

Macro Roundup Article

Headline: [Foreign Direct Investment is Exiting China, New Data Show](#)

Article Link: <https://www.piie.com/blogs/realtime-economics/foreign-direct-investment-exiting-china-new-data-show>

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Summary: Two different official time series from the Ministry of Commerce (MOFCOM) and the State Administration of Foreign Exchange (SAFE) [show the same dynamic]. There are multiple differences between the two series, but the main one is that SAFE measures FDI on a net basis, i.e., FDI inflows minus FDI outflows, while MOFCOM only measures gross FDI inflows. Both agencies include greenfield investment and mergers and acquisitions (M&A) by foreign firms in their FDI data while SAFE also includes several other items. While these additional items were large a few years ago, as explained below, they are now likely quite small. Most of the \$113 billion difference between the two numbers in the first three quarters of 2023 must result from the net sale of direct investment assets by foreign investors. Related: [China Suffers Plunging Foreign Direct Investment Amid Geopolitical Tensions](#) and [The Rise & Fall of Foreign Direct Investment in China](#) and [The Global Economy Enters an Era of Upheaval](#)

Primary Topic: Financial Markets

Topics: China, Database, Financial Markets, GDP, Op-Ed/Blog Post, Trade (not deficits), Weekly

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