

Luxembourg, 1 October 2019

INTERNATIONAL INVESTMENT POSITION AT THE END OF JUNE 2019

Compared to the first quarter of 2019, Luxembourg's external financial assets increased by 34 billion euros to reach 11 169 billion euros at the end of the second quarter of 2019. External financial liabilities increased by 35 billion euros and reached 11 135 billion euros at the end of June 2019. These rises were explained by new transactions, as the revaluation effects were unfavorable. Luxembourg's net international investment position decreased however by 1 billion euros and reached 34 billion euros at the end of second quarter of 2019, as the liabilities increased more than external financial assets.

In the various components of the net external position, the net asset position in direct investments decreased by 16 billion to reach 727 billion euros at the end of June 2019. The net asset position in the other investments (deposits and traditional credits, trade credits, other receivables or payables) increased by 18 billion euros and reached 365 billion euros. The structural net liability position in the portfolio investments worsened by 7 billion euros and reached 1 071 billion euros at the end of June 2019.

The amount outstanding in direct investments assets reached up 5 248 billion euros at the end of June 2019, having undergone negative revaluation effects (-70 billion euros) that were however partially compensated by positive transactions (investments of 22 billion euros). The amount outstanding in direct investments liabilities decreased by 32 billion euros reaching down 4 521 billion euros at the end of June 2019. Large negative revaluation effects also triggered the later decrease.

Portfolio investments were positively impacted by the recovery in stock prices in the second quarter of 2019. The amount outstanding in portfolio investments assets reached up 4 208 billion euros at the end of June 2019, after having increased by 51 billion euros which resulted from positive revaluation effects (49 billion euros). The amount outstanding in portfolio investments liabilities reached up 5 279 billion euros at the end of June 2019, after having increased by 57 billion euros which resulted both from positive revaluation effects (20 billion) and from positive transactions (37 billion euros).

For other investments, the amount outstanding in assets reached up 1 472 billion euros at the end of June 2019, after having increased by 25 billion euros which resulted from positive transactions. The amount outstanding in liabilities increased by 7 billion euros, up to 1 107 billion euros at the end of June 2019. The later increase was explained by positive transactions that were however partially compensated by negative impact in exchange rates changes.

Table: Luxembourg International Investment Position
(billion euros)

	Amounts outstanding at the end of 2019Q1	Transactions	Changes due to Exchange rates, Prices and Other changes in volume	Amounts outstanding at the end of 2019Q2
Net external position	35	1	-2	34
Gross external assets	11 135	56	-22	11 169
Gross external liabilities	11 100	54	-19	11 135
Net direct investments	743	24	-40	727
Assets	5 296	22	-70	5 248
Liabilities	4 553	-2	-30	4 521
Net portfolio investments	-1 064	-36	29	-1 071
Assets	4 157	2	49	4 208
Equity securities	1 949	-22	37	1 964
Debt securities	2 209	24	12	2 244
Liabilities	5 222	37	20	5 279
Equity securities	4 095	34	32	4 161
Debt securities	1 126	3	-12	1 118
Net financial derivatives	10	3	0	13
Net other investments	346	10	8	365
Assets	1 447	29	-3	1 472
Liabilities	1 101	19	-12	1 107
Reserve assets	0.83	0.03	0.00	0.86

Source: BCL

Detailed statistical data is available on the BCL's website on the following page:

http://www.bcl.lu/en/statistics/series_statistiques_luxembourg/09_iip/index.html

International Relations and Communications Department
Communications Section
Tel.: (+352) 4774-4265 or 4599
Email: press@bcl.lu
www.bcl.lu