

*Visual Essay*

A Look at the U.S. International Investment Position

Third Quarter of 2024

By Erin Whitaker | January 14, 2025

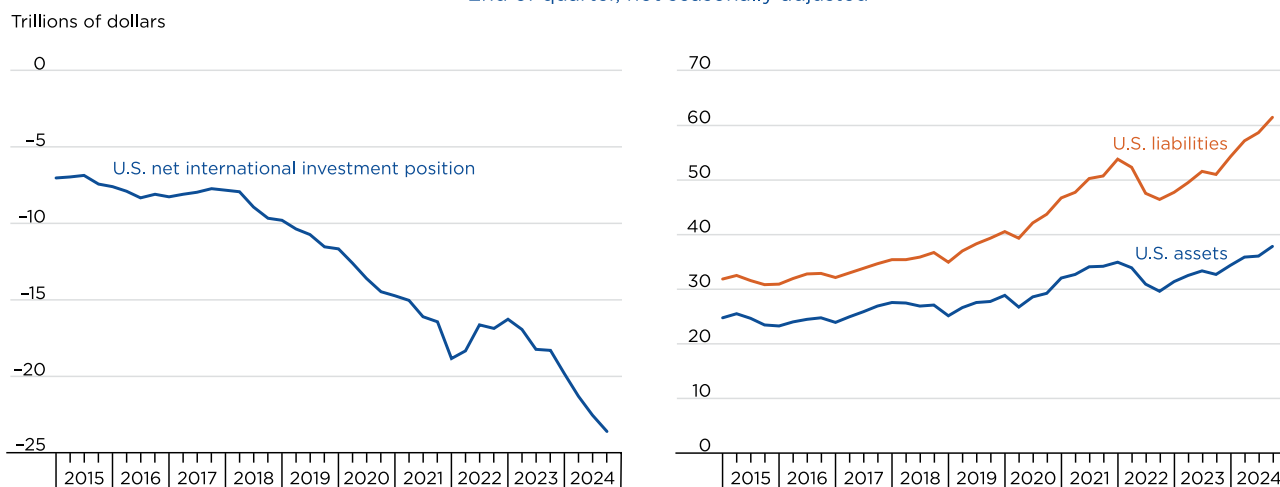
The U.S. Bureau of Economic Analysis (BEA) recently released statistics on the U.S. international investment position for the third quarter of 2024. The U.S. international investment position (IIP) is a statistical balance sheet that presents the dollar value of U.S. external financial assets and liabilities. The U.S. net IIP is the difference between U.S. residents' foreign financial assets and liabilities. A negative net investment position represents a U.S. net liability to the rest of the world.

The following charts present highlights of the U.S. IIP statistics for the third quarter. More detail can be found on the [U.S. international investment position product page](#) on BEA's website.

U.S. Net International Investment Position

Chart 1. U.S. International Investment Position

End of quarter, not seasonally adjusted

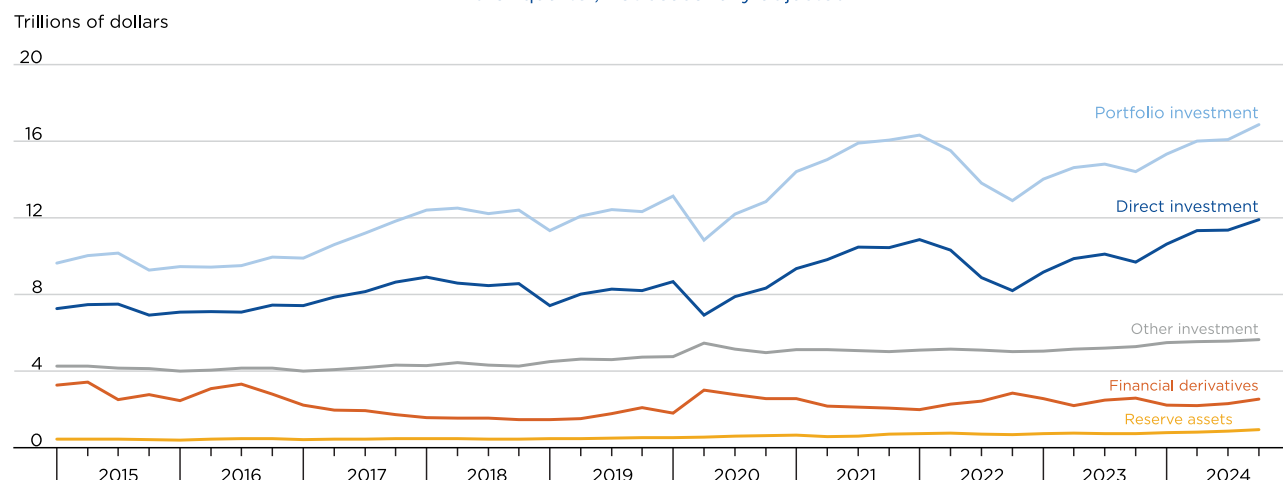


U.S. Bureau of Economic Analysis

- The net international investment position decreased from -\$22.55 trillion at the end of the second quarter of 2024 to -\$23.60 trillion at the end of the third quarter.
- The \$1.06 trillion decrease in the net IIP reflected an increase in liabilities that exceeded an increase in assets.
- U.S. assets increased by \$1.78 trillion to a total of \$37.86 trillion at the end of the third quarter, driven mainly by the appreciation of major foreign currencies against the U.S. dollar that raised the market value of assets in dollar terms.
- U.S. liabilities increased by \$2.83 trillion to a total of \$61.46 trillion at the end of the third quarter, driven mainly by U.S. stock price increases that raised the market value of portfolio investment and direct investment liabilities.

U.S. Assets

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

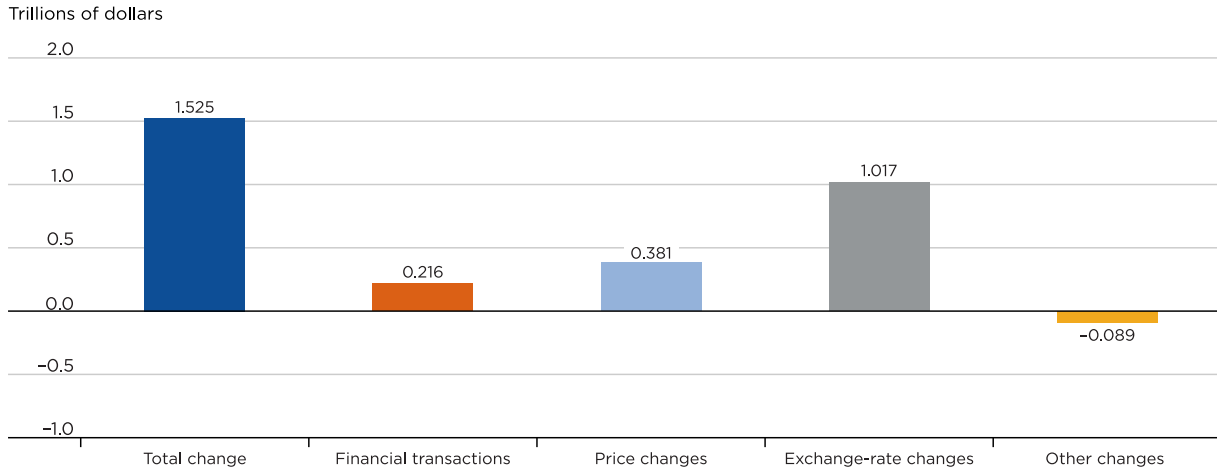


U.S. Bureau of Economic Analysis

- Portfolio investment assets increased by \$786.2 billion to \$16.87 trillion, and direct investment assets increased by \$563.5 billion to \$11.90 trillion.
- Financial derivatives, other investment assets, and reserve assets also increased during the third quarter.

Chart 3. Changes in Assets Excluding Financial Derivatives

Not seasonally adjusted



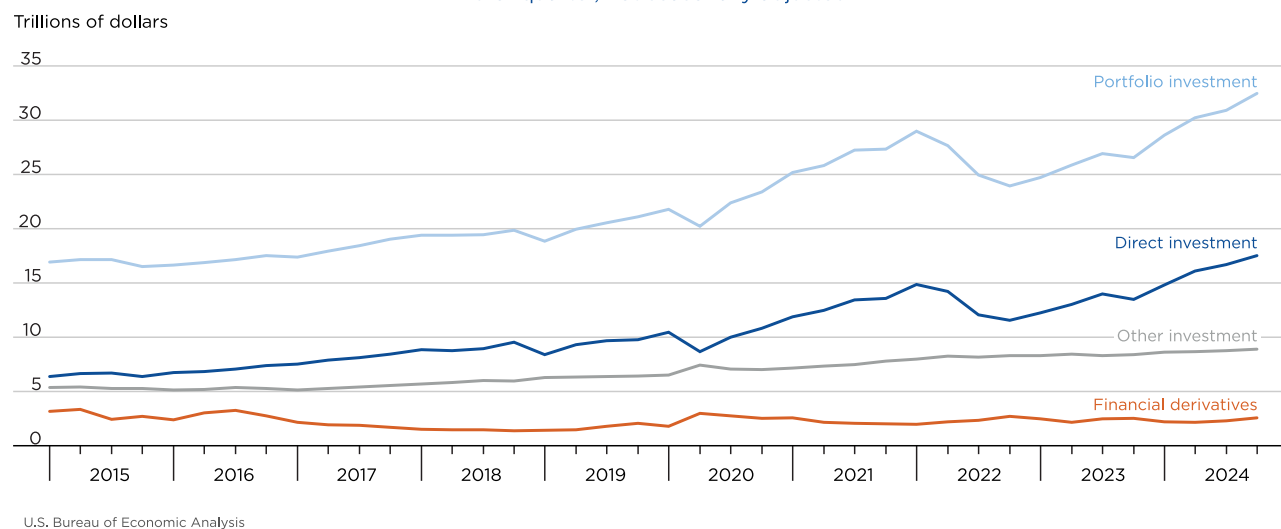
U.S. Bureau of Economic Analysis

- Exchange-rate changes raised the value of assets by \$1.02 trillion, reflecting foreign currency appreciation against the U.S. dollar. Portfolio investment and direct investment assets increased by \$630.3 billion and \$322.5 billion, respectively, from exchange-rate changes.
- Price changes (mostly reflecting foreign stock price increases) raised the value of U.S. assets by \$380.8 billion. Portfolio investment and direct investment assets increased by \$157.7 billion and \$144.9 billion, respectively, from price changes.
- Financial transactions (mostly reflecting reinvestment of earnings from direct investment assets and U.S. purchases of foreign equity and debt securities, part of portfolio investment) raised assets by \$216.0 billion.

U.S. Liabilities

Chart 4. U.S. Liabilities by Category

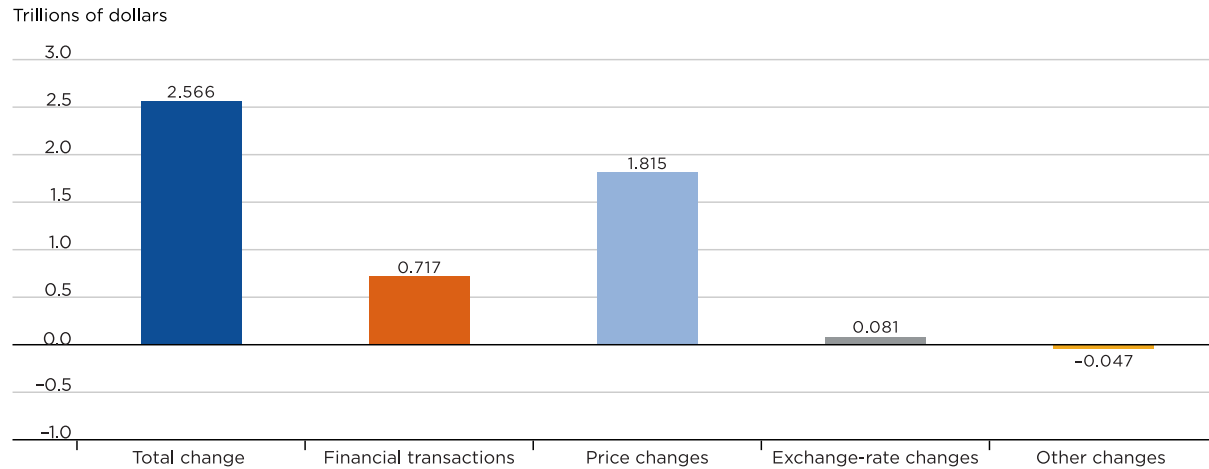
End of quarter, not seasonally adjusted



- Portfolio investment liabilities increased by \$1.59 trillion to \$32.49 trillion, and direct investment liabilities increased by \$840.5 billion to \$17.54 trillion.
- Financial derivatives and other investment liabilities also increased.

Chart 5. Changes in Liabilities Excluding Financial Derivatives

Not seasonally adjusted



U.S. Bureau of Economic Analysis

- Price changes (mostly reflecting U.S. stock price increases) raised the value of U.S. liabilities by \$1.82 trillion. Portfolio investment and direct investment liabilities increased by \$1.08 trillion and \$773.6 billion, respectively, from price changes.
- Financial transactions (mostly reflecting foreign purchases of U.S. debt and equity securities, part of portfolio investment) raised U.S. liabilities by \$716.7 billion.

Data Availability and Methodology

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

Key Terms

The **international investment position (IIP)** is a statistical balance sheet that presents the dollar value of U.S. financial assets and liabilities with respect to foreign residents at a specific point in time.

The **U.S. net IIP** is defined as the value of U.S. assets less the value of U.S. liabilities.

Financial transactions are transactions between U.S. residents and nonresidents in financial assets and liabilities. They are also recorded in the financial account of the International Transactions Accounts (ITAs).

Other changes in position are changes in the value of U.S. assets or liabilities arising from any source besides a financial transaction. Other changes in position include price changes, exchange-rate changes, and changes in volume and valuation n.i.e (not included elsewhere).

Price changes are changes in the value of an asset or liability due to changes in the market price of a financial instrument.

Exchange-rate changes are changes in the value of foreign-currency-denominated assets and liabilities due to changes in the values of foreign currencies relative to the value of the U.S. dollar.

Changes in volume and valuation n.i.e. reflect changes in position due to shifts in the composition of reporting panels, the incorporation of more comprehensive annual and benchmark survey results, and revaluations (holding gains and losses) on assets and liabilities that are not explained by price changes or exchange-rate changes.



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