

Bureau of Economic Analysis

Survey of Current Business

Table of Contents
December 1996

Special in this issue

11. Operations of U.S. Multinational Companies: Preliminary Results From the 1994 Benchmark Survey

The overseas operations of U.S. multinational companies (MNC's) remain concentrated in a small number of large, high-income economies, and most of their overseas production is for sale in local markets rather than for export back to the United States; thus, the location of overseas production by U.S. MNC's appears to be determined more by access to markets than by access to low-wage labor or to natural resources. U.S. MNC's continue to play a large, though somewhat diminished, role in U.S. international trade in goods. These findings are based on preliminary results from BEA's latest benchmark survey of U.S. direct investment abroad, which covers 1994.

Regular features

1. Business Situation

Real GDP increased 2.0 percent in the third quarter of 1996 after increasing 4.7 percent in the second quarter; the slowdown was mainly accounted for by a slowdown in personal consumption expenditures and by a downturn in government spending. Corporate profits decreased \$1.1 billion in the third quarter after increasing \$10.7 billion in the second. The Federal Government current deficit decreased \$6.7 billion, to \$120.3 billion, and the State and local government current surplus decreased \$11.9 billion, to \$89.1 billion.

Reports and statistical presentations

38. Subject Guide, Volume 76 (1996)

40. 1997 Release Dates for BEA Estimates

D-1. BEA Current and Historical Data

- D--2. National Data: Selected NIPA Tables
- D--26. National Data: Other NIPA and NIPA-Related Tables
- D--34. National Data: Historical Tables
- D--45. National Data: Domestic Perspectives
- D--47. National Data: Charts
- D--55. International Data: Summary U.S. international transactions
- D--66. Regional Data: Selected State and regional estimates
- D--68. Regional Data: Gross State product
- D--69. Appendix A: Additional information about BEA's NIPA estimates
- D--71. Appendix B: Suggested reading

BEGINNING WITH THIS ISSUE

As part of BEA's continuing effort to focus its resources on the production and dissemination of its core economic statistics, this issue of the SURVEY introduces an expanded section of tables and charts that better highlights BEA's national, regional, and international accounts estimates. The section begins with "National Data," which includes the standard presentation of the "Selected NIPA Tables," monthly and annual estimates, historical tables, and principal statistics from other agencies. "International Data" presents summary statistics on the balance of payments and the international investment position and on U.S. direct investment abroad and foreign direct investment in the United States. "Regional Data" presents summary estimates of State personal income and of gross state product. The section concludes with appendixes that provide additional information about the NIPA's and a list of suggested readings. We would be most interested in receiving comments and suggestions about this presentation of the data that BEA produces. Please write to the Editor-in-Chief, Current Business Analysis Division, BE-64, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or e-mail webmaster@bea.doc.gov.

LOOKING AHEAD

Availability of Revised NIPA-Related Estimates. Release of the revised estimates of reproducible tangible wealth for 1929-95 and of the revised NIPA estimates for 1929-58 has been delayed until spring 1997; see the box on page 10.

BUSINESS SITUATION

This article was prepared by Larry R. Moran, Ralph W. Morris, Deborah Y. Sieff, and Ann M. Groszkiewicz.

ACCORDING TO the “preliminary” estimates of the national income and product accounts (NIPA’s), real gross domestic product (GDP) increased 2.0 percent in the third quarter of 1996 (table 1 and chart 1); the “advance” estimate of real GDP, reported in the November “Business Situation,” had shown a 2.2-percent increase.¹ The small downward revision was more than accounted for by downward revisions to change in business inventories and to net exports. (The sources of the revisions are discussed in the “Revisions” section.)

The price index for gross domestic purchases increased 1.8 percent, the same as reported a month ago.

The 2.0-percent increase in real GDP, followed a 4.7-percent increase in the second quarter. Three-fourths of the third-quarter increase was accounted for by inventory investment (that is, change in

business inventories). Final sales of domestic product increased only 0.4 percent.

The deceleration in GDP growth from the second quarter to the third was attributable to personal consumption expenditures, government spending, residential fixed investment, and exports. Personal consumption expenditures increased much less in

1. Quarterly estimates in the NIPA’s are expressed at seasonally adjusted annual rates, and quarterly changes are differences between these rates. Quarter-to-quarter percent changes are annualized. Real estimates are expressed in chained (1992) dollars. Price indexes are chain-type indexes.

Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

[Seasonally adjusted at annual rates]

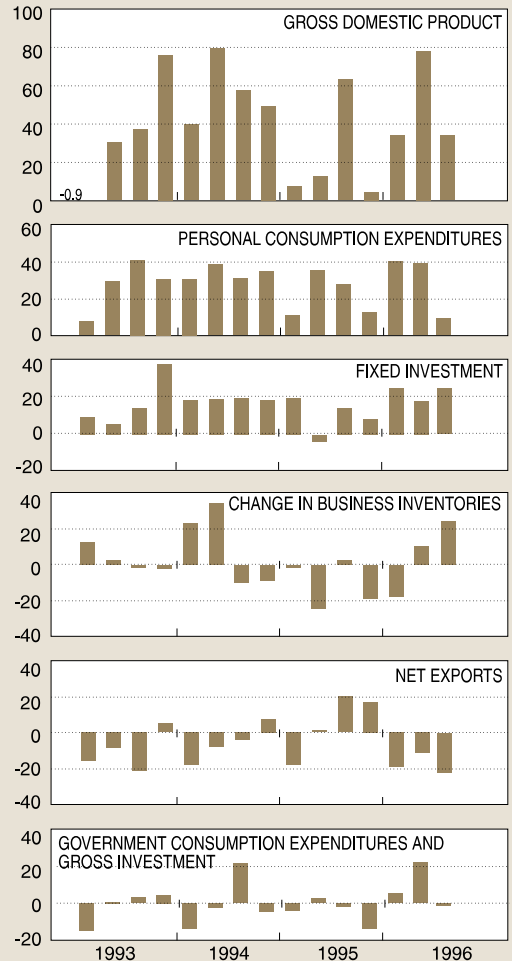
	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1995		1996	
		1996	1995	1996		IV	I	II	III
	III	IV	I	II	III				
Gross domestic product	6,926.2	4.3	33.6	78.3	33.6	0.3	2.0	4.7	2.0
Less: Exports of goods and services	816.1	20.1	3.6	11.2	-1.8	10.7	1.8	5.6	-9
Plus: Imports of goods and services	954.8	3.5	22.7	21.9	22.2	1.6	10.6	9.9	9.9
Equals: Gross domestic purchases	7,059.7	-11.9	51.7	88.4	56.7	-7	3.0	5.2	3.3
Less: Change in business inventories	32.8	-18.4	-17.6	10.1	25.7	.....	.....	.....	.....
Equals: Final sales to domestic purchasers	7,025.6	6.7	69.1	79.7	30.4	.4	4.1	4.7	1.7
Personal consumption expenditures	4,694.3	12.1	39.7	38.5	6.7	1.1	3.5	3.4	.6
Nonresidential fixed investment	780.4	4.3	20.2	7.0	29.9	2.5	11.6	3.8	16.9
Residential investment	277.3	4.1	4.8	10.4	-4.2	6.4	7.4	16.3	-5.9
Government consumption expenditures and gross investment	1,277.4	-13.8	5.1	23.5	-8	-4.3	1.6	7.7	-2
Federal	469.3	-16.3	6.7	10.5	-4.1	-13.2	6.0	9.4	-3.4
State and local	809.0	2.9	-1.8	12.9	3.5	1.5	-9	6.7	1.7
Addendum: Final sales of domestic product	6,892.1	22.8	51.0	69.5	7.4	1.4	3.0	4.1	.4

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1992) dollar levels and residuals, which measure the extent of nonadditivity in each table, are found in NIPA tables 1.2 and 1.6. Percent changes in major aggregates are found in NIPA table 8.1.

CHART 1

Real Product: Change from Preceding Quarter

Billion chained (1992) \$



Based on Seasonally Adjusted Annual Rates

U.S. Department of Commerce, Bureau of Economic Analysis

the third quarter than in the second, and government spending, residential fixed investment, and exports each turned down in the third quarter. In contrast, nonresidential fixed investment and inventory investment increased more in the third quarter than in the second, and imports increased about the same in each quarter.

Real gross domestic purchases increased 3.3 percent in the third quarter after increasing 5.2 percent in the second. Unlike GDP, gross domestic purchases includes imports and excludes exports; thus, it represents purchases by U.S. residents regardless of where the goods and services were produced. As mentioned above, exports turned down in the third quarter, and imports increased about the same in each quarter.

The price index for gross domestic purchases increased 1.8 percent in the third quarter after increasing 2.1 percent in the second. The price index for GDP increased 1.9 percent after increasing 2.2 percent.

Personal consumption expenditures

Real personal consumption expenditures (PCE) increased 0.6 percent in the third quarter after increasing 3.4 percent in the second (table 2). All three major components contributed to the sharp slowdown: Durable goods turned down in the third quarter, and nondurable goods and services each increased less than in the second quarter.

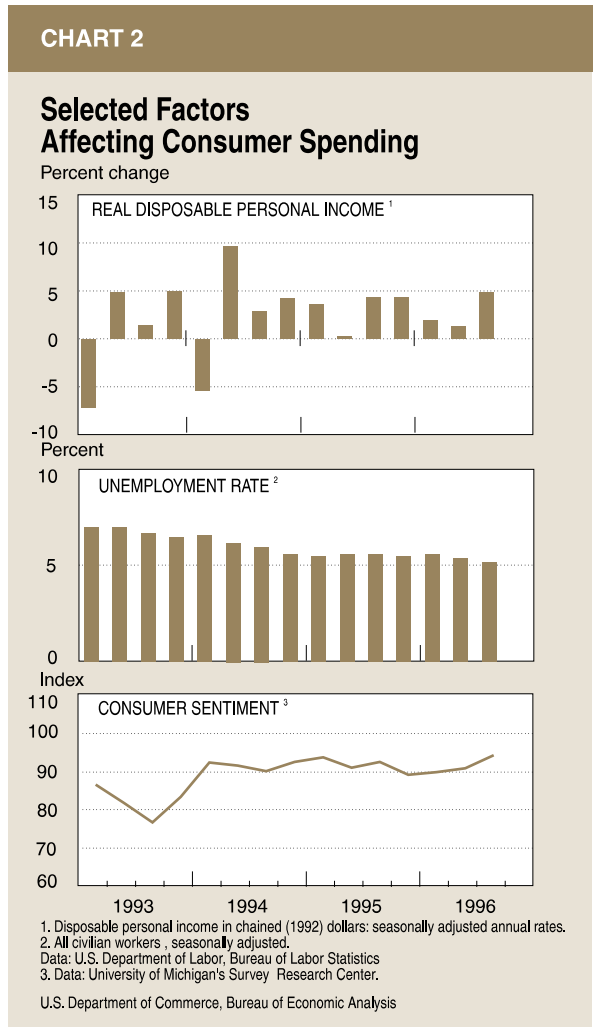


Table 2.—Real Personal Consumption Expenditures

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter							
	1996	1995	1996			1995	1996		
	III	IV	I	II	III	IV	I	II	III
Personal consumption expenditures	4,694.3	12.1	39.7	38.5	6.7	1.1	3.5	3.4	0.6
Durable goods	612.5	-1.6	11.7	16.4	-3.1	-1.0	8.2	11.4	-2.0
Motor vehicles and parts	221.0	-5.8	3.6	1.7	-4.9	-9.8	6.6	3.0	-8.4
Of which: New autos	69.3	3.2	-2.3	-2.7	-5.9	17.4	-10.6	-13.3	-27.9
New trucks	49.4	1.5	.6	-1.8	-1.3	11.6	4.8	-12.6	-10.4
Furniture and household equipment	278.8	5.8	4.2	11.9	2.8	9.4	6.6	19.4	4.1
Other	117.0	-6	4.0	3.5	-4	-2.2	15.1	13.2	-1.5
Nondurable goods	1,442.0	-1.5	12.9	4.8	1.1	-4	3.7	1.3	.3
Food	700.9	-6	6.2	-4.3	-4.0	-3	3.5	-2.4	-2.2
Clothing and shoes	271.2	-1.5	5.2	6.4	2.3	-2.4	8.4	10.1	3.5
Gasoline and oil	114.0	1.2	-1.1	1.7	-3	4.5	-3.8	6.2	-1.0
Fuel oil and coal	10.0	.7	0	-6	-1	30.1	.8	-20.2	-4.6
Other	346.9	-1.2	2.8	1.9	3.4	-1.4	3.3	2.3	4.0
Services	2,640.7	14.7	15.4	17.6	8.4	2.3	2.4	2.7	1.3
Housing	694.0	3.1	2.7	2.6	2.4	1.8	1.6	1.5	1.4
Household operation	282.7	-1.9	1.9	4.8	-2.9	-2.6	2.7	7.1	-4.0
Electricity and gas	114.9	-3.8	2.0	2.5	-3.0	-12.2	7.3	8.9	-9.7
Other household operation	167.6	1.8	-1	2.3	0	4.4	-3	5.9	0
Transportation	185.2	3.6	2.5	.8	1.9	8.3	5.6	1.8	4.2
Medical care	699.7	5.2	-1	5.0	3.6	3.1	-1	2.9	2.1
Other	779.3	4.6	8.8	4.3	3.2	2.4	4.7	2.3	1.6

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are found in NIPA tables 2.3, 8.5 (new autos), and 8.7 (new trucks). Percent changes in major aggregates are found in NIPA table 8.1.

In contrast to the sharp third-quarter slowdown in PCE, several of the factors usually considered in analyses of PCE improved (chart 2). The unemployment rate declined to 5.2 percent from 5.4 percent. Real disposable personal income increased 4.8 percent—the largest increase in 2 years—after increasing 1.3 percent in the second quarter. The Index of Consumer Sentiment (prepared by the University of Michigan’s Survey Research Center) jumped to its highest level in 7 years, following a modest increase in the second quarter.

Expenditures for durable goods decreased 2.0 percent after increasing 11.4 percent. Motor vehicles and parts and “other” durable goods turned down, and furniture and household equipment increased much less than in the second quarter. The downturn in motor vehicles and parts was more than accounted for by car purchases; purchases of new cars decreased more in the third quarter than in the second, and purchases of used cars increased less in the third quarter than in the second. Purchases of trucks decreased less than in the second quarter, and purchases of parts increased more than in the second quarter. The slowdown in furniture and household equipment was primarily due to a downturn in furniture.

Expenditures for nondurable goods increased 0.3 percent after increasing 1.3 percent. The slowdown was more than accounted for by clothing and shoes, which increased less than in the second quarter, and by gasoline and oil, which turned down. The

slowdown in clothing and shoes was primarily in women’s and girls’ clothing. The downturn in gasoline and oil may have reflected reduced vacation travel during the summer. Food decreased at about the same rate in both quarters; fuel oil and coal changed little after a small decrease; and “other” nondurable goods increased more than in the second quarter.

Expenditures for services increased 1.3 percent after increasing 2.7 percent in the second quarter. A downturn in household operations accounted for most of the slowdown; however, slowdowns in medical care and “other” services also contributed. More than two-thirds of the downturn in household operations was accounted for by a downturn in electricity and gas, which reflected reduced demand for air conditioning reflecting cooler-than-normal summer temperatures.

Nonresidential fixed investment

Real private nonresidential fixed investment jumped 16.9 percent in the third quarter after increasing 3.8 percent in the second (table 3). Both producers’ durable equipment (PDE) and structures contributed to the jump.

Factors that affect investment spending have been lackluster recently. Although domestic corporate profits increased 7.0 percent over the past four quarters, real final sales of domestic product increased only 2.2 percent, and the capacity utilization rate in manufacturing changed little. In addition, long-term interest rates increased; for

Table 3.—Real Gross Private Domestic Fixed Investment

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1995	1996		
	1996	1995	1996				IV	I	II
	III	IV	I	II	III				
Gross private domestic fixed investment	1,056.0	8.5	24.8	17.8	24.9	3.5	10.4	7.2	10.0
Nonresidential	780.4	4.3	20.2	7.0	29.9	2.5	11.6	3.8	16.9
Structures	188.3	.4	3.4	-1.7	3.4	1.0	7.7	-3.7	7.7
Nonresidential buildings, including farm	133.3	1.1	1.1	-1.7	3.6	3.5	3.3	-5.0	11.4
Utilities	36.4	.2	.4	.4	-4	2.2	4.4	4.3	-4.5
Mining exploration, shafts, and wells	12.9	-5	2.3	.1	0	-17.0	119.4	4.2	-7
Other	5.6	-4	-3	-6	.3	-21.8	-16.2	-37.1	29.3
Producers’ durable equipment	594.3	4.0	16.9	9.2	26.8	3.0	13.1	6.7	20.3
Information processing and related equipment	251.1	13.0	11.1	8.6	17.0	28.5	22.3	16.3	32.4
Computers and peripheral equipment	139.4	13.7	11.6	9.1	13.1	74.3	51.8	34.7	48.3
Other	125.8	2.2	1.9	1.6	6.1	7.9	6.7	5.2	22.0
Industrial equipment	117.5	-1.2	2.4	2.8	-3.1	-4.1	8.4	9.9	-9.9
Transportation and related equipment	126.2	-4.9	2.1	-2.6	11.3	-15.4	7.7	-8.5	45.3
Of which: Motor vehicles	109.0	-6.5	1.3	2.1	4.6	-22.2	5.1	8.4	19.0
Other	105.4	-1.3	2.1	1.1	2.8	-5.0	8.7	4.1	11.6
Residential	277.3	4.1	4.8	10.4	-4.2	6.4	7.4	16.3	-5.9
Single-family structures	136.5	3.3	3.4	5.1	-1.1	10.6	11.0	16.5	-3.3
Multifamily structures	17.9	.7	.7	1.8	-3.1	15.6	16.7	42.5	-46.9
Other	123.4	.2	.6	3.5	-1	.6	2.0	12.2	-4

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are found in NIPA tables 5.3, 8.5 (new and used autos), and 8.7 (new trucks). Percent changes in major aggregates are found in NIPA table 8.1.

example, the yield on high-grade corporate bonds, at 7.84 percent, was 27 basis points higher at the end of the third quarter than a year earlier.

PDE jumped 20.3 percent after increasing 6.7 percent. The acceleration was more than accounted for by an upturn in transportation and related equipment—primarily aircraft—and an acceleration in information processing and related equipment. “Other” PDE increased somewhat more in the third quarter than in the second, but industrial equipment turned down.

Structures increased 7.7 percent after decreasing 3.7 percent. Most of the upturn in structures was accounted for by an upturn in nonresidential buildings; industrial buildings decreased much less in the third quarter than in the second, and commercial buildings, primarily other than office buildings, increased much more than in the second quarter.

Residential investment

Real residential investment decreased 5.9 percent in the third quarter after jumping 16.3 percent in the second (table 3). All three major components—single-family structures, multifamily structures, and “other” residential investment—turned down after large second-quarter increases.

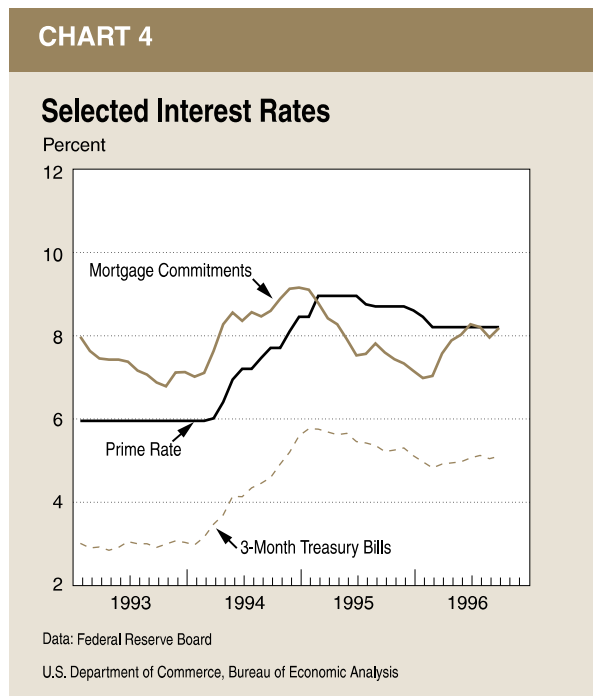
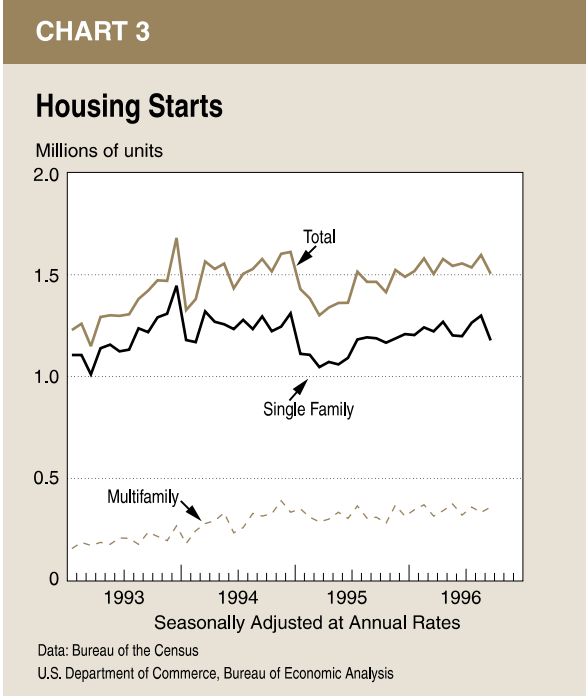
Single-family structures decreased 3.3 percent after jumping 16.5 percent. The third-quarter decrease occurred despite little change in housing starts (chart 3). Single-family construction for a quarter largely reflects single-family housing starts

in the first 2 months of that quarter and in the last 2 months of the preceding quarter. Therefore, construction in the third quarter reflected starts that occurred from May through August; for that period, starts averaged 1.19 million units, up only 11,000 units from the February-May period, which was reflected in the second-quarter construction estimates. The difference between the third-quarter movements in the NIPA estimates and in the housing starts reflected a change in the “value” (that is, size, location, or amenities) of the new homes. The average sales price for a new home was \$165,667 for the third quarter, down from \$166,600 in the second.

Multifamily construction fell 46.9 percent after jumping 42.5 percent.

“Other” residential investment decreased 0.4 percent after increasing 12.2 percent.² The downturn was more than accounted for by mobile homes, which turned down, and by brokers’ commissions on sales of structures, which increased less than in the second quarter; home improvements decreased less in the third quarter than in the second. The slowdown in brokers’ commissions reflected a decrease in home sales of 17,000 units (seasonally adjusted annual rate); a drop in sales of existing residences of 88,000 units more than offset a jump in the sales of new residences of 71,000 units. The decrease in home sales may have reflected recent movements in the commitment

2. “Other” residential investment includes improvements, new mobile home sales, brokers’ commissions on home sales, and residential equipment.



interest rate for 30-year fixed-rate mortgages: The rate jumped from 7.24 percent in the first quarter to 8.11 percent in the second and increased to 8.16 percent in the third (chart 4).

Inventory investment

Real inventory investment—that is, the change in business inventories—increased \$25.7 billion in the third quarter after increasing \$10.1 billion in the second (table 4). The third-quarter increase mainly reflected a step-up in nonfarm inventory accumulation.

Nonfarm inventories increased \$33.0 billion in the third quarter after increasing \$11.7 billion in the second. The larger third-quarter increase was attributable to faster accumulation of retail trade inventories and to an upturn in manufacturing inventories.

Retail trade inventories increased substantially more in the third quarter than in the second. Inventories of durable goods increased more than in the second quarter; more than one-half of the third-quarter increase was accounted for by inventories of motor vehicle dealers. Inventories of nondurable goods increased after decreasing for three consecutive quarters; although nearly all types of nondurable goods increased, department stores accounted for more than one-half of the increase.

Manufacturing inventories increased in the third quarter after decreasing in the second. Inventories of durable goods increased substantially more in the third quarter than in the second; the third-quarter increase was widespread; the largest increases were in primary metals, fabricated metals, transportation equipment, and instruments. Inventories of nondurable goods increased after decreasing; the increase was accounted for by food and by paper products.

Wholesale trade inventories decreased after increasing. The downturn was primarily accounted for by a downturn in inventories of nondurable goods; inventories of durable goods increased about as much as in the second quarter.

Farm inventories decreased \$0.5 billion in the third quarter after decreasing \$5.1 billion in the second; the third quarter marked the seventh consecutive quarter of inventory reduction. Inventories of crops accounted for the third-quarter decrease.

The ratio of real nonfarm business inventories to real final sales of domestic business edged up to 2.26 in the third quarter from 2.24 in the second. The inventory-sales ratio in which final sales are limited to goods and structures increased to 4.04 from 4.01, which was the lowest level in 8 years.

Exports and imports

Real exports of goods and services decreased 0.9 percent in the third quarter after increasing 5.6 percent in the second (table 5). Real imports of goods and services increased 9.9 percent in each quarter.

Exports of goods edged down 0.3 percent after increasing 6.7 percent. A downturn in exports of nonagricultural goods more than offset an upturn in exports of agricultural goods. The downturn in exports of nonagricultural goods was more than accounted for by a downturn in civilian aircraft, engines, and parts; however, exports of nonautomotive consumer goods and of industrial supplies and materials also turned down; in contrast, exports of automotive vehicles, engines, and parts increased more in the third quarter than in the second. Exports of services turned down, primarily reflecting a decline in foreign travelers.

Imports of goods increased 10.8 percent after increasing 11.7 percent. The slight slowdown was more than accounted for by a sharp slowdown

Table 4.—Real Change in Business Inventories

[Billions of chained (1992) dollars; seasonally adjusted at annual rates]

	Level					Change from preceding quarter			
	1995		1996			1995	1996		
	III	IV	I	II	III	IV	I	II	III
Change in business inventories	33.0	14.6	-3.0	7.1	32.8	-18.4	-17.6	10.1	25.7
Farm	-6.4	-4.7	-6.5	-5.1	-5	1.7	-1.8	1.4	4.6
Nonfarm	38.6	19.0	2.9	11.7	33.0	-19.6	-16.1	8.8	21.3
Manufacturing	16.3	11.2	12.0	-3.9	12.5	-5.1	.8	-15.9	16.4
Wholesale trade	13.2	4.4	6.4	7.3	-8.5	-8.8	2.0	.9	-15.8
Retail trade	3.0	-7.1	-21.7	5.2	25.5	-10.1	-14.6	26.9	20.3
Of which: Motor vehicle dealers	-6.2	.4	-23.6	2.0	10.8	6.6	-24.0	25.6	8.8
Other	6.0	10.6	6.1	3.1	3.6	4.6	-4.5	-3.0	.5

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are found in NIPA table 5.11.

in petroleum imports. Imports of nonpetroleum goods increased more than in the second quarter; the step-up was accounted for by "other" nonautomotive capital goods, which changed little after decreasing, and by nonautomotive consumer goods, which increased more than in the second quarter. Imports of services increased more than in the second quarter; the step-up was more than accounted for by royalties and license fees, reflecting activities associated with the 1996 Olympic games.

Government spending

Real government consumption expenditures and gross investment edged down 0.2 percent in the third quarter after increasing 7.7 percent in the second (table 6). Federal Government spending turned down, and State and local government spending increased less than in the second quarter.

Federal defense spending decreased 5.2 percent after increasing 10.0 percent. Consumption expenditures decreased after increasing substantially; the decrease was in "other" services. Investment decreased more in the third quarter than in the second; the larger third-quarter decrease was almost entirely accounted for by equipment, mainly aircraft and ships.

Federal nondefense spending increased 0.3 percent after increasing 8.3 percent. The slowdown was attributable to a downturn in consumption expenditures, primarily compensation of employees.

State and local government spending increased 1.7 percent after increasing 6.7 percent. The slowdown was attributable to compensation of employees and to investment in structures.

Table 5.—Real Net Exports of Goods and Services

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter							
	1996	1995	1996			1995	1996		
	III	IV	I	II	III	IV	I	II	III
Exports of goods and services	816.1	20.1	3.6	11.2	-1.8	10.7	1.8	5.6	-0.9
Goods	600.2	20.6	2.1	9.7	-4	15.3	1.5	6.7	-3
Agricultural goods	46.5	-6	1.1	-5.0	1.0	-4.9	9.3	-33.7	9.0
Nonagricultural goods	554.6	21.5	.9	15.5	-1.6	17.7	.7	11.9	-1.1
Services	216.9	-1	1.4	1.6	-1.4	-3	2.7	2.8	-2.4
Imports of goods and services	954.8	3.5	22.7	21.9	22.2	1.6	10.6	9.9	9.9
Goods	810.3	4.4	18.4	21.5	20.4	2.4	10.2	11.7	10.8
Petroleum and products	63.1	-2.9	-3.5	6.8	1.1	-17.2	-22.2	59.9	7.0
Nonpetroleum products	745.7	6.9	21.5	15.1	19.3	4.1	13.0	8.7	11.0
Services	145.1	-9	4.3	4	1.9	-2.4	13.0	1.3	5.4
Addendum: Net exports of goods and services	-138.8	16.7	-19.1	-10.7	-24.1				

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are found in NIPA table 4.4. Percent changes in major aggregates are found in NIPA table 8.1.

Table 6.—Real Government Consumption Expenditures and Real Gross Investment by Type

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter							
	1996	1995	1996			1995	1996		
	III	IV	I	II	III	IV	I	II	III
Government consumption expenditures and gross investment	1,277.4	-13.8	5.1	23.5	-0.8	-4.3	1.6	7.7	-0.2
Federal	469.3	-16.3	6.7	10.5	-4.1	-13.2	6.0	9.4	-3.4
National defense	315.1	-10.3	3.1	7.5	-4.3	-12.3	4.1	10.0	-5.2
Consumption expenditures	276.7	-3.8	-3.5	8.0	-2.9	-5.3	-5.0	12.2	-4.0
Gross investment	38.5	-6.5	6.5	-4	-1.4	-50.6	102.6	-4.0	-13.4
Nondefense	153.8	-6.1	3.6	3.1	.1	-14.8	10.1	8.3	.3
Consumption expenditures	134.6	-6.2	3.0	3.1	-.1	-17.2	9.9	9.6	-.2
Gross investment	19.0	.3	.5	0	.1	6.8	12.1	-1.3	3.9
State and local	809.0	2.9	-1.8	12.9	3.5	1.5	-9	6.7	1.7
Consumption expenditures	652.5	1.6	-1.2	8.8	2.8	1.0	-8	5.6	1.7
Gross investment	156.5	1.3	-6	4.1	.7	3.3	-1.5	11.2	1.8

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are found in NIPA table 3.8B. Percent changes in major aggregates are found in NIPA table 8.1.

Revisions

As noted earlier, the preliminary estimate of a 2.0-percent increase in real GDP in the third quarter is 0.2 percentage point lower than the advance estimate (table 7); for 1976–95, the average revision, without regard to sign, from the advance estimate of real GDP to the preliminary estimate was 0.5 percentage point. The preliminary estimate of the increase in the price index for gross domestic purchases is 1.8 percent in the third quarter, the same as the advance estimate.

The small downward revision to real GDP was more than accounted for by downward revisions to change in nonfarm business inventories and to net exports. Partly offsetting these downward revisions were upward revisions to nonresidential fixed investment, to State and local government spending, and to nondurable personal consumption expenditures.

The downward revision to change in nonfarm business inventories was more than accounted for by a downward revision to merchant wholesale inventories and reflected Census Bureau data on inventory book values—revised for August and newly available for September.

The downward revision to net exports was accounted for by a downward revision to exports of goods and an upward revision to imports of goods and reflected Census Bureau data on exports and imports of goods—revised for August and newly available for September.

The upward revision to nonresidential fixed investment was both in structures, primarily reflecting revised and newly available Census Bureau data on the value of construction put in place, and in producers' durable equipment, primarily reflecting newly available Census Bureau data on aircraft exports.

The upward revision to State and local government spending was to structures and primarily reflected Census Bureau data on the value of new construction put in place—newly available for September.

The increase in real disposable personal income was revised down 0.1 percentage point to 4.8 percent; current-dollar personal income was revised down slightly, and personal tax and nontax payments were revised up slightly. The personal saving rate was revised down 0.1 percentage point to 5.3 percent.

Corporate Profits

Profits from current production decreased \$1.1 billion in the third quarter after increasing \$10.7 billion in the second (table 8).³

Profits from domestic operations increased \$2.5 billion after increasing \$15.3 billion. Profits of financial corporations decreased after a small increase. Profits of nonfinancial corporations increased considerably less than in the second quarter. Profits from the rest of the world decreased \$3.6 billion after decreasing \$4.8 billion.

3. Profits from current production are estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; they are shown in NIPA tables 1.14, 1.16, and 6.16c as "corporate profits with inventory valuation and capital consumption adjustments."

**Table 7.—Revisions to Real Gross Domestic Product and Prices,
Third Quarter 1996**

[Seasonally adjusted at annual rates]

	Percent change from preceding quarter		Preliminary estimate minus advance estimate	
	Advance estimate	Preliminary estimate	Percentage points	Billions of chained (1992) dollars
Gross domestic product	2.2	2.0	-0.2	-3.5
Less: Exports of goods and services .....	.6	-.9	-1.5	-3.0
Goods	1.9	-.3	-2.2	-3.3
Services	-2.9	-2.4	.5	.2
Plus: Imports of goods and services	8.3	9.9	1.6	3.5
Goods	9.1	10.8	1.7	3.1
Services	4.2	5.4	1.2	.4
Equals: Gross domestic purchases	3.1	3.3	.2	2.8
Personal consumption expenditures .....	.4	.6	.2	1.5
Durable goods	-.8	-2.0	-1.2	-1.9
Nondurable goods	-.3	.3	.6	2.4
Services	1.1	1.3	.2	1.0
Fixed investment	8.5	10.0	1.5	3.7
Nonresidential	14.7	16.9	2.2	3.8
Structures	3.3	7.7	4.4	1.9
Producers' durable equipment	18.9	20.3	1.4	1.7
Residential	-5.8	-5.9	-.1	-.1
Change in business inventories .....	.....	.....	.....	-6.8
Nonfarm .....	.....	.....	.....	-8.2
Farm .....	.....	.....	.....	1.7
Government consumption expenditures and gross investment	-1.4	-.2	1.2	3.7
Federal	-4.0	-3.4	.6	.6
National defense	-5.1	-5.2	-.1	-.2
Nondefense	-1.7	.3	2.0	.8
State and local .....	.2	1.7	1.5	3.1
Addenda:				
Final sales of domestic product .....	.3	.4	.1	2.5
Gross domestic purchases price index (chain-type weights) ¹	1.8	1.8	0	.....
GDP price index (chain-type weights) ¹	1.9	1.9	0	.....

1. Based on chained (1992) weights.

NOTE.—Preliminary estimates for the third quarter of 1996 incorporate the following revised or additional major source data that were not available when the advance estimates were prepared.

Personal consumption expenditures: Revised retail sales for August and September, consumers' share of new-car purchases for September, and consumers' share of new-truck purchases for September.

Nonresidential fixed investment: Construction put in place for July and August (revised) and September, manufacturers' shipments of machinery and equipment for August and September (revised), and exports and imports of machinery and equipment for August (revised) and September.

Residential fixed investment: Construction put in place for July and August (revised) and September.

Change in business inventories: Manufacturing and trade inventories for August (revised) and September.

Exports and imports of goods and services: Exports and imports of goods for August (revised) and September.

Government consumption expenditures and gross investment: State and local government construction put in place for July and August (revised) and September.

Wages and salaries: Revised employment, average hourly earnings, and average weekly hours for August and September.

GDP prices: Detailed merchandise export and import price indexes for July through September (revised), values and quantities of petroleum imports for August (revised) and September, and housing prices for the third quarter.

Cash flow from current production, a profits-related measure of internally generated funds available for investment, increased \$7.8 billion after increasing \$9.9 billion. The ratio of cash flow to nonresidential fixed investment, an indicator of the share of the current level of investment that could be financed by internally generated funds, decreased to 81.3 percent from 83.7 percent. These levels are near the low end of the range in which the ratio has fluctuated during most of the 1990's, but they are substantially higher than the levels typically posted in the 1980's.

Industry profits.—Industry profits decreased \$2.5 billion in the third quarter after increasing \$8.7 billion in the second.⁴ The downturn reflected a sharp deceleration in profits of nonfinancial corporations and a downturn in profits of financial corporations. For nonfinancial corporations, preliminary and incomplete data suggest that third-quarter increases were small in most major

4. Industry profits are estimated as the sum of profits before tax and the inventory valuation adjustment; they are shown in NIPA table 6.16C as "corporate profits with inventory valuation adjustment." Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.

Table 8.—Corporate Profits
[Seasonally adjusted at annual rates]

	Level		Change from preceding quarter
	1996		
	III	1996	
II		III	
Billions of dollars			
Profits from current production	654.7	10.7	-1.1
Domestic industries	579.8	15.3	2.5
Financial	141.3	1.8	-2.2
Nonfinancial	438.5	13.5	4.7
Rest of the world	74.8	-4.8	-3.6
IVA	2.1	6.4	13.1
CCAdj	23.7	1.9	1.4
Profits before tax	628.9	2.4	-15.7
Profits tax liability	231.4	3.0	-5.0
Profits after tax	397.5	-7	-10.6
Cash flow from current production	655.1	9.9	7.8
Corporate profits with IVA	631.0	8.7	-2.5
Domestic industries	556.2	13.5	1.1
Financial	134.5	1.7	-2.1
Nonfinancial	421.7	11.8	3.2
Rest of the world	74.8	-4.8	-3.6
Receipts (inflows)	118.3	.4	-4.3
Payments (outflows)	43.5	5.2	-7
Dollars			
Unit price, costs, and profits of nonfinancial corporations:			
Unit price	1.065	0.003	0
Unit labor cost .....	.707	.004	.001
Unit nonlabor cost .....	.247	-.001	0
Unit profits from current production .....	.113	.002	0

NOTE.—Levels of these and other profits series are found in NIPA tables 1.14, 1.16, 6.16C, and 7.15.

IVA Inventory valuation adjustment
CCAdj Capital consumption adjustment

industry groups; profits in the transportation and utilities group appear to have decreased.

Profits from the rest of the world decreased less than in second quarter. Preliminary and incomplete information suggests that the third-quarter decrease was accounted for by a larger decrease in receipts than in payments.⁵

Related measures.—Profits before tax (PBT) decreased \$15.7 billion in the third quarter after increasing \$2.4 billion in the second. Inventory profits decreased \$13.1 billion in the third quarter after decreasing \$6.4 billion in the second; the larger third-quarter decrease reflected a downturn in prices of inventoried goods; inventory profits are represented in the NIPA's by the inventory valuation adjustment (with the sign reversed).

Government Sector

The combined current deficit of the Federal Government and State and local governments increased \$5.5 billion, to \$31.2 billion, in the third quarter (table 9). The increase was more than accounted for by a decrease in the State and local government current surplus.

Federal

The Federal Government current deficit decreased \$6.4 billion, to \$120.3 billion, in the third quarter after decreasing \$28.5 billion in the second. The third-quarter current deficit was the smallest since the second quarter of 1989.

Receipts.—Receipts increased \$6.7 billion in the third quarter after increasing \$52.5 billion in the second. The deceleration was mostly accounted for by a downturn in personal tax and nontax receipts.

Personal tax and nontax receipts decreased \$0.1 billion after increasing \$41.8 billion. The downturn was attributable to income taxes. Payments of estimated income taxes less refunds decreased \$11.5 billion after increasing \$25.9 billion; the increase in the second quarter reflected provisions of the Omnibus Budget Reconciliation Act of 1993 that allowed certain retroactive taxes to be paid in three annual installments, the last of which was due in April 1996. Withheld income taxes increased \$10.9 billion after increasing \$13.2 billion, reflecting the deceleration in wages and salaries.

Corporate profits tax accruals decreased \$4.2 billion after increasing \$2.6 billion, reflecting the downturn in corporate profits before tax.

5. Profits from the rest of the world are receipts of profits from foreign affiliates of U.S. companies less payments of profits by U.S. affiliates of foreign companies.

Contributions for social insurance increased \$8.4 billion after increasing \$9.4 billion, reflecting a deceleration in wages and salaries.

Indirect business tax and nontax accruals increased \$2.5 billion after decreasing \$1.2 billion. The upturn was attributable to customs duties, which increased \$1.3 billion after decreasing \$0.6 billion, and to air transport excise taxes, which increased \$0.9 billion after decreasing \$0.9 billion. The air transport excise taxes that had expired at the end of December 1995 as a result of the Federal budget impasse were reinstated in late August.

Current expenditures.—Current expenditures increased \$0.3 billion in the third quarter after increasing \$24.0 billion in the second. The deceleration was more than accounted for by downturns in grants-in-aid to State and local governments and in Federal consumption expenditures.

Grants-in-aid to State and local governments decreased \$4.8 billion after increasing \$11.7 billion. The downturn was accounted for by grants for medicaid, which decreased \$4.5 billion after increasing \$10.6 billion.

Consumption expenditures decreased \$1.9 billion after increasing \$9.9 billion. The downturn was accounted for by national defense expenditures, which decreased \$2.5 billion after increasing \$8.7 billion. Within defense expenditures, the downturn was mostly accounted for by services, which decreased \$3.1 billion after increasing \$5.1 billion, but durable and nondurable goods also contributed. Within services, expenditures for research and development decreased \$1.7 billion after increasing \$2.2 billion.

Transfer payments (net) increased \$4.7 billion after increasing \$1.7 billion. The acceleration was more than accounted for by transfer payments to the rest of the world, which decreased \$0.3 billion after decreasing \$7.2 billion; the second-quarter decrease followed a large first-quarter increase that included a \$9.6 billion (annual rate) payment to Israel. Transfer payments to persons increased \$5.1 billion after increasing \$8.8 billion. Most of the deceleration was accounted for by Federal civilian pensions and by social security. Federal civilian pensions decreased \$0.3 billion after increasing \$1.5 billion; most of the second-quarter increase was attributable to a \$1.0 billion cost-of-living adjustment. Social security payments increased \$0.9 billion after increasing \$2.3 billion.

State and local

The State and local government current surplus decreased \$11.9 billion, to \$89.1 billion, in the third

quarter after increasing \$10.0 billion in the second. The downturn was accounted for by a deceleration in receipts.

Receipts increased \$2.0 billion after increasing \$22.7 billion. The deceleration was mostly accounted for by Federal grants-in-aid, which decreased \$4.8 billion after increasing \$11.7 billion. Indirect business tax and nontax accruals increased \$3.5 billion after increasing \$5.8 billion; the deceleration was mostly accounted for by sales taxes. Corporate profits tax accruals decreased \$0.8 billion after increasing \$0.5 billion, reflecting the

Table 9.—Government Sector Receipts and Current Expenditures


[Billions of dollars, seasonally adjusted at annual rate]

	Level		Change from preceding quarter			
	1996	1995	1996			
	III	III	IV	I	II	III
Government sector						
Receipts	2,415.5	17.6	14.3	40.0	63.5	13.5
Current expenditures	2,446.7	20.6	16.2	37.7	24.9	19.1
Current surplus or deficit(-)	-31.2	-3.0	-1.8	2.1	38.6	-5.5
Social insurance funds	115.5	1.9	.9	-8.4	1.8	3.8
Other	-146.7	-4.9	-2.7	10.6	36.7	-9.3
Federal Government						
Receipts	1,582.3	3.4	8.1	28.4	52.5	6.7
Personal tax and nontax receipts	681.3	-7.1	6.0	16.3	41.8	-1
Corporate profits tax accruals	194.8	8.4	-4.8	12.1	2.6	-4.2
Indirect business tax and nontax accruals	85.7	-5.1	2.9	-6.9	-1.2	2.5
Contributions for social insurance	620.4	7.2	4.1	6.7	9.4	8.4
Current expenditures	1,702.6	1.3	4.3	29.0	24.0	.3
Consumption expenditures	461.6	-2.5	-2.2	2.2	9.9	-1.9
National defense	304.9	-3.9	-1.3	-1.4	8.7	-2.5
Nondefense	156.7	1.4	-9	3.6	1.2	.6
Transfer payments (net)	762.6	9.1	6.7	25.3	1.7	4.7
To persons	751.1	7.8	6.3	17.9	8.8	5.1
To the rest of the world	11.5	1.4	.3	7.4	-7.2	-3
Grants-in-aid to State and local governments	214.5	-7.5	-5	4.3	11.7	-4.8
Net interest paid	233.7	3.1	1.6	-3.4	.3	2.9
Subsidies less current surplus of government enterprises	30.3	-9	-1.2	.5	.4	-5
Subsidies	31.7	-1.2	-1.3	0	.1	.3
Of which: Agricultural subsidies	5.7	-8	-7	.3	.2	.1
Less: Current surplus of government enterprises	1.4	-2	-2	-5	-3	.8
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	-120.3	2.0	4.0	-7	28.5	6.4
Social insurance funds	60.1	1.9	1.4	-7.7	2.2	4.9
Other	-180.5	.1	2.6	6.9	26.4	1.4
State and local governments						
Receipts	1,047.7	6.7	5.7	15.9	22.7	2.0
Personal tax and nontax receipts	192.6	4.2	2.6	1.5	3.9	3.4
Corporate profits tax accruals	36.6	1.9	-1.0	2.5	.5	-8
Indirect business tax and nontax accruals	529.0	7.6	3.9	6.9	5.8	3.5
Contributions for social insurance	75.0	.6	.6	.6	.8	.8
Federal grants-in-aid	214.5	-7.5	-5	4.3	11.7	-4.8
Current expenditures	958.6	11.7	11.5	13.0	12.7	13.9
Consumption expenditures	719.3	6.1	5.7	9.4	8.9	9.1
Transfer payments to persons	311.0	5.3	5.1	3.5	3.7	4.4
Net interest paid	-44.5	.7	.6	.7	.6	.6
Less: Dividends received by government	13.7	.3	.3	.3	.4	0
Subsidies less current surplus of government enterprises	-13.4	0	.2	-1	-2	-1
Subsidies .....	.4	0	0	0	0	0
Less: Current surplus of government enterprises	13.8	0	-2	.1	.1	.2
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	89.1	-5.0	-5.8	2.9	10.0	-11.9
Social insurance funds	55.4	0	-5	-8	-4	-1.0
Other	33.7	-5.0	-5.3	3.6	10.5	-10.9

NOTE.—Dollar levels are found in NIPA tables 3.1, 3.2, and 3.3.

downturn in corporate profits before tax. Personal tax and nontax receipts increased \$3.4 billion after increasing \$3.9 billion; the deceleration was attributable to income taxes.

Current expenditures increased \$13.9 billion after increasing \$12.7 billion. Transfer payments to persons increased \$4.4 billion after increasing \$3.7 billion. Consumption expendi-

tures increased \$9.1 billion after increasing \$8.9 billion; an acceleration in services was nearly offset by a deceleration in nondurable goods. The acceleration in services was largely in compensation, reflecting an acceleration in employment. The deceleration in nondurable goods reflected decreases in prices, primarily for petroleum products. 

Availability of the Remaining NIPA-Related Estimates From the Comprehensive Revision

The release of the revised estimates of reproducible tangible wealth for 1925–95 and of the revised national income and product accounts (NIPA) estimates for 1929–58, which will reflect the definitional and statistical improvements introduced into the NIPA estimates from 1959 forward in the comprehensive revision, has been delayed until spring 1997. Publication of *National Income and Product Accounts of the United States, Volume 2, 1959–92* will follow shortly thereafter. (NIPA data beginning with 1959 have been published in the SURVEY OF CURRENT BUSINESS and are available in a variety of electronic formats; see the headnote to the “Selected NIPA Tables” on page D-2.) *National Income and Product Accounts, Volume 1, 1929–58* will be published later in 1997.

BEA had hoped to reduce the timespan for the release of the complete results of this comprehensive revision to 9 months, compared with 14 months for the preceding comprehensive revision, but production problems relating to the incorporation of the new methodology for calculating the consumption of fixed capital and the chain-type measures of wealth have slowed work on the estimates.

Operations of U.S. Multinational Companies: Preliminary Results From the 1994 Benchmark Survey

By Raymond J. Mataloni, Jr., and Mahnaz Fahim-Nader

PRELIMINARY RESULTS from BEA's latest benchmark survey of U.S. direct investment abroad (USDIA), covering 1994, when viewed with the results from earlier surveys, suggest a high degree of continuity in the patterns of operations of U.S. multinational companies (MNC's). U.S.-MNC operations abroad remain concentrated in a number of large and wealthy economies; the 10 largest high-income economies accounted for just under 70 percent of total production by majority-owned foreign affiliates (MOFA's) of U.S. companies in 1994. Both in these economies and in most other economies that host operations by U.S. MNC's—including the rapidly growing economies

in the emerging areas of Asia, Latin America, and Eastern Europe—production by foreign affiliates was predominantly for sale in local markets rather than for export back to the United States. Thus, as in earlier years, the location of overseas production by U.S. MNC's appears to have been determined more by access to markets than by access to low-wage labor or to natural resources. Although foreign production and employment by U.S. MNC's was substantial, their operations remained centered in the United States, where about three-fourths of the worldwide employment and production of U.S. MNC's was located in 1994 (table 1).

Key Terms

The following key terms are used to describe U.S. multinational companies and their operations. For a comprehensive discussion of the terms and the concepts used, see "A Guide to BEA Statistics on U.S. Multinational Companies," SURVEY OF CURRENT BUSINESS 75 (March 1995): 38–55.

U.S. direct investment abroad (USDIA): The ownership or control, directly or indirectly, by one U.S. person of 10 percent or more of the voting securities of an incorporated foreign business enterprise or the equivalent interest in an unincorporated foreign business enterprise.

U.S. multinational company (MNC): The U.S. parent and all of its foreign affiliates.

U.S. parent: A person, resident in the United States, who owns or controls 10 percent or more of the voting securities, or the equivalent, of a foreign business enterprise. "Person" is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation or other organization (whether or not organized under the laws of any State), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (1) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation and (2) proceeding down each ownership chain from that U.S. corporation, any U.S. corporation (including Foreign Sales Corporations located within the United States) whose voting securities are more

than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic (U.S.) operations of a U.S. MNC.

Foreign affiliate: A foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls (directly or indirectly) 10 percent or more of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a U.S. MNC over which the parent is presumed to have a degree of managerial influence.

Majority-owned foreign affiliate (MOFA): A foreign affiliate in which the combined ownership of all U.S. parents exceeds 50 percent. MOFA's comprise the foreign operations of U.S. MNC over which the parent(s) has unambiguous managerial control.

Nonbank: An entity (MNC, parent, or affiliate) whose primary activity does not fall within the "depository institution" classification. Only the operations of nonbanks are covered in this article.

Gross product: The market value of goods and services produced. The estimates of the gross product for U.S. MNC's presented here measure the contribution of the parents to U.S. GDP and the contribution of the MOFA's to foreign countries' GDP. For a discussion of the uses of, and the methods used to compute, the estimates of the gross product for U.S. MNC's, see "Gross Product of U.S. Multinational Companies, 1977–91," SURVEY 74 (February 1994): 42–63.

Some change was evident in U.S.-parent companies' share of the U.S. economy: They accounted for about one-fourth of U.S. gross domestic product (GDP) in 1994, down from about one-third in 1982 (an earlier benchmark year). The decline largely reflected the concentration of U.S. parents in slower growing sectors of the economy, such as "petroleum extraction and refining" and manufacturing. As might be expected, the share of foreign affiliates in their host economies was much smaller, but it too declined. MOFA's, on average, accounted for 3 percent of GDP in a group of 48 important host economies in 1994, down from 4 percent in 1982. The decrease was most pronounced in countries where MOFA production had been relatively concentrated in the petroleum industry; in that industry, growth in the value of production by MOFA's tended to be constrained by declining oil

prices and by the increasing role in the industry by some host governments.

The 1994 survey results indicate that U.S. MNC's continue to play a key, though somewhat diminished, role in U.S. international trade in goods. MNC-associated exports of goods represented 66 percent of total U.S. exports of goods in 1994,

Table 1.—Gross Product, Employment, and Capital Expenditures of Nonbank U.S. MNC's, U.S. Parents, and Foreign Affiliates, 1982–94

	MNC's worldwide		Parents	Affiliates		
	Parents and all affiliates	Parents and MOFA's		Total	MOFA's	Other
Gross product						
Millions of dollars:						
1982	n.a.	1,019,734	796,017	n.a.	223,717	n.a.
1983	n.a.	n.a.	n.a.	n.a.	216,683	n.a.
1984	n.a.	n.a.	n.a.	n.a.	220,331	n.a.
1985	n.a.	n.a.	n.a.	n.a.	220,074	n.a.
1986	n.a.	n.a.	n.a.	n.a.	231,644	n.a.
1987	n.a.	n.a.	n.a.	n.a.	269,734	n.a.
1988	n.a.	n.a.	n.a.	n.a.	297,556	n.a.
1989	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.
1990	n.a.	n.a.	n.a.	n.a.	356,033	n.a.
1991	n.a.	n.a.	n.a.	n.a.	355,963	n.a.
1992	n.a.	n.a.	n.a.	n.a.	361,524	n.a.
1993	n.a.	n.a.	n.a.	n.a.	359,179	n.a.
1994 ¹	n.a.	1,720,502	1,325,945	n.a.	394,557	n.a.
Percent change at annual rates:						
1982–94	n.a.	4.5	4.3	n.a.	4.8	n.a.
1982–89	n.a.	4.3	4.0	n.a.	5.2	n.a.
1989–94	n.a.	4.7	4.9	n.a.	4.3	n.a.
Number of employees						
Thousands:						
1982	25,344.8	23,727.0	18,704.6	6,640.2	5,022.4	1,617.8
1983	24,782.6	23,253.1	18,399.5	6,383.1	4,853.6	1,529.5
1984	24,548.4	22,972.6	18,130.9	6,417.5	4,841.7	1,575.8
1985	24,531.9	22,923.0	18,112.6	6,419.3	4,810.4	1,608.9
1986	24,082.0	22,543.1	17,831.8	6,250.2	4,711.3	1,538.9
1987	24,255.4	22,650.0	17,985.8	6,269.6	4,664.2	1,605.4
1988	24,141.1	22,498.1	17,737.6	6,403.5	4,760.5	1,643.0
1989	25,387.5	23,879.4	18,765.4	6,622.1	5,114.0	1,508.1
1990	25,263.6	23,785.7	18,429.7	6,833.9	5,356.0	1,477.9
1991	24,837.1	23,345.4	17,958.9	6,878.2	5,386.5	1,491.7
1992	24,189.7	22,812.0	17,529.6	6,660.1	5,282.4	1,377.7
1993	24,221.5	22,760.2	17,536.9	6,684.6	5,223.3	1,461.3
1994 ¹	25,905.1	24,520.0	18,947.4	6,957.7	5,572.6	1,385.1
Percent change at annual rates:						
1982–94 .....	.2	.3	.1	.4	.9	–1.3
1982–89	(*)	.1	(*)	(*)	.3	–1.0
1989–94 .....	.4	.5	.2	1.0	1.7	–1.7
Capital expenditures						
Millions of dollars:						
1982	248,262	233,078	188,266	59,996	44,812	15,184
1983	n.a.	197,534	160,656	n.a.	36,878	n.a.
1984	n.a.	203,791	168,692	n.a.	35,099	n.a.
1985	n.a.	221,509	185,027	n.a.	36,482	n.a.
1986	n.a.	203,809	169,131	n.a.	34,678	n.a.
1987	n.a.	199,171	162,139	n.a.	37,032	n.a.
1988	n.a.	223,814	177,203	n.a.	46,611	n.a.
1989	273,905	255,933	198,923	74,982	57,010	17,972
1990	n.a.	274,614	213,079	n.a.	61,535	n.a.
1991	n.a.	269,221	206,290	n.a.	62,931	n.a.
1992	n.a.	272,049	208,834	n.a.	63,215	n.a.
1993	n.a.	271,661	207,437	n.a.	64,224	n.a.
1994 ¹	324,308	301,044	229,147	95,161	71,897	23,264
Percent change at annual rates:						
1982–94	2.3	2.2	1.7	3.9	4.0	3.6
1982–89	1.4	1.3	.8	3.2	3.5	2.4
1989–94	3.4	3.3	2.9	4.9	4.7	5.3

1. Break-in-series. See the section "benchmark revisions" in the appendix for details.
MNC Multinational company
MOFA Majority-owned foreign affiliate

General Notes to Tables

- Detail may not add to totals because of rounding.
- An asterisk "*" indicates either a value of between –\$500,000 and \$500,000, a percentage of less than 0.05 percent, or a number of employees less than 50.
- A "(D)" indicates that the data in the cell have been suppressed to avoid the disclosure of the data of individual companies.
- An "n.a." indicates that the data are not available.
- The industry group "petroleum" encompasses all aspects of the petroleum industry from extraction to refining and sales. Thus, "manufacturing" excludes petroleum refining and other petroleum-related manufacturing, which may be included in manufacturing in other data sets. Similarly, "mining" in these data excludes oil and gas extraction; "wholesale trade" excludes petroleum wholesaling; "retail trade" excludes gasoline service stations; "transportation" excludes pipelines, tankers, and other petroleum transportation; and "services" excludes oil and gas field services.
- The country category "International" consists of affiliates that have operations spanning more than one country and that are engaged in petroleum shipping, other water transportation, or offshore oil and gas drilling.
- "Eastern Europe" comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria, the Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Tajikistan, Ukraine, and Uzbekistan.
- The European Union (12) comprises Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, and the United Kingdom.
- OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

down from 77 percent in 1982.¹ MNC-associated imports of goods represented 38 percent of total U.S. imports of goods in 1994, down from 50 percent in 1982.²

Despite the importance of MNC's in U.S. international trade, local sales, not export sales, were the primary means through which U.S. MNC's serviced both their domestic and foreign customers. The U.S. market was served primarily by U.S. parents, and foreign markets were served primarily by MOFA's. Sales by U.S. parents accounted for 96 percent of sales by U.S. MNC's to unaffiliated U.S. customers in 1994, while sales by MOFA's accounted for 72 percent of sales by MNC's to unaffiliated foreign customers.³

The benchmark survey.—Benchmark surveys are the foundation of BEA's data collection system for USDIA. They are now conducted every 5 years and are both more comprehensive in coverage and more detailed in terms of the items collected than the quarterly and annual sample surveys of USDIA that are also conducted by BEA. Benchmark surveys collect data both on the transactions and positions between U.S. parent companies and their foreign affiliates, which enter the U.S. international transactions accounts and international investment position, and on the overall operations of parents and affiliates. Over the years, the data that are collected—particularly the operations data—have changed or expanded in response to changing needs and circumstances.⁴

The processing of the 1994 benchmark survey is still under way, but enough data have now been tabulated to allow BEA to update its regular annual series of estimates on the operations of nonbank U.S. MNC's.⁵ These estimates, which are provided in this article, are preliminary; revised estimates, together with estimates on the operations of bank MNC's and on the transactions and positions between parents and affiliates, will be available next

fall, when the final results of the benchmark survey are published.⁶

Organization of the article.—The remainder of this article comprises three parts and an appendix. The first part discusses the 1993–94 changes in employment by U.S. parents and their foreign affiliates. The second part provides a profile of U.S. MNC's, including the distribution of affiliates by the percentage of U.S. parents' ownership and the distribution of the worldwide production of goods and services by U.S. MNC's by area, by industry, and by size of business enterprise. The third part highlights selected aspects of U.S.-MNC operations for which data are collected in more detail in benchmark survey years. The appendix discusses the coverage and methodology of the benchmark survey, the changes in the presentation of the results, and the use of the benchmark survey data to help refine and evaluate other BEA estimates of USDIA.

Changes in the Employment of MNC's in 1994

The change in employment of U.S. MNC's in 1994 can be estimated as the net changes in employment that result from changes in existing operations, the acquisition and establishment of affiliates, the sale and liquidation of affiliates, and benchmark revisions (table 2).⁷ Because the benchmark revisions accounted for a large part of the year-to-year change, it was necessary to remove the effects of these revisions from the 1994 benchmark survey results before the results could be compared with the 1993 annual survey estimates.⁸ Based on

6. For additional information on the benchmark survey and its linkages to other BEA data on USDIA, see the appendix "The Benchmark Survey."

7. Employment usually provides a more accurate indication of real economic activity than do assets or sales because changes in employment are not directly affected by valuation changes (such as those caused by inflation and by exchange-rate fluctuations). However, employment does not account for differences in productivity over time or across industries. Gross product—a measure that can capture differences in productivity—is not used in this section of the article (or in other discussions of the operations of all affiliates), because it is unavailable for affiliates that are not majority owned.

8. For a description of the sources of the benchmark revisions, see the appendix.

1. MNC-associated exports of goods consist of exports shipped by U.S. parents to their foreign affiliates, exports shipped by U.S. parents to foreigners other than their foreign affiliates, and exports shipped to foreign affiliates by U.S. persons other than their U.S. parents.

2. MNC-associated imports of goods consist of imports shipped to U.S. parents by their foreign affiliates, imports shipped to U.S. parents by foreigners other than their foreign affiliates, and imports shipped by foreign affiliates to U.S. persons other than their U.S. parents.

3. Unaffiliated customers are those that are not members of the same MNC.

4. Earlier benchmark surveys covered 1929, 1936, 1940, 1943, 1950, 1957, 1966, 1977, 1982, and 1989. The 1943 survey was conducted by the Treasury Department. The 1950 survey was the first to collect operating data. For a discussion of the evolution of BEA's data collection system in response to changing circumstances, see Betty L. Barker, "Investment Statistics for a Global Economy," in *Accuracy, Timeliness, and Relevance of Economic Statistics*, edited by Zoltan Kenessey (Voorburg, The Netherlands: Editions Voorburg, forthcoming in 1997).

5. The 1993 annual survey results appeared in "U.S. Multinational Companies: Operations in 1993," SURVEY OF CURRENT BUSINESS 75 (June 1995): 31–51.

Data Availability

This article presents a summary of the preliminary results from the 1994 benchmark survey. More detailed results will be published in *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Preliminary Results*; its availability will be announced in the SURVEY. The final results of the 1994 benchmark survey will be published next year. The contents of both publications will be available on diskettes that will be sold by BEA.

Table 2.—Sources of Change in Selected Data Items for Nonbank U.S. Parents and Their Nonbank Foreign Affiliates, 1993–94

Line		Millions of dollars		Number of employees (thousands)
		Total assets	Sales	
Parents				
1	1993 level	6,053,306	3,480,778	17,536.9
2	Total change	573,656	476,296	1,410.5
3	Benchmark revisions ¹	454,429	447,877	1,408.9
4	Actual changes in parent operations in 1994	119,227	28,419	1.6
5	New parents ²	65,487	38,301	179.8
6	Changes in existing operations	76,831	18,381	43.4
7	Sales or liquidations ³	-23,091	-28,263	-221.6
8	1994 level	6,626,962	3,957,074	18,947.4
Affiliates				
9	1993 level	2,047,307	1,570,563	6,684.6
10	Total change	312,657	184,289	273.1
11	Benchmark revisions ¹	96,091	62,657	387.1
12	Actual changes in affiliate operations in 1994	216,566	121,632	-114.0
13	New affiliates	64,334	21,320	182.9
14	Of which:			
15	Acquisitions	35,308	12,537	122.7
16	Establishments	29,026	8,783	60.2
17	Changes in existing operations	176,255	108,578	-114.6
18	Sales or liquidations	-24,023	-8,266	-182.3
18	1994 level	2,359,964	1,754,852	6,957.7
Percent				
Addenda:				
Benchmark revisions as a percentage of 1994 level:				
19	Parents	7	11	7
20	Affiliates	4	4	6
Benchmark revisions as a percentage of 1993–94 change:				
21	Parents	79	94	100
22	Affiliates	31	34	n.m.

1. Includes some actual changes in parent and affiliate operations that could not be allocated because of incomplete information. For a description of the sources of benchmark revisions, see appendix.

2. This line represents parents that established or acquired their first foreign affiliate in 1994.

3. This line represents parents that sold or liquidated their last foreign affiliate in 1994.

NOTE.—Lines 6 and 16 include changes resulting from parents or affiliates acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA permits survey respondents to fully consolidate their parent operations and to consolidate affiliate operations that are in the same country and industry or that are integral parts of a single business operation.
n.m. Not meaningful.

Table 3.—Acquisitions and Establishments of Nonbank Foreign Affiliates by Major Area and Industry of Affiliate, 1994

	Number of acquisitions and establishments			Millions of dollars		Number of employees (thousands)
	Total	Acquisitions	Establishments	Total assets	Sales	
All areas, all industries	917	354	563	64,334	21,320	182.9
By major area						
Canada	65	28	37	6,656	5,104	28.3
Europe	430	200	230	36,654	10,674	72.5
Latin America and Other Western Hemisphere	169	52	117	10,366	2,408	29.3
Africa	25	13	12	635	542	9.2
Middle East	8	1	7	306	30	.4
Asia and Pacific	218	60	158	9,684	2,543	43.1
International	2	0	2	34	18	0
Addendum:						
European Union (12)	333	160	173	33,816	9,431	57.2
By major industry						
Petroleum	55	15	40	2,421	480	3.0
Manufacturing	305	149	156	11,826	8,451	95.8
Food and kindred products	36	16	20	1,845	1,854	19.3
Chemicals and allied products	45	14	31	1,866	1,011	6.2
Primary and fabricated metals	23	15	8	643	466	4.4
Industrial machinery and equipment	48	23	25	2,566	1,830	11.7
Electronic and other electric equipment	44	28	16	765	567	24.6
Transportation equipment	17	7	10	642	742	6.5
Other manufacturing	92	46	46	3,499	1,981	23.1
Wholesale trade	191	76	115	3,758	4,265	13.3
Finance (except depository institutions), insurance, and real estate	171	31	140	29,683	1,052	4.2
Services	118	50	68	5,113	1,582	23.7
Other industries	77	33	44	11,532	5,491	42.8

NOTE.—The data in this table cover only newly acquired or established foreign affiliates. They exclude data for consolidated units of existing foreign affiliates that were acquired or established during the year.

consistent 1993 and 1994 estimates, U.S.-parent employment was virtually unchanged in 1993–94, as it was, on average, during 1989–94; foreign-affiliate employment decreased 2 percent, compared with a 1-percent average annual rate of growth during 1989–94.

Acquisitions and establishments

In 1994, 917 affiliates were established or acquired by U.S. MNC's; these affiliates had combined employment of 182,900 (table 3).⁹ As in recent years, Europe was the most popular location for new affiliates. New European affiliates accounted for 47 percent of all new affiliates and for 40 percent of their employment. The size, affluence, and integration of the European market are probably the main attractions for U.S. direct investment in the area.

"Asia and Pacific" and "Latin America and Other Western Hemisphere" were the next most popular areas for new investments. The popularity of these areas may primarily reflect the attraction of emerging markets and the new investment opportunities created by the economic liberalizations—such as the privatization of State-owned monopolies and reduced local-content requirements—in some host countries. Some MNC's may have relocated production for the U.S. market from the United States to low-wage countries in these areas in an effort to reduce labor costs, but it is unlikely that this occurrence was widespread: The share of sales to local customers by MOFA's as a percentage of total sales by MOFA's in these regions was above the average for all countries.

Manufacturing continued to be the most popular industry for new investments in 1994. Affiliates in manufacturing accounted for 33 percent of the number, and for 52 percent of the employment, of all new affiliates.

A Profile of MNC Operations

This section provides a profile of U.S. MNC's in 1994: It includes the distribution of foreign affiliate employment by area and by industry, the U.S. parents' percentage ownership of affiliates, U.S. parents' shares of private-U.S.-business gross product by industry, the MOFA shares of host-country gross

product by area and of worldwide MNC operations by industry, and the extent to which gross product is concentrated among the largest parents and MOFA's. Changes in some of these characteristics since the 1982 and 1989 benchmark surveys are also examined.

The broadest perspective on the foreign operations of U.S. MNC's is provided by the data for all foreign affiliates, which cover all foreign business enterprises owned 10 percent or more by a U.S. company. At this level of ownership, a U.S. company is presumed to have a lasting interest in, and a degree of influence over the management of, the affiliates.

Affiliate employment by area and industry

Nonbank foreign affiliates employed 7.0 million workers in 1994 (table 4). By area, affiliates in Europe, with 2.8 million employees, accounted for the largest percentage of total affiliate employment. Over two-thirds of European-affiliate employment was in the three largest European economies—the United Kingdom, France, and Germany. Affiliate employment in Eastern Europe, at 122,000, remained small relative to the European-affiliate total, but it was up from only 600 in 1989 (the last benchmark survey year). Affiliates in Asia and Pacific, with 1.5 million employees, accounted for the next largest percentage of total affiliate

Table 4.—Assets, Sales, and Employment of Nonbank Foreign Affiliates by Major Area and Industry of Affiliate, 1994

	Millions of dollars		Number of employees (thousands)
	Total assets	Sales	
All areas, all industries	2,359,964	1,754,852	6,957.7
By major area			
Canada	218,783	210,892	886.7
Europe	1,288,830	897,439	2,844.3
Latin America and Other Western Hemisphere	271,881	182,453	1,492.2
Africa	19,830	17,450	115.0
Middle East	28,602	18,000	83.7
Asia and Pacific	517,250	421,230	1,511.1
International	14,788	7,389	24.7
Addendum:			
European Union (12)	1,132,191	792,029	2,540.3
By major industry			
Petroleum	252,462	293,661	228.1
Manufacturing	681,082	845,487	4,116.2
Food and kindred products	92,563	104,910	559.6
Chemicals and allied products	146,983	151,358	578.5
Primary and fabricated metals	31,600	29,769	189.7
Industrial machinery and equipment	98,935	128,553	488.6
Electronic and other electric equipment	53,079	73,379	605.5
Transportation equipment	118,889	207,917	738.7
Other manufacturing	139,031	149,601	955.5
Wholesale trade	184,956	314,186	556.5
Finance (except depository institutions), insurance, and real estate	979,910	91,303	172.8
Services	100,164	82,041	746.7
Other industries	161,391	128,173	1,137.4

9. Because of the lower reporting threshold of the benchmark survey, the total number, assets, sales, and employment of newly acquired or established affiliates in 1994 are not comparable with the estimates of the same items for such affiliates in 1993 and other nonbenchmark years (see the appendix). Excluding the affiliates that would have been exempt from reporting on the annual surveys, there were 450 newly acquired or established affiliates in 1994, and they had combined assets of \$61,625 million, sales of \$19,336 million, and employment of 151,700.

employment; Japan, Australia, and Thailand together accounted for 44 percent of affiliate employment in the area. Affiliates in Latin America and Other Western Hemisphere employed 1.5 million workers; affiliates in the two largest economies in the area—Brazil and Mexico—accounted for 70 percent of the area total. Affiliates in Canada employed 887,000 workers.

By industry, affiliates in manufacturing, with 4.1 million employees, accounted for the largest percentage of total affiliate employment. Within manufacturing, employment was fairly evenly spread among food, chemicals, electrical equipment, industrial machinery and equipment, and transportation equipment; employment in primary and fabricated metal manufacturing was relatively low. "Other industries," with 1.1 million employees, was the next largest major industry; within this category, retail trade and communication accounted for more than half of the total. "Services" affiliates employed 0.7 million workers, two-thirds of whom were employed by affiliates in business services (such as security, building maintenance, and personnel supply services).

U.S. parents' ownership of foreign affiliates

Consistent with the "internalization" theory of the origin of MNC's, which suggests that MNC's tend to have certain firm-specific advantages that must be protected by a high degree of control over operations, U.S. direct investors own 100 percent of most of their foreign affiliates.¹⁰ In 1994, 80 percent of all foreign affiliates were wholly owned, and 89 percent of all affiliates were MOFA's (table 5).¹¹

U.S. direct investors held 49 to 50 percent of the shares in 6 percent of all affiliates. This level of ownership may allow U.S. direct investors to achieve economies of scale or to widen their market access with little or no need for capital from internal sources (through mergers, for example); it may also reflect host-government requirements that local owners must have the controlling interest.

10. These firm-specific advantages, such as superior production or marketing techniques, allow MNC's to overcome the various barriers to investing abroad, such as foreign languages and unfamiliar business environments. However, these advantages may only be successfully realized internationally through affiliates in which the U.S. parent has clear and effective control; otherwise, the parent's control over its proprietary intangible assets, such as product designs or quality control, may be compromised.

For an elaboration of this theory and for other theories of the origin of MNC's, see J. David Richardson, "Multinational Companies: Descriptions and Dimensions," in *Understanding International Economics, Theory and Practice* (Boston: Little, Brown, and Company, 1980).

11. A U.S. parent may have a direct ownership share in a given foreign affiliate, an indirect ownership share through another of its foreign affiliates, or a combination of direct and indirect ownership shares. The total U.S.-parent ownership share shown in table 5 is the sum of the direct and indirect ownership shares.

U.S. direct investors held less than 49 percent of the shares in 6 percent of all affiliates. This level of ownership may allow U.S. direct investors to share knowledge or to facilitate trade with a foreign business without the need to control the management of that business; it may also reflect host-government restrictions or other structural barriers.

MOFA's.—Taken together, the operations of U.S. parents and their MOFA's represent the worldwide operations of the U.S. MNC that are unambiguously controlled by the U.S. parent.¹² Gross product is the preferred summary measure of U.S.-MNC operations, and it is only available for both U.S. parents and MOFA's (but not for other affiliates).¹³ Because of this data constraint, and to distinguish unambiguous control within the MNC, the remainder of this profile of MNC operations is limited to an examination of gross product for U.S. parents, for MOFA's, and for parents and MOFA's combined.

12. A U.S. parent represents the consolidation of the majority-owned domestic operations of a U.S. MNC; see the box "Key Terms."

A small percentage of MOFA's are majority owned by a group of U.S. parents in which none of the parents has a majority stake. The group usually influences or controls the management of the affiliate in a manner comparable to that of a single parent with the same total ownership interest. Most of these jointly owned MOFA's are in the petroleum industry, where parents sometimes pool their resources in order to raise capital or to mitigate risk.

13. Some of the data that are needed to compute gross product for less-than-majority-owned affiliates are not collected in the benchmark survey in order to reduce the reporting burden on survey respondents. It is generally much more difficult for survey respondents (that is, U.S. parent companies) to obtain information on minority-owned affiliates because of their lack of control over the affiliates' operations and their inability to require the majority owners to provide the information.

Table 5.—Selected Data for Nonbank Foreign Affiliates by U.S. Parents' Ownership Share, 1994

	Number of affiliates	Millions of dollars		Number of employees (thousands)
		Total assets	Sales	
All affiliates	21,300	2,354,964	1,754,852	6,957.7
Ownership percentage:				
10.0 to 20.0 percent	309	74,136	45,970	256.3
20.1 to 50.0 percent	2,055	273,992	270,527	1,091.0
50.1 to 80.0 percent	1,220	133,585	117,521	631.3
80.1 to 99.9 percent	716	85,740	90,780	355.4
100 percent	17,000	1,792,511	1,230,053	4,623.7
Addenda:				
49.0 to 50.0 percent	1,175	136,932	133,845	534.1
50.1 to 100 percent	18,936	2,011,836	1,438,354	5,610.4
Percentage of total				
All affiliates	100	100	100	100
Ownership percentage:				
10.0 to 20.0 percent	1	3	3	4
20.1 to 50.0 percent	10	12	15	16
50.1 to 80.0 percent	6	6	7	9
80.1 to 99.9 percent	3	4	5	5
100 percent	80	76	70	66
Addenda:				
49.0 to 50.0 percent	6	6	8	8
50.1 to 100 percent	89	85	82	81

MNC gross product by industry

U.S. MNC's produced \$1.7 trillion of goods and services, as measured by gross product, in 1994 (table 6). By industry of parent, manufacturing accounted for 54 percent of the combined production of U.S. parents and MOFA's; "other industries" (primarily communication and retail trade), for 21 percent; and petroleum, for 11 percent.¹⁴

U.S.-parent share of private-U.S.-business GDR.—The gross product of U.S. parents accounted for 26 percent, or \$1.3 trillion, of the GDP of all private U.S. businesses in 1994, about the same share as in 1989 but well below the 33-percent share in 1982 (table 7). The decline since 1982 mainly reflected the concentration of U.S. parents in slower growing segments of the economy, such as "petroleum extraction and refining" and manufacturing.

By industry, the shares accounted for by U.S.-parent gross product varied widely.¹⁵

14. When a MOFA is classified by the industry of its U.S. parent, its gross product is assigned to the primary industry of the parent, which may differ from the primary industry of the MOFA. Placing each U.S. parent and all of its MOFA's in the same industry allows comparisons of the domestic and foreign operations of U.S. MNC's at the industry level.

15. At the all-industries level, the estimates of U.S.-parent gross product are generally consistent with the estimates of all-private-U.S.-business GDP in the national income and product accounts. For individual industries, however, inconsistencies may result from differences in the basis for the industrial distribution of the estimates and in the components of gross product included. (The latest estimates of U.S. GDP by industry appeared in "Improved Estimates of Gross Product by Industry, 1959-94," SURVEY 76 (August 1996): 133-155.)

The GDP of all private U.S. businesses is distributed among industries on the basis of the principal product or service of each establishment (factory, mine, store, or office), whereas U.S.-parent gross product is distributed on an enterprise, or company, basis in which each U.S. parent is classified in the principal industry of all its establishments combined. Because the establishments of a large company may be classified in different industries, the distribution of data by industry of establishment can differ significantly from that by industry of enterprise, particularly if the data are highly disaggregated.

The comparability of U.S.-parent gross product and all-U.S. GDP by industry is also limited because U.S.-parent gross product includes, and all-U.S. GDP by industry excludes, subsidies received. (However, subsidies received by U.S. parents are believed to be small.) In addition, U.S.-parent gross product excludes, and all-U.S. GDP by industry includes, business transfer payments. In this article, U.S.-parent gross product as a share of the GDP of all private U.S. businesses is computed only at the highly aggregated level shown in table 7.

Parents in petroleum extraction and refining accounted for 97 percent of total U.S. GDP in that industry. The parents' share of private-U.S.-business GDP in manufacturing was 59 percent; in services, 8 percent; and in all other industries combined, 17 percent. The very high share of parents in petroleum extraction and refining reflects the domination of the industry by a small number of very large producers with highly integrated global operations. The high share of parents in manufacturing partly reflects their possession of the firm-specific advantages that enable them to serve foreign markets via direct investment.

The low share of parents in services reflects a variety of factors. U.S. direct investment in some service industries is inhibited by institutional factors in some host countries; for example, U.S. direct investment in health care services may be constrained, or even precluded, in countries where the government plays a prominent role in the delivery of health care. Service industries that are characterized by small-scale production may lack the firm-specific advantages that often provide the basis for direct investment in other industries.

Table 6.—Gross Product of Nonbank Multinational Companies by Major Industry, 1994

[Billions of dollars]

	MNC's world-wide	U.S. parents	MOFA's
All industries	1,720.5	1,325.9	394.6
Petroleum	187.8	101.0	86.9
Manufacturing	937.3	690.5	246.8
Wholesale trade	37.9	30.9	7.1
FIRE	75.9	58.1	17.8
Services	118.5	102.5	15.9
Other industries	363.1	343.0	20.1

MNC Multinational company
MOFA Majority-owned foreign affiliate

Table 7.—Gross Product of Nonbank U.S. Parents and GDP of All Nonbank U.S. Private Businesses, by Major Industry, 1982, 1989, and 1994

	Millions of dollars						Percent		
	1982		1989		1994		U.S.-parent share of all private U.S.-business GDP		
	Gross product of U.S. parents	GDP of all private U.S. businesses ¹	Gross product of U.S. parents	GDP of all private U.S. businesses ¹	Gross product of U.S. parents	GDP of all private U.S. businesses ¹			
All industries	796,017	2,422,100	1,044,884	4,102,900	1,325,945	5,199,300	33	25	26
Petroleum extraction and refining	116,157	145,500	85,777	99,100	89,481	92,500	80	87	97
Manufacturing ²	421,050	629,900	586,568	984,600	690,466	1,167,400	67	60	59
Services	25,997	471,800	57,090	965,500	102,520	1,342,700	6	6	8
All other industries	232,813	1,174,900	315,449	2,053,700	443,478	2,596,700	20	15	17

1. For improved comparability with U.S.-parent gross product, GDP of all private U.S. businesses was adjusted to remove from the total categories not applicable to nonbank U.S. parents—specifically, GDP of depository institutions; imputed rental income of owner-occupied farm and nonfarm housing; and rental income of persons. Primarily for conceptual reasons, but partly because the limitations of the data did not allow a more precise allocation, all of these adjustments were allocated to the "all other industries" line.

2. Excludes petroleum and coal product manufacturing, which is included in "petroleum extraction and refining."

NOTE.—The "petroleum extraction and refining" category in this table differs from the "petroleum" category in other tables in this article in that it excludes wholesale trade, tanker operations, pipelines, storage for hire, and gasoline service stations. The "manufacturing" and "services" categories in this table correspond to categories of the same name in the other tables in this article.
GDP Gross domestic product

MNC gross product by area

This section examines the distribution of MOFA gross product by country, the MOFA share of total GDP of their host countries, and the MOFA share of gross product (and other selected data) of the worldwide MNC's.

MOFA gross product by country.—Most of the production of goods and services by MOFA's, as measured by gross product, occurred in the largest high-income foreign countries in 1994 (table 8). MOFA's in the 10 largest high-income foreign economies accounted for just under 70 percent of total MOFA production.¹⁶ In addition, 70 percent of the sales by MOFA's in these countries were local, as were a majority of the sales by MOFA's in most other countries that host operations by U.S. MNC's. These findings suggest that access to markets has been the dominant motivation for U.S. direct investment abroad.

MOFA share of host-country GDP.—In 1994, the gross product of MOFA's accounted for 6 percent or more of the GDP in five of the host countries shown in table 9: Ireland (11.9 percent), Canada (8.6 percent), Singapore (8.2 percent), Honduras (7.0 percent), and Costa Rica (6.1 percent); the MOFA share of GDP in the United Kingdom was just

under 6 percent (5.9 percent).¹⁷ By comparison, for U.S. affiliates of foreign companies, no single foreign country accounted for more than 1 percent of U.S. GDP in 1994; all U.S. affiliates combined accounted for only 6 percent.¹⁸

Four of the countries with relatively high MOFA shares of host-country GDP—the United Kingdom, Canada, Singapore, and Ireland—each possess some or all of the following attractions to U.S. direct investment: (1) A common language with that of the United States, (2) marketing and legal systems that are similar to those in the United States, (3) geographic proximity to the United States, (4) political stability, and (5) relatively low corporate tax rates. The comparatively high MOFA shares of GDP in Costa Rica and Honduras partly reflect the important role that U.S.-owned agricultural production plays in those countries' small and relatively undiversified economies.

The MOFA share of host-country GDP was less than 1 percent in seven of the countries shown in table 9: South Africa, Turkey, Japan, the Republic of Korea, Saudi Arabia, China, and India. The low shares in most of these countries probably reflect past or present, and formal or informal, barriers to investment. The low share in South Africa partly reflects the negative U.S. reaction to the former system of apartheid, which led many U.S. companies to disinvest in that country.

The unweighted average of the MOFA shares of host-country GDP (for the countries shown in table 9) decreased from 3.9 percent in 1982 to 3.2 percent in 1989 and 2.9 percent in 1994. The decrease over the 12-year period, however, was not widespread and probably resulted more from factors specific to the petroleum industry than from a general decrease in the contribution of MOFA's to host-country production. Some of the largest decreases were in countries where MOFA production was relatively concentrated in petroleum production (such as the United Kingdom, Indonesia, the

16. The World Bank ranks world economies by size on the basis of GDP and classifies them as low- or high-income on the basis of per capita gross national product. In 1994, the 10 largest high-income foreign economies were Japan, Germany, France, Italy, the United Kingdom, Canada, Spain, Australia, the Netherlands, and Switzerland. These rankings are based on data from the World Bank, *World Development Report, 1996* (Oxford University Press, 1996).

Table 8.—Gross Product of Majority-Owned Nonbank Foreign Affiliates by Area and by Selected Countries, 1994

[Billions of dollars]

All countries	394.6
Canada	47.2
Europe	229.2
<i>Of which:</i>	
France	32.0
Germany	50.6
Italy	18.5
Netherlands	14.3
Spain	7.9
Switzerland	7.2
United Kingdom	60.4
Latin America and Other Western Hemisphere	41.5
<i>Of which:</i>	
Brazil	16.9
Mexico	9.9
Africa	5.5
Middle East	2.8
Asia and Pacific	67.1
<i>Of which:</i>	
Australia	14.7
Japan	21.2
International	1.3

17. The MOFA shares may be somewhat understated because the host-country GDP data used to compute the shares have not been adjusted to exclude banking, government, and other segments of the economy in which nonbank MOFA's cannot, or do not, invest. The comparability of host-country GDP to MOFA gross product may also be affected by coverage problems or by the use of statistical methods and definitions that differ from those used in deriving the gross product for MOFA's or that differ from one country to another.

18. The share of U.S. GDP accounted for by U.S. affiliates of foreign companies is not strictly comparable with the share of host-country GDP accounted for by MOFA's, because the share of U.S. GDP includes all affiliates, not just those that are majority owned, and because the denominator of that share is adjusted to exclude banking and other industries in which nonbank U.S. affiliates cannot, or do not, invest. For a discussion of the share of U.S. GDP accounted for by U.S. affiliates of foreign companies, see "Foreign Direct Investment in the United States: New Investment in 1995 and Affiliate Operations in 1994," SURVEY 76 (July 1996): 108.

United Arab Emirates, and Saudi Arabia). The decreases in these countries reflected a combination of industry-specific factors.¹⁹

MOFA operations in a worldwide MNC context.—Data for U.S. parents and MOFA's combined can be used to gauge shifts in the location of the worldwide operations of U.S. MNC's. For example, changes

in the MOFA share of worldwide U.S.-MNC gross product, capital expenditures, and employment reflect shifts in the location of the production and productive resources of U.S. MNC's.²⁰ Changes in the MOFA share of worldwide U.S.-MNC profit-type-return reflect shifts in the source of U.S.-MNC profits from current production.²¹

At the all-industries level, the distribution of U.S.-MNC production and employment between the United States and abroad changed little from 1982 to 1994 (table 10). The MOFA share of worldwide MNC gross product edged up slightly, from 22 percent to 23 percent, and the MOFA share of worldwide MNC employment edged up from 21 percent to 23 percent. The MOFA share of capital expenditures rose substantially—from 18 percent to 24 percent—partly because MNC's in the capital-intensive petroleum industry showed a more pronounced shift towards overseas operations than MNC's in other industries. The MOFA share of worldwide MNC profit-type return decreased to 27 percent in 1994 from 31 percent in 1982; the decrease probably reflects changes in economic conditions here and abroad that were relatively less favorable to USDIA in 1994 than in 1982.²²

By industry, the changes in the MOFA share of U.S.-MNC production and employment were more pronounced. In petroleum, the MOFA share of MNC gross product increased from 37 percent to 46 percent, and the MOFA share of MNC employment increased from 23 percent to 27 percent. The faster growth in overseas production and employment than in domestic production and employment reflected the fall in oil prices in 1982–86. As a result of the falling prices, many oil projects in the United States became unprofitable, because U.S. oil deposits were relatively expensive to develop. In response, U.S. oil companies spent a greater share of their exploration-and-development budgets on overseas projects.

In manufacturing, the MOFA share of MNC gross product increased from 22 percent in 1982 to 26 percent in 1994, and the MOFA share of MNC employment increased from 26 percent to 30 percent. The growth in the MOFA shares partly reflected the increased globalization of economic activity that occurred during this period, when

20. Changes in the MOFA share of capital expenditures should be interpreted cautiously because of the cyclical nature of capital spending.

21. Profit-type return is an economic-accounting measure of the profits from current production. Unlike net income, it excludes nonoperating items, such as special charges and capital gains and losses, and it excludes income from equity investments.

22. The U.S. economy was in recession in 1982, whereas the economies in Europe were still growing. In 1994, the situation had reversed; real U.S. GDP increased 3.5 percent, compared with only a 2.3-percent increase in the real GDP of the European countries of the Organisation for Economic Co-Operation and Development.

19. First, some host governments sought to increase their own participation (or that of State-owned firms) in petroleum operations in their countries. Second, oil prices began to decrease gradually in 1982 and then fell sharply in 1986, which diminished the (nominal) value of production in petroleum-related industries. The drop in oil prices lowered the value of both MOFA and host-country gross product, but it tended to lower the value of MOFA gross product more than the value of host-country GDP because MOFA's tend to be more highly concentrated in petroleum than their host economies.

Table 9.—Gross Product of Majority-Owned Nonbank Foreign Affiliates as a Percentage of GDP of Selected Host Countries, 1982, 1989, and 1994

	1982	1989	1994
Ireland	9.9	12.4	11.9
Canada	11.2	9.5	8.6
Singapore	7.3	7.8	8.2
Honduras	8.6	5.6	7.0
Costa Rica	6.3	4.0	6.1
United Kingdom	7.9	6.2	5.9
Belgium	6.0	5.6	5.1
Malaysia	6.3	4.6	4.7
Panama	10.2	10.7	4.7
Australia	6.0	4.9	4.5
New Zealand	2.6	2.3	4.4
Netherlands	3.9	5.8	4.3
Nigeria	2.9	5.7	4.2
Hong Kong	3.1	4.6	3.7
Norway	7.9	4.2	3.7
Chile	1.9	2.4	3.3
Brazil	4.0	4.3	3.0
Indonesia	6.7	4.2	2.8
Switzerland	3.3	2.9	2.8
Germany	3.8	3.0	2.8
Philippines	2.9	2.4	2.7
Colombia	3.5	2.9	2.7
Venezuela	3.5	1.7	2.7
Mexico	2.1	2.3	2.6
Portugal	1.5	1.9	2.6
United Arab Emirates	10.0	4.3	2.4
France	2.2	2.3	2.4
Thailand	1.8	2.5	2.0
Guatemala	3.2	1.9	1.8
Italy	2.1	1.9	1.8
Austria	1.5	1.6	1.7
Spain	1.4	1.9	1.6
Ecuador	3.7	2.8	1.5
Argentina	3.4	2.1	1.5
Denmark	2.4	1.2	1.4
Greece	1.3	1.0	1.4
Peru	4.5	1.0	1.4
Egypt	4.7	1.1	1.3
Sweden	1.9	1.2	1.2
Finland	1.1	.9	1.1
Israel	1.1	.8	1.1
South Africa	3.1	.8	.8
Turkey	n.a.	.4	.7
Japan .....	.4	.5	.5
Korea, Republic of .....	.3	.3	.4
Saudi Arabia	3.3	3.3	.2
India .....	.1	.1	.1
China	(*)	(*)	.1
Addendum:			
Average of countries shown	3.9	3.2	2.9

NOTES:

The countries are sorted in descending order of their 1994 values. Where two countries have the same 1994 value in the table, they were sorted using unrounded values.

Host country GDP data for all countries except Hong Kong are from the International Monetary Fund, *International Financial Statistics Yearbook*, 1996 (Washington, DC: International Monetary Fund, 1996). Data for Hong Kong are from the World Bank, *World Tables*, 1995 (Washington, DC: World Bank, 1995).

GDP: Gross domestic product

both production abroad by U.S. MNC's and production in the United States by foreign-based MNC's were expanding. Production abroad by U.S. MNC's may have been stimulated by structural economic changes that created new market opportunities in host countries—such as the enlargement and further integration of the European Union and the economic liberalizations in Latin America and in Eastern Europe. In addition, the growth may reflect global-sourcing strategies of U.S. MNC's; for example, purchases from MOFA's by U.S. parents in manufacturing as a percentage of the parents' total sales rose from 3 percent in 1982 to 5 percent in 1994.

Size of U.S. parents and MOFA's

The production of goods and services, both in the United States and abroad, by U.S. MNC's is

concentrated among a small number of very large companies. In 1994, the 20 largest nonbank parents (out of a total of 2,658 nonbank parents) accounted for about a quarter of total U.S.-parent gross product, and the affiliates of these parents accounted for about a third of total MOFA gross product (table 11).

The concentrations were especially high in the petroleum industry and in the manufacturing industries of transportation equipment, food products, industrial machinery and equipment, and electronic and other electric equipment. For some of these industries, the high concentrations partly reflect scale economies or other barriers to entry that allow a small number of companies to dominate production; for example, in integrated petroleum production, refining, and marketing, large fixed capital costs must be incurred to reach a profitable scale of operation.

Table 10.—Selected Data for Nonbank U.S. MNC's, U.S. Parents, and MOFA's, by Industry of U.S. Parent, 1982, 1989, and 1994

	MNC's worldwide				Parents				MOFA's				MOFA share of worldwide MNC total (percent)				
	Millions of dollars			Number of employees (thousands)	Millions of dollars			Number of employees (thousands)	Millions of dollars			Number of employees (thousands)	Millions of dollars			Number of employees (thousands)	
	Gross product	Profit-type return	Capital expenditures		Gross product	Profit-type return	Capital expenditures		Gross product	Profit-type return	Capital expenditures		Gross product	Profit-type return	Capital expenditures		
1982																	
All industries	1,019,734	175,912	245,216	23,727.0	796,017	121,061	200,404	18,704.6	223,717	54,851	44,812	5,022.4	22	31	18	21	
Petroleum	211,937	55,168	84,567	1,600.1	134,096	29,341	65,171	1,225.3	77,841	25,827	19,396	374.8	37	47	23	23	
Manufacturing	542,689	72,028	95,631	14,247.3	421,050	48,163	73,787	10,532.8	121,639	23,865	21,844	3,714.5	22	33	26	26	
Food and kindred products	46,069	9,377	8,431	1,436.1	35,804	6,919	6,254	1,011.2	10,265	2,458	2,177	424.9	22	26	26	30	
Chemicals and allied products	93,054	19,679	18,655	2,032.7	66,234	11,071	14,862	1,364.6	26,820	8,608	3,793	668.1	29	44	20	33	
Primary and fabricated metals	43,592	-746	7,886	1,223.0	37,215	-1,696	6,433	976.2	6,377	950	1,453	246.8	15	n.m.	18	20	
Industrial machinery and equipment	84,046	13,809	16,994	1,972.0	60,597	7,851	10,884	1,457.9	23,449	5,958	6,110	514.1	28	43	36	26	
Electronic and other electric equipment	69,259	10,393	9,820	2,107.2	59,323	8,223	8,814	1,619.5	9,936	2,170	1,006	487.7	14	21	10	23	
Transportation equipment	91,170	2,601	14,676	2,332.0	71,256	2,162	10,557	1,687.3	19,914	4,439	4,119	644.7	22	17	28	28	
Other manufacturing	115,499	16,917	19,170	3,144.3	90,621	13,634	15,983	2,416.0	24,878	3,283	3,187	728.3	22	19	17	23	
Wholesale trade	17,427	2,999	2,949	522.5	13,604	2,301	2,491	396.7	3,823	698	458	125.8	22	23	16	24	
Finance (except banking), insurance, and real estate	81,823	11,609	6,728	1,316.2	22,801	9,853	5,922	1,004.0	9,022	1,756	806	312.2	28	15	12	24	
Services	29,362	4,674	7,088	1,121.1	25,997	3,832	6,462	993.8	3,365	842	626	127.3	11	18	9	11	
Other industries	186,496	29,434	48,252	4,919.7	178,469	27,571	46,572	4,551.9	8,027	1,863	1,680	367.8	4	6	3	7	
1989																	
All industries	1,364,878	251,434	258,818	23,879.4	1,044,884	164,910	201,808	18,765.4	319,994	86,524	57,010	5,114.0	23	34	22	21	
Petroleum	165,680	31,337	41,483	786.0	93,128	15,807	26,790	579.8	72,552	15,530	14,693	206.2	44	50	35	26	
Manufacturing	793,771	146,965	131,959	13,791.1	586,568	86,214	98,662	10,127.0	207,203	60,751	33,297	3,664.1	26	41	25	27	
Food and kindred products	79,472	19,533	12,042	1,473.1	60,310	14,574	9,361	1,135.8	19,162	4,959	2,681	337.3	24	25	22	23	
Chemicals and allied products	141,006	38,398	27,768	1,881.1	97,119	23,389	20,295	1,255.0	43,887	15,009	7,473	626.1	31	39	27	33	
Primary and fabricated metals	45,775	9,594	7,284	843.2	37,556	6,335	5,402	684.6	8,219	3,259	1,882	158.6	18	34	19	19	
Industrial machinery and equipment	116,146	16,242	18,466	1,905.0	70,887	1,799	11,535	1,249.9	45,259	14,443	6,931	655.1	39	89	38	34	
Electronic and other electric equipment	68,515	12,370	13,624	1,479.4	56,139	9,218	11,004	1,093.3	12,376	3,152	2,620	386.1	18	25	19	26	
Transportation equipment	160,292	21,988	24,361	2,851.9	121,141	11,552	18,642	2,104.4	39,151	10,436	5,719	747.5	24	47	23	26	
Other manufacturing	182,567	28,839	28,414	3,357.4	143,417	19,347	22,423	2,604.0	39,150	9,492	5,991	753.4	21	33	21	22	
Wholesale trade	28,766	5,648	6,090	582.6	22,587	3,176	4,953	434.2	6,179	2,472	1,137	148.4	21	44	19	25	
Finance (except banking), insurance, and real estate	62,715	20,222	9,431	1,408.0	50,535	16,406	7,581	1,107.6	12,180	3,816	1,850	300.4	19	19	20	21	
Services	66,999	7,768	16,707	2,014.6	57,090	5,949	13,628	1,700.0	9,909	1,819	3,079	314.6	15	23	18	16	
Other industries	246,946	39,494	53,148	5,297.1	234,975	37,358	50,194	4,816.7	11,971	2,136	2,954	480.4	5	5	6	9	
1994																	
All industries	1,720,502	323,906	301,044	24,520.0	1,325,945	237,974	229,147	18,947.4	394,557	85,932	71,897	5,572.6	23	27	24	23	
Petroleum	187,847	23,454	44,469	697.1	100,985	9,651	27,584	511.1	86,861	13,803	16,885	186.0	46	59	38	27	
Manufacturing	937,263	183,329	141,573	12,957.9	690,466	124,875	102,573	9,111.4	246,797	58,453	39,000	3,846.5	26	32	28	30	
Food and kindred products	116,854	28,355	15,482	1,873.2	80,140	18,876	9,750	1,278.2	36,714	9,479	5,732	595.0	31	33	32	32	
Chemicals and allied products	169,816	44,551	27,047	1,699.2	113,593	26,851	17,952	1,082.6	56,223	17,700	9,095	616.6	33	40	34	36	
Primary and fabricated metals	42,581	4,916	6,713	714.3	33,494	2,828	5,370	539.7	9,087	2,088	1,343	174.6	21	42	20	24	
Industrial machinery and equipment	116,523	16,697	13,090	1,634.4	74,654	10,034	8,460	1,038.6	41,869	6,662	4,630	595.8	36	40	35	36	
Electronic and other electric equipment	86,107	21,182	26,939	1,379.8	68,416	16,109	22,242	968.1	17,691	5,073	4,697	411.7	21	24	17	30	
Transportation equipment	202,006	33,712	23,395	2,443.6	155,338	23,905	15,242	1,698.0	46,668	9,807	8,153	745.6	23	29	35	31	
Other manufacturing	203,376	33,916	28,909	3,213.4	164,832	26,273	23,558	2,506.2	38,545	7,643	5,351	707.2	19	23	19	22	
Wholesale trade	37,920	8,474	6,219	652.8	30,850	6,242	5,057	467.1	7,070	2,233	1,162	185.7	19	26	19	28	
Finance (except depository institutions), insurance, and real estate	75,924	28,444	16,431	1,344.6	58,105	21,928	12,078	1,104.9	17,819	6,516	4,353	239.7	23	23	26	18	
Services	118,450	14,683	16,125	3,104.0	102,520	12,695	13,737	2,653.4	15,931	1,988	2,388	450.6	13	14	15	15	
Other industries	363,098	65,522	76,228	5,763.4	343,019	62,582	68,118	5,099.4	20,079	2,940	8,110	664.0	6	4	11	11	

MNC Multinational company
MOFA Majority-owned foreign affiliate
n.m. Not meaningful

Table 11.—Concentration of Gross Product of Nonbank U.S. Parent Companies and Nonbank Majority-Owned Foreign Affiliates, by Industry of Parent, 1994

	Percentage of total gross product accounted for by:					
	4 largest parent companies		8 largest parent companies		20 largest parent companies	
	Parents	MOFA's of those parents	Parents	MOFA's of those parents	Parents	MOFA's of those parents
All industries	9	9	14	17	24	32
Petroleum	36	57	59	90	87	96
Manufacturing	15	19	22	30	32	39
Food and kindred products	44	45	59	56	83	84
Chemicals and allied products	24	34	38	48	62	65
Primary and fabricated metals	20	23	32	49	57	70
Industrial machinery and equipment	35	54	46	63	64	80
Electronic and other electric equipment	39	47	50	53	70	72
Transportation equipment	61	75	74	87	91	94
Other manufacturing	12	16	23	33	39	49
Wholesale trade	24	22	35	27	54	48
Finance (except depository institutions), insurance, and real estate ..	33	34	49	33	79	47
Services	30	3	38	12	54	38
Other industries	22	21	34	25	58	31

Selected Aspects of MNC Operations

In this section, selected aspects of MNC operations for which data are collected in more detail in benchmark survey years are analyzed. The section begins by analyzing U.S.-MNC trade in goods and MOFA trade in goods by destination or origin, by product, and by intended use. It then examines the channels for delivering goods and services, the sales of goods and services by destination and by affiliation, and the research and development activities of MOFA's and their U.S. parents.

MNC-associated U.S. trade in goods

U.S.-MNC-associated U.S. trade in goods consists of (1) intra-MNC trade (trade between U.S. parents and their foreign affiliates) and (2) MNC trade with others (trade between U.S. parents and foreigners other than their foreign affiliates and trade between foreign affiliates and U.S. persons other than their U.S. parents).

U.S. MNC's account for significant shares of both total U.S. exports and total U.S. imports of goods. MNC-associated exports of goods were \$337.0 billion or 66 percent of total U.S. exports in 1994 (table 12). MNC-associated imports of goods were \$251.3 billion or 38 percent of total U.S. imports. These large shares reflect the significant presence that U.S. MNC's have in the U.S. economy and the

fact that U.S. parents tend to be the most globally oriented U.S. firms.

Though large in 1994, the MNC-associated share of total U.S. exports of goods was even larger—77 percent—in 1982. The share decreased mainly because of the relatively slow growth in exports by U.S. parents to foreigners other than their foreign affiliates. Similarly, the MNC-associated share of total U.S. imports of goods declined from 50 percent in 1982. The share decreased mainly because of the relatively slow growth in imports by U.S. parents from foreigners other than their foreign affiliates.

From 1982 to 1994, intra-MNC exports of goods grew faster than total U.S. exports of goods, and their share of the total increased from 22 percent in 1982 to 25 percent in 1994. Intra-MNC imports of goods grew at about the same rate as total U.S. imports of goods, and their share of the total was 17 percent in both 1982 and 1994.

Table 12.—U.S. Trade in Goods Associated with Nonbank U.S. MNC's, Selected Years

	[Millions of dollars]			
	1982	1989	1993	1994
MNC-associated U.S. exports, total	163,383	236,371	274,666	337,036
Intra-MNC trade	46,559	89,539	113,762	128,955
Shipped by U.S. parents to their MOFA's	44,320	86,050	106,827	125,423
Shipped by U.S. parents to their other foreign affiliates	2,239	3,489	6,935	3,532
MNC trade with others	116,825	146,832	160,905	208,081
Shipped by U.S. parents to other foreigners	106,666	133,813	142,953	182,940
Of which:				
Shipped to foreign parent groups of U.S. parents	n.a.	10,413	12,874	19,599
Shipped to foreign affiliates by other U.S. persons	10,159	13,019	17,952	25,141
To MOFA's	8,432	11,437	17,294	22,349
To other foreign affiliates	1,727	1,582	658	2,792
MNC-associated U.S. imports, total	120,768	201,182	223,901	251,345
Intra-MNC trade	41,598	77,307	97,112	109,662
Shipped by MOFA's to U.S. parents ..	38,533	71,283	93,205	103,502
Shipped by other foreign affiliates to U.S. parents	3,065	6,024	3,907	6,160
MNC trade with others	79,170	123,875	126,789	141,683
Shipped by other foreigners to U.S. parents	69,363	103,788	109,268	121,179
Of which:				
Shipped by foreign parent groups of U.S. parents	n.a.	32,398	35,885	33,383
Shipped by foreign affiliates to other U.S. persons	9,807	20,087	17,521	20,504
By MOFA's	7,567	13,015	14,772	14,672
By other foreign affiliates	2,240	7,072	2,749	5,832
Addenda:				
All U.S. exports of goods	212,275	363,836	465,090	512,627
MNC-associated U.S. exports as a percentage of total	77	65	59	66
Intra-MNC exports as a percentage of total	22	25	25	25
All U.S. imports of goods	243,942	473,647	580,659	663,256
MNC-associated U.S. imports as a percentage of total	50	42	39	38
Intra-MNC imports as a percentage of total	17	16	17	17

NOTE.—There is a break-in-series between the 1993 and 1994 estimates. See the section "benchmark revisions" for details.

MNC Multinational company
MOFA Majority-owned foreign affiliate

In 1994, MNC trade with others accounted for 62 percent, or \$208.1 billion, of total MNC-associated exports. Most of the MNC trade with others—88 percent—consisted of exports shipped by U.S. parents to “other foreigners.” Intra-MNC trade accounted for 38 percent, or \$129.0 billion, of total MNC-associated exports. Almost all of the intra-MNC exports—97 percent—were shipped to MOFA’s.

In 1994, MNC trade with others accounted for 56 percent, or \$141.7 billion, of total MNC-associated imports. Most of the MNC trade with others—86 percent—consisted of imports shipped by “other foreigners” to U.S. parents. Intra-MNC imports accounted for 44 percent, or \$109.7 billion, of total MNC-associated imports. Most of the

intra-MNC imports—94 percent—were shipped by MOFA’s.

Exports to MOFA’s.—In 1994, U.S. exports of goods shipped to MOFA’s, at \$147.8 billion, were 44 percent of total MNC-associated exports (table 13).²³ Most of the exports to MOFA’s—\$125.4 billion or 85 percent—were shipped by U.S. parents.

By area of destination, exports to MOFA’s in Canada were largest, at \$52.8 billion. Exports to MOFA’s in Mexico were the next largest, at \$14.8 billion. Most of the exports shipped to MOFA’s in Canada and Mexico consisted of motor vehicles and parts and reflected the high degree of

23. In table 13, the line “all areas, all products” for total exports shipped to MOFA’s is the sum of lines 3 and 9 for 1994 in table 12, and that line for total imports shipped by MOFA’s is the sum of lines 13 and 19 for 1994.

Table 13.—U.S. Trade in Goods Associated with Majority-Owned Foreign Affiliates, by Area of Destination or Origin, by Product, and by Intended Use, 1994

[Millions of dollars]

	Exports shipped to MOFA's			Imports shipped by MOFA's		
	Total	Shipped by U.S. parents	Shipped by unaffiliated U.S. persons	Total	Shipped to U.S. parents	Shipped to unaffiliated U.S. persons
All areas, all products ¹	147,772	125,423	22,349	118,174	103,502	14,672
By area of destination or origin						
Canada	52,763	39,570	13,193	52,129	45,264	6,865
Europe	41,883	38,490	3,393	19,328	15,664	3,664
<i>Of which:</i>						
France	4,032	3,765	267	2,436	2,282	154
Germany	7,536	7,036	499	3,110	2,900	210
Netherlands	5,028	4,841	188	1,062	910	152
United Kingdom	12,138	10,991	1,147	7,416	4,765	2,651
Latin America and Other Western Hemisphere	21,541	18,876	2,665	20,448	19,088	1,360
<i>Of which:</i>						
Brazil	1,877	1,627	250	1,813	1,724	89
Mexico	14,766	13,361	1,405	15,226	14,920	306
Africa	684	429	255	2,469	1,951	518
Middle East	(P)	(P)	(P)	448	389	59
Asia and Pacific	30,577	27,828	2,749	23,352	21,146	2,206
<i>Of which:</i>						
Australia	4,313	3,885	428	770	497	273
Hong Kong	5,091	4,971	120	3,580	2,983	597
Japan	10,040	9,386	654	2,755	2,702	53
Singapore	5,463	4,603	860	10,713	9,717	997
International	(P)	(P)	(P)	0	0	0
By product						
Food	3,088	2,441	647	2,931	2,577	354
Beverages and tobacco	495	386	109	403	341	62
Crude materials, inedible, except fuels	1,405	1,126	279	2,294	880	1,414
Petroleum and products	2,124	1,691	433	10,910	6,872	4,038
Coal and coke	12	(*)	12	(P)	4	(P)
Chemicals	20,397	17,895	2,502	5,389	4,813	576
Machinery	70,211	57,623	12,588	37,687	35,571	2,116
Road vehicles and parts	29,993	27,648	2,345	41,369	40,412	957
Other transport equipment	970	502	468	1,435	1,180	255
Metal manufactures	2,946	1,939	1,007	2,464	1,344	1,120
Other manufactures	15,688	13,826	1,862	12,820	9,328	3,492
Other	444	345	99	(P)	180	(P)
By intended use						
Capital equipment and other goods charged to fixed asset accounts	3,031	2,033	997	n.a.	n.a.	n.a.
For further manufacture	82,880	65,223	17,657	n.a.	n.a.	n.a.
For resale without further manufacture	61,437	57,971	3,467	n.a.	n.a.	n.a.
Other	425	196	229	n.a.	n.a.	n.a.

1. See footnote 23 in text.
MOFA Majority-owned foreign affiliate

integrated production operations between U.S. parents and their Canadian and Mexican affiliates. Exports to European MOFA's were \$41.9 billion. Within Europe, exports to MOFA's in the United Kingdom were largest, at \$12.1 billion.

By product, more than two-thirds of total U.S. exports shipped to MOFA's consisted of machinery and of road vehicles and parts.²⁴ Exports of chemicals and of "other manufactures" were also sizable.

By intended use, exports for further manufacture accounted for 56 percent of total exports to MOFA's, and exports for resale without further manufacture accounted for 42 percent. Most of the remaining exports were of capital equipment.

Imports from MOFA's.—In 1994, U.S. imports of goods shipped by MOFA's, at \$118.2 billion, were 47 percent of total MNC-associated imports. Most of the imports from MOFA's—\$103.5 billion or 88 percent—were shipped to U.S. parents.

By area of origin, Canada accounted for 44 percent, the largest share of any major area, of imports from MOFA's. Mexico had the next largest share for a single country; nearly all of the imports were shipped to U.S. parents. Imports from Asia and Pacific, particularly Singapore, and from Europe, particularly the United Kingdom, were also sizable.

By product, the majority of imports shipped by MOFA's consisted of road vehicles and parts and of machinery. Imports of "other manufactures" and of petroleum and products were also substantial.

Channels for delivering goods and services

Despite the importance of MNC's in U.S. international trade, local sales, not export sales, were the primary means through which U.S. MNC's serviced their customers, both domestic and foreign. The U.S. market was served primarily by U.S. parents, and foreign markets were served primarily by MOFA's. Sales by U.S. parents accounted for 96 percent of sales by U.S. MNC's to unaffiliated U.S. customers.²⁵ Sales by MOFA's accounted for

72 percent of sales by MNC's to unaffiliated foreign customers.²⁶

The limited reliance on exports and imports reflects several factors. A local presence makes it easier to accommodate special requirements of the local markets. In addition, many sales are not feasible through international trade, because of trade barriers, transportation costs, or production-cost differentials. Finally, sales of many services (such as lodging) by their very nature require a local presence.

Sales of goods and services by destination and by affiliation

U.S. parents.—Total sales by U.S. parents were \$3,957 billion in 1994 (table 14). Of the total, sales of goods accounted for 69 percent and sales of services for 27 percent.²⁷ Of the total sales of goods by U.S. parents, 87 percent were to U.S. persons and 13 percent were to foreigners. More than half of the sales to foreigners were to unaffiliated foreign customers. Of total sales of services by U.S. parents, almost all were to customers in the United States.

By industry, sales of goods by parents were largest in retail trade, in motor vehicles and equipment, and in petroleum and coal products. Sales of services were largest in insurance, communications, and transportation.

MOFA's.—Total sales by MOFA's were \$1,432 billion. Sales of goods accounted for 86 percent, and sales of services accounted for 12 percent.²⁸ Most of the sales of both goods and services were to unaffiliated foreign customers in the affiliate's country of location.

By industry, MOFA sales of goods were largest in wholesale trade (particularly in durable goods), in petroleum, and in motor vehicles and equipment manufacturing. Sales of services were largest in insurance and in business

26. For this comparison, the sales by MOFA's excludes the value of the goods (other than capital equipment) exported to MOFA's by U.S. parents.

27. The remaining 4 percent was accounted for by the investment income of parents in the finance and insurance industries; these parents include investment income in sales because it is a primary activity of the company.

The data on the investment income of U.S. parents and MOFA's in finance and insurance is collected in the direct investment surveys. In these surveys, all sales are classified as sales of goods, as sales of services, or as investment income. Sales of services are those characteristic of the following industries: Industries in the "services" division of the Standard Industrial Classification; finance (except depository institutions), insurance, and real estate; agricultural, mining, and petroleum services; and transportation, communication and public utilities. The exclusion of depository institutions reflects their exclusion from the data series generally, not a judgment that they do not belong to a services industry.

Note that a U.S. parent or a MOFA that is not classified in one of these industries can nonetheless have sales of services; for example, U.S. parents in manufacturing had \$89.0 billion in sales of services in 1994. Conversely, a parent or MOFA in a services industry can have sales of goods, but MOFA's in services had only \$7.3 billion in sales of goods out of total sales of \$1,232.5 billion.

28. The remaining 2 percent was accounted for by the investment income of affiliates in finance and insurance.

24. The product categories used in the benchmark survey are based on the Standard International Trade Classification (SITC) and are summarized in BEA's *Guide to Industry and Foreign Trade Classifications for International Surveys*.

25. For this comparison, the sales by U.S. parents have been reduced by the value of the inputs received from MOFA's because most of the goods sent by MOFA's to U.S. parents are probably either intermediate products or final products for resale and, thus, are ultimately embodied in parents' sales. Any capital equipment that may be included among these goods should be excluded from this reduction (because this equipment is not directly embodied in parents' sales), but it could not be excluded, because the data are unavailable. However, it is unlikely that capital equipment accounts for a significant portion of the goods shipped to U.S. parents by MOFA's: Capital equipment shipped by U.S. parents to MOFA's accounted for only 2 percent of the total value of U.S. parents' exports of goods to MOFA's in 1994.

Table 14.—Sales by Nonbank U.S. Parents and Foreign Affiliates, by Type, 1993 and 1994

[Millions of dollars]

	1993				1994			
	Total sales	Goods	Services	Investment income ¹	Total sales	Goods	Services	Investment income ¹
U.S. parents								
All nonbank parents of nonbank affiliates	3,480,778	2,408,832	930,407	141,539	3,957,074	2,749,235	1,053,733	154,106
To U.S. persons	n.a.	n.a.	895,833	n.a.	3,553,068	2,397,291	1,007,284	148,492
To foreign persons	n.a.	n.a.	34,574	n.a.	404,005	351,944	(D)	(D)
To foreign affiliates	n.a.	n.a.	7,736	n.a.	169,052	155,985	(D)	(D)
To other foreign persons	n.a.	n.a.	26,838	n.a.	234,953	195,959	(D)	(D)
Foreign affiliates								
All nonbank affiliates of nonbank parents	1,570,563	n.a.	n.a.	n.a.	1,754,852	n.a.	n.a.	n.a.
Majority-owned affiliates	1,275,775	1,086,680	156,267	32,827	1,432,412	1,232,461	165,583	34,367
To affiliated persons	320,870	292,768	21,373	6,730	360,446	330,656	20,758	9,032
To unaffiliated persons	954,905	793,913	134,895	26,097	1,071,966	901,806	144,825	25,335
To the United States	136,716	117,646	13,664	5,405	150,105	134,399	12,041	3,665
To U.S. parents	109,326	97,757	7,516	4,053	123,055	113,782	6,874	2,399
To unaffiliated U.S. persons	27,390	19,889	6,149	1,352	27,050	20,617	5,167	1,266
To foreign countries	1,139,059	969,034	142,603	27,422	1,282,306	1,098,063	153,542	30,701
To other foreign affiliates	211,544	195,010	13,857	2,677	237,391	216,875	13,884	6,633
To unaffiliated foreign persons	927,515	774,024	128,746	24,745	1,044,915	881,188	139,658	24,069
Local sales	837,680	692,911	123,332	21,436	958,440	796,128	138,818	23,494
To other foreign affiliates	40,925	35,808	4,224	893	47,910	40,220	5,889	1,801
To unaffiliated foreign persons	796,755	657,103	119,109	20,544	910,530	755,908	132,929	21,693
Sales to foreign countries other than the host country	301,379	276,123	19,271	5,985	323,866	301,935	14,724	7,208
To other foreign affiliates	170,619	159,202	9,633	1,784	189,481	176,655	7,995	4,832
To unaffiliated foreign persons	130,760	116,921	9,637	4,202	134,385	125,280	6,729	2,376
Minority-owned affiliates	294,788	n.a.	n.a.	n.a.	322,440	n.a.	n.a.	n.a.

1. Some parents and majority-owned foreign affiliates (MOFA's), primarily those in finance and insurance, include investment income in sales or gross operating revenues. Most parents and MOFA's not in finance or insurance consider investment income an incidental revenue source and include it in their income statements in a separate "other income" category, rather than in sales. BEA collects separate data on investment income to ensure that—

where it is included in total sales—it is not misclassified as sales of services.

NOTE.—There is a break-in-series between the 1993 and 1994 estimates. See the section "benchmark revisions" for details.

Table 15.—Sales by Nonbank Majority-Owned Foreign Affiliates, Country of Affiliate by Destination, 1994

[Millions of dollars]

	Sales to all destinations			Sales to the United States			Sales to foreign countries								
	Total	To affiliated persons	To unaffiliated persons	Total	To U.S. parents	To unaffiliated U.S. persons	To all foreign countries			Local			To other foreign countries		
							Total	To other foreign affiliates	To unaffiliated persons	Total	To other foreign affiliates	To unaffiliated persons	Total	To other foreign affiliates	To unaffiliated persons
All countries	1,432,412	360,446	1,071,966	150,105	123,055	27,050	1,282,306	237,391	1,044,915	958,440	47,910	910,530	323,866	189,481	134,385
Canada	193,042	50,480	142,562	54,612	46,628	7,984	138,430	3,852	134,578	133,199	2,333	130,866	5,231	1,518	3,712
Europe	795,139	203,329	591,810	32,250	23,244	9,006	762,889	180,085	582,804	514,976	28,087	486,889	247,913	151,998	95,915
<i>Of which:</i>															
Belgium	38,938	14,038	24,901	1,532	1,318	214	37,407	12,720	24,687	17,779	1,123	16,656	19,628	11,597	8,031
France	99,267	20,657	78,610	3,018	2,791	226	96,249	17,865	78,384	72,650	3,019	69,631	23,599	14,846	8,753
Germany	159,416	41,075	118,340	4,056	3,600	456	155,360	37,476	117,884	112,011	4,721	107,290	43,349	32,755	10,594
Ireland	18,761	11,066	7,695	1,218	1,089	129	17,543	9,976	7,567	5,078	718	4,361	12,465	9,259	3,206
Netherlands	70,185	25,985	44,201	2,634	2,458	177	67,551	23,527	44,024	33,979	1,881	32,098	33,572	21,646	11,926
Switzerland	50,037	15,105	34,932	4,121	1,894	2,227	45,917	13,211	32,706	15,136	776	14,360	30,781	12,435	18,346
United Kingdom	209,956	46,340	163,616	11,561	6,405	5,155	198,395	39,935	158,460	146,304	10,845	135,459	52,092	29,090	23,001
Latin America and Other Western Hemisphere	134,695	33,462	101,232	24,627	20,399	4,228	110,068	13,064	97,004	92,449	4,323	88,126	17,619	8,741	8,878
<i>Of which:</i>															
Brazil	33,711	4,152	29,559	1,928	1,814	114	31,782	2,338	29,444	29,621	1,265	28,356	2,162	1,073	1,088
Mexico	39,525	12,553	26,972	11,202	10,692	510	28,323	1,861	26,462	27,123	1,047	26,076	1,200	814	386
Africa	14,791	4,119	10,672	3,808	3,287	521	10,983	832	10,150	9,306	203	9,103	1,677	630	1,048
<i>Of which:</i>															
Nigeria	3,141	2,254	888	2,140	2,125	16	1,001	129	872	814	19	795	187	110	77
Middle East	8,026	2,810	5,216	915	544	371	7,111	2,265	4,845	4,647	973	3,674	2,464	1,292	1,172
Asia and Pacific	280,470	63,562	216,908	30,136	27,379	2,757	250,334	36,183	214,151	201,371	10,881	190,490	48,963	25,302	23,661
<i>Of which:</i>															
Australia	42,177	3,417	38,760	1,123	828	296	41,054	2,589	38,465	36,157	889	35,268	4,897	1,700	3,196
Hong Kong	30,539	9,473	21,066	6,610	5,746	864	23,929	3,727	20,202	15,172	895	14,277	8,757	2,832	5,925
Indonesia	8,450	1,730	6,720	930	898	31	7,520	832	6,689	3,023	530	2,493	4,498	302	4,196
Japan	97,163	11,639	85,524	4,146	3,935	212	93,017	7,705	85,312	87,748	3,249	84,499	5,269	4,456	813
Singapore	45,084	23,420	21,664	11,764	10,689	1,075	33,320	12,731	20,589	16,374	2,804	13,569	16,946	9,927	7,020
International	6,250	2,684	3,566	3,757	1,574	2,183	2,493	1,110	1,383	2,493	1,110	1,383	0	0	0

services—particularly computer processing and data preparation services.

By area, affiliates in Europe accounted for about half of total MOFA sales of both goods and services. Within Europe, MOFA's in the United Kingdom and Germany had the largest sales of both goods and services. Outside Europe, MOFA's in Canada and Japan had the largest sales of both goods and services.

By destination, 67 percent of total sales by MOFA's were to customers in the affiliate's country of location, 23 percent were to customers in foreign countries other than the host country, and 10 percent were to customers in the United States (table 15). Most of the sales to foreign countries other than the host country were to other foreign affiliates of the same U.S. parent.

Local sales accounted for more than two-thirds of total sales by MOFA's in the United Kingdom, Canada, Germany, and Japan.

Sales to customers in foreign countries other than the host country accounted for more than half of total sales by MOFA's in Switzerland, Ireland, and Belgium—all countries that are important distribution centers for the European market. Thus, these sales probably reflected sales to neighboring countries within Europe.

Sales to customers in foreign countries other than the host country accounted for about a third of total sales by MOFA's in Singapore, Hong Kong, and Indonesia. For Singapore and Indonesia, these sales were concentrated in the petroleum industry and reflected the exports of petroleum products to a variety of destinations worldwide. For Hong Kong, the sales were concentrated in wholesale trade and reflected the country's extensive distribution infrastructure that is used to ship goods produced throughout the area.

Sales to the United States accounted for a relatively large share of total sales by MOFA's in Canada and Mexico (mostly in transportation equipment manufacturing), by MOFA's in Singapore (mostly in computer equipment manufacturing), by MOFA's in Nigeria (mostly in petroleum extraction), and by MOFA's in Hong Kong (mostly in wholesale trade).

Research and development

The 1994 benchmark survey provides data on expenditures on research and development (R&D) performed and funded by U.S. parents and MOFA's and on the R&D employment (the number of scientists, engineers, and other employees engaged in R&D) of parents and MOFA's. This analysis focuses on the R&D performed by U.S. parents and by MOFA's, whether the R&D was financed by the

parents or the MOFA's or by others. These data are comparable with the data on R&D performed by all U.S. companies from the National Science Foundation.

In 1994, private expenditures on R&D performed by U.S. parents totaled \$79.6 billion or 87 percent of total private expenditures for R&D by MNC's; expenditures by MOFA's were \$12.1 billion or 13 percent of the MNC total (table 16). The R&D employment of U.S. parents was 591,000 or 86 percent of total R&D employment by MNC's; employment of MOFA's was 92,000 or 14 percent of the MNC total.

U.S. parents.—Total expenditures for R&D performed by U.S. parents were \$91.1 billion or 76 percent of total expenditures for R&D performed by all U.S. businesses (table 16). R&D employment of parents was 591,000 or 77 percent of total R&D employment of all U.S. businesses (table 17).²⁹

Of the total expenditures for R&D performed by parents, 85 percent was financed by the parents, and most of the remainder was financed by the Federal Government. U.S. parents accounted for 82 percent of the privately funded R&D performed by all U.S. businesses and for more than half of the

29. The 1994 estimates for all-U.S.-business R&D are based on the data from the National Science Foundation (NSF), *Research and Development in Industry: 1993*, NSF 96-304 (Arlington, VA, 1996). The data cover all U.S. businesses, including depository institutions.

Table 16.—Research and Development Performed by U.S. Parents and Majority-Owned Foreign Affiliates and by All U.S. Businesses, 1994

	R&D expenditures				Addenda:	
	By U.S. parents and MOFA's			By all U.S. businesses ¹	U.S. parents as a percentage of all U.S. businesses ((col. 2/col. 4) x100)	MOFA's as a percentage of MNC total ((col. 3/col. 1) x100)
	MNC total	U.S. parents	MOFA's			
	(1)	(2)	(3)	(4)	(5)	(6)
	Millions of dollars				Percent	
Total	n.a.	91,108	n.a.	119,700	76.1	n.a.
For private companies	91,649	79,552	12,097	97,400	81.7	13.2
For themselves	87,296	77,136	10,160	n.a.	n.a.	11.6
For others	4,353	2,416	1,937	n.a.	n.a.	44.5
For Federal Government	n.a.	11,556	n.a.	22,300	51.8	n.a.
	Percent					
Total	100.0	100.0	100.0	100.0	.....	.....
For private companies	n.a.	87.3	n.a.	81.4	.....	.....
For themselves	n.a.	84.7	n.a.	n.a.	.....	.....
For others	n.a.	2.7	n.a.	n.a.	.....	.....
For Federal Government	n.a.	12.7	n.a.	18.6	.....	.....

1. These 1994 estimates are from National Science Foundation, *Research and Development in Industry: 1993*, NSF 96-304, (Arlington, VA, 1996). The estimates cover all U.S. businesses, including depository institutions.
 MOFA Majority-owned foreign affiliate
 MNC Multinational company
 R&D Research and development

federally funded R&D. U.S. parents' large share of total U.S. R&D expenditures reflects both their large size and their concentration in R&D-performing industries.

In this article, two measures of the R&D intensity of R&D-performing U.S. parents and of all R&D-performing U.S. companies are used—privately funded expenditures for R&D as a percentage of sales and R&D employment as a percentage of total employment (table 17).³⁰

30. The comparisons between the R&D intensity measures for the U.S. parents and MOFA's and those for all U.S. companies are approximate, because the data for parents and MOFA's are from the 1994 benchmark survey, while the data for all R&D-performing U.S. companies are estimates based on a sample survey of industrial firms in 1993 (and the 1993 sample is a subset of a large probability sample selected for 1992). The measures at the industry level may also differ because parents and MOFA's are classified by industry of sales, whereas in the surveys conducted by the Census Bureau for NSF, R&D-performing U.S. companies are classified by payroll.

Based on the expenditures measure, the R&D intensity of R&D-performing parents for all industries combined was identical to that of all R&D-performing U.S. companies; based on the employment measure, the R&D intensity of parents was slightly higher than that of all U.S. companies.

The finding that U.S. parents generally have an R&D intensity similar to that of all U.S. companies is not surprising, given that many of the largest U.S. firms are parents and that parents account for more than four-fifths of the privately funded R&D performed in the United States.

MOFA's.—Based on the expenditures measure, the R&D intensity of MOFA's was highest—8 percent—in audio, video, and communications

Table 17.—Research and Development Intensity of Nonbank U.S. Parents and MOFA's and of All U.S. Businesses, by Industry, 1994

	U.S. parents		MOFA's		Privately-funded R&D performed by all U.S. companies		Measures of R&D intensity ¹					
	Privately-funded R&D expenditures (millions of dollars)	R&D employment (thousands)	Privately-funded R&D expenditures (millions of dollars)	R&D employment (thousands)	R&D expenditures (millions of dollars)	R&D employment (thousands)	Privately-funded R&D expenditures as a percentage of sales ²			R&D employment as a percentage of total employment ³		
							R&D-performing U.S. parents, 1994	R&D-performing MOFA's, 1994	All performing U.S. companies, 1993 ⁴	R&D-performing U.S. parents, 1994	R&D-performing MOFA's, 1994	All performing U.S. companies, 1993 ⁴
All industries	79,552	591.2	12,097	92.4	95,521	764.7	3.1	2.2	3.0	5.2	4.6	4.7
Petroleum	1,953	13.2	229	1.3	2,103	11.0	.7	.4	.9	3.2	3.6	2.9
Manufacturing	69,819	490.0	10,147	78.2	67,426	478.2	4.0	2.4	3.4	6.0	4.4	4.5
Food and kindred products	1,260	12.4	264	3.2	1,298	9.4	.6	.5	.5	1.1	1.4	.9
Chemicals and allied products	17,935	106.0	3,119	21.1	16,747	86.5	6.2	3.6	5.9	9.9	6.2	7.3
Industrial chemicals	4,192	24.3	508	3.9	5,274	26.4	3.7	1.8	4.5	6.1	4.3	5.2
Drugs	11,583	63.5	2,109	13.1	9,133	42.3	11.3	6.6	12.2	15.9	9.4	12.1
Other	2,161	18.2	503	4.1	2,340	17.8	3.0	1.9	2.5	6.6	3.7	5.4
Primary metal industries	424	7.8	8	.1	646	4.6	.8	.2	.7	3.2	.5	1.0
Ferrous	119	1.2	2	(*)	272	1.6	.5	.5	1.2	(*)	.6	.6
Nonferrous	305	6.6	5	.1	374	(S)	1.0	.2	1.4	4.6	.6	(S)
Fabricated metal products	429	4.4	79	.8	920	7.9	1.1	1.2	1.1	1.8	1.9	1.3
Industrial machinery and equipment	12,443	102.4	2,034	10.5	8,182	97.4	6.0	2.7	4.5	10.1	3.9	8.6
Computer and office equipment	9,749	71.9	1,583	6.3	4,778	65.8	9.3	3.0	9.8	16.8	5.0	24.1
Other	2,692	30.6	451	4.2	3,404	31.6	2.7	2.0	2.6	5.2	2.9	3.7
Electronic and other electric equipment	10,116	66.3	797	9.2	11,285	89.2	5.2	2.7	5.2	7.3	4.3	7.3
Audio, video, and communications equipment	1,858	11.4	178	1.9	3,213	(S)	7.7	7.7	9.0	12.0	11.3	(S)
Electronic components	6,747	37.3	439	4.8	5,089	28.9	5.7	2.6	7.9	8.0	4.5	8.8
Other	1,511	17.6	180	2.5	2,983	28.8	2.8	1.8	2.5	5.1	2.7	4.3
Tobacco products	(D)	.3	26	.5	40	(S)	(P)	.6	.8	1.2	3.9	(S)
Textile products and apparel	74	1.7	20	.3	288	3.1	.4	1.3	.5	.9	3.4	.7
Lumber, wood, furniture, and fixtures	224	1.3	22	.2	248	1.6	.7	.7	.8	.7	1.1	.5
Paper and allied products	1,494	14.2	161	1.3	1,252	10.6	1.7	1.5	1.1	3.5	2.3	1.9
Printing and publishing	154	1.3	6	(*)	309	2.3	.8	.6	1.0	.8	(*)	.8
Rubber and plastic products	775	7.2	250	2.3	1,092	13.0	1.9	1.9	2.1	2.9	3.3	3.4
Stone, clay, and glass products	560	3.9	40	.7	535	5.1	2.4	1.0	1.5	2.7	2.7	2.0
Transportation equipment	18,372	108.1	2,812	23.6	17,063	147.5	4.2	2.7	4.0	6.4	6.7	8.3
Motor vehicles and equipment	13,138	47.9	2,663	21.6	10,652	45.1	4.2	2.6	3.7	5.0	6.4	4.8
Other transportation equipment	5,233	60.2	149	2.0	6,411	(S)	4.2	6.1	4.9	8.3	13.2	(S)
Instruments and related products	5,295	48.6	451	4.1	7,521	(S)	7.4	2.4	7.0	10.0	4.2	(S)
Other	(D)	4.1	59	.4	n.a.	n.a.	(P)	2.1	n.a.	5.6	2.2	n.a.
Wholesale trade	1,385	11.4	1,071	5.2	n.a.	n.a.	1.4	1.6	n.a.	5.5	3.8	n.a.
Durable goods	1,137	9.4	668	3.1	n.a.	n.a.	1.9	1.6	n.a.	6.9	3.4	n.a.
Nondurable goods	248	2.0	402	2.1	n.a.	n.a.	.6	1.5	n.a.	2.8	4.6	n.a.
Services	2,456	43.8	612	6.6	n.a.	n.a.	4.8	8.4	n.a.	7.2	16.7	n.a.
Of which:												
Computer and data processing services	2,079	36.9	144	1.9	n.a.	n.a.	9.5	5.1	n.a.	21.4	14.1	n.a.
Engineering and architectural services	86	(P)	3	(*)	n.a.	n.a.	4.3	.6	n.a.	3.6	(*)	n.a.
Other⁵	3,940	32.7	38	1.1	n.a.	n.a.	1.1	1.9	n.a.	1.8	4.3	n.a.

1. Comparisons between the research-intensity measures for R&D-performing U.S. parents and MOFA's and all R&D-performing U.S. companies should be viewed as approximate; see footnote 30 in text.

2. Sales used to calculate shares exclude sales of companies with no R&D.

3. Employment used to calculate shares excludes employment of companies with no R&D.

4. These shares are calculated from 1994 estimates in National Science Foundation, *Research and Development in Industry: 1993*, NSF 96-304 (Arlington, VA, 1996). The data cover all R&D-performing U.S. companies, including depository institutions.

5. Consists of retail trade; finance, except depository institutions; insurance; real estate; and other industries.

MOFA Majority-owned foreign affiliate

R&D Research and development

S Data withheld by National Science Foundation because of imputation of more than 50 percent.

equipment manufacturing. Based on the employment measure, the R&D intensity of MOFA's was highest—14 percent—in computer and data processing services and next highest—13 percent—in “other transportation equipment” manufacturing (table 17).

Reflecting the tendency of MNC's to perform most of their worldwide R&D in their home country, MOFA's had lower R&D intensity than their U.S. parents in 19 of the 26 industries with comparable data on R&D expenditures. MOFA's R&D intensity was significantly lower in manufacturing of computer and office equipment, of instruments, and of drugs and in computer and data processing services.

Appendix: The Benchmark Survey

The 1994 benchmark survey covered virtually the entire universe of U.S. direct investment abroad in terms of its dollar value. The preliminary results from the survey are based on reported or estimated data for 2,658 nonbank U.S. parent companies and for 21,300 nonbank foreign affiliates. The survey covered all foreign affiliates that had assets, sales, or net income of \$3 million or more and their U.S. parents.³¹

Three related types of data were collected: (1) financial and operating data for foreign affiliates, (2) financial and operating data for U.S. parents, and (3) direct-investment-position and balance-of-payments data.

The financial and operating data, which are the subject of this article, include balance sheets; income statements; employment and compensation of employees; U.S. trade in goods; sales by type and destination; research and development expenditures and employment; and external financial positions. The financial and operating data have also been used to compute the estimates of gross product presented in this article.

The direct-investment-position and balance-of-payments data cover financial positions and transactions between U.S. parents and their foreign affiliates. The balance-of-payments data include direct investment capital flows between U.S. parents and their foreign affiliates, income earned by U.S. parents on their direct investments, and royalty and license fees and other private services

transactions between parents and affiliates. These data are not shown in this article but will appear in the publication presenting the final results of the survey next fall.

The data collected in the 1994 benchmark survey will provide the basis for further evaluation and refinement of other BEA estimates of U.S. direct investment abroad. For the financial and operating data, the benchmark survey data will allow BEA to improve its estimates for 1995 forward, both by providing the basis for more accurate estimates for affiliates too small to be reported on the annual sample survey and by identifying new reporters that will provide data in the annual survey. For the balance-of-payments and direct-investment-position data, the survey will provide a basis for revising the estimates derived from BEA's quarterly survey of U.S. direct investment abroad for 1994 forward; the revised estimates are scheduled for publication in July 1998. For both types of data, BEA will evaluate the estimates for 1990–93 to determine whether the incorporation of information obtained in the 1994 benchmark survey would significantly improve their accuracy.

Methodology.—The concepts and definitions underlying the 1994 benchmark survey are essentially the same as those underlying the previous benchmark survey, which are described in *U.S. Direct Investment Abroad: 1989 Benchmark Survey, Final Results*. The methodology for the 1994 survey will be published with the final survey results.

To produce these preliminary results of the 1994 benchmark survey, BEA prepared estimates for the reports that were not received or were not yet processed and for the items that were not reported or were reported incorrectly. The degree of estimation varies from item to item; in some cases, reporters had difficulty supplying the required information because the data were not easily accessible or were unavailable from their financial-accounting records. In particular, data on trade and employment are subject to a higher degree of estimation than other items. The release of one item—compensation per hour of production workers of majority-owned manufacturing affiliates—is being delayed until the release of the final benchmark data because estimates for this item are not yet available.

In the 1994 benchmark survey, a long form that requested information in considerable detail was filed for affiliates with assets, sales, or net income greater than \$50 million. The most detail was obtained for majority-owned nonbank affiliates. In order to reduce the reporting burden, a short form that requested less detail was used for smaller affil-

31. In order to reduce reporting burden on survey respondents, the rules for the survey exempted foreign affiliates for which assets, sales, and net income were each less than \$3 million. In claiming exemption for affiliates, reporters were required to supply values for the three items—assets, sales, and net income—on which the claim was based. The data for the exempt affiliates have not yet been tabulated for the 1994 benchmark survey, but in previous benchmark surveys, exempt affiliates have accounted for 1 percent or less of the universe value, so that coverage in terms of value is assumed to be virtually complete.

iates.³² For these affiliates, BEA has estimated the items that appear only on the long form, so that the results can be published in the same detail for all affiliates regardless of size.

Changes in industry presentation.—The country detail in this article is identical to that in the article on the 1989 benchmark survey and in the articles on the intervening annual surveys. However, three changes have affected the industry detail. First, beginning with the publication of the preliminary 1994 benchmark survey results, the data for non-bank U.S. parents and foreign affiliates exclude savings institutions and credit unions. The change in coverage reflects the reclassification of savings institutions and credit unions from the “finance, except banking” industry (which is covered by the nonbank data) to the industry “depository institutions” (which will replace the industry “banking” in the publication of the final 1994 benchmark results). This change will not materially affect the comparisons of the data for 1993 with the data for 1994, because in 1993, only one U.S. parent and no foreign affiliates were classified as a savings institution or a credit union.

32. Copies of the long and short forms will be included in the publication containing the final results of the survey.

Second, beginning with the preliminary 1994 benchmark survey results, the “communication and public utilities” group was disaggregated, and the “metal mining” and “nonmetallic minerals mining” groups were aggregated, in the industry table stub. Third, beginning with the revised 1993 annual estimates, the names of two industry groups were changed; the group “machinery, except electrical” is now called “industrial machinery and equipment,” and the group “electric and electronic equipment” is now called “electronic and other electric equipment.”

Benchmark revisions.—Both in the 1994 benchmark survey and in the preceding benchmark survey covering 1989, data were required to be filed for all foreign affiliates with assets, sales, or net income of at least \$3 million and for their U.S. parents.

In the intervening annual sample surveys covering 1990–93, data were required to be filed only for foreign affiliates with assets, sales, or net income of at least \$15 million and for their U.S. parents. Estimates for 1990–93 on the operations of “small” affiliates with assets, sales, or net income of \$3–\$15 million and of the parents of only small affiliates were derived by extrapolating forward the data from the 1989 benchmark survey.

Acknowledgments

The Bureau of Economic Analysis (BEA) would like to thank the staffs of the U.S. companies that responded to the 1994 benchmark survey for their efforts in completing and filing the reports and for their cooperation with BEA during the processing and reviewing of the data.

Gerald A. Pollack, Associate Director for International Economics, provided general guidance for the survey. Betty L. Barker, former Chief of the International Investment Division (IID), and R. David Belli, Assistant Chief, directed the design of the benchmark survey forms, the conduct of the survey, and the analysis and publication of the results.

The Direct Investment Abroad Branch, under the direction of Patricia C. Walker, was primarily responsible for conducting the survey. James Y. Shin, Chief of the Annual and Benchmark Surveys Section, supervised the editing and processing of the reports.

The following IID staff processed and edited the survey: Joan O. Adams, Chester C. Braham, Barbara S. Clark, Margo A. Collier, Emily D. Curry, Laura A. Downey, Marcia S. Francis, David N. Hale, Stephanie L. Henderson, Jeanne Hicks, Barbara K. Hubbard, Marie K. Laddomada, Christine J. Lee, Nefertari Lee, Sherry Lee, Leila C. Morrison, Juanita L. Mortimer, Sidney Moskowitz, John A. Munz, Pearl Rivers, Ronald L. Ross, William R. Shupe, Gary M. Solamon, Dwayne Torney, Diann L. Vann, and Andrea Wright.

Mahnaz Fahim-Nader and Raymond J. Mataloni, Jr., under the direction of Obie Whichard, Chief of the Research Branch, assisted in the review of the survey results for consistency and accuracy. Mark W. New, Chief of the Quarterly Surveys Section, and David H. Galler, Chief of the Annual and Benchmark Surveys Section of the Foreign Direct Investment in the United States Branch, also assisted in the review. Deanna D. Ibarra designed the computer programs for data review.

Smith W. Allnut, Chief of the Data Retrieval and Analysis Branch, supervised the computer programming for data estimation and tabulation. Arnold Gilbert designed the computer programs used to derive the estimates for unreported data, to generate the tables, and to prevent the disclosure of company-specific data. Robert Price and Irving Skinner assisted in deriving the estimates for unreported data. Peter T. Bowman and Suet Ng assisted in generating, and performing disclosure analysis on, the tables.

Stephen P. Holliday, Chief, Re-engineering Support Branch of the Computer Systems and Services Division, coordinated the computer programming and data conversion and processing activities that were performed by Elizabeth L. Shumate, Brenda J. Bolden, Effie M. Eason, and Janice E. Townsend.

SUBJECT GUIDE

VOLUME 76 (1996)

This guide lists articles and sections by subject, giving the title, issue number, and beginning page number.

General

- Customer Satisfaction Report. 9:40.
 The International Monetary Fund's New Standards for Economic Statistics. 10:37.
 Mid-Decade Strategic Review of BEA's Economic Accounts: A Progress Report. 6:52.
 1996 Release Dates for BEA Estimates. 5:102.
 1997 Release Dates for BEA Estimates. 11:114; 12:40.
 User's Guide to BEA Information. 4:88.

National

Corporate profits

- Final Estimates. Fourth Quarter 1995. 4:8; First Quarter 1996, 7:2; Second Quarter 1996, 10:2.
 Preliminary Estimates. First Quarter 1996, 6:8; Second Quarter 1996, 9:8; Third Quarter 1996, 12:7.

Government transactions

- Federal Personal Income Tax Liabilities and Payments, 1959-94. 8:127.
 Government Sector. Fourth Quarter 1995, 4:9; First Quarter 1996, 6:9; Second Quarter 1996, 9:9; Third Quarter 1996, 12:8.
 Relationship Between Personal Income and Adjusted Gross Income: New Estimates for 1993-94 and Revisions for 1959-92. 5:78.
 State and Local Government Fiscal Position, 1995. 9:42.

Gross domestic product

- Business Situation: Advance Estimates. Fourth Quarter 1995, 3:1; First Quarter 1996, 5:1; Second Quarter 1996, 8:1; Third Quarter 1996, 11:1.
 Business Situation: Final Estimates. Fourth Quarter 1995, 4:1; First Quarter 1996, 7:1; Second Quarter 1996, 10:1.
 Business Situation: Preliminary Estimates. First Quarter 1996, 6:1; Second Quarter, 9:1; Third Quarter, 12:1.

Gross product by industry

- Improved Estimates of Gross Product by Industry, 1959-94. 8:133.

Inventories and sales

- Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade. Quarterly, 1977-95, and Monthly, March 1994 to February 1996, 5:62; Fourth Quarter 1995, First Quarter 1996, and November 1995 to April 1996, 7:34; Fourth Quarter 1993 to Second Quarter 1996 and January to July 1996, 10:34.
 Errata, 6:51.

Motor vehicles

- Motor Vehicles, Model Year 1996. 11:35.

National income and product accounts (NIPAs)

- Annual Revision of the National Income and Product Accounts: Annual Estimates, 1993-95, and Quarterly Estimates, First Quarter 1993 to First Quarter 1996. 8:8.
 Improved Estimates of the National Income and Product Accounts for 1959-95: Results of the Comprehensive Revision. 1/2:1.
 Index to the NIPA Tables. 5:38; 8:104.
 A Look at How BEA Presents the National Income and Product Accounts. 5:33.
 Selected NIPA Tables: 3:7; 4:12; 5:7; 6:12; 7:5; 9:11; 10:4; 11:7; 12:D-2. NIPA Tables: 1991-94, 1/2:32; 4:38; 6:39; 1993-95, 8:15. Errata: 3:34; 8:78; 10:31.
 Personal Income and the Disposition of Personal Income, Monthly Estimates. 1/2:120; 3:37; 4:43; 5:60; 6:49; 7:32; 8:125; 9:38; 10:32; 11:33; 12:D-26.
 Summary National Income and Product Series, 1959-94. 1/2:107.
 Updated Release Schedule for the NIPA Estimates. 4:11.
 Updated Summary Methodologies. 8:81.

Pollution abatement and control

Pollution Abatement and Control Expenditures, 1972-94. 9:48.

Reconciliation and other special tables

Reconciliation of BEA Compensation and BLS Earnings. 3:33; 6:38; 9:37; 12:D-70.

Relation of NIPA Net Exports of Goods and Services and Net Receipts of Factor Income to BPA Balance on Goods, Services, and Income. 4:42; 7:31; 10:30; 12:D-70.

International***Balance of payments***

Reconciliation of the U.S.-Canadian Current Account, 1994 and 1995. 11:58.

U.S. International Transactions. Fourth Quarter and Year 1995, 4:45; First Quarter 1996, 7:61; Second Quarter 1996, 10:94. Revised Estimates for 1986-95, 7:56.

U.S. International Transactions in Goods and Services, Monthly Estimates. 1/2:121; 3:38; 4:44; 5:61; 6:50; 7:33; 8:126; 9:39; 10:33; 11:34; 12:D-55.

Foreign direct investment in the United States

Differences in Foreign-Owned U.S. Manufacturing Establishments by Country of Owner. 3:43.

Detail for Historical-Cost Position and Related Capital and Income Flows, 1995. 9:69.

New Investment in 1995 and Affiliate Operations in 1994. 7:102.

International services

U.S. International Sales and Purchases of Private Services: U.S. Cross-Border Transactions in 1995 and Sales by Affiliates in 1994. 11:70.

Investment position

Direct Investment Positions on a Historical-Cost Basis: Country and Industry Detail for 1995 and Changes in Geographic Composition Since 1982. 7:45.

International Investment Position of the United States in 1995. 7:36.

Reconciliation and other special tables

Relation of NIPA Net Exports of Goods and Services and Net Receipts of Factor Income to BPA Balance on Goods, Services, and Income. 4:42; 7:31; 10:30; 12:D-70.

U.S. direct investment abroad

Detail for Historical-Cost Position and Related Capital and Income Flows, 1995. 9:98.

Operations of U.S. Multinational Companies: Preliminary Results From the 1994 Benchmark Survey. 12:11.

Regional***Personal income***

Comprehensive Revision of State Personal Income, 1969-95. 10:48.

Local Area Personal Income, 1992-94. 6:75.

Personal Income by State and Region. Third Quarter 1995, 3:39; Fourth Quarter and Year 1995, 5:94; First Quarter 1996, 8:156; First Quarter 1990 to Second Quarter 1996, 11:43. Per Capita Personal Income, 1995, 5:94.

Projections

Metropolitan Area and BEA Economic Area Projections of Economic Activity and Population to 2005. 6:56.

1997 Release Dates for BEA Estimates

<i>Subject</i>	<i>Release Date*</i>	<i>Subject</i>	<i>Release Date*</i>
U.S. International Trade in Goods and Services, November 1996.	† Jan. 17	U.S. International Trade in Goods and Services, May 1997.	† July 18
State Personal Income, 3rd quarter 1996	Jan. 28	State Personal Income, 1st quarter 1997	July 24
Gross Domestic Product, 4th quarter 1996 (advance)	Jan. 31	Gross Domestic Product, 2nd quarter 1997 (advance)	July 31
Personal Income and Outlays, December 1996	Feb. 3	Personal Income and Outlays, June 1997	Aug. 1
U.S. International Trade in Goods and Services, December 1996.	† Feb. 19	U.S. International Trade in Goods and Services, June 1997.	† Aug. 20
Gross Domestic Product, 4th quarter 1996 (preliminary) ...	Feb. 28	Metropolitan Area Personal Income, 1995	Aug. 27
Personal Income and Outlays, January 1997	Mar. 3	Gross Domestic Product, 2nd quarter 1997 (preliminary) and Corporate Profits, 2nd quarter 1997 (preliminary).	Aug. 28
U.S. International Transactions, 4th quarter 1996	Mar. 13	Personal Income and Outlays, July 1997	Aug. 29
U.S. International Trade in Goods and Services, January 1997.	† Mar. 20	U.S. International Transactions, 2nd quarter 1997	Sept. 11
Gross Domestic Product, 4th quarter 1996 (final) and Corporate Profits, 4th quarter 1996.	Mar. 28	U.S. International Trade in Goods and Services, July 1997.	† Sept. 18
Personal Income and Outlays, February 1997	Mar. 31	State Per Capita Personal Income, 1996 (revised)	Sept. 19
U.S. International Trade in Goods and Services, February 1997.	† Apr. 17	Gross Domestic Product, 2nd quarter 1997 (final) and Corporate Profits, 2nd quarter 1997 (revised).	Sept. 26
State Personal Income, 4th quarter 1996 and Per Capita Personal Income, 1996 (preliminary).	Apr. 28	Personal Income and Outlays, August 1997	Sept. 29
Gross Domestic Product, 1st quarter 1997 (advance)	Apr. 30	U.S. International Trade in Goods and Services, August 1997.	† Oct. 21
Personal Income and Outlays, March 1997	May 1	State Personal Income, 2nd quarter 1997	Oct. 28
U.S. International Trade in Goods and Services, March 1997.	† May 21	Gross Domestic Product, 3rd quarter 1997 (advance)	Oct. 31
Gross Domestic Product, 1st quarter 1997 (preliminary) and Corporate Profits, 1st quarter 1997 (preliminary).	May 30	Personal Income and Outlays, September 1997	Nov. 3
Personal Income and Outlays, April 1997	June 2	U.S. International Trade in Goods and Services, September 1997.	† Nov. 20
Gross State Product, 1977-94	June 3	Gross Domestic Product, 3rd quarter 1997 (preliminary) and Corporate Profits, 3rd quarter 1997 (preliminary).	Nov. 26
U.S. International Trade in Goods and Services, April 1997.	† June 19	Personal Income and Outlays, October 1997	Nov. 28
U.S. International Transactions, 1st quarter 1997	June 19	U.S. International Transactions, 3rd quarter 1997	Dec. 10
Gross Domestic Product, 1st quarter 1997 (final) and Corporate Profits, 1st quarter 1997 (revised).	June 27	U.S. International Trade in Goods and Services, October 1997.	† Dec. 18
Personal Income and Outlays, May 1997	June 30	Gross Domestic Product, 3rd quarter 1997 (final) and Corporate Profits, 3rd quarter 1997 (revised).	Dec. 23
		Personal Income and Outlays, November 1997	Dec. 24

* These are target dates and are subject to change.

† Joint release by the Bureau of the Census and BEA.

For further information, call (202) 606-9900, or write to Public Information Office (BE-53), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

National Data

A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on November 27, 1996 and include estimates for the third quarter of 1996 that are "preliminary."

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly. In most tables, the annual estimates are also shown. (Some of the lines in tables 1.10 and 1.16 are not yet available and are shown as leaders; they will be shown in a forthcoming issue.) These tables are available electronically on the day of the gross domestic product (GDP) news release by subscription from STAT-USA's Economic Bulletin Board and Internet services; for information, call (202) 482-1986. The tables are also available on printouts or diskettes; for subscription information, write to the National Income and Wealth Division (BE-54), Bureau of Economic Analysis, Washington, DC 20230 or call (202) 606-9700.

For a guide to which issues of the SURVEY contain the complete set of NIPA tables for the period 1991-96, see the headnote and list of tables that appeared on pages 15-17 of the August 1996 issue.

NOTE.—The "Selected NIPA Tables" are prepared by the National Income and Wealth Division and the Government Division.

1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,935.7	7,253.8	7,204.9	7,309.8	7,350.6	7,426.8	7,545.1	7,611.8
Personal consumption expenditures	4,700.9	4,924.9	4,910.5	4,957.9	4,990.5	5,060.5	5,139.4	5,165.1
Durable goods	580.9	606.4	604.0	615.8	612.8	625.2	637.6	631.4
Nondurable goods	1,429.7	1,485.9	1,486.7	1,491.2	1,494.2	1,522.1	1,544.7	1,546.3
Services	2,690.3	2,832.6	2,819.8	2,850.9	2,883.5	2,913.2	2,957.1	2,987.4
Gross private domestic investment	1,014.4	1,065.3	1,050.3	1,074.8	1,064.0	1,068.9	1,096.0	1,152.4
Fixed investment	954.9	1,028.2	1,016.3	1,036.6	1,046.2	1,070.7	1,088.0	1,117.6
Nonresidential	667.2	738.5	734.4	746.3	749.7	769.0	773.8	805.7
Structures	180.2	199.7	197.6	202.5	204.0	208.4	207.4	213.0
Producers' durable equipment	487.0	538.8	536.8	543.8	545.7	560.6	566.3	592.7
Residential	287.7	289.8	281.9	290.3	296.5	301.7	314.2	311.9
Change in business inventories	59.5	37.0	34.0	38.2	17.8	-1.7	8.0	34.8
Net exports of goods and services	-94.4	-94.7	-115.3	-87.6	-67.2	-86.3	-99.2	-121.6
Exports	719.1	807.4	797.3	819.0	837.0	839.5	850.0	844.1
Goods	509.1	581.4	575.2	587.0	604.5	603.6	610.4	604.4
Services	210.1	225.9	222.2	232.1	232.5	235.9	239.7	239.6
Imports	813.5	902.0	912.6	906.6	904.2	925.8	949.2	965.6
Goods	677.0	757.0	767.3	759.7	759.0	776.7	798.2	812.2
Services	136.4	145.1	145.3	146.9	145.2	149.2	151.0	153.5
Government consumption expenditures and gross investment	1,314.7	1,358.3	1,359.4	1,364.6	1,363.4	1,383.7	1,408.8	1,415.9
Federal	516.4	516.6	522.0	516.8	507.7	518.6	529.6	525.3
National defense	352.0	345.5	351.7	345.7	337.1	343.9	353.7	348.9
Nondefense	164.3	171.0	170.3	171.1	170.6	174.7	175.8	176.4
State and local	798.4	841.7	837.3	847.7	855.7	865.1	879.2	890.6

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.—Real Gross Domestic Product

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,608.7	6,742.9	6,713.5	6,776.4	6,780.7	6,814.3	6,892.6	6,926.2
Personal consumption expenditures	4,473.2	4,577.8	4,569.9	4,597.3	4,609.4	4,649.1	4,687.6	4,694.3
Durable goods	562.0	579.8	576.2	589.1	587.5	599.2	615.6	612.5
Nondurable goods	1,390.5	1,421.9	1,422.9	1,424.7	1,423.2	1,436.1	1,440.9	1,442.0
Services	2,521.4	2,577.0	2,571.6	2,584.6	2,599.3	2,614.7	2,632.3	2,640.7
Gross private domestic investment	979.6	1,010.2	996.8	1,015.2	1,004.9	1,011.9	1,038.6	1,090.2
Fixed investment	921.1	975.9	965.7	980.0	988.5	1,013.3	1,031.1	1,056.0
Nonresidential	652.1	714.3	710.5	719.0	723.3	743.5	750.5	780.4
Structures	168.8	181.1	180.0	182.8	183.2	186.6	184.9	188.3
Producers' durable equipment	484.1	534.5	531.7	537.4	541.4	558.3	567.5	594.3
Residential	268.9	262.8	256.5	262.2	266.3	271.1	281.5	277.3
Change in business inventories	58.9	33.1	30.5	33.0	14.6	-3.0	7.1	32.8
Net exports of goods and services	-105.7	-107.6	-121.4	-101.6	-84.9	-104.0	-114.7	-138.8
Exports	712.0	775.4	763.2	783.0	803.1	806.7	817.9	816.1
Goods	511.5	565.9	557.7	568.2	588.8	590.9	600.6	600.2
Services	200.9	210.4	206.4	215.4	215.3	216.7	218.3	216.9
Imports	817.6	883.0	884.6	884.5	888.0	910.7	932.6	954.8
Goods	684.1	744.7	747.7	745.6	750.0	768.4	789.9	810.3
Services	133.8	138.8	137.4	139.4	138.5	142.8	143.2	145.1
Government consumption expenditures and gross investment	1,260.0	1,260.2	1,265.1	1,263.4	1,249.6	1,254.7	1,278.2	1,277.4
Federal	489.8	472.3	479.4	472.5	456.2	462.9	473.4	469.3
National defense	337.0	319.6	325.5	319.1	308.8	311.9	319.4	315.1
Nondefense	152.6	152.3	153.5	153.1	147.0	150.6	153.7	153.8
State and local	770.5	788.6	786.3	791.5	794.4	792.6	805.5	809.0
Residual	-5	-6	-2	.3	-6	-2	-1.6	-1.3

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2.

Table 1.3.—Gross Domestic Product by Major Type of Product

(Billions of dollars)

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,935.7	7,253.8	7,204.9	7,309.8	7,350.6	7,426.8	7,545.1	7,611.8
Final sales of domestic product	6,876.2	7,216.7	7,170.9	7,271.5	7,332.8	7,428.6	7,537.1	7,577.0
Change in business inventories	59.5	37.0	34.0	38.2	17.8	-1.7	8.0	34.8
Goods	2,593.9	2,699.2	2,680.2	2,727.0	2,715.8	2,747.5	2,790.1	2,818.4
Final sales	2,534.4	2,662.2	2,646.2	2,688.8	2,698.0	2,749.3	2,782.0	2,783.6
Change in business inventories	59.5	37.0	34.0	38.2	17.8	-1.7	8.0	34.8
Durable goods	1,118.0	1,182.1	1,167.1	1,196.4	1,193.6	1,204.4	1,229.1	1,257.9
Final sales	1,086.1	1,147.3	1,138.6	1,167.2	1,166.4	1,192.1	1,219.1	1,224.2
Change in business inventories	31.9	34.8	28.5	29.2	27.3	12.3	9.9	33.7
Nondurable goods	1,475.9	1,517.1	1,513.1	1,530.6	1,522.2	1,543.1	1,561.0	1,560.5
Final sales	1,448.3	1,514.9	1,507.7	1,521.6	1,531.7	1,557.1	1,562.9	1,559.3
Change in business inventories	27.6	2.2	5.4	9.1	-9.4	-14.0	-1.9	1.2
Services	3,746.5	3,926.9	3,908.9	3,950.2	3,992.4	4,027.9	4,087.0	4,121.1
Structures	595.3	627.6	615.7	632.6	642.3	651.4	668.0	672.3
Addenda:								
Motor vehicle output	264.9	262.4	258.4	259.6	263.1	242.6	270.6	269.3
Gross domestic product less motor vehicle output	6,670.9	6,991.3	6,946.5	7,050.1	7,087.5	7,184.2	7,274.5	7,342.5

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.4.—Real Gross Domestic Product by Major Type of Product

(Billions of chained (1992) dollars)

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,608.7	6,742.9	6,713.5	6,776.4	6,780.7	6,814.3	6,892.6	6,926.2
Final sales of domestic product	6,550.7	6,708.9	6,682.4	6,741.4	6,764.2	6,815.2	6,884.7	6,892.1
Change in business inventories	58.9	33.1	30.5	33.0	14.6	-3.0	7.1	32.8
Residual	-9	.9	.6	2.0	1.9	2.1	.8	1.3
Goods	2,524.3	2,589.2	2,573.0	2,610.2	2,597.5	2,615.7	2,647.1	2,679.1
Final sales	2,465.6	2,555.1	2,542.0	2,575.0	2,581.5	2,617.6	2,640.0	2,644.9
Change in business inventories	58.9	33.1	30.5	33.0	14.6	-3.0	7.1	32.8
Durable goods	1,099.3	1,157.4	1,142.6	1,170.6	1,169.1	1,177.9	1,205.0	1,238.1
Final sales	1,068.1	1,124.1	1,115.4	1,142.9	1,143.0	1,166.3	1,196.4	1,205.7
Change in business inventories	30.6	32.8	26.7	27.0	25.8	11.8	9.3	32.1
Nondurable goods	1,425.4	1,433.1	1,431.4	1,441.0	1,430.0	1,439.3	1,444.1	1,443.7
Final sales	1,397.8	1,431.8	1,427.3	1,433.2	1,439.4	1,452.6	1,445.7	1,441.5
Change in business inventories	28.2	.2	3.6	5.8	-11.4	-14.7	-2.2	.8
Services	3,526.1	3,583.9	3,579.0	3,595.1	3,605.6	3,614.2	3,648.8	3,652.7
Structures	559.8	571.8	563.4	573.7	579.4	586.4	598.8	597.5
Residual	-1.9	-1.7	-1.9	-1.3	-1.1	-2.3	-4.2	-4.1
Addenda:								
Motor vehicle output	245.1	235.1	231.7	232.1	233.6	215.4	238.2	235.7
Gross domestic product less motor vehicle output	6,363.3	6,507.9	6,481.9	6,544.6	6,547.3	6,599.7	6,654.5	6,690.8

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following change in business inventories is the difference between gross domestic product and the sum of final sales of domestic product and of change in business inventories; the residual line following structures is the difference between gross domestic product and the sum of the detailed lines of goods, of services, and of structures.

Percent changes from preceding period for selected items in this table are shown in table 8.1

Table 1.5.—Relation of Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers

(Billions of dollars)

Gross domestic product	6,935.7	7,253.8	7,204.9	7,309.8	7,350.6	7,426.8	7,545.1	7,611.8
Less: Exports of goods and services	719.1	807.4	797.3	819.0	837.0	839.5	850.0	844.1
Plus: Imports of goods and services	813.5	902.0	912.6	906.6	904.2	925.8	949.2	965.6
Equals: Gross domestic purchases	7,030.1	7,348.4	7,320.2	7,397.3	7,417.8	7,513.2	7,644.3	7,733.4
Less: Change in business inventories	59.5	37.0	34.0	38.2	17.8	-1.7	8.0	34.8
Equals: Final sales to domestic purchasers	6,970.6	7,311.4	7,286.2	7,359.1	7,400.0	7,514.9	7,636.2	7,698.6

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.6.—Relation of Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

(Billions of chained (1992) dollars)

Gross domestic product	6,608.7	6,742.9	6,713.5	6,776.4	6,780.7	6,814.3	6,892.6	6,926.2
Less: Exports of goods and services	712.0	775.4	763.2	783.0	803.1	806.7	817.9	816.1
Plus: Imports of goods and services	817.6	883.0	884.6	884.5	888.0	910.7	932.6	954.8
Equals: Gross domestic purchases	6,711.8	6,847.1	6,830.9	6,874.8	6,862.9	6,914.6	7,003.0	7,059.7
Less: Change in business inventories	58.9	33.1	30.5	33.0	14.6	-3.0	7.1	32.8
Equals: Final sales to domestic purchasers	6,653.7	6,813.0	6,799.9	6,839.7	6,846.4	6,915.5	6,995.2	7,025.6

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.7.—Gross Domestic Product by Sector

(Billions of dollars)

Gross domestic product	6,935.7	7,253.8	7,204.9	7,309.8	7,350.6	7,426.8	7,545.1	7,611.8
Business ¹	5,798.4	6,078.2	6,033.1	6,129.6	6,162.1	6,226.3	6,334.6	6,389.6
Nonfarm ¹	5,716.1	5,999.6	5,956.3	6,051.0	6,079.8	6,137.3	6,237.0	6,285.8
Nonfarm less housing	5,123.0	5,375.0	5,335.8	5,425.9	5,440.4	5,496.9	5,591.6	5,631.1
Housing	593.1	624.6	620.5	625.1	639.4	640.4	645.4	654.7
Farm	82.3	78.6	76.8	78.6	82.2	89.1	97.6	103.8
Households and institutions ...	310.3	323.0	321.3	324.3	329.6	333.5	338.3	343.1
Private households	10.8	11.1	11.0	11.2	11.3	11.5	11.6	11.8
Nonprofit institutions	299.5	311.8	310.3	313.1	318.2	322.0	326.7	331.3
General government ²	827.0	852.6	850.4	855.9	859.0	867.0	872.2	879.1
Federal	275.7	278.2	278.9	278.8	276.8	279.0	277.8	276.6
State and local	551.4	574.4	571.6	577.1	582.2	588.0	594.4	602.5

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Nonfarm product equals gross domestic business product less gross farm product.
2. Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.7B.

Table 1.8.—Real Gross Domestic Product by Sector

(Billions of chained (1992) dollars)

Gross domestic product	6,608.7	6,742.9	6,713.5	6,776.4	6,780.7	6,814.3	6,892.6	6,926.2
Business ¹	5,530.3	5,663.4	5,632.7	5,694.1	5,705.7	5,741.6	5,807.3	5,838.7
Nonfarm ¹	5,446.7	5,587.2	5,556.1	5,620.2	5,630.0	5,662.4	5,724.5	5,751.9
Nonfarm less housing	4,885.3	5,013.4	4,984.3	5,046.7	5,049.4	5,085.1	5,146.2	5,169.0
Housing	561.3	573.8	571.7	573.6	580.7	577.4	578.6	583.2
Farm	83.9	76.0	76.4	73.5	73.3	79.1	82.8	87.0
Households and institutions ...	296.2	302.5	301.6	303.1	305.0	305.5	308.4	310.1
Private households	10.2	10.1	10.1	10.2	10.2	10.3	10.3	10.3
Nonprofit institutions	286.0	292.3	291.5	292.9	294.8	295.3	298.1	299.8
General government ²	782.4	777.5	779.6	779.7	770.8	768.0	777.7	778.3
Federal	256.8	246.4	249.1	247.7	238.6	238.7	240.4	239.1
State and local	525.8	531.7	530.9	532.5	533.0	530.0	538.1	540.1
Residual	-6	-8	-5	-7	-1.3	-1.6	-1.9	-2.3

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Nonfarm product equals gross domestic business product less gross farm product.
2. Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.8B.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 1.9.—Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,935.7	7,253.8	7,204.9	7,309.8	7,350.6	7,426.8	7,545.1	7,611.8
Plus: Receipts of factor income from the rest of the world	163.4	208.3	211.9	207.0	213.4	220.4	223.9	220.7
Less: Payments of factor income to the rest of the world	167.2	215.3	214.3	223.4	219.7	220.6	231.4	238.9
Equals: Gross national product	6,931.9	7,246.7	7,202.4	7,293.4	7,344.3	7,426.6	7,537.5	7,593.6
Less: Consumption of fixed capital	818.8	825.9	820.1	828.8	845.1	843.0	852.8	863.7
Private	678.7	679.2	673.6	681.6	697.0	694.7	704.2	714.3
Capital consumption allowances	637.2	658.9	653.5	661.2	674.1	681.6	691.4	701.1
Less: Capital consumption adjustment	-41.5	-20.3	-20.1	-20.4	-22.8	-13.0	-12.8	-13.2
Government	140.1	146.7	146.5	147.2	148.2	148.4	148.6	149.4
General government	119.4	125.3	125.3	125.7	126.4	126.4	126.4	126.9
Government enterprises	20.7	21.3	21.2	21.5	21.8	22.0	22.2	22.5
Equals: Net national product	6,113.2	6,420.8	6,382.3	6,464.6	6,499.1	6,583.6	6,684.7	6,729.9
Less: Indirect business tax and nontax liability	572.5	595.5	594.8	597.3	604.1	604.1	608.7	614.8
Business transfer payments	30.1	30.8	30.6	30.9	31.2	31.5	32.4	32.2
Statistical discrepancy	34.1	-9	20.3	-7.1	-46.7	-50.0	-57.5	-97.9
Plus: Subsidies less current surplus of government enterprises	25.1	18.2	18.7	17.9	16.8	17.3	17.6	16.8
Equals: National income	5,501.6	5,813.5	5,755.4	5,861.4	5,927.4	6,015.3	6,118.7	6,197.7
Less: Corporate profits with inventory valuation and capital consumption adjustments	529.5	586.6	562.3	612.5	611.8	645.1	655.8	654.7
Net interest	394.9	403.6	405.2	400.7	401.9	399.5	402.3	405.3
Contributions for social insurance	628.3	660.0	656.2	664.0	668.6	676.0	686.2	695.4
Wage accruals less disbursements	15.5	2.7	2.9	2.9	.9	1.9	0	0
Plus: Personal interest income	663.7	717.1	716.6	719.9	727.2	726.1	733.1	742.4
Personal dividend income	199.6	214.8	212.2	215.8	221.7	226.6	229.3	231.5
Government transfer payments to persons	933.8	1,000.0	994.2	1,007.3	1,018.7	1,040.1	1,052.6	1,062.1
Business transfer payments to persons	22.6	22.6	22.6	22.6	22.7	22.9	23.0	23.1
Equals: Personal income	5,753.1	6,115.1	6,074.4	6,146.9	6,234.5	6,308.5	6,412.4	6,501.5
Addenda:								
Gross domestic income	6,901.7	7,254.6	7,184.6	7,316.9	7,397.3	7,476.9	7,602.6	7,709.8
Gross national income	6,897.9	7,247.6	7,182.1	7,300.5	7,391.0	7,476.7	7,595.0	7,691.6
Net domestic product	6,117.0	6,427.9	6,384.8	6,480.9	6,505.5	6,583.8	6,692.3	6,748.1

Table 1.10.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross domestic product	6,608.7	6,742.9	6,713.5	6,776.4	6,780.7	6,814.3	6,892.6	6,926.2
Plus: Receipts of factor income from the rest of the world	155.9	194.2	197.9	192.6	197.6	203.2	205.4	201.8
Less: Payments of factor income to the rest of the world	158.6	199.7	199.2	206.8	202.4	202.3	211.1	217.0
Equals: Gross national product	6,606.0	6,737.1	6,711.9	6,762.0	6,775.6	6,814.9	6,886.5	6,910.6
Less: Consumption of fixed capital								
Private								
Government								
General government								
Government enterprises								
Equals: Net national product								
Addenda:								
Gross domestic income ¹	6,576.3	6,743.6	6,694.6	6,783.0	6,823.8	6,860.2	6,945.1	7,015.3
Gross national income ²	6,573.5	6,737.8	6,693.0	6,768.6	6,818.7	6,860.8	6,939.1	6,999.7
Net domestic product								

1. Gross domestic income deflated by the implicit price deflator for gross domestic product.
2. Gross national income deflated by the implicit price deflator for gross national product.
NOTE.—Except as noted in footnotes 1 and 2, chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1992) dollars]

Gross national product	6,606.0	6,737.1	6,711.9	6,762.0	6,775.6	6,814.9	6,886.5	6,910.6
Less: Exports of goods and services and receipts of factor income from the rest of the world	868.1	970.4	962.0	976.3	1,001.4	1,010.8	1,024.1	1,018.6
Plus: Command-basis exports of goods and services and receipts of factor income ¹	879.1	985.9	972.2	992.9	1,020.9	1,030.6	1,042.1	1,037.7
Equals: Command-basis gross national product	6,617.0	6,752.6	6,722.0	6,778.6	6,795.0	6,834.7	6,904.4	6,929.7
Addendum:								
Terms of trade ²	101.3	101.6	101.1	101.7	101.9	102.0	101.8	101.9

1. Exports of goods and services and receipts of factor income deflated by the implicit price deflator for imports of goods and services and payments of factor income.

2. Ratio of the implicit price deflator for exports of goods and services and receipts of factor income to the corresponding implicit price deflator for imports with the decimal point shifted two places to the right.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.14.—National Income by Type of Income

(Billions of dollars)

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
National income	5,501.6	5,813.5	5,755.4	5,861.4	5,927.4	6,015.3	6,118.7	6,197.7
Compensation of employees ...	4,009.8	4,222.7	4,191.6	4,247.7	4,301.1	4,344.3	4,420.9	4,485.1
Wage and salary accruals	3,257.3	3,433.2	3,406.0	3,454.0	3,501.1	3,540.2	3,606.5	3,661.3
Government	602.5	621.7	619.6	624.1	626.9	634.0	638.9	644.8
Other	2,654.8	2,811.5	2,786.4	2,829.9	2,874.2	2,906.1	2,967.5	3,016.5
Supplements to wages and salaries	752.4	789.5	785.6	793.7	800.1	804.1	814.4	823.8
Employer contributions for social insurance	350.2	365.5	363.6	367.8	369.8	375.0	380.4	385.2
Other labor income	402.2	424.0	422.0	425.9	430.2	429.1	434.0	438.6
Proprietors' income with inventory valuation and capital consumption adjustments	450.9	478.3	474.7	479.6	486.7	499.5	515.2	525.9
Farm	35.0	29.0	27.6	28.1	31.8	38.4	45.8	51.7
Proprietors' income with inventory valuation adjustment	42.5	36.5	35.1	35.7	39.3	45.8	53.2	59.3
Capital consumption adjustment	-7.5	-7.5	-7.6	-7.5	-7.5	-7.4	-7.4	-7.6
Nonfarm	415.9	449.3	447.1	451.5	454.9	461.1	469.4	474.3
Proprietors' income	411.5	434.6	433.1	436.3	439.6	446.4	455.2	459.1
Inventory valuation adjustment	-1.1	-1.8	-2.7	-1.1	-8	-1.3	-1.2	-1
Capital consumption adjustment	5.4	16.4	16.7	16.4	16.1	16.0	15.4	15.3
Rental income of persons with capital consumption adjustment	116.6	122.2	121.6	120.9	125.8	126.9	124.5	126.8
Rental income of persons	159.4	158.6	157.2	156.0	165.0	160.0	158.6	162.2
Capital consumption adjustment	-42.8	-36.4	-35.6	-35.1	-39.1	-33.1	-34.2	-35.4
Corporate profits with inventory valuation and capital consumption adjustments	529.5	586.6	562.3	612.5	611.8	645.1	655.8	654.7
Corporate profits with inventory valuation adjustment	517.9	570.8	547.3	597.9	595.3	624.8	633.5	631.0
Profits before tax	531.2	598.9	589.6	607.2	604.2	642.2	644.6	628.9
Profits tax liability	195.3	218.7	214.2	224.5	218.7	233.4	236.4	231.4
Profits after tax	335.9	380.2	375.3	382.8	385.5	408.8	408.1	397.5
Dividends	211.0	227.4	224.6	228.5	234.7	239.9	243.1	245.2
Undistributed profits ...	124.8	152.8	150.8	154.3	150.8	168.9	165.1	152.3
Inventory valuation adjustment	-13.3	-28.1	-42.3	-9.3	-8.8	-17.4	-11.0	2.1
Capital consumption adjustment	11.6	15.9	15.0	14.6	16.5	20.4	22.3	23.7
Net interest	394.9	403.6	405.2	400.7	401.9	399.5	402.3	405.3
Addenda:								
Corporate profits after tax with inventory valuation and capital consumption adjustments	334.2	368.0	348.1	388.1	393.1	411.8	419.4	423.2
Net cash flow with inventory valuation and capital consumption adjustments ...	564.2	594.6	574.8	616.5	622.0	637.4	647.3	655.1
Undistributed profits with inventory valuation and capital consumption adjustments	123.2	140.6	123.5	159.6	158.4	171.8	176.3	178.0
Consumption of fixed capital	441.0	454.0	451.3	456.9	463.6	465.6	471.0	477.1
Less: Inventory valuation adjustment	-13.3	-28.1	-42.3	-9.3	-8.8	-17.4	-11.0	2.1
Equals: Net cash flow	577.4	622.7	617.0	625.8	630.8	654.8	658.4	653.0

Table 1.16.—Gross Domestic Product of Corporate Business in Current Dollars and Gross Domestic Product of Nonfinancial Corporate Business in Current and Chained Dollars

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Billions of dollars								
Gross domestic product of corporate business	4,092.2	4,331.1	4,278.3	4,383.0	4,424.9	4,481.8	4,565.6	4,626.3
Consumption of fixed capital	441.0	454.0	451.3	456.9	463.6	465.6	471.0	477.1
Net domestic product	3,651.2	3,877.0	3,827.0	3,926.1	3,961.3	4,016.2	4,094.6	4,149.2
Indirect business tax and nontax liability plus business transfer payments less subsidies	418.4	441.0	440.9	441.5	447.3	445.6	450.3	454.4
Domestic income	3,232.8	3,436.0	3,386.1	3,484.6	3,514.0	3,570.6	3,644.3	3,694.7
Compensation of employees	2,652.1	2,804.5	2,780.9	2,821.7	2,862.0	2,888.5	2,945.3	2,991.4
Wage and salary accruals	2,174.9	2,303.3	2,282.7	2,318.4	2,354.6	2,380.8	2,431.1	2,471.2
Supplements to wages and salaries	477.2	501.3	498.2	503.4	507.4	507.7	514.2	520.1
Corporate profits with inventory valuation and capital consumption adjustments	465.3	510.0	483.2	541.7	530.1	562.0	577.3	579.8
Profits before tax	466.9	522.2	510.5	536.4	522.5	559.0	566.1	554.1
Profits tax liability	195.3	218.7	214.2	224.5	218.7	233.4	236.4	231.4
Profits after tax	271.6	303.5	296.3	311.9	303.8	325.6	329.7	322.7
Dividends	190.4	205.6	204.7	204.2	211.3	216.8	218.0	213.8
Undistributed profits	81.2	97.9	91.5	107.7	92.5	108.8	111.7	108.9
Inventory valuation adjustment	-13.3	-28.1	-42.3	-9.3	-8.8	-17.4	-11.0	2.1
Capital consumption adjustment	11.6	15.9	15.0	14.6	16.5	20.4	22.3	23.7
Net interest	115.5	121.5	122.0	121.2	121.9	120.2	121.6	123.5
Gross domestic product of financial corporate business	402.9	445.3	436.4	458.2	451.8	470.2	484.0	486.8
Gross domestic product of nonfinancial corporate business	3,689.4	3,885.8	3,841.9	3,924.8	3,973.2	4,011.6	4,081.6	4,139.5
Consumption of fixed capital	412.8	424.0	421.3	426.6	433.0	434.8	439.9	445.5
Net domestic product	3,276.6	3,461.8	3,420.6	3,498.2	3,540.2	3,576.8	3,641.7	3,694.0
Indirect business tax and nontax liability plus business transfer payments less subsidies	379.6	400.9	401.1	401.6	406.9	405.3	403.0	406.8
Domestic income	2,896.9	3,060.9	3,019.4	3,096.6	3,133.3	3,171.5	3,238.8	3,287.3
Compensation of employees	2,434.8	2,574.9	2,553.1	2,590.6	2,627.6	2,651.3	2,703.4	2,745.6
Wage and salary accruals	1,994.1	2,111.9	2,093.0	2,125.7	2,159.0	2,182.9	2,229.0	2,265.8
Supplements to wages and salaries	440.7	463.1	460.1	464.9	468.6	468.4	474.4	479.9
Corporate profits with inventory valuation and capital consumption adjustments	364.6	384.6	364.5	405.0	404.3	420.3	433.8	438.5
Profits before tax	372.5	403.0	397.9	406.0	403.2	424.1	429.5	419.6
Profits tax liability	129.9	140.7	138.5	141.3	140.6	147.7	149.2	145.2
Profits after tax	242.7	262.4	259.4	264.7	262.6	276.4	280.3	274.5
Dividends	161.8	175.9	176.1	174.9	180.3	185.6	187.9	185.1
Undistributed profits	80.9	86.5	83.3	89.7	82.4	90.8	92.4	89.4
Inventory valuation adjustment	-13.3	-28.1	-42.3	-9.3	-8.8	-17.4	-11.0	2.1
Capital consumption adjustment	5.3	9.7	8.9	8.4	9.9	13.6	15.4	16.8
Net interest	97.5	101.3	101.8	100.9	101.4	100.0	101.5	103.1
Billions of chained (1992) dollars								
Gross domestic product of nonfinancial corporate business ¹ ..	3,567.7	3,692.3	3,656.1	3,719.9	3,759.1	3,779.2	3,831.0	3,885.8
Consumption of fixed capital ²								
Net domestic product ³								

1. Chained-dollar gross domestic product of nonfinancial corporate business equals the current-dollar product deflated by the implicit price deflator for goods and structures in gross domestic product.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net domestic product of nonfinancial corporate business is the difference between the gross product and the consumption of fixed capital.

2. Personal Income and Outlays

Table 2.1.—Personal Income and Its Disposition

(Billions of dollars)

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Personal income	5,753.1	6,115.1	6,074.4	6,146.9	6,234.5	6,308.5	6,412.4	6,501.5
Wage and salary disbursements	3,241.8	3,430.6	3,403.1	3,451.2	3,500.2	3,538.2	3,606.5	3,661.3
Private industries	2,639.3	2,808.8	2,783.5	2,827.1	2,873.3	2,904.2	2,967.5	3,016.5
Commodity-producing industries	824.9	863.5	858.7	866.7	873.9	878.7	900.3	911.5
Manufacturing	621.1	648.4	645.3	650.1	654.7	654.8	671.8	678.8
Distributive industries	739.2	783.7	777.3	789.3	800.7	810.5	822.3	833.0
Service industries	1,075.2	1,161.6	1,147.5	1,171.1	1,198.6	1,215.1	1,244.9	1,272.0
Government	602.5	621.7	619.6	624.1	626.9	634.0	638.9	644.8
Other labor income	402.2	424.0	422.0	425.9	430.2	429.1	434.0	438.6
Proprietors' income with inventory valuation and capital consumption adjustments	450.9	478.3	474.7	479.6	486.7	499.5	515.2	525.9
Farm	35.0	29.0	27.6	28.1	31.8	38.4	45.8	51.7
Nonfarm	415.9	449.3	447.1	451.5	454.9	461.1	469.4	474.3
Rental income of persons with capital consumption adjustment	116.6	122.2	121.6	120.9	125.8	126.9	124.5	126.8
Personal dividend income	199.6	214.8	212.2	215.8	221.7	226.6	229.3	231.5
Personal interest income	663.7	717.1	716.6	719.9	727.2	726.1	733.1	742.4
Transfer payments to persons	956.3	1,022.6	1,016.8	1,029.9	1,041.4	1,063.0	1,075.6	1,085.2
Old-age, survivors, disability, and health insurance benefits	472.9	507.4	505.1	510.7	516.1	529.9	536.3	541.7
Government unemployment insurance benefits	23.7	21.6	21.0	22.0	22.2	22.2	22.0	22.0
Veterans benefits	20.2	20.9	20.7	21.1	21.0	21.7	22.0	21.9
Government employees retirement benefits	125.8	135.5	135.5	136.4	137.3	138.4	142.1	143.5
Other transfer payments	313.7	337.2	334.5	339.7	344.8	350.8	353.2	356.0
Aid to families with dependent children	24.2	23.3	23.5	23.1	22.8	22.5	22.0	21.7
Other	289.5	313.9	311.1	316.6	322.0	328.3	331.2	334.4
Less: Personal contributions for social insurance	278.1	294.5	292.7	296.2	298.8	301.0	305.8	310.2
Less: Personal tax and nontax payments	731.4	794.3	801.5	798.4	807.2	824.9	870.6	873.9
Equals: Disposable personal income	5,021.7	5,320.8	5,272.9	5,348.5	5,427.3	5,483.5	5,541.8	5,627.6
Less: Personal outlays	4,832.3	5,071.5	5,054.4	5,106.6	5,144.7	5,218.1	5,300.7	5,329.5
Personal consumption expenditures	4,700.9	4,924.9	4,910.5	4,957.9	4,990.5	5,060.5	5,139.4	5,165.1
Interest paid by persons	117.2	131.7	129.8	134.0	137.8	141.9	145.1	147.9
Personal transfer payments to the rest of the world (net)	14.2	14.9	14.1	14.7	16.5	15.7	16.2	16.5
Equals: Personal saving	189.4	249.3	218.5	241.9	282.6	265.4	241.1	298.1
Addenda:								
Disposable personal income: Total, billions of chained (1992) dollars ¹	4,778.2	4,945.8	4,907.1	4,959.5	5,012.9	5,037.6	5,054.5	5,114.6
Per capita:								
Current dollars	19,264	20,224	20,068	20,306	20,555	20,727	20,900	21,172
Chained (1992) dollars	18,330	18,799	18,676	18,829	18,986	19,041	19,063	19,242
Population (mid-period, millions)	260.7	263.1	262.7	263.4	264.0	264.6	265.2	265.8
Personal saving as a percentage of disposable personal income	3.8	4.7	4.1	4.5	5.2	4.8	4.3	5.3

Table 2.2.—Personal Consumption Expenditures by Major Type of Product

(Billions of dollars)

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Personal consumption expenditures	4,700.9	4,924.9	4,910.5	4,957.9	4,990.5	5,060.5	5,139.4	5,165.1
Durable goods	580.9	606.4	604.0	615.8	612.8	625.2	637.6	631.4
Motor vehicles and parts	245.3	247.8	248.3	253.9	248.3	254.2	256.2	250.9
Furniture and household equipment	226.8	241.9	239.2	244.3	247.0	248.7	255.9	255.7
Other	108.8	116.7	116.5	117.7	117.4	122.3	125.6	124.7
Nondurable goods	1,429.7	1,485.9	1,486.7	1,491.2	1,494.2	1,522.1	1,544.7	1,546.3
Food	715.7	747.2	744.6	750.9	754.9	765.8	767.9	772.6
Clothing and shoes	247.8	254.4	254.3	255.5	254.8	261.2	266.3	265.3
Gasoline and oil	109.9	114.6	118.3	113.1	110.8	115.9	127.0	120.5
Fuel oil and coal	10.1	10.0	10.4	9.8	10.3	11.3	11.0	10.5
Other	346.2	359.7	359.2	361.9	363.4	368.0	372.5	377.4
Services	2,690.3	2,832.6	2,819.8	2,850.9	2,883.5	2,913.2	2,957.1	2,987.4
Housing	706.6	743.7	739.0	748.0	758.1	767.0	775.2	783.4
Household operation	278.9	294.2	293.7	298.7	298.1	302.1	310.4	309.8
Electricity and gas	115.6	118.0	118.2	121.7	118.4	120.8	124.7	122.9
Other household operation	163.3	176.2	175.5	177.0	179.7	181.3	185.7	186.9
Transportation	181.3	192.5	191.6	194.2	196.9	198.5	202.4	206.4
Medical care	739.1	784.2	779.5	787.8	798.5	800.4	811.2	818.8
Other	784.3	818.0	816.0	822.2	831.8	845.3	857.9	868.9

Table 2.3.—Real Personal Consumption Expenditures by Major Type of Product

(Billions of chained (1992) dollars)

	1994	1995	1995	1995	1995	1996	1996	1996
Personal consumption expenditures	4,473.2	4,577.8	4,569.9	4,597.3	4,609.4	4,649.1	4,687.6	4,694.3
Durable goods	562.0	579.8	576.2	589.1	587.5	599.2	615.6	612.5
Motor vehicles and parts	228.2	221.1	220.9	226.4	220.6	224.2	225.9	221.0
Furniture and household equipment	230.1	251.1	247.1	254.1	259.9	264.1	276.0	278.8
Other	104.2	109.8	109.9	110.5	109.9	113.9	117.4	117.0
Nondurable goods	1,390.5	1,421.9	1,422.9	1,424.7	1,423.2	1,436.1	1,440.9	1,442.0
Food	689.1	702.1	701.3	703.6	703.0	709.2	704.9	700.9
Clothing and shoes	247.2	257.2	257.9	258.8	257.3	262.5	268.9	271.2
Gasoline and oil	110.4	113.3	113.6	112.5	113.7	112.6	114.3	114.0
Fuel oil and coal	10.3	10.3	10.6	10.0	10.7	10.7	10.1	10.0
Other	333.5	339.3	339.9	340.0	338.8	341.6	343.5	346.9
Services	2,521.4	2,577.0	2,571.6	2,584.6	2,599.3	2,614.7	2,632.3	2,640.7
Housing	668.2	681.7	680.0	683.2	686.3	689.0	691.6	694.0
Household operation	266.0	276.8	277.2	280.8	278.9	280.8	285.6	282.7
Electricity and gas	111.5	113.6	114.3	117.2	113.4	115.4	117.9	114.9
Other household operation	154.4	163.1	162.9	163.6	165.4	165.3	167.6	167.6
Transportation	171.3	177.0	175.9	176.4	180.0	182.5	183.3	185.2
Medical care	668.8	684.1	681.3	686.0	691.2	691.1	696.1	699.7
Other	747.3	757.6	757.4	758.4	763.0	771.8	776.1	779.3
Residual	-1.3	-3.5	-3.1	-3.4	-3.8	-4.8	-6.0	-6.2

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

1. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

3. Government Receipts, Current Expenditures, and Gross Investment

Table 3.1.—Government Receipts and Current Expenditures

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Receipts	2,127.5	2,268.4	2,266.7	2,284.2	2,298.6	2,338.5	2,402.0	2,415.5
Personal tax and nontax receipts	731.4	794.3	801.5	798.4	807.2	824.9	870.6	873.9
Corporate profits tax accruals	195.3	218.7	214.2	224.5	218.7	233.4	236.4	231.4
Indirect business tax and nontax accruals	572.5	595.5	594.8	597.3	604.1	604.1	608.7	614.8
Contributions for social insurance	628.3	660.0	656.2	664.0	668.6	676.0	686.2	695.4
Current expenditures	2,218.0	2,335.1	2,328.7	2,348.8	2,365.0	2,402.7	2,427.6	2,446.7
Consumption expenditures	1,102.4	1,136.4	1,135.6	1,139.9	1,143.3	1,154.9	1,173.7	1,180.9
Transfer payments (net)	950.3	1,011.5	1,005.2	1,018.5	1,030.3	1,059.1	1,064.5	1,073.5
To persons	933.8	1,000.0	994.2	1,007.3	1,018.7	1,040.1	1,052.6	1,062.1
To the rest of the world (net)	16.5	11.5	11.0	11.3	11.6	19.0	11.8	11.5
Net interest paid	151.6	181.7	181.6	185.2	187.5	184.8	185.6	189.2
Interest paid	288.3	318.0	318.9	320.7	322.8	319.8	319.7	322.3
To persons and business	241.3	256.7	258.6	257.5	258.1	255.2	252.3	248.7
To the rest of the world	47.0	61.3	60.2	63.2	64.7	64.7	67.3	73.6
Less: Interest received by government	136.6	136.3	137.3	135.5	135.3	135.0	134.0	133.1
Less: Dividends received by government	11.4	12.6	12.4	12.7	13.0	13.3	13.7	13.7
Subsidies less current surplus of government enterprises	25.1	18.2	18.7	17.9	16.8	17.3	17.6	16.8
Subsidies	34.7	33.4	34.2	33.0	31.7	31.7	31.8	32.0
Less: Current surplus of government enterprises	9.5	15.3	15.4	15.1	14.8	14.4	14.2	15.2
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	-90.5	-66.7	-62.1	-64.6	-66.4	-64.3	-25.7	-31.2
Social insurance funds	123.0	117.7	115.6	117.4	118.3	109.9	111.7	115.5
Other	-213.5	-184.4	-177.6	-182.0	-184.7	-174.1	-137.4	-146.7

Table 3.2.—Federal Government Receipts and Current Expenditures

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Receipts	1,377.0	1,478.4	1,483.2	1,486.6	1,494.7	1,523.1	1,575.6	1,582.3
Personal tax and nontax receipts	561.4	614.9	624.4	617.3	623.3	639.6	681.4	681.3
Income taxes	544.5	598.1	608.1	599.6	605.5	622.2	661.3	660.7
Estate and gift taxes	15.1	14.8	14.4	15.6	15.7	15.2	18.0	18.5
Nontaxes	1.8	2.0	1.9	2.1	2.2	2.2	2.2	2.2
Corporate profits tax accruals	164.4	184.3	180.7	189.1	184.3	196.4	199.0	194.8
Federal Reserve banks	20.5	23.1	23.6	23.2	22.9	22.7	23.0	22.8
Other	144.0	161.1	157.0	165.9	161.3	173.7	176.0	172.0
Indirect business tax and nontax accruals	92.6	91.2	93.5	88.4	91.3	84.4	83.2	85.7
Excise taxes	53.1	56.5	56.1	56.6	57.7	51.1	50.2	51.4
Customs duties	21.1	19.5	19.8	20.0	19.6	20.1	19.4	20.7
Nontaxes	18.4	15.2	17.6	11.8	13.9	13.3	13.5	13.6
Contributions for social insurance	558.6	588.0	584.6	591.8	595.9	602.6	612.0	620.4
Current expenditures	1,567.3	1,640.1	1,644.3	1,645.0	1,649.3	1,678.3	1,702.3	1,702.6
Consumption expenditures	450.7	453.8	455.6	453.6	451.4	453.6	463.5	461.6
Transfer payments (net)	682.9	719.9	716.2	724.2	730.9	756.2	757.9	762.6
To persons	666.4	708.4	705.2	713.0	719.3	737.2	746.0	751.1
To the rest of the world (net)	16.5	11.5	11.0	11.3	11.6	19.0	11.8	11.5
Grants-in-aid to State and local governments	195.9	206.1	211.3	203.8	203.3	207.6	219.3	214.5
Net interest paid	201.4	229.1	229.3	232.3	233.9	230.5	230.8	233.7
Interest paid	224.1	254.0	254.8	256.7	258.9	255.9	255.8	258.5
To persons and business	177.1	192.7	194.6	193.5	194.2	191.3	188.5	184.9
To the rest of the world	47.0	61.3	60.2	63.2	64.7	64.7	67.3	73.6
Less: Interest received by government	22.7	24.9	25.6	24.5	25.0	25.4	25.0	24.8
Subsidies less current surplus of government enterprises	36.4	31.3	32.0	31.1	29.9	30.4	30.8	30.3
Subsidies	34.3	33.1	33.8	32.6	31.3	31.3	31.4	31.7
Less: Current surplus of government enterprises	-2.0	1.8	1.8	1.6	1.4	.9	.6	1.4
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	-190.2	-161.7	-161.1	-158.5	-154.5	-155.2	-126.7	-120.3
Social insurance funds	60.1	59.5	57.4	59.3	60.7	53.0	55.2	60.1
Other	-250.3	-221.2	-218.5	-217.8	-215.2	-208.3	-181.9	-180.5

Table 3.3.—State and Local Government Receipts and Current Expenditures

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Receipts	946.4	996.1	994.8	1,001.4	1,007.1	1,023.0	1,045.7	1,047.7
Personal tax and nontax receipts	170.0	179.4	177.0	181.2	183.8	185.3	189.2	192.6
Income taxes	125.7	133.5	131.4	135.1	137.3	138.1	141.7	144.5
Nontaxes	23.4	23.9	23.8	24.0	24.1	24.4	24.5	24.8
Other	20.9	22.0	21.8	22.1	22.4	22.8	23.0	23.3
Corporate profits tax accruals	30.9	34.4	33.5	35.4	34.4	36.9	37.4	36.6
Indirect business tax and nontax accruals	479.9	504.3	501.3	508.9	512.8	519.7	525.5	529.0
Sales taxes	227.4	238.3	237.2	240.3	241.8	245.9	248.8	249.7
Property taxes	205.1	216.3	214.7	218.1	220.2	222.2	224.6	226.5
Other	47.4	49.7	49.3	50.5	50.8	51.6	52.2	52.9
Contributions for social insurance	69.7	71.9	71.6	72.2	72.8	73.4	74.2	75.0
Federal grants-in-aid	195.9	206.1	211.3	203.8	203.3	207.6	219.3	214.5
Current expenditures	846.6	901.1	895.8	907.5	919.0	932.0	944.7	958.6
Consumption expenditures	651.7	682.6	680.1	686.2	691.9	701.3	710.2	719.3
Transfer payments to persons	267.4	291.6	289.0	294.3	299.4	302.9	306.6	311.0
Net interest paid	-49.8	-47.4	-47.7	-47.0	-46.4	-45.7	-45.1	-44.5
Interest paid	64.2	64.0	64.0	64.0	63.9	63.9	63.8	63.8
Less: Interest received by government	114.0	111.4	111.7	111.0	110.3	109.6	109.0	108.3
Less: Dividends received by government ¹	11.4	12.6	12.4	12.7	13.0	13.3	13.7	13.7
Subsidies less current surplus of government enterprises	-11.2	-13.1	-13.3	-13.2	-13.0	-13.1	-13.3	-13.4
Subsidies	.4	.4	.4	.4	.4	.4	.4	.4
Less: Current surplus of government enterprises	11.6	13.5	13.6	13.6	13.4	13.5	13.6	13.8
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	99.7	95.0	99.0	93.9	88.1	91.0	101.0	89.1
Social insurance funds	62.9	58.2	58.1	58.1	57.6	56.8	56.4	55.4
Other	36.9	36.8	40.9	35.8	30.5	34.1	44.6	33.7

Table 3.7B.—Government Consumption Expenditures and Gross Investment by Type

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Government consumption expenditures and gross investment¹	1,314.7	1,358.3	1,359.4	1,364.6	1,363.4	1,383.7	1,408.8	1,415.9
Federal	516.4	516.6	522.0	516.8	507.7	518.6	529.6	525.3
National defense	352.0	345.5	351.7	345.7	337.1	343.9	353.7	348.9
Consumption expenditures	305.8	302.3	304.8	301.4	300.1	298.7	307.4	304.9
Durable goods ²	23.7	20.8	21.1	22.5	18.9	19.1	22.1	22.6
Nondurable goods	7.5	6.2	6.5	6.7	5.7	7.7	8.3	8.5
Services	274.5	275.2	277.1	272.2	275.5	271.9	276.9	273.8
Compensation of general government employees, except force-account construction ³	133.1	130.6	131.0	130.7	129.2	130.8	129.9	129.4
Consumption of general government fixed capital ⁴	57.8	60.5	60.9	60.4	60.3	59.6	59.1	58.7
Other services	83.6	84.1	85.2	81.1	86.0	81.5	87.9	85.7
Gross investment	46.2	43.3	47.0	44.3	37.0	45.2	46.3	44.0
Structures	4.9	5.3	4.9	5.5	5.3	5.0	5.1	5.1
Equipment	41.4	37.9	42.1	38.8	31.7	40.1	41.2	39.0
Nondefense	164.3	171.0	170.3	171.1	170.6	174.7	175.8	176.4
Consumption expenditures	144.9	151.5	150.8	152.2	151.3	154.9	156.1	156.7
Durable goods ² .....	.4	.8	.7	.7	.7	.9	1.0	1.2
Nondurable goods	7.6	7.6	7.1	7.6	7.6	7.8	7.3	7.0
Commodity Credit Corporation inventory change ...	-.5	-.2	-.8	-.1	-.1	-.1	-.5	-.5
Other nondurables	8.1	7.8	7.9	7.7	7.6	7.9	7.8	7.6
Services	136.9	143.2	143.0	143.9	143.1	146.3	147.8	148.4
Compensation of general government employees, except force-account construction ³	74.5	76.4	76.3	76.9	76.3	77.7	77.9	77.5
Consumption of general government fixed capital ⁴	10.2	10.7	10.6	10.7	10.8	10.9	10.8	10.9
Other services	52.2	56.1	56.1	56.2	55.9	57.7	59.0	60.0
Gross investment	19.4	19.5	19.5	18.9	19.3	19.8	19.7	19.7
Structures	10.5	10.1	10.2	9.3	9.9	9.7	10.0	9.2
Equipment	8.9	9.4	9.3	9.6	9.4	10.1	9.7	10.6
State and local	798.4	841.7	837.3	847.7	855.7	865.1	879.2	890.6
Consumption expenditures	651.7	682.6	680.1	686.2	691.9	701.3	710.2	719.3
Durable goods ²	13.8	14.7	14.6	14.9	15.2	15.3	15.4	15.5
Nondurable goods	66.8	72.8	73.3	73.3	73.6	76.1	78.3	78.4
Services	571.2	595.1	592.2	598.0	603.2	609.9	616.5	625.4
Compensation of general government employees, except force-account construction ³	496.4	516.2	513.9	518.6	522.9	528.1	533.6	540.9
Consumption of general government fixed capital ⁴	51.4	54.2	53.8	54.6	55.3	55.9	56.5	57.3
Other services	23.4	24.7	24.5	24.9	25.0	25.9	26.3	27.2
Gross investment	146.6	159.1	157.2	161.5	163.8	163.8	169.1	171.3
Structures	119.0	130.0	128.3	132.3	134.0	133.8	138.7	140.6
Equipment	27.7	29.1	28.9	29.3	29.7	30.0	30.3	30.7
Addenda:								
Compensation of general government employees ³	707.6	727.3	725.1	730.2	732.6	740.6	745.8	752.1
Federal	207.6	207.1	207.3	207.7	205.6	208.5	207.9	207.0
State and local	500.0	520.2	517.8	522.6	526.9	532.1	537.9	545.1

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.

3. Compensation of government employees engaged in new force-account construction and related expenditures for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addenda.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 3.8B.—Real Government Consumption Expenditures and Real Gross Investment by Type

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Government consumption expenditures and gross investment¹	1,260.0	1,260.2	1,265.1	1,263.4	1,249.6	1,254.7	1,278.2	1,277.4
Federal	489.8	472.3	479.4	472.5	456.2	462.9	473.4	469.3
National defense	337.0	319.6	325.5	319.1	308.8	311.9	319.4	315.1
Consumption expenditures	293.6	280.1	282.8	278.9	275.1	271.6	279.6	276.7
Durable goods ²	23.5	20.5	20.8	22.2	18.6	18.7	21.5	22.1
Nondurable goods	7.8	6.2	6.5	6.7	5.5	7.3	7.7	7.7
Services	262.2	253.1	255.2	249.9	250.5	245.4	250.2	246.9
Compensation of general government employees, except force-account construction ³	128.0	120.9	121.9	120.8	117.5	116.6	116.5	116.0
Consumption of general government fixed capital ⁴	53.2	52.2	52.3	52.0	51.8	51.6	51.0	50.8
Other services	81.0	79.9	81.0	76.9	81.2	77.1	82.8	80.1
Gross investment	43.4	39.6	42.8	40.3	33.8	40.3	39.9	38.5
Structures	4.3	4.6	4.2	4.7	4.5	4.3	4.3	4.2
Equipment	39.1	35.0	38.6	35.6	29.2	36.0	35.6	34.2
Nondefense	152.6	152.3	153.5	153.1	147.0	150.6	153.7	153.8
Consumption expenditures	133.5	133.5	134.7	134.8	128.6	131.6	134.7	134.6
Durable goods ² .....	.6	.9	.9	.9	.8	1.0	1.2	1.4
Nondurable goods	6.9	6.8	6.4	6.9	6.8	7.0	6.5	6.3
Commodity Credit Corporation inventory change ...	-.6	-.2	-.8	-.1	-.1	-.1	-.4	-.4
Other nondurables	7.4	7.1	7.1	7.0	6.9	7.0	6.9	6.7
Services	126.0	125.7	127.4	127.0	121.0	123.7	126.9	127.0
Compensation of general government employees, except force-account construction ³	65.5	62.9	64.4	64.3	58.9	60.0	62.3	61.7
Consumption of general government fixed capital ⁴	9.9	10.2	10.1	10.2	10.3	10.3	10.3	10.3
Other services	50.8	53.2	53.2	52.9	52.5	54.2	55.1	55.8
Gross investment	19.0	18.7	18.7	18.1	18.4	18.9	18.9	19.0
Structures	10.0	9.3	9.4	8.5	8.9	8.8	9.0	8.2
Equipment	9.0	9.5	9.4	9.7	9.5	10.2	9.9	11.0
State and local	770.5	788.6	786.3	791.5	794.4	792.6	805.5	809.0
Consumption expenditures	629.0	639.1	637.9	640.5	642.1	640.9	649.7	652.5
Durable goods ²	13.5	14.1	14.0	14.2	14.3	14.4	14.6	14.7
Nondurable goods	66.4	69.2	68.8	69.5	70.2	70.9	71.6	72.3
Services	549.0	556.0	555.1	556.9	557.7	555.7	563.6	565.6
Compensation of general government employees, except force-account construction ³	472.3	476.4	475.8	477.0	477.1	473.8	481.3	482.9
Consumption of general government fixed capital ⁴	50.2	51.7	51.5	51.9	52.3	52.7	53.1	53.5
Other services	26.6	28.1	28.0	28.3	28.7	29.8	29.8	29.7
Gross investment	141.5	149.4	148.4	151.0	152.3	151.7	155.8	156.5
Structures	114.4	121.1	120.2	122.5	123.4	122.5	126.3	126.6
Equipment	27.1	28.4	28.2	28.5	28.9	29.2	29.5	29.9
Residual	0	-1.0	-4	-8	-1.3	-1.6	-1.7	-2.0
Addenda:								
Compensation of general government employees ³	669.2	663.7	665.8	665.8	656.7	653.6	663.6	664.0
Federal	193.6	184.1	186.7	185.5	176.5	176.8	179.2	178.0
State and local	475.7	480.0	479.4	480.7	480.8	477.4	485.0	486.7

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.

See footnotes to table 3.7B.

Table 3.10.—National Defense Consumption Expenditures and Gross Investment

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
National defense consumption expenditures and gross investment¹	352.0	345.5	351.7	345.7	337.1	343.9	353.7	348.9
Consumption expenditures	305.8	302.3	304.8	301.4	300.1	298.7	307.4	304.9
Durable goods²	23.7	20.8	21.1	22.5	18.9	19.1	22.1	22.6
Aircraft	10.2	8.6	8.3	9.0	8.0	8.0	9.5	9.6
Missiles	3.6	3.2	3.5	3.7	2.8	2.9	3.2	3.6
Ships	1.6	1.2	1.2	1.5	.8	.7	.9	1.3
Vehicles .....	.8	1.1	1.1	1.3	.8	1.0	1.0	1.0
Electronics	3.1	2.5	2.4	2.7	2.2	2.3	2.9	2.9
Other durable goods	4.5	4.4	4.7	4.3	4.1	4.2	4.7	4.3
Nondurable goods	7.5	6.2	6.5	6.7	5.7	7.7	8.3	8.5
Petroleum products	3.0	2.7	2.7	3.2	2.4	3.2	3.5	4.1
Ammunition	1.7	1.2	1.3	1.3	.9	1.2	1.5	1.1
Other nondurable goods	2.8	2.4	2.5	2.2	2.4	3.3	3.4	3.3
Services	274.5	275.2	277.1	272.2	275.5	271.9	276.9	273.8
Compensation of general government employees, except force-account construction ³	133.1	130.6	131.0	130.7	129.2	130.8	129.9	129.4
Military	82.6	80.1	80.7	80.2	78.3	79.1	78.4	78.1
Civilian	50.5	50.5	50.3	50.5	51.0	51.7	51.5	51.3
Consumption of general government fixed capital ⁴	57.8	60.5	60.9	60.4	60.3	59.6	59.1	58.7
Other services	83.6	84.1	85.2	81.1	86.0	81.5	87.9	85.7
Research and development	26.6	22.9	21.5	21.4	25.6	25.9	28.1	26.4
Installation support	26.9	26.8	27.8	25.8	26.3	24.2	26.4	25.9
Weapons support	7.8	8.4	9.0	8.2	7.9	7.3	7.7	7.2
Personnel support	17.7	19.4	20.0	19.2	19.3	18.0	19.0	19.1
Transportation of material	3.8	4.2	4.1	4.1	4.6	4.9	5.0	4.7
Travel of persons	4.8	5.3	5.5	5.2	5.0	4.2	4.9	4.7
Other	-3.9	-2.7	-2.7	-2.7	-2.7	-3.0	-3.1	-2.3
Gross investment	46.2	43.3	47.0	44.3	37.0	45.2	46.3	44.0
Structures	4.9	5.3	4.9	5.5	5.3	5.0	5.1	5.1
Equipment	41.4	37.9	42.1	38.8	31.7	40.1	41.2	39.0
Aircraft	10.4	8.2	9.3	9.2	4.9	12.7	12.4	11.2
Missiles	6.0	4.8	6.5	5.3	3.6	4.0	3.8	3.8
Ships	8.1	8.0	8.5	7.6	7.2	7.0	7.2	6.5
Vehicles	1.0	.9	.9	.9	.8	.9	.9	.8
Electronics	4.0	3.5	3.3	3.9	3.3	3.1	3.8	4.3
Other equipment	11.9	12.5	13.6	11.9	12.1	12.5	13.1	12.4
Addendum:								
Compensation of general government employees ³	133.1	130.6	131.0	130.7	129.2	130.8	129.9	129.4

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.

3. Compensation of government employees engaged in new force-account construction and related expenditures for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addendum.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 3.11.—Real National Defense Consumption Expenditures and Real Gross Investment

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
National defense consumption expenditures and gross investment¹	337.0	319.6	325.5	319.1	308.8	311.9	319.4	315.1
Consumption expenditures	293.6	280.1	282.8	278.9	275.1	271.6	279.6	276.7
Durable goods²	23.5	20.5	20.8	22.2	18.6	18.7	21.5	22.1
Aircraft	10.0	8.3	8.1	8.8	7.8	7.7	9.1	9.3
Missiles	3.7	3.4	3.6	3.9	3.2	3.1	3.5	3.9
Ships	1.6	1.1	1.1	1.5	.8	.6	.8	1.2
Vehicles .....	.8	1.0	1.0	1.2	.8	1.0	.9	.9
Electronics	3.1	2.5	2.4	2.7	2.2	2.3	2.9	3.0
Other durable goods	4.4	4.2	4.5	4.1	3.9	3.9	4.3	3.9
Nondurable goods	7.8	6.2	6.5	6.7	5.5	7.3	7.7	7.7
Petroleum products	3.4	3.0	3.0	3.5	2.5	3.2	3.3	3.7
Ammunition	1.7	1.1	1.2	1.2	.8	1.1	1.2	1.0
Other nondurable goods	2.8	2.2	2.4	2.1	2.2	3.1	3.3	3.2
Services	262.2	253.1	255.2	249.9	250.5	245.4	250.2	246.9
Compensation of general government employees, except force-account construction ³	128.0	120.9	121.9	120.8	117.5	116.6	116.5	116.0
Military	82.7	78.3	78.8	78.0	76.8	76.1	75.4	75.2
Civilian	45.2	42.6	43.1	42.8	40.8	40.5	41.1	40.7
Consumption of general government fixed capital ⁴	53.2	52.2	52.3	52.0	51.8	51.6	51.0	50.8
Other services	81.0	79.9	81.0	76.9	81.2	77.1	82.8	80.1
Research and development	26.2	22.5	21.2	21.1	25.3	25.6	27.9	26.2
Installation support	25.6	24.6	25.5	23.4	24.0	22.2	24.1	23.3
Weapons support	7.4	7.9	8.6	7.7	7.4	6.8	7.1	6.6
Personnel support	17.1	18.1	18.7	18.0	17.8	16.6	17.2	17.0
Transportation of material	3.7	4.2	4.1	4.1	4.6	4.9	5.0	4.7
Travel of persons	4.7	5.0	5.2	4.9	4.7	3.9	4.5	4.4
Other	-3.7	-2.5	-2.4	-2.4	-2.5	-2.7	-2.7	-2.0
Gross investment	43.4	39.6	42.8	40.3	33.8	40.3	39.9	38.5
Structures	4.3	4.6	4.2	4.7	4.5	4.3	4.3	4.2
Equipment	39.1	35.0	38.6	35.6	29.2	36.0	35.6	34.2
Aircraft	8.9	6.6	7.4	7.4	4.0	9.4	8.0	7.4
Missiles	5.9	4.8	6.4	5.4	3.5	4.1	4.0	4.1
Ships	7.6	7.1	7.6	6.7	6.3	6.2	6.4	5.8
Vehicles	1.0	.8	.8	.8	.7	.8	.7	.7
Electronics	4.2	3.9	3.6	4.3	3.7	3.5	4.4	5.2
Other equipment	11.6	11.9	12.9	11.3	11.4	11.6	12.0	11.2
Residual	-1	.2	.2	-1	-2	.5	-3	-5
Addendum:								
Compensation of general government employees ³	128.0	120.9	121.9	120.8	117.5	116.6	116.5	116.0

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.

See footnotes to table 3.10.

4. Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Receipts from the rest of the world	882.5	1,015.6	1,009.2	1,026.1	1,050.3	1,059.9	1,073.9	1,064.8
Exports of goods and services ...	719.1	807.4	797.3	819.0	837.0	839.5	850.0	844.1
Goods ¹	509.1	581.4	575.2	587.0	604.5	603.6	610.4	604.4
Durable	349.1	393.0	389.2	396.3	409.8	408.3	417.3	412.7
Nondurable	160.0	188.5	186.0	190.6	194.7	195.3	193.1	191.8
Services ¹	210.1	225.9	222.2	232.1	232.5	235.9	239.7	239.6
Receipts of factor income	163.4	208.3	211.9	207.0	213.4	220.4	223.9	220.7
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0
Payments to the rest of the world	882.5	1,015.6	1,009.2	1,026.1	1,050.3	1,059.9	1,073.9	1,064.8
Imports of goods and services ...	813.5	902.0	912.6	906.6	904.2	925.8	949.2	965.6
Goods ¹	677.0	757.0	767.3	759.7	759.0	776.7	798.2	812.2
Durable	453.8	510.9	515.4	511.8	514.8	524.8	529.4	539.5
Nondurable	223.2	246.0	251.9	247.8	244.2	251.9	268.8	272.6
Services ¹	136.4	145.1	145.3	146.9	145.2	149.2	151.0	153.5
Payments of factor income	167.2	215.3	214.3	223.4	219.7	220.6	231.4	238.9
Transfer payments (net)	38.2	34.6	33.1	34.2	36.6	43.3	37.4	37.0
From persons (net)	14.2	14.9	14.1	14.7	16.5	15.7	16.2	16.5
From government (net)	16.5	11.5	11.0	11.3	11.6	19.0	11.8	11.5
From business	7.5	8.2	8.0	8.2	8.5	8.6	9.4	9.1
Net foreign investment	-136.4	-136.3	-150.8	-138.1	-110.2	-129.9	-144.2	-176.8

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment were reclassified from goods to services.

Table 4.2.—Real Exports and Imports of Goods and Services and Receipts and Payments of Factor Income

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Exports of goods and services	712.0	775.4	763.2	783.0	803.1	806.7	817.9	816.1
Goods ¹	511.5	565.9	557.7	568.2	588.8	590.9	600.6	600.2
Durable	358.0	403.2	398.3	405.9	422.3	424.0	437.9	438.1
Nondurable	153.8	163.7	160.5	163.5	167.9	168.4	165.3	164.7
Services ¹	200.9	210.4	206.4	215.4	215.3	216.7	218.3	216.9
Receipts of factor income	155.9	194.2	197.9	192.6	197.6	203.2	205.4	201.8
Imports of goods and services	817.6	883.0	884.6	884.5	888.0	910.7	932.6	954.8
Goods ¹	684.1	744.7	747.7	745.6	750.0	768.4	789.9	810.3
Durable	455.6	507.1	508.5	506.0	514.0	529.7	542.1	557.3
Nondurable	228.2	237.2	238.9	239.3	235.8	238.5	247.7	252.9
Services ¹	133.8	138.8	137.4	139.4	138.5	142.8	143.2	145.1
Payments of factor income	158.6	199.7	199.2	206.8	202.4	202.3	211.1	217.0

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

5. Saving and Investment

Table 5.1.—Gross Saving and Investment

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Gross saving	1,056.3	1,151.8	1,102.9	1,168.6	1,220.6	1,217.9	1,244.5	1,308.6
Gross private saving	1,006.7	1,071.8	1,018.5	1,085.9	1,138.9	1,133.8	1,121.6	1,190.5
Personal saving	189.4	249.3	218.5	241.9	282.6	265.4	241.1	298.1
Undistributed corporate profits with inventory valuation and capital consumption adjustments	123.2	140.6	123.5	159.6	158.4	171.8	176.3	178.0
Undistributed profits	124.8	152.8	150.8	154.3	150.8	168.9	165.1	152.3
Inventory valuation adjustment	-13.3	-28.1	-42.3	-9.3	-8.8	-17.4	-11.0	2.1
Capital consumption adjustment	11.6	15.9	15.0	14.6	16.5	20.4	22.3	23.7
Corporate consumption of fixed capital	441.0	454.0	451.3	456.9	463.6	465.6	471.0	477.1
Noncorporate consumption of fixed capital	237.7	225.2	224.4	224.7	233.4	229.1	233.2	237.2
Wage accruals less disbursements	15.5	2.7	2.9	2.9	.9	1.9	0	0
Gross government saving	49.6	80.0	84.4	82.7	81.7	84.1	122.9	118.2
Federal	-119.6	-87.8	-86.9	-84.6	-80.7	-82.0	-54.1	-48.0
Consumption of fixed capital	70.6	73.8	74.2	73.8	73.8	73.2	72.6	72.3
Current surplus or deficit (-), national income and product accounts	-190.2	-161.7	-161.1	-158.5	-154.5	-155.2	-126.7	-120.3
State and local	169.2	167.9	171.3	167.3	162.4	166.1	177.0	166.2
Consumption of fixed capital	69.4	72.9	72.3	73.4	74.3	75.1	76.0	77.1
Current surplus or deficit (-), national income and product accounts	99.7	95.0	99.0	93.9	88.1	91.0	101.0	89.1
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0
Gross investment	1,090.4	1,150.9	1,123.2	1,161.5	1,173.9	1,167.9	1,187.0	1,210.7
Gross private domestic investment	1,014.4	1,065.3	1,050.3	1,074.8	1,064.0	1,068.9	1,096.0	1,152.4
Gross government investment	212.3	221.9	223.7	224.7	220.1	228.8	235.1	235.0
Net foreign investment	-136.4	-136.3	-150.8	-138.1	-110.2	-129.9	-144.2	-176.8
Statistical discrepancy	34.1	-9	20.3	-7.1	-46.7	-50.0	-57.5	-97.9
Addendum:								
Gross saving as a percentage of gross national product	15.2	15.9	15.3	16.0	16.6	16.4	16.5	17.2

Table 5.4.—Private Fixed Investment by Type

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Private fixed investment	954.9	1,028.2	1,016.3	1,036.6	1,046.2	1,070.7	1,088.0	1,117.6
Nonresidential	667.2	738.5	734.4	746.3	749.7	769.0	773.8	805.7
Structures	180.2	199.7	197.6	202.5	204.0	208.4	207.4	213.0
Nonresidential buildings, including farm	126.2	142.0	140.3	144.0	145.8	147.3	146.2	151.3
Utilities	33.7	38.5	37.9	39.7	40.2	40.9	41.5	41.3
Mining exploration, shafts, and wells	13.5	12.0	11.5	11.9	11.4	13.9	14.1	14.2
Other structures	6.9	7.1	7.9	7.0	6.6	6.4	5.7	6.1
Producers' durable equipment	487.0	538.8	536.8	543.8	545.7	560.6	566.3	592.7
Information processing and related equipment	160.4	183.2	183.3	183.1	191.8	198.2	200.8	212.5
Computers and peripheral equipment ¹	54.5	63.6	62.8	63.3	69.7	73.7	74.2	79.4
Other	106.0	119.6	120.6	119.7	122.0	124.5	126.6	133.2
Industrial equipment	109.7	124.5	126.9	125.8	124.9	127.9	131.2	128.1
Transportation and related equipment	117.1	124.9	121.0	128.4	123.0	123.7	137.4	137.4
Other	99.7	106.2	105.6	106.4	106.1	109.2	110.7	114.7
Residential	287.7	289.8	281.9	290.3	296.5	301.7	314.2	311.9
Structures	280.7	282.5	274.8	283.0	289.2	294.4	306.7	304.4
Single family	153.8	144.5	138.7	142.8	147.0	150.6	156.8	156.8
Multifamily	14.1	18.6	18.3	18.8	19.6	20.3	22.3	19.2
Other structures	112.8	119.4	117.8	121.3	122.6	123.5	127.7	128.5
Producers' durable equipment	7.0	7.2	7.2	7.3	7.3	7.3	7.5	7.5

1. Includes new computers and peripheral equipment only.

Table 5.5.—Real Private Fixed Investment by Type

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Private fixed investment	921.1	975.9	965.7	980.0	988.5	1,013.3	1,031.1	1,056.0
Nonresidential	652.1	714.3	710.5	719.0	723.3	743.5	750.5	780.4
Structures	168.8	181.1	180.0	182.8	183.2	186.6	184.9	188.3
Nonresidential buildings, including farm	117.7	127.9	126.8	129.2	130.3	131.4	129.7	133.3
Utilities	31.7	35.1	34.8	35.8	36.0	36.4	36.8	36.4
Mining exploration, shafts, and wells	12.6	11.2	10.7	11.0	10.5	12.8	12.9	12.9
Other structures	6.8	6.8	7.6	6.6	6.2	5.9	5.3	5.6
Producers' durable equipment	484.1	534.5	531.7	537.4	541.4	558.3	567.5	594.3
Information processing and related equipment	170.4	201.1	199.7	201.4	214.4	225.5	234.1	251.1
Computers and peripheral equipment ¹	69.3	91.5	88.2	91.9	105.6	117.2	126.3	139.4
Other	102.6	114.2	115.1	114.0	116.2	118.1	119.7	125.8
Industrial equipment	105.9	116.2	118.4	116.6	115.4	117.8	120.6	117.5
Transportation and related equipment	111.7	118.1	114.9	120.3	115.4	117.5	114.9	126.2
Other	96.3	100.8	100.3	100.7	99.4	101.5	102.6	105.4
Residential	268.9	262.8	256.5	262.2	266.3	271.1	281.5	277.3
Structures	262.1	255.8	249.6	255.3	259.3	264.1	274.3	270.1
Single family	140.5	127.7	123.0	125.8	129.1	132.5	137.6	136.5
Multifamily	13.5	17.6	17.4	17.8	18.5	19.2	21.0	17.9
Other structures	108.1	110.9	109.8	112.2	112.4	113.0	116.3	116.2
Producers' durable equipment	6.8	7.0	6.9	7.0	7.0	7.0	7.2	7.1
Residual	-2.4	-9.1	-8.2	-8.9	-13.5	-17.0	-19.8	-24.2

1. Includes new computers and peripheral equipment only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.10.—Change in Business Inventories by Industry

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Change in business inventories	59.5	37.0	34.0	38.2	17.8	-1.7	8.0	34.8
Farm	11.5	-2.6	-2.1	-3.2	-2.1	-4.4	-3.3	1.1
Nonfarm	48.0	39.6	36.1	41.5	19.9	2.7	11.3	33.7
Change in book value	63.1	69.7	81.8	51.1	28.6	19.6	21.7	30.3
Inventory valuation adjustment	-15.1	-30.1	-45.7	-9.6	-8.7	-16.9	-10.4	3.4
Manufacturing	8.5	12.7	12.4	17.5	11.9	12.6	-4.6	12.8
Durable goods	7.9	11.8	10.6	15.5	12.5	14.6	.5	11.9
Nondurable goods .....	.6	.9	1.7	2.1	-6	-2.0	-5.1	1.0
Wholesale trade	17.0	15.2	16.3	14.1	4.5	6.7	7.3	-10.5
Durable goods	12.6	13.3	11.8	5.8	12.7	9.5	3.0	2.8
Nondurable goods	4.4	1.9	4.5	8.3	-8.2	-2.8	4.3	-13.2
Merchant wholesalers	14.8	13.6	14.0	12.8	3.4	4.0	6.6	-10.4
Durable goods	10.6	12.1	10.3	5.1	11.7	6.2	1.6	1.7
Nondurable goods	4.2	1.5	3.6	7.7	-8.3	-2.2	4.9	-12.1
Nonmerchant wholesalers	2.2	1.5	2.3	1.3	1.0	2.7	.8	-1
Durable goods	2.0	1.2	1.5	.7	.9	3.3	1.4	1.0
Nondurable goods .....	.2	.3	.8	.6	.1	-6	-6	-1.1
Retail trade	17.2	3.6	5.9	3.3	-7.8	-22.9	5.4	27.4
Durable goods	11.0	3.7	3.9	2.4	-4.1	-19.4	7.5	20.6
Motor vehicle dealers	4.8	.9	-5	-6.6	.4	-26.1	2.2	11.7
Other	6.2	2.9	4.4	9.1	-4.5	6.7	5.3	8.8
Nondurable goods	6.1	-1	2.0	.9	-3.7	-3.5	-2.1	6.8
Other	5.4	8.1	1.6	6.5	11.4	6.3	3.2	4.0
Durable goods .....	.4	6.0	2.2	5.5	6.2	7.6	-1.1	-1.5
Nondurable goods	5.0	2.1	-6	1.0	5.2	-1.3	4.2	5.5

Table 5.11.—Real Change in Business Inventories by Industry

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Change in business inventories	58.9	33.1	30.5	33.0	14.6	-3.0	7.1	32.8
Farm	12.3	-4.7	-3.9	-6.4	-4.7	-6.5	-5.1	-5
Nonfarm	46.8	37.2	33.7	38.6	19.0	2.9	11.7	33.0
Manufacturing	8.3	11.8	11.3	16.3	11.2	12.0	-3.9	12.5
Durable goods	7.7	11.2	10.0	14.6	12.0	14.0	.5	11.4
Nondurable goods .....	.6	.8	1.4	1.8	-6	-1.6	-4.2	1.3
Wholesale trade	16.6	14.3	15.3	13.2	4.4	6.4	7.3	-8.5
Durable goods	12.2	12.7	11.3	5.4	12.1	9.0	2.8	2.8
Nondurable goods	4.4	1.7	4.1	7.7	-7.4	-2.3	4.4	-10.8
Merchant wholesalers	14.5	12.8	13.1	12.0	3.5	3.8	6.5	-8.5
Durable goods	10.3	11.5	9.8	4.8	11.2	5.9	1.5	1.8
Nondurable goods	4.2	1.4	3.3	7.1	-7.4	-1.8	4.8	-9.8
Nonmerchant wholesalers	2.1	1.4	2.2	1.2	.9	2.6	.7	0
Durable goods	1.9	1.2	1.4	.6	.9	3.1	1.3	1.0
Nondurable goods .....	.2	.3	.8	.6	.1	-5	-5	-9
Retail trade	16.5	3.5	5.6	3.0	-7.1	-21.7	5.2	25.5
Durable goods	10.3	3.5	3.6	2.0	-3.7	-17.9	6.9	19.2
Motor vehicle dealers	4.3	.9	-5	-6.2	.4	-23.6	2.0	10.8
Other	6.0	2.7	4.2	8.6	-4.2	6.3	5.0	8.4
Nondurable goods	6.1	0	2.0	1.0	-3.4	-3.7	-1.8	6.3
Other	5.3	7.6	1.5	6.0	10.6	6.1	3.1	3.6
Durable goods .....	.4	5.3	1.9	4.8	5.5	6.7	-9	-1.3
Nondurable goods	5.0	2.0	-6	.9	4.9	-1.0	4.1	5.1
Residual	-1	.5	.7	.8	-1	-3	.4	-8

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.12.—Inventories and Domestic Final Sales of Business by Industry

[Billions of dollars]

	Seasonally adjusted quarterly totals					
	1995			1996		
	II	III	IV	I	II	III
Inventories ¹	1,245.9	1,251.9	1,260.9	1,263.5	1,271.5	1,279.5
Farm	101.2	99.2	100.7	98.2	102.5	103.9
Nonfarm	1,144.7	1,152.8	1,160.2	1,165.3	1,169.0	1,175.6
Durable goods	651.0	655.8	660.9	662.7	665.4	673.1
Nondurable goods	493.7	497.0	499.3	502.6	503.6	502.5
Manufacturing	426.5	429.5	430.4	432.7	430.9	433.7
Durable goods	265.5	267.5	269.2	271.8	272.0	274.2
Nondurable goods	160.9	162.0	161.3	160.9	158.9	159.6
Wholesale trade	297.8	301.3	304.0	307.3	309.8	304.8
Durable goods	184.6	185.5	187.9	189.7	190.3	190.8
Nondurable goods	113.2	115.8	116.1	117.6	119.5	114.1
Merchant wholesalers	257.5	260.8	263.0	265.2	267.9	262.7
Durable goods	160.6	161.3	163.6	164.7	165.0	165.2
Nondurable goods	97.0	99.5	99.4	100.5	102.9	97.5
Nonmerchant wholesalers	40.3	40.4	41.0	42.0	41.9	42.1
Durable goods	24.0	24.2	24.3	25.0	25.3	25.5
Nondurable goods	16.3	16.3	16.7	17.0	16.6	16.6
Retail trade	297.9	299.1	299.1	294.5	296.0	303.5
Durable goods	157.9	158.3	158.4	153.8	155.3	160.4
Motor vehicle dealers	78.7	76.6	78.1	72.0	72.0	74.5
Other	79.2	81.7	80.3	81.7	83.3	85.9
Nondurable goods	140.0	140.8	140.8	140.7	140.7	143.2
Other	122.5	122.9	126.7	130.8	132.3	133.4
Durable goods	43.0	44.5	45.5	47.4	47.9	47.8
Nondurable goods	79.5	78.3	81.2	83.4	84.5	85.6
Final sales of domestic business ²	499.9	507.6	512.0	519.0	527.2	529.6
Final sales of goods and structures of domestic business ²	271.8	276.8	278.4	283.4	287.5	288.0
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.49	2.47	2.46	2.43	2.41	2.42
Nonfarm inventories to final sales	2.29	2.27	2.27	2.25	2.22	2.22
Nonfarm inventories to final sales of goods and structures	4.21	4.16	4.17	4.11	4.07	4.08

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in business inventories (CBI) component of GDP. The former is the difference between two inventory stocks, each valued at their respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates; whereas, CBI is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government and includes a small amount of final sales by farm.

Table 5.13.—Real Inventories and Real Domestic Final Sales of Business by Industry

[Billions of chained (1992) dollars]

	Seasonally adjusted quarterly totals					
	1995			1996		
	II	III	IV	I	II	III
Inventories ¹	1,173.4	1,181.6	1,185.3	1,184.5	1,186.3	1,194.5
Farm	108.2	106.6	105.4	103.8	102.5	102.4
Nonfarm	1,065.2	1,074.8	1,079.5	1,080.3	1,083.2	1,091.4
Durable goods	608.2	615.0	621.4	624.4	626.7	634.7
Nondurable goods	456.9	459.8	458.1	456.0	456.6	456.9
Manufacturing	393.5	397.6	400.4	403.4	402.4	405.5
Durable goods	248.6	252.3	255.3	258.8	258.9	261.7
Nondurable goods	144.9	145.4	145.2	144.8	143.8	144.1
Wholesale trade	277.1	280.4	281.5	283.1	284.9	282.7
Durable goods	173.9	175.2	178.2	180.5	181.2	181.9
Nondurable goods	103.3	105.2	103.4	102.8	103.9	101.2
Merchant wholesalers	238.9	241.9	242.7	243.7	245.3	243.2
Durable goods	150.9	152.1	154.9	156.4	156.7	157.2
Nondurable goods	88.1	89.8	88.0	87.5	88.8	86.3
Nonmerchant wholesalers	38.1	38.5	38.7	39.3	39.5	39.5
Durable goods	23.0	23.1	23.3	24.1	24.5	24.7
Nondurable goods	15.2	15.3	15.3	15.2	15.1	14.9
Retail trade	280.6	281.4	279.6	274.2	275.5	281.9
Durable goods	147.7	148.3	147.3	142.8	144.6	149.4
Motor vehicle dealers	72.6	71.0	71.1	65.2	65.7	68.4
Other	75.3	77.4	76.4	78.0	79.2	81.3
Nondurable goods	132.7	133.0	132.1	131.2	130.7	132.3
Other	113.8	115.3	117.9	119.4	120.2	121.1
Durable goods	37.8	39.0	40.4	42.1	41.8	41.5
Nondurable goods	76.0	76.2	77.4	77.2	78.2	79.5
Residual .....	.1	.4	.5	.2	.4	.2
Final sales of domestic business ²	466.8	471.6	474.1	478.5	483.3	483.7
Final sales of goods and structures of domestic business ²	258.8	262.4	263.4	267.0	269.9	270.2
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.51	2.51	2.50	2.48	2.45	2.47
Nonfarm inventories to final sales	2.28	2.28	2.28	2.26	2.24	2.26
Nonfarm inventories to final sales of goods and structures	4.12	4.10	4.10	4.05	4.01	4.04

1. Inventories are as of the end of the quarter. Quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in the business inventories component of GDP is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government and includes a small amount of final sales by farm.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

6. Income and Employment by Industry

Table 6.1C.—National Income Without Capital Consumption Adjustment by Industry

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
National income without capital consumption adjustment	5,534.9	5,825.2	5,766.8	5,873.1	5,941.4	6,019.5	6,122.6	6,201.8
Domestic industries	5,538.7	5,832.2	5,769.3	5,889.4	5,947.7	6,019.7	6,130.1	6,220.0
Private industries	4,743.0	5,011.9	4,951.0	5,066.3	5,122.0	5,184.8	5,289.6	5,372.9
Agriculture, forestry, and fishing	97.4	94.0	92.0	93.7	98.1	105.3	114.9	.....
Mining	42.4	43.6	42.8	44.2	44.6	43.6	44.7	.....
Construction	250.6	263.6	261.4	264.1	267.4	274.3	278.9	.....
Manufacturing	991.2	1,026.3	1,014.5	1,035.4	1,044.5	1,041.2	1,065.9	.....
Durable goods	574.1	597.1	590.1	600.0	606.6	608.7	628.4	.....
Nondurable goods	417.1	429.3	424.5	435.5	437.8	432.5	437.5	.....
Transportation and public utilities	422.8	451.0	445.7	461.0	459.4	462.5	474.9	.....
Transportation	176.9	189.4	187.0	191.0	193.3	193.4	195.4	.....
Communications	125.9	136.6	135.6	140.9	138.9	143.5	149.3	.....
Electric, gas, and sanitary services	119.9	125.0	123.0	129.1	127.1	125.6	130.2	.....
Wholesale trade	312.1	327.0	321.3	330.8	335.0	345.2	344.5	.....
Retail trade	457.0	478.6	474.7	485.0	487.8	495.4	506.3	.....
Finance, insurance, and real estate	938.8	991.9	978.8	1,003.8	1,007.9	1,017.8	1,032.0	.....
Services	1,230.7	1,335.9	1,319.7	1,348.3	1,377.3	1,399.5	1,427.5	.....
Government	795.7	820.3	818.3	823.1	825.7	834.9	840.5	847.0
Rest of the world	-3.8	-7.0	-2.4	-16.4	-6.3	-2	-7.6	-18.2

Table 6.16C.—Corporate Profits by Industry

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Corporate profits with inventory valuation and capital consumption adjustments	529.5	586.6	562.3	612.5	611.8	645.1	655.8	654.7
Domestic industries	465.3	510.0	483.2	541.7	530.1	562.0	577.3	579.8
Financial	100.7	125.4	118.7	136.6	125.8	141.7	143.5	141.3
Nonfinancial	364.6	384.6	364.5	405.0	404.3	420.3	433.8	438.5
Rest of the world	64.3	76.7	79.1	70.8	81.7	83.2	78.4	74.8
Receipts from the rest of the world	88.5	111.1	113.8	110.1	113.9	122.2	122.6	118.3
Less: Payments to the rest of the world	24.3	34.5	34.8	39.3	32.3	39.0	44.2	43.5
Corporate profits with inventory valuation adjustment	517.9	570.8	547.3	597.9	595.3	624.8	633.5	631.0
Domestic industries	453.7	494.1	468.2	527.1	513.7	541.6	555.1	556.2
Financial	94.4	119.1	112.6	130.4	119.3	134.9	136.6	134.5
Federal Reserve banks	17.8	21.9	22.3	21.9	21.7	21.5	21.7	21.6
Other	76.6	97.3	90.3	108.5	97.6	113.4	114.9	112.9
Nonfinancial	359.3	375.0	355.6	396.7	394.4	406.7	418.5	421.7
Manufacturing	142.7	145.7	137.8	153.2	157.3	161.3	164.7	.....
Durable goods	77.2	77.2	74.0	78.1	80.8	89.5	92.4	.....
Primary metal industries	7	3.0	4.7	2.5	2.7	2.3	1.4	.....
Fabricated metal products	10.7	11.1	11.5	10.7	12.2	13.9	14.4	.....
Industrial machinery and equipment	9.0	12.1	12.1	12.5	11.1	14.3	13.6	.....
Electronic and other electric equipment	22.5	25.6	22.4	27.3	29.5	27.1	27.4	.....
Motor vehicles and equipment	10.2	4.4	3.0	4.4	3.6	8.1	10.6	.....
Other	24.1	20.9	20.4	20.6	21.7	23.8	25.0	.....
Nondurable goods	65.5	68.5	63.8	75.0	76.5	71.8	72.3	.....
Food and kindred products	19.1	17.7	18.4	16.8	17.5	15.7	13.2	.....
Chemicals and allied products	18.0	20.9	21.3	23.6	22.1	20.7	21.9	.....
Petroleum and coal products	-1	.8	-2	5.2	.3	-4.5	1.3	.....
Other	28.4	29.1	24.3	29.4	36.6	39.9	35.9	.....
Transportation and public utilities	81.3	94.8	92.5	102.3	95.8	95.6	104.5	.....
Transportation	10.8	14.4	13.5	15.0	15.4	13.1	14.0	.....
Communications	36.7	41.0	41.3	44.0	40.1	43.3	46.5	.....
Electric, gas, and sanitary services	33.8	39.4	37.7	43.3	40.3	39.3	44.1	.....
Wholesale trade	34.5	29.6	26.4	31.2	31.2	37.5	32.8	.....
Retail trade	42.2	38.7	36.6	42.5	39.6	41.7	44.3	.....
Other	58.6	66.2	62.3	67.5	70.5	70.6	72.2	.....
Rest of the world	64.3	76.7	79.1	70.8	81.7	83.2	78.4	74.8

NOTE.— Estimates in this table are based on the 1987 Standard Industrial Classification.

7. Quantity and Price Indexes

Table 7.1.—Quantity and Price Indexes for Gross Domestic Product

[Index numbers, 1992=100]

	Seasonally adjusted									Seasonally adjusted							
	1994	1995	1995			1996				1994	1995	1995			1996		
			II	III	IV	I	II	III				II	III	IV	I	II	III
Gross domestic product:																	
Current dollars	111.1	116.2	115.4	117.1	117.7	118.9	120.8	121.9	Chain-type quantity index	111.3	121.3	119.4	122.4	125.6	126.2	127.9	127.6
Chain-type quantity index	105.8	108.0	107.5	108.5	108.6	109.1	110.4	110.9	Chain-type price index	101.0	104.1	104.5	104.6	104.3	104.4	104.7	104.2
Chain-type price index	105.0	107.6	107.3	107.9	108.4	109.0	109.6	110.1	Implicit price deflator	101.0	104.1	104.5	104.6	104.2	104.1	103.9	103.4
Implicit price deflator	104.9	107.6	107.3	107.9	108.4	109.0	109.5	109.9	Exports of goods:								
Personal consumption expenditures:									Current dollars	113.5	129.6	128.2	130.8	134.7	134.5	136.0	134.7
Current dollars	111.4	116.7	116.4	117.5	118.3	119.9	121.8	122.4	Chain-type quantity index	114.0	126.1	124.3	126.6	131.2	131.7	133.9	133.8
Chain-type quantity index	106.0	108.5	108.3	108.9	109.2	110.2	111.1	111.2	Chain-type price index	99.5	102.8	103.1	103.3	102.8	102.5	102.6	101.7
Chain-type price index	105.1	107.6	107.5	107.8	108.3	108.9	109.8	110.2	Implicit price deflator	99.5	102.8	103.1	103.3	102.7	102.2	101.6	100.7
Implicit price deflator	105.1	107.6	107.5	107.8	108.3	108.9	109.6	110.0	Exports of services:								
Durable goods:									Current dollars	110.1	118.4	116.5	121.7	121.9	123.7	125.6	125.6
Current dollars	118.9	124.1	123.6	126.1	125.4	128.0	130.5	129.2	Chain-type quantity index	105.3	110.3	108.2	112.9	112.9	113.6	114.4	113.7
Chain-type quantity index	115.0	118.7	117.9	120.6	120.3	122.7	126.0	125.4	Chain-type price index	104.6	107.4	107.7	107.7	108.0	108.9	109.9	110.6
Chain-type price index	103.4	104.6	104.8	104.5	104.3	104.6	104.1	104.0	Implicit price deflator	104.6	107.4	107.6	107.7	108.0	108.8	109.8	110.5
Implicit price deflator	103.4	104.6	104.8	104.5	104.3	104.3	103.6	103.1	Imports of goods and services:								
Nondurable goods:									Current dollars	121.6	134.8	136.4	135.5	135.2	138.4	141.9	144.3
Current dollars	108.2	112.4	112.5	112.8	113.0	115.2	116.9	117.0	Chain-type quantity index	122.2	132.0	132.2	132.2	132.7	136.1	139.4	142.7
Chain-type quantity index	105.2	107.6	107.6	107.8	107.7	108.6	109.0	109.1	Chain-type price index	99.5	102.2	103.2	102.5	101.9	101.9	102.1	101.5
Chain-type price index	102.8	104.5	104.5	104.7	105.0	106.0	107.3	107.3	Implicit price deflator	99.5	102.2	103.2	102.5	101.8	101.7	101.8	101.1
Implicit price deflator	102.8	104.5	104.5	104.7	105.0	106.0	107.2	107.2	Imports of goods:								
Services:									Current dollars	124.3	138.9	140.8	139.4	139.3	142.5	146.5	149.1
Current dollars	111.7	117.6	117.0	118.3	119.7	120.9	122.7	124.0	Chain-type quantity index	125.6	136.7	137.2	136.8	137.7	141.0	145.0	148.7
Chain-type quantity index	104.6	107.0	106.7	107.3	107.9	108.5	109.3	109.6	Chain-type price index	99.0	101.7	102.6	101.9	101.3	101.4	101.4	100.7
Chain-type price index	106.7	109.9	109.7	110.3	110.9	111.5	112.4	113.2	Implicit price deflator	99.0	101.7	102.6	101.9	101.2	101.1	101.1	100.2
Implicit price deflator	106.7	109.9	109.7	110.3	110.9	111.4	112.3	113.1	Imports of services:								
Gross private domestic investment:									Current dollars	109.9	116.9	117.1	118.4	117.0	120.2	121.6	123.7
Current dollars	128.3	134.8	132.9	136.0	134.6	135.2	138.7	145.8	Chain-type quantity index	107.8	111.8	110.7	112.3	111.6	115.1	115.4	116.9
Chain-type quantity index	123.9	127.8	126.1	128.4	127.1	128.0	131.4	137.9	Chain-type price index	102.0	104.5	105.8	105.4	104.8	104.5	105.4	105.7
Chain-type price index	103.6	105.4	105.3	105.8	105.9	105.8	105.8	106.4	Implicit price deflator	102.0	104.5	105.8	105.4	104.8	104.5	105.4	105.8
Implicit price deflator	103.6	105.5	105.4	105.9	105.9	105.6	105.5	105.7	Government consumption expenditures and gross investment:								
Fixed investment:									Current dollars	104.0	107.5	107.6	108.0	107.9	109.5	111.5	112.0
Current dollars	121.9	131.2	129.7	132.3	133.5	136.7	138.9	142.7	Chain-type quantity index	99.7	99.7	100.1	100.0	98.9	99.3	101.1	101.1
Chain-type quantity index	117.6	124.6	123.3	125.1	126.2	129.3	131.6	134.8	Chain-type price index	104.3	107.8	107.4	108.0	109.1	110.2	110.1	110.8
Chain-type price index	103.7	105.4	105.2	105.8	105.9	105.9	106.0	106.5	Implicit price deflator	104.3	107.8	107.4	108.0	109.1	110.3	110.2	110.8
Implicit price deflator	103.7	105.4	105.2	105.8	105.8	105.7	105.5	105.8	Federal:								
Nonresidential:									Current dollars	97.8	97.8	98.9	97.9	96.2	98.2	100.3	99.5
Current dollars	119.6	132.4	131.6	133.8	134.4	137.8	138.7	144.4	Chain-type quantity index	92.8	89.4	90.8	89.5	86.4	87.7	89.7	88.9
Chain-type quantity index	116.9	128.0	127.4	128.9	129.7	133.3	134.5	139.9	Chain-type price index	105.4	109.4	108.9	109.3	111.3	111.8	111.6	111.8
Chain-type price index	102.3	103.4	103.4	103.8	103.7	103.7	103.7	104.1	Implicit price deflator	105.4	109.4	108.9	109.4	111.3	112.0	111.9	111.9
Implicit price deflator	102.3	103.4	103.4	103.8	103.6	103.4	103.1	103.2	National defense:								
Structures:									Current dollars	93.7	92.0	93.6	92.0	89.7	91.5	94.1	92.9
Current dollars	106.5	118.0	116.8	119.7	120.6	123.2	122.6	125.9	Chain-type quantity index	89.7	85.1	86.6	84.9	82.2	83.0	85.0	83.9
Chain-type quantity index	99.8	107.1	106.4	108.0	108.3	110.3	109.3	111.3	Chain-type price index	104.5	108.1	108.1	108.3	109.2	110.0	110.4	110.6
Chain-type price index	106.7	110.2	109.8	110.8	111.3	111.7	112.2	113.1	Implicit price deflator	104.5	108.1	108.1	108.3	109.2	110.3	110.8	110.7
Implicit price deflator	106.7	110.2	109.8	110.8	111.3	111.7	112.2	113.1	Nondefense:								
Producers' durable equipment:									Current dollars	108.0	112.4	111.9	112.4	112.1	114.8	115.5	115.9
Current dollars	125.3	138.6	138.1	139.9	140.4	144.2	145.7	152.5	Chain-type quantity index	100.3	100.1	100.9	100.6	96.6	99.0	101.0	101.0
Chain-type quantity index	124.6	137.5	136.8	138.3	139.3	143.6	146.0	152.9	Chain-type price index	107.7	112.3	110.9	111.7	116.0	116.0	114.4	114.7
Chain-type price index	100.6	100.8	100.9	101.2	100.9	100.7	100.6	100.9	Implicit price deflator	107.7	112.3	110.9	111.8	116.0	116.0	114.4	114.7
Implicit price deflator	100.6	100.8	100.9	101.2	100.8	100.4	99.8	99.7	State and local:								
Residential:									Current dollars	108.5	114.4	113.8	115.2	116.3	117.6	119.5	121.0
Current dollars	127.6	128.5	125.0	128.7	131.4	133.8	139.3	138.3	Chain-type quantity index	104.7	107.2	106.9	107.6	108.0	107.7	109.5	110.0
Chain-type quantity index	119.2	116.5	113.7	116.3	118.1	120.2	124.8	122.9	Chain-type price index	103.6	106.7	106.5	107.1	107.7	109.2	109.2	110.1
Chain-type price index	107.0	110.3	109.9	110.7	111.3	111.3	111.7	112.5	Implicit price deflator	103.6	106.7	106.5	107.1	107.7	109.1	109.2	110.1
Implicit price deflator	107.0	110.3	109.9	110.7	111.3	111.3	111.6	112.5									
Exports of goods and services:																	
Current dollars	112.5	126.3	124.7	128.1	130.9	131.3	132.9	132.0									

NOTE.—Chain-type quantity and price indexes are calculated from weighted averages of the detailed output and prices used to prepare each aggregate and component. Implicit price deflators are weighted averages of the detailed price indexes used to prepare each aggregate and component and are calculated as the ratio of current- to chained-dollar output multiplied by 100.

Percent changes from preceding period for items in this table are shown in table 8.1.

Table 7.2.—Quantity and Price Indexes for Gross Domestic Product, Final Sales, and Purchases

[Index numbers, 1992=100]

	1994	1995	Seasonally adjusted						
			1995			1996			
			II	III	IV	I	II	III	
Gross domestic product:									
Current dollars	111.1	116.2	115.4	117.1	117.7	118.9	120.8	121.9	
Chain-type quantity index	105.8	108.0	107.5	108.5	108.6	109.1	110.4	110.9	
Chain-type price index	105.0	107.6	107.3	107.9	108.4	109.0	109.6	110.1	
Implicit price deflator	104.9	107.6	107.3	107.9	108.4	109.0	109.5	109.9	
Final sales of domestic product:									
Current dollars	110.2	115.7	115.0	116.6	117.6	119.1	120.8	121.5	
Chain-type quantity index	105.0	107.6	107.1	108.1	108.4	109.3	110.4	110.5	
Chain-type price index	105.0	107.6	107.3	107.9	108.4	109.1	109.7	110.2	
Implicit price deflator	105.0	107.6	107.3	107.9	108.4	109.0	109.5	109.9	
Gross domestic purchases:									
Current dollars	112.1	117.1	116.7	117.9	118.2	119.8	121.8	123.3	
Chain-type quantity index	107.0	109.1	108.9	109.6	109.4	110.2	111.6	112.5	
Chain-type price index	104.8	107.3	107.2	107.6	108.1	108.7	109.3	109.8	
Implicit price deflator	104.7	107.3	107.2	107.6	108.1	108.7	109.2	109.5	
Final sales to domestic purchasers:									
Current dollars	111.2	116.7	116.3	117.4	118.1	119.9	121.8	122.8	
Chain-type quantity index	106.2	108.7	108.5	109.1	109.2	110.3	111.6	112.1	
Chain-type price index	104.8	107.3	107.2	107.6	108.1	108.7	109.3	109.8	
Implicit price deflator	104.8	107.3	107.2	107.6	108.1	108.7	109.2	109.6	
Addenda:									
Chain-type price indexes for gross domestic purchases:									
Food	103.8	106.4	106.1	106.7	107.3	107.9	108.8	110.2	
Energy	101.0	101.9	103.3	101.6	100.4	103.7	108.3	106.2	
Gross domestic purchases less food and energy	105.1	107.7	107.5	108.0	108.6	109.1	109.4	109.9	

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.3.—Quantity and Price Indexes for Gross National Product and Command-Basis Gross National Product

[Index numbers, 1992=100]

	1994	1995	1995	1995	1995	1996	1996	1996
Gross national product:								
Current dollars	110.8	115.8	115.1	116.6	117.4	118.7	120.5	121.4
Chain-type quantity index	105.6	107.7	107.3	108.1	108.3	108.9	110.1	110.5
Chain-type price index	104.9	107.6	107.3	107.8	108.4	109.0	109.6	110.1
Implicit price deflator	104.9	107.6	107.3	107.9	108.4	109.0	109.5	109.9
Less: Exports of goods and services and receipts of factor income:								
Chain-type quantity index	111.7	124.8	123.8	125.6	128.8	130.0	131.8	131.0
Plus: Command-basis exports of goods and services and receipts of factor income:								
Chain-type quantity index	113.1	126.8	125.1	127.7	131.3	132.6	134.0	133.5
Equals: Command-basis gross national product:								
Chain-type quantity index	105.8	107.9	107.5	108.4	108.6	109.3	110.4	110.8

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.4.—Chain-Type Quantity and Price Indexes for Personal Consumption Expenditures by Major Type of Product

[Index numbers, 1992=100]

	1994	1995	Seasonally adjusted						
			1995			1996			
			II	III	IV	I	II	III	
Personal consumption expenditures:									
Quantity index	106.0	108.5	108.3	108.9	109.2	110.2	111.1	111.2	
Price index	105.1	107.6	107.5	107.8	108.3	108.9	109.8	110.2	
Durable goods:									
Quantity index	115.0	118.7	117.9	120.6	120.3	122.7	126.0	125.4	
Price index	103.4	104.6	104.8	104.5	104.3	104.6	104.1	104.0	
Motor vehicles and parts:									
Quantity index	110.3	106.9	106.8	109.4	106.6	108.4	109.2	106.8	
Price index	107.5	112.1	112.4	112.2	112.5	113.4	113.5	113.7	
Furniture and household equipment:									
Quantity index	121.5	132.6	130.5	134.2	137.3	139.5	145.8	147.2	
Price index	98.6	96.3	96.7	96.1	95.2	94.6	93.8	93.3	
Other:									
Quantity index	112.9	119.0	119.1	119.8	119.1	123.4	127.2	126.7	
Price index	104.4	106.3	106.0	106.5	106.8	107.4	106.9	106.7	
Nondurable goods:									
Quantity index	105.2	107.6	107.6	107.8	107.7	108.6	109.0	109.1	
Price index	102.8	104.5	104.5	104.7	105.0	106.0	107.3	107.3	
Food:									
Quantity index	104.4	106.4	106.3	106.6	106.5	107.5	106.8	106.2	
Price index	103.9	106.4	106.2	106.7	107.4	108.0	109.0	110.3	
Clothing and shoes:									
Quantity index	109.6	114.0	114.4	114.8	114.1	116.4	119.2	120.3	
Price index	100.3	98.9	98.6	98.7	99.1	99.5	99.1	97.8	
Gasoline and oil:									
Quantity index	103.5	106.3	106.6	105.5	106.7	105.7	107.2	107.0	
Price index	99.6	101.1	104.1	100.5	97.4	102.9	111.0	105.6	
Fuel oil and coal:									
Quantity index	94.5	94.3	97.1	91.5	97.8	98.0	92.6	91.5	
Price index	98.0	97.3	97.8	98.2	96.7	105.4	108.7	105.2	
Other:									
Quantity index	104.6	106.4	106.6	106.7	106.3	107.1	107.7	108.8	
Price index	103.8	106.0	105.7	106.4	107.3	107.8	108.5	108.9	
Services:									
Quantity index	104.6	107.0	106.7	107.3	107.9	108.5	109.3	109.6	
Price index	106.7	109.9	109.7	110.3	110.9	111.5	112.4	113.2	
Housing:									
Quantity index	103.3	105.4	105.1	105.6	106.1	106.5	106.9	107.3	
Price index	105.7	109.1	108.7	109.5	110.5	111.3	112.1	112.9	
Household operation:									
Quantity index	107.1	111.5	111.7	113.1	112.4	113.1	115.1	113.9	
Price index	104.9	106.3	106.0	106.4	106.9	107.6	108.7	109.6	
Electricity and gas:									
Quantity index	104.6	106.6	107.2	110.0	106.4	108.3	110.6	107.9	
Price index	103.7	103.9	103.4	103.9	104.4	104.7	105.8	106.9	
Other household operation:									
Quantity index	109.0	115.1	115.0	115.5	116.7	116.6	118.3	118.3	
Price index	105.7	108.0	107.8	108.2	108.6	109.7	110.8	111.5	
Transportation:									
Quantity index	108.3	112.0	111.3	111.6	113.9	115.4	116.0	117.2	
Price index	105.9	108.7	108.9	110.1	109.4	108.9	110.5	111.5	
Medical care:									
Quantity index	103.4	105.8	105.4	106.1	106.9	106.9	107.6	108.2	
Price index	110.5	114.6	114.4	114.8	115.5	115.8	116.5	117.0	
Other:									
Quantity index	105.3	106.8	106.7	106.9	107.5	108.8	109.4	109.8	
Price index	105.0	108.0	107.7	108.4	109.0	109.6	110.6	111.6	
Addenda:									
Price indexes for personal consumption expenditures:									
Food	103.9	106.4	106.2	106.7	107.4	108.0	109.0	110.3	
Energy ¹	101.5	102.3	103.5	102.0	100.7	103.9	108.4	106.3	
Personal consumption expenditures less food and energy	105.6	108.2	108.0	108.5	109.0	109.4	110.0	110.5	

1. Consists of prices for gasoline and oil, fuel oil and coal, and electricity and gas.

Table 7.6.—Chain-Type Quantity and Price Indexes for Private Fixed Investment by Type

[Index numbers, 1992=100]

	1994	1995	Seasonally adjusted					
			1995			1996		
			II	III	IV	I	II	III
Private fixed investment:								
Quantity index	117.6	124.6	123.3	125.1	126.2	129.3	131.6	134.8
Price index	103.7	105.4	105.2	105.8	105.9	105.9	106.0	106.5
Nonresidential:								
Quantity index	116.9	128.0	127.4	128.9	129.7	133.3	134.5	139.9
Price index	102.3	103.4	103.4	103.8	103.7	103.7	103.7	104.1
Structures:								
Quantity index	99.8	107.1	106.4	108.0	108.3	110.3	109.3	111.3
Price index	106.7	110.2	109.8	110.8	111.3	111.7	112.2	113.1
Nonresidential buildings, including farm:								
Quantity index	104.0	113.0	112.1	114.2	115.1	116.1	114.6	117.8
Price index	107.2	111.0	110.7	111.4	111.9	112.1	112.7	113.5
Utilities:								
Quantity index	91.8	101.8	100.9	103.9	104.5	105.6	106.8	105.5
Price index	106.4	109.8	108.9	110.7	111.5	112.2	112.8	113.6
Mining exploration, shafts, and wells:								
Quantity index	94.9	83.9	80.8	82.5	78.8	95.9	96.9	96.7
Price index	106.6	107.4	107.1	108.6	108.2	108.6	109.2	110.5
Other structures:								
Quantity index	82.7	83.0	92.3	80.2	75.5	72.2	64.3	68.6
Price index	101.3	104.8	104.1	105.5	106.4	107.1	107.8	108.9
Producers' durable equipment:								
Quantity index	124.6	137.5	136.8	138.3	139.3	143.6	146.0	152.9
Price index	100.6	100.8	100.9	101.2	100.9	100.7	100.6	100.9
Information processing and related equipment:								
Quantity index	127.0	149.9	148.8	150.1	159.8	168.0	174.5	187.2
Price index	94.1	91.1	91.8	90.8	89.5	88.5	87.2	86.7
Computers and peripheral equipment ¹ :								
Quantity index	157.7	208.1	200.7	209.1	240.3	266.7	287.4	317.1
Price index	78.6	69.5	70.9	68.6	65.8	62.9	59.6	58.3
Other:								
Quantity index	113.7	126.6	127.5	126.4	128.8	130.9	132.6	139.4
Price index	103.3	104.8	104.8	105.0	105.0	105.4	105.9	105.9
Industrial equipment:								
Quantity index	118.5	130.1	132.6	130.6	129.2	131.9	135.0	131.5
Price index	103.6	107.2	107.1	107.9	108.2	108.6	108.8	109.1
Transportation and related equipment:								
Quantity index	129.6	137.1	133.4	139.6	133.9	136.4	133.4	146.4
Price index	104.9	105.7	105.3	106.8	106.6	106.6	107.6	108.8
Other:								
Quantity index	121.9	127.5	127.0	127.4	125.8	128.5	129.8	133.4
Price index	103.5	105.4	105.2	105.7	106.7	107.5	107.9	108.6
Residential:								
Quantity index	119.2	116.5	113.7	116.3	118.1	120.2	124.8	122.9
Price index	107.0	110.3	109.9	110.7	111.3	111.3	111.7	112.5
Structures:								
Quantity index	119.4	116.5	113.7	116.3	118.1	120.3	125.0	123.1
Price index	107.1	110.5	110.1	110.9	111.5	111.5	111.9	112.7
Single family:								
Quantity index	120.6	109.6	105.6	108.0	110.8	113.7	118.1	117.1
Price index	109.5	113.1	112.7	113.5	113.9	113.7	113.9	114.9
Multifamily:								
Quantity index	103.4	134.7	132.9	136.2	141.2	146.7	160.3	136.8
Price index	104.1	105.3	105.0	105.7	106.1	105.9	106.1	107.0
Other structures:								
Quantity index	120.2	123.4	122.1	124.8	125.0	125.7	129.3	129.3
Price index	104.3	107.7	107.3	108.1	109.1	109.3	109.9	110.7
Producers' durable equipment:								
Quantity index	112.5	115.3	113.9	115.7	115.9	115.5	118.9	118.0
Price index	103.0	103.9	103.8	103.9	104.0	104.6	104.2	104.9

1. Includes new computers and peripheral equipment only.

Table 7.9.—Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services and for Receipts and Payments of Factor Income

[Index numbers, 1992=100]

	1994	1995	Seasonally adjusted					
			1995			1996		
			II	III	IV	I	II	III
Exports of goods and services:								
Quantity index	111.3	121.3	119.4	122.4	125.6	126.2	127.9	127.6
Price index	101.0	104.1	104.5	104.6	104.3	104.4	104.7	104.2
Goods ¹ :								
Quantity index	114.0	126.1	124.3	126.6	131.2	131.7	133.9	133.8
Price index	99.5	102.8	103.1	103.3	102.8	102.5	102.6	101.7
Durable:								
Quantity index	119.0	134.0	132.4	134.9	140.4	140.9	145.5	145.6
Price index	97.5	97.5	97.7	97.6	97.2	96.7	96.0	95.2
Non-durable:								
Quantity index	104.0	110.8	108.6	110.6	113.6	113.9	111.8	111.5
Price index	104.1	115.1	115.8	116.5	116.1	116.2	118.3	117.0
Services ¹ :								
Quantity index	105.3	110.3	108.2	112.9	112.9	113.6	114.4	113.7
Price index	104.6	107.4	107.7	107.7	108.0	108.9	109.9	110.6
Receipts of factor income:								
Quantity index	113.1	140.8	143.5	139.7	143.3	147.4	149.0	146.3
Price index	104.8	107.2	107.1	107.5	108.0	108.5	109.0	109.4
Imports of goods and services:								
Quantity index	122.2	132.0	132.2	132.2	132.7	136.1	139.4	142.7
Price index	99.5	102.2	103.2	102.5	101.9	101.9	102.1	101.5
Goods ¹ :								
Quantity index	125.6	136.7	137.2	136.8	137.7	141.0	145.0	148.7
Price index	99.0	101.7	102.6	101.9	101.3	101.4	101.4	100.7
Durable:								
Quantity index	131.5	146.4	146.8	146.1	148.4	152.9	156.5	160.9
Price index	99.6	100.8	101.3	101.1	100.3	99.4	98.2	97.5
Non-durable:								
Quantity index	115.0	119.6	120.4	120.6	118.9	120.2	124.8	127.5
Price index	97.8	103.7	105.6	103.6	103.5	105.7	108.3	107.6
Services ¹ :								
Quantity index	107.8	111.8	110.7	112.3	111.6	115.1	115.4	116.9
Price index	102.0	104.5	105.8	105.4	104.8	104.5	105.4	105.7
Payments of factor income:								
Quantity index	125.1	157.5	157.1	163.1	159.6	159.5	166.5	171.1
Price index	105.4	107.8	107.6	108.0	108.5	109.0	109.6	110.0

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 7.14.—Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector

[Index numbers, 1992=100]

	1994	1995	Seasonally adjusted						
			1995			1996			
			II	III	IV	I	II	III	
Gross domestic product:									
Quantity index	105.8	108.0	107.5	108.5	108.6	109.1	110.4	110.9	
Price index	105.0	107.6	107.3	107.9	108.4	109.0	109.6	110.1	
Business¹:									
Quantity index	106.7	109.2	108.6	109.8	110.1	110.7	112.0	112.6	
Price index	104.9	107.3	107.1	107.6	108.0	108.5	109.3	109.7	
Nonfarm¹:									
Quantity index	106.7	109.5	108.9	110.1	110.3	110.9	112.2	112.7	
Price index	105.0	107.4	107.2	107.7	108.0	108.5	109.2	109.6	
Nonfarm less housing:									
Quantity index	107.1	109.9	109.3	110.7	110.7	111.5	112.8	113.3	
Price index	104.9	107.2	107.1	107.5	107.8	108.2	108.9	109.3	
Housing:									
Quantity index	103.3	105.6	105.3	105.6	106.9	106.3	106.5	107.4	
Price index	105.7	108.9	108.5	109.0	110.1	110.9	111.6	112.3	
Farm:									
Quantity index	104.2	94.4	94.8	91.3	93.5	98.2	102.8	108.0	
Price index	98.4	101.4	98.6	104.6	106.6	109.4	114.2	116.7	
Households and institutions:									
Quantity index	106.2	108.4	108.1	108.6	109.3	109.5	110.5	111.1	
Price index	104.7	106.8	106.5	107.0	108.1	109.1	109.7	110.7	
Private households:									
Quantity index	101.1	100.5	100.4	101.1	101.1	101.7	102.5	102.4	
Price index	106.3	109.7	109.1	109.8	111.2	112.0	112.7	114.4	
Nonprofit institutions:									
Quantity index	106.3	108.7	108.4	108.9	109.6	109.8	110.8	111.5	
Price index	104.7	106.7	106.4	106.9	108.0	109.0	109.6	110.5	
General government²:									
Quantity index	100.2	99.6	99.8	99.8	98.7	98.3	99.6	99.7	
Price index	105.7	109.7	109.1	109.8	111.4	112.9	112.1	112.9	
Federal:									
Quantity index	93.6	89.8	90.8	90.3	86.9	87.0	87.6	87.1	
Price index	107.4	112.9	111.9	112.5	116.0	116.9	115.4	115.5	
State and local:									
Quantity index	103.8	104.9	104.8	105.1	105.2	104.6	106.2	106.6	
Price index	104.9	108.0	107.7	108.4	109.2	110.9	110.5	111.6	

NOTE.—See footnotes to table 1.7.

Table 7.16.—Implicit Price Deflators for Inventories

[Index numbers, 1992=100]

	Seasonally adjusted					
	1995			1996		
	II	III	IV	I	II	III
Inventories¹	106.2	105.9	106.4	106.7	107.2	107.1
Farm	93.5	93.0	95.5	94.6	99.9	101.5
Nonfarm	107.5	107.3	107.5	107.9	107.9	107.7
Durable goods	107.0	106.6	106.4	106.1	106.2	106.1
Nondurable goods	108.0	108.1	109.0	110.2	110.3	110.0
Manufacturing	108.4	108.0	107.5	107.3	107.1	107.0
Durable goods	106.8	106.0	105.4	105.0	105.1	104.7
Nondurable goods	111.0	111.4	111.0	111.1	110.5	110.7
Wholesale	107.5	107.5	108.0	108.6	108.8	107.8
Durable goods	106.2	105.9	105.4	105.1	105.0	104.9
Nondurable goods	109.6	110.1	112.3	114.4	115.1	112.8
Merchant wholesalers	107.8	107.8	108.3	108.8	109.2	108.0
Durable goods	106.4	106.1	105.6	105.3	105.3	105.1
Nondurable goods	110.1	110.8	113.0	114.9	116.0	113.0
Nonmerchant wholesalers	105.7	105.1	105.9	106.9	106.1	106.6
Durable goods	104.7	104.5	104.1	103.7	103.5	103.3
Nondurable goods	107.2	106.2	108.8	111.9	110.1	111.9
Retail trade	106.1	106.3	107.0	107.4	107.4	107.7
Durable goods	106.9	106.8	107.5	107.7	107.4	107.4
Motor vehicle dealers	108.5	107.8	109.7	110.5	109.5	108.9
Other	105.2	105.5	105.2	104.9	105.2	105.7
Nondurable goods	105.5	105.9	106.5	107.3	107.6	108.2
Other	107.7	106.6	107.4	109.5	110.1	110.2
Durable goods	113.8	114.1	112.7	112.7	114.4	115.3
Nondurable goods	104.7	102.8	104.9	108.0	108.0	107.7

NOTE.—See footnote to table 5.12.

Table 7.15.—Current-Dollar Cost and Profit Per Unit of Real Gross Domestic Product of Nonfinancial Corporate Business

[Dollars]

Current-dollar cost and profit per unit of real gross domestic product¹	1.034	1.052	1.051	1.055	1.057	1.062	1.065	1.065
Consumption of fixed capital .....	.116	.115	.115	.115	.115	.115	.115	.115
Net domestic product .....	.918	.938	.936	.940	.942	.946	.951	.951
Indirect business tax and nontax liability plus business transfer payments less subsidies .....	.106	.109	.110	.108	.108	.107	.105	.105
Domestic income .....	.812	.829	.826	.832	.834	.839	.845	.846
Compensation of employees .....	.682	.697	.698	.696	.699	.702	.706	.707
Corporate profits with inventory valuation and capital consumption adjustments .....	.102	.104	.100	.109	.108	.111	.113	.113
Profits tax liability .....	.036	.038	.038	.038	.037	.039	.039	.037
Profits after tax with inventory valuation and capital consumption adjustments .....	.066	.066	.062	.071	.070	.072	.074	.076
Net interest .....	.027	.027	.028	.027	.027	.026	.027	.027

1. Equals the deflator for gross domestic product of nonfinancial corporate business with the decimal point shifted two places to the left.

Table 8.2.—Contributions to Percent Change in Real Gross Domestic Product

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Percent change at annual rate:								
Gross domestic product	3.5	2.0	0.7	3.8	0.3	2.0	4.7	2.0
Percentage points at annual rates:								
Personal consumption expenditures	2.1	1.6	2.1	1.6	.7	2.4	2.3	.4
Durable goods .....	.6	.3	.6	.7	-.1	.7	.9	-.2
Nondurable goods .....	.6	.5	.4	.1	-.1	.7	.3	.1
Services .....	.9	.9	1.2	.8	.8	.9	1.1	.5
Gross private domestic investment ...	1.9	.5	-1.6	1.1	-6	.4	1.5	3.0
Fixed investment	1.3	.8	-.2	.8	-.5	1.4	1.0	1.4
Nonresidential .....	.9	.9	.3	.5	.2	1.1	.4	1.7
Structures	0	.2	.1	.2	0	.2	-.1	.2
Producers' durable equipment .....	.9	.7	.2	.3	.2	.9	.5	1.5
Residential .....	.4	-.1	-.6	.3	.2	.3	.6	-.3
Change in business inventories .....	.6	-.4	-1.3	.3	-1.0	-.1	.5	1.5
Net exports of goods and services ...	-.5	0	.1	1.2	.9	-1.1	-.6	-1.3
Exports .....	.8	.9	.6	1.1	1.1	.2	.6	-.1
Goods .....	.7	.8	.5	.6	1.1	.1	.5	0
Services .....	.1	.1	.1	.5	0	.1	.1	-.1
Imports	-1.3	-.9	-.5	0	-.2	-1.3	-1.2	-1.2
Goods	-1.2	-.9	-.7	.1	-.2	-1.0	-1.2	-1.1
Services	-.1	-.1	.1	-.1	0	-.2	0	-.1
Government consumption expenditures and gross investment	0	0	.1	-.1	-.8	.3	1.4	0
Federal	-.3	-.3	-.1	-.4	-.9	.4	.6	-.2
National defense	-.3	-.3	0	-.4	-.6	.2	.4	-.2
Nondefense	0	0	-.1	0	-.3	.2	.2	0
State and local .....	.3	.3	.2	.3	.2	-.1	.8	.2

Table 8.3.—Selected Per Capita Product and Income Series in Current and Chained Dollars

	[Dollars]							
	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
II			III	IV	I	II	III	
Current dollars:								
Gross domestic product	26,606	27,571	27,421	27,752	27,840	28,072	28,455	28,637
Gross national product	26,592	27,545	27,412	27,690	27,816	28,071	28,427	28,568
Personal income	22,069	23,243	23,119	23,337	23,613	23,845	24,183	24,459
Disposable personal income	19,264	20,224	20,068	20,306	20,555	20,727	20,900	21,172
Personal consumption expenditures	18,033	18,719	18,689	18,823	18,901	19,128	19,383	19,432
Durable goods	2,228	2,305	2,299	2,338	2,321	2,363	2,405	2,375
Nondurable goods	5,484	5,648	5,658	5,661	5,659	5,753	5,826	5,817
Services	10,320	10,767	10,732	10,824	10,921	11,011	11,152	11,239
Chained (1992) dollars:								
Gross domestic product	25,352	25,630	25,551	25,727	25,681	25,757	25,994	26,057
Gross national product	25,341	25,608	25,545	25,672	25,662	25,759	25,972	25,999
Disposable personal income	18,330	18,799	18,676	18,829	18,986	19,041	19,063	19,242
Personal consumption expenditures	17,159	17,400	17,393	17,454	17,458	17,573	17,679	17,661
Durable goods	2,156	2,204	2,193	2,236	2,225	2,265	2,322	2,304
Nondurable goods	5,334	5,404	5,416	5,409	5,390	5,428	5,434	5,425
Services	9,672	9,795	9,787	9,812	9,845	9,883	9,927	9,935
Population (mid-period, thousands)	260,681	263,090	262,748	263,399	264,032	264,563	265,155	265,806

Table 8.4.—Auto Output

[Billions of dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Auto output	143.6	134.8	130.3	134.8	132.6	112.9	136.2	138.6
Final sales	141.8	133.8	130.6	145.6	133.7	132.1	134.0	133.1
Personal consumption expenditures	137.4	137.3	138.6	142.4	134.8	137.4	140.9	135.8
New autos	91.3	84.6	84.1	83.5	87.2	85.1	82.5	76.7
Net purchases of used autos	46.1	52.7	54.5	59.0	47.6	52.3	58.4	59.1
Producers' durable equipment	46.9	42.2	41.3	46.0	39.9	40.0	42.7	46.5
New autos	74.7	72.4	71.0	79.3	68.0	70.2	75.8	82.3
Net purchases of used autos	-27.7	-30.2	-29.8	-33.3	-28.1	-30.2	-33.1	-35.8
Net exports	-44.7	-48.1	-51.6	-44.9	-43.9	-47.9	-51.5	-51.1
Exports	16.4	16.7	15.8	17.2	16.7	17.3	15.7	18.6
Imports	61.1	64.8	67.3	62.2	60.6	65.2	67.2	69.7
Gross government investment	2.1	2.4	2.3	2.1	3.0	2.6	1.9	1.9
Change in business inventories of new and used autos	1.8	1.0	-3	-10.9	-1.2	-19.1	2.3	5.4
New	1.7	0	-4	-9.1	-3.7	-21.4	3.3	6.0
Used .....	.1	1.0	.1	-1.8	2.5	2.3	-1.0	-6
Addenda:								
Domestic output of new autos ¹	125.5	118.9	116.0	119.8	113.3	102.5	123.2	129.3
Sales of imported new autos ²	59.7	56.3	54.3	55.3	57.8	58.3	53.8	54.9

1. Consists of final sales and change in business inventories of new autos assembled in the United States.

2. Consists of personal consumption expenditures, producers' durable equipment, and gross government investment.

Table 8.5.—Real Auto Output

[Billions of chained (1992) dollars]

	1994	1995	Seasonally adjusted at annual rates					
			1995			1996		
			II	III	IV	I	II	III
Auto output	133.2	120.5	116.6	120.9	117.0	100.1	119.6	120.8
Final sales	132.0	120.2	116.9	131.0	119.8	117.0	118.2	116.4
Personal consumption expenditures	125.1	118.1	118.4	122.8	115.8	116.7	120.0	115.6
New autos	86.2	78.3	77.7	77.0	80.2	77.9	75.2	69.3
Net purchases of used autos	38.9	39.3	40.0	44.4	35.8	38.4	43.5	44.3
Producers' durable equipment	46.6	43.2	42.8	46.7	40.2	40.6	42.5	45.2
New autos	70.5	66.9	65.7	73.2	62.5	64.3	69.1	74.4
Net purchases of used autos	-24.2	-23.8	-23.0	-26.5	-22.4	-23.6	-26.2	-28.7
Net exports	-41.2	-43.0	-46.3	-39.8	-38.9	-42.6	-46.0	-45.4
Exports	16.1	16.0	15.2	16.6	15.7	16.3	14.8	17.5
Imports	57.3	59.1	61.5	56.4	54.6	58.9	60.8	62.9
Gross government investment	2.0	2.2	2.2	2.0	2.8	2.4	1.7	1.7
Change in business inventories of new and used autos	1.1	.2	-3	-10.1	-2.8	-16.8	1.4	4.3
New	1.1	-6	-2	-8.6	-5.0	-19.3	2.6	5.2
Used	0	.6	-1	-1.6	1.9	1.6	-1.0	-6
Residual	-1	.7	.6	.8	.1	1.0	.7	.6
Addenda:								
Domestic output of new autos ¹	118.9	110.2	108.1	111.2	103.3	94.6	112.4	117.5
Sales of imported new autos ²	56.4	52.1	50.2	51.0	53.1	53.5	49.1	49.6

1. Consists of final sales and change in business inventories of new autos assembled in the United States.

2. Consists of personal consumption expenditures, producers' durable equipment, and gross government investment.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.

Table 8.6.—Truck Output

[Billions of dollars]

	1994	1995	1996	1997	1998	1999	2000	2001
Truck output ¹	121.2	127.6	128.1	124.9	130.5	129.7	134.4	130.7
Final sales	118.0	125.5	123.0	123.9	130.1	134.8	129.4	129.5
Personal consumption expenditures	57.1	56.9	56.5	56.7	58.7	59.6	58.0	56.8
Producers' durable equipment	58.5	66.3	64.4	68.3	67.1	68.4	69.1	71.6
Net exports	-5.1	-5.1	-5.3	-5.1	-4.9	-4.2	-5.2	-6.4
Exports	6.7	7.7	7.5	7.7	7.8	8.3	9.0	8.6
Imports	11.8	12.8	12.8	12.8	12.7	12.5	14.2	15.0
Gross government investment	7.5	7.5	7.4	3.9	9.2	11.1	7.5	7.5
Change in business inventories	3.2	2.1	5.0	1.0	.4	-5.1	4.9	1.2

1. Includes new trucks only.

Table 8.7.—Real Truck Output

[Billions of chained (1992) dollars]

	1994	1995	1996	1997	1998	1999	2000	2001
Truck output ¹	111.8	114.5	114.9	111.0	116.4	115.2	118.5	114.8
Final sales	108.8	112.6	110.4	110.1	116.0	119.7	114.1	113.7
Personal consumption expenditures	52.8	50.9	50.8	50.4	51.9	52.5	50.7	49.4
Producers' durable equipment	53.8	59.3	57.5	60.5	60.0	60.8	61.1	63.1
Net exports	-4.6	-4.3	-4.5	-4.2	-4.0	-3.4	-4.2	-5.3
Exports	6.6	7.5	7.2	7.5	7.5	8.0	8.7	8.3
Imports	11.2	11.8	11.7	11.7	11.5	11.4	12.9	13.6
Gross government investment	6.9	6.7	6.6	3.5	8.2	9.8	6.6	6.6
Change in business inventories	2.9	1.9	4.5	.9	.4	-4.5	4.3	1.1
Residual	0	0	0	-1	-1	0	0	-1

1. Includes new trucks only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Annual Estimates:

Except as noted, these tables are derived from the NIPA tables published in the August 1996 SURVEY OF CURRENT BUSINESS; they are consistent with the most recent benchmark and annual revisions.

Table B.3.—Gross Domestic Product by Industry, Current-Dollar and Real Estimates for 1992–94

	Billions of dollars			Billions of chained (1992) dollars				Billions of dollars			Billions of chained (1992) dollars		
	1992	1993	1994	1992	1993	1994		1992	1993	1994	1992	1993	1994
Gross domestic product	6,244.4	6,550.2	6,931.4	6,244.4	6,383.8	6,604.2							
Private industries	5,370.8	5,650.0	6,000.0	5,370.8	5,508.7	5,728.7							
Agriculture, forestry, and fishing	112.4	105.3	117.8	112.4	103.3	115.7							
Farms	80.5	72.0	82.2	80.5	70.9	83.9							
Agricultural services, forestry, and fishing	31.9	33.3	35.7	31.9	32.3	32.1							
Mining	92.2	89.0	90.1	92.2	90.7	96.7							
Metal mining	5.5	4.9	5.0	5.5	5.2	4.5							
Coal mining	13.6	12.5	13.8	13.6	13.9	16.2							
Oil and gas extraction	65.0	63.6	62.8	65.0	63.3	67.7							
Nonmetallic minerals, except fuels	8.2	8.1	8.5	8.2	8.3	8.6							
Construction	229.7	243.6	269.2	229.7	236.1	253.1							
Manufacturing	1,063.6	1,116.5	1,197.1	1,063.6	1,095.3	1,168.0							
Durable goods	573.4	612.3	673.1	573.4	601.2	657.9							
Lumber and wood products	32.0	35.3	41.0	32.0	28.7	31.5							
Furniture and fixtures	16.2	17.6	19.0	16.2	17.8	18.4							
Stone, clay, and glass products	25.1	25.7	27.9	25.1	25.0	26.2							
Primary metal industries	39.0	40.8	44.2	39.0	41.9	42.9							
Fabricated metal products	70.1	74.5	82.5	70.1	74.2	82.9							
Industrial machinery and equipment	108.6	111.9	119.3	108.6	115.8	127.6							
Electronic and other electric equipment	98.6	111.8	130.0	98.6	113.6	138.4							
Motor vehicles and equipment	52.8	66.2	84.1	52.8	60.6	72.8							
Other transportation equipment	56.5	53.2	47.6	56.5	51.6	45.1							
Instruments and related products	54.2	53.6	54.5	54.2	51.3	50.9							
Miscellaneous manufacturing industries	20.1	21.8	23.1	20.1	21.1	22.4							
Nondurable goods	490.2	504.3	524.0	490.2	494.1	510.2							
Food and kindred products	102.1	103.7	108.1	102.1	102.2	104.8							
Tobacco products	18.4	16.5	16.6	18.4	17.5	22.0							
Textile mill products	25.4	25.5	25.6	25.4	25.9	27.3							
Apparel and other textile products	27.2	27.3	27.8	27.2	26.9	27.8							
Paper and allied products	45.8	47.6	49.0	45.8	49.9	49.7							
Printing and publishing	79.7	81.7	85.7	79.7	77.3	78.2							
Chemicals and allied products	120.5	126.5	132.4	120.5	122.1	125.1							
Petroleum and coal products	28.2	29.8	29.7	28.2	27.1	26.8							
Rubber and miscellaneous plastics	38.1	41.1	45.0	38.1	40.9	45.7							
Leather and leather products	4.8	4.6	4.1	4.8	4.6	3.9							
Transportation and public utilities	528.8	566.2	606.4	528.8	555.8	585.3							
Transportation	192.8	207.6	222.8	192.8	205.1	215.5							
Railroad transportation	22.1	23.0	24.3	22.1	24.0	26.2							
Local and interurban passenger transit	10.9	11.3	11.7	10.9	10.9	11.1							
Trucking and warehousing	82.2	88.4	95.1	82.2	88.3	89.6							
Water transportation	10.3	10.3	10.6	10.3	10.4	10.9							
Transportation by air	43.0	48.6	51.1	43.0	45.2	49.9							
Pipelines, except natural gas	4.9	5.2	5.7	4.9	5.7	6.0							
Public utilities	336.0	358.6	383.6	336.0	350.7	369.8							
Services	1,200.8	1,266.1	1,342.7	1,200.8	1,222.1	1,249.6							
Hotels and other lodging places	51.0	54.6	56.1	51.0	52.5	52.6							
Personal services	41.0	44.5	46.5	41.0	42.8	43.1							
Business services	218.9	233.4	253.5	218.9	234.3	247.0							
Auto repair, services, and parking	51.1	54.0	57.4	51.1	51.0	51.6							
Miscellaneous repair services	17.5	19.2	19.4	17.5	17.2	16.9							
Motion pictures	20.0	22.1	24.8	20.0	21.9	23.6							
Amusement and recreation services	47.9	48.7	52.2	47.9	47.0	48.4							
Health services	369.1	384.8	408.3	369.1	363.1	368.3							
Legal services	90.1	92.3	94.4	90.1	87.9	86.7							
Educational services	46.3	48.5	51.4	46.3	46.8	47.6							
Social services	36.9	40.1	43.4	36.9	39.3	41.2							
Membership organizations	38.9	42.1	44.5	38.9	40.8	42.8							
Other services	162.2	171.2	180.0	162.2	167.5	170.6							
Private households	10.1	10.7	10.8	10.1	10.3	10.2							
Statistical discrepancy ¹	43.7	55.1	31.3	43.7	53.7	29.8							
Government	873.6	900.2	931.3	873.6	875.1	875.8							
Federal	321.4	322.5	327.1	321.4	314.7	305.0							
General government	274.4	276.6	275.7	274.4	267.3	256.8							
Government enterprises	47.0	45.9	51.4	47.0	47.5	48.4							
State and local	552.2	577.7	604.3	552.2	560.3	570.8							
General government	506.6	529.9	551.4	506.6	515.6	525.8							
Government enterprises	45.6	47.8	52.9	45.6	44.7	45.1							
Not allocated by industry ²	0	7.0	-14.5	0	7.0	-14.5							

1. The current-dollar statistical discrepancy equals gross domestic product (GDP) measured as the sum of expenditures less gross domestic income—that is, GDP measured as the costs incurred and profits earned in domestic production. The chained (1992) dollar statistical discrepancy equals the current-dollar discrepancy deflated by the implicit price deflator for gross domestic product.

2. Equals GDP in chained (1992) dollars less the statistical discrepancy and the sum of GPO of the detailed

industries.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification. The table is derived from tables 10 and 14 in "Improved Estimates of Gross Product by Industry, 1959–94" in the August 1996 SURVEY OF CURRENT BUSINESS.

Table B.4.—Personal Consumption Expenditures by Type of Expenditure

Table with multiple columns for years (1993, 1994, 1995) and chained 1992 dollars, categorized by expenditure type such as Personal consumption expenditures, Food and tobacco, Clothing, accessories, and jewelry, Personal care, Housing, Household operation, Medical care, Education and research, and Religious and welfare activities.

1. Consists of purchases (including tips) of meals and beverages from retail, service, and amusement establishments, hotels, dining and buffet cars, schools, school fraternities, institutions, clubs, and industrial lunchrooms. Includes meals and beverages consumed both on- and off-premise.
2. Includes luggage.
3. Consists of watch, clock, and jewelry repairs, costume and dress suit rental, and miscellaneous personal services.

22. Consists of dues and fees excluding insurance premiums.
23. Consists of billiard parlors; bowling alleys; dancing, riding, shooting, skating, and swimming places; amusement devices and parks; golf courses; sightseeing buses and guides; private flying operations; casino gambling; and other commercial participant amusements.
24. Consists of net receipts of lotteries and expenditures for purchases of pets and pet care services, cable TV, film processing, photographic studios, sporting and recreation camps, video cassette rentals, and recreational services, not elsewhere classified.

Table B.5.—Private Purchases of Structures by Type

	Billions of dollars			Billions of chained (1992) dollars		
	1993	1994	1995	1993	1994	1995
Private purchases of structures	417.1	460.9	482.2	402.6	431.0	436.9
Nonresidential	171.8	180.2	199.7	166.3	168.8	181.1
New	172.0	180.2	199.4	166.5	168.8	180.9
Nonresidential buildings, excluding farm	113.3	122.9	138.8	109.6	114.7	125.1
Industrial	27.4	29.6	34.2	26.5	27.6	30.8
Commercial	52.6	59.7	67.9	50.8	55.7	61.2
Office buildings ¹	21.1	23.4	26.5	20.4	21.8	23.9
Other ²	31.5	36.4	41.4	30.4	33.9	37.3
Religious	3.6	3.7	3.9	3.5	3.4	3.5
Educational	4.9	5.4	6.4	4.8	5.1	5.8
Hospital and institutional	13.9	13.1	12.4	13.5	12.2	11.1
Other ³	10.8	11.5	14.0	10.5	10.7	12.6
Utilities	32.0	33.7	38.5	31.1	31.7	35.1
Railroads	3.1	3.9	3.8	2.9	3.5	3.4
Telecommunications	9.6	10.7	10.9	9.5	10.4	10.5
Electric light and power	12.8	12.3	15.1	12.4	11.4	13.6
Gas	5.6	5.8	7.6	5.4	5.4	6.5
Petroleum pipelines	1.0	1.0	1.2	1.0	.9	1.1
Farm	3.3	3.2	3.2	3.2	3.0	2.9
Mining exploration, shafts, and wells	15.6	13.5	12.0	14.8	12.6	11.2
Petroleum and natural gas	14.1	11.7	10.1	13.3	11.0	9.4
Other	1.5	1.7	1.9	1.5	1.6	1.7
Other ⁴	7.8	6.9	6.9	7.7	6.8	6.6
Brokers' commissions on sale of structures	1.3	1.4	1.6	1.3	1.4	1.5
Net purchases of used structures	-1.6	-1.5	-1.4	-1.5	-1.4	-1.3
Residential	245.3	280.7	282.5	236.3	262.1	255.8
New	217.9	248.5	249.0	209.1	230.6	224.0
New housing units	151.1	177.3	175.0	144.1	162.3	155.1
Permanent site	144.1	167.9	163.1	137.5	154.0	145.1
Single-family structures	133.3	153.8	144.5	127.1	140.5	127.7
Multifamily structures	10.8	14.1	18.6	10.4	13.5	17.6
Mobile homes	7.0	9.3	11.9	6.7	8.3	10.0
Improvements	66.4	71.0	73.9	64.5	68.0	68.8
Other ⁵ .....	.5	.3	.1	.4	.3	.1
Brokers' commissions on sale of structures	29.2	33.5	34.6	28.9	32.7	32.8
Net purchases of used structures	-1.8	-1.3	-1.1	-1.7	-1.2	-1.0
Residual				0	.2	-.1

1. Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for their own use.

2. Consists of stores, restaurants, garages, service stations, warehouses, mobile structures, and other buildings used for commercial purposes.

3. Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

4. Consists primarily of streets, dams and reservoirs, sewer and water facilities, parks, and airfields.

5. Consists primarily of dormitories, fraternity and sorority houses, and nurses' homes.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.—Private Purchases of Producers' Durable Equipment by Type

	Billions of dollars			Billions of chained (1992) dollars		
	1993	1994	1995	1993	1994	1995
Private purchases of producers' durable equipment	433.4	494.0	546.1	434.0	490.9	541.4
Nonresidential equipment	427.0	487.0	538.8	427.6	484.1	534.5
Information processing and related equipment	141.8	160.4	183.2	147.1	170.4	201.1
Office, computing, and accounting machinery	56.5	63.3	73.9	63.7	77.6	100.5
Computers and peripheral equipment ¹	48.7	54.5	63.6	56.2	69.3	91.5
Other	7.8	8.8	10.3	7.7	8.6	9.9
Communication equipment	47.1	56.1	66.1	46.4	54.5	63.4
Instruments	22.0	23.3	25.6	21.5	22.4	24.2
Photocopy and related equipment	16.1	17.7	17.6	15.8	17.1	16.7
Industrial equipment	97.6	109.7	124.5	96.3	105.9	116.2
Fabricated metal products	9.2	9.8	10.0	9.2	9.6	9.5
Engines and turbines	4.4	5.1	4.7	4.4	5.0	4.4
Metalworking machinery	20.4	23.9	28.5	20.0	22.9	26.3
Special industry machinery, n.e.c.	25.2	29.1	34.8	24.7	27.9	32.3
General industrial, including materials handling, equipment	21.1	22.6	25.4	20.7	21.7	23.6
Electrical transmission, distribution, and industrial apparatus	17.2	19.2	21.1	17.1	18.8	20.0
Transportation and related equipment	99.2	117.1	124.9	97.5	111.7	118.1
Trucks, buses, and truck trailers	42.5	55.4	62.7	40.7	50.9	56.1
Autos	37.7	47.0	42.2	38.2	46.6	43.2
Aircraft	12.9	7.9	12.5	12.6	7.5	11.4
Ships and boats	2.1	1.6	1.1	2.0	1.5	1.0
Railroad equipment	4.0	5.3	6.4	3.9	5.1	5.8
Other equipment	92.2	104.6	112.5	90.6	100.5	105.4
Furniture and fixtures	23.6	26.2	28.6	23.3	25.0	26.6
Tractors	8.9	10.8	11.4	8.8	10.3	10.8
Agricultural machinery, except tractors	8.3	10.0	10.4	8.0	9.5	9.6
Construction machinery, except tractors	10.2	11.9	14.0	9.9	11.3	12.9
Mining and oilfield machinery	1.6	2.1	2.6	1.6	2.1	2.4
Service industry machinery	11.9	14.4	15.4	11.7	13.9	14.5
Electrical equipment, n.e.c.	11.4	10.6	10.8	11.2	10.4	10.4
Other	16.3	18.6	19.2	16.0	17.9	18.0
Less: Sale of equipment scrap, excluding autos	3.9	4.9	6.2	3.9	4.3	4.7
Residential equipment	6.4	7.0	7.2	6.4	6.8	7.0
Addenda:						
Private purchases of producers' durable equipment	433.4	494.0	546.1			
Less: Dealers' margin on used equipment	5.0	4.9	5.5			
Net purchases of used equipment from government .....	.9	1.2	1.3			
Plus: Net sales of used equipment	29.8	33.4	36.5			
Net exports of used equipment	1.0	1.7	1.4			
Sale of equipment scrap	3.9	5.5	6.3			
Equals: Private purchases of new equipment	462.3	528.5	583.4			
Residual				-1	-1.4	-5.4

1. Includes new computers and peripheral equipment only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

n.e.c. Not elsewhere classified.

Table B.7.—Compensation and Wage and Salary Accruals by Industry
(Millions of dollars)

	Compensation			Wage and salary accruals				Compensation			Wage and salary accruals		
	1993	1994	1995	1993	1994	1995		1993	1994	1995	1993	1994	1995
Total	3,809,500	4,009,754	4,222,722	3,095,293	3,257,335	3,433,238							
Domestic industries	3,809,547	4,009,843	4,222,834	3,095,340	3,257,424	3,433,347							
Private industries	3,036,391	3,214,105	3,402,568	2,511,110	2,654,881	2,811,616							
Agriculture, forestry, and fishing	32,857	34,939	36,226	28,080	29,999	31,080							
Farms	14,249	14,503	.....	12,052	12,326	12,290							
Agricultural services, forestry, and fishing	18,608	20,436	.....	16,028	17,673	18,790							
Mining	32,355	33,128	33,166	26,115	26,364	26,482							
Metal mining	2,786	2,840	.....	2,168	2,173	2,395							
Coal mining	6,134	6,443	.....	4,802	5,015	4,828							
Oil and gas extraction	19,258	19,421	.....	15,725	15,587	15,446							
Nonmetallic minerals, except fuels	4,177	4,424	.....	3,420	3,589	3,813							
Construction	165,738	183,150	196,015	134,173	147,446	157,579							
Manufacturing	749,301	788,590	817,973	596,001	625,358	650,015							
Durable goods	455,411	484,020	506,295	358,366	379,414	398,260							
Lumber and wood products	21,204	22,996	.....	16,915	18,464	19,370							
Furniture and fixtures	14,121	14,924	.....	11,319	11,986	12,462							
Stone, clay, and glass products	19,989	21,365	.....	15,880	17,052	17,703							
Primary metal industries	32,311	34,569	.....	25,085	26,884	27,884							
Fabricated metal products	52,275	56,382	.....	41,031	44,528	46,861							
Industrial machinery and equipment	90,139	95,829	.....	71,972	76,729	81,918							
Electronic and other electric equipment	68,219	72,313	.....	54,672	58,037	62,253							
Motor vehicles and equipment	50,889	60,040	.....	38,780	42,246	46,287							
Other transportation equipment	49,391	47,835	.....	38,583	36,871	36,187							
Instruments and related products	44,634	44,868	.....	36,186	36,131	36,540							
Miscellaneous manufacturing industries	12,239	12,899	.....	9,943	10,486	10,795							
Nondurable goods	293,890	304,570	311,678	237,635	245,944	251,755							
Food and kindred products	57,754	59,635	.....	46,315	47,767	49,117							
Tobacco products	2,690	2,703	.....	1,998	1,990	2,145							
Textile mill products	18,521	19,109	.....	15,313	15,782	15,822							
Apparel and other textile products	20,902	21,391	.....	17,063	17,435	17,189							
Paper and allied products	31,117	32,236	.....	25,372	26,250	26,866							
Printing and publishing	55,711	58,493	.....	45,911	48,187	49,892							
Chemicals and allied products	62,227	63,726	.....	49,878	50,872	51,813							
Petroleum and coal products	10,407	10,434	.....	7,802	7,729	7,777							
Rubber and miscellaneous plastics products	31,608	33,883	.....	25,561	27,515	28,774							
Leather and leather products	2,953	2,960	.....	2,422	2,417	2,360							
Transportation and public utilities	251,753	264,420	273,675	201,237	211,382	220,373							
Transportation	136,330	144,069	151,343	106,903	113,239	118,732							
Railroad transportation	15,639	15,394	.....	11,207	10,914	11,149							
Local and interurban passenger transit	8,254	8,883	.....	6,750	7,266	7,683							
Trucking and warehousing	58,616	63,640	.....	45,551	49,811	52,608							
Water transportation	7,375	7,667	.....	5,994	6,222	6,313							
Transportation by air	33,215	34,129	.....	26,504	27,162	28,171							
Pipelines, except natural gas	1,135	1,112	.....	948	921	853							
Transportation services	12,096	13,244	.....	9,949	10,943	11,955							
Public utilities .....	.....	.....	.....	.....	.....	.....	
Rest of the world	-47	-89	-109	-47	-89	-109							
Receipts from the rest of the world	1,212	1,251	1,255	1,212	1,251	1,255							
Less: Payments to the rest of the world	1,259	1,340	1,364	1,259	1,340	1,364							
Addenda:													
Households and institutions	294,861	310,303	322,965	.....	.....	.....				
Nonfarm business	2,808,592	2,977,407	3,172,608	.....	.....	.....				

1. Consists of museums, botanical, zoological gardens; engineering and management services; and services, not elsewhere classified.
2. Includes Coast Guard.

NOTES.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC). Compensation equals wage and salary accruals plus supplements to wages and salaries. "Supplements" are listed in table B.15 of the January/February 1996 SURVEY OF CURRENT BUSINESS.

Table B.8.—Employment by Industry

[Thousands]

	Full-time and part-time employees			Persons engaged in production ¹				Full-time and part-time employees			Persons engaged in production ¹		
	1993	1994	1995	1993	1994	1995		1993	1994	1995	1993	1994	1995
Total	119,137	122,092		115,722	119,424								
Domestic industries	119,241	122,204		115,826	119,536								
Private industries	97,390	100,282		97,483	101,112								
Agriculture, forestry, and fishing	1,886	1,943		2,985	3,309								
Farms	857	842		1,714	1,978								
Agricultural services, forestry, and fishing	1,029	1,101		1,271	1,331								
Mining	612	605		616	610								
Metal mining	50	49		50	49								
Coal mining	113	113		111	111								
Oil and gas extraction	345	338		350	346								
Nonmetallic minerals, except fuels	104	105		105	104								
Construction	4,854	5,198		6,126	6,504								
Manufacturing	18,173	18,429		18,106	18,441								
Durable goods	10,284	10,503		10,336	10,576								
Lumber and wood products	731	775											
Furniture and fixtures	490	505		498	515								
Stone, clay, and glass products	521	535		522	542								
Primary metal industries	681	698		675	694								
Fabricated metal products	1,343	1,394		1,334	1,388								
Industrial machinery and equipment	1,938	1,998		1,935	1,994								
Electronic and other electric equipment	1,530	1,576		1,515	1,567								
Motor vehicles and equipment	838	899		834	894								
Other transportation equipment	920	852		920	850								
Instruments and related products	897	866		887	859								
Miscellaneous manufacturing industries	395	405		428	441								
Nondurable goods	7,889	7,926		7,770	7,865								
Food and kindred products	1,678	1,684		1,635	1,655								
Tobacco products	45	42		44	42								
Textile mill products	680	681		671	676								
Apparel and other textile products	996	982		980	997								
Paper and allied products	693	694		686	687								
Printing and publishing	1,539	1,565		1,519	1,550								
Chemicals and allied products	1,077	1,060		1,064	1,043								
Petroleum and coal products	150	148		149	146								
Rubber and miscellaneous plastics products	911	954		902	951								
Leather and leather products	120	116		120	118								
Transportation and public utilities	5,870	6,053		5,833	6,163								
Transportation	3,657	3,838		3,719	3,974								
Railroad transportation	238	235		223	225								
Local and interurban passenger transit	386	408		414	445								
Trucking and warehousing	1,731	1,845		1,833	2,000								
Water transportation	174	179		169	177								
Transportation by air	734	749		685	712								
Pipelines, except natural gas	19	17		19	18								
Electric, gas, and sanitary services													
Wholesale trade	6,056	6,236		6,140	6,320								
Retail trade	20,429	21,158		18,242	18,880								
Finance, insurance, and real estate	6,877	7,026		7,118	7,255								
Depository institutions	2,077	2,067		1,972	1,975								
Nondepository institutions	461	488		458	486								
Security and commodity brokers	496	544		553	593								
Insurance carriers	1,513	1,522		1,454	1,470								
Insurance agents, brokers, and service	702	725		845	853								
Real estate	1,374	1,425		1,593	1,633								
Holding and other investment offices	254	255		243	245								
Services	32,633	33,634		32,317	33,630								
Hotels and other lodging places	1,679	1,708		1,499	1,548								
Personal services	1,272	1,277		1,731	1,717								
Business services	5,890	6,354		6,004	6,526								
Auto repair, services, and parking	1,036	1,075		1,325	1,315								
Miscellaneous repair services	375	350		583	565								
Motion pictures	422	480		468	510								
Amusement and recreation services	1,322	1,423		1,163	1,262								
Health services	9,074	9,319		8,449	8,762								
Legal services	1,058	1,059		1,163	1,203								
Educational services	1,948	1,985		1,799	1,826								
Social services and membership organizations	4,288	4,459		4,060	4,353								
Social services	2,205	2,328		2,327	2,531								
Membership organizations	2,083	2,131		1,733	1,822								
Other services ²	2,846	2,881		3,223	3,222								
Private households	1,423	1,284		850	821								
Government	21,851	21,922		18,343	18,424								
Federal	5,936	5,737		4,863	4,693								
General government	4,987	4,766		4,063	3,903								
Civilian	2,187	2,117		2,159	2,089								
Military ³	2,800	2,649		1,904	1,814								
Government enterprises	949	971		800	790								
State and local	15,915	16,185		13,480	13,731								
General government	15,041	15,299		12,630	12,869								
Education	8,058	8,215		6,510	6,637								
Other	6,983	7,084		6,120	6,232								
Government enterprises	874	886		850	862								
Rest of the world	-104	-112		-104	-112								

1. Equals the number of full-time equivalent employees plus the number of self-employed persons. Unpaid family workers are not included.

2. Consists of museums, botanical, zoological gardens; engineering and management services; and services, not elsewhere classified.

elsewhere classified.

3. Includes Coast Guard.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.10.—Farm Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1992) dollars		
	1993	1994	1995	1993	1994	1995
Farm output	186.0	201.6	.....	182.2	198.0	.....
Cash receipts from farm marketings	181.3	179.2	.....	177.6	176.7	.....
Crops	91.2	91.1	.....	90.5	87.1	.....
Livestock	90.0	88.1	.....	87.1	89.7	.....
Farm housing	5.5	5.7	.....	5.1	4.9	.....
Farm products consumed on farms .....	.5	.5	.....	.5	.5	.....
Other farm income	4.8	4.7	.....	4.8	4.3	.....
Change in farm inventories	-6.2	11.5	-2.6	-7.2	12.3	-4.7
Crops	-7.3	10.1	.....	-7.7	9.5	.....
Livestock	1.1	1.4	.....	1.1	1.5	.....
Less: Intermediate goods and services purchased	113.9	119.3	.....	111.2	114.3	.....
Intermediate goods and services, other than rent	100.9	105.5	.....	98.6	100.6	.....
Rent paid to nonoperator landlords	12.9	13.8	.....	12.6	13.7	.....
Equals: Gross farm product	72.1	82.3	78.6	71.0	83.9	76.0
Less: Consumption of fixed capital	22.4	23.1	23.7	.....	.....	.....
Equals: Net farm product	49.7	59.2	54.9	.....	.....	.....
Less: Indirect business tax and nontax liability	4.6	5.0	.....	.....	.....	.....
Plus: Subsidies to operators	11.3	6.6	.....	.....	.....	.....
Equals: Farm national income	56.4	60.8	.....	.....	.....	.....
Compensation of employees	14.3	14.6	.....	.....	.....	.....
Wage and salary accruals	12.0	12.3	.....	.....	.....	.....
Supplements to wages and salaries	2.3	2.2	.....	.....	.....	.....
Proprietors' income and corporate profits with IVA and CCAj	33.7	37.2	29.0	.....	.....	.....
Proprietors' income	32.0	35.0	29.0	.....	.....	.....
Corporate profits	1.8	2.2	.....	.....	.....	.....
Net interest	8.3	9.1	.....	.....	.....	.....

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. CCAj Capital consumption adjustment
IVA Inventory valuation adjustment

Table B.11.—Housing Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1992) dollars		
	1993	1994	1995	1993	1994	1995
Housing output ¹	649.0	680.7	716.0	631.5	644.0	656.8
Nonfarm housing	643.4	675.0	710.1	626.4	639.1	652.1
Owner-occupied	481.1	502.6	528.5	468.2	475.4	483.7
Tenant-occupied	162.3	172.5	181.6	158.3	163.7	168.3
Farm housing	5.5	5.7	5.8	5.1	4.9	4.8
Less: Intermediate goods and services consumed	86.8	83.1	86.7	84.8	78.8	79.3
Equals: Gross housing product	562.1	597.6	629.3	546.8	565.1	577.5
Nonfarm housing	557.6	593.1	624.6	542.6	561.3	573.8
Owner-occupied	415.2	438.5	460.8	403.7	414.7	422.2
Tenant-occupied	142.4	154.6	163.8	138.9	146.6	151.6
Farm housing	4.5	4.5	4.7	4.2	3.9	3.8
Less: Consumption of fixed capital	104.0	112.4	106.6	.....	.....	.....
Capital consumption allowances ...	52.9	60.3	.....	.....	.....	.....
Less: CCAj	-51.1	-52.1	.....	.....	.....	.....
Equals: Net housing product	458.1	485.2	522.7	.....	.....	.....
Less: Indirect business tax and nontax liability plus business transfer payments ...	114.0	120.6	.....	.....	.....	.....
Plus: Subsidies less current surplus of government enterprises	18.8	20.6	.....	.....	.....	.....
Equals: Housing national income	362.9	385.2	.....	.....	.....	.....
Compensation of employees	7.3	7.7	.....	.....	.....	.....
Proprietors' income with IVA and CCAj	18.3	20.8	.....	.....	.....	.....
Rental income of persons with CCAj	74.7	89.4	.....	.....	.....	.....
Corporate profits with IVA and CCAj	3.5	3.9	.....	.....	.....	.....
Net interest	259.0	263.4	.....	.....	.....	.....

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.
CCAj Capital consumption adjustment
IVA Inventory valuation adjustment

C. Historical Tables

Table C.1 is derived from the "Summary National Income and Product Series" tables that were published in the January/February 1996 SURVEY OF CURRENT BUSINESS; the other tables are derived from NIPA tables published in that issue. All the tables in this section include revised data for 1993-96 from the annual revision of the NIPA's published in the August 1996 SURVEY.

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases
 [Quarterly data are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1992) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1959	2,212.3	2,206.9	2,224.3			23.0	22.5	22.9	22.9				
1960	2,261.7	2,264.2	2,274.8	2.2	2.6	23.3	22.8	23.3	23.3	1.4	1.4	1.5	1.5
1961	2,309.8	2,318.0	2,324.6	2.1	2.4	23.6	23.1	23.6	23.6	1.2	1.1	1.3	1.3
1962	2,449.1	2,445.4	2,465.9	6.0	5.5	23.9	23.4	23.9	23.9	1.3	1.2	1.3	1.3
1963	2,554.0	2,552.4	2,572.0	4.3	4.4	24.2	23.7	24.2	24.2	1.2	1.2	1.2	1.2
1964	2,702.9	2,705.1	2,722.3	5.8	6.0	24.6	24.0	24.5	24.5	1.5	1.5	1.5	1.5
1965	2,874.8	2,860.4	2,895.2	6.4	5.7	25.0	24.5	25.0	25.0	1.9	1.8	2.0	2.0
1966	3,060.2	3,033.5	3,078.9	6.4	6.1	25.7	25.1	25.7	25.8	2.8	2.8	2.9	2.9
1967	3,140.2	3,125.1	3,159.4	2.6	3.0	26.6	25.9	26.5	26.6	3.2	3.0	3.1	3.1
1968	3,288.6	3,278.0	3,309.2	4.7	4.9	27.7	27.0	27.7	27.7	4.4	4.3	4.3	4.3
1969	3,388.0	3,377.2	3,407.8	3.0	3.0	29.0	28.3	29.0	29.0	4.7	4.7	4.7	4.7
1970	3,388.2	3,406.5	3,407.7	0	.9	30.6	29.8	30.6	30.6	5.3	5.4	5.4	5.4
1971	3,500.1	3,499.8	3,522.2	3.3	2.7	32.1	31.4	32.2	32.2	5.2	5.3	5.2	5.2
1972	3,690.3	3,689.5	3,714.3	5.4	5.4	33.5	32.8	33.5	33.5	4.2	4.5	4.3	4.3
1973	3,902.3	3,883.9	3,936.0	5.7	5.3	35.4	34.7	35.4	35.5	5.6	5.8	5.7	5.7
1974	3,888.2	3,873.4	3,927.1	-4	-3	38.5	38.2	38.5	38.5	8.9	10.2	8.7	8.6
1975	3,865.1	3,906.4	3,894.5	-6	.9	42.2	41.8	42.2	42.2	9.4	9.3	9.6	9.6
1976	4,081.1	4,061.7	4,116.9	5.6	4.0	44.6	44.2	44.6	44.6	5.8	5.8	5.6	5.7
1977	4,279.3	4,240.8	4,320.2	4.9	4.4	47.5	47.2	47.4	47.4	6.4	6.8	6.3	6.3
1978	4,493.7	4,464.4	4,534.4	5.0	5.3	50.9	50.7	51.0	51.0	7.3	7.4	7.7	7.7
1979	4,624.0	4,614.4	4,680.8	2.9	3.4	55.3	55.3	55.3	55.3	8.5	9.0	8.5	8.5
1980	4,611.9	4,641.9	4,667.7	-3	.6	60.4	61.1	60.4	60.4	9.3	10.7	9.2	9.2
1981	4,724.9	4,691.6	4,774.1	2.5	1.1	66.1	66.8	65.9	66.0	9.4	9.2	9.3	9.3
1982	4,623.6	4,651.2	4,665.4	-2.1	-9	70.2	70.7	70.1	70.2	6.3	5.9	6.3	6.3
1983	4,810.0	4,821.2	4,851.2	4.0	3.7	73.2	73.3	73.1	73.1	4.2	3.8	4.2	4.2
1984	5,138.2	5,061.6	5,176.1	6.8	5.0	75.9	75.9	75.9	76.0	3.8	3.5	3.9	3.9
1985	5,329.5	5,296.9	5,352.7	3.7	4.6	78.6	78.4	78.4	78.5	3.4	3.2	3.3	3.3
1986	5,489.9	5,480.9	5,503.4	3.0	3.5	80.6	80.4	80.6	80.6	2.6	2.6	2.7	2.7
1987	5,648.4	5,626.0	5,657.2	2.9	2.6	83.1	83.1	83.1	83.1	3.1	3.4	3.1	3.1
1988	5,862.9	5,855.1	5,876.2	3.8	4.1	86.1	86.1	86.1	86.2	3.7	3.6	3.7	3.7
1989	6,060.4	6,028.7	6,074.0	3.4	3.0	89.7	89.8	89.7	89.8	4.2	4.2	4.2	4.2
1990	6,138.7	6,126.7	6,159.4	1.3	1.6	93.6	93.8	93.6	93.6	4.4	4.5	4.3	4.3
1991	6,079.0	6,082.6	6,094.4	-1.0	-7	97.3	97.3	97.3	97.3	3.9	3.7	4.0	4.0
1992	6,244.4	6,237.4	6,255.5	2.7	2.5	100.0	100.0	100.0	100.0	2.8	2.8	2.7	2.7
1993	6,386.4	6,365.5	6,397.1	2.3	2.1	102.6	102.5	102.6	102.6	2.6	2.5	2.6	2.6
1994	6,608.7	6,550.7	6,606.0	3.5	2.9	105.0	104.8	104.9	104.9	2.3	2.2	2.3	2.3
1995	6,742.9	6,708.9	6,737.1	2.0	2.4	107.6	107.3	107.6	107.6	2.5	2.4	2.5	2.5
1995: I													
II													
III	2,225.6	2,232.6	2,237.7			23.0	22.5	22.9	22.9				
IV	2,225.8	2,225.3	2,238.7	0	-1.3	23.1	22.6	23.1	23.1	1.5	1.4	3.3	3.3
1960: I	2,283.3	2,248.5	2,295.7	10.8	4.2	23.2	22.6	23.1	23.1	.8	.8	.2	.2
II	2,268.5	2,268.4	2,281.2	-2.6	3.6	23.3	22.8	23.2	23.2	2.0	2.1	1.7	1.7
III	2,265.8	2,265.1	2,279.1	-5	-6	23.4	22.9	23.3	23.4	2.0	2.0	2.7	2.7
IV	2,229.1	2,274.7	2,243.4	-6.3	1.7	23.5	23.0	23.5	23.5	2.1	2.1	2.7	2.7
1961: I	2,245.6	2,277.7	2,260.7	3.0	.5	23.6	23.0	23.5	23.5	.7	.6	.3	.3
II	2,286.1	2,301.1	2,300.3	7.4	4.2	23.6	23.0	23.6	23.6	.4	.2	.9	1.0
III	2,328.2	2,320.4	2,342.8	7.6	3.4	23.6	23.1	23.6	23.6	.7	.5	.5	.5
IV	2,379.4	2,372.8	2,394.3	9.1	9.3	23.7	23.1	23.6	23.7	1.1	1.0	.7	.7
1962: I	2,420.4	2,400.3	2,435.3	7.1	4.7	23.8	23.2	23.8	23.8	2.0	1.9	2.1	2.1
II	2,440.0	2,440.7	2,456.4	3.3	6.9	23.9	23.3	23.9	23.9	1.1	1.4	1.9	1.9
III	2,465.2	2,462.0	2,481.8	4.2	3.5	23.9	23.4	23.9	23.9	1.1	1.1	.8	.8
IV	2,470.7	2,478.7	2,489.9	.9	2.7	24.1	23.5	24.0	24.0	1.7	1.8	1.1	1.1
1963: I	2,502.3	2,492.4	2,520.4	5.2	2.2	24.1	23.6	24.1	24.1	1.2	1.3	1.2	1.2
II	2,532.9	2,533.8	2,550.4	5.0	6.8	24.2	23.6	24.1	24.1	.6	.7	.9	.9
III	2,581.4	2,578.0	2,599.1	7.9	7.2	24.2	23.7	24.2	24.2	.7	.9	.7	.8
IV	2,599.7	2,605.3	2,618.0	2.9	4.3	24.3	23.8	24.3	24.4	2.3	2.4	3.0	3.0
1964: I	2,661.8	2,663.1	2,681.9	9.9	9.2	24.4	23.9	24.4	24.4	1.2	1.3	.9	.9
II	2,692.5	2,695.0	2,711.7	4.7	4.9	24.5	24.0	24.5	24.5	1.3	1.4	.9	.9
III	2,723.9	2,727.6	2,743.8	4.7	4.9	24.6	24.1	24.6	24.6	1.9	1.7	1.9	1.9
IV	2,733.6	2,734.5	2,751.9	1.4	1.0	24.7	24.2	24.7	24.7	1.8	1.6	2.2	2.2
1965: I	2,800.8	2,777.2	2,821.9	10.2	6.4	24.8	24.3	24.8	24.8	1.9	1.6	2.3	2.3
II	2,844.2	2,826.7	2,866.1	6.4	7.3	25.0	24.4	24.9	24.9	2.0	2.0	1.0	1.0
III	2,889.2	2,879.8	2,909.4	6.5	7.7	25.1	24.5	25.1	25.1	2.1	2.2	3.2	3.2
IV	2,965.2	2,957.8	2,983.3	10.9	11.3	25.2	24.7	25.2	25.2	2.5	2.8	2.0	2.0
1966: I	3,034.4	3,008.8	3,053.1	9.7	7.1	25.4	24.8	25.4	25.4	2.2	2.0	2.8	2.8
II	3,046.2	3,023.1	3,065.0	1.6	1.9	25.6	25.0	25.6	25.6	3.2	3.2	3.4	3.4
III	3,067.6	3,047.2	3,085.8	2.8	3.2	25.9	25.3	25.9	25.9	5.1	4.8	4.2	4.2
IV	3,092.6	3,054.8	3,111.7	3.3	1.0	26.1	25.5	26.1	26.1	3.3	3.1	3.6	3.6
1967: I	3,119.7	3,085.6	3,138.5	3.6	4.1	26.2	25.6	26.2	26.2	2.0	1.6	1.3	1.3
II	3,122.3	3,119.0	3,140.5	.3	4.4	26.4	25.8	26.4	26.4	2.5	2.5	2.7	2.7
III	3,147.3	3,134.2	3,167.5	3.2	2.0	26.7	26.0	26.7	26.7	3.9	3.9	4.6	4.6
IV	3,171.6	3,161.5	3,191.1	3.1	3.5	27.0	26.3	27.0	27.0	4.6	4.5	4.9	4.9

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued

[Quarterly data are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1992) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1989: I	6,008.7	5,970.0	6,020.8	4.0	2.2	88.4	88.5	88.5	88.5	4.5	4.8	4.8	4.7
II	6,053.4	6,010.9	6,063.5	3.0	2.8	89.4	89.5	89.4	89.5	4.4	4.8	4.3	4.3
III	6,086.2	6,063.1	6,099.9	2.2	3.5	90.1	90.1	90.2	90.2	3.3	2.8	3.3	3.3
IV	6,093.0	6,070.8	6,111.7	.4	.5	90.9	91.0	90.9	90.9	3.5	3.8	3.3	3.3
1990: I	6,154.1	6,144.6	6,174.3	4.1	5.0	92.0	92.2	92.0	92.0	4.9	5.4	4.9	4.9
II	6,174.4	6,127.5	6,190.8	1.3	-1.1	93.2	93.1	93.1	93.2	5.2	4.2	5.2	5.1
III	6,145.2	6,126.6	6,158.8	-1.9	-1	94.2	94.3	94.1	94.1	4.3	5.2	4.2	4.2
IV	6,081.0	6,108.1	6,113.4	-4.1	-1.2	95.1	95.7	95.1	95.1	4.1	5.9	4.2	4.2
1991: I	6,047.9	6,065.4	6,074.8	-2.2	-2.8	96.3	96.4	96.3	96.3	4.8	3.1	5.1	5.1
II	6,074.1	6,095.9	6,085.8	1.7	2.0	97.0	97.0	97.0	97.0	3.2	2.2	3.1	3.1
III	6,089.3	6,085.4	6,098.3	1.0	-7	97.7	97.6	97.7	97.7	2.8	2.6	2.9	2.9
IV	6,104.4	6,083.8	6,118.7	1.0	-1	98.3	98.3	98.3	98.3	2.5	2.9	2.5	2.5
1992: I	6,175.3	6,175.8	6,191.6	4.7	6.2	99.1	99.0	99.1	99.1	3.4	3.2	3.3	3.3
II	6,214.2	6,203.8	6,225.1	2.5	1.8	99.8	99.8	99.8	99.8	2.8	2.9	2.7	2.7
III	6,260.9	6,249.5	6,270.4	3.0	3.0	100.2	100.3	100.2	100.2	1.5	2.1	1.5	1.5
IV	6,327.3	6,320.7	6,334.8	4.3	4.6	100.9	100.9	100.9	100.9	2.8	2.6	2.9	2.9
1993: I	6,326.4	6,307.1	6,342.5	-1	-9	101.8	101.7	101.8	101.8	3.8	3.1	3.8	3.8
II	6,356.5	6,334.5	6,366.9	1.9	1.7	102.4	102.3	102.4	102.3	2.2	2.4	2.1	2.1
III	6,393.4	6,371.3	6,406.3	2.3	2.3	102.8	102.6	102.8	102.8	1.8	1.3	1.9	1.9
IV	6,469.1	6,449.2	6,472.5	4.8	5.0	103.4	103.2	103.4	103.4	2.3	2.2	2.2	2.2
1994: I	6,508.5	6,467.7	6,514.0	2.5	1.2	104.1	103.8	104.1	104.1	2.9	2.4	2.8	2.8
II	6,587.6	6,514.9	6,586.2	4.9	3.0	104.6	104.4	104.6	104.6	1.9	2.3	1.9	1.9
III	6,644.9	6,582.1	6,640.0	3.5	4.2	105.2	105.1	105.2	105.2	2.4	3.0	2.5	2.5
IV	6,693.9	6,638.1	6,683.5	3.0	3.5	105.8	105.7	105.8	105.8	2.1	2.0	2.2	2.2
1995: I	6,701.0	6,647.4	6,699.1	.4	.6	106.7	106.4	106.7	106.7	3.3	2.8	3.4	3.4
II	6,713.5	6,682.4	6,711.9	.7	2.1	107.3	107.2	107.3	107.3	2.4	2.8	2.4	2.4
III	6,776.4	6,741.4	6,762.0	3.8	3.6	107.9	107.6	107.9	107.9	2.1	1.6	2.1	2.1
IV	6,780.7	6,764.2	6,775.6	.3	1.4	108.4	108.1	108.4	108.4	2.1	1.9	2.0	2.0
1996: I	6,814.3	6,815.2	6,814.9	2.0	3.0	109.0	108.7	109.0	109.0	2.3	2.3	2.2	2.2
II	6,892.6	6,884.7	6,886.5	4.7	4.1	109.6	109.3	109.5	109.5	2.2	2.1	1.8	1.8
III	6,926.2	6,892.1	6,910.6	2.0	.4	110.1	109.8	109.9	109.9	1.9	1.8	1.6	1.6

D. Domestic Perspectives From Other Agencies

These tables present data collected from other government agencies and private organizations, as noted. Quarterly data are shown in the middle month of the quarter.

Table D.1.—Domestic Perspectives

	1995	1995					1996									
		Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.
Consumer and producer prices, (seasonally adjusted) ¹																
Consumer price index for all urban consumers, 1982=84=100:																
All items	152.4	153.0	153.2	153.7	153.8	154.1	154.7	155.0	155.6	156.2	156.7	156.8	157.2	157.4	157.8	158.3
Less food and energy	161.2	162.0	162.4	162.9	163.1	163.3	163.8	164.2	164.7	164.9	165.3	165.6	166.1	166.2	166.7	167.1
Services	168.7	169.5	169.8	170.4	170.7	170.9	171.4	172.1	172.4	172.9	173.5	173.9	174.7	175.0	175.4	175.9
Producer price index, 1982=100:																
Finished goods	127.9	127.8	128.2	128.4	128.8	129.6	129.8	129.7	130.4	130.7	130.9	131.1	131.0	131.4	131.7	132.2
Less food and energy	140.0	140.2	140.5	140.9	141.4	141.6	141.4	141.6	141.5	141.5	141.9	142.1	142.2	142.1	142.5	142.1
Finished consumer goods	125.6	125.4	125.8	126.0	126.4	127.4	127.7	127.5	128.4	128.9	129.1	129.3	129.1	129.7	130.0	130.7
Capital equipment	136.7	136.9	137.1	137.5	138.1	138.1	138.0	138.0	138.1	138.1	138.1	138.3	138.4	138.3	138.7	138.2
Intermediate materials	124.9	125.6	125.4	125.4	125.3	125.5	125.7	125.1	125.2	125.7	126.3	125.7	125.3	125.5	125.9	125.9
Crude materials	102.7	101.0	102.9	103.0	104.6	106.3	108.7	110.4	108.9	113.8	115.1	112.7	114.9	115.1	113.4	112.7
Money, interest rates, and stock prices																
Money supply (seasonally adjusted): ²																
Percent change:																
M1		-0.14	-0.32	-0.73	-0.25	-0.36	-0.51	-0.17	0.84	-0.28	-0.57	-0.04	-0.76	-0.82	-0.73	-1.39
M2 .....		.57	.37	.21	.33	.47	.39	.43	.95	.14	-1.7	.44	.14	.31	.26	.30
Ratio:																
Gross domestic product to M1		6.395			6.513			6.625			6.742			6.924		
Personal income to M2		1.702	1.705	1.711	1.711	1.714	1.708	1.713	1.703	1.709	1.721	1.729	1.727	1.732	1.738	1.734
Interest rates (percent, not seasonally adjusted): ²																
Federal funds rate	5.84	5.74	5.80	5.76	5.80	5.60	5.56	5.22	5.31	5.22	5.56	5.27	5.40	5.22	5.30	5.24
Discount rate on new 91-day Treasury bills	5.51	5.41	5.26	5.30	5.35	5.16	5.02	4.87	4.96	4.99	5.02	5.11	5.19	5.09	5.15	5.01
Yield on new high-grade corporate bonds	7.72	7.75	7.42	7.29	7.20	7.02	7.00	7.14	7.57	7.81	7.87	8.00	7.97	7.68	7.84	7.69
10-Year U.S. Treasury bonds	6.58	6.49	6.20	6.04	5.93	5.71	5.65	5.81	6.27	6.51	6.74	6.91	6.87	6.64	6.83	6.53
Yield on municipal bonds, 20-bond average	5.95	6.06	5.91	5.80	5.64	5.45	5.43	5.43	5.79	5.94	5.98	6.02	5.92	5.76	5.87	5.72
Mortgage commitment rate	7.96	7.86	7.64	7.48	7.38	7.20	7.03	7.08	7.62	7.93	8.07	8.32	8.25	8.00	8.23	7.92
Average prime rate charged by banks	8.83	8.75	8.75	8.75	8.75	8.65	8.50	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25
Index of stock prices (not seasonally adjusted): ³																
500 common stocks (index, 1941=43=10)	541.64	559.11	578.77	582.92	595.53	614.57	614.42	649.54	647.07	647.17	661.23	668.50	644.07	662.68	674.88	701.46
Labor markets (thousands, seasonally adjusted, unless otherwise noted) ¹																
Civilian labor force	132,304	132,298	132,501	132,473	132,471	132,352	132,903	133,018	133,655	133,361	133,910	133,669	134,181	133,885	134,340	134,574
Labor force participation rates (percent):																
Males 20 and over	76.7	76.5	76.5	76.3	76.3	76.1	76.6	76.7	76.9	76.7	76.9	76.9	77.0	76.8	76.7	76.8
Females 20 and over	59.4	59.5	59.5	59.6	59.6	59.4	59.5	59.5	59.8	59.6	59.8	59.7	59.9	59.9	60.0	60.0
16-19 years of age	53.5	53.5	53.4	52.9	52.9	53.0	52.7	52.5	52.7	52.5	53.5	51.4	52.2	50.1	52.4	52.5
Civilian employment	124,900	124,859	125,036	125,244	125,062	124,981	125,226	125,663	126,151	126,095	126,462	126,610	126,884	127,055	127,368	127,627
Ratio, civilian employment to working-age population (percent)	62.9	62.8	62.8	62.9	62.7	62.6	62.7	62.9	63.1	63.0	63.1	63.2	63.2	63.3	63.3	63.4
Persons engaged in nonagricultural activities	121,460	121,483	121,701	121,810	121,739	121,656	121,698	122,143	122,664	122,726	122,971	123,228	123,382	123,635	123,833	124,169
Employees on nonagricultural payrolls	117,203	117,499	117,623	117,749	117,899	118,136	118,070	118,579	118,737	118,928	119,335	119,537	119,772	120,052	120,017	120,227
Goods-producing industries	24,206	24,179	24,176	24,151	24,133	24,160	24,112	24,254	24,196	24,209	24,262	24,275	24,266	24,295	24,245	24,262
Number of persons unemployed	7,404	7,439	7,465	7,229	7,409	7,371	7,677	7,355	7,504	7,266	7,448	7,060	7,297	6,830	6,971	6,948
Unemployment rates (percent):																
Total	5.6	5.6	5.6	5.5	5.6	5.6	5.8	5.5	5.6	5.4	5.6	5.3	5.4	5.1	5.2	5.2
15 weeks and over	1.8	1.8	1.8	1.7	1.7	1.8	1.8	1.7	1.9	1.8	1.7	1.8	1.7	1.7	1.7	1.7
Average duration of unemployment (weeks)	16.6	16.3	16.3	16.2	16.3	16.2	16.0	16.6	17.3	17.4	16.8	17.6	16.8	17.4	17.0	16.7
Average weekly hours, manufacturing (hours)	41.6	41.5	41.5	41.4	41.5	41.2	40.0	41.4	41.4	41.5	41.7	41.8	41.6	41.7	41.8	41.6
Average weekly overtime hours, manufacturing (hours)	4.4	4.3	4.4	4.3	4.3	4.2	4.1	4.3	4.3	4.6	4.6	4.6	4.4	4.4	4.5	4.5
Nonfarm business sector (index, 1992=100):																
Output per hour of all persons	101.3	101.8			101.5			102.0			102.1			102.2		
Unit labor costs	106.7	106.8			108.2			108.6			109.5			110.5		
Hourly compensation	108.2	108.8			109.9			110.7			111.8			112.9		

See footnotes at the end of the table.

Table D.1.—Domestic Perspectives—Continued

	1995	1995					1996									
		Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.
Construction (seasonally adjusted at annual rates) ⁴																
Total new private construction (billions of dollars)		405.9	411.3	410.6	411.0	417.2	418.9	411.2	419.7	424.2	418.1	423.1	418.6	426	427.1	431.1
Residential construction		234.5	237.7	238.0	239.9	243.1	242.5	238.6	245.9	248.0	247.5	246.9	244.6	245.7	245.7	243.9
Nonresidential construction		133.1	134.8	133.9	134.7	137.1	137.4	134.9	134.3	135.5	130.9	137.7	135.7	140.2	141.6	148.8
Housing starts (thousands of units):																
Total		1,401	1,401	1,351	1,458	1,425	1,453	1,514	1,439	1,511	1,478	1,490	1,470	1,533	1,440	1,366
1-unit structures		1,126	1,139	1,109	1,129	1,150	1,146	1,183	1,163	1,209	1,144	1,209	1,150	1,239	1,120	1,069
New 1-family houses sold (thousands of units)		707	684	673	679	683	743	784	713	740	734	733	780	819	782	714
Manufacturing and trade, sales and inventories (millions of dollars, seasonally adjusted) ⁴																
Sales:																
Total manufacturing and trade	8,156,396	684,477	686,272	685,660	690,243	695,289	690,692	699,208	700,253	709,541	715,130	711,760	719,176	717,532	723,450	
Manufacturing	3,566,930	299,808	300,754	299,824	300,755	301,284	298,685	301,763	300,646	308,003	311,203	308,851	312,400	312,847	315,280	
Merchant wholesalers	2,248,649	188,162	189,171	189,643	191,574	194,901	192,878	194,053	195,379	197,507	198,258	198,543	202,057	200,086	201,974	
Retail trade	2,340,817	197,081	196,597	196,289	197,914	199,104	199,129	203,392	204,228	204,031	205,669	204,366	204,719	204,599	206,196	
Inventories:																
Total manufacturing and trade	977,419	982,154	986,369	992,265	993,644	989,839	995,352	996,008	994,010	998,430	996,984	997,322	1,002,404	1,005,435	1,006,206	
Manufacturing	422,641	427,245	429,959	431,303	431,652	432,344	434,724	435,615	435,413	435,441	434,220	433,868	434,446	435,687	437,134	
Merchant wholesalers	256,407	252,078	253,245	254,738	254,727	254,616	256,258	255,569	256,444	259,592	258,834	259,262	259,100	258,822	255,522	
Retail trade	298,371	302,380	302,784	306,224	307,265	302,879	304,370	304,824	302,153	303,397	303,930	304,192	308,858	310,926	313,550	
Industrial production indexes and capacity utilization rates ²																
Industrial production indexes, 1987=100:																
Total	121.9	122.7	122.8	122.2	122.6	122.8	122.5	124.2	123.6	124.5	125.4	126.4	126.3	126.8	127.2	126.6
By industry:																
Durable manufactures	132.5	133.2	134.4	133.5	134.3	134.8	134.9	137.5	135.6	138.3	139.1	141.1	141.5	142.2	142.6	141.6
Nondurable manufactures	114.3	114.3	114.4	114.3	113.7	113.8	113.1	113.8	113.6	113.5	114.4	114.6	115.2	114.7	115.1	114.9
By market category:																
Consumer goods	115.1	115.9	116.0	114.9	115.9	115.7	114.6	116.6	115.3	115.9	116.3	116.8	117.3	116.4	116.6	115.8
Capacity utilization rates (percent):																
Total industry	83.7	83.9	83.7	83.0	83.0	82.9	82.4	83.3	82.6	83.0	83.3	83.7	83.4	83.4	83.4	82.7
Manufacturing	82.9	82.7	82.8	82.2	82.0	81.9	81.4	82.3	81.3	81.9	82.1	82.6	82.5	82.3	82.3	81.6
Credit market borrowing (billions of dollars, seasonally adjusted at annual rates) ²																
All sectors, by instrument:																
Total	1,238.9	1,185.1			1,242.7					1,233.5			1,411.0			
Open market paper	74.3	88.5			58.9					46.2			128.6			
U.S. government securities	349.5	313.7			368.9					383.7			364.4			
Municipal securities	-41.3	-100.3			-7.6					-15.2			40.1			
Corporate and foreign bonds	306.8	332.6			328.2					250.1			282.4			
Bank loans, n.e.c.	113.5	91.3			88.3					61.9			118.3			
Other loans and advances	60.8	42.2			90.7					31.1			83.9			
Mortgages	233.6	260.2			197.6					345.9			312.1			
Consumer credit	141.6	156.9			117.7					129.7			81.1			

Sources:

1. Bureau of Labor Statistics.

2. Federal Reserve Board.

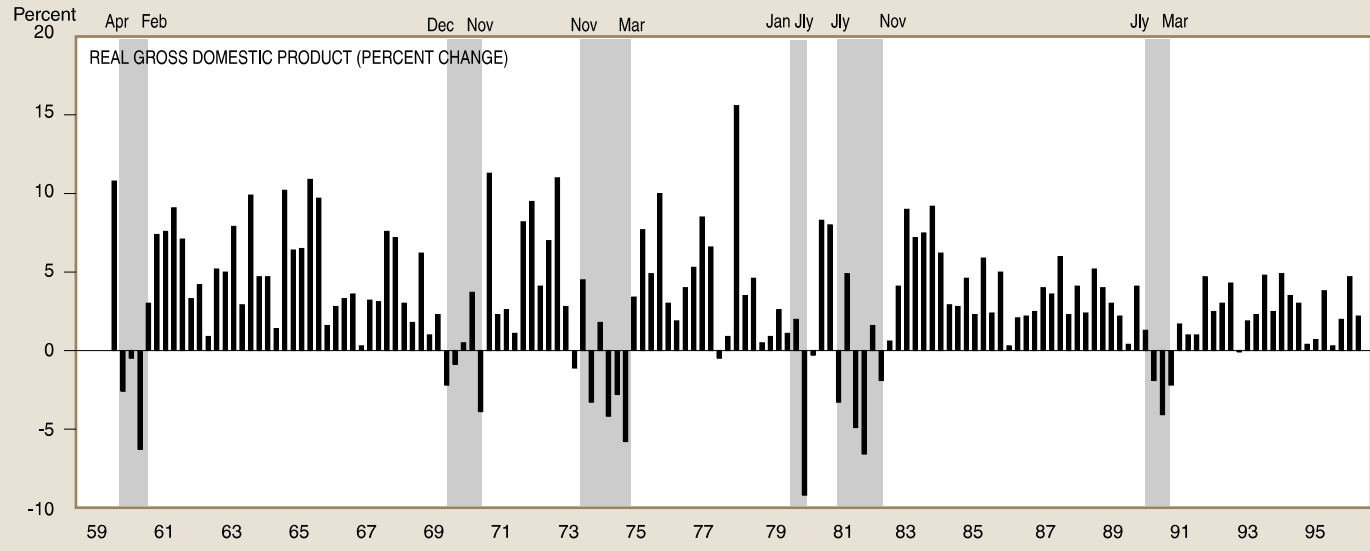
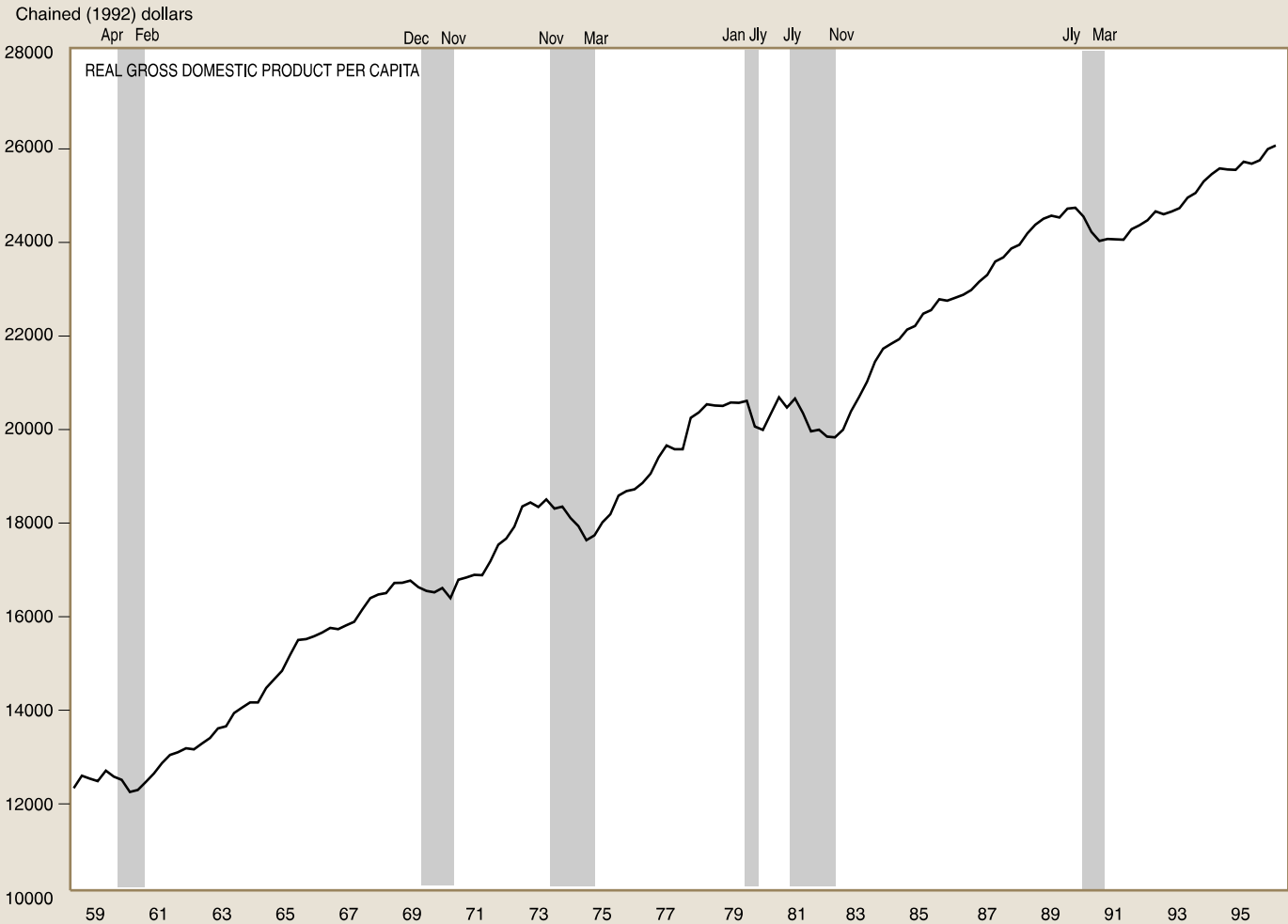
3. Standard and Poor's, Inc.

4. Bureau of the Census.

E. Charts

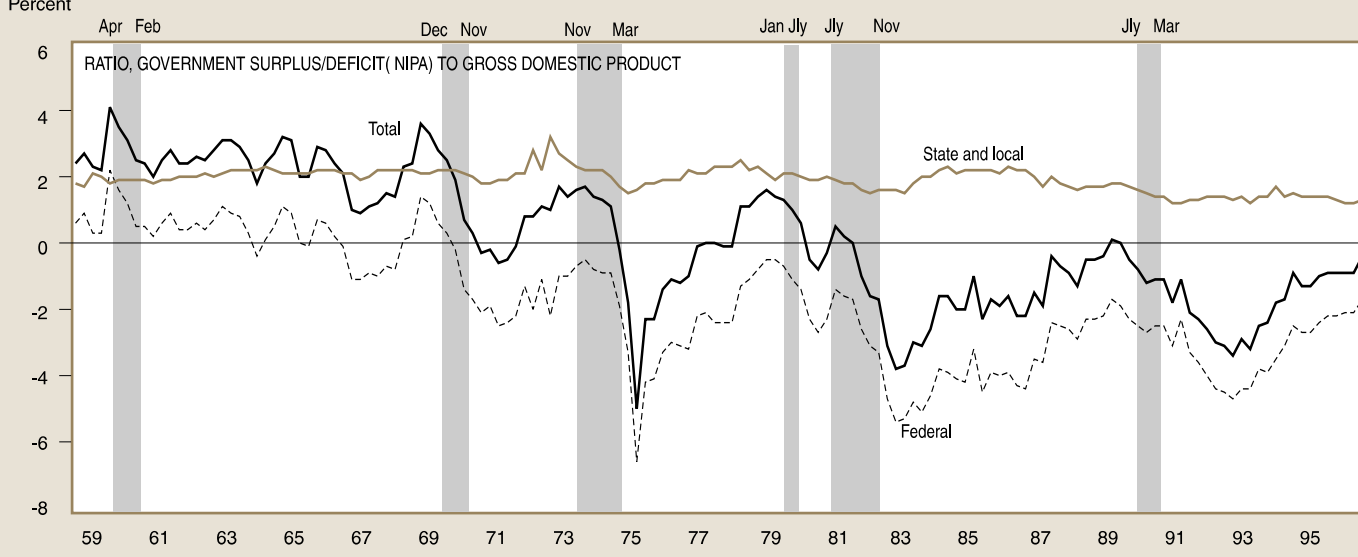
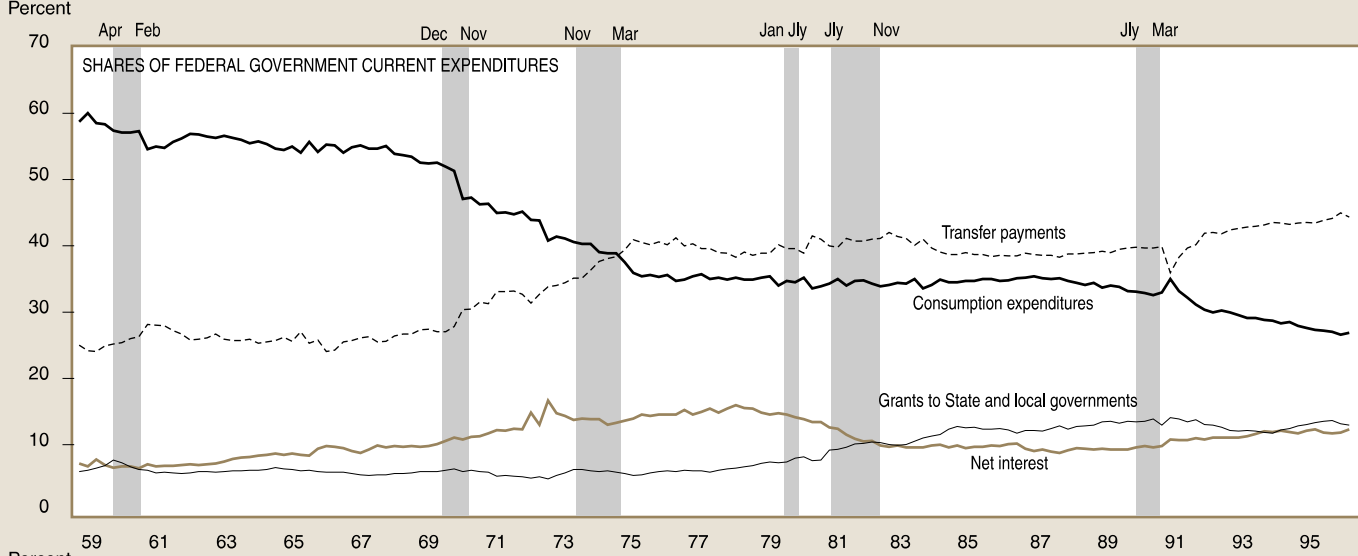
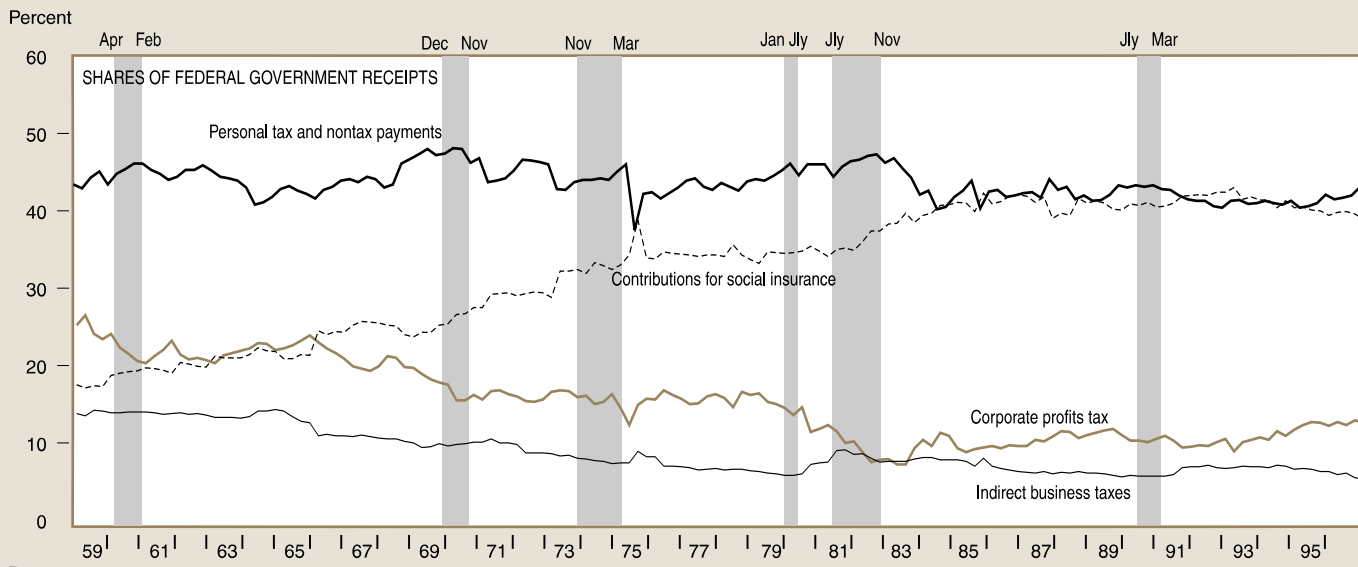
Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.

SELECTED NIPA SERIES

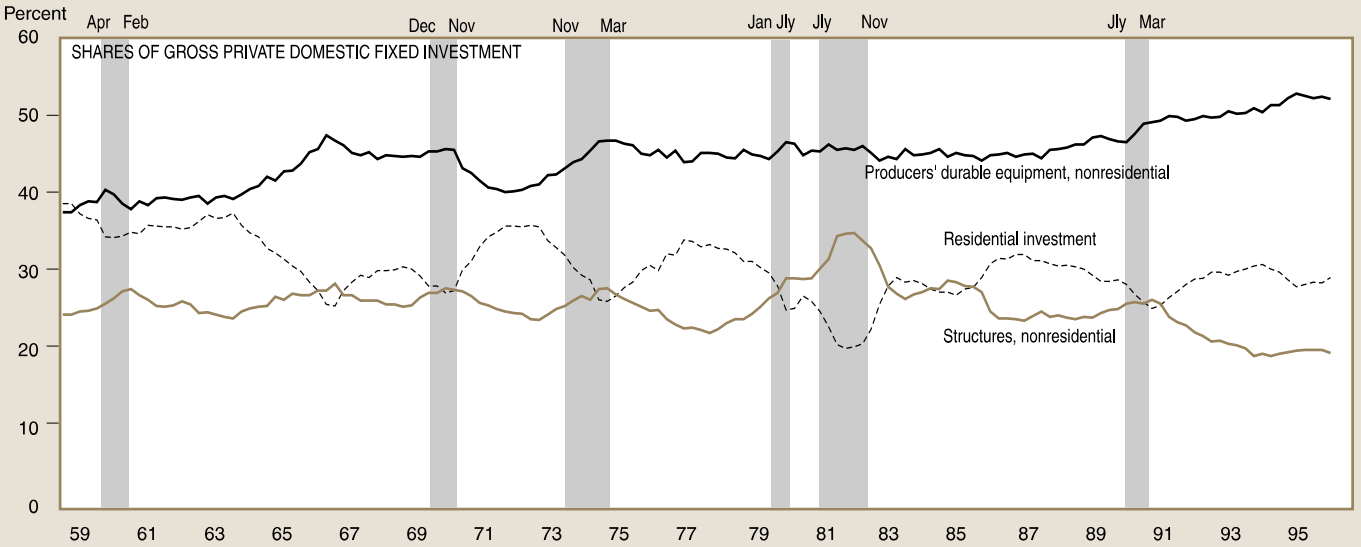
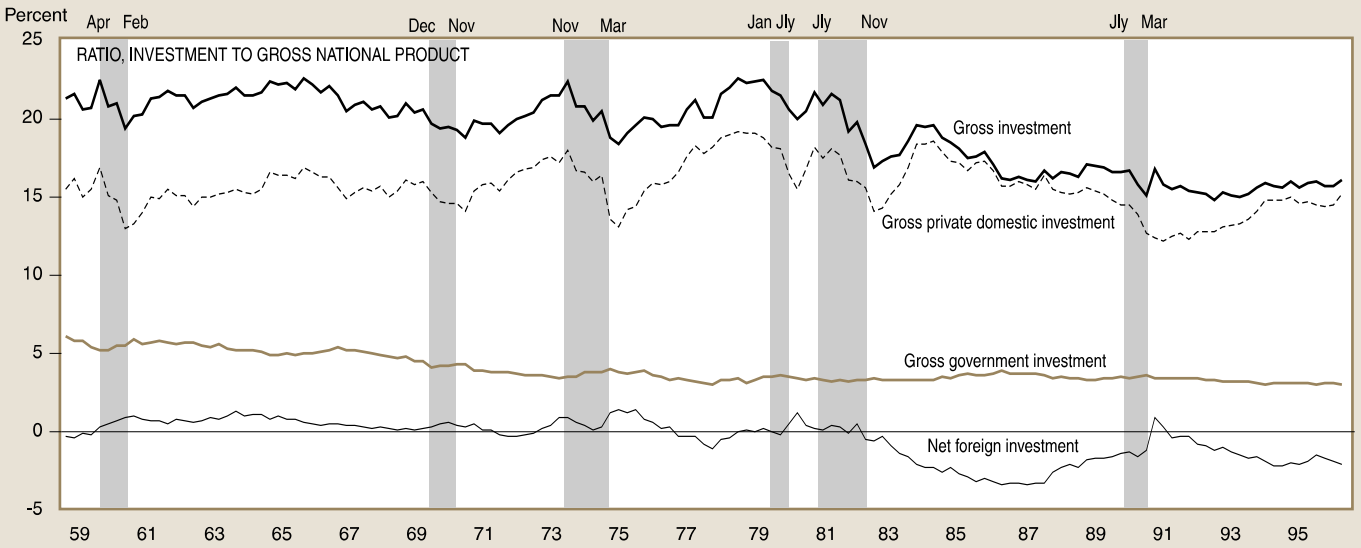
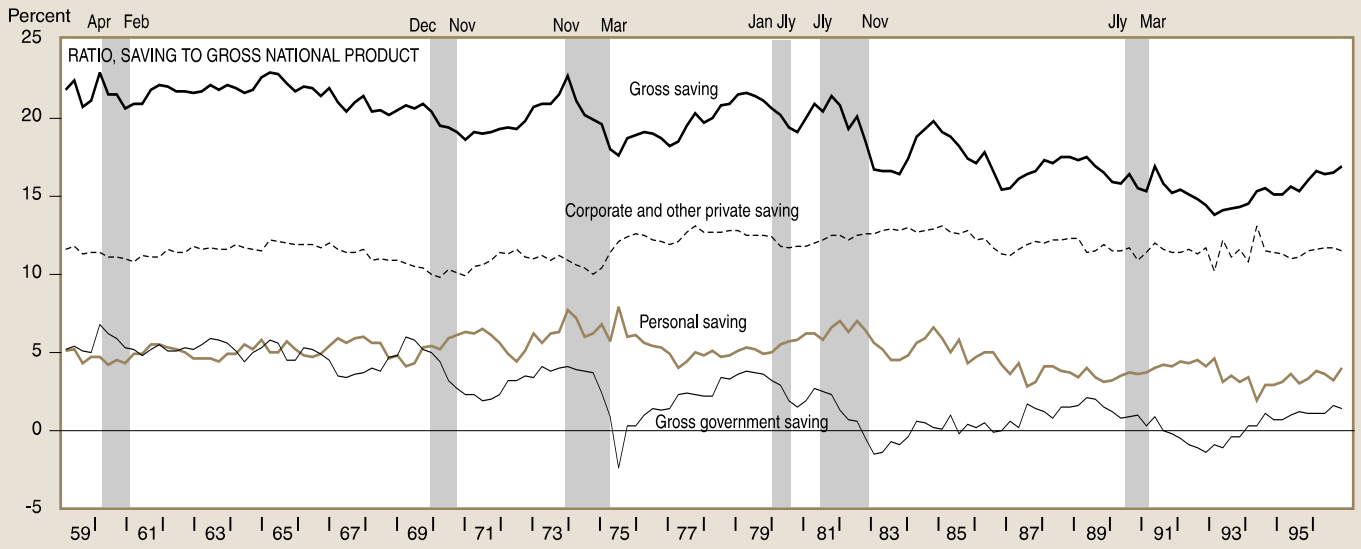


U.S. Department of Commerce, Bureau of Economic Analysis

SELECTED NIPA SERIES

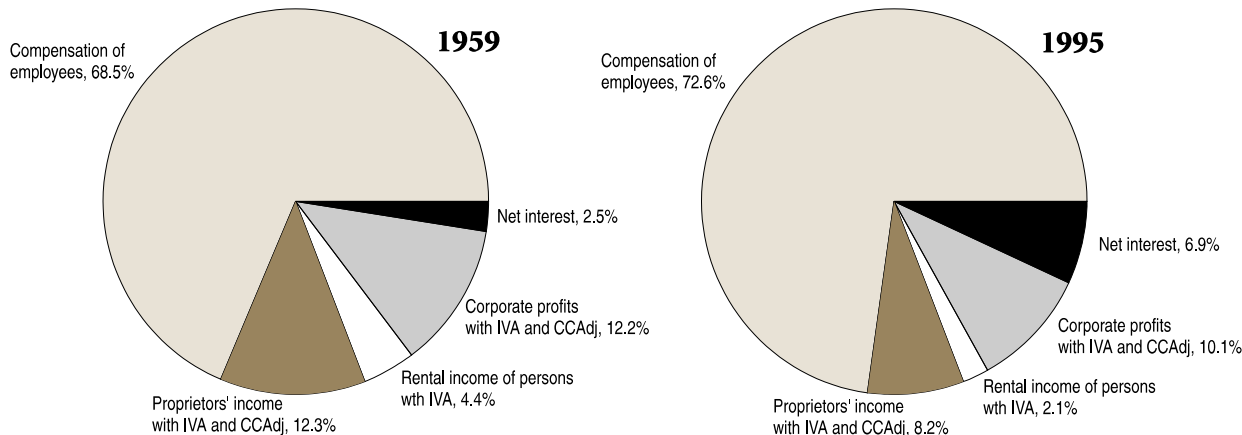


SELECTED NIPA SERIES

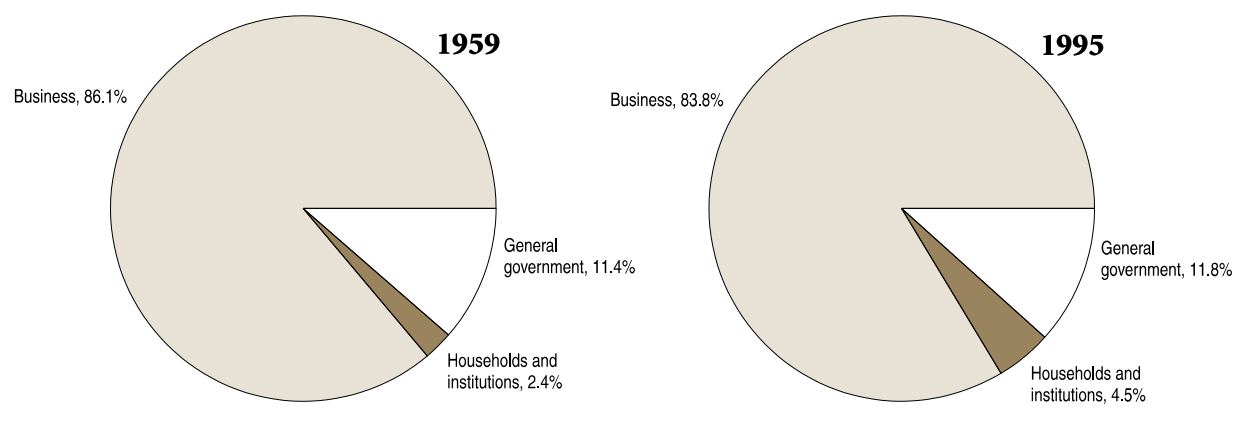


SELECTED NIPA SERIES

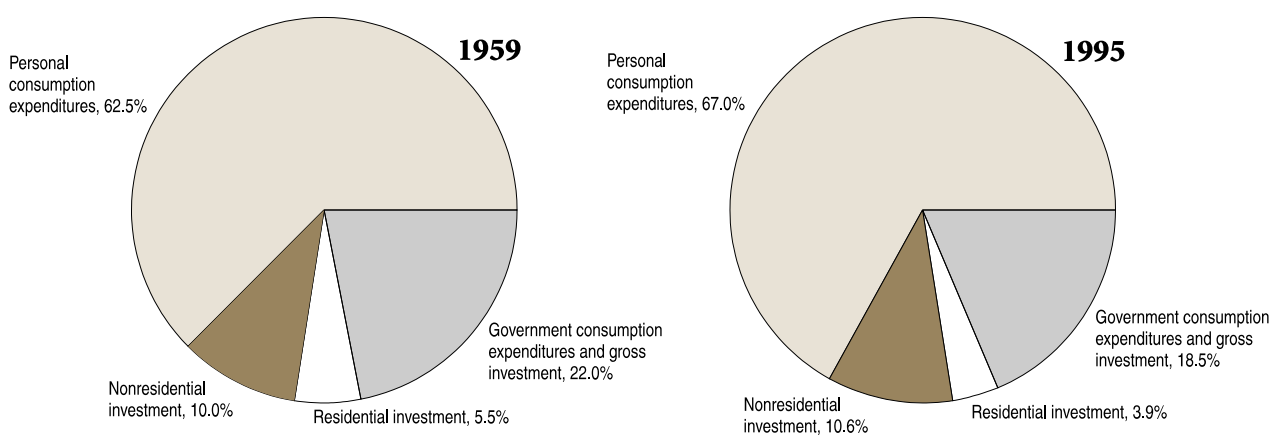
SHARES OF NATIONAL INCOME



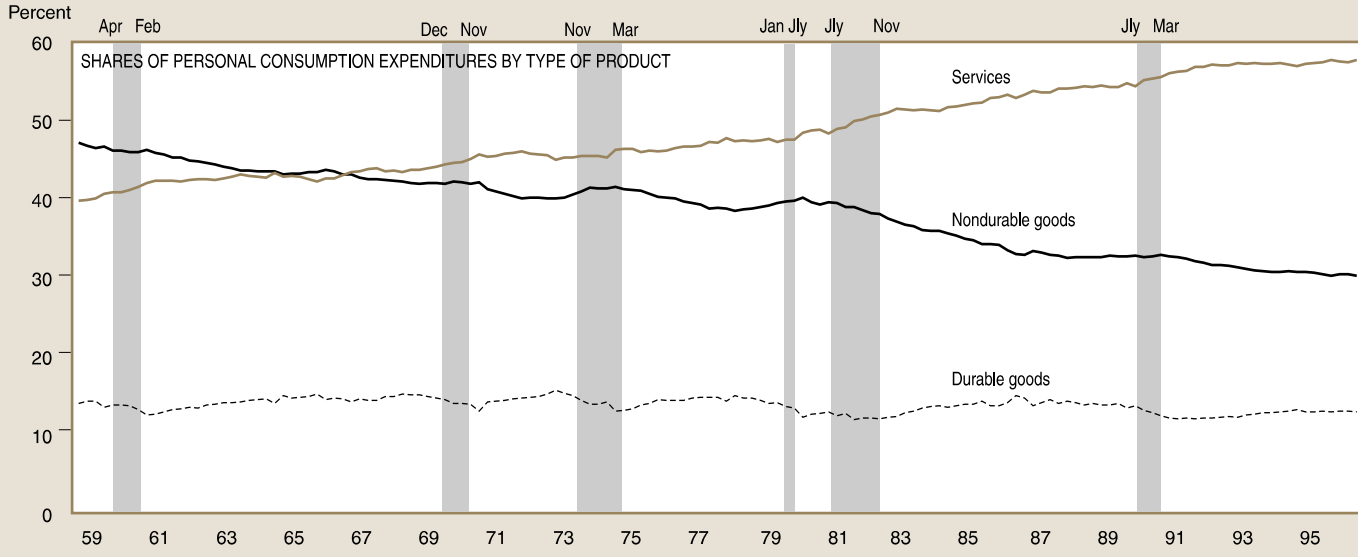
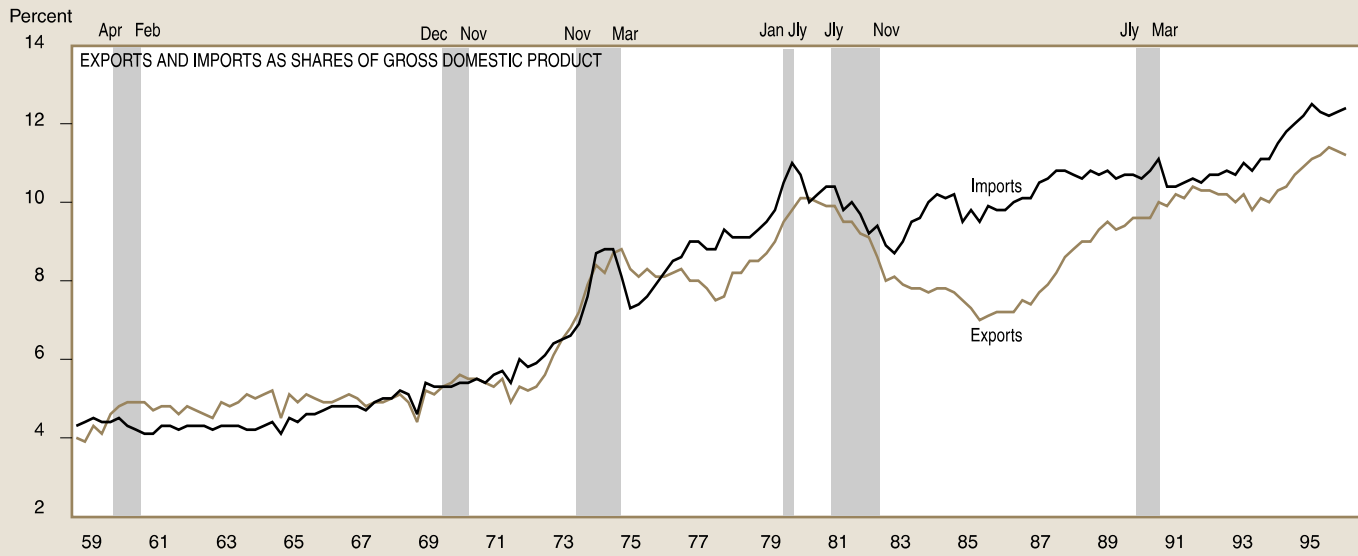
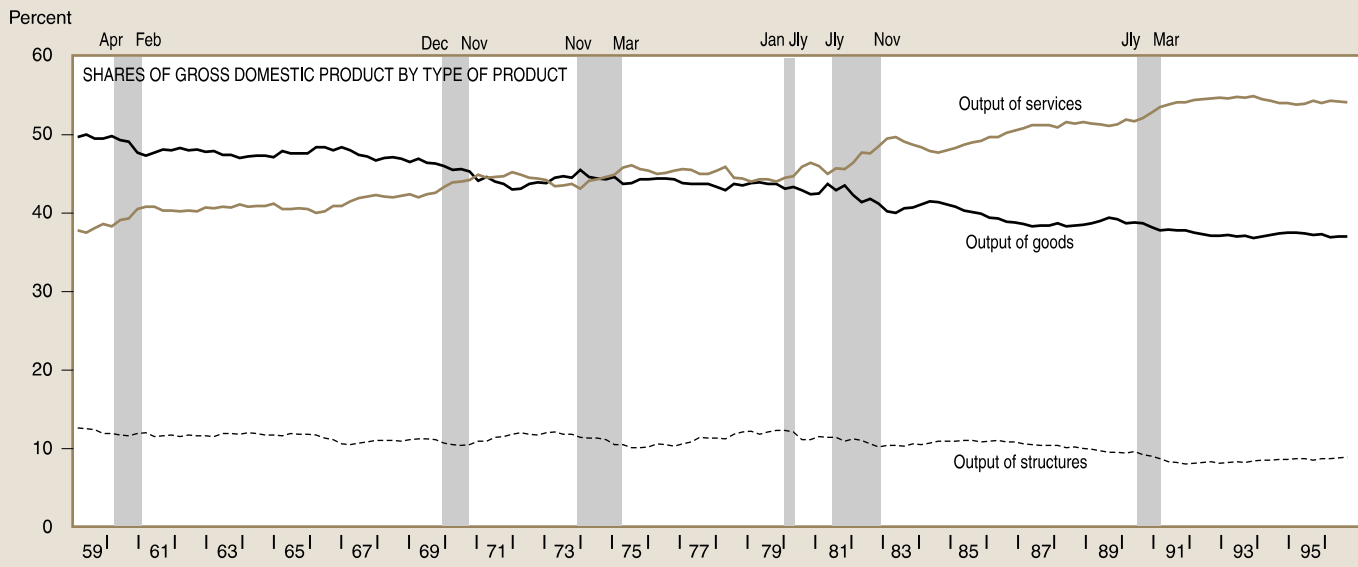
SHARES OF GROSS DOMESTIC PRODUCT BY SECTOR



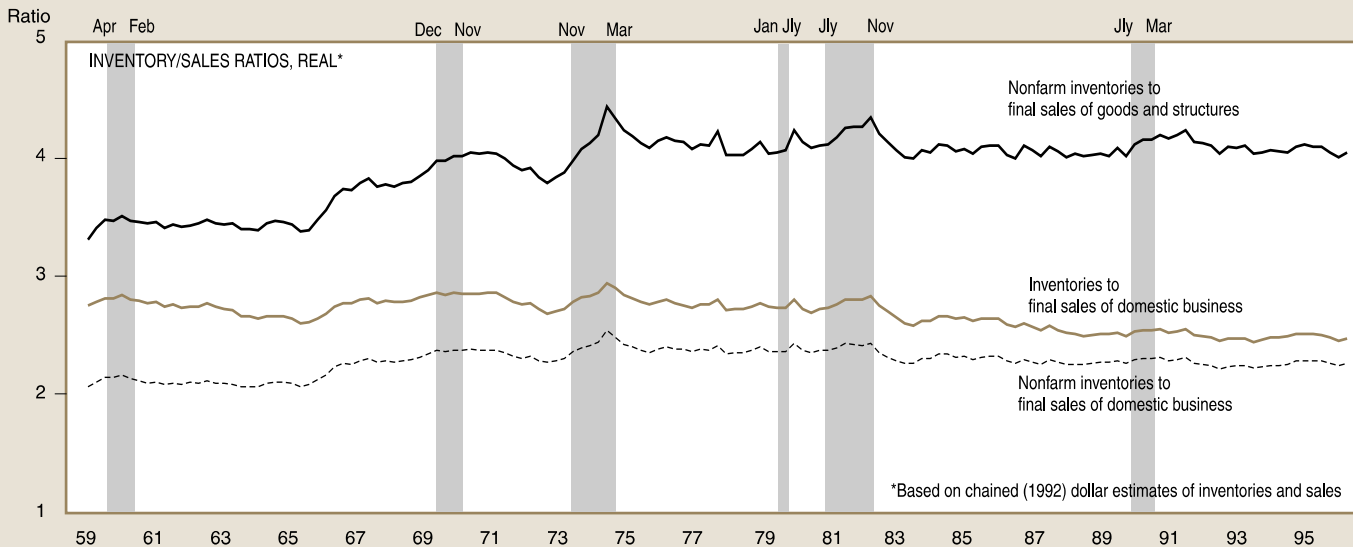
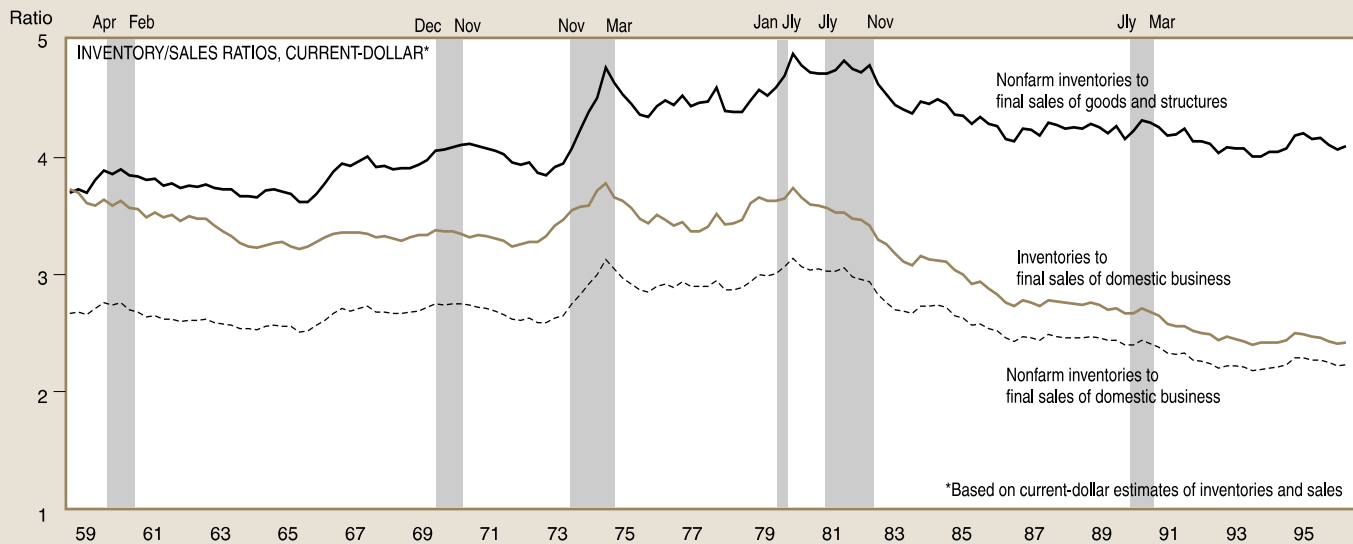
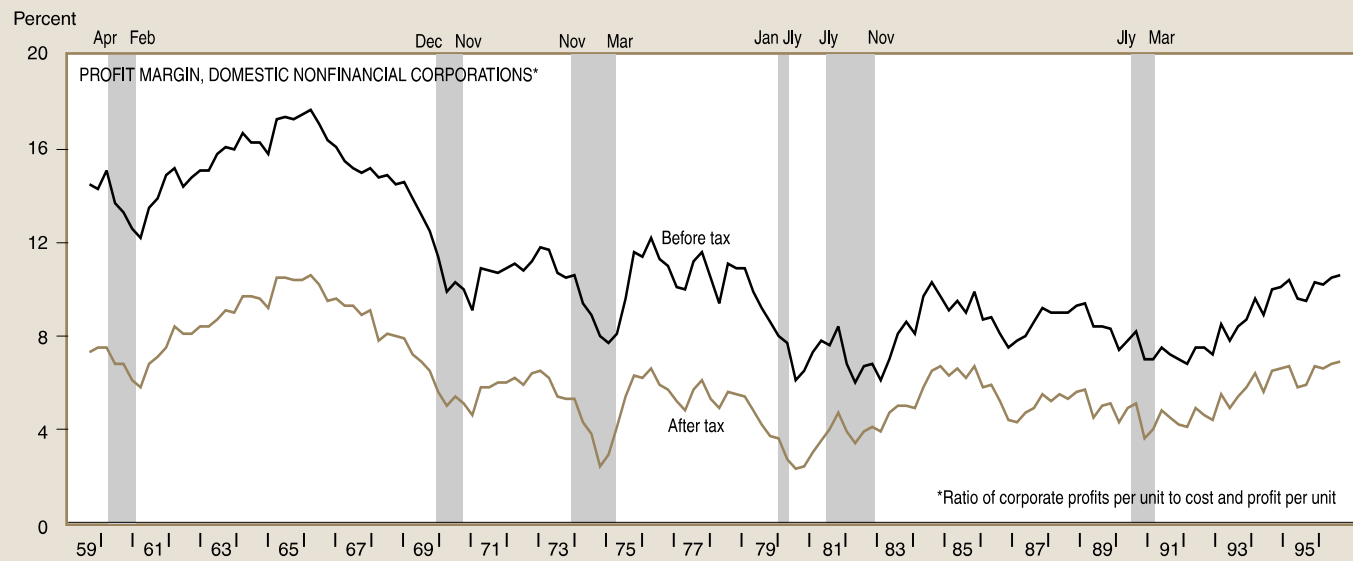
SHARES OF GROSS DOMESTIC PURCHASES



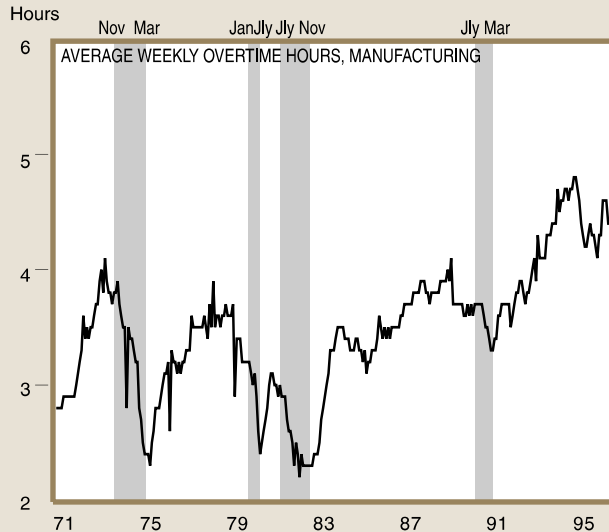
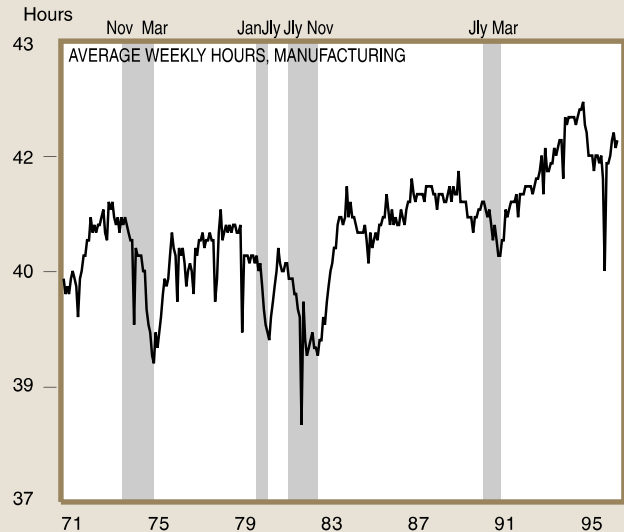
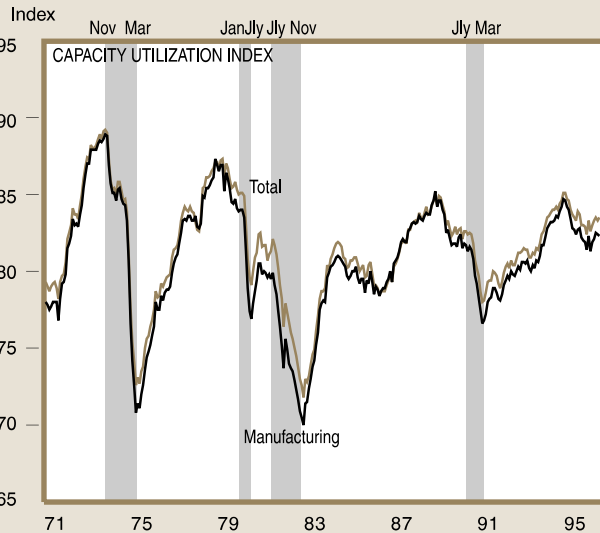
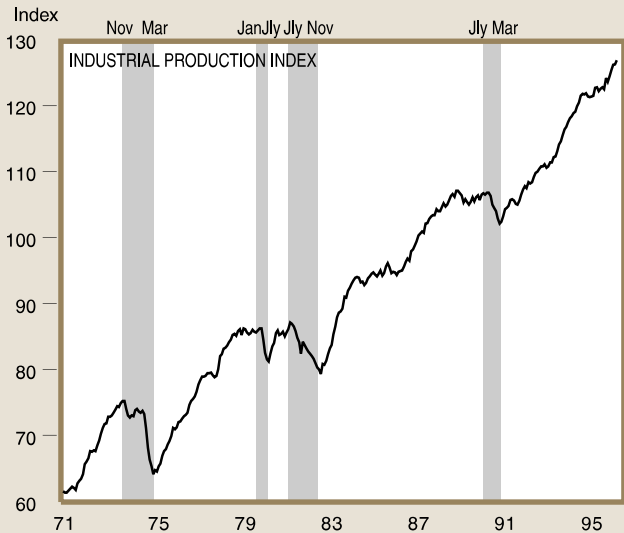
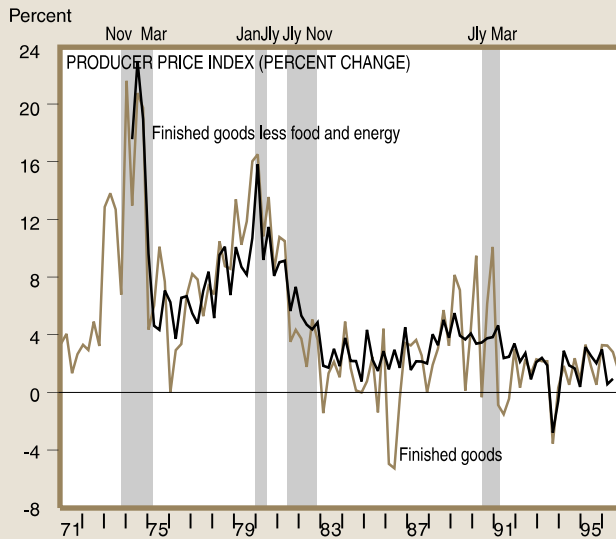
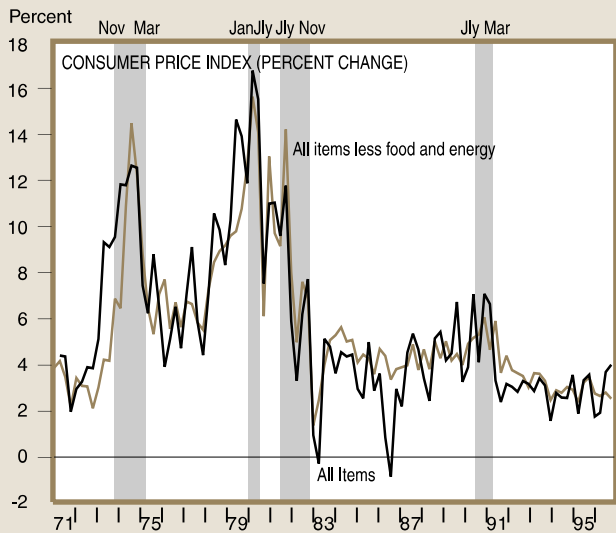
SELECTED NIPA SERIES



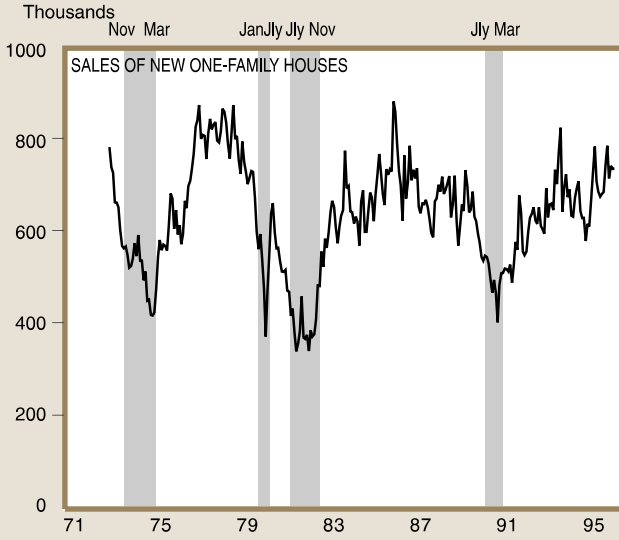
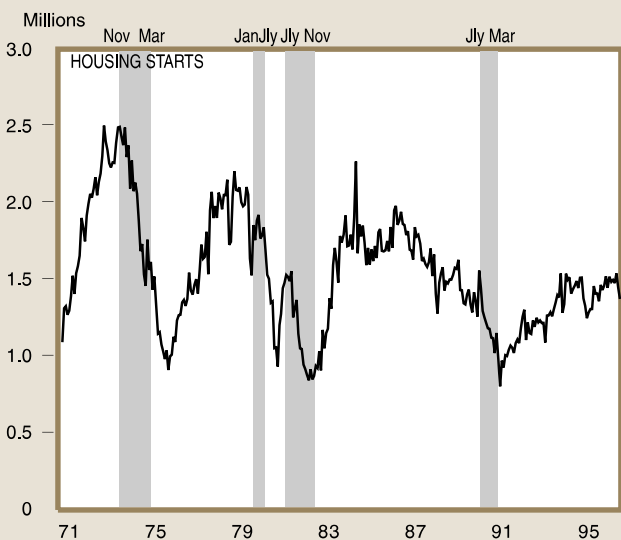
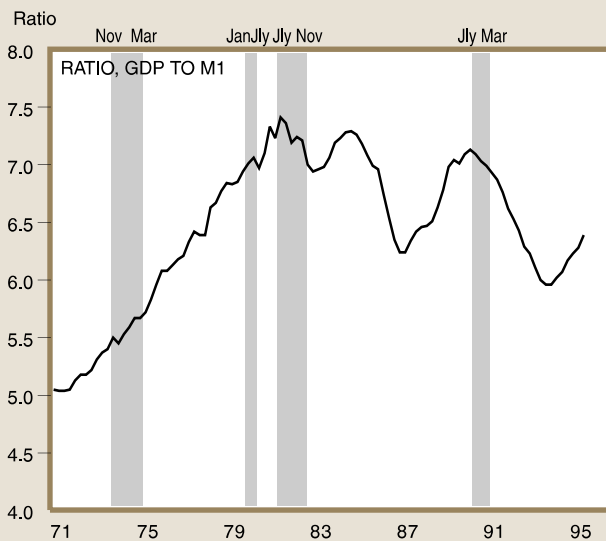
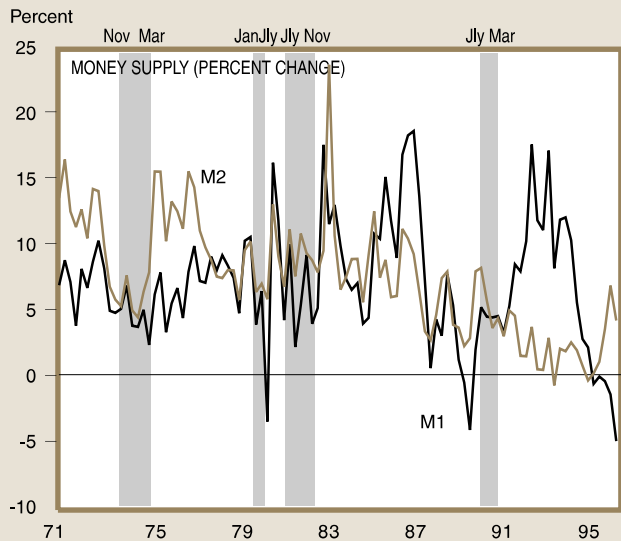
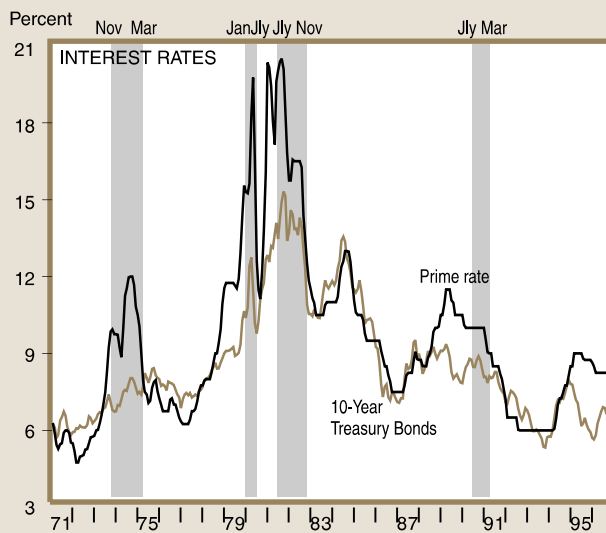
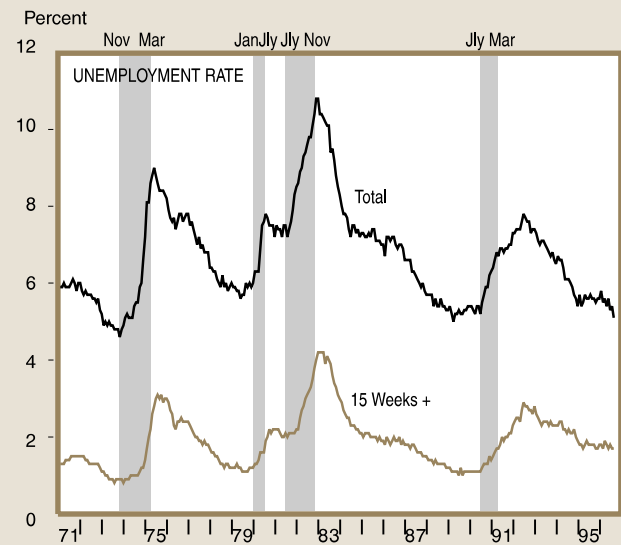
SELECTED NIPA SERIES



OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



International Data

F. Summary U.S. International Transactions

Table F.1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on November 20, 1996 and include "preliminary" estimates for September 1996 and "revised" estimates for August. The sources for the other tables in this section are as noted.

Table F.1.—U.S. International Transactions in Goods and Services

[Millions of dollars; monthly estimates seasonally adjusted]

	1994	1995	1995				1996									
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. ^r	Sept. ^p	Oct.
Exports of goods and services	698,301	786,529	68,046	67,534	67,997	68,089	66,594	69,226	69,332	69,200	70,170	69,730	67,306	69,783	68,785	.....
Goods	502,462	575,939	49,672	49,528	49,777	50,120	48,653	50,883	50,492	50,741	51,384	50,972	48,779	51,095	50,064	.....
Foods, feeds, and beverages	41,949	50,466	4,730	4,374	4,447	4,477	4,662	4,459	4,881	4,670	4,707	4,520	4,674	4,709	4,377	.....
Industrial supplies and materials	121,403	146,255	12,418	12,523	11,866	12,106	11,856	12,202	12,540	12,725	12,456	12,274	11,438	12,158	12,022	.....
Capital goods, except automotive	205,184	233,046	19,787	20,276	20,747	21,160	19,897	21,297	20,773	21,074	21,095	20,747	19,956	21,049	20,079	.....
Automotive vehicles, engines, and parts	57,614	61,828	5,610	5,159	5,093	5,243	5,220	5,355	4,923	4,874	5,359	5,527	5,187	5,438	5,912	.....
Consumer goods (nonfood), except automotive	59,981	64,425	5,433	5,510	5,467	5,470	5,485	5,765	5,714	5,766	5,910	5,939	5,542	5,839	5,910	.....
Other goods	26,495	28,723	2,352	2,483	2,954	2,459	2,225	2,563	2,508	2,987	2,850	2,850	3,426	3,256	3,084	.....
Adjustments ¹	-10,164	-8,803	-657	-797	-799	-795	-690	-784	-902	-876	-1,130	-885	-1,443	-1,355	-1,319	.....
Services	195,839	210,590	18,374	18,006	18,220	17,968	17,941	18,343	18,840	18,459	18,786	18,758	18,527	18,688	18,721	.....
Travel	58,417	61,137	5,399	5,240	5,406	5,222	5,171	5,444	5,620	5,278	5,418	5,412	5,207	5,274	5,252	.....
Passenger fares	17,083	18,534	1,643	1,593	1,653	1,590	1,556	1,656	1,657	1,583	1,662	1,676	1,593	1,614	1,607	.....
Other transportation	25,861	28,063	2,421	2,384	2,418	2,409	2,326	2,326	2,368	2,443	2,403	2,363	2,409	2,405	2,405	.....
Royalties and license fees	22,272	26,953	2,354	2,342	2,339	2,334	2,390	2,398	2,398	2,381	2,375	2,372	2,392	2,404	2,412	.....
Other private services	59,071	61,724	5,255	5,244	5,222	5,279	5,398	5,485	5,618	5,637	5,648	5,593	5,667	5,679	5,710	.....
Transfers under U.S. military agency sales contracts ²	12,255	13,405	1,211	1,137	1,121	1,076	1,036	942	1,115	1,126	1,156	1,220	1,222	1,223	1,250	.....
U.S. Government miscellaneous services	880	775	90	66	61	59	87	93	94	85	83	82	82	86	85	.....
Imports of goods and services	802,682	891,593	74,940	74,436	74,095	74,487	76,162	76,009	77,205	78,596	80,625	77,920	78,903	80,085	80,126	.....
Goods	668,585	749,363	62,915	62,637	62,101	62,721	64,150	63,667	64,940	66,325	68,175	65,592	66,271	67,518	67,741	.....
Foods, feeds, and beverages	30,958	33,176	2,782	2,772	2,724	2,702	2,782	2,816	2,964	3,016	3,030	2,934	2,936	3,036	2,984	.....
Industrial supplies and materials	162,031	180,668	15,262	14,731	14,868	14,839	15,594	14,736	15,335	16,583	17,022	16,326	17,014	16,900	17,392	.....
Capital goods, except automotive	184,424	221,431	19,047	19,491	19,195	19,306	19,481	19,393	19,527	18,836	18,992	18,607	18,632	18,761	18,872	.....
Automotive vehicles, engines, and parts	118,271	124,774	10,186	9,639	9,853	10,330	10,562	10,639	10,042	10,506	11,479	10,784	11,134	11,574	11,205	.....
Consumer goods (nonfood), except automotive	146,300	160,009	13,434	13,379	13,083	13,186	13,507	13,663	13,671	13,518	14,215	13,850	13,906	14,408	14,774	.....
Other goods	21,272	23,387	1,971	2,203	2,070	2,140	1,947	2,030	2,185	2,250	2,188	2,216	2,219	2,067	2,208	.....
Adjustments ¹	5,329	5,918	232	421	309	219	277	390	1,215	1,614	1,249	875	430	772	307	.....
Services	134,097	142,230	12,025	11,799	11,994	11,766	12,012	12,342	12,265	12,271	12,450	12,328	12,632	12,567	12,385	.....
Travel	43,782	45,855	3,830	3,844	3,900	3,798	3,942	4,224	4,109	3,980	4,073	4,061	3,879	4,026	3,961	.....
Passenger fares	12,885	14,313	1,239	1,184	1,211	1,168	1,150	1,228	1,163	1,129	1,172	1,169	1,153	1,189	1,175	.....
Other transportation	27,983	29,205	2,445	2,448	2,397	2,295	2,337	2,244	2,308	2,407	2,413	2,283	2,400	2,418	2,406	.....
Royalties and license fees	5,518	6,312	545	558	564	568	538	531	528	536	537	537	547	663	548	.....
Other private services	30,980	33,970	2,913	2,751	2,912	2,919	2,966	3,014	3,042	3,101	3,132	3,152	3,125	3,134	3,151	.....
Direct defense expenditures ²	10,292	9,820	817	785	782	789	849	870	884	885	890	892	897	903	910	.....
U.S. Government miscellaneous services	2,657	2,755	236	229	228	229	230	231	233	233	233	234	231	234	234	.....
Memoranda:																
Balance on goods	-166,123	-173,424	-13,243	-13,108	-12,324	-12,600	-15,497	-12,785	-14,448	-15,584	-16,791	-14,620	-17,492	-16,423	-17,677	.....
Balance on services	61,742	68,360	6,349	6,207	6,226	6,202	5,929	6,001	6,575	6,188	6,336	6,430	5,896	6,121	6,336	.....
Balance on goods and services	-104,381	-105,064	-6,894	-6,902	-6,098	-6,398	-9,568	-6,784	-7,873	-9,396	-10,455	-8,190	-11,597	-10,302	-11,341	.....

^p Preliminary.

^r Revised.

1. Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and definitions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and Bureau of the Census.

Table F.3.—U.S. International Transactions, by Area—Continued

[Millions of dollars]

Line	(Credits +; debits -) ¹	Australia			Other countries in Asia and Africa			International organizations and unallocated ¹⁶		
		1995	1996		1995	1996		1995	1996	
		IV	I ^r	II ^p	IV	I ^r	II ^p	IV	I ^r	II ^p
1	Exports of goods, services, and income	4,905	4,853	5,186	53,655	53,535	53,451	4,616	4,685	4,998
2	Goods, adjusted, excluding military ²	2,642	2,975	2,919	37,428	36,224	36,611		2	
3	Services ³	1,112	1,036	1,121	10,841	11,875	11,204	1,323	1,328	1,455
4	Transfers under U.S. military agency sales contracts ⁴	68	41	67	2,014	2,129	1,935	15		10
5	Travel	374	344	385	1,945	2,099	2,631			
6	Passenger fares	111	107	118	338	404	425			
7	Other transportation	63	59	63	2,071	1,881	1,990	182	171	217
8	Royalties and license fees ⁵	158	137	142	898	810	853	397	357	366
9	Other private services ⁵	338	338	336	3,519	4,445	3,290	729	800	862
10	U.S. Government miscellaneous services		9	10	56	108	80			
11	Income receipts on U.S. assets abroad	1,152	843	1,146	5,385	5,435	5,636	3,293	3,355	3,543
12	Direct investment receipts	783	567	734	3,543	3,435	3,745	1,014	1,008	1,122
13	Other private receipts	369	276	412	1,599	1,700	1,635	2,131	2,148	2,287
14	U.S. Government receipts				243	300	256	148	199	134
15	Imports of goods, services, and income	-1,517	-1,235	-1,449	-68,280	-63,461	-65,773	-1,083	-1,055	-1,134
16	Goods, adjusted, excluding military ²	-822	-828	-883	-56,537	-52,199	-54,084			
17	Services ³	-549	-581	-513	-6,223	-6,103	-6,187	-561	-526	-615
18	Direct defense expenditures	-10	-13	-12	-372	-409	-409			
19	Travel	-206	-218	-180	-1,844	-1,968	-2,076			
20	Passenger fares	-114	-127	-81	-859	-797	-822			
21	Other transportation	-76	-77	-83	-1,805	-1,674	-1,636	-159	-146	-216
22	Royalties and license fees ⁵	-3	-4	-5	-32	-15	-16	-90	-79	-79
23	Other private receipts	-135	-118	-127	-1,127	-1,054	-1,039	-312	-301	-320
24	U.S. Government miscellaneous services	-4	-24	-25	-184	-186	-190			
25	Income payments on foreign assets in the United States	-147	173	-53	-5,520	-5,159	-5,502	-523	-528	-519
26	Direct investment payments	-29	284	69	67	79	84	126	128	153
27	Other private payments	-75	-72	-86	-2,402	-2,260	-2,313	-593	-606	-633
28	U.S. Government payments	-43	-39	-36	-3,185	-2,978	-3,272	-55	-50	-38
29	Unilateral transfers, net	-25	-30	-22	-3,542	-5,126	-3,000	-2,622	-2,494	-2,816
30	U.S. Government grants ⁴				-1,905	-3,356	-1,398	-97	-148	-263
31	U.S. Government pensions and other transfers	-8	-8	-8	-109	-49	-110	-236	-158	-87
32	Private remittances and other transfers ⁶	-17	-22	-14	-1,528	-1,721	-1,492	-2,289	-2,188	-2,466
33	U.S. assets abroad, net (increase/capital outflow (-))	-1,571	-3,632	289	624	-12,233	-16,209	-255	-4,038	-679
34	U.S. official reserve assets, net ⁷							-310	-1,048	-353
35	Gold							-147	-199	-133
36	Special drawing rights							-147	-849	-220
37	Reserve position in the International Monetary Fund									
38	Foreign currencies									
39	U.S. Government assets, other than official reserve assets, net		1		190	-15	-96	-384	-319	-234
40	U.S. credits and other long-term assets				-211	-265	-815	-384	-319	-234
41	Repayments on U.S. credits and other long-term assets ⁸				448	343	459			
42	U.S. foreign currency holdings and U.S. short-term assets, net		1		-47	-93	260			
43	U.S. private assets, net	-1,571	-3,633	289	434	-12,218	-16,113	439	-2,671	-92
44	Direct investment	-3,661	-1,465	-741	-2,263	-2,513	-648	-648	-674	-728
45	Foreign securities	-1,026	-2,007	-234	-3,185	-4,828	-5,141	8	-99	-105
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	187	90	n.a.	-742	383	n.a.	26	-9	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	2,929	-251	1,263	6,624	-5,260	-7,980	1,053	-1,889	741
48	Foreign assets in the United States, net (increase/capital inflow (+))	1,462	1,154	2,391	16,917	5,802	15,089	-2,679	-521	1,366
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	-3	1	1
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)			
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)			
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)			
53	Other U.S. Government liabilities ¹¹	-21	8	-40	1,157	-221	20	-3	1	1
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)			
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)			
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	-2,676	-522	1,365
57	Direct investment	148	1,205	-170	706	566	-18	-174	-179	-177
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)			(18)
59	U.S. securities other than U.S. Treasury securities	66	-233	-389	1,065	1,298	3,194	-55	-64	
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	178	154	n.a.	678	-902	n.a.	68	55	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 1,091	18 20	18 2,990	18 13,311	18 5,061	18 11,892	18 -2,515	18 -334	18 1,542
62	Allocations of special drawing rights									
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-3,254	-1,110	-6,394	626	21,483	16,442	2,023	3,422	-1,736
64	Memoranda:									
65	Balance on goods (lines 2 and 16)	1,820	2,147	2,036	-19,109	-15,975	-17,473		2	
66	Balance on services (lines 3 and 17)	563	455	608	4,619	5,773	5,017	762	802	840
67	Balance on goods and services (lines 64 and 65)	2,383	2,602	2,644	-14,491	-10,202	-12,456	762	804	840
68	Balance on investment income (lines 11 and 25)	1,005	1,016	1,093	-135	276	134	2,771	2,827	3,024
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	3,388	3,618	3,736	-14,625	-9,926	-12,322	3,533	3,631	3,865
68	Unilateral transfers, net (line 29)	-25	-30	-22	-3,542	-5,126	-3,000	-2,622	-2,494	-2,816
70	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	3,363	3,588	3,714	-18,167	-15,052	-15,322	911	1,137	1,049

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

15. The "European Union (6)" includes Belgium, France, Germany (which includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also

includes taxes withheld, current-cost adjustments associated with U.S. and foreign direct investment, and small transactions in business services that are not reported by country.

17. Details not shown separately; see totals in lines 49 and 56.

18. Details not shown separately are included in line 61.

NOTE.—The data in tables F.2 and F.3 are from tables 1 and 10 in "U.S. International Transactions, Second Quarter 1996" in the October 1996 SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the balance of payments accounts.

Table F.4.—Private Service Transactions

[Millions of dollars]

Line		1994	1995	Seasonally adjusted					
				1995				1996	
				I	II	III	IV	I ^r	II ^p
1	Exports of private services	182,704	196,411	47,092	48,273	50,371	50,673	51,756	52,253
2	Travel (table F.2, line 5)	58,417	61,137	14,762	14,825	15,682	15,867	16,235	16,110
3	Passenger fares (table F.2, line 6)	17,083	18,534	4,248	4,635	4,815	4,836	4,869	4,921
4	Other transportation (table F.2, line 7)	25,861	28,063	6,784	6,951	7,117	7,211	6,965	7,214
5	Freight	9,698	10,780	2,459	2,689	2,747	2,885	2,608	2,701
6	Port services	15,101	16,091	4,028	3,965	4,075	4,021	4,050	4,198
7	Other	1,066	1,193	297	297	295	304	307	315
8	Royalties and license fees (table F.2, line 8)	22,272	26,953	6,309	6,615	7,014	7,015	7,186	7,129
9	Affiliated,	17,422	21,619	5,024	5,296	5,664	5,636	5,779	5,702
10	U.S. parents' receipts	16,424	20,180	4,656	4,964	5,281	5,280	5,485	5,326
11	U.S. affiliates' receipts	998	1,439	368	332	383	356	294	376
12	Unaffiliated	4,849	5,333	1,285	1,319	1,350	1,379	1,407	1,427
13	Industrial processes ¹	3,043	3,316	801	819	838	858	878	893
14	Other ²	1,806	2,017	484	499	512	522	529	534
15	Other private services (table F.2, line 9)	59,071	61,724	14,989	15,247	15,743	15,744	16,501	16,879
16	Affiliated services,	18,162	19,458	4,600	4,773	5,070	5,015	5,377	5,576
17	U.S. parents' receipts	11,623	11,933	2,846	2,965	3,050	3,072	3,225	3,419
18	U.S. affiliates' receipts	6,539	7,525	1,754	1,808	2,020	1,943	2,152	2,157
19	Unaffiliated services	40,910	42,265	10,389	10,474	10,673	10,729	11,124	11,303
20	Education	7,175	7,517	1,841	1,860	1,950	1,866	1,922	1,935
21	Financial services	5,626	6,109	1,373	1,504	1,574	1,659	1,742	1,866
22	Insurance, net	1,506	1,395	361	346	342	347	362	373
23	Premiums received	4,944	5,575	1,346	1,377	1,409	1,443	1,480	1,507
24	Losses paid	3,437	4,180	985	1,031	1,068	1,096	1,118	1,134
25	Telecommunications	2,871	2,848	717	713	710	708	706	705
26	Business, professional, and technical services	15,728	16,264	4,044	4,039	4,078	4,104	4,267	4,254
27	Other unaffiliated services ³	8,003	8,131	2,055	2,012	2,019	2,046	2,126	2,170
28	Imports of private services	121,148	129,655	31,762	32,533	32,844	32,516	33,325	33,683
29	Travel (table F.2, line 19)	43,782	45,855	11,397	11,539	11,377	11,541	12,276	12,113
30	Passenger fares (table F.2, line 20)	12,885	14,313	3,376	3,658	3,716	3,563	3,541	3,470
31	Other transportation (table F.2, line 21)	27,983	29,205	7,251	7,380	7,434	7,140	6,890	7,103
32	Freight	16,444	17,089	4,409	4,267	4,370	4,043	4,099	4,327
33	Port services	10,621	11,215	2,611	2,888	2,839	2,877	2,580	2,578
34	Other	919	902	231	225	226	220	211	198
35	Royalties and license fees (table F.2, line 22)	5,518	6,312	1,496	1,508	1,619	1,690	1,596	1,612
36	Affiliated,	3,810	5,148	1,191	1,221	1,325	1,412	1,310	1,321
37	U.S. parents' payments	248	430	93	100	118	120	95	108
38	U.S. affiliates' payments	3,562	4,718	1,098	1,121	1,207	1,292	1,215	1,213
39	Unaffiliated	1,708	1,163	305	287	293	278	286	291
40	Industrial processes ¹	1,056	819	220	205	197	197	203	208
41	Other ²	652	344	85	82	96	81	83	83
42	Other private services (table F.2, line 23)	30,980	33,970	8,242	8,448	8,698	8,582	9,022	9,385
43	Affiliated services,	11,755	13,723	3,286	3,373	3,553	3,511	3,785	3,965
44	U.S. parents' payments	5,760	6,740	1,656	1,660	1,749	1,675	1,809	1,693
45	U.S. affiliates' payments	5,995	6,983	1,630	1,713	1,804	1,836	1,976	2,272
46	Unaffiliated services	19,225	20,247	4,956	5,075	5,145	5,071	5,237	5,420
47	Education	816	877	213	218	223	223	226	231
48	Financial services	1,611	1,707	398	410	452	447	476	501
49	Insurance, net	3,781	4,481	1,104	1,152	1,182	1,043	1,188	1,184
50	Premiums paid	13,861	13,710	3,458	3,421	3,409	3,422	3,462	3,491
51	Losses recovered	10,080	9,230	2,355	2,269	2,227	2,379	2,273	2,307
52	Telecommunications	6,924	6,773	1,709	1,706	1,678	1,681	1,689	1,695
53	Business, professional, and technical services	4,262	4,502	1,077	1,114	1,142	1,170	1,182	1,307
54	Other unaffiliated services ³	1,833	1,908	457	476	469	507	476	502
Memoranda:									
55	Balance on goods (table F.2, line 64)	-166,121	-173,424	-44,923	-47,927	-42,548	-38,026	-42,730	-46,830
56	Balance on private services (line 1 minus line 28)	61,556	66,756	15,330	15,740	17,527	18,157	18,431	18,570
57	Balance on goods and private services (lines 55 and 56)	-104,565	-106,668	-29,593	-32,187	-25,021	-19,869	-24,299	-28,260

^p Preliminary.^r Revised.

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign govern-

ments and international organizations in the United States. Payments (imports) include mainly wages of foreign residents temporarily employed in the United States and Canadian and Mexican commuters in U.S. border areas.

NOTE.—The data in this table are from table 3 in "U.S. International Transactions, Second Quarter 1996" in the October 1996 SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the balance of payments accounts.

Table F.5.—International Investment Position of the United States at Yearend, 1994 and 1995

[Millions of dollars]

Line	Type of investment	Position, 1994 ^r	Changes in position in 1995 (decrease (-))				Total (a+b+c+d)	Position, 1995 ^p
			Attributable to:					
			Capital flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
(a)	(b)	(c)	(d)	(a+b+c+d)				
Net international investment position of the United States:								
1	With direct investment positions at current cost (line 3 less line 24)	-580,095	-116,606	-119,855	6,512	-3,932	-233,881	-813,976
2	With direct investment positions at market value (line 4 less line 25)	-492,482	-116,606	-194,498	27,380	2,553	-281,171	-773,653
U.S. assets abroad:								
3	With direct investment positions at current cost (lines 5+10+15)	2,546,189	307,856	75,769	9,635	-7,545	385,715	2,931,904
4	With direct investment positions at market value (lines 5+10+16)	2,825,830	307,856	187,177	30,531	1,517	527,081	3,352,911
5	U.S. official reserve assets	163,394	9,742	1,177	1,756	-8	12,667	176,061
6	Gold	100,110	.....	³ 1,177	.....	⁴ -8	1,169	101,279
7	Special drawing rights	10,039	808	.....	190	.....	998	11,037
8	Reserve position in the International Monetary Fund	12,030	2,466	.....	153	.....	2,619	14,649
9	Foreign currencies	41,215	6,468	.....	1,413	.....	7,881	49,096
10	U.S. Government assets, other than official reserve assets	81,269	280	.....	-1	.....	279	81,548
11	U.S. credits and other long-term assets ⁵	79,188	382	.....	.....	.....	382	79,570
12	Repayable in dollars	78,327	431	.....	.....	32	463	78,790
13	Other ⁶	861	-49	.....	.....	-32	-81	780
14	U.S. foreign currency holdings and U.S. short-term assets	2,081	-102	.....	-1	.....	-103	1,978
U.S. private assets:								
15	With direct investment at current cost (lines 17+19+22+23)	2,301,526	297,834	74,592	7,880	-7,537	372,769	2,674,295
16	With direct investment at market value (lines 18+19+22+23)	2,581,167	297,834	186,000	28,776	1,525	514,135	3,095,302
Direct investment abroad:								
17	At current cost	779,300	95,509	6,410	6,279	-7,375	100,823	880,123
18	At market value	1,058,941	95,509	117,818	27,175	1,687	242,189	1,301,130
19	Foreign securities	556,241	98,960	68,182	-1,634	.....	165,508	721,749
20	Bonds	232,265	48,263	29,628	511	.....	78,402	310,667
21	Corporate stocks	323,976	50,697	38,554	-2,145	.....	87,106	411,082
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	273,686	34,219	.....	3,235	.....	37,454	311,140
23	U.S. claims reported by U.S. banks, not included elsewhere	692,299	69,146	.....	.....	-162	68,984	761,283
Foreign assets in the United States:								
24	With direct investment at current cost (lines 26+33)	3,126,284	424,462	195,624	3,123	-3,613	619,596	3,745,880
25	With direct investment at market value (lines 26+34)	3,318,312	424,462	381,675	3,151	-1,036	808,252	4,126,564
26	Foreign official assets in the United States	546,015	109,757	21,979	.....	159	131,895	677,910
27	U.S. Government securities	415,005	72,547	11,190	.....	158	83,895	498,900
28	U.S. Treasury securities	393,436	68,813	9,095	.....	158	78,066	471,502
29	Other	21,569	3,734	2,095	.....	.....	5,829	27,398
30	Other U.S. Government liabilities ⁷	24,858	1,082	.....	.....	1	1,083	25,941
31	U.S. liabilities reported by U.S. banks, not included elsewhere	73,281	32,862	.....	.....	.....	32,862	106,143
32	Other foreign official assets	32,871	3,266	10,789	.....	.....	14,055	46,926
Other foreign assets:								
33	With direct investment at current cost (lines 35+37+38+41+42)	2,580,269	314,705	173,645	3,123	-3,772	487,701	3,067,970
34	With direct investment at market value (lines 36+37+38+41+42)	2,772,297	314,705	359,696	3,151	-1,195	676,357	3,448,654
Direct investment in the United States:								
35	At current cost	579,826	60,236	1,015	-28	-2,530	58,693	638,519
36	At market value	771,854	60,236	187,066	.....	47	247,349	1,019,203
37	U.S. Treasury securities	266,594	99,340	23,172	.....	-157	122,355	388,949
38	U.S. securities other than U.S. Treasury securities	752,792	95,268	149,458	1,078	.....	245,804	998,596
39	Corporate and other bonds	413,866	81,911	36,322	1,078	.....	119,311	533,177
40	Corporate stocks	338,926	13,357	113,136	.....	.....	126,493	465,419
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	197,325	34,578	.....	2,073	-1,085	35,566	232,891
42	U.S. liabilities reported by U.S. banks, not included elsewhere	783,732	25,283	.....	.....	.....	25,283	809,015

^p Preliminary.^r Revised.

1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions capital flows.

5. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

6. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States in 1995" in the July 1996 SURVEY OF CURRENT BUSINESS.

Table F.6.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1993–95

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital outflows (inflows (-))			Income		
	1993	1994	1995	1993	1994	1995	1993	1994	1995
All countries, all industries	564,283	621,044	711,621	77,247	53,078	93,406	59,381	65,994	85,538
By country									
Canada	69,922	74,987	81,387	3,584	6,287	7,767	3,959	5,550	8,386
Europe	285,735	310,031	363,527	45,914	20,050	52,828	26,660	29,220	40,910
France	24,312	27,860	32,645	-495	2,770	5,954	1,319	1,639	2,910
Germany	36,811	39,622	43,001	4,263	1,846	2,481	3,064	3,679	4,833
Netherlands	20,911	25,127	37,421	1,398	3,212	7,134	2,389	2,410	6,075
United Kingdom	109,208	111,255	119,938	25,355	1,920	11,624	9,680	8,761	10,585
Latin America and Other Western Hemisphere	100,482	112,226	122,765	16,895	14,797	14,614	14,275	15,562	14,840
Africa	5,469	5,530	6,516	837	173	970	1,226	1,413	1,866
Middle East	6,571	6,794	7,982	775	598	1,164	875	967	1,436
Asia and Pacific	92,671	108,075	125,968	8,895	11,143	16,001	12,117	13,120	17,886
Australia	19,047	19,900	24,713	1,981	721	5,711	2,271	2,384	2,759
Japan	31,095	36,677	39,198	1,625	2,522	1,583	1,801	2,843	4,504
International	3,433	3,401	3,476	348	30	62	269	163	214
By industry									
Petroleum	64,175	66,272	69,653	5,539	2,090	2,667	8,582	7,544	9,338
Manufacturing	192,244	217,416	257,589	18,522	25,533	43,520	21,699	27,868	35,775
Food and kindred products	25,858	28,931	31,079	6,088	3,661	2,487	4,110	4,256	4,547
Chemicals and allied products	45,623	50,385	68,082	4,247	5,681	18,215	6,103	7,343	9,426
Primary and fabricated metals	9,937	10,811	13,026	752	743	2,314	632	1,004	1,447
Industrial machinery and equipment	26,927	29,000	33,551	755	1,970	6,537	1,227	2,427	4,337
Electronic and other electric equipment	16,842	20,414	25,579	1,052	3,615	5,050	1,808	3,104	4,009
Transportation equipment	22,957	29,159	32,353	1,734	5,365	3,373	3,123	3,847	4,052
Other manufacturing	44,100	48,716	53,920	3,894	4,498	5,544	4,696	5,887	7,958
Wholesale trade	57,534	67,272	71,354	5,700	8,969	8,339	6,700	8,184	9,752
Banking	27,074	29,224	30,441	1,673	1,277	587	3,725	3,252	2,742
Finance (except banking), insurance, and real estate	174,684	186,558	212,089	41,358	6,712	18,815	15,643	15,073	21,839
Services	19,489	22,352	27,826	1,959	2,952	6,832	1,809	1,677	3,091
Other industries	29,083	31,950	42,668	2,497	5,545	12,646	1,223	2,397	3,001

NOTES.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

This table is derived from tables 17 and 18 in "U.S. Direct Investment Abroad: Detail for Histori-

cal-Cost Position and Related Capital and Income Flows, 1995" in the September 1996 SURVEY OF CURRENT BUSINESS.

Table F.7.—Selected Financial and Operating Data for Nonbank Foreign Affiliates of U.S. Companies, by Country and by Industry of Affiliate, 1994

	Number of affiliates	Millions of dollars			Number of employees (thousands)
		Total assets	Sales	Net income	
All countries, all industries	21,300	2,359,964	1,754,852	94,031	6,957.7
By country					
Canada	2,064	218,783	210,892	7,341	886.7
Europe	10,468	1,288,830	897,439	45,769	2,844.3
France	1,227	100,722	106,478	1,997	390.5
Germany	1,361	179,272	196,851	4,248	581.7
Italy	756	47,454	58,648	1,904	177.9
Netherlands	1,008	121,297	89,034	8,046	148.9
Switzerland	519	102,896	52,039	6,764	50.7
United Kingdom	2,430	542,862	226,857	11,761	869.6
Latin America and Other Western Hemisphere	3,252	271,881	182,453	19,484	1,492.2
Africa	495	19,830	17,450	1,451	115.0
Middle East	343	28,602	18,000	2,058	83.7
Asia and Pacific	4,574	517,250	421,230	17,460	1,511.1
Australia	838	67,537	59,789	2,516	251.0
Japan	986	260,817	196,724	3,045	419.6
International	104	14,788	7,389	467	24.7
By industry					
Petroleum	1,507	252,462	293,661	9,752	228.1
Manufacturing	8,105	681,082	845,487	40,835	4,116.2
Food and kindred products	800	92,563	104,910	6,614	559.6
Chemicals and allied products	1,935	146,983	151,358	11,465	578.5
Primary and fabricated metals	724	31,600	29,769	1,147	189.7
Industrial machinery and equipment	1,033	98,935	128,553	3,998	488.6
Electronic and other electric equipment	846	53,079	73,379	4,027	605.5
Transportation equipment	453	118,889	207,917	5,936	738.7
Other manufacturing	2,314	139,031	149,601	7,647	955.5
Wholesale trade	5,035	184,956	314,186	12,080	556.5
Finance (except depository institutions), insurance, and real estate	2,688	979,910	91,303	25,194	172.8
Services	2,504	100,164	82,041	1,728	746.7
Other industries	1,461	161,391	128,173	4,443	1,137.4

NOTE.—This table is derived from tables II.A.1 and II.A.2 in *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Preliminary Results* (forthcoming).

Table F.8.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1993–95

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital inflows (outflows (-))			Income		
	1993	1994	1995	1993	1994	1995	1993	1994	1995
All countries, all industries	466,666	502,410	560,088	43,534	49,903	60,848	5,893	21,171	31,815
By country									
Canada	40,487	42,133	46,005	3,799	4,031	4,489	856	2,705	3,513
Europe	287,940	309,415	360,762	34,996	30,153	51,793	8,150	16,487	23,626
France	30,672	34,139	38,240	6,778	3,987	3,719	-142	-52	1,713
Germany	35,086	40,297	47,907	7,698	6,551	8,117	8	2,006	1,657
Netherlands	71,860	68,212	67,654	2,967	-2,272	-184	1,944	4,214	5,262
United Kingdom	103,270	111,058	132,273	13,232	11,123	22,081	5,593	7,491	12,029
Latin America and Other Western Hemisphere	19,716	25,042	22,716	3,225	4,472	-2,189	1	979	885
Africa	1,003	925	936	89	26	11	-58	-31	73
Middle East	5,220	5,565	5,053	410	276	-335	35	-71	94
Asia and Pacific	112,299	119,331	124,615	1,014	10,945	7,079	-3,092	1,102	3,623
Australia	7,040	7,928	7,788	214	1,090	473	-534	-168	159
Japan	100,272	104,529	108,582	1,058	7,654	5,252	-2,276	973	3,231
By industry									
Petroleum	32,057	33,103	35,636	-1,630	2,016	3,660	1,382	1,830	2,768
Manufacturing	164,995	185,293	210,312	13,311	22,725	26,246	3,841	10,604	16,447
Food and kindred products	23,105	20,869	26,054	68	-1,636	5,002	867	1,680	1,690
Chemicals and allied products	56,021	66,948	76,523	4,395	12,347	12,346	4,349	5,109	6,884
Primary and fabricated metals	12,422	14,351	15,255	946	1,833	608	-209	-193	1,368
Machinery	29,585	32,535	36,619	1,951	3,829	4,406	-1,757	728	2,252
Other manufacturing	43,861	50,590	55,861	5,951	6,352	3,883	592	3,281	4,254
Wholesale trade	60,817	67,271	71,652	3,333	6,807	5,011	550	2,739	4,025
Retail trade	12,720	13,429	13,434	1,428	1,939	866	39	504	557
Banking	33,464	35,624	41,843	3,290	4,026	5,844	389	2,672	4,453
Finance, except banking	35,303	38,762	47,941	20,048	2,736	10,135	235	1,559	1,047
Insurance	40,601	40,401	47,283	1,254	2,716	4,057	1,405	2,260	1,879
Real estate	29,099	28,452	26,518	-255	426	-1,199	-1,661	-1,243	-1,296
Services	35,886	36,251	37,930	-471	1,013	2,132	-587	-571	282
Other industries	21,725	23,825	27,539	3,226	5,500	4,096	301	818	1,653

NOTES.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

This table is derived from tables 16 and 17 in "Foreign Direct Investment in the United States:

Detail for Historical-Cost Position and Related Capital and Income Flows, 1995" in the September 1996 SURVEY OF CURRENT BUSINESS.

Table F.9.—Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies, by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1994

	Number of affiliates	Millions of dollars				Thousands of employees	Millions of dollars	
		Total assets	Sales	Net income	Gross product		U.S. merchandise exports shipped by affiliates	U.S. merchandise imports shipped to affiliates
All countries, all industries	12,523	2,208,329	1,447,628	13,377	320,060	4,866.6	113,774	219,172
By country								
Canada	1,304	262,334	145,221	3,214	43,256	682.4	7,368	12,636
Europe	5,381	1,166,048	769,034	7,742	191,972	2,989.4	48,846	77,816
France	661	210,783	111,139	-254	22,674	369.2	11,989	11,685
Germany	1,281	163,003	152,588	970	36,961	584.1	9,613	23,511
Netherlands	384	137,922	89,007	1,217	24,684	323.4	4,892	8,552
United Kingdom	1,240	362,587	243,692	4,997	68,893	1,013.9	9,353	13,160
Latin America and Other Western Hemisphere	1,076	49,324	44,819	970	11,635	138.0	5,202	8,542
Africa	68	(^P)	6,557	124	1,515	16.1	602	985
Middle East	381	26,484	19,925	106	5,549	65.7	678	3,734
Asia and Pacific	4,229	608,807	445,586	-1,347	61,156	934.9	50,447	114,940
Australia	172	37,417	20,355	21	4,795	70.5	522	972
Japan	3,281	536,061	388,713	-768	50,992	756.5	45,103	101,425
United States	84	(^P)	16,486	2,569	4,976	40.0	630	519
By industry								
Petroleum	244	99,416	109,210	390	28,146	110.2	3,973	16,815
Manufacturing	2,928	546,422	518,517	7,640	157,815	2,251.6	48,365	66,981
Food and kindred products	269	52,028	49,227	136	12,599	195.5	2,584	3,369
Chemicals and allied products	327	190,512	144,256	5,513	48,858	508.5	14,198	13,870
Primary and fabricated metals	404	57,286	64,255	584	17,054	264.0	4,023	7,597
Machinery	754	91,532	114,080	-490	31,465	517.4	16,130	25,563
Other manufacturing	1,174	155,064	146,699	1,897	47,839	766.3	11,430	16,581
Wholesale trade	2,247	219,325	452,615	3,785	40,672	485.6	57,108	131,290
Retail trade	352	46,588	94,183	1,164	23,396	764.6	1,468	3,154
Finance, except depository institutions	872	523,641	33,527	689	2,027	46.7	12	6
Insurance	172	443,147	78,250	3,007	8,795	151.6	0	0
Real estate	3,457	104,823	14,968	-2,555	5,732	30.4	13	2
Services	1,258	121,337	61,741	-844	24,892	595.5	698	387
Other industries	993	103,630	84,618	101	28,583	430.3	2,136	537

^P Suppressed to avoid disclosure of data of individual companies.NOTE.—This table is derived from tables A1 and A2 in *Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies, Preliminary 1994 Estimates*.

Table G.2.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions, 1993-95

State and region	Per capita personal income ¹				Per capita disposable personal income ¹			
	Dollars			Rank in U.S.	Dollars			Rank in U.S.
	1993 ^r	1994 ^r	1995 ^r	1995	1993 ^r	1994 ^r	1995 ^r	1995
United States	21,224	22,047	23,208	.....	18,551	19,241	20,189	.....
New England	24,876	25,812	27,388	.....	21,322	22,070	23,332	.....
Connecticut	29,048	30,054	31,776	1	24,464	25,296	26,686	1
Maine	18,533	19,111	20,105	36	16,409	16,853	17,692	36
Massachusetts	25,346	26,343	28,021	3	21,606	22,354	23,651	3
New Hampshire	22,725	24,093	25,587	7	20,171	21,421	22,626	5
Rhode Island	21,753	22,217	23,844	17	19,126	19,479	20,914	13
Vermont	19,495	20,221	21,231	29	17,120	17,783	18,685	30
Mideast	24,633	25,514	26,844	.....	21,191	21,946	23,031	.....
Delaware	23,989	24,784	26,273	6	20,777	21,436	22,600	6
District of Columbia	30,475	31,860	33,452	.....	26,120	27,185	28,420	.....
Maryland	24,290	25,318	26,333	5	20,895	21,748	22,510	7
New Jersey	27,611	28,400	29,848	2	23,824	24,407	25,687	2
New York	25,201	26,228	27,678	4	21,423	22,372	23,521	4
Pennsylvania	21,727	22,372	23,558	19	19,028	19,555	20,540	17
Great Lakes	21,080	22,186	23,386	.....	18,334	19,227	20,217	.....
Illinois	22,961	23,974	25,225	8	19,923	20,711	21,702	8
Indiana	19,650	20,482	21,433	28	17,183	17,815	18,698	29
Michigan	21,026	22,584	23,915	16	18,340	19,600	20,688	16
Ohio	20,289	21,312	22,514	21	17,666	18,546	19,552	21
Wisconsin	20,174	21,148	22,261	22	17,409	18,184	19,073	23
Plains	19,911	21,014	21,992	.....	17,370	18,331	19,103	.....
Iowa	18,571	20,172	20,921	33	16,189	17,694	18,302	33
Kansas	20,215	20,851	21,841	23	17,770	18,252	19,038	24
Minnesota	21,649	22,942	23,971	14	18,463	19,558	20,360	20
Missouri	19,682	20,644	21,819	24	17,343	18,142	19,075	22
Nebraska	19,727	20,555	21,477	27	17,383	18,115	18,856	28
North Dakota	17,058	18,204	18,625	43	15,052	16,176	16,456	42
South Dakota	17,774	18,934	19,576	37	15,920	17,115	17,608	37
Southeast	19,074	19,899	20,970	.....	16,925	17,616	18,498	.....
Alabama	17,451	18,256	19,181	38	15,631	16,302	17,062	39
Arkansas	16,366	17,182	18,101	48	14,684	15,372	16,092	47
Florida	21,136	21,799	23,061	20	18,785	19,314	20,378	19
Georgia	19,662	20,812	21,741	25	17,222	18,039	18,951	26
Kentucky	17,167	17,931	18,849	42	15,107	15,787	16,520	41
Louisiana	17,182	18,088	18,981	40	15,537	16,354	17,088	38
Mississippi	14,846	15,906	16,683	50	13,588	14,537	15,218	50
North Carolina	19,158	19,949	21,103	31	16,816	17,441	18,380	32
South Carolina	17,129	17,941	18,998	39	15,281	15,976	16,850	40
Tennessee	18,974	19,979	21,038	32	17,102	17,978	18,862	27
Virginia	22,107	22,944	23,974	13	19,240	19,879	20,702	15
West Virginia	16,261	16,902	17,687	49	14,610	15,179	15,852	48
Southwest	18,911	19,593	20,608	.....	16,892	17,495	18,348	.....
Arizona	18,479	19,389	20,489	35	16,306	17,050	17,970	35
New Mexico	16,520	17,138	18,206	47	14,753	15,287	16,226	44
Oklahoma	17,360	17,880	18,580	44	15,389	15,844	16,389	43
Texas	19,498	20,163	21,206	30	17,482	18,085	18,967	25
Rocky Mountain	19,446	20,075	21,107	.....	16,896	17,350	18,136	.....
Colorado	22,015	22,707	23,961	15	18,974	19,470	20,455	18
Idaho	17,604	18,145	18,906	41	15,408	15,726	16,208	45
Montana	17,619	17,707	18,445	45	15,461	15,561	16,203	46
Utah	16,399	17,264	18,232	46	14,333	14,988	15,682	49
Wyoming	19,606	19,977	20,684	34	17,331	17,622	18,196	34
Far West	22,155	22,668	23,882	.....	19,380	19,812	20,792	.....
Alaska	22,801	23,344	24,002	12	19,961	20,374	20,888	14
California	22,356	22,778	24,073	11	19,571	19,929	20,970	11
Hawaii	23,599	24,016	24,590	9	20,365	20,802	21,405	9
Nevada	22,411	23,412	24,390	10	19,386	20,350	21,065	10
Oregon	19,518	20,393	21,611	26	16,705	17,357	18,391	31
Washington	22,018	22,759	23,774	18	19,503	20,117	20,922	12
Census Divisions								
New England	24,876	25,812	27,388	.....	21,322	22,070	23,332	.....
Middle Atlantic	24,600	25,459	26,826	.....	21,162	21,903	23,029	.....
East North Central	21,080	22,186	23,386	.....	18,334	19,227	20,217	.....
West North Central	19,911	21,014	21,992	.....	17,370	18,331	19,103	.....
South Atlantic	20,742	21,549	22,684	.....	18,222	18,879	19,805	.....
East South Central	17,438	18,344	19,290	.....	15,638	16,428	17,211	.....
West South Central	18,624	19,329	20,305	.....	16,699	17,331	18,143	.....
Mountain	19,145	19,891	20,949	.....	16,737	17,333	18,172	.....
Pacific	22,146	22,642	23,863	.....	19,380	19,794	20,782	.....

^r Revised.

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates of the Bureau of the Census.

NOTE.—The personal income level shown for the United States is derived as the sum of the

State estimates. It differs from the national income and product accounts (NIPA) estimate of personal income because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed temporarily by private U.S. firms. It can also differ from the NIPA estimate because of different data sources and revision schedules.

Appendix A

Additional Information About BEA's NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

Except for the most recent period, the annual and quarterly changes in real GDP and prices are "chain-type" measures that are both based on the "Fisher Ideal" formula that incorporates weights from two adjacent years. For example, the 1992–93 percent change in real GDP uses prices for 1992 and 1993 as weights, and the 1992–93 percent change in price uses quantities for 1992 and 1993 as weights. Because the quantity and price index numbers calculated in this way are symmetric, the product of the annual change in real GDP and the annual change in prices equals the annual change in current-dollar GDP.

In the most recent period, a variant of the formula is used because only 1 year's information is available for computing the index number weights. Accordingly, BEA uses a single year's weights and, as a consequence, the product of the percentage changes in the price and quantity indexes does not equal the current-dollar change during this period. For this reason, another measure, known as the "implicit price deflator," is presented in the NIPA tables. The implicit price deflator is calculated as the ratio of current-dollar value to the corresponding chained-dollar value multiplied by 100.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated "chained (1992) dollar estimates." These estimates are computed by multiplying the 1992 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1992 and if real output for this component increased by 10 percent in 1993, then the "chained (1992) dollar" value of this component in

1993 would be \$110 ($\100×1.10). Note that percentage changes in the chained (1992) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1992) dollar estimates for detailed GDP components *do not add* to the chained-dollar value of GDP or to any intermediate aggregates. A "residual" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. In cases where the residual is large, the table of contributions of the major components to the change in real GDP provides a better basis for determining the composition of GDP growth than the chained-dollar estimates.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these changes requires a variant of the compound interest formula:

$$r = \left[\left(\frac{X_t}{X_{t-1}} \right)^{m/n} - 1 \right] \times 100,$$

where r is the percent change at an annual rate;
 X_t is the level of activity in the later period;
 X_o is the level of activity in the earlier period;
 m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and
 n is the number of periods between the earlier and later periods (that is, $t - o$).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings

[Percent change from preceding period]

	Seasonally adjusted annual rates							
	1993	1994	1995	1995		1996		
				III	IV	I	II	III ^P
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing)	2.3	2.1	3.6	4.0	4.1	3.3	3.7	3.5
Less: Contribution of supplements to wages and salaries per hour .....	.3	.1	0	-5	-4	-6	-2	-1
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	0	0	-3	-4	0	-2	0	0
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	-1	-1	0	.1	.3	-4	.3	.3
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	2.0	2.0	3.3	4.0	4.2	4.1	3.6	3.4
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing	0	0	0	-1	-1	.1	-1	-1
Less: Other differences ¹	-4	-6	.4	.7	.7	1.6	-1	-1
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	2.5	2.7	2.9	3.3	3.5	2.3	3.8	3.6
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ²	2.3	2.1	3.7	4.0	4.1	3.3	3.8	3.9

^P Preliminary.

1. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include differences in seasonal adjustment procedures.

2. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

NOTE.—The table incorporates the annual BLS revision released in June 1996.
BLS Bureau of Labor Statistics

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Factor Income in the National Income and Product Accounts (NIPA's) to Balance on Goods, Services, and Income in the Balance of Payments Accounts (BPA's)

[Billions of dollars]

	Line	1994	1995	Seasonally adjusted at annual rates					
				1995				1996	
				I	II	III	IV	I	II
Exports of goods, services, and income, BPA's	1	840.0	969.2	932.3	966.0	977.9	1,000.5	1,010.6	1,030.1
Less: Gold, BPA's	2	5.8	5.1	5.6	7.7	3.4	3.7	6.3	12.5
Statistical differences ¹	3	0	0	0	0	0	0	-1.7	-8
Other items	4	1.3	.9	.8	.9	1.2	.8	.7	.7
Plus: Adjustment for grossing of parent/affiliate interest payments	5	5.5	8.3	7.5	7.5	8.5	9.6	10.0	10.4
Adjustment for U.S. territories and Puerto Rico	6	30.7	30.2	29.6	30.4	30.2	30.7	30.3	31.3
Services furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans	7	13.4	14.0	13.9	13.8	14.0	14.2	14.4	14.6
Equals: Exports of goods and services and receipts of factor income, NIPA's	8	882.5	1015.6	976.9	1,009.2	1,026.1	1,050.3	1,059.9	1,073.9
Imports of goods, services, and income, BPA's	9	948.5	1,082.3	1,054.0	1,096.7	1,092.7	1,085.6	1,106.4	1,148.0
Less: Gold, BPA's	10	4.7	5.3	4.4	10.8	2.5	3.4	6.8	14.6
Statistical differences ¹	11	0	0	0	0	0	0	-4.6	-4.4
Other items	12	0	0	0	0	0	0	0	0
Plus: Gold, NIPA's	13	-3.9	-3.7	-3.4	-3.6	-3.7	-4.0	-3.4	-3.5
Adjustment for grossing of parent/affiliate interest payments	14	5.5	8.3	7.5	7.5	8.5	9.6	10.0	10.4
Adjustment for U.S. territories and Puerto Rico	15	21.9	21.8	20.9	23.2	21.0	21.9	21.1	21.4
Imputed interest paid to rest of world	16	13.4	14.0	13.9	13.8	14.0	14.2	14.4	14.6
Equals: Imports of goods and services and payments of factor income, NIPA's	17	980.7	1,117.3	1,088.5	1,126.9	1,130.0	1,123.9	1,146.5	1,180.6
Balance on goods, services, and income, BPA's (1-9)	18	-108.5	-113.1	-121.7	-130.7	-114.8	-85.1	-95.8	-117.9
Less: Gold (2-10+13)	19	-2.8	-3.9	-2.2	-6.7	-2.8	-3.7	-3.9	-5.6
Statistical differences (3-11) ¹	20	0	0	0	0	0	0	2.9	3.6
Other items (4-12)	21	1.3	.9	.8	.9	1.2	.8	.7	.7
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	8.8	8.4	8.7	7.2	9.2	8.8	9.2	9.9
Equals: Net exports of goods and services and net receipts of factor income, NIPA's (8-17)	23	-98.2	-101.7	-111.6	-117.7	-103.9	-73.6	-86.6	-106.7

1. Consists of statistical revisions in the BPA's that have not yet been incorporated in the NIPA's.

Appendix B

Suggested Reading

Mid-Decade Strategic Plan

BEA has published the following articles in the SURVEY OF CURRENT BUSINESS on the development and implementation of its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts.

“Mid-Decade Strategic Review of BEA’s Economic Accounts: Maintaining and Improving Their Performance” (February 1995)*

“Mid-Decade Strategic Review of BEA’s Economic Accounts: An Update” (April 1995)*

“BEA’s Mid-Decade Strategic Plan: A Progress Report” (June 1996)*

Mid-Decade Strategic Review of BEA’s Economic Accounts: Background Papers (1995) presents seven background papers that evaluate the state of the U.S. economic accounts and that identify the problems and the prospects for improving the accounts.

Methodology

BEA has published a wealth of information about the methodology used to prepare its national, regional, and international estimates.

National

National income and product accounts (NIPA’s)

NIPA Methodology Papers: This series documents the conceptual framework of the NIPA’s and the methodology used to prepare the estimates.

An Introduction to National Economic Accounting (NIPA Methodology Paper No. 1, 1985) [Also appeared in the March 1985 issue of the SURVEY]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (NIPA Methodology Paper No. 2, 1985)

Foreign Transactions (NIPA Methodology Paper No. 3, 1987)

GNP: An Overview of Source Data and Estimating Methods (NIPA Methodology Paper No. 4, 1987) [Also appeared in the July 1987 issue of the SURVEY]

Government Transactions (NIPA Methodology Paper No. 5, 1988)

Personal Consumption Expenditures (NIPA Methodology Paper No. 6, 1990)

The methodologies described in these papers are subject to periodic improvements that are typically introduced as part of the annual and comprehensive revisions of the NIPA’s; these improvements are described in the SURVEY articles that cover these revisions.

“Annual Revision of the U.S. National Income and Product Accounts”: This series of SURVEY articles, the latest of which was published in the August 1996 issue,* describes the annual NIPA revisions and the improvements in methodology.

The most recent comprehensive revision of the NIPA’s is described in the following series of SURVEY articles.

“Preview of the Comprehensive Revision of the National Income and Product Accounts: BEA’s New Featured Measures of Output and Prices” (July 1995)*

“Preview of the Comprehensive Revision of the National Income and Product Accounts: Recognition of Government Investment and Incorporation of a New Methodology for Calculating Depreciation” (September 1995)*

“Preview of the Comprehensive Revision of the National Income and Product Accounts: New and Redesigned Tables” (October 1995)*

“Improved Estimates of the National Income and Product Accounts for 1959–95: Results of the Comprehensive Revision” (January/February 1996)

“Updated Summary Methodologies” (August 1996 SURVEY)* identifies the principal source data and estimating methods that are used to prepare the estimates of gross domestic product (GDP).

Information on the sources and methods used to prepare the national estimates of personal income, which provide the basis for the State estimates of personal income, can be found in *State Personal Income, 1929–93* (1995).*

Availability

For the availability of some of these publications, see the **inside back cover** of this issue. See also the *User’s Guide to BEA Information*: To request a copy, write to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington DC 20230, call 202-606-9900, or visit BEA’s Internet site at <http://bea.doc.gov>.

* These items can be found on BEA’s Internet site at <http://bea.doc.gov>.

“Gross Domestic Product as a Measure of U.S. Production” (August 1991 SURVEY) briefly explains the difference between GDP and gross national product.

The conceptual basis for the chain-type measures of real output and prices used in the NIPA's are described in the following SURVEY articles.

“Alternative Measures of Change in Real Output and Prices” (April 1992)

“Economic Theory and BEA's Alternative Quantity and Price Indexes” (April 1992)

“Alternative Measures of Change in Real Output and Prices, Quarterly Estimates of 1959–92” (March 1993)

“Preview of the Comprehensive Revision of the National Income and Product Accounts: BEA's New Featured Measures of Output and Prices” (July 1995)*

“Reliability and Accuracy of the Quarterly Estimates of GDP” (October 1993 SURVEY)* evaluates GDP estimates by examining the record of revisions in the quarterly estimates.

“A Look at How BEA Presents the NIPA's” (May 1996 SURVEY)* explains how to locate the NIPA estimates and some of the conventions used in their presentation.

Gross product by industry

“Improved Estimates of Gross Product by Industry, 1959–94” (August 1996 SURVEY)* describes the most recent comprehensive revision of the estimates of gross product by industry.

Input-output accounts

Benchmark Input-Output Accounts of the United States, 1987 (1994)* describes the concepts and methods used in the generation of the benchmark input-output tables for 1987.

International

Balance of payments accounts (BPA's)

The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures (1990) describes the methodologies used in preparing the estimates in the BPA's and of the international investment

position of the United States. These methodologies are subject to periodic improvements that are typically introduced as part of the annual revisions of the BPA's.

“U.S. International Transactions, Revised Estimates”: This series of SURVEY articles, the latest of which was published in the July 1996 issue,* describes the annual BPA revisions and the improvements in methodology.

Direct investment

The coverage, concepts, definitions, and classifications used in the benchmark surveys of U.S. direct investment abroad and of foreign direct investment in the United States are presented in the publications of the final results of the most recent benchmark surveys.

U.S. Direct Investment Abroad: 1989 Benchmark Survey, Final Results (1992)*

Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results (1995)*

The types of data on direct investment that are collected and published by BEA and the clarifications of the differences between the data sets are presented in the following SURVEY articles.

“A Guide to BEA Statistics on U.S. Multinational Companies” (March 1995)*

“A Guide to BEA Statistics on Foreign Direct Investment in the United States” (February 1990)*


Regional

Personal income

State Personal Income, 1929–93 (1995)* includes a description of the methodology used to prepare the estimates of State personal income. [Also available on the State Personal Income 1969–95 CD-ROM]

Local Area Personal Income, 1969–92 (1994)* includes a description of the methodology used to prepare the estimates of local area personal income. [Also available on the Regional Economic Information System CD-ROM]

Gross state product

“Gross State Product, 1977–90” (December 1993 SURVEY)* summarizes the sources and methods for BEA's estimates of gross state product. 

Appendix A

Additional Information About BEA's NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

Except for the most recent period, the annual and quarterly changes in real GDP and prices are "chain-type" measures that are both based on the "Fisher Ideal" formula that incorporates weights from two adjacent years. For example, the 1992–93 percent change in real GDP uses prices for 1992 and 1993 as weights, and the 1992–93 percent change in price uses quantities for 1992 and 1993 as weights. Because the quantity and price index numbers calculated in this way are symmetric, the product of the annual change in real GDP and the annual change in prices equals the annual change in current-dollar GDP.

In the most recent period, a variant of the formula is used because only 1 year's information is available for computing the index number weights. Accordingly, BEA uses a single year's weights and, as a consequence, the product of the percentage changes in the price and quantity indexes does not equal the current-dollar change during this period. For this reason, another measure, known as the "implicit price deflator," is presented in the NIPA tables. The implicit price deflator is calculated as the ratio of current-dollar value to the corresponding chained-dollar value multiplied by 100.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated "chained (1992) dollar estimates." These estimates are computed by multiplying the 1992 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1992 and if real output for this component increased by 10 percent in 1993, then the "chained (1992) dollar" value of this component in

1993 would be \$110 ($\100×1.10). Note that percentage changes in the chained (1992) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1992) dollar estimates for detailed GDP components *do not add* to the chained-dollar value of GDP or to any intermediate aggregates. A "residual" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. In cases where the residual is large, the table of contributions of the major components to the change in real GDP provides a better basis for determining the composition of GDP growth than the chained-dollar estimates.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these changes requires a variant of the compound interest formula:

$$r = \left[\left(\frac{X_t}{X_{t-1}} \right)^{m/n} - 1 \right] \times 100,$$

where r is the percent change at an annual rate;
 X_t is the level of activity in the later period;
 X_o is the level of activity in the earlier period;
 m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and
 n is the number of periods between the earlier and later periods (that is, $t - o$).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings

[Percent change from preceding period]

	Seasonally adjusted annual rates							
	1993	1994	1995	1995		1996		
				III	IV	I	II	III ^P
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing)	2.3	2.1	3.6	4.0	4.1	3.3	3.7	3.5
Less: Contribution of supplements to wages and salaries per hour .....	.3	.1	0	-5	-4	-6	-2	-1
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	0	0	-3	-4	0	-2	0	0
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	-1	-1	0	.1	.3	-4	.3	.3
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	2.0	2.0	3.3	4.0	4.2	4.1	3.6	3.4
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing	0	0	0	-1	-1	.1	-1	-1
Less: Other differences ¹	-4	-6	.4	.7	.7	1.6	-1	-1
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	2.5	2.7	2.9	3.3	3.5	2.3	3.8	3.6
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ²	2.3	2.1	3.7	4.0	4.1	3.3	3.8	3.9

^P Preliminary.

1. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include differences in seasonal adjustment procedures.

2. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

NOTE.—The table incorporates the annual BLS revision released in June 1996.
BLS Bureau of Labor Statistics

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Factor Income in the National Income and Product Accounts (NIPA's) to Balance on Goods, Services, and Income in the Balance of Payments Accounts (BPA's)

[Billions of dollars]

	Line	1994	1995	Seasonally adjusted at annual rates					
				1995				1996	
				I	II	III	IV	I	II
Exports of goods, services, and income, BPA's	1	840.0	969.2	932.3	966.0	977.9	1,000.5	1,010.6	1,030.1
Less: Gold, BPA's	2	5.8	5.1	5.6	7.7	3.4	3.7	6.3	12.5
Statistical differences ¹	3	0	0	0	0	0	0	-1.7	-8
Other items	4	1.3	.9	.8	.9	1.2	.8	.7	.7
Plus: Adjustment for grossing of parent/affiliate interest payments	5	5.5	8.3	7.5	7.5	8.5	9.6	10.0	10.4
Adjustment for U.S. territories and Puerto Rico	6	30.7	30.2	29.6	30.4	30.2	30.7	30.3	31.3
Services furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans	7	13.4	14.0	13.9	13.8	14.0	14.2	14.4	14.6
Equals: Exports of goods and services and receipts of factor income, NIPA's	8	882.5	1015.6	976.9	1,009.2	1,026.1	1,050.3	1,059.9	1,073.9
Imports of goods, services, and income, BPA's	9	948.5	1,082.3	1,054.0	1,096.7	1,092.7	1,085.6	1,106.4	1,148.0
Less: Gold, BPA's	10	4.7	5.3	4.4	10.8	2.5	3.4	6.8	14.6
Statistical differences ¹	11	0	0	0	0	0	0	-4.6	-4.4
Other items	12	0	0	0	0	0	0	0	0
Plus: Gold, NIPA's	13	-3.9	-3.7	-3.4	-3.6	-3.7	-4.0	-3.4	-3.5
Adjustment for grossing of parent/affiliate interest payments	14	5.5	8.3	7.5	7.5	8.5	9.6	10.0	10.4
Adjustment for U.S. territories and Puerto Rico	15	21.9	21.8	20.9	23.2	21.0	21.9	21.1	21.4
Imputed interest paid to rest of world	16	13.4	14.0	13.9	13.8	14.0	14.2	14.4	14.6
Equals: Imports of goods and services and payments of factor income, NIPA's	17	980.7	1,117.3	1,088.5	1,126.9	1,130.0	1,123.9	1,146.5	1,180.6
Balance on goods, services, and income, BPA's (1-9)	18	-108.5	-113.1	-121.7	-130.7	-114.8	-85.1	-95.8	-117.9
Less: Gold (2-10+13)	19	-2.8	-3.9	-2.2	-6.7	-2.8	-3.7	-3.9	-5.6
Statistical differences (3-11) ¹	20	0	0	0	0	0	0	2.9	3.6
Other items (4-12)	21	1.3	.9	.8	.9	1.2	.8	.7	.7
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	8.8	8.4	8.7	7.2	9.2	8.8	9.2	9.9
Equals: Net exports of goods and services and net receipts of factor income, NIPA's (8-17)	23	-98.2	-101.7	-111.6	-117.7	-103.9	-73.6	-86.6	-106.7

1. Consists of statistical revisions in the BPA's that have not yet been incorporated in the NIPA's.

Appendix B

Suggested Reading

Mid-Decade Strategic Plan

BEA has published the following articles in the SURVEY OF CURRENT BUSINESS on the development and implementation of its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts.

“Mid-Decade Strategic Review of BEA’s Economic Accounts: Maintaining and Improving Their Performance” (February 1995)*

“Mid-Decade Strategic Review of BEA’s Economic Accounts: An Update” (April 1995)*

“BEA’s Mid-Decade Strategic Plan: A Progress Report” (June 1996)*

Mid-Decade Strategic Review of BEA’s Economic Accounts: Background Papers (1995) presents seven background papers that evaluate the state of the U.S. economic accounts and that identify the problems and the prospects for improving the accounts.

Methodology

BEA has published a wealth of information about the methodology used to prepare its national, regional, and international estimates.

National

National income and product accounts (NIPA’s)

NIPA Methodology Papers: This series documents the conceptual framework of the NIPA’s and the methodology used to prepare the estimates.

An Introduction to National Economic Accounting (NIPA Methodology Paper No. 1, 1985) [Also appeared in the March 1985 issue of the SURVEY]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (NIPA Methodology Paper No. 2, 1985)

Foreign Transactions (NIPA Methodology Paper No. 3, 1987)

GNP: An Overview of Source Data and Estimating Methods (NIPA Methodology Paper No. 4, 1987) [Also appeared in the July 1987 issue of the SURVEY]

Government Transactions (NIPA Methodology Paper No. 5, 1988)

Personal Consumption Expenditures (NIPA Methodology Paper No. 6, 1990)

The methodologies described in these papers are subject to periodic improvements that are typically introduced as part of the annual and comprehensive revisions of the NIPA’s; these improvements are described in the SURVEY articles that cover these revisions.

“Annual Revision of the U.S. National Income and Product Accounts”: This series of SURVEY articles, the latest of which was published in the August 1996 issue,* describes the annual NIPA revisions and the improvements in methodology.

The most recent comprehensive revision of the NIPA’s is described in the following series of SURVEY articles.

“Preview of the Comprehensive Revision of the National Income and Product Accounts: BEA’s New Featured Measures of Output and Prices” (July 1995)*

“Preview of the Comprehensive Revision of the National Income and Product Accounts: Recognition of Government Investment and Incorporation of a New Methodology for Calculating Depreciation” (September 1995)*

“Preview of the Comprehensive Revision of the National Income and Product Accounts: New and Redesigned Tables” (October 1995)*

“Improved Estimates of the National Income and Product Accounts for 1959–95: Results of the Comprehensive Revision” (January/February 1996)

“Updated Summary Methodologies” (August 1996 SURVEY)* identifies the principal source data and estimating methods that are used to prepare the estimates of gross domestic product (GDP).

Information on the sources and methods used to prepare the national estimates of personal income, which provide the basis for the State estimates of personal income, can be found in *State Personal Income, 1929–93* (1995).*

Availability

For the availability of some of these publications, see the **inside back cover** of this issue. See also the *User’s Guide to BEA Information*: To request a copy, write to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington DC 20230, call 202-606-9900, or visit BEA’s Internet site at <http://bea.doc.gov>.

* These items can be found on BEA’s Internet site at <http://bea.doc.gov>.

“Gross Domestic Product as a Measure of U.S. Production” (August 1991 SURVEY) briefly explains the difference between GDP and gross national product.

The conceptual basis for the chain-type measures of real output and prices used in the NIPA’s are described in the following SURVEY articles.

“Alternative Measures of Change in Real Output and Prices” (April 1992)

“Economic Theory and BEA’s Alternative Quantity and Price Indexes” (April 1992)

“Alternative Measures of Change in Real Output and Prices, Quarterly Estimates of 1959–92” (March 1993)

“Preview of the Comprehensive Revision of the National Income and Product Accounts: BEA’s New Featured Measures of Output and Prices” (July 1995)*

“Reliability and Accuracy of the Quarterly Estimates of GDP” (October 1993 SURVEY)* evaluates GDP estimates by examining the record of revisions in the quarterly estimates.

“A Look at How BEA Presents the NIPA’s” (May 1996 SURVEY)* explains how to locate the NIPA estimates and some of the conventions used in their presentation.

Gross product by industry

“Improved Estimates of Gross Product by Industry, 1959–94” (August 1996 SURVEY)* describes the most recent comprehensive revision of the estimates of gross product by industry.

Input-output accounts

Benchmark Input-Output Accounts of the United States, 1987 (1994)* describes the concepts and methods used in the generation of the benchmark input-output tables for 1987.

International

Balance of payments accounts (BPA’s)

The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures (1990) describes the methodologies used in preparing the estimates in the BPA’s and of the international investment

position of the United States. These methodologies are subject to periodic improvements that are typically introduced as part of the annual revisions of the BPA’s.

“U.S. International Transactions, Revised Estimates”: This series of SURVEY articles, the latest of which was published in the July 1996 issue,* describes the annual BPA revisions and the improvements in methodology.

Direct investment

The coverage, concepts, definitions, and classifications used in the benchmark surveys of U.S. direct investment abroad and of foreign direct investment in the United States are presented in the publications of the final results of the most recent benchmark surveys.

U.S. Direct Investment Abroad: 1989 Benchmark Survey, Final Results (1992)*

Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results (1995)*

The types of data on direct investment that are collected and published by BEA and the clarifications of the differences between the data sets are presented in the following SURVEY articles.

“A Guide to BEA Statistics on U.S. Multinational Companies” (March 1995)*

“A Guide to BEA Statistics on Foreign Direct Investment in the United States” (February 1990)*


Regional

Personal income

State Personal Income, 1929–93 (1995)* includes a description of the methodology used to prepare the estimates of State personal income. [Also available on the State Personal Income 1969–95 CD-ROM]

Local Area Personal Income, 1969–92 (1994)* includes a description of the methodology used to prepare the estimates of local area personal income. [Also available on the Regional Economic Information System CD-ROM]

Gross state product

“Gross State Product, 1977–90” (December 1993 SURVEY)* summarizes the sources and methods for BEA’s estimates of gross state product. 

BEA INFORMATION

BEA's economic information is available in publications, on computer tapes, on diskettes, and through a variety of other products and services. Most of these are described in the *User's Guide to BEA Information*. For a copy, write to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 606-9900.

Recent Publications from GPO

ORDER FROM: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954. Payment may be by check (made payable to Superintendent of Documents) or charged to a GPO deposit account number, VISA, or MasterCard. Phone (202) 512-1800 or fax (202) 512-2250.

Benchmark Input-Output Accounts of the United States, 1987. (1994) Presents summary and detailed make and use tables for industries and commodities; tables showing commodity and industry output requirements per dollar of commodity demanded; and tables showing the input-output (I-O) commodity composition of personal consumption expenditures and producers' durable equipment expenditures in the national income and product accounts. Presents concepts and methods used in the 1987 benchmark accounts; concordance between I-O and 1987 Standard Industrial Classification codes; description of the components of the measures of output, intermediate inputs, and value added; and mathematical derivation of total requirements tables. 468 pp. \$29.00 (GPO STOCK NO. 003-010-00251-4).

State Personal Income, 1929-93. (1995) Presents detailed annual estimates for States and regions of personal income for 1929-93, including estimates of per capita personal income, personal income by major source, and earnings by industry. Also presents annual estimates for States and regions of disposable personal income and per capita disposable personal income for 1948-93 and quarterly estimates of personal income for 1969-93. Provides information about the sources and methods used to prepare the estimates for 1987-93 and samples of all the detailed tables of personal income and employment that are available for regions, States, counties, and metropolitan areas. 444 pp. \$27.00 (GPO STOCK NO. 003-010-00257-3).

Local Area Personal Income, 1969-92. (1994) Presents the estimates of personal income and per capita personal income for 1969-92 for the United States, regions, States, counties, and metropolitan areas. Also presents the Census Bureau's estimates of population that were used in the derivation of per capita personal income. Provides information about the sources and methods used to prepare the estimates for 1987-92 and samples of all the detailed tables of personal income and employment that are available for regions, States, counties, and metropolitan areas. 784 pp. \$41.00 (GPO STOCK NO. 003-010-00249-2).

BEA Regional Projections to 2045: Volume 1, States. (1995) Presents regional projections for selected economic and population variables for the Nation and States for 1998, 2000, 2005, 2010, 2015, 2025, and 2045. Includes projections for gross state product, employment, and earnings by industry, for personal income by component, and for population for three major age groups. Also includes a statement of methodology. 212 pp. \$14.00 (GPO STOCK NO. 003-010-00256-5).

Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results. (1995) Presents detailed data on the financial structure and operations of U.S. affiliates of foreign direct investors, on the foreign

direct investment position in the United States, and on balance-of-payments transactions between U.S. affiliates and their foreign parent companies in 1992. Includes data for items, such as employment covered by collective bargaining agreements and merchandise trade by product and country of destination and origin, that are only collected in benchmark surveys. Benchmark surveys are conducted every 5 years and are BEA's most comprehensive surveys in terms of both the number of companies covered and the amount of information gathered. The data are classified by industry of affiliate and by country of ultimate beneficial owner, and selected data are classified by State. Provides information about the coverage, concepts and definitions, and classifications used in the survey. 312 pp. \$20.00 (GPO STOCK NO. 003-010-00259-0).

Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies. (1996) Two publications: One presents the revised estimates for 1993 and the other, the preliminary estimates for 1994; both present estimates from BEA's annual survey of the financial structure and operations of nonbank U.S. affiliates of foreign direct investors. The estimates are presented by industry of the U.S. affiliate and by country of the ultimate beneficial owner (UBO); and for selected estimates, by industry of UBO and by State. **Preliminary 1994 Estimates,** 108 pp., \$8.50, GPO STOCK NO. 003-010-00261-1; **Revised 1993 Estimates,** 108 pp., \$8.50, GPO STOCK NO. 003-010-00260-3.

Foreign Direct Investment in the United States: Establishment Data for Manufacturing, 1991. (1994) A joint effort by BEA and the Bureau of the Census, this is the latest in a series of publications that present new data for foreign-owned U.S. manufacturing establishments (plants), including data on their number, value added, shipments, employment, total employee compensation, employee benefits, hourly wage rates of production workers, cost of materials and energy used, inventories by stage of fabrication, and expenditures for new plant and equipment. The data are disaggregated by detailed industry (up to 459 industries), by State, and by country of investor. 220 pp. \$14.00 (GPO STOCK NO. 003-010-00250-6).

U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates. (1995) Two publications containing results for 1992 and 1993 from BEA's annual survey of the worldwide operations of U.S. multinational companies. Contains information on the financial structure and operations of U.S. parent companies and their foreign affiliates. Data are classified by country and industry of affiliate and by industry of U.S. parent. 100 pp. \$6.50 each. **Preliminary 1993 Estimates:** GPO STOCK NO. 003-010-00254-9; **Revised 1992 Estimates:** GPO STOCK NO. 003-010-00253-1.

U.S. Direct Investment Abroad: Balance of Payments and Direct Investment Position Estimates, 1982-88. (1995) Presents estimates of the U.S. direct investment position abroad valued at historical cost and of balance-of-payments transactions between U.S. parent companies and their foreign affiliates for calendar years 1982-88. Balance-of-payments transactions consist of capital outflows and its components, income, royalties and license fees, and charges for other services. The estimates, which are disaggregated by country and industry of foreign affiliate, are linked to BEA's 1982 and 1989 benchmark surveys, or censuses, of U.S. direct investment abroad. 96 pp. \$6.00 (GPO STOCK NO. 003-010-00258-1).