

Bureau of Economic Analysis

Survey of Current Business

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Special in this issue

60. U.S. International Transactions, Revised Estimates for 1982-98

In this year's annual revision of the balance of payments accounts, the structure of the accounts is modified in order to improve the presentation of the different types of international transactions and to bring the accounts into closer alignment with international guidelines. As a result, U.S. international transactions are now classified into three groups--the current account, the capital account, and the financial account. Several major improvements to the estimates are also introduced, including improved measures of income receipts and improved seasonal adjustment of exports of goods. The revised estimate of the U.S. current-account deficit for 1998 is \$-\$220.6 billion, compared with the previously published estimate of \$-\$233.4 billion.

Regular features

1. Business Situation

Real GDP increased 4.3 percent in the first quarter of 1999, according to the NIPA "final" estimate; the "preliminary" estimate issued last month had shown a 4.1-percent increase. Corporate profits increased \$47.1 billion (or 5.7 percent at a quarterly rate) in the first quarter after decreasing \$5.3 billion (0.6 percent) in the fourth.

8. U.S. Multinational Companies: Operations in 1997

The operations of U.S. multinational companies (MNC's) continued to grow at a strong pace in 1997: Worldwide gross product of U.S. parent companies and their majority-owned foreign affiliates increased 5.6 percent, employment increased 6.1 percent, and capital expenditures increased 13.7 percent. The strong growth in MNC operations reflected continued economic growth and a strong upturn in new investments.

36. The International Investment Position of the United States at Yearend 1998

The net international investment position of the United States became more negative in 1998: On a current-cost basis, it was -\$1,239.2 billion, compared with -\$968.2 billion in 1997; and on a market-value basis, it was \$-\$1,537.5 billion, compared with -\$1,066.3 billion in 1997. The net position on both bases became more negative mainly as a result of large net financial inflows and strong price appreciation in foreign-owned assets in the United States that reflected a steep rise in U.S. stock prices.

48. Direct Investment Positions for 1998: Country and Industry Detail

In 1998, the U.S. direct investment position abroad valued at historical cost increased 13 percent, reflecting record capital outflows--mainly equity capital and reinvested earnings. By country, the largest increases were with the United Kingdom and the Netherlands. The foreign direct investment position in the United States valued at historical cost increased 17 percent, reflecting record capital inflows that were boosted by two exceptionally large transactions involving acquisitions of U.S. firms. By country, the largest increases were with Germany and the United Kingdom.

75. U.S. International Transactions, First Quarter 1999

The U.S. current-account deficit increased \$6.9 billion, to \$68.6 billion, in the first quarter of 1999, as a large increase in the deficit on goods more than offset a small increase in the surplus on services, a small decrease in the deficit on income, and a decrease in net unilateral current transfers. In the financial account, net recorded inflows slowed to \$84.1 billion from \$99.2 billion, as a sharp slowdown in inflows for foreign-owned assets in the United States more than offset a shift from outflows to inflows for transactions in U.S.-owned assets abroad.

Reports and statistical presentations

6. Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade

D-1. BEA Current and Historical Data

LOOKING AHEAD

Results of the 1997 Benchmark Survey of U.S. Affiliates of Foreign Companies. The preliminary results of BEA's latest benchmark survey of foreign direct investment in the United States will be presented in a forthcoming issue of the SURVEY. These results will update the annual data series on the operations of U.S. affiliates of foreign companies and will provide additional data that are collected only in benchmark surveys. Data by industry will be presented using a new classification system that is based on the North American Industry Classification System.

Revision of the National Income and Product Accounts. The upcoming comprehensive, or benchmark, revision of the NIPA's is scheduled for initial release on October 28, 1999. The revision of the NIPA estimates for 1996-98, which would usually have been published in the August SURVEY, will be included as part of the comprehensive revision. The August SURVEY will include an article about the definitional and classificational changes that will be introduced in the comprehensive revision. Articles planned for subsequent issues will describe other changes, including methodological, statistical, and presentational changes.

B U S I N E S S S I T U A T I O N

Ralph W. Morris prepared the first section of this article, and Daniel Larkins prepared the section on corporate profits.

REAL GROSS domestic product (GDP) increased 4.3 percent in the first quarter of 1999, according to the "final" estimates of the national income and product accounts (NIPA's) (table 1 and chart 1).¹ The slowdown from a 6.0-percent increase in the fourth quarter of 1998 reflected a downturn in exports.

The largest contributors to the first-quarter increase in real GDP were consumer spending and private fixed investment (table 2). The increase

1. Quarterly estimates in the NIPA's are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarters except those in the most recent year, which are calculated using quarterly weights; real estimates are expressed both as index numbers (1992=100) and as chained (1992) dollars. Price indexes (1992=100) are also calculated using a chain-type Fisher formula.

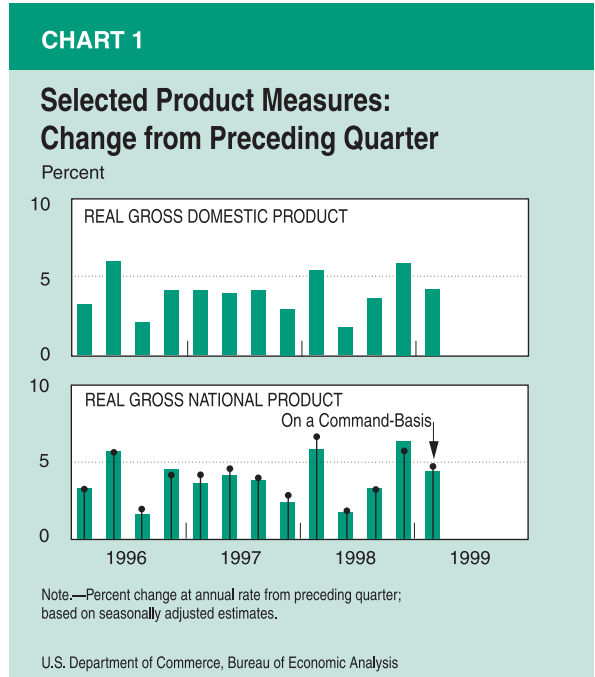


Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

(Seasonally adjusted at annual rates)

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
		1999		1998		II	III	IV	I
	I	II	III	IV	I	II	III	IV	I
Gross domestic product	7,759.6	33.9	67.9	111.2	81.9	1.8	3.7	6.0	4.3
Less: Exports of goods and services	996.5	-19.8	-6.8	44.3	-13.1	-7.7	-2.8	19.7	-5.1
Plus: Imports of goods and services	1,300.1	26.9	7.0	35.3	40.5	9.3	2.3	12.0	13.5
Equals: Gross domestic purchases	8,027.8	73.7	80.2	102.5	126.5	3.9	4.2	5.4	6.6
Less: Change in business inventories	38.7	-53.2	17.5	-11.5	-5.5				
Nonfarm	35.1	-56.0	17.1	-9.5	-2.4				
Farm	3.6	3.4	.4	-1.9	-3.6				
Equals: Final sales to domestic purchasers	7,983.6	124.2	63.4	112.7	131.1	6.7	3.3	6.0	6.8
Personal consumption expenditures	5,331.9	75.1	51.6	64.2	85.9	6.1	4.1	5.0	6.7
Durable goods	798.9	19.1	4.3	41.3	23.9	11.2	2.4	24.5	12.9
Nondurable goods	1,600.9	19.7	8.2	16.0	35.8	5.3	2.1	4.2	9.5
Services	2,946.8	37.5	38.0	12.4	29.6	5.4	5.4	1.7	4.1
Gross private domestic fixed investment	1,344.0	39.2	6.8	40.1	33.0	13.4	2.2	13.2	10.5
Nonresidential fixed investment	1,012.2	28.5	-1.7	33.2	20.3	12.8	-7	14.6	8.5
Structures	207.8	-1.2	.1	3.0	2.8	-2.3	.2	6.0	5.7
Producers' durable equipment	819.8	32.5	-2.0	32.2	18.3	18.8	-1.0	17.8	9.5
Residential investment	335.9	10.6	7.4	7.6	11.8	15.0	9.9	10.0	15.4
Government consumption expenditures and gross investment	1,323.9	11.8	4.8	10.7	13.6	3.7	1.5	3.3	4.2
Federal	458.4	8.0	-1.6	8.1	-2.2	7.3	-1.4	7.3	-1.9
National defense	299.4	7.0	3.2	1.1	-5.2	9.9	4.3	1.3	-6.6
Nondefense	158.0	1.0	-4.5	6.8	2.8	2.6	-11.5	19.8	7.4
State and local	865.8	3.8	6.4	2.7	15.8	1.8	3.1	1.3	7.7
Addendum: Final sales of domestic product	7,715.4	83.9	51.2	121.3	86.5	4.6	2.8	6.6	4.6

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 usually are not additive. Chained (1992) dollar levels and residuals, which measure the extent of nonadditivity in each table, are in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are in NIPA table 8.1. (See "Selected NIPA Tables," which begins on page D-2 of this issue.)

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

(Seasonally adjusted at annual rates)

	1998			1999
	II	III	IV	I
Percent change at annual rate:				
Gross domestic product	1.8	3.7	6.0	4.3
Percentage points at annual rates:				
Personal consumption expenditures	4.09	2.78	3.48	4.56
Durable goods .....	.91	.20	1.90	1.09
Nondurable goods	1.01	.42	.84	1.77
Services	2.14	2.15	.74	1.70
Gross private domestic investment	-7.5	1.22	1.42	1.31
Fixed investment	1.95	.33	1.95	1.58
Nonresidential	1.35	-.08	1.52	.91
Structures	-0.07	.01	.17	.15
Producers' durable equipment	1.42	-.09	1.35	.76
Residential .....	.60	.41	.43	.66
Change in business inventories	-2.66	.89	-.53	-.27
Net exports of goods and services	-2.08	-.62	.52	-2.23
Exports	-.92	-.32	2.02	-.58
Goods	-.98	.04	1.76	-.68
Services .....	.06	-.36	.26	.10
Imports	-1.18	-.30	-1.50	-1.65
Goods	-1.19	-.32	-1.46	-1.42
Services .....	.01	.01	-.04	-.23
Government consumption expenditures and gross investment .....	.64	.27	.60	.70
Federal .....	.44	-.09	.44	-.08
National defense .....	.38	.17	.06	-.23
Nondefense .....	.06	-.26	.38	.14
State and local .....	.20	.35	.16	.78

NOTE.—NIPA table 8.2 also shows contributions for 1997:IV and 1998:I.

was moderated by an increase in imports and a decrease in exports.²

The “final” estimate of the change in real GDP is 0.2 percentage point more than the 4.1-percent increase indicated by the “preliminary” estimate reported in the June “*Business Situation*” (table 3). For 1978–97, the average revision—

2. Imports are subtracted in the calculation of GDP.

Table 3.—Revisions to Change in Real Gross Domestic Product and Prices, First Quarter 1999

[Seasonally adjusted at annual rates]

	Percent change from preceding quarter		Final estimate minus preliminary estimate		
	Preliminary estimate	Final estimate	Percentage points	Billions of chained (1992) dollars	Contribution to percent change in real GDP
Gross domestic product	4.1	4.3	0.2	4.9	.....
Less: Exports of goods and services	-6.8	-5.1	1.7	4.5	.20
Goods	-11.5	-8.7	2.8	5.8	.27
Services	5.5	4.3	-1.2	-7	-.08
Plus: Imports of goods and services	14.2	13.5	-.7	-2.0	.11
Goods	15.2	13.8	-1.4	-3.4	.16
Services	8.9	11.8	2.9	1.2	-.05
Equals: Gross domestic purchases	6.6	6.6	0	-5	.....
Change in business inventories .....	.....	.....	.....	-3	-.04
Nonfarm .....	.....	.....	.....	4	.....
Farm .....	.....	.....	.....	-8	.....
Equals: Final sales to domestic purchasers	6.9	6.8	-.1	-2	.....
Personal consumption expenditures	6.8	6.7	-.1	-1.2	-.02
Durable goods	12.9	12.9	0	.1	.02
Nondurable goods	9.4	9.5	.1	.3	-.01
Services	4.3	4.1	-.2	-1.4	-.03
Private fixed investment	10.0	10.5	.5	1.3	.07
Nonresidential	7.9	8.5	.6	1.4	.06
Structures	2.9	5.7	2.8	1.4	.07
Producers' durable equipment	9.7	9.5	-.2	-5	0
Residential	15.4	15.4	0	0	0
Government consumption expenditures and gross investment	4.3	4.2	-.1	-3	-.05
Federal	-1.7	-1.9	-.2	-2	.02
National defense	-6.6	-6.6	0	0	.04
Nondefense	8.1	7.4	-.7	-3	-.03
State and local	7.7	7.7	0	-1	-.07
Addenda:					
Final sales of domestic product	4.3	4.6	.3	5.2	.....
Gross national product	4.3	4.4	.1	7.3	.....
Gross domestic purchases price index ¹	1.1	1.2	.1	.....	.....
GDP price index ¹	1.5	1.6	.1	.....	.....

1. Based on chained-type annual (1992) weights.

NOTE.—The final estimates for the first quarter of 1999 incorporate the following revised or additional major source data that were not available when the preliminary estimates were prepared.

Personal consumption expenditures: Revised retail sales for March.

Nonresidential fixed investment: Revised construction put in place for February and March and revised manufacturers' shipments of machinery and equipment for March.

Residential fixed investment: Revised construction put in place for February and March.

Change in business inventories: Revised manufacturing and trade for March.

Exports and imports of goods and services: Revised exports and imports of goods and services for October 1998 through March 1999 and revised seasonal factors.

Government consumption expenditures and gross investment: Revised State and local construction put in place for February and March.

Wages and salaries: Revised employment, average hourly earnings, and average weekly hours for October 1998 through March 1999 and revised seasonal factors.

GDP prices: Revised export and import prices for January through March, revised values and quantities of petroleum imports for March, and revised prices of single-family homes under construction for the first quarter.

The revised source data for exports and imports of goods and services and for wages and salaries reflect annual revisions to the balance of payments accounts and to the Bureau of Labor Statistics establishment survey data, respectively. These data have been incorporated into the NIPA estimates on a “best-change” basis beginning with January 1999. The levels of the revised source data will be incorporated at the time of the next comprehensive revision of the NIPA's, which is scheduled for release at the end of October.

without regard to sign—from the preliminary estimate to the final estimate is 0.3 percentage point. The upward revision to real GDP was more than accounted for by an upward revision to exports and a downward revision to imports. The revisions to exports and imports reflect the incorporation (on a “best-change” basis) of source data from the annual revision of the balance of payments accounts; see “*U.S. International Transactions, Revised Estimates for 1982–1998*” in this issue.³

Real gross domestic purchases increased 6.6 percent, the same as the preliminary estimate; in the fourth quarter, this measure increased 5.4 percent.⁴ Real final sales of domestic product increased 4.6 percent, 0.3 percentage point more than the preliminary estimate; in the fourth quarter, it increased 6.6 percent.⁵

The price index for gross domestic purchases increased 1.2 percent, 0.1 percentage point more than the preliminary estimate; in the fourth quarter, the index increased 0.9 percent. The revision was more than accounted for by an upward revision to energy prices. The price index for GDP increased 1.6 percent, also 0.1 percentage point more than the preliminary estimate; in the fourth quarter, the index increased 0.8 percent. In the first quarter, the price index for gross domestic purchases increased less than the price index for GDP because import prices decreased more than export prices.⁶

Real disposable personal income (DPI) increased 3.5 percent, 0.8 percentage point less than the preliminary estimate. Current-dollar DPI increased 4.8 percent, 0.6 percentage point less than the preliminary estimate. The downward revision to DPI was primarily accounted for by an upward revision to personal tax and nontax payments that reflected the incorporation of newly available data on Federal income tax collections from the *Monthly Treasury Statement* and updated projections of tax collections from the Department of Treasury. (The updated projections were used

3. The final NIPA estimates of exports and imports in the first quarter incorporate the quarterly change implied by the revised balance of payments estimates. The quarterly levels of the revised balance of payments estimates will be incorporated at the time of the next comprehensive revision of the NIPA's, which is scheduled for release at the end of October.

4. Gross domestic purchases—a measure of purchases by U.S. residents regardless of where the purchased goods and services were produced—is calculated as GDP less exports of goods and services plus imports of goods and services; it may also be calculated as the sum of personal consumption expenditures, private fixed investment, and government consumption expenditures and gross investment.

5. Final sales of domestic product is calculated as GDP less change in business inventories.

6. Import prices are included in gross domestic purchases prices but not in GDP prices, and export prices are included in GDP prices but not in gross domestic purchases prices.

to derive new 1999 estimates of certain components of nonwithheld taxes; these estimates were then distributed evenly over the year, which resulted in an upward revision to first-quarter taxes.) Personal income was revised down only slightly.

The personal saving rate—personal saving as a percentage of current-dollar DPI—decreased to negative 0.7 percent, 0.1 percentage point lower than the preliminary estimate. The first-quarter rate was the first negative rate since the quarterly series began in 1946; in the fourth quarter, the rate was 0.0 percent. (For additional information, see “[Note on the Personal Saving Rate](#)” in the February 1999 SURVEY OF CURRENT BUSINESS.)

Gross national product (GNP).—In the first quarter, real GNP—goods and services produced by labor and property supplied by U.S. residents—increased 4.4 percent, 0.1 percentage point more than real GDP (chart 1 and table 4).⁷ Receipts of factor income from the rest of the world increased more than payments of factor income; both increases were more than accounted for by corporate profits.

Real GNP on a command basis, which measures the goods and services produced by the U.S. economy in terms of their purchasing power, increased more than real GNP—4.7 percent, compared with 4.4 percent—reflecting an improvement in the terms of trade.⁸ In the fourth

quarter, command-basis GNP and real GNP increased at the same rate—6.3 percent—reflecting little change in the terms of trade.

Corporate Profits

According to revised estimates, profits from current production increased \$47.1 billion (or 5.7 percent at a quarterly rate) in the first quarter after decreasing \$5.3 billion (0.6 percent) in the fourth quarter (table 5).⁹ Profits of domestic nonfinancial corporations increased \$29.0 billion (4.9 percent) after decreasing \$12.7 billion (2.1 percent); the increase reflected an increase in profits per unit and an increase in real product. The increase in profits per unit, in turn, mainly reflected a decrease in unit costs. Profits of domestic financial corporations increased \$13.4 billion (10.3 percent) after increasing \$0.6 billion (0.5 percent). Profits from the rest of the world increased \$4.6 billion (4.7 percent) after increasing \$6.9 billion (7.6 percent); the first-quarter

The terms of trade is a measure of the relationship between the prices that are received by U.S. producers for exports of goods and services and the prices that are paid by U.S. purchasers for imports of goods and services. It is measured by the following ratio, with the decimal point shifted two places to the right: In the numerator, the IPD for the sum of exports of goods and services and of receipts of factor income; in the denominator, the IPD for the sum of imports of goods and services and of payments of factor income.

Changes in the terms of trade reflect the interaction of several factors, including movements in exchange rates, changes in the composition of the traded goods and services, and changes in producers' profit margins. For example, if the U.S. dollar depreciates against a foreign currency, a foreign manufacturer may choose to absorb this cost by reducing the profit margin on the product it sells to the United States, or it may choose to raise the price of the product and risk a loss in market share.

9. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16, and 6.16c (see “[Selected NIPA Tables](#),” which begins on page D-2 of this issue) as corporate profits with inventory valuation and capital consumption adjustments.

Percent changes in profits are shown at quarterly, not annual, rates.

7. GNP equals GDP plus receipts of factor income from the rest of the world less payments of factor income to the rest of the world.

8. In the estimation of command-basis GNP, the current-dollar value of the sum of exports of goods and services and of receipts of factor income is deflated by the implicit price deflator (IPD) for the sum of imports of goods and services and of payments of factor income.

Table 4.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Command-Basis Gross National Product

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998		1999					
	I	II	III	IV	I	II	III	IV	I
Gross domestic product	7,759.6	33.9	67.9	111.2	81.9	1.8	3.7	6.0	4.3
Plus: Receipts of factor income from the rest of the world	242.8	0	-5.3	4.7	2.4	0	-8.5	8.1	4.2
Less: Payments of factor income to the rest of the world	255.3	3.2	1.8	-7	1.4	5.2	2.9	-1.1	2.2
Equals: Gross national product	7,746.3	30.7	60.8	116.6	83.0	1.7	3.3	6.3	4.4
Less: Exports of goods and services and receipts of factor income from the rest of the world	1,239.4	-19.1	-12.6	48.1	-9.8	-6.1	-4.1	17.0	-3.1
Plus: Command-basis exports of goods and services and receipts of factor income	1,320.8	-13.1	-8.3	49.1	-3.4	-4.0	-2.5	16.3	-1.0
Equals: Command-basis gross national product	7,827.7	36.7	65.1	117.5	89.5	2.0	3.5	6.3	4.7
Addendum: Terms of trade ¹	106.6	.5	.5	-2	.6	1.9	1.9	-8	2.3

1. Calculated as the ratio of the implicit price deflator for the sum of exports of goods and services and of receipts of factor income to the corresponding implicit price deflator for imports


with the decimal point shifted two places to the right.

NOTE.—Levels of these series are in NIPA tables 1.10 and 1.11.

lion. Smaller upturns were posted by wholesale and retail trade and by the transportation and public utilities group, which includes communications. These upturns were partly offset by downturns in the industrial machinery, electronic equipment, and “other” durable goods industries.

Profits of domestic financial corporations increased \$13.2 billion after decreasing \$0.2 billion. The largest contribution to the upturn was made by commercial banks.

Profits before tax (PBT) increased \$44.5 billion after decreasing \$12.4 billion. The difference between the \$44.5 billion increase in PBT and the \$47.1 billion increase in profits from current production reflected changes in the inventory valuation adjustment that were partly offset by changes in the capital consumption adjustment. The inventory valuation adjustment removes inventory profits and losses from business income;

in the first quarter, inventory losses decreased \$1.8 billion.¹³ The capital consumption adjustment converts depreciation that is valued at historical cost and based on service lives and depreciation patterns specified in the tax code to depreciation that is valued at replacement cost and based on empirical evidence on the prices of used equipment and structures in resale markets; in the first quarter, the capital consumption adjustment increased \$4.4 billion.¹⁴ 

13. As prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits—a capital-gains-like element in profits—result from an increase in inventory prices, and inventory losses—a capital-loss-like element in profits—result from a decrease in inventory prices. In the NIPA’s, inventory profits or losses are removed from business incomes by the inventory valuation adjustment (IVA); a negative IVA removes inventory profits, and a positive IVA removes inventory losses.

14. For information on depreciation in the NIPA’s, see Arnold J. Katz and Shelby W. Herman, “Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95,” SURVEY 77 (May 1997): 69–92.

Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade

TABLES 1, 2, and 3 show quarterly and monthly estimates of real inventories, sales, and inventory-sales ratios, respectively. Table 4 shows real manufacturing inventories by stage of fabrication. Real estimates are in chained (1992) dollars.

Data availability

Quarterly estimates for 1994:IV–1998:II of real manufacturing and trade inventories, sales, and inventory-sales ratios and of real manufacturing inventories by stage of fabrication were published in the **October 1998 SURVEY OF CURRENT BUSINESS**. The estimates for 1998:III were published in the **April 1999 SURVEY**.

Table 1.—Real Manufacturing and Trade Inventories, Seasonally Adjusted, End of Period
(Billions of chained (1992) dollars)

	1998		1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	1,039.3	1,044.9	1,041.6	1,039.3	1,041.1	1,042.3	1,044.9	1,046.8
Manufacturing	455.1	454.3	458.2	455.1	454.2	454.4	454.3	453.7
Durable goods	289.8	289.4	291.6	289.8	288.7	289.6	289.4	288.5
Primary metal industries	23.7	23.1	23.7	23.7	23.6	23.5	23.1	23.0
Fabricated metal products	29.3	29.5	29.4	29.3	29.5	29.5	29.5	29.6
Industrial machinery and equipment	64.7	65.5	65.0	64.7	65.0	65.1	65.5	65.3
Electronic and other electric								
equipment	42.2	42.9	42.6	42.2	42.0	42.5	42.9	43.1
Transportation equipment	70.9	68.9	71.4	70.9	69.2	69.3	68.9	68.0
Motor vehicles and equipment	15.6	15.7	15.5	15.6	15.4	15.3	15.7	15.3
Other transportation equipment	55.2	53.2	55.9	55.2	53.8	54.1	53.2	52.7
Other durable goods ¹	59.6	60.3	60.0	59.6	60.0	60.2	60.3	60.3
Nondurable goods	165.4	165.0	166.7	165.4	165.5	165.0	165.0	165.3
Food and kindred products	35.1	35.9	35.1	35.1	35.5	35.8	35.9	36.3
Paper and allied products	15.1	15.0	15.1	15.1	15.0	14.9	15.0	14.9
Chemicals and allied products	43.4	43.4	44.1	43.4	43.7	43.7	43.4	43.8
Petroleum and coal products	12.2	12.0	13.1	12.2	12.4	11.8	12.0	11.6
Rubber and miscellaneous plastic								
products	15.8	15.8	15.9	15.8	15.9	15.9	15.8	15.8
Other nondurable goods ²	43.3	42.4	43.3	43.3	42.9	42.4	42.4	42.3
Merchant wholesalers	278.8	281.0	277.3	278.8	278.3	280.3	281.0	281.5
Durable goods	179.8	181.5	178.5	179.8	180.1	181.2	181.5	180.9
Nondurable goods	99.2	99.8	99.1	99.2	98.4	99.4	99.8	100.8
Groceries and farm products	30.1	31.5	30.5	30.1	30.1	30.6	31.5	32.4
Other nondurable goods	69.5	68.8	68.9	69.5	68.8	69.2	68.8	69.0
Retail trade	305.7	309.7	306.3	305.7	308.7	307.7	309.7	311.6
Durable goods	158.4	160.0	159.7	158.4	160.5	158.8	160.0	162.0
Motor vehicle dealers ³	73.8	74.1	75.8	73.8	74.9	73.4	74.1	75.6
Other durable goods ³	84.8	86.1	84.0	84.8	85.8	85.6	86.1	86.6
Nondurable goods	147.1	149.5	146.4	147.1	147.9	148.8	149.5	149.4
Food stores	29.1	29.6	29.3	29.1	29.5	29.6	29.6	29.4
Other nondurable goods	118.0	119.9	117.1	118.0	118.5	119.2	119.9	120.0

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

NOTES.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Chained (1992) dollar inventory series are calculated as the product of the chain-type quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, 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.

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Table 2.—Real Manufacturing and Trade Sales, Seasonally Adjusted at Monthly Rate
(Billions of chained (1992) dollars)

	1998		1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	772.8	789.8	771.6	781.4	779.7	791.4	798.3	791.0
Manufacturing	330.2	334.4	329.5	333.5	330.9	333.8	338.4	335.1
Durable goods	195.6	197.3	195.6	196.8	195.7	196.2	200.0	199.2
Primary metal industries	13.5	13.9	13.5	13.5	13.8	13.8	14.1	13.8
Fabricated metal products	18.5	18.6	18.6	18.7	18.7	18.6	18.6	18.6
Industrial machinery and equipment	50.2	51.0	49.9	50.6	50.5	51.1	51.4	52.4
Electronic and other electric								
equipment	33.9	34.1	33.9	34.3	34.2	33.7	34.5	35.1
Transportation equipment	44.7	44.6	44.9	44.6	43.9	44.0	45.7	44.3
Motor vehicles and equipment	29.5	30.3	29.3	29.9	29.9	30.0	31.1	30.1
Other transportation equipment	15.2	14.2	15.6	14.6	14.0	14.1	14.6	14.2
Other durable goods ¹	37.8	38.4	37.9	38.3	37.9	38.5	39.0	38.6
Nondurable goods	135.7	138.1	135.0	137.7	136.3	138.6	139.5	137.1
Food and kindred products	38.1	38.4	38.0	38.4	37.9	38.4	38.8	38.4
Paper and allied products	12.1	12.3	12.1	12.3	12.2	12.4	12.1	12.1
Chemicals and allied products	28.1	28.5	27.9	28.9	27.9	28.6	28.9	28.8
Petroleum and coal products	14.5	15.9	14.0	15.6	15.0	16.0	16.7	14.0
Rubber and miscellaneous plastic								
products	12.4	12.7	12.3	12.5	12.3	12.8	12.8	12.5
Other nondurable goods ²	30.6	31.0	30.7	30.5	31.2	30.9	30.9	31.1
Merchant wholesalers	213.1	217.2	212.7	216.3	213.7	217.8	220.2	217.7
Durable goods	111.8	116.1	111.4	113.2	113.7	116.9	117.7	117.7
Nondurable goods	101.2	101.1	101.3	103.0	99.9	101.0	102.5	100.0
Groceries and farm products	35.9	35.2	36.0	35.9	34.4	35.5	35.8	35.7
Other nondurable goods	65.6	66.1	65.5	67.3	65.8	65.8	66.9	64.5
Retail trade	230.1	238.8	230.0	232.2	235.7	240.4	240.3	238.9
Durable goods	96.0	101.1	95.7	97.3	99.4	102.5	101.6	100.9
Motor vehicle dealers ³	48.2	50.7	47.9	49.0	49.7	51.5	50.9	50.3
Other durable goods ³	48.5	51.2	48.5	49.0	50.5	51.8	51.5	51.5
Nondurable goods	133.9	137.4	134.1	134.7	136.1	137.7	138.5	137.8
Food stores	34.3	34.4	34.4	34.4	34.1	34.6	34.7	34.3
Other nondurable goods	99.6	103.1	99.7	100.3	102.1	103.2	104.0	103.7

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

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.

Table 3.—Real Inventory-Sales Ratios for Manufacturing and Trade, Seasonally Adjusted

[Ratio, based on chained (1992) dollars]

	1998	1999	1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	1.35	1.32	1.35	1.33	1.34	1.32	1.31	1.32
Manufacturing	1.38	1.36	1.39	1.37	1.37	1.36	1.34	1.35
Durable goods	1.48	1.47	1.49	1.47	1.48	1.48	1.45	1.45
Primary metal industries	1.75	1.66	1.76	1.76	1.71	1.71	1.64	1.67
Fabricated metal products	1.58	1.59	1.59	1.57	1.58	1.59	1.59	1.59
Industrial machinery and equipment	1.29	1.29	1.30	1.28	1.29	1.28	1.27	1.25
Electronic and other electric equipment	1.25	1.26	1.26	1.23	1.23	1.26	1.24	1.23
Transportation equipment	1.59	1.55	1.59	1.59	1.58	1.57	1.51	1.53
Motor vehicles and equipment .....	.53	.52	.53	.52	.51	.51	.50	.51
Other transportation equipment	3.64	3.74	3.59	3.77	3.85	3.85	3.64	3.71
Other durable goods ¹	1.58	1.57	1.58	1.56	1.58	1.57	1.55	1.56
Nondurable goods	1.22	1.20	1.23	1.20	1.22	1.19	1.18	1.21
Food and kindred products .....	.92	.94	.92	.92	.94	.93	.93	.94
Paper and allied products	1.24	1.22	1.25	1.23	1.23	1.20	1.23	1.23
Chemicals and allied products	1.55	1.53	1.58	1.50	1.57	1.53	1.50	1.52
Petroleum and coal products .....	.84	.76	.94	.79	.82	.74	.72	.82
Rubber and miscellaneous plastic products	1.28	1.25	1.29	1.27	1.29	1.23	1.23	1.27
Other nondurable goods ²	1.42	1.37	1.41	1.42	1.38	1.37	1.37	1.36
Merchant wholesalers	1.31	1.29	1.30	1.29	1.30	1.29	1.28	1.29
Durable goods	1.61	1.56	1.60	1.59	1.58	1.55	1.54	1.54
Nondurable goods .....	.98	.99	.98	.96	.98	.98	.97	1.01
Groceries and farm products .....	.84	.89	.85	.84	.87	.86	.88	.91
Other nondurable goods	1.06	1.04	1.05	1.03	1.05	1.05	1.03	1.07
Retail trade	1.33	1.30	1.33	1.32	1.31	1.28	1.29	1.30
Durable goods	1.65	1.58	1.67	1.63	1.62	1.55	1.58	1.61
Motor vehicle dealers ³	1.53	1.46	1.58	1.51	1.51	1.43	1.46	1.50
Other durable goods ³	1.75	1.68	1.73	1.73	1.70	1.65	1.67	1.68
Nondurable goods	1.10	1.09	1.09	1.09	1.09	1.08	1.08	1.08
Food stores .....	.85	.86	.85	.85	.86	.86	.85	.86
Other nondurable goods	1.18	1.16	1.17	1.18	1.16	1.16	1.15	1.16

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Table 4.—Real Manufacturing Inventories by Stage of Fabrication, Seasonally Adjusted, End of Period

[Billions of chained (1992) dollars]

	1998	1999	1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Materials and supplies								
Manufacturing	149.8	150.0	151.3	149.8	150.0	150.3	150.0	149.2
Durable goods	89.1	90.1	90.3	89.1	89.5	90.1	90.1	89.6
Primary metal industries	8.1	7.9	8.1	8.1	8.0	7.9	7.9	7.8
Fabricated metal products	10.0	10.1	10.2	10.0	10.0	10.1	10.1	10.1
Industrial machinery and equipment	19.3	19.9	19.3	19.3	19.6	19.5	19.9	19.7
Electronic and other electric equipment	15.9	16.1	16.1	15.9	15.9	16.1	16.1	16.0
Motor vehicles and equipment	7.0	7.0	7.0	7.0	7.1	7.3	7.0	7.2
Other transportation equipment	7.1	7.1	7.5	7.1	7.1	7.2	7.1	6.8
Other durable goods ¹	22.0	22.3	22.3	22.0	22.0	22.2	22.3	22.2
Nondurable goods	60.8	60.0	61.1	60.8	60.7	60.3	60.0	59.7
Food and kindred products	10.9	11.3	10.9	10.9	11.1	11.1	11.3	11.2
Paper and allied products	7.4	7.3	7.4	7.4	7.4	7.3	7.3	7.3
Chemicals and allied products	14.2	14.1	14.0	14.2	14.3	14.2	14.1	14.2
Petroleum and coal products	3.7	3.6	4.4	3.7	3.7	3.7	3.6	3.4
Rubber and miscellaneous plastic products	6.5	6.4	6.5	6.5	6.5	6.5	6.4	6.4
Other nondurable goods ²	17.9	17.1	17.9	17.9	17.6	17.4	17.1	16.9
Work-in-process								
Manufacturing	148.0	146.4	149.3	148.0	146.6	146.7	146.4	146.7
Durable goods	119.6	117.5	120.4	119.6	117.9	118.0	117.5	116.8
Primary metal industries	7.9	7.7	7.9	7.9	7.9	7.9	7.7	7.6
Fabricated metal products	8.7	8.7	8.8	8.7	8.7	8.7	8.7	8.6
Industrial machinery and equipment	24.7	24.5	24.9	24.7	24.7	25.0	24.5	24.6
Electronic and other electric equipment	14.8	15.1	15.1	14.8	14.9	15.0	15.1	15.4
Motor vehicles and equipment	5.1	5.1	4.7	5.1	4.6	4.2	5.1	4.3
Other transportation equipment	43.4	41.6	44.0	43.4	42.1	42.4	41.6	41.4
Other durable goods ¹	15.1	15.0	15.1	15.1	15.1	15.1	15.0	15.2
Nondurable goods	28.3	28.7	28.7	28.3	28.5	28.6	28.7	29.7
Food and kindred products	5.4	5.7	5.3	5.4	5.5	5.7	5.7	6.1
Paper and allied products	1.5	1.6	1.5	1.5	1.5	1.6	1.6	1.5
Chemicals and allied products	8.0	8.1	8.5	8.0	8.0	8.1	8.1	8.4
Petroleum and coal products	2.9	2.8	3.0	2.9	2.8	2.7	2.8	2.8
Rubber and miscellaneous plastic products	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Other nondurable goods ²	8.4	8.3	8.3	8.4	8.4	8.2	8.3	8.5
Finished goods								
Manufacturing	157.3	157.8	157.6	157.3	157.6	157.4	157.8	157.8
Durable goods	81.1	81.7	80.9	81.1	81.2	81.5	81.7	82.1
Primary metal industries	7.8	7.5	7.7	7.8	7.7	7.7	7.5	7.6
Fabricated metal products	10.6	10.8	10.5	10.6	10.8	10.7	10.8	10.9
Industrial machinery and equipment	20.8	21.1	21.0	20.8	20.7	20.7	21.1	21.0
Electronic and other electric equipment	11.4	11.7	11.4	11.4	11.1	11.5	11.7	11.6
Motor vehicles and equipment	3.6	3.6	3.7	3.6	3.6	3.7	3.6	3.8
Other transportation equipment	4.7	4.5	4.4	4.7	4.6	4.5	4.5	4.5
Other durable goods ¹	22.4	22.8	22.5	22.4	22.7	22.8	22.8	22.9
Nondurable goods	76.4	76.3	76.9	76.4	76.6	76.1	76.3	76.0
Food and kindred products	18.8	19.0	18.9	18.8	18.9	19.0	19.0	19.0
Paper and allied products	6.2	6.1	6.3	6.2	6.1	6.1	6.1	6.1
Chemicals and allied products	21.3	21.3	21.6	21.3	21.4	21.4	21.3	21.2
Petroleum and coal products	5.7	5.5	5.7	5.7	5.9	5.5	5.5	5.4
Rubber and miscellaneous plastic products	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Other nondurable goods ²	17.1	17.0	17.0	17.1	17.0	16.7	17.0	16.9

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^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory.

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Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade

TABLES 1, 2, and 3 show quarterly and monthly estimates of real inventories, sales, and inventory-sales ratios, respectively. Table 4 shows real manufacturing inventories by stage of fabrication. Real estimates are in chained (1992) dollars.

Data availability

Quarterly estimates for 1994:IV–1998:II of real manufacturing and trade inventories, sales, and inventory-sales ratios and of real manufacturing inventories by stage of fabrication were published in the **October 1998 SURVEY OF CURRENT BUSINESS**. The estimates for 1998:III were published in the **April 1999 SURVEY**.

Table 1.—Real Manufacturing and Trade Inventories, Seasonally Adjusted, End of Period
(Billions of chained (1992) dollars)

	1998		1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	1,039.3	1,044.9	1,041.6	1,039.3	1,041.1	1,042.3	1,044.9	1,046.8
Manufacturing	455.1	454.3	458.2	455.1	454.2	454.4	454.3	453.7
Durable goods	289.8	289.4	291.6	289.8	288.7	289.6	289.4	288.5
Primary metal industries	23.7	23.1	23.7	23.7	23.6	23.5	23.1	23.0
Fabricated metal products	29.3	29.5	29.4	29.3	29.5	29.5	29.5	29.6
Industrial machinery and equipment	64.7	65.5	65.0	64.7	65.0	65.1	65.5	65.3
Electronic and other electric								
equipment	42.2	42.9	42.6	42.2	42.0	42.5	42.9	43.1
Transportation equipment	70.9	68.9	71.4	70.9	69.2	69.3	68.9	68.0
Motor vehicles and equipment	15.6	15.7	15.5	15.6	15.4	15.3	15.7	15.3
Other transportation equipment	55.2	53.2	55.9	55.2	53.8	54.1	53.2	52.7
Other durable goods ¹	59.6	60.3	60.0	59.6	60.0	60.2	60.3	60.3
Nondurable goods	165.4	165.0	166.7	165.4	165.5	165.0	165.0	165.3
Food and kindred products	35.1	35.9	35.1	35.1	35.5	35.8	35.9	36.3
Paper and allied products	15.1	15.0	15.1	15.1	15.0	14.9	15.0	14.9
Chemicals and allied products	43.4	43.4	44.1	43.4	43.7	43.7	43.4	43.8
Petroleum and coal products	12.2	12.0	13.1	12.2	12.4	11.8	12.0	11.6
Rubber and miscellaneous plastic								
products	15.8	15.8	15.9	15.8	15.9	15.9	15.8	15.8
Other nondurable goods ²	43.3	42.4	43.3	43.3	42.9	42.4	42.4	42.3
Merchant wholesalers	278.8	281.0	277.3	278.8	278.3	280.3	281.0	281.5
Durable goods	179.8	181.5	178.5	179.8	180.1	181.2	181.5	180.9
Nondurable goods	99.2	99.8	99.1	99.2	98.4	99.4	99.8	100.8
Groceries and farm products	30.1	31.5	30.5	30.1	30.1	30.6	31.5	32.4
Other nondurable goods	69.5	68.8	68.9	69.5	68.8	69.2	68.8	69.0
Retail trade	305.7	309.7	306.3	305.7	308.7	307.7	309.7	311.6
Durable goods	158.4	160.0	159.7	158.4	160.5	158.8	160.0	162.0
Motor vehicle dealers ³	73.8	74.1	75.8	73.8	74.9	73.4	74.1	75.6
Other durable goods ³	84.8	86.1	84.0	84.8	85.8	85.6	86.1	86.6
Nondurable goods	147.1	149.5	146.4	147.1	147.9	148.8	149.5	149.4
Food stores	29.1	29.6	29.3	29.1	29.5	29.6	29.6	29.4
Other nondurable goods	118.0	119.9	117.1	118.0	118.5	119.2	119.9	120.0

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

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Table 2.—Real Manufacturing and Trade Sales, Seasonally Adjusted at Monthly Rate
(Billions of chained (1992) dollars)

	1998		1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	772.8	789.8	771.6	781.4	779.7	791.4	798.3	791.0
Manufacturing	330.2	334.4	329.5	333.5	330.9	333.8	338.4	335.1
Durable goods	195.6	197.3	195.6	196.8	195.7	196.2	200.0	199.2
Primary metal industries	13.5	13.9	13.5	13.5	13.8	13.8	14.1	13.8
Fabricated metal products	18.5	18.6	18.6	18.7	18.7	18.6	18.6	18.6
Industrial machinery and equipment	50.2	51.0	49.9	50.6	50.5	51.1	51.4	52.4
Electronic and other electric								
equipment	33.9	34.1	33.9	34.3	34.2	33.7	34.5	35.1
Transportation equipment	44.7	44.6	44.9	44.6	43.9	44.0	45.7	44.3
Motor vehicles and equipment	29.5	30.3	29.3	29.9	29.9	30.0	31.1	30.1
Other transportation equipment	15.2	14.2	15.6	14.6	14.0	14.1	14.6	14.2
Other durable goods ¹	37.8	38.4	37.9	38.3	37.9	38.5	39.0	38.6
Nondurable goods	135.7	138.1	135.0	137.7	136.3	138.6	139.5	137.1
Food and kindred products	38.1	38.4	38.0	38.4	37.9	38.4	38.8	38.4
Paper and allied products	12.1	12.3	12.1	12.3	12.2	12.4	12.1	12.1
Chemicals and allied products	28.1	28.5	27.9	28.9	27.9	28.6	28.9	28.8
Petroleum and coal products	14.5	15.9	14.0	15.6	15.0	16.0	16.7	14.0
Rubber and miscellaneous plastic								
products	12.4	12.7	12.3	12.5	12.3	12.8	12.8	12.5
Other nondurable goods ²	30.6	31.0	30.7	30.5	31.2	30.9	30.9	31.1
Merchant wholesalers	213.1	217.2	212.7	216.3	213.7	217.8	220.2	217.7
Durable goods	111.8	116.1	111.4	113.2	113.7	116.9	117.7	117.7
Nondurable goods	101.2	101.1	101.3	103.0	99.9	101.0	102.5	100.0
Groceries and farm products	35.9	35.2	36.0	35.9	34.4	35.5	35.8	35.7
Other nondurable goods	65.6	66.1	65.5	67.3	65.8	65.8	66.9	64.5
Retail trade	230.1	238.8	230.0	232.2	235.7	240.4	240.3	238.9
Durable goods	96.0	101.1	95.7	97.3	99.4	102.5	101.6	100.9
Motor vehicle dealers ³	48.2	50.7	47.9	49.0	49.7	51.5	50.9	50.3
Other durable goods ³	48.5	51.2	48.5	49.0	50.5	51.8	51.5	51.5
Nondurable goods	133.9	137.4	134.1	134.7	136.1	137.7	138.5	137.8
Food stores	34.3	34.4	34.4	34.4	34.1	34.6	34.7	34.3
Other nondurable goods	99.6	103.1	99.7	100.3	102.1	103.2	104.0	103.7

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

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.

Table 3.—Real Inventory-Sales Ratios for Manufacturing and Trade, Seasonally Adjusted

[Ratio, based on chained (1992) dollars]

	1998	1999	1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Manufacturing and trade	1.35	1.32	1.35	1.33	1.34	1.32	1.31	1.32
Manufacturing	1.38	1.36	1.39	1.37	1.37	1.36	1.34	1.35
Durable goods	1.48	1.47	1.49	1.47	1.48	1.48	1.45	1.45
Primary metal industries	1.75	1.66	1.76	1.76	1.71	1.71	1.64	1.67
Fabricated metal products	1.58	1.59	1.59	1.57	1.58	1.59	1.59	1.59
Industrial machinery and equipment	1.29	1.29	1.30	1.28	1.29	1.28	1.27	1.25
Electronic and other electric equipment	1.25	1.26	1.26	1.23	1.23	1.26	1.24	1.23
Transportation equipment	1.59	1.55	1.59	1.59	1.58	1.57	1.51	1.53
Motor vehicles and equipment .....	.53	.52	.53	.52	.51	.51	.50	.51
Other transportation equipment	3.64	3.74	3.59	3.77	3.85	3.85	3.64	3.71
Other durable goods ¹	1.58	1.57	1.58	1.56	1.58	1.57	1.55	1.56
Nondurable goods	1.22	1.20	1.23	1.20	1.22	1.19	1.18	1.21
Food and kindred products .....	.92	.94	.92	.92	.94	.93	.93	.94
Paper and allied products	1.24	1.22	1.25	1.23	1.23	1.20	1.23	1.23
Chemicals and allied products	1.55	1.53	1.58	1.50	1.57	1.53	1.50	1.52
Petroleum and coal products .....	.84	.76	.94	.79	.82	.74	.72	.82
Rubber and miscellaneous plastic products	1.28	1.25	1.29	1.27	1.29	1.23	1.23	1.27
Other nondurable goods ²	1.42	1.37	1.41	1.42	1.38	1.37	1.37	1.36
Merchant wholesalers	1.31	1.29	1.30	1.29	1.30	1.29	1.28	1.29
Durable goods	1.61	1.56	1.60	1.59	1.58	1.55	1.54	1.54
Nondurable goods .....	.98	.99	.98	.96	.98	.98	.97	1.01
Groceries and farm products .....	.84	.89	.85	.84	.87	.86	.88	.91
Other nondurable goods	1.06	1.04	1.05	1.03	1.05	1.05	1.03	1.07
Retail trade	1.33	1.30	1.33	1.32	1.31	1.28	1.29	1.30
Durable goods	1.65	1.58	1.67	1.63	1.62	1.55	1.58	1.61
Motor vehicle dealers ³	1.53	1.46	1.58	1.51	1.51	1.43	1.46	1.50
Other durable goods ³	1.75	1.68	1.73	1.73	1.70	1.65	1.67	1.68
Nondurable goods	1.10	1.09	1.09	1.09	1.09	1.08	1.08	1.08
Food stores .....	.85	.86	.85	.85	.86	.86	.85	.86
Other nondurable goods	1.18	1.16	1.17	1.18	1.16	1.16	1.15	1.16

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Table 4.—Real Manufacturing Inventories by Stage of Fabrication, Seasonally Adjusted, End of Period

[Billions of chained (1992) dollars]

	1998	1999	1998		1999			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^p
Materials and supplies								
Manufacturing	149.8	150.0	151.3	149.8	150.0	150.3	150.0	149.2
Durable goods	89.1	90.1	90.3	89.1	89.5	90.1	90.1	89.6
Primary metal industries	8.1	7.9	8.1	8.1	8.0	7.9	7.9	7.8
Fabricated metal products	10.0	10.1	10.2	10.0	10.0	10.1	10.1	10.1
Industrial machinery and equipment	19.3	19.9	19.3	19.3	19.6	19.5	19.9	19.7
Electronic and other electric equipment	15.9	16.1	16.1	15.9	15.9	16.1	16.1	16.0
Motor vehicles and equipment	7.0	7.0	7.0	7.0	7.1	7.3	7.0	7.2
Other transportation equipment	7.1	7.1	7.5	7.1	7.1	7.2	7.1	6.8
Other durable goods ¹	22.0	22.3	22.3	22.0	22.0	22.2	22.3	22.2
Nondurable goods	60.8	60.0	61.1	60.8	60.7	60.3	60.0	59.7
Food and kindred products	10.9	11.3	10.9	10.9	11.1	11.1	11.3	11.2
Paper and allied products	7.4	7.3	7.4	7.4	7.4	7.3	7.3	7.3
Chemicals and allied products	14.2	14.1	14.0	14.2	14.3	14.2	14.1	14.2
Petroleum and coal products	3.7	3.6	4.4	3.7	3.7	3.7	3.6	3.4
Rubber and miscellaneous plastic products	6.5	6.4	6.5	6.5	6.5	6.5	6.4	6.4
Other nondurable goods ²	17.9	17.1	17.9	17.9	17.6	17.4	17.1	16.9
Work-in-process								
Manufacturing	148.0	146.4	149.3	148.0	146.6	146.7	146.4	146.7
Durable goods	119.6	117.5	120.4	119.6	117.9	118.0	117.5	116.8
Primary metal industries	7.9	7.7	7.9	7.9	7.9	7.9	7.7	7.6
Fabricated metal products	8.7	8.7	8.8	8.7	8.7	8.7	8.7	8.6
Industrial machinery and equipment	24.7	24.5	24.9	24.7	24.7	25.0	24.5	24.6
Electronic and other electric equipment	14.8	15.1	15.1	14.8	14.9	15.0	15.1	15.4
Motor vehicles and equipment	5.1	5.1	4.7	5.1	4.6	4.2	5.1	4.3
Other transportation equipment	43.4	41.6	44.0	43.4	42.1	42.4	41.6	41.4
Other durable goods ¹	15.1	15.0	15.1	15.1	15.1	15.1	15.0	15.2
Nondurable goods	28.3	28.7	28.7	28.3	28.5	28.6	28.7	29.7
Food and kindred products	5.4	5.7	5.3	5.4	5.5	5.7	5.7	6.1
Paper and allied products	1.5	1.6	1.5	1.5	1.5	1.6	1.6	1.5
Chemicals and allied products	8.0	8.1	8.5	8.0	8.0	8.1	8.1	8.4
Petroleum and coal products	2.9	2.8	3.0	2.9	2.8	2.7	2.8	2.8
Rubber and miscellaneous plastic products	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Other nondurable goods ²	8.4	8.3	8.3	8.4	8.4	8.2	8.3	8.5
Finished goods								
Manufacturing	157.3	157.8	157.6	157.3	157.6	157.4	157.8	157.8
Durable goods	81.1	81.7	80.9	81.1	81.2	81.5	81.7	82.1
Primary metal industries	7.8	7.5	7.7	7.8	7.7	7.7	7.5	7.6
Fabricated metal products	10.6	10.8	10.5	10.6	10.8	10.7	10.8	10.9
Industrial machinery and equipment	20.8	21.1	21.0	20.8	20.7	20.7	21.1	21.0
Electronic and other electric equipment	11.4	11.7	11.4	11.4	11.1	11.5	11.7	11.6
Motor vehicles and equipment	3.6	3.6	3.7	3.6	3.6	3.7	3.6	3.8
Other transportation equipment	4.7	4.5	4.4	4.7	4.6	4.5	4.5	4.5
Other durable goods ¹	22.4	22.8	22.5	22.4	22.7	22.8	22.8	22.9
Nondurable goods	76.4	76.3	76.9	76.4	76.6	76.1	76.3	76.0
Food and kindred products	18.8	19.0	18.9	18.8	18.9	19.0	19.0	19.0
Paper and allied products	6.2	6.1	6.3	6.2	6.1	6.1	6.1	6.1
Chemicals and allied products	21.3	21.3	21.6	21.3	21.4	21.4	21.3	21.2
Petroleum and coal products	5.7	5.5	5.7	5.7	5.9	5.5	5.5	5.4
Rubber and miscellaneous plastic products	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Other nondurable goods ²	17.1	17.0	17.0	17.1	17.0	16.7	17.0	16.9

^p Preliminary.

^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory.

Chained (1992) dollar inventory series are calculated as the product of the chain-type quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, 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.

U.S. Multinational Companies: Operations in 1997

By Raymond J. Mataloni, Jr.

THE COMBINED domestic and foreign operations of nonbank U.S. multinational companies (MNC's) continued to grow at a strong pace in 1997, according to preliminary estimates from the annual survey of U.S. direct investment abroad conducted by the Bureau of Economic Analysis (BEA).¹ Current-dollar estimates of the worldwide

gross product of U.S. MNC's (U.S. parents and majority-owned foreign affiliates (MOFA's) combined) increased 5.6 percent in 1997, compared with an 8.1-percent increase in 1996 and an average annual increase of 5.5 percent from 1989 to 1996 (table 1).

Two other key measures of MNC operations grew much faster in 1997 than in 1989-96. MNC employment increased 6.1 percent,

1. The year 1989 is used for comparison because it was a benchmark survey year for U.S. direct investment abroad and because before 1994, gross product estimates (which are the basis for much of the analysis in this article) were only available for U.S. parents in the years covered by benchmark surveys. In addition, in 1989, like in 1997, economic growth continued in the United States and in most major host countries.

This article presents highlights from the 1996 and 1997 annual surveys. More detailed estimates will be available later this year (see the box "Data Availability" on page 15).

Table 1.—Gross Product, Employment, and Capital Expenditures of Nonbank U.S. MNC's, U.S. Parents, and Foreign Affiliates, 1982-97

	MNC's worldwide			Affiliates				MNC's worldwide			Affiliates		
	Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other		Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other
Gross product							1992	24,190	22,812	17,530	6,660	5,282	1,378
Millions of dollars:							1993	24,222	22,760	17,537	6,685	5,223	1,461
1982	n.a.	1,019,734	796,017	n.a.	223,717	n.a.	1994	25,670	24,273	18,565	7,105	5,707	1,398
1983	n.a.	n.a.	n.a.	n.a.	216,683	n.a.	1995	25,921	24,500	18,576	7,345	5,924	1,421
1984	n.a.	n.a.	n.a.	n.a.	220,331	n.a.	1996 ^r	26,334	24,867	18,790	7,544	6,077	1,467
1985	n.a.	n.a.	n.a.	n.a.	220,074	n.a.	1997 ^p	27,885	26,392	19,867	8,018	6,525	1,493
1986	n.a.	n.a.	n.a.	n.a.	231,644	n.a.	Percent change at annual rates:						
1987	n.a.	n.a.	n.a.	n.a.	269,734	n.a.	1982-96	0.3	0.3	0.0	0.9	1.4	-0.7
1988	n.a.	n.a.	n.a.	n.a.	297,556	n.a.	1989-96	0.5	0.6	0.0	1.9	2.5	-0.4
1989	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.	1995-96	1.6	1.5	1.2	2.7	2.6	3.2
1990	n.a.	n.a.	n.a.	n.a.	356,033	n.a.	1996-97	5.9	6.1	5.7	6.3	7.4	1.8
1991	n.a.	n.a.	n.a.	n.a.	355,963	n.a.	Capital expenditures						
1992	n.a.	n.a.	n.a.	n.a.	361,524	n.a.	Millions of dollars:						
1993	n.a.	n.a.	n.a.	n.a.	359,179	n.a.	1982	248,262	233,078	188,266	59,996	44,812	15,184
1994	n.a.	1,717,488	1,313,792	n.a.	403,696	n.a.	1983	n.a.	197,534	160,656	n.a.	36,878	n.a.
1995	n.a.	1,831,046	1,365,470	n.a.	465,576	n.a.	1984	n.a.	203,791	168,692	n.a.	35,099	n.a.
1996 ^r	n.a.	1,978,948	1,480,638	n.a.	498,310	n.a.	1985	n.a.	221,509	185,027	n.a.	36,482	n.a.
1997 ^p	n.a.	2,089,796	1,570,490	n.a.	519,306	n.a.	1986	n.a.	203,809	169,131	n.a.	34,678	n.a.
Percent change at annual rates:							1987	n.a.	199,171	162,139	n.a.	37,032	n.a.
1982-96	n.a.	4.8	4.5	n.a.	5.9	n.a.	1988	n.a.	223,814	177,203	n.a.	46,611	n.a.
1989-96	n.a.	5.5	5.1	n.a.	6.5	n.a.	1989	276,790	260,488	201,808	74,982	58,680	16,302
1995-96	n.a.	8.1	8.4	n.a.	7.0	n.a.	1990	n.a.	274,614	213,079	n.a.	61,535	n.a.
1996-97	n.a.	5.6	6.1	n.a.	4.2	n.a.	1991	n.a.	269,221	206,290	n.a.	62,931	n.a.
Number of employees							1992	n.a.	272,049	208,834	n.a.	63,215	n.a.
Thousands:							1993	n.a.	271,661	207,437	n.a.	64,224	n.a.
1982	25,345	23,727	18,705	6,640	5,022	1,618	1994	328,240	303,364	231,917	96,323	71,447	24,876
1983	24,783	23,253	18,400	6,383	4,854	1,530	1995	n.a.	323,616	248,017	n.a.	75,599	n.a.
1984	24,548	22,973	18,131	6,418	4,842	1,576	1996 ^r	n.a.	340,510	260,048	n.a.	80,462	n.a.
1985	24,532	22,923	18,113	6,419	4,810	1,609	1997 ^p	n.a.	387,148	298,902	n.a.	88,246	n.a.
1986	24,082	22,543	17,832	6,250	4,711	1,539	Percent change at annual rates:						
1987	24,255	22,650	17,986	6,270	4,664	1,605	1982-96	n.a.	2.7	2.3	n.a.	4.2	n.a.
1988	24,141	22,498	17,738	6,404	4,761	1,643	1989-96	n.a.	3.9	3.7	n.a.	4.6	n.a.
1989	25,388	23,879	18,765	6,622	5,114	1,508	1995-96	n.a.	5.2	4.9	n.a.	6.4	n.a.
1990	25,264	23,786	18,430	6,834	5,356	1,478	1996-97	n.a.	13.7	14.9	n.a.	9.7	n.a.
1991	24,837	23,345	17,959	6,878	5,387	1,492							

^r Preliminary.
Revised.
n.a. Not available.

MNC Multinational company
MOFA Majority-owned foreign affiliate

compared with a 1.5-percent increase in 1996 and negligible growth in 1989–96. Capital expenditures increased 13.7 percent, compared with a 5.2-percent increase in 1996 and an average annual increase of 3.9 percent in 1989–96.

The strong growth in MNC operations in 1997 reflected continued economic growth and a strong upturn in new investments. In 1997, real gross domestic product (GDP) increased 3.9 percent in the United States, up from a 3.4-percent increase in 1996; in major host countries, real GDP increased 3.2 percent, on average, up from a 2.4-percent increase in

1996.² These favorable economic conditions resulted in the expansion of existing MNC operations and the growth of MNC operations through acquiring or establishing other businesses, both in the United States and abroad. The upturn in new investment partly reflected the growing availability of investment opportunities abroad as a result of legal and economic changes—such as the privatization of electric utilities and telephone companies and the liberalization of direct investment policies in foreign host countries.

2. The average real GDP growth rate for major host countries is a weighted average covering host countries that are members of the Organisation for Economic Co-Operation and Development; these countries hosted roughly 80 percent of MOFA gross product in 1997.

Key Terms

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

U.S. MNC's

U.S. multinational company. The U.S. parent and 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 organized or not 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 operations of a U.S. MNC, covering operations in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all other U.S. areas.

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

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 a U.S. MNC that are controlled by the parent or parents.

Operations of U.S. MNC's

Gross product. The contribution to host-country gross domestic product, which is the goods and services produced by labor and

property located in that country. Gross product, often referred to as "value added," can be measured as gross output (sales or receipts and other operating income plus inventory change) minus intermediate inputs (purchased goods and services). Alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The gross product estimates presented here were prepared by summing cost and profit data collected in the annual and benchmark surveys of USDIA. For the derivation of the current-dollar estimates of gross product, see Raymond J. Mataloni, Jr., and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977–91," SURVEY 74 (February 1994): 57.

Profit-type return. Profits from the production of goods and services in the current period. It is measured before income taxes, and it excludes nonoperating items (such as special charges and capital gains and losses) and income from equity investments.

Capital expenditures. Expenditures made to acquire, add to, or improve property, plant, and equipment (PP&E). PP&E includes land, timber, mineral and like-rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs. Changes in PP&E due to changes in entity—such as mergers, acquisitions, and divestitures—or to changes in accounting principles are excluded. Capital expenditures are measured on a gross basis; sales and other dispositions of fixed assets are not netted against them.

Employment. The number of full-time and part-time employees on the payroll at yearend. If a parent or affiliates' employment was unusually high or low because of temporary factors (for example, a strike) or large seasonal variations, the number that reflected normal operations or an average for the year was requested.

Origin of output. In this article, this term refers to the decomposition of a firm's output (sales plus inventory change) into the output that originates within the firm and the output that originates elsewhere and that is incorporated in the intermediate inputs purchased by the firm. The intermediate inputs can also be decomposed into those that are purchased locally and those that are purchased from abroad.

Source of change in gross product. In this article, this term refers to the decomposition of the year-to-year change in the gross product of U.S. parents and MOFA's into changes in operations, the addition of parents and MOFA's to the survey universe, the departure of parents and MOFA's from the survey universe, and all other changes.

Additional highlights of U.S.-MNC operations in 1997 follow:

- Worldwide production and productive resources of U.S. MNC's remained concentrated in the United States: U.S. parents accounted for about three-fourths, and MOFA's for about one-fourth, of MNC gross product, capital expenditures, and employment. These shares have been relatively stable since at least 1989.
- U.S. exports of goods involving U.S. parents, their foreign affiliates, or both accounted for 63 percent of all U.S. exports of goods, down from 65 percent in 1989. Intra-MNC exports (goods shipped by U.S. parents to their foreign affiliates) accounted for 42 percent of the MNC-associated exports, up from 38 percent in 1989.
- U.S. MNC's accounted for 40 percent of U.S. imports of goods, down from 42 percent in 1989. Intra-MNC imports (goods shipped by foreign affiliates to their U.S. parents) accounted for 42 percent of these MNC-associated imports, up from 38 percent in 1989.
- Newly acquired or established foreign affiliates continued to be concentrated in countries with large and prosperous markets rather than in countries with low labor costs. Although low-wage countries have been attracting a rising share of the new investments, affiliates in high-wage countries still accounted for 71 percent of all new affiliates and for 59 percent of their employment.
- The return on assets for nonfinancial MOFA's, at 10.8 percent, continued to exceed the return on assets for all nonfinancial corporations (chart 1). The higher rate of return for MOFA's may be needed to offset the added risks and costs to U.S. parents of operating abroad.
- Real gross product of MOFA's in manufacturing grew more than twice as fast in 1997 (7.7 percent) as in 1989-96 (3.5 percent). The strong growth reflected both the economic growth in most host countries and

Data on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad (USDIA): (1) Financial and operating data of U.S. parent companies and their foreign affiliates, and (2) balance of payments and direct investment position data.¹ This article presents the first set of data; the balance of payments and direct investment position data appear in the following articles in this issue of the SURVEY OF CURRENT BUSINESS: Russell B. Scholl, "The International Investment Position of the United States in 1998"; Douglas B. Weinberg, "U.S. International Transactions, First Quarter 1999"; and Rosaria Troia and Sylvia E. Bargas, "Direct Investment Positions for 1998: Country and Industry Detail."

BEA data on USDIA are classified by International Surveys Industry groups adapted from the *Standard Industrial Classification (SIC) Manual, 1987*—the classification system used, until recently, as the standard for industry classification in Federal economic statistics. The SIC system has been superseded by the 1997 North American Industrial Classification System (NAICS). BEA has developed new ISI codes that are based on the NAICS, and for USDIA, these new codes will be first used for the data collected in the 1999 benchmark survey.

Financial and operating data.—The data on the overall operations of U.S. parent companies and their foreign

affiliates are collected in BEA's annual and benchmark surveys of USDIA. The data cover balance sheets and income statements, employment and compensation of employees, research and development expenditures, sources of finance, and trade in goods. In addition, the gross product of U.S. parent companies and their majority-owned foreign affiliates is estimated from the data reported in these surveys.

Except in benchmark survey years, these data cover only nonbank U.S. multinational companies (MNC's) because U.S. MNC's in banking (1987 Standard Industrial Classifications 6011, 602, 602, 606, 6712, and 608) are exempt from reporting. All the financial and operating data are on a fiscal year basis. The data cover the entire operations of U.S. parent companies and their foreign affiliates, irrespective of the percentage of U.S.-parent ownership.

Balance of payments and direct investment position data.—These data, covering bank and nonbank U.S. MNC's, are collected in the quarterly survey of USDIA. The data cover the cross-border transactions and positions between U.S. parents and their foreign affiliates, so these data focus on the parent's share, or interest, in the affiliate rather than on the affiliate's size or scale of operations. The major items included in the U.S. balance of payments are direct investment capital flows, direct investment income, royalties and license fees, and other services transactions between U.S. parents and their foreign affiliates.

1. For a comprehensive discussion of these two sets of data, see Raymond J. Mataloni, Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," SURVEY 75 (March 1995): 38-55. This guide is available on BEA's Web site: go to <www.bea.doc.gov> and click on International, Articles.

the addition of newly acquired or established affiliates.

Worldwide Operations of U.S. MNC's

This section examines worldwide U.S.-MNC operations and compares the domestic and foreign aspects of these operations.⁴

Changes in gross product

Gross product of all U.S. MNC's grew 5.6 percent in 1997, to \$2,090 billion; the U.S.-parent component of U.S.-MNC gross product grew 6.1 percent, and the MOFA component grew 4.2 percent. Available evidence suggests that for both parents and MOFA's, these increases reflected increases in real gross product to a greater extent than they reflected increases in prices. The growth of U.S. parents' gross product, at 6.1 percent, substantially exceeded the 1.4-percent rate of U.S. price inflation (as measured by the GDP implicit price deflator for all private U.S. businesses, except depository institutions). Despite the dampening effect of the significant appreciation of the U.S. dollar, the gross product of MOFA's grew 4.2 percent in dollar value, exceeding the 2.8-percent average rate of price inflation in the host countries.⁵

4. In most of this section, the examination of the foreign operations of U.S. MNC's uses the data for MOFA's rather than data for all foreign affiliates, because parents and MOFA's are conceptually under U.S. managerial control (other foreign affiliates may be under the control of foreign owners) and because the necessary data items for this analysis are collected only for MOFA's.

Although MOFA's and U.S. parents are under the control of one or more U.S. parents, in some cases the U.S. parent is, in turn, under the control of a foreign parent company; in 1997, U.S. parents that were ultimately controlled by foreign parents accounted for 11 percent of all U.S. parents and for 8 percent of their gross product.

5. In 1997, the weighted average U.S.-dollar price of the currencies of 23 major host countries (in terms of MOFA gross product) fell 7.8 percent. This decline lowered the dollar value of MOFA gross product by a similar amount when the data reported to BEA in dollars was translated from foreign currencies as was generally necessary.

The average rate of price inflation in these host countries was derived as a weighted average (in terms of MOFA gross product), using, in most cases, the GDP implicit price deflators for the countries.

Acknowledgments

The survey from which the estimates were derived was conducted under the supervision of James Y. Shin with contributions by Joan O. Adams, Barbara S. Clark, Margo R. Collier, Charles R. Gravitz, Jeanne Hicks, Barbara K. Hubbard, Christine J. Lee, Nefertari I. Lee, Marcia S. Miller, Juanita L. Mortimer, Pearl Rivers, Nancy F. Steffen, Rubena I. Thomas, and Dwayne Torney.

Computer programming for data estimation and the generation of data tables was provided by Arnold Gilbert with the assistance of Fritz Mayhew and Diane Young.

Revisions to the 1996 estimates.—The estimates of U.S.-MNC operations for 1996 were revised to incorporate the final results of the 1996 Annual Survey of U.S. Direct Investment Abroad.³ The year-to-year percent changes for the three key measures were revised less than 1 percentage point from the changes shown in the preliminary estimates: The increase in gross product was revised up 0.8 percentage point to 8.1 percent; the increase in employment was revised down 0.2 percentage point to 1.6 percent; and the increase in capital expenditures was revised up 0.2 percentage point to 5.3 percent.

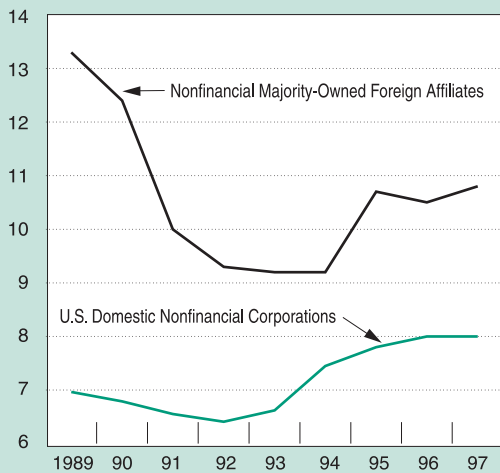
Organization of the article.—The first part of this article analyzes the worldwide operations of U.S. MNC's; the second part analyzes their domestic (U.S.-parent) operations; and the third part analyzes their foreign (foreign-affiliate) operations.

3. The preliminary 1996 estimates were published in Raymond J. Matoloni, Jr., "U.S. Multinational Companies: Operations in 1996," SURVEY OF CURRENT BUSINESS 78 (September 1998): 47-73.

CHART 1

Return on Assets of Nonfinancial Majority-Owned Foreign Affiliates and U.S. Domestic Nonfinancial Corporations, 1989-97

Percent



NOTE.—The return on assets equals the ratio of profit-type return plus interest paid to total assets (at current cost).

Nonfinancial industries are all industries except depository institutions; finance, except depository institutions; and insurance.

For U.S. domestic nonfinancial corporations, data on property income are from tables 1.16 and 8.18 in the national income and product accounts. Data on total assets are from the Federal Reserve Board's flow of funds accounts.

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

Table 2.—Selected Data for Nonbank U.S. MNC's, U.S. Parents, and MOFA's, by Industry of U.S. Parent, 1989, 1996, and 1997

	MNC's worldwide				Parents				MOFA's				MOFA share of worldwide MNC total (percent)			
	Millions of dollars			Thou- sands	Millions of dollars			Thou- sands	Millions of dollars			Thou- sands	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees
	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees				
1989																
All industries	1,364,878	251,434	260,488	23,879.4	1,044,884	164,910	201,808	18,765.4	319,994	86,524	58,680	5,114.0	23	34	23	21
Petroleum	165,680	31,337	41,465	786.0	93,128	15,807	26,790	579.8	72,552	15,530	14,675	206.2	44	50	35	26
Manufacturing	793,771	146,963	133,168	13,791.1	586,568	86,214	98,662	10,127.0	207,203	60,749	34,506	3,664.1	26	41	26	27
Food and kindred products	79,472	19,533	11,982	1,473.1	60,310	14,574	9,361	1,135.8	19,162	4,959	2,621	337.3	24	25	22	23
Chemicals and allied products	141,006	38,398	29,341	1,881.1	97,119	23,389	20,295	1,255.0	43,887	15,009	9,046	626.1	31	39	31	33
Primary and fabricated metals	45,775	9,594	7,222	843.2	37,556	6,335	5,402	684.6	8,219	3,259	1,820	158.6	18	34	25	19
Industrial machinery and equipment	116,146	16,242	18,392	1,905.0	70,887	1,799	11,535	1,249.9	45,259	14,443	6,857	655.1	39	89	37	34
Electronic and other electric																
equipment	68,515	12,371	13,594	1,479.4	56,139	9,218	11,004	1,093.3	12,376	3,153	2,590	386.1	18	25	19	26
Transportation equipment	160,292	21,989	24,302	2,851.9	121,141	11,552	18,642	2,104.4	39,151	10,437	5,660	747.5	24	47	23	26
Other manufacturing	182,567	28,839	28,334	3,357.4	143,417	19,347	22,423	2,604.0	39,150	9,492	5,911	753.4	21	33	21	22
Wholesale trade	28,766	5,648	6,074	582.6	22,587	3,176	4,953	434.2	6,179	2,472	1,121	148.4	21	44	18	25
Finance (except depository																
institutions), insurance, and real																
estate	62,715	20,221	10,006	1,408.0	50,535	16,406	7,581	1,107.6	12,180	3,815	2,425	300.4	19	19	24	21
Services	66,999	7,767	16,675	2,014.6	57,090	5,949	13,628	1,700.0	9,909	1,818	3,047	314.6	15	23	18	16
Other industries	246,946	39,495	53,100	5,297.1	234,975	37,358	50,194	4,816.7	11,971	2,137	2,906	480.4	5	5	5	9
1996																
All industries	1,978,948	456,953	340,510	24,866.8	1,480,638	326,666	260,048	18,790.0	498,310	130,287	80,462	6,076.8	25	29	24	24
Petroleum	229,827	51,971	43,267	653.7	125,380	26,752	26,186	475.1	104,447	25,219	17,081	178.6	45	49	39	27
Manufacturing	1,071,324	242,399	162,488	13,043.6	764,725	159,439	114,979	8,959.9	306,599	82,960	47,509	4,083.7	29	34	29	31
Food and kindred products	114,050	33,411	12,637	1,403.9	77,290	24,105	9,331	982.3	36,760	9,306	3,306	421.6	32	28	26	30
Chemicals and allied products	196,665	60,397	30,921	1,706.6	127,284	34,303	20,642	1,022.2	69,381	26,094	10,279	684.4	35	43	33	40
Primary and fabricated metals	58,014	8,793	7,688	799.1	38,420	5,873	5,881	560.9	19,594	2,920	1,807	238.2	34	33	24	30
Industrial machinery and equipment	148,792	32,298	18,817	1,816.5	95,342	17,917	12,485	1,164.6	53,450	14,381	6,332	651.9	36	45	34	36
Electronic and other electric																
equipment	119,637	33,612	29,343	1,737.2	87,732	22,238	21,578	1,181.2	31,905	11,374	7,765	556.0	27	34	26	32
Transportation equipment	215,534	33,848	32,256	2,438.5	168,884	26,186	20,698	1,683.3	46,650	7,662	11,558	755.2	22	23	36	31
Other manufacturing	218,632	40,042	30,827	3,141.8	169,773	28,818	24,364	2,365.4	48,859	11,224	6,463	776.4	22	28	21	25
Wholesale trade	56,708	9,303	10,193	1,039.1	41,753	4,969	8,266	681.9	14,955	4,334	1,927	357.2	26	47	19	34
Finance (except depository																
institutions), insurance, and real																
estate	96,029	48,354	14,094	1,286.4	71,797	37,538	11,594	1,069.6	24,232	10,816	2,500	216.8	25	22	18	17
Services	142,684	23,427	21,151	2,997.5	116,126	18,847	17,791	2,421.8	26,558	4,580	3,360	575.7	19	20	16	19
Other industries	382,376	81,499	89,318	5,846.3	360,857	79,121	81,232	5,181.6	21,519	2,378	8,086	664.7	6	3	9	11
1997																
All industries	2,089,796	484,998	387,148	26,392.8	1,570,490	336,994	298,902	19,867.4	519,306	148,004	88,246	6,525.4	25	31	23	25
Petroleum	229,602	53,556	49,215	660.2	125,214	24,200	30,187	483.2	104,388	29,356	19,028	177.0	45	55	39	27
Manufacturing	1,080,824	248,837	166,815	12,842.8	765,122	154,521	116,314	8,622.7	315,702	94,316	50,501	4,220.1	29	38	30	33
Food and kindred products	107,813	31,681	12,744	1,094.6	69,852	20,092	9,184	732.8	37,961	11,589	3,560	361.8	35	37	28	33
Chemicals and allied products	199,911	61,564	34,843	1,667.2	126,931	33,172	23,258	966.8	72,980	28,392	11,585	700.4	37	46	33	42
Primary and fabricated metals	55,242	9,971	7,188	852.1	41,926	6,942	5,609	611.4	13,316	3,029	1,579	240.7	24	30	22	28
Industrial machinery and equipment	148,586	36,362	20,669	1,838.5	92,094	19,045	14,069	1,103.8	56,492	17,317	6,600	734.7	38	48	32	40
Electronic and other electric																
equipment	127,535	37,272	28,275	1,760.2	94,413	25,986	21,241	1,175.1	33,122	11,286	7,034	585.1	26	30	25	33
Transportation equipment	220,862	36,554	32,156	2,442.9	167,277	24,283	18,823	1,657.6	53,585	12,271	13,333	785.3	24	34	41	32
Other manufacturing	220,876	35,434	30,939	3,187.3	172,630	25,002	24,130	2,375.2	48,246	10,432	6,809	812.1	22	29	22	25
Wholesale trade	69,184	13,503	12,170	1,166.4	51,621	8,000	9,867	756.9	17,563	5,503	2,303	409.5	25	41	19	35
Finance (except depository																
institutions), insurance, and real																
estate	106,548	54,011	15,991	1,290.2	81,872	43,991	13,083	1,052.1	24,676	10,020	2,908	238.1	23	19	18	18
Services	160,626	24,611	24,983	3,710.2	130,070	19,993	21,457	3,024.3	30,556	4,618	3,526	685.9	19	19	14	18
Other industries	443,012	90,481	117,973	6,723.0	416,591	86,290	107,993	5,928.3	26,421	4,191	9,980	794.7	6	5	8	12

MNC Multinational company
MOFA Majority-owned foreign affiliate

Domestic and foreign shares of MNC operations

Worldwide production and the productive resources of U.S. MNC's remained concentrated in the United States: In 1997, U.S. parents accounted for about three-fourths of MNC gross product, capital expenditures, and employment and for over two-thirds of MNC profit-type return. From 1989 to 1997, however, the distribution of gross product and employment shifted slightly from the United States to abroad: The MOFA share of worldwide MNC gross product edged up from

23 percent to 25 percent, and the MOFA share of MNC employment rose from 21 percent to 25 percent (table 2). In contrast, the MOFA share of worldwide MNC profit-type return fell from 34 percent to 31 percent, probably in response to cyclical factors here and abroad that were relatively less favorable to MOFA's in 1997 than in 1989.

By industry, the most significant shift towards foreign operations was in manufacturing: The MOFA share of MNC gross product rose from 26 percent in 1989 to 29 percent in 1997; the MOFA

Table 3.—Origin of Output of Nonbank U.S. MNC's, by Major Industry of U.S. Parent, 1989, 1996, and 1997

	Millions of dollars							Share of total output, in percent			
	Sales to unaffiliated persons	Inventory change	Total output ¹	Gross product			Purchases from outside the MNC ²	Gross product			Purchases from outside the MNC
				Total	U.S. parents	MOFA's		Total	U.S. parents	MOFA's	
1989											
All industries	3,780,150	15,656	3,795,806	1,364,878	1,044,884	319,994	2,430,928	36	28	8	64
Petroleum	454,570	-335	454,235	165,680	93,128	72,552	288,555	36	21	16	64
Manufacturing	1,949,221	10,151	1,959,372	793,771	586,568	207,203	1,165,601	41	30	11	59
Food and kindred products	238,629	-564	238,065	79,472	60,310	19,162	158,593	33	25	8	67
Chemicals and allied products	321,167	1,745	322,912	141,006	97,119	43,887	181,906	44	30	14	56
Primary and fabricated metals	122,068	610	122,678	45,775	37,556	8,219	76,903	37	31	7	63
Industrial machinery and equipment	249,741	2,935	252,676	116,146	70,887	45,259	136,530	46	28	18	54
Electronic and other electric equipment	169,909	1,898	171,807	68,515	56,139	12,376	103,292	40	33	7	60
Transportation equipment	432,713	1,133	433,846	160,292	121,141	39,151	273,554	37	28	9	63
Other manufacturing	414,994	2,395	417,389	182,567	143,417	39,150	234,822	44	34	9	56
Wholesale trade	254,746	1,234	255,980	28,766	22,587	6,179	227,214	11	9	2	89
Finance (except depository institutions), insurance, and real estate	433,328	-1,058	432,270	62,715	50,535	12,180	369,555	15	12	3	85
Services	125,561	545	126,106	66,999	57,090	9,909	59,107	53	45	8	47
Other industries	562,724	5,119	567,843	246,946	234,975	11,971	320,897	43	41	2	57
1996											
All industries	5,646,502	11,484	5,657,986	1,978,948	1,480,638	498,310	3,679,038	35	26	9	65
Petroleum	623,595	838	624,433	229,827	125,380	104,447	394,606	37	20	17	62
Manufacturing	2,800,312	1,832	2,802,144	1,071,324	764,725	306,599	1,730,820	38	27	11	63
Food and kindred products	308,270	-2,656	305,614	114,050	77,290	36,760	191,564	37	25	12	63
Chemicals and allied products	476,671	1,789	478,460	196,665	127,284	69,381	281,795	41	27	15	59
Primary and fabricated metals	142,579	636	143,215	58,014	38,420	19,594	85,201	41	27	14	59
Industrial machinery and equipment	399,720	-1,431	398,289	148,792	95,342	53,450	249,497	37	24	13	63
Electronic and other electric equipment	356,720	3,822	360,542	119,637	87,732	31,905	240,905	33	24	9	67
Transportation equipment	587,987	33	588,020	215,534	168,884	46,650	372,486	37	29	8	63
Other manufacturing	528,363	-362	528,001	218,632	169,773	48,859	309,369	41	32	9	59
Wholesale trade	428,822	5,367	434,189	56,708	41,753	14,955	377,481	13	10	3	87
Finance (except depository institutions), insurance, and real estate	602,021	413	602,434	96,029	71,797	24,232	506,405	16	12	4	84
Services	277,880	738	278,618	142,684	116,126	26,558	135,934	51	42	10	49
Other industries	913,903	2,296	916,199	382,376	360,857	21,519	533,823	42	39	2	58
1997											
All industries	6,068,351	24,765	6,093,116	2,089,796	1,570,490	519,306	4,003,320	34	26	9	66
Petroleum	603,962	-1,157	602,805	229,602	125,214	104,388	373,203	38	21	17	62
Manufacturing	2,899,447	15,525	2,914,972	1,080,824	765,122	315,702	1,834,148	37	26	11	63
Food and kindred products	313,201	772	313,973	107,813	69,852	37,961	206,160	34	22	12	66
Chemicals and allied products	481,990	2,433	484,423	199,911	126,931	72,980	284,512	41	26	15	59
Primary and fabricated metals	153,719	-781	152,938	55,242	41,926	13,316	97,696	36	27	9	64
Industrial machinery and equipment	413,411	-572	412,839	148,586	92,094	56,492	264,253	36	22	14	64
Electronic and other electric equipment	383,665	2,959	386,624	127,535	94,413	33,122	259,089	33	24	9	67
Transportation equipment	623,904	8,370	632,274	220,862	167,277	53,585	411,412	35	26	8	65
Other manufacturing	529,559	2,344	531,903	220,876	172,630	48,246	311,027	42	32	9	58
Wholesale trade	488,712	5,527	494,239	69,184	51,621	17,563	425,055	14	10	4	86
Finance (except depository institutions), insurance, and real estate	655,657	683	656,340	106,548	81,872	24,676	549,792	16	12	4	84
Services	314,483	800	315,283	160,626	130,070	30,556	154,657	51	41	10	49
Other industries	1,106,086	3,387	1,109,473	443,012	416,591	26,421	666,461	40	38	2	60

1. Equals sales to unaffiliated persons plus inventory change; also equals gross product plus purchases from outside the MNC.
 2. Equals total output less gross product. Includes purchases from minority-owned foreign affiliates, which could not be excluded because the necessary data are unavailable.
 MNC Multinational company
 MOFA Majority-owned foreign affiliate

share of MNC capital expenditures rose from 26 percent to 30 percent; and the MOFA share of MNC employment rose from 27 percent to 33 percent.

Production abroad by U.S. MNC's may have been stimulated by new market opportunities and improved business conditions abroad, such as the further integration of the European Union, the end of hyperinflation in Brazil and Argentina, and the economic liberalizations in Eastern Europe.

Origin of output

The output of U.S. MNC's (sales to unaffiliated customers plus inventory change) consists of both the gross product that originates within the MNC's themselves and the gross product that originates elsewhere and is incorporated in the intermediate inputs purchased by MNC's from unaffiliated suppliers. The gross product originating in U.S. MNC's consists of the gross product of both the U.S. parents and their foreign affiliates.

The origins of U.S.-MNC output in 1997 were essentially unchanged from 1989: The share of the output of U.S. MNC's that originated within the MNC's edged down from 36 percent to 34 percent (table 3, column 8). Underlying this stability were offsetting changes by industry. For example, in industrial machinery and equipment, the share of output originating within MNC's decreased from 46 percent to 36 percent.

The share of MNC output that was accounted for by U.S.-parent gross product edged down from 28 percent to 26 percent. The share accounted for by MOFA gross product edged up from 8 percent to 9 percent.

U.S.-MNC-associated trade in goods

In 1997, U.S.-MNC-associated trade—U.S. trade involving U.S. parents, their foreign affiliates, or both—accounted for 63 percent of all U.S. exports of goods and for 40 percent of all U.S. imports of goods (table 4 and chart 2).⁶ U.S. MNC's accounted for a larger share of exports than of imports, partly reflecting the intrafirm sourcing patterns of MNC's; parents tend to be a much more important source of supply to their affiliates than the affiliates are to their parents.

6. MNC-associated trade accounts for an even larger share of U.S. trade in goods if U.S. businesses owned by foreign MNC's are included. In 1996—the latest year for which data are available—U.S. affiliates of foreign MNC's accounted for 22 percent of U.S. exports of goods and 32 percent of U.S. imports of goods. As noted in footnote 4, however, these U.S. affiliate shares overlap the U.S.-MNC shares because some U.S. parents belong to both groups. In 1997, trade by U.S. parents that were also U.S. affiliates of foreign companies accounted for 13 percent of MNC-associated exports and 26 percent of MNC-associated imports. (See the addenda to table 4.)

Of the \$434 billion in U.S.-MNC-associated exports in 1997, 42 percent represented trade between U.S. parents and their foreign affiliates—*intra-MNC trade*—and 58 percent represented U.S.-MNC trade with others. Data on trade by broad product category from the most recent benchmark survey of U.S. direct investment abroad, covering 1994, indicate that most of the *intra-MNC exports* consist of machinery (57 percent of total *intra-MNC exports* in 1994), chemicals (13 percent), and road vehicles and parts (12 percent).⁷ Of the \$251 billion in MNC trade with

7. In the 1994 benchmark survey, exports and imports of U.S. parents and majority-owned foreign affiliates were desegregated into 12 product categories on the basis of the *Standard International Trade Classification, Revision 2*, United Nations Statistical Papers, ser. M, no. 34 (New York: United Nations, 1975).

Table 4.—U.S. Trade in Goods Associated with Nonbank U.S. MNC's, 1989, 1996, and 1997

[Millions of dollars, unless otherwise noted]

Line		1989	1996	1997
1	MNC-associated U.S. exports, total	236,371	405,721	433,978
2	Intra-MNC trade	89,539	161,751	183,062
3	Shipped by U.S. parents to their MOFA's	86,050	161,359	181,115
4	Shipped by U.S. parents to their other foreign affiliates	3,489	392	1,947
5	MNC trade with others	146,832	243,970	250,916
6	Shipped by U.S. parents to foreigners other than their own affiliates	133,813	211,692	218,227
	<i>Of which:</i>			
7	Shipped by U.S. parents to their foreign parent groups	10,413	22,627	20,720
8	Shipped to foreign affiliates by U.S. persons other than their own parents	13,019	32,278	32,689
9	To MOFA's	11,437	26,601	27,426
10	To other foreign affiliates	1,582	5,677	5,263
11	MNC-associated U.S. imports, total	201,182	326,200	349,926
12	Intra-MNC trade	77,307	137,160	147,405
13	Shipped by MOFA's to their U.S. parents	71,283	133,388	145,434
14	Shipped by other foreign affiliates to their U.S. parents	6,024	3,772	1,971
15	MNC trade with others	123,875	189,040	202,521
16	Shipped to U.S. parents by foreigners other than their own affiliates	103,788	161,427	171,230
	<i>Of which:</i>			
17	Shipped to U.S. parents by their foreign parent groups	32,398	61,893	63,974
18	Shipped by foreign affiliates to U.S. persons other than their own parents	20,087	27,613	31,291
19	By MOFA's	13,015	18,939	21,335
20	By other foreign affiliates	7,072	8,674	9,956
	Addenda:			
21	All U.S. exports of goods	363,836	625,075	689,182
22	U.S.-MNC-associated U.S. exports as a percentage of total (line 1/ line 21) * 100	65	65	63
23	Intra-U.S.-MNC exports as a percentage of total (line 2/ line 21) * 100	25	26	27
24	All U.S. imports of goods	473,647	795,289	870,671
25	U.S.-MNC-associated U.S. imports as a percentage of total (line 11/ line 24) * 100	42	41	40
26	Intra-U.S.-MNC imports as a percentage of total (line 12/ line 24) * 100	16	17	17
27	U.S. exports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies	n.a.	60,341	56,953
28	U.S. imports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies	n.a.	86,920	91,345

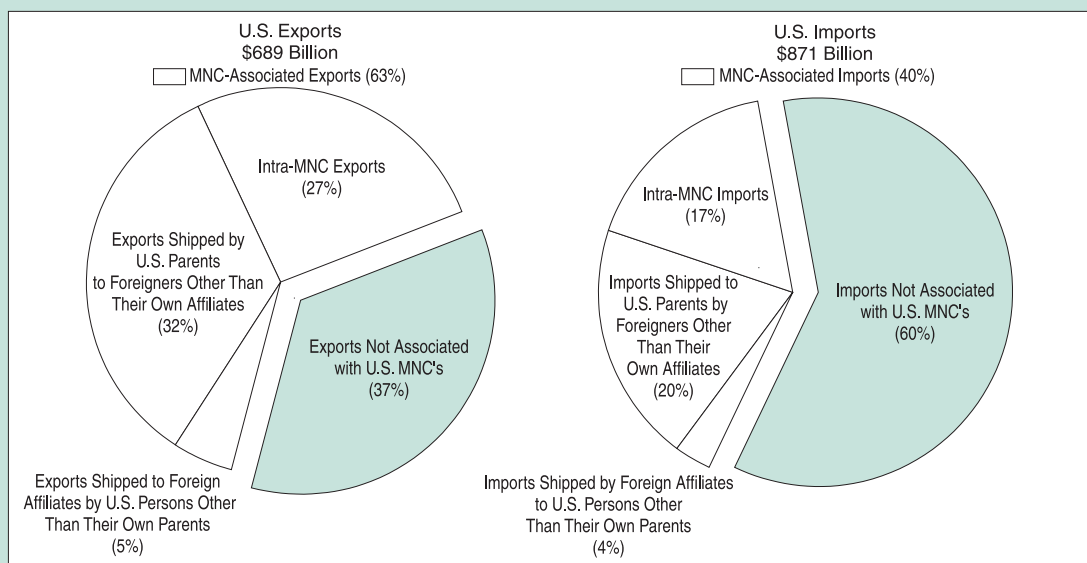
MNC Multinational company
MOFA Majority-owned foreign affiliate
n.a. Not available.

others, 87 percent represented exports shipped by U.S. parents to foreigners other than their foreign affiliates, and 13 percent represented exports shipped to foreign affiliates by U.S. persons other than their U.S. parents. Data from the 1994 benchmark survey indicate that U.S. parents' exports to foreigners other than their foreign affiliates consist mainly of machinery (27 percent in 1994), "other" transportation equipment, mainly aircraft (14 percent), and chemicals (12 percent) and that exports shipped to foreign affiliates by U.S. persons other than U.S. parents consist mainly of machinery (53 percent).

Of the \$350 billion in U.S.-MNC-associated imports of goods in 1996, 42 percent represented intra-U.S.-MNC trade, and 58 percent represented U.S.-MNC trade with others. Data from the 1994 benchmark survey indicate that most of the intra-MNC imports consist of road vehicles and parts (38 percent in 1994) and machinery (37 percent). Of the \$203 billion in MNC trade with others, 85 percent represented imports shipped to U.S. parents by foreigners other than their foreign affiliates, and 16 percent represented imports shipped by foreign affiliates to U.S. persons other than their U.S. parents. Data from the

CHART 2

U.S. Trade in Goods Associated with U.S. Multinational Companies in 1997



MNC Multinational company
 U.S. Department of Commerce, Bureau of Economic Analysis

Data Availability

This article presents a summary of the preliminary estimates of the worldwide operations of U.S. multinational companies (MNC's) from the 1997 Annual Survey of U.S. Direct Investment Abroad and the final estimates from the 1996 Annual Survey of U.S. Direct Investment Abroad. More detailed estimates, including the gross product estimates, will be available later this year on BEA's Web site, on diskettes, and in printed publications; availability will be announced on the inside back cover of the SURVEY OF CURRENT BUSINESS.

The most recent benchmark survey results, for 1994, are available on BEA's Web site, on diskette, and in the publication *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results*.

Detailed estimates of U.S.-MNC operations for 1983-93 and 1995 and preliminary estimates for 1996 are available on BEA's Web site (go to <www.bea.doc.gov>, and click on *Catalog of Products*) and on diskettes.

For information on the diskette products, see the *Catalog of Products*, or call 1-800-704-0415 (outside the United States, call 202-606-9666) for a copy of the catalog.

For information on publications, see the Product Guide of the International Investment Division on the Web site, or write to the International Investment Division, BE-50, Bureau of Economic Analysis, Washington, DC 20230. Among the recent publications is a collection of BEA studies on international direct investment; see the inside back cover of the SURVEY.

1994 benchmark survey indicate that U.S. parents' imports from foreigners other than their foreign affiliates consist mainly of machinery (35 percent in 1994), petroleum and coal products (15 percent) and "other" manufactures (15 percent) and that U.S. imports shipped by foreign affiliates to unaffiliated U.S. persons consist mainly of petroleum (27 percent), other manufactures (19 percent), and machinery (18 percent).

U.S. Parents' Operations

This section examines the following selected aspects of the domestic (U.S.-parent) operations of U.S. MNC's: The change in U.S.-parent gross product by industry and by source of change in 1996-97; the U.S.-parent share of private GDP in 1989 and 1997; and the origin of U.S.-parent output in 1989 and 1997.

Changes in gross product

The gross product of all U.S. parents increased 6.1 percent in 1997, to \$1,570 billion, compared with an average annual increase of 5.1 percent in 1989-96 (table 5).

By industry.—In 1997, U.S.-parent gross product increased most rapidly in wholesale trade (23.6 percent), in "other" industries (15.4 percent), in finance (except depository institutions), insurance, and real estate (14.0 percent), and in services (12.0 percent).⁸ U.S.-parent gross product decreased in manufacturing industries; the

8. "Other" industries consists of agriculture, forestry, and fishing; mining; construction; transportation; communication; electric, gas, and sanitary services; and retail trade.

decreases were particularly sharp in food and in industrial machinery.

The increase in wholesale trade primarily reflected increased sales to meet strong demand. This increase and the decrease in manufacturing also reflected the reclassification of some U.S. parent companies from manufacturing to wholesale trade.⁹ The increase in "other" industries was concentrated in electric, gas, and sanitary services and in retail trade, mainly reflecting the entry of U.S. companies that acquired or established their first foreign affiliate in 1997. The increase in finance (except depository institutions), insurance, and real estate primarily reflected increased revenues as a result of favorable financial market conditions. The increase in services mainly reflected the entry of new parent companies, but it also reflected increased sales to meet strong demand for new products, such as enhanced computer software.

By source of change.—In 1997, the gross product of U.S. parents increased \$89.9 billion; \$53.4 billion of this increase was attributable to changes in the operations of U.S. companies that were parents in both 1996 and 1997 (table 6). Even so, the \$22.3 billion that was attributable to the entry of new parent companies was much stronger in 1997 than in 1995 or 1996 and largely reflected the

9. Each U.S. parent is classified in the industry that accounts for the largest portion of its sales or, for holding companies, its total income. Many U.S. parents are involved in a variety of business activities; changes in the mix of these activities can cause a parent's industry classification to change, but reclassifications due to minor or temporary shifts in industry mix are avoided. A parent is reclassified by industry only if the change in the primary activity from the prior year is significant or if the change has occurred for 2 successive years.

The change of a parent company's industry from manufacturing to wholesale trade is related to the percentage of that parent's output originating within the parent itself. Parents classified in manufacturing are primarily engaged in the transformation of materials or substances into new products, and parents classified in wholesale trade are engaged in selling merchandise produced by others to businesses.

Table 5.—Gross Product of Nonbank U.S. Parents by Major Industry for 1989, 1996, and 1997

	Millions of dollars				Percent change at annual rates	
	1989	1996	1997	Change, 1996-97	1989-	1996-
					96	97
All industries	1,044,884	1,480,638	1,570,490	89,852	5.1	6.1
Petroleum	93,128	125,380	125,214	-166	4.3	-0.1
Manufacturing	586,568	764,725	765,122	397	3.8	0.1
Food and kindred products	60,310	77,290	69,852	-7,438	3.6	-9.6
Chemicals and allied products	97,119	127,284	126,931	-353	3.9	-0.3
Primary and fabricated metals	37,556	38,420	41,926	3,506	0.3	9.1
Industrial machinery and equipment	70,887	95,342	92,094	-3,248	4.3	-3.4
Electronic and other electric equipment	56,139	87,732	94,413	6,681	6.5	7.6
Transportation equipment	121,141	168,884	167,277	-1,607	4.8	-1.0
Other manufacturing	143,417	169,773	172,630	2,857	2.4	1.7
Wholesale trade	22,587	41,753	51,621	9,868	9.1	23.6
Finance (except depository institutions), insurance, and real estate	50,535	71,797	81,872	10,075	5.1	14.0
Services	57,090	116,126	130,070	13,944	10.6	12.0
Other industries	234,975	360,857	416,591	55,734	6.3	15.4

Table 6.—Sources of Change in Gross Product for Nonbank U.S. Parents, 1996-97

Line		Millions of dollars
1	1996 level	1,480,638
2	Total change	89,852
3	New parents ¹	22,253
4	Changes in operations ²	53,442
5	Parents departing the universe ³	-4,905
6	Other changes ⁴	19,062
7	1997 level	1,570,490

1. Parents that established or acquired their first foreign affiliate in 1997.
 2. Consists of changes in existing operations and changes resulting from parents acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA generally requires survey respondents to fully consolidate their parent operations.
 3. Parents that sold or liquidated their last foreign affiliate in 1997.
 4. Equals the change in the gross product of parents not accounted for in lines 3-5. It includes changes resulting from the addition to the survey universe of parents that were required to report in earlier years but did not.

entry of new parents in electric, gas, and sanitary services and in retail trade.

U.S.-parent shares of private GDP

The gross product of U.S. parents accounted for 26 percent of the gross product of all private U.S. businesses in 1997, the same as in 1989 and in 1996 (table 7).¹⁰ The U.S.-parent share was highest in manufacturing, partly reflecting the firm-specific advantages (such as superior production or marketing techniques) of U.S. manufacturers that allow them to overcome the additional costs entailed in producing in foreign markets.

The U.S.-parent share in services remained low. U.S. direct investment in some service industries may be inhibited by the structure of the industries in some host countries. For example, U.S. direct investment in health care services is constrained or precluded in countries where the government plays a prominent role in the delivery of health care. In addition, some service industries that are characterized by small-scale production (such as dry cleaners and hair stylists) may lack the firm-specific advantages that often

provide the basis for direct investment in other industries.

Although the overall U.S.-parent share of the gross product of private U.S. businesses was stable from 1989 to 1997, there were offsetting changes among industries: The U.S.-parent share in manufacturing decreased from 63 percent to 60 percent; the share in services increased from 6 percent to 8 percent; and the share in all other industries combined increased from 16 percent to 19 percent.

The increase in services partly reflects the entry of new U.S. parent companies. These additions have been widespread across service industries, but they have been pronounced in computer and data processing services, motion pictures, and management and public relations services.

Origin of output

The output of U.S. parents consists of both the gross product that originates within the parents themselves and the gross product that originates elsewhere and is incorporated in the intermediate inputs purchased by parents from foreign affiliates and from unaffiliated suppliers.

In 1997, gross product originating in U.S. parents accounted for 32 percent of parent output, compared with 33 percent in 1989 (table 8, column 11). The industries with the highest shares were services, "other" industries (mainly communication and electric and gas utilities), and "other" manufacturing (mainly instruments and related products). The share in services is high partly because the production of services tends to be labor-intensive and is not as easily outsourced as the production of goods. The high share in

10. Generally, at the all-industries level, the estimates of U.S.-parent gross product are conceptually consistent with the estimates of gross product for all U.S. businesses in the national income and product accounts. However, for individual industries, inconsistencies may result from differences in the basis for the industrial distribution of the estimates. The industrial distributions of gross product for all U.S. businesses are based on data collected from establishments, which are classified by the principal product or service produced at each establishment, whereas the industrial distributions of U.S.-parent gross product are based on data collected from enterprises (companies), which are classified by the principal product or service produced by all of their establishments combined. Because the establishments of large companies usually are classified in several industries, the distributions of data by industry of establishment can differ significantly from those by industry of enterprise. In this article, U.S.-parent gross product as a share of the gross product for all private U.S. businesses is computed only at the highly aggregated level shown in table 7.

Table 7.—Gross Product of Nonbank U.S. Parents and Gross Product of All Nonbank U.S. Private Businesses by Major Industry for 1989, 1996, and 1997

	Millions of dollars						Percent		
	1989		1996		1997		U.S.-parent share of gross product of all private U.S. businesses		
	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	1989	1996	1997
All industries	1,044,884	4,056,084	1,480,638	5,767,362	1,570,490	6,123,014	26	26	26
Manufacturing	671,911	1,074,173	870,152	1,383,354	873,403	1,458,196	63	63	60
Services	57,524	952,060	118,123	1,525,018	133,809	1,637,507	6	8	8
All other industries	315,449	2,029,851	492,363	2,858,990	563,278	3,027,311	16	17	19

1. For improved comparability with U.S.-parent gross product, gross product of all private U.S. businesses was adjusted to remove categories not applicable to nonbank U.S. parents—such as gross product of depository institutions. In addition, housing product of owner-occupied farm housing (part of farm product) and nonfarm housing product (part of real estate product) were removed because U.S. parents are not involved in these activities. Business transfer payments were also removed because few U.S. parents are in industries that receive most of the business transfer payments in the United States.

NOTE.—In this table, petroleum is not shown as a separate major industry. Instead, in order to be consistent with the all-U.S. data on gross product originating by industry, U.S. parent gross product in the various petroleum subindustries is distributed among the other major industries.

Thus, manufacturing includes petroleum and coal products; "all other industries" includes petroleum wholesale trade, gasoline service stations, petroleum tanker operations, pipelines, and storage; and services includes oil and gas field services. A significant portion of U.S.-parent gross product in petroleum and coal products is accounted for by integrated petroleum companies that have, in addition to their manufacturing activities, significant petroleum extraction activities; because the extraction activities cannot be identified separately in the U.S.-parent data, and to improve comparability between the estimates for U.S. parents and those for all U.S. businesses, they are included in manufacturing. For consistency, gross product estimates for the "oil and gas extraction without refining" industry are also included in manufacturing rather than in "all other industries," which includes mining.

communications and in electric and gas utilities partly reflects industry regulations that have historically granted exclusive production and distribution rights to a few large companies. The high share in instruments and related products may partly reflect the proprietary knowledge that is embodied in these products and that firms may protect by internalizing production.

In manufacturing, the origin of U.S.-parent output shifted away from internal production, as the share of U.S.-parent output that was accounted for by their own gross product decreased from 38 percent to 34 percent; the shift was pronounced for parents in industrial machinery, particularly in computers and components, and in electric equipment, particularly in consumer

Table 8.—Origin of Output of Nonbank U.S. Parents, by Major Industry, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent			
	Sales	Inventory change	Total output ¹	Gross product	Total ²	Purchases				Addendum: Local content of output ⁵	U.S. parent gross product	Imports of goods from foreign affiliates	Purchases from outside the MNC	Addendum: Local content
						Imports of goods			Other ⁴					
						Total	Shipped by foreign affiliates ³	Shipped by unaffiliated foreign persons						
1989														
All industries	3,136,837	13,474	3,150,311	1,044,884	2,105,427	178,526	74,738	103,788	1,926,901	2,971,785	33	2	64	94
Petroleum	328,989	-464	328,525	93,128	235,397	25,976	7,789	18,187	209,421	302,549	28	2	69	92
Manufacturing	1,553,374	6,945	1,560,319	586,568	973,751	106,532	61,122	45,410	867,219	1,453,787	38	4	58	93
Food and kindred products	190,617	254	190,871	60,310	130,561	3,609	966	2,643	126,952	187,262	32	1	68	98
Chemicals and allied products	235,731	817	236,548	97,119	139,429	11,783	3,708	8,075	127,646	224,765	41	2	57	95
Primary and fabricated metals	104,727	346	105,073	37,556	67,517	5,665	2,088	3,577	61,852	99,408	36	2	62	95
Industrial machinery and equipment	171,239	1,447	172,686	70,887	101,799	16,660	11,763	4,897	85,139	156,026	41	7	52	90
Electronic and other electric equipment	146,277	1,132	147,409	56,139	91,270	13,169	5,382	7,787	78,101	134,240	38	4	58	91
Transportation equipment	361,979	1,181	363,160	121,141	242,019	44,973	31,808	13,165	197,046	318,187	33	9	58	88
Other manufacturing	342,804	1,768	344,572	143,417	201,155	10,674	5,407	5,267	190,481	333,898	42	2	57	97
Wholesale trade	226,707	1,249	227,956	22,587	205,369	34,644	2,492	32,152	170,725	193,312	10	1	89	85
Finance (except depository institutions), insurance, and real estate	394,461	1,238	395,699	50,535	345,164	(^P)	(^P)	357	(^P)	(^P)	13	(^P)	(^P)	(^P)
Services	106,517	214	106,731	57,090	49,641	508	219	289	49,133	106,223	53	54	46	100
Other industries	526,789	4,292	531,081	234,975	296,106	(^P)	(^P)	7,393	(^P)	(^P)	44	(^P)	(^P)	(^P)
1996														
All industries	4,478,970	6,785	4,485,755	1,480,638	3,005,117	298,587	137,160	161,427	2,706,530	4,187,168	33	3	64	93
Petroleum	428,067	-113	427,954	125,380	302,574	44,976	8,140	36,836	257,598	382,978	29	2	69	89
Manufacturing	2,119,731	2,346	2,122,077	764,725	1,357,352	191,858	120,380	71,478	1,165,494	1,930,219	36	6	58	91
Food and kindred products	223,293	362	223,655	77,290	146,365	4,816	1,368	3,448	141,549	218,839	35	1	65	98
Chemicals and allied products	326,770	902	327,672	127,284	200,388	20,069	7,614	12,455	180,319	307,603	39	2	59	94
Primary and fabricated metals	115,037	581	115,618	38,420	77,198	5,705	2,332	3,373	71,493	109,913	33	2	65	95
Industrial machinery and equipment	269,979	-949	269,030	95,342	173,688	38,035	29,462	8,573	135,653	230,995	35	11	54	86
Electronic and other electric equipment	281,920	2,904	284,824	87,732	197,092	34,974	15,108	19,866	162,118	249,850	31	5	64	88
Transportation equipment	489,143	-412	488,731	168,884	319,847	71,154	56,843	14,311	248,693	417,577	35	12	54	85
Other manufacturing	413,588	-1,042	412,546	169,773	242,773	17,106	7,654	9,452	225,667	395,440	41	2	57	96
Wholesale trade	349,012	342	349,354	41,753	307,601	46,358	6,004	40,354	261,243	302,996	12	2	86	87
Finance (except depository institutions), insurance, and real estate	517,346	174	517,520	71,797	445,723	(^P)	([*])	(^P)	(^P)	(^P)	14	(^P)	(^P)	(^P)
Services	220,137	693	220,830	116,126	104,704	(^P)	445	(^P)	(^P)	(^P)	53	(^P)	(^P)	(^P)
Other industries	844,677	3,342	848,019	360,857	487,162	14,097	2,190	11,907	473,065	833,922	43	([*])	57	98
1997														
All industries	4,859,568	23,406	4,882,974	1,570,490	3,312,484	318,635	147,405	171,230	2,993,849	4,564,339	32	3	65	93
Petroleum	412,833	-120	412,713	125,214	287,499	43,170	8,523	34,647	244,329	369,543	30	2	68	90
Manufacturing	2,233,109	16,799	2,249,908	765,122	1,484,786	206,060	127,870	78,190	1,278,726	2,043,848	34	6	60	91
Food and kindred products	226,871	1,132	228,003	69,852	158,151	4,753	1,824	2,929	153,398	223,250	31	1	69	98
Chemicals and allied products	331,127	1,051	332,178	126,931	205,247	23,042	10,254	12,788	182,205	309,136	38	3	59	93
Primary and fabricated metals	126,882	243	127,125	41,926	85,199	5,999	2,778	3,221	79,200	121,126	33	2	65	95
Industrial machinery and equipment	296,209	191	296,400	92,094	204,306	38,128	29,346	8,782	166,178	258,272	31	10	59	87
Electronic and other electric equipment	307,526	2,736	310,262	94,413	215,849	37,717	16,558	21,159	178,132	272,545	30	5	64	88
Transportation equipment	524,935	8,882	533,817	167,277	366,540	76,488	58,598	17,890	290,052	457,329	31	11	58	86
Other manufacturing	419,558	2,564	422,122	172,630	249,492	19,933	8,512	11,421	229,559	402,189	41	2	57	95
Wholesale trade	396,163	3,236	399,399	51,621	347,778	50,404	7,957	42,447	297,374	348,995	13	2	85	87
Finance (except depository institutions), insurance, and real estate	552,886	185	553,071	81,872	471,199	(^P)	([*])	(^P)	(^P)	(^P)	15	(^P)	(^P)	(^P)
Services	249,348	735	250,083	130,070	120,013	(^P)	434	(^P)	(^P)	(^P)	52	(^P)	(^P)	(^P)
Other industries	1,015,230	2,571	1,017,801	416,591	601,210	17,552	2,620	14,932	583,658	1,000,249	41	([*])	59	98

^{*} Less than \$500,000 or 0.5 percent.

^P Suppressed to avoid disclosure of data of individual companies.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on parents' forms.

4. Includes purchases of goods and services from U.S. residents and purchases of services from foreign resi-

dents.

5. Equals gross product plus "other" purchases. The local content of output is overstated to the extent that "other" purchases include imported services and that imported goods and services are embodied in purchases from domestic suppliers. (These items were not reported separately and thus could not be identified and included in foreign content.)

MNC Multinational company

electronics. In these industries, the movement to unaffiliated suppliers was partly in response to increased global competition; to improve their competitiveness, parents specialized in areas in which they had an advantage and relied on unaffiliated suppliers for other inputs or finished products.

In petroleum, the origin of U.S.-parent output shifted slightly toward internal production. The share of U.S.-parent output that was accounted for by the parents' gross product edged up from 28 percent to 30 percent.

The share of U.S. parents' output that was accounted for by local (U.S.) content—U.S.-parent gross product and purchases from U.S. suppliers—was 93 percent in 1997, compared with 94 percent in 1989. The industries with the highest U.S. content were services (100 percent) and food and kindred products (98 percent).¹¹ The high share in services partly reflects the tendency towards internal production. The share in food and kindred products is high partly because the United States is a major agricultural producer, so most of the inputs are available locally at competitive prices.

In wholesale trade, the local-content share of the output of U.S. parents edged up from 85 percent to 87 percent. (In this industry, local content consists primarily of purchases from do-

mestic sources.) In manufacturing, the share edged down from 93 percent to 91 percent. In petroleum, it edged down from 92 percent to 90 percent.

Foreign Affiliates' Operations

This section examines selected aspects of the foreign (foreign-affiliate) operations of U.S. MNC's. First, the 1996-97 change in employment by all affiliates is examined, and the patterns of newly acquired or established affiliates in 1997 are presented. The remainder of the section focuses on selected aspects of the operations of majority-owned foreign affiliates (MOFA's).

All affiliates

The broadest measures of the foreign operations of U.S. MNC's cover all affiliates, regardless of the degree of U.S. ownership. The discussion of all-affiliate operations uses data on employment because estimates of gross product are available only for MOFA's.

The total employment of nonbank foreign affiliates increased 6.3 percent to 8.0 million in 1997, compared with an average annual increase of 1.9 percent in 1989-96 (table 9). The unusually large increase reflected both new investments and the expansion of existing operations in industries—such as personnel supply services, computer component assembly, and telephone utilities—that typically employ many workers.

Table 9.—Employment by Nonbank Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1996, and 1997

	Thousands of employees				Percent change, at annual rates	
	1989	1996	1997	Change, 1996-97	1989-96	1996-97
	All areas, all industries	6,622.1	7,544.1	8,018.0	473.9	1.9	6.3
By major area						
Canada	955.2	920.5	941.9	21.4	-0.5	2.3
Europe	2,699.1	3,167.0	3,333.9	166.9	2.3	5.3
Latin America and Other Western Hemisphere	1,307.9	1,529.2	1,629.2	100.0	2.3	6.5
Africa	116.8	121.6	186.6	65.0	0.6	53.5
Middle East	92.0	77.8	77.4	-0.4	-2.4	-0.5
Asia and Pacific	1,422.0	1,715.1	1,835.8	120.7	2.7	7.0
International ¹	29.1	12.9	13.2	0.3	-11.0	2.3
By major industry						
Petroleum	285.2	232.9	226.1	-6.8	-2.9	-2.9
Manufacturing	4,191.1	4,392.6	4,592.9	200.3	0.7	4.6
Food and kindred products	483.5	563.6	598.0	34.4	2.2	6.1
Chemicals and allied products	580.4	614.1	622.4	8.3	0.8	1.4
Primary and fabricated metals	222.9	245.1	244.7	-0.4	1.4	-0.2
Industrial machinery and equipment	557.4	542.9	634.1	91.2	-0.4	16.8
Electronic and other electric equipment	659.7	713.5	774.5	61.0	1.1	8.5
Transportation equipment	823.2	705.4	724.2	18.8	-2.2	2.7
Other manufacturing	863.9	1,008.0	995.0	-13.0	2.2	-1.3
Wholesale trade	533.2	558.1	588.0	29.9	0.7	5.4
Finance (except depository institutions), insurance, and real estate	165.7	193.0	218.8	25.8	2.2	13.4
Services	481.5	837.7	988.9	151.2	8.2	18.0
Other industries	965.3	1,329.7	1,403.3	73.6	4.7	5.5

1. 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.

The increase was widespread by geographic area. By industry, most of the increase was accounted for by affiliates in manufacturing and in services.

Newly acquired or established affiliates.—In 1997, 489 new affiliates were acquired or established by U.S. MNC's, up significantly from 294 in 1995 and 413 in 1996 (table 10). These affiliates had a combined employment of 228,000, up from 138,000 in 1995 and 150,000 in 1996. The rapid increase in new investments in 1995–97 partly reflected the new investment opportunities and the improved business climates created by economic and legal changes, such as the privatization of electric utilities in the United Kingdom and Australia, the liberalization of foreign direct investment policies, the end of hyperinflation in Brazil and Argentina, and the reinstatement of the U.S. foreign tax credit on investment in South Africa.

In 1997, new affiliates continued to be primarily located in high-wage countries. These affiliates accounted for 71 percent of all new affiliates and for 59 percent of their employment. This large share suggests that U.S. direct investment abroad tends to be attracted more by access to large and prosperous markets than by access to low-wage labor. The United Kingdom, Germany, and

France were among the high-wage countries that attracted significant amounts of new investment in 1997.

Low-wage countries have nevertheless been attracting a rising proportion of the new investments. Their share of new investments rose steadily from 18 percent in 1989 to 30 percent in 1996 before slipping to 29 percent in 1997. South Africa, Brazil, and China were among the low-wage countries that attracted relatively large amounts of new investment in 1997.

Manufacturing continued to be the primary industry for new investments. In 1997, it accounted for 35 percent of all new affiliates and for 41 percent of their employment. "Other industries" also accounted for some large new investments; for example, some U.S. providers of electric power and telecommunications services acquired foreign affiliates as a result of host-country privatizations.

Majority-owned foreign affiliates

In 1997, majority-owned foreign affiliates (MOFA's) accounted for 90 percent of all foreign affiliates. The MOFA share of the employment of all affiliates was 81 percent, up from 77 percent in 1989 (table 1). These high percentages are consistent with the "internalization" theory of the origins of MNC's, which suggests that MNC's tend to have

Table 10.—Newly Acquired or Established Nonbank Foreign Affiliates by Major Area and Industry of Affiliate, 1997

	Number of newly acquired and established affiliates			Millions of dollars		Thousands of employees
	Total	Acquired	Established	Total assets	Sales	
All areas, all industries	489	241	248	129,189	41,129	227.7
By major area						
Canada	28	18	10	4,389	1,361	13.4
Europe	265	145	120	84,115	28,115	115.8
Latin America and Other Western Hemisphere	99	36	63	18,113	3,892	16.2
Africa	8	4	4	5,626	4,097	54.0
Middle East	2	2	0	79	71	0.6
Asia and Pacific	87	36	51	16,867	3,593	27.8
International ¹	0	0	0	0	0	0.0
Addenda ² :						
High-wage country sample	284	151	133	93,889	29,974	127.8
Low-wage country sample	115	59	56	25,639	9,933	89.0
Non-sample countries	90	31	59	9,661	1,222	10.9
By major industry						
Petroleum	20	10	10	7,076	656	2.0
Manufacturing	173	120	53	18,892	12,171	92.7
Food and kindred products	10	4	6	2,589	1,800	11.1
Chemicals and allied products	33	22	11	3,698	1,530	15.3
Primary and fabricated metals	32	27	5	2,088	953	10.8
Industrial machinery and equipment	31	25	6	3,777	2,367	16.4
Electronic and other electric equipment	14	5	9	485	633	5.8
Transportation equipment	14	8	6	2,438	2,016	11.5
Other manufacturing	39	29	10	3,818	2,872	21.7
Wholesale trade	55	32	23	3,640	4,798	6.1
Finance (except depository institutions), insurance, and real estate	126	30	96	45,588	2,966	6.7
Services	51	14	37	5,050	2,226	20.6
Other industries	64	35	29	48,943	18,312	99.7

1. See footnote 1 to table 9.

2. The distinction between "high-wage" countries and "low-wage" countries is based on estimates of average hourly wages of production workers of majority-owned foreign affiliates (MOFA's) in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad. To ensure the significance of the data underlying this distinction,

the analysis is restricted to host countries in which employment by manufacturing MOFA's totalled at least 10,000 employees in 1994.

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.

firm-specific advantages that must be preserved by strict control of operations.¹²

In all but 20 host countries, more than three-fourths of all affiliates are majority owned. Saudi Arabia, at 43 percent, and Israel, at 56 percent, are among the countries that had a relatively low percentage of MOFA's in 1997. In some countries, laws constrain, or have constrained, the level of foreign ownership of domestic businesses or have assessed lower taxes on, or provided other benefits to, businesses that have majority local ownership.

In India, the percentage of MOFA's was relatively low, at 58 percent, in 1997, but it was up substantially from 22 percent in 1989. The rapid rise in the MOFA share partly reflected the Indian Government's New Industrial Policy, adopted in 1991, which significantly liberalized the country's foreign direct investment policy. One change raised the maximum permitted foreign ownership of newly acquired or established Indian businesses to 51 percent in most sectors. Despite these changes, the share of the Indian economy accounted for by production by MOFA's remained

relatively low in 1997. (For details, see the section "MOFA share of host-country GDR.")

Changes in gross product.—The gross product of MOFA's increased 4.2 percent in 1997, to \$519.3 billion, compared with an average annual increase of 6.5 percent in 1989–96 (table 11). The slowdown was primarily accounted for by affiliates in Europe and in Asia and Pacific, and it mainly reflected a substantial decline in the U.S.-dollar price of foreign currencies. In contrast, MOFA gross product in Latin America and Other Western Hemisphere, Canada, and Africa grew faster in 1997 than in 1989–96. The increase in Latin America and Other Western Hemisphere was strong enough to overcome the dampening effect of the significant appreciation of the U.S. dollar against the two primary currencies in the region—the Brazilian real and the Mexican peso; the increase was widespread across industries, reflecting robust economic conditions in the host countries and the addition of newly acquired or established MOFA's. In Canada, the increase was concentrated in transportation equipment manufacturing and largely reflected increased production to meet strong demand in the United States. In Africa, the increase was concentrated in manufacturing and mainly reflected newly established affiliates in South Africa. In Eastern Europe, affiliate operations continued to grow rapidly, but they remained quite small; MOFA gross product in this area increased

12. According to this theory, these advantages, such as superior production or marketing techniques, are necessary so that MNC's can overcome the various barriers to investing abroad, such as foreign languages and unfamiliar business environments.

For a discussion of this theory, see Stephen H. Hymer, *The International Operations of National Firms* (Cambridge, MA: MIT Press, 1976). For a recent appraisal of the theory, see John H. Dunning and Alan M. Rugman, "The Influence of Hymer's Dissertation on the Theory of Foreign Direct Investment" in *The Theory of Multinational Enterprises*, vol. 1 (Cheltenham, United Kingdom: Edward Elgar Publishing, 1996).

Table 11.—Gross Product of Nonbank Majority-Owned Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1996, and 1997

	Millions of dollars				Percent change at annual rates	
	1989	1996	1997	Change, 1996–97	1989–96	1996–97
All areas, all industries	319,994	498,310	519,306	20,996	6.5	4.2
By major area						
Canada	52,114	53,783	57,554	3,771	0.5	7.0
Europe	179,758	291,732	297,604	5,872	7.2	2.0
Latin America and Other Western Hemisphere	29,601	51,965	60,579	8,614	8.4	16.6
Africa	5,299	8,248	8,875	627	6.5	7.6
Middle East	4,891	4,552	4,322	-230	-1.0	-5.1
Asia and Pacific	46,875	86,168	88,943	2,775	9.1	3.2
International ¹	1,457	1,862	1,429	-433	3.6	-23.3
By major industry						
Petroleum	77,195	109,870	110,818	948	5.2	0.9
Manufacturing	172,008	250,351	256,442	6,091	5.5	2.4
Food and kindred products	13,643	24,437	25,579	1,142	8.7	4.7
Chemicals and allied products	32,059	50,478	52,987	2,509	6.7	5.0
Primary and fabricated metals	7,623	11,002	11,549	547	5.4	5.0
Industrial machinery and equipment	30,430	37,023	37,318	295	2.8	0.8
Electronic and other electric equipment	12,646	23,345	26,183	2,838	9.2	12.2
Transportation equipment	33,764	37,809	43,471	5,662	1.6	15.0
Other manufacturing	41,843	66,257	59,355	-6,902	6.8	-10.4
Wholesale trade	37,947	54,472	56,446	1,974	5.3	3.6
Finance (except depository institutions), insurance and real estate	3,439	17,161	21,441	4,280	25.8	24.9
Services	14,612	37,840	44,292	6,452	14.6	17.1
Other industries	14,793	28,617	29,866	1,249	9.9	4.4

1. See footnote 1 to table 9.

26.7 percent, to \$3.9 billion, but the level was only 1 percent as large as that in Western Europe.

By industry, affiliates in services and manufacturing accounted for most of the increase in MOFA gross product.

In 1997, \$14.3 billion of the \$21.0 billion increase in MOFA gross product was attributable to changes in existing operations (table 12). The entry of new MOFA's contributed \$7.0 billion, up significantly from 1996.

MOFA share of host-country GDP.—In 1997, the gross product of MOFA's accounted for 7 percent or more of the gross domestic product (GDP) of four of the host countries shown in table 13: Ireland (17 percent), Singapore (9 percent), Canada (9 percent), and the United Kingdom (7 percent).

The relatively high MOFA shares of host-country GDP in these countries can be traced to some of the following factors: A common language with the United States, marketing and commercial legal systems similar to those in the United States, geographic proximity to the United States, the availability of a skilled work force, political stability, and low corporate tax rates.

The MOFA share of host-country GDP was less than 1 percent in four of the host countries shown in table 13: India, China, the Republic of Korea, and Japan. The low shares in most of these countries partly reflect past or present barriers to investment, including limits on foreign ownership.

Origin of output.—The output of MOFA's consists of both the gross product that originates in the MOFA's themselves and the gross product that originates elsewhere and that is incorporated in intermediate inputs purchased by MOFA's

Table 12.—Sources of Change in Gross Product for Nonbank Majority-Owned Foreign Affiliates, 1996–97

Line		Millions of dollars
1	1996 level	498,310
2	Total change	20,996
3	New MOFA's	6,988
4	Acquired by U.S. parents	4,666
5	Established by U.S. parents	2,322
6	Changes in existing operations ¹	14,325
7	Sales or liquidations of MOFA's	-11,054
8	Other changes ²	10,737
9	1997 level	519,306

1. Also includes changes resulting from MOFA's acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA permits survey respondents to consolidate affiliate operations that are in the same country if the affiliates are also in the same industry or are integral parts of a single business operation.

2. Equals the change in the gross product of MOFA's not accounted for in lines 3–7. It includes changes resulting from the addition to the survey universe of MOFA's that were exempt from reporting in earlier years and MOFA's that were required to report in earlier years but did not.

MOFA Majority-owned foreign affiliate

from U.S. parents, other foreign affiliates, or from unaffiliated suppliers.

In 1997, gross product originating in MOFA's accounted for 26 percent of MOFA output, compared with 31 percent in 1989 (tables 14 and 15, column 12). The industries with the highest shares of MOFA gross product were "other" manufacturing (mainly tobacco products), services, and petroleum. The high MOFA share in tobacco products partly reflects the fact that these products have relatively few material components that could be outsourced. Like the U.S.-parent

Table 13.—Gross Product of MOFA's as a Percentage of GDP of Selected Host Countries, 1989, 1996, and 1997

	1989	1996	1997
Ireland	12.4	13.5	16.5
Singapore	8.0	10.6	9.4
Canada	9.5	8.9	9.2
United Kingdom	6.2	7.1	6.8
Honduras	5.6	6.3	6.4
Costa Rica	4.0	6.3	5.7
Belgium	5.6	5.1	5.5
Netherlands	5.8	4.4	5.5
Malaysia	4.6	4.6	5.0
Australia	4.9	4.4	4.8
New Zealand	2.3	4.1	4.8
Hong Kong	5.0	4.2	4.4
Norway	4.6	4.1	4.1
Chile	2.7	3.6	3.7
Switzerland	2.9	2.8	3.3
Colombia	2.9	3.1	3.2
Venezuela	1.7	3.0	3.2
Mexico	2.4	3.1	3.0
Brazil	(¹)	2.7	2.9
Germany ²	3.0	2.6	2.7
France	2.3	2.5	2.7
Portugal	2.2	2.7	2.6
Philippines	2.4	2.6	2.6
Indonesia	4.2	2.5	2.5
United Arab Emirates	4.3	2.9	2.3
Thailand	2.5	1.9	2.2
Peru	(¹)	1.6	2.2
Argentina	(¹)	2.1	2.1
Sweden	1.2	2.0	2.0
Italy	1.9	1.8	1.9
Spain	1.9	1.6	1.8
Finland .....	.9	1.6	1.8
Guatemala	1.9	1.5	1.7
Denmark	1.2	1.4	1.5
South Africa .....	.8	1.0	1.4
Egypt	1.1	1.4	1.2
Ecuador	2.8	1.4	1.2
Greece	1.2	1.1	1.1
Turkey .....	.4	1.0	1.1
Israel .....	.8	1.1	1.0
Japan .....	.5	0.6	0.6
Korea, Republic of .....	.3	0.5	0.5
China	(*)	0.2	0.3
India .....	.1	0.1	0.2

* Less than 0.05 percent.

1. A share could not be calculated for this country for 1989, because dollar-denominated estimate of host-country GDP was incompatible with dollar-denominated estimate of MOFA gross product. Because the economy of the host country was experiencing hyperinflation in 1989, most MOFA operating there translated their financial statements from host-country currency to dollars daily, following U.S. generally accepted accounting principles. These daily translations, which are used to derive the dollar-denominated estimate of MOFA gross product, are not comparable the annual average exchange rate that is used to derive the dollar-denominated estimate of host-country GDP.

2. On October 3, 1990, the former German Democratic Republic became of the Federal Republic of Germany (FRG). Accordingly, the 1989 data shown in this table pertain to the FRG before unification and the post-1990 data pertain to the FRG after unification.

NOTE.—The countries are sorted in descending order of their 1997 values. Where two countries have the same 1997 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*, April 1999 Edition (Washington, DC: International Monetary Fund, 1999). Data for Hong Kong are from the Web site for the Census and Statistics Department of the Hong Kong Special Administrative Region.

GDP Gross domestic product
MOFA Majority-owned foreign affiliate

Table 14.—Origin of Output for Nonbank MOFA's, by Major Industry of Affiliate, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases					Addendum: Foreign content of output ⁵	Foreign content			U.S. content		
					Total ²	U.S. exports of goods to MOFA's			Other ⁴		Total	MOFA gross product	Other	Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by unaffiliated U.S. persons
						Total	Shipped by U.S. parents ³	Shipped by unaffiliated U.S. persons								
	1989															
All industries	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Petroleum	179,420	602	180,022	77,195	102,827	2,462	1,869	593	100,365	177,560	99	43	56	1	1	(*)
Manufacturing	509,308	4,299	513,607	173,298	340,309	66,493	57,707	8,786	273,816	447,114	87	34	53	13	11	2
Food and kindred products	50,791	-245	50,546	13,643	36,903	2,078	1,465	613	34,825	48,468	96	27	69	4	3	1
Chemicals and allied products	94,652	421	95,073	32,059	63,014	7,342	6,500	842	55,672	87,731	92	34	59	8	7	2
Primary and fabricated metals	21,032	-51	20,981	7,623	13,358	1,756	1,409	348	11,602	19,225	92	36	55	8	7	1
Industrial machinery and equipment ...	100,319	1,073	101,392	31,720	69,672	11,682	10,837	845	57,990	89,710	88	31	57	12	11	1
Electronic and other electric equipment	39,678	658	40,336	12,646	27,690	8,122	7,286	837	19,568	32,214	80	31	49	20	18	2
Transportation equipment	114,391	1,000	115,391	33,764	81,627	27,874	23,841	4,032	53,753	87,517	76	29	47	24	21	3
Other manufacturing	88,444	1,442	89,886	41,843	48,043	7,639	6,370	1,269	40,404	82,247	92	47	45	8	7	1
Wholesale trade	204,295	105	204,400	36,760	167,640	26,797	25,247	1,550	140,843	177,603	87	18	69	13	12	1
Finance (except depository institutions), insurance, and real estate	51,137	-3,203	47,934	3,439	44,495	1	(*)	(*)	44,494	47,933	100	7	93	(*)	(*)	(*)
Services	32,466	202	32,668	14,509	18,159	448	388	60	17,711	32,220	99	44	54	1	1	(*)
Other industries	43,342	178	43,520	14,793	28,727	1,286	838	448	27,441	42,234	97	34	63	3	2	1
	1996															
All industries	1,868,588	4,699	1,873,287	498,310	1,374,977	187,960	161,359	26,601	1,187,017	1,685,327	90	27	63	10	9	1
Petroleum	295,615	248	295,863	109,870	185,993	3,048	1,936	1,113	182,945	292,815	99	37	62	1	1	0
Manufacturing	899,737	2,326	902,063	250,351	651,712	120,259	100,117	20,142	531,453	781,804	87	28	59	13	11	2
Food and kindred products	100,189	441	100,630	24,437	76,193	2,631	1,954	677	73,562	97,999	97	24	73	3	2	1
Chemicals and allied products	174,362	618	174,980	50,478	124,502	13,502	12,005	1,497	111,000	161,478	92	29	63	8	7	1
Primary and fabricated metals	34,355	631	34,986	11,002	23,984	2,664	1,934	729	21,320	32,322	92	31	61	8	6	2
Industrial machinery and equipment ...	159,289	-1,215	158,074	37,023	121,051	19,588	17,284	2,305	101,463	138,486	88	23	64	12	11	1
Electronic and other electric equipment	93,787	491	94,278	23,345	70,933	19,907	18,312	1,595	51,026	74,371	79	25	54	21	19	2
Transportation equipment	188,321	807	189,128	37,809	151,319	47,676	35,996	11,679	103,643	141,452	75	20	55	25	19	6
Other manufacturing	149,434	554	149,988	66,257	83,731	14,291	12,631	1,660	69,440	135,697	90	44	56	10	8	1
Wholesale trade	371,726	2,623	374,349	54,472	319,877	59,543	55,767	3,776	260,334	314,806	84	15	70	16	15	1
Finance (except depository institutions), insurance, and real estate	109,757	112	109,869	17,161	92,708	25	22	3	92,683	109,844	100	16	84	0	0	0
Services	98,233	-1,824	96,409	37,840	58,569	2,116	1,984	132	56,453	94,293	98	39	59	2	2	0
Other industries	93,520	1,214	94,734	28,617	66,117	2,969	1,533	1,436	63,148	91,765	97	30	67	3	2	2
	1997															
All industries	1,982,817	1,359	1,984,176	519,306	1,464,870	208,541	181,115	27,426	1,256,329	1,775,635	89	26	63	11	9	1
Petroleum	288,059	-24	288,035	110,818	177,217	4,898	3,646	1,252	172,319	283,137	98	38	60	2	1	0
Manufacturing	942,604	-1,134	941,470	256,442	685,028	133,109	112,482	20,626	551,919	808,361	86	27	59	14	12	2
Food and kindred products	103,895	265	104,160	25,579	78,581	2,582	1,993	589	75,999	101,578	98	25	73	2	2	1
Chemicals and allied products	184,902	271	185,173	52,987	132,186	15,819	14,347	1,472	116,367	169,354	91	29	63	9	8	1
Primary and fabricated metals	36,244	271	36,515	11,549	24,966	2,579	1,951	628	22,387	33,936	93	32	61	7	5	2
Industrial machinery and equipment ...	159,921	-485	159,436	37,318	122,118	20,300	18,014	2,286	101,818	139,136	87	23	64	13	11	1
Electronic and other electric equipment	102,909	460	103,369	26,183	77,186	22,356	20,592	1,764	54,830	81,013	78	25	53	22	20	2
Transportation equipment	203,317	-252	203,065	43,471	159,594	54,920	42,819	12,101	104,674	148,145	73	21	52	27	21	6
Other manufacturing	151,417	-1,666	149,751	59,355	90,396	14,553	12,766	1,787	75,843	135,198	90	40	51	10	9	1
Wholesale trade	401,744	1,593	403,337	56,446	346,891	64,397	60,328	4,069	282,494	338,940	84	14	70	16	15	1
Finance (except depository institutions), insurance, and real estate	127,013	84	127,097	21,441	105,656	22	20	2	105,634	127,075	100	17	83	0	0	0
Services	112,823	1,140	113,963	44,292	69,671	2,411	2,330	81	67,260	111,552	98	39	59	2	2	0
Other industries	110,574	-300	110,274	29,866	80,408	3,704	2,309	1,395	76,704	106,570	97	27	70	3	2	1

* Less than \$500,000 or 0.5 percent.
 1. Equals sales plus inventory change; also equals gross product plus purchases.
 2. Equals total output less gross product.
 3. As reported on affiliates' forms.
 4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. residents.
 5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)
 MOFA Majority-owned foreign affiliate

share, the MOFA share in services is high partly because the production of services tends to be labor-intensive and is not as easily outsourced as the production of goods. The share in petroleum is high partly because the large fixed capital costs that must be incurred to reach a profitable scale of operation allows a small number of highly integrated companies to dominate production.

The shift to unaffiliated suppliers from 1989 to 1997 was widespread across geographic areas. It was also widespread across industries, but it was most pronounced in manufacturing. MOFA's in some industries probably sought to decrease their reliance on internal production in order to meet rising global competition by specializing in areas in which they had an advantage and by rely-

ing on unaffiliated suppliers for other inputs and finished products.

The U.S. content of MOFA output was 11 percent in 1997, compared with 10 percent in 1989. The geographic areas with the highest U.S. content were Canada and Latin America and Other Western Hemisphere, particularly in Mexico. In Canada and Mexico, the high U.S. content mainly reflects these countries' proximity to, and strong economic ties with, the United States.

In Canada, the U.S. content of MOFA output increased from 22 percent in 1989 to 27 percent in 1997; this increase was widespread across manufacturing industries and may have been related to the initial implementation of the Canada-United States Free Trade Agreement in 1989 and the North American Free Trade Agreement in 1994.

Table 15.—Origin of Output for Nonbank Majority-Owned Foreign Affiliates, by Major Area of Affiliate, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases					Addendum: Foreign content of output ⁵	Foreign content			U.S. content		
					Total ²	U.S. exports of goods to MOFA's			Other ⁴		Total	MOFA gross product	Other	Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by unaffiliated U.S. persons
						Total	Shipped by U.S. parents ³	Shipped by unaffiliated U.S. persons								
	1989															
All areas	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Canada	173,251	1,309	174,560	52,114	122,446	37,843	32,050	5,792	84,603	136,717	78	30	48	22	18	3
Europe	573,270	-813	572,457	179,758	392,699	29,888	27,585	2,303	362,811	542,569	95	31	63	5	5	(*)
Latin America and Other Western Hemisphere	87,014	530	87,544	29,601	57,943	11,236	9,495	1,741	46,707	76,308	87	34	53	13	11	2
Africa	11,576	-267	11,309	5,299	6,010	(D)	(D)	(D)	(D)	(D)	47	(D)	(D)	(D)	(D)	(D)
Middle East	8,021	-43	7,978	4,891	3,087	367	288	78	2,720	7,611	95	61	34	5	4	1
Asia and Pacific	161,640	1,444	163,084	46,875	116,209	17,491	16,136	1,355	98,718	145,593	89	29	61	11	10	1
International	5,196	22	5,218	1,457	3,761	(D)	(D)	(D)	(D)	(D)	(D)	28	(D)	(D)	(D)	(D)
	1996															
All areas	1,868,588	4,699	1,873,287	498,310	1,374,977	187,960	161,359	26,601	1,187,017	1,685,327	90	27	63	10	9	1
Canada	231,671	46	231,717	53,783	177,934	59,280	45,903	13,377	118,654	172,437	74	23	51	26	20	6
Europe	1,049,313	-78	1,049,235	291,732	757,503	51,577	46,362	5,215	705,926	997,658	95	28	67	5	4	0
Latin America and Other Western Hemisphere	178,619	1,769	180,388	51,965	128,423	28,017	24,111	3,906	100,406	152,371	84	29	56	16	13	2
Africa	19,986	243	20,229	8,248	11,981	716	459	257	11,265	19,513	96	41	56	4	2	1
Middle East	10,596	534	11,130	4,552	6,578	585	484	100	5,993	10,545	95	41	54	5	4	1
Asia and Pacific	371,988	2,174	374,162	86,168	287,994	47,781	44,035	3,745	240,213	326,381	87	23	64	13	12	1
International	6,415	12	6,427	1,862	4,565	4	4	0	4,561	6,423	100	29	71	0	0	0
	1997															
All areas	1,982,817	1,359	1,984,176	519,306	1,464,870	208,541	181,115	27,426	1,256,329	1,775,635	89	26	63	11	9	1
Canada	250,429	294	250,723	57,554	193,169	68,208	54,502	13,706	124,961	182,515	73	23	50	27	22	5
Europe	1,085,571	-2,551	1,083,020	297,604	785,416	55,041	49,672	5,368	730,375	1,027,979	95	27	67	5	5	0
Latin America and Other Western Hemisphere	213,155	3,176	216,331	60,579	155,752	34,768	30,082	4,686	120,984	181,563	84	28	56	16	14	2
Africa	22,795	612	23,407	8,875	14,532	705	539	166	13,827	22,702	97	38	59	3	2	1
Middle East	9,571	33	9,604	4,322	5,282	503	396	107	4,779	9,101	95	45	50	5	4	1
Asia and Pacific	396,610	-144	396,466	88,943	307,523	49,312	45,920	3,392	258,211	347,154	88	22	65	12	12	1
International	4,686	-63	4,623	1,429	3,194	4	4	0	3,190	4,619	100	31	69	0	0	0

* Less than 0.5 percent.

^D Suppressed to avoid disclosure of data of individual companies.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on affiliates' forms.

4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. resi-

dents.

5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)

MOFA Majority-owned foreign affiliate

In Latin America and Other Western Hemisphere, the U.S. content of MOFA output rose from 13 percent to 16 percent, partly as a result of currency-related valuation changes.¹³

Real gross product of MOFA's in manufacturing.—Changes in the current-dollar measures of MOFA operations can sometimes be difficult to interpret because they can be strongly influenced by changes in prices and exchange rates. (The effects of exchange-rate changes that are unrelated to the relative prices of goods and services in various countries can be especially problematic.) To overcome these limitations, BEA recently began producing estimates of real gross product for MOFA's.¹⁴ These new estimates provide more meaningful comparisons of gross product across countries because they are based on purchasing-power-parity exchange rates rather

13. The dollar-denominated measures of the operations of affiliates in the two largest economies in the area—Mexico and Brazil—were affected by changes in the host-countries' currencies. From 1989 to 1997, the Mexican peso lost over two-thirds of its value against the U.S. dollar, and Brazil introduced a new currency, the real. The effects of these changes cannot be precisely measured; however, a devaluation of host-country currency generally depresses the U.S.-dollar value of affiliate sales, but it has no direct effect on the dollar value of U.S. exports to affiliates, so that, all else equal, the U.S.-content share of affiliate output is raised.

The effect on U.S. content may be mitigated to the extent that, after a devaluation, MOFA's substitute locally purchased goods for more expensive U.S. goods. However, it is unlikely that such substitution is significant, at least in the short run, because locally produced substitutes are not usually readily available.

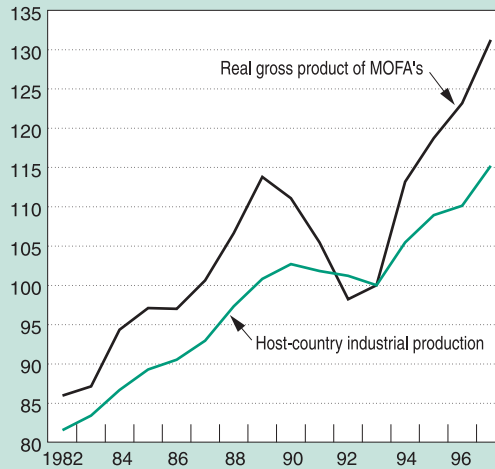
14. For a summary of the methodology used to derive the real gross product estimates and for the 1982–88 and 1990–93 estimates, see Raymond J. Mataloni, Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY 77 (April 1997): 8–17.

than on market exchange rates, and they provide more meaningful comparisons across time because they are in chained dollars.

CHART 3

Real Gross Product of MOFA's in Manufacturing and Industrial Production in 19 OECD Countries, 1982–97

Index (1993=100)



MOFA Majority-owned foreign affiliate
OECD Organisation for Economic Co-Operation and Development

NOTE.—The 19 OECD countries covered in this chart are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, and the United Kingdom.

The composite index of industrial production was derived by weighting each country's index by the country's share in the cumulative dollar value of real gross product of MOFA's in manufacturing in 1982–97.

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

Table 16.—Current-Dollar and Real Gross Product of Majority-Owned Foreign Affiliates in Manufacturing, by Country, 1989 and 1994–97

	Billions of current dollars						Percent change, at annual rates		Billions of chained (1993) dollars						Percent change, at annual rates		
	1989	1994	1995	1996	1997	Change, 1996–97	1989–96	1996–97	1989	1994	1995	1996	1997	Change, 1996–97	1989–96	1996–97	
All countries	172.0	205.2	238.9	250.4	256.4	6.1	6.5	2.4	All countries	160.1	171.4	185.7	197.1	212.3	15.1	3.5	7.7
19 OECD countries	141.4	159.3	185.0	189.8	189.9	0.0	5.0	0.0	19 OECD countries	126.1	125.8	131.9	136.9	145.8	9.0	1.4	6.5
Australia	6.9	5.8	5.9	6.8	7.2	0.4	-0.1	5.9	Australia	6.5	5.2	5.1	5.5	6.1	0.6	-2.9	11.3
Austria	0.7	1.3	1.2	1.5	1.4	-0.2	14.2	-12.0	Austria	0.6	0.9	0.7	1.0	1.0	0.0	9.3	1.0
Belgium	5.0	6.8	8.3	7.5	7.5	0.0	7.1	0.4	Belgium	4.7	5.3	5.4	5.2	5.9	0.8	1.6	14.5
Canada	28.9	25.3	26.9	25.9	28.8	2.8	-1.8	10.9	Canada	27.4	25.0	25.3	23.9	26.6	2.7	-2.3	11.1
Denmark	0.4	0.6	0.7	0.7	0.7	0.0	12.1	1.1	Denmark	0.3	0.3	0.4	0.4	0.4	0.0	5.9	8.9
Finland	0.1	0.3	0.4	0.7	0.9	0.1	48.7	15.5	Finland	0.0	0.2	0.3	0.5	0.6	0.1	47.4	30.4
France	11.8	16.5	18.9	20.7	20.1	-0.6	9.9	-3.0	France	9.5	11.6	11.6	13.4	14.6	1.2	5.9	9.2
Germany ¹	25.8	36.7	41.0	40.4	38.4	-2.0	7.7	-5.0	Germany ¹	23.3	26.2	25.3	26.0	28.3	2.2	1.9	8.5
Greece	0.2	0.3	0.4	0.4	0.4	0.0	12.1	0.5	Greece	0.3	0.3	0.3	0.4	0.4	0.0	4.3	5.6
Ireland	3.5	4.8	6.9	7.0	9.5	2.5	12.3	35.7	Ireland	3.4	4.2	5.6	5.7	8.3	2.6	8.7	46.0
Italy	7.8	8.3	8.6	9.1	9.5	0.3	2.7	3.6	Italy	6.7	7.2	7.0	6.9	7.8	0.9	0.5	12.9
Japan	7.7	10.9	12.6	13.3	12.6	-0.7	9.6	-5.3	Japan	5.0	5.4	5.7	7.1	7.4	0.3	6.1	3.6
Luxembourg	0.5	0.7	0.8	0.6	0.6	0.0	3.9	0.0	Luxembourg	0.4	0.5	0.5	0.5	0.5	0.0	0.7	9.0
Netherlands	7.8	7.2	9.0	8.8	9.5	0.6	2.2	7.1	Netherlands	6.5	5.5	5.9	6.0	7.2	1.2	-1.4	19.2
New Zealand	0.3	0.4	0.4	1.5	1.9	0.4	30.3	28.4	New Zealand	0.3	0.4	0.4	1.3	1.7	0.4	26.1	33.6
Norway	0.1	0.4	0.3	0.5	0.4	0.0	25.2	0.0	Norway	0.1	0.2	0.2	0.3	0.3	0.0	21.3	0.8
Spain	5.7	5.5	6.4	6.1	6.4	0.3	1.1	4.6	Spain	5.0	4.7	4.8	4.6	5.5	0.9	-1.2	18.8
Sweden	1.0	0.8	2.7	2.4	2.1	-0.3	15.2	-11.7	Sweden	0.7	0.6	1.7	1.4	1.4	0.0	11.4	0.0
United Kingdom	27.4	26.7	33.6	35.7	32.0	-3.7	4.5	-10.2	United Kingdom	25.8	22.4	25.8	27.3	23.2	-4.2	1.0	-15.2
All other countries	30.6	45.9	53.9	60.5	66.6	6.1	12.0	10.0	All other countries	33.9	45.6	53.9	60.0	66.1	6.0	10.0	10.0
									Residual	-0.3	-0.4	-0.3	0.0	-0.7			

¹ Less than \$50 million or 0.5 percent.

1. See footnote 2 to table 13.

NOTE.—Chained (1993) dollar series were derived by extrapolating the base-year (1993) PPP-exchange-rate-based current-dollar value of the corresponding series by a Fisher quantity index. Because the formula for the Fisher quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not addi-

tive. The residual line is the difference between the total line and the sum of the most detailed lines.

For a summary of the methodology used to derive the chained-dollar estimates, and for the 1982–88 and 1990–93 estimates, see "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY OF CURRENT BUSINESS 77 (April 1997): 8–17.

OECD Organisation for Economic Co-Operation and Development

The real gross product of MOFA's in manufacturing grew more than twice as fast in 1997 (7.7 percent) as in 1989-96 (3.5 percent) (table 16).¹⁵ The faster growth partly reflected the faster growth in industrial production in most host countries. The real gross product of manufacturing MOFA's in the 19 member countries of the Organisation for Economic Co-Operation and Development grew faster (6.5 percent) in 1997 than total industrial production partly because of the entry of new MOFA's (chart 3). Industrial production in these countries grew 4.6 percent in 1997, compared with 1.1 percent in 1996.

15. The real gross product grew much faster (8 percent) than the current-dollar gross product (2 percent) in 1997. The slower growth in the current-dollar gross product reflected the dampening effect of the appreciation of the U.S. dollar. (See also footnote 5.)

The \$15.1 billion increase in the real gross product of MOFA's in manufacturing in 1997 was concentrated in Canada (up \$2.7 billion), Ireland (up \$2.6 billion), and Germany (up \$2.2 billion). In Canada and Germany, the increases primarily reflected rising production of motor vehicles to meet strong demand; in Germany, the acquisition of new affiliates that manufacture automobile components also contributed. In Ireland, the increase primarily reflected the rising production of new, higher value pharmaceuticals to meet strong demand, mainly in other European countries.

The real gross product of manufacturing MOFA's in the United Kingdom decreased sharply (\$4.2 billion), partly because of the sale of a few large MOFA's.


Tables 17 through 21 follow. 

Table 17.1.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1996

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹						
All industries	7,821,047	4,478,970	3,105,123	1,185,679	188,168	304,191	260,048	100,551	1,480,638	846,847	18,790.0
Petroleum	553,341	428,067	389,178	33,010	5,880	31,999	26,186	1,683	125,380	31,225	475.1
Oil and gas extraction	28,578	8,734	(^D)	(^D)	7	1,160	2,669	22	5,404	1,811	39.7
Crude petroleum extraction (no refining) and gas	18,340	5,369	4,921	441	7	703	1,840	(*)	3,406	640	9.6
Oil and gas field services	10,238	3,364	(^D)	(^D)	0	458	829	22	1,997	1,171	30.1
Petroleum and coal products	325,106	301,139	291,292	9,567	280	26,597	18,676	1,568	102,021	23,319	356.0
Integrated petroleum refining and extraction	307,253	277,752	269,206	8,266	280	26,530	17,343	1,520	94,694	21,407	308.0
Petroleum refining without extraction	13,541	19,804	(^D)	(^D)	(*)	-38	1,179	6	6,352	1,314	33.7
Petroleum and coal products, not elsewhere classified	4,312	3,584	(^D)	(^D)	0	105	153	42	975	599	14.2
Petroleum wholesale trade	157,338	94,250	79,161	9,630	5,459	2,504	2,444	(^D)	9,259	3,392	41.4
Other	42,320	23,944	(^D)	(^D)	133	1,737	2,397	(^D)	8,697	2,702	38.0
Manufacturing	2,609,397	2,119,731	1,971,284	118,271	30,176	156,315	114,979	89,973	764,725	465,536	8,959.9
Food and kindred products	217,480	223,293	219,524	3,682	87	22,198	9,331	1,264	77,290	33,083	982.3
Grain mill and bakery products	30,122	34,747	(^D)	(^D)	0	2,427	1,457	283	8,564	3,618	73.9
Beverages	114,730	98,932	95,926	2,919	87	15,941	5,116	552	47,353	16,861	529.4
Other	72,628	89,614	(^D)	(^D)	0	3,830	2,759	429	21,373	12,605	379.0
Chemicals and allied products	475,205	326,770	319,632	6,671	467	38,924	20,642	21,011	127,284	66,546	1,022.2
Industrial chemicals and synthetics	165,143	115,132	113,648	1,480	4	6,731	9,094	4,253	45,268	23,177	325.8
Drugs	195,450	120,165	116,672	3,194	299	29,172	6,804	14,269	51,784	26,460	381.1
Soap, cleaners, and toilet goods	75,597	53,901	52,628	1,113	160	4,902	2,661	1,554	17,915	9,940	179.8
Agricultural chemicals	14,999	13,821	13,553	266	2	563	784	218	4,026	2,098	40.3
Chemical products, not elsewhere classified	24,016	23,751	23,131	618	2	4,756	1,299	716	8,291	4,870	95.2
Primary and fabricated metals	115,337	115,037	113,283	1,734	20	5,164	5,881	1,016	38,420	25,280	560.9
Primary metal industries	55,309	60,263	59,145	1,099	19	2,932	3,450	503	19,112	12,072	260.4
Ferrous	26,090	29,770	(^D)	(^D)	19	1,550	1,752	198	11,137	7,006	131.3
Nonferrous	29,219	30,493	(^D)	(^D)	0	1,382	1,698	305	7,975	5,065	129.1
Fabricated metal products	60,028	54,774	54,138	635	1	2,232	2,431	513	19,308	13,209	300.5
Industrial machinery and equipment	289,376	269,979	237,467	30,712	1,800	21,244	12,485	15,316	95,342	63,615	1,164.6
Farm and garden machinery	23,596	20,644	19,159	(^D)	34	1,208	517	495	6,381	3,929	69.4
Construction, mining, and materials handling machinery	36,090	32,654	31,185	1,436	34	2,282	1,148	597	10,913	6,744	133.2
Computer and office equipment	134,757	129,817	108,091	20,139	1,588	12,873	7,099	11,416	40,674	27,256	417.9
Other	94,934	86,864	79,033	(^D)	0	4,881	3,721	2,808	37,375	25,687	544.1
Electronic and other electric equipment	399,063	281,920	248,882	29,455	3,582	21,012	21,578	16,503	87,732	58,983	1,181.2
Household appliances	11,164	15,194	15,194	0	0	553	636	214	3,902	2,656	74.9
Household audio and video, and communications equipment	65,227	74,216	70,631	3,585	0	2,790	4,249	6,447	24,260	17,208	304.9
Electronic components and accessories	263,638	129,999	(^D)	(^D)	3,582	14,675	13,523	7,754	35,661	21,341	438.6
Electronic and other electric equipment, not elsewhere classified	59,035	62,511	(^D)	(^D)	0	2,993	3,170	2,088	23,909	17,778	362.7
Transportation equipment	615,380	489,143	439,478	25,784	23,881	24,291	20,698	24,769	168,884	111,300	1,683.3
Motor vehicles and equipment	480,747	359,368	320,587	15,445	23,336	17,390	16,268	16,851	109,244	68,999	954.1
Other	134,634	129,775	118,892	10,339	545	6,901	4,429	7,918	59,640	42,301	729.3
Other manufacturing	497,556	413,588	393,018	20,232	338	23,482	24,364	10,094	169,773	106,729	2,365.4
Tobacco products	(^D)	16,043	16,009	34	0	762	395	(^D)	6,394	2,689	46.4
Textile products and apparel	26,537	33,474	33,389	58	27	1,633	1,497	76	11,827	7,982	301.5
Lumber, wood, furniture, and fixtures	36,511	43,632	(^D)	(^D)	0	1,543	2,447	271	14,906	9,420	252.6
Paper and allied products	128,784	92,098	91,300	689	108	6,127	8,359	1,223	42,415	22,215	416.3
Printing and publishing	88,954	57,340	50,491	6,768	81	2,269	2,556	187	23,745	15,787	384.4
Rubber products	26,359	26,919	(^D)	(^D)	0	697	971	574	9,873	7,715	154.8
Miscellaneous plastics products	17,882	19,893	(^D)	(^D)	0	1,640	1,041	251	7,281	4,308	112.4
Glass products	24,917	20,168	(^D)	(^D)	(*)	1,287	1,960	482	8,600	5,150	111.3
Stone, clay, and nonmetallic mineral products	16,168	13,637	13,600	29	8	324	780	184	3,960	2,497	59.4
Instruments and related products	88,077	75,815	66,607	9,198	10	6,605	3,623	6,412	35,601	25,628	440.7
Other	(^D)	14,570	13,682	783	104	595	734	(^D)	5,171	3,338	85.7
Wholesale trade	179,297	349,012	341,209	6,672	1,132	5,079	8,266	1,789	41,753	26,771	681.9
Durable goods	105,063	184,242	178,355	5,346	541	724	5,332	1,412	20,528	15,109	307.5
Nondurable goods	74,235	164,770	162,854	1,326	591	4,356	2,934	376	21,225	11,662	374.4
Finance (except depository institutions), insurance, and real estate	3,096,185	517,346	5,214	363,707	148,425	43,876	11,594	197	71,797	72,906	1,069.6
Finance, except depository institutions	961,628	118,034	(^D)	(^D)	58,740	11,488	2,826	170	28,342	27,954	268.0
Insurance	2,115,142	395,663	4,742	301,253	89,668	31,018	8,648	28	40,477	43,987	787.8
Real estate	8,899	(^D)	(^D)	(^D)	17	(^D)	116	0	1,793	905	13.3
Holding companies	10,517	(^D)	(^D)	(^D)	0	(^D)	5	0	1,185	60	0.4
Services	291,303	220,137	21,543	197,436	1,158	15,529	17,791	5,365	116,126	80,232	2,421.8
Hotels and other lodging places	33,452	20,743	(^D)	(^D)	40	650	1,500	0	9,548	5,917	305.9
Business services	105,579	91,022	10,514	79,703	805	6,386	6,260	5,035	50,184	37,784	1,047.7
Advertising	10,383	6,912	0	6,912	0	284	174	0	3,302	2,783	39.6
Equipment rental (except automotive and computers)	3,749	1,954	216	1,738	0	114	321	9	1,072	531	12.3
Computer and data processing services	75,017	55,906	9,763	46,014	130	5,051	4,963	5,000	28,801	19,397	355.3
Business services, not elsewhere classified	16,429	26,249	535	25,039	675	936	802	27	17,009	15,073	640.5
Automotive rental and leasing	12,210	7,613	(^D)	(^D)	0	36	3,538	(^D)	3,325	2,075	71.2
Motion pictures, including television tape and film	62,512	(^D)	(^D)	(^D)	57	(^D)	(^D)	5	10,707	4,319	167.2
Health services	38,968	32,817	537	32,223	57	2,089	2,467	5	19,368	13,020	418.9
Engineering, architectural, and surveying services	7,349	13,128	1,319	11,807	3	176	206	162	5,255	4,833	78.0
Management and public relations services	8,002	8,130	(^D)	(^D)	0	372	235	(^D)	4,289	3,744	55.5
Other	23,232	(^D)	(^D)	(^D)	0	(^D)	(^D)	(^D)	13,450	8,540	277.5
Other industries	1,091,523	844,677	376,695	466,584	1,398	51,393	81,232	1,544	360,857	170,177	5,181.6
Agriculture, forestry, and fishing	3,913	4,263	(^D)	(^D)	1	139	175	63	1,112	803	30.0
Mining	24,314	15,106	(^D)	(^D)	9	1,068	1,958	41	6,925	3,665	70.2
Construction	18,443	31,636	23,791	7,812	33	863	980	(^D)	9,062	7,804	153.3
Transportation	146,452	121,439	1,682	119,374	382	5,552	11,060	19	67,065	44,530	983.4
Communication	399,779	224,392	13,475	210,732	184	23,133	39,749	1,200	120,187	47,625	860.2
Electric, gas, and sanitary services	319,927	124,513	1,235	122,950	328	10,428	15,573	84	73,143	20,688	327.5
Retail trade	178,696	323,328	318,664	4,203	461	10,210					

Table 17.2.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1997

	Millions of dollars											Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income ¹							
All industries	8,567,320	4,859,568	3,298,115	1,357,524	203,928	326,370	298,902	108,610	1,570,490	894,807	19,867.4	
Petroleum	459,873	412,833	375,448	37,006	378	30,448	30,187	1,779	125,214	30,900	483.2	
Oil and gas extraction	37,967	13,031	(P)	(P)	12	1,026	5,103	59	7,226	2,716	52.7	
Crude petroleum extraction (no refining) and gas	21,369	6,526	6,063	451	12	-133	2,546	(*)	3,487	792	11.7	
Oil and gas field services	16,597	6,505	(P)	(P)	0	1,159	2,557	58	3,739	1,925	41.0	
Petroleum and coal products	347,233	307,771	296,054	11,381	336	28,377	20,832	1,615	104,794	23,934	370.9	
Integrated petroleum refining and extraction	317,145	272,701	264,457	7,908	336	27,451	18,650	1,571	95,128	21,442	312.3	
Petroleum refining without extraction	25,617	31,450	(P)	(P)	(*)	813	2,020	5	8,640	1,910	45.1	
Petroleum and coal products, not elsewhere classified	4,472	3,620	(P)	(P)	0	113	161	39	1,026	582	13.5	
Petroleum wholesale trade	44,840	77,525	66,283	11,242	0	829	2,220	(P)	6,545	2,000	32.4	
Other	29,834	14,506	(P)	(P)	30	217	2,032	(P)	6,649	2,250	27.2	
Manufacturing	2,695,247	2,233,109	2,075,301	126,823	30,985	159,765	116,314	96,141	765,122	464,162	8,622.7	
Food and kindred products	223,583	226,871	221,720	5,150	1	19,711	9,184	1,396	69,852	29,792	732.8	
Grain mill and bakery products	47,291	43,074	43,056	18	0	1,149	1,700	391	11,206	4,917	103.6	
Beverages	118,619	98,441	94,427	4,014	1	14,588	4,882	637	39,201	13,362	289.4	
Other	57,674	85,356	84,237	1,118	0	3,973	2,603	369	19,445	11,513	339.8	
Chemicals and allied products	479,925	331,127	324,778	5,828	521	39,803	23,258	22,760	126,931	67,165	966.8	
Industrial chemicals and synthetics	151,255	109,127	108,052	1,075	(P)	9,005	10,244	3,834	41,765	21,117	273.4	
Drugs	197,019	125,726	122,536	2,839	351	21,441	7,465	15,459	52,724	27,433	373.0	
Soap, cleaners, and toilet goods	76,413	53,108	51,720	1,227	160	6,149	2,786	1,582	17,468	9,713	171.2	
Agricultural chemicals	24,437	17,376	17,083	290	2	799	1,450	(P)	5,779	3,567	48.5	
Chemical products, not elsewhere classified	30,801	25,791	25,387	397	7	2,408	1,313	(P)	9,195	5,333	100.8	
Primary and fabricated metals	129,337	126,882	125,031	1,822	29	6,355	5,609	1,113	41,926	26,937	611.4	
Primary metal industries	60,124	66,821	(P)	(P)	26	3,309	3,268	510	21,127	13,167	286.6	
Ferrous	27,754	32,285	32,189	69	26	1,632	1,511	207	11,350	7,285	134.3	
Nonferrous	32,370	34,536	(P)	(P)	0	1,677	1,757	304	9,777	5,882	152.3	
Fabricated metal products	69,212	60,061	(P)	(P)	3	3,045	2,341	603	20,799	13,769	324.8	
Industrial machinery and equipment	293,541	296,209	263,175	31,302	1,732	22,699	14,069	16,653	92,094	59,875	1,103.8	
Farm and garden machinery	27,320	23,586	21,602	(P)	(P)	1,580	691	538	7,040	4,268	71.4	
Construction, mining, and materials handling machinery	40,584	34,115	32,299	1,194	621	2,461	1,564	668	11,274	6,447	122.9	
Computer and office equipment	139,117	149,656	122,896	25,973	786	13,553	8,234	12,552	41,023	27,033	408.7	
Other	86,518	88,853	86,378	(P)	(P)	5,106	3,581	2,895	32,757	22,127	500.8	
Electronic and other electric equipment	438,066	307,526	267,639	34,282	5,605	26,102	21,241	19,090	94,413	60,302	1,175.1	
Household appliances	11,004	15,913	15,913	0	0	366	462	201	4,267	2,847	74.2	
Household audio and video, and communications equipment	17,713	79,896	76,288	3,607	0	1,814	4,453	8,437	23,971	17,733	305.5	
Electronic components and accessories	290,650	145,958	112,179	(P)	(P)	20,243	13,993	8,184	41,504	21,802	444.5	
Electronic and other electric equipment, not elsewhere classified	64,698	65,759	63,258	(P)	(P)	3,678	2,393	2,268	24,671	17,920	351.0	
Transportation equipment	640,194	524,935	473,504	28,685	22,746	23,948	18,823	24,931	167,277	108,866	1,657.6	
Motor vehicles and equipment	509,252	387,398	346,117	18,651	22,630	18,708	14,362	17,097	107,173	67,007	898.6	
Other	130,942	137,537	127,387	10,034	116	5,240	4,461	7,834	60,103	41,859	759.1	
Other manufacturing	490,602	419,558	399,454	19,752	351	21,147	24,130	10,197	172,630	111,226	2,375.2	
Tobacco products	(P)	16,800	16,766	34	0	857	387	(P)	6,412	2,577	41.9	
Textile products and apparel	28,017	34,738	34,639	84	14	1,798	1,435	90	12,819	8,427	292.7	
Lumber, wood, furniture, and fixtures	39,939	46,461	(P)	(P)	0	1,526	2,163	341	15,228	9,897	263.6	
Paper and allied products	131,119	96,251	95,430	710	110	3,296	7,578	1,436	40,729	23,731	421.9	
Printing and publishing	54,670	48,903	43,868	4,942	93	2,301	2,311	200	20,460	13,791	329.1	
Rubber products	24,801	25,413	(P)	(P)	0	1,177	1,493	574	10,512	7,577	145.1	
Miscellaneous plastics products	14,921	17,690	(P)	(P)	0	926	1,014	263	6,448	3,972	103.2	
Glass products	26,739	21,504	(P)	(P)	(*)	1,535	2,150	548	9,657	5,420	110.5	
Stone, clay, and nonmetallic mineral products	18,977	16,124	16,071	45	8	1,430	1,044	226	5,783	2,908	68.6	
Instruments and related products	108,367	80,840	70,852	9,982	5	5,361	3,866	6,084	39,116	29,535	510.2	
Other	(P)	14,834	13,755	959	120	938	688	(P)	5,467	3,390	88.4	
Wholesale trade	216,964	396,163	383,040	11,962	1,161	7,877	9,867	2,552	51,621	32,635	756.9	
Durable goods	131,803	214,248	204,758	8,785	704	6,557	2,082	2,082	26,735	18,421	367.1	
Non-durable goods	85,161	181,915	178,281	3,177	457	4,867	3,310	470	24,886	14,214	389.8	
Finance (except depository institutions), insurance, and real estate	3,514,546	552,886	5,613	378,334	168,939	57,068	13,083	318	81,872	79,818	1,052.1	
Finance, except depository institutions	1,507,802	167,531	(P)	85,537	(P)	16,996	4,427	(P)	40,919	37,436	326.0	
Insurance	1,989,821	381,631	5,092	289,931	86,608	39,338	8,543	(P)	39,523	41,174	709.7	
Real estate	8,579	3,723	(P)	2,866	(P)	-363	98	0	1,726	1,140	15.9	
Holding companies	8,344	1	1	0	0	1,097	14	0	-296	68	0.5	
Services	335,065	249,348	23,494	224,831	1,023	14,885	21,457	5,907	130,070	90,153	3,024.3	
Hotels and other lodging places	35,984	21,229	(P)	(P)	5	250	1,937	0	10,051	6,714	312.7	
Business services	133,882	107,650	13,773	93,093	784	7,637	7,368	5,556	60,592	44,657	1,529.9	
Advertising	12,950	8,503	0	8,503	0	613	220	0	4,303	3,337	51.4	
Equipment rental (except automotive and computers)	3,883	2,032	250	1,783	0	152	365	5	1,184	584	11.9	
Computer and data processing services	83,878	63,222	12,885	50,148	189	5,766	5,797	5,535	31,578	21,745	363.6	
Business services, not elsewhere classified	33,171	33,892	638	32,659	595	1,106	985	17	23,526	18,991	1,103.0	
Automotive rental and leasing	13,016	7,195	(P)	(P)	0	272	(P)	(*)	3,247	1,780	67.6	
Motion pictures, including television tape and film	64,620	(P)	(P)	(P)	(P)	(P)	(P)	5	13,107	4,574	210.4	
Health services	42,742	(P)	(P)	(P)	(P)	(P)	2,897	5	17,244	13,602	440.8	
Engineering, architectural, and surveying services	7,857	12,838	1,288	11,545	4	145	223	176	5,666	5,140	84.7	
Management and public relations services	11,035	12,741	(P)	(P)	(P)	1,072	794	(P)	6,844	5,318	104.1	
Other	25,929	20,919	634	20,285	0	3,152	(P)	(P)	13,320	8,367	274.0	
Other industries	1,345,625	1,015,230	435,220	578,569	1,441	56,329	107,993	1,913	416,591	197,139	5,928.3	
Agriculture, forestry, and fishing	3,939	4,709	4,380	328	1	247	209	77	1,304	844	29.3	
Mining	24,939	15,717	(P)	(P)	38	1,113	1,825	43	6,930	3,704	65.2	
Construction	18,956	35,858	(P)	(P)	33	1,215	1,128	(P)	10,082	8,355	155.4	
Transportation	163,175	127,534	1,079	125,801	654	6,727	12,875	(P)	74,313	48,990	1,022.0	
Communication	505,260	272,085	20,626	251,192	267	23,838	60,077	1,480	138,045	57,449	1,053.2	
Electric, gas, and sanitary services	420,980	186,726	2,017	184,416	292	11,278	19,666	116	89,894	24,455	403.9	
Retail trade	208,376	372,602	364,832	7,613	157	11,912	12,213	47	96,025	53,342	3,199.3	

* Less than \$500,000 (±).

P Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 17.1.

Table 18.—Selected Data for Nonbank Foreign Affiliates, by Country and Major Industry of Affiliate, 1996 and 1997

	1996						1997							
	Millions of dollars						Millions of dollars							
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees
All countries	3,091,927	2,233,698	138,962	194,029	164,773	252,601	7,544.1	3,397,262	2,356,416	155,267	215,751	178,696	261,243	8,018.0
Canada	276,909	254,442	10,963	60,501	67,041	30,744	920.5	294,943	274,205	13,654	70,037	72,199	31,393	941.9
Europe	1,761,758	1,181,252	70,298	52,141	26,282	141,021	3,167.0	1,914,373	1,214,194	77,854	55,676	27,677	144,067	3,333.9
Austria	11,640	15,097	566	1,303	(P)	1,599	25.9	(P)	14,031	528	1,139	165	1,540	27.8
Belgium	74,452	53,134	2,875	3,214	1,227	7,894	135.5	80,061	53,501	2,822	3,729	1,198	7,564	133.1
Denmark	(P)	8,646	263	187	135	1,386	25.3	(P)	8,666	267	143	168	1,372	26.9
Finland	3,452	4,673	259	180	128	618	12.4	3,734	5,074	353	164	139	625	13.2
France	145,828	135,934	4,320	5,228	3,198	22,332	448.8	144,057	130,883	3,424	(P)	3,341	22,371	483.7
Germany	221,703	244,320	7,597	8,179	(P)	35,287	612.6	213,029	234,508	7,531	8,572	4,312	32,966	627.4
Greece	2,925	4,305	159	41	(P)	639	21.4	3,184	4,392	154	40	(P)	630	21.8
Ireland	45,298	27,292	6,404	1,129	2,203	1,915	57.6	57,948	30,339	8,393	1,536	2,778	2,110	65.5
Italy	61,178	72,851	2,049	2,510	1,330	8,998	188.5	66,091	74,035	2,311	2,744	(P)	9,131	205.5
Luxembourg	17,128	3,523	2,330	225	(P)	473	9.6	18,373	3,545	2,231	240	(P)	434	9.2
Netherlands	163,898	122,202	14,517	6,112	1,306	7,807	160.7	179,751	130,053	17,014	(P)	1,997	8,153	169.4
Norway	16,231	14,294	1,096	168	121	1,624	37.4	16,936	14,193	1,172	241	136	1,706	41.6
Portugal	6,058	8,086	469	186	56	787	29.8	6,150	8,263	466	158	106	782	32.4
Spain	32,344	44,395	1,488	(P)	(P)	6,007	144.0	35,298	44,555	1,726	(P)	711	5,971	158.6
Sweden	(P)	18,971	795	(P)	(P)	3,331	59.6	18,976	19,490	732	516	(P)	2,745	55.7
Switzerland	85,638	66,187	9,056	(P)	831	4,175	52.3	93,348	67,620	9,155	6,111	1,330	(P)	L
Turkey	4,109	6,771	140	229	87	493	26.4	5,012	6,685	171	215	125	512	27.5
United Kingdom	816,570	310,612	15,220	15,666	8,155	33,828	949.5	923,207	337,907	18,020	16,563	8,364	39,582	977.2
Other	26,336	19,960	697	(P)	168	1,829	169.7	30,578	24,452	1,384	486	173	(P)	M
Latin America and Other Western Hemisphere	376,816	223,494	23,547	29,809	31,260	26,174	1,529.2	458,889	268,912	30,849	36,691	37,650	29,599	1,629.2
South America	136,147	110,578	7,975	7,684	4,041	15,228	654.6	174,071	133,844	10,187	9,975	(P)	17,145	694.7
Argentina	28,542	20,968	981	1,081	137	2,849	105.6	36,527	24,019	1,003	1,628	174	2,854	106.9
Brazil	60,118	55,155	4,083	3,845	2,258	8,508	320.4	79,240	67,380	4,934	4,558	2,922	9,850	340.8
Chile	17,693	8,608	959	556	(P)	889	48.7	20,476	10,931	1,193	781	(P)	994	57.4
Colombia	8,721	9,823	768	669	193	938	48.4	10,513	10,695	970	820	147	1,041	52.0
Ecuador	2,002	2,000	-541	(P)	(P)	128	13.5	2,059	2,184	54	(P)	301	135	13.7
Peru	4,206	2,970	458	(P)	151	320	14.5	5,584	3,941	476	(P)	201	386	18.1
Venezuela	12,514	9,121	1,094	1,047	254	1,395	94.4	16,155	12,450	1,501	1,560	175	1,535	95.1
Other	2,351	1,934	172	155	(P)	201	9.0	3,517	2,244	56	118	(P)	241	10.8
Central America	92,080	79,666	8,547	21,403	25,126	9,554	818.2	116,214	96,787	10,641	25,170	28,948	11,299	878.8
Costa Rica	(P)	2,124	334	(P)	641	195	26.6	3,006	2,324	306	(P)	782	195	26.8
Guatemala	645	1,147	31	79	65	105	11.5	852	1,342	66	136	93	115	12.6
Honduras	621	(P)	(P)	(P)	123	128	23.9	700	1,212	-8	243	173	136	24.3
Mexico	66,892	71,676	6,874	20,307	24,216	8,885	731.8	83,500	88,063	8,488	23,941	27,714	10,605	793.0
Panama	20,624	2,314	1,246	595	52	185	17.4	(P)	(P)	(P)	(P)	127	184	15.5
Other	(P)	(P)	92	29	56	7.1	(P)	(P)	(P)	(P)	(P)	86	60	6.5
Other Western Hemisphere	148,589	33,249	7,025	722	2,093	1,392	56.4	168,604	38,281	10,021	1,547	(P)	1,156	55.7
Bahamas	1,996	964	120	82	31	48	1.9	2,245	967	229	70	(P)	48	1.8
Barbados	(P)	(P)	(P)	58	5	54	3.7	(P)	(P)	67	5	53	3.7	
Bermuda	80,542	15,060	3,753	78	(P)	141	3.3	102,144	17,224	5,406	344	(P)	301	8.0
Dominican Republic	(P)	(P)	(P)	115	146	(P)	J	(P)	(P)	(P)	(P)	(P)	(P)	J
Jamaica	3,113	(P)	(P)	211	134	5.7	(P)	1,546	153	(P)	198	142	5.6	
Netherlands Antilles	19,488	839	207	8	0	21	0.8	15,154	838	240	8	(*)	21	0.8
Trinidad and Tobago	2,302	1,329	184	33	(P)	75	4.1	2,342	1,134	86	47	(P)	73	4.8
United Kingdom Islands, Caribbean	32,841	4,899	1,272	(P)	484	644	12.0	33,719	7,390	2,460	403	2,778	231	6.6
Other	3,010	4,902	129	63	(P)	(P)	G	(P)	(P)	(P)	(P)	(P)	(P)	G
Africa	27,929	23,400	2,254	761	2,554	1,885	121.6	40,602	29,150	2,653	757	2,623	2,739	186.6
Egypt	3,621	3,258	395	32	(*)	145	12.5	3,828	3,565	357	85	(P)	214	24.5
Nigeria	5,820	4,353	726	132	1,023	144	9.3	6,442	4,595	719	130	(P)	175	10.0
South Africa	5,940	7,364	345	303	27	1,014	54.3	12,873	11,552	778	292	33	1,723	106.0
Other	12,548	8,426	789	294	1,503	581	45.5	17,459	9,437	799	250	1,407	628	46.1
Middle East	35,428	23,792	3,210	690	1,310	2,448	77.8	39,411	24,950	2,603	755	1,211	2,449	77.4
Israel	9,350	7,546	605	311	(P)	1,115	46.3	10,093	8,499	625	(P)	914	1,211	47.9
Saudi Arabia	14,189	8,329	1,328	120	(P)	799	18.2	15,378	9,307	904	186	(P)	799	18.9
United Arab Emirates	1,852	2,844	228	163	34	213	4.9	1,928	(P)	(P)	175	4	195	4.6
Other	10,038	5,074	1,049	95	0	321	8.5	12,011	(P)	(P)	(P)	(P)	243	6.0
Asia and Pacific	592,934	519,680	27,708	50,123	36,327	49,873	1,715.1	628,118	536,462	26,231	51,831	37,336	50,583	1,835.8
Australia	94,370	69,945	3,379	4,833	1,294	8,838	280.3	96,250	68,519	3,899	4,718	1,304	9,425	304.2
China	14,066	11,403	935	1,259	1,043	827	135.3	18,460	14,989	1,106	1,537	1,399	1,229	175.4
Hong Kong	48,077	43,418	2,774	8,629	(P)	3,008	110.3	56,124	49,517	2,809	9,842	5,199	3,300	122.9
India	4,411	3,747	64	229	50	363	60.9	7,194	4,525	-22	240	88	426	72.5
Indonesia	19,645	10,546	1,861	465	560	761	61.9	21,572	10,350	1,439	(P)	408	795	66.2
Japan	248,276	206,371	5,863	17,585	5,401	24,522	409.0	266,028	205,072	5,925	16,900	5,584	23,463	396.7
Korea, Republic of	21,468	22,326	986	2,767	598	1,949	65.3	18,004	22,419	741	2,125	307	1,792	59.8
Malaysia	17,998	16,759	1,408	2,906	4,015	1,174	119.6	18,704	19,520	1,892	3,096	(P)	1,329	141.9
New Zealand	21,731	13,817	1,630	263	40	2,027	63.0	21,899	13,791	2,487	301	39	2,153	60.5
Philippines	10,631	8,705	706	1,048	849	801	97.1	10,225	8,756	610	(P)	1,075	721	91.8
Singapore	48,418	76,770	6,121	6,303	15,966	2,899	114.8	51,448	82,114	4,554	7,047	14,988	3,113	124.4
Taiwan	19,517	16,970	1,023	2,109	(P)	1,469	66.6	20,741	17,554	1,174	2,464	1,482	1,604	70.8
Thailand	20,887	16,381	889	1,669	(P)	1,099	117.6	17,126	16					

Table 19.1.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1996

	Millions of dollars													Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income ¹									
All countries	2,657,831	1,868,588	1,588,324	238,114	42,149	118,918	80,462	14,039	187,960	152,327	498,310	210,744	6,076.8	
Canada	244,572	231,671	202,347	22,326	6,998	10,236	9,359	1,563	59,280	62,060	53,783	27,242	832.4	
Europe	1,613,154	1,049,313	891,206	133,696	24,411	63,987	40,250	9,662	51,577	25,177	291,732	127,439	2,794.4	
Austria	8,268	14,420	13,277	1,048	95	542	721	108	1,303	(P)	3,989	1,548	25.4	
Belgium	61,451	46,409	41,203	4,531	675	2,338	1,762	356	3,211	1,227	13,767	6,307	103.0	
Denmark	8,265	8,156	6,140	1,824	192	302	480	(P)	187	135	2,497	1,305	23.7	
Finland	3,400	4,588	4,058	437	92	249	180	44	178	128	2,014	593	12.0	
France	128,653	126,738	109,250	16,241	1,247	4,112	5,256	1,315	5,015	3,087	38,570	20,634	408.1	
Germany	181,451	195,067	169,802	22,717	2,548	6,368	6,060	3,073	8,147	3,687	61,097	31,783	556.4	
Greece	2,459	3,930	3,581	283	66	139	81	5	41	(P)	1,401	369	11.5	
Ireland	44,339	27,050	24,786	1,580	684	6,367	1,069	193	1,129	2,203	9,288	1,887	56.7	
Italy	55,485	68,196	60,998	6,495	703	1,804	2,166	554	2,477	1,305	21,259	8,330	173.4	
Luxembourg	16,329	3,189	3,039	113	37	2,358	97	(P)	225	(P)	1,181	430	8.7	
Netherlands	147,508	98,299	83,423	11,112	3,764	12,015	2,028	547	6,065	1,305	17,221	7,212	149.3	
Norway	14,637	12,968	11,245	1,630	93	1,106	1,226	18	153	120	6,527	1,408	32.5	
Portugal	5,730	7,916	6,803	1,041	72	460	303	92	186	56	2,949	761	28.9	
Spain	29,903	41,888	38,143	3,196	349	1,388	1,554	327	1,483	665	9,448	5,588	134.4	
Sweden	15,468	16,232	13,008	2,888	336	792	436	443	611	229	4,947	2,930	49.3	
Switzerland	84,845	65,499	59,877	4,661	961	9,026	570	190	5,017	831	8,193	3,980	48.8	
Turkey	3,137	5,812	5,542	261	9	69	198	27	188	52	1,781	382	20.4	
United Kingdom	784,541	287,941	222,733	52,867	12,341	14,321	14,506	2,139	15,625	8,095	82,224	30,781	826.4	
Other	17,285	15,215	14,296	772	147	232	1,548	40	335	158	3,379	1,212	125.7	
Latin America and Other Western Hemisphere	300,682	178,619	153,191	20,522	4,906	17,488	10,284	546	28,017	29,188	51,965	19,250	1,159.0	
South America	105,807	94,714	83,528	9,872	1,314	6,693	7,338	421	7,139	3,389	35,975	12,977	533.1	
Argentina	18,673	16,824	13,978	2,588	182	921	1,455	42	1,034	135	6,121	2,235	76.1	
Brazil	52,971	50,054	45,791	3,506	757	3,527	3,454	346	3,662	2,050	21,082	7,774	287.4	
Chile	13,256	7,108	5,800	1,147	161	816	620	6	421	428	2,478	725	37.1	
Colombia	7,201	4,100	3,551	470	79	428	528	9	620	183	2,217	851	42.7	
Ecuador	7,424	1,362	1,165	183	14	30	131	1	79	248	274	100	10.8	
Peru	3,777	2,507	2,311	186	10	326	335	8	186	151	976	284	12.8	
Venezuela	6,874	6,980	5,261	1,691	28	485	730	9	987	129	2,144	829	58.9	
Other	1,631	1,780	1,670	101	9	159	85	1	150	66	683	180	7.4	
Central America	57,616	53,987	50,875	2,743	369	4,244	2,354	125	20,194	23,706	11,778	5,201	584.1	
Costa Rica	2,568	2,040	2,004	36	0	331	49	2	149	641	580	186	25.7	
Guatemala	591	1,057	1,014	36	7	21	24	1	77	65	233	94	10.1	
Honduras	606	1,123	981	139	3	-6	38	(*)	147	123	256	125	23.2	
Mexico	32,906	46,402	43,695	2,382	325	2,586	2,142	121	19,142	22,796	10,125	4,571	501.5	
Panama	20,328	2,148	1,984	130	34	1,258	54	1	585	52	313	175	16.9	
Other	616	1,217	1,196	20	1	54	46	(*)	92	29	271	51	6.7	
Other Western Hemisphere	137,260	29,918	18,788	7,907	3,223	6,551	592	(*)	685	2,093	4,213	1,071	41.9	
Bahamas	1,802	852	760	79	13	96	8	(*)	82	31	161	41	1.7	
Barbados	3,310	1,783	1,022	139	622	139	677	4	0	5	755	44	3.2	
Bermuda	77,346	14,673	7,504	4,771	2,398	3,685	134	0	76	(P)	1,514	124	3.0	
Dominican Republic	1,402	1,571	(P)	(P)	(P)	296	70	0	115	146	629	144	19.0	
Jamaica	3,044	438	1,297	64	2	182	55	(*)	212	211	399	115	4.9	
Netherlands Antilles	15,770	428	60	50	318	218	20	0	6	0	-378	9	0.2	
Trinidad and Tobago	2,042	1,221	1,146	63	12	150	234	0	29	(P)	832	60	3.0	
United Kingdom Islands, Caribbean	29,967	3,497	1,847	1,312	338	1,168	46	(*)	43	484	127	461	4.8	
Other	2,577	4,530	(P)	(P)	(P)	78	21	0	63	(P)	174	71	2.2	
Africa	24,833	19,986	18,010	1,845	131	1,969	2,759	21	716	2,552	8,248	1,460	86.5	
Egypt	3,078	2,645	2,355	283	7	306	356	1	28	(*)	930	124	9.0	
Nigeria	5,750	4,250	4,076	173	1	720	874	1	132	1,023	2,977	139	7.8	
South Africa	4,617	5,663	4,946	663	54	190	234	18	266	27	1,322	708	33.3	
Other	11,387	7,429	6,633	725	71	753	1,296	1	290	1,502	3,019	488	36.4	
Middle East	15,177	10,596	8,337	2,184	76	1,205	897	170	585	785	1,568	1,368	42.9	
Israel	3,629	3,162	2,583	565	14	282	354	169	308	751	1,053	585	27.0	
Saudi Arabia	4,331	1,229	285	930	14	291	33	(*)	77	0	567	409	7.4	
United Arab Emirates	1,622	2,470	2,145	304	21	182	119	(*)	131	34	1,295	200	4.2	
Other	5,595	3,324	3,324	385	26	449	392	0	69	0	1,637	174	4.3	
Asia and Pacific	440,626	371,988	315,231	51,129	5,628	23,109	16,417	2,076	47,781	32,566	86,168	33,570	1,149.7	
Australia	75,917	54,214	44,293	9,001	920	2,935	4,261	409	4,789	1,282	17,335	7,311	222.2	
China	10,436	8,678	8,069	590	19	756	1,239	25	954	1,029	2,073	636	101.4	
Hong Kong	45,404	40,762	34,318	5,623	821	2,538	982	38	8,611	4,257	6,127	2,575	81.7	
India	2,206	1,952	1,812	109	31	46	253	3	157	38	432	134	24.2	
Indonesia	16,083	9,594	9,134	415	45	1,705	1,139	6	458	559	5,665	601	50.5	
Japan	167,241	110,776	85,945	22,564	2,267	4,268	2,178	1,333	16,200	20,080	25,677	13,464	167.2	
Korea, Republic of	6,314	9,074	7,637	1,377	60	610	404	34	2,525	464	2,533	972	32.2	
Malaysia	16,020	16,188	14,636	1,392	160	1,426	1,623	23	2,846	4,015	4,553	1,077	111.3	
New Zealand	14,170	8,491	7,304	1,079	108	554	519	16	263	40	2,662	1,321	38.8	
Philippines	7,228	6,938	6,330	529	79	580	561	14	1,030	806	2,131	525	62.4	
Singapore	45,755	74,394	70,747	3,262	385	6,101	1,932	88	6,241	15,965	9,801	2,737	102.3	
Taiwan	16,265	14,673	10,772	3,388	76	762	366	75	2,080	1,484	2,846	1,314	59.9	
Thailand	14,372	14,243	12,412	1,625	206	747	705	5	1,575	527	3,506	776	83.4	
Other	3,214	2,011	1,822	176	13	82	254	(*)	51	20	827	127	12.1	
International²	18,787	6,415	2	6,413	0	924	496	(*)	4	0	1,862	415	11.9	
By major industry														
Petroleum	222,909	295,615	284,306	11,307	2	12,243	17,577	116	3,048	12,663	109,870	8,845	174.7	
Manufacturing	715,110	899,737	876,953	21,408	1,376	49,549	37,962	12,205	120,259	125,531	250,351	122,782	3,666.1	
Food and kindred products	78,123	100,189	99,975	214	0	5,962	3,351	380	2,631					

Table 19.2.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1997

	Millions of dollars													Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income ¹									
All countries	2,929,023	1,982,817	1,664,198	272,919	45,700	136,043	88,246	14,075	208,541	166,769	519,306	219,374	6,525.4	
Canada	264,643	250,429	217,337	25,600	7,491	12,263	11,041	1,825	68,208	67,482	57,554	28,100	858.3	
Europe	1,759,939	1,085,571	906,383	153,247	25,941	73,443	44,184	9,478	55,041	26,766	297,604	130,882	2,988.6	
Austria	7,575	13,542	12,297	1,176	69	481	437	117	1,139	165	3,948	1,508	27.5	
Belgium	68,082	47,059	41,660	4,657	742	2,572	1,900	310	3,724	1,197	13,350	5,849	102.2	
Denmark	7,687	8,216	6,309	1,775	132	282	406	(P)	143	168	2,505	1,314	25.8	
Finland	3,683	4,989	4,419	499	71	344	199	51	162	139	2,138	601	12.8	
France	125,627	121,177	104,330	15,558	1,289	3,792	4,799	1,238	4,899	3,239	37,024	20,464	438.6	
Germany	178,062	186,642	164,431	19,876	2,335	6,073	5,676	2,964	8,552	4,299	56,879	30,058	579.0	
Greece	2,693	3,936	3,587	284	65	104	97	7	40	(P)	1,318	371	11.7	
Ireland	56,975	30,138	27,637	1,908	593	8,363	1,418	323	1,535	2,778	12,075	2,083	64.8	
Italy	57,373	68,056	61,281	6,473	302	2,003	1,848	569	2,718	1,475	21,741	8,310	187.6	
Luxembourg	17,610	3,244	3,126	78	40	2,247	127	(P)	240	(P)	1,049	396	8.4	
Netherlands	164,982	107,838	92,578	11,620	3,640	15,461	2,585	479	6,333	1,992	19,782	7,583	158.3	
Norway	15,578	12,933	10,991	1,854	88	1,110	1,760	23	227	135	6,266	1,544	38.1	
Portugal	5,752	8,107	6,941	1,110	56	454	423	39	158	106	2,619	761	31.5	
Spain	30,642	40,634	37,181	3,194	259	1,762	1,479	176	1,492	711	9,690	5,462	143.0	
Sweden	16,430	16,657	13,375	3,151	131	1,056	628	375	511	419	4,630	2,345	45.4	
Switzerland	92,514	66,901	61,500	4,430	971	9,139	739	230	6,101	1,330	8,449	3,668	47.9	
Turkey	3,859	6,996	6,695	289	12	11	403	6	190	83	2,033	403	21.8	
United Kingdom	884,647	320,377	231,091	74,340	14,946	17,285	17,296	2,310	16,480	8,297	87,916	36,754	897.0	
Other	20,169	18,128	16,954	975	199	803	1,963	56	398	162	4,191	1,410	147.1	
Latin America and Other Western Hemisphere	359,685	213,155	178,377	29,687	5,091	22,671	11,388	667	34,768	35,703	60,579	21,445	1,229.1	
South America	134,732	113,362	98,513	13,477	1,372	7,929	8,331	522	9,291	4,112	40,783	14,633	570.2	
Argentina	26,902	19,932	16,498	3,207	1,037	1,688	43	1,559	173	6,762	2,388	81.1		
Brazil	66,995	58,685	52,824	5,185	676	4,149	3,761	437	4,270	2,643	23,590	8,837	300.9	
Chile	15,225	9,119	7,415	1,425	279	958	630	7	630	440	2,823	794	40.3	
Colombia	7,728	8,913	8,196	626	91	511	553	12	759	139	2,509	918	44.3	
Ecuador	1,517	1,497	1,205	267	25	6	127	1	101	301	2,38	103	11.0	
Peru	4,957	3,718	3,351	343	24	462	468	10	368	201	1,402	341	15.2	
Venezuela	9,637	9,612	7,257	2,312	43	748	948	11	1,493	102	2,812	1,056	69.3	
Other	1,769	1,887	1,766	111	10	56	135	1	111	112	647	196	8.2	
Central America	69,432	64,651	60,596	3,576	479	5,288	2,441	137	23,974	27,506	13,559	5,870	613.1	
Costa Rica	2,946	2,235	2,194	41	0	302	61	4	193	779	553	182	25.7	
Guatemala	790	1,237	1,171	58	8	53	48	1	135	93	299	102	11.2	
Honduras	700	1,212	1,088	122	2	-8	56	(*)	243	173	304	136	24.3	
Mexico	40,821	56,360	52,856	3,058	446	3,845	2,172	132	22,789	26,275	12,009	5,220	530.7	
Panama	23,482	2,285	1,999	265	21	1,041	54	0	528	127	102	171	15.0	
Other	695	1,322	1,288	33	1	55	50	(*)	86	60	293	59	6.1	
Other Western Hemisphere	155,521	35,141	19,268	12,635	3,238	9,454	615	8	1,503	4,085	6,236	942	45.8	
Bahamas	2,038	872	786	78	8	205	7	(*)	70	(P)	177	39	1.5	
Barbados	4,183	1,743	664	930	149	752	4	0	67	5	811	43	3.3	
Bermuda	97,575	16,576	5,051	9,119	2,406	5,221	61	(*)	339	(P)	2,322	280	7.6	
Dominican Republic	1,690	1,824	(P)	(P)	0	367	85	0	180	192	749	148	18.6	
Jamaica	3,902	1,400	1,370	67	3	157	75	(*)	197	198	379	148	4.8	
Netherlands Antilles	11,517	3,922	69	58	265	258	11	0	8	(*)	-110	9	0.3	
Trinidad and Tobago	2,021	994	891	95	8	56	273	0	(P)	(P)	622	56	3.3	
United Kingdom Islands, Caribbean	30,462	6,554	4,465	1,694	395	2,379	52	8	388	2,778	1,066	168	4.3	
Other	2,734	4,746	(P)	(P)	0	59	45	0	(P)	(P)	220	80	2.2	
Africa	30,729	22,795	20,474	2,186	136	2,017	3,404	26	705	2,618	8,875	1,809	108.6	
Egypt	3,188	2,843	2,457	386	0	266	490	1	51	(P)	921	160	11.9	
Nigeria	6,377	4,494	4,278	216	0	717	806	(*)	130	(P)	2,972	170	8.3	
South Africa	7,069	7,024	5,998	1,003	23	282	300	22	278	30	1,758	935	50.0	
Other	14,095	8,434	7,740	582	112	753	1,801	2	246	1,406	3,224	543	38.4	
Middle East	15,018	9,571	7,098	2,399	74	1,046	918	209	503	689	4,322	1,420	42.9	
Israel	3,842	3,236	2,587	642	7	162	289	209	203	(P)	956	640	28.5	
Saudi Arabia	4,548	1,157	1,447	996	14	181	33	(*)	26	0	403	383	6.5	
United Arab Emirates	1,658	2,391	2,034	334	23	177	79	(*)	142	4	1,160	178	3.7	
Other	4,971	2,787	2,330	427	30	526	516	0	132	(P)	1,802	218	4.3	
Asia and Pacific	485,708	396,610	334,529	55,114	6,968	23,858	16,961	1,870	49,312	33,511	88,943	35,350	1,285.7	
Australia	71,847	55,615	44,729	9,986	900	3,630	3,575	365	4,690	1,249	18,933	7,831	227.8	
China	14,286	11,898	11,133	741	24	1,017	1,226	1,316	3,099	1,316	3,099	1,008	135.8	
Hong Kong	53,686	47,623	39,755	6,462	1,406	2,605	1,331	84	9,820	5,184	7,133	3,101	111.1	
India	3,584	2,604	2,338	227	39	15	302	12	162	85	671	208	38.4	
Indonesia	16,074	9,282	8,675	567	40	1,473	1,556	5	446	400	5,378	592	51.3	
Japan	200,017	114,113	88,181	23,126	2,806	4,330	2,138	1,087	15,431	2,130	25,038	13,243	178.3	
Korea, Republic of	5,275	9,055	7,638	1,326	91	313	360	42	2,030	221	2,273	977	31.8	
Malaysia	16,326	18,620	16,958	1,479	183	2,024	1,456	32	3,020	4,686	4,912	1,228	132.3	
New Zealand	13,661	8,131	6,906	1,077	148	1,459	562	18	301	39	3,119	1,329	35.1	
Philippines	7,298	7,640	6,952	591	97	560	459	12	1,319	1,029	2,104	523	57.5	
Singapore	48,696	79,705	75,444	3,891	370	4,654	1,845	73	6,985	14,988	9,087	2,911	110.5	
Taiwan	18,353	15,596	10,997	3,971	628	990	442	87	2,625	1,454	2,921	1,425	62.6	
Thailand	12,477	14,641	13,012	1,412	217	682	893	5	1,473	712	3,437	790	97.9	
Other	4,129	2,087	1,812	259	16	104	474	1	54	18	838	185	15.4	
International²	13,301	4,686	0	4,686	0	745	350	0	4	0	1,429	369	12.1	
By major industry														
Petroleum	235,862	288,059	274,086	13,973	0	15,249	20,044	138	4,898	13,384	110,818	9,222	180.6	
Manufacturing	744,753	942,604	922,888	19,169	548	55,773	39,698	12,114	133,109	139,131	256,442	124,098	3,880.2	
Food and kindred products	81,770	103,895	103,575</											

Table 20.1.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996

[Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	6,076.8	174.7	3,666.1	378.2	537.3	206.9	498.9	645.4	577.5	821.9	524.7	172.7	712.4	826.2
Canada	832.3	18.0	363.5	32.0	41.2	31.3	27.7	27.1	103.8	100.4	75.7	25.8	86.1	263.2
Europe	2,794.4	50.9	1,683.5	154.3	267.2	116.9	264.2	205.5	290.6	385.0	278.4	85.4	430.5	265.9
Austria	25.4	0.5	14.8	2.0	1.3	0.3	1.6	1.3	5.3	2.9	6.2	0.6	2.2	1.1
Belgium	103.0	1.9	63.5	8.5	17.0	2.8	6.7	3.7	10.3	14.5	14.4	2.0	16.3	4.9
Denmark	23.7	0.2	9.2	H	1.0	0.5	0.5	1.1	0.6	H	8.5	0.7	4.0	1.1
Finland	12.0	0.4	5.6	0.1	1.2	0.9	0.3	0.5	0.2	2.3	3.2	0.1	0.6	2.2
France	408.1	4.6	242.2	12.3	41.2	34.2	51.4	20.9	18.1	64.1	44.3	4.0	91.3	21.8
Germany	556.4	4.6	400.7	21.5	43.1	22.9	61.0	57.4	125.8	69.1	32.1	6.6	49.1	63.3
Greece	11.5	0.4	6.3	3.3	1.8	0.3	(*)	0.1	0.0	0.7	2.8	0.3	1.3	0.3
Ireland	56.7	0.3	49.0	2.2	6.9	1.4	7.4	13.8	0.5	16.8	2.1	1.5	2.8	1.1
Italy	173.4	3.2	120.4	8.5	24.1	8.2	25.1	15.0	13.8	25.7	20.2	2.2	16.6	10.9
Luxembourg	8.7	0.1	6.9	0.0	0.0	0.6	0.1	0.3	0.0	5.9	0.3	0.1	0.5	0.7
Netherlands	149.3	3.9	78.8	9.9	15.4	7.7	9.1	11.4	7.5	17.8	23.6	7.1	27.6	8.2
Norway	32.5	5.7	6.2	2.2	0.6	0.7	1.2	0.4	0.2	0.8	4.2	0.2	15.4	0.9
Portugal	28.9	0.4	18.9	4.7	2.4	0.1	0.6	8.7	1.4	1.1	5.6	0.2	3.0	0.8
Spain	134.4	0.7	89.6	14.2	14.5	4.3	3.4	9.2	30.6	13.4	17.8	2.1	8.8	15.3
Sweden	49.3	0.4	29.9	H	14.9	0.1	3.5	1.4	0.5	I	9.8	1.4	4.1	3.7
Switzerland	48.8	1.5	16.9	1.4	2.9	0.5	2.4	3.5	0.0	6.1	13.9	1.4	12.1	3.0
Turkey	20.4	0.6	12.2	2.8	1.5	0.3	0.0	H	0.8	H	4.3	0.1	2.2	0.9
United Kingdom	826.4	19.2	416.0	35.8	62.2	25.3	86.7	36.0	65.3	104.7	55.0	54.2	167.8	114.2
Other	125.7	2.2	96.5	19.4	15.1	5.8	3.1	J	9.7	K	10.0	0.7	4.8	11.4
Latin America and Other Western Hemisphere	1,159.0	35.3	839.7	124.0	122.4	32.7	43.9	181.9	148.9	185.8	41.1	18.3	83.9	140.9
South America	533.1	29.0	363.3	72.2	72.1	20.8	25.4	29.9	55.5	87.5	25.1	13.1	40.0	62.7
Argentina	76.1	6.4	45.8	16.0	10.6	1.6	0.2	1.3	7.9	8.3	3.8	2.1	10.6	7.5
Brazil	287.4	3.9	236.4	32.1	40.9	12.7	24.3	24.8	41.3	60.4	8.7	2.6	15.8	20.2
Chile	37.1	G	12.8	2.0	3.4	3.3	(*)	0.4	F	H	3.8	6.1	4.2	I
Colombia	42.7	3.4	20.9	4.9	6.0	1.1	0.1	0.8	G	I	2.7	0.8	4.7	10.3
Ecuador	10.8	1.3	3.8	2.0	0.9	0.3	0.0	0.0	0.0	0.7	0.8	0.3	1.0	3.7
Peru	12.8	1.3	3.2	1.2	0.9	0.3	0.0	0.0	0.0	0.8	1.4	0.0	0.5	6.3
Venezuela	58.9	11.0	37.0	12.4	8.8	1.5	0.8	2.6	3.7	7.2	3.4	1.2	3.1	3.2
Other	7.4	F	3.3	1.7	0.5	0.0	(*)	0.0	0.0	1.1	0.4	(*)	0.2	H
Central America	584.1	3.4	456.9	50.8	47.8	11.8	18.3	151.9	93.4	82.9	14.5	3.9	34.7	70.7
Costa Rica	25.7	0.1	11.5	2.1	1.3	0.8	0.0	H	0.0	H	0.6	0.0	0.1	13.4
Guatemala	10.1	0.4	5.1	1.8	1.6	0.6	0.0	0.0	0.0	1.1	0.4	0.2	G	H
Honduras	23.2	0.1	8.9	5.5	0.3	0.1	0.0	0.0	0.0	3.0	0.2	0.2	0.0	13.8
Mexico	501.5	0.9	424.1	40.7	43.3	9.8	18.3	147.6	93.4	71.0	11.8	3.1	33.0	28.6
Panama	16.9	0.8	2.5	0.3	1.0	0.1	0.0	0.0	0.0	1.1	1.1	0.3	A	J
Other	6.7	1.0	4.9	0.4	0.2	0.5	0.0	G	0.0	G	0.4	0.1	(*)	0.2
Other Western Hemisphere	41.9	2.9	19.4	1.0	2.6	0.1	0.2	0.1	0.0	15.4	1.6	1.3	9.2	7.4
Bahamas	1.7	0.1	0.4	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.3	0.7
Barbados	3.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	(*)	2.8	0
Bermuda	3.0	0.4	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.5	0.6	1.4	0
Dominican Republic	19.0	0.1	13.2	0.8	0.6	0.0	0.0	0.0	0.0	11.8	0.3	0.1	0.5	4.7
Jamaica	4.9	0.2	2.8	0.0	1.1	0.0	0.0	0.0	0.0	1.7	0.2	0.1	0.5	1.1
Netherlands Antilles	0.2	(*)	(*)	(*)	0.0	0.0	0.0	0.0	0.0	0.0	0.1	(*)	0.0	0
Trinidad and Tobago	3.0	0.7	0.4	0.0	0.3	0.1	(*)	0.0	0.0	(*)	0.2	0.2	0.6	0.9
United Kingdom Islands, Caribbean	4.8	0.1	1.8	0.0	(*)	0.0	0.2	(*)	0.0	1.6	0.1	0.3	2.6	0
Other	2.2	1.1	0.5	0.1	0.4	0.0	0.0	0.0	0.0	(*)	(*)	(*)	0.6	(*)
Africa	86.5	17.0	44.1	7.1	12.4	4.2	2.4	1.6	1.2	15.0	9.2	0.9	6.3	9.1
Egypt	9.0	1.4	4.1	0.3	2.3	0.6	0.4	0.5	0.0	0.1	1.0	0.0	2.3	0.2
Nigeria	7.8	6.0	1.6	0.1	1.4	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
South Africa	33.3	G	20.5	3.5	5.9	1.6	1.9	1.1	1.2	5.2	5.8	0.3	2.3	G
Other	36.4	I	17.9	3.2	2.8	2.0	0.1	(*)	0.0	9.7	2.2	0.7	1.6	I
Middle East	42.9	6.5	13.6	2.3	1.2	0.4	0.5	7.7	0	1.4	2.4	0.4	17.9	2.1
Israel	27.0	0.0	12.5	G	0.9	0.2	0.4	7.7	0.0	G	1.6	(*)	12.9	0
Saudi Arabia	7.4	1.2	0.4	0.2	0.3	(*)	0.0	0.0	0.0	0.0	0.1	0.1	4.3	1.3
United Arab Emirates	4.2	2.0	0.4	0.0	0.0	0.2	(*)	0.0	0.0	0.2	0.6	0.1	0.6	0.4
Other	4.3	3.3	0.4	A	0.1	0.0	0.1	0.0	0.0	A	0.1	0.2	0.1	0.4
Asia and Pacific	1,149.7	38.6	721.8	58.4	92.9	21.4	160.1	221.5	33.0	134.3	118.0	42.0	87.7	141.7
Australia	222.2	4.7	100.3	19.5	16.2	7.0	11.3	2.8	20.9	22.6	17.2	6.4	36.0	57.7
China	101.4	0.6	86.4	2.9	14.2	H	10.5	42.3	G	J	5.6	0.6	1.5	6.7
Hong Kong	81.7	1.0	37.2	0.5	2.5	1.7	1.7	14.5	0.6	15.7	16.7	5.9	7.1	13.8
India	24.2	0.1	18.9	3.2	4.1	A	7.1	0.7	G	I	3.9	0.4	0.4	0.4
Indonesia	50.5	14.1	20.6	1.0	5.0	A	1.2	3.5	F	I	1.7	0.9	0.2	13.0
Japan	167.2	2.0	86.6	3.9	22.1	2.4	26.9	16.2	0.9	14.1	33.4	13.7	23.6	7.9
Korea Republic of	32.2	0.1	17.9	1.1	2.4	G	4.9	F	H	7.3	0.9	G	H	G
Malaysia	111.3	3.3	98.9	1.1	2.1	1.8	20.7	56.0	0.0	17.2	4.2	1.7	1.9	1.3
New Zealand	38.8	G	19.5	H	1.0	0.2	0.2	0.2	(*)	J	3.3	0.9	H	I
Philippines	102.3	2.9	77.4	10.1	7.4	0.1	0.6	25.8	0.0	6.7	3.9	G	0.5	H
Singapore	59.9	0.1	33.7	1.8	5.5	0.8	2.2	14.8	H	4.1	8.5	2.2	5.4	5.9
Taiwan	83.4	4.4	68.3	8.4	4.4	1.1	K	16.1	0.0	I	5.1	4.7	H	J
Thailand	12.1	H	5.4	G	3.4	A	(*)	0.3	(*)	0.0	2.4	0.2	F	A
International ¹	11.9	8.5												3.4
Addenda:														
Eastern Europe ²	118.3	2.1	91.1	19.4	11.2	5.7	3.1	17.3	9.7	24.6	9.8	0.7	3.6	11.1
European Union (15) ³	2,567.1	40.8	1,551.7	128.5	247.0	109.5	257.5	180.9	279.9	348.4	246.0	82.9	396.0	249.7
OPEC ⁴	130.9	35.9	60.0	13.7	15.6	2.1	1.9	6.1	4.3	16.3	6.1	2.2	8.2	18.5

* Fewer than 50 employees.

† Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

2. "Eastern Europe" comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria,

Table 20.2.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	6,525.4	180.6	3,880.2	376.6	550.5	204.8	563.1	718.9	609.9	856.4	556.0	199.4	842.5	866.8
Canada	858.3	18.6	374.7	38.3	38.7	29.2	36.2	27.7	104.5	100.0	77.0	27.4	93.6	267.0
Europe	2,988.6	49.2	1,743.7	147.7	271.9	119.4	278.2	226.1	304.2	396.3	293.8	102.2	515.1	284.6
Austria	27.5	0.6	15.3	1.9	1.1	0.2	1.7	1.9	5.4	3.1	6.9	0.6	2.8	1.4
Belgium	102.2	1.8	61.5	6.2	18.8	2.6	6.2	3.8	10.9	13.1	15.0	1.9	16.9	5.1
Denmark	25.8	0.3	10.2	2.3	1.0	0.5	1.4	1.6	0.6	2.9	8.3	F	5.4	G
Finland	12.8	0.4	6.3	0.1	1.2	0.9	0.4	0.8	0.3	2.7	3.5	0.1	0.5	2.1
France	438.6	4.1	256.6	13.3	46.1	35.3	50.8	21.6	21.7	67.8	43.8	4.7	104.4	25.0
Germany	579.0	4.7	413.4	15.7	41.9	26.5	65.2	66.3	130.3	67.6	35.6	6.9	56.5	61.8
Greece	11.7	0.5	6.6	3.2	1.7	0.3	(*)	0.1	0.0	1.2	2.7	0.3	1.3	0.3
Ireland	64.8	0.3	55.1	2.2	8.0	1.2	11.0	14.8	0.6	17.4	2.4	0.6	4.1	2.3
Italy	187.6	3.2	124.8	8.3	24.1	6.5	28.0	16.2	14.6	27.2	20.8	2.0	26.4	10.4
Luxembourg	84.4	0.1	6.6	0.0	0.0	0.6	0.2	0.0	0.0	5.8	0.4	0.1	0.5	0.7
Netherlands	158.3	3.9	79.5	9.6	14.6	5.8	11.4	10.4	8.2	19.5	23.4	14.3	28.5	8.7
Norway	38.1	5.8	6.5	1.9	1.0	0.1	2.0	0.4	0.2	0.9	4.2	0.2	20.4	1.0
Portugal	31.5	0.4	21.1	5.2	2.4	0.1	0.6	9.9	1.0	1.8	5.2	A	3.5	G
Spain	143.0	0.7	95.2	14.0	16.1	4.3	3.8	9.3	29.6	18.2	17.7	2.1	13.5	13.8
Sweden	45.4	0.4	23.5	2.5	7.1	0.1	4.7	1.6	0.4	7.1	12.2	1.3	4.3	3.8
Switzerland	47.9	1.1	16.1	1.2	2.6	0.3	2.7	2.8	0.2	6.4	14.2	1.4	12.1	3.0
Turkey	21.8	0.6	12.9	2.3	1.8	0.4	0.0	2.9	0.4	4.4	5.0	0.1	2.2	0.9
United Kingdom	897.0	17.8	421.8	35.7	64.9	28.1	85.4	40.8	65.3	101.6	57.6	63.6	205.3	131.0
Other	147.1	2.7	110.8	21.7	17.3	5.6	2.8	21.0	14.7	27.7	14.8	1.1	6.5	11.2
Latin America and Other Western Hemisphere	1,229.1	38.7	877.6	128.9	127.9	33.2	46.3	192.6	163.4	185.3	51.5	22.4	97.6	141.3
South America	570.2	31.6	369.9	72.5	76.2	20.5	24.3	28.2	66.3	81.8	32.3	15.0	47.7	73.8
Argentina	81.1	6.0	45.9	12.2	11.7	1.7	0.5	0.5	10.5	8.7	4.2	2.6	10.5	11.9
Brazil	300.9	4.2	237.6	35.5	43.3	12.3	22.6	23.9	45.5	54.6	14.6	4.0	17.8	22.6
Chile	40.3	G	13.9	2.0	3.7	3.4	0.4	0.4	F	H	3.2	6.1	5.4	J
Colombia	44.3	4.6	20.6	5.5	6.6	1.1	0.1	0.8	G	H	3.1	0.9	5.1	10.0
Ecuador	11.0	1.1	3.9	2.0	1.0	0.3	0.0	0.0	0.0	0.6	0.9	0.3	1.0	3.9
Peru	15.2	1.3	4.0	1.7	1.2	0.3	0.0	0.0	0.0	0.9	1.9	(*)	0.5	7.4
Venezuela	69.3	12.3	40.8	12.0	8.2	1.6	0.8	2.6	7.5	8.1	3.7	0.9	7.1	4.4
Other	8.2	F	3.2	1.6	0.4	0.0	(*)	0.0	0.0	1.0	0.6	(*)	0.3	H
Central America	613.1	4.0	487.7	54.9	48.5	12.5	21.8	164.3	97.1	88.8	14.6	4.0	42.5	60.3
Costa Rica	25.7	0.1	11.9	2.2	1.2	0.8	0.0	H	0.0	H	0.6	0.0	0.1	13.1
Guatemala	11.2	0.4	5.4	1.8	1.8	0.6	0.0	0.0	0.0	1.1	A	0.2	1.5	H
Honduras	24.3	0.1	10.2	6.2	0.2	0.1	0.0	0.0	0.0	3.7	0.2	0.2	0.0	13.7
Mexico	530.7	1.5	453.9	44.0	43.9	10.4	21.8	159.3	97.1	77.5	11.9	3.2	40.9	19.2
Panama	15.0	0.9	2.3	0.3	0.8	0.1	0.0	0.0	0.0	1.1	G	0.3	0.1	J
Other	6.1	1.0	4.0	0.4	0.5	0.5	0.0	G	0.0	G	0.4	0.1	(*)	0.5
Other Western Hemisphere	45.8	3.1	20.1	1.5	3.2	0.2	0.2	0.2	0.0	14.8	4.7	3.4	7.4	7.2
Bahamas	1.5	0.1	0.4	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.1	(*)	0.2	0.7
Barbados	3.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	(*)	2.8	0
Bermuda	7.6	0.2	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	H	2.7	G	0
Dominican Republic	18.6	0.2	12.8	0.8	0.8	0.0	0.0	0.0	0.0	11.1	0.3	0.1	0.5	4.7
Jamaica	4.8	0.2	2.8	0.1	0.9	0.0	0.0	0.0	0.0	1.7	0.2	0.1	A	G
Netherlands Antilles	0.3	(*)	0.1	(*)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	(*)	0.0	0
Trinidad and Tobago	3.3	1.1	0.6	0.4	(*)	0.1	(*)	0.0	0.0	(*)	A	0.2	F	F
United Kingdom Islands, Caribbean	4.3	0.1	2.7	0.0	G	0.1	0.2	(*)	0.0	G	0.3	0.2	0.9	(*)
Other	2.2	1.1	0.5	0.2	A	0.0	0.0	0.0	0.0	A	(*)	(*)	0.6	(*)
Africa	108.6	17.9	61.7	H	12.4	4.0	3.5	3.0	1.4	K	7.1	1.0	11.6	9.4
Egypt	11.9	1.5	5.3	0.3	2.3	0.7	1.5	0.5	0.0	0.1	1.0	0.0	H	A
Nigeria	8.3	6.5	1.5	0.1	1.4	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
South Africa	50.0	G	35.6	0.7	5.7	1.4	1.8	2.5	1.4	22.0	3.2	0.3	6.2	H
Other	38.4	I	19.3	H	3.0	2.0	0.1	(*)	0.0	J	2.7	0.7	G	6.4
Middle East	42.9	6.8	14.9	G	1.4	0.3	1.2	8.4	0	G	1.2	0.4	18.1	1.5
Israel	28.5	0.0	14.0	G	1.1	0.2	1.1	8.4	0.0	G	0.5	(*)	13.9	0
Saudi Arabia	6.5	1.6	0.3	0.0	0.3	(*)	0.0	0.0	0.0	0.0	0.1	0.1	3.3	1.1
United Arab Emirates	3.7	1.6	0.3	0.0	0.0	(*)	(*)	0.0	0.0	0.2	0.6	0.2	0.7	0.3
Other	4.3	3.5	0.4	0.2	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.2	0.1	0.1
Asia and Pacific	1,285.7	40.8	807.5	54.8	98.1	18.8	197.7	261.2	36.3	140.6	125.3	46.0	106.4	159.6
Australia	227.8	5.3	97.1	18.6	16.3	3.1	12.0	2.8	20.7	23.4	18.6	6.4	40.2	60.3
China	138.8	1.2	112.5	4.0	16.6	3.8	12.1	55.5	4.9	15.6	7.8	0.6	1.9	11.7
Hong Kong	111.1	0.9	60.9	0.2	2.7	H	0.5	35.6	0.5	J	17.7	6.9	7.5	17.2
India	38.4	0.3	29.9	2.9	4.5	F	13.3	3.2	G	4.0	4.3	1.2	2.2	0.4
Indonesia	51.3	12.7	21.0	1.2	5.5	0.2	1.2	3.4	F	I	1.8	0.9	0.4	14.5
Japan	178.3	H	85.7	3.6	21.7	2.5	27.3	16.3	0.9	13.4	30.3	14.9	31.5	J
Korea, Republic of	31.8	A	16.7	1.1	2.6	0.3	2.5	4.9	0.6	4.7	6.1	0.8	3.2	H
Malaysia	132.3	3.3	118.7	0.8	2.6	0.4	32.7	64.7	0.0	17.4	3.8	1.9	2.9	1.7
New Zealand	35.1	G	18.7	H	1.2	0.3	0.2	0.1	(*)	J	3.1	0.9	4.6	I
Philippines	57.5	1.3	44.7	8.0	7.3	0.5	0.6	21.7	0.0	6.6	4.6	G	A	H
Singapore	110.5	2.9	78.7	0.3	2.6	1.0	45.9	21.8	3.1	4.1	13.6	2.4	5.8	7.2
Taiwan	62.6	0.1	35.3	1.5	6.0	0.8	H	15.8	H	I	5.4	5.1	3.6	13.0
Thailand	97.9	4.4	81.0	8.2	4.3	0.9	K	15.0	A	I	4.9	1.9	1.1	4.7
Other	15.4	3.1	6.5	G	4.2	0.1	(*)	0.3	0.2	A	3.5	A	G	F
International ¹	12.1	8.8												3.4
Addenda:														
Eastern Europe ²	139.9	2.6	105.6	21.7	13.7	5.6	2.8	20.1	14.7	27.0	14.5	1.0	5.4	10.6
European Union (15) ³	2,733.8	39.0	1,597.4	119.9	249.2	112.9	270.7	199.0	288.7	357.0	255.6	99.3	474.0	268.6
OPEC ⁴	141.3	36.6	63.9	13.3	15.4	1.8	1.9	6.0	8.2	17.3	6.4	2.1	11.5	20.8

Table 21.1.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	498,310	109,870	250,351	24,437	50,478	11,002	37,023	23,345	37,809	66,257	54,472	17,161	37,840	28,617
Canada	53,783	9,020	25,933	2,294	3,933	1,910	2,407	1,707	7,315	6,367	4,552	3,454	3,200	7,624
Europe	291,732	65,165	149,872	13,994	31,883	6,588	21,663	11,298	20,433	44,012	34,535	6,372	25,342	10,447
Austria	3,989	1,251	1,539	259	123	16	83	122	700	236	835	58	221	85
Belgium	13,767	2,149	7,486	678	3,197	188	513	313	853	1,743	2,152	301	1,476	202
Denmark	2,497	355	719	235	115	27	23	42	68	209	1,109	37	210	67
Finland	2,014	592	736	6	175	88	23	127	31	285	536	2	51	97
France	38,570	6,484	20,737	1,918	5,233	2,121	4,456	1,424	1,098	4,487	4,954	592	4,555	1,248
Germany	61,097	9,831	40,386	2,906	5,134	1,420	6,634	2,741	8,513	13,039	3,588	1,291	3,973	2,229
Greece	1,401	681	399	149	191	13	2	9	0	35	173	64	66	19
Ireland	9,288	763	7,014	611	2,948	80	313	1,280	36	1,748	1,065	276	88	82
Italy	21,259	7,494	9,130	798	2,288	356	1,994	1,082	820	2,591	338	1,268	439	439
Luxembourg	1,181	184	649	0	0	42	7	19	0	582	170	119	46	12
Netherlands	17,221	3,212	8,849	1,362	2,400	376	673	742	202	3,092	3,668	-1,700	2,633	559
Norway	6,527	4,850	462	135	49	59	118	26	11	64	707	35	372	100
Portugal	2,949	768	760	208	162	(*)	29	252	70	39	1,052	36	183	150
Spain	9,448	263	6,126	580	1,384	261	325	536	2,187	853	1,680	197	610	571
Sweden	4,947	413	2,353	247	1,393	5	239	73	34	364	1,336	214	432	198
Switzerland	8,193	1,104	3,230	233	841	65	228	346	0	1,516	2,063	428	1,186	181
Turkey	1,781	344	1,049	161	112	40	7	67	57	812	310	11	57	9
United Kingdom	82,224	24,750	35,696	3,187	5,789	1,310	5,975	1,876	5,481	12,078	5,930	3,996	7,795	4,056
Other	3,379	-125	2,552	322	348	120	30	220	273	1,238	615	75	119	143
Latin America and Other Western Hemisphere	51,965	6,657	33,796	4,857	7,033	1,494	1,671	1,944	8,195	8,602	3,192	1,156	3,145	4,020
South America	35,975	5,075	23,927	3,810	4,844	1,246	1,066	502	5,641	6,817	1,607	486	1,797	3,083
Argentina	6,121	1,236	3,582	916	943	91	11	36	204	1,382	357	146	339	463
Brazil	21,082	1,741	16,910	2,040	2,954	873	1,031	408	4,970	4,635	648	143	1,190	449
Chile	2,478	358	734	164	177	178	(*)	11	67	136	196	172	63	956
Colombia	2,217	1,064	238	352	41	-1	13	162	259	111	7	7	101	240
Ecuador	274	147	66	19	28	4	0	(*)	0	14	24	7	6	25
Peru	976	163	151	53	43	9	0	0	47	103	7	-3	13	549
Venezuela	2,144	586	1,186	226	321	51	23	34	238	293	129	10	61	172
Other	683	148	234	154	27	0	1	0	0	52	41	5	25	230
Central America	11,778	514	9,421	1,021	1,990	255	717	1,321	2,554	1,564	866	37	477	462
Costa Rica	580	31	206	46	37	14	0	40	0	69	297	(*)	1	45
Guatemala	233	97	116	33	28	7	0	0	0	49	11	6	4	-2
Honduras	256	20	93	74	3	2	0	0	0	14	2	4	(*)	137
Mexico	10,125	98	8,862	854	1,893	221	717	1,288	2,554	1,356	442	37	462	223
Panama	313	84	74	9	23	4	0	0	0	37	101	-11	9	56
Other	271	184	70	6	5	7	0	13	0	39	12	2	2	2
Other Western Hemisphere	4,213	1,068	448	26	199	-7	-111	121	0	220	719	632	871	475
Bahamas	161	48	25	0	21	0	0	0	0	4	34	9	16	29
Barbados	755	29	5	2	0	0	0	1	0	2	117	470	134	0
Bermuda	1,514	34	9	0	0	0	0	9	0	0	324	946	201	0
Dominican Republic	629	34	197	15	20	0	0	0	0	162	14	1	7	376
Jamaica	399	38	111	0	70	0	0	0	0	41	168	5	28	50
Netherlands Antilles	-378	13	0	0	0	0	0	0	0	12	-389	-4	(*)	0
Trinidad and Tobago	832	705	78	0	82	-7	1	0	0	2	8	15	6	19
United Kingdom Islands, Caribbean	127	31	6	0	1	0	-112	110	0	7	30	-410	461	0
Other	174	148	14	6	6	0	0	0	0	2	2	-14	23	1
Africa	8,248	6,032	1,114	167	389	131	68	19	36	303	468	126	154	354
Egypt	930	812	43	-24	51	9	1	7	0	-1	57	0	29	-10
Nigeria	2,977	2,935	35	18	17	0	0	0	0	0	5	-2	0	3
South Africa	1,322	149	613	77	244	63	64	11	36	117	350	67	96	47
Other	3,019	2,135	422	96	77	59	3	2	0	187	56	60	29	315
Middle East	4,552	2,759	780	90	25	36	38	523	0	68	225	97	474	217
Israel	1,053	(*)	723	82	28	15	32	523	0	43	153	3	174	0
Saudi Arabia	567	60	28	4	24	1	0	0	0	0	23	7	270	179
United Arab Emirates	1,295	1,104	45	0	1	21	1	0	0	22	44	39	39	25
Other	1,637	1,596	-16	3	-28	0	5	0	0	3	5	48	-9	13
Asia and Pacific	86,168	19,418	38,856	3,035	7,216	842	11,175	7,854	1,830	6,904	11,499	5,957	5,525	4,914
Australia	17,335	4,787	6,806	941	1,813	230	176	173	1,396	1,738	1,433	662	1,948	1,690
China	2,073	376	1,375	22	389	79	516	604	4	101	161	53	55	52
Hong Kong	6,127	535	1,292	30	171	79	20	640	17	335	1,845	1,067	411	977
India	432	11	328	33	120	7	69	4	-6	61	67	6	8	12
Indonesia	5,665	4,179	315	22	142	11	26	26	12	77	43	35	20	1,073
Japan	25,677	3,352	13,325	1,196	2,888	215	4,930	2,111	76	1,909	4,043	2,578	1,949	430
Korea	2,533	(*)	1,227	86	162	20	209	321	51	380	998	60	164	84
Malaysia	4,553	1,797	2,204	19	77	23	365	1,344	0	377	279	203	34	35
New Zealand	2,662	477	1,478	187	63	7	10	20	-8	1,199	320	21	238	127
Philippines	2,131	413	1,247	272	452	9	6	341	0	167	186	157	18	110
Singapore	9,801	1,049	6,676	24	305	73	4,434	1,533	142	164	1,121	420	402	133
Taiwan	2,846	25	1,415	89	389	20	63	526	145	182	624	428	227	127
Thailand	3,506	1,764	1,078	91	192	66	352	202	0	175	315	260	43	45
Other	827	652	88	23	53	2	-1	10	(*)	0	63	6	9	9
International ¹	1,862	821	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,041
Addenda:														
Eastern Europe ²	3,059	-178	2,422	322	264	112	30	198	273	1,223	567	82	31	136
European Union (15) ³	271,852	58,991	142,579	13,144	30,533	6,304	21,286	10,639	20,092	40,582	30,839	5,822	23,607	10,014
OPEC ⁴	13,455	9,647	1,587	270	479	84	52	60	250	392	244	98	383	1,496

* Less than \$500,000.

P Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

2. See footnote 2 to table 20.1.

3. See footnote 3 to table 20.1.

4. See footnote 4 to table 20.1.

Table 21.2.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	519,306	110,818	256,442	25,579	52,987	11,549	37,318	26,183	43,471	59,355	56,446	21,441	44,292	29,866
Canada	57,554	8,828	28,764	2,431	3,762	2,045	2,814	1,796	9,389	6,527	4,992	4,088	3,842	7,039
Europe	297,604	66,236	147,471	14,259	32,980	6,769	21,652	12,474	22,786	36,550	35,424	8,006	29,175	11,292
Austria	3,948	1,249	1,354	222	99	15	128	123	573	193	898	49	266	133
Belgium	13,350	1,895	7,517	793	3,361	170	547	263	816	1,566	2,127	238	1,381	192
Denmark	2,505	332	727	169	95	29	65	108	62	201	1,019	65	304	58
Finland	2,138	587	850	6	183	73	25	238	36	289	580	4	46	70
France	37,024	5,901	20,121	1,859	5,178	1,936	3,989	1,377	1,375	4,406	4,148	498	5,014	1,342
Germany	56,879	8,037	38,358	2,280	4,744	1,691	6,077	2,782	9,050	11,733	3,714	1,069	3,819	1,882
Greece	1,318	603	401	150	180	11	2	9	0	49	163	67	63	20
Ireland	12,075	809	9,515	980	4,248	77	564	1,866	38	1,742	1,376	191	82	102
Italy	21,741	7,309	9,459	843	2,457	367	2,163	1,025	819	1,784	2,963	141	1,380	489
Luxembourg	1,049	172	620	0	0	41	10	(*)	0	569	150	57	38	12
Netherlands	19,782	3,316	9,476	1,231	1,996	360	806	1,062	862	3,158	3,633	70	2,822	467
Norway	6,266	4,781	443	122	55	12	162	20	14	58	675	-223	479	112
Portugal	2,619	814	774	218	184	(*)	26	246	39	61	626	29	179	196
Spain	9,690	213	6,405	642	1,510	301	336	508	1,995	1,112	1,707	213	650	503
Sweden	4,630	308	2,077	232	1,016	5	276	71	38	440	1,450	115	413	267
Switzerland	4,449	757	2,941	161	841	43	257	186	22	1,431	3,029	293	1,242	186
Turkey	2,033	304	1,270	200	153	35	0	56	60	766	373	9	63	13
United Kingdom	87,916	28,827	32,044	3,759	6,272	1,477	6,187	2,149	6,658	5,542	6,186	4,989	10,813	5,058
Other	4,191	24	3,120	391	409	125	34	384	329	1,448	606	131	122	189
Latin America and Other Western Hemisphere	60,579	6,663	38,347	5,465	8,808	1,770	2,022	2,909	9,237	8,136	4,840	2,183	3,419	5,127
South America	40,783	4,930	25,993	4,027	5,444	1,437	1,213	1,177	6,523	6,171	2,982	587	2,303	3,987
Argentina	6,762	1,274	3,782	724	1,027	101	15	13	404	1,497	468	170	400	667
Brazil	23,590	1,393	18,283	2,384	3,326	992	1,166	1,092	5,469	3,854	1,773	159	1,450	532
Chile	2,823	382	805	160	192	216	9	9	65	154	219	173	125	1,119
Colombia	2,509	795	1,156	267	401	61	-1	18	180	230	164	23	118	254
Ecuador	238	92	72	24	28	4	0	(*)	0	5	22	10	6	36
Peru	1,402	235	187	67	61	15	0	0	0	43	101	14	14	852
Venezuela	2,812	635	1,526	305	386	48	23	45	404	315	185	33	161	274
Other	647	123	183	96	22	0	1	0	0	63	52	3	31	254
Central America	13,559	683	11,060	1,404	2,350	296	937	1,644	2,714	1,715	903	-272	580	605
Costa Rica	553	12	234	47	45	18	0	67	0	57	203	(*)	(*)	103
Guatemala	299	124	123	41	36	7	0	0	0	39	17	7	4	24
Honduras	304	31	129	101	4	2	0	0	0	23	2	-5	4	(*)
Mexico	12,009	181	10,424	1,201	2,229	256	937	1,567	2,714	1,521	549	19	562	274
Panama	102	127	83	8	25	9	0	0	0	40	119	-295	12	56
Other	293	207	67	7	12	3	0	10	0	35	13	2	2	2
Other Western Hemisphere	6,236	1,050	1,294	33	1,014	36	-128	88	0	250	955	1,868	536	535
Bahamas	177	58	28	0	24	0	0	0	0	4	51	-8	20	28
Barbados	811	65	6	2	0	0	0	2	0	2	123	497	120	0
Bermuda	2,322	38	18	0	0	0	0	18	0	0	556	1,514	201	-4
Dominican Republic	749	49	231	16	24	0	0	0	0	191	23	1	7	438
Jamaica	379	47	114	2	74	0	0	0	0	37	121	6	31	61
Netherlands Antilles	-110	2.4	3	0	0	0	0	0	1	14	-121	-8	(*)	(*)
Trinidad and Tobago	622	577	-6	2	1	-13	1	0	0	2	9	10	8	25
United Kingdom Islands, Caribbean	1,066	34	883	0	883	50	-129	69	0	11	57	-29	134	-14
Other	220	179	17	8	7	0	0	0	0	2	2	2	23	1
Africa	8,875	6,109	1,529	120	377	160	66	78	33	694	294	178	403	363
Egypt	921	757	73	-43	78	9	18	7	0	5	62	0	40	-11
Nigeria	2,972	2,922	30	14	16	0	0	0	0	0	5	12	0	3
South Africa	1,758	178	941	37	203	61	45	70	33	491	169	80	337	53
Other	3,224	2,252	484	112	79	90	3	2	0	199	58	86	25	318
Middle East	4,322	2,790	719	96	62	33	39	414	0	75	103	89	549	73
Israel	956	(*)	656	93	39	27	33	414	0	51	32	1	268	0
Saudi Arabia	403	90	25	0	24	(*)	0	0	0	0	12	4	241	31
United Arab Emirates	1,160	961	29	0	1	6	1	0	0	21	54	37	42	37
Other	1,802	1,738	9	3	-2	0	5	0	0	3	5	47	-2	4
Asia and Pacific	88,943	19,039	39,613	3,209	6,999	773	10,724	8,511	2,026	7,372	10,792	6,898	6,904	5,697
Australia	18,933	4,849	7,208	1,773	184	517	173	1,510	2,032	1,559	1,176	2,155	1,985	1,172
China	3,099	481	2,068	128	405	66	364	809	105	191	301	60	77	112
Hong Kong	7,133	600	1,409	29	189	80	15	729	18	349	1,993	1,382	573	20
India	671	49	493	48	116	11	159	8	-10	161	71	6	33	20
Indonesia	5,378	3,813	363	23	136	9	18	74	30	72	50	24	1,079	501
Japan	25,038	3,499	12,621	1,138	2,799	223	4,682	2,081	65	1,633	3,404	2,393	2,620	701
Korea	2,273	7	953	104	161	13	176	153	23	323	810	76	353	73
Republic of	4,912	1,425	2,988	18	87	6	696	1,722	0	460	201	207	57	33
New Zealand	3,119	471	1,898	225	87	16	10	30	-9	1,539	228	52	265	205
Philippines	2,104	423	1,183	270	397	24	6	362	0	124	178	155	22	142
Singapore	9,087	964	5,745	19	186	79	3,590	1,559	149	164	1,324	538	396	120
Taiwan	2,921	28	1,584	81	434	22	117	590	155	186	437	441	269	161
Thailand	3,437	1,821	1,015	71	188	38	375	211	55	137	194	328	31	48
Other	838	609	84	35	42	2	-1	10	-5	1	42	32	28	43
International ¹	1,429	1,153												276
Addenda:														
Eastern Europe ²	3,877	-34	3,007	391	334	125	34	361	329	1,433	558	109	63	174
European Union (15) ³	276,665	60,371	139,697	13,386	31,523	6,553	21,199	11,827	22,361	32,847	30,741	7,796	27,269	10,791
OPEC ⁴	13,825	9,462	1,974	342	564	63	44	118	434	409	306	140	465	1,478

* Less than \$500,000.

P Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

2. See footnote 2 to table 20.1.

3. See footnote 3 to table 20.1.

4. See footnote 4 to table 20.1.

U.S. Multinational Companies: Operations in 1997

By Raymond J. Mataloni, Jr.

THE COMBINED domestic and foreign operations of nonbank U.S. multinational companies (MNC's) continued to grow at a strong pace in 1997, according to preliminary estimates from the annual survey of U.S. direct investment abroad conducted by the Bureau of Economic Analysis (BEA).¹ Current-dollar estimates of the worldwide

gross product of U.S. MNC's (U.S. parents and majority-owned foreign affiliates (MOFA's) combined) increased 5.6 percent in 1997, compared with an 8.1-percent increase in 1996 and an average annual increase of 5.5 percent from 1989 to 1996 (table 1).

Two other key measures of MNC operations grew much faster in 1997 than in 1989-96. MNC employment increased 6.1 percent,

1. The year 1989 is used for comparison because it was a benchmark survey year for U.S. direct investment abroad and because before 1994, gross product estimates (which are the basis for much of the analysis in this article) were only available for U.S. parents in the years covered by benchmark surveys. In addition, in 1989, like in 1997, economic growth continued in the United States and in most major host countries.

This article presents highlights from the 1996 and 1997 annual surveys. More detailed estimates will be available later this year (see the box "Data Availability" on page 15).

Table 1.—Gross Product, Employment, and Capital Expenditures of Nonbank U.S. MNC's, U.S. Parents, and Foreign Affiliates, 1982-97

	MNC's worldwide			Affiliates				MNC's worldwide			Affiliates		
	Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other		Parents and all affiliates	Parents and MOFA's	Parents	Total	MOFA's	Other
Gross product							1992	24,190	22,812	17,530	6,660	5,282	1,378
Millions of dollars:							1993	24,222	22,760	17,537	6,685	5,223	1,461
1982	n.a.	1,019,734	796,017	n.a.	223,717	n.a.	1994	25,670	24,273	18,565	7,105	5,707	1,398
1983	n.a.	n.a.	n.a.	n.a.	216,683	n.a.	1995	25,921	24,500	18,576	7,345	5,924	1,421
1984	n.a.	n.a.	n.a.	n.a.	220,331	n.a.	1996 ^r	26,334	24,867	18,790	7,544	6,077	1,467
1985	n.a.	n.a.	n.a.	n.a.	220,074	n.a.	1997 ^p	27,885	26,392	19,867	8,018	6,525	1,493
1986	n.a.	n.a.	n.a.	n.a.	231,644	n.a.	Percent change at annual rates:						
1987	n.a.	n.a.	n.a.	n.a.	269,734	n.a.	1982-96	0.3	0.3	0.0	0.9	1.4	-0.7
1988	n.a.	n.a.	n.a.	n.a.	297,556	n.a.	1989-96	0.5	0.6	0.0	1.9	2.5	-0.4
1989	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.	1995-96	1.6	1.5	1.2	2.7	2.6	3.2
1990	n.a.	n.a.	n.a.	n.a.	356,033	n.a.	1996-97	5.9	6.1	5.7	6.3	7.4	1.8
1991	n.a.	n.a.	n.a.	n.a.	355,963	n.a.	Capital expenditures						
1992	n.a.	n.a.	n.a.	n.a.	361,524	n.a.	Millions of dollars:						
1993	n.a.	n.a.	n.a.	n.a.	359,179	n.a.	1982	248,262	233,078	188,266	59,996	44,812	15,184
1994	n.a.	1,717,488	1,313,792	n.a.	403,696	n.a.	1983	n.a.	197,534	160,656	n.a.	36,878	n.a.
1995	n.a.	1,831,046	1,365,470	n.a.	465,576	n.a.	1984	n.a.	203,791	168,692	n.a.	35,099	n.a.
1996 ^r	n.a.	1,978,948	1,480,638	n.a.	498,310	n.a.	1985	n.a.	221,509	185,027	n.a.	36,482	n.a.
1997 ^p	n.a.	2,089,796	1,570,490	n.a.	519,306	n.a.	1986	n.a.	203,809	169,131	n.a.	34,678	n.a.
Percent change at annual rates:							1987	n.a.	199,171	162,139	n.a.	37,032	n.a.
1982-96	n.a.	4.8	4.5	n.a.	5.9	n.a.	1988	n.a.	223,814	177,203	n.a.	46,611	n.a.
1989-96	n.a.	5.5	5.1	n.a.	6.5	n.a.	1989	276,790	260,488	201,808	74,982	58,680	16,302
1995-96	n.a.	8.1	8.4	n.a.	7.0	n.a.	1990	n.a.	274,614	213,079	n.a.	61,535	n.a.
1996-97	n.a.	5.6	6.1	n.a.	4.2	n.a.	1991	n.a.	269,221	206,290	n.a.	62,931	n.a.
Number of employees							1992	n.a.	272,049	208,834	n.a.	63,215	n.a.
Thousands:							1993	n.a.	271,661	207,437	n.a.	64,224	n.a.
1982	25,345	23,727	18,705	6,640	5,022	1,618	1994	328,240	303,364	231,917	96,323	71,447	24,876
1983	24,783	23,253	18,400	6,383	4,854	1,530	1995	n.a.	323,616	248,017	n.a.	75,599	n.a.
1984	24,548	22,973	18,131	6,418	4,842	1,576	1996 ^r	n.a.	340,510	260,048	n.a.	80,462	n.a.
1985	24,532	22,923	18,113	6,419	4,810	1,609	1997 ^p	n.a.	387,148	298,902	n.a.	88,246	n.a.
1986	24,082	22,543	17,832	6,250	4,711	1,539	Percent change at annual rates:						
1987	24,255	22,650	17,986	6,270	4,664	1,605	1982-96	n.a.	2.7	2.3	n.a.	4.2	n.a.
1988	24,141	22,498	17,738	6,404	4,761	1,643	1989-96	n.a.	3.9	3.7	n.a.	4.6	n.a.
1989	25,388	23,879	18,765	6,622	5,114	1,508	1995-96	n.a.	5.2	4.9	n.a.	6.4	n.a.
1990	25,264	23,786	18,430	6,834	5,356	1,478	1996-97	n.a.	13.7	14.9	n.a.	9.7	n.a.
1991	24,837	23,345	17,959	6,878	5,387	1,492							

^r Preliminary.
Revised.
n.a. Not available.

MNC Multinational company
MOFA Majority-owned foreign affiliate

compared with a 1.5-percent increase in 1996 and negligible growth in 1989–96. Capital expenditures increased 13.7 percent, compared with a 5.2-percent increase in 1996 and an average annual increase of 3.9 percent in 1989–96.

The strong growth in MNC operations in 1997 reflected continued economic growth and a strong upturn in new investments. In 1997, real gross domestic product (GDP) increased 3.9 percent in the United States, up from a 3.4-percent increase in 1996; in major host countries, real GDP increased 3.2 percent, on average, up from a 2.4-percent increase in

1996.² These favorable economic conditions resulted in the expansion of existing MNC operations and the growth of MNC operations through acquiring or establishing other businesses, both in the United States and abroad. The upturn in new investment partly reflected the growing availability of investment opportunities abroad as a result of legal and economic changes—such as the privatization of electric utilities and telephone companies and the liberalization of direct investment policies in foreign host countries.

2. The average real GDP growth rate for major host countries is a weighted average covering host countries that are members of the Organisation for Economic Co-Operation and Development; these countries hosted roughly 80 percent of MOFA gross product in 1997.

Key Terms

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

U.S. MNC's

U.S. multinational company. The U.S. parent and 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 organized or not 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 operations of a U.S. MNC, covering operations in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and all other U.S. areas.

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

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 a U.S. MNC that are controlled by the parent or parents.

Operations of U.S. MNC's

Gross product. The contribution to host-country gross domestic product, which is the goods and services produced by labor and

property located in that country. Gross product, often referred to as "value added," can be measured as gross output (sales or receipts and other operating income plus inventory change) minus intermediate inputs (purchased goods and services). Alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The gross product estimates presented here were prepared by summing cost and profit data collected in the annual and benchmark surveys of USDIA. For the derivation of the current-dollar estimates of gross product, see Raymond J. Mataloni, Jr., and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977–91," SURVEY 74 (February 1994): 57.

Profit-type return. Profits from the production of goods and services in the current period. It is measured before income taxes, and it excludes nonoperating items (such as special charges and capital gains and losses) and income from equity investments.

Capital expenditures. Expenditures made to acquire, add to, or improve property, plant, and equipment (PP&E). PP&E includes land, timber, mineral and like-rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and tangible and intangible exploration and development costs. Changes in PP&E due to changes in entity—such as mergers, acquisitions, and divestitures—or to changes in accounting principles are excluded. Capital expenditures are measured on a gross basis; sales and other dispositions of fixed assets are not netted against them.

Employment. The number of full-time and part-time employees on the payroll at yearend. If a parent or affiliates' employment was unusually high or low because of temporary factors (for example, a strike) or large seasonal variations, the number that reflected normal operations or an average for the year was requested.

Origin of output. In this article, this term refers to the decomposition of a firm's output (sales plus inventory change) into the output that originates within the firm and the output that originates elsewhere and that is incorporated in the intermediate inputs purchased by the firm. The intermediate inputs can also be decomposed into those that are purchased locally and those that are purchased from abroad.

Source of change in gross product. In this article, this term refers to the decomposition of the year-to-year change in the gross product of U.S. parents and MOFA's into changes in operations, the addition of parents and MOFA's to the survey universe, the departure of parents and MOFA's from the survey universe, and all other changes.

Additional highlights of U.S.-MNC operations in 1997 follow:

- Worldwide production and productive resources of U.S. MNC's remained concentrated in the United States: U.S. parents accounted for about three-fourths, and MOFA's for about one-fourth, of MNC gross product, capital expenditures, and employment. These shares have been relatively stable since at least 1989.
- U.S. exports of goods involving U.S. parents, their foreign affiliates, or both accounted for 63 percent of all U.S. exports of goods, down from 65 percent in 1989. Intra-MNC exports (goods shipped by U.S. parents to their foreign affiliates) accounted for 42 percent of the MNC-associated exports, up from 38 percent in 1989.
- U.S. MNC's accounted for 40 percent of U.S. imports of goods, down from 42 percent in 1989. Intra-MNC imports (goods shipped by foreign affiliates to their U.S. parents) accounted for 42 percent of these MNC-associated imports, up from 38 percent in 1989.
- Newly acquired or established foreign affiliates continued to be concentrated in countries with large and prosperous markets rather than in countries with low labor costs. Although low-wage countries have been attracting a rising share of the new investments, affiliates in high-wage countries still accounted for 71 percent of all new affiliates and for 59 percent of their employment.
- The return on assets for nonfinancial MOFA's, at 10.8 percent, continued to exceed the return on assets for all nonfinancial corporations (chart 1). The higher rate of return for MOFA's may be needed to offset the added risks and costs to U.S. parents of operating abroad.
- Real gross product of MOFA's in manufacturing grew more than twice as fast in 1997 (7.7 percent) as in 1989-96 (3.5 percent). The strong growth reflected both the economic growth in most host countries and

Data on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad (USDIA): (1) Financial and operating data of U.S. parent companies and their foreign affiliates, and (2) balance of payments and direct investment position data.¹ This article presents the first set of data; the balance of payments and direct investment position data appear in the following articles in this issue of the SURVEY OF CURRENT BUSINESS: Russell B. Scholl, "The International Investment Position of the United States in 1998"; Douglas B. Weinberg, "U.S. International Transactions, First Quarter 1999"; and Rosaria Troia and Sylvia E. Bargas, "Direct Investment Positions for 1998: Country and Industry Detail."

BEA data on USDIA are classified by International Surveys Industry groups adapted from the *Standard Industrial Classification (SIC) Manual, 1987*—the classification system used, until recently, as the standard for industry classification in Federal economic statistics. The SIC system has been superseded by the 1997 North American Industrial Classification System (NAICS). BEA has developed new ISI codes that are based on the NAICS, and for USDIA, these new codes will be first used for the data collected in the 1999 benchmark survey.

Financial and operating data.—The data on the overall operations of U.S. parent companies and their foreign

affiliates are collected in BEA's annual and benchmark surveys of USDIA. The data cover balance sheets and income statements, employment and compensation of employees, research and development expenditures, sources of finance, and trade in goods. In addition, the gross product of U.S. parent companies and their majority-owned foreign affiliates is estimated from the data reported in these surveys.

Except in benchmark survey years, these data cover only nonbank U.S. multinational companies (MNC's) because U.S. MNC's in banking (1987 Standard Industrial Classifications 6011, 602, 602, 606, 6712, and 608) are exempt from reporting. All the financial and operating data are on a fiscal year basis. The data cover the entire operations of U.S. parent companies and their foreign affiliates, irrespective of the percentage of U.S.-parent ownership.

Balance of payments and direct investment position data.—These data, covering bank and nonbank U.S. MNC's, are collected in the quarterly survey of USDIA. The data cover the cross-border transactions and positions between U.S. parents and their foreign affiliates, so these data focus on the parent's share, or interest, in the affiliate rather than on the affiliate's size or scale of operations. The major items included in the U.S. balance of payments are direct investment capital flows, direct investment income, royalties and license fees, and other services transactions between U.S. parents and their foreign affiliates.

1. For a comprehensive discussion of these two sets of data, see Raymond J. Mataloni, Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," SURVEY 75 (March 1995): 38-55. This guide is available on BEA's Web site: go to <www.bea.doc.gov> and click on International, Articles.

the addition of newly acquired or established affiliates.

Worldwide Operations of U.S. MNC's

This section examines worldwide U.S.-MNC operations and compares the domestic and foreign aspects of these operations.⁴

Changes in gross product

Gross product of all U.S. MNC's grew 5.6 percent in 1997, to \$2,090 billion; the U.S.-parent component of U.S.-MNC gross product grew 6.1 percent, and the MOFA component grew 4.2 percent. Available evidence suggests that for both parents and MOFA's, these increases reflected increases in real gross product to a greater extent than they reflected increases in prices. The growth of U.S. parents' gross product, at 6.1 percent, substantially exceeded the 1.4-percent rate of U.S. price inflation (as measured by the GDP implicit price deflator for all private U.S. businesses, except depository institutions). Despite the dampening effect of the significant appreciation of the U.S. dollar, the gross product of MOFA's grew 4.2 percent in dollar value, exceeding the 2.8-percent average rate of price inflation in the host countries.⁵

4. In most of this section, the examination of the foreign operations of U.S. MNC's uses the data for MOFA's rather than data for all foreign affiliates, because parents and MOFA's are conceptually under U.S. managerial control (other foreign affiliates may be under the control of foreign owners) and because the necessary data items for this analysis are collected only for MOFA's.

Although MOFA's and U.S. parents are under the control of one or more U.S. parents, in some cases the U.S. parent is, in turn, under the control of a foreign parent company; in 1997, U.S. parents that were ultimately controlled by foreign parents accounted for 11 percent of all U.S. parents and for 8 percent of their gross product.

5. In 1997, the weighted average U.S.-dollar price of the currencies of 23 major host countries (in terms of MOFA gross product) fell 7.8 percent. This decline lowered the dollar value of MOFA gross product by a similar amount when the data reported to BEA in dollars was translated from foreign currencies as was generally necessary.

The average rate of price inflation in these host countries was derived as a weighted average (in terms of MOFA gross product), using, in most cases, the GDP implicit price deflators for the countries.

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Computer programming for data estimation and the generation of data tables was provided by Arnold Gilbert with the assistance of Fritz Mayhew and Diane Young.

Revisions to the 1996 estimates.—The estimates of U.S.-MNC operations for 1996 were revised to incorporate the final results of the 1996 Annual Survey of U.S. Direct Investment Abroad.³ The year-to-year percent changes for the three key measures were revised less than 1 percentage point from the changes shown in the preliminary estimates: The increase in gross product was revised up 0.8 percentage point to 8.1 percent; the increase in employment was revised down 0.2 percentage point to 1.6 percent; and the increase in capital expenditures was revised up 0.2 percentage point to 5.3 percent.

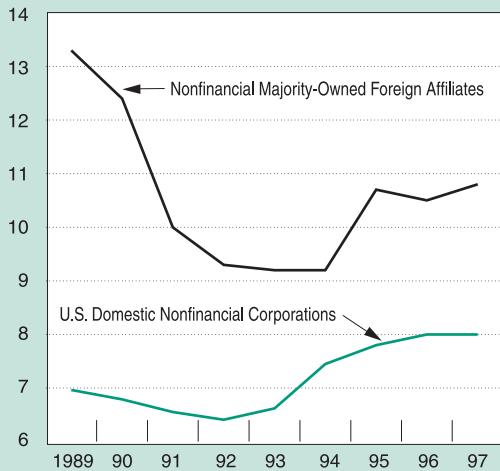
Organization of the article.—The first part of this article analyzes the worldwide operations of U.S. MNC's; the second part analyzes their domestic (U.S.-parent) operations; and the third part analyzes their foreign (foreign-affiliate) operations.

3. The preliminary 1996 estimates were published in Raymond J. Matoloni, Jr., "U.S. Multinational Companies: Operations in 1996," SURVEY OF CURRENT BUSINESS 78 (September 1998): 47-73.

CHART 1

Return on Assets of Nonfinancial Majority-Owned Foreign Affiliates and U.S. Domestic Nonfinancial Corporations, 1989-97

Percent



NOTE.—The return on assets equals the ratio of profit-type return plus interest paid to total assets (at current cost).

Nonfinancial industries are all industries except depository institutions; finance, except depository institutions; and insurance.

For U.S. domestic nonfinancial corporations, data on property income are from tables 1.16 and 8.18 in the national income and product accounts. Data on total assets are from the Federal Reserve Board's flow of funds accounts.

Table 2.—Selected Data for Nonbank U.S. MNC's, U.S. Parents, and MOFA's, by Industry of U.S. Parent, 1989, 1996, and 1997

	MNC's worldwide				Parents				MOFA's				MOFA share of worldwide MNC total (percent)			
	Millions of dollars			Thou- sands	Millions of dollars			Thou- sands	Millions of dollars			Thou- sands	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees
	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees	Gross product	Profit- type return	Capital expendi- tures	Number of employ- ees				
1989																
All industries	1,364,878	251,434	260,488	23,879.4	1,044,884	164,910	201,808	18,765.4	319,994	86,524	58,680	5,114.0	23	34	23	21
Petroleum	165,680	31,337	41,465	786.0	93,128	15,807	26,790	579.8	72,552	15,530	14,675	206.2	44	50	35	26
Manufacturing	793,771	146,963	133,168	13,791.1	586,568	86,214	98,662	10,127.0	207,203	60,749	34,506	3,664.1	26	41	26	27
Food and kindred products	79,472	19,533	11,982	1,473.1	60,310	14,574	9,361	1,135.8	19,162	4,959	2,621	337.3	24	25	22	23
Chemicals and allied products	141,006	38,398	29,341	1,881.1	97,119	23,389	20,295	1,255.0	43,887	15,009	9,046	626.1	31	39	31	33
Primary and fabricated metals	45,775	9,594	7,222	843.2	37,556	6,335	5,402	684.6	8,219	3,259	1,820	158.6	18	34	25	19
Industrial machinery and equipment	116,146	16,242	18,392	1,905.0	70,887	1,799	11,535	1,249.9	45,259	14,443	6,857	655.1	39	89	37	34
Electronic and other electric																
equipment	68,515	12,371	13,594	1,479.4	56,139	9,218	11,004	1,093.3	12,376	3,153	2,590	386.1	18	25	19	26
Transportation equipment	160,292	21,989	24,302	2,851.9	121,141	11,552	18,642	2,104.4	39,151	10,437	5,660	747.5	24	47	23	26
Other manufacturing	182,567	28,839	28,334	3,357.4	143,417	19,347	22,423	2,604.0	39,150	9,492	5,911	753.4	21	33	21	22
Wholesale trade	28,766	5,648	6,074	582.6	22,587	3,176	4,953	434.2	6,179	2,472	1,121	148.4	21	44	18	25
Finance (except depository																
institutions), insurance, and real	62,715	20,221	10,006	1,408.0	50,535	16,406	7,581	1,107.6	12,180	3,815	2,425	300.4	19	19	24	21
estate	66,999	7,767	16,675	2,014.6	57,090	5,949	13,628	1,700.0	9,909	1,818	3,047	314.6	15	23	18	16
Services	246,946	39,495	53,100	5,297.1	234,975	37,358	50,194	4,816.7	11,971	2,137	2,906	480.4	5	5	5	9
Other industries																
1996																
All industries	1,978,948	456,953	340,510	24,866.8	1,480,638	326,666	260,048	18,790.0	498,310	130,287	80,462	6,076.8	25	29	24	24
Petroleum	229,827	51,971	43,267	653.7	125,380	26,752	26,186	475.1	104,447	25,219	17,081	178.6	45	49	39	27
Manufacturing	1,071,324	242,399	162,488	13,043.6	764,725	159,439	114,979	8,959.9	306,599	82,960	47,509	4,083.7	29	34	29	31
Food and kindred products	114,050	33,411	12,637	1,403.9	77,290	24,105	9,331	982.3	36,760	9,306	3,306	421.6	32	28	26	30
Chemicals and allied products	196,665	60,397	30,921	1,706.6	127,284	34,303	20,642	1,022.2	69,381	26,094	10,279	684.4	35	43	33	40
Primary and fabricated metals	58,014	8,793	7,688	799.1	38,420	5,873	5,881	560.9	19,594	2,920	1,807	238.2	34	33	24	30
Industrial machinery and equipment	148,792	32,298	18,817	1,816.5	95,342	17,917	12,485	1,164.6	53,450	14,381	6,332	651.9	36	45	34	36
Electronic and other electric																
equipment	119,637	33,612	29,343	1,737.2	87,732	22,238	21,578	1,181.2	31,905	11,374	7,765	556.0	27	34	26	32
Transportation equipment	215,534	33,848	32,256	2,438.5	168,884	26,186	20,698	1,683.3	46,650	7,662	11,558	755.2	22	23	36	31
Other manufacturing	218,632	40,042	30,827	3,141.8	169,773	28,818	24,364	2,365.4	48,859	11,224	6,463	776.4	22	28	21	25
Wholesale trade	56,708	9,303	10,193	1,039.1	41,753	4,969	8,266	681.9	14,955	4,334	1,927	357.2	26	47	19	34
Finance (except depository																
institutions), insurance, and real	96,029	48,354	14,094	1,286.4	71,797	37,538	11,594	1,069.6	24,232	10,816	2,500	216.8	25	22	18	17
estate	142,684	23,427	21,151	2,997.5	116,126	18,847	17,791	2,421.8	26,558	4,580	3,360	575.7	19	20	16	19
Services	382,376	81,499	89,318	5,846.3	360,857	79,121	81,232	5,181.6	21,519	2,378	8,086	664.7	6	3	9	11
Other industries																
1997																
All industries	2,089,796	484,998	387,148	26,392.8	1,570,490	336,994	298,902	19,867.4	519,306	148,004	88,246	6,525.4	25	31	23	25
Petroleum	229,602	53,556	49,215	660.2	125,214	24,200	30,187	483.2	104,388	29,356	19,028	177.0	45	55	39	27
Manufacturing	1,080,824	248,837	166,815	12,842.8	765,122	154,521	116,314	8,622.7	315,702	94,316	50,501	4,220.1	29	38	30	33
Food and kindred products	107,813	31,681	12,744	1,094.6	69,852	20,092	9,184	732.8	37,961	11,589	3,560	361.8	35	37	28	33
Chemicals and allied products	199,911	61,564	34,843	1,667.2	126,931	33,172	23,258	966.8	72,980	28,392	11,585	700.4	37	46	33	42
Primary and fabricated metals	55,242	9,971	7,188	852.1	41,926	6,942	5,609	611.4	13,316	3,029	1,579	240.7	24	30	22	28
Industrial machinery and equipment	148,586	36,362	20,669	1,838.5	92,094	19,045	14,069	1,103.8	56,492	17,317	6,600	734.7	38	48	32	40
Electronic and other electric																
equipment	127,535	37,272	28,275	1,760.2	94,413	25,986	21,241	1,175.1	33,122	11,286	7,034	585.1	26	30	25	33
Transportation equipment	220,862	36,554	32,156	2,442.9	167,277	24,283	18,823	1,657.6	53,585	12,271	13,333	785.3	24	34	41	32
Other manufacturing	220,876	35,434	30,939	3,187.3	172,630	25,002	24,130	2,375.2	48,246	10,432	6,809	812.1	22	29	22	25
Wholesale trade	69,184	13,503	12,170	1,166.4	51,621	8,000	9,867	756.9	17,563	5,503	2,303	409.5	25	41	19	35
Finance (except depository																
institutions), insurance, and real	106,548	54,011	15,991	1,290.2	81,872	43,991	13,083	1,052.1	24,676	10,020	2,908	238.1	23	19	18	18
estate	160,626	24,611	24,983	3,710.2	130,070	19,993	21,457	3,024.3	30,556	4,618	3,526	685.9	19	19	14	18
Services	443,012	90,481	117,973	6,723.0	416,591	86,290	107,993	5,928.3	26,421	4,191	9,980	794.7	6	5	8	12
Other industries																

MNC Multinational company
MOFA Majority-owned foreign affiliate

Domestic and foreign shares of MNC operations

Worldwide production and the productive resources of U.S. MNC's remained concentrated in the United States: In 1997, U.S. parents accounted for about three-fourths of MNC gross product, capital expenditures, and employment and for over two-thirds of MNC profit-type return. From 1989 to 1997, however, the distribution of gross product and employment shifted slightly from the United States to abroad: The MOFA share of worldwide MNC gross product edged up from

23 percent to 25 percent, and the MOFA share of MNC employment rose from 21 percent to 25 percent (table 2). In contrast, the MOFA share of worldwide MNC profit-type return fell from 34 percent to 31 percent, probably in response to cyclical factors here and abroad that were relatively less favorable to MOFA's in 1997 than in 1989.

By industry, the most significant shift towards foreign operations was in manufacturing: The MOFA share of MNC gross product rose from 26 percent in 1989 to 29 percent in 1997; the MOFA

Table 3.—Origin of Output of Nonbank U.S. MNC's, by Major Industry of U.S. Parent, 1989, 1996, and 1997

	Millions of dollars							Share of total output, in percent			
	Sales to unaffiliated persons	Inventory change	Total output ¹	Gross product			Purchases from outside the MNC ²	Gross product			Purchases from outside the MNC
				Total	U.S. parents	MOFA's		Total	U.S. parents	MOFA's	
1989											
All industries	3,780,150	15,656	3,795,806	1,364,878	1,044,884	319,994	2,430,928	36	28	8	64
Petroleum	454,570	-335	454,235	165,680	93,128	72,552	288,555	36	21	16	64
Manufacturing	1,949,221	10,151	1,959,372	793,771	586,568	207,203	1,165,601	41	30	11	59
Food and kindred products	238,629	-564	238,065	79,472	60,310	19,162	158,593	33	25	8	67
Chemicals and allied products	321,167	1,745	322,912	141,006	97,119	43,887	181,906	44	30	14	56
Primary and fabricated metals	122,068	610	122,678	45,775	37,556	8,219	76,903	37	31	7	63
Industrial machinery and equipment	249,741	2,935	252,676	116,146	70,887	45,259	136,530	46	28	18	54
Electronic and other electric equipment	169,909	1,898	171,807	68,515	56,139	12,376	103,292	40	33	7	60
Transportation equipment	432,713	1,133	433,846	160,292	121,141	39,151	273,554	37	28	9	63
Other manufacturing	414,994	2,395	417,389	182,567	143,417	39,150	234,822	44	34	9	56
Wholesale trade	254,746	1,234	255,980	28,766	22,587	6,179	227,214	11	9	2	89
Finance (except depository institutions), insurance, and real estate	433,328	-1,058	432,270	62,715	50,535	12,180	369,555	15	12	3	85
Services	125,561	545	126,106	66,999	57,090	9,909	59,107	53	45	8	47
Other industries	562,724	5,119	567,843	246,946	234,975	11,971	320,897	43	41	2	57
1996											
All industries	5,646,502	11,484	5,657,986	1,978,948	1,480,638	498,310	3,679,038	35	26	9	65
Petroleum	623,595	838	624,433	229,827	125,380	104,447	394,606	37	20	17	62
Manufacturing	2,800,312	1,832	2,802,144	1,071,324	764,725	306,599	1,730,820	38	27	11	63
Food and kindred products	308,270	-2,656	305,614	114,050	77,290	36,760	191,564	37	25	12	63
Chemicals and allied products	476,671	1,789	478,460	196,665	127,284	69,381	281,795	41	27	15	59
Primary and fabricated metals	142,579	636	143,215	58,014	38,420	19,594	85,201	41	27	14	59
Industrial machinery and equipment	399,720	-1,431	398,289	148,792	95,342	53,450	249,497	37	24	13	63
Electronic and other electric equipment	356,720	3,822	360,542	119,637	87,732	31,905	240,905	33	24	9	67
Transportation equipment	587,987	33	588,020	215,534	168,884	46,650	372,486	37	29	8	63
Other manufacturing	528,363	-362	528,001	218,632	169,773	48,859	309,369	41	32	9	59
Wholesale trade	428,822	5,367	434,189	56,708	41,753	14,955	377,481	13	10	3	87
Finance (except depository institutions), insurance, and real estate	602,021	413	602,434	96,029	71,797	24,232	506,405	16	12	4	84
Services	277,880	738	278,618	142,684	116,126	26,558	135,934	51	42	10	49
Other industries	913,903	2,296	916,199	382,376	360,857	21,519	533,823	42	39	2	58
1997											
All industries	6,068,351	24,765	6,093,116	2,089,796	1,570,490	519,306	4,003,320	34	26	9	66
Petroleum	603,962	-1,157	602,805	229,602	125,214	104,388	373,203	38	21	17	62
Manufacturing	2,899,447	15,525	2,914,972	1,080,824	765,122	315,702	1,834,148	37	26	11	63
Food and kindred products	313,201	772	313,973	107,813	69,852	37,961	206,160	34	22	12	66
Chemicals and allied products	481,990	2,433	484,423	199,911	126,931	72,980	284,512	41	26	15	59
Primary and fabricated metals	153,719	-781	152,938	55,242	41,926	13,316	97,696	36	27	9	64
Industrial machinery and equipment	413,411	-572	412,839	148,586	92,094	56,492	264,253	36	22	14	64
Electronic and other electric equipment	383,665	2,959	386,624	127,535	94,413	33,122	259,089	33	24	9	67
Transportation equipment	623,904	8,370	632,274	220,862	167,277	53,585	411,412	35	26	8	65
Other manufacturing	529,559	2,344	531,903	220,876	172,630	48,246	311,027	42	32	9	58
Wholesale trade	488,712	5,527	494,239	69,184	51,621	17,563	425,055	14	10	4	86
Finance (except depository institutions), insurance, and real estate	655,657	683	656,340	106,548	81,872	24,676	549,792	16	12	4	84
Services	314,483	800	315,283	160,626	130,070	30,556	154,657	51	41	10	49
Other industries	1,106,086	3,387	1,109,473	443,012	416,591	26,421	666,461	40	38	2	60

1. Equals sales to unaffiliated persons plus inventory change; also equals gross product plus purchases from outside the MNC.
 2. Equals total output less gross product. Includes purchases from minority-owned foreign affiliates, which could not be excluded because the necessary data are unavailable.
 MNC Multinational company
 MOFA Majority-owned foreign affiliate

share of MNC capital expenditures rose from 26 percent to 30 percent; and the MOFA share of MNC employment rose from 27 percent to 33 percent.

Production abroad by U.S. MNC's may have been stimulated by new market opportunities and improved business conditions abroad, such as the further integration of the European Union, the end of hyperinflation in Brazil and Argentina, and the economic liberalizations in Eastern Europe.

Origin of output

The output of U.S. MNC's (sales to unaffiliated customers plus inventory change) consists of both the gross product that originates within the MNC's themselves and the gross product that originates elsewhere and is incorporated in the intermediate inputs purchased by MNC's from unaffiliated suppliers. The gross product originating in U.S. MNC's consists of the gross product of both the U.S. parents and their foreign affiliates.

The origins of U.S.-MNC output in 1997 were essentially unchanged from 1989: The share of the output of U.S. MNC's that originated within the MNC's edged down from 36 percent to 34 percent (table 3, column 8). Underlying this stability were offsetting changes by industry. For example, in industrial machinery and equipment, the share of output originating within MNC's decreased from 46 percent to 36 percent.

The share of MNC output that was accounted for by U.S.-parent gross product edged down from 28 percent to 26 percent. The share accounted for by MOFA gross product edged up from 8 percent to 9 percent.

U.S.-MNC-associated trade in goods

In 1997, U.S.-MNC-associated trade—U.S. trade involving U.S. parents, their foreign affiliates, or both—accounted for 63 percent of all U.S. exports of goods and for 40 percent of all U.S. imports of goods (table 4 and chart 2).⁶ U.S. MNC's accounted for a larger share of exports than of imports, partly reflecting the intrafirm sourcing patterns of MNC's; parents tend to be a much more important source of supply to their affiliates than the affiliates are to their parents.

6. MNC-associated trade accounts for an even larger share of U.S. trade in goods if U.S. businesses owned by foreign MNC's are included. In 1996—the latest year for which data are available—U.S. affiliates of foreign MNC's accounted for 22 percent of U.S. exports of goods and 32 percent of U.S. imports of goods. As noted in footnote 4, however, these U.S. affiliate shares overlap the U.S.-MNC shares because some U.S. parents belong to both groups. In 1997, trade by U.S. parents that were also U.S. affiliates of foreign companies accounted for 13 percent of MNC-associated exports and 26 percent of MNC-associated imports. (See the addenda to table 4.)

Of the \$434 billion in U.S.-MNC-associated exports in 1997, 42 percent represented trade between U.S. parents and their foreign affiliates—*intra-MNC trade*—and 58 percent represented U.S.-MNC trade with others. Data on trade by broad product category from the most recent benchmark survey of U.S. direct investment abroad, covering 1994, indicate that most of the *intra-MNC exports* consist of machinery (57 percent of total *intra-MNC exports* in 1994), chemicals (13 percent), and road vehicles and parts (12 percent).⁷ Of the \$251 billion in MNC trade with

7. In the 1994 benchmark survey, exports and imports of U.S. parents and majority-owned foreign affiliates were desegregated into 12 product categories on the basis of the *Standard International Trade Classification, Revision 2*, United Nations Statistical Papers, ser. M, no. 34 (New York: United Nations, 1975).

Table 4.—U.S. Trade in Goods Associated with Nonbank U.S. MNC's, 1989, 1996, and 1997

[Millions of dollars, unless otherwise noted]

Line		1989	1996	1997
1	MNC-associated U.S. exports, total	236,371	405,721	433,978
2	Intra-MNC trade	89,539	161,751	183,062
3	Shipped by U.S. parents to their MOFA's	86,050	161,359	181,115
4	Shipped by U.S. parents to their other foreign affiliates	3,489	392	1,947
5	MNC trade with others	146,832	243,970	250,916
6	Shipped by U.S. parents to foreigners other than their own affiliates	133,813	211,692	218,227
	<i>Of which:</i>			
7	Shipped by U.S. parents to their foreign parent groups	10,413	22,627	20,720
8	Shipped to foreign affiliates by U.S. persons other than their own parents	13,019	32,278	32,689
9	To MOFA's	11,437	26,601	27,426
10	To other foreign affiliates	1,582	5,677	5,263
11	MNC-associated U.S. imports, total	201,182	326,200	349,926
12	Intra-MNC trade	77,307	137,160	147,405
13	Shipped by MOFA's to their U.S. parents	71,283	133,388	145,434
14	Shipped by other foreign affiliates to their U.S. parents	6,024	3,772	1,971
15	MNC trade with others	123,875	189,040	202,521
16	Shipped to U.S. parents by foreigners other than their own affiliates	103,788	161,427	171,230
	<i>Of which:</i>			
17	Shipped to U.S. parents by their foreign parent groups	32,398	61,893	63,974
18	Shipped by foreign affiliates to U.S. persons other than their own parents	20,087	27,613	31,291
19	By MOFA's	13,015	18,939	21,335
20	By other foreign affiliates	7,072	8,674	9,956
	Addenda:			
21	All U.S. exports of goods	363,836	625,075	689,182
22	U.S.-MNC-associated U.S. exports as a percentage of total (line 1/ line 21) * 100	65	65	63
23	Intra-U.S.-MNC exports as a percentage of total (line 2/ line 21) * 100	25	26	27
24	All U.S. imports of goods	473,647	795,289	870,671
25	U.S.-MNC-associated U.S. imports as a percentage of total (line 11/ line 24) * 100	42	41	40
26	Intra-U.S.-MNC imports as a percentage of total (line 12/ line 24) * 100	16	17	17
27	U.S. exports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies	n.a.	60,341	56,953
28	U.S. imports of goods by U.S. parent companies that are also U.S. affiliates of foreign companies	n.a.	86,920	91,345

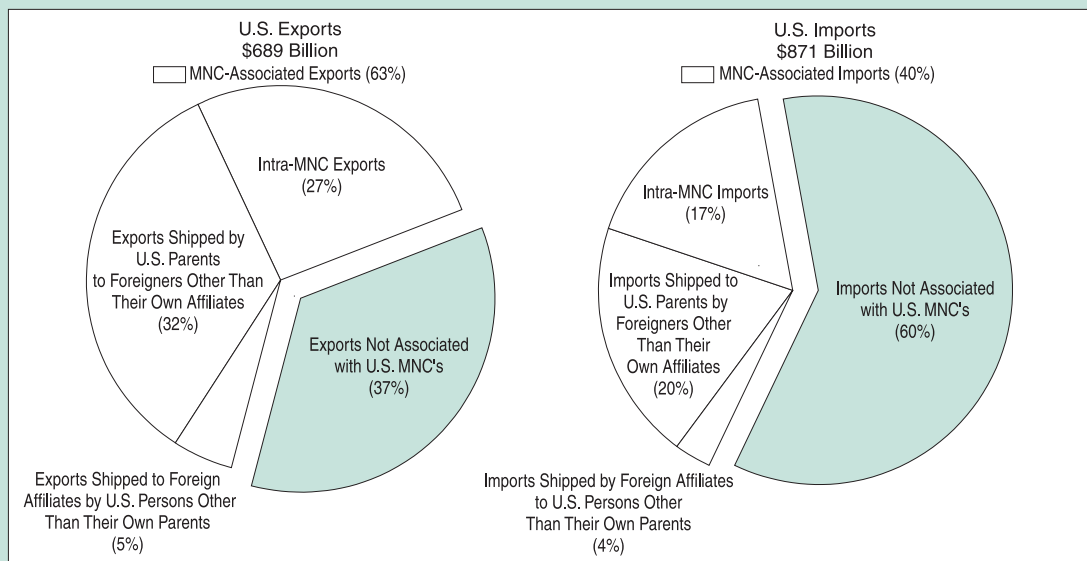
MNC Multinational company
MOFA Majority-owned foreign affiliate
n.a. Not available.

others, 87 percent represented exports shipped by U.S. parents to foreigners other than their foreign affiliates, and 13 percent represented exports shipped to foreign affiliates by U.S. persons other than their U.S. parents. Data from the 1994 benchmark survey indicate that U.S. parents' exports to foreigners other than their foreign affiliates consist mainly of machinery (27 percent in 1994), "other" transportation equipment, mainly aircraft (14 percent), and chemicals (12 percent) and that exports shipped to foreign affiliates by U.S. persons other than U.S. parents consist mainly of machinery (53 percent).

Of the \$350 billion in U.S.-MNC-associated imports of goods in 1996, 42 percent represented intra-U.S.-MNC trade, and 58 percent represented U.S.-MNC trade with others. Data from the 1994 benchmark survey indicate that most of the intra-MNC imports consist of road vehicles and parts (38 percent in 1994) and machinery (37 percent). Of the \$203 billion in MNC trade with others, 85 percent represented imports shipped to U.S. parents by foreigners other than their foreign affiliates, and 16 percent represented imports shipped by foreign affiliates to U.S. persons other than their U.S. parents. Data from the

CHART 2

U.S. Trade in Goods Associated with U.S. Multinational Companies in 1997



MNC Multinational company
 U.S. Department of Commerce, Bureau of Economic Analysis

Data Availability

This article presents a summary of the preliminary estimates of the worldwide operations of U.S. multinational companies (MNC's) from the 1997 Annual Survey of U.S. Direct Investment Abroad and the final estimates from the 1996 Annual Survey of U.S. Direct Investment Abroad. More detailed estimates, including the gross product estimates, will be available later this year on BEA's Web site, on diskettes, and in printed publications; availability will be announced on the inside back cover of the SURVEY OF CURRENT BUSINESS.

The most recent benchmark survey results, for 1994, are available on BEA's Web site, on diskette, and in the publication *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results*.

Detailed estimates of U.S.-MNC operations for 1983-93 and 1995 and preliminary estimates for 1996 are available on BEA's Web site (go to <www.bea.doc.gov>, and click on *Catalog of Products*) and on diskettes.

For information on the diskette products, see the *Catalog of Products*, or call 1-800-704-0415 (outside the United States, call 202-606-9666) for a copy of the catalog.

For information on publications, see the Product Guide of the International Investment Division on the Web site, or write to the International Investment Division, BE-50, Bureau of Economic Analysis, Washington, DC 20230. Among the recent publications is a collection of BEA studies on international direct investment; see the inside back cover of the SURVEY.

1994 benchmark survey indicate that U.S. parents' imports from foreigners other than their foreign affiliates consist mainly of machinery (35 percent in 1994), petroleum and coal products (15 percent) and "other" manufactures (15 percent) and that U.S. imports shipped by foreign affiliates to unaffiliated U.S. persons consist mainly of petroleum (27 percent), other manufactures (19 percent), and machinery (18 percent).

U.S. Parents' Operations

This section examines the following selected aspects of the domestic (U.S.-parent) operations of U.S. MNC's: The change in U.S.-parent gross product by industry and by source of change in 1996-97; the U.S.-parent share of private GDP in 1989 and 1997; and the origin of U.S.-parent output in 1989 and 1997.

Changes in gross product

The gross product of all U.S. parents increased 6.1 percent in 1997, to \$1,570 billion, compared with an average annual increase of 5.1 percent in 1989-96 (table 5).

By industry.—In 1997, U.S.-parent gross product increased most rapidly in wholesale trade (23.6 percent), in "other" industries (15.4 percent), in finance (except depository institutions), insurance, and real estate (14.0 percent), and in services (12.0 percent).⁸ U.S.-parent gross product decreased in manufacturing industries; the

8. "Other" industries consists of agriculture, forestry, and fishing; mining; construction; transportation; communication; electric, gas, and sanitary services; and retail trade.

decreases were particularly sharp in food and in industrial machinery.

The increase in wholesale trade primarily reflected increased sales to meet strong demand. This increase and the decrease in manufacturing also reflected the reclassification of some U.S. parent companies from manufacturing to wholesale trade.⁹ The increase in "other" industries was concentrated in electric, gas, and sanitary services and in retail trade, mainly reflecting the entry of U.S. companies that acquired or established their first foreign affiliate in 1997. The increase in finance (except depository institutions), insurance, and real estate primarily reflected increased revenues as a result of favorable financial market conditions. The increase in services mainly reflected the entry of new parent companies, but it also reflected increased sales to meet strong demand for new products, such as enhanced computer software.

By source of change.—In 1997, the gross product of U.S. parents increased \$89.9 billion; \$53.4 billion of this increase was attributable to changes in the operations of U.S. companies that were parents in both 1996 and 1997 (table 6). Even so, the \$22.3 billion that was attributable to the entry of new parent companies was much stronger in 1997 than in 1995 or 1996 and largely reflected the

9. Each U.S. parent is classified in the industry that accounts for the largest portion of its sales or, for holding companies, its total income. Many U.S. parents are involved in a variety of business activities; changes in the mix of these activities can cause a parent's industry classification to change, but reclassifications due to minor or temporary shifts in industry mix are avoided. A parent is reclassified by industry only if the change in the primary activity from the prior year is significant or if the change has occurred for 2 successive years.

The change of a parent company's industry from manufacturing to wholesale trade is related to the percentage of that parent's output originating within the parent itself. Parents classified in manufacturing are primarily engaged in the transformation of materials or substances into new products, and parents classified in wholesale trade are engaged in selling merchandise produced by others to businesses.

Table 5.—Gross Product of Nonbank U.S. Parents by Major Industry for 1989, 1996, and 1997

	Millions of dollars				Percent change at annual rates	
	1989	1996	1997	Change, 1996-97	1989-96	1996-97
	All industries	1,044,884	1,480,638	1,570,490	89,852	5.1	6.1
Petroleum	93,128	125,380	125,214	-166	4.3	-0.1
Manufacturing	586,568	764,725	765,122	397	3.8	0.1
Food and kindred products	60,310	77,290	69,852	-7,438	3.6	-9.6
Chemicals and allied products	97,119	127,284	126,931	-353	3.9	-0.3
Primary and fabricated metals	37,556	38,420	41,926	3,506	0.3	9.1
Industrial machinery and equipment	70,887	95,342	92,094	-3,248	4.3	-3.4
Electronic and other electric equipment	56,139	87,732	94,413	6,681	6.5	7.6
Transportation equipment	121,141	168,884	167,277	-1,607	4.8	-1.0
Other manufacturing	143,417	169,773	172,630	2,857	2.4	1.7
Wholesale trade	22,587	41,753	51,621	9,868	9.1	23.6
Finance (except depository institutions), insurance, and real estate	50,535	71,797	81,872	10,075	5.1	14.0
Services	57,090	116,126	130,070	13,944	10.6	12.0
Other industries	234,975	360,857	416,591	55,734	6.3	15.4

Table 6.—Sources of Change in Gross Product for Nonbank U.S. Parents, 1996-97

Line		Millions of dollars
1	1996 level	1,480,638
2	Total change	89,852
3	New parents ¹	22,253
4	Changes in operations ²	53,442
5	Parents departing the universe ³	-4,905
6	Other changes ⁴	19,062
7	1997 level	1,570,490

1. Parents that established or acquired their first foreign affiliate in 1997.

2. Consists of changes in existing operations and changes resulting from parents acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA generally requires survey respondents to fully consolidate their parent operations.

3. Parents that sold or liquidated their last foreign affiliate in 1997.

4. Equals the change in the gross product of parents not accounted for in lines 3-5. It includes changes resulting from the addition to the survey universe of parents that were required to report in earlier years but did not.

entry of new parents in electric, gas, and sanitary services and in retail trade.

U.S.-parent shares of private GDP

The gross product of U.S. parents accounted for 26 percent of the gross product of all private U.S. businesses in 1997, the same as in 1989 and in 1996 (table 7).¹⁰ The U.S.-parent share was highest in manufacturing, partly reflecting the firm-specific advantages (such as superior production or marketing techniques) of U.S. manufacturers that allow them to overcome the additional costs entailed in producing in foreign markets.

The U.S.-parent share in services remained low. U.S. direct investment in some service industries may be inhibited by the structure of the industries in some host countries. For example, U.S. direct investment in health care services is constrained or precluded in countries where the government plays a prominent role in the delivery of health care. In addition, some service industries that are characterized by small-scale production (such as dry cleaners and hair stylists) may lack the firm-specific advantages that often

provide the basis for direct investment in other industries.

Although the overall U.S.-parent share of the gross product of private U.S. businesses was stable from 1989 to 1997, there were offsetting changes among industries: The U.S.-parent share in manufacturing decreased from 63 percent to 60 percent; the share in services increased from 6 percent to 8 percent; and the share in all other industries combined increased from 16 percent to 19 percent.

The increase in services partly reflects the entry of new U.S. parent companies. These additions have been widespread across service industries, but they have been pronounced in computer and data processing services, motion pictures, and management and public relations services.

Origin of output

The output of U.S. parents consists of both the gross product that originates within the parents themselves and the gross product that originates elsewhere and is incorporated in the intermediate inputs purchased by parents from foreign affiliates and from unaffiliated suppliers.

In 1997, gross product originating in U.S. parents accounted for 32 percent of parent output, compared with 33 percent in 1989 (table 8, column 11). The industries with the highest shares were services, "other" industries (mainly communication and electric and gas utilities), and "other" manufacturing (mainly instruments and related products). The share in services is high partly because the production of services tends to be labor-intensive and is not as easily outsourced as the production of goods. The high share in

10. Generally, at the all-industries level, the estimates of U.S.-parent gross product are conceptually consistent with the estimates of gross product for all U.S. businesses in the national income and product accounts. However, for individual industries, inconsistencies may result from differences in the basis for the industrial distribution of the estimates. The industrial distributions of gross product for all U.S. businesses are based on data collected from establishments, which are classified by the principal product or service produced at each establishment, whereas the industrial distributions of U.S.-parent gross product are based on data collected from enterprises (companies), which are classified by the principal product or service produced by all of their establishments combined. Because the establishments of large companies usually are classified in several industries, the distributions of data by industry of establishment can differ significantly from those by industry of enterprise. In this article, U.S.-parent gross product as a share of the gross product for all private U.S. businesses is computed only at the highly aggregated level shown in table 7.

Table 7.—Gross Product of Nonbank U.S. Parents and Gross Product of All Nonbank U.S. Private Businesses by Major Industry for 1989, 1996, and 1997

	Millions of dollars						Percent		
	1989		1996		1997		U.S.-parent share of gross product of all private U.S. businesses		
	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	Gross product of U.S. parents	Gross product of all private U.S. businesses ¹	1989	1996	1997
All industries	1,044,884	4,056,084	1,480,638	5,767,362	1,570,490	6,123,014	26	26	26
Manufacturing	671,911	1,074,173	870,152	1,383,354	873,403	1,458,196	63	63	60
Services	57,524	952,060	118,123	1,525,018	133,809	1,637,507	6	8	8
All other industries	315,449	2,029,851	492,363	2,858,990	563,278	3,027,311	16	17	19

1. For improved comparability with U.S.-parent gross product, gross product of all private U.S. businesses was adjusted to remove categories not applicable to nonbank U.S. parents—such as gross product of depository institutions. In addition, housing product of owner-occupied farm housing (part of farm product) and nonfarm housing product (part of real estate product) were removed because U.S. parents are not involved in these activities. Business transfer payments were also removed because few U.S. parents are in industries that receive most of the business transfer payments in the United States.

NOTE.—In this table, petroleum is not shown as a separate major industry. Instead, in order to be consistent with the all-U.S. data on gross product originating by industry, U.S. parent gross product in the various petroleum subindustries is distributed among the other major industries.

Thus, manufacturing includes petroleum and coal products; "all other industries" includes petroleum wholesale trade, gasoline service stations, petroleum tanker operations, pipelines, and storage; and services includes oil and gas field services. A significant portion of U.S.-parent gross product in petroleum and coal products is accounted for by integrated petroleum companies that have, in addition to their manufacturing activities, significant petroleum extraction activities; because the extraction activities cannot be identified separately in the U.S.-parent data, and to improve comparability between the estimates for U.S. parents and those for all U.S. businesses, they are included in manufacturing. For consistency, gross product estimates for the "oil and gas extraction without refining" industry are also included in manufacturing rather than in "all other industries," which includes mining.

communications and in electric and gas utilities partly reflects industry regulations that have historically granted exclusive production and distribution rights to a few large companies. The high share in instruments and related products may partly reflect the proprietary knowledge that is embodied in these products and that firms may protect by internalizing production.

In manufacturing, the origin of U.S.-parent output shifted away from internal production, as the share of U.S.-parent output that was accounted for by their own gross product decreased from 38 percent to 34 percent; the shift was pronounced for parents in industrial machinery, particularly in computers and components, and in electric equipment, particularly in consumer

Table 8.—Origin of Output of Nonbank U.S. Parents, by Major Industry, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent			
	Sales	Inventory change	Total output ¹	Gross product	Total ²	Purchases				Addendum: Local content of output ⁵	U.S. parent gross product	Imports of goods from foreign affiliates	Purchases from outside the MNC	Addendum: Local content
						Imports of goods			Other ⁴					
						Total	Shipped by foreign affiliates ³	Shipped by unaffiliated foreign persons						
1989														
All industries	3,136,837	13,474	3,150,311	1,044,884	2,105,427	178,526	74,738	103,788	1,926,901	2,971,785	33	2	64	94
Petroleum	328,989	-464	328,525	93,128	235,397	25,976	7,789	18,187	209,421	302,549	28	2	69	92
Manufacturing	1,553,374	6,945	1,560,319	586,568	973,751	106,532	61,122	45,410	867,219	1,453,787	38	4	58	93
Food and kindred products	190,617	254	190,871	60,310	130,561	3,609	966	2,643	126,952	187,262	32	1	68	98
Chemicals and allied products	235,731	817	236,548	97,119	139,429	11,783	3,708	8,075	127,646	224,765	41	2	57	95
Primary and fabricated metals	104,727	346	105,073	37,556	67,517	5,665	2,088	3,577	61,852	99,408	36	2	62	95
Industrial machinery and equipment	171,239	1,447	172,686	70,887	101,799	16,660	11,763	4,897	85,139	156,026	41	7	52	90
Electronic and other electric equipment	146,277	1,132	147,409	56,139	91,270	13,169	5,382	7,787	78,101	134,240	38	4	58	91
Transportation equipment	361,979	1,181	363,160	121,141	242,019	44,973	31,808	13,165	197,046	318,187	33	9	58	88
Other manufacturing	342,804	1,768	344,572	143,417	201,155	10,674	5,407	5,267	190,481	333,898	42	2	57	97
Wholesale trade	226,707	1,249	227,956	22,587	205,369	34,644	2,492	32,152	170,725	193,312	10	1	89	85
Finance (except depository institutions), insurance, and real estate	394,461	1,238	395,699	50,535	345,164	(^P)	(^P)	357	(^P)	(^P)	13	(^P)	(^P)	(^P)
Services	106,517	214	106,731	57,090	49,641	508	219	289	49,133	106,223	53	54	46	100
Other industries	526,789	4,292	531,081	234,975	296,106	(^P)	(^P)	7,393	(^P)	(^P)	44	(^P)	(^P)	(^P)
1996														
All industries	4,478,970	6,785	4,485,755	1,480,638	3,005,117	298,587	137,160	161,427	2,706,530	4,187,168	33	3	64	93
Petroleum	428,067	-113	427,954	125,380	302,574	44,976	8,140	36,836	257,598	382,978	29	2	69	89
Manufacturing	2,119,731	2,346	2,122,077	764,725	1,357,352	191,858	120,380	71,478	1,165,494	1,930,219	36	6	58	91
Food and kindred products	223,293	362	223,655	77,290	146,365	4,816	1,368	3,448	141,549	218,839	35	1	65	98
Chemicals and allied products	326,770	902	327,672	127,284	200,388	20,069	7,614	12,455	180,319	307,603	39	2	59	94
Primary and fabricated metals	115,037	581	115,618	38,420	77,198	5,705	2,332	3,373	71,493	109,913	33	2	65	95
Industrial machinery and equipment	269,979	-949	269,030	95,342	173,688	38,035	29,462	8,573	135,653	230,995	35	11	54	86
Electronic and other electric equipment	281,920	2,904	284,824	87,732	197,092	34,974	15,108	19,866	162,118	249,850	31	5	64	88
Transportation equipment	489,143	-412	488,731	168,884	319,847	71,154	56,843	14,311	248,693	417,577	35	12	54	85
Other manufacturing	413,588	-1,042	412,546	169,773	242,773	17,106	7,654	9,452	225,667	395,440	41	2	57	96
Wholesale trade	349,012	342	349,354	41,753	307,601	46,358	6,004	40,354	261,243	302,996	12	2	86	87
Finance (except depository institutions), insurance, and real estate	517,346	174	517,520	71,797	445,723	(^P)	([*])	(^P)	(^P)	(^P)	14	(^P)	(^P)	(^P)
Services	220,137	693	220,830	116,126	104,704	(^P)	445	(^P)	(^P)	(^P)	53	(^P)	(^P)	(^P)
Other industries	844,677	3,342	848,019	360,857	487,162	14,097	2,190	11,907	473,065	833,922	43	([*])	57	98
1997														
All industries	4,859,568	23,406	4,882,974	1,570,490	3,312,484	318,635	147,405	171,230	2,993,849	4,564,339	32	3	65	93
Petroleum	412,833	-120	412,713	125,214	287,499	43,170	8,523	34,647	244,329	369,543	30	2	68	90
Manufacturing	2,233,109	16,799	2,249,908	765,122	1,484,786	206,060	127,870	78,190	1,278,726	2,043,848	34	6	60	91
Food and kindred products	226,871	1,132	228,003	69,852	158,151	4,753	1,824	2,929	153,398	223,250	31	1	69	98
Chemicals and allied products	331,127	1,051	332,178	126,931	205,247	23,042	10,254	12,788	182,205	309,136	38	3	59	93
Primary and fabricated metals	126,882	243	127,125	41,926	85,199	5,999	2,778	3,221	79,200	121,126	33	2	65	95
Industrial machinery and equipment	296,209	191	296,400	92,094	204,306	38,128	29,346	8,782	166,178	258,272	31	10	59	87
Electronic and other electric equipment	307,526	2,736	310,262	94,413	215,849	37,717	16,558	21,159	178,132	272,545	30	5	64	88
Transportation equipment	524,935	8,882	533,817	167,277	366,540	76,488	58,598	17,890	290,052	457,329	31	11	58	86
Other manufacturing	419,558	2,564	422,122	172,630	249,492	19,933	8,512	11,421	229,559	402,189	41	2	57	95
Wholesale trade	396,163	3,236	399,399	51,621	347,778	50,404	7,957	42,447	297,374	348,995	13	2	85	87
Finance (except depository institutions), insurance, and real estate	552,886	185	553,071	81,872	471,199	(^P)	([*])	(^P)	(^P)	(^P)	15	(^P)	(^P)	(^P)
Services	249,348	735	250,083	130,070	120,013	(^P)	434	(^P)	(^P)	(^P)	52	(^P)	(^P)	(^P)
Other industries	1,015,230	2,571	1,017,801	416,591	601,210	17,552	2,620	14,932	583,658	1,000,249	41	([*])	59	98

* Less than \$500,000 or 0.5 percent.

^P Suppressed to avoid disclosure of data of individual companies.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on parents' forms.

4. Includes purchases of goods and services from U.S. residents and purchases of services from foreign resi-

dents.

5. Equals gross product plus "other" purchases. The local content of output is overstated to the extent that "other" purchases include imported services and that imported goods and services are embodied in purchases from domestic suppliers. (These items were not reported separately and thus could not be identified and included in foreign content.)

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electronics. In these industries, the movement to unaffiliated suppliers was partly in response to increased global competition; to improve their competitiveness, parents specialized in areas in which they had an advantage and relied on unaffiliated suppliers for other inputs or finished products.

In petroleum, the origin of U.S.-parent output shifted slightly toward internal production. The share of U.S.-parent output that was accounted for by the parents' gross product edged up from 28 percent to 30 percent.

The share of U.S. parents' output that was accounted for by local (U.S.) content—U.S.-parent gross product and purchases from U.S. suppliers—was 93 percent in 1997, compared with 94 percent in 1989. The industries with the highest U.S. content were services (100 percent) and food and kindred products (98 percent).¹¹ The high share in services partly reflects the tendency towards internal production. The share in food and kindred products is high partly because the United States is a major agricultural producer, so most of the inputs are available locally at competitive prices.

In wholesale trade, the local-content share of the output of U.S. parents edged up from 85 percent to 87 percent. (In this industry, local content consists primarily of purchases from do-

mestic sources.) In manufacturing, the share edged down from 93 percent to 91 percent. In petroleum, it edged down from 92 percent to 90 percent.

Foreign Affiliates' Operations

This section examines selected aspects of the foreign (foreign-affiliate) operations of U.S. MNC's. First, the 1996-97 change in employment by all affiliates is examined, and the patterns of newly acquired or established affiliates in 1997 are presented. The remainder of the section focuses on selected aspects of the operations of majority-owned foreign affiliates (MOFA's).

All affiliates

The broadest measures of the foreign operations of U.S. MNC's cover all affiliates, regardless of the degree of U.S. ownership. The discussion of all-affiliate operations uses data on employment because estimates of gross product are available only for MOFA's.

The total employment of nonbank foreign affiliates increased 6.3 percent to 8.0 million in 1997, compared with an average annual increase of 1.9 percent in 1989-96 (table 9). The unusually large increase reflected both new investments and the expansion of existing operations in industries—such as personnel supply services, computer component assembly, and telephone utilities—that typically employ many workers.

Table 9.—Employment by Nonbank Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1996, and 1997

	Thousands of employees				Percent change, at annual rates	
	1989	1996	1997	Change, 1996-97	1989-96	1996-97
	All areas, all industries	6,622.1	7,544.1	8,018.0	473.9	1.9	6.3
By major area						
Canada	955.2	920.5	941.9	21.4	-0.5	2.3
Europe	2,699.1	3,167.0	3,333.9	166.9	2.3	5.3
Latin America and Other Western Hemisphere	1,307.9	1,529.2	1,629.2	100.0	2.3	6.5
Africa	116.8	121.6	186.6	65.0	0.6	53.5
Middle East	92.0	77.8	77.4	-0.4	-2.4	-0.5
Asia and Pacific	1,422.0	1,715.1	1,835.8	120.7	2.7	7.0
International ¹	29.1	12.9	13.2	0.3	-11.0	2.3
By major industry						
Petroleum	285.2	232.9	226.1	-6.8	-2.9	-2.9
Manufacturing	4,191.1	4,392.6	4,592.9	200.3	0.7	4.6
Food and kindred products	483.5	563.6	598.0	34.4	2.2	6.1
Chemicals and allied products	580.4	614.1	622.4	8.3	0.8	1.4
Primary and fabricated metals	222.9	245.1	244.7	-0.4	1.4	-0.2
Industrial machinery and equipment	557.4	542.9	634.1	91.2	-0.4	16.8
Electronic and other electric equipment	659.7	713.5	774.5	61.0	1.1	8.5
Transportation equipment	823.2	705.4	724.2	18.8	-2.2	2.7
Other manufacturing	863.9	1,008.0	995.0	-13.0	2.2	-1.3
Wholesale trade	533.2	558.1	588.0	29.9	0.7	5.4
Finance (except depository institutions), insurance, and real estate	165.7	193.0	218.8	25.8	2.2	13.4
Services	481.5	837.7	988.9	151.2	8.2	18.0
Other industries	965.3	1,329.7	1,403.3	73.6	4.7	5.5

1. 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.

The increase was widespread by geographic area. By industry, most of the increase was accounted for by affiliates in manufacturing and in services.

Newly acquired or established affiliates.—In 1997, 489 new affiliates were acquired or established by U.S. MNC's, up significantly from 294 in 1995 and 413 in 1996 (table 10). These affiliates had a combined employment of 228,000, up from 138,000 in 1995 and 150,000 in 1996. The rapid increase in new investments in 1995–97 partly reflected the new investment opportunities and the improved business climates created by economic and legal changes, such as the privatization of electric utilities in the United Kingdom and Australia, the liberalization of foreign direct investment policies, the end of hyperinflation in Brazil and Argentina, and the reinstatement of the U.S. foreign tax credit on investment in South Africa.

In 1997, new affiliates continued to be primarily located in high-wage countries. These affiliates accounted for 71 percent of all new affiliates and for 59 percent of their employment. This large share suggests that U.S. direct investment abroad tends to be attracted more by access to large and prosperous markets than by access to low-wage labor. The United Kingdom, Germany, and

France were among the high-wage countries that attracted significant amounts of new investment in 1997.

Low-wage countries have nevertheless been attracting a rising proportion of the new investments. Their share of new investments rose steadily from 18 percent in 1989 to 30 percent in 1996 before slipping to 29 percent in 1997. South Africa, Brazil, and China were among the low-wage countries that attracted relatively large amounts of new investment in 1997.

Manufacturing continued to be the primary industry for new investments. In 1997, it accounted for 35 percent of all new affiliates and for 41 percent of their employment. "Other industries" also accounted for some large new investments; for example, some U.S. providers of electric power and telecommunications services acquired foreign affiliates as a result of host-country privatizations.

Majority-owned foreign affiliates

In 1997, majority-owned foreign affiliates (MOFA's) accounted for 90 percent of all foreign affiliates. The MOFA share of the employment of all affiliates was 81 percent, up from 77 percent in 1989 (table 1). These high percentages are consistent with the "internalization" theory of the origins of MNC's, which suggests that MNC's tend to have

Table 10.—Newly Acquired or Established Nonbank Foreign Affiliates by Major Area and Industry of Affiliate, 1997

	Number of newly acquired and established affiliates			Millions of dollars		Thousands of employees
	Total	Acquired	Established	Total assets	Sales	
All areas, all industries	489	241	248	129,189	41,129	227.7
By major area						
Canada	28	18	10	4,389	1,361	13.4
Europe	265	145	120	84,115	28,115	115.8
Latin America and Other Western Hemisphere	99	36	63	18,113	3,892	16.2
Africa	8	4	4	5,626	4,097	54.0
Middle East	2	2	0	79	71	0.6
Asia and Pacific	87	36	51	16,867	3,593	27.8
International ¹	0	0	0	0	0	0.0
Addenda ² :						
High-wage country sample	284	151	133	93,889	29,974	127.8
Low-wage country sample	115	59	56	25,639	9,933	89.0
Non-sample countries	90	31	59	9,661	1,222	10.9
By major industry						
Petroleum	20	10	10	7,076	656	2.0
Manufacturing	173	120	53	18,892	12,171	92.7
Food and kindred products	10	4	6	2,589	1,800	11.1
Chemicals and allied products	33	22	11	3,698	1,530	15.3
Primary and fabricated metals	32	27	5	2,088	953	10.8
Industrial machinery and equipment	31	25	6	3,777	2,367	16.4
Electronic and other electric equipment	14	5	9	485	633	5.8
Transportation equipment	14	8	6	2,438	2,016	11.5
Other manufacturing	39	29	10	3,818	2,872	21.7
Wholesale trade	55	32	23	3,640	4,798	6.1
Finance (except depository institutions), insurance, and real estate	126	30	96	45,588	2,966	6.7
Services	51	14	37	5,050	2,226	20.6
Other industries	64	35	29	48,943	18,312	99.7

1. See footnote 1 to table 9.

2. The distinction between "high-wage" countries and "low-wage" countries is based on estimates of average hourly wages of production workers of majority-owned foreign affiliates (MOFA's) in manufacturing; the estimates were derived from data collected in the 1994 benchmark survey of U.S. direct investment abroad. To ensure the significance of the data underlying this distinction,

the analysis is restricted to host countries in which employment by manufacturing MOFA's totalled at least 10,000 employees in 1994.

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.

firm-specific advantages that must be preserved by strict control of operations.¹²

In all but 20 host countries, more than three-fourths of all affiliates are majority owned. Saudi Arabia, at 43 percent, and Israel, at 56 percent, are among the countries that had a relatively low percentage of MOFA's in 1997. In some countries, laws constrain, or have constrained, the level of foreign ownership of domestic businesses or have assessed lower taxes on, or provided other benefits to, businesses that have majority local ownership.

In India, the percentage of MOFA's was relatively low, at 58 percent, in 1997, but it was up substantially from 22 percent in 1989. The rapid rise in the MOFA share partly reflected the Indian Government's New Industrial Policy, adopted in 1991, which significantly liberalized the country's foreign direct investment policy. One change raised the maximum permitted foreign ownership of newly acquired or established Indian businesses to 51 percent in most sectors. Despite these changes, the share of the Indian economy accounted for by production by MOFA's remained

relatively low in 1997. (For details, see the section "MOFA share of host-country GDP.")

Changes in gross product.—The gross product of MOFA's increased 4.2 percent in 1997, to \$519.3 billion, compared with an average annual increase of 6.5 percent in 1989–96 (table 11). The slowdown was primarily accounted for by affiliates in Europe and in Asia and Pacific, and it mainly reflected a substantial decline in the U.S.-dollar price of foreign currencies. In contrast, MOFA gross product in Latin America and Other Western Hemisphere, Canada, and Africa grew faster in 1997 than in 1989–96. The increase in Latin America and Other Western Hemisphere was strong enough to overcome the dampening effect of the significant appreciation of the U.S. dollar against the two primary currencies in the region—the Brazilian real and the Mexican peso; the increase was widespread across industries, reflecting robust economic conditions in the host countries and the addition of newly acquired or established MOFA's. In Canada, the increase was concentrated in transportation equipment manufacturing and largely reflected increased production to meet strong demand in the United States. In Africa, the increase was concentrated in manufacturing and mainly reflected newly established affiliates in South Africa. In Eastern Europe, affiliate operations continued to grow rapidly, but they remained quite small; MOFA gross product in this area increased

12. According to this theory, these advantages, such as superior production or marketing techniques, are necessary so that MNC's can overcome the various barriers to investing abroad, such as foreign languages and unfamiliar business environments.

For a discussion of this theory, see Stephen H. Hymer, *The International Operations of National Firms* (Cambridge, MA: MIT Press, 1976). For a recent appraisal of the theory, see John H. Dunning and Alan M. Rugman, "The Influence of Hymer's Dissertation on the Theory of Foreign Direct Investment" in *The Theory of Multinational Enterprises*, vol. 1 (Cheltenham, United Kingdom: Edward Elgar Publishing, 1996).

Table 11.—Gross Product of Nonbank Majority-Owned Foreign Affiliates, by Major Area and Industry of Affiliate, 1989, 1996, and 1997

	Millions of dollars				Percent change at annual rates	
	1989	1996	1997	Change, 1996–97	1989–96	1996–97
All areas, all industries	319,994	498,310	519,306	20,996	6.5	4.2
By major area						
Canada	52,114	53,783	57,554	3,771	0.5	7.0
Europe	179,758	291,732	297,604	5,872	7.2	2.0
Latin America and Other Western Hemisphere	29,601	51,965	60,579	8,614	8.4	16.6
Africa	5,299	8,248	8,875	627	6.5	7.6
Middle East	4,891	4,552	4,322	-230	-1.0	-5.1
Asia and Pacific	46,875	86,168	88,943	2,775	9.1	3.2
International ¹	1,457	1,862	1,429	-433	3.6	-23.3
By major industry						
Petroleum	77,195	109,870	110,818	948	5.2	0.9
Manufacturing	172,008	250,351	256,442	6,091	5.5	2.4
Food and kindred products	13,643	24,437	25,579	1,142	8.7	4.7
Chemicals and allied products	32,059	50,478	52,987	2,509	6.7	5.0
Primary and fabricated metals	7,623	11,002	11,549	547	5.4	5.0
Industrial machinery and equipment	30,430	37,023	37,318	295	2.8	0.8
Electronic and other electric equipment	12,646	23,345	26,183	2,838	9.2	12.2
Transportation equipment	33,764	37,809	43,471	5,662	1.6	15.0
Other manufacturing	41,843	66,257	59,355	-6,902	6.8	-10.4
Wholesale trade	37,947	54,472	56,446	1,974	5.3	3.6
Finance (except depository institutions), insurance and real estate	3,439	17,161	21,441	4,280	25.8	24.9
Services	14,612	37,840	44,292	6,452	14.6	17.1
Other industries	14,793	28,617	29,866	1,249	9.9	4.4

1. See footnote 1 to table 9.

26.7 percent, to \$3.9 billion, but the level was only 1 percent as large as that in Western Europe.

By industry, affiliates in services and manufacturing accounted for most of the increase in MOFA gross product.

In 1997, \$14.3 billion of the \$21.0 billion increase in MOFA gross product was attributable to changes in existing operations (table 12). The entry of new MOFA's contributed \$7.0 billion, up significantly from 1996.

MOFA share of host-country GDP.—In 1997, the gross product of MOFA's accounted for 7 percent or more of the gross domestic product (GDP) of four of the host countries shown in table 13: Ireland (17 percent), Singapore (9 percent), Canada (9 percent), and the United Kingdom (7 percent).

The relatively high MOFA shares of host-country GDP in these countries can be traced to some of the following factors: A common language with the United States, marketing and commercial legal systems similar to those in the United States, geographic proximity to the United States, the availability of a skilled work force, political stability, and low corporate tax rates.

The MOFA share of host-country GDP was less than 1 percent in four of the host countries shown in table 13: India, China, the Republic of Korea, and Japan. The low shares in most of these countries partly reflect past or present barriers to investment, including limits on foreign ownership.

Origin of output.—The output of MOFA's consists of both the gross product that originates in the MOFA's themselves and the gross product that originates elsewhere and that is incorporated in intermediate inputs purchased by MOFA's

Table 12.—Sources of Change in Gross Product for Nonbank Majority-Owned Foreign Affiliates, 1996–97

Line		Millions of dollars
1	1996 level	498,310
2	Total change	20,996
3	New MOFA's	6,988
4	Acquired by U.S. parents	4,666
5	Established by U.S. parents	2,322
6	Changes in existing operations ¹	14,325
7	Sales or liquidations of MOFA's	-11,054
8	Other changes ²	10,737
9	1997 level	519,306

1. Also includes changes resulting from MOFA's acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA permits survey respondents to consolidate affiliate operations that are in the same country if the affiliates are also in the same industry or are integral parts of a single business operation.

2. Equals the change in the gross product of MOFA's not accounted for in lines 3–7. It includes changes resulting from the addition to the survey universe of MOFA's that were exempt from reporting in earlier years and MOFA's that were required to report in earlier years but did not.

MOFA Majority-owned foreign affiliate

from U.S. parents, other foreign affiliates, or from unaffiliated suppliers.

In 1997, gross product originating in MOFA's accounted for 26 percent of MOFA output, compared with 31 percent in 1989 (tables 14 and 15, column 12). The industries with the highest shares of MOFA gross product were "other" manufacturing (mainly tobacco products), services, and petroleum. The high MOFA share in tobacco products partly reflects the fact that these products have relatively few material components that could be outsourced. Like the U.S.-parent

Table 13.—Gross Product of MOFA's as a Percentage of GDP of Selected Host Countries, 1989, 1996, and 1997

	1989	1996	1997
Ireland	12.4	13.5	16.5
Singapore	8.0	10.6	9.4
Canada	9.5	8.9	9.2
United Kingdom	6.2	7.1	6.8
Honduras	5.6	6.3	6.4
Costa Rica	4.0	6.3	5.7
Belgium	5.6	5.1	5.5
Netherlands	5.8	4.4	5.5
Malaysia	4.6	4.6	5.0
Australia	4.9	4.4	4.8
New Zealand	2.3	4.1	4.8
Hong Kong	5.0	4.2	4.4
Norway	4.6	4.1	4.1
Chile	2.7	3.6	3.7
Switzerland	2.9	2.8	3.3
Colombia	2.9	3.1	3.2
Venezuela	1.7	3.0	3.2
Mexico	2.4	3.1	3.0
Brazil	(¹)	2.7	2.9
Germany ²	3.0	2.6	2.7
France	2.3	2.5	2.7
Portugal	2.2	2.7	2.6
Philippines	2.4	2.6	2.6
Indonesia	4.2	2.5	2.5
United Arab Emirates	4.3	2.9	2.3
Thailand	2.5	1.9	2.2
Peru	(¹)	1.6	2.2
Argentina	(¹)	2.1	2.1
Sweden	1.2	2.0	2.0
Italy	1.9	1.8	1.9
Spain	1.9	1.6	1.8
Finland .....	.9	1.6	1.8
Guatemala	1.9	1.5	1.7
Denmark	1.2	1.4	1.5
South Africa .....	.8	1.0	1.4
Egypt	1.1	1.4	1.2
Ecuador	2.8	1.4	1.2
Greece	1.2	1.1	1.1
Turkey .....	.4	1.0	1.1
Israel .....	.8	1.1	1.0
Japan .....	.5	0.6	0.6
Korea, Republic of .....	.3	0.5	0.5
China	(*)	0.2	0.3
India .....	.1	0.1	0.2

* Less than 0.05 percent.

1. A share could not be calculated for this country for 1989, because dollar-denominated estimate of host-country GDP was incompatible with dollar-denominated estimate of MOFA gross product. Because the economy of the host country was experiencing hyperinflation in 1989, most MOFA operating there translated their financial statements from host-country currency to dollars daily, following U.S. generally accepted accounting principles. These daily translations, which are used to derive the dollar-denominated estimate of MOFA gross product, are not comparable the annual average exchange rate that is used to derive the dollar-denominated estimate of host-country GDP.

2. On October 3, 1990, the former German Democratic Republic became of the Federal Republic of Germany (FRG). Accordingly, the 1989 data shown in this table pertain to the FRG before unification and the post-1990 data pertain to the FRG after unification.

NOTE.—The countries are sorted in descending order of their 1997 values. Where two countries have the same 1997 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*, April 1999 Edition (Washington, DC: International Monetary Fund, 1999). Data for Hong Kong are from the Web site for the Census and Statistics Department of the Hong Kong Special Administrative Region.

GDP Gross domestic product
MOFA Majority-owned foreign affiliate

Table 14.—Origin of Output for Nonbank MOFA's, by Major Industry of Affiliate, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases						Addendum: Foreign content of output ⁵	Foreign content				
					U.S. exports of goods to MOFA's			Other ⁴	Total	MOFA gross product		Other	U.S. content			
					Total ²	Shipped by U.S. parents ³	Shipped by unaffiliated U.S. persons						Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by unaffiliated U.S. persons	
																Total	MOFA gross product	Other
1989																
All industries	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Petroleum	179,420	602	180,022	77,195	102,827	2,462	1,869	593	100,365	177,560	99	43	56	1	1	(*)
Manufacturing	509,308	4,299	513,607	173,298	340,309	66,493	57,707	8,786	273,816	447,114	87	34	53	13	11	2
Food and kindred products	50,791	-245	50,546	13,643	36,903	2,078	1,465	613	34,825	48,468	96	27	69	4	3	1
Chemicals and allied products	94,652	421	95,073	32,059	63,014	7,342	6,500	842	55,672	87,731	92	34	59	8	7	2
Primary and fabricated metals	21,032	-51	20,981	7,623	13,358	1,756	1,409	348	11,602	19,225	92	36	55	8	7	1
Industrial machinery and equipment ...	100,319	1,073	101,392	31,720	69,672	11,682	10,837	845	57,990	89,710	88	31	57	12	11	1
Electronic and other electric equipment	39,678	658	40,336	12,646	27,690	8,122	7,286	837	19,568	32,214	80	31	49	20	18	2
Transportation equipment	114,391	1,000	115,391	33,764	81,627	27,874	23,841	4,032	53,753	87,517	76	29	47	24	21	3
Other manufacturing	88,444	1,442	89,886	41,843	48,043	7,639	6,370	1,269	40,404	82,247	92	47	45	8	7	1
Wholesale trade	204,295	105	204,400	36,760	167,640	26,797	25,247	1,550	140,843	177,603	87	18	69	13	12	1
Finance (except depository institutions), insurance, and real estate	51,137	-3,203	47,934	3,439	44,495	1	(*)	(*)	44,494	47,933	100	7	93	(*)	(*)	(*)
Services	32,466	202	32,668	14,509	18,159	448	388	60	17,711	32,220	99	44	54	1	1	(*)
Other industries	43,342	178	43,520	14,793	28,727	1,286	838	448	27,441	42,234	97	34	63	3	2	1
1996																
All industries	1,868,588	4,699	1,873,287	498,310	1,374,977	187,960	161,359	26,601	1,187,017	1,685,327	90	27	63	10	9	1
Petroleum	295,615	248	295,863	109,870	185,993	3,048	1,936	1,113	182,945	292,815	99	37	62	1	1	0
Manufacturing	899,737	2,326	902,063	250,351	651,712	120,259	100,117	20,142	531,453	781,804	87	28	59	13	11	2
Food and kindred products	100,189	441	100,630	24,437	76,193	2,631	1,954	677	73,562	97,999	97	24	73	3	2	1
Chemicals and allied products	174,362	618	174,980	50,478	124,502	13,502	12,005	1,497	111,000	161,478	92	29	63	8	7	1
Primary and fabricated metals	34,355	631	34,986	11,002	23,984	2,664	1,934	729	21,320	32,322	92	31	61	8	6	2
Industrial machinery and equipment ...	159,289	-1,215	158,074	37,023	121,051	19,588	17,284	2,305	101,463	138,486	88	23	64	12	11	1
Electronic and other electric equipment	93,787	491	94,278	23,345	70,933	19,907	18,312	1,595	51,026	74,371	79	25	54	21	19	2
Transportation equipment	188,321	807	189,128	37,809	151,319	47,676	35,996	11,679	103,643	141,452	75	20	55	25	19	6
Other manufacturing	149,434	554	149,988	66,257	83,731	14,291	12,631	1,660	69,440	135,697	90	44	56	10	8	1
Wholesale trade	371,726	2,623	374,349	54,472	319,877	59,543	55,767	3,776	260,334	314,806	84	15	70	16	15	1
Finance (except depository institutions), insurance, and real estate	109,757	112	109,869	17,161	92,708	25	22	3	92,683	109,844	100	16	84	0	0	0
Services	98,233	-1,824	96,409	37,840	58,569	2,116	1,984	132	56,453	94,293	98	39	59	2	2	0
Other industries	93,520	1,214	94,734	28,617	66,117	2,969	1,533	1,436	63,148	91,765	97	30	67	3	2	2
1997																
All industries	1,982,817	1,359	1,984,176	519,306	1,464,870	208,541	181,115	27,426	1,256,329	1,775,635	89	26	63	11	9	1
Petroleum	288,059	-24	288,035	110,818	177,217	4,898	3,646	1,252	172,319	283,137	98	38	60	2	1	0
Manufacturing	942,604	-1,134	941,470	256,442	685,028	133,109	112,482	20,626	551,919	808,361	86	27	59	14	12	2
Food and kindred products	103,895	265	104,160	25,579	78,581	2,582	1,993	589	75,999	101,578	98	25	73	2	2	1
Chemicals and allied products	184,902	271	185,173	52,987	132,186	15,819	14,347	1,472	116,367	169,354	91	29	63	9	8	1
Primary and fabricated metals	36,244	271	36,515	11,549	24,966	2,579	1,951	628	22,387	33,936	93	32	61	7	5	2
Industrial machinery and equipment ...	159,921	-485	159,436	37,318	122,118	20,300	18,014	2,286	101,818	139,136	87	23	64	13	11	1
Electronic and other electric equipment	102,909	460	103,369	26,183	77,186	22,356	20,592	1,764	54,830	81,013	78	25	53	22	20	2
Transportation equipment	203,317	-252	203,065	43,471	159,594	54,920	42,819	12,101	104,674	148,145	73	21	52	27	21	6
Other manufacturing	151,417	-1,666	149,751	59,355	90,396	14,553	12,766	1,787	75,843	135,198	90	40	51	10	9	1
Wholesale trade	401,744	1,593	403,337	56,446	346,891	64,397	60,328	4,069	282,494	338,940	84	14	70	16	15	1
Finance (except depository institutions), insurance, and real estate	127,013	84	127,097	21,441	105,656	22	20	2	105,634	127,075	100	17	83	0	0	0
Services	112,823	1,140	113,963	44,292	69,671	2,411	2,330	81	67,260	111,552	98	39	59	2	2	0
Other industries	110,574	-300	110,274	29,866	80,408	3,704	2,309	1,395	76,704	106,570	97	27	70	3	2	1

* Less than \$500,000 or 0.5 percent.
 1. Equals sales plus inventory change; also equals gross product plus purchases.
 2. Equals total output less gross product.
 3. As reported on affiliates' forms.
 4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. residents.
 5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)
 MOFA Majority-owned foreign affiliate

share, the MOFA share in services is high partly because the production of services tends to be labor-intensive and is not as easily outsourced as the production of goods. The share in petroleum is high partly because the large fixed capital costs that must be incurred to reach a profitable scale of operation allows a small number of highly integrated companies to dominate production.

The shift to unaffiliated suppliers from 1989 to 1997 was widespread across geographic areas. It was also widespread across industries, but it was most pronounced in manufacturing. MOFA's in some industries probably sought to decrease their reliance on internal production in order to meet rising global competition by specializing in areas in which they had an advantage and by rely-

ing on unaffiliated suppliers for other inputs and finished products.

The U.S. content of MOFA output was 11 percent in 1997, compared with 10 percent in 1989. The geographic areas with the highest U.S. content were Canada and Latin America and Other Western Hemisphere, particularly in Mexico. In Canada and Mexico, the high U.S. content mainly reflects these countries' proximity to, and strong economic ties with, the United States.

In Canada, the U.S. content of MOFA output increased from 22 percent in 1989 to 27 percent in 1997; this increase was widespread across manufacturing industries and may have been related to the initial implementation of the Canada-United States Free Trade Agreement in 1989 and the North American Free Trade Agreement in 1994.

Table 15.—Origin of Output for Nonbank Majority-Owned Foreign Affiliates, by Major Area of Affiliate, 1989, 1996, and 1997

	Millions of dollars										Share of total output, in percent					
	Sales	Inventory change	Output ¹	Gross product	Purchases					Addendum: Foreign content of output ⁵	Foreign content			U.S. content		
					Total ²	U.S. exports of goods to MOFA's			Other ⁴		Total	MOFA gross product	Other	Total	U.S. exports of goods shipped by U.S. parents	U.S. exports of goods shipped by unaffiliated U.S. persons
						Total	Shipped by U.S. parents ³	Shipped by unaffiliated U.S. persons								
	1989															
All areas	1,019,966	2,182	1,022,148	319,994	702,154	97,488	86,050	11,437	604,666	924,660	90	31	59	10	8	1
Canada	173,251	1,309	174,560	52,114	122,446	37,843	32,050	5,792	84,603	136,717	78	30	48	22	18	3
Europe	573,270	-813	572,457	179,758	392,699	29,888	27,585	2,303	362,811	542,569	95	31	63	5	5	(*)
Latin America and Other Western Hemisphere	87,014	530	87,544	29,601	57,943	11,236	9,495	1,741	46,707	76,308	87	34	53	13	11	2
Africa	11,576	-267	11,309	5,299	6,010	(D)	(D)	(D)	(D)	(D)	47	(D)	(D)	(D)	(D)	(D)
Middle East	8,021	-43	7,978	4,891	3,087	367	288	78	2,720	7,611	95	61	34	5	4	1
Asia and Pacific	161,640	1,444	163,084	46,875	116,209	17,491	16,136	1,355	98,718	145,593	89	29	61	11	10	1
International	5,196	22	5,218	1,457	3,761	(D)	(D)	(D)	(D)	(D)	(D)	28	(D)	(D)	(D)	(D)
	1996															
All areas	1,868,588	4,699	1,873,287	498,310	1,374,977	187,960	161,359	26,601	1,187,017	1,685,327	90	27	63	10	9	1
Canada	231,671	46	231,717	53,783	177,934	59,280	45,903	13,377	118,654	172,437	74	23	51	26	20	6
Europe	1,049,313	-78	1,049,235	291,732	757,503	51,577	46,362	5,215	705,926	997,658	95	28	67	5	4	0
Latin America and Other Western Hemisphere	178,619	1,769	180,388	51,965	128,423	28,017	24,111	3,906	100,406	152,371	84	29	56	16	13	2
Africa	19,986	243	20,229	8,248	11,981	716	459	257	11,265	19,513	96	41	56	4	2	1
Middle East	10,596	534	11,130	4,552	6,578	585	484	100	5,993	10,545	95	41	54	5	4	1
Asia and Pacific	371,988	2,174	374,162	86,168	287,994	47,781	44,035	3,745	240,213	326,381	87	23	64	13	12	1
International	6,415	12	6,427	1,862	4,565	4	4	0	4,561	6,423	100	29	71	0	0	0
	1997															
All areas	1,982,817	1,359	1,984,176	519,306	1,464,870	208,541	181,115	27,426	1,256,329	1,775,635	89	26	63	11	9	1
Canada	250,429	294	250,723	57,554	193,169	68,208	54,502	13,706	124,961	182,515	73	23	50	27	22	5
Europe	1,085,571	-2,551	1,083,020	297,604	785,416	55,041	49,672	5,368	730,375	1,027,979	95	27	67	5	5	0
Latin America and Other Western Hemisphere	213,155	3,176	216,331	60,579	155,752	34,768	30,082	4,686	120,984	181,563	84	28	56	16	14	2
Africa	22,795	612	23,407	8,875	14,532	705	539	166	13,827	22,702	97	38	59	3	2	1
Middle East	9,571	33	9,604	4,322	5,282	503	396	107	4,779	9,101	95	45	50	5	4	1
Asia and Pacific	396,610	-144	396,466	88,943	307,523	49,312	45,920	3,392	258,211	347,154	88	22	65	12	12	1
International	4,686	-63	4,623	1,429	3,194	4	4	0	3,190	4,619	100	31	69	0	0	0

* Less than 0.5 percent.

^D Suppressed to avoid disclosure of data of individual companies.

1. Equals sales plus inventory change; also equals gross product plus purchases.

2. Equals total output less gross product.

3. As reported on affiliates' forms.

4. Includes purchases of goods and services from foreign residents and purchases of services from U.S. resi-

dents.

5. Equals gross product plus "other" purchases. The foreign content of output is overstated to the extent that "other" purchases include services exported from the United States and that goods and services exported from the United States are embodied in purchases from foreign suppliers. (These items were not reported separately and thus could not be identified and included in U.S. content.)

MOFA Majority-owned foreign affiliate

In Latin America and Other Western Hemisphere, the U.S. content of MOFA output rose from 13 percent to 16 percent, partly as a result of currency-related valuation changes.¹³

Real gross product of MOFA's in manufacturing.—Changes in the current-dollar measures of MOFA operations can sometimes be difficult to interpret because they can be strongly influenced by changes in prices and exchange rates. (The effects of exchange-rate changes that are unrelated to the relative prices of goods and services in various countries can be especially problematic.) To overcome these limitations, BEA recently began producing estimates of real gross product for MOFA's.¹⁴ These new estimates provide more meaningful comparisons of gross product across countries because they are based on purchasing-power-parity exchange rates rather

13. The dollar-denominated measures of the operations of affiliates in the two largest economies in the area—Mexico and Brazil—were affected by changes in the host-countries' currencies. From 1989 to 1997, the Mexican peso lost over two-thirds of its value against the U.S. dollar, and Brazil introduced a new currency, the real. The effects of these changes cannot be precisely measured; however, a devaluation of host-country currency generally depresses the U.S.-dollar value of affiliate sales, but it has no direct effect on the dollar value of U.S. exports to affiliates, so that, all else equal, the U.S.-content share of affiliate output is raised.

The effect on U.S. content may be mitigated to the extent that, after a devaluation, MOFA's substitute locally purchased goods for more expensive U.S. goods. However, it is unlikely that such substitution is significant, at least in the short run, because locally produced substitutes are not usually readily available.

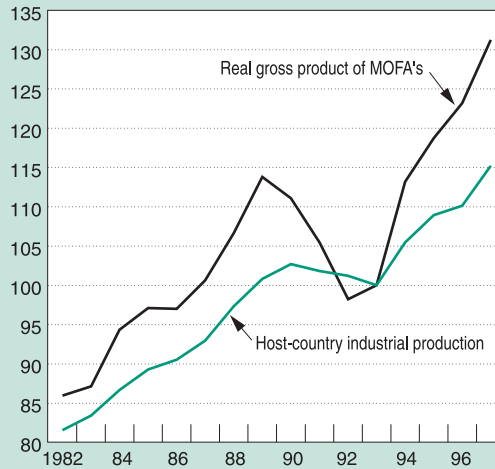
14. For a summary of the methodology used to derive the real gross product estimates and for the 1982–88 and 1990–93 estimates, see Raymond J. Mataloni, Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY 77 (April 1997): 8–17.

than on market exchange rates, and they provide more meaningful comparisons across time because they are in chained dollars.

CHART 3

Real Gross Product of MOFA's in Manufacturing and Industrial Production in 19 OECD Countries, 1982–97

Index (1993=100)



MOFA Majority-owned foreign affiliate
OECD Organisation for Economic Co-Operation and Development

NOTE.—The 19 OECD countries covered in this chart are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Spain, Sweden, and the United Kingdom.

The composite index of industrial production was derived by weighting each country's index by the country's share in the cumulative dollar value of real gross product of MOFA's in manufacturing in 1982–97.

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

Table 16.—Current-Dollar and Real Gross Product of Majority-Owned Foreign Affiliates in Manufacturing, by Country, 1989 and 1994–97

	Billions of current dollars						Percent change, at annual rates		Billions of chained (1993) dollars						Percent change, at annual rates		
	1989	1994	1995	1996	1997	Change, 1996–97	1989–96	1996–97	1989	1994	1995	1996	1997	Change, 1996–97	1989–96	1996–97	
All countries	172.0	205.2	238.9	250.4	256.4	6.1	6.5	2.4	All countries	160.1	171.4	185.7	197.1	212.3	15.1	3.5	7.7
19 OECD countries	141.4	159.3	185.0	189.8	189.9	0.0	5.0	0.0	19 OECD countries	126.1	125.8	131.9	136.9	145.8	9.0	1.4	6.5
Australia	6.9	5.8	5.9	6.8	7.2	0.4	-0.1	5.9	Australia	6.5	5.2	5.1	5.5	6.1	0.6	-2.9	11.3
Austria	0.7	1.3	1.2	1.5	1.4	-0.2	14.2	-12.0	Austria	0.6	0.9	0.7	1.0	1.0	0.0	9.3	1.0
Belgium	5.0	6.8	8.3	7.5	7.5	0.0	7.1	0.4	Belgium	4.7	5.3	5.4	5.2	5.9	0.8	1.6	14.5
Canada	28.9	25.3	26.9	25.9	28.8	2.8	-1.8	10.9	Canada	27.4	25.0	25.3	23.9	26.6	2.7	-2.3	11.1
Denmark	0.4	0.6	0.7	0.7	0.7	0.0	12.1	1.1	Denmark	0.3	0.3	0.4	0.4	0.4	0.0	5.9	8.9
Finland	0.1	0.3	0.4	0.7	0.9	0.1	48.7	15.5	Finland	0.0	0.2	0.3	0.5	0.6	0.1	47.4	30.4
France	11.8	16.5	18.9	20.7	20.1	-0.6	9.9	-3.0	France	9.5	11.6	11.6	13.4	14.6	1.2	5.9	9.2
Germany ¹	25.8	36.7	41.0	40.4	38.4	-2.0	7.7	-5.0	Germany ¹	23.3	26.2	25.3	26.0	28.3	2.2	1.9	8.5
Greece	0.2	0.3	0.4	0.4	0.4	0.0	12.1	0.5	Greece	0.3	0.3	0.3	0.4	0.4	0.0	4.3	5.6
Ireland	3.5	4.8	6.9	7.0	9.5	2.5	12.3	35.7	Ireland	3.4	4.2	5.6	5.7	8.3	2.6	8.7	46.0
Italy	7.8	8.3	8.6	9.1	9.5	0.3	2.7	3.6	Italy	6.7	7.2	7.0	6.9	7.8	0.9	0.5	12.9
Japan	7.7	10.9	12.6	13.3	12.6	-0.7	9.6	-5.3	Japan	5.0	5.4	5.7	7.1	7.4	0.3	6.1	3.6
Luxembourg	0.5	0.7	0.8	0.6	0.6	0.0	3.9	0.0	Luxembourg	0.4	0.5	0.5	0.5	0.5	0.0	0.7	9.0
Netherlands	7.8	7.2	9.0	8.8	9.5	0.6	2.2	7.1	Netherlands	6.5	5.5	5.9	6.0	7.2	1.2	-1.4	19.2
New Zealand	0.3	0.4	0.4	1.5	1.9	0.4	30.3	28.4	New Zealand	0.3	0.4	0.4	1.3	1.7	0.4	26.1	33.6
Norway	0.1	0.4	0.3	0.5	0.4	0.0	25.2	0.0	Norway	0.1	0.2	0.2	0.3	0.3	0.0	21.3	0.8
Spain	5.7	5.5	6.4	6.1	6.4	0.3	1.1	4.6	Spain	5.0	4.7	4.8	4.6	5.5	0.9	-1.2	18.8
Sweden	1.0	0.8	2.7	2.4	2.1	-0.3	15.2	-11.7	Sweden	0.7	0.6	1.7	1.4	1.4	0.0	11.4	0.0
United Kingdom	27.4	26.7	33.6	35.7	32.0	-3.7	4.5	-10.2	United Kingdom	25.8	22.4	25.8	27.3	23.2	-4.2	1.0	-15.2
All other countries	30.6	45.9	53.9	60.5	66.6	6.1	12.0	10.0	All other countries	33.9	45.6	53.9	60.0	66.1	6.0	10.0	10.0
Residual									Residual	-0.3	-0.4	-0.3	0.0	-0.7			

¹ Less than \$50 million or 0.5 percent.

1. See footnote 2 to table 13.

NOTE.—Chained (1993) dollar series were derived by extrapolating the base-year (1993) PPP-exchange-rate-based current-dollar value of the corresponding series by a Fisher quantity index. Because the formula for the Fisher quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not addi-

tive. The residual line is the difference between the total line and the sum of the most detailed lines.

For a summary of the methodology used to derive the chained-dollar estimates, and for the 1982–88 and 1990–93 estimates, see "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," SURVEY OF CURRENT BUSINESS 77 (April 1997): 8–17.

OECD Organisation for Economic Co-Operation and Development

The real gross product of MOFA's in manufacturing grew more than twice as fast in 1997 (7.7 percent) as in 1989–96 (3.5 percent) (table 16).¹⁵ The faster growth partly reflected the faster growth in industrial production in most host countries. The real gross product of manufacturing MOFA's in the 19 member countries of the Organisation for Economic Co-Operation and Development grew faster (6.5 percent) in 1997 than total industrial production partly because of the entry of new MOFA's (chart 3). Industrial production in these countries grew 4.6 percent in 1997, compared with 1.1 percent in 1996.

15. The real gross product grew much faster (8 percent) than the current-dollar gross product (2 percent) in 1997. The slower growth in the current-dollar gross product reflected the dampening effect of the appreciation of the U.S. dollar. (See also footnote 5.)

The \$15.1 billion increase in the real gross product of MOFA's in manufacturing in 1997 was concentrated in Canada (up \$2.7 billion), Ireland (up \$2.6 billion), and Germany (up \$2.2 billion). In Canada and Germany, the increases primarily reflected rising production of motor vehicles to meet strong demand; in Germany, the acquisition of new affiliates that manufacture automobile components also contributed. In Ireland, the increase primarily reflected the rising production of new, higher value pharmaceuticals to meet strong demand, mainly in other European countries.

The real gross product of manufacturing MOFA's in the United Kingdom decreased sharply (\$4.2 billion), partly because of the sale of a few large MOFA's.


Tables 17 through 21 follow. 

Table 17.1.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1996

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹						
All industries	7,821,047	4,478,970	3,105,123	1,185,679	188,168	304,191	260,048	100,551	1,480,638	846,847	18,790.0
Petroleum	553,341	428,067	389,178	33,010	5,880	31,999	26,186	1,683	125,380	31,225	475.1
Oil and gas extraction	28,578	8,734	(D)	(D)	7	1,160	2,669	22	5,404	1,811	39.7
Crude petroleum extraction (no refining) and gas	18,340	5,369	4,921	441	7	703	1,840	(*)	3,406	640	9.6
Oil and gas field services	10,238	3,364	(D)	(D)	0	458	829	22	1,997	1,171	30.1
Petroleum and coal products	325,106	301,139	291,292	9,567	280	26,597	18,676	1,568	102,021	23,319	356.0
Integrated petroleum refining and extraction	307,253	277,752	269,206	8,266	280	26,530	17,343	1,520	94,694	21,407	308.0
Petroleum refining without extraction	13,541	19,804	(D)	(D)	(*)	-38	1,179	6	6,352	1,314	33.7
Petroleum and coal products, not elsewhere classified	4,312	3,584	(D)	(D)	0	105	153	42	975	599	14.2
Petroleum wholesale trade	157,338	94,250	79,161	9,630	5,459	2,504	2,444	(D)	9,259	3,392	41.4
Other	42,320	23,944	(D)	(D)	133	1,737	2,397	(D)	8,697	2,702	38.0
Manufacturing	2,609,397	2,119,731	1,971,284	118,271	30,176	156,315	114,979	89,973	764,725	465,536	8,959.9
Food and kindred products	217,480	223,293	219,524	3,682	87	22,198	9,331	1,264	77,290	33,083	982.3
Grain mill and bakery products	30,122	34,747	(D)	(D)	0	2,427	1,457	283	8,564	3,618	73.9
Beverages	114,730	98,932	95,926	2,919	87	15,941	5,116	552	47,353	16,861	529.4
Other	72,628	89,614	(D)	(D)	0	3,830	2,759	429	21,373	12,605	379.0
Chemicals and allied products	475,205	326,770	319,632	6,671	467	38,924	20,642	21,011	127,284	66,546	1,022.2
Industrial chemicals and synthetics	165,143	115,132	113,648	1,480	4	6,731	9,094	4,253	45,268	23,177	325.8
Drugs	195,450	120,165	116,672	3,194	299	29,172	6,804	14,269	51,784	26,460	381.1
Soap, cleaners, and toilet goods	75,597	53,901	52,628	1,113	160	4,902	2,661	1,554	17,915	9,940	179.8
Agricultural chemicals	14,999	13,821	13,553	266	2	563	784	218	4,026	2,098	40.3
Chemical products, not elsewhere classified	24,016	23,751	23,131	618	2	4,756	1,299	716	8,291	4,870	95.2
Primary and fabricated metals	115,337	115,037	113,283	1,734	20	5,164	5,881	1,016	38,420	25,280	560.9
Primary metal industries	55,309	60,263	59,145	1,099	19	2,932	3,450	503	19,112	12,072	260.4
Ferrous	26,090	29,770	(D)	(D)	19	1,550	1,752	198	11,137	7,006	131.3
Nonferrous	29,219	30,493	(D)	(D)	0	1,382	1,698	305	7,975	5,065	129.1
Fabricated metal products	60,028	54,774	54,138	635	1	2,232	2,431	513	19,308	13,209	300.5
Industrial machinery and equipment	289,376	269,979	237,467	30,712	1,800	21,244	12,485	15,316	95,342	63,615	1,164.6
Farm and garden machinery	23,596	20,644	19,159	(D)	34	1,208	517	495	6,381	3,929	69.4
Construction, mining, and materials handling machinery	36,090	32,654	31,185	1,436	34	2,282	1,148	597	10,913	6,744	133.2
Computer and office equipment	134,757	129,817	108,091	20,139	1,588	12,873	7,099	11,416	40,674	27,256	417.9
Other	94,934	86,864	79,033	(D)	(D)	4,881	3,721	2,808	37,375	25,687	544.1
Electronic and other electric equipment	399,063	281,920	248,882	29,455	3,582	21,012	21,578	16,503	87,732	58,983	1,181.2
Household appliances	11,164	15,194	15,194	0	0	553	636	214	3,902	2,656	74.9
Household audio and video, and communications equipment	65,227	74,216	70,631	3,585	0	2,790	4,249	6,447	24,260	17,208	304.9
Electronic components and accessories	263,638	129,999	(D)	(D)	3,582	14,675	13,523	7,754	35,661	21,341	438.6
Electronic and other electric equipment, not elsewhere classified	59,035	62,511	(D)	(D)	0	2,993	3,170	2,088	23,909	17,778	362.7
Transportation equipment	615,380	489,143	439,478	25,784	23,881	24,291	20,698	24,769	168,884	111,300	1,683.3
Motor vehicles and equipment	480,747	359,368	320,587	15,445	23,336	17,390	16,268	16,851	109,244	68,999	954.1
Other	134,634	129,775	118,892	10,339	545	6,901	4,429	7,918	59,640	42,301	729.3
Other manufacturing	497,556	413,588	393,018	20,232	338	23,482	24,364	10,094	169,773	106,729	2,365.4
Tobacco products	(D)	16,043	16,009	34	0	762	395	(D)	6,394	2,689	46.4
Textile products and apparel	26,537	33,474	33,389	58	27	1,633	1,497	76	11,827	7,982	301.5
Lumber, wood, furniture, and fixtures	36,511	43,632	(D)	(D)	0	1,543	2,447	271	14,906	9,420	252.6
Paper and allied products	128,784	92,098	91,300	689	108	6,127	8,359	1,223	42,415	22,215	416.3
Printing and publishing	88,954	57,340	50,491	6,768	81	2,269	2,556	187	23,745	15,787	384.4
Rubber products	26,359	26,919	(D)	(D)	0	697	971	574	9,873	7,715	154.8
Miscellaneous plastics products	17,882	19,893	(D)	(D)	0	1,640	1,041	251	7,281	4,308	112.4
Glass products	24,917	20,168	(D)	(D)	(*)	1,287	1,960	482	8,600	5,150	111.3
Stone, clay, and nonmetallic mineral products	16,168	13,637	13,600	29	8	324	780	184	3,960	2,497	59.4
Instruments and related products	88,077	75,815	66,607	9,198	10	6,605	3,623	6,412	35,601	25,628	440.7
Other	(D)	14,570	13,682	783	104	595	734	(D)	5,171	3,338	85.7
Wholesale trade	179,297	349,012	341,209	6,672	1,132	5,079	8,266	1,789	41,753	26,771	681.9
Durable goods	105,063	184,242	178,355	5,346	541	724	5,332	1,412	20,528	15,109	307.5
Non-durable goods	74,235	164,770	162,854	1,326	591	4,356	2,934	376	21,225	11,662	374.4
Finance (except depository institutions), insurance, and real estate	3,096,185	517,346	5,214	363,707	148,425	43,876	11,594	197	71,797	72,906	1,069.6
Finance, except depository institutions	961,628	118,034	(D)	(D)	58,740	11,488	2,826	170	28,342	27,954	268.0
Insurance	2,115,142	395,663	4,742	301,253	89,668	31,018	8,648	28	40,477	43,987	787.8
Real estate	8,899	(D)	(D)	(D)	17	(D)	116	0	1,793	905	13.3
Holding companies	10,517	(D)	(D)	(D)	0	(D)	5	0	1,185	60	0.4
Services	291,303	220,137	21,543	197,436	1,158	15,529	17,791	5,365	116,126	80,232	2,421.8
Hotels and other lodging places	33,452	20,743	(D)	(D)	40	650	1,500	0	9,548	5,917	305.9
Business services	105,579	91,022	10,514	79,703	805	6,386	6,260	5,035	50,184	37,784	1,047.7
Advertising	10,383	6,912	0	6,912	0	284	174	0	3,302	2,783	39.6
Equipment rental (except automotive and computers)	3,749	1,954	216	1,738	0	114	321	9	1,072	531	12.3
Computer and data processing services	75,017	55,906	9,763	46,014	130	5,051	4,963	5,000	28,801	19,397	355.3
Business services, not elsewhere classified	16,429	26,249	535	25,039	675	936	802	27	17,009	15,073	640.5
Automotive rental and leasing	12,210	7,613	(D)	(D)	0	36	3,538	(*)	3,325	2,075	71.2
Motion pictures, including television tape and film	62,512	(D)	(D)	(D)	(D)	(D)	(D)	5	10,707	4,319	167.2
Health services	38,968	32,817	537	32,223	57	2,089	2,467	5	19,368	13,020	418.9
Engineering, architectural, and surveying services	7,349	13,128	1,319	11,807	3	176	206	162	5,255	4,833	78.0
Management and public relations services	8,002	8,130	(D)	(D)	(D)	372	235	(D)	4,289	3,744	55.5
Other	23,232	(D)	(D)	(D)	0	(D)	(D)	(D)	13,450	8,540	277.5
Other industries	1,091,523	844,677	376,695	466,584	1,398	51,393	81,232	1,544	360,857	170,177	5,181.6
Agriculture, forestry, and fishing	3,913	4,263	(D)	(D)	1	139	175	63	1,112	803	30.0
Mining	24,314	15,106	(D)	(D)	9	1,068	1,958	41	6,925	3,665	70.2
Construction	18,443	31,636	23,791	7,812	33	863	980	(D)	9,062	7,804	153.3
Transportation	146,452	121,439	1,682	119,374	382	5,552	11,060	19	67,065	44,530	983.4
Communication	399,779	224,392	13,475	210,732	184	23,133	39,749	1,200	120,187	47,625	860.2
Electric, gas, and sanitary services	319,927	124,513	1,235	122,950	328	10,428	15,573	84	73,143	20,688	327.5
Retail trade	178,696	323,328	318,664	4,203	461	10,210	11,738	(D)	83,364	45,063	2,757.1

* Less than \$500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

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.

Table 17.2.—Selected Data for Nonbank U.S. Parents, by Industry of U.S. Parent, 1997

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Gross product	Compensation of employees	
		Total	Goods	Services	Investment income ¹						
All industries	8,567,320	4,859,568	3,298,115	1,357,524	203,928	326,370	298,902	108,610	1,570,490	894,807	19,867.4
Petroleum	459,873	412,833	375,448	37,006	378	30,448	30,187	1,779	125,214	30,900	483.2
Oil and gas extraction	37,967	13,031	(D)	(D)	12	1,026	5,103	59	7,226	2,716	52.7
Crude petroleum extraction (no refining) and gas	21,369	6,526	6,063	451	12	-133	2,546	(*)	3,487	792	11.7
Oil and gas field services	16,597	6,505	(D)	(D)	0	1,159	2,557	58	3,739	1,925	41.0
Petroleum and coal products	347,233	307,771	296,054	11,381	336	28,377	20,832	1,615	104,794	23,934	370.9
Integrated petroleum refining and extraction	317,145	272,701	264,457	7,908	336	27,451	18,650	1,571	95,128	21,442	312.3
Petroleum refining without extraction	25,617	31,450	(D)	(D)	(*)	813	2,020	5	8,640	1,910	45.1
Petroleum and coal products, not elsewhere classified	4,472	3,620	(D)	(D)	0	113	161	39	1,026	582	13.5
Petroleum wholesale trade	44,840	77,525	66,283	11,242	0	829	2,220	(D)	6,545	2,000	32.4
Other	29,834	14,506	(D)	(D)	30	217	2,032	(D)	6,649	2,250	27.2
Manufacturing	2,695,247	2,233,109	2,075,301	126,823	30,985	159,765	116,314	96,141	765,122	464,162	8,622.7
Food and kindred products	223,583	226,871	221,720	5,150	1	19,711	9,184	1,396	69,852	29,792	732.8
Grain mill and bakery products	47,291	43,074	43,056	18	0	1,149	1,700	391	11,206	4,917	103.6
Beverages	118,619	98,441	94,427	4,014	1	14,588	4,882	637	39,201	13,362	289.4
Other	57,674	85,356	84,237	1,118	0	3,973	2,603	369	19,445	11,513	339.8
Chemicals and allied products	479,925	331,127	324,778	5,828	521	39,803	23,258	22,760	126,931	67,165	966.8
Industrial chemicals and synthetics	151,255	109,127	108,052	1,075	(*)	9,005	10,244	3,834	41,765	21,117	273.4
Drugs	197,019	125,726	122,536	2,839	351	21,441	7,465	15,459	52,724	27,433	373.0
Soap, cleaners, and toilet goods	76,413	53,108	51,720	1,227	160	6,149	2,786	1,582	17,468	9,713	171.2
Agricultural chemicals	24,437	17,376	17,083	290	2	799	1,450	(D)	5,779	3,567	48.5
Chemical products, not elsewhere classified	30,801	25,791	25,387	397	7	2,408	1,313	(D)	9,195	5,333	100.8
Primary and fabricated metals	129,337	126,882	125,031	1,822	29	6,355	5,609	1,113	41,926	26,937	611.4
Primary metal industries	60,124	66,821	(D)	(D)	26	3,309	3,268	510	21,127	13,167	286.6
Ferrous	27,754	32,285	32,189	69	26	1,632	1,511	207	11,350	7,285	134.3
Nonferrous	32,370	34,536	(D)	(D)	0	1,677	1,757	304	9,777	5,882	152.3
Fabricated metal products	69,212	60,061	(D)	(D)	3	3,045	2,341	603	20,799	13,769	324.8
Industrial machinery and equipment	293,541	296,209	263,175	31,302	1,732	22,699	14,069	16,653	92,094	59,875	1,103.8
Farm and garden machinery	27,320	23,586	21,602	(D)	(D)	1,580	691	538	7,040	4,268	71.4
Construction, mining, and materials handling machinery	40,584	34,115	32,299	1,194	621	2,461	1,564	668	11,274	6,447	122.9
Computer and office equipment	139,117	149,656	122,896	25,973	786	13,553	8,234	12,552	41,023	27,033	408.7
Other	86,518	88,853	86,378	(D)	(D)	5,106	3,581	2,895	32,757	22,127	500.8
Electronic and other electric equipment	438,066	307,526	267,639	34,282	5,605	26,102	21,241	19,090	94,413	60,302	1,175.1
Household appliances	11,004	15,913	15,913	0	0	366	462	201	4,267	2,847	74.2
Household audio and video, and communications equipment	17,713	79,896	76,288	3,607	0	1,814	4,453	8,437	23,971	17,733	305.5
Electronic components and accessories	290,650	145,958	112,179	(D)	(D)	20,243	13,993	8,184	41,504	21,802	444.5
Electronic and other electric equipment, not elsewhere classified	64,698	65,759	63,258	(D)	(D)	3,678	2,393	2,268	24,671	17,920	351.0
Transportation equipment	640,194	524,935	473,504	28,685	22,746	23,948	18,823	24,931	167,277	108,866	1,657.6
Motor vehicles and equipment	509,252	387,398	346,117	18,651	22,630	18,708	14,362	17,097	107,173	67,007	898.6
Other	130,942	137,537	127,387	10,034	116	5,240	4,461	7,834	60,103	41,859	759.1
Other manufacturing	490,602	419,558	399,454	19,752	351	21,147	24,130	10,197	172,630	111,226	2,375.2
Tobacco products	(D)	16,800	16,766	34	0	857	387	(D)	6,412	2,577	41.9
Textile products and apparel	28,017	34,738	34,639	84	14	1,798	1,435	90	12,819	8,427	292.7
Lumber, wood, furniture, and fixtures	39,939	46,461	(D)	(D)	0	1,526	2,163	341	15,228	9,897	263.6
Paper and allied products	131,119	96,251	95,430	710	110	3,296	7,578	1,436	40,729	23,731	421.9
Printing and publishing	54,670	48,903	43,868	4,942	93	2,301	2,311	200	20,460	13,791	329.1
Rubber products	24,801	25,413	(D)	(D)	0	1,177	1,493	574	10,512	7,577	145.1
Miscellaneous plastics products	14,921	17,690	(D)	(D)	0	926	1,014	263	6,448	3,972	103.2
Glass products	26,739	21,504	(D)	(D)	(*)	1,535	2,150	548	9,657	5,420	110.5
Stone, clay, and nonmetallic mineral products	18,977	16,124	16,071	45	8	1,430	1,044	226	5,783	2,908	68.6
Instruments and related products	108,367	80,840	70,852	9,982	5	5,361	3,866	6,084	39,116	29,535	510.2
Other	(D)	14,834	13,755	959	120	938	688	(D)	5,467	3,390	88.4
Wholesale trade	216,964	396,163	383,040	11,962	1,161	7,877	9,867	2,552	51,621	32,635	756.9
Durable goods	131,803	214,248	204,758	8,785	704	6,557	2,082	2,082	26,735	18,421	367.1
Non-durable goods	85,161	181,915	178,281	3,177	457	4,867	3,310	470	24,886	14,214	389.8
Finance (except depository institutions), insurance, and real estate	3,514,546	552,886	5,613	378,334	168,939	57,068	13,083	318	81,872	79,818	1,052.1
Finance, except depository institutions	1,507,802	167,531	(D)	85,537	(D)	16,996	4,427	(D)	40,919	37,436	326.0
Insurance	1,989,821	381,631	5,092	289,931	86,608	39,338	8,543	(D)	39,523	41,174	709.7
Real estate	8,579	3,723	(D)	2,866	(D)	-363	98	0	1,726	1,140	15.9
Holding companies	8,344	1	1	0	0	1,097	14	0	-296	68	0.5
Services	335,065	249,348	23,494	224,831	1,023	14,885	21,457	5,907	130,070	90,153	3,024.3
Hotels and other lodging places	35,984	21,229	(D)	(D)	5	250	1,937	0	10,051	6,714	312.7
Business services	133,882	107,650	13,773	93,093	784	7,637	7,368	5,556	60,592	44,657	1,529.9
Advertising	12,950	8,503	0	8,503	0	613	220	0	4,303	3,337	51.4
Equipment rental (except automotive and computers)	3,883	2,032	250	1,783	0	152	365	5	1,184	584	11.9
Computer and data processing services	83,878	63,222	12,885	50,148	189	5,766	5,797	5,535	31,578	21,745	363.6
Business services, not elsewhere classified	33,171	33,892	638	32,659	595	1,106	985	17	23,526	18,991	1,103.0
Automotive rental and leasing	13,016	7,195	(D)	(D)	0	272	(D)	(*)	3,247	1,780	67.6
Motion pictures, including television tape and film	64,620	(D)	(D)	(D)	(D)	(D)	(D)	5	13,107	4,574	210.4
Health services	42,742	(D)	(D)	(D)	(D)	(D)	2,897	5	17,244	13,602	440.8
Engineering, architectural, and surveying services	7,857	12,838	1,288	11,545	4	145	223	176	5,666	5,140	84.7
Management and public relations services	11,035	12,741	(D)	(D)	(D)	1,072	794	(D)	6,844	5,318	104.1
Other	25,929	20,919	634	20,285	0	3,152	(D)	(D)	13,320	8,367	274.0
Other industries	1,345,625	1,015,230	435,220	578,569	1,441	56,329	107,993	1,913	416,591	197,139	5,928.3
Agriculture, forestry, and fishing	3,939	4,709	4,380	328	1	247	209	77	1,304	844	29.3
Mining	24,939	15,717	(D)	(D)	38	1,113	1,825	43	6,930	3,704	65.2
Construction	18,956	35,858	(D)	(D)	33	1,215	1,128	(D)	10,082	8,355	155.4
Transportation	163,175	127,534	1,079	125,801	654	6,727	12,875	(D)	74,313	48,990	1,022.0
Communication	505,260	272,085	20,626	251,192	267	23,838	60,077	1,480	138,045	57,449	1,053.2
Electric, gas, and sanitary services	420,980	186,726	2,017	184,416	292	11,278	19,666	116	89,894	24,455	403.9
Retail trade	208,376	372,602	364,832	7,613	157	11,912	12,213	47	96,025	53,342	3,199.3

* Less than \$500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 17.1.

Table 18.—Selected Data for Nonbank Foreign Affiliates, by Country and Major Industry of Affiliate, 1996 and 1997

	1996						1997							
	Millions of dollars						Millions of dollars							
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	Thousands of employees
All countries	3,091,927	2,233,698	138,962	194,029	164,773	252,601	7,544.1	3,397,262	2,356,416	155,267	215,751	178,696	261,243	8,018.0
Canada	276,909	254,442	10,963	60,501	67,041	30,744	920.5	294,943	274,205	13,654	70,037	72,199	31,393	941.9
Europe	1,761,758	1,181,252	70,298	52,141	26,282	141,021	3,167.0	1,914,373	1,214,194	77,854	55,676	27,677	144,067	3,333.9
Austria	11,640	15,097	566	1,303	(P)	1,599	25.9	(P)	14,031	528	1,139	165	1,540	27.8
Belgium	74,452	53,134	2,875	3,214	1,227	7,894	135.5	80,061	53,501	2,822	3,729	1,198	7,564	133.1
Denmark	(P)	8,646	263	187	135	1,386	25.3	(P)	8,666	267	143	168	1,372	26.9
Finland	3,452	4,673	259	180	128	618	12.4	3,734	5,074	353	164	139	625	13.2
France	145,828	135,934	4,320	5,228	3,198	22,332	448.8	144,057	130,883	3,424	(P)	3,341	22,371	483.7
Germany	221,703	244,320	7,597	8,179	(P)	35,287	612.6	213,029	234,508	7,531	8,572	4,312	32,966	627.4
Greece	2,925	4,305	159	41	(P)	639	21.4	3,184	4,392	154	40	(P)	630	21.8
Ireland	45,298	27,292	6,404	1,129	2,203	1,915	57.6	57,948	30,339	8,393	1,536	2,778	2,110	65.5
Italy	61,178	72,851	2,049	2,510	1,330	8,998	188.5	66,091	74,035	2,311	2,744	(P)	9,131	205.5
Luxembourg	17,128	3,523	2,330	225	(P)	473	9.6	18,373	3,545	2,231	240	(P)	434	9.2
Netherlands	163,898	122,202	14,517	6,112	1,306	7,807	160.7	179,751	130,053	17,014	(P)	1,997	8,153	169.4
Norway	16,231	14,294	1,096	168	121	1,624	37.4	16,936	14,193	1,172	241	136	1,706	41.6
Portugal	6,058	8,086	469	166	56	787	29.8	6,150	8,263	466	158	106	782	32.4
Spain	32,344	44,395	1,488	(P)	(P)	6,007	144.0	35,298	44,555	1,726	(P)	711	5,971	158.6
Sweden	(P)	18,971	795	(P)	(P)	3,331	59.6	18,976	19,490	732	516	(P)	2,745	55.7
Switzerland	85,638	66,187	9,056	(P)	831	4,175	52.3	93,348	67,620	9,155	6,111	1,330	(P)	L
Turkey	4,109	6,771	140	229	87	493	26.4	5,012	6,685	171	215	125	512	27.5
United Kingdom	816,570	310,612	15,220	15,666	8,155	33,828	949.5	923,207	337,907	18,020	16,563	8,364	39,582	977.2
Other	26,336	19,960	697	(P)	168	1,829	169.7	30,578	24,452	1,384	486	173	(P)	M
Latin America and Other Western Hemisphere	376,816	223,494	23,547	29,809	31,260	26,174	1,529.2	458,889	268,912	30,849	36,691	37,650	29,599	1,629.2
South America	136,147	110,578	7,975	7,684	4,041	15,228	654.6	174,071	133,844	10,187	9,975	(P)	17,145	694.7
Argentina	28,542	20,968	981	1,081	137	2,849	105.6	36,527	24,019	1,003	1,628	174	2,854	106.9
Brazil	60,118	55,155	4,083	3,845	2,258	8,508	320.4	79,240	67,380	4,934	4,558	2,922	9,850	340.8
Chile	17,693	8,608	959	556	(P)	889	48.7	20,476	10,931	1,193	781	(P)	994	57.4
Colombia	8,721	9,823	768	669	193	938	48.4	10,513	10,695	970	820	147	1,041	52.0
Ecuador	2,002	2,000	-541	(P)	(P)	128	13.5	2,059	2,184	54	(P)	301	135	13.7
Peru	4,206	2,970	458	(P)	151	320	14.5	5,584	3,941	476	(P)	201	386	18.1
Venezuela	12,514	9,121	1,094	1,047	254	1,395	94.4	16,155	12,450	1,501	1,560	175	1,535	95.1
Other	2,351	1,934	172	155	(P)	201	9.0	3,517	2,244	56	118	(P)	241	10.8
Central America	92,080	79,666	8,547	21,403	25,126	9,554	818.2	116,214	96,787	10,641	25,170	28,948	11,299	878.8
Costa Rica	(P)	2,124	334	(P)	641	195	26.6	3,006	2,324	306	(P)	782	195	26.8
Guatemala	645	1,147	31	79	65	105	11.5	852	1,342	66	136	93	115	12.6
Honduras	621	(P)	(P)	(P)	123	128	23.9	700	1,212	-8	243	173	136	24.3
Mexico	66,892	71,676	6,874	20,307	24,216	8,885	731.8	83,500	88,063	8,488	23,941	27,714	10,605	793.0
Panama	20,624	2,314	1,246	595	52	185	17.4	(P)	(P)	(P)	(P)	127	184	15.5
Other	(P)	(P)	92	29	56	7.1	(P)	(P)	(P)	(P)	86	60	64	6.5
Other Western Hemisphere	148,589	33,249	7,025	722	2,093	1,392	56.4	168,604	38,281	10,021	1,547	(P)	1,156	55.7
Bahamas	1,996	964	120	82	31	48	1.9	2,245	967	229	70	(P)	48	1.8
Barbados	(P)	(P)	(P)	58	5	54	3.7	(P)	(P)	67	5	53	3.7	
Bermuda	80,542	15,060	3,753	78	(P)	141	3.3	102,144	17,224	5,406	344	(P)	301	8.0
Dominican Republic	(P)	(P)	(P)	115	146	(P)	J	(P)	(P)	(P)	(P)	(P)	(P)	J
Jamaica	3,113	(P)	(P)	211	134	5.7	(P)	1,546	153	(P)	198	142	5.6	
Netherlands Antilles	19,488	839	207	8	0	21	0.8	15,154	838	240	8	(*)	21	0.8
Trinidad and Tobago	2,302	1,329	184	33	(P)	75	4.1	2,342	1,134	86	47	(P)	73	4.8
United Kingdom Islands, Caribbean	32,841	4,899	1,272	(P)	484	644	12.0	33,719	7,390	2,460	403	2,778	231	6.6
Other	3,010	4,902	129	63	(P)	G	(P)	(P)	(P)	(P)	(P)	(P)	(P)	G
Africa	27,929	23,400	2,254	761	2,554	1,885	121.6	40,602	29,150	2,653	757	2,623	2,739	186.6
Egypt	3,621	3,258	395	32	(*)	145	12.5	3,828	3,565	357	85	(P)	214	24.5
Nigeria	5,820	4,353	726	132	1,023	144	9.3	6,442	4,595	719	130	(P)	175	10.0
South Africa	5,940	7,364	345	303	27	1,014	54.3	12,873	11,552	778	292	33	1,723	106.0
Other	12,548	8,426	789	294	1,503	581	45.5	17,459	9,437	799	250	1,407	628	46.1
Middle East	35,428	23,792	3,210	690	1,310	2,448	77.8	39,411	24,950	2,603	755	1,211	2,449	77.4
Israel	9,350	7,546	605	311	(P)	1,115	46.3	10,093	8,499	625	(P)	914	1,211	47.9
Saudi Arabia	14,189	8,329	1,328	120	(P)	799	18.2	15,378	9,307	904	186	(P)	799	18.9
United Arab Emirates	1,852	2,844	228	163	34	213	4.9	1,928	(P)	(P)	175	4	195	4.6
Other	10,038	5,074	1,049	95	0	321	8.5	12,011	(P)	(P)	(P)	(P)	243	6.0
Asia and Pacific	592,934	519,680	27,708	50,123	36,327	49,873	1,715.1	628,118	536,462	26,231	51,831	37,336	50,583	1,835.8
Australia	94,370	69,945	3,379	4,833	1,294	8,838	280.3	96,250	68,519	3,899	4,718	1,304	9,425	304.2
China	14,066	11,403	935	1,259	1,043	827	135.3	18,460	14,989	1,106	1,537	1,399	1,229	175.4
Hong Kong	48,077	43,418	2,774	8,629	(P)	3,008	110.3	56,124	49,517	2,809	9,842	5,199	3,300	122.9
India	4,411	3,747	64	229	50	363	60.9	7,194	4,525	-22	240	88	426	72.5
Indonesia	19,645	10,546	1,861	465	560	761	61.9	21,572	10,350	1,439	(P)	408	795	66.2
Japan	248,276	206,371	5,863	17,585	5,401	24,522	409.0	266,028	205,072	5,925	16,900	5,584	23,463	396.7
Korea, Republic of	21,468	22,326	986	2,767	598	1,949	65.3	18,004	22,419	741	2,125	307	1,792	59.8
Malaysia	17,998	16,759	1,408	2,906	4,015	1,174	119.6	18,704	19,520	1,892	3,096	(P)	1,329	141.9
New Zealand	21,731	13,817	1,630	263	40	2,027	63.0	21,899	13,791	2,487	301	39	2,153	60.5
Philippines	10,631	8,705	706	1,048	849	801	97.1	10,225	8,756	610	(P)	1,075	721	91.8
Singapore	48,418	76,770	6,121	6,303	15,966	2,899	114.8	51,448	82,114	4,554	7,047	14,988	3,113	124.4
Taiwan	19,517	16,970	1,023	2,109	(P)	1,469	66.6	20,741	17,554	1,174	2,464	1,482	1,604	70.8
Thailand	20,887	16,381	889	1,669	(P)	1,099	117.6	17,126	1					

Table 19.1.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1996

	Millions of dollars													Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income ¹									
All countries	2,657,831	1,868,588	1,588,324	238,114	42,149	118,918	80,462	14,039	187,960	152,327	498,310	210,744	6,076.8	
Canada	244,572	231,671	202,347	22,326	6,998	10,236	9,359	1,563	59,280	62,060	53,783	27,242	832.4	
Europe	1,613,154	1,049,313	891,206	133,696	24,411	63,987	40,250	9,662	51,577	25,177	291,732	127,439	2,794.4	
Austria	8,268	14,420	13,277	1,048	95	542	721	108	1,303	(P)	3,989	1,548	25.4	
Belgium	61,451	46,409	41,203	4,531	675	2,338	1,762	356	3,211	1,227	13,767	6,307	103.0	
Denmark	8,265	8,156	6,140	1,824	192	302	480	(P)	187	135	2,497	1,305	23.7	
Finland	3,400	4,588	4,059	437	92	249	180	44	178	128	2,014	593	12.0	
France	128,653	126,738	109,250	16,241	1,247	4,112	5,256	1,315	5,015	3,087	38,570	20,634	408.1	
Germany	181,451	195,067	169,802	22,717	2,548	6,368	6,060	3,073	8,147	3,687	61,097	31,783	556.4	
Greece	2,459	3,930	3,581	283	66	139	81	5	41	(P)	1,401	369	11.5	
Ireland	44,339	27,050	24,786	1,580	684	6,367	1,069	193	1,129	2,203	9,288	1,887	56.7	
Italy	55,485	68,196	60,998	6,495	703	1,804	2,166	554	2,477	1,305	21,259	8,330	173.4	
Luxembourg	16,329	3,189	3,039	113	37	2,358	97	(P)	225	(P)	1,181	430	8.7	
Netherlands	147,508	98,299	83,423	11,112	3,764	12,015	2,028	547	6,065	1,305	17,221	7,212	149.3	
Norway	14,637	12,968	11,245	1,630	93	1,106	1,226	18	153	120	6,527	1,408	32.5	
Portugal	5,730	7,916	6,803	1,041	72	460	303	92	186	56	2,949	761	28.9	
Spain	29,903	41,888	38,143	3,196	349	1,388	1,554	327	1,483	665	9,448	5,588	134.4	
Sweden	15,468	16,232	13,008	2,888	336	792	436	443	611	229	4,947	2,930	49.3	
Switzerland	84,845	65,499	59,877	4,661	961	9,026	570	190	5,017	831	8,193	3,980	48.8	
Turkey	3,137	5,812	5,542	261	9	69	198	27	188	52	1,781	382	20.4	
United Kingdom	784,541	287,941	222,733	52,867	12,341	14,321	14,506	2,139	15,625	8,095	82,224	30,781	826.4	
Other	17,285	15,215	14,296	772	147	232	1,548	40	335	158	3,379	1,212	125.7	
Latin America and Other Western Hemisphere	300,682	178,619	153,191	20,522	4,906	17,488	10,284	546	28,017	29,188	51,965	19,250	1,159.0	
South America	105,807	94,714	83,528	9,872	1,314	6,693	7,338	421	7,139	3,389	35,975	12,977	533.1	
Argentina	18,673	16,824	13,978	2,588	192	921	1,455	42	1,034	135	6,121	2,235	76.1	
Brazil	52,971	50,054	45,791	3,506	757	3,527	3,454	346	3,662	2,050	21,082	7,774	287.4	
Chile	13,256	7,108	5,800	1,147	161	816	620	6	421	428	2,478	725	37.1	
Colombia	7,201	4,100	3,551	470	79	428	528	9	620	183	2,217	851	42.7	
Ecuador	7,424	1,362	1,165	183	14	30	131	1	79	248	274	100	10.8	
Peru	3,777	2,507	2,311	186	10	326	335	8	186	151	976	284	12.8	
Venezuela	6,874	6,980	5,261	1,691	28	485	730	9	987	129	2,144	829	58.9	
Other	1,631	1,780	1,670	101	9	159	85	1	150	66	683	180	7.4	
Central America	57,616	53,987	50,875	2,743	369	4,244	2,354	125	20,194	23,706	11,778	5,201	584.1	
Costa Rica	2,568	2,040	2,004	36	0	331	49	2	149	641	580	186	25.7	
Guatemala	591	1,057	1,014	36	7	21	24	1	77	65	233	94	10.1	
Honduras	606	1,123	981	139	3	-6	38	(*)	147	123	256	125	23.2	
Mexico	32,906	46,402	43,695	2,382	325	2,586	2,142	121	19,142	22,796	10,125	4,571	501.5	
Panama	20,328	2,148	1,984	130	34	1,258	54	1	585	52	313	175	16.9	
Other	616	1,217	1,196	20	1	54	46	(*)	92	29	271	51	6.7	
Other Western Hemisphere	137,260	29,918	18,788	7,907	3,223	6,551	592	(*)	685	2,093	4,213	1,071	41.9	
Bahamas	1,802	852	760	79	13	96	8	(*)	82	31	161	41	1.7	
Barbados	3,310	1,783	1,022	139	622	139	677	4	0	5	755	44	3.2	
Bermuda	77,346	14,673	7,504	4,771	2,398	3,685	134	0	76	(P)	1,514	124	3.0	
Dominican Republic	1,402	1,571	(P)	(P)	(P)	296	70	0	115	146	629	144	19.0	
Jamaica	3,044	438	1,297	64	2	182	55	(*)	212	211	399	115	4.9	
Netherlands Antilles	15,770	428	60	50	318	218	20	0	6	0	-378	9	0.2	
Trinidad and Tobago	2,042	1,221	1,146	63	12	150	234	0	29	(P)	832	60	3.0	
United Kingdom Islands, Caribbean	29,967	3,497	1,847	1,312	338	1,168	46	(*)	43	484	127	461	4.8	
Other	2,577	4,530	(P)	(P)	(P)	78	21	0	63	(P)	174	71	2.2	
Africa	24,833	19,986	18,010	1,845	131	1,969	2,759	21	716	2,552	8,248	1,460	86.5	
Egypt	3,078	2,645	2,355	283	7	306	356	1	28	(*)	930	124	9.0	
Nigeria	5,750	4,250	4,076	173	1	720	874	1	132	1,023	2,977	139	7.8	
South Africa	4,617	5,663	4,946	663	54	190	234	18	266	27	1,322	708	33.3	
Other	11,387	7,429	6,633	725	71	753	1,296	1	290	1,502	3,019	488	36.4	
Middle East	15,177	10,596	8,337	2,184	76	1,205	897	170	585	785	1,568	1,368	42.9	
Israel	3,629	3,162	2,583	565	14	282	354	169	308	751	1,053	585	27.0	
Saudi Arabia	4,331	1,229	285	930	14	291	33	(*)	77	0	567	409	7.4	
United Arab Emirates	1,622	2,470	2,145	304	21	182	119	(*)	131	34	1,295	200	4.2	
Other	5,595	3,324	3,852	385	26	449	392	0	69	0	1,637	174	4.3	
Asia and Pacific	440,626	371,988	315,231	51,129	5,628	23,109	16,417	2,076	47,781	32,566	86,168	33,570	1,149.7	
Australia	75,917	54,214	44,293	9,001	920	2,935	4,261	409	4,789	1,282	17,335	7,311	222.2	
China	10,436	8,678	8,069	590	19	756	1,239	25	954	1,029	2,073	636	101.4	
Hong Kong	45,404	40,762	34,318	5,623	821	2,538	982	38	8,611	4,257	6,127	2,575	81.7	
India	2,206	1,952	1,812	109	31	46	253	3	157	38	432	134	24.2	
Indonesia	16,083	9,594	9,134	415	45	1,705	1,139	6	458	559	5,665	601	50.5	
Japan	167,241	110,776	85,945	22,564	2,267	4,268	2,178	1,333	16,200	20,080	25,677	13,464	167.2	
Korea, Republic of	6,314	9,074	7,637	1,377	60	610	404	34	2,525	464	2,533	972	32.2	
Malaysia	16,020	16,188	14,636	1,392	160	1,426	1,623	23	2,846	4,015	4,553	1,077	111.3	
New Zealand	14,170	8,491	7,304	1,079	108	554	519	16	263	40	2,662	1,321	38.8	
Philippines	7,228	6,938	6,330	529	79	580	561	14	1,030	806	2,131	525	62.4	
Singapore	45,755	74,394	70,747	3,262	385	6,101	1,932	88	6,241	15,965	9,801	2,737	102.3	
Taiwan	16,265	14,673	10,772	3,388	76	762	366	75	2,080	1,484	2,846	1,314	59.9	
Thailand	14,372	14,243	12,412	1,625	206	747	705	5	1,575	527	3,506	776	83.4	
Other	3,214	2,011	1,822	176	13	82	254	(*)	51	20	827	127	12.1	
International²	18,787	6,415	2	6,413	0	924	496	(*)	4	0	1,862	415	11.9	
By major industry														
Petroleum	222,909	295,615	284,306	11,307	2	12,243	17,577	116	3,048	12,663	109,870	8,845	174.7	
Manufacturing	715,110	899,737	876,953	21,408	1,376	49,549	37,962	12,205	120,259	125,531	250,351	122,782	3,666.1	
Food and kindred products	78,123	100,189	99,975	214	0	5,962	3,351	380	2,631					

Table 19.2.—Selected Data for Majority-Owned Nonbank Foreign Affiliates, by Country and by Major Industry of Affiliate, 1997

	Millions of dollars													Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFA's	U.S. imports of goods shipped by MOFA's	Gross product	Compensation of employees		
		Total	Goods	Services	Investment income ¹									
All countries	2,929,023	1,982,817	1,664,198	272,919	45,700	136,043	88,246	14,075	208,541	166,769	519,306	219,374	6,525.4	
Canada	264,643	250,429	217,337	25,600	7,491	12,263	11,041	1,825	68,208	67,482	57,554	28,100	858.3	
Europe	1,759,939	1,085,571	906,383	153,247	25,941	73,443	44,184	9,478	55,041	26,766	297,604	130,882	2,988.6	
Austria	7,575	13,542	12,297	1,176	69	481	437	117	1,139	165	3,948	1,508	27.5	
Belgium	68,082	47,059	41,660	4,657	742	2,572	1,900	310	3,724	1,197	13,350	5,849	102.2	
Denmark	7,687	8,216	6,309	1,775	132	282	406	(P)	143	168	2,505	1,314	25.8	
Finland	3,683	4,989	4,419	499	71	344	199	51	162	139	2,138	601	12.8	
France	125,627	121,177	104,330	15,558	1,289	3,792	4,799	1,238	4,899	3,239	37,024	20,464	438.6	
Germany	178,062	186,642	164,431	19,876	2,335	6,073	5,676	2,964	8,552	4,299	56,879	30,058	579.0	
Greece	2,693	3,936	3,587	284	65	104	97	7	40	(P)	1,318	371	11.7	
Ireland	56,975	30,138	27,637	1,908	593	8,363	1,418	323	1,535	2,778	12,075	2,083	64.8	
Italy	57,373	68,056	61,281	6,473	302	2,003	1,848	569	2,718	1,475	21,741	8,310	187.6	
Luxembourg	17,610	3,244	3,126	78	40	2,247	127	(P)	240	(P)	1,049	396	8.4	
Netherlands	164,982	107,838	92,578	11,620	3,640	15,461	2,585	479	6,333	1,992	19,782	7,583	158.3	
Norway	15,578	12,933	10,991	1,854	88	1,110	1,760	23	227	135	6,266	1,544	38.1	
Portugal	5,752	8,107	6,941	1,110	56	454	423	39	158	106	2,619	761	31.5	
Spain	30,642	40,634	37,181	3,194	259	1,762	1,479	176	1,492	711	9,690	5,462	143.0	
Sweden	16,430	16,657	13,375	3,151	131	1,056	628	375	511	419	4,630	2,345	45.4	
Switzerland	92,514	66,901	61,500	4,430	971	9,139	739	230	6,101	1,330	8,449	3,668	47.9	
Turkey	3,859	6,996	6,695	289	12	11	403	6	190	83	2,033	403	21.8	
United Kingdom	884,647	320,377	231,091	74,340	14,946	17,285	17,296	2,310	16,480	8,297	87,916	36,754	897.0	
Other	20,169	18,128	16,954	975	199	803	1,963	56	398	162	4,191	1,410	147.1	
Latin America and Other Western Hemisphere	359,685	213,155	178,377	29,687	5,091	22,671	11,388	667	34,768	35,703	60,579	21,445	1,229.1	
South America	134,732	113,362	98,513	13,477	1,372	7,929	8,331	522	9,291	4,112	40,783	14,633	570.2	
Argentina	26,902	19,932	16,498	3,207	1,037	1,688	43	1,559	173	6,762	2,388	81.1		
Brazil	66,995	58,685	52,824	5,185	676	4,149	3,761	437	4,270	2,643	23,590	8,837	300.9	
Chile	15,225	9,119	7,415	1,425	279	958	630	7	630	440	2,823	794	40.3	
Colombia	7,728	8,913	8,196	626	91	511	553	12	759	139	2,509	718	44.3	
Ecuador	1,517	1,497	1,205	267	25	6	127	1	101	301	2,38	103	11.0	
Peru	4,957	3,718	3,351	343	24	462	458	10	368	201	1,402	341	15.2	
Venezuela	9,637	9,612	7,257	2,312	43	748	948	11	1,493	102	2,812	1,056	69.3	
Other	1,769	1,887	1,766	111	10	56	135	1	111	112	647	196	8.2	
Central America	69,432	64,651	60,596	3,576	479	5,288	2,441	137	23,974	27,506	13,559	5,870	613.1	
Costa Rica	2,946	2,235	2,194	41	0	302	61	4	193	779	553	182	25.7	
Guatemala	790	1,237	1,171	58	8	53	48	1	135	93	299	102	11.2	
Honduras	700	1,212	1,088	122	2	-8	56	(*)	243	173	304	136	24.3	
Mexico	40,821	56,360	52,856	3,058	446	3,845	2,172	132	22,789	26,275	12,009	5,220	530.7	
Panama	23,482	2,285	1,999	265	21	1,041	54	0	528	127	102	171	15.0	
Other	695	1,322	1,288	33	1	55	50	(*)	86	60	293	59	6.1	
Other Western Hemisphere	155,521	35,141	19,268	12,635	3,238	9,454	615	8	1,503	4,085	6,236	942	45.8	
Bahamas	2,038	872	786	78	8	205	7	(*)	70	(P)	177	39	1.5	
Barbados	4,183	1,743	664	930	149	752	4	0	67	5	811	43	3.3	
Bermuda	97,575	16,576	5,051	9,119	2,406	5,221	61	(*)	339	(P)	2,322	280	7.6	
Dominican Republic	1,690	1,824	(P)	(P)	0	367	85	0	180	192	749	148	18.6	
Jamaica	3,902	1,400	1,370	67	3	157	75	(*)	197	198	379	118	4.8	
Netherlands Antilles	11,517	3,922	69	58	265	258	11	0	8	(*)	-110	9	0.3	
Trinidad and Tobago	2,021	994	891	95	8	56	273	0	(P)	(P)	622	56	3.3	
United Kingdom Islands, Caribbean	30,462	6,554	4,465	1,694	395	2,379	52	8	388	2,778	1,066	168	4.3	
Other	2,734	4,746	(P)	(P)	0	59	45	0	(P)	(P)	220	80	2.2	
Africa	30,729	22,795	20,474	2,186	136	2,017	3,404	26	705	2,618	8,875	1,809	108.6	
Egypt	3,188	2,843	2,457	386	0	266	490	1	51	(P)	921	160	11.9	
Nigeria	6,377	4,494	4,278	216	0	717	806	(*)	130	(P)	2,972	170	8.3	
South Africa	7,069	7,024	5,998	1,003	23	282	306	22	278	30	1,758	935	50.0	
Other	14,095	8,434	7,740	582	112	753	1,801	2	246	1,406	3,224	543	38.4	
Middle East	15,018	9,571	7,098	2,399	74	1,046	918	209	503	689	4,322	1,420	42.9	
Israel	3,842	3,236	2,587	642	7	162	289	209	203	(P)	956	640	28.5	
Saudi Arabia	4,548	1,157	1,447	996	14	181	33	(*)	26	0	403	383	6.5	
United Arab Emirates	1,658	2,391	2,034	334	23	177	79	(*)	142	4	1,160	178	3.7	
Other	4,971	2,787	2,330	427	30	526	516	0	132	(P)	1,802	218	4.3	
Asia and Pacific	485,708	396,610	334,529	55,114	6,968	23,858	16,961	1,870	49,312	33,511	88,943	35,350	1,285.7	
Australia	71,847	55,615	44,729	9,986	900	3,630	3,575	365	4,690	1,249	18,933	7,831	227.8	
China	14,286	11,898	11,133	741	21	1,017	1,226	1,316	3,099	1,316	3,099	1,008	135.8	
Hong Kong	53,686	47,623	39,755	6,462	1,406	2,605	1,331	84	9,820	5,184	7,133	3,101	111.1	
India	3,584	2,604	2,338	227	39	15	302	15	162	85	671	208	38.4	
Indonesia	16,074	9,282	8,675	567	40	1,473	1,556	5	446	400	5,378	592	51.3	
Japan	200,017	114,113	88,181	23,126	2,806	4,330	2,138	1,087	15,431	2,130	25,038	13,243	178.3	
Korea, Republic of	5,275	9,055	7,638	1,326	91	313	360	42	2,030	221	2,273	977	31.8	
Malaysia	16,326	18,620	16,958	1,479	183	2,024	1,456	32	3,020	4,686	4,912	1,228	132.3	
New Zealand	13,661	8,131	6,906	1,077	148	1,459	562	18	301	39	3,119	1,329	35.1	
Philippines	7,298	7,640	6,952	591	97	560	459	12	1,319	1,029	2,104	523	57.5	
Singapore	48,696	79,705	75,444	3,891	370	4,654	1,845	73	6,985	14,988	9,087	2,911	110.5	
Taiwan	18,353	15,596	10,997	3,971	628	990	442	87	2,625	1,454	2,921	1,425	62.6	
Thailand	12,477	14,641	13,012	1,412	217	682	893	5	1,473	712	3,437	790	97.9	
Other	4,129	2,087	1,812	259	16	104	474	1	54	18	838	185	15.4	
International²	13,301	4,686	0	4,686	0	745	350	0	4	0	1,429	369	12.1	
By major industry														
Petroleum	235,862	288,059	274,086	13,973	0	15,249	20,044	138	4,898	13,384	110,818	9,222	180.6	
Manufacturing	744,753	942,604	922,888	19,169	548	55,773	39,698	12,114	133,109	139,131	256,442	124,098	3,880.2	
Food and kindred products	81,770	103,895	103,575	319	1									

Table 20.1.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996

[Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	6,076.8	174.7	3,666.1	378.2	537.3	206.9	498.9	645.4	577.5	821.9	524.7	172.7	712.4	826.2
Canada	832.3	18.0	363.5	32.0	41.2	31.3	27.7	27.1	103.8	100.4	75.7	25.8	86.1	263.2
Europe	2,794.4	50.9	1,683.5	154.3	267.2	116.9	264.2	205.5	290.6	385.0	278.4	85.4	430.5	265.9
Austria	25.4	0.5	14.8	2.0	1.3	0.3	1.6	1.3	5.3	2.9	6.2	0.6	2.2	1.1
Belgium	103.0	1.9	63.5	8.5	17.0	2.8	6.7	3.7	10.3	14.5	14.4	2.0	16.3	4.9
Denmark	23.7	0.2	9.2	H	1.0	0.5	0.5	1.1	0.6	H	8.5	0.7	4.0	1.1
Finland	12.0	0.4	5.6	0.1	1.2	0.9	0.3	0.5	0.2	2.3	3.2	0.1	0.6	2.2
France	408.1	4.6	242.2	12.3	41.2	34.2	51.4	20.9	18.1	64.1	44.3	4.0	91.3	21.8
Germany	556.4	4.6	400.7	21.5	43.1	22.9	61.0	57.4	125.8	69.1	32.1	6.6	49.1	63.3
Greece	11.5	0.4	6.3	3.3	1.8	0.3	(*)	0.1	0.0	0.7	2.8	0.3	1.3	0.3
Ireland	56.7	0.3	49.0	2.2	6.9	1.4	7.4	13.8	0.5	16.8	2.1	1.5	2.8	1.1
Italy	173.4	3.2	120.4	8.5	24.1	8.2	25.1	15.0	13.8	25.7	20.2	2.2	16.6	10.9
Luxembourg	8.7	0.1	6.9	0.0	0.0	0.6	0.1	0.3	0.0	5.9	0.3	0.1	0.5	0.7
Netherlands	149.3	3.9	78.8	9.9	15.4	7.7	9.1	11.4	7.5	17.8	23.6	7.1	27.6	8.2
Norway	32.5	5.7	6.2	2.2	0.6	0.7	1.2	0.4	0.2	0.8	4.2	0.2	15.4	0.9
Portugal	28.9	0.4	18.9	4.7	2.4	0.1	0.6	8.7	1.4	1.1	5.6	0.2	3.0	0.8
Spain	134.4	0.7	89.6	14.2	14.5	4.3	3.4	9.2	30.6	13.4	17.8	2.1	8.8	15.3
Sweden	49.3	0.4	29.9	H	14.9	0.1	3.5	1.4	0.5	I	9.8	1.4	4.1	3.7
Switzerland	48.8	1.5	16.9	1.4	2.9	0.5	2.4	3.5	0.0	6.1	13.9	1.4	12.1	3.0
Turkey	20.4	0.6	12.2	2.8	1.5	0.3	2.0	H	0.8	H	4.3	0.1	2.2	0.9
United Kingdom	826.4	19.2	416.0	35.8	62.2	25.3	86.7	36.0	65.3	104.7	55.0	54.2	167.8	114.2
Other	125.7	2.2	96.5	19.4	15.1	5.8	3.1	J	9.7	K	10.0	0.7	4.8	11.4
Latin America and Other Western Hemisphere	1,159.0	35.3	839.7	124.0	122.4	32.7	43.9	181.9	148.9	185.8	41.1	18.3	83.9	140.9
South America	533.1	29.0	363.3	72.2	72.1	20.8	25.4	29.9	55.5	87.5	25.1	13.1	40.0	62.7
Argentina	76.1	6.4	45.8	16.0	10.6	1.6	0.2	1.3	7.9	8.3	3.8	2.1	10.6	7.5
Brazil	287.4	3.9	236.4	32.1	40.9	12.7	24.3	24.8	41.3	60.4	8.7	2.6	15.8	20.2
Chile	37.1	G	12.8	2.0	3.4	3.3	(*)	0.4	F	H	3.8	6.1	4.2	I
Colombia	42.7	3.4	20.9	4.9	6.0	1.1	0.1	0.8	G	I	2.7	0.8	4.7	10.3
Ecuador	10.8	1.3	3.8	2.0	0.9	0.3	0.0	0.0	0.0	0.7	0.8	0.3	1.0	3.7
Peru	12.8	1.3	3.2	1.2	0.9	0.3	0.0	0.0	0.0	0.8	1.4	0.0	0.5	6.3
Venezuela	58.9	11.0	37.0	12.4	8.8	1.5	0.8	2.6	3.7	7.2	3.4	1.2	3.1	3.2
Other	7.4	F	3.3	1.7	0.5	0.0	(*)	0.0	0.0	1.1	0.4	(*)	0.2	H
Central America	584.1	3.4	456.9	50.8	47.8	11.8	18.3	151.9	93.4	82.9	14.5	3.9	34.7	70.7
Costa Rica	25.7	0.1	11.5	2.1	1.3	0.8	0.0	H	0.0	H	0.6	0.0	0.1	13.4
Guatemala	10.1	0.4	5.1	1.8	1.6	0.6	0.0	0.0	0.0	1.1	0.4	0.2	G	H
Honduras	23.2	0.1	8.9	5.5	0.3	0.1	0.0	0.0	0.0	3.0	0.2	0.2	0.0	13.8
Mexico	501.5	0.9	424.1	40.7	43.3	9.8	18.3	147.6	93.4	71.0	11.8	3.1	33.0	28.6
Panama	16.9	0.8	2.5	0.3	1.0	0.1	0.0	0.0	0.0	1.1	1.1	0.3	A	J
Other	6.7	1.0	4.9	0.4	0.2	0.5	0.0	G	0.0	G	0.4	0.1	(*)	0.2
Other Western Hemisphere	41.9	2.9	19.4	1.0	2.6	0.1	0.2	0.1	0.0	15.4	1.6	1.3	9.2	7.4
Bahamas	1.7	0.1	0.4	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.3	0.7
Barbados	3.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	(*)	2.8	0
Bermuda	3.0	0.4	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.5	0.6	1.4	0
Dominican Republic	19.0	0.1	13.2	0.8	0.6	0.0	0.0	0.0	0.0	11.8	0.3	0.1	0.5	4.7
Jamaica	4.9	0.2	2.8	0.0	1.1	0.0	0.0	0.0	0.0	1.7	0.2	0.1	0.5	1.1
Netherlands Antilles	0.2	(*)	(*)	(*)	0.0	0.0	0.0	0.0	0.0	0.0	0.1	(*)	0.0	0
Trinidad and Tobago	3.0	0.7	0.4	0.0	0.3	0.1	(*)	0.0	0.0	(*)	0.2	0.2	0.6	0.9
United Kingdom Islands, Caribbean	4.8	0.1	1.8	0.0	(*)	0.0	0.2	(*)	0.0	1.6	0.1	0.3	2.6	0
Other	2.2	1.1	0.5	0.1	0.4	0.0	0.0	0.0	0.0	(*)	(*)	(*)	0.6	(*)
Africa	86.5	17.0	44.1	7.1	12.4	4.2	2.4	1.6	1.2	15.0	9.2	0.9	6.3	9.1
Egypt	9.0	1.4	4.1	0.3	2.3	0.6	0.4	0.5	0.0	0.1	1.0	0.0	2.3	0.2
Nigeria	7.8	6.0	1.6	0.1	1.4	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
South Africa	33.3	G	20.5	3.5	5.9	1.6	1.9	1.1	1.2	5.2	5.8	0.3	2.3	G
Other	36.4	I	17.9	3.2	2.8	2.0	0.1	(*)	0.0	9.7	2.2	0.7	1.6	I
Middle East	42.9	6.5	13.6	2.3	1.2	0.4	0.5	7.7	0	1.4	2.4	0.4	17.9	2.1
Israel	27.0	0.0	12.5	G	0.9	0.2	0.4	7.7	0.0	G	1.6	(*)	12.9	0
Saudi Arabia	7.4	1.2	0.4	0.2	0.3	(*)	0.0	0.0	0.0	0.0	0.1	0.1	4.3	1.3
United Arab Emirates	4.2	2.0	0.4	0.0	0.0	0.2	(*)	0.0	0.0	0.2	0.6	0.1	0.6	0.4
Other	4.3	3.3	0.4	A	0.1	0.0	0.1	0.0	0.0	A	0.1	0.2	0.1	0.4
Asia and Pacific	1,149.7	38.6	721.8	58.4	92.9	21.4	160.1	221.5	33.0	134.3	118.0	42.0	87.7	141.7
Australia	222.2	4.7	100.3	19.5	16.2	7.0	11.3	2.8	20.9	22.6	17.2	6.4	36.0	57.7
China	101.4	0.6	86.4	2.9	14.2	H	10.5	42.3	G	J	5.6	0.6	1.5	6.7
Hong Kong	81.7	1.0	37.2	0.5	2.5	1.7	1.7	14.5	0.6	15.7	16.7	5.9	7.1	13.8
India	24.2	0.1	18.9	3.2	4.1	A	7.1	0.7	G	1.7	3.9	0.4	0.4	0.4
Indonesia	50.5	14.1	20.6	1.0	5.0	A	1.2	3.5	F	I	1.9	0.9	0.2	13.0
Japan	167.2	2.0	86.6	3.9	22.1	2.4	26.9	16.2	0.9	14.1	33.4	13.7	23.6	7.9
Korea Republic of	32.2	0.1	17.9	1.1	2.4	G	4.9	F	H	7.3	0.9	G	H	G
Malaysia	111.3	3.3	98.9	1.1	2.1	1.8	20.7	56.0	0.0	17.2	4.2	1.7	1.9	1.3
New Zealand	38.8	G	19.5	H	1.0	0.2	0.2	0.2	(*)	J	3.3	0.9	H	I
Philippines	102.3	2.9	77.4	10.1	7.4	0.1	0.6	25.8	0.0	6.7	3.9	G	0.5	H
Singapore	59.9	0.1	33.7	1.8	5.5	0.8	2.2	14.8	H	4.1	8.5	2.2	5.4	5.9
Taiwan	83.4	4.4	68.3	8.4	4.4	1.1	K	16.1	0.0	I	5.1	4.7	H	J
Thailand	12.1	H	5.4	G	3.4	A	(*)	0.3	(*)	0.0	2.4	0.2	F	A
International ¹	11.9	8.5	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3.4
Addenda:														
Eastern Europe ²	118.3	2.1	91.1	19.4	11.2	5.7	3.1	17.3	9.7	24.6	9.8	0.7	3.6	11.1
European Union (15) ³	2,567.1	40.8	1,551.7	128.5	247.0	109.5	257.5	180.9	279.9	348.4	246.0	82.9	396.0	249.7
OPEC ⁴	130.9	35.9	60.0	13.7	15.6	2.1	1.9	6.1	4.3	16.3	6.1	2.2	8.2	18.5

* Fewer than 50 employees.

† Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

Table 20.2.—Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Thousands of employees]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	6,525.4	180.6	3,880.2	376.6	550.5	204.8	563.1	718.9	609.9	856.4	556.0	199.4	842.5	866.8
Canada	858.3	18.6	374.7	38.3	38.7	29.2	36.2	27.7	104.5	100.0	77.0	27.4	93.6	267.0
Europe	2,988.6	49.2	1,743.7	147.7	271.9	119.4	278.2	226.1	304.2	396.3	293.8	102.2	515.1	284.6
Austria	27.5	0.6	15.3	1.9	1.1	0.2	1.7	1.9	5.4	3.1	6.9	0.6	2.8	1.4
Belgium	102.2	1.8	61.5	6.2	18.8	2.6	6.2	3.8	10.9	13.1	15.0	1.9	16.9	5.1
Denmark	25.8	0.3	10.2	2.3	1.0	0.5	1.4	1.6	0.6	2.9	8.3	F	5.4	G
Finland	12.8	0.4	6.3	0.1	1.2	0.9	0.4	0.8	0.3	2.7	3.5	0.1	0.5	2.1
France	438.6	4.1	256.6	13.3	46.1	35.3	50.8	21.6	21.7	67.8	43.8	4.7	104.4	25.0
Germany	579.0	4.7	413.4	15.7	41.9	26.5	65.2	66.3	130.3	67.6	35.6	6.9	56.5	61.8
Greece	11.7	0.5	6.6	3.2	1.7	0.3	(*)	0.1	0.0	1.2	2.7	0.3	1.3	0.3
Ireland	64.8	0.3	55.1	2.2	8.0	1.2	11.0	14.8	0.6	17.4	2.4	0.6	4.1	2.3
Italy	187.6	3.2	124.8	8.3	24.1	6.5	28.0	16.2	14.6	27.2	20.8	2.0	26.4	10.4
Luxembourg	8.4	0.1	6.6	0.0	0.0	0.6	0.2	0.0	0.0	5.8	0.4	0.1	0.5	0.7
Netherlands	158.3	3.9	79.5	9.6	14.6	5.8	11.4	10.4	8.2	19.5	23.4	14.3	28.5	8.7
Norway	38.1	5.8	6.5	1.9	1.0	0.1	2.0	0.4	0.2	0.9	4.2	0.2	20.4	1.0
Portugal	31.5	0.4	21.1	5.2	2.4	0.1	0.6	9.9	1.0	1.8	5.2	A	3.5	G
Spain	143.0	0.7	95.2	14.0	16.1	4.3	3.8	9.3	29.6	18.2	17.7	2.1	13.5	13.8
Sweden	45.4	0.4	23.5	2.5	7.1	0.1	4.7	1.6	0.4	7.1	12.2	1.3	4.3	3.8
Switzerland	47.9	1.1	16.1	1.2	2.6	0.3	2.7	2.8	0.2	6.4	14.2	1.4	12.1	3.0
Turkey	21.8	0.6	12.9	2.3	1.8	0.4	0.0	2.9	0.4	4.4	5.0	0.1	2.2	0.9
United Kingdom	897.0	17.8	421.8	35.7	64.9	28.1	85.4	40.8	65.3	101.6	57.6	63.6	205.3	131.0
Other	147.1	2.7	110.8	21.7	17.3	5.6	2.8	21.0	14.7	27.7	14.8	1.1	6.5	11.2
Latin America and Other Western Hemisphere	1,229.1	38.7	877.6	128.9	127.9	33.2	46.3	192.6	163.4	185.3	51.5	22.4	97.6	141.3
South America	570.2	31.6	369.9	72.5	76.2	20.5	24.3	28.2	66.3	81.8	32.3	15.0	47.7	73.8
Argentina	81.1	6.0	45.9	12.2	11.7	1.7	0.5	0.5	10.5	8.7	4.2	2.6	10.5	11.9
Brazil	300.9	4.2	237.6	35.5	43.3	12.3	22.6	23.9	45.5	54.6	14.6	4.0	17.8	22.6
Chile	40.3	G	13.9	2.0	3.7	3.4	0.4	0.4	F	H	3.2	6.1	5.4	J
Colombia	44.3	4.6	20.6	5.5	6.6	1.1	0.1	0.8	G	H	3.1	0.9	5.1	10.0
Ecuador	11.0	1.1	3.9	2.0	1.0	0.3	0.0	0.0	0.0	0.6	0.9	0.3	1.0	3.9
Peru	15.2	1.3	4.0	1.7	1.2	0.3	0.0	0.0	0.0	0.9	1.9	(*)	0.5	7.4
Venezuela	69.3	12.3	40.8	12.0	8.2	1.6	0.8	2.6	7.5	8.1	3.7	0.9	7.1	4.4
Other	8.2	F	3.2	1.6	0.4	0.0	(*)	0.0	0.0	1.0	0.6	(*)	0.3	H
Central America	613.1	4.0	487.7	54.9	48.5	12.5	21.8	164.3	97.1	88.8	14.6	4.0	42.5	60.3
Costa Rica	25.7	0.1	11.9	2.2	1.2	0.8	0.0	H	0.0	H	0.6	0.0	0.1	13.1
Guatemala	11.2	0.4	5.4	1.8	1.8	0.6	0.0	0.0	0.0	1.1	A	0.2	1.5	H
Honduras	24.3	0.1	10.2	6.2	0.2	0.1	0.0	0.0	0.0	3.7	0.2	0.2	0.0	13.7
Mexico	530.7	1.5	453.9	44.0	43.9	10.4	21.8	159.3	97.1	77.5	11.9	3.2	40.9	19.2
Panama	15.0	0.9	2.3	0.3	0.8	0.1	0.0	0.0	0.0	1.1	G	0.3	0.1	J
Other	6.1	1.0	4.0	0.4	0.5	0.5	0.0	G	0.0	G	0.4	0.1	(*)	0.5
Other Western Hemisphere	45.8	3.1	20.1	1.5	3.2	0.2	0.2	0.2	0.0	14.8	4.7	3.4	7.4	7.2
Bahamas	1.5	0.1	0.4	0.0	0.2	0.0	0.0	0.0	0.0	0.1	0.1	(*)	0.2	0.7
Barbados	3.3	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	(*)	2.8	0
Bermuda	7.6	0.2	0.2	0.0	0.0	0.0	0.0	0.2	0.0	0.0	H	2.7	G	0
Dominican Republic	18.6	0.2	12.8	0.8	0.8	0.0	0.0	0.0	0.0	11.1	0.3	0.1	0.5	4.7
Jamaica	4.8	0.2	2.8	0.1	0.9	0.0	0.0	0.0	0.0	1.7	0.2	0.1	A	G
Netherlands Antilles	0.3	(*)	0.1	(*)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	(*)	0.0	0
Trinidad and Tobago	3.3	1.1	0.6	0.4	(*)	0.1	(*)	0.0	0.0	(*)	A	0.2	F	F
United Kingdom Islands, Caribbean	4.3	0.1	2.7	0.0	G	0.1	0.2	(*)	0.0	G	0.3	0.2	0.9	(*)
Other	2.2	1.1	0.5	0.2	A	0.0	0.0	0.0	0.0	A	(*)	(*)	0.6	(*)
Africa	108.6	17.9	61.7	H	12.4	4.0	3.5	3.0	1.4	K	7.1	1.0	11.6	9.4
Egypt	11.9	1.5	5.3	0.3	2.3	0.7	1.5	0.5	0.0	0.1	1.0	0.0	H	A
Nigeria	8.3	6.5	1.5	0.1	1.4	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.1
South Africa	50.0	G	35.6	0.7	5.7	1.4	1.8	2.5	1.4	22.0	3.2	0.3	6.2	H
Other	38.4	I	19.3	H	3.0	2.0	0.1	(*)	0.0	J	2.7	0.7	G	6.4
Middle East	42.9	6.8	14.9	G	1.4	0.3	1.2	8.4	0	G	1.2	0.4	18.1	1.5
Israel	28.5	0.0	14.0	G	1.1	0.2	1.1	8.4	0.0	G	0.5	(*)	13.9	0
Saudi Arabia	6.5	1.6	0.3	0.0	0.3	(*)	0.0	0.0	0.0	0.0	0.1	0.1	3.3	1.1
United Arab Emirates	3.7	1.6	0.3	0.0	0.0	(*)	(*)	0.0	0.0	0.2	0.6	0.2	0.7	0.3
Other	4.3	3.5	0.4	0.2	0.1	0.0	0.1	0.0	0.0	0.1	0.1	0.2	0.1	0.1
Asia and Pacific	1,285.7	40.8	807.5	54.8	98.1	18.8	197.7	261.2	36.3	140.6	125.3	46.0	106.4	159.6
Australia	227.8	5.3	97.1	18.6	16.3	3.1	12.0	2.8	20.7	23.4	18.6	6.4	40.2	60.3
China	138.8	1.2	112.5	4.0	16.6	3.8	12.1	55.5	4.9	15.6	7.8	0.6	1.9	11.7
Hong Kong	111.1	0.9	60.9	0.2	2.7	H	0.5	35.6	0.5	J	17.7	6.9	7.5	17.2
India	38.4	0.3	29.9	2.9	4.5	F	13.3	3.2	G	4.0	4.3	1.2	2.2	0.4
Indonesia	51.3	12.7	21.0	1.2	5.5	0.2	1.2	3.4	F	I	1.8	0.9	0.4	14.5
Japan	178.3	H	85.7	3.6	21.7	2.5	27.3	16.3	0.9	13.4	30.3	14.9	31.5	J
Korea, Republic of	31.8	A	16.7	1.1	2.6	0.3	2.5	4.9	0.6	4.7	6.1	0.8	3.2	H
Malaysia	132.3	3.3	118.7	0.8	2.6	0.4	32.7	64.7	0.0	17.4	3.8	1.9	2.9	1.7
New Zealand	35.1	G	18.7	H	1.2	0.3	0.2	0.1	(*)	J	3.1	0.9	4.6	I
Philippines	57.5	1.3	44.7	8.0	7.3	0.5	0.6	21.7	0.0	6.6	4.6	G	A	H
Singapore	110.5	2.9	78.7	0.3	2.6	1.0	45.9	21.8	3.1	4.1	13.6	2.4	5.8	7.2
Taiwan	62.6	0.1	35.3	1.5	6.0	0.8	H	15.8	H	I	5.4	5.1	3.6	13.0
Thailand	97.9	4.4	81.0	8.2	4.3	0.9	K	15.0	A	I	4.9	1.9	1.1	4.7
Other	15.4	3.1	6.5	G	4.2	0.1	(*)	0.3	0.2	A	3.5	A	G	F
International ¹	12.1	8.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3.4
Addenda:														
Eastern Europe ²	139.9	2.6	105.6	21.7	13.7	5.6	2.8	20.1	14.7	27.0	14.5	1.0	5.4	10.6
European Union (15) ³	2,733.8	39.0	1,597.4	119.9	249.2	112.9	270.7	199.0	288.7	357.0	255.6	99.3	474.0	268.6
OPEC ⁴	141.3	36.6	63.9	13.3	15.4	1.8	1.9	6.0	8.2	17.3	6.4	2.1	11.5	20.8

Table 21.1.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1996

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	498,310	109,870	250,351	24,437	50,478	11,002	37,023	23,345	37,809	66,257	54,472	17,161	37,840	28,617
Canada	53,783	9,020	25,933	2,294	3,933	1,910	2,407	1,707	7,315	6,367	4,552	3,454	3,200	7,624
Europe	291,732	65,165	149,872	13,994	31,883	6,588	21,663	11,298	20,433	44,012	34,535	6,372	25,342	10,447
Austria	3,989	1,251	1,539	259	123	16	83	122	700	236	835	58	221	85
Belgium	13,767	2,149	7,486	678	3,197	188	513	313	853	1,743	2,152	301	1,476	202
Denmark	2,497	355	719	235	115	27	23	42	68	209	1,109	37	210	67
Finland	2,014	592	736	6	175	88	23	127	31	285	536	2	51	97
France	38,570	6,484	20,737	1,918	5,233	2,121	4,456	1,424	1,098	4,487	4,954	592	4,555	1,248
Germany	61,097	9,831	40,386	2,906	5,134	1,420	6,634	2,741	8,513	13,039	3,588	1,291	3,973	2,229
Greece	1,401	681	399	149	191	13	2	9	0	35	173	64	66	19
Ireland	9,288	763	7,014	611	2,948	80	313	1,280	36	1,748	1,065	276	88	82
Italy	21,259	7,494	9,130	798	2,288	356	1,994	1,082	820	2,591	338	1,268	439	439
Luxembourg	1,181	184	649	0	0	42	7	19	0	582	170	119	46	12
Netherlands	17,221	3,212	8,849	1,362	2,400	376	673	742	202	3,092	3,668	-1,700	2,633	559
Norway	6,527	4,850	462	135	49	59	118	26	11	64	707	35	372	100
Portugal	2,949	768	760	208	162	(*)	29	252	70	39	1,052	36	183	150
Spain	9,448	263	6,126	580	1,384	261	325	536	2,187	853	1,680	197	610	571
Sweden	4,947	413	2,353	247	1,393	5	239	73	34	364	1,336	214	432	198
Switzerland	8,193	1,104	3,230	233	841	65	228	346	0	1,516	2,063	428	1,186	181
Turkey	1,781	344	1,049	161	112	40	7	67	57	812	310	11	57	9
United Kingdom	82,224	24,750	35,696	3,187	5,789	1,310	5,975	1,876	5,481	12,078	5,930	3,996	7,795	4,056
Other	3,379	-125	2,552	322	348	120	30	220	273	1,238	615	75	119	143
Latin America and Other Western Hemisphere	51,965	6,657	33,796	4,857	7,033	1,494	1,671	1,944	8,195	8,602	3,192	1,156	3,145	4,020
South America	35,975	5,075	23,927	3,810	4,844	1,246	1,066	502	5,641	6,817	1,607	486	1,797	3,083
Argentina	6,121	1,236	3,582	916	943	91	11	36	204	1,382	357	146	339	463
Brazil	21,082	1,741	16,910	2,040	2,954	873	1,031	408	4,970	4,635	648	143	1,190	449
Chile	2,478	358	734	164	177	178	(*)	11	67	136	196	172	63	956
Colombia	2,217	1,064	238	352	41	-1	13	162	259	111	7	7	101	240
Ecuador	274	147	66	19	28	4	0	(*)	0	14	24	7	6	25
Peru	976	163	53	43	4	9	0	0	47	103	7	-3	13	549
Venezuela	2,144	586	1,186	226	321	51	23	34	238	293	129	10	61	172
Other	683	148	234	154	27	0	1	0	0	52	41	5	25	230
Central America	11,778	514	9,421	1,021	1,990	255	717	1,321	2,554	1,564	866	37	477	462
Costa Rica	580	31	206	46	37	14	0	40	0	69	297	(*)	1	45
Guatemala	233	97	116	33	28	7	0	0	0	49	11	6	4	-2
Honduras	256	20	93	74	3	2	0	0	0	14	2	4	(*)	137
Mexico	10,125	98	8,862	854	1,893	221	717	1,288	2,554	1,356	442	37	462	223
Panama	313	84	74	9	23	4	0	0	0	37	101	-11	9	56
Other	271	184	70	6	5	7	0	13	0	39	12	2	2	2
Other Western Hemisphere	4,213	1,068	448	26	199	-7	-111	121	0	220	719	632	871	475
Bahamas	161	48	25	0	21	0	0	0	0	4	34	9	16	29
Barbados	755	29	5	2	0	0	0	1	0	2	117	470	134	0
Bermuda	1,514	34	9	0	0	0	0	9	0	0	324	946	201	0
Dominican Republic	629	34	197	15	20	0	0	0	0	162	14	1	7	376
Jamaica	399	38	111	0	70	0	0	0	0	41	168	5	28	50
Netherlands Antilles	-378	13	0	0	0	0	0	0	0	12	-389	-4	(*)	0
Trinidad and Tobago	832	705	78	0	82	-7	1	0	0	2	8	15	6	19
United Kingdom Islands, Caribbean	127	31	6	0	1	0	-112	110	0	7	30	-410	461	0
Other	174	148	14	6	6	0	0	0	0	2	2	-14	23	1
Africa	8,248	6,032	1,114	167	389	131	68	19	36	303	468	126	154	354
Egypt	930	812	43	-24	51	9	1	7	0	-1	57	0	29	-10
Nigeria	2,977	2,935	35	18	17	0	0	0	0	0	5	-2	0	3
South Africa	1,322	149	613	77	244	63	64	11	36	117	350	67	96	47
Other	3,019	2,135	422	96	77	59	3	2	0	187	56	60	29	315
Middle East	4,552	2,759	780	90	25	36	38	523	0	68	225	97	474	217
Israel	1,053	(*)	723	82	28	15	32	523	0	43	153	3	174	0
Saudi Arabia	567	60	28	4	24	1	0	0	0	0	23	7	270	179
United Arab Emirates	1,295	1,104	45	0	1	21	1	0	0	22	44	39	39	25
Other	1,637	1,596	-16	3	-28	0	5	0	0	3	5	48	-9	13
Asia and Pacific	86,168	19,418	38,856	3,035	7,216	842	11,175	7,854	1,830	6,904	11,499	5,957	5,525	4,914
Australia	17,335	4,787	6,806	941	1,813	230	176	173	1,396	1,738	1,433	662	1,948	1,690
China	2,073	376	1,375	22	389	79	515	604	4	101	161	53	55	52
Hong Kong	6,127	535	1,292	30	171	79	20	640	17	335	1,845	1,067	411	977
India	432	11	328	33	120	7	69	4	-6	61	67	6	8	12
Indonesia	5,665	4,179	315	22	142	11	26	26	12	77	43	35	20	1,073
Japan	25,677	3,352	13,325	1,196	2,888	215	4,930	2,111	76	1,909	4,043	2,578	1,949	430
Korea	2,533	(*)	1,227	86	162	20	209	321	51	380	998	60	164	84
Malaysia	4,553	1,797	2,204	19	77	23	365	1,344	0	377	279	203	34	35
New Zealand	2,662	477	1,478	187	63	7	10	20	-8	1,199	320	21	238	127
Philippines	2,131	413	1,247	272	452	9	6	341	0	167	186	157	18	110
Singapore	9,801	1,049	6,676	24	305	73	4,434	1,533	142	164	1,121	420	402	133
Taiwan	2,846	25	1,415	89	389	20	63	526	145	182	624	428	227	127
Thailand	3,506	1,764	1,078	91	192	66	352	202	0	175	315	260	43	45
Other	827	652	88	23	53	2	-1	10	(*)	0	63	6	9	9
International ¹	1,862	821												1,041
Addenda:														
Eastern Europe ²	3,059	-178	2,422	322	264	112	30	198	273	1,223	567	82	31	136
European Union (15) ³	271,852	58,991	142,579	13,144	30,533	6,304	21,286	10,639	20,092	40,582	30,839	5,822	23,607	10,014
OPEC ⁴	13,455	9,647	1,587	270	473	84	52	60	250	392	244	98	383	1,496

* Less than \$500,000.

† Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 9.

2. See footnote 2 to table 20.1.

3. See footnote 3 to table 20.1.

4. See footnote 4 to table 20.1.

Table 21.2.—Gross Product of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing								Wholesale trade	Finance (except depository institutions), insurance, and real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Industrial machinery and equipment	Electronic and other electric equipment	Transportation equipment	Other manufacturing				
All countries	519,306	110,818	256,442	25,579	52,987	11,549	37,318	26,183	43,471	59,355	56,446	21,441	44,292	29,866
Canada	57,554	8,828	28,764	2,431	3,762	2,045	2,814	1,796	9,389	6,527	4,992	4,088	3,842	7,039
Europe	297,604	66,236	147,471	14,259	32,980	6,769	21,652	12,474	22,786	36,550	35,424	8,006	29,175	11,292
Austria	3,948	1,249	1,354	222	99	15	128	123	573	193	898	49	266	133
Belgium	13,350	1,895	7,517	793	3,361	170	547	263	816	1,566	2,127	238	1,381	192
Denmark	2,505	332	727	169	95	29	65	108	62	201	1,019	65	304	58
Finland	2,138	587	850	6	183	73	25	238	36	289	580	4	46	70
France	37,024	5,901	20,121	1,859	5,178	1,936	3,989	1,377	1,375	4,406	4,148	498	5,014	1,342
Germany	56,879	8,037	38,358	2,280	4,744	1,691	6,077	2,782	9,050	11,733	3,714	1,069	3,819	1,882
Greece	1,318	603	401	150	180	11	2	9	0	49	163	67	63	20
Ireland	12,075	809	9,515	980	4,248	77	564	1,866	38	1,742	1,376	191	82	102
Italy	21,741	7,309	9,459	843	2,457	367	2,163	1,025	819	1,784	2,963	141	1,380	489
Luxembourg	1,049	172	620	0	0	41	10	(*)	0	569	150	57	38	12
Netherlands	19,782	3,316	9,476	1,231	1,996	360	806	1,062	862	3,158	3,633	70	2,822	467
Norway	6,266	4,781	443	122	55	12	162	20	14	58	675	-223	479	112
Portugal	2,619	814	774	218	184	(*)	26	246	39	61	626	29	179	196
Spain	9,690	213	6,405	642	1,510	301	336	508	1,995	1,112	1,707	213	650	503
Sweden	4,630	308	2,077	232	1,016	5	276	71	38	440	1,450	115	413	267
Switzerland	4,449	757	2,941	161	841	43	257	186	22	1,431	3,029	293	1,242	186
Turkey	2,033	304	1,270	200	153	35	0	56	60	766	373	9	63	13
United Kingdom	87,916	28,827	32,044	3,759	6,272	1,477	6,187	2,149	6,658	5,542	6,186	4,989	10,813	5,058
Other	4,191	24	3,120	391	409	125	34	384	329	1,448	606	131	122	189
Latin America and Other Western Hemisphere	60,579	6,663	38,347	5,465	8,808	1,770	2,022	2,909	9,237	8,136	4,840	2,183	3,419	5,127
South America	40,783	4,930	25,993	4,027	5,444	1,437	1,213	1,177	6,523	6,171	2,982	587	2,303	3,987
Argentina	6,762	1,274	3,782	724	1,027	101	15	13	404	1,497	468	170	400	667
Brazil	23,590	1,393	18,283	2,384	3,326	992	1,166	1,092	5,469	3,854	1,773	159	1,450	532
Chile	2,823	382	805	160	192	216	9	9	65	154	219	173	125	1,119
Colombia	2,509	795	1,156	267	401	61	-1	18	180	230	164	23	118	254
Ecuador	238	92	72	24	28	4	0	(*)	0	5	22	10	6	36
Peru	1,402	235	187	67	61	15	0	0	0	43	101	14	14	852
Venezuela	2,812	635	1,526	305	386	48	23	45	404	315	185	33	161	274
Other	647	123	183	96	22	0	1	0	0	63	52	5	31	254
Central America	13,559	683	11,060	1,404	2,350	296	937	1,644	2,714	1,715	903	-272	580	605
Costa Rica	553	12	234	47	45	18	0	67	0	57	203	(*)	(*)	103
Guatemala	299	124	123	41	36	7	0	0	0	39	17	7	4	24
Honduras	304	31	129	101	4	2	0	0	0	23	2	-5	4	(*)
Mexico	12,009	181	10,424	1,201	2,229	256	937	1,567	2,714	1,521	549	19	562	274
Panama	102	127	83	8	25	9	0	0	0	40	119	-295	12	56
Other	293	207	67	7	12	3	0	10	0	35	13	2	2	2
Other Western Hemisphere	6,236	1,050	1,294	33	1,014	36	-128	88	0	250	955	1,868	536	535
Bahamas	177	58	28	0	24	0	0	0	0	4	51	-8	20	28
Barbados	811	65	6	2	0	0	0	2	0	2	123	497	120	0
Bermuda	2,322	38	18	0	0	0	0	18	0	0	556	1,514	201	-4
Dominican Republic	749	49	231	16	24	0	0	0	0	191	23	1	7	438
Jamaica	379	47	114	2	74	0	0	0	0	37	121	6	31	61
Netherlands Antilles	-110	2.4	3	0	0	0	0	0	1	14	-121	-8	(*)	(*)
Trinidad and Tobago	622	577	-6	2	1	-13	1	0	0	2	9	10	8	25
United Kingdom Islands, Caribbean	1,066	34	883	0	883	50	-129	69	0	11	57	-29	134	-14
Other	220	179	17	8	7	0	0	0	0	2	2	2	23	1
Africa	8,875	6,109	1,529	120	377	160	66	78	33	694	294	178	403	363
Egypt	921	757	73	-43	78	9	18	7	0	5	62	0	40	-11
Nigeria	2,972	2,922	30	14	16	0	0	0	0	0	5	12	0	3
South Africa	1,758	178	941	37	203	61	45	70	33	491	169	80	337	53
Other	3,224	2,252	484	112	79	90	3	2	0	199	58	86	25	318
Middle East	4,322	2,790	719	96	62	33	39	414	0	75	103	89	549	73
Israel	956	(*)	656	93	39	27	33	414	0	51	32	1	268	0
Saudi Arabia	403	90	25	0	24	(*)	0	0	0	0	12	4	241	31
United Arab Emirates	1,160	961	29	0	1	6	1	0	0	21	54	37	42	37
Other	1,802	1,738	9	3	-2	0	5	0	0	3	5	47	-2	4
Asia and Pacific	88,943	19,039	39,613	3,209	6,999	773	10,724	8,511	2,026	7,372	10,792	6,898	6,904	5,697
Australia	18,933	4,849	7,208	1,773	184	517	173	1,510	2,032	1,559	1,176	2,155	1,985	1,885
China	3,099	481	2,068	128	405	66	364	809	105	191	301	60	77	112
Hong Kong	7,133	600	1,409	29	189	80	15	729	18	349	1,993	1,382	573	33
India	671	49	493	48	116	11	159	8	-10	161	71	6	53	20
Indonesia	5,378	3,813	363	23	136	9	18	74	30	72	50	24	1,079	501
Japan	25,038	3,499	12,621	1,138	2,799	223	4,682	2,081	65	1,633	3,404	2,393	2,620	701
Korea	2,273	7	953	104	161	13	176	153	23	323	810	76	353	73
Republic of	4,912	1,425	2,988	18	87	6	696	1,722	0	460	201	207	57	33
New Zealand	3,119	471	1,898	225	87	16	10	30	-9	1,539	228	52	265	205
Philippines	2,104	423	1,183	270	397	24	6	362	0	124	178	155	22	142
Singapore	9,087	964	5,745	19	186	79	3,590	1,559	149	164	1,324	538	396	120
Taiwan	2,921	28	1,584	81	434	22	117	590	155	186	437	441	269	161
Thailand	3,437	1,821	1,015	71	188	38	375	211	-5	137	194	328	31	48
Other	838	609	84	35	42	2	-1	10	-5	1	42	32	28	43
International ¹	1,429	1,153	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	276
Addenda:														
Eastern Europe ²	3,877	-34	3,007	391	334	125	34	361	329	1,433	558	109	63	174
European Union (15) ³	276,665	60,371	139,697	13,386	31,523	6,553	21,199	11,827	22,361	32,847	30,741	7,796	27,269	10,791
OPEC ⁴	13,825	9,462	1,974	342	564	63	44	118	434	409	306	140	465	1,478

* Less than \$500,000.

² Suppressed to avoid disclosure of data of individual companies.¹ See footnote 1 to table 9.² See footnote 2 to table 20.1.³ See footnote 3 to table 20.1.⁴ See footnote 4 to table 20.1.

The International Investment Position of the United States at Yearend 1998

By Russell B. Scholl

Harlan W. King directed the preparation of the estimates; Christopher A. Gohrband prepared several of the accounts with the assistance of Elena Nguyen, and Douglas B. Weinberg prepared the direct investment accounts at current cost.

THE NET international investment position of the United States—U.S.-owned assets abroad less foreign-owned assets in the United States—at yearend 1998 was a negative \$1,239.2 billion with direct investment valued at the current cost of tangible assets, and it was a negative \$1,537.5 billion with direct investment valued at the current market value of owners' equity (table A, chart 1).¹ For both measures, the net positions were more negative in 1998 than they were in 1997. The net foreign ownership of assets in the United States remains a small, but increasing, share of the total financial wealth of all U.S. households—4.2 percent at yearend 1998, up from 3.2 percent at yearend 1997.

The net position on both bases became more negative mainly as a result of large net financial inflows and strong price appreciation in foreign-owned assets in the United States (table B). This appreciation, which reflected the steep rise in U.S. stock market prices from yearend 1997 to

yearend 1998, greatly increased the value of foreign holdings of U.S. stocks and of owner's equity of foreign direct investment in the United States. U.S.-owned assets abroad also increased as the

1. This issue also contains a companion article, "Direct Investment Positions for 1998: Country and Industry Detail." The detailed estimates presented in that article are available only on a historical-cost basis.

Table A.—Summary Components of the U.S. Net Position at Yearend

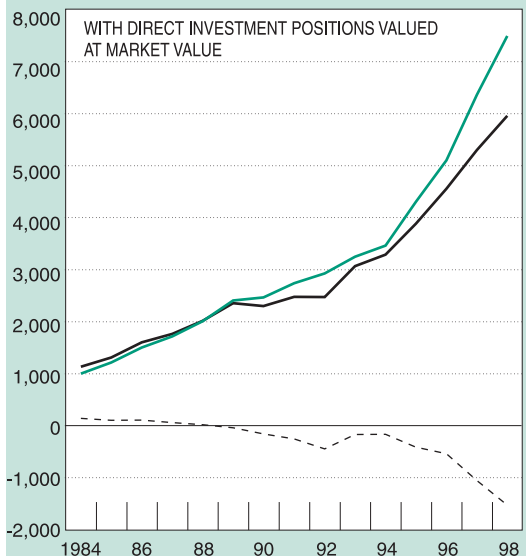
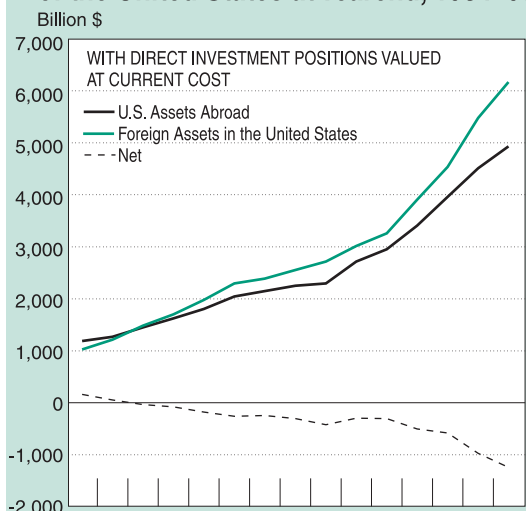
	[Billions of dollars]	
	1997	1998
Net position:		
At current cost	-968.2	-1,239.2
At market value	-1,066.3	-1,537.5
U.S. Government and foreign official assets	-618.9	-607.7
Direct investment:		
At current cost	240.2	244.7
At market value	142.1	-53.6
U.S. and foreign securities and U.S. currency	-713.1	-1,008.3
Bank- and nonbank-reported claims and liabilities	123.6	132.2

Table B.—Changes in the Net International Investment Position, 1998

	[Billions of dollars]	
	At current cost	At market value
Total change	-271.0	-471.2
Financial flows	-209.8	-209.8
Valuation adjustments:		
Price changes	-167.6	-319.3
Exchange rate changes	45.4	56.3
Other valuation changes	61.1	1.6

CHART 1

Net International Investment Position of the United States at Yearend, 1984–98



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

result of financial outflows and price appreciation, but the increase, which was mostly limited to U.S.-owned European stocks, was significantly smaller than that in foreign-owned assets in the United States. The net exchange rate adjustment principally reflected the effect on U.S.-owned foreign stocks of the appreciation of European and some Asian currencies against the U.S. dollar in 1998; this appreciation was partly offset by the depreciation of Canadian and Latin American currencies.

In 1998, U.S. assets abroad in a few categories increased strongly as a result of large net financial outflows and of price and exchange rate appreciation. U.S. direct investment abroad on both valuation bases increased as a result of record net outflows that were bolstered by heavy acquisitions in certain countries. At market value, the increase was augmented by a large increase in owner's equity as a result of the steep rise in European stock prices. U.S. holdings of foreign stocks increased as a result of rising European stock prices, appreciation of European currencies, and strong net U.S. purchases, mostly in the first half of the year. U.S. purchases near yearend were bolstered by two exceptionally large acquisitions of U.S. companies through exchanges of stock with U.S. shareholders.² U.S. holdings of foreign bonds were restrained by heightened risk aversion in the second half of the year, as markets reacted to Russia's debt moratorium and Brazil's

financial problems. In this more cautious environment, U.S. purchases were mainly new bond issues of highly rated foreign borrowers. U.S. banks' and nonbanking concerns' claims on foreigners increased considerably less in 1998 than in 1997, reflecting slower economic growth in many industrial countries and financial and economic problems in many emerging countries.

Foreign assets in the United States increased as a result of sizable net private financial inflows and continued large price appreciation in foreign holdings of U.S. stocks. Record inflows into U.S. corporate securities and foreign direct investment were attracted by sustained U.S. economic growth, low and stable inflation, long-term interest-rate differentials favoring dollar assets, and rising asset prices. In particular, foreign holdings of U.S. corporate bonds advanced as a result of record net foreign purchases and rising U.S. bond prices; concurrently, foreign investors shifted away from U.S. Treasury bonds as their yields declined to low levels. Taking advantage of this strong demand and shift in preferences, U.S. corporate borrowers, especially U.S. federally sponsored agencies, issued near record amounts of new bonds abroad. Foreign holdings of U.S. stocks increased as a result of both large price appreciation and strong net purchases, mainly in the first half of the year. Foreign direct investment in the United States on both valuation bases increased as a result of record financial inflows, including the two exceptionally large acquisitions through exchanges

2. For more information on these transactions, see page 52 in "Direct Investment Positions for 1998: Country and Industry Detail" in this issue.

Improvements in the Estimates

As is customary each July, the estimates of the U.S. international investment position incorporate new source data and methodological improvements that relate to the changes incorporated in the annual revision of the U.S. international transactions accounts. This year, the following major changes are introduced.

The estimates of U.S. portfolio holdings of foreign securities for 1994–98 are revised, reflecting the incorporation of newly available preliminary results of the U.S. Treasury Department's and the Federal Reserve System's Benchmark Survey of U.S. Portfolio Investment Abroad. This survey covered U.S. ownership of outstanding foreign long-term securities as of December 31, 1997. This survey was a followup to a similar survey of U.S. portfolio investment abroad as of March 1994. The 1997 survey was conducted by the United States as part of an initiative coordinated by the International Monetary Fund in which 29 participating countries surveyed their residents' portfolio investment abroad. (The new position data also enable BEA to develop improved estimates of

the associated flows of interest and dividend income receipts, which were incorporated into BEA's international transactions accounts released in June 1999.)

Estimates of the positions of U.S. direct investment abroad and of foreign direct investment in the United States on the current-cost basis have been revised back to 1976 to incorporate improved estimates of the current-cost adjustment. These improvements include the introduction of geometric depreciation, an improved treatment of transfers of equipment and structures by direct investment affiliates, newly available equipment and structures price indexes, and newly available data for capital investment, depreciation, depletion, and expensed exploration and development costs by direct investment affiliates. (These improvements also affect income and financial flows in BEA's revised international transactions accounts released in June 1999.)

For additional information about these changes, see "U.S. International Transactions, Revised Estimates for 1982–98" in this issue.

of stock with U.S. shareholders. Even excluding these acquisitions, direct investment inflows were still strong, reflecting other acquisition activity and strong business conditions in the United States. The market value of foreign direct investment was further augmented by the sharp rise in U.S. stock prices. U.S. liabilities to foreigners reported by U.S. banks and nonbanking concerns increased much less in 1998 than in 1997, a record year; banks slowed their short-term funding from abroad, and foreigners reduced their U.S. deposits. In addition, international bond funds withdrew funds from U.S. securities dealers to meet the liquidity needs associated with capital market uncertainties in the second half of the year.

This article presents the major changes in U.S. assets abroad and in foreign assets in the United States, including direct investment valued both at current cost and at market value, in 1998. Tables 1, 2, and 3 at the end of the article present detailed estimates of the yearend positions.

Revisions.—The estimates of the U.S. international investment position have been revised back to 1976. For yearend 1997, the net negative position has been revised from \$1,223.6 billion to \$968.2 billion with direct investment at current cost and from \$1,322.5 billion to \$1,066.3 billion with direct investment at market value (table 4). The major sources of these revisions are in U.S.-owned foreign securities of Europe, and to a lesser extent, of Latin America, that were uncovered in a recent U.S. Treasury benchmark survey. On the current-cost basis, sizable revisions to the direct investment positions, both U.S. direct investment abroad and foreign direct investment in the United States, reflected the incorporation of improved estimates of the current-cost adjustment in the valuation methodology. On the market-value basis, large revisions reflected the incorporation of revised source data. (For more information, see the box “Improvements in the Estimates.”)

Changes in U.S. Assets Abroad

Bank claims

Claims on foreigners reported by U.S. banks increased \$28.1 billion, to \$1,013.9 billion, in 1998, reflecting a sharp slowdown in U.S. banks' lending abroad to the lowest level since 1994 and a withdrawal of U.S. security dealers' lending to foreign-based investment funds (table C). Lending overseas was affected by the economic

slowdown abroad, especially in Asia, and by banks' increased focus on customer creditworthiness, particularly after the Russian default and the heightened financial problems in Brazil late in 1998. In particular, exposure to emerging-market countries and Japan was reduced. U.S. lending to Europe, which was boosted by strong merger and acquisition activity, and to Canada was strong; most of the lending was by European- and Canadian-owned banks in the United States. U.S. banks' claims of foreign-owned banks in the United States were also boosted by a transfer of business to U.S. offices from Europe by recently merged European banks.

U.S. banks' own claims payable in dollars increased \$26.6 billion, to \$734.8 billion, sharply less than in the prior years; banks reduced their exposure, mainly to emerging-market countries and Japan, where economic recession and troubled financial conditions reduced demand for bank credit. Foreign-owned banks in the United States lent to affiliates in Europe, where credit demand was underpinned by ongoing merger and acquisition activity. U.S.-owned banks provided only temporary funding to offices in Caribbean banking centers, so that claims changed little. Claims reported by U.S. securities dealers decreased sharply, reflecting cutbacks on renewing credit to international bond funds in the United Kingdom and Caribbean; this decrease followed heightened concerns about risk in the aftermath of the near collapse of a large U.S. hedge fund in September.

U.S. banks' domestic customers' claims payable in dollars decreased \$2.0 billion, to \$184.4 billion, as U.S. depositors became more cautious in their dealings with banks exposed to overseas financial difficulties.

U.S. banks' own and customers' claims payable in foreign currencies increased \$3.5 billion, to \$94.7 billion. Banks sharply reduced their claims on Japan in the first half of the year and increased their foreign currency claims on Europe in the second half.

Table C.—U.S. Claims Reported by U.S. Banks at Yearend
[Billions of dollars]

	1997	1998
Total bank-reported claims	985.8	1,013.9
Bank own claims, payable in dollars	708.2	734.8
On unaffiliated foreign banks	109.2	105.7
On own foreign offices	431.7	484.4
On other foreigners	167.3	144.7
Bank customer claims, payable in dollars	186.4	184.4
Total claims payable in foreign currencies	91.2	94.7

Foreign securities

Foreign securities held in U.S. portfolios increased \$229.6 billion, to \$1,969.0 billion, in 1998.³ This increase reflected substantial price appreciation in U.S. holdings of Western European stocks and net U.S. purchases of foreign stocks and bonds in the first half of the year that were augmented by the two exceptionally large acquisitions through exchanges of stock with U.S. shareholders in the fourth quarter. Net exchange rate appreciation mostly reflected the appreciation in European currencies and the Japanese yen against the U.S. dollar in 1998. Excluding the two large exchanges of stock, U.S. investors shifted to net sales of foreign securities, especially in the second half of the year, when Russia and Brazil encountered financial difficulties, economic weakness continued in Asia, and a large U.S. hedge fund nearly failed. In this unsettled financial environment, the share of U.S. pension fund assets abroad declined to 14 percent from 18 percent, and new investment in U.S. mutual funds that specialize in foreign assets fell by two-thirds. Some mutual funds had withdrawals, especially emerging market targeted funds.

U.S. holdings of foreign stocks increased \$206.1 billion, to \$1,407.1 billion (table D). The increase resulted from \$80.3 billion in price appreciation, primarily in Western European stocks, from \$77.6

billion in net purchases, which included the two large exchanges of stock, and from \$48.0 billion in exchange rate appreciation, reflecting the appreciation of European and Asian currencies against the dollar. Excluding the two exchanges of stock, U.S. investors reduced their holdings in the year: Following the Asian crisis late in 1997, net purchases remained weak in the first half of 1998, and as a result of the financial turbulence of the second half of 1998, U.S. investors became net sellers.

- U.S. holdings of Western European stocks increased 34 percent, mostly as a result of price and exchange rate appreciation and the two large acquisitions of British and German stocks in payment for the direct investments in the United States. Boosted by prospects of the European Union and strong merger activity, European stock prices increased an average of 22 percent in 1998. Continental currencies also appreciated strongly against the U.S. dollar in the second half of the year. Excluding the two large acquisitions, U.S. investors sold European stocks, reflecting concerns about slowing growth in Europe.
- U.S. holdings of Japanese stocks decreased 9 percent, as a 9-percent drop in Japanese stock prices was only partly offset by exchange rate appreciation of the Japanese yen against the dollar and small net U.S. purchases of Japanese stocks. U.S. demand was sharply curtailed by the economic recession and the problems of financial firms in Japan.
- U.S. holdings of Canadian stocks declined 13 percent as a result of net U.S. sales and of price and exchange rate depreciation. Canadian investments suffered from

3. These estimates incorporate the preliminary results from the U.S. Treasury Department's and the Federal Reserve System's Benchmark Survey of U.S. Ownership of Foreign Long-term Securities as of December 31, 1997. A list of U.S. foreign portfolio holdings by country of issue is presented in tables D and E. For more information, see page 67 of "U.S. International Transactions, Revised Estimates for 1982-98" in this issue.

Table D.—U.S. Holdings of Foreign Stocks by Major Areas at Yearend
[Billions of dollars]

	1997	1998
Total holdings	1,201.0	1,407.1
Western Europe	714.1	959.8
Of which: United Kingdom	217.4	289.5
Finland	14.7	32.9
France	84.2	110.1
Germany	64.5	82.3
Ireland	14.0	19.6
Italy	41.2	54.9
Netherlands	106.2	135.0
Spain	24.0	35.3
Sweden	38.3	43.2
Switzerland	61.3	72.2
Canada	70.7	61.6
Japan	134.8	123.1
Latin America	88.9	51.6
Of which: Argentina	12.9	8.9
Brazil	30.9	17.6
Mexico	34.8	21.7
Other Western Hemisphere	44.6	56.4
Of which: Bermuda	22.3	28.3
Netherlands Antilles	15.6	23.9
Other countries	192.5	211.0
Of which: Australia	31.1	35.9
Hong Kong	27.9	26.7
Singapore	10.2	10.3

Table E.—U.S. Holdings of Foreign Bonds by Major Areas at Yearend
[Billions of dollars]

	1997	1998
Total holdings	538.4	561.8
Western Europe	211.0	212.8
Of which: United Kingdom	54.7	61.7
France	14.9	14.4
Germany	42.8	43.5
Italy	17.4	14.8
Netherlands	12.9	11.8
Sweden	13.0	12.9
Canada	105.7	109.6
Japan	28.6	27.6
Latin America	92.9	99.2
Of which: Argentina	24.9	27.8
Brazil	19.9	16.2
Mexico	28.3	30.9
Other Western Hemisphere	19.8	23.0
Of which: Cayman Islands	13.1	14.9
Other countries	64.4	75.0
Of which: Australia	15.6	16.2
Korea	10.4	13.9
International organizations	16.0	14.6

weak commodity prices and sluggish overseas demand for Canadian exports.

- U.S. holdings of other foreign stocks, primarily of stocks of emerging countries, decreased 5 percent. Holdings of Latin American stocks decreased as a result of the substantial price depreciation. Holdings of Asian stocks increased, reflecting strong net purchases early in the year that were partly offset by an 8-percent drop in the prices of Asian stocks.

U.S. holdings of foreign bonds increased \$23.4 billion, to \$561.8 billion (table E). Net purchases slowed to \$25.1 billion, as U.S. asset managers limited the additions to their overseas exposure and focused on highly rated foreign new issues in the U.S. market. Price appreciation of \$18.4 billion, primarily in industrial countries' bonds, nearly offset the \$20.1 billion effect of exchange rate depreciation, mainly in Canadian and emerging countries' currencies. Despite the drop in U.S. long-term interest rates, foreign new bond issues in the United States slowed sharply; in particular, new issues of Latin American and Asian emerging countries faced elevated risk premiums in the second half of the year, when markets reacted to unfolding problems in Russia and Brazil. U.S. investment in highly rated corporate bonds from Western Europe, Canada, and Japan continued strong. Net sales of outstanding bonds of emerging countries more than doubled.

U.S. direct investment abroad and other private assets

U.S. direct investment abroad at current cost increased \$119.2 billion, to \$1,123.4 billion, in 1998; at market value, it increased \$356.0 billion, to \$2,140.5 billion (table F). Direct investment net financial outflows increased to a record \$132.8 billion. Equity outflows accelerated to a record, and intercompany debt outflows tripled; in contrast, reinvested earnings decreased slightly, mainly as a result of reduced earnings of foreign affiliates in Asia and Latin America. Acquisition activity was particularly strong in the United Kingdom,

Canada, and Australia. U.S. financial flows to several emerging-market countries slowed as a result of economic and financial problems in those countries.

At current cost, the large financial outflows accounted for most of the increase in the position. At market value, the financial outflows were augmented by a substantial increase in U.S. owner's equity, primarily as a result of the steep rise in European stock prices in 1998.

Claims on unaffiliated foreigners reported by U.S. nonbanking concerns increased \$33.8 billion, to \$596.2 billion, considerably below the 1997 record increase. U.S. depositing at banks in the United Kingdom and the Caribbean slowed significantly, and funding from U.S. financial firms to their foreign finance affiliates, which surged in the first quarter, fell off as capital markets abroad became unsettled later in the year.

U.S. official reserve assets and other U.S. Government assets

U.S. official reserve assets increased \$11.2 billion, to \$146.0 billion in 1998. The U.S. reserve position at the International Monetary Fund (IMF) was boosted by dollar borrowing from the IMF by Russia, Korea, Indonesia, and Brazil. Foreign-currency reserves increased mainly because of coordinated intervention purchases of Japanese yen in midyear and because of exchange rate appreciation in holdings of Japanese yen and German marks.

U.S. Government assets other than reserve assets increased \$0.4 billion, to \$82.4 billion, as new U.S. Government credits to foreigners slightly exceeded repayments.

Changes in Foreign Assets in the United States

Foreign official assets

Foreign official assets increased \$0.3 billion, to \$836.1 billion, in 1998, as net financial outflows were more than offset by price appreciation in holdings of U.S. corporate securities and U.S. Treasury bonds. Disruptions in exchange markets, especially those resulting from Russia's and Brazil's problems, led to sales of dollar assets by several industrial and developing countries. These countries mainly liquidated deposits and short-term Treasury obligations so that they could intervene in exchange markets by buying their currencies with dollars. OPEC countries also reduced their assets in the United States.

Table F.—Changes in U.S. Direct Investment Abroad, 1998
(Billions of dollars)

	At current cost	At market value
Total change	119.2	356.0
Financial outflows	132.8	132.8
Equity capital	59.4	59.4
Intercompany debt	58.7	58.7
Reinvested earnings	14.7	14.7
Price changes	2.9	217.4
Exchange rate changes	2.0	12.8
Other valuation changes	-18.5	-7.0

Bank liabilities

U.S. liabilities to private foreigners and international financial institutions reported by U.S. banks increased \$46.1 billion, to \$1,017.1 billion, in 1998. This increase represented a marked slowdown from the record inflows in 1997. In 1998, U.S. banks borrowed less from abroad to finance their lending, especially to the overseas interbank market. In addition, foreign incentives to deposit in U.S. banks lessened as U.S. short-term interest rates fell and as the dollar depreciated against European currencies and the Japanese yen after midyear. In addition, international bond funds withdrew funds, mostly from U.S. securities dealers, in order to meet liquidity needs as capital market uncertainties escalated in the second half of the year (table G).

U.S. banks' own liabilities payable in dollars increased \$23.7 billion, to \$805.4 billion. Early in 1998, U.S. banks repaid some large-scale borrowings from banks abroad that had been made in the final quarter of 1997, partly to finance their overseas interbank lending. In midyear, U.S. borrowing from abroad resumed, mostly from banks in the Caribbean and Europe; this borrowing was primarily to finance lending to home offices by Canadian- and European-owned banks in the United States. Later in the year, Japanese-owned offices in the United States stepped up their borrowing from home offices in Japan to replace heavy withdrawals by unaffiliated foreign banks; home office funds were tapped to avoid the elevated risk premiums that would have applied to funds borrowed in the United States as a result of the continued financial problems with Japanese banks. U.S. dollar liabilities of foreign-owned banks were also boosted by a transfer of business to U.S. offices from Europe by recently merged European banks. U.S.-owned banks limited their borrowing from overseas, mostly from Caribbean offices, as U.S. domestic deposit inflows were ample. Deposits were withdrawn from U.S. banks, especially by unaffiliated residents in Western Europe and the Caribbean banking cen-

Table G.—U.S. Liabilities Reported by U.S. Banks at Yearend
(Billions of dollars)

	1997	1998
Total liabilities	971.0	1,017.1
Bank own liabilities, payable in dollars	781.7	805.4
To unaffiliated foreign banks	157.1	113.4
To own foreign offices	485.1	562.8
To other foreigners	139.5	129.2
Bank custody liabilities	71.8	110.6
Total liabilities payable in foreign currencies	117.5	101.1

ters, as concern over cross-border risk increased and as the dollar depreciated against European currencies and the Japanese yen. International bond funds also withdrew funds from U.S. securities dealers to meet margin calls and to limit losses in the aftermath of the near collapse of a large U.S. hedge fund.

U.S. banks' custody liabilities payable in dollars, which represent U.S. nonbanks' short- and medium-term borrowing from banks abroad, increased \$38.8 billion, to \$110.6 billion. The substantial increase was bolstered by a surge in the third quarter, when longer term capital markets became unstable.

U.S. bank's liabilities payable in foreign currencies decreased \$16.4 billion, to \$101.1 billion, as banks reduced their foreign currency borrowing from, and lending to, customers overseas.

U.S. Treasury securities

U.S. Treasury securities held by private foreigners and by international financial institutions increased \$65.1 billion, to \$727.3 billion, in 1998 (table H). The increase reflected intermittent net purchases of U.S. Treasury securities—nearly two-thirds less than the near record in 1997—and price appreciation in U.S. Treasury bonds as the yield on the benchmark 30-year Treasury issue fell to its lowest level since 1967. Foreign purchases were attracted by widening yield differentials favoring U.S. Government bonds over most foreign government bonds, by a relatively strong dollar in the first half of the year, and by investors' flight to safety and liquidity when capital markets were disrupted in the second half of the year. The slowdown in U.S. Treasury securities may also be attributed to a surge of foreign investments in higher yielding U.S. corporate securities.

Western European holdings of U.S. Treasury securities rose moderately, reflecting a marked slowdown in purchases as rising stock and bond

Table H.—Foreign Official and Private Holdings of U.S. Treasury Securities by Country at Yearend

(Billions of dollars)

Rank		1997	1998
	Total holdings	1,252.0	1,361.3
1	Japan	288.6	292.6
2	United Kingdom	259.2	276.9
3	Germany	96.8	100.2
4	Peoples Republic of China	49.3	48.7
5	Hong Kong	36.0	46.0
6	Singapore	36.4	45.0
7	Spain	53.1	43.7
8	British West Indies	35.5	39.7
9	Switzerland	28.7	35.0
10	Taiwan	34.8	33.6

prices in Europe and a weakening dollar in the second half of the year reduced investor demand after record buying in 1997. Asian holdings increased, mainly reflecting strong purchases when global concerns mounted about the risks in emerging markets in the second half of the year. Large holdings in the Caribbean were reduced slightly, as price appreciation was offset by strong sales by international bond funds. Holdings of all other countries gained as a result of price appreciation.

U.S. currency

U.S. currency held by foreigners increased \$16.6 billion, to \$228.3 billion; large shipments to Eastern Europe, including Russia, were reduced partly because currency-importing banks had difficulty raising funds for payment and partly because new market developments enabled Russia to obtain recirculated, counterfeit-resistant U.S. currency from European banks. Shipments to Latin America increased, reflecting increased demand for U.S. currency as a result of deteriorating financial conditions in a few countries in the second half of the year.

Other U.S. securities

Foreign holdings of U.S. securities, other than U.S. Treasury securities, increased \$443.1 billion, to \$2,021.8 billion, in 1998; the increase was bolstered by record net foreign purchases of U.S. bonds and by substantial price appreciation of U.S. stocks. Net purchases of U.S. corporate bonds and of federally sponsored agency bonds surged in the first half of the year, when foreign investors were attracted by the rise in U.S. bond prices, by the higher yields on U.S. issues than on most other industrial countries' bonds, and by the U.S. dollar's strength in exchange markets. Demand was also spurred by a shift to higher yielding corporate issues when interest rates on U.S. Treasury bonds fell to their lowest level since 1967. Foreign holdings of U.S. stocks increased as a result of sharply higher U.S. stock prices in 1998 and of strong foreign net purchases in the first half of the year. The brisk-paced U.S. economy and steady growth in corporate earnings contributed to these strong inflows.

Foreign holdings of U.S. corporate and agency bonds increased \$185.5 billion, to \$900.7 billion, mainly as the result of \$170.5 billion in record net purchases that were encouraged by a nearly 2-percent rise in bond prices in 1998. U.S. borrowers, especially U.S. federally sponsored agencies, issued \$87.1 billion of new bonds

Table I.—Foreign Private Holdings of U.S. Corporate and Agency Bonds by Major Areas at Yearend

[Billions of dollars]

	1997	1998
Total holdings	715.2	900.7
Western Europe	452.6	585.9
<i>Of which:</i> United Kingdom	362.7	467.9
France	11.0	14.6
Germany	15.1	19.8
Italy	2.8	3.2
Netherlands	13.1	16.4
Canada	17.0	23.2
Japan	98.8	108.6
Latin America	14.0	20.1
Other Western Hemisphere	84.9	105.8
Other countries	47.9	57.1

overseas; these bonds were mainly high-quality, mortgage-backed securities that became even more attractive in a low-interest-rate environment and the financial market turmoil after midyear. U.S. nonbank financial corporations remained heavy issuers, but at a level slightly below that in 1997, and U.S. banks reduced their issuance by two-thirds, partly as a result of the ample availability of alternate funding. Nearly two-thirds of the new issues were dollar denominated, and over two-thirds were straight fixed rate; the use of floating-rate notes slowed sharply. Strong foreign demand was also evident in large net purchases of outstanding U.S. bonds. Foreign holdings are highly concentrated in the United Kingdom, where lead underwriters of U.S. overseas issues reside, in Japan, and in the Caribbean (table I).

Foreign holdings of U.S. stocks increased \$257.6 billion, to \$1,121.1 billion, reflecting \$210.0 billion in price appreciation and a near-record \$47.5 billion in net foreign purchases. Holdings were bolstered by a 27-percent increase in U.S. stock prices in 1998. Net foreign purchases were especially strong in the first half of the year. In the second half, purchases slowed when investors became concerned about a possible global economic slowdown and when confidence was jolted by the near failure of a large U.S. hedge fund.

Table J.—Foreign Private Holdings of U.S. Corporate Stocks by Major Areas at Yearend

[Billions of dollars]

	1997	1998
Total holdings	863.5	1,121.1
Western Europe	503.2	695.0
<i>Of which:</i> United Kingdom	226.8	304.7
France	24.4	34.9
Germany	35.5	50.7
Italy	10.4	14.9
Netherlands	51.7	73.8
Canada	92.7	108.6
Japan	68.0	81.8
Latin America	17.1	21.7
Other Western Hemisphere	94.6	114.7
Other countries	87.9	99.3

Consequently, Asian investors and Caribbean-based mutual funds sold off large amounts of U.S. stocks. Western European investors' interest in U.S. stocks was robust throughout the year. Canadian and Japanese holdings also increased; net sales, which accelerated in 1998, partly offset the strong price gains (table J).

Foreign direct investment in the United States and other liabilities

Foreign direct investment in the United States valued at current cost increased \$114.7 billion, to \$878.7 billion, in 1998; at market value, it increased \$551.7 billion, to \$2,194.1 billion (table K). In 1998, net financial inflows of \$193.4 billion exceeded the 1997 record. Net equity inflows increased sharply to a record level, boosted by the two exceptionally large acquisitions through exchanges of stock with U.S. shareholders; reinvested earnings increased, but less than in 1997; and net intercompany debt inflows increased slightly. At current cost, the record net financial inflows were partly offset by a large, negative valuation adjustment (mainly related to the two exceptionally large acquisitions); this adjustment is made to reconcile market-based transactions

Table K.—Changes in Foreign Direct Investment in the United States, 1998

[Billions of dollars]

	At current cost	At market value
Total change	114.7	551.7
Financial inflows	193.4	193.4
Equity capital	154.2	154.2
Intercompany debt	12.8	12.8
Reinvested earnings	26.4	26.4
Price changes	-3.9	362.3
Exchange rate changes	0	0
Other valuation changes	-74.8	-4.0

values with much smaller book values, which are the bases for valuing nontangible assets—such as patents and copyrights—in the current-cost estimates. At market value, net financial inflows were boosted by substantial price appreciation in owners' equity that resulted from the steep rise in U.S. stock prices.

Liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns increased \$7.2 billion, to \$460.8 billion, down from the 1997 record increase of \$106.8 billion. U.S. corporate borrowing from foreign banks and financial inflows to U.S. financial affiliates from foreign financial affiliates both slowed markedly in the second half of the year, when overseas markets became unsettled.


Tables 1 through 4 follow. 

Table 1.—International Investment Position of the United States at Yearend, 1997 and 1998

[Millions of dollars]

Line	Type of investment	Position, 1997 ^r	Changes in position in 1998 (decrease (-))				Total (a+b+c+d)	Position, 1998 ^r
			Attributable to:					
			Financial flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
		(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) ...	-968,208	-209,819	-167,585	45,380	61,064	-270,960	-1,239,168
2	With direct investment positions at market value (line 4 less line 25) ...	-1,066,262	-209,819	-319,300	56,282	1,633	-471,204	-1,537,466
U.S.-owned assets abroad:								
3	With direct investment positions at current cost (lines 5+10+15)	4,508,626	292,818	101,041	43,704	-15,293	422,270	4,930,896
4	With direct investment positions at market value (lines 5+10+16)	5,288,892	292,818	315,522	54,584	-3,833	659,091	5,947,983
5	U.S. official reserve assets	134,836	6,784	-628	5,024	-10	11,170	146,006
6	Gold	75,929	.....	³ -628	.....	⁴ -10	-638	75,291
7	Special drawing rights	10,027	149	.....	427	.....	576	10,603
8	Reserve position in the International Monetary Fund	18,071	5,118	.....	922	.....	6,040	24,111
9	Foreign currencies	30,809	1,517	.....	3,675	.....	5,192	36,001
10	U.S. Government assets, other than official reserve assets	81,960	429	.....	-5	-2	422	82,382
11	U.S. credits and other long-term assets ⁵	79,607	574	.....	.....	-2	572	80,179
12	Repayable in dollars	79,273	602	.....	.....	-1	601	79,874
13	Other ⁶	334	-28	.....	.....	-1	-29	305
14	U.S. foreign currency holdings and U.S. short-term assets	2,353	-145	.....	-5	.....	-150	2,203
U.S. private assets:								
15	With direct investment at current cost (lines 17+19+22+23)	4,291,830	285,605	101,669	38,685	-15,281	410,678	4,702,508
16	With direct investment at market value (lines 18+19+22+23)	5,072,096	285,605	316,150	49,565	-3,821	647,499	5,719,595
Direct investment abroad:								
17	At current cost	1,004,228	132,829	2,892	1,957	-18,465	119,213	1,123,441
18	At market value	1,784,494	132,829	217,373	12,837	-7,005	356,034	2,140,528
19	Foreign securities	1,739,400	102,817	98,777	27,962	.....	229,556	1,968,956
20	Bonds	538,400	25,064	18,441	-20,079	.....	23,426	561,826
21	Corporate stocks	1,201,000	77,753	80,336	48,041	.....	206,130	1,407,130
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	562,396	25,041	.....	5,610	3,175	33,826	596,222
23	U.S. claims reported by U.S. banks, not included elsewhere	985,806	24,918	.....	3,156	9	28,083	1,013,889
Foreign-owned assets in the United States:								
24	With direct investment at current cost (lines 26+33)	5,476,834	502,637	268,626	-1,676	-76,357	693,230	6,170,064
25	With direct investment at market value (lines 26+34)	6,355,154	502,637	634,822	-1,698	-5,466	1,130,295	7,485,449
26	Foreign official assets in the United States	835,709	-21,684	22,437	.....	-409	344	836,053
27	U.S. Government securities	614,530	-3,625	9,344	.....	.....	5,719	620,249
28	U.S. Treasury securities	589,792	-9,957	9,152	.....	.....	-805	588,987
29	Other	24,738	6,332	192	.....	.....	6,524	31,262
30	Other U.S. Government liabilities ⁷	21,459	-3,113	.....	.....	.....	-3,113	18,346
31	U.S. liabilities reported by U.S. banks, not included elsewhere	135,384	-11,469	.....	.....	.....	-11,469	123,915
32	Other foreign official assets	64,336	-3,477	13,093	.....	-409	9,207	73,543
Other foreign assets:								
33	With direct investment at current cost (lines 35+37+38+39+42+43)	4,641,125	524,321	246,189	-1,676	-75,948	692,886	5,334,011
34	With direct investment at market value (lines 36+37+38+39+42+43)	5,519,445	524,321	612,385	-1,698	-5,057	1,129,951	6,649,396
Direct investment in the United States:								
35	At current cost	764,045	193,375	-3,877	22	-74,848	114,672	878,717
36	At market value	1,642,365	193,375	362,319	.....	-3,957	551,737	2,194,102
37	U.S. Treasury securities	662,228	46,155	18,961	.....	.....	65,116	727,344
38	U.S. currency	211,628	16,622	.....	.....	.....	16,622	228,250
39	U.S. securities other than U.S. Treasury securities	1,578,694	218,026	231,105	-6,005	.....	443,126	2,021,820
40	Corporate and other bonds	715,196	170,539	21,019	-6,005	.....	185,553	900,749
41	Corporate stocks	863,498	47,487	210,086	.....	.....	257,573	1,121,071
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	453,555	9,412	.....	-1,080	-1,100	7,232	460,787
43	U.S. liabilities reported by U.S. banks, not included elsewhere	970,975	40,731	.....	5,387	.....	46,118	1,017,093

^r 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 de-

monizations/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.

Table 2.—U.S. Assets Abroad and Foreign Assets in the United States by Area

[Millions of dollars]

Line	Type of investment	Amounts outstanding, by area									
		Western Europe		Canada		Japan		Latin America and Other Western Hemisphere		Other countries, international organizations, and unallocated ¹	
		1997 ^r	1998 ^p	1997 ^r	1998 ^p	1997 ^r	1998 ^p	1997 ^r	1998 ^p	1997 ^r	1998 ^p
U.S.-owned assets abroad:											
1	U.S. official reserve assets	17,942	22,646			12,867	13,355			104,027	110,005
2	Gold									75,929	75,291
3	Special drawing rights									10,027	10,603
4	Reserve position in the International Monetary Fund									18,071	24,111
5	Foreign currencies	17,942	22,646			12,867	13,355				
6	U.S. Government assets, other than official reserve assets	6,446	5,796			33	44	15,213	15,039	60,268	61,503
7	U.S. credits and other long-term assets ²	6,374	5,741					15,166	15,005	58,067	59,433
8	Repayable in dollars	6,353	5,723					15,049	14,897	57,871	59,254
9	Other ³	21	18					117	108	196	179
10	U.S. foreign currency holdings and U.S. short-term assets	72	55			33	44	47	34	2,201	2,070
U.S. private assets:											
11	Direct investment abroad	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
12	Foreign securities	925,100	1,172,656	176,400	171,250	163,400	150,695	246,200	230,278	228,300	244,077
13	Bonds	211,000	212,830	105,700	109,601	28,600	27,617	112,700	122,216	80,400	89,562
14	Corporate stocks	714,100	959,826	70,700	61,649	134,800	123,078	133,500	108,062	147,900	154,515
15	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	265,902	288,578	13,531	9,452	10,880	13,979	248,281	261,170	23,802	23,043
16	U.S. claims reported by U.S. banks, not included elsewhere	349,990	391,593	57,822	79,383	91,718	55,168	389,585	400,597	96,691	87,148
Foreign-owned assets in the United States:											
17	Foreign official assets in the United States	230,797	241,154	10,857	12,317	(5)	(5)	97,799	80,685	(5)	(5)
18	U.S. Government securities	(6)	(6)	(6)	(6)	(5)	(5)	(6)	(6)	(5)	(5)
19	U.S. Treasury securities	(6)	(6)	(6)	(6)	(5)	(5)	(6)	(6)	(5)	(5)
20	Other	(6)	(6)	(6)	(6)	(5)	(5)	(6)	(6)	(5)	(5)
21	Other U.S. Government liabilities ⁷	4,765	4,199	236	209	2,962	2,854	451	409	13,045	10,675
22	U.S. liabilities reported by U.S. banks, not included elsewhere	(6)	(6)	(6)	(6)	(5)	(5)	(6)	(6)	(5)	(5)
23	Other foreign official assets	(6)	(6)	(6)	(6)	(5)	(5)	(6)	(6)	(5)	(5)
Other foreign assets in the United States:											
24	Direct investment in the United States	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
25	U.S. Treasury securities	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
26	U.S. currency									211,628	228,250
27	U.S. securities other than U.S. Treasury securities	955,793	1,280,960	109,664	131,853	166,835	190,398	209,294	260,814	137,108	157,795
28	Corporate and other bonds	452,597	585,934	16,967	23,218	98,842	108,630	97,632	124,434	49,158	58,533
29	Corporate stocks	503,196	695,026	92,697	108,635	67,993	81,768	111,662	136,380	87,950	99,262
30	U.S. liabilities to unaffiliated for- eigners reported by U.S. nonbanking concerns	215,193	215,964	7,722	6,562	21,381	15,664	177,256	193,163	32,003	29,434
31	U.S. liabilities reported by U.S. banks, not included elsewhere	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Addenda:											
1	U.S. Treasury securities, foreign official plus private holdings (lines 19 + 25, above)	528,805	573,823	12,218	13,268	288,601	292,634	131,676	128,352	290,720	308,254
2	U.S. liabilities reported by U.S. banks, foreign official plus private (lines 22 + 31, above)	417,401	402,052	30,633	32,007	101,151	131,304	418,810	421,036	138,364	154,609

^r Preliminary.
^r Revised.
 1. Includes U.S. gold stock valued at market price.
 2. Also includes paid-in capital subscription 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.
 3. 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.

4. Positions at current costs or market value are not available by area; country detail are available only at historical costs in the article "Direct Investment Positions on a Historical Cost Basis, 1998; Country and Industry Detail," elsewhere in this issue of the SURVEY.
 5. Details are not shown separately.
 6. Details not shown separately are included in totals in line 17.
 7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

Table 3.—International Investment Position of the United States at Yearend, 1984–98

[Millions of dollars]

Line	Type of investment	1984 ^r	1985 ^r	1986 ^r	1987 ^r	1988 ^r	1989 ^r	1990 ^r	1991 ^r	1992 ^r	1993 ^r	1994 ^r	1995 ^r	1996 ^r	1997 ^r	1998 ^r
1	Net international investment position of the United States:															
2	With direct investment positions at current cost (line 3 less line 24)	162,924	57,401	-32,834	-76,815	-175,350	-254,926	-240,553	-301,550	-421,096	-295,261	-300,480	-500,170	-578,705	-968,208	-1,239,168
3	With direct investment positions at market value (line 4 less line 25)	132,114	94,846	98,569	48,729	8,691	-49,141	-166,846	-263,097	-454,605	-180,373	-174,290	-422,617	-547,493	-1,066,262	-1,537,466
4	U.S.-owned assets abroad:															
5	With direct investment at current cost (lines 5+10+15)	1,191,947	1,272,774	1,452,502	1,626,644	1,806,438	2,045,503	2,149,982	2,254,506	2,298,640	2,718,424	2,956,788	3,405,761	3,958,502	4,508,626	4,930,896
6	With direct investment at market value (lines 5+10+16)	1,125,158	1,300,672	1,592,439	1,756,910	2,006,590	2,348,081	2,291,734	2,468,351	2,464,196	3,055,316	3,276,086	3,869,663	4,544,502	5,288,892	5,947,983
7	U.S. official reserve assets	105,040	117,930	139,875	162,370	144,179	168,714	174,664	159,223	147,435	164,945	163,394	176,061	160,739	134,836	146,006
8	Gold ¹	81,202	85,834	102,428	127,848	107,434	105,164	102,406	92,561	87,168	102,556	100,110	101,279	96,698	75,929	75,291
9	Special drawing rights	5,641	7,293	8,395	10,283	9,637	9,951	10,989	11,240	8,503	9,039	10,039	11,037	10,312	10,027	10,603
10	Reserve position in the International Monetary Fund	11,541	11,947	11,730	11,349	9,745	9,048	9,076	9,488	11,759	11,818	12,030	14,649	15,435	18,071	24,111
11	Foreign currencies	6,656	12,856	17,322	13,090	17,363	44,551	52,193	45,934	40,005	41,532	41,215	49,096	38,294	30,809	36,001
12	U.S. Government assets, other than official reserve assets	84,971	87,752	89,637	88,880	86,117	84,489	81,993	79,144	80,722	81,029	80,123	81,095	82,046	81,960	82,382
13	U.S. credits and other long-term assets ²	82,883	85,814	88,710	88,099	85,388	83,903	81,365	77,498	79,087	79,106	77,814	78,548	79,637	79,607	80,179
14	Repayable in dollars	81,103	84,087	87,112	86,486	83,923	82,421	80,040	76,272	77,987	78,100	77,336	78,120	79,261	79,273	79,874
15	Other ³	1,780	1,727	1,598	1,613	1,465	1,482	1,325	1,226	1,100	1,006	478	428	376	334	305
16	U.S. foreign currency holdings and U.S. short-term assets	2,088	1,938	927	781	729	586	628	1,646	1,635	1,923	2,309	2,547	2,409	2,353	2,203
17	U.S. private assets:															
18	With direct investment at current cost (lines 17+19+22+23)	1,001,936	1,067,092	1,222,990	1,375,394	1,576,142	1,792,300	1,893,325	2,016,139	2,070,483	2,472,450	2,713,271	3,148,605	3,715,717	4,291,830	4,702,508
19	With direct investment at market value (lines 18+19+22+23)	935,147	1,094,990	1,362,927	1,505,660	1,776,294	2,094,878	2,035,077	2,229,984	2,236,039	2,809,342	3,032,569	3,612,507	4,301,717	5,072,096	5,719,595
20	Direct investment abroad:															
21	At current cost ^{4,5}	337,363	358,454	390,137	459,980	492,309	529,882	590,010	613,692	633,074	690,655	748,505	843,253	940,243	1,004,228	1,123,441
22	At market value ⁴	270,574	386,352	530,074	590,246	692,461	832,460	731,762	827,537	798,630	1,027,547	1,067,803	1,307,155	1,526,243	1,784,494	2,140,528
23	Foreign securities ⁶	88,804	119,403	158,123	188,589	232,849	314,294	342,313	455,750	515,083	853,528	948,668	1,169,636	1,467,985	1,739,400	1,968,956
24	Bonds ⁶	62,810	75,020	85,724	93,889	104,187	116,949	144,717	176,774	200,817	309,666	321,208	392,827	465,057	538,400	561,826
25	Corporate stocks ⁶	25,994	44,383	72,399	94,700	128,662	197,345	197,596	278,976	314,266	543,862	627,460	776,809	1,002,928	1,201,000	1,407,130
26	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns ⁷	130,138	141,872	167,392	177,368	197,757	234,307	265,315	256,295	254,303	242,022	322,980	367,567	449,978	562,396	596,222
27	U.S. claims reported by U.S. banks, not included elsewhere ⁸	445,631	447,363	507,338	549,457	653,227	713,817	695,687	690,402	668,023	686,245	693,118	768,149	857,511	985,806	1,013,889
28	Foreign-owned assets in the United States:															
29	With direct investment at current cost (lines 26+33)	1,029,023	1,215,373	1,485,336	1,703,459	1,981,788	2,300,429	2,390,535	2,556,056	2,719,736	3,013,685	3,257,268	3,905,931	4,537,207	5,476,834	6,170,064
30	With direct investment at market value (lines 26+34)	993,044	1,205,826	1,493,870	1,708,181	1,997,899	2,397,222	2,458,580	2,731,448	2,918,801	3,235,689	3,450,376	4,292,280	5,091,995	6,355,154	7,485,449
31	Foreign official assets in the United States	199,678	202,482	241,226	283,058	322,036	341,746	373,293	398,538	437,263	509,422	535,217	671,710	799,033	835,709	836,053
32	U.S. Government securities	144,665	145,063	178,916	220,548	260,934	263,612	291,228	311,199	329,317	381,687	407,152	497,776	610,469	614,530	620,249
33	U.S. Treasury securities ⁹	136,168	138,438	173,310	213,713	252,962	257,201	285,911	305,984	322,600	373,050	396,887	482,773	590,704	589,792	588,987
34	Other ⁹	6,497	6,625	5,606	6,835	7,972	6,411	5,317	5,205	6,717	8,637	10,265	15,003	19,765	24,738	31,262
35	Other U.S. Government liabilities ¹⁰	14,959	15,803	17,993	15,667	15,200	15,374	17,243	18,610	20,801	22,113	23,678	23,573	23,257	21,459	18,346
36	U.S. liabilities reported by U.S. banks, not included elsewhere	26,090	26,734	27,920	31,838	31,520	36,495	39,880	38,396	54,967	69,721	73,386	107,394	113,098	135,384	123,915
37	Other foreign official assets ⁹	13,964	14,882	16,397	15,005	14,382	26,265	24,942	30,333	32,178	35,901	31,001	42,967	52,209	64,336	73,543
38	Other foreign assets in the United States:															
39	With direct investment at current cost (lines 35+37+38+39+42+43)	829,345	1,012,891	1,244,110	1,420,401	1,659,752	1,958,683	2,017,242	2,157,518	2,282,473	2,504,263	2,722,051	3,234,221	3,738,174	4,641,125	5,334,011
40	With direct investment at market value (lines 36+37+38+39+42+43)	793,366	1,003,344	1,252,644	1,425,123	1,675,863	2,055,476	2,085,287	2,332,910	2,481,538	2,726,267	2,915,159	3,620,570	4,292,962	5,519,445	6,649,396
41	Direct investment in the United States:															
42	At current cost ¹¹	208,356	229,543	264,432	311,478	375,419	437,941	471,556	493,745	497,112	546,394	564,745	619,377	674,330	764,045	878,717
43	At market value ¹¹	172,377	219,996	272,966	316,200	391,530	534,734	539,601	669,137	686,177	768,398	757,853	1,005,726	1,229,118	1,642,365	2,194,102
44	U.S. Treasury securities	*62,121	87,954	96,078	82,588	100,877	166,541	152,452	170,295	197,739	221,501	235,684	358,537	502,562	662,228	727,344
45	U.S. currency	40,797	46,036	50,122	55,583	61,261	67,118	85,933	101,317	114,804	133,734	157,185	169,484	186,846	211,628	228,250
46	U.S. securities other than U.S. Treasury securities ⁹	128,477	207,868	309,803	341,732	392,292	482,864	460,644	546,008	599,447	696,449	739,695	971,356	1,199,461	1,578,694	2,021,820
47	Corporate and other bonds ⁹	32,421	82,290	140,863	166,089	191,314	231,673	238,903	274,136	299,287	355,822	368,077	481,214	588,044	715,196	900,749
48	Corporate stocks ⁹	96,056	125,578	168,940	175,643	200,978	251,191	221,741	271,872	300,160	340,627	371,618	490,142	611,417	863,498	1,121,071
49	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns ¹²	77,415	86,993	90,703	110,187	144,548	167,093	213,406	208,908	220,666	229,038	239,817	300,424	346,727	453,555	460,787
50	U.S. liabilities reported by U.S. banks, not included elsewhere	312,179	354,497	432,972	518,833	585,355	637,126	633,251	637,245	652,705	677,147	784,925	815,043	828,248	970,975	1,017,093

^p Preliminary.^r Revised.

1. U.S. official gold stock valued at market price.

2. 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.

3. 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.

4. A break in series in 1994 reflects the incorporation of results of the 1994 benchmark survey of U.S. direct investment abroad and the reclassification from the direct investment capital accounts to the nonbank investment accounts of intercompany debt transactions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation. Estimates for 1984-93 are linked to both the 1982 and 1989 benchmark surveys of U.S. direct investment abroad.

5. Estimates for 1984 forward reflect 1992 base-year price indexes for tangible assets, which replace the 1987 base-year price indexes previously used in the national income and product accounts.

6. Estimates include results of the Benchmark Surveys of U.S. Ownership of Foreign Long-term Securities as of March 31, 1994, and as of December 31, 1997, conducted by the U.S. Department of the Treasury.

7. Breaks in series reflect the following: In 1986, the introduction of data from the Bank of International Settlements (BIS) for the Netherlands; BIS data was introduced for France and Italy in 1989; BIS coverage for Austria, Switzerland and Asian banking centers was also improved in 1989. BEA methodology for estimating positions vis-a-vis Canada and Germany was adjusted beginning in 1993, and vis-a-vis Asian banking centers in 1994. In 1994, intercompany debt transactions between companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation are reclassified from the direct investment capital accounts to the nonbank investment accounts.

8. A break in series in 1988 reflects the introduction of data on holdings of foreign commercial paper.

9. Estimates include results of 1978, 1984, 1989, and 1994 portfolio benchmark surveys conducted by the U.S. Department of the Treasury.

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

11. Estimates for 1984 forward are linked to both the 1987 and 1992 benchmark surveys of foreign direct investment in the United States.

12. A break in series in 1994 reflects the reclassification of intercompany debt transactions between parent companies and affiliates that are not depository institutions and that are primarily engaged in financial intermediation from the direct investment capital accounts to the nonbank investment accounts.

NOTE.—Revised area tables for 1984-98 are available upon request from the Balance of Payments Division (BE-58), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

Table 4.—Revisions to the International Investment Position of the United States at Yearend, 1997

[Millions of dollars]

Line	Type of investment	Previously published	Revised	Revision
	Net international investment position of the United States:			
1	With direct investment positions at current cost (line 3 less line 24)	-1,223,568	-968,208	255,360
2	With direct investment positions at market value (line 4 less line 25)	-1,322,455	-1,066,262	256,193
	U.S.-owned assets abroad:			
3	With direct investment at current cost (lines 5+10+15)	4,237,311	4,508,626	271,315
4	With direct investment at market value (lines 5+10+16)	5,007,119	5,288,892	281,773
5	U.S. official reserve assets	134,836	134,836	0
6	Gold	75,929	75,929	0
7	Special drawing rights	10,027	10,027	0
8	Reserve position in the International Monetary Fund	18,071	18,071	0
9	Foreign currencies	30,809	30,809	0
10	U.S. Government assets, other than official reserve assets	81,483	81,960	477
11	U.S. credits and other long-term assets	79,573	79,607	34
12	Repayable in dollars	78,942	79,273	331
13	Other	631	334	-297
14	U.S. foreign currency holdings and U.S. short-term assets	1,910	2,353	443
	U.S. private assets:			
15	With direct investment at current cost (lines 17+19+22+23)	4,020,992	4,291,830	270,838
16	With direct investment at market value (lines 18+19+22+23)	4,790,800	5,072,096	281,296
	Direct investment abroad:			
17	At current cost	1,023,872	1,004,228	-19,644
18	At market value	1,793,680	1,784,494	-9,186
19	Foreign securities	1,446,301	1,739,400	293,099
20	Bonds	445,049	538,400	93,351
21	Corporate stocks	1,001,252	1,201,000	199,748
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	562,396	562,396	0
23	U.S. claims reported by U.S. banks, not included elsewhere	988,423	985,806	-2,617
	Foreign-owned assets in the United States:			
24	With direct investment at current cost (lines 26+33)	5,460,879	5,476,834	15,955
25	With direct investment at market value (lines 26+34)	6,329,574	6,355,154	25,580
26	Foreign official assets in the United States	833,901	835,709	1,808
27	U.S. Government securities	614,390	614,530	140
28	U.S. Treasury securities	589,850	589,792	-58
29	Other	24,540	24,738	198
30	Other U.S. Government liabilities	20,577	21,459	882
31	U.S. liabilities reported by U.S. banks, not included elsewhere	135,026	135,384	358
32	Other foreign official assets	63,908	64,336	428
	Other foreign assets in the United States:			
33	With direct investment at current cost (lines 35+37+38+39+42+43)	4,626,978	4,641,125	14,147
34	With direct investment at market value (lines 36+37+38+39+42+43)	5,495,673	5,519,445	23,772
	Direct investment in the United States:			
35	At current cost	751,845	764,045	12,200
36	At market value	1,620,540	1,642,365	21,825
37	U.S. Treasury securities	661,961	662,228	267
38	U.S. currency	211,625	211,628	3
39	U.S. securities other than U.S. Treasury securities	1,577,984	1,578,694	710
40	Corporate and other bonds	718,076	715,196	-2,880
41	Corporate stocks	859,908	863,498	3,590
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	453,555	453,555	0
43	U.S. liabilities reported by U.S. banks, not included elsewhere	970,008	970,975	967

Direct Investment Positions for 1998

Country and Industry Detail

By Sylvia E. Bargas and Rosaria Troia

THE POSITIONS of U.S. direct investment abroad (USDIA) and foreign direct investment in the United States (FDIUS)—whether measured on the basis of historical cost, current cost, or market value—grew strongly in 1998 (table 1). This article presents the country and industry detail underlying the two positions. The estimates are prepared on a historical-cost basis; thus, most investments reflect price levels of earlier time periods. Because of inflation, estimates on this valuation basis understate the current values of the positions. BEA's current-cost and market-value estimates correct for this downward bias, but they are only available at an aggregate level.¹

On a historical-cost basis, the USDIA position grew 13 percent in 1998, and the FDIUS position grew 17 percent; for FDIUS, the rate of increase was the largest since 1989. For both positions, a substantial portion of the growth was attributable to a surge in capital flows for new investments, which coincided with a global boom in mergers and acquisitions. Equity capital flows for acquiring or establishing

new affiliates set new records by large margins. The dollar value of acquisition-related flows was boosted by high valuations in the equity markets of the United States and a number of other countries.

Favorable economic conditions in the United States, Europe, and Canada also contributed to the strong growth in the direct investment positions. The strength of these economies created strong incentives to invest there. Additionally, the earnings of parent companies in these areas remained at high levels and provided a source of funds for investment abroad.

Unfavorable economic conditions in a number of countries in Asia and Latin America did not appear to significantly affect either of the positions. The USDIA position continued to grow in these areas, as U.S. investors acquired new affiliates and increased their funding of existing ones. Depressed asset prices in several countries were an inducement to U.S. investors, despite declines in the earnings of foreign affiliates in those countries. The FDIUS position of parents in Asia expanded as parent companies in Japan—by far the largest source of Asian direct investment in

1. The current-cost and market-value estimates are discussed in "The International Investment Position of the United States in 1998" in this issue.

Table 1.—Alternative Direct Investment Position Estimates, 1997 and 1998

[Millions of dollars]

Valuation method	Position at yearend 1997 ^a	Changes in 1998 (decrease (-))			Position at yearend 1998 ^a
		Total	Capital flows	Valuation adjustments	
U.S. direct investment abroad:					
Historical cost	865,531	115,034	121,644	-6,610	980,565
Current cost	1,004,228	119,213	132,829	-13,616	1,123,441
Market value	1,784,494	356,034	132,829	223,205	2,140,528
Foreign direct investment in the United States:					
Historical cost	693,207	118,549	188,960	-70,411	811,756
Current cost	764,045	114,672	193,375	-78,703	878,718
Market value	1,642,365	551,737	193,375	358,362	2,194,102

^a Preliminary.
^b Revised.

Acknowledgments

The data for the U.S. direct investment position abroad were drawn from a survey that was conducted under the supervision of Mark W. New, assisted by Jennifer C. Chilzer, Laura A. Downey, Javier J. Hodge, Marie K. Laddomada, Sherry Lee, Leila C. Morrison, Gary M. Solamon, and Dwayne Torney. Computer programming for data estimation and tabulation was provided by Marie Colosimo and Arnold Gilbert.

The data for the foreign direct investment position in the United States were drawn from a survey that was conducted under the supervision of Gregory G. Fouch, assisted by Howard S. Chenkin, Peter J. Fox, Tracy K. Leigh, Beverly E. Palmer, and Linden L. Webber. Computer programming for data estimation and tabulation was provided by Karen E. Poffel, assisted by Fritz H. Mayhew.

the United States—continued to invest in their existing U.S. affiliates, even though problems in the Japanese economy curtailed Japanese investors' ability to finance new U.S. investments. The position of Latin American parents declined slightly; the decline was related to financial restructuring among affiliates with parents in the Caribbean.

The largest component of capital flows underlying the changes in both positions was equity capital, which includes the funds used to acquire and establish new affiliates and capital contributions to existing affiliates. Equity capital accounted for almost half of the total outflows for USDIA and over four-fifths of the total inflows for FDIUS.

Key Terms

Below are definitions and descriptions of some of the key terms used in this article. For a more detailed discussion of these terms and the methodologies used to prepare the estimates, see *Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results* (Washington, DC: U.S. Government Printing Office, 1995) and *U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results* (Washington, DC: U.S. Government Printing Office, 1998).

Direct investment. Investment in which a resident of one country obtains a lasting interest in, and a degree of influence over the management of, a business enterprise in another country. In the United States, the criterion used to distinguish direct investment from other types of investment is ownership of at least 10 percent of the voting securities of an incorporated business enterprise or the equivalent interest in an unincorporated business enterprise.

U.S. direct investment abroad (USDIA). The ownership or control, directly or indirectly, by one U.S. resident 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.

Foreign direct investment in the United States (FDIUS). The ownership or control, directly or indirectly, by one foreign resident of 10 percent or more of the voting securities of an incorporated U.S. business enterprise or the equivalent interest in an unincorporated U.S. business enterprise.

Foreign affiliate. A foreign business enterprise in which a single U.S. investor (that is, a U.S. parent) owns at least 10 percent of the voting securities, or the equivalent.

U.S. affiliate. A U.S. business enterprise in which a single foreign investor (that is, a foreign parent) owns at least 10 percent of the voting securities, or the equivalent.

Direct investment capital flows. Funds that parent companies provide to their affiliates net of funds that affiliates provide to their parents. For USDIA, capital flows also include the funds that U.S. direct investors pay to unaffiliated foreign parties when affiliates are acquired and the funds that U.S. investors receive from them when affiliates are sold. Similarly, FDIUS capital flows include the funds that foreign direct investors pay to unaffiliated U.S. residents when affiliates are acquired and the funds that foreign investors receive from them when affiliates are sold.

Direct investment capital flows consist of *equity capital*, *intercompany debt*, and *reinvested earnings*. Equity capital flows are the net of equity capital increases and decreases. Equity capital increases consist of payments made by parents to third parties for the purchase of capital stock when they acquire an existing business, as well as funds that parents provide to their affiliates that increase their ownership interest in the affiliates. Equity capital decreases are funds parents receive when they reduce their equity interest in existing affiliates. Intercompany debt flows result from changes in net outstanding loans and trade accounts between parents and their affiliates; they include loans by parents to affiliates and loans by af-

filates to parents. Reinvested earnings are the parents' claim on the undistributed after-tax earnings of the affiliates.

Direct investment position. The value of direct investors' equity in, and net outstanding loans to, their affiliates. The position may be viewed as the parents' contributions to the total assets of their affiliates or as the financing provided in the form of equity (including reinvested earnings) or debt by parents to their affiliates. Financing obtained from other sources, such as local or foreign third-party borrowing, is excluded.

BEA provides estimates of the positions for USDIA and for FDIUS that are valued on three bases—historical cost, current cost, and market value. At historical cost, the positions are valued according to the values carried on the books of affiliates; thus, most investments reflect price levels of earlier time periods. At current cost, the portion of the position representing parents' shares of their affiliates' tangible assets (property, plant, and equipment and inventories) is revalued from historical cost to replacement cost. At market value, the owners' equity portion of the position is revalued to current market value using indexes of stock prices.

Valuation adjustments to the historical-cost position. Adjustments to account for the differences between changes in the position, which are measured at book value, and direct investment capital flows, which are measured at transactions value. (Unlike the positions on a current-cost and market-value basis, the historical-cost position is not adjusted to account for changes in the replacement cost of the tangible assets of affiliates or in the market value of parent companies' equity in affiliates.)

Valuation adjustments to the historical-cost position consist of *currency translation* and *"other"* adjustments. Currency-translation adjustments are made to account for changes in the exchange rates that are used to translate affiliates' foreign-currency-denominated assets and liabilities into U.S. dollars. The precise effects of currency fluctuations on these adjustments depend on the value and currency composition of affiliates' assets and liabilities. Depreciation of foreign currencies against the dollar usually results in negative translation adjustments because it tends to lower the dollar value of foreign-currency-denominated net assets. Similarly, appreciation of foreign currencies usually results in positive adjustments because it tends to raise the dollar value of foreign-currency-denominated net assets.

"Other" adjustments are made to account for differences between the proceeds from the sale or liquidation of affiliates and their book values, for differences between the purchase prices of affiliates and their book values, for writeoffs resulting from uncompensated expropriations of affiliates, for changes in industry of affiliate or country of foreign parent, and for capital gains and losses (other than currency translation adjustments). These capital gains and losses represent the revaluation of the assets of ongoing affiliates for reasons other than exchange-rate changes, such as the partial sale of the assets for an amount different from their historical cost.

U.S. Direct Investment Abroad

The U.S. direct investment position abroad valued at historical cost—the book value of U.S. direct investors' equity in, and net outstanding loans to, their foreign affiliates—was \$980.6 billion at the end of 1998 (table 2 and chart 1). The largest positions remained those in the United Kingdom (\$178.6 billion, or 18 percent of the total), in Canada (\$103.9 billion, or 11 percent of the total), and in the Netherlands (\$79.4 billion, or 8 percent of the total) (table 3.2 and chart 2).

Table 2.—U.S. Direct Investment Position Abroad and Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1982–98



Yearend	Millions of dollars		Percent change from preceding year	
	U.S. direct investment position abroad	Foreign direct investment position in the United States	U.S. direct investment position abroad	Foreign direct investment position in the United States
1982	207,752	124,677		
1983	212,150	137,061	2.1	9.9
1984	218,093	164,583	2.8	20.1
1985	238,369	184,615	9.3	12.2
1986	270,472	220,414	13.5	19.4
1987	326,253	263,394	20.6	19.5
1988	347,179	314,754	6.4	19.5
1989	381,781	368,924	10.0	17.2
1990	430,521	394,911	12.8	7.0
1991	467,844	419,108	8.7	6.1
1992	502,063	423,131	7.3	1.0
1993	564,283	467,412	12.4	10.5
1994	612,893	480,667	(¹)	(¹)
1995	699,015	535,553	14.1	11.4
1996	^r 795,195	^r 598,021	13.8	11.7
1997	^r 865,531	^r 693,207	8.8	15.9
1998	^p 980,565	^p 811,756	13.3	17.1

^p Preliminary.
^r Revised.
 1. The USDIA and FDIUS positions reflect a discontinuity between 1993 and 1994 due to the reclassification from direct investment to other investment accounts of intercompany debt between parent companies and affiliates that are nondepository financial intermediaries.

In 1998, the USDIA position increased \$115.0 billion, or 13 percent, following a 9-percent increase in 1997. The following table shows the change in position in 1998 by the type of capital flow and valuation adjustment.²

[Billions of dollars]

Total	115.0
Capital outflows	121.6
Equity capital	59.4
Increases	79.9
Decreases	20.4
Intercompany debt	14.7
Reinvested earnings	47.5
Valuation adjustments	-6.6
Currency translation	0.7
Other	-7.3

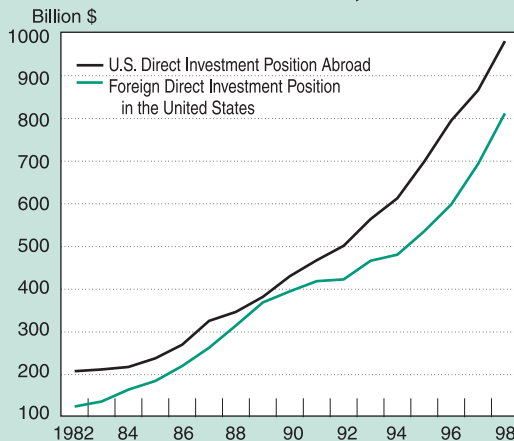
Capital outflows for USDIA were a record \$121.6 billion in 1998 (the previous record of \$99.5 billion was set in 1997). Almost 50 percent of the outflows were accounted for by net equity capital outflows, which were up \$15.5 billion from 1997; almost 40 percent was accounted for by reinvested earnings, which were down \$3.7 billion; and the remainder was accounted for by intercompany debt outflows, which were up \$10.3 billion.

Equity capital outflows reached a record \$59.4 billion, up 35 percent from their 1997 levels. Equity capital increases, which result from equity investments by U.S. parents in both new and existing foreign affiliates, were \$79.9 billion and

2. Valuation adjustments to the historical-cost position are made to account for differences between changes in the position, measured at book value, and capital flows, measured at transactions value (see the box "Key Terms").

CHART 1

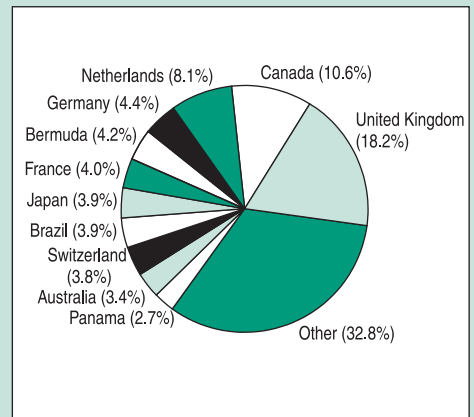
Direct Investment Positions on a Historical-Cost Basis, 1982–98



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

CHART 2

U.S. Direct Investment Position Abroad, 1998: Host-Country Shares



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

primarily reflected acquisitions. These increases were partly offset by equity capital decreases of \$20.4 billion; equity capital decreases result when U.S. parents sell off stock or other equity in their foreign affiliates and when foreign affiliates return invested capital to U.S. parents (transactions that are recorded as U.S. capital *inflows*).

Acquisition activity by U.S. direct investors was strong in 1998. Funds available to U.S. parent companies were plentiful as a result of rising equity markets and continued strong economic growth in the United States. In addition, relatively favorable economic conditions in the United Kingdom, Canada, and Australia, where a substantial portion of the acquisition activity was concentrated, increased the attractiveness of direct investments in these countries. Finally, several large acquisitions resulted from opportunities created by privatizations of electric utilities and telecommunications companies abroad. Acquisition activity was particularly strong in the United Kingdom, where there were substantial new investments in electric utilities, manufacturing, insurance, and services.

Although down 7 percent from a record level in 1997, reinvested earnings remained high at \$47.5 billion in 1998, reflecting a pattern of strong earnings and high rates of reinvestment that began in 1995. In each year during 1995–98, total earnings exceeded \$85 billion, and the share that was reinvested was at least 50 percent, well above the 35-percent average share in 1982–94. In 1998, the share was 53 percent.

The 7-percent decline in reinvested earnings mirrored an even sharper decline in earnings. Both declines were centered in Asia and Latin America—particularly in some countries where economic conditions deteriorated significantly, such as Japan, Malaysia, Indonesia and Brazil. Earnings and reinvested earnings also declined in Australia and Mexico, partly because the depreciation of their currencies lowered the value of these items in terms of U.S. dollars.

The intercompany debt outflows primarily resulted from increased lending by parents to their foreign affiliates. These outflows were more than accounted for by outflows to Europe, particularly to the United Kingdom, the Netherlands, and Ireland.

The capital outflows were partly offset by a \$6.6 billion downward adjustment to the value of the position. Several foreign affiliates were acquired by U.S. direct investors for more than book value, so a downward adjustment was necessary to reconcile the purchase price, which is reflected in

capital outflows (and would otherwise determine the measured change in position), with the book values used in computing the historical-cost position. (See valuation adjustments in the box “**Key Terms.**”)

Changes by country

More than half of the \$115.0 billion increase in the USDIA position in 1998 was accounted for by increases in Europe. Major changes in the position by area and by country are shown in the following table:

[Billions of dollars]

All countries	115.0
Europe	69.4
<i>Of which:</i>	
United Kingdom	25.5
Netherlands	15.0
Switzerland	6.2
Latin America and Other Western Hemisphere	18.1
<i>Of which:</i>	
Panama	5.9
Bermuda	3.4
Brazil	2.7
Mexico	1.7
Asia and Pacific	15.2
<i>Of which:</i>	
Japan	4.4
Australia	3.8
Canada	7.9

The position in Europe increased 17 percent. Within Europe, the United Kingdom had by far the largest increase, followed by the Netherlands and Switzerland. In the United Kingdom, equity investments to acquire companies were substantial, especially in “other industries” (primarily electric utilities); manufacturing (primarily transportation equipment); finance (except depository institutions), insurance and real estate (FIRE) (primarily insurance); and services. U.S. parent companies are attracted to the United Kingdom because of its large, prosperous market and because of the similarity of its business culture, legal framework, and language to that of the United States; in addition, the United Kingdom is often used as a springboard for investing elsewhere in Europe. In both the Netherlands and Switzerland, a large portion of the increase in the position was accounted for by reinvested earnings—particularly those of holding companies classified in FIRE, which, in turn, reflected strong earnings of operating affiliates held by these companies.

The position in Latin America and Other Western Hemisphere increased 10 percent; the increase was almost entirely in capital outflows, mostly

equity capital. Within the area, the largest increases were in Panama, Bermuda, Brazil, and Mexico. In Panama, the increase consisted largely of valuation adjustments, mainly reflecting capital gains in FIRE. In Bermuda, the increase consisted largely of reinvested earnings of holding companies in FIRE and reflected earnings of operating affiliates located in other countries. In Brazil, the increases were largely in new investments in electric utility and telecommunications companies (classified in "other industries") that were made in response to opportunities created by privatizations. In Mexico, the largest increases were in FIRE and in "other industries" (primarily retail trade and telecommunications) and were split between reinvested earnings and equity capital outflows.

The position in Asia and Pacific increased 10 percent; the largest increases were in Japan and Australia. In Japan, by far the largest increase was in FIRE. In Australia, most of the increase was in equity capital outflows for acquisitions of new affiliates in FIRE.

The position in Canada increased 8 percent. More than 80 percent of the increase was accounted for by equity capital. By industry, the largest increases were in "other industries" (primarily retail trade), "other manufacturing" (primarily paper and allied products), FIRE, and petroleum.

Foreign Direct Investment in the United States

The foreign direct investment position in the United States valued at historical cost—the book value of foreign direct investors' equity in, and net outstanding loans to, their U.S. affiliates—was \$811.8 billion at the end of 1998 (table 2 and chart 1). The largest position remained that of the United Kingdom, (\$151.3 billion, or 19 percent of the total), which widened its margin over Japan, the country with the second-largest position (\$132.6 billion, or 16 percent). The Netherlands had the third largest position (\$96.9 billion, or 12 percent), slightly ahead of Germany (\$95.0 billion, or 12 percent) (table 4.2 and chart 3).

In 1998, the FDIUS position increased \$118.5 billion, or 17 percent, following an increase of 16 percent in 1997. Two exceptionally large transactions contributed to the overall increase. The two transactions—each of which significantly exceeded the size of any previous single investment—involved the acquisition of a petro-

leum company and the acquisition of a motor vehicle manufacturer by foreign firms in the same industries as the acquired firms.³ Both transactions were accomplished by exchanging stock; the shareholders of the premerger firms exchanged their stock for stock in the new foreign firms that were created through the mergers. Taken together, these exchanges resulted in large, but almost entirely offsetting, capital flows in the U.S. balance of payments: The large capital inflows on direct investment that resulted from the foreign investors' acquisition of stock of the U.S. companies were offset by the capital outflows on foreign securities that resulted from the U.S. stockholders receiving the stock of the newly established foreign firms.⁴

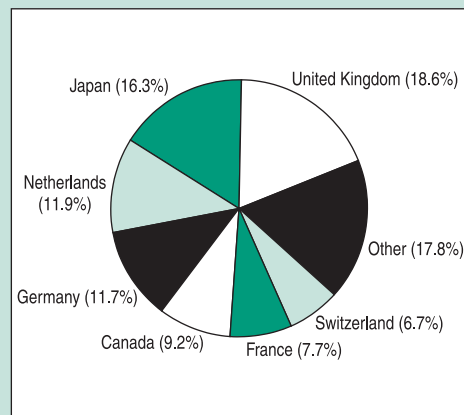
The two transactions significantly affected the positions in petroleum and manufacturing. In petroleum, the position expanded 27 percent, following several years of almost no growth. (The annual growth rate in 1987–97 was 1 percent.) The acquisition also changed the parent-country composition of the position in petroleum; roughly half was accounted for by the United Kingdom at yearend 1998, compared with slightly more than a fourth at yearend 1997. The

3. The International Investment and Trade in Services Survey Act prohibits BEA from disclosing information from its direct investment surveys in a manner that allows the data supplied by an individual respondent to be identified. The act also provides that with the prior written consent of the respondent, information supplied by the respondent may be disclosed. For these two large investments, BEA obtained consent for limited disclosure in order to present useful results from the survey.

4. The USDIA position was not affected by these two transactions, because the exchanges of stock did not result in any single U.S. investor owning as much as 10 percent of the shares of the new foreign firms.

CHART 3

Foreign Direct Investment Position in the United States, 1998: Parent-Country Shares



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

acquisition of the automobile manufacturer contributed to a 21-percent increase in the position in manufacturing, nearly twice the annual growth rate in 1987–97.

Although these two transactions accounted for nearly a fourth of the overall increase, growth in the position would have been 13 percent even without them. Investment in the United States was indirectly boosted by the recessionary conditions in some other parts of the world and by a perceived widening of the risk differential between investing in the United States and investing in many developing countries. In particular, economic difficulties in Asia and Latin America caused some foreign direct investors to place a high value on the “safe harbor” provided by the economic stability of the United States. Growth in the position also reflected favorable economic conditions in Europe and Canada, which helped parents from those areas to acquire affiliates in the United States and to contribute additional capital to their existing U.S. affiliates.

Although the economic situation deteriorated sharply in Japan, capital flows from Japanese parents to their existing U.S. affiliates continued, resulting in a 6-percent increase in Japan’s direct investment position in the United States. However, because of the weakness of the Japanese economy, Japanese investments in new U.S. affiliates remained at historically low levels.

The following table shows the change in the FDIUS position in 1998 by type of capital flow and valuation adjustment:

[Billions of dollars]

Total	118.5
Capital inflows	189.0
Equity capital	154.2
Increases	176.0
Decreases	21.8
Intercompany debt	26.4
Reinvested earnings	8.4
Valuation adjustments	-70.4
Currency translation	(*)
Other	-70.4

* Less than \$500,000.

Capital inflows for FDIUS were a record \$189.0 billion in 1998 (the previous record of \$105.5 billion was set in 1997). Most—82 percent—of the capital inflows were net inflows of equity capital (\$154.2 billion). The rest were accounted for by intercompany debt flows (\$26.4 billion) and reinvested earnings (\$8.4 billion). The capital inflows were partly offset by a substantial downward adjustment—\$70.4 billion—to the value of the position, which was primarily related to the two large transactions. Both the petroleum company

and the motor vehicle manufacturer were acquired by foreign direct investors for considerably more than book value; the downward adjustment was made to reconcile the transactions values of the acquisitions, which are reflected in capital inflows (and would otherwise determine the measured change in position), with the much smaller book values that are recorded in the historical-cost position.

Total acquisition activity by foreign direct investors was at record levels and coincided with a sharp increase in overall merger and acquisition activity in the United States.⁵ A general factor behind the surge in acquisitions was the desire to reduce costs through economies of scale in response to heightened global competition. In addition, the desire of foreign investors to gain access to the advanced and growing technological capability of the United States led to a number of acquisitions of telecommunication and information-related businesses. (Funds provided by foreign parents for such acquisitions exceeded \$25 billion.) High valuations in the U.S. equity markets boosted the dollar value of acquisition-related inflows.

Equity capital inflows—the net of equity capital increases and equity capital decreases reached a record \$154.2 billion, more than double the previous record of \$64.7 billion in 1997. Equity capital increases—at \$176.0 billion—reflected the acquisitions of U.S. businesses by foreigners and additional equity contributions to existing U.S. affiliates. These increases were partly offset by equity capital decreases—at \$21.8 billion—which reflected selloffs of affiliates by, and returns of capital to, foreign direct investors (transactions that are recorded as U.S. capital outflows).

Intercompany debt inflows were \$26.4 billion, up from \$24.3 billion. More than half of the inflows were from parents in Luxembourg and

5. See Mahnaz Fahim-Nader, “Foreign Direct Investment in the United States: New Investment in 1998,” SURVEY OF CURRENT BUSINESS 79 (June 1999): 16–23. Preliminary data from BEA’s survey of new foreign direct investments, summarized in that article, indicate that total outlays to acquire or establish U.S. businesses, including those financed by capital inflows from foreign parents, were up 188 percent to \$201.0 billion in 1998, following a 13-percent decrease in 1997. These data cover only transactions involving U.S. businesses newly acquired or established by foreign direct investors and include financing other than that from the foreign parent, such as local borrowing by existing U.S. affiliates. In contrast, the changes in the FDIUS position described in this article reflect transactions of both new and existing U.S. affiliates with their foreign parents or other members of the foreign parent group and valuation adjustments, and exclude financing not provided by the foreign parent.

Notwithstanding these differences, the two types of data are related. Any outlays to acquire or establish U.S. businesses that are funded by foreign parent groups are part of capital inflows for FDIUS, a component of the change in the position. Data from the new investments survey indicate that foreign parent groups funded \$155.3 billion, or 77 percent, of outlays to acquire or establish new U.S. affiliates in 1998, compared with \$37.4 billion, or 54 percent, in 1997.

were partly related to several acquisitions in manufacturing and services.

Reinvested earnings were \$8.4 billion in 1998—about half their level in 1997. The decrease primarily reflected a drop in earnings, but a lower rate of reinvestment also contributed. Earnings fell \$5.5 billion; the drop was more than accounted for by petroleum and finance (except depository institutions). The decrease in petroleum reflected the drop in oil prices. In finance, earnings shifted to losses; more than half of this shift was accounted for by Swiss-owned investment firms that were restructuring. The share of earnings that were reinvested was 30 percent, down from an unusually high 49 percent in 1997 but in line with an average rate of 32 percent in 1994–96. Reinvested earnings were negative in food manufacturing, finance, petroleum, real estate, and “other industries.” (Negative reinvested earnings are recorded when affiliates incur losses or distribute earnings to their foreign parents in excess of their current earnings.)

Changes by country

Almost all—90 percent—of the \$118.5 billion increase in the FDIUS position in 1998 was accounted for by parents in Europe. Within Europe, the largest dollar increase was in the position of parents in Germany, followed by the positions of parents in the United Kingdom, Switzerland, Luxembourg, and France. Outside Europe, the largest increases were by parents in Japan and Canada. Major changes in the positions by area and by country are shown in the following table:

[Billions of dollars]	
All countries	118.5
Europe	107.3
<i>Of which:</i>	
Germany	23.8
United Kingdom	20.0
Switzerland	15.7
Luxembourg	14.9
France	12.7
Asia and Pacific	7.0
<i>Of which:</i>	
Japan	7.4
Canada	5.0

The position of Germany increased 33 percent. Most of this increase was accounted for by the acquisition of the motor vehicle manufacturer. This acquisition substantially changed the industry composition of Germany's position; more than half was accounted for by manufacturing at yearend 1998. Germany's overall position was

also increased by additional equity investments in existing affiliates that are depository institutions.

The acquisition of a major petroleum company accounted for most of the increase in the United Kingdom's overall position and was the primary factor behind a more than twofold increase in its position in petroleum. The overall position was also increased by additional equity investments in existing affiliates in manufacturing, petroleum, wholesale trade, finance, and services (some of which financed acquisitions by these affiliates) and by reinvested earnings of affiliates in manufacturing (particularly chemicals), services, and wholesale trade. These increases were partly offset by equity capital outflows and downward adjustments to the position that were related to sell-offs of telecommunications and insurance affiliates.

The position of Swiss parents increased 41 percent. Nearly two-thirds of the increase was in insurance. Swiss investors acquired a number of U.S. insurance companies, some from foreign parents in other countries.⁶ In addition, Swiss parents contributed substantial capital to their existing insurance affiliates. These changes—which more than doubled Switzerland's position in insurance—reflected Swiss insurers' desires to consolidate into larger, more efficient units and to become better able to spread risks.

The position of Luxembourg parents nearly quadrupled; the increase reflected intercompany borrowing by affiliates in manufacturing and—to a lesser extent—services. In both industries, the borrowing was related to the acquisitions of new U.S. affiliates.

The increase in the position of French parents was concentrated in machinery, “other manufacturing,” and chemicals. The increase in machinery resulted from acquisitions of telecommunications equipment businesses; the increase in “other manufacturing” resulted from capital contributions to existing affiliates; and the increase in chemicals resulted from affiliate borrowing from foreign parents.

More than three-fourths of the increase in the position of Japanese parents was accounted for by equity capital contributions to existing affiliates. These capital contributions were concentrated in the three industries that account for the largest shares of Japan's position—wholesale trade, finance (except depository institutions), and “other

6. The acquisition of a U.S. affiliate by a foreign parent in one country from a foreign parent in another country is recorded as an upward adjustment (positive valuation adjustment) to the position of the acquiring country that is offset by a downward adjustment (negative valuation adjustment) to the position of the selling country.

manufacturing.” Reinvested earnings in “other manufacturing” also boosted the position.

The increase in the position of Canadian parents was more than accounted for by equity capital inflows, which were the third largest of

any country. By industry, the largest increases in the position were in “other industries,” finance, real estate, and machinery.


Tables 3 and 4 follow. 

Table 4.1.—Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1997

[Millions of dollars]

	All industries	Petroleum	Manufacturing					Wholesale trade	Retail trade	Depository institutions	Finance, except depository institutions	Insurance	Real estate	Services	Other industries	
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery									Other manufacturing
All countries	693,207	42,085	273,122	26,710	88,831	23,366	46,636	87,580	87,630	16,718	38,118	43,413	70,492	40,060	38,521	43,049
Canada	69,866	3,177	27,811	8,017	2,673	4,569	4,191	8,361	4,190	1,023	2,211	5,382	7,545	7,805	2,021	8,701
Europe	432,622	29,750	197,819	16,430	78,954	14,317	31,522	56,597	39,015	12,901	21,902	14,071	55,421	12,756	22,335	26,653
Austria	1,829	(P)	298	0	(P)	(P)	118	79	282	834	(P)	(P)	(P)	5	25	3
Belgium	6,438	1,221	3,529	11	2,893	(P)	(P)	248	840	837	(P)	(P)	(P)	56	-26	468
Denmark	2,929	5	708	134	7	(*)	303	265	1,782	19	(P)	136	-3	(P)	(P)	206
Finland	3,557	(P)	1,615	(P)	(P)	772	204	446	(P)	15	(P)	(P)	(P)	(P)	(P)	143
France	49,503	(P)	29,099	2,350	12,528	2,878	4,971	6,372	1,911	302	2,692	5,335	4,060	91	2,939	(P)
Germany	71,289	(P)	34,522	39	16,107	3,342	6,127	8,907	12,250	1,647	4,101	2,181	8,415	2,691	3,081	(P)
Ireland	10,493	639	2,748	400	(P)	(P)	1,056	1,148	823	267	(P)	-236	(P)	29	596	(P)
Italy	3,089	294	627	-78	211	202	-5	296	468	(P)	790	(P)	(P)	75	27	117
Liechtenstein	126	(P)	4	(*)	0	(P)	4	(P)	66	0	0	3	0	55	(P)	39
Luxembourg	5,363	0	2,941	(P)	(P)	438	(P)	1,268	1,420	0	0	252	(P)	157	448	-293
Netherlands	89,570	12,949	31,565	2,029	10,630	1,074	5,685	12,148	6,303	4,578	6,025	2,642	14,377	5,922	3,233	1,976
Norway	3,045	(P)	1,380	(P)	683	458	250	(P)	(P)	7	13	(P)	(P)	42	174	171
Spain	2,266	4	587	15	3	(P)	9	(P)	120	88	1,120	108	166	(P)	-5	(P)
Sweden	12,842	(P)	8,576	-1	802	533	5,034	2,208	1,171	(P)	85	(P)	(P)	688	(P)	271
Switzerland	38,281	194	21,187	(P)	13,004	417	1,516	(P)	1,801	267	1,285	3,220	7,481	707	2,039	100
United Kingdom	131,315	11,680	58,342	8,584	22,072	3,362	4,989	19,334	8,170	3,594	3,227	45	18,979	2,178	8,245	16,855
Other	688	(P)	92	(P)	(P)	(*)	7	51	311	(P)	232	6	0	5	10	5
Latin America and Other Western Hemisphere	33,546	3,427	3,930	360	995	480	198	1,896	2,179	796	3,774	5,241	6,157	3,739	2,779	1,524
South and Central America	10,212	-783	273	295	-54	-91	-193	316	425	21	2,994	642	(P)	329	1,457	(P)
Brazil	742	(P)	-198	-7	(P)	(P)	-96	-13	78	5	836	-3	(P)	11	-1	-10
Mexico	3,315	-8	631	304	-42	12	-53	410	459	8	167	334	-5	88	1,404	236
Panama	6,023	-56	-7	1	(P)	(P)	-4	-44	-48	-4	(P)	300	(P)	225	56	237
Venezuela	-376	(P)	-44	0	-14	-1	-6	-23	9	2	293	1	1	-1	0	(P)
Other	507	(P)	-109	-3	-58	2	-35	-14	-74	10	(P)	11	38	5	-2	-5
Other Western Hemisphere	23,333	4,211	3,657	66	1,050	571	391	1,580	1,754	776	779	4,598	(P)	3,409	1,323	(P)
Bahamas	1,905	(P)	127	(*)	0	125	0	2	354	(P)	0	386	0	430	293	201
Bermuda	3,092	142	423	-40	(P)	3	(*)	(P)	245	125	5	-40	1,280	173	530	208
Netherlands Antilles	5,722	2,689	1,217	-9	1,007	34	1	184	165	(P)	210	89	(P)	505	-39	108
United Kingdom Islands, Caribbean	12,022	(P)	1,867	115	(P)	(P)	394	900	687	28	564	4,169	(P)	2,386	400	399
Other	593	29	24	(*)	-3	(P)	-3	303	(P)	0	0	-6	(P)	-84	140	(P)
Africa	1,465	(P)	-14	-47	(P)	(P)	-3	-219	1	(P)	(P)	(P)	(*)	169	(P)	155
South Africa	-33	1	-61	-51	8	2	-3	-1	6	0	0	0	(*)	24	-1	-1
Other	1,498	(P)	47	4	(P)	(P)	-219	-4	(P)	(P)	(P)	(P)	0	144	(P)	156
Middle East	6,593	(P)	944	5	(P)	(P)	585	199	91	(P)	(P)	(P)	0	2,925	(P)	-39
Israel	1,955	0	923	4	(P)	(P)	571	192	91	(P)	654	165	0	(P)	114	(P)
Kuwait	2,935	4	7	0	0	0	0	7	2	0	(P)	0	0	(P)	0	0
Lebanon	-14	0	0	0	(P)	0	0	0	(*)	-1	0	0	0	(P)	0	0
Saudi Arabia	1,565	(P)	1	0	-1	0	1	0	0	(P)	0	0	0	47	5	-5
United Arab Emirates	76	-4	-1	0	0	(*)	0	0	(*)	0	(P)	0	0	14	0	(P)
Other	77	(*)	1	(P)	0	0	0	0	-1	5	50	0	0	35	0	0
Asia and Pacific	149,115	4,215	42,632	1,946	5,762	4,036	10,143	20,745	42,153	1,942	9,408	18,145	1,369	12,667	10,529	6,055
Australia	14,703	4,522	2,414	(P)	825	325	1,201	-64	9	-25	801	440	915	1,974	3,719	
Hong Kong	1,797	-16	316	(P)	-14	(P)	99	41	648	15	213	17	0	273	298	34
Japan	125,131	212	37,356	1,859	3,843	3,166	9,088	19,399	40,628	1,865	7,550	17,019	897	10,038	7,977	1,589
Korea, Republic of	-70	(P)	48	(P)	-87	46	43	28	28	(P)	242	(P)	(P)	51	18	-8
Malaysia	298	(P)	87	3	-7	1	69	22	18	0	(P)	(P)	0	3	174	-1
New Zealand	221	(P)	-25	3	(P)	(P)	1	-32	138	(P)	(P)	0	(P)	34	-11	46
Philippines	91	0	14	0	-1	0	14	1	15	(P)	68	0	-6	-1	0	(*)
Singapore	3,271	20	1,047	(P)	(P)	(P)	172	47	196	-1	95	48	(*)	1,243	18	605
Taiwan	2,749	-1	1,253	0	901	-1	304	49	476	8	693	167	1	43	66	44
Other	924	53	122	(P)	-22	(P)	26	-25	71	7	556	3	3	69	15	27
Addenda:																
European Union (15) ¹	390,601	28,463	175,177	13,800	65,282	13,461	29,745	52,888	36,659	12,608	20,456	10,850	47,938	11,952	20,169	26,330
OPEC ²	4,466	793	-51	0	-8	-1	-4	-38	5	8	660	(P)	1	2,902	42	(P)

* Less than \$500,000 (±).

P Suppressed to avoid disclosure of data of individual companies.

1. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland,

Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

2. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

Table 4.2.—Foreign Direct Investment Position in the United States on a Historical-Cost Basis, 1998

[Millions of dollars]

	All industries	Petroleum	Manufacturing					Wholesale trade	Retail trade	Depository institutions	Finance, except depository institutions	Insurance	Real estate	Services	Other industries	
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery									Other manufacturing
All countries	811,756	53,254	329,346	18,112	101,351	22,512	59,260	128,112	96,261	18,778	44,785	50,858	80,378	44,436	50,252	43,409
Canada	74,840	2,633	26,152	4,268	2,762	4,872	5,467	8,783	5,098	1,039	2,569	7,130	7,861	9,084	2,488	10,786
Europe	539,906	42,771	252,893	11,589	91,041	13,250	41,591	95,423	43,554	14,479	26,725	18,914	65,745	14,303	36,463	24,059
Austria	4,872	(D)	365	(D)	(D)	(D)	148	107	485	(D)	(D)	(D)	1	5	(D)	3
Belgium	9,577	(D)	4,232	2	3,187	(D)	(D)	654	1,018	935	(D)	306	1	51	1,489	(D)
Denmark	3,229	4	711	186	19	(*)	174	332	2,010	8	(D)	(D)	-4	(D)	167	253
Finland	4,321	(D)	2,224	(D)	(D)	(D)	233	1,357	1,012	1	(D)	(D)	-45	(D)	3	3
France	62,167	(D)	37,820	2,701	14,034	1,784	10,184	9,118	1,972	515	3,851	5,545	4,886	(D)	3,018	3,261
Germany	95,045	312	51,018	131	17,091	3,144	7,095	23,556	12,405	2,520	5,712	1,741	9,657	3,547	5,924	2,209
Ireland	13,227	739	4,874	734	(D)	(D)	378	1,584	1,980	(D)	(D)	-268	1,649	31	816	638
Italy	3,630	(D)	907	-82	284	231	5	468	423	595	1,094	(D)	(D)	65	(D)	188
Liechtenstein	118	(D)	(D)	1	0	-8	4	(D)	65	0	0	1	0	47	(D)	41
Luxembourg	20,214	0	(D)	206	(D)	508	(D)	(D)	1,311	(D)	0	110	(D)	(D)	4,315	(D)
Netherlands	96,904	11,505	35,109	-1,567	11,695	1,652	7,093	16,236	5,606	4,696	6,473	4,301	16,844	6,612	3,625	2,131
Norway	3,616	(D)	1,595	(D)	901	(D)	270	38	269	2	(D)	-9	2	40	(D)	170
Spain	2,292	-3	714	19	8	(D)	10	(D)	154	84	1,135	-74	168	48	(D)	(D)
Sweden	14,564	(D)	9,065	-2	803	595	5,578	2,092	2,028	(D)	(D)	(D)	-6	744	2,036	333
Switzerland	54,011	252	26,310	2,577	16,189	564	1,854	5,126	2,579	183	(D)	2,478	17,112	211	2,341	(D)
United Kingdom	151,335	26,277	64,022	6,531	24,795	2,978	7,709	22,009	10,099	3,894	3,210	1,957	14,265	1,801	12,058	13,752
Other	584	3	128	47	-14	-2	36	61	137	(D)	243	19	(*)	1	(D)	2
Latin America and Other Western Hemisphere	32,210	4,072	4,329	350	1,229	448	298	2,004	1,858	897	3,526	4,859	5,356	4,105	1,472	1,736
South and Central America	11,916	-457	1,067	573	96	178	-216	437	270	24	2,601	2,394	(D)	232	176	(D)
Brazil	609	(D)	-173	-14	(D)	1	-102	8	-54	6	691	(D)	(D)	(D)	1	8
Mexico	4,029	-9	887	588	-89	20	-55	423	495	6	70	2,000	2	85	174	320
Panama	7,025	(D)	482	1	(D)	(D)	-7	-2	-108	5	(D)	(D)	(D)	182	17	333
Venezuela	-333	(D)	9	-13	(D)	(D)	-2	6	-10	2	268	-1	6	(D)	(D)	(D)
Other	586	27	-120	-3	-72	3	-50	1	-52	6	(D)	(D)	30	(D)	(D)	-9
Other Western Hemisphere	20,294	4,529	3,262	-222	1,133	270	514	1,567	1,588	872	924	2,465	(D)	3,873	1,296	(D)
Bahamas	2,141	(D)	131	(D)	1	(D)	0	2	440	(D)	(D)	0	0	441	272	191
Bermuda	2,674	207	552	-22	(D)	3	(D)	517	226	237	5	-66	204	644	173	493
Netherlands Antilles	4,727	(D)	795	(D)	997	(D)	(D)	184	(D)	(D)	(D)	85	0	255	-55	125
United Kingdom Islands, Caribbean	10,395	1,578	1,792	219	(D)	(D)	494	867	608	25	648	(D)	(D)	2,614	791	208
Other	357	(D)	-9	2	-11	4	-1	-3	(D)	(D)	0	11	(D)	-80	116	(D)
Africa	884	-4	-90	(D)	(D)	(D)	-14	-292	21	17	47	432	0	116	234	111
South Africa	43	2	-88	(D)	(D)	(D)	-1	-14	(D)	(D)	0	0	0	0	(D)	-1
Other	841	-6	-2	4	(D)	(D)	(D)	(D)	(D)	(D)	17	47	0	(D)	(D)	112
Middle East	7,831	1,061	966	(D)	(D)	(D)	522	246	131	392	931	216	0	3,728	125	280
Israel	2,459	-3	601	(D)	(D)	(D)	165	236	129	(D)	819	(D)	0	(D)	46	284
Kuwait	(D)	(D)	9	0	0	0	0	9	3	0	(D)	(D)	0	3,657	(D)	-2
Lebanon	-19	(D)	0	0	(D)	0	(D)	0	(*)	-2	0	0	0	0	(D)	0
Saudi Arabia	(D)	(D)	3	0	(*)	0	1	2	-1	(D)	(D)	(D)	0	(D)	(D)	-8
United Arab Emirates	57	-5	-3	0	-2	(D)	-1	0	0	(D)	(D)	0	0	13	0	(D)
Other	414	-5	(D)	0	(D)	0	0	0	(*)	-3	48	0	0	37	8	(D)
Asia and Pacific	156,085	2,720	45,096	1,951	5,843	3,957	11,395	21,949	45,598	1,954	10,988	19,307	1,416	13,101	9,469	6,436
Australia	14,755	3,202	2,982	-68	135	1,164	472	1,278	-55	14	157	(D)	(D)	691	(D)	4,202
Hong Kong	2,097	(D)	358	(D)	(*)	(D)	123	40	599	15	229	(D)	1	268	305	314
Japan	132,569	234	39,918	1,762	4,838	2,760	10,036	20,522	43,114	1,868	9,043	17,445	990	10,743	7,304	1,910
Korea, Republic of	285	(D)	27	(D)	55	-78	14	(D)	673	(D)	-39	(D)	(D)	45	15	2
Malaysia	89	(D)	57	2	(D)	1	43	11	16	0	(D)	(D)	0	3	207	-11
New Zealand	352	(*)	20	7	(*)	(D)	(D)	(D)	179	(D)	(D)	0	(D)	71	-4	47
Philippines	69	(*)	13	-2	(*)	0	15	(*)	-6	(D)	73	0	-6	-2	0	-3
Singapore	1,813	2	244	(D)	-34	(D)	199	20	267	4	117	-1	1,258	69	-146	(D)
Taiwan	3,120	-2	1,505	-1	911	3	497	95	558	(D)	720	125	(*)	45	53	(D)
Other	936	57	-26	(D)	-61	(D)	-4	-46	254	6	672	2	2	-22	(D)	(D)
Addenda:																
European Union (15) ¹	481,731	41,330	224,885	8,978	73,967	12,296	39,429	90,214	40,509	14,272	24,095	16,441	48,631	14,008	33,837	23,722
OPEC ²	4,939	448	-24	1	-18	(*)	(*)	-7	-2	24	649	(D)	6	3,690	66	(D)

* Less than \$500,000 (±).

D Suppressed to avoid disclosure of data of individual companies.

1. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland,

Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

2. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

U.S. International Transactions, Revised Estimates for 1982–98

By Christopher L. Bach

AS IS customary each June, the estimates of U.S. international transactions have been revised to incorporate methodological and statistical revisions. This year, like last year, a number of improvements have been implemented as part of continuing efforts by the Bureau of Economic Analysis (BEA) to address gaps in coverage of the transactions. In large part, the gaps have arisen because of the dynamic nature of international markets. The major improvements this year respond to rapid changes in both the capital markets and services markets.

Also this year, the treatment of current- and capital-account transactions is modified to bring it into closer alignment with international guidelines. BEA is among those agencies in the United States and in other countries that has been both a strong supporter of, and a major contributor to, the development of the international guidelines recommended in the fifth edition of the International Monetary Fund's *Balance of Payments Manual*.¹ Many important changes in the international guidelines are patterned after the innovations and changes undertaken by BEA in the U.S. international transactions and direct investment accounts in recent years. BEA has already adopted many of the most important changes included in the *Manual* and, with this change, it is moving forward to eliminate one of the few remaining differences between the guidelines and the U.S. international accounts.

- The accounts are now divided into three groups—a current account, a capital account, and a financial account. This change is made to provide a more focused picture of different types of transactions and to remove certain transactions from the current account that may distort the analysis of underlying trends in the balances on goods, services, income, and current transfers. Previously, the accounts were divided into a current account and a capital account.

- Certain income transactions that were previously included in services account are now reclassified to the income account, and their coverage has been expanded, for 1986–98. This change places all income transactions together; consequently, both the services account and income account are redefined.
- In the direct investment income and financial accounts, new measures of the current-cost adjustment are introduced for 1982–98. This change more closely aligns the accounts with economic, rather than business, accounting requirements.
- In the investment income account, greatly improved estimates of income receipts are introduced based on preliminary results of a benchmark survey of the stock of U.S. portfolio investment in long-term foreign securities as of December 31, 1997. The updated position estimates enable BEA to develop improved estimates of bond interest and dividend receipts for 1994–98. The new position data are included in the U.S. international investment position.
- In the services account, results from a one-time survey are incorporated into estimates of travel payments for 1997–98, and a revised methodology and updated source data for medical services receipts are introduced for 1995–98.
- In the new capital account, new estimates of immigrants' transfers are introduced for 1982–98; these estimates are a key component of this account.
- In the income account, new estimates of the compensation of temporary nonagricultural workers in the United States are introduced for 1986–98.
- In the goods account, improvements to the seasonal adjustment of exports for 1996–98 have reduced the amount of "residual" seasonality.

1. See "The International Monetary Fund's New Standards for Economic Statistics," *SURVEY OF CURRENT BUSINESS* 76 (October 1996): 37–47.

The new presentation and the newly available benchmark data, improved methodologies, and reclassification are discussed in the remaining sections of this article. In addition to these major revisions, revisions result from the incorporation of regularly available data from BEA's annual and quarterly surveys, from the U.S. Treasury Department's and the Federal Reserve System's quarterly and monthly surveys, and supplemental data from other U.S. Government agencies and private sources. For 1998, as a result of all changes, the current-account deficit is reduced \$12.9 billion, to \$220.6 billion (table 1). By account, \$0.8 billion is removed from goods exports and \$1.9 billion is removed from goods imports, resulting in a deficit that is \$1.1 billion lower than previously estimated (table 2). For services, \$3.3 billion is added to services receipts and \$0.5 billion removed from services payments, resulting in a surplus that is \$3.8 billion higher than previously estimated. For income, \$15.7 billion is added to income receipts and \$5.4 billion to income payments, resulting in a deficit that is \$10.3 billion lower than previously estimated. For net unilateral current transfers, \$2.2 billion is added, resulting in an increase in net current transfers of \$2.2 billion. Net financial inflows and their

components were revised down \$27.3 billion, to \$209.8 billion. Details on revisions to individual series are shown in table 4 at the end of the article.

Changes in presentation

Restructuring of the accounts.—U.S. international transactions are now presented in three groups—a current account, a capital account, and a financial account. Previously, transactions were presented in two groups—a current account and a capital account. The current account is redefined by removing a small part of the previous measure of unilateral transfers and including it in the new capital account. The previous capital account becomes the new financial account.

The changes are intended to provide a more focused picture of different types of international transactions. Reclassification of capital transfers from the current account to the new capital account is designed to separate transactions that mainly represent changes in ownership of existing assets, which affect nations' balance sheets, from current transfers, which affect nations' income and product in the current period. For example,

Table 1.—Revisions to the Current-Account Estimates

[Millions of dollars; quarterly data are seasonally adjusted]

	Exports of goods and services and income receipts			Imports of goods and services and income payments			Unilateral current transfers, net			Balance on current account		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
1982	361,436	366,926	5,490	-355,804	-355,964	-160	-17,075	-17,075	.....	-11,443	-6,113	5,330
1983	351,306	356,156	4,850	-377,573	-377,577	-4	-17,718	-17,718	.....	-43,985	-39,138	4,847
1984	395,850	400,052	4,202	-474,203	-474,144	59	-20,598	-20,598	.....	-98,951	-94,690	4,261
1985	382,749	387,806	5,057	-484,037	-484,106	-69	-22,700	-22,700	.....	-123,987	-119,000	4,987
1986	400,881	406,060	5,179	-529,355	-530,478	-1,123	-24,679	-24,818	-139	-153,154	-149,236	3,918
1987	449,312	456,227	6,915	-593,416	-594,825	-1,409	-23,909	-24,047	-138	-168,013	-162,645	5,368
1988	560,664	567,260	6,596	-662,876	-664,167	-1,291	-25,988	-26,139	-151	-128,201	-123,046	5,155
1989	643,012	649,902	6,890	-720,189	-721,686	-1,497	-26,963	-27,116	-153	-104,139	-98,900	5,239
1990	700,552	708,135	7,583	-757,507	-759,646	-2,139	-34,669	-27,821	6,848	-91,624	-79,332	12,292
1991	722,653	729,513	6,860	-732,068	-735,048	-2,980	5,032	9,819	4,787	-4,383	4,284	8,667
1992	742,337	748,431	6,094	-758,481	-763,187	-4,706	-35,230	-35,873	-643	-51,374	-50,629	745
1993	769,919	776,404	6,485	-817,910	-823,167	-5,257	-38,142	-38,522	-380	-86,133	-85,286	847
1994	861,574	868,041	6,467	-946,008	-950,529	-4,521	-39,391	-39,192	199	-123,825	-121,680	2,145
1995	999,491	1,005,715	6,224	-1,080,107	-1,083,844	-3,737	-34,638	-35,437	-799	-115,254	-113,566	1,688
1996	1,063,971	1,074,425	10,454	-1,158,309	-1,161,533	-3,224	-40,577	-42,187	-1,610	-134,915	-129,295	5,620
1997	1,179,380	1,197,206	17,826	-1,294,904	-1,298,705	-3,801	-39,691	-41,966	-2,275	-155,215	-143,465	11,750
1998	1,174,055	1,192,231	18,176	-1,365,648	-1,368,718	-3,070	-41,855	-44,075	-2,220	-233,448	-220,562	12,886
1995:I	240,452	242,057	1,605	-262,749	-263,716	-967	-8,623	-8,868	-245	-30,920	-30,527	393
II	247,013	248,496	1,483	-272,451	-273,314	-863	-8,110	-8,397	-287	-33,548	-33,215	333
III	253,187	254,785	1,598	-273,127	-274,013	-886	-8,938	-8,836	102	-28,878	-28,064	814
IV	258,837	260,373	1,536	-271,784	-272,802	-1,018	-8,967	-9,336	-369	-21,974	-21,765	149
1996:I	260,386	262,090	1,704	-278,128	-277,914	214	-10,473	-10,920	-447	-28,215	-26,744	1,471
II	263,135	265,687	2,552	-287,364	-287,958	-594	-8,777	-9,185	-408	-33,006	-31,456	1,550
III	262,430	266,217	3,787	-293,777	-295,037	-1,260	-9,043	-9,507	-464	-40,390	-38,327	2,063
IV	278,017	280,425	2,408	-299,036	-300,625	-1,589	-12,284	-12,574	-290	-33,303	-32,774	529
1997:I	283,765	287,363	3,598	-311,881	-312,914	-1,033	-8,874	-9,347	-473	-36,990	-34,898	2,092
II	295,287	300,113	4,826	-321,342	-322,090	-748	-9,035	-9,494	-459	-35,090	-31,471	3,619
III	300,481	305,865	5,384	-329,130	-331,384	-2,254	-9,445	-10,096	-651	-38,094	-35,615	2,479
IV	299,843	303,869	4,026	-332,549	-332,317	232	-12,337	-13,030	-693	-45,043	-41,478	3,565
1998:I	298,740	302,289	3,549	-336,330	-335,380	950	-9,428	-9,927	-499	-47,018	-43,018	4,000
II	292,165	298,463	6,298	-339,746	-340,977	-1,231	-9,390	-9,886	-496	-56,971	-52,400	4,571
III	285,837	291,493	5,656	-341,499	-344,182	-2,683	-10,032	-10,787	-755	-65,994	-63,476	2,218
IV	297,312	299,985	2,673	-348,076	-348,180	-104	-13,001	-13,474	-473	-63,765	-61,669	2,096

reclassification of such items partly reflects the need to remove distortions in current-account balances that can be caused by debt forgiveness. In the 1980's, a number of countries, including the United States, forgave large amounts of

the debt accumulated by a number of developing countries. For some of these countries, the debt forgiveness caused movements that obscured underlying trends in their current-account balances.

Table 2.—Revisions to Estimates of Goods, Services, and Income

[Millions of dollars; quarterly data seasonally adjusted]

	Goods exports			Services exports			Income receipts		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
1986	223,344	223,344	.....	86,350	85,442	-908	91,186	97,274	6,088
1987	250,208	250,208	.....	98,593	97,591	-1,002	100,511	108,428	7,917
1988	320,230	320,230	.....	111,068	110,030	-1,038	129,366	137,000	7,634
1989	362,120	362,120	.....	127,233	126,216	-1,017	153,659	161,566	7,907
1990	389,307	389,307	.....	147,922	146,751	-1,171	163,324	172,078	8,754
1991	416,913	416,913	.....	164,333	163,043	-1,290	141,408	149,558	8,150
1992	440,352	440,352	.....	176,982	175,557	-1,425	125,003	132,523	7,520
1993	456,832	456,832	.....	186,385	184,951	-1,434	126,702	134,621	7,919
1994	502,398	502,398	.....	201,434	199,675	-1,759	157,742	165,968	8,226
1995	575,845	575,845	.....	219,802	217,637	-2,165	203,844	212,233	8,389
1996	611,983	612,057	74	238,792	237,749	-1,043	213,196	224,619	11,423
1997	679,325	679,715	390	258,268	258,828	560	241,787	258,663	16,876
1998	671,055	670,246	-809	260,385	263,661	3,276	242,615	258,324	15,709
1995:I	139,016	139,016	.....	52,334	51,805	-529	49,102	51,236	2,134
II	142,103	142,103	.....	53,385	52,767	-618	51,525	53,626	2,101
III	145,909	145,909	.....	56,506	56,035	-471	50,772	52,841	2,069
IV	148,817	148,817	.....	57,575	57,027	-548	52,445	54,529	2,084
1996:I	150,855	150,438	-417	57,534	56,928	-606	51,997	54,724	2,727
II	152,130	152,612	482	59,204	58,842	-362	51,801	54,233	2,432
III	151,253	151,991	738	58,119	58,104	-15	53,058	56,122	3,064
IV	157,745	157,016	-729	63,932	63,871	-61	56,340	59,538	3,198
1997:I	163,499	162,979	-520	62,685	62,781	96	57,581	61,603	4,022
II	169,240	169,895	655	64,776	64,788	12	61,271	65,430	4,159
III	172,302	173,447	1,145	65,628	65,838	210	62,551	66,580	4,029
IV	174,284	173,394	-890	65,175	65,425	250	60,384	65,050	4,666
1998:I	171,190	170,665	-525	65,004	65,166	162	62,546	66,458	3,912
II	164,543	165,198	655	65,697	65,691	994	61,925	66,574	4,649
III	163,414	164,259	845	63,943	65,025	1,082	58,480	62,209	3,729
IV	171,908	170,124	-1,784	65,741	66,780	1,039	59,663	63,081	3,418
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	Goods imports			Services imports			Income payments		
	Previously published	Revised	Revision	Previously published	Revised	Revision	Previously published	Revised	Revision
1986	-368,425	-368,425	.....	-81,835	-80,147	1,688	-79,095	-81,907	-2,812
1987	-409,765	-409,765	.....	-92,349	-90,787	1,562	-91,302	-94,273	-2,971
1988	-447,189	-447,189	.....	-99,965	-98,526	1,439	-115,722	-118,452	-2,730
1989	-477,365	-477,365	.....	-104,185	-102,479	1,706	-138,639	-141,842	-3,203
1990	-498,337	-498,337	.....	-120,021	-117,659	2,362	-139,149	-143,649	-4,500
1991	-490,981	-490,981	.....	-121,196	-118,459	2,737	-119,891	-125,608	-5,717
1992	-536,458	-536,458	.....	-119,561	-116,476	3,085	-102,462	-110,253	-7,791
1993	-589,441	-589,441	.....	-125,715	-122,281	3,434	-102,754	-111,445	-8,691
1994	-668,590	-668,590	.....	-136,155	-131,878	4,277	-141,263	-150,061	-8,798
1995	-749,574	-749,574	.....	-145,964	-141,447	4,517	-184,569	-192,823	-8,254
1996	-803,320	-803,327	-7	-156,029	-150,797	5,232	-198,960	-207,409	-8,449
1997	-877,279	-876,366	913	-170,520	-166,907	3,613	-247,105	-255,432	-8,327
1998	-919,040	-917,178	1,862	-181,514	-181,011	503	-265,094	-270,529	-5,435
1995:I	-183,093	-183,093	.....	-35,586	-34,533	1,053	-44,070	-46,090	-2,020
II	-190,539	-190,539	.....	-36,388	-35,236	1,152	-45,524	-47,539	-2,015
III	-188,077	-188,077	.....	-36,838	-35,665	1,173	-48,212	-50,271	-2,059
IV	-187,865	-187,865	.....	-37,156	-36,015	1,141	-46,763	-48,922	-2,159
1996:I	-193,467	-193,038	429	-38,023	-36,673	1,350	-46,638	-48,203	-1,565
II	-200,965	-200,763	202	-38,573	-37,171	1,402	-47,826	-50,024	-2,198
III	-202,806	-203,196	-390	-39,644	-38,367	1,277	-51,327	-53,474	-2,147
IV	-206,082	-206,330	-248	-39,786	-38,587	1,199	-53,168	-55,708	-2,540
1997:I	-213,222	-212,187	1,035	-41,092	-40,185	907	-57,567	-60,542	-2,975
II	-218,336	-217,773	563	-42,195	-41,099	1,096	-60,811	-63,218	-2,407
III	-221,598	-222,362	-764	-43,437	-42,646	791	-64,095	-66,376	-2,281
IV	-224,123	-224,044	79	-43,795	-42,976	819	-64,631	-65,297	-666
1998:I	-227,223	-225,541	1,682	-44,343	-43,628	715	-64,764	-66,211	-1,447
II	-229,321	-228,698	623	-45,154	-45,152	2	-65,271	-67,127	-1,856
III	-228,313	-229,228	-915	-45,541	-45,780	-239	-67,645	-69,174	-1,529
IV	-234,183	-233,711	472	-46,476	-46,455	21	-67,417	-68,014	-597

The accounts for both current and capital transfers are designed as the accounts where offsetting entries are made to the exchanges of real or financial assets that are recorded in the current or financial accounts. Entries for transfers in the current and financial accounts reflect transactions for which there is no “quid pro quo”—such as the export of agricultural commodities under aid programs, the remittances of funds by immigrants, and debt forgiveness—and thus have no offsetting entries except those made in the current and capital transfers accounts. In contrast, entries for transactions other than transfers have offsetting entries in the current and financial accounts. For example, exports of goods give rise to payments from, or claims on, foreign residents, and imports of goods give rise to payments by U.S. residents, or liabilities to, foreign residents.

Another change intended to provide a more focused picture of different types of international transactions is the reclassification, within the current account, of compensation of employees from the services account to the income account. Reclassifying the compensation of employees places all income together, whether it be a return to labor or capital, while at the same time providing a more accurate picture of trade in services.

Capital transfers.—The newly defined capital account consists of *capital transfers* and the *acquisition and disposal of nonproduced nonfinancial assets*. The major types of *capital transfers* are debt forgiveness and migrants’ transfers (goods and financial assets accompanying migrants as they leave or enter the country); capital transfers also include the transfer of title to fixed assets, the transfer of funds linked to the sale or acquisition of fixed assets, gift and inheri-

tance taxes, death duties, uninsured damage to fixed assets, and legacies. The *acquisition and disposal of nonproduced nonfinancial assets* includes sales and purchases of nonproduced assets, such as the rights to natural resources, and sales and purchases of intangible assets, such as patents, copyrights, trademarks, franchises, and leases.

Generally, capital transfers result in a change in the stock of assets of an economy, while current transfers affect the level of disposable income and influence the consumption of goods and services.

Although conceptually important, capital-account transactions are believed to be generally small for the United States; however, they are important to other countries, and they also may occasionally be significant for the United States, especially in the case of debt forgiveness and the transfer of major U.S. Government assets. Furthermore, extensive source data from which to prepare reliable estimates are not available. Therefore, the new capital account includes, for *capital transfers*, only estimates of U.S. Government debt forgiveness, which are shown as an outflow, and limited estimates of immigrants’ transfers, which are shown as an inflow. Both of these items were previously included in the current account. Estimates of other types of capital transfers have not been developed, because of the lack of source data. Capital transactions in *nonproduced nonfinancial assets* are believed to be small. The accounts include only small amounts for purchases and sales of rights to natural resources and for purchases and sales of franchises. No details for the new capital account are shown, because the estimates are small and incomplete.

Some capital transactions, such as the transfer of funds linked to the sale or acquisition of fixed assets, remain in the current account

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because they cannot be disentangled from other current-account transactions. Others remain in the current account because they are conceptually difficult to classify as either current or capital transactions. However, large transactions will be judged on a case-by-case basis and classified as capital transactions if they clearly fit the definition of capital transactions.

Other changes in presentation.—Several other modifications are made to the presentation of the accounts. In table 1 of the standard presentation of the U.S. international transactions accounts, lines 1 and 18 have been relabeled, but their content has not changed. In addition, subtotals for exports of goods and services and for imports of goods and services (lines 2 and 19) have been added, in order to correspond with the balance on goods and services (line 73) in the memoranda items and for ease of use of the tables.

Unilateral transfers are now split between current transfers and capital transfers to accommodate the division of the accounts into a current account, a capital account, and a financial account.

The income account now contains two components: Investment income receipts and payments on assets and liabilities, and compensation of employees.

The terminology for lines 40 and 55 in table 1 of the standard presentation is clarified to indicate the ownership of assets, as well as the location of the resident entities.

The initial allocation of special drawing rights is removed from the transactions accounts and included more appropriately in the investment position accounts.

In tables 8 and 9, the activities of U.S. securities brokers and dealers are now separately identified, permitting more accurate measurement of financial flows of U.S.-owned and foreign-owned banks.

In table 1 of the standard presentation, the sequence of lines 66 and 67 has been reversed from the previous presentation to permit the juxtaposition of transactions in securities.

Redefinition of services and income

Compensation of employees, which was previously included indistinguishably in services, is now reclassified to the income account. Consequently, the income account now contains two components—*investment income* receipts and payments on assets and liabilities, and *compensation of employees*, which includes wages, salaries,

and other benefits, in cash or in kind, earned by or received from individuals in countries other than those in which they are residents. This reclassification removes a reconciliation item between the U.S. international transactions accounts and the U.S. national income and product accounts, and it removes one of the few remaining differences between the U.S. presentation and international guidelines.

Compensation receipts.—Three components are reclassified to compensation receipts: Compensation receipts of U.S. residents employed temporarily abroad, compensation receipts of U.S. residents employed by international organizations in the United States (such as the World Bank, the International Monetary Fund, and the United Nations), and compensation receipts of U.S. residents employed by embassies and consulates of foreign governments in the United States.

Compensation receipts of U.S. residents employed temporarily abroad are based on estimates provided by statistical offices in the United Kingdom, Germany, and Canada. For 1998, these receipts totaled \$0.2 billion.

Compensation receipts of U.S. residents employed by international organizations are estimated by multiplying the number of U.S. residents employed by these organizations by an estimate of their average compensation. The number of U.S. employees was provided by the international organizations. For 1998, the value of these transactions was \$1.5 billion. Receipts are gross of U.S. and foreign income taxes withheld. Previously, this item was implicitly covered as part of an aggregate estimate of all expenditures by these organizations in the United States.

Compensation receipts of U.S. residents employed by embassies and consulates of foreign governments in the United States are estimated as a share of earnings of all workers employed in the United States by foreign governments (mainly residents of their home country). The estimate was based on information provided by several embassies on compensation paid to U.S. residents and on information provided by the Department of State on the number of diplomatic and nondiplomatic personnel employed by all embassies and consulates in the United States. For 1998, the value of these transactions was \$0.2 billion. Receipts are gross of U.S. and foreign income taxes withheld. Previously, this item was implicitly covered as part of an aggregate estimate of all expenditures by these organizations in the United States.

Compensation payments.—Four components are reclassified to compensation payments: Compensation paid to Canadian and Mexican workers who commute to work in the United States, compensation paid to foreign students studying at colleges and universities in the United States, compensation paid to foreign professionals temporarily residing in the United States, and compensation paid to temporary agricultural workers. The amount reclassified was \$4.6 billion in 1998. Payments are gross of U.S. and foreign taxes withheld. To this amount is added a new component—compensation paid to foreign temporary nonagricultural workers, which is discussed in a separate section. Its value in 1998 was \$2.5 billion. These five components make up total compensation payments.

Historical revisions.—In essence, the reclassification of compensation results in a redefinition of the services account and the income account. Consequently, services receipts and payments, income receipts and payments, and the balance on services and the balance on income are restated for 1986–98; source data to make this reclassification for earlier years are not available.

Current-cost adjustment

The current-cost adjustment to direct investment income and capital has been revised to reflect im-

proved estimates of economic depreciation and improved estimates of charges taken by direct investment affiliates for depreciation, depletion, and expensed exploration and development expenditures (table 3).² The difference between economic depreciation, which is computed using consistent service lives and prices of the current period, and depreciation reported by direct investment affiliates using financial accounting principles is one part of the current-cost adjustment. Additions to reported earnings for charges taken by direct investment affiliates for depletion and for expensed exploration and development expenditures are additional parts of the current-cost adjustment.

The revised estimates of economic depreciation reflect an improved method for calculating economic depreciation that is consistent with the method used in the national income and product accounts, an improved treatment of transfers of used equipment and structures by direct investment affiliates, improved separate estimates of equipment and structures investment by affiliates, shortened service lives for equipment and structures stocks in some foreign countries, revised prices for equipment and structures investment

2. For a discussion of the current-cost adjustment, see Howard Murad, "U.S. International Transactions," SURVEY 72 (June 1992): 72–73. For a description of the process in which economic depreciation is computed, see the description of the current-cost method in "Technical Notes" in J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," SURVEY 71 (May 1991): 47–49.

Table 3.—Sources of Revisions to the Current-Cost Adjustment
[Millions of dollars]

(Credits +; debits -)	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
U.S. direct investment abroad:																	
Current-cost adjustment (table 5, line 8 and table 5, line 22 with sign reversed):																	
Revised	3,421	3,053	3,501	5,733	4,564	5,124	4,216	6,122	6,537	5,537	6,086	7,165	7,446	7,407	8,267	10,439	11,185
Changes due to improved estimates of depreciation, depletion, and expensed exploration and development expenditures	-3	-1,000	-1,109	-972	-1,416	-1,190	-408	1	-7	-29	31	55	1	-2,393	-4,556	-2,503	-1,094
Changes due to improved estimates of economic depreciation	5,493	5,850	5,311	6,029	6,596	8,113	7,047	6,891	7,576	6,893	6,062	6,412	5,482	5,220	6,584	5,635	3,814
As a result of revised price and investment data	-586	-231	-67	-41	-85	126	-156	-143	-180	-228	-180	-362	-783	-299	1,458	1,222	n.a.
As a result of shortened service lives	-1,696	-1,559	-1,462	-1,401	-1,477	-1,511	-1,593	-1,674	-1,900	-2,074	-2,307	-2,386	-2,736	-3,179	-3,826	-4,132	n.a.
As a result of improved separate estimates of equipment and structures investment	-290	-326	-361	-330	-304	-312	-349	-345	-361	-396	-495	-591	-824	-958	-863	-811	n.a.
As a result of improved treatment of transfers of used equipment and structures	3,205	3,011	2,192	2,654	2,728	3,649	2,700	2,892	3,854	3,775	3,839	4,974	4,998	4,778	5,001	4,516	n.a.
As a result of improved method	4,860	4,955	5,009	5,147	5,734	6,161	6,445	6,161	6,163	5,816	5,205	4,777	4,827	4,878	4,814	4,840	n.a.
Previously published	-2,069	-1,797	-701	676	-616	-1,799	-2,423	-770	-1,032	-1,327	-7	698	1,963	4,580	6,239	7,307	8,465
Foreign direct investment in the United States:																	
Current-cost adjustment (table 5, line 49 and table 5, line 63 with sign reversed):																	
Revised	1,186	1,057	878	411	389	729	410	357	-529	-895	-1,753	-1,889	-2,343	-872	-4,522	-3,776	-4,415
Changes due to improved estimates of depreciation, depletion, and expensed exploration and development expenditures	3	-1	0	2	-2	0	-2	2	1	0	-1	0	0	0	-2,406	-2,145	-3,351
Changes due to improved estimates of economic depreciation	-163	-2	59	-71	-131	-633	-881	-919	-1,037	-1,691	-3,038	-3,559	-2,846	-1,991	-946	1,070	2,287
As a result of revised price and investment data	-264	-103	-51	0	145	394	599	521	665	697	162	-282	417	1,401	1,259	1,565	n.a.
As a result of improved separate estimates of equipment and structures investment	107	214	256	206	213	256	156	76	-20	-82	-44	-30	196	429	324	352	n.a.
As a result of improved treatment of transfers of used equipment and structures	1,187	1,054	1,211	1,393	1,337	519	246	319	-233	-1,224	-1,572	-787	-605	-314	1,845	3,276	n.a.
As a result of improved method	-1,193	-1,167	-1,357	-1,670	-1,826	-1,802	-1,882	-1,835	-1,449	-1,082	-1,584	-2,460	-2,854	-3,507	-4,374	-4,123	n.a.
Previously published	1,346	1,060	819	480	522	1,362	1,293	1,274	507	796	1,286	1,670	503	1,119	-1,170	-2,701	-3,351

NOTE.—Reading from previously published estimates to revised estimates, changes attributable to a source of revision are computed after the introduction of preceding sources of revision. For example, changes attributable to the improved treatment of transfers of used equipment and structures are computed after the introduction of the improved method.

in the United States and in foreign countries, and revised investment data for direct investment affiliates.³ The improved estimates of charges taken by direct investment affiliates for depreciation, depletion, and expensed exploration and development expenditures reflect revised data reported by affiliates and improved interpolation procedures for years in which data are not reported.

Improved method for calculating economic depreciation.—The improved method for calculating economic depreciation was developed using empirical evidence on prices of used equipment and structures in resale markets that shows that depreciation for most types of assets approximates a geometric pattern. Previously, economic depreciation estimates were derived using straight-line depreciation and assumed patterns of retirements. For equipment, the new depreciation rates are faster than the old ones in the early years of an asset's life and slower in the later years. For structures, the new rates are slower throughout an asset's life. As a result, the revisions from the improved method are relatively small for equipment and relatively large for structures.

Improved treatment of transfers of used equipment and structures.—Estimates of economic depreciation are computed using a perpetual-inventory method that calculates estimates of the current-cost value of the net stock of equipment and structures on direct investment affiliates' balance sheets as follows. The historical-cost value of the gross stock of equipment and structures is computed using past and current values of equipment and structures investment by direct investment affiliates. If the historical-cost value of the gross stock of equipment and structures using this method differs from the historical-cost value of the gross stock of equipment and structures reported by affiliates for a particular year, the difference is treated as a transfer of *used* equipment and structures into or out of direct investment affiliates for that year, and the historical-cost value using the method is recomputed. Previously, any difference for a particular year was treated as an addition to or subtraction from investment in *new* equipment and structures for that year, and the historical-cost value using the method was recomputed. The previous treatment caused used equipment and structures that were trans-

ferred *into* direct investment affiliates to have remaining service lives and exposures to equipment and structures price changes that were too long. The previous treatment for used equipment and structures that were transferred *out of* direct investment affiliates caused equipment and structures that remained in affiliates to have remaining service lives and exposures to equipment and structures price changes that were too short.

Improved separate estimates of equipment and structures investment.—The revised estimates of economic depreciation reflect improved separate estimates of equipment and structures investment by direct investment affiliates. Separate estimates of this investment are needed to implement the perpetual-inventory method, but direct investment affiliates report only their combined investment in equipment and structures to BEA. Improved separate estimates are derived by applying relationships between equipment and structures spending in the U.S. economy that *vary over time* to combined investment reported by affiliates. Previously, separate estimates were derived by applying relationships between equipment and structures spending that were *fixed* at one point in time. The previous method was inaccurate because the composition of investment between equipment and structures spending changes over time. Inaccuracies in the disaggregation of investment can lead to inaccuracies in the estimates of economic depreciation and gross and net stocks generated by the perpetual-inventory method, because equipment and structures investment have different depreciation rates and price indexes.

Shortening of equipment and structures service lives.—The revised estimates of economic depreciation for U.S. direct investment abroad reflect a shortening of equipment and structures service lives for some foreign countries and regions in the perpetual-inventory method. This change was made because a comparison of annual historical-cost depreciation using the method with that reported by foreign affiliates of U.S. parents revealed that annual historical-cost depreciation using the method was lower than that reported by foreign affiliates, and net stock using the method was higher than net stock reported by foreign affiliates, in all years for which reported data exist. One possible reason for these discrepancies is that the foreign service lives used in the method were too long relative to the service lives used by foreign affiliates to compute depreciation for their financial accounts. Because empirical

3. For a description of the method used to compute economic depreciation, also known as the consumption of fixed capital, in the national income and product accounts, see Arnold J. Katz and Shelby Herman, "Improved Estimates of Fixed Reproducible Tangible Wealth, 1929-95," *SURVEY* 77 (May 1997): 69-74.

data on equipment and structures service lives for smaller industrial countries and for nonindustrial countries are severely limited, the service lives for these countries used in the method are largely judgmental estimates. In light of the discrepancies noted above, some of the more judgmental estimates of foreign service lives were shortened. This action closed most of the gap between annual historical-cost depreciation using the method and that reported by foreign affiliates.

Revised price and investment data.—The revised estimates of economic depreciation also reflect revised prices for equipment and structures investment in the United States and in foreign countries and revised investment data reported by direct investment affiliates. The revised prices for equipment and structures investment in the United States partly reflect revisions to the distribution of asset types by industry in BEA's estimates of U.S. fixed reproducible tangible wealth.⁴

Historical revisions.—Revisions to the current-cost adjustment are made for 1982–98. For U.S. direct investment abroad, the adjustment for 1998 is revised up from \$8.5 billion to \$11.2 billion, thereby raising income receipts and the offsetting outflows in the capital accounts. For foreign direct investment in the United States, the adjustment is revised up from \$3.4 billion to \$4.4 billion, thereby raising income payments and the offsetting inflows in the capital accounts.

Other private income receipts

The Department of the Treasury and the Federal Reserve System's Board of Governors recently provided to BEA preliminary results of their 1997 benchmark survey of U.S. portfolio investment in foreign long-term securities. This benchmark survey was a followup of a similar survey as of March 1994 and was conducted as part of coordinated portfolio surveys by 29 countries under the auspices of the International Monetary Fund.

The survey collected data on the aggregate market value and composition of foreign long-term securities owned by U.S. residents as of December 31, 1997. Long-term securities include bonds with original maturities of more than 1 year, all equities, and warrants and rights to purchase bonds and equities.

Both custodians and investors were surveyed to ensure comprehensiveness. Custodians located in the United States who managed the safe-keeping

of \$20 million or more in foreign long-term securities for themselves or on behalf of other U.S. residents were covered; most foreign securities are held by U.S. custodians or sub-custodians. Investors located in the United States who owned foreign long-term securities of \$20 million were also surveyed.

Summary-level data from investors were compared with detailed data collected from custodians, both to check on the completeness of coverage and to eliminate duplication of coverage. In all, 2,200 custodians and investors participated in the survey. Survey data were collected on an individual security basis by international security identification number or a national numbering identification code. The final survey data will be aggregated by industry, by country, by type of security, by type of instrument, and by currency.

Preliminary results of the survey show larger U.S. holdings than previously estimated. The total value of foreign bond and stock holdings as of December 31, 1997, was \$1,739.4 billion, or \$293.1 billion higher than BEA's estimate of \$1,446.3 billion. BEA's estimates of yearend positions for 1994–97 are revised to incorporate the survey results. The 20-percent understatement in the estimated position is a strong reason for more frequent benchmark surveys, because serious erosion of the quality of the estimates can occur rather quickly.

Annual positions since the 1994 benchmark survey are estimated by measuring subsequent changes in U.S. holdings of foreign securities and changes in their valuation. Given the dynamics of securities markets from March 1994 to December 1997, both factors probably contributed to the understatement of the position.

During the period, net purchases and gross trading of foreign stocks by U.S. residents increased at unprecedented rates, bolstered by the substantial foreign diversification of U.S. institutional investors' portfolios. In addition, U.S. investors' direct access to foreign markets and to foreign money managers was considerably enhanced by advances in automated trading systems and telecommunications and by market deregulation overseas. This direct overseas access compounded the problems of accurate measurement and coverage, particularly for a statistical collection system that is based primarily on the collection of data from traditional financial intermediaries.

Valuation changes were also difficult to measure. Since 1994, stock price appreciation has

4. Katz and Herman, "Improved Estimates," 71.

been especially large in stock markets around the world, and the substantial price gains could only be estimated from national market averages, which were limited to national weights based on the geographic holdings that were reported in the 1994 benchmark survey. The foreign currency depreciation in foreign securities in U.S. portfolios was insignificant, and most of it was the result of the decline in Asian currencies in 1997. However, exchange markets were volatile, and the foreign currency composition of asset holdings is difficult to assess.

Foreign bonds.—The benchmark survey estimate of U.S. holdings of foreign bonds is \$538.4 billion at yearend 1997, compared with BEA's previous estimate of \$445.0 billion.

BEA uses separate estimation procedures for dollar-denominated and foreign currency-denominated bonds. This division reflects the conventions used by BEA for estimating both positions and income. However, the preliminary results of the survey do not yet provide this division by currency, so an evaluation of estimation procedures cannot be attempted until the survey's final results on geography, currency, maturity structure, and type of instrument are available. However, the geographic distribution of holdings is similar in both the preliminary survey results and in BEA's estimates, except for a few large discrepancies in major market countries where bonds of all countries can be traded. The survey revealed significantly higher holdings of British, German, Italian, Canadian, Latin American and International financial institution bonds than were estimated by BEA. Conversely, BEA overestimated the holdings of French, Swiss, Dutch, Spanish, and Asian emerging market bonds. This geographic disparity is largely attributable to the difficulty in tracking globally issued bonds by transactor rather than by debtor, particularly in major market countries where bonds of all countries can be traded.

The increase in reported bond holdings in the survey has resulted in a re-estimation of associated interest receipts. Receipts are estimated by applying market yields to revised portfolio holdings. As a result of the improved estimates, interest income receipts on bonds are revised up \$5.5 billion, to \$33.9 billion, for 1997.

Foreign stocks.—The benchmark survey estimate of U.S. holdings of foreign stocks is \$1,201.0 billion at yearend 1997, compared with BEA's previous estimate of \$1,001.3 billion. As with foreign bonds, the primary reasons for underes-

timation are incomplete coverage of transactions and inexact valuation, largely as a result of the dramatic growth in worldwide equity values since March 1994 and the slump in stock prices and exchange rates of several emerging market countries late in 1997. The survey showed significantly larger holdings of French, German, Italian, Dutch, Swiss, Latin American, Japanese, and Asian emerging-market stocks than were estimated by BEA. Conversely, BEA's estimates of British and Canadian stocks were overestimated. In the British case, the London market serves as an exchange for stocks of nearly all countries, and transactions in foreign stocks on the London exchange are not necessarily all in British stocks.

The increase in reported stock holdings in the survey has resulted in a re-estimation of the associated dividend receipts, which are estimated by applying market rates to portfolio holdings. As a result of the improved estimates, dividend income receipts are revised up \$2.7 billion, to \$28.0 billion, for 1997.

Historical revisions.—In order to avoid a major break in series, the position estimates for bonds and stocks, and for the related interest and dividend flows, were carried backward from yearend 1997 to March 1994, the date of the previous benchmark. The adjustment is based on the cumulative volume of trading over the period.

Medical services receipts

Estimates of receipts for medical services provided to foreign residents at U.S. hospitals are revised for 1995–98, using a revised methodology and newly available source data.

The original methodology and estimates covering 1985 were based on information obtained from hospital administrators at major medical centers, university hospitals, and hospitals in major foreign visitor destinations. New York and Boston hospitals were tabulated separately using data from a published report. In addition, a judgmental estimate was made for hospital patients not covered above. Estimates of admissions were multiplied by an estimated average hospital charge and by an estimate for outside physicians' fees that ranged from 30 to 40 percent of the average hospital charges. Outpatient treatment was considered negligible, and expenditures for ambulatory treatment and drugs provided outside a hospital were not covered. The estimate for 1985 was extrapolated forward with the price indexes for hospital and physicians' services in the U.S. consumer price index.

Inpatient estimates.—Estimates based on a revised methodology were prepared by obtaining information on hospital inpatients (patients who spent at least one night at the hospital) from State regulatory agencies, hospital associations, and hospitals with international medical centers. Information for the 16 States that contained the great majority of foreign patients was obtained from regulatory agencies in 9 States, from hospitals in 5 States, and from hospital associations in 2 States. The regulatory agencies and hospital associations developed their information from special codes in their accounting systems that identified most foreigners. Inpatient charges—which covered all hospital staff physicians' fees, tests, drugs, and room and board—were available for nine States, and the weighted average of these charges was used for the States where charges were not available. An addition of 25 percent for outside physicians' fees was made based on data provided by individual hospitals.

An estimate of foreign inpatients in the remaining 34 States and the District of Columbia was also made. These inpatients are largely those admitted through emergency rooms. Ratios of foreigners admitted through emergency rooms, for the several States who supplied this information from hospital admission records, to total foreign visitors by State, available from the Immigration and Naturalization Service (INS), were calculated. An average of these ratios was applied to total INS data on foreign visitors to each of the 34 States in order to estimate the total number of foreigners admitted to hospitals through emergency rooms in these 34 States. It was assumed that the number of foreigners who came specifically to those States to receive medical services was negligible. The weighted average of hospital charges estimated above for nine States and adjusted for outside physicians' fees was applied to the foreign inpatients admitted through emergency rooms to obtain total inpatient charges for this type of treatment.

Outpatient estimates.—Outpatient treatment has increased dramatically since 1985. Foreign patients receive a range of outpatient services, including outpatient surgery, physical rehabilitation and therapy, dermatology and AIDS treatments, and consultations. Individual hospitals provided approximate data on the number of outpatients and on the associated charges per outpatient. Ratios of outpatients to inpatients and the outpatient charges were applied to the individual State inpatient data to calculate the total outpatient charges.

Total receipts.—Total medical receipts from foreign patients were derived by summing the inpatient charges from the 16 primary States, the inpatient charges from the other 34 States and the District of Columbia, and the outpatient charges. Like the original methodology, this methodology does not cover expenditures for ambulatory treatment and drugs provided outside a hospital. Estimates for 1998 forward are extrapolated using the consumer price index for hospitals and related services and a judgmental factor to account for changes in the number of foreign patients. The mix of inpatient and outpatient treatments is held constant.

Annual revisions to medical receipts in 1995–98 were small—\$16 million in 1995, \$132 million in 1996, \$224 million in 1997, and \$318 million in 1998—indicating that the original methodology was adequate. The total number of foreign patients is estimated at about 35,000 in 1985. The total number of foreign patients grew to about 135,000 in 1997.

Overseas travel payments

Estimates of U.S. residents' expenditures while traveling overseas are revised to incorporate the results of a one-time survey by D.K. Shifflet covering 1998. The results of this survey, which was completed by U.S. residents after they returned home from their trip, were compared with the results of the International Trade Administration's ongoing in-flight survey that BEA uses to measure U.S. travelers' expenditures, which is completed by travelers on their flights as they depart the United States.

BEA used the one-time survey to determine the relationship between a U.S. traveler's expected expenditures and that traveler's post-trip reported expenditures by comparing expected per-person per-day expenditures with post-trip expenditures for three major regions: Europe; Asia and Pacific; and Latin America and Other Western Hemisphere (excluding Mexico). The results of this comparison indicate that U.S. travelers' expected expenditures in Latin America understated post-trip reported expenditures by 8 percent, expected expenditures in the Asia and Pacific region understated post-trip reported expenditures by 5 percent, and expected expenditures in Europe neither understated nor overstated post-trip reported expenditures.

BEA has adjusted its estimates from the ongoing survey to correct for these understatements in 1998. These adjustments raise travel payments by \$1.7 billion. Limited information indicates that

the differences between expected and post-trip expenditures to Latin America and to the Asia and Pacific region narrow before 1998. Therefore, BEA has adjusted its 1997 estimates of travel payments using one-half the value of the adjustments in 1998. BEA has not adjusted its estimates for the years before 1997.

It is self-evident that expected expenditures may not accurately represent actual expenditures abroad. However, post-trip expenditures are also a particularly difficult item to report accurately, especially when the survey is conducted as much as 3 months after the completion of the trip. Expenditures abroad involve numerous payments using various payment methods, such as credit cards, U.S. currency, foreign currency, travelers checks, and prepayments. Most travelers probably do not maintain sufficiently detailed records and may lack the time required to conduct a careful accounting. Moreover, travelers may not readily know the converted dollar value of credit card transactions made in foreign currencies until they receive their bills.

Therefore, the results of this one-time survey should not be treated as conclusive. In addition to the difficulties cited above, the sample size of the one-time survey was small; the relation of the one-time sample to the ongoing sample used by BEA is unknown; and the relationship between expected and actual expenditures may vary over time. BEA will periodically reassess the relationship between expected and actual expenditures.

U.S. Government grants

The estimates of U.S. Government grants are revised up as a result of more complete inclusion of freight charges for the shipment of commodities, largely to developing countries, for 1989–98. Congressional appropriations for foreign assistance include funds for shipment, as well as funds for the commodities donated, but statistical reporting systems failed to accurately capture the freight charges. The improvement raises estimates of U.S. Government grants by more than \$0.5 billion annually for 1992–95; thereafter, the revisions are small, totaling \$0.1 billion in 1998.

Compensation of temporary nonagricultural workers

Compensation of foreign residents employed temporarily in the United States is revised for 1986–98 to include the earnings of temporary undocumented nonagricultural workers (that is,

workers who are illegally in the United States with no work authorization), whose primary residence is usually Mexico. Until now, no estimates of this compensation have been included in the accounts.

Authorities on immigration agree that large numbers of undocumented workers are employed temporarily in the United States. Estimates of these workers based on apprehensions data from the INS are very approximate and do not provide a reliable basis for earnings estimates. However, data for 1990–95 indicate a moderately stable relationship between the number of undocumented nonagricultural workers and the number of undocumented agricultural workers.⁵ This relationship forms the basis for the new compensation estimates.

The estimate of total compensation of temporary undocumented nonagricultural workers is calculated as the number of such workers multiplied by the annual hours worked and their average hourly wage. For all years, the number of workers is calculated by multiplying the number of undocumented agricultural workers by the ratio of nonagricultural to agricultural workers indicated by the surveys. Based on other survey data, annual employment per year is estimated at approximately 1,000 hours. The average wage is estimated based on evidence that undocumented workers generally earn above the minimum wage, but below the prevailing wage rate of legal workers in any given occupation. For 1996, an average wage rate based on a published study of migrant labor in San Diego County is used. For other years, this wage rate is extrapolated by an average of wage rates published by the Bureau of Labor Statistics for occupations often filled by undocumented workers.

For 1998, compensation was \$2.5 billion; for 1986, it was \$1.0 billion. Temporary undocumented nonagricultural workers totaled about 400,000 in 1998, double the estimated 200,000 in 1986.

Immigrants' transfers

Immigrants' transfers are a key component of the new capital account. New estimates of the amount of wealth that immigrants bring with them when they enter the United States have been developed for 1982–98. The estimates are based on the number of individuals immigrating to the

5. See Mexico-United States Binational Commission, "Characteristics of Mexican-Born Migrants," in *Migration Between Mexico and the United States: A Report on the Binational Study on Immigration* (online, <www.utexas.edu/lbj/uscir/binational.html>, 1997). See also Douglas S. Massey, *Mexican Migration Project* (University of Pennsylvania, 1996).

United States each year, the per capita gross domestic product (GDP) of their home country, and wealth-to-income ratios.

Immigrants entering the United States include both legal and undocumented foreign-born individuals who expect to reside in the United States for more than 1 year. Legal immigration totals by country of birth and year of entry are from the INS, and estimates of undocumented foreign-born individuals are based on INS published work. BEA estimates these totals for 1996–98. Annual immigration flows are estimated for over 200 countries.

Annual per capita GDP, converted into U.S. dollars, is used as a proxy estimate of income for immigrants from each country for each year of entry. GDP and population estimates are from the United Nations and the International Monetary Fund.

The wealth-to-income relationships were derived from periodic current population reports from the Bureau of the Census, based on a longitudinal study on wealth and asset ownership of households in the United States for 1983, 1988, 1991, and 1993. The Census Bureau sample for these reports is thought to more closely resemble the characteristics of the newly arriving immigrant population than the sample in the Federal Reserve Board's survey of consumer finance. However, the Federal Reserve Board's survey would have yielded similar results. For each quintile of the population, the Census Bureau study provided estimates of median household income and wealth. The quintile estimates of median income and wealth for the population with an average age under 35 years were applied to the immigrant population, whose average age is also under 35.

In order to arrive at estimates of immigrant transfers, the number of immigrants from each country for each year is multiplied by the associated per capita GDP of each country converted into U.S. dollars, with the resulting product for each country further multiplied by the wealth-to-income ratio derived from U.S. relationships.

Several assumptions and adjustments are made. First, because the INS data indicate that the average age of immigrants is under 35, it is assumed that the wealth-to-income ratio from the same under-35 average age group in the United States is the most appropriate ratio to apply. Second, the wealth-to-income ratio based on Census Bureau data is halved to adjust the U.S. household statistics of the census surveys to the nature of the

immigrant population. INS data show that about 50 percent of immigrants are heads of households and about 50 percent are individuals joining family members already in the United States. The downward adjustment of the ratio captures the larger wealth of heads of households but recognizes that individuals joining families are likely to have less wealth than heads of households. Third, the wealth-to-income ratio for immigrants from Mexico and Central America is lowered further, based on the assumption that many are from lower income strata and consequently have fewer assets upon arrival in the United States.

“Residual” seasonality

BEA and the Bureau of the Census seasonally adjust estimates of goods exports and goods imports at the five-digit end-use commodity category level, which is the most detailed level of end-use classification available. Aggregate goods series—total exports, total imports, and all major end-use categories—are derived as the sum of detailed seasonally adjusted series. Comparisons of the directly adjusted series with the corresponding series that are derived as the sum of individually seasonally adjusted series show differences that are sometimes called “residual” seasonality.

With the introduction of seasonal factors newly developed this year, “residual” seasonality of exports is reduced by more than 50 percent from what it would be if old seasonal factors were used. The new seasonal factors also lead to a total export series that exhibits a lower average quarterly change and a lower average absolute quarterly change. The new total export series, as compared with the old, is smoother and shows smaller exports in the fourth quarter and larger exports in the third quarter in recent years. Aircraft exports continue to be seasonally adjusted. Application of new seasonal factors to total imports resulted in little change in the “residual” seasonality of imports.

The process that BEA and the Bureau of the Census use to develop seasonally adjusted estimates is complex and detailed. Over 300 series are tested for seasonality each year. Tests are conducted using the X-12 ARIMA program, which provides the diagnostic measures used in making both seasonal adjustment and trading-day adjustment decisions. Currently, based on diagnostics developed for each individual series, more than 96 percent of the value of total exports and 97 percent of the value of total imports receive at least one type of adjustment. About 125 of 150

export series and 130 of 150 import series receive at least one adjustment.

Revised estimates of goods exports and goods imports for 1996–98 are published both in BEA's international transactions accounts and in

the joint Census Bureau-BEA press release on monthly goods and services. The revisions to the quarterly estimates are mostly due to the newly introduced seasonal factors.

Table 4 follows. 

Table 4.—Major Sources of Revisions, 1982–1998

[Millions of dollars]

(Credits +; debits -) ¹	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	
	International transactions																	
Current account																		
Other private services receipts (line 10):																		
Revised					26,779	28,193	30,222	35,858	39,170	46,531	48,597	52,541	60,121	63,502	72,412	85,566	92,116	
Changes due to reclassification of employee compensation					-908	-993	-995	-1,017	-1,172	-1,290	-1,425	-1,434	-1,543	-1,761	-1,756	-1,802	-1,857	
Revisions due to updated source data							-36						-216	-292	1,095	2,903	3,244	
Previously published					27,687	29,186	31,253	36,875	40,341	47,821	50,022	53,975	61,880	65,555	73,073	84,465	90,729	
Direct investment receipts (line 14):																		
Revised	29,412	31,800	35,464	35,604	37,148	46,532	58,732	62,260	66,309	59,062	58,005	67,708	77,874	95,991	103,314	115,795	102,846	
Changes due to improved estimates of current-cost adjustment	5,490	4,850	4,202	5,057	5,180	6,923	6,639	6,892	7,569	6,864	6,093	6,467	5,483	2,827	2,028	3,132	2,720	
Revisions due to updated source data																3,256	-321	
Previously published	23,922	26,950	31,262	30,547	31,968	39,608	52,092	55,368	58,740	52,198	51,912	61,241	72,391	93,164	99,802	109,407	100,447	
Other private income receipts (line 15):																		
Revised													82,423	109,768	114,958	137,507	150,001	
Changes to dividends and bond interest income due to 1997 outward portfolio benchmark													1,201	3,370	5,625	8,297	10,063	
Revisions due to updated source data													-8	431	600	365	1,338	
Previously published													81,230	105,967	108,733	128,845	138,600	
Compensation of employees: receipts (line 17):																		
Revised					908	994	995	1,017	1,172	1,290	1,425	1,434	1,543	1,761	1,756	1,802	1,857	
Changes due to reclassification of employee compensation					908	993	995	1,017	1,172	1,290	1,425	1,434	1,543	1,761	1,756	1,802	1,857	
Revisions due to updated source data																		
Previously published					(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	
Travel payments (line 23):																		
Revised																	-52,051	-56,105
Changes due to one-time survey for 1998																	-850	-1,700
Revisions due to updated source data																	19	-677
Previously published																	-51,220	-53,728
Other private services payments (line 27):																		
Revised					-13,146	-16,485	-17,667	-18,930	-22,229	-25,590	-22,296	-26,261	-30,386	-35,249	-37,975	-43,909	-47,670	
Changes due to medical services														-16	-132	-244	-318	
Changes due to reclassification of employee compensation					1,678	1,561	1,436	1,697	2,353	2,732	3,077	3,310	3,710	3,980	4,023	4,327	4,586	
Revisions due to updated source data					10	1	3	9	8	6	8	9	492	610	1,272	429	532	
Previously published					-14,834	-18,047	-19,106	-20,636	-24,590	-28,328	-25,381	-29,580	-34,588	-39,823	-43,138	-48,421	-52,470	
Direct investment payments (line 31):																		
Revised	-2,103	-4,209	-8,664	-7,282	-7,192	-8,058	-12,576	-7,424	-3,907	1,742	-3,341	-9,133	-23,467	-32,186	-35,568	-46,575	-43,441	
Changes due to improved estimates of current-cost adjustment	-160	-3	59	-69	-133	-633	-883	-917	-1,036	-1,691	-3,039	-3,559	-2,846	-1,991	-3,352	-1,075	-1,064	
Revisions due to updated source data															1,425	174	3,419	
Previously published	-1,943	-4,206	-8,723	-7,213	-7,058	-7,425	-11,693	-6,507	-2,871	3,433	-302	-5,574	-20,621	-30,195	-33,641	-45,674	-45,796	
Compensation of employees: payments (line 34):																		
Revised					-2,678	-2,338	-1,847	-2,286	-3,464	-4,026	-4,752	-5,132	-5,952	-6,263	-6,300	-6,756	-7,106	
Changes due to reclassification of employee compensation					-1,678	-1,561	-1,436	-1,697	-2,353	-2,732	-3,077	-3,310	-3,710	-3,980	-4,023	-4,327	-4,586	
Changes due to new estimates of employee compensation					-1,000	-777	-411	-589	-1,111	-1,295	-1,675	-1,822	-2,241	-2,282	-2,264	-2,422	-2,525	
Revisions due to updated source data															-13	-7	5	
Previously published					(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	(²)	
U.S. Government grants (line 36):																		
Revised								-10,860	-10,359	29,193	-16,320	-17,036	-14,978	-11,190	-15,337	-12,386	-13,057	
Changes due to reclassification of debt forgiveness									207	7,220	5,130	57	667	1,085	434	0	183	
Changes due to freight grants								-138	-136	-345	-552	-865	-546	-475	-316	-321	-150	
Revisions due to updated source data								-18	-10	248	1	-17	-9	21	2	-158	-437	
Previously published								-10,911	-17,433	24,160	-15,826	-16,821	-15,508	-11,170	-15,023	-12,090	-12,492	
Private remittances and other transfers (line 38):																		
Revised					-10,564	-11,330	-12,893	-13,481	-14,238	-15,599	-15,510	-17,383	-19,658	-20,796	-22,384	-25,341	-26,668	
Changes due to reclassification of immigrants' transfers					-137	-152	-161	-171	-190	-167	-130	-130	-130	-140	-147	-155	-154	
Revisions due to updated source data					-3	14	10	-2	5	-33	6	-13	-190	-621	-1,125	-1,778	-1,455	
Previously published					-10,424	-11,192	-12,742	-13,308	-14,053	-15,399	-15,386	-17,240	-19,338	-20,035	-21,112	-23,408	-25,059	
Capital and financial account																		
Capital account																		
Capital account transactions, net (line 39):																		
Introduction of capital account estimates into the international accounts	199	209	235	315	301	365	493	336	-6,579	-4,479	612	-88	-469	372	672	292	617	
Financial account																		
U.S. direct investment abroad (line 51):																		
Revised	-4,499	-12,578	-16,546	-19,121	-24,205	-35,278	-22,815	-43,726	-37,519	-38,233	-48,733	-84,412	-80,697	-99,481	-92,694	-109,955	-132,829	
Changes due to improved estimates of current-cost adjustment	-5,490	-4,850	-4,202	-5,057	-5,180	-6,923	-6,639	-6,892	-7,569	-6,864	-6,093	-6,467	-5,483	-2,827	-2,028	-3,132	-2,720	
Revisions due to updated source data															-9,594	15,020	1,824	
Previously published	991	-7,728	-12,344	-14,065	-19,025	-28,355	-16,175	-36,834	-29,950	-31,369	-42,640	-77,945	-75,214	-96,654	-81,072	-121,843	-131,933	
Foreign direct investment in the United States (line 64):																		
Revised	12,624	10,461	24,689	20,079	35,756	58,852	58,161	68,653	48,951	23,695	20,975	52,552	47,438	59,644	88,977	109,264	193,375	
Changes due to improved estimates of current-cost adjustment	160	3	-59	69	133	633	883	917	1,036	1,691	3,039	3,559	2,846	1,991	3,352	1,075	1,064	
Revisions due to updated source data															8,003	14,740	-3,918	
Previously published	12,464	10,457	24,748	20,010	35,623	58,219	57,278	67,736	47,915	22,004	17,936	48,993	44,592	57,653	77,622	93,449	196,229	

Table 4.—Major Sources of Revisions, 1982–1998—Continued

[Millions of dollars]

(Credits +; debits -) ¹	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
	International investment position (at yearend)																
U.S. direct investment abroad (lines 17 and 18):																	
Revised:																	
At current cost	368,453	346,095	337,363	358,454	390,137	459,980	492,309	529,882	590,010	613,692	633,074	690,655	748,505	843,253	940,243	1,004,228	1,123,441
At market value															1,526,243	1,784,494	2,140,528
Changes due to improved methods:																	
At current cost	-18,549	-30,212	-30,476	-36,306	-41,338	-45,116	-34,515	-30,527	-30,021	-30,615	-26,352	-24,101	-3,643	-6,398	-2,028	-3,132	(²)
At market value																	(²)
Revisions due to updated source data:																	
At current cost															5,317	-16,512	(²)
At market value															9,159	-9,186	(²)
Previously published:																	
At current cost	387,002	376,307	367,839	394,760	431,475	505,096	526,824	560,409	620,031	644,307	659,426	714,756	752,148	849,651	936,954	1,023,872	(²)
At market value															1,517,084	1,793,680	(²)
Foreign securities (line 19):																	
Revised:																	
Changes due to 1997 outward portfolio benchmark													948,668	1,169,636	1,467,985	1,739,400	1,968,956
Revisions due to updated source data													58,962	115,284	187,826	293,099	(²)
Previously published													889,706	1,054,352	1,280,159	1,446,301	(²)
Foreign direct investment in the United States (lines 35 and 36):																	
Revised:																	
At current cost	174,506	181,226	208,356	229,543	264,432	311,478	375,419	437,941	471,556	493,745	497,112	546,394	564,745	619,377	674,330	764,045	878,717
At market value															1,229,118	1,642,365	2,194,102
Changes due to improved methods:																	
At current cost	-2,364	-3,168	-2,845	-1,783	-1,401	-1,973	251	2,024	4,244	1,803	-3,430	-4,468	3,593	5,119	3,352	1,075	(²)
At market value																	(²)
Revisions due to updated source data:																	
At current cost															4,016	11,125	(²)
At market value															5,446	21,825	(²)
Previously published:																	
At current cost	176,870	184,394	211,201	231,326	265,833	313,451	375,168	435,917	467,312	491,942	500,542	550,862	561,152	614,258	666,962	751,845	(²)
At market value															1,223,672	1,620,540	(²)

1. Credits +: An increase in U.S. receipts and U.S. liabilities, or a decrease in U.S. payments and U.S. claims.

Debits -: An increase in U.S. payments and U.S. claims, or a decrease in U.S. receipts and U.S. liabilities.

2. Estimates were not published previously.

U.S. International Transactions, First Quarter 1999

By Douglas B. Weinberg

The international transactions accounts have been revised to reflect the incorporation of methodological and statistical improvements. In addition, some types of transactions have been reclassified, and some table formats have been changed. For a discussion of these changes, see "U.S. International Transactions, Revised Estimates for 1982-98" in this issue.

THE U.S. current-account deficit—the balance on trade in goods and services, the balance on income, and net unilateral current transfers—increased to \$68.6 billion in the first quarter of 1999 from \$61.7 billion (revised) in the fourth

quarter of 1998 (table A, chart 1).¹ The increase was more than accounted for by a large increase in the deficit on goods that resulted from a decrease in exports and an increase in imports. Partly offsetting was a small increase in the surplus on services, a small decrease in the deficit on income, and a decrease in net unilateral current transfers.

In the financial account, net recorded financial inflows—the difference between changes in

1. Quarterly estimates of U.S. current- and financial-account components are seasonally adjusted when statistically significant seasonal patterns are present. The accompanying tables present both adjusted and unadjusted estimates.

Table A.—Summary of U.S. International Transactions

[Millions of dollars, seasonally adjusted]

Line	Lines in tables 1 and 10 in which transactions are included are indicated in ()	1997	1998	1997				1998				1999	Change: 1998 IV-1999 I
				I	II	III	IV	I	II	III	IV		
Current account													
1	Exports of goods and services and income receipts (1) ...	1,197,206	1,192,231	287,363	300,113	305,865	303,869	302,289	298,463	291,493	299,985	296,227	-3,758
2	Goods, balance of payments basis (3)	679,715	670,246	162,979	169,895	173,447	173,394	170,665	165,198	164,259	170,124	164,292	-5,832
3	Services (4)	258,828	263,661	62,781	64,788	65,838	65,425	65,166	66,691	65,025	66,780	67,803	1,023
4	Income receipts (12)	258,663	258,324	61,603	65,430	66,580	65,050	66,458	66,574	62,209	63,081	64,132	1,051
5	Imports of goods and services and income payments (18)	-1,298,705	-1,368,718	-312,914	-322,090	-331,384	-332,317	-335,380	-340,977	-344,182	-348,180	-354,712	-6,532
6	Goods, balance of payments basis (20)	-876,366	-917,178	-212,187	-217,773	-222,362	-224,044	-225,541	-228,698	-229,228	-233,711	-238,495	-4,784
7	Services (21)	-166,907	-181,011	-40,185	-41,099	-42,646	-42,976	-43,628	-45,152	-45,780	-46,455	-47,361	-906
8	Income payments (29)	-255,432	-270,529	-60,542	-63,218	-66,376	-65,297	-66,211	-67,127	-69,174	-68,014	-68,856	-842
9	Unilateral current transfers, net (35)	-41,966	-44,075	-9,347	-9,494	-10,096	-13,030	-9,927	-9,886	-10,787	-13,474	-10,098	3,376
Capital and financial account													
Capital account													
10	Capital account transactions, net (39)	292	617	135	56	19	82	143	160	148	166	170	4
Financial account													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40)	-465,296	-292,818	-144,665	-91,124	-112,578	-116,929	-59,599	-120,517	-62,097	-50,607	9,227	59,834
12	U.S. official reserve assets, net (41)	-1,010	-6,784	4,480	-236	-730	-4,524	-444	-1,945	-2,026	-2,369	4,068	6,437
13	U.S. Government assets, other than official reserve assets, net (46)	68	-429	-76	-298	377	65	-81	-483	185	-50	147	197
14	U.S. private assets, net (50)	-464,354	-285,605	-149,069	-90,590	-112,225	-112,470	-59,074	-118,089	-60,256	-48,188	5,012	53,200
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55)	751,661	502,637	185,303	152,767	188,126	225,466	96,817	162,466	93,547	149,805	74,870	-74,935
16	Foreign official assets in the United States, net (56)	18,119	-21,684	27,524	-6,177	23,260	-26,488	11,004	-10,551	-46,489	24,352	8,568	-15,784
17	Other foreign assets in the United States, net (63)	733,542	524,321	157,779	158,944	164,866	251,954	85,813	173,017	140,036	125,453	66,302	-59,151
18	Statistical discrepancy (sum of above items with sign reversed) (70)	-143,192	10,126	-5,875	-30,228	-39,952	-67,141	5,657	10,291	31,878	-37,695	-15,684	22,011
Memoranda:													
19	Balance on goods (71)	-196,651	-246,932	-49,208	-47,878	-48,915	-50,650	-54,876	-63,500	-64,969	-63,587	-74,203	-10,616
20	Balance on services (72)	91,921	82,650	22,596	23,689	23,192	22,449	21,538	21,539	19,245	20,325	20,442	117
21	Balance on goods and services (73)	-104,730	-164,282	-26,612	-24,189	-25,723	-28,201	-33,338	-41,961	-45,724	-43,262	-53,761	-10,499
22	Balance on income (74)	3,231	-12,205	1,061	2,212	204	-247	247	-553	-6,965	-4,933	-4,724	209
23	Unilateral current transfers, net (75)	-41,966	-44,075	-9,347	-9,494	-10,096	-13,030	-9,927	-9,886	-10,787	-13,474	-10,098	3,376
24	Balance on current account (76)	-143,465	-220,562	-34,898	-31,471	-35,615	-41,478	-43,018	-52,400	-63,476	-61,669	-68,583	-6,914
25	Capital account transactions, net (39)	292	617	135	56	19	82	143	160	148	166	170	4
26	Net financial flows (40 and 55)	286,365	209,819	40,638	61,643	75,548	108,537	37,218	41,949	31,450	99,198	84,097	-15,101

U.S.-owned assets abroad and changes in foreign-owned assets in the United States—were \$84.1 billion in the first quarter, down from \$99.2 billion (revised) in the fourth. Financial inflows for foreign-owned assets in the United States slowed sharply, and transactions in U.S.-owned assets abroad shifted to financial inflows.

The statistical discrepancy—errors and omissions in recorded transactions—was a negative \$15.7 billion in the first quarter, compared with a negative \$37.7 billion in the fourth.

The following are highlights for the first quarter of 1999:

- Exports of goods decreased sharply after a fourth-quarter surge, and imports of goods continued to increase.
- Direct investment income receipts and payments both increased, and other income receipts and payments changed little or decreased.
- Net U.S.-owned assets abroad decreased for the first time since the second quarter of 1991.
- U.S. transactions in foreign securities shifted to net sales from substantial net purchases in the fourth quarter that resulted from two large fourth-quarter acquisitions of U.S. companies by foreign companies through exchanges of stock. Net foreign purchases of U.S. securities slowed as a result of a shift to net foreign sales of U.S. Treasury securities.
- U.S. banks' claims on foreigners and U.S. banks' liabilities to foreigners both decreased for the second consecutive quarter. The first-quarter decreases largely reflected the re-

duction of positions with U.S. banks' own foreign offices.

U.S. dollar in exchange markets

In the first quarter, the U.S. dollar appreciated 1 percent on a nominal, trade-weighted quarterly average basis against a group of 26 currencies of important U.S. trading partners (table B, chart 2). Within the broad group, the dollar was unchanged against a group of 7 currencies that trade widely in international markets, including the Canadian dollar, the euro, the Japanese yen, the British pound, the Swiss franc, the Australian dollar, and the Swedish krona. The dollar appreciated 2 percent against a group of the remaining 19 currencies, including the currencies of U.S. trading partners in Latin America, Asia, the Middle East, and Eastern Europe (see table B for definitions). Trading conditions in foreign

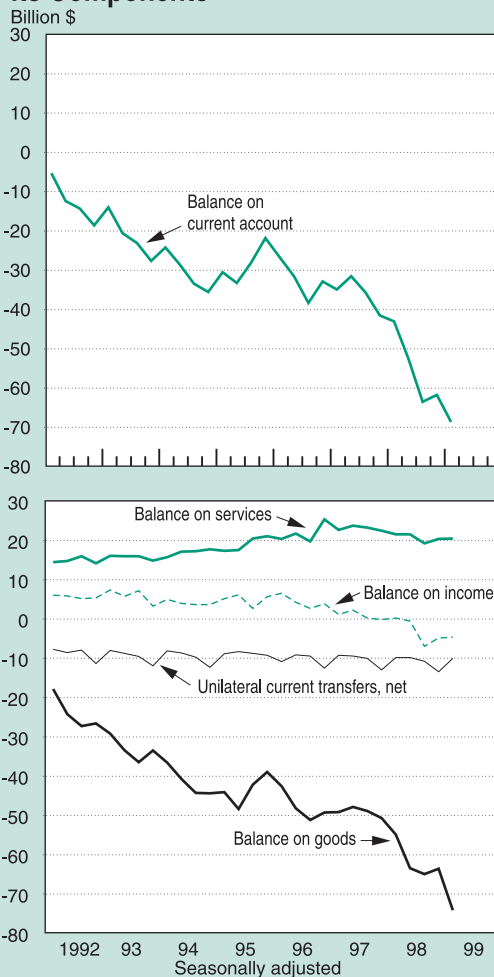
Revisions to the Estimates for the Fourth Quarter of 1998

The preliminary current-account balance and component estimates for the fourth quarter of 1998 were revised to incorporate improved methodologies, newly available source data, and changes to the presentation of the accounts (see "U.S. International Transactions, Revised Estimates for 1982–1998" in this issue). The current-account deficit for the fourth quarter was revised to \$61.7 billion from \$63.8 billion. The goods deficit was revised to \$63.6 billion from \$62.3 billion (based on new seasonal factors and updated Census Bureau data). The services surplus was revised to \$20.3 billion from \$19.3 billion (based on improved methodologies, newly available source data, and the reclassification of employee compensation). The deficit on income was revised to \$4.9 billion from \$7.8 billion (based on updated survey data, updated capital flow and position data, improved estimates of the current-cost adjustment, and the reclassification of employee compensation). Net unilateral current transfers were revised to \$13.5 billion from \$13.0 billion (based on improved methodologies, newly available source data, and the reclassification of capital transfers).

Net financial inflows and their components were revised to \$99.2 billion from \$94.3 billion.

CHART 1

U.S. Current-Account Balance and Its Components



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

exchange markets stabilized in the first quarter after being disrupted in the third and fourth quarters of 1998 by uncertainties related to the financial problems in Russia and Brazil.

On January 1, 1999, the third stage of the European Economic and Monetary Union began with the introduction of the euro as the currency used in financial markets by the 11 third-stage countries. The U.S. dollar appreciated against the euro throughout most of the first quarter, partly as

a result of the disparity between the prospects for economic growth in the United States and in the euro area countries. Data released during the quarter indicated that the U.S. economy continued to grow strongly, but that the euro area economy remained relatively weak. The spread between future U.S. and euro area short-term interest rates implied by futures market prices

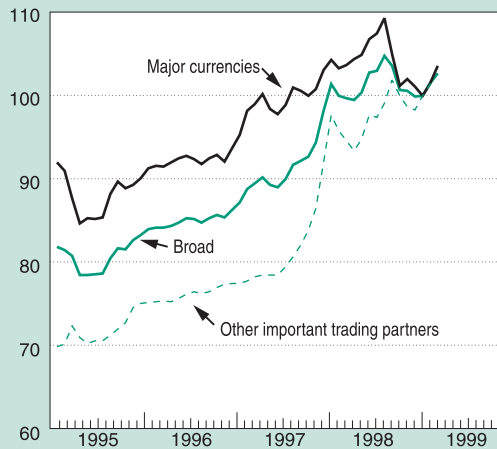
New Indexes of Foreign Currency Price of the U.S. Dollar

The Federal Reserve Board has developed new summary indexes of the foreign exchange value of the U.S. dollar to replace the G-10 index. The new indexes provide better measures of U.S. trade competitiveness because they include a broader set of currencies and because they are adjusted for the effects of inflation. The new indexes also use a weighting scheme that better measures the competitiveness of U.S. goods in U.S. and foreign markets and that takes into account the changing structure of trade patterns and exchange rates. Separate indexes for the broadest group of currencies, for the major international currencies, and for the other currencies included in the broadest group have been developed. The nominal indexes for the three groups—which have moved in mostly the same direction in recent years, but which have diverged over periods in the past—are useful for the analysis of short-term developments in foreign exchange markets.

CHART 2

Nominal Indexes of Foreign Currency Price of the U.S. Dollar

January 1999=100



Note.—See table B for definitions of the indexes.

Monthly average rates.

Data: Federal Reserve Board, Indexes rebased by BEA.

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

Table B.—Indexes of Foreign Currency Price of the U.S. Dollar

[January 1999=100]

	1998				1999	1998												1999		
	I	II	III	IV	I	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.		
Nominal: ¹																				
Broad ²	100.4	100.9	103.8	100.4	101.4	99.7	99.5	100.4	102.8	103.0	104.8	103.6	100.7	100.6	99.9	100.0	101.5	102.7		
Major currencies ³	103.8	105.4	107.3	101.4	101.7	103.8	104.4	104.9	106.8	107.5	109.3	105.0	101.2	102.0	101.1	100.0	101.5	103.6		
Other important trading partners ⁴	96.0	95.3	99.5	99.0	101.0	94.6	93.5	94.8	97.7	97.4	99.1	101.9	100.0	98.7	98.3	100.0	101.4	101.6		
Real: ¹																				
Broad ²	102.3	102.3	105.0	100.6	101.2	101.3	101.0	101.7	104.1	104.5	106.1	104.3	101.1	100.7	99.9	100.0	101.1	102.6		
Major currencies ³	102.7	104.3	106.7	100.9	101.8	102.7	103.3	103.7	105.9	106.9	108.8	104.4	100.6	101.4	100.6	100.0	101.6	103.7		
Other important trading partners ⁴	101.7	99.6	102.7	100.1	100.5	99.4	97.9	99.2	101.8	101.4	102.6	104.1	101.8	99.7	98.9	100.0	100.5	101.1		
Selected currencies: (nominal) ⁵																				
Canada	94.1	95.2	99.7	101.6	99.5	93.2	94.1	95.1	96.5	97.9	101.0	100.2	101.7	101.4	101.6	100.0	98.6	99.9		
European currencies:																				
Germany	107.8	106.3	104.4	98.6	103.3	108.3	107.5	105.2	106.2	106.5	105.9	100.7	97.1	99.7	99.0	100.0	103.5	106.5		
France	107.7	106.3	104.4	98.6	103.3	108.2	107.4	105.2	106.2	106.5	105.9	100.7	97.1	99.7	99.0	100.0	103.5	106.5		
Italy	107.3	106.0	104.1	98.6	103.3	107.8	107.3	104.9	105.8	106.2	105.6	100.6	97.1	99.7	99.0	100.0	103.5	106.5		
Euro area ⁶	n.a.	n.a.	n.a.	n.a.	103.3	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	100.0	103.5	106.5		
United Kingdom	100.2	99.8	99.8	98.5	101.1	99.3	98.7	100.7	100.0	100.4	101.0	98.1	97.4	99.3	98.7	100.0	101.4	101.8		
Switzerland	106.5	107.7	106.0	98.2	102.9	107.5	108.6	106.7	107.9	109.2	107.8	101.0	96.5	100.0	98.2	100.0	103.0	105.8		
Japan	113.1	119.8	123.6	105.5	102.8	113.9	116.3	119.1	123.9	124.3	127.7	118.7	106.9	106.2	103.3	100.0	103.0	105.5		
Mexico	83.2	85.6	93.8	98.8	98.3	84.6	83.9	84.8	88.1	87.9	92.5	100.9	100.3	98.4	97.8	100.0	98.8	96.1		
Brazil	74.6	75.9	77.5	79.1	117.8	75.0	75.5	75.9	76.3	76.8	77.5	78.1	78.6	78.9	79.7	100.0	127.4	126.0		

1. For more information on the nominal and real indexes of the foreign exchange value of the U.S. dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998): 811-18.

2. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, United Kingdom, Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that circulate widely outside the country of issue, including the currencies of euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, and the United Kingdom. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

4. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that do

not circulate widely outside the country of issue, including the currencies of Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the other important trading partners index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

5. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.

6. The euro area includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain. Exchange rates (but not index values with January 1999=100) for the individual euro-area currencies can be derived from the euro exchange rate by using the fixed conversion rates (in currencies per euro) as shown below: 13.7603 Austrian schillings; 40.3399 Belgian francs; 5.94573 Finnish markkas; 6.55957 French francs; 1.95583 German marks; .787564 Irish pounds; 1936.27 Italian lira; 40.3399 Luxembourg francs; 2.20371 Netherlands guilders; 200.482 Portuguese escudos; 166.386 Spanish pesetas.

widened in favor of the dollar, partly as a result of a growing belief in financial markets that the disparity between economic growth prospects would lead to a tightening of monetary conditions in the United States relative to those in the euro area.

The dollar appreciated against the Japanese yen throughout much of the first quarter, partly as a result of the disparity between the outlook for economic growth in the United States and in Japan. In the United States, indications of economic strength were partly responsible for a sharp rise in long-term interest rates. In Japan, indications of continuing economic contraction were partly responsible for a lowering of short-term interest rates to nearly zero. In addition, Japanese long-term interest rates began to decline midway through the quarter after rising sharply since the fourth quarter. The combination of the decline in Japanese long-term interest rates and the rise in U.S. long-term interest rates increased the relative attractiveness of investing in U.S. bonds and supported the dollar's appreciation.

The Brazilian real was devalued on January 13 despite the announcement in late 1998 of a financial assistance package for Brazil by the International Monetary Fund. Because financial market participants had already reduced Brazilian positions, reaction to the devaluation was restrained, compared with the reaction to other recent disturbances in emerging markets. Spreads on emerging market bonds over U.S. Treasury bonds widened immediately after the devaluation but narrowed by the end of the quarter. How-

ever, spreads remained elevated from levels that existed before the Russian currency devaluation and debt moratorium in August 1998.

Current Account

Goods and services

The deficit on goods and services increased to \$53.8 billion in the first quarter from \$43.3 billion in the fourth. The increase was attributable to an increase in the deficit on goods, to \$74.2 billion from \$63.6 billion. The surplus on services edged up to \$20.4 billion from \$20.3 billion.

Goods.—The deficit on goods increased \$10.6 billion, to \$74.2 billion, in the first quarter. The increase resulted from a decrease in exports and an increase in imports.

Exports.—Exports decreased \$5.8 billion, or 4 percent, to \$164.3 billion in the first quarter. Quantities decreased 3 percent, and prices decreased 1 percent (table C).² The value of exports declined to essentially the same level as in the third quarter of 1998, following a fourth-quarter surge.

In the first quarter, nonagricultural exports decreased \$4.1 billion, or 3 percent, to \$152.5 billion; quantities decreased 2 percent, and prices changed little. In value, nearly all major

2. Quantity (real) estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarters except for the most recent year, which is calculated using quarterly weights. Real estimates are expressed as chained (1992) dollars. Price indexes (1992=100) are also calculated using a chain-type Fisher formula.

Table C.—U.S. Trade in Goods, Current and Chained (1992) Dollars, and Percent Changes from Previous Period

[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

	Current dollars							Chained (1992) dollars ¹						
	1997	1998	1998				1999	1997	1998	1998				1999
			I	II	III	IV				I ^P	I	II	III		IV	I^{P}
Exports	679,715	670,246	170,665	165,198	164,259	170,124	164,090	717,339	730,951	183,906	179,368	180,109	187,568	182,142
Agricultural products	58,425	53,106	14,017	13,203	12,300	13,586	11,849	49,254	49,227	12,651	12,080	11,495	13,001	11,577
Nonagricultural products	621,290	617,140	156,648	151,995	151,959	156,538	152,241	671,785	685,938	172,141	168,322	169,787	175,688	171,689
Imports	876,366	917,178	225,541	228,698	229,228	233,711	238,279	932,899	1,037,580	250,045	257,543	261,975	268,017	275,717
Petroleum and products	71,772	50,903	13,600	13,392	12,458	11,453	10,494	66,728	71,384	16,915	18,497	18,566	17,406	17,686
Nonpetroleum products	804,594	866,275	211,941	215,306	216,770	222,258	227,785	865,318	965,700	233,158	238,963	243,288	250,291	257,807
	Percent change from previous period (current dollars)							Percent change from previous period (chained (1992) dollars)						
	1997	1998	1998				1999	1997	1998	1998				1999
			I	II	III	IV				I ^P	I	II	III		IV	I^{P}
Exports	11.1	-1.4	-1.6	-3.2	-0.6	3.6	-3.5	15.2	1.9	-0.4	-2.5	0.4	4.1	-2.9
Agricultural products	-5.0	-9.1	-7.0	-5.8	-6.8	10.5	-12.8	1.6	-1	-2.7	-4.5	-4.8	13.1	-11.0
Nonagricultural products	12.8	-7	-1.1	-3.0	.....	3.0	-2.7	16.7	2.1	-2	-2.2	.9	3.5	-2.3
Imports	9.1	4.7	.7	1.4	.....	2.0	2.0	13.9	11.2	3.7	3.0	1.7	2.3	2.9
Petroleum and products	-1.3	-29.1	-20.6	-1.5	-7.0	-8.1	-8.4	4.6	7.0	1.3	9.4	.4	-6.2	1.6
Nonpetroleum products	10.1	7.7	2.4	1.6	.....	2.5	2.5	14.8	11.6	4.0	2.5	1.8	2.9	3.0

^P Preliminary.

1. Because chain indexes use weights of more than one period, the corresponding chained dollar estimates are usually not additive.

commodity categories decreased. Most of the decrease in capital goods was attributable to a drop in civilian aircraft, which had surged in the last two quarters of 1998; oil drilling, mining, and construction machinery decreased sharply after moderate declines in the previous five quarters, and semiconductors increased strongly for the third consecutive quarter. Nonagricultural industrial supplies and materials decreased, mostly as a result of declines in nonmonetary gold, in fuel products, and in chemicals. Automotive products decreased, following a fourth-quarter surge that was mostly attributable to the resumption of full production after a North American auto strike.

Agricultural exports decreased \$1.8 billion, or 13 percent, to \$11.8 billion; quantities decreased 11 percent, and prices decreased 2 percent. In value, most of the decrease was accounted for by declines in raw cotton and in soybeans. The decline in raw cotton was particularly steep, partly as a result of a fall in demand and the depletion of funds available to support U.S. cotton exports under a U.S. Government program.

Imports.—Imports increased \$4.8 billion, or 2 percent, to \$238.5 billion in the first quarter. Quantities increased 3 percent, and prices decreased 1 percent (table C). The value of non-petroleum imports continued to rise, and the value of petroleum imports continued to fall.

Nonpetroleum imports increased \$5.6 billion, or 2 percent, to \$227.9 billion; quantities increased 3 percent, and prices changed little. In value, more than half of the increase was accounted for by automotive products, which increased as a result of increases in passenger cars, mostly from Canada and Japan, and in trucks, buses, and special purpose vehicles, mostly from Canada and Mexico. Consumer goods were boosted by a surge in nondurable goods, particularly medical, dental and pharmaceutical preparations from Western Europe. In capital goods, there were strong increases in computers, peripherals, and parts, in semiconductors, and in telecommunications equipment. In contrast, nonpetroleum industrial supplies and materials decreased, partly as a result of a sharp decline in iron and steel products for the second consecutive quarter.

Petroleum imports decreased \$0.9 billion, or 8 percent, to \$10.6 billion (chart 3). The decrease was attributable to a decline in prices, which fell from an average of \$11.40 per barrel to \$10.38, the lowest quarterly level since the first quarter of 1974. The value and average price of petroleum imports have decreased by about 50 percent

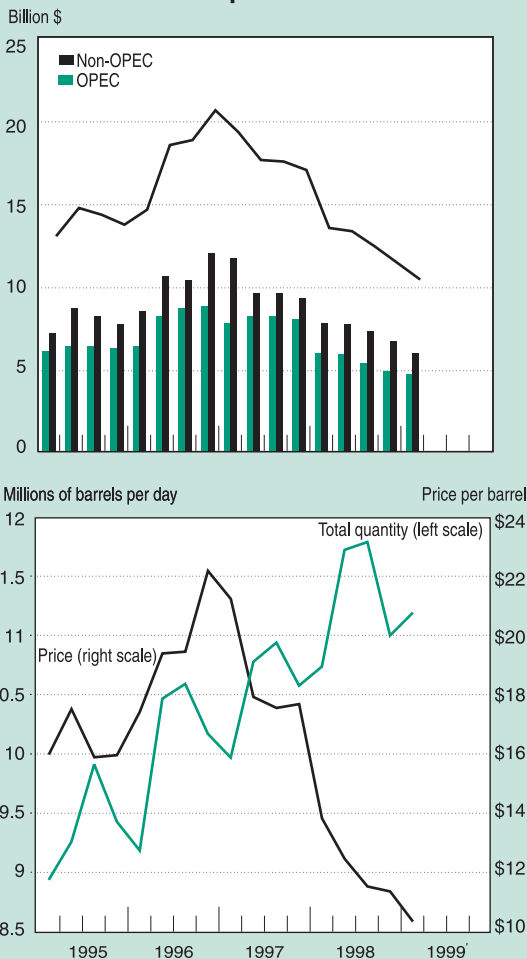
since the fourth quarter of 1996. In the first quarter, the average number of barrels imported daily increased to 11.20 million from 11.01 million.

Balances by area.—The deficit on goods with Latin America and Other Western Hemisphere increased \$4.6 billion, to \$6.1 billion, in the first quarter, largely as a result of an increase in the deficit with Mexico and a decrease in the surplus with Brazil.³ The deficit with Asia, excluding Japan, increased \$4.2 billion, to \$31.9 billion, and the deficit with Canada increased \$3.6 billion, to \$9.0 billion. In contrast, the deficit with Western Europe decreased \$2.5 billion, to \$8.5 billion, and

3. Seasonally adjusted estimates for areas and countries are derived by applying seasonal factors for total U.S. agricultural and nonagricultural exports to the unadjusted agricultural and nonagricultural exports for areas and countries and by applying seasonal factors for total U.S. petroleum and non-petroleum imports to the unadjusted petroleum and nonpetroleum imports for areas and countries. (The seasonal factors are derived from the seasonal adjustment of U.S. exports and U.S. imports by five-digit end-use commodity category.) The components are then summed to derive seasonally adjusted exports and imports for areas and countries.

CHART 3

U.S. Petroleum Imports



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

the deficit with Japan decreased \$0.1 billion, to \$17.6 billion.

Services.—The surplus on services increased \$0.1 billion, to \$20.4 billion, in the first quarter. Receipts increased to \$67.8 billion from \$66.8 billion, and payments increased to \$47.4 billion from \$46.5 billion.

Travel receipts increased to \$18.1 billion from \$17.9 billion. The small increase was largely attributable to a rise in the number of overseas visitors to the United States. Travel payments increased to \$14.6 billion from \$14.1 billion as a result of a rise in payments to overseas countries and to Canada.

Passenger fare receipts edged up to \$4.9 billion from \$4.8 billion, and passenger fare payments edged up to \$5.2 billion from \$5.1 billion.

“Other” transportation receipts were virtually unchanged at \$6.6 billion; both port expenditure receipts and freight receipts changed little. “Other” transportation payments were unchanged at \$7.8 billion; a small decrease in freight payments was offset by a small increase in port expenditure payments.

Receipts for “other” private services increased to \$24.1 billion from \$23.2 billion. The increase was more than accounted for by a rise in receipts for business, professional, and technical services. Payments for “other” private services edged up to \$12.4 billion from \$12.3 billion.

Income

The deficit on income decreased to \$4.7 billion in the first quarter from \$4.9 billion in the fourth. Income receipts increased to \$64.1 billion from \$63.1 billion, and income payments increased to \$68.9 billion from \$68.0 billion.

Investment income.—Receipts of investment income on U.S.-owned assets abroad increased to \$63.7 billion from \$62.6 billion, and payments of investment income on foreign-owned assets in the United States increased to \$67.0 billion from \$66.2 billion.

Receipts of income on U.S. direct investment abroad increased to \$27.0 billion from \$25.6 billion. The increase was largely accounted for by increases in the earnings of finance affiliates, mostly in Latin America, and of banking affiliates, mostly in Europe and the Caribbean. Earnings of petroleum affiliates rose slightly, but remained depressed, partly as a result of low crude oil prices. Earnings of manufacturing affiliates edged up.

Payments of income on foreign direct investment in the United States increased to \$12.4 billion from \$11.1 billion. The increase was largely accounted for by increases in the earnings of manufacturing affiliates, particularly those owned by Western European and Canadian companies, and of insurance affiliates. Earnings of banking affiliates decreased, largely as a result of a decline in the earnings of Japanese-owned affiliates.

“Other” private income receipts decreased to \$35.8 billion from \$36.0 billion. Decreases in receipts of interest on bank and nonbank claims, resulting mostly from a decline in average yields, more than offset an increase in receipts on foreign securities.

“Other” private income payments decreased to \$31.9 billion from \$32.4 billion. Decreases in payments of interest on bank and nonbank liabilities, which resulted from declines in average liabilities outstanding and in average yields, more than offset an increase in payments on U.S. securities.

U.S. Government income receipts decreased to \$0.9 billion from \$1.0 billion, and U.S. Government income payments were unchanged at \$22.7 billion.

Compensation of employees.—As part of this year’s annual revision of the U.S. international transactions accounts, compensation of employees has been reclassified to the income account from the services account to reflect the fact that compensation of employees is more appropriately classified as a return on a factor of production. For more information on the reclassification, see [“U.S. International Transactions, Revised Estimates for 1982–98”](#) in this issue.

In the first quarter, receipts for employee compensation were unchanged at \$0.5 billion, and payments for employee compensation edged higher to \$1.9 billion from \$1.8 billion.

Unilateral current transfers

Unilateral transfers, which were previously shown in the current account, have been split into unilateral current transfers and unilateral capital transfers. Unilateral current transfers remain in the current account. Unilateral capital transfers—which are transfers of existing assets or claims and so do not reflect current production—have been reclassified to, but are not shown separately in, the newly defined capital account. For more information, see [“U.S. International Transactions, Revised Estimates for 1982–98”](#) in this issue.

In the first quarter, net unilateral current transfers were \$10.1 billion, compared with \$13.5 billion

in the fourth. The decrease was more than accounted for by a decline in U.S. Government grants, which were boosted in the fourth quarter by grants to Israel.

Capital Account

The capital account is a newly defined account that is intended to capture capital transfers of existing assets and claims and the acquisition and disposal of nonproduced nonfinancial assets. For more information, see “U.S. International Transactions, Revised Estimates for 1982–98” in this issue.

In the first quarter, net capital account transactions—which consist mainly of debt forgiveness and transfers of goods and financial assets by migrants as they enter or leave the country—were unchanged at \$0.2 billion.

Financial Account

The financial account had previously been shown as the capital account. For more information, see “U.S. International Transactions, Revised Estimates for 1982–98” in this issue.

In the first quarter, net recorded financial inflows were \$84.1 billion, down from \$99.2 billion in the fourth. Financial inflows for foreign-owned assets in the United States slowed sharply, and transactions in U.S.-owned assets abroad shifted to financial inflows.

U.S.-owned assets abroad

Net U.S.-owned assets abroad decreased \$9.2 billion in the first quarter, in contrast to an increase of \$50.6 billion in the fourth. The shift to financial inflows was more than accounted for by a shift to net U.S. sales of foreign securities from

large net U.S. purchases. Fourth-quarter net U.S. purchases of foreign securities were boosted by two exceptionally large acquisitions of U.S. companies by foreign companies through exchanges of stock.

U.S. official reserve assets.—Net U.S. official reserve assets decreased \$4.1 billion in the first quarter, in contrast to an increase of \$2.4 billion in the fourth (table D). The first-quarter decrease was largely attributable to payments of U.S. dollars by foreign countries to the International Monetary Fund (IMF) that exceeded the demand for U.S. dollars through IMF member drawings, which reduced the U.S. reserve position in the IMF. In a transfer of assets that had no net effect on U.S. official reserve assets, the United States paid in euros the equivalent value of \$3.7 billion from U.S. foreign currency reserves to the IMF in exchange for an equal increase in the U.S. reserve position in the IMF; the payment of euros satisfied the U.S. portion of an IMF quota increase that must be paid in foreign currency reserve assets.

Claims reported by banks.—U.S. claims on foreigners reported by U.S. banks decreased \$35.2 billion in the first quarter, following a decrease of \$37.2 billion in the fourth. In the first quarter, U.S. claims on foreigners in most areas of the world decreased, partly as a result of weak foreign demand for external bank credit, the curtailment of lending by U.S. banks to emerging market countries, and an increase in the attractiveness to U.S. banks of investing in long-term U.S. Government securities, which increased in yield during the quarter, rather than extending bank loans at short-term interest rates.

Banks’ own claims payable in dollars decreased \$39.6 billion, following a decrease of \$33.7 billion. The first-quarter decrease was more than

Table D.—Selected Transactions with Official Agencies

[Millions of dollars]

	1997	1998	1997				1998				1999	Change: 1998 IV–1999 I
			I	II	III	IV	I	II	III	IV		
Changes in foreign official assets in the United States, net (decrease –) (table 1, line 56)	18,119	-21,684	27,524	-6,177	23,260	-26,488	11,004	-10,551	-46,489	24,352	8,568	-15,784
Industrial countries ¹	10,200	-7,025	17,910	6,561	4,729	-19,000	-56	-9,740	-6,174	8,945	3,679	-5,266
Members of OPEC ²	12,124	-11,499	7,137	1,673	4,224	-910	-1,257	-657	-11,642	2,057	4,730	2,673
Other countries	-4,205	-3,160	2,477	-14,411	14,307	-6,578	12,317	-154	-28,673	13,350	159	-13,191
Changes in U.S. official reserve assets, net (increase –) (table 1, line 41)	-1,010	-6,784	4,480	-236	-730	-4,524	-444	-1,945	-2,026	-2,369	4,068	6,437
Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ³												
Foreign drawings, or repayments (–), net	-3,500		-3,500									
Drawings												
Repayments	-3,500		-3,500									

¹ Preliminary.
² Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
³ Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes

Ecuador beginning January 1993 and Gabon beginning January 1995.
 3. Consists of transactions of the Federal Reserve System and the U.S. Treasury Department’s Exchange Stabilization Fund.

accounted for by the repayment of borrowings by foreign banks to U.S. banks. U.S. claims on foreign public borrowers increased, partly as a result of lending by U.S. securities brokers and dealers to public borrowers in Western Europe and Asia.

Banks' own claims payable in foreign currencies increased \$5.8 billion, following an increase of \$4.1 billion. The first-quarter increase was more than accounted for by increases in claims on Western Europe and on the Caribbean.

Banks' domestic customers' claims decreased \$1.4 billion, following a decrease of \$7.6 billion. In the first quarter, an increase in banks' domestic customers' dollar deposits abroad was more than offset by decreases in customers' other claims.

Foreign securities.—Net U.S. sales of foreign securities were \$8.5 billion in the first quarter, following net purchases of \$70.8 billion in the fourth quarter that included two exceptionally large acquisitions of U.S. companies by foreign companies through exchanges of stock. If the effects of these exchanges are excluded, net U.S. sales of foreign stocks of \$8.3 billion in the first quarter are about a third greater than net U.S. sales in the fourth quarter. Net U.S. sales of foreign bonds were \$0.1 billion, down from \$8.6 billion.

Net U.S. sales of foreign stocks continued for the third consecutive quarter. In the first quarter, net U.S. sales of foreign stocks in European markets increased, partly as a result of U.S. investors' concerns that economic growth in some euro area countries remained weak and that the depreciation of the euro against the dollar would lead to capital losses. In contrast, net U.S. purchases from Japan accelerated, as Japanese stock prices rose sharply amid indications that Japanese companies were intensifying their restructuring efforts. Net U.S. purchases of other Asian stocks increased modestly.

Net U.S. sales of foreign bonds were small, following moderate net sales in the last two quarters of 1998, and gross trading volume continued to decline from levels reached at the peak of last year's global financial market turmoil. In the first quarter, new foreign issues in the United States were restrained by rising U.S. long-term interest rates and by the absence of borrowers from Western Europe. Issuance by emerging market countries picked up, partly as a result of an increase in borrowing by Latin American governments; issuance by corporations from emerging markets remained depressed. Net U.S. sales of outstanding bonds slowed, partly as a result of a shift to net U.S. purchases from Japan.

Direct investment.—Net financial outflows for U.S. direct investment abroad were \$38.3 billion in the first quarter, up from \$30.8 billion in the fourth. The increase was largely accounted for by an increase in net equity outflows that partly resulted from acquisitions of manufacturing companies in Western Europe and from equity outflows to existing foreign affiliates in Australia, Indonesia, and Thailand. Reinvested earnings increased as a result of a rise in affiliate earnings. In contrast, net intercompany debt outflows decreased.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$74.9 billion in the first quarter, following an increase of \$149.8 billion in the fourth. The sharp slowdown in financial inflows was more than accounted for by a drop in net inflows for foreign direct investment in the United States, which were boosted in the fourth quarter by the two exceptionally large acquisitions of U.S. companies by foreign companies. First-quarter inflows were also slowed by a shift to net foreign sales of U.S. Treasury securities and by a smaller increase in net foreign official assets in the United States in the first quarter than in the fourth.

Foreign official assets.—Net foreign official assets in the United States increased \$8.6 billion in the first quarter, following an increase of \$24.4 billion in the fourth (table D). The fourth-quarter increase was mostly accounted for by increases in assets of industrial countries and of a few members of OPEC.

Liabilities reported by banks.—U.S. liabilities to foreigners reported by U.S. banks, excluding U.S. Treasury securities, decreased \$14.5 billion in the first quarter, following a decrease of \$21.8 billion in the fourth. The first-quarter decrease partly reflected weak U.S. and foreign demand for bank credit, the availability of adequate funding for U.S. banks from domestic sources, and an increase in the attractiveness to foreigners of investing in long-term bonds, which increased in yield during the quarter, rather than investing in short-term bank deposits.

Banks' own liabilities payable in dollars decreased \$9.2 billion, following a decrease of \$27.2 billion. The first-quarter decrease was mostly attributable to the repayment of borrowings by foreign-owned banks in the United States to their own offices in Japan, the Caribbean, and the United Kingdom. U.S. liabilities to nonbank private foreigners increased, partly as a result of

borrowing by U.S. brokers and dealers through repurchase agreements with bond mutual funds in the Caribbean.

Bank-reported liabilities payable in foreign currencies increased \$4.3 billion, following an increase of \$4.5 billion. The first-quarter increase was mostly accounted for by increases in liabilities to Western Europe and to the Caribbean.

Banks' custody liabilities payable in dollars decreased \$9.7 billion, in contrast to an increase of \$0.9 billion.

U.S. Treasury securities.—Net foreign transactions in U.S. Treasury securities shifted to net foreign sales of \$11.4 billion in the first quarter from net foreign purchases of \$24.4 billion in the fourth. U.S. Treasury bond prices declined in the first quarter, as yields rose from the historically low levels reached in the fourth quarter. The decline in prices was partly attributable to investors' concerns that U.S. inflation might soon accelerate and to an easing of tensions in financial markets that reduced the demand for U.S. Treasury securities as safe and liquid investments. Net foreign purchases of short-term U.S. Treasury securities decreased sharply to \$1.5 billion from a record \$16.9 billion. Net foreign transactions in long-term U.S. Treasury securities shifted to net foreign sales of \$12.9 billion from net foreign purchases of \$7.5 billion. Net sales of long-term securities by some Asian investors were partly attributable to an increase in the returns available on Japanese securities and to portfolio rebalancing at the end of the Japanese fiscal year. Net sales by the Caribbean accelerated, and net sales by Western Europe slowed sharply.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities increased to \$59.5 billion in the first quarter from \$49.3 billion in the fourth. Net foreign purchases of U.S. stocks were \$9.4 billion, up from \$8.4 billion, and net foreign purchases of U.S. corporate and other bonds were \$50.1 billion, up from \$40.9 billion.


The increase in net foreign purchases of U.S. stocks was partly attributable to a rise in U.S. stock prices. Net foreign purchases by Western Europe increased sharply, partly reflecting the attractiveness of continued strong U.S. economic growth relative to the weaker growth in some European countries. In contrast, transactions by Japanese investors shifted to net sales, partly as a result of a surge in Japanese stock

prices that boosted the attractiveness of investing in Japanese equities. Transactions by the Caribbean also shifted to net sales.

The acceleration in net foreign purchases of U.S. corporate and other bonds was largely attributable to an increase in net foreign purchases of U.S. federally sponsored agency bonds. A shift to net purchases of agency bonds by the Caribbean more than offset decreases in net purchases by Western Europe and by Japan. New issues sold abroad by U.S. corporations were relatively weak for the second consecutive quarter as a result of curtailed issuance by nonbank financial corporations. Net foreign purchases of other U.S. bonds remained strong, partly reflecting the attractive spreads available on U.S. corporate bonds in an environment of improving liquidity for U.S. corporate issues.

U.S. currency.—Net outflows of U.S. currency were \$2.4 billion in the first quarter, down from \$6.3 billion in the fourth.

Direct investment.—Net financial inflows for foreign direct investment in the United States fell sharply to \$19.1 billion in the first quarter from \$120.5 billion in the fourth, when they were boosted by the two exceptionally large acquisitions of U.S. companies by foreign firms. First-quarter net equity inflows decreased to their lowest level since the second quarter of 1995, and net intercompany debt inflows also declined. These decreases were partly offset by an increase in reinvested earnings.

Tables 1 through 10a follow. 

Data Availability

The current and historical estimates that are presented in tables 1–10a of the U.S. international transactions accounts are available as compressed files on BEA's Web site at <www.bea.doc.gov>; click on *Catalog of Products*, and look under International Accounts Products, Balance of Payments.

The estimates are also available from BEA on the following diskettes:

- **U.S. International Transactions.** The most recently released annual and quarterly estimates are available as a 1-year subscription (four installments)—product number IDS-0001, price \$80.00. The subscription also includes the diskette of the historical estimates (see below).

- **U.S. International Transactions, First Quarter 1999.** Annual estimates for 1996–1998 and quarterly estimates for 1997:I–1999:I on a single diskette—product number IDN-0236, price \$20.00.

- **U.S. International Transactions, Historical Series.** All the available historical annual and quarterly estimates on a single diskette—product number IDN-0237, price \$20.00.

To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666).

Table 1.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Current account															
1	Exports of goods and services and income receipts	46,454	49,353	54,911	60,132	68,387	72,384	81,986	113,050	148,484	157,936	172,090	184,655	220,516	287,965
2	Exports of goods and services	38,926	41,333	45,543	49,220	56,640	59,677	67,222	91,242	120,897	132,585	142,716	152,301	178,428	224,131
3	Goods, balance of payments basis ²	29,310	30,666	33,626	36,414	42,469	43,319	49,381	71,410	98,306	107,088	114,745	120,816	142,075	184,439
4	Services ³	9,616	10,667	11,917	12,806	14,171	16,358	17,841	19,832	22,591	25,497	27,971	31,485	36,353	39,692
5	Transfers under U.S. military agency sales contracts ⁴	2,721	3,191	3,939	4,138	4,214	5,472	5,856	5,369	5,197	6,256	5,826	7,554	8,209	6,981
6	Travel	1,590	1,646	1,775	2,043	2,331	2,534	2,817	3,412	4,032	4,697	5,742	6,150	7,183	8,441
7	Passenger fares	317	371	411	450	544	615	699	975	1,104	1,039	1,229	1,366	1,603	2,156
8	Other transportation	2,333	2,426	2,548	2,652	3,125	3,299	3,579	4,465	5,697	5,840	6,747	7,090	8,136	9,971
9	Royalties and license fees ⁵	1,516	1,747	1,867	2,019	2,331	2,545	2,770	3,225	3,821	4,300	4,353	4,920	5,885	6,184
10	Other private services ⁵	814	951	1,024	1,160	1,294	1,546	1,764	1,985	2,321	2,920	3,584	3,848	4,717	5,439
11	U.S. Government miscellaneous services	326	336	353	343	332	347	357	401	419	446	489	557	620	520
12	Income receipts	7,528	8,021	9,367	10,913	11,748	12,707	14,765	21,808	27,587	25,351	29,375	32,354	42,088	63,834
13	Income receipts on U.S.-owned assets abroad	7,528	8,021	9,367	10,913	11,748	12,707	14,765	21,808	27,587	25,351	29,375	32,354	42,088	63,834
14	Direct investment receipts	5,260	5,603	6,591	7,649	8,169	9,160	10,949	16,542	19,157	16,595	18,999	19,673	25,458	38,183
15	Other private receipts	1,669	1,781	2,021	2,338	2,671	2,641	2,949	4,330	7,356	7,644	9,043	11,057	14,788	23,356
16	U.S. Government receipts	599	636	756	925	907	906	866	936	1,074	1,112	1,332	1,625	1,843	2,295
17	Compensation of employees														
18	Imports of goods and services and income payments	-38,468	-41,476	-48,671	-53,998	-59,901	-66,414	-79,237	-98,997	-137,274	-132,745	-162,109	-193,764	-229,870	-281,657
19	Imports of goods and services	-35,987	-38,729	-45,293	-49,129	-54,386	-60,979	-72,665	-89,342	-125,190	-120,181	-148,798	-179,547	-208,191	-248,696
20	Goods, balance of payments basis ²	-25,493	-26,866	-32,991	-35,807	-39,866	-45,579	-55,797	-70,499	-103,811	-98,185	-124,228	-151,907	-176,002	-212,007
21	Services ³	-10,494	-11,863	-12,302	-13,322	-14,520	-15,400	-16,868	-18,843	-21,379	-21,996	-24,570	-27,640	-32,189	-36,689
22	Direct defense expenditures	-3,764	-4,378	-4,535	-4,856	-4,855	-4,819	-4,784	-4,629	-5,032	-4,795	-4,895	-5,823	-7,352	-8,294
23	Travel	-2,657	-3,207	-3,030	-3,373	-3,980	-4,373	-5,042	-5,526	-5,980	-6,417	-6,856	-7,451	-8,475	-9,413
24	Passenger fares	-753	-829	-885	-1,080	-1,215	-1,290	-1,596	-1,790	-2,095	-2,263	-2,568	-2,748	-2,896	-3,184
25	Other transportation	-2,161	-2,157	-2,367	-2,455	-2,843	-3,130	-3,520	-4,694	-5,942	-5,708	-6,852	-7,972	-9,124	-10,906
26	Royalties and license fees ⁵	-140	-166	-186	-221	-224	-241	-294	-385	-346	-472	-482	-504	-671	-831
27	Other private services ⁵	-506	-565	-668	-751	-827	-956	-1,043	-1,180	-1,262	-1,551	-2,006	-2,190	-2,573	-2,822
28	U.S. Government miscellaneous services	-513	-561	-631	-586	-576	-592	-589	-640	-722	-789	-911	-951	-1,099	-1,239
29	Income payments	-2,481	-2,747	-3,378	-4,869	-5,515	-5,435	-6,572	-9,655	-12,084	-12,564	-13,311	-14,217	-21,680	-32,961
30	Income payments on foreign-owned assets in the United States	-2,481	-2,747	-3,378	-4,869	-5,515	-5,435	-6,572	-9,655	-12,084	-12,564	-13,311	-14,217	-21,680	-32,961
31	Direct investment payments	-711	-821	-876	-848	-875	-1,164	-1,284	-1,610	-1,331	-2,234	-3,110	-2,834	-4,211	-6,357
32	Other private payments	-1,221	-1,328	-1,800	-3,244	-3,617	-2,428	-2,604	-4,209	-6,491	-5,788	-5,681	-5,841	-8,795	-15,481
33	U.S. Government payments	-549	-598	-702	-777	-1,024	-1,844	-2,684	-3,836	-4,262	-4,542	-4,520	-5,542	-8,674	-11,122
34	Compensation of employees														
35	Unilateral current transfers, net	-4,955	-5,294	-5,629	-5,735	-6,156	-7,402	-8,544	-6,913	-9,249	-7,075	-5,686	-5,226	-5,788	-6,593
36	U.S. Government grants ⁴	-3,802	-3,844	-4,256	-4,259	-4,449	-5,589	-6,665	-4,748	-7,293	-5,101	-3,519	-2,990	-3,412	-4,015
37	U.S. Government pensions and other transfers	-499	-571	-537	-537	-611	-696	-770	-915	-939	-1,068	-1,250	-1,378	-1,532	-1,658
38	Private remittances and other transfers ⁶	-655	-879	-836	-939	-1,096	-1,117	-1,109	-1,250	-1,017	-906	-917	-859	-844	-920
Capital and financial account															
Capital account															
39	Capital account transactions, net														
Financial account															
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-7,321	-9,757	-10,977	-11,585	-8,470	-11,758	-13,787	-22,874	-34,745	-39,703	-51,269	-34,785	-61,130	-64,915
41	U.S. official reserve assets, net	570	53	-870	-1,179	3,348	3,066	706	158	-1,467	-849	-2,558	-375	732	6
42	Gold ⁷	571	1,170	1,173	-967	787	866	547					-118	-65	-65
43	Special drawing rights					16	468	7	9	-172	-66	-78	-121	1,249	3
44	Reserve position in the International Monetary Fund	537	-94	-870	-1,034	389	1,350	153	-33	-1,265	-466	-2,212	-294	4,231	-189
45	Foreign currencies	-538	-1,023	-1,173	822	2,156	382	-1	182	-30	-317	-268	158	-4,683	257
46	U.S. Government assets, other than official reserve assets, net	-1,543	-2,423	-2,274	-2,200	-1,589	-1,884	-1,568	-2,644	-3,666	-3,474	-4,214	-3,693	-4,660	-3,746
47	U.S. credits and other long-term assets	-2,513	-3,638	-3,722	-3,489	-3,293	-4,181	-3,819	-4,638	-5,001	-5,941	-6,943	-6,445	-7,470	-7,697
48	Repayments on U.S. credits and other long-term assets ⁸	1,235	1,005	1,386	1,200	1,721	2,115	2,086	2,596	14,482	2,475	2,596	2,719	2,941	3,926
49	U.S. foreign currency holdings and U.S. short-term assets, net	-265	209	62	89	-16	182	165	602	541	-9	133	33	-131	25
50	U.S. private assets, net	-6,347	-7,386	-7,833	-8,206	-10,229	-12,940	-12,925	-20,388	-33,643	-35,380	-44,948	-30,717	-57,202	-61,176
51	Direct investment	-5,418	-4,805	-5,295	-5,960	-7,590	-7,618	-11,353	-9,052	-14,244	-11,949	-11,949	-11,890	-16,056	-22,224
52	Foreign securities	-720	-1,308	-1,569	-1,549	-1,076	-1,113	-618	-671	-1,854	-6,247	-8,885	-5,460	-3,626	-4,726
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-442	-779	-1,203	-126	-596	-1,229	-1,054	-2,383	-3,221	-1,357	-2,296	-1,940	-3,853	-5,014
54	U.S. claims reported by U.S. banks, not included elsewhere	233	-495	233	-570	-967	-2,980	-3,506	-5,980	-19,516	-13,532	-21,368	-11,427	-33,667	-26,213
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	3,661	7,379	9,928	12,702	6,359	22,970	21,461	18,388	35,341	17,170	38,018	53,219	67,036	40,852
56	Foreign official assets in the United States, net	-672	3,451	-774	-1,301	6,908	26,879	10,475	6,026	10,546	7,027	17,693	36,816	33,678	-13,665
57	U.S. Government securities	-1,527	2,261	-769	-2,343	9,439	26,570	8,470	641	4,172	5,563	9,892	32,538	24,221	-21,972
58	U.S. Treasury securities ⁹	-1,548	2,222	-798	-2,269	9,411	26,578	8,213	59	3,270	4,658	9,319	30,230	23,555	-22,435
59	Other ¹⁰	21	39	29	-74	28	-8	257	582	902	905	573	2,308	666	463
60	Other U.S. Government liabilities ¹¹	113	83	-15	251	-456	-510	182	936	301	1,517	4,627	1,400	2,476	-40
61	U.S. liabilities reported by U.S. banks, not included elsewhere	742	1,106	10	792	-2,075	819	1,638	4,126	5,818	-2,158	969	773	5,551	7,213
62	Other foreign official assets ¹²							185	323	254	2,104	2,205	2,105	1,430	1,135
63	Other foreign assets in the United States, net	4,333	3,928	10,703	14,002	-550	-3,909	10,986	12,362	24,796	10,143	20,326	16,403	33,358	54,516
64	Direct investment	425	698	807	1,263	1,464	367	949	2,800	4,760	2,603	4,347	3,728	7,897	11,877
65	U.S. Treasury securities	-356	-135	136	-68	81	-24	-39	-216	697	2,590	2,783	534	15,217	15,406
66	U.S. securities other than U.S. Treasury securities	906	1,016	4,414	3,130	2,189	2,289	4,507	4,041	378	2,503	1,284	2,437	2,254	1,351
67	U.S. currency									1,100	1,500	1,500	1,900	3,000	3,000
68															

Transactions
of dollars]

1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	Line
344,440	380,928	366,926	356,156	400,052	387,806	406,060	456,227	567,260	649,902	708,135	729,513	748,431	776,404	868,041	1,005,715	1,074,425	1,197,206	1,192,231	1
271,834	294,398	275,236	266,106	291,094	289,070	308,786	347,799	430,260	488,336	536,058	579,956	615,909	641,783	702,073	793,482	849,806	938,543	933,907	2
224,250	237,044	211,157	201,799	219,926	215,915	223,344	250,208	320,230	362,120	389,307	416,913	440,352	456,832	502,398	575,845	612,057	679,715	670,246	3
47,584	57,354	64,079	64,307	71,168	73,155	85,442	97,591	110,030	126,216	146,751	163,043	175,557	184,951	199,675	217,637	237,749	258,828	263,661	4
9,029	10,720	12,572	12,524	9,969	8,718	8,549	11,106	9,284	8,564	9,932	11,135	12,387	13,471	12,787	14,643	15,736	17,561	17,155	5
10,588	12,913	12,393	10,947	16,177	17,762	20,385	23,563	29,434	36,205	43,007	48,385	54,742	57,875	58,417	63,395	69,751	73,301	71,250	6
2,591	3,111	3,174	3,610	4,067	4,411	5,582	7,003	8,976	10,657	15,298	15,854	16,618	16,528	16,997	18,909	20,413	20,789	19,996	7
11,618	12,560	12,317	12,590	13,809	14,674	16,154	17,027	19,311	20,526	22,042	22,631	21,531	21,958	23,754	26,081	26,074	27,006	25,518	8
7,085	7,284	5,603	5,778	6,177	6,678	8,113	10,174	12,139	13,818	16,634	17,819	20,841	21,695	26,712	30,289	32,470	33,781	36,808	9
6,276	10,250	17,444	18,192	19,255	20,035	26,779	28,193	30,222	35,858	39,170	46,531	48,597	52,541	60,121	63,502	72,412	85,566	92,116	10
398	517	576	666	714	878	595	526	664	587	688	690	841	883	887	818	893	824	818	11
72,606	86,529	91,690	90,050	108,958	98,736	97,274	108,428	137,000	161,566	172,078	149,558	132,523	134,621	165,968	212,233	224,619	258,663	258,324	12
72,606	86,529	91,690	90,050	108,958	98,736	96,366	107,434	136,005	160,549	170,906	148,268	131,098	133,187	164,425	210,472	222,863	256,861	256,467	13
37,146	32,549	16,294,412	31,800	35,464	35,604	37,148	46,532	58,732	62,260	66,309	59,062	58,005	67,708	77,874	95,991	103,314	115,795	102,846	14
32,898	50,300	58,160	53,418	68,267	57,633	52,806	55,592	70,571	92,638	94,072	81,186	65,977	80,353	82,423	109,768	114,958	137,507	150,001	15
2,562	3,680	4,118	4,832	5,227	5,499	6,413	5,311	6,703	5,651	10,525	8,019	7,115	5,126	4,128	4,713	4,591	3,559	3,620	16
						908	994	995	1,017	1,172	1,290	1,425	1,434	1,543	1,761	1,756	1,802	1,857	17
-333,774	-364,196	-355,964	-377,577	-474,144	-484,106	-530,478	-594,825	-664,167	-721,686	-759,646	-735,048	-763,187	-823,167	-950,529	-1,083,844	-1,161,533	-1,298,705	-1,368,718	18
-291,241	-310,570	-299,391	-323,874	-400,166	-410,950	-448,572	-500,552	-545,715	-579,844	-615,996	-609,440	-652,394	-711,722	-800,468	-891,021	-954,124	-1,043,273	-1,098,189	19
-249,750	-265,067	-247,642	-268,901	-332,418	-338,088	-368,425	-409,765	-447,189	-477,365	-498,337	-490,981	-536,458	-589,441	-668,590	-749,574	-803,327	-876,366	-917,178	20
-41,491	-45,503	-51,749	-54,973	-67,748	-72,862	-80,147	-90,787	-98,526	-102,479	-117,659	-118,459	-116,476	-122,281	-131,878	-141,447	-150,797	-166,907	-181,011	21
-10,851	-11,564	-12,460	-13,087	-12,516	-13,108	-13,730	-14,950	-15,604	-15,313	-17,531	-16,409	-13,835	-10,217	-10,043	-11,029	-11,698	-12,841	-12,841	22
-10,397	-11,479	-12,394	-13,149	-16,229,913	-24,558	-25,913	-29,310	-32,114	-33,416	-37,349	-35,322	-38,552	-40,713	-43,782	-44,916	-48,048	-52,051	-56,105	23
-3,607	-4,487	-4,772	-6,003	-5,735	-6,444	-6,505	-7,283	-7,729	-8,249	-10,531	-10,012	-10,603	-11,410	-13,062	-14,663	-15,818	-18,138	-19,797	24
-11,790	-12,474	-11,710	-12,222	-14,843	-15,643	-16,176	-19,010	-20,891	-22,172	-24,966	-24,975	-23,767	-24,524	-26,019	-27,034	-28,959	-30,457	-30,457	25
-724	-650	-795	-943	-1,168	-1,170	-1,401	-1,857	-2,601	-2,528	-3,135	-4,035	-5,161	-5,032	-5,852	-6,919	-7,837	-9,390	-11,292	26
-2,909	-3,562	-4,159	-4,801	-5,400	-5,203	-6,134,146	-6,485	-7,167	-7,930	-8,930	-9,531	-10,229	-10,229	-10,229	-10,229	-10,229	-10,229	-10,229	27
-1,214	-1,287	-1,460	-1,568	-1,534	-1,735	-1,686	-1,893	-1,921	-1,871	-1,919	-2,116	-2,263	-2,255	-2,560	-2,623	-2,687	-2,762	-2,849	28
-42,532	-53,626	-56,572	-53,703	-73,977	-73,156	-81,907	-94,273	-118,452	-141,842	-143,649	-125,608	-110,253	-111,445	-150,061	-192,823	-207,409	-255,432	-270,529	29
-42,532	-53,626	-56,572	-53,703	-73,977	-73,156	-79,229	-91,935	-116,605	-139,556	-140,185	-121,582	-105,501	-106,313	-144,109	-186,560	-201,109	-248,676	-263,423	30
-8,635	-6,898	-16,210,3	-4,209	-8,664	-7,282	-7,192	-8,058	-12,576	-7,424	-3,907	1,742	-3,341	-9,133	-23,467	-32,186	-35,568	-46,575	-43,441	31
-21,214	-29,415	-35,187	-30,501	-44,158	-42,745	-47,412	-57,659	-72,314	-93,768	-95,508	-82,452	-63,079	-57,804	-76,450	-97,004	-97,901	-114,051	-128,863	32
-12,684	-17,313	-19,282	-18,993	-21,155	-23,129	-26,628	-26,218	-31,715	-38,364	-40,770	-40,872	-39,081	-39,376	-44,192	-57,370	-67,640	-88,050	-91,119	33
						-2,678	-2,338	-1,847	-2,286	-3,464	-4,026	-4,752	-5,132	-5,952	-6,283	-6,300	-6,756	-7,106	34
-8,349	-11,702	-17,139	-17,778	-20,661	-22,762	-24,818	-24,047	-26,139	-27,116	-27,821	9,819	-35,873	-38,522	-39,192	-35,437	-42,187	-41,966	-44,075	35
-5,486	-5,145	-6,087	-6,469	-8,696	-11,268	-11,883	-10,309	-10,537	-10,860	-10,359	29,193	-16,320	-17,036	-14,978	-11,190	-15,337	-12,386	-13,057	36
-1,818	-2,041	-2,251	-2,207	-2,159	-2,138	-2,372	-2,409	-2,709	-2,775	-3,224	-3,775	-4,043	-4,104	-4,556	-3,451	-4,466	-4,239	-4,350	37
-1,044	-4,516	-8,801	-9,103	-9,805	-9,357	-10,564	-11,330	-12,893	-13,481	-14,238	-15,599	-15,510	-17,383	-19,658	-20,796	-22,384	-25,341	-26,668	38
		199	209	235	315	301	365	493	336	-6,579	-4,479	612	-88	-469	372	672	292	617	39
-85,815	-113,054	-127,825	-66,423	-40,515	-44,946	-111,933	-79,540	-106,860	-175,662	-81,570	-64,732	-74,877	-201,014	-176,586	-330,675	-380,762	-465,296	-292,818	40
-7,003	-4,082	-4,965	-1,196	-3,131	-3,858	312	9,149	-3,912	-25,293	-2,158	5,763	3,901	-1,379	5,346	-9,742	6,668	-1,010	-6,784	41
1,136	-730	-1,371	-66	-979	-897	-246	-509	127	-535	-192	-177	2,316	-537	-441	-808	370	-350	-149	42
-1,667	-2,491	-2,552	-4,434	-995	908	1,501	2,070	1,025	471	731	-367	-2,892	-44	494	-2,466	-1,280	-3,575	-5,114	43
-6,472	-861	-1,041	3,304	-1,156	-3,869	-942	7,588	-5,064	-25,229	-2,697	6,307	4,277	-797	5,293	-6,468	7,578	2,915	-1,517	44
-5,162	-5,097	-6,131	-5,066	-5,489	-2,821	-2,022	1,006	2,967	1,233	2,317	2,924	-1,667	-351	-390	-984	-989	68	-429	46
-9,860	-9,674	-10,063	-9,967	-9,599	-7,657	-9,084	-6,506	-7,680	-5,608	-8,410	-12,879	-7,408	-6,311	-5,383	-4,859	-5,025	-5,417	-4,676	47
4,456	4,413	4,292	5,012	4,490	4,719	6,089	7,625	10,370	6,725	10,856	16,776	5,807	6,270	5,088	4,125	3,930	5,438	4,102	48
242	164	-360	-51	-379	117	973	-113	277	115	-130	-974	-66	-310	-95	-250	106	47	145	49
-73,651	-103,875	-116,729	-60,222	-31,896	-38,268	-110,224	-89,694	-105,915	-151,602	-81,729	-73,419	-77,111	-199,284	-181,542	-319,949	-386,441	-464,354	-285,605	50
-19,222	-9,624	-16,499	-12,578	-16,546	-19,121	-24,205	-35,278	-22,815	-43,726	-37,519	-38,233	-48,733	-84,412	-80,697	-99,481	-92,694	-109,955	-132,829	51
-3,568	-5,699	-7,983	-6,762	-4,756	-7,481	-4,271	-5,251	-7,980	-22,070	-28,765	-45,673	-49,166	-146,253	-60,309	-100,074	-115,859	-89,174	-102,817	52
-4,023	-4,377																		

Table 1.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Not seasonally adjusted							
		1987				1988			
		I	II	III	IV	I	II	III	IV
Current account									
1	Exports of goods and services and income receipts	105,047	112,479	114,501	124,200	135,490	141,103	141,291	149,376
2	Exports of goods and services	80,467	85,739	87,820	93,773	102,608	108,082	107,906	111,665
3	Goods, balance of payments basis ²	57,646	61,683	61,614	69,265	77,006	81,222	77,852	84,150
4	Services ³	22,821	24,056	26,206	24,508	25,602	26,860	30,054	27,515
5	Transfers under U.S. military agency sales contracts ⁴	3,113	3,235	2,584	2,174	2,441	2,540	2,536	1,767
6	Travel	4,756	5,827	7,288	5,691	5,933	7,117	9,201	7,182
7	Passenger fares	1,325	1,784	2,231	1,664	1,820	2,233	2,930	1,993
8	Other transportation	3,926	4,167	4,446	4,489	4,676	4,874	4,916	4,845
9	Royalties and license fees ⁵	2,239	2,377	2,502	3,056	2,686	2,890	2,869	3,694
10	Other private services ⁵	7,359	6,542	6,979	7,313	7,923	7,026	7,413	7,860
11	U.S. Government miscellaneous services	103	124	177	122	124	179	189	173
12	Income receipts	24,580	26,740	26,681	30,426	32,882	33,022	33,385	37,711
13	Income receipts on U.S.-owned assets abroad	24,334	26,492	26,431	30,176	32,633	32,775	33,136	37,461
14	Direct investment receipts	10,333	11,848	11,054	13,296	13,972	15,341	13,311	16,108
15	Other private receipts	12,617	13,366	13,872	15,737	15,936	16,227	18,502	19,906
16	U.S. Government receipts	1,384	1,279	1,505	1,143	2,725	1,207	1,323	1,447
17	Compensation of employees	246	248	250	250	249	247	249	250
18	Imports of goods and services and income payments	-134,348	-147,969	-153,837	-158,672	-156,964	-165,217	-168,591	-173,395
19	Imports of goods and services	-112,883	-124,684	-129,789	-133,197	-129,801	-136,691	-137,941	-141,281
20	Goods, balance of payments basis ²	-93,587	-101,248	-104,400	-110,530	-107,442	-111,540	-110,605	-117,602
21	Services ³	-19,296	-23,436	-25,389	-22,667	-22,359	-25,151	-27,336	-23,679
22	Direct defense expenditures	-3,613	-3,608	-3,788	-3,942	-3,831	-3,868	-3,851	-4,054
23	Travel	-5,521	-8,221	-9,302	-6,266	-6,293	-8,498	-10,388	-6,935
24	Passenger fares	-1,489	-1,899	-2,248	-1,648	-1,648	-2,008	-2,320	-1,753
25	Other transportation	-4,097	-4,710	-4,916	-5,287	-5,173	-5,329	-5,241	-5,147
26	Royalties and license fees ⁵	-381	-466	-458	-552	-603	-640	-664	-694
27	Other private services ⁵	-3,817	-4,097	-4,136	-4,435	-4,343	-4,349	-4,341	-4,633
28	U.S. Government miscellaneous services	-379	-436	-540	-538	-468	-459	-530	-463
29	Income payments	-21,465	-23,285	-24,049	-25,475	-27,163	-28,526	-30,650	-32,114
30	Income payments on foreign-owned assets in the United States	-20,836	-22,673	-23,498	-24,929	-26,687	-28,068	-30,237	-31,614
31	Direct investment payments	-2,090	-2,139	-2,538	-1,292	-3,012	-3,524	-3,162	-2,879
32	Other private payments	-12,294	-14,031	-14,433	-16,901	-16,441	-16,814	-18,842	-20,217
33	U.S. Government payments	-6,452	-6,503	-6,527	-6,736	-7,234	-7,730	-8,233	-8,518
34	Compensation of employees	-629	-612	-551	-546	-476	-458	-413	-500
35	Unilateral current transfers, net	-5,396	-5,458	-5,790	-7,403	-6,262	-5,622	-5,984	-8,271
36	U.S. Government grants ⁴	-2,116	-2,283	-2,245	-3,665	-2,297	-1,982	-2,395	-3,863
37	U.S. Government pensions and other transfers	-543	-506	-574	-786	-552	-644	-588	-924
38	Private remittances and other transfers ⁶	-2,738	-2,669	-2,971	-2,952	-3,412	-2,997	-3,001	-3,483
Capital and financial account									
Capital account									
39	Capital account transactions, net	87	91	94	93	109	118	130	136
Financial account									
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	7,501	-28,437	-28,474	-30,131	1,534	-26,505	-51,120	-30,770
41	U.S. official reserve assets, net	1,956	3,419	32	3,741	1,503	39	-7,380	1,925
42	Gold ⁷	76	-171	-210	-205	155	180	-35	-173
43	Special drawing rights	606	335	407	722	446	69	202	307
44	Reserve position in the International Monetary Fund	1,274	3,255	-165	3,225	901	-210	-7,547	1,791
45	Foreign currencies								
46	U.S. Government assets, other than official reserve assets, net	-121	-92	289	929	-1,675	-820	1,988	3,474
47	U.S. credits and other long-term assets	-978	-2,118	-2,067	-1,343	-2,814	-2,021	-1,458	-1,388
48	Repayments on U.S. credits and other long-term assets ⁸	1,010	1,867	2,360	2,388	1,031	1,177	3,386	4,776
49	U.S. foreign currency holdings and U.S. short-term assets, net	-153	159	-4	-116	108	23	60	86
50	U.S. private assets, net	5,666	-31,764	-28,795	-34,801	1,706	-25,724	-45,728	-36,169
51	Direct investment	-7,107	-9,316	-9,457	-9,398	-6,318	-5,705	-8,974	-1,818
52	Foreign securities	-1,749	-287	-1,159	-2,056	-4,504	1,318	-1,500	-3,294
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-5,715	712	-1,319	-724	-3,454	-9,954	-5,217	-2,568
54	U.S. claims reported by U.S. banks, not included elsewhere	20,237	-22,873	-16,860	-22,623	15,982	-11,383	-30,037	-28,489
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	42,227	57,917	83,477	65,396	31,882	75,064	53,185	86,818
56	Foreign official assets in the United States, net	14,199	10,445	764	19,980	24,925	6,006	-1,974	10,801
57	U.S. Government securities	12,131	11,340	1,555	19,776	27,568	6,055	-3,197	12,624
58	U.S. Treasury securities ⁹	12,193	11,084	841	19,120	27,730	5,853	-3,769	11,927
59	Other ¹⁰	-62	256	714	656	-162	202	572	697
60	Other U.S. Government liabilities ¹¹	-1,115	-1,228	-131	148	-48	-442	-155	178
61	U.S. liabilities reported by U.S. banks, not included elsewhere	3,543	615	-35	-205	-1,751	810	1,886	-1,264
62	Other foreign official assets ¹²	-360	-283	-625	261	-844	-417	-508	-737
63	Other foreign assets in the United States, net	28,028	47,472	82,713	45,416	6,956	69,058	55,160	76,017
64	Direct investment	12,863	9,178	21,095	15,716	8,278	14,250	14,167	21,467
65	U.S. Treasury securities	-2,826	-2,431	-2,835	449	5,911	5,473	3,443	5,412
66	U.S. securities other than U.S. Treasury securities	18,372	15,960	12,676	-4,888	2,423	9,702	7,464	6,764
67	U.S. currency	500	1,700	1,000	2,200	600	2,200	1,300	1,700
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	6,151	5,595	6,656	-39	12,593	6,742	6,399	7,159
69	U.S. liabilities reported by U.S. banks, not included elsewhere	-7,032	17,470	44,121	31,978	-22,849	30,691	22,387	33,515
70	Statistical discrepancy (sum of above items with sign reversed)	-15,119	11,377	-9,971	6,517	-5,788	-18,942	31,089	-23,893
Memoranda:									
71	Balance on goods (lines 3 and 20)	-35,941	-39,565	-42,786	-41,265	-30,436	-30,318	-32,753	-33,452
72	Balance on services (lines 4 and 21)	3,525	619	817	1,841	3,243	1,708	2,718	3,835
73	Balance on goods and services (lines 2 and 19)	-32,416	-38,946	-41,969	-39,424	-27,193	-28,610	-30,035	-29,617
74	Balance on income (lines 12 and 29)	3,115	3,456	2,633	4,952	5,719	4,496	2,735	5,597
75	Unilateral current transfers, net (line 35)	-5,396	-5,458	-5,790	-7,403	-6,262	-5,622	-5,984	-8,271
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-34,697	-40,948	-45,126	-41,874	-27,736	-29,735	-33,284	-32,291

Transactions—Continued
of dollars]

Not seasonally adjusted																Line
1989				1990				1991				1992				
I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
157,041	165,324	160,931	166,605	171,960	176,625	173,567	185,983	181,053	183,124	179,810	185,527	185,617	187,933	185,003	189,877	1
117,893	124,276	121,405	124,762	129,928	134,511	132,592	139,027	138,613	145,970	144,719	150,654	151,649	153,507	153,023	157,730	2
88,559	94,076	87,030	92,455	96,328	99,590	92,910	100,479	101,891	106,511	100,336	108,175	109,192	110,856	105,749	114,555	3
29,334	30,200	34,375	32,307	33,600	34,921	39,682	38,548	36,722	39,459	44,383	42,479	42,457	42,651	47,274	43,175	4
2,161	2,142	2,417	1,844	2,147	2,327	2,954	2,502	2,688	2,748	2,586	3,112	3,399	3,006	3,158	2,824	5
7,553	8,643	11,003	9,007	9,289	10,541	12,466	10,712	9,544	12,033	14,736	12,072	12,283	13,680	15,977	12,802	6
2,270	2,483	3,387	2,517	3,192	3,663	4,526	3,917	3,094	3,818	5,034	3,908	3,834	4,034	4,944	3,806	7
5,000	5,184	5,087	5,255	5,318	5,334	5,680	5,710	5,382	5,559	5,806	5,884	5,276	5,343	5,420	5,492	8
3,178	3,301	3,307	4,032	3,579	3,966	4,120	4,970	4,095	4,272	4,263	5,189	4,883	5,113	5,153	5,692	9
9,016	8,300	9,033	9,508	9,931	8,890	9,765	10,585	11,720	10,884	11,744	12,182	16,126,50	11,204	12,323	12,420	10
155	146	143	144	145	200	170	153	200	145	213	132	131	272	299	139	11
39,148	41,048	39,526	41,844	42,032	42,114	40,976	46,956	42,440	37,155	35,090	34,873	33,969	34,426	31,981	32,148	12
38,899	40,799	39,270	41,581	41,750	41,822	40,684	46,650	42,122	36,836	34,765	34,545	33,631	34,080	31,618	31,770	13
15,386	15,941	14,504	16,429	16,658	16,914	14,988	17,749	16,739	14,675	12,901	14,747	14,829	15,868	13,862	13,447	14
22,363	23,870	22,898	23,507	23,001	23,073	23,660	24,338	22,679	20,486	19,821	18,200	17,083	16,678	15,771	16,445	15
1,150	988	1,869	1,645	2,091	1,835	2,036	4,563	2,704	1,675	2,043	1,597	1,719	1,534	1,984	1,876	16
249	249	256	263	282	292	292	306	318	319	325	328	338	346	363	378	17
-171,048	-183,809	-183,781	-183,048	-180,958	-186,972	-195,370	-196,346	-177,864	-182,438	-187,899	-186,848	-177,403	-190,501	-196,829	-198,454	18
-136,886	-146,806	-147,773	-148,380	-145,563	-150,947	-158,226	-161,261	-144,068	-150,117	-156,239	-159,016	-149,958	-161,575	-169,103	-172,298	19
-113,925	-120,776	-119,217	-123,447	-119,793	-121,451	-125,260	-131,833	-116,404	-119,828	-124,518	-130,231	-122,891	-131,718	-138,203	-143,646	20
-22,961	-26,030	-28,556	-24,933	-25,770	-29,496	-32,966	-29,428	-27,664	-30,289	-31,721	-28,785	-27,067	-29,857	-30,900	-28,652	21
-3,946	-3,908	-3,722	-3,736	-4,006	-3,910	-4,463	-5,152	-5,169	-3,933	-3,597	-3,710	-3,438	-3,309	-3,374	-3,374	22
-6,438	-8,827	-10,748	-7,403	-7,266	-10,289	-11,935	-7,859	-6,770	-10,862	-7,874	-10,859	-7,772	-10,459	-11,787	-8,534	23
-1,739	-2,161	-2,560	-1,790	-2,171	-2,782	-3,224	-2,354	-2,033	-2,641	-2,884	-2,455	-2,371	-2,716	-2,974	-2,542	24
-5,274	-5,499	-5,705	-5,694	-5,928	-5,996	-6,434	-6,608	-6,011	-6,181	-6,181	-6,273	-5,768	-5,715	-6,239	-6,045	25
-610	-636	-572	-710	-715	-698	-800	-923	-882	-1,006	-1,080	-1,067	-1,359	-1,106	-1,520	-1,177	26
-4,522	-4,560	-4,763	-5,085	-5,222	-5,326	-5,600	-6,081	-6,328	-6,224	-6,170	-6,869	16-5,592	-5,808	-4,487	-6,409	27
-431	-439	-486	-515	-463	-494	-510	-451	-472	-489	-618	-537	-491	-584	-572	-572	28
-34,162	-37,004	-36,008	-34,668	-35,395	-36,026	-37,144	-35,085	-33,796	-32,321	-31,660	-27,832	-27,445	-28,926	-27,727	-26,156	29
-33,646	-36,477	-35,451	-33,982	-34,604	-35,224	-36,261	-34,097	-32,912	-31,389	-30,622	-26,660	-26,339	-27,787	-26,506	-24,870	30
-2,040	-3,058	-2,203	-123	-700	-1,557	-1,999	348	1,087	-235	-562	1,451	785	-1,813	-1,730	-584	31
-22,369	-23,893	-23,478	-24,028	-23,882	-23,546	-24,039	-24,041	-23,549	-20,934	-19,794	-18,175	-17,333	-14,996	-14,996	-14,598	32
-9,237	-9,526	-9,770	-9,831	-10,022	-10,121	-10,223	-10,404	-10,450	-10,220	-10,266	-9,936	-9,791	-9,822	-9,780	-9,688	33
-516	-527	-557	-686	-791	-802	-883	-988	-884	-932	-1,038	-1,172	-1,106	-1,139	-1,221	-1,286	34
-6,373	-5,628	-6,736	-8,379	-6,897	-7,609	-7,509	-5,806	14,649	3,966	-2,947	-5,849	-7,747	-8,242	-7,951	-11,932	35
-2,422	-1,995	-2,830	-3,614	-2,556	-3,613	-3,088	-1,102	19,445	8,285	1,730	-267	-3,040	-3,532	-3,161	-6,586	36
-659	-652	-912	-655	-721	-655	-739	-1,109	-773	-680	-774	-774	-722	-1,008	-892	-1,421	37
-3,292	-3,081	-3,255	-3,853	-3,620	-3,341	-3,682	-3,595	-4,023	-3,638	-3,903	-4,035	-3,985	-3,702	-3,898	-3,926	38
128	133	139	-64	-19	157	165	-6,882	-941	73	-3,786	175	152	111	173	176	39
-55,705	-10,926	-54,169	-54,862	36,410	-39,250	-45,192	-33,538	-11,760	-1,097	-17,624	-34,252	-12,569	-17,954	-15,135	-29,219	40
-4,000	-12,095	-5,996	-3,202	-3,177	371	1,739	-1,091	-353	1,014	3,877	1,225	-1,057	1,464	1,952	1,542	41
-188	68	-211	-204	-247	-216	363	-93	31	-190	6	-23	-172	-168	-173	2,829	43
316	-159	337	-23	234	493	8	-4	-341	72	-114	17	111	1	-118	-2,685	44
-4,128	-12,004	-6,122	-2,975	-3,164	94	1,368	-995	-43	1,132	3,986	1,232	-996	1,631	2,243	1,398	45
891	-287	592	37	-716	-836	-332	4,201	619	-508	3,281	-469	-329	-372	-322	-644	46
-1,007	-1,174	-2,136	-1,292	-1,871	-2,019	-1,349	-3,171	-2,018	-1,061	-8,724	-1,077	-1,517	-1,247	-1,980	-2,664	47
1,894	834	2,759	1,238	1,229	1,169	1,044	7,414	2,700	755	12,442	880	1,256	1,014	1,429	2,108	48
3	53	-32	91	-74	14	-28	-43	-63	-202	-437	-272	-68	-139	229	-89	49
-52,595	1,456	-48,765	-51,698	40,303	-38,785	-46,599	-36,648	-12,026	-1,602	-24,782	-35,009	-11,184	-19,046	-16,765	-30,116	50
-14,067	-10,430	-11,298	-7,932	-11,849	-6,657	-19,380	367	-15,578	-2,986	-11,104	-8,565	-21,767	-11,917	-6,792	-8,257	51
-2,225	-6,192	-9,149	-4,504	-8,580	-11,037	-1,037	-8,111	-9,960	-12,021	-12,550	-11,142	-8,668	-8,196	-13,059	-19,243	52
-9,293	-5,767	-5,924	-6,662	3,019	-5,069	-15,514	-10,260	-40	7,902	3,341	-106	7,562	-6,620	-3,737	2,408	53
-27,010	23,844	-22,394	-32,600	57,713	-16,022	-10,668	-18,644	13,552	5,503	-4,469	-15,196	11,689	7,687	6,823	-5,024	54
66,429	11,492	74,461	72,924	-22,849	42,200	64,190	58,487	8,217	13,386	33,931	55,799	31,023	51,051	36,424	53,317	55
7,700	-5,115	13,060	-7,142	-6,421	6,207	13,937	20,186	5,569	-4,914	3,854	12,879	20,988	20,879	-7,524	6,133	56
5,355	-9,823	12,966	-6,966	-6,698	4,081	12,469	20,391	126	-3,764	6,095	13,690	15,380	12,950	593	-6,520	57
4,634	-9,726	12,776	-7,535	-6,177	3,735	12,335	19,683	155	-3,545	5,621	12,615	14,916	11,251	-319	-7,394	58
721	-97	190	569	-521	346	134	708	-29	-219	474	1,075	464	1,699	912	874	59
-307	314	-338	492	-195	1,160	-408	1,310	769	253	771	-426	-73	518	607	1,138	60
2,197	3,823	-211	-833	598	1,240	2,141	-594	3,908	-1,517	-3,107	-768	5,568	7,486	-7,724	11,241	61
455	572	643	165	-126	-274	-921	-921	766	115	95	383	113	-75	-1,000	2,274	62
58,730	16,606	61,402	80,067	-16,428	35,993	50,253	38,301	2,648	18,300	30,077	42,920	10,034	30,171	43,948	47,184	63
18,348	15,837	11,913	22,556	15,749	14,758	9,272	9,173	3,946	14,087	-660	6,322	2,029	6,662	3,853	8,	

Table 1.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Not seasonally adjusted											
		1993				1994				1995			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
Current account													
1	Exports of goods and services and income receipts	189,622	193,937	191,583	201,263	202,358	212,682	220,403	232,598	241,243	249,890	253,168	261,414
2	Exports of goods and services	156,562	160,867	157,900	166,453	165,488	173,316	177,695	185,574	189,571	196,108	200,807	206,996
3	Goods, balance of payments basis ²	112,163	115,849	108,080	120,740	118,584	124,772	123,868	135,174	139,114	144,799	140,948	150,984
4	Services ³	44,399	45,018	49,820	45,713	46,904	48,544	53,827	50,400	50,457	51,309	59,859	56,012
5	Transfers under U.S. military agency sales contracts ⁴	3,690	3,419	3,625	2,736	2,860	3,244	3,714	2,969	3,407	3,502	4,041	3,693
6	Travel	12,710	14,410	17,156	13,599	12,818	14,644	17,208	13,747	13,157	14,887	19,475	15,876
7	Passenger fares	3,800	3,989	4,966	3,773	3,870	4,147	5,025	3,955	4,227	4,349	5,653	4,680
8	Other transportation	5,392	5,499	5,447	5,620	5,387	5,856	6,099	6,412	6,180	6,549	6,576	6,776
9	Royalties and license fees ⁵	4,994	5,400	5,260	6,040	6,310	6,550	6,497	7,355	6,999	7,280	7,662	8,348
10	Other private services ⁵	13,608	12,015	13,141	13,777	15,408	13,953	15,058	15,702	16,285	14,584	16,190	16,443
11	U.S. Government miscellaneous services	204	286	225	168	251	150	226	260	202	158	262	196
12	Income receipts	33,060	33,070	33,682	34,809	36,870	39,366	42,708	47,024	51,672	53,782	52,361	54,418
13	Income receipts on U.S.-owned assets abroad	32,720	32,720	33,317	34,430	36,504	38,991	42,315	46,615	51,233	53,342	51,919	53,978
14	Direct investment receipts	16,289	17,045	16,743	17,630	18,064	18,586	19,804	21,420	23,063	24,985	23,069	24,874
15	Other private receipts	15,040	14,575	15,124	15,614	17,301	19,605	21,437	24,080	26,855	27,225	27,677	28,011
16	U.S. Government receipts	1,390	1,100	1,450	1,186	1,139	800	1,074	1,115	1,315	1,132	1,173	1,093
17	Compensation of employees	340	350	365	379	366	375	393	409	439	440	442	440
18	Imports of goods and services and income payments	-188,851	-205,260	-210,986	-218,071	-211,439	-232,228	-250,037	-256,825	-255,178	-274,044	-279,814	-274,808
19	Imports of goods and services	-163,509	-177,583	-183,552	-187,078	-180,408	-196,569	-210,059	-213,792	-209,488	-226,221	-229,094	-226,218
20	Goods, balance of payments basis ²	-136,130	-146,411	-150,278	-156,622	-150,146	-162,953	-173,836	-181,655	-177,469	-190,053	-190,433	-191,619
21	Services ³	-27,379	-31,172	-33,274	-30,456	-29,902	-33,616	-36,223	-32,137	-32,019	-36,168	-38,661	-34,599
22	Direct defense expenditures	-3,177	-3,194	-2,919	-2,797	-2,695	-2,669	-2,487	-2,366	-2,572	-2,447	-2,446	-2,578
23	Travel	-8,108	-10,749	-12,265	-9,591	-8,998	-11,848	-13,341	-9,595	-9,140	-12,208	-13,457	-10,111
24	Passenger fares	-2,486	-2,894	-3,281	-2,749	-2,908	-3,401	-3,789	-2,964	-3,119	-3,883	-4,232	-3,429
25	Other transportation	-5,887	-6,151	-6,239	-6,247	-6,024	-6,390	-6,934	-6,671	-6,595	-6,743	-7,019	-6,677
26	Royalties and license fees ⁵	-1,118	-1,219	-1,317	-1,378	-1,591	-1,259	-1,432	-1,570	-1,547	-1,567	-1,787	-2,018
27	Other private services ⁵	-6,028	-6,410	-6,652	-7,172	-7,056	-7,411	-7,561	-8,358	-8,354	-8,684	-9,058	-9,153
28	U.S. Government miscellaneous services	-575	-556	-601	-523	-630	-638	-679	-613	-692	-636	-662	-633
29	Income payments	-25,342	-27,676	-27,434	-30,993	-31,391	-35,659	-39,978	-43,033	-45,690	-47,823	-50,720	-48,590
30	Income payments on foreign-owned assets in the United States	-24,197	-26,460	-26,110	-29,546	-30,033	-34,220	-38,426	-41,430	-44,235	-46,317	-49,095	-46,913
31	Direct investment payments	-12	-2,947	-2,270	-3,904	-3,815	-5,529	-7,061	-7,062	-7,021	-7,820	-9,830	-7,515
32	Other private payments	-14,483	-13,826	-13,878	-15,617	-16,032	-18,112	-20,225	-22,081	-23,914	-24,391	-24,413	-24,286
33	U.S. Government payments	-9,702	-9,687	-9,962	-10,025	-10,186	-10,579	-11,140	-12,287	-13,300	-14,106	-14,852	-15,112
34	Compensation of employees	-1,145	-1,216	-1,324	-1,447	-1,358	-1,439	-1,552	-1,603	-1,455	-1,506	-1,625	-1,677
35	Unilateral current transfers, net	-8,019	-8,544	-9,342	-12,617	-8,274	-8,267	-9,565	-13,086	-9,005	-8,059	-8,808	-9,565
36	U.S. Government grants ⁴	-3,007	-3,468	-4,097	-6,463	-2,488	-2,946	-3,323	-6,221	-2,964	-2,491	-2,698	-3,037
37	U.S. Government pensions and other transfers	-598	-1,036	-813	-1,657	-845	-747	-1,257	-1,707	-713	-816	-910	-1,012
38	Private remittances and other transfers ⁶	-4,414	-4,040	-4,432	-4,497	-4,941	-4,574	-4,985	-5,158	-5,328	-4,752	-5,200	-5,516
Capital and financial account													
Capital account													
39	Capital account transactions, net	-459	147	83	141	152	-704	-70	153	146	272	-299	253
Financial account													
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-22,601	-47,067	-54,106	-77,239	-42,379	-44,389	-33,063	-56,755	-66,335	-114,573	-42,778	-106,989
41	U.S. official reserve assets, net	-983	822	-545	-673	-59	3,537	-165	2,033	-5,318	-2,722	-1,893	191
42	Gold ⁷												
43	Special drawing rights	-140	-166	-118	-113	-101	-108	-111	-121	-867	-156	362	-147
44	Reserve position in the International Monetary Fund	-228	313	-48	-80	-3	251	273	-27	-526	-786	-991	-1,663
45	Foreign currencies	-615	675	-378	-480	45	3,394	-327	2,181	-3,925	-1,780	-1,264	501
46	U.S. Government assets, other than official reserve assets, net	487	-304	-194	-340	399	477	-323	943	-553	-225	252	-458
47	U.S. credits and other long-term assets	-945	-773	-1,668	-2,925	-757	-1,006	-1,372	-2,248	-1,622	-862	-1,028	-1,347
48	Repayments on U.S. credits and other long-term assets ⁸	1,763	891	2,036	1,580	1,120	1,648	1,383	993	1,072	649	1,522	882
49	U.S. foreign currency holdings and U.S. short-term assets, net	-331	-422	-562	-1,005	36	-165	-334	368	-3	-12	-242	7
50	U.S. private assets, net	-22,105	-47,585	-53,366	-76,227	-42,719	-48,403	-32,575	-57,845	-60,464	-111,626	-41,137	-106,722
51	Direct investment	-16,092	-24,488	-14,286	-29,547	-31,193	-16,249	-19,394	-13,861	-16,213	-23,211	-38,203	-38,203
52	Foreign securities	-28,208	-29,833	-51,940	-36,272	-19,540	-9,229	-12,405	-19,135	-7,631	-23,313	-36,144	-32,986
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-6,130	-725	5,896	1,725	-2,215	-20,966	-960	-12,195	-2,631	-24,580	13,729	-31,804
54	U.S. claims reported by U.S. banks, not included elsewhere	28,325	7,461	6,962	-12,133	10,229	-1,959	184	-12,654	-28,348	-47,520	4,489	-3,729
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	25,152	59,747	86,451	111,881	90,170	57,416	83,184	76,536	103,160	129,655	125,864	108,873
56	Foreign official assets in the United States, net	10,937	17,466	19,073	24,277	10,568	9,455	19,358	202	21,956	37,072	39,302	11,550
57	U.S. Government securities	1,745	6,750	20,443	24,076	1,074	8,282	18,697	8,774	11,258	26,560	21,118	13,778
58	U.S. Treasury securities ⁹	1,080	5,668	19,098	23,106	897	5,922	16,475	7,456	10,132	25,234	20,596	13,013
59	Other ¹⁰	665	1,082	1,345	970	177	2,360	2,222	1,318	1,126	1,326	518	765
60	U.S. Government liabilities ¹¹	-469	132	932	718	659	-5	284	626	-562	54	-504	907
61	U.S. liabilities reported by U.S. banks, not included elsewhere	8,257	9,485	-2,486	-415	9,588	2,143	1,177	-9,243	10,995	7,510	18,918	-3,415
62	Other foreign official assets ¹²	1,404	1,099	184	-102	-753	-965	-800	45	285	2,948	-228	280
63	Other foreign assets in the United States, net	14,215	42,281	67,378	87,604	79,602	47,961	63,826	76,334	81,204	92,583	86,562	97,323
64	Direct investment	8,113	12,095	12,445	19,900	5,773	6,341	14,959	20,365	9,834	12,638	18,351	18,821
65	U.S. Treasury securities	13,363	-292	3,258	8,052	9,912	-7,098	5,661	25,799	30,011	30,439	37,295	1,803
66	U.S. securities other than U.S. Treasury securities	9,694	15,205	17,782	37,411	21,070	12,352	13,389	10,160	15,734	20,606	32,128	27,899
67	U.S. currency	3,000	5,900	6,400	3,600	5,000	6,300	4,700	6,900	6,400	1,900	1,900	2,100
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-215	6,531	288	3,885	5,856	4,269	-1,620	-7,203	17,764	11,864	13,493	16,516
69	U.S. liabilities reported by U.S. banks, not included elsewhere	-19,740	2,842	27,205	14,756	31,491	25,797	26,737	20,313	1,461	15,136	-16,605	30,184
70	Statistical discrepancy (sum of above items with sign reversed)	5,157	7,041	-3,683	-5,357	-30,588	15,490	-10,852	17,379	-14,031	16,859	-47,333	20,822
Memoranda:													
71	Balance on goods (lines 3 and 20)	-23,967	-30,562	-42,198	-35,882	-31,562	-38,181	-49,968	-46,481	-38,355	-45,254	-49,485	-40,635
72	Balance on services (lines 4 and 21)	17,021	13,845	16,547	15,257	17,002	1						

Transactions—Continued
of dollars]

Not seasonally adjusted														Line
1996				1997				1998				1999		
I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^a		
262,140	265,745	263,468	283,072	285,889	301,186	302,687	307,444	300,755	299,641	288,254	303,581	293,888	1	
206,863	211,381	207,668	223,894	223,614	235,544	236,457	242,928	233,738	232,905	226,261	241,003	229,309	2	
151,467	154,189	146,650	160,751	162,703	172,430	166,560	178,022	170,371	168,021	157,386	174,468	163,344	3	
55,396	57,192	62,018	63,143	60,911	63,114	69,897	64,906	63,367	64,884	68,875	66,535	65,965	4	
3,389	3,726	4,074	4,547	4,146	4,810	4,514	4,091	4,606	4,489	3,979	4,081	4,372	5	
14,950	17,405	19,385	18,011	16,080	18,164	21,898	17,159	15,652	18,119	20,354	17,125	15,758	6	
4,673	4,912	5,637	5,191	4,789	4,970	5,969	5,061	4,581	5,000	5,733	4,682	4,596	7	
6,147	6,480	6,482	6,965	6,591	6,755	6,719	6,941	6,201	6,261	6,367	6,689	6,473	8	
7,682	7,682	8,013	9,093	8,030	8,144	8,537	9,070	8,655	8,716	8,866	10,571	9,231	9	
18,266	16,800	18,217	19,129	21,081	20,049	22,042	22,394	23,453	22,108	23,377	23,178	25,330	10	
289	187	210	207	194	222	218	190	219	191	199	209	205	11	
55,277	54,364	55,800	59,178	62,275	65,642	66,230	64,516	67,017	66,736	61,993	62,578	64,579	12	
54,838	53,926	55,360	58,739	61,824	65,192	65,779	64,066	66,273	66,273	61,528	62,113	64,109	13	
25,534	25,074	24,933	27,773	29,020	30,526	29,809	26,440	27,804	27,095	22,779	25,168	27,329	14	
27,935	27,942	29,008	30,073	31,847	33,916	34,936	36,808	37,826	38,412	37,744	36,019	35,814	15	
1,369	910	1,419	893	957	750	1,034	818	923	766	1,005	926	966	16	
439	438	440	439	451	450	454	450	464	463	465	465	470	17	
-269,569	-287,971	-300,992	-303,001	-302,632	-322,783	-338,139	-335,151	-324,302	-341,493	-351,539	-351,384	-343,266	18	
-221,883	-237,559	-247,168	-247,514	-242,639	-259,141	-271,427	-270,066	-258,689	-273,914	-282,050	-283,536	-275,023	19	
-187,742	-199,469	-205,550	-210,566	-205,122	-217,002	-225,244	-228,998	-218,032	-227,633	-232,395	-239,118	-230,903	20	
-34,141	-38,090	-41,618	-36,948	-37,517	-42,139	-46,183	-41,068	-40,657	-46,281	-49,655	-44,418	-44,120	21	
-2,742	-2,695	-2,808	-2,784	-2,832	-2,714	-3,005	-3,147	-3,098	-3,061	-3,276	-3,406	-3,550	22	
-10,110	-12,604	-14,755	-10,579	-11,030	-13,761	-16,013	-11,247	-11,662	-15,193	-17,234	-12,016	-12,356	23	
-3,547	-4,161	-4,521	-3,589	-3,930	-4,941	-5,298	-3,969	-4,232	-5,325	-5,722	-4,518	-4,756	24	
-6,389	-6,955	-7,124	-6,935	-6,897	-7,290	-7,332	-7,440	-7,147	-7,533	-7,820	-7,957	-7,591	25	
-1,780	-1,741	-2,284	-2,032	-2,092	-2,054	-2,583	-2,661	-2,939	-2,587	-2,685	-3,081	-3,138	26	
-8,915	-9,277	-9,434	-10,349	-10,070	-10,683	-11,230	-11,926	-10,907	-11,915	-12,153	-12,695	-12,025	27	
-658	-657	-692	-680	-666	-696	-722	-678	-672	-672	-765	-745	-704	28	
-47,686	-50,412	-53,824	-55,487	-59,993	-63,642	-66,712	-65,085	-65,613	-67,579	-69,489	-67,848	-68,243	29	
-46,267	-48,909	-52,195	-53,738	-58,455	-62,033	-64,954	-63,234	-63,987	-65,898	-67,831	-65,907	-66,510	30	
-7,520	-9,112	-9,777	-9,159	-11,402	-11,916	-13,282	-9,975	-10,012	-11,089	-11,540	-10,800	-11,955	31	
-23,596	-23,974	-24,767	-25,564	-26,744	-28,083	-28,818	-30,406	-31,292	-31,849	-33,314	-32,408	-31,891	32	
-15,151	-15,823	-17,651	-19,015	-20,309	-22,034	-22,854	-22,853	-22,683	-22,960	-22,777	-22,699	-22,664	33	
-1,419	-1,503	-1,629	-1,749	-1,538	-1,609	-1,758	-1,851	-1,626	-1,681	-1,858	-1,941	-1,733	34	
-10,973	-8,616	-9,668	-12,930	-9,622	-9,083	-10,011	-13,250	-10,143	-9,494	-10,607	-13,831	-10,193	35	
-4,447	-2,503	-2,777	-5,610	-2,306	-2,290	-2,423	-5,367	-2,340	-2,168	-2,807	-5,742	-2,135	36	
-1,010	-744	-1,229	-1,483	-1,079	-851	-950	-1,359	-1,025	-919	-865	-1,541	-892	37	
-5,516	-5,369	-5,662	-5,837	-6,237	-5,942	-6,638	-6,524	-6,778	-6,407	-6,935	-6,548	-7,166	38	
152	168	172	180	135	56	19	82	143	160	148	166	170	39	
-74,653	-63,099	-86,183	-156,827	-148,171	-93,213	-114,468	-109,444	-62,888	-121,852	-63,492	-44,586	6,168	40	
17	-523	7,489	-315	4,480	-236	-730	-4,524	-444	-1,945	-2,026	-2,369	4,068	41	
-199	-133	848	-146	72	-133	-139	-150	-182	72	188	-227	563	42	
-849	-220	-183	-28	1,055	54	-463	-4,221	-85	-1,031	-2,078	-1,924	3	44	
1,065	-170	6,824	-141	3,353	-157	-128	-153	-177	-986	-136	3,502	45		
-210	-568	105	-316	-76	-298	377	65	-81	-483	185	-50	147	46	
-1,076	-1,512	-1,192	-1,245	-1,170	-1,616	-1,426	-1,205	-1,192	-1,156	-1,285	-1,043	-1,336	47	
1,013	683	1,214	1,020	1,119	1,329	1,832	1,158	1,133	699	1,332	938	1,574	48	
-147	261	83	-91	-25	-11	-82	112	-22	-26	138	55	-91	49	
-74,460	-62,008	-93,777	-156,196	-152,575	-92,679	-114,115	-104,985	-62,363	-119,424	-61,651	-42,167	1,953	50	
-26,899	-17,011	-25,015	-23,769	-34,232	-27,996	-24,271	-23,456	-40,589	-44,507	-22,981	-24,752	-41,356	51	
-34,620	-23,640	-25,895	-31,704	-16,787	-23,949	-39,462	-39,462	-8,976	-32,886	14,994	-70,809	8,488	52	
-15,210	-22,000	-9,090	-40,033	-37,880	-9,825	-24,791	-47,907	-6,596	-14,327	-20,320	16,202	-405	53	
2,269	643	-33,777	-60,690	-63,676	-30,909	-25,591	-24,646	-1,062	-27,704	-33,344	37,192	35,226	54	
91,799	112,273	150,435	220,340	185,000	153,383	189,318	223,960	96,693	163,275	94,776	147,893	74,634	55	
51,950	13,616	23,284	38,540	27,524	-6,177	23,260	-26,488	11,004	-10,551	-46,489	24,352	8,568	56	
55,839	-1,934	26,135	40,639	23,105	-11,411	10,316	-24,171	13,946	-20,064	-30,905	33,398	9,409	57	
55,685	-3,378	24,908	38,456	22,351	-12,373	7,604	-24,272	11,336	-20,318	-32,811	31,836	3,416	58	
154	1,444	1,227	2,183	754	962	2,712	101	2,610	254	1,906	1,562	5,993	59	
-375	48	411	-400	-394	-444	-776	-184	-1,028	-807	-224	-1,054	-1,605	60	
-3,303	14,217	-1,677	-3,533	8,123	4,643	12,817	-3,297	-958	9,488	-12,866	-7,133	666	61	
-211	1,285	-1,585	1,834	-3,310	1,035	903	1,164	-956	832	-2,494	-859	98	62	
39,849	98,657	127,151	181,800	157,476	159,560	166,058	250,448	85,689	173,826	141,265	123,541	66,066	63	
28,761	17,343	17,223	25,650	26,553	24,920	25,320	32,471	26,892	21,755	26,135	118,593	18,893	64	
18,031	26,967	38,727	71,271	33,050	37,928	40,133	35,322	-2,557	25,759	-1,438	-24,391	-11,434	65	
29,391	31,179	35,118	34,552	45,015	53,890	62,673	34,680	76,810	71,785	20,103	49,328	59,507	66	
-2,391	4,542	7,382	7,829	3,484	4,822	6,576	9,900	746	2,349	7,277	6,250	2,440	67	
-557	16,367	25,629	-2,035	28,840	5,274	26,275	47,390	32,707	18,400	11,875	-53,210	11,205	68	
-33,386	2,259	3,072	44,533	20,534	32,726	5,081	90,685	-48,909	34,138	77,313	-21,811	-14,545	69	
1,104	-18,500	-17,232	-30,834	-10,599	-29,546	-29,406	-73,641	-258	9,763	42,460	-41,839	-21,401	70	
-36,275	-45,280	-59,900	-49,815	-42,419	-44,572	-58,684	-50,976	-47,661	-59,612	-75,009	-64,650	-67,559	71	
21,255	19,102	20,400	26,195	20,400	20,975	23,394	23,838	22,710	18,603	19,220	22,117	21,845	72	
-15,020	-26,178	-39,500	-23,620	-19,025	-23,597	-34,970	-27,138	-24,951	-41,009	-55,789	-42,533	-45,714	73	
7,591	3,952	1,976	3,691	2,282	2,000	-482	-569	1,404	-843	-7,496	-5,270	-3,664	74	
-10,973	-8,616	-9,668	-12,930	-9,622	-9,083	-10,011	-13,250	-10,143	-9,494	-10,607	-13,831	-10,193	75	
-18,402	-30,842	-47,192	-32,859	-26,365	-30,680									

Table 1.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Seasonally adjusted							
		1987				1988			
		I	II	III	IV	I	II	III	IV
Current account									
1	Exports of goods and services and income receipts	104,539	111,434	116,483	123,766	134,789	139,842	143,702	148,928
2	Exports of goods and services	80,030	84,674	88,936	94,155	102,040	106,895	109,145	112,181
3	Goods, balance of payments basis ²	56,696	60,202	64,217	69,093	75,655	79,542	80,941	84,092
4	Services ³	23,334	24,472	24,719	25,062	26,385	27,353	28,204	28,089
5	Transfers under U.S. military agency sales contracts ⁴	3,113	3,235	2,584	2,174	2,442	2,539	2,536	1,767
6	Travel	5,340	5,774	6,096	6,353	6,711	7,138	7,722	7,863
7	Passenger fares	1,544	1,749	1,809	1,900	2,109	2,227	2,365	2,276
8	Other transportation	3,969	4,147	4,373	4,538	4,708	4,868	4,837	4,897
9	Royalties and license fees ⁵	2,383	2,440	2,626	2,721	2,863	2,974	3,015	3,288
10	Other private services ⁵	6,876	6,995	7,086	7,235	7,403	7,435	7,557	7,827
11	U.S. Government miscellaneous services	109	132	145	141	149	172	172	171
12	Income receipts	24,509	26,760	27,547	29,611	32,749	32,947	34,557	36,747
13	Income receipts on U.S.-owned assets abroad	24,263	26,512	27,297	29,361	32,500	32,700	34,308	36,497
14	Direct investment receipts	10,297	11,744	12,074	12,415	13,858	15,164	14,601	15,109
15	Other private receipts	12,617	13,366	13,872	15,737	15,936	16,227	18,502	19,906
16	U.S. Government receipts	1,349	1,402	1,351	1,209	2,706	1,309	1,205	1,482
17	Compensation of employees	246	248	250	250	249	247	249	250
18	Imports of goods and services and income payments	-138,977	-146,219	-151,208	-158,425	-161,916	-163,373	-166,008	-172,875
19	Imports of goods and services	-117,296	-123,185	-127,245	-132,828	-134,466	-135,118	-135,489	-140,646
20	Goods, balance of payments basis ²	-96,023	-100,648	-104,412	-108,682	-109,963	-110,836	-110,901	-115,489
21	Services ³	-21,273	-22,537	-22,833	-24,146	-24,503	-24,282	-24,588	-25,157
22	Direct defense expenditures	-3,613	-3,608	-3,788	-3,942	-3,831	-3,868	-3,851	-4,054
23	Travel	-7,094	-7,360	-7,187	-7,668	-7,990	-7,692	-8,081	-8,351
24	Passenger fares	-1,741	-1,821	-1,836	-1,886	-1,932	-1,917	-1,878	-2,003
25	Other transportation	-4,208	-4,708	-4,836	-5,258	-5,278	-5,306	-5,191	-5,116
26	Royalties and license fees ⁵	-392	-474	-464	-527	-616	-644	-672	-671
27	Other private services ⁵	-3,840	-4,113	-4,214	-4,318	-4,364	-4,382	-4,419	-4,502
28	U.S. Government miscellaneous services	-385	-453	-508	-547	-492	-473	-496	-460
29	Income payments	-21,681	-23,034	-23,963	-25,597	-27,450	-28,255	-30,519	-32,229
30	Income payments on foreign-owned assets in the United States	-21,037	-22,403	-23,421	-25,076	-26,976	-27,779	-30,094	-31,755
31	Direct investment payments	-2,291	-1,869	-2,461	-1,439	-3,301	-3,235	-3,019	-3,020
32	Other private payments	-12,294	-14,031	-14,433	-16,901	-16,441	-16,814	-18,842	-20,217
33	U.S. Government payments	-6,452	-6,503	-6,527	-6,736	-7,234	-7,730	-8,233	-8,518
34	Compensation of employees	-644	-631	-542	-521	-474	-476	-425	-474
35	Unilateral current transfers, net	-5,310	-5,696	-5,890	-7,149	-6,272	-5,867	-6,118	-7,884
36	U.S. Government grants ⁴	-2,115	-2,283	-2,246	-3,664	-2,298	-1,981	-2,395	-3,863
37	U.S. Government pensions and other transfers	-597	-593	-612	-606	-678	-677	-677	-677
38	Private remittances and other transfers ⁶	-2,598	-2,820	-3,032	-2,879	-3,296	-3,209	-3,046	-3,344
Capital and financial account									
Capital account									
39	Capital account transactions, net	87	91	94	93	109	118	130	136
Financial account									
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	8,120	-26,798	-27,853	-33,008	2,822	-23,500	-50,037	-36,147
41	U.S. official reserve assets, net	1,956	3,419	32	3,742	1,502	39	-7,380	1,925
42	Gold ⁷	76	-171	-210	-205	155	180	-35	-173
43	Special drawing rights	606	335	407	722	446	69	202	307
44	Reserve position in the International Monetary Fund	1,274	3,255	-165	3,225	901	-210	-7,547	1,791
45	Foreign currencies	-5	-168	310	868	-1,597	-854	1,960	3,457
46	U.S. Government assets, other than official reserve assets, net	-978	-2,118	-2,067	-1,343	-2,814	-2,021	-1,458	-1,388
47	U.S. credits and other long-term assets	1,126	1,791	2,381	2,327	1,109	1,144	3,358	4,759
48	Repayments on U.S. credits and other long-term assets ⁸	-153	159	-4	-116	108	23	60	86
49	U.S. foreign currency holdings and U.S. short-term assets, net	6,169	-30,049	-28,195	-37,618	2,917	-22,685	-44,617	-41,529
50	U.S. private assets, net	-6,604	-7,601	-8,857	-12,215	-5,107	-2,666	-7,863	-7,178
51	Direct investment	-1,749	-287	-1,159	-2,056	-4,504	1,318	-1,500	-3,294
52	Foreign securities	-5,715	712	-1,319	-724	-3,454	-9,954	-5,217	-2,568
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	20,237	-22,873	-16,860	-22,623	15,982	-11,383	-30,037	-28,489
54	U.S. claims reported by U.S. banks, not included elsewhere	42,337	57,425	83,242	66,011	32,134	74,639	52,904	87,271
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	14,199	10,444	764	19,980	24,925	6,006	-1,974	10,801
56	Foreign official assets in the United States, net	12,131	11,340	1,555	19,776	27,568	6,055	-3,197	12,624
57	U.S. Government securities	12,193	11,084	841	19,120	27,730	5,853	-3,769	11,927
58	U.S. Treasury securities ⁹	-62	256	714	656	-162	202	572	697
59	Other ¹⁰	-1,115	-1,228	-131	148	-48	-442	-155	178
60	Other U.S. Government liabilities ¹¹	3,543	615	-35	-205	-1,751	810	1,886	-1,264
61	U.S. liabilities reported by U.S. banks, not included elsewhere	-360	-283	-625	261	-844	-417	-508	-737
62	Other foreign official assets ¹²	28,138	46,981	82,478	46,031	7,209	68,633	54,878	76,470
63	Other foreign assets in the United States, net	12,973	8,687	20,860	16,331	8,531	13,825	13,885	21,920
64	Direct investment	-2,826	-2,431	-2,835	449	5,911	5,473	3,443	5,412
65	U.S. Treasury securities	18,372	15,960	12,676	-4,888	2,423	9,702	7,464	6,764
66	U.S. securities other than U.S. Treasury securities	500	1,700	1,000	2,200	600	2,200	1,300	1,700
67	U.S. currency	6,151	5,595	6,656	-39	12,593	6,742	6,399	7,159
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-7,032	17,470	44,121	31,978	-22,849	30,691	22,387	33,515
69	U.S. liabilities reported by U.S. banks, not included elsewhere	-10,796	9,763	-14,868	8,712	-1,666	-21,859	25,427	-19,429
70	Statistical discrepancy (sum of above items with sign reversed)	4,323	-1,614	-4,897	2,195	4,122	-2,917	-5,662	4,464
70a	Of which seasonal adjustment discrepancy								
Memoranda:									
71	Balance on goods (lines 3 and 20)	-39,327	-40,446	-40,195	-39,589	-34,308	-31,294	-29,960	-31,397
72	Balance on services (lines 4 and 21)	2,061	1,935	1,886	916	1,882	3,071	3,616	2,932
73	Balance on goods and services (lines 2 and 19)	-37,266	-38,511	-38,309	-38,673	-32,426	-28,223	-26,344	-28,465
74	Balance on income (lines 12 and 29)	2,828	3,726	3,584	4,014	5,299	4,692	4,038	4,518
75	Unilateral current transfers, net (line 35)	-5,310	-5,696	-5,890	-7,149	-6,272	-5,867	-6,118	-7,884
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-39,748	-40,481	-40,615	-41,808	-33,399	-29,398	-28,424	-31,831

Transactions—Continued
of dollars]

Seasonally adjusted																Line
1989				1990				1991				1992				
I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
156,807	164,011	162,832	166,254	171,897	175,380	175,393	185,468	181,160	182,260	180,925	185,176	185,931	187,219	186,166	189,114	1
117,784	123,100	122,261	125,193	130,046	133,291	133,471	139,252	138,932	144,970	145,288	150,769	152,050	152,726	153,791	157,341	2
87,426	92,208	90,163	92,323	95,301	97,573	96,339	100,094	101,345	104,529	103,732	107,307	108,344	109,025	109,593	113,390	3
30,358	30,892	32,098	32,870	34,745	35,718	37,132	39,158	37,587	40,441	41,556	43,462	43,706	43,701	44,198	43,951	4
2,162	2,143	2,417	1,844	2,148	2,327	2,955	2,502	2,689	2,748	2,586	3,112	3,399	3,005	3,158	2,824	5
8,535	8,679	9,220	9,770	10,435	10,543	10,489	11,539	10,529	12,064	12,533	13,260	13,619	13,716	13,562	13,845	6
2,579	2,506	2,723	2,850	3,504	3,714	3,755	4,326	3,352	3,964	4,212	4,328	4,152	4,157	4,141	4,168	7
5,089	5,204	5,000	5,234	5,413	5,356	5,593	5,680	5,480	5,579	5,734	5,837	5,376	5,365	5,352	5,436	8
3,383	3,382	3,463	3,591	3,807	4,070	4,317	4,442	4,348	4,366	4,436	4,668	5,153	5,203	5,295	5,192	9
8,444	8,829	9,157	9,427	9,293	9,508	9,853	10,516	10,989	11,575	11,842	12,125	11,876	11,983	12,391	12,347	10
166	149	118	154	145	200	170	153	200	145	213	132	131	272	299	139	11
39,023	40,911	40,571	41,061	41,851	42,089	41,922	46,216	42,228	37,290	35,637	34,407	33,881	34,493	32,375	31,773	12
38,774	40,662	40,315	40,798	41,569	41,797	41,630	45,910	41,910	36,971	35,312	34,079	33,543	34,147	32,012	31,395	13
15,358	15,726	15,581	15,595	16,618	16,764	15,973	16,953	16,622	14,634	13,547	14,262	14,824	15,664	14,383	13,134	14
22,363	23,870	22,898	23,507	23,001	23,073	23,660	24,338	22,679	20,486	19,821	18,200	17,083	16,678	15,771	16,445	15
1,053	1,066	1,836	1,696	1,950	1,960	1,997	4,619	2,609	1,851	1,944	1,617	1,636	1,805	1,858	1,816	16
249	249	256	293	282	292	292	306	318	319	325	328	338	346	363	378	17
-176,160	-182,839	-180,488	-182,199	-186,573	-186,647	-192,037	-194,385	-184,081	-182,409	-183,969	-184,594	-183,456	-190,988	-192,461	-196,284	18
-141,617	-146,148	-144,665	-147,414	-150,620	-150,933	-155,312	-159,127	-149,942	-150,365	-152,679	-156,455	-155,587	-162,325	-165,165	-169,858	19
-116,477	-120,907	-118,873	-121,108	-122,447	-122,169	-125,389	-128,332	-120,141	-120,705	-123,479	-126,656	-126,887	-133,277	-140,010	-140,010	20
-25,140	-25,241	-25,792	-26,306	-28,173	-28,764	-29,923	-30,795	-29,801	-29,660	-29,200	-29,799	-29,303	-29,048	-28,278	-29,848	21
-3,946	-3,908	-3,722	-3,736	-4,006	-3,910	-4,463	-5,152	-5,169	-3,933	-3,597	-3,710	-3,714	-3,438	-3,309	-3,374	22
-8,154	-8,083	-8,404	-8,777	-9,197	-9,490	-9,385	-9,278	-8,434	-9,065	-8,816	-9,007	-9,475	-9,575	-9,658	-9,558	23
-2,059	-2,060	-2,090	-2,040	-2,506	-2,669	-2,727	-2,627	-2,298	-2,527	-2,516	-2,672	-2,626	-2,579	-2,629	-2,769	24
-5,374	-5,490	-5,654	-5,652	-6,023	-6,062	-6,308	-6,573	-6,122	-6,262	-6,352	-6,239	-5,902	-5,794	-6,074	-5,999	25
-622	-647	-581	-678	-732	-710	-797	-896	-916	-1,033	-1,061	-1,025	-1,392	-1,137	-1,497	-1,134	26
-4,543	-4,615	-4,877	-4,896	-5,246	-5,429	-5,733	-5,818	-6,390	-6,351	-6,240	-6,609	-5,703	-5,909	-4,541	-6,142	27
-442	-438	-464	-527	-463	-494	-510	-451	-472	-489	-618	-537	-491	-616	-584	-572	28
-34,543	-36,691	-35,823	-34,785	-35,953	-35,714	-36,725	-35,258	-34,139	-32,044	-31,290	-28,139	-27,869	-28,663	-27,296	-26,246	29
-34,031	-36,140	-35,252	-34,131	-35,135	-34,875	-35,858	-34,317	-33,240	-31,063	-30,267	-28,013	-26,692	-27,477	-26,122	-25,210	30
-2,425	-2,721	-2,004	-2,727	-1,231	-1,208	-1,596	128	759	91	-207	1,098	432	-1,503	-1,346	-924	31
-22,369	-23,893	-23,478	-24,028	-23,882	-23,546	-24,039	-24,041	-23,549	-20,934	-19,794	-18,175	-17,333	-16,152	-14,996	-14,598	32
-9,237	-9,526	-9,770	-9,831	-10,022	-10,121	-10,223	-10,404	-10,450	-10,220	-10,266	-9,936	-9,791	-9,822	-9,780	-9,688	33
-512	-551	-571	-654	-818	-839	-867	-941	-989	-981	-1,023	-1,126	-1,177	-1,186	-1,174	-1,216	34
-6,306	-5,963	-6,866	-7,983	-6,793	-7,923	-7,635	-5,472	14,756	3,536	-3,039	-5,438	-7,767	-8,631	-8,046	-11,430	35
-2,422	-1,995	-2,830	-3,614	-2,556	-3,613	-3,088	-1,102	19,444	8,285	1,730	-267	-3,040	-3,532	-3,161	-6,586	36
-695	-671	-719	-691	-803	-811	-812	-798	-869	-877	-880	-1,150	-907	-1,197	-1,021	-919	37
-3,189	-3,297	-3,317	-3,678	-3,434	-3,499	-3,735	-3,572	-3,819	-3,872	-3,889	-4,021	-3,820	-3,902	-3,864	-3,925	38
128	133	139	-64	-19	157	165	-6,882	-941	73	-3,786	175	152	111	173	176	39
-53,771	-8,270	-51,748	-61,876	37,747	-37,288	-43,801	-38,228	-10,651	663	-15,988	-38,757	-11,538	-16,351	-13,690	-33,298	40
-4,000	-12,095	-5,996	-3,202	-3,177	371	1,739	-1,091	-353	1,014	3,877	1,225	-1,057	1,464	1,952	1,542	41
-188	68	-211	-204	-247	-216	363	-93	31	-190	6	-23	-172	-168	-173	2,829	43
316	-159	337	-23	234	493	8	-4	-341	72	-114	17	111	1	-118	-2,685	44
-4,128	-12,004	-6,122	-2,975	-3,164	94	1,368	-995	-43	1,132	3,986	1,232	-996	1,631	2,243	1,398	45
961	-306	489	87	-756	-796	-338	4,205	549	-423	3,256	-459	-259	-302	-392	-715	46
-1,007	-1,174	-2,136	-1,292	-1,871	-2,019	-1,349	-3,171	-2,018	-1,061	-8,724	-2,017	-1,517	-1,247	-1,980	-2,664	47
1,965	815	2,657	1,288	1,189	1,209	1,039	7,419	2,630	840	12,417	890	1,326	1,084	1,359	2,038	48
3	53	-32	91	-74	14	-28	-43	-63	-202	-437	-272	-68	-139	229	-89	49
-50,732	4,131	-46,241	-58,761	41,680	-36,863	-45,202	-41,341	-10,847	72	-23,122	-39,524	-10,222	-17,513	-15,250	-34,125	50
-12,204	-7,754	-8,774	-14,995	-10,472	-4,735	-17,983	-4,326	-14,399	-1,312	-9,444	-13,080	-20,805	-10,384	-5,277	-12,266	51
-2,225	6,192	-9,149	-4,504	-8,580	-11,037	-1,037	-9,111	-9,960	-12,021	-12,550	-11,142	-8,668	-8,196	-13,059	-19,243	52
-9,293	-5,767	-5,924	-6,662	3,019	-5,069	-15,514	-10,260	-40	7,902	3,341	-106	7,562	-6,620	-3,737	2,408	53
-27,010	23,844	-22,394	-32,600	57,713	-16,022	-10,668	-18,644	13,552	5,503	-4,469	-15,196	11,689	7,687	6,823	-5,024	54
66,761	11,074	74,162	73,311	-22,713	41,329	63,347	60,065	8,446	12,790	33,374	56,724	31,326	50,587	35,775	54,125	55
7,700	-5,115	13,060	-7,142	-6,421	6,207	13,937	20,186	5,569	-4,914	3,854	12,879	20,988	20,879	-7,524	6,133	56
5,355	-9,823	12,966	-6,966	-6,698	4,081	12,469	20,391	126	-3,764	6,095	13,690	15,380	12,950	593	-6,520	57
4,634	-9,726	12,776	-7,535	-6,177	3,735	12,335	19,683	155	-3,545	5,621	12,615	14,916	11,251	-7,394	58	
721	-97	190	569	-521	346	134	708	-29	-219	474	1,075	464	1,699	912	874	59
-307	314	-338	492	-195	1,160	-408	1,310	769	253	771	-426	-73	518	607	1,138	60
2,197	3,823	-211	-833	598	1,240	2,141	-594	3,908	-1,517	-3,107	-768	5,568	7,486	-7,724	11,241	61
455	572	643	165	-126	-274	-265	-921	766	115	95	383	113	-75	-1,000	274	62
59,061	16,188	61,102	80,453	-16,292	35,122	49,410	39,879	2,877	17,703	29,520	43,845	10,338	29,708	43,299	47,992	63
18,679	15,419	11,613	22,942	15,885	13,887	8,429	10,751	4,175	13,490	-1,216	7,247	2,333	6,199	3,204	9,238	64

Table 2.—U.S. Trade

[Millions]

Line	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	
A	Balance of payments adjustments to Census trade data:														
	EXPORTS														
1	Exports of goods, Census basis¹ including reexports and including military grant shipments														
	212,621	226,471	253,904	323,335	363,836	392,924	421,764	448,161	465,090	512,626	584,742	625,075	689,182	682,138	
	Adjustments:														
2	Private gift parcel remittances	194	174	257	253	683	890	1,046	1,224	1,181	848	779	751	696	567
3	Gold exports, nonmonetary	406	457	718	593	544	741	225	398	88	38	264	22		
4	Inland U.S. freight to Canada	1,345	1,298	1,607	1,845	1,980									
5	U.S.–Canadian reconciliation adjustments, n.e.c., net ²	6,812													
6	Exports transferred under U.S. military agency sales contracts identified in Census documents ³	-5,461	-4,549	-5,686	-5,221	-4,667	-5,162	-4,970	-7,767	-8,166	-9,370	-8,641	-12,427	-9,116	
7	Other adjustments, net ⁴	-2	-507	-592	-575	-256	-86	-1,152	-1,664	-1,273	-1,794	-1,073	-1,606	-1,069	
8	Equals: Exports of goods, adjusted to balance of payments basis excluding "military" (table 1, line 3)	215,915	223,344	250,208	320,230	362,120	389,307	416,913	440,352	456,832	502,398	575,845	612,057	679,715	670,246
	IMPORTS														
9	Imports of goods, Census basis¹ (general imports)	336,383	365,672	406,283	441,926	473,647	495,980	488,452	532,663	580,658	663,256	743,543	795,289	869,704	911,896
	Adjustments:														
10	Electric energy	1,021	872	986	826	82	87	88	85	84	89	92	53	54	49
11	Gold imports, nonmonetary	559	2,163	2,133	3,577	2,134	1,348	948	1,887	6,775	2,752	3,066	4,948	3,536	2,908
12	Inland freight in Canada	1,376	1,643	1,830	2,120	2,120	2,264	2,525	2,809	2,768	3,129	3,350	3,595	3,704	3,572
13	U.S.–Canadian reconciliation adjustment, n.e.c., net ²	-859	-645												
14	Imports of U.S. military agencies identified in Census documents ³	-1,005	-1,199	-1,330	-1,686	-1,086	-1,050	-936	-871	-676	-546	-471	-503	-634	
15	Other adjustments, net ⁴	613	-81	-137	426	468	-292	-96	-115	-168	-90	-6	-55	2	
16	Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20)	338,088	368,425	409,765	447,189	477,365	498,337	490,981	536,458	589,441	668,590	749,574	803,327	876,366	917,178
B	Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:⁷														
	EXPORTS														
1	Total, all countries (A-8)	215,915	223,344	250,208	320,230	362,120	389,307	416,913	440,352	456,832	502,398	575,845	612,057	679,715	670,246
2	Western Europe	56,006	60,367	68,582	86,409	98,423	111,381	116,812	114,454	111,256	115,349	132,481	138,022	152,965	159,107
3	European Union	48,418	51,841	59,504	74,464	84,536	96,282	101,289	100,623	94,992	105,375	121,441	124,457	138,854	145,926
4	Belgium and Luxembourg	4,803	5,456	6,143	7,385	8,445	10,371	10,697	9,956	9,352	11,080	12,835	12,862	13,895	14,265
5	France	6,086	7,119	7,947	9,913	11,584	13,682	14,589	15,338	13,228	13,610	14,240	14,441	15,805	17,522
6	Germany ⁸	8,956	10,461	11,525	14,252	16,393	18,299	20,763	20,349	18,437	18,745	21,877	22,940	24,205	26,388
7	Italy	4,556	4,748	5,465	6,670	7,089	7,853	8,450	8,594	6,305	6,999	8,674	8,607	8,927	8,911
8	Netherlands	7,250	7,190	8,026	9,714	11,272	12,769	13,260	13,429	13,319	13,319	16,226	16,332	19,671	18,816
9	United Kingdom	11,088	11,152	13,749	18,064	20,346	22,929	21,515	22,398	25,658	25,972	28,018	30,221	35,911	37,899
10	Other	5,679	5,715	6,649	8,466	9,407	10,379	11,266	11,308	9,373	15,650	19,571	19,254	20,440	22,125
11	Western Europe, excluding EU	7,588	8,526	9,078	11,945	13,887	15,099	15,523	13,831	16,264	9,974	11,040	13,565	14,111	13,181
12	Canada ²	55,425	56,495	62,009	74,290	81,090	83,464	85,891	91,361	101,156	114,830	127,553	135,166	152,069	156,810
13	Japan	22,148	26,352	27,630	37,185	43,864	47,806	47,213	46,874	46,683	51,813	63,131	65,961	64,599	56,595
14	Australia, New Zealand, and South Africa ⁹	6,966													
15	Australia	5,060	5,073	5,289	6,809	8,101	8,303	8,261	8,697	8,109	9,582	10,501	11,713	11,911	11,775
16	Eastern Europe	3,249	2,070	2,259	3,805	5,522	4,338	4,839	5,630	6,183	5,346	5,721	7,271	7,748	7,365
17	Latin America and Other Western Hemisphere	30,796	30,762	34,949	43,659	48,817	54,295	63,251	75,379	78,204	92,012	95,830	108,838	134,630	141,599
18	Brazil	3,310	3,878	4,084	4,244	4,863	5,042	6,137	5,742	5,930	7,916	11,152	12,335	15,805	15,029
19	Mexico	13,386	12,310	14,551	20,583	24,678	28,109	33,138	40,494	41,478	50,743	46,189	56,758	71,144	78,388
20	Venezuela	3,063	3,095	3,530	4,532	2,964	3,052	4,600	5,316	4,475	3,954	4,602	4,660	6,583	6,462
21	Other	11,037	11,479	12,784	14,300	16,312	18,092	19,376	23,827	26,321	29,399	33,887	35,085	41,098	41,720
22	Other countries in Asia and Africa ^{7,9}	41,147	42,225	49,490	68,021	76,129	79,162	90,257	97,869	105,017	113,377	140,628	145,084	155,793	136,995
23	Asia ^{7,9}	35,297	36,329	43,685	60,514	68,030	70,904	81,217	88,229	95,623	104,028	130,436	135,326	144,786	125,980
24	Members of OPEC	6,215	5,780	5,780	7,399	8,362	8,030	11,194	12,597	12,277	11,344	12,287	13,857	16,045	15,455
25	China	3,860	3,065	3,507	5,100	5,774	4,791	6,261	7,399	8,732	9,242	11,754	11,927	12,723	13,977
26	Hong Kong	2,753	2,981	3,975	5,665	6,281	6,783	8,099	9,020	9,844	11,417	14,203	13,974	15,065	12,849
27	Korea, Republic of	5,728	5,863	7,647	13,116	13,893	14,875	13,840	14,071	16,989	24,205	25,636	24,801	15,782	
28	Singapore	3,444	3,344	4,048	5,757	7,315	8,002	8,728	9,511	10,827	12,168	14,904	16,254	17,550	15,557
29	Taiwan	4,568	5,115	7,097	12,066	10,982	11,079	12,684	14,509	15,337	16,116	18,528	17,540	19,159	17,234
30	Africa ^{7,9}	5,600	5,639	5,596	7,183	7,973	7,973	8,661	9,144	8,983	8,956	9,905	9,325	10,617	10,584
31	Members of OPEC	1,534	908	783	1,170	1,342	1,630	1,703	1,813	1,940	1,815	1,437	1,708	1,528	1,465
32	International organizations and unallocated	178			52	174	558	389	88	224	89		2		
	Memoranda:														
33	Industrial countries ⁷	140,545	150,302	165,613	207,317	234,247	253,812	261,288	265,116	270,621	295,221	338,129	355,699	386,483	389,758
34	Of which: Euro area ¹⁰														
35	Members of OPEC ⁷	11,397	10,386	10,714	13,777	12,669	12,712	18,446	19,726	18,692	17,113	18,326	20,225	24,156	23,382
36	Other countries ⁷	63,795	62,656	73,881	99,084	115,030	122,225	136,790	155,422	167,295	189,975	219,390	236,131	269,076	257,106

See footnotes on page 105.

in Goods
of dollars]

Not seasonally adjusted									Seasonally adjusted									Line
1997				1998				1999	1997				1998				1999	
I	II	III	IV	I	II	III	IV	I ^a	I	II	III	IV	I	II	III	IV	I ^a	
164,944	174,967	169,041	180,230	172,703	170,341	160,624	178,470	166,448	165,219	172,432	175,929	175,602	172,997	167,517	167,499	174,125	167,396	1
187	181	156	172	157	147	132	131	139	187	181	156	172	157	147	132	131	139	2
	22							27		22							27	3
																		4
																		5
-1,932	-2,177	-2,754	-2,253	-2,338	-2,095	-2,837	-3,633	-2,669	-1,932	-2,177	-2,754	-2,253	-2,338	-2,095	-2,837	-3,633	-2,669	6
-496	-563	117	-127	-151	-372	-533	-500	-601	-496	-563	117	-127	-151	-372	-533	-500	-601	7
162,703	172,430	166,560	178,022	170,371	168,021	157,386	174,468	163,344	162,979	169,895	173,447	173,394	170,665	165,198	164,259	170,124	164,292	8
202,969	214,175	224,492	228,068	216,714	226,659	230,785	237,738	230,293	210,035	214,946	221,609	223,114	224,223	227,724	227,618	232,331	237,885	9
12	17	14	11	8	10	11	20	12	12	17	14	11	8	10	11	20	12	10
1,352	1,980		204	686	333	1,093	796		1,352	1,980		204	686	333	1,093	796		11
917	982	914	891	926	939	835	872	907	917	982	914	891	926	939	835	872	907	12
																		13
-118	-144	-178	-194	-301	-306	-311	-282	-273	-118	-144	-178	-194	-301	-306	-311	-282	-273	14
-10	-8	2	18	-1	-2	-18	-26	-36	-10	-8	2	18	-1	-2	-18	-26	-36	15
205,122	217,002	225,244	228,998	218,032	227,633	232,395	239,118	230,903	212,187	217,773	222,362	224,044	225,541	228,698	229,228	233,711	238,495	16
162,703	172,430	166,560	178,022	170,371	168,021	157,386	174,468	163,344	162,979	169,895	173,447	173,394	170,665	165,198	164,259	170,124	164,292	1
38,600	39,863	35,335	39,167	41,240	39,587	37,191	41,089	41,287	38,675	39,224	36,816	38,250	41,320	38,857	38,795	40,135	41,571	2
35,044	35,144	32,377	36,289	38,360	36,444	34,161	36,961	38,499	35,154	34,558	33,704	35,438	38,439	35,762	35,624	36,101	38,770	3
3,432	3,383	3,399	3,681	3,907	3,559	3,376	3,423	3,465	3,450	3,318	3,530	3,597	3,916	3,487	3,523	3,339	3,470	4
3,827	3,964	3,724	4,290	4,688	4,403	3,863	4,568	5,014	3,848	3,888	3,870	4,199	4,707	4,318	4,025	4,472	5,088	5
6,132	6,272	5,742	6,059	6,391	6,561	6,288	7,148	6,862	6,153	6,162	5,972	5,918	6,412	6,440	6,552	6,984	6,871	6
2,228	2,329	2,005	2,365	2,379	2,156	2,019	2,357	2,299	2,234	2,294	2,093	2,306	2,388	2,119	2,105	2,299	2,317	7
4,752	4,820	4,775	5,324	5,103	4,481	4,285	4,947	4,741	4,765	4,750	4,971	5,185	5,115	4,401	4,472	4,828	4,770	8
9,535	9,331	8,156	8,889	10,085	9,771	9,302	8,741	9,809	9,554	9,163	8,487	8,707	10,094	9,574	9,686	8,545	9,924	9
5,138	5,045	4,576	5,681	5,807	5,513	5,028	5,777	6,309	5,150	4,983	4,781	5,526	5,807	5,423	5,261	5,634	6,349	10
3,556	4,719	2,958	2,878	2,880	3,143	3,030	4,128	2,788	3,521	4,666	3,112	2,812	2,881	3,095	3,171	4,034	2,801	11
36,813	38,786	36,819	39,651	39,646	40,835	35,892	40,437	40,070	37,045	38,118	38,200	38,706	39,767	40,129	37,372	39,542	40,276	12
16,401	16,604	15,733	15,861	14,800	14,063	14,042	13,690	14,432	16,331	16,483	16,437	15,348	14,764	13,894	14,692	13,245	14,472	13
																		14
2,823	3,100	3,088	2,900	3,117	2,838	2,918	2,902	2,543	2,831	3,040	3,205	2,835	3,127	2,777	3,038	2,833	2,565	15
1,807	2,111	1,741	2,089	1,999	2,299	1,655	1,412	1,213	1,787	2,108	1,833	2,020	1,961	2,284	1,745	1,375	1,204	16
29,481	32,487	35,163	37,499	35,309	35,517	34,410	36,363	32,125	29,576	31,998	36,534	36,522	35,361	34,910	35,899	35,429	32,362	17
3,374	3,831	4,106	4,494	3,470	3,786	3,677	4,096	2,974	3,387	3,759	4,264	4,395	3,484	3,710	3,832	4,003	3,019	18
15,638	16,999	18,494	20,013	19,507	19,175	19,129	20,577	18,738	15,710	16,734	19,212	19,488	19,556	18,844	19,931	20,057	18,863	19
1,296	1,663	1,827	1,797	1,851	1,762	1,433	1,416	1,443	1,294	1,641	1,899	1,749	1,855	1,729	1,499	1,379	1,451	20
9,173	9,994	10,736	11,195	10,481	10,794	10,171	10,274	8,970	9,185	9,864	11,159	10,890	10,466	10,627	10,637	9,990	9,029	21
36,778	39,479	38,681	40,855	34,260	32,882	31,278	38,575	31,674	36,734	38,924	40,422	39,713	34,365	32,347	32,718	37,565	31,842	22
34,417	36,828	35,398	38,143	31,684	30,273	28,523	35,500	29,327	34,398	36,301	36,976	37,111	31,804	29,772	29,818	34,586	29,494	23
3,270	3,948	3,698	5,129	4,104	3,490	3,043	4,818	2,844	3,258	3,894	3,880	5,013	4,118	3,429	3,192	4,716	2,843	24
2,867	2,926	2,971	3,959	3,180	3,116	3,172	4,509	2,777	2,874	2,896	3,107	3,846	3,209	3,066	3,312	4,390	2,784	25
3,486	3,938	3,809	3,832	3,192	3,410	3,097	3,150	2,986	3,481	3,889	3,971	3,724	3,195	3,361	3,230	3,063	2,983	26
6,345	6,986	5,849	5,421	3,369	3,700	3,532	5,181	4,729	6,322	6,893	6,122	5,264	3,369	3,664	3,706	5,043	4,732	27
4,343	4,290	4,726	4,191	3,914	3,805	3,948	3,890	3,875	4,360	4,192	4,899	4,099	3,935	3,716	4,104	3,802	3,929	28
4,548	4,551	4,594	5,466	4,688	4,098	3,753	4,695	3,791	4,536	4,503	4,816	5,304	4,710	4,033	3,927	4,564	3,822	29
2,277	2,554	3,161	2,625	2,482	2,495	2,625	2,982	2,274	2,252	2,528	3,318	2,519	2,467	2,462	2,765	2,890	2,275	30
296	365	496	371	421	310	359	375	310	290	364	519	355	414	310	380	361	312	31
																		32
95,754	99,630	92,225	98,874	100,019	98,643	91,291	99,805	99,352	96,004	98,122	95,958	96,399	100,198	96,954	95,201	97,405	99,911	33
								26,806									26,949	34
4,862	5,976	6,021	7,297	6,376	5,562	4,835	6,609	4,597	4,842	5,899	6,298	7,117	6,387	5,468	5,071	6,456	4,606	35
62,087	66,824	68,314	71,851	63,976	63,816	61,260	68,054	59,395	62,133	65,874	71,191	69,878	64,080	62,776	63,987	66,263	59,775	36

Table 2.—U.S. Trade

[Millions]

Line	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military:													
1	Exports of goods, balance of payments basis, excluding military (A-8)													
	215,915	223,344	250,208	320,230	362,120	389,307	416,913	440,352	456,832	502,398	575,845	612,057	679,715	670,246
2	Agricultural products													
3	Nonagricultural products													
4	Foods, feeds, and beverages													
5	Agricultural													
6	Grains and preparations													
7	Wheat													
8	Corn													
9	Soybeans													
10	Meat products and poultry													
11	Vegetables, fruits, nuts, and preparations													
12	Other agricultural foods, feeds, and beverages													
13	Nonagricultural (fish, distilled beverages, etc.)													
14	Fish and shellfish													
15	Industrial supplies and materials													
16	Agricultural													
17	Raw cotton													
18	Tobacco, unmanufactured													
19	Hides and skins, including furskins													
20	Other agricultural industrial supplies													
21	Nonagricultural													
22	Energy products													
23	Fuels and lubricants													
24	Coal and related fuels													
25	Petroleum and products													
26	Paper and paper base stocks													
27	Textile supplies and related materials													
28	Chemicals, excluding medicinals													
29	Building materials, except metals													
30	Other nonmetals													
31	Metals and nonmetallic products													
32	Steelmaking materials													
33	Iron and steel products													
34	Nonferrous metals													
35	Nonmonetary gold													
36	Other precious metals													
37	Other nonferrous metals													
38	Other metals and nonmetallic products													
39	Capital goods, except automotive													
40	Machinery, except consumer-type													
41	Electrical generating machinery, electric apparatus, and parts													
42	Nonelectric, including parts and attachments													
43	Oil drilling, mining, and construction machinery													
44	Industrial engines, pumps, and compressors													
45	Machine tools and metalworking machinery													
46	Measuring, testing, and control instruments													
47	Other industrial, agricultural, and service industry machinery													
48	Computers, peripherals, and parts													
49	Semiconductors													
50	Telecommunications equipment													
51	Other office and business machines													
52	Scientific, hospital, and medical equipment and parts													
53	Civilian aircraft, engines, parts													
54	Civilian aircraft, complete, all types													
55	Other transportation equipment													
56	Automotive vehicles, engines, and parts													
57	To Canada													
58	Passenger cars, new and used													
59	Trucks, buses, and special purpose vehicles													
60	Engines and engine parts													
61	Other parts and accessories													
62	To other areas													
63	Passenger cars, new and used													
64	Trucks, buses, and special purpose vehicles													
65	Engines and engine parts													
66	Other parts and accessories													
67	Consumer goods (nonfood), except automotive													
68	Consumer nondurable goods, manufactured													
69	Medical, dental, and pharmaceutical preparations, including vitamins													
70	Consumer durable goods, manufactured													
71	Household and kitchen appliances and other household goods													
72	Unmanufactured consumer goods (gem stones, nursery stock)													
73	Exports, n.e.c													

in Goods—Continued
of dollars]

Not seasonally adjusted									Seasonally adjusted									Line
1997				1998				1999	1997				1998				1999	
I	II	III	IV	I	II	III	IV	I ^a	I	II	III	IV	I	II	III	IV	I ^a	
162,703	172,430	166,560	178,022	170,371	168,021	157,386	174,468	163,344	162,979	169,895	173,447	173,394	170,665	165,198	164,259	170,124	164,292	1
15,177	13,496	13,177	16,575	14,638	12,507	11,267	14,694	12,183	14,465	14,528	14,360	15,072	14,017	13,203	12,300	13,586	11,832	2
147,526	158,934	153,383	161,447	155,733	155,514	146,119	159,774	151,161	148,514	155,367	159,087	158,322	156,648	151,995	151,959	156,538	152,460	3
13,227	11,643	11,881	14,755	12,621	10,735	10,215	12,827	11,014	12,918	12,746	12,452	13,390	12,351	11,468	10,702	11,877	10,802	4
12,168	10,695	10,809	13,868	11,759	10,012	9,266	11,984	10,092	11,849	11,678	11,522	12,491	11,484	10,647	9,866	11,024	9,895	5
4,429	3,655	3,866	4,186	4,142	3,252	3,121	3,846	3,412	4,218	3,996	3,954	3,968	3,928	3,549	3,234	3,650	3,243	6
873	886	1,441	1,129	974	819	972	1,043	799	931	1,061	1,238	1,099	1,026	960	823	999	859	7
1,774	1,373	1,253	1,282	1,228	1,093	1,096	1,385	1,230	1,691	1,444	1,359	1,188	1,168	1,157	1,183	1,294	1,155	8
2,195	1,189	851	3,271	1,787	635	542	1,978	1,289	1,772	1,890	1,396	2,448	1,468	1,034	893	1,547	967	9
1,643	1,802	1,897	1,902	1,707	1,817	1,621	1,606	1,496	1,743	1,778	1,885	1,838	1,797	1,785	1,617	1,552	1,585	10
1,949	2,055	2,048	2,217	1,903	2,120	1,872	2,207	1,938	2,064	2,023	2,141	2,041	1,987	2,084	1,999	2,032	2,049	11
1,952	1,994	2,147	2,292	2,220	2,188	2,110	2,347	1,957	2,052	1,991	2,146	2,196	2,304	2,195	2,123	2,243	2,051	12
1,059	948	1,072	887	862	723	949	843	922	1,069	1,068	930	899	867	821	836	853	907	13
780	642	760	609	619	444	693	596	698	768	758	628	637	601	540	591	620	662	14
38,571	41,376	39,219	39,108	38,754	37,695	35,383	36,438	33,955	38,560	40,513	39,653	39,548	38,637	36,932	36,015	36,686	34,109	15
2,931	2,728	2,314	2,630	2,794	2,413	1,948	2,625	2,006	2,550	2,782	2,765	2,506	2,458	2,481	2,362	2,479	1,862	16
862	722	472	662	855	698	429	698	194	626	690	728	674	649	607	589	730	146	17
452	504	226	371	381	455	233	382	405	387	464	368	334	330	400	381	340	357	18
468	445	396	356	375	412	347	288	302	436	426	462	391	352	333	298	287	282	19
1,149	1,057	1,220	1,241	1,183	1,018	998	1,285	1,105	1,101	1,164	1,311	1,091	1,127	1,141	1,094	1,122	1,077	20
35,640	38,648	36,905	36,478	35,960	35,282	33,435	33,813	31,949	36,010	37,731	36,888	37,042	36,179	34,451	33,653	34,207	32,247	21
3,831	4,049	4,240	4,400	3,566	3,423	3,216	3,089	2,592	3,907	4,193	4,369	3,635	3,425	3,175	3,059	3,262	2,852	22
3,806	4,013	4,203	4,269	3,530	3,385	3,165	2,954	2,540	3,882	4,016	4,156	4,237	3,598	3,387	3,125	2,924	2,601	23
988	1,025	1,089	1,020	936	975	923	849	697	1,038	1,019	1,058	1,007	979	971	897	836	738	24
2,513	2,475	2,714	2,717	2,299	2,084	1,938	1,754	1,595	2,539	2,482	2,698	2,700	2,324	2,090	1,924	1,737	1,615	25
3,121	3,167	3,235	3,262	3,214	3,145	2,936	2,855	2,863	3,134	3,132	3,215	3,304	3,217	3,111	2,931	2,891	2,865	26
2,524	2,741	2,700	2,735	2,300	2,388	2,099	2,132	2,557	2,633	2,762	2,633	2,291	2,151	2,154	2,189	2,189	2,189	27
11,360	10,182	11,826	11,497	11,612	11,538	10,883	10,946	10,866	11,400	11,721	11,919	11,825	11,563	11,116	11,107	11,193	10,905	28
2,379	2,514	2,364	2,225	2,030	2,228	1,939	1,980	1,965	2,441	2,427	2,371	2,243	2,083	1,958	1,990	2,016	2,016	29
4,071	4,266	4,088	4,230	4,571	4,570	4,400	4,469	4,404	4,041	4,187	4,152	4,275	4,546	4,489	4,480	4,495	4,396	30
8,354	9,729	8,452	8,129	8,667	8,190	7,962	8,342	7,092	8,530	9,580	8,290	8,264	8,812	8,061	7,863	8,425	7,224	31
496	605	638	527	410	427	359	370	271	542	568	606	558	448	399	339	380	298	32
1,427	1,479	1,510	1,504	1,583	1,499	1,312	1,369	1,335	1,432	1,435	1,525	1,528	1,576	1,460	1,310	1,387	1,278	33
3,723	4,756	3,359	3,189	3,745	3,283	3,421	3,787	2,721	3,801	4,773	3,820	3,300	3,300	3,300	3,300	3,806	2,776	34
1,686	2,322	862	855	1,324	1,094	1,303	1,764	715	1,686	2,322	862	855	1,324	1,094	1,303	1,764	715	35
270	569	470	500	718	545	510	510	510	470	510	474	510	474	510	474	510	389	36
1,767	1,865	2,027	1,834	1,703	1,644	1,754	1,632	1,496	1,844	1,881	1,902	1,866	1,775	1,658	1,647	1,653	1,551	37
2,708	2,889	2,945	2,909	2,929	2,981	2,870	2,816	2,765	2,755	2,804	2,921	2,971	2,968	2,902	2,874	2,852	2,822	38
68,899	74,273	73,872	78,698	74,548	74,008	71,530	80,044	74,452	69,457	73,349	76,966	75,970	75,183	72,893	74,753	77,301	75,415	39
58,521	62,363	64,397	66,788	61,867	60,460	58,573	62,756	59,766	59,137	62,609	65,688	64,635	62,540	60,627	59,866	60,623	60,449	40
6,510	7,092	7,065	7,310	6,949	6,766	6,594	6,992	6,811	6,612	7,065	7,077	7,223	7,041	6,747	6,631	6,882	6,910	41
52,011	55,271	57,332	59,478	54,918	53,694	51,979	55,764	52,955	52,525	55,544	58,611	57,412	55,499	53,880	53,235	53,741	53,539	42
3,285	3,685	4,586	4,409	4,210	4,136	3,877	3,720	2,920	3,312	3,592	4,466	4,229	4,066	3,940	3,708	3,806	2,776	43
3,137	3,292	2,997	3,188	2,815	3,042	2,795	3,075	3,016	3,251	3,257	3,077	3,029	2,896	3,003	2,883	2,945	3,097	44
1,404	1,591	1,721	1,786	1,697	1,572	1,463	1,543	1,374	1,453	1,575	1,768	1,454	1,550	1,507	1,474	1,402	1,402	45
2,692	2,943	2,925	3,213	3,362	3,179	2,869	3,130	3,070	2,640	2,891	3,044	3,198	3,326	3,120	2,978	3,116	3,027	46
10,563	11,515	11,658	11,883	11,060	11,224	10,211	10,308	9,908	10,773	11,234	11,879	11,733	11,248	10,938	10,443	10,174	10,067	47
11,907	12,027	12,402	13,024	11,473	10,873	10,719	12,181	11,107	11,728	12,482	12,965	12,185	11,382	11,273	11,203	11,388	11,036	48
9,475	9,578	9,961	9,847	9,407	8,809	9,327	10,107	10,581	9,453	10,062	9,581	9,413	8,983	9,368	9,886	10,521	10,521	49
4,907	5,869	6,319	6,901	5,991	6,031	6,151	6,783	6,146	5,329	5,963	6,272	6,432	6,384	6,108	6,181	6,283	6,599	50
716	816	838	918	869	853	843	877	688	855	875	855	875	891	857	837	837	707	51
3,925	3,955	3,925	4,309	4,034	3,975	3,724	4,040	4,145	3,851	3,965	4,094	4,204	3,986	3,982	3,875	3,930	4,093	52
9,902	11,367	8,934	11,156	12,010	12,904	12,122	16,511	13,867	9,844	10,197	10,737	10,581	11,972	11,622	14,052	15,901	14,147	53
5,710	6,850	4,600	6,424	7,136	7,654	6,464	10,565	7,874	5,648	5,675	6,296	5,965	7,092	6,377	8,256	10,094	8,145	54
476	543	541	754	671	644	835	777	819	476	543	541	754	671	644	835	777	819	55
18,182	19,695	16,722	19,430	19,821	19,319	14,997	19,019	18,435	17,599	18,336	19,104	18,990	19,272	18,142	17,060	18,682	17,862	56
10,009	10,802	8,669	10,284	10,796	11,004	7,806	10,967	11,177	9,616	9,717	10,249	10,182	10,387	10,079	9,180	10,927	10,684	57
2,294	2,812	1,804	2,372	2,350	2,514	1,366	2,381	2,259	2,194	2,362	2,396	2,328	2,321	2,149	1,779	2,261	2,179	58
1,368	1,475	1,372	1,801	1,697	1,990	1,176	1,465	1,548	1,374	1,316	1,558	1,768	1,699	1,785	1,375	1,469	1,544	59
1,017	1,023	875	984	1,091	1,091	910	1,232	1,333	957	984	1,015	984	1,024	1,029	1,033	1,238	1,251	60
5,330	5,492	4,618	5,127	5,658	5,409	4,354	5,889	6,037	5,091	5,091	5,280	5,105	5,342	5,116	4,993	5,859	5,710	61
8,173	8,893	8,053	9,146	9,025	8,315	7,191	8,052	7,258	7,983	8,619	8,855	8,808	8,885	8,063	7,880	7,755	7,178	62
1,961	2,083	1,508	1,956	2,016	1,918	1,546	1,851	1,789	1,852	1,995	1,857	1						

Table 2.—U.S. Trade

[Millions]

Line		1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military— Continued:														
74	Imports of goods, balance of payments basis, excluding military (A-16)	338,088	368,425	409,765	447,189	477,365	498,337	490,981	536,458	589,441	668,590	749,574	803,327	876,366	917,178
75	Petroleum and products ⁶	51,384	34,279	42,944	39,632	50,901	62,284	51,740	51,579	51,475	51,275	56,155	72,743	71,772	50,903
76	Nonpetroleum products	286,704	334,146	366,821	407,557	426,464	436,053	439,241	484,879	537,966	617,315	693,419	730,584	804,594	866,275
77	Foods, feeds, and beverages	21,850	24,376	24,809	24,928	24,898	26,407	26,205	27,610	27,866	30,958	33,176	35,710	39,695	41,242
78	Agricultural	16,318	17,735	17,266	17,467	17,561	19,131	18,613	19,738	19,828	22,007	24,085	26,483	29,283	30,311
79	Coffee, cocoa, and sugar	4,433	5,387	3,664	3,145	3,275	3,009	2,908	2,669	2,431	3,259	4,078	4,118	5,039	4,484
80	Green coffee	3,081	4,263	2,710	2,284	2,274	1,766	1,738	1,563	1,382	2,270	2,986	2,491	3,575	3,069
81	Meat products and poultry	2,706	2,815	3,305	3,475	3,385	4,080	4,031	4,071	4,257	3,916	3,928	3,769	4,162	4,314
82	Vegetables, fruits, nuts, and preparations	3,806	4,076	4,426	4,640	4,855	5,711	5,299	5,593	5,559	5,943	6,467	7,390	7,632	8,245
83	Wine and related products	1,606	1,759	1,916	1,906	1,799	1,865	1,773	1,982	1,943	2,133	2,368	2,793	3,254	3,627
84	Other agricultural foods, feeds, and beverages	3,766	3,699	3,955	4,303	4,247	4,466	4,604	5,424	5,638	6,754	7,246	8,413	9,195	9,640
85	Nonagricultural (fish, distilled beverages, etc.)	5,532	6,641	7,543	7,461	7,337	7,276	7,592	7,872	8,038	8,951	9,091	9,227	10,412	10,931
86	Fish and shellfish	3,928	4,746	5,591	5,423	5,405	5,207	5,651	5,670	5,900	6,642	6,734	6,663	7,189	8,117
87	Whiskey and other alcoholic beverages	1,273	1,247	1,356	1,504	1,590	1,730	1,595	1,828	1,737	1,826	1,845	2,045	2,702	2,900
88	Industrial supplies and materials	114,008	104,210	113,746	122,684	135,363	145,168	132,963	140,591	152,437	164,946	185,005	209,476	217,357	203,095
89	Agricultural	2,728	2,722	3,107	3,404	4,183	3,987	4,255	4,556	4,558	4,722	5,571	6,461	6,251	5,890
90	Nonagricultural products	111,280	101,488	110,639	119,280	131,180	141,181	128,708	136,035	147,879	160,224	179,434	203,015	211,106	197,205
91	Energy products	56,885	38,550	46,781	43,703	54,919	66,534	56,279	56,820	57,390	58,080	62,178	80,257	80,242	59,436
92	Fuels and lubricants ⁶	55,866	37,680	45,796	42,878	54,279	65,985	55,704	56,146	56,645	57,019	61,228	79,311	79,194	58,327
93	Paper and paper base stocks	6,906	7,372	8,669	10,211	9,633	9,471	8,450	8,232	8,320	8,931	12,879	10,871	10,676	11,223
94	Textile supplies and related materials	3,957	4,642	5,417	5,499	5,503	6,556	6,135	6,866	7,550	8,182	8,617	8,843	10,108	10,348
95	Chemicals, excluding medicinals	8,608	8,936	9,812	12,380	13,954	15,021	15,290	16,872	18,081	21,359	25,552	26,897	29,164	29,239
96	Building materials, except metals	6,240	7,427	7,391	7,401	7,647	7,337	6,825	8,282	10,556	12,684	12,819	15,035	16,822	17,909
97	Other nonmetals	3,640	4,428	4,546	5,027	6,671	7,087	8,084	9,455	10,330	11,047	12,503	13,353	14,147	14,618
98	Metals and nonmetallic products	25,044	30,133	28,023	35,059	32,853	30,075	27,645	29,508	35,652	39,941	44,886	47,759	49,947	54,432
99	Steelmaking materials	1,244	1,190	1,277	1,921	2,242	2,049	1,828	1,719	1,840	2,255	2,957	3,044	2,998	3,273
100	Iron and steel products	10,083	9,961	10,822	12,587	11,739	11,121	10,076	10,884	11,751	16,122	16,176	17,221	18,165	21,183
101	Nonferrous metals	10,031	15,243	11,893	15,476	14,960	13,091	12,145	13,228	18,128	16,728	20,260	21,679	22,036	22,836
102	Nonmonetary gold	3,176	7,956	3,784	4,861	3,651	2,452	2,897	3,808	8,821	4,738	5,290	7,747	6,608	6,527
103	Other precious metals	1,988	2,156	1,889	2,026	2,168	2,523	2,342	2,065	1,823	2,028	2,516	2,494	2,643	3,942
104	Bauxite and aluminum	2,120	2,645	2,981	3,689	3,507	3,241	2,790	2,895	5,260	6,217	5,071	5,830	6,210	6,210
105	Other nonferrous metals	2,747	2,586	3,239	4,920	5,634	4,875	4,116	4,460	3,896	4,702	6,237	6,367	6,955	6,157
106	Other metallic and nonmetallic products	3,686	3,739	4,031	5,075	3,912	3,814	3,596	3,677	3,933	4,836	5,493	5,815	6,748	7,140
107	Capital goods, except automotive	61,287	71,990	85,128	102,202	112,156	116,061	120,802	134,252	152,305	184,369	221,429	228,075	253,281	269,558
108	Machinery, except consumer-type	54,647	64,850	77,408	93,540	101,592	104,623	108,093	120,589	139,961	171,419	208,939	213,458	234,701	244,884
109	Electric generating machinery, electric apparatus and parts	6,740	8,025	9,518	11,539	12,521	13,846	14,260	15,336	17,421	20,030	24,150	24,749	27,920	29,074
110	Nonelectric, including parts and attachments	47,907	56,825	67,890	82,001	89,071	90,777	93,833	105,253	122,540	151,389	184,789	188,709	206,781	215,810
111	Oil drilling, mining, and construction machinery	3,249	3,108	3,502	4,231	4,118	3,917	3,209	2,948	4,314	5,325	5,481	5,201	6,381	8,007
112	Industrial engines, pumps, and compressors	2,341	2,668	3,215	3,963	3,406	3,464	3,264	3,618	4,094	5,758	6,176	6,266	6,541	7,338
113	Machine tools and metalworking machinery	2,845	3,435	3,320	3,686	4,213	4,063	4,098	3,599	4,263	5,163	6,644	7,503	8,250	8,813
114	Measuring, testing, and control instruments	1,717	2,024	2,472	2,944	3,003	2,948	3,074	3,456	3,777	4,641	5,601	5,960	6,723	7,360
115	Other industrial, agricultural, and service industry machinery	12,985	15,776	18,073	20,908	22,689	23,021	21,928	23,358	26,149	31,852	36,707	38,195	41,552	44,400
116	Computers, peripherals, and parts	8,365	10,989	14,839	18,358	21,434	22,941	26,000	31,686	38,026	46,160	56,277	61,513	70,176	72,475
117	Semiconductors	5,596	5,939	7,784	10,963	12,329	12,169	13,084	15,475	19,482	26,156	39,042	36,707	36,881	33,417
118	Telecommunication equipment	6,031	6,920	8,129	9,408	9,583	9,492	9,939	10,776	11,275	14,184	15,331	13,360	14,774	17,074
119	Other office and business machines	2,686	3,310	3,605	4,134	4,435	4,153	4,197	4,901	5,414	6,242	6,861	6,795	7,350	7,347
120	Scientific, hospital, and medical equipment and parts	2,092	2,656	2,951	3,406	3,861	4,607	5,040	5,336	5,746	5,908	6,669	7,209	8,153	9,579
121	Transportation equipment, except automotive	6,640	7,140	7,720	8,662	10,564	11,438	12,709	13,663	12,344	12,950	12,490	14,617	18,580	24,674
122	Civilian aircraft, engines, parts	5,314	6,085	6,577	7,889	9,436	10,471	11,737	12,581	11,275	11,298	10,709	12,671	16,598	21,814
123	Civilian aircraft, complete, all types	1,833	1,903	2,081	3,030	2,927	2,708	3,326	3,806	3,800	3,698	3,590	3,920	4,547	7,049
124	Automotive vehicles, engines, and parts	64,905	78,061	85,174	87,947	87,356	88,480	85,696	91,787	102,420	118,271	123,797	128,939	139,811	149,055
125	From Canada	24,355	24,618	24,531	29,198	29,600	29,862	28,785	31,703	37,334	42,251	44,383	45,916	49,317	51,374
126	Passenger cars, new and used	11,090	11,764	10,185	13,256	12,878	13,701	14,048	14,403	18,269	22,159	23,920	24,138	25,125	27,316
127	Trucks, buses, and special purpose vehicles	4,769	4,213	5,261	6,081	6,928	6,926	6,725	8,274	8,744	8,710	9,011	8,835	10,226	9,190
128	Engines and engine parts	1,795	1,577	1,720	1,977	2,075	1,794	1,383	1,565	1,910	1,960	1,816	2,541	2,823	3,340
129	Other parts and accessories	6,701	7,064	7,365	7,884	7,719	7,441	6,829	7,461	8,411	9,422	9,636	10,402	11,143	11,528
130	From other areas	40,550	53,443	60,643	58,749	57,756	58,618	56,911	60,084	65,086	76,020	79,414	83,023	90,494	97,681
131	Passenger cars, new and used	24,897	33,469	37,738	33,797	31,600	32,929	32,260	32,630	33,970	38,952	39,905	41,725	47,096	52,049
132	Trucks, buses, and special purpose vehicles	4,775	6,198	5,483	6,267	3,481	2,738	2,490	2,377	2,477	3,086	3,814	4,840	5,452	5,775
133	Engines and engine parts	2,541	3,035	3,696	4,558	5,748	5,502	5,264	5,502	6,517	8,146	8,901	9,210	8,905	9,195
134	Other parts and accessories	8,337	10,741	13,726	16,127	16,927	17,449	16,897	19,575	22,122	25,836	26,794	27,248	28,951	30,662
135	Consumer goods (nonfood), except automotive	66,336	79,355	88,824	96,425	103,621	105,053	107,777	122,656	134					

in Goods—Continued
of dollars]

Not seasonally adjusted										Seasonally adjusted									Line		
1997				1998				1999				1997				1998				1999	
I	II	III	IV	I	II	III	IV	I ^a		I	II	III	IV	I	II	III	IV	I ^a			
205,122	217,002	225,244	228,998	218,032	227,633	232,395	239,118	230,903		212,187	217,773	222,362	224,044	225,541	228,698	229,228	233,711	238,495		74	
19,168	17,665	17,700	17,239	13,449	13,336	12,526	11,592	10,416		19,369	17,682	17,586	17,135	13,600	13,392	12,458	11,453	10,594		75	
185,954	199,337	207,544	211,759	204,583	214,297	219,869	227,526	220,487		192,818	200,091	204,776	206,909	211,941	215,306	216,770	222,258	227,901		76	
9,371	9,977	9,947	10,400	10,246	10,420	9,939	10,637	10,405		9,372	9,870	10,305	10,148	10,206	10,330	10,314	10,392	10,427		77	
7,207	7,589	7,083	7,404	7,841	7,710	7,109	7,651	7,922		6,929	7,366	7,590	7,398	7,510	7,515	7,633	7,653	7,635		78	
1,244	1,382	1,369	1,044	1,450	1,154	1,009	871	1,159		1,092	1,092	1,345	1,494	1,108	1,258	1,141	1,121	964		79	
815	1,040	928	792	1,044	797	605	623	782		681	1,004	1,038	852	888	783	694	704	641		80	
979	1,113	1,022	1,048	1,079	1,019	1,029	1,099	1,019		972	1,067	1,071	1,059	1,078	1,030	1,092	1,114	1,020	81	81	
2,299	2,015	1,475	1,843	2,409	2,197	1,629	2,010	2,614		1,895	1,863	1,898	1,976	1,948	2,049	2,096	2,152	2,149		82	
622	835	861	936	729	926	940	1,032	867		765	807	838	824	892	889	905	941	1,042		83	
2,062	2,245	2,356	2,532	2,174	2,356	2,471	2,639	2,262		2,205	2,284	2,308	2,398	2,336	2,406	2,419	2,479	2,447		84	
2,164	2,388	2,864	2,996	2,405	2,710	2,830	2,986	2,483		2,443	2,504	2,715	2,509	2,696	2,815	2,739	2,792	2,922		85	
1,577	1,734	2,144	2,247	1,817	2,029	2,114	2,157	1,846		1,777	1,814	2,038	2,073	2,033	2,099	2,001	1,984	2,073		86	
465	518	586	620	464	520	548	619	513		543	554	544	548	537	585	552	626	595		87	
54,794	55,577	53,754	53,232	50,813	52,634	51,054	48,594	46,376		55,299	54,768	53,627	53,663	51,345	51,775	51,080	48,895	46,975		88	
1,614	1,686	1,518	1,433	1,540	1,632	1,392	1,326	1,364		1,560	1,619	1,574	1,498	1,488	1,557	1,465	1,380	1,314		89	
53,180	53,891	52,236	51,799	49,273	51,002	49,662	47,268	45,012		53,739	53,149	52,053	52,165	49,857	50,218	49,615	47,515	45,661		90	
21,554	19,390	19,715	19,583	15,489	15,368	14,778	13,801	12,520		21,593	19,746	19,356	19,526	15,528	14,830	13,522	12,593	91		91	
21,325	19,155	19,412	19,302	15,275	15,071	14,396	13,585	12,302		21,337	19,298	19,487	19,072	15,274	15,243	14,507	13,303	12,336		92	
2,542	2,625	2,713	2,796	2,830	2,857	2,773	2,763	2,739		2,594	2,592	2,713	2,777	2,883	2,815	2,780	2,745	2,784		93	
2,375	2,609	2,595	2,529	2,562	2,746	2,590	2,423	2,450		2,562	2,459	2,556	2,566	2,646	2,628	2,518	2,503	2,503		94	
7,432	7,401	7,270	7,061	7,841	7,611	6,878	6,909	7,581		7,104	7,151	7,526	7,383	7,487	7,364	7,195	7,193	7,247		95	
3,722	4,459	4,469	4,172	4,086	4,599	4,748	4,676	4,569		4,356	4,302	4,296	4,268	4,360	4,419	4,526	4,604	4,854		96	
3,303	3,604	3,647	3,593	3,474	3,708	3,757	3,679	3,577		3,465	3,540	3,546	3,596	3,640	3,634	3,658	3,686	3,740		97	
12,252	13,803	11,827	12,065	12,991	14,113	14,138	13,190	11,603		12,568	13,517	11,670	12,192	13,315	13,800	14,070	13,247	11,940		98	
606	745	784	863	810	961	881	621	584		688	707	738	865	922	903	831	617	676		99	
4,385	4,711	4,595	4,474	4,656	5,559	5,767	5,201	4,247		4,572	4,625	4,494	4,474	4,884	5,460	5,661	5,178	4,456		100	
5,633	6,654	4,743	5,006	5,754	5,736	5,606	5,001	5,670		5,670	5,545	4,729	5,092	5,637	5,803	5,664	5,059	4,101		101	
2,176	2,739	741	952	1,687	1,364	1,833	1,643	810		2,176	2,739	741	952	1,687	1,364	1,833	1,643	810		102	
490	556	715	882	794	1,164	957	1,027	1,241		496	557	704	886	792	1,163	963	1,023	1,243		103	
1,318	1,575	1,403	1,534	1,681	1,645	1,466	1,418	1,500		1,297	1,449	1,464	1,620	1,634	1,526	1,560	1,490	1,468		104	
1,649	1,784	1,884	1,638	1,592	1,567	1,480	1,518	1,450		1,701	1,800	1,820	1,634	1,619	1,584	1,446	1,508	1,498		105	
1,628	1,693	1,705	1,722	1,771	1,853	1,754	1,762	1,771		1,638	1,640	1,709	1,761	1,777	1,800	1,775	1,788	1,789		106	
57,298	62,318	65,777	67,888	64,594	67,085	67,304	70,575	67,521		59,265	62,639	65,505	65,872	66,673	67,293	67,047	68,545	69,766		107	
53,420	57,936	60,516	62,829	59,461	60,647	61,033	63,743	61,191		55,350	58,320	60,223	60,808	61,496	60,924	60,753	61,711	63,380		108	
6,330	6,884	7,188	7,518	7,069	7,191	7,335	7,479	7,360		6,608	6,871	7,090	7,351	7,328	7,176	7,278	7,292	7,633		109	
47,090	51,052	53,328	55,311	52,392	53,456	53,698	56,264	53,831		48,742	51,449	53,133	53,457	54,168	53,748	53,475	54,419	55,747		110	
1,415	1,716	1,593	1,657	2,035	2,145	1,976	1,851	1,905		1,391	1,568	1,665	1,757	2,022	1,966	2,046	1,973	1,898		111	
1,551	1,708	1,585	1,697	1,787	1,806	1,928	1,817	1,925		1,564	1,659	1,603	1,715	1,799	1,755	1,843	1,941	1,937		112	
2,054	2,105	1,916	2,175	2,065	2,251	2,262	2,235	1,942		2,104	2,010	1,978	2,158	2,111	2,164	2,212	2,220	1,995		113	
1,517	1,627	1,722	1,857	1,837	1,860	1,804	1,859	1,819		1,540	1,635	1,727	1,821	1,859	1,870	1,818	1,819	1,842		114	
9,648	10,774	10,283	10,847	10,931	11,558	10,691	11,220	11,091		9,757	10,372	10,515	10,908	11,048	11,125	10,965	11,262	11,234		115	
15,614	16,939	18,735	18,888	16,942	17,259	18,381	19,893	18,273		16,576	17,630	18,311	17,659	17,980	17,919	17,904	18,672	19,390		116	
8,523	9,025	9,721	9,612	8,857	8,277	8,120	8,163	8,245		8,673	9,176	9,642	9,390	8,985	8,389	8,062	7,981	8,355		117	
3,296	3,400	3,771	4,307	4,015	4,128	4,338	4,593	4,464		3,489	3,748	3,926	4,236	4,314	4,287	4,437	4,237	4,007		118	
1,712	1,836	1,849	1,953	1,870	1,865	1,828	1,784	1,681		1,749	1,879	1,826	1,896	1,915	1,905	1,801	1,726	1,728		119	
1,760	1,922	2,153	2,318	2,053	2,307	2,118	2,738	2,486		1,899	1,959	2,118	2,086	2,213	2,341	2,437	2,588	2,661		120	
3,878	4,382	5,261	5,059	5,133	6,438	6,271	6,832	6,330		3,915	4,319	5,282	5,064	5,177	6,369	6,294	6,834	6,386		121	
3,433	3,892	4,744	4,459	4,460	5,710	5,590	6,054	5,483		3,472	3,828	4,760	4,538	4,501	5,641	5,616	6,056	5,539		122	
754	1,067	1,472	1,254	1,204	1,948	1,935	1,962	1,787		754	1,067	1,472	1,254	1,204	1,948	1,935	1,962	1,787		123	
34,946	35,648	32,745	36,472	36,476	37,087	33,434	42,058	43,360		34,966	34,610	35,374	34,861	36,334	36,340	36,073	40,308	42,906		124	
12,514	13,024	11,230	12,549	12,860	12,732	10,724	15,058	16,511		12,609	12,094	12,570	12,044	12,779	12,042	12,025	14,528	16,281		125	
6,617	6,779	5,464	6,265	6,649	6,940	5,481	8,246	9,018		6,885	6,134	6,188	5,918	6,805	6,433	6,201	7,877	9,139		126	
2,442	2,671	2,495	2,618	2,537	2,024	1,989	2,640	3,182		2,364	2,579	2,780	2,503	2,406	2,016	2,242	2,526	2,947		127	
695	766	674	688	741	834	724	1,041	1,068		652	712	761	698	703	779	817	1,041	1,029		128	
2,760	2,808	2,597	2,978	2,933	2,934	2,530	3,131	3,243		2,708	2,669	2,841	2,925	2,865	2,814	2,765	3,084	3,166		129	
22,432	22,624	21,515	23,923	23,616	24,355	22,710	27,000	26,849		22,357	22,516	22,804	22,817	23,555	24,298	24,048	25,780	26,625		130	
11,383	11,857	11,235	12,621	12,423	12,988	11,724	14,914	14,387		11,475	11,856	12,105	11,660	12,466	13,017	12,751	13,815				

Table 3.—Private

[Millions]

Line		1996	1997	1998	Not seasonally adjusted			
					1997			
					I	II	III	IV
1	Exports of private services	221,120	240,443	245,688	56,571	58,082	65,165	60,625
2	Travel (table 1, line 6)	69,751	73,301	71,250	16,080	18,164	21,898	17,159
3	Passenger fares (table 1, line 7)	20,413	20,789	19,996	4,789	4,970	5,969	5,061
4	Other transportation (table 1, line 8)	26,074	27,006	25,518	6,591	6,755	6,719	6,941
5	Freight	11,146	11,789	11,178	2,894	2,962	2,876	3,057
6	Port services	14,929	15,217	14,340	3,697	3,793	3,843	3,884
7	Royalties and license fees (table 1, line 9)	32,470	33,781	36,808	8,030	8,144	8,537	9,070
8	Affiliated	24,556	25,024	26,761	5,943	5,995	6,316	6,770
9	U.S. parents' receipts	22,719	23,221	24,712	5,672	5,690	5,729	6,130
10	U.S. affiliates' receipts	1,837	1,803	2,049	271	305	587	640
11	Unaffiliated	7,914	8,757	10,047	2,087	2,149	2,221	2,300
12	Industrial processes ¹	3,566	3,552	4,138	866	869	890	926
13	Other ²	4,348	5,205	5,909	1,221	1,279	1,331	1,374
14	Other private services (table 1, line 10)	72,412	85,566	92,116	21,081	20,049	22,042	22,394
15	Affiliated services	22,931	27,272	28,321	6,127	6,769	7,000	7,376
16	U.S. parents' receipts	14,118	17,271	18,212	3,830	4,274	4,390	4,777
17	U.S. affiliates' receipts	8,813	10,001	10,109	2,297	2,495	2,610	2,599
18	Unaffiliated services	49,481	58,294	63,795	14,954	13,280	15,042	15,018
19	Education	7,887	8,343	8,964	3,339	1,053	2,199	1,753
20	Financial services	8,229	11,539	13,698	3,521	2,721	2,996	3,301
21	Insurance, net	2,168	2,485	2,842	602	613	626	644
22	Premiums received	5,929	6,133	6,985	1,493	1,507	1,540	1,594
23	Losses paid	3,761	3,648	4,143	891	894	914	950
24	Telecommunications	3,301	3,949	3,689	934	983	1,001	1,032
25	Business, professional, and technical services	19,466	22,467	24,338	5,332	5,601	5,745	5,790
26	Other unaffiliated services ³	8,429	9,511	10,264	2,227	2,309	2,476	2,499
27	Imports of private services	137,081	152,447	165,321	34,019	38,729	42,456	37,243
28	Travel (table 1, line 23)	48,048	52,051	56,105	11,030	13,761	16,013	11,247
29	Passenger fares (table 1, line 24)	15,818	18,138	19,797	3,930	4,941	5,298	3,969
30	Other transportation (table 1, line 25)	27,403	28,959	30,457	6,897	7,290	7,332	7,440
31	Freight	16,539	17,654	19,412	4,153	4,557	4,420	4,524
32	Port services	10,864	11,305	11,048	2,744	2,733	2,912	2,916
33	Royalties and license fees (table 1, line 26)	7,837	9,390	11,292	2,092	2,054	2,583	2,661
34	Affiliated	5,406	6,967	8,374	1,527	1,461	1,942	2,037
35	U.S. parents' payments	761	989	1,169	221	224	246	298
36	U.S. affiliates' payments	4,645	5,978	7,205	1,306	1,237	1,696	1,739
37	Unaffiliated	2,431	2,423	2,919	565	593	641	624
38	Industrial processes ¹	1,319	1,418	1,546	349	351	355	363
39	Other ²	1,112	1,006	1,372	217	242	286	261
40	Other private services (table 1, line 27)	37,975	43,909	47,670	10,070	10,683	11,230	11,926
41	Affiliated services	15,548	17,728	19,095	4,076	4,211	4,362	5,079
42	U.S. parents' payments	7,084	8,927	9,730	1,850	2,160	2,253	2,664
43	U.S. affiliates' payments	8,464	8,801	9,365	2,226	2,051	2,109	2,415
44	Unaffiliated services	22,427	26,181	28,575	5,994	6,472	6,868	6,847
45	Education	1,253	1,395	1,538	273	344	441	337
46	Financial services	2,907	3,563	3,771	776	918	997	872
47	Insurance, net	3,855	6,002	6,908	1,279	1,458	1,593	1,672
48	Premiums paid	14,522	15,233	18,581	3,607	3,694	3,854	4,078
49	Losses recovered	10,637	9,231	11,673	2,328	2,236	2,261	2,407
50	Telecommunications	8,290	8,351	8,125	2,065	2,059	2,088	2,139
51	Business, professional, and technical services	5,547	6,358	7,684	1,504	1,559	1,612	1,683
52	Other unaffiliated services ³	546	511	549	96	134	137	144
Memoranda:								
53	Balance on goods (table 1, line 71)	-191,270	-196,651	-246,932	-42,419	-44,572	-58,684	-50,976
54	Balance on private services (line 1 minus line 27)	84,039	87,996	80,367	22,552	19,353	22,709	23,382
55	Balance on goods and private services (lines 53 and 54)	-107,231	-108,655	-166,565	-19,867	-25,219	-35,975	-27,594

See footnotes on page 105.

Services Transactions

[of dollars]

Not seasonally adjusted					Seasonally adjusted										Line
1998				1999	1997				1998				1999		
I	II	III	IV	I ^P	I	II	III	IV	I	II	III	IV	I ^P		
58,542	60,204	64,697	62,245	61,388	58,441	59,756	61,106	61,144	60,341	62,011	60,847	62,490	63,226	1	
15,652	18,119	20,354	17,125	15,758	18,331	18,333	18,530	18,107	17,903	18,260	17,149	17,938	18,082	2	
4,581	5,000	5,733	4,682	4,596	5,156	5,149	5,225	5,259	4,916	5,185	5,052	4,843	4,940	3	
6,201	6,261	6,367	6,689	6,473	6,701	6,761	6,691	6,855	6,338	6,268	6,339	6,575	6,614	4	
2,824	2,801	2,669	2,884	2,794	2,911	2,929	2,896	3,052	2,872	2,769	2,684	2,852	2,845	5	
3,377	3,460	3,698	3,805	3,680	3,789	3,831	3,794	3,802	3,465	3,498	3,654	3,722	3,769	6	
8,655	8,716	8,866	10,571	9,231	8,232	8,372	8,690	8,488	8,882	9,002	9,029	9,894	9,454	7	
6,277	6,256	6,328	7,900	6,534	6,145	6,223	6,469	6,188	6,504	6,542	6,491	7,223	6,757	8	
5,805	5,899	5,950	7,058	5,961	5,827	5,826	5,861	5,708	5,963	6,066	6,091	6,591	6,114	9	
472	357	378	842	573	318	397	608	480	541	476	400	632	643	10	
2,378	2,460	2,538	2,671	2,697	2,087	2,149	2,221	2,300	2,378	2,460	2,538	2,671	2,697	11	
973	1,018	1,053	1,094	1,093	866	869	890	926	973	1,018	1,053	1,094	1,093	12	
1,405	1,442	1,485	1,578	1,604	1,221	1,279	1,331	1,374	1,405	1,442	1,485	1,578	1,604	13	
23,453	22,108	23,377	23,178	25,330	20,021	21,141	21,970	22,435	22,302	23,296	23,278	23,240	24,136	14	
6,752	7,058	7,111	7,400	7,239	6,340	6,839	7,082	7,012	6,987	7,114	7,184	7,036	7,502	15	
4,503	4,657	4,282	4,770	4,573	3,915	4,285	4,518	4,574	4,608	4,631	4,411	4,561	4,581	16	
2,249	2,401	2,829	2,630	2,666	2,425	2,574	2,564	2,438	2,379	2,483	2,773	2,475	2,821	17	
16,701	15,050	16,266	15,778	18,091	13,681	14,302	14,888	15,423	15,315	16,182	16,094	16,204	16,634	18	
3,629	1,142	2,416	1,777	3,866	1,990	2,054	2,105	2,194	2,160	2,251	2,310	2,243	2,312	19	
3,132	3,778	3,419	3,369	3,350	2,521	2,721	2,996	3,301	3,132	3,778	3,419	3,369	3,350	20	
683	696	717	746	794	602	613	626	644	683	696	717	746	794	21	
1,657	1,722	1,780	1,826	1,860	1,493	1,507	1,540	1,594	1,657	1,722	1,780	1,826	1,860	22	
974	1,026	1,063	1,080	1,066	891	894	914	950	974	1,026	1,063	1,080	1,066	23	
955	926	900	908	882	934	983	1,001	1,032	955	926	900	908	882	24	
5,858	6,017	6,164	6,299	6,544	5,332	5,601	5,745	5,790	5,858	6,017	6,164	6,299	6,544	25	
2,444	2,490	2,649	2,680	2,655	2,303	2,330	2,416	2,463	2,527	2,513	2,583	2,640	2,752	26	
36,887	42,553	45,614	40,267	39,866	36,687	37,689	38,919	39,151	39,858	41,424	41,739	42,304	43,107	27	
11,662	15,193	17,234	12,016	12,356	12,901	12,844	13,151	13,155	13,736	14,168	14,070	14,131	14,628	28	
4,232	5,325	5,722	4,518	4,756	4,295	4,615	4,705	4,523	4,629	4,958	5,085	5,125	5,186	29	
7,147	7,533	7,620	7,957	7,591	7,036	7,319	7,203	7,400	7,321	7,590	7,700	7,849	7,764	30	
4,485	4,829	5,016	5,082	4,831	4,203	4,583	4,411	4,457	4,548	4,858	4,999	5,006	4,889	31	
2,663	2,705	2,805	2,875	2,760	2,833	2,736	2,792	2,943	2,773	2,732	2,701	2,843	2,875	32	
2,939	2,587	2,685	3,081	3,138	2,104	2,138	2,613	2,535	2,955	2,694	2,721	2,923	3,151	33	
2,001	1,943	2,001	2,429	2,476	1,539	1,545	1,972	1,911	2,017	2,050	2,037	2,271	2,489	34	
290	273	298	308	319	221	224	246	298	290	273	298	308	319	35	
1,711	1,670	1,703	2,121	2,157	1,318	1,321	1,726	1,613	1,727	1,777	1,739	1,963	2,170	36	
938	644	684	652	662	565	593	641	624	644	644	679	652	662	37	
372	392	392	401	408	349	351	355	363	372	382	392	401	406	38	
567	262	292	252	254	217	242	286	261	267	262	292	252	254	39	
10,907	11,915	12,153	12,695	12,025	10,351	10,773	11,247	11,538	11,217	12,014	12,163	12,276	12,378	40	
4,014	4,759	4,881	5,441	4,799	4,306	4,298	4,454	4,670	4,267	4,856	4,974	4,998	5,083	41	
2,047	2,367	2,405	2,911	2,345	2,066	2,210	2,305	2,346	2,288	2,424	2,453	2,565	2,614	42	
1,967	2,392	2,476	2,530	2,454	2,240	2,088	2,149	2,324	1,979	2,432	2,521	2,433	2,469	43	
6,893	7,156	7,272	7,254	7,226	6,045	6,475	6,793	6,868	6,950	7,158	7,189	7,278	7,295	44	
300	378	484	377	335	324	347	367	358	356	380	401	401	404	45	
927	1,010	932	902	827	776	918	997	872	927	1,010	932	902	827	46	
1,702	1,717	1,736	1,753	1,816	1,279	1,458	1,593	1,672	1,702	1,717	1,736	1,753	1,816	47	
4,329	4,572	4,770	4,910	4,998	3,607	3,694	3,854	4,078	4,329	4,572	4,770	4,910	4,998	48	
2,627	2,855	3,034	3,157	3,183	2,328	2,236	2,261	2,407	2,627	2,855	3,034	3,157	3,183	49	
2,050	2,032	2,014	2,029	2,024	2,065	2,059	2,088	2,139	2,050	2,032	2,014	2,029	2,024	50	
1,786	1,884	1,968	2,045	2,103	1,504	1,559	1,612	1,683	1,786	1,884	1,968	2,045	2,103	51	
129	135	138	148	122	96	134	137	144	129	135	138	148	122	52	
-47,661	-59,612	-75,009	-64,650	-67,559	-49,208	-47,878	-48,915	-50,650	-54,876	-63,500	-64,969	-63,587	-74,203	53	
21,655	17,651	19,083	21,978	21,522	21,754	22,067	22,187	21,993	20,483	20,587	19,108	20,186	20,119	54	
-26,006	-41,961	-55,926	-42,672	-46,037	-27,454	-25,811	-26,728	-28,657	-34,393	-42,913	-45,861	-43,401	-54,084	55	

Table 4.—Selected U.S. Government Transactions

[Millions of dollars]

Line		1996	1997	1998	Not seasonally adjusted									
					1997				1998				1999	
					I	II	III	IV	I	II	III	IV		I ^P
A1	U.S. Government grants and transactions increasing Government assets, total	20,254	17,941	17,610	3,502	3,986	3,972	6,481	3,559	3,351	3,971	6,729	3,562	
	By category													
2	Grants, net	15,337	12,571	13,079	2,306	2,359	2,516	5,389	2,345	2,169	2,824	5,742	2,135	
3	U.S. Government current grants, net (table 1, line 36, with sign reversed)	15,337	12,386	13,057	2,306	2,290	2,423	5,367	2,340	2,168	2,807	5,742	2,135	
4	Financing military purchases ¹	5,498	3,836	4,075	606	394	536	2,300	596	340	590	2,549	509	
5	Other grants	9,839	8,550	8,982	1,701	1,896	1,887	3,067	1,744	1,829	2,217	3,193	1,626	
6	Cash contributions received from coalition partners for Persian Gulf operations													
7	Debt forgiveness (table 1, part of Line 39, with sign reversed)		183	22		69	93	21	5	(*)	17			
8	Credits and other long-term assets (table 1, line 47, with sign reversed)	5,025	5,417	4,676	1,170	1,616	1,426	1,205	1,192	1,156	1,285	1,043	1,336	
9	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,833	1,588	1,580	427	411	415	336	385	444	413	338	394	
10	Credits repayable in U.S. dollars	2,562	3,163	2,431	589	1,033	844	697	647	610	627	548	751	
11	Credits repayable in other than U.S. dollars	-6	-4	-3	1		1	-6	(*)	-7	2	1		
12	Other long-term assets	636	670	667	154	173	166	178	159	109	243	157	191	
13	Foreign currency holdings and short-term assets, net (table 1, line 49 with sign reversed)	-106	-47	-145	25	11	29	-112	22	26	-138	-55	91	
14	Foreign currency holdings (excluding administrative cash holdings), net	-20	71	22	12	21	26	11	5	-5	38	-17	3	
	Receipts from:													
15	Sales of agricultural commodities	(*)	(*)		(*)									
16	Interest	13	18	43	7	1	9	2	4	4	4	30	1	
17	Repayments of principal	40	27	22	10	5	10	2	11	3	6	2	8	
18	Reverse grants													
19	Other sources	6	8		(*)	(*)	1	7					1	
	Less currencies disbursed for:													
20	Grants and credits in the recipient's currency	2		2					(*)	(*)	1			
21	Other grants and credits													
22	Other U.S. Government expenditures	77	-17	42	5	-15	-6	-1	10	12	-29	49	7	
23	Assets acquired in performance of U.S. Government guarantee and insurance obligations, net	-147	-18	44	-5	-7	(*)	-6	-1	11	(*)	34	20	
24	Other assets held under Commodity Credit Corporation Charter Act, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	
25	Assets financing military sales contracts, net ²													
26	Other short-term assets (including changes in administrative cash holdings), net	60	-100	-210	18	-3	3	-117	18	21	-176	-72	68	
	By program													
27	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,833	1,588	1,580	427	411	415	336	385	444	413	338	394	
28	Under Agricultural Trade Development and Assistance Act and related programs	1,168	1,330	1,012	268	312	407	343	181	183	273	376	180	
29	Under Foreign Assistance Act and related programs	13,767	11,067	11,532	2,024	2,130	2,062	4,851	2,074	1,879	2,442	5,138	1,868	
30	Under Export-Import Bank Act	1,432	1,729	1,528	399	405	428	497	388	512	244	384	186	
31	Under Commodity Credit Corporation Charter Act	216	505	325	29	346	118	13	140	6	147	33	467	
32	Under other grant and credit programs	1,161	1,080	1,150	171	192	347	371	209	202	347	393	207	
33	Other foreign currency assets acquired (lines A16, A17, and A19)	58	53	65	17	6	20	10	16	7	10	32	10	
34	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)	77	-17	42	5	-15	-6	-1	10	12	-29	49	7	
35	Other (including changes in administrative cash holdings), net	696	571	457	172	169	169	61	176	130	66	85	258	
	By disposition³													
36	Estimated transactions involving no direct dollar outflow from the United States	12,473	11,664	11,253	2,266	2,666	2,618	4,114	2,275	2,030	2,565	4,383	2,210	
37	Expenditures on U.S. goods	6,306	5,285	5,441	792	785	998	2,710	778	927	894	2,841	541	
38	Expenditures on U.S. services ⁴	2,889	3,030	3,042	717	840	733	740	662	717	825	838	585	
39	Financing of military sales contracts by U.S. Government ⁶ (line C6)	2,589	2,187	2,304	660	476	558	493	635	348	631	690	599	
40	By long-term credits	457	259	215	77	102	65	16	66	37	68	44	90	
41	By short-term credits ¹													
42	By grants ¹	2,132	1,927	2,089	583	375	493	477	569	312	563	646	509	
43	U.S. Government grants and credits to repay prior U.S. Government credits ^{1,4}	211	943	390	45	495	268	136	161	13	186	30	472	
44	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	581	220	133	59	63	57	41	51	45	3	34	20	
45	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	
46	Less receipts on short-term U.S. Government assets (a) financing military sales contracts ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. goods	27	17	14	1	8	1	7	2	9	2	1	1	
47	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)	77	-17	42	5	-15	-6	-1	10	12	-29	49	7	
48	Estimated dollar payments to foreign countries and international financial institutions	7,782	6,277	6,357	1,236	1,320	1,353	2,368	1,284	1,322	1,406	2,347	1,352	
B1	Repayments on U.S. Government long-term assets, total (table 1, line 48)	3,930	5,438	4,102	1,119	1,329	1,832	1,158	1,133	699	1,332	938	1,574	
2	Receipts of principal on U.S. Government credits	3,278	4,751	3,354	946	1,163	1,669	974	948	578	1,085	743	1,378	
3	Under Agricultural Trade Development and Assistance Act and related programs	402	506	302	39	96	181	190	32	30	106	134	51	
4	Under Foreign Assistance Act and related programs	1,585	1,753	1,507	529	340	578	306	534	276	470	227	595	
5	Under Export-Import Bank Act	942	1,745	923	345	393	683	324	223	238	243	219	259	
6	Under Commodity Credit Corporation Charter Act	175	501	375	33	331	113	24	159	32	153	32	473	
7	Under other credit programs	175	246	247	(*)	3	113	130	(*)	3	113	131	(*)	
8	Receipts on other long-term assets	652	687	748	173	167	163	184	186	121	246	196	196	
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 60)	-316	-1,798	-3,113	-394	-444	-776	-184	-1,028	-807	-224	-1,054	-1,605	
2	Associated with military sales contracts ⁵	-311	-1,725	-3,101	-368	-431	-781	-145	-1,082	-752	-212	-1,056	-1,612	
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds ¹	15,009	11,874	12,525	2,803	3,645	3,085	2,341	3,036	3,166	2,488	3,835	1,694	
4	Less U.S. Government receipts from principal repayments	867	868	809	333	83	342	111	342	105	274	87	323	
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	1,307	-2,643	-32	-648	-341	-432	-1,222	-195	-327	-922	1,412	-791	
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A39)	2,589	2,187	2,304	660	476	558	493	635	348	631	690	599	
7	By long-term credits	457	259	215	77	102	65	16	66	37	68	44	90	
8	By short-term credits ¹													
9	By grants ¹	2,132	1,927	2,089	583	375	493	477	569	312	563	646	509	
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) ^{1,2} (table 1, line 5)	15,736	17,561	17,155	4,146	4,810	4,514	4,091	4,606	4,489	3,979	4,081	4,372	
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A45)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	
12	Associated with other liabilities	-5	-72	-10	-26	-13	5	-39	54	-55	-12	2	7	
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation	34	-61	-11	-34	-3	18	-41	62	-53	-20			
14	Sales of space launch and other services by National Aeronautics and Space Administration	-43	-18	3	3	-3	-19	(*)	-4	-1		6	5	
15	Other sales and miscellaneous operations	5	7	-2	5	-7	6	2	-4	1	6	-4	2	

See footnotes on page 105.

FOOTNOTES TO U.S. INTERNATIONAL TRANSACTIONS TABLES 1-10A

General notes for all tables: *P* Preliminary. * Less than \$500,000 (±)

D Suppressed to avoid disclosure of data of individual companies. n.a. Not available.

Table 1:
 1. Credits, +: Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows—increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).
 Debits, -: Imports of goods and services and income payments; unilateral current transfers to foreigners; capital account transactions payments; financial outflows—decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).
 2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census import documents, and reflects various other adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see *table 2*.
 3. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.
 4. Includes transfers of goods and services under U.S. military grant programs.
 5. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.
 6. Beginning in 1982, the "other transfers" component includes taxes paid by U.S. private residents to foreign governments and taxes paid by private nonresidents to the U.S. Government.
 7. At the present time, all U.S. Treasury-owned gold is held in the United States.
 8. Includes sales of foreign obligations to foreigners.
 9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.
 10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.
 11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see *table 4*.
 12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.
 13. Conceptually, line 76 is equal to "net foreign investment" in the national income and product accounts (NIPAs). However, the foreign transactions account in the NIPAs (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in the "Reconciliation and Other Special Tables" section in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables (published annually in the August issue of the SURVEY).
 Additional footnotes for historical data in July issues of the SURVEY:
 14. For 1974, includes extraordinary U.S. Government transactions with India. See "Special U.S. Government Transactions," June 1974 SURVEY, p. 27.
 15. For 1978-83, includes foreign currency-denominated notes sold to private residents abroad.
 16. Break in series. See Technical Notes in the June 1989, June 1990, June 1992, June 1993, June 1995, and July 1996-99 issues of the SURVEY.

Table 2:
 1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974-81, when they represent transactions values, f.a.s. foreign port of exportation (see June issues of the SURVEY for historical data).
 From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" month data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY).
 Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see Technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975-80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.
 2. Adjustments in lines A5 and A13, B12, B48, and B84 reflect the Census Bureau's reconciliation of discrepancies between the goods statistics published by the United States and the counterpart statistics published in Canada. These adjustments are distributed to the affected end-use categories in section C. Beginning in 1986, estimates for undocumented exports to Canada, the largest item in the U.S.-Canadian reconciliation, are included in Census basis data shown in line A1.
 3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 22 (direct defense expenditures).
 4. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stock of U.S.-owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to foreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the SURVEY for historical data).
 5. Coverage adjustments for special situations in which shipments were omitted from Census data; the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair; and the adjustment of software imports to market value. Also includes addition of understatement of inland freight in f.a.s. values of U.S. imports of goods from Canada in 1974-81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the SURVEY for historical data).
 6. For 1988-89, correction for the understatement of crude petroleum imports from Canada.
 7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries:* Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC:* Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (Excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995.); *Other countries:* Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."
 8. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.
 9. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."
 10. The "Euro area," which formed in January 1999, includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain.

Table 3:
 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 governments 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.
Table 4:
 1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these military expenditures is applied in lines A43 and A46 to reduce short-term assets previously recorded in lines A41 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A4 expenditures finances future deliveries under military sales

contracts for the recipient countries and is applied directly to lines A42 and C9. A third part of line A4, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A37. A fourth part of line A4, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A48.
 2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are not included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.
 3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.
 4. Line A38 includes foreign currency collected as interest and line A43 includes foreign currency collected as principal, as recorded in lines A16 and A17, respectively.
 5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.
 6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.
 7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

Table 5:
 1. Beginning with 1991, payments and receipts of interest related to interest rate and foreign currency swaps between affiliates and parents are netted and are shown as either net payments or net receipts. Receipts and payments of other types of interest are shown on a gross basis.
 2. Petroleum includes, and manufacturing and "other" industries exclude, the exploration, development, and production of crude oil and gas, and the transportation, refining, and marketing of petroleum products, exclusive of petrochemicals. "Other" industries includes wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining; construction; transportation, communication, and public utilities; and retail trade.
 3. Acquisition of equity holdings in existing and newly established companies, capital contributions, capitalization of intercompany debt, and other equity contributions.
 4. Sales (total and partial), liquidations, returns of capital contributions, and other dispositions of equity holdings.

Table 6:
 1. Primarily provincial, regional, and municipal.
 2. Largely transactions by International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), and Inter-American Development Bank (IDB).
 3. Estimate for scheduled redemptions and identifiable early retirements. Includes estimates based on Canadian statistics for redemptions of Canadian issues held in the United States. Unidentified and nonscheduled retirements appear in line A30.
Table 7:
 1. Estimates of transactions other than those with U.S. banks' Caribbean branches and with financial intermediaries (F.I.s) are not available. Preliminary estimates of transactions with F.I.s, by area, are commingled in "other" to avoid disclosure of individual companies' area data.
 2. Deposits (line A5) include other financial claims (line A7) for some countries due to the commingling of these categories in foreign source data.
 3. Primarily mortgages, loans, and bills and notes drawn on foreigners.
 4. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
 5. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
 6. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.

Table 8:
 1. Includes central governments and their agencies and corporations; state, provincial, and local governments and their agencies and corporations; and international and regional organizations.
 2. U.S.-owned banks are mainly U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.
 3. Commercial paper issued in the U.S. market by foreign incorporated entities; excludes commercial paper issued through foreign direct investment affiliates in the United States.
 4. Negotiable and readily transferable instruments other than commercial paper, payable in dollars; consists largely of negotiable certificates of deposit.
 5. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
 6. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
 7. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.
 8. Includes Eastern Europe and international and regional organizations.
Table 9:
 1. Negotiable certificates of deposit issued by banks in the United States are included in banks' custody liabilities and are separately identified in memorandum line 8. Nonnegotiable certificates of deposit are included in time deposits.
 2. Includes borrowing under Federal funds or repurchase arrangements, deferred credits, and liabilities other than deposits.
 3. Mainly negotiable and readily transferable instruments, excluding U.S. Treasury securities.
 4. Mainly International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), Inter-American Development Bank (IDB), and the Trust Fund of the International Monetary Fund.
 5. U.S.-owned banks are mainly U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.
 6. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
 7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
 8. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.
 9. Includes Eastern Europe and international and regional organizations.

Table 10: For footnotes 1-13, see *table 1*.
 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 (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; before 1996, small transactions in business services that are not reported by country; and net U.S. currency flows, for which geographic source data are not available.
 17. Details are not shown separately; see totals in lines 56 and 63.
 18. Details not shown separately are included in line 69.
Table 10a: For footnotes 1-13, see *table 1*.
 14. Details not shown separately are included in line 69.
 Note.—Country data are based on information available from U.S. reporting sources. In some instances the statistics may not necessarily reflect the ultimate foreign transactor. For instance: U.S. export statistics reflect country of reported destination; in many cases the exports may be transhipped to third countries (especially true for the Netherlands and Germany). The geographic breakdown of security transactions reflects country with which transaction occurred but may not necessarily reflect the ultimate sources of foreign funds or ultimate destination of U.S. funds. Data for individual countries within the European Union (6) may not add to the published totals for the European Union (6), because in several instances estimates for the group are not available for each country. In addition, country data may not add to the European Union (6) totals because of rounding.

Table 5.—Direct Investment: Income, Capital, Royalties and

[Millions]

Line	(Credits +; debits -)	1996	1997	1998	Not seasonally adjusted			
					1997			
					I	II	III	IV
U.S. direct investment abroad:								
1	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 14)	103,314	115,795	102,846	29,020	30,526	29,809	26,440
2	Earnings	101,123	113,581	100,071	28,532	29,979	29,276	25,794
3	Distributed earnings	45,623	51,937	41,419	8,779	11,993	10,825	20,340
4	Reinvested earnings	55,500	61,644	58,651	19,753	17,987	18,451	5,453
5	Interest ¹	2,191	2,215	2,775	489	546	533	647
6	U.S. parents' receipts	4,144	4,848	5,742	1,096	1,166	1,224	1,362
7	U.S. parents' payments	-1,954	-2,634	-2,967	-607	-620	-691	-716
8	Less: Current-cost adjustment	8,267	10,439	11,185	2,443	2,572	2,675	2,749
9	Less: Withholding taxes	1,452	1,464	1,419	297	364	336	467
10	Equals: Income without current-cost adjustment, after deduction of withholding taxes ²	93,595	103,892	90,242	26,280	27,590	26,798	23,224
11	Petroleum	12,082	11,824	8,058	3,640	2,853	3,069	2,262
12	Manufacturing	34,341	38,283	31,417	9,826	10,172	9,867	8,418
13	Other	47,170	53,786	50,766	12,815	14,565	13,862	12,544
14	Capital with current-cost adjustment (table 1, line 51)	-92,694	-109,955	-132,829	-34,232	-27,996	-24,271	-23,456
15	Equity capital	-27,532	-43,907	-59,427	-13,321	-8,536	-6,986	-15,064
16	Increases in equity capital ³	-46,447	-65,808	-79,857	-16,745	-14,735	-11,660	-22,668
17	Decreases in equity capital ⁴	18,915	21,899	20,432	3,424	6,198	4,674	7,603
18	Reinvested earnings	-65,500	-61,644	-58,651	-19,753	-17,987	-18,451	-5,453
19	Intercompany debt	-9,661	-4,403	-14,753	-1,158	-1,473	1,166	-2,938
20	U.S. parents' receivables	-13,953	-13,233	-22,277	1,973	-3,113	-3,501	-8,592
21	U.S. parents' payables	4,293	8,830	7,526	-3,131	1,640	4,667	5,654
22	Less: Current-cost adjustment (line 8 with sign reversed)	-8,267	-10,439	-11,185	-2,443	-2,572	-2,675	-2,749
23	Equals: Capital without current-cost adjustment ²	-84,427	-99,516	-121,644	-31,789	-25,424	-21,596	-20,707
24	Equity capital (line 15)	-27,532	-43,907	-59,427	-13,321	-8,536	-6,986	-15,064
25	Petroleum	796	-3,698	-7,254	-683	-778	-1,342	-895
26	Manufacturing	-8,245	-8,091	-15,160	-3,572	-1,302	-1,663	-1,554
27	Other	-20,084	-32,119	-37,012	-9,066	-6,456	-3,981	-12,616
28	Reinvested earnings without current-cost adjustment (line 18 less line 22)	-47,233	-51,205	-47,466	-17,310	-15,415	-15,776	-2,704
29	Petroleum	-5,432	-4,429	-2,988	-2,343	-620	-1,704	238
30	Manufacturing	-17,633	-18,813	-13,806	-6,002	-5,818	-4,944	-2,049
31	Other	-24,167	-27,962	-30,672	-8,966	-8,976	-9,127	-893
32	Intercompany debt (line 19)	-9,661	-4,403	-14,753	-1,158	-1,473	1,166	-2,938
33	Petroleum	-1,602	-1,473	462	220	-1,514	1,118	-1,297
34	Manufacturing	1,553	-1,194	2,288	-1,796	491	1,944	-1,833
35	Other	-9,613	-1,736	-17,501	417	-450	-1,895	192
36	Royalties and license fees, before deduction of withholding taxes, net	21,958	22,231	23,541	5,451	5,465	5,483	5,832
37	U.S. parents' receipts (table 1, part of line 9)	22,719	23,221	24,712	5,672	5,690	5,729	6,130
38	U.S. parents' payments (table 1, part of line 26)	-761	-989	-1,169	-221	-224	-246	-298
39	Other private services, before deduction of withholding taxes, net	7,034	8,343	8,482	1,980	2,115	2,136	2,112
40	U.S. parents' receipts (table 1, part of line 10)	14,118	17,271	18,212	3,830	4,274	4,390	4,777
41	U.S. parents' payments (table 1, part of line 27)	-7,084	-8,927	-9,730	-1,850	-2,160	-2,253	-2,664
Foreign direct investment in the United States:								
42	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 31)	-35,568	-46,575	-43,441	-11,402	-11,916	-13,282	-9,975
43	Earnings	-26,467	-37,301	-32,425	-9,309	-9,590	-10,867	-7,535
44	Distributed earnings	-15,487	-17,036	-19,638	-2,929	-4,366	-3,172	-6,569
45	Reinvested earnings	-10,981	-20,265	-12,789	-6,380	-5,224	-7,695	-966
46	Interest ¹	-9,099	-9,275	-11,015	-2,093	-2,326	-2,416	-2,440
47	U.S. affiliates' payments	-10,548	-11,135	-13,014	-2,459	-2,721	-2,932	-3,023
48	U.S. affiliates' receipts	1,448	1,861	1,999	366	395	517	583
49	Less: Current-cost adjustment	-4,522	-3,776	-4,415	-1,003	-942	-912	-919
50	Less: Withholding taxes	-639	-684	-1,011	-146	-135	-135	-268
51	Equals: Income without current-cost adjustment, after deduction of withholding taxes ²	-30,407	-42,115	-38,015	-10,253	-10,839	-12,235	-8,788
52	Petroleum	-4,160	-4,555	-1,443	-1,277	-1,055	-1,392	-831
53	Manufacturing	-15,694	-18,627	-20,696	-3,810	-5,548	-5,431	-3,838
54	Other	-10,553	-18,932	-15,876	-5,166	-4,236	-5,412	-4,118
55	Capital with current-cost adjustment (table 1, line 64)	88,977	109,264	193,375	26,553	24,920	25,320	32,471
56	Equity capital	63,734	64,654	154,204	11,812	12,946	17,263	22,633
57	Increases in equity capital ³	77,469	75,052	176,031	13,245	14,378	20,566	26,873
58	Decreases in equity capital ⁴	-13,735	-10,399	-21,828	-1,433	-1,432	-3,294	-4,240
59	Reinvested earnings	10,981	20,265	12,789	6,380	5,224	7,695	966
60	Intercompany debt	14,262	24,345	26,383	8,361	6,751	362	8,871
61	U.S. affiliates' payables	21,111	26,634	40,093	7,930	6,619	5,378	6,707
62	U.S. affiliates' receivables	-6,848	-2,290	-13,713	431	131	-5,016	2,164
63	Less: Current-cost adjustment (line 49 with sign reversed)	4,522	3,776	4,415	1,003	942	912	919
64	Equals: Capital without current-cost adjustment ²	84,455	105,488	188,960	25,550	23,978	24,408	31,552
65	Equity capital (line 56)	63,734	64,654	154,204	11,812	12,946	17,263	22,633
66	Petroleum	5,493	1,286	60,088	339	278	337	332
67	Manufacturing	19,952	20,390	64,448	5,467	2,340	3,253	9,330
68	Other	38,289	42,978	29,669	6,006	10,328	13,673	12,971
69	Reinvested earnings without current-cost adjustment (line 59 less line 63)	6,459	16,489	8,374	5,377	4,282	6,783	47
70	Petroleum	1,883	1,796	-327	954	511	995	-664
71	Manufacturing	6,377	8,163	5,454	1,578	2,994	2,970	621
72	Other	-1,801	6,529	3,246	2,845	776	2,818	90
73	Intercompany debt (line 60)	14,262	24,345	26,383	8,361	6,751	362	8,871
74	Petroleum	1,475	-277	-2,405	882	845	-285	-1,719
75	Manufacturing	11,209	7,530	17,553	1,071	2,882	-581	4,158
76	Other	1,578	17,092	11,235	6,408	3,024	1,228	6,432
77	Royalties and license fees, before deduction of withholding taxes, net	-2,810	-4,175	-5,156	-1,035	-932	-1,109	-1,099
78	U.S. affiliates' payments (table 1, part of line 26)	-4,645	-5,978	-7,205	-1,306	-1,237	-1,696	-1,739
79	U.S. affiliates' receipts (table 1, part of line 9)	1,837	1,803	2,049	271	305	587	640
80	Other private services, before deduction of withholding taxes, net	348	1,202	744	72	444	501	185
81	U.S. affiliates' payments (table 1, part of line 27)	-8,464	-8,801	-9,365	-2,226	-2,051	-2,109	-2,415
82	U.S. affiliates' receipts (table 1, part of line 10)	8,813	10,001	10,109	2,297	2,495	2,610	2,599

License Fees, and Other Private Services

[of dollars]

Not seasonally adjusted					Seasonally adjusted										Line
1998				1999	1997				1998				1999		
I	II	III	IV	I ^P	I	II	III	IV	I	II	III	IV	I ^P		
27.804	27.095	22.779	25.168	27.329	28.443	30.098	30.312	26.942	27.338	26.744	23.124	25.639	26.961	1	
27.119	26.403	22.108	24.441	26.636	27.954	29.552	29.779	26.296	26.653	26.052	22.452	24.913	26.269	2	
8.475	7.734	9.171	16.039	7.622	11.707	13.654	13.218	13.357	11.298	8.719	10.911	10.491	10.314	3	
18.643	18.669	12.937	8.402	19.014	16.247	15.898	16.561	12.939	15.355	17.333	11.541	14.422	15.955	4	
685	692	672	726	693	489	546	533	646	685	692	672	726	692	5	
1.339	1.410	1.484	1.509	1.390	1.096	1.166	1.224	1.362	1.339	1.410	1.484	1.509	1.390	6	
-654	-718	-812	-783	-698	-607	-620	-691	-716	-654	-718	-812	-783	-698	7	
2.748	2.786	2.815	2.836	2.848	2.443	2.572	2.675	2.749	2.748	2.786	2.815	2.836	2.848	8	
285	254	307	573	217	327	407	381	350	322	293	361	443	240	9	
24.771	24.055	19.657	21.759	24.264	25.673	27.120	27.256	23.844	24.268	23.665	19.948	22.360	23.873	10	
2.622	2.396	1.867	1.173	1.532	3.270	2.964	3.288	2.302	2.350	2.485	2.011	1.212	1.371	11	
9.079	8.811	6.368	7.159	8.166	9.588	9.591	10.106	8.998	8.848	8.332	6.515	7.722	7.936	12	
13.070	12.848	11.422	13.426	14.566	12.815	14.565	13.862	12.544	13.070	12.848	11.422	13.426	14.566	13	
-40.589	-44.507	-22.981	-24.752	-41.356	-30.726	-25.907	-22.381	-30.941	-37.300	-43.172	-21.586	-30.773	-38.297	14	
-12.245	-20.284	-13.776	-13.122	-20.224	-13.321	-8.536	-6.986	-15.064	-12.245	-20.284	-13.776	-13.122	-20.224	15	
-16.889	-24.742	-18.366	-19.860	-23.409	-16.745	-14.735	-11.660	-22.668	-16.889	-24.742	-18.366	-19.860	-23.409	16	
4.644	4.458	4.591	6.739	3.185	3.424	6.198	4.674	7.603	4.644	4.458	4.591	6.739	3.185	17	
-18.643	-18.669	-12.937	-8.402	-19.014	-16.247	-15.898	-16.561	-12.939	-15.355	-17.333	-11.541	-14.422	-15.955	18	
-9.700	-5.555	-3.731	-3.229	-2.118	-1.158	-1.473	1.166	-2.938	-9.700	-5.555	-3.731	-3.229	-2.118	19	
-5.580	-6.207	-1.878	-8.612	436	1.973	-3.113	-3.501	-8.592	-5.580	-6.207	-1.878	-8.612	436	20	
-4.120	653	5.610	5.383	-2.555	-3.131	1.640	4.667	5.654	-4.120	653	5.610	5.383	-2.555	21	
-2.748	-2.786	-2.815	-2.836	-2.848	-2.443	-2.572	-2.675	-2.749	-2.748	-2.786	-2.815	-2.836	-2.848	22	
-37.841	-41.721	-20.166	-21.916	-38.508	-28.283	-23.335	-19.706	-28.192	-34.552	-40.386	-18.771	-27.937	-35.449	23	
-12.245	-20.284	-13.776	-13.122	-20.224	-13.321	-8.536	-6.986	-15.064	-12.245	-20.284	-13.776	-13.122	-20.224	24	
-2.397	-1.443	-1.552	-1.862	-4.837	-863	-778	-1.342	-895	-2.397	-1.443	-1.552	-1.862	-4.837	25	
-5.304	-2.542	-4.417	-2.897	-6.474	-3.572	-1.302	-1.663	-1.554	-5.304	-2.542	-4.417	-2.897	-6.474	26	
-4.544	-16.299	-7.807	-8.362	-8.913	-9.066	-6.456	-3.981	-12.616	-4.544	-16.299	-7.807	-8.362	-8.913	27	
-15.895	-15.863	-10.122	-5.566	-16.166	-13.804	-13.326	-13.886	-10.190	-12.607	-14.547	-8.726	-11.586	-13.107	28	
-1.161	-1.370	-681	424	-202	-1.719	-885	-1.541	-286	-619	-1.550	-821	195	29		
-5.902	-5.462	-1.984	-4.458	-5.609	-5.045	-4.459	-5.063	-4.245	-4.990	-4.322	-1.926	-2.568	-4.863	30	
-8.833	-9.050	-7.257	-5.532	-10.355	-7.040	-7.992	-7.282	-5.659	-6.998	-6.675	-5.979	-9.020	-8.439	31	
-9.700	-5.555	3.731	-3.229	-2.118	-1.158	-1.473	1.166	-2.938	-9.700	-5.555	3.731	-3.229	-2.118	32	
-225	-289	96	880	-1.686	220	-1.514	1.118	-1.297	-225	-289	96	880	-1.686	33	
-1.277	724	1.244	1.597	-1.595	-1.796	491	1.944	-1.833	-1.277	724	1.244	1.597	-1.595	34	
-8.198	-5.989	2.392	-5.706	1.163	417	-450	-1.895	192	-8.198	-5.989	2.392	-5.706	1.163	35	
5.515	5.626	5.651	6.749	5.642	5.606	5.602	5.615	5.410	5.673	5.793	5.793	6.283	5.795	36	
5.805	5.899	5.950	7.058	5.961	5.827	5.826	5.861	5.708	5.963	6.066	6.091	6.591	6.114	37	
-290	-273	-298	-308	-319	-221	-224	-246	-298	-290	-273	-298	-308	-319	38	
2.456	2.291	1.877	1.858	2.229	1.849	2.055	2.213	2.228	2.320	2.207	1.958	1.996	2.067	39	
4.503	4.657	4.282	4.770	4.573	3.915	4.285	4.574	4.574	4.608	4.631	4.411	4.561	4.681	40	
-2.047	-2.367	-2.405	-2.911	-2.345	-2.066	-2.210	-2.305	-2.346	-2.288	-2.424	-2.453	-2.565	-2.614	41	
-10.012	-11.089	-11.540	-10.800	-11.955	-11.855	-11.426	-13.001	-10.293	-10.501	-10.567	-11.290	-11.081	-12.437	42	
-7.503	-8.382	-8.661	-9.879	-9.037	-9.762	-9.100	-10.585	-7.853	-7.992	-7.861	-8.411	-8.160	-9.519	43	
-3.866	-4.077	-3.021	-8.674	-3.389	-3.079	-4.493	-4.082	-5.380	-4.231	-4.363	-4.000	-7.043	-3.634	44	
-3.637	-4.306	-5.641	795	-5.648	-6.683	-4.607	-6.503	-2.473	-3.761	-3.498	-4.411	-1.117	-5.885	45	
-2.509	-2.706	-2.879	-2.921	-2.918	-2.093	-2.326	-2.416	-2.440	-2.509	-2.706	-2.879	-2.921	-2.918	46	
-2.889	-3.201	-3.372	-3.552	-3.384	-2.459	-2.721	-2.932	-3.023	-2.889	-3.201	-3.372	-3.552	-3.384	47	
380	495	493	631	466	366	395	517	683	380	495	493	631	466	48	
-1.046	-1.085	-1.123	-1.161	-1.197	-1.003	-942	-912	-919	-1.046	-1.085	-1.123	-1.161	-1.197	49	
-112	-127	-130	-642	-154	-125	-180	-156	-223	-106	-182	-167	-556	-130	50	
-8.854	-9.877	-10.287	-8.997	-10.604	-10.727	-10.305	-11.932	-9.150	-9.350	-9.301	-10.000	-9.364	-11.109	51	
-314	-513	-610	-6	-129	-1.277	-1.055	-1.392	-831	-314	-513	-610	-6	-129	52	
-4.322	-5.395	-5.114	-5.865	-6.827	-4.284	-5.014	-4.201	-4.818	-4.819	-4.827	-6.323	-7.333	53		
-4.218	-3.969	-4.563	-3.126	-3.647	-5.166	-4.236	-5.412	-4.118	-4.218	-3.969	-4.563	-3.126	-3.647	54	
26.892	21.755	26.135	118.593	18.893	26.856	24.304	24.128	33.977	27.016	20.946	24.906	120.505	19.129	55	
11.875	11.260	12.736	108.333	8.520	11.812	12.946	17.263	22.633	11.875	11.260	12.736	108.333	8.520	56	
14.320	13.166	32.033	116.512	11.721	13.245	14.378	20.566	26.873	14.320	13.166	32.033	116.512	11.721	57	
-2.445	-1.906	-9.298	-8.179	-3.200	-1.433	-1.432	-3.294	-4.240	-2.445	-1.906	-9.298	-8.179	-3.200	58	
3.637	4.306	5.641	-795	5.648	6.683	4.607	6.503	2.473	3.761	3.497	4.411	1.117	5.885	59	
11.380	6.189	-2.241	11.055	4.724	8.361	6.751	362	8.871	11.380	6.189	-2.241	11.055	4.724	60	
9.947	7.881	-1.281	23.546	8.009	7.930	6.619	5.378	6.707	9.947	7.881	-1.281	23.546	8.009	61	
1.432	-1.693	-960	-12.492	-3.285	431	131	-5.016	2.164	1.432	-1.693	-960	-12.492	-3.285	62	
1.046	1.085	1.123	1.161	1.197	1.003	942	912	919	1.046	1.085	1.123	1.161	1.197	63	
25.846	20.670	25.012	117.432	17.696	25.853	23.362	23.216	33.058	25.970	19.861	23.783	119.344	17.932	64	
11.875	11.260	22.736	108.333	8.520	11.812	12.946	17.263	22.633	11.875	11.260	22.736	108.333	8.520	65	
-668	447	399	59.910	974	339	278	337	332	-668	447	399	59.910	974	66	
1.656	4.714	19.571	38.507	3.621	5.467	2.340	3.253	9.330	1.656	4.714	19.571	38.507	3.621	67	
10.887	6.100	2.766	9.916	3.926	6.006	10.328	13.673	12.971	10.887	6.100	2.766	9.916	3.926	68	
2.591	3.221	4.518	-1.956	4.451	5.680	3.665	5.591	1.554	2.715	2.412	3.288	-44	4.688	69	
-220	260	217	-584	263	954	511	995	-664	-220	260	217	-584	263	70	
1.468	2.567	2.831	-1.412	4.596	1.988	2.228	2.393	1.556	1.710	1.538	2.126	79	5.028	71	
1.343	393	1.470	40	119	2.738	926	2.203	662	1.225	614	945	461	-77	72	
11.380	6.189	-2.241	11.055	4.724	8.361	6.751	362	8.871	11.380	6.189	-2.241	11.055	4.724	73	
3.063	-1.182	-3.812	-474	120	882	845	-285	-1.719	3.063	-1.182	-3.812	-474	120	74	
5.431	2.428	4.237	5.457	9.657	1.071	2.882	-581	4.158	5.431	2.428	4.237	5.457	9.657	75	
2.886	4.943	-2.666	6.072	-5.053	6.408	3.024	1.228	6.432	2.886	4.943	-2.666	6.072	-5.053	76	
-1.239	-1.313	-1.325	-1.279	-1.583	-1.000	-924	-1.118	-1.133	-1.186	-1.301	-1.339	-1.331	-1.527	77	
-1.711	-1.670	-1.703	-2.121	-2.157	-1.318	-1.321	-1.726	-1.613	-1.727	-1.777	-1.739	-1.963	-2.170	78	
472	357	378	842	573	318	397	608	480	541	476	400	632	643	79	
282	9	353	100	212	185	486	415	114	400	51</					

Table 6.—Securities Transactions

[Millions of dollars]

Line	(Credits +; debits -)	1996	1997	1998	Not seasonally adjusted									
					1997				1998				1999	
					I	II	III	IV	I	II	III	IV		I ^P
A1	Foreign securities, net U.S. purchases (-), (table 1, line 52 or lines 2 + 13 below)	-115,859	-89,174	-102,817	-16,787	-23,949	-39,462	-8,976	-14,116	-32,886	14,994	-70,809	8,488	
2	Stocks, net U.S. purchases	-60,040	-41,970	-77,753	-13,102	-13,759	-14,674	-435	-3,500	-3,083	8,191	-79,361	8,348	
3	New issues in the United States	-14,491	-15,255	-11,608	-2,255	-2,724	-3,382	-6,894	-1,144	-4,856	-2,707	-2,901	-1,038	
4	Of which Western Europe	-7,062	-4,904	-3,949	-709	-1,104	-847	-2,244	-138	-1,963	-1,679	-169	(D)	
5	Canada	(D)	(D)	(D)	(D)	(D)	-56	-182	(D)	(D)	(D)	(D)	(D)	
6	Latin America	(D)	(D)	(D)	(D)	(D)	-917	-1,555	(D)	(D)	(D)	(D)	(D)	
7	Transactions in outstanding stocks, net	-45,549	-26,715	-66,145	-10,847	-11,035	-11,292	6,459	-2,356	1,773	10,898	-76,460	9,386	
8	Western Europe	-23,524	-10,162	-54,489	-4,745	730	-7,260	1,113	1,872	8,444	13,373	-78,178	17,219	
9	Of which United Kingdom	-12,834	-16,096	-37,757	-3,082	-2,479	-8,136	-2,399	1,659	8,106	4,042	-51,564	14,569	
10	Canada	-2,162	37	4,043	312	-939	-78	742	-31	362	2,664	1,048	-45	
11	Japan	-9,579	-9,444	-1,437	-2,011	-8,752	-2,988	4,307	-2,632	2,722	356	-1,883	-8,710	
12	Other	-10,284	-7,146	-14,262	-4,403	-2,074	-966	297	-1,565	-9,755	-5,495	2,553	922	
13	Bonds, net U.S. purchases	-55,819	-47,204	-25,064	-3,685	-10,190	-24,788	-8,541	-10,616	-29,803	6,803	8,552	140	
14	New issues in the United States	-58,912	-73,148	-58,295	-16,257	-17,303	-24,847	-14,741	-13,658	-24,270	-10,702	-9,665	-8,731	
15	By issuer:													
16	Central governments and their agencies and corporations	-10,950	-9,988	-8,701	-3,990	-2,861	-2,237	-900	-300	-7,142	-984	-275	-3,715	
17	Other governments and their agencies and corporations ¹	-10,501	-5,432	-2,764	-800	-1,111	-4,399	-122	-1,971	-500	-293	-225	-225	
18	Private corporations	-35,846	-57,341	-46,420	-11,167	-14,331	-18,124	-13,719	-13,358	-15,157	-9,218	-8,687	-4,791	
19	International financial institutions ²	-1,615	-387	-410	-300		-87					-410		
20	By area:													
21	Western Europe	-12,314	-21,398	-17,474	-4,857	-3,432	-6,087	-7,022	-6,196	-5,756	-3,907	-1,615		
22	Canada	-9,268	-6,554	-9,940	-1,220	-1,668	-2,388	-1,278	-775	-2,335	-3,141	-3,689	-3,000	
23	Japan	-197	-135	-2,271				-135	-2,271				-50	
24	Latin America	-18,529	-20,032	-13,216	-5,925	-6,625	-6,876	-1,606	-2,199	-5,970	-2,466	-2,581	-4,481	
25	Other countries	-16,989	-24,642	-14,984	-3,955	-6,578	-9,409	-4,700	-2,217	-10,209	-1,188	-1,370	-1,200	
26	International financial institutions ²	-1,615	-387	-410	-300		-87					-410		
27	Redemptions of U.S.-held foreign bonds ³	16,176	15,912	17,525	3,633	1,566	3,947	6,766	3,102	5,580	4,607	4,236	3,463	
28	Western Europe	6,125	4,852	3,682	888	273	988	2,704	1,065	886	1,057	674	798	
29	Canada	3,141	3,019	3,136	678	493	1,042	806	890	1,018	591	637	1,123	
30	Other countries	5,813	4,684	10,707	517	701	1,403	2,062	1,147	3,676	2,959	2,925	1,542	
31	International financial institutions ²	1,097	3,357		1,550	99	515	1,193						
32	Other transactions in outstanding bonds, net ³	-13,083	10,032	15,706	8,939	5,547	-3,888	-566	-60	-11,113	12,898	13,981	5,408	
33	Western Europe	-20,989	3,252	-3,088	4,967	7,999	-7,525	-2,189	-645	-12,907	-337	10,801	3,504	
34	Of which United Kingdom	-17,885	-920	-5,648	2,645	6,489	-8,857	-1,197	-505	-10,505	-4,330	9,246	2,832	
35	Canada	2,302	1,928	2,110	1,723	-588	-802	1,655	-9	-567	4,010	-1,324	1,217	
36	Japan	3,408	-1,175	3,251	-1,492	-1,591	1,397	511	1,397	-2,835	3,158	5,772	-1,716	
37	Other	2,196	6,027	13,433	3,741	-273	3,988	-1,429	3,429	5,205	6,067	-1,268	2,403	
B1	U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 66 or lines 2 + 10 below)	130,240	196,258	218,026	45,015	53,890	62,673	34,680	76,810	71,785	20,103	49,328	59,507	
2	Stocks, net foreign purchases	11,324	68,491	47,487	11,776	21,279	26,453	8,983	30,227	14,203	-5,362	8,419	9,377	
3	By area:													
4	Western Europe	5,036	60,292	65,209	11,004	14,678	18,638	15,972	27,144	22,101	13,724	2,240	17,900	
5	Of which Germany	1,267	8,936	10,149	2,768	2,037	2,011	2,120	1,881	4,228	4,028	12	2,326	
6	Switzerland	2,582	7,641	5,262	1,325	1,995	1,017	3,304	3,702	4,625	425	-3,490	2,043	
7	United Kingdom	4,259	21,833	21,982	3,381	6,242	6,624	5,586	10,647	4,070	3,272	3,993	6,953	
8	Canada	2,152	-1,404	-5,725	1,079	127	-1,316	-1,294	-178	-2,009	-937	-2,601	1,166	
9	Japan	-455	4,618	-2,079	-2,349	4,135	1,387	1,445	-3,247	-253	373	1,048	9,944	
10	Other	4,591	4,985	-9,918	2,042	2,339	7,744	-7,140	6,508	-5,636	-18,522	7,732	-6,745	
11	Corporate and other bonds, net foreign purchases	118,916	127,767	170,539	33,239	32,611	36,220	25,697	46,583	57,582	25,465	40,909	50,130	
12	By type:													
13	New issues sold abroad by U.S. corporations	53,445	84,778	53,978	18,400	25,579	28,953	11,846	15,829	15,664	13,314	9,171	9,332	
14	U.S. federally sponsored agency bonds, net	36,694	45,287	48,348	12,498	10,202	12,546	10,041	19,873	17,188	1,347	9,940	18,021	
15	Other outstanding bonds, net	28,777	-2,298	68,213	2,341	-3,170	-5,279	3,810	10,881	24,730	10,804	21,798	22,777	
16	By area:													
17	Western Europe	76,540	70,647	123,080	19,922	19,030	22,747	8,948	24,593	35,784	24,629	38,074	28,385	
18	Of which Germany	4,443	2,664	4,425	503	215	2,149	-203	857	1,726	1,129	713	1,846	
19	Switzerland	1,174	6	3,595	-331	380	-1,182	1,139	370	1,808	1,296	121	1,088	
20	United Kingdom	60,481	55,283	96,837	17,448	15,347	17,507	4,981	19,769	27,701	18,267	31,100	20,786	
21	Canada	4,198	6,262	5,806	1,794	872	1,503	2,093	1,861	1,488	1,511	946	1,075	
22	Japan	14,192	9,341	8,345	3,162	3,371	4,251	-1,443	664	3,888	-1,261	5,054	1,308	
23	Other countries	24,035	41,431	33,053	8,362	9,337	7,705	16,027	19,439	16,170	691	-3,247	19,539	
24	International financial institutions ²	41	86	255	-1	1	14	72	26	252	-105	82	-177	
Memoranda:														
Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts:														
Foreign official assets in the United States (lines in table 9):														
1	U.S. Treasury marketable bonds (line A4)	85,807	43,959	4,123	24,897	20,309	9,831	-11,078	6,186	-1,256	-26,755	26,118	-4,501	
2	Other U.S. Government securities (line A6)	5,008	4,529	6,332	754	962	2,712	101	2,610	2,424	1,906	1,562	5,993	
3	U.S. corporate and other bonds (part of line A14)	1,522	1,519	202	349	158	780	232	97	802	-608	-89	-310	
4	U.S. stocks (part of line A14)	-199	-1,727	-3,679	-3,659	877	123	932	-1,053	30	-1,886	-770	408	
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)	145,864	139,448	41,744	37,413	34,497	32,952	34,586	4,145	29,094	1,011	7,494	-12,943	

See footnotes on page 105.

Table 7.—Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns

[Millions of dollars]

Line	(Credits +; increase in U.S. liabilities or decrease in U.S. assets. Debits -; decrease in U.S. liabilities or increase in U.S. assets.)	1996	1997	1998	Not seasonally adjusted										Amounts out- standing Mar. 31, 1999
					1997				1998				1999		
					I	II	III	IV	I	II	III	IV		I ¹	
A1	Claims, total (table 1, line 53)	-86,333	-120,403	-25,041	-37,880	-9,825	-24,791	-47,907	-6,596	-14,327	-20,320	16,202	-405	596,627	
2	Financial claims	-83,078	-117,698	-23,434	-38,701	-9,833	-23,641	-45,523	-6,417	-14,194	-19,528	16,705	-405	565,370	
3	<i>Denominated in U.S. dollars</i>	-62,631	-104,542	-28,419	-33,907	-2,182	-19,771	-48,682	-1,798	-12,927	-18,075	4,381	-405	474,137	
4	<i>Denominated in foreign currencies</i>	-20,447	-13,156	4,985	-4,794	-7,651	-3,870	3,159	-4,619	-1,267	-1,453	12,324		91,233	
5	By type: Deposits ²	-67,034	-101,026	-719	-30,350	-5,012	-20,079	-45,585	18,264	-18,995	-19,504	19,516	1,300	434,901	
6	Financial intermediaries' accounts	-15,302	-16,360	-21,807	-8,837	-4,571	-3,198	246	-23,491	4,664	-1,143	-1,837	-1,705	113,461	
7	Other claims ^{2,3}	-742	-312	-908	486	-250	-364	-184	-1,190	137	1,119	-974		17,008	
8	By area: Industrial countries ⁴	-46,033	-65,352	-13,734	-23,898	-6,768	-10,014	-24,672	-6,444	-13,437	-11,250	17,397		298,389	
9	Of which United Kingdom	-34,100	-43,292	-780	-16,704	-6,867	-4,223	-15,498	-2,496	-1,807	-12,949	16,472		175,385	
10	Canada	-1,227	256	3,851	884	2,757	-1,143	-2,252	-288	-1,696	3,843	1,992		6,819	
11	Caribbean banking centers ⁵	-35,566	-51,178	-10,051	-14,245	-3,269	-12,003	-21,681	2,123	-2,552	-8,547	-1,075	1,300	250,160	
12	Other	-1,479	-1,168	351	-558	204	-1,624	810	-2,096	1,795	269	383	-1,705	16,821	
13	Commercial claims	-3,255	-2,705	-1,607	821	8	-1,150	-2,384	-179	-133	-792	-503		31,257	
14	<i>Denominated in U.S. dollars</i>	-2,841	-3,287	-1,853	-314	135	-842	-2,266	-565	-427	-466	-795		29,628	
15	<i>Denominated in foreign currencies</i>	-414	582	246	1,135	-127	-308	-118	386	294	-726	292		1,629	
16	By type: Trade receivables	-2,753	-1,703	-1,239	950	-57	-252	-2,344	1	134	-493	-881		27,211	
17	Advance payments and other claims	-502	-1,002	-368	-129	65	-898	-40	-180	-267	-299	378		4,046	
18	By area: Industrial countries ⁴	-1,372	-2,004	-835	455	144	-1,001	-1,602	-792	105	-189	41		18,297	
19	Members of OPEC ⁶	-322	-355	235	78	-87	-122	-224	282	-236	190	-1		1,948	
20	Other	-1,561	-346	-1,007	288	-49	-27	-558	331	-2	-793	-543		11,012	
B1	Liabilities, total (table 1, line 68)	39,404	107,779	9,412	28,840	5,274	26,275	47,390	32,707	18,040	11,875	-53,210	11,205	471,992	
2	Financial liabilities	33,169	102,493	13,570	27,549	5,029	24,900	45,015	33,126	17,046	12,217	-48,819	11,205	438,462	
3	<i>Denominated in U.S. dollars</i>	13,918	97,454	26,803	25,699	9,581	24,805	37,369	33,348	9,383	9,707	-25,635	11,205	406,912	
4	<i>Denominated in foreign currencies</i>	19,251	5,039	-13,233	1,850	-4,552	95	7,646	-222	7,663	2,510	-23,184		31,550	
5	By type: Financial intermediaries' accounts	6,517	45,865	8,213	13,682	8,512	948	22,723	14,713	4,907	7,135	-18,542	6,705	129,799	
6	Other Liabilities	26,652	56,628	5,357	13,867	-3,483	23,952	22,292	18,413	12,139	5,082	-30,277	4,500	308,663	
7	By area: Industrial countries ⁴	32,254	78,823	-1,072	27,831	4,242	12,066	34,684	21,903	15,615	2,419	-41,009		218,149	
8	Of which United Kingdom	30,254	36,831	18,638	21,553	-4,411	11,605	8,084	24,802	19,221	14,002	-39,387		150,648	
9	Caribbean banking centers ⁵	-156	22,875	15,035	-787	783	11,326	11,553	9,554	756	10,740	-6,015	4,500	195,161	
10	Other	1,071	795	-393	505	4	1,508	-1,222	1,669	675	-942	-1,795	6,705	25,152	
11	Commercial liabilities	6,235	5,286	-4,158	1,291	245	1,375	2,375	-419	994	-342	-4,391		33,530	
12	<i>Denominated in U.S. dollars</i>	6,338	4,798	-3,759	1,375	236	1,233	1,954	-131	1,221	-790	-4,059		32,512	
13	<i>Denominated in foreign currencies</i>	-103	488	-399	-84	9	142	421	-288	-227	448	-332		1,018	
14	By type: Trade payables	1,506	-1,822	558	-1,200	-393	-168	-61	-700	-280	853	685		10,961	
15	Advance receipts and other liabilities	4,729	7,108	-4,716	2,491	638	1,543	2,436	281	1,274	-1,195	-5,076		22,569	
16	By area: Industrial countries ⁴	4,314	3,792	-1,663	604	120	847	2,221	-624	1,011	360	-2,410		21,446	
17	Members of OPEC ⁶	631	848	1,096	308	-111	661	-10	-74	46	402	722		3,592	
18	Other	1,290	646	-3,591	379	236	-133	164	279	-63	-1,104	-2,703		8,492	

See footnotes on page 105.

Table 8.—Claims on Foreigners Reported by U.S. Banks
 [Millions of dollars]

Line	(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)	1996	1997	1998	Not seasonally adjusted										Amounts out- standing Mar. 31, 1999
					1997				1998				1999		
					I	II	III	IV	I	II	III	IV		I ^P	
1	Total (table 1, line 54)	-91,555	-144,822	-24,918	-63,676	-30,909	-25,591	-24,646	-1,062	-27,704	-33,344	37,192	35,226	979,518	
2	By type:														
	Banks' own claims	-61,675	-129,378	-14,388	-44,799	-26,678	-11,332	-46,569	15,656	-30,024	-29,602	29,582	33,788	775,884	
3	Payable in dollars	-67,493	-108,300	-26,569	-36,579	-14,904	-3,970	-52,847	15,857	-43,825	-32,288	33,687	39,552	695,242	
	By borrower:														
	Claims on:														
4	own foreign offices	-34,147	-90,111	-52,671	-18,767	-19,085	4,974	-57,233	24,512	-36,220	-43,059	2,096	32,587	451,769	
5	unaffiliated foreign banks	-12,090	4,452	3,498	-4,766	-1,086	14,800	-4,496	1,505	239	-940	2,694	11,677	94,055	
6	foreign public borrowers ¹	298	1,635	-2,959	-6,532	-571	526	8,212	-7,535	295	1,393	2,888	-11,373	34,913	
7	other private foreigners	-21,553	-24,276	25,563	-6,514	5,838	-24,270	670	-2,625	-8,139	10,318	26,009	6,661	114,505	
	By type of reporting institution: ²														
	U.S.-owned banks' claims on:														
8	own foreign offices	-17,794	-24,085	4,601	4,600	3,148	2,881	-34,714	18,572	-12,020	11,206	-13,157	10,070	152,455	
9	unaffiliated foreign banks	-11,734	1,218	1,602	6,028	-3,415	4,395	-5,790	7,244	-6,313	5,397	-4,726	-2,818	30,357	
10	other foreigners	-11,452	-4,131	-5,567	10,619	-4,719	10,921	-20,952	3,134	-3,063	5,937	-11,575	5,072	44,656	
	Foreign-owned banks' claims on:														
11	own foreign offices	-16,353	-66,026	-57,272	-23,367	-22,233	2,093	5,940	-24,200	-54,265	15,253	22,517	299,314		
12	unaffiliated foreign banks	-356	-4,024	5,201	-11,287	415	6,080	768	2,278	3,297	-5,001	4,627	9,972	51,740	
13	other foreigners	-9,804	-10,319	-2,088	-11,319	1,964	-13,421	12,457	-5,363	-3,473	-5,619	12,367	-6,040	54,199	
	U.S. brokers' and dealers' claims on:														
14	unaffiliated foreign banks	n.a.	7,258	-3,305	493	1,914	4,325	526	-8,017	3,255	-1,336	2,793	4,523	11,958	
15	other foreigners	n.a.	-8,191	30,259	-12,346	8,022	-21,244	17,377	-7,931	-1,308	11,393	28,105	-3,744	50,563	
16	Payable in foreign currencies	5,817	-21,078	12,181	-8,220	-11,774	-7,362	6,278	-201	13,801	2,686	-4,105	-5,764	80,642	
17	Banks' domestic customers' claims	-29,879	-15,444	-10,530	-18,877	-4,231	-14,259	21,923	-16,718	2,320	-3,742	7,610	1,438	203,634	
18	Payable in dollars	-25,046	-18,231	1,997	-19,667	-4,168	-14,420	20,024	-16,983	1,748	-2,643	19,875	-8,241	192,595	
19	Deposits	-19,138	-7,923	-5,057	-17,490	556	-5,869	14,880	-12,296	-602	-3,594	11,435	-12,884	91,051	
20	Foreign commercial paper ³	-11,099	-10,008	-2,909	-1,107	-3,180	-4,843	-878	-10,087	2,866	-6,778	4,990	1,030	77,889	
21	Other negotiable and readily transferable instruments ⁴	234	2,119	5,936	1,107	-1,487	-3,054	5,553	5,663	-3,632	1,869	2,036	2,615	11,130	
22	Outstanding collections and other	4,957	-2,419	4,027	-2,177	-57	-654	469	-283	3,116	-240	1,414	998	12,525	
23	Payable in foreign currencies	-4,833	2,787	-12,527	790	-63	161	1,899	265	572	-1,099	-12,265	9,679	11,039	
	By area:														
24	Industrial countries ⁵	-49,030	-61,900	-27,393	-62,385	-7,169	7,922	-268	7,652	-6,583	-38,509	10,047	16,622	524,839	
25	Western Europe	-38,333	-64,400	-41,603	-51,372	-2,361	-15,790	5,123	-13,313	-25,338	-14,738	11,786	1,289	393,486	
26	Of which United Kingdom	-18,566	-25,629	-14,485	-21,116	3,634	-192	-7,955	7,327	-23,851	11,671	-9,632	8,421	168,821	
27	Canada	-10,740	-3,426	-21,561	-12,771	-2,482	14,493	-2,666	-584	942	-15,323	-6,596	9,148	70,043	
28	Japan	3,396	5,656	36,549	1,443	-1,181	7,820	-2,426	20,937	19,297	-8,228	4,543	5,874	48,528	
29	Other	-3,353	270	-778	315	-1,145	1,399	-299	612	-1,484	-220	314	311	12,782	
30	Caribbean banking centers ⁶	-17,358	-67,159	-12,692	9,113	-16,016	-33,477	-26,779	-12,924	-24,982	2,868	22,346	11,097	293,332	
31	Other areas	-25,166	-15,763	15,167	-10,404	-7,724	-36	2,401	4,210	3,861	2,297	4,799	7,507	161,347	
32	Of which Members of OPEC, included below ⁷	-376	-2,242	-7,592	-16	-55	1,391	-3,562	2,514	2,131	-4,933	-7,304	3,934	22,218	
33	Latin America	-11,096	-15,714	1,680	-1,467	-3,856	-2,855	-7,536	-6,543	-469	2,869	5,823	3,700	91,327	
34	Asia	-11,932	3	16,207	-6,636	-5,774	4,110	8,303	13,879	2,758	1,510	-1,940	5,591	57,712	
35	Africa	129	-514	508	-61	-571	82	36	-220	1,511	-588	-195	344	2,333	
36	Other ⁸	-2,268	462	-3,226	-2,240	2,477	-1,373	1,598	-2,905	61	-1,493	1,111	-2,128	9,975	
	Memoranda:														
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	-17,189	-37,046	37,620	-10,339	-2,405	2,724	-27,026	24,228	-7,323	6,529	14,186	18,349	200,802	
	By borrower:														
	Claims on:														
2	own foreign offices	-15,713	-23,167	33,029	-4,188	1,574	-634	-19,919	17,547	-9,470	9,870	15,082	10,725	110,477	
3	unaffiliated foreign banks	563	-3,958	5,081	-3,853	-4,704	5,534	-935	7,531	2,885	-3,221	-2,114	7,638	46,942	
4	foreign public borrowers	1,495	102	-203	361	670	-86	-843	-164	-590	968	-417	305	6,375	
5	all other foreigners	-3,534	-10,023	-287	-2,659	55	-2,090	-5,329	-686	-148	-1,088	1,635	-319	37,008	
	By bank ownership: ²														
6	U.S.-owned IBF's	4,872	-10,084	-1,120	-1,963	2,497	1,513	-12,131	174	-2,310	-3,547	4,563	3,576	65,567	
7	Foreign-owned IBF's	-22,061	-26,962	38,615	-8,376	-4,902	1,211	-14,895	24,054	-5,013	9,951	9,623	14,773	135,235	
8	Banks' dollar acceptances payable by foreigners	-1,978	764	5,105	-824	-240	571	1,257	2,129	896	531	1,549	34	4,485	

See footnotes on page 105.

Table 9.—Foreign Official Assets and Other Foreign Assets in the United States Reported by U.S. Banks

(Millions of dollars)

Line	(Credits +; increase in foreign assets. Debits -; decrease in foreign assets.)	1996	1997	1998	Not seasonally adjusted										Amounts outstanding Mar. 31, 1999
					1997				1998				1999		
					I	II	III	IV	I	II	III	IV		P	
A1	Foreign official assets in the United States, net (table 1, line 56)	127,390	18,119	-21,684	27,524	-6,177	23,260	-26,488	11,004	-10,551	-46,489	24,352	8,568	798,023	
	By type:														
2	U.S. Treasury securities (table 1, line 58)	115,671	-6,690	-9,957	22,351	-12,373	7,604	-24,272	11,336	-20,318	-32,811	31,836	3,416	573,951	
3	Bills and certificates	30,387	-50,620	-14,160	-2,662	-32,309	-2,340	-13,309	5,034	-19,011	-6,178	5,995	7,800	141,951	
4	Bonds and notes, marketable	85,807	43,959	4,123	24,897	20,309	9,831	-11,078	6,186	-1,426	-26,755	26,118	-4,501	425,864	
5	Bonds and notes, nonmarketable	-523	-29	80	116	-373	113	115	116	119	122	-277	117	6,136	
6	Other U.S. Government securities (table 1, line 59)	5,008	4,529	6,332	754	962	2,712	101	2,610	254	1,906	1,562	5,993	47,111	
7	Other U.S. Government liabilities (table 1, line 60)	-316	-1,798	-3,113	-394	-444	-776	-184	-1,028	-807	-224	-1,054	-1,605	19,366	
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61)	5,704	22,286	-11,469	8,123	4,643	12,817	-3,297	-958	9,488	-12,866	-7,133	666	124,581	
9	Banks' liabilities for own account, payable in dollars ¹	-4,041	22,622	-22,879	11,623	6,783	8,047	-3,831	1,740	-1,515	-17,274	-5,830	-2,315	76,834	
10	Demand deposits	-587	803	473	857	-886	263	569	-263	531	1,025	-820	606	3,393	
11	Time deposits ¹	2,619	8,060	-12,449	-645	7,210	383	1,112	-1,430	-4,061	-8,160	1,202	-5,107	23,840	
12	Other liabilities ²	-6,073	13,759	-10,903	11,411	459	7,401	-5,512	3,433	2,015	-10,139	-6,212	2,186	49,801	
13	Banks' custody liabilities, payable in dollars ^{1,3}	9,745	-336	11,410	-3,500	-2,140	4,770	534	-2,698	11,003	4,408	-1,303	2,981	47,747	
14	Other foreign official assets (table 1, line 62)	1,323	-208	-3,477	-3,310	1,035	903	1,164	-956	832	-2,494	-859	98	33,014	
	By area: (see text table D).														
B1	Other foreign assets in the United States, net (table 1, lines 65 and 69)	171,474	295,459	86,886	53,584	70,654	45,214	126,007	-51,466	59,897	75,875	2,580	-25,979	1,694,461	
	By type:														
2	U.S. Treasury securities (line 65)	154,996	146,433	46,155	33,050	37,928	40,133	35,322	-2,557	25,759	-1,438	24,391	-11,434	698,458	
	By security:														
3	Bills and certificates	9,132	6,985	4,411	-4,363	3,431	7,181	736	-6,702	-3,335	-2,449	16,897	1,509	50,858	
4	Marketable bonds and notes	145,864	139,448	41,744	37,413	34,497	32,952	34,586	4,145	29,094	1,011	7,494	-12,943	647,600	
5	U.S. liabilities reported by U.S. banks (line 69)	16,478	149,026	40,731	20,534	32,726	5,081	90,685	-48,909	34,138	77,313	-21,811	-14,545	996,003	
6	Banks' own liabilities ¹	6,521	122,560	2,642	22,055	11,531	1,324	87,650	-56,217	28,921	52,606	-22,668	-4,869	897,587	
7	Payable in dollars	9,578	102,120	24,428	12,212	12,461	-10,559	88,006	-40,467	41,530	50,556	-27,191	-9,152	796,228	
	By account:														
8	Liabilities to own foreign offices	5,254	83,535	77,767	11,996	5,201	-6,724	73,062	-44,965	37,747	66,488	18,497	-30,249	532,597	
	Liabilities to unaffiliated foreigners:														
9	demand deposits	3,173	4,267	-2,476	-216	2,756	-1,476	3,203	1,507	3,127	-3,724	-3,386	1,583	28,137	
10	time deposits ¹	-8,267	3,576	-34,508	1,959	-8,737	729	9,625	-13,989	7,693	-4,416	-23,796	5,349	127,991	
11	other liabilities ²	9,418	10,742	-16,355	-1,527	13,241	-3,088	2,116	16,980	-7,037	-7,792	-18,506	14,165	107,503	
	By holder:														
	Liabilities to:														
12	own foreign offices	5,254	83,535	77,767	11,996	5,201	-6,724	73,062	-44,965	37,747	66,488	18,497	-30,249	532,597	
13	unaffiliated foreign banks	-10,190	-4,226	-43,006	-7,543	3,237	-5,487	5,567	-10,815	9,130	-10,601	-30,720	2,632	115,994	
14	other private foreigners	11,506	24,680	-9,697	9,306	2,335	3,624	9,415	11,875	-3,864	-6,018	-11,690	14,994	133,316	
15	international financial institutions ⁴	3,008	-1,869	-636	-1,547	1,688	-1,972	-38	3,438	-1,483	687	-3,278	3,471	14,321	
	By type of reporting institution: ⁵														
	U.S.-owned banks' liabilities to:														
16	own foreign offices	-12,363	41,349	17,484	6,305	-2,083	-122	37,249	-6,882	5,826	12,727	5,813	-4,767	208,969	
17	unaffiliated foreign banks	4,327	1,089	365	-5,261	195	-3,243	10,398	-1,646	5,495	-3,338	-146	-6,566	21,316	
18	other private foreigners and international financial institutions ⁴	8,175	2,027	9,348	-9,981	3,238	-371	8,141	-3,935	5,420	1,382	6,481	1,965	62,701	
	Foreign-owned banks' liabilities to:														
19	own foreign offices	17,617	42,186	60,283	5,691	7,284	-6,602	35,813	-38,083	31,921	53,761	12,684	-25,482	323,628	
20	unaffiliated foreign banks	-14,517	-3,114	-44,213	-57	-1,648	-2,315	906	-12,913	5,436	-8,999	-27,737	7,149	78,195	
21	other private foreigners and international financial institutions ⁴	6,339	1,602	-4,825	6,272	-253	540	-4,957	5,740	-2,194	-419	-7,952	9,277	50,692	
	U.S. brokers' and dealers' liabilities to:														
22	unaffiliated foreign banks	n.a.	-2,201	842	-1,225	4,690	71	-5,737	3,744	-1,801	1,736	-2,837	2,049	16,483	
23	other private foreigners and international financial institutions ⁴	n.a.	19,182	-14,856	10,468	1,038	1,483	6,193	13,508	-8,573	-6,294	-13,497	7,223	34,244	
24	Payable in foreign currencies	-3,057	20,440	-21,786	9,843	-930	11,883	-356	-15,750	-12,609	2,050	4,523	4,283	101,359	
25	Banks' custody liabilities, payable in dollars ^{1,3}	9,957	26,466	38,089	-1,521	21,195	3,757	3,035	7,308	5,217	24,707	857	-9,676	98,416	
26	Of which negotiable and readily transferable instruments	10,148	21,745	36,521	-2,234	18,485	3,411	2,083	5,761	5,349	25,068	343	-10,833	86,010	
	By area:														
27	Industrial countries ⁶	116,683	229,093	53,853	43,668	47,717	42,825	94,883	-40,378	9,997	66,679	17,555	-28,309	1,052,722	
28	Western Europe	96,147	194,602	13,769	30,811	34,330	56,921	72,540	-14,400	14,859	42,587	-29,277	-8,294	744,568	
29	Canada	11,106	-6,081	1,598	-268	5,076	-9,723	-1,166	-3,438	3,381	932	723	409	36,573	
30	Other	9,430	40,572	38,486	13,125	8,311	-4,373	23,509	-22,540	-8,243	23,160	46,109	-20,424	271,581	
31	Caribbean banking centers ⁷	39,958	36,159	-1,005	899	15,283	-501	20,478	-30,642	53,600	-7,105	-16,858	-8,135	372,532	
32	Other areas	14,833	30,207	34,039	9,017	7,654	2,890	10,646	19,554	-3,700	16,301	1,884	10,465	269,207	
33	Of which Members of OPEC, included below ⁸	3,098	922	-647	1,050	-150	206	-184	3,200	-4,565	1,997	-1,279	20	32,293	
34	Latin America	8,433	3,266	14,237	-578	-456	78	4,222	8,065	6,25	6,068	-1,010	4,827	93,943	
35	Asia	9,258	23,280	18,382	10,669	2,051	5,228	5,332	4,961	6,25	8,077	4,719	2,033	141,583	
36	Africa	267	998	-897	117	977	-244	248	166	899	3	-167	-145	4,499	
37	Other ⁹	-3,125	2,663	2,316	-1,191	5,182	-2,172	844	6,362	-4,540	2,153	-1,659	3,750	29,182	
	Memoranda:														
1	International banking facilities' (IBF)'s own liabilities, payable in dollars (in lines A9, and B7 above)	-16,779	54,455	-35,382	-2,114	8,313	813	47,443	-33,779	-11,056	32,653	-23,200	-23,802	348,152	
	By holder:														
	Liabilities to:														
2	own foreign offices	-2,763	47,615	22,199	5,660	127	2,990	38,838	-19,621	-12,611	52,161	2,270	-21,780	209,594	
3	unaffiliated foreign banks	-18,207	-6,696	-40,064	-5,613	-5,316	-2,826	7,059	-16,408	8,615	-11,840	-20,431	626	74,146	
4	foreign official agencies	1,081	16,404	-17,819	-1,038	12,249	2,765	2,428	-1,544	-6,637	-7,134	-2,504	-5,401	33,492	
5	other private foreigners and international financial institutions ⁴	3,110	-2,868	302	-1,123	1,253	-2,116	-882	3,794	-423	-534	-2,535	2,753	30,920	
	By bank ownership: ⁵														
6	U.S.-owned IBF's	-13,660	-684	-6,236	-3,543	-4,925	-2,265	10,049	-4,667	2,710	2,318	-6,597	-1,788	60,933	
7	Foreign-owned IBF's	-3,119	55,139	-29,146	1,429	13,238	3,078	37,394	-29,112	-13,766	30,335	-16,603	-22,014	287,219	
8	Negotiable certificates of deposit held for foreigners ¹ (in lines A13 and B25 above)	5,470	1,510	10,943	57	2,004	-726	17							

Table 10.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Western Europe							European Union ¹⁴					
		1996	1997	1998	1998				1999	1996	1997	1998	1998	
					I	II	III	IV					I ²	II
Current account														
1	Exports of goods and services and income receipts	312,046	349,722	368,598	91,675	92,169	89,819	94,935	94,198	280,306	314,778	333,872	83,969	83,574
2	Exports of goods and services	220,115	242,997	255,532	63,100	63,496	62,578	66,358	64,752	197,371	218,697	232,443	57,968	57,966
3	Goods, balance of payments basis ²	138,022	152,965	159,107	41,240	39,587	37,191	41,089	41,287	124,457	138,854	145,926	38,360	36,444
4	Services ³	82,093	90,032	96,425	21,860	23,909	25,387	25,269	23,465	72,914	79,843	86,517	19,608	21,522
5	Transfers under U.S. military agency sales contracts ⁴	3,892	5,156	4,596	846	1,278	1,159	1,313	1,186	2,376	2,949	3,077	549	921
6	Travel	21,958	22,049	22,819	4,720	5,744	6,702	5,653	4,791	20,004	20,257	20,927	4,339	5,269
7	Passenger fares	6,762	6,640	6,784	1,459	1,716	1,958	1,651	1,470	6,390	6,393	6,566	1,405	1,662
8	Other transportation	7,663	7,790	7,631	1,856	1,864	1,945	1,966	1,879	6,092	6,487	6,494	1,601	1,584
9	Royalties and license fees ⁵	16,718	16,207	18,842	4,341	4,402	4,547	5,552	4,760	15,922	15,322	17,813	4,077	4,169
10	Other private services ⁵	24,933	32,016	35,613	8,602	8,775	9,041	9,095	9,344	21,985	28,287	31,521	7,606	7,892
11	U.S. Government miscellaneous services	167	174	140	36	30	35	39	35	145	148	119	31	25
12	Income receipts	91,931	106,725	113,066	28,575	28,673	27,241	28,577	29,446	82,935	96,081	101,429	26,001	25,608
13	Income receipts on U.S.-owned assets abroad	91,781	106,583	112,922	28,539	28,637	27,204	28,542	29,409	82,795	95,951	101,297	25,968	25,575
14	Direct investment receipts	44,018	48,196	49,675	12,637	12,937	10,997	13,104	13,821	38,154	41,862	43,268	11,114	11,229
15	Other private receipts	46,692	57,449	62,777	15,622	15,522	15,924	15,209	15,296	43,715	53,299	57,185	14,618	14,188
16	U.S. Government receipts	1,071	938	970	280	178	283	229	292	926	790	844	236	158
17	Compensation of employees	150	142	144	36	36	37	35	37	140	130	132	33	33
18	Imports of goods and services and income payments	-316,665	-365,072	-399,610	-92,796	-100,681	-103,147	-102,986	-100,228	-285,916	-330,666	-363,243	-84,242	-91,576
19	Imports of goods and services	-221,533	-243,796	-269,400	-60,772	-68,048	-69,850	-70,370	-66,119	-198,606	-220,168	-242,520	-54,704	-61,521
20	Goods, balance of payments basis ²	-161,665	-175,771	-194,016	-45,018	-48,154	-48,533	-52,311	-48,566	-146,328	-160,146	-176,081	-40,693	-43,973
21	Services ³	-59,868	-68,025	-75,024	-15,754	-19,894	-21,317	-18,059	-17,553	-52,278	-60,022	-66,169	-14,011	-17,548
22	Direct defense expenditures	-7,135	-7,118	-6,780	-1,663	-1,569	-1,729	-1,819	-1,840	-5,720	-5,833	-5,824	-1,394	-1,340
23	Travel	-14,712	-16,920	-18,817	-3,266	-5,775	-6,345	-3,431	-3,540	-13,158	-15,118	-16,893	-2,985	-5,193
24	Passenger fares	-7,525	-8,764	-9,969	-1,873	-2,943	-3,111	-2,042	-2,103	-6,848	-7,956	-8,988	-1,697	-2,642
25	Other transportation	-9,436	-10,287	-11,146	-2,577	-2,742	-2,908	-2,919	-2,657	-7,456	-8,144	-9,009	-2,134	-2,197
26	Royalties and license fees ⁵	-4,823	-5,740	-6,990	-1,713	-1,568	-1,727	-1,982	-2,022	-4,070	-4,850	-6,071	-1,497	-1,321
27	Other private services ⁵	-15,027	-18,103	-20,228	-4,410	-5,031	-5,207	-5,580	-5,118	-13,965	-17,180	-18,445	-4,093	-4,624
28	U.S. Government miscellaneous services	-1,210	-1,093	-1,094	-252	-266	-290	-286	-273	-1,061	-941	-939	-211	-231
29	Income payments	-95,132	-121,276	-130,570	-32,024	-32,633	-33,297	-32,616	-34,109	-87,310	-110,498	-120,993	-29,538	-30,055
30	Income payments on foreign-owned assets in the United States	-94,857	-120,983	-130,266	-31,946	-32,561	-33,228	-32,531	-34,022	-87,087	-110,260	-120,746	-29,476	-29,996
31	Direct investment payments	-23,714	-31,371	-27,626	-7,111	-6,892	-6,786	-6,837	-8,573	-22,757	-28,118	-25,929	-6,522	-6,297
32	Other private payments	-46,583	-55,333	-63,367	-15,103	-15,777	-16,559	-15,928	-15,698	-43,036	-50,844	-58,399	-13,915	-14,580
33	U.S. Government payments	-24,560	-34,279	-39,273	-9,732	-9,892	-9,883	-9,766	-9,751	-21,294	-31,298	-36,418	-9,039	-9,119
34	Compensation of employees	-275	-293	-304	-78	-72	-69	-85	-87	-223	-238	-247	-62	-59
35	Unilateral current transfers, net	198	-435	-324	-48	-90	-91	-95	16	1,098	635	692	163	184
36	U.S. Government grants ⁴	-490	-598	-493	-70	-166	-143	-114	-147	-110	-47	-13	-	-8
37	U.S. Government pensions and other transfers	-1,346	-1,341	-1,398	-338	-347	-346	-367	-334	-1,116	-1,157	-1,205	-294	-311
38	Private remittances and other transfers ⁶	2,034	1,504	1,567	360	423	398	386	497	2,324	1,839	1,910	457	503
Capital and financial account														
Capital account														
39	Capital account transactions, net	142	102	148	36	37	37	38	38	122	88	132	32	33
Financial account														
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-180,506	-208,006	-205,362	-45,188	-75,948	-30,805	-53,421	10,078	-165,839	-189,735	-176,082	-40,971	-70,118
41	U.S. official reserve assets, net	-649	-611	-2,735	-151	-148	-50	-2,386	5,502	-609	-1,377	4,598	-420	-135
42	Gold ⁷	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)
43	Special drawing rights	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)
44	Reserve position in the International Monetary Fund	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)	(⁽)
45	Foreign currencies	-649	-611	-2,735	-151	-148	-50	-2,386	5,502	-609	-1,377	4,598	-420	-135
46	U.S. Government assets, other than official reserve assets, net	327	572	652	191	-16	272	205	172	223	413	441	140	-31
47	U.S. credits and other long-term assets	-563	-425	-278	-93	-59	776	-50	90	-247	-166	-174	-77	-38
48	Repayments on U.S. credits and other long-term assets ⁸	934	981	912	273	126	277	236	264	507	564	602	204	30
49	U.S. foreign currency holdings and U.S. short-term assets, net	-44	16	18	11	-83	71	19	-2	-37	15	13	13	-23
50	U.S. private assets, net	-180,184	-207,967	-203,279	-45,228	-75,784	-31,027	-51,240	4,404	-165,453	-188,771	-181,121	-40,691	-69,952
51	Direct investment	-38,640	-50,169	-52,668	-13,167	-27,592	-9,993	-12,914	-18,419	-68,181	-110,260	-120,746	-29,476	-29,996
52	Foreign securities	-57,764	-28,360	-75,318	-4,042	-11,296	8,507	-68,487	21,521	-54,502	-27,627	-77,288	-3,336	-12,857
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-45,564	-65,039	-13,149	-5,201	-11,559	-14,797	18,408	(⁽)	-44,719	-62,796	-11,252	-4,128	-10,651
54	U.S. claims reported by U.S. banks, not included elsewhere	-38,216	-64,399	-41,645	-13,317	-25,337	-14,744	11,753	1,302	-30,051	-50,131	-26,141	-12,386	-19,787
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	300,633	480,999	377,622	78,335	110,725	96,246	92,316	49,459	297,139	445,729	363,139	75,047	100,727
56	Foreign official assets in the United States, net	33,523	5,807	5,957	-3,383	5,094	-3,574	7,820	-4,464	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
57	U.S. Government securities	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
58	U.S. Treasury securities ⁹	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
59	Other ¹⁰	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	275	-494	-566	119	-157	-103	-425	-435	31	102	-19	131	-61
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
62	Other foreign official assets ¹²	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
63	Other foreign assets in the United States, net	267,110	475,192	371,665	81,718	105,631	99,820	84,496	53,923	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
64	Direct investment	55,781	70,494	167,892	20,982	15,943	14,823	116,144	15,990	53,071	61,390	158,029	16,326	15,635
65	U.S. Treasury securities	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁷⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)	(⁽¹⁸⁾)
66	U.S. securities other than U.S. Treasury securities	81,487	130,39											

Table 10.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Eastern Europe							Canada					
		1996	1997	1998	1998				1999	1996	1997	1998	1998	
					I	II	III	IV					I ^P	I	II
Current account														
1	Exports of goods and services and income receipts	12,131	13,393	12,913	3,631	3,739	2,971	2,572	2,631	174,015	194,376	195,932	50,159	51,029
2	Exports of goods and services	11,078	11,529	11,160	2,929	3,189	2,655	2,387	2,175	154,776	172,724	176,523	44,950	46,060
3	Goods, balance of payments basis ²	7,271	7,748	7,365	1,999	2,299	1,655	1,412	1,213	135,166	152,069	156,810	39,646	40,835
4	Services ³	3,807	3,781	3,795	930	890	1,000	975	962	19,610	20,655	19,713	5,304	5,225
5	Transfers under U.S. military agency sales contracts ⁴	493	349	336	91	50	88	107	72	138	91	106	57	17
6	Travel	1,213	1,249	1,257	254	317	362	324	258	6,842	6,836	6,206	1,828	1,862
7	Passenger fares	104	144	159	40	43	38	38	40	1,331	1,320	1,477	440	375
8	Other transportation	475	434	279	77	73	64	65	66	2,394	2,414	2,329	586	595
9	Royalties and license fees ⁵	145	216	279	61	71	73	74	75	1,527	1,592	1,646	381	408
10	Other private services ⁵	1,335	1,348	1,439	399	316	369	355	439	7,315	8,356	7,864	1,993	1,948
11	U.S. Government miscellaneous services	42	41	46	8	20	6	12	12	63	46	85	19	20
12	Income receipts	1,053	1,864	1,753	702	550	316	185	456	19,239	21,652	19,409	5,209	4,969
13	Income receipts on U.S.-owned assets abroad	1,045	1,856	1,745	700	548	314	183	454	19,168	21,574	19,330	5,189	4,950
14	Direct investment receipts	268	560	-367	193	-4	-252	-304	-80	9,257	10,548	8,104	2,371	2,154
15	Other private receipts	496	1,035	1,874	421	504	493	456	488	9,911	11,026	11,226	2,818	2,796
16	U.S. Government receipts	281	261	238	86	48	73	31	46					
17	Compensation of employees	8	8	8	2	2	2	2	2	71	78	79	20	19
18	Imports of goods and services and income payments	-11,258	-12,708	-15,366	-3,264	-4,105	-4,267	-3,730	-3,280	-179,217	-192,761	-199,595	-48,229	-50,929
19	Imports of goods and services	-9,792	-10,956	-13,685	-2,884	-3,671	-3,807	-3,323	-2,869	-171,267	-183,867	-191,147	-46,213	-48,741
20	Goods, balance of payments basis ²	-7,004	-8,481	-10,899	-2,423	-2,858	-2,874	-2,744	-2,402	-158,668	-170,058	-175,806	-43,231	-44,796
21	Services ³	-2,788	-2,475	-2,786	-461	-813	-933	-579	-467	-12,599	-13,809	-15,341	-2,982	-3,945
22	Direct defense expenditures	-379	-253	-167	-41	-33	-51	-42	-45	-47	-57	-68	-13	-17
23	Travel	-1,223	-946	-1,296	-137	-427	-518	-214	-149	-4,670	-4,904	-5,719	-773	-1,502
24	Passenger fares	-250	-317	-409	-51	-131	-149	-78	-58	-391	-470	-585	-99	-165
25	Other transportation	-317	-279	-220	-71	-58	-46	-45	-41	-2,790	-3,037	-2,911	-726	-751
26	Royalties and license fees ⁵	-13	-18	-9	-4	-2	-1	-2	-1	-225	-322	-425	-106	-91
27	Other private services ⁵	-544	-598	-600	-144	-149	-152	-155	-155	-4,375	-4,843	-5,426	-1,215	-1,365
28	U.S. Government miscellaneous services	-62	-64	-85	-13	-13	-16	-43	-18	-101	-176	-207	-50	-54
29	Income payments	-1,466	-1,752	-1,681	-380	-434	-460	-407	-411	-7,950	-8,894	-8,448	-2,016	-2,188
30	Income payments on foreign-owned assets in the United States	-1,410	-1,692	-1,616	-363	-419	-446	-388	-392	-7,668	-8,598	-8,146	-1,939	-2,115
31	Direct investment payments	-8	-11	-8	-1	-1	-4	-2	-2	-3,189	-3,360	-3,010	-683	-877
32	Other private payments	-425	-483	-502	-121	-133	-156	-92	-97	-3,387	-4,078	-4,261	-993	-1,015
33	U.S. Government payments	-977	-1,198	-1,106	-241	-285	-286	-294	-293	-1,092	-1,160	-875	-263	-223
34	Compensation of employees	-56	-60	-65	-17	-15	-14	-19	-19	-282	-296	-302	-77	-73
35	Unilateral current transfers, net	-3,422	-2,943	-3,358	-725	-857	-1,007	-769	-739	-494	-536	-613	-167	-143
36	U.S. Government grants ⁴	-2,085	-1,509	-1,895	-346	-501	-656	-392	-317					
37	U.S. Government pensions and other transfers	-36	-39	-40	-10	-10	-10	-10	-9	-408	-408	-477	-120	-119
38	Private remittances and other transfers ⁶	-1,301	-1,395	-1,423	-369	-346	-341	-367	-413	-86	-128	-136	-47	-24
Capital and financial account														
Capital account														
39	Capital account transactions, net	20	19	20	5	5	5	5	6	53	48	64	17	20
Financial account														
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-3,990	-4,440	-1,954	-464	-2,023	1,573	-1,040	-1,583	-27,073	-14,284	-29,227	-6,332	-4,204
41	U.S. official reserve assets, net	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
42	Gold ⁷	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
43	Special drawing rights	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
44	Reserve position in the International Monetary Fund	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
45	Foreign currencies	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
46	U.S. Government assets, other than official reserve assets, net	-123	9	70	-27	34	72	-9	-10	7	3	(⁸)	1	-1
47	U.S. credits and other long-term assets	-133	-650	-470	-174	-10	-267	-19	-164	(⁸)	(⁸)	(⁸)	(⁸)	(⁸)
48	Repayments on U.S. credits and other long-term assets ⁸	47	614	446	147	10	273	16	160	(⁸)	(⁸)	(⁸)	(⁸)	(⁸)
49	U.S. foreign currency holdings and U.S. short-term assets, net	-37	45	94	(⁹)	34	66	-6	-6	7	3	(⁹)	1	-1
50	U.S. private assets, net	-3,867	-4,449	-2,024	-437	-2,057	1,501	-1,031	-1,573	-27,080	-14,287	-29,227	-6,333	-4,203
51	Direct investment	-1,509	-1,528	-1,368	-716	-470	-173	-9	-9	-7,181	-7,493	-10,260	-5,114	-1,934
52	Foreign securities	-843	-2,333	-2,247	-282	-1,517	420	-868	-120	-7,726	-3,161	-1,182	27	-1,631
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	50	-250	166	136	-241	278	-7	(¹⁰)	-1,433	-207	3,776	-662	-1,580
54	U.S. claims reported by U.S. banks, not included elsewhere	-1,565	-338	1,425	425	171	976	-147	-1,200	-10,740	-3,426	-21,561	-584	942
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	3,546	1,045	-2,550	-819	-977	-2,090	1,336	2,920	27,056	12,944	13,827	-169	5,056
56	Foreign official assets in the United States, net	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	1,808	-2,525	510	1,498	-873
57	U.S. Government securities	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
58	U.S. Treasury securities ⁹	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
59	Other ¹⁰	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
60	U.S. liabilities reported by U.S. banks, not included elsewhere	76	-14	186	71	-44	10	149	59	-14	21	-28	-33	11
61	U.S. securities other than U.S. Treasury securities	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
62	Other foreign official assets ¹²	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
63	Other foreign assets in the United States, net	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	25,248	15,469	13,317	-1,667	5,929
64	Direct investment	207	12	-236	-224	-1	-2	-9	-6	8,590	15,400	11,859	121	2,676
65	U.S. Treasury securities	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
66	U.S. securities other than U.S. Treasury securities	50	262	473	64	199	209	1	15	6,349	4,858	81	1,683	-521
67	U.S. currency													
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-21	259	-166	38	11	10	-225		-797	1,292	-221	-33	393
69	U.S. liabilities reported by U.S. banks, not included elsewhere	¹⁸ 3,234	¹⁸ 526	¹⁸ -2,807	¹⁸ -768	¹⁸ -1,142	¹⁸ -2,317	¹⁸ 1,420	¹⁸ 2,852	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
70	Statistical discrepancy (sum of above items with sign reversed)	2,973	5,634	10,295	1,636	4,218	2,815	1,626	45	5,660	213	19,612	4,721	-829
Memoranda:														
71	Balance on goods (lines 3 and 20)	267	-733	-3,534	-424	-55								

Table 10.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Australia							
		1996	1997	1998	1998				1999
					I	II	III	IV		P
Current account									
1	Exports of goods and services and income receipts	21,994	23,764	21,511	5,500	5,448	5,350	5,213	4,898
2	Exports of goods and services	16,455	17,274	16,688	4,254	4,087	4,174	4,173	3,729
3	Goods, balance of payments basis ²	11,713	11,911	11,775	3,117	2,838	2,918	2,902	2,543
4	Services ³	4,742	5,363	4,913	1,137	1,249	1,256	1,271	1,186
5	Transfers under U.S. military agency sales contracts ⁴	203	375	168	45	36	43	44	52
6	Travel	1,709	1,839	1,562	337	413	404	408	342
7	Passenger fares	540	621	548	121	151	153	123	122
8	Other transportation	304	307	320	75	76	83	86	83
9	Royalties and license fees ⁵	696	701	749	168	186	190	205	178
10	Other private services ⁵	1,277	1,514	1,560	390	386	382	402	408
11	U.S. Government miscellaneous services	13	6	6	1	1	1	3	1
12	Income receipts	5,539	6,490	4,823	1,246	1,361	1,176	1,040	1,169
13	Income receipts on U.S.-owned assets abroad	5,531	6,482	4,815	1,244	1,359	1,174	1,038	1,167
14	Direct investment receipts	2,851	3,598	1,897	468	609	467	353	444
15	Other private receipts	2,680	2,884	2,918	776	750	707	685	723
16	U.S. Government receipts								
17	Compensation of employees	8	8	8	2	2	2	2	2
18	Imports of goods and services and income payments	-7,852	-8,774	-10,121	-2,468	-2,529	-2,561	-2,563	-2,344
19	Imports of goods and services	-6,538	-7,684	-8,439	-1,995	-2,139	-2,151	-2,154	-1,887
20	Goods, balance of payments basis ²	-3,869	-4,881	-5,372	-1,262	-1,435	-1,315	-1,360	-1,093
21	Services ³	-2,669	-2,803	-3,067	-733	-704	-836	-794	-794
22	Direct defense expenditures	-53	-75	-41	-15	-10	-7	-9	-13
23	Travel	-1,068	-997	-1,231	-273	-289	-386	-283	-296
24	Passenger fares	-507	-546	-599	-150	-131	-143	-175	-169
25	Other transportation	-308	-230	-214	-66	-40	-53	-55	-51
26	Royalties and license fees ⁵	-33	-90	-38	-16	-8	-6	-8	-8
27	Other private services ⁵	-655	-811	-895	-202	-216	-224	-253	-245
28	U.S. Government miscellaneous services	-45	-54	-49	-11	-10	-17	-11	-12
29	Income payments	-1,314	-1,090	-1,682	-473	-390	-410	-409	-457
30	Income payments on foreign-owned assets in the United States	-1,307	-1,083	-1,674	-471	-388	-408	-407	-455
31	Direct investment payments	-492	-214	-673	-205	-149	-187	-132	-184
32	Other private payments	-413	-544	-643	-171	-163	-160	-149	-146
33	U.S. Government payments	-402	-325	-358	-95	-76	-61	-126	-125
34	Compensation of employees	-7	-7	-8	-2	-2	-2	-2	-2
35	Unilateral current transfers, net	-123	-133	-137	-39	-31	-38	-29	-39
36	U.S. Government grants ⁴								
37	U.S. Government pensions and other transfers	-33	-36	-38	-9	-10	-9	-10	-9
38	Private remittances and other transfers ⁶	-90	-97	-99	-30	-21	-29	-19	-30
Capital and financial account									
Capital account									
39	Capital account transactions, net	6	4	4	1	1	1	1	2
Financial account									
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-11,925	-5,071	-7,666	-311	-6,611	-1,839	1,095	-1,518
41	U.S. official reserve assets, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
42	Gold ⁷	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
43	Special drawing rights	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
44	Reserve position in the International Monetary Fund	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
45	Foreign currencies	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
46	U.S. Government assets, other than official reserve assets, net	15	1	-2	-1	-1	(*)	(*)	(*)
47	U.S. credits and other long-term assets	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
48	Repayments on U.S. credits and other long-term assets ⁸	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
49	U.S. foreign currency holdings and U.S. short-term assets, net	15	1	-2	-1	-1	(*)	(*)	(*)
50	U.S. private assets, net	-11,940	-5,072	-7,664	-310	-6,610	-1,839	1,095	-1,518
51	Direct investment	-3,786	-2,393	-3,659	-573	-3,855	-601	1,370	-2,113
52	Foreign securities	-4,529	-3,064	-1,337	-17	-1,346	-401	427	-82
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-658	-10	-981	128	129	-513	-725	(*)
54	U.S. claims reported by U.S. banks, not included elsewhere	-2,967	395	-1,687	152	-1,538	-324	23	677
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	8,174	3,588	1,258	-474	3,106	-3,406	2,032	901
56	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
57	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
58	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
59	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
60	Other U.S. Government liabilities ¹¹	-50	-147	5	-12	4	-2	15	8
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
62	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
63	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
64	Direct investment	5,321	2,254	2,035	1,508	671	-472	328	202
65	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	-840	691	838	176	-325	6	981	42
67	U.S. currency								
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	417	-93	1,497	-159	1,623	97	-64	
69	U.S. liabilities reported by U.S. banks, not included elsewhere	18 3,326	18 883	18 -3,117	18 -1,987	18 1,133	18 -3,035	18 772	18 649
70	Statistical discrepancy (sum of above items with sign reversed)	-10,274	-13,378	-4,849	-2,209	616	2,493	-5,749	-1,900
Memoranda:									
71	Balance on goods (lines 3 and 20)	7,844	7,030	6,403	1,855	1,403	1,603	1,542	1,450
72	Balance on services (lines 4 and 21)	2,073	2,560	1,846	404	545	420	477	392
73	Balance on goods and services (lines 2 and 19)	9,917	9,590	8,249	2,259	1,948	2,023	2,019	1,842
74	Balance on income (lines 12 and 29)	4,225	5,400	3,141	773	971	766	631	712
75	Unilateral current transfers, net (line 35)	-123	-133	-137	-39	-31	-38	-29	-39
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	14,019	14,857	11,253	2,993	2,888	2,751	2,621	2,515

Transactions, by Area—Continued

[of dollars]

Other countries in Asia and Africa								International organizations and unallocated ¹⁶								Line
1996	1997	1998	1998				1999	1996	1997	1998	1998				1999	
			I	II	III	IV	I ^P				I	II	III	IV	I ^P	
223,899	239,718	214,716	53,906	52,554	51,380	56,876	50,974	23,877	27,259	29,639	7,197	7,271	7,389	7,782	7,516	1
197,702	212,025	192,083	48,148	46,474	45,818	51,643	45,791	4,590	4,397	4,641	1,167	1,123	1,135	1,216	1,208	2
145,084	155,793	136,995	34,260	32,882	31,278	38,575	31,674	2	.....	.....	.....	.....	.....	.....	.....	3
52,618	56,232	55,088	13,888	13,592	14,540	13,068	14,117	4,588	4,397	4,641	1,167	1,123	1,135	1,216	1,208	4
10,080	10,657	10,501	2,830	2,905	2,439	2,327	2,379	13	6	.....	.....	.....	.....	.....	.....	5
11,255	12,137	10,484	2,014	2,797	3,366	2,307	2,044	.....	.....	.....	.....	.....	.....	.....	.....	6
1,788	1,909	1,839	387	481	593	378	388	.....	.....	.....	.....	.....	.....	.....	.....	7
8,341	8,625	8,028	1,943	1,957	1,985	2,143	2,128	529	549	558	140	141	141	136	135	8
4,124	4,425	4,472	1,062	1,070	1,135	1,205	1,123	1,720	1,815	1,980	467	470	478	565	499	9
16,657	18,134	19,413	5,539	4,311	4,934	4,629	5,968	2,326	2,027	2,103	560	512	516	515	574	10
373	345	351	113	71	88	79	87	.....	.....	.....	.....	.....	.....	.....	.....	11
26,197	27,893	22,633	5,758	6,080	5,562	5,233	5,183	19,287	22,862	24,998	6,030	6,148	6,254	6,566	6,308	12
26,142	27,633	22,569	5,742	6,064	5,546	5,217	5,166	17,961	21,502	23,595	5,681	5,798	5,903	6,213	5,956	13
15,684	15,683	11,021	2,860	3,008	2,643	2,510	2,391	9,998	12,285	13,427	3,192	3,192	3,357	3,686	3,344	14
9,262	10,658	10,440	2,605	2,822	2,578	2,435	2,478	7,333	8,652	9,353	2,307	2,411	2,335	2,300	2,396	15
1,196	1,292	1,108	277	234	325	272	297	630	565	815	182	195	211	227	216	16
55	60	64	16	16	16	16	17	1,326	1,360	1,403	349	350	351	353	352	17
-283,225	-314,650	-326,895	-76,233	-79,667	-87,791	-83,204	-79,339	-10,170	-9,463	-11,401	-2,868	-2,699	-2,687	-3,147	-2,789	18
-260,801	-286,847	-298,020	-69,184	-72,331	-80,534	-75,971	-71,950	-2,268	-2,053	-2,702	-913	-639	-595	-555	-590	19
-232,037	-255,087	-263,505	-61,012	-63,755	-71,566	-67,173	-62,733	.....	.....	.....	.....	.....	.....	.....	.....	20
-28,764	-31,760	-34,515	-8,172	-8,576	-8,969	-8,798	-9,217	-2,268	-2,053	-2,702	-913	-639	-595	-555	-590	21
-1,902	-2,652	-4,090	-901	-1,035	-1,036	-1,118	-1,204	.....	.....	.....	.....	.....	.....	.....	.....	22
-9,362	-9,873	-10,349	-2,547	-2,678	-2,732	-2,392	-2,765	.....	.....	.....	.....	.....	.....	.....	.....	23
-3,995	-4,503	-4,501	-1,103	-1,068	-1,160	-1,170	-1,251	.....	.....	.....	.....	.....	.....	.....	.....	24
-7,114	-7,387	-7,997	-1,809	-1,920	-2,109	-2,159	-2,095	-978	-1,093	-1,384	-346	-377	-337	-324	-311	25
-191	-314	-284	-71	-71	-67	-75	-71	-916	-577	-986	-471	-166	-169	-180	-183	26
-5,432	-6,270	-6,502	-1,538	-1,670	-1,655	-1,679	-1,634	-372	-383	-330	-96	-95	-88	-51	-96	27
-768	-761	-792	-203	-134	-210	-205	-197	-2	.....	.....	.....	.....	.....	.....	.....	28
-22,424	-27,803	-28,875	-7,049	-7,336	-7,257	-7,233	-7,389	-7,902	-7,410	-8,699	-1,955	-2,060	-2,092	-2,592	-2,199	29
-22,004	-27,377	-28,419	-6,913	-7,242	-7,175	-7,089	-7,244	-7,902	-7,410	-8,699	-1,955	-2,060	-2,092	-2,592	-2,199	30
1,320	372	-17	96	-88	-85	60	-88	-5,161	-4,460	-5,426	-1,158	-1,212	-1,253	-1,803	-1,351	31
-9,199	-9,762	-10,277	-2,676	-2,591	-2,611	-2,399	-2,413	-2,399	-2,944	-3,253	-794	-835	-836	-788	-847	32
-14,125	-17,987	-18,125	-4,333	-4,563	-4,479	-4,750	-4,743	-22	-6	-20	-3	-13	-3	-1	-1	33
-420	-426	-456	-136	-94	-82	-144	-145	.....	.....	.....	.....	.....	.....	.....	.....	34
-17,667	-15,787	-16,744	-3,524	-2,884	-3,707	-6,629	-3,412	-9,837	-10,444	-10,211	-2,579	-2,538	-2,324	-2,770	-2,340	35
-10,305	-8,134	-8,427	-1,354	-1,008	-1,526	-4,539	-1,064	-1,027	-996	-940	-261	-258	-198	-223	-225	36
-521	-505	-464	-122	-120	-98	-124	-121	-1,383	-1,149	-1,146	-241	-137	-82	-686	-124	37
-6,841	-7,148	-7,853	-2,048	-1,756	-2,083	-1,966	-2,227	-7,427	-8,299	-8,125	-2,077	-2,143	-2,044	-1,861	-1,991	38
141	24	111	28	33	17	33	28	.....	.....	.....	.....	.....	.....	.....	.....	39
-53,372	-36,409	-825	4,377	-2,114	1,532	-4,620	-2,653	-11,898	-13,004	-20,057	-3,723	-4,177	-7,221	-4,936	-5,622	40
(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	-910	-3,925	-5,267	-267	-959	-1,890	-2,151	566	41
(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	42
(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	370	-350	-149	-182	72	188	-227	563	43
(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	-1,280	-3,575	-5,118	-85	-1,031	-2,078	-1,924	3	44
(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	45
-320	219	-136	-70	-351	162	123	81	-1,306	-1,220	-1,161	-286	-317	-291	-267	46	46
-1,976	-2,037	-1,454	-394	-206	-222	-207	-207	-1,306	-1,220	-1,161	-286	-317	-291	-267	47	47
1,460	2,281	1,270	366	251	365	288	381	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	48
196	-25	48	-42	30	3	57	-93	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)	49
-53,052	-36,628	-689	4,447	-1,763	1,370	-4,743	-2,734	-9,682	-7,859	-13,629	-3,170	-2,901	-5,040	-2,518	-5,921	50
-14,001	-15,644	-10,742	-2,188	-1,529	-2,784	-4,241	-7,095	-9,719	-11,133	-11,768	-2,547	-2,994	-2,741	-3,486	-3,183	51
-25,097	-19,579	-5,959	-3,934	-6,691	3,804	862	-1,217	668	3,049	-597	-133	154	76	-694	49	52
-1,690	-1,380	1,677	-690	2,261	-386	492	(¹)	-52	42	3	18	-15	-45	45	-1,705	53
-12,264	-25	14,335	11,259	4,196	736	-1,856	5,578	-579	183	-1,267	-508	-46	-2,330	1,617	-1,082	54
54,489	35,056	19,075	21,225	-3,185	-16,054	17,089	15,376	23,927	27,582	21,860	7,880	410	8,033	5,537	12,140	55
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	56
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	57
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	58
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	59
-646	-1,469	-2,561	-534	-1,094	-228	-705	-750	2	1	2	.....	.....	.....	.....	.....	60
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	61
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	62
(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	23,925	27,581	21,858	7,880	410	8,033	5,535	12,140	63
-771	4,060	32	-306	-182	-15	535	452	4,522	3,776	4,415	1,046	1,085	1,123	1,161	1,197	64
45,471	18,22,461	18,26,407	18,17,365	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	18,26,627	65
8,142	8,171	-1,493	3,137	659	-7,245	1,956	3,655	-96	117	51	-24	255	-155	-25	-148	66
2,293	1,833	-2,950	1,563	59	-1,665	-2,907	.....	17,362	24,782	16,622	746	2,349	7,277	6,250	2,440	67
18 45,471	18 22,461	18 26,407	18 17,365	18 26,627	18 26,627	18 26,627	18 26,627	18 18,210	18 12,019	18 12,019	18 5,575	18 6,055	18 -3,352	18 -261	18 -3,708	68
75,735	92,048	110,562	221	35,263	54,623	20,455	19,026	-15,899	-21,930	-9,830	-5,907	1,733	-3,190	-2,466	-8,905	70
-86,953	-99,294	-126,510	-26,752	-30,873	-40,287	-28,598	-31,059	2	.....	.....	.....	.....

Table 10a.—U.S. International Transactions,

[Millions]

Line	(Credits +; debits -) ¹	Belgium-Luxembourg			France			Germany		
		1996	1997	1998 ²	1996	1997	1998 ²	1996	1997	1998 ²
Current account										
1	Exports of goods and services and income receipts	20,049	21,588	23,554	31,049	33,433	35,201	46,275	49,076	55,084
2	Exports of goods and services	15,625	16,909	17,549	23,398	25,906	27,761	36,750	38,607	41,909
3	Goods, balance of payments basis ²	12,662	13,895	14,265	14,441	15,805	17,522	22,940	24,205	26,388
4	Services ³	2,963	3,014	3,284	8,957	10,101	10,239	13,810	14,402	15,521
5	Transfers under U.S. military agency sales contracts ⁴	82	131	319	62	80	43	390	240	213
6	Travel	557	514	487	2,327	2,489	2,336	4,403	4,142	4,149
7	Passenger fares	294	294	262	954	923	973	1,714	1,360	1,320
8	Other transportation	326	355	389	417	580	614	860	964	1,064
9	Royalties and license fees ⁵	816	683	668	2,419	2,256	2,245	2,842	2,763	3,307
10	Other private services ⁵	887	1,036	1,158	2,759	3,756	4,014	3,553	4,893	5,431
11	U.S. Government miscellaneous services	1	1	1	19	17	14	48	40	37
12	Income receipts	4,424	4,679	6,005	7,651	7,527	7,440	9,525	10,469	13,175
13	Income receipts on U.S.-owned assets abroad	4,422	4,677	6,003	7,644	7,519	7,432	9,463	10,422	13,131
14	Direct investment receipts	3,022	2,800	4,057	3,224	2,575	2,450	3,796	3,339	4,787
15	Other private receipts	1,400	1,877	1,946	4,420	4,944	4,982	5,003	6,544	7,732
16	U.S. Government receipts			(*)	(*)		(*)	664	539	612
17	Compensation of employees	2	2	2	7	8	8	62	47	44
18	Imports of goods and services and income payments	-15,603	-18,158	-17,223	-31,364	-35,354	-39,744	-60,281	-66,382	-76,941
19	Imports of goods and services	-11,179	-12,797	-11,005	-24,957	-27,702	-31,968	-50,894	-55,273	-62,866
20	Goods, balance of payments basis ²	-9,498	-10,849	-9,769	-18,633	-20,607	-24,005	-38,840	-43,018	-49,727
21	Services ³	-1,681	-1,948	-2,236	-6,324	-7,095	-7,963	-12,054	-12,255	-13,139
22	Direct defense expenditures	-104	-135	-139	-52	-92	-49	-4,010	-3,978	-3,914
23	Travel	-268	-236	-388	-2,427	-2,751	-2,890	-2,013	-1,984	-2,003
24	Passenger fares	-149	-221	-329	-524	-611	-710	-939	-1,225	-1,436
25	Other transportation	-445	-454	-523	-706	-687	-761	-1,545	-1,748	-1,881
26	Royalties and license fees ⁵	-117	-136	-164	-470	-632	-938	-719	-887	-1,368
27	Other private services ⁵	-518	-699	-628	-1,896	-2,103	-2,389	-2,489	-2,140	-2,232
28	U.S. Government miscellaneous services	-80	-67	-65	-249	-219	-226	-339	-293	-305
29	Income payments	-4,424	-5,361	-6,218	-6,407	-7,652	-7,776	-9,387	-11,109	-14,075
30	Income payments on foreign-owned assets in the United States	-4,417	-5,353	-6,210	-6,362	-7,605	-7,726	-9,336	-11,057	-14,020
31	Direct investment payments	-591	-530	-949	-2,405	-3,183	-3,137	-2,509	-3,294	-4,392
32	Other private payments	-2,552	-2,986	-3,342	-2,952	-3,420	-3,339	-2,523	-2,770	-3,456
33	U.S. Government payments	-1,274	-1,837	-1,919	-1,005	-1,002	-1,250	-4,304	-4,993	-6,172
34	Compensation of employees	-7	-8	-8	-45	-47	-50	-51	-52	-55
35	Unilateral current transfers, net	-66	-84	-68	-158	-162	-205	1,312	817	808
36	U.S. Government grants ⁴									
37	U.S. Government pensions and other transfers	-18	-30	-18	-64	-61	-68	-304	-336	-349
38	Private remittances and other transfers ⁶	-48	-54	-50	-94	-101	-137	1,616	1,153	1,157
Capital and financial account										
Capital account										
39	Capital account transactions, net	2	3	2	14	9	10	27	34	35
Financial account										
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-3,007	-1,646	-7,341	-19,888	-11,823	5,335	-20,415	-20,141	-45,639
41	U.S. official reserve assets, net							-609	-1,377	4,598
42	Gold ⁷									
43	Special drawing rights									
44	Reserve position in the International Monetary Fund									
45	Foreign currencies							-609	-1,377	4,598
46	U.S. Government assets, other than official reserve assets, net	-5	-11	4	1	(*)	4	-44	45	22
47	U.S. credits and other long-term assets									
48	Repayments on U.S. credits and other long-term assets ⁸									
49	U.S. foreign currency holdings and U.S. short-term assets, net	-5	-11	4	1	(*)	4	-44	45	22
50	U.S. private assets, net	-3,002	-1,635	-7,345	-19,889	-11,823	5,331	-19,762	-18,809	-50,259
51	Direct investment	-2,390	-2,227	-5,544	-4,463	-2,543	-2,895	-1,956	-1,627	-2,025
52	Foreign securities	1,595	2,645	1,759	-5,364	-5,555	958	-7,835	2,270	-29,978
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-3,067	-2,422	-1,855	-24	-1,096	-111	-7,895	-8,055	-6,369
54	U.S. claims reported by U.S. banks, not included elsewhere	860	369	-1,705	-10,038	-2,629	7,379	-2,076	-11,397	-11,887
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	1,161	28,196	30,449	9,824	34,977	21,471	42,870	49,496	60,125
56	Foreign official assets in the United States, net	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
57	U.S. Government securities	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
58	U.S. Treasury securities ⁹	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
59	Other ¹⁰	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
60	Other U.S. Government liabilities ¹¹	15	-17	-193	78	126	133	-198	-4	8
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
62	Other foreign official assets ¹²	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
63	Other foreign assets in the United States, net	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
64	Direct investment	-1,876	3,395	16,902	7,244	10,993	12,308	19,616	12,919	42,145
65	U.S. Treasury securities	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)
66	U.S. securities other than U.S. Treasury securities	811	5,833	11,384	1,992	9,273	7,950	5,709	11,600	14,610
67	U.S. currency									
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	961	-488	-913	4,557	6,977	-1,974	523	1,325	6,854
69	U.S. liabilities reported by U.S. banks, not included elsewhere	14 1,250	14 19,473	14 3,269	14 -4,047	14 7,608	14 3,054	14 17,220	14 23,656	14 -3,492
70	Statistical discrepancy (sum of above items with sign reversed)	-2,536	-29,899	-29,373	10,523	-21,080	-22,068	-9,788	-12,900	6,528
Memoranda:										
71	Balance on goods (lines 3 and 20)	3,164	3,046	5,496	-4,192	-4,802	-6,483	-15,900	-18,813	-23,339
72	Balance on services (lines 4 and 21)	1,282	1,066	1,048	2,633	3,006	2,276	1,756	2,147	2,382
73	Balance on goods and services (lines 2 and 19)	4,446	4,112	6,544	-1,559	-1,796	-4,207	-14,144	-16,666	-20,957
74	Balance on income (lines 12 and 29)		-682	-213	1,244	-125	-336	138	-640	-900
75	Unilateral current transfers, net (line 35)	-66	-84	-68	-158	-162	-205	1,312	817	808
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	4,380	3,346	6,263	-473	-2,083	-4,748	-12,694	-16,489	-21,049

See footnotes on page 105.

by Selected Countries (published annually)

of dollars]

Italy			Netherlands			Mexico			Venezuela			South Africa			Line
1996	1997	1998 ¹	1996	1997	1998 ¹	1996	1997	1998 ¹	1996	1997	1998 ¹	1996	1997	1998 ¹	
17,128	17,842	19,000	36,320	43,655	43,353	73,797	89,904	97,762	8,344	10,677	10,682	4,400	4,647	5,584	1
13,566	14,020	14,550	23,663	27,168	26,836	66,238	82,100	90,174	7,097	9,365	9,609	3,967	4,007	4,707	2
8,607	8,927	8,911	16,332	19,671	18,816	56,758	71,144	78,388	4,660	6,583	6,462	3,111	2,987	3,607	3
4,959	5,093	5,639	7,331	7,497	8,020	9,480	10,956	11,786	2,437	2,782	3,147	856	1,020	1,100	4
91	47	43	314	164	457	4	10	2	21	20	35	9	6	1	5
1,691	1,647	1,907	1,141	972	922	3,004	3,438	3,818	1,401	1,440	1,592	285	370	386	6
461	613	651	222	188	217	761	859	934	203	291	323	7		7	7
338	349	304	883	766	782	549	567	536	159	201	191	84	132	134	8
1,171	1,061	1,088	2,169	2,434	2,966	473	647	764	110	131	149	164	159	195	9
1,201	1,371	1,641	2,600	2,971	2,674	4,666	5,413	5,710	538	694	852	304	350	382	10
6	5	5	2	2	2	23	22	22	5	5	5	3	3	2	11
3,562	3,822	4,450	12,657	16,487	16,517	7,559	7,804	7,588	1,247	1,312	1,073	433	640	877	12
3,559	3,819	4,447	12,655	16,484	16,514	7,536	7,780	7,563	1,242	1,307	1,067	431	638	875	13
1,312	1,440	1,914	9,632	12,369	12,594	2,721	3,905	3,177	651	805	432	99	241	352	14
2,247	2,379	2,533	3,023	4,115	3,920	3,837	3,830	4,362	591	502	634	332	396	523	15
		(*)		(*)	(*)	978	45	24	(*)	(*)	(*)	1	1	(*)	16
		3	2	3	3	23	24	25	5	5	6	2	2	2	17
-24,278	-25,805	-27,803	-17,989	-20,725	-21,999	-91,669	-105,223	-114,669	-15,126	-15,476	-11,272	-2,971	-3,377	-4,065	18
-22,397	-23,707	-25,695	-10,759	-11,188	-12,161	-84,194	-96,930	-105,663	-14,211	-14,211	-9,902	-2,913	-3,275	-3,910	19
-18,295	-19,383	-20,942	-7,481	-7,601	-7,545	-75,088	-86,713	-95,454	-13,419	-13,477	-9,180	-2,322	-2,509	-3,045	20
-4,102	-4,324	-4,753	-3,278	-3,587	-4,616	-9,106	-10,217	-10,209	-792	-734	-722	-591	-766	-865	21
-519	-554	-631	-77	-80	-94	-4	-4	-8	-1	-1	-3	-11	-1	-6	22
-1,843	-2,109	-2,370	-495	-670	-760	-5,972	-6,480	-6,396	-256	-281	-342	-268	-272	-325	23
-515	-441	-389	-688	-865	-876	-650	-777	-795	-80	-104	-122	-124	-239	-276	24
-422	-468	-547	-708	-708	-807	-525	-800	-954	-235	-182	-82	-18	-29	-37	25
-125	-126	-102	-394	-414	-791	-65	-117	-104	-35	-2	-5	-6	-11	-1	26
-586	-547	-639	-881	-813	-1,251	-1,706	-1,849	-1,758	(D)	-139	(D)	-127	-175	-181	27
-92	-79	-75	-43	-37	-37	-184	-190	-194	(D)	-25	(D)	-37	-39	-39	28
-1,881	-2,098	-2,108	-7,230	-9,537	-9,838	-7,475	-8,293	-9,006	-915	-1,265	-1,370	-58	-102	-155	29
-1,864	-2,080	-2,089	-7,218	-9,523	-9,825	-2,364	-2,766	-3,207	-907	-1,257	-1,362	-51	-93	-145	30
-266	-268	-322	-5,271	-7,103	-5,920	-1	-171	-270	3	39	61	1	3	8	31
-1,013	-994	-973	-1,608	-2,046	-3,188	-986	-1,306	-1,615	-719	-925	-957	-40	-65	-84	32
-585	-818	-794	-339	-374	-717	-1,377	-1,289	-1,322	-191	-371	-466	-12	-31	-69	33
-17	-18	-19	-12	-14	-13	-5,111	-5,527	-5,799	-8	-8	-8	-7	-9	-10	34
-311	-313	-301	-48	-59	-56	-4,196	-4,602	-4,790	-75	-88	-88	-188	-227	-227	35
						-32	-12	-11	-1	-1	-1	-127	-155	-145	36
-221	-213	-223	-20	-22	-23	-220	-223	-228	-4	-4	-4	-4	-4	-4	37
-90	-100	-78	-28	-37	-33	-3,944	-4,367	-4,551	-70	-83	-83	-57	-68	-78	38
12	10	11	5	4	4	191	145	190	2	-43	-42				39
-3,011	1,168	-999	-9,433	-18,581	-4,990	184	-9,696	-7,370	-299	-2,199	-1,516	-1,444	-3,076	-1,038	40
						8,300									41
															42
															43
															44
						8,300									45
8	-8	-23	1	-9	5	163	105	135	(*)	(*)	-3	23	-5	6	46
						-13	-1		(*)	(*)	-5	(*)	-1		47
						173	105	137	(*)	(*)	2	1	1	(*)	48
8	-8	-23	1	-9	5	3	1	-2	(*)	(*)	(*)	22	-5	6	49
-3,019	1,176	-976	-9,434	-18,572	-4,995	-8,279	-9,801	-7,505	-299	-2,199	-1,513	-1,467	-3,071	-1,044	50
-416	1	262	-6,308	-14,326	-2,405	-5,646	-5,646	-5,646	-775	-635	-786	-194	-1,295	-257	51
-1,564	2,079	1,378	-1,027	216	5,699	-5,337	-3,287	-1,705	315	-721	-357	-1,171	-1,449	-1,131	52
40	-392	228	-699	-654	1,659	-38	-337	-903	-71	-224	132	36	-111	152	53
-1,079	-512	-2,844	-1,400	-3,808	2,643	-499	-531	-2,364	232	-619	-502	-138	-216	192	54
1,070	4,778	9,290	14,032	36,679	14,282	7,203	6,013	7,017	5,948	6,099	-655	-218	2,363	28	55
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	56
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	57
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	58
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	59
-2	9	20	-69	206	5	-4	8	4	2	7	-9	2	(*)	2	60
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	61
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	62
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	63
333	-263	757	12,262	13,658	7,018	-47	330	864	146	-117	112	-27	-16	75	64
(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	(14)	65
-1,163	2,911	6,895	3,318	7,686	10,581	704	1,766	2,382	283	1,188	683	83	506	648	66
															67
470	5	-101	1,689	17,594	-2,652	113	-62	-124	104	-68	-58	50	134	-81	68
¹⁴ 1,432	¹⁴ 2,116	¹⁴ 1,719	¹⁴ -3,168	¹⁴ -2,465	¹⁴ -670	¹⁴ 6,437	¹⁴ 3,971	¹⁴ 3,891	¹⁴ 5,413	¹⁴ 5,089	¹⁴ -1,383	¹⁴ -326	¹⁴ 1,739	¹⁴ -616	69
9,390	2,320	802	-22,887	-40,973	-30,594	14,490	23,459	21,860	1,206	1,030	2,891	421	-330	-282	70
-9,688	-10,456	-12,031	8,851	12,070	11,271	-18,330	-15,569	-17,066	-8,759	-6,894	-2,718	789	478	562	71
857	769	886	4,053	3,910	3,404	374	739	1,577	1,645	2,048	2,425	265	254	235	72
-8,831	-9,687	-11,145	12,904	15,980	14,675	-17,956	-14,830	-15,489	-7,114	-4,846	-293	1,054	732	797	73
1,681	1,724	2,342	5,427	6,950	6,679	84	-489	-1,418	332	47	-297	375	538	722	74
-311	-313	-301	-48	-59	-56	-4,196	-4,602	-4,790	-75	-88	-88	-188	-227	-227	75
-7,461	-8,276	-9,104	18,283	22,871	21,298	-22,068	-19,921	-21,697	-6,857	-4,887	-678	1,241	1,043	1,292	76

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 June 25, 1999 and include the "final" estimates for the first quarter of 1999.

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. Most of the "annual only" NIPA tables were presented in the August 1998 SURVEY OF CURRENT BUSINESS; table 8.26 was presented in the September 1998 SURVEY; and the remaining "annual only" tables—tables 3.15–3.20 and 9.1–9.6—were presented in the October 1998 SURVEY.

The news release on gross domestic product (GDP) is available at the time of release, and the "Selected NIPA Tables" are available later that day, on STAT-USA's Economic Bulletin Board and Internet services; for information, call STAT-USA ON 202-482-1986. In addition, the GDP news release is available the afternoon of the day of the release, and the "Selected NIPA Tables" a day or two later, on BEA's Web site <www.bea.doc.gov>.

The "Selected NIPA Tables" are also available on printouts or diskettes from BEA. To order NIPA subscription products using Visa or MasterCard, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,808.7
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,050.6
Durable goods	673.0	724.7	682.2	705.1	720.1	718.9	754.5	771.2
Nondurable goods	1,600.6	1,662.4	1,613.2	1,633.1	1,655.2	1,670.0	1,691.3	1,736.0
Services	3,220.1	3,420.8	3,297.8	3,338.2	3,398.4	3,457.7	3,488.9	3,543.4
Gross private domestic investment	1,256.0	1,367.1	1,292.0	1,366.6	1,345.0	1,364.4	1,392.4	1,417.4
Fixed investment	1,188.6	1,307.8	1,220.1	1,271.1	1,305.8	1,307.5	1,346.7	1,377.9
Nonresidential	860.7	938.2	882.8	921.3	941.9	931.6	957.9	972.6
Structures	240.2	246.9	246.4	245.0	245.4	246.2	250.9	255.0
Producers' durable equipment	620.5	691.3	636.4	676.3	696.6	685.4	706.9	717.6
Residential	327.9	369.6	337.4	349.8	363.8	375.8	388.9	405.3
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.5
Net exports of goods and services	-93.4	-151.2	-98.8	-123.7	-159.3	-165.5	-156.2	-196.9
Exports	965.4	959.0	988.6	973.3	949.6	936.2	976.8	962.7
Goods	688.3	680.8	708.9	694.5	668.8	663.3	696.6	677.7
Services	277.1	278.2	279.7	278.8	280.8	272.9	280.2	285.0
Imports	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,159.6
Goods	888.3	932.4	912.4	920.9	931.8	924.7	952.2	975.2
Services	170.4	177.8	174.9	176.2	177.1	177.0	180.8	184.5
Government consumption expenditures and gross investment	1,454.6	1,487.1	1,468.1	1,464.9	1,481.2	1,492.3	1,510.2	1,537.5
Federal	520.2	520.6	520.1	511.6	520.7	519.4	530.7	536.6
National defense	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Nondefense	174.3	180.2	173.6	180.0	180.9	175.7	184.3	191.1
State and local	934.4	966.5	947.9	953.3	960.4	972.9	979.5	1,000.9

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]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,759.6
Personal consumption expenditures	4,913.5	5,153.3	4,981.0	5,055.1	5,130.2	5,181.8	5,246.0	5,331.9
Durable goods	668.6	737.1	684.8	710.3	729.4	733.7	775.0	798.9
Nondurable goods	1,486.3	1,544.1	1,494.3	1,521.2	1,540.9	1,549.1	1,565.1	1,600.9
Services	2,761.5	2,879.5	2,804.8	2,829.3	2,866.8	2,904.8	2,917.2	2,946.8
Gross private domestic investment	1,206.4	1,330.1	1,241.9	1,321.8	1,306.5	1,331.6	1,360.6	1,388.5
Fixed investment	1,138.0	1,267.8	1,169.5	1,224.9	1,264.1	1,270.9	1,311.0	1,344.0
Nonresidential	859.4	960.7	886.2	931.9	960.4	958.7	991.9	1,012.2
Structures	203.2	203.0	205.7	203.1	201.9	202.0	205.0	207.8
Producers' durable equipment	660.9	770.2	686.4	738.8	771.3	769.3	801.5	819.8
Residential	282.8	312.0	287.9	298.5	309.1	316.5	324.1	335.9
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	38.7
Net exports of goods and services	-136.1	-238.2	-149.0	-198.5	-245.2	-259.0	-250.0	-303.6
Exports	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	996.5
Goods	726.5	742.6	754.9	748.5	726.3	727.3	768.4	751.2
Services	247.0	246.4	248.6	247.8	248.8	242.1	247.0	249.6
Imports	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,300.1
Goods	945.7	1,054.4	981.8	1,021.0	1,048.8	1,056.3	1,091.7	1,127.6
Services	161.8	171.2	167.5	171.3	171.0	170.8	171.6	176.5
Government consumption expenditures and gross investment	1,285.0	1,296.9	1,289.2	1,283.0	1,294.8	1,299.6	1,310.3	1,323.9
Federal	458.0	453.3	456.5	446.1	454.1	452.5	460.6	458.4
National defense	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Nondefense	148.6	152.1	147.3	151.9	152.9	148.4	155.2	158.0
State and local	827.1	843.8	832.9	837.1	840.9	847.3	850.0	865.8
Residual	-7.3	-11.1	-8.9	-14.2	-8.4	-6.1	-16.3	-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. 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.

Chain-type quantity indexes for the series in this table appear in table 7.1.

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

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					1999
			1997	1998				
			IV	I	II	III	IV	
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,808.7
Final sales of domestic product	8,043.5	8,451.6	8,182.6	8,288.7	8,401.3	8,480.9	8,635.5	8,769.1
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.5
Goods	2,978.5	3,104.0	3,020.5	3,101.3	3,064.5	3,085.9	3,164.4	3,193.7
Final sales	2,911.1	3,044.7	2,948.7	3,005.8	3,025.3	3,029.0	3,118.8	3,154.1
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.5
Durable goods	1,343.8	1,416.2	1,368.2	1,426.9	1,385.4	1,392.5	1,460.1	1,452.5
Final sales	1,310.1	1,391.0	1,334.3	1,376.9	1,380.8	1,373.0	1,433.1	1,436.1
Change in business inventories	33.6	25.2	34.0	49.9	4.5	19.5	27.0	16.5
Nondurable goods	1,634.8	1,687.8	1,652.3	1,674.4	1,679.1	1,693.4	1,704.3	1,741.2
Final sales	1,601.0	1,653.7	1,614.4	1,628.8	1,644.4	1,655.9	1,685.7	1,718.1
Change in business inventories	33.8	34.1	37.9	45.6	34.7	37.5	18.7	23.1
Services	4,414.1	4,641.0	4,501.2	4,538.4	4,619.5	4,678.5	4,727.7	4,793.7
Structures	718.3	765.9	732.7	744.6	756.6	773.5	789.0	821.3
Addenda:								
Motor vehicle output	293.7	301.8	306.4	300.3	289.7	284.8	332.4	314.0
Gross domestic product less motor vehicle output	7,817.2	8,209.2	7,948.1	8,083.9	8,150.9	8,253.1	8,348.8	8,494.6

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)

	1997	1998	Seasonally adjusted at annual rates					1999
			1997	1998				
			IV	I	II	III	IV	
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,759.6
Final sales of domestic product	7,203.7	7,491.3	7,294.8	7,372.5	7,456.4	7,507.6	7,628.9	7,715.4
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	38.7
Residual	2.9	3.2	3.3	8	4.0	3.2	4.6	5.5
Goods	2,867.9	3,011.6	2,917.0	3,000.8	2,969.7	2,995.0	3,080.9	3,111.4
Final sales	2,799.7	2,949.6	2,844.8	2,904.3	2,927.7	2,934.8	3,031.7	3,067.4
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	38.7
Durable goods	1,364.8	1,476.1	1,404.8	1,470.3	1,437.1	1,457.1	1,540.0	1,543.7
Final sales	1,331.9	1,451.4	1,371.4	1,420.4	1,434.1	1,438.2	1,513.1	1,527.9
Change in business inventories	31.6	23.9	32.2	47.3	4.2	18.5	25.8	15.8
Nondurable goods	1,509.6	1,546.9	1,520.4	1,541.6	1,541.6	1,547.8	1,556.6	1,581.8
Final sales	1,475.1	1,510.9	1,482.4	1,495.2	1,505.4	1,508.3	1,534.5	1,555.0
Change in business inventories	31.5	33.5	34.2	44.1	34.1	37.4	18.4	22.9
Services	3,798.7	3,916.5	3,841.1	3,854.8	3,907.3	3,940.1	3,963.7	3,990.9
Structures	612.5	637.1	617.2	625.2	632.1	641.7	649.3	673.0
Residual	-11.5	-21.4	-13.9	-22.3	-18.6	-17.7	-27.1	-25.9
Addenda:								
Motor vehicle output	260.8	269.6	274.7	268.5	260.7	253.0	296.2	281.2
Gross domestic product less motor vehicle output	7,008.8	7,281.9	7,089.7	7,195.9	7,237.6	7,313.0	7,381.4	7,478.0

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 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. Chain-type quantity indexes for the series in this table appear in table 7.17.

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

(Billions of dollars)

Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,808.7
Less: Exports of goods and services	965.4	959.0	988.6	973.3	949.6	936.2	976.8	962.7
Plus: Imports of goods and services	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,159.6
Equals: Gross domestic purchases	8,204.3	8,662.2	8,353.3	8,508.0	8,599.9	8,703.4	8,837.4	9,005.6
Less: Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.5
Equals: Final sales to domestic purchasers	8,136.9	8,602.8	8,281.4	8,412.5	8,560.6	8,646.4	8,791.7	8,966.0

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	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,759.6
Less: Exports of goods and services	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	996.5
Plus: Imports of goods and services	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,300.1
Equals: Gross domestic purchases	7,396.5	7,765.9	7,502.1	7,644.9	7,718.6	7,798.8	7,901.3	8,027.8
Less: Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	38.7
Equals: Final sales to domestic purchasers	7,330.2	7,705.2	7,432.1	7,552.2	7,676.4	7,739.8	7,852.5	7,983.6

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. Chain-type quantity indexes for the series in this table appear in table 7.2.

Table 1.7.—Gross Domestic Product by Sector

(Billions of dollars)

Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,808.7
Business¹	6,836.5	7,189.7	6,967.0	7,083.1	7,126.3	7,209.5	7,339.8	7,447.5
Nonfarm ¹	6,746.3	7,105.4	6,880.0	6,999.3	7,041.4	7,126.3	7,254.7	7,367.9
Nonfarm less housing	6,047.2	6,373.3	6,170.6	6,285.4	6,315.0	6,387.1	6,505.5	6,605.8
Housing	699.1	732.2	709.4	713.9	726.4	739.2	749.1	762.2
Farm	90.2	84.3	87.0	83.8	84.9	83.2	85.1	79.6
Households and institutions	361.4	380.6	366.9	371.1	377.9	383.9	389.4	395.0
Private households	12.0	12.1	12.0	11.8	12.0	12.2	12.4	12.5
Nonprofit institutions	349.4	368.5	355.0	359.2	365.9	371.7	377.0	382.4
General government²	912.9	940.7	920.5	930.1	936.3	944.5	952.0	966.2
Federal	281.3	281.9	278.8	282.1	281.2	281.8	282.4	288.6
State and local	631.7	658.8	641.7	648.0	655.2	662.6	669.6	677.6

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross 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 3.7.

Table 1.8.—Real Gross Domestic Product by Sector

(Billions of chained (1992) dollars)

Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,759.6
Business¹	6,164.9	6,433.8	6,255.6	6,352.3	6,382.6	6,445.9	6,554.2	6,632.7
Nonfarm ¹	6,074.3	6,340.6	6,165.8	6,260.4	6,290.5	6,351.8	6,459.7	6,537.9
Nonfarm less housing	5,470.5	5,728.5	5,559.9	5,655.9	5,680.5	5,736.1	5,841.4	5,912.7
Housing	604.5	613.8	607.3	606.2	611.5	617.3	620.4	627.4
Farm	90.3	92.4	88.8	91.1	91.4	93.6	93.7	93.6
Households and institutions	321.5	328.8	325.1	326.7	327.7	329.4	331.4	333.0
Private households	10.2	9.9	10.0	9.8	9.9	10.0	10.0	10.1
Nonprofit institutions	311.3	318.9	315.1	316.9	317.9	319.5	321.5	322.9
General government²	786.2	793.6	787.3	789.6	792.2	795.4	797.2	799.6
Federal	235.4	231.9	232.5	232.4	231.9	232.0	231.5	230.4
State and local	551.3	562.5	555.5	557.9	561.1	564.2	566.6	570.2
Residual	-3.7	-6.0	-4.2	-5.5	-5.6	-6.2	-7.4	-7.7

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross 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 3.8.

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. Chain-type quantity indexes for the series in this table appear in table 7.14.

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

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,808.7
Plus: Receipts of factor income from the rest of the world	265.5	269.2	266.3	270.3	270.6	265.0	270.7	274.3
Less: Payments of factor income to the rest of the world	273.5	289.6	285.9	285.1	289.3	292.1	291.9	294.6
Equals: Gross national product	8,102.9	8,490.5	8,234.9	8,369.4	8,421.8	8,510.9	8,660.0	8,788.4
Less: Consumption of fixed capital	871.8	908.0	887.6	894.5	902.3	912.3	923.0	931.9
Private	720.2	753.3	734.7	741.1	748.5	757.3	766.4	774.9
Capital consumption allowances	760.5	810.4	778.2	790.5	803.2	816.8	831.0	844.7
Less: Capital consumption adjustment	40.4	57.0	43.5	49.4	54.7	59.5	64.6	69.8
Government	151.6	154.7	152.9	153.4	153.7	155.0	156.6	157.0
General government	128.3	130.4	129.1	129.4	129.6	130.6	131.9	132.0
Government enterprises	23.4	24.3	23.7	24.0	24.2	24.4	24.7	25.0
Equals: Net national product	7,231.1	7,582.5	7,347.3	7,474.9	7,519.6	7,598.5	7,737.1	7,856.5
Less: Indirect business tax and nontax liability	627.2	655.3	634.5	641.9	647.7	656.5	675.1	673.6
Business transfer payments	35.1	36.1	35.6	35.6	36.0	36.3	36.4	36.4
Statistical discrepancy	-55.8	-76.5	-67.3	-54.1	-85.7	-102.0	-64.2	-93.1
Plus: Subsidies less current surplus of government enterprises	21.9	27.1	23.4	23.5	23.9	24.6	36.3	25.5
Equals: National income	6,646.5	6,994.7	6,767.9	6,875.0	6,945.5	7,032.3	7,126.0	7,265.2
Less: Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	868.8
Net interest	432.0	449.3	432.4	440.5	447.1	454.0	455.6	463.9
Contributions for social insurance	727.0	767.5	740.9	755.0	762.9	771.6	780.7	798.2
Wage accruals less disbursements	3.7	4.0	3.7	4.0	4.0	4.0	4.0	0
Plus: Personal interest income	747.3	764.8	753.0	757.0	763.0	769.2	769.9	771.0
Personal dividend income	260.3	263.1	261.3	261.6	262.1	263.0	265.7	268.8
Government transfer payments to persons	1,083.3	1,120.8	1,093.1	1,111.2	1,117.7	1,124.6	1,129.6	1,146.2
Business transfer payments to persons	27.2	28.2	27.5	27.8	28.1	28.3	28.6	28.9
Equals: Personal income	6,784.0	7,126.1	6,904.9	7,003.9	7,081.9	7,160.8	7,257.9	7,349.3
Addenda:								
Gross domestic income	8,166.7	8,587.5	8,321.8	8,438.4	8,526.3	8,639.9	8,745.4	8,901.8
Gross national income	8,158.7	8,567.0	8,302.2	8,423.6	8,507.6	8,612.8	8,724.2	8,881.5
Net domestic product	7,239.1	7,603.0	7,366.9	7,489.8	7,538.3	7,625.6	7,758.2	7,876.8

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

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,759.6
Plus: Receipts of factor income from the rest of the world	238.0	239.5	237.6	241.0	241.0	235.7	240.4	242.8
Less: Payments of factor income to the rest of the world	240.7	252.7	250.5	249.6	252.8	254.6	253.9	255.3
Equals: Gross national product	7,266.2	7,537.8	7,350.7	7,455.2	7,485.9	7,546.7	7,663.3	7,746.3
Less: Consumption of fixed capital	808.8	861.5	829.3	841.1	854.4	867.8	882.6	898.1
Private	672.2	713.9	683.1	694.4	707.2	719.8	734.0	748.9
Government	137.4	139.4	138.1	138.6	139.0	139.8	140.3	140.8
General government	116.1	117.5	116.6	116.9	117.2	117.8	118.1	118.5
Government enterprises	20.6	21.2	20.9	21.0	21.1	21.3	21.5	21.6
Equals: Net national product	6,457.3	6,680.8	6,525.1	6,617.8	6,635.8	6,683.8	6,785.8	6,853.9
Addenda:								
Gross domestic income ¹	7,319.7	7,619.7	7,424.7	7,512.9	7,574.8	7,656.8	7,734.5	7,841.6
Gross national income ²	7,316.2	7,605.7	7,410.8	7,503.4	7,562.1	7,637.0	7,720.1	7,828.3
Net domestic product	6,460.8	6,695.4	6,539.4	6,627.8	6,649.0	6,704.0	6,800.7	6,867.6

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.

Chain-type quantity indexes for the series in this table appear in table 7.3.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1992) dollars]

Gross national product	7,266.2	7,537.8	7,350.7	7,455.2	7,485.9	7,546.7	7,663.3	7,746.3
Less: Exports of goods and services and receipts of factor income from the rest of the world	1,208.2	1,224.2	1,235.8	1,232.8	1,213.7	1,201.1	1,249.2	1,239.4
Plus: Command-basis exports of goods and services and receipts of factor income ¹	1,246.7	1,294.8	1,280.2	1,296.5	1,283.4	1,275.1	1,324.2	1,320.8
Equals: Command-basis gross national product	7,304.7	7,608.4	7,395.1	7,518.9	7,555.6	7,620.7	7,738.2	7,827.7
Addendum:								
Terms of trade ²	103.2	105.8	103.6	105.2	105.7	106.2	106.0	106.6

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.

Chain-type quantity indexes for the series in this table appear in table 7.3.

Table 1.14.—National Income by Type of Income

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					1999
			1998					
			IV	I	II	III	IV	
National income	6,646.5	6,994.7	6,767.9	6,875.0	6,945.5	7,032.3	7,126.0	7,265.2
Compensation of employees ...	4,687.2	4,981.0	4,798.0	4,882.8	4,945.2	5,011.6	5,084.3	5,166.5
Wage and salary accruals	3,893.6	4,153.9	3,993.6	4,065.9	4,121.6	4,181.1	4,246.8	4,317.0
Government	664.2	689.3	671.4	679.5	685.8	692.7	699.2	711.2
Other	3,229.4	3,464.6	3,322.2	3,386.4	3,435.8	3,488.4	3,547.6	3,605.7
Supplements to wages and salaries	793.7	827.1	804.4	816.8	823.5	830.5	837.5	849.6
Employer contributions for social insurance	400.7	420.1	407.4	414.1	417.9	422.1	426.5	434.9
Other labor income	392.9	406.9	397.0	402.8	405.7	408.4	411.0	414.7
Proprietors' income with inventory valuation and capital consumption adjustments	551.2	577.2	558.0	564.2	571.7	576.1	596.9	598.3
Farm	35.5	28.7	31.4	27.4	27.7	25.2	34.7	22.5
Proprietors' income with inventory valuation adjustment	43.0	36.0	38.8	34.7	35.0	32.3	41.9	29.6
Capital consumption adjustment	-7.5	-7.2	-7.4	-7.3	-7.2	-7.2	-7.2	-7.1
Nonfarm	515.8	548.5	526.6	536.8	544.0	550.9	562.2	575.8
Proprietors' income	485.3	514.6	495.5	502.9	511.6	516.9	527.0	539.6
Inventory valuation adjustment .....	.6	1.0	.5	2.4	-1	.7	1.0	.8
Capital consumption adjustment	29.9	32.9	30.6	31.5	32.4	33.3	34.2	35.4
Rental income of persons with capital consumption adjustment	158.2	162.6	158.8	158.3	161.0	163.6	167.5	167.7
Rental income of persons	208.6	214.5	210.2	209.5	212.2	215.7	220.6	221.2
Capital consumption adjustment	-50.4	-51.9	-51.4	-51.2	-51.3	-52.0	-53.1	-53.5
Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	868.8
Corporate profits with inventory valuation adjustment	741.2	732.3	740.7	744.3	731.3	732.1	721.5	764.2
Profits before tax	734.4	717.8	736.4	719.1	723.5	720.5	708.1	752.6
Profits tax liability	246.1	240.1	249.3	239.9	241.6	243.2	235.6	250.7
Profits after tax	488.3	477.7	487.1	479.2	481.8	477.3	472.5	501.9
Dividends	275.1	279.2	276.4	277.3	278.1	279.0	282.3	285.6
Undistributed profits	213.2	198.5	210.6	201.8	203.7	198.3	190.2	216.4
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	11.6
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	94.8	100.2	104.6
Net interest	432.0	449.3	432.4	440.5	447.1	454.0	455.6	463.9
Addenda:								
Corporate profits after tax with inventory valuation and capital consumption adjustments	571.8	584.5	571.4	589.3	579.0	583.7	586.2	618.1
Net cash flow with inventory valuation and capital consumption adjustments	774.1	806.0	782.6	804.5	798.7	807.9	812.8	847.5
Undistributed profits with inventory valuation and capital consumption adjustments	296.7	305.4	295.0	312.0	300.9	304.8	303.9	332.5
Consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.9
Less: Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	11.6
Equals: Net cash flow	767.2	791.4	778.4	779.2	790.9	796.2	799.3	835.9

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

	1997	1998	Seasonally adjusted at annual rates					1999
			1998					
			IV	I	II	III	IV	
Gross domestic product of corporate business	4,960.9	5,252.1	5,090.8	5,160.6	5,210.0	5,286.0	5,351.8	5,452.8
Consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.9
Net domestic product	4,483.5	4,751.5	4,603.2	4,668.0	4,712.2	4,782.8	4,842.9	4,937.8
Indirect business tax and nontax liability plus business transfer payments less subsidies	477.8	506.5	489.1	495.0	499.2	506.5	525.1	519.0
Domestic income	4,005.7	4,245.0	4,114.0	4,173.0	4,213.0	4,276.3	4,317.8	4,418.9
Compensation of employees	3,139.8	3,353.5	3,228.8	3,283.2	3,327.8	3,375.1	3,427.9	3,483.1
Wage and salary accruals	2,644.4	2,837.2	2,728.3	2,773.3	2,813.7	2,856.7	2,905.1	2,952.8
Supplements to wages and salaries	495.5	516.3	500.5	509.9	514.1	518.4	522.8	530.3
Corporate profits with inventory valuation and capital consumption adjustments	718.9	729.0	728.8	730.6	723.3	737.0	724.9	767.4
Profits before tax	635.4	622.1	644.5	620.5	626.2	630.5	611.3	651.2
Profits tax liability	246.1	240.1	249.3	239.9	241.6	243.2	235.6	250.7
Profits after tax	389.3	382.0	395.1	380.6	384.5	387.3	375.7	400.5
Dividends	234.7	254.0	244.0	240.6	259.9	251.0	264.6	250.6
Undistributed profits	154.5	128.0	151.2	140.0	124.6	136.3	111.1	149.9
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	11.6
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	94.8	100.2	104.6
Net interest	147.1	162.5	156.4	159.2	161.9	164.1	164.9	168.3
Gross domestic product of financial corporate business	546.4	594.7	577.7	586.4	591.2	597.1	604.0	625.0
Gross domestic product of nonfinancial corporate business	4,414.5	4,657.4	4,513.2	4,574.2	4,618.8	4,688.9	4,747.8	4,827.7
Consumption of fixed capital	415.4	435.3	424.4	428.5	433.1	437.4	442.3	447.3
Net domestic product	3,999.1	4,222.1	4,088.8	4,145.7	4,185.7	4,251.4	4,305.5	4,380.4
Indirect business tax and nontax liability plus business transfer payments less subsidies	436.8	461.3	445.0	450.5	454.2	461.1	479.2	472.5
Domestic income	3,562.3	3,760.8	3,643.8	3,695.2	3,731.4	3,790.3	3,826.4	3,907.9
Compensation of employees	2,871.2	3,066.6	2,952.6	3,002.3	3,043.1	3,086.3	3,134.6	3,185.1
Wage and salary accruals	2,416.6	2,592.9	2,494.2	2,534.5	2,571.4	2,610.7	2,654.9	2,698.5
Supplements to wages and salaries	454.6	473.7	458.4	467.8	471.7	475.6	479.7	486.6
Corporate profits with inventory valuation and capital consumption adjustments	594.2	598.7	599.3	599.3	593.2	607.5	594.8	623.8
Profits before tax	505.4	487.9	509.8	484.2	491.8	497.3	478.2	505.0
Profits tax liability	169.8	160.4	170.1	159.7	162.1	163.8	156.1	165.8
Profits after tax	335.6	327.4	339.6	324.5	329.6	333.5	322.1	339.3
Dividends	229.3	249.6	239.6	237.3	254.3	247.3	259.3	247.8
Undistributed profits	106.3	77.9	100.1	87.2	75.3	86.2	62.8	91.5
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	11.6
Capital consumption adjustment	81.9	96.3	85.3	89.8	93.7	98.5	103.2	107.2
Net interest	96.9	95.6	91.9	93.6	95.2	96.5	96.9	99.0
	Billions of chained (1992) dollars							
Gross domestic product of nonfinancial corporate business ¹	4,154.4	4,388.8	4,247.5	4,309.2	4,352.0	4,417.2	4,477.0	4,550.6
Consumption of fixed capital ²	394.6	422.4	402.1	409.3	417.7	426.6	436.0	446.0
Net domestic product ³	3,759.8	3,966.4	3,845.5	3,899.9	3,934.3	3,990.6	4,040.9	4,104.6

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)

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Personal income	6,784.0	7,126.1	6,904.9	7,003.9	7,081.9	7,160.8	7,257.9	7,349.3
Wage and salary disbursements	3,889.8	4,149.9	3,989.9	4,061.9	4,117.6	4,177.1	4,242.8	4,317.0
Private industries	3,225.7	3,460.5	3,318.4	3,382.4	3,431.8	3,484.4	3,543.5	3,605.7
Goods-producing industries	975.0	1,026.9	1,003.7	1,019.0	1,023.2	1,028.0	1,037.4	1,048.1
Manufacturing	719.5	751.5	741.3	750.4	750.8	750.9	754.1	759.2
Distributive industries	879.8	939.6	904.5	918.9	932.2	945.8	961.5	971.4
Service industries	1,370.8	1,494.0	1,410.2	1,444.5	1,476.4	1,510.6	1,544.6	1,586.2
Government	664.2	689.3	671.4	679.5	685.8	692.7	699.2	711.2
Other labor income	392.9	406.9	397.0	402.8	405.7	408.4	411.0	414.7
Proprietors' income with inventory valuation and capital consumption adjustments	551.2	577.2	558.0	564.2	571.7	576.1	596.9	598.3
Farm	35.5	28.7	31.4	27.4	27.7	25.2	34.7	22.5
Nonfarm	515.8	548.5	526.6	536.8	544.0	550.9	562.2	575.8
Rental income of persons with capital consumption adjustment	158.2	162.6	158.8	158.3	161.0	163.6	167.5	167.7
Personal dividend income	260.3	263.1	261.3	261.6	262.1	263.0	265.7	268.8
Personal interest income	747.3	764.8	753.0	757.0	763.0	769.2	769.9	771.0
Transfer payments to persons	1,110.4	1,149.0	1,120.5	1,139.0	1,145.8	1,152.9	1,158.3	1,175.2
Old-age, survivors, disability, and health insurance benefits	565.9	586.5	572.2	581.6	585.0	589.0	590.6	597.9
Government unemployment insurance benefits	19.9	19.5	19.3	19.6	19.5	19.5	19.5	19.6
Veterans benefits	22.4	23.3	22.3	23.3	23.2	23.3	23.3	24.4
Government employees retirement benefits	151.4	159.2	153.8	156.8	158.4	160.3	161.4	164.6
Other transfer payments	350.8	360.4	352.9	357.6	359.6	360.9	363.5	368.7
Family assistance ¹	19.7	17.6	19.1	18.7	18.0	17.1	16.7	16.3
Other	331.1	342.8	333.8	338.9	341.6	343.8	346.8	352.4
Less: Personal contributions for social insurance	326.2	347.4	333.6	340.9	345.1	349.5	354.1	363.4
Less: Personal tax and nontax payments	989.0	1,098.3	1,025.5	1,066.8	1,092.9	1,108.4	1,124.9	1,144.1
Equals: Disposable personal income	5,795.1	6,027.9	5,879.4	5,937.1	5,988.9	6,052.4	6,133.1	6,205.2
Less: Personal outlays	5,674.1	6,000.2	5,781.2	5,864.0	5,963.3	6,039.8	6,133.6	6,250.7
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,050.6
Interest paid by persons	161.5	172.4	168.2	168.3	169.8	173.2	178.3	179.9
Personal transfer payments to the rest of the world (net)	18.9	19.9	19.8	19.2	19.9	20.0	20.6	20.2
Equals: Personal saving	121.0	27.7	98.2	73.0	25.6	12.6	-6	-45.5
Addenda:								
Disposable personal income: Total, billions of chained (1992) dollars ²	5,183.1	5,348.5	5,235.8	5,287.1	5,321.5	5,364.1	5,421.2	5,468.2
Per capita:								
Current dollars	21,633	22,304	21,871	22,046	22,192	22,373	22,604	22,811
Chained (1992) dollars	19,349	19,790	19,478	19,632	19,719	19,829	19,980	20,101
Population (mid-period, millions)	267.9	270.3	268.8	269.3	269.9	270.5	271.3	272.0
Personal saving as a percentage of disposable personal income	2.1	.5	1.7	1.2	.4	.2	0	-7

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

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,050.6
Durable goods	673.0	724.7	682.2	705.1	720.1	718.9	754.5	771.2
Motor vehicles and parts	269.5	290.5	271.6	277.0	288.8	282.6	313.6	311.0
Furniture and household equipment	271.4	292.2	276.0	288.5	288.9	294.1	297.3	309.6
Other	132.1	141.9	134.6	139.6	142.3	142.2	143.6	150.6
Nondurable goods	1,600.6	1,662.4	1,613.2	1,633.1	1,655.2	1,670.0	1,691.3	1,736.0
Food	780.9	815.3	787.1	796.9	810.2	818.7	835.6	844.1
Clothing and shoes	278.0	293.8	280.7	291.0	295.3	293.7	295.1	308.1
Gasoline and oil	126.5	112.1	125.9	116.2	111.6	111.7	109.0	107.6
Fuel oil and coal	11.2	9.6	10.7	9.5	9.8	9.8	9.0	10.0
Other	403.9	431.6	408.8	419.4	428.3	436.2	442.7	466.2
Services	3,220.1	3,420.8	3,297.8	3,338.2	3,398.4	3,457.7	3,488.9	3,543.4
Housing	829.8	877.9	847.0	859.1	871.9	883.8	896.7	908.1
Household operation	327.3	338.6	337.0	327.6	339.2	348.4	339.0	346.6
Electricity and gas	126.2	122.1	129.2	116.8	124.1	129.8	117.6	121.8
Other household operation	201.1	216.5	207.8	210.9	215.1	218.5	221.5	224.9
Transportation	240.3	252.7	246.3	249.5	253.2	253.4	254.8	257.8
Medical care	843.4	888.2	857.9	871.5	884.2	893.0	904.0	915.3
Other	979.3	1,063.5	1,009.5	1,030.5	1,049.8	1,079.1	1,094.4	1,115.6

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

(Billions of chained (1992) dollars)

	1997	1998	1999	2000	2001	2002	2003	2004
Personal consumption expenditures	4,913.5	5,153.3	4,981.0	5,055.1	5,130.2	5,181.8	5,246.0	5,331.9
Durable goods	668.6	737.1	684.8	710.3	729.4	733.7	775.0	798.9
Motor vehicles and parts	239.3	259.6	242.7	247.8	258.9	252.6	279.3	278.9
Furniture and household equipment	307.7	347.3	318.1	335.8	339.3	352.0	362.1	381.6
Other	127.7	138.5	130.8	135.1	138.6	139.1	141.0	148.7
Nondurable goods	1,486.3	1,544.1	1,494.3	1,521.2	1,540.9	1,549.1	1,565.1	1,600.9
Food	699.3	718.0	699.9	706.8	716.3	718.9	730.1	734.3
Clothing and shoes	288.4	310.3	292.3	307.4	311.4	309.8	312.5	333.1
Gasoline and oil	117.9	119.9	118.1	118.5	118.4	121.1	121.5	121.4
Fuel oil and coal	10.3	9.6	10.1	9.2	9.7	9.9	9.5	10.7
Other	373.0	390.3	376.8	383.5	389.2	393.4	395.2	407.3
Services	2,761.5	2,879.5	2,804.8	2,829.3	2,866.8	2,904.8	2,917.2	2,946.8
Housing	717.4	735.0	723.9	728.7	732.7	737.1	741.5	746.8
Household operation	301.3	316.8	311.1	306.3	316.5	326.3	318.2	325.6
Electricity and gas	116.0	116.2	118.4	110.5	117.4	123.8	112.9	116.9
Other household operation	185.1	200.5	192.5	195.6	198.9	202.4	205.0	208.4
Transportation	212.2	220.4	215.9	217.9	221.4	220.5	221.8	223.6
Medical care	701.7	723.2	709.4	714.9	721.6	725.3	730.8	734.5
Other	830.5	886.0	846.6	862.9	876.7	898.2	906.3	918.4
Residual	-13.0	-21.5	-14.5	-19.5	-20.3	-22.3	-23.5	-32.7

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. Chain-type quantity indexes for the series in this table appear in table 7.4.

1. Consists of aid to families with dependent children and, beginning with 1996, assistance programs operating under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

2. 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]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Receipts	2,589.2	2,761.2	2,650.3	2,703.6	2,745.2	2,779.7	2,816.2	2,866.6
Personal tax and nontax receipts	989.0	1,098.3	1,025.5	1,066.8	1,092.9	1,108.4	1,124.9	1,144.1
Corporate profits tax accruals	246.1	240.1	249.3	239.9	241.6	243.2	235.6	250.7
Indirect business tax and nontax accruals	627.2	655.3	634.5	641.9	647.7	656.5	675.1	673.6
Contributions for social insurance	727.0	767.5	740.9	755.0	762.9	771.6	780.7	798.2
Current expenditures	2,476.1	2,538.2	2,506.7	2,504.6	2,529.5	2,538.9	2,579.8	2,574.1
Consumption expenditures	1,219.2	1,250.2	1,231.6	1,227.5	1,248.7	1,252.6	1,271.9	1,282.0
Transfer payments (net)	1,096.0	1,134.0	1,114.6	1,121.1	1,126.7	1,135.8	1,152.2	1,156.1
To persons	1,083.3	1,120.8	1,093.1	1,111.2	1,117.7	1,124.6	1,129.6	1,146.2
To the rest of the world (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.9
Net interest paid	153.8	143.1	152.3	148.2	146.2	141.9	136.1	127.3
Interest paid	316.9	312.3	317.2	314.3	314.5	312.0	308.3	300.8
To persons and business	229.4	222.3	226.5	224.4	223.4	221.7	219.9	212.4
To the rest of the world	87.5	89.9	90.7	89.9	91.0	90.3	88.5	88.3
Less: Interest received by government	163.1	169.2	164.9	166.1	168.3	170.1	172.2	173.5
Less: Dividends received by government	14.8	16.1	15.2	15.7	16.0	16.0	16.6	16.7
Subsidies less current surplus of government enterprises	21.9	27.1	23.4	23.5	23.9	24.6	36.3	25.5
Subsidies	33.4	34.2	32.7	31.8	31.4	31.0	42.8	34.8
Less: Current surplus of government enterprises	11.5	7.2	9.3	8.4	7.5	6.4	6.5	9.3
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	113.1	223.0	143.6	199.0	215.7	240.7	236.3	292.4
Social insurance funds	138.5	161.9	148.5	152.0	158.3	163.8	173.3	183.1
Other	-25.4	61.1	-4.9	47.0	57.4	76.9	63.0	109.3

Table 3.2.—Federal Government Receipts and Current Expenditures

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Receipts	1,719.9	1,844.2	1,765.5	1,809.1	1,838.3	1,858.8	1,870.4	1,914.7	
Personal tax and nontax receipts	769.1	858.0	798.6	836.5	855.7	863.8	875.9	891.3	
Income taxes	745.8	829.6	774.2	810.0	826.3	836.5	845.7	860.7	
Estate and gift taxes	20.6	25.1	21.6	23.5	26.2	23.8	26.8	27.1	
Nontaxes	2.7	3.3	2.8	3.0	3.2	3.5	3.4	3.4	
Corporate profits tax accruals	210.0	204.9	212.8	204.8	206.2	207.5	201.0	213.8	
Federal Reserve banks	20.6	21.7	21.2	21.6	21.5	21.8	21.7	21.5	
Other	189.5	183.2	191.6	183.2	184.7	185.7	179.3	192.3	
Indirect business tax and nontax accruals	93.8	95.9	93.8	93.9	95.2	98.3	96.0	95.7	
Excise taxes	59.5	62.6	60.8	60.7	61.9	63.8	64.0	63.9	
Customs duties	19.6	19.6	18.9	19.1	19.3	20.7	19.2	19.1	
Nontaxes	14.6	13.6	14.2	14.1	13.9	13.7	12.8	12.6	
Contributions for social insurance	647.0	685.4	660.3	673.9	681.2	689.2	697.5	714.0	
Current expenditures	1,741.0	1,771.4	1,763.4	1,750.3	1,763.9	1,766.7	1,804.6	1,792.0	
Consumption expenditures	460.4	461.0	460.1	450.9	464.0	458.7	470.6	471.8	
Transfer payments (net)	791.9	816.6	805.9	808.5	811.1	817.0	829.8	830.4	
To persons	779.2	803.4	784.4	798.6	802.1	805.8	807.2	820.5	
To the rest of the world (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.9	
Grants-in-aid to State and local governments	225.0	231.1	231.8	228.7	226.9	231.4	237.4	241.1	
Net interest paid	231.2	226.1	231.8	228.8	228.3	225.7	221.4	214.3	
Interest paid	253.6	248.4	253.8	250.7	250.6	248.0	244.2	236.5	
To persons and business	166.1	158.4	163.1	160.7	159.6	157.7	155.7	148.1	
To the rest of the world	87.5	89.9	90.7	89.9	91.0	90.3	88.5	88.3	
Less: Interest received by government	22.4	22.3	22.0	21.8	22.3	22.3	22.8	22.2	
Subsidies less current surplus of government enterprises	32.5	36.6	33.7	33.4	33.5	34.0	45.4	34.5	
Subsidies	33.0	33.9	32.4	31.5	31.0	30.6	42.4	34.4	
Less: Current surplus of government enterprises .....	.5	-2.7	-1.4	-1.9	-2.5	-3.4	-3.0	-.1
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0	
Current surplus or deficit (-), national income and product accounts	-21.1	72.8	2.2	58.8	74.4	92.0	65.8	122.7	
Social insurance funds	70.3	94.2	80.9	84.5	90.6	96.4	105.4	115.3	
Other	-91.4	-21.5	-78.7	-25.7	-16.2	-4.4	-39.6	7.4	

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

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Receipts	1,094.3	1,148.1	1,116.5	1,123.3	1,133.8	1,152.3	1,183.1	1,192.9	
Personal tax and nontax receipts	219.9	240.3	226.9	230.4	237.2	244.6	248.9	252.8	
Income taxes	164.3	180.7	169.9	172.3	178.3	184.5	187.7	190.5	
Nontaxes	32.0	34.5	32.9	33.6	34.2	34.9	35.5	36.2	
Other	23.6	25.0	24.1	24.5	24.7	25.3	25.7	26.1	
Corporate profits tax accruals	36.0	35.2	36.5	35.1	35.4	35.7	34.5	36.9	
Indirect business tax and nontax accruals	533.4	559.4	540.7	548.0	552.5	558.2	579.1	577.9	
Sales taxes	261.5	271.6	265.7	268.4	270.4	271.1	276.6	283.8	
Property taxes	209.1	217.4	211.5	213.9	216.3	218.5	221.1	223.9	
Other	62.8	70.4	63.5	65.7	65.9	68.6	81.3	70.1	
Contributions for social insurance	79.9	82.1	80.6	81.1	81.7	82.4	83.2	84.2	
Federal grants-in-aid	225.0	231.1	231.8	228.7	226.9	231.4	237.4	241.1	
Current expenditures	960.1	997.9	975.1	983.0	992.5	1,003.6	1,012.6	1,023.2	
Consumption expenditures	758.8	789.1	771.5	776.7	784.7	793.9	801.2	810.2	
Transfer payments to persons ...	304.1	317.4	308.6	312.6	315.6	318.8	322.5	325.7	
Net interest paid	-77.4	-83.0	-79.5	-80.7	-82.2	-83.7	-85.3	-87.0	
Interest paid	63.3	63.9	63.4	63.6	63.8	64.0	64.2	64.3	
Less: Interest received by government	140.6	146.9	142.9	144.3	146.0	147.7	149.4	151.4	
Less: Dividends received by government	14.8	16.1	15.2	15.7	16.0	16.0	16.6	16.7	
Subsidies less current surplus of government enterprises	-10.6	-9.5	-10.3	-9.9	-9.6	-9.4	-9.1	-9.0	
Subsidies .....	.4	.4	.4	.4	.4	.4	.4	.4
Less: Current surplus of government enterprises	10.9	9.9	10.7	10.3	10.0	9.8	9.5	9.4	
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0	
Current surplus or deficit (-), national income and product accounts	134.1	150.2	141.4	140.2	141.3	148.7	170.5	169.7	
Social insurance funds	68.1	67.6	67.6	67.5	67.7	67.4	67.9	67.8	
Other	66.0	82.5	73.8	72.7	73.6	81.3	102.6	101.9	

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

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Government consumption expenditures and gross investment¹	1,454.6	1,487.1	1,468.1	1,464.9	1,481.2	1,492.3	1,510.2	1,537.5
Federal	520.2	520.6	520.1	511.6	520.7	519.4	530.7	536.6
National defense	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Consumption expenditures	306.3	301.5	304.8	293.3	303.0	302.9	306.7	303.7
Durable goods ²	20.7	21.2	20.8	20.4	20.8	21.8	21.6	21.0
Nondurable goods	7.4	6.7	7.2	6.5	6.4	7.3	6.6	6.2
Services	278.2	273.6	276.7	266.4	275.8	273.8	278.4	276.5
Compensation of general government employees, except force-account construction ³	133.3	132.2	131.9	133.4	132.2	132.3	130.9	133.9
Consumption of general government fixed capital ⁴	56.3	54.8	55.7	55.3	54.8	54.5	54.7	54.2
Other services	88.6	86.6	89.1	77.7	88.9	87.0	92.8	88.4
Gross investment	39.7	38.9	41.7	38.3	36.8	40.9	39.7	41.8
Structures	5.7	5.2	5.7	5.4	4.9	5.5	5.0	5.1
Equipment	34.0	33.7	36.1	32.9	31.9	35.4	34.7	36.7
Nondefense	174.3	180.2	173.6	180.0	180.9	175.7	184.3	191.1
Consumption expenditures	154.2	159.6	155.3	157.6	160.9	155.8	164.0	168.0
Durable goods ²	1.0	-3	.9	1.2	1.3	-4.8	1.1	1.1
Nondurable goods	6.8	7.9	7.4	7.3	7.6	8.1	8.4	8.6
Commodity Credit Corporation inventory change ...	-1	.5	.1	0	.2	.8	.9	1.2
Other nondurables	6.9	7.4	7.3	7.3	7.4	7.3	7.4	7.4
Services	146.3	152.0	147.0	149.1	152.0	152.5	154.5	158.3
Compensation of general government employees, except force-account construction ³	80.2	82.7	79.5	81.5	82.3	82.7	84.4	87.9
Consumption of general government fixed capital ⁴	11.5	12.1	11.7	11.8	11.9	12.2	12.4	12.4
Other services	54.7	57.2	55.8	55.8	57.9	57.5	57.8	58.0
Gross investment	20.1	20.7	18.3	22.4	20.0	19.9	20.4	23.1
Structures	10.0	10.8	8.7	10.6	10.4	11.3	11.0	10.9
Equipment	10.0	9.8	9.6	11.8	9.6	8.6	9.4	12.1
State and local	934.4	966.5	947.9	953.3	960.4	972.9	979.5	1,000.9
Consumption expenditures	758.8	789.1	771.5	776.7	784.7	793.9	801.2	810.2
Durable goods ²	16.2	16.8	16.4	16.6	16.7	16.9	17.1	17.3
Nondurable goods	79.7	78.1	80.1	78.0	78.4	78.4	77.7	78.0
Services	662.9	694.2	675.0	682.1	689.6	698.5	706.4	714.9
Compensation of general government employees, except force-account construction ³	566.7	590.9	575.4	581.1	587.8	594.2	600.3	607.4
Consumption of general government fixed capital ⁴	60.5	63.5	61.8	62.4	62.9	63.9	64.8	65.4
Other services	35.7	39.8	37.8	38.6	38.9	40.4	41.3	42.1
Gross investment	175.6	177.4	176.4	176.6	175.7	179.0	178.3	190.7
Structures	142.4	141.9	142.6	142.0	140.6	143.2	141.8	153.7
Equipment	33.2	35.5	33.9	34.6	35.2	35.8	36.5	37.0
Addenda:								
Compensation of general government employees ³	784.7	810.4	791.4	800.6	806.8	813.9	820.2	834.2
Federal	213.5	215.0	211.5	215.0	214.6	215.2	215.4	222.0
State and local	571.2	595.3	579.9	585.6	592.2	598.8	604.8	612.2

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

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Government consumption expenditures and gross investment¹	1,285.0	1,296.9	1,289.2	1,283.0	1,294.8	1,299.6	1,310.3	1,323.9
Federal	458.0	453.3	456.5	446.1	454.1	452.5	460.6	458.4
National defense	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Consumption expenditures	272.4	264.1	270.0	257.9	266.1	265.1	267.3	261.1
Durable goods ²	20.4	21.0	20.6	20.1	20.7	21.7	21.6	20.9
Nondurable goods	7.0	7.1	6.9	6.7	6.7	7.8	7.1	6.8
Services	244.9	236.1	242.4	231.1	238.7	235.9	238.7	233.4
Compensation of general government employees, except force-account construction ³	112.9	109.4	111.4	110.6	109.5	109.4	108.0	107.0
Consumption of general government fixed capital ⁴	50.5	49.1	50.0	49.6	49.3	49.0	48.7	48.4
Other services	81.8	77.9	81.5	70.8	80.3	77.8	82.6	78.5
Gross investment	36.5	36.3	38.7	35.4	34.1	38.5	37.2	38.5
Structures	4.5	4.1	4.5	4.3	3.8	4.3	3.9	4.0
Equipment	31.9	32.2	34.2	31.0	30.3	34.2	33.4	34.6
Nondefense	148.6	152.1	147.3	151.9	152.9	148.4	155.2	158.0
Consumption expenditures	128.7	131.5	129.0	130.0	132.9	128.4	134.6	135.1
Durable goods ²	1.4	.3	1.3	1.5	1.7	-3.3	1.4	1.5
Nondurable goods	6.1	7.2	6.6	6.6	6.9	7.6	7.8	8.0
Commodity Credit Corporation inventory change ...	-1	.6	.2	0	.3	1.0	1.1	1.4
Other nondurables	6.2	6.6	6.5	6.5	6.6	6.6	6.7	6.7
Services	121.4	124.2	121.2	122.0	124.5	124.5	125.8	126.0
Compensation of general government employees, except force-account construction ³	60.8	61.5	59.9	60.7	61.4	61.5	62.6	62.7
Consumption of general government fixed capital ⁴	11.0	11.6	11.2	11.3	11.4	11.7	11.8	11.9
Other services	50.3	52.1	51.1	51.0	52.8	52.2	52.3	52.4
Gross investment	19.8	20.7	18.1	22.2	19.9	19.9	20.5	23.3
Structures	8.6	8.9	7.3	8.8	8.6	9.3	9.0	8.9
Equipment	11.6	12.1	11.3	14.1	11.7	10.7	11.8	15.4
State and local	827.1	843.8	832.9	837.1	840.9	847.3	850.0	865.8
Consumption expenditures	672.3	689.3	678.5	682.8	687.3	691.6	695.6	700.8
Durable goods ²	15.1	15.6	15.3	15.4	15.6	15.7	15.9	16.0
Nondurable goods	73.4	75.7	74.3	74.9	75.4	76.0	76.7	77.2
Services	583.9	598.1	589.1	592.7	596.5	600.1	603.3	607.8
Compensation of general government employees, except force-account construction ³	492.8	501.9	496.2	498.1	500.9	503.4	505.3	508.0
Consumption of general government fixed capital ⁴	54.8	57.0	55.6	56.1	56.7	57.2	57.8	58.4
Other services	37.7	41.2	38.9	40.2	40.7	41.5	42.4	43.7
Gross investment	154.8	154.4	154.3	154.2	153.5	155.6	154.3	165.0
Structures	121.0	117.5	119.5	118.5	117.0	118.2	116.1	125.5
Equipment	34.3	38.3	35.5	36.7	37.7	38.8	39.8	40.9
Residual	-2.9	-4.8	-4.0	-3.9	-4.3	-5.1	-5.6	-6.9
Addenda:								
Compensation of general government employees ³	670.2	676.2	670.8	672.8	675.1	677.7	679.2	681.3
Federal	174.2	171.5	171.7	171.8	171.5	171.6	171.3	170.4
State and local	496.7	505.6	500.0	501.9	504.6	507.1	509.0	512.0

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 lines in the addenda.

Chain-type quantity indexes for the series in this table appear in table 7.11. See footnotes to table 3.7.

Table 3.10.—National Defense Consumption Expenditures and Gross Investment

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
National defense consumption expenditures and gross investment¹	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Consumption expenditures	306.3	301.5	304.8	293.3	303.0	302.9	306.7	303.7
Durable goods²	20.7	21.2	20.8	20.4	20.8	21.8	21.6	21.0
Aircraft	9.6	10.1	9.7	9.3	10.1	9.9	10.9	9.6
Missiles	2.6	2.4	2.7	2.4	2.2	2.7	2.3	2.8
Ships .....	.7	.6	.7	.7	.6	.6	.7	.7
Vehicles .....	.9	1.0	1.0	1.0	.9	1.0	1.0	1.0
Electronics	2.6	2.5	2.4	2.6	2.5	2.5	2.4	2.5
Other durable goods	4.3	4.6	4.4	4.4	4.6	5.1	4.4	4.5
Nondurable goods	7.4	6.7	7.2	6.5	6.4	7.3	6.6	6.2
Petroleum products	2.9	1.9	2.5	2.0	2.0	2.0	1.7	1.6
Ammunition	1.5	1.7	1.7	1.4	1.2	2.3	1.8	1.5
Other nondurable goods	3.0	3.1	3.1	3.1	3.1	3.0	3.2	3.1
Services	278.2	273.6	276.7	266.4	275.8	273.8	278.4	276.5
Compensation of general government employees, except force-account construction ³	133.3	132.2	131.9	133.4	132.2	132.3	130.9	133.9
Military	84.2	84.5	83.7	85.0	84.4	84.5	84.0	85.6
Civilian	49.1	47.7	48.2	48.4	47.8	47.8	46.9	48.3
Consumption of general government fixed capital ⁴	56.3	54.8	55.7	55.3	54.8	54.5	54.7	54.2
Other services	88.6	86.6	89.1	77.7	88.9	87.0	92.8	88.4
Research and development	28.9	27.0	28.6	22.0	27.5	28.4	29.9	26.5
Installation support	26.3	25.5	25.7	25.1	25.8	25.2	25.7	25.6
Weapons support	6.4	6.1	7.0	5.6	6.4	5.8	6.7	6.6
Personnel support	20.1	20.8	21.0	18.6	21.5	20.3	22.7	21.7
Transportation of material	4.6	4.7	4.7	4.6	4.7	4.7	5.0	5.2
Travel of persons	3.6	3.5	3.6	3.5	3.5	3.5	3.5	3.5
Other	-1.3	-1.0	-1.4	-1.8	-6	-8	-7	-7
Gross investment	39.7	38.9	41.7	38.3	36.8	40.9	39.7	41.8
Structures	5.7	5.2	5.7	5.4	4.9	5.5	5.0	5.1
Equipment	34.0	33.7	36.1	32.9	31.9	35.4	34.7	36.7
Aircraft	6.0	5.6	8.3	5.1	4.3	6.1	7.1	6.2
Missiles	3.0	2.9	3.1	3.2	2.7	2.9	3.0	4.3
Ships	6.1	6.4	5.8	6.3	6.0	6.5	6.8	6.8
Vehicles	1.5	1.5	1.4	1.3	1.8	1.5	1.4	1.4
Electronics	3.6	3.4	3.2	3.4	3.6	3.3	3.2	3.3
Other equipment	13.9	13.8	14.3	13.6	13.5	15.1	13.1	14.7
Addendum:								
Compensation of general government employees ³	133.3	132.2	131.9	133.5	132.2	132.3	130.9	133.9

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]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
National defense consumption expenditures and gross investment¹	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Consumption expenditures	272.4	264.1	270.0	257.9	266.1	265.1	267.3	261.1
Durable goods²	20.4	21.0	20.6	20.1	20.7	21.7	21.6	20.9
Aircraft	9.4	9.9	9.6	9.1	9.9	9.7	10.8	9.4
Missiles	2.7	2.5	2.8	2.5	2.3	2.9	2.5	2.9
Ships .....	.7	.6	.6	.7	.6	.6	.6	.7
Vehicles .....	.8	.8	.8	.8	.7	.8	.8	.8
Electronics	2.8	2.7	2.6	2.8	2.7	2.8	2.7	2.8
Other durable goods	4.1	4.4	4.2	4.2	4.4	4.8	4.2	4.3
Nondurable goods	7.0	7.1	6.9	6.7	6.7	7.8	7.1	6.8
Petroleum products	2.8	2.6	2.5	2.5	2.7	2.8	2.4	2.5
Ammunition	1.4	1.6	1.6	1.3	1.2	2.2	1.7	1.4
Other nondurable goods	2.8	2.9	2.9	2.9	2.9	2.8	3.0	2.9
Services	244.9	236.1	242.4	231.1	238.7	235.9	238.7	233.4
Compensation of general government employees, except force-account construction ³	112.9	109.4	111.4	110.6	109.5	109.4	108.0	107.0
Military	74.8	73.1	74.3	73.8	73.1	73.2	72.4	71.8
Civilian	38.3	36.5	37.3	37.0	36.7	36.5	35.8	35.4
Consumption of general government fixed capital ⁴	50.5	49.1	50.0	49.6	49.3	49.0	48.7	48.4
Other services	81.8	77.9	81.5	70.8	80.3	77.8	82.6	78.5
Research and development	28.5	26.0	27.9	21.4	26.6	27.4	28.7	25.3
Installation support	23.8	22.6	23.1	22.6	23.1	22.2	22.5	22.5
Weapons support	5.6	5.3	6.1	4.9	5.6	5.0	5.8	5.6
Personnel support	17.5	17.3	18.0	15.8	18.1	16.8	18.6	17.6
Transportation of material	4.5	4.6	4.6	4.5	4.5	4.5	4.9	5.0
Travel of persons	3.4	3.1	3.3	3.1	3.1	3.1	3.1	3.1
Other	-1.1	-8	-1.2	-1.5	-5	-7	-6	-6
Gross investment	36.5	36.3	38.7	35.4	34.1	38.5	37.2	38.5
Structures	4.5	4.1	4.5	4.3	3.8	4.3	3.9	4.0
Equipment	31.9	32.2	34.2	31.0	30.3	34.2	33.4	34.6
Aircraft	4.9	4.8	7.0	4.2	3.5	5.4	6.1	4.7
Missiles	3.1	3.0	3.2	3.2	2.8	2.9	3.1	4.3
Ships	5.4	5.8	5.1	5.6	5.4	5.8	6.2	6.1
Vehicles	1.3	1.4	1.3	1.2	1.6	1.4	1.3	1.2
Electronics	4.9	5.2	4.6	5.0	5.4	5.3	5.2	5.5
Other equipment	13.0	12.9	13.4	12.7	12.6	14.1	12.3	13.7
Residual	-1.5	-1.6	-1.4	-9	-1.8	-2.1	-2.1	-1.9
Addendum:								
Compensation of general government employees ³	112.9	109.4	111.4	110.6	109.5	109.5	108.0	107.0

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.

Chain-type indexes for the series in the table appear in table 7.12. See footnotes to table 3.10.

4. Foreign Transactions

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

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Receipts from the rest of the world	1,230.9	1,228.1	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5	1,237.0	
Exports of goods and services ...	965.4	959.0	988.6	973.3	949.6	936.2	976.8	962.7	
Goods ¹	688.3	680.8	708.9	694.5	668.8	663.3	696.6	677.7	
Durable	483.0	487.4	498.7	495.4	474.3	476.6	503.3	491.7	
Nondurable	205.3	193.4	210.2	199.2	194.5	186.6	193.3	186.0	
Services ¹	277.1	278.2	279.7	278.8	280.8	272.9	280.2	285.0	
Receipts of factor income	265.5	269.2	266.3	270.3	270.6	265.0	270.7	274.3	
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0	
Payments to the rest of the world	1,230.9	1,228.1	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5	1,237.0	
Imports of goods and services ...	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,159.6	
Goods ¹	888.3	932.4	912.4	920.9	931.8	924.7	952.2	975.2	
Durable	589.5	637.6	608.7	625.6	634.1	630.1	660.6	678.4	
Nondurable	298.8	294.8	303.7	295.2	297.7	294.6	291.6	296.7	
Services ¹	170.4	177.8	174.9	176.2	177.1	177.0	180.8	184.5	
Payments of factor income	273.5	289.6	285.9	285.1	289.3	292.1	291.9	294.6	
Transfer payments (net)	39.5	41.0	49.4	37.0	36.8	39.1	51.0	37.5	
From persons (net)	18.9	19.9	19.8	19.2	19.9	20.0	20.6	20.2	
From government (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.9	
From business	8.0	7.9	8.1	7.9	7.9	8.0	7.8	7.4	
Net foreign investment	-140.9	-212.6	-167.8	-175.6	-214.8	-231.6	-228.3	-254.7	

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

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Exports of goods and services	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	996.5	
Goods ¹	726.5	742.6	754.9	748.5	726.3	727.3	768.4	751.2	
Durable	554.5	573.3	578.1	577.9	556.2	562.9	596.4	584.6	
Nondurable	180.8	179.7	186.3	181.1	179.3	174.9	183.5	178.1	
Services ¹	247.0	246.4	248.6	247.8	248.8	242.1	247.0	249.6	
Receipts of factor income	238.0	239.5	237.6	241.0	241.0	235.7	240.4	242.8	
Imports of goods and services	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,300.1	
Goods ¹	945.7	1,054.4	981.8	1,021.0	1,048.8	1,056.3	1,091.7	1,127.6	
Durable	667.7	752.8	696.6	726.9	745.5	749.8	789.1	813.3	
Nondurable	280.3	305.4	288.1	297.6	306.7	309.9	307.6	319.3	
Services ¹	161.8	171.2	167.5	171.3	171.0	170.8	171.6	176.5	
Payments of factor income	240.7	252.7	250.5	249.6	252.8	254.6	253.9	255.3	

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. Chain-type quantity indexes for the series in this table appear in table 7.9.

Table 4.3.—Exports and Imports of Goods and Services by Type of Product

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Exports of goods and services	965.4	959.0	988.6	973.3	949.6	936.2	976.8	962.7
Exports of goods ¹	688.3	680.8	708.9	694.5	668.8	663.3	696.6	677.7
Foods, feeds, and beverages	51.5	46.1	54.0	49.8	44.9	42.4	47.5	43.2
Industrial supplies and materials	152.5	142.5	154.4	148.6	144.2	138.1	139.3	133.2
Durable goods	55.1	53.7	55.8	56.4	53.6	51.8	52.8	51.9
Nondurable goods	97.5	88.9	98.6	92.1	90.5	86.3	86.5	81.3
Capital goods, except automotive	295.3	301.2	306.5	302.0	288.4	299.2	315.0	307.5
Civilian aircraft, engines, and parts	41.4	54.7	43.6	48.9	44.8	58.0	66.9	59.9
Computers, peripherals, and parts	49.4	45.3	49.1	45.5	44.8	45.1	45.9	44.5
Other	204.6	201.2	213.9	207.7	198.9	196.1	202.1	203.0
Automotive vehicles, engines, and parts	74.0	72.3	76.6	77.7	72.2	65.3	73.9	70.7
Consumer goods, except automotive	77.4	79.6	78.8	78.3	80.1	80.3	79.7	80.1
Durable goods	39.9	40.8	40.5	40.2	40.5	41.4	41.0	40.1
Nondurable goods	37.6	38.9	38.3	38.1	39.6	39.0	38.8	40.0
Other	37.5	39.1	38.5	38.1	39.1	37.9	41.1	43.1
Durable goods	18.8	19.5	19.2	19.1	19.6	19.0	20.6	21.5
Nondurable goods	18.8	19.5	19.2	19.1	19.6	19.0	20.6	21.5
Exports of services ¹	277.1	278.2	279.7	278.8	280.8	272.9	280.2	285.0
Transfers under U.S. military agency sales contracts	17.5	16.3	15.8	17.9	15.6	15.7	15.9	17.4
Travel	73.3	72.0	72.8	72.8	73.9	68.2	73.1	73.7
Passenger fares	20.9	20.8	21.5	21.4	21.8	19.6	20.3	20.7
Other transportation	27.9	27.6	28.3	27.2	26.9	27.4	28.8	29.0
Royalties and license fees	33.7	33.4	33.5	33.1	33.9	32.5	33.9	32.2
Other private services	82.2	85.9	86.0	84.4	86.4	87.0	85.5	89.1
Other	21.6	22.3	21.8	21.9	22.2	22.5	22.6	23.0
Imports of goods and services	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,159.6
Imports of goods ¹	888.3	932.4	912.4	920.9	931.8	924.7	952.2	975.2
Foods, feeds, and beverages	39.7	41.3	40.3	41.7	41.8	40.5	41.1	41.2
Industrial supplies and materials, except petroleum and products	135.4	142.7	139.0	141.3	144.4	144.8	140.2	140.1
Durable goods	69.3	75.9	71.8	73.4	77.2	77.7	75.3	75.4
Nondurable goods	66.2	66.8	67.2	67.9	67.2	67.0	64.9	64.8
Petroleum and products	71.8	51.2	68.6	54.9	53.9	49.2	46.6	43.2
Capital goods, except automotive	254.2	270.4	264.8	268.9	270.5	267.0	275.1	280.0
Civilian aircraft, engines, and parts	16.6	21.6	18.1	17.9	22.4	21.9	24.1	22.0
Computers, peripherals, and parts	70.2	72.5	70.9	72.4	71.7	71.1	74.7	77.6
Other	167.4	176.3	175.8	178.7	176.4	173.9	176.3	180.4
Automotive vehicles, engines, and parts	140.8	150.3	141.0	148.0	146.0	143.5	163.7	174.1
Consumer goods, except automotive	193.0	215.6	202.3	209.3	217.5	217.2	218.3	226.5
Durable goods	98.5	110.5	102.9	107.0	111.6	110.6	112.8	113.9
Nondurable goods	94.5	105.1	99.4	102.3	105.9	106.6	105.5	112.6
Other	53.4	61.0	56.5	56.7	57.7	62.6	67.1	70.0
Durable goods	26.7	30.5	28.2	28.4	28.9	31.3	33.6	35.0
Nondurable goods	26.7	30.5	28.2	28.4	28.9	31.3	33.6	35.0
Imports of services ¹	170.4	177.8	174.9	176.2	177.1	177.0	180.8	184.5
Direct defense expenditures	11.5	12.5	12.2	12.6	12.2	12.2	13.0	13.6
Travel	51.2	52.5	51.3	52.7	53.2	51.3	52.8	54.8
Passenger fares	18.2	18.1	18.2	18.3	18.5	17.7	18.1	18.3
Other transportation	29.3	30.2	29.9	29.1	29.6	30.4	31.7	31.4
Royalties and license fees	9.4	10.2	10.3	11.5	10.0	9.7	9.7	10.6
Other private services	43.8	46.9	45.9	44.9	46.4	48.4	48.1	48.5
Other	7.0	7.2	7.1	7.2	7.2	7.3	7.3	7.2
Addenda:								
Exports of agricultural goods ²	58.4	52.8	60.5	56.4	52.0	49.0	53.9	46.9
Exports of nonagricultural goods	629.9	628.0	648.4	638.1	616.8	614.3	642.7	630.8
Imports of nonpetroleum goods	816.6	881.2	843.8	865.9	877.8	875.5	905.6	932.0

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.

2. Includes parts of foods, feeds, and beverages; of nondurable industrial supplies and materials; and of nondurable nonautomotive consumer goods.

Table 4.4.—Real Exports and Imports of Goods and Services by Type of Product

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Exports of goods and services	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	996.5
Exports of goods ¹	726.5	742.6	754.9	748.5	726.3	727.3	768.4	751.2
Foods, feeds, and beverages	43.9	43.1	47.4	45.6	41.7	39.9	45.4	41.7
Industrial supplies and materials	132.4	130.6	134.7	132.8	130.7	127.9	131.1	126.6
Durable goods	48.8	49.6	50.2	51.4	49.2	48.2	49.7	49.3
Nondurable goods	83.6	81.1	84.6	81.5	81.6	79.8	81.5	77.5
Capital goods, except automotive	388.6	408.4	408.7	405.5	389.7	407.6	430.6	421.5
Civilian aircraft, engines, and parts	35.0	45.7	36.7	41.0	37.4	48.6	55.7	49.4
Computers, peripherals, and parts	143.9	153.5	152.4	146.2	149.2	156.4	162.2	162.3
Other	242.8	241.4	254.9	248.4	238.3	235.6	243.6	244.6
Automotive vehicles, engines, and parts	70.4	68.7	72.9	73.9	68.7	62.1	70.0	66.8
Consumer goods, except automotive	73.7	75.8	74.8	74.4	76.3	76.6	76.1	76.6
Durable goods	38.5	39.5	39.0	38.7	39.2	40.1	39.8	39.1
Nondurable goods	35.3	36.4	35.8	35.6	37.0	36.5	36.3	37.5
Other	37.2	39.7	38.3	38.3	39.5	38.7	42.3	44.9
Durable goods	18.6	19.9	19.2	19.2	19.8	19.4	21.2	22.5
Nondurable goods	18.6	19.9	19.2	19.2	19.8	19.4	21.2	22.5
Exports of services ¹	247.0	246.4	248.6	247.8	248.8	242.1	247.0	249.6
Transfers under U.S. military agency sales contracts	16.1	15.4	14.9	16.7	14.6	15.4	15.1	15.6
Travel	64.0	61.2	62.8	62.5	62.7	57.7	61.7	62.2
Passenger fares	19.7	19.8	20.4	20.3	21.2	19.2	18.5	18.2
Other transportation	26.3	26.9	26.6	26.4	26.2	26.6	28.4	29.2
Royalties and license fees	30.2	29.7	29.9	29.5	30.2	28.9	30.1	28.5
Other private services	75.0	77.8	78.2	76.7	78.3	78.8	77.4	80.4
Other	16.1	16.2	16.1	16.2	16.2	16.2	16.2	16.2
Residual	-56.8	-61.1	-62.4	-57.1	-59.2	-63.5	-64.4	-67.0
Imports of goods and services	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,300.1
Imports of goods ¹	945.7	1,054.4	981.8	1,021.0	1,048.8	1,056.3	1,091.7	1,127.6
Foods, feeds, and beverages	35.5	38.1	36.3	38.2	38.3	37.8	38.2	39.0
Industrial supplies and materials, except petroleum and products	123.7	137.0	127.3	132.8	137.3	140.3	137.6	137.9
Durable goods	61.8	71.1	64.5	67.2	71.4	73.3	72.4	71.9
Nondurable goods	61.8	65.7	62.7	65.6	65.6	66.7	64.9	65.8
Petroleum and products	66.7	71.8	66.9	68.3	74.5	73.4	70.8	72.0
Capital goods, except automotive	373.3	426.7	396.7	413.6	424.7	426.2	442.3	455.8
Civilian aircraft, engines, and parts	14.1	18.0	15.2	15.0	18.8	18.3	20.0	18.1
Computers, peripherals, and parts	163.5	202.5	173.1	187.9	197.7	202.3	222.1	243.2
Other	217.6	237.8	231.1	238.5	237.2	237.0	238.6	243.6
Automotive vehicles, engines, and parts	129.4	138.0	129.1	135.5	133.9	132.2	150.3	159.2
Consumer goods, except automotive	188.8	213.7	198.6	206.3	215.5	216.1	216.8	225.0
Durable goods	97.7	112.5	102.9	107.8	113.4	113.3	115.4	116.6
Nondurable goods	91.1	101.3	95.7	98.5	102.2	102.8	101.6	108.3
Other	49.9	57.3	52.8	53.4	53.9	58.8	62.9	65.6
Durable goods	24.9	28.6	26.4	26.7	27.0	29.4	31.5	32.8
Nondurable goods	24.9	28.6	26.4	26.7	27.0	29.4	31.5	32.8
Imports of services ¹	161.8	171.2	167.5	171.3	171.0	170.8	171.6	176.5
Direct defense expenditures	11.6	13.1	12.6	13.7	13.1	12.7	12.9	13.9
Travel	47.2	49.9	48.4	50.6	50.7	49.4	48.7	51.1
Passenger fares	16.3	16.0	16.2	16.3	16.4	15.5	15.9	16.4
Other transportation	28.1	29.6	29.0	28.9	29.1	29.6	30.8	30.7
Royalties and license fees	8.4	9.1	9.2	10.3	8.9	8.6	8.6	9.4
Other private services	44.1	47.4	46.1	45.3	46.7	48.9	48.7	49.0
Other	6.3	6.5	6.4	6.5	6.5	6.6	6.5	6.4
Residual	-44.9	-62.7	-50.4	-57.1	-61.1	-62.9	-69.8	-80.1
Addenda:								
Exports of agricultural goods ²	49.3	48.9	52.2	50.9	47.6	45.8	51.6	45.8
Exports of nonagricultural goods	681.1	697.9	706.4	701.5	682.9	686.1	721.1	710.2
Imports of nonpetroleum goods	878.3	982.3	914.5	952.2	974.6	982.8</		

5. Saving and Investment

Table 5.1.—Gross Saving and Investment

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Gross saving	1,406.3	1,468.0	1,428.0	1,482.5	1,448.5	1,474.5	1,466.6	1,511.4
Gross private saving	1,141.6	1,090.4	1,131.6	1,130.1	1,079.0	1,078.7	1,073.7	1,061.9
Personal saving	121.0	27.7	98.2	73.0	25.6	12.6	-6	-45.5
Undistributed corporate profits with inventory valuation and capital consumption adjustments	296.7	305.4	295.0	312.0	300.9	304.8	303.9	332.5
Undistributed profits	213.2	198.5	210.6	201.8	203.7	198.3	190.2	216.4
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	11.6
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	94.8	100.2	104.6
Corporate consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.9
Noncorporate consumption of fixed capital	242.8	252.7	247.0	248.6	250.7	254.2	257.5	260.0
Wage accruals less disbursements	3.7	4.0	3.7	4.0	4.0	4.0	4.0	0
Gross government saving	264.7	377.6	296.4	352.4	369.4	395.7	392.9	449.4
Federal	49.5	142.5	72.3	128.7	143.9	161.6	135.8	192.3
Consumption of fixed capital	70.6	69.7	70.2	69.9	69.5	69.6	70.0	69.5
Current surplus or deficit (-), national income and product accounts	-21.1	72.8	2.2	58.8	74.4	92.0	65.8	122.7
State and local	215.2	235.1	224.1	223.7	225.6	234.2	257.1	257.2
Consumption of fixed capital	81.1	85.0	82.7	83.5	84.3	85.4	86.6	87.5
Current surplus or deficit (-), national income and product accounts	134.1	150.2	141.4	140.2	141.3	148.7	170.5	169.7
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0
Gross investment	1,350.5	1,391.5	1,360.7	1,428.4	1,362.7	1,372.5	1,402.4	1,418.3
Gross private domestic investment	1,256.0	1,367.1	1,292.0	1,366.6	1,345.0	1,364.4	1,392.4	1,417.4
Gross government investment	235.4	237.0	236.5	237.4	232.5	239.7	238.3	255.6
Net foreign investment	-140.9	-212.6	-167.8	-175.6	-214.8	-231.6	-228.3	-254.7
Statistical discrepancy	-55.8	-76.5	-67.3	-54.1	-85.7	-102.0	-64.2	-93.1
Addendum:								
Gross saving as a percentage of gross national product	17.4	17.3	17.3	17.7	17.2	17.3	16.9	17.2

Table 5.4.—Private Fixed Investment by Type

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Private fixed investment	1,188.6	1,307.8	1,220.1	1,271.1	1,305.8	1,307.5	1,346.7	1,377.9
Nonresidential	860.7	938.2	882.8	921.3	941.9	931.6	957.9	972.6
Structures	240.2	246.9	246.4	245.0	245.4	246.2	250.9	255.0
Nonresidential buildings, including farm	177.3	184.1	178.9	180.6	181.8	183.7	190.1	195.9
Utilities	33.5	34.7	34.1	34.2	34.7	35.0	35.1	35.5
Mining exploration, shafts, and wells	22.7	21.3	24.3	23.5	22.4	20.7	18.7	16.6
Other structures	6.7	6.8	9.2	6.6	6.5	6.8	7.1	7.0
Producers' durable equipment	620.5	691.3	636.4	676.3	696.6	685.4	706.9	717.6
Information processing and related equipment	206.6	233.3	213.6	226.5	231.6	235.2	239.9	247.4
Computers and peripheral equipment ¹	81.1	95.1	83.7	91.8	94.8	95.6	98.0	100.3
Other	125.5	138.3	129.9	134.7	136.8	139.5	142.0	147.1
Industrial equipment	138.6	147.0	142.1	145.4	146.8	147.4	148.3	146.0
Transportation and related equipment	152.0	175.1	155.9	172.4	181.2	164.0	182.8	181.0
Other	123.3	135.9	124.8	132.0	137.0	138.8	135.9	143.2
Residential	327.9	369.6	337.4	349.8	363.8	375.8	388.9	405.3
Structures	319.9	361.1	329.4	341.5	355.4	367.3	380.3	396.4
Single family	164.4	187.3	168.7	175.8	183.8	190.9	198.7	209.0
Multifamily	22.6	24.4	23.8	25.1	23.5	23.9	25.3	27.6
Other structures	132.8	149.4	136.8	140.6	148.1	152.6	156.3	159.8
Producers' durable equipment	8.0	8.5	8.0	8.3	8.5	8.5	8.6	8.9

1. Includes new computers and peripheral equipment only.

Table 5.5.—Real Private Fixed Investment by Type

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Private fixed investment	1,138.0	1,267.8	1,169.5	1,224.9	1,264.1	1,270.9	1,311.0	1,344.0
Nonresidential	859.4	960.7	886.2	931.9	960.4	958.7	991.9	1,012.2
Structures	203.2	203.0	205.7	203.1	201.9	202.0	205.0	207.8
Nonresidential buildings, including farm	150.5	150.9	149.5	150.1	149.8	150.1	153.8	157.8
Utilities	28.7	29.5	29.2	29.2	29.5	29.7	29.7	30.2
Mining exploration, shafts, and wells	17.9	16.7	18.9	17.9	17.0	16.4	15.3	13.7
Other structures	5.8	5.7	7.8	5.6	5.5	5.8	6.0	5.9
Producers' durable equipment	660.9	770.2	686.4	738.8	771.3	769.3	801.5	819.8
Information processing and related equipment	298.0	388.1	320.7	353.4	376.8	399.6	422.5	448.2
Computers and peripheral equipment ¹	214.8	351.8	242.9	292.2	331.5	370.5	413.0	452.9
Other	126.6	141.2	131.5	136.7	139.7	142.8	145.6	151.0
Industrial equipment	125.9	132.7	128.6	131.5	132.5	133.1	133.5	131.2
Transportation and related equipment	140.3	162.0	143.8	159.6	167.9	151.7	168.7	166.2
Other	113.0	123.3	114.1	120.2	124.6	125.8	122.5	128.9
Residential	282.8	312.0	287.9	298.5	309.1	316.5	324.1	335.9
Structures	275.1	303.9	280.1	290.5	300.9	308.3	315.7	327.3
Single family	137.2	153.0	139.0	145.2	151.3	155.6	159.7	167.0
Multifamily	20.2	21.3	21.0	22.1	20.7	20.8	21.7	23.6
Other structures	118.5	130.2	120.9	123.8	129.6	132.6	135.0	137.3
Producers' durable equipment	7.7	8.2	7.8	8.0	8.2	8.2	8.3	8.6
Residual	-69.1	-158.7	-85.5	-117.2	-143.7	-172.2	-201.8	-230.3

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. Chain-type quantity indexes for the series in this table appear in table 7.6.

Table 5.10.—Change in Business Inventories by Industry Group

[Billions of dollars]

			Seasonally adjusted at annual rates					
	1997	1998	1997	1998				1999
				IV	I	II	III		IV	I
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.5
Farm	4.3	6.7	4.9	5.0	7.7	7.7	6.3	3.1
Nonfarm	63.1	52.7	66.9	90.5	31.5	49.3	39.3	36.4
Change in book value ¹	52.1	33.2	61.1	56.3	21.2	32.0	23.3	19.4
Inventory valuation adjustment ²	11.0	19.5	5.9	34.3	10.3	17.3	16.0	17.1
Manufacturing	21.4	20.9	18.7	31.8	25.1	20.1	6.5	-3.3
Durable goods	12.5	14.5	8.4	21.9	19.9	12.3	3.9	-1.8
Nondurable goods	8.9	6.4	10.4	9.9	5.3	7.7	2.6	-1.5
Wholesale trade	23.3	20.1	21.5	28.1	7.9	30.5	14.1	9.7
Durable goods	13.8	13.9	8.9	25.8	1.6	15.5	12.5	7.9
Nondurable goods	9.5	6.3	12.6	2.3	6.2	15.0	1.5	1.7
Merchant wholesalers	19.6	18.2	19.0	26.0	4.8	29.2	12.5	9.1
Durable goods	11.4	12.1	7.3	23.3	-1	13.8	11.4	7.0
Nondurable goods	8.2	6.0	11.7	2.7	5.0	15.4	1.1	2.2
Nonmerchant wholesalers	3.8	2.0	2.5	2.0	3.0	1.3	1.6	.5
Durable goods	2.4	1.8	1.6	2.4	1.8	1.7	1.1	.9
Nondurable goods	1.4	.2	.9	-.4	1.2	-.4	.5	-.4
Retail trade	7.3	3.0	17.8	18.3	-12.7	-5.5	11.7	17.1
Durable goods	5.1	-2.9	15.3	1.8	-17.8	-8.2	12.5	6.9
Motor vehicle dealers ³	1.3	-6.4	11.7	-4.1	-15.3	-10.0	3.7	1.3
Other ³	3.9	3.5	3.5	5.9	-2.5	1.8	8.7	5.5
Nondurable goods	2.2	5.9	2.5	16.5	5.1	2.7	-7	10.3
Other	11.0	8.7	8.9	12.3	11.2	4.3	7.0	12.9
Durable goods	2.2	-2	1.4	.4	.8	-1	-1.9	3.4
Nondurable goods	8.8	8.9	7.5	11.9	10.4	4.4	9.0	9.5

1. Beginning with 1982, this series is derived from the Census Bureau series "current cost inventories." For earlier periods, it is derived from the Census Bureau "book value inventories" series. The series differ in the treatment of inventories reported on a last-in, first-out (LIFO) basis: The series prior to 1982 is a mix of LIFO and non-LIFO inventories; the series beginning with 1982 is entirely on a non-LIFO basis.

2. Beginning with 1973, the inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (first-in, first-out; last-in, first-out; etc.) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics. Prior to 1973, the two IVA's are the same because information required for separate estimates is not available.

3. Prior to 1981, inventories of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

Table 5.11.—Real Change in Business Inventories by Industry Group

[Billions of chained (1992) dollars]

			Seasonally adjusted at annual rates					
	1997	1998	1997	1998				1999
				IV	I	II	III		IV	I
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	38.7
Farm	4.3	7.6	3.7	5.3	8.7	9.1	7.2	3.6
Nonfarm	58.8	50.1	62.7	85.9	29.9	47.0	37.5	35.1
Manufacturing	20.1	19.9	17.7	30.2	23.9	19.2	6.2	-3.3
Durable goods	12.0	14.0	8.1	21.0	19.1	12.0	3.8	-1.7
Nondurable goods	8.1	5.9	9.5	9.2	4.9	7.2	2.4	-1.6
Wholesale trade	22.0	19.5	20.2	27.0	7.6	29.6	13.7	9.4
Durable goods	13.3	13.5	8.6	25.1	1.6	15.2	12.3	7.8
Nondurable goods	8.7	6.0	11.4	2.3	5.9	14.3	1.5	1.7
Merchant wholesalers	18.5	17.5	17.8	24.8	4.7	28.3	12.2	8.9
Nondurable goods	11.0	11.8	7.0	22.6	-2	13.5	11.2	6.9
Nonmerchant wholesalers	3.6	2.0	2.4	2.1	3.0	1.3	1.5	.5
Durable goods	2.3	1.7	1.5	2.4	1.8	1.7	1.1	.9
Nondurable goods	1.2	.2	.9	-.3	1.2	-.4	.4	-.4
Retail trade	6.8	2.8	16.9	17.3	-11.9	-5.3	10.9	16.1
Durable goods	4.7	-2.8	14.1	1.6	-16.3	-7.7	11.4	6.3
Motor vehicle dealers	1.1	-5.8	10.5	-3.7	-13.8	-9.1	3.3	1.2
Other	3.6	3.2	3.3	5.5	-2.3	1.7	8.1	5.2
Nondurable goods	2.1	5.7	2.5	16.1	4.9	2.6	-7	9.9
Other	9.9	8.1	8.1	11.5	10.4	4.0	6.6	12.3
Durable goods	1.9	-2	1.2	.4	.7	-1	-1.7	3.0
Nondurable goods	8.1	8.6	6.9	11.5	10.0	4.3	8.8	9.5
Residual	0	-1.0	.9	-1.2	-1.5	-1.3	-.8	.1

NOTE.—Chained (1992) dollar series for real change in business inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. 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 Group

[Billions of dollars]

	Seasonally adjusted quarterly totals					
	1997	1998				1999
	IV	I	II	III	IV	I
Inventories ¹	1,348.4	1,363.6	1,366.5	1,369.1	1,372.7	1,388.0
Farm	109.1	110.8	108.9	103.9	104.6	111.7
Nonfarm	1,239.3	1,252.8	1,257.6	1,265.2	1,268.1	1,276.3
Durable goods	711.0	721.5	720.0	721.8	724.6	727.4
Nondurable goods	528.3	531.3	537.6	543.4	543.5	548.9
Manufacturing	462.0	466.1	469.1	471.1	467.5	465.3
Durable goods	287.9	292.1	295.4	296.1	293.9	292.7
Nondurable goods	174.1	174.0	173.7	175.0	173.6	172.6
Wholesale trade	321.0	324.8	326.0	332.0	334.8	336.9
Durable goods	200.5	206.2	205.6	208.4	210.8	212.5
Nondurable goods	120.5	118.6	120.4	123.6	124.0	124.4
Merchant wholesalers	276.0	280.2	280.7	286.7	289.5	291.0
Durable goods	173.6	178.7	177.9	180.4	182.6	184.1
Nondurable goods	102.5	101.4	102.8	106.3	106.9	107.0
Nonmerchant wholesalers	44.9	44.6	45.2	45.4	45.3	45.9
Durable goods	26.9	27.4	27.7	28.0	28.2	28.4
Nondurable goods	18.0	17.2	17.5	17.3	17.1	17.5
Retail trade	321.4	325.3	323.6	323.0	326.6	330.8
Durable goods	175.3	175.8	171.3	169.8	173.1	174.3
Motor vehicle dealers	88.0	86.9	83.2	81.2	82.3	81.8
Other	87.4	88.8	88.1	88.6	90.9	92.5
Nondurable goods	146.0	149.5	152.3	153.2	153.5	156.5
Other	135.0	136.6	138.9	139.1	139.2	143.4
Durable goods	47.3	47.4	47.6	47.5	46.8	48.0
Nondurable goods	87.7	89.2	91.3	91.6	92.4	95.4
Final sales of domestic business ²	574.6	582.3	590.6	596.0	607.8	617.3
Final sales of goods and structures of domestic business ²	306.8	312.5	315.2	316.9	325.7	331.3
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.35	2.34	2.31	2.30	2.26	2.25
Nonfarm inventories to final sales	2.16	2.15	2.13	2.12	2.09	2.07
Nonfarm inventories to final sales of goods and structures	4.04	4.01	3.99	3.99	3.89	3.85

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 Group

[Billions of chained (1992) dollars]

	Seasonally adjusted quarterly totals					
	1997	1998				1999
	IV	I	II	III	IV	I
Inventories ¹	1,277.5	1,300.3	1,309.9	1,323.8	1,334.8	1,344.5
Farm	109.6	110.9	113.1	115.3	117.1	118.0
Nonfarm	1,167.4	1,188.9	1,196.4	1,208.1	1,217.5	1,226.3
Durable goods	672.4	684.2	685.3	689.9	696.4	700.3
Nondurable goods	494.9	504.6	511.0	518.1	521.1	525.9
Manufacturing	435.2	442.8	448.7	453.5	455.1	454.3
Durable goods	275.8	281.1	285.9	288.9	289.8	289.4
Nondurable goods	159.5	161.8	163.0	164.8	165.4	165.0
Wholesale trade	304.9	311.6	313.5	320.9	324.3	326.7
Durable goods	194.5	200.8	201.2	205.0	208.1	210.0
Nondurable goods	110.6	111.2	112.6	116.2	116.6	117.0
Merchant wholesalers	261.3	267.5	268.7	275.7	278.8	281.0
Durable goods	168.0	173.6	173.6	177.0	179.8	181.5
Nondurable goods	93.5	94.1	95.3	99.0	99.2	99.8
Nonmerchant wholesalers	43.6	44.1	44.8	45.2	45.5	45.7
Durable goods	26.5	27.1	27.6	28.0	28.3	28.5
Nondurable goods	17.1	17.0	17.3	17.2	17.3	17.2
Retail trade	302.9	307.3	304.3	302.9	305.7	309.7
Durable goods	161.2	161.6	157.5	155.6	158.4	160.0
Motor vehicle dealers	79.6	78.7	75.3	73.0	73.8	74.1
Other	81.5	82.9	82.3	82.8	84.8	86.1
Nondurable goods	141.3	145.3	146.6	147.2	147.1	149.5
Other	124.4	127.3	129.9	130.9	132.5	135.6
Durable goods	41.0	41.0	41.2	41.2	40.8	41.5
Nondurable goods	83.5	86.4	88.9	90.0	92.2	94.5
Residual .....	.6	.4	-.2	-.6	-.8	-.6
Final sales of domestic business ²	515.5	521.6	528.4	532.2	542.1	549.0
Final sales of goods and structures of domestic business ²	288.4	294.0	296.5	298.0	306.6	311.7
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.48	2.49	2.48	2.49	2.46	2.45
Nonfarm inventories to final sales	2.26	2.28	2.26	2.27	2.25	2.23
Nonfarm inventories to final sales of goods and structures	4.05	4.04	4.03	4.05	3.97	3.93

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 inventory series are calculated as the product of the chain-type quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, divided by 100. Chained (1992) dollar final sales series are calculated as the product of the chain-type 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 Group

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	
National income without capital consumption adjustment	6,598.0	6,928.6	6,716.0	6,817.1	6,882.3	6,963.3	7,051.9	7,185.8
Domestic industries	6,606.0	6,949.3	6,735.4	6,832.2	6,901.3	6,990.6	7,073.3	7,206.3
Private industries	5,728.5	6,043.0	5,849.7	5,937.2	5,999.1	6,080.4	6,155.5	6,274.1
Agriculture, forestry, and fishing	106.0	104.2	103.0	99.9	102.0	100.9	114.0	102.8
Mining	52.5	50.6	53.8	54.9	51.2	49.0	47.4	46.5
Construction	305.1	331.1	312.5	320.1	326.7	334.3	343.1	350.6
Manufacturing	1,151.0	1,168.7	1,175.1	1,170.9	1,169.3	1,170.3	1,164.1	1,181.1
Durable goods	659.4	684.2	680.0	678.8	680.2	682.7	695.2	691.1
Nondurable goods	491.6	484.4	495.1	492.1	489.1	487.6	468.9	490.0
Transportation and public utilities	480.9	500.8	489.4	497.3	495.1	503.9	506.9	515.5
Transportation	208.0	216.2	213.6	213.7	214.9	217.2	219.1	219.7
Communications	139.3	149.3	142.0	148.5	147.3	150.8	150.4	156.9
Electric, gas, and sanitary services	133.6	135.3	133.8	135.0	132.9	136.0	137.4	138.9
Wholesale trade	384.2	409.2	390.3	400.9	408.5	414.0	413.5	420.4
Retail trade	543.2	580.0	552.8	567.0	576.5	584.4	592.3	606.2
Finance, insurance, and real estate	1,192.0	1,273.5	1,223.0	1,245.4	1,264.4	1,281.8	1,302.4	1,339.2
Services	1,513.6	1,624.9	1,549.8	1,580.6	1,605.4	1,641.6	1,671.7	1,711.9
Government	877.5	906.3	885.7	895.0	902.2	910.2	917.8	932.2
Rest of the world	-8.0	-20.4	-19.6	-14.8	-18.8	-27.0	-21.2	-20.3

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

Table 6.16C.—Corporate Profits by Industry Group

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV		I
Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	868.8
Domestic industries	718.9	729.0	728.8	730.6	723.3	737.0	724.9	767.4
Financial	124.7	130.3	129.5	131.3	130.1	129.5	130.1	143.5
Nonfinancial	594.2	598.7	599.3	599.3	593.2	607.5	594.8	623.8
Rest of the world	99.0	95.7	92.0	98.6	97.3	89.9	96.8	101.4
Receipts from the rest of the world	149.5	145.8	142.5	146.1	146.0	140.5	150.6	161.5
Less: Payments to the rest of the world	50.4	50.1	50.6	47.5	48.7	50.5	53.8	60.1
Corporate profits with inventory valuation adjustment	741.2	732.3	740.7	744.3	731.3	732.1	721.5	764.2
Domestic industries	642.2	636.6	648.7	645.8	633.9	642.2	624.7	662.8
Financial	130.0	134.2	134.7	136.3	134.4	133.2	133.0	146.2
Federal Reserve banks	23.3	24.6	24.1	24.5	24.4	24.7	24.6	24.4
Other	106.6	109.7	110.6	111.8	110.0	108.5	108.4	121.8
Nonfinancial	512.3	502.4	514.0	509.4	499.5	509.0	491.7	516.6
Manufacturing	214.4	192.8	212.3	197.1	194.6	195.0	184.5	195.5
Durable goods	107.3	108.3	107.5	100.8	104.5	109.4	118.7	112.7
Primary metal industries	5.6	5.4	5.8	6.3	5.7	4.9	4.8	1.2
Fabricated metal products	15.5	15.0	15.7	12.6	15.5	17.5	14.6	16.5
Industrial machinery and equipment	27.6	29.2	30.1	23.2	28.5	30.4	34.5	32.7
Electronic and other electric equipment	24.8	21.8	24.0	21.9	19.8	20.5	25.0	24.6
Motor vehicles and equipment	3.8	5.8	2.1	6.2	4.9	4.6	7.3	7.9
Other	30.0	31.2	29.8	30.7	30.1	31.5	32.4	29.7
Nondurable goods	107.1	84.5	104.8	96.2	90.2	85.6	65.8	82.9
Food and kindred products	22.7	17.9	25.9	20.6	21.4	22.0	7.5	18.4
Chemicals and allied products	28.1	21.1	28.4	27.0	18.9	18.4	20.0	24.8
Petroleum and coal products	18.0	8.4	14.9	10.9	10.0	7.2	5.4	2.3
Other	38.3	37.1	35.7	37.8	39.8	38.0	32.9	37.4
Transportation and public utilities	88.4	90.4	88.6	91.7	87.5	92.7	89.7	94.1
Transportation	17.6	17.7	17.0	17.3	17.5	18.5	17.7	16.5
Communications	31.2	33.3	31.3	34.1	32.5	34.8	31.9	37.1
Electric, gas, and sanitary services	39.7	39.3	40.3	40.3	37.5	39.5	40.0	40.5
Wholesale trade	49.8	51.3	47.6	51.5	53.5	53.9	46.3	50.0
Retail trade	61.2	67.2	62.2	67.4	67.4	67.1	66.8	73.0
Other	98.5	100.7	103.4	101.8	96.5	100.2	104.4	103.9
Rest of the world	99.0	95.7	92.0	98.6	97.3	89.9	96.8	101.4

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

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

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Gross domestic product:								
Current dollars	129.89	136.30	132.19	134.27	135.17	136.73	139.02	141.06
Chain-type quantity index	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.26
Chain-type price index	111.57	112.71	112.09	112.33	112.57	112.85	113.08	113.53
Implicit price deflator	111.57	112.70	112.08	112.32	112.56	112.84	113.07	113.52
Final sales of domestic product:								
Current dollars	128.95	135.50	131.19	132.89	134.69	135.97	138.45	140.59
Chain-type quantity index	115.49	120.10	116.95	118.20	119.54	120.36	122.31	123.70
Chain-type price index	111.66	112.84	112.19	112.45	112.69	112.99	113.22	113.68
Implicit price deflator	111.66	112.82	112.17	112.43	112.67	112.97	113.20	113.66
Gross domestic purchases:								
Current dollars	130.77	138.06	133.14	135.61	137.07	138.72	140.86	143.54
Chain-type quantity index	117.89	123.78	119.57	121.85	123.03	124.30	125.94	127.95
Chain-type price index	110.92	111.66	111.34	111.29	111.42	111.60	111.84	112.18
Implicit price deflator	110.92	111.54	111.35	111.29	111.42	111.60	111.85	112.18
Final sales to domestic purchasers:								
Current dollars	129.84	137.27	132.14	134.23	136.60	137.97	140.29	143.07
Chain-type quantity index	116.97	122.95	118.59	120.51	122.49	123.50	125.30	127.39
Chain-type price index	111.00	111.66	111.44	111.40	111.53	111.72	111.97	112.31
Implicit price deflator	111.00	111.65	111.43	111.39	111.52	111.71	111.96	112.30
Addenda:								
Chain-type price indexes for gross domestic purchases:								
Food	111.24	112.89	111.95	112.18	112.50	113.16	113.73	114.23
Energy	107.69	98.07	107.09	100.84	98.80	97.22	95.43	94.71
Gross domestic purchases less food and energy	111.05	112.01	111.49	111.69	111.88	112.09	112.39	112.75

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]

Gross national product:								
Current dollars	129.53	135.73	131.64	133.79	134.63	136.05	138.44	140.49
Chain-type quantity index	116.16	120.50	117.51	119.18	119.67	120.64	122.51	123.83
Chain-type price index	111.51	112.65	112.04	112.28	112.51	112.79	113.01	113.46
Implicit price deflator	111.52	112.64	112.03	112.26	112.50	112.78	113.01	113.45
Less: Exports of goods and services and receipts of factor income:								
Chain-type quantity index	155.43	157.49	158.99	158.60	156.14	154.52	160.71	159.45
Plus: Command-basis exports of goods and services and receipts of factor income:								
Chain-type quantity index	160.36	166.55	164.67	166.77	165.08	164.02	170.33	169.90
Equals: Command-basis gross national product:								
Chain-type quantity index	116.77	121.62	118.22	120.19	120.78	121.82	123.70	125.13

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]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Personal consumption expenditures	116.44	122.12	118.04	119.79	121.58	122.80	124.32	126.36
Durable goods	136.86	150.87	140.17	145.39	149.30	150.18	158.64	163.53
Motor vehicles and parts	115.66	125.51	117.33	119.77	125.13	122.10	135.03	134.82
Furniture and household equipment	162.50	183.42	168.01	177.34	179.20	185.88	191.25	201.53
Other	138.41	150.02	141.74	146.43	150.12	150.74	152.81	161.09
Nondurable goods	112.44	116.81	113.05	115.09	116.57	117.19	118.41	121.12
Food	105.96	108.80	106.06	107.10	108.54	108.93	110.64	111.26
Clothing and shoes	127.87	137.57	129.62	136.29	138.07	137.36	138.54	147.70
Gasoline and oil	110.59	112.47	110.79	111.18	111.10	113.60	114.00	113.89
Fuel oil and coal	93.96	87.87	92.27	84.48	89.08	91.10	86.82	98.20
Other	116.99	122.43	118.17	120.30	122.06	123.39	123.97	127.76
Services	114.61	119.51	116.41	117.42	118.98	120.56	121.07	122.30
Housing	110.92	113.63	111.93	112.67	113.28	113.95	114.64	115.46
Household operation	121.36	127.63	125.31	123.38	127.48	131.47	128.20	131.17
Electricity and gas	108.85	109.00	111.09	103.67	110.13	116.21	105.99	109.73
Other household operation	130.63	141.50	135.87	138.04	140.42	142.87	144.66	147.08
Transportation	134.28	139.45	136.61	137.85	140.09	139.49	140.35	141.47
Medical care	108.52	111.83	109.70	110.55	111.60	112.17	113.02	113.59
Other	117.02	124.85	119.29	121.58	123.53	126.57	127.70	129.40
Chain-type price indexes								
Personal consumption expenditures	111.81	112.70	112.30	112.30	112.55	112.84	113.14	113.48
Durable goods	100.66	98.33	99.62	99.27	98.72	97.98	97.35	96.53
Motor vehicles and parts	112.65	111.87	111.88	111.79	111.55	111.89	112.26	111.51
Furniture and household equipment	88.20	84.18	86.75	85.92	85.14	83.55	82.09	81.13
Other	103.41	102.52	102.92	103.29	102.74	102.21	101.86	101.31
Nondurable goods	107.69	107.66	107.95	107.35	107.41	107.80	108.06	108.43
Food	111.67	113.54	112.45	112.74	113.10	113.88	114.43	114.96
Clothing and shoes	96.39	94.69	96.00	94.68	94.84	94.79	94.44	92.49
Gasoline and oil	107.33	93.51	106.60	98.05	94.17	92.19	89.64	88.56
Fuel oil and coal	109.60	99.60	106.02	103.44	101.20	98.30	95.46	93.22
Other	108.30	110.58	108.52	109.36	110.06	110.90	112.01	114.47
Services	116.61	118.80	117.59	118.00	118.55	119.05	119.61	120.26
Housing	115.66	119.44	117.00	117.90	119.00	119.92	120.94	121.61
Household operation	108.65	106.85	108.33	106.96	107.19	106.73	106.52	106.44
Electricity and gas	108.79	105.10	109.12	105.69	105.76	104.86	104.09	104.15
Other household operation	108.68	107.97	107.95	107.80	108.12	107.93	108.04	107.88
Transportation	113.23	114.66	114.06	114.51	114.35	114.92	114.86	115.29
Medical care	120.18	122.82	120.95	121.92	122.54	123.13	123.70	124.62
Other	117.91	120.05	119.28	119.45	119.78	120.17	120.78	121.50
Addenda:								
Price indexes for personal consumption expenditures:								
Food	111.67	113.54	112.45	112.74	113.10	113.88	114.43	114.96
Energy ¹	108.13	99.24	107.79	101.89	99.93	98.44	96.72	96.12
Personal consumption expenditures less food and energy	112.10	113.41	112.59	112.89	113.25	113.57	113.94	114.31

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]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Private fixed investment	145.25	161.82	149.28	156.36	161.36	162.23	167.35	171.56
Nonresidential	154.04	172.21	158.86	167.04	172.15	171.84	177.79	181.44
Structures	120.09	120.00	121.56	120.06	119.36	119.42	121.16	122.85
Nonresidential buildings, including farm	132.99	133.35	132.12	132.62	132.32	132.58	135.90	139.47
Utilities	83.31	85.65	84.59	84.77	85.64	86.08	86.12	87.66
Mining exploration, shafts, and wells	134.77	125.35	141.90	134.72	127.70	123.57	115.40	103.15
Other structures	70.12	69.81	95.34	68.64	67.01	70.27	73.33	71.89
Producers' durable equipment	170.04	198.16	176.58	190.08	198.43	197.91	206.20	210.92
Information processing and related equipment	222.13	289.24	239.04	263.41	280.84	297.80	314.91	334.06
Computers and peripheral equipment ¹	488.82	800.44	552.78	664.79	754.21	843.02	939.75	1,030.61
Other	140.28	156.49	145.72	151.52	154.79	158.26	161.38	167.33
Industrial equipment	140.93	148.53	144.03	147.28	148.36	148.98	149.49	146.84
Transportation and related equipment	162.83	188.02	166.94	185.27	194.89	176.07	195.83	192.93
Other	142.95	155.99	144.39	152.09	157.63	159.20	155.04	163.07
Residential	125.36	138.34	127.64	132.34	137.05	140.31	143.68	148.93
Structures	125.33	138.43	127.62	132.34	137.10	140.43	143.84	149.09
Single family	117.72	131.29	119.34	124.67	129.88	133.54	137.05	143.30
Multifamily	154.04	162.96	160.01	169.09	158.07	158.70	165.96	180.12
Other structures	131.79	144.85	134.47	137.71	144.15	147.42	150.12	152.69
Producers' durable equipment	126.88	135.09	128.56	132.40	135.23	135.42	137.33	142.44
Chain-type price indexes								
Private fixed investment	104.45	103.20	104.37	103.81	103.33	102.91	102.76	102.56
Nonresidential	100.15	97.71	99.64	98.90	98.12	97.21	96.61	96.12
Structures	118.22	121.58	119.79	120.58	121.49	121.85	122.40	122.67
Nonresidential buildings, including farm	117.79	121.90	119.57	120.29	121.38	122.38	123.53	124.06
Utilities	116.62	117.60	116.73	117.13	117.36	117.91	117.99	117.35
Mining exploration, shafts, and wells	126.85	127.66	128.91	131.00	131.83	126.05	121.77	121.10
Other structures	115.51	118.16	117.39	117.66	117.60	118.43	118.95	119.24
Producers' durable equipment	93.88	89.82	92.75	91.57	90.35	89.13	88.23	87.56
Information processing and related equipment	69.31	60.33	66.63	64.12	61.49	58.89	56.81	55.21
Computers and peripheral equipment ¹	37.75	27.21	34.25	31.23	28.40	25.65	23.57	21.99
Other	99.14	97.99	98.84	98.58	98.04	97.79	97.56	97.50
Industrial equipment	110.12	110.79	110.46	110.52	110.77	110.80	111.07	111.31
Transportation and related equipment	108.35	108.08	108.37	107.99	107.91	108.06	108.33	108.89
Other	109.15	110.25	109.34	109.84	109.97	110.33	110.88	111.12
Residential	115.96	118.42	117.20	117.21	117.71	118.77	120.00	120.66
Structures	116.29	118.82	117.58	117.58	118.10	119.17	120.45	121.15
Single family	119.90	122.40	121.36	121.04	121.45	122.68	124.42	125.21
Multifamily	112.20	114.51	113.49	113.25	113.62	114.78	116.40	117.14
Other structures	112.11	114.71	113.19	113.59	114.27	115.14	115.82	116.39
Producers' durable equipment	104.03	103.68	103.18	103.92	103.41	103.92	103.45	102.72

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]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Exports of goods and services	151.70	154.00	156.21	155.12	152.03	150.96	157.89	155.85
Goods ¹	161.92	165.52	168.25	166.82	161.87	162.10	171.27	167.43
Durable	184.30	190.56	192.15	192.06	184.87	187.09	198.20	194.31
Nondurable	122.31	121.60	126.07	122.56	121.32	118.34	124.17	120.49
Services ¹	129.48	129.20	130.32	129.91	130.46	126.93	129.48	130.84
Receipts of factor income	172.59	173.71	172.29	174.77	174.79	170.96	174.30	176.10
Imports of goods and services	165.35	182.81	171.59	177.95	181.97	183.02	188.30	194.35
Goods ¹	173.56	193.53	180.19	187.38	192.49	193.87	200.36	206.95
Durable	192.73	217.30	201.07	209.81	215.18	216.42	227.78	234.75
Nondurable	141.26	153.94	145.23	149.97	154.59	156.18	155.03	160.94
Services ¹	130.39	137.93	135.01	138.03	137.82	137.60	138.29	142.20
Payments of factor income	189.82	199.28	197.50	196.82	199.34	200.76	200.21	201.31
Chain-type price indexes								
Exports of goods and services	99.53	97.39	98.97	98.13	97.68	96.98	96.75	96.61
Goods ¹	94.75	91.67	93.89	92.78	92.07	91.18	90.64	90.20
Durable	87.10	84.98	86.23	85.69	85.23	84.64	84.36	84.07
Nondurable	113.58	107.67	112.85	109.99	108.54	106.75	105.39	104.51
Services ¹	112.18	112.89	112.53	112.52	112.84	112.73	113.46	114.20
Receipts of factor income	111.56	112.37	112.09	112.16	112.27	112.42	112.64	112.94
Imports of goods and services	95.72	90.69	94.62	92.05	90.98	89.87	89.84	89.09
Goods ¹	93.94	88.33	92.81	90.07	88.72	87.42	87.11	86.37
Durable	88.29	84.67	87.33	86.02	85.01	83.98	83.66	83.37
Nondurable	106.63	96.31	105.15	98.99	96.82	94.86	94.59	92.71
Services ¹	105.33	103.83	104.40	102.85	103.52	103.63	105.32	104.50
Payments of factor income	113.61	114.59	114.15	114.23	114.46	114.71	114.97	115.38

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]

	1997	1998	Seasonally adjusted					1999
			1997		1998			
			IV	I	II	III	IV	
Chain-type quantity indexes								
Gross domestic product	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.26
Business ¹	118.91	124.10	120.66	122.53	123.11	124.33	126.42	127.94
Nonfarm ¹	119.02	124.23	120.81	122.66	123.25	124.45	126.57	128.10
Nonfarm less housing	119.95	125.61	121.90	124.02	124.56	125.77	128.08	129.65
Housing	111.29	113.01	111.81	111.60	112.58	113.64	114.22	115.50
Farm	112.04	114.75	110.25	113.12	113.40	116.17	116.30	116.19
Households and institutions	115.20	117.82	116.49	117.06	117.43	118.04	118.77	119.32
Private households	101.12	98.50	99.38	97.46	98.19	98.78	99.56	100.47
Nonprofit institutions	115.74	118.57	117.15	117.82	118.17	118.78	119.51	120.05
General government ²	100.66	101.61	100.81	101.10	101.44	101.84	102.07	102.39
Federal	85.80	84.53	84.75	84.71	84.51	84.55	84.36	83.97
State and local	108.83	111.02	109.64	110.12	110.76	111.37	111.84	112.55
Chain-type price indexes								
Gross domestic product	111.57	112.71	112.09	112.33	112.57	112.85	113.08	113.53
Business ¹	110.89	111.76	111.38	111.52	111.66	111.86	111.99	112.30
Nonfarm ¹	111.06	112.08	111.60	111.83	111.96	112.21	112.33	112.72
Nonfarm less housing	110.54	111.28	111.01	111.16	111.19	111.37	111.39	111.75
Housing	115.66	119.26	116.81	117.76	118.79	119.75	120.75	121.48
Farm	99.93	90.29	96.93	91.17	92.03	88.09	89.85	84.31
Households and institutions	112.42	115.74	112.88	113.59	115.33	116.54	117.49	118.62
Private households	117.56	121.63	119.63	120.13	121.10	122.21	123.09	123.79
Nonprofit institutions	112.24	115.53	112.64	113.36	115.13	116.34	117.29	118.43
General government ²	116.12	118.54	116.92	117.80	118.19	118.75	119.43	120.83
Federal	119.48	121.53	119.89	121.38	121.25	121.47	122.02	125.23
State and local	114.57	117.14	115.53	116.16	116.77	117.46	118.19	118.85

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross 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.

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 product ¹	1.063	1.061	1.063	1.061	1.061	1.062	1.060	1.061
Consumption of fixed capital	.100	.099	.100	.099	.100	.099	.099	.098
Net domestic product	.963	.962	.963	.962	.962	.962	.962	.963
Indirect business tax and nontax liability plus business transfer payments less subsidies	.105	.105	.105	.105	.104	.104	.107	.104
Domestic income	.857	.857	.858	.858	.857	.858	.855	.859
Compensation of employees	.691	.699	.695	.697	.699	.699	.700	.700
Corporate profits with inventory valuation and capital consumption adjustments	.143	.136	.141	.139	.136	.138	.133	.137
Profits tax liability	.041	.037	.040	.037	.037	.037	.035	.036
Profits after tax with inventory valuation and capital consumption adjustments	.102	.100	.101	.102	.099	.100	.098	.101
Net interest	.023	.022	.022	.022	.022	.022	.022	.022

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

Table 7.16.—Implicit Price Deflators for Inventories of Business by Industry Group

[Index numbers, 1992=100]

	Seasonally adjusted					
	1997		1998			1999
	IV	I	II	III	IV	
Inventories ¹	105.55	104.86	104.33	103.42	102.84	103.24
Farm	99.58	99.90	96.34	90.08	89.34	94.62
Nonfarm	106.16	105.37	105.12	104.72	104.15	104.08
Durable goods	105.74	105.45	105.06	104.63	104.05	103.87
Nondurable goods	106.74	105.29	105.21	104.87	104.31	104.38
Manufacturing	106.15	105.28	104.54	103.88	102.73	102.44
Durable goods	104.38	103.93	103.34	102.51	101.40	101.14
Nondurable goods	109.13	107.53	106.53	106.17	104.95	104.61
Wholesale	105.29	104.23	103.98	103.46	103.23	103.12
Durable goods	103.07	102.68	102.21	101.68	101.31	101.17
Nondurable goods	108.97	106.70	106.85	106.37	106.37	106.32
Merchant wholesalers	105.65	104.74	104.49	103.97	103.86	103.57
Durable goods	103.33	102.94	102.47	101.93	101.56	101.41
Nondurable goods	109.57	107.74	107.88	107.39	107.76	107.21
Nonmerchant wholesalers	103.15	101.12	100.89	100.44	99.40	100.42
Durable goods	101.37	101.00	100.52	100.04	99.71	99.57
Nondurable goods	105.72	101.08	101.26	100.86	98.65	101.57
Retail trade	106.08	105.87	106.36	106.61	106.86	106.80
Durable goods	108.80	108.79	108.78	109.14	109.29	108.94
Motor vehicle dealers	110.44	110.42	110.62	111.32	111.44	110.42
Other	107.16	107.14	106.95	107.00	107.17	107.40
Nondurable goods	103.32	102.88	103.90	104.05	104.40	104.67
Other	108.48	107.33	106.97	106.26	105.01	105.72
Durable goods	115.40	115.55	115.50	115.25	114.70	115.60
Nondurable goods	105.00	103.23	102.72	101.80	100.25	100.86

1. Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.

Table 7.17.—Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Gross domestic product	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.26
Final sales of domestic product	115.49	120.10	116.95	118.20	119.54	120.36	122.31	123.70
Change in business inventories								
Goods	123.56	129.75	125.68	129.29	127.95	129.04	132.74	134.05
Final sales	120.99	127.47	122.94	125.51	126.52	126.83	131.02	132.56
Change in business inventories								
Durable goods	142.91	154.56	147.10	153.95	150.48	152.58	161.25	161.64
Final sales	137.89	150.26	141.97	147.05	148.46	148.90	156.64	158.18
Change in business inventories								
Nondurable goods	110.51	113.24	111.30	112.85	112.86	113.31	113.95	115.80
Final sales	109.42	112.08	109.97	110.92	111.67	111.89	113.83	115.35
Change in business inventories								
Services	111.36	114.82	112.61	113.01	114.55	115.51	116.20	117.00
Structures	119.55	124.35	120.47	122.03	123.37	125.25	126.74	131.37
Addenda:								
Motor vehicle output	127.05	131.34	133.81	130.82	126.99	123.27	144.28	137.00
Gross domestic product less motor vehicle output	116.06	120.58	117.40	119.15	119.85	121.09	122.23	123.83

Table 7.18.—Chain-Type Quantity Indexes for Auto Output

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted						
			1997		1998				1999
			IV	I	II	III	IV	I	
Auto output	98.92	94.19	100.64	95.91	87.97	91.64	101.23	89.31	
Final sales	98.12	96.44	96.83	95.55	97.46	93.58	99.17	91.59	
Personal consumption expenditures	105.24	110.29	104.46	106.90	108.92	107.68	117.66	117.09	
New autos	95.62	100.86	96.21	97.93	104.40	96.43	104.69	103.69	
Net purchases of used autos	124.47	129.17	120.99	124.86	118.13	130.15	143.54	143.81	
Producers' durable equipment	125.32	122.22	118.10	123.90	127.06	113.54	124.38	121.38	
New autos	127.54	125.10	121.98	126.51	129.83	115.24	128.83	126.05	
Net purchases of used autos	128.69	127.18	125.58	128.18	131.70	115.82	133.02	130.58	
Net exports									
Exports	110.27	104.75	109.57	109.74	104.74	92.99	111.51	101.35	
Imports	139.33	153.07	135.54	148.67	150.41	144.57	168.63	180.99	
Gross government investment	89.31	93.91	91.78	79.51	96.67	100.29	99.18	87.30	
Change in business inventories of new and used autos									
New									
Used									
Addenda:									
Domestic output of new autos ¹	110.36	104.93	110.46	105.39	97.38	105.25	111.68	104.95	
Sales of imported new autos ²	106.63	118.40	106.69	115.47	121.68	108.48	127.97	127.99	

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 7.19.—Chain-Type Quantity Indexes for Truck Output

[Index numbers, 1992=100]

Truck output¹	167.41	184.68	181.39	180.93	183.04	168.66	206.08	205.35
Final sales	166.62	190.43	176.79	180.63	198.82	178.98	203.29	202.44
Personal consumption expenditures	130.57	152.77	138.92	140.51	155.09	145.52	169.97	167.09
Producers' durable equipment	209.96	236.65	220.36	229.67	243.87	225.78	247.28	259.72
Net exports								
Exports	184.82	176.17	207.30	203.99	201.28	148.59	150.80	147.33
Imports	134.35	125.77	130.51	132.89	115.33	122.43	132.45	154.71
Gross government investment	122.69	116.49	112.14	106.46	130.04	98.50	130.95	113.82
Change in business inventories								

1. Includes new trucks only.

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

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Percent change at annual rate:									
Gross domestic product	3.9	3.9	3.0	5.5	1.8	3.7	6.0	4.3	
Percentage points at annual rates:									
Personal consumption expenditures	2.31	3.32	1.88	4.09	4.09	2.78	3.48	4.56	
Durable goods .....	.56	.82	.26	1.23	.91	.20	1.90	1.09
Nondurable goods .....	.49	.77	-.08	1.41	1.01	.42	.84	1.77
Services	1.26	1.73	1.70	1.40	2.14	2.15	.74	1.70	
Gross private domestic investment ...	1.65	1.51	1.34	4.07	-.75	1.22	1.42	1.31	
Fixed investment	1.18	1.58	.48	2.82	1.95	.33	1.95	1.58	
Nonresidential	1.08	1.15	.16	2.21	1.35	-.08	1.52	.91	
Structures .....	.20	.00	.03	-.15	-.07	.01	.17	.15
Producers' durable equipment	.88	1.15	.13	2.36	1.42	-.09	1.35	.76	
Residential .....	.10	.43	.32	.60	.60	.41	.43	.66
Change in business inventories .....	.47	-.06	.85	1.22	-2.66	.89	-.53	-.27
Net exports of goods and services ...	-.27	-1.13	-.30	-2.24	-2.08	-.62	.52	-2.23	
Exports	1.43	.19	.53	-.33	-.92	-.32	2.02	-.58	
Goods	1.21	.19	.67	-.29	-.98	.04	1.76	-.68	
Services .....	.22	-.01	-.14	-.04	.06	-.36	.26	.10
Imports	-1.71	-1.32	-.83	-1.94	-1.18	-.30	-1.50	-1.65	
Goods	-1.51	-1.20	-.71	-1.75	-1.19	-.32	-1.46	-1.42	
Services	-.20	-.12	-.12	-.19	.01	.01	-.04	-.23	
Government consumption expenditures and gross investment .....	.24	.18	.02	-.34	.64	.27	.60	.70
Federal	-.11	-.06	-.14	-.57	.44	-.09	.44	-.08	
National defense	-.15	-.10	-.09	-.84	.38	.17	.06	-.23	
Nondefense .....	.04	.04	-.05	.26	.06	-.26	.38	.14
State and local .....	.35	.24	.15	.24	.20	.35	.16	.78

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

	[Dollars]							
	1997	1998	Seasonally adjusted at annual rates					
			1997		1998				1999
IV			I	II	III	IV	I	
Current dollars:								
Gross domestic product	30,278	31,492	30,707	31,132	31,277	31,561	31,995	32,381
Gross national product	30,248	31,416	30,634	31,077	31,207	31,461	31,917	32,307
Personal income	25,325	26,368	25,686	26,007	26,242	26,470	26,749	27,017
Disposable personal income	21,633	22,304	21,871	22,046	22,192	22,373	22,604	22,811
Personal consumption expenditures	20,508	21,490	20,807	21,078	21,394	21,612	21,873	22,243
Durable goods	2,512	2,681	2,538	2,618	2,668	2,657	2,781	2,835
Nondurable goods	5,975	6,151	6,001	6,064	6,134	6,173	6,233	6,382
Services	12,021	12,658	12,268	12,396	12,593	12,782	12,859	13,026
Chained (1992) dollars:								
Gross domestic product	27,138	27,943	27,397	27,718	27,786	27,970	28,297	28,525
Gross national product	27,125	27,891	27,345	27,683	27,739	27,897	28,243	28,476
Disposable personal income	19,349	19,790	19,478	19,632	19,719	19,829	19,980	20,101
Personal consumption expenditures	18,342	19,068	18,529	18,770	19,010	19,155	19,334	19,601
Durable goods	2,496	2,727	2,547	2,637	2,703	2,712	2,856	2,937
Nondurable goods	5,548	5,713	5,559	5,649	5,710	5,726	5,768	5,885
Services	10,309	10,655	10,434	10,506	10,623	10,738	10,751	10,833
Population (mid-period, thousands)	267,880	270,258	268,815	269,309	269,867	270,523	271,331	272,029

Table 8.4.—Auto Output

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Auto output	134.7	128.0	135.2	130.4	118.1	126.2	137.4	119.4
Final sales	134.8	131.4	131.8	130.1	132.5	127.8	135.3	122.8
Personal consumption expenditures	143.5	149.1	141.0	144.2	146.9	145.5	159.8	156.7
New autos	86.2	90.3	86.3	87.7	93.3	86.5	93.7	92.4
Net purchases of used autos	57.3	58.8	54.7	56.5	53.6	59.0	66.0	64.3
Producers' durable equipment	45.7	44.8	43.7	45.8	46.7	41.7	45.2	44.8
New autos	79.9	77.9	76.1	78.8	80.7	71.9	80.2	78.1
Net purchases of used autos	-34.2	-33.1	-32.4	-33.0	-34.0	-30.2	-35.1	-33.4
Net exports	-56.4	-64.6	-55.0	-61.7	-63.3	-61.7	-71.9	-80.6
Exports	16.8	16.0	16.7	16.7	16.0	14.2	17.2	15.6
Imports	73.1	80.7	71.7	78.5	79.3	75.9	89.1	96.3
Gross government investment	2.0	2.1	2.1	1.8	2.2	2.3	2.3	2.0
Change in business inventories of new and used autos	-1	-3.4	3.4	.4	-14.4	-1.7	2.0	-3.4
New .....	.2	-.2	3.0	1.8	-17.4	6.1	8.8	4.6
Used	-.3	-3.2	.4	-1.4	3.0	-7.8	-6.7	-8.1
Addenda:								
Domestic output of new autos ¹	120.0	114.1	119.3	114.8	104.8	115.6	121.1	113.5
Sales of imported new autos ²	63.1	69.6	62.9	67.9	71.4	63.9	75.2	74.9

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]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Auto output	120.2	114.5	122.3	116.6	106.9	111.4	123.0	108.5
Final sales	119.8	117.7	118.2	116.6	119.0	114.2	121.1	111.8
Personal consumption expenditures	123.7	129.7	122.8	125.7	128.1	126.6	138.3	137.7
New autos	78.5	82.8	79.0	80.4	85.7	79.2	86.0	85.1
Net purchases of used autos	44.1	45.8	42.9	44.3	41.9	46.1	50.9	51.0
Producers' durable equipment	44.2	43.1	41.6	43.7	44.8	40.0	43.9	42.8
New autos	72.8	71.4	69.7	72.2	74.1	65.8	73.6	72.0
Net purchases of used autos	-28.1	-27.8	-27.4	-28.0	-28.8	-25.3	-29.1	-28.5
Net exports	-49.8	-57.0	-48.1	-54.3	-55.8	-54.7	-63.4	-70.7
Exports	15.7	14.9	15.6	15.7	14.9	13.3	15.9	14.5
Imports	65.5	72.0	63.8	69.9	70.7	68.0	79.3	85.1
Gross government investment	1.8	1.9	1.9	1.6	2.0	2.0	2.0	1.8
Change in business inventories of new and used autos .....	.4	-3.4	4.2	-.1	-12.3	-3.0	1.9	-3.4
New .....	.7	-.4	4.0	1.3	-15.8	4.5	8.5	4.6
Used	-.2	-2.7	.3	-1.2	2.6	-6.5	-5.6	-6.9
Residual .....	.4	.6	.1	.2	1.0	.3	.1	0
Addenda:								
Domestic output of new autos ¹	110.3	104.9	110.4	105.3	97.3	105.2	111.6	104.9
Sales of imported new autos ²	57.5	63.8	57.5	62.3	65.6	58.5	69.0	69.0

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.

Chain-type quantity indexes for the series in this table appear in table 7.18.

Table 8.6.—Truck Output

[Billions of dollars]

Truck output ¹	158.9	173.8	171.3	169.9	171.5	158.6	195.1	194.6
Final sales	155.6	176.3	164.3	166.9	183.3	165.6	189.3	188.8
Personal consumption expenditures	69.2	80.4	73.5	74.0	81.4	76.6	89.6	88.2
Producers' durable equipment	82.3	91.9	85.7	88.8	94.2	87.5	97.0	102.0
Net exports	-4.9	-4.5	-3.1	-3.6	-1.7	-5.8	-6.9	-9.8
Exports	10.9	10.5	12.3	12.2	12.0	8.9	9.0	8.9
Imports	15.8	15.0	15.5	15.8	13.8	14.7	15.9	18.7
Gross government investment	9.0	8.5	8.2	7.7	9.4	7.2	9.7	8.4
Change in business inventories	3.3	-2.5	7.0	3.0	-11.7	-6.9	5.8	5.8

1. Includes new trucks only.

Table 8.7.—Real Truck Output

[Billions of chained (1992) dollars]

Truck output ¹	140.2	154.6	151.9	151.5	153.3	141.2	172.6	172.0
Final sales	137.3	156.9	145.7	148.9	163.9	147.5	167.5	166.8
Personal consumption expenditures	59.8	70.0	63.6	64.4	71.1	66.7	77.9	76.6
Producers' durable equipment	73.7	83.1	77.4	80.6	85.6	79.2	86.8	91.2
Net exports	-4.0	-3.6	-2.4	-2.8	-1.1	-4.8	-5.7	-8.3
Exports	10.3	9.8	11.5	11.3	11.2	8.3	8.4	8.2
Imports	14.3	13.4	13.9	14.2	12.3	13.0	14.1	16.5
Gross government investment	8.1	7.7	7.4	7.0	8.6	6.5	8.6	7.5
Change in business inventories	2.8	-2.2	5.9	2.5	-10.2	-6.0	4.9	4.9
Residual	-.2	-.4	0	-.1	-.7	-.5	.1	.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.

Chain-type quantity indexes for the series in this table appear in table 7.19.

B. Other NIPA and NIPA-Related Tables

Monthly Estimates:

Tables B.1 and B.2 include the most recent estimates of personal income and its components; these estimates were released on June 28, 1999 and include "preliminary" estimates for May 1999 and "revised" estimates for January–April 1999.

Table B.1.—Personal Income

[Billions of dollars; monthly estimates seasonally adjusted at annual rates]

	1997	1998	1998									1999				
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^r	May ^p
Personal income	6,784.0	7,126.1	7,055.3	7,085.9	7,104.4	7,133.7	7,164.1	7,184.6	7,217.2	7,279.8	7,276.8	7,320.2	7,352.9	7,374.9	7,413.9	7,444.8
Wage and salary disbursements	3,889.8	4,149.9	4,097.6	4,124.3	4,131.0	4,153.6	4,183.4	4,194.3	4,220.9	4,243.9	4,263.5	4,295.8	4,322.6	4,332.5	4,359.0	4,382.6
Private industries	3,225.7	3,460.5	3,414.0	3,438.6	3,442.8	3,463.4	3,490.6	3,499.2	3,523.5	3,544.4	3,562.7	3,586.9	3,611.2	3,619.0	3,643.5	3,665.9
Goods-producing industries	975.0	1,026.9	1,022.8	1,025.5	1,021.3	1,020.9	1,030.6	1,032.7	1,034.3	1,036.5	1,041.6	1,045.0	1,049.3	1,049.9	1,055.9	1,060.0
Manufacturing	719.5	751.5	750.8	753.2	748.3	743.8	752.4	756.4	754.5	753.5	754.2	757.9	759.7	760.1	763.4	767.5
Distributive industries	879.8	939.6	926.4	935.6	934.4	941.5	946.3	949.6	956.3	961.9	966.2	967.1	973.8	973.4	979.9	983.6
Service industries	1,370.8	1,494.0	1,464.7	1,477.5	1,487.1	1,501.0	1,513.8	1,516.9	1,533.0	1,546.1	1,554.8	1,574.8	1,588.2	1,595.7	1,607.7	1,622.3
Government	664.2	689.3	683.6	685.7	688.1	690.2	692.8	695.1	697.4	699.4	700.9	708.9	711.4	713.4	715.5	716.7
Other labor income	392.9	406.9	404.7	405.7	406.6	407.5	408.3	409.2	410.1	411.0	411.9	412.9	414.6	416.6	418.6	420.6
Proprietors' income with IVA and CCA _{adj}	551.2	577.2	570.2	570.2	574.8	577.2	574.7	576.4	582.9	614.8	592.9	596.8	598.8	599.3	606.5	605.9
Farm	35.5	28.7	27.2	27.7	28.2	26.8	25.2	23.5	25.7	53.0	25.4	24.7	23.7	19.1	21.7	18.7
Nonfarm	515.8	548.5	543.0	542.5	546.6	550.5	549.5	552.9	557.3	561.7	567.5	572.1	575.1	580.2	584.8	587.1
Rental income of persons with CCA _{adj}	158.2	162.6	159.4	160.9	162.6	163.0	163.5	164.4	164.8	171.6	166.3	166.3	167.8	168.9	169.5	170.0
Personal dividend income	260.3	263.1	262.0	262.1	262.3	262.4	262.8	263.7	264.7	265.7	266.7	267.7	268.8	270.0	271.3	272.7
Personal interest income	747.3	764.8	761.2	762.8	765.0	767.3	769.4	770.7	770.5	769.8	769.4	769.7	770.9	772.4	774.7	778.9
Transfer payments to persons	1,110.4	1,149.0	1,143.8	1,145.3	1,148.3	1,150.4	1,151.8	1,156.6	1,155.8	1,157.3	1,161.7	1,172.7	1,173.1	1,179.7	1,180.7	1,182.3
Old-age, survivors, disability, and health insurance benefits	565.9	586.5	583.7	585.1	586.2	588.0	588.5	590.4	588.8	589.6	593.2	597.0	597.2	599.6	600.7	602.2
Government unemployment insurance benefits	19.9	19.5	19.6	19.4	19.6	19.5	19.4	19.6	19.4	19.5	19.6	19.5	19.5	19.7	19.3	19.5
Other	524.6	542.9	540.5	540.8	542.5	542.9	544.0	546.6	547.6	548.1	548.9	556.2	556.4	560.4	560.7	560.6
Less: Personal contributions for social insurance	326.2	347.4	343.6	345.5	346.2	347.7	349.9	350.8	352.5	354.2	355.6	361.8	363.7	364.6	366.5	368.2

^p Preliminary.

^r Revised.

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

CCA_{adj} Capital consumption adjustment

IVA Inventory valuation adjustment

Table B.2.—The Disposition of Personal Income

[Monthly estimates seasonally adjusted at annual rates]

	1997	1998	1998									1999				
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^r	May ^p
Billions of dollars, unless otherwise indicated																
Personal income	6,784.0	7,126.1	7,055.3	7,085.9	7,104.4	7,133.7	7,164.1	7,184.6	7,217.2	7,279.8	7,276.8	7,320.2	7,352.9	7,374.9	7,413.9	7,444.8
Less: Personal tax and nontax payments	989.0	1,098.3	1,083.3	1,094.9	1,100.5	1,102.0	1,110.8	1,112.4	1,119.1	1,125.4	1,130.1	1,138.9	1,147.2	1,146.1	1,153.5	1,164.4
Equals: Disposable personal income	5,795.1	6,027.9	5,972.0	5,990.9	6,004.0	6,031.7	6,053.3	6,072.2	6,098.1	6,154.5	6,146.7	6,181.3	6,205.7	6,228.7	6,260.3	6,280.4
Less: Personal outlays	5,674.1	6,000.2	5,914.4	5,970.4	6,005.2	6,009.5	6,036.4	6,073.7	6,109.3	6,117.9	6,173.7	6,205.6	6,257.1	6,289.5	6,321.2	6,357.5
Personal consumption expenditures	5,493.7	5,807.9	5,723.9	5,782.1	5,815.0	5,817.7	5,843.1	5,879.2	5,912.0	5,919.2	5,973.1	6,005.0	6,056.7	6,090.1	6,120.9	6,156.6
Durable goods	673.0	724.7	698.6	724.3	737.3	707.4	715.4	733.8	748.5	742.0	773.2	759.9	777.3	776.5	769.5	786.4
Nondurable goods	1,600.6	1,662.4	1,646.8	1,657.9	1,661.0	1,669.9	1,669.4	1,670.8	1,683.2	1,691.2	1,699.6	1,720.4	1,739.4	1,748.2	1,763.2	1,771.4
Services	3,220.1	3,420.8	3,378.5	3,399.9	3,416.7	3,440.4	3,458.2	3,474.7	3,480.4	3,486.0	3,500.3	3,524.7	3,540.1	3,565.4	3,588.2	3,598.9
Interest paid by persons	161.5	172.4	170.6	168.4	170.4	171.9	173.3	174.5	176.7	178.1	180.1	180.3	180.2	179.2	180.0	180.7
Personal transfer payments to the rest of the world (net)	18.9	19.9	19.9	19.9	20.0	20.0	20.0	20.6	20.6	20.6	20.6	20.2	20.2	20.2	20.2	20.2
Equals: Personal saving	121.0	27.7	57.6	20.5	-1.2	22.2	16.9	-1.4	-11.2	36.6	-27.1	-24.2	-51.5	-60.7	-60.8	-77.1
Addenda:																
Disposable personal income:																
Billions of chained (1992) dollars ¹	5,183.1	5,348.5	5,311.7	5,318.8	5,334.0	5,347.1	5,363.0	5,382.3	5,393.8	5,441.3	5,428.6	5,448.9	5,468.3	5,487.3	5,484.1	5,501.8
Per capita:																
Current dollars	21,633	22,304	22,145	22,200	22,231	22,316	22,376	22,427	22,504	22,682	22,624	22,738	22,813	22,881	22,979	23,034
Chained (1992) dollars	19,349	19,790	19,697	19,709	19,751	19,783	19,825	19,879	19,905	20,054	19,981	20,044	20,103	20,158	20,130	20,179
Population (thousands)	267,880	270,257	269,669	269,862	270,069	270,289	270,522	270,753	271,336	271,684	271,848	272,019	272,219	272,434	272,654	
Personal consumption expenditures:																
Billions of chained (1992) dollars	4,913.5	5,153.3	5,091.1	5,133.4	5,166.1	5,157.4	5,176.8	5,211.2	5,229.3	5,233.3	5,275.3	5,293.5	5,337.1	5,365.2	5,362.0	5,393.4
Durable goods	668.6	737.1	704.2	734.0	749.8	719.3	729.8	751.8	767.1	761.8	796.1	783.8	804.5	808.4	798.8	819.1
Nondurable goods	1,486.3	1,544.1	1,536.8	1,540.7	1,545.2	1,551.2	1,546.6	1,549.3	1,557.9	1,567.0	1,570.4	1,585.2	1,604.5	1,613.0	1,604.0	1,612.2
Services	2,761.5	2,879.5	2,854.3	2,866.1	2,880.0	2,891.5	2,905.4	2,917.5	2,914.3	2,914.2	2,923.0	2,936.9	2,943.9	2,959.6	2,972.5	2,978.4
Implicit price deflator, 1992=100	111.81	112.70	112.43	112.64	112.56	112.80	112.87	112.82	113.06	113.11	113.23	113.44	113.48	113.51	114.15	114.15
Personal saving as percentage of disposable personal income ²	2.1	.5	1.0	.3	0	.4	.3	0	-.2	.6	-.4	-.4	-.8	-.1	-.1	-.2
Percent change from preceding period, monthly changes at monthly rates																
Personal income, current dollars	5.6	5.0	0.3	0.4	0.3	0.4	0.4	0.3	0.5	0.9	0	0.6	0.4	0.3	0.5	0.4
Disposable personal income:																
Current dollars	4.7	4.0	-.2	-.3	-.2	.5	.4	-.3	.4	.9	-.1	.6	.4	.4	.5	-.3
Chained (1992) dollars	2.8	3.2	0	.1	-.3	.2	-.3	-.4	-.2	.9	-.2	.4	.4	-.3	-.1	-.3
Personal consumption expenditures:																
Current dollars	5.3	5.7	.5	1.0	.6	0	.4	.6	.6	.1	.9	.5	.9	.6	.5	.6
Chained (1992) dollars	3.4	4.9	-.3	.8	-.6	-.2	-.4	-.7	-.3	-.1	-.8	-.3	-.5	-.6	-.1	-.6

^p Preliminary.

^r Revised.

1. Disposable personal income in chained (1992) dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

2. Monthly estimates equal personal saving for the month as a percentage of disposable personal income for that month.

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

Annual Estimates:

Except as noted, these tables are derived from the NIPA tables published in the August 1998 SURVEY OF CURRENT BUSINESS; they are consistent with the most recent comprehensive and annual revisions.

Table B.3.—Gross Domestic Product by Industry, Current-Dollar and Real Estimates for 1995–97

	Billions of dollars			Billions of chained (1992) dollars				Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997		1995	1996	1997	1995	1996	1997
Gross domestic product	7,269.6	7,661.6	8,110.9	6,761.7	6,994.8	7,269.8							
Private industries	6,306.9	6,667.9	7,083.3	5,896.5	6,119.9	6,395.3							
Agriculture, forestry, and fishing	109.5	130.4	131.7	106.2	114.2	127.6							
Farms	72.3	91.6	90.2	72.0	78.6	90.3							
Agricultural services, forestry, and fishing	37.2	38.8	41.5	34.7	36.2	38.0							
Mining	98.7	113.8	120.5	107.4	103.0	109.9							
Metal mining	6.7	6.1	5.8	5.5	5.7	6.2							
Coal mining	12.0	12.9	13.2	15.4	17.2	18.1							
Oil and gas extraction	70.5	84.3	90.1	77.4	70.6	75.4							
Nonmetallic minerals, except fuels	9.4	10.4	11.4	9.3	10.2	10.8							
Construction	286.4	311.9	328.8	254.2	268.5	274.4							
Manufacturing	1,282.2	1,309.1	1,378.9	1,271.6	1,293.8	1,369.9							
Durable goods	711.6	737.3	784.0	727.0	769.0	838.6							
Lumber and wood products	40.9	39.1	42.8	31.7	31.4	33.1							
Furniture and fixtures	19.4	20.5	22.1	18.7	18.6	19.7							
Stone, clay, and glass products	30.2	31.3	33.7	27.2	27.6	29.3							
Primary metal industries	51.7	51.5	53.2	44.1	46.9	48.0							
Fabricated metal products	87.6	93.1	99.3	87.8	88.6	93.0							
Industrial machinery and equipment	141.5	148.8	158.9	162.9	183.2	215.2							
Electronic and other electric equipment	136.7	141.6	157.3	178.7	213.2	261.2							
Motor vehicles and equipment	85.2	82.4	85.4	77.7	73.2	77.8							
Other transportation equipment	46.1	49.0	50.7	43.3	43.9	44.1							
Instruments and related products	49.1	55.5	55.9	42.0	40.2	36.3							
Miscellaneous manufacturing industries	23.3	24.6	24.8	22.8	23.3	23.1							
Nondurable goods	570.5	571.8	594.9	545.1	527.8	537.6							
Food and kindred products	123.2	116.0	118.5	125.8	105.7	106.7							
Tobacco products	17.3	17.0	18.4	23.8	22.5	21.3							
Textile mill products	24.5	24.7	25.5	26.4	25.6	25.7							
Apparel and other textile products	27.4	26.7	28.4	28.6	27.0	28.2							
Paper and allied products	58.9	56.6	55.0	44.4	46.4	48.9							
Printing and publishing	84.7	92.4	98.4	77.1	76.1	76.7							
Chemicals and allied products	156.1	155.8	158.8	139.6	140.3	141.2							
Petroleum and coal products	28.3	29.6	35.2	30.4	32.3	32.4							
Rubber and miscellaneous plastics	44.9	48.6	52.0	47.1	49.5	53.7							
Leather and leather products	5.2	4.4	4.8	4.7	4.1	4.3							
Transportation and public utilities	616.4	649.3	676.3	592.2	626.4	644.3							
Transportation	226.1	237.0	255.5	216.1	229.7	241.5							
Railroad transportation	22.9	23.4	24.1	26.1	28.2	28.2							
Local and interurban passenger transit	12.2	13.0	13.8	11.4	11.3	11.3							
Trucking and warehousing	98.0	92.9	97.9	89.1	86.5	87.3							
Water transportation	10.9	11.7	12.8	11.0	10.7	11.0							
Transportation by air	53.9	65.2	74.4	50.6	63.5	72.6							
Pipelines, except natural gas	4.9	5.2	5.6	4.9	6.3	6.8							
Public utilities	390.3	412.3	420.8	376.1	406.7	402.8							
Electric, gas, and sanitary services	197.0	204.9	209.2	195.5	205.3	206.3							
Telephone and telegraph	145.2	157.0	158.6	138.6	152.4	160.6							
Radio and television	48.1	50.4	53.1	41.8	39.5	37.3							
Transportation services	23.2	25.5	26.8	23.2	24.0	25.1							
Communications	193.3	207.5	211.6	180.7	191.5	196.4							
Wholesale trade	491.4	519.8	562.8	455.8	486.6	532.0							
Retail trade	641.0	673.0	712.9	626.4	665.9	713.5							
Finance, insurance, and real estate	1,362.3	1,448.6	1,570.3	1,206.2	1,246.0	1,286.0							
Depository institutions	229.1	240.6	266.4	193.4	192.0	191.9							
Nondepository institutions	39.7	44.3	56.3	32.6	35.4	39.3							
Security and commodity brokers	73.4	96.5	106.6	78.4	104.1	120.5							
Insurance carriers	118.5	122.0	146.0	91.2	87.6	93.5							
Insurance agents, brokers, and services	46.7	48.0	50.7	42.1	41.7	43.1							
Real estate	843.8	892.2	935.0	776.6	799.5	814.8							
Nonfarm housing services	643.1	675.8	712.7	588.4	600.0	616.1							
Other real estate	200.7	216.4	222.4	188.2	199.7	198.7							
Holding and other investment offices	11.0	5.1	9.4	12.6	12.5	12.2							
Services	1,445.4	1,544.2	1,656.8	1,305.3	1,349.1	1,398.6							
Hotels and other lodging places	61.3	65.6	69.0	56.2	57.5	56.8							
Personal services	47.4	47.8	51.5	43.2	42.4	44.1							
Business services	284.9	322.1	364.7	271.3	295.7	323.1							
Auto repair, services, and parking	63.6	68.3	73.3	56.5	60.2	64.4							
Miscellaneous repair services	20.5	21.7	23.2	16.9	15.2	14.7							
Motion pictures	26.3	28.4	30.5	24.4	25.2	26.6							
Amusement and recreation services	56.6	61.3	66.7	50.5	52.7	56.2							
Health services	428.9	445.5	460.1	373.3	377.3	379.0							
Legal services	96.6	100.7	106.6	85.7	86.0	87.0							
Educational services	55.3	58.1	61.5	49.0	49.4	50.4							
Social services	46.4	49.0	52.2	43.4	44.6	46.3							
Membership organizations	47.0	49.2	50.8	42.6	43.3	44.1							
Other services	198.8	214.6	234.6	183.7	192.8	201.3							
Private households	11.8	11.9	12.0	10.8	10.5	10.2							
Statistical discrepancy ¹	-26.5	-32.2	-55.8	-23.1	-27.1	-45.4							
Government	962.7	993.7	1,027.6	876.5	877.8	884.0							
Federal	327.7	334.8	338.1	296.8	290.2	286.9							
General government	275.4	279.2	281.3	248.2	240.7	235.4							
Government enterprises	52.3	55.5	56.8	48.8	49.8	51.9							
State and local	635.0	658.9	689.6	579.7	587.6	597.4							
General government	582.2	604.4	631.7	532.1	540.8	551.3							
Government enterprises	52.8	54.5	57.9	47.5	46.8	46.2							
Not allocated by industry ²				-53.7	-68.8	-114.3							

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 business product.

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

NOTE.—Estimates are based on the 1987 Standard Industrial Classification. The table is derived from tables 10 and 13 in "Gross Product by Industry, 1995–97" in the November 1998 SURVEY.

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

	Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997
Private purchases of structures	478.8	521.2	560.1	430.5	458.4	478.4
Nonresidential	201.3	216.9	240.2	180.7	189.7	203.2
New	200.9	216.6	238.9	180.3	189.4	202.0
Nonresidential buildings, excluding farm	140.8	157.1	173.3	126.1	137.7	147.2
Industrial	32.5	32.7	31.4	29.1	28.6	26.7
Commercial	70.8	78.8	87.0	63.4	69.0	73.8
Office buildings ¹	29.8	32.4	38.2	26.7	28.4	32.4
Other ²	41.0	46.3	48.8	36.7	40.5	41.4
Religious	4.2	4.4	5.7	3.8	3.9	4.9
Educational	6.2	7.7	9.5	5.6	6.7	8.1
Hospital and institutional	12.5	13.1	15.3	11.2	11.5	13.0
Other ³	14.5	20.5	24.4	13.0	18.0	20.7
Utilities	33.9	31.7	33.5	30.6	27.8	28.7
Railroads	3.5	4.4	5.1	3.1	3.7	4.1
Telecommunications	11.0	11.7	11.5	10.1	10.2	9.9
Electric light and power	12.3	9.8	11.1	11.0	8.7	9.7
Gas	6.2	4.8	4.8	5.6	4.3	4.2
Petroleum pipelines .....	.9	1.0	1.0	.8	.9	.8
Farm	3.0	3.8	4.0	2.7	3.3	3.4
Mining exploration, shafts, and wells	16.3	18.1	22.7	14.4	15.3	17.9
Petroleum and natural gas	14.8	16.5	20.8	13.1	13.8	16.3
Other	1.5	1.6	1.9	1.3	1.4	1.6
Other ⁴	6.9	5.8	5.4	6.3	5.1	4.6
Brokers' commissions on sale of structures	1.6	1.8	2.0	1.5	1.7	1.8
Net purchases of used structures	-1.3	-1.5	-7	-1.1	-1.3	-6
Residential	277.5	304.3	319.9	249.8	268.6	275.1
New	246.7	269.7	282.7	220.6	236.0	240.4
New housing units	174.2	192.1	200.4	152.9	165.3	167.7
Permanent site	162.9	179.4	187.1	143.4	154.9	156.9
Single-family structures	145.0	159.1	164.4	126.8	136.6	137.2
Multifamily structures	17.9	20.3	22.6	16.9	18.7	20.2
Mobile homes	11.3	12.6	13.3	9.5	10.3	10.7
Improvements	72.0	77.0	81.5	67.3	70.2	72.0
Other ⁵ .....	.5	.6	.8	.4	.5	.7
Brokers' commissions on sale of structures	32.1	36.4	39.7	30.3	34.2	37.1
Net purchases of used structures	-1.3	-1.8	-2.5	-1.1	-1.5	-2.0
Residual				-1	0	-5

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 and fraternity and sorority houses.
 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		
	1995	1996	1997	1995	1996	1997
Private purchases of producers' durable equipment	533.7	578.6	628.5	538.7	597.1	668.5
Nonresidential equipment	526.4	571.0	620.5	531.7	589.8	660.9
Information processing and related equipment	173.0	189.4	206.6	201.5	245.4	298.0
Office, computing, and accounting machinery	73.4	83.0	90.3	107.1	154.1	212.7
Computers and peripheral equipment ¹	64.9	74.4	81.1	100.8	151.3	214.8
Other	8.5	8.6	9.2	8.2	8.4	9.0
Communication equipment	59.1	64.1	71.1	61.9	68.5	76.5
Instruments	22.8	24.5	26.1	21.6	22.8	24.3
Photocopy and related equipment	17.7	17.7	19.1	16.8	16.4	17.6
Industrial equipment	123.8	131.7	138.6	115.4	120.5	125.9
Fabricated metal products	11.8	12.9	13.4	11.1	11.8	12.0
Engines and turbines	4.2	4.7	3.8	4.0	4.3	3.4
Metalworking machinery	28.3	29.7	32.7	26.0	26.8	29.3
Special industry machinery, n.e.c.	32.5	33.5	34.0	30.2	30.5	30.7
General industrial, including materials handling, equipment	26.0	28.6	30.3	24.2	26.2	27.4
Electrical transmission, distribution, and industrial apparatus	20.9	22.2	24.4	19.9	20.9	23.0
Transportation and related equipment	126.2	137.2	152.0	119.4	127.6	140.3
Trucks, buses, and truck trailers	63.6	71.3	79.9	56.9	63.4	71.5
Autos	41.6	44.8	45.7	42.7	44.7	44.2
Aircraft	13.4	13.0	17.9	12.2	11.5	15.6
Ships and boats	1.8	2.3	2.4	1.7	2.1	2.2
Railroad equipment	5.8	5.8	6.1	5.2	5.1	5.4
Other equipment	108.2	117.1	128.3	101.4	107.8	116.9
Furniture and fixtures	28.2	29.7	33.7	26.2	27.0	30.1
Tractors	10.4	10.8	11.7	9.8	10.1	10.8
Agricultural machinery, except tractors	10.8	11.5	12.3	10.0	10.4	11.0
Construction machinery, except tractors	13.4	15.8	17.6	12.4	14.2	15.6
Mining and oilfield machinery	1.9	1.9	2.3	1.7	1.8	2.0
Service industry machinery	14.0	14.9	15.1	13.1	13.7	13.7
Electrical equipment, n.e.c.	11.7	12.9	14.0	11.3	12.5	13.8
Other	17.7	19.6	21.7	16.7	18.1	19.9
Less: Sale of equipment scrap, excluding autos	4.7	4.4	5.0	3.5	3.6	4.0
Residential equipment	7.3	7.6	8.0	7.0	7.3	7.7
Residual				-9.4	-29.1	-59.0
Addenda:						
Private purchases of producers' durable equipment	533.7	578.6	628.5			
Less: Dealers' margin on used equipment	6.1	6.6	6.8			
Net purchases of used equipment						
from government	1.0	1.2	1.2			
Plus: Net sales of used equipment	37.8	39.5	39.9			
Net exports of used equipment .....	.5	.4	.6			
Sale of equipment scrap	4.8	4.5	5.1			
Equals: Private purchases of new equipment	569.8	615.2	666.0			

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		
	1995	1996	1997	1995	1996	1997		1995	1996	1997	1995	1996	1997
Total	4,208,870	4,409,048	4,687,227	3,441,903	3,640,421	3,893,552							
Domestic industries	4,211,572	4,411,780	4,690,309	3,444,605	3,643,153	3,896,634	Communications	71,435	74,923	81,661	59,282	62,430	68,416
Private industries	3,387,953	3,563,288	3,812,807	2,821,887	3,002,276	3,232,458	Telephone and telegraph	53,990	55,989	61,698	44,650	46,500	51,605
Agriculture, forestry, and fishing	36,988	39,623	42,006	31,941	34,535	36,611	Radio and television	17,445	18,934	19,963	14,632	15,930	16,811
Farms	15,627	16,457	16,849	13,336	14,203	14,408	Electric, gas, and sanitary services	54,600	54,601	55,966	43,704	43,982	45,185
Agricultural services forestry, and fishing	21,361	23,166	25,157	18,605	20,332	22,203	Wholesale trade	276,103	289,402	310,690	234,475	246,964	266,289
Mining	32,857	33,639	36,046	26,809	27,658	29,935	Retail trade	382,895	399,459	421,469	329,863	346,009	366,696
Metal mining	3,148	3,352	3,321	2,515	2,705	2,684	Finance, insurance, and real estate	324,678	353,791	384,579	273,048	300,194	327,555
Coal mining	6,138	5,965	5,939	4,847	4,739	4,750	Depository institutions	80,121	84,098	88,915	65,613	69,512	73,794
Oil and gas extraction	18,932	19,544	21,742	15,635	16,287	18,292	Nondepository institutions	21,684	25,075	29,586	18,319	21,307	25,387
Nonmetallic minerals, except fuels	4,639	4,778	5,044	3,812	3,957	4,209	Security and commodity brokers	59,440	72,090	81,931	51,922	63,625	72,330
Construction	193,550	208,925	227,550	157,729	172,253	189,068	Insurance carriers	72,682	75,941	79,931	60,182	63,383	66,907
Manufacturing	813,922	829,590	877,630	651,191	676,711	720,554	Insurance agents, brokers, and service	30,988	32,787	35,180	26,363	28,025	30,184
Durable goods	502,834	511,897	545,567	397,941	417,035	447,678	Real estate	42,175	44,988	48,891	35,423	37,990	41,486
Lumber and wood products	23,790	24,811	26,227	19,399	20,458	21,756	Holding and other investment offices	17,588	18,812	20,145	15,226	16,352	17,467
Furniture and fixtures	15,441	15,756	16,788	12,583	12,986	13,921	Services	1,050,535	1,121,835	1,208,628	894,790	965,621	1,048,260
Stone, clay, and glass products	22,040	22,871	23,959	17,650	18,560	19,575	Hotels and other lodging places	35,640	37,432	39,606	30,319	32,135	34,275
Primary metal industries	37,102	37,598	38,722	27,962	28,845	29,866	Personal services	23,836	24,872	26,058	20,757	21,831	23,021
Fabricated metal products	58,501	59,883	63,405	46,796	48,517	51,797	Business services	193,807	221,435	256,237	165,266	190,945	223,291
Industrial machinery and equipment	100,778	105,029	114,334	82,178	86,683	95,263	Auto repair, services, and parking	27,784	30,242	32,184	23,798	26,180	28,354
Electronic and other electric equipment	77,006	80,699	87,277	62,580	66,392	72,555	Miscellaneous repair services	11,239	12,059	12,493	9,646	10,445	10,875
Motor vehicles and equipment	63,804	57,115	59,791	44,871	46,678	48,708	Motion pictures	16,864	18,613	20,060	14,412	16,030	17,444
Other transportation equipment	46,080	46,843	50,630	36,125	37,255	40,635	Amusement and recreation services	34,278	37,277	40,646	29,223	31,843	34,980
Instruments and related products	45,513	47,940	50,404	36,963	39,428	41,746	Health services	344,286	357,093	372,635	289,645	303,770	319,192
Miscellaneous manufacturing industries	12,979	13,352	14,030	10,834	11,233	11,856	Legal services	58,219	60,101	63,231	49,738	51,862	54,852
Nondurable goods	311,088	317,693	332,063	253,250	259,676	272,876	Educational services	51,938	54,476	57,683	44,001	46,704	49,737
Food and kindred products	60,983	62,316	64,563	49,508	50,745	52,843	Social services and membership organizations	91,106	95,523	100,368	78,026	82,766	87,633
Tobacco products	2,932	2,993	3,030	2,209	2,281	2,316	Social services	45,464	47,864	51,087	37,970	40,468	43,581
Textile mill products	18,924	18,787	19,457	15,691	15,629	16,196	Membership organizations	45,642	47,659	49,281	40,056	42,298	44,052
Apparel and other textile products	20,960	20,350	20,308	17,290	16,800	16,817	Other services ¹	149,417	160,769	175,437	128,396	139,425	153,175
Paper and allied products	32,886	33,561	34,808	27,039	27,649	28,797	Private households	11,821	11,943	11,990	11,563	11,685	11,731
Printing and publishing	60,325	62,415	65,957	50,084	51,995	55,218	Government	823,619	848,492	877,502	622,718	640,877	664,176
Chemicals and allied products	65,201	67,460	71,577	52,485	54,617	58,427	Federal	258,024	263,137	266,971	174,778	175,633	177,508
Petroleum and coal products	10,744	10,669	11,026	7,804	7,861	8,165	General government	207,395	211,310	213,508	140,441	140,449	141,405
Rubber and miscellaneous plastics products	35,262	36,423	38,620	28,771	29,852	31,845	Civilian	124,063	125,217	127,483	84,825	85,622	86,375
Leather and leather products	2,671	2,719	2,717	2,369	2,247	2,252	Military ²	83,332	86,093	86,024	55,616	54,827	55,030
Transportation and public utilities	276,425	287,024	304,209	222,041	232,331	247,490	Government enterprises	50,629	51,827	53,464	34,337	35,184	36,103
Transportation	150,390	157,500	166,582	119,055	125,919	133,889	State and local	565,595	585,355	610,531	447,940	465,244	486,668
Railroad transportation	15,335	15,677	15,974	11,286	11,568	11,815	General government	527,777	546,998	571,175	417,438	434,225	454,783
Local and interurban passenger transit	9,303	10,002	10,559	7,662	8,287	8,794	Education	278,320	290,385	304,733	218,026	228,386	240,478
Trucking and warehousing	66,708	59,865	63,109	52,526	47,032	50,493	Other	249,457	256,613	266,442	199,412	205,839	214,307
Water transportation	7,831	7,961	8,541	6,324	6,485	6,939	Government enterprises	37,818	38,357	39,356	30,502	31,019	31,885
Transportation by air	35,720	48,000	51,066	28,408	39,214	41,309	Rest of the world	-2,702	-2,732	-3,082	-2,702	-2,732	-3,082
Pipelines, except natural gas	1,050	1,000	1,012	869	828	847	Receipts from the rest of the world	1,284	1,298	1,252	1,284	1,298	1,252
Transportation services	14,443	14,995	16,321	11,981	12,505	13,692	Less: Payments to the rest of the world ³	3,986	4,030	4,334	3,986	4,030	4,334
Addenda:							Households and institutions	331,370	345,034	361,412			
Households and institutions							Nonfarm business	3,129,403	3,291,981	3,527,365			
Nonfarm business													

1. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.
 2. Includes Coast Guard.
 3. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory

workers employed temporarily in the United States.

NOTE.—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 August 1998 SURVEY OF CURRENT BUSINESS.

Table B.8.—Employment by Industry

[Thousands]

	Full-time and part-time employment			Persons engaged in production ¹				Full-time and part-time employment			Persons engaged in production ¹		
	1995	1996	1997	1995	1996	1997		1995	1996	1997	1995	1996	1997
Total	124,576	127,015	129,980	121,660	123,917	126,751							
Domestic industries	125,146	127,567	130,567	122,148	124,390	127,254							
Private industries	103,188	105,606	108,498	103,795	106,057	108,851							
Agriculture, forestry, and fishing	2,004	2,079	2,133	3,403	3,360	3,345							
Farms	868	870	876	2,000	1,859	1,846							
Agricultural services, forestry, and fishing	1,136	1,209	1,257	1,403	1,501	1,499							
Mining	587	583	600	590	586	603							
Metal mining	52	54	53	52	54	53							
Coal mining	106	99	97	103	97	95							
Oil and gas extraction	321	321	340	327	327	346							
Nonmetallic minerals, except fuels	108	109	110	108	108	109							
Construction	5,386	5,671	5,951	6,657	6,956	7,247							
Manufacturing	18,591	18,575	18,758	18,636	18,583	18,773							
Durable goods	10,722	10,835	11,054	10,822	10,915	11,134							
Lumber and wood products	790	801	819	866	859	865							
Furniture and fixtures	512	506	513	525	521	530							
Stone, clay, and glass products	541	546	555	549	564	565							
Primary metal industries	707	709	710	700	707	706							
Fabricated metal products	1,444	1,452	1,485	1,442	1,446	1,481							
Industrial machinery and equipment	2,070	2,116	2,173	2,084	2,095	2,171							
Electronic and other electric equipment	1,625	1,659	1,690	1,615	1,654	1,680							
Motor vehicles and equipment	970	967	983	963	960	976							
Other transportation equipment	817	821	858	816	820	855							
Instruments and related products	842	855	864	835	850	859							
Miscellaneous manufacturing industries	404	403	404	427	439	446							
Nondurable goods	7,869	7,740	7,704	7,814	7,668	7,639							
Food and kindred products	1,688	1,697	1,694	1,659	1,664	1,676							
Textile mill products	41	41	41	41	40	40							
Textile mill products	664	630	616	661	632	618							
Apparel and other textile products	945	874	829	951	881	831							
Paper and allied products	692	682	685	686	677	677							
Printing and publishing	1,570	1,565	1,577	1,560	1,536	1,560							
Chemicals and allied products	1,039	1,032	1,036	1,036	1,027	1,026							
Petroleum and coal products	143	139	137	142	138	135							
Rubber and miscellaneous plastics products	978	981	997	967	971	987							
Leather and leather products	109	99	92	111	102	89							
Transportation and public utilities	6,176	6,294	6,462	6,178	6,320	6,469							
Transportation	3,961	4,063	4,170	4,048	4,182	4,279							
Railroad transportation	232	224	220	220	212	208							
Local and interurban passenger transit	420	440	457	431	444	480							
Trucking and warehousing	1,912	1,658	1,704	2,051	1,854	1,877							
Water transportation	178	177	183	178	174	179							
Transportation by air	781	1,119	1,139	734	1,050	1,066							
Public utilities													
Pipelines, except natural gas	15	14	14	15	14	14							
Transportation services	423	431	453	419	434	455							
Communications	1,309	1,349	1,422	1,221	1,260	1,325							
Telephone and telegraph	916	937	1,004	852	874	939							
Radio and television	393	412	418	369	386	386							
Electric, gas, and sanitary services	906	882	870	909	878	865							
Wholesale trade	6,476	6,561	6,740	6,563	6,595	6,735							
Retail trade	21,867	22,255	22,620	19,487	19,877	20,272							
Finance, insurance, and real estate	6,929	7,052	7,243	7,218	7,316	7,420							
Depository institutions	2,023	2,018	2,028	1,937	1,923	1,922							
Nondepository institutions	463	513	573	466	506	562							
Security and commodity brokers	553	581	630	621	647	680							
Insurance carriers	1,500	1,505	1,522	1,451	1,449	1,459							
Insurance agents, brokers, and service	732	746	767	856	873	877							
Real estate	1,410	1,442	1,481	1,648	1,681	1,680							
Holding and other investment offices	248	247	242	239	237	231							
Services	35,172	36,536	37,991	35,063	36,464	37,987							
Hotels and other lodging places	1,757	1,794	1,828	1,594	1,631	1,673							
Personal services	1,300	1,317	1,323	1,783	1,812	1,802							
Business services	6,935	7,484	8,161	7,116	7,671	8,293							
Auto repair, services, and parking	1,132	1,205	1,245	1,362	1,480	1,507							
Miscellaneous repair services	374	389	389	593	575	588							
Motion pictures	507	539	563	544	572	594							
Amusement and recreation services	1,517	1,591	1,668	1,327	1,422	1,513							
Health services	9,572	9,813	10,033	8,909	9,174	9,404							
Legal services	1,056	1,063	1,083	1,173	1,147	1,203							
Educational services	2,073	2,134	2,196	1,913	1,980	2,017							
Social services and membership organizations	4,618	4,759	4,925	4,490	4,624	4,802							
Social services	2,435	2,515	2,622	2,675	2,758	2,887							
Membership organizations	2,183	2,244	2,303	1,815	1,866	1,915							
Other services ²	3,050	3,202	3,344	3,440	3,580	3,803							
Private households	1,281	1,246	1,233	819	796	788							
Government	21,958	21,961	22,069	18,353	18,333	18,403							
Federal	5,552	5,386	5,263	4,564	4,415	4,307							
General government	4,570	4,398	4,282	3,764	3,614	3,513							
Civilian	2,026	1,952	1,899	2,026	1,952	1,899							
Military ³	2,544	2,446	2,383	1,738	1,662	1,614							
Government enterprises	982	988	981	800	801	794							
State and local	16,406	16,575	16,806	13,789	13,918	14,096							
General government	15,482	15,662	15,905	12,903	13,042	13,230							
Education	8,383	8,536	8,751	6,765	6,880	7,044							
Other	7,099	7,126	7,154	6,138	6,162	6,186							
Government enterprises	924	913	901	886	876	866							
Rest of the world ⁴	-570	-552	-587	-488	-473	-503							

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 and zoological gardens; engineering and management services; and services, not elsewhere classified.

3. Includes Coast Guard.

4. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

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

Table B.9.—Wage and Salary Accruals Per Full-Time Equivalent Employee and Full-Time Equivalent Employees by Industry

	Wages and salaries per full-time equivalent			Full-time equivalent employees				Wages and salaries per full-time equivalent			Full-time equivalent employees		
	Dollars			Thousands				Dollars			Thousands		
	1995	1996	1997	1995	1996	1997		1995	1996	1997	1995	1996	1997
Total ¹	31,014	32,143	33,557	110,980	113,256	116,029							
Domestic industries	30,902	32,034	33,438	111,468	113,729	116,532							
Private industries	30,305	31,472	32,941	93,115	95,396	98,129							
Agriculture, forestry, and fishing	18,200	19,017	19,951	1,755	1,816	1,835							
Farms	17,925	19,039	19,185	744	746	751							
Agricultural services, forestry, and fishing	18,403	19,002	20,482	1,011	1,070	1,084							
Mining	46,624	48,353	50,910	575	572	588							
Metal mining	48,365	50,093	50,642	52	54	53							
Coal mining	47,058	48,856	50,000	103	97	95							
Oil and gas extraction	49,635	51,610	54,931	315	315	333							
Nonmetallic minerals, except fuels	36,305	37,330	39,336	105	106	107							
Construction	30,444	31,641	32,944	5,181	5,444	5,739							
Manufacturing	35,803	37,256	39,291	18,188	18,164	18,339							
Durable goods	37,684	39,118	41,170	10,560	10,661	10,874							
Lumber and wood products	25,128	26,161	27,470	772	782	792							
Furniture and fixtures	25,066	26,129	27,786	502	497	501							
Stone, clay, and glass products	33,302	34,887	35,983	530	532	544							
Primary metal industries	40,118	40,973	42,363	697	704	705							
Fabricated metal products	32,932	34,047	35,453	1,421	1,425	1,461							
Industrial machinery and equipment	40,067	41,815	44,536	2,051	2,073	2,139							
Electronic and other electric equipment	38,966	40,384	43,420	1,606	1,644	1,671							
Motor vehicles and equipment	46,692	48,724	50,008	961	958	974							
Other transportation equipment	44,654	45,712	47,806	809	815	850							
Instruments and related products	44,695	46,771	49,113	827	843	850							
Miscellaneous manufacturing industries	28,214	28,951	30,636	384	388	387							
Nondurable goods	33,200	34,610	36,554	7,628	7,503	7,465							
Food and kindred products	30,151	30,680	32,007	1,642	1,654	1,651							
Tobacco products	53,878	57,025	57,900	41	40	40							
Textile mill products	23,992	25,046	26,551	654	624	610							
Apparel and other textile products	18,814	19,858	20,943	919	846	803							
Paper and allied products	39,531	40,901	42,726	684	676	674							
Printing and publishing	34,541	35,983	37,743	1,450	1,445	1,463							
Chemicals and allied products	51,105	53,546	57,338	1,027	1,020	1,019							
Petroleum and coal products	54,958	56,964	60,481	142	138	135							
Rubber and miscellaneous plastics products	29,907	30,935	32,462	962	965	981							
Leather and leather products	22,140	23,653	25,303	107	95	89							
Transportation and public utilities	38,402	39,479	41,030	5,782	5,885	6,032							
Transportation	32,264	33,285	34,507	3,690	3,783	3,880							
Railroad transportation	51,300	54,566	56,803	220	212	208							
Local and interurban passenger transit	19,953	20,614	21,038	384	402	418							
Trucking and warehousing	29,377	30,343	31,717	1,788	1,550	1,592							
Water transportation	37,868	39,066	40,579	167	166	171							
Transportation by air	39,022	37,597	38,934	728	1,043	1,061							
Pipelines, except natural gas	57,867	59,143	60,500	15	14	14							
Transportation services	30,879	31,578	32,913	388	396	416							
Communications	49,525	50,756	52,872	1,197	1,230	1,294							
Telephone and telegraph	53,282	54,386	56,461	838	855	914							
Radio and television	40,758	42,480	44,239	359	375	380							
Electric, gas, and sanitary services	48,831	50,438	52,663	895	872	858							
Wholesale trade	37,812	39,319	41,272	6,201	6,281	6,452							
Retail trade	18,296	18,823	19,562	18,029	18,382	18,745							
Finance, insurance, and real estate	41,674	45,237	48,283	6,552	6,636	6,784							
Depository institutions	33,909	36,185	38,414	1,935	1,921	1,921							
Nondepository institutions	41,074	43,395	46,496	446	491	546							
Security and commodity brokers	97,598	114,228	120,349	532	557	601							
Insurance carriers	41,476	43,743	45,858	1,451	1,449	1,459							
Insurance agents, brokers, and services	37,824	39,639	41,691	697	707	724							
Real estate	28,293	29,819	31,863	1,252	1,274	1,302							
Holding and other investment offices	63,707	68,996	75,615	239	237	231							
Services	29,003	29,973	31,184	30,852	32,216	33,615							
Hotels and other lodging places	19,920	20,586	21,435	1,522	1,561	1,599							
Personal services	18,224	18,787	19,863	1,139	1,162	1,159							
Business services	25,936	27,774	29,622	6,372	6,875	7,538							
Auto repair, services, and parking	22,430	23,046	23,795	1,061	1,136	1,179							
Miscellaneous repair services	28,122	29,176	30,208	343	358	360							
Motion pictures	36,579	38,076	39,466	394	421	442							
Amusement and recreation services	23,778	24,589	25,664	1,229	1,295	1,363							
Health services	34,092	34,606	35,529	8,496	8,778	8,984							
Legal services	53,082	54,939	57,019	937	944	962							
Educational services	24,459	25,083	26,013	1,799	1,862	1,912							
Social services and membership organizations	19,839	20,361	20,771	3,933	4,065	4,219							
Social services	17,927	18,403	18,915	2,118	2,199	2,304							
Membership organizations	22,069	22,668	23,004	1,815	1,866	1,915							
Other services ²	45,725	47,055	49,252	2,808	2,963	3,110							
Private households	14,118	14,680	14,887	819	796	788							
Government	33,930	34,958	36,091	18,353	18,333	18,403							
Federal	38,295	39,781	41,214	4,564	4,415	4,307							
General government	37,312	38,862	40,252	3,764	3,614	3,513							
Civilian	41,868	43,864	45,484	2,026	1,952	1,899							
Military ³	32,000	32,989	34,095	1,738	1,662	1,614							
Government enterprises	42,921	43,925	45,470	800	801	794							
State and local	32,485	33,428	34,525	13,789	13,918	14,096							
General government	32,352	33,294	34,375	12,903	13,042	13,230							
Education	32,229	33,196	34,139	6,765	6,880	7,044							
Other	32,488	33,405	34,644	6,138	6,162	6,186							
Government enterprises	34,427	35,410	36,819	886	876	866							
Rest of the world ⁴				-488	-473	-503							

1. Full-time equivalent employees equals the number of employees on full-time schedules plus the number of employees on part-time schedules converted to a full-time basis. The number of full-time equivalent employees in each industry is the product of the total number of employees and the ratio of average weekly hours per employee to all employees to average weekly hours per employee on full-time schedules.

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

3. Includes Coast Guard.

4. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

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		
	1995	1996	1997	1995	1996	1997
Farm output	196.7	222.1	225.3	190.7	195.7	208.3
Cash receipts from farm marketings	194.1	201.7	207.2	188.8	177.3	191.0
Crops	107.2	108.7	110.6	97.1	87.1	96.0
Livestock	87.0	93.0	96.5	91.3	90.6	95.1
Farm housing	5.9	6.1	6.3	5.2	5.1	5.0
Farm products consumed on farms .....	.5	.4	.5	.5	.4	.4
Other farm income	5.5	6.3	7.1	5.0	5.3	6.2
Change in farm inventories	-9.3	7.6	4.3	-11.0	7.1	4.3
Crops	-9.6	8.8	5.1	-9.2	6.5	4.2
Livestock .....	.2	-1.1	-7	.3	-1.3	-8
Less: Intermediate goods and services						
purchased	124.4	130.5	135.1	118.5	116.9	118.2
Intermediate goods and services, other than rent	109.9	113.5	119.6	104.0	100.7	103.6
Rent paid to nonoperator landlords	14.5	17.0	15.5	14.5	16.4	14.6
Equals: Gross farm product	72.3	91.6	90.2	72.0	78.6	90.3
Less: Consumption of fixed capital	24.8	25.8	26.6	22.8	23.2	23.7
Equals: Net farm product	47.5	65.9	63.6	49.0	55.2	66.6
Less: Indirect business tax and nontax liability	5.1	5.1	5.5			
Plus: Subsidies to operators	6.1	6.1	6.2			
Equals: Farm national income	48.4	66.9	64.4			
Compensation of employees	15.7	16.5	16.9			
Wage and salary accruals	13.3	14.2	14.4			
Supplements to wages and salaries	2.4	2.3	2.5			
Proprietors' income and corporate profits with IVA and CCAAdj	23.3	40.6	37.3			
Proprietors' income	22.4	38.9	35.5			
Corporate profits .....	.8	1.7	1.8			
Net interest	9.5	9.8	10.2			

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.
 CCAAdj 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		
	1995	1996	1997	1995	1996	1997
Housing output ¹	723.1	758.4	799.8	663.9	675.8	692.6
Nonfarm housing	717.2	752.3	793.5	658.7	670.7	687.6
Owner-occupied	532.4	559.1	590.3	487.4	496.0	508.9
Tenant-occupied	184.8	193.2	203.2	171.4	174.7	178.7
Farm housing	5.9	6.1	6.3	5.2	5.1	5.0
Less: Intermediate goods and services consumed	88.5	91.1	95.3	82.1	82.7	83.8
Equals: Gross housing product	634.6	667.2	704.5	581.8	593.0	608.7
Nonfarm housing	629.6	662.1	699.1	577.4	588.7	604.5
Owner-occupied	463.0	486.4	513.4	423.3	430.5	441.9
Tenant-occupied	166.5	175.6	185.8	154.2	158.3	162.6
Farm housing	5.0	5.2	5.3	4.4	4.4	4.2
Less: Consumption of fixed capital	115.9	119.6	126.2	103.7	104.6	107.2
Capital consumption allowances	59.7	63.0	67.1			
Less: CCAAdj	-56.2	-56.5	-59.1			
Equals: Net housing product	518.7	547.7	578.3	478.3	488.7	501.7
Less: Indirect business tax and nontax liability plus business transfer payments ..	116.0	119.9	123.5			
Plus: Subsidies less current surplus of government enterprises	20.8	21.9	22.3			
Equals: Housing national income	423.5	449.6	477.1			
Compensation of employees	8.1	8.5	9.1			
Proprietors' income with IVA and CCAAdj ...	25.0	26.5	27.9			
Rental income of persons with CCAAdj	105.2	119.7	127.7			
Corporate profits with IVA and CCAAdj	5.0	5.2	5.5			
Net interest	280.1	289.7	306.9			

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.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 are usually not additive.
 CCAAdj Capital consumption adjustment
 IVA Inventory valuation adjustment

C. Historical Tables

The tables in this section are derived from the "Summary National Income and Product Series" tables that were published in the August 1998 issue of the SURVEY OF CURRENT BUSINESS and from the "Selected NIPA Tables" that are published in this issue. (Changes in prices are calculated from indexes expressed to three decimal places.)

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases
 [Quarterly estimates 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	2,210.2	2,206.9	2,222.0	7.4	6.5	22.95	22.44	22.95	22.96	1.0	1.0	1.0	1.0
1960	2,262.9	2,264.2	2,276.0	2.4	2.6	23.27	22.75	23.27	23.28	1.4	1.4	1.4	1.4
1961	2,314.3	2,318.0	2,329.1	2.3	2.4	23.54	23.00	23.54	23.55	1.2	1.1	1.2	1.2
1962	2,454.8	2,445.4	2,471.5	6.1	5.5	23.84	23.28	23.84	23.85	1.3	1.2	1.3	1.3
1963	2,559.4	2,552.4	2,577.3	4.3	4.4	24.12	23.58	24.12	24.13	1.2	1.3	1.2	1.2
1964	2,708.4	2,705.1	2,727.8	5.8	6.0	24.48	23.94	24.48	24.49	1.5	1.6	1.5	1.5
1965	2,881.1	2,860.4	2,901.4	6.4	5.7	24.95	24.39	24.96	24.97	1.9	1.9	2.0	2.0
1966	3,069.2	3,033.5	3,087.8	6.5	6.1	25.66	25.07	25.67	25.68	2.8	2.8	2.8	2.8
1967	3,147.2	3,125.1	3,166.4	2.5	3.0	26.48	25.83	26.49	26.50	3.2	3.0	3.2	3.2
1968	3,293.9	3,278.0	3,314.5	4.7	4.9	27.64	26.95	27.64	27.66	4.4	4.3	4.4	4.4
1969	3,393.6	3,377.2	3,413.3	3.0	3.0	28.94	28.21	28.94	28.96	4.7	4.7	4.7	4.7
1970	3,397.6	3,406.5	3,417.1	.1	.9	30.48	29.73	30.48	30.50	5.3	5.4	5.3	5.3
1971	3,510.0	3,499.8	3,532.1	3.3	2.7	32.05	31.32	32.06	32.08	5.2	5.3	5.2	5.2
1972	3,702.3	3,689.5	3,726.3	5.5	5.4	33.42	32.71	33.42	33.44	4.2	4.5	4.2	4.2
1973	3,916.3	3,883.9	3,950.1	5.8	5.3	35.30	34.64	35.30	35.32	5.6	5.9	5.6	5.6
1974	3,891.2	3,873.4	3,930.2	-6	-3	38.46	38.17	38.47	38.49	8.9	10.2	9.0	8.9
1975	3,873.9	3,906.4	3,903.3	-4	.9	42.09	41.72	42.09	42.11	9.4	9.3	9.4	9.4
1976	4,082.9	4,061.7	4,118.8	5.4	4.0	44.55	44.15	44.55	44.58	5.8	5.8	5.8	5.9
1977	4,273.6	4,240.8	4,314.5	4.7	4.4	47.42	47.18	47.43	47.46	6.5	6.9	6.5	6.5
1978	4,503.0	4,464.4	4,543.7	5.4	5.3	50.88	50.65	50.89	50.92	7.3	7.4	7.3	7.3
1979	4,630.6	4,614.4	4,687.4	2.8	3.4	55.22	55.22	55.23	55.26	8.5	9.0	8.5	8.5
1980	4,615.0	4,641.9	4,670.8	-3	.6	60.34	61.10	60.33	60.36	9.3	10.7	9.2	9.2
1981	4,720.7	4,691.6	4,769.9	2.3	1.1	66.01	66.72	66.01	66.05	9.4	9.2	9.4	9.4
1982	4,620.3	4,651.2	4,662.0	-2.1	-9	70.18	70.64	70.17	70.21	6.3	5.9	6.3	6.3
1983	4,803.7	4,821.2	4,844.8	4.0	3.7	73.16	73.31	73.16	73.20	4.3	3.8	4.3	4.3
1984	5,140.1	5,061.6	5,178.0	7.0	5.0	75.92	75.90	75.92	75.97	3.8	3.5	3.8	3.8
1985	5,323.5	5,296.9	5,346.7	3.6	4.6	78.53	78.34	78.53	78.57	3.4	3.2	3.4	3.4
1986	5,487.7	5,480.9	5,501.2	3.1	3.5	80.58	80.40	80.58	80.62	2.6	2.6	2.6	2.6
1987	5,649.5	5,626.0	5,658.2	2.9	2.6	83.06	83.11	83.06	83.09	3.1	3.4	3.1	3.1
1988	5,865.2	5,855.1	5,878.5	3.8	4.1	86.10	86.13	86.09	86.12	3.7	3.6	3.7	3.7
1989	6,062.0	6,028.7	6,075.7	3.4	3.0	89.72	89.78	89.72	89.75	4.2	4.2	4.2	4.2
1990	6,136.3	6,126.7	6,157.0	1.2	1.6	93.64	93.83	93.60	93.63	4.4	4.5	4.3	4.3
1991	6,079.4	6,082.6	6,094.9	-9	-7	97.32	97.30	97.32	97.33	3.9	3.7	4.0	4.0
1992	6,244.4	6,237.4	6,255.5	2.7	2.5	100.00	100.00	100.00	100.00	2.8	2.8	2.8	2.8
1993	6,389.6	6,368.9	6,408.0	2.3	2.1	102.64	102.48	102.64	102.63	2.6	2.5	2.6	2.6
1994	6,610.7	6,551.2	6,619.1	3.5	2.9	105.09	104.85	105.09	105.08	2.4	2.3	2.4	2.4
1995	6,761.7	6,731.7	6,779.5	2.3	2.8	107.51	107.28	107.51	107.49	2.3	2.3	2.3	2.3
1996	6,994.8	6,961.6	7,008.4	3.4	3.4	109.54	109.18	109.53	109.50	1.9	1.8	1.9	1.9
1997	7,269.8	7,203.7	7,266.2	3.9	3.5	111.57	110.92	111.57	111.52	1.9	1.6	1.9	1.8
1998	7,551.9	7,491.3	7,537.8	3.9	4.0	112.71	111.54	112.70	112.64	1.0	.6	1.0	1.0
1959: I	2,165.0	2,165.0	2,176.2	8.6	9.2	22.86	22.35	22.92	22.93	.8	1.1	.8	.8
II	2,223.3	2,204.2	2,234.5	11.2	7.3	22.92	22.41	22.91	22.91	1.1	1.1	-.3	-.3
III	2,221.4	2,232.6	2,233.5	-3	5.3	22.96	22.45	22.94	22.95	.7	.7	.6	.6
IV	2,231.0	2,225.3	2,243.9	1.7	-1.3	23.05	22.53	23.03	23.04	1.5	1.5	1.6	1.6
1960: I	2,279.2	2,248.5	2,291.6	8.9	4.2	23.10	22.57	23.13	23.14	.9	.8	1.8	1.9
II	2,265.5	2,268.4	2,278.2	-2.4	3.6	23.21	22.69	23.22	23.23	2.0	2.1	1.5	1.5
III	2,268.3	2,265.1	2,281.6	.5	-6	23.32	22.80	23.32	23.33	2.0	2.0	1.7	1.7
IV	2,238.6	2,274.7	2,252.7	-5.1	1.7	23.44	22.92	23.40	23.41	2.1	2.1	1.4	1.4
1961: I	2,251.7	2,277.7	2,266.8	2.4	.5	23.48	22.96	23.45	23.46	.7	.6	.9	.9
II	2,292.0	2,301.1	2,306.3	7.4	4.2	23.51	22.97	23.51	23.52	.5	.2	1.0	1.0
III	2,332.6	2,320.4	2,347.1	7.3	3.4	23.55	23.01	23.56	23.57	.7	.7	.8	.8
IV	2,381.0	2,372.8	2,395.9	8.6	9.3	23.61	23.06	23.63	23.64	1.1	.9	1.2	1.2
1962: I	2,422.6	2,400.3	2,437.4	7.2	4.7	23.73	23.17	23.75	23.76	2.0	1.9	2.0	2.0
II	2,448.0	2,440.7	2,464.4	4.3	6.9	23.80	23.24	23.81	23.81	1.1	1.4	1.0	1.0
III	2,471.9	2,462.0	2,488.4	4.0	3.5	23.86	23.31	23.87	23.87	1.1	1.1	1.0	1.0
IV	2,476.7	2,478.7	2,495.9	.8	2.7	23.96	23.41	23.94	23.95	1.7	1.8	1.2	1.2
1963: I	2,508.7	2,492.4	2,526.9	5.3	2.2	24.03	23.48	24.00	24.01	1.2	1.3	1.1	1.1
II	2,538.1	2,533.8	2,555.5	4.8	6.8	24.07	23.53	24.07	24.08	.6	.8	1.1	1.1
III	2,586.3	2,578.0	2,604.0	7.8	7.2	24.11	23.58	24.12	24.13	.7	.9	.8	.8
IV	2,604.6	2,605.3	2,622.9	2.9	4.3	24.26	23.72	24.29	24.30	2.4	2.5	3.0	3.0
1964: I	2,666.7	2,663.1	2,686.8	9.9	9.2	24.33	23.80	24.35	24.36	1.2	1.3	.9	.9
II	2,697.5	2,695.0	2,716.8	4.7	4.9	24.41	23.89	24.41	24.42	1.3	1.5	.9	.9
III	2,729.6	2,727.6	2,749.5	4.8	4.9	24.53	23.99	24.52	24.53	1.9	1.8	1.8	1.8
IV	2,739.7	2,734.5	2,758.1	1.5	1.0	24.64	24.09	24.64	24.65	1.8	1.6	2.1	2.1
1965: I	2,808.9	2,777.2	2,830.0	10.5	6.4	24.76	24.19	24.77	24.78	2.0	1.6	2.0	2.0
II	2,846.3	2,826.7	2,868.2	5.4	7.3	24.88	24.31	24.88	24.89	2.0	2.0	1.9	1.9
III	2,898.8	2,879.8	2,918.9	7.6	7.7	25.01	24.44	25.01	25.02	2.1	2.2	2.1	2.1
IV	2,970.5	2,957.8	2,988.6	10.3	11.3	25.16	24.61	25.17	25.18	2.5	2.8	2.6	2.6
1966: I	3,042.4	3,008.8	3,061.1	10.0	7.1	25.30	24.73	25.32	25.34	2.2	1.9	2.5	2.5
II	3,055.5	3,023.1	3,074.2	1.7	1.9	25.50	24.93	25.53	25.54	3.2	3.2	3.2	3.3
III	3,078.5	3,047.2	3,094.7	2.8	3.2	25.82	25.22	25.79	25.81	5.1	4.8	4.2	4.2
IV	3,102.4	3,054.8	3,121.4	3.4	1.0	26.03	25.41	26.02	26.03	3.4	3.1	3.5	3.5

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued
 [Quarterly estimates 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
1967: I	3,127.2	3,085.6	3,145.9	3.2	4.1	26.16	25.52	26.14	26.15	2.0	1.6	1.9	2.0
1967: II	3,129.5	3,119.0	3,147.7	.3	4.4	26.32	25.67	26.31	26.32	2.5	2.5	2.5	2.5
1967: III	3,154.2	3,134.2	3,174.4	3.2	2.0	26.57	25.92	26.60	26.61	3.9	3.9	4.5	4.5
1967: IV	3,178.0	3,161.5	3,197.5	3.1	3.5	26.87	26.21	26.90	26.91	4.6	4.5	4.6	4.6
1968: I	3,236.2	3,225.3	3,256.2	7.5	8.3	27.19	26.52	27.21	27.22	4.8	4.9	4.7	4.8
1968: II	3,292.1	3,258.0	3,312.5	7.1	4.1	27.50	26.80	27.49	27.50	4.5	4.2	4.1	4.1
1968: III	3,316.1	3,303.9	3,337.3	3.0	5.8	27.75	27.06	27.75	27.76	3.7	4.0	3.8	3.8
1968: IV	3,331.2	3,325.1	3,352.2	1.8	2.6	28.12	27.43	28.12	28.13	5.5	5.5	5.5	5.5
1969: I	3,381.9	3,357.5	3,402.8	6.2	4.0	28.38	27.66	28.39	28.40	3.7	3.5	3.8	3.9
1969: II	3,390.2	3,373.0	3,410.3	1.0	1.9	28.74	28.02	28.73	28.75	5.2	5.3	5.0	5.0
1969: III	3,409.7	3,389.6	3,428.5	2.3	2.0	29.14	28.40	29.14	29.16	5.7	5.6	5.8	5.8
1969: IV	3,392.6	3,388.9	3,411.4	-2.0	-1	29.51	28.77	29.51	29.52	5.2	5.2	5.1	5.1
1970: I	3,386.5	3,397.6	3,406.0	-7	1.0	29.92	29.18	29.94	29.95	5.7	5.9	6.0	6.0
1970: II	3,391.6	3,391.9	3,411.9	-6	-7	30.36	29.59	30.36	30.37	6.0	5.8	5.7	5.7
1970: III	3,423.0	3,421.9	3,442.9	3.7	3.6	30.60	29.87	30.61	30.63	3.2	3.8	3.4	3.4
1970: IV	3,389.4	3,414.8	3,407.4	-3.9	-8	31.02	30.29	31.02	31.03	5.6	5.7	5.4	5.4
1971: I	3,481.4	3,458.9	3,503.3	11.3	5.3	31.50	30.75	31.50	31.52	6.3	6.2	6.4	6.4
1971: II	3,500.9	3,481.2	3,524.3	2.3	2.6	31.93	31.18	31.93	31.94	5.7	5.7	5.5	5.5
1971: III	3,523.8	3,509.4	3,544.7	2.6	3.3	32.25	31.52	32.27	32.29	4.1	4.5	4.4	4.4
1971: IV	3,533.8	3,549.5	3,556.0	1.1	4.7	32.53	31.81	32.54	32.55	3.5	3.7	3.3	3.3
1972: I	3,604.7	3,608.0	3,627.9	8.3	6.8	33.01	32.28	33.02	33.03	6.0	6.0	6.0	6.1
1972: II	3,687.9	3,665.7	3,710.7	9.6	6.5	33.23	32.53	33.20	33.22	2.6	3.1	2.2	2.2
1972: III	3,726.2	3,700.0	3,751.2	4.2	3.8	33.50	32.82	33.49	33.51	3.3	3.6	3.5	3.5
1972: IV	3,790.4	3,784.3	3,815.3	7.1	9.4	33.93	33.23	33.95	33.97	5.2	5.1	5.6	5.6
1973: I	3,892.2	3,867.0	3,921.5	11.2	9.0	34.38	33.69	34.36	34.38	5.5	5.6	5.0	5.0
1973: II	3,919.0	3,884.5	3,950.4	2.8	1.8	34.96	34.33	34.94	34.96	6.9	7.8	6.9	6.9
1973: III	3,907.1	3,890.9	3,944.1	-1.2	.7	35.63	34.95	35.61	35.63	7.8	7.5	7.9	7.9
1973: IV	3,947.1	3,893.1	3,984.4	4.2	.2	36.24	35.60	36.29	36.31	7.0	7.6	7.8	7.8
1974: I	3,908.1	3,889.1	3,952.4	-3.9	-4	36.98	36.55	37.01	37.03	8.4	11.1	8.2	8.2
1974: II	3,922.6	3,899.7	3,964.3	1.5	1.1	37.79	37.59	37.79	37.81	9.0	11.9	8.7	8.7
1974: III	3,880.0	3,882.5	3,917.6	-4.3	-1.8	38.93	38.71	38.96	38.98	12.7	12.5	12.9	12.9
1974: IV	3,854.1	3,822.2	3,886.1	-2.6	-6.1	40.14	39.84	40.13	40.15	13.0	12.2	12.6	12.5
1975: I	3,800.9	3,848.3	3,827.3	-5.4	2.8	41.04	40.69	41.05	41.07	9.2	8.8	9.5	9.5
1975: II	3,835.2	3,887.9	3,861.8	3.7	4.2	41.67	41.34	41.66	41.68	6.3	6.5	6.1	6.1
1975: III	3,907.0	3,922.7	3,936.1	7.7	3.6	42.44	42.05	42.41	42.44	7.6	7.0	7.4	7.4
1975: IV	3,952.5	3,966.7	3,987.9	4.7	4.6	43.21	42.79	43.19	43.22	7.4	7.2	7.6	7.6
1976: I	4,044.6	4,027.0	4,078.8	9.7	6.2	43.68	43.26	43.69	43.72	4.4	4.5	4.7	4.7
1976: II	4,072.2	4,038.1	4,107.9	2.8	1.2	44.17	43.76	44.15	44.18	4.6	4.7	4.2	4.2
1976: III	4,088.5	4,061.7	4,124.8	1.6	2.3	44.78	44.42	44.77	44.80	5.7	6.1	5.7	5.7
1976: IV	4,126.4	4,119.0	4,163.7	3.8	5.8	45.56	45.16	45.57	45.60	7.2	6.9	7.3	7.3
1977: I	4,176.3	4,161.4	4,219.4	4.9	4.2	46.31	45.99	46.32	46.34	6.7	7.6	6.8	6.7
1977: II	4,260.1	4,228.4	4,302.2	8.3	6.6	47.08	46.81	47.07	47.10	6.8	7.3	6.6	6.6
1977: III	4,329.5	4,270.0	4,371.2	6.7	4.0	47.74	47.55	47.66	47.69	5.7	6.4	5.1	5.1
1977: IV	4,328.3	4,303.3	4,365.0	-1	3.2	48.55	48.36	48.63	48.66	7.0	7.1	8.4	8.4
1978: I	4,345.5	4,306.0	4,388.6	1.6	.3	49.39	49.19	49.42	49.45	7.1	7.0	6.7	6.7
1978: II	4,510.7	4,474.6	4,546.1	16.1	16.6	50.43	50.22	50.41	50.44	8.6	8.6	8.2	8.2
1978: III	4,552.1	4,511.6	4,591.1	3.7	3.4	51.32	51.11	51.27	51.30	7.3	7.3	7.0	7.1
1978: IV	4,603.7	4,565.4	4,649.0	4.6	4.9	52.37	52.08	52.35	52.39	8.4	7.9	8.7	8.7
1979: I	4,605.7	4,579.0	4,652.6	.2	1.2	53.46	53.21	53.51	53.54	8.6	9.0	9.1	9.1
1979: II	4,615.6	4,577.0	4,668.7	.9	-2	54.70	54.52	54.65	54.68	9.6	10.2	8.8	8.8
1979: III	4,644.9	4,639.2	4,708.8	2.6	5.5	55.82	55.89	55.82	55.85	8.5	10.4	8.9	8.9
1979: IV	4,656.2	4,662.5	4,719.5	1.0	2.0	56.92	57.25	56.92	56.95	8.1	10.2	8.1	8.1
1980: I	4,679.0	4,675.3	4,743.0	2.0	1.1	58.25	58.89	58.18	58.22	9.7	12.0	9.2	9.2
1980: II	4,566.6	4,579.0	4,625.6	-9.3	-8.0	59.59	60.41	59.55	59.58	9.6	10.7	9.7	9.7
1980: III	4,562.3	4,637.1	4,617.8	-4	5.2	60.93	61.77	61.01	61.05	9.3	9.3	10.2	10.2
1980: IV	4,651.9	4,676.1	4,696.6	8.1	3.4	62.57	63.33	62.59	62.64	11.2	10.5	10.8	10.8
1981: I	4,739.2	4,692.9	4,787.7	7.7	1.4	64.19	64.96	64.15	64.20	10.7	10.7	10.3	10.4
1981: II	4,698.8	4,699.0	4,742.6	-3.5	5	65.35	66.15	65.37	65.42	7.4	7.5	7.8	7.8
1981: III	4,753.0	4,702.5	4,801.4	4.9	.3	66.65	67.27	66.65	66.69	8.2	7.0	8.0	8.0
1981: IV	4,693.8	4,672.0	4,747.9	-4.9	-2.6	67.85	68.48	67.87	67.91	7.4	7.3	7.5	7.5
1982: I	4,615.9	4,655.4	4,658.5	-6.5	-1.4	68.85	69.42	68.86	68.91	6.0	5.6	6.0	6.0
1982: II	4,634.9	4,651.2	4,682.9	1.7	-4	69.71	70.17	69.72	69.77	5.1	4.4	5.1	5.1
1982: III	4,612.1	4,616.9	4,651.1	-2.0	-2.9	70.69	71.10	70.66	70.70	5.7	5.4	5.5	5.5
1982: IV	4,618.3	4,681.3	4,655.6	.5	5.7	71.46	71.85	71.44	71.47	4.5	4.3	4.4	4.4
1983: I	4,663.0	4,719.4	4,700.1	3.9	3.3	72.12	72.33	72.08	72.12	3.7	2.7	3.7	3.7
1983: II	4,763.6	4,785.3	4,804.4	8.9	5.7	72.84	73.03	72.83	72.87	4.1	3.9	4.2	4.2
1983: III	4,849.0	4,860.7	4,891.3	7.4	6.4	73.50	73.65	73.48	73.52	3.7	3.4	3.7	3.7
1983: IV	4,939.2	4,919.5	4,983.5	7.7	4.9	74.19	74.24	74.19	74.24	3.8	3.2	3.9	3.9
1984: I	5,053.6	4,961.0	5,092.6	9.6	3.4	75.00	75.04	75.02	75.06	4.4	4.4	4.5	4.5
1984: II	5,132.9	5,050.0	5,172.4	6.4	7.4	75.62	75.65	75.58	75.63	3.3	3.3	3.1	3.1
1984: III	5,170.3	5,085.6	5,209.5	3.0	2.9	76.25	76.19	76.25	76.29	3.4	2.9	3.5	3.6
1984: IV	5,203.7	5,149.9	5,237.5	2.6	5.2	76.82	76.71	76.81	76.85	3.0	2.7	3.0	2.9
1985: I	5,257.3	5,231.7	5,280.3	4.2	6.5	77.64	77.38	77.63	77.67	4.3	3.6	4.4	4.3
1985: II	5,283.7	5,261.0	5,310.8	2.0	2.3	78.25	78.02	78.25	78.29	3.2	3.3	3.3	3.2
1985: III	5,359.6	5,336.9	5,378.4	5.9	5.9	78.80	78.58	78.76	78.80	2.8	2.9	2.6	2.6
1985: IV	5,393.6	5,358.0	5,417.5	2.6	1.6	79.44	79.37	79.45	79.49	3.3	4.1	3.5	3.5
1986: I	5,460.8	5,410.5	5,481.1	5.1	4.0	79.81	79.77	79.81	79.85	1.9	2.0	1.8	1.8
1986: II	5,466.9	5,448.4	5,480.1	.4	2.8	80.26	79.97	80.22	80.26	2.2	1.0	2.1	2.1
1986: III	5,496.3	5,518.2	5,510.4	2.2	5.2	80.81	80.60	80.84	80.88	2.8	3.2	3.1	3.1
1986: IV	5,526.8	5,546.6	5,533.1	2.2	2.1	81.44	81.25	81.45	81.49	3.2	3.3	3.1	3.0
1987: I	5,561.8	5,536.8	5,568.7	2.6	-8	82.11	82.07	82.09	82.12	3.3	4.1	3.2	3.2
1987: II	5,618.0	5,608.4	5,628.7	4.1	5.4	82.68	82.74	82.68	82.71	2.8	3.3	2.9	2.9
1987: III	5,667.4	5,671.5	5,676.0	3.6	4.6	83.35	83.44	83.33	83.36	3.3	3.4	3.2	3.2
1987: IV	5,750.6	5,688.3	5,759.6	6.0	1.2	84.08	84.19	84.09	84.12	3.6	3.6	3.7	3.7

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

[Quarterly estimates 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
1988: I	5,785.3	5,774.2	5,802.3	2.4	6.2	84.69	84.81	84.67	84.69	2.9	3.0	2.7	2.8
II	5,844.0	5,840.1	5,857.5	4.1	4.6	85.56	85.68	85.56	85.59	4.2	4.2	4.3	4.3
III	5,878.7	5,869.2	5,889.4	2.4	2.0	86.67	86.58	86.66	86.69	5.3	4.3	5.2	5.2
IV	5,952.8	5,937.0	5,964.9	5.1	4.7	87.46	87.44	87.44	87.47	3.7	4.0	3.7	3.7
1989: I	6,011.0	5,970.0	6,023.1	4.0	2.2	88.44	88.47	88.45	88.48	4.5	4.8	4.7	4.7
II	6,055.6	6,010.9	6,065.5	3.0	2.8	89.40	89.52	89.39	89.42	4.4	4.8	4.3	4.3
III	6,088.0	6,063.1	6,101.8	2.2	3.5	90.13	90.14	90.13	90.16	3.3	2.8	3.3	3.3
IV	6,093.5	6,070.8	6,112.3	.4	.5	90.91	90.98	90.88	90.91	3.5	3.8	3.4	3.4
1990: I	6,152.6	6,144.6	6,172.8	3.9	5.0	92.01	92.17	92.00	92.04	4.9	5.4	5.0	5.1
II	6,171.6	6,127.5	6,188.0	1.2	-1.1	93.20	93.14	93.18	93.21	5.2	4.2	5.2	5.2
III	6,142.1	6,126.6	6,155.7	-1.9	-1	94.19	94.32	94.14	94.17	4.3	5.2	4.2	4.2
IV	6,079.0	6,108.1	6,111.3	-4.0	-1.2	95.14	95.68	95.11	95.13	4.1	5.9	4.2	4.2
1991: I	6,047.5	6,065.4	6,074.3	-2.1	-2.8	96.26	96.42	96.27	96.29	4.8	3.1	5.0	4.9
II	6,074.7	6,095.9	6,086.4	1.8	2.0	97.02	96.95	97.00	97.01	3.2	2.2	3.1	3.1
III	6,090.1	6,085.4	6,099.2	1.0	-7	97.70	97.58	97.70	97.71	-2.8	2.6	2.9	2.9
IV	6,105.3	6,083.8	6,119.5	1.0	-1	98.30	98.27	98.31	98.32	2.5	2.9	2.5	2.5
1992: I	6,175.7	6,175.8	6,192.0	4.7	6.2	99.14	99.04	99.13	99.13	3.4	3.2	3.4	3.4
II	6,214.2	6,203.8	6,225.2	2.5	1.8	99.81	99.76	99.79	99.79	2.8	2.9	2.7	2.7
III	6,240.6	6,249.5	6,270.3	3.0	3.0	100.17	100.28	100.17	100.17	1.4	2.1	1.5	1.5
IV	6,327.1	6,320.7	6,334.6	4.3	4.6	100.88	100.92	100.88	100.88	2.8	2.6	2.9	2.9
1993: I	6,327.9	6,297.3	6,351.3	.1	-1.5	101.85	101.71	101.84	101.84	3.9	3.2	3.9	3.8
II	6,359.9	6,344.9	6,375.9	2.0	3.1	102.38	102.28	102.35	102.34	2.1	2.3	2.0	2.0
III	6,393.5	6,379.3	6,415.3	2.1	2.2	102.83	102.64	102.83	102.83	1.8	1.4	1.9	1.9
IV	6,476.9	6,453.8	6,489.7	5.3	4.8	103.52	103.28	103.51	103.50	2.7	2.5	2.7	2.6
1994: I	6,524.5	6,473.0	6,540.5	3.0	1.2	104.16	103.80	104.13	104.14	2.5	2.0	2.4	2.5
II	6,600.3	6,526.7	6,609.3	4.7	3.4	104.74	104.46	104.71	104.71	2.2	2.6	2.2	2.2
III	6,629.5	6,580.4	6,635.6	1.8	3.3	105.39	105.24	105.39	105.38	2.5	3.0	2.6	2.6
IV	6,688.6	6,624.8	6,691.2	3.6	2.7	106.07	105.88	106.09	106.06	2.6	2.5	2.7	2.6
1995: I	6,717.5	6,661.8	6,735.9	1.7	2.2	106.74	106.47	106.75	106.73	2.5	2.2	2.5	2.6
II	6,724.2	6,700.0	6,746.3	.4	2.3	107.26	107.11	107.24	107.22	2.0	2.4	1.8	1.8
III	6,779.5	6,761.7	6,788.9	3.3	3.7	107.76	107.52	107.75	107.72	1.9	1.6	1.9	1.9
IV	6,825.8	6,803.3	6,846.8	2.8	2.5	108.30	107.99	108.29	108.26	2.0	1.8	2.0	2.0
1996: I	6,882.0	6,863.6	6,902.1	3.3	3.6	108.90	108.56	108.91	108.88	2.2	2.1	2.3	2.3
II	6,983.9	6,954.7	6,999.0	6.1	5.4	109.28	108.94	109.24	109.21	1.4	1.4	1.2	1.2
III	7,020.0	6,970.3	7,027.1	2.1	.9	109.77	109.34	109.74	109.70	1.8	1.5	1.8	1.8
IV	7,093.1	7,057.9	7,105.3	4.2	5.1	110.21	109.90	110.23	110.19	1.6	2.1	1.8	1.8
1997: I	7,166.7	7,108.1	7,167.8	4.2	2.9	110.97	110.51	111.00	110.95	2.8	2.2	2.8	2.8
II	7,236.5	7,155.5	7,239.3	4.0	2.7	111.45	110.76	111.43	111.37	1.7	.9	1.6	1.5
III	7,311.2	7,256.3	7,307.0	4.2	5.8	111.77	111.06	111.76	111.70	1.2	1.1	1.2	1.2
IV	7,364.6	7,294.8	7,350.7	3.0	2.1	112.09	111.34	112.08	112.03	1.1	1.0	1.2	1.2
1998: I	7,464.7	7,372.5	7,455.2	5.5	4.3	112.33	111.29	112.32	112.26	.9	-.2	.8	.8
II	7,498.6	7,456.4	7,485.9	1.8	4.6	112.57	111.42	112.56	112.50	.9	.4	.9	.9
III	7,566.5	7,507.6	7,546.7	3.7	2.8	112.85	111.60	112.84	112.78	1.0	.7	1.0	1.0
IV	7,677.7	7,628.9	7,663.3	6.0	6.6	113.08	111.84	113.07	113.01	.8	.9	.8	.8
1999: I	7,759.6	7,715.4	7,746.3	4.3	4.6	113.53	112.18	113.52	113.45	1.6	1.2	1.6	1.6

Table C.2.—Real Gross Domestic Product

(Average annual percent change, based on chain-type quantity indexes (1992=100))

Terminal year	Initial year																										
	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	
1998	2.8	2.7	2.8	2.9	2.8	2.7	2.6	2.6	2.8	2.8	3.1	3.1	2.8	2.7	2.7	2.7	2.6	2.5	2.6	3.1	3.2	3.4	3.4	3.8	3.9	3.9	
1997	2.7	2.6	2.8	2.9	2.8	2.7	2.6	2.5	2.7	2.7	3.1	3.0	2.7	2.6	2.6	2.6	2.4	2.3	2.5	3.0	3.1	3.3	3.2	3.7	3.9		
1996	2.6	2.5	2.7	2.9	2.7	2.6	2.5	2.5	2.6	2.7	3.0	2.9	2.6	2.5	2.5	2.4	2.2	2.1	2.2	2.8	2.9	3.1	2.9	3.1	3.1		
1995	2.7	2.5	2.7	2.8	2.7	2.6	2.4	2.4	2.6	2.6	3.0	2.9	2.5	2.4	2.3	2.3	2.1	1.8	2.0	2.7	2.7	2.9	2.9	2.3	2.3		
1994	2.7	2.5	2.7	2.9	2.7	2.6	2.4	2.4	2.6	2.6	3.0	2.9	2.5	2.4	2.4	2.3	2.0	1.7	1.9	2.8	2.9	3.5	2.3	2.3	2.3		
1993	2.6	2.5	2.6	2.8	2.7	2.5	2.4	2.3	2.5	2.6	3.0	2.9	2.4	2.3	2.2	2.1	1.7	1.3	1.4	2.5	2.3						
1992	2.6	2.5	2.7	2.8	2.7	2.6	2.4	2.3	2.6	2.6	3.1	3.0	2.5	2.3	2.2	2.0	1.6	1.0	.9	2.7							
1991	2.6	2.5	2.7	2.9	2.7	2.5	2.3	2.3	2.5	2.6	3.1	3.0	2.4	2.2	2.1	1.9	1.2	1.1	1.4								
1990	2.8	2.7	2.9	3.1	3.0	2.8	2.6	2.6	2.9	3.0	3.6	3.6	3.0	2.9	2.8	2.8	2.3	1.2									
1989	2.9	2.8	3.0	3.3	3.1	3.0	2.7	2.7	3.1	3.2	4.0	4.0	3.4	3.3	3.4	3.6	3.4										
1988	2.9	2.7	3.0	3.2	3.1	2.9	2.7	2.7	3.0	3.1	4.1	4.1	3.4	3.3	3.4	3.8											
1987	2.9	2.7	2.9	3.2	3.0	2.8	2.6	2.5	2.9	3.0	4.1	4.1	3.2	3.0	2.9												
1986	2.9	2.6	2.9	3.2	3.0	2.8	2.5	2.5	2.9	3.1	4.4	4.5	3.3	3.1													
1985	2.8	2.6	2.9	3.2	3.0	2.8	2.4	2.4	2.9	3.1	4.8	5.3	3.6														
1984	2.8	2.5	2.8	3.2	2.9	2.7	2.2	2.1	2.7	2.9	5.5	7.0															
1983	2.4	2.1	2.4	2.7	2.3	2.0	1.3	.9	1.3	.9	4.0																
1982	2.2	1.9	2.2	2.5	2.1	1.6	.6	-.1	.1	-.2																	
1981	2.7	2.4	2.8	3.3	2.9	2.5	1.6	1.0	2.3																		
1980	2.8	2.4	2.9	3.6	3.1	2.6	1.2																				
1979	3.2	2.8	3.5	4.6	4.3	4.1																					
1978	3.3	2.8	3.7	5.1	5.0	5.4																					
1977	2.9	2.2	3.2	5.0	4.7																						
1976	2.5	1.4	2.4	5.4																							
1975	1.5	-.5																									
1974	2.5	-.6																									
1973	5.8																										

Table C.3.—Price Index for Gross Domestic Product

(Average annual percent change, based on chain-type price indexes (1992=100))

Terminal year	Initial year																										
	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	
1998	4.8	4.8	4.6	4.4	4.3	4.2	4.1	3.8	3.5	3.2	3.0	2.9	2.9	2.8	2.8	2.7	2.6	2.3	2.1	2.0	1.9	1.8	1.6	1.4	1.0		
1997	4.9	4.9	4.7	4.5	4.5	4.4	4.2	4.0	3.7	3.3	3.1	3.1	3.0	3.0	3.0	2.9	2.8	2.5	2.3	2.2	2.1	2.0	1.9	1.9			
1996	5.1	5.0	4.9	4.7	4.6	4.5	4.4	4.1	3.8	3.4	3.2	3.2	3.1	3.1	3.1	3.1	2.9	2.6	2.4	2.3	2.2	2.1	2.1	1.9			
1995	5.2	5.2	5.0	4.8	4.7	4.7	4.5	4.3	3.9	3.5	3.3	3.3	3.2	3.2	3.3	3.3	3.2	3.1	2.8	2.5	2.4	2.3	2.3				
1994	5.3	5.3	5.2	4.9	4.9	4.8	4.6	4.4	4.0	3.6	3.4	3.3	3.3	3.3	3.4	3.4	3.2	2.9	2.6	2.5	2.4	2.3	2.3				
1993	5.5	5.5	5.3	5.1	5.0	4.9	4.8	4.5	4.2	3.7	3.5	3.4	3.4	3.4	3.5	3.6	3.6	3.4	3.1	2.8	2.6	2.5	2.4				
1992	5.6	5.6	5.5	5.2	5.2	5.1	4.9	4.7	4.3	3.8	3.6	3.5	3.5	3.5	3.7	3.8	3.8	3.7	3.3	2.7	2.6						
1991	5.8	5.8	5.6	5.4	5.3	5.3	5.1	4.8	4.4	4.0	3.7	3.6	3.6	3.6	3.8	4.0	4.2	4.1	3.9								
1990	5.9	5.9	5.7	5.5	5.4	5.4	5.2	4.9	4.5	4.0	3.7	3.6	3.6	3.6	3.8	4.1	4.3	4.4									
1989	6.0	6.0	5.8	5.6	5.5	5.5	5.3	5.0	4.5	3.9	3.6	3.5	3.4	3.4	3.6	3.9	4.2										
1988	6.1	6.1	5.9	5.7	5.6	5.6	5.4	5.1	4.5	3.9	3.5	3.3	3.2	3.1	3.4	3.7											
1987	6.3	6.3	6.1	5.8	5.8	5.8	5.6	5.2	4.7	3.9	3.4	3.2	3.0	2.8	3.1												
1986	6.5	6.6	6.4	6.1	6.1	6.1	5.9	5.5	4.9	4.1	3.5	3.3	3.0	2.6													
1985	6.8	6.9	6.7	6.4	6.5	6.5	6.4	6.0	5.4	4.4	3.8	3.6	3.4														
1984	7.1	7.2	7.0	6.8	6.9	7.0	6.9	6.6	5.9	4.8	4.0	3.8															
1983	7.4	7.6	7.4	7.2	7.3	7.5	7.5	7.3	6.6	5.3	4.3																
1982	7.7	7.9	7.8	7.6	7.9	8.2	8.4	8.3	7.8	6.3																	
1981	7.9	8.1	8.0	7.8	8.2	8.6	9.1	9.3	9.4																		
1980	7.7	8.0	7.8	7.5	7.9	8.4	8.9	9.3																			
1979	7.4	7.7	7.5	7.0	7.4	7.9	8.5																				
1978	7.3	7.6	7.2	6.5	6.9	7.3																					
1977	7.3	7.7	7.2	6.1	6.5																						
1976	7.5	8.1	7.6	5.8																							
1975	8.0	9.2	9.4																								
1974	7.3	8.9																									
1973	5.6																										

Table C.4.—Real Gross Domestic Purchases

(Average annual percent change, based on chain-type quantity indexes (1992=100))

Terminal year	Initial year																										
	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	
1998	2.8	2.7	2.9	3.1	2.9	2.8	2.7	2.7	3.0	3.0	3.3	3.2	2.8	2.7	2.7	2.6	2.6	2.9	3.5	3.6	3.8	3.7	4.2	4.6	5.0		
1997	2.7	2.6	2.8	3.0	2.8	2.7	2.6	2.6	2.9	2.9	3.2	3.0	2.6	2.5	2.5	2.4	2.3	2.6	3.3	3.3	3.4	3.3	3.9	4.2			
1996	2.6	2.5	2.7	2.9	2.8	2.6	2.5	2.5	2.8	2.8	3.1	3.0	2.5	2.4	2.3	2.2	2.2	2.1	2.3	3.1	3.1	3.2	2.9	3.6			
1995	2.6	2.5	2.7	2.9	2.7	2.6	2.4	2.4	2.7	2.7	3.1	2.9	2.4	2.3	2.1	2.1	2.0	1.8	2.0	3.0	3.0	3.0	2.1				
1994	2.6	2.5	2.7	2.9	2.7	2.6	2.4	2.4	2.8	2.8	3.2	3.0	2.4	2.3	2.1	2.1	1.9	1.8	2.0	3.2	3.4	3.9					
1993	2.6	2.4	2.7	2.9	2.7	2.5	2.3	2.3	2.7	2.7	3.1	2.9	2.3	2.1	1.9	1.8	1.5	1.2	1.4	2.9	2.9						
1992	2.5	2.4	2.6	2.9	2.7	2.5	2.3	2.3	2.7	2.7	3.1	2.9	2.2	1.9	1.7	1.5	1.2	.7	2.8								
1991	2.5	2.4	2.6	2.9	2.6	2.5	2.2	2.2	2.6	2.7	3.1	2.9	2.1	1.8	1.5	1.2	.6	-.4	-.6								
1990	2.7	2.6	2.9	3.2	3.0	2.8	2.6	2.6	3.1	3.1	3.7	3.5	2.7	2.5	2.3	2.1	1.8	.8									
1989	2.9	2.7	3.0	3.4	3.1	2.9	2.7	2.8	3.3	3.4	4.2	4.0	3.1	2.9	2.8	2.8	2.7										
1988	2.9	2.7	3.1	3.4	3.2	3.0	2.7	2.8	3.4	3.5	4.4	4.2	3.2	3.0	2.8	2.9											
1987	2.9	2.7	3.1	3.4	3.2	3.0	2.7	2.8	3.5	3.6	4.7																

D. Domestic Perspectives

This table presents 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

	1997	1998	1998									1999				
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Consumer and producer prices, (monthly data seasonally adjusted) ¹																
Consumer price index for all urban consumers, 1982=100:																
All items	160.5	163.0	162.5	162.9	163.0	163.3	163.5	163.6	163.9	164.2	164.4	164.6	164.7	165.0	166.2	166.2
Less food and energy	169.5	173.4	172.9	173.3	173.5	173.8	174.2	174.5	174.8	175.0	175.6	175.7	175.8	176.0	176.7	176.9
Services	179.4	184.2	183.4	183.8	184.1	184.5	184.8	185.2	185.5	186.0	186.3	186.5	186.9	187.5	188.1	188.3
Producer price index, 1982=100:																
Finished goods	131.8	130.6	130.7	130.6	130.4	130.7	130.3	130.6	131.0	130.7	131.3	131.7	131.3	131.6	132.2	132.4
Less food and energy	142.4	143.7	143.4	143.5	143.4	143.7	143.7	144.1	144.3	144.4	145.9	145.6	145.7	145.7	145.8	145.9
Finished consumer goods	130.2	128.9	128.9	128.9	128.7	129.1	128.6	128.8	129.3	128.9	129.7	130.2	129.7	130.1	130.9	131.1
Capital equipment	138.2	137.5	137.6	137.5	137.3	137.4	137.2	137.6	137.7	137.8	137.7	137.6	137.6	137.6	137.6	137.9
Intermediate materials	125.6	123.0	123.7	123.6	123.2	123.2	122.8	122.4	122.2	121.9	121.1	121.1	120.8	121.2	121.9	122.1
Crude materials	111.1	96.7	100.6	100.0	97.3	97.4	93.3	91.6	93.9	93.8	90.4	90.9	88.6	89.5	90.7	95.7
Money, interest rates, and stock prices																
Money stock (monthly and quarterly data seasonally adjusted): ²																
Percent change:																
M1			0.14	-0.36	-0.04	-0.22	-0.30	0.23	0.53	0.80	0.40	-0.22	0.15	0.86	0.57	-0.33
M2 .....			.70	.47	.57	.42	.61	1.03	.97	.89	.84	.55	.47	.23	.73	.38
Ratio:																
Gross domestic product to M1	7.583	7.886		7.820			7.949			7.982			8.043			
Personal income to M2	1.726	1.688	1.698	1.697	1.692	1.692	1.689	1.676	1.668	1.668	1.653	1.654	1.654	1.655	1.651	1.652
Interest rates (percent, not seasonally adjusted): ²																
Federal funds rate	5.46	5.35	5.45	5.49	5.56	5.54	5.55	5.51	5.07	4.83	4.68	4.63	4.76	4.81	4.74	4.74
Discount rate on new 91-day Treasury bills	5.07	4.81	5.00	5.03	4.99	4.96	4.94	4.74	4.08	4.44	4.42	4.34	4.45	4.48	4.28	4.51
Yield on new high-grade corporate bonds	7.40	6.44	6.59	6.63	6.43	6.35	6.34	6.27	6.21	6.42	6.13	6.14	6.33	6.52	6.58	6.86
10-Year U.S. Treasury bonds	6.35	5.26	5.64	5.65	5.50	5.46	5.34	4.81	4.53	4.83	4.65	4.72	5.00	5.23	5.18	5.54
Yield on municipal bonds, 20-bond average	5.52	5.09	5.23	5.20	5.12	5.14	5.10	4.99	4.93	5.03	4.98	5.01	5.03	5.10	5.08	5.18
Mortgage commitment rate	7.60	6.94	7.14	7.14	7.00	6.95	6.92	6.72	6.71	6.87	6.72	6.79	6.81	7.04	6.92	7.15
Average prime rate charged by banks	8.44	8.35	8.50	8.50	8.50	8.50	8.50	8.49	8.12	7.89	7.75	7.75	7.75	7.75	7.75	7.75
Index of stock prices (not seasonally adjusted): ³																
500 common stocks, 1941-43=10	872.72	1,084.31	1,112.20	1,108.42	1,108.39	1,156.58	1,074.62	1,020.64	1,032.47	1,144.43	1,190.05	1,248.77	1,246.58	1,281.66	1,334.76	1,332.07
Labor markets (thousands, monthly and quarterly data seasonally adjusted, unless otherwise noted) ¹																
Civilian labor force	136,297	137,673	137,232	137,369	137,498	137,407	137,481	138,081	138,116	138,193	138,547	139,347	139,271	138,816	139,091	139,019
Labor force participation rates (percent):																
Males 20 and over	77.0	76.8	76.9	76.8	76.7	76.8	76.5	76.8	76.7	76.8	76.8	77.1	77.0	76.7	76.7	76.5
Females 20 and over	60.5	60.4	60.4	60.4	60.4	60.2	60.4	60.4	60.4	60.6	60.6	60.9	60.8	60.6	60.8	60.7
16-19 years of age	51.6	52.8	51.9	52.4	53.0	52.3	52.6	53.5	53.1	52.4	52.9	52.4	53.2	52.1	51.9	52.1
Civilian employment	129,558	131,463	131,280	131,330	131,253	131,176	131,264	131,818	131,858	132,113	132,526	133,396	133,144	133,033	133,069	133,224
Ratio, civilian employment to working-age population (percent)	63.8	64.1	64.1	64.1	64.0	63.9	63.9	64.1	64.0	64.1	64.2	64.5	64.4	64.3	64.2	64.2
Persons engaged in nonagricultural activities	126,159	128,085	127,899	127,979	127,890	127,753	127,772	128,348	128,300	128,765	129,304	130,097	129,817	129,752	129,685	129,929
Employees on nonagricultural payrolls	122,690	125,826	125,220	125,478	125,689	125,808	126,170	126,361	126,567	126,841	127,186	127,378	127,730	127,813	128,156	128,167
Goods-producing industries	24,962	25,347	25,418	25,379	25,381	25,240	25,344	25,333	25,306	25,298	25,354	25,315	25,329	25,285	25,289	25,197
Services-producing industries	97,727	100,480	99,802	100,099	100,308	100,568	100,826	101,028	101,261	101,543	101,832	102,063	102,401	102,528	102,867	102,970
Average weekly hours, manufacturing (hours)	42.0	41.7	41.6	41.8	41.8	41.7	41.7	41.6	41.7	41.7	41.7	41.6	41.6	41.5	41.6	41.7
Average weekly overtime hours, manufacturing (hours)	4.8	4.6	4.6	4.6	4.6	4.6	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.3	4.6
Number of persons unemployed	6,739	6,210	5,952	6,039	6,245	6,231	6,217	6,263	6,258	6,080	6,021	5,950	6,127	5,783	6,022	5,795
Unemployment rates (percent):																
Total	4.9	4.5	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.4	4.3	4.3	4.4	4.2	4.3	4.2
15 weeks and over	1.5	1.2	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.1	1.1	1.1	1.0	1.0	1.1
Average duration of unemployment (weeks)	15.8	14.5	14.5	14.7	14.1	14.3	13.7	14.3	14.1	14.4	14.1	13.4	13.8	13.5	13.1	13.4
Nonfarm business sector, 1992=100:																
Output per hour of all persons	104.9	107.2		106.6			107.3			108.5			109.4			
Unit labor costs	108.9	111.1		111.1			111.5			111.4			111.6			
Hourly compensation	114.3	119.1		118.5			119.7			120.9			122.1			

See footnotes at the end of the table.

Table D.1.—Domestic Perspectives—Continued

	1997	1998	1998									1999				
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
Construction (monthly data seasonally adjusted at annual rates) ⁴																
Total new private construction put in place (billions of dollars)	471.2	509.5	500.1	496.5	503.6	511.5	516.6	521.0	523.6	525.5	531.0	538.0	546.0	556.3	545.7	.....
Residential	265.6	296.5	289.7	288.0	291.9	299.3	300.6	305.0	306.3	307.3	311.5	317.6	319.7	327.9	324.7	.....
Nonresidential	165.1	170.8	169.4	166.3	169.6	169.4	172.2	172.3	174.2	176.7	179.0	177.6	184.2	184.2	178.6	.....
Housing starts (thousands of units):																
Total	1,474	1,617	1,542	1,541	1,626	1,719	1,615	1,576	1,698	1,654	1,750	1,820	1,752	1,746	1,576	1,676
1-unit structures	1,134	1,271	1,235	1,221	1,274	1,306	1,264	1,251	1,298	1,375	1,383	1,393	1,380	1,394	1,249	1,409
New 1-family houses sold (thousands of units)	804	886	880	893	909	883	836	861	903	985	958	908	909	880	936	888
Manufacturing and trade, inventories and sales (millions of dollars, monthly data seasonally adjusted) ⁴																
Inventories:																
Total manufacturing and trade	1,052,717	1,087,417	1,069,566	1,070,022	1,070,515	1,070,875	1,074,870	1,080,866	1,083,366	1,087,970	1,087,417	1,086,911	1,090,474	1,095,766	1,097,958	.....
Manufacturing	456,133	466,798	464,668	465,729	466,701	467,636	468,445	468,552	471,031	471,000	466,798	464,873	464,198	463,578	462,963	.....
Merchant wholesalers	273,003	286,962	276,068	277,699	277,518	277,466	280,591	284,128	283,776	285,716	286,962	285,906	287,768	288,432	288,961	.....
Retail trade	323,581	333,657	328,830	326,594	326,296	325,773	325,834	328,186	328,559	331,254	333,657	336,132	338,508	343,756	346,034	.....
Sales:																
Total manufacturing and trade	8,995,737	9,309,551	771,560	772,405	774,639	773,762	772,454	779,478	781,447	785,777	793,488	792,110	801,136	809,887	809,341	.....
Manufacturing	3,929,419	4,052,248	335,553	333,622	335,110	335,380	336,445	340,481	340,133	341,423	344,088	341,670	343,724	349,065	347,558	.....
Merchant wholesalers	2,500,109	2,561,448	213,268	213,413	213,904	214,229	211,713	213,856	213,429	214,891	217,403	215,441	218,413	221,796	221,865	.....
Retail trade	2,566,209	2,695,855	222,739	225,370	225,625	224,153	224,296	225,141	227,885	229,463	231,997	234,999	238,999	239,026	239,918	.....
Industrial production indexes and capacity utilization rates (monthly data seasonally adjusted) ²																
Industrial production indexes, 1992=100:																
Total	126.8	131.3	131.3	131.9	130.6	130.5	132.4	131.9	132.4	132.2	132.3	132.3	132.5	133.3	133.8	134.1
By industry:																
Durable manufactures	147.1	157.5	156.2	157.2	154.8	154.4	159.8	159.6	161.2	161.0	161.5	161.4	161.7	162.9	164.0	164.9
Nondurable manufactures	111.3	111.9	113.0	113.0	112.0	112.1	111.3	110.6	110.9	111.6	111.7	111.3	111.9	112.0	112.0	112.2
By market category:																
Consumer goods	114.1	115.2	116.4	116.8	115.1	114.0	116.1	114.8	115.2	114.8	114.9	115.2	115.3	115.6	115.9	116.1
Capacity utilization rates (percent):																
Total industry	82.9	81.8	82.6	82.6	81.5	81.1	82.0	81.3	81.3	80.8	80.7	80.3	80.2	80.5	80.5	80.5
Manufacturing	82.0	80.8	81.7	81.6	80.2	79.8	80.7	80.1	80.3	80.1	80.0	79.5	79.5	79.5	79.6	79.7
Credit market borrowing (billions of dollars, quarterly data seasonally adjusted at annual rates) ²																
All sectors, by instrument:																
Total	1,431.5	2,027.5	.....	1,983.1	.....	.....	1,871.1	.....	.....	.....	2,349.1	.....	.....	2,224.9	.....	.....
Open market paper	184.1	193.1	.....	113.1	.....	.....	232.7	.....	.....	.....	83.0	.....	.....	161.9	.....	.....
U.S. government securities	235.9	418.3	.....	342.5	.....	.....	425.1	.....	.....	.....	708.5	.....	.....	445.7	.....	.....
Municipal securities	71.4	96.8	.....	100.1	.....	.....	83.6	.....	.....	.....	87.0	.....	.....	67.9	.....	.....
Corporate and foreign bonds	346.5	437.5	.....	641.9	.....	.....	221.6	.....	.....	.....	364.6	.....	.....	645.7	.....	.....
Bank loans, n.e.c.	128.2	145.9	.....	172.5	.....	.....	192.3	.....	.....	.....	135.9	.....	.....	46.2	.....	.....
Other loans and advances	99.8	159.0	.....	106.1	.....	.....	153.4	.....	.....	.....	266.3	.....	.....	160.1	.....	.....
Mortgages	313.1	509.2	.....	440.5	.....	.....	480.7	.....	.....	.....	639.7	.....	.....	571.1	.....	.....
Consumer credit	52.5	67.6	.....	66.3	.....	.....	81.7	.....	.....	.....	64.1	.....	.....	126.2	.....	.....

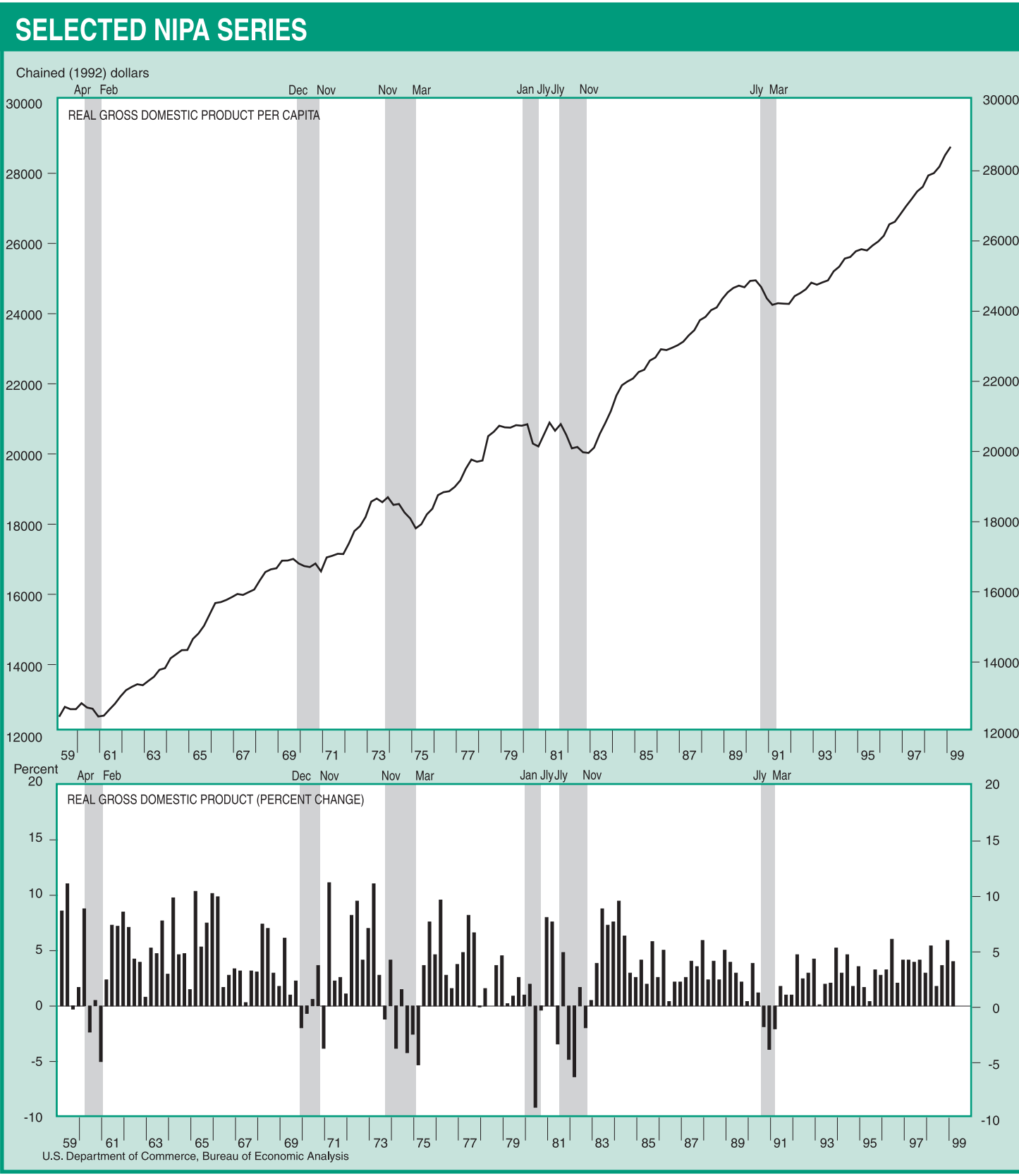
Sources:

1. Bureau of Labor Statistics.
2. Federal Reserve Board.

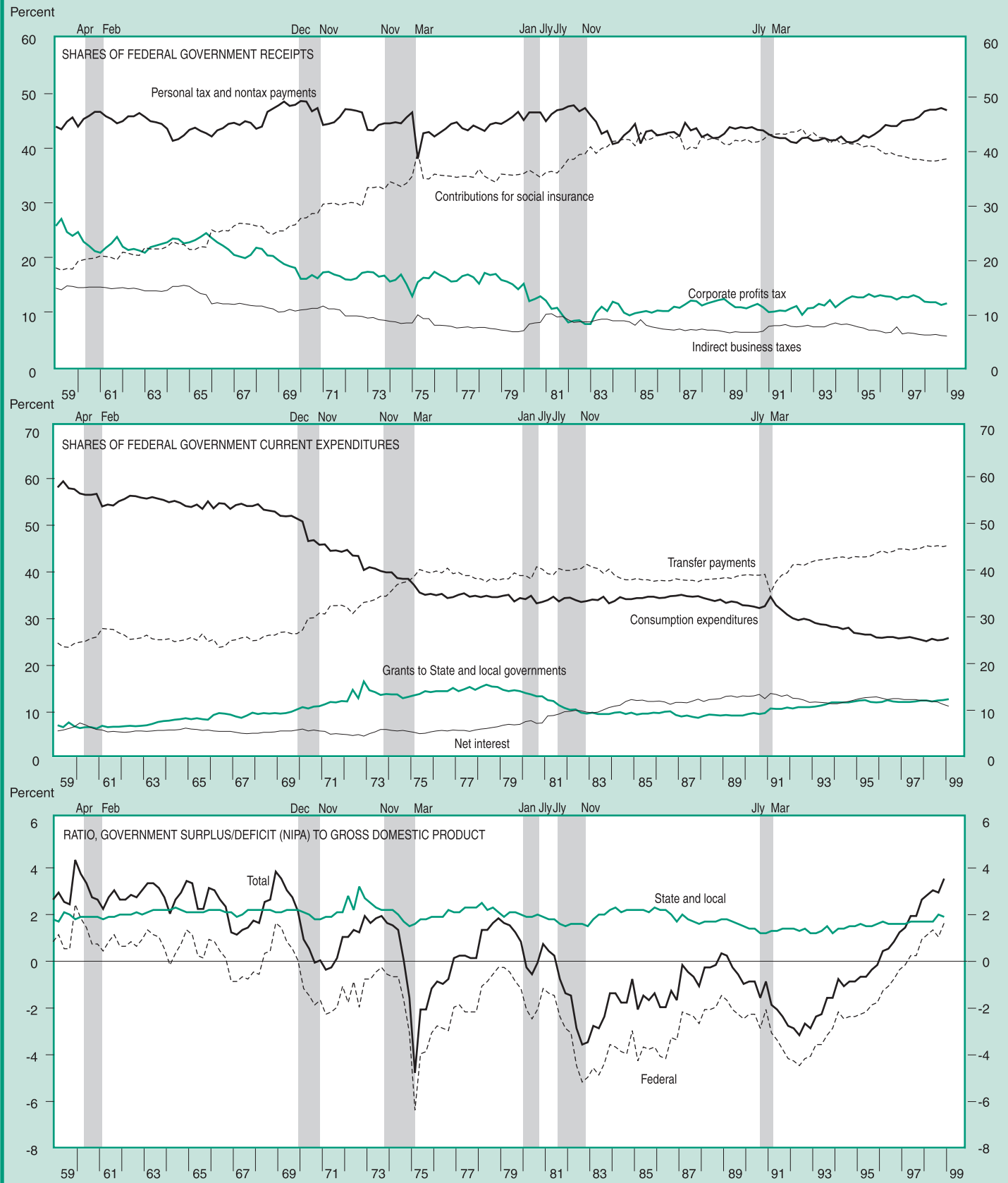
3. Standard and Poor's, Inc.
4. Bureau of the Census.
n.e.c. Not elsewhere classified.

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.

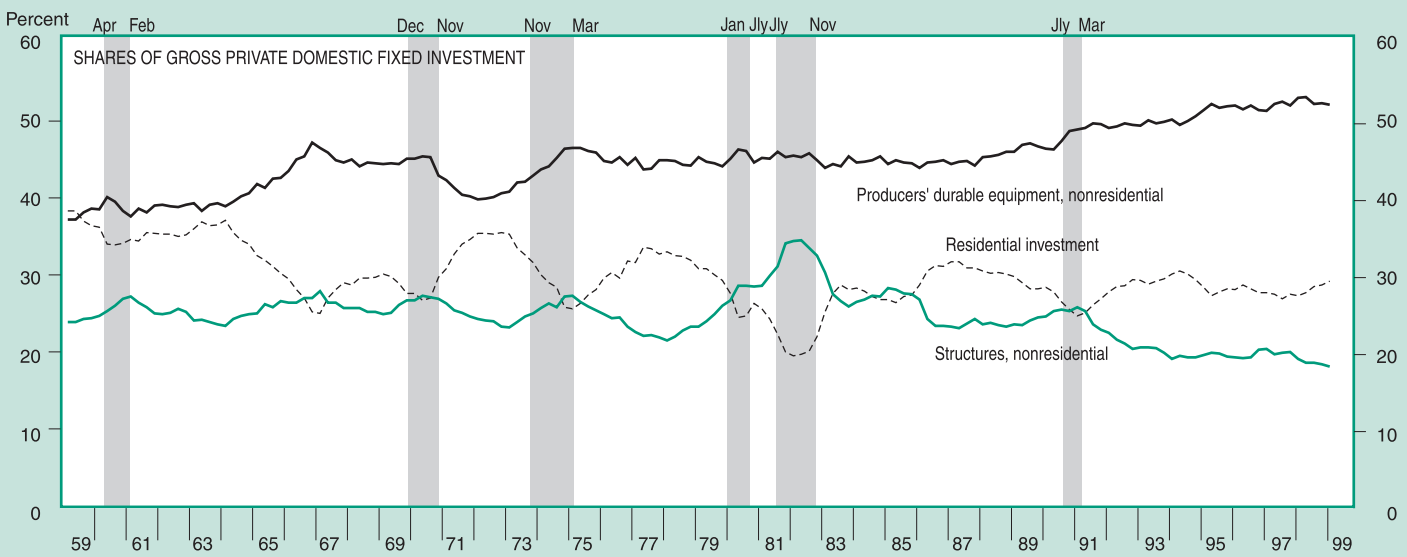
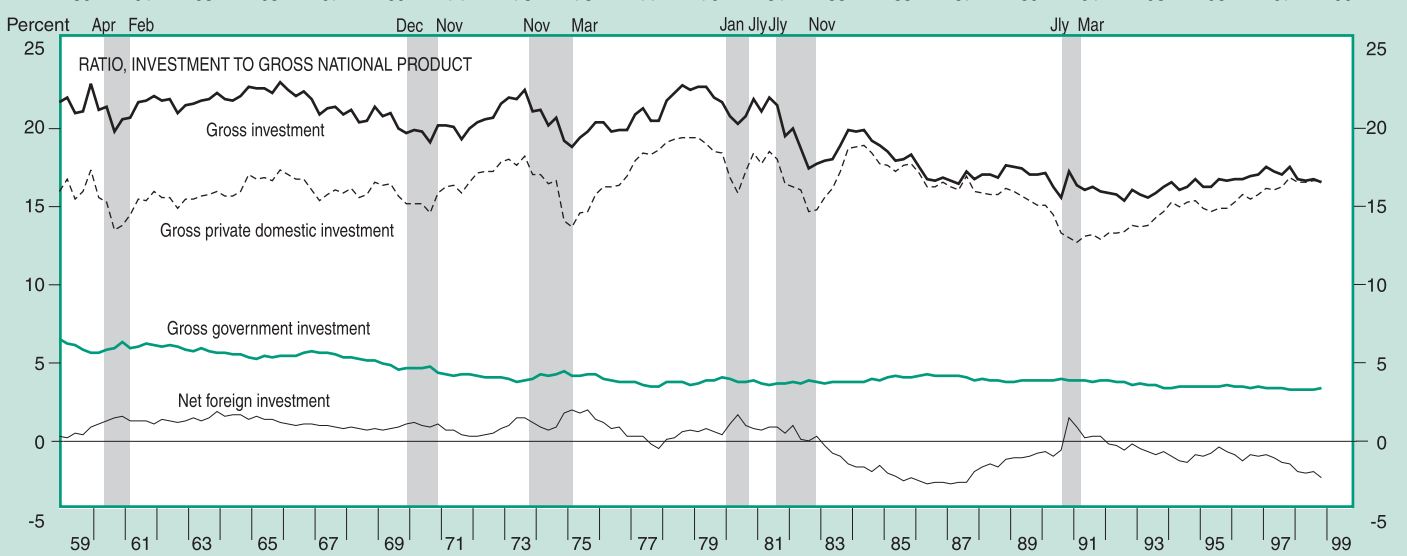
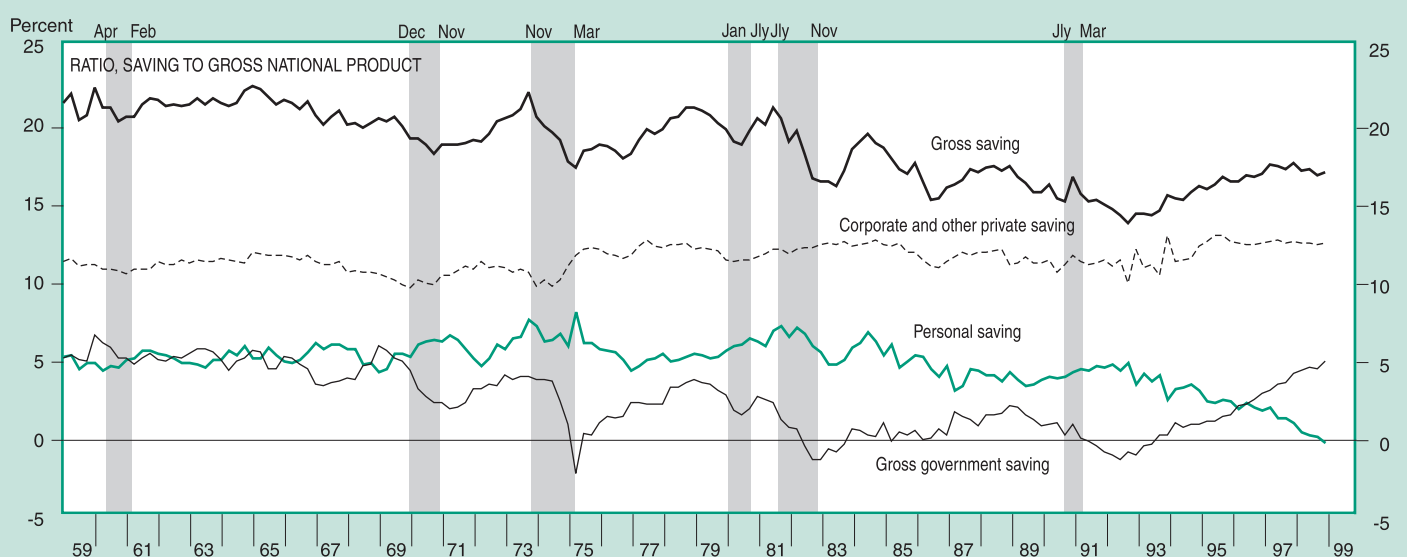


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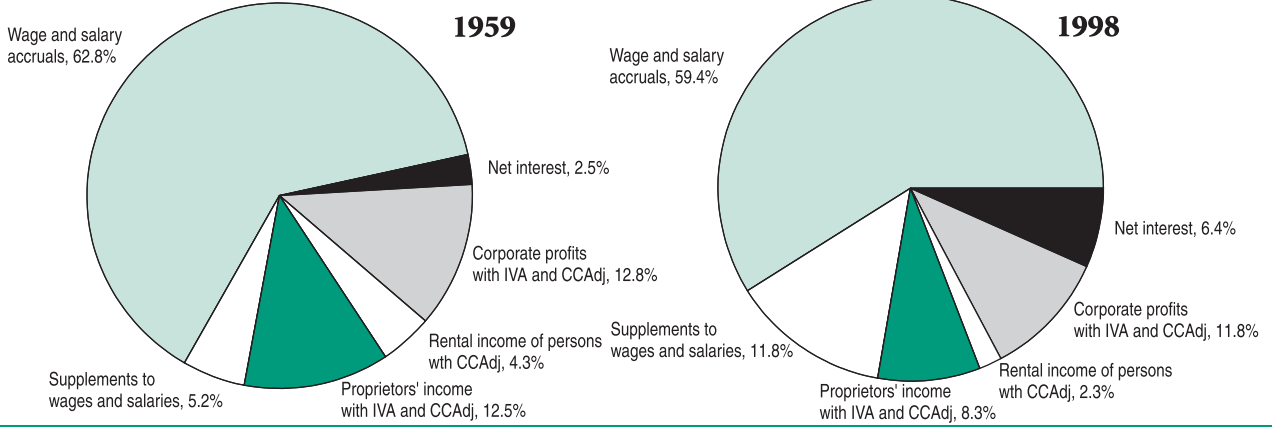
U.S. Department of Commerce, Bureau of Economic Analysis

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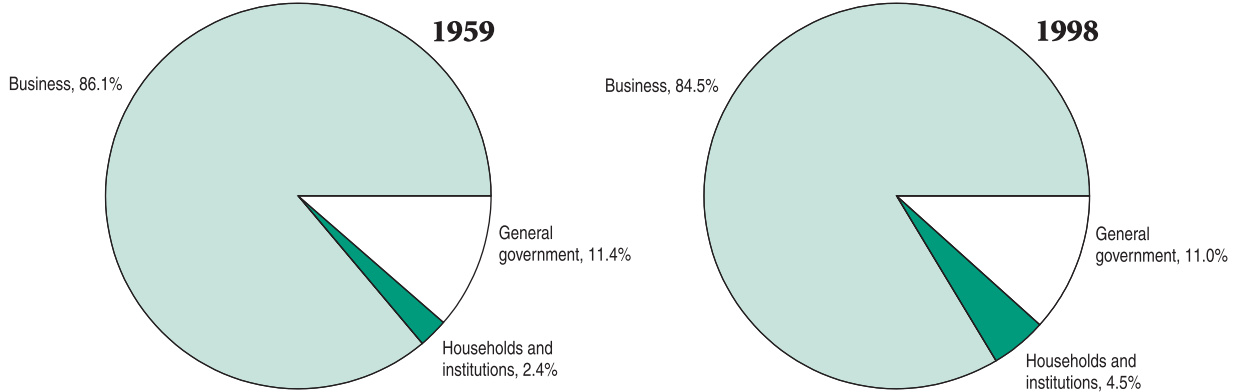


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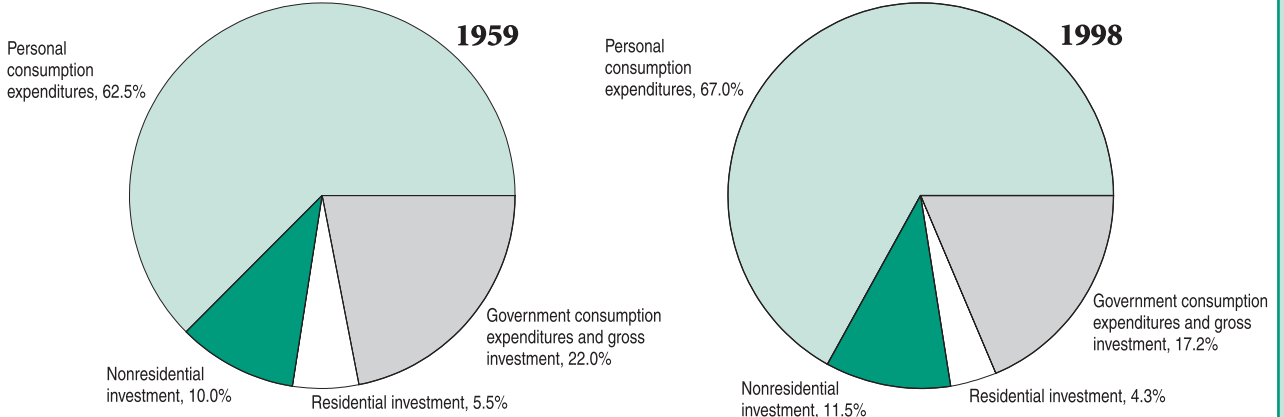
SHARES OF NATIONAL INCOME



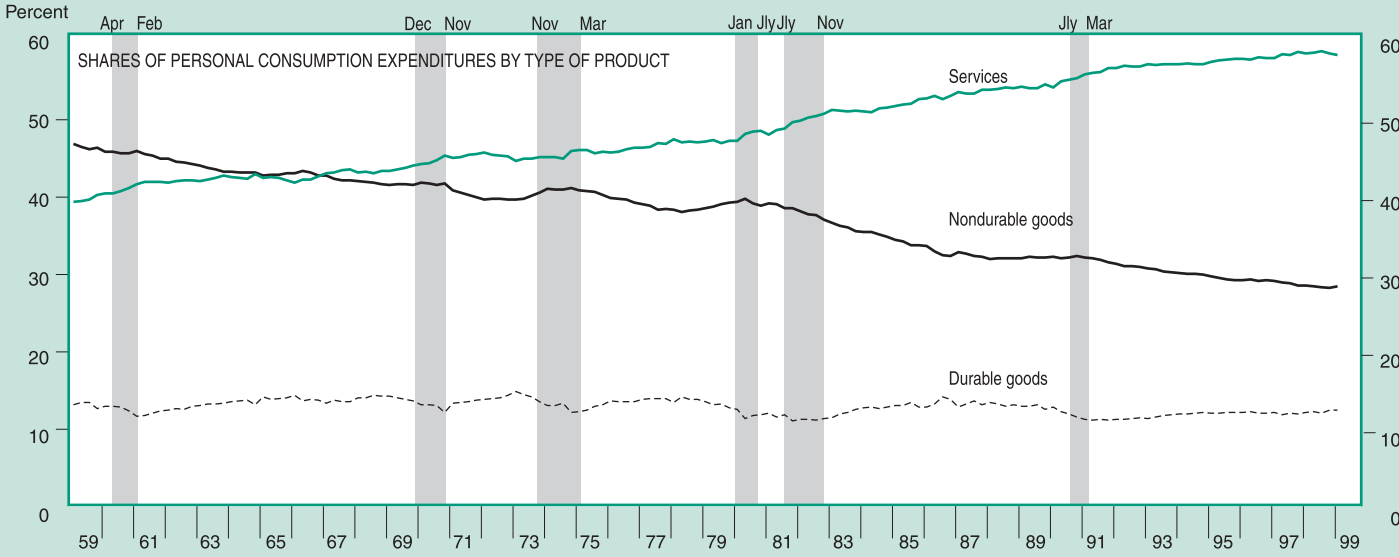
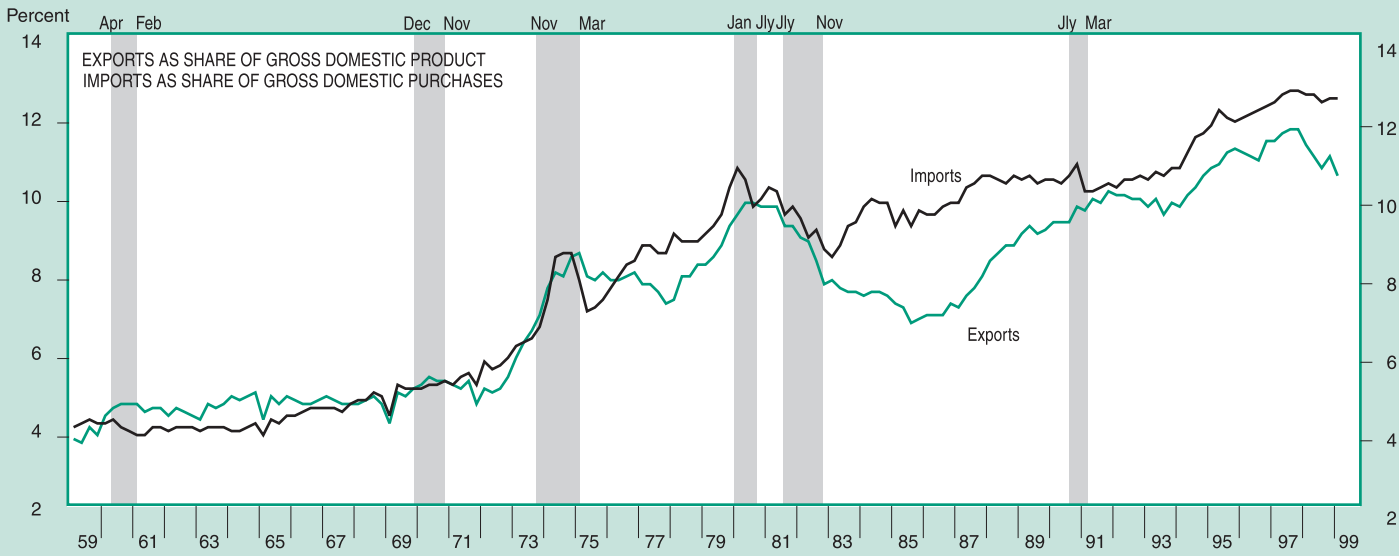
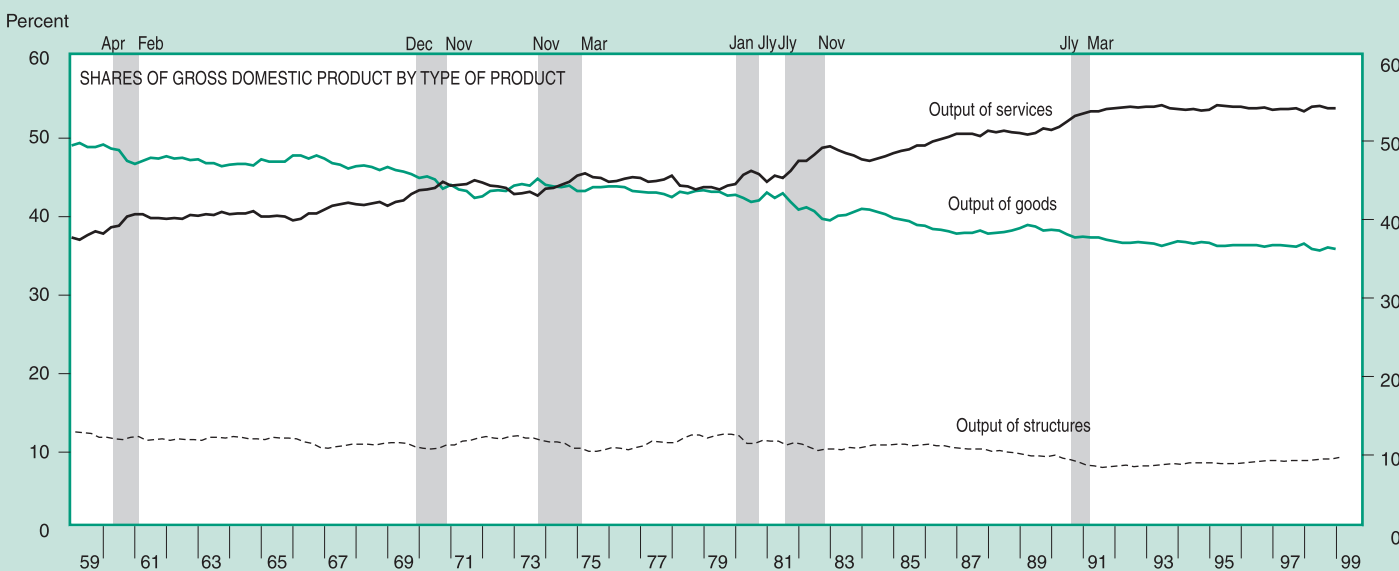
SHARES OF GROSS DOMESTIC PRODUCT BY SECTOR



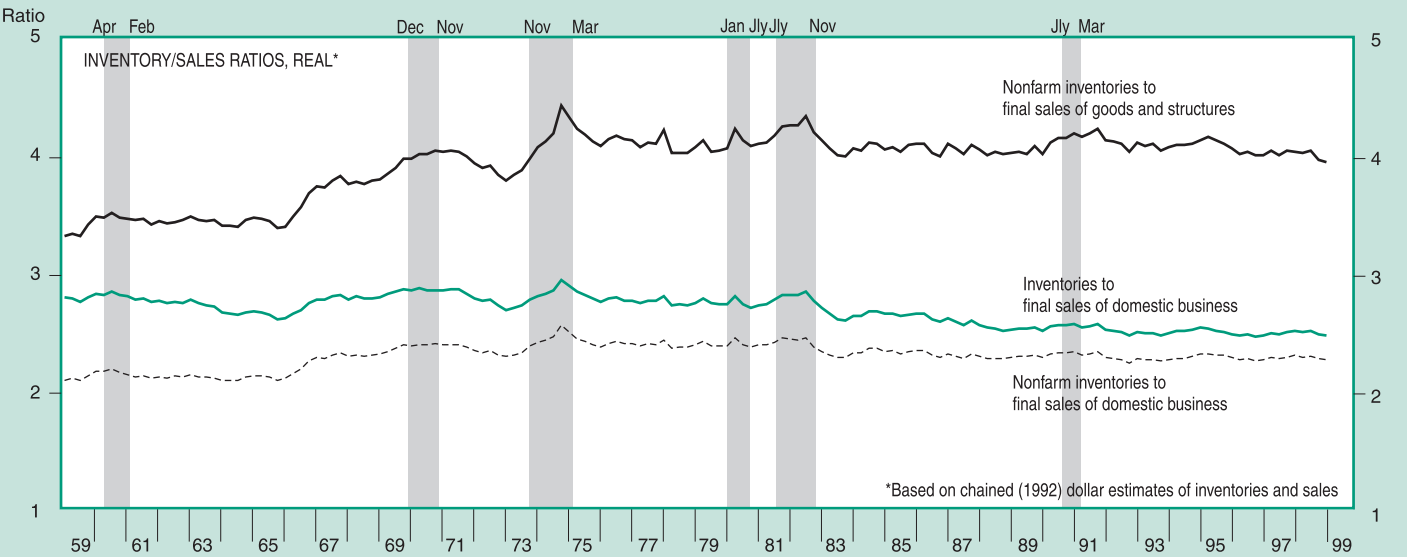
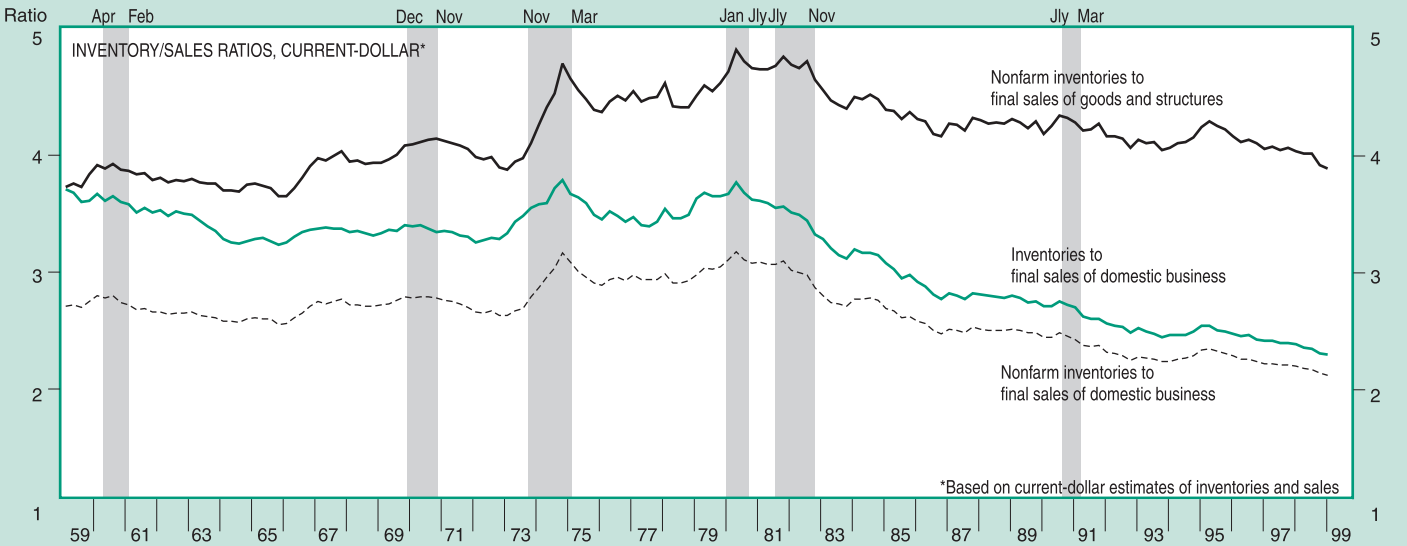
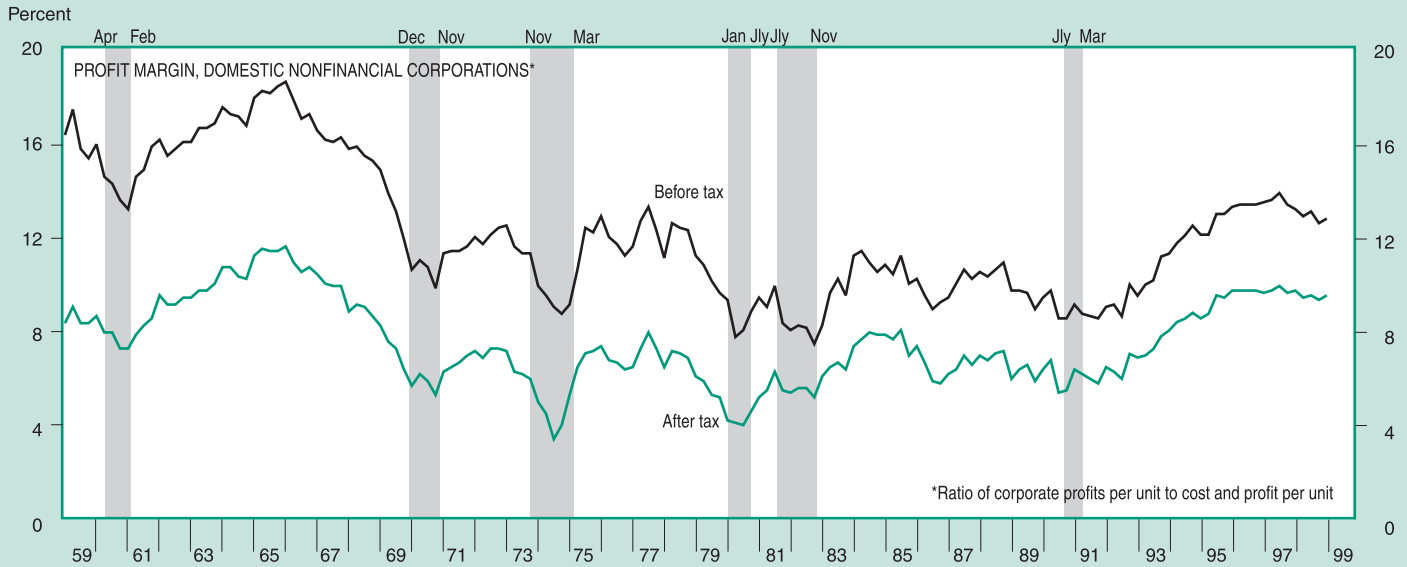
SHARES OF GROSS DOMESTIC PURCHASES



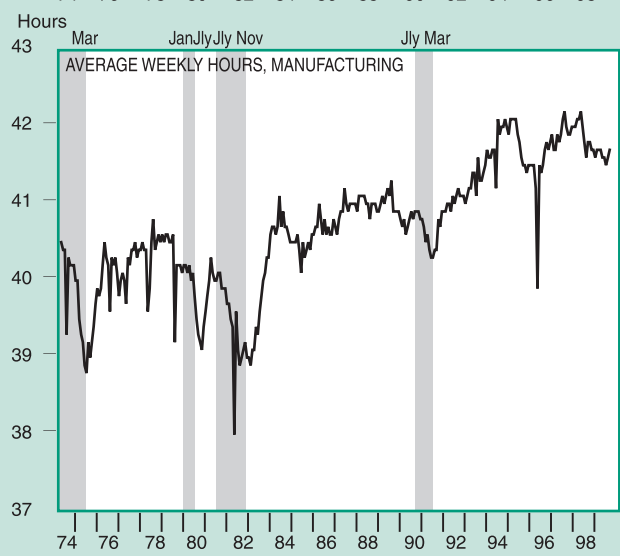
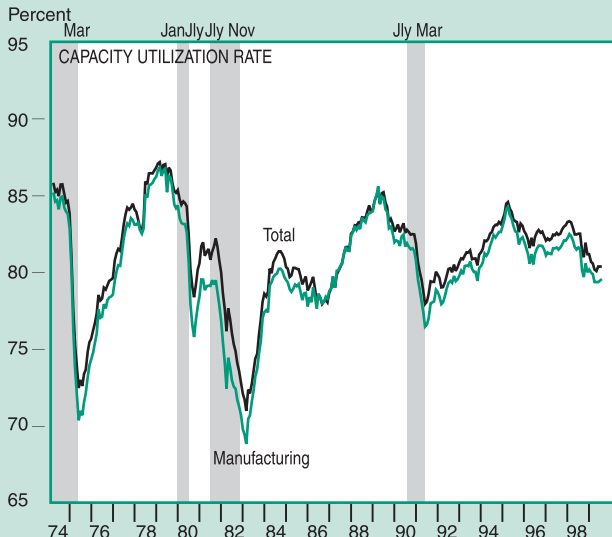
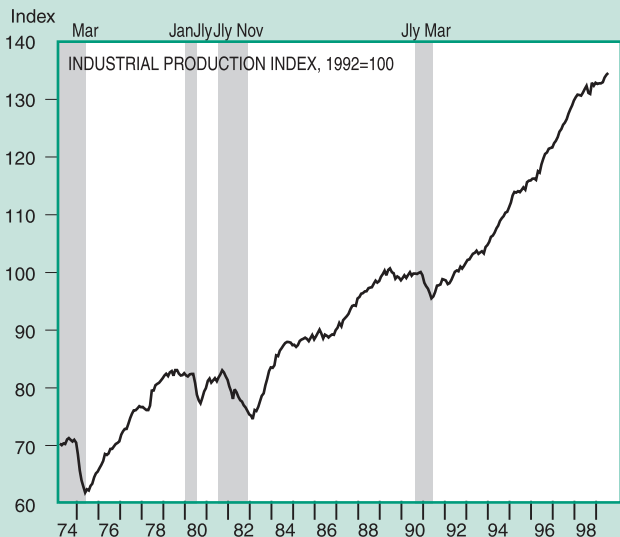
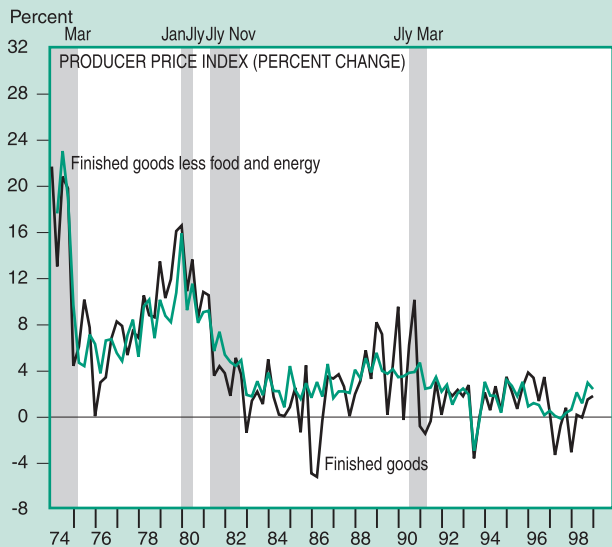
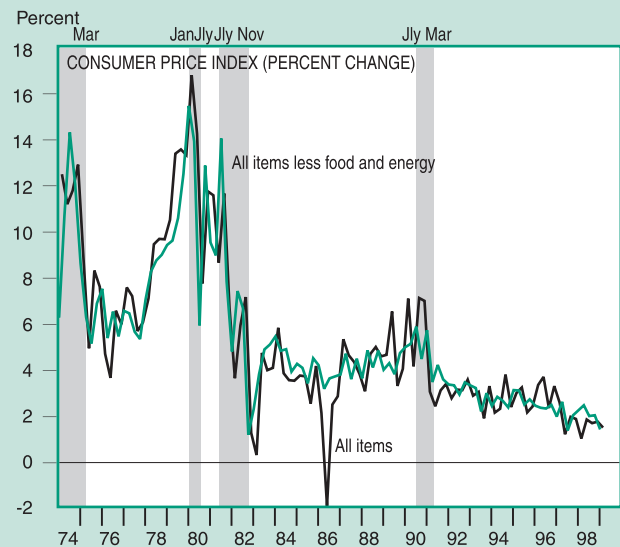
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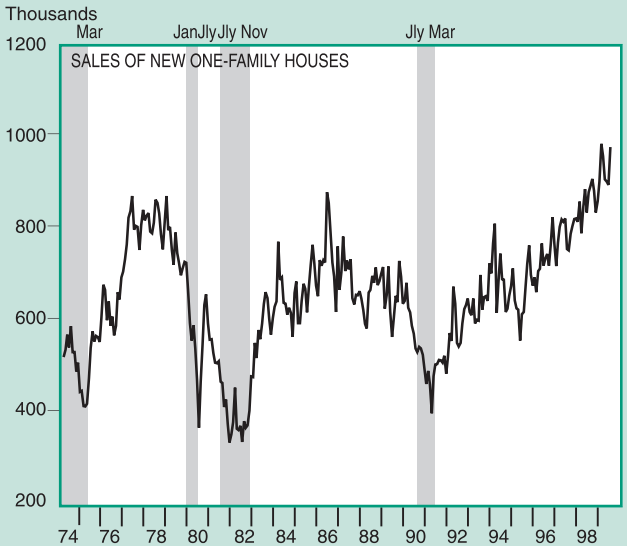
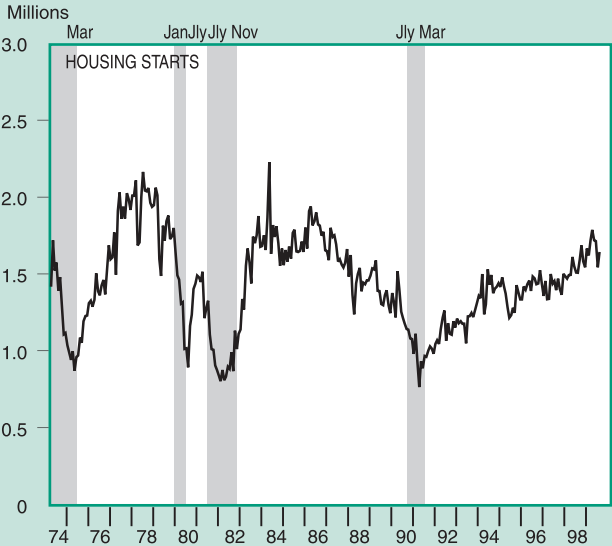
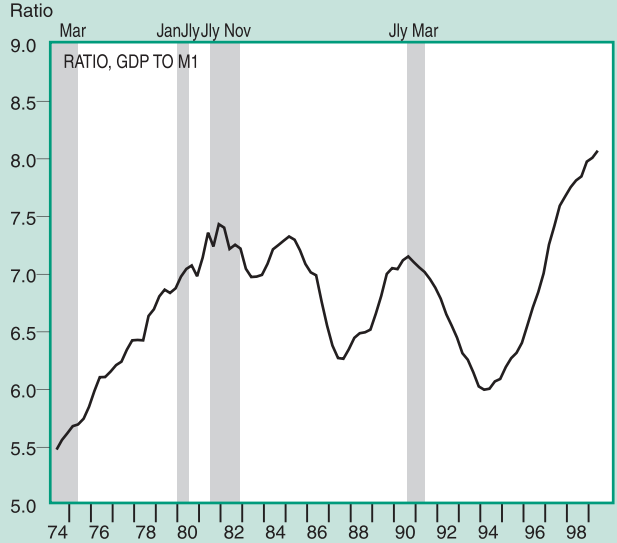
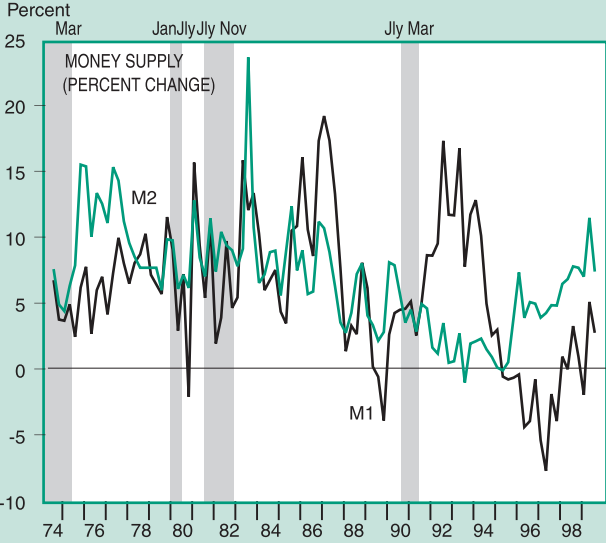
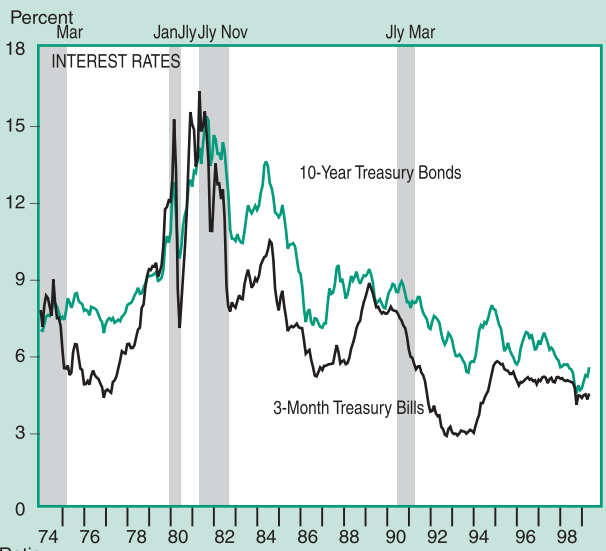
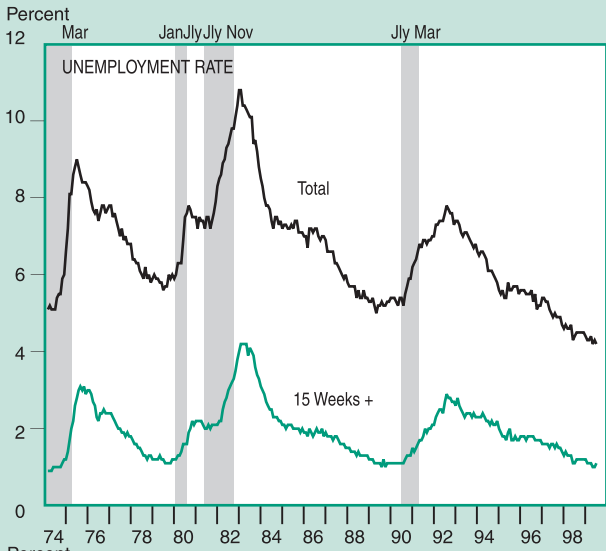
SELECTED NIPA SERIES



OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



International Data

F. Transactions Tables

To accommodate the presentation of the annual revision of the international transactions accounts, tables F.1–F.4 and the charts in section I are not shown this month. The annual revision is described in “U.S. International Transactions, Revised Estimates for 1982–98” in this issue. The data usually shown in tables F.2–F.4 are presented in greater detail in tables 1, 3, and 10 at the end of “U.S. International Transactions, First Quarter 1999” in this issue.

G. Investment Tables

Table G.1.—International Investment Position of the United States at Yearend, 1997 and 1998

[Millions of dollars]

Line	Type of investment	Position, 1997 ^r	Changes in position in 1998 (decrease (-))				Total (a+b+c+d)	Position, 1998 ^r
			Attributable to:					
			Financial flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
		(a)	(b)	(c)	(d)			
1	Net international investment position of the United States:							
2	With direct investment positions at current cost (line 3 less line 24) ...	-968,208	-209,819	-167,585	45,380	61,064	-270,960	-1,239,168
	With direct investment positions at market value (line 4 less line 25) ...	-1,066,262	-209,819	-319,300	56,282	1,633	-471,204	-1,537,466
	U.S.-owned assets abroad:							
3	With direct investment positions at current cost (lines 5+10+15)	4,508,626	292,818	101,041	43,704	-15,293	422,270	4,930,896
4	With direct investment positions at market value (lines 5+10+16)	5,288,892	292,818	315,522	54,584	-3,833	659,091	5,947,983
5	U.S. official reserve assets	134,836	6,784	-628	5,024	-10	11,170	146,006
6	Gold	75,929		³ -628		⁴ -10	-638	75,291
7	Special drawing rights	10,027	149		427		576	10,603
8	Reserve position in the International Monetary Fund	18,071	5,118		922		6,040	24,111
9	Foreign currencies	30,809	1,517		3,675		5,192	36,001
10	U.S. Government assets, other than official reserve assets	81,960	429		-5	-2	422	82,382
11	U.S. credits and other long-term assets ⁵	79,607	574			-2	572	80,179
12	Repayable in dollars	79,273	602			-1	601	79,874
13	Other ⁶	334	-28			-1	-29	305
14	U.S. foreign currency holdings and U.S. short-term assets	2,353	-145		-5		-150	2,203
	U.S. private assets:							
15	With direct investment at current cost (lines 17+19+22+23)	4,291,830	285,605	101,669	38,685	-15,281	410,678	4,702,508
16	With direct investment at market value (lines 18+19+22+23)	5,072,096	285,605	316,150	49,565	-3,821	647,499	5,719,595
	Direct investment abroad:							
17	At current cost	1,004,228	132,829	2,892	1,957	-18,465	119,213	1,123,441
18	At market value	1,784,494	132,829	217,373	12,837	-7,005	356,034	2,140,528
19	Foreign securities	1,739,400	102,817	98,777	27,962		229,556	1,968,956
20	Bonds	538,400	25,064	18,441	-20,079		23,426	561,826
21	Corporate stocks	1,201,000	77,753	80,336	48,041		206,130	1,407,130
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	562,396	25,041		5,610	3,175	33,826	596,222
23	U.S. claims reported by U.S. banks, not included elsewhere	985,806	24,918		3,156	9	28,083	1,013,889
	Foreign-owned assets in the United States:							
24	With direct investment at current cost (lines 26+33)	5,476,834	502,637	268,626	-1,676	-76,357	693,230	6,170,064
25	With direct investment at market value (lines 26+34)	6,355,154	502,637	634,822	-1,698	-5,466	1,130,295	7,485,449
26	Foreign official assets in the United States	835,709	-21,684	22,437		-409	344	836,053
27	U.S. Government securities	614,530	-3,625	9,344			5,719	620,249
28	U.S. Treasury securities	589,792	-9,957	9,152			-805	588,987
29	Other	24,738	6,332	192			6,524	31,262
30	Other U.S. Government liabilities ⁷	21,459	-3,113				-3,113	18,346
31	U.S. liabilities reported by U.S. banks, not included elsewhere	135,384	-11,469				-11,469	123,915
32	Other foreign official assets	64,336	-3,477	13,093		-409	9,207	73,543
	Other foreign assets:							
33	With direct investment at current cost (lines 35+37+38+39+42+43)	4,641,125	524,321	246,189	-1,676	-75,948	692,886	5,334,011
34	With direct investment at market value (lines 36+37+38+39+42+43)	5,519,445	524,321	612,385	-1,698	-5,057	1,129,951	6,649,396
	Direct investment in the United States:							
35	At current cost	764,045	193,375	-3,877	22	-74,848	114,672	878,717
36	At market value	1,642,365	193,375	362,319		-3,957	551,737	2,194,102
37	U.S. Treasury securities	662,228	46,155	18,961			65,116	727,344
38	U.S. currency	211,628	16,622				16,622	228,250
39	U.S. securities other than U.S. Treasury securities	1,578,694	218,026	231,105	-6,005		443,126	2,021,820
40	Corporate and other bonds	715,196	170,539	21,019	-6,005		185,553	900,749
41	Corporate stocks	863,498	47,487	210,086			257,573	1,121,071
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	453,555	9,412		-1,080	-1,100	7,232	460,787
43	U.S. liabilities reported by U.S. banks, not included elsewhere	970,975	40,731		5,387		46,118	1,017,093

^r 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 at Yearend 1998" in this issue of the SURVEY.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1996–98

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital outflows (inflows (-))			Income		
	1996	1997	1998	1996	1997	1998	1996	1997	1998
All countries, all industries	795,195	865,531	980,565	84,426	99,517	121,644	93,594	103,892	90,242
By country									
Canada	89,592	96,031	103,908	7,181	7,493	10,259	9,258	10,548	8,104
Europe	389,378	420,108	489,539	40,148	51,698	74,538	44,286	48,757	49,308
<i>Of which:</i>									
France	35,200	35,800	39,188	4,463	2,543	2,895	3,224	2,575	2,450
Germany	41,281	38,490	42,853	1,956	1,627	2,025	3,797	3,339	4,787
Netherlands	54,118	64,361	79,386	6,308	14,327	14,996	9,632	12,370	12,594
United Kingdom	134,559	153,108	178,648	16,421	22,411	34,428	12,220	13,126	11,582
Latin America and Other Western Hemisphere	155,925	178,505	196,655	18,138	21,966	18,020	17,762	21,408	16,908
<i>Of which:</i>									
Brazil	29,105	35,091	37,802	4,159	6,514	3,790	4,172	4,675	3,037
Mexico	19,351	24,181	25,877	2,405	5,646	2,533	2,721	3,905	3,177
Africa	8,162	11,157	13,491	1,678	3,371	2,712	1,801	1,954	1,719
Middle East	8,294	8,803	10,599	467	601	2,062	1,412	1,328	757
Asia and Pacific	139,548	146,610	161,797	15,363	13,693	13,471	18,795	19,513	12,623
<i>Of which:</i>									
Australia	30,006	29,910	33,676	3,787	2,393	3,659	2,851	3,598	1,898
Japan	34,578	33,725	38,153	-280	-371	3,844	3,475	3,516	2,179
International	4,295	4,317	4,578	1,451	694	582	278	383	823
By industry									
Petroleum	75,232	82,212	91,113	6,239	9,603	9,780	12,082	11,823	8,059
Manufacturing	270,288	280,332	304,690	24,325	28,097	26,680	34,342	38,283	31,416
Food and kindred products	31,024	32,465	33,871	2,095	3,806	1,670	4,452	4,910	4,262
Chemicals and allied products	74,858	77,112	83,589	5,796	7,210	7,072	9,529	10,050	9,930
Primary and fabricated metals	16,309	15,924	17,098	6,064	444	1,109	1,358	1,406	1,278
Industrial machinery and equipment	30,336	32,293	34,755	2,752	4,381	2,810	4,637	5,669	4,213
Electronic and other electric equipment	31,832	31,624	34,531	3,440	2,992	2,670	4,280	4,700	2,763
Transportation equipment	32,092	34,907	35,615	708	4,419	1,692	3,409	5,048	2,385
Other manufacturing	53,837	56,006	65,231	3,470	4,845	9,658	6,677	6,500	6,586
Wholesale trade	67,125	64,432	75,188	6,498	846	9,130	9,068	9,538	10,794
Depository institutions	36,807	40,169	42,029	2,448	3,036	1,253	3,329	3,374	577
Finance, (except depository institutions), insurance, and real estate	254,739	293,116	337,600	31,601	41,388	44,445	28,938	31,912	30,702
Services	37,850	42,342	52,514	3,511	4,557	10,867	3,627	5,533	4,722
Other industries	53,155	62,925	77,432	9,804	11,990	19,490	2,209	3,429	3,972

NOTE.—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.

Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates of U.S. Companies, by Country and by Industry of Foreign Affiliate, 1997

	Number of affiliates	Millions of dollars			Thousands of employees
		Total assets	Sales	Net income	
All countries, all industries	22,871	3,397,262	2,356,416	155,267	8,018.0
By country					
Canada	2,073	294,943	274,205	13,654	941.9
Europe	11,209	1,914,373	1,214,194	77,854	3,333.9
<i>Of which:</i>					
France	1,297	144,057	130,883	3,424	483.7
Germany	1,424	213,029	234,508	7,531	627.4
Italy	783	66,091	74,035	2,311	205.5
Netherlands	1,104	179,751	130,053	17,014	169.4
Switzerland	545	93,348	67,620	9,155	L
United Kingdom	2,532	923,207	337,907	18,020	977.2
Latin America and Other Western Hemisphere	3,583	458,889	268,912	30,849	1,629.2
<i>Of which:</i>					
Brazil	461	79,240	67,380	4,934	340.8
Mexico	874	83,500	88,063	8,488	793.0
Africa	559	40,602	29,150	2,653	186.6
Middle East	355	39,411	24,950	2,603	77.4
Asia and Pacific	4,977	628,118	536,462	26,231	1,835.8
<i>Of which:</i>					
Australia	904	96,250	68,519	3,899	304.2
Japan	990	266,028	205,072	5,925	396.7
International	115	20,926	8,545	1,422	13.2
By industry					
Petroleum	1,622	295,313	360,452	19,778	226.1
Manufacturing	8,528	884,113	1,086,129	61,660	4,592.9
Food and kindred products	789	112,875	127,710	8,810	598.0
Chemicals and allied products	2,065	220,923	207,988	17,900	622.4
Primary and fabricated metals	760	47,209	44,679	2,043	244.7
Industrial machinery and equipment	1,090	123,273	178,257	9,033	634.1
Electronic and other electric equipment	908	84,525	110,625	6,905	774.5
Transportation equipment	530	131,550	244,199	6,198	724.2
Other manufacturing	2,386	163,757	172,671	10,772	995.0
Wholesale trade	5,045	223,451	422,285	15,218	588.0
Finance, (except depository institutions), insurance, and real estate	3,115	1,498,127	135,331	42,922	218.8
Services	2,873	154,234	128,639	6,843	988.9
Other industries	1,688	342,025	223,580	8,846	1,403.3

NOTES.—The data in this table are from "U.S. Multinational Companies: Operations in 1997" in this issue of the SURVEY OF CURRENT BUSINESS.

Size ranges are given in employment cells that are suppressed. The size range is L—50,000–99,999.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1996–98

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital inflows (outflows (-))			Income		
	1996	1997	1998	1996	1997	1998	1996	1997	1998
All countries, all industries	598,021	693,207	811,756	84,455	105,488	188,960	30,407	42,115	38,015
By country									
Canada	54,836	69,866	74,840	8,590	15,399	11,859	3,190	3,361	3,010
Europe	370,843	432,622	539,906	55,989	70,508	167,655	23,724	31,380	27,635
<i>Of which:</i>									
France	43,253	49,503	62,167	7,244	10,993	12,308	2,405	3,183	3,137
Germany	61,096	71,289	95,045	19,616	12,919	42,145	2,509	3,294	4,392
Netherlands	75,349	89,570	96,904	12,262	13,658	7,018	5,271	7,103	5,920
United Kingdom	121,582	131,315	151,335	14,404	11,234	69,968	10,374	11,440	7,815
Latin America and Other Western Hemisphere	28,002	33,546	32,210	1,990	3,993	278	1,383	1,752	1,494
<i>Of which:</i>									
Brazil	697	742	609	-64	64	-132	45	44	82
Mexico	1,641	3,315	4,029	-47	330	864	1	171	270
Africa	994	1,465	884	-101	435	-572	-136	-352	-89
Middle East	5,812	6,593	7,831	496	791	967	118	617	475
Asia and Pacific	137,533	149,115	156,085	17,493	14,361	8,773	2,129	5,356	5,489
<i>Of which:</i>									
Australia	14,968	14,703	14,755	5,321	2,254	2,034	492	214	672
Japan	116,144	125,131	132,569	13,337	9,275	7,101	2,939	5,780	5,187
By industry									
Petroleum	43,483	42,085	53,254	8,852	2,805	57,355	4,160	4,555	1,443
Manufacturing	245,662	273,122	329,346	37,538	36,086	87,454	15,694	18,628	20,696
Food and kindred products	28,088	26,710	18,112	1,981	-903	-5,020	1,819	1,532	1,056
Chemicals and allied products	79,515	88,831	101,351	8,081	13,746	10,325	5,014	5,556	6,190
Primary and fabricated metals	18,576	23,366	22,512	5,397	4,258	1,041	1,024	1,572	1,744
Machinery	39,093	46,636	59,260	2,868	7,573	18,475	1,166	2,805	2,718
Other manufacturing	80,390	87,580	128,112	19,211	11,411	62,632	6,671	7,162	8,988
Wholesale trade	73,506	87,630	96,261	7,974	14,729	11,004	2,256	3,972	5,247
Retail trade	13,765	16,718	18,778	2,708	2,622	1,946	509	487	579
Depository institutions	31,264	38,118	44,785	138	6,800	5,684	2,867	3,930	3,067
Finance, except depository institutions	37,531	43,413	50,858	6,186	7,140	5,812	855	1,979	-718
Insurance	56,124	70,492	80,378	6,747	12,097	6,817	2,382	4,681	4,019
Real estate	35,169	40,060	44,436	2,535	4,675	3,284	-59	789	948
Services	29,391	38,521	50,252	4,214	7,862	10,744	-14	916	1,358
Other industries	32,126	43,049	43,409	7,562	10,673	-1,139	1,757	2,178	1,376

NOTE.—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.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies, by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1996

	Number of affiliates	Millions of dollars				Thousands of employees	Millions of dollars	
		Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
All countries, all industries	12,626	2,613,985	1,596,022	21,110	339,485	4,977.5	136,588	252,990
By country								
Canada	1,289	263,862	121,650	5,035	30,026	618.6	5,658	14,123
Europe	5,411	1,507,678	881,931	15,885	218,174	3,103.9	63,104	86,533
<i>Of which:</i>								
France	667	274,775	127,434	3,120	32,584	411.8	18,386	12,888
Germany	1,328	249,891	168,151	3,096	40,467	610.2	13,493	28,304
Netherlands	397	180,292	111,395	2,785	29,299	378.8	4,468	8,969
Switzerland	623	275,890	96,026	310	19,461	306.2	6,457	7,550
United Kingdom	1,203	413,966	277,026	5,890	73,960	972.6	12,354	13,267
Latin America and Other Western Hemisphere	1,088	57,482	53,767	147	12,699	155.4	5,725	10,621
<i>Of which:</i>								
Brazil	78	10,652	4,462	160	283	4.5	1,192	1,241
Mexico	275	8,454	7,982	-643	1,439	35.8	688	2,248
Africa	74	11,708	10,605	733	2,555	22.7	522	560
Middle East	430	26,501	21,024	-258	5,292	61.8	607	5,481
Asia and Pacific	4,249	635,683	487,580	-3,370	65,469	972.9	60,077	134,416
<i>Of which:</i>								
Australia	171	44,617	23,013	243	5,539	77.4	1,268	1,375
Japan	3,240	549,408	418,320	-2,271	54,560	776.4	52,555	117,433
United States	85	111,071	19,466	2,938	5,270	42.2	894	1,255
By industry								
Petroleum	236	114,735	152,832	5,586	32,733	111.8	9,984	21,080
Manufacturing	2,950	578,886	552,023	7,153	156,354	2,213.6	58,821	78,531
Food and kindred products	257	58,624	49,562	3,591	11,783	205.4	2,848	3,379
Chemicals and allied products	338	180,996	134,451	549	42,095	409.8	15,656	14,254
Primary and fabricated metals	407	60,804	62,902	1,010	16,079	233.3	4,066	7,390
Machinery	736	95,234	124,066	-737	31,863	536.8	20,575	28,733
Other manufacturing	1,212	183,228	181,042	2,738	54,534	828.4	15,677	24,776
Wholesale trade	2,230	233,829	466,700	2,839	41,973	488.6	62,792	147,958
Retail trade	352	50,063	94,028	377	24,544	821.0	1,507	3,408
Finance, except depository institutions	907	705,181	58,230	64	6,001	49.3	15	21
Insurance	161	575,947	89,625	5,306	10,658	152.0	0	0
Real estate	3,507	100,549	13,903	-1,718	4,984	27.1	7	1
Services	1,283	105,297	56,247	-3,402	21,840	633.8	738	1,173
Other industries	1,000	149,497	112,434	4,907	40,398	480.3	2,725	818

^D Suppressed to avoid disclosure of data of individual companies.

NOTE.—The data in this table are from "Foreign Direct Investment in the United States: New Investment in 1997 and Affiliate Operations in 1996" in the June 1998 issue of the SURVEY.

H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

	1997	1998	1998										1999			
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Exchange rates per U.S. dollar (not seasonally adjusted) ¹																
Canada (Can./US\$)	1.3849	1.4836	1.4166	1.4298	1.4452	1.4655	1.4869	1.5346	1.5218	1.5452	1.5404	1.5433	1.5194	1.4977	1.5176	1.4881
European Monetary Union (Euro/US\$) ²													1.1591	1.1203	1.0886	1.0701
France (FFr/US\$) ²	5.8393	5.8995	6.1257	6.0782	5.9528	6.0118	6.0280	5.9912	5.6969	5.4925	5.6422	5.5981				
Germany (DM/US\$) ²	1.7348	1.7597	1.8272	1.8132	1.7753	1.7928	1.7976	1.7869	1.6990	1.6381	1.6827	1.6698				
Italy (L/US\$) ²	17.0381	17.3685	17.9907	17.9124	17.5079	17.6632	17.7242	17.6301	16.7892	16.2096	16.6491	16.5323				
Japan (¥/US\$)	1.2106	1.3099	1.2908	1.3175	1.3490	1.4033	1.4079	1.4468	1.3448	1.2105	1.2029	1.1707	1.1329	1.1667	1.1947	1.1977
Mexico (Peso/US\$)	7.9177	9.1520	8.5681	8.5017	8.5848	8.9200	8.8990	9.3712	10.2192	10.1594	9.9680	9.9070	10.1280	10.0060	9.7320	9.4300
United Kingdom (US\$/£)	1.6376	1.6573	1.6619	1.6723	1.6382	1.6504	1.6437	1.6342	1.6823	1.6944	1.6611	1.6708	1.6498	1.6276	1.6213	1.6089
Addendum: Exchange value of the U.S. dollar ² ..	104.47	116.25	114.36	114.13	115.16	117.87	118.17	120.14	118.85	115.46	115.34	114.56	114.68	116.37	117.80	117.15
Unemployment rates (percent, monthly data seasonally adjusted)																
Canada	9.2	8.3	8.4	8.4	8.4	8.4	8.4	8.3	8.3	8.0	8.0	8.0	7.8	7.8	7.8	8.3
France	12.5	11.8	12.0	11.9	11.9	11.8	11.8	11.8	11.7	11.6	11.5	11.5	11.4	11.5	11.5	11.4
Germany	11.5	11.1	11.5	11.3	11.2	11.0	10.9	10.9	10.8	10.7	10.7	10.7	10.6	10.5	10.5	
Italy	12.3	12.3			12.4			12.4			12.4			12.1		
Japan	3.4	4.1	3.9	4.1	4.1	4.2	4.1	4.3	4.3	4.3	4.4	4.4	4.4	4.6	4.8	4.8
Mexico	3.7	3.2	3.4	3.1	3.2	3.4	3.2	3.0	3.3	3.1	3.6	2.6	2.8	3.2	2.7	
United Kingdom	5.5	4.7	4.8	4.7	4.7	4.7	4.6	4.6	4.6	4.6	4.6	4.6	4.5	4.6	4.5	4.5
Addendum: United States	4.9	4.5	4.7	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.4	4.3	4.3	4.4	4.2	4.3
Consumer prices (monthly data seasonally adjusted, 1990=100)																
Canada	115.3	116.5	116.2	116.1	116.5	116.7	116.7	116.7	116.4	116.9	116.9	116.5	116.8	117.0	117.4	118.0
France	115.2	116.1	116.1	116.3	116.3	116.5	116.1	116.1	116.1	116.1	116.0	116.1	115.8	116.1	116.6	116.8
Germany	118.6	119.7	119.2	119.5	119.9	120.0	120.3	120.2	119.9	119.7	119.7	119.6				
Italy	135.2	137.5	136.9	137.1	137.4	137.5	137.5	137.7	137.8	138.0	138.2	138.2	138.3	138.6	138.8	139.3
Japan	109.0	109.7	109.6	109.8	110.1	109.7	109.0	108.9	109.8	110.5	110.4	110.0	109.5	109.0	109.1	109.7
Mexico	364.0	422.0	405.7	409.5	412.7	417.6	421.7	425.7	432.6	438.8	446.6	457.5	469.0	475.3	479.8	484.2
United Kingdom	124.9	129.1	127.5	128.9	129.6	129.6	129.2	129.8	130.3	130.4	130.3	130.3	129.6	129.8	130.1	131.0
Addendum: United States	122.9	124.8	124.1	124.4	124.7	124.8	125.0	125.1	125.2	125.4	125.7	125.8	126.0	126.1	126.3	127.2
Real gross domestic product (percent change from preceding quarter, quarterly data seasonally adjusted at annual rates)																
Canada	3.8	3.0			1.5			1.7			4.6					
France	2.3	3.2			3.6			1.5			2.9					
Germany	2.3	2.5			-1			3.6			-1.5					
Italy	1.5				2.3			2.0								
Japan	1.4	-2.8			-2.9			-1.2			-3.2					
Mexico	7.0	4.6			9.8			4.8			-6.2					
United Kingdom	3.5	2.1			1.2			1.1			.3			-1		
Addendum: United States	3.9	3.9			1.8			3.7			6.0			4.3		

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

	1997	1998	1998										1999			
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Short-term, 3-month, interest rates (percent, not seasonally adjusted)																
Canada	3.53	5.04	4.85	4.88	5.00	5.00	5.02	5.15	5.59	5.27	5.13	4.99	4.99	5.02	5.00	4.71
France	3.46	3.56	3.57	3.63	3.61	3.57	3.56	3.56	3.54	3.56	3.59	3.32	.....	.....	.....	.....
Germany	3.33	3.54	3.52	3.63	3.63	3.56	3.54	3.50	3.49	3.57	3.63	3.38	.....	.....	.....	.....
Italy	6.88	4.99	5.62	5.23	5.11	5.12	4.88	4.89	4.97	4.53	3.95	3.38	.....	.....	.....	.....
Japan .....	.60	.72	.81	.70	.59	.58	.74	.73	.55	.61	.63	.62	.69	.58	.20	.19
Mexico	21.27	26.11	20.76	19.47	18.85	20.99	21.82	25.22	41.03	37.49	34.30	34.35	32.27	28.72	23.86	21.05
United Kingdom	6.83	7.33	7.48	7.44	7.41	7.62	7.70	7.66	7.37	7.13	6.88	6.37	5.79	5.42	5.29	5.23
Addendum: United States	5.07	4.81	5.03	5.00	5.03	4.99	4.96	4.94	4.74	4.08	4.44	4.42	4.34	4.45	4.48	4.28
Long-term interest rates, government bond yields (percent, not seasonally adjusted)																
Canada	6.47	5.45	5.64	5.50	5.52	5.45	5.46	5.65	5.39	5.17	5.39	5.07	5.13	5.26	5.34	5.26
France	5.67	4.82	5.04	5.12	5.05	4.95	4.91	4.61	4.39	4.51	4.43	4.41	4.13	4.42	4.39	4.25
Germany	5.70	4.60	4.90	4.90	5.00	4.80	4.70	4.40	4.10	4.10	4.10	3.90	3.70	3.90	4.00	3.90
Italy	6.86	4.88	5.20	5.15	5.21	5.08	4.97	4.79	4.53	4.49	4.38	4.00	3.92	4.05	4.27	4.11
Japan	2.37	1.54	1.86	1.87	1.66	1.54	1.68	1.50	1.10	.88	.98	1.49	1.91	2.12	1.82	1.56
United Kingdom	7.04	5.52	5.95	5.79	5.83	5.73	5.75	5.54	5.12	5.00	4.91	4.50	4.29	4.45	4.66	4.59
Addendum: United States	6.35	5.26	5.65	5.64	5.65	5.50	5.46	5.34	4.81	4.53	4.83	4.65	4.72	5.00	5.23	5.18
Share price indices (not seasonally adjusted, 1990=100)																
Canada	189	198	221	224	222	215	203	162	164	181	185	190	197	185	193	205
France	152	198	195	208	216	223	228	211	189	177	197	200	217	217	218	.....
Germany	158	202	201	214	219	228	237	215	191	175	193	191	205	200	196	205
Italy	131	210	214	238	232	225	239	224	191	180	204	214	230	226	237	240
Japan	64	54	58	56	56	55	58	54	50	47	51	51	50	51	55	61
Mexico	779	744	880	894	795	751	745	525	626	715	661	696	694	747	865	950
United Kingdom	189	222	226	232	237	236	238	222	207	201	219	221	232	235	240	.....
Addendum: United States	249	300	306	315	313	311	320	294	276	279	308	314	325	321	329	342

1. All exchange rates are from the Board of Governors of the Federal Reserve System.

2. As of January 1, 1999, the euro is reported in place of the individual euro-area currencies. These currency rates can be derived from the euro rate by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire. The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100. For more information on the exchange rate indexes, see "New Summary Meas-

ures of the Foreign Exchange Value of the Dollar," *Federal Reserve Bulletin*, vol. 84 (October 1998), pp. 811-18.

NOTE.—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. All other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1990 to facilitate comparison) are © OECD, June 1999, *OECD Main Economic Indicators* and are reproduced with permission of the OECD.

Regional Data

J. State and Regional Tables

The tables in this section include the most recent estimates of State personal income and gross state product. The sources of these estimates are noted.

The quarterly and annual State personal income estimates and the gross state product estimates are available on diskettes or CD-ROM. For information on personal income, E-mail reis.rem@d-bea.doc.gov; write to the Regional Economic Information System, BE-55, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5360. For information on gross state product, E-mail gspread@bea.doc.gov; write to the Regional Economic Analysis Division, BE-61, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5340.

Table J.1.—Quarterly Personal Income for States and Regions

Area name	Millions of dollars, seasonally adjusted at annual rates												Percent change ¹			
	1996				1997				1998				1997:IV-1998:I	1998:I-1998:II	1998:II-1998:III	1998:III-1998:IV
	I	II	III	IV	I	II	III	IV	I	II	III	IV				
United States	6,267,885	6,371,958	6,458,511	6,534,057	6,650,207	6,726,629	6,807,506	6,898,259	7,005,778	7,091,306	7,177,065	7,282,078	1.6	1.2	1.2	1.5
New England	375,964	382,128	387,175	392,892	399,830	403,744	408,242	415,615	419,594	425,572	431,757	436,789	1.0	1.4	1.5	1.2
Connecticut	108,427	110,288	111,745	113,155	115,126	116,357	117,455	119,755	121,224	122,235	123,680	125,257	1.2	.8	1.2	1.3
Maine	25,372	25,736	26,119	26,510	26,877	27,112	27,267	27,715	27,808	28,346	28,852	29,227	.3	1.9	1.8	1.3
Massachusetts	175,689	178,781	181,199	184,323	187,831	189,367	191,863	194,969	196,853	200,408	203,392	205,768	1.0	1.8	1.5	1.2
New Hampshire	30,048	30,420	30,824	31,241	31,755	32,233	32,759	33,436	33,600	34,074	34,791	35,103	.5	1.4	1.1	.9
Rhode Island	23,637	23,964	24,166	24,501	24,886	25,223	25,372	25,877	26,087	26,311	26,670	26,885	.8	.9	1.4	.8
Vermont	12,793	12,939	13,123	13,163	13,354	13,452	13,524	13,864	14,021	14,197	14,372	14,548	1.1	1.3	1.2	1.2
Mideast	1,221,939	1,239,455	1,252,383	1,267,238	1,287,567	1,293,436	1,309,439	1,325,328	1,344,082	1,361,366	1,376,961	1,394,148	1.4	1.3	1.1	1.2
Delaware	19,197	19,511	19,851	20,333	20,631	20,639	21,094	21,422	21,877	22,075	22,146	22,581	2.1	.9	.3	2.0
District of Columbia	18,335	18,239	18,523	18,754	18,760	18,805	19,028	19,085	19,178	19,378	19,645	19,802	.5	1.0	1.4	.8
Maryland	135,394	137,126	138,965	140,786	143,770	145,016	146,589	148,983	150,629	152,795	154,854	156,733	1.1	1.4	1.3	1.2
New Jersey	242,314	246,523	248,881	251,807	257,066	258,617	261,795	265,466	270,022	272,517	277,702	281,350	1.7	.9	1.9	1.3
New York	518,146	524,129	528,376	534,908	543,350	543,675	551,780	556,901	565,261	574,244	579,681	587,929	1.5	1.6	.9	1.4
Pennsylvania	288,553	293,927	297,787	300,651	303,989	306,686	309,153	313,471	317,115	320,357	322,932	325,754	1.2	1.0	.8	.9
Great Lakes	1,033,181	1,049,582	1,063,248	1,072,178	1,089,113	1,102,312	1,112,380	1,126,771	1,141,669	1,152,129	1,158,239	1,176,925	1.3	.9	.5	1.6
Illinois	309,028	313,062	317,189	320,562	325,749	330,416	333,657	338,040	342,075	345,833	349,029	354,197	1.2	1.1	.9	1.5
Indiana	126,763	128,944	130,774	131,798	133,919	135,408	136,348	138,619	140,442	141,886	143,302	145,868	1.3	1.0	1.0	1.8
Michigan	228,900	233,068	235,053	237,261	240,467	243,025	245,370	247,430	252,523	254,019	251,842	257,178	2.1	.6	.9	2.2
Ohio	252,328	256,354	260,082	261,262	266,151	269,084	271,385	275,181	278,262	280,222	282,477	286,005	1.1	.7	-8.2	1.2
Wisconsin	116,163	118,155	120,149	121,295	122,827	124,378	125,620	127,501	128,366	130,170	131,788	133,678	.7	1.4	1.2	1.4
Plains	416,306	423,462	429,560	433,543	438,635	444,771	449,351	454,161	459,403	464,785	468,739	480,341	1.2	1.2	.9	2.5
Iowa	61,472	62,498	63,462	63,805	64,874	65,808	66,185	67,105	67,039	67,724	68,535	70,634	1.1	1.0	1.2	3.1
Kansas	57,549	58,248	59,124	59,836	61,007	62,081	62,782	63,581	64,340	65,196	65,722	67,446	1.2	1.3	.8	2.6
Minnesota	114,468	116,728	118,543	119,432	120,365	121,372	122,376	123,483	124,442	125,435	129,908	132,820	1.9	1.3	.4	2.2
Missouri	118,789	120,583	122,068	123,618	126,067	127,093	128,381	129,637	130,528	131,922	133,454	135,478	.7	1.1	1.2	1.5
Nebraska	36,673	37,445	37,902	38,590	38,487	39,037	39,412	39,604	40,072	40,722	41,206	42,633	1.2	1.6	1.2	3.5
North Dakota	12,663	12,922	13,200	13,146	12,646	12,838	12,986	13,072	13,603	13,639	13,712	14,381	1.4	.3	.5	4.9
South Dakota	14,691	15,038	15,261	15,314	15,190	15,541	15,736	15,729	15,998	16,148	16,201	16,949	1.7	.9	.3	4.6
Southeast	1,367,907	1,393,553	1,415,101	1,429,465	1,458,318	1,472,319	1,488,852	1,509,533	1,532,555	1,553,001	1,574,919	1,595,452	1.5	1.3	1.4	1.3
Alabama	83,232	84,745	85,973	86,565	88,240	88,927	89,599	90,226	91,879	92,882	93,831	94,668	1.4	1.1	1.0	.9
Arkansas	45,801	47,079	47,667	47,918	48,531	49,268	49,629	50,338	50,807	51,279	51,613	52,879	.9	.9	.7	2.5
Florida	335,919	341,341	346,885	351,079	357,463	361,282	366,450	370,723	376,898	382,795	388,765	393,954	1.7	1.6	1.6	1.3
Georgia	162,657	167,047	170,153	171,965	175,822	177,615	179,751	182,310	186,461	189,051	193,232	196,090	2.3	1.4	2.2	1.5
Kentucky	73,726	75,116	76,480	77,127	79,087	80,058	80,819	81,777	83,186	84,103	85,159	86,184	1.7	1.1	1.3	1.2
Louisiana	83,501	84,805	85,722	86,371	87,638	88,570	89,247	90,811	91,867	93,106	93,465	94,605	1.2	1.3	.4	1.2
Mississippi	46,148	47,018	47,664	47,770	48,597	49,213	49,609	50,330	51,188	51,704	52,521	53,288	1.7	1.0	1.6	1.5
North Carolina	156,451	160,466	162,860	164,941	169,449	171,121	172,593	175,453	178,193	180,376	182,522	184,445	1.6	1.2	1.2	1.1
South Carolina	71,665	73,021	74,197	74,858	76,523	77,139	78,010	79,071	79,883	80,986	82,585	83,513	1.0	1.4	2.0	1.1
Tennessee	113,292	114,972	116,688	117,838	120,173	120,999	122,280	124,284	125,290	127,349	128,731	130,400	.8	1.6	1.1	1.3
Virginia	163,021	165,170	167,591	169,623	173,146	174,227	176,798	179,473	182,257	184,538	187,303	189,830	1.6	1.3	1.5	1.3
West Virginia	32,496	32,776	33,220	33,411	33,649	33,900	34,066	34,337	34,647	34,833	35,193	35,596	.9	.5	1.0	1.1
Southwest	599,717	609,936	619,199	628,208	643,609	655,242	666,522	676,461	691,928	700,388	710,772	720,710	2.3	1.2	1.5	1.4
Arizona	91,202	92,667	94,349	95,347	97,748	99,234	100,914	102,744	104,689	106,785	108,715	110,453	1.9	2.0	1.8	1.6
New Mexico	31,354	31,711	32,005	32,233	32,780	33,202	33,404	33,689	34,192	34,496	34,711	35,113	1.5	.9	.6	1.2
Oklahoma	62,456	63,496	64,260	64,788	66,453	67,024	67,623	68,676	69,496	70,059	70,681	71,873	1.2	.8	.9	1.7
Texas	414,706	422,062	428,586	435,840	446,628	455,782	464,580	471,352	483,551	489,048	496,685	503,271	2.6	1.1	1.6	1.3
Rocky Mountain	181,968	185,700	188,606	191,273	194,734	198,098	201,433	204,128	208,873	211,139	213,703	217,225	2.3	1.1	1.2	1.6
Colorado	94,993	96,947	98,644	100,356	101,986	104,199	106,206	108,182	111,772	112,954	114,413	116,048	3.3	1.1	1.3	1.4
Idaho	22,895	23,412	23,613	23,751	24,167	24,524	24,894	25,017	25,385	25,566	25,990	26,667	1.5	.7	1.7	2.6
Montana	16,241	16,457	16,648	16,836	17,007	17,182	17,349	17,565	17,508	17,710	17,665	18,161	-.3	1.2	-3.2	2.8
Utah	37,718	38,618	39,294	39,802	40,836	41,410	42,087	42,393	43,206	43,938	44,395	44,998	1.9	1.7	1.0	1.4
Wyoming	10,121	10,265	10,418	10,528	10,737	10,783	10,897	10,972	11,002	10,972	11,240	11,351	.3	-.3	2.4	1.0
Far West	1,070,902	1,088,142	1,103,240	1,119,261	1,138,401	1,156,706	1,171,286	1,186,262	1,207,673	1,222,926	1,241,975	1,260,488	1.8	1.3	1.6	1.5

Table J.2.—Annual Personal Income and Disposable Personal Income for States and Regions

Area name	Personal income					Disposable personal income				
	Millions of dollars			Percent change		Millions of dollars			Percent change	
	1996	1997	1998	1996-97	1997-98	1996	1997	1998	1996-97	1997-98
United States	6,408,103	6,770,650	7,139,057	5.7	5.4	5,518,569	5,782,712	6,041,969	4.8	4.5
New England	384,540	406,858	428,428	5.8	5.3	323,239	338,425	352,400	4.7	4.1
Connecticut	110,904	117,173	123,099	5.7	5.1	91,503	95,453	98,927	4.3	3.6
Maine	25,934	27,243	28,559	5.0	4.8	22,772	23,671	24,589	3.9	3.9
Massachusetts	179,998	191,008	201,605	6.1	5.5	149,777	157,389	164,242	5.1	4.4
New Hampshire	30,633	32,546	34,392	6.2	5.7	26,831	28,254	29,615	5.3	4.8
Rhode Island	24,067	25,340	26,488	5.3	4.5	21,022	21,942	22,752	4.4	3.7
Vermont	13,004	13,549	14,285	4.2	5.4	11,333	11,717	12,275	3.4	4.8
Mideast	1,245,254	1,303,943	1,369,139	4.7	5.0	1,057,756	1,096,946	1,139,382	3.7	3.9
Delaware	19,723	20,946	22,170	6.2	5.8	16,796	17,699	18,559	5.4	4.9
District of Columbia	18,463	18,919	19,501	2.5	3.1	15,623	15,851	16,075	1.5	1.4
Maryland	138,068	146,090	153,753	5.8	5.2	117,094	122,434	127,871	4.6	4.4
New Jersey	247,381	260,736	275,398	5.4	5.6	210,191	219,885	229,759	4.6	4.5
New York	526,390	548,927	576,779	4.3	5.1	442,273	456,565	473,658	3.2	3.7
Pennsylvania	295,230	308,325	321,540	4.4	4.3	255,779	264,511	273,460	3.4	3.4
Great Lakes	1,054,547	1,107,644	1,157,241	5.0	4.5	902,103	939,326	972,902	4.1	3.6
Illinois	314,960	331,966	347,784	5.4	4.8	268,434	280,280	291,173	4.4	3.9
Indiana	129,570	136,073	142,874	5.0	5.0	111,656	116,414	121,388	4.3	4.3
Michigan	233,571	244,073	253,841	4.5	4.0	199,607	206,608	213,131	3.5	3.2
Ohio	257,506	270,450	281,741	5.0	4.2	221,394	230,780	237,911	4.2	3.1
Wisconsin	118,940	125,081	131,001	5.2	4.7	101,011	105,244	109,300	4.2	3.9
Plains	425,718	446,730	468,317	4.9	4.8	367,001	381,713	397,521	4.0	4.1
Iowa	62,759	65,993	68,483	5.2	3.8	54,824	57,253	58,985	4.4	3.0
Kansas	58,690	62,363	65,676	6.3	5.3	50,703	53,488	55,879	5.5	4.5
Minnesota	117,293	123,010	129,996	4.9	5.7	97,774	101,468	106,618	3.8	5.1
Missouri	121,265	127,795	132,845	5.4	4.0	105,529	110,307	113,838	4.5	3.2
Nebraska	37,652	39,135	41,158	3.9	5.2	32,903	33,827	35,392	2.8	4.6
North Dakota	12,983	12,885	13,834	-8	7.4	11,620	11,389	12,209	-2.0	7.2
South Dakota	15,076	15,549	16,324	3.1	5.0	13,649	13,982	14,601	2.4	4.4
Southeast	1,401,506	1,482,256	1,563,982	5.8	5.5	1,225,384	1,286,377	1,346,080	5.0	4.6
Alabama	85,128	89,348	93,315	5.0	4.4	75,473	78,809	81,896	4.4	3.9
Arkansas	47,116	49,442	51,644	4.9	4.5	41,791	43,686	45,276	4.5	3.6
Florida	343,806	363,980	385,603	5.9	5.9	298,933	313,790	329,106	5.0	4.9
Georgia	167,956	178,875	191,208	6.5	6.9	145,199	153,506	162,575	5.7	5.9
Kentucky	75,612	80,435	84,658	6.4	5.3	65,938	69,749	72,992	5.8	4.7
Louisiana	85,099	89,067	93,261	4.7	4.7	76,061	78,903	82,010	3.7	3.9
Mississippi	47,150	49,437	52,175	4.9	5.5	42,827	44,697	46,971	4.4	5.1
North Carolina	161,179	172,154	181,384	6.8	5.4	139,842	148,266	154,638	6.0	4.3
South Carolina	73,435	77,686	81,742	5.8	5.2	64,545	67,858	71,043	5.1	4.7
Tennessee	115,697	121,934	127,942	5.4	4.9	102,991	107,789	112,354	4.7	4.2
Virginia	166,351	175,911	185,982	5.7	5.7	142,308	149,103	156,212	4.8	4.8
West Virginia	32,976	33,988	35,067	3.1	3.2	29,476	30,222	31,007	2.5	2.6
Southwest	614,265	660,458	705,949	7.5	6.9	543,363	581,106	616,870	6.9	6.2
Arizona	93,391	100,160	107,660	7.2	7.5	81,041	86,119	91,907	6.3	6.7
New Mexico	31,826	33,269	34,628	4.5	4.1	28,249	29,307	30,399	3.7	3.7
Oklahoma	63,750	67,444	70,522	5.8	4.6	56,059	58,974	61,271	5.2	3.9
Texas	425,298	459,585	493,139	8.1	7.3	378,015	406,707	433,293	7.6	6.5
Rocky Mountain	186,887	199,598	212,735	6.8	6.6	160,565	170,034	179,702	5.9	5.7
Colorado	97,735	105,143	113,797	7.6	8.2	83,250	88,686	95,158	6.5	7.3
Idaho	23,418	24,651	25,902	5.3	5.1	20,420	21,347	22,276	4.5	4.4
Montana	16,546	17,276	17,761	4.4	2.8	14,546	15,064	15,368	3.6	2.0
Utah	38,856	41,681	44,134	7.3	5.9	33,433	35,657	37,465	6.7	5.1
Wyoming	10,333	10,847	11,141	5.0	2.7	8,915	9,281	9,435	4.1	1.7
Far West	1,095,386	1,163,164	1,233,266	6.2	6.0	939,159	988,785	1,037,112	5.3	4.9
Alaska	14,713	15,222	15,765	3.5	3.6	12,567	12,926	13,290	2.9	2.8
California	798,580	846,839	898,443	6.0	6.1	682,968	717,988	752,775	5.1	4.8
Hawaii	29,784	30,514	31,182	2.5	2.2	25,911	26,398	26,756	1.9	1.4
Nevada	41,412	44,510	47,515	7.5	6.8	35,342	37,654	39,828	6.5	5.8
Oregon	73,156	77,579	81,281	6.0	4.8	62,206	65,177	67,837	4.8	4.1
Washington	137,741	148,500	159,080	7.8	7.1	120,166	128,640	136,626	7.1	6.2

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's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by defini-

tion, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "Personal Income and Per Capita Personal Income by State and Region, 1998" in the May 1999 issue of the SURVEY.

Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

Area name	Per capita personal income ¹				Per capita disposable personal income ¹			
	Dollars			Rank in U.S.	Dollars			Rank in U.S.
	1996	1997	1998	1998	1996	1997	1998	1998
United States	24,164	25,288	26,412	.....	20,810	21,598	22,353	.....
New England	28,872	30,427	31,901	.....	24,269	25,309	26,240	.....
Connecticut	33,979	35,863	37,598	1	28,035	29,215	30,215	1
Maine	20,948	21,937	22,952	36	18,394	19,061	19,762	35
Massachusetts	29,591	31,239	32,797	3	24,623	25,740	26,719	3
New Hampshire	26,418	27,766	29,022	7	23,140	24,104	24,991	5
Rhode Island	24,356	25,667	26,797	15	21,274	22,225	23,017	12
Vermont	22,179	23,017	24,175	30	19,328	19,905	20,773	28
Midwest	27,978	29,252	30,634	.....	23,765	24,609	25,493	.....
Delaware	27,125	28,493	29,814	6	23,100	24,076	24,959	6
District of Columbia	34,213	35,704	37,278	.....	28,950	29,914	30,729	.....
Maryland	27,298	28,674	29,943	5	23,151	24,031	24,903	7
New Jersey	30,892	32,356	33,937	2	26,248	27,286	28,313	2
New York	29,015	30,250	31,734	4	24,378	25,160	26,061	4
Pennsylvania	24,533	25,670	26,792	16	21,255	22,022	22,786	15
Great Lakes	24,055	25,158	26,185	.....	20,578	21,335	22,014	.....
Illinois	26,393	27,688	28,873	8	22,494	23,377	24,173	8
Indiana	22,234	23,202	24,219	29	19,160	19,849	20,577	32
Michigan	23,996	24,956	25,857	18	20,507	21,126	21,710	20
Ohio	23,054	24,163	25,134	21	19,821	20,618	21,224	25
Wisconsin	22,987	24,048	25,079	22	19,521	20,235	20,925	27
Plains	23,039	24,034	25,051	.....	19,861	20,536	21,264	.....
Iowa	22,032	23,120	23,925	32	19,246	20,058	20,607	31
Kansas	22,707	23,972	24,981	24	19,617	20,561	21,254	24
Minnesota	25,235	26,243	27,510	11	21,035	21,647	22,563	16
Missouri	22,586	23,629	24,427	28	19,656	20,395	20,932	26
Nebraska	22,847	23,818	24,754	27	19,965	20,415	21,286	22
North Dakota	20,197	20,103	21,675	38	18,077	17,768	19,130	38
South Dakota	20,450	21,076	22,114	37	18,513	18,952	19,779	34
Southeast	21,787	22,751	23,725	.....	19,049	19,744	20,419	.....
Alabama	19,838	20,672	21,442	40	17,588	18,234	18,818	39
Arkansas	18,808	19,595	20,346	46	16,682	17,314	17,837	46
Florida	23,834	24,799	25,852	19	20,723	21,379	22,064	18
Georgia	22,900	23,882	25,020	23	19,798	20,495	21,273	23
Kentucky	19,475	20,570	21,506	39	16,983	17,837	18,542	41
Louisiana	19,609	20,458	21,346	41	17,526	18,123	18,771	40
Mississippi	17,398	18,098	18,958	50	15,803	16,363	17,067	50
North Carolina	22,053	23,168	24,036	31	19,134	19,953	20,491	33
South Carolina	19,651	20,508	21,309	42	17,272	17,913	18,520	42
Tennessee	21,800	22,699	23,559	33	19,406	20,066	20,689	29
Virginia	24,950	26,109	27,385	13	21,344	22,130	23,002	13
West Virginia	18,116	18,724	19,362	49	16,193	16,649	17,120	49
Southwest	21,577	22,787	23,921	.....	19,086	20,049	20,902	.....
Arizona	21,071	21,998	23,060	35	18,284	18,914	19,686	36
New Mexico	18,634	19,298	19,936	48	16,540	17,000	17,502	47
Oklahoma	19,342	20,305	21,072	44	17,008	17,755	18,308	43
Texas	22,345	23,707	24,957	25	19,861	20,980	21,928	19
Rocky Mountain	22,304	23,414	24,563	.....	19,163	19,946	20,749	.....
Colorado	25,627	27,015	28,657	9	21,829	22,787	23,963	10
Idaho	19,741	20,392	21,081	43	17,214	17,658	18,130	44
Montana	18,872	19,660	20,172	47	16,591	17,143	17,455	48
Utah	19,214	20,185	21,019	45	16,533	17,267	17,842	45
Wyoming	21,524	22,596	23,167	34	18,570	19,333	19,619	37
Far West	24,969	26,127	27,290	.....	21,408	22,210	22,949	.....
Alaska	24,310	24,969	25,675	20	20,765	21,203	21,645	21
California	25,142	26,314	27,503	12	21,503	22,310	23,044	11
Hawaii	25,086	25,598	26,137	17	21,824	22,145	22,428	17
Nevada	25,877	26,514	27,200	14	22,084	22,431	22,799	14
Oregon	22,894	23,920	24,766	26	19,467	20,096	20,670	30
Washington	24,958	26,451	27,961	10	21,774	22,914	24,015	9

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates from 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's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing

of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "Personal Income and Per Capita Personal Income by State and Region, 1998" in the May 1999 issue of the SURVEY.

Table J.4.—Gross State Product for States and Regions by Industry, 1997

[Millions of dollars]

State and region	Rank of total gross state product	Total gross state product	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Government
United States		8,103,234	131,745	120,515	328,806	1,378,869	676,313	562,755	712,890	1,570,308	1,656,849	964,184
New England		466,857	3,445	310	15,771	76,656	29,998	32,219	38,059	116,542	109,730	44,128
Connecticut	21	134,565	899	36	4,351	22,510	8,011	9,373	9,862	38,988	29,184	11,350
Maine	42	30,156	460	19	1,356	5,153	2,250	1,848	3,459	5,779	5,800	4,033
Massachusetts	11	221,009	1,284	156	7,161	32,394	13,924	16,133	17,510	53,708	58,449	20,291
New Hampshire	39	38,106	263	45	1,282	9,521	2,671	2,410	3,348	8,377	7,004	3,186
Rhode Island	44	27,806	210	15	959	4,347	1,911	1,537	2,385	6,941	6,092	3,410
Vermont	50	15,214	329	39	663	2,731	1,231	918	1,494	2,749	3,202	1,858
Mideast		1,523,401	8,905	2,737	51,564	204,283	122,778	99,738	112,108	392,621	344,626	184,041
Delaware	41	31,585	273	5	1,038	6,108	1,545	1,192	1,842	12,348	4,482	2,753
District of Columbia		52,372	16	13	481	1,308	2,710	588	1,314	9,531	16,969	19,441
Maryland	16	153,797	1,304	116	7,835	13,230	11,457	9,716	13,254	34,137	36,268	26,479
New Jersey	8	294,055	1,502	186	10,414	41,062	28,256	27,283	21,293	68,841	64,380	30,838
New York	2	651,652	2,689	480	18,505	74,446	49,335	40,277	44,440	203,219	148,253	70,007
Pennsylvania	6	339,940	3,121	1,935	13,291	68,129	29,476	20,683	29,965	64,544	74,274	34,523
Great Lakes		1,295,671	17,478	4,860	54,174	316,788	100,547	94,731	115,023	217,559	242,173	132,337
Illinois	4	393,532	5,110	1,268	16,385	71,671	35,807	30,972	31,881	79,466	82,375	38,597
Indiana	15	161,701	2,883	846	7,845	50,155	12,369	10,036	14,807	21,351	25,676	15,732
Michigan	9	272,607	2,698	1,246	11,052	70,234	18,230	20,831	25,735	41,850	51,635	29,095
Ohio	7	320,506	3,947	1,210	12,515	83,850	23,955	23,338	29,669	50,967	57,798	33,256
Wisconsin	19	147,325	2,840	290	6,378	40,878	10,186	9,553	12,930	23,924	24,690	15,657
Plains		538,494	21,360	3,164	23,831	102,629	49,367	42,281	48,237	85,150	99,193	63,280
Iowa	29	80,479	5,612	193	3,287	19,617	6,177	5,701	6,579	11,889	12,327	9,096
Kansas	31	71,737	2,933	1,021	3,040	12,784	7,608	5,822	7,039	9,432	12,298	9,759
Minnesota	18	149,394	3,631	679	6,693	28,271	11,485	12,568	13,004	27,515	29,839	15,710
Missouri	17	152,100	2,855	453	7,146	31,195	15,521	11,564	14,033	22,615	29,825	16,892
Nebraska	36	48,812	3,506	125	2,088	6,681	5,394	3,839	4,148	7,429	8,663	6,939
North Dakota	49	15,786	1,072	451	784	1,389	1,629	1,463	1,523	2,128	2,908	2,438
South Dakota	46	20,186	1,751	241	793	2,692	1,554	1,324	1,911	4,141	3,332	2,447
Southeast		1,763,114	31,716	32,479	76,652	315,895	157,072	121,470	171,379	286,834	333,401	236,216
Alabama	25	103,109	2,145	1,600	4,304	22,115	9,172	6,687	10,535	13,657	17,155	15,738
Arkansas	32	58,479	2,775	606	2,333	14,006	6,129	3,689	6,170	6,929	8,862	6,980
Florida	5	380,607	6,691	1,027	17,876	29,108	33,388	28,533	42,487	83,763	91,196	46,538
Georgia	10	229,473	4,066	1,002	8,910	40,035	25,274	20,947	20,587	37,774	42,441	28,439
Kentucky	26	100,076	2,723	2,659	4,101	27,360	8,087	6,014	9,033	11,646	15,217	13,239
Louisiana	23	124,350	1,292	19,797	5,395	19,566	11,037	7,078	10,232	16,068	20,127	13,758
Mississippi	33	58,314	1,659	540	2,355	13,198	5,865	3,383	5,985	6,898	9,725	8,705
North Carolina	12	218,888	5,118	298	9,643	57,971	16,578	14,328	19,427	33,045	34,351	28,130
South Carolina	28	93,259	1,280	215	4,500	23,289	7,057	5,619	9,955	12,894	14,626	13,824
Tennessee	20	146,999	1,745	480	6,012	31,281	11,759	11,299	16,267	21,233	29,856	17,067
Virginia	13	211,331	1,961	1,102	9,439	31,282	18,056	11,839	17,278	38,537	43,411	38,426
West Virginia	38	38,228	261	3,154	1,785	6,684	4,672	2,053	3,423	4,391	6,434	5,371
Southwest		844,766	13,481	52,354	37,222	133,678	84,895	60,142	76,363	126,830	157,507	102,294
Arizona	24	121,239	1,934	1,300	6,937	17,815	9,047	8,095	12,574	23,531	24,974	15,031
New Mexico	37	45,242	897	3,271	2,046	7,887	3,280	1,981	4,137	6,207	7,791	7,745
Oklahoma	30	76,642	2,085	4,087	2,377	13,015	7,523	4,697	7,664	9,587	13,514	12,090
Texas	3	601,643	8,565	43,695	25,861	94,961	65,044	45,369	51,987	87,505	111,227	67,428
Rocky Mountain		247,372	5,924	11,026	13,354	31,372	25,517	15,282	24,137	39,172	48,933	32,656
Colorado	22	126,084	2,147	2,708	6,910	14,480	13,762	8,223	12,229	21,885	27,850	15,891
Idaho	43	29,149	1,730	273	1,669	5,809	2,492	1,838	2,961	3,644	4,860	3,873
Montana	47	19,160	1,019	880	965	1,486	2,241	1,241	1,956	2,593	3,773	3,005
Utah	35	55,417	612	1,654	3,132	8,601	4,709	3,383	5,791	9,119	10,735	7,682
Wyoming	48	17,561	416	5,512	679	996	2,312	595	1,201	1,930	1,715	2,205
Far West		1,423,561	29,436	13,585	56,236	197,569	106,140	96,892	127,584	305,601	321,285	169,233
Alaska	45	24,494	314	5,169	1,007	1,134	3,822	713	1,673	2,795	3,029	4,838
California	1	1,033,016	21,633	6,381	34,883	146,173	72,301	71,177	91,300	237,282	236,925	114,962
Hawaii	40	38,024	463	26	1,640	1,213	3,904	1,493	4,332	8,503	8,413	8,036
Nevada	34	57,407	427	1,568	4,978	2,608	4,333	2,809	5,553	10,773	18,670	5,688
Oregon	27	98,367	2,473	124	5,173	24,666	6,943	7,727	8,175	14,903	17,030	11,154
Washington	14	172,253	4,127	317	8,555	21,776	14,837	12,974	16,550	31,344	37,219	24,554

NOTE.—Totals shown for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GSP is derived from gross domestic income, which differs from GDP by the statistical discrepancy. In addition, GSP excludes and GDP includes the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment except domestically located office equipment. GSP and GDP also have different revision

schedules.

Source: Tables 6 and 7 in "Gross State Product by Industry, 1995-97" in the June 1999 issue of the SURVEY OF CURRENT BUSINESS.

K. Local Area Table

Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1995-97

Area name	Personal income				Per capita personal income ¹				Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change 1996-97	Dollars			Rank in U.S.		Millions of dollars			Percent change 1996-97	Dollars			Rank in U.S.
	1995	1996	1997		1995	1996	1997			1995	1996	1997		1995	1996	1997	
United States²	6,059,091	6,408,103	6,770,650	5.7	23,059	24,164	25,288		Colorado Springs, CO	9,748	10,514	11,270	7.2	20,978	22,263	23,493	131
Metropolitan portion	5,137,433	5,430,631	5,747,454	5.8	24,470	25,623	26,840		Columbia, MO	2,618	2,779	2,915	4.9	21,232	22,106	22,797	152
Nonmetropolitan portion	921,658	977,472	1,023,196	4.7	17,449	18,359	19,089		Columbia, SC	10,429	11,121	11,820	6.3	21,259	22,344	23,435	134
Consolidated Metropolitan Statistical Areas									Columbus, GA-AL	5,021	5,331	5,700	6.9	18,468	19,624	20,929	232
Chicago-Gary-Kenosha, IL-IN-WI	235,526	248,253	262,357	5.7	27,296	28,555	29,981		Columbus, OH	33,904	35,336	37,471	6.0	23,706	24,502	25,728	75
Cincinnati-Hamilton, OH-KY-IN	44,660	47,149	50,006	6.1	23,427	24,574	25,855		Corpus Christi, TX	6,830	7,235	7,639	5.6	18,045	18,933	19,781	269
Cleveland-Akron, OH	71,327	74,337	77,920	4.8	24,499	25,495	26,733		Cumberland, MD-WV	1,715	1,788	1,874	4.8	17,027	17,857	18,919	291
Dallas-Fort Worth, TX	113,904	123,121	134,293	9.1	25,612	27,023	28,709		Dallas, TX	80,161	86,962	95,191	9.5	27,081	28,637	30,481	22
Denver-Boulder-Greeley, CO	60,179	64,674	69,800	7.9	27,024	28,483	30,019		Danville, VA	1,928	1,987	2,082	4.8	17,609	18,193	19,126	288
Detroit-Ann Arbor-Flint, MI	139,276	143,074	149,232	4.3	25,889	26,374	27,499		Davenport-Moline-Rock Island, IA-IL	7,632	8,056	8,541	6.0	21,359	22,561	23,906	123
Houston-Galveston-Brazoria, TX	105,523	112,366	121,775	8.4	25,408	26,566	28,225		Dayton-Springfield, OH	21,960	22,676	23,685	4.9	22,918	23,607	24,877	96
Los Angeles-Riverside-Orange County, CA	355,870	373,755	393,604	5.3	23,321	24,318	25,313		Daytona Beach, FL	8,300	8,864	9,341	5.4	18,492	19,489	20,187	256
Miami-Fort Lauderdale, FL	78,661	83,186	86,917	4.5	22,619	23,459	24,131		Decatur, AL	2,764	2,874	3,003	4.5	19,814	20,458	21,202	216
Milwaukee-Racine, WI	41,484	43,512	45,898	5.5	25,230	26,433	27,899		Decatur, IL	2,512	2,665	2,753	3.3	21,629	23,126	24,107	117
New York-No. New Jersey-Long Island, NY-NJ-CT-PA	619,350	654,862	688,267	5.1	31,352	33,031	34,560		Denver, CO*	50,303	54,103	58,471	8.1	27,553	29,055	30,743	20
Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD	158,253	166,947	175,008	4.8	26,493	27,936	29,292		Des Moines, IA	10,522	11,167	11,830	5.9	24,883	26,102	27,403	45
Portland-Salem, OR-WA	47,988	52,031	55,815	7.3	23,697	25,100	26,396		Detroit, MI*	115,080	118,194	123,417	4.4	26,009	26,506	27,169	44
Sacramento-Yolo, CA	37,445	39,292	41,621	5.9	23,326	24,099	25,138		Dothan, AL	2,492	2,559	2,668	4.3	18,589	19,073	19,869	267
San Francisco-Oakland-San Jose, CA	200,245	215,985	232,660	7.9	30,562	32,571	34,634		Dover, DE	2,308	2,507	2,550	1.7	19,094	20,611	20,776	239
Seattle-Tacoma-Bremerton, WA	86,045	92,306	100,810	9.2	26,363	27,855	29,839		Dubuque, IA	1,832	1,931	2,016	4.4	20,746	21,849	22,874	149
Washington-Baltimore, DC-MD-VA-WV	202,626	213,221	225,524	5.8	28,601	29,838	31,265		Duluth-Superior, MN-WI	4,708	4,950	5,167	4.4	19,794	20,839	21,723	191
Metropolitan Statistical Areas³									Dutchess County, NY*	6,404	6,776	7,144	5.4	24,522	25,805	27,085	54
Abilene, TX	2,300	2,424	2,566	5.9	18,800	20,014	21,202	216	Eau Claire, WI	2,720	2,878	3,035	5.5	19,132	20,155	21,154	219
Akron, OH*	15,555	16,229	17,079	5.2	22,856	23,700	24,849	99	El Paso, TX	9,431	9,895	10,504	6.2	14,037	14,600	15,216	312
Albany, GA	2,163	2,296	2,381	3.7	18,586	19,617	20,207	255	Elkhart-Goshen, IN	3,781	3,873	3,998	3.2	22,718	22,969	23,423	135
Albany-Schenectady-Troy, NY	20,787	21,444	22,217	3.6	23,606	24,429	25,275	83	Elmira, NY	1,825	1,906	1,968	3.3	19,423	20,459	21,312	210
Albuquerque, NM	14,064	14,759	15,466	4.8	21,324	22,089	22,937	146	Enid, OK	1,091	1,143	1,222	6.9	19,088	20,092	21,474	205
Alexandria, LA	2,389	2,456	2,532	3.1	18,861	19,447	20,007	262	Erie, PA	5,670	5,925	6,140	3.6	20,326	21,285	22,120	179
Allentown-Bethlehem-Easton, PA	14,328	15,045	15,835	5.3	23,438	24,551	25,762	73	Eugene-Springfield, OR	6,117	6,544	6,920	5.7	20,201	21,358	22,231	173
Altoona, PA	2,453	2,578	2,677	3.8	18,597	19,644	20,482	246	Evansville-Henderson, IN-KY	6,290	6,643	6,942	4.5	21,906	23,051	24,010	121
Amarillo, TX	4,171	4,343	4,576	5.4	20,457	21,112	22,051	180	Fargo-Moorhead, ND-MN	3,315	3,608	3,746	3.8	20,264	21,876	22,466	166
Anchorage, AK	6,989	7,162	7,475	4.4	27,845	28,890	29,765	28	Fayetteville, NC	5,209	5,461	5,742	5.1	18,314	19,240	20,219	253
Ann Arbor, MI*	14,369	14,989	15,941	6.4	27,573	28,266	29,579	29	Fayetteville-Springdale-Rogers, AR	5,053	5,413	5,799	7.1	19,923	20,704	21,655	198
Annisston, AL	2,024	2,110	2,210	4.7	17,350	18,098	18,855	292	Flagstaff, AZ-UT	1,939	2,076	2,178	4.9	16,663	17,585	18,184	298
Appleton-Oshkosh-Neenah, WI	7,601	8,047	8,530	6.0	22,655	23,718	24,957	91	Flint, MI*	9,827	9,891	9,875	-2	22,647	22,720	22,685	158
Asheville, NC	4,363	4,604	4,898	6.4	21,083	21,971	23,158	140	Florence, AL	2,544	2,636	2,715	3.0	18,729	19,295	19,800	268
Athens, GA	2,588	2,788	2,936	5.3	19,232	20,428	21,256	214	Florence, SC	2,280	2,426	2,566	5.8	18,617	19,697	20,622	242
Atlanta, GA	87,823	95,356	102,678	7.7	25,603	26,993	28,253	36	Fort Collins-Loveland, CO	4,810	5,259	5,613	6.7	22,174	23,750	24,852	98
Atlantic-Cape May, NJ*	8,999	9,431	9,722	3.1	27,188	28,339	29,803	33	Fort Lauderdale, FL*	36,123	38,534	40,743	5.7	25,561	26,752	27,661	43
Augusta-Aiken, GA-SC	8,763	9,086	9,476	4.3	19,398	20,106	20,821	236	Fort Myers-Cape Coral, FL	8,749	9,303	9,863	6.0	23,372	24,510	25,668	78
Austin-San Marcos, TX	22,572	24,580	27,194	10.6	22,524	23,665	25,420	84	Fort Pierce-Port St. Lucie, FL	6,681	7,211	7,607	5.5	23,804	25,209	26,135	68
Bakersfield, CA	10,544	11,004	11,449	4.0	17,201	17,801	18,319	297	Fort Smith, AR-OK	3,403	3,563	3,772	5.9	18,061	18,648	19,570	280
Baltimore, MD*	61,948	65,177	68,758	5.5	25,157	26,399	27,770	41	Fort Walton Beach, FL	3,176	3,511	3,736	6.4	19,453	21,200	22,274	171
Bangor, ME (NECMA)	2,683	2,794	2,927	4.8	18,582	19,418	20,425	248	Fort Wayne, IN	10,859	11,288	11,896	5.3	23,072	23,805	24,891	94
Barnstable-Yarmouth, MA (NECMA)	5,415	5,815	6,190	6.4	27,199	28,758	30,199	25	Fort Worth-Arlington, TX*	33,743	36,159	39,102	8.1	22,689	23,798	25,150	88
Baton Rouge, LA	11,776	12,331	12,786	3.7	20,956	21,786	22,408	168	Fresno, CA	15,106	15,850	16,367	3.3	17,959	18,573	19,858	290
Beaumont-Port Arthur, TX	7,276	7,505	7,804	7.0	19,413	20,062	21,453	207	Gadsden, AL	1,814	1,884	1,984	5.3	17,465	18,341	19,126	288
Bellingham, WA	2,920	3,151	3,309	5.0	19,589	20,694	21,438	208	Gainesville, FL	3,876	4,095	4,313	5.3	19,871	20,844	21,822	189
Benton Harbor, MI	3,366	3,451	3,647	5.7	20,839	21,415	22,689	157	Galveston-Texas City, TX*	5,014	5,269	5,514	4.6	21,164	21,986	22,737	155
Bergen-Passaic, NJ*	44,162	46,207	49,111	6.3	33,425	34,795	36,769	5	Gary, IN*	13,326	13,943	14,689	5.4	21,363	22,460	23,593	128
Billings, MT	2,634	2,729	2,851	4.5	21,162	21,737	22,647	159	Glens Falls, NY	2,317	2,410	2,484	3.1	19,961	19,754	20,386	250
Biloxi-Gulfport-Pascagoula, MS	6,006	6,266	6,614	5.6	17,594	18,350	19,211	287	Goldsboro, NC	1,866	1,971	2,085	5.8	16,877	17,640	18,611	295
Binghamton, NY	5,208	5,357	5,542	3.5	20,251	21,147	22,123	177	Grand Forks, ND-MN	1,854	1,985	1,991	-3	17,854	19,206	19,657	275
Birmingham, AL	20,268	21,363	22,445	5.1	22,840	23,858	24,898	93	Grand Junction, CO	1,998	2,125	2,276	7.1	18,853	19,644	20,593	243
Bismarck, ND	1,789	1,906	1,972	3.5	20,103	21,151	21,711	192	Grand Rapids-Muskegon-Holland, MI	22,907	24,185	25,653	6.1	22,857	23,812	24,960	90
Bloomington, IN	2,135	2,269	2,369	4.4	18,544	19,587	20,316	251	Great Falls, MT	1,602	1,659	1,710	3.1	19,824	20,538	21,630	199
Bloomington-Normal, IL	3,181	3,373	3,545	5.1	22,944	24,172	25,200	87	Greeley, CO*	2,715	2,930	3,117	6.4	18,355	19,369	20,038	260

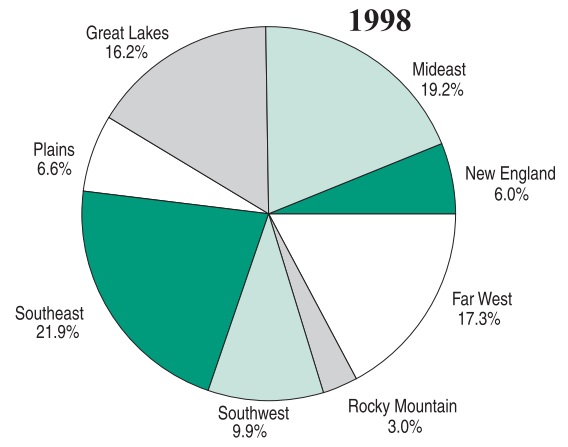
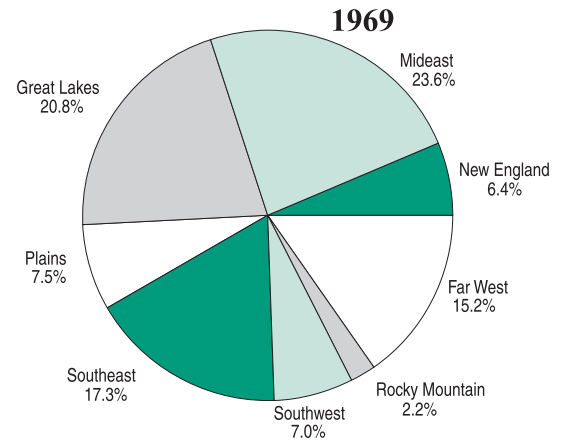
Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1995–97—Continued

Area name	Personal income				Per capita personal income ¹				Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change	Dollars			Rank in U.S.		Millions of dollars			Percent change	Dollars			Rank in U.S.
	1995	1996	1997		1995	1996	1997			1995	1996	1997		1995	1996	1997	
Jonesboro, AR	1,328	1,404	1,487	5.9	17,867	18,581	19,456	283	Raleigh-Durham-Chapel Hill, NC	24,621	26,671	29,107	9.1	24,798	26,301	27,711	42
Joplin, MO	2,717	2,872	3,065	6.7	18,924	19,724	20,817	237	Rapid City, SD	1,720	1,770	1,852	4.6	19,760	20,383	21,270	212
Kalamazoo-Battle Creek, MI	9,639	10,057	10,438	3.8	21,820	22,693	23,481	132	Reading, PA	8,339	8,761	9,220	5.2	23,813	24,893	26,051	69
Kankakee, IL*	2,007	2,124	2,211	4.1	19,828	20,925	21,677	194	Redding, CA	3,095	3,202	3,341	4.3	19,283	19,843	20,539	244
Kansas City, MO-KS	40,847	43,133	45,714	6.0	24,233	25,450	26,627	59	Reno, NV	8,064	8,747	9,262	5.9	27,761	29,284	30,214	24
Kenosha, WI*	2,936	3,073	3,302	7.5	21,082	21,743	23,124	142	Richland-Kennewick-Pasco, WA	3,681	3,780	3,876	2.5	20,650	21,120	21,417	209
Killeen-Temple, TX	4,819	5,074	5,348	5.4	16,563	17,059	17,861	303	Richmond-Petersburg, VA	23,575	24,857	26,312	5.9	25,429	26,553	27,797	40
Knoxville, TN	13,738	14,260	14,888	4.4	21,482	22,004	22,745	154	Riverside-San Bernardino, CA*	54,153	56,769	59,748	5.2	18,335	18,949	19,604	278
Kokomo, IN	2,370	2,336	2,412	3.3	23,780	23,287	24,061	119	Roanoke, VA	5,476	5,730	5,977	4.3	24,003	25,085	26,182	66
La Crosse, WI-MN	2,509	2,643	2,770	4.8	20,812	21,812	22,815	150	Rochester, MN	2,752	2,945	3,119	5.9	24,466	26,044	27,233	51
Lafayette, LA	6,424	6,911	7,453	7.8	17,627	18,783	20,031	261	Rochester, NY	26,383	27,410	28,374	3.5	24,310	25,247	26,170	67
Lafayette, IN	3,291	3,393	3,582	5.6	19,386	19,841	20,800	235	Rockford, IL	7,839	8,165	8,528	4.4	22,432	23,128	24,024	120
Lake Charles, LA	3,359	3,547	3,747	5.6	19,109	19,906	20,901	234	Rocky Mount, NC	2,618	2,809	2,937	4.6	18,414	19,554	20,214	254
Lakeland-Winter Haven, FL	8,133	8,643	9,207	6.5	18,699	19,649	20,625	241	Sacramento, CA*	34,184	35,985	38,101	6.1	23,452	24,236	25,335	85
Lancaster, PA	10,107	10,726	11,205	4.5	22,600	23,816	24,694	102	Saginaw-Bay City-Midland, MI	8,840	9,103	9,485	4.2	21,969	22,604	23,570	129
Lansing-East Lansing, MI	9,541	9,835	10,208	3.2	21,026	21,907	22,691	156	St. Cloud, MN	2,888	3,081	3,164	2.7	18,230	19,285	19,627	277
Laredo, TX	1,993	2,156	2,357	9.2	11,696	12,332	12,999	314	St. Joseph, MO	1,855	1,947	2,035	4.5	19,056	20,059	20,939	230
Las Cruces, NM	2,254	2,370	2,482	4.7	14,194	14,564	14,923	313	St. Louis, MO-IL	63,014	65,847	69,547	5.6	24,785	25,824	27,177	53
Las Vegas, NV-AZ	26,458	29,423	31,876	8.3	23,245	24,575	25,250	86	Salem, OR*	6,055	6,471	6,796	5.0	19,362	20,310	20,927	233
Lawrence, KS	1,603	1,695	1,820	7.4	18,161	18,896	19,976	264	Salinas, CA	8,357	8,631	9,227	6.9	24,394	24,890	25,747	74
Lawton, OK	1,862	1,932	1,993	3.2	16,323	16,801	17,487	304	Salt Lake City-Ogden, UT	24,016	25,953	27,849	7.3	19,802	21,121	22,264	172
Lewiston-Auburn, ME (NECMA)	1,979	2,067	2,120	2.6	19,292	20,329	20,939	230	San Angelo, TX	1,930	2,027	2,146	5.9	19,053	19,898	20,968	228
Lexington, KY	9,650	10,275	11,033	7.4	22,237	23,374	24,838	100	San Antonio, TX	29,796	31,526	33,716	6.9	20,474	21,276	22,379	169
Lima, OH	3,069	3,129	3,248	3.8	19,744	20,142	20,997	227	San Diego, CA	60,432	63,908	67,998	6.4	22,882	23,903	24,965	89
Lincoln, NE	5,058	5,429	5,752	5.9	22,081	23,482	24,602	106	San Francisco, CA*	60,217	64,159	68,671	7.0	36,668	38,813	41,128	1
Little Rock-North Little Rock, AR	11,717	12,446	13,089	5.2	21,629	22,726	23,707	125	San Jose, CA*	50,602	55,607	61,345	10.3	32,289	34,880	37,856	4
Longview-Marshall, TX	3,852	4,105	4,374	6.6	18,941	19,939	21,025	224	San Luis Obispo-Atascadero-Paso Robles, CA	4,575	4,897	5,223	6.7	20,244	21,412	22,568	162
Los Angeles-Long Beach, CA*	213,656	223,742	234,469	4.8	23,662	24,706	25,719	76	Santa Barbara-Santa Maria-Lompoc, CA	9,685	10,197	10,760	5.5	25,401	26,675	27,839	39
Louisville, KY-IN	22,950	24,043	25,353	5.4	23,317	24,307	25,493	80	Santa Cruz-Watsonville, CA*	6,117	6,535	7,010	7.3	26,059	27,733	29,406	30
Lubbock, TX	4,571	4,853	5,065	4.7	19,757	20,980	22,032	181	Santa Fe, NM	3,351	3,495	3,680	5.3	24,765	25,507	26,319	64
Lynchburg, VA	4,087	4,261	4,462	4.8	20,037	20,729	21,543	202	Santa Rosa, CA*	10,632	11,447	12,439	8.7	25,636	27,295	29,188	32
Macon, GA	6,183	6,583	6,884	4.6	20,039	21,114	21,770	190	Sarasota-Bradenton, FL	15,134	16,109	17,020	5.7	23,918	25,060	26,317	16
Madison, WI	10,339	10,958	11,550	5.4	25,254	26,379	27,361	47	Savannah, GA	5,884	6,280	6,544	4.2	21,109	22,363	23,054	143
Mansfield, OH	3,328	3,456	3,619	4.7	18,993	19,719	20,673	240	Scranton-Wilkes-Barre-Hazleton, PA	12,754	13,309	13,770	3.5	20,199	21,228	22,177	176
McAllen-Edinburg-Mission, TX	5,265	5,660	6,018	7.0	11,044	11,548	12,005	316	Seattle-Bellevue-Everett, WA*	63,953	68,967	76,064	10.3	29,088	30,916	33,373	13
Medford-Ashland, OR	3,325	3,553	3,744	5.4	20,109	21,120	21,933	187	Sharon, PA	2,227	2,342	2,435	4.0	18,256	19,162	19,950	265
Melbourne-Titusville-Palm Bay, FL	9,265	9,765	10,342	5.9	20,609	21,531	22,505	164	Sherboygan, WI	2,437	2,539	2,637	3.9	22,456	23,215	24,009	122
Memphis, TN-AR-MS	25,271	26,569	28,043	5.5	23,746	24,725	25,905	71	Sherman-Denison, TX	1,869	2,017	2,135	5.9	19,069	20,144	21,006	226
Merced, CA	2,987	3,269	3,394	3.8	15,546	17,113	17,485	305	Shreveport-Bossier City, LA	7,554	7,782	8,064	3.6	19,953	20,532	21,259	213
Miami, FL*	42,538	44,653	46,174	3.4	20,605	21,207	21,688	193	Sioux City, IA-NE	2,456	2,646	2,830	3.2	20,436	21,905	23,623	160
Middlesex-Somerset-Hunterdon, NJ*	34,966	37,105	39,514	6.5	32,461	34,027	35,734	8	Sioux Falls, SD	3,669	3,955	4,203	6.3	23,417	24,797	26,030	70
Milwaukee-Waukesha, WI*	37,232	39,023	41,131	5.4	25,492	26,695	28,176	37	South Bend, IN	5,697	5,841	6,074	4.0	22,214	22,693	23,537	130
Minneapolis-St. Paul, MN-WI	74,448	79,350	84,193	6.1	27,315	28,739	30,123	26	Spokane, WA	8,219	8,604	9,037	5.0	20,478	21,300	22,293	170
Missoula, MT	1,734	1,831	1,910	4.3	19,850	20,735	21,496	204	Springfield, IL	4,536	4,814	5,031	4.5	22,339	23,616	24,679	103
Mobile, AL	9,498	10,064	10,604	5.4	18,415	19,327	20,119	257	Springfield, MO	6,019	6,328	6,686	5.7	20,481	21,314	22,206	175
Modesto, CA	7,310	7,762	8,238	6.1	17,879	18,768	19,650	276	Springfield, MA (NECMA)	13,307	13,812	14,496	5.0	22,461	23,397	24,576	107
Monmouth-Ocean, NJ*	29,420	31,048	32,680	5.3	28,000	29,148	30,275	23	State College, PA	2,499	2,651	2,793	5.4	19,185	20,070	21,028	223
Monroe, LA	2,706	2,856	2,899	1.5	18,474	19,466	19,723	271	Staubenville-Weirton, OH-WV	2,492	2,561	2,654	1.9	17,887	18,539	19,794	293
Montgomery, AL	6,549	6,872	7,185	4.6	20,867	21,716	22,498	165	Stoughton-Lodi, CA	9,764	10,252	10,564	5.9	18,646	19,286	20,092	259
Muncie, IN	2,389	2,438	2,527	3.7	20,131	20,635	21,185	203	Sumter, SC	1,624	1,719	1,800	4.7	15,225	16,070	16,883	309
Myrtle Beach, SC	3,056	3,326	3,591	8.0	19,380	20,301	21,184	218	Syracuse, NY	15,978	16,411	16,949	3.3	21,363	22,069	22,952	145
Naples, FL	5,934	6,503	6,969	7.2	32,836	35,001	36,210	7	Tacoma, WA*	13,372	14,130	14,973	6.0	20,658	21,551	22,511	163
Nashville, TN	27,528	28,986	31,057	7.1	25,205	25,995	27,324	48	Tallahassee, FL	5,111	5,419	5,730	5.7	19,902	21,002	22,032	181
Nassau-Suffolk, NY*	84,441	89,022	92,861	4.3	31,890	33,542	34,902	10	Tampa-St. Petersburg-Clearwater, FL	48,799	51,926	55,356	6.6	22,440	23,654	24,879	95
New Haven-Bridgeport-Stamford-Danbury-Waterbury, CT*	58,754	62,869	66,562	5.9	36,233	38,727	40,928	2	Terre Haute, IN	2,771	2,829	2,895	2.3	18,513	19,914	19,988	282
New London-Norwich, CT (NECMA)	6,552	6,840	7,084	3.6	26,270	27,441	28,466	35	Texarkana, TX-Texarkana, AR	2,212	2,336	2,469	5.7	18,035	18,918	19,900	263
New Orleans, LA	27,906	28,837	30,281	5.0	21,293	22,038	23,148	141	Toledo, OH	13,881	14,291	14,850	3.9	22,727	23,422	24,315	113
New York, NY*	268,292	284,422	298,085	4.8	31,189	32,991	34,459	11	Topeka, KS	3,728	3,896	4,027	3.4	22,637	23,652	24,364	112
Newark, NJ*	61,710	64,847	68,094	5.0	31,906	33,455	35,038	9	Trenton, NJ*	10,696	11,169	12,070	8.1	32,483	33,893	36,598	6
Newburgh, NY-PA*	7,682	8,028	8,314	3.6	21,446	22,198	22,753	153	Tucson, AZ	14,616	15,627	16,409	5.0	19,375	20,375	21,068	221
Norfolk-Virginia Beach-Newport News, VA-NC	31,034	32,448	33,958	4.7	20,255	21,125	21,983	184	Tulsa, OK	16,334	17,309	18,511	6.9	21,921	22,956	24,206	114
Oakland, CA*	62,115	66,771	71,260	6.7	28,061	29,846	31,338	18	Tuscaloosa, AL	2,992	3,127	3,299	5.5	18,884	19,692	20,514	245
Ocala, FL	4,052	4,358	4,652	6.7	17,986	18,930	19,723	271	Tyler, TX	3,425	3,685	3,943	7.0	21,209	22,432	23,696	126
Odessa-Midland, TX	5,063	5,366	5,687	9.7	21,414	22,488	24,386	111	Ulica-Rome, NY	5,966	6,061	6,239	2				

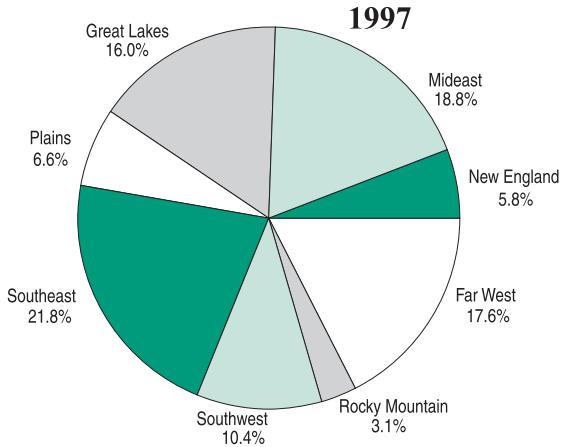
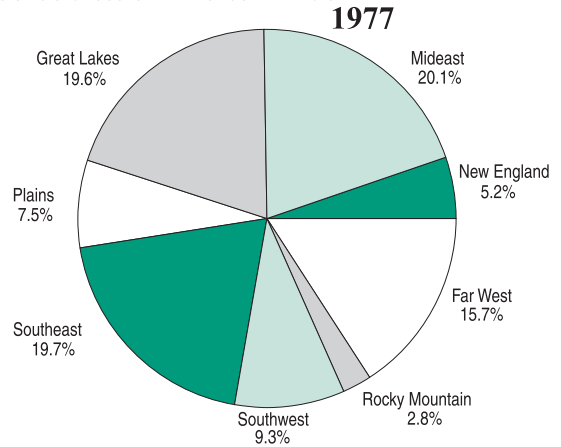
L. Charts

SELECTED REGIONAL ESTIMATES

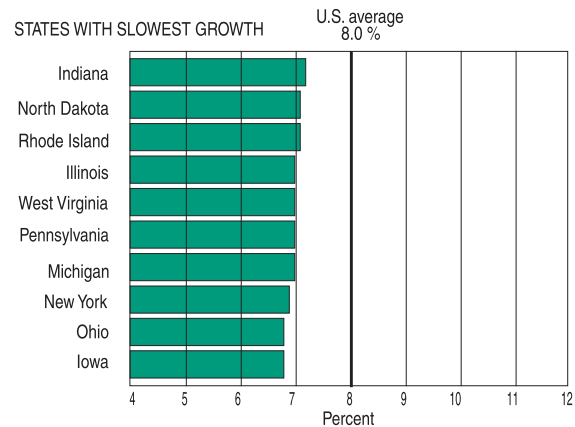
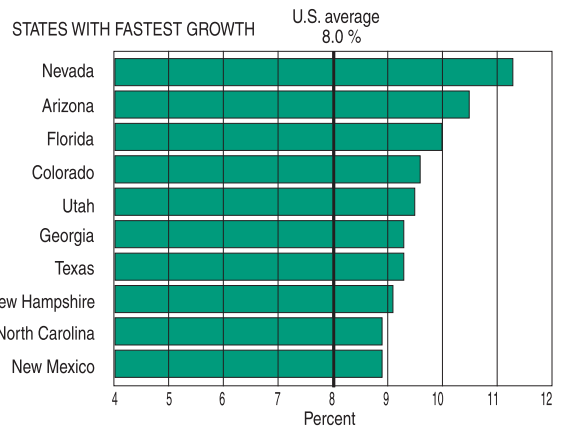
SHARES OF U.S. PERSONAL INCOME BY REGION



SHARES OF U.S. GROSS STATE PRODUCT BY REGION

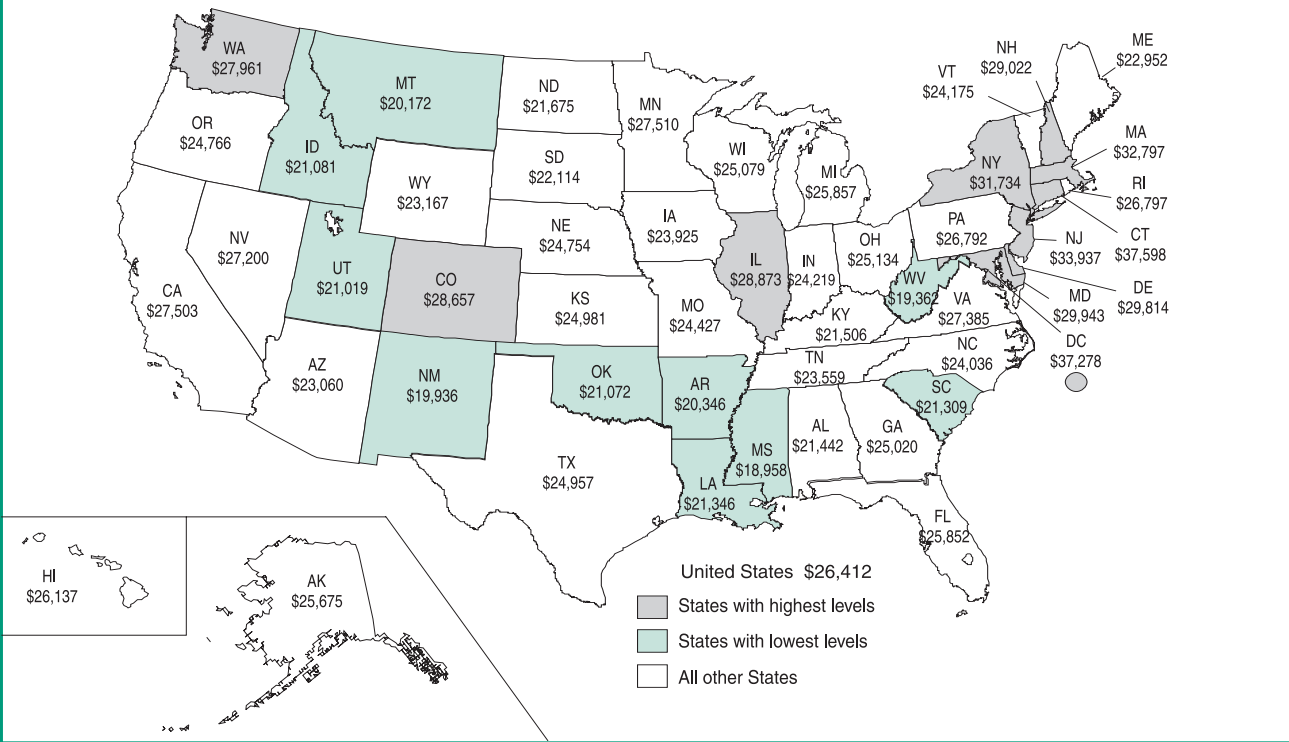


AVERAGE ANNUAL GROWTH RATE OF PERSONAL INCOME, 1969-98

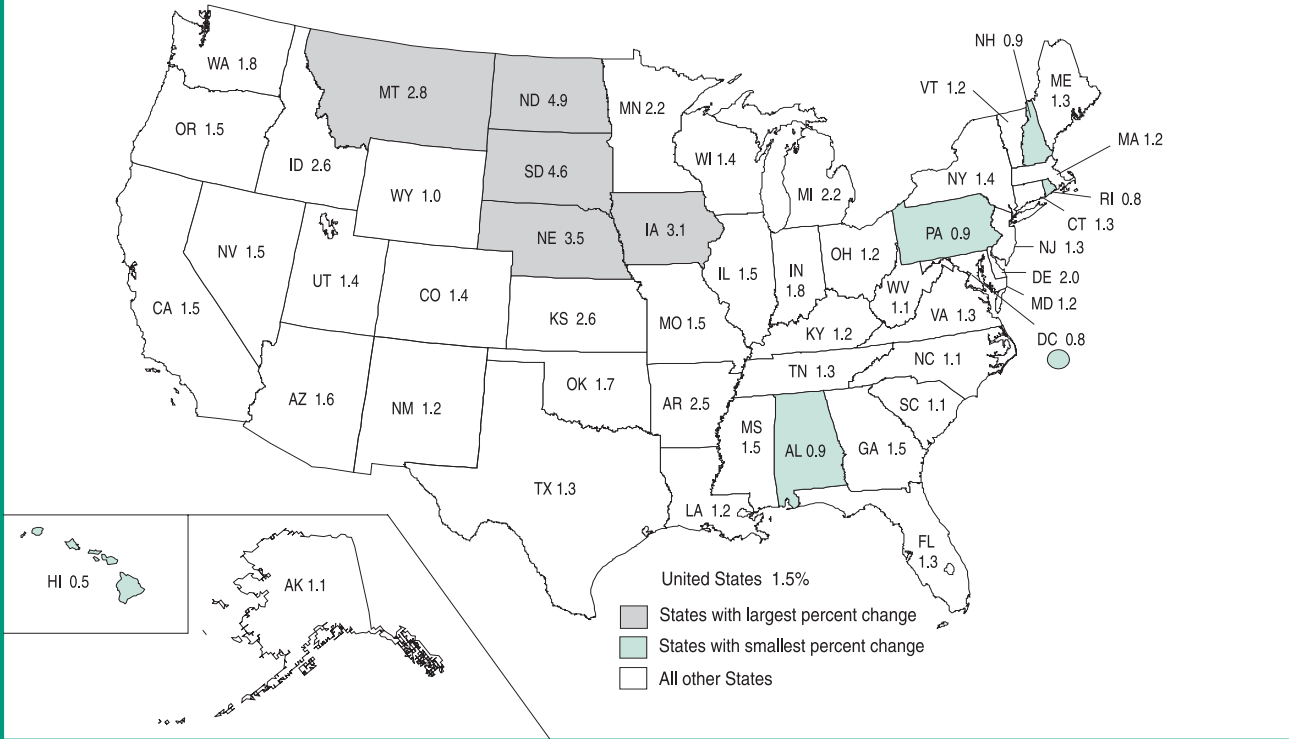


SELECTED REGIONAL ESTIMATES

PER CAPITA PERSONAL INCOME, 1998



PERSONAL INCOME: PERCENT CHANGE, 1998:III-1998:IV



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.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. (Similar formulas are used to calculate the quarterly indexes for the most recent quarters, called the "tail" period, and for the indexes for the other quarters, called the "historical period.") For example, the 1996–97 annual percent change in real GDP uses prices for 1996 and 1997 as weights, and the 1996–97 annual percent change in price uses quantities for 1996 and 1997 as weights. These annual changes are "chained" (multiplied) together to form time series of quantity and price. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula. The Fisher formula also produces changes in quantities and prices that are not affected by the choice of base periods. In addition, because the changes in quantities and prices calculated in this way are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

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. NIPA table 8.2 provides accurate measures of the contributions of the major components to the percentage change in real GDP for all periods.

BEA also publishes the "implicit price deflator" (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding "chain-type" price index are very close.

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:

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

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]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
				IV	I	II	III	
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) ¹	3.5	4.2	4.9	4.7	4.1	3.9	4.0	4.4
<i>Less:</i> Contribution of supplements to wages and salaries per hour	-.5	-.3	-.7	-.2	-.3	-.2	-.6	.2
<i>Plus:</i> Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	-.2	-.2	-.8	-.2	.1	.1	-.2	-.1
<i>Less:</i> Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	-.1	0	-.1	.1	-.3	.1	-.1	-.5
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	4.0	4.4	4.9	4.6	4.8	4.1	4.5	4.6
<i>Less:</i> Contribution of wages and salaries per hour of nonproduction workers in manufacturing .....	.2	-.2	1.3	.4	.4	.2	0	.2
<i>Less:</i> Other differences ² .....	.1	.4	-1.5	-.4	0	.1	1.3	.4
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	3.7	4.2	5.1	4.6	4.3	3.7	3.2	4.0
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ³	3.5	4.2	4.9	4.7	4.1	3.9	4.0	4.2

1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked of unpaid family workers.

2. 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.

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

NOTE.—This table incorporates BLS revisions to reflect the benchmarking of employment levels and the updating of seasonal adjustment factors.

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

[Billions of dollars]

	Line	1997	1998	Seasonally adjusted at annual rates					
				1997	1998				1999
					IV	I	II	III	
Exports of goods, services, and income, BPA's	1	1,197.2	1,192.2	1,215.5	1,209.2	1,193.9	1,166.0	1,199.9	1,184.9
<i>Less:</i> Gold, BPA's	2	5.7	5.5	3.4	5.3	4.4	5.2	7.1	2.9
Statistical differences ¹	3	18.4	18.4	16.7	18.0	28.2	19.3	8.2	8.2
Other items	4	.8	.8	.8	.7	.6	.8	1.2	.9
<i>Plus:</i> Adjustment for grossing of parent/affiliate interest payments	5	4.5	5.0	5.2	4.1	4.9	5.2	5.7	4.7
Adjustment for U.S. territories and Puerto Rico	6	37.0	38.0	37.9	37.0	37.2	37.4	40.5	41.1
Services furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans	7	17.1	17.6	17.3	17.3	17.6	17.8	17.9	18.2
Equals: Exports of goods and services and receipts of factor income, NIPA's	8	1,230.9	1,228.1	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5	1,237.0
Imports of goods, services, and income, BPA's	9	1,298.7	1,368.7	1,329.3	1,341.5	1,363.9	1,376.7	1,392.7	1,418.8
<i>Less:</i> Gold, BPA's	10	6.6	6.5	3.8	6.7	5.5	7.3	6.6	3.2
Statistical differences ¹	11	4.4	10.7	-.3	-1.8	8.2	23.1	13.6	13.6
Other items	12	0	0	0	0	0	0	0	0
<i>Plus:</i> Gold, NIPA's	13	-3.5	-2.9	-3.3	-3.2	-3.0	-2.8	-2.9	-2.1
Adjustment for grossing of parent/affiliate interest payments	14	4.5	5.0	5.2	4.1	4.9	5.2	5.7	4.7
Adjustment for U.S. territories and Puerto Rico	15	26.5	28.6	28.3	27.4	28.5	27.1	31.6	31.3
Imputed interest paid to rest of world	16	17.1	17.6	17.3	17.3	17.6	17.8	17.9	18.2
Equals: Imports of goods and services and payments of factor income, NIPA's	17	1,332.3	1,399.8	1,373.3	1,382.2	1,398.2	1,393.7	1,424.9	1,454.2
Balance on goods, services, and income, BPA's (1-9)	18	-101.5	-176.5	-113.8	-132.3	-170.0	-210.7	-192.8	-233.9
<i>Less:</i> Gold (2-10+13)	19	-4.4	-3.9	-3.7	-4.6	-4.1	-4.9	-2.4	-2.4
Statistical differences (3-11) ¹	20	14.0	7.7	17.0	19.8	20.0	-3.8	-5.4	-5.4
Other items (4-12)	21	.8	.8	.8	.7	.6	.8	1.2	.9
<i>Plus:</i> Adjustment for U.S. territories and Puerto Rico (6-15)	22	10.5	9.4	9.6	9.6	8.7	10.3	8.9	9.8
Equals: Net exports of goods and services and net receipts of factor income, NIPA's (8-17)	23	-101.4	-171.7	-118.4	-138.6	-178.0	-192.5	-177.4	-217.2

1. Consists of statistical revisions in the BPA's that have not yet been incorporated into the NIPA's (1997:1-1999:1).

BPA's Balance of payments accounts
NIPA's National income and product accounts

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) [Revised version forthcoming]

GNP: An Overview of Source Data and Estimating Methods (NIPA Methodology Paper No. 4, 1987) [Largely superseded by “A Guide to the NIPA’s” (March 1998 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 1998 issue, describes the annual NIPA revisions and the improvements in methodology.

“Completion of the Comprehensive Revision of the National Income and Product Accounts, 1929–96” (May 1997) is the last in a series of SURVEY articles that describe the most recent comprehensive revision of the NIPA’s.

“A Guide to the NIPA’s” (March 1998 SURVEY) provides the definitions of the major NIPA aggregates and components; discusses the measures of real output and prices; explains how production is classified and how the NIPA’s are presented; describes the statistical conventions that are used; and lists the principal source data and methods 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).

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

“BEA’s Chain Indexes, Time Series, and Measures of Long-Term Economic Growth” (May 1997) is the most recent in a series of SURVEY articles that describe the conceptual basis for the chain-type measures of real output and prices used in the NIPA’s.

“Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income” (December 1998 SURVEY) evaluates the reliability of these estimates by examining the record of revisions to them.

Availability

Most of the items listed here are available on BEA’s Web site at <www.bea.doc.gov>. In addition, see the *BEA Catalog of Products* for the availability of printed publications. The *Catalog* is available on BEA’s Web site; a printed copy can be obtained by writing to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or by calling 202-606-9900.

Wealth and related estimates

“Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95” (May 1997 SURVEY) describes the most recent comprehensive revision of the estimates of fixed reproducible tangible wealth.

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.

“Gross Product by Industry, 1947–96” (November 1997 SURVEY) and “Gross Product by Industry, 1995–97” (November 1998 SURVEY) present the most recent revisions to the estimates of gross product by industry and briefly describe changes in methodology.

Input-output accounts

“Benchmark Input-Output Accounts for the U.S. Economy, 1992” (November 1997 SURVEY) describes the preparation of the 1992 input-output accounts and the concepts and methods underlying the U.S. input-output accounts.

Satellite accounts

Satellite accounts that extend the analytical capacity of the national accounts by focusing on a particular aspect of activity are presented in the following SURVEY articles.

“Integrated Economic and Environmental Satellite Accounts” and “Accounting for Mineral Resources: Issues and BEA’s Initial Estimates” (April 1994)

“A Satellite Account for Research and Development” (November 1994)

“U.S. Transportation Satellite Accounts for 1992” (April 1998)

“U.S. Travel and Tourism Satellite Accounts for 1992” (July 1998)

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 is published in this issue, describes the annual BPA revisions and the improvements in methodology.

Direct investment

International Direct Investment: Studies by the Bureau of Economic Analysis (1999) presents a collection of previously published studies on U.S. direct investment abroad and foreign direct investment in the United States. In addition, it includes the following guides to BEA’s statistics and methodologies used to prepare the estimates.

“Methodology for U.S. Direct Investment Abroad” (*U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results* (1998))

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

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

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

Surveys of international services

U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis (1998) provides information on the 11 surveys that BEA conducts on these transactions—including classifications, definitions, release schedules, and methods used to prepare the estimates—and samples of the survey forms.

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 CD-ROM *State Personal Income, 1929–97*]

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 CD-ROM *Regional Economic Information System, 1969–97*]

Gross state product

“Comprehensive Revision of Gross State Product by Industry, 1977–94” (June 1997 SURVEY) summarizes the sources and methods for BEA’s estimates of gross state product.

“Gross State Product by Industry, 1977–96” (June 1998 SURVEY) and “Gross State Product by Industry, 1995–97” (June 1999 SURVEY) present the most recent revisions to the estimates of gross state product by industry and briefly describe changes in methodology. 