

1. Global Trends in Inward FDI

Amid heightened global economic uncertainty, investors have adopted a cautious approach, resulting in marginal increases in both flows and stocks. Inbound greenfield investment and M&A activity have shown notable growth in the United States.

Section 1: Trends in Global Inward FDI (Flow)

■ Global inward FDI growth rate has slowed down, while flows increased by 3.7%.

According to the United Nations Conference on Trade and Development (UNCTAD), global inward FDI flows in 2024 increased by 3.7% from the previous year to 1,508.8 billion US dollars (flow, based on the directional principle) (Chart1-1). By country and region, investment growth was particularly notable in European conduit countries[Note], such as the Netherlands and Luxembourg. Excluding these, global inward FDI flows were estimated to have decreased by 11%, with flows to developed countries and regions down by 22%. This is believed to be

attributable to investors' increasingly cautious stance amid rising global economic uncertainty. Japan saw a decrease of 35.9% to 13.4 billion US dollars, dropping its global ranking from 21st in the previous year to 26th (Chart1-2).

[NOTE] When multinational corporations engage in outward FDI, they often route such investments through countries offering preferential tax regimes with the aim of reducing tax burdens, and these countries or regions are referred to as conduit countries or economies.

Chart 1-1: Trends in Global Inward FDI (Flow)

(Million US dollars, %)

	2022	2023	2024	
				Growth rate(YoY)
World	1,389,526	1,454,976	1,508,803	3.7
Developed Economies	459,917	589,568	641,642	8.8
Europe	-61,157	221,481	198,084	-10.6
European Union	-49,827	147,526	267,772	81.5
Luxembourg	-316,383	-9,279	105,987	*
Germany	53,356	52,039	5,716	-89.0
France	76,520	42,284	33,736	-20.2
United Kingdom	14,912	52,188	-40,003	*
Russian Federation	-15,205	8,998	3,346	-62.8
North America	362,722	279,631	342,944	22.6
United States	316,895	233,106	278,848	19.6
Canada	45,827	46,525	64,096	37.8
Japan	34,194	20,841	13,357	-35.9
Republic of Korea	25,045	19,042	15,226	-20.0
Developing Economies	929,609	865,408	867,162	0.2
East Asia	316,475	296,502	259,676	-12.4
China	189,132	163,253	116,238	-28.8
Hong Kong	109,685	122,947	126,181	2.6
South-East Asia	224,963	205,309	225,263	9.7
Singapore	142,128	135,104	143,352	6.1

Note: The figure in the table is calculated by UNCTAD using the directional principle. The data do not correspond to those in Chart 2-1 (the asset and liability principle). Items marked with * in the table are not shown as one of the comparative data is negative. Regional classification is as defined by UNCTAD.

Source: Based on the "World Investment Report 2025" of UNCTAD

Chart 1-2: Top 10 Countries/Regions Receiving Inward FDI (Flow)

(Million US dollars, %)

		2024	
			Growth rate(YoY)
1	United States	278,848	19.6
2	Singapore	143,352	6.1
3	Hong Kong	126,181	2.6
4	China	116,238	-28.8
5	Luxembourg	105,987	*
6	Canada	64,096	37.8
7	Brazil	59,178	-7.6
8	British Virgin Islands	53,599	34.4
9	Australia	53,454	74.8
10	Egypt	46,578	373.3
⋮			
26	Japan	13,357	-35.9

Note: The figure in the table is calculated by UNCTAD using the directional principle. The data do not correspond to those in Chart 2-1 (the asset and liability principle). Items marked with * in the table are not shown as one of the comparative data is negative.

Source: Based on the "World Investment Report 2025" of UNCTAD

Section 2: Trends in Global Inward FDI (Stock)

■ The growth in FDI stocks in developed economies surpassed in developing ones, while FDI stocks in Europe, Japan and South Korea decreased

According to UNCTAD, the global inward FDI stocks (based on the directional principle) in 2024 reached approximately 51 trillion US dollars, up 5.8% from the previous year (Chart1-3). Growth in developed economies was notable with a 7.1% increase, while developing economies saw a 3.2% increase. The U.S. in particular recorded a significant increase of 21.7%, driving overall global

growth. In contrast, Russia experienced a sharp decline of 22.7% year-on-year, resulting in a starkly different outcome from the U.S. Japan, along with the EU and South Korea, was among the developed economies whose growth slowed, with a slight decrease of 1.7%, globally ranked in 35th (Chart1-4).

Chart 1-3: Trends in Global Inward FDI (Stock)

(Million US dollars, %)

	2022	2023	2024	
				Growth rate (YoY)
World	43,733,573	48,097,605	50,907,355	5.8
Developed economies	29,335,440	32,772,342	35,094,469	7.1
Europe	15,699,495	16,532,663	16,047,186	-2.9
European Union	11,273,732	11,856,690	11,460,635	-3.3
Luxembourg	1,056,786	1,096,851	1,143,108	4.2
Germany	1,081,645	1,203,769	1,209,485	0.5
France	949,777	1,015,478	1,049,213	3.3
United Kingdom	2,718,892	3,005,071	3,254,442	8.3
Russia	359,982	279,303	216,039	-22.7
North America	12,019,206	14,554,696	17,385,846	19.5
United States	10,461,198	12,786,674	15,567,058	21.7
Canada	1,558,008	1,768,022	1,818,788	2.9
Japan	227,079	223,499	219,802	-1.7
South Korea	277,035	308,086	286,988	-6.8
Developing Economies	14,398,133	15,325,263	15,812,885	3.2
East Asia	5,704,200	5,874,262	6,234,106	6.1
China	3,496,380	3,534,030	3,650,268	3.3
Hong Kong	2,008,153	2,124,395	2,350,740	10.7
Southeast Asia	3,134,897	3,418,792	3,587,119	4.9
Singapore	1,939,605	2,156,155	2,230,874	3.5

Note: The figure in the table is calculated by UNCTAD using the directional principle. The data do not correspond to those in Chart 2-2 (the asset and liability principle). Regional classification is as defined by UNCTAD.

Source: Based on the "World Investment Report 2025" of UNCTAD

Chart 1-4: Top 10 Countries/Regions Receiving Inward FDI (Stock)

(Million US dollars, %)

		2024	
			Growth rate (YoY)
1	United States	15,567,058	21.7
2	China	3,650,268	3.3
3	United Kingdom	3,254,442	8.3
4	Netherlands	2,699,359	-2.8
5	Hong Kong	2,350,740	10.7
6	Singapore	2,230,874	3.5
7	Canada	1,818,788	2.9
8	Germany	1,209,485	0.5
9	Ireland	1,170,383	-18.5
10	Luxembourg	1,143,108	4.2
⋮			
35	Japan	219,802	-1.7

Note: The figure in the table is calculated by UNCTAD using the directional principle. The data do not correspond to those in Chart 2-2 (the asset and liability principle).

Source: Based on the "World Investment Report 2025" of UNCTAD

Section 3: Global Greenfield Investment

■ The United States significantly increases, while India maintains its position as the world's second largest

According to UNCTAD, global greenfield investment (by destination) amounted to 1,337.9 billion US dollars in 2024, down 5.3% from the previous year (Chart1-5). Investment in developed economies increased by 11.3% year-on-year. While investment in Europe and the EU declined overall, the United States showed an overwhelming presence as the world's largest recipient of investment, recording a substantial increase of 77.3% (Chart1-6). In contrast, investment in developing

economies declined notably, particularly in East and Southeast Asia and Africa, resulting in an overall decline of 18.5%. Meanwhile, India attracted 109.5 billion US dollars in investment, up 28.0% year-on-year, and maintaining its position as the world's second-largest recipient for the second consecutive year. Japan recorded a 15.4% year-on-year increase, reaching 31.614 billion US dollars—the highest amount in over two decades—and rose in ranking from 17th to 13th place.

Chart 1-5: Trends in Global Greenfield Investment (announced basis)

(Million US dollars, %)

	2022	2023	2024	
				Growth rate (YoY)
World	1,302,481	1,412,978	1,337,922	-5.3
Developed economies	688,428	627,253	697,821	11.3
Europe	388,564	357,872	324,146	-9.4
European Union	269,107	263,150	219,417	-16.6
Germany	47,905	56,494	31,450	-44.3
France	22,972	31,080	25,937	-16.6
United Kingdom	100,477	64,225	90,641	41.1
Russia	302	1,203	1,414	17.5
North America	201,073	175,327	279,314	59.3
United States	176,879	138,476	245,457	77.3
Japan	10,043	27,384	31,614	15.4
Australia	71,870	47,482	48,863	2.9
Developing economies	614,053	785,725	640,101	-18.5
Asia	302,270	469,694	362,822	-22.8
East Asia	28,719	49,204	48,479	-1.5
China	22,395	40,447	40,248	-0.5
Hong Kong	3,169	4,243	4,082	-3.8
Southeast Asia	114,103	175,676	113,799	-35.2
Singapore	18,786	11,340	22,785	100.9
Indonesia	24,808	60,585	20,679	-65.9
South Asia	64,485	110,813	117,252	5.8
India	61,963	85,552	109,522	28.0
Latin America	113,318	136,540	163,153	19.5
Brazil	23,726	37,138	49,515	33.3
Africa	197,052	178,349	112,831	-36.7
Egypt	107,753	41,934	54,545	30.1

Note: Regional classification is as defined by UNCTAD.

Source: Based on the "World Investment Report 2025" of UNCTAD

Chart 1-6: Top 10 Countries/Regions Receiving Greenfield Investment

(Million US dollars, %)

		2024	
			Growth rate (YoY)
1	United States	245,457	77.3
2	India	109,522	28.0
3	United Kingdom	90,641	41.1
4	Egypt	54,545	30.1
5	Brazil	49,515	33.3
6	Australia	48,863	2.9
7	Mexico	44,257	32.9
8	China	40,248	-0.5
9	Spain	38,649	5.9
10	Italy	38,601	36.2
⋮			
13	Japan	31,614	15.4

Source: Based on UNCTAD data

Section 4: Global Cross-Border M&A Transactions

■ Driven by developed economies, showing signs of recovery

According to UNCTAD, global cross-border M&A transactions (based on the location of the target entities) totaled 442.7 billion US dollars in 2024, recovering by 14.4% from the sluggish previous year (Chart1-7). By country and region, the United

States recorded 167.8 billion US dollars, a substantial increase of 104.3% year-on-year, accounting for 37.9% of the global total. Japan saw a year-on-year increase of 21.5%, ranking 11th in the world (Chart1-8).

Chart 1-7: Trends in Global Cross-Border M&A Transactions (Value)

(Million US dollars, %)

	2022	2023	2024	
			Value	Growth rate (YoY)
World	725,459	387,066	442,692	14.4
Developed economies	612,360	308,198	418,327	35.7
Europe	369,044	161,267	166,965	3.5
European Union	143,417	77,892	107,916	38.5
Italy	11,673	4,401	29,585	572.3
Germany	8,315	27,611	29,381	6.4
United Kingdom	205,693	54,021	37,608	-30.4
Russia	-3,382	-4,992	-3,000	*
North America	153,100	102,861	195,839	90.4
United States	133,354	82,143	167,848	104.3
Canada	19,746	20,718	27,992	35.1
Japan	11,467	7,462	9,063	21.5
Australia	55,051	24,793	33,244	34.1
Developing economies	113,099	78,869	24,364	-69.1
East Asia	31,763	24,032	14,837	-38.3
China	15,826	21,906	11,222	-48.8
Hong Kong	12,663	2,190	3,076	40.5
Southeast Asia	11,605	28,220	10,967	-61.1
Singapore	9,945	6,588	6,106	-7.3

Note: Regional classification is as defined by UNCTAD. Items marked with * in the table are not shown as one of the comparative data is negative.

Source: Based on the "World Investment Report 2025" of UNCTAD

Chart 1-8: Global Cross-Border M&A Transactions: Top 11 Countries/Regions by Target Location

(Million US dollars, %)

		2024	
		Value	Growth rate (YoY)
1	United States	167,848	104.3
2	United Kingdom	37,608	-30.4
3	Australia	33,244	34.1
4	Italy	29,585	572.3
5	Germany	29,381	6.4
6	Canada	27,992	35.1
7	Norway	16,260	270.7
8	Sweden	11,277	160.8
9	China	11,222	-48.8
10	France	9,746	66.1
11	Japan	9,063	21.5

Source: Based on the "World Investment Report 2025" of UNCTAD