

## Integration Efforts with the Federal Reserve Board's Flow of Funds Accounts

On March 10, 2006 BEA posted a new Web page that provides a comparison of the measure of personal saving shown in BEA's national income and products accounts (NIPAs) with a comparable measure presented in the Federal Reserve Board's flow of funds accounts (FFAs). In the NIPAs, personal saving is calculated as personal income minus personal current outlays (primarily personal consumption expenditures), whereas in the FFAs, personal saving is equal to net purchases of financial and non-financial assets (excluding, for comparability with the NIPA measure, net investment in consumer durable goods) minus the net increase in personal debt. These two measures should, in principle, be equal; differences reflect the differences in source data and statistical methods used in the calculations. Long-run trends in these two measures of personal saving are very similar. The page also features a chart showing changes in the ratio of net worth from the FFAs to disposable personal income, which it compares to the ratio of personal consumption expenditures to disposable personal income.

From the BEA home page ([www.bea.gov](http://www.bea.gov)), the new Web page can be found by clicking on "[National](#)" then clicking on "Comparison of Personal Saving in the NIPAs with Personal Saving in the Flow of Funds Accounts – [Charts and interactive table](#)."

In the fall of 2006, BEA and the Federal Reserve Board intend to publish a set of tables that provide an integrated set of accounts for the major sectors of the domestic economy. A prototype of this presentation was developed in a research paper that was co-authored by Albert Teplin and economists from both agencies and was published in the Conference on Research in Income and Wealth volume, *A New Architecture for the U.S. National Accounts*.<sup>1</sup> The tables are based on *System of National Accounts 1993* (the international guidelines for national accounts) and present a complete sequence of accounts that relate production, income and spending, capital formation, financial transactions, and asset revaluations to changes in net worth between balance sheets. The two agencies have also continued their work to better harmonize the NIPAs and the FFAs.

---

<sup>1</sup> Albert M. Teplin, Rochelle Antoniewicz, Susan Hume McIntosh, Michael G. Palumbo, Genevieve Solomon, Charles Ian Mead, Karin Moses, and Brent Moulton (2006). "Integrated Macroeconomic Accounts for the United States: Draft SNA-USA," in Dale W. Jorgenson, J. Steven Landefeld and William D. Nordhaus, Eds., *A New Architecture for the U.S. National Accounts*, University of Chicago Press.