

Luxembourg, 30 March 2021

International investment position at the end of December 2020

Compared to the third quarter of 2020, Luxembourg's external financial assets increased by 124 billion euros to reach 10 885 billion euros at the end of the last quarter of 2020. External financial liabilities increased by 119 billion euros and reached 10 854 billion euros at the end of December 2020. These increases are largely explained by positive revaluation effects. Luxembourg's net international investment position increased by 5 billion euros and reached 31 billion euros at the end of December 2020, as the increases affected external financial assets more than liabilities.

In the various components of the net external position, the net asset position in direct investments increased by 6 billion to reach 692 billion euros at the end of December 2020. The net asset position in the other investments (deposits and traditional credits, trade credits, other receivables or payables) decreased by 31 billion euros and reached 215 billion euros. The structural net liability position in the portfolio investments was reduced by 20 billion euros and reached 897 billion euros at the end of December 2020.

The amount outstanding in direct investments assets reached down 4 607 billion euros at the end of December 2020, having undergone negative transactions (disinvestments of 22 billion euros) that were also supported by large negative revaluation effects (78 billion euros). The amount outstanding in direct investments liabilities decreased by 105 billion euros reaching down 3 915 billion euros at the end of December 2020. Large negative revaluations (72 billion euros) as well as negative transactions (33 billion euros) also triggered the later decrease.

The amount outstanding in portfolio investments assets reached up 4 785 billion euros at the end of December 2020, after having increased by 261 billion euros which resulted from positive revaluation effects (179 billion euros), as well as from positive transactions (83 billion euros). The amount outstanding in portfolio investments liabilities reached up 5 681 billion euros at the end of December 2020, after having increased by 242 billion euros which resulted from large revaluation effects (213 billion euros), as well as from positive transactions (23 billion euros).

For other investments, the amount outstanding in assets reached down 1 358 billion euros at the end of December 2020, after having decreased by 13 billion euros which resulted from negative transactions (27 billion euros), partially offset by positive changes in exchange rates.

The amount outstanding in liabilities increased by 18 billion euros, up to 1 143 billion euros at the end of December 2020.

**Table : Luxembourg International Investment Position
(billion euros)**

	Amounts outstanding at the end of 2020Q3	Transactions	Changes due to Exchange rates, Prices and Other changes in volume	Amounts outstanding at the end of 2020Q4
Net external position	26	0	5	31
Gross external assets	10761	27	97	10885
Gross external liabilities	10735	27	93	10854
Net direct investments	686	11	-6	692
Assets	4707	-22	-78	4607
Liabilities	4021	-33	-72	3915
Net portfolio investments	-916	54	-35	-897
Assets	4523	83	179	4785
Equity securities	2095	70	177	2343
Debt securities	2428	12	1	2442
Liabilities	5440	28	213	5681
Equity securities	4512	71	222	4804
Debt securities	928	-42	-8	877
Net financial derivatives	9	-8	18	20
Net other investments	246	-58	27	215
Assets	1371	-27	13	1358
Liabilities	1125	31	-14	1143
Reserve assets	0.97	0.03	-0.03	0.97

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