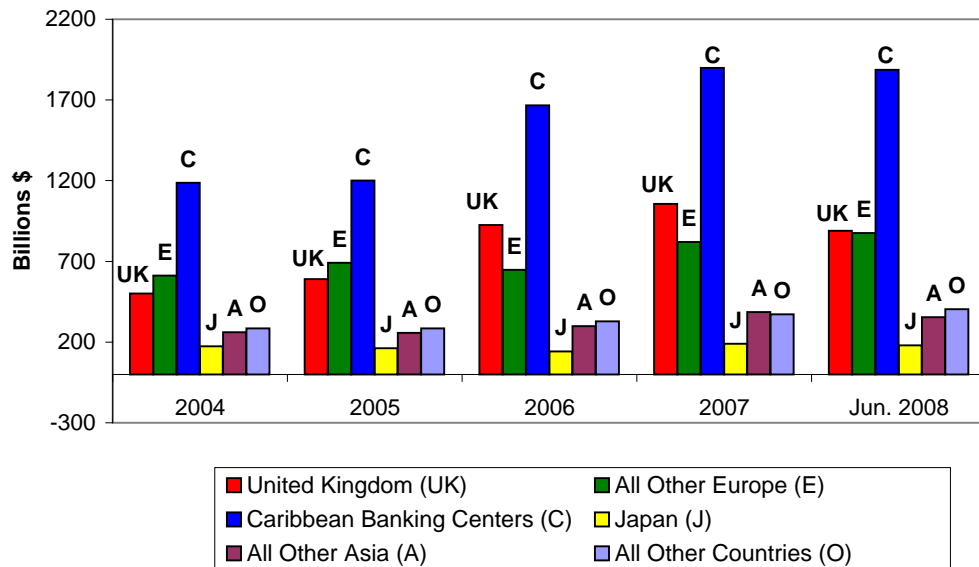


Chart CM-A -- U.S. Liabilities to Foreigners Reported by U.S. Banks, Brokers and Dealers with Respect to Selected Countries



(In millions of dollars. Source: Treasury International Capital Reporting System)

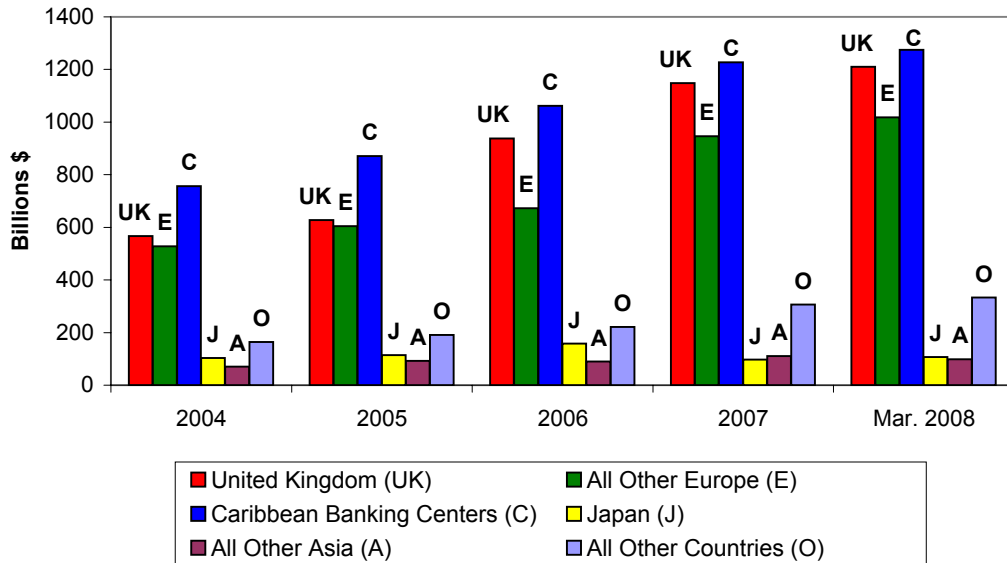
Country	2004	2005	2006	2007	Jun. 2008
United Kingdom.....	501,721	590,505	926,069	1,055,219	889,233
All other Europe.....	611,774	691,138	648,551	820,638	875,838
Caribbean banking ctrs ¹	1,186,221	1,200,444	1,666,987	1,897,916	1,886,879
Japan.....	173,872	161,951	141,655	190,097	180,086
All other Asia.....	260,142	256,934	299,495	385,504	353,996
Subtotal.....	2,733,730	2,900,972	3,682,757	4,349,374	4,186,032
All other countries.....	284,143	285,773	327,602	372,417	404,514
Grand total.....	3,017,873	3,186,745	4,010,359	4,721,791	4,590,546

¹ Includes Bahamas, Bermuda, Cayman Islands, Netherlands Antilles, and Panama. For data beginning June 2006, also includes the British Virgin Islands.

U.S. liabilities to foreigners reported by U.S. banks were recorded at \$4.6 trillion in June 2008, a decrease of \$131 billion from yearend 2007. U.S. banking liabilities include foreign holdings of U.S. short-term securities but exclude foreign holdings of U.S. long-term securities. U.S. banking liabilities increased about \$711 billion in 2007, about \$824 billion in 2006, and about \$169 billion in 2005. However, much of the increase in liabilities to foreigners in 2006 reflects changes in coverage in the bank reported data in the first and second quarters of 2006. Between June and December of 2006, when data are reported on a consistent basis, banking liabilities increased about \$250 billion.

U.S. banking liabilities are concentrated in international financial centers. The data on this page show that more than 60 percent of U.S. banking liabilities is currently recorded against the United Kingdom and banking centers in the Caribbean. These financial centers have recorded most of the growth in banking liabilities in recent years. Foreigners domiciled in the rest of Europe and in Asia account for about one-third of U.S. banking liabilities.

Chart CM-B -- U.S. Claims on Foreigners Reported by U.S. Banks, Brokers and Dealers with Respect to Selected Countries



(In millions of dollars. Source: Treasury International Capital Reporting System)

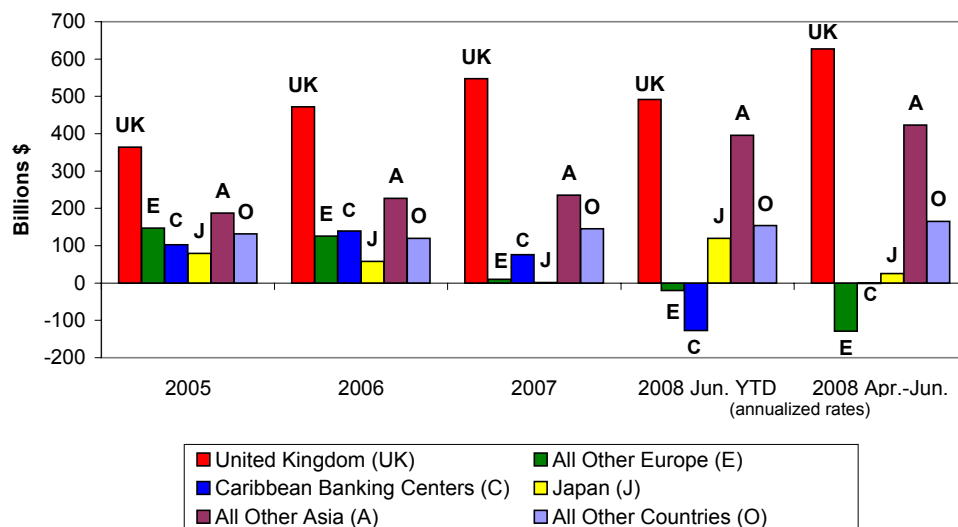
Country	2004	2005	2006	2007	Mar. 2008
United Kingdom.....	567,001	627,105	938,123	1,148,546	1,209,932
All other Europe.....	527,615	604,908	672,126	946,730	1,018,254
Caribbean banking ctrs ¹	755,954	870,441	1,061,389	1,227,092	1,274,991
Japan.....	102,859	114,713	157,671	97,453	107,064
All other Asia.....	70,601	92,387	89,770	111,088	98,996
Subtotal.....	2,024,030	2,309,554	2,919,079	3,530,909	3,709,237
All other countries.....	164,411	190,845	221,485	306,624	332,894
Grand total.....	2,188,441	2,500,399	3,140,564	3,837,533	4,042,131

¹ Includes Bahamas, Bermuda, Cayman Islands, Netherlands Antilles, and Panama. For data beginning June 2006, also includes the British Virgin Islands.

In March 2008, U.S. claims on foreigners reported by U.S. banks amounted to about \$4.0 trillion, an increase of \$205 billion from the level recorded at yearend 2007. U.S. banking claims include holdings of foreign short-term securities but exclude holdings of foreign long-term securities. U.S. banking claims increased \$697 billion in 2007 and \$640 billion in 2006, but part of the latter increase reflects changes in coverage in the bank-reported data in the first and second quarters of 2006. Between June and December of 2006, when data are reported on a consistent basis, banking claims increased about \$209 billion. Banking claims increased \$312 billion in 2005.

As with U.S. banking liabilities, U.S. banking claims on foreigners are concentrated in international financial centers. About 60 percent of these claims are reported opposite the United Kingdom and banking centers in the Caribbean. The share of claims against foreigners domiciled in Asia has declined over the past several years from about 20 percent at the end of 1996 to around 5 percent currently.

Chart CM-C -- Net Purchases of Long-Term Domestic Securities by Foreigners, Selected Countries



(In millions of dollars. Source: Treasury International Capital Reporting System)

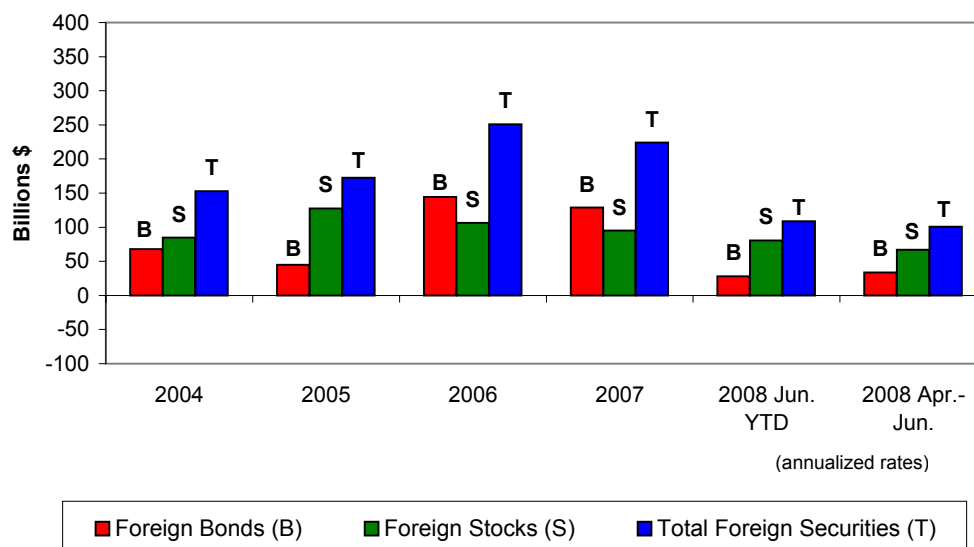
Country	2005	2006	2007	2008 Jun. YTD	2008 Apr.-Jun.
United Kingdom.....	363,593	472,380	547,527	245,893	156,797
All other Europe.....	146,910	126,118	9,724	-9,926	-32,293
Caribbean banking ctrs\1	102,259	139,732	75,772	-63,771	-236
Japan.....	79,814	58,050	1,269	59,884	6,456
All other Asia.....	187,284	226,863	235,784	197,721	105,866
Subtotal.....	879,860	1,023,143	870,076	429,801	236,590
All other countries.....	131,680	120,078	145,827	77,164	41,380
Grand total.....	1,011,540	1,143,221	1,015,903	506,965	277,970

\1 Includes Bahamas, Bermuda, Cayman Islands, Netherlands Antilles, and Panama. For data beginning June 2006, also includes the British Virgin Islands.

The data on this page represent foreign investors' purchases and sales of long-term U.S. securities (that is, U.S. Treasury and Government agency bonds and notes, and U.S. corporate bonds and stocks) as reported to the Treasury International Capital (TIC) reporting system. Foreign investors also acquired U.S. equities through mergers and reincorporations that involve stock swaps. Net foreign acquisitions of U.S. equities through stock swaps have been modest, amounting to \$36 billion in 2004, \$6 billion in 2005, \$4 billion in 2006, \$11 billion in 2007, and \$9 billion in the first half of 2008. (Stock swaps data for the most recent quarter are Federal Reserve Board/Treasury estimates and are subject to substantial revisions.) These stock swaps are not reported under the TIC reporting system, but are available on the TIC Web site. The TIC Website also provides estimates from the Federal Reserve Bank of New York on principal repayment flows on foreign holdings of U.S. government agency and corporate asset-backed securities (ABS). These repayments, also not reported under the TIC system, are estimated to have reduced foreign net purchases of U.S. securities by \$86 billion in 2004, \$144 billion in 2005, \$160 billion in 2006, \$235 billion in 2007, and \$116 billion in the first half of 2008.

Net foreign purchases of U.S. securities first surpassed \$100 billion in 1993. In 2004, net foreign acquisitions of U.S. securities (including stock swaps and accounting for ABS repayment flows) totaled \$866 billion in 2004 and grew a bit further to \$873 billion in 2005. Net purchases reached a new record of \$987 billion in 2006, but then slowed to \$792 billion in 2007. Net acquisitions were \$400 billion in the first half of 2008, about the same pace as in 2007.

Chart CM-D -- Net Purchases of Long-Term Foreign Securities by U.S. Investors*



(In millions of dollars. Source: Treasury International Capital Reporting System)

Type	2004	2005	2006	2007	2008 Jun. YTD	2008 Apr.-Jun.
Foreign Bonds.....	67,872	45,095	144,452	129,015	14,121	8,372
Foreign Stocks.....	84,970	127,296	106,455	95,298	40,321	16,790
Total.....	152,842	172,391	250,907	224,313	54,442	25,162

* Net purchases by U.S. investors equal net sales by foreigners, or gross sales minus gross purchases of securities.

The data on this page represent U.S. investors' purchases and sales of long-term foreign securities as reported to the Treasury International Capital (TIC) reporting system. However, in the past several years, U.S. investors also have acquired a substantial amount of foreign stocks, mostly European, through mergers that involve stock swaps. In addition, when foreign firms reincorporate in the United States, the associated stock swap reduces U.S. holdings of foreign equity. Net acquisitions through stock swaps amounted to \$80 billion in 2000, \$47 billion in 2001, \$3 billion in 2002, \$17 billion in 2003, -\$12 billion in 2004, \$4 billion in 2005, \$19 billion in 2006, \$11 billion in 2007, and \$1 billion in the first quarter of 2008. There were no estimated acquisitions through stock swaps in the second quarter of 2008. (Stock swaps data for the most recent quarter are Federal Reserve Board/Treasury estimates and are subject to substantial revisions.) These stock swaps are not reported under the TIC reporting system, but are available on the TIC Web site.

Including the stock swaps, annual U.S. net purchases of long-term foreign securities averaged about \$100 billion from the mid-1990s through 2000, without much variation from year to year. U.S. investors' acquisitions of foreign securities (including stock swaps) then slowed over the 2001-2003 period before rebounding to \$141 billion in 2004 and \$176 billion in 2005. The pace of U.S. acquisitions picked up further in 2006, as U.S. investors acquired \$270 billion in foreign securities, but eased a bit in 2007, as U.S. investors acquired \$234 billion in foreign securities. The pace of acquisition has slowed further so far in 2008, with U.S. investors acquiring only \$30 billion in foreign securities in the first quarter and \$25 billion in the second quarter.