



ASEAN in the Global Investment Landscape: A Perspective from OECD Countries

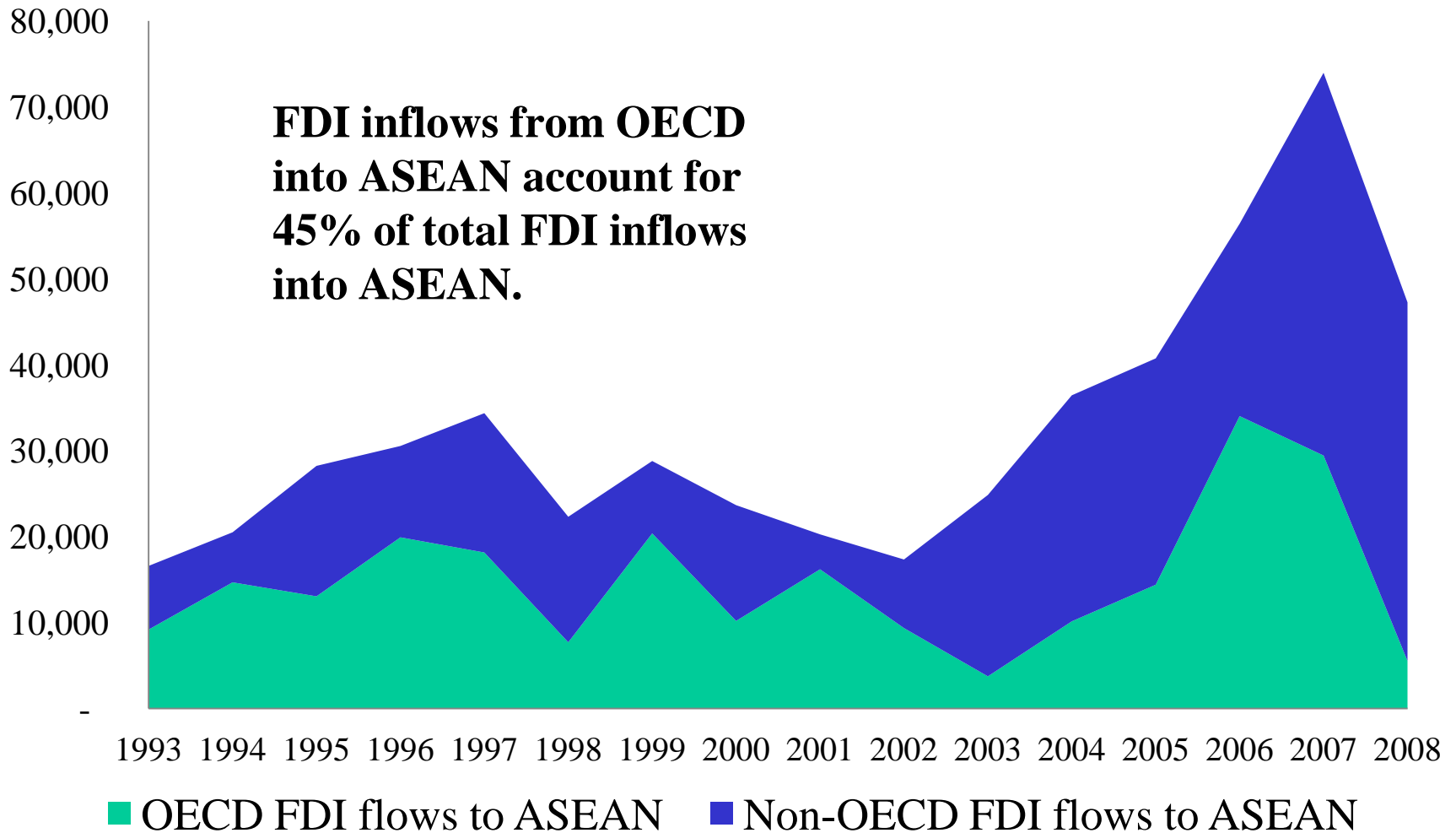
Andrea Goldstein

(with Misuzu Otsuka & Stephen Thomsen)

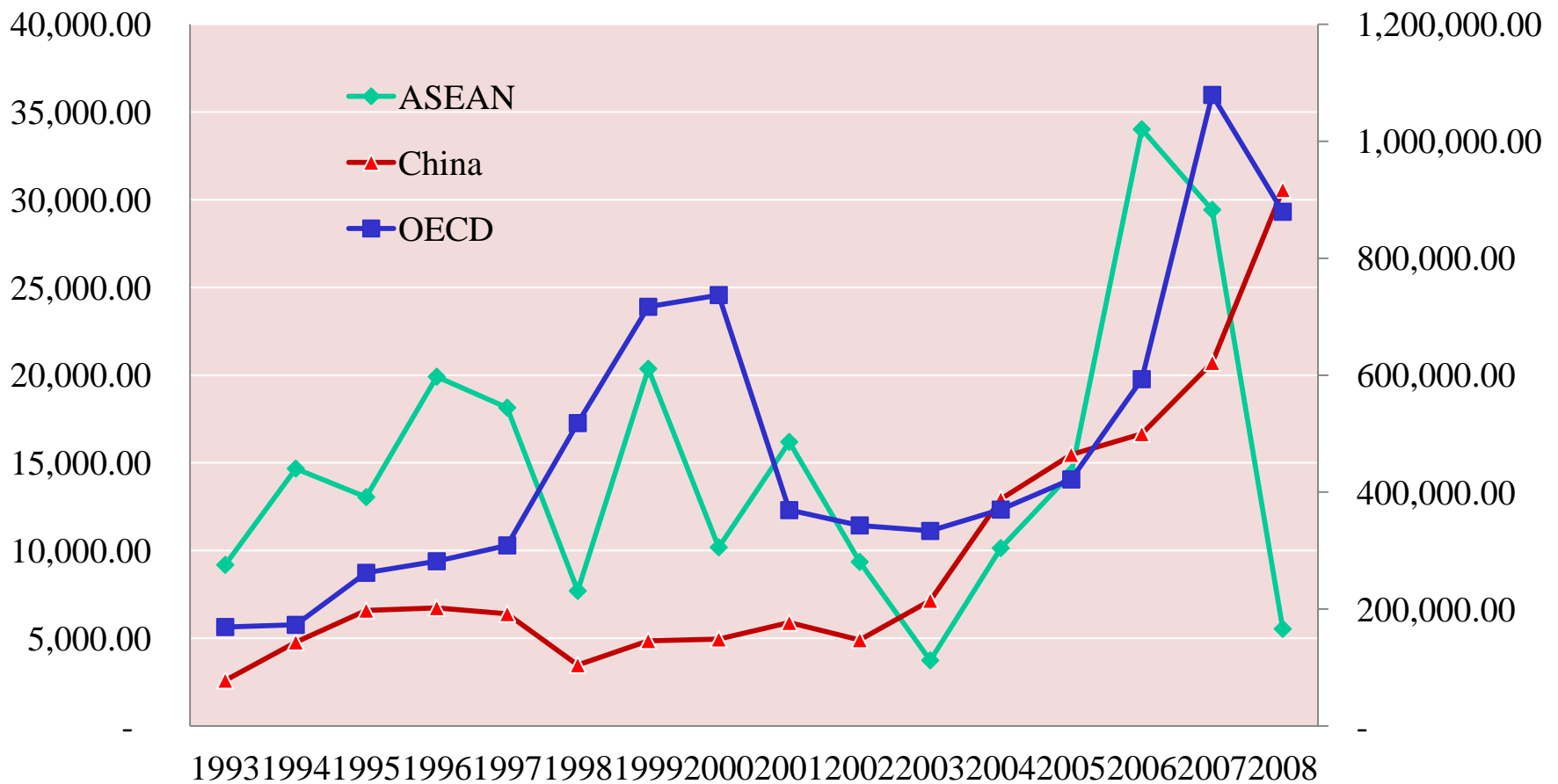
Structure of the presentation

1. **OECD FDI in ASEAN – balance of payments**
2. OECD FDI in ASEAN – activity data
3. OECD FDI in ASEAN – the auto industry
4. ASEAN FDI in OECD – a brief overview

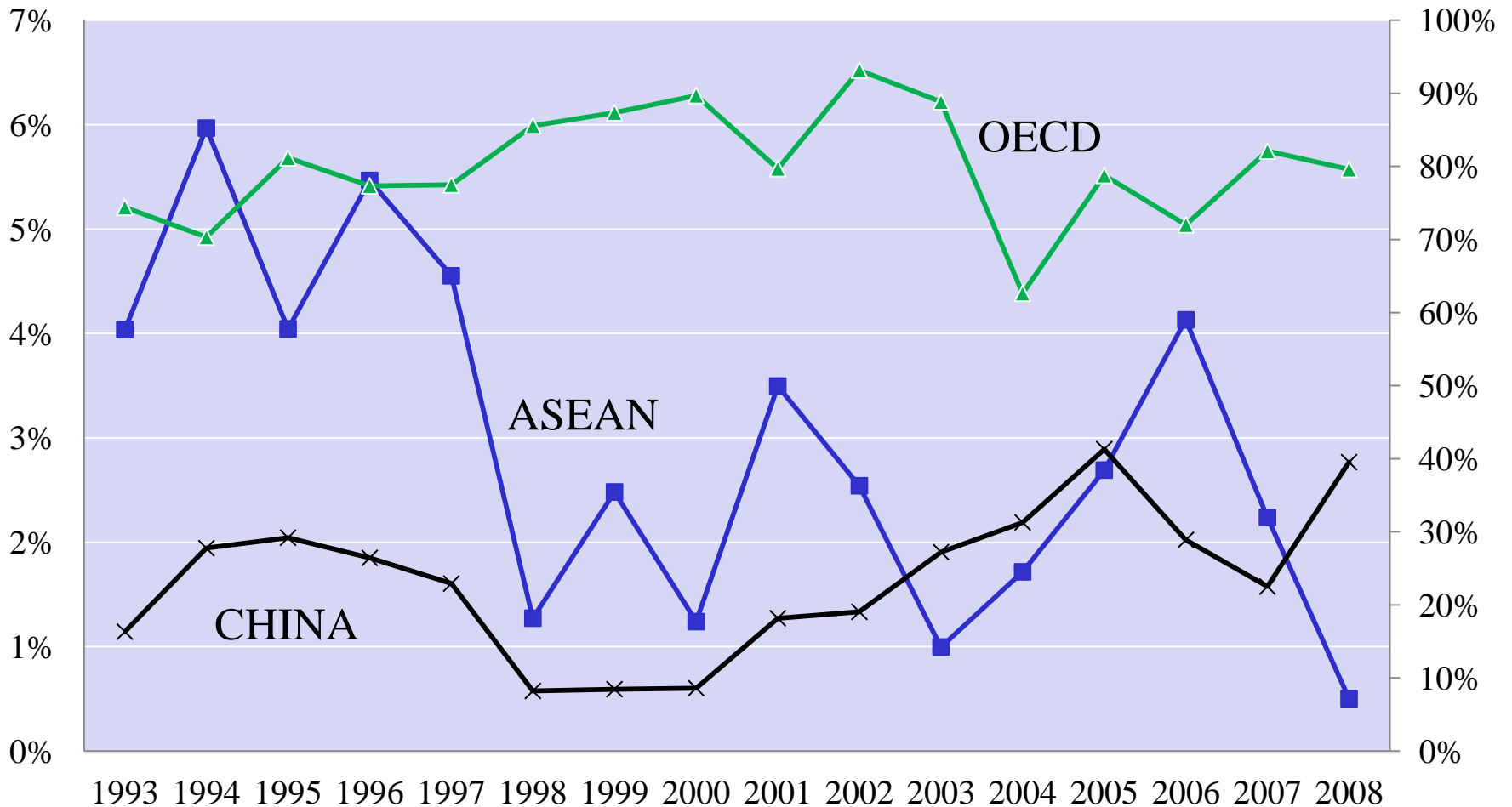
FDI Inflows to ASEAN



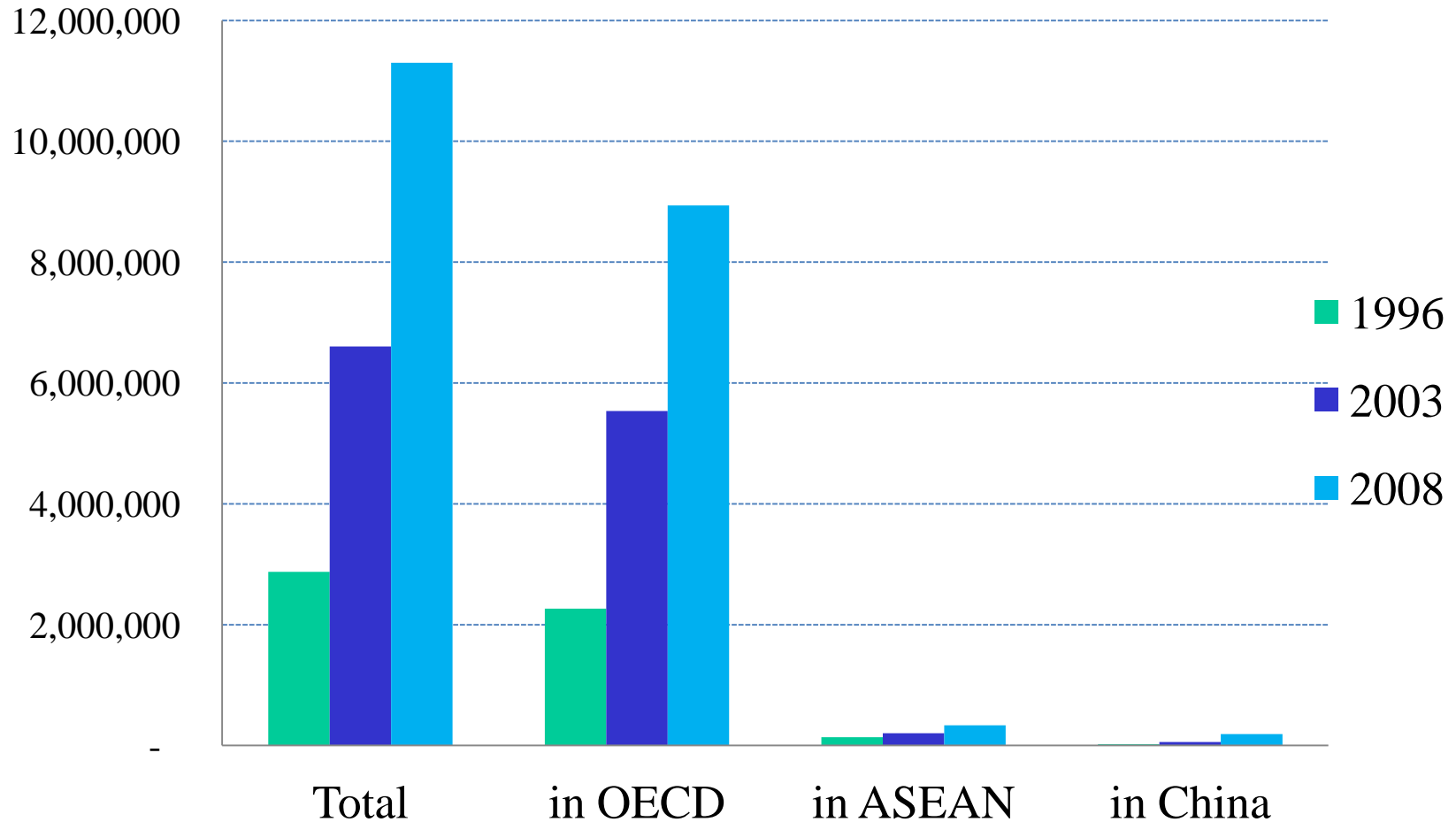
FDI Outflows from OECD by Region



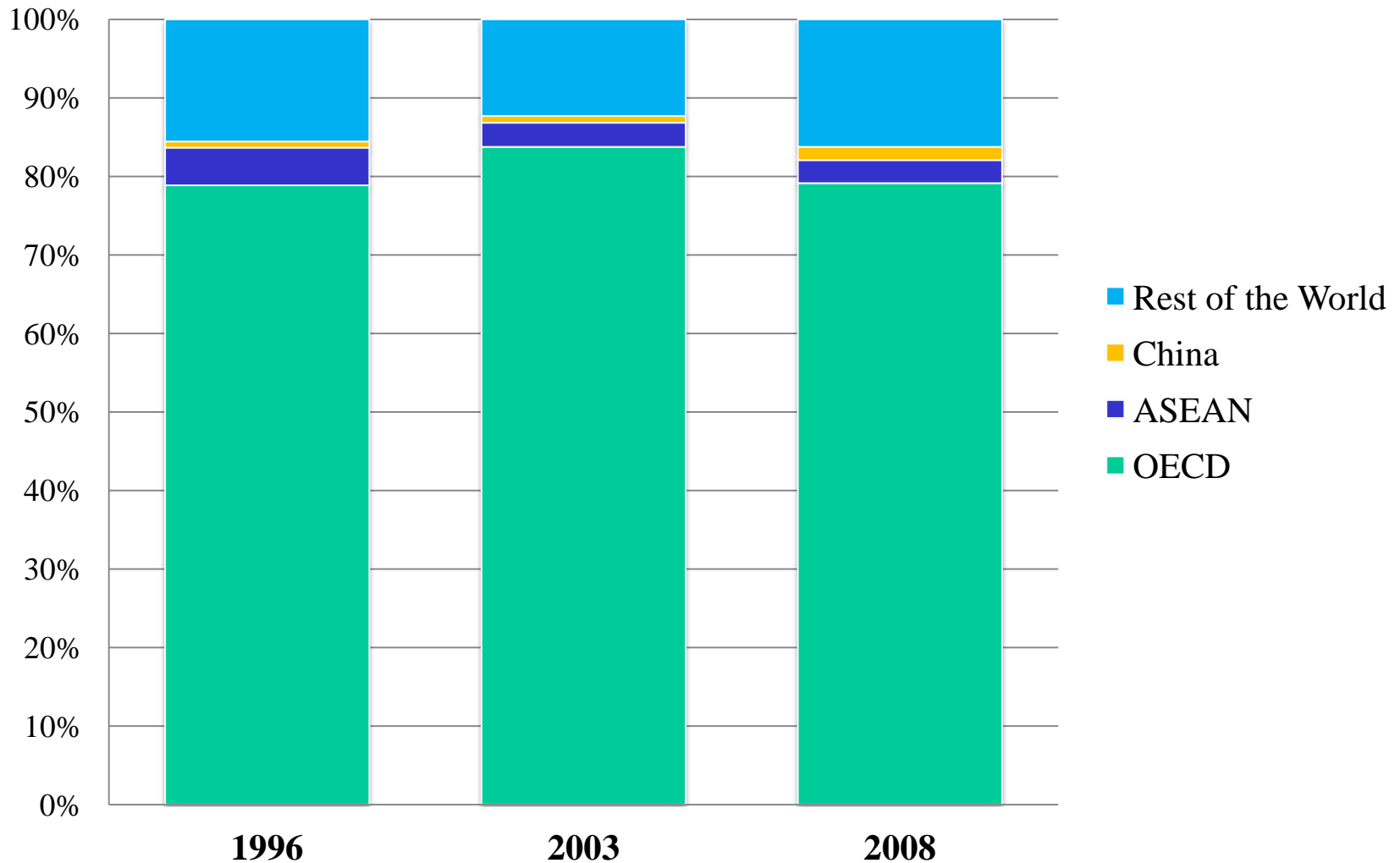
FDI Outflows from OECD by Region (Share)



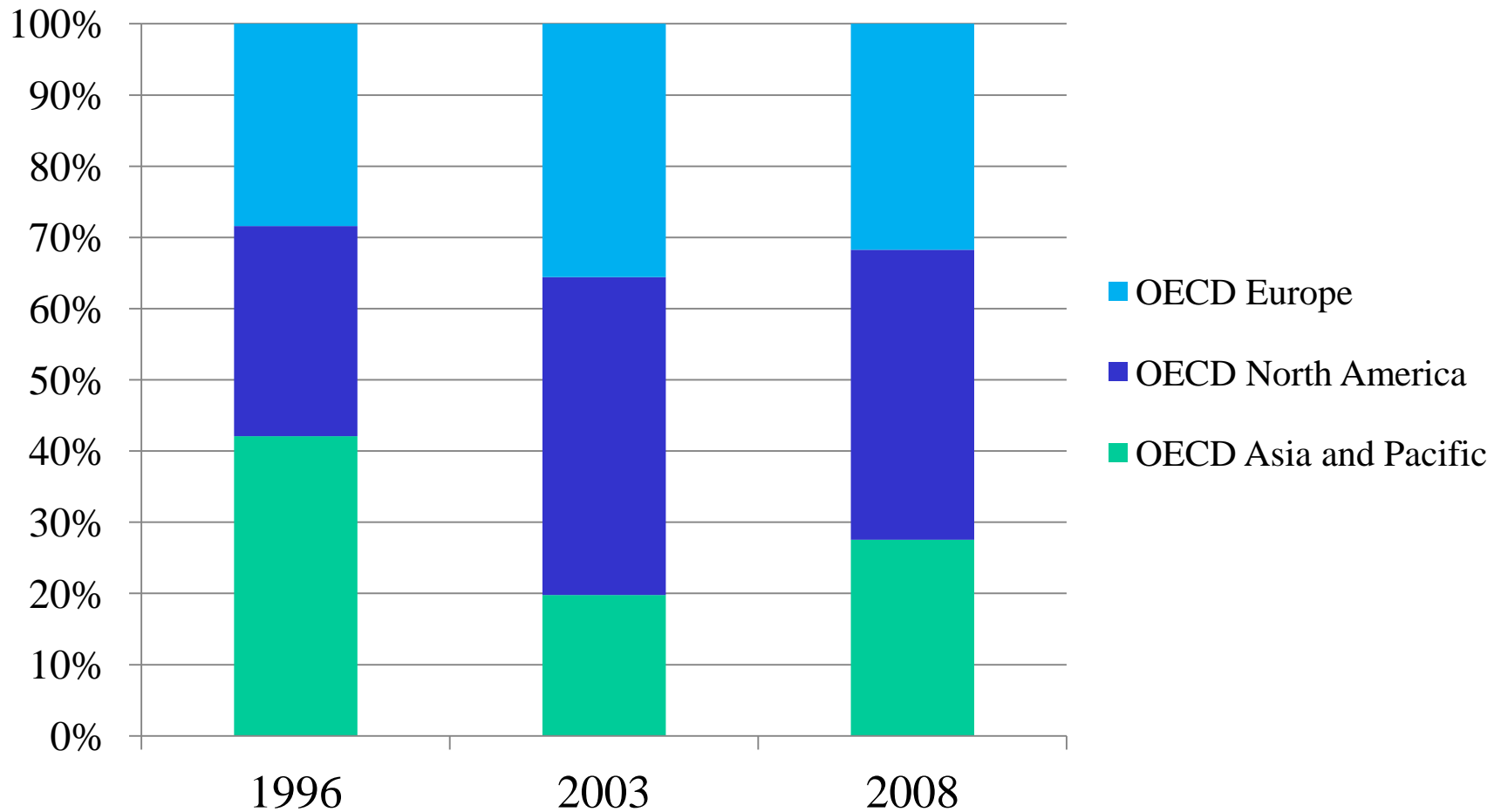
Investment Positions of OECD Countries by Region



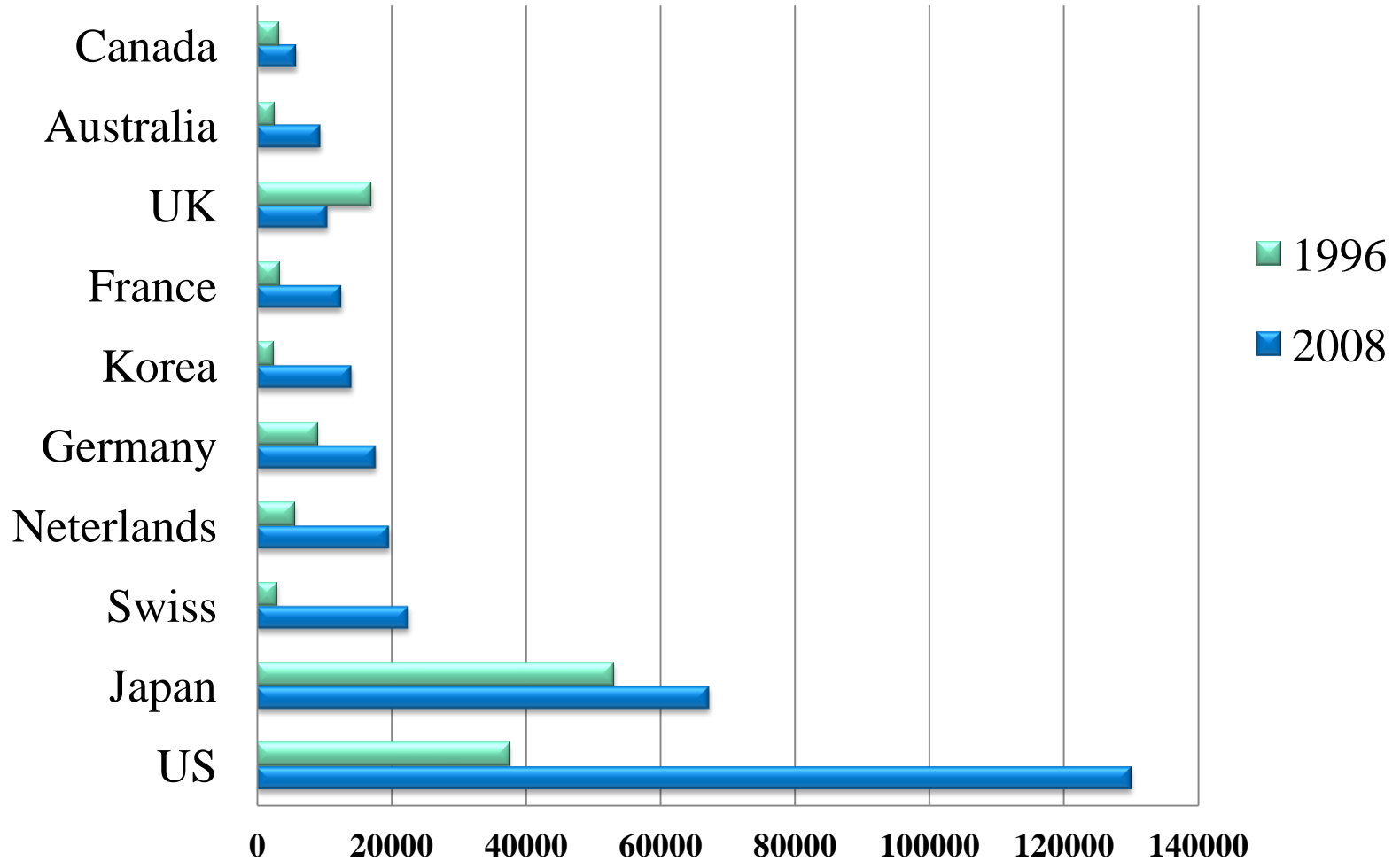
Distribution of Investment Positions of OECD countries



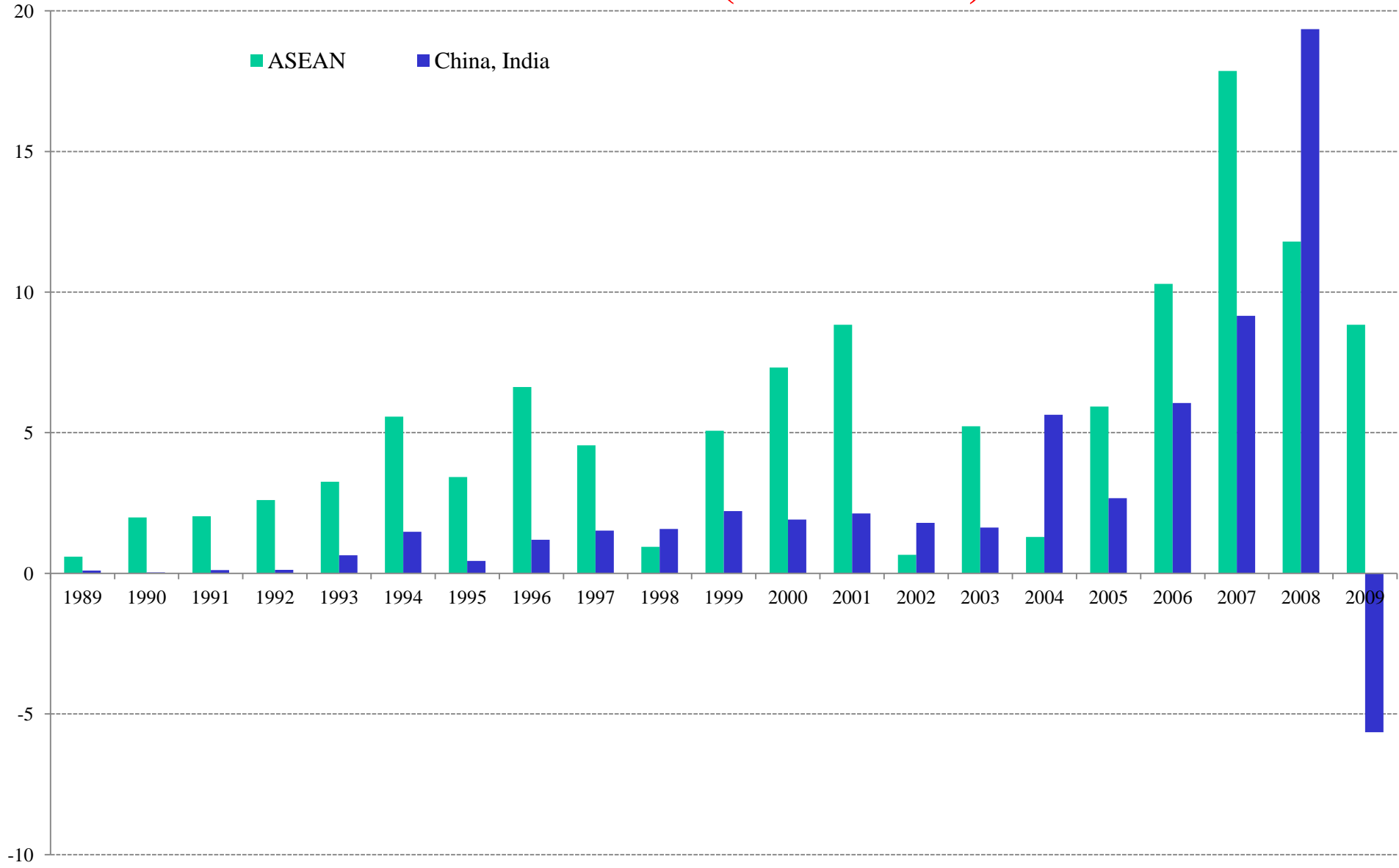
Distribution of Investment Positions of OECD countries in ASEAN



Top 10 OECD Investors in ASEAN

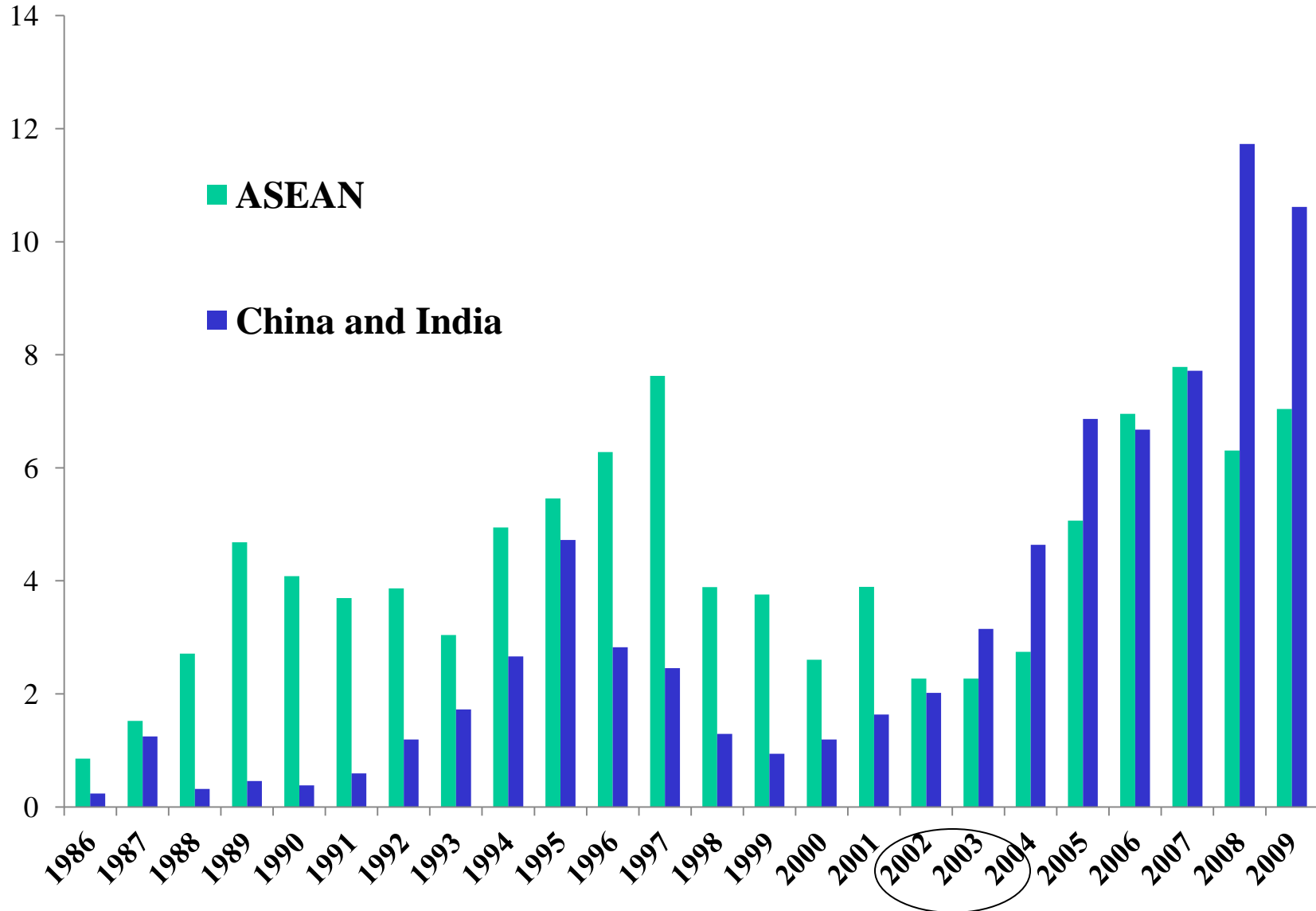


US FDI Flows (USD billion)

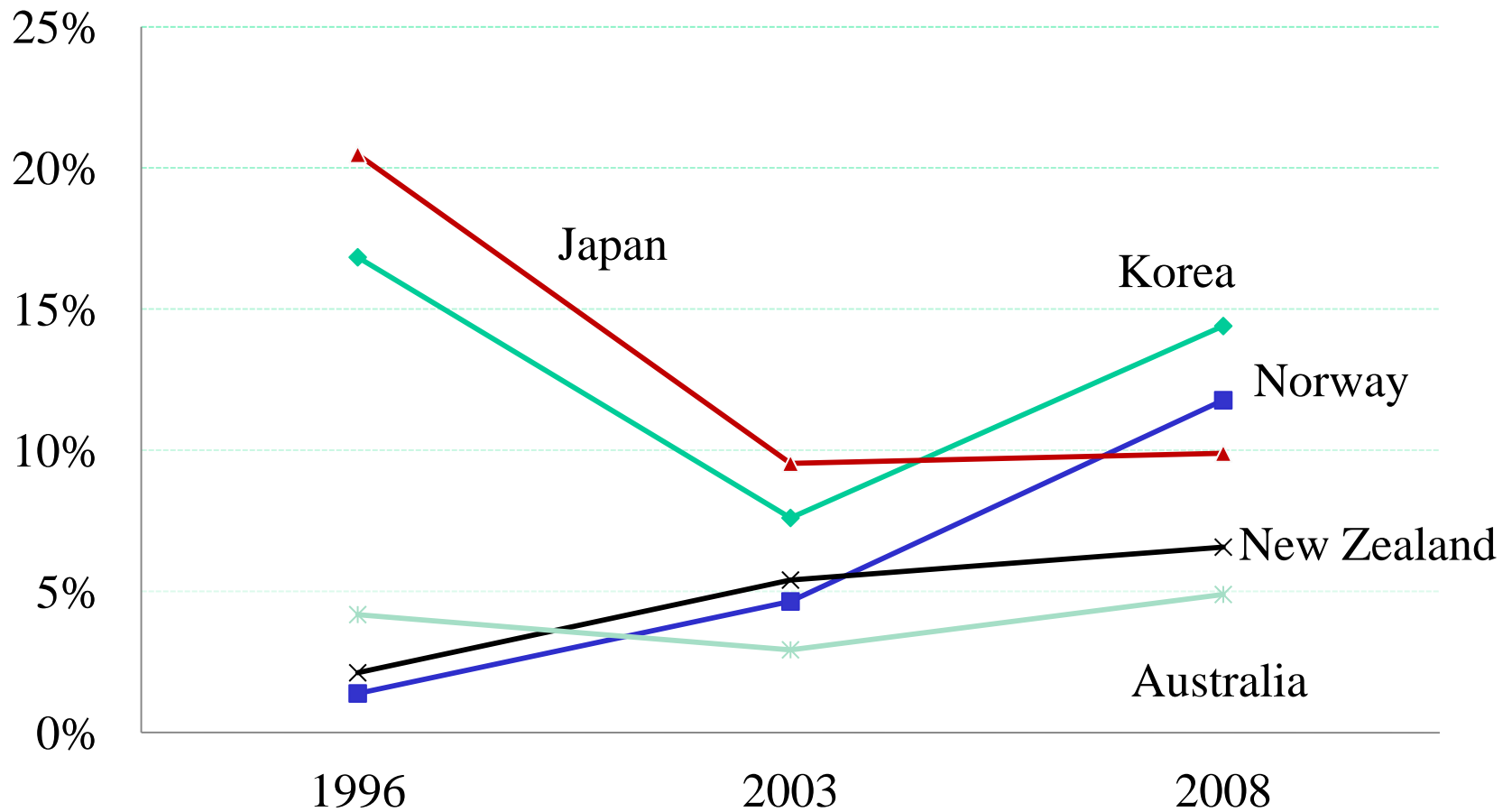


Source: Bureau of Economic Analysis, US Department of Commerce

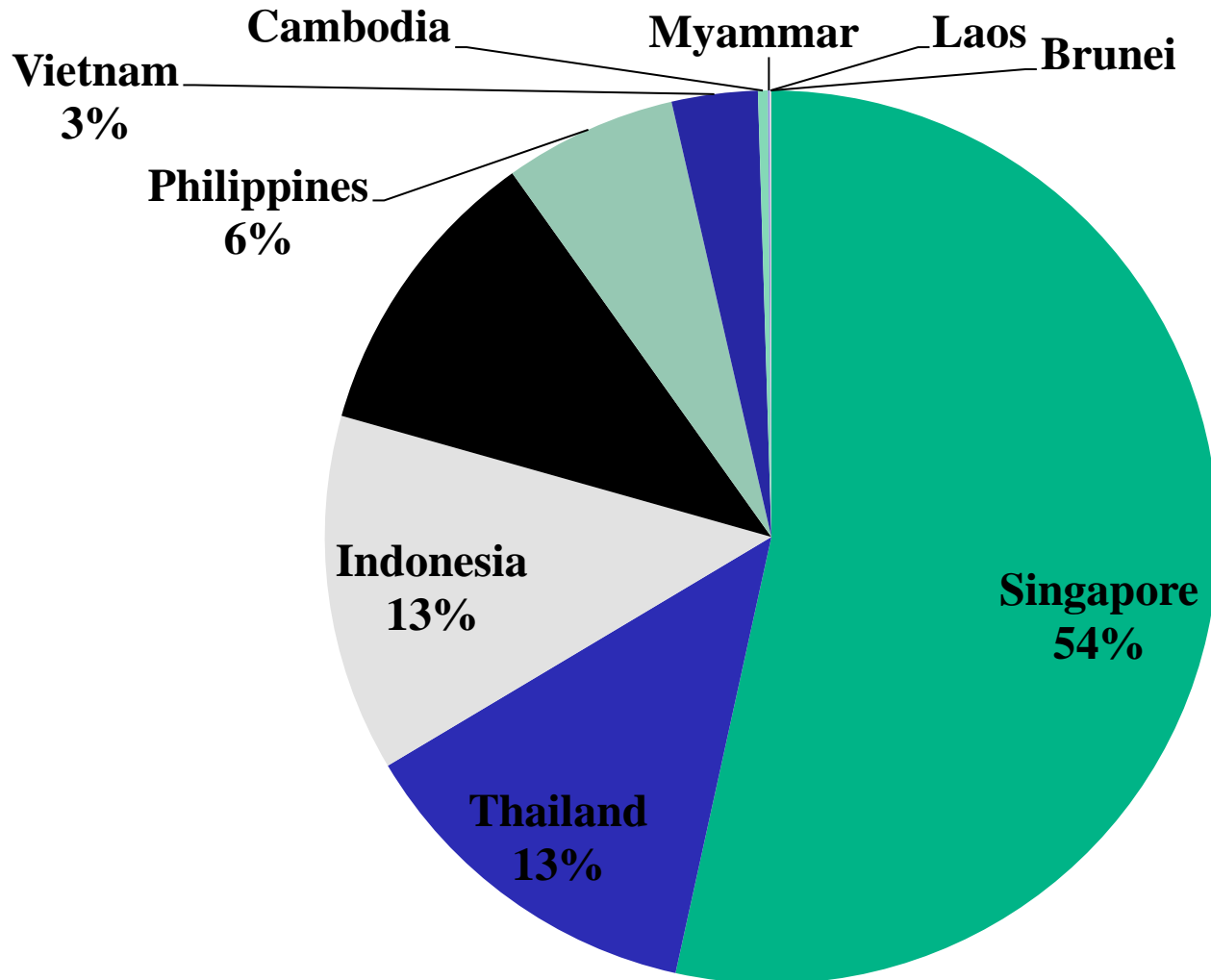
Japan FDI Flows (USD billion)



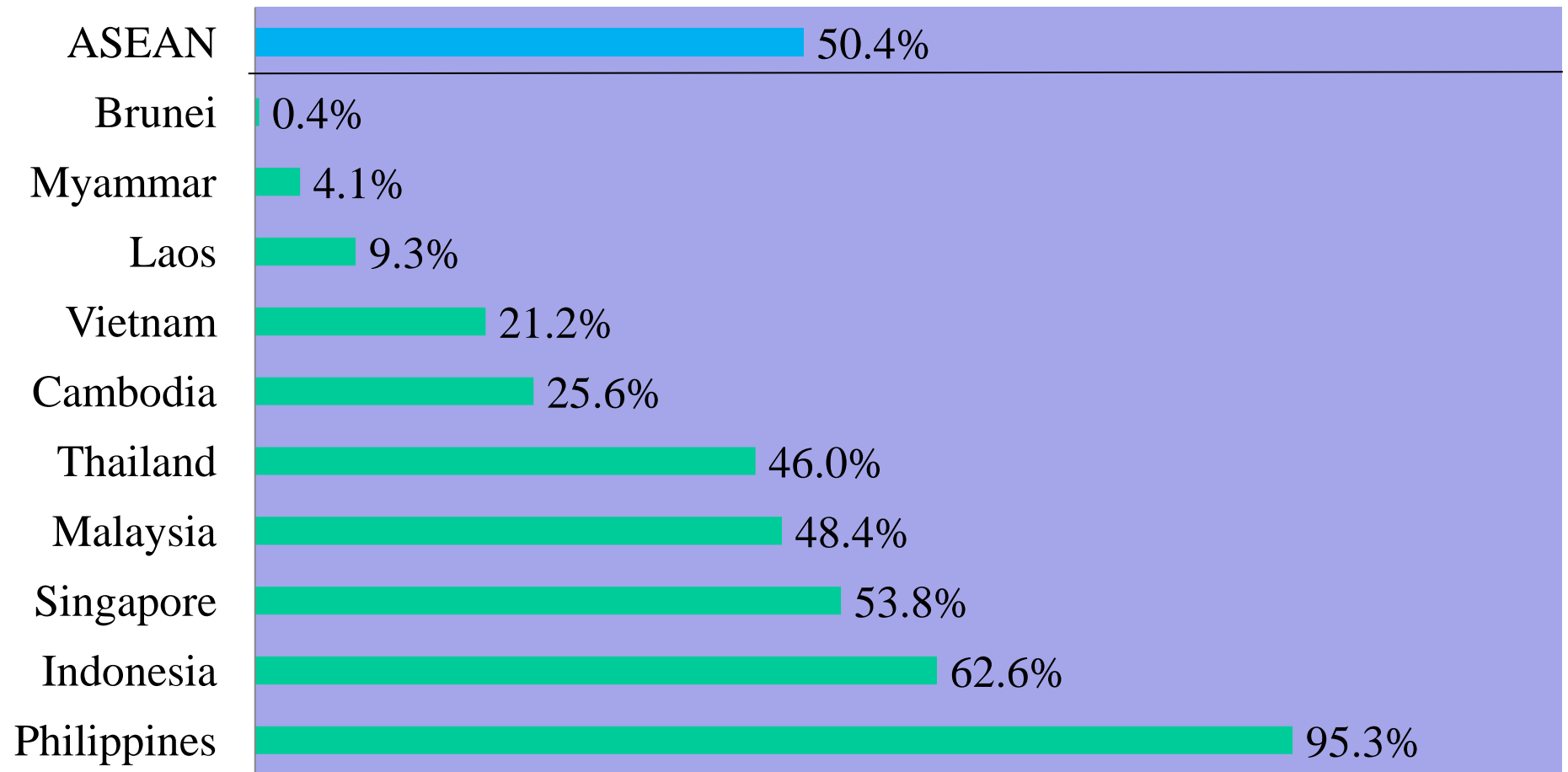
OECD Investors with highest ASEAN exposure



Distribution of OECD Investors' FDI Stock across ASEAN



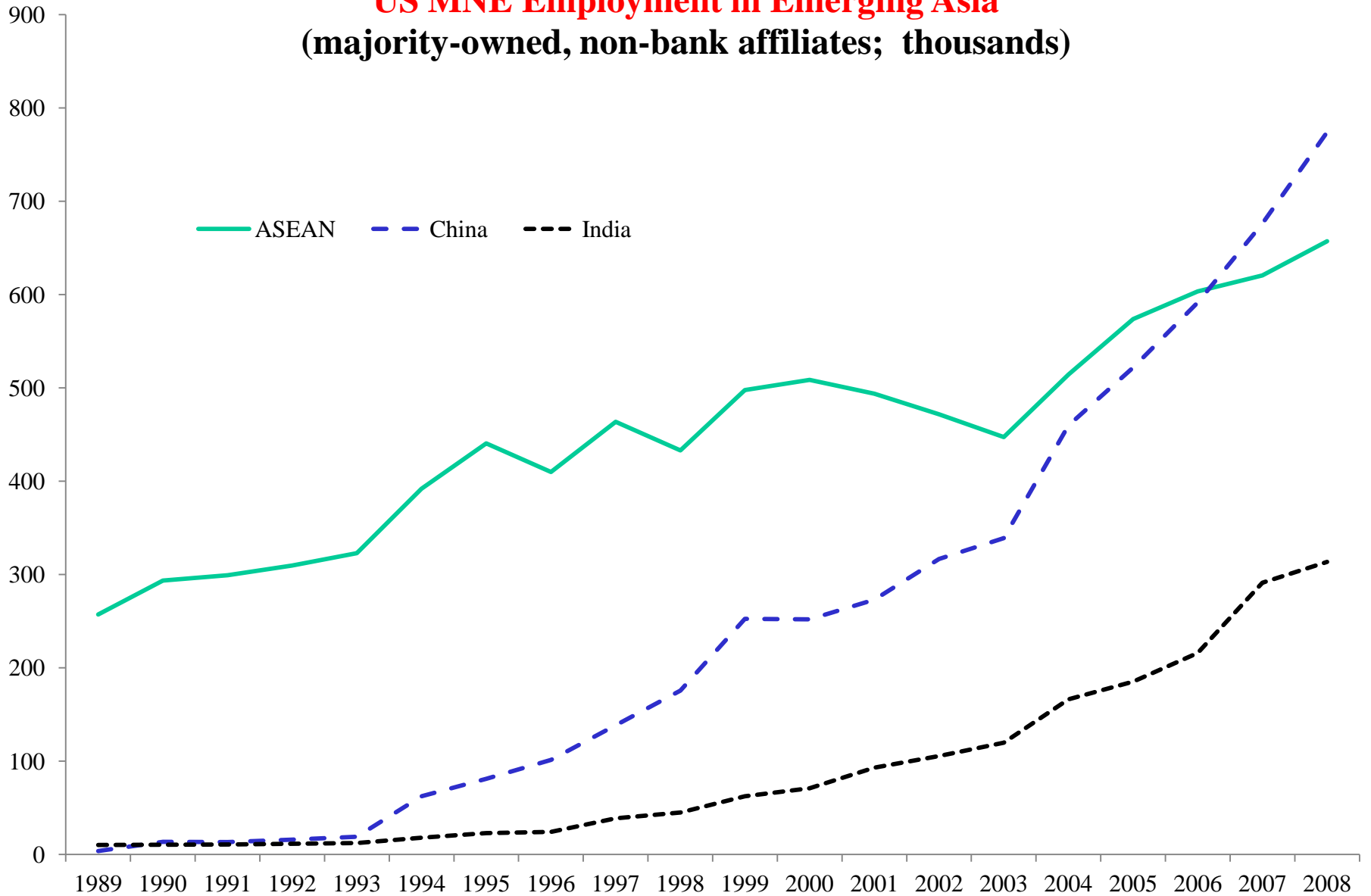
OECD Investors' Share of FDI Stock in Individual ASEAN Economies



Structure of the presentation

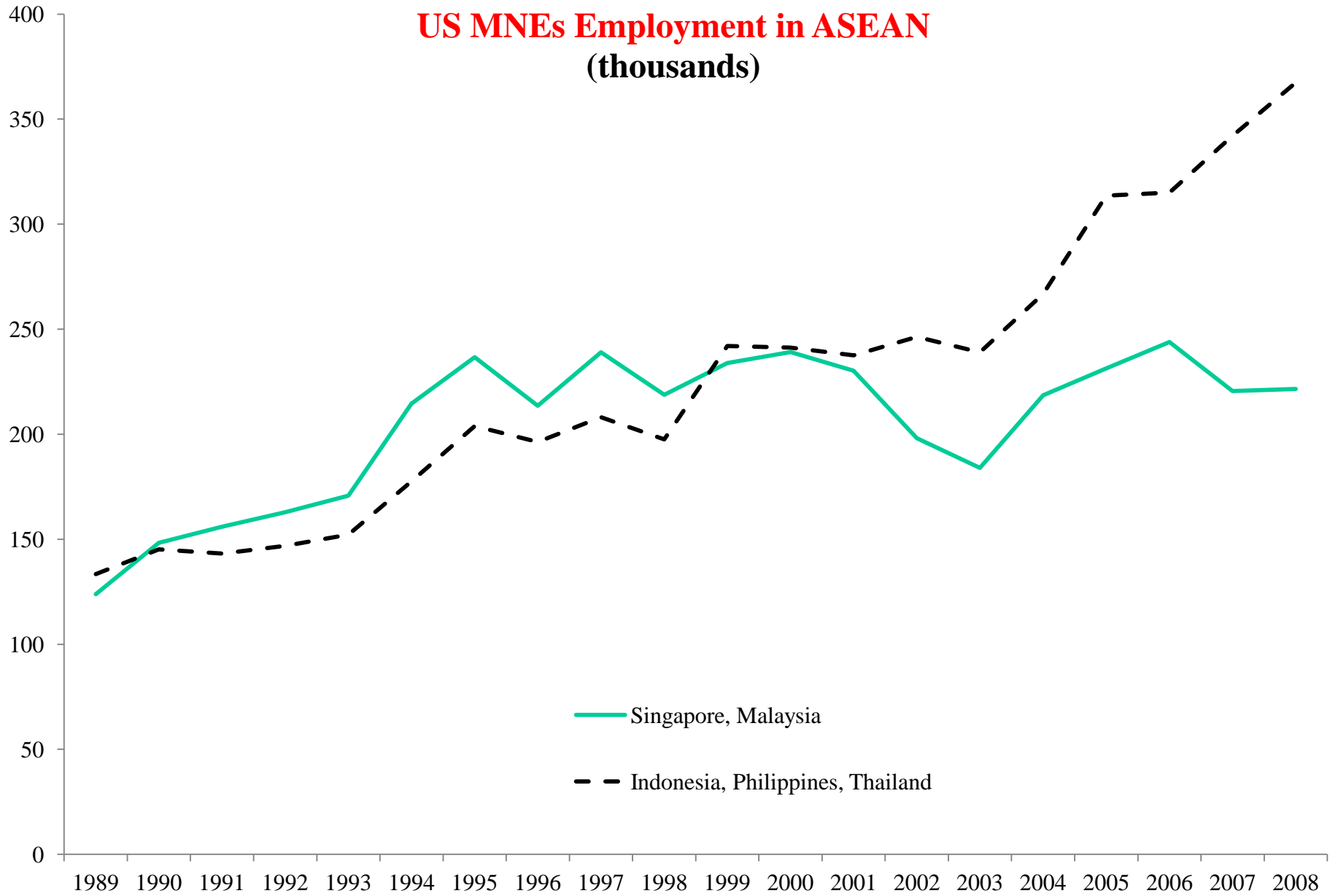
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US MNE Employment in Emerging Asia (majority-owned, non-bank affiliates; thousands)



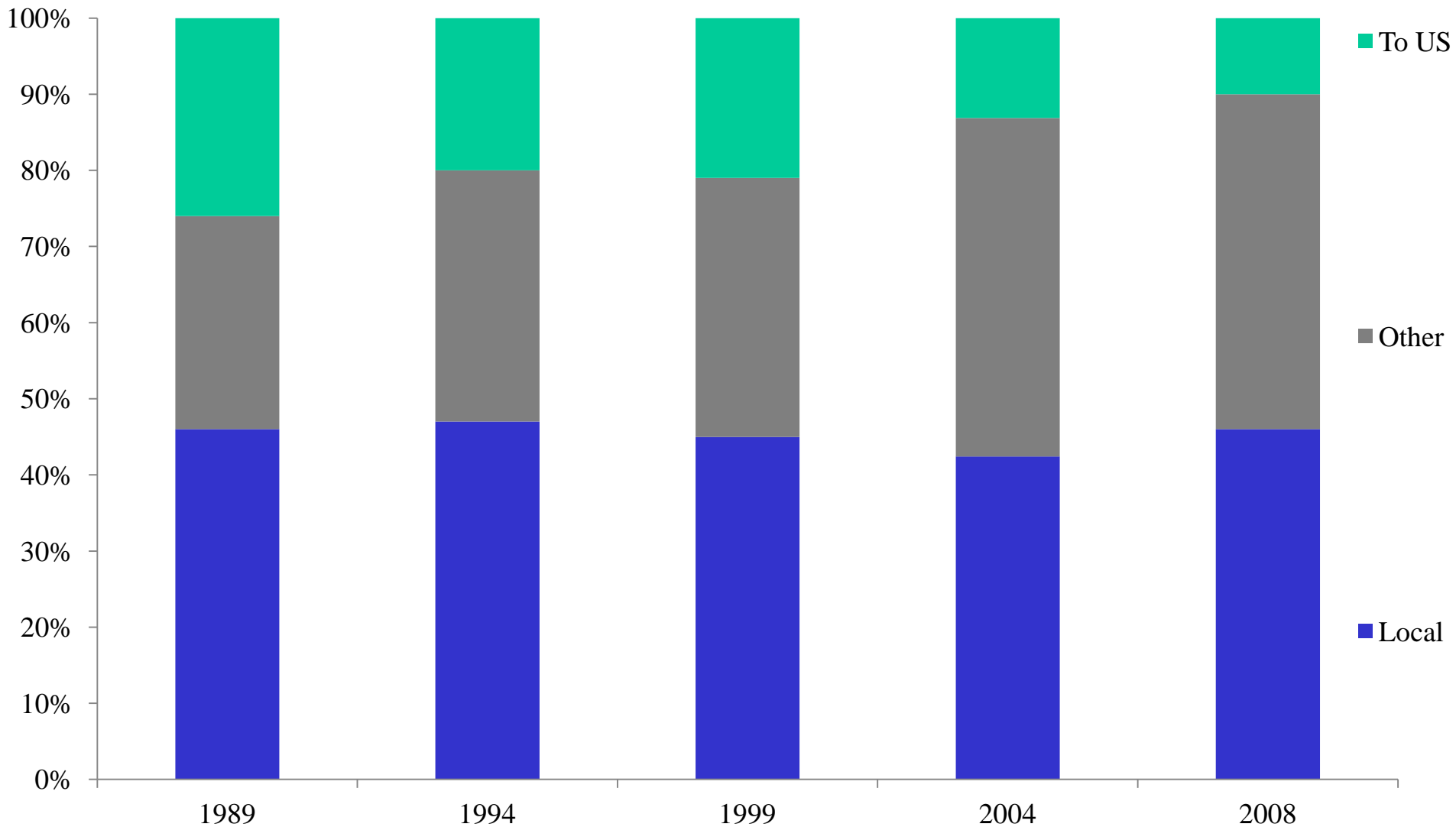
Source: Bureau of Economic Analysis, US Department of Commerce

US MNEs Employment in ASEAN (thousands)



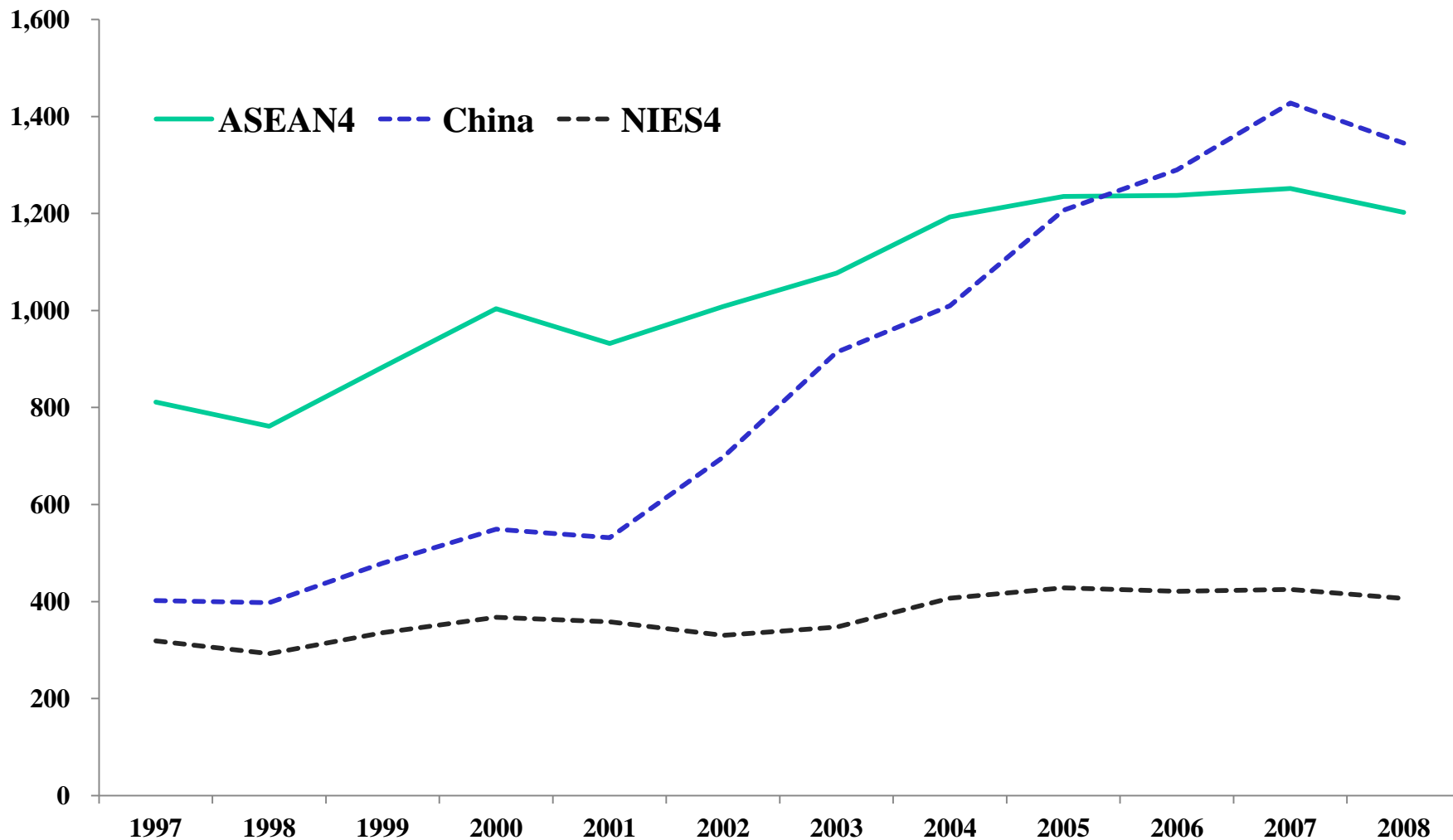
Source: Bureau of Economic Analysis, US Department of Commerce

US MNEs in ASEAN are focusing on the domestic and regional markets
(distribution of sales of majority-owned, non-bank affiliates)

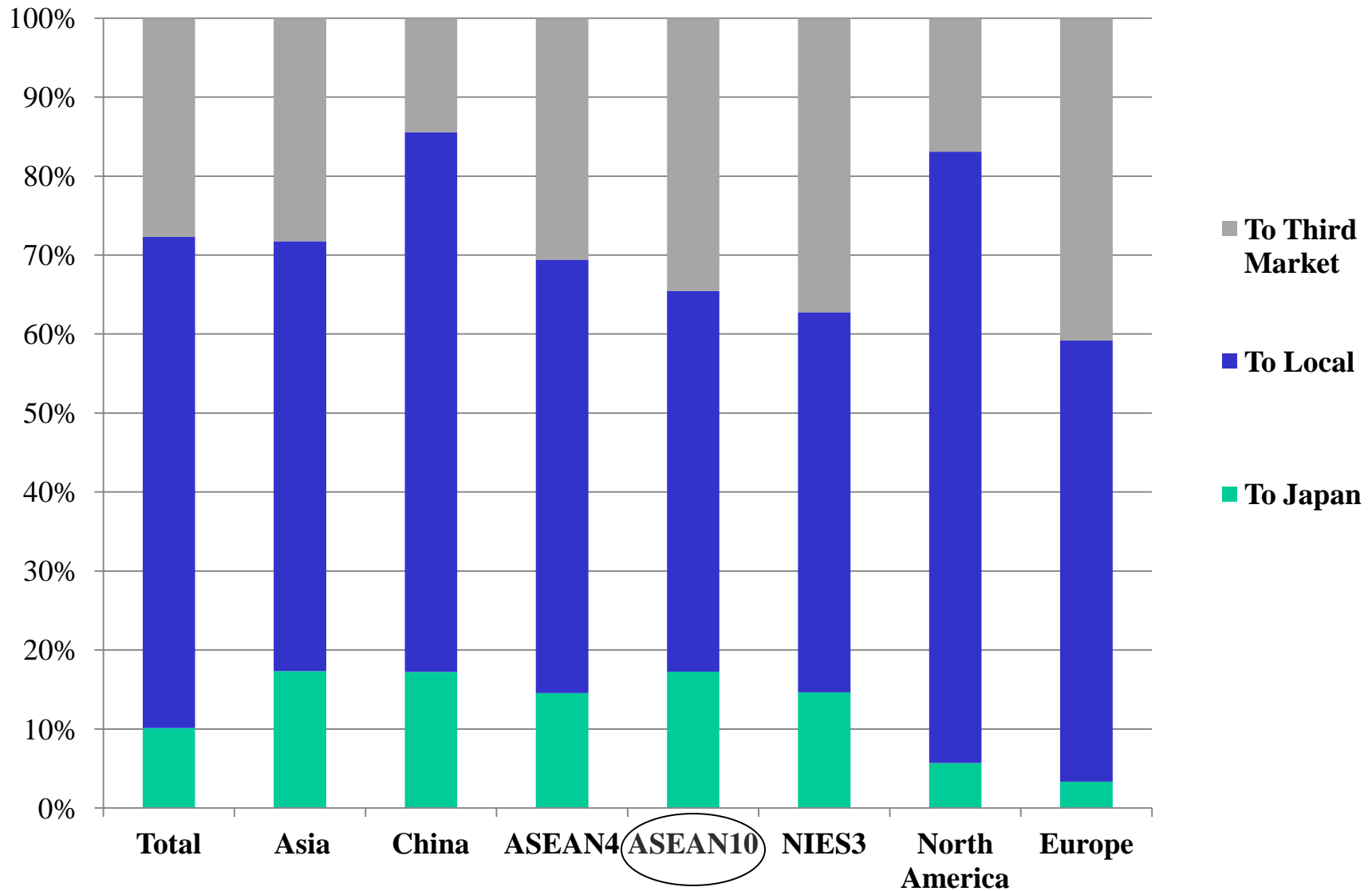


Source: Bureau of Economic Analysis, US Department of Commerce

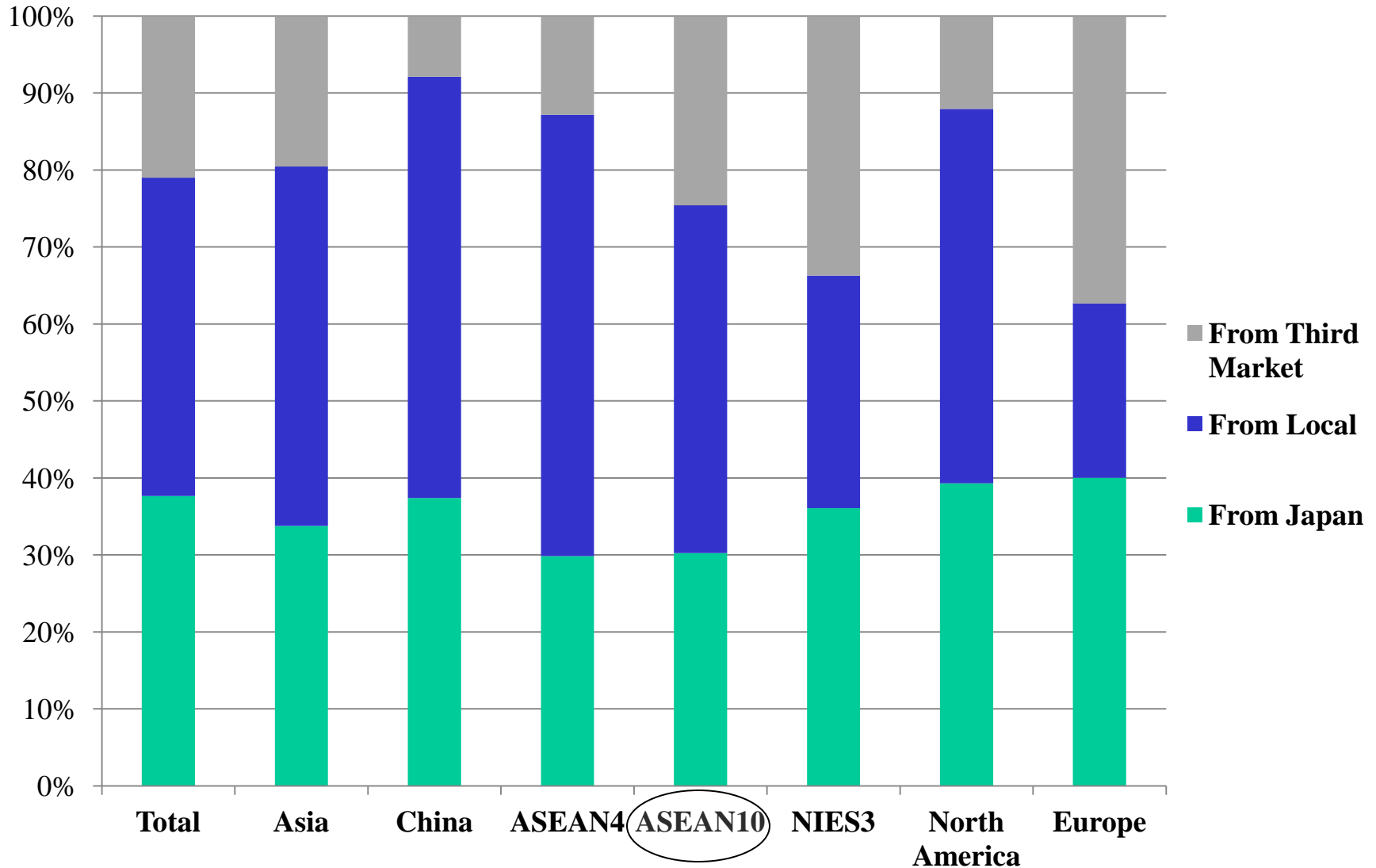
Japan MNEs Employment in Emerging Asia (Thousands)



Japanese MNEs in ASEAN more likely to sell to third markets

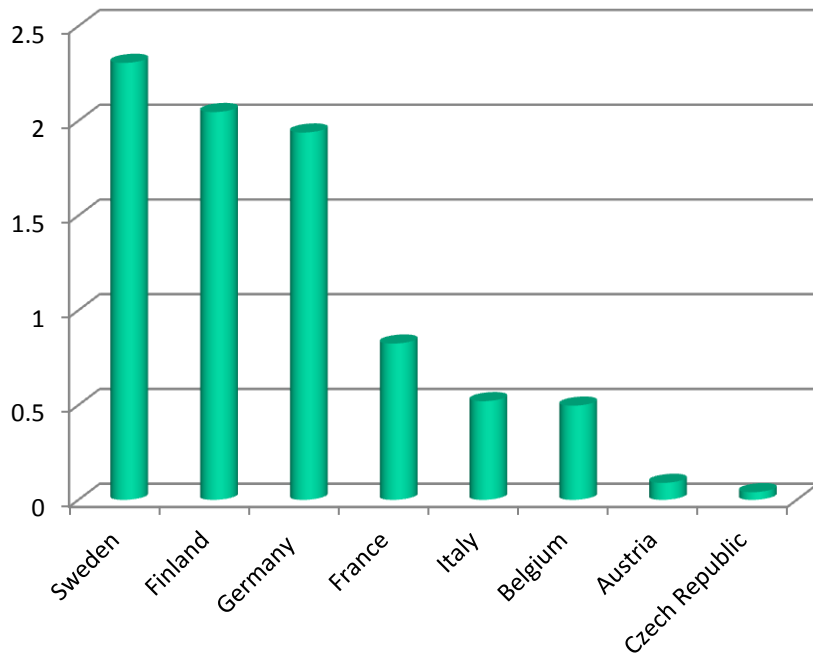


Japanese MNEs in ASEAN more likely to source from host market

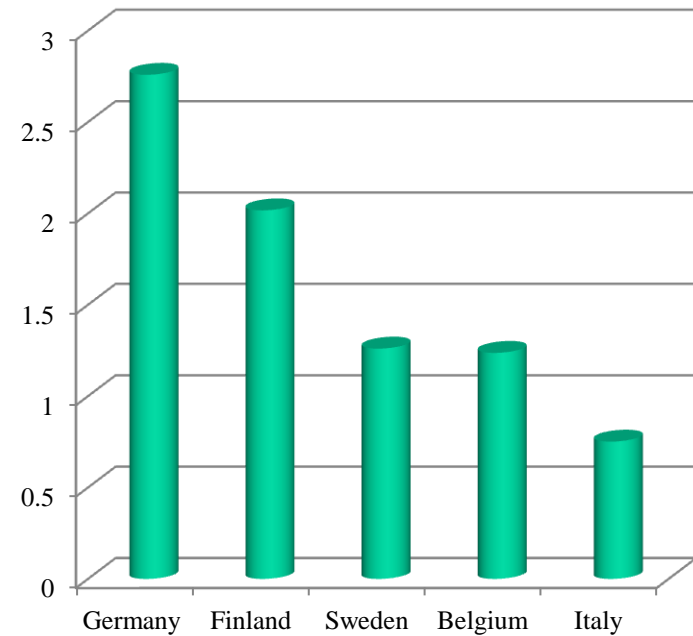


ASEAN5 in the Global Business Geography of Selected EU Investors

By Sales

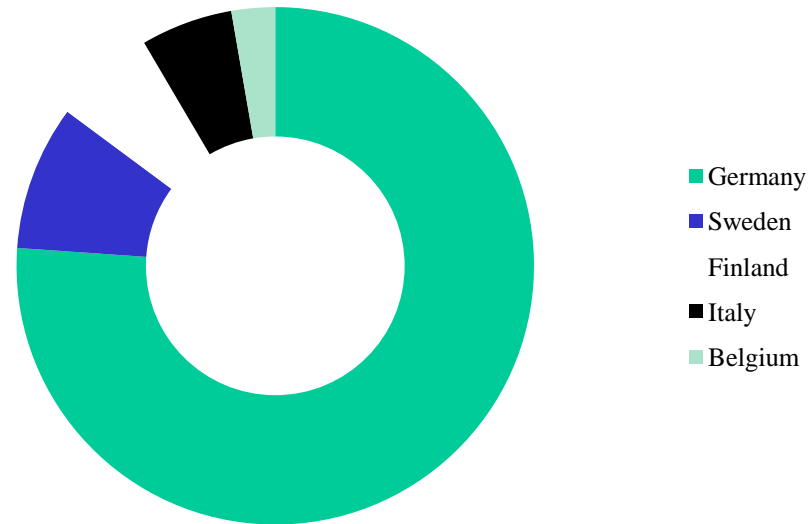


By Jobs



OECD elaboration on Eurostat data

Selected EU Investors in ASEAN5: Distribution of Sales by Nationality

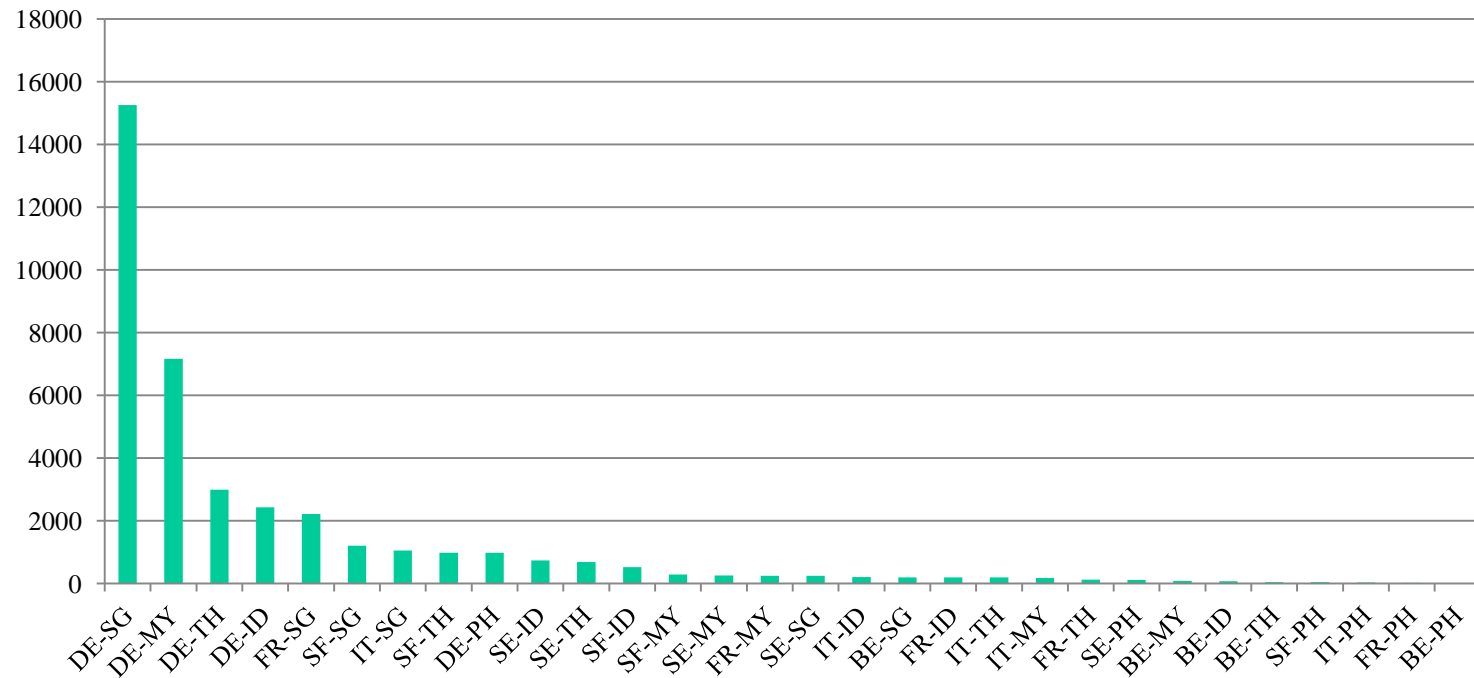


OECD elaboration on Eurostat data

Selected EU Investors in ASEAN5: Distribution of Sales by Country

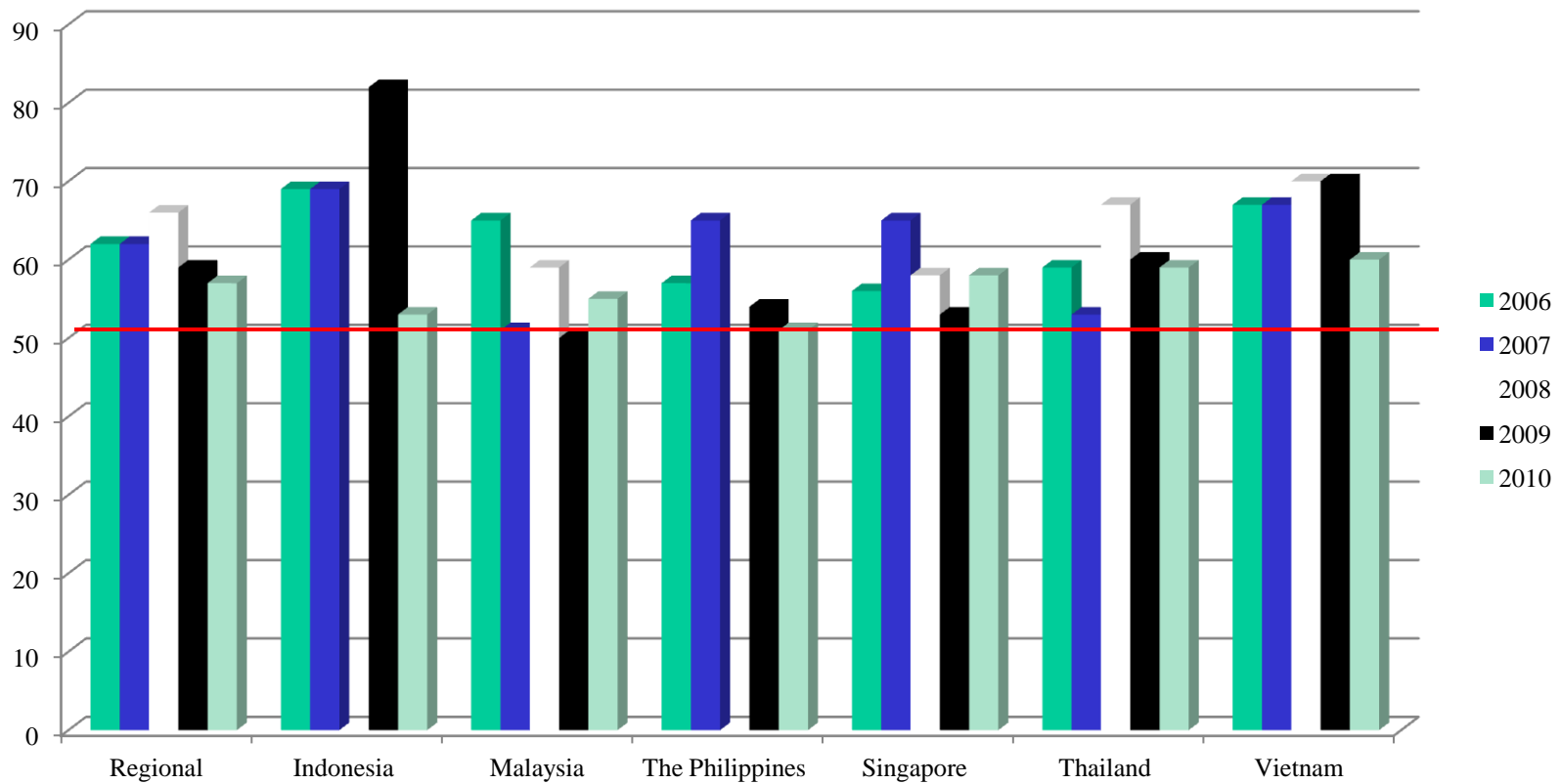


Selected EU Investors Business Activity in Individual ASEAN Countries Ranked by Sales



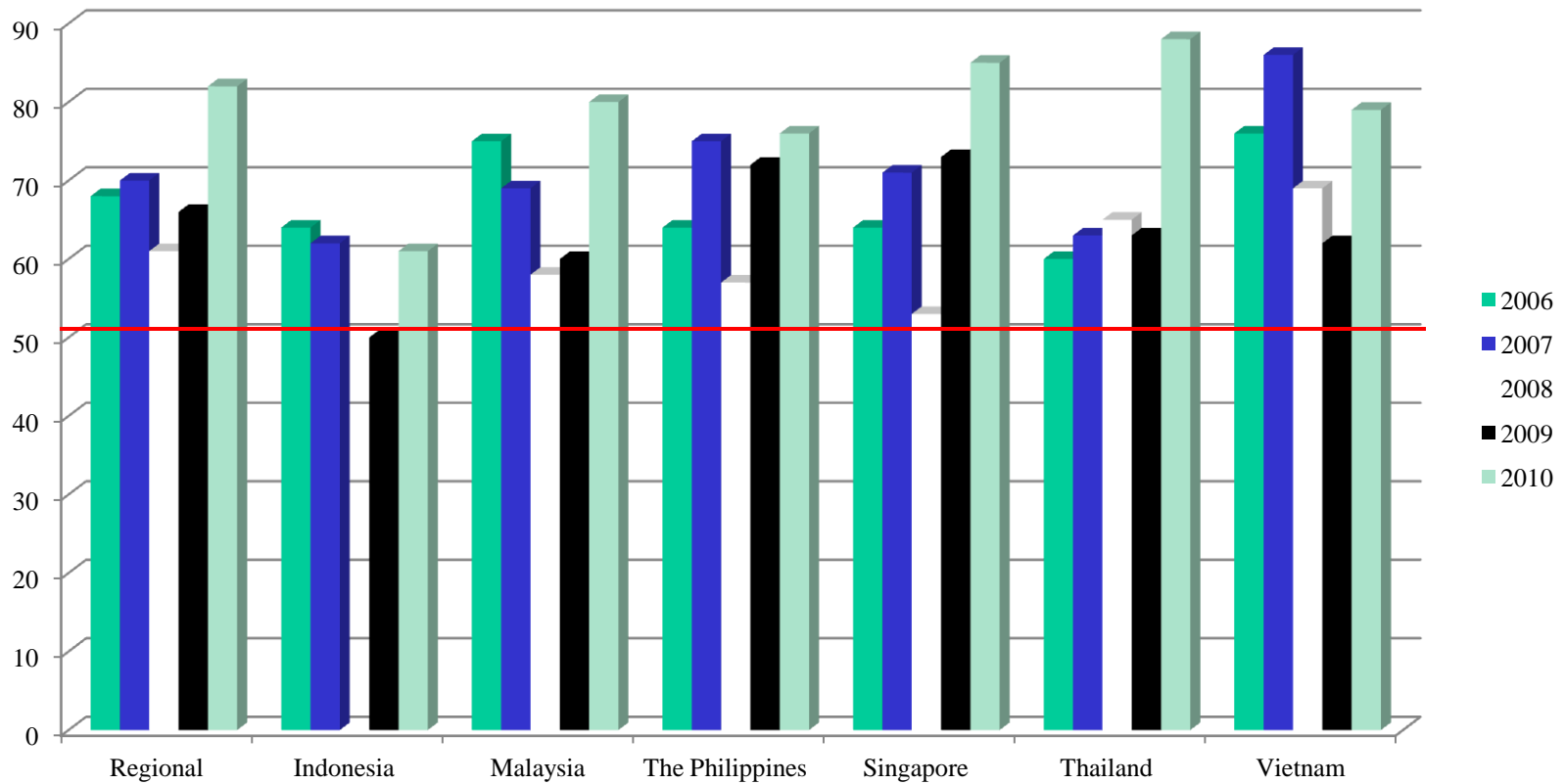
OECD elaboration on Eurostat data

US MNEs: ASEAN's Contribution to Global Business Prospects



Source: American Chambers of Commerce, ASEAN Regional Business Outlook Survey

US MNEs: ASEAN Profits Expectations



Source: American Chambers of Commerce, ASEAN Regional Business Outlook Survey

Local Business Environment Factors, from 2006 to 2010

	Indonesia	Malaysia	The Philippines	Singapore	Thailand	Vietnam
Infrastructure	X	√	X	√	√	X
Labor costs	√		√	was X	√	√
Skilled labor	was X	was √	√	√		X
Office rent		was √	√	X	was √	X
Housing cost		was √	√	X	√	X
Governance	X (worse)	was X	was X	√	was X	X
Corruption	X	X	X	√	X	X
Protectionism	X	X	was X	√	X	X
Taxes	X		X	√	was X	X
Security		X (was √)		√	√	√
Politics		was √	was X	√	was X	√
Incentives	X (worse)		was X	√		
Regionalism				√		
Logistics	X					
US friendliness		√	√	√	√	√

Source: American Chambers of Commerce, ASEAN Regional Business Outlook Survey

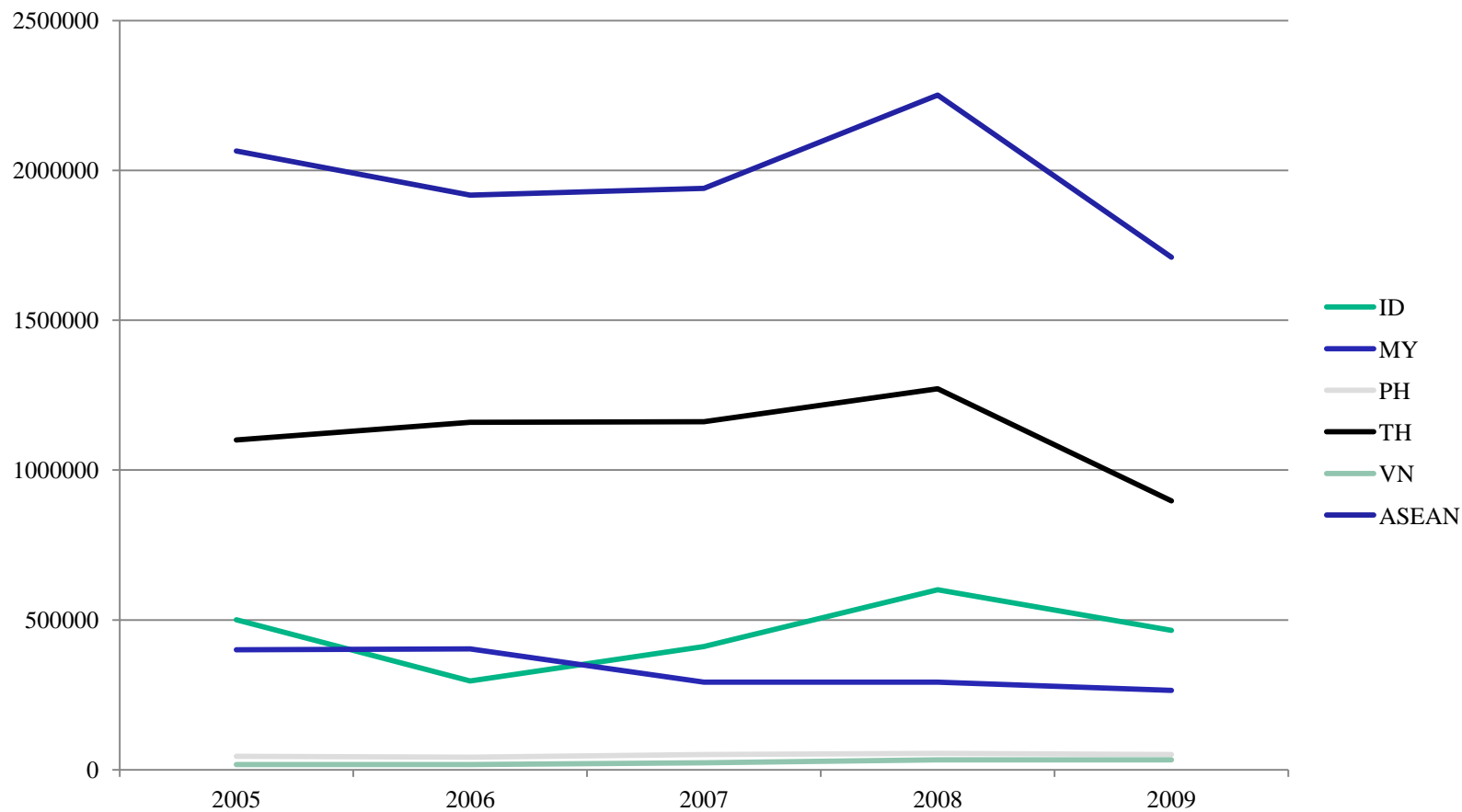
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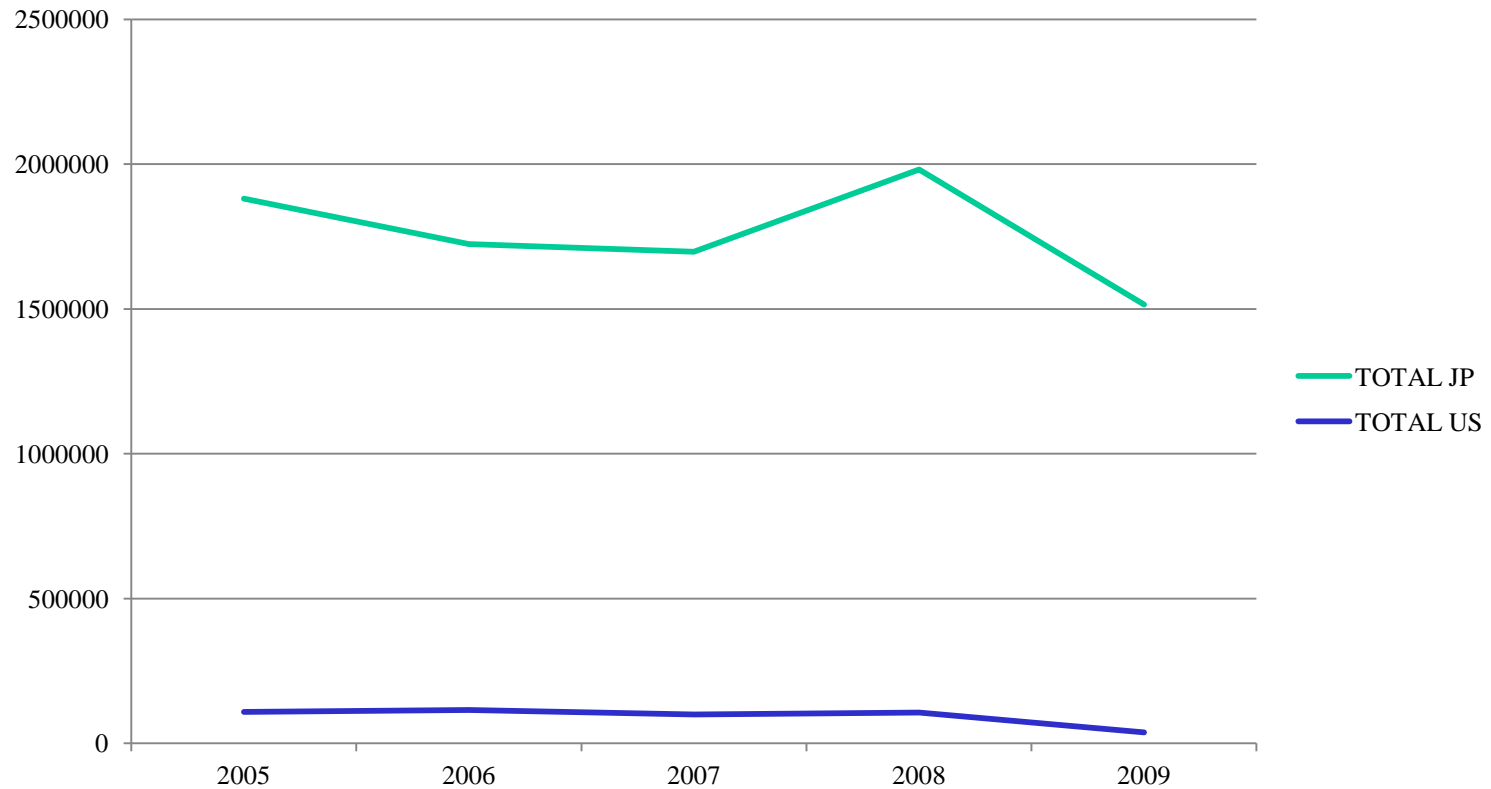
Why the auto industry?

- key sector for most of the world's large economies
 - 10 million jobs directly (5% of global manufacturing employment)
 - another 50 million indirectly
- source of innovations that have radically transformed many manufacturing processes
- Production offshoring from OECD to a select group of emerging economies
 - access to large domestic markets
 - lower production costs
 - proximity to important export markets

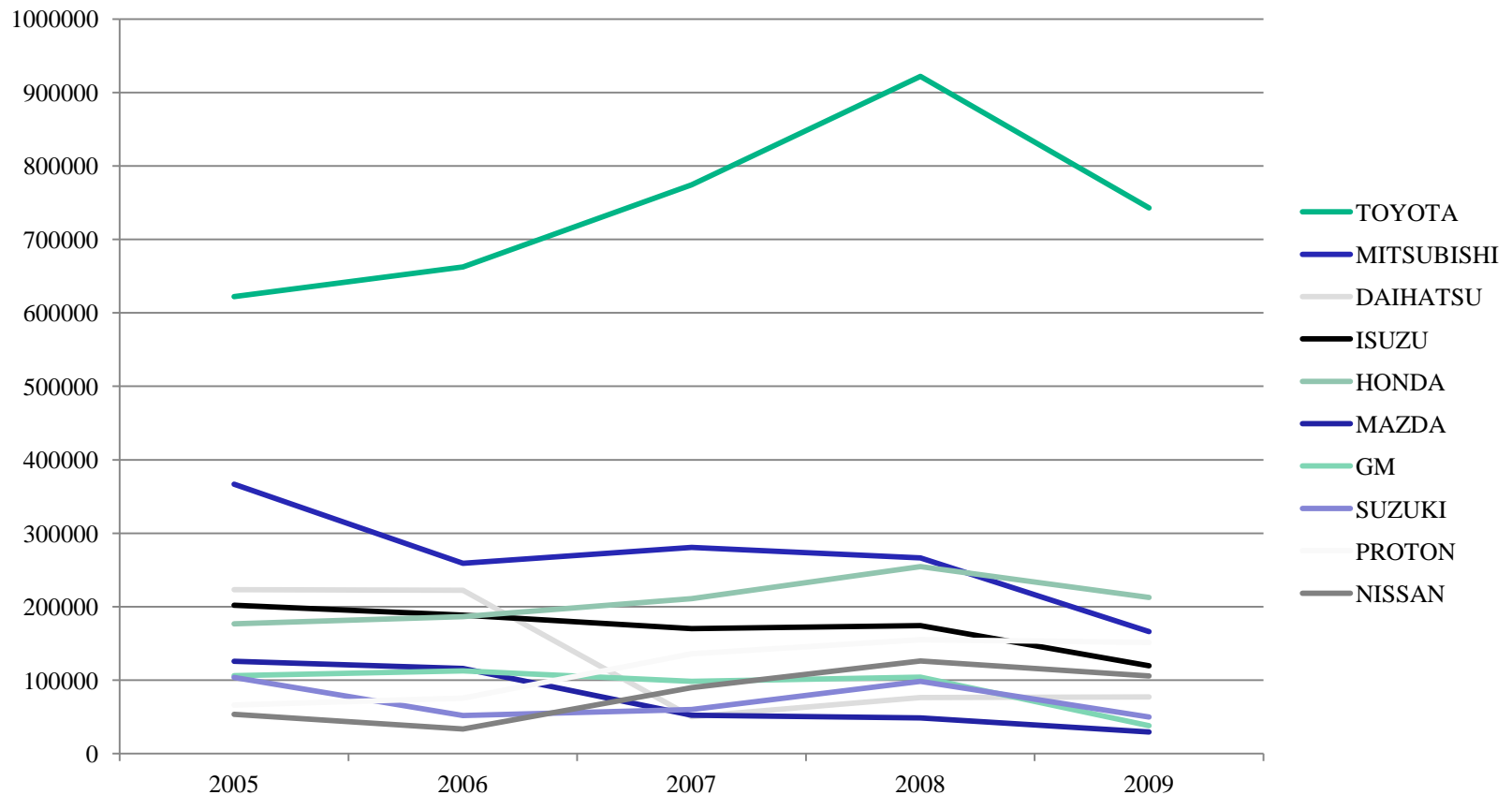
Car production in ASEAN



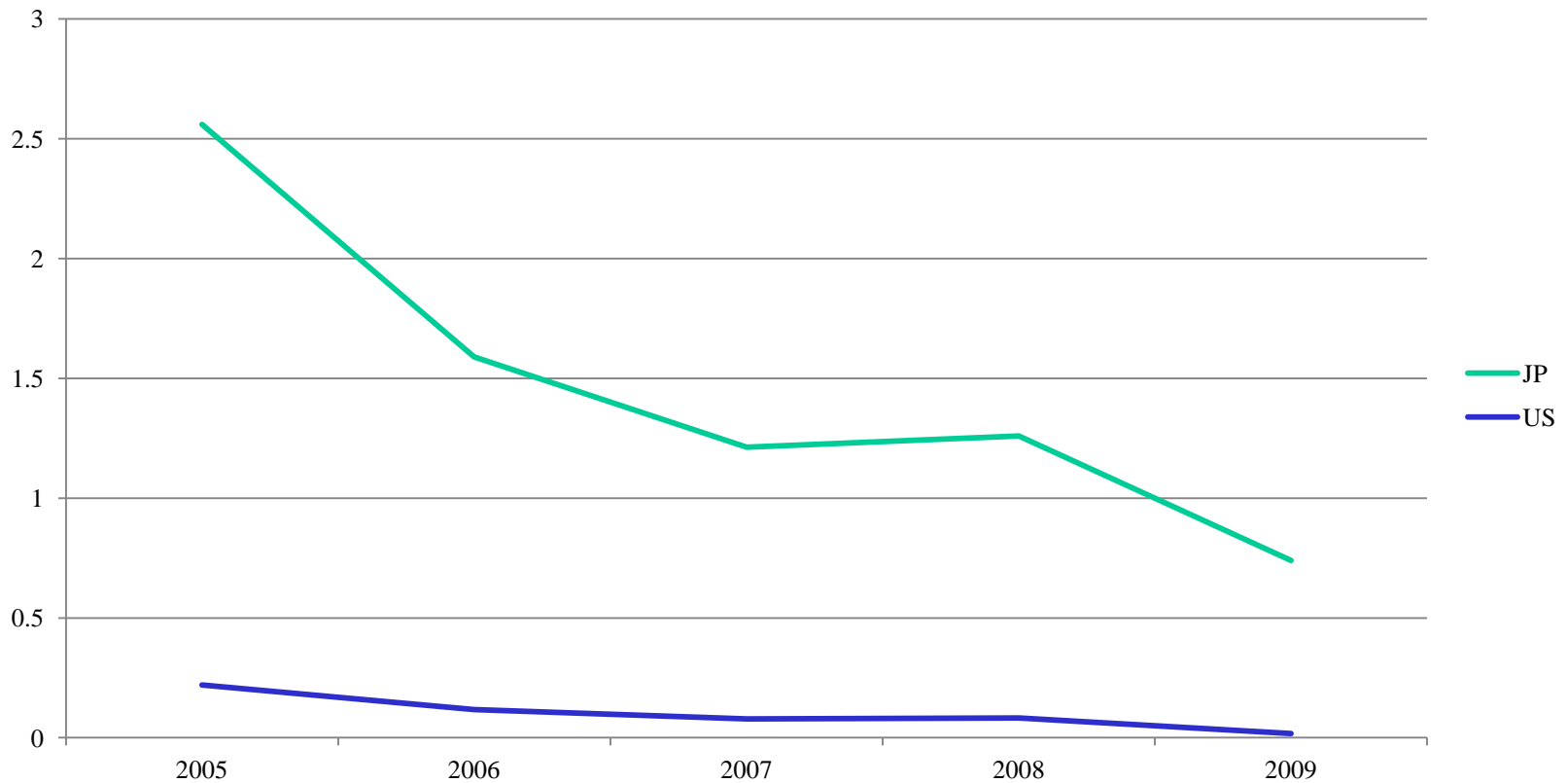
Car production in ASEAN: Japanese vs. US manufacturers



Major car manufacturers' production in ASEAN

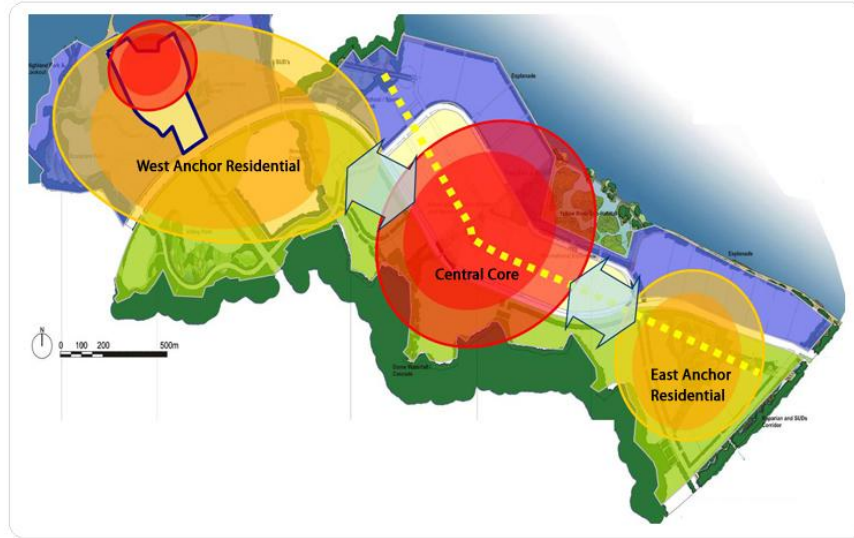


Japanese and US car manufacturers: relative car production in ASEAN and China

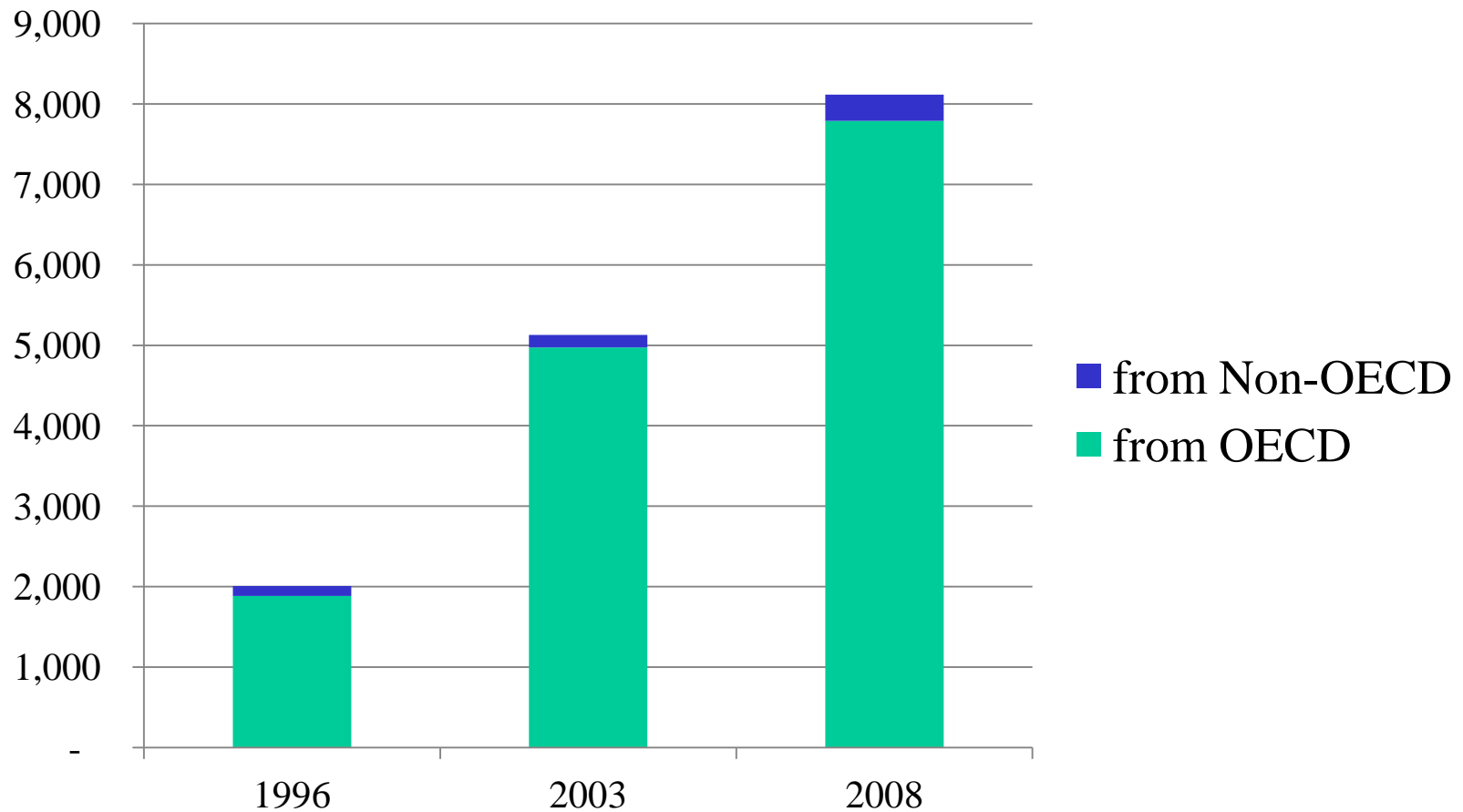


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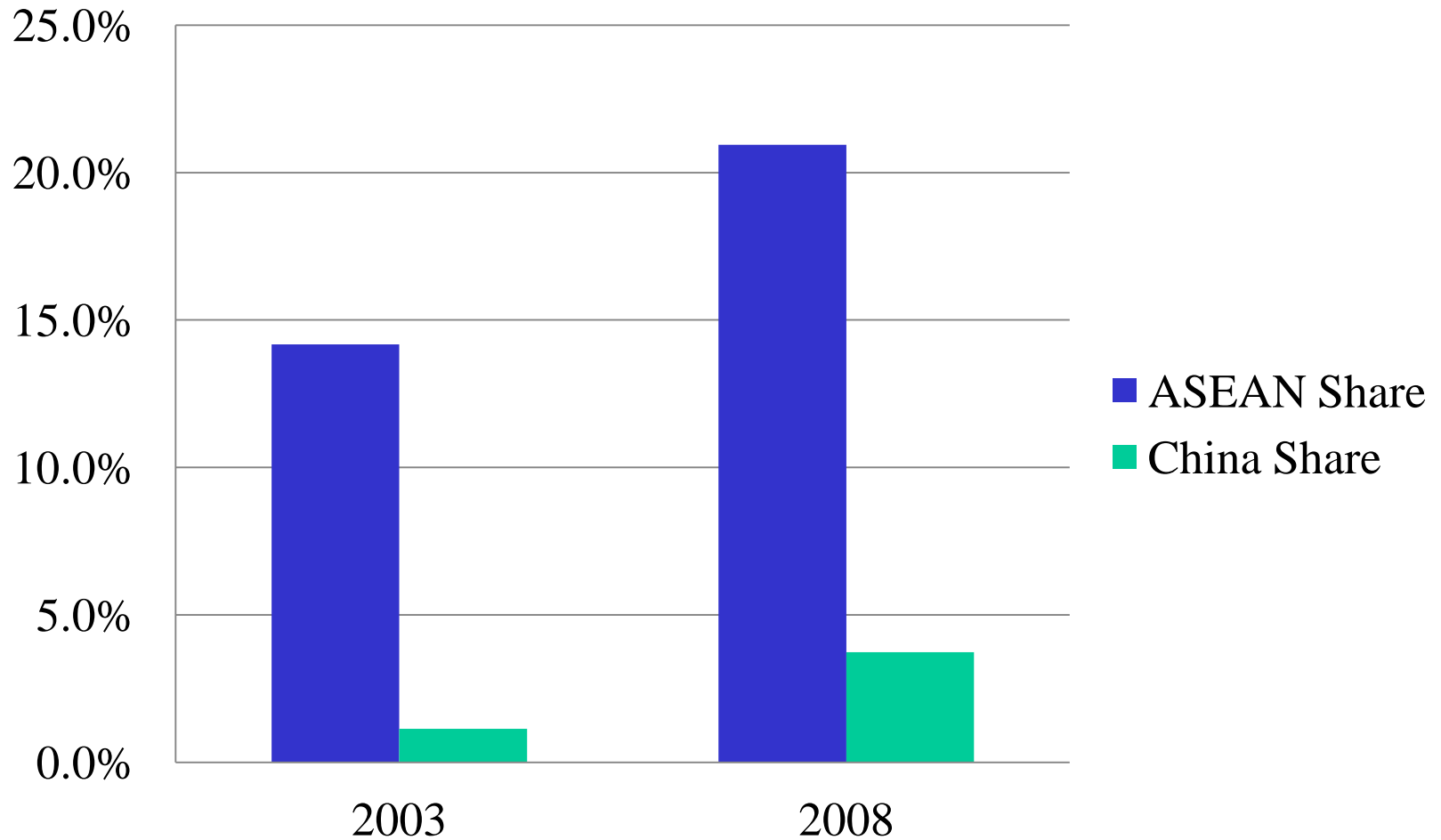
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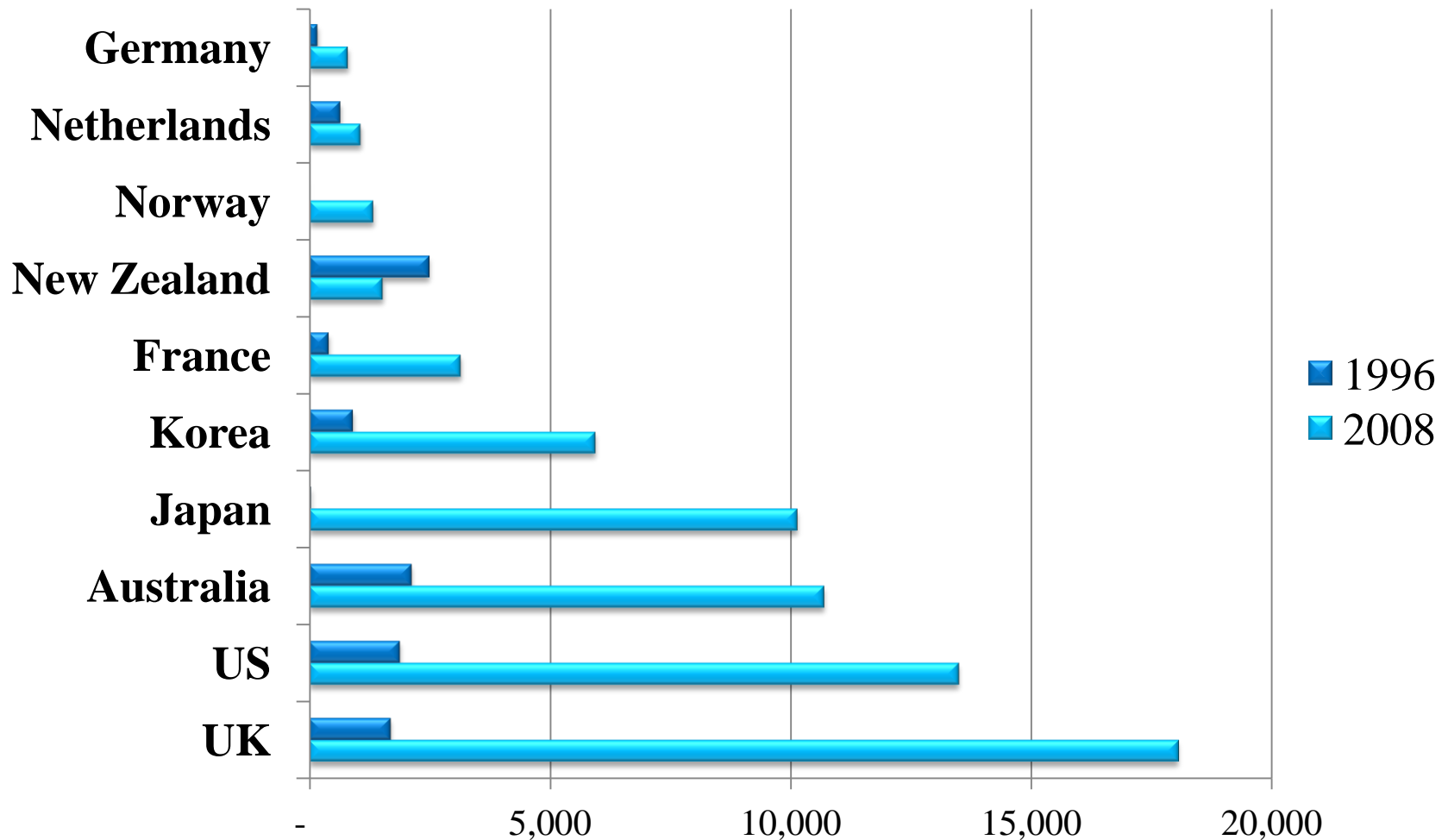
Inward Investment Positions in OECD Countries



ASEAN and China Shares in Total Investment Positions from Non-OECD Sources



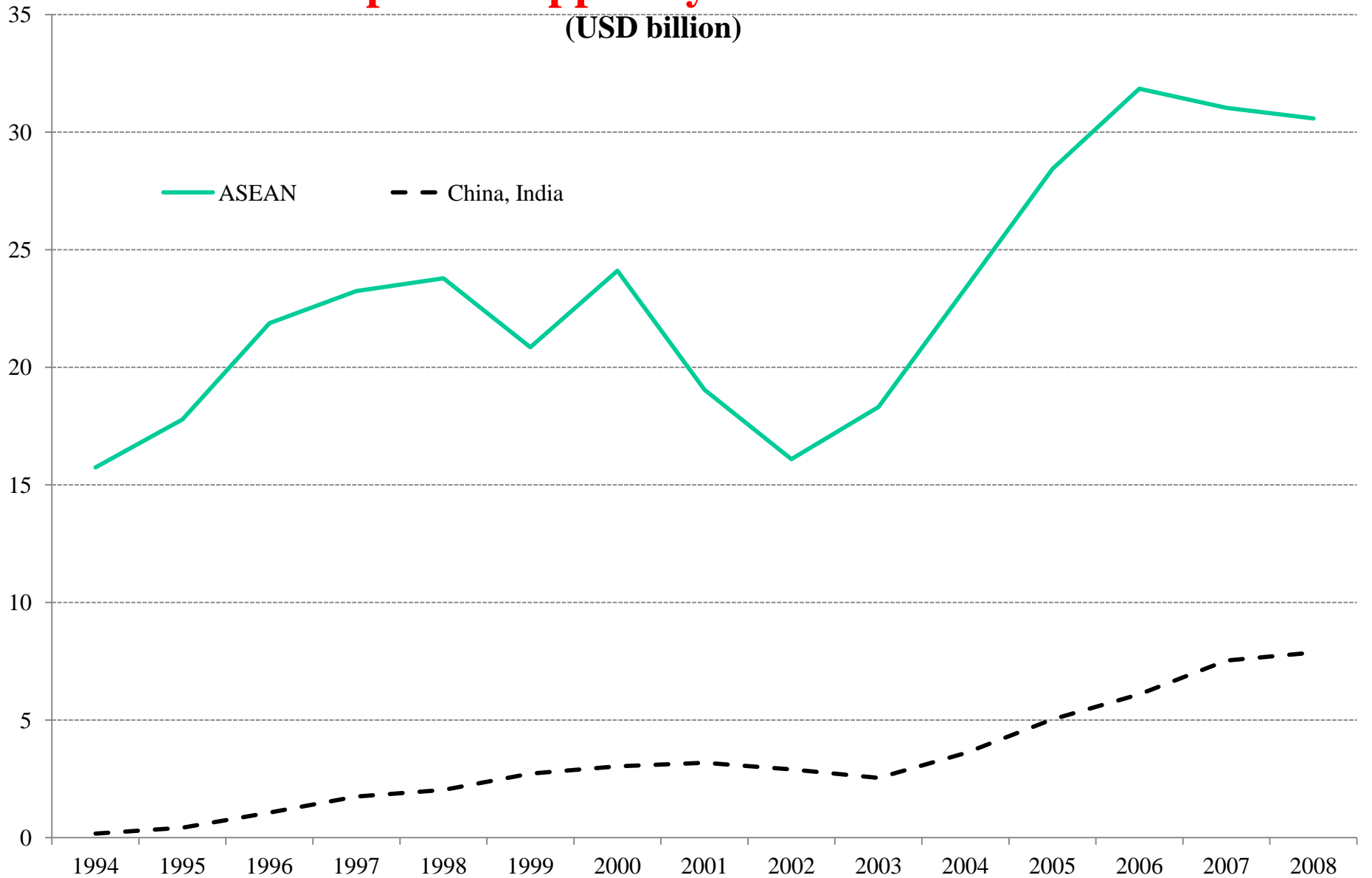
Top 10 OECD Recipient of ASEAN Investment



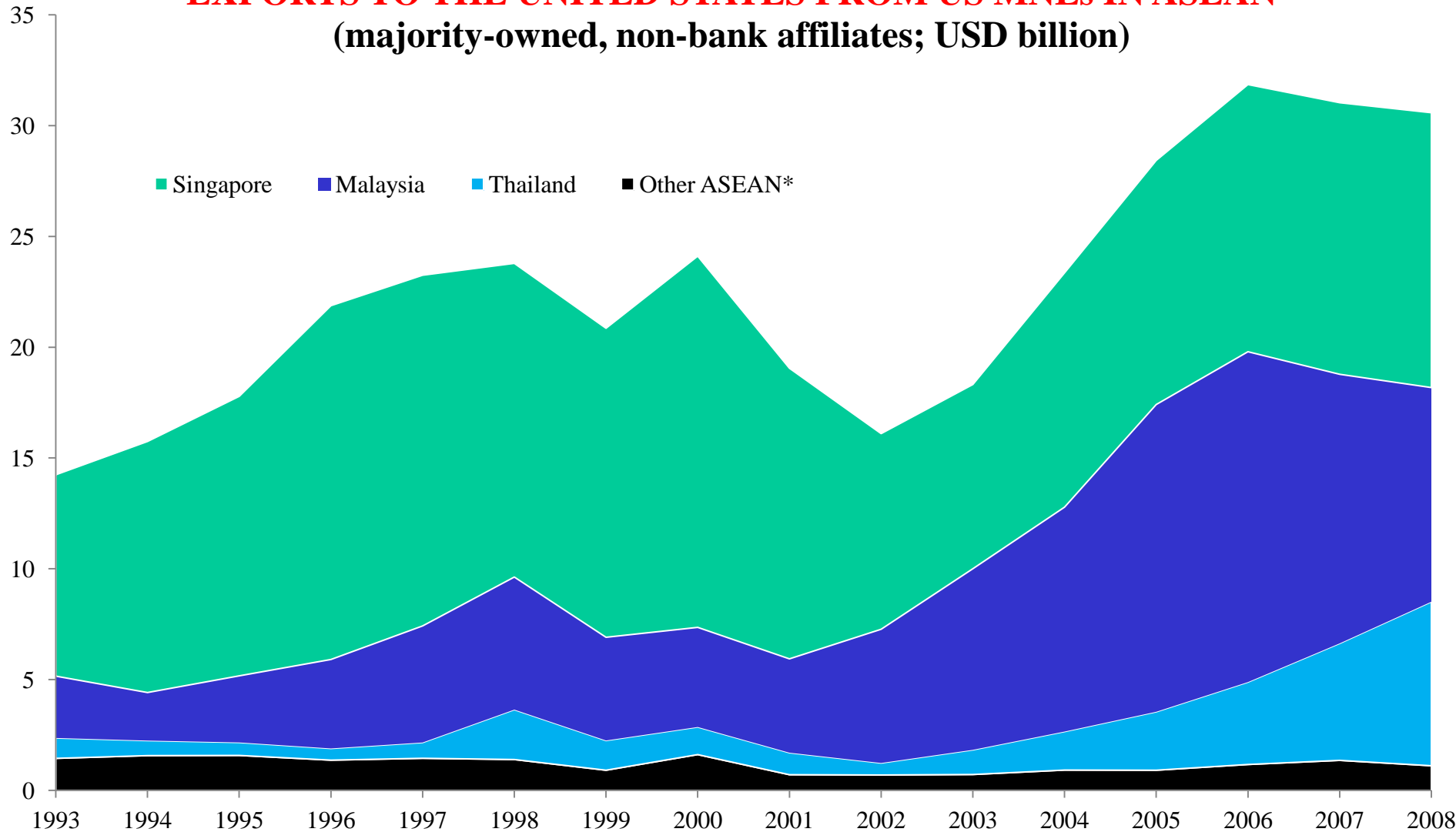
Thanks for
your attention!

US Imports Shipped by US MNEs in Asia

(USD billion)



EXPORTS TO THE UNITED STATES FROM US MNEs IN ASEAN (majority-owned, non-bank affiliates; USD billion)



Source: Bureau of Economic Analysis, US Department of Commerce

Japanese MNEs investing locally (JPY billion)

