

# U.S. Net International Investment Position

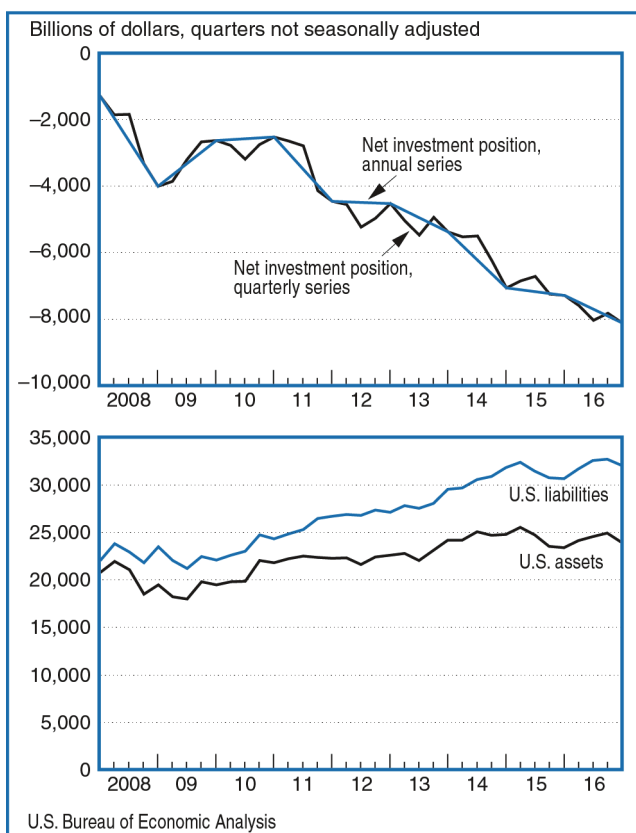
## Fourth Quarter and Year 2016

**T**HE U.S. NET INTERNATIONAL INVESTMENT POSITION—the value of U.S. assets less the value of U.S. liabilities—decreased to  $-\$8,109.7$  billion (preliminary) at the end of the fourth quarter of 2016 from  $-\$7,807.3$  billion (revised) at the end of the third quarter (chart 1). The  $\$302.3$  billion decrease reflected a  $\$954.8$  billion decrease in U.S. assets and a  $\$652.5$  billion decrease 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 decreased 3.9 percent in the fourth quarter, compared with an increase of 2.7 percent in the third quarter and an average quarterly decrease of 6.0 percent from the first quarter of 2011 through the second quarter of 2016.
- The  $\$302.3$  billion decrease in the fourth quarter reflected other changes in position of  $-\$189.2$  billion and financial transactions of  $-\$113.1$  billion (table A).

The net investment position decreased to  $-\$8,109.7$  billion at the end of 2016 from  $-\$7,280.6$  billion at the end of 2015 (see table E on page 4). The  $\$829.0$  billion decrease reflected a  $\$575.9$  billion increase in U.S. assets and a  $\$1,404.9$  billion increase in U.S. liabilities.

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



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

[Billions of dollars, not seasonally adjusted]

Type of investment	Position, 2016:III	Change in position in 2016:IV			Position, 2016:IV
		Total	Attributable to:		
			Financial transactions	Other changes in position <sup>1</sup>	
<b>U.S. net international investment position</b> .....	<b>-7,807.3</b>	<b>-302.3</b>	<b>-113.1</b>	<b>-189.2</b>	<b>-8,109.7</b>
Net international investment position excluding financial derivatives .....	-7,862.5	-308.4	-112.7	-195.7	-8,171.0
Financial derivatives other than reserves, net .....	55.2	6.1	-0.4	6.6	61.3
<b>U.S. assets</b> .....	<b>24,871.4</b>	<b>-954.8</b>	( <sup>2</sup> )	( <sup>2</sup> )	<b>23,916.7</b>
Assets excluding financial derivatives .....	22,096.4	-388.7	-103.1	-285.6	21,707.7
Financial derivatives other than reserves, gross positive fair value .....	2,775.1	-566.1	( <sup>2</sup> )	( <sup>2</sup> )	2,209.0
<b>U.S. liabilities</b> .....	<b>32,678.8</b>	<b>-652.5</b>	( <sup>2</sup> )	( <sup>2</sup> )	<b>32,026.3</b>
Liabilities excluding financial derivatives .....	29,958.9	-80.3	9.6	-89.9	29,878.6
Financial derivatives other than reserves, gross negative fair value .....	2,719.9	-572.2	( <sup>2</sup> )	( <sup>2</sup> )	2,147.7

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 gross positive fair values and gross negative

fair values of financial derivatives.

NOTE: The statistics on positions are presented in table 1.2 of the international investment position (IIP) accounts on BEA's Web site. The statistics on financial transactions are not seasonally adjusted and are presented in table 1.2 of the international transactions accounts (ITA) on BEA's Web site.

## Fourth Quarter—U.S. Assets

Table B. U.S. Assets

[Billions of dollars, not seasonally adjusted]

Type of investment	2016				Change: 2016:III to 2016:IV
	I	II	III <sup>r</sup>	IV <sup>p</sup>	
<b>U.S. assets</b> .....	<b>24,061.8</b>	<b>24,514.9</b>	<b>24,871.4</b>	<b>23,916.7</b>	<b>-954.8</b>
Assets excluding financial derivatives .....	21,079.5	21,291.2	22,096.4	21,707.7	-388.7
Financial derivatives other than reserves....	2,982.3	3,223.7	2,775.1	2,209.0	-566.1
<b>By functional category:</b>					
Direct investment at market value .....	6,993.1	6,979.7	7,364.8	7,411.8	47.0
Equity .....	5,837.9	5,797.4	6,165.3	6,211.3	46.0
Debt instruments .....	1,155.1	1,182.3	1,199.5	1,200.5	1.0
Portfolio investment .....	9,607.1	9,706.8	10,137.1	9,922.3	-214.8
Equity and investment fund shares .....	6,738.8	6,796.8	7,218.0	7,066.3	-151.7
Debt securities .....	2,868.3	2,910.0	2,919.1	2,856.0	-63.0
Short term .....	534.6	512.1	467.0	461.1	-5.8
Long term .....	2,333.7	2,397.9	2,452.1	2,394.9	-57.2
Financial derivatives other than reserves....	2,982.3	3,223.7	2,775.1	2,209.0	-566.1
Over-the-counter contracts .....	2,929.1	3,158.2	2,725.8	2,166.9	-558.9
Single-currency interest rate contracts	2,366.3	2,562.4	2,274.4	1,622.2	-652.1
Foreign exchange contracts .....	378.4	422.4	284.0	386.7	102.7
Other contracts .....	184.4	173.3	167.5	158.0	-9.5
Exchange-traded contracts .....	53.2	65.6	49.2	42.1	-7.2
Other investment .....	4,047.3	4,150.3	4,137.4	3,966.3	-171.0
Currency and deposits .....	1,710.7	1,718.9	1,645.7	1,560.8	-84.8
Loans .....	2,288.6	2,385.7	2,444.0	2,360.1	-83.9
Insurance technical reserves .....	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	48.0	45.7	47.7	45.4	-2.3
Reserve assets .....	432.0	454.4	457.1	407.2	-49.9
Monetary gold .....	323.5	345.4	345.8	301.1	-44.7
Special drawing rights .....	50.5	50.2	50.1	48.9	-1.2
Reserve position in the International Monetary Fund .....	16.7	16.7	18.3	18.4	0.0
Other reserve assets .....	41.3	42.1	42.9	38.9	-4.0
Currency and deposits .....	19.3	20.9	23.5	17.7	-5.8
Securities .....	22.1	21.2	19.3	21.1	1.8
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.

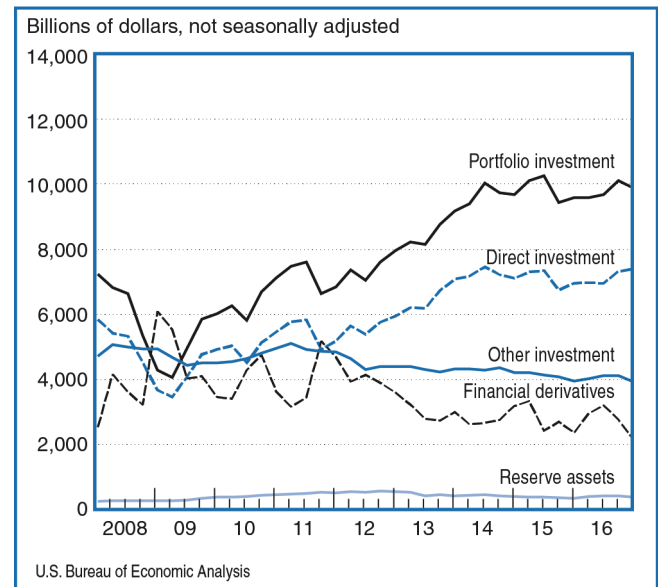
U.S. assets decreased \$954.8 billion to \$23,916.7 billion at the end of the fourth quarter from \$24,871.4 billion at the end of the third quarter (table B).

- Financial derivatives decreased \$566.1 billion to \$2,209.0 billion, reflecting a decrease in single-currency interest rate contracts that was partly offset by an increase in foreign exchange contracts (chart 2).
- Assets excluding financial derivatives decreased \$388.7 billion to \$21,707.7 billion, mostly reflecting decreases in portfolio investment and other investment. The \$388.7 billion decrease resulted from other changes in position of -\$285.6 billion and financial transactions of -\$103.1 billion (table A). Other changes in position reflected decreases from exchange-rate changes, as depreciation of major foreign currencies against the U.S. dollar lowered the value of assets in dollar terms. These decreases were partly offset by price increases on equity assets of portfolio investment and direct investment.

## Preview of the 2017 Annual Update

The annual update of the U.S. international investment position accounts will be released along with preliminary estimates for the first quarter of 2017 on June 28, 2017. See "Preview of the 2017 Annual Update of the International Economic Accounts" in the May SURVEY OF CURRENT BUSINESS for a summary of the changes that will be incorporated as part of the update.

Chart 2. U.S. Assets



## Fourth Quarter—U.S. Liabilities

**Table C. U.S. Liabilities**  
[Billions of dollars, not seasonally adjusted]

Type of investment	2016				Change: 2016:III to 2016:IV
	I	II	III <sup>r</sup>	IV <sup>p</sup>	
<b>U.S. liabilities</b> .....	<b>31,643.8</b>	<b>32,541.9</b>	<b>32,678.8</b>	<b>32,026.3</b>	<b>-652.5</b>
Liabilities excluding financial derivatives .....	28,700.4	29,376.2	29,958.9	29,878.6	-80.3
Financial derivatives other than reserves ...	2,943.3	3,165.7	2,719.9	2,147.7	-572.2
<b>By functional category:</b>					
Direct investment at market value .....	6,664.8	6,955.5	7,246.5	7,419.3	172.8
Equity .....	5,070.0	5,272.2	5,515.3	5,691.2	175.9
Debt instruments .....	1,594.8	1,683.3	1,731.3	1,728.2	-3.1
Portfolio investment .....	16,916.9	17,139.1	17,498.1	17,352.9	-145.2
Equity and investment fund shares .....	6,136.6	6,166.5	6,467.0	6,541.6	74.6
Debt securities .....	10,780.3	10,972.6	11,031.1	10,811.3	-219.8
Short term .....	945.4	918.1	948.5	941.7	-6.8
Treasury bills and certificates .....	724.9	684.0	695.6	670.0	-25.7
Other short-term securities .....	220.5	234.1	252.9	271.7	18.9
Long term .....	9,834.9	10,054.4	10,082.6	9,869.6	-213.0
Treasury bonds and notes .....	5,562.1	5,594.9	5,459.3	5,333.9	-125.4
Other long-term securities .....	4,272.8	4,459.5	4,623.3	4,535.7	-87.6
Financial derivatives other than reserves ...	2,943.3	3,165.7	2,719.9	2,147.7	-572.2
Over-the-counter contracts .....	2,887.8	3,103.9	2,669.8	2,104.6	-565.2
Single-currency interest rate contracts	2,304.2	2,493.7	2,204.3	1,568.1	-636.2
Foreign exchange contracts .....	397.0	428.6	289.8	366.8	77.0
Other contracts .....	186.7	181.6	175.7	169.6	-6.1
Exchange-traded contracts .....	55.5	61.7	50.0	43.1	-6.9
Other investment .....	5,118.8	5,281.6	5,214.3	5,106.4	-107.9
Currency and deposits .....	2,877.9	2,971.5	2,935.7	2,938.9	3.2
Loans .....	2,010.7	2,075.5	2,046.0	1,935.0	-111.0
Insurance technical reserves .....	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	180.4	185.2	183.3	185.0	1.8
Special drawing rights allocations .....	49.8	49.4	49.3	47.5	-1.8

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 decreased \$652.5 billion to \$32,026.3 billion at the end of the fourth quarter from \$32,678.8 billion at the end of the third quarter (table C).

- Financial derivatives decreased \$572.2 billion to \$2,147.7 billion, reflecting a decrease in single-currency interest rate contracts that was partly offset by an increase in foreign exchange contracts (chart 3).
- Liabilities excluding financial derivatives decreased \$80.3 billion to \$29,878.6 billion, reflecting decreases in portfolio investment and other investment that were partly offset by an increase in direct investment. The \$80.3 billion decrease was driven by other changes in position of -\$89.9 billion that reflected decreases from exchange-rate changes, as depreciation of major foreign currencies lowered the value of foreign-currency-denominated liabilities in dollar terms.

### Updates to Statistics

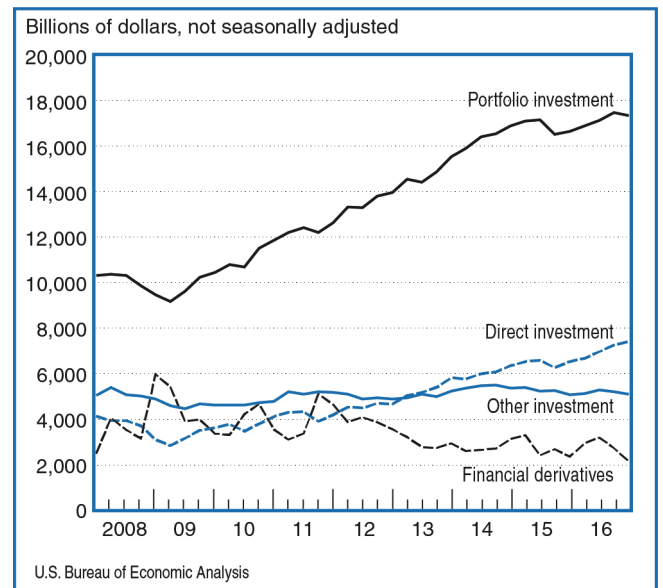
The statistics for the third quarter of 2016 have been updated to incorporate new and revised source data.

#### Updates to Third-Quarter 2016 Statistics

[Billions of dollars, not seasonally adjusted]

	Preliminary estimate	Revised estimate
<b>U.S. net international investment position</b> .....	<b>-7,781.1</b>	<b>-7,807.3</b>
<b>U.S. assets</b> .....	<b>24,861.2</b>	<b>24,871.4</b>
Direct investment at market value .....	7,349.3	7,364.8
Portfolio investment .....	10,137.1	10,137.1
Financial derivatives other than reserves .....	2,775.1	2,775.1
Other investment .....	4,142.6	4,137.4
Reserve assets .....	457.1	457.1
<b>U.S. liabilities</b> .....	<b>32,642.3</b>	<b>32,678.8</b>
Direct investment at market value .....	7,193.6	7,246.5
Portfolio investment .....	17,514.0	17,498.1
Financial derivatives other than reserves .....	2,719.9	2,719.9
Other investment .....	5,214.9	5,214.3

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



## Year 2016—U.S. Assets

Table D. U.S. Assets

[Billions of dollars]

Type of investment	2014	2015	2016 <sup>p</sup>	Change: 2015 to 2016
<b>U.S. assets</b> .....	<b>24,717.5</b>	<b>23,340.8</b>	<b>23,916.7</b>	<b>575.9</b>
Assets excluding financial derivatives .....	21,503.4	20,945.4	21,707.7	762.3
Financial derivatives other than reserves .....	3,214.1	2,395.4	2,209.0	-186.4
<b>By functional category:</b>				
Direct investment at market value .....	7,133.1	6,978.3	7,411.8	433.4
Equity .....	6,045.1	5,811.1	6,211.3	400.2
Debt instruments .....	1,088.1	1,167.2	1,200.5	33.3
Portfolio investment .....	9,704.3	9,606.2	9,922.3	316.2
Equity and investment fund shares .....	6,770.6	6,828.2	7,066.3	238.1
Debt securities .....	2,933.6	2,777.9	2,856.0	78.1
Short term .....	447.2	486.2	461.1	-25.1
Long term .....	2,486.4	2,291.7	2,394.9	103.2
Financial derivatives other than reserves .....	3,214.1	2,395.4	2,209.0	-186.4
Over-the-counter contracts .....	3,144.0	2,346.7	2,166.9	-179.8
Single-currency interest rate contracts .....	2,451.1	1,807.4	1,622.2	-185.1
Foreign exchange contracts .....	415.4	342.3	386.7	44.4
Other contracts .....	277.5	197.1	158.0	-39.0
Exchange-traded contracts .....	70.1	48.6	42.1	-6.6
Other investment .....	4,231.8	3,977.3	3,966.3	-11.0
Currency and deposits .....	1,785.5	1,628.6	1,560.8	-67.7
Loans .....	2,399.2	2,304.0	2,360.1	56.1
Insurance technical reserves .....	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	47.0	44.7	45.4	0.7
Reserve assets .....	434.3	383.6	407.2	23.6
Monetary gold .....	315.4	277.2	301.1	23.9
Special drawing rights .....	51.9	49.7	48.9	-0.8
Reserve position in the International Monetary Fund .....	25.2	17.6	18.4	0.8
Other reserve assets .....	41.8	39.1	38.9	-0.3
Currency and deposits .....	19.0	17.6	17.7	0.2
Securities .....	22.8	21.6	21.1	-0.4
Financial derivatives .....				
Other claims .....	0.0	0.0	0.0	0.0

p Preliminary 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 \$575.9 billion to \$23,916.7 billion at the end of 2016 from \$23,340.8 billion at the end of 2015 (table D).

- Assets excluding financial derivatives increased \$762.3 billion to \$21,707.7 billion, mostly reflecting increases in direct investment and portfolio investment. The \$762.3 billion increase resulted from other changes in position of \$431.3 billion and financial transactions of \$331.0 billion (table E). Other changes in position reflected price increases on equity assets that were partly offset by decreases from exchange-rate changes. Financial transactions were driven by net U.S. acquisition of direct investment assets.

- Financial derivatives decreased \$186.4 billion to \$2,209.0 billion, mostly reflecting a decrease in single-currency interest rate contracts.

Table E. Annual Change in the U.S. Net International Investment Position

[Billions of dollars]

Type of investment	Position, 2015	Change in position in 2016			Position, 2016
		Total	Attributable to:		
			Financial transactions	Other changes in position <sup>1</sup>	
<b>U.S. net international investment position</b> .....	<b>-7,280.6</b>	<b>-829.0</b>	<b>-406.5</b>	<b>-422.6</b>	<b>-8,109.7</b>
Net international investment position excluding financial derivatives .....	-7,337.9	-833.1	-428.4	-404.7	-8,171.0
Financial derivatives other than reserves, net .....	57.2	4.1	22.0	-17.9	61.3
<b>U.S. assets</b> .....	<b>23,340.8</b>	<b>575.9</b>	<sup>(2)</sup>	<sup>(2)</sup>	<b>23,916.7</b>
Assets excluding financial derivatives .....	20,945.4	762.3	331.0	431.3	21,707.7
Financial derivatives other than reserves, gross positive fair value .....	2,395.4	-186.4	<sup>(2)</sup>	<sup>(2)</sup>	2,209.0
<b>U.S. liabilities</b> .....	<b>30,621.4</b>	<b>1,404.9</b>	<sup>(2)</sup>	<sup>(2)</sup>	<b>32,026.3</b>
Liabilities excluding financial derivatives .....	28,283.3	1,595.3	759.4	836.0	29,878.6
Financial derivatives other than reserves, gross negative fair value .....	2,338.1	-190.4	<sup>(2)</sup>	<sup>(2)</sup>	2,147.7

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 gross positive fair values and gross negative fair values of financial derivatives.

NOTE. The statistics on positions are presented in IIP table 1.2 on BEA's Web site, and the statistics on financial transactions are presented in ITA table 1.2.

## Year 2016—U.S. Liabilities

Table F. U.S. Liabilities

[Billions of dollars]

Type of investment	2014	2015	2016 <sup>p</sup>	Change: 2015 to 2016
<b>U.S. liabilities</b> .....	<b>31,763.7</b>	<b>30,621.4</b>	<b>32,026.3</b>	<b>1,404.9</b>
Liabilities excluding financial derivatives .....	28,635.1	28,283.3	29,878.6	1,595.3
Financial derivatives other than reserves .....	3,128.6	2,338.1	2,147.7	-190.4
<b>By functional category:</b>				
Direct investment at market value .....	6,350.1	6,543.8	7,419.3	875.5
Equity .....	4,884.1	4,979.3	5,691.2	711.9
Debt instruments .....	1,466.0	1,564.5	1,728.2	163.6
Portfolio investment .....	16,919.8	16,677.0	17,352.9	675.9
Equity and investment fund shares .....	6,642.5	6,218.9	6,541.6	322.7
Debt securities .....	10,277.3	10,458.1	10,811.3	353.2
Short term .....	911.8	955.2	941.7	-13.5
Treasury bills and certificates .....	671.6	724.7	670.0	-54.8
Other short-term securities .....	240.2	230.5	271.7	41.3
Long term .....	9,365.5	9,503.0	9,869.6	366.6
Treasury bonds and notes .....	5,484.4	5,423.4	5,333.9	-89.5
Other long-term securities .....	3,881.1	4,079.6	4,535.7	456.1
Financial derivatives other than reserves .....	3,128.6	2,338.1	2,147.7	-190.4
Over-the-counter contracts .....	3,062.6	2,291.1	2,104.6	-186.6
Single-currency interest rate contracts .....	2,398.8	1,755.4	1,568.1	-187.3
Foreign exchange contracts .....	393.6	344.0	366.8	22.8
Other contracts .....	270.2	191.7	169.6	-22.1
Exchange-traded contracts .....	66.0	47.0	43.1	-3.9
Other investment .....	5,365.2	5,062.5	5,106.4	43.9
Currency and deposits .....	2,886.7	2,914.3	2,938.9	24.7
Loans .....	2,265.6	1,923.6	1,935.0	11.3
Insurance technical reserves .....	n.a.	n.a.	n.a.	n.a.
Trade credit and advances .....	161.7	175.6	185.0	9.4
Special drawing rights allocations .....	51.2	48.9	47.5	-1.5

p Preliminary n.a. Not available

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

U.S. liabilities increased \$1,404.9 billion to \$32,026.3 billion at the end of 2016 from \$30,621.4 billion at the end of 2015 (table F).

- Liabilities excluding financial derivatives increased \$1,595.3 billion to \$29,878.6 billion, mostly reflecting increases in direct investment and portfolio investment. The \$1,595.3 billion increase resulted from other changes in position of \$836.0 billion and financial transactions of \$759.4 billion (table E). Other changes in position were driven by price increases on equity liabilities. Financial transactions reflected net U.S. incurrence of direct investment liabilities and net foreign purchases of U.S. debt securities that exceeded net foreign sales of U.S. equity and investment fund shares.
- Financial derivatives decreased \$190.4 billion to \$2,147.7 billion, mostly reflecting a decrease in single-currency interest rate contracts.

### Data Availability and Methodology

Detailed statistics for the U.S. international investment position (IIP) accounts are available in BEA's [interactive tables](#). The links in the tables of this article are to the latest available statistics in the 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 section ["Additional Information"](#) in the [IIP news release](#).