

# U.S. Net International Investment Position

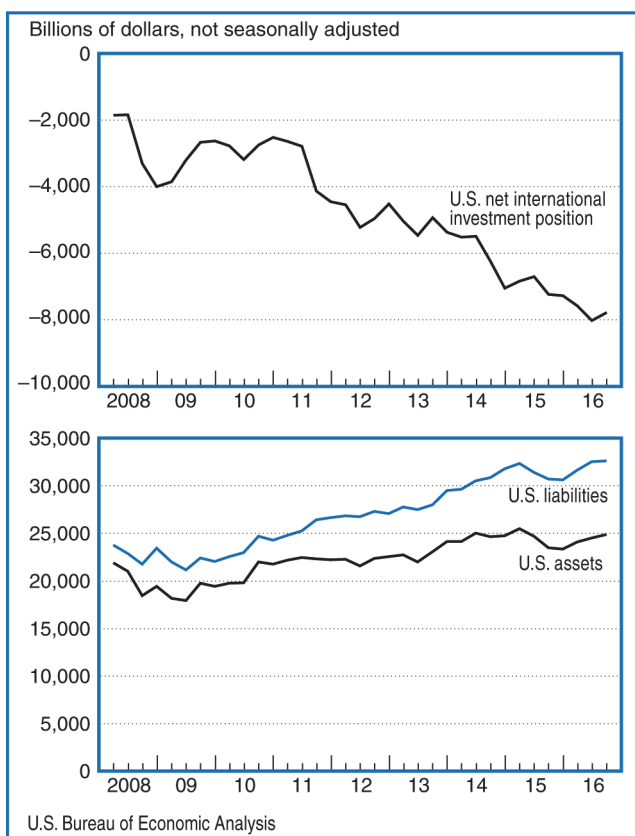
## End of the Third Quarter of 2016

**T**HE U.S. NET INTERNATIONAL INVESTMENT POSITION—the value of U.S. assets less the value of U.S. liabilities—increased to  $-\$7,781.1$  billion (preliminary) at the end of the third quarter of 2016 from  $-\$8,026.9$  billion (revised) at the end of the second quarter (chart 1). The  $\$245.8$  billion increase reflected a  $\$346.2$  billion increase in U.S. assets and a  $\$100.5$  billion increase in U.S. liabilities. The negative net investment position represents a U.S. net liability to the rest of the world.

- The net investment position increased 3.1 percent in the third quarter, compared with a decrease of 5.9 percent in the second quarter and an average quarterly decrease of 6.0 percent from the first quarter of 2011 through the first quarter of 2016.
- The  $\$245.8$  billion increase in the third quarter reflected other changes in position of  $\$443.5$  billion that were partly offset by financial transactions of  $-\$197.8$  billion (table A).<sup>1</sup>

1. For the statistics on financial transactions, see the financial account in table 1.2 of the U.S. international transactions accounts. The quarterly financial transactions presented in this article are not seasonally adjusted. Detail on other changes in position—such as price changes, exchange-rate changes, and other changes in volume and valuation—is only presented for annual statistics released in June each year.

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



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

[Billions of dollars, not seasonally adjusted]

Type of investment	Position, 2016:II	Change in position in 2016:III			Position, 2016:III
		Total	Attributable to:		
			Financial transactions	Other changes in position	
<b>U.S. net international investment position</b> .....	<b>-8,026.9</b>	<b>245.8</b>	<b>-197.8</b>	<b>443.5</b>	<b>-7,781.1</b>
Net international investment position excluding financial derivatives .....	-8,085.0	248.6	-209.8	458.5	-7,836.3
Financial derivatives other than reserves, net .....	58.1	-2.9	12.1	-14.9	55.2
<b>U.S. assets</b> .....	<b>24,514.9</b>	<b>346.2</b>	( <sup>1</sup> )	( <sup>1</sup> )	<b>24,861.2</b>
Assets excluding financial derivatives .....	21,291.2	794.9	42.4	752.6	22,086.1
Financial derivatives other than reserves, gross positive fair value .....	3,223.7	-448.7	( <sup>1</sup> )	( <sup>1</sup> )	2,775.1
<b>U.S. liabilities</b> .....	<b>32,541.9</b>	<b>100.5</b>	( <sup>1</sup> )	( <sup>1</sup> )	<b>32,642.3</b>
Liabilities excluding financial derivatives .....	29,376.2	546.3	252.2	294.1	29,922.5
Financial derivatives other than reserves, gross negative fair value .....	3,165.7	-445.8	( <sup>1</sup> )	( <sup>1</sup> )	2,719.9

1. Financial transactions and other changes in financial derivatives positions are available only on a net basis; they are not separately available for gross positive fair values and gross negative fair values of financial derivatives.

*Elena L. Nguyen prepared this article.*

## U.S. Assets

**Table B. U.S. Assets**

[Billions of dollars, not seasonally adjusted]

Type of investment	2015		2016		Change 2016:II to 2016:III
	IV	I	II <sup>r</sup>	III <sup>p</sup>	
<b>U.S. assets</b> .....	<b>23,340.8</b>	<b>24,061.8</b>	<b>24,514.9</b>	<b>24,861.2</b>	<b>346.2</b>
Assets excluding financial derivatives .....	20,945.4	21,079.5	21,291.2	22,086.1	794.9
Financial derivatives other than reserves .....	2,395.4	2,982.3	3,223.7	2,775.1	-448.7
<b>By functional category:</b>					
Direct investment at market value .....	6,978.3	6,993.1	6,979.7	7,349.3	369.6
Equity .....	5,811.1	5,837.9	5,797.4	6,161.4	364.0
Debt instruments .....	1,167.2	1,155.1	1,182.3	1,187.9	5.6
Portfolio investment .....	9,606.2	9,607.1	9,706.8	10,137.1	430.3
Equity and investment fund shares .....	6,828.2	6,738.8	6,796.8	7,218.1	421.3
Debt securities .....	2,777.9	2,868.3	2,910.0	2,919.0	9.0
Short term .....	486.2	534.6	512.1	467.0	-45.1
Long term .....	2,291.7	2,333.7	2,397.9	2,452.0	54.1
Financial derivatives other than reserves .....	2,395.4	2,982.3	3,223.7	2,775.1	-448.7
Over-the-counter contracts .....	2,346.7	2,929.1	3,158.2	2,725.8	-432.3
Single-currency interest rate contracts .....	1,807.4	2,366.3	2,562.4	2,274.4	-288.1
Foreign exchange contracts .....	342.3	378.4	422.4	284.0	-138.5
Other contracts .....	197.1	184.4	173.3	167.5	-5.8
Exchange-traded contracts .....	48.6	53.2	65.6	49.2	-16.3
Other investment .....	3,977.3	4,047.3	4,150.3	4,142.6	-7.7
Currency and deposits .....	1,628.6	1,710.7	1,718.9	1,645.3	-73.7
Loans .....	2,304.0	2,288.6	2,385.7	2,450.4	64.7
Insurance technical reserves .....	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	44.7	48.0	45.7	47.0	1.3
Reserve assets .....	383.6	432.0	454.4	457.1	2.7
Monetary gold .....	277.2	323.5	345.4	345.8	0.5
Special drawing rights .....	49.7	50.5	50.2	50.1	-0.1
Reserve position in the International Monetary Fund .....	17.6	16.7	16.7	18.3	1.6
Other reserve assets .....	39.1	41.3	42.1	42.9	0.7
Currency and deposits .....	17.6	19.3	20.9	23.5	2.6
Securities .....	21.6	22.1	21.2	19.3	-1.9
Financial derivatives .....					
Other claims .....	0.0	0.0	0.0	0.0	0.0

p Preliminary r Revised n.a. Not available ..... Not applicable  
NOTE: The statistics are presented in IIP table 1.2 on BEA's Web site.

U.S. assets increased \$346.2 billion to \$24,861.2 billion at the end of the third quarter, reflecting an increase in assets excluding financial derivatives that was partly offset by a decrease in financial derivatives.

- Assets excluding financial derivatives increased \$794.9 billion to \$22,086.1 billion, mostly reflecting increases in portfolio investment and direct investment assets due to increases in foreign equity prices (chart 2, table B).

- Financial derivatives decreased \$448.7 billion to \$2,775.1 billion, mostly reflecting decreases in single-currency interest rate contracts and in foreign exchange contracts.

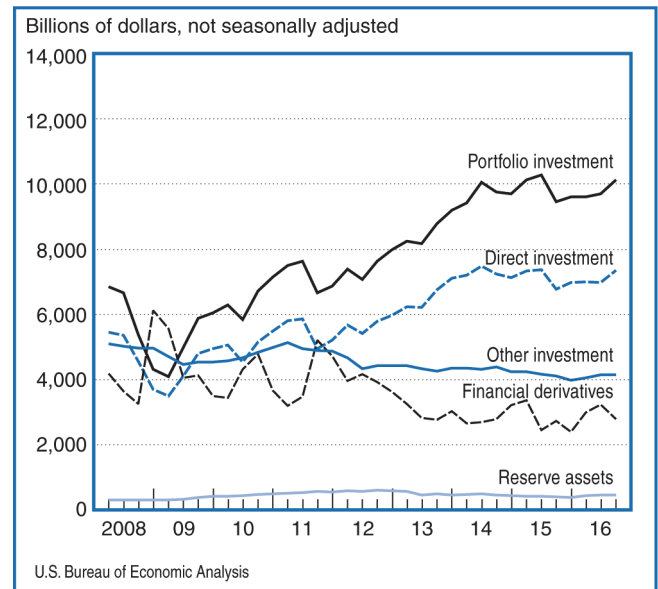
### Data Availability and Methodology

Detailed statistics for the U.S. international investment position (IIP) are available in BEA's [interactive tables](#).

Information on the valuation of U.S. assets and liabilities and a description of the estimation methods are available in "[International Investment Position Accounts](#)."

Information on resources, definitions, release and update schedule, and related statistics is also available in the "[Additional Information](#)" section of the [IIP news release](#).

**Chart 2. U.S. Assets**



**U.S. Liabilities**

**Table C. U.S. Liabilities**

[Billions of dollars, not seasonally adjusted]

Type of investment	2015		2016		Change 2016:II to 2016:III
	IV	I	II <sup>r</sup>	III <sup>p</sup>	
<b>U.S. liabilities</b> .....	<b>30,621.4</b>	<b>31,643.8</b>	<b>32,541.9</b>	<b>32,642.3</b>	<b>100.5</b>
Liabilities excluding financial derivatives.....	28,283.3	28,700.4	29,376.2	29,922.5	546.3
Financial derivatives other than reserves ...	2,338.1	2,943.3	3,165.7	2,719.9	-445.8
<b>By functional category:</b>					
Direct investment at market value.....	6,543.8	6,664.8	6,955.5	7,193.6	238.1
Equity .....	4,979.3	5,070.0	5,272.2	5,498.0	225.8
Debt instruments .....	1,564.5	1,594.8	1,683.3	1,695.6	12.3
Portfolio investment.....	16,677.0	16,916.9	17,139.1	17,514.0	374.9
Equity and investment fund shares .....	6,218.9	6,136.6	6,166.5	6,475.3	308.7
Debt securities .....	10,458.1	10,780.3	10,972.6	11,038.8	66.2
Short term.....	955.2	945.4	918.1	948.3	30.1
Treasury bills and certificates.....	724.7	724.9	684.0	695.6	11.6
Other short-term securities .....	230.5	220.5	234.1	252.6	18.5
Long term .....	9,503.0	9,834.9	10,054.4	10,090.5	36.1
Treasury bonds and notes.....	5,423.4	5,562.1	5,594.9	5,459.3	-135.6
Other long-term securities.....	4,079.6	4,272.8	4,459.5	4,631.2	171.6
Financial derivatives other than reserves ...	2,338.1	2,943.3	3,165.7	2,719.9	-445.8
Over-the-counter contracts.....	2,291.1	2,887.8	3,103.9	2,669.8	-434.1
Single-currency interest rate contracts	1,755.4	2,304.2	2,493.7	2,204.3	-289.4
Foreign exchange contracts.....	344.0	397.0	428.6	289.8	-138.7
Other contracts .....	191.7	186.7	181.6	175.7	-6.0
Exchange-traded contracts .....	47.0	55.5	61.7	50.0	-11.7
Other investment.....	5,062.5	5,118.8	5,281.6	5,214.9	-66.7
Currency and deposits .....	2,914.3	2,877.9	2,971.5	2,935.4	-36.1
Loans .....	1,923.6	2,010.7	2,075.5	2,048.2	-27.3
Insurance technical reserves.....	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	175.6	180.4	185.2	182.0	-3.2
Special drawing rights allocations .....	48.9	49.8	49.4	49.3	-0.1

p Preliminary r Revised n.a. Not available

NOTE: The statistics are presented in IIP table 1.2 on BEA's Web site.

U.S. liabilities increased \$100.5 billion to \$32,642.3 billion at the end of the third quarter, reflecting an increase in liabilities excluding financial derivatives that was partly offset by a decrease in financial derivatives.

- Liabilities excluding financial derivatives increased \$546.3 billion to \$29,922.5 billion, reflecting increases in portfolio investment and direct investment liabilities due to financial transactions and to increases in U.S. equity prices (chart 3, table C).
- Financial derivatives decreased \$445.8 billion to \$2,719.9 billion, mostly reflecting decreases in single-currency interest rate contracts and in foreign exchange contracts.

**Updates to Second-Quarter 2016 Statistics**

The preliminary statistics for the U.S. international investment position for the second quarter of 2016 have been updated to incorporate new and revised source data.

**Preliminary and Revised Second-Quarter 2016 Statistics**

[Billions of dollars, not seasonally adjusted]

	Preliminary Estimate	Revised Estimate
<b>U.S. net international investment position</b> .....	<b>-8,042.8</b>	<b>-8,026.9</b>
<b>U.S. assets</b> .....	<b>24,465.9</b>	<b>24,514.9</b>
Direct investment at market value .....	6,963.6	6,979.7
Portfolio investment .....	9,666.4	9,706.8
Financial derivatives .....	3,223.7	3,223.7
Other investment .....	4,157.7	4,150.3
Reserve assets .....	454.4	454.4
<b>U.S. liabilities</b> .....	<b>32,508.7</b>	<b>32,541.9</b>
Direct investment at market value .....	6,910.3	6,955.5
Portfolio investment .....	17,149.5	17,139.1
Financial derivatives .....	3,165.7	3,165.7
Other investment .....	5,283.2	5,281.6

**Chart 3. U.S. Liabilities**

