Assuming unchanged real effective exchange rates, the U.S. current account deficit is projected to continue to moderate over the medium term, but to remain above 1 percent of global GDP in 2013. As a result, U.S. net foreign liabilities would rise to about 8 percent of global GDP. The main counterpart would be rising net foreign asset positions in emerging Asia and oil-exporting countries.

Sources: Lane and Milesi-Ferretti (2006); and IMF staff estimates.


2 China, Hong Kong SAR, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan Province of China, and Thailand.