

# News Release

EMBARGOED UNTIL RELEASE AT 8:30 a.m. EST, Thursday, December 29, 2022

BEA 22-67

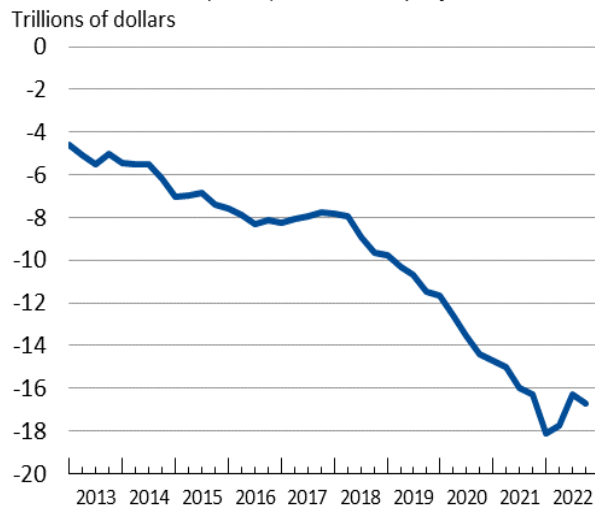
<b>Technical:</b>	Christopher Gohrband	301-278-9564	<a href="mailto:Christopher.Gohrband@bea.gov">Christopher.Gohrband@bea.gov</a>
	Elena Nguyen	301-278-9555	<a href="mailto:Elena.Nguyen@bea.gov">Elena.Nguyen@bea.gov</a>
	Doug Weinberg (Direct Investment)	301-278-9590	<a href="mailto:Douglas.Weinberg@bea.gov">Douglas.Weinberg@bea.gov</a>
<b>Media:</b>	Connie O'Connell	301-278-9003	<a href="mailto:Connie.Oconnell@bea.gov">Connie.Oconnell@bea.gov</a>

## U.S. International Investment Position, 3rd Quarter 2022

The U.S. net international investment position, the difference between U.S. residents' foreign financial assets and liabilities, was  $-\$16.71$  trillion at the end of the third quarter of 2022, according to statistics released today by the U.S. Bureau of Economic Analysis. Assets totaled  $\$29.73$  trillion, and liabilities were  $\$46.44$  trillion. At the end of the second quarter, the net investment position was  $-\$16.29$  trillion (revised). The net investment position and components of assets and liabilities are presented in [table 1](#).

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

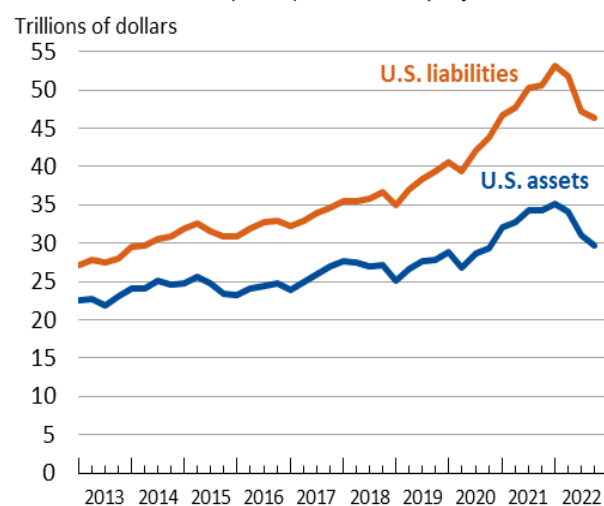
End of quarter, not seasonally adjusted



U.S. Bureau of Economic Analysis

**Chart 2. U.S. Assets and Liabilities**

End of quarter, not seasonally adjusted



U.S. Bureau of Economic Analysis

The  $-\$425.0$  billion change in the net investment position from the second quarter to the third quarter came from net financial transactions of  $-\$269.5$  billion and net other changes in position, such as price and exchange-rate changes, of  $-\$155.4$  billion. Net other changes mostly reflected global stock price decreases and the depreciation of major foreign currencies against the U.S. dollar that lowered the value of U.S. assets more than U.S. liabilities, in dollar terms ([table A](#)).

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

[Billions of dollars, not seasonally adjusted]

	End of quarter position, 2022:Q2	Change in position in 2022:Q3			End of quarter position, 2022:Q3
		Total	Attributable to:		
			Financial transactions	Other changes in position <sup>1</sup>	
<b>U.S. net international investment position</b>	<b>-16,285.8</b>	<b>-425.0</b>	<b>-269.5</b>	<b>-155.4</b>	<b>-16,710.8</b>
Net position excluding financial derivatives	-16,357.3	-471.9	-235.6	-236.4	-16,829.2
Financial derivatives other than reserves, net	71.4	47.0	-33.9	80.9	118.4
<b>U.S. assets</b>	<b>30,994.3</b>	<b>-1,263.7</b>	<b>(<sup>2</sup>)</b>	<b>(<sup>2</sup>)</b>	<b>29,730.6</b>
Assets excluding financial derivatives	28,588.7	-1,685.0	436.7	-2,121.7	26,903.7
Financial derivatives other than reserves	2,405.7	421.3	( <sup>2</sup> )	( <sup>2</sup> )	2,826.9
<b>U.S. liabilities</b>	<b>47,280.2</b>	<b>-838.7</b>	<b>(<sup>2</sup>)</b>	<b>(<sup>2</sup>)</b>	<b>46,441.4</b>
Liabilities excluding financial derivatives	44,945.9	-1,213.0	672.3	-1,885.4	43,732.9
Financial derivatives other than reserves	2,334.2	374.3	( <sup>2</sup> )	( <sup>2</sup> )	2,708.5

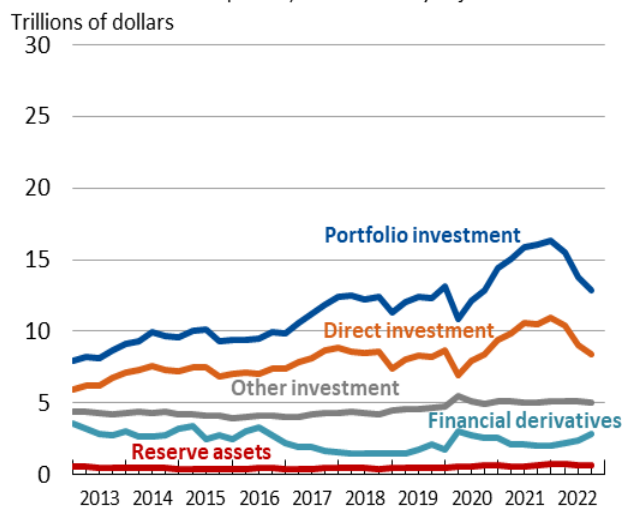
1. Disaggregation of other changes in position into price changes, exchange-rate changes, and other changes in volume and valuation is presented for annual statistics released in March and revised in June each year.

2. Financial transactions and other changes in financial derivatives positions are available on a net basis; they are not separately available for U.S. assets and U.S. liabilities.

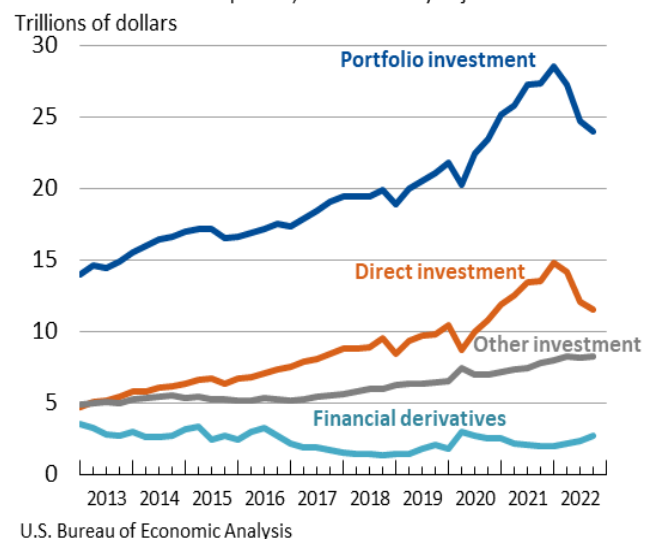
U.S. Bureau of Economic Analysis

**Chart 3. U.S. Assets by Category**

End of quarter, not seasonally adjusted


**Chart 4. U.S. Liabilities by Category**

End of quarter, not seasonally adjusted



**U.S. assets** decreased by \$1.26 trillion to a total of \$29.73 trillion at the end of the third quarter, reflecting decreases in portfolio investment and direct investment assets that were partly offset by increases in financial derivatives. Portfolio investment assets decreased by \$920.0 billion to \$12.86 trillion, and direct investment assets decreased by \$639.3 billion to \$8.38 trillion, driven mainly by foreign stock price decreases and by depreciation of major currencies against the U.S. dollar that lowered the market value of these assets in dollar terms. Financial derivatives increased by \$421.3 billion to \$2.83 trillion, driven by increases in single-currency interest rate contracts and in foreign exchange contracts.

**U.S. liabilities** decreased by \$838.7 billion to a total of \$46.44 trillion at the end of the third quarter, reflecting decreases in portfolio investment and direct investment liabilities that were partly offset by increases in financial derivatives. Portfolio investment liabilities decreased by \$742.3 billion to \$23.94 trillion, driven mainly by U.S. stock and bond price decreases. Direct investment liabilities decreased by \$531.3 billion to \$11.54 trillion, driven mainly by U.S. stock price decreases that lowered the market value of these liabilities. Financial derivatives increased by \$374.3 billion to \$2.71 trillion, driven by increases in single-currency interest rate contracts and in foreign exchange contracts.

**Table B. Updates to Second-Quarter 2022 International Investment Position Aggregates**  
 [Trillions of dollars, not seasonally adjusted]

	Preliminary estimates	Revised estimates
<b>U.S. net international investment position</b>	<b>-16.31</b>	<b>-16.29</b>
U.S. assets	30.98	30.99
U.S. liabilities	47.29	47.28

U.S. Bureau of Economic Analysis

Next release: March 29, 2023, at 8:30 a.m. EDT  
 U.S. International Investment Position, 4th Quarter and Year 2022

**U.S. International Investment Position Release Dates in 2023**

4th Quarter and Year 2022	March 29
1st Quarter 2023 and Annual Update	June 28
2nd Quarter 2023	September 27
3rd Quarter 2023	December 28

## Additional Information

### Resources

- The full economic effects of the COVID-19 pandemic cannot be quantified in these statistics, because the impacts are generally embedded in source data and cannot be separately identified. For more information about COVID-19 impacts, refer to [Federal Recovery Programs and BEA Statistics](#) on our website.
- Stay informed about BEA developments by reading the [BEA Wire](#), signing up for BEA's [email subscription service](#), or following BEA on Twitter [@BEA\\_News](#).
- Historical time series for these estimates can be accessed in BEA's [Interactive Data Application](#).
- Access BEA data by registering for BEA's [Data Application Programming Interface](#).
- For more on BEA's statistics, see BEA's online journal, the [Survey of Current Business](#).
- For upcoming economic indicators, see BEA's [news release schedule](#).
- More information on the International Investment Position Accounts and a description of the estimation methods used to compile them is provided in [U.S. International Economic Accounts: Concepts and Methods](#).

### Definitions

The **international investment position (IIP)** is a statistical balance sheet that presents the dollar value of U.S. financial assets and liabilities with respect to foreign residents at a specific point in time. BEA presents IIP statistics at the end of a quarter or year (March, June, September, and December). For the March and June releases, BEA also presents statistics on changes in the yearend position that are disaggregated into financial transactions, price changes, exchange-rate changes, and changes in volume and valuation not included elsewhere (n.i.e.).

The **U.S. net international investment position** is defined as the value of U.S. assets less the value of U.S. liabilities.

**Financial transactions** are transactions between U.S. residents and nonresidents in financial assets and liabilities. They are also recorded in the financial account of the International Transactions Accounts (ITAs). See "Related statistics" below.

**Other changes in position** are changes in the value of U.S. assets or liabilities arising from any source besides a financial transaction. Other changes in position include price

changes, exchange-rate changes, and changes in volume and valuation n.i.e.

**Price changes** (only presented for annual statistics in the March and June news releases) are changes in the value of an asset or liability due to changes in the market price of a financial instrument.

**Exchange-rate changes** (only presented for annual statistics in the March and June news releases) are changes in the value of foreign-currency denominated assets and liabilities due to changes in the values of foreign currencies relative to the value of the U.S. dollar.

**Changes in volume and valuation n.i.e.** (only presented for annual statistics in the March and June news releases) reflect changes in position due to year-to-year shifts in the composition of reporting panels, the incorporation of more comprehensive annual and benchmark survey results, and revaluations (holding gains and losses) on assets and liabilities that are not explained by price changes or exchange-rate changes.

**Functional categories** are the primary classification system used in the IIP Accounts and in the financial account of the ITAs. The five functional categories are direct investment, portfolio investment, financial derivatives other than reserves, other investment, and reserve assets. While the functional categories are based on features that are relevant for understanding cross-border financial transactions and positions, they also take into account some aspects of the relationship between transactors and the economic motivation for the investment. Within the functional categories, the IIP Accounts are classified by type of financial instrument.

**Direct investment** is a category of cross-border investment associated with a resident in one economy having control or a significant degree of influence on the management of an enterprise resident in another economy. Ownership or control of 10 percent or more of the voting securities of an entity in another economy is the threshold for separating direct investment from other types of investment. Direct investment positions include positions in equity and debt instruments. BEA's IIP statistics feature the [market value](#) measure of direct investment positions, a measure that values owner's equity at current-period prices using indexes of stock market prices.

**Portfolio investment** consists of cross-border positions involving equity and investment fund shares and debt securities, excluding those included in direct investment or reserve assets. Debt securities are classified by original maturity (short term versus long term at the time of issue).

**Financial derivatives other than reserves** consist of cross-border positions arising from financial contracts that are linked to underlying financial instruments, commodities, or indicators. Positions in financial derivatives consist of contracts with positive and negative fair values. A contract with a positive fair value is a U.S. asset and represents the amount that a foreign resident would have to pay to a U.S. counterparty if the contract were terminated or settled. A contract with a negative fair value is a U.S. liability and represents the amount that a U.S. resident would have to pay to a foreign counterparty if the contract were terminated or settled. The gross positive (negative) fair value is the sum across all contracts with positive (negative) fair values. Fair values differ from notional values, which are the underlying amounts used to calculate payments on contracts. Gross positive and gross negative fair values for financial derivatives positions are available separately in table 1. However, transactions and other changes in financial derivatives positions are only available for the net position in financial derivatives. For other changes in position for financial derivatives, statistics are not separately available for price changes, exchange rate changes, and changes in volume and valuation n.i.e.

**Other investment** includes cross-border positions other than those included in direct investment, portfolio investment, financial derivatives, and reserve assets. Other investment positions consist of positions in other equity (equity not in the form of securities), currency and deposits, loans, insurance technical reserves, trade credit and advances, and, for liabilities, special drawing rights allocations.

**Reserve assets** are those external assets that are readily available to and controlled by U.S. monetary authorities for meeting balance-of-payments financing needs, for intervention in exchange markets to affect the currency exchange rate, and for other related purposes such as maintaining confidence in the currency and the economy and serving as a basis for foreign borrowing. The major published components are monetary gold, International Monetary Fund (IMF) special drawing rights, reserve position in the IMF, and other reserve assets.

## Release and update schedule

Preliminary quarterly IIP statistics are released in March, June, September, and December, approximately 90 days after the end of the reference quarter. These statistics are updated the following quarter to incorporate new and revised source data. Quarterly statistics are open for revision for at least the prior 3 years in annual updates released in June. Preliminary annual statistics are released in March reflecting positions at the end of the fourth quarter of the previous year. These annual statistics are open for revision for at least the prior 3 years in subsequent annual updates.

## Related statistics

The IIP statistics comprise one part of a broader set of U.S. International Economic Accounts that, taken together, provide a comprehensive, integrated, and detailed picture of U.S. international economic activities.

The [ITA](#) statistics are released quarterly. Financial transactions reported in the financial account of the ITAs are one type of change in position recorded in the IIP. Financial transactions are transactions between U.S. residents and nonresidents for direct investment, portfolio investment, other investment, reserve assets, and financial derivatives.

Statistics on [direct investment and multinational enterprises \(MNEs\)](#) include annual statistics on the [activities of U.S. MNEs](#) and [U.S. affiliates of foreign MNEs, detailed annual and quarterly statistics on direct investment](#), and annual statistics on [new foreign direct investment in the United States](#).

Statistics on [international services](#) include detailed annual information on trade in services and on services supplied through the channel of direct investment by affiliates of MNEs.

[U.S. International Trade in Goods and Services](#), released by BEA and the U.S. Census Bureau, provides monthly statistics on trade in goods and services.

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## News Release Tables

Table 1. U.S. Net International Investment Position at the End of the Period

**Table 1. U.S. Net International Investment Position at the End of the Period**

[Billions of dollars, not seasonally adjusted]

Line	Type of investment	2021				2022			Change: 2022:Q2 to 2022:Q3	Line	
		Q1	Q2	Q3	Q4	Q1	Q2 <sup>r</sup>	Q3 <sup>p</sup>			
1	<b>U.S. net international investment position (line 4 less line 36)</b>	<b>-15,020.7</b>	<b>-15,995.1</b>	<b>-16,302.7</b>	<b>-18,124.3</b>	<b>-17,745.6</b>	<b>-16,285.8</b>	<b>-16,710.8</b>	<b>-425.0</b>	1	
2	Net international investment position excluding financial derivatives (line 5 less line 37)	-15,053.8	-16,032.9	-16,336.2	-18,144.2	-17,808.0	-16,357.3	-16,829.2	-471.9	2	
3	Financial derivatives other than reserves, net (line 6 less line 38)	33.1	37.9	33.5	19.9	62.4	71.4	118.4	47.0	3	
4	<b>U.S. assets</b>	<b>32,716.7</b>	<b>34,240.0</b>	<b>34,337.2</b>	<b>35,065.5</b>	<b>34,038.6</b>	<b>30,994.3</b>	<b>29,730.6</b>	<b>-1,263.7</b>	4	
5	Assets excluding financial derivatives (sum of lines 7, 10, 21, and 27)	30,557.8	32,133.9	32,290.7	33,078.0	31,780.1	28,588.7	26,903.7	-1,685.0	5	
6	Financial derivatives other than reserves, gross positive fair value (line 15)	2,158.9	2,106.1	2,046.5	1,987.5	2,258.5	2,405.7	2,826.9	421.3	6	
	<b>By functional category:</b>										
7	Direct investment at market value	9,855.2	10,578.5	10,543.1	10,970.6	10,424.7	9,023.1	8,383.9	-639.3	7	
8	Equity	8,642.0	9,296.0	9,245.8	9,749.7	9,187.2	7,766.7	7,142.8	-624.0	8	
9	Debt instruments	1,213.1	1,282.5	1,297.4	1,220.9	1,237.5	1,256.4	1,241.1	-15.3	9	
10	Portfolio investment	15,025.8	15,911.7	16,045.7	16,309.3	15,489.8	13,778.6	12,858.6	-920.0	10	
11	Equity and investment fund shares	11,098.2	11,810.5	11,789.4	12,022.1	11,420.2	9,942.3	9,124.5	-817.7	11	
12	Debt securities	3,927.5	4,101.1	4,256.3	4,287.2	4,069.7	3,836.4	3,734.1	-102.3	12	
13	Short term	546.2	602.4	604.4	604.4	568.5	496.1	461.2	483.4	22.2	13
14	Long term	3,381.3	3,498.7	3,652.0	3,718.7	3,573.5	3,375.2	3,250.7	-124.4	14	
15	Financial derivatives other than reserves, gross positive fair value	2,158.9	2,106.1	2,046.5	1,987.5	2,258.5	2,405.7	2,826.9	421.3	15	
16	Over-the-counter contracts	2,098.5	2,043.4	1,970.0	1,927.0	2,156.6	2,301.7	2,714.2	412.4	16	
17	Single-currency interest rate contracts	1,524.9	1,505.2	1,404.5	1,355.1	1,455.8	1,578.6	1,852.3	273.7	17	
18	Foreign exchange contracts	357.9	298.2	306.2	311.3	394.1	457.5	618.4	160.9	18	
19	Other contracts	215.8	240.1	259.3	260.7	306.8	265.6	243.5	-22.2	19	
20	Exchange-traded contracts	60.4	62.7	76.5	60.4	101.9	103.9	112.8	8.8	20	
21	Other investment	5,106.8	5,053.6	5,006.7	5,085.8	5,120.5	5,084.3	5,005.0	-79.3	21	
22	Other equity	71.1	71.1	71.1	71.1	71.1	71.1	71.1	0.0	22	
23	Currency and deposits	2,171.3	2,089.0	2,051.1	2,128.0	2,147.0	2,120.0	2,160.6	40.6	23	
24	Loans	2,815.0	2,847.1	2,838.8	2,839.4	2,861.7	2,852.3	2,731.4	-120.9	24	
25	Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	25	
26	Trade credit and advances	49.4	46.4	45.8	47.3	40.8	40.9	41.9	1.0	26	
27	Reserve assets	570.1	590.1	695.1	712.3	745.0	702.6	656.2	-46.4	27	
28	Monetary gold	442.2	461.1	455.7	472.2	507.9	475.1	437.2	-38.0	28	
29	Special drawing rights	52.1	52.4	163.9	163.6	163.1	158.2	153.2	-5.0	29	
30	Reserve position in the International Monetary Fund	33.7	34.3	33.9	35.8	34.8	33.1	32.0	-1.1	30	
31	Other reserve assets	42.1	42.3	41.6	40.6	39.2	36.2	33.9	-2.4	31	
32	Currency and deposits	28.4	29.0	31.4	28.3	28.3	26.1	25.6	-0.4	32	
33	Securities	13.7	13.3	10.3	12.4	10.9	10.1	8.2	-1.9	33	
34	Financial derivatives	.....	.....	.....	.....	.....	.....	.....	.....	34	
35	Other claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	35	
36	<b>U.S. liabilities</b>	<b>47,737.3</b>	<b>50,235.1</b>	<b>50,639.9</b>	<b>53,189.7</b>	<b>51,784.2</b>	<b>47,280.2</b>	<b>46,441.4</b>	<b>-838.7</b>	36	
37	Liabilities excluding financial derivatives (sum of lines 39, 42, and 57)	45,611.5	48,166.8	48,626.9	51,222.1	49,588.0	44,945.9	43,732.9	-1,213.0	37	
38	Financial derivatives other than reserves, gross negative fair value (line 51)	2,125.8	2,068.3	2,013.0	1,967.6	2,196.1	2,334.2	2,708.5	374.3	38	
	<b>By functional category:</b>										
39	Direct investment at market value	12,516.0	13,464.2	13,554.4	14,813.0	14,148.5	12,068.8	11,537.5	-531.3	39	
40	Equity	10,862.8	11,784.7	11,839.7	13,102.4	12,405.6	10,319.7	9,766.4	-553.2	40	
41	Debt instruments	1,653.2	1,679.5	1,714.7	1,710.6	1,742.9	1,749.1	1,771.1	21.9	41	
42	Portfolio investment	25,801.2	27,240.2	27,318.8	28,480.1	27,215.6	24,687.1	23,944.8	-742.3	42	
43	Equity and investment fund shares	12,621.9	13,711.8	13,775.6	14,804.1	13,936.6	11,871.5	11,496.5	-375.0	43	
44	Debt securities	13,179.3	13,528.4	13,543.1	13,676.0	13,279.0	12,815.6	12,448.3	-367.3	44	
45	Short term	1,135.2	1,084.7	1,137.8	1,190.7	1,267.5	1,161.5	1,203.2	41.7	45	
46	Treasury bills and certificates	966.5	926.7	928.4	987.4	1,008.4	894.5	919.6	25.1	46	
47	Other short-term securities	168.7	158.0	209.5	203.3	259.1	267.0	283.6	16.6	47	
48	Long term	12,044.1	12,443.7	12,405.3	12,485.3	12,011.5	11,654.1	11,245.1	-409.0	48	
49	Treasury bonds and notes	6,329.4	6,592.1	6,642.5	6,760.3	6,605.2	6,536.4	6,377.3	-159.1	49	
50	Other long-term securities	5,714.7	5,851.6	5,762.8	5,725.0	5,406.3	5,117.8	4,867.8	-249.9	50	
51	Financial derivatives other than reserves, gross negative fair value	2,125.8	2,068.3	2,013.0	1,967.6	2,196.1	2,334.2	2,708.5	374.3	51	
52	Over-the-counter contracts	2,069.3	2,005.5	1,937.5	1,902.5	2,092.8	2,222.0	2,602.8	380.8	52	
53	Single-currency interest rate contracts	1,500.5	1,480.0	1,388.3	1,337.2	1,415.6	1,528.4	1,783.4	255.0	53	
54	Foreign exchange contracts	340.5	281.4	287.2	304.0	380.2	433.0	582.9	149.9	54	
55	Other contracts	228.3	244.0	262.0	261.3	297.0	260.6	236.5	-24.1	55	
56	Exchange-traded contracts	56.6	62.8	75.5	65.1	103.3	112.2	105.8	-6.5	56	
57	Other investment	7,294.3	7,462.4	7,753.8	7,929.0	8,224.0	8,189.9	8,250.5	60.6	57	
58	Other equity	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	58	
59	Currency and deposits	3,909.8	3,973.2	4,143.6	4,129.0	4,262.1	4,273.7	4,291.4	17.8	59	
60	Loans	3,113.5	3,214.8	3,222.1	3,403.4	3,565.5	3,519.3	3,563.7	44.4	60	
61	Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	61	
62	Trade credit and advances	221.0	224.0	226.2	235.8	237.6	244.5	248.3	3.9	62	
63	Special drawing rights allocations	50.1	50.4	161.8	160.8	158.8	152.5	147.0	-5.5	63	

p Preliminary r Revised n.a. Not available ..... Not applicable 0 Positions are possible but are zero for a given period.

Note. Details may not add to totals because of rounding. U.S. Bureau of Economic Analysis