



## International investment position March 2018

21 May 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 March 2018.

At the end of the first quarter of 2018, Portugal's IIP stood at -€207.6 billion (-106.7% of GDP),<sup>1</sup> corresponding to a negative change of 1 percentage point (p.p.) from the end of 2017 (IIP of -€204.1 billion, -105.7% of GDP) (Chart 1).

Changes in the IIP were largely due to the negative impact of price changes (-€2.2 billion) and exchange rate changes (-€1.8 billion).

In the case of price changes, the negative impact on the IIP reflected, on the liabilities side, the valuation of Portuguese government debt securities held by non-residents and, on the asset side, the devaluation of shares of non-resident firms held by residents in Portugal. Both phenomena contributed to an increase in the value of external liabilities and

a reduction in the value of Portugal's external assets, respectively.

In the case of exchange rate changes, the euro appreciated against the kwanza and the US dollar with an impact on the reduction of external assets held by residents.

Transactions made a positive contribution to net foreign assets in Portugal of €30 million. For more details on transactions, see the [Statistical Press Release 51 | 2018](#).

Net external debt of Portugal, which is the result of the IIP excluding mostly capital instruments, gold bullion and financial derivatives, stood at €183.1 billion at the end of March 2018. The 4.6 billion increase from the end of 2017 was largely due to the aforementioned valuation of Portuguese government debt. During this period, net external debt increased from 92.5% of GDP to 94.1% of GDP (+1.6 p.p.) (Chart 2).

Chart 1 • Portuguese international investment position (IIP) (2018 Q1)

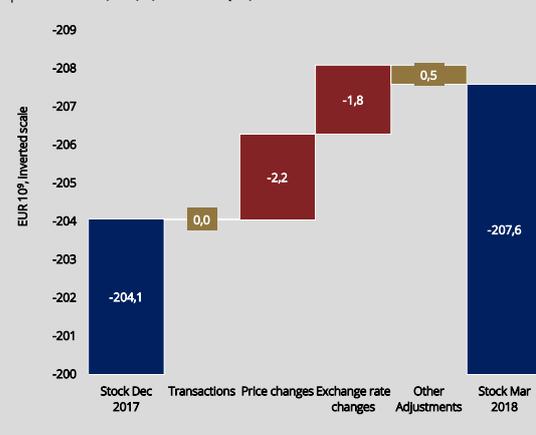
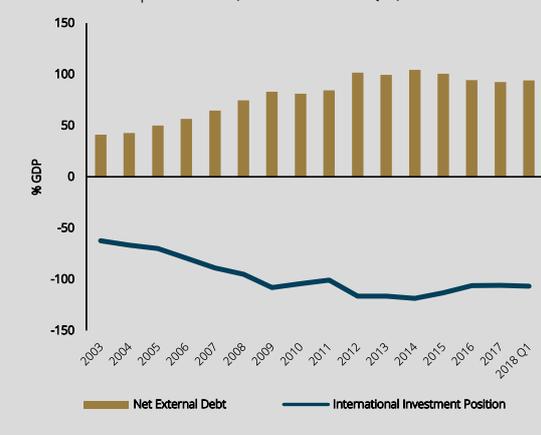


Chart 2 • Net external debt and international investment position (2003-2018 Q1)



<sup>1</sup> 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 August 2018

Banco de Portugal | [info@bportugal.pt](mailto:info@bportugal.pt)