Scale and Composition

Investment in most countries has mostly been in the form of **FDI**. It has been more volatile than theory dictates, having surged up to 2007, and slumped as a result of the financial crisis. Data includes: equity, debt and supplier credits, and related income flows. To ensure their data is being disseminated accurately, countries are encouraged to consult the data sets of the IMF, UNCTAD and World Bank, and for comparative purposes, to review creditor data produced by the OECD.

**Portfolio investment** has hitherto been small, but is a potential source of volatility. Most countries have found this to be primarily equity. Bonds and derivatives each remain very small at present. For comparative purposes, countries may view data from the IMF Coordinated Portfolio Investment Survey freely online.

**Other investment** composed of loans, supplier credits, currency and deposits is higher than previously believed, and the second most important instrument after FDI. The terms may be highly non-concessional relative to FDI-related borrowing, and lead to high debt service. Long-term loans might also be more difficult to obtain from domestic banks hence enterprises seek to borrow externally. Countries may refer for comparative purposes to the Joint External Debt Hub from international creditor / market and national debtor sources; and the Quarterly External Debt Statistics for SDDS and selected GDDS countries.

Downloads:
- "Scale and Composition of the Financing", Private Capital Flows to LICs: Dealing with Boom and Bust, Chapter 2


FDI Links

- OECD Stat Extracts
- UNCTAD FDI Statistics
- World Bank World Development Indicators

Portfolio Links

- IMF Portfolio Investment Database

Other investment Links

- Joint External Debt Hub
- Quarterly External Debt Statistics