

Are foreign investors divesting from US assets? | Evidence of “sell America” from the insurance industry

Executive summary

Tariff turmoil, widening deficits, and market volatility have put US assets under meaningful scrutiny in 2025. A decline in the dollar, coupled with rising long-term Treasury yields, have many analysts pointing to international divestment from US assets. But have foreign investors really soured on US markets?

This research report leverages a sample of 50 non-US insurers on Clearwater's platform (with a collective \$100B+ in assets) to arrive at the following conclusions:

- In 2025, non-US insurers on Clearwater's platform have reduced their exposure to US assets;
- Net purchases of US assets have been declining for months and are the lowest in at least 1.5 years; and,
- Divestment appears to have accelerated amid trade policy action and rhetoric.

While this research should not be extrapolated to wider market flows given its narrow scope, it is concrete evidence that at least some foreign investors have divested from the US in a short timespan.

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| 1 | The backstory Headlines and markets | 3 – 4 |
| | <ul style="list-style-type: none">• “Sell America” news cycles• Falling dollar and rising yields | |
| 2 | The data What we looked at | 5 |
| | <ul style="list-style-type: none">• Overview of non-US insurance sample | |
| 3 | The reality Yes, we're seeing divestment | 6 – 10 |
| | <ul style="list-style-type: none">• Holdings and transactions data over time• Portfolio allocations• Where investment is flowing instead | |

There's been a lot of chatter about **foreign divestment**...

Trade wars, debt woes, and "sell America." But is the narrative actually right?

The world's hot new trade is
"sell America"

**Foreigners Dump U.S. Treasuries.
Here's Who Did the Most Selling.**

**US Assets Face Foreign 'Buyers'
Strike,' Deutsche Bank Says**

**'Sell America' is back on after a massive debt
warning**

**Foreign investors are selling more
Treasuries. That's bad news for U.S.
borrowers.**

**The 'Sell America' Trade Is Back After
Moody's US Downgrade**

Evidence of “sell America”? What many are pointing to

A declining dollar and a surge in long-term Treasury yields are helping to drive the financial news cycle

Advanced foreign economies US dollar index



30-year US Treasury yield

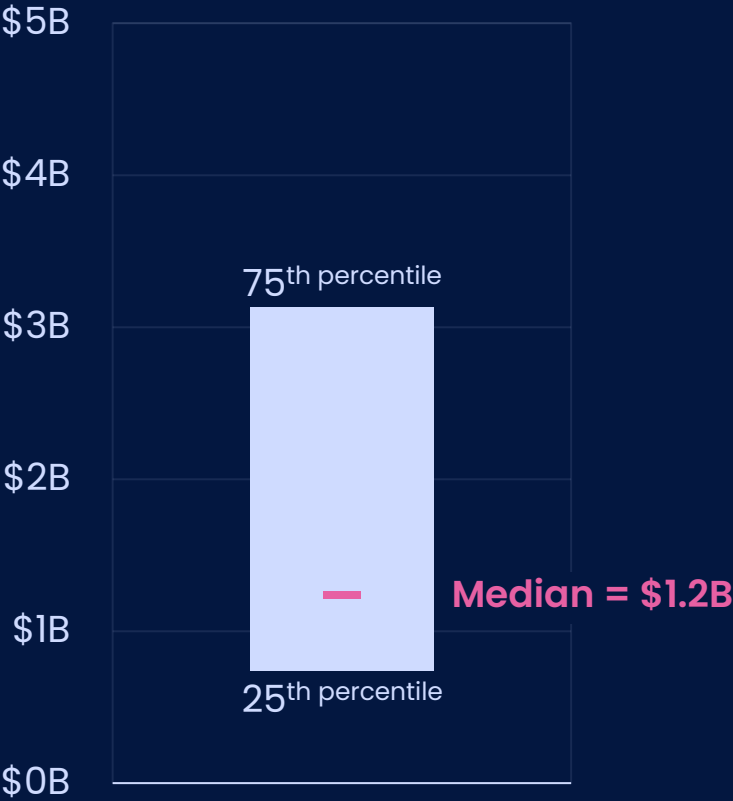


Note: Through 7/11/2025. Dollar index is nominal and includes the Euro Area, Canada, Japan, the UK, and others.
Source: FRED, Clearwater Analytics

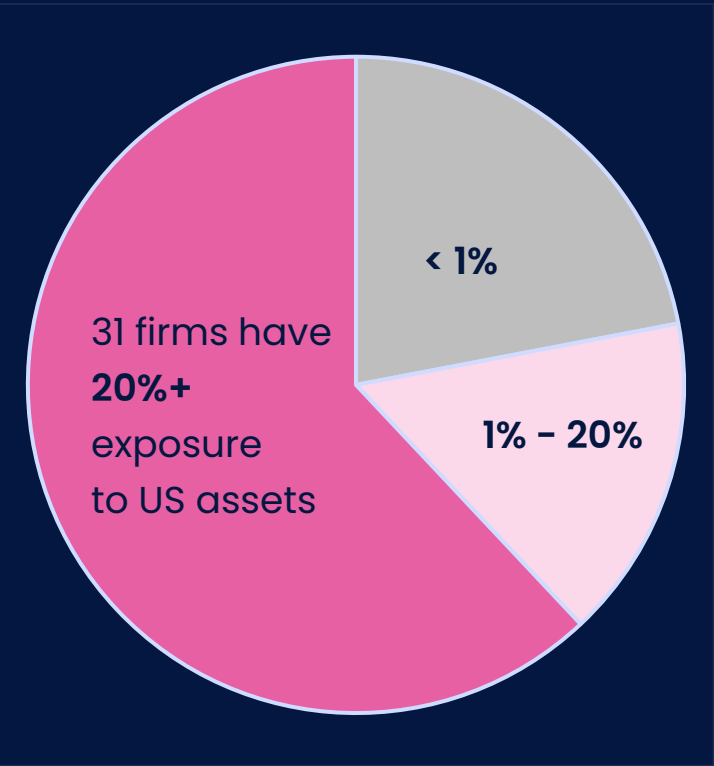
What Clearwater looked at

Holdings and transactions data from 50 non-US insurers from around the world

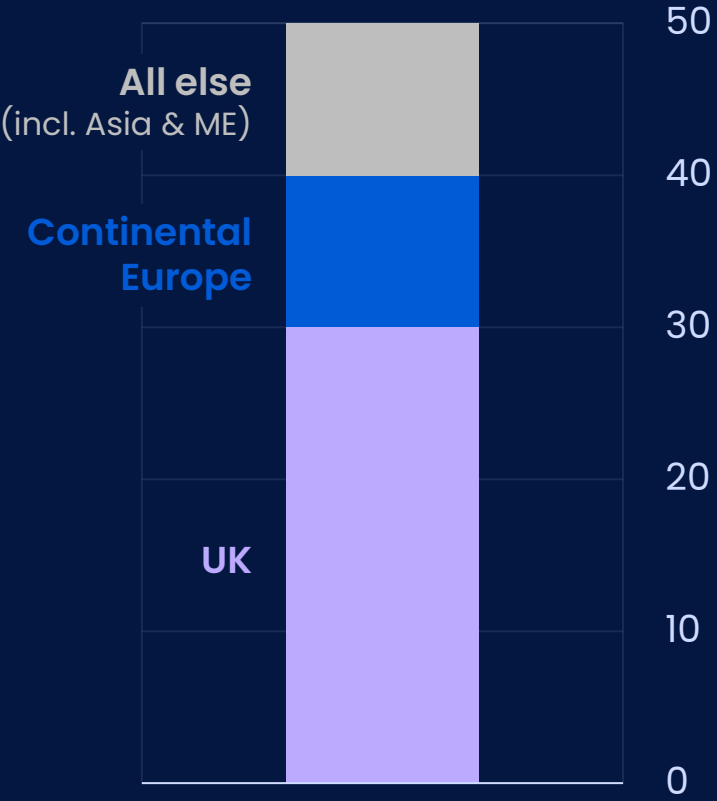
Distribution of AUM*



US exposure (by share of firm AUM)



Geography**



Note: All values and shares as of 6/2025. *Market value of assets. **Per Clearwater's designated country of billing.
Source: Clearwater Analytics

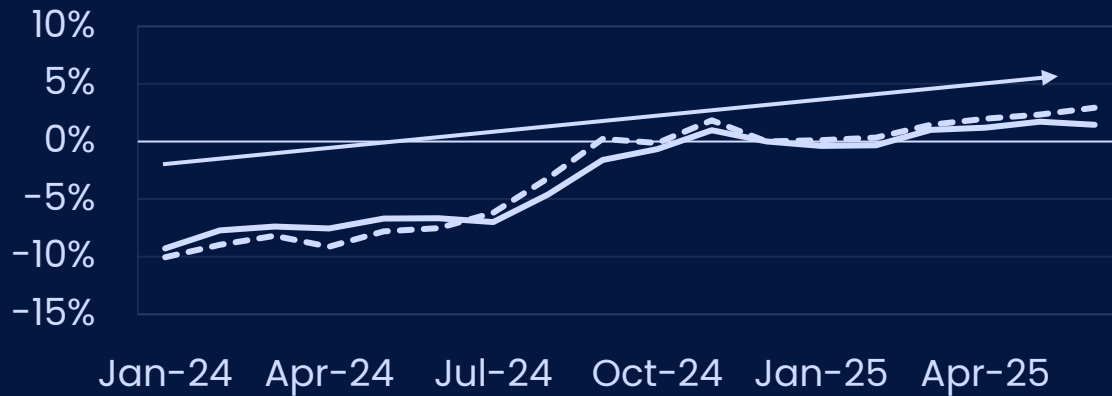
Holdings show growth...but not for US-issued assets

At the aggregate level, there is evidence of a YTD decline in US exposure

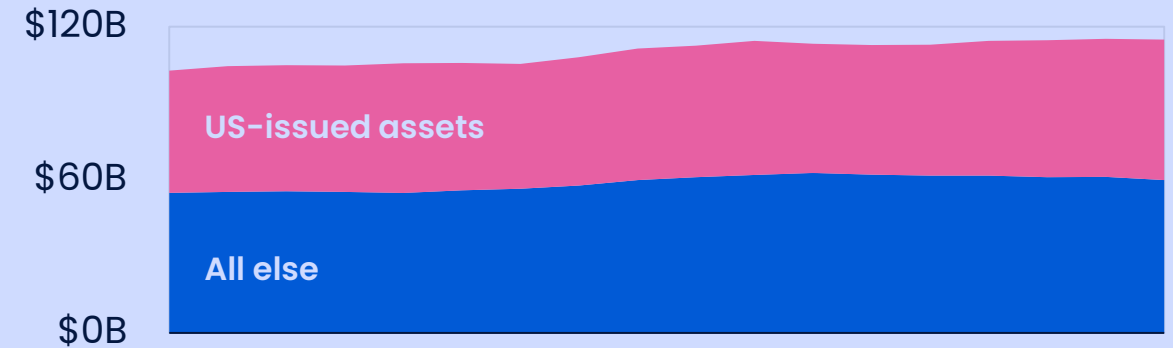
Total assets for non-US insurers



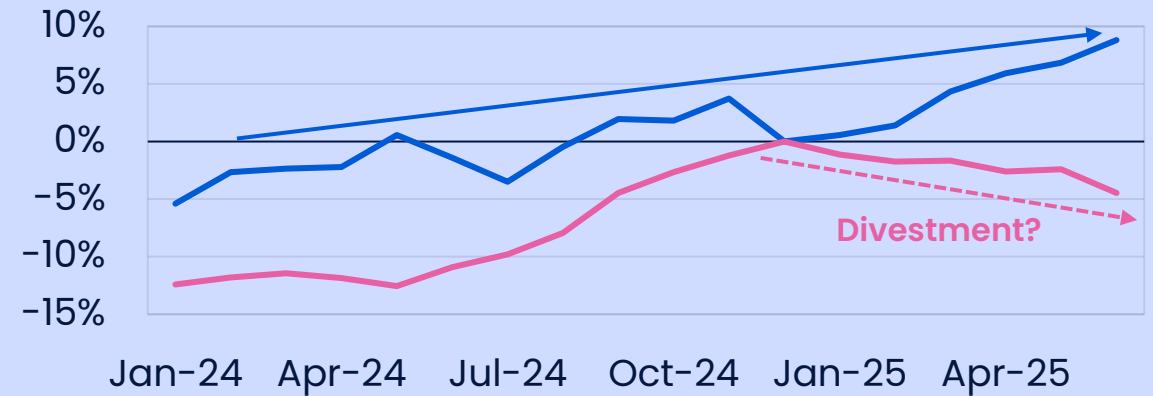
Value rel. to Dec. 2024



Book value of assets for non-US insurers



Book value rel. to Dec. 2024

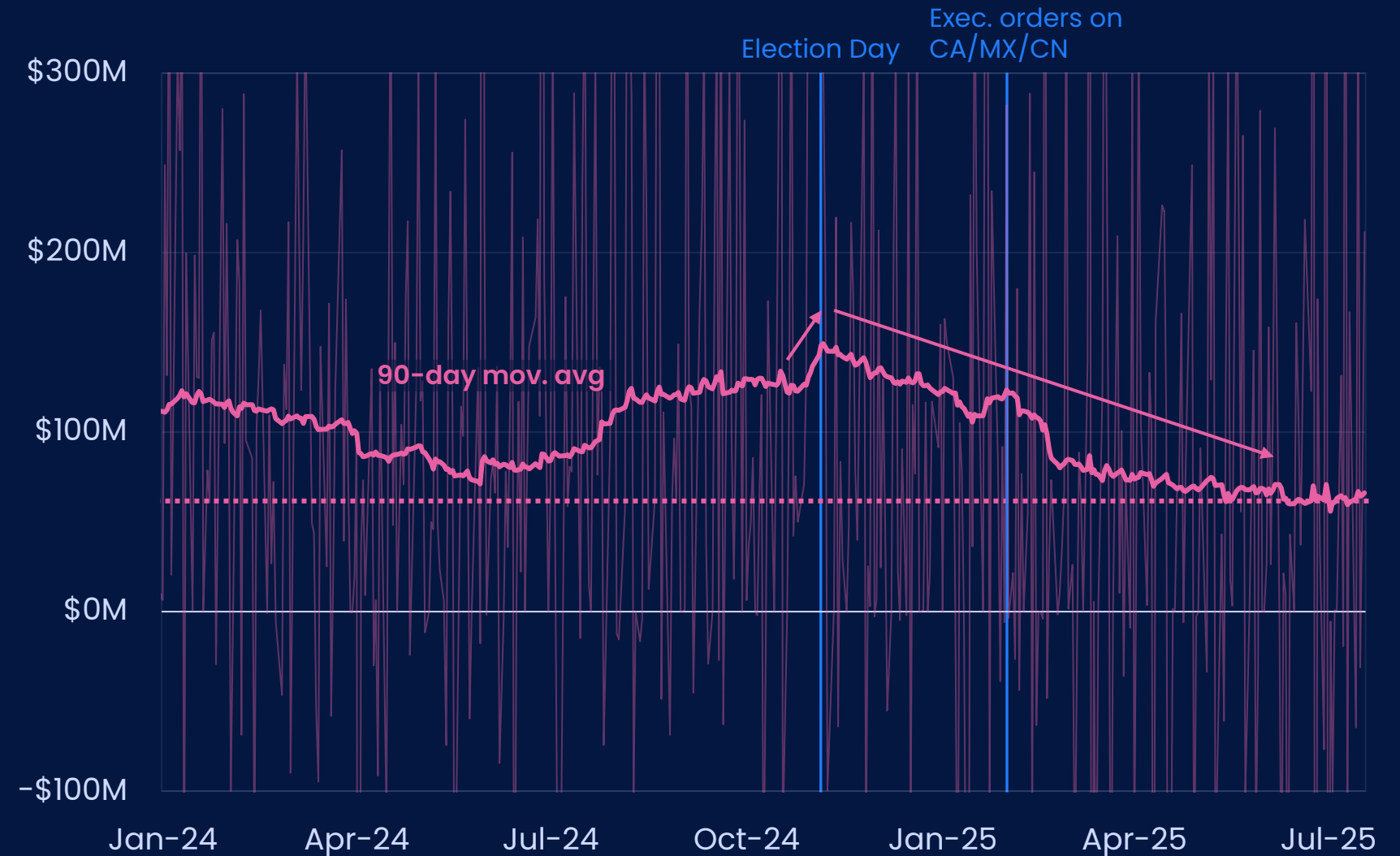


Transactions data shows a decline in net purchases of US-issued assets by foreign insurers

Purchases surged upon Trump's victory in November, but have since fallen off, accelerating in the wake of tariff action

Net purchases are near the lowest in at least 18 months

Daily net purchases of US-issued assets (by non-US insurers)



Note: Data through 7/18/2025. Y-axis truncated for scale.
Source: Clearwater Analytics, [White House](#)

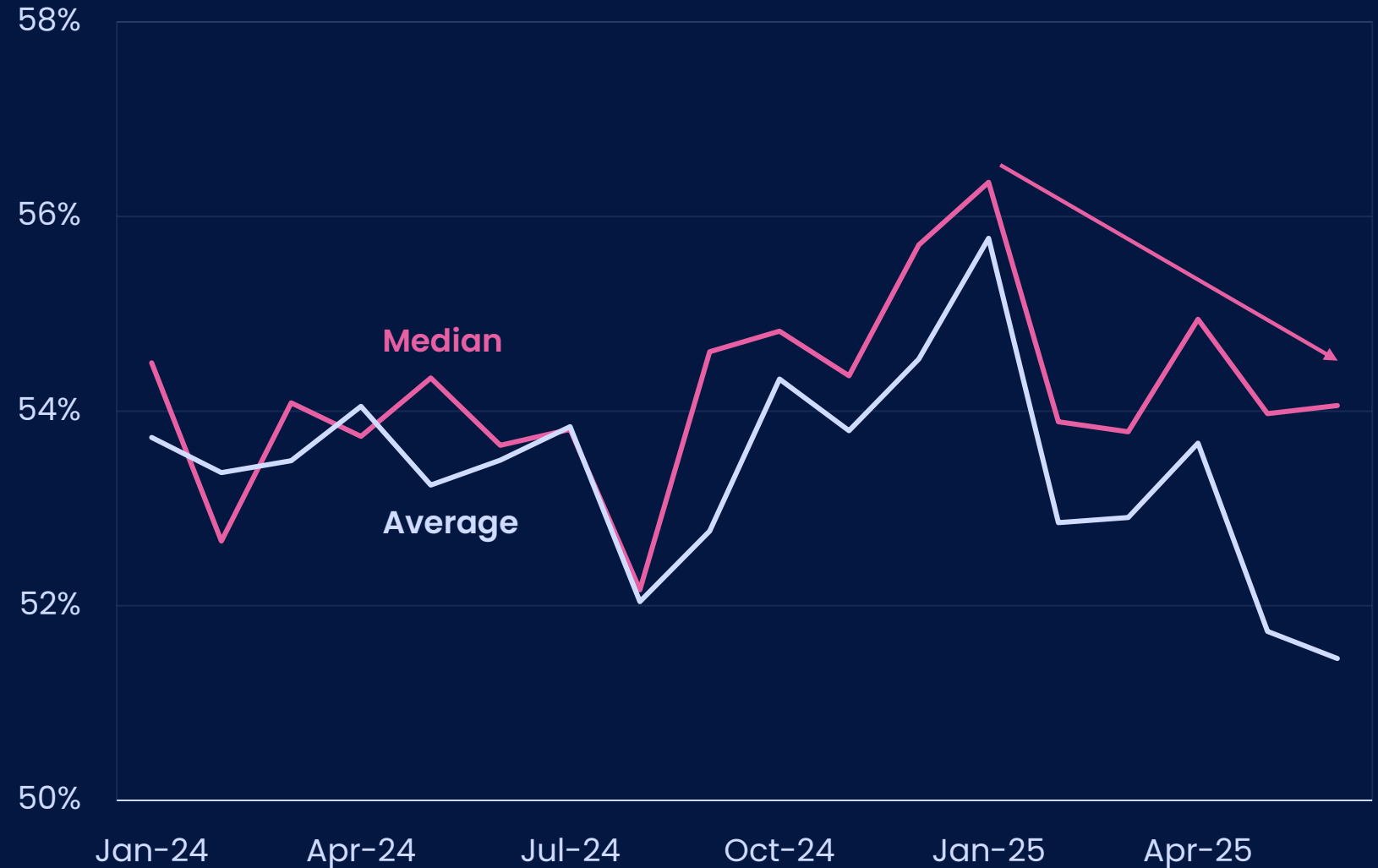
Foreign insurers still have major US exposure

Even so, it looks to
have peaked in
January 2025 on
balance

Since, American
assets as a share
of total AUM have
declined

(FX, i.e., plunging
USD plays a role,
but secondary to
decline in US
holdings,
unaffected by
value of USD)

US assets, share of total portfolio for non-US insurers

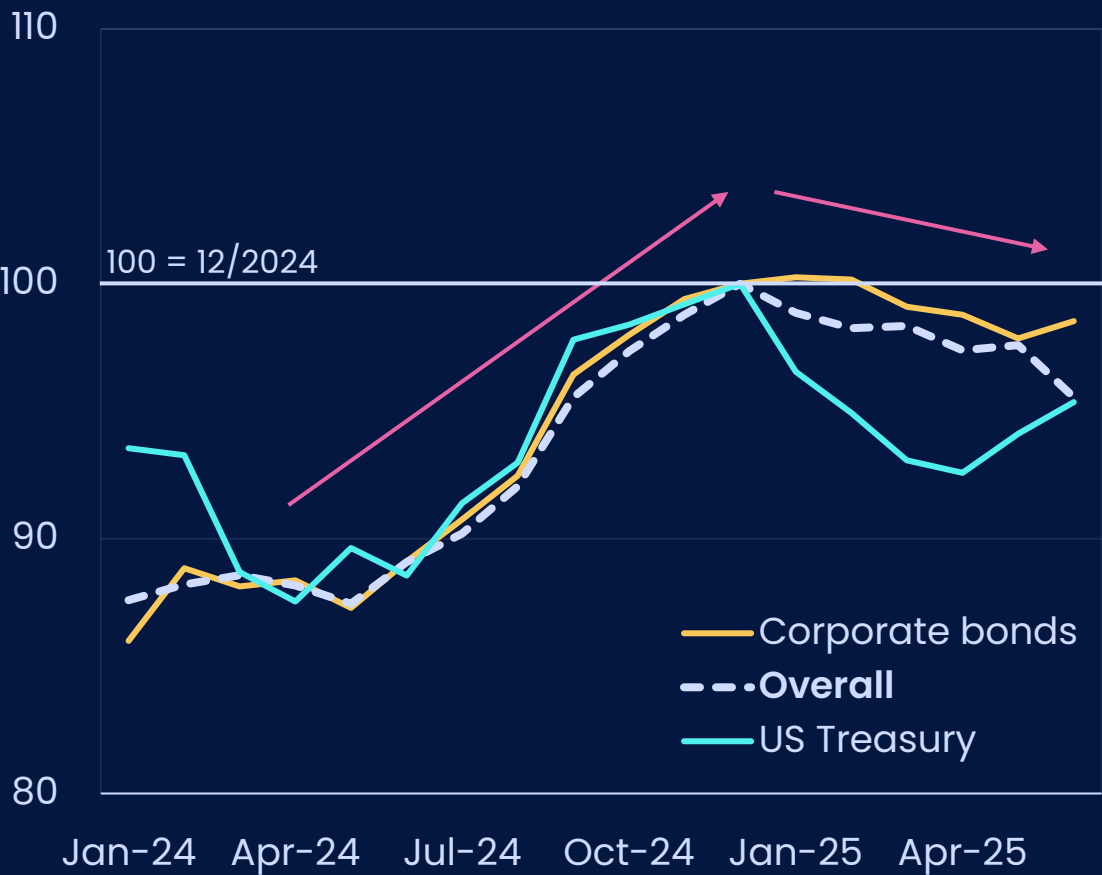


Note: Data (market value shares) through 6/2025. For firms with 1%+ in US assets.
Source: Clearwater Analytics

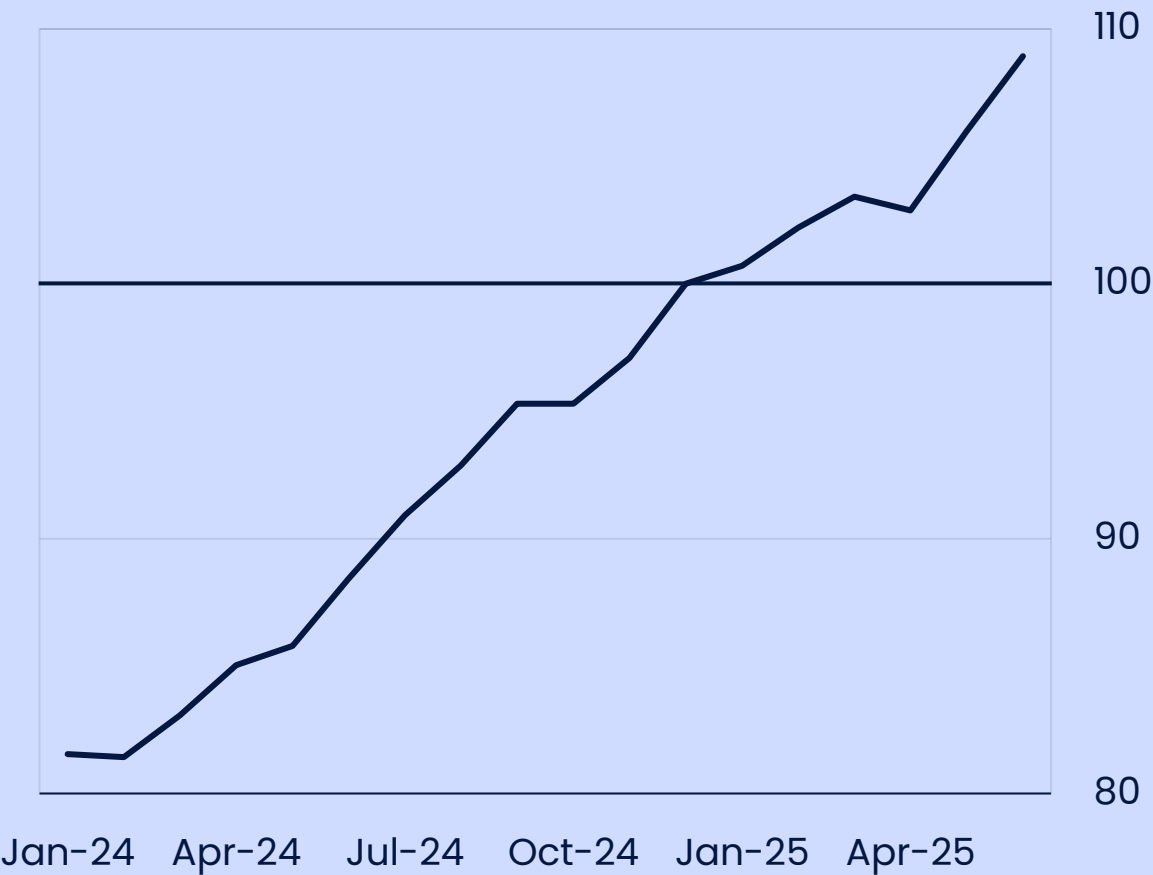
Not all US asset classes have seen divestment

Treasuries (28% of US assets) and corporate bonds (41%) have declined, but structured products (21%) beat on

Book value of US holdings, indexed



Book value of US structured products holdings, indexed

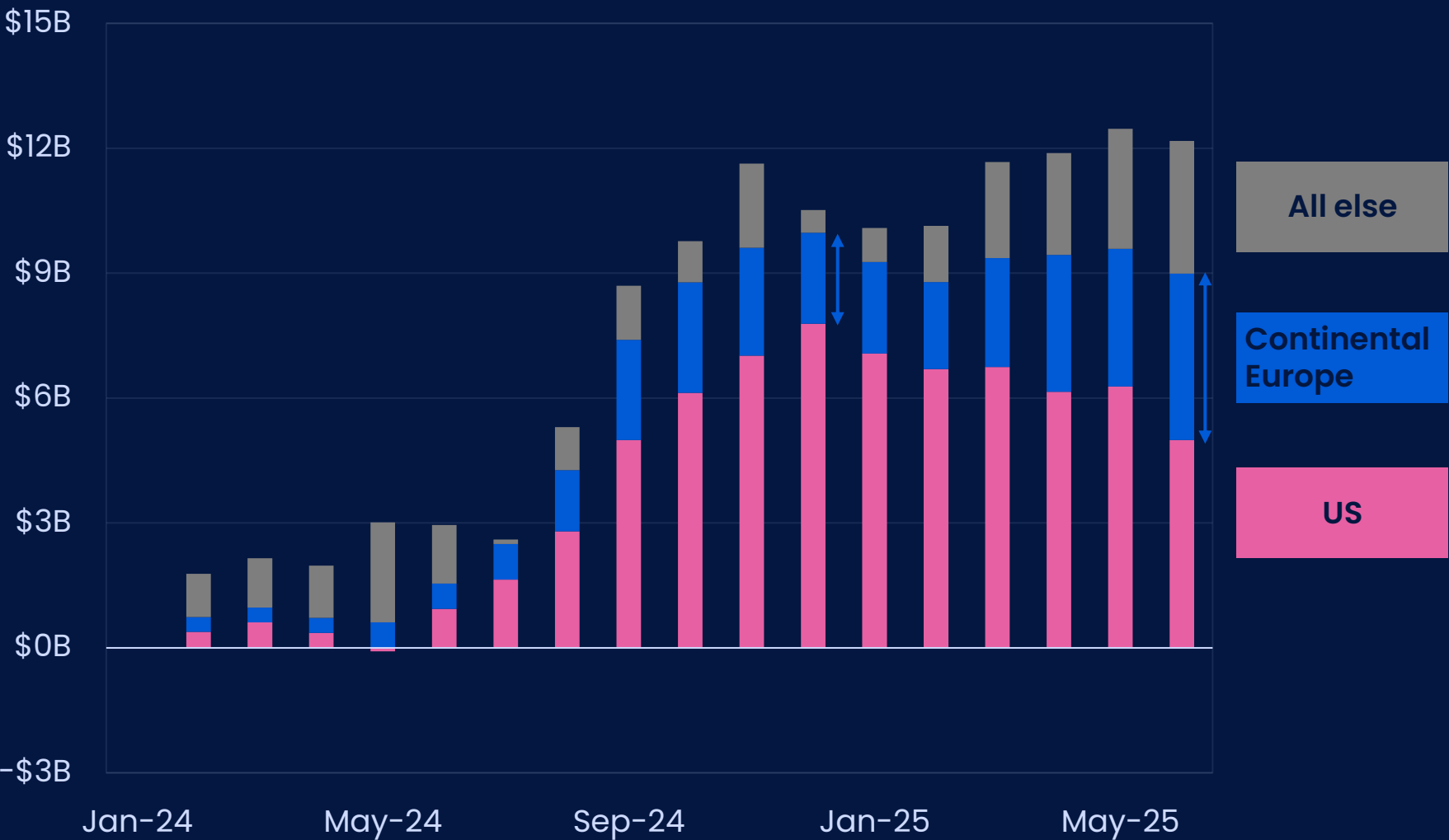


Note: Data through 6/2025. Structured products include asset-backed securities and mortgage-backed securities.
Source: Clearwater Analytics

If US divestment
is occurring in our
sample, where
are foreign
investors turning
to instead?

A few places, but
Clearwater data
shows a **notable
rise in European
assets**

Book value of assets by geography: change since Jan. 2024



Note: Data through 6/2025.
Source: Clearwater Analytics

Disclaimer

Clearwater Analytics (NYSE: CWAN) is transforming investment management with the industry's most comprehensive cloud-native platform for institutional investors across global public and private markets. While legacy systems create risk, inefficiency, and data fragmentation, Clearwater's single-instance, multi-tenant architecture delivers real-time data and AI-driven insights throughout the investment lifecycle. The platform eliminates information silos by integrating portfolio management, trading, investment accounting, reconciliation, regulatory reporting, performance, compliance, and risk analytics in one unified system. Learn more at www.clearwateranalytics.com.

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