

DANMARKS NATIONALBANK

15 MAY 2020

DIRECT INVESTMENTS, 1ST QUARTER 2020

Direct investments increased in 1st quarter

Direct investments in Denmark from abroad and Danish direct investments abroad increased in the 1st quarter of 2020 by kr. 12.3 billion and kr. 11 billion respectively. Direct investments consist of equity investments and intra-group loans, and the intra-group loans accounted for the vast majority of both the in- and outward direct investments in the 1st quarter.

Large Danish investment needs abroad

Inward and outward direct investments have increased significantly over the past 15 years, with Danish investments abroad increasing up to three times more than inward direct investments in Denmark. This is partly due to the fact that Denmark has had a considerable current account surplus in the

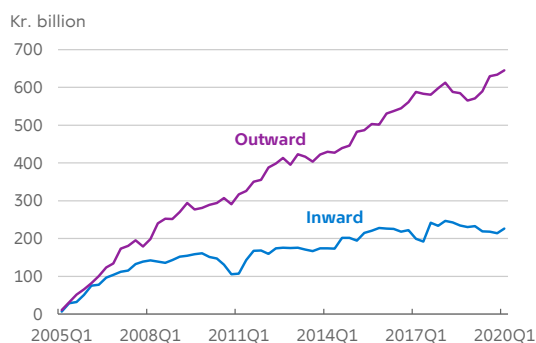
period, and thus a large investment need abroad. The profits can be invested in the form of direct investments abroad or as portfolio investments, loans, etc. abroad.

The holdings of direct investments are calculated annually and were last calculated at the end of 2018. Here, the value of Danish companies' total direct investments abroad was kr. 1,245 billion. The value of foreign direct investments in Denmark was estimated at kr. 700 billion.

Direct investments and financial uncertainty

The extraordinary financial uncertainty caused by coronavirus has led to high volatility in the financial markets from March 2020. The uncertainty has had a limited effect on the volume of direct investments in the 1st quarter.

Accumulated direct investments since 2005



Note: Equity investments and intercompany debt etc. excluding pass-through investments. The accumulated transactions are calculated on the basis of the purchase price and are not value-adjusted and therefore cannot be directly compared with the current value of the holdings.

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