

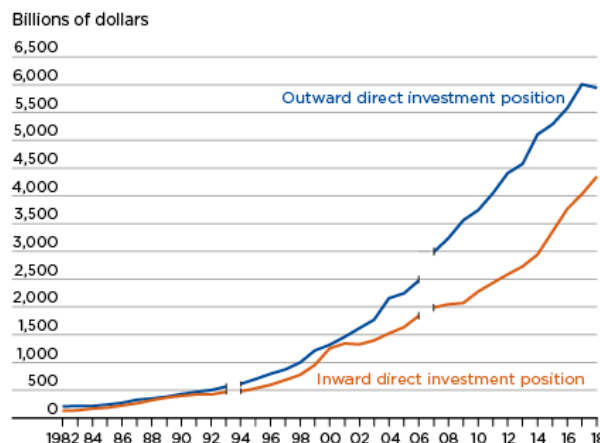
Direct Investment Positions for 2018

Country and Industry Detail

By Sarah A. Atkinson and Jessica McCloskey

The U.S. direct investment abroad position, or cumulative level of investment, decreased 1.0 percent to \$5.6 trillion in 2018 (table A and chart 1). The decrease mainly reflected a shift to negative reinvested earnings, which resulted from increased dividends received by U.S. parent companies from their foreign affiliates. U.S. parent companies repatriated larger dividends from their foreign affiliates in 2018 because of provisions of the 2017 Tax Cuts and Jobs Act (TCJA) that generally eliminated taxes on repatriated earnings. The foreign direct investment in the United States position increased 7.9 percent to \$4.3 billion, consistent with better economic conditions in the United States. U.S. real gross domestic product accelerated from 2.2 percent in 2017 to 2.9 percent in 2018.

Chart 1. Direct Investment Positions on a Historical-Cost Basis, 1982–2018



Note. There are discontinuities between 1993 and 1994 and between 2006 and 2007. See footnotes 3 and 4 in table A.

U.S. Bureau of Economic Analysis

Table A. Direct Investment Positions on a Historical-Cost Basis, 1982–2018

Yearend	Billions of dollars		Percent change from preceding year	
	Outward position ¹	Inward position ²	Outward position ¹	Inward position ²
1982	207.8	124.7
1983	212.2	137.1	2.1	9.9
1984	218.1	164.6	2.8	20.1
1985	238.4	184.6	9.3	12.2
1986	270.5	220.4	13.5	19.4
1987	326.3	263.4	20.6	19.5
1988	347.2	314.8	6.4	19.5
1989	381.8	368.9	10.0	17.2
1990	430.5	394.9	12.8	7.0
1991	467.8	419.1	8.7	6.1
1992	502.1	423.1	7.3	1.0
1993	564.3	467.4	12.4	10.5
1994	612.9	480.7	(³)	(³)
1995	699.0	535.6	14.1	11.4
1996	795.2	598.0	13.8	11.7
1997	871.3	681.8	9.6	14.0
1998	1,000.7	778.4	14.8	14.2
1999	1,216.0	955.7	21.5	22.8
2000	1,316.2	1,256.9	8.2	31.5
2001	1,460.4	1,344.0	10.9	6.9
2002	1,616.5	1,327.2	10.7	-1.3
2003	1,769.6	1,395.2	9.5	5.1
2004	2,160.8	1,520.3	22.1	9.0
2005	2,241.7	1,634.1	3.7	7.5
2006	2,477.3	1,840.5	10.5	12.6
2007	2,994.0	1,993.2	(⁴)	(⁴)
2008	3,232.5	2,046.7	8.0	2.7
2009	3,565.0	2,069.4	10.3	1.1
2010	3,741.9	2,280.0	5.0	10.2
2011	4,050.0	2,433.8	8.2	6.7
2012	4,410.0	2,584.7	8.9	6.2
2013	4,579.7	2,727.8	3.8	5.5
2014	5,108.8	2,945.8	11.6	8.0
2015	5,289.1	3,354.9	3.5	13.9
2016	5,586.0	3,765.1	5.6	12.2
2017	6,013.3	4,025.5	7.6	6.9
2018	5,951.0 ^p	4,344.6 ^p	-1.0	7.9

p Preliminary

1. U.S. direct investment position abroad.
2. Foreign direct investment position in the United States.
3. The direct investment positions reflect a discontinuity between 1993 and 1994 because of the reclassification of debt instruments between parent companies and affiliates that are nondepository financial intermediaries from direct investment to other investment accounts.
4. The direct investment positions reflect a discontinuity between 2006 and 2007 because of the reclassification of permanent debt between affiliated depository institutions from direct investment to other investment accounts.

The annual changes in the U.S. direct investment abroad (outward) and foreign direct investment in the United States (inward) investment positions reflect various types of financial transactions as well as revaluations of assets and liabilities. Financial transactions consist of equity and debt investment. Other changes in the position consist of capital gains and losses, currency-translation adjustments, and other changes in volume and valuation. Outward financial transactions shifted from net outflows of \$300.4 billion in 2017 to net inflows of \$90.6 billion in 2018 (table B). This shift mostly reflected a shift to negative reinvestment of earnings in ongoing operations. Other changes in the outward position decreased from \$126.9 billion in 2017 to \$28.3 billion in 2018. Inward financial transactions were 8.5 percent lower in 2018 (\$253.6 billion), compared with 2017 (\$277.3 billion) (table D) because of a fourfold decrease in debt liabilities as U.S. affiliates paid down debt owed to their foreign parents. Other changes in the inward position shifted from -\$16.9 billion to \$65.6 billion in 2018 following a decline in capital gains and losses of affiliates and translation adjustments.

This article highlights the changes in the outward and inward direct investment positions from 2017 to 2018 by type of direct investment transaction, such as equity or debt, by country, and by industry.

Alternative Measures of the Direct Investment Positions

Detailed statistics on the positions of U.S. direct investment abroad and foreign direct investment in the United States by country and by industry are reported only on a historical-cost, or book value, basis. As a result, they reflect the values in affiliates' financial accounting statements. Statistics are also reported on market-value and current-cost bases, but only at a global level, not by country or industry. Market-value statistics value the equity portion of direct investment at current prices using indexes of stock market prices. Current-cost statistics value the U.S. parents' and foreign parents' shares of their affiliates' investment in (1) plant and equipment using the current cost of capital equipment, in (2) land using a general price index, and in (3) inventories using estimates of their replacement cost.

Historical-cost statistics are not adjusted to reflect changes in the current costs or the replacement costs of tangible assets or in the stock market valuations of firms. Over time, the current costs of tangible assets and the stock market valuations of firms tend to increase. As a result, historical-cost, or book value, statistics tend to be lower than the current-cost and market-value statistics for the same positions (see the table "Alternative Direct Investment Position Estimates, 2017 and 2018"). Market-value statistics are further discussed in Elena L. Nguyen and Douglas B. Weinberg, "U.S. Net International Investment Position: First Quarter 2019, Year 2018, and Annual Update," *Survey of Current Business* 99 (July 2019).

Alternative Direct Investment Position Estimates, 2017 and 2018

[Millions of dollars]

Valuation method	Position at yearend 2017	Changes in 2018			Position at yearend 2018 ^p
		Total	Financial transactions	Other changes in position	
Outward:					
Historical cost	6,013,335.0	-62,344.0	-90,623.0	28,279.0	5,950,991.0
Current cost	6,708,387.7	-59,281.7	-68,406.5	9,124.8	6,649,106.0
Market value	7,828,746.7	-1,376,028.7	-68,406.5	-1,307,622.2	6,452,718.0
Inward:					
Historical cost	4,025,492.0	319,118.0	253,561.0	65,557.0	4,344,610.0
Current cost	4,624,812.4	377,045.5	268,441.9	108,603.6	5,001,858.0
Market value	7,844,202.4	-412,068.5	268,441.9	-680,510.4	7,432,134.0

^p

Preliminary

U.S. Direct Investment Abroad (Outward)

The U.S. direct investment position abroad valued at historical cost—the book value of U.S. direct investors’ equity in, and net outstanding loans to, their foreign affiliates—was \$6.0 trillion at the end of 2018 (table A). The position declined by \$62.3 billion, or 1.0 percent, in 2018 after growing 7.6 percent in 2017. The decline in 2018 primarily reflected reinvestment of earnings in ongoing operations of -\$251.9 billion (table B, line 4), which reflected dividends of \$776.5 billion that exceeded foreign affiliates’ earnings in 2018 of \$524.6 billion, and translation adjustments of -\$34.1 billion (table B, line 11). These negative amounts were partly offset by an increase in equity other than reinvestment of earnings, comprised of greenfield investment and equity contributions to existing affiliates, of \$78 billion (table B, line 5).

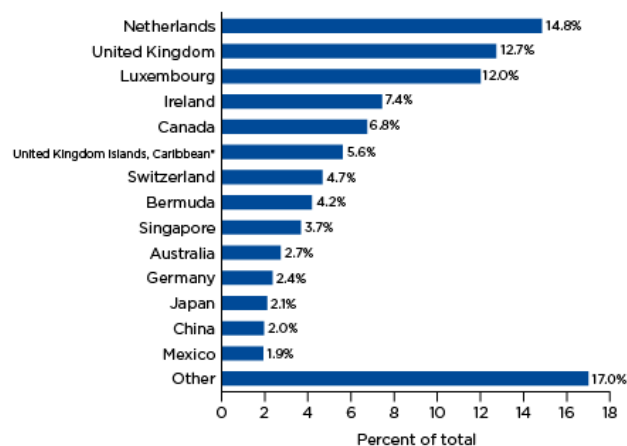
Table B. Change in the Outward Direct Investment Position on a Historical-Cost Basis by Component
[Billions of dollars]

Line		2017	2018	Change	Percent change
1	Total change in position during period	427.3	-62.3	-489.7	n.s.
2	Financial transactions without current-cost adjustment	300.4	-90.6	-391.0	n.s.
3	Equity	336.4	-173.8	-510.2	n.s.
4	Reinvestment of earnings without current-cost adjustment	306.5	-251.9	-558.4	n.s.
5	Equity other than reinvestment of earnings	29.9	78.0	48.2	161.2
6	Increases	85.7	139.2	53.5	62.5
7	Decreases	55.8	61.2	5.4	9.6
8	Debt instruments	-36.0	83.2	119.2	n.s.
9	Other changes in position	126.9	28.3	-98.6	-77.7
10	Capital gains and losses of affiliates	21.1	7.8	-13.3	-63.0
11	Translation adjustments	48.9	-34.1	-83.0	n.s.
12	Other changes in volume and valuation	56.9	54.5	-2.4	-4.2

n.s. Not shown. The data are not available, do not apply, or are not defined.

U.S. multinational enterprises (MNEs) invest in nearly every country around the world, but five host countries accounted for more than half of the total position at the end of 2018 (table C and charts 2 and 3). The Netherlands was the top host country with a position of \$883.2 billion, followed by the United Kingdom (\$757.8 billion), Luxembourg (\$713.8 billion), Ireland (\$442.2 billion), and Canada (\$401.9 billion). Much of the position in the Netherlands and Luxembourg represents investments that are routed through holding companies in those countries to operating affiliates in other countries. (See “[Indirect Ownership of U.S. Direct Investment Abroad.](#)”)

Chart 2. Outward Direct Investment Position by Country of Foreign Affiliate at Yearend, 2018



* British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
U.S. Bureau of Economic Analysis

Table C. Outward Direct Investment Position on a Historical-Cost Basis by Account for Selected Countries, 2018

[Billions of dollars]

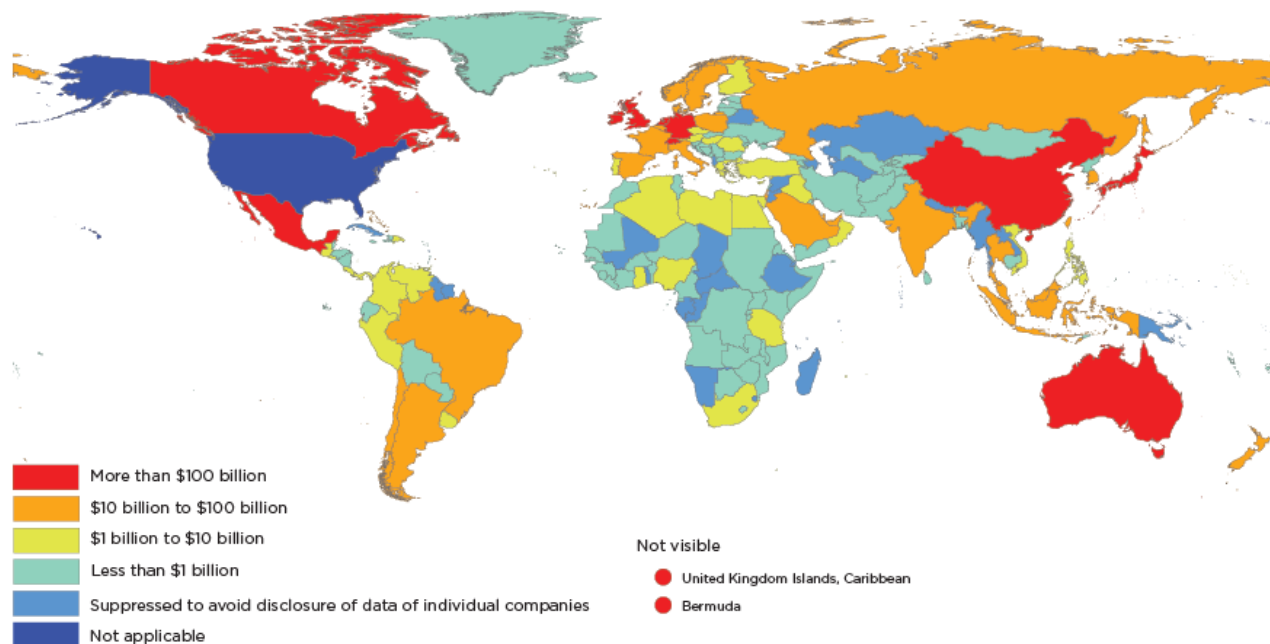
	Total	Equity ¹	Debt instruments		
			Net	U.S. parent receivables	U.S. parent payables
All countries	5,951.0	5,682.2	268.8	879.8	611.0
Canada	401.9	385.0	16.8	54.9	38.1
Europe	3,610.4	3,392.5	218.0	490.3	272.3
<i>Of which:</i>					
Belgium	64.1	64.4	-0.3	9.9	10.3
France	86.9	85.6	1.3	8.5	7.3
Germany	140.3	143.2	-2.9	21.4	24.3
Ireland	442.2	360.5	81.7	116.0	34.3
Luxembourg	713.8	666.0	47.8	108.6	60.8
Netherlands	883.2	839.7	43.5	73.4	30.0
Switzerland	278.0	269.7	8.3	34.5	26.2
United Kingdom	757.8	723.7	34.1	95.2	61.1
Latin America and Other Western Hemisphere	932.3	914.3	18.0	156.1	138.1
<i>Of which:</i>					
Bermuda	249.4	281.3	-31.9	53.7	85.6
Brazil	70.9	57.1	13.8	17.2	3.4
Mexico	114.9	111.0	3.9	20.8	16.9
United Kingdom Islands, Caribbean ²	334.5	315.3	19.2	32.9	13.8
Africa	47.8	45.9	1.9	9.7	7.8
<i>Of which:</i>					
Egypt	8.4	10.1	-1.7	(D)	(D)
Middle East	72.2	87.1	-14.9	17.8	32.7
<i>Of which:</i>					
Israel	27.1	27.5	-0.3	(D)	(D)
Asia and Pacific	886.3	857.4	28.9	151.0	122.1
<i>Of which:</i>					
Australia	163.0	105.8	57.2	62.5	5.3
China	116.5	107.0	9.5	19.6	10.1
Hong Kong	82.5	72.5	10.1	18.5	8.4
India	46.0	45.9	0.1	6.6	6.5
Japan	125.5	145.6	-20.1	9.8	29.9
Korea, Republic of	41.5	40.8	0.7	2.4	1.7
Singapore	218.8	252.6	-33.7	16.8	50.5

D Suppressed to avoid disclosure of data of individual companies.

1. Includes capital stock, additional paid-in capital, retained earnings, and cumulative translation adjustments.

2. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.

Chart 3. Outward Direct Investment Position on a Historical-Cost Basis at Yearend, 2018



Changes by component

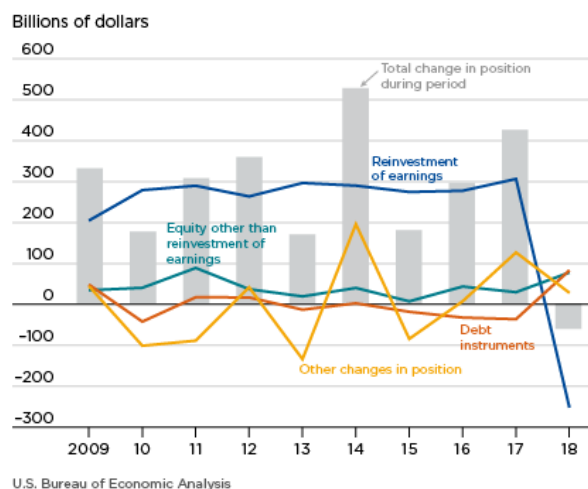
The \$62.3 billion decrease in the outward direct investment position reflected financial transactions of $-\$90.6$ billion and other changes in position of $\$28.3$ billion (table B and chart 4).

Financial transactions

Financial transactions resulted in net inflows of $\$90.6$ billion in 2018, shifting from net outflows of $\$300.4$ billion in 2017. The shift to inflows mostly consisted of a shift to negative reinvestment of earnings in ongoing operations.

Reinvestment of earnings. Reinvestment of earnings—the difference between the U.S. parents’ share of their foreign affiliates’ current-period earnings and dividends paid by the foreign affiliates to their U.S. parents—shifted to net inflows of $\$251.9$ billion in 2018 from net outflows of $\$306.5$ billion in 2017. The shift was largely due to the repatriation of accumulated prior earnings by U.S. multinationals from their foreign affiliates, largely in response to the TCJA. Current-period earnings of foreign affiliates of U.S. MNEs can either be repatriated to the parent company in the United States in the form of dividends or reinvested in foreign affiliates. Dividends can be paid from either current-period earnings or prior-period earnings that had been reinvested. When dividends exceed current-period earnings, reinvested earnings

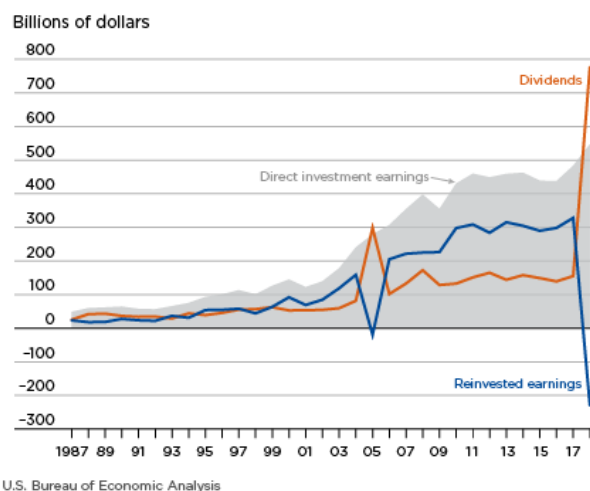
Chart 4. Change in the Outward Direct Investment Position by Component, 2009–2018



(calculated as a residual) are negative, indicating a withdrawal of equity assets. In 2018, reinvestment of earnings of -\$251.9 billion reflected the difference between direct investment earnings of \$524.6 billion and dividends of \$776.5 billion (table B and chart 5).¹

While dividends increased overall for the year, they were particularly large and exceeded current-period earnings in three of the four quarters of 2018. Almost one-half of the dividends were from affiliates in Bermuda and the Netherlands, and the next largest share of dividends was from affiliates in Ireland. The largest increases in dividends by industry of U.S. parent were in the chemicals manufacturing, computers and electronic products manufacturing, and information industries. The share of current-year earnings that were reinvested (the reinvestment ratio) shifted from approximately 66 percent for 2017 to -48 percent for 2018 because of the large dividends in 2018.

Chart 5. Components of Outward Direct Investment Earnings, 1987-2018



Equity other than reinvestment of earnings. Net equity outflows other than reinvestment of earnings increased \$48.2 billion, or 161.2 percent, to \$78.0 billion in 2018. The net outflows in 2018 resulted from equity increases of \$139.2 billion (table B, line 6) that were partly offset by equity decreases, including divestments, of \$61.2 billion (table B, line 7).² The \$139.2 billion in equity increases was split between equity for the acquisition or establishment of new foreign affiliates, including greenfield investment, and equity contributions to existing foreign affiliates. Equity increases in 2018 were up 62.5 percent from 2017, reflecting a 24.4 percent increase in U.S. outbound cross-border merger and acquisition activity in 2018.³ The \$61.2 billion in equity decreases primarily resulted from withdrawals of capital from foreign affiliates by their U.S. parents.

Debt instruments investment. In 2018, U.S. parents' borrowing and lending transactions with their foreign affiliates increased their net debt claims on affiliates by \$83.2 billion, compared with a decrease of \$36.0 billion in 2017 (table B, line 8). The increase in net debt claims in 2018 was concentrated in finance affiliates and can be disaggregated into a \$44.5 billion increase in U.S. parent debt claims on their foreign affiliates and a \$38.7 billion decrease in U.S. parent debt obligations to their foreign affiliates. Some U.S. parents that repatriated income through dividends reduced their debt obligations to their foreign affiliates.

Other changes in position

Other changes in position were \$28.3 billion in 2018, compared with \$126.9 billion in 2017 (table B, line 9). Other changes in position in 2018 consisted of currency-translation adjustments of -\$34.1 billion, capital gains of \$7.8 billion, and other changes in volume and valuation of \$54.5 billion (table B, lines 10-12). Translation adjustments reflected the increase in the U.S. dollar value of investments in foreign affiliates caused by a 4.4 percent depreciation of the U.S. dollar's direct-investment-weighted exchange value at yearend. Depreciations against the Euro and the British pound contributed the most to the depreciation of direct-investment-weighted exchange rate. Other changes in volume and valuation most commonly reflect the difference between the

book value and sale price of a foreign affiliate when it is sold or liquidated. When a foreign affiliate is sold, the direct investment position decreases by the amount of the U.S. parent's share of the foreign affiliate's book value. In cases where the sale price (included in the financial transactions as an equity decrease) exceeds the book value of the foreign affiliate, the Bureau of Economic Analysis (BEA) incorporates positive adjustments to volume and valuation to reconcile the financial transactions and the direct investment position.

Changes by area and by country

In 2018, the outward direct investment position decreased in three of the six major geographic areas: Latin America and Other Western Hemisphere, Africa, and Asia and Pacific ([tables 1.1 and 1.2](#)). The decreases in position were driven by large dividend payments following the TCJA.

Latin America and Other Western Hemisphere. The U.S. direct investment position in Latin America and Other Western Hemisphere decreased by \$75.8 billion to \$932.3 billion in 2018. Dividends paid by foreign affiliates increased by \$241.5 billion in 2017 to \$267.0 billion in 2018. The largest decrease in the outward position occurred in Bermuda, which accounted for \$221.9 billion of the increase in dividends.

Asia and Pacific. The U.S. direct investment position in Asia and Pacific decreased \$54.9 billion to \$886.3 billion in 2018. Dividends paid by foreign affiliates increased by \$65.2 billion from 2017 to \$96.6 billion in 2018. The largest decrease in the outward position occurred in Singapore, which accounted for \$46.2 billion of the increase in dividends.

Europe. The U.S. direct investment position in Europe increased \$57.0 billion to \$3.6 trillion in 2018. The largest increases occurred in Luxembourg, Switzerland, the United Kingdom, Belgium, and Italy. A large decrease in the outward position of \$53.5 billion occurred in the Netherlands. That decrease corresponded with a \$109.2 billion increase in dividends paid by foreign affiliates in 2017 to \$138.8 billion in 2018.

Indirect Ownership of U.S. Direct Investment Abroad

The share of foreign affiliates that are indirectly owned by their U.S. parent through another foreign affiliate has been increasing for the past three decades. Much of this investment is funneled through holding company affiliates whose primary activity is holding the securities or financial assets of other companies. Statistics on the outward position and related transactions are allocated to the industries and countries of the affiliates with which the U.S. parent companies have direct transactions and positions. However, these industries and countries do not represent the full range and distribution of the industries and countries of the affiliates whose operations the parents ultimately own or control.

The statistics on the activities of foreign affiliates from the BEA surveys of the activities of multinational enterprises (AMNEs) are classified in the country where the affiliate's physical assets are located or where its primary activity is carried out and in the industry that reflects the affiliate's primary activity. Thus, the AMNE statistics more closely reflect the countries and industries in which the goods and services are produced by the foreign affiliates than the statistics classified by the country and industry of the affiliate with which the parent company has a direct position or transaction. For example, while foreign affiliates in Luxembourg represent 11.5 percent of the outward position in 2016 (the latest year for which detailed AMNE statistics are available), they account for only 0.3 percent of value added of foreign affiliates (see the table "Outward Direct Investment Position on a Historical-Cost Basis and Value Added by Country of Foreign Affiliate").

Outward Direct Investment Position on a Historical-Cost Basis and Value Added by Country of Foreign Affiliate, 2016

	Share	
	Outward position	Value added
All countries	100.0	100.0
Canada	6.5	9.1
Europe	59.3	51.1
<i>Of which:</i>		
France	1.4	3.8
Germany	2.4	6.2
Ireland	7.0	7.0
Luxembourg	11.5	0.3
Netherlands	16.1	4.4
Switzerland	3.3	4.3
United Kingdom	12.3	12.8
Latin America and Other Western Hemisphere	16.6	10.8
<i>Of which:</i>		
Bermuda	5.6	-0.7
Brazil	1.2	2.7
Mexico	1.8	3.5
United Kingdom Islands, Caribbean ¹	5.5	0.7
Africa	0.9	2.0
Middle East	0.9	1.7
Asia and Pacific	15.8	25.3
<i>Of which:</i>		
Australia	3.0	3.2
China	1.7	5.0
Japan	2.2	3.6
Singapore	4.6	3.4

1. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.

Foreign Direct Investment in the United States (Inward)

The foreign direct investment position in the United States valued at historical cost—the book value of foreign direct investors’ equity in, and net outstanding loans to, their U.S. affiliates—was \$4.3 trillion at the end of 2018 (table A). The position grew \$319.1 billion, or 7.9 percent, in 2018 after growing 6.9 percent in 2017. The growth in 2018 reflected \$253.6 billion of financial transactions inflows, mostly consisting of net increases in equity investment other than reinvestment of earnings of \$210.4 billion (table D, line 5) and reinvestment of earnings in ongoing operations of \$131.9 billion (table D, line 4).

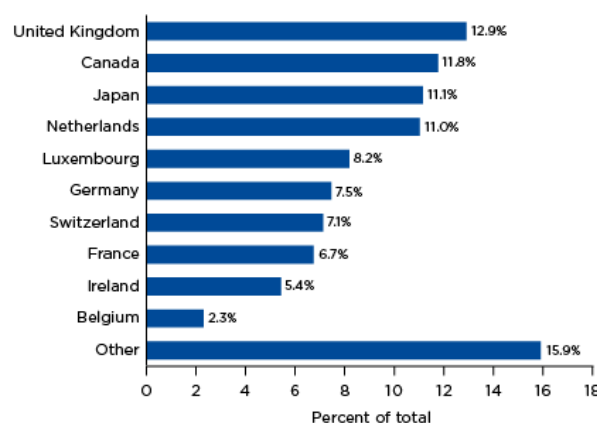
Table D. Change in the Inward Direct Investment Position on a Historical-Cost Basis by Component
[Billions of dollars]

Line		2017	2018	Change	Percent change
1	Total change in position during period	260.4	319.1	58.7	22.6
2	Financial transactions without current-cost adjustment	277.3	253.6	-23.7	-8.5
3	Equity	293.6	342.3	48.7	16.6
4	Reinvestment of earnings without current-cost adjustment	93.0	131.9	38.9	41.8
5	Equity other than reinvestment of earnings	200.5	210.4	9.8	4.9
6	Increases	218.2	324.2	106.0	48.6
7	Decreases	17.6	113.8	96.2	(Z)
8	Debt instruments	-16.3	-88.7	-72.4	(Z)
9	Other changes in position	-16.9	65.6	82.4	n.s.
10	Capital gains and losses of affiliates	-11.7	-24.5	-12.8	109.0
11	Translation adjustments	4.6	-2.7	-7.3	n.s.
12	Other changes in volume and valuation	-9.8	92.7	102.5	n.s.

(Z) Represents absolute percentage changes greater than 400 percent.
n.s. Not Shown. The data are not available, do not apply, or are not defined.

MNEs from nearly every country invest in the United States; however, five investing countries accounted for more than half of the overall foreign direct investment position in the United States at the end of 2018 (table E and charts 6 and 7). The United Kingdom was the top investing country with a position of \$560.9 billion, followed by Canada (\$511.2 billion), Japan (\$484.4 billion), the Netherlands (\$479.0 billion), and Luxembourg (\$356.0 billion). Foreign direct investment was concentrated in the U.S. manufacturing sector, which accounted for 41 percent of the inward position at the end of 2018.

Chart 6. Inward Direct Investment Position by Country of the Foreign Parent Group at Yearend, 2018



U.S. Bureau of Economic Analysis

Chart 7. Inward Direct Investment Position on a Historical-Cost Basis at Yearend, 2018

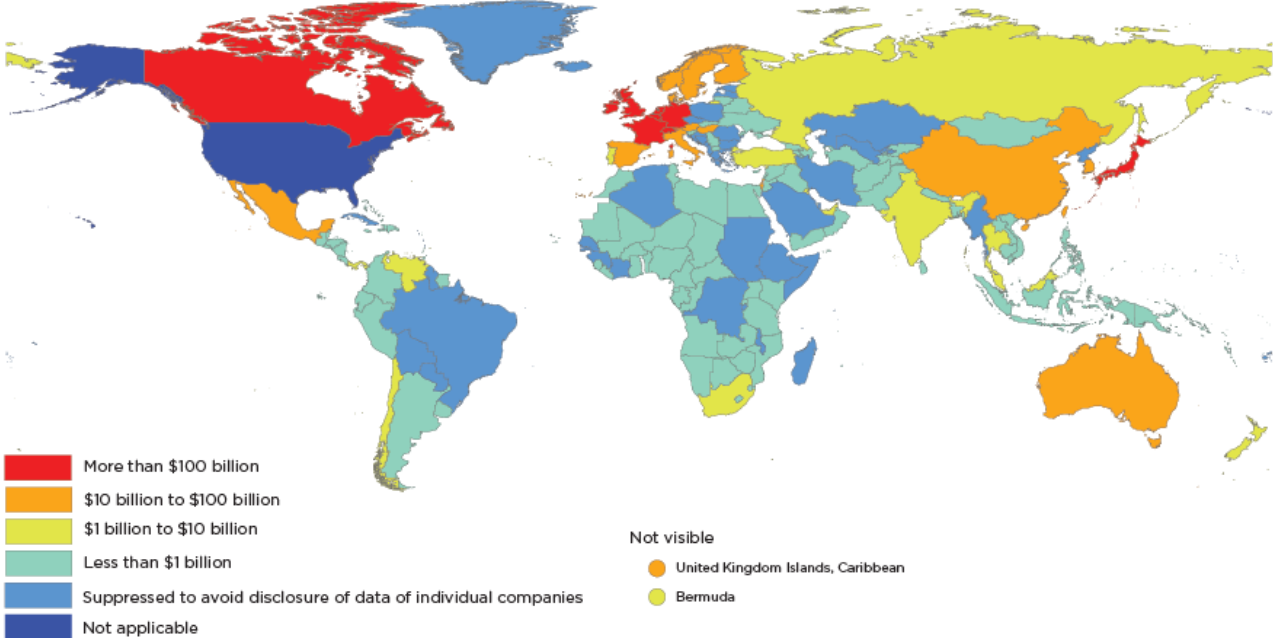


Table E. Inward Direct Investment Position on a Historical-Cost Basis by Account for Selected Countries, 2018

[Billions of dollars]

	Total	Equity ¹	Debt instruments		
			Net	U.S. affiliates' payables	U.S. affiliates' receivables
All countries	4,344.6	3,709.8	634.8	1,075.0	440.2
Canada	511.2	467.4	43.8	84.8	41.1
Europe	2,957.4	2,431.3	526.1	813.9	287.8
<i>Of which:</i>					
France	292.7	263.0	29.7	36.6	6.9
Germany	324.2	300.4	23.8	47.4	23.7
Ireland	235.7	197.1	38.6	91.6	53.0
Luxembourg	356.0	241.7	114.4	143.4	29.1
Netherlands	479.0	420.9	58.2	95.7	37.5
Switzerland	309.7	186.8	122.9	170.1	47.2
United Kingdom	560.9	496.6	64.3	129.9	65.6
Latin America and Other Western Hemisphere	131.4	163.7	-32.4	47.2	79.6
<i>Of which:</i>					
United Kingdom Islands, Caribbean ²	88.5	75.4	13.1	19.1	6.0
Africa	5.6	5.8	-0.2	1.6	1.8
<i>Of which:</i>					
South Africa	3.9	4.1	-0.2	1.0	1.2
Middle East	28.4	20.3	8.2	11.7	3.5
<i>Of which:</i>					
Israel	13.6	11.0	2.6	4.8	2.2
Asia and Pacific	710.6	621.2	89.4	115.8	26.4
<i>Of which:</i>					
Australia	66.3	63.7	2.6	5.6	3.1
Japan	484.4	444.6	39.8	49.4	9.6
Korea, Republic of	58.3	42.9	15.4	17.2	1.7

1. Includes capital stock, additional paid-in capital, retained earnings, and cumulative translation adjustments.

2. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.

Changes by component

The \$319.1 billion increase in the inward direct investment position reflected financial transactions of \$253.6 billion and other changes in position of \$65.6 billion (table D and chart 8).

Financial transactions

Financial transactions resulted in net inflows of \$253.6 billion in 2018, down \$23.7 billion, or 8.5 percent, from \$277.3 billion in 2017. Most of the net inflows in 2018 reflected equity investment other than reinvestment of earnings (table D, line 5). Equity increases (table D, line 6), including greenfield investment, were nearly three times as large as equity decreases.

Reinvestment of earnings. Reinvestment of earnings—the difference between the foreign parent’s share of their U.S. affiliates’ current-period earnings and dividends paid by U.S. affiliates to their parents—increased \$38.9 billion, or 41.8 percent, to \$131.9 billion. The increase was the net result of a \$37.7 billion increase in U.S. affiliate earnings and a \$1.2 billion decrease in dividends. The share of current-year earnings that was reinvested (the reinvestment ratio) increased from 67.1 percent in 2017 to 74.8 percent in 2018.

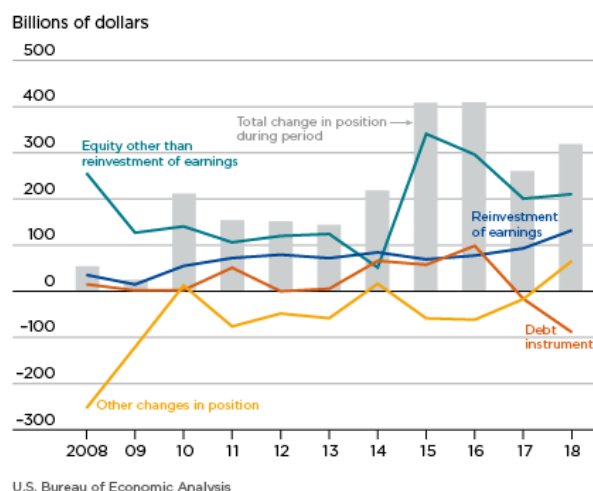
Equity other than reinvestment of earnings. Net equity inflows other than reinvestment of earnings increased \$9.8 billion, or 4.9 percent, to \$210.4 billion in 2018. The increase partly reflected a 19 percent increase in the value of merger and acquisition deals targeting U.S. companies in 2018.⁴ The net inflows in 2018 resulted from equity increases other than reinvestment of earnings, including greenfield investment, of \$324.2 billion (table D, line 6) that were partly offset by equity decreases, including divestments, of \$113.8 billion (table D, line 7).⁵ Over 75 percent of the equity increases was accounted for by the acquisition of new affiliates and the remainder reflected equity contributions to existing affiliates. The \$113.8 billion of equity decreases primarily resulted from withdrawals of equity capital from existing affiliates.

Debt instruments investment. U.S. affiliates’ borrowing and lending transactions with their foreign parent groups decreased their net debt liabilities by \$88.7 billion. The decrease in 2018 resulted from a \$60.1 billion decrease in U.S. affiliate debt obligations to members of their foreign parent groups and a \$28.6 billion increase in U.S. affiliate debt claims on members of their foreign parent groups.

Other changes in position

Other changes in position totaled \$65.6 billion in 2018, compared with -\$16.9 billion in 2017 (table D, line 9). Other changes in position in 2018 consisted of capital losses of \$24.5 billion, currency-translation adjustments of -\$2.7 billion, and other changes in volume and valuation of

Chart 8. Change in the Inward Direct Investment Position by Component, 2008–2018



\$92.7 billion (table D, lines 10–12). Other changes in volume and valuation mainly resulted from differences between the sales price and book value of sold or liquidated U.S. businesses. When a U.S. affiliate is sold or liquidated, the foreign direct investment equity position in the United States decreases by the amount of the foreign parent’s share of the U.S. affiliate’s book value. In cases where the sales price (included in financial transactions as a gross decrease in equity) exceeds the book value of the U.S. business, BEA incorporates positive adjustments to volume and valuation to reconcile the financial transactions and the direct investment position. The currency translation adjustments of –\$2.7 billion were smaller in magnitude than those for outward investment because most U.S. affiliates maintain their accounting records in U.S. dollars and because most of their assets and liabilities are denominated in U.S. dollars.

Changes by area and by country of the foreign parent group

In 2018, the inward direct investment position increased for all major geographic areas, except for Africa, where it remained unchanged (tables 2.1 and 2.2). The position increased the most for investors from Europe, followed by Canada and Asia and Pacific.

Europe. European direct investment in the United States increased \$226.1 billion to \$3.0 trillion in 2018. Almost 90 percent of the increase was from the Netherlands and Ireland.

Canada. Canadian direct investment in the United States increased \$58.0 billion to \$511.2 billion in 2018.

Asia and Pacific. Asian and Pacific direct investment in the United States increased \$26.0 billion to \$710.6 billion in 2018. More than half of the increase was from Japan.

Data Availability

Detailed statistics on the outward direct investment position and related financial transactions and income for 1982–2018, along with statistics on the inward direct investment position and related financial transactions and income for 1980–2018, are available on [BEA's website](#).

Changes by area and by country of ultimate beneficial owner

The statistics on inward direct investment positions presented in this article thus far reflect investment by the country of the foreign parent or by the member of the foreign parent group, classified by the country of the first entity outside of the United States with an equity or debt claim on the U.S. affiliate.⁶ In addition to the data collected by the country of foreign parent, BEA collects data on the country of the ultimate beneficial owner (UBO) of the U.S. affiliate and presents the inward position classified by area and by country of UBO.⁷ By area of UBO, the position increased the most for investors from Europe, followed by Canada and Latin America and Other Western Hemisphere (table F). The position decreased the most for investments from Asia and Pacific.

Table F. Inward Direct Investment Position on a Historical-Cost Basis by Country of Foreign Parent Group Member and Ultimate Beneficial Owner (UBO), 2018¹

[Billions of dollars]

	By country of each member of the foreign parent group			By country of UBO		
	2017	2018	Change	2017	2018	Change
All countries	4,025.5	4,344.6	319.1	4,025.5	4,344.6	319.1
Canada	453.1	511.2	58.0	523.8	588.4	64.6
Europe	2,731.3	2,957.4	226.1	2,369.8	2,594.9	225.2
<i>Of which:</i>						
Belgium	103.5	100.2	-3.3	80.4	84.7	4.3
France	275.5	292.7	17.3	301.5	326.4	24.9
Germany	310.2	324.2	14.0	405.6	474.5	68.9
Ireland	147.8	235.7	87.9	328.7	385.3	56.7
Luxembourg	410.7	356.0	-54.7	28.8	18.4	-10.4
Netherlands	367.1	479.0	111.9	169.2	228.1	59.0
Switzerland	309.4	309.7	0.3	201.9	222.5	20.6
United Kingdom	540.9	560.9	20.0	614.9	597.2	-17.6
Latin America and Other Western Hemisphere	124.9	131.4	6.5	172.7	206.9	34.2
<i>Of which:</i>						
Bermuda	6.7	5.4	-1.3	35.9	60.8	24.8
Brazil	-2.0	-2.5	-0.4	42.8	39.8	-3.0
Curacao	1.3	1.4	0.1	(D)	(D)	(D)
Mexico	18.0	18.7	0.7	35.4	37.2	1.8
United Kingdom Islands, Caribbean ²	87.4	88.5	1.1	13.4	20.9	7.5
Africa	5.6	5.6	0.0	5.8	5.8	-0.1
<i>Of which:</i>						
South Africa	4.1	3.9	-0.2	5.1	5.0	-0.1
Middle East	26.0	28.4	2.4	84.3	84.6	0.3
<i>Of which:</i>						
Israel	11.9	13.6	1.7	39.3	38.5	-0.9
Saudi Arabia	(D)	(D)	(D)	14.1	15.4	1.3
United Arab Emirates	4.8	5.2	0.3	26.0	26.7	0.7
Asia and Pacific	684.6	710.6	26.0	793.6	784.6	-9.0
<i>Of which:</i>						
Australia	66.7	66.3	-0.5	73.0	71.5	-1.5
China	39.5	39.5	0.0	58.0	60.2	2.1
Japan	469.0	484.4	15.3	476.9	488.7	11.8
Korea, Republic of	51.8	58.3	6.5	50.6	57.6	7.0
Singapore	22.4	19.7	-2.7	88.6	54.2	-34.4
United States	n.a.	n.a.	n.a.	75.6	79.4	3.9

1. The ultimate beneficial owner (UBO) is that person, proceeding up a U.S. affiliate's ownership chain, beginning with and including the foreign parent, that is not owned more than 50 percent by another person. The country of UBO is often the same as that of the foreign parent, but it may be a different foreign country or the United States.

2. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.

D Suppressed to avoid disclosure of data of individual companies.

n.a. Not available

Europe. European direct investment in the United States on a UBO basis increased \$225.2 billion to \$3.0 trillion in 2018. About four-fifths of the increase was from Germany, the Netherlands, and Ireland.

Latin America and Other Western Hemisphere. Latin American and Other Western Hemisphere direct investment in the United States on a UBO basis increased \$34.2 billion to \$206.9 billion in 2018. Nearly three-fourths of the increase was from Bermuda.

Canada. Canadian direct investment in the United States on a UBO basis increased \$64.6 billion to \$588.4 billion in 2018.

Statistical Conventions

- These statistics are primarily based on data reported in the [Quarterly Survey of U.S. Direct Investment Abroad \(BE-577\)](#) and the [Quarterly Survey of Foreign Direct Investment in the United States \(BE-605\)](#). Both surveys are conducted by the Bureau of Economic Analysis (BEA).
- The countries mentioned in this release reflect the location of the immediate counterpart, unless otherwise noted. The country allocation of the U.S. direct investment position abroad may not reflect the ultimate destination of the funds. Likewise, the country allocation of the foreign direct investment position in the United States may not represent the ultimate source of the funds, which is often the ultimate beneficial owner (UBO).
- The direct investment positions in this release are valued at historical cost or book value. Positions reflect the values in affiliates' financial statements, rather than current prices. This valuation is derived principally from the accounting records of affiliates, which are typically compiled under U.S. Generally Accepted Accounting Principles or International Financial Reporting Standards. These differ from the market value measure featured in the international investment position. See "[Alternative Measures of the Direct Investment Positions.](#)"
- Valuation adjustments to the historical-cost position include translation adjustments, capital gains and losses, and other changes in volume and valuation. Translation adjustments reflect movements in exchange rates on the dollar value of affiliate assets and liabilities. Translation adjustments for inward investment are often smaller than those for outward investment because, for most U.S. affiliates, most of the assets and liabilities are denominated in and accounting records and are maintained in U.S. dollars. Capital gains and losses represent the revaluation of assets of ongoing affiliates for reasons besides exchange-rate changes. Other changes in volume and valuation reflect any changes in the value of the affiliate's assets that are not reflected in financial transactions or the preceding adjustments. These changes most commonly reflect the difference between the book value and the sale price of affiliates when they are sold or liquidated.¹
- This article features directional basis statistics rather than the asset/liability basis featured in the international transactions accounts (ITAs) and the international investment position (IIP) accounts. On a directional basis, direct investment claims and liabilities are classified according to whether the direct investor is a U.S. resident or a foreign resident. U.S. direct investment abroad occurs between a U.S. parent and its foreign affiliates. Foreign direct investment in the United States occurs between a foreign parent and its U.S. affiliates.
- The measure of direct investment financial transactions presented in this article also differs from the measure of direct investment financial transactions featured in the U.S. ITAs and IIP accounts because the reinvestment of earnings component of financial transactions discussed in this article excludes a current-cost adjustment that is included in the ITA financial transactions.

1. For additional information see Raymond J. Mataloni, Jr., "[A Guide to BEA Statistics on U.S. Multinational Companies,](#)" *Survey of Current Business* 75 (March 1995).

Updates to the Statistics

The statistics on direct investment positions for 2018 presented in this article are preliminary. The update to direct investment statistics for 2016 and 2017, which was scheduled to be released in June and in July 2019, has been delayed until 2020 because of the impact of the partial federal government shutdown that started in late December 2018 and lasted through late January 2019.

Acknowledgments

Jessica Hanson, Chief of the Direct Transactions and Positions Branch, provided overall supervision for the preparation of the direct investment statistics. Barbara Hubbard provided overall supervision of the computer programming for data estimation and tabulation.

The statistics on the U.S. direct investment position abroad are based largely on data from the BEA quarterly survey of transactions between U.S. parent companies and their foreign affiliates. The survey was conducted under the supervision of Leila Morrison, working with Iris Branscome, Maryam Fatima, Jared Felice, Kenneth Harvey, Louis Luu, Jacob Simmons, and Dwayne Torney. Computer programming for data estimation and tabulation was provided by Kevin Smith and Karen Minor.

The statistics on the foreign direct investment position in the United States are based largely on data from the BEA quarterly survey of transactions between U.S. affiliates and their foreign parents. The survey was conducted under the supervision of Peter Fox, working with Akeeya Griffin, Susan LaPorte, Jesse Magolon, and Gazala Merchant. Computer programming for data estimation and tabulation was provided by Karen Minor and Paula Brown.

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1. For more information about how the TCJA affected direct investment asset and income transactions, see “[U.S. International Transactions: First Quarter 2019](#),” *Survey of Current Business* 99 (July 2019),” and two BEA FAQs, “[How are the International Transactions Accounts affected by an increase in direct investment dividend receipts?](#)” and “[How does the 2017 Tax Cuts and Jobs Act affect BEA’s business income statistics?](#)”
 2. A divestment is the sale or liquidation of the U.S. parent’s direct investment equity position in an affiliate.
 3. Dealogic. M&A Highlights: Full Year 2018. January 2, 2019. <https://www.dealogic.com/insight/ma-highlights-full-year-2018/>.
 4. Bureau Van Dijk. [Global M&A Review 2018](#).
 5. A divestment is the sale or liquidation of the foreign parent’s direct investment equity position in an affiliate.
 6. This convention follows guidelines in the International Monetary Fund’s *Balance of Payments and International Investment Position Manual*.
 7. The UBO is defined as the entity that ultimately owns or controls an affiliate and thus ultimately derives the benefits and assumes the risks from owning or controlling an affiliate.

	All industries	Mining	Manufacturing									Wholesale trade	Information	Depository institutions	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Holding companies (nonbank)	Other industries
			Total	Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment	Other manufacturing							
Asia and Pacific	941,202	37,104	199,459	19,908	45,218	7,699	13,836	44,796	4,019	24,178	39,805	91,877	42,074	35,170	137,004	38,588	288,175	71,752
Australia	168,855	19,589	22,693	9,722	2,303	1,272	1,249	1,740	66	1,779	4,562	5,478	6,893	735	6,780	9,817	89,592	7,279
China	107,556	2,725	54,158	3,693	13,258	2,405	5,170	8,425	932	12,814	7,462	13,992	2,657	4,457	7,501	1,613	3,886	16,568
Hong Kong	81,234	0	7,953	11	1,235	810	1,388	2,489	515	-496	2,000	8,790	8,475	2,132	8,638	2,788	36,420	6,038
India	44,458	1,095	10,483	1,457	2,151	244	1,106	1,197	742	2,113	1,472	4,343	330	(D)	4,122	15,799	502	(D)
Indonesia	15,171	10,161	665	224	237	-4	52	-16	(D)	27	(D)	71	349	(D)	448	417	1,974	(D)
Japan	129,064	0	26,067	438	5,922	749	547	5,892	(D)	1,082	(D)	6,059	10,187	(D)	64,083	2,970	3,028	(D)
Korea, Republic of	41,602	(D)	15,909	595	2,919	342	352	4,155	140	3,054	4,352	2,188	689	(D)	8,954	684	1,026	(D)
Malaysia	15,080	520	5,477	(D)	618	226	835	2,128	(D)	410	929	394	267	(D)	2,627	578	4,197	(D)
New Zealand	11,938	31	2,371	(D)	241	15	(D)	263	(*)	(*)	800	886	282	(D)	1,767	482	(D)	(D)
Philippines	7,116	1	2,889	(D)	414	-42	(D)	1,202	(D)	(D)	594	661	91	(D)	301	533	324	(D)
Singapore	274,260	896	34,881	368	12,414	893	1,121	15,103	382	2,155	2,445	44,674	11,256	1,776	27,903	2,213	135,167	15,493
Taiwan	17,031	0	5,456	(D)	903	90	231	3,268	170	105	(D)	3,050	444	(D)	2,866	117	1,060	(D)
Thailand	15,006	(D)	7,518	992	2,527	(D)	407	-959	(D)	1,104	3,159	888	96	(D)	340	479	(D)	717
Other	12,830	(D)	2,939	546	75	(D)	(D)	-92	1	(D)	628	405	58	472	675	96	(D)	4,854
Addenda:																		
European Union (28) ³	3,244,095	14,787	345,425	41,563	79,243	13,934	32,701	41,683	4,984	25,452	105,866	75,239	140,446	41,737	384,938	66,519	1,951,939	223,064
OPEC ⁴	57,334	19,492	5,317	1,372	2,459	20	361	-24	19	903	207	3,238	2,804	(D)	2,444	1,036	17,951	(D)

* A nonzero value that rounds to zero

D Suppressed to avoid disclosure of data of individual companies.

- In 2017, the euro area is composed of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. For 2017, the U.S. direct investment position in the euro area was \$2,418,221 million.
- The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
- The European Union (28) is composed of Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
- OPEC (Organization of Petroleum Exporting Countries) is currently composed of Algeria, Angola, Congo (Brazzaville), Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela. Data for this memorandum item reflect the OPEC membership during the reference period.

	All industries	Mining	Manufacturing									Wholesale trade	Information	Depository institutions	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Holding companies (nonbank)	Other industries	
			Total	Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment	Other manufacturing								
Asia and Pacific	886,333	28,570	209,713	19,389	46,772	7,912	13,855	51,103	4,336	23,858	42,488	67,397	43,101	36,533	116,207	42,228	268,229	74,354	
Australia	162,983	17,149	21,132	8,370	2,113	1,270	1,029	2,119	55	1,555	4,621	5,501	8,179	713	6,499	10,838	85,974	6,999	
China	116,518	775	58,512	3,165	13,027	2,152	5,684	10,666	1,026	14,604	8,188	15,261	3,178	5,075	8,398	1,850	6,563	16,905	
Hong Kong	82,546	0	7,946	26	1,075	920	1,264	2,466	649	-599	2,144	8,826	7,855	2,552	5,795	3,200	40,602	5,771	
India	45,984	484	10,188	1,468	2,331	289	993	1,464	691	1,561	1,391	4,245	701	(D)	5,641	16,506	634	(D)	
Indonesia	11,140	6,643	603	258	198	-7	(D)	-17	(D)	-51	91	69	241	1,001	580	453	1,655	-105	
Japan	125,488	0	29,633	481	6,795	811	331	6,056	(D)	2,821	(D)	4,708	12,053	3,453	54,875	4,714	(D)	(D)	
Korea, Republic of	41,532	(D)	14,528	725	3,978	375	393	4,436	95	-250	4,775	2,330	830	(D)	10,145	961	(D)	2,615	
Malaysia	13,581	534	4,556	(D)	642	250	768	1,437	(D)	164	984	364	270	(D)	2,322	209	4,114	(D)	
New Zealand	11,289	24	2,358	(D)	262	19	136	321	(*)	(*)	(D)	832	281	(D)	1,423	182	(D)	(D)	
Philippines	7,645	(*)	3,346	(D)	459	(D)	(D)	1,545	(D)	(D)	611	569	114	(D)	268	602	328	(D)	
Singapore	218,835	941	35,796	1,345	11,903	945	1,282	14,918	420	2,376	2,608	20,048	8,739	1,917	17,283	1,987	114,395	17,729	
Taiwan	17,530	0	6,160	(D)	1,165	152	153	3,617	176	112	(D)	3,204	525	(D)	2,608	142	719	(D)	
Thailand	17,667	(D)	11,803	1,364	2,741	(D)	417	2,163	(D)	1,366	3,432	892	80	(D)	-351	511	(D)	705	
Other	13,595	(D)	3,155	408	84	(D)	(D)	-87	1	(D)	714	549	58	499	722	72	(D)	5,131	
Addenda:																			
European Union (28) ³	3,269,739	16,599	389,223	49,116	92,277	17,782	33,763	58,284	5,512	25,724	106,765	66,253	195,325	45,957	470,775	67,622	1,798,940	219,045	
OPEC ⁴	60,742	22,272	4,907	1,460	2,450	31	177	-73	19	(D)	(D)	3,333	3,134	(D)	2,431	830	18,463	(D)	

*

A nonzero value that rounds to zero

D

Suppressed to avoid disclosure of data of individual companies.

- In 2018, the euro area is composed of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain. For 2018, the U.S. direct investment position in the euro area was \$2,426,786 million.
- The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
- The European Union (28) is composed of Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
- OPEC (Organization of Petroleum Exporting Countries) is currently composed of Algeria, Angola, Congo (Brazzaville), Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela. Data for this memorandum item reflect the OPEC membership during the reference period.

	All industries	Manufacturing									Wholesale trade	Retail trade	Information	Depository institutions	Finance (except depository institutions) and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
		Total	Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment	Other manufacturing								
European Union (28) ³	2,372,100	1,084,913	50,363	491,495	42,169	79,032	45,366	(D)	86,955	(D)	156,131	53,139	125,826	89,010	272,646	37,588	173,807	379,042
OPEC ⁴	18,952	3,193	(D)	26	(D)	-31	(D)	(D)	(D)	(D)	(D)	(D)	52	1,401	(D)	2,389	-41	3,610

* A nonzero value that rounds to zero

D Suppressed to avoid disclosure of data of individual companies.

Note. Estimates by country and industry for 2017 are preliminary.

1. In 2017, the euro area included Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain. For 2017, the euro area direct investment position in the United States was \$1,741,677 million.
2. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
3. The European Union (28) is composed of Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
4. OPEC is the Organization of Petroleum Exporting Countries. In 2017, its members were Algeria, Angola, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

	All industries	Manufacturing									Wholesale trade	Retail trade	Information	Depository institutions	Finance (except depository institutions) and insurance	Real estate and rental and leasing	Professional, scientific, and technical services	Other industries
		Total	Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment	Other manufacturing								
European Union (28) ³	2,596,293	1,207,175	56,061	582,713	45,254	75,731	47,907	(D)	89,258	(D)	156,536	109,396	123,142	90,513	282,085	54,689	150,741	422,017
OPEC ⁴	20,901	4,226	(D)	9	(D)	-5	(D)	(D)	(D)	(D)	(D)	(D)	13	1,387	(D)	2,453	-34	3,153

* A nonzero value that rounds to zero

D Suppressed to avoid disclosure of data of individual companies.

Note. Estimates by country and industry for 2018 are preliminary.

1. In 2018, the euro area included Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain. For 2018, the euro area direct investment position in the United States was \$ 1,927,213 million.
2. The "United Kingdom Islands, Caribbean" is composed of British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.
3. The European Union (28) is composed of Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
4. OPEC is the Organization of Petroleum Exporting Countries. In 2018, its members were Algeria, Angola, Congo (Brazzaville), Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.



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