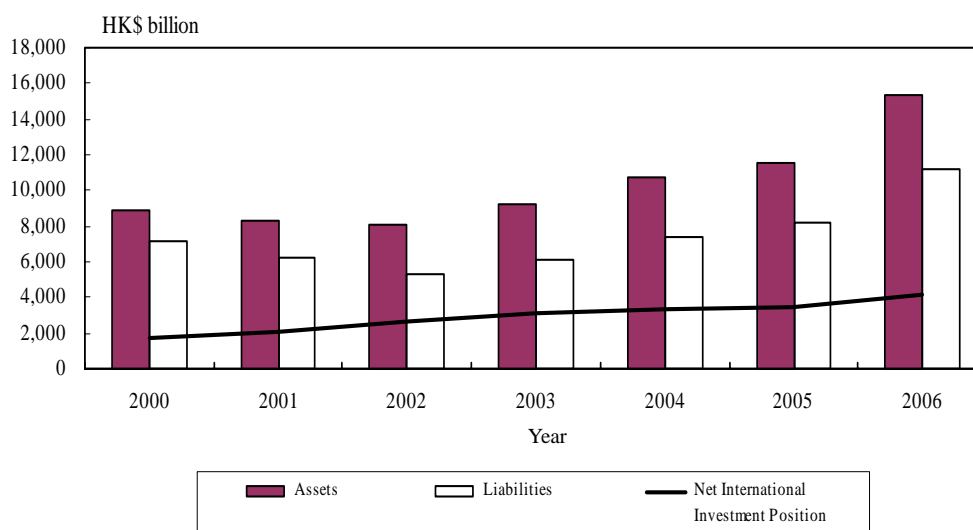


Hong Kong's Net International Investment Position Ranked Third among Major Economies

- Hong Kong's status as a major financial centre is reflected in its international investment position (IIP), which is a balance sheet showing an economy's stock of external financial assets and liabilities at a particular point of time.
- Hong Kong has significantly reinforced its leading net creditor position among the major economies over the past few years, with the ratios of net IIP to its Gross Domestic Product (GDP) exceeding 200% since end-2002. Among the 64 economies subscribing to the International Monetary Fund's Special Data Dissemination Standard, Hong Kong was the third largest net external creditor at end-2006, following Japan and Germany.
- Hong Kong's net IIP rose substantially from HK\$1,729.5 billion at end-2000 to HK\$4,150.8 billion at end-2006, mainly attributable to the sharp increase in the net asset position of portfolio investment.
- Being a highly externally oriented economy, Hong Kong is very actively engaged in activities involving cross-territory investment. Analysis of Hong Kong's IIP is therefore particularly useful for the better understanding of the soundness of its economic health.

International Investment Position



For further information on this series of articles, please write to the General Statistics Branch(2) of the Census and Statistics Department at 21/F, Wanchai Tower, 12 Harbour Road, Wan Chai, Hong Kong, call 2582 4004, or e-mail to g2b_1@censtatd.gov.hk.