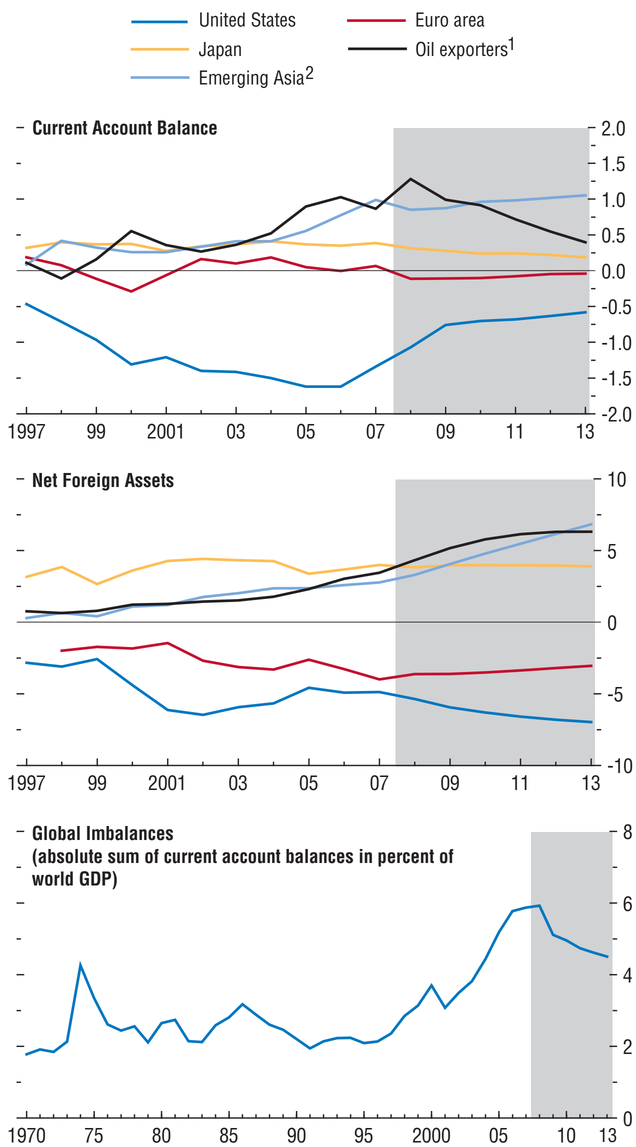
Figure 1.14. Current Account Balances and Net Foreign Assets

(Percent of global GDP)

The U.S. current account deficit has moderated in recent years and is projected to continue to narrow over the medium term, although net foreign liabilities would continue to build. Oil exporters' surpluses have been boosted by rising international oil prices, and although these surpluses are expected to come down, oil exporters are projected to accumulate rising net foreign assets. Emerging Asia would sustain large current account surpluses and continue to build net holdings of foreign assets.



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

[1] Algeria, Angola, Azerbaijan, Bahrain, Republic of Congo, Ecuador, Equatorial Guinea, Gabon, I.R. of Iran, Kuwait, Libya, Nigeria, Norway, Oman, Qatar, Russia, Saudi Arabia, Syrian Arab Republic, Turkmenistan, United Arab Emirates, Rep. Bolivariana de Venezuela, and Republic of Yemen.

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