



[Global investment Trends Monitor #4](#) finds that global FDI has stagnated in 2010 after slow recovery in 2009, and does not appear to be filling the gap created by reduced stimulus packages. Transnational corporations in response to disappointing economic news and turmoil in sovereign debt markets, have reduced their intra-company loans, and reinvested earnings tumbled as firms repatriated a larger share of the earnings of their foreign affiliates. Developing and transition economies experienced smaller decreases. Cross-border M&As show a gradual rebounding, but greenfield investments declined, suggesting that prospects for a sustained FDI recovery are still uncertain. Risks include currency wars and trade protectionism.