



OESTERREICHISCHE NATIONALBANK

EUROSYSTEM

# FDI – Current Developments

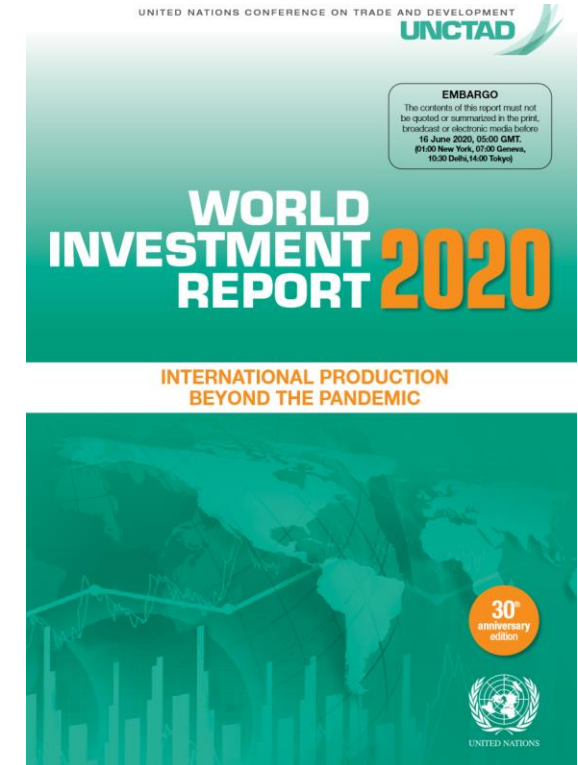
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## Global FDI Trends 2020

- **Dramatic decrease** in FDI flows (**-40%**)
- FDI flows **below 1 USD trillion** (first time since 2005)
- **Further decrease** in **2021**, recovery expected in 2022
- Covid-19 is a **supply, demand and policy shock** for FDI
- **M&A** and **Greenfield** projects **dropped** by more than **50%**
- Significant regional differences



## Regional FDI Trends 2020

- **Developing economies take hardest hit**
- Inflows to **Europe -30% to -45%**
- Inflows to **North America -20% to -35%**
- Inflows to **Developing Asia -30% to -45%**
- Inflows to **Africa -25% to -40%**
- Inflows to **Latin America and the Caribbean expected to halve**
- Inflows to **economies in transition -30% to -45%**



## Investment Policy Developments

- **Investment policy** significant component of **pandemic response**
- **Support measures** by governments und international organisations
- **Tightened** foreign investment **screening measures**
- **Other interventions** like export bans of medical equipment
- **Slowed pace** of negotiating **international investment agreements**

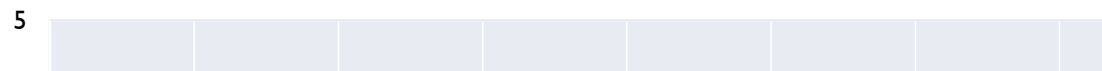


### Policy outlook:

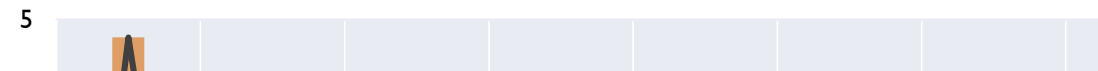
Shift towards **restrictive policies** but also **increased competition for investment**

## Recent Austrian FDI Data / Outlook 2020

### Outward EUR billion

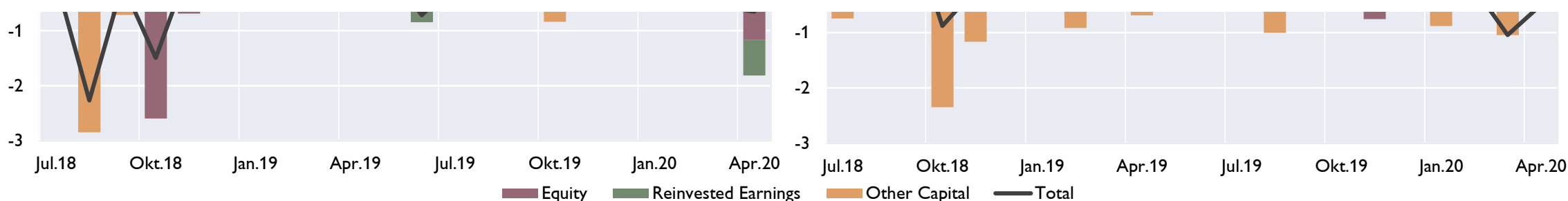


### Inward EUR billion



### Trends for Outward AND Inward

- Fewer investments und divestments
- No clear picture on net effects yet
- Reinvested earnings expected to deteriorate



Source: OeNB.

Quelle: OeNB.

**Danke für Ihre Aufmerksamkeit**

**Thank you for your attention**

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