



## DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

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### **PRELIMINARY ANNUAL REPORT ON U.S. HOLDINGS OF FOREIGN SECURITIES**

Preliminary data from an annual survey of U.S. portfolio holdings of foreign securities at year-end 2004 are released today and posted on the U.S. Treasury web site at (<http://www.treas.gov/tic/fpis.html>). Final survey results, which will include additional detail as well as revisions to the data, will be reported by December 30, 2005.

The survey was undertaken jointly by the U.S. Treasury, the Federal Reserve Bank of New York, and the Board of Governors of the Federal Reserve System.

A complementary survey measuring foreign holdings of U.S. securities also is conducted annually. Data from the most recent such survey, which reports on securities held on June 30, 2005, are currently being processed. Preliminary results are expected to be reported by April 28, 2006.

#### Overall Preliminary Results

The survey measured U.S. holdings at year-end 2004 of approximately \$3.8 trillion, with \$2.6 trillion held in foreign equities, \$1.0 trillion in foreign long-term debt securities (original term-to-maturity in excess of one year), and \$233 billion held in foreign short-term debt securities. The previous such survey, conducted as of year-end 2003, measured U.S. holdings of approximately \$3.2 trillion, with \$2.1 trillion held in foreign equities, \$874 billion in foreign long-term debt securities, and \$199 billion held in foreign short-term debt securities.

**Table 1. U.S. holdings of foreign securities, by type of security, as of survey dates<sup>1</sup>**  
(Billions of dollars, except as noted)

<u>Type of Security</u>	<u>Dec. 31, 2003</u>	<u>Dec. 31, 2004</u>
Long-term Securities	2,954	3,553
Equity	2,079	2,560
long-term debt	874	993
Short-term debt securities	199	233
Total	3,152	3,787

U.S. Portfolio Investment by Country

**Table 2. U.S. holdings of foreign securities, by country and type of security, for the countries attracting the most U.S. investment, as of December 31, 2004**  
(Billions of dollars)

	<u>Total</u>	<u>Equities</u>	<u>Debt securities:</u>	
			<u>Long-term</u>	<u>Short-term</u>
1 United Kingdom	738	456	171	110
2 Japan	384	330	36	17
3 Canada	345	180	152	12
4 France	217	165	42	10
5 Netherlands	202	136	55	11
6 Germany	201	124	68	10
7 Cayman Islands	196	70	114	12
8 Bermuda	164	154	10	1
9 Switzerland	142	138	2	2
10 Australia	103	57	40	6
11 Italy	78	57	17	3
12 Korea, Republic of (South)	74	67	7	*
13 Spain	69	63	5	1
14 Mexico	66	38	29	*
15 Brazil	63	43	20	*
16 Sweden	62	38	15	10
17 Ireland	55	32	14	9
18 Finland	39	34	4	1
19 Luxembourg	38	8	27	4
20 Hong Kong	37	35	2	*
21 Taiwan	35	35	*	*
22 Israel	34	19	15	*
23 Norway	30	18	10	2
24 Netherlands Antilles	30	29	2	*
25 Singapore	29	24	5	*
Rest of world	354	211	131	13
Total value of investment	3,787	2,560	993	233

<sup>1</sup> The stock of foreign securities for December 31, 2004 reported in this survey may not, for a number of reasons, correspond to the stock of foreign securities on December 31, 2003, plus cumulative flows reported in Treasury's transactions reporting system. The final report on U.S. holdings of foreign securities as of end-year 2004 will contain an analysis of the relation between the stock and flow data.

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