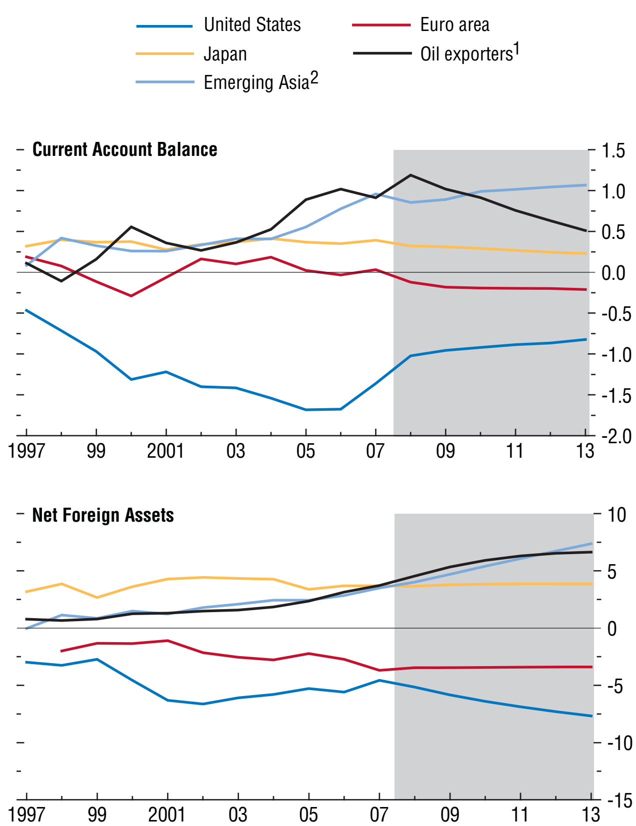
Figure 1.14. Current Account Balances and Net Foreign Assets

(Percent of global GDP)

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.

[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.