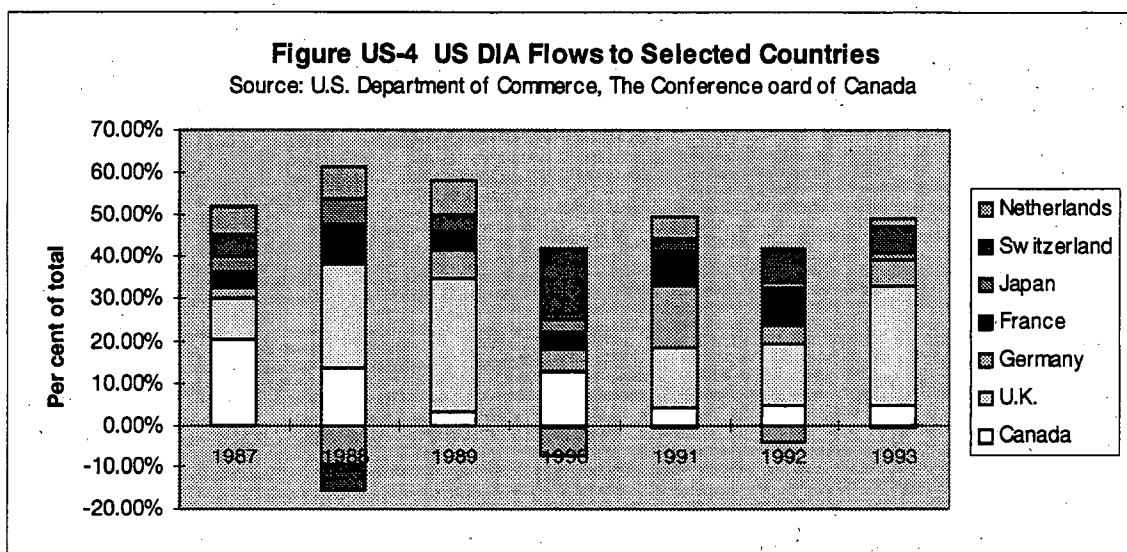


from the U.S. Department of Commerce on US DIA confirm that Canada is an important part of the investment portfolio of the United States.¹ According to this source, the U.S. direct investment position in Canada (stocks) is about U.S. \$68 billion out of an overall U.S. direct investment position abroad of U.S. \$486 billion in 1992.² However, on a DIA flow basis, Canada is not as important to the United States as the stock data would suggest, that is, Canadian stocks of US DIA are much more important than flows of US DIA.

Figure US-4 illustrates data on DIA flows from the United States to selected countries. Clearly, Canada was a more important target of US DIA flows in the late 1980s than it has been post-1990. In fact, other countries such as the United Kingdom, Germany and France have been larger US DIA targets than Canada since 1990. Thus, Canada appears to be losing ground to a number of the countries selected for this report.



In particular, the degree to which the United States invests in countries other than those selected for this report has been substantial over the study period. In Figure US-4, this is reflected by the size of each bar relative to 100 per cent (which represents total US DIA flows). For example, only about 50

¹ The additional data were provided by the U.S. Department of Commerce and is published periodically in the *Survey of Current Business*.

² The reader will note that the investment totals collected under the *Survey of Current Business* are not comparable to those obtained from other sources. These figures represent only a subset of the investments made in the United States by foreigners. For more detail, please see United States Department of Commerce, "Foreign Direct Investment in the United States" in *Survey of Current Business*, July 1993, p. 59.