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## PRESS RELEASE

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### International investment position and balance of payments financial account (first quarter of 2024)

- **Belgian economy running a modest financial account deficit of €0.3 billion or 0.1% GDP vis-à-vis the rest of the world.**
- **Net international investment position decreases slightly to €380 billion or 65% of GDP.**

#### *Transactions*

The balance of payments financial account closed the first quarter of 2024 with a slight deficit. A strong build-up was seen in both assets (€102.3 billion) and liabilities (€102.7 billion), across all functional categories.

The **portfolio investment** balance was once again negative (-€22.3 billion). Despite net asset transactions in portfolio investment being positive due to purchases of foreign securities by Belgian residents, the balance was negative as a result of a sharp increase in purchases of Belgian government bonds by non-residents.

The balance of **direct investments transactions** was positive (€5.3 billion), with both assets and liabilities accruing.

The balance of **other investments** was strongly positive (€16.5 billion). Gross assets and liabilities increased due to financial transactions in the banking sector, with a more pronounced increase on the assets side.

#### *Amounts outstanding*

The net international investment position (NIIP) shifted from €381 billion at the end of 2023 to €380 billion at the end of the first quarter of 2024. Net **portfolio investment** (€220.2 billion) remained the main component of the positive NIIP, followed by net direct investment (€166.3 billion). Net other investments (-€45.2) made a negative contribution to the NIIP.

A new, improved methodology was developed to calculate the NIIP and underlying series in 2024. As of September 2024, the new methodology will also be applied to past data and a time series starting from 2019 will be made available.

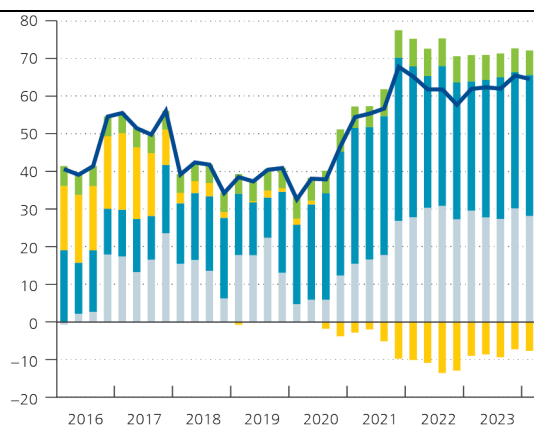
## INTERNATIONAL INVESTMENT POSITION: AMOUNTS OUTSTANDING AND TRANSACTIONS

|  | First quarter of 2024 |                     |              |
|--|-----------------------|---------------------|--------------|
|  | Transactions          | Amounts outstanding |              |
|  | € billion             | € billion           | % GDP        |
| <b>Net international investment position</b> | <b>-0.3</b>           | <b>379.9</b>        | <b>64.5</b>  |
| Direct investment                            | 5.3                   | 166.3               | 28.2         |
| Portfolio investment                         | -22.3                 | 220.2               | 37.4         |
| Other investment                             | 16.5                  | -45.2               | -7.7         |
| Reserve assets                               | 0.2                   | 38.6                | 6.5          |
| <b>External financial assets</b>             | <b>102.3</b>          | <b>2 496.9</b>      | <b>423.8</b> |
| Direct investment                            | 8.7                   | 924.5               | 156.9        |
| Portfolio investment                         | 11.8                  | 913.0               | 155.0        |
| Other investment                             | 81.7                  | 620.9               | 105.4        |
| Reserve assets                               | 0.2                   | 38.6                | 6.5          |
| <b>External financial liabilities</b>        | <b>102.7</b>          | <b>2 117.0</b>      | <b>359.3</b> |
| Direct investment                            | 3.4                   | 758.2               | 128.7        |
| Portfolio investment                         | 34.1                  | 692.8               | 117.6        |
| Other investment                             | 65.2                  | 666.0               | 113.0        |

Source: NBB (BoP, IIP).

Note: Other investment includes financial derivatives.

### NET INTERNATIONAL INVESTMENT POSITION (in % GDP, amounts outstanding)



■ Net direct investment  
■ Net portfolio investment  
■ Net other investment  
■ Reserve assets  
— Net international investment position

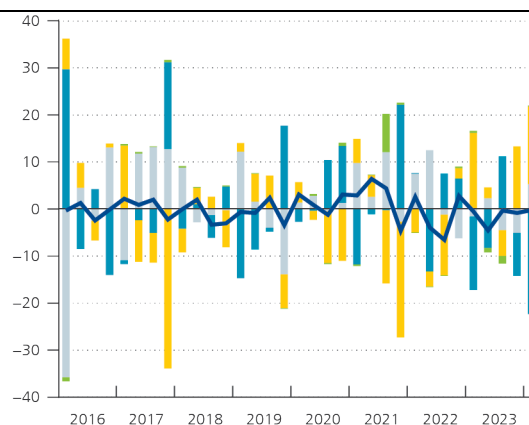
Source: NBB (IIP).

Note: Other investment includes financial derivatives.

Amounts expressed as a percentage of GDP were calculated as the ratio of NIIP to total nominal GDP over the last four quarters.

Last observation: Q1 2024.

### BALANCE OF PAYMENTS FINANCIAL ACCOUNT (in € billion, transactions)



■ Net direct investment  
■ Net portfolio investment  
■ Net other investment  
■ Reserve assets  
— Financial account balance

Source: NBB (BoP).

Note: Net other investment includes financial derivatives.

Last observation: Q1 2024.

### **Notes on methodology**

The international investment position indicates a country's **outstanding foreign financial assets and liabilities (stocks)** at a given point in time. The balance of payments financial account reveals how these assets and liabilities were formed and thus provides an overview of financial **transactions** with foreign countries over a specified period.

Both are divided into five functional categories of assets and liabilities:

1. Direct investment: this category includes investments of 10% or more in the equity capital of companies and lending/borrowing between related companies as well as real estate investments;
2. Portfolio investment: this category includes, on the assets side, securities held by residents (shares, bonds, units of investment funds, commercial paper, etc.) that are issued by non-residents and, conversely, on the liabilities side, securities held by non-residents issued by residents;
3. Financial derivatives: these are financial products linked to the value of an underlying asset; for the purposes of this press release, financial derivatives are included in the "other investment" category;
4. Other investment: this category includes everything not included in the other four categories, such as loans, deposits and accounts receivable and payable;
5. Reserve assets: these include monetary gold, claims on the IMF, bonds and foreign currencies; this category exists on the assets side only.