U.S. International Transactions Revised Estimates for 1982–99

By Christopher L. Bach

AS IS customary each June, the estimates of U.S. international transactions have been revised to incorporate statistical and methodological 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 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.

- Net U.S. purchases of foreign securities are revised for 1995–99 as a result of a more complete accounting for large-scale foreign acquisitions of U.S. companies. Net U.S. purchases of foreign securities are also revised for 1995–99 to account for other transactions that are not completely captured by the statistical reporting system.
- "Other" private income receipts are revised for 1998–99 to incorporate the final results of the U.S. Treasury Department's Benchmark Survey of U.S. Portfolio Investment Abroad as of December 31, 1997. Previously, only preliminary results were available. "Other" private income receipts are also revised to reflect the previously mentioned changes made to net U.S. purchases of foreign securities.
- "Other" private services receipts and payments are revised for 1997–99 to reflect revisions to financial services receipts and payments. "Other" private services receipts are also revised as follows: For 1986–99, to incorporate improved estimates of expenditures of international organizations in the United States; for 1996–99, to incorporate improved estimates of expenditures of foreign embassies in the United States; and for 1986–99, to incorporate newly developed estimates of expenditures of temporary nonagricultural workers in the United States.
- Direct investment income and capital flows are revised for 1982–99 to reflect revised estimates of the current-cost adjustment. Revised estimates of prices for equipment and structures are now incorporated into the current-cost adjustment.

The newly available benchmark data, improved methodologies, and improved coverage of the accounts are discussed in the remaining sections of this article. In addition to these major changes, revisions also result from the incorporation of regularly available data from BEA's annual and quarterly surveys, from the U.S. Treasury Department's and Federal Reserve System's quarterly and monthly surveys, and supplemental data from other U.S. Government agencies and private sources. For 1999, as a result of all the changes, the current-account deficit is reduced $7.4 billion, to $331.5 billion (table 1). By account, $1.3 billion is added to goods exports and $0.2 billion is removed from goods imports, resulting in a deficit that is $1.6 billion lower than previously estimated. For services, $5.2 billion is removed from services exports and $6.2 billion is removed from services imports, resulting in a surplus that is $1.0 billion higher than previously estimated. For income, $2.3 billion is added to income receipts and $4.0 billion is removed from income payments, resulting in a deficit that is $6.3 billion lower than previously estimated. For net current unilateral transfers, $1.4 billion in outflows is added, resulting in an increase in net transfers of the same amount. Net financial account inflows were revised down $54.8 billion, to $323.4 billion. Details on revisions to individual series are shown in table 2 at the end of the article.

Foreign securities

Additional offsets to direct investment.—Estimates of U.S. transactions in foreign securities are adjusted to account more completely for large-scale acquisitions that have occurred over the past 5 years.

The treatment in the international accounts of foreign acquisitions of U.S. companies can involve entries in the direct investment, foreign securities (portfolio investment), and banking accounts, depending on the type of financing.

For acquisitions financed by an exchange of stock, the amount of the acquisition is entered as a financial inflow in the foreign direct investment in the United States account. This amount is probably captured completely and valued correctly in the direct investment statistical reporting system. However, net U.S. purchases of foreign securities in the Treasury International Capital (TIC) portfolio investment reporting system, which records the contra- or offsetting entry, often does not effectively capture the receipt by U.S. investors of stock in a foreign company in exchange for stock in a domestic company, because this exchange of securities does not normally go through the TIC reporting system. Consequently, when BEA can confirm that an exchange of stock has occurred and that net U.S. purchases of foreign securities are underreported, it has adjusted its estimates to assure more complete coverage of securities transactions. BEA makes these adjustments for some medium-size transactions and for large-size transactions. These additional securities offsets have been entered in the appropriate periods for 1995–99—a period in which foreign acquisitions were prevalent and in which their number and size reached new levels: $7.4 billion was added for 1995, $10.8 billion for 1996, $3.0 billion for 1997, $10.5 billion for 1998, and $8.9 billion for 1999.

For acquisitions financed either partly or entirely with cash, the cash portion of the acquisition is included in the U.S. bank-reported accounts, typically as a reduction in foreign-held dollar deposits, and it is believed to be completely captured and correctly valued.

Other adjustments for undercoverage.—Estimates of U.S. transactions in foreign securities are also adjusted to account for other sources of incompleteness. Coverage problems were partly confirmed by information from the U.S. Treasury Department's Benchmark Survey of U.S. Portfolio Investment Abroad at yearend 1997, which indicated a 20-percent discrepancy between BEA's position estimates, based on accumulations and revaluations of transactions in TIC reports, and the benchmark survey results. The discrepancy had arisen in the 3 years since the previous benchmark survey for yearend 1994.

When BEA adjusted its international investment position estimates last year using preliminary benchmark results, it attributed all of the discrepancy to valuation changes and none to the less than complete coverage of transactions, based on its experience in presenting the accounts up until that time. BEA is now changing that practice and attributing a large part of the discrepancy to

Table 1.—Revisions to the Current-Account Estimates

[Millions of dollars; quarters 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	366,926	366,983	57	–355,964	–355,975	–11	–17,139	–16,544	595	–6,177	–5,536	641
1983	356,156	356,106	–50	–377,577	–377,488	89	–17,778	–17,310	468	–39,198	–38,691	507
1984	400,052	399,913	–139	–474,144	–473,923	221	–20,661	–20,335	326	–94,753	–94,344	409
1985	387,806	387,612	–194	–484,106	–483,769	337	–22,762	–21,998	764	–119,062	–118,155	907
1986	406,060	407,098	1,038	–530,478	–530,142	336	–24,818	–24,132	686	–149,236	–147,177	2,059
1987	456,227	457,053	826	–594,825	–594,443	382	–24,047	–23,265	782	–162,645	–160,655	1,990
1988	567,260	567,862	602	–664,167	–663,741	426	–26,139	–25,274	865	–123,046	–121,153	1,893
1989	649,902	650,494	592	–721,686	–721,307	379	–27,116	–26,169	947	–98,900	–96,982	1,918
1990	708,135	708,881	746	–759,646	–759,189	457	–27,821	–26,654	1,167	–79,332	–76,961	2,371
1991	729,513	730,387	874	–735,048	–734,524	524	9,819	10,752	933	4,284	6,616	2,332
1992	748,431	749,324	893	–763,187	–762,035	1,152	–35,873	–35,013	860	–50,629	–47,724	2,905
1993	776,404	776,933	529	–823,167	–821,977	1,190	–38,522	–37,637	885	–85,286	–82,681	2,605
1994	868,041	868,867	826	–950,529	–949,212	1,317	–39,192	–38,260	932	–121,680	–118,605	3,075
1995	1,005,715	1,006,576	861	–1,083,844	–1,081,976	1,868	–35,437	–34,057	1,380	–113,566	–109,457	4,109
1996	1,074,425	1,075,874	1,449	–1,161,533	–1,159,111	2,422	–42,187	–40,081	2,106	–129,295	–123,318	5,977
1997	1,197,206	1,194,283	–2,923	–1,298,705	–1,294,029	4,676	–41,966	–40,794	1,172	–143,465	–140,540	2,925
1998	1,192,231	1,191,422	–809	–1,368,718	–1,364,531	4,187	–44,075	–44,029	46	–220,562	–217,138	3,424
1999	1,233,944	1,232,407	–1,537	–1,526,281	–1,515,861	10,420	–46,581	–48,025	–1,444	–338,918	–331,479	7,439
1996:I	262,090	262,540	450	–277,914	–277,301	613	–10,920	–10,519	401	–26,744	–25,280	1,464
II	265,687	266,135	448	–287,958	–287,269	689	–9,185	–8,744	441	–31,456	–29,878	1,578
III	266,217	266,709	492	–295,037	–294,421	616	–9,507	–8,940	567	–38,327	–36,652	1,675
IV	280,425	280,484	59	–300,625	–300,121	504	–12,574	–11,878	696	–32,774	–31,515	1,259
1997:I	287,363	286,666	–697	–312,914	–311,988	926	–9,347	–9,054	293	–34,898	–34,376	522
II	300,113	299,955	–158	–322,090	–320,660	1,430	–9,494	–9,280	214	–31,471	–29,985	1,486
III	305,865	305,537	–328	–331,384	–329,383	2,001	–10,096	–9,561	535	–35,615	–33,407	2,208
IV	303,869	302,129	–1,740	–332,317	–331,999	318	–13,030	–12,902	128	–41,478	–42,772	–1,294
1998:I	302,289	301,732	–557	–335,380	–334,328	1,052	–9,927	–9,794	133	–43,018	–42,390	628
II	298,463	298,857	394	–340,977	–340,233	744	–9,886	–10,099	–213	–52,400	–51,475	925
III	291,493	291,341	–152	–344,182	–341,992	2,190	–10,787	–10,658	129	–63,476	–61,309	2,167
IV	299,985	299,489	–496	–348,180	–347,980	200	–13,474	–13,474	0	–61,669	–61,965	–296
1999:I	295,503	293,717	–1,786	–354,099	–349,513	4,586	–10,306	–10,831	–525	–68,902	–66,627	2,275
II	300,939	300,994	55	–370,921	–368,439	2,482	–11,175	–11,537	–362	–81,157	–78,982	2,175
III	313,183	313,084	–99	–391,060	–391,337	–277	–11,208	–11,396	–188	–89,085	–89,649	–564
IV	324,317	324,612	295	–410,204	–406,575	3,629	–13,892	–14,260	–368	–99,779	–96,223	3,556

transactions. This change permits the international transactions accounts to more accurately reflect several major changes that were taking place in financial markets: Strong growth in direct transactions between U.S. and foreign residents that was not captured by a U.S. reporting system based primarily on recording transactions between financial intermediaries; a new emphasis on global investing by mutual and pension funds that may not have conducted transactions through financial intermediaries; and greatly improved electronic communications networks that permitted direct transactions with foreign institutions at lowered transactions costs. The adjustment for undercoverage of transactions is assumed to rise in each of the 3 years between the benchmark surveys. Net transactions in foreign stocks and in foreign bonds are each adjusted proportionately. The amount of adjustment for additional net U.S. purchases in foreign securities is $15.0 billion for 1995, $23.2 billion for 1996, and $26.8 billion for 1997. Adjustments for subsequent years will be held constant at the 1997 level until the next outbound benchmark portfolio survey reveals the extent of undercoverage. The next benchmark survey is planned for yearend 2001.

BEA is working with the Federal Reserve System and the U.S. Treasury Department to improve the coverage of the quarterly TIC reports.

Related income receipts.—A result of the changes for offsets to direct investment and for other undercoverage is to boost related dividend and interest income receipts. Dividend receipts are raised $0.8 billion for 1998 and $2.4 billion for 1999, and interest income receipts are raised $0.8 billion for 1998 and $1.6 billion for 1999. No revisions are made for 1995–97, because the position estimates and related income estimates had already been adjusted by the preliminary benchmark survey results last year.

Other private income receipts

The final results of the U.S. Treasury Department's benchmark survey of U.S. holdings of foreign securities at yearend 1997 showed a slight increase in U.S. holdings from the preliminary results introduced into the accounts last year. In addition, the survey's dividend and interest data available this year showed lower average yields than had been used by BEA to estimate income.

Dividend rates on foreign stocks obtained from the benchmark survey at yearend 1997 were lower than those included in BEA's accounts. The difference is mostly attributable to the geographic composition of U.S. holdings. The benchmark data showed higher holdings in emerging market countries; many dividend rates in these countries were especially low and lower than those used in BEA's accounts. When BEA's market-based average dividend rate was adjusted downward on the basis of the new, lower Treasury benchmark dividend rate, the result was to lower dividend income receipts $5.0 billion for 1998 and $3.6 billion for 1999.

Interest yields on foreign bonds on average were close to those included in BEA's accounts at yearend 1997. A minor adjustment to average interest yields in BEA's accounts was necessary to account for a slightly lower proportion of dollar-denominated bonds and for a slightly higher proportion of foreign currency-denominated bonds. When BEA's market-based average interest yield was adjusted on the basis of the new Treasury benchmark interest yield, the result was to raise interest receipts $1.0 billion for 1998 and to lower receipts $1.5 billion for 1999.

Revisions are not made for 1995–97, because the position estimates and related income estimates had already been adjusted by the preliminary benchmark survey results last year.

Financial services

This year, BEA completed its quinquennial Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons for 1999. The benchmark survey is more comprehensive than BEA's annual surveys of financial services transactions and included a refinement in the categories of cross-border services reported by U.S. financial services providers. The current major categories are brokerage commissions, underwriting and private placement fees, financial management fees, credit-related fees, credit card services, financial advisory and custody services, securities lending fees, electronic funds transfer charges, and all other financial services.

The benchmark survey results led to significant changes for brokerage commissions and for underwriting and for private placement fees. The revisions to brokerage commissions were larger than revisions to underwriting fees, and for both, the revisions were larger for receipts than for payments. Both receipts and payments were revised down.

Based on the benchmark survey results, BEA is now assuming a more rapid decline than previously in the explicit fees and commissions charged on brokerage transactions and, to a smaller extent, on underwriting transactions. These declines are directly attributable to increased competition among financial institutions, mergers among large-scale financial services providers, improved telecommunications networks, greater ease in conducting transactions on foreign exchanges, and technological advances that have dramatically lowered unit transactions costs in recent years. Conversations with industry participants confirm the new survey results. In addition, an increasing portion of securities transactions may be occurring through affiliated companies, which would result in a lower level of financial services transactions with unaffiliated foreign persons. Therefore, the estimates of commissions and underwriting fees are reduced for 1997–99 to bring them in line with current developments in the financial services industry. Receipts were reduced $1.3 billion for 1997, $2.4 billion for 1998, and $1.8 billion for 1999. Payments were reduced $0.2 billion for 1997, $0.2 billion for 1998, and $0.3 billion for 1999.

Other services

Several changes are introduced for “other” private services receipts.

Foreign embassies and international organizations.—Improved estimates for noncompensation expenditures of foreign embassies and consulates and for international organizations in the United States are introduced. Previously, these estimates were included only implicitly as part of total receipts; now, the estimation techniques have been improved. As extraterritorial entities located in the United States, both foreign embassies and consulates and international organizations incur noncompensation expenses in the U.S. economy.

For foreign embassies and consulates in Washington, DC, source data on noncompensation expenditures in the United States (such as expenditures for office supplies, contractual services, equipment, rent, utilities, and food) were used to calculate an average noncompensation expenditure per employee. This average expenditure was multiplied by the total number of personnel employed by all embassies and consulates in the United States, as supplied by the Department of State, to derive total noncompensation expenditures of foreign embassies and consulates. Revisions are for 1996–99. For international organizations, a similar approach was used, based on data for noncompensation expenditures and the number of personnel provided by the organizations themselves. Revisions are for 1986–99.

An additional aspect of the improved estimates is that they now include a measure of the spending of foreign employees of the foreign embassies and consulates and of foreign employees of international organizations in the United States. These expenditures are estimated as a share of foreign employees’ total earnings. Estimates are for 1986–99.

Expenditures of temporary nonagricultural workers.—In last year’s annual revision, a new measure of the earnings of temporary undocumented nonagricultural workers in the United States was introduced.[1] The estimate of total compensation was calculated as the number of such workers multiplied by annual hours worked and an average hourly wage, based on data obtained from several sources. This year, based on the same data sources,

1. See Christopher L. Bach, “U.S. International Transactions, Revised Estimates for 1982–98,” Survey of Current Business 79 (July 1999): 70–71.

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The revisions to the estimates of U.S. direct investment abroad were prepared under the supervision of Patricia Walker of the International Investment Division (IID), the revisions to the estimates of foreign direct investment in the United States were prepared under the supervision of Gregory Fouch of IID, and the revisions of several of the estimates of unaffiliated private services were prepared under the supervision of Christopher Emond of IID.

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estimates of these workers' expenditures in the United States are introduced and entered as receipts in the "other" private services account. Estimates are for 1986–99. For 1999, receipts are raised $1.6 billion.

Current-cost adjustment

The current-cost adjustment to direct investment income and capital has been revised to reflect revised estimates of economic depreciation and updated source data for historical-cost depreciation, depletion, and expensed exploration and development expenditures reported by direct investment affiliates. (The current-cost adjustment consists of (1) the difference between historical-cost 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, and (2) adjustments to reported earnings for charges taken by direct investment affiliates for depletion and for expensed exploration and development expenditures.)

The revised estimates of economic depreciation reflect revised prices for equipment and structures investment in the United States, based on estimates incorporated in the 1999 comprehensive revision of BEA's national income and product accounts (NIPA's), and revised prices for equipment and structures investment in foreign countries. U.S. prices are revised for all years, but the largest revisions are for recent years. Foreign prices are revised only for recent years.

Additional revisions to economic depreciation reflect revised investment data reported by direct investment affiliates and revised assumptions about the relationship between equipment and structures that are used to compute separate estimates of equipment and structures. For 1999, revisions to the current-cost adjustment for U.S. direct investment abroad raised income receipts $1.0 billion, and revisions for the current-cost adjustment for foreign direct investment in the United States reduced income payments $0.6 billion. Offsetting entries were made in the direct investment capital accounts.

This work extends the significant improvements to the current-cost adjustment estimates that were introduced last year. This year's revisions are for 1982, the first year for which current-cost adjustments are included in the accounts, through 1999.[2]

Taxes

Taxes received from nonresidents by the U.S. Government are revised for 1997–99 to incorporate updated source data from the Internal Revenue Service (IRS), and for 1982–99 to include an additional component that was introduced in the 1999 comprehensive revision of the NIPA's.

Previously, tax receipts from nonresidents were estimated on the basis of IRS-reported receipts from nonresident aliens only; these receipts were entered in the unilateral current transfers account as offsets to corresponding entries in the services and income accounts. Now, the methodology is adjusted to account for taxes received from nonresident U.S. citizens. This adjustment is made to maintain consistency with the NIPA's. For 1999, the revision raised U.S. tax receipts $2.2 billion.

Panama Canal

The U.S. Government's assets in the Panama Canal Commission have been revalued to reflect prices of the current period. The revaluation affects the transaction value of the transfer of the U.S. assets to the Republic of Panama in the fourth quarter of 1999 in the U.S. international transaction accounts. The revaluation also affects the value of the assets in the U.S. international investment position from October 1, 1979, when the Panama Canal Commission was created, to December 31, 1999 (at noon), when the United States last owned the assets.

The net stock of fixed assets on the Panama Canal Commission's balance sheet is revalued from historical cost to current cost. The current-cost net stock is constructed using a perpetual inventory method. This method is consistent with the method that BEA uses to estimate the current-cost value of the net stock of fixed assets and consumer durable goods in its domestic wealth estimates and the current-cost direct investment positions in its international accounts.[3] In the perpetual inventory method, each year's capital investment is first de-

2. See Bach, "Revised Estimates for 1982–98," 65–67.

3. For a discussion of the methods used to derive net stocks, see U.S. Department of Commerce, Bureau of Economic Analysis, *Fixed Reproducible Tangible Wealth of the United States, 1925–94* (Washington, DC: U.S. Government Printing Office, August 1999): M–1—M–36.

flated from historical cost to constant cost using capital goods investment price indexes. The constant-cost net capital stock for a given year is then calculated as the cumulative value of past investment less the cumulative value of past depreciation and discards. The constant-cost capital stock is then reflated to current cost using capital goods investment price indexes.

The data required to construct the current-cost value of the net stock of fixed assets on the Panama Canal Commission's balance sheet were assembled from various sources and, in cases in which sources were less than fully adequate, were derived using assumptions based on BEA's experience in its other capital stock work. Investment data were derived from accounting statements of the Panama Canal Company, the Panama Canal Commission, and the Budget of the United States. Service lives were based largely on rates of depreciation implied by accounting statements. A price index for capital investment in canals does not exist, so BEA chose a NIPA index that is used to deflate investment in certain heavy construction.

"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. Differences between directly adjusted aggregate series and corresponding series that are derived indirectly as the sum of individually seasonally adjusted series are sometimes called "residual" seasonality.

This year, building on the gains in reducing "residual" seasonality in recent years, BEA and the Bureau of the Census applied adjustments for trading-day variation at the five-digit level, which is the same level at which seasonal adjustments are applied. The change allows a consistent application of trading-day and seasonal factors to the most detailed level of unadjusted data available. As a result, "residual" seasonality was reduced significantly for exports and changed little for imports.

It was possible to make this change this year because of the adoption last year of a regression methodology to calculate trading-day factors. The regression method is better able to distinguish irregular movements from trading-day variation than the old multiplicative method. Therefore, it is no longer necessary to apply trading-day factors at the three-digit level. The old procedure was also found to contribute to more, rather than less, "residual" variation (1) because it sometimes forced a combination of series that were unrelated by nature of product, (2) because it sometimes forced the combination of series that had offsetting trading-day patterns, and (3) because trading-day factors for large series were sometimes applied to many smaller series that when adjusted individually, showed no trading-day variation. Development and testing for trading-day variation at the five-digit level should remove the problems sometimes encountered by grouping series to a three-digit level.

The process that BEA and the Bureau of the Census use to develop seasonally adjusted estimates is complex and detailed. Nearly 300 series are tested for seasonality and trading-day variation 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, 95 percent of the value of total exports and 97 percent of the value of total imports receive at least one type of adjustment. About 115 of 144 export series and 127 of the 149 import series receive at least one type of adjustment. Revisions are made for 1997–99.

Table 2 follows.

Table 2.—Major Sources of Revisions, 1982–1999

[Millions of dollars]

(Credits +; debits –) [1]	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
	International transactions																	
Current account																		
Other private services receipts (line 10):																		
Revised	......	......	......	......	28,027	29,263	31,111	36,729	40,251	47,748	49,956	53,532	61,477	65,094	73,858	84,505	90,914	96,508
Changes due to financial services	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–1,296	–2,425	–1,848
Changes due to expenditures of temporary nonagricultural workers	......	......	......	......	600	466	247	354	667	777	1,005	1,093	1,345	1,369	1,358	1,454	1,515	1,589
Changes due to expenditures of international organizations in the United States	......	......	......	......	647	604	606	517	415	441	355	–102	11	224	264	181	408	145
Changes due to expenditures of foreign embassies in the United States	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–191	–211	–231	–218
Revisions due to updated source data	......	......	......	......	......	......	36	......	......	......	......	......	......	......	15	–1,189	–469	–2,517
Previously published	......	......	......	......	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	99,357
Direct investment receipts (line 14):																		
Revised	29,469	31,750	35,325	35,410	36,938	46,288	58,445	61,981	65,973	58,718	57,538	67,246	77,344	95,260	102,505	115,536	106,407	118,802
Changes due to improved estimates of current-cost adjustment	57	–50	–139	–194	–210	–244	–287	–279	–336	–344	–467	–462	–530	–731	–809	–1,192	785	1,010
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	933	2,776	1,109
Previously published	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	116,683
Other private income receipts (line 15):																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	146,503	151,958
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	150,001	152,104
Dividends on foreign stocks:																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	23,467	30,602
Changes to dividends due to revised yields based on 1997 outward portfolio benchmark survey final results	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–5,011	–3,619
Revisions to dividends due to adjustments to account for undercoverage of securities transactions	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	790	2,373
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	2	848
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	27,686	31,000
Interest on foreign bonds:																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	39,246	40,321
Changes to bond interest due to revised yields based on 1997 outward portfolio benchmark survey final results	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	990	–1,484
Revisions to bond interest due to adjustments to account for undercoverage of securities transactions	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	839	1,584
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–157	4
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	37,574	40,217
Other:																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	83,790	81,035
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–951	148
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	84,741	80,887
Other private services payments (line 27):																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–43,280	–49,051	–46,657
Changes due to financial services	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	216	210	349
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	411	–1,589	4,584
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–43,909	–47,670	–51,591
Direct investment payments (line 31):																		
Revised	–2,114	–4,120	–8,443	–6,945	–6,856	–7,676	–12,150	–7,045	–3,450	2,266	–2,189	–7,943	–22,150	–30,318	–33,093	–43,601	–38,679	–56,098
Changes due to improved estimates of current-cost adjustment	–11	89	221	337	336	382	426	379	457	524	1,152	1,190	1,317	1,868	2,475	1,257	–136	632
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	1,717	4,898	1,520
Previously published	–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	–58,250
Private remittances and other transfers (line 38):																		
Revised	–8,207	–8,635	–9,479	–8,593	–9,877	–10,548	–12,028	–12,534	–13,070	–14,665	–14,650	–16,497	–18,726	–19,416	–20,214	–24,131	–26,454	–29,850
Changes due to revision of tax receipts	594	468	326	764	687	782	865	947	1,168	934	860	886	932	1,380	2,170	1,838	2,059	2,174
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–628	–1,845	–2,394
Previously published	–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	–29,630
Capital and financial account																		
Capital account																		
Capital account transactions, net (line 39):																		
Revised	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–3,500
Revisions due to revaluation of Panama Canal transfer	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–3,303
Revisions due to updated source data	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–25
Previously published	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	–172

See footnotes at the end of the table.

Table 2.—Major Sources of Revisions, 1982–1999

[Millions of dollars]

(Credits +; debits –) [1]	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Financial account																		
U.S. direct investment abroad (line 51):																		
Revised	–4,556	–12,528	–16,407	–18,927	–23,995	–35,034	–22,528	–43,447	–37,183	–37,889	–48,266	–83,950	–80,167	–98,750	–91,885	–105,016	–146,052	–150,901
Changes due to improved estimates of current-cost adjustment	–57	50	139	194	210	244	287	279	336	344	467	462	530	731	809	1,192	–785	–1,010
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,747	–12,438	2,261
Previously published	–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	–152,152
Foreign securities (line 52):																		
Revised	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–122,506	–149,829	–118,976	–135,995	–128,594
Previously published	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–100,074	–115,859	–89,174	–102,817	–97,882
Foreign stocks:																		
Revised	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–65,412	–82,848	–57,578	–101,235	–114,402
Changes due to additional foreign direct investment offsets	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–7,426	–10,800	–3,000	–10,520	–8,900
Changes due to adjustment for undercoverage of securities transactions	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–7,561	–12,008	–12,590	–12,600	–12,600
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–18	–362	4,869
Previously published	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–50,425	–60,040	–41,970	–77,753	–97,771
Foreign bonds:																		
Revised	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–57,094	–66,981	–61,398	–34,760	–14,192
Changes due to adjustment for undercoverage of securities transactions	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–7,445	–11,162	–14,162	–14,200	–14,200
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–32	4,504	119
Previously published	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–49,649	–55,819	–47,204	–25,064	–111
Foreign direct investment in the United States (line 64):																		
Revised	12,635	10,372	24,468	19,742	35,420	58,470	57,735	68,274	48,494	23,171	19,823	51,362	46,121	57,776	86,502	106,032	186,316	275,533
Changes due to improved estimates of current-cost adjustment	11	–89	–221	–337	–336	–382	–426	–379	–457	–524	–1,152	–1,190	–1,317	–1,868	–2,475	–1,257	136	–632
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–1,975	–7,195	–6,342
Previously published	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	282,507
	International investment position (at yearend)																	
U.S. direct investment abroad (lines 17 and 18):																		
Revised:																		
At current cost	374,059	355,643	348,342	371,036	404,818	478,062	513,761	553,093	616,655	643,364	663,830	723,526	786,565	885,506	986,536	1,058,735	1,207,059	1,331,187
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,778,189	2,173,547	2,615,532
Changes due to improved methods:																		
At current cost	5,606	9,548	10,979	12,582	14,681	18,082	21,452	23,211	26,645	29,672	30,756	32,871	38,060	42,253	46,293	60,812	50,599	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	(2)
Revisions due to updated source data:																		
At current cost	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–6,305	33,019	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–6,305	33,019	(2)
Previously published:																		
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	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,784,494	2,140,528	(2)
U.S. Government assets, other than official reserve assets (line 10):																		
Revised	76,903	81,664	86,945	89,792	91,850	90,681	87,892	86,643	84,344	81,422	83,022	83,382	83,908	85,064	86,123	86,198	86,768	84,226
Changes due to Panama Canal adjustment	2,221	2,038	1,974	2,040	2,213	1,801	1,775	2,154	2,351	2,278	2,300	2,353	3,785	3,969	4,077	4,238	3,646	(2)
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	740	(2)
Previously published	74,682	79,626	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	(2)
Foreign securities (line 19):																		
Revised	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,751,183	2,052,929	2,583,386
Changes due to 1997 outward portfolio benchmark	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	11,783	13,813	(2)
Changes due to additional foreign direct investment offsets	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	22,246	(2)
Changes due to adjustment for undercoverage	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	56,673	(2)
Revisions due to updated source data	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–8,759	(2)
Previously published	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,739,400	1,968,956	(2)
Foreign direct investment in the United States (lines 35 and 36):																		
Revised:																		
At current cost	184,842	193,708	223,538	247,223	284,701	334,552	401,766	467,886	505,346	533,404	540,270	593,313	617,982	680,066	743,214	825,334	928,645	1,125,214
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,639,765	2,190,990	2,800,736
Changes due to improved methods:																		
At current cost	10,336	12,482	15,182	17,680	20,269	23,074	26,347	29,945	33,790	39,659	43,158	46,919	53,237	60,689	68,884	63,889	53,040	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	(2)
Revisions due to updated source data:																		
At current cost	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–2,600	–3,112	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	–2,600	–3,112	(2)
Previously published:																		
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	(2)
At market value	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,642,365	2,194,102	(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.

NOTE.—For international transactions, line numbers refer to table 1 of the article on U.S. international transactions in this issue of the SURVEY. For the international investment position, line numbers refer to table 1 of the article on the U.S. international investment position also in this issue of the SURVEY.