

Article

Understanding the UK's net international investment position

The impact that price and exchange rates have on the valuation of the UK's net international investment position. This is an economic review article.

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1 . Main points

- The latest estimates show that the UK's net liability position is 32.8% of gross domestic product (GDP) as of the end of 2019; this is despite the cumulative financial flows over time implying a much wider net liability position, as gross stock positions are also exposed to revaluation and other changes in volume.
- We highlight the impact of price and currency changes on the net international investment position (NIIP), in particular the role of depreciation in the British pound from around the time of the referendum on the UK's membership of the EU as the main driver for these positive revaluation effects.
- The UK is not unique in being impacted by revaluations and other changes in volume effects to such an extent, as international comparisons show that Canada has also reported increasing revaluation and other changes in volume in recent years.
- Further analysis will look to provide some insight of the impact of the global coronavirus (COVID-19) pandemic on the UK's NIIP, an event that is likely to not only impact the amount of international transactions but also the scale of currency and price movements.

2 . Background

One of the main features of the UK economy over the last decade has been a widening of the UK current account deficit to levels that are high by historical and international standards, financed by external financing. [Concerns](#) have been raised as to whether such levels of borrowing can be sustained into the future. In this context, we look specifically at the UK's net external position, known as the net international investment position (NIIP), in this article. We note that despite the continued high levels of borrowing from the rest of the world, the UK's net external liability position remains relatively modest, although it has notably widened of late.

The NIIP measures the difference between the UK's external stock of assets (that is, UK-owned claims on non-residents) and liabilities (that is, foreign-owned claims on UK residents). It is an important barometer of the financial creditworthiness of a country: too high a net liability position may imply unsustainable national borrowing, while a small net liability or asset position helps a country accommodate net financial inflows either from increasing external liabilities to the rest of the world and/or disinvesting previously owned external assets.

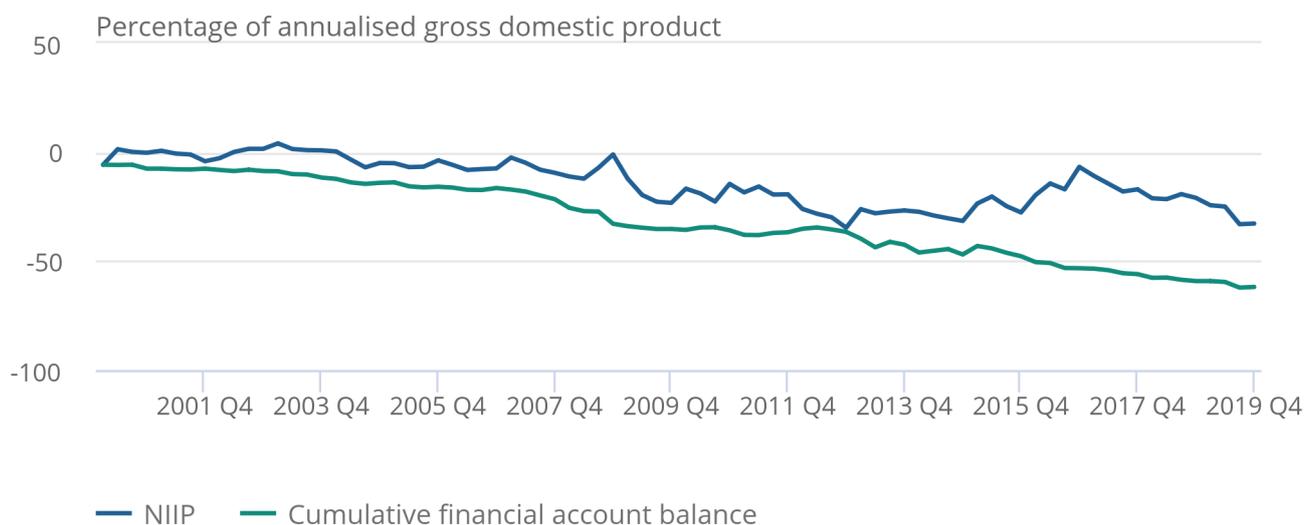
The latest estimates show that the UK's net liability position is 32.8% of gross domestic product (GDP) as of the end of 2019.¹ This is despite the cumulative financial transactions over time implying a much wider net liability position. Figure 1 shows the recent divergence between the UK's cumulative external borrowing since 2000 and its corresponding stock position. This divergence arises because gross stock positions are also exposed to revaluation and other changes in volume, and these factors can be significant for countries like the UK that have a large stock of gross assets and liabilities.

Figure 1: The UK's net international investment position is healthier than cumulative financial transactions would imply

Cumulative financial account in the UK Balance of Payments and NIIP, as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019

Figure 1: The UK's net international investment position is healthier than cumulative financial transactions would imply

Cumulative financial account in the UK Balance of Payments and NIIP, as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics - Understanding the UK's net international investment position

Notes:

1. Net international investment position (NIIP) and cumulative financial account balance do not include financial derivatives, reserve assets and special drawing rights, so these will not be the same as those published in the balance of payments.
2. The cumulative financial account balance has been applied to the net stock position (the NIIP) in Quarter 1 (Jan to Mar) 2000.

Given the NIIP has been healthier than the cumulative financial account balance would imply, we explore the role of revaluation and other changes in volume in explaining the latest estimate of the NIIP. We also compare the UK's experience against other advanced economies in the G7 to understand if this is unique to the UK. We conclude by outlining further research currently being undertaken to improve our understanding of the UK's NIIP.

Notes for: Background

1. Our analysis of the NIIP estimates here excludes the flows and stock of financial derivatives, reserve assets and special drawing rights, unless otherwise stated. The official NIIP published in the latest [balance of payments release](#) is equivalent to 25.2% of nominal GDP, if these are included.

3 . Reconciling transactions and stocks: the theoretical framework

The net international investment position (NIIP) records the British pound value of the UK's external financial assets (UK assets) and the British pound value of foreign-owned liabilities of UK residents (UK liabilities). Cross-border financial transactions result in gross stock positions that are (1) exposed to potential revaluation and (2) other changes in volume that impact on the closing stock position. The change in the NIIP in any one period equals net transactions, revaluations and other changes. The three are known as "flows", of which the latter two together are known as "other flows".

Revaluations are distinguished between exchange rate and market price changes.

Revaluations arising from changes in exchange rate arise because assets and liabilities can be denominated in different currencies but are recorded in the domestic currency of a country's international investment position (IIP). So, when exchange rate movements of the domestic currency in relation to a foreign currency take place, this has the effect of revaluing foreign currency-denominated positions in domestic currency terms. For example, if there is a depreciation in the British pound, the British pound value of foreign currency-denominated positions increases. As such, the UK's net position improves, as a higher proportion of its external assets than its external liabilities are denominated in a foreign currency. However, some of this revaluation impact is mitigated for the UK because its large international banking sector has a comparatively large amount of liabilities denominated in foreign currency.

Revaluations that change the market values of external assets and liabilities arise from changes in market prices of financial assets, such as equity and debt traded on international stock markets. The impact of these price changes on the NIIP will reflect the size and portfolio mix of investments and the extent to which UK and global equity and debt markets move with one another. A positive price impact on the UK's NIIP is more likely to occur if global equity and debt markets perform better than domestic equity and debt markets, and vice versa.

Other changes in volume include debt cancellation and write-offs, reclassifications, entities changing residence and units changing residence.

As such, movements in the NIIP can be expressed as:

$$NIIP_t = NIIP_{t-1} + NetTransactions_t + CurrencyRevaluation_t + MarketPriceRevaluation_t + OtherChanges_t$$

While we record estimates of the transactions and stocks in the UK Balance of Payments, it is not currently possible to estimate the other flows (revaluation and other changes in volumes) directly. This explains why these flows are modelled based on information that we have available on currency and price movements, as well as judgements we have made. Each type of investment is impacted by revaluation and other changes to varying degrees (see Table 1). Further information is available in [Annex A](#).

Table 1: An overview of modelling revaluation effects and other changes in volume on the type of investment

	Assets			Liabilities		
	Currency	Price	Other	Currency	Price	Other
Direct	Yes	No	Yes	No	No	Yes
Portfolio (equity)	Yes	Yes	Yes	No	Yes	Yes
Portfolio (debt securities)	Yes	Yes	Yes	Yes	Yes	Yes
Other	Yes	No	Yes	Yes	No	Yes

Source: Office for National Statistics

1. We model direct and other investment as only being exposed to currency effects, reflecting that these are not exposed to price movements in financial markets. The modelling of direct investment and portfolio equity picks up the currency mismatch on the UK's external balance sheet, as only the UK's external assets are assumed to be held in a foreign currency. Portfolio investment is also subject to price effects in our modelling, reflecting how the UK's assets and liabilities are traded on international stock markets.
2. Currency changes are calculated using exchange rate movements for the US dollar, euro and the yen. Price changes are modelled using a combination of stock and bond indices. Stock movements use weighted end-quarter share prices for the Dow Jones, Euro Stoxx, FTSE and Nikkei.
3. Annex A provides further information on the currency and price coefficients that are applied, which reflect the geographical pattern of the UK's assets and liabilities.
4. International manuals set out that all financial instruments should be valued at market prices. Where this is not practical then book values are accepted. The UK records portfolio investment at market prices but at present, like many other countries, does not have a suitable mechanism to value direct investment at market prices. As such, book value changes are implicitly recorded as part of other changes in volume.

4 . Impact of revaluations and other changes on the UK's NIIP

Figure 2 shows the results of our modelled estimates of currency and price effects on the UK's net international investment position (NIIP), along with "other" changes. The latter are calculated as a residual flow not attributed to transactions, currency or price revaluations. As can be seen, the impact of other flows on the NIIP has been positive since Quarter 1 (Jan to Mar) 2000.

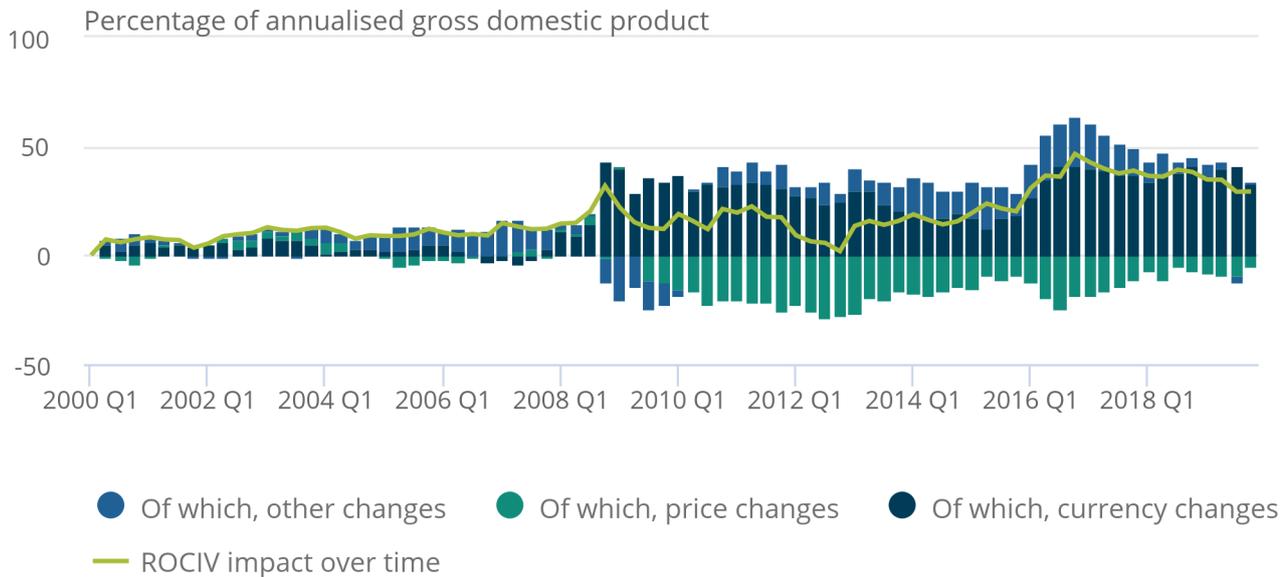
We can identify specific episodes where there have been marked changes in the impact of these other flows, specifically around the 2008 global financial crisis and the referendum on the UK's membership of the EU in 2016. The sizeable movements in exchange rates, combined with currency mismatches on the UK's balance sheet, help explain why the net liability position (excluding the stocks of financial derivatives, reserve assets and special drawing rights) narrowed in 2008 and 2016 to a level equivalent to 1.1% of gross domestic product (GDP) and 6.8% of GDP, respectively.

Figure 2: The healthier than expected NIIP is mainly because of depreciation in the British pound

Decomposition of revaluations and other changes, cumulative as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019

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Decomposition of revaluations and other changes, cumulative as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics - Understanding the UK's net international investment position

Notes:

1. ROCIV stands for revaluation and other changes in volume.

Revaluations arising from exchange rate changes

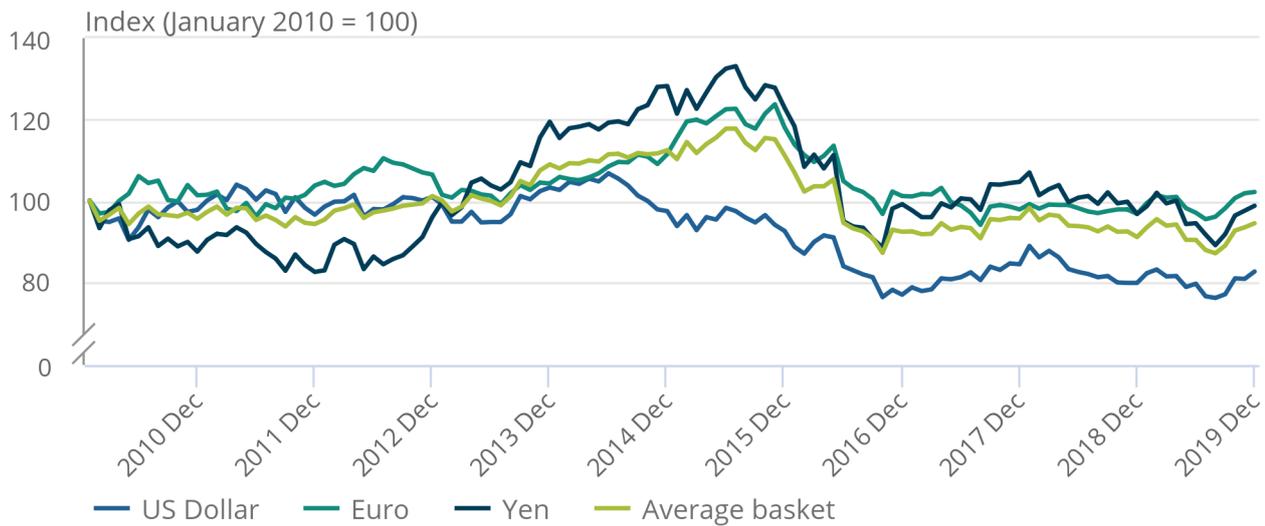
Figure 3 shows movements in the value of the British pound against other major currencies since 2010. In recent years, the most striking feature is the depreciation in the exchange rate in the lead-up to and then, more markedly, the outcome of the referendum on the UK's membership of the EU in June 2016. This depreciation had a large positive impact on the UK's NIIP.

Figure 3: During the time of the EU referendum, the British pound depreciated against the three major world currencies

Movements in the value of the British pound against other major currencies, January 2010 to December 2019 (January 2010 = 100)

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Movements in the value of the British pound against other major currencies, January 2010 to December 2019 (January 2010 = 100)



Source: Bank of England

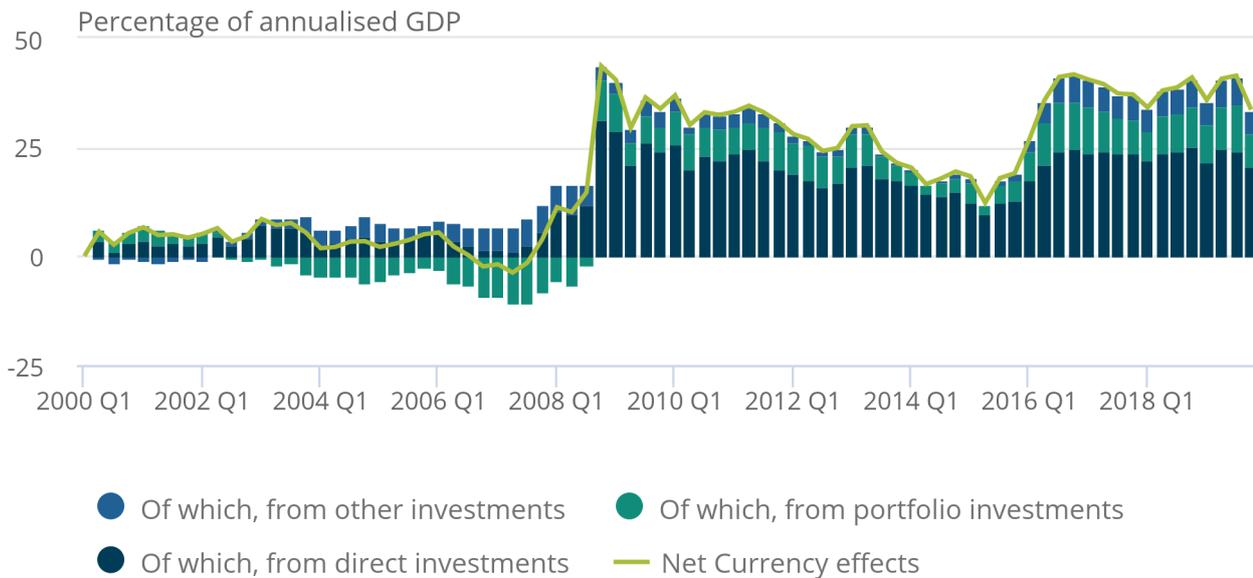
Figure 4 shows that the positive currency effects mainly reflect the net revaluations of direct investments. In British pound terms, currency movements lead to revaluations of UK foreign direct investment assets held overseas, but not for foreign direct investment in the UK as these liabilities are modelled as being denominated in British pounds. All in all, when the value of the British pound against other major currencies appreciates (depreciates), there is a negative (positive) impact on the NIIP. That said, the composition of the investments across currencies changes over time.

Figure 4: The recent depreciation of the British pound pushed up the British pound value of UK direct investments abroad, improving the UK's NIIP

Decomposition of currency effects on the NIIP, by functional category, as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019

Figure 4: The recent depreciation of the British pound pushed up the British pound value of UK direct investments abroad, improving the UK's NIIP

Decomposition of currency effects on the NIIP, by functional category, as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics - Understanding the UK's net international investment position

Revaluations arising from market price changes

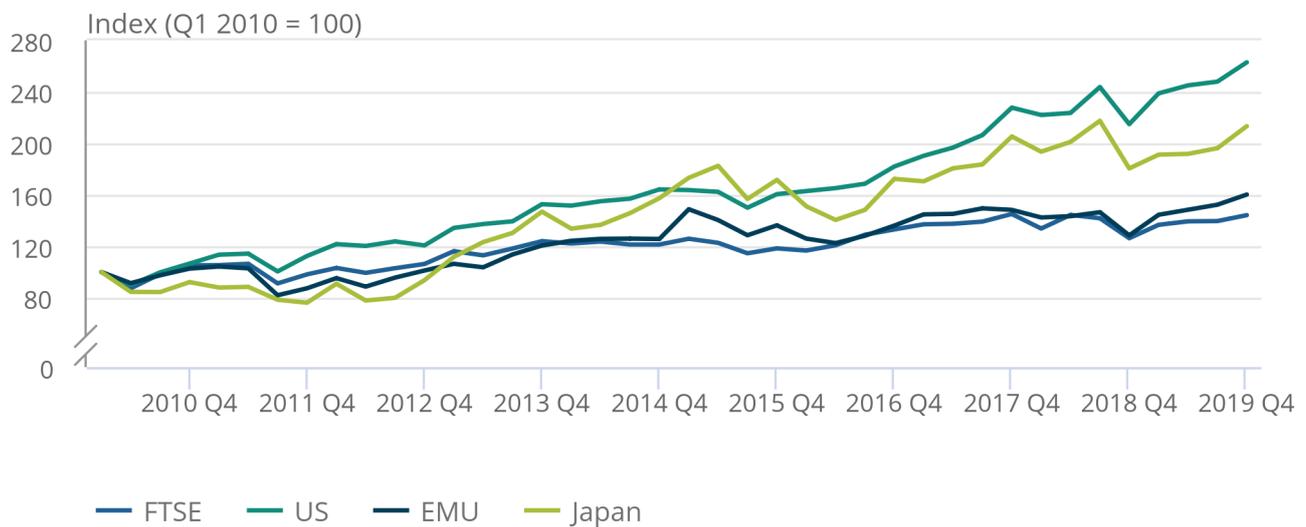
The impact of market price revaluations on the NIIP depends on several factors. These include the relative size of UK external assets in relation to UK external liabilities in equity and marketable debt instruments; the geographic distribution of these assets; and the relative movements in global and UK equity and debt market prices. We only model the market price impact on portfolio investment, which covers debt and equity. Figure 5 shows movements in the value of the UK stock market (the FTSE) compared with major stock markets across the world (the US' Dow Jones, the Euro Stoxx, and Japan's Nikkei exchanges).

Figure 5: Since 2010, the UK stock market has lagged behind that of the US and Japanese markets

Major stock market indices Quarter 1 (Jan to Mar) 2010 to Quarter 4 (Oct to Dec) 2019 (Quarter 1 2010 = 100)

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Major stock market indices Quarter 1 (Jan to Mar) 2010 to Quarter 4 (Oct to Dec) 2019 (Quarter 1 2010 = 100)



Source: Bank of England

Figure 5 shows that since 2010, foreign stock markets have tended to outperform the FTSE in the UK. Following the UK referendum on EU membership, equity prices of UK domestically focused companies declined, but this was offset by a positive revaluation effect on the British pound value of foreign profits earned by UK internationally focused companies. These equity price developments, combined with the UK having a net asset position in equity (with one-third of its equity holdings invested in the US), results in a positive net equity price impact on the UK's NIIP (Figure 6). In contrast, falling yields, and hence price increases, in marketable debt combined with heavy foreign investment in UK gilts financing the current account deficit results in a negative net debt price impact on the UK's NIIP.

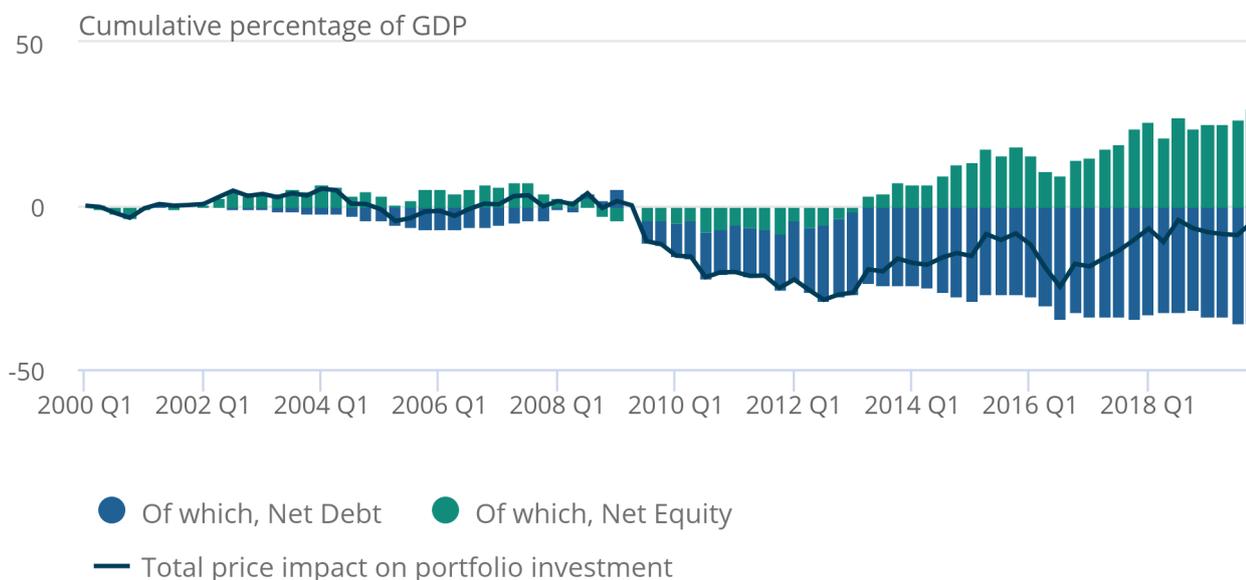
Overall, market price impacts have mostly had a negative impact on the NIIP over the last decade, as the negative net debt price impact has more than offset the positive net equity price impact. Consequently, the impact of market price revaluations has tended to be less pronounced than exchange rates movements. The net equity price impact would have had a greater impact had UK investors not been selling foreign equity holdings in recent years, most notably in 2018 when net sales were approximately 12% of existing holdings.

Figure 6: Overall, market price effects have mostly had a negative impact on the NIIP over the last decade

Decomposition of net price effects on the NIIP, by financial instrument in portfolio investment, cumulative as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019

Figure 6: Overall, market price effects have mostly had a negative impact on the NIIP over the last decade

Decomposition of net price effects on the NIIP, by financial instrument in portfolio investment, cumulative as a percentage of annualised nominal GDP, Quarter 1 (Jan to Mar) 2000 to Quarter 4 (Oct to Dec) 2019



Source: Office for National Statistics - Understanding the UK's net international investment position

5 . International comparisons of the other flow and stock imbalances in the external balance sheet

The phenomenon that cumulated financial transactions do not match changes in stock positions over time is not unique to the UK. The impact of other flows will always be relevant to any country's international investment position (IIP) as the composition, including by currency denomination, of a country's gross external assets relative to gross external liabilities will unlikely ever be identical. The extent of the impact on net international investment position (NIIP) by revaluations and other changes in volume will be country specific.

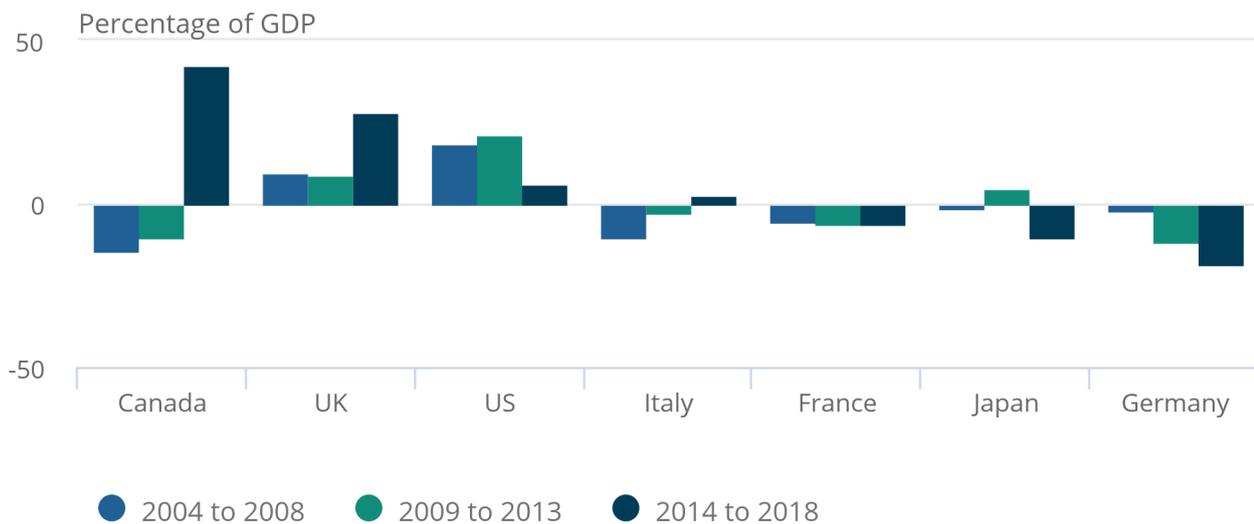
Figure 7 shows the recent trends in other flows experienced in the G7 countries for the last 15 years. While all countries experience movements in their stock position beyond those that are explained only by financial transactions, the size and direction of these effects vary substantially, including over time. The UK experience in recent years of other flows having a positive impact on its NIIP has also been apparent in Canada, particularly in the last five-year period. In contrast, Germany's large net asset position has been narrowed by the impact of other flows. Other flows have played much less of a role in France and Italy, while the US' and Japanese experience shows how the impact of other flows on the NIIP can change over time.

Figure 7: The impact of other flows on the UK's external balance sheet is not unusual compared with other G7 countries

Cumulative impact of revaluations and other changes in volume on NIIP across the G7, as a percentage of nominal GDP, 2004 to 2018

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Cumulative impact of revaluations and other changes in volume on NIIP across the G7, as a percentage of nominal GDP, 2004 to 2018



Source: International Monetary Fund and Office for National Statistics

Notes:

1. The cumulative financial account balance for each G7 country have been applied to the net international investment position (NIIP) in Quarter 1 (Jan to Mar) 2000. The bars show the average size of the gap between the recorded stock position and the one implied by cumulative financial transactions over these five-year periods.
2. NIIP and cumulative financial account balance do not include financial derivatives and reserve assets, so these will not be the same as those published in the balance of payments.

Over the past 15 years, the UK and Canada have recorded the largest single-year impacts of other flows on the NIIP relative to gross domestic product (GDP) of the G7 countries. In both 2015 and 2017, Canada recorded a positive impact of around 20% of GDP, while in 2016 the UK recorded an impact of 27% of GDP when the British pound depreciated around the time of the referendum on the UK's membership of the EU. Analysis of other flows in 2018 shows that they were comparatively mild across the G7, averaging an impact on NIIP of less than 1% of GDP. The largest impact in 2018 was seen in the US where other flows accounted for a negative 6.7% of GDP, narrowing the positive impact of other flows for the 2014 to 2018 period.

The varying impact of other flows reflect the relative movements in exchange rate, equity and debt prices for each country as well as the composition and size of the external balance sheet. All else the same, the larger the gross value of external assets and external liabilities relative to GDP and the higher the share of foreign currency within gross assets and liabilities, the greater the potential to magnify the impact of market price and exchange rates changes on the NIIP relative to GDP. This is because valuation changes do not impact the underlying volume of foreign assets or liabilities but do impact their valuation.

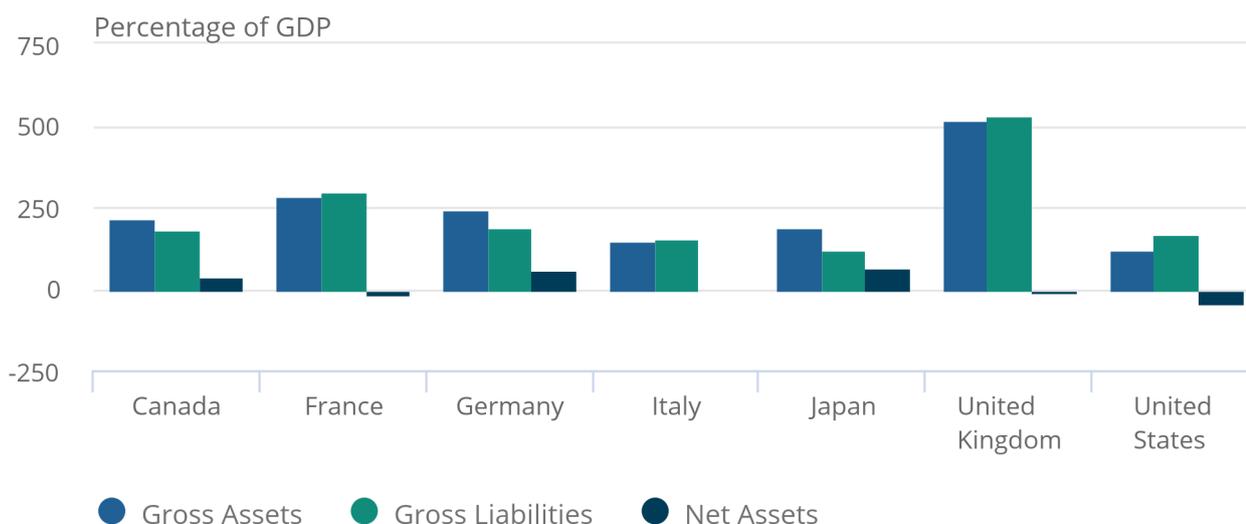
Figure 8 provides an overview of the gross and net positions for G7 countries as at the end of 2018. The most striking feature is the relative size of the UK's external balance sheet, in which its assets and liabilities are over five times the size of GDP. This is considerably larger than in other G7 economies, reflecting to a large extent the role of London as a financial centre. This factor, along with the associated activity in foreign currencies, is likely to be one explanation of why revaluations have played a more prominent role in the UK's NIIP.

Figure 8: The UK's external financial assets and liabilities relative to nominal GDP are significantly larger than other G7 countries

Gross and net international investment positions of the G7 countries, as a percentage of nominal GDP, 2018

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Gross and net international investment positions of the G7 countries, as a percentage of nominal GDP, 2018



Source: International Monetary Fund and Office for National Statistics

Notes:

1. Figure 8 includes all functional categories in the international investment position (IIP).

Since the global financial crisis in 2008, the International Monetary Fund (IMF) has encouraged balance of payment compilers to provide more granular datasets as part of the G-20 [Data Gaps Initiative](#). This initiative encompasses many statistical domains but has led to two, albeit voluntary at this time, extra breakdowns of international transactions that would help improve understanding of developments in the IIP: revaluations and other changes to fully reconcile the IIP and financial account and currency breakdowns of assets and liabilities of the IIP.

6 . Conclusions

Our modelled estimates provide an insight into why the UK's net external liability position is narrower than recent financial transactions would imply. While we will continue to investigate refining our model parameters to improve the precision of these estimates, the story emerging from this analysis is clear. In recent years, exchange rate movements and equity price changes have had a positive impact on the UK's net international investment position (NIIP), while debt price changes have had a negative impact. We have shown how this is in line with movements in financial markets over the last five years, as well as the size and composition of the UK's external financial assets and liabilities.

In practice, it is recognised that some of the flows attributed to the other flows category might reflect the [measurement challenges](#) that National Statistical Institutes (NSIs) and central banks face in recording international transactions. To address these measurement challenges, we are undertaking a multi-year project to enhance the UK's financial accounts in cooperation with the Bank of England, where work is underway towards implementing the flow of funds; this is a conceptual framework that provides a full counterparty breakdown of all financial transactions. We recently published more granular estimates of the [flow of funds](#), including [experimental](#) estimates of the UK's external balance sheet that, in particular, improve the composition of the figures. This project is ongoing, drawing on the domestic and international initiatives.

We have highlighted the impact price and currency changes can have on the NIIP. Our analysis of these other flows on the international investment position (IIP) will continue with more in-depth investigation of the investment categories in the IIP. We will investigate the switch from a net liability to net asset position observed in other investment, which consists mainly of deposits and loans, and build on [recent analysis](#) as to why there has been a switch in the net direct investment position from net asset to a net liability position. Once complete, a further article will be published that extends this analysis to include 2019 for other G7 countries. Depending on timescales, it may also be possible to provide some analysis of the impact of the global coronavirus (COVID-19) pandemic on the UK's NIIP, an event that is likely to not only impact the amount of international transactions but also the scale of currency and price movements.

7 . Authors

Richard McCrae, Freddy Farias Arias, Mahwish Chowdhary, Rebecca Evans and Sumit Dey-Chowdhury.

8 . Annex A: Methods and assumption in decomposing revaluations and other changes in the IIP

The model created by the Office for National Statistics (ONS) allows for the full reconciliation between the financial account in the UK's balance of payments and the international investment position (IIP). It provides decomposed estimates of revaluations (by currency and price) and other changes in UK foreign assets, liabilities and therefore the net international investment position (NIIP). Theoretically, other changes capture volume changes, such as reclassifications, write-offs and corrections; whereas, in our model, other changes were calculated as any change that is not attributed to financial transactions, currency or price changes. The model estimates the changes attributed to direct investments, portfolio investment, and other investment assets and liabilities, before being aggregated to total assets, liabilities and net position.

Financial transactions are recorded in the financial account and are cumulated over time. Both cumulative financial transactions and NIIP are expressed as a percentage of nominal gross domestic product (GDP), to standardise them.

Currency revaluations are calculated using exchange rate movements for the American dollar, euro and the yen. Exchange rates are provided by the Bank of England. We assumed that the three most commonly denominated currencies – euro, American dollars and yen, which make up around 80% of foreign-denominated currency – capture overall currency revaluations in the UK's IIP.

The currency revaluations are calculated by applying the currency coefficient (Cc) to the starting stock and half the financial transactions:

$$C_t = (S_{t-1} + F_t/2) * Cc_t$$

C = Currency revaluation

S = Stocks

F = Financial transactions

t = Time period

The currency coefficient is applied to only half of the financial transactions as it is assumed that transactions and currency changes are attributed evenly across the period, and therefore half of the transactions will already include the currency effect.

The Cc is calculated by applying a geographic weighting (the proportion that the US, Europe or Japan make up of the sum of the stocks for that period) to the change in the exchange rate for that time period, before summing the components and subtracting one:

$$Cc_t = \sum(G_{it} * \Delta X_{it}) - 1$$

Cc = Currency coefficient

G = Geographic weighting

X = Exchange rate

t = Time period

i = US, Europe and Japan

For calculating the currency revaluations attributed to direct investments, portfolio investment and other investment assets, a slightly different formula was used, by applying the Cc related to that currency:

$$US C_t = (S_{t-1} + F_t/2) * US Cc_t$$

$$Europe C_t = (S_{t-1} + F_t/2) * Europe Cc_t$$

$$Japan C_t = (S_{t-1} + F_t/2) * Japan Cc_t$$

C = Currency revaluation

S = Stocks

F = Financial transactions

t = Time period

Cc = Currency coefficient

The Cc is calculated by applying a geographic weighting (the proportion that the US, Europe or Japan make up of the sum of the US, Europe and Japan stocks for that period, except for OI where we take the proportion of all currency stocks) to the change in the exchange rate for that time period, before subtracting the geographic weighting:

$$\text{US } Cc_t = (G_{(\text{US})t} * X_{(\text{US})t}) - G_{(\text{US})t}$$

$$\text{Europe } Cc_t = (G_{(\text{Europe})t} * X_{(\text{Europe})t}) - G_{(\text{Europe})t}$$

$$\text{Japan } Cc_t = (G_{(\text{Japan})t} * X_{(\text{Japan})t}) - G_{(\text{Japan})t}$$

Cc = Currency coefficient
 G = Geographic weighting
 X = Exchange rate
 t = Time period

The exchange rate split is provided by the Bank of England.

Price revaluations are modelled using a combination of equity and bond indices. Equity movements use weighted end-quarter share prices for the Dow Jones, Euro Stoxx, FTSE and Nikkei. These are adjusted closing prices for the latest day in the quarter. Weighted bond indices are used for the UK, US, Europe and Japan – the data are recorded for the last day in each quarter.

Price revaluations follow a similar framework to that for currency revaluations, by applying the price coefficient (Pc) to the starting stock and half the financial transactions:

$$C_t = (S_{t-1} + F_t/2) * Pc_t$$

C = Price Change
 S = Stocks
 F = Flows
 t = Time period

The Pc is calculated by applying a geographic weighting of the proportion of investment applied to movements in the change of stock market indices for that region (equity price movements are given by the Dow Jones, Euro Stoxx, Nikkei and FTSE), before summing the components and subtracting one:

$$Pc_t = (G_{it} * E_{it}) - 1$$

Pc = Price coefficient
 G = Geographic weighting
 E = Equity price revaluation
 t = Time period
 i = US, Europe and Japan

The model includes several assumptions, such as excluding reserve assets (RA) and financial derivatives (FD) because these categories do not contribute to earnings from investment and because of the complexity of financial derivatives. For simplicity, the analysis has been based on currency changes for three main areas: the US, Europe and Japan. These countries account for around 75% of total UK assets and liabilities, but we have ignored the other currency changes that have an effect.

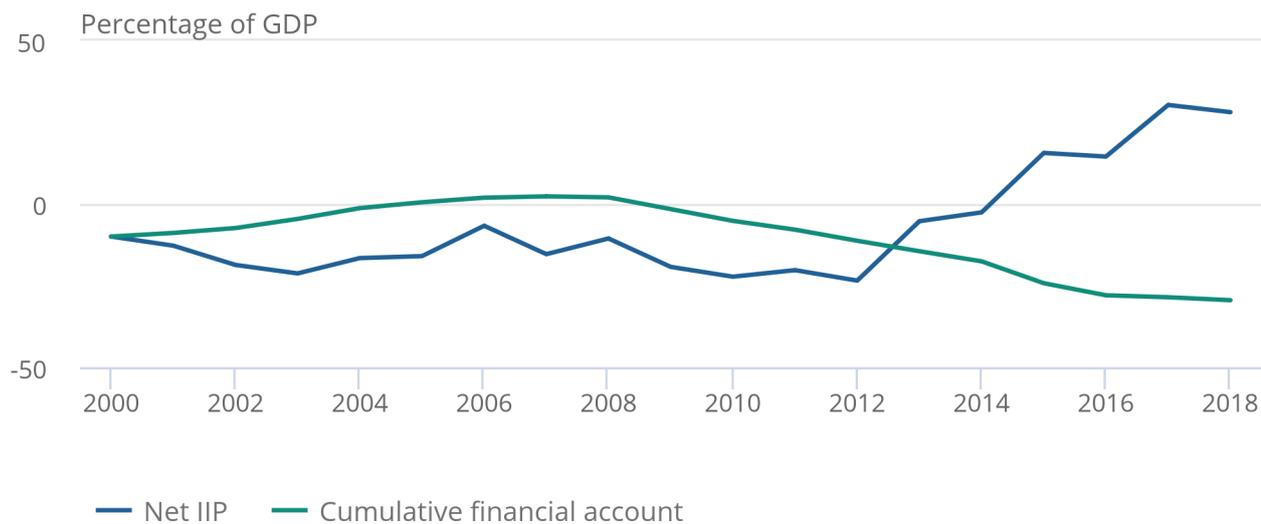
9 . Annex B: International comparison

Figure 9: NIIP and cumulative financial account balance for Canada

Percentage of nominal GDP, 2000 to 2018

Figure 9: NIIP and cumulative financial account balance for Canada

Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

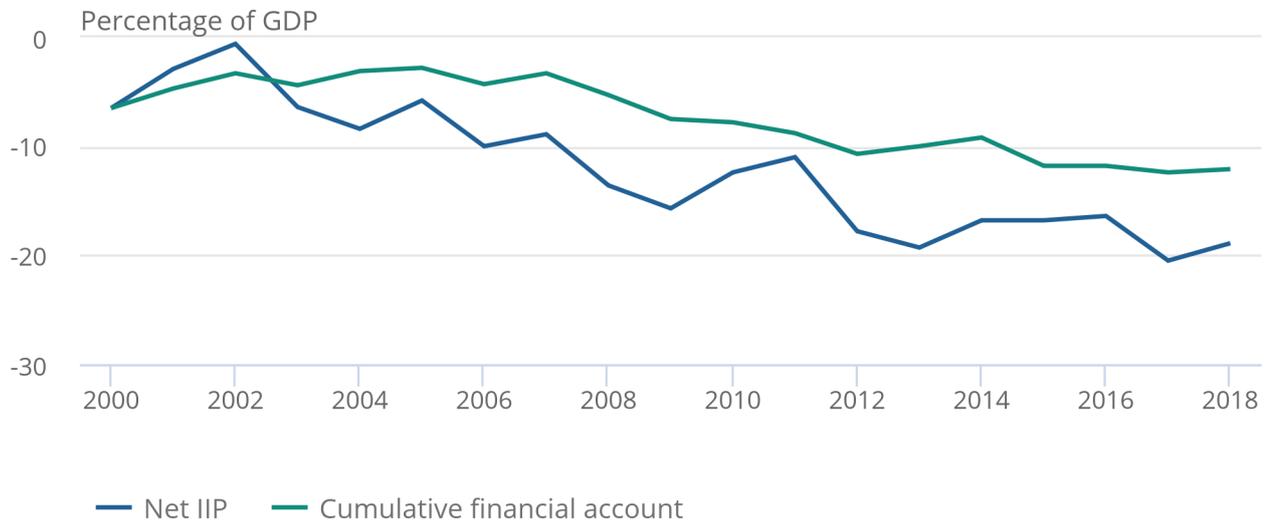
1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment.

Figure 10: NIIP and cumulative financial account balance for France

Percentage of nominal GDP, 2000 to 2018

Figure 10: NIIP and cumulative financial account balance for France

Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

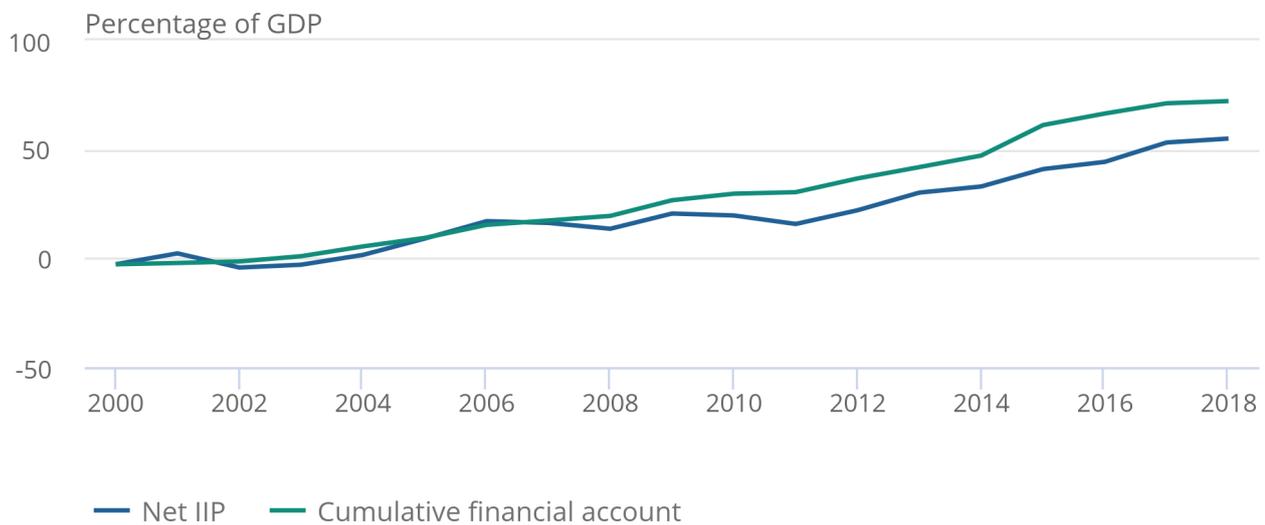
1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment.

Figure 11: NIIP and cumulative financial account balance for Germany

Percentage of nominal GDP, 2000 to 2018

Figure 11: NIIP and cumulative financial account balance for Germany

Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment

Figure 12: NIIP and cumulative financial account balance for Italy

Percentage of nominal GDP, 2000 to 2018

Figure 12: NIIP and cumulative financial account balance for Italy

Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

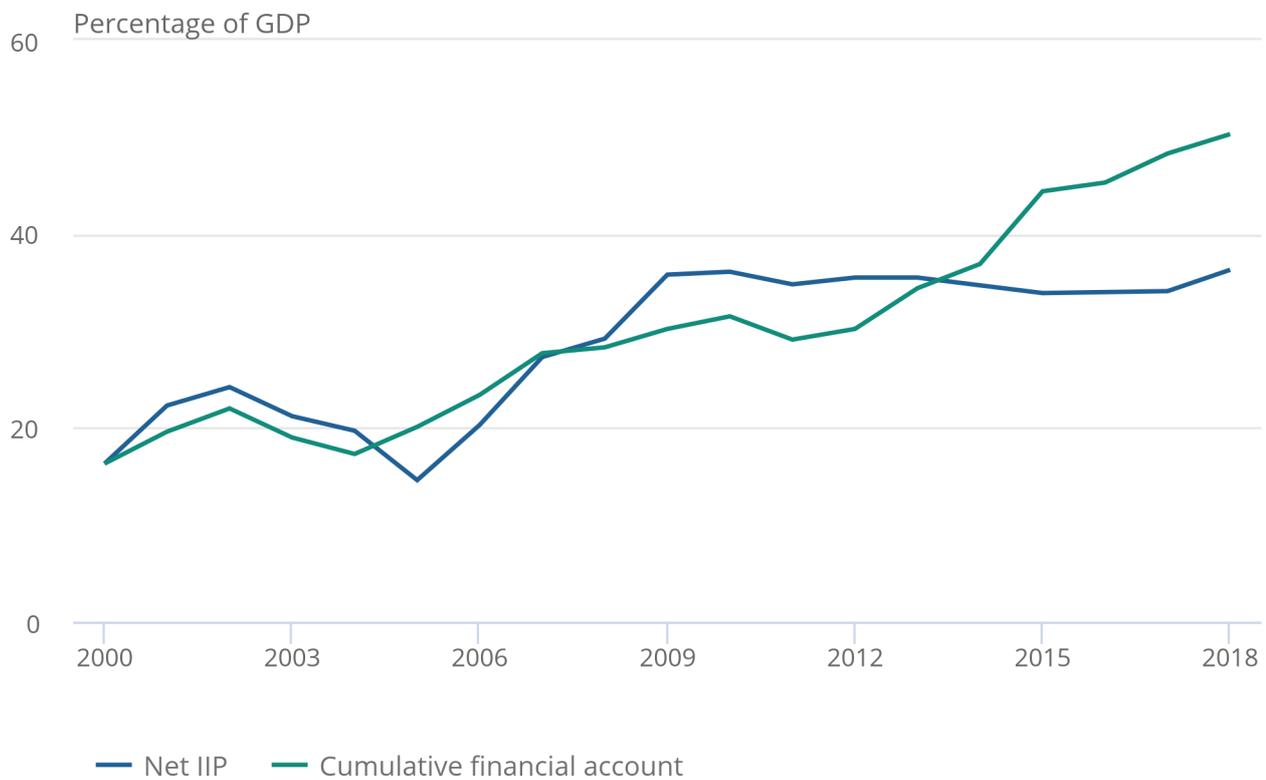
1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment

Figure 13: NIIP and cumulative financial account balance for Japan

Percentage of nominal GDP, 2000 to 2018

Figure 13: NIIP and cumulative financial account balance for Japan

Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

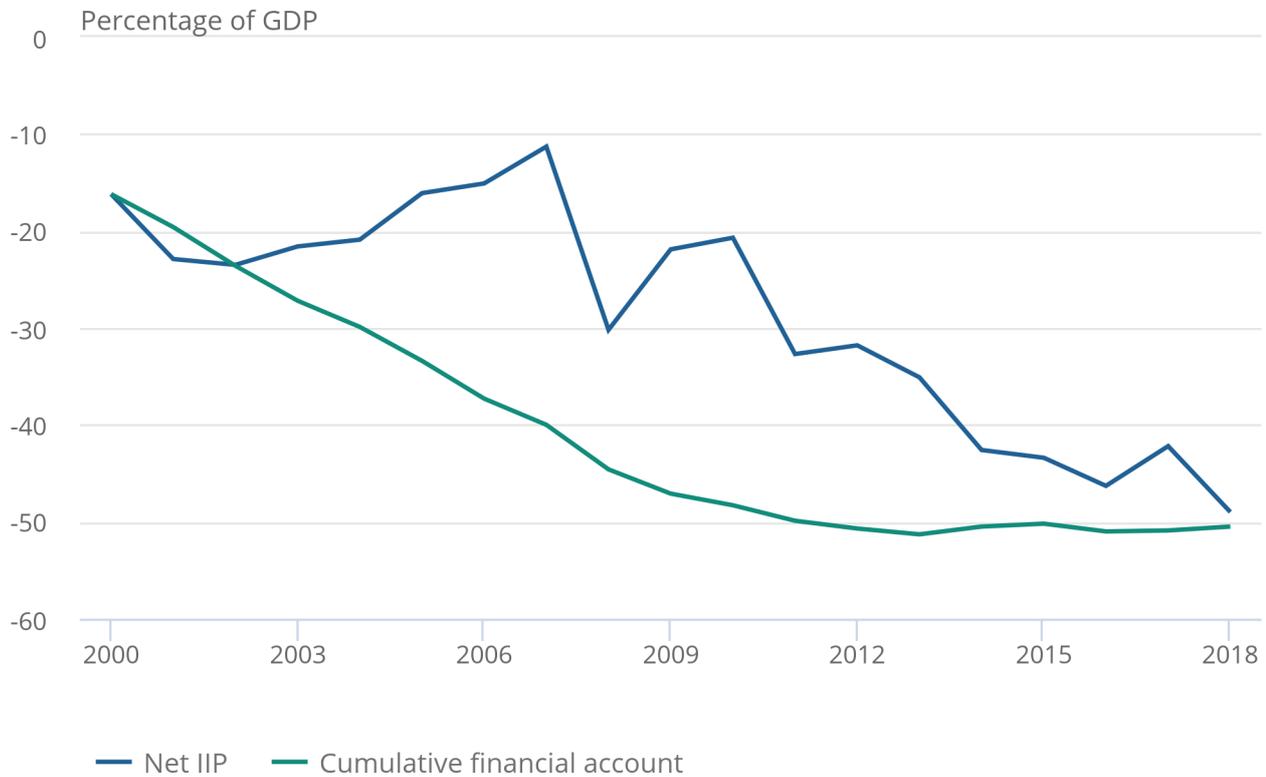
1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment

Figure 14: NIIP and cumulative financial account balance for the United States

Percentage of nominal GDP, 2000 to 2018

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Percentage of nominal GDP, 2000 to 2018



Source: International Monetary Fund

Notes:

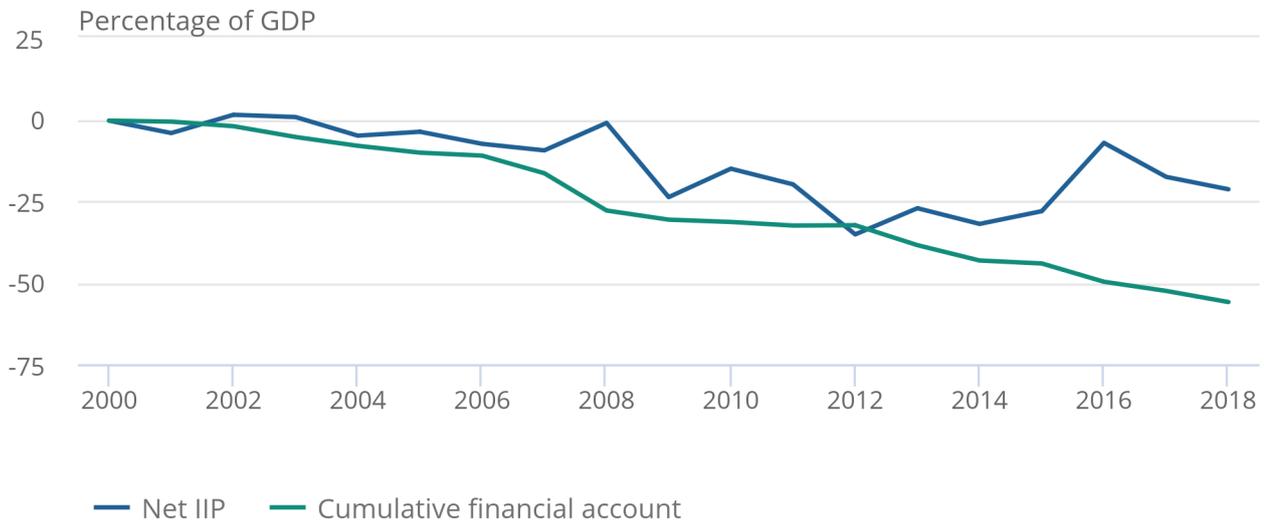
1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment

Figure 15: NIIP and cumulative financial account balance for the United Kingdom

Percentage of nominal GDP, 2000 to 2018

Figure 15: NIIP and cumulative financial account balance for the United Kingdom

Percentage of nominal GDP, 2000 to 2018



Source: Office for National Statistics

Notes:

1. Positions and cumulative financial account balances include direct investment, portfolio investment and other investment