

U.S. International Transactions, Third Quarter 1995

By Douglas B. Weinberg

THE U.S. current-account deficit decreased to \$39.5 billion in the third quarter from \$43.3 billion (revised) in the second (table A).¹ A decrease in the deficit on goods and services more than offset an increase in the deficit on investment income and higher net unilateral transfers.

In the capital account, net recorded capital inflows were \$62.8 billion in the third quarter, up from \$24.1 billion in the second. Capital outflows for U.S. assets abroad slowed sharply as a result of a shift to net inflows for bank-reported claims. Outflows for most other U.S. assets abroad strengthened. Capital inflows for foreign assets in the United States slowed as a result of a shift to net outflows for bank-reported

liabilities. Inflows for other foreign assets in the United States strengthened.

The statistical discrepancy—errors and omissions in recorded transactions—shifted to an outflow of \$23.3 billion in the third quarter from an inflow of \$19.2 billion in the second.

U.S. dollar in exchange markets

In the third quarter, the U.S. dollar appreciated 2 percent on a trade-weighted quarterly average basis against the currencies of 10 industrial countries and 3 percent against the currencies of 22 OECD countries plus 4 newly industrialized countries in Asia (table B, chart 1). The dollar appreciated particularly strongly against the Japanese yen.

The dollar appreciated 11 percent on a quarterly average basis against the Japanese yen, rising to roughly the same level that prevailed at the begin-

1. Quarterly estimates of U.S. current- and capital-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 ()	1994	1994				1995			Change: 1995 II-III	January-September		
			I	II	III	IV	I	II ^r	III ^p		1994	1995	Change: 1994-95
1	Exports of goods, services, and income (1)	838,820	197,173	204,161	214,305	223,180	232,443	240,070	242,213	2,143	615,639	714,726	99,087
2	Merchandise, excluding military (2)	502,485	118,445	122,730	127,384	133,926	138,061	142,850	145,315	2,465	368,559	426,226	57,667
3	Services (3)	198,716	47,786	49,093	50,890	50,947	51,128	51,749	52,279	530	147,769	155,156	7,387
4	Income receipts on investments (11)	137,619	30,942	32,338	36,031	38,307	43,254	45,471	44,619	-852	99,311	133,344	34,033
5	Imports of goods, services, and income (15)	-954,304	-220,073	-233,369	-245,645	-255,218	-263,844	-276,117	-273,885	2,232	-699,087	-813,846	-114,759
6	Merchandise, excluding military (16)	-668,584	-154,935	-164,224	-172,011	-177,414	-183,111	-191,652	-188,748	2,904	-491,170	-563,511	-72,341
7	Services (17)	-138,829	-34,312	-34,522	-35,070	-34,926	-35,518	-36,380	-36,365	15	-103,904	-108,263	-4,359
8	Income payments on investments (25)	-146,891	-30,826	-34,623	-38,564	-42,878	-45,215	-48,085	-48,772	-687	-104,013	-142,072	-38,059
9	Unilateral transfers (29)	-35,761	-7,371	-8,778	-8,374	-11,239	-7,624	-7,220	-7,810	-590	-24,523	-22,654	1,869
10	U.S. assets abroad, net (increase/capital outflow (-)) (33) ..	-125,851	-36,783	-5,973	-27,940	-55,156	-75,343	-100,242	-42,852	57,390	-70,696	-218,437	-147,741
11	U.S. official reserve assets, net (34)	5,346	-59	3,537	-165	2,033	-5,318	-2,722	-1,893	829	3,313	-9,933	-13,246
12	U.S. Government assets, other than official reserve assets, net (39)	-322	401	491	-283	-931	-152	-180	136	316	609	-196	-805
13	U.S. private assets, net (43)	-130,875	-37,125	-10,001	-27,492	-56,258	-69,873	-97,340	-41,095	56,245	-74,618	-208,308	-133,690
14	Foreign assets in the United States, net (increase/ capital inflow (+)) (48)	291,365	80,390	46,526	79,736	84,715	94,841	124,331	105,664	-18,667	206,652	324,836	118,184
15	Foreign official assets, net (49)	39,409	10,977	9,162	19,691	-421	22,308	37,836	39,479	1,643	39,830	99,623	59,793
16	Other foreign assets, net (56)	251,956	69,413	37,364	60,045	85,136	72,533	86,495	66,185	-20,310	166,822	225,213	58,391
17	Allocations of special drawing rights (62) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
18	Statistical discrepancy (63)	-14,269	-13,336	-2,567	-12,082	13,718	19,527	19,178	-23,330	-42,508	-27,985	15,375	43,360
19	Memorandum: Balance on current account (70)	-151,245	-30,271	-37,986	-39,714	-43,277	-39,025	-43,267	-39,482	3,785	-107,971	-121,774	-13,803

^r Revised.

^p Preliminary.

ning of 1995. Factors contributing to the dollar's rise included coordinated exchange-market intervention by U.S. and foreign monetary authorities and several initiatives by the Japanese Gov-

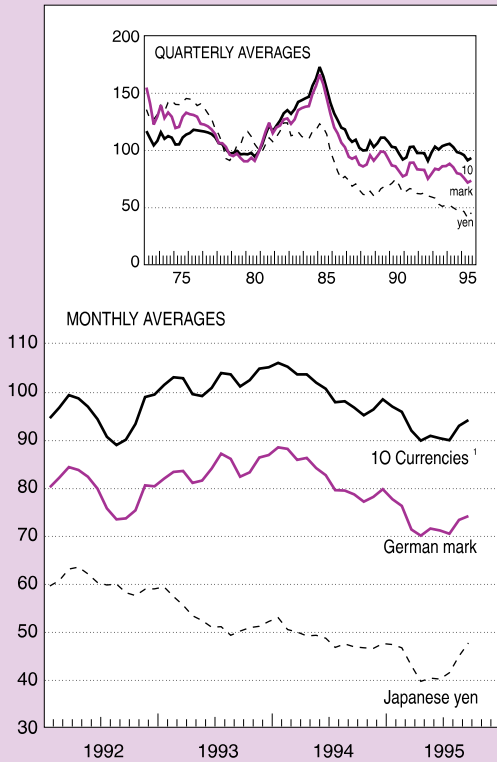
ernment to bolster their economy, including a lowering of short-term interest rates (chart 2).

The dollar appreciated less strongly—1 to 3 percent—against most major European

CHART 1

Indexes of Foreign Currency Price of the U.S. Dollar

December 1980=100



1. Currencies of Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

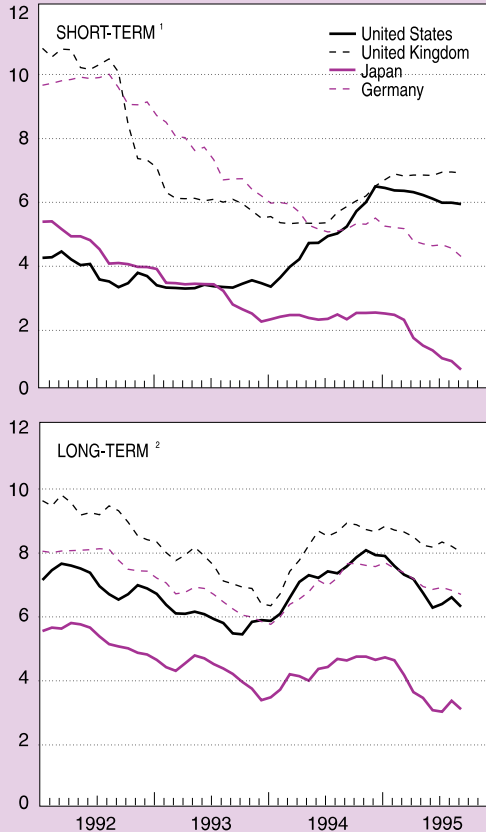
Monthly and quarterly average rates. Indexes prepared by BEA. Data: Federal Reserve Board

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

CHART 2

Selected U.S. and Foreign Interest Rates

Percent



1. Three-month interest rates. Monthly averages.

2. Ten-year Government bond yields. Monthly averages.

Data: Federal Reserve Board.

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

Table B.—Indexes of Foreign Currency Price of the U.S. Dollar

[December 1980=100]

	1994		1995			1994				1995								
	III	IV	I	II	III	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Trade-weighted average against 26 currencies ¹	98.7	98.0	96.6	92.3	95.1	97.3	96.5	98.6	99.0	98.2	97.3	94.4	92.1	92.0	92.7	93.1	96.6	95.5
Trade-weighted average against 10 currencies ²	97.7	96.8	95.1	90.5	92.5	96.9	95.3	96.5	98.6	97.1	96.0	92.1	90.0	91.0	90.5	90.1	93.1	94.3
Selected currencies: ³																		
Canada	114.7	114.4	117.7	114.7	113.3	113.2	112.9	114.1	116.2	118.2	117.1	117.7	115.1	113.8	115.2	113.8	113.3	112.9
European currencies:																		
Belgium	101.6	100.7	96.4	90.8	93.1	100.7	98.8	101.0	102.2	99.7	97.7	91.8	89.8	91.7	91.0	90.3	94.0	95.0
France	117.3	116.4	113.4	108.0	108.6	116.3	114.2	116.1	118.9	116.2	114.7	109.3	106.5	109.5	108.0	106.1	109.2	110.6
Germany	79.4	78.5	75.2	71.1	72.8	78.8	77.3	78.3	79.9	77.8	76.4	71.5	70.2	71.7	71.3	70.6	73.5	74.3
Italy	168.1	169.9	175.5	178.4	172.6	167.2	164.6	169.8	175.4	172.6	172.6	181.4	184.5	175.4	175.4	172.6	172.6	172.6
Netherlands	82.0	81.0	77.7	73.2	75.1	81.3	79.7	80.8	82.4	80.3	78.9	73.9	72.4	73.9	73.4	72.8	75.8	76.6
Switzerland	73.6	72.8	69.8	64.9	66.2	72.4	71.0	72.7	74.6	72.2	71.4	65.7	63.9	65.6	65.1	64.9	67.2	66.6
United Kingdom	151.3	148.2	148.4	147.1	149.2	149.9	146.2	147.7	150.6	149.1	149.4	146.7	146.1	147.9	147.2	147.2	149.9	150.6
Japan	47.2	47.1	45.8	40.2	44.8	47.0	46.8	46.7	47.7	47.5	46.8	43.1	39.8	40.5	40.3	41.6	45.1	47.8

1. Currencies of 22 OECD countries—Australia, Austria, Belgium-Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom—plus Hong Kong, Republic of Korea, Singapore, and Taiwan. Data: U.S. Department of the Treasury. End-of-month rates for months; averages of end-of-month rates for quarters.

2. Currencies of Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.

currencies. Coordinated exchange-market intervention and a decline in German short-term interest rates helped boost the dollar against most European currencies. However, these gains were partly reversed near the end of the quarter, when renewed concerns about the future of European monetary union contributed to appreciation of the German mark against other European currencies and the dollar.

The dollar changed little against the Mexican peso, as Mexican financial markets continued to stabilize and as the Mexican Government continued to reduce short-term debt obligations. The dollar depreciated slightly against the Canadian dollar.

Against the currencies of the newly industrialized countries in Asia, the U.S. dollar appreciated 5 percent against the Taiwan dollar and 1 percent against the Singapore dollar. The U.S. dollar was unchanged against both the South Korean won and the Hong Kong dollar.

Current Account

Goods and services

The deficit on goods and services decreased to \$27.5 billion in the third quarter from \$33.4 billion in the second. The deficit on merchandise trade decreased \$5.4 billion, and the surplus on services increased \$0.5 billion.

Merchandise trade.—The merchandise trade deficit decreased to \$43.4 billion in the third quarter from \$48.8 billion in the second. The decrease resulted from a moderate rise in exports and a moderate fall in imports.

Exports.—Exports increased \$2.5 billion, or 2 percent, to \$145.3 billion in the third quarter. Volume, measured in constant (1987) dollars, increased 4 percent (table C). Nonagricultural exports slowed and agricultural exports surged.

Nonagricultural exports increased \$1.1 billion, or 1 percent, to \$130.5 billion; volume increased 4 percent. Capital goods excluding civilian aircraft more than accounted for the current-dollar increase. Within capital goods, computers, peripherals, and parts surged 12 percent, semiconductors climbed 9 percent, telecommunications rose 8 percent, and electric generating machinery increased 5 percent. Automotive vehicles, engines, and parts increased after a sharp decline in the previous quarter; the rebound was mostly attributable to a rise in passenger cars to Japan. Industrial supplies and materials decreased, largely as a result of a fall in nonmonetary gold; a decline in export prices for industrial supplies and materials also contributed to the decrease in value.

Agricultural exports increased \$1.4 billion, or 10 percent, to a record \$14.8 billion; volume increased 5 percent. Wheat surged 52 percent and corn rose 31 percent, as tightened supplies and strong demand contributed to increases in both prices and volume. Soybeans and meat products also rose strongly.

Imports.—Imports decreased \$2.9 billion, or 2 percent, to \$188.7 billion in the third quarter. Volume, measured in constant (1987) dollars, increased 1 percent (table C). Despite a third-quarter rebound in U.S. domestic demand, current-dollar nonpetroleum imports decreased for the first time since the first quarter of 1991. Petroleum imports also fell.

Nonpetroleum imports decreased \$2.4 billion, or 1 percent, to \$174.7 billion; volume increased 1 percent. The largest decrease was in industrial supplies and materials, particularly nonmonetary gold, bauxite and aluminum, and iron and steel products. Automotive vehicles, engines, and parts also declined, mostly as a result of a fall in passenger cars from Japan. Consumer goods decreased because of the first decline in durable goods in more than a year. In contrast,

Table C.—U.S. Merchandise Trade, Current and Constant (1987) Dollars

[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

	Current dollars									Constant (1987) dollars								
	1993	1994	1994				1995			1993	1994	1994				1995		
			I	II	III	IV	I	II ^r	III ^p			I	II	III	IV	I	II ^r	III ^p
Exports	456,823	502,485	118,445	122,730	127,384	133,926	138,061	142,850	145,315	445,548	490,585	116,338	119,767	124,200	130,280	133,447	137,134	142,906
Agricultural products	43,704	47,062	10,963	10,877	11,666	13,556	14,022	13,407	14,771	38,596	40,146	9,182	9,313	10,153	11,498	11,493	10,812	11,336
Nonagricultural products ...	413,119	455,423	107,482	111,853	115,718	120,370	124,039	129,443	130,544	406,952	450,439	107,156	110,454	114,047	118,782	121,954	126,322	131,570
Imports	589,441	668,584	154,935	164,224	172,011	177,414	183,111	191,652	188,748	574,875	653,964	154,342	160,958	166,804	171,860	176,208	182,859	185,035
Petroleum and products ...	51,475	51,276	10,472	12,873	15,149	12,782	13,082	14,582	14,060	56,493	59,652	14,228	15,109	16,065	14,250	13,829	14,075	14,863
Nonpetroleum products	537,966	617,308	144,463	151,351	156,862	164,632	170,029	177,070	174,688	518,382	594,312	140,114	145,849	150,739	157,610	162,379	168,784	170,172

^r Revised.
^p Preliminary.

capital goods continued to increase, led by strong rises in computers, peripherals, and parts and in semiconductors.

Petroleum imports decreased \$0.5 billion, or 4 percent, to \$14.1 billion. The decrease was attributable to a sharp decline in prices, which fell to an average of \$16.00 per barrel from \$17.55. The average number of barrels imported daily rose to 9.62 million from 9.10 million.

Balances by area.—Deficits with Japan, Western Europe, Canada, and Mexico all decreased in the third quarter, while deficits with China and the newly industrialized countries in Asia swelled.

Exports to Mexico increased 13 percent after decreasing in the previous three quarters (chart 3). The increase occurred despite continued economic contraction in Mexico and little change in the value of the dollar against the Mexican peso. Exports to Japan continued to rise, aided in part by past depreciation of the dollar against the yen. Exports to Singapore, Korea, and China also increased strongly. In contrast, exports to Western Europe and to Canada decreased for the first time in several quarters.

Imports from Western Europe decreased 12 percent, with declines widely spread among most countries in the region. Imports from Canada and Japan also fell. In contrast, imports from China surged 25 percent, and imports from the newly industrialized countries in Asia rose 13 percent.

Services.—The surplus on services increased to \$15.9 billion in the third quarter from \$15.4 billion in the second. Service receipts increased to \$52.3

billion from \$51.7 billion, and service payments were unchanged at \$36.4 billion.

Travel receipts decreased to \$14.8 billion from \$15.0 billion. Decreases in receipts from overseas visitors to the United States, who account for 85 percent of total travel receipts, and from Canadian visitors more than offset an increase in receipts from Mexican visitors. Travel payments decreased to \$11.1 billion from \$11.5 billion. Payments by U.S. visitors to Canada, Mexico, and countries overseas all decreased.

Passenger fare receipts were unchanged at \$4.5 billion, and passenger fare payments decreased slightly to \$3.3 billion from \$3.4 billion.

Other transportation receipts were unchanged at \$7.1 billion. A decrease in freight receipts—attributable to lower ocean, air, and truck receipts—was offset by an increase in port services receipts. Other transportation payments increased slightly to \$7.5 billion from \$7.4 billion. An increase in freight payments, attributable to higher ocean payments, more than offset a decrease in port services payments.

Receipts for other private services increased to \$15.8 billion from \$15.4 billion. The increase resulted from a surge in U.S. affiliates' service receipts from their foreign parents and a rise in education receipts. Payments for other private services increased to \$9.7 billion from \$9.4 billion, mostly as a result of a rise in securities transaction commission payments.

Investment income

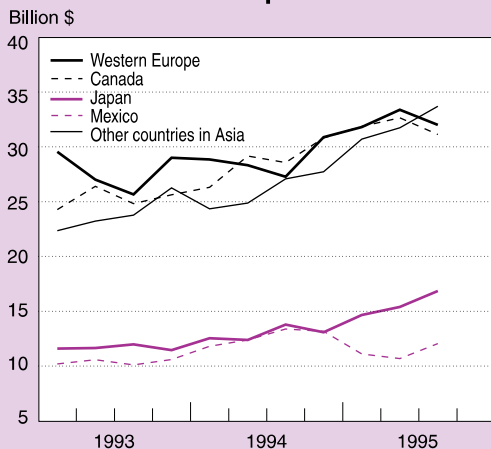
The deficit on investment income increased to \$4.2 billion in the third quarter from \$2.6 billion in the second. Income receipts on U.S. assets abroad decreased to \$44.6 billion from \$45.5 billion, and income payments on foreign assets in the United States increased to \$48.8 billion from \$48.1 billion.

Direct investment income.—Income receipts on U.S. direct investment abroad decreased to \$22.1 billion in the third quarter from \$22.5 billion in the second. A decline in earnings accounted for most of the decrease. Earnings of U.S. parents' foreign affiliates in the petroleum industry fell sharply, partly as a result of a drop in oil prices. Net interest receipts decreased a small amount.

Income payments on foreign direct investment in the United States increased to a record \$8.3 billion from \$7.8 billion. A surge in earnings more than accounted for the increase. Earnings of foreign parents' U.S. affiliates in insurance,

CHART 3

U.S. Merchandise Exports



wholesale trade, and banking rose the most. Net interest payments decreased.

Portfolio investment income.—Other private income receipts increased to \$21.6 billion in the third quarter from \$21.5 billion in the second. The slight increase was accounted for by rises in receipts on both bank and nonbank claims, resulting from increases in average claims outstanding. U.S. Government income receipts decreased to \$0.9 billion from \$1.4 billion.

Other private income payments decreased to \$24.6 billion from \$25.2 billion. The decrease was accounted for by a drop in payments on U.S. corporate and other bonds that was attributable to a decline in interest rates. U.S. Government income payments increased to \$15.9 billion from \$15.1 billion. In the first three quarters of 1995, U.S. Government income payments increased as a result of exceptionally strong net foreign purchases of U.S. Treasury securities.

Unilateral transfers

Net unilateral transfers were \$7.8 billion in the third quarter, compared with \$7.2 billion in the second. The increase was largely attributable to a rise in U.S. Government grants that mostly resulted from forgiveness of debt owed by Jordan.

Capital Account

Net recorded capital inflows were \$62.8 billion in the third quarter, up from \$24.1 billion in the second. Capital outflows for U.S. assets abroad and capital inflows for foreign assets in the United States slowed as a result of reductions in bank-reported claims and liabilities. Securities transactions increased strongly, partly reflecting (1) rallies in U.S. stock and bond markets, following early- to mid-quarter price declines, (2) strong price increases in most major foreign stock markets, and (3) an upturn in the value of the U.S. dollar (chart 4).

U.S. assets abroad

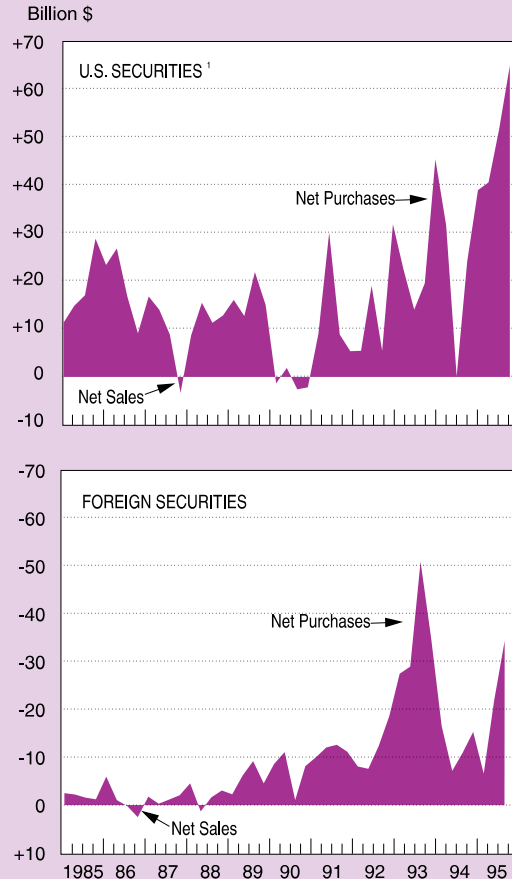
U.S. assets abroad increased \$42.9 billion in the third quarter, following an increase of \$100.2 billion in the second. The third-quarter increase was more than accounted for by a surge in net U.S. purchases of foreign securities and a strengthening in U.S. direct investment abroad. U.S. claims reported by U.S. banks decreased, following an exceptionally strong second-quarter increase.

U.S. official reserve assets.—U.S. official reserve assets increased \$1.9 billion in the third quarter, following an increase of \$2.7 billion in the second (table D). Most of the third-quarter increase was accounted for by a rise in U.S. holdings of foreign currencies; these holdings were boosted by a \$2.5 billion increase in holdings of Mexican pesos that resulted from additional currency swaps between U.S. and Mexican monetary authorities under a medium-term swap facility. The increase in Mexican peso balances was partly offset by a \$1.5 billion decrease in holdings of German marks and Japanese yen that resulted from intervention sales of these currencies in foreign exchange markets by U.S. monetary authorities.

Claims reported by banks.—U.S. claims on foreigners reported by U.S. banks decreased \$14.9 billion in the third quarter, in contrast to an increase of \$40.0 billion in the second.

CHART 4

Securities Transactions



1. Includes marketable U.S. Treasury bonds and notes.

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

Banks' own claims payable in dollars decreased \$7.1 billion, in contrast to an increase of \$28.2 billion. The decrease was largely accounted for by a reduction in claims on banks in Western Europe that was partly a result of both a slowdown in European economic activity and a larger decline in the cost of credit denominated in European currencies than in the cost of credit denominated in U.S. dollars. Claims on banks in the Caribbean were unchanged after a large second-quarter increase. Claims on other private foreigners increased as a result of substantial mid-quarter lending to the Caribbean, which coincided with a surge in net purchases of U.S. Treasury securities by investors from that area.

Banks' own claims payable in foreign currencies decreased \$7.9 billion, in contrast to an increase of \$4.7 billion. The decrease was largely attributable to a reduction in claims on Japan.

Banks' domestic customers' claims payable in dollars increased \$3.5 billion, following an increase of \$5.7 billion. A substantial increase in foreign commercial paper outstanding in the United States and a smaller rise in other negotiable and transferable instruments more than offset a drop in U.S. dollar deposits abroad.

Foreign securities.—Net U.S. purchases of foreign securities were \$34.3 billion in the third quarter, up from \$21.7 billion in the second. Net U.S. purchases of foreign stocks were a record \$20.5 billion, up from \$9.3 billion, and net U.S. purchases of foreign bonds were \$13.8 billion, up from \$12.5 billion.

The step-up in net U.S. purchases of foreign stocks was largely attributable to a substantial increase in net purchases from Japan. U.S. investors were attracted in part by a sharp upturn in

Japanese stock prices, which rose strongly for the first time in over a year. Net U.S. purchases from Western Europe also increased, as stock markets rallied in several European countries.

Net U.S. purchases of foreign bonds were boosted by an increase in foreign new issues in the United States. After being curtailed in the first and second quarters, placements in the United States by Latin American and other emerging market countries picked up. Placements by Canadian borrowers also rose. Net U.S. purchases of outstanding foreign bonds decreased, largely as a result of a fall in net purchases from the United Kingdom.

Direct investment.—Net capital outflows for U.S. direct investment abroad were \$21.7 billion in the third quarter, up from \$17.1 billion in the second. Net capital outflows were very strong in the first three quarters of 1995, surpassing the total for all of 1994. Third-quarter outflows were boosted by a shift to substantial net equity capital outflows from inflows; the shift resulted from an increase in acquisitions abroad and a decrease in liquidations of foreign affiliates. Transactions in intercompany debt shifted to small net inflows from net outflows, and reinvested earnings decreased slightly, but remained strong.

Foreign assets in the United States

Foreign assets in the United States increased \$105.7 billion in the third quarter, following an increase of \$124.3 billion in the second. The third-quarter increase was more than accounted for by exceptionally strong net foreign purchases of U.S. securities, a step-up in foreign direct investment in the United States, and a record increase in foreign official assets in the United

Table D.—Selected Transactions with Official Agencies

[Millions of dollars]

	1994	1994				1995			Change: 1995 II-III	January-September		
		I	II	III	IV	I	II ^r	III ^p		1994	1995	Change: 1994-95
Changes in foreign official assets in the United States, net (decrease -) (table 1, line 49)	39,409	10,977	9,162	19,691	-421	22,308	37,836	39,479	1,643	39,830	99,623	59,793
Industrial countries ¹	29,815	10,870	16,529	9,439	-7,023	14,175	7,379	5,489	-1,890	36,838	27,043	-9,795
Members of OPEC ²	-1,184	-1,651	-4,217	3,564	1,120	-322	-11	6,365	6,376	-2,304	6,032	8,336
Other countries	10,778	1,758	-3,150	6,688	5,482	8,455	30,468	27,625	-2,843	5,296	66,548	61,252
Changes in U.S. official reserve assets, net (increase -) (table 1, line 34)	5,346	-59	3,537	-165	2,033	-5,318	-2,722	-1,893	829	3,313	-9,933	-13,246
Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ³												
Foreign drawings, or repayments (-), net						5,000	5,000	2,500	-2,500		12,500	12,500
Drawings						6,000	7,000	4,500	-2,500		17,500	17,500
Repayments						-1,000	-2,000	-2,000			-5,000	-5,000

^r Revised.

^p Preliminary.

1. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

2. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.

3. Consists of transactions of the Federal Reserve System and the U.S. Treasury Department's Exchange Stabilization Fund.

States. U.S. liabilities reported by U.S. banks decreased, following a second-quarter increase.

Foreign official assets.—Foreign official assets in the United States increased a record \$39.5 billion in the third quarter, following an increase of \$37.8 billion in the second (table D). The cumulative increase in foreign official assets in the first three quarters of 1995 has already surpassed the record annual increase in 1993.

Much of the third-quarter increase was accounted for by the assets of non-OPEC developing countries. A few developing countries boosted their dollar reserves substantially, partly as a result of both foreign capital inflows into their domestic economies and an increase in the attractiveness of dollar-denominated assets in comparison with assets denominated in other major currencies. Assets of industrial countries increased, partly as a result of exchange market intervention to support the dollar. Assets of OPEC members also increased.

Liabilities reported by banks.—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, decreased \$20.0 billion in the third quarter, in contrast to an increase of \$12.2 billion in the second.

Banks' own liabilities payable in dollars decreased \$15.5 billion, in contrast to an increase of \$6.1 billion. The decrease was more than accounted for by a sharp reduction in liabilities to banks in the Caribbean; the reduction partly resulted from a slowdown in bank lending in the United States that weakened U.S. banks' demand for funds. In contrast, liabilities to banks in Japan surged, as U.S. branches of Japanese banks, which encountered above-market funding costs in the interbank market, borrowed funds from home offices in Japan. Liabilities to other private foreigners and to international financial institutions increased by small amounts.

Banks' own liabilities payable in foreign currencies decreased \$4.6 billion, in contrast to an increase of \$9.9 billion. The decrease was more than accounted for by a reduction in liabilities to Japan.

U.S. Treasury securities.—Net foreign purchases of U.S. Treasury securities were a record \$36.8 billion in the third quarter, up from \$30.3 billion in the second. Net foreign purchases of


U.S. Treasury bonds were exceptionally strong for the fourth consecutive quarter. Third-quarter net purchases by investors from Western Europe surged to \$24.4 billion, aided in part by an increase in the yields available on U.S. bonds in relation to those available on European bonds. Net purchases by Japanese investors decreased but remained strong. Net purchases by investors from the Caribbean declined despite a mid-quarter surge.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$30.0 billion in the third quarter, up from \$20.5 billion in the second. Net foreign purchases of U.S. stocks were \$4.8 billion, up from \$1.9 billion, and net foreign purchases of U.S. corporate and other bonds were \$25.2 billion, up from \$18.6 billion.

Net foreign purchases of U.S. stocks were encouraged by rising U.S. stock prices and by the upturn in the value of the U.S. dollar. Gross trading by foreigners picked up substantially for the second consecutive quarter, as the rally in the U.S. stock market faltered temporarily but then resumed. Third-quarter net purchases were largest by investors from the United Kingdom, the Caribbean, and Singapore.

Net foreign purchases of U.S. bonds were boosted by the strongest net foreign purchases of U.S. federally-sponsored agency securities since the fourth quarter of 1993. New issues sold abroad by U.S. corporations also increased. U.S. corporate issuance abroad was exceptionally strong in the first three quarters of 1995, partly reflecting both a step-up in financing for mergers and acquisitions and foreign investors' desire to profit from the U.S. bond market rally.

Direct investment.—Net capital inflows for foreign direct investment in the United States were \$19.3 billion in the third quarter, up from \$12.9 billion in the second. The increase was mostly accounted for by a surge in net equity capital inflows, which was largely attributable to a small number of large transactions between U.S. affiliates and foreign parents in Western Europe. Reinvested earnings also increased as a result of rises in both earnings and the proportion of earnings that were reinvested. Net intercompany debt inflows decreased.

Tables 1 through 10 follow. 

FOOTNOTES TO U.S. INTERNATIONAL TRANSACTIONS TABLES 1-10

General notes for all tables: ^r Revised. ^p Preliminary. *Less than \$500,000 (±). n.a. Not available.

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

Table 1:

1. Credits, +: Exports of goods, services, and income; unilateral transfers to United States; capital inflows (increase in foreign assets (U.S. liabilities) or decrease in U.S. assets); decrease in U.S. official reserve assets; increase in foreign official assets in the United States.
Debits, -: Imports of goods, services, and income; unilateral transfers to foreigners; capital outflows (decrease in foreign assets (U.S. liabilities) or increase in U.S. assets); increase in U.S. official reserve assets; decrease in foreign official assets in the United States.
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 4; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 18; and fuels purchased by airline and steamship operators in lines 7 and 21.
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. For all areas, amounts outstanding Sept. 30, 1995, were as follows in millions of dollars: Line 34, 87,152; line 35, 11,051; line 36, 11,035; line 37, 14,681; line 38, 50,385. Data are preliminary.
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, the sum of lines 70 and 62 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (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 July issue of the SURVEY).

Additional footnotes for historical data in June 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, and June 1995 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. Beginning in 1990, the Census Bureau replaced its compiled export statistics with counterpart Canadian import statistics. Similarly, Statistics Canada replaced its compiled export statistics with counterpart U.S. import statistics. This exchange of data has eliminated the need for the inland freight adjustment on U.S. exports, but not on U.S. imports.
3. Adjustments in lines A5 and A13, B12, B47, and B82 reflect the Census Bureau's reconciliation of discrepancies between the merchandise trade 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.
4. 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 4 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 18 (direct defense expenditures).
5. 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).
6. Deduction of foreign charges for repair of U.S. vessels abroad, which are included in tables 1 and 10, line 21 (other transportation); coverage adjustments for special situations in which shipments were omitted from Census data; and the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair. Also includes addition of understatement of inland freight in f.a.s. values of U.S. merchandise imports 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).
7. For 1988-89, correction for the understatement of crude petroleum imports from Canada.
8. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 2 and 16. Trade with international organizations includes purchases of nonmetallurgical 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 (beginning in January 1993, excludes Ecuador); *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."
9. 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.
10. 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."
11. Includes nuclear fuel materials and fuels.

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 A3. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A3 items, part of these military expenditures is applied in lines A40 and A43 to reduce short-term assets previously recorded in lines A38 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A3 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A39 and C9. A third part of line A3, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A34. A fourth part of line A3, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A45.
 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 A35 includes foreign currency collected as interest and line A40 includes foreign currency collected as principal, as recorded in lines A13 and A14, 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. Deposits (line A5) include other financial claims (line A6) for some countries due to the commingling of these categories in foreign source data.
 2. Primarily mortgages, loans, and bills and notes drawn on foreigners.
 3. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
 4. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
 5. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.

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 and Edge Act subsidiaries. U.S. brokers' and dealers' accounts may be commingled in some categories. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.
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. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.
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 and Edge Act subsidiaries. U.S. brokers' and dealers' liabilities may be commingled in some categories. Foreign-owned banks are U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.
6. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
8. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.
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, and small transactions in business services that are not reported by country.
17. Details not shown separately; see totals in lines 49 and 56.
18. Details not shown separately are included in line 61.

Table 4.—Selected U.S. Government Transactions
 [Millions of dollars]

Line		1994	Not seasonally adjusted						
			1994				1995		
			I	II	III	IV	I	II ^r	III ^r
A1	U.S. Government grants and transactions increasing Government assets, total	21,180	3,088	4,854	5,113	8,124	4,062	3,111	4,261
	By category								
2	Grants, net (table 1, line 30, with sign reversed)	15,814	2,378	3,703	3,488	6,245	2,867	2,284	2,834
3	Financing military purchases ¹	5,063	682	842	1,092	2,447	627	432	473
4a	Other grants	10,750	1,696	2,861	2,396	3,798	2,239	1,852	2,361
4b	Cash contributions received from coalition partners for Persian Gulf operations								
5	Credits and other long-term assets (table 1, line 40, with sign reversed)	5,182	747	983	1,205	2,247	1,578	813	1,178
6	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,417	222	349	396	451	312	258	403
7	Credits repayable in U.S. dollars	3,210	388	507	657	1,658	1,121	416	644
8	Credits repayable in other than U.S. dollars	4	1	-1	-1	6	3	-1	-9
9	Other long-term assets	550	136	128	153	133	143	141	140
10	Foreign currency holdings and short-term assets, net (table 1, line 42 with sign reversed)	184	-37	168	421	-368	-383	14	249
11	Foreign currency holdings (excluding administrative cash holdings), net	3	5	-15	16	-2	9	-37	-2
	Receipts from:								
12	Sales of agricultural commodities	(*)	(*)	-1	(*)	(*)	(*)	(*)	-1
13	Interest	3	5	3	3	2	3	3	2
14	Repayments of principal	38	14	10	9	6	9	11	8
15	Reverse grants								
16	Other sources	14	2	3	5	5	3	2	4
	Less currencies disbursed for:								
17	Grants and credits in the recipient's currency	3	(*)	3			3	(*)	
18	Other grants and credits								
19	Other U.S. Government expenditures	58	16	28	(*)	14	4	52	15
20	Assets acquired in performance of U.S. Government guarantee and insurance obligations, net	73	-107	167	427	-414	-382	17	115
21	Other assets held under Commodity Credit Corporation Charter Act, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
22	Assets financing military sales contracts, net ²								
23	Other short-term assets (including changes in administrative cash holdings), net	108	66	17	-23	48	-10	34	136
	By program								
24	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,417	222	349	396	451	312	258	403
25	Under Agricultural Trade Development and Assistance Act and related programs	1,995	346	556	444	649	242	238	240
26	Under Foreign Assistance Act and related programs	13,413	2,069	2,483	3,216	5,647	2,429	2,011	2,496
27	Under Export-Import Bank Act	1,045	147	343	239	316	394	122	511
28	Under Commodity Credit Corporation Charter Act	1,663	-85	842	436	470	105	86	120
29	Under other grant and credit programs	981	182	149	238	413	435	259	216
30	Other foreign currency assets acquired (lines A13, A14, and A16)	65	21	16	16	12	15	16	14
31	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	58	16	28	(*)	14	4	52	15
32	Other (including changes in administrative cash holdings), net	658	202	145	130	181	133	175	276
	By disposition³								
33	Estimated transactions involving no direct dollar outflow from the United States	14,703	2,035	3,683	3,723	5,262	2,532	1,964	2,891
34	Expenditures on U.S. merchandise	5,747	820	900	1,086	2,942	756	714	1,068
35	Expenditures on U.S. services ⁴	2,921	563	566	851	941	746	638	754
36	Financing of military sales contracts by U.S. Government ⁵ (line C6)	3,661	671	1,005	1,251	734	681	526	586
37	By long-term credits	662	48	200	221	193	104	126	145
38	By short-term credits ¹								
39	By grants ¹	2,999	622	806	1,030	542	577	400	441
40	U.S. Government grants and credits to repay prior U.S. Government credits ^{1,4}	1,459	92	1,070	85	212	78	28	382
41	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	1,306	164	190	483	468	303	116	123
42	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
43	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. merchandise	332	258	20	33	22	28	5	8
44	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	58	16	28	(*)	14	4	52	15
45	Estimated dollar payments to foreign countries and international financial institutions	6,476	1,053	1,171	1,390	2,863	1,530	1,147	1,370
B1	Repayments on U.S. Government long-term assets, total (table 1, line 41)	5,044	1,111	1,642	1,343	948	1,043	647	1,563
2	Receipts of principal on U.S. Government credits	4,467	961	1,507	1,199	800	884	488	1,413
3	Under Agricultural Trade Development and Assistance Act and related programs	679	35	254	112	280	43	39	102
4	Under Foreign Assistance Act and related programs	1,705	492	257	771	185	542	265	862
5	Under Export-Import Bank Act	1,005	342	247	251	164	244	144	386
6	Under Commodity Credit Corporation Charter Act	950	92	746	65	47	53	38	63
7	Under other credit programs	127	(*)	3	1	123	2	3	(*)
8	Receipts on other long-term assets	577	150	135	144	148	158	159	150
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 53)	2,211	851	174	494	692	-154	506	194
2	Associated with military sales contracts ²	2,250	877	180	498	695	-182	482	189
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds ¹	10,724	2,465	1,864	2,942	3,453	2,409	2,808	2,697
4	Less U.S. Government receipts from principal repayments	741	316	93	311	21	358	85	307
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	-1,022	-748	-488	-234	448	-84	-280	-454
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A36)	3,661	671	1,005	1,251	734	681	526	586
7	By long-term credits	662	48	200	221	193	104	126	145
8	By short-term credits ¹								
9	By grants ¹	2,999	622	806	1,030	542	577	400	441
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits)/1 2/ (table 1, line 4)	12,418	2,691	3,085	3,619	3,023	2,997	3,047	3,241
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A42)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
12	Associated with other liabilities	-39	-25	-7	-4	-3	28	23	6
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation	-32	-5	-8	-11	-8	(*)	1	1
14	Sales of space launch and other services by National Aeronautics and Space Administration	9	-15	9	15	-1	13	22	15
15	Other sales and miscellaneous operations	-15	-5	-7	-8	5	15	1	-10

See footnotes on page 65.

Table 6.—Securities Transactions

[Millions of dollars]

Line	(Credits +; debits -)	1994	Not seasonally adjusted						
			1994				1995		
			I	II	III	IV	I	II ^r	III ^p
A1	Foreign securities, net U.S. purchases (-), (table 1, line 45 or lines 2 + 13 below)	-49,799	-16,457	-7,128	-10,976	-15,238	-6,567	-21,731	-34,251
2	Stocks, net U.S. purchases	-42,681	-17,113	-11,486	-5,775	-8,307	-3,189	-9,256	-20,501
3	New issues in the United States	-14,303	-3,711	-4,737	-2,433	-3,422	-428	-2,216	-678
4	Of which Western Europe	-8,075	-2,090	-3,643	-1,078	-1,264	-152	-1,253	-219
5	Canada	-201	-45	-45	-156	-156	(^D)	-156	-102
6	Latin America	-2,992	-774	-497	-1,144	-577		-69	-59
7	Transactions in outstanding stocks, net	-28,378	-13,402	-6,749	-3,342	-4,885	-2,761	-7,040	-19,823
8	Western Europe	-6,030	-778	1,034	-4,530	-1,756	-1,590	-3,292	-6,137
9	Of which United Kingdom	-3,325	-254	747	-2,019	-1,799	-1,333	-1,718	-2,564
10	Canada	-2,161	-993	-452	-1,039	323	930	499	-628
11	Japan	-13,546	-9,359	-4,135	1,001	-1,053	-147	-2,867	-11,415
12	Other	-6,641	-2,272	-3,196	1,226	-2,399	-1,954	-1,380	-1,643
13	Bonds, net U.S. purchases	-7,118	656	4,358	-5,201	-6,931	-3,378	-12,475	-13,750
14	New issues in the United States	-48,213	-15,339	-8,749	-12,972	-11,153	-6,436	-7,268	-11,958
15	By issuer:								
16	Central governments and their agencies and corporations	-8,441	-1,911	-2,842	-2,122	-1,566	-912	-532	-1,886
17	Other governments and their agencies and corporations ¹	-10,554	-5,152	-1,319	-2,399	-1,684	-1,472	-210	-2,017
18	Private corporations	-28,143	-8,126	-4,588	-7,980	-7,449	-3,944	-6,243	-7,721
19	International financial institutions ²	-1,075	-150		-471	-454		-283	-334
20	By area:								
21	Western Europe	-13,818	-2,651	-3,002	-4,687	-3,478	-2,877	-2,617	-2,486
22	Canada	-8,059	-4,150	-1,225	-1,893	-791	-1,880	-2,175	-3,614
23	Japan	-110	-60			-50		-310	
24	Latin America	-11,559	-3,278	-3,138	-2,951	-2,192	-71	-938	-2,010
25	Other countries	-13,592	-5,050	-1,384	-2,970	-4,188	-1,608	-945	-3,514
26	International financial institutions ²	-1,075	-150		-471	-454		-283	-334
27	Redemptions of U.S.-held foreign bonds ³	6,928	1,440	1,205	1,397	2,886	1,210	2,247	2,108
28	Western Europe	1,448	442	75	200	731	321	476	498
29	Canada	2,825	867	613	704	641	415	986	506
30	Other countries	1,593	517	330	746	474	512	904	904
31	International financial institutions ²	1,062	131		163	768	273	200	200
32	Other transactions in outstanding bonds, net ³	34,167	14,555	11,902	6,374	1,336	1,848	-7,454	-3,900
33	Western Europe	34,279	14,500	15,759	4,323	-303	3,512	-8,151	-3,531
34	Of which United Kingdom	30,456	13,620	15,946	1,540	-650	3,249	-8,453	-2,364
35	Canada	386	-942	696	282	350	288	-1,632	-1,775
36	Japan	-2,667	-2,927	3	528	-271	-1,934	1,176	-2,830
37	Other	2,169	3,924	-4,556	1,241	1,560	-18	1,153	4,236
B1	U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 59 or lines 2 + 10 below)	58,625	21,117	12,551	14,762	10,195	15,816	20,549	30,024
2	Stocks, net foreign purchases	3,002	7,295	-2,213	690	-2,770	-3,911	1,941	4,822
3	By area:								
4	Western Europe	6,005	7,265	1,322	-158	-2,424	-2,032	341	2,298
5	Of which Germany	2,067	1,845	591	15	-384	-464	-1,024	-247
6	Switzerland	-120	796	212	95	-1,223	-965	-1,380	-890
7	United Kingdom	484	2,333	150	-654	-1,345	-210	2,671	2,540
8	Canada	-1,383	-91	-226	-682	-384	-249	-632	-672
9	Japan	1,134	-1,394	-228	2,424	332	-1,742	-367	-1,558
10	Other	-2,754	1,515	-3,081	-894	-294	112	2,899	4,754
11	Corporate and other bonds, net foreign purchases	55,623	13,822	14,764	14,072	12,965	19,727	18,608	25,202
12	By type:								
13	New issues sold abroad by U.S. corporations	40,862	9,104	8,749	10,304	12,705	16,499	12,107	16,279
14	U.S. federally-sponsored agency bonds, net	16,900	5,767	3,596	3,007	4,530	5,376	5,044	11,719
15	Other outstanding bonds, net	-2,139	-1,049	2,419	761	-4,270	-2,148	1,457	-2,796
16	By area:								
17	Western Europe	35,991	8,657	5,558	11,974	9,802	17,921	14,726	17,959
18	Of which Germany	685	-80	-102	-258	1,125	1,890	590	2,175
19	Switzerland	1,072	364	96	96	516	176	-80	573
20	United Kingdom	33,360	8,042	6,992	11,314	7,012	15,732	15,335	12,492
21	Canada	1,376	-153	50	768	711	680	840	701
22	Japan	5,541	-535	3,484	1,892	700	311	1,445	1,709
23	Other countries	12,201	5,759	5,608	-571	1,405	1,029	1,892	5,007
24	International financial institutions ²	514	94	64	9	347	-214	-95	-174
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)	41,796	3,140	12,935	19,488	6,233	7,960	12,257	11,900
2	Other U.S. Government securities (line A6)	6,025	215	2,222	1,228	1,126	1,126	1,326	518
3	U.S. corporate and other bonds (part of line A14)	-18	-8	-111	-156	257	178	-457	-117
4	U.S. stocks (part of line A14)	-2,455	-745	-644	-212	87	87	-3,406	-111
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)	36,195	10,584	-12,476	9,309	28,778	24,743	31,050	34,847

See footnotes on page 65.

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.)	1994	Not seasonally adjusted						Amounts outstanding June 30, 1995	
			1994				1995			
			I	II	III	IV	I	II ^P		III
A1	Claims, total (table 1, line 46)	-32,621	-1,891	-10,230	-8,051	-12,449	-11,518	-18,499	n.a.	315,280
2	Financial claims	-30,235	-1,951	-9,473	-7,786	-11,025	-11,137	-17,935	n.a.	291,121
3	<i>Denominated in U.S. dollars</i>	-28,395	595	-11,261	-7,823	-9,906	-11,567	-18,417	n.a.	234,535
4	<i>Denominated in foreign currencies</i>	-1,840	-2,546	1,788	37	-1,119	430	482	n.a.	56,586
5	By type: Deposits ¹	-30,695	-2,092	-9,899	-7,802	-10,902	-9,478	-17,906	n.a.	288,056
6	Other claims ^{1, 2}	460	141	426	16	-123	-1,659	-29	n.a.	3,065
7	By area: Industrial countries ³	-1,684	3,892	-3,289	460	-2,747	-5,767	-2,041	n.a.	113,576
8	Of which United Kingdom	2,294	4,709	-2,122	-1,184	891	-1,102	-804	n.a.	39,658
9	Canada	-4,715	-3,244	34	-279	-1,226	-3,041	1,107	n.a.	15,517
10	Caribbean banking centers ⁴	-24,886	-5,493	-4,318	-7,953	-7,122	-6,654	-15,787	n.a.	164,672
11	Other	-3,665	-350	-1,866	-293	-1,156	284	-107	n.a.	12,873
12	Commercial claims	-2,386	60	-757	-265	-1,424	-381	-564	n.a.	24,159
13	<i>Denominated in U.S. dollars</i>	-2,305	200	-702	-278	-1,525	552	-467	n.a.	21,470
14	<i>Denominated in foreign currencies</i>	-81	-140	-55	13	101	-933	-97	n.a.	2,689
15	By type: Trade receivables	-2,531	-50	-833	-306	-1,342	-299	-570	n.a.	21,151
16	Advance payments and other claims	145	110	76	41	-82	-82	6	n.a.	3,008
17	By area: Industrial countries ³	-935	105	-139	-20	-881	-446	-368	n.a.	14,606
18	Members of OPEC ⁵	-79	59	38	-74	-102	94	-13	n.a.	1,273
19	Other	-1,372	-104	-656	-171	-441	-29	-183	n.a.	8,280
B1	Liabilities, total (table 1, line 60)	-4,324	2,478	-2,047	487	-5,242	10,113	10,527	n.a.	230,224
2	Financial liabilities	-4,486	1,973	-2,321	1,573	-5,711	9,212	9,046	n.a.	205,033
3	<i>Denominated in U.S. dollars</i>	-7,385	2,623	-2,141	-5,180	-2,687	6,691	9,603	n.a.	183,145
4	<i>Denominated in foreign currencies</i>	2,899	-650	-180	6,753	-3,024	2,521	-557	n.a.	21,888
5	By area: Industrial countries ³	6,139	2,171	1,343	4,570	-1,945	3,122	-2,082	n.a.	58,848
6	Of which United Kingdom	3,735	1,109	2,306	944	-624	1,342	-351	n.a.	45,061
7	Caribbean banking centers ⁴	-10,853	-201	-3,419	-3,297	-3,936	6,258	11,232	n.a.	132,968
8	Other	228	3	-245	300	170	-168	-104	n.a.	13,217
9	Commercial liabilities	162	505	274	-1,086	469	901	1,481	n.a.	25,191
10	<i>Denominated in U.S. dollars</i>	-521	-314	298	-968	463	1,008	1,288	n.a.	23,217
11	<i>Denominated in foreign currencies</i>	683	819	-24	-118	6	-107	193	n.a.	1,974
12	By type: Trade payables	1,190	163	939	-361	449	149	650	n.a.	10,558
13	Advance receipts and other liabilities	-1,028	342	-665	-725	20	752	831	n.a.	14,633
14	By area: Industrial countries ³	593	665	-28	-702	658	1,159	406	n.a.	15,529
15	Members of OPEC ⁵	224	18	350	-156	12	221	-12	n.a.	2,584
16	Other	-655	-178	-48	-228	-201	-479	1,087	n.a.	7,078

See footnotes on page 65.

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.)	1994	Not seasonally adjusted						Amounts outstanding Sept. 30, 1995	
			1994				1995			
			I	II	III	IV	I	II ^r		III ^r
1	Total (table 1, line 47)	915	869	15,107	1,590	-16,651	-29,284	-39,982	14,851	713,295
2	By type:									
	Banks' own claims	12,485	-4,897	15,784	-673	2,271	-21,756	-32,849	14,981	581,703
3	Payable in dollars	6,284	9,124	-2,217	1,919	-2,542	-8,999	-28,165	7,098	512,391
	By borrower:									
	Claims on:									
4	own foreign offices	3,989	6,542	-9,911	7,094	264	-9,018	-8,472	4,018	296,546
5	unaffiliated foreign banks	-11,158	2,859	-6,645	1,045	-8,417	6,132	-6,756	5,474	106,688
6	foreign public borrowers ¹	5,979	3,391	4,191	-3,224	1,621	-284	-68	1,481	22,291
7	other private foreigners	7,474	-3,668	10,148	-2,996	3,990	-5,829	-12,869	-3,875	86,866
	By bank ownership: ²									
	U.S.-owned banks' claims on:									
8	own foreign offices	-7,131	-3,283	-5,252	2,624	-1,220	-6,324	9,207	8,520	123,331
9	unaffiliated foreign banks	798	2,781	427	1,089	-3,499	2,931	-1,365	-885	36,126
10	other foreigners	10,221	-2,799	10,880	-5,110	7,250	-6,430	-14,999	-37	74,065
	Foreign-owned banks' claims on:									
11	own foreign offices	11,120	9,825	-4,659	4,470	1,484	-2,694	-17,679	-4,502	173,215
12	unaffiliated foreign banks	-11,956	78	-7,072	-44	-4,918	3,201	-5,391	6,359	70,562
13	other foreigners	3,232	2,522	3,459	-1,110	-1,639	317	2,062	-2,357	35,092
14	Payable in foreign currencies	6,201	-14,021	18,001	-2,592	4,813	-12,757	-4,684	7,883	69,312
15	Banks' domestic customers' claims	-11,570	5,766	-677	2,263	-18,922	-7,528	-7,133	-130	131,592
16	Payable in dollars	-4,897	6,362	-641	2,997	-13,615	-8,270	-5,700	-3,472	121,864
17	Deposits	-14,622	-4,249	263	-860	-9,776	-338	-1,942	6,566	32,576
18	Foreign commercial paper ³	9,847	5,928	2,288	1,573	58	-6,767	910	-6,882	54,405
19	Other negotiable and readily transferable instruments ⁴	-497	4,680	-3,002	1,630	-3,805	10	-2,800	-2,776	18,175
20	Outstanding collections and other	375	3	-190	654	-92	-1,175	-1,868	-380	16,708
21	Payable in foreign currencies	-6,673	-596	-36	-734	-5,307	742	-1,433	3,342	9,728
	By area:									
22	Industrial countries ⁵	3,118	-2,631	14,436	7,578	-16,265	-25,474	-11,210	16,078	348,109
23	Western Europe	-1,572	380	12,289	107	-14,348	-17,802	-1,293	9,254	208,087
24	Of which United Kingdom	-4,488	-3,044	6,705	-1,619	-6,530	-8,380	-157	10,727	96,179
25	Canada	674	-960	-4,428	3,723	2,339	-7,902	4,294	83	38,224
26	Japan	2,709	-2,368	5,812	1,447	-2,182	-1,216	-12,825	8,058	90,972
27	Other	1,307	317	763	2,301	-2,074	1,446	-1,386	-1,317	10,826
28	Caribbean banking centers ⁶	-4,789	3,673	-3,893	-3,674	-895	6,022	-18,713	-3,389	212,538
29	Other areas	2,586	-173	4,564	-2,314	509	-9,832	-10,059	2,162	152,648
30	Of which Members of OPEC, included below ⁷	6,302	1,054	1,569	1,754	1,925	1,151	1,003	-46	19,617
31	Latin America	-2,474	-4,355	3,961	2,270	-4,350	-3,930	-2,093	847	68,522
32	Asia	5,504	3,330	598	-4,075	5,651	-7,458	-9,785	1,726	74,708
33	Africa	950	71	-83	414	548	148	-119	105	2,994
34	Other ⁸	-1,394	781	88	-923	-1,340	1,408	1,938	-516	6,424
	Memoranda:									
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	-16,111	3,308	-7,922	2,405	-13,902	5,351	-4,290	5,305	205,672
	By borrower:									
	Claims on:									
2	own foreign offices	-8,693	-900	-1,355	1,954	-8,392	-398	655	-3,033	110,516
3	unaffiliated foreign banks	-11,672	2,446	-8,139	-785	-5,194	5,413	-4,336	8,850	64,830
4	foreign public borrowers	4,387	2,147	1,811	599	-170	817	402	623	7,472
5	all other foreigners	-133	-385	-239	637	-146	-481	-1,011	-1,135	22,854
	By bank ownership: ²									
6	U.S.-owned IBF's	-9,577	-5,259	399	-1,818	-2,899	64	6,057	695	59,990
7	Foreign-owned IBF's	-6,534	8,567	-8,321	4,223	-11,003	5,287	-10,347	4,610	145,682
8	Banks' dollar acceptances payable by foreigners	-363	305	58	-114	-612	-80	-85	-252	8,751

See footnotes on page 65.

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.)	1994	Not seasonally adjusted						Amounts outstanding Sept. 30, 1995	
			1994				1995			
			I	II	III	IV	I	II		
A1	Foreign official assets in the United States (table 1, line 49)	39,409	10,977	9,162	19,691	-421	22,308	37,836	39,479	645,215
	By type:									
2	U.S. Treasury securities (table 1, line 51)	30,723	857	5,919	16,477	7,470	10,131	25,169	20,597	448,812
3	Bills and certificates	-11,530	-2,393	-7,129	-3,127	1,119	2,146	12,801	8,576	162,903
4	Bonds and notes, marketable	41,796	3,140	12,935	19,488	6,233	7,960	12,257	11,900	279,853
5	Bonds and notes, nonmarketable	457	110	113	116	118	25	111	121	6,056
6	Other U.S. Government securities (table 1, line 52)	6,025	215	2,360	2,222	1,228	1,126	1,326	518	24,485
7	Other U.S. Government liabilities (table 1, line 53)	2,211	851	174	494	692	-154	506	194	26,059
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 54)	2,923	9,807	1,674	1,298	-9,856	10,940	7,886	18,398	109,981
9	Banks' liabilities for own account, payable in dollars ¹	-4,851	2,681	1,131	4,071	-12,834	9,890	3,933	12,799	85,928
10	Demand deposits	-37	67	361	-338	-127	141	-307	-36	1,362
11	Time deposits	1,521	2,177	1,085	2,004	-3,745	688	3,501	4,552	31,978
12	Other liabilities ²	-6,435	437	-315	2,405	-8,962	9,061	739	8,283	52,588
13	Banks' custody liabilities, payable in dollars ^{1,3}	7,874	7,126	543	-2,773	2,978	1,050	3,953	5,599	24,053
14	Other foreign official assets (table 1, line 55)	-2,473	-753	-965	-800	45	265	2,949	-228	35,878
	By area (see text table D):									
B1	Other foreign assets in the United States (table 1, lines 58 and 61)	148,207	41,610	20,914	25,078	60,605	29,379	42,554	16,820	1,139,345
	By type:									
2	U.S. Treasury securities (line 58)	33,811	9,771	-7,317	5,428	25,929	29,910	30,315	36,778	362,650
	By security:									
3	Bills and certificates	-2,384	-813	5,159	-3,881	-2,849	5,167	-735	1,931	29,618
4	Marketable bonds and notes	36,195	10,584	-12,476	9,309	28,778	24,743	31,050	34,847	333,032
	By holder:									
5	Foreign banks	506	344	-214	133	243	4,505	-702	1,149	16,170
6	Other private foreigners	37,149	11,168	-6,910	7,540	25,351	25,228	30,904	35,536	333,496
7	International financial institutions ⁴	-3,844	-1,741	-193	-2,245	335	177	113	93	12,984
8	U.S. liabilities reported by U.S. banks (line 61)	114,396	31,839	28,231	19,650	34,676	-531	12,239	-19,958	776,695
9	Banks' own liabilities ¹	114,062	32,236	21,268	26,806	33,752	-1,050	15,934	-20,108	747,886
10	Payable in dollars	102,566	23,650	35,484	17,003	26,429	-7,765	6,055	-15,495	646,430
	By account:									
11	Liabilities to own foreign offices	78,337	21,545	20,722	11,987	24,083	127	-2,365	-9,660	385,232
	Liabilities to unaffiliated foreigners:									
12	demand deposits	4,295	1,338	1,178	-657	2,436	-858	-213	1,555	22,383
13	time deposits ²	9,793	-301	5,508	-7,274	11,860	-2,833	7,589	-12,229	155,559
14	other liabilities ²	10,141	1,068	8,076	12,947	-11,950	-4,201	1,044	4,839	83,256
	By holder:									
15	Liabilities to:									
16	own foreign offices	78,337	21,545	20,722	11,987	24,083	127	-2,365	-9,660	385,232
17	unaffiliated foreign banks	12,856	70	11,566	-4,340	5,560	-2,672	3,057	-10,120	161,235
18	other private foreigners	9,968	2,033	3,145	8,406	-3,616	-5,783	5,030	1,778	88,484
	international financial institutions ⁴	1,405	2	51	950	402	563	333	2,507	11,479
	By bank ownership: ⁵									
19	U.S.-owned banks' liabilities to:									
20	own foreign offices	60,338	16,041	16,783	10,930	16,584	5,319	-14,750	-8,128	169,859
21	unaffiliated foreign banks	9,447	2,080	2,547	2,812	2,008	-222	3,270	-4,585	32,256
22	other private foreigners and international financial institutions ⁴	12,970	2,635	3,614	9,054	-2,333	-6,366	2,541	3,927	63,642
	Foreign-owned banks' liabilities to:									
23	own foreign offices	17,999	5,504	3,939	1,057	7,499	-5,192	12,385	-1,532	215,373
24	unaffiliated foreign banks	3,409	-2,010	9,019	-7,152	3,552	-2,450	-213	-5,535	128,979
25	other private foreigners and international financial institutions ⁴	-1,597	-600	-418	302	-881	1,146	2,822	358	36,321
	Payable in foreign currencies	11,496	8,586	-14,216	9,803	7,323	6,715	9,879	-4,613	101,456
26	Banks' custody liabilities, payable in dollars ^{1,3}	334	-397	6,963	-7,156	924	519	-3,695	150	28,809
27	Of which negotiable and readily transferable instruments	-1,875	-1,535	7,436	-8,127	351	1,638	-3,783	-3,323	23,644
	By area:									
28	Industrial countries ⁶	77,965	29,805	791	28,404	18,965	26,144	13,478	30,009	685,850
29	Western Europe	50,186	19,433	2,467	9,585	18,701	6,041	-3,676	18,757	445,726
30	Canada	8,157	2,962	1,284	3,553	358	5,026	1,748	-3,681	38,472
31	Other	19,622	7,410	-2,960	15,266	-94	15,077	15,406	14,933	201,652
32	Caribbean banking centers ⁷	67,907	11,574	20,428	-8,724	44,629	-2,257	20,262	-15,169	286,687
33	Other areas	2,335	231	-305	5,398	-2,989	5,492	8,614	1,980	166,808
34	Of which Members of OPEC, included below ⁸	2,767	-844	2,840	1,104	-333	105	609	1,059	31,012
35	Latin America	414	1,238	-3,373	2,202	347	-3,373	-471	-964	43,110
36	Asia	5,013	1,764	1,115	6,509	-4,375	7,061	6,960	53	87,173
37	Africa	110	-677	392	-128	523	-244	415	23	6,640
38	Other ⁹	-3,202	-2,094	1,561	-3,185	516	1,948	1,910	2,386	29,885
Memoranda:										
1	International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9, and B10 above)	42,038	356	23,872	4,961	12,849	-7,956	6,371	1,558	357,940
	By holder:									
	Liabilities to:									
2	own foreign offices	25,634	-2,029	10,014	10,468	7,181	-7,679	1,211	1,585	158,730
3	unaffiliated foreign banks	8,872	-1,364	10,458	-7,203	6,981	-1,664	-1,864	-6,126	133,333
4	foreign private agencies	5,654	3,197	1,878	2,211	-1,632	-221	3,085	5,724	39,359
5	other private foreigners and international financial institutions ⁴	1,878	552	1,522	-515	319	1,608	3,939	375	26,518
	By bank ownership: ⁵									
6	U.S.-owned IBF's	22,398	7,486	5,126	8,324	1,462	1,165	-4,185	732	78,854
7	Foreign-owned IBF's	19,640	-7,130	18,746	-3,363	11,387	-9,121	10,556	826	279,086
8	Negotiable certificates of deposit held for foreigners ¹ (in lines A13 and B27 above)	328	1,567	7,846	-7,865	-1,220	-1,136	-4,583	-2,243	9,915

See footnotes on page 65.

Table 10.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Eastern Europe							Canada		
		1994	1994			1995			1994	1994	
			II	III	IV	I	II ^r	III ^r		II	III
1	Exports of goods, services, and income	7,700	1,985	2,041	1,981	1,928	2,227	2,223	145,301	37,520	35,636
2	Merchandise, adjusted, excluding military ²	5,346	1,389	1,459	1,343	1,175	1,458	1,377	114,869	29,694	27,871
3	Services ³	2,204	537	577	588	630	650	694	17,452	4,639	4,178
4	Transfers under U.S. military agency sales contracts ⁴	138	59	17	32	87	77	93	150	39	56
5	Travel	566	152	170	138	117	161	169	6,251	1,850	1,400
6	Passenger fares	94	27	25	18	25	29	26	1,133	297	259
7	Other transportation	599	131	151	175	160	165	156	2,345	570	598
8	Royalties and license fees ⁵	62	14	16	19	19	21	24	1,229	289	312
9	Other private services ⁵	712	150	188	191	215	187	211	6,300	1,576	1,543
10	U.S. Government miscellaneous services	34	4	11	15	7	9	15	43	18	10
11	Income receipts on U.S. assets abroad	150	59	5	50	123	119	152	12,980	3,188	3,587
12	Direct investment receipts	-204	1	-89	-73	-12	50	30	4,925	1,159	1,385
13	Other private receipts	180	50	39	51	43	59	35	8,050	2,029	2,202
14	U.S. Government receipts	174	8	55	72	92	10	87	5		
15	Imports of goods, services, and income	-8,244	-2,073	-2,204	-2,436	-2,495	-2,826	-2,274	-150,659	-37,816	-38,170
16	Merchandise, adjusted, excluding military ²	-5,828	-1,407	-1,441	-1,889	-1,971	-1,953	-1,598	-131,115	-32,990	-32,243
17	Services ³	-1,937	-560	-631	-397	-368	-630	-417	-11,905	-3,004	-3,794
18	Direct defense expenditures	-4	-1	-1	-1	-1	-5	-5	-57	-13	-15
19	Travel	-1,022	-329	-356	-168	-174	-351	-119	-3,912	-963	-1,787
20	Passenger fares	-196	-65	-87	-39	-5	-68	-88	-302	-73	-110
21	Other transportation	-367	-80	-96	-98	-100	-96	-90	-3,320	-830	-836
22	Royalties and license fees ⁵	-20	-6	-4	-4	-4	-4	-4	-77	-16	-19
23	Other private services ⁵	-286	-70	-73	-75	-74	-93	-96	-4,058	-1,040	-993
24	U.S. Government miscellaneous services	-42	-9	-14	-12	-10	-13	-15	-180	-68	-35
25	Income payments on foreign assets in the United States	-480	-106	-132	-150	-156	-243	-259	-7,638	-1,822	-2,133
26	Direct investment payments	-5	-3	-1	-1	-1	-1	-1	-2,654	-599	-880
27	Other private payments	-145	-30	-43	-47	-66	-85	-92	-3,017	-777	-739
28	U.S. Government payments	-330	-73	-88	-104	-89	-157	-166	-1,967	-446	-514
29	Unilateral transfers, net	-3,488	-1,563	-718	-667	-705	-646	-695	-366	-85	-102
30	U.S. Government grants ⁴	-2,495	-1,311	-482	-449	-452	-408	-449			
31	U.S. Government pensions and other transfers	-36	-9	-9	-9	-9	-9	-9	-431	-108	-108
32	Private remittances and other transfers ⁶	-957	-243	-227	-209	-244	-229	-237	65	23	6
33	U.S. assets abroad, net (increase/capital outflow (-))	-157	924	-421	-641	408	141	-1,582	-15,550	-5,094	390
34	U.S. official reserve assets, net ⁷								(*)		
35	Gold										
36	Special drawing rights										
37	Reserve position in the International Monetary Fund										
38	Foreign currencies								(*)		
39	U.S. Government assets, other than official reserve assets, net	19	643	-245	-418	-26	-21	-110	124	1	-3
40	U.S. credits and other long-term assets	-1,138	-55	-54	-962	-38	-36	-24			
41	Repayments on U.S. credits and other long-term assets ⁸	878	859		19		8	2	120		
42	U.S. foreign currency holdings and U.S. short-term assets, net	279	-161	-191	525	12	7	-88	4	1	-3
43	U.S. private assets, net	-176	281	-176	-223	434	162	-1,472	-15,674	-5,095	393
44	Direct investment	-750	-112	-211	-80	-89	-67	-348	-4,252	-275	-1,074
45	Foreign securities	-500	-9	-10	-459	-79	67	-488	-7,207	-413	-1,945
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-88	-13	-8	-60	60	21	n.a.	-4,889	21	-312
47	U.S. claims reported by U.S. banks, not included elsewhere	1,162	415	53	376	542	304	-636	674	-4,428	3,723
48	Foreign assets in the United States, net (increase/capital inflow (+))	3,022	3,785	653	-867	1,953	8,071	1,872	14,075	3,969	8,007
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	1,929	1,950	3,364
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
53	Other U.S. Government liabilities ¹¹	(*)	-1	1	-2	3	-2	1	-21	-28	-22
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	12,146	2,019	4,643
57	Direct investment	48	64	-4	-1	1	-10	-5	3,968	684	1,121
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
59	U.S. securities other than U.S. Treasury securities	36	9	-2	-19	16	4	60	-7	-176	86
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	41	21	-10	13	-15	50	n.a.	28	227	-117
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 2,897	18 3,692	18 668	18 -858	18 1,948	18 8,029	18 1,816	(17)	(17)	(17)
62	Allocations of special drawing rights										
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	1,167	-3,059	649	2,630	-1,090	-6,966	456	7,200	1,505	-5,761
64	Memoranda:										
64	Balance on merchandise trade (lines 2 and 16)	-482	-18	18	-546	-796	-495	-221	-16,246	-3,296	-4,372
65	Balance on services (lines 3 and 17)	268	-23	-54	191	262	20	278	5,546	1,635	384
66	Balance on goods and services (lines 64 and 65)	-214	-41	-36	-355	-534	-475	57	-10,700	-1,661	-3,988
67	Balance on investment income (lines 11 and 25)	-330	-47	-127	-100	-33	-124	-107	5,342	1,366	1,454
68	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-545	-87	-163	-456	-567	-590	-50	-5,358	-296	-2,534
69	Unilateral transfers, net (line 29)	-3,488	-1,563	-718	-667	-705	-646	-695	-366	-85	-102
70	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	-4,033	-1,650	-881	-1,123	-1,272	-1,245	-745	-5,724	-381	-2,636

Table 10.—U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Australia						
		1994	1994			1995		
			II	III	IV	I	II ^r	III ^r
1	Exports of goods, services, and income	17,212	4,240	4,649	4,684	4,651	4,702	4,661
2	Merchandise, adjusted, excluding military ²	9,586	2,296	2,712	2,496	2,590	2,663	2,600
3	Services ³	4,209	1,078	1,118	1,094	1,041	1,059	1,125
4	Transfers under U.S. military agency sales contracts ⁴	412	173	61	124	67	57	56
5	Travel	1,445	365	424	338	351	386	421
6	Passenger fares	426	105	126	98	106	113	131
7	Other transportation	261	61	69	73	65	72	73
8	Royalties and license fees ⁵	540	119	144	158	136	136	144
9	Other private services ³	1,120	255	292	302	312	295	300
10	U.S. Government miscellaneous services	5		2		5		
11	Income receipts on U.S. assets abroad	3,417	866	819	1,094	1,020	981	936
12	Direct investment receipts	2,371	582	611	739	757	602	632
13	Other private receipts	1,046	284	208	355	263	379	304
14	U.S. Government receipts							
15	Imports of goods, services, and income	-5,272	-1,200	-1,461	-1,409	-1,620	-1,437	-1,577
16	Merchandise, adjusted, excluding military ²	-3,202	-785	-858	-833	-905	-823	-848
17	Services ³	-2,045	-439	-559	-536	-562	-490	-557
18	Direct defense expenditures	-50	-15	-15	-10	-18	-15	-15
19	Travel	-785	-154	-243	-196	-198	-164	-210
20	Passenger fares	-422	-88	-104	-112	-129	-93	-106
21	Other transportation	-243	-59	-60	-64	-67	-72	-79
22	Royalties and license fees ⁵	-19	-5	-4	-5	-4	-4	-4
23	Other private services ³	-482	-109	-124	-142	-131	-136	-138
24	U.S. Government miscellaneous services	-44	-9	-9	-7	-15	-5	-5
25	Income payments on foreign assets in the United States	-25	24	-44	-40	-153	-124	-172
26	Direct investment payments	243	90	34	37	-75	-24	-88
27	Other private payments	-189	-51	-49	-55	-52	-88	-71
28	U.S. Government payments	-79	-15	-29	-22	-26	-12	-13
29	Unilateral transfers, net	-85	-15	-21	-21	-30	-22	-24
30	U.S. Government grants ⁴							
31	U.S. Government pensions and other transfers	-28	-7	-7	-7	-7	-7	-7
32	Private remittances and other transfers ⁶	-57	-8	-14	-14	-23	-15	-17
33	U.S. assets abroad, net (increase/capital outflow (-))	-2,136	-475	609	-3,256	985	-1,157	-2,102
34	U.S. official reserve assets, net ⁷							
35	Gold							
36	Special drawing rights							
37	Reserve position in the International Monetary Fund							
38	Foreign currencies							
39	U.S. Government assets, other than official reserve assets, net	6	2		2	2	1	
40	U.S. credits and other long-term assets							
41	Repayments on U.S. credits and other long-term assets ⁸	2	1					
42	U.S. foreign currency holdings and U.S. short-term assets, net	4	1		2	2	1	
43	U.S. private assets, net	-2,142	-477	609	-3,258	983	-1,158	-2,102
44	Direct investment	-1,382	-577	-211	-225	-982	50	-1,038
45	Foreign securities	-2,241	-903	-993	-479	369	45	713
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-54	51	-64	-132	-16	-130	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	1,535	952	1,877	-2,422	1,611	-1,123	-1,777
48	Foreign assets in the United States, net (increase/capital inflow (+))	4,649	2,524	-1,316	3,092	-678	-869	600
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)
53	Other U.S. Government liabilities ¹¹	-174	-149	-26	-74	1	20	-17
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
57	Direct investment	1,830	-252	321	942	201	-265	-570
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
59	U.S. securities other than U.S. Treasury securities	656	92	228	69	193	670	-283
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	186	69	-156	258	54	-60	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 2,171	18 2,764	18 -1,683	18 1,897	18 -1,127	18 -1,234	18 1,470
62	Allocations of special drawing rights							
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-14,368	-5,073	-2,460	-3,090	-3,308	-1,217	-1,558
64	Memoranda:							
65	Balance on merchandise trade (lines 2 and 16)	6,384	1,511	1,854	1,663	1,685	1,840	1,752
66	Balance on services (lines 3 and 17)	2,164	638	559	558	479	569	568
67	Balance on goods and services (lines 64 and 65)	8,548	2,149	2,413	2,221	2,164	2,409	2,320
68	Balance on investment income (lines 11 and 25)	3,392	890	775	1,054	867	856	764
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	11,939	3,039	3,188	3,275	3,031	3,265	3,084
70	Unilateral transfers, net (line 29)	-85	-15	-21	-21	-30	-22	-24
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	11,854	3,024	3,167	3,254	3,001	3,243	3,060

See footnotes on page 65.

