

Invisible Trade Balance

The invisible trade balance is the balance of fund flows among countries concerning the export and import of services. It is composed of four categories: transportation, including cargo freightage and insurance fees; travel, including spending by tourists; investment, including payment and receipt of interest and dividends; and the miscellaneous

category, including office expenses and patent fees.

Japan's invisible trade balance is and will remain in deficit, with its investment balance surplus more than offset by deficits in the other balances.

Money coming into Japan in the investment balance has been expanding steadily due to sharply higher investment

in securities, realty and direct investment overseas. Payments are also on the rise, however: the travel balance deficit is sharply increasing as more and more Japanese travel overseas; the deficits in the transportation and miscellaneous balances are also on the rise.

