

KEY INSIGHTS:

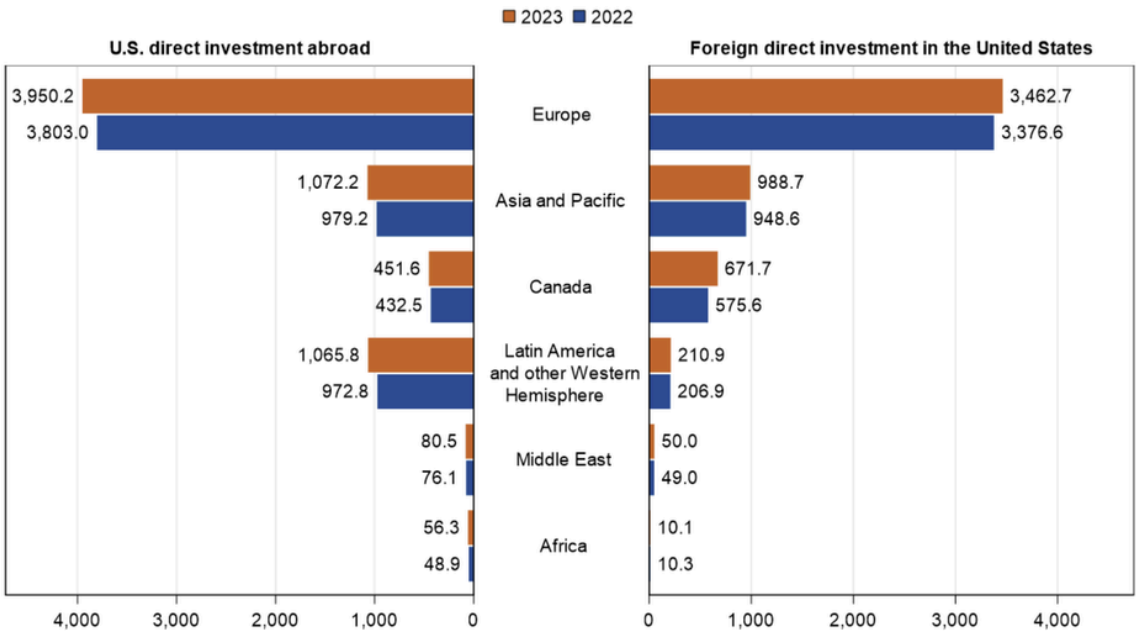
INTERNATIONAL INVESTMENTS

Trade is the most obvious but not the only form of international business. Another major form is international investment, whereby residents of one country supply capital to a second country.

FPI

Passive holdings of securities such as foreign stocks, bonds, or other financial assets, none of which entails active management or control of the securities’ issuer by the investor.

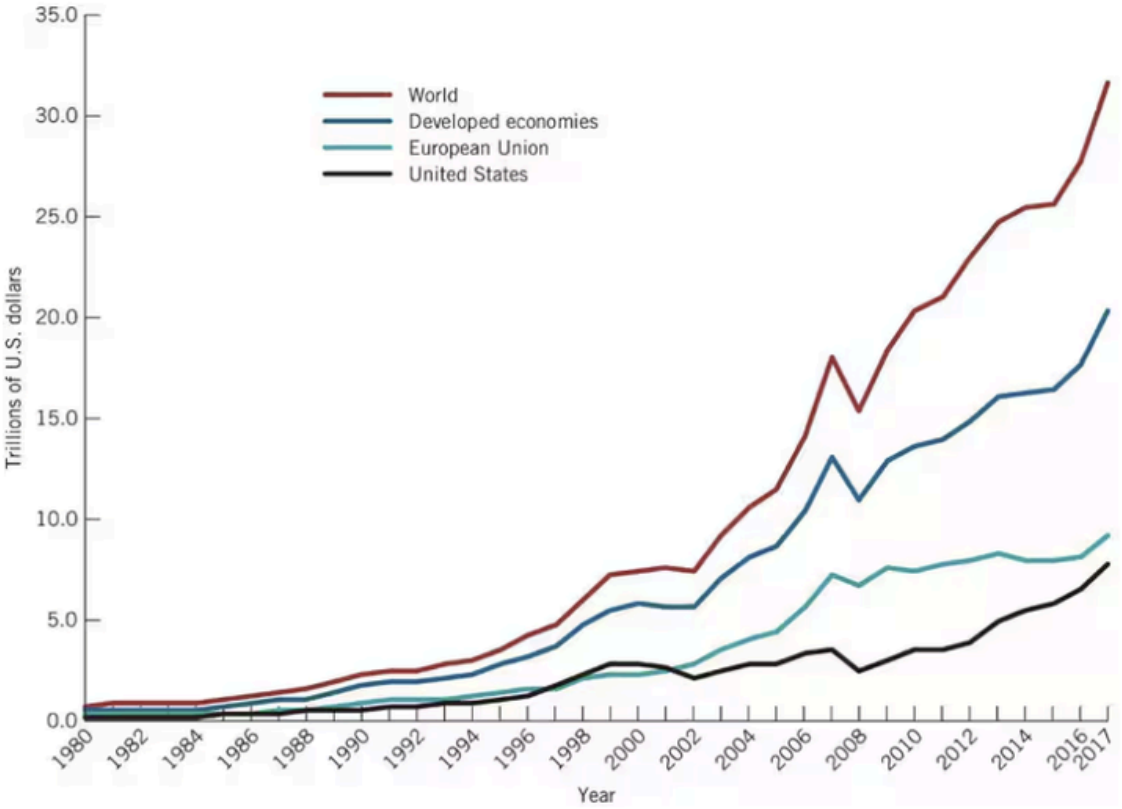
FOREIGN PORTFOLIO INVESTMENTS



FOREIGN DIRECT INVESTMENTS

FDI

Acquisition of foreign assets for the purpose of controlling them. U.S. government statisticians define FDI as “ownership or control of 10 percent or more of an enterprise’s voting securities or the equivalent.” FDI may take many forms, including purchase of existing assets in a foreign country, new investment in property, plant, and equipment, and participation in a joint venture with a local partner.



SOVEREIGN WEALTH FUNDS

SWF

An SWF is a government-owned investment fund or portfolio that is used to manage and invest a country's surplus financial resources. These resources may come from: foreign exchange reserves, commodity exports, fiscal surpluses, and other savings.

LARGEST SOVEREIGN WEALTH FUNDS (2017)

Fund	Country	Origin	Assets
Government Pension Fund - Global	Norway	Oil	\$1t
Abu Dhabi Investment Authority	UAE	Oil	\$828b
China Investment Corporation	China	Non-Commodity	\$814b
Kuwait Investment Authority	Kuwait	Oil	\$524b
SAMA Foreign Holdings	Saudi Arabia	Oil	\$514b
Hong Kong Monetary Authority Investment Portfolio	Hong Kong	Non-Commodity	\$457b
SAFE Investment Company	China	Non-Commodity	\$441b
Government of Singapore Investment Corporation	Singapore	Non-Commodity	\$359b
Qatar Investment Authority	Qatar	Oil & Gas	\$320b
National Social Security Fund	China	Non-Commodity	\$295b