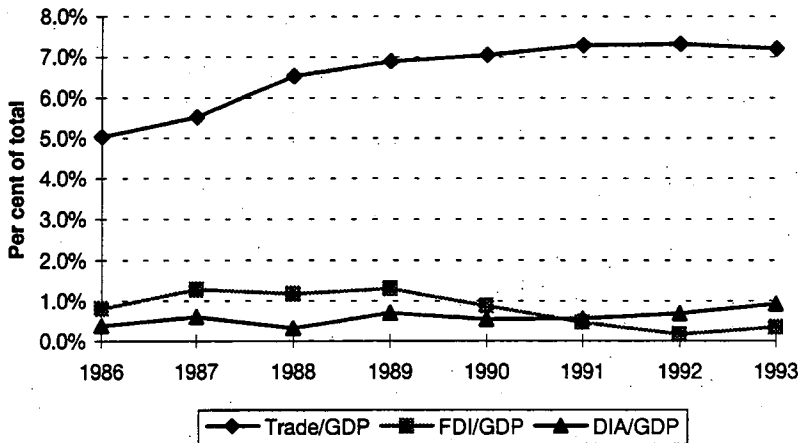


Figure US-2 American Investment flows relative to GDP

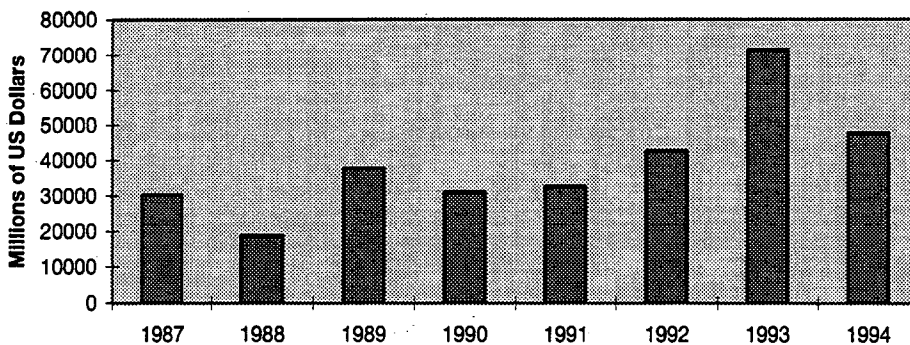
Source: International Monetary Fund, The Conference Board of Canada



Additional data obtained from the U.S. Department of Commerce illustrate the data on US DIA between 1987 and 1994 (see Figure US-3). The data suggest that US DIA continued to grow in 1994, albeit less rapidly than in 1993. Thus, U.S. investments abroad continue to increase rapidly, consolidating the existing leadership position of the United States in terms of global investment levels.

Figure US-3 Total US DIA Flows

Source: U.S. Department of Commerce



This development would appear to be beneficial to Canada since, from a Canadian point of view, Canada has been an important target for US DIA in the past. In fact, investment stock data obtained