



International investment position December 2017

21 February 2018

Today, Banco de Portugal publishes statistics, in Table A.18 of the *Statistical Bulletin* and in *BPstat*, on the international investment position (IIP) for December 2017.

At the end of December 2017, Portugal's IIP stood at -€204.1 billion, corresponding to -106.2 per cent of GDP,¹ compared with -€196.8 billion (-106.3 per cent of GDP) at the end of 2016 (Chart 1).

Price and exchange rate changes had a negative impact on the IIP, of -€7.6 billion and -€2.1 billion respectively. In the case of price changes they were due to the valuation of government debt securities and shares of Portuguese enterprises held by non-residents, which increases the value of Portugal's external liabilities. In the case of exchange rate changes they were mostly due to the appreciation of the euro against the US dollar.

In turn, transactions made a positive contribution to IIP developments, of €3.1 billion. For more details on transactions, see the [Statistical Press Release 19|2018](#).

The external debt of Portugal, which is the result of the IIP excluding mostly capital instruments, gold bullion and financial derivatives, stood at €178.6 billion at the end of 2017. Also in this case, the €3.3 billion increase compared with the end of 2016 was largely due to the valuation of the Portuguese public debt.

Despite a nominal increase, net external debt as a percentage of GDP declined by 1.7 p.p. between the end of 2016 and the end of 2017. Net external debt moved down from 94.6 to 92.9 per cent of GDP, given that the increase in GDP more than offset the nominal increase in debt (Chart 2).

Chart 1 • Portuguese international investment position (IIP) (2017 Q4)

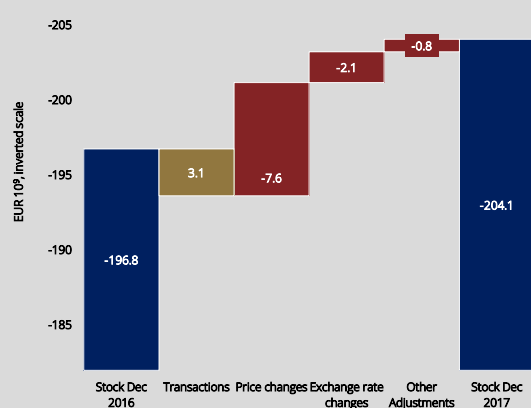
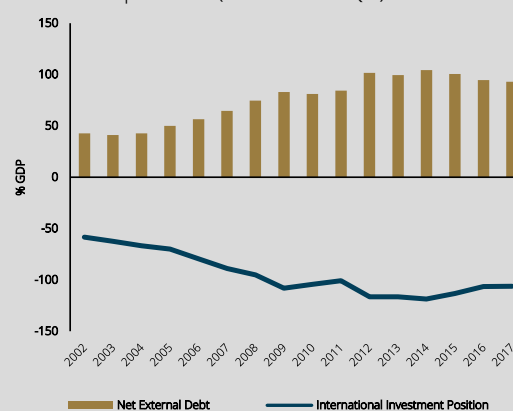


Chart 2 • Net external debt and international investment position (2002-2017 Q4)



¹ The nominal GDP figures used for the calculation of the ratios are published by Portugal Statistics (Instituto Nacional de Estatística – INE). For the latest quarter, and when such figures are not available, the nominal GDP of this quarter is extrapolated, based on partial information disseminated by INE. Therefore, the estimate takes into account the GDP of the same quarter of the previous year, the published year-on-year change rate in volume for the latest quarter, and the last published figure for the year-on-year growth rate of the GDP deflator. For the series on stocks, the nominal GDP used in the calculation of the ratios corresponds to the accumulated GDP of the last four quarters, regardless of the quarter to which it relates.

Additional information available at:

[Chapter A.18 of the Statistical Bulletin](#)

[Domain: International investment position \(IIP\) statistics of BPstat | Statistics Online](#)

[Balance of payments statistics – Methodological notes \(only in Portuguese\)](#)

[Statistics revision policy of Banco de Portugal](#)

Next update: 21 May 2018

Banco de Portugal | info@bportugal.pt