

# U.S. International Investment Position

## Second Quarter 2019

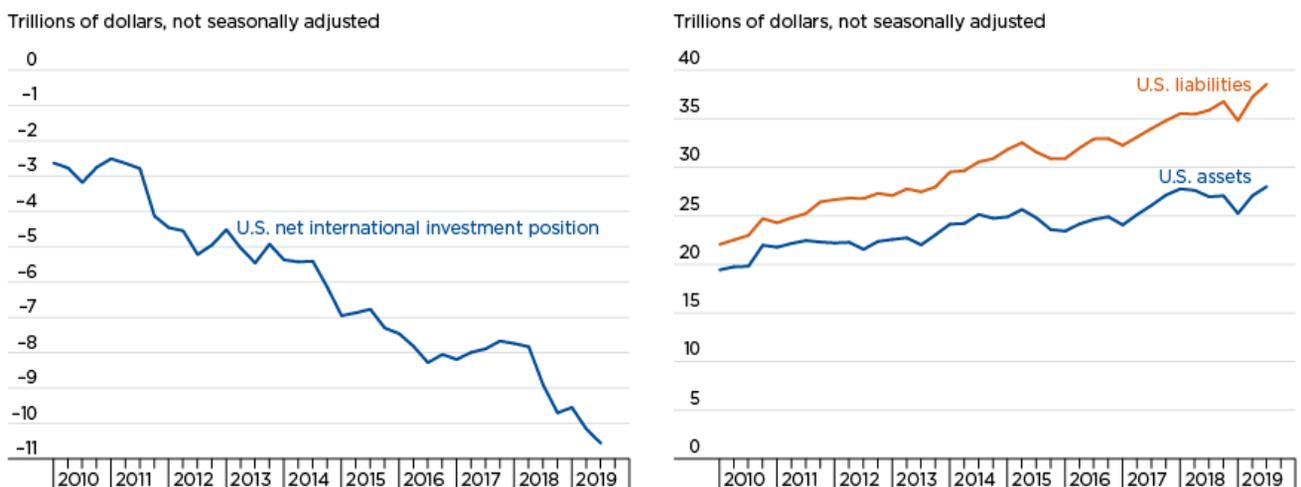
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The U.S. net international investment position—the difference between U.S. residents’ foreign financial assets and liabilities—was  $-\$10.56$  trillion at the end of the second quarter of 2019 (chart 1). Assets totaled  $\$28.01$  trillion, and liabilities were  $\$38.56$  trillion. At the end of the first quarter, the net investment position was  $-\$10.16$  trillion.

The U.S. international investment position is a statistical balance sheet that presents the dollar value of U.S. external financial assets and liabilities at a specific point in time. A negative net investment position represents a U.S. net liability to the rest of the world.

The  $-\$398.8$  billion change in the net investment position from the first quarter to the second quarter came from net financial transactions of  $-\$146.7$  billion and net other changes in position, such as price and exchange rate changes, of  $-\$252.1$  billion (table A).

**Chart 1. U.S. Net International Investment Position**



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## Data Availability and Methodology

Detailed statistics for the U.S. international investment position accompany this article in [tables 1.1–3.1](#). The statistics and a description of the estimation methods used to compile them are also available on the Bureau of Economic Analysis website. The links in the tables of this article are to the latest available statistics in the interactive tables. For the statistics, see “[International Transactions, International Services, and International Investment Position \(IIP\) Tables](#).” For the methods, see [U.S. International Economic Accounts: Concepts and Methods](#).

**Table A. Quarterly Change in the U.S. Net International Investment Position**

[Billions of dollars, not seasonally adjusted]

| Type of investment  | Position,<br>2019:I | Change in position in 2019:II |                           |   | Position,<br>2019:II |
|---|---------------------|-------------------------------|---------------------------|---|----------------------|
|   |                     | Total                         | Attributable to:          |   |                      |
|   |                     |                               | Financial<br>transactions | Other changes in<br>position <sup>1</sup> |                      |
| <b>U.S. net international investment position</b>           | <b>-10,156.7</b>    | <b>-398.8</b>                 | <b>-146.7</b>             | <b>-252.1</b>                             | <b>-10,555.4</b>     |
| Net position excluding financial derivatives                | -10,188.6           | -382.7                        | -137.5                    | -245.2                                    | -10,571.2            |
| Financial derivatives other than reserves, net <sup>2</sup> | 31.9                | -16.1                         | -9.2                      | -6.9                                      | 15.8                 |
| <b>U.S. assets</b>  | <b>27,056.4</b>     | <b>952.7</b>                  | <b>(<sup>2</sup>)</b>     | <b>(<sup>2</sup>)</b>                     | <b>28,009.2</b>      |
| Assets excluding financial derivatives                      | 25,516.9            | 720.6                         | 217.7                     | 502.9                                     | 26,237.5             |
| Financial derivatives other than reserves                   | 1,539.5             | 232.1                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,771.7              |
| <b>By functional category:</b>                              |                     |                               |                           |   |                      |
| Direct investment at market value                           | 8,153.2             | 232.8                         | 95.6                      | 137.3                                     | 8,386.0              |
| Equity  | 6,877.7             | 240.7                         | 68.0                      | 172.7                                     | 7,118.4              |
| Debt instruments  | 1,275.5             | -7.9                          | 27.5                      | -35.4                                     | 1,267.6              |
| Portfolio investment  | 12,311.7            | 366.4                         | 38.2                      | 328.3                                     | 12,678.1             |
| Equity and investment fund shares                           | 8,720.6             | 209.6                         | -27.9                     | 237.5                                     | 8,930.1              |
| Debt securities   | 3,591.1             | 156.9                         | 66.1                      | 90.8                                      | 3,748.0              |
| Short term  | 671.0               | 24.2                          | 23.1                      | 1.1                                       | 695.2                |
| Long term   | 2,920.1             | 132.7                         | 43.0                      | 89.7                                      | 3,052.8              |
| Financial derivatives other than reserves                   | 1,539.5             | 232.1                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,771.7              |
| Over-the-counter contracts                                  | 1,495.0             | 238.4                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,733.4              |
| Single-currency interest rate contracts                     | 1,053.0             | 238.8                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,291.8              |
| Foreign exchange contracts                                  | 284.3               | -3.3                          | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 281.0                |
| Other contracts   | 157.7               | 2.9                           | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 160.6                |
| Exchange-traded contracts                                   | 44.5                | -6.3                          | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 38.3                 |
| Other investment  | 4,600.4             | 87.4                          | 81.6                      | 5.8                                       | 4,687.8              |
| Currency and deposits                                       | 1,870.6             | 64.2                          | 61.2                      | 3.0                                       | 1,934.8              |
| Loans   | 2,679.3             | 23.9                          | 21.2                      | 2.7                                       | 2,703.3              |
| Insurance technical reserves                                | n.a.                | n.a.                          | n.a.                      | n.a.                                      | n.a.                 |
| Trade credit and advances                                   | 50.4                | -0.7                          | -0.8                      | (*)                                       | 49.7                 |
| Reserve assets  | 451.7               | 33.9                          | 2.4                       | 31.6                                      | 485.6                |
| Monetary gold   | 337.7               | 30.7                          | 0.0                       | 30.7                                      | 368.5                |
| Special drawing rights                                      | 50.8                | 0.1                           | 0.1                       | 0.1                                       | 50.9                 |
| Reserve position in the International Monetary Fund         | 22.1                | 2.3                           | 2.2                       | (*)                                       | 24.4                 |
| Other reserve assets  | 41.1                | 0.8                           | 0.1                       | 0.7                                       | 41.9                 |
| <b>U.S. liabilities</b>                                     | <b>37,213.1</b>     | <b>1,351.5</b>                | <b>(<sup>2</sup>)</b>     | <b>(<sup>2</sup>)</b>                     | <b>38,564.6</b>      |
| Liabilities excluding financial derivatives                 | 35,705.5            | 1,103.3                       | 355.2                     | 748.0                                     | 36,808.8             |

| Type of investment                        | Position,<br>2019:I | Change in position in 2019:II |                           |   | Position,<br>2019:II |
|---|---------------------|-------------------------------|---------------------------|---|----------------------|
|   |                     | Total                         | Attributable to:          |   |                      |
|   |                     |                               | Financial<br>transactions | Other changes in<br>position <sup>1</sup> |                      |
| Financial derivatives other than reserves | 1,507.6             | 248.3                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,755.9              |
| <b>By functional category:</b>            |                     |                               |                           |   |                      |
| Direct investment at market value         | 9,470.1             | 329.4                         | 82.3                      | 247.1                                     | 9,799.6              |
| Equity                                    | 7,726.2             | 307.0                         | 63.9                      | 243.1                                     | 8,033.2              |
| Debt instruments                          | 1,743.9             | 22.5                          | 18.4                      | 4.1                                       | 1,766.4              |
| Portfolio investment                      | 19,954.7            | 665.3                         | 167.5                     | 497.8                                     | 20,620.0             |
| Equity and investment fund shares         | 8,256.1             | 381.3                         | 85.5                      | 295.8                                     | 8,637.4              |
| Debt securities                           | 11,698.6            | 284.0                         | 82.0                      | 202.0                                     | 11,982.6             |
| Short term                                | 1,003.9             | -80.6                         | -80.8                     | 0.2                                       | 923.3                |
| Long term                                 | 10,694.7            | 364.6                         | 162.8                     | 201.8                                     | 11,059.3             |
| Financial derivatives other than reserves | 1,507.6             | 248.3                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,755.9              |
| Over-the-counter contracts                | 1,465.2             | 253.4                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,718.7              |
| Single-currency interest rate contracts   | 1,032.1             | 246.3                         | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 1,278.3              |
| Foreign exchange contracts                | 277.0               | 7.8                           | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 284.8                |
| Other contracts                           | 156.2               | -0.7                          | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 155.5                |
| Exchange-traded contracts                 | 42.4                | -5.1                          | ( <sup>2</sup> )          | ( <sup>2</sup> )                          | 37.2                 |
| Other investment                          | 6,280.7             | 108.6                         | 105.5                     | 3.1                                       | 6,389.2              |
| Currency and deposits                     | 3,222.4             | 113.5                         | 111.9                     | 1.5                                       | 3,335.9              |
| Loans                                     | 2,803.4             | -3.1                          | -7.2                      | 4.1                                       | 2,800.3              |
| Insurance technical reserves              | n.a.                | n.a.                          | n.a.                      | n.a.                                      | n.a.                 |
| Trade credit and advances                 | 205.8               | -1.9                          | 0.7                       | -2.6                                      | 204.0                |
| Special drawing rights allocations        | 49.0                | 0.1                           | 0.0                       | 0.1                                       | 49.1                 |

n.a. Not available

(\*) Value between zero and +/- \$50 million

1. Disaggregation of other changes in position into price changes, exchange rate changes, and other changes in volume and valuation is only presented for annual statistics released in June each year.
2. Financial transactions and other changes in financial derivatives positions are available only on a net basis; they are not separately available for U.S. assets and U.S. liabilities.

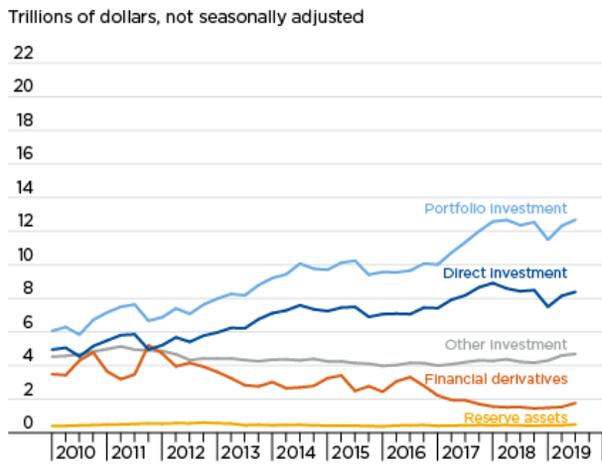
Note. The statistics on positions are presented in table 1.2 of the international investment position accounts on BEA's website. The statistics on financial transactions are not seasonally adjusted and are presented in table 1.2 of the international transactions accounts on BEA's website.

## U.S. Assets

**U.S. assets** increased by \$952.7 billion, to a total of \$28.01 trillion, at the end of the second quarter, reflecting increases in all major categories of assets, particularly in portfolio investment and direct investment assets (chart 2). Portfolio investment assets increased by \$366.4 billion, to \$12.68 trillion, and direct investment assets increased by \$232.8 billion, to \$8.39 trillion. These increases were driven mainly by foreign stock price increases that raised the value of these assets.

Both financial transactions and other changes in position contributed to the overall increase in U.S. assets (table A).

### Chart 2. U.S. Assets



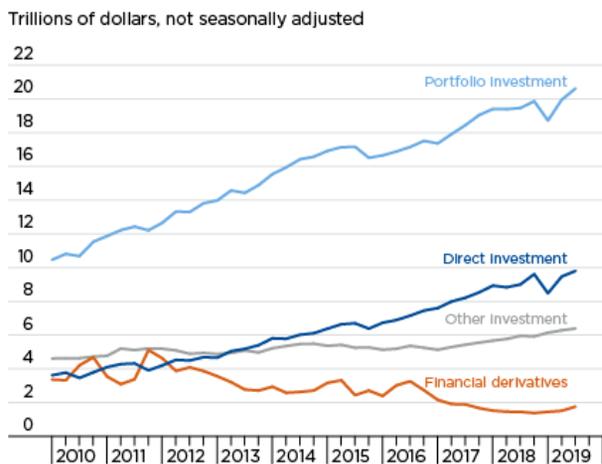
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## U.S. Liabilities

**U.S. liabilities** increased by \$1.35 trillion, to a total of \$38.56 trillion, at the end of the second quarter, reflecting increases in all major categories of liabilities, particularly in portfolio investment liabilities (chart 3). Portfolio investment liabilities increased by \$665.3 billion, to \$20.62 trillion, driven mainly by U.S. stock and bond price increases that raised the value of these liabilities.

Both financial transactions and other changes in position contributed to the overall increase in U.S. liabilities (table A).

### Chart 3. U.S. Liabilities



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## Updates to Statistics

The U.S. net international investment position statistics for the first quarter of 2019 have been updated to incorporate newly available and revised source data (table B).

**Table B. Updates to First Quarter 2019 International Investment Position Aggregates**  
[Billions of dollars, not seasonally adjusted]

|   | Preliminary estimate | Revised estimate |
|---|----------------------|------------------|
| <b>U.S. net international investment position</b> | <b>-9,929.1</b>      | <b>-10,156.7</b> |
| <b>U.S. assets</b>                                | <b>27,137.6</b>      | <b>27,056.4</b>  |
| Direct investment at market value                 | 8,208.6              | 8,153.2          |
| Portfolio investment                              | 12,349.3             | 12,311.7         |
| Financial derivatives other than reserves         | 1,554.9              | 1,539.5          |
| Other investment                                  | 4,573.1              | 4,600.4          |
| Reserve assets                                    | 451.7                | 451.7            |
| <b>U.S. liabilities</b>                           | <b>37,066.7</b>      | <b>37,213.1</b>  |
| Direct investment at market value                 | 9,441.4              | 9,470.1          |
| Portfolio investment                              | 19,842.0             | 19,954.7         |
| Financial derivatives other than reserves         | 1,524.3              | 1,507.6          |
| Other investment                                  | 6,259.1              | 6,280.7          |