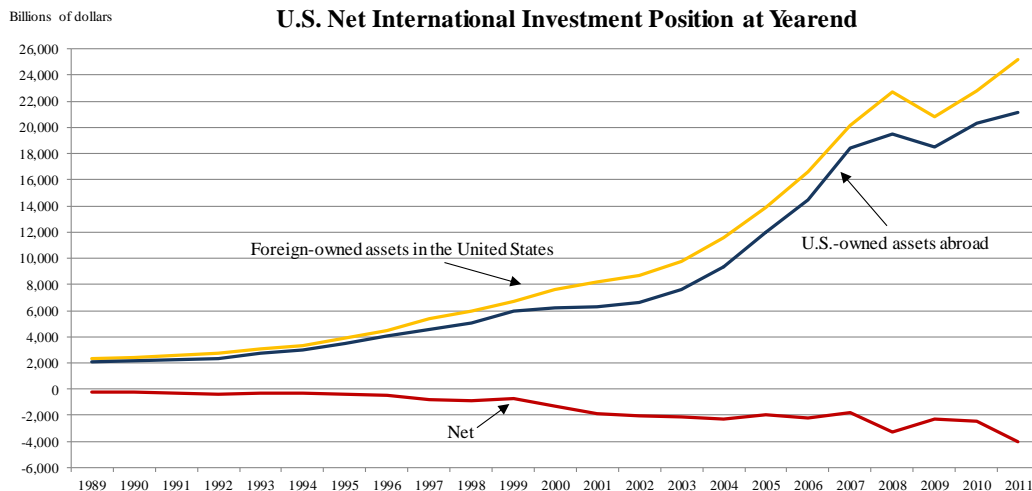


VALUE OF FOREIGN INVESTMENT IN THE U.S. INCREASED MORE THAN VALUE OF U.S. INVESTMENT ABROAD IN 2011
2011 Yearend U.S. Net International Investment Position

The U.S. net international investment position at yearend 2011 was -\$4,030.3 billion (preliminary), as the value of foreign investment in the United States exceeded the value of U.S. investment abroad. At yearend 2010, the U.S. net international investment position was -\$2,473.6 billion (revised).



- Increases in the prices of U.S. Treasury bonds and declines in foreign stock prices raised the value of foreign investment in the United States and lowered the value of U.S. investment abroad.
- The impact of changes in U.S. and foreign asset prices of -\$802.1 billion accounted for over half of the -\$1.6 trillion change in the U.S. net international investment position.
- Most of the rest of the change in the U.S. net international investment position reflected foreign acquisitions of U.S. assets (including over \$400 billion in U.S. Treasury securities) that exceeded U.S. acquisitions of foreign assets. U.S. acquisitions of foreign assets were reduced by an unusual decline in U.S. claims on foreigners as reported by U.S. banks and securities brokers.
- The appreciation of the U.S. dollar against a trade-weighted index of major currencies caused a change of -\$23.0 billion in the U.S. net international investment position.
- The U.S. net international investment position was equal to 2.6% of the value of all U.S. financial assets at the end of 2011, up from 1.6% in 2010, and up from the recent peak of 2.3% in 2008.¹

1. Board of Governors of the Federal Reserve System (FRS), *Flow of Funds Accounts of the United States, Flows and Outstandings, First Quarter 2012, Release Z.1*. Statistical Release (Washington, DC: FRS, June 7, 2012) Table L.5, page 66. According to June 2012 Z.1 release, the value of all U.S. financial assets was \$156,861.7 billion at the end of 2011.

BEA statistics—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic statistics for states, local areas, and industries—are available on the BEA Web site: www.bea.gov. [E-mail alerts](#) are also available.

NOTE: Statistics in this release include direct investment positions valued at current cost. The current-cost method values the U.S. and foreign parents' share of their affiliates' investment in plant and equipment using the current cost of capital equipment, in land using general price indexes, and in inventories using estimates of their replacement cost.