

## The International Investment Position of the United States at Yearend 2002

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At yearend 2002, the value of foreign investments in the United States exceeded the value of U.S. investments abroad by \$2,387.2 billion with direct investment valued at current cost (table 1, chart 1). At yearend 2001, foreign investments in the United States exceeded U.S. investments abroad by \$1,979.9 billion (revised). The previously published net international investment position with direct investment at current cost for yearend 2001 was negative \$1,948.1 billion, which is \$31.8 billion less negative than the revised estimate. The revision reflects the incorporation of results from the U.S. Treasury Department's Benchmark Survey of U.S. Portfolio Investment Abroad as of December 2001 and from BEA's Benchmark Survey of U.S.

Direct Investment Abroad for 1999 (see the box "Improvements in the Estimates").

The net international investment position of the United States at yearend 2002 was more negative than the position at yearend 2001 by \$407.3 billion. The increase was mainly due to large net foreign purchases of U.S. securities (mostly of corporate bonds and U.S. Treasury securities), a shift by U.S. investors to net sellers of foreign securities, and large declines in stock market prices that lowered the value of U.S.-owned assets abroad more than that of foreign-owned assets in the United States. Partly offsetting these negative effects, appreciation of most foreign currencies against the U.S. dollar raised the dollar value of U.S.-owned

### Current-Cost and Market-Value Methods of Valuing Direct Investment

Since 1991, in the series of annual articles on the international investment position of the United States, two measures of valuing direct investment positions—the *current-cost* method and the *market-value* method—have been discussed and presented as alternatives to the historical-cost valuation. 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. The market-value method values the owners' equity share of direct investment using indexes of stock market prices. (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 emphasizes the current-cost method, because the estimates prepared using the current-cost method are comparable with BEA's current-cost estimates of total U.S. reproducible tangible wealth and with the Federal Reserve Board's estimates 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 adjust-

ment 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.

The estimates of direct investment in the international investment position continue to be presented on both current-cost and market-value bases in order to highlight that different methods of valuing direct investment may be appropriate for different circumstances and that depending on the valuation method used, the resulting estimates may differ substantially. 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 there is no widely accepted standard for revaluing company financial statements at historical cost into prices of the current period.

assets abroad, especially of U.S.-held foreign stocks and U.S. direct investment.

With direct investment valued at the current stock market value of owner's equity, the negative net investment position was \$2,605.2 billion at yearend 2002, compared with \$2,314.3 billion (revised) at yearend 2001. The previously published net international investment position with direct investment at market value was negative \$2,309.1 billion, which is \$5.2 billion less negative than the revised estimate. On this alternative basis, the net position at yearend 2002 was more negative than yearend 2001 by \$290.9 billion, reflecting the same factors mentioned above.

In the following discussion, the current-cost esti-

mates of direct investment are featured, and the market-value estimates of direct investment are discussed only when there is a substantial difference between the two valuation measures. The differences between these valuation measures are limited to differences in direct investment valuation adjustments, to differences in direct investment positions, and to differences in higher level aggregates that include these accounts. All financial flows and all asset and liability positions, except direct investment, are identical under both of these valuation measures.

With direct investment valued at current cost, U.S.-owned assets abroad increased slightly, to \$6,189.2 billion at yearend 2002 from \$6,187.4 billion at

### Improvements in the Estimates

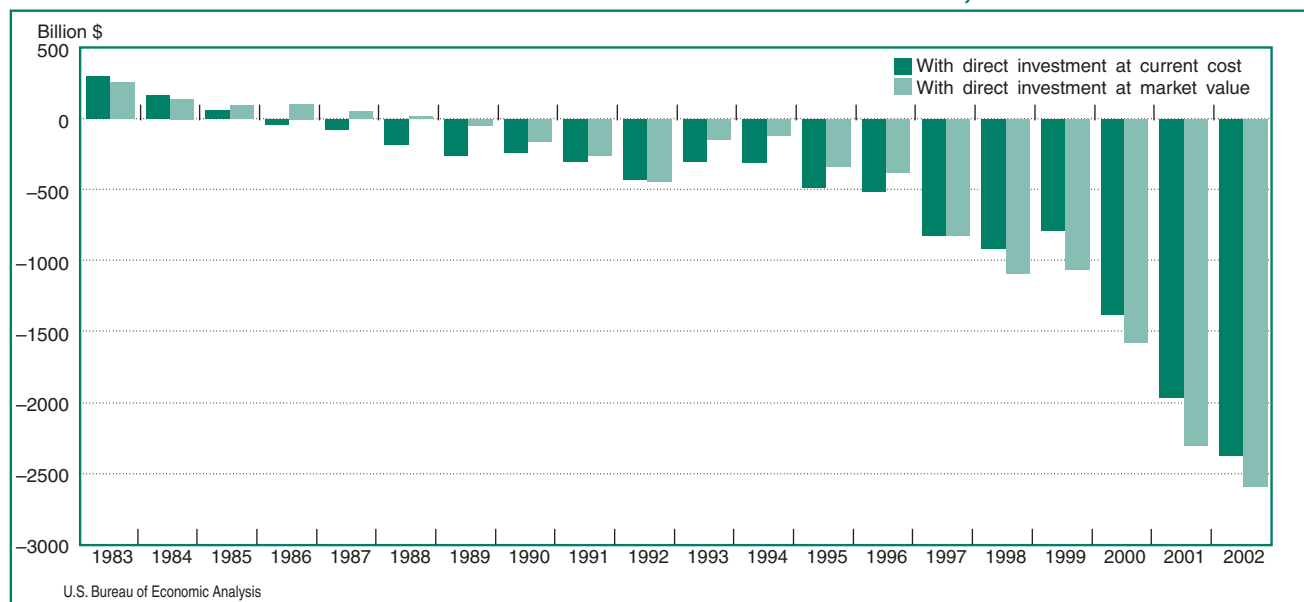
As is customary each July, the estimates of the U.S. international investment position incorporate newly available source data and methodological improvements that relate to the improvements incorporated in the annual revision of the U.S. international transactions accounts.

This year, the estimates of U.S. portfolio holdings of foreign securities for 1998–2001 were revised to incorporate results from the U.S. Treasury Department's Benchmark Survey of U.S. Portfolio Investment Abroad as of December 2001. In addition, the estimates of U.S. direct investment abroad for 1998–2001 were revised to incorporate results from BEA's Benchmark Survey of U.S. Direct Investment Abroad for 1999. As a result, the net international investment position at yearend 2001

was revised from negative \$1,948.1 billion to negative \$1,979.9 billion with direct investment at current cost and from negative \$2,309.1 billion to negative \$2,314.3 billion with direct investment at market value.

BEA also used results from both benchmark surveys to revise its estimates of financial flows and associated flows of interest and dividend receipts from securities and direct investment income in BEA's international transactions accounts. In addition, BEA has used information from both benchmark surveys and from other sources to develop and implement new methodologies that will improve future estimates of positions and of financial and income flows. For additional information, see "Annual Revision of the U.S. International Accounts, 1992–2002" in this issue.

**Chart 1. Net International Investment Position of the United States at Yearend, 1983–2002**



yearend 2001 (table A).

- Net financial outflows increased the value of U.S. investments abroad by \$179.0 billion in 2002 (table B), down from \$349.9 billion in 2001 and from \$569.8 billion in 2000. U.S. investors shifted to net sellers of foreign securities for the first time since at least 1946, when the data series begins. The shift resulted from greatly reduced net purchases of foreign stocks and accelerated net sales of foreign bonds. U.S. banks' claims on foreigners decelerated to the smallest increase since 1994, and U.S. non-banks' claims on foreigners rebounded but remained relatively small. U.S. direct investment abroad also rebounded.
- Negative valuation adjustments reduced the value of U.S. investments abroad by \$177.2 billion. Price depreciation of foreign stocks reduced the value of U.S. holdings of foreign stocks, but it was partly offset by exchange-rate appreciation, principally on U.S.-held foreign stocks and on U.S. direct investment abroad (table B).
- With direct investment on a market-value basis, U.S.-owned assets decreased to \$6,473.6 billion from \$6,891.3 billion. Negative valuation adjustments reduced the value of U.S. investments abroad by \$596.7 billion, reflecting a sizable decline in foreign stock market prices that sharply reduced the market value of owners' equity of U.S. direct investment abroad on this basis.

With direct investment valued at current cost, foreign-owned assets in the United States increased to

\$8,576.4 billion at yearend 2002 from \$8,167.3 billion at yearend 2001.

- Net financial inflows increased the value of foreign investments in the United States by \$707.0 billion in 2002, down from \$765.5 billion in 2001 and from \$1,026.1 billion in 2000. Foreign direct investment inflows to the United States were the lowest since 1992, largely as a result of a further dropoff in merger and acquisition activity and of reductions of debt owed by U.S. affiliates to their parents. Net foreign purchases of U.S. securities other than U.S. Treasury securities also slowed; net purchases of U.S. stocks dropped to the lowest level since 1998, but net purchases of U.S. bonds were the third highest on record. Net foreign purchases of U.S. Treasury securities rebounded after 3 years of net sales. Inflows reported by U.S. banks slowed but remained relatively strong, and inflows reported by U.S. non-banks increased somewhat.
- Negative valuation adjustments reduced the value of foreign-owned assets in the United States by \$297.9 billion, mostly as a result of depreciation of U.S. stock prices that sharply reduced the value of foreign holdings of U.S. stocks (table C).
- With direct investment on a market-value basis, foreign-owned assets in the United States decreased to \$9,078.7 billion from \$9,205.5 billion, as negative valuation adjustments more than offset financial inflows. Negative valuation adjustments reduced the value of foreign investments in the United States by \$833.8 billion, reflecting a large decline in U.S. stock market prices that sharply reduced the market value of owners' equity of foreign direct investment in the United States on this basis.

**Table A. U.S. Net International Investment Position at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>Net position:</b>			
At current cost .....	-1,387.7	-1,979.9	-2,387.2
At market value .....	-1,588.2	-2,314.3	-2,605.2
U.S.-owned assets abroad:			
At current cost.....	6,229.4	6,187.4	6,189.2
At market value.....	7,393.6	6,891.2	6,473.6
Foreign-owned assets in the United States:			
At current cost.....	7,617.1	8,167.3	8,576.4
At market value.....	8,981.8	9,205.5	9,078.7

**Table B. Changes in U.S.-Owned Assets Abroad, 2002**  
[Billions of dollars]

	At current cost	At market value
<b>Total change .....</b>	<b>1.8</b>	<b>-417.7</b>
<b>Financial flows .....</b>	<b>179.0</b>	<b>179.0</b>
<b>Valuation adjustments .....</b>	<b>-177.2</b>	<b>-596.7</b>
Price changes.....	-365.1	-847.8
Exchange-rate changes.....	182.4	264.7
Other valuation changes.....	5.5	-13.6

**Table C. Changes in Foreign-Owned Assets in the United States, 2002**  
[Billions of dollars]

	At current cost	At market value
<b>Total change .....</b>	<b>409.1</b>	<b>-126.8</b>
<b>Financial flows .....</b>	<b>707.0</b>	<b>707.0</b>
<b>Valuation adjustments.....</b>	<b>-297.9</b>	<b>-833.8</b>
Price changes.....	-281.8	-805.7
Exchange-rate changes .....	35.2	34.6
Other valuation changes.....	-51.3	-62.7

This article presents the major changes in U.S. assets abroad and in foreign assets in the United States in 2002. Tables 1 and 2 at the end of this article present detailed estimates of the yearend positions. The amounts cited in the article may differ slightly from the amounts that may be calculated from the text tables due to rounding.

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

### Bank and nonbank claims

U.S. claims on foreigners reported by U.S. banks increased \$31.9 billion, to \$1,455.1 billion, in 2002 (table D); the increase was attributable to outflows of \$21.4 billion and exchange-rate appreciation of \$10.5 billion. The U.S. banks' own claims payable in dollars were \$1,080.3 billion, an increase of only \$25.2 billion, compared with an increase of \$150.5 billion in 2001. The moderate increase in 2002 reflected a sharp slowdown in lending to foreigners amid weak economic and financial conditions abroad and a further reduction in merger and acquisition activity.

**Table D. U.S. Claims Reported by U.S. Banks and U.S. Nonbanks at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>Total bank-reported claims</b> .....	<b>1,264.1</b>	<b>1,423.2</b>	<b>1,455.1</b>
Banks' claims for own accounts, denominated in dollars .....	904.6	1,055.1	1,080.3
On own foreign offices .....	630.1	749.1	787.2
On unaffiliated foreign banks .....	95.2	100.4	81.5
On other foreigners .....	179.3	205.6	211.6
Banks' claims for customers' accounts, denominated in dollars .....	278.4	274.4	278.6
Banks' claims, denominated in foreign currencies .....	81.1	93.7	96.2
<b>Total nonbank-reported claims</b> .....	<b>836.6</b>	<b>835.8</b>	<b>891.0</b>

U.S. banks' domestic customers' claims denominated in dollars increased \$4.2 billion, to \$278.6 billion. An increase in U.S. holdings of foreign commercial paper and other short-term instruments exceeded a decrease in deposits and brokerage balances. U.S. banks' claims payable in foreign currencies increased \$2.5 billion, to \$96.2 billion, down from an increase of \$12.6 billion in 2001.

U.S. claims on foreigners reported by U.S. nonbanking concerns increased \$55.2 billion, to \$891.0 billion, reflecting relatively strong U.S. deposits in Western Europe and a pickup in U.S. deposits at the Caribbean banking centers. Appreciation of most foreign currencies against the dollar also increased the value of U.S. claims (table D).

### Foreign securities

U.S. holdings of foreign securities decreased \$267.8 billion, to \$1,847.0 billion, in 2002. Net U.S. transactions shifted to net sales of \$15.8 billion, reflecting a sharp decline in net U.S. purchases of foreign stocks and an increase in net U.S. sales of foreign bonds. Price depreciation of foreign stocks more than offset price appreciation of foreign bonds and sizeable exchange-rate appreciation. U.S. holdings of foreign securities decreased for the third consecutive year; the decreases

coincided with increasingly large declines in foreign stock prices in the last 3 years.

U.S. holdings of foreign stocks decreased \$267.5 billion, to \$1,345.2 billion, in 2002. Stock price depreciation of \$399.7 billion more than offset net U.S. purchases of \$17.7 billion and exchange-rate appreciation of \$114.5 billion. Net U.S. purchases in 2002 were substantially below net purchases of \$109.1 billion in 2001 and were the lowest since 1990; this dropoff was partly attributable to a substantial reduction in foreign acquisitions of U.S. companies by exchanges of stock. Acquisition-related exchanges of stock accounted for only \$3.2 billion of total net U.S. purchases in 2002, a substantial drop from \$47.0 billion in 2001 and well below the record \$115.8 billion in 1999.

- U.S. holdings of Western European stocks decreased \$156.7 billion, to \$777.5 billion. The decrease was attributable to a 31-percent decline in European stock prices that more than offset net U.S. purchases and a 15-percent exchange-rate appreciation of the euro and smaller appreciations of other Western European currencies against the U.S. dollar (table E). Exchanges of stock associated with Western European acquisitions of U.S. companies accounted for \$3.2 billion of net U.S. purchases, down sharply from \$26.9 billion in 2001 and \$64.3 billion in 2000.
- U.S. holdings of Japanese stocks decreased \$30.2 billion, to \$140.5 billion, as a 19-percent decline in Japanese stock prices more than offset small net U.S. purchases and a 9-percent exchange-rate appreciation of the yen against the dollar.

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

	2000	2001	2002
<b>Total holdings</b> .....	<b>1,852.9</b>	<b>1,612.7</b>	<b>1,345.2</b>
Western Europe .....	1,118.4	934.2	777.5
Of which: United Kingdom .....	411.7	350.0	299.2
Finland .....	52.7	51.3	42.4
France .....	137.2	112.2	93.9
Germany .....	76.7	72.2	58.1
Ireland .....	31.3	28.4	22.9
Italy .....	42.5	33.7	27.4
Netherlands .....	147.9	112.8	89.7
Spain .....	38.4	32.5	26.7
Sweden .....	36.0	24.3	19.3
Switzerland .....	94.9	75.6	65.3
Canada .....	108.6	89.6	69.7
Japan .....	197.8	170.7	140.5
Latin America .....	66.6	59.3	53.2
Of which: Argentina .....	3.7	0.7	0.6
Brazil .....	24.2	21.8	20.0
Mexico .....	28.0	26.3	23.8
Other Western Hemisphere .....	170.7	172.4	148.6
Of which: Bermuda .....	108.1	118.9	98.3
Netherlands Antilles .....	23.1	14.5	10.7
Other countries .....	190.8	186.5	155.7
Of which: Australia .....	43.4	37.1	30.4
Hong Kong .....	34.3	30.2	23.8
Singapore .....	24.9	21.4	16.9

- U.S. holdings of Canadian stocks decreased \$19.9 billion, to \$69.7 billion, as a result of net U.S. sales and a 15-percent decline in Canadian stock prices that more than offset a 1-percent exchange-rate appreciation of the Canadian dollar against the U.S. dollar.
- U.S. holdings of other foreign stocks, mostly emerging-market stocks, decreased \$60.7 billion, to \$357.5 billion, as a result of price depreciation and exchange-rate depreciation that more than offset net purchases. While most European and Asian currencies appreciated against the U.S. dollar in 2002, most Latin American currencies depreciated sharply against the U.S. dollar, reflecting economic and financial problems, particularly in Argentina and Brazil.

U.S. holdings of foreign bonds decreased \$0.3 billion, to \$501.8 billion, in 2002 (table F). Net U.S. sales of \$33.5 billion were nearly offset by price appreciation of \$21.3 billion and exchange-rate appreciation of \$11.9 billion. Net U.S. sales accelerated despite the narrowing of interest-rate differentials between the U.S. and other major bond markets in favor of foreign bonds. By area, U.S. holdings of Western European bonds and the emerging-market bonds decreased while holdings of Japanese bonds and Canadian bonds increased.

**Table F. U.S. Holdings of Foreign Bonds by Major Area and Country at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>Total holdings</b> .....	<b>532.5</b>	<b>502.1</b>	<b>501.8</b>
Western Europe.....	236.8	231.2	226.9
<i>Of which:</i> United Kingdom.....	72.6	72.2	65.5
France.....	21.5	24.3	28.7
Germany.....	48.5	43.5	49.1
Italy.....	13.5	12.5	12.6
Netherlands.....	25.6	27.9	26.4
Sweden.....	9.8	8.8	9.5
Canada.....	104.0	104.6	111.0
Japan.....	23.2	24.7	34.5
Latin America.....	67.1	50.0	49.0
<i>Of which:</i> Argentina.....	12.0	3.4	1.4
Brazil.....	12.4	11.0	10.1
Mexico.....	26.5	21.2	22.7
Other Western Hemisphere.....	26.6	30.1	26.9
<i>Of which:</i> Cayman Islands.....	16.8	21.9	19.0
Other countries.....	62.2	50.6	43.1
<i>Of which:</i> Australia.....	13.7	14.2	14.7
Korea, Republic of.....	7.5	4.7	8.0
International organizations.....	12.6	10.9	10.4

### U.S. direct investment abroad

U.S. direct investment abroad at current cost increased \$153.8 billion, to \$1,751.9 billion, in 2002; at market value, it decreased \$265.7 billion, to \$2,036.2 billion (table G). At current cost, the increase was attributable

to net financial outflows and to exchange-rate appreciation that more than offset small price depreciation; at market value, the decrease was attributable to sizable price depreciation that more than offset net financial outflows and exchange-rate appreciation (table H). Net outflows rebounded to \$137.8 billion from \$120.0 billion, but remained well below record outflows of \$224.9 billion in 1999. Net equity capital outflows decreased to \$18.1 billion from \$50.4 billion, reflecting a further slowdown in merger and acquisition activity. Intercompany debt shifted to net outflows of \$25.6 billion from inflows of \$2.5 billion; the shift was mostly attributable to chemical, finance, and holding-company affiliates in Europe. Reinvested earnings increased to \$94.2 billion from \$72.0 billion, reflecting a rebound in the earnings of overseas affiliates and an increase in the share of those earnings that were reinvested.

**Table G. U.S. Direct Investment Abroad at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>U.S. direct investment abroad:</b>			
At current cost.....	1,529.7	1,598.1	1,751.9
At market value.....	2,694.0	2,301.9	2,036.2

**Table H. U.S. Direct Investment Abroad, 2002**  
[Billions of dollars]

	At current cost	At market value
<b>Total position</b> .....	<b>1,751.9</b>	<b>2,036.2</b>
<b>Total change</b> .....	<b>153.8</b>	<b>-265.7</b>
Financial outflows.....	137.8	137.8
Equity capital.....	18.1	18.1
Intercompany debt.....	25.6	25.6
Reinvested earnings.....	94.2	94.2
Price changes.....	-5.2	-487.9
Exchange-rate changes.....	25.6	107.9
Other valuation changes.....	-4.4	-23.5

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

U.S. official reserve assets increased \$28.6 billion, to \$158.6 billion, in 2002, as a result of strong price appreciation in the market value of the U.S. gold stock and of exchange-rate appreciation of other reserve assets. The U.S. reserve position at the International Monetary Fund (IMF) increased \$4.1 billion as net U.S. dollar lending from the IMF's General Resources Account to Turkey, Brazil, and Uruguay exceeded repayments from Russia and other countries. The increase in the U.S. reserve position at the IMF also included exchange-rate appreciation of \$1.5 billion. U.S. official holdings of foreign currencies increased

\$4.7 billion, reflecting exchange-rate appreciation of \$4.1 billion and financial outflows of \$0.6 billion.

U.S. Government assets other than official reserve assets were virtually unchanged at \$85.7 billion, as new U.S. Government credits to foreigners slightly exceeded repayments. Both new credits and repayments slowed in 2002.

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

#### Bank and nonbank liabilities

U.S. liabilities to private foreigners and international financial institutions reported by U.S. banks increased \$101.0 billion, to \$1,407.4 billion, in 2002. Although inflows were down from last year, U.S. banks continued to receive sizable funding from affiliates overseas (table I).

**Table I. U.S. Liabilities Reported by U.S. Banks and by U.S. Nonbanks at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>Total bank-reported liabilities</b> .....	<b>1,168.7</b>	<b>1,306.4</b>	<b>1,407.4</b>
Banks' liabilities for own accounts, denominated in dollars .....	980.6	1,097.3	1,183.6
To own foreign offices .....	685.0	792.3	852.5
To unaffiliated foreign banks .....	136.3	122.2	117.6
To other foreigners .....	159.3	182.8	213.5
Banks' liabilities for customers' accounts, denominated in dollars .....	111.8	128.4	143.3
Banks' liabilities, denominated in foreign currencies .....	76.3	80.7	80.5
<b>Total nonbank-reported liabilities</b> .....	<b>738.9</b>	<b>799.1</b>	<b>870.3</b>

U.S. banks' own liabilities denominated in dollars increased \$86.3 billion to \$1,183.6 billion. Financial inflows of foreign-owned banks remained strong while transactions of U.S.-owned banks shifted to outflows. Dollar positions of U.S. securities brokers and dealers with private foreigners, mainly in Western Europe and the Caribbean, increased substantially and were largely in the form of repurchase agreements. U.S. banks' custody liabilities denominated in dollars increased \$15.0 billion, to \$143.3 billion. U.S. banks' foreign currency liabilities decreased slightly to \$80.5 billion from \$80.7 billion, as outflows were nearly offset by exchange-rate appreciation.

U.S. liabilities to foreigners reported by U.S. non-banking concerns increased \$71.1 billion, to \$870.3 billion, reflecting U.S. corporate borrowing, mostly from Western Europe and the Caribbean (table I).

#### U.S. Treasury securities

Foreign holdings of U.S. Treasury securities increased \$114.6 billion, to \$503.6 billion, in 2002, reflecting a

sizable shift in foreign transactions to net purchases of \$96.2 billion after 3 years of net sales and despite historically low yields. Price appreciation increased the value of holdings by \$18.4 billion. As of December 2002, Japan remained the largest holder of Treasury securities, followed by the United Kingdom and China. Together, they accounted for about 44 percent of total foreign holdings. (In table J, foreign private holdings and foreign official holdings are combined in order to avoid the disclosure of sensitive data on individual country holdings by foreign official agencies.)

**Table J. Foreign Official and Private Holdings of U.S. Treasury Securities by Selected Countries at Yearend**  
[Billions of dollars]

	2000	2001	2002
<b>Total holdings</b> .....	<b>1,026.1</b>	<b>1,039.7</b>	<b>1,214.2</b>
Japan .....	325.6	329.7	386.7
China .....	62.3	81.9	109.3
Hong Kong .....	39.8	49.5	51.6
Germany .....	50.7	50.3	48.4
United Kingdom .....	36.5	7.6	47.5
Korea, Republic of .....	29.7	33.3	45.0
Taiwan .....	34.5	37.0	37.4
Cayman Islands .....	8.0	19.4	31.6
Mexico .....	15.6	19.8	24.0
Italy .....	21.5	19.9	20.6

#### Other U.S. securities

Foreign holdings of U.S. securities other than U.S. Treasury securities increased \$5.4 billion, to \$2,861.1 billion, in 2002. Net foreign purchases of \$291.5 billion and exchange-rate appreciation of \$18.6 billion in foreign-currency-denominated U.S. bonds were nearly offset by price depreciation of \$304.7 billion (more than accounted for by a decline in the value of foreign holdings of U.S. stocks). U.S. bond prices appreciated 3 percent and partly offset the 23-percent depreciation of U.S. stock prices. Net foreign purchases of U.S. bonds were \$236.3 billion, the third highest on record, while net foreign purchases of U.S. stocks were only \$55.2 billion, the lowest since 1998.

Foreign holdings of U.S. corporate bonds and U.S. agency bonds increased \$298.7 billion, to \$1,690.3 billion, in 2002. This increase was attributable to strong net foreign purchases, price appreciation, and exchange-rate appreciation of U.S. bonds denominated in foreign currencies. Net foreign purchases may have been spurred by higher returns on U.S. bonds relative to foreign bonds. As of December 2002, the United Kingdom remained the largest holder of U.S. corporate bonds and U.S. agency bonds at \$807.6 billion, or 48 percent of total foreign holdings; the next largest holders were Other Western Hemisphere, at \$303.0



billion, and Japan, at \$163.4 billion (table K).

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

[Billions of dollars]

	2000	2001	2002
<b>Total holdings</b> .....	<b>1,076.0</b>	<b>1,391.6</b>	<b>1,690.3</b>
Western Europe.....	710.6	910.5	1,058.9
<i>Of which:</i> United Kingdom.....	517.2	691.0	807.6
France.....	11.2	15.8	19.5
Germany.....	42.7	51.8	57.0
Italy.....	4.0	2.2	2.5
Netherlands.....	20.5	19.7	19.5
Canada.....	24.1	25.2	22.8
Japan.....	100.5	120.3	163.4
Latin America.....	18.7	25.2	34.7
Other Western Hemisphere.....	172.7	231.3	303.0
Other countries.....	49.4	79.1	107.5

Foreign holdings of U.S. stocks decreased \$293.3 billion, to \$1,170.8 billion. Net foreign purchases of \$55.2 billion—less than half the net purchases of \$119.5 billion in 2001—were more than offset by price depreciation of \$348.5 billion, as the U.S. stock market suffered the biggest annual loss since 1974. The S&P 500 stock price index declined 23 percent in 2002, following declines of 13 percent in 2001 and 10 percent in 2000. As of December 2002, the United Kingdom remained the largest holder of U.S. stocks with \$295.6 billion, or 25 percent of foreign holdings, followed by Canada, with \$123.9 billion, and Japan, with \$106.2 billion (table L).

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

[Billions of dollars]

	2000	2001	2002
<b>Total holdings</b> .....	<b>1,547.7</b>	<b>1,464.1</b>	<b>1,170.8</b>
Western Europe.....	1,016.2	969.5	770.1
<i>Of which:</i> United Kingdom.....	381.0	368.9	295.6
France.....	47.0	46.1	37.1
Germany.....	111.0	104.8	79.6
Italy.....	39.8	36.5	29.1
Netherlands.....	97.4	95.6	77.8
Canada.....	156.6	147.9	123.9
Japan.....	134.4	123.4	106.2
Latin America.....	28.7	32.4	25.5
Other Western Hemisphere.....	125.1	102.3	62.1
Other countries.....	86.7	88.6	83.0

### U.S. currency

U.S. currency held by foreigners increased \$21.5 billion, to \$297.1 billion, in 2002. Currency shipments decelerated from the pace in 2001, but remained relatively strong as a result of economic problems and fears of devaluation in some areas of the world. The increased use of the euro as an alternative to the dollar may have limited the increase in dollar shipments to the euro area. Currency shipments continued to go mostly to Argentina and Russia.

### Foreign direct investment in the United States

Foreign direct investment in the United States at current cost decreased \$9.9 billion, to \$1,504.4 billion, in 2002; at market value, it decreased \$545.8 billion, to \$2,006.7 billion (table M). At current cost, net financial inflows exceeded price depreciation, and a decrease in the position was mostly attributable to the capital losses of U.S. affiliates. At market value, net financial inflows were more than offset by substantial price depreciation in the market value of owners' equity as a result of sharp price declines in the U.S. stock market. Net financial inflows decreased sharply to \$39.6 billion, the lowest since 1992. Net equity capital inflows decreased to \$70.3 billion from \$137.3 billion in 2001 and were well below the record \$259.6 billion in 2000. Contributing to this decrease was a further sizable reduction in foreign acquisitions of U.S. companies. Intercompany debt flows shifted to outflows of \$37.4 billion from inflows of \$43.4 billion, as both payables and receivables shifted to outflows. Reinvested earnings shifted to a positive \$6.7 billion from a negative \$29.1 billion, mostly reflecting a rebound in earnings (table N).

**Table M. Foreign Direct Investment in the United States at Yearend**

[Billions of dollars]

	2000	2001	2002
<b>Foreign direct investment in the United States:</b>			
At current cost.....	1,418.5	1,514.4	1,504.4
At market value.....	2,783.2	2,552.6	2,006.7

**Table N. Foreign Direct Investment in the United States, 2002**

[Billions of dollars]

	At current cost	At market value
<b>Total position</b> .....	<b>1,504.4</b>	<b>2,006.7</b>
<b>Total change</b> .....	<b>-9.9</b>	<b>-545.8</b>
Financial outflows.....	39.6	39.6
Equity capital.....	70.3	70.3
Intercompany debt.....	-37.4	-37.4
Reinvested earnings.....	6.7	6.7
Price changes.....	-6.0	-529.9
Exchange-rate changes.....	0.6	.....
Other valuation changes.....	-44.1	-55.5

### Foreign official assets

Foreign official assets increased \$105.3 billion, to \$1,132.5 billion, in 2002. This increase reflected financial inflows of \$94.9 billion that were substantially higher than inflows of \$5.1 billion in 2001 and that were the largest since 1996. Price appreciation of \$10.5 billion also contributed to the increase. Net foreign official purchases of U.S. Treasury securities more than quadrupled to \$43.1 billion, and net foreign purchases of U.S. agency bonds increased to \$30.4 billion from \$20.9 billion.

Table 1. International Investment Position of the United States at Yearend, 2001 and 2002

[Millions of dollars]

Line	Type of investment	Position in 2001 <sup>r</sup>	Changes in position in 2002					Position in 2002 <sup>p</sup>
			Attributable to				Total (a+b+c+d)	
			Financial flows (a)	Valuation adjustments				
				Price changes (b)	Exchange rate changes <sup>1</sup> (c)	Other changes <sup>2</sup> (d)		
<b>Net international investment position of the United States:</b>								
1	With direct investment positions at current cost (line 3 less line 24) .....	-1,979,906	-527,998	-83,284	147,129	56,848	-407,305	-2,387,211
2	With direct investment positions at market value (line 4 less line 25) .....	-2,314,271	-527,998	-42,105	230,053	49,166	-290,884	-2,605,155
<b>U.S.-owned assets abroad:</b>								
3	With direct investment positions at current cost (lines 5+10+15) .....	6,187,410	178,985	-365,107	182,335	5,568	1,781	6,189,191
4	With direct investment positions at market value (lines 5+10+16) .....	6,891,251	178,985	-847,812	264,680	-13,542	-417,689	6,473,562
5	U.S. official reserve assets .....	129,961	3,681	18,492	6,482	-14	28,641	158,602
6	Gold .....	72,328	.....	<sup>3</sup> 18,492	.....	<sup>4</sup> -14	18,478	90,806
7	Special drawing rights .....	10,783	475	.....	908	.....	1,383	12,166
8	Reserve position in the International Monetary Fund .....	17,869	2,632	.....	1,478	.....	4,110	21,979
9	Foreign currencies .....	28,981	574	.....	4,096	.....	4,670	33,651
10	U.S. Government assets, other than official reserve assets .....	85,654	32	.....	.....	.....	32	85,686
11	U.S. credits and other long-term assets <sup>5</sup> .....	83,132	-73	.....	.....	.....	-73	83,059
12	Repayable in dollars .....	82,854	-69	.....	.....	.....	-69	82,785
13	Other <sup>6</sup> .....	278	-4	.....	.....	.....	-4	274
14	U.S. foreign currency holdings and U.S. short-term assets .....	2,522	105	.....	.....	.....	105	2,627
<b>U.S. private assets:</b>								
15	With direct investment at current cost (lines 17+19+22+23) .....	5,971,795	175,272	-383,599	175,853	5,582	-26,892	5,944,903
16	With direct investment at market value (lines 18+19+22+23) .....	6,675,636	175,272	-866,304	258,198	-13,528	-446,362	6,229,274
<b>Direct investment abroad:</b>								
17	At current cost .....	1,598,072	137,836	-5,215	25,577	-4,418	153,780	1,751,852
18	At market value .....	2,301,913	137,836	-487,920	107,922	-23,528	-265,690	2,036,223
19	Foreign securities .....	2,114,734	-15,801	-378,384	126,427	.....	-267,758	1,846,976
20	Bonds .....	502,061	-33,478	21,274	11,927	.....	-277	501,784
21	Corporate stocks .....	1,612,673	17,677	-399,658	114,500	.....	-267,481	1,345,192
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....	835,780	31,880	.....	13,301	10,000	55,181	890,961
23	U.S. claims reported by U.S. banks, not included elsewhere .....	1,423,209	21,357	.....	10,548	.....	31,905	1,455,114
<b>Foreign-owned assets in the United States:</b>								
24	With direct investment at current cost (lines 26+33) .....	8,167,316	706,983	-281,823	35,206	-51,280	409,086	8,576,402
25	With direct investment at market value (lines 26+34) .....	9,205,522	706,983	-805,707	34,627	-62,708	-126,805	9,078,717
26	Foreign official assets in the United States .....	1,027,194	94,860	10,476	.....	.....	105,336	1,132,530
27	U.S. Government securities .....	798,844	73,521	25,640	.....	.....	99,161	898,005
28	U.S. Treasury securities .....	650,703	43,144	16,761	.....	.....	59,905	710,608
29	Other .....	148,141	30,377	8,879	.....	.....	39,256	187,397
30	Other U.S. Government liabilities <sup>7</sup> .....	17,007	137	.....	.....	.....	137	17,144
31	U.S. liabilities reported by U.S. banks, not included elsewhere .....	123,425	17,594	.....	.....	.....	17,594	141,019
32	Other foreign official assets .....	87,918	3,608	-15,164	.....	.....	-11,556	76,362
<b>Other foreign assets:</b>								
33	With direct investment at current cost (lines 35+37+38+41+42+43) .....	7,140,122	612,123	-292,299	35,206	-51,280	303,750	7,443,872
34	With direct investment at market value (lines 36+37+38+41+42+43) .....	8,178,328	612,123	-816,183	34,627	-62,708	-232,141	7,946,187
<b>Direct investment in the United States:</b>								
35	At current cost .....	1,514,374	39,633	-6,060	579	-44,098	-9,946	1,504,428
36	At market value .....	2,552,580	39,633	-529,944	.....	-55,526	-545,837	2,006,743
37	U.S. Treasury securities .....	389,000	96,217	18,413	.....	.....	114,630	503,630
38	U.S. securities other than U.S. Treasury securities .....	2,855,705	291,492	-304,652	18,570	.....	5,410	2,861,115
39	Corporate and other bonds .....	1,391,616	236,309	43,801	18,570	.....	298,680	1,690,296
40	Corporate stocks .....	1,464,089	55,183	-348,453	.....	.....	-293,270	1,170,819
41	U.S. currency .....	275,569	21,513	.....	.....	.....	21,513	297,082
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns .....	799,120	72,142	.....	6,179	-7,182	71,139	870,259
43	U.S. liabilities reported by U.S. banks, not included elsewhere .....	1,306,354	91,126	.....	9,878	.....	101,004	1,407,358

<sup>p</sup> Preliminary.<sup>r</sup> Revised.

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

2. Includes changes in coverage, capital gains and losses of direct investment affiliates, and other statistical adjustments to the value of assets.

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

4. 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/mone-

tizations are not included in international transactions financial flows.

5. 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.

6. 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.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.



Table 2. International Investment Position

[Millions]

Line	Type of investment	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987
	<b>Net international investment position of the United States:</b>												
1	With direct investment positions at current cost (line 3 less line 24).....	164,832	171,440	206,423	316,926	360,838	339,767	328,954	298,304	160,695	54,343	-36,209	-80,007
2	With direct investment positions at market value (line 4 less line 25).....							235,947	257,393	134,088	96,886	100,782	50,529
	<b>U.S.-owned assets abroad:</b>												
3	With direct investment at current cost (lines 5+10+15)	456,964	512,278	621,227	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
4	With direct investment at market value (lines 5+10+16)							961,015	1,129,673	1,127,132	1,302,712	1,594,652	1,758,711
5	U.S. official reserve assets .....	44,094	53,376	69,450	143,260	171,412	124,568	143,445	123,110	105,040	117,930	139,875	162,370
6	Gold <sup>1</sup> .....	36,944	45,781	62,471	135,476	155,816	105,644	120,635	100,484	81,202	85,834	102,428	127,648
7	Special drawing rights.....	2,395	2,629	1,558	2,724	2,610	4,096	5,250	5,025	5,641	7,293	8,395	10,283
8	Reserve position in the International Monetary Fund.....	4,434	4,946	1,047	1,253	2,852	5,054	7,348	11,312	11,541	11,947	11,730	11,349
9	Foreign currencies .....	321	20	4,374	3,807	10,134	9,774	10,212	6,289	6,656	12,856	17,322	13,090
10	U.S. Government assets, other than official reserve assets	44,978	48,567	53,187	58,851	65,573	70,893	76,903	81,664	86,945	89,792	91,850	90,681
11	U.S. credits and other long-term assets <sup>2</sup> .....	44,124	47,749	52,252	57,909	63,731	69,320	75,105	79,852	84,857	87,854	90,923	89,900
12	Repayable in dollars .....	41,309	45,154	49,817	54,616	60,731	66,591	72,635	77,618	82,819	85,978	89,271	88,344
13	Other <sup>3</sup> .....	2,815	2,595	2,435	3,293	3,000	2,729	2,470	2,234	2,038	1,876	1,652	1,556
14	U.S. foreign currency holdings and U.S. short-term assets .....	854	818	935	942	1,842	1,573	1,798	1,812	2,088	1,938	927	781
	<b>U.S. private assets:</b>												
15	With direct investment at current cost (lines 17+19+22+23) .....	367,892	410,335	498,590	584,590	692,821	806,206	888,088	1,006,200	1,012,915	1,079,674	1,237,671	1,393,476
16	With direct investment at market value (lines 18+19+22+23) .....							740,667	924,899	935,147	1,094,990	1,362,927	1,505,660
	<b>Direct investment abroad:</b>												
17	At current cost <sup>4</sup> .....	222,283	246,078	285,005	336,301	388,072	407,804	374,059	355,643	348,342	371,036	404,818	478,062
18	At market value <sup>4</sup> .....							226,638	274,342	270,574	386,352	530,074	590,246
19	Foreign securities <sup>5</sup> .....	44,157	49,439	53,384	56,769	62,454	62,142	74,046	84,723	88,804	119,403	158,123	188,589
20	Bonds <sup>5</sup> .....	34,704	39,329	42,148	41,966	43,524	45,675	56,604	58,569	62,810	75,020	85,724	93,889
21	Corporate stocks <sup>5</sup> .....	9,453	10,110	11,236	14,803	18,930	16,467	17,442	26,154	25,994	44,383	72,399	94,700
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns <sup>6</sup> .....	20,317	22,256	29,385	34,491	38,429	42,752	35,405	131,329	130,138	141,872	167,392	177,368
23	U.S. claims reported by U.S. banks, not included elsewhere <sup>7</sup> .....	81,135	92,562	130,816	157,029	203,866	293,508	404,578	434,505	445,631	447,363	507,338	549,457
24	<b>Foreign-owned assets in the United States:</b>												
24	With direct investment at current cost (lines 26+33).....	292,132	340,838	414,804	469,775	568,968	661,900	779,482	912,670	1,044,205	1,233,053	1,505,605	1,726,534
25	With direct investment at market value (lines 26+34).....							725,068	872,280	993,044	1,205,826	1,493,870	1,708,182
26	Foreign official assets in the United States.....	104,445	140,867	173,057	159,852	176,062	180,425	189,109	194,468	199,678	202,482	241,226	283,058
27	U.S. Government securities .....	72,572	105,386	128,511	106,640	118,189	125,130	132,587	136,987	144,665	145,063	178,916	220,548
28	U.S. Treasury securities <sup>8</sup> .....	70,555	101,092	123,991	101,748	111,336	117,004	124,929	129,716	138,168	138,438	173,310	213,713
29	Other <sup>8</sup> .....	2,017	4,294	4,520	4,892	6,853	8,126	7,658	7,271	6,497	6,625	5,606	6,835
30	Other U.S. Government liabilities <sup>9</sup> .....	8,860	10,260	12,749	12,749	13,367	13,029	13,639	14,231	14,959	15,803	17,993	15,667
31	U.S. liabilities reported by U.S. banks, not included elsewhere .....	17,231	18,004	23,327	30,540	30,381	26,737	24,989	25,534	26,090	26,734	27,920	31,838
32	Other foreign official assets <sup>9</sup> .....	5,782	7,217	8,470	9,923	14,125	15,529	17,894	17,716	13,964	14,882	16,397	15,005
	<b>Other foreign assets in the United States:</b>												
33	With direct investment at current cost (lines 35+37+38+41+42+43).....	187,687	199,971	241,747	309,923	392,906	481,475	590,373	718,202	844,527	1,030,571	1,264,379	1,443,476
34	With direct investment at market value (lines 36+37+38+41+42+43).....							535,959	677,812	793,366	1,003,344	1,252,644	1,425,124
	<b>Direct investment in the United States:</b>												
35	At current cost <sup>10</sup> .....	47,528	55,413	68,976	88,579	127,105	164,623	184,842	193,708	223,538	247,223	284,701	334,552
36	At market value <sup>10</sup> .....							130,428	153,318	172,377	219,996	272,966	316,200
37	U.S. Treasury securities <sup>8</sup> .....	7,028	7,562	8,910	14,210	16,113	18,505	25,758	33,846	62,121	87,954	96,078	82,588
38	U.S. securities other than U.S. Treasury securities <sup>8</sup> .....	54,913	51,235	53,554	58,587	74,114	75,085	92,988	113,811	128,477	207,868	309,803	341,732
39	Corporate and other bonds <sup>8</sup> .....	11,964	11,456	11,457	10,269	9,545	10,694	16,709	17,454	32,421	82,290	140,863	166,089
40	Corporate stocks <sup>8</sup> .....	42,949	39,779	42,097	48,318	64,569	64,391	76,279	96,357	96,056	125,578	168,940	175,643
41	U.S. currency .....	11,792	13,656	16,569	19,552	24,079	27,295	31,265	36,776	40,797	46,036	50,122	55,584
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns <sup>11</sup> .....	12,961	11,921	16,019	18,669	30,426	30,606	27,532	61,731	77,415	86,993	90,703	110,187
43	U.S. liabilities reported by U.S. banks, not included elsewhere .....	53,465	60,184	77,719	110,326	121,069	165,361	227,988	278,330	312,179	354,497	432,972	518,833

<sup>P</sup> Preliminary.<sup>R</sup> Revised.<sup>1</sup> U.S. official gold stock is valued at market price.<sup>2</sup> 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.<sup>3</sup> 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.<sup>4</sup> A break in series in 1994 reflects the reclassification of intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation from the direct invest-

ment accounts to the nonbank investment accounts. Estimates for 1976 forward are linked to the 1977, 1982, 1989, 1994, and 1999 Benchmark Survey of U.S. Direct Investment Abroad.

<sup>5</sup> Estimates include results of the 1994, 1997, and 2001 Benchmark Survey of U.S. Ownership of Foreign Long-Term Securities conducted by the U.S. Department of Treasury.<sup>6</sup> A break in series in 1983 reflects the introduction of 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.

## of the United States at Yearend, 1976–2002

of dollars]

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998 <sup>r</sup>	1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>r</sup>	2002 <sup>p</sup>	Line
-178,470	-259,506	-245,347	-309,259	-431,198	-306,956	-311,882	-495,966	-521,545	-833,158	-918,679	-797,559	-1,387,741	-1,979,906	-2,387,211	1
10,466	-46,987	-164,495	-260,819	-452,305	-144,268	-123,736	-343,340	-386,514	-835,208	-1,094,090	-1,068,759	-1,588,164	-2,314,271	-2,605,155	2
1,829,665	2,070,868	2,178,978	2,286,456	2,331,696	2,753,648	2,998,633	3,451,983	4,012,746	4,567,906	5,090,938	5,965,148	6,229,361	6,187,410	6,189,191	3
2,008,365	2,350,235	2,294,085	2,470,629	2,466,496	3,091,421	3,326,650	3,930,269	4,631,276	5,379,128	6,174,518	7,390,432	7,393,650	6,891,251	6,473,562	4
144,179	168,714	174,664	159,223	147,435	164,945	163,394	176,061	160,739	134,836	146,006	136,418	128,400	129,961	158,602	5
107,434	105,164	102,406	92,561	87,168	102,556	100,110	101,279	96,698	75,929	75,291	75,950	71,799	72,328	90,806	6
9,637	9,951	10,989	11,240	8,503	9,039	10,039	11,037	10,312	10,027	10,603	10,336	10,539	10,783	12,166	7
9,745	9,048	9,076	9,488	11,759	11,818	12,030	14,649	15,435	18,071	24,111	17,950	14,824	17,869	21,979	8
17,363	44,551	52,193	45,934	40,005	41,532	41,215	49,096	38,294	30,809	36,001	32,182	31,238	28,981	33,651	9
87,892	86,643	84,344	81,422	83,022	83,382	83,908	85,064	86,123	86,198	86,768	84,227	85,168	85,654	85,686	10
87,163	86,057	83,716	79,776	81,352	81,435	81,884	82,802	83,999	84,130	84,850	81,657	82,574	83,132	83,059	11
85,768	84,734	82,602	78,814	80,498	80,660	81,389	82,358	83,606	83,780	84,528	81,367	82,293	82,854	82,785	12
1,395	1,323	1,114	962	854	775	495	444	393	350	322	290	281	278	274	13
729	586	628	1,646	1,670	1,947	2,024	2,262	2,124	2,068	1,918	2,570	2,594	2,522	2,627	14
1,597,594	1,815,511	1,919,970	2,045,811	2,101,239	2,505,321	2,751,331	3,190,858	3,765,884	4,346,872	4,858,164	5,744,503	6,015,793	5,971,795	5,944,903	15
1,776,294	2,094,878	2,035,077	2,229,984	2,236,039	2,843,094	3,079,348	3,669,144	4,384,414	5,158,094	5,941,744	7,169,787	7,180,082	6,675,636	6,229,274	16
513,761	553,093	616,655	643,364	663,830	723,526	786,565	885,506	989,810	1,068,063	1,196,021	1,414,355	1,529,725	1,598,072	1,751,852	17
692,461	832,460	731,762	827,537	798,630	1,061,299	1,114,582	1,363,792	1,608,340	1,879,285	2,279,601	2,839,639	2,694,014	2,301,913	2,036,223	18
232,849	314,294	342,313	455,750	515,083	853,528	948,668	1,169,636	1,467,985	1,751,183	2,052,995	2,525,346	2,385,360	2,114,734	1,846,976	19
104,187	116,949	144,717	176,774	200,817	309,666	321,208	392,827	465,057	543,396	578,009	521,620	532,504	502,061	501,784	20
128,662	197,345	197,596	278,976	314,266	543,862	627,460	776,809	1,002,928	1,207,787	1,474,986	2,003,726	1,852,856	1,612,673	1,345,192	21
197,757	234,307	265,315	256,295	254,303	242,022	322,980	367,567	450,578	545,524	588,322	704,517	836,559	835,780	890,961	22
653,227	713,817	695,687	690,402	668,023	686,245	693,118	768,149	857,511	982,102	1,020,826	1,100,285	1,264,149	1,423,209	1,455,114	23
2,008,135	2,330,374	2,424,325	2,595,715	2,762,894	3,060,604	3,310,515	3,947,949	4,534,291	5,401,064	6,009,617	6,762,707	7,617,102	8,167,316	8,576,402	24
1,997,899	2,397,222	2,458,580	2,731,448	2,918,801	3,235,689	3,450,386	4,273,609	5,017,790	6,214,336	7,268,608	8,459,191	8,981,814	9,205,522	9,078,717	25
322,036	341,746	373,293	398,538	437,263	509,422	535,227	682,873	820,823	873,716	896,174	951,088	1,014,467	1,027,194	1,132,530	26
260,934	263,612	291,228	311,199	329,317	381,687	407,152	507,460	631,088	648,188	669,768	693,781	749,904	798,844	898,005	27
252,962	257,201	285,911	305,994	322,600	373,050	396,887	489,952	606,427	615,076	622,921	617,680	625,161	650,703	710,608	28
7,972	6,411	5,317	5,205	6,717	8,637	10,265	17,508	24,661	33,112	46,847	76,101	124,743	148,141	187,397	29
15,200	15,374	17,243	18,610	20,801	22,113	23,678	23,573	22,592	21,712	18,386	21,141	19,316	17,007	17,144	30
31,520	36,495	39,880	38,396	54,967	69,721	73,386	107,394	113,098	135,384	125,883	138,847	153,403	123,425	141,019	31
14,382	26,265	24,942	30,333	32,178	35,901	31,011	44,446	54,045	68,432	82,137	97,319	91,844	87,918	76,362	32
1,686,099	1,988,628	2,051,032	2,197,177	2,325,631	2,551,182	2,775,288	3,265,076	3,713,468	4,527,348	5,113,443	5,811,619	6,602,635	7,140,122	7,443,872	33
1,675,863	2,055,476	2,085,287	2,332,910	2,481,538	2,726,267	2,915,159	3,590,736	4,196,967	5,340,620	6,372,434	7,508,103	7,967,347	8,178,328	7,946,187	34
401,766	467,886	505,346	533,404	540,270	593,313	617,982	680,066	745,619	824,136	920,044	1,101,709	1,418,523	1,514,374	1,504,428	35
391,530	534,734	539,601	669,137	696,177	768,398	757,853	1,005,726	1,229,118	1,637,408	2,179,035	2,798,193	2,783,235	2,552,580	2,006,743	36
100,877	166,541	152,452	170,295	197,739	221,501	235,684	330,210	440,832	550,613	562,036	462,761	400,983	389,000	503,630	37
392,292	482,864	460,644	546,008	599,447	696,449	739,695	969,849	1,165,113	1,512,725	1,903,443	2,351,291	2,623,703	2,855,705	2,861,115	38
191,314	231,673	238,903	274,136	299,287	355,822	368,077	459,080	539,308	618,837	724,619	825,175	1,076,002	1,391,616	1,690,296	39
200,978	251,191	221,741	271,872	300,160	340,627	371,618	510,769	625,805	893,888	1,178,824	1,526,116	1,547,701	1,464,089	1,170,819	40
61,261	67,118	85,933	101,317	114,804	133,734	157,185	169,484	186,846	211,628	228,250	250,657	251,786	275,569	297,082	41
144,548	167,093	213,406	208,908	220,666	229,038	239,817	300,424	346,810	459,407	485,675	578,046	738,904	799,120	870,259	42
585,355	637,126	633,251	637,245	652,705	677,147	784,925	815,043	828,248	968,839	1,013,995	1,067,155	1,168,736	1,306,354	1,407,358	43

7. A break in series in 1988 reflects the introduction of data on holdings of foreign commercial paper.

8. Estimates include results of 1978, 1984, 1989, 1994 and 2000 Benchmark Survey of Foreign Portfolio Investment in the United States conducted by the U.S. Department of Treasury.

9. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

10. Estimates for 1976 forward are linked to the 1980, 1987, 1992, and 1997 Benchmark Survey of Foreign Direct

Investment in the United States.

11. A break in series in 1983 reflects the introduction of data from the United Kingdom. A break in series in 1994 reflects the reclassification of intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation from the direct investment accounts to the nonbank investment accounts. A break in series in 1996 reflects the introduction of data from the Bank for International Settlements for several European countries.