

In summary, FDI stocks carry with it years of history from previous investment decisions as well as exchange rate movements and other changes in market value. FDI flows are therefore the more relevant and meaningful measure of a country's attractiveness as an investment destination. While Canada's share of inward FDI stocks has been declining steadily for more than two decades, Canada's share of inward FDI flows sharply fell off in the 1980s but has remained relatively constant since then. FDI stocks are simply, slowly, approaching this level.

Neither the investment trends themselves nor the driving factors behind the trends appear to imply that Canada's attractiveness as an investment destination has changed significantly over the past two decades or more. Instead, the recorded trends are likely more a reflection of the rising importance of competing destinations for global FDI flows.