

NEWS RELEASE



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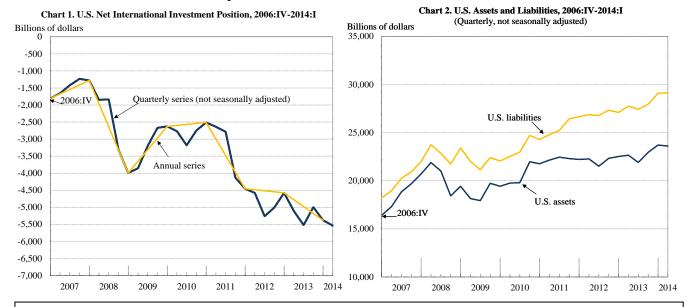
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U.S. Net International Investment Position: End of First Quarter 2014, Year 2013, and Annual Revisions

First Quarter of 2014

The U.S. net international investment position at the end of the first quarter of 2014 was -\$5,539.3 billion (preliminary) as the value of U.S. liabilities exceeded the value of U.S. assets (chart 1, table 1). At the end of the fourth quarter of 2013, the net position was -\$5,383.0 billion (revised). The \$156.3 billion decrease in the net position reflected a \$108.3 billion decrease in the value of U.S. assets



Comprehensive Restructuring of the U.S. International Economic Accounts

In this release, BEA presents the U.S. international investment position (IIP) statistics for the first quarter of 2014 along with historical revisions and detailed annual statistics for 2013. These statistics include changes in positions resulting from annual financial transactions and other changes in position such as price changes, exchange-rate-changes, and changes in volume and valuation not included elsewhere.

The IIP statistics are revised to reflect newly available and revised source data, changes in estimation methods, and changes in definitions and classifications. BEA also introduces a new presentation of the IIP statistics as part of a comprehensive restructuring of BEA's international economic accounts. This change in presentation, combined with changes in definitions and classifications, enhances the quality and usefulness of the accounts and brings the statistics into closer alignment with international guidelines. In addition, the IIP statistics feature direct investment at market value instead of at current cost (see the box on page 9). Additional information on BEA's comprehensive restructuring of the international accounts is published in the March 2014 issue of the <u>Survey of Current Business</u>. A more detailed discussion of the IIP statistics and the revisions to the statistics will be published in the July issue of the SURVEY.

NOTE: This news release is available on BEA's Web site < www.bea.gov > along with Quarterly Highlights and Annual Highlights related to this release, the latest detailed statistics for the U.S. international investment position, and a description of the estimation methods used to compile them. The first-quarter statistics for 2014 in this release are preliminary and will be revised on September 25, 2014.

and a \$48.0 billion increase in the value of U.S. liabilities.

The U.S. net international investment position decreased 2.9 percent in the first quarter, compared with a decrease of 7.8 percent in the fourth quarter and an average quarterly decrease of 7.4 percent from the first quarter of 2011 through the fourth quarter of 2013. The net position was equal to 2.8 percent of the value of all U.S. financial assets at the end of the first quarter, unchanged from the end of the fourth quarter. ¹

<u>U.S. assets</u> were \$23,601.5 billion at the end of the first quarter compared with \$23,709.8 billion at the end of the fourth quarter (chart 2). The \$108.3 billion decrease reflected a \$402.0 billion decrease in the value of financial derivatives that was partly offset by a \$293.6 billion increase in the value of assets excluding financial derivatives.

U.S. assets excluding financial derivatives were \$21,183.6 billion at the end of the first quarter compared with \$20,890.0 billion at the end of the fourth quarter. The \$293.6 billion increase reflected a \$153.1 billion increase resulting from financial transactions and a \$140.5 billion increase resulting from other changes in position. Other changes in position were mostly attributable to an increase in foreign stock and bond prices that raised the value of U.S. portfolio investment assets, and to an increase in the market price of gold that raised the value of U.S. reserve assets.

<u>U.S. liabilities</u> were \$29,140.8 billion at the end of the first quarter compared with \$29,092.8 billion at the end of the fourth quarter (chart 2). The \$48.0 billion increase reflected a \$444.6 billion increase in the value of liabilities excluding financial derivatives that was partly offset by a \$396.6 billion decrease in the value of financial derivatives.

U.S liabilities excluding financial derivatives were \$26,791.1 billion at the end of the first quarter compared with \$26,346.6 billion at the end of the fourth quarter. The \$444.6 billion increase reflected a \$231.0 billion increase resulting from financial transactions and a \$213.6 billion increase resulting from other changes in position. Other changes in position were mostly attributable to increases in U.S. stock and bond prices that raised the value of foreign portfolio investment in the United States.

Year 2013

The U.S. net international investment position was -\$5,383.0 billion (revised) at the end of 2013 compared with -\$4,578.2 billion (revised) at the end of 2012. The \$804.8 billion decrease in the net position reflected a \$1,994.2 billion increase in the value of U.S. liabilities that exceeded a \$1,189.5 billion increase in the value of U.S assets (table 2). The U.S. net international

¹ Board of Governors of the Federal Reserve System (FRS), "Table L.5 Total Liabilities and Its Relation to Total Financial Assets," in *Financial Accounts of the United States, First Quarter 2014*, Z.1. Statistical Release (Washington, DC: FRS, June 5, 2014): 11. According to the June release, at the end of the first quarter, the value of all U.S. financial assets was \$197,226.3 billion. The value of U.S. assets abroad was \$23,601.5 billion, or 12.0 percent of all U.S. assets, down from 12.1 percent at the end of the fourth quarter and down from the 13.9 percent series peak at the end of the first quarter of 2008.

² For statistics on financial transactions, see the financial account in <u>table 1.2</u> of the U.S. International Transactions Accounts. Quarterly financial transactions discussed in this release are not seasonally adjusted. Detail on other changes in position such as price changes, exchange-rate changes, and other changes in volume and valuation are available only for annual statistics.

investment position decreased 17.6 percent from the end 2012 to the end of 2013, compared with a 2.8 percent decrease from yearend 2011 to yearend 2012.

Highlights for 2013:

- Net U.S. incurrence of liabilities (financial inflows) exceeded net U.S. acquisition of assets (financial outflows) by \$370.7 billion.
- Net U.S. incurrence of portfolio investment liabilities was about half of all financial
 inflows. Net incurrence of direct investment and other investment liabilities were also
 significant.
- Net U.S. acquisition of portfolio and direct investment assets were partly offset by net U.S. sales of other investment assets.
- The price appreciation of U.S. liabilities exceeded the price appreciation of U.S. assets by \$182.7 billion, partly due to the price depreciation of U.S. monetary gold.
- The appreciation of foreign stock prices raised the value of U.S. equity assets in direct investment and portfolio investment, more than accounting for the total price appreciation of U.S. assets. Price appreciation of equity was partly offset by price depreciation of debt securities.
- The appreciation of U.S. stock prices raised the value of U.S. equity liabilities in direct investment and portfolio investment, more than accounting for the total price appreciation of U.S. liabilities. Price appreciation of equity was partly offset by price depreciation of debt securities.
- The depreciation of major foreign currencies against the U.S. dollar reduced the value of U.S. assets and contributed to the decrease in the U.S. net international investment position.
- Other changes in volume and valuation not included elsewhere mostly reflected the incorporation of newly available and revised source data.
- The U.S. net international investment position was equal to 2.8 percent of the value of all U.S. financial assets at the end of 2013, up from 2.6 percent at the end of 2012.

Financial-account transactions

Net financial-account transactions of -\$370.7 billion in 2013 resulted from net U.S. acquisitions of assets, excluding financial derivatives, of \$644.8 billion, less net U.S. incurrence of liabilities, excluding financial derivatives, of \$1,017.7 billion, plus net financial transactions from financial derivatives of \$2.2 billion.

Net U.S. acquisition of assets excluding financial derivatives was \$644.8 billion, up from \$171.4 billion in 2012. In 2013, financial outflows for portfolio and direct investment assets were partly offset by net U.S. sales of other investment and reserve assets.

Net U.S. incurrence of liabilities excluding financial derivatives was \$1,017.7 billion, up from \$602.0 billion in 2012. In 2013, financial inflows for direct investment and other

investment, and net foreign purchases of U.S. debt securities were partly offset by net foreign sales of U.S. equity and investment funds shares.

Price, exchange-rate, and changes in volume and valuation not included elsewhere (n.i.e.)

Other changes in the U.S. net international investment position for 2013 included -\$231.3 billion in exchange-rate changes, -\$182.7 billion in price changes, and -\$33.6 billion in changes in volume and valuation n.i.e.

Price changes led to a decrease of \$182.7 billion in the U.S. net international investment position, reflecting price appreciation of U.S. liabilities that exceeded price appreciation of U.S. assets, which was partly reduced by price depreciation of U.S. monetary gold.

Exchange-rate changes led to a decrease of \$231.3 billion in the U.S. net international investment position, as reflected in the 3.9 percent depreciation of a trade-weighted index of major foreign currencies.³ Exchange-rate changes lowered the dollar value of U.S. assets more than they lowered the dollar value of U.S. liabilities denominated in foreign currencies.

Changes in volume and valuation n.i.e. led to a decrease of \$33.6 billion in the U.S. net international investment position. These changes reflected the incorporation of newly available source data on aggregate holdings of long-term securities by U.S. and foreign residents from the Treasury International Capital reporting system (TIC), more complete TIC reporting of the nonbanking and banking data, capital gains and losses from the sale of direct investment assets, and other adjustments to source data. (See the Annual Revisions section on page 6 for more information on the TIC source data.)

Investment positions at the end of 2013

<u>U.S. assets</u> were \$23,709.8 billion at the end of 2013 compared with \$22,520.3 billion at the end of 2012 (chart 2). The \$1,189.5 billion increase reflected a \$1,989.4 billion increase in the value of assets excluding financial derivatives that was partly offset by a \$799.9 billion decrease in the value of financial derivatives.

U.S. assets excluding financial derivatives were \$20,890.0 billion at the end of 2013 compared with \$18,900.6 billion at the end of 2012. The \$1,989.4 billion increase reflected financial outflows of \$644.8 billion and other changes in position of \$1,344.7 billion. Other changes in position were attributable to a \$1,616.5 billion increase in price changes from rising foreign equity prices that was partly offset by a \$260.5 billion decrease in exchange-rate changes from the depreciation of major foreign currencies against the dollar, and an \$11.4 billion decrease in changes in volume and valuation n.i.e.

³ Federal Reserve Board (FRB), Foreign Exchange Rates—H10 (weekly release of daily data), <u>Nominal Major Currencies Index</u> at www.federalreserve.gov. The major currencies index is the weighted average of the foreign exchange value of the U.S. dollar against a subset of the broad index currencies that circulate widely outside the country of issue.

Direct investment assets at market value were \$7,080.1 billion at the end of 2013 compared with \$5,938.3 billion at the end of 2012. The \$1,141.7 billion increase reflected financial outflows of \$408.2 billion, mostly from net equity investment that was primarily attributable to reinvestment of earnings, and price changes of \$775.0 billion. These increases were partly offset by a \$15.8 billion decrease in exchange-rate changes and a \$25.7 billion decrease in changes in volume and valuation n.i.e.

Portfolio investment assets were \$9,183.1 billion at the end of 2013 compared with \$7,967.0 billion at the end of 2012. The \$1,216.0 billion increase reflected financial outflows of \$489.9 billion, a \$960.1 billion increase in price changes, and a \$3.7 billion increase in changes in volume and valuation n.i.e. These increases were partly offset by a \$237.6 billion decrease in exchange-rate changes.

Financial derivatives other than reserves held as assets (gross positive fair value) were \$2,819.8 billion at the end of 2013 compared with \$3,619.8 billion at the end of 2012. ⁴ The \$799.9 billion decrease was mostly attributable to decreases in the value of single-currency interest rate contracts, in part, reflecting declining market volatility. ⁵

Other investment assets (currency and deposits, loans, insurance technical reserves, and trade credit and advances) were \$4,178.6 billion at the end of 2013 compared with \$4,422.9 billion at the end of 2012. The \$244.3 billion decrease was more than accounted for by net sales of \$250.3 billion in assets.

Reserve assets were \$448.3 billion at the end of 2013 compared with \$572.4 billion at the end of 2012. The \$124.0 decrease was mostly attributable to the \$118.5 billion decrease in the market price of gold.

<u>U.S. liabilities</u> were \$29,092.8 billion at the end of 2013 compared with \$27,098.6 billion at the end of 2012 (chart 2). The \$1,994.2 billion increase reflected a \$2,809.9 billion increase in the value of liabilities excluding financial derivatives that was partly offset by a \$815.7 billion decrease in the value of financial derivatives.

U.S. liabilities excluding financial derivatives were \$26,346.6 billion at the end of 2013 compared with \$23,536.6 billion at the end of 2012. The \$2,809.9 billion increase reflected financial inflows of \$1,017.7 billion, a \$1,799.3 billion increase in price changes, and a \$22.2 billion in changes in volume and valuation n.i.e. These increases were partly offset by a \$29.2 billion decrease in exchange-rate changes.

⁴ A derivatives contract with a positive fair value represents the amount that a foreign resident would have to pay to a U.S. counterparty if the contract were terminated or settled. A contract with a negative fair value represents the amount that a U.S. resident would have to pay to a foreign counterparty if the contract were terminated or settled. The gross positive (negative) fair value is the sum of all contracts with positive (negative) fair values. Fair values differ from notional values, which are the underlying amounts used to calculate payments on contracts.

⁵ The Chicago Board of Exchange Volatility Index (VIX) fell 24 percent from the end of 2012 to the end of 2013 (http://www.cboe.com/micro/vix/historical.aspx).

Direct investment liabilities at market value were \$5,790.6 billion at the end of 2013 compared with \$4,670.9 billion at the end of 2012. The \$1,119.6 billion increase reflected financial inflows of \$295.0 billion, mostly from net equity investment, and an \$871.1 billion increase in price changes. These increases were partly offset by a \$46.5 billion decrease in changes in volume and valuation n.i.e.

Portfolio investment liabilities were \$15,503.2 billion at the end of 2013 compared with \$13,978.9 billion at the end of 2012. The \$1,524.3 billion increase reflected 1) financial inflows of \$490.9 billion resulting from net foreign purchases of U.S. debt securities that were partly offset by net foreign sales of U.S. stocks, 2) a \$928.2 billion increase in price changes resulting from the appreciation of U.S stock prices that was partly offset by the depreciation of U.S. bond prices, and 3) a \$131.5 billion increase from changes in volume and valuation n.i.e. These increases were partly offset by a \$26.3 billion decrease in exchange-rate changes of U.S. debt securities denominated in foreign currencies.

Financial derivatives other than reserves held as liabilities (gross negative fair value) were \$2,746.3 billion at the end of 2013 compared with \$3,562.0 billion at the end of 2012. The \$815.7 billion decrease was mostly attributable to decreases in the value of single-currency interest rate contracts, in part, reflecting declining market volatility.

Other investment liabilities (currency and deposits, loans, insurance technical reserves, and trade credit and advances) were \$5,052.8 billion at the end of 2013 compared with \$4,886.8 billion at the end of 2012. The \$166.0 billion increase was more than accounted for by financial inflows of \$231.8 billion that was partly offset by a \$62.9 billion decrease in other changes and a \$2.9 billion decrease in exchange-rate changes.

Annual Revisions

The U.S. international investment position (IIP) statistics released today have been revised from the fourth quarter of 2009 to the fourth quarter of 2013 to reflect newly available and revised data from BEA's surveys of direct investment and data from three Treasury International Capital (TIC) surveys conducted by the Federal Reserve Board and the U.S. Department of the Treasury: Aggregate Holdings of Long-Term Securities by U.S. and Foreign Residents (SLT), the Annual Survey of U.S. Ownership of Foreign Securities (SHCA) at end-December 2012, and the Annual Survey of Foreign Portfolio Holdings of U.S. Securities (SHLA) at end-June 2013.

These annual revisions also reflect changes in definitions and classifications and improved estimation methodology for the quarterly IIP statistics from the fourth quarter of 2005 to the fourth quarter of 2013 and for the annual statistics from yearend 1976 to yearend 2013. In addition, new presentations of the IIP statistics reflecting a comprehensive restructuring of the IIP accounts are available on the <u>BEA Web site</u>. The previous table presentations are also available with statistics through the first quarter of 2014. This is the final quarter for which presentations based on previous format will be provided.

Revisions to the quarterly U.S. net international investment position are negligible for 2009, 2010, and 2012, and average less than 1 percent for 2011 and 2013.

On a yearend basis, the U.S. net international investment position is revised upward by \$0.1 billion for 2009, \$1.1 billion for 2010, \$60.8 billion for 2011, and \$12.2 billion for 2013. It is revised downward by \$3.2 billion for 2012.

- The upward revisions to the net investment position for 2009 and 2010 reflect downward revisions to other investment liabilities incurred by the U.S. government; no other accounts are revised for these years.
- U.S. assets are revised downward by \$42.6 billion for 2011, \$82.7 billion for 2012, and \$49.9 billion for 2013. U.S. liabilities are revised downward by \$103.4 billion for 2011, \$79.5 billion for 2012, and \$62.1 billion for 2013. These revisions are mostly attributable to the incorporation of additional data from BEA's annual surveys of inward and outward direct investment.

The July SURVEY OF CURRENT BUSINESS will contain an article with a more detailed discussion of the international investment position statistics for the first quarter of 2014, annual statistics for 2013, and revised historical data. That issue will also contain an article about direct investment positions valued at historical-cost and revised historical data on direct investment with detail by country and industry.

Changes in presentation, definition, and classification

- The presentation of the international investment position accounts is significantly restructured. The two major categories of holdings are renamed. U.S. assets replaces U.S.owned assets abroad, and U.S. liabilities replaces foreign-owned assets in the United States.
- U.S. assets and liabilities are classified into five functional categories: direct investment, portfolio investment, other investment, reserve assets (assets only), and financial derivatives other than reserves.
 - O Direct investment on a market value basis is now the featured measure in the U.S. international investment position statistics. The market value basis values owners' equity at current-period price using indexes of stock market prices. In the previous presentation, direct investment was presented on a current cost basis that values the U.S. and foreign parent shares of their affiliates' investment in (1) plant and equipment using the current cost of capital equipment, (2) land using general price indexes, and (3) inventories using estimates of their replacement cost. In addition, direct investment is now presented on a gross basis according to whether the investment reflects an asset or a liability. In the previous presentation, direct investment was classified on a directional basis by whether the investment was outward or inward, that is, whether the direct investor was a domestic or foreign resident. The directional basis will continue to be used to compute direct investment statistics by country and area.

⁶ BEA will continue to report direct investment on a current cost basis as supplemental data (<u>table 2.1</u>).

- Portfolio and other investment assets each include positions from the previous categories of U.S. government assets other than official reserve assets and U.S. private assets.
 - Portfolio investment assets include equity and short- and long-term debt securities issued by foreign residents. In the previous presentation, foreign stocks and long-term debt were presented under foreign securities and short-term debt securities were commingled under U.S. banks' and nonbanks' claims.
 - Other investment assets include currency and deposits, loans, insurance technical reserves, and trade credit and advances that are debts of foreign residents to U.S. residents. In the previous presentation, these assets were categorized among banks' and nonbanks' claims and U.S. government assets other than reserve assets.
- Portfolio and other investment liabilities each include positions from the old categories of foreign official assets in the United States and other foreign assets in the United States.
 - Portfolio investment liabilities include equity and short- and long-term debt securities issued by U.S. residents. In the previous presentation, these liabilities were categorized between foreign official holdings and foreign private holdings of Treasuries securities, U.S. stocks, and U.S. long-term corporate and agency debt securities. Foreign holdings of U.S. short-term debt securities were commingled under U.S. banks' and nonbanks' liabilities.
 - Other investment liabilities include currency and deposits, loans, insurance technical reserves, and trade credit and advances that are debts of U.S. residents to foreign residents. In the previous presentation, these liabilities were categorized between banks' and nonbanks' liabilities to foreign official and private residents.
 - U.S. portfolio and other investment liabilities to foreign official agencies (foreign official assets in the United States) will continue to be presented in a supplemental table (table 3.1).
- Investment assets and liabilities are also classified by instrument (e.g., equity and investment fund shares, short- and long-term debt securities, currency and deposits, loans, insurance technical reserves, and trade credit and advances) within each functional category in the new presentation.

The Featured Measure of Direct Investment Positions

Direct investment at market value is now the featured measure of direct investment in the U.S. international investment position statistics (IIP). The market value basis values owners' equity at current-period prices using indexes of stock market prices. In addition, direct investment is now presented on an asset/liability basis. In the previous presentation of the IIP, the featured measure of direct investment was at current cost and on a directional basis. (Current-cost and historical-cost positions will continue to be available on BEA's Web site. 4)

Market-value positions are on a directional basis from 1976 to 1981 and on an asset/liability basis starting in 1982 when source data became available. The shift to an asset/liability basis in 1982 increases direct investment assets and liabilities but has no effect on the net direct investment position. The change to feature direct investment positions at market value affects the IIP statistics beginning in 1976; direct investment positions for 2009-2013 are shown in table A.

Table A. Direct Investment Positions at Yearend, 2009-2013

(Millions of dollars)									
Type of investment	2009	2010	2011	2012	2013				
Net direct investment position:									
Net direct investment position at market value, asset/liability basis	1,326,662	1,387,294	1,015,601	1,267,385	1,289,507				
Previously-featured net direct investment position at current cost, directional basis	1,679,161	1,649,913	1,800,817	1,978,584	2,107,169				
Amount of change	-352,499	-262,619	-785,216	-711,199	-817,662				
Direct investment assets:									
Direct investment at market value, asset/liability basis (table 2.1, line 1)	4,945,292	5,486,391	5,214,826	5,938,327	7,080,058				
Previously-featured direct investment at current cost, directional basis (table 2.1, line 39)	4,077,369	4,273,559	4,599,498	4,972,925	5,284,046				
Amount of change	867,923	1,212,832	615,328	965,402	1,796,012				
Direct investment liabilities:									
Direct investment at market value, asset/liability basis (table 2.1, line 18)	3,618,630	4,099,097	4,199,225	4,670,942	5,790,551				

2,398,208

1.220.422

2,623,646

2,798,681

2.994.341

Previously-featured direct investment at current cost, directional basis (table 2.1, line 44)...

¹ For additional information on the market-value and current-cost methods, 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.

² Positions on an asset/liability basis are organized according to whether the positions are assets or liabilities. Assets include U.S. parent and U.S. affiliate claims, and liabilities include U.S. affiliate and U.S. parent liabilities.

³ Positions on a directional basis are organized according to whether the positions are for outward investment (U.S. direct investment abroad) or inward investment (foreign direct investment in the United States). The outward direct investment position includes U.S. parent claims less U.S. parent liabilities. The inward direct investment position includes U.S. affiliate liabilities less U.S. affiliate claims.

⁴ BEA publishes direct investment positions at historical cost with owners' equity at the book value reported on BEA's surveys. Historical-cost positions are on a directional basis. Country and industry detail for direct investment are available only on a historical-cost basis (see http://www.bea.gov/iTable/index_MNC.cfm).

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Release dates in 2014:

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

[Millions of dollars, not seasonally adjusted]

1		[Millions of dollar	2012	illy adjustedj	20	13		2014	Change:	Change:
1 U.S. Anti-instruminational investment personal register for the first in Fig. 50 4,500,000 5,000,000 5,000,000 7,0	Line	Type of investment		ı r			1// [2014		
2 Neutron development position neutraling inferences for 95 per 1977 57.77 5 U.S. sesset 1.5		U.S. net international investment position (line 4 less line 35)						-	1	_
2 10 20 20 20 20 20 20	2	· · · · · · · · · · · · · · · · · · ·	, ,		-,,-		.,,			
5 Review exclusify functional schemolines (sum of lines 71, 0.21, and 29)	3	Financial derivatives other than reserves, net (line 6 less line 37)	57,776	40,025	59,352	47,963	73,546	68,140	-5,406	15,770
Formacula derinatives on the name reserves, gross positive fax value (fire 15)	4						, ,		-108,340	
Processor Security Process	5	•								,,
Profess Communication Co	6		3,619,761	3,248,377	2,825,067	2,761,416	2,819,835	2,417,876	-401,959	-799,926
Bear Company Company	7	, , , , , , , , , , , , , , , , , , , ,	5 038 327	6 185 170	6 1/6 656	6 690 152	7 080 058	7 1/12 876	62 818	1 1/1 731
Dest naturmense.	8									
Figuity and investment hand shares.	-	• •								
Defect socuration	10	Portfolio investment	7,967,014	8,230,586	8,146,302	8,721,240	9,183,060	9,380,382	197,323	1,216,046
Short term.	11	Equity and investment fund shares	5,311,509	5,524,329	5,508,752	6,037,266	6,444,232	6,595,284	151,052	1,132,723
Long term		Debt securities							'	
Financial derivatives Color than reserves, pose postive fair value 3,810,761 3,248,377 2,256,070 2,716,224 2,780,377 3,226,077 2,781,475 2,270,077 3,270,0										
Common		· ·								-
Single-currency interest mice contracts. 2273.245 2616.516 2206.073 2217.070 2277.070 2217.070 346.0		· · · · · · · · · · · · · · · · · · ·								
Foreign exchange contracts.										
Other contracts.		• •								-
2	19				304,580	289,097	283,421			
2	20	Exchange-traded contracts	33,980	35,808	46,337	43,192	36,788	35,804	-984	2,808
Loans		Other investment	4,422,876	4,433,184	4,339,768	4,298,183	4,178,557	4,189,485	10,927	-244,319
Insurance technical reserves.										
Trade credit and advances.										
Reserve assets.										
Monetary gold										
Special drawing rights						-				
Other reserve assets		• •								
24,334 23,039 21,351 21,575 20,888 20,300 41 4,045 20,035 21,575 20,035 21,375 20,035 21,375 20,035 21,375 20,035 21,375 20,035 21,375 20,035 21,375 20,035 21,375 20,035 20,035 21,375 20,035	29	Reserve position in the International Monetary Fund	34,161	34,039	33,860	33,462	30,750	29,820	-930	-3,411
Securities	30	Other reserve assets	49,723	47,374	46,759	48,120	47,424	47,879	455	-2,299
Financial derivatives		Currency and deposits				-				
1,318 2,183 3,388 4,467 5,099 5,222 123 3,781 3,581						·				
1.0. 1.0.			-		-	-	ŭ	-		•
Liabilities excluding financial derivatives (sum of lines 38, 41, and 56)					-					
Financial derivatives other than reserves, gross negative fair value (line 50)									, i	
By functional category:										
Sequity					, ,				,	
Debt instruments	38	Direct investment at market value	4,670,942	5,018,930	5,131,714	5,342,443	5,790,551	5,697,603	-92,948	1,119,609
Portfolio investment	39	Equity	3,409,913	3,753,276	3,845,433	4,041,326	4,461,978	4,392,752	-69,226	1,052,065
42 Equity and investment fund shares. 4,545,371 5,000,428 5,076,621 5,376,543 5,821,487 5,993,658 172,171 1,276,116 43 Debt securities. 9,433,504 9,569,168 9,356,239 9,055,593 9,681,705 9,090,088 227,383 248,201 45 Streasury bills and certificates. 661,654 720,235 675,367 645,114 686,036 688,899 2,823 24,392 46 Other short-term securities. 183,089 194,268 207,085 184,463 206,619 214,653 8,034 23,530 47 Long term. 8,588,761 8,588,761 8,789,050 9,005,576 216,526 200,289 48 Treasury bonds and notes. 4,909,828 5,001,076 4,919,659 5,009,541 5,108,856 5,262,440 153,584 199,028 49 Other long-term securities. 3,678,933 3,635,359 3,554,128 3,666,475 3,680,194 3,743,136 62,942 1,261 50 Financial derivatives other than										
43 Debt securities 9,433,504 9,569,168 9,356,239 9,505,593 9,681,705 9,909,088 227,383 248,201 44 Short term 844,743 914,503 882,452 829,577 892,655 903,512 10,857 47,912 45 Treasury bills and certificates 661,654 720,235 675,367 645,114 686,036 688,859 2,823 24,382 46 Other short-term securities 183,089 194,268 207,085 184,463 206,619 214,653 8,034 23,533 47 Long term. 8,588,761 8,654,665 8,473,787 8,676,016 8,789,050 9,005,576 216,526 200,289 48 Treasury bonds and notes. 4,909,828 5,001,076 4,919,659 5,009,541 5,108,856 5,262,440 153,584 199,028 49 Other long-term securities 3,561,985 3,258,859 3,554,128 3,666,475 3,801,94 3,743,136 62,942 1,261 50 Financial derivatives ot										
44 Short term		• •								
45 Treasury bills and certificates										
46 Other short-term securities 183,089 194,268 207,085 184,463 206,619 214,653 8,034 23,530 47 Long term						-				
47 Long term						-				
49 Other long-term securities						-				
Financial derivatives other than reserves, gross negative fair value. 3,561,985 3,208,352 2,765,715 2,713,453 2,746,289 2,349,736 -396,553 -815,696 51 Over-the-counter contracts 3,527,668 3,173,044 2,717,685 2,667,187 2,709,746 2,316,554 -393,192 -817,922 52 Single-currency interest rate contracts 2,912,113 2,563,709 2,152,279 2,114,023 2,142,859 1,802,315 -340,544 -769,254 -769,274 -769,254 -769,274 -769,254 -769,254 -769,254 -769,254 -769,254 -769,254 -769,2	48	Treasury bonds and notes	4,909,828	5,001,076	4,919,659	5,009,541	5,108,856	5,262,440	153,584	199,028
51 Over-the-counter contracts. 3,527,668 3,173,044 2,717,685 2,667,187 2,709,746 2,316,554 -393,192 -817,922 52 Single-currency interest rate contracts. 2,912,113 2,563,709 2,152,279 2,114,023 2,142,859 1,802,315 -340,544 -769,254 53 Foreign exchange contracts. 295,181 300,138 272,150 270,744 290,790 248,263 -42,527 -4,391 54 Other contracts. 320,374 309,197 293,256 282,420 276,097 265,976 -10,121 -44,277 55 Exchange-traded contracts. 34,317 35,308 48,030 46,266 36,543 33,182 -3,361 2,226 56 Other investment. 4,886,789 4,964,372 5,097,325 5,011,281 5,052,808 5,190,764 137,956 166,019 57 Currency and deposits. 2,601,672 2,598,915 2,702,344 2,677,595 2,758,129 2,656,656 -101,473 156,457 58 Loans. 2,090,350 2,168,736 2,193,088 2,138,770 <t< td=""><td></td><td></td><td>3,678,933</td><td>3,653,589</td><td></td><td>3,666,475</td><td>3,680,194</td><td>3,743,136</td><td>62,942</td><td>1,261</td></t<>			3,678,933	3,653,589		3,666,475	3,680,194	3,743,136	62,942	1,261
52 Single-currency interest rate contracts 2,912,113 2,563,709 2,152,279 2,114,023 2,142,859 1,802,315 -340,544 -769,254 53 Foreign exchange contracts 295,181 300,138 272,150 270,744 290,790 248,263 -42,527 -4,391 54 Other contracts 320,374 309,197 293,256 282,420 276,097 265,976 -10,121 -44,277 55 Exchange-traded contracts 34,317 35,308 48,030 46,266 36,543 33,182 -3,361 2,226 56 Other investment 4,886,789 4,964,372 5,097,325 5,011,281 5,052,808 5,190,764 137,956 166,019 57 Currency and deposits 2,601,672 2,598,915 2,702,344 2,677,595 2,758,129 2,656,656 -101,473 156,457 58 Loans 2,090,350 2,168,736 2,193,088 2,138,770 2,095,860 2,319,725 223,865 5,510 59 Insurance technica										
Foreign exchange contracts										
54 Other contracts. 320,374 309,197 293,256 282,420 276,097 265,976 -10,121 -44,277 55 Exchange-traded contracts. 34,317 35,308 48,030 46,266 36,543 33,182 -3,361 2,226 56 Other investment. 4,886,789 4,964,372 5,097,325 5,011,281 5,052,808 5,190,764 137,956 166,019 57 Currency and deposits. 2,601,672 2,598,915 2,702,344 2,677,595 2,758,129 2,656,656 -101,473 156,457 58 Loans. 2,090,350 2,168,736 2,193,088 2,138,770 2,095,860 2,319,725 223,865 5,510 59 Insurance technical reserves. n.a. n.a. <td></td>										
55 Exchange-traded contracts. 34,317 35,308 48,030 46,266 36,543 33,182 -3,361 2,226 56 Other investment. 4,886,789 4,964,372 5,097,325 5,011,281 5,052,808 5,190,764 137,956 166,019 57 Currency and deposits. 2,601,672 2,598,915 2,702,344 2,677,595 2,758,129 2,656,656 -101,473 156,457 58 Loans. 2,090,350 2,168,736 2,193,088 2,138,770 2,095,860 2,319,725 223,865 5,510 59 Insurance technical reserves. n.a.										
56 Other investment				1						
57 Currency and deposits 2,601,672 2,598,915 2,702,344 2,677,595 2,758,129 2,656,656 -101,473 156,457 58 Loans		-			-	-				
58 Loans 2,090,350 2,168,736 2,193,088 2,138,770 2,095,860 2,319,725 223,865 5,510 59 Insurance technical reserves n.a.										
60 Trade credit and advances				2,168,736	2,193,088		2,095,860			
61 Special drawing rights allocations	59	Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
				1						
p Preliminary r Revised n.a. Not available			54,277	52,945	53,113	54,177	54,386	54,585	199	109

p Preliminary r Revised n.a. Not available

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

Table 2. Change in the Yearend U.S. Net International Investment Position

[Millions of dollars]

Value Properties Properti			[Millions of doll	aisj		01					
Value					Change in position in 2013						
1.											
1. L. set International trescantion position (fine 4 lass fine 5). 2012 2							Other chan	iges in position		Yearend	
1 U.S. net International investment position (lime 4 less line 35). 4-477,426	Line	Type of investment		Total						position,	
VS. net international investment position (titur 6 laws line SSS)			2012	Total	Financial-				volume and	2013	
1 U.S. not international investment position (fine 4 less into 35). 4,477.124 577.759 377.868 147.975 377.868 147.751 127.276 12							Price	Exchange-rate	valuation		
Value of informational investment position (in the size time 25)						Total		changes 1	n.i.e. ²		
2 Net international investment position security in process (fire 5 less in 5.0) 4,50,000 4,00,000 1								_			
2 Francis demonstres other than reserves, real filted (less for 20 1	1	U.S. net international investment position (line 4 less line 35)	-4,578,245	-804,751	-370,658	-434,093	(*)	(*)	(*)	-5,382,996	
2 Francis demonstres other than reserves, real filted (less for 20 1	2	Net international investment position excluding financial derivatives (line 5 less line 36)	-4.636.021	-820.521	-372.906	-447.615	-182.734	-231.287	-33.596	-5,456,542	
A U. A. seaster. 22,600.46 1,189,407 C) C) C) C) C C 23,700 C C 23,700 C C C C C C C C C	2	· · · · · · · · · · · · · · · · · · ·								73,546	
5 Seases enduding instructed sententines (pan of lines 7, 10, 21, and 20) 1, 144, 731 3, 151, 751 1, 144, 731 1, 145, 751 1, 144, 731 1, 145, 751 1, 145								1.1			
Financial derivatives of the financeserve, gross positive fair value (inc. 15)	4	U.S. assets	22,520,346	1,189,497	(*)	(*)	(*)	(1)	(1)	23,709,843	
Productional consequency	5	Assets excluding financial derivatives (sum of lines 7, 10, 21, and 26)	18,900,585	1,989,423	644,763	1,344,660	1,616,523	-260,451	-11,412	20,890,008	
Productional consequency	6	Financial derivatives other than reserves, gross positive fair value (line 15)	3 619 761	-799 926	(3)	(³)	(³)	(³)	(³)	2,819,835	
For the continues of marker value.	Ŭ		0,0.0,70.	. 00,020	()	()	()	()	()	2,010,000	
Equity											
5 Debt instruments	7	Direct investment at market value	5,938,327	1,141,731	408,243	733,488	775,024	-15,791	-25,745	7,080,058	
5 Debt instruments	8	Equity	4,980,979	1,089,023	352,106	736,917	775,024	-15,791	-22,316	6,070,002	
Perfusion investment	0	• •					·			1 010 056	
12 Doubt accurates that althorizes											
2	10	Portfolio investment	7,967,014	1,216,046	489,877	726,169	960,123	-237,606	3,652	9,183,060	
Short term.	11	Equity and investment fund shares	5,311,509	1,132,723	275,244	857,479	1,054,948	-209,309	11,840	6,444,232	
Short term.	12	Debt securities	2 655 505	83 323	214 633	-131 310	-94 825	-28 297	-8 188	2,738,828	
Long term											
Filtracial derivaleses other han reserves, gross positive fier value		STIOT TERM								446,710	
3,585,781 0,007-10,	14	Long term	2,240,596	51,522	169,260	-117,738	-94,825	-26,591	3,678	2,292,118	
3,585,781 0,007-10,	15	Financial derivatives other than reserves, gross positive fair value	3,619,761	-799.926	(³)	(³)	(³)	(³)	(3)	2.819.835	
Single-currency interest rate contracts.					1.1			/3\		,,	
Fowerge exchange contracts					(*)			[(°)			
9	17	Single-currency interest rate contracts	2,973,245	-765,553	(³)	(³)	(³)	(³)	(³)	2,207,692	
9	18	Foreign exchange contracts	280.217	11.717	(³)	(³)	(³)	(³)	(³)	291,934	
20 Exchange-insted contracts. 33,880 2,808 C		· · · · · · · · · · · · · · · · · · ·			/3\			/3\		283,421	
2 2 Cher investment								1.7			
2	20	Exchange-traded contracts	33,980	2,808	(~)	(~)	(~)	(°)	(~)	36,788	
2	21	Other investment	4,422,876	-244,319	-250,260	5,941		-4,740	10,682	4,178,557	
Loans	22	Currency and denosits	2 052 987	-80 838	-115 641	34 803		798	34 005	1,972,149	
Insurance technical reserves.		•							-		
Trade credit and advances			2,314,165	-153,042	-137,978	-15,064		-5,422	-9,642	2,161,123	
Reserve assets.	24	Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
Reserve assets.	25	Trade credit and advances	55 724	-10 438	3 359	-13 797		-116	-13 681	45,286	
Monetary gold.									-		
Special drawing griphs								-2,314		•	
Reserve position in the International Monetary Fund.	27	Monetary gold	433,434	-118,459	0	-118,459	-118,459		0	314,975	
Reserve position in the International Monetary Fund.	28	Special drawing rights	55,050	134	22	112		112	0	55,184	
30 Other reserve assets.										30,750	
31 Currency and deposits. 24,933 -4,044 3 -4,047 -567 -3,480 20,		· · · · · · · · · · · · · · · · · · ·							_		
Securities	30	Other reserve assets	49,723	-2,299	319	-2,618	-165	-2,453	0	47,424	
33 Financial derivatives 1,319 3,780 1 3,779 193 3,586 5,5	31	Currency and deposits	24,933	-4,044	3	-4,047		-567	-3,480	20,889	
33 Financial derivatives 1,319 3,780 1 3,779 193 3,586 5,5	32	Securities	23 471	-2 035	315	-2 350	-165	-2 079	-106	21,436	
34 Other claims			20,471	2,000	010	2,000	100	2,010	100	•	
35 U.S. liabilities excluding financial derivatives (sum of lines 38, 41, and 56)		Financial derivatives									
Liabilities excluding financial derivatives (sum of lines 38, 41, and 56) 23,536,606 2,809,945 1,017,669 1,792,276 1,799,257 -29,164 22,184 26,346, 71 1,017,669 1,792,276 1,799,257 1,7	34	Other claims	1,319	3,780	1	3,779		193	3,586	5,099	
Liabilities excluding financial derivatives (sum of lines 38, 41, and 56). 23,536,606 2,809,945 1,017,669 1,792,276 1,799,257 -29,164 22,184 26,346, 75 1,700,000 2,746. 2,746, 75 2,746	35	U.S. liabilities	27,098,591	1,994,249	(³)	(³)	(³)	(³)	(³)	29,092,840	
Financial derivatives other than reserves, gross negative fair value (ine 50) 3,561,985 815,696 (²) (²) (²) (²) (²) (²) (²) (²) (²) (²)	26				1 017 660			20.164			
By functional category:		, , , , , ,			,. ,	_		-23,104	_		
38 Direct investment at market value	37	Financial derivatives other than reserves, gross negative fair value (line 50)	3,561,985	-815,696	(~)	(~)	(~)	(~)	(~)	2,746,289	
Sequity		By functional category:									
Sequity	38		4,670 942	1.119 609	294 972	824 637	871 100		-46 463	5,790,551	
Debt instruments											
Portrolio investment		• •					8/1,100			4,461,978	
42 Equity and investment fund shares 4,545,371 1,276,116 -85,407 1,361,523 1,285,442 0 76,081 5,821,432 43 Debt securities 9,433,504 248,201 576,351 -328,150 -357,285 -26,306 55,441 9,681,442 44 Short term. 844,743 47,912 46,718 1,194 9 1,185 892,4382 46 Other short-term securities. 183,089 23,530 22,336 1,194 9 1,185 892,432 47 Long term. 8,588,761 200,289 529,632 -329,343 -357,285 -26,315 54,257 8,789,442 48 Treasury bonds and notes. 4,909,828 199,028 406,876 -207,848 -221,130 13,282 5,108, 49 Other long-term securities. 3,678,933 1,261 122,756 -121,495 -36,155 -26,315 40,975 3,680,93 50 Financial derivatives other than reserves, gross negative fair value.	40	Debt instruments	1,261,029	67,544	68,138	-594			-594	1,328,573	
42 Equity and investment fund shares 4,545,371 1,276,116 -85,407 1,361,523 1,285,442 0 76,081 5,821,42 43 Debt securities 9,433,504 248,201 576,351 -328,150 -357,285 -26,306 55,441 9,681,444 44 Short term. 844,743 44,718 46,718 1,194 9 1,185 892,4382 0 0 0 686,665 24,382 24,382 0 0 0 686,666 46 0 Other short-term securities. 183,089 23,530 22,336 1,194 9 1,185 892,667 22,336 1,194 9 1,185 892,678 22,336 1,194 9 1,185 892,679 22,336 1,194 9 1,185 892,679 22,336 1,194 9 1,185 892,679 22,336 1,194 9 1,185 262,675 26,315 54,257	41	Portfolio investment	13,978.875	1,524.317	490.943	1,033.374	928.157	-26.306	131.523	15,503,192	
Page								^			
44 Short term. 844,743 47,912 46,718 1,194								l			
Treasury bills and certificates	43	Debt securities			576,351	-328,150	-357,285	-26,306	55,441	9,681,705	
Treasury bills and certificates	44	Short term	844,743	47,912	46,718	1,194		9	1,185	892,655	
183,089 23,530 22,336 1,194 9 1,185 206,	45									686,036	
Long term		•									
Treasury bonds and notes										206,619	
49 Other long-term securities	47	Long term	8,588,761	200,289	529,632	-329,343	-357,285	-26,315	54,257	8,789,050	
49 Other long-term securities	48	Treasury bonds and notes	4,909,828	199,028	406,876	-207,848	-221,130		13,282	5,108,856	
Financial derivatives other than reserves, gross negative fair value		•								3,680,194	
51 Over-the-counter contracts		•			_	_		-20,313	_		
52 Single-currency interest rate contracts. 2,912,113 -769,254 (³) (³) (³) (³) (³) (°		Financial derivatives other than reserves, gross negative fair value			1.1			[(°)		2,746,289	
53 Foreign exchange contracts. 295,181 -4,391 (³) (³) (³) (³) (³) (³) (°) <t< td=""><td>51</td><td>Over-the-counter contracts</td><td>3,527,668</td><td>-817,922</td><td>(³)</td><td>(³)</td><td>(³)</td><td>(³)</td><td>(³)</td><td>2,709,746</td></t<>	51	Over-the-counter contracts	3,527,668	-817,922	(³)	(³)	(³)	(³)	(³)	2,709,746	
53 Foreign exchange contracts. 295,181 -4,391 (³) (³) (³) (³) (³) (³) (°) <t< td=""><td>52</td><td>Single-currency interest rate contracts</td><td>2,912,113</td><td>-769.254</td><td>(³)</td><td>(³)</td><td>(³)</td><td>(³)</td><td>(³)</td><td>2,142,859</td></t<>	52	Single-currency interest rate contracts	2,912,113	-769.254	(³)	(³)	(³)	(³)	(³)	2,142,859	
54 Other contracts		•			,3.			/3/			
55 Exchange-traded contracts. 34,317 2,226 (³) (°)					1.1					290,790	
56 Other investment 4,886,789 166,019 231,753 -65,734 -2,859 -62,875 5,052, 57 Currency and deposits 2,601,672 156,457 172,286 -15,829 -1,418 -14,412 2,758, 58 Loans 2,090,350 5,510 47,606 -42,096 -1,550 -40,546 2,095, 59 Insurance technical reserves n.a. 140,490 3,943 11,861 -7,918 0 -7,918 144,	54	Other contracts	320,374	-44,277	(³)	(³)	(³)	(³)	(³)	276,097	
56 Other investment 4,886,789 166,019 231,753 -65,734 -2,859 -62,875 5,052, 57 Currency and deposits 2,601,672 156,457 172,286 -15,829 -1,418 -14,412 2,758, 58 Loans 2,090,350 5,510 47,606 -42,096 -1,550 -40,546 2,095, 59 Insurance technical reserves n.a. 140,490 3,943 11,861 -7,918 0 -7,918 144,	55	Exchange-traded contracts	34.317	2.226	(³)	(³)	(³)	(³)	(³)	36,543	
57 Currency and deposits		•									
58 Loans											
59 Insurance technical reserves	57	Currency and deposits	2,601,672	156,457	172,286	-15,829		-1,418	-14,412	2,758,129	
59 Insurance technical reserves	58	Loans	2,090,350	5,510	47,606	-42,096		-1,550	-40,546	2,095,860	
60 Trade credit and advances										n.a.	
							ıı.a.				
61 Special drawing rights allocations								-		144,433	
	61	Special drawing rights allocations	54,277	109	0	109		109	0	54,386	

r Revised n.a. Not available

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

^{.....} Not applicable

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

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

^{3.} Financial transactions and other changes in financial derivatives positions are available only on a net basis, which is shown on line 3; they are not separately available for gross positive fair values and gross negative fair values of financial derivatives.

^{4.} Data are not separately available for price changes, exchange-rate changes, and changes in volume and valuation not included elsewhere.