

Luxembourg, March 30 2023

International investment position at the end of December 2022

Compared to the third quarter of 2022, Luxembourg's external financial assets decreased by 706 billion euros, reaching 11 381 billion euros at the end of the fourth quarter of 2022. External financial liabilities also decreased by 706 billion and reached 11 359 billion euros at the end of the fourth quarter of 2022. Luxembourg's net external position, for its part, remained stable, reaching 22 billion euros at the end of the fourth quarter of 2022.

In the various components of the net external position, the net asset position in direct investments decreased by 21 billion to reach 945 billion euros at the end of December 2022. The net asset position in the other investments (deposits and traditional credits, trade credits, other receivables or payables) decreased by 19 billion euros and reached 195 billion euros. The structural net liability position in the portfolio investments decreased by 30 billion euros and reached 1 162 billion euros at the end of December 2022.

The amount outstanding in direct investments assets reached 4 778 billion euros at the end of December 2022, having undergone negative revaluation effects (191 billion euros) along with negative transactions (disinvestments of 370 billion euros). The amount outstanding in direct investments liabilities reached 3 833 billion euros at the end of December 2022, which represents a decrease of 539 billion euros. Negative revaluation effects (177 billion euros) as well as negative transactions (362 billion euros) triggered the later increase.

The amount outstanding in portfolio investments assets reached 4 915 billion euros at the end of December 2022, after having increased by 47 billion euros which resulted from positive transaction effects (62 billion euros) that were partially compensated by negative revaluation effects (16 billion euros). The amount outstanding in portfolio investments liabilities reached 6 077 billion euros at the end of December 2022, which

was 16 billion euros higher, mainly due to positive transactions (45 billion euros) that were fully compensated by negative revaluation effects (29 billion euros).

With regard to other investments, the amount outstanding in assets reached 1 467 billion euros at the end of December 2022, decreasing by 172 billion euros which resulted from both negative transactions and negative changes in exchange rates. The amount outstanding in liabilities decreased by 153 billion euros, standing at 1 272 billion euros at the end of December 2022.

Table: Luxembourg International Investment Position (billion euros)

	Amounts outstanding at the end of 2022Q3	Transactions	Changes due to Exchange rates, Prices and Other changes in volume	Amounts outstanding at the end of 2022Q4
Net external position	22	-1	1	22
Gross external assets	12.087	-431	-275	11.381
Gross external liabilities	12.065	-430	-276	11.359
Net direct investments	966	-7	-14	945
Assets	5.338	-370	-191	4.778
Liabilities	4.372	-362	-177	3.833
Net portfolio investments	-1.192	17	13	-1.162
Assets	4.869	62	-16	4.915
Equity securities	2.517	-8	45	2.553
Debt securities	2.352	70	-60	2.362
Liabilities	6.061	45	-29	6.077
Equity securities	5.163	44	-3	5.204
Debt securities	898	1	-26	873
Net financial derivatives	31	-2	12	41
Net other investments	215	-8	-11	195
Assets	1.640	-121	-51	1.467
Liabilities	1.425	-113	-40	1.272
Reserve assets	2.76	0.01	-0.05	2.71

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

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