

Macro Roundup Article

Headline: [Brad Setser On Global Balance of Payments](#)

Article Link: https://twitter.com/Brad_Setser/status/1612560087419179009

Author(s)	Brad Setser
Publication	@Brad_Setser
Publication Date	January 10, 2023

Tweet: [. @Brad_Setser notes how closely the East Asian and oil-exporter surplus lines up with American deficits.](#)

Summary: The global balance of payments has to add up (at least in theory). But it is still surprising how well the surplus of East Asia and main oil exporters lines up with the deficits of the US and a few others -- (excluding the EU makes everything line up better). To make sure I don't completely bury the lede -- the surplus of the Asia + oil block has doubled since 2020 ... so there have to be some offsetting adjustments in the global deficit. The recycling is taking place in rather complex ways, as the big surplus countries aren't just adding to their reserves/ it isn't flowing directly into bonds.

Primary Topic: Savings Glut/Trade Deficit

Topics: GDP, Graph, Op-Ed/Blog Post, Savings Glut/Trade Deficit, Sell-by Date

Permalink: https://www.edwardconard.com/macro-roundup/brad_setser-notes-how-closely-the-east-asian-and-oil-exporter-surplus-lines-up-with-american-deficits?view=detail

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2023/01/Global-Balance-Of-Payments.png>