

The International Investment Position of the United States at Yearend 2009

By Elena L. Nguyen

THE NET international investment position of the United States was -\$2,737.8 billion (preliminary) at yearend 2009, compared with -\$3,493.9 billion (revised) at yearend 2008 (table 1, chart 1). At yearend 2009, the value of foreign-owned assets in the United States continued to exceed the value of U.S.-owned assets abroad.

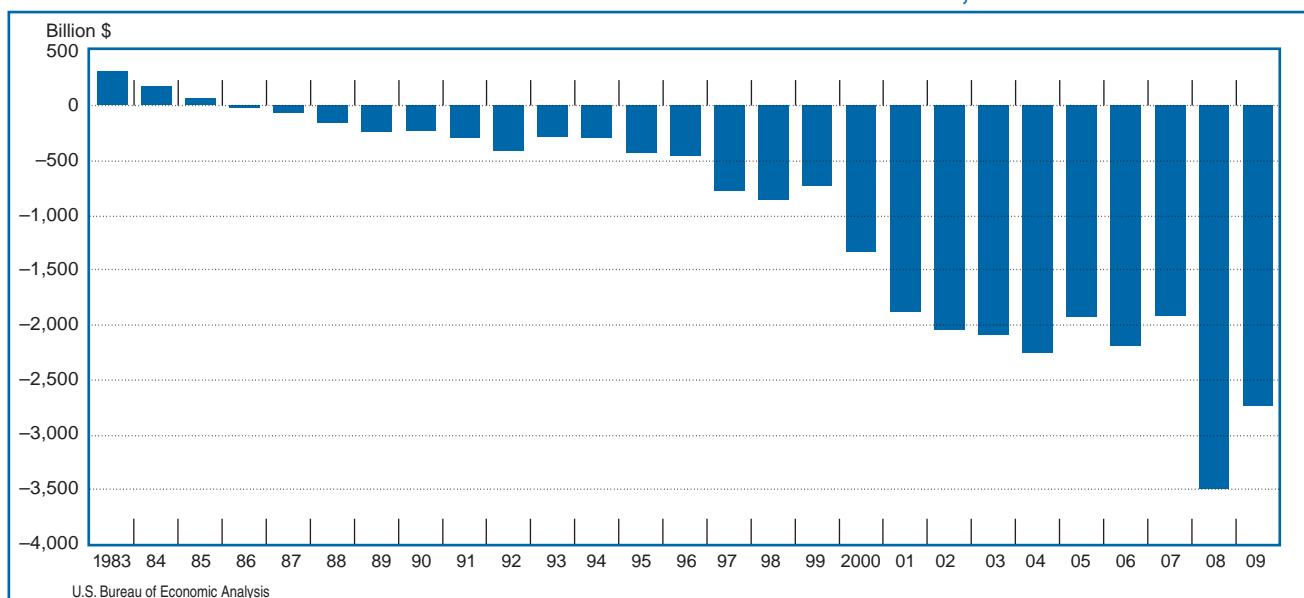
The \$756.0 billion change in the U.S. net investment position from yearend 2008 to yearend 2009 reflected (1) price appreciation of U.S.-held foreign stocks that surpassed the price appreciation of foreign-held U.S. stocks, (2) appreciation of major currencies against the U.S. dollar that raised the dollar value of U.S.-owned assets abroad, and (3) "other" changes (such as changes in reporting panels and capital gains and losses from the sales of direct investment assets) that raised the value of U.S.-owned assets abroad more than the value of foreign-owned assets in the United States. The impact of these differences was partly offset by net foreign acquisitions of financial assets in the United States that exceeded net U.S. acquisitions of financial assets abroad.

In 2009, U.S.-owned assets abroad decreased \$865.8 billion to \$18,379.1 billion, and foreign-owned assets in the United States decreased \$1,621.8 billion to \$21,116.9 billion (table A). Both of these decreases resulted from decreases in U.S. holdings of financial derivatives as assets and as liabilities that more than offset increases in U.S.-owned assets and foreign-owned assets excluding financial derivatives. U.S. holdings of financial derivatives as assets (with gross positive fair value) decreased \$2,615.4 billion and as liabilities (with gross negative fair value) decreased \$2,583.7 billion after even larger rises in 2008. These large changes

Table A. U.S. Net International Investment Position at Yearend
[Billions of dollars]

	2007	2008	2009
Net position	-1,915.7	-3,493.9	-2,737.8
Financial derivatives, net	71.5	159.6	127.9
Net position, excluding financial derivatives	-1,987.2	-3,653.5	-2,865.8
U.S.-owned assets abroad	18,339.9	19,244.9	18,379.1
Financial derivatives (gross positive fair value).....	2,559.3	6,127.5	3,512.0
U.S.-owned assets abroad, excluding financial derivatives ...	15,780.5	13,117.4	14,867.1
Foreign-owned assets in the United States	20,255.6	22,738.8	21,116.9
Financial derivatives (gross negative fair value)	2,487.9	5,967.8	3,384.1
Foreign-owned assets in the United States, excluding financial derivatives	17,767.7	16,770.9	17,732.9

Chart 1. Net International Investment Position of the United States at Yearend, 1983–2009



were mainly due to decreases in U.S. assets and liabilities from interest-rate and credit-default swap contracts. In late 2008, the values of interest-rate, exchange-rate, and credit contracts hit a peak as interest rates plunged, the dollar appreciated rapidly, and credit spreads increased sharply. The value of contracts fell in 2009 as the markets adjusted to lower short-term interest rates and long-term interest rates rose, the dollar depreciated, and credit spreads were reduced. Because changes to U.S. assets and liabilities in financial derivatives were largely offsetting, they had little effect on the U.S. net investment position.

U.S.-owned assets abroad excluding financial derivatives increased \$1,749.7 billion to \$14,867.1 billion in 2009.

- Financial flows excluding financial derivatives raised the value of U.S.-owned assets abroad by \$140.5 billion in 2009 (table B). In 2009, U.S. banks' claims on foreign residents and U.S. direct investment abroad increased, and U.S. residents bought more foreign securities than they sold. These financial outflows were partly offset by a decrease in U.S. government assets resulting from the reversal of currency swaps between the U.S. Federal Reserve System and foreign central banks and by a decrease in U.S. nonbanks' claims on foreign residents.
- Valuation adjustments excluding those on financial derivatives raised the value of U.S.-owned assets abroad by \$1,609.2 billion (table B). Price appreciation of foreign stocks and exchange-rate appreciation of major foreign currencies against the U.S. dollar in 2009 sharply raised the value of U.S.-owned assets abroad, especially of U.S.-held foreign stocks.

Table B. Changes in U.S.-Owned Assets Abroad, Excluding Financial Derivatives
[Billions of dollars]

	2008	2009
Total change.....	-2,663.1	1,749.7
Financial flows.....	-156.1	140.5
Valuation adjustments.....	-2,507.0	1,609.2
Price changes.....	-2,085.0	1,066.1
Exchange-rate changes.....	-687.2	358.0
Other valuation changes.....	265.1	185.1

Foreign-owned assets in the United States excluding financial derivatives increased \$961.9 billion to \$17,732.9 billion in 2009.

- Financial flows excluding financial derivatives raised the value of foreign-owned assets in the United States by \$305.7 billion in 2009 (table C). In 2009, foreign residents including foreign official institutions purchased more U.S. Treasury securities and U.S. stocks than they sold, and foreign direct invest-

ment in the United States increased. These financial inflows were partly offset by decreases in U.S. banks' liabilities to foreign residents and by foreign residents' net sales of U.S. corporate bonds and agency bonds.

- Valuation adjustments excluding those on financial derivatives raised the value of foreign-owned assets in the United States by \$656.2 billion, largely as a result of price appreciation of U.S. stocks (table C).

This article presents the major changes in U.S.-owned assets abroad and in foreign-owned assets in the United States in 2009. Tables 1 and 2 at the end of this article present the yearend position statistics by type of asset.

Table C. Changes in Foreign-Owned Assets in the United States, Excluding Financial Derivatives

[Billions of dollars]

	2008	2009
Total change	-996.8	961.9
Financial flows	454.7	305.7
Valuation adjustments	-1,451.5	656.2
Price changes	-1,312.4	543.2
Exchange-rate changes	-99.0	81.2
Other valuation changes	-40.1	31.8

Changes in U.S.-Owned Assets Abroad

U.S. official reserve assets and other U.S. government assets

U.S. official reserve assets increased \$110.1 billion to \$403.8 billion in 2009, mostly as a result of an increase in the market value of the official U.S. gold stock and new allocations of special drawing rights (SDRs) to the United States by the International Monetary Fund (IMF). The value of U.S. gold stock increased \$56.9 billion to \$284.4 billion, reflecting a 25 percent increase in the market price of gold from yearend 2008 to yearend 2009. U.S. holdings of SDRs increased \$48.5 billion to \$57.8 billion, mostly as a result of \$47.6 billion in new SDRs allocations by the IMF during the third quarter of 2009. U.S. official holdings of foreign currencies and the U.S. reserve position at the IMF also increased, but by much smaller amounts.

U.S. government assets other than official reserve assets decreased \$541.3 billion to \$82.8 billion as a result of the reversal of swaps under temporary reciprocal currency arrangements between the U.S. central bank and foreign central banks in order to provide dollar liquidity to foreign banks during the financial crisis. These currency swaps do not meet the strict definition of U.S. reserve assets. Several central banks, mostly in Europe and Asia, repaid large amounts of dollars under these swap lines, mostly in the first half of 2009.

Financial derivatives

U.S. holdings of financial derivatives with gross positive fair value decreased \$2,615.4 billion to \$3,512.0 billion in 2009 (table D).¹ Most of the decrease was attributable to decreases in over-the-counter (OTC), single-currency, interest-rate swap contracts and in "other" OTC contracts, especially credit-default swaps. By area, most of U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

Bank and nonbank claims

U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$387.7 billion to \$4,064.1 billion in 2009. Financial outflows raised U.S. banks' and securities brokers' claims by \$277.1 billion in 2009, compared with financial inflows that lowered U.S. banks' and securities brokers' claims by \$422.6 billion in 2008. "Other" changes raised U.S. banks' and securities brokers' claims by \$96.8 billion, mainly as a result of changes in the reporting panels of data sources.

U.S. banks' and securities brokers' own claims denominated in dollars increased \$306.2 billion to \$2,868.9 billion (table E). Most of the increase in claims reflected deposits being moved from foreign-owned banks in the United States to affiliated banks abroad, mainly in the Cayman Islands, Japan, and the United Kingdom. In 2009, as deposits growth and capital ratios improved at U.S. branches, they were able to repay some of the dollar liquidity received from parent banks abroad during part of the financial crisis in 2008. Securities brokers also increased claims on non-

bank foreigners during the year in the form of resale agreements.

U.S. banks' domestic customers' claims denominated in dollars increased \$79.5 billion to \$863.1 billion. The increase reflected a sharp increase in holdings of foreign negotiable certificate of deposits and commercial paper, mostly in Western Europe, where short-term interest rates were higher than those in the United States. U.S. banks' claims payable in foreign currencies increased somewhat, as an increase in exchange-rate changes nearly offset a decrease in banks' customers' deposits overseas.

U.S. claims on foreigners reported by U.S. nonbanking concerns decreased \$0.5 billion to \$794.2 billion (table E). Financial inflows lowered nonbanks' claims by \$124.4 billion. In contrast, "other" changes raised nonbanks' claims by \$115.6 billion, mainly as a result of changes in the reporting panels of data sources.

Table E. U.S. Claims Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend

[Billions of dollars]

	2007	2008	2009
U.S. claims reported by U.S. banks and securities brokers	3,847.1	3,676.3	4,064.1
Claims for own accounts, denominated in dollars	2,812.9	2,562.7	2,868.9
U.S.-owned banks' claims	711.4	919.2	1,006.2
Foreign-owned banks' claims	1,363.9	1,154.4	1,316.3
Brokers' and dealers' claims	737.6	489.1	546.4
Claims for customers' accounts, denominated in dollars.....	789.4	783.6	863.1
Claims, denominated in foreign currencies.....	244.8	330.0	332.1
U.S. claims reported by U.S. nonbanking concerns.....	1,173.7	794.7	794.2

Foreign securities

U.S. holdings of foreign securities increased \$1,485.3 billion to \$5,471.0 billion in 2009, mostly as a result of price appreciation of foreign stocks and, to a much lesser extent, of foreign bonds. Exchange-rate changes and net U.S. purchases also resulted in higher U.S. holdings of foreign securities. In 2009, improved global financial market conditions and expectations of a

Table D. Gross Positive Fair Value of Financial Derivatives

[Billions of dollars]

	2008	2009	Changes				2008-2009	
			2009					
			I	II	III	IV		
Financial derivatives	6,127.5	3,512.0	-564.2	-1,506.6	79.0	-623.6	-2,615.4	
By type:								
Over-the-counter contracts	6,065.2	3,472.5	-538.8	-1,503.8	77.2	-627.4	-2,592.7	
Single-currency interest rate contracts	4,053.4	2,596.8	-330.4	-943.2	272.7	-455.7	-1,456.5	
Foreign exchange contracts	497.2	283.4	-167.4	-30.1	33.0	-49.4	-213.9	
Other	1,514.6	592.3	-41.1	-530.4	-228.5	-122.3	-922.3	
Exchange-traded contracts	62.3	39.5	-25.4	-2.9	1.7	3.8	-22.7	
By area:								
Europe	5,562.1	3,193.1	-478.2	-1,400.6	95.5	-585.7	-2,369.0	
Of which: United Kingdom.....	4,160.6	2,393.1	-342.1	-1,064.3	48.7	-409.7	-1,767.5	
Canada	92.2	44.3	-14.3	-19.9	-1.2	-12.4	-47.9	
Caribbean financial centers	186.1	86.8	-32.9	-41.4	-21.1	-3.8	-99.3	
Of which: Cayman Islands.....	153.2	73.0	-22.0	-37.9	-19.1	-1.2	-80.2	
Latin America, excluding Caribbean financial centers	15.7	10.7	-0.3	-1.2	-2.3	-1.2	-5.0	
Asia	233.3	128.4	-35.0	-38.6	-5.6	-25.7	-104.9	
Of which: Japan.....	141.5	72.9	-21.2	-17.2	-2.6	-27.6	-68.6	
Africa	6.4	16.7	-1.2	-1.0	1.3	11.2	10.3	
Other	31.7	32.1	-2.3	-3.9	12.4	-5.9	0.4	

global economic recovery lifted the value of many financial assets, particularly of stocks, from depressed levels seen in 2008. The strengthening of major foreign currencies against the U.S. dollar during the year also added to the financial gains for U.S. investors who held foreign-currency-denominated assets. Major foreign currencies appreciated 8 percent against the U.S. dollar in 2009, compared with a depreciation of 9 percent in 2008.² In 2009, U.S. transactions in foreign securities shifted to net purchases of \$208.2 billion from net sales of \$197.9 billion in 2008.

U.S. holdings of foreign stocks increased \$1,229.0 billion to \$3,977.4 billion in 2009, mostly because of price changes of \$937.3 billion resulting from price increases in major foreign stock markets. The Morgan Stanley Capital International world (excluding the United States) stock index rose 28 percent in local currency. Other sources of the increase in U.S. holdings were \$228.4 billion in exchange-rate changes and \$63.3 billion in net U.S. purchases of foreign stocks.

At yearend 2009, the largest U.S. holdings were in European stocks, which stood at \$1,888.9 billion, or 47 percent of total U.S. holdings of foreign stocks (table F). U.S. holdings of Asian stocks were \$923.3 billion, or 23 percent, and U.S. holdings at Caribbean financial

2. The Federal Reserve Board's monthly index of the foreign exchange value of the U.S. dollar against major foreign currencies was used to measure the appreciation or depreciation of foreign currencies against the U.S. dollar.

Table F. U.S. Holdings of Foreign Stocks by Major Area and Country at Yearend
[Billions of dollars]

	2007	2008	2009
Total holdings	5,248.0	2,748.4	3,977.4
Europe.....	2,569.4	1,378.9	1,888.9
<i>Of which:</i>			
United Kingdom	734.7	393.3	583.2
Switzerland	281.0	214.3	269.5
France	347.8	212.2	269.3
Germany	329.2	159.9	197.8
Netherlands	154.0	76.6	108.7
Spain	106.6	63.3	93.0
Italy	96.9	47.0	60.5
Sweden	57.4	30.3	47.7
Belgium and Luxembourg	71.7	31.6	45.8
Canada	379.0	180.2	289.2
Caribbean financial centers	588.6	283.1	390.6
<i>Of which:</i>			
Bermuda	256.1	143.3	193.3
Cayman Islands	231.9	95.2	133.1
Latin America, excluding Caribbean financial centers	293.8	137.3	295.8
<i>Of which:</i>			
Brazil	172.6	72.1	185.9
Mexico	85.4	46.0	74.4
Asia	1,193.7	659.2	923.3
<i>Of which:</i>			
Japan	529.2	347.6	373.2
Hong Kong	119.5	61.5	107.2
China	95.7	53.3	83.9
Korea, Republic of	129.2	45.3	83.3
Taiwan	81.0	41.2	76.9
Africa.....	65.6	35.6	53.1
<i>Of which: South Africa</i>	49.1	29.6	46.1
Other countries.....	157.9	74.1	136.6
<i>Of which: Australia</i>	138.1	65.2	121.0

centers were \$390.6 billion, or 10 percent of total U.S. holdings of foreign stocks.

U.S. holdings of foreign bonds increased \$256.3 billion to \$1,493.6 billion in 2009, mostly as a result of \$144.9 billion in net purchases. Valuation changes resulting from price appreciation in several major foreign bond markets and exchange-rate appreciation of major foreign currencies against the U.S. dollar also contributed to the increase in U.S. holdings of foreign bonds.

At yearend 2009, the largest U.S. holdings were in European bonds, which stood at \$679.7 billion, or 46 percent of total U.S. holdings of foreign bonds (table G). U.S. holdings of foreign bonds at Caribbean financial centers, mostly the Cayman Islands, were \$227.8 billion, or 15 percent, and U.S. holdings of Canadian bonds were \$215.5 billion, or 14 percent of total U.S. holdings of foreign bonds.

Table G. U.S. Holdings of Foreign Bonds by Major Area and Country at Yearend

[Billions of dollars]

	2007	2008	2009
Total holdings	1,587.1	1,237.3	1,493.6
Europe.....	798.7	571.2	679.7
<i>Of which:</i>			
United Kingdom	296.7	189.0	191.1
Belgium and Luxembourg	48.9	43.4	134.7
Netherlands	76.4	74.9	82.6
Germany	84.6	75.9	65.2
France	78.3	52.7	48.2
Ireland	50.2	22.6	30.0
Sweden	29.1	20.2	21.8
Canada	185.2	165.9	215.5
Caribbean financial centers	296.3	227.2	227.8
<i>Of which:</i>			
Cayman Islands	271.3	202.4	205.4
Bermuda	16.7	19.2	27.1
Latin America, excluding Caribbean financial centers	79.1	65.9	85.9
<i>Of which:</i>			
Brazil	16.2	18.9	30.6
Mexico	23.9	19.0	24.1
Asia	118.9	103.2	110.4
<i>Of which:</i>			
Japan	49.1	39.7	38.7
Korea, Republic of	9.8	10.5	21.1
Africa	9.0	6.1	6.2
Other countries	99.8	97.7	168.2
<i>Of which: Australia</i>	73.3	71.0	126.9

U.S. direct investment abroad

The stock of U.S. direct investment abroad increased \$308.4 billion to \$4,051.2 billion in 2009, mostly as a result of financial outflows (table H). Financial outflows increased U.S. direct investment abroad by

Table H. U.S. Direct Investment Abroad

[Billions of dollars]

	2008	2009
Total position at yearend	3,742.8	4,051.2
Total change	189.9	308.4
Financial outflows	351.1	268.7
Equity	145.5	18.4
Intercompany debt	-33.9	10.3
Reinvested earnings	239.5	239.9
Price changes	-9.0	-12.2
Exchange-rate changes	-103.0	79.1
Other valuation changes	-49.2	-27.2

\$268.7 billion. In 2009, reinvested earnings remained especially strong at \$239.9 billion. Net equity investment slowed sharply to \$18.4 billion and was the slowest since 1992. Exchange-rate changes raised the value of U.S. direct investment abroad by \$79.1 billion. Partly offsetting were decreases in prices and other changes, mostly capital losses from sales of assets.

Changes in Foreign-Owned Assets in the United States

Financial derivatives

U.S. holdings of financial derivatives with gross negative fair value decreased \$2,583.7 billion to \$3,384.1 billion (table I). As with U.S. holdings of financial

Table I. Gross Negative Fair Value of Financial Derivatives
[Billions of dollars]

	2008	2009	Changes				2008–2009	
			2009					
			I	II	III	IV		
Financial derivatives.....	5,967.8	3,384.1	-555.7	-1,511.8	96.0	-612.2	-2,583.7	
By type:								
Over-the-counter contracts.....	5,904.7	3,345.3	-530.3	-1,507.0	93.5	-615.5	-2,559.4	
Single-currency interest rate contracts.....	3,977.2	2,532.6	-338.9	-946.4	288.4	-447.7	-1,446.6	
Foreign exchange contracts.....	481.8	251.0	-158.2	-41.5	21.8	-53.0	-230.8	
Other.....	1,445.7	561.7	-33.3	-519.1	-216.7	-114.9	-884.0	
Exchange-traded contracts.....	63.1	38.8	-25.4	-4.8	2.5	3.3	-24.3	
By area:								
Europe.....	5,436.7	3,088.1	-466.0	-1,405.3	103.1	-580.5	-2,348.6	
Of which: United Kingdom.....	4,096.8	2,357.6	-342.6	-1,056.7	64.8	-404.6	-1,739.1	
Canada.....	90.6	40.3	-12.9	-22.5	-3.1	-12.0	-50.3	
Caribbean financial centers.....	167.1	75.9	-34.0	-41.6	-15.0	-6.6	-91.1	
Of which: Cayman Islands.....	133.6	64.0	-22.4	-35.1	-14.0	1.9	-69.6	
Latin America, excluding Caribbean financial centers.....	13.0	8.0	-1.2	-0.6	-2.4	-0.8	-5.1	
Asia.....	219.8	123.2	-38.0	-33.0	-0.6	-25.0	-96.6	
Of which: Japan.....	142.6	71.1	-23.6	-17.9	1.4	-31.5	-71.6	
Africa.....	5.5	16.6	-0.8	-1.1	1.6	11.4	11.1	
Other.....	35.1	32.0	-2.8	-7.9	12.4	-4.8	-3.1	

Valuing Direct Investment Positions and Other Components of the U.S. International Investment Position

Virtually all of the categories in the international investment position accounts except direct investment positions can be directly estimated with reference to readily observable market prices. For example, the value of positions in portfolio investment securities, gold, loans, currencies, and bank deposits can be directly estimated based on face values or market prices of recent transactions. In contrast, direct investment positions typically involve illiquid ownership interests in companies that may possess many unique attributes—such as customer base, management, and ownership of intangible assets—whose values in the current period are difficult to determine, because shares in direct investment affiliates typically are not traded separately from those of their parent companies and because there is no widely accepted standard for revaluing company financial statements at historical cost into prices of the current period.

Direct investment at current cost is BEA's featured measure of direct investment in current-period prices. The current-cost method values the U.S. and foreign parents' shares 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. Direct investment at market value is an alternative measure of direct investment in current-period prices. The market-value

method values the owners' equity share of direct investment, using indexes of stock market prices. BEA also publishes direct investment at historical cost, which values assets and liabilities at their book value. Country and industry detail can be shown only for direct investment at historical cost. (For additional information, 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.)

In this article, BEA features the current-cost method, because the statistics prepared using this method are comparable with BEA's current-cost statistics of the net stock of fixed assets and consumer durable goods and with the Federal Reserve Board's statistics of domestic net worth (the sum of tangible assets located in the United States, including plant and equipment, inventories, and land). Furthermore, BEA's calculation of direct investment income includes a current-cost adjustment to depreciation; this adjustment converts depreciation as reported on company financial statements to the preferred economic accounts measure, which is based on the current cost, rather than on the historical cost, of assets.

For detailed data on direct investment at historical cost by country and industry, see "Direct Investment Positions for 2009: Country and Industry Detail" in this issue.

derivatives with gross positive fair value, most of the decrease was attributable to decreases in over-the-counter (OTC) single-currency interest-rate swap contracts and in “other” OTC contracts, especially credit-default swaps. By area, most of U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

Foreign official assets

Foreign official assets in the United States increased \$433.8 billion to \$4,373.8 billion, mostly as a result of especially strong net purchases of U.S. Treasury securities. Foreign official holdings of U.S. Treasury securities increased \$470.5 billion to \$2,871.1 billion, reflecting net purchases of \$561.1 billion that more than offset price decreases of \$92.3 billion. Holdings of U.S. corporate bonds and stocks increased \$112.5 billion to \$495.2 billion, mostly as a result of increases in the prices of U.S. stocks. The U.S. government’s other liabilities to foreign official institutions increased \$58.2 billion to \$98.8 billion, mainly because of the inclusion of reserve-related liabilities resulting from \$47.6 billion of new SDR allocations to the United States by the IMF in the third quarter of 2009. In contrast, foreign official holdings of agency bonds decreased \$142.3 billion to \$721.3 billion, mostly as a result of net sales of \$120.1 billion. U.S. banks’ liabilities to foreign official institutions decreased \$65.2 billion to \$187.5 billion.

Bank and nonbank liabilities

U.S. liabilities to private foreign residents and international financial institutions reported by U.S. banks and securities brokers decreased \$211.6 billion to \$3,593.6 billion in 2009. Financial outflows lowered U.S. banks’ and securities brokers’ liabilities by \$313.0 billion in 2009, compared with financial outflows of \$412.0 billion in 2008. These financial outflows were partly offset by “other” changes that raised U.S. banks’ and securities brokers’ liabilities by \$84.9 billion, mainly as a result of changes in the reporting panels of data sources.

Dollar-denominated liabilities for U.S. banks’ and securities brokers’ own accounts decreased \$65.3 billion to \$2,926.1 billion, reflecting outflows of deposits, mostly from U.S.-owned banks to affiliated banks in the Cayman Islands and Japan during the first half of 2009 (table J). Decreases in U.S.-owned banks’ and securities brokers’ liabilities were partly offset by an increase in foreign-owned banks’ liabilities.

Dollar-denominated liabilities for customers’ accounts decreased \$93.1 billion to \$446.3 billion, mostly as a result of decreases in foreign holdings of U.S. negotiable certificates of deposits. U.S. banks’ liabilities

payable in foreign currencies decreased \$53.2 billion to \$221.2 billion, reflecting cutbacks in loans and deposits.

U.S. liabilities to foreign residents reported by U.S. nonbanking concerns decreased \$66.0 billion to \$665.5 billion (table J). Financial outflows lowered nonbanks’ liabilities by \$1.5 billion. “Other” changes lowered nonbanks’ liabilities by \$69.2 billion, mainly as a result of changes in the reporting panels of data sources.

Table J. U.S. Liabilities Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend
[Billions of dollars]

	2007	2008	2009
U.S. liabilities reported by U.S. banks and securities brokers	3,979.0	3,805.2	3,593.6
Liabilities for own accounts, denominated in dollars	3,056.6	2,991.4	2,926.1
U.S.-owned banks’ liabilities	1,027.3	1,354.8	1,275.7
Foreign-owned banks’ liabilities	855.6	933.9	967.1
Brokers’ and dealers’ liabilities	1,173.7	702.7	683.3
Liabilities for customers’ accounts, denominated in dollars	642.6	539.4	446.3
Liabilities, denominated in foreign currencies	279.8	274.4	221.2
U.S. liabilities reported by U.S. nonbanking concerns	864.6	731.5	665.5

U.S. Treasury securities

Total foreign official and private holdings of U.S. Treasury securities increased \$445.8 billion to \$3,697.2 billion in 2009 (table K). The increase reflected especially strong net purchases from foreign official institutions that were partly offset by decreases in the prices of U.S. Treasury securities.

At yearend 2009, China remained the largest holder of U.S. Treasury securities with total holdings valued at \$1,036.0 billion, an increase of \$227.7 billion from yearend 2008 (table K). Japan, the second-largest holder of U.S. Treasury securities, saw its holdings increase \$100.6 billion to \$760.7 billion. Together, Japan and China accounted for 49 percent of total foreign holdings of U.S. Treasury securities.

Table K. Foreign Official and Private Holdings of U.S. Treasury Securities by Selected Countries at Yearend
[Billions of dollars]

	2007	2008	2009
Total holdings	2,376.4	3,251.4	3,697.2
<i>Of which:</i>			
China.....	486.8	808.3	1,036.0
Japan.....	616.8	660.1	760.7
OPEC Asia.....	116.1	180.6	177.3
Brazil.....	135.5	140.1	170.0
Russia.....	41.1	133.8	156.9
Hong Kong.....	54.5	78.2	148.3
Taiwan.....	52.6	94.5	115.7
Belgium and Luxembourg.....	94.6	112.9	104.3
Switzerland.....	42.0	73.6	89.0
Cayman Islands.....	50.4	104.8	76.8

Other U.S. securities

Foreign private holdings of U.S. securities other than U.S. Treasury securities increased \$666.4 billion to \$5,287.2 billion in 2009, reflecting a record \$610.0 billion in price appreciation, mostly from increases in

U.S. stock prices. Net foreign purchases of U.S. securities were very small, as net purchases of U.S. stocks were mostly offset by net sales of corporate and agency bonds.

Foreign holdings of U.S. corporate and agency bonds increased \$70.6 billion to \$2,841.2 billion. The increase reflected \$206.9 billion in valuation changes resulting from increases in corporate bond prices and exchange-rate appreciation of foreign-currency-denominated U.S. bonds that were partly offset by net sales of \$136.3 billion. In 2009, net sales of corporate bonds by private foreign residents were a record \$130.6 billion, up sharply from \$51.4 billion in 2008. Net sales of agency bonds were \$5.7 billion, down sharply from a record \$172.6 billion in 2008.

At yearend 2009, investors from Europe accounted for \$1,782.9 billion, or 63 percent of total foreign holdings of U.S. corporate and agency bonds; most of the holdings were in Belgium and Luxembourg and in the United Kingdom (table L). Outside of Europe, investment funds in the Caribbean financial centers accounted for \$509.7 billion, or 18 percent of total foreign holdings. Investors from Asia accounted for \$398.7 billion, or 14 percent of total foreign holdings; most of the holdings were in Japan.

Table L. Foreign Private Holdings of U.S. Corporate and Agency Bonds by Major Area and Country at Yearend

[Billions of dollars]

	2007	2008	2009
Total holdings	3,289.1	2,770.6	2,841.2
Europe.....	2,068.3	1,753.2	1,782.9
Of which:			
Belgium and Luxembourg	753.0	668.9	719.1
United Kingdom	709.3	566.0	543.2
Ireland	168.7	153.0	151.1
Switzerland	97.7	98.8	101.2
Germany	113.4	90.5	88.0
Netherlands	104.2	84.7	80.7
France	58.4	41.0	48.7
Canada.....	78.0	63.8	64.3
Caribbean financial centers.....	590.4	480.2	509.7
Of which:			
Cayman Islands	430.7	336.8	349.2
Bermuda	119.8	109.5	120.2
Latin America, excluding Caribbean financial centers.....	50.0	33.8	30.3
Of which: Mexico	24.8	12.4	5.4
Asia.....	454.2	388.0	398.7
Of which:			
Japan	286.7	265.2	276.7
Taiwan	30.7	36.4	46.6
Hong Kong	35.1	23.4	28.5
China	56.1	27.8	15.1
OPEC Asia.....	16.0	13.0	8.5
Africa	3.5	3.4	2.4
Other countries.....	44.7	48.2	53.0
Of which: Australia	32.2	28.9	28.9

Foreign holdings of U.S. stocks increased \$595.7 billion to \$2,445.9 billion, reflecting substantial price appreciation and strong net purchases. Price appreciation raised foreign holdings by \$459.4 billion as the S&P 500 stock index rose 23 percent for the year, a reversal from a 38 percent decline in 2008. Net foreign purchases of U.S. stocks were \$136.4 billion in 2009, up from \$57.5 billion in 2008.

At yearend 2009, investors in Europe accounted for \$1,244.4 billion, or 51 percent of total foreign holdings of U.S. stocks (table M). Outside of Europe, investment funds in the Caribbean financial centers accounted for \$416.6 billion, or 17 percent of total foreign holdings; Asia accounted for 14 percent of total holdings, mostly in Japan; and Canada accounted for 12 percent of total holdings.

Table M. Foreign Private Holdings of U.S. Corporate Stocks by Major Area and Country at Yearend

[Billions of dollars]

	2007	2008	2009
Total holdings	2,900.9	1,850.2	2,445.9
Europe.....	1,560.8	964.3	1,244.4
Of which:			
United Kingdom	443.7	282.8	375.7
Belgium and Luxembourg	246.3	147.4	189.5
Switzerland	173.2	118.0	159.2
Netherlands	193.1	124.6	155.6
France	144.1	87.3	104.6
Ireland	82.1	56.0	73.4
Germany	99.2	45.3	54.3
Sweden	50.2	31.4	42.7
Canada.....	353.0	234.2	293.5
Caribbean financial centers.....	500.7	305.0	416.6
Of which:			
Cayman Islands	324.3	214.9	295.3
Bermuda	76.0	38.3	43.6
Latin America, excluding Caribbean financial centers	49.4	39.1	55.8
Asia.....	332.4	239.7	345.0
Of which:			
Japan	217.0	161.9	222.8
Singapore	44.7	20.0	30.5
Hong Kong	21.7	16.8	25.5
China	5.6	6.7	15.8
OPEC Asia.....	12.2	10.2	14.9
Taiwan	11.0	8.9	14.2
Africa	9.1	5.1	5.7
Other countries	95.5	62.8	84.9
Of which: Australia	88.0	57.3	75.9

U.S. currency

U.S. currency held by foreigners increased \$12.6 billion to \$313.8 billion in 2009. Net U.S. currency shipments to foreigners were down significantly in 2009 from a record \$29.2 billion in 2008, as demand for dollars somewhat reverted to the pattern of the prefinancial crisis period.

Foreign direct investment in the United States

The stock of foreign direct investment in the United States increased \$151.4 billion to \$2,672.8 billion in 2009. Financial inflows raised foreign direct investment in the United States by \$134.7 billion, mostly as a result of net equity investment (table N).

Table N. Foreign Direct Investment in the United States

[Billions of dollars]

	2008	2009
Total position at yearend	2,521.4	2,672.8
Total change	110.8	151.4
Financial inflows.....	328.3	134.7
Equity	261.6	94.8
Intercompany debt	19.8	11.5
Reinvested earnings	47.0	28.5
Price changes	-3.6	-5.8
Exchange-rate changes	-7.1	3.6
Other valuation changes	-206.8	18.9

Tables 1 and 2 follow.

Revisions to the Statistics

Statistics on the U.S. international investment position presented in this article have been updated and revised to include newly available source data and methodological changes that are related to the improvements incorporated in the annual revision of the U.S. international transactions accounts. This year, the revised position statistics also reflect BEA's efforts to modernize and enhance the international economic accounts.

New international standards

BEA is completing the implementation of the latest international guidelines on the treatment of allocations of special drawing rights (SDRs) by including the associated reserve-related liabilities in "other U.S. government liabilities" (table 1, line 31). As a result, the U.S. international investment position statistics have been revised for 1976–2008 (see the table below). For 1976–2006, the only source of revision is the new treatment of allocations of SDRs.

Permanent debt between affiliated banks, bank holding companies, and financial holding companies is reclassified from direct investment (table 1, lines 18 and 35) to U.S. claims and liabilities reported by U.S. banks and securities brokers (table 1, lines 23 and 42). The reclassification of these debt positions causes offsetting revisions. Revisions to U.S. direct investment abroad and U.S. claims reported by U.S. banks are less than \$0.5 billion in 2007 and 2008, and revisions to the investment positions for foreign direct investment in the United States and U.S. liabilities reported by U.S. banks are \$3.3 billion in 2007 and \$6.5 billion in 2008. Total U.S.-owned assets abroad, foreign-owned assets in the United States, and the net investment position are not affected by these offsetting revisions.

New source data

The revised position statistics for 2007 and 2008 also reflect new data from BEA's annual surveys of multinational companies and new and updated data from BEA's quarterly surveys of direct investment. Other sources of revisions include (1) the effects of several U.S. nonbanking entities shifting to bank holding companies at the end of 2008, which shifted their investment positions from claims and liabilities reported by U.S. nonbanking concerns to bank-reported claims and liabilities, (2) the incorporation of results from the U.S. Treasury Department's annual survey "U.S. Ownership of Foreign Securities for December 2008" and from the benchmark survey "Foreign-Residents' Holdings of U.S. Securities for June 2009," and (3) the incorporation of late reports and correction of reporting errors of the monthly TIC data.

Impact of the revisions

Revisions for 2007 and 2008 did not significantly affect the trend in the net investment position for these years relative to earlier periods that were slightly revised for the addition of reserve-related liabilities (see the table below). For 2007, the newly published value of the net investment position is -\$1,915.7 billion, revised by \$224.2 billion from its previously published value of -\$2,139.9 billion. In 2008, the new value of -\$3,493.9 billion is only slightly revised by -\$24.6 billion from its previously published value of -\$3,469.2 billion. The small revisions for 1976–2006 due to the new treatment of SDR allocations also have a negligible impact on trends.

For additional information on the sources of revisions to positions, see "Annual Revision of the U.S. International Transactions Accounts" in this issue.

Revisions to the Net International Investment Position of the United States, 1976–2008

[Billions of dollars]

	Net International Investment Position of the United States			U.S. owned-assets abroad			Foreign owned-assets in the United States					
							Total			Of which: Other U.S. government liabilities		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
1976	165.4	162.7	-2.7	457.0	457.0	0.0	291.6	294.3	2.7	8.9	11.5	2.7
1977	172.4	169.6	-2.8	512.3	512.3	0.0	339.9	342.7	2.8	10.3	13.0	2.8
1978	208.1	205.1	-3.0	621.2	621.2	0.0	413.2	416.2	3.0	12.7	15.7	3.0
1979	319.8	315.7	-4.2	786.7	786.7	0.0	466.9	471.0	4.2	12.7	16.9	4.2
1980	365.5	360.3	-5.2	929.8	929.8	0.0	564.3	569.5	5.2	13.4	18.5	5.2
1981	346.1	340.4	-5.7	1,001.7	1,001.7	0.0	655.6	661.3	5.7	13.0	18.7	5.7
1982	336.8	331.4	-5.4	1,108.4	1,108.4	0.0	771.7	777.1	5.4	13.6	19.0	5.4
1983	307.5	302.4	-5.1	1,211.0	1,211.0	0.0	903.4	908.6	5.1	14.2	19.4	5.1
1984	171.6	166.7	-4.8	1,204.9	1,204.9	0.0	1,033.4	1,038.2	4.8	15.0	19.8	4.8
1985	67.1	61.7	-5.4	1,287.4	1,287.4	0.0	1,220.3	1,225.7	5.4	15.8	21.2	5.4
1986	-21.8	-27.8	-6.0	1,469.4	1,469.4	0.0	1,491.2	1,497.2	6.0	18.0	24.0	6.0
1987	-64.0	-70.9	-7.0	1,646.5	1,646.5	0.0	1,710.5	1,717.4	7.0	15.7	22.6	7.0
1988	-160.9	-167.5	-6.6	1,829.7	1,829.7	0.0	1,905.0	1,997.1	6.6	15.2	21.8	6.6
1989	-239.8	-246.2	-6.4	2,070.9	2,070.9	0.0	2,310.7	2,317.1	6.4	15.4	21.8	6.4
1990	-223.4	-230.4	-7.0	2,179.0	2,179.0	0.0	2,402.4	2,409.4	7.0	17.2	24.2	7.0
1991	-284.7	-291.8	-7.0	2,286.5	2,286.5	0.0	2,571.2	2,578.2	7.0	18.6	25.6	7.0
1992	-404.3	-411.0	-6.7	2,331.7	2,331.7	0.0	2,736.0	2,742.7	6.7	20.8	27.5	6.7
1993	-277.7	-284.5	-6.7	2,753.6	2,753.6	0.0	3,031.4	3,038.1	6.7	22.1	28.8	6.7
1994	-291.3	-298.5	-7.2	2,987.1	2,987.1	0.0	3,278.4	3,285.6	7.2	23.7	30.8	7.2
1995	-422.9	-430.2	-7.3	3,486.3	3,486.3	0.0	3,909.2	3,916.5	7.3	23.6	30.9	7.3
1996	-456.3	-463.3	-7.0	4,032.3	4,032.3	0.0	4,488.6	4,495.6	7.0	22.6	29.6	7.0
1997	-779.6	-786.2	-6.6	4,567.9	4,567.9	0.0	5,347.5	5,354.1	6.6	21.7	28.3	6.6
1998	-851.5	-858.4	-6.9	5,095.5	5,095.5	0.0	5,947.0	5,953.9	6.9	18.4	25.3	6.9
1999	-724.3	-731.1	-6.7	5,974.4	5,974.4	0.0	6,698.7	6,705.5	6.7	21.1	27.9	6.7
2000	-1,330.6	-1,337.0	-6.4	6,238.8	6,238.8	0.0	7,569.4	7,575.8	6.4	19.3	25.7	6.4
2001	-1,868.9	-1,875.0	-6.2	6,308.7	6,308.7	0.0	8,177.6	8,183.7	6.2	17.0	23.2	6.2
2002	-2,038.0	-2,044.6	-6.7	6,649.1	6,649.1	0.0	8,687.0	8,693.7	6.7	17.1	23.8	6.7
2003	-2,086.5	-2,093.8	-7.3	7,638.1	7,638.1	0.0	9,724.6	9,731.9	7.3	16.4	23.7	7.3
2004	-2,245.4	-2,253.0	-7.6	9,340.6	9,340.6	0.0	11,586.1	11,593.7	7.6	16.3	23.9	7.6
2005	-1,925.1	-1,932.1	-7.0	11,961.6	11,961.6	0.0	13,866.7	13,893.7	7.0	15.9	22.9	7.0
2006	-2,184.3	-2,191.7	-7.4	14,428.1	14,428.1	0.0	16,612.4	16,619.8	7.4	18.7	26.1	7.4
2007	-2,139.9	-1,915.7	224.2	18,278.8	18,339.9	61.0	20,418.8	20,255.6	-163.2	24.0	31.9	7.8
2008	-3,469.2	-3,493.9	-24.6	19,888.2	19,244.9	-643.3	23,357.4	22,738.8	-618.6	32.7	40.6	7.9

Table 1. International Investment Position of the United States at Yearend, 2008 and 2009

[Millions of dollars]

Line	Type of investment	Position, 2008 ^r	Changes in position in 2009				Position, 2009 ^p	
			Attributable to:					
			Financial flows (a)	Price changes (b)	Exchange-rate changes ¹ (c)	Other changes ² (d)		
1	Net international investment position of the United States (lines 2+3).....	-3,493,882	-216,075	522,929	276,730	172,452	756,036	-2,737,946
2	Financial derivatives, net (line 5 less line 25) ³	159,635	-50,804	(⁴)	(⁴)	4,19,103	-31,701	127,934
3	Net international investment position, excluding financial derivatives (line 6 less line 26).....	-3,653,517	-165,271	522,929	276,730	153,349	787,737	-2,865,780
4	U.S.-owned assets abroad (lines 5+6).....	19,244,875	(⁵)	(⁵)	(⁵)	(⁵)	-865,791	18,379,084
5	Financial derivatives (gross positive fair value).....	6,127,450	(⁵)	(⁵)	(⁵)	(⁵)	-2,615,443	3,512,007
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17).....	13,117,425	140,465	1,066,119	357,956	185,112	1,749,652	14,867,077
7	U.S. official reserve assets.....	293,732	52,256	56,941	875	0	110,072	403,804
8	Gold.....	227,439	0	⁵ 56,941	.....	0	56,941	284,380
9	Special drawing rights.....	9,340	48,230	.....	244	0	48,474	57,814
10	Reserve position in the International Monetary Fund.....	7,683	3,357	.....	345	0	3,702	11,385
11	Foreign currencies.....	49,270	669	.....	286	0	955	50,225
12	U.S. government assets, other than official reserve assets.....	624,100	-541,342	.....	(⁵)	17	-541,325	82,775
13	U.S. credits and other long-term assets ⁷	69,877	1,936	.....	(⁵)	17	1,953	71,830
14	Repayable in dollars.....	69,604	1,936	.....	.....	17	1,953	71,557
15	Other ⁸	273	0	.....	(⁵)	.....	0	273
16	U.S. foreign currency holdings and U.S. short-term assets ⁹	554,222	-543,278	.....	(⁵)	.....	-543,278	10,944
17	U.S. private assets.....	12,199,593	629,552	1,009,178	357,081	185,095	2,180,906	14,380,499
18	Direct investment at current cost.....	3,742,835	268,680	-12,201	79,124	-27,247	308,356	4,051,191
19	Foreign securities.....	3,985,712	208,213	1,021,379	255,694	0	1,485,286	5,470,998
20	Bonds.....	1,237,284	144,909	84,123	27,269	0	256,301	1,493,585
21	Corporate stocks.....	2,748,428	63,304	937,256	228,425	0	1,228,985	3,977,413
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	794,699	-124,428	.....	8,404	115,550	-474	794,225
23	U.S. claims reported by U.S. banks and securities brokers, not included elsewhere.....	3,676,347	277,087	.....	13,859	96,792	387,738	4,064,085
24	Foreign-owned assets in the United States (lines 25+26).....	22,738,757	(⁵)	(⁵)	(⁵)	(⁵)	-1,621,827	21,116,930
25	Financial derivatives (gross negative fair value).....	5,967,815	(⁵)	(⁵)	(⁵)	(⁵)	-2,583,742	3,384,073
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34).....	16,770,942	305,736	543,190	81,226	31,763	961,915	17,732,857
27	Foreign official assets in the United States.....	3,939,998	450,030	-13,584	219	.....	.....	.....
28	U.S. Government securities.....	3,264,139	441,056	-104,274	.....	-8,524	328,258	3,592,397
29	U.S. Treasury securities.....	2,400,516	561,125	-92,297	.....	1,708	470,536	2,871,052
30	Other.....	863,623	-120,069	-11,977	.....	-10,232	-142,278	721,345
31	Other U.S. Government liabilities ¹⁰	40,577	57,971	.....	219	0	58,190	98,767
32	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere.....	252,608	-70,851	.....	.....	5,700	-65,151	187,457
33	Other foreign official assets.....	382,674	21,854	90,690	.....	0	112,544	495,218
34	Other foreign assets.....	12,830,944	-144,294	556,774	81,007	34,587	528,074	13,359,018
35	Direct investment at current cost.....	2,521,353	134,707	-5,761	3,560	18,927	151,433	2,672,786
36	U.S. Treasury securities.....	850,921	22,781	-47,510	.....	0	-24,729	826,192
37	U.S. securities other than U.S. Treasury securities.....	4,620,798	59	610,045	56,261	0	666,365	5,287,163
38	Corporate and other bonds.....	2,770,606	-136,296	150,665	56,261	0	70,630	2,841,236
39	Corporate stocks.....	1,850,192	136,355	459,380	.....	0	595,735	2,445,927
40	U.S. currency.....	301,139	12,632	.....	.....	0	12,632	313,771
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	731,539	-1,460	.....	4,638	-69,240	-66,062	665,477
42	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere.....	3,805,194	-313,013	.....	16,548	84,900	-211,565	3,593,629
43	Memoranda:							
43	Direct investment abroad at market value.....	3,103,704	268,680	737,062	194,222	-817	1,199,147	4,302,851
44	Direct investment in the United States at market value.....	2,552,572	134,707	422,683	.....	10,621	568,011	3,120,583

^p Preliminary^r Revised³ Less than \$500,000 (+/-)^{....} 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 in coverage due to year-to-year changes in the composition of reporting panels, primarily for bank and nonbank estimates, and to the incorporation of survey results. Also includes capital gains and losses of direct investment affiliates and changes in positions that cannot be allocated to financial flows, price changes, or exchange-rate changes.

3. Financial flows and valuation adjustments for financial derivatives are available only on a net basis, which is shown on line 2; they are not separately available for gross positive fair values and gross negative fair values of financial derivatives. Consequently, columns (a) through (d) on lines 4, 5, and 24, 25 are not available.

4. Data are not separately available for the three types of valuation adjustments; therefore, the sum of all three types is shown in column (d).

5. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

6. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions financial flows.

7. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

8. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

9. Includes foreign-currency-denominated assets obtained through temporary reciprocal currency arrangements between the Federal Reserve System and foreign central banks. These assets are included in the investment position at the dollar value established at the time they were received, reflecting the valuation of these assets in the Federal Reserve System's balance sheet. The movement of exchange rates does not affect this valuation.

10. Includes U.S. government liabilities associated with military sales contracts and U.S. government reserve-related liabilities from allocations of special drawing rights (SDRs).

Table 2. International Investment Position

[Millions]

Line	Type of Investment	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
1	Net international investment position of the United States (lines 2+3)	315,663	360,347	340,385	331,373	302,404	166,747	61,739	-27,759	-70,919	-167,458	-246,232	-230,375	-291,754	-411,021
2	Financial derivatives, net (line 5 less line 25) ¹														
3	Net international investment position, excluding financial derivatives (line 6 less line 26)	315,663	360,347	340,385	331,373	302,404	166,747	61,739	-27,759	-70,919	-167,458	-246,232	-230,375	-291,754	-411,021
4	U.S.-owned assets abroad (lines 5+6)	786,701	929,806	1,001,667	1,108,436	1,210,974	1,204,900	1,287,396	1,469,396	1,646,527	1,829,665	2,070,868	2,178,978	2,286,456	2,331,696
5	Financial derivatives (gross positive fair value) ¹														
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17)	786,701	929,806	1,001,667	1,108,436	1,210,974	1,204,900	1,287,396	1,469,396	1,646,527	1,829,665	2,070,868	2,178,978	2,286,456	2,331,696
7	U.S. official reserve assets	143,260	171,412	124,568	143,445	123,110	105,040	117,930	139,875	162,370	144,179	168,714	174,664	159,223	147,435
8	Gold ²	135,476	155,816	105,644	120,635	100,484	81,202	85,834	102,428	127,648	107,434	105,164	102,406	92,561	87,168
9	Special drawing rights	2,724	2,610	4,096	5,250	5,025	5,641	7,293	8,395	10,283	9,637	9,951	10,989	11,240	8,503
10	Reserve position in the International Monetary Fund	1,253	2,852	5,054	7,348	11,312	11,541	11,947	11,730	11,349	9,745	9,048	9,076	9,488	11,759
11	Foreign currencies	3,807	10,134	9,774	10,212	6,289	6,656	12,856	17,322	13,090	17,363	44,551	52,193	45,934	40,005
12	U.S. government assets, other than official reserve assets	58,851	65,573	70,893	76,903	81,664	86,945	89,792	91,850	90,681	87,892	86,643	84,344	81,422	83,022
13	U.S. credits and other long-term assets ³	57,909	63,731	69,320	75,105	79,852	84,857	87,854	90,923	89,900	87,163	86,057	83,716	79,776	81,352
14	Repayable in dollars	54,616	60,731	66,591	72,635	77,618	82,819	85,978	89,271	88,344	85,768	84,734	82,602	78,814	80,498
15	Other ⁴	3,293	3,000	2,729	2,470	2,234	2,038	1,876	1,652	1,556	1,395	1,323	1,114	962	854
16	U.S. foreign currency holdings and U.S. short-term assets ⁵	942	1,842	1,573	1,798	1,812	2,088	1,938	927	781	729	586	628	1,646	1,670
17	U.S. private assets	584,590	692,821	806,206	888,088	1,006,200	1,012,915	1,079,674	1,237,671	1,393,476	1,597,594	1,815,511	1,919,970	2,045,811	2,101,239
18	Direct investment at current cost ⁶	336,301	388,072	407,804	374,059	355,643	348,342	371,036	404,818	478,062	513,761	553,093	616,655	643,364	663,830
19	Foreign securities ⁷	56,769	62,454	62,142	74,046	84,723	88,804	119,403	158,123	188,589	232,849	314,294	342,313	455,750	515,083
20	Bonds ⁷	41,966	43,524	45,675	56,604	58,569	62,810	75,020	85,724	93,889	104,187	116,949	144,717	176,774	200,817
21	Corporate stocks ⁷	14,803	18,930	16,467	17,442	26,154	25,994	44,383	72,399	94,700	128,662	197,345	197,596	278,976	314,266
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns ⁸	34,491	38,429	42,752	35,405	131,329	130,138	141,872	167,392	177,368	197,757	234,307	265,315	256,295	254,303
23	U.S. claims reported by U.S. banks and securities brokers, not included elsewhere ⁹	157,029	203,866	293,508	404,578	434,505	445,631	447,363	507,338	549,457	653,227	713,817	695,687	690,402	668,023
24	Foreign-owned assets in the United States (lines 25+26)	471,038	569,459	661,282	777,063	908,570	1,038,153	1,225,657	1,497,155	1,717,446	1,997,123	2,317,100	2,409,353	2,578,210	2,742,717
25	Financial derivatives (gross negative fair value) ¹														
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34)	471,038	569,459	661,282	777,063	908,570	1,038,153	1,225,657	1,497,155	1,717,446	1,997,123	2,317,100	2,409,353	2,578,210	2,742,717
27	Foreign official assets in the United States	164,025	181,217	186,128	194,514	199,598	204,481	207,864	247,219	290,009	328,629	348,185	380,263	405,546	444,000
28	U.S. government securities	106,640	118,189	125,130	132,587	136,987	144,665	145,063	178,916	220,548	260,934	263,612	291,228	311,199	329,317
29	U.S. Treasury securities ¹⁰	101,748	111,336	117,004	124,929	129,716	138,168	138,438	173,310	213,713	252,962	257,201	285,911	305,994	322,600
30	Other ¹⁰	4,892	6,853	8,126	7,658	7,271	6,497	6,625	5,606	6,835	7,972	6,411	5,317	5,205	6,717
31	Other U.S. government liabilities ¹¹	16,922	18,522	18,732	19,044	19,361	19,762	21,185	23,986	22,618	21,793	21,813	24,213	25,618	27,538
32	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere	30,540	30,381	26,737	24,989	25,534	26,090	26,734	27,920	31,838	31,520	36,495	39,880	38,396	54,967
33	Other foreign official assets ¹⁰	9,923	14,125	15,529	17,894	17,716	13,964	14,882	16,397	15,005	14,382	26,265	24,942	30,333	32,178
34	Other foreign assets	307,013	388,242	475,154	582,549	708,972	833,672	1,017,793	1,249,936	1,427,437	1,668,494	1,968,915	2,029,090	2,172,664	2,298,717
35	Direct investment at current cost ¹²	88,579	127,105	164,623	184,842	193,708	223,538	247,223	284,701	334,552	401,766	467,886	505,346	533,404	540,270
36	U.S. Treasury securities ¹⁰	14,210	16,113	18,505	25,758	33,846	62,121	87,954	96,078	82,588	100,877	166,541	152,452	170,295	197,739
37	U.S. securities other than U.S. Treasury securities ¹⁰	58,587	74,114	75,085	92,988	113,811	128,477	207,868	309,803	341,732	392,292	482,864	460,644	546,008	599,447
38	Corporate and other bonds ¹⁰	10,269	9,545	10,694	16,709	17,454	32,421	82,290	140,863	166,089	191,314	231,673	238,903	274,136	299,287
39	Corporate stocks ¹⁰	48,318	64,569	64,391	76,279	96,357	96,056	125,578	168,940	175,643	200,978	251,191	221,741	271,872	300,160
40	U.S. currency	16,642	19,415	20,974	23,441	27,546	29,942	33,258	35,679	39,545	43,656	47,405	63,991	76,804	87,890
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns ¹³	18,669	30,426	30,606	27,532	61,731	77,415	86,993	90,703	110,187	144,548	167,093	213,406	208,908	220,666
42	U.S. liabilities reported by U.S. banks and securities brokers, not included elsewhere ¹⁴	110,326	121,069	165,361	227,988	278,330	312,179	354,497	432,972	518,833	585,355	637,126	633,251	637,245	652,705
43	Direct investment abroad at market value ⁶					226,638	274,342	270,574	386,352	530,074	590,246	692,461	832,460	731,762	827,537
44	Direct investment in the United States at market value ¹²					130,428	153,318	172,377	219,996	272,966	316,200	391,530	534,734	539,601	669,137

^p Preliminary.^r Revised.

..... Not applicable

1. A break in series in 2005 reflects the introduction of U.S. Department of the Treasury data on financial derivatives.

2. U.S. official gold stock is valued at market price.

3. Also includes paid-in capital subscriptions to international financial institutions and resources provided to foreigners under foreign assistance programs requiring repayment over several years. Excludes World War I debts that are not being serviced.

4. Included indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

5. Beginning in 2007, includes foreign-currency-denominated assets obtained through temporary reciprocal currency arrangements between the Federal Reserve System and foreign central banks.

6. A break in series in 1994 reflects the reclassification from the direct investment accounts to the nonbank investment accounts of intercompany debt positions between parent companies and affiliates that are not depository institutions and

that are primarily engaged in financial intermediation. Estimates for 1976 forward are linked to the 1977, 1982, 1989, 1994, 1999, and 2004 benchmark surveys of U.S. direct investment abroad.

7. Estimates include results of the 1994, 1997, 2001, and 2006 Benchmark Surveys of U.S. Portfolio Holdings of Foreign Securities, and the results of the 2003, 2004, 2005, 2007, and 2008 Annual Surveys of U.S. Holdings of Foreign Securities, conducted by the U.S. Department of the Treasury.

8. A break in series in 1983 reflects the introduction of counterparty data from the United Kingdom and from the Bank for International Settlements (BIS) for several European countries, Caribbean banking centers, and Asian banking centers. Additional coverage from BIS data was introduced in 1986, 1989, 1993, and 1994. In 1994, intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation are reclassified from the direct investment accounts to the nonbank investment accounts. A break in series in 2003 reflects the reclassification of assets reported by U.S. securities brokers from nonbank-reported assets to bank-reported assets, and a reduction in counterparty balances to eliminate double counting. A break in series in 2005 reflects the addition of previously unreported claims of U.S. financial intermediaries on their foreign parents associated with the issuance of asset-backed commercial paper in the United States.

of the United States at Yearend, 1979–2009

of dollars]

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008 ^r	2009 ^p	Line
-284,460	-298,458	-430,194	-463,338	-786,174	-858,363	-731,068	-1,337,014	-1,875,032	-2,044,631	-2,093,794	-2,253,026	-1,932,149	-2,191,653	-1,915,685	-3,493,882	-2,737,846	1
												57,915	59,836	71,472	159,635	127,934	2
-284,460	-298,458	-430,194	-463,338	-786,174	-858,363	-731,068	-1,337,014	-1,875,032	-2,044,631	-2,093,794	-2,253,026	-1,990,064	-2,251,489	-1,987,157	-3,653,517	-2,865,780	3
2,753,648	2,987,118	3,486,272	4,032,307	4,567,906	5,095,546	5,974,394	6,238,785	6,308,681	6,649,079	7,638,086	9,340,634	11,961,552	14,428,137	18,339,872	19,244,875	18,379,084	4
												1,190,029	1,238,995	2,559,332	6,127,450	3,512,007	5
2,753,648	2,987,118	3,486,272	4,032,307	4,567,906	5,095,546	5,974,394	6,238,785	6,308,681	6,649,079	7,638,086	9,340,634	10,771,523	13,189,142	15,780,540	13,117,425	14,867,077	6
164,945	163,394	176,061	160,739	134,836	146,006	136,418	128,400	129,961	158,602	183,577	189,591	188,043	219,853	277,211	293,732	403,804	7
102,556	100,110	101,279	96,698	75,929	75,291	75,950	71,799	72,328	90,806	108,866	113,947	134,175	165,267	218,025	227,439	284,380	8
9,039	10,039	11,037	10,312	10,027	10,603	10,336	10,539	10,783	12,166	12,638	13,628	8,210	8,870	9,476	9,340	57,814	9
11,818	12,030	14,649	15,435	18,071	24,111	17,950	14,824	17,869	21,979	22,535	19,544	8,036	5,040	4,244	7,683	11,385	10
41,532	41,215	49,096	38,294	30,809	36,001	32,182	31,238	28,981	33,651	39,538	42,472	37,622	40,676	45,466	49,270	50,225	11
83,382	83,908	85,064	86,123	86,198	86,768	84,227	85,168	85,654	85,309	84,772	83,062	77,523	72,189	94,471	624,100	82,775	12
81,435	81,884	82,802	83,999	84,130	84,850	81,657	82,574	83,132	82,682	81,980	80,308	76,960	71,635	70,015	69,877	71,830	13
80,660	81,389	82,358	83,606	83,780	84,528	81,367	82,293	82,854	82,406	81,706	80,035	76,687	71,362	69,742	69,604	71,557	14
775	495	444	393	350	322	290	281	278	276	274	273	273	273	273	273	273	15
1,947	2,024	2,262	2,124	2,068	1,918	2,570	2,594	2,522	2,627	2,792	2,754	563	554	24,456	554,222	10,944	16
2,505,321	2,739,816	3,225,147	3,785,445	4,346,872	4,862,772	5,753,749	6,025,217	6,093,066	6,405,168	7,369,737	9,067,981	10,505,957	12,897,100	15,408,858	12,199,593	14,380,499	17
723,526	786,565	885,506	989,810	1,068,063	1,196,021	1,414,355	1,531,607	1,693,131	1,867,043	2,054,464	2,498,494	2,651,721	2,948,172	3,552,902	3,742,835	4,051,191	18
853,528	937,153	1,203,925	1,487,546	1,751,183	2,069,383	2,551,949	2,425,534	2,169,735	2,076,722	2,948,370	3,545,396	4,329,259	5,604,475	6,835,079	3,985,712	5,470,998	19
309,666	310,391	413,310	481,411	543,396	594,400	548,233	572,692	557,062	702,742	868,948	984,978	1,011,554	1,275,515	1,587,089	1,237,284	1,493,585	20
543,862	626,762	790,615	1,006,135	1,207,787	1,474,983	2,003,716	1,852,842	1,612,673	1,373,980	2,079,422	2,560,418	3,317,705	4,328,960	5,247,990	2,748,428	3,977,413	21
242,022	322,980	367,567	450,578	545,524	588,322	704,517	836,559	839,303	901,946	594,004	793,556	1,018,462	1,184,073	1,173,731	794,699	794,225	22
686,245	693,118	768,149	857,511	982,102	1,009,046	1,082,928	1,231,517	1,390,897	1,559,457	1,772,899	2,230,535	2,506,515	3,160,380	3,847,146	3,676,347	4,064,085	23
3,038,108	3,285,576	3,916,466	4,495,645	5,354,080	5,953,909	6,705,462	7,575,799	8,183,713	8,693,710	9,731,880	11,593,660	13,893,701	16,619,790	20,255,557	22,738,757	21,116,930	24
												1,132,114	1,179,159	2,487,860	5,967,815	3,384,073	25
3,038,108	3,285,576	3,916,466	4,495,645	5,354,080	5,953,909	6,705,462	7,575,799	8,183,713	8,693,710	9,731,880	11,593,660	12,761,587	15,440,631	17,767,697	16,770,942	17,732,857	26
516,152	542,380	690,156	827,868	880,327	903,073	957,813	1,037,092	1,115,229	1,257,638	1,569,845	2,019,508	2,313,295	2,832,999	3,411,831	3,939,998	4,373,839	27
381,687	407,152	507,460	631,088	648,188	669,768	693,781	756,155	847,005	970,359	1,186,500	1,509,986	1,725,193	2,167,112	2,540,062	3,264,139	3,592,397	28
373,050	396,887	489,952	606,427	615,076	622,921	617,680	639,796	720,149	811,995	986,301	1,251,943	1,340,598	1,558,317	1,736,687	2,400,516	2,871,052	29
8,637	10,265	17,508	24,661	33,112	46,847	76,101	116,359	126,856	158,364	200,199	258,043	384,595	608,795	803,375	863,623	713,345	30
28,843	30,831	30,856	29,637	28,323	25,285	27,866	25,700	23,164	23,805	23,702	23,896	22,869	26,053	31,860	40,577	98,767	31
69,721	73,386	107,394	113,098	135,384	125,883	138,847	153,403	134,655	155,876	201,054	270,387	296,647	297,012	406,031	252,608	187,457	32
35,901	31,011	44,446	54,045	68,432	82,137	97,319	101,834	110,405	107,598	158,589	215,239	268,586	342,822	433,878	382,674	495,218	33
2,521,956	2,743,196	3,226,310	3,667,777	4,473,753	5,050,836	5,747,649	6,538,707	7,068,484	7,436,072	8,162,035	9,574,152	10,448,292	12,607,632	14,355,866	12,830,944	13,359,018	34
593,313	617,982	680,066	745,619	824,136	920,044	1,101,709	1,421,017	1,518,473	1,499,952	1,580,994	1,742,716	1,905,979	2,154,062	2,410,520	2,521,353	2,672,786	35
221,501	235,684	326,995	433,903	538,137	543,323	440,685	381,630	375,059	473,503	527,223	561,610	643,793	567,861	639,755	850,921	862,192	36
696,449	739,695	969,849	1,165,113	1,512,725	1,903,443	2,351,291	2,623,014	2,821,372	2,779,067	3,422,856	3,995,506	4,352,998	5,372,339	6,190,018	4,620,798	5,287,163	37
355,822	368,077	459,080	539,308	618,837	724,619	825,175	1,068,566	1,343,071	1,530,982	1,710,787	2,035,149	2,243,135	2,824,871	3,289,070	2,770,606	2,841,236	38
340,627	371,618	510,769	625,805	893,888	1,178,824	1,526,116	1,554,448	1,478,301	1,248,085	1,712,069	1,960,357	2,109,863	2,547,468	2,900,948	1,850,291	2,445,927	39
104,508	125,093	133,933	148,084	170,509	184,356	208,763	205,406	229,200	248,061	258,652	271,953	280,400	282,627	271,952	301,139	313,771	40
229,038	239,817	300,424	346,810	459,407	485,675	578,046	738,904	798,314	897,335	450,884	600,161	658,177	799,471	864,585	731,539	665,477	41
677,147	784,925	815,043	828,248	968,839	1,013,995	1,067,155	1,168,736	1,326,066	1,538,154	1,921,426	2,402,206	2,606,945	3,431,272	3,979,036	3,805,194	3,593,629	42
1,061,299	1,114,582	1,363,792	1,608,340	1,879,285	2,279,601	2,839,639	2,694,014	2,314,934	2,022,588	2,729,126	3,362,796	3,637,996	4,470,343	5,274,991	3,103,704	4,302,851	43
768,398	757,853	1,005,726	1,229,118	1,637,408	2,179,035	2,798,193	2,783,235	2,560,294	2,021,817	2,454,877	2,717,383	2,817,970	3,293,053	3,596,885	2,552,572	3,120,583	44

9. A break in series in 1988 reflects the introduction of data on holdings of foreign commercial paper. A break in series in 2003 reflects the reclassification of assets reported by U.S. securities brokers from nonbank-reported assets to bank-reported assets.

10. Estimates include results of the 1978, 1984, 1989, 1994, 2000, 2004, and 2009 Benchmark Surveys of Foreign Portfolio Investment in the United States, and the results of the 2002, 2003, 2005, 2006, 2007, and 2008 Annual Surveys of Foreign Holdings of U.S. Securities, conducted by the U.S. Department of the Treasury.

11. Includes U.S. government liabilities associated with military sales contracts and U.S. government reserve-related liabilities from allocations of special drawing rights (SDRs).

12. A break in series in 1994 reflects the reclassification from the direct investment accounts to the nonbank investment accounts of intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation. Estimates for 1976 forward are linked to the 1980, 1987, 1992,

1997, and 2002 benchmark surveys of foreign direct investment in the United States.

13. A break in series in 1983 reflects the introduction of counterparty data from the United Kingdom. A break in series in 1994 reflects the reclassification of intercompany debt positions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation from the direct investment accounts to the nonbank investment accounts. A break in series in 1996 reflects the introduction of counterparty data from the Bank of International Settlements (BIS) for several European countries. A break in series in 2003 reflects the reclassification of liabilities reported by U.S. securities brokers from nonbank-reported liabilities to bank-reported liabilities, and a reduction in counterparty balances to eliminate double counting.

14. A break in series in 2003 reflects the reclassification of liabilities reported by U.S. securities brokers from nonbank-reported liabilities to bank-reported liabilities.