



Economics Group

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TIC: Foreign Purchases of U.S. Securities Rev Up in January

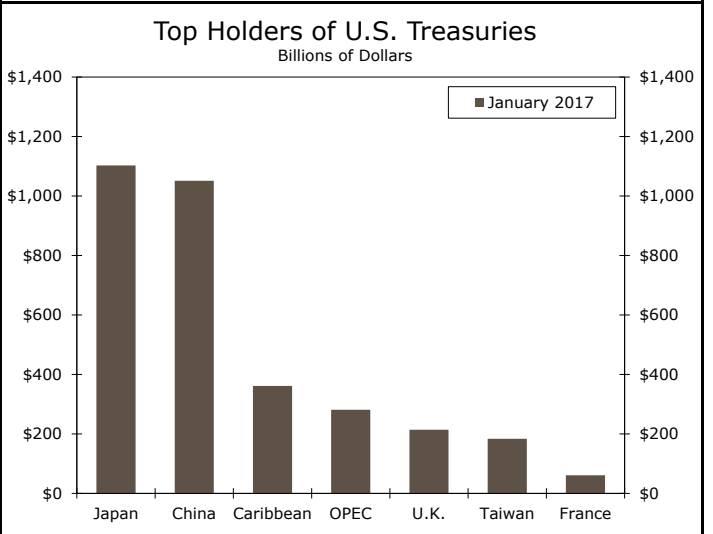
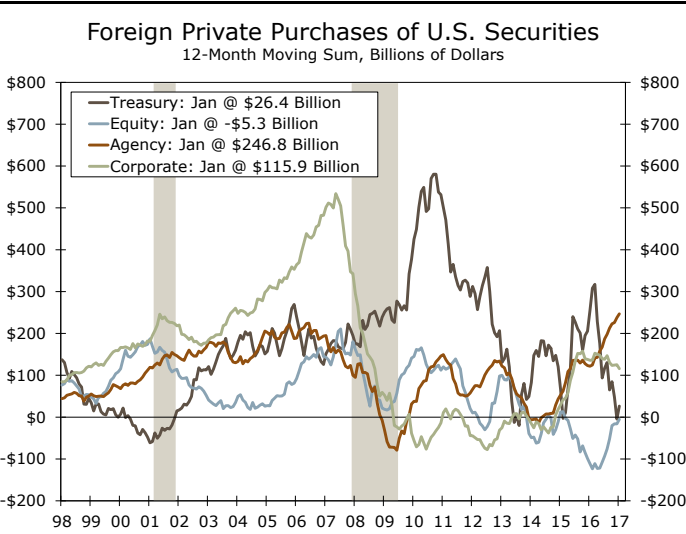
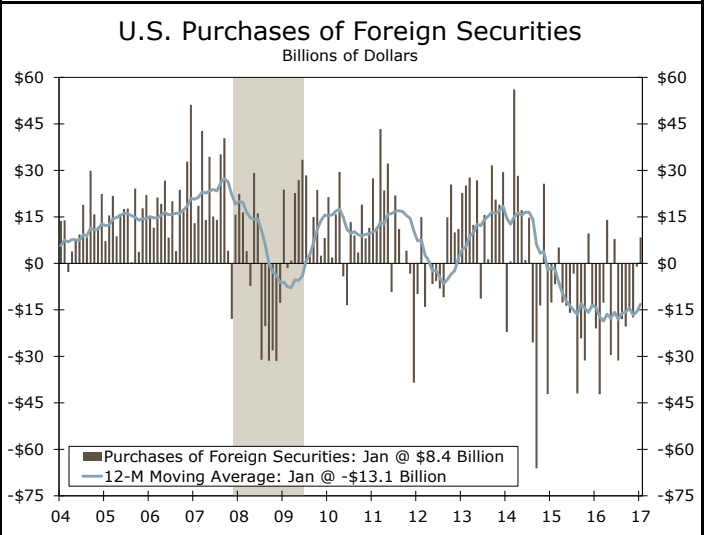
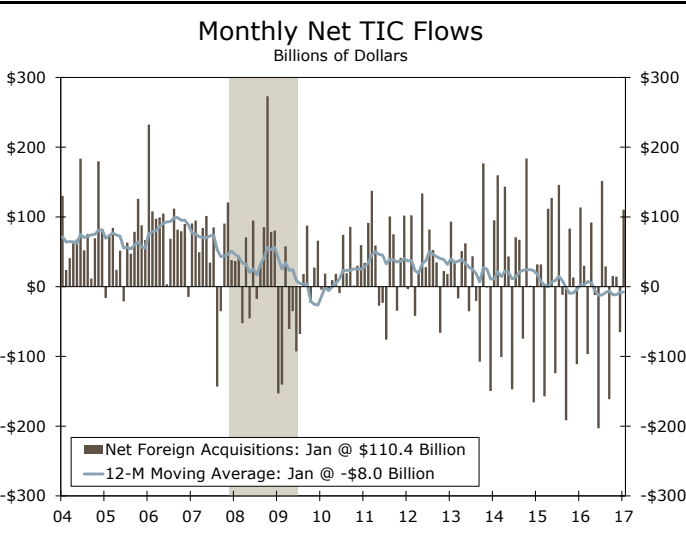
Treasury International Capital (TIC) data showed that net foreign purchases of short- and long-term U.S. securities surged by \$110.4 billion in January, led by a jump in net foreign private inflows.

Foreigners Purchasing U.S. Securities

- A net purchase of \$110.4 billion of U.S. securities was made by foreigners in January. Private foreign investors purchased \$144.1 billion, while foreign officials sold \$33.6 billion.
- Among the various financial instruments purchased, Treasuries were the most popular with net foreign private purchases of \$37.9 billion. Corporate bonds and Government Agency bonds also saw net inflows and only equities saw net outflows.

U.S. Residents Have an Appetite For Foreign Securities

- Reversing trend, U.S. residents were net purchasers in January, increasing their holdings of foreign securities by \$8.4 billion—the first increase in eight months.
- Foreign ownership of long-term U.S. securities saw some movement as Japan’s Treasury holdings rose by \$11.7 billion, maintaining its spot as the largest holder of U.S. Treasury debt. China, while elevated, sold \$7.3 billion of their U.S. holdings.



Source: U.S. Department of the Treasury, Bloomberg LP and Wells Fargo Securities

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