

4. Foreign Transactions

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

[Billions of dollars]

	Line	Seasonally adjusted at annual rates																						
		2002	2003	2004	2005	2002				2003				2004				2005				2006		
						IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Current receipts from the rest of the world	1	1,311.6	1,377.6	1,588.3	1,816.5	1,319.6	1,328.0	1,334.4	1,377.9	1,470.0	1,511.2	1,564.6	1,600.4	1,677.0	1,726.2	1,782.8	1,839.6	1,917.3	2,008.7	.....			
Exports of goods and services	2	1,005.9	1,040.8	1,178.1	1,303.1	1,016.2	1,012.4	1,010.8	1,040.7	1,099.1	1,135.1	1,166.3	1,185.3	1,225.8	1,254.0	1,293.8	1,312.4	1,352.4	1,405.4	1,437.4				
Goods ¹	3	697.6	724.4	818.8	907.5	697.1	706.8	707.5	721.3	762.1	787.7	810.3	828.7	848.6	869.4	902.6	913.9	944.3	989.3	1,009.2				
Durable	4	487.2	496.1	561.8	625.6	482.7	480.7	485.1	493.4	525.3	540.0	555.8	571.4	579.9	593.2	615.8	631.0	662.5	689.1	697.1				
Nondurable	5	210.4	228.3	257.1	281.9	214.4	226.1	222.3	227.9	236.8	247.6	254.5	257.3	268.8	276.2	286.8	282.8	281.8	300.3	312.1				
Services ¹	6	308.4	316.4	359.3	395.6	319.1	305.7	303.3	319.4	337.0	347.4	356.1	356.6	377.2	384.6	391.2	398.5	408.1	416.0	428.3				
Income receipts	7	305.7	336.8	410.2	513.3	303.3	315.6	323.6	337.2	370.8	376.1	398.3	415.1	451.2	472.2	489.0	527.2	564.9	603.3	.....			
Wage and salary receipts	8	2.9	2.8	2.9	2.9	2.9	2.7	2.7	2.9	2.9	2.8	2.7	2.9	3.0	2.8	2.9	2.9	3.0	2.9	.....			
Income receipts on assets	9	302.7	334.0	407.3	510.4	300.4	312.8	320.9	334.3	367.9	373.3	395.5	412.2	448.2	469.3	486.1	524.3	561.9	600.4	.....			
Interest	10	98.3	84.9	105.3	172.4	94.2	83.3	84.6	84.0	87.7	85.3	98.1	107.8	129.9	149.2	158.7	180.3	201.3	224.1	.....			
Dividends	11	92.8	100.9	116.7	320.0	95.6	109.2	94.0	93.2	107.2	100.6	146.9	108.1	111.0	178.0	210.9	437.7	453.3	150.7	.....			
Reinvested earnings on U.S. direct investment abroad	12	111.6	148.2	185.4	18.0	110.6	120.3	142.3	157.2	173.0	187.5	150.5	196.2	207.4	142.1	116.5	-93.7	-92.8	225.6	.....			
Current payments to the rest of the world	13	1,769.9	1,889.8	2,237.4	2,587.9	1,808.7	1,858.8	1,847.2	1,887.8	1,965.5	2,074.8	2,214.4	2,251.7	2,408.5	2,477.5	2,534.1	2,554.5	2,785.4	2,824.8	.....			
Imports of goods and services	14	1,430.3	1,540.2	1,791.4	2,019.9	1,490.8	1,511.7	1,512.1	1,535.9	1,600.9	1,678.5	1,772.5	1,815.9	1,898.5	1,930.2	1,980.2	2,041.2	2,127.8	2,170.6	2,220.6				
Goods ¹	15	1,189.3	1,283.9	1,495.2	1,699.0	1,239.7	1,262.7	1,266.8	1,276.6	1,329.7	1,394.8	1,480.4	1,517.2	1,588.4	1,615.2	1,662.4	1,719.1	1,799.3	1,832.6	1,875.1				
Durable	16	770.0	801.2	929.9	1,017.5	784.0	775.3	790.8	795.0	843.8	869.8	926.1	948.2	975.5	991.3	1,007.7	1,020.8	1,049.9	1,095.8	1,109.4				
Nondurable	17	419.4	482.7	565.3	681.5	455.7	487.4	476.0	481.6	485.9	525.0	554.3	569.0	613.0	623.8	654.7	698.3	749.4	736.8	765.7				
Services ¹	18	241.0	256.2	296.2	320.9	251.1	249.0	245.3	259.3	271.2	283.7	292.1	298.8	310.1	315.0	317.8	322.1	328.5	338.1	345.5				
Income payments	19	275.0	280.0	363.9	481.5	253.3	276.2	267.0	283.6	293.1	305.6	357.8	369.2	423.1	437.9	460.6	475.0	552.4	574.3	.....			
Wage and salary payments	20	8.4	8.5	8.9	9.2	8.4	8.6	8.3	8.5	8.7	8.7	8.9	8.8	9.3	9.0	9.1	9.4	9.3	9.2	.....			
Income payments on assets	21	266.7	271.4	355.0	472.2	244.9	267.6	258.7	275.0	284.4	296.9	348.9	360.4	413.8	428.8	451.5	465.6	543.1	565.1	.....			
Interest	22	218.0	187.8	229.2	331.2	205.2	187.3	181.3	187.8	194.9	193.6	221.3	238.7	263.2	291.8	309.2	345.1	378.9	414.8	.....			
Dividends	23	45.0	68.9	69.8	81.8	57.1	40.0	108.0	59.4	68.3	82.1	65.1	47.6	84.4	94.1	54.3	91.6	87.3	63.1	.....			
Reinvested earnings on foreign direct investment in the United States	24	3.6	14.7	56.0	59.2	-17.4	40.3	-30.6	27.8	21.3	21.2	62.5	74.1	66.1	42.9	87.9	28.9	77.0	87.1	.....			
Current taxes and transfer payments to the rest of the world (net)	25	64.5	69.7	82.1	86.6	64.6	70.9	68.1	68.3	71.5	90.7	84.1	66.6	86.9	109.4	93.3	38.4	105.2	79.9	82.1				
From persons (net)	26	40.0	40.2	42.9	47.1	41.1	39.6	40.3	38.0	43.1	42.7	43.3	43.2	42.4	49.0	46.0	45.8	47.6	45.2	47.3				
From government (net)	27	14.3	17.6	19.2	26.1	14.1	20.4	17.6	18.5	13.9	26.9	16.4	16.8	16.8	31.1	19.4	23.3	30.6	14.9	14.3				
From business (net)	28	10.3	11.9	20.0	13.3	9.4	10.9	10.2	11.9	14.5	21.2	24.4	6.5	27.8	29.3	-30.7	26.9	19.9	20.5	.....			
Balance on current account, NIPAs	29	-458.3	-512.3	-649.1	-771.4	-489.1	-530.8	-512.9	-509.9	-495.5	-563.6	-649.8	-651.4	-731.5	-751.3	-751.3	-714.9	-868.2	-816.1	.....			
Addenda:																								
Net lending or net borrowing (-), NIPAs	30	-459.7	-515.5	-651.3	-775.8	-490.7	-532.5	-519.2	-513.2	-496.9	-565.4	-651.4	-655.1	-733.4	-762.1	-753.6	-717.2	-870.2	-823.1	.....			
Balance on current account, NIPAs	31	-458.3	-512.3	-649.1	-771.4	-489.1	-530.8	-512.9	-509.9	-495.5	-563.6	-649.8	-651.4	-731.5	-751.3	-751.3	-714.9	-868.2	-816.1	.....			
Less: Capital account transactions (net) ²	32	1.4	3.2	2.3	4.4	1.6	1.7	6.4	3.3	1.4	1.8	1.6	3.7	1.9	10.8	2.4	2.2	2.1	7.0	.....			

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. Consists of capital transfers and the acquisition and disposal of nonproduced nonfinancial assets.

Table 4.3B. Relation of Foreign Transactions in the National Income and Product Accounts to the Corresponding Items in the International Transactions Accounts

[Billions of dollars]

	Line	2002	2003	2004	2005
Exports of goods, ITAs	1	682.4	713.4	807.5	894.6
Less: Gold, ITAs ¹	2	3.4	4.8	4.4	5.5
Statistical differences ²	3	0.0	0.0	0.0	0.0
Plus: Adjustment for U.S. territories and Puerto Rico ³	4	18.5	15.8	15.7	18.5
Equals: Exports of goods, NIPAs	5	697.6	724.4	818.8	907.5
Exports of services, ITAs	6	292.3	302.7	344.4	380.6
Less: Statistical differences ²	7	-3.1	-0.2	0.0	0.0
Other items ⁴	8	0.7	0.6	0.7	0.9
Plus: Adjustment for U.S. territories and Puerto Rico ³	9	4.5	4.8	4.9	5.1
Services furnished without payment by financial intermediaries except life insurance carriers	10	9.1	9.3	10.7	10.8
Equals: Exports of services, NIPAs	11	308.4	316.4	359.3	395.6
Income receipts, ITAs	12	270.7	303.1	374.9	474.7
Less: Statistical differences ²	13	-2.1	-0.5	0.0	0.0
Plus: Adjustment for U.S. territories and Puerto Rico ³	14	29.4	30.5	31.6	33.1
Imputed interest received from the rest of the world	15	-1.4	-1.5	-1.4	-1.7
Adjustment for grossing of parent/affiliate transactions ⁵	16	4.8	4.3	5.1	7.3
Equals: Income receipts, NIPAs	17	305.7	336.8	410.2	513.3
Imports of goods, ITAs	18	1,164.7	1,260.7	1,472.9	1,677.4
Less: Gold, ITAs ¹	19	2.9	3.6	4.1	4.4
Statistical differences ²	20	0.0	0.0	0.0	0.0
Plus: Gold, NIPAs ¹	21	-3.3	-3.4	-3.3	-3.5
Adjustment for U.S. territories and Puerto Rico ³	22	30.8	30.2	29.6	29.5
Equals: Imports of goods, NIPAs	23	1,189.3	1,283.9	1,495.2	1,699.0
Imports of services, ITAs	24	231.1	250.3	290.3	314.6
Less: Statistical differences ²	25	-4.6	-0.5	0.0	0.0
Plus: Adjustment for U.S. territories and Puerto Rico ³	26	5.3	5.5	5.9	6.2
Equals: Imports of services, NIPAs	27	241.0	256.2	296.2	320.9
Income payments, ITAs	28	258.4	266.5	347.3	463.4
Less: Statistical differences ²	29	-2.9	-0.2	0.0	0.0
Plus: Adjustment for U.S. territories and Puerto Rico ³	30	1.1	1.2	2.2	1.7
Imputed interest paid to the rest of the world	31	7.8	7.8	9.3	9.1
Adjustment for grossing of parent/affiliate transactions ⁵	32	4.8	4.3	5.1	7.3
Equals: Income payments, NIPAs	33	275.0	280.0	363.9	481.5
Balance on goods and services and income, ITAs (1+6+12-18-24-28)	34	-408.9	-458.3	-583.7	-705.4
Less: Gold (2-19+21)	35	-2.8	-2.2	-2.9	-2.4
Statistical differences (3+7+13-20-25-29)	36	2.3	0.0	0.0	0.0
Other items (8)	37	0.7	0.6	0.7	0.9
Plus: Adjustment for U.S. territories and Puerto Rico (4+9+14-22-26-30)	38	15.2	14.1	14.5	19.2
Equals: Net exports of goods and services and net receipts of income, NIPAs (5+11+17-23-27-33)	39	-393.8	-442.6	-567.0	-684.9
Unilateral current transfers, net, ITAs	40	63.6	69.2	81.6	86.1
Less: Statistical differences ²	41	-0.5	0.0	0.0	0.0
Plus: Adjustment for U.S. territories and Puerto Rico ³	42	0.5	0.5	0.5	0.5
Equals: Current taxes and transfer payments to the rest of the world, net, NIPAs	43	64.5	69.7	82.1	86.6
Balance on current account, ITAs (34-40)	44	-472.4	-527.5	-665.3	-791.5
Less: Gold (35)	45	-2.8	-2.2	-2.9	-2.4
Statistical differences (36-41)	46	2.8	0.0	0.0	0.0
Other items (37)	47	0.7	0.6	0.7	0.9
Plus: Adjustment for U.S. territories and Puerto Rico (38-42)	48	14.7	13.6	14.0	18.7
Equals: Balance on current account, NIPAs (39-43)	49	-458.3	-512.3	-649.1	-771.4

1. Exports and imports of gold in the NIPAs differ from those in the ITAs. ITA gold exports (line 2) and imports (line 19) are excluded from the NIPAs; imports of gold in the NIPAs (line 21) is the excess of the value of gold in gross domestic purchases over the value of U.S. production of gold.

2. Consists of statistical revisions to the ITAs that have not yet been incorporated into the NIPAs and statistical revisions to the NIPAs that have not yet been incorporated into the ITAs.

3. Consists of transactions between the United States and its territories, Puerto Rico, and the Northern Mariana Islands. The treatment of U.S. territories, Puerto Rico, and the Northern Mariana Islands in the NIPAs differs from that in the ITAs. In the NIPAs, they are included in the rest of the world; in the ITAs, they are treated as part of the United States. The adjustment to unilateral current transfers, net (line 42) consists only of transfer payments from persons, because transfer payments, subsidies, and grants-in-aid from the Federal Government to residents of U.S. territories, Puerto Rico, and the Northern Mariana Islands are excluded from NIPA transfer payments to the rest of the world.

4. Beginning with 1988, the ITAs classify certain military grants as services that the NIPAs do not. In the NIPAs these transactions are excluded from exports and included in transfer payments from government.

5. In the ITAs, income transactions between parents and affiliates are recorded on a net basis. In ITA exports, U.S. parents' receipts from foreign affiliates for interest are net of such payments by U.S. parents to foreign affiliates. In ITA imports, U.S. affiliates' payments to foreign parents for interest are net of such receipts by U.S. affiliates from foreign parents. In the NIPAs, these transactions are recorded on a gross basis. The amount of the adjustment is identical in income payments and in income receipts and, thus, does not affect NIPA net income receipts or balance on current account.

ITAs International transactions accounts