

UNCTAD Global Investment Report, 2019

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Highlights

- The global foreign direct investment (FDI) remained flat in 2019 at \$1.39 trillion a 1% decline from a revised \$1.41 trillion in 2018.
- These investments came in the backdrop of weaker macroeconomic performance and policy uncertainty for investors including trade tensions.
- The United States remained the largest recipient of Foreign Direct Investment (FDI) followed by China and Singapore.
- South Asia recorded a 10% increase in FDI and this growth was driven by India marking a 16% increase in FDI inflows.
- India was also among the top 10 recipients of FDI in 2019 attracting \$49 billion in inflows.
- Further, the report showed that cross-border Mergers and acquisitions (M&A) declined 40% in 2019 to \$490 billion which is the lowest level since 2014.
- The report expects FDI flows to rise moderately in 2020 as current projections show the global economy to improve somewhat from its weakest performance since the global financial crisis in 2009.
- It said that the GDP growth, gross fixed capital formation and trade are projected to rise both at the global level and especially in several large emerging markets.
- However, significant risks persist including high debt accumulation among emerging and developing economies, geopolitical risks and concerns about a further shift towards protectionist policies.

