

# The International Investment Position of the United States at Yearend 2010

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**T**HE NET international investment position of the United States was  $-\$2,471.0$  billion (preliminary) at yearend 2010, compared with  $-\$2,396.4$  billion (revised) at yearend 2009 (chart 1, table 1). At yearend 2010, the value of foreign-owned assets in the United States exceeded the value of U.S.-owned assets abroad slightly more than they did at yearend 2009.

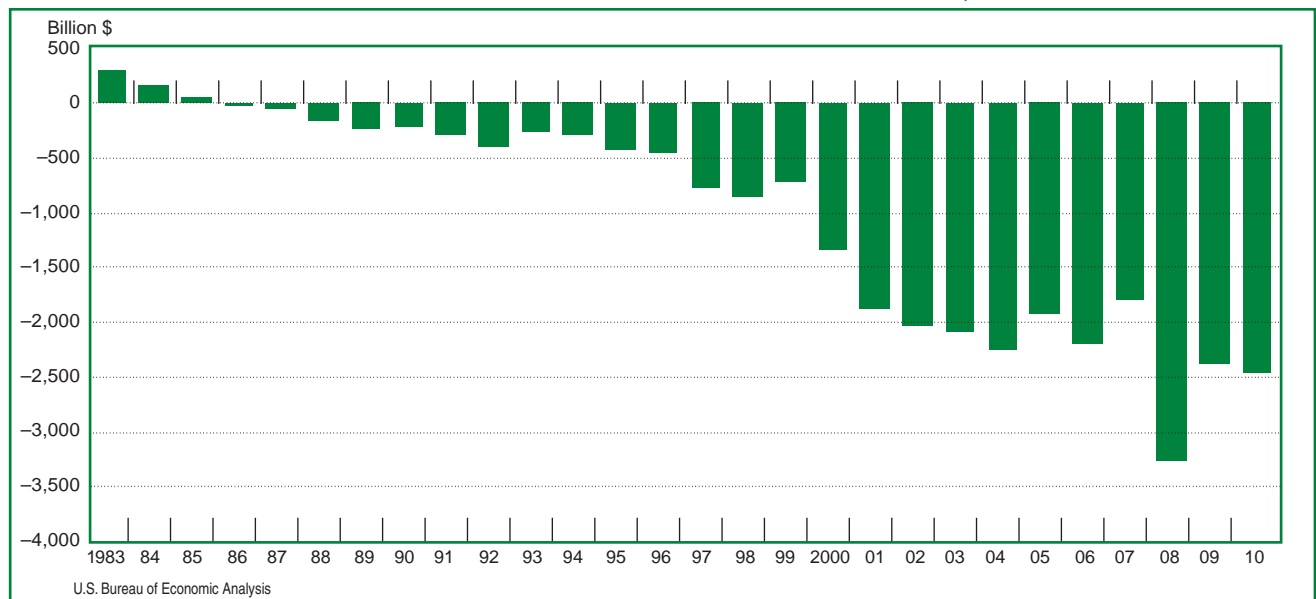
The  $-\$74.6$  billion change in the U.S. net investment position from yearend 2009 to yearend 2010 primarily reflected net foreign acquisitions of financial assets in the United States that exceeded net U.S. acquisitions of financial assets abroad. The impact of these financial flows was partly offset by the net change in valuation adjustments, which include price changes, exchange-rate changes, and other changes, such as more complete source data.

In 2010, price changes led to an  $\$81.5$  billion change in the U.S. net international investment position. Worldwide prices of financial assets—such as stocks, bonds, and government securities, including U.S. Treasury securities—increased, raising the value of both U.S. holdings of foreign securities and foreign holdings

of U.S. securities by comparable amounts. Because these changes in financial asset prices were largely offsetting, the net price change for the U.S. net investment position was mostly attributable to changes in the value of the U.S. gold stock, as the market price of gold reached historical highs. Exchange-rate changes led to a  $-\$39.6$  billion change in the U.S. net international investment position. Depreciation of some major foreign currencies against the U.S. dollar from yearend 2009 to yearend 2010 lowered the dollar value of U.S.-owned assets abroad slightly more than the dollar value of foreign-currency-denominated U.S. liabilities. Other changes led to a  $\$137.9$  billion change in the U.S. net international investment position. In 2010, other valuation changes included more complete reporting of the Treasury International Capital position data by banks and nonbanks, capital gains and losses from the sale of direct investment assets, and adjustments to source data.

In 2010, U.S.-owned assets abroad increased  $\$1,828.3$  billion to  $\$20,315.4$  billion, and foreign-owned assets in the United States increased  $\$1,902.9$

**Chart 1. Net International Investment Position of the United States at Yearend, 1983–2010**



billion to \$22,786.3 billion (table A). U.S. holdings of financial derivatives as assets (with gross positive fair value) increased \$152.1 billion, and U.S. holdings as liabilities (with gross negative fair value) increased \$176.5 billion, following large decreases in 2009. These changes were mainly due to increases in U.S. assets and liabilities from single-currency, interest rate, and foreign exchange contracts that more than offset decreases from other contracts, mostly credit default swaps. In 2010, declining yields on single-currency interest rate swaps caused the fair values of existing swaps to rise in the second and third quarters and for the year 2010, more than accounting for increases in total U.S. holdings of financial derivatives with gross positive and gross negative fair values. In contrast, the value of other contracts, mostly credit default swaps, continued to decline from their peak in 2008.

**Table A. U.S. Net International Investment Position at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>Net position</b> .....	<b>-3,260.2</b>	<b>-2,396.4</b>	<b>-2,471.0</b>
Financial derivatives, net.....	159.6	134.7	110.4
Net position, excluding financial derivatives.....	-3,419.8	-2,531.2	-2,581.4
<b>U.S.-owned assets abroad</b> .....	<b>19,464.7</b>	<b>18,487.0</b>	<b>20,315.4</b>
Financial derivatives (gross positive fair value).....	6,127.5	3,500.8	3,652.9
U.S.-owned assets abroad, excluding financial derivatives.....	13,337.3	14,986.3	16,662.5
<b>Foreign-owned assets in the United States</b> .....	<b>22,724.9</b>	<b>20,883.5</b>	<b>22,786.3</b>
Financial derivatives (gross negative fair value).....	5,967.8	3,366.0	3,542.5
Foreign-owned assets in the United States, excluding financial derivatives.....	16,757.1	17,517.4	19,243.9

U.S.-owned assets abroad excluding financial derivatives increased \$1,676.2 billion to \$16,662.5 billion in 2010.

- Financial flows excluding financial derivatives raised the value of U.S.-owned assets abroad by \$1,005.2 billion (table B). In 2010, both U.S. banks' and securities brokers' claims on foreign residents and U.S. direct investment abroad increased, and U.S. residents bought more foreign securities than they sold. These financial outflows were partly offset by decreases in the U.S. government's foreign currency holdings and in U.S. nonbanks' claims on foreign residents.

**Table B. Changes in U.S.-Owned Assets Abroad, Excluding Financial Derivatives**

[Billions of dollars]

	2009	2010
<b>Total change</b> .....	<b>1,649.0</b>	<b>1,676.2</b>
<b>Financial flows</b> .....	<b>139.3</b>	<b>1,005.2</b>
<b>Valuation adjustments</b> .....	<b>1,509.7</b>	<b>671.0</b>
Price changes.....	1,091.6	621.8
Exchange-rate changes.....	395.5	-51.7
Other valuation changes.....	22.5	100.8

- Valuation adjustments excluding those on financial derivatives raised the value of U.S.-owned assets abroad by \$671.0 billion (table B). Price changes of

\$621.8 billion, mostly from price increases of foreign stocks, and other valuation changes of \$100.8 billion were partly offset by exchange-rate changes of -\$51.7 billion.

Foreign-owned assets in the United States excluding financial derivatives increased \$1,726.4 billion to \$19,243.9 billion in 2010.

- Financial flows excluding financial derivatives raised the value of foreign-owned assets in the United States by \$1,245.7 billion (table C). In 2010, foreign residents, including foreign official institutions, purchased more U.S. securities than they sold, especially U.S. Treasury securities. Foreign direct investment in the United States and U.S. banks' and securities brokers' and U.S. nonbanks' liabilities to foreign residents increased.

**Table C. Changes in Foreign-Owned Assets in the United States, Excluding Financial Derivatives**

[Billions of dollars]

	2009	2010
<b>Total change</b> .....	<b>760.4</b>	<b>1,726.4</b>
<b>Financial flows</b> .....	<b>335.8</b>	<b>1,245.7</b>
<b>Valuation adjustments</b> .....	<b>424.6</b>	<b>480.7</b>
Price changes.....	544.7	540.4
Exchange-rate changes.....	89.2	-12.0
Other valuation changes.....	-209.3	-47.6

- Valuation adjustments excluding those on financial derivatives raised the value of foreign-owned assets in the United States by \$480.7 billion (table C). Price changes of \$540.4 billion, mostly from price increases of U.S. stocks, were partly offset by exchange-rate changes of -\$12.0 billion and other valuation changes of -\$47.6 billion.

This article presents the major changes in U.S.-owned assets abroad and in foreign-owned assets in the United States in 2010. Tables 1 and 2 at the end of this article present the yearend position statistics by type of asset.

## Changes in U.S.-Owned Assets Abroad

### U.S. official reserve assets and other U.S. government assets

U.S. official reserve assets increased \$84.9 billion to \$488.7 billion in 2010, mostly from increases in the market value of the official U.S. gold stock. The value of the U.S. gold stock increased \$83.2 billion to \$367.5 billion, reflecting a 29 percent increase in the market price of gold from yearend 2009 to yearend 2010. U.S. official holdings of foreign currencies and reserve position in the International Monetary Fund also increased, but by much smaller amounts. In contrast, U.S. holdings of special drawing rights decreased slightly.

U.S. government assets other than official reserve

assets decreased \$7.5 billion to \$75.2 billion, as a result of the reversal of nearly all remaining swaps under temporary reciprocal currency arrangements between the U.S. central bank and foreign central banks. The decrease in foreign currency holdings was partly offset by an increase in U.S. government credits to foreigners.

### Financial derivatives

U.S. holdings of financial derivatives with gross positive fair value increased \$152.1 billion to \$3,652.9 billion in 2010 (table D).<sup>1</sup> Most of the increase was attributable to increases in over-the-counter, single-currency interest rate and foreign exchange contracts that more than offset decreases in other contracts, mostly credit default swaps. By area, most U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

### Bank and nonbank claims

U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$568.0 billion to \$4,572.6 billion in 2010, mostly as a result of \$515.0 billion in financial outflows.

U.S. banks' and securities brokers' own claims denominated in dollars increased \$441.0 billion to \$3,259.4 billion (table E). Most of the increase reflected increases in U.S. securities brokers' claims, mostly in the form of resale agreements, and in U.S.-owned banks' claims, mostly in the form of deposit place-

ments and loans to affiliated offices overseas.

U.S. banks' domestic customers' claims denominated in dollars increased \$89.9 billion to \$895.3 billion, reflecting increases in U.S. holdings of foreign commercial paper and other short-term instruments, deposits and brokerage balances, and other claims that more than offset decreases in U.S. holdings of foreign negotiable certificates of deposit. U.S. banks' claims payable in foreign currencies increased \$37.1 billion to \$417.9 billion, mostly as a result of increases in banks' customers' claims.

U.S. claims on foreigners reported by U.S. nonbanking concerns increased \$11.8 billion to \$873.7 billion.

**Table E. U.S. Claims Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>U.S. claims reported by U.S. banks and securities brokers</b>	<b>3,754.3</b>	<b>4,004.6</b>	<b>4,572.6</b>
Claims for own accounts, denominated in dollars.....	2,605.5	2,818.4	3,259.4
U.S.-owned banks' claims.....	932.0	952.0	1,139.0
Foreign-owned banks' claims.....	1,179.3	1,344.1	1,341.6
Brokers' and dealers' claims.....	494.2	522.3	778.8
Claims for customers' accounts, denominated in dollars.....	782.3	805.4	895.3
Claims, denominated in foreign currencies.....	366.5	380.8	417.9
<b>U.S. claims reported by U.S. nonbanking concerns.....</b>	<b>930.9</b>	<b>861.9</b>	<b>873.7</b>

1. A derivatives contract with a positive fair value represents the amount that a foreign resident would have to pay to a U.S. counterparty if the contract was terminated or settled. A contract with a negative fair value represents the amount that a U.S. resident would have to pay to a foreign counterparty if the contract was terminated or settled. The gross positive (or negative) fair value is the sum of all contracts with positive (or negative) fair values. Fair values are different from notional values, which are the underlying amounts used to calculate payments on contracts.

**Table D. Gross Positive Fair Value of Financial Derivatives**

[Billions of dollars]

	2009	2010	Changes				
			2010				2009-2010
			I	II	III	IV	
<b>Financial derivatives</b> .....	<b>3,500.8</b>	<b>3,652.9</b>	<b>-71.7</b>	<b>881.3</b>	<b>473.4</b>	<b>-1,130.8</b>	<b>152.1</b>
By type:							
Over-the-counter contracts.....	3,471.7	3,622.4	-85.6	893.0	475.5	-1,132.2	150.7
Single-currency interest rate contracts.....	2,596.8	2,844.9	16.8	824.3	477.3	-1,070.3	248.1
Foreign exchange contracts.....	282.6	330.3	-29.6	45.5	59.7	-27.9	47.7
Other.....	592.3	447.2	-72.8	23.1	-61.5	-34.0	-145.1
Exchange-traded contracts.....	29.1	30.5	13.8	-11.7	-2.1	1.4	1.4
By area:							
Europe.....	3,192.0	3,335.4	-72.0	860.1	435.0	-1,079.7	143.4
Of which: United Kingdom.....	2,391.9	2,503.6	-57.1	696.1	299.7	-827.0	111.7
Canada.....	44.3	46.4	0.2	4.9	7.0	-10.0	2.1
Caribbean financial centers.....	76.7	74.8	15.7	-7.7	-2.2	-7.7	-1.9
Of which: Cayman Islands.....	63.0	60.3	14.7	-8.3	-4.5	-4.6	-2.6
Latin America, excluding Caribbean financial centers.....	10.7	12.0	0.6	0.5	1.8	-1.6	1.2
Asia.....	128.4	140.1	-3.8	19.9	21.4	-25.8	11.8
Of which: Japan.....	92.7	104.2	-2.0	15.0	17.0	-18.5	11.5
Africa.....	16.7	21.0	0.6	3.0	4.9	-4.2	4.3
Other.....	32.1	23.3	-13.0	0.4	5.4	-1.7	-8.8

### Foreign securities

U.S. holdings of foreign securities increased \$657.2 billion to \$6,222.9 billion in 2010, mostly as a result of price appreciation of foreign stocks and, to a lesser extent, of foreign bonds. U.S. net purchases of foreign securities also raised U.S. holdings. In contrast, exchange-rate changes resulting from the depreciation of some major foreign currencies against the U.S. dollar from yearend 2009 to yearend 2010 lowered the value of U.S. holdings. In 2010, price appreciation of foreign securities, particularly of foreign stocks, was not as strong as in 2009. Major foreign currencies depreciated 1 percent against the U.S. dollar, compared with an appreciation of 9 percent in 2009.<sup>2</sup>

U.S. holdings of foreign stocks increased \$490.3 billion to \$4,485.6 billion, mostly as a result of \$450.3 billion in price appreciation, as global stock markets continued to recover from the financial crisis. The Morgan Stanley Capital International World (excluding the United States) stock index in local currency rose 5 percent in 2010, following a 28 percent increase in 2009. U.S. net purchases of foreign stocks raised U.S. holdings by \$79.1 billion. In contrast, exchange-rate changes lowered U.S. holdings by \$39.1 billion.

At yearend 2010, the largest U.S. holdings were in

2. The Federal Reserve Board's monthly index of the foreign exchange value of the U.S. dollar against major foreign currencies was used to measure the appreciation or depreciation of foreign currencies against the U.S. dollar.

European stocks, which stood at \$2,031.8 billion, or 45 percent of total U.S. holdings of foreign stocks (table F). U.S. holdings of Asian stocks were \$1,153.5 billion, or 26 percent of the total.

**Table F. U.S. Holdings of Foreign Stocks  
by Major Area and Country at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>Total holdings</b> .....	<b>2,748.4</b>	<b>3,995.3</b>	<b>4,485.6</b>
Europe.....	1,378.9	1,961.9	2,031.8
<i>Of which:</i>			
United Kingdom.....	393.3	592.4	638.7
Switzerland.....	214.3	298.3	328.2
France.....	212.2	250.7	235.9
Germany.....	159.9	192.7	205.7
Netherlands.....	76.6	108.8	111.1
Spain.....	63.3	87.4	70.4
Ireland.....	22.3	79.2	62.2
Sweden.....	30.3	44.0	58.4
Belgium and Luxembourg.....	31.6	59.8	56.4
Canada.....	180.2	295.1	359.5
Caribbean financial centers.....	283.1	334.7	377.4
<i>Of which:</i>			
Cayman Islands.....	95.2	147.5	168.1
Bermuda.....	143.3	121.1	132.1
Latin America, excluding Caribbean financial centers.....	137.3	276.6	331.5
<i>Of which:</i>			
Brazil.....	72.1	180.3	211.4
Mexico.....	46.0	65.1	82.9
Asia.....	659.2	929.3	1,153.5
<i>Of which:</i>			
Japan.....	347.6	370.8	441.1
Hong Kong.....	61.5	91.4	138.6
Korea, Republic of.....	45.3	87.9	122.4
China.....	53.3	101.6	104.4
Taiwan.....	41.2	76.6	97.5
Africa.....	35.6	58.0	72.8
<i>Of which:</i> South Africa.....	29.6	49.5	66.0
Other countries.....	74.1	139.8	159.2
<i>Of which:</i> Australia.....	65.2	127.9	144.2

U.S. holdings of foreign bonds increased \$166.9 billion to \$1,737.3 billion, reflecting \$98.1 billion in price appreciation and \$72.8 billion in net purchases that were partly offset by a small decline in value caused by exchange-rate changes.

At yearend 2010, the largest U.S. holdings were in European bonds, which stood at \$771.7 billion, or 44 percent of total U.S. holdings of foreign bonds (table G). U.S. holdings of Canadian bonds were \$283.9 bil-

**Table G. U.S. Holdings of Foreign Bonds  
by Major Area and Country at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>Total holdings</b> .....	<b>1,237.3</b>	<b>1,570.3</b>	<b>1,737.3</b>
Europe.....	575.3	741.4	771.7
<i>Of which:</i>			
United Kingdom.....	193.0	254.4	244.7
Belgium and Luxembourg.....	43.4	64.6	123.0
Netherlands.....	74.9	106.2	109.0
France.....	52.7	76.1	79.2
Germany.....	75.9	76.0	46.1
Ireland.....	22.6	25.8	38.1
Sweden.....	20.2	25.5	33.0
Canada.....	165.9	219.5	283.9
Caribbean financial centers.....	227.2	251.0	265.9
<i>Of which:</i>			
Cayman Islands.....	202.4	217.5	226.6
Bermuda.....	19.2	26.8	29.9
Latin America, excluding Caribbean financial centers.....	65.9	94.2	114.5
<i>Of which:</i>			
Brazil.....	18.9	32.4	35.3
Mexico.....	19.0	22.6	34.5
Asia.....	98.9	101.0	109.6
<i>Of which:</i>			
Japan.....	39.7	26.6	34.9
Korea, Republic of.....	10.5	16.3	17.1
Africa.....	6.4	9.3	11.6
Other countries.....	97.7	153.9	180.0
<i>Of which:</i> Australia.....	71.0	107.3	131.7

lion, or 16 percent of the total. Holdings of foreign bonds in Caribbean financial centers, mostly in the Cayman Islands, were \$265.9 billion, or 15 percent of the total.

## U.S. direct investment abroad

The stock of U.S. direct investment abroad increased \$361.9 billion to \$4,429.4 billion in 2010. Financial outflows raised U.S. direct investment abroad by \$351.4 billion, mostly as a result of very strong reinvested earnings (table H). Net equity investment increased from a multiyear low and intercompany debt shifted to inflows from outflows.

**Table H. U.S. Direct Investment Abroad**

[Billions of dollars]

	2009	2010
<b>Total position at yearend</b> .....	<b>4,067.5</b>	<b>4,429.4</b>
<b>Total change</b> .....	<b>319.0</b>	<b>361.9</b>
Financial outflows.....	303.6	351.4
Equity.....	24.5	47.7
Intercompany debt.....	41.4	-16.9
Reinvested earnings.....	237.7	320.5
Price changes.....	-29.5	-9.7
Exchange-rate changes.....	83.3	6.2
Other valuation changes.....	-38.5	14.1

## Changes in Foreign-Owned Assets in the United States

### Financial derivatives

U.S. holdings of financial derivatives with gross negative fair value increased \$176.5 billion to \$3,542.5 billion (table I). As with U.S. holdings of financial derivatives with gross positive fair value, most of the increase was attributable to increases in over-the-counter, single-currency interest rate and foreign exchange contracts. In contrast, other contracts, mostly credit default swaps, decreased. By area, most U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

**Table I. Gross Negative Fair Value of Financial Derivatives**

[Billions of dollars]

	2009	2010	Changes				
			2010				2009-2010
			I	II	III	IV	
<b>Financial derivatives</b> .....	<b>3,366.0</b>	<b>3,542.5</b>	<b>-50.2</b>	<b>895.3</b>	<b>468.1</b>	<b>-1,136.7</b>	<b>176.5</b>
<i>By type:</i>							
Over-the-counter contracts.....	3,336.4	3,512.9	-62.6	906.1	469.3	-1,136.3	176.5
Single-currency interest rate contracts.....	2,532.6	2,788.0	23.9	823.8	474.9	-1,067.3	255.3
Foreign exchange contracts.....	250.3	304.1	-17.7	66.6	44.2	-39.3	53.8
Other.....	553.6	420.9	-68.9	15.6	-49.8	-29.7	-132.7
Exchange-traded contracts.....	29.6	29.6	12.4	-10.8	-1.2	-0.4	0.0
<i>By area:</i>							
Europe.....	3,087.9	3,241.2	-56.5	859.9	432.4	-1,082.6	153.2
<i>Of which:</i> United Kingdom.....	2,357.4	2,469.1	-51.9	691.6	305.7	-833.8	111.7
Canada.....	40.3	45.3	2.3	5.5	8.1	-10.9	5.0
Caribbean financial centers.....	58.0	63.9	17.9	-5.1	-0.4	-6.5	5.8
<i>Of which:</i> Cayman Islands.....	46.1	48.9	16.1	-9.2	-3.0	-1.2	2.8
Latin America, excluding Caribbean financial centers.....	7.9	9.3	-0.2	0.6	1.0	0.0	1.4
Asia.....	123.2	138.5	-2.0	25.4	20.4	-28.4	15.3
<i>Of which:</i> Japan.....	92.5	106.6	-1.2	18.0	16.2	-19.0	14.1
Africa.....	16.6	20.5	0.1	3.8	4.3	-4.3	3.9
Other.....	32.0	23.9	-11.8	5.2	2.3	-3.9	-8.2



## Foreign official assets

Foreign official assets in the United States increased \$460.9 billion to \$4,863.6 billion, mostly as a result of strong net purchases of U.S. Treasury securities. Foreign official holdings of U.S. Treasury securities increased \$441.1 billion to \$3,320.7 billion, reflecting net purchases of \$397.8 billion and price appreciation of \$43.3 billion. Holdings of U.S. corporate bonds and stocks increased \$90.5 billion to \$618.1 billion (other foreign official assets, table 1, line 33), reflecting price appreciation of \$60.4 billion, mostly from price increases of U.S. stocks, and net purchases of \$30.0 billion. Other U.S. government liabilities to foreign official institutions increased \$11.1 billion to \$110.2 billion. In contrast, foreign official holdings of U.S. agency bonds decreased \$72.5 billion to \$636.5 billion (line 30), reflecting \$80.8 billion in net sales that were partly offset by small price increases. U.S. banks' and securities brokers' liabilities to foreign official institutions decreased \$9.4 billion to \$178.1 billion.

## Bank and nonbank liabilities

U.S. liabilities to private foreign residents and international financial institutions reported by U.S. banks and

securities brokers increased \$166.6 billion to \$3,706.7 billion in 2010. The increase reflected financial inflows of \$177.1 billion, a sharp reversal from financial outflows of \$317.1 billion in 2009 and \$428.3 billion in 2008.

Dollar-denominated liabilities for U.S. banks' and securities brokers' own accounts increased \$247.0 billion to \$3,149.0 billion (table J). The increase reflected a shift to inflows of funds after 2 years of substantial outflows, as the effects of the financial crisis subsided. In 2010, U.S. securities brokers' liabilities to foreign banks, mostly in the form of repurchase agreements and brokerage balances, increased considerably. Both

**Table J. U.S. Liabilities Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>U.S. liabilities reported by U.S. banks and securities brokers</b>	<b>3,901.0</b>	<b>3,540.2</b>	<b>3,706.7</b>
Liabilities for own accounts, denominated in dollars.....	3,063.2	2,902.0	3,149.0
U.S.-owned banks' liabilities.....	1,375.1	1,267.0	1,325.0
Foreign-owned banks' liabilities.....	993.5	957.3	1,008.3
Brokers' and dealers' liabilities.....	694.6	677.7	815.7
Liabilities for customers' accounts, denominated in dollars.....	537.2	416.0	364.9
Liabilities, denominated in foreign currencies.....	300.6	222.2	192.8
<b>U.S. liabilities reported by U.S. nonbanking concerns.....</b>	<b>740.6</b>	<b>707.4</b>	<b>747.8</b>

## Valuing Direct Investment Positions and Other Components of the U.S. International Investment Position

Virtually all of the categories in the international investment position accounts except direct investment positions can be directly estimated with reference to readily observable market prices. For example, the value of positions in portfolio investment securities, gold, loans, currencies, and bank deposits can be directly estimated based on face values or market prices of recent transactions. In contrast, direct investment positions typically involve illiquid ownership interests in companies that may possess many unique attributes—such as customer base, management, and ownership of intangible assets—whose values in the current period are difficult to determine, because shares in direct investment affiliates typically are not traded separately from those of their parent companies and because there is no widely accepted standard for revaluing company financial statements at historical cost into prices of the current period.

Direct investment at current cost is BEA's featured measure of direct investment in current-period prices. The current-cost method values the U.S. and foreign parents' shares of their affiliates' investment in plant and equipment, using the current cost of capital equipment; in land, using general price indexes; and in inventories, using estimates of their replacement cost. Direct investment at market value is an alternative measure of direct investment in current-period prices. The market-value

method values the owners' equity share of direct investment, using indexes of stock market prices. BEA also publishes direct investment at historical cost, which values assets and liabilities at their book value. Country and industry detail can be shown only for direct investment at historical cost. (For additional information, see J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," *SURVEY OF CURRENT BUSINESS* 71 (May 1991): 40–49.)

In this article, BEA features the current-cost method, because the statistics prepared using this method are comparable with BEA's current-cost statistics of the net stock of fixed assets and consumer durable goods and with the Federal Reserve Board's statistics of domestic net worth (the sum of tangible assets located in the United States, including plant and equipment, inventories, and land). Furthermore, BEA's calculation of direct investment income includes a current-cost adjustment to depreciation; this adjustment converts depreciation as reported on company financial statements to the preferred economic accounts measure, which is based on the current cost, rather than on the historical cost, of assets.

For detailed data on direct investment at historical cost by country and industry, see "Direct Investment Positions for 2010: Country and Industry Detail" in this issue.

U.S.-owned and foreign-owned banks' liabilities also increased, mostly as a result of interoffice transfers of funds in the form of loans and deposits from affiliated banks in the United Kingdom and the Caribbean.

In contrast, dollar-denominated liabilities for customers' accounts decreased \$51.1 billion to \$364.9 billion, reflecting cutbacks in foreign loans to U.S. customers and decreases in foreign holdings of U.S. negotiable certificates of deposit. U.S. banks' liabilities payable in foreign currencies decreased \$29.4 billion to \$192.8 billion, reflecting cutbacks in loans to U.S. banks.

U.S. liabilities to foreign residents reported by U.S. nonbanking concerns increased \$40.4 billion to \$747.8 billion. The increase reflected \$77.5 billion in financial inflows that were partly offset by decreases in U.S. liabilities resulting from exchange-rate changes and other valuation changes that included more complete reporting of position data by nonbanking financial intermediaries in BEA's surveys of direct investment.

### U.S. Treasury securities

Total foreign official and private holdings of U.S. Treasury securities increased \$713.9 billion to \$4,385.3 billion in 2010 (table K). The increase reflected strong net purchases and price appreciation of U.S. Treasury securities.

**Table K. Foreign Official and Private Holdings of U.S. Treasury Securities by Selected Countries at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>Total holdings</b> .....	<b>3,253.0</b>	<b>3,671.4</b>	<b>4,385.3</b>
<i>Of which:</i>			
China.....	808.3	1,036.4	1,280.1
Japan.....	660.1	750.2	871.5
Brazil.....	140.1	170.3	184.7
Russia.....	133.8	156.3	169.4
OPEC Asia.....	180.6	166.1	165.8
Taiwan.....	94.5	125.8	153.7
Hong Kong.....	78.2	145.9	133.5
Belgium and Luxembourg.....	112.9	111.3	117.7
Switzerland.....	73.6	91.0	105.5
United Kingdom.....	84.7	29.7	98.5

At yearend 2010, China remained the largest foreign investor in U.S. Treasury securities with its holdings valued at \$1,280.1 billion, an increase of \$243.7 billion from yearend 2009. Japan was the second-largest investor with its holdings valued at \$871.5 billion, an increase of \$121.3 billion from yearend 2009. Together, China and Japan accounted for 49 percent of total foreign holdings of U.S. Treasury securities.

### Other U.S. securities

Foreign private holdings of U.S. securities other than U.S. Treasury securities increased \$540.2 billion to \$5,860.1 billion in 2010. The increase reflected price appreciation, mostly from price increases of U.S. stocks, and net purchases that more than offset a small

decrease in U.S. holdings resulting from exchange-rate changes.

Foreign holdings of U.S. corporate and agency bonds increased \$42.9 billion to \$2,868.5 billion. The increase reflected \$73.8 billion in price appreciation that was partly offset by \$22.7 billion in net sales and \$8.3 billion in exchange-rate depreciation of foreign-currency-denominated U.S. corporate bonds. In 2010, net sales of corporate bonds slowed sharply from a record level and net transactions in agency bonds shifted to small net purchases after 3 consecutive years of net sales.

At yearend 2010, investors from Europe, mostly from Western Europe, accounted for \$1,762.2 billion, or 61 percent of total foreign holdings of U.S. corporate and agency bonds (table L). Outside of Europe, investment funds in the Caribbean financial centers accounted for \$536.9 billion, or 19 percent of total holdings, and investors from Asia, mostly from Japan, accounted for \$403.6 billion, or 14 percent of the total.

**Table L. Foreign Private Holdings of U.S. Corporate and Agency Bonds by Major Area and Country at Yearend**

[Billions of dollars]

	2008	2009	2010
<b>Total holdings</b> .....	<b>2,770.6</b>	<b>2,825.6</b>	<b>2,868.5</b>
Europe.....	1,753.3	1,782.6	1,762.2
<i>Of which:</i>			
Belgium and Luxembourg.....	668.9	705.7	677.2
United Kingdom.....	566.0	546.4	549.6
Ireland.....	153.0	154.5	151.0
Switzerland.....	98.8	113.4	121.2
Germany.....	90.5	85.5	83.7
Netherlands.....	84.7	73.7	66.8
France.....	41.0	49.0	59.8
Canada.....	63.8	70.1	87.7
Caribbean financial centers.....	480.2	516.8	536.9
<i>Of which:</i>			
Cayman Islands.....	336.8	354.1	363.8
Bermuda.....	109.5	124.1	131.4
Latin America, excluding Caribbean financial centers.....	33.8	26.6	32.2
Asia.....	387.9	377.9	403.6
<i>Of which:</i>			
Japan.....	265.2	261.2	270.5
Taiwan.....	36.4	43.5	52.2
Hong Kong.....	23.4	24.6	31.9
Africa.....	3.4	2.7	2.4
Other countries.....	48.2	48.9	43.5
<i>Of which: Australia.....</i>	<i>28.9</i>	<i>25.7</i>	<i>23.5</i>

Foreign holdings of U.S. stocks increased \$497.4 billion to \$2,991.6 billion, reflecting \$354.2 billion in price appreciation and \$143.1 billion in net purchases. For 2010, the S&P 500 stock index rose 13 percent, following a 23 percent increase for 2009.

At yearend 2010, investors from Europe, mostly from Western Europe, accounted for \$1,550.4 billion, or 52 percent of total foreign holdings of U.S. stocks (table M). Outside of Europe, investment funds in the Caribbean financial centers accounted for \$511.2 billion, or 17 percent of total holdings. Investors from Asia, mostly from Japan, accounted for \$391.3 billion, or 13 percent of the total, and investors from Canada accounted for \$365.7 billion, or 12 percent of the total.

**Table M. Foreign Private Holdings of U.S. Corporate Stocks  
by Major Area and Country at Yearend**  
[Billions of dollars]

	2008	2009	2010
<b>Total holdings</b> .....	<b>1,850.1</b>	<b>2,494.3</b>	<b>2,991.6</b>
Europe.....	964.4	1,281.1	1,550.4
<i>Of which:</i>			
United Kingdom.....	282.7	372.0	451.8
Belgium and Luxembourg.....	147.4	197.6	231.6
Switzerland.....	118.0	166.0	202.7
Netherlands.....	124.6	159.5	179.9
France.....	87.3	116.1	163.6
Ireland.....	56.0	78.3	95.3
Germany.....	45.3	57.2	67.4
Sweden.....	31.4	46.0	57.9
Canada.....	234.1	306.0	365.7
Caribbean financial centers.....	305.0	424.2	511.2
<i>Of which:</i> Cayman Islands.....	214.9	299.2	357.8
Latin America, excluding Caribbean financial centers.....	39.1	54.5	65.4
<i>Of which:</i> Mexico.....	10.3	14.5	20.8
Asia.....	239.6	336.4	391.3
<i>Of which:</i> Japan.....	161.9	231.2	275.0
Africa.....	5.1	5.9	6.6
Other countries.....	62.8	86.2	101.0
<i>Of which:</i> Australia.....	57.3	77.5	91.5

### U.S. currency

U.S. currency held by foreigners increased \$28.3 billion to \$342.1 billion in 2010. Net U.S. currency shipments to foreigners increased to a near-record level as de-

mand for dollars picked up, partly as a result of heightened concerns about the stability and solvency of banks in some smaller European countries.

### Foreign direct investment in the United States

The stock of foreign direct investment in the United States increased \$217.2 billion to \$2,658.9 billion in 2010. Financial inflows raised foreign direct investment in the United States by \$236.2 billion, mostly as a result of net equity investment and reinvested earnings (table N).

**Table N. Foreign Direct Investment in the United States**  
[Billions of dollars]

	2009	2010
<b>Total position at yearend</b> .....	<b>2,441.7</b>	<b>2,658.9</b>
<b>Total change</b> .....	<b>44.3</b>	<b>217.2</b>
Financial inflows.....	158.6	236.2
Equity.....	134.3	114.7
Intercompany debt.....	10.8	27.8
Reinvested earnings.....	13.5	93.7
Price changes.....	-28.4	-16.2
Exchange-rate changes.....	4.1	0.0
Other valuation changes.....	-90.0	-2.8

### Revisions to the Statistics

Statistics on the U.S. international investment position presented in this article have been revised for 2007 to 2009 to incorporate newly available source data and methodological changes that are related to the improvements to the annual revision of the U.S. international transactions accounts.

The revised position statistics reflect the incorporation of results from BEA's benchmark survey of foreign direct investment in the United States for 2007 and the U.S. Treasury Department's annual surveys of U.S. Ownership of Foreign Securities for December 2009 and Foreign-Residents' Holdings of U.S. Securities for June 2010. The revisions also reflect new and updated source data from BEA's quarterly and annual surveys of direct investment, the Treasury International Capital reporting system, and other sources.

Revisions for 2007 to 2009 did not significantly affect the trend in the U.S. net investment position for these years. The U.S. net international investment position was revised from -\$1,915.7 billion to -\$1,796.0 billion for 2007, from -\$3,493.9 billion to -\$3,260.2 billion for 2008, and from -\$2,737.8 billion to -\$2,396.4 billion for 2009 (see table below). In each year, U.S.-owned assets abroad were revised up, and foreign-owned assets in the United States were revised down.

U.S.-owned assets abroad were revised up, mainly because of upward revisions to U.S. claims reported by U.S. nonbanking concerns for 2007, to U.S. claims reported by U.S. nonbanking concerns and by U.S. banks and securities brokers for 2008, and to U.S. investment in foreign securities for 2009. Improved

source data from the BEA 2007 benchmark survey of foreign direct investment in the United States and from other sources led to the upward revisions to the U.S. claims of nonbanking financial intermediaries for 2007–2009.<sup>1</sup> Updated source data from the Treasury International Capital reporting system led to the upward revision to U.S. claims reported by U.S. banks and securities brokers for 2008 and to the downward revision for 2009. U.S. holdings of foreign securities for 2009 were revised upward to incorporate the results from the U.S. Treasury Department's December 2009 survey of U.S. Ownership of Foreign Securities.

Foreign-owned assets in the United States were revised down mainly because of downward revisions to foreign direct investment based on results from the BEA 2007 benchmark survey of foreign direct investment in the United States. For 2008, the large downward revision to foreign direct investment was mostly offset by upward revisions to U.S. liabilities reported by U.S. banks and securities brokers and by U.S. nonbanking concerns.

For additional information on the sources of revisions to positions, see "Annual Revision of the U.S. International Transactions Accounts" in this issue.

1. U.S. claims and liabilities reported by U.S. nonbanking concerns include intercompany debt between affiliated financial intermediaries that is collected in surveys of direct investment and reclassified to the nonbank accounts, as recommended by international statistical standards.

Revisions to the International Investment Position of the United States at Yearend, 2007–2009

[Billions of dollars]

Type of investment	2007	2008	2009
<b>Net international investment position of the United States</b>			
Revised .....	-1,796.0	-3,260.2	-2,396.4
Previously published .....	-1,915.7	-3,493.9	-2,737.8
Amount of revision .....	119.7	233.7	341.4
<b>U.S.-owned assets abroad</b>			
Revised .....	18,399.7	19,464.7	18,487.0
Previously published .....	18,339.9	19,244.9	18,379.1
Amount of revision .....	59.8	219.8	108.0
<b>Foreign securities</b>			
Revised .....	6,835.1	3,985.7	5,565.6
Previously published .....	6,835.1	3,985.7	5,471.0
Amount of revision .....	0.0	0.0	94.6
<b>U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns</b>			
Revised .....	1,233.3	930.9	861.9
Previously published .....	1,173.7	794.7	794.2
Amount of revision .....	59.6	136.2	67.7
<b>U.S. claims reported by U.S. banks and securities brokers, not included elsewhere</b>			
Revised .....	3,847.1	3,754.3	4,004.6
Previously published .....	3,847.1	3,676.3	4,064.1
Amount of revision .....	0.0	78.0	-59.5
<b>Foreign-owned assets in the United States</b>			
Revised .....	20,195.7	22,724.9	20,883.5
Previously published .....	20,255.6	22,738.8	21,116.9
Amount of revision .....	-59.9	-13.9	-233.5
<b>Direct investment at current cost</b>			
Revised .....	2,345.9	2,397.4	2,441.7
Previously published .....	2,410.5	2,521.4	2,672.8
Amount of revision .....	-64.6	-124.0	-231.1
<b>U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns</b>			
Revised .....	863.1	740.6	707.4
Previously published .....	864.6	731.5	665.5
Amount of revision .....	-1.4	9.0	41.9
<b>U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere</b>			
Revised .....	3,985.2	3,901.0	3,540.2
Previously published .....	3,979.0	3,805.2	3,593.6
Amount of revision .....	6.2	95.8	-53.5

Tables 1 and 2 follow.



Table 1. International Investment Position of the United States at Yearend, 2009 and 2010

[Millions of dollars]

Line	Type of investment	Position, 2009 <sup>r</sup>	Changes in position in 2010				Position, 2010 <sup>p</sup>	
			Attributable to:					
			Valuation adjustments					
			Financial flows (a)	Price changes (b)	Exchange-rate changes <sup>1</sup> (c)	Other changes <sup>2</sup> (d)		Total (a+b+c+d)
1	<b>Net international investment position of the United States (lines 2+3)</b> .....	<b>-2,396,426</b>	<b>-254,289</b>	<b>81,479</b>	<b>-39,633</b>	<b>137,880</b>	<b>-74,563</b>	<b>-2,470,989</b>
2	Financial derivatives, net (line 5 less line 25) <sup>3</sup> .....	134,749	-13,735	( <sup>4</sup> )	( <sup>4</sup> )	<sup>4</sup> -10,593	-24,328	110,421
3	Net international investment position, excluding financial derivatives (line 6 less line 26).....	-2,531,175	-240,554	81,479	-39,633	148,473	-50,235	-2,581,410
4	<b>U.S.-owned assets abroad (lines 5+6)</b> .....	<b>18,487,042</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>1,828,317</b>	<b>20,315,359</b>
5	Financial derivatives (gross positive fair value).....	3,500,786	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	152,123	3,652,909
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17).....	14,986,256	1,005,182	621,838	-51,673	100,847	1,676,194	16,662,450
7	U.S. official reserve assets.....	403,804	1,834	83,157	-122	0	84,869	488,673
8	Gold.....	284,380	0	<sup>5</sup> 83,157	.....	<sup>6</sup> 0	83,157	367,537
9	Special drawing rights.....	57,814	31	.....	-1,021	0	-990	56,824
10	Reserve position in the International Monetary Fund.....	11,385	1,293	.....	-186	0	1,107	12,492
11	Foreign currencies.....	50,225	510	.....	1,085	0	1,595	51,820
12	U.S. government assets, other than official reserve assets.....	82,774	-7,540	.....	( <sup>7</sup> )	1	-7,539	75,235
13	U.S. credits and other long-term assets <sup>7</sup> .....	71,830	2,568	.....	( <sup>7</sup> )	1	2,569	74,399
14	Repayable in dollars.....	71,557	2,568	.....	.....	1	2,569	74,126
15	Other <sup>8</sup> .....	273	0	.....	( <sup>7</sup> )	.....	0	273
16	U.S. foreign currency holdings and U.S. short-term assets <sup>9</sup> .....	10,944	-10,108	.....	( <sup>7</sup> )	.....	-10,108	836
17	U.S. private assets.....	14,499,678	1,010,888	538,681	-51,551	100,846	1,598,864	16,098,542
18	Direct investment at current cost.....	4,067,501	351,350	-9,710	6,163	14,122	361,925	4,429,426
19	Foreign securities.....	5,565,636	151,916	548,391	-43,079	0	657,228	6,222,864
20	Bonds.....	1,570,341	72,785	98,087	-3,942	0	166,930	1,737,271
21	Corporate stocks.....	3,995,295	79,131	450,304	-39,137	0	490,298	4,485,593
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	861,914	-7,421	.....	-9,551	28,725	11,753	873,667
23	U.S. claims reported by U.S. banks and securities brokers, not included elsewhere.....	4,004,627	515,043	.....	-5,084	57,999	567,958	4,572,585
24	<b>Foreign-owned assets in the United States (lines 25+26)</b> .....	<b>20,883,468</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>(<sup>5</sup>)</b>	<b>1,902,880</b>	<b>22,786,348</b>
25	Financial derivatives (gross negative fair value).....	3,366,037	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	176,451	3,542,488
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34).....	17,517,431	1,245,736	540,359	-12,040	-47,626	1,726,429	19,243,860
27	Foreign official assets in the United States.....	4,402,762	349,754	112,083	-976	0	460,861	4,863,623
28	U.S. government securities.....	3,588,574	316,980	51,650	.....	0	368,630	3,957,204
29	U.S. Treasury securities.....	2,879,611	397,797	43,286	.....	0	441,083	3,320,694
30	Other.....	708,963	-80,817	.....	.....	0	-72,453	636,510
31	Other U.S. government liabilities <sup>10</sup> .....	99,095	12,124	.....	-976	0	11,148	110,243
32	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere.....	187,482	-9,375	.....	.....	0	-9,375	178,107
33	Other foreign official assets.....	527,611	30,025	60,433	.....	0	90,458	618,069
34	Other foreign assets.....	13,114,669	895,982	428,276	-11,064	-47,626	1,265,568	14,380,237
35	Direct investment at current cost.....	2,441,705	236,226	-16,187	35	-2,847	217,227	2,658,932
36	U.S. Treasury securities.....	791,765	256,428	16,401	.....	0	272,829	1,064,594
37	U.S. securities other than U.S. Treasury securities.....	5,319,867	120,453	428,062	-8,289	0	540,226	5,860,093
38	Corporate and other bonds.....	2,825,591	-22,691	73,849	-8,289	0	42,869	2,868,460
39	Corporate stocks.....	2,494,276	143,144	354,213	.....	0	497,357	2,991,633
40	U.S. currency.....	313,771	28,319	.....	.....	0	28,319	342,090
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	707,401	77,456	.....	-2,283	-34,779	40,394	747,795
42	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere.....	3,540,160	177,100	.....	-527	-10,000	166,573	3,706,733
<b>Memoranda:</b>								
43	Direct investment abroad at market value.....	4,330,914	351,350	144,877	13,526	2,658	512,411	4,843,325
44	Direct investment in the United States at market value.....	3,026,781	236,226	200,654	.....	-12,256	424,624	3,451,405

p Preliminary

r Revised

<sup>4</sup> Less than \$500,000 (+/-)

..... Not applicable

1. Represents gains or losses on foreign-currency-denominated assets and liabilities due to their revaluation at current exchange rates.

2. Includes changes due to year-to-year shifts in the composition of reporting panels, primarily for bank and nonbank estimates, and to the incorporation of more comprehensive survey results. Also includes capital gains and losses of direct investment affiliates and changes in positions that cannot be allocated to financial flows, price changes, or exchange-rate changes.

3. Financial flows and valuation adjustments for financial derivatives are available only on a net basis, which is shown on line 2; they are not separately available for gross positive fair values and gross negative fair values of financial derivatives. Consequently, columns (a) through (d) on lines 4, 5, 24, and 25 are not available.

4. Data are not separately available for the three types of valuation adjustments; therefore, the sum of all three types is shown in column (d).

5. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

6. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions financial flows.

7. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

8. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

9. Includes foreign-currency-denominated assets obtained through temporary reciprocal currency arrangements between the Federal Reserve System and foreign central banks. These assets are included in the investment position at the dollar value established at the time they were received, reflecting the valuation of these assets in the Federal Reserve System's balance sheet. The movement of exchange rates does not affect this valuation.

10. Includes U.S. government liabilities associated with military sales contracts and U.S. government reserve-related liabilities from allocations of special drawing rights (SDRs).

Table 2. International Investment Position

[Millions]

Line	Type of investment	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
1	<b>Net international investment position of the United States (lines 2+3)</b>	<b>315,663</b>	<b>360,347</b>	<b>340,385</b>	<b>331,373</b>	<b>302,404</b>	<b>166,747</b>	<b>61,739</b>	<b>-27,759</b>	<b>-70,919</b>	<b>-167,458</b>	<b>-246,232</b>	<b>-230,375</b>	<b>-291,754</b>	<b>-411,021</b>
2	Financial derivatives, net (line 5 less line 25) <sup>1</sup>														
3	Net international investment position, excluding financial derivatives (line 6 less line 26)	315,663	360,347	340,385	331,373	302,404	166,747	61,739	-27,759	-70,919	-167,458	-246,232	-230,375	-291,754	-411,021
4	<b>U.S.-owned assets abroad (lines 5+6)</b>	<b>786,701</b>	<b>929,806</b>	<b>1,001,667</b>	<b>1,108,436</b>	<b>1,210,974</b>	<b>1,204,900</b>	<b>1,287,396</b>	<b>1,469,396</b>	<b>1,646,527</b>	<b>1,829,665</b>	<b>2,070,868</b>	<b>2,178,978</b>	<b>2,286,456</b>	<b>2,331,696</b>
5	Financial derivatives (gross positive fair value) <sup>1</sup>														
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17)	786,701	929,806	1,001,667	1,108,436	1,210,974	1,204,900	1,287,396	1,469,396	1,646,527	1,829,665	2,070,868	2,178,978	2,286,456	2,331,696
7	U.S. official reserve assets	143,260	171,412	124,568	143,445	123,110	105,040	117,930	139,875	162,370	144,179	168,714	174,664	159,223	147,435
8	Gold <sup>2</sup>	135,476	155,816	105,644	120,635	100,484	81,202	85,834	102,428	127,648	107,434	105,164	102,406	92,561	87,168
9	Special drawing rights	2,724	2,610	4,096	5,250	5,025	5,641	7,293	8,395	10,283	9,637	9,951	10,989	11,240	8,503
10	Reserve position in the International Monetary Fund	1,253	2,852	5,054	7,348	11,312	11,541	11,947	11,730	11,349	9,745	9,048	9,076	9,488	11,759
11	Foreign currencies	3,807	10,134	9,774	10,212	6,289	6,656	12,856	17,322	13,090	17,363	44,551	52,193	45,934	40,005
12	U.S. government assets, other than official reserve assets	58,851	65,573	70,893	76,903	81,664	86,945	89,792	91,850	90,681	87,892	86,643	84,344	81,422	83,022
13	U.S. credits and other long-term assets <sup>3</sup>	57,909	63,731	69,320	75,105	79,852	84,857	87,854	90,923	89,900	87,163	86,057	83,716	79,776	81,352
14	Repayable in dollars	54,616	60,731	66,591	72,635	77,618	82,819	85,978	89,271	88,344	85,768	84,734	82,602	78,814	80,498
15	Other <sup>4</sup>	3,293	3,000	2,729	2,470	2,234	2,038	1,876	1,652	1,556	1,395	1,323	1,114	962	854
16	U.S. foreign currency holdings and U.S. short-term assets <sup>5</sup>	942	1,842	1,573	1,798	1,812	2,088	1,938	927	781	729	586	628	1,646	1,670
17	U.S. private assets	584,590	692,821	806,206	888,088	1,006,200	1,012,915	1,079,674	1,237,671	1,393,476	1,597,594	1,815,511	1,919,970	2,045,811	2,101,239
18	Direct investment at current cost <sup>6</sup>	336,301	388,072	407,804	374,059	355,643	348,342	371,036	404,818	478,062	513,761	553,093	616,655	643,364	663,830
19	Foreign investments <sup>7</sup>	56,769	62,454	62,142	74,046	84,723	88,804	119,403	158,123	188,589	232,849	314,294	342,313	455,750	515,083
20	Bonds <sup>7</sup>	41,966	43,524	45,675	56,604	58,569	62,810	75,020	85,724	93,889	104,187	116,949	144,717	176,774	200,817
21	Corporate stocks <sup>7</sup>	14,803	18,930	16,467	17,442	26,154	25,994	44,383	72,399	94,700	128,662	197,345	197,596	278,976	314,266
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns <sup>8</sup>	34,491	38,429	42,752	35,405	131,329	130,138	141,872	167,392	177,368	197,757	234,307	265,315	256,295	254,303
23	U.S. claims reported by U.S. banks and securities brokers, not included elsewhere <sup>9</sup>	157,029	203,866	293,508	404,578	434,505	445,631	447,363	507,338	549,457	653,227	713,817	695,687	690,402	668,023
24	<b>Foreign-owned assets in the United States (lines 25+26)</b>	<b>471,038</b>	<b>569,459</b>	<b>661,282</b>	<b>777,063</b>	<b>908,570</b>	<b>1,038,153</b>	<b>1,225,657</b>	<b>1,497,155</b>	<b>1,717,446</b>	<b>1,997,123</b>	<b>2,317,100</b>	<b>2,409,353</b>	<b>2,578,210</b>	<b>2,742,717</b>
25	Financial derivatives (gross negative fair value) <sup>1</sup>														
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34)	471,038	569,459	661,282	777,063	908,570	1,038,153	1,225,657	1,497,155	1,717,446	1,997,123	2,317,100	2,409,353	2,578,210	2,742,717
27	Foreign official assets in the United States	164,025	181,217	186,128	194,514	199,598	204,481	207,864	247,219	290,009	328,629	348,185	380,263	405,546	444,000
28	U.S. government securities	106,640	118,189	125,130	132,587	136,987	144,665	145,063	178,916	220,548	260,934	263,612	291,228	311,199	329,317
29	U.S. Treasury securities <sup>10</sup>	101,748	111,336	117,004	124,929	129,716	138,168	138,438	173,310	213,713	252,962	257,201	285,911	305,994	322,600
30	Other <sup>10</sup>	4,892	6,853	8,126	7,658	7,271	6,497	6,625	5,606	6,835	7,972	6,411	5,317	5,205	6,717
31	Other U.S. government liabilities <sup>11</sup>	16,922	18,522	18,732	19,044	19,361	19,762	21,185	23,986	22,618	21,793	21,813	24,213	25,618	27,538
32	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere	30,540	30,381	26,737	24,989	25,534	26,090	26,734	27,920	31,838	31,520	36,495	39,880	38,396	54,967
33	Other foreign official assets <sup>10</sup>	9,923	14,125	15,529	17,894	17,716	13,964	14,882	16,397	15,005	14,382	26,265	24,942	30,333	32,178
34	Other foreign assets	307,013	388,242	475,154	582,549	708,972	833,672	1,017,793	1,249,936	1,427,437	1,668,494	1,968,915	2,029,090	2,172,664	2,298,717
35	Direct investment at current cost <sup>12</sup>	88,579	127,105	164,623	184,842	193,708	223,538	247,223	284,701	334,552	401,766	467,886	505,346	533,404	540,270
36	U.S. Treasury securities <sup>10</sup>	14,210	16,113	18,505	25,758	33,846	62,121	87,954	96,078	82,588	100,877	166,541	152,452	170,295	197,739
37	U.S. securities other than U.S. Treasury securities <sup>10</sup>	58,587	74,114	75,085	92,988	113,811	128,477	207,868	309,803	341,732	392,292	482,864	460,644	546,008	599,447
38	Corporate and other bonds <sup>10</sup>	10,269	9,545	10,694	16,709	17,454	32,421	82,290	140,863	166,089	191,314	231,673	238,903	274,136	299,287
39	Corporate stocks <sup>10</sup>	48,318	64,569	64,391	76,279	96,357	96,056	125,578	168,940	175,643	200,978	251,191	221,741	271,872	300,160
40	U.S. currency	16,642	19,415	20,974	23,441	27,546	29,942	33,258	35,679	39,545	43,656	47,405	63,991	76,804	87,890
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns <sup>13</sup>	18,669	30,426	30,606	27,532	61,731	77,415	86,993	90,703	110,187	144,548	167,093	213,406	208,908	220,666
42	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere <sup>14</sup>	110,326	121,069	165,361	227,988	278,330	312,179	354,497	432,972	518,833	585,355	637,126	633,251	637,245	652,705
<b>Memoranda:</b>															
43	Direct investment abroad at market value <sup>6</sup>				226,638	274,342	270,574	386,352	530,074	590,246	692,461	832,460	731,762	827,537	798,630
44	Direct investment in the United States at market value <sup>12</sup>				130,428	153,318	172,377	219,996	272,966	316,200	391,530	534,734	539,601	669,137	696,177

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1. A break in series in 2005 reflects the introduction of U.S. Department of the Treasury data on financial derivatives.

2. U.S. official gold stock is valued at market price.

3. Also includes paid-in capital subscriptions to international financial institutions and resources provided to foreigners under foreign assistance programs requiring repayment over several years. Excludes World War I debts that are not being serviced.

4. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

5. Beginning in 2007, includes foreign-currency-denominated assets obtained through temporary reciprocal currency arrangements between the Federal Reserve System and foreign central banks.

6. A break in series in 1994 reflects the reclassification from the direct investment accounts to the nonbank investment accounts of intercompany debt positions between parent companies and affiliates that are not depository institutions and

that are primarily engaged in financial intermediation. Estimates for 1976 forward are linked to the 1977, 1982, 1989, 1994, 1999, and 2004 benchmark surveys of U.S. direct investment abroad.

7. Estimates include results of the 1994, 1997, 2001, and 2006 Benchmark Surveys of U.S. Portfolio Holdings of Foreign Securities, and the results of the 2003, 2004, 2005, 2007, 2008, and 2009 Annual Surveys of U.S. Holdings of Foreign Securities, conducted by the U.S. Department of the Treasury.

8. A break in series in 1983 reflects the introduction of counterparty data from the United Kingdom and from the Bank for International Settlements (BIS) for several European countries, Caribbean banking centers, and Asian banking centers. Additional coverage from BIS data was introduced in 1986, 1989, 1993, and 1994. In 1994, intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation are reclassified from the direct investment accounts to the nonbank investment accounts. A break in series in 2003 reflects the reclassification of assets reported by U.S. securities brokers from nonbank-reported assets to bank-reported assets, and a reduction in counterparty balances to eliminate double counting. A break in series in 2005 reflects the addition of previously unreported claims of U.S. financial intermediaries on their foreign parents associated with the issuance of asset-backed commercial paper in the United States.

