

A Look at the U.S. International Investment Position

Fourth Quarter and Year 2022

By Erin Whitaker | April 11, 2023

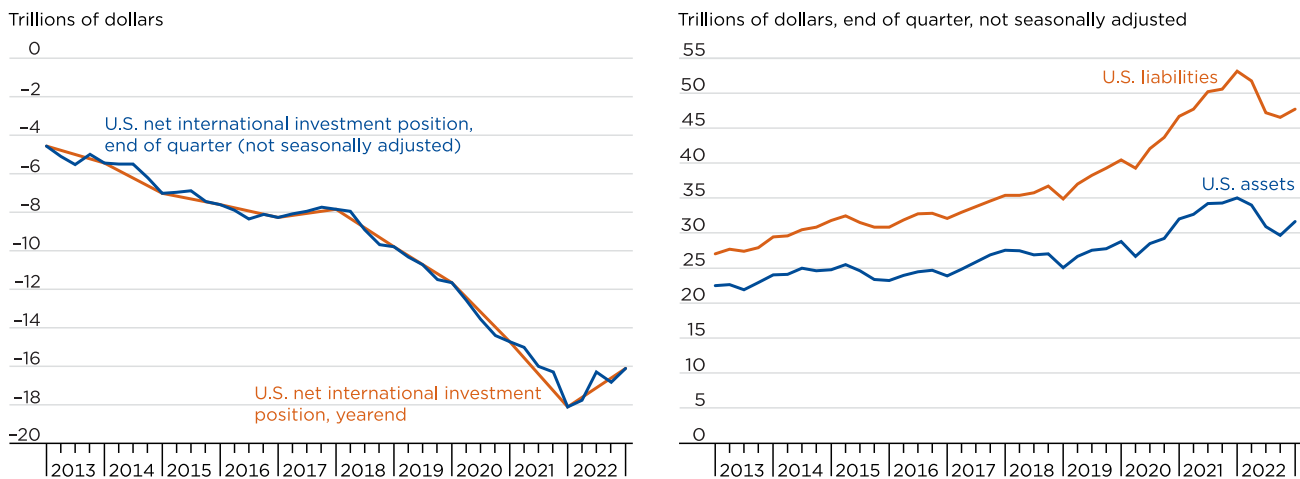
The U.S. net international investment position—the difference between U.S. residents' foreign financial assets and liabilities—was $-\$16.12$ trillion at the end of the fourth quarter of 2022 (chart 1). Assets totaled $\$31.68$ trillion, and liabilities were $\$47.80$ trillion. At the end of the third quarter, the net investment position was $-\$16.84$ trillion (revised). The net investment position and components of assets and liabilities are presented in table A.

The U.S. international investment position is a statistical balance sheet that presents the dollar value of U.S. external financial assets and liabilities. A negative net investment position represents a U.S. net liability to the rest of the world.

The $\$719.0$ billion change in the net investment position from the third quarter to the fourth quarter came from net financial transactions of $-\$162.9$ billion and net other changes in position, such as price and exchange-rate changes, of $\$881.9$ billion. Net other changes mostly reflected global stock price increases and the appreciation of major foreign currencies against the U.S. dollar that raised the market value of U.S. assets more than U.S. liabilities, in dollar terms (table A).

The U.S. net international investment position was $-\$16.12$ trillion at the end of 2022, compared with $-\$18.12$ trillion at the end of 2021 (chart 1). The $\$2.01$ trillion change in the net investment position from the end of 2021 to the end of 2022 came from net financial transactions of $-\$677.1$ billion and net other changes in position, such as price and exchange-rate changes, of $\$2.68$ trillion (table C).

Chart 1. U.S. International Investment Position



U.S. Bureau of Economic Analysis

Data Availability and Methodology

Detailed statistics for the U.S. international investment position are available in [tables 1.1–4.1](#) on the U.S. Bureau of Economic Analysis website. For information on data sources and estimation methods, see [U.S. International Economic Accounts: Concepts and Methods](#).

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

[Billions of dollars, not seasonally adjusted]

Type of investment	End-of-quarter position, 2022:Q3	Change in position in 2022:Q4			End-of-quarter position, 2022:Q4
		Total	Attributable to:		
			Financial transactions	Other changes in position ¹	
U.S. net international investment position	-16,836.0	719.0	-162.9	881.9	-16,117.1
Net position excluding financial derivatives	-16,954.4	767.9	-156.0	923.9	-16,186.6
Financial derivatives other than reserves, net ²	118.4	-48.9	-6.9	-42.0	69.5
U.S. assets	29,729.9	1,950.2	(²)	(²)	31,680.1
Assets excluding financial derivatives	26,903.0	2,233.8	-302.6	2,536.4	29,136.8
Financial derivatives other than reserves	2,826.9	-283.6	(²)	(²)	2,543.3
By functional category:					
Direct investment at market value	8,359.2	964.9	61.8	903.2	9,324.2
Equity	7,134.2	974.5	67.7	906.7	8,108.6
Debt instruments	1,225.0	-9.5	-6.0	-3.6	1,215.5
Portfolio investment	12,887.0	1,181.7	-342.4	1,524.1	14,068.7
Equity and investment fund shares	9,151.2	1,120.2	-276.3	1,396.5	10,271.4
Debt securities	3,735.7	61.6	-66.1	127.6	3,797.3
Short term	483.4	0.9	-5.8	6.7	484.3
Long term	3,252.4	60.7	-60.3	120.9	3,313.0
Financial derivatives other than reserves	2,826.9	-283.6	(²)	(²)	2,543.3
Over-the-counter contracts	2,714.2	-248.5	(²)	(²)	2,465.7
Single-currency interest rate contracts	1,855.2	5.6	(²)	(²)	1,860.8
Foreign exchange contracts	615.5	-183.1	(²)	(²)	432.4
Other contracts	243.5	-70.9	(²)	(²)	172.5
Exchange-traded contracts	112.8	-35.1	(²)	(²)	77.7
Other investment	5,000.6	36.4	-24.9	61.3	5,037.0
Other equity	71.4	0.2	0.2	0.0	71.6
Currency and deposits	2,156.1	93.7	41.1	52.6	2,249.9
Loans	2,731.2	-55.7	-64.3	8.6	2,675.5
Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances	41.8	-1.8	-1.9	0.1	40.0
Reserve assets	656.2	50.7	2.9	47.8	706.9
Monetary gold	437.2	37.1	0.0	37.1	474.3
Special drawing rights	153.2	7.4	1.2	6.1	160.5
Reserve position in the International Monetary Fund	32.0	3.0	1.7	1.3	35.0
Other reserve assets	33.9	3.2	(*)	3.2	37.1
U.S. liabilities	46,566.0	1,231.2	(²)	(²)	47,797.2
Liabilities excluding financial derivatives	43,857.4	1,465.9	-146.6	1,612.6	45,323.4
Financial derivatives other than reserves	2,708.5	-234.7	(²)	(²)	2,473.8
By functional category:					

Type of investment	End-of-quarter position, 2022:Q3	Change in position in 2022:Q4			End-of-quarter position, 2022:Q4
		Total	Attributable to:		
			Financial transactions	Other changes in position ¹	
Direct investment at market value	11,524.3	662.9	38.0	624.9	12,187.2
Equity	9,733.1	682.3	64.7	617.6	10,415.3
Debt instruments	1,791.2	-19.3	-26.7	7.4	1,771.8
Portfolio investment	24,057.2	759.5	-173.5	933.0	24,816.7
Equity and investment fund shares	11,593.4	463.0	-311.5	774.5	12,056.5
Debt securities	12,463.7	296.5	138.0	158.5	12,760.2
Short term	1,203.2	44.7	43.9	0.8	1,247.9
Long term	11,260.6	251.8	94.0	157.7	11,512.3
Financial derivatives other than reserves	2,708.5	-234.7	(²)	(²)	2,473.8
Over-the-counter contracts	2,602.8	-200.5	(²)	(²)	2,402.2
Single-currency interest rate contracts	1,788.2	2.8	(²)	(²)	1,791.0
Foreign exchange contracts	578.1	-135.6	(²)	(²)	442.5
Other contracts	236.5	-67.8	(²)	(²)	168.7
Exchange-traded contracts	105.8	-34.2	(²)	(²)	71.6
Other investment	8,276.0	43.5	-11.1	54.6	8,319.5
Other equity	n.a.	n.a.	n.a.	n.a.	n.a.
Currency and deposits	4,291.5	3.5	-10.9	14.4	4,294.9
Loans	3,589.3	30.5	-3.7	34.2	3,619.8
Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances	248.2	3.6	3.4	0.2	251.9
Special drawing rights allocations	147.0	5.9	0.0	5.9	152.9

n.a. Not available

(*) Value between zero and +/- \$50 million

0.0 Transactions or other changes are possible but are zero for a given period.

1. Disaggregation of other changes in position into price changes, exchange rate changes, and other changes in volume and valuation is presented for annual statistics (see [table C](#)).
2. Financial transactions and other changes in financial derivatives positions are available on a net basis; they are not separately available for U.S. assets and U.S. liabilities.

Note. The statistics on positions are presented in [table 1.2](#) of the International Investment Position Accounts on the U.S. Bureau of Economic Analysis (BEA) website. The statistics on financial transactions are not seasonally adjusted and are presented in [table 1.2](#) of the International Transactions Accounts on BEA's website.

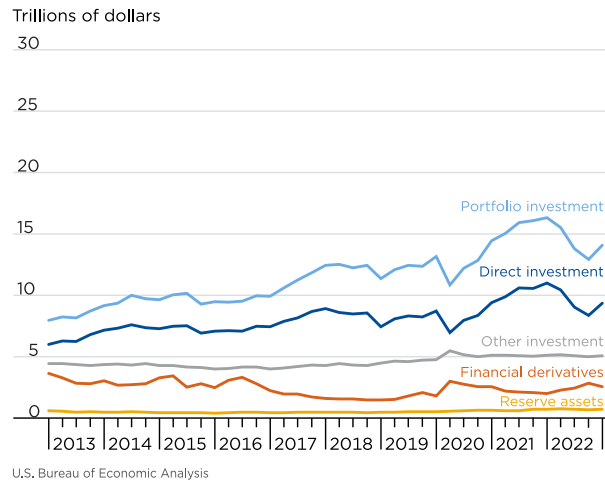
U.S. Assets

U.S. assets increased by \$1.95 trillion to a total of \$31.68 trillion at the end of the fourth quarter, reflecting increases in portfolio investment and direct investment assets that were partly offset by a decrease in financial derivatives (chart 2).

Portfolio investment assets increased by \$1.18 trillion to \$14.07 trillion, and direct investment assets increased by \$964.9 billion to \$9.32 trillion, driven mainly by foreign stock price increases and by the appreciation of major foreign currencies against the U.S. dollar that raised the market value of these assets in dollar terms. Financial derivatives decreased by \$283.6 billion to \$2.54 trillion, driven mostly by decreases in foreign exchange contracts.

Price changes and exchange-rate changes, components of other changes in position, drove the overall increase in U.S. assets (table A).

Chart 2. U.S. Assets by Category
End of quarter, not seasonally adjusted



U.S. Liabilities

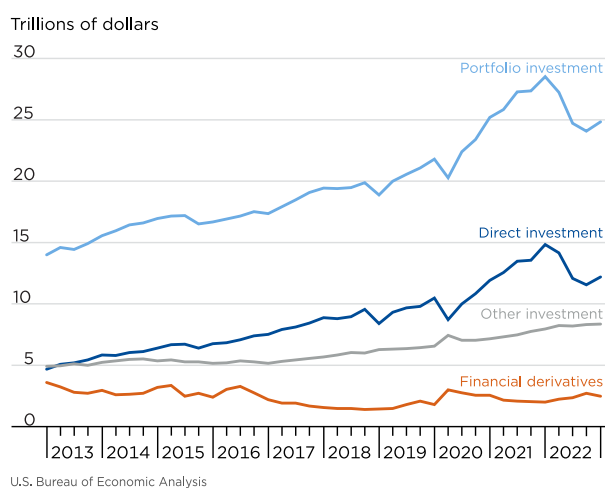
U.S. liabilities increased by \$1.23 trillion to a total of \$47.80 trillion at the end of the fourth quarter, reflecting increases in portfolio investment and direct investment liabilities that were partly offset by a decrease in financial derivatives (chart 3).

Portfolio investment liabilities increased by \$759.5 billion to \$24.82 trillion, and direct investment liabilities increased by \$662.9 billion to \$12.19 trillion, driven mainly by U.S. stock price increases that raised the market value of these liabilities. Financial derivatives decreased by \$234.7 billion to \$2.47 trillion, driven mostly by decreases in foreign exchange contracts.

Price changes, a component of other changes in position, drove the overall increase in U.S. liabilities (table A).

Chart 3. U.S. Liabilities by Category

End of quarter, not seasonally adjusted



Updates to Statistics

The U.S. international investment position statistics for the third quarter of 2022 have been updated to incorporate newly available and revised source data (table B).

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

	Preliminary estimate	Revised estimate
U.S. net international investment position	-16,710.8	-16,836.0
U.S. assets	29,730.6	29,729.9
Direct investment at market value	8,383.9	8,359.2
Portfolio investment	12,858.6	12,887.0
Financial derivatives other than reserves	2,826.9	2,826.9
Other investment	5,005.0	5,000.6
Reserve assets	656.2	656.2
U.S. liabilities	46,441.4	46,566.0
Direct investment at market value	11,537.5	11,524.3
Portfolio investment	23,944.8	24,057.2
Financial derivatives other than reserves	2,708.5	2,708.5
Other investment	8,250.5	8,276.0

Year 2022

The U.S. net international investment position was $-\$16.12$ trillion at the end of 2022, compared with $-\$18.12$ trillion at the end of 2021. The net investment position and components of assets and liabilities are presented in table C.

The $\$2.01$ trillion change in the net investment position from the end of 2021 to the end of 2022 came from net financial transactions of $-\$677.1$ billion and net other changes in position, such as price and exchange-rate changes, of $\$2.68$ trillion (table C).

Price changes of $\$4.12$ trillion mostly reflected U.S. stock and bond price decreases that exceeded foreign stock and bond price decreases, which lowered the market value of U.S. liabilities more than the market value of U.S. assets. Exchange-rate changes of $-\$1.16$ trillion reflected the depreciation of major foreign currencies against the U.S. dollar, which lowered the value of foreign-currency-denominated U.S. assets in dollar terms.

Changes in volume and valuation n.i.e. (not included elsewhere) of $-\$411.4$ billion mostly reflected a series break in portfolio investment that resulted from data revisions by respondents on the monthly Treasury International Capital SLT report for June 2022.

The revised position data for June and for prior periods will be incorporated into the international investment position statistics as part of the annual update in June 2023.

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

[Billions of dollars]

Type of investment	Yearend position, 2021	Change in position in 2022						Yearend position, 2022
		Total	Attributable to:					
			Financial transactions	Other changes in position				
				Total	Price changes	Exchange-rate changes ¹	Changes in volume and valuation n.i.e. ²	
U.S. net international investment position	-18,124.3	2,007.2	-677.1	2,684.3	(⁴)	(⁴)	(⁴)	-16,117.1
Net position excluding financial derivatives	-18,144.2	1,957.6	-596.0	2,553.6	4,120.7	-1,155.7	-411.4	-16,186.6
Financial derivatives other than reserves, net ³	19.9	49.6	-81.0	130.7	(⁴)	(⁴)	(⁴)	69.5
U.S. assets	35,065.5	-3,385.3	(³)	(³)	(³)	(³)	(³)	31,680.1
Assets excluding financial derivatives	33,078.0	-3,941.2	919.8	-4,861.0	-3,501.6	-1,261.6	-97.8	29,136.8
Financial derivatives other than reserves	1,987.5	555.9	(³)	(³)	(³)	(³)	(³)	2,543.3
By functional category:								
Direct investment at market value	10,970.6	-1,646.4	435.8	-2,082.3	-1,591.5	-389.4	-101.4	9,324.2
Equity	9,749.7	-1,641.0	434.0	-2,075.1	-1,591.5	-389.4	-94.2	8,108.6
Debt instruments	1,220.9	-5.4	1.8	-7.2	.....	.....	-7.2	1,215.5
Portfolio investment	16,309.3	-2,240.6	437.8	-2,678.4	-1,912.2	-788.6	22.5	14,068.7
Equity and investment fund shares	12,022.1	-1,750.6	234.5	-1,985.1	-1,281.3	-724.8	21.0	10,271.4
Debt securities	4,287.2	-489.9	203.4	-693.3	-631.0	-63.8	1.5	3,797.3
Short term	568.5	-84.3	-71.0	-13.3	.....	-2.7	-10.6	484.3
Long term	3,718.7	-405.6	274.3	-680.0	-631.0	-61.2	12.1	3,313.0
Financial derivatives other than reserves	1,987.5	555.9	(³)	(³)	(³)	(³)	(³)	2,543.3
Over-the-counter contracts	1,927.0	538.6	(³)	(³)	(³)	(³)	(³)	2,465.7
Single-currency interest rate contracts	1,355.1	505.7	(³)	(³)	(³)	(³)	(³)	1,860.8
Foreign exchange contracts	311.3	121.1	(³)	(³)	(³)	(³)	(³)	432.4
Other contracts	260.7	-88.2	(³)	(³)	(³)	(³)	(³)	172.5
Exchange-traded contracts	60.4	17.2	(³)	(³)	(³)	(³)	(³)	77.7
Other investment	5,085.8	-48.8	40.3	-89.1	0.0	-70.2	-18.9	5,037.0
Other equity	71.1	0.5	0.5	0.0	0.0	.....	0.0	71.6
Currency and deposits	2,128.0	121.8	163.7	-41.9	.....	-40.9	-1.0	2,249.9
Loans	2,839.4	-163.9	-117.1	-46.7	.....	-28.9	-17.9	2,675.5
Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances	47.3	-7.2	-6.8	-0.4	.....	-0.4	(*)	40.0
Reserve assets	712.3	-5.4	5.8	-11.2	2.1	-13.3	0.0	706.9
Monetary gold	472.2	2.1	0.0	2.1	2.1	.....	0.0	474.3
Special drawing rights	163.6	-3.1	5.0	-8.1	.....	-8.1	0.0	160.5
Reserve position in the International Monetary Fund	35.8	-0.9	0.8	-1.7	.....	-1.7	0.0	35.0
Other reserve assets	40.6	-3.5	(*)	-3.6	0.0	-3.6	0.0	37.1
U.S. liabilities	53,189.7	-5,392.5	(³)	(³)	(³)	(³)	(³)	47,797.2
Liabilities excluding financial derivatives	51,222.1	-5,898.8	1,515.8	-7,414.6	-7,622.3	-105.9	313.6	45,323.4

Type of investment	Yearend position, 2021	Change in position in 2022						Yearend position, 2022
		Total	Attributable to:					
			Financial transactions	Other changes in position				
				Total	Price changes	Exchange-rate changes ¹	Changes in volume and valuation n.i.e. ²	
Financial derivatives other than reserves	1,967.6	506.2	(³)	(³)	(³)	(³)	(³)	2,473.8
By functional category:								
Direct investment at market value	14,813.0	-2,625.9	351.6	-2,977.4	-2,868.9	.....	-108.5	12,187.2
Equity	13,102.4	-2,687.1	305.5	-2,992.6	-2,868.9	.....	-123.6	10,415.3
Debt instruments	1,710.6	61.2	46.1	15.1	.....	.....	15.1	1,771.8
Portfolio investment	28,480.1	-3,663.4	756.8	-4,420.2	-4,753.4	-56.3	389.5	24,816.7
Equity and investment fund shares	14,804.1	-2,747.6	-161.4	-2,586.2	-2,914.9	.....	328.7	12,056.5
Debt securities	13,676.0	-915.8	918.2	-1,834.0	-1,838.5	-56.3	60.8	12,760.2
Short term	1,190.7	57.2	59.0	-1.9	.....	-1.0	-0.9	1,247.9
Long term	12,485.3	-972.9	859.2	-1,832.1	-1,838.5	-55.3	61.7	11,512.3
Financial derivatives other than reserves	1,967.6	506.2	(³)	(³)	(³)	(³)	(³)	2,473.8
Over-the-counter contracts	1,902.5	499.7	(³)	(³)	(³)	(³)	(³)	2,402.2
Single-currency interest rate contracts	1,337.2	453.8	(³)	(³)	(³)	(³)	(³)	1,791.0
Foreign exchange contracts	304.0	138.5	(³)	(³)	(³)	(³)	(³)	442.5
Other contracts	261.3	-92.6	(³)	(³)	(³)	(³)	(³)	168.7
Exchange-traded contracts	65.1	6.5	(³)	(³)	(³)	(³)	(³)	71.6
Other investment	7,929.0	390.5	407.4	-17.0	.....	-49.6	32.6	8,319.5
Other equity	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Currency and deposits	4,129.0	165.9	143.0	23.0	.....	-11.6	34.6	4,294.9
Loans	3,403.4	216.4	247.7	-31.4	.....	-29.5	-1.9	3,619.8
Insurance technical reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Trade credit and advances	235.8	16.1	16.7	-0.7	.....	-0.6	-0.1	251.9
Special drawing rights allocations	160.8	-7.9	0.0	-7.9	.....	-7.9	0.0	152.9

n.a. Not available

..... Not applicable

(*) Value between zero and +/- \$50 million

0.0 Transactions or other changes are possible but are zero for a given period.

1. Represents gains or losses on foreign-currency-denominated assets and liabilities due to their revaluation at current exchange rates.
2. Changes in volume and valuation n.i.e. (not included elsewhere) 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 on a net basis; they are not separately available for U.S. assets and U.S. liabilities.
4. Data are not separately available for price changes, exchange-rate changes, and changes in volume and valuation n.i.e.

Note. The statistics are presented in [table 1.3](#) of the International Investment Position Accounts on the U.S. Bureau of Economic Analysis website.

U.S. assets decreased by \$3.39 trillion to a total of \$31.68 trillion at the end of 2022, mostly reflecting decreases in portfolio investment and direct investment assets that were partly offset by an increase in financial derivatives.

Portfolio investment assets decreased by \$2.24 trillion to \$14.07 trillion, and direct investment assets decreased by \$1.65 trillion to \$9.32 trillion, driven mainly by foreign stock price decreases and by the depreciation of major foreign currencies against the U.S. dollar that lowered the market value of these assets in dollar terms. Foreign bond price decreases also contributed to the decrease in portfolio investment assets.

The impact of foreign stock and bond price decreases and foreign currency depreciation was partly offset by financial transactions, mostly increases in direct investment equity assets and U.S. purchases of foreign equity and long-term debt securities.

Financial derivatives increased by \$555.9 billion to \$2.54 trillion, driven by increases in single-currency interest rate contracts and foreign exchange contracts.

U.S. liabilities decreased by \$5.39 trillion to a total of \$47.80 trillion at the end of 2022, reflecting decreases in portfolio investment and direct investment liabilities that were partly offset by increases in financial derivatives and other investment liabilities.

Portfolio investment liabilities decreased by \$3.66 trillion to \$24.82 trillion, and direct investment liabilities decreased by \$2.63 trillion to \$12.19 trillion, driven mainly by U.S. stock price decreases that lowered the market value of these liabilities. U.S. bond price decreases also contributed to the decrease in portfolio investment liabilities.

The impact of U.S. stock and bond price decreases was partly offset by financial transactions, mostly foreign purchases of U.S. long-term debt securities and increases in direct investment equity liabilities.

Financial derivatives increased by \$506.2 billion to \$2.47 trillion, driven by increases in single-currency interest rate contracts and foreign exchange contracts. Other investment liabilities increased by \$390.5 billion to \$8.32 trillion, reflecting increased U.S. borrowing in the form of loans and deposits.

Upcoming Update to the U.S. International Investment Position

The annual update of the international investment position will be released, along with preliminary estimates for the first quarter of 2023, on June 28, 2023. For more information, see [“Preview of the Annual Update of the International Economic Accounts.”](#)



Subscribe to the SCB

The *Survey of Current Business* is published by the U.S. Bureau of Economic Analysis. Guidelines for citing BEA information.

Survey of Current Business

bea.gov/scb
scb@bea.gov