



# Global Investment Trends Monitor



## Global FDI remains weak during the first half of 2024

New project announcements in industry fell by 10% and in infrastructure by one third

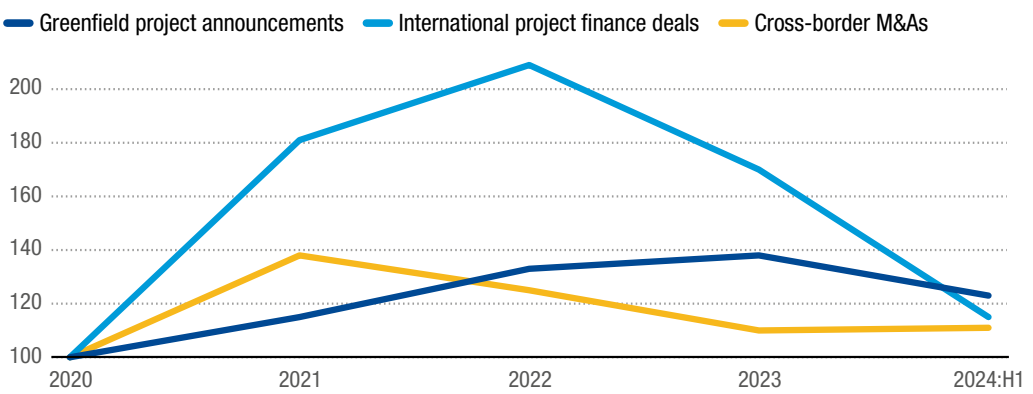
### Global trends

Following the decline in 2023, preliminary data for the first half of 2024 indicate a marginal increase of 1% in global foreign direct investment (FDI), excluding financial flows through European conduit economies (including conduit flows, FDI rose by 25%). However, new project announcements were significantly lower.

Higher financing costs and persistent inflationary pressures in some markets contributed to ongoing weakness in international project finance and cross-border mergers and acquisitions (M&As). International project finance (mostly concentrated in infrastructure sectors) continued its downward trend, with both the number and value of deals decreasing by 30% (figure 1). Cross-border M&A values remained subdued in the first half of 2024, declining by 5%. However, the number of transactions increased by 1%, signaling a halt to the slide over the past two years with expectations of improving financial conditions.



**Figure 1**  
Global investment project numbers  
(Indexed, 2020=100)



Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and LSEG Data & Analytics.



Greenfield investment project announcements (mostly in industrial sectors) were also lower in the first half of the year, decreasing by 11% in number and 4% in value compared to the half-year average of 2023. Multinational enterprises (MNEs) have adopted a cautious approach to overseas investment amid geopolitical crises and economic fragmentation trends.

The global environment for international investment is expected to remain challenging for the remainder of 2024. Geopolitical tensions, regional conflicts, economic fracturing, industrial policies, and supply chain diversification will continue to affect FDI. However, easing financial conditions and continued high profit levels of MNEs may still bring positive growth over the full year.

## Regional trends

### Developed economies

Flows to developed countries remain significantly influenced by the volatility of MNE transactions in conduit economies. Excluding these conduits, flows to Europe fell by 4% (figure 2). In the largest EU markets, Germany and France, inflows increased by 8% and 16%, respectively. The overall decline in Europe was primarily due to lower inflows in Italy, Poland, and Sweden. In North America, FDI increased by 9%, largely driven by higher flows to the United States (+7%).

All developed regions experienced a decline in cross-border M&A activity, except for the United States, where deal values doubled, driven by megadeals in the finance and utilities sectors. Notable examples include Aon PLC (Ireland) acquiring the insurance company NFP Corp (United States) for \$13 billion, and Enbridge (Canada) purchasing the natural gas distributor East Ohio Gas Co (United States) for \$6.6 billion.



**Figure 2**  
**Investment trends, 2024:H1 vs 2023**  
(Per cent change vs 2023 half year average)

	FDI value	Growth rates (%)		
		FDI	Greenfield projects	International project finance
World	809	+25(+1)*	-11	-32
Developed economies	347	+65(-4)*	-11	-37
Europe	139	+10X(-15)*	-23	-35
North America	167	+9	+17	-43
Other developed economies	42	-4	+10	-35
Developing economies	461	+6	-11	-25
Africa	66	+161	-40	-28
Latin America and the Caribbean	88	-8	-3	-29
Asia	306	-2	-9	-21

Source: UNCTAD, based on FDI/MNE database ([www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)) and information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and LSEG Data & Analytics.

\*Excluding conduit economies.

The number of greenfield project announcements in developed economies declined by 11%. In the first half of the year, Europe recorded 800 fewer projects than in the equivalent period in 2023, with the largest declines observed in Germany, the United Kingdom, Poland, and France. In contrast, greenfield projects increased in the United States, Canada, and Japan. The overall value of greenfield projects rose by 20%, primarily driven by a more than doubling of project values in the United States. Values also increased in Italy, Japan, and Australia. EU countries experienced a 25% decrease.



The decline in greenfield projects was primarily due to a decrease in the number of ICT projects, following an earlier drop in 2023. In the energy and gas supply sector, projects saw a further increase of 5%, following a near doubling in 2023. The value of greenfield projects was significantly influenced by major announcements in the semiconductor industry. The three largest semiconductor projects, all targeting the United States, have a combined value of \$60 billion, reflecting ongoing efforts to diversify supply chains and promote domestic production.

International project finance deals in developed economies fell by 37%, continuing the downward trend observed in 2023. In the first half of the year, only five countries saw an increase in projects, while 37 reported declines. The decline was widespread across all industries, with nearly 60% of the total reduction in number and value attributed to renewable energy and industrial real estate.

## Developing economies

Flows to developing economies increased by 5%. Flows to developing countries, particularly in Africa, were bolstered by a \$35 billion international project finance project in Ras El-Hekma, Egypt.<sup>1</sup> Excluding this project, flows to developing countries would be 2% lower, continuing the decline observed last year.

In contrast to 2023, when greenfield investment in developing countries was a bright spot, the first half of 2024 saw a decline in the number of announcements by 11% and a 24% drop in value. The increase in manufacturing projects observed in 2023 did not carry over into the first half of 2024, with both project values and numbers down, by 27% and 8%, respectively. The automotive sector, which showed strong growth in 2023, experienced a 39% decrease in value and a 16% drop in the number of projects. Similarly, projects in energy and gas supply declined by 36% in both value and number.

International project finance deals in developing economies fell by a quarter, following a 26% decline in 2023. Large emerging markets such as India, Brazil, Indonesia, China, and South Africa experienced declines in project finance numbers, in that order. The downturn in international project finance was widespread across most industries. Renewable energy projects continued to account for half of all deals in developing economies, but there was a notable decline, with a 17% drop in the number of deals and a 19% drop in value. Additionally, project finance deals in industrial real estate decreased by approximately 30% in both number and value.

Cross-border M&A sales typically represent a smaller share of FDI in developing countries compared to developed ones. Nonetheless, the value of M&A sales in developing economies fell by 53% in the first half of 2024, totaling \$18 billion—levels not seen since 2009. Notable divestments included Iberdrola (Spain) selling a 55% stake to Mexico Infrastructure Partners SA de CV (Mexico) for \$6.6 billion.

<sup>1</sup> The Ras El-Hekma Development Project in Egypt involves the construction of a hospital, hotel, school buildings, universities, residential districts, tourist resorts, public service facilities, and other leisure and entertainment venues in Ras El-Hekma City. The project is sponsored by Abu Dhabi Developmental Holding Co PJSC and the Government of Egypt. Announced in February 2024, it has received construction and development permits from the Egyptian government. In the same month, an agreement was reached between Egypt and the United Arab Emirates regarding the project, which is estimated to cost \$35 billion. Abu Dhabi Developmental Holding Co PJSC will acquire development rights for \$24 billion, while the Egyptian government will retain a 35% stake in the project. Work is expected to commence in early 2025.



## Industry trends

Greenfield project announcements declined in both value (-4%) and number (-11%) after strong growth in 2022 and 2023. Values in the primary sector, as well as related industries in manufacturing (coke and refined petroleum) and services (energy and gas supply), fell by 35%, 61%, and 22%, respectively, driven in part by lower energy prices in 2024. This decline was observed across most regions. Project values in energy and gas supply increased only in Latin America and the Caribbean.

The announcement value of greenfield projects in manufacturing rose again in 2023, increasing by 4% following strong growth in the previous year. However, in 2024, the rise in project values was driven by investments in developed countries (+41%), where the trend contrasted with that in developing economies (-27%). The number of greenfield projects in manufacturing – a better gauge of investment activity – fell by 7%, with declines observed in both developed and developing economies.

Greenfield projects announced in the services sector declined by 8% in value and 14% in number. Project values fell in energy and gas supply, as well as in transport and storage (-30%), construction (-20%), real estate (-83%), and finance and insurance (-32%). The only exception was investments in ICT (even though the number declined), particularly data processing, which rebounded in 2024. Project values in this industry rose by 66%, reaching the highest level recorded.

Global value chain-intensive sectors, including the automotive, electronics, and machinery industries, experienced significant growth in value, largely driven by a quadrupling of investments in semiconductors, in response to industrial policies and concerns about supply chain bottlenecks. Five of the six largest announcements were related to chip factories (table 1). Project values also increased in the automotive sector (+21%), primarily in developed economies, although investments in automotive in developing regions fell by 40%.



**Table 1**  
**Largest greenfield projects announced in 2024:H1**

Home economy	Industry segment	Host economy	Parent company	Estimated capital expenditure (millions of dollars)	Estimated jobs created
Taiwan, Province of China	Semiconductors	United States	Taiwan Semiconductor Manufacturing	25 000	1 100
Republic of Korea	Semiconductors	United States	Samsung Group	24 000	3 000
United Arab Emirates	Semiconductors	United States	Mubadala Investment Company	11 000	1 250
Taiwan, Province of China	Semiconductors	India	Powerchip Technology (Powerchip Semiconductor)	11 000	3 000
Canada	Renewable energy	Australia	Amp Energy	9 787	3 000
Taiwan, Province of China	Semiconductors	Singapore	Vanguard International Semiconductor	7 800	1 500




Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and LSEG Data & Analytics.





**Figure 3**

**Investment projects in selected industries. 2024:H1**  
(Per cent change vs 2023)

		Number	Value
	<b>Infrastructure</b> .....	-15%	-20%
	<b>GVC-intensive industries</b> .....	-7%	+35%
	<b>Semiconductors</b> .....	+8%	+300%

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and LSEG Data & Analytics.

## Infrastructure trends

In the first half of 2024, combined greenfield project announcements and international project finance deals in infrastructure declined by 15% in number and 20% in value, largely due to lower investment in renewable energy (figure 3).

International project finance, crucial for infrastructure development, continued its decline in 2024, falling by 32% in number and 29% in value. Nonetheless, project finance deals have grown over the past decade and with 800 projects in the first half of 2024, they are still twice the average of this period. International project finance in renewable energy, which has accounted for much of the growth in project finance in recent years, slowed further by one quarter, after the fall in 2023. The decline was more pronounced in developed countries (-29%) than developing countries (-17%). Large projects included the \$10 billion construction of 10.5 gigawatts of wind and solar power plants located in United States and Europe by Brookfield Renewable Partners LP (Canada) and Microsoft Corp (United States) for \$10 billion and the construction of 14 floating offshore wind power plants in Italy by BayWa (Germany) for \$6.6 billion.





**Table 2**  
**FDI inflows and cross-border M&As**  
(Billions of dollars and percentage)

Region/economic grouping	FDI				Net cross border M&A sales			
	2022	2023	2024:H1	Growth 2023-2024 (%)	2022	2023	2024:H1	Growth 2023-2024 (%)
<b>World</b>	1 356	1 287	808	26	707	381	181	- 5
Developed economies	425	417	353	69	599	305	163	7
Europe	- 100	24	138	1 039	356	159	66	- 18
European Union	- 79	88	151	244	132	78	34	- 14
Other Europe	- 21	- 63	- 12	..	224	81	32	- 21
North America	369	306	167	9	155	103	91	77
Other developed economies	156	87	48	10	89	43	6	- 72
Developing economies	931	869	455	5	107	76	18	- 53
Africa	55	51	45	77	9	9	1	- 76
North Africa	15	13	27	304	4	1	0	- 98
Other Africa	39	37	18	- 5	5	7	1	- 73
Asia	679	626	322	3	84	56	20	- 29
Central Asia	10	8	4	3	0	- 1	0	..
East Asia	315	286	143	0	30	21	9	- 12
South-East Asia	224	231	113	- 2	12	28	8	- 44
South Asia	58	36	40	121	5	4	2	19
West Asia	72	66	22	- 33	37	3	0	- 89
Latin America and the Caribbean	197	192	88	- 8	15	11	- 3	..
South America	147	142	59	- 17	5	10	4	- 29
Central America	46	47	27	15	9	1	- 6	..
Caribbean	4	4	2	27	1	0	0	..

Source: UNCTAD, FDI/MNE database ([www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)) and LSEG Data & Analytics.

Note: FDI data in this Trends Monitor are based on quarterly data derived from the (extended) directional principle up to the second quarter of 2024. For a few countries the asset/liability principle was used for estimation. The data excludes financial centres in the Caribbean and special-purpose entities in reporting countries.





**Table 3**  
**Announced greenfield projects and international project finance deals,**  
**by economic grouping and region**  
(Number and percentage)

Region/economic grouping	Announced greenfield projects				International project finance deals			
	2022	2023	2024:H1	Growth 2023-2024 (%)	2022	2023	2024:H1	Growth 2023-2024 (%)
<b>World</b>	18 097	18 747	8 339	- 11	3 005	2 441	824	- 32
Developed economies	11 139	10 698	4 769	- 11	1 812	1 510	476	- 37
Europe	7 702	7 286	2 804	- 23	1 155	882	288	- 35
European Union	6 014	5 633	2 104	- 25	865	712	231	- 35
Other Europe	1 688	1 653	700	- 15	290	170	57	- 33
North America	2 492	2 513	1 471	17	440	449	128	- 43
Other developed economies	945	899	494	10	217	179	58	- 35
Developing economies	6 958	8 049	3 570	- 11	1 193	931	348	- 25
Africa	775	830	251	- 40	186	152	55	- 28
North Africa	261	267	86	- 36	47	43	26	21
Other Africa	514	563	165	- 41	139	109	29	- 47
Asia	4 756	5 832	2 644	- 9	641	519	204	- 21
Central Asia	49	158	73	- 8	20	21	18	71
East Asia	597	704	311	- 12	96	48	14	- 42
South-East Asia	1 104	1 571	715	- 9	242	155	67	- 14
South Asia	1 093	1 167	573	- 2	230	191	64	- 33
West Asia	1 913	2 232	972	- 13	53	104	41	- 21
Latin America and the Caribbean	1 419	1 374	665	- 3	363	257	91	- 29
South America	683	653	346	6	294	218	71	- 35
Central America	696	683	300	- 12	50	32	11	- 31
Caribbean	40	38	19	0	19	7	9	157
Oceania	8	13	10	54	3	3	0	..

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)) and LSEG Data & Analytics.





**Table 4**

**Announced greenfield projects by sector and top industries, quarterly average**

(Billions of dollars, number and percentage)

Sector/industry	Value				Number			
	2022	2023	2024*	Growth 2023-2024 (%)	2022	2023	2024*	Growth 2023-2024 (%)
<b>Total</b>	323	347	332	- 4	4 524	4 687	4 170	- 11
<b>Primary</b>	27	20	13	- 35	33	38	37	- 3
<b>Manufacturing</b>	117	152	157	4	1 539	1 910	1 773	- 7
<b>Services</b>	179	175	162	- 8	2 953	2 739	2 360	- 14
<i>Top 10 industries in value terms</i>								
Energy and gas supply	95	91	70	- 22	147	223	206	- 8
Electronics and electrical equipment	49	45	67	50	300	361	332	- 8
Information and communication	32	28	46	66	1 286	852	719	- 16
Automotive	15	23	28	21	183	247	214	- 13
Construction	17	18	14	- 20	55	90	66	- 27
Extractive industries	27	19	12	- 35	25	30	30	- 2
Transportation and storage	14	17	12	- 30	250	331	236	- 29
Chemicals	7	14	10	- 26	123	149	165	11
Pharmaceuticals	6	5	9	73	86	84	83	- 1
Basic metal and metal products	12	17	9	- 49	60	85	60	- 30

Source: UNCTAD, based on information from The Financial Times, fDi Markets ([www.fDimarkets.com](http://www.fDimarkets.com)).

\* Quarterly average is calculated based on the first half of 2024.







**Table 5**

**Announced international project finance deals, by sector and selected industries, quarterly average**

(Billions of dollars, number and percentage)

Sector/industry	Value				Number			
	2022	2023	2024*	Growth 2023-2024 (%)	2022	2023	2024*	Growth 2023-2024 (%)
<b>Total</b>	346	283	200	- 29	751	610	412	- 32
<i>Top 10 industries by number</i>								
Renewable energy	103	100	75	- 25	391	334	251	- 25
Industrial real estate	67	38	28	- 27	77	61	33	- 46
Power	37	26	14	- 46	49	40	26	- 35
Telecommunication	36	28	27	- 4	37	33	23	- 31
Transport infrastructure	13	27	8	- 69	29	23	20	- 15
Oil and gas	23	17	9	- 49	29	27	18	- 34
Residential/commercial real estate	17	11	5	- 53	57	33	11	- 68
Petrochemicals	25	15	5	- 70	22	21	9	- 60
Mining	12	13	4	- 68	24	15	7	- 54
Water and sewerage	5	3	5	59	9	7	5	- 36

Source: UNCTAD, based on information from LSEG Data & Analytics.

\* Quarterly average is calculated based on the first half of 2024.





**Table 6**  
**Net cross-border M&As sales, by sector and top industries, quarterly average**

(Billions of dollars, number and percentage)

Sector/industry	Value (billions of dollars)				Number			
	2022	2023	2024*	Growth 2023-2024 (%)	2022	2023	2024*	Growth 2023-2024 (%)
<b>Total</b>	177	95	90	- 5	1 941	1 705	1 724	1
<b>Primary</b>	31	9	2	- 78	97	131	143	9
<b>Manufacturing</b>	36	35	34	- 5	352	362	343	- 5
<b>Services</b>	110	51	55	7	1 492	1 212	1 238	2
<i>Top 10 industries in value terms</i>								
Information and communication	41	17	12	- 28	450	363	362	0
Professional services	6	7	10	40	183	154	148	- 4
Finance and insurance	22	3	9	180	151	137	146	7
Machinery and equipment	1	2	8	418	42	53	63	18
Utilities	5	5	6	39	70	57	55	- 5
Electronics and electrical equipment	7	2	6	315	61	66	60	- 9
Automotive	2	8	6	- 28	15	16	19	17
Trade	7	4	5	3	148	131	137	4
Pharmaceuticals	9	8	4	- 45	42	33	31	- 8
Construction	1	1	4	172	64	53	48	- 9

Source: UNCTAD, based on information from LSEG Data & Analytics.

\* Quarterly average is calculated based on the first half of 2024.





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Division on Investment and Enterprise

