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**Implementation of
IMF Balance of Payments Manual, 5th Edition
in Singapore's Balance of Payments**

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IMPLEMENTATION OF IMF BALANCE OF PAYMENTS MANUAL, 5TH EDITION IN SINGAPORE'S BALANCE OF PAYMENTS

INTRODUCTION

1 The Balance of Payments (BOP) is a statistical statement that records the economic transactions of an economy with the rest of the world. The Balance of Payments Manual (BPM) is issued by the International Monetary Fund (IMF) as the international standard for the compilation of the BOP.

2 The 5th edition of the BPM (BPM5) was released in September 1993. Since the publication of the 4th edition in 1977, the nature and volume of international transactions have undergone significant developments. These developments necessitate changes to the treatment and classification of transactions within the BOP. BPM5 provides the framework for implementing these changes. It also harmonises the BOP with other macroeconomic statistics system, including the United Nations' System of National Accounts, 1993 (SNA93), and the IMF's Manual on Monetary and Financial Statistics.

3 Singapore's BOP is compiled by the Department of Statistics (DOS) in accordance with the framework set out in the BPM. We welcome BPM5 as the new international standard for BOP compilation. The new standard will significantly enhance the quality of BOP statistics as well as their analytical usefulness.

4 DOS adopts a two-stage approach to the implementation of BPM5. Stage 1 involves the reclassification of existing data into their respective BPM5 standard components. Stage 2 involves the identification and development of new data sources, the refinements of current methodologies as well as the development of new methodologies. Stage 1 is completed, and following the release of this paper Singapore's BOP will be published in a new format. Stage 2 is an on-going process which is expected to be completed by the end of 1998.

5 This paper reviews the major features of BPM5 and presents Singapore's BOP in the new format. The paper also discusses Stage 2 of the implementation of BPM5 in Singapore's BOP.

MAJOR FEATURES OF BPM5

6 BPM5 introduces substantial changes to the classification and treatment of transactions within the BOP. These changes will significantly improve the quality as well as the analytical usefulness of BOP statistics.

Classification

7 The new BOP classification is able to better meet the data requirements of today's more sophisticated users. Firstly, the number of components has been increased, both at the broadest level (Table 1), as well as at the more detailed level. The more detailed breakdown enables more in-depth analysis. Secondly, the new classification also focuses on transactions that generate greater economic interest or have grown in importance in recent years. For example, the separate income account facilitates the assessment of cross-border movements in factors of production, and the separate breakdown for financial derivatives reflects its importance in today's financial market.

TABLE 1: COMPARISON OF BPM4 AND BPM5 MAJOR ACCOUNTS

| BPM4 | BPM5 | |
|---------------------------|------------------------|------------|
| Goods | Goods | |
| Services | Services | |
| | Income | |
| Unrequited Transfers | Current Transfers | |
| | Capital | |
| Capital (Financial Items) | Financial | |
| | International Position | Investment |

Treatment

8 BPM5 also introduces major improvements to the conceptual framework of BOP statistics. Firstly, in treating transactions within the BOP, BPM5 emphasizes economic measurement, rather than accounting convention. This is evident in the new guidelines on recording income and insurance transactions. Secondly, the scopes of some accounts have been expanded to reflect new economic realities. For example, BPM5 requires the imputation of a service charge on cross border

trade in foreign exchange, which have become very large and significant in recent years. Thirdly, the BPM5 guidelines are more rigorous and complete. For example, the distinction between goods and services transactions within the BOP is now clearer, and comprehensive guidelines are provided on how to treat the residency of production units for different situations.

Goods Accounts

9 In the BPM, the principle for recording trade in goods differs from trade statistics (in Singapore's case, trade statistics published by the Trade Development Board). Trade is recorded in trade statistics when goods have crossed the national or custom boundary. However, in the BPM, trade occurs only when the ownership of goods has been transferred between residents of two economies. This difference means that some adjustments to the trade statistics are required in the compilation of the BOP goods accounts, for example, adjusting for goods on consignment, goods on lease and holdings of stocks in merchanting¹.

10 The differences between the BPM4 and BPM5 goods account are summarised in Table 2. For goods that have crossed the boundary for processing without change of ownership and subsequently re-exported back to the country of the owner, BPM4 recommends to adjust the gross value out of the goods account and record only the processing fees in the services account. However, BPM5 recommends to record the gross value of the goods, including the processing fee, in the goods account.

11 BPM5 provides a clearer definition of goods and services. Transactions that have a substantial element of 'goods', for example, repairs and goods procured in ports, are classified in the goods account instead of the services account in BPM4. On the other hand, transactions which are traditionally classified under goods but in which the element of 'services' is more substantial, e.g. videos, are reclassified to the services account.

¹ Merchanting is the purchase and subsequent resale of goods in which the goods do not enter or leave the country of the trader.

TABLE 2: COMPARISON OF BPM4 AND BPM5 GOODS ACCOUNTS

| BPM4 | BPM5 | Main Changes |
|-------------|-------------------------------------|---|
| Merchandise | General Merchandise | Reclassify goods with substantial element of 'services' to services account. |
| | Goods for Processing | Record the gross value of goods here instead of only the processing fee in the services account |
| | Repairs on goods | Reclassify from the services account |
| | Goods procured in ports by carriers | Reclassify from the services account |
| | Nonmonetary gold | |

Services Account

12 The growing importance of trade in services has led to greater demand on improving the quality of trade in services statistics. In response to this, BPM5 recommends considerable disaggregation in the presentation of the services account. The number of major components in the services accounts has been increased from 4 to 11 (Table 3). Most of these new services components are of considerable importance to Singapore.

13 *Shipment* is a major component of the services account in BPM4. It includes freight charges and cargo insurance. To improve the analytical presentation of the services account, BPM5 has reclassified the separate components of shipment to transportation and insurance services respectively.

14 The scope of *Travel* has been expanded to include expenditure by all students, medical patients, and cross-border workers. With increasing number of business travellers, BPM5 recommends the provision of analytical breakdown for business and personal travel.

15 A new methodology for recording insurance services has been introduced. In BPM4, the net insurance premium (premium minus claims) is recorded as insurance services in the services account. However, in BPM5, the services account will record only the imputed services charge. Other insurance-related transactions will be recorded in current transfers or the financial accounts.

TABLE 3: COMPARISON OF BPM4 AND BPM5 SERVICES ACCOUNTS

| BPM4 | BPM5 | Major Changes |
|--------------------------------------|--|---|
| Shipment | | Reclassify to transportation-freight and insurance services. |
| Other | Transportation | |
| Transportation | Passenger | |
| | Freight | |
| | Others | |
| Travel | Travel | Additional breakdown for business and personal travel. Expanded to include students, medical patients and cross-border workers. |
| | Business | |
| | Personal | |
| Other Goods, Services, and Income | | |
| Official | Government Services | |
| Private | | |
| Labor Income | | Reclassify to income account. |
| Property Income | | Reclassify to income account. |
| Other Services | Communication Services Construction Services | |
| | Insurance Services | New methodology for recording insurance services. |
| | Financial Services | Expanded scope to include implicit services charge in foreign exchange trading. |
| | Computer and Information Services | |
| | Royalties and license fees | |
| | Other business services | |
| | Personal, cultural, and recreational services | |

16 The scope of financial services has been expanded to include implicit service charges in foreign exchange trading. This will have a significant impact on our statistics on trade in financial services as Singapore is the fourth largest foreign exchange trading centre in the world.

Income Account

17 A separate income account improves the link between the BOP and the GNP. By studying the income account, and royalties and license fee in the services account, one can analyse the impact of cross-border movements in factors of production on the national income. The introduction of this account in the BOP is thus very timely for Singapore, as it greatly facilitates the assessment of the benefits from our external economy.

18 The income account includes the *investment income*, *compensation of employees*, i.e. labour income, and property income, both of which are recorded under *other services* in BPM4 (Table 3). For *investment income*, two new valuation methods are recommended - current replacement cost in measuring depreciation when calculating earnings, and recording of interest income on accrual basis instead of due for payment basis.

Current Transfers

19 Transfers are transactions that do not involve a *quid pro quo*, i.e. not in exchange for goods, services or financial assets. To harmonize with SNA93, BPM5 separates transfers into current and capital transfers. Current transfers refer to transfers that are not linked to capital assets or liabilities. Examples of current transfers are remittances of those working in another economy back to their home economy, donations, tax, and subscription fees.

Capital Account

20 The capital account has two main components - capital transfers, which includes migrants' transfers, debt forgiveness, taxes on capital transfers such as estate duties; investment grants; and acquisition/disposal of nonproduced, nonfinancial assets, e.g. patents, copyrights and trademarks.

Financial Account

21 The financial account ('capital account' in BPM4) has been significantly expanded and restructured. There has been a shift in emphasis in the classification, from classification by maturity/sector to classification by instruments. This is because the rapid emergence of new financial instruments has

blurred the distinction between long and short-term investment. BPM5 also requires separate breakdown for more financial instruments, including money market instruments and financial derivatives under portfolio investment; trade credits, loans, currency and deposits under other investment.

22 For each instrument, BPM5 requires breakdown by institutional sectors – monetary authorities, general government, banks, and other sectors. This institutional sectoring improves the links between the BOP and the SNA.

International Investment Position

23 The conceptual framework of the BOP has been expanded to include a statement on stocks of external assets and liabilities. This statement is the international investment position (IIP). The IIP is an extension of the financial account. The instrument and sectoral classification of both the financial account and the IIP are the same, but in addition to reflecting BOP transaction changes, the IIP contains additional information on the market value of financial assets/liabilities at beginning and end periods, changes due to exchange rate movements, price movements and other factors.

TABLE 4: COMPARISON OF BPM4 AND BPM5 FINANCIAL ACCOUNTS

| BPM4 | BPM5 |
|--------------------------|--------------------------|
| Direct Investment | Direct Investment |
| Portfolio Investment | Portfolio Investment |
| Public sector bonds | Equity securities |
| Other bonds | Bonds and notes |
| Corporate equities | Money market instruments |
| | Financial derivatives |
| Other Capital | Other Investment |
| Long-term capital | Trade credits |
| Resident official sector | Loans |
| Deposit money bank | Currency and deposits |
| Other sectors | Others |
| Short-term capital | |
| Resident official sector | |
| Deposit money bank | |
| Other sectors | |

A NEW FORMAT FOR SINGAPORE'S BOP

24 In this section we shall discuss the impact of reclassification on Singapore's BOP. To help readers to better appreciate the changes, Appendix Table 1 presents side by side, the BPM4 and BPM5 format of Singapore's BOP for 1997. The BPM5 format of Singapore's BOP for 1988-1997 are presented in Appendix Tables 2.

Goods Account

25 Our trade balance has increased (Table 5) as a result of the reclassification of repairs on goods and goods procured in ports from the services to the goods account. As Singapore is a major bunkering port and centre for repairs of ships and aircraft, this reclassification has resulted in the improvement of our trade balance. Instead of having consistent trade deficits, Singapore has been enjoying trade surpluses since 1994.

TABLE 5: KEY ANALYTICAL BALANCES IN THE CURRENT ACCOUNT

| | S\$ billion | | | | |
|-------------------------|-------------|------|------|------|------|
| | 1990 | 1994 | 1995 | 1996 | 1997 |
| BPM4 FORMAT | | | | | |
| Trade Balance | -6.7 | -1.6 | -1.9 | -0.7 | -2.6 |
| Services Balance | 13.1 | 20.1 | 23.5 | 23.0 | 26.4 |
| Current Account Balance | 5.6 | 17.4 | 20.3 | 20.6 | 21.7 |
| BPM5 FORMAT | | | | | |
| Trade Balance | -3.0 | 2.1 | 1.4 | 3.1 | 1.7 |
| Services Balance | 7.6 | 14.1 | 17.2 | 14.9 | 16.2 |
| Income Balance | 1.8 | 2.4 | 3.0 | 4.2 | 5.8 |
| Current Account Balance | 5.7 | 17.5 | 20.4 | 20.8 | 22.0 |

Services Account

26 In the new format our services surplus has become lower. This is because a significant proportion of our services surplus in the BPM4 format are derived from investment income, repairs and goods procured in ports which have been reclassified to the income or goods accounts.

27 *Transportation* comprises mainly of freight, previously classified under *Shipment*, and port services. Singapore has deficits in transportation services due to large payments for freight charges associated with our imports² (Table 6). However, in recent years, we have experienced strong growth in freight and port services receipts as a result of the rapid growth in world trade.

TABLE 6: DETAILS OF TRANSPORTATION SERVICES

| | S\$ billion | | | | |
|----------|-------------|------|------|------|------|
| | 1990 | 1994 | 1995 | 1996 | 1997 |
| Freight | | | | | |
| Receipts | 2.9 | 4.4 | 5.0 | 5.3 | 5.6 |
| Payments | 5.4 | 5.9 | 6.9 | 7.3 | 7.8 |
| Other | | | | | |
| Receipts | 1.2 | 1.8 | 2.2 | 2.0 | 2.1 |
| Payments | 1.0 | 1.4 | 1.5 | 1.6 | 1.6 |

28 *Insurance* includes life, general, cargo insurance (previously classified under *Shipment*) and reinsurance. Our payments in insurance services comprise mainly of payments for cargo insurance incurred in imports (see footnote 2). On the other hand, our insurance earnings are largely from the reinsurance business. The significant increase in earnings since 1990 is the result of strong growth in this business.

29 *Government* refers to expenditure of foreign missions in Singapore and Singapore's overseas missions (embassies, trade offices, etc). Receipts from government services (official transactions) has become slightly smaller in the new format due to the reclassification of wages paid to local employees by foreign missions to the income account.

30 *Other Services* includes financial, communication, merchanting, professional and business services. Our receipts from these services has more than doubled since 1990, reflecting the growth of Singapore as an international services hub in the fast growing region.

² In trade statistics imports are valued on c.i.f. basis which includes freight and insurance charges. The BPM recommends that freight and insurance charges should be separately identified and recorded under services in the BOP.

Income Account

31 Our labour income payments are larger than our receipts, resulting in the larger difference between investment income payments (in BPM4) and income payments (in BPM5) in comparison to the difference in receipts. The labour income payments are mainly wages paid to foreign crew by local shipping lines and airlines, e.g. SIA and NOL.

32 In recent years we have been maintaining consistent surpluses in the income account, though in some years the surpluses were smaller. The smaller surpluses were mainly due to fall in financial institutions' overseas interest income associated with the worldwide fall in interest rates. On the whole, our income receipts and payments have increased significantly in recent years. This reflects the benefits from our regionalization efforts, as well as the high returns provided to foreign investors as a result of our strong economic performance.

Current Transfers and Capital Account

33 All components of unrequited transfers have been reclassified to current transfers, except migrant's transfers which have been reclassified to the capital account. Current transfers recorded consistent deficits due to outward remittances by foreigners working in Singapore.

34 The reclassification of migrant's transfers from the current account to the capital and financial account has led to marginal upward revisions to the current account balance. But this does not affect the analytical trend of our current account balance (Table 5).

Financial Account

35 The financial account (previously known as capital account) has been completely restructured. The previous classification of non-monetary/monetary sector has been changed to direct, portfolio and other investments. This change is in line with the current interest in the nature of cross-border financial flows. With greater international capital mobility, our financial account has also become more volatile in recent years. In view of this, additional details of the financial account are provided in Appendix Table 3 to facilitate more in-depth analysis of our BOP financial flows.

36 Singapore has been enjoying net inflows in direct investment. While we are accelerating the pace of our regionalization, Singapore has maintained her attractiveness to foreign investors. But whereas our direct investment outflows has increased by more than 50 per cent since 1990, foreign direct investment inflows has only grown by less than one-third over the same period.

37 Our overseas portfolio investments, including government's long term foreign investments, have also become very strong in recent years, resulting in the net outflows in portfolio investment. Most of the portfolio flows are in equity securities, as Singapore and the region do not have a well-developed debt securities market.

38 Other investment are mainly loans, currency and deposits, and intercompany debts. The banking sector records the foreign assets and liabilities of commercial banks, including interbank assets/liabilities with Asian Currency Units (ACU) and foreign commercial banks. In recent years the banking sector experiences net inflows, largely due to borrowings from the interbank market to finance domestic demand in loans.

39 The other sectors include individuals, government, non-bank financial institutions (e.g. merchant banks, finance companies) and other companies. Transactions of non-bank residents with ACU are also included here. The other sectors have net outflows in recent years, largely due to strong outflows of resident's deposits to ACU and other foreign institutions that are recorded on the asset side. On the other hand, gross inflows of foreign loans from ACU and other foreign creditors, recorded on the liability side, were also quite strong from 1995 to 1997, again reflecting the buoyant domestic demand in loans.

STAGE 2 OF IMPLEMENTATION OF BPM5

40 Table 7 summarizes our efforts and plans in stage 2 of the implementation of BPM5. We have categorised them into high, medium and low priority. We will channel most of our resources into items of high priority to ensure that they will be completed by end-98.

CONCLUSION

41 The implementation of BPM5 is extremely challenging and involves not only the reclassification of existing BOP data, but also the development of new methodologies/data sources, and the refinement of existing methodologies/data sources. The successful completion of Stage 1 has enabled us to publish our BOP statistics in the improved BPM5 format and enhances the analytical usefulness of our BOP statistics.

42 Stage 2, which is now on-going, will require the assistance and co-operation of large numbers of respondents and data providers in both the private and public sectors. The improved data arising from its completion in end-98 will enhance the quality of our BOP statistics and benefits greatly all users of Singapore's macro-economic statistics.

TABLE 7: STAGE 2 OF IMPLEMENTATION OF BPM5

| Subject | Issue and Action |
|--|---|
| High Priority | |
| Coordinated Portfolio Investment Survey | Singapore is participating in this survey to be conducted under the auspices of the IMF in 1998. The survey will improve our coverage of portfolio investment, especially investment through intermediaries, and collects geographical information. |
| Financial derivatives | To study the conceptual and measurement issues. Some preliminary data will be collected this year. |
| Trade in services statistics | The <i>Trade in Services Survey</i> (TIS) has been launched to improve the coverage and quality of our trade in services statistics, including the collection of geographical information. |
| International Investment Position | Current data sources will be refined to collect information on market value, transaction changes and other changes. All new data sources on financial transactions will incorporate the requirements of the IIP. |
| Medium Priority | |
| Measurement of insurance services | The BPM5 recommendations have been studied and some of the new data requirements have been incorporated into TIS. |
| Implicit services charge in foreign exchange trading | To study methodologies developed by other countries and explore the data availability. |
| Travel statistics | <ul style="list-style-type: none"> a) Relevant information on students' expenditure has been collected. b) The current data sources will be refined to provide breakdown of business and personal travel. |
| Trade Credits, Factoring, Financial Leases | The data requirements will be incorporated into current or new surveys. |
| Goods accounts | <ul style="list-style-type: none"> a) Identify commodities with substantial 'services' component and reclassify them to the services account. b) To study the feasibility of collecting information on goods for consignment, goods for processing and goods on lease. c) Information on holdings of stocks in merchanting will be collected in the TIS. |

| |
|--------------|
| Low Priority |
|--------------|

| | |
|--|---|
| Accrued interest | The accrued interest method will better reflect the economic use of capital over a period. The new method will have little impact on the BOP if the due for payment dates for interest are spread uniformly across the year. A study on existing data on Singapore's interest income shows that there is no quarterly bias. |
| Measuring depreciation based on current replacement cost | In accounting records depreciation is usually measured based on historical cost. Hence there will be a substantial increase in respondent burden if we implement this recommendation. |
| Current transfers | Improve estimates of withholding tax, remittances of Singaporean working abroad, income tax etc |
| Capital account | Improve estimates of migrant's transfers through developing data models, and also explore data sources for debt forgiveness, investment grant etc. |

ANNEX TABLE 1: SINGAPORE'S BOP, 1997

Million Dollars

| BPM 4 Format | | BPM 5 Format | |
|--|-----------|---------------------------------------|-----------|
| Merchandise Trade Balance | -2,628.3 | Merchandise Trade Balance | 1,700.7 |
| Exports of Goods | 181,307.0 | Exports of Goods | 186,758.1 |
| Imports of Goods | 183,935.3 | Imports of Goods | 185,057.4 |
| Services Balance | 26,369.9 | Services Balance | 16,241.8 |
| Exports | 73,556.6 | Exports | 45,245.5 |
| Shipment | 5,639.2 | Transportation | 7,660.1 |
| Travel | 9,303.3 | Travel | 9,442.5 |
| Investment Income | 22,657.9 | Insurance Services | 661.2 |
| Official Transactions | 168.7 | Government Services | 137.9 |
| Other Transportation and Services n.i.e. | 35,787.5 | Other Services | 27,343.8 |
| Imports | 47,186.7 | Imports | 29,003.7 |
| Shipment | 9,265.2 | Transportation | 9,380.3 |
| Travel | 9,112.6 | Travel | 9,112.6 |
| Investment Income | 16,621.1 | Insurance Services | 1,484.4 |
| Official Transactions | 166.1 | Government Services | 166.1 |
| Other Transportation and Services n.i.e. | 12,021.7 | Other Services | 8,860.3 |
| | | Income Balance | 5,799.1 |
| | | Income Receipts | 22,860.0 |
| | | Income Payments | 17,060.9 |
| Unrequited Transfers | -2,019.2 | Current Transfers (Net) | -1,762.1 |
| Official | -374.9 | General Government | -374.9 |
| Private | -1,644.3 | Other Sectors | -1,387.2 |
| Current Account Balance | 21,722.4 | Current Account Balance | 21,979.5 |
| | | Capital Account (Net) | -257.1 |
| Capital Account | -6,734.8 | Financial Account (Net) | -6,734.8 |
| Non-Monetary Sector | -16,584.1 | Direct Investments (Net) | 6,921.0 |
| Private | 1,812.0 | Portfolio Investments (Net) | -16,138.9 |
| Official | -18,396.1 | Other Investments (Net) | 2,483.1 |
| Monetary Sector | 9,849.3 | Assets | -51,701.1 |
| Foreign Assets | -18,492.1 | Banks | -18,492.1 |
| Foreign Liabilities | 28,341.4 | Other Sectors | -33,209.0 |
| | | Liabilities | 54,184.2 |
| | | Banks | 28,341.4 |
| | | Other Sectors | 25,842.8 |
| | | Capital and Financial Account Balance | -6,991.9 |
| Balancing Item | -3,131.9 | Balancing Item | -3,131.9 |
| Overall Balance | 11,855.7 | Overall Balance | 11,855.7 |
| Official Reserves | -11,855.7 | Official Reserves | -11,855.7 |

ANNEX TABLE 2: SINGAPORE'S BALANCE OF PAYMENTS, 1988-1997

Million Dollars

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|---------------------------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| A Current Account Balance | 3,898.8 | 5,779.9 | 5,652.5 | 8,495.5 | 9,704.8 | 6,902.8 | 17,493.2 | 20,355.2 | 20,760.2 | 21,979.5 |
| Merchandise Trade Balance | 56.3 | -609.5 | -2,959.1 | -190.2 | -2,967.3 | -4,401.4 | 2,068.7 | 1,384.2 | 3,136.4 | 1,700.7 |
| Exports of Goods | 81,912.0 | 89,126.7 | 99,106.7 | 105,955.6 | 108,432.3 | 125,802.2 | 149,565.8 | 167,896.5 | 177,679.6 | 186,758.1 |
| Imports of Goods | 81,855.7 | 89,736.2 | 102,065.8 | 106,145.8 | 111,399.6 | 130,203.6 | 147,497.1 | 166,512.3 | 174,543.2 | 185,057.4 |
| Services Balance | 3,553.5 | 5,478.5 | 7,550.9 | 8,182.9 | 10,924.3 | 11,855.5 | 14,068.7 | 17,238.7 | 14,928.9 | 16,241.8 |
| Exports of Services | 15,219.6 | 18,836.2 | 23,220.0 | 23,876.6 | 26,388.2 | 30,032.0 | 35,184.3 | 42,255.9 | 42,210.4 | 45,245.5 |
| Transportation | 3,202.2 | 3,584.0 | 4,033.4 | 4,348.9 | 4,505.5 | 5,127.7 | 6,174.4 | 7,265.1 | 7,322.3 | 7,660.1 |
| Travel | 5,377.5 | 6,550.9 | 8,427.4 | 7,974.0 | 9,333.4 | 10,327.5 | 10,357.9 | 10,981.0 | 10,551.7 | 9,442.5 |
| Insurance | 198.2 | 186.4 | 160.3 | 197.4 | 273.4 | 423.0 | 503.8 | 502.4 | 559.7 | 661.2 |
| Government | 192.9 | 172.9 | 166.8 | 161.7 | 160.0 | 161.1 | 159.9 | 131.8 | 137.9 | 137.9 |
| Others | 6,248.8 | 8,342.0 | 10,432.1 | 11,194.6 | 12,115.9 | 13,992.7 | 17,988.3 | 23,375.6 | 23,638.8 | 27,343.8 |
| Imports of Services | 11,666.1 | 13,357.7 | 15,669.1 | 15,693.7 | 15,463.9 | 18,176.5 | 21,115.6 | 25,017.2 | 27,281.5 | 29,003.7 |
| Transportation | 5,012.6 | 5,522.0 | 6,367.6 | 6,554.9 | 5,835.4 | 6,486.8 | 7,327.7 | 8,401.4 | 8,860.7 | 9,380.3 |
| Travel | 1,871.7 | 2,600.8 | 3,268.4 | 3,184.4 | 4,106.3 | 5,081.4 | 5,953.8 | 7,180.7 | 8,178.0 | 9,112.6 |
| Insurance | 1,120.2 | 1,230.7 | 1,411.9 | 1,437.1 | 869.4 | 1,022.0 | 1,177.6 | 1,380.3 | 1,414.5 | 1,484.4 |
| Government | 129.8 | 102.3 | 119.9 | 123.2 | 174.2 | 168.6 | 150.2 | 167.6 | 137.2 | 166.1 |
| Others | 3,531.8 | 3,901.9 | 4,501.3 | 4,394.1 | 4,478.6 | 5,417.7 | 6,506.3 | 7,887.2 | 8,691.1 | 8,860.3 |
| Income Balance | 780.6 | 1,545.8 | 1,824.0 | 1,307.7 | 2,521.7 | 314.7 | 2,365.6 | 2,987.7 | 4,207.5 | 5,799.1 |
| Income Receipts | 7,813.2 | 9,267.4 | 11,796.4 | 13,057.1 | 13,381.0 | 13,047.5 | 14,924.9 | 18,142.7 | 20,196.1 | 22,860.0 |
| Income Payments | 7,032.6 | 7,721.6 | 9,972.4 | 11,749.4 | 10,859.3 | 12,732.8 | 12,559.3 | 15,155.0 | 15,988.6 | 17,060.9 |
| Current Transfers (Net) | -491.6 | -634.9 | -763.3 | -804.9 | -773.9 | -866.0 | -1,009.8 | -1,255.4 | -1,512.6 | -1,762.1 |
| General government | -181.9 | -244.5 | -305.9 | -274.0 | -160.3 | -181.3 | -203.4 | -313.6 | -332.0 | -374.9 |
| Other Sectors | -309.7 | -390.4 | -457.4 | -530.9 | -613.6 | -684.7 | -806.4 | -941.8 | -1,180.6 | -1,387.2 |

APPENDIX TABLE 2: SINGAPORE'S BALANCE OF PAYMENTS, 1988-1997

Million Dollars

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|---|----------|-----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| B Capital and Financial Account Balance | 1,877.0 | 2,358.8 | 7,115.2 | 3,993.4 | 2,859.1 | -2,073.6 | -17,984.1 | -1,027.3 | -3,633.2 | -6,991.9 |
| Capital Account (Net) | -110.6 | -79.7 | -39.6 | -58.5 | -61.8 | -115.3 | -128.5 | -101.0 | -195.6 | -257.1 |
| Financial Account (Net) | 1,987.6 | 2,438.5 | 7,154.8 | 4,051.9 | 2,920.9 | -1,958.3 | -17,855.6 | -926.3 | -3,437.6 | -6,734.8 |
| Direct Investment | 7,118.5 | 3,909.1 | 6,418.1 | 7,534.3 | 1,445.5 | 4,095.1 | 6,659.3 | 4,179.2 | 4,650.9 | 6,921.0 |
| Portfolio Investment | -589.6 | -147.4 | -1,880.4 | -1,566.9 | 4,055.8 | -8,023.9 | -15,269.4 | -11,630.9 | -12,144.8 | -16,138.9 |
| Other Investment | -4,541.3 | -1,323.2 | 2,617.1 | -1,915.5 | -2,580.4 | 1,970.5 | -9,245.5 | 6,525.4 | 4,056.3 | 2,483.1 |
| Assets | -5,208.8 | -15,780.3 | -399.1 | 3,163.0 | -10,889.4 | -11,478.6 | -18,274.4 | -11,169.3 | -15,847.3 | -51,701.1 |
| Banks | -5,071.4 | -14,198.2 | 4,909.1 | 1,771.1 | -9,555.0 | 1,242.0 | -6,554.5 | 1,635.1 | -4,943.4 | -18,492.1 |
| Other Sectors | -137.4 | -1,582.1 | -5,308.2 | 1,391.9 | -1,334.4 | -12,720.6 | -11,719.9 | -12,804.4 | -10,903.9 | -33,209.0 |
| Liabilities | 667.5 | 14,457.1 | 3,016.2 | -5,078.5 | 8,309.0 | 13,449.1 | 9,028.9 | 17,694.7 | 19,903.6 | 54,184.2 |
| Banks | 3,076.1 | 11,579.6 | -1,863.8 | -3,441.9 | 8,382.3 | 3,149.4 | 8,261.8 | 6,268.8 | 11,333.4 | 28,341.4 |
| Other Sectors | -2,408.6 | 2,877.5 | 4,880.0 | -1,636.6 | -73.3 | 10,299.7 | 767.1 | 11,425.9 | 8,570.2 | 25,842.8 |
| C Net Errors and Omissions | -2,432.2 | -2,804.5 | -2,875.2 | -5,226.1 | -2,604.9 | 7,324.5 | 7,792.6 | -7,154.0 | -6,720.4 | -3,131.9 |
| D Overall Balance (A+B+C) | 3,343.6 | 5,334.2 | 9,892.5 | 7,262.8 | 9,959.0 | 12,153.7 | 7,301.7 | 12,173.9 | 10,406.6 | 11,855.7 |
| E Official Reserves (net) | -3,343.6 | -5,334.2 | -9,892.5 | -7,262.8 | -9,959.0 | -12,153.7 | -7,301.7 | -12,173.9 | -10,406.6 | -11,855.7 |
| Special Drawing Rights | -8.2 | -14.4 | -27.8 | -4.2 | 76.1 | -11.9 | -9.7 | -15.5 | -9.4 | -38.3 |
| Reserve Position in the Fund | 12.2 | 12.8 | 3.0 | 12.8 | -146.7 | -14.8 | -20.3 | -48.8 | 1.5 | -135.5 |
| Foreign Exchange Assets | -3,347.6 | -5,332.6 | -9,867.7 | -7,271.4 | -9,888.4 | -12,127.0 | -7,271.7 | -12,109.6 | -10,398.7 | -11,681.9 |

ANNEX TABLE 3: SINGAPORE'S BALANCE OF PAYMENTS, 1988-1997
 ADDITIONAL DETAILS OF THE FINANCIAL ACCOUNT

Million Dollars

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------------------------|----------|-----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Financial Account (Net) | 1,987.6 | 2,438.5 | 7,154.8 | 4,051.9 | 2,920.9 | -1,958.3 | -17,855.6 | -926.3 | -3,437.6 | -6,734.8 |
| Direct investment (Net) | 7,118.5 | 3,909.1 | 6,418.1 | 7,534.3 | 1,445.5 | 4,095.1 | 6,659.3 | 4,179.2 | 4,650.9 | 6,921.0 |
| Abroad | -236.8 | -1,720.5 | -3,686.3 | -908.4 | -2,145.3 | -3,477.0 | -6,121.8 | -6,289.0 | -5,845.6 | -5,894.8 |
| In reporting country | 7,355.3 | 5,629.6 | 10,104.4 | 8,442.7 | 3,590.8 | 7,572.1 | 12,781.1 | 10,468.2 | 10,496.5 | 12,815.8 |
| Portfolio investment (Net) | -589.6 | -147.4 | -1,880.4 | -1,566.9 | 4,055.8 | -8,023.9 | -15,269.4 | -11,630.9 | -12,144.8 | -16,138.9 |
| Assets | -661.9 | -878.7 | -2,918.5 | -1,149.1 | 1,778.0 | -12,656.8 | -15,442.9 | -12,212.0 | -14,503.0 | -17,531.7 |
| Equity securities | -523.9 | -698.3 | -847.9 | -905.2 | 269.2 | -12,207.9 | -12,236.2 | -11,060.7 | -14,323.1 | -18,348.1 |
| Debt securities | -138.0 | -180.4 | -2,070.6 | -243.9 | 1,508.8 | -448.9 | -3,206.7 | -1,151.3 | -179.9 | 816.4 |
| Bonds and notes | -138.0 | -180.4 | -2,070.6 | -243.9 | 1,508.8 | -448.9 | -3,206.7 | -1,151.3 | -179.9 | 816.4 |
| Money Market Instruments | - | - | - | - | - | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - | - | - | - | - | - |
| Liabilities | 72.3 | 731.3 | 1,038.1 | -417.8 | 2,277.8 | 4,632.9 | 173.5 | 581.1 | 2,358.2 | 1,392.8 |
| Equity securities | 72.3 | 780.1 | 1,038.1 | -417.8 | 2,277.8 | 4,458.0 | 257.9 | 655.2 | 2,387.8 | 1,375.0 |
| Debt securities | 0.0 | -48.8 | 0.0 | 0.0 | 0.0 | 174.9 | -84.4 | -74.1 | -29.6 | 17.8 |
| Bonds and notes | 0.0 | -48.8 | 0.0 | 0.0 | 0.0 | 174.9 | -84.4 | -74.1 | -29.6 | 17.8 |
| Money Market Instruments | - | - | - | - | - | - | - | - | - | - |
| Financial Derivatives | - | - | - | - | - | - | - | - | - | - |
| Other investment | -4,541.3 | -1,323.2 | 2,617.1 | -1,915.5 | -2,580.4 | 1,970.5 | -9,245.5 | 6,525.4 | 4,056.3 | 2,483.1 |
| Assets | -5,208.8 | -15,780.3 | -399.1 | 3,163.0 | -10,889.4 | -11,478.6 | -18,274.4 | -11,169.3 | -15,847.3 | -51,701.1 |
| Trade credits | - | - | - | - | - | - | - | - | - | - |
| Loans | -377.6 | -650.3 | -1,529.0 | -806.2 | -445.4 | -909.6 | -1,272.4 | 32.9 | -858.4 | -925.3 |
| Other sectors | -377.6 | -650.3 | -1,529.0 | -806.2 | -445.4 | -909.6 | -1,272.4 | 32.9 | -858.4 | -925.3 |
| Long-term | -377.6 | -650.3 | -1,529.0 | -806.2 | -445.4 | -909.6 | -1,272.4 | 32.9 | -858.4 | -925.3 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Currency and deposits | -4,412.3 | -14,089.4 | 3,094.4 | 3,568.4 | -7,968.6 | -68.1 | -6,037.1 | -4,364.4 | -6,022.4 | -35,827.3 |
| Banks | -4,951.4 | -13,577.9 | 5,617.1 | 2,060.2 | -8,981.6 | 2,263.1 | -5,032.8 | 2,712.3 | -3,120.0 | -16,660.3 |
| Other sectors | 539.1 | -511.5 | -2,522.7 | 1,508.2 | 1,013.0 | -2,331.2 | -1,004.3 | -7,076.7 | -2,902.4 | -19,167.0 |
| Other assets | -418.9 | -1,040.6 | -1,964.5 | 400.8 | -2,475.4 | -10,500.9 | -10,964.9 | -6,837.8 | -8,966.5 | -14,948.5 |
| General government | -0.6 | -0.9 | -0.8 | -1.0 | -0.7 | -0.8 | -0.3 | -0.3 | -0.4 | -0.6 |
| Long-term | -0.6 | -0.9 | -0.8 | -1.0 | -0.7 | -0.8 | -0.3 | -0.3 | -0.4 | -0.6 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Banks | -120.0 | -620.3 | -708.0 | -289.1 | -573.4 | -1,021.1 | -1,521.7 | -1,077.2 | -1,823.4 | -1,831.8 |
| Long-term | -120.0 | -620.3 | -708.0 | -289.1 | -573.4 | -1,021.1 | -1,521.7 | -1,077.2 | -1,823.4 | -1,831.8 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Other sectors | -298.3 | -419.4 | -1,255.7 | 690.9 | -1,901.3 | -9,479.0 | -9,442.9 | -5,760.3 | -7,142.7 | -13,116.1 |
| Long-term | 105.0 | 36.6 | -1,114.4 | 575.7 | -1,864.9 | -7,700.2 | -7,497.3 | -4,574.1 | -5,973.7 | -11,299.1 |
| Short-term | -403.3 | -456.0 | -141.3 | 115.2 | -36.4 | -1,778.8 | -1,945.6 | -1,186.2 | -1,169.0 | -1,817.0 |

APPENDIX TABLE 3: SINGAPORE'S BALANCE OF PAYMENTS, 1988-1997
 ADDITIONAL DETAILS OF THE FINANCIAL ACCOUNT

| | Million Dollars | | | | | | | | | |
|-----------------------|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 |
| Other investment | | | | | | | | | | |
| Liabilities | 667.5 | 14,457.1 | 3,016.2 | -5,078.5 | 8,309.0 | 13,449.1 | 9,028.9 | 17,694.7 | 19,903.6 | 54,184.2 |
| Trade credits | -103.2 | -59.0 | -47.2 | -43.9 | -40.0 | -57.2 | 0.0 | -15.4 | -15.4 | 0.0 |
| Other sectors | -103.2 | -59.0 | -47.2 | -43.9 | -40.0 | -57.2 | 0.0 | -15.4 | -15.4 | 0.0 |
| Long-term | -103.2 | -59.0 | -47.2 | -43.9 | -40.0 | -57.2 | 0.0 | -15.4 | -15.4 | 0.0 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Loans | -1,359.7 | 1,667.5 | 3,490.0 | -1,375.4 | 2,720.9 | 4,644.6 | 2,831.0 | 5,460.1 | 6,724.1 | 19,896.3 |
| General government | -40.0 | -33.1 | -67.1 | -25.3 | -14.9 | -14.8 | -6.3 | -4.7 | 0.0 | 0.0 |
| Long-term | -40.0 | -33.1 | -67.1 | -25.3 | -14.9 | -14.8 | -6.3 | -4.7 | 0.0 | 0.0 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Other sectors | -1,319.7 | 1,700.6 | 3,557.1 | -1,350.1 | 2,735.8 | 4,659.4 | 2,837.3 | 5,464.8 | 6,724.1 | 19,896.3 |
| Long-term | -1,319.7 | 1,700.6 | 3,557.1 | -1,350.1 | 2,735.8 | 4,659.4 | 2,837.3 | 5,464.8 | 6,724.1 | 19,896.3 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Currency and deposits | 2,938.9 | 11,147.2 | -1,466.5 | -3,427.8 | 8,116.6 | 3,726.1 | 8,331.3 | 5,615.6 | 11,449.6 | 27,534.7 |
| Banks | 2,938.9 | 11,147.2 | -1,466.5 | -3,427.8 | 8,116.6 | 3,726.1 | 8,331.3 | 5,615.6 | 11,449.6 | 27,534.7 |
| Other sectors | - | - | - | - | - | - | - | - | - | - |
| Other liabilities | -808.5 | 1,701.4 | 1,039.9 | -231.4 | -2,488.5 | 5,135.6 | -2,133.4 | 6,634.4 | 1,745.3 | 6,753.2 |
| Banks | 137.2 | 432.4 | -397.3 | -14.1 | 265.7 | -576.7 | -69.5 | 653.2 | -116.2 | 806.7 |
| Long-term | 137.2 | 432.4 | -397.3 | -14.1 | 265.7 | -576.7 | -69.5 | 653.2 | -116.2 | 806.7 |
| Short-term | - | - | - | - | - | - | - | - | - | - |
| Other sectors | -945.7 | 1,269.0 | 1,437.2 | -217.3 | -2,754.2 | 5,712.3 | -2,063.9 | 5,981.2 | 1,861.5 | 5,946.5 |
| Long-term | -305.5 | 499.7 | 488.2 | 14.1 | 304.5 | 1,082.1 | 594.9 | 1,269.8 | 1,570.2 | 5,025.5 |
| Short-term | -640.2 | 769.3 | 949.0 | -231.4 | -3,058.7 | 4,630.2 | -2,658.8 | 4,711.4 | 291.3 | 921.0 |