

U.S. International Transactions

Third Quarter of 2004

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THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—increased slightly to \$164.7 billion in the third quarter of 2004 from \$164.4 billion (revised) in the second quarter (table A, chart 1).¹ An increase in the deficit on goods and a decrease in the surplus on services offset a decrease in net outflows for unilateral current transfers and an increase in the surplus on income.

In the financial account, net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—decreased to \$153.2 billion in the third quarter from \$164.9 billion in the second quarter. Both financial outflows for U.S.-owned assets abroad

and financial inflows for foreign-owned assets in the United States increased, but outflows increased more than inflows.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$11.8 billion in the third quarter, compared with a negative \$0.2 billion in the second quarter.

The following are highlights for the third quarter of 2004:

- Goods imports increased much less than in each of the previous three quarters, but goods imports still increased more than goods exports.
- Net outflows for unilateral current transfers decreased.
- Net foreign private purchases of U.S. Treasury securities slowed, but net foreign private purchases of other U.S. securities remained strong as a result of record net foreign purchases of U.S. corporate bonds.

1. Quarterly estimates of U.S. current-account and financial-account components are seasonally adjusted when series demonstrate statistically significant patterns. The accompanying tables present both adjusted and unadjusted estimates.

Table A. Summary of U.S. International Transactions

(Millions of dollars, quarters seasonally adjusted)

Line	Lines in tables 1 and 11 in which transactions are included are indicated in () (Credits +; debits -)	2003	2003				2004			Change: 2004 II-III	January-September		
			I	II	III	IV	I	II ^r	III ^p		2003	2004	Change: 2003-2004
Current account													
1	Exports of goods and services and income receipts (1)	1,314,888	315,676	317,367	329,508	352,336	359,604	372,463	382,498	10,035	962,551	1,114,565	152,014
2	Goods, balance of payments basis (3)	713,122	173,459	174,554	178,251	186,858	193,920	199,315	204,610	5,295	526,264	597,845	71,581
3	Services (4)	307,381	74,540	73,920	77,472	81,448	82,156	84,729	85,009	280	225,932	251,894	25,962
4	Income receipts (12)	294,385	67,677	68,893	73,785	84,030	83,528	88,419	92,879	4,460	210,355	264,826	54,471
5	Imports of goods and services and income payments (18)	-1,778,117	-437,067	-434,873	-444,497	-461,679	-486,042	-518,510	-532,559	-14,049	-1,316,437	-1,537,111	-220,674
6	Goods, balance of payments basis (20)	-1,260,674	-311,402	-310,087	-312,886	-326,299	-344,688	-362,895	-371,341	-8,446	-934,375	-1,078,924	-144,549
7	Services (21)	-256,337	-61,983	-61,767	-65,087	-67,501	-69,990	-72,233	-73,620	-1,387	-188,837	-215,843	-27,006
8	Income payments (29)	-261,106	-63,682	-63,019	-66,524	-67,879	-71,364	-83,382	-87,598	-4,216	-193,225	-242,344	-49,119
9	Unilateral current transfers, net (35)	-67,439	-16,815	-16,369	-16,639	-17,617	-20,726	-18,344	-14,648	3,696	-49,823	-53,718	-3,895
Capital account													
10	Capital account transactions, net (39)	-3,079	-406	-1,552	-821	-300	-396	-324	-374	-50	-2,779	-1,094	1,685
Financial account													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40)	-283,414	-102,665	-110,962	-8,138	-61,647	-306,729	-105,810	-133,176	-27,366	-221,765	-545,715	-323,950
12	U.S. official reserve assets, net (41)	1,523	83	-170	-611	2,221	557	1,122	429	-693	-698	2,108	2,806
13	U.S. Government assets, other than official reserve assets, net (46)	537	53	310	483	-309	727	-2	183	185	846	908	62
14	U.S. private assets, net (50)	-285,474	-102,801	-111,102	-8,101	-63,559	-308,013	-106,930	-133,788	-26,858	-221,913	-548,731	-326,818
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55)	829,173	246,105	218,553	134,202	230,311	445,348	270,745	286,412	15,667	598,860	1,002,505	403,645
16	Foreign official assets in the United States, net (56)	248,573	48,986	65,245	50,663	83,679	127,864	73,349	60,118	-13,231	164,894	261,331	96,437
17	Other foreign assets in the United States, net (63)	580,600	197,119	153,308	83,539	146,632	317,484	197,396	226,294	28,898	433,966	741,174	307,208
18	Statistical discrepancy (sum of above items with sign reversed) (70)	-12,012	-4,828	27,836	6,385	-41,404	8,941	-220	11,847	12,067	29,393	20,568	-8,825
Memoranda:													
19	Balance on current account (76)	-530,668	-138,206	-133,875	-131,628	-126,960	-147,164	-164,391	-164,709	-318	-403,709	-476,264	-72,555
20	Net financial flows (40 and 55)	545,759	143,440	107,591	126,064	168,664	138,619	164,935	153,236	-11,699	377,095	456,790	79,695

r Revised.
p Preliminary.

- Net U.S. purchases of foreign securities slowed as a result of a drop in net U.S. purchases of foreign stocks.
- U.S. direct investment abroad slowed, and foreign direct investment in the United States picked up.

Selected economic and financial market developments

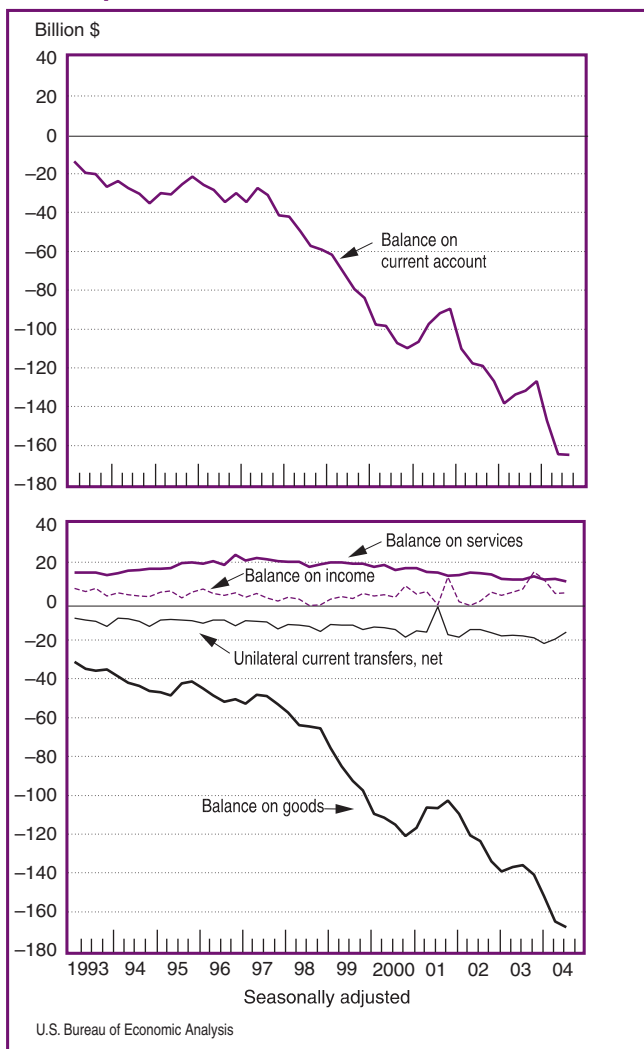
In the third quarter, the U.S. dollar depreciated 2 percent on a nominal, trade-weighted, quarterly average basis against a group of seven major currencies that are widely traded in international markets (table B, chart 2). The U.S. dollar depreciated 1 percent against the euro and 4 percent against the Canadian dollar, and it was unchanged against the Japanese yen.

In the United States, data releases in the third quarter indicated that economic growth slowed in the second quarter and that the U.S. deficit on goods and

services continued to widen on a monthly average basis. U.S. long-term interest rates fell in the third quarter, and U.S. stock prices fluctuated widely but ended the quarter little changed from levels at the beginning of the quarter. After tightening monetary policy at the end of June for the first time since May 2000, U.S. monetary authorities raised their target level for the Federal funds rate by an additional 50 basis points in the third quarter.

In Europe, data releases indicated that euro-area economic conditions changed little and that growth remained weaker than in the United States; euro-area monetary policy was unchanged. In Japan, reports showed that economic activity slowed sharply, and concerns were expressed about the effect of rising oil prices on the Japanese economy. In Canada, reported economic growth strengthened, and Canadian monetary authorities raised the target for the overnight rate by 25 basis points, their first tightening of monetary policy since April 2002.

Chart 1. U.S. Current-Account Balance and Its Components

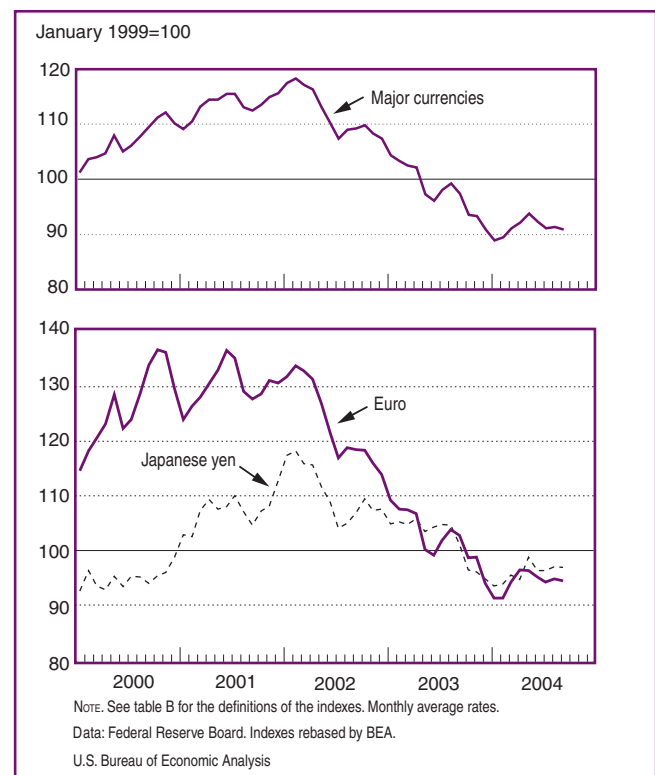


Current Account

Goods and services

The deficit on goods and services increased to \$155.3 billion in the third quarter from \$151.1 billion in the

Chart 2. Nominal Indexes of Foreign Currency Price of the U.S. Dollar



second quarter. The increase was accounted for by an increase in the deficit on goods and by a decrease in the surplus on services.

Goods

After rising strongly in the last two quarters, the deficit on goods increased more moderately in the third quarter, to \$166.7 billion from \$163.6 billion. Both exports and imports continued to rise, but imports increased much less than in the previous three quarters (chart 3).

Exports. Exports increased \$5.3 billion, or 3 percent, to \$204.6 billion in the third quarter. Real exports increased 2 percent, and export prices increased less than 1 percent (table C).² By area, the value of exports to Asia and to Latin America increased the most.

Nonagricultural industrial supplies and materials

2. Quantity (real) estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters. Real estimates are expressed as chained (2000) dollars. Price indexes (2000 = 100) are also calculated using a chain-type Fisher formula.

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

[January 1999=100]

	2003		2004				2003				2004							
	III	IV	I	II	III	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.
Nominal: ¹																		
Broad ²	104.1	101.1	99.1	101.5	100.6	103.7	101.6	101.5	100.1	98.4	98.9	99.9	100.7	102.4	101.4	100.6	100.8	100.4
Major currencies ³	98.6	93.0	90.3	93.2	91.5	97.7	94.0	93.7	91.3	89.4	89.9	91.5	92.6	94.2	92.7	91.5	91.8	91.3
Other important trading partners ⁴	110.8	111.6	110.7	112.3	112.6	111.1	111.4	111.6	111.8	110.4	110.7	110.9	111.2	113.0	112.7	112.7	112.7	112.4
Real: ¹																		
Broad ²	105.6	101.7	99.8	102.9	102.0	105.2	102.7	102.0	100.3	98.9	99.6	100.9	101.8	103.9	103.1	102.2	102.2	101.7
Major currencies ³	103.1	97.0	94.8	98.3	96.9	102.3	98.4	97.7	95.0	93.5	94.5	96.4	97.5	99.4	98.1	96.9	97.2	96.7
Other important trading partners ⁴	108.0	107.0	105.7	108.2	107.9	108.1	107.6	106.7	106.6	105.2	105.6	106.2	106.6	109.0	109.0	108.4	108.0	107.4
Selected currencies: (nominal) ⁵																		
Canada	90.9	86.6	86.7	89.5	86.1	89.7	87.0	86.4	86.4	85.3	87.5	87.4	88.3	90.8	89.4	87.0	86.4	84.8
European currencies:																		
Euro area ⁶	102.9	97.4	92.6	96.2	94.8	102.9	98.9	99.0	94.3	91.7	91.7	94.5	96.7	96.6	95.4	94.5	95.1	94.8
United Kingdom	102.4	96.7	89.7	91.4	90.7	102.1	98.2	97.6	94.2	90.4	88.4	90.3	91.5	92.4	90.3	89.5	90.6	92.0
Switzerland	99.0	94.2	90.5	92.2	90.7	99.2	95.4	96.1	91.2	89.4	89.8	92.2	93.6	92.7	90.2	89.9	91.1	91.1
Japan	103.6	96.1	94.6	96.9	97.0	101.3	96.7	96.4	95.1	93.8	94.2	95.8	95.0	99.0	96.6	96.6	97.3	97.2
Mexico	105.9	110.5	108.5	112.5	113.0	107.8	110.4	110.1	111.1	107.8	108.9	108.8	111.3	113.7	112.5	113.2	112.5	113.4
Brazil	194.2	191.9	191.7	201.5	196.9	193.1	189.3	192.8	193.5	188.7	194.1	192.2	192.3	205.2	207.0	201.0	198.5	191.2

1. For more information on the nominal and real indexes of the foreign exchange value of the U.S. dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998): 811-18.

2. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, United Kingdom, Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that circulate widely outside the country of issue, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, and the United Kingdom. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

4. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that do not circulate widely outside the country of issue, including the currencies of Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the other important trading partners index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

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

6. The euro area includes Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain.

Table C. U.S. Trade in Goods, Current and Chained (2000) Dollars, and Percent Changes from Previous Period

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

	Current dollars										Chained (2000) dollars ¹								
	2002	2003	2003				2004			2002	2003	2003				2004			
			I	II	III	IV	I	II	III ^p			I	II	III	IV	I	II ^r	III ^p	
Exports	681,833	713,122	173,459	174,554	178,251	186,858	193,920	199,315	204,610	678,029	708,587	173,192	173,580	177,528	184,209	188,230	190,995	195,490	
Agricultural products	54,512	60,883	14,322	14,607	15,651	16,303	15,902	15,690	15,131	53,130	53,844	13,286	13,282	14,006	13,279	12,432	11,792	12,459	
Nonagricultural products	627,321	652,239	159,137	159,947	162,600	170,555	178,018	183,625	189,479	637,845	654,582	159,864	160,258	163,429	171,029	176,175	179,813	183,584	
Imports	1,164,728	1,260,674	311,402	310,087	312,886	326,299	344,688	362,895	371,341	1,222,414	1,285,510	314,462	318,610	319,562	332,921	343,469	354,851	358,576	
Petroleum and products	103,491	133,088	36,040	30,807	32,642	33,599	40,597	41,046	44,880	121,562	129,287	32,146	31,930	31,981	33,229	36,086	32,631	32,794	
Nonpetroleum products	1,061,237	1,127,586	275,362	279,280	280,244	292,700	304,091	321,849	326,461	1,100,777	1,155,764	282,122	286,603	287,459	299,569	307,048	322,737	326,314	
	Percent change from previous period (current dollars)										Percent change from previous period (chained (2000) dollars)								
	2002	2003	2003				2004			2002	2003	2003				2004			
			I	II	III	IV	I	II	III ^p			I	II	III	IV	I	II ^r	III ^p	
Exports	-5.1	4.6	1.9	0.6	2.1	4.8	3.8	2.8	2.7	-4.5	2.5	1.0	0.2	2.3	3.8	2.2	1.5	2.4	
Agricultural products	-0.7	11.7	5.5	2.0	7.1	4.2	-2.5	-1.3	-3.6	-2.5	1.3	4.6	0.0	5.5	-5.2	-6.4	-5.1	5.7	
Nonagricultural products	-5.5	4.0	1.5	0.5	1.7	4.9	4.4	3.1	3.2	-4.7	2.6	0.7	0.2	2.0	4.7	3.0	2.1	2.1	
Imports	1.6	8.2	2.8	-0.4	0.9	4.3	5.6	5.3	2.3	3.5	5.2	-0.1	1.3	0.3	4.2	3.2	3.3	1.0	
Petroleum and products	-0.1	28.6	18.0	-14.5	6.0	2.9	20.8	1.1	9.3	-2.5	6.4	-1.6	-0.7	0.2	3.9	8.6	-9.6	0.5	
Nonpetroleum products	1.8	6.3	1.1	1.4	0.3	4.4	3.9	5.8	1.4	4.1	5.0	0.0	1.6	0.3	4.2	2.5	5.1	1.1	

r Revised.

p Preliminary.

1. Because chain indexes use weights of more than one period, the corresponding chained dollar estimates are usually not additive.

Note: Percent changes in quarterly estimates are not annualized and are expressed at quarterly rates.

increased \$2.0 billion, the largest rise among major end-use commodity categories for the third consecutive quarter (chart 4). Chemicals increased \$1.0 billion, the largest rise since the third quarter of 2000. Most of the third-quarter increase was due to a rise in exports of industrial organic chemicals to Asia, the Netherlands, and Latin America. Metals and nonmetallic products increased \$0.7 billion, partly as a result of a rise in exports of nonmonetary gold to Canada, Switzerland, and Australia. Nonferrous metals, textile supplies and materials, and iron and steel products also increased.

Automotive vehicles, engines, and parts increased \$1.7 billion, or 8 percent, the largest dollar increase since the fourth quarter of 1998 and the largest percentage increase since the first quarter of 2000. The third-quarter surge mainly reflected exceptionally large increases in exports to Canada of passenger cars and of trucks, buses, and special purpose vehicles. Exports of passenger cars to Germany and to the Middle East—primarily to Saudi Arabia—also contributed.

Capital goods increased \$1.3 billion. The rise was largely attributable to a strong rebound in civilian aircraft. In addition, exports of oil drilling, mining, and construction machinery, mostly to Latin America and Asia, and of computers, peripherals, and parts, mostly to Mexico and Canada, also rebounded. In contrast, semiconductors decreased substantially as a result of a

decline in chip exports to Asia. After increasing strongly in 2003, semiconductor exports slowed substantially in the first quarter of 2004 and declined in the second quarter. Telecommunications equipment also decreased in the third quarter, following substantial increases in the previous three quarters.

Consumer goods increased slightly. An increase in unmanufactured goods, mainly gem diamonds and other gem stones (including imitation stones), was largely offset by a decrease in manufactured non-durable goods that mostly resulted from a decline in exports of medical, dental, and pharmaceutical preparations to Western Europe.

Agricultural products decreased for the third consecutive quarter. The third-quarter decrease was mostly accounted for by declines in exports of wheat to Asia, Latin America, and Japan and of raw cotton to China.

Chart 3. U.S. Trade in Goods: Change From Preceding Quarter

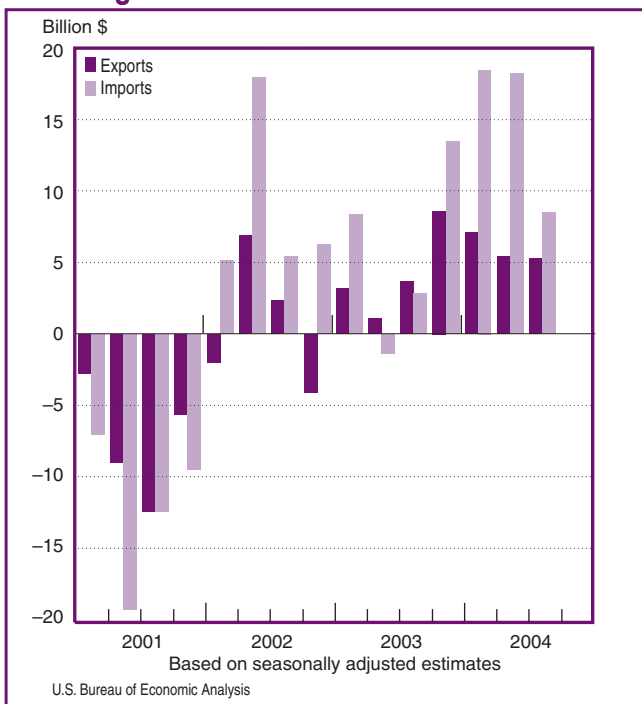
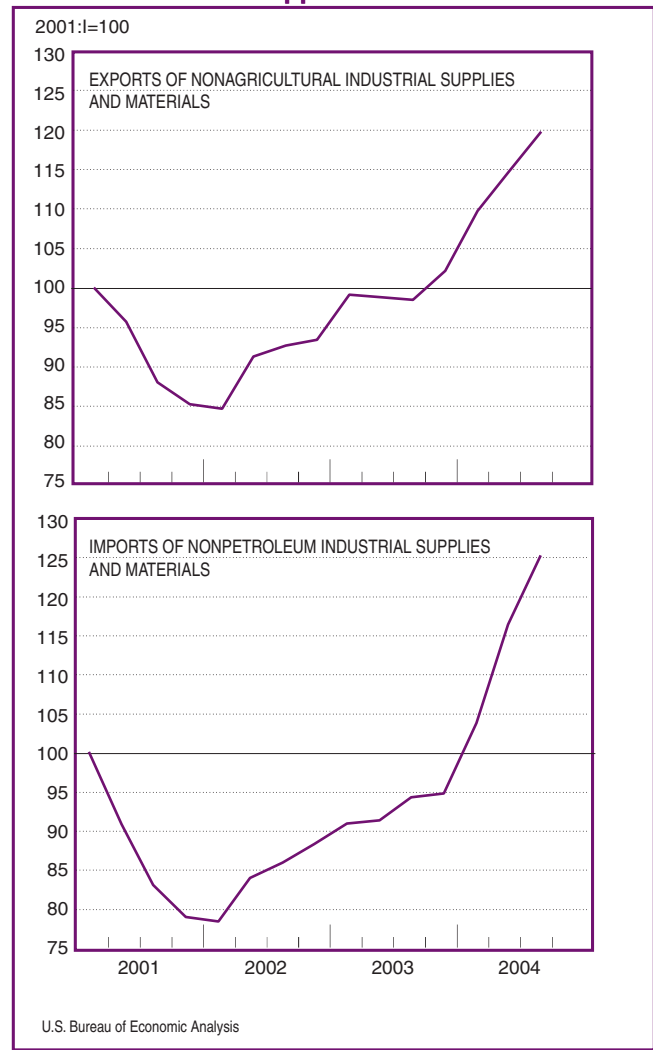


Chart 4. Growth in Exports and Imports of Selected Industrial Supplies and Materials



Imports. Imports increased \$8.4 billion, or 2 percent, to \$371.3 billion. Import growth slowed considerably in the third quarter after strong growth in the previous three quarters. In the third quarter, both real imports and import prices increased 1 percent (table C). By area, a very large increase in the value of imports from Asia, mainly China, was partly offset by decreases from Europe and Canada.

Petroleum and petroleum products increased \$3.8 billion, or 9 percent. Almost two-thirds of the increase was attributable to a rise in imports from members of OPEC, mainly Saudi Arabia, Algeria, and Kuwait. Quantity, as measured by the average number of barrels imported daily, increased less than 1 percent, to 13.08 million. The average price per barrel increased 9 percent, to \$37.55, the third consecutive quarter of strong growth (chart 5). Petroleum prices have surged in the past three quarters, largely as a result of increased worldwide demand for oil and the tight supply of oil. OPEC members increased official production by 2 million barrels per day on July 1 and by another 500,000 barrels per day on August 1. In the third quarter, U.S. domestic consumption increased 2 percent, and domestic production dropped a substantial 5 percent, partly because of the effects of hurricanes and tropical storms in August and September on oil production in the United States.

After rising strongly in the previous two quarters, nonpetroleum industrial supplies and materials again increased substantially in the third quarter, rising \$4.3 billion, or 8 percent (chart 4). Nearly a third of the third-quarter increase was the result of a jump in imports of iron and steel products, mostly from Asia, Latin America, and Russia. Iron and steel products

have surged in the last three quarters, largely as a result of rising steel prices (chart 6). In the third quarter, natural gas also increased strongly, mostly because of higher volume from Canada. Chemicals, steelmaking materials, and building materials also increased.

Capital goods increased \$2.6 billion. A third of the rise was attributable to an increase in oil drilling, mining, and construction machinery, a record increase in dollar terms and the largest increase in percentage terms since the fourth quarter of 1993. Among high-technology capital goods, computers, peripherals, and parts continued to grow rapidly. These products, mainly imported from China, have been the largest contributor to the growth of high-technology capital goods imports in the last six quarters as a result of the strong growth in U.S. business and consumer expenditures for computers and peripheral equipment. In contrast, telecommunications equipment decreased

Chart 5. U.S. Petroleum Imports and Price per Barrel

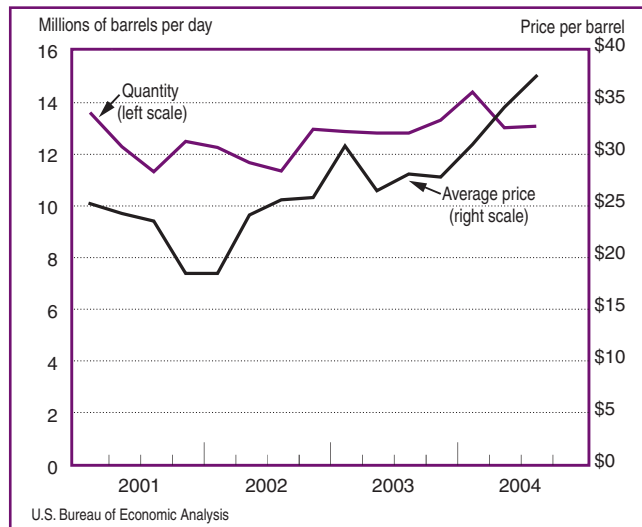
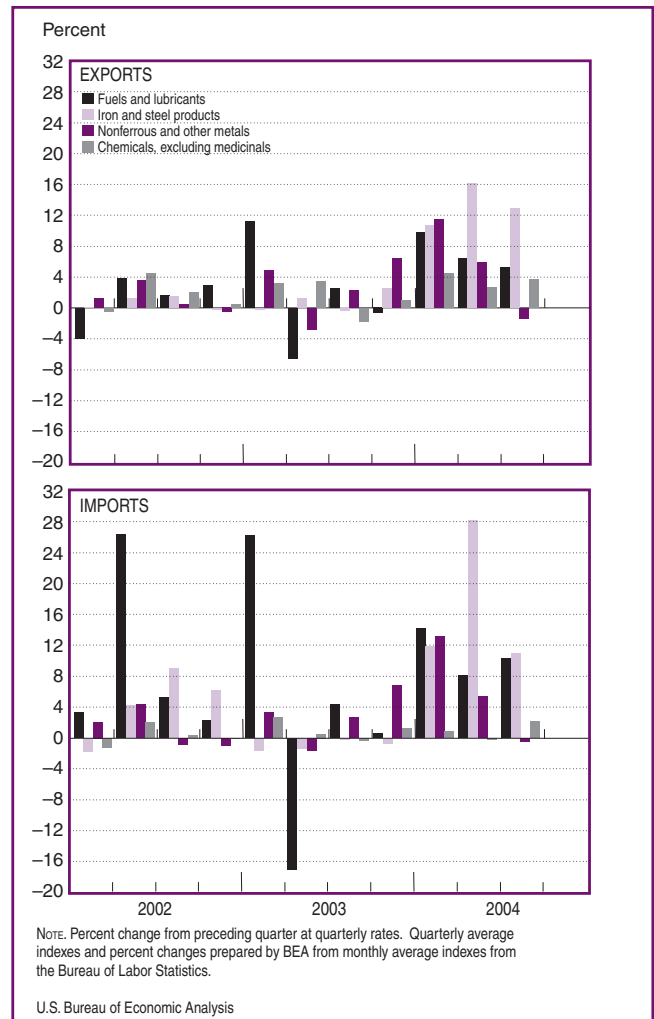


Chart 6. Percent Change in Export and Import Prices of Selected Industrial Supplies and Materials



substantially in the third quarter after strong increases in recent quarters.

Following three quarters of strong growth, consumer goods decreased \$2.5 billion in the third quarter, the first decrease since the fourth quarter of 2001. In the third quarter, consumer durable goods fell \$1.5 billion, mostly as a result of decreases in imports of household and kitchen appliances from the Republic of Korea and Western Europe and of home entertainment products from Japan. Consumer nondurable goods fell \$0.9 billion, mostly because of a decline in medicinal, dental, and pharmaceutical preparations from Western Europe.

Balances by area. An increase in the goods deficit with Asia excluding Japan more than offset decreases in the goods deficits with most other major regions.³ The deficit with Asia excluding Japan increased \$10.0 billion, to \$75.3 billion, mostly as a result of a \$6.4 billion increase, to \$44.9 billion, in the deficit with China. In contrast, the goods deficit with Europe fell \$3.0 billion, half of which was attributable to a decline in the deficit with the United Kingdom. The deficit with Canada decreased \$2.9 billion, and the deficit with Mexico decreased \$2.6 billion.

Services

The surplus on services decreased to \$11.4 billion in the third quarter from \$12.5 billion in the second quarter as a result of a larger increase in services pay-

3. Seasonally adjusted estimates of exports for areas and countries are derived by applying seasonal factors for total U.S. agricultural and nonagricultural exports to the unadjusted agricultural and nonagricultural exports for areas and countries and then summing the seasonally adjusted estimates. Seasonally adjusted estimates of imports for areas and countries are derived by applying seasonal factors for total U.S. petroleum and nonpetroleum imports to the unadjusted petroleum and nonpetroleum imports for areas and countries and then summing the seasonally adjusted estimates. (The seasonal factors are derived from the seasonal adjustment of U.S. exports and U.S. imports by five-digit end-use commodity category.)

Revisions to the Estimates for the Second Quarter of 2004

The estimates for the second quarter of 2004 in the international transactions accounts have been revised from the preliminary estimates that were published in the October 2004 SURVEY OF CURRENT BUSINESS. The current-account deficit for the second quarter was revised to \$164.4 billion from \$166.2 billion. The goods deficit was unrevised at \$163.6 billion; the services surplus was revised to \$12.5 billion from \$13.3 billion; the income surplus was revised to \$5.0 billion from \$2.6 billion; and unilateral current transfers were revised to net outflows of \$18.3 billion from \$18.5 billion. Net recorded financial inflows were revised to \$164.9 billion from \$146.8 billion.

ments than in services receipts.

Travel receipts increased \$0.2 billion, to \$18.8 billion, despite a decline in the number of overseas and Canadian visitors to the United States. Travel payments increased \$0.2 billion, to \$16.5 billion, as a result of small increases in U.S. travelers' payments to Canada, Mexico, and countries overseas. Passenger fare receipts were virtually unchanged at \$4.7 billion, and passenger fare payments edged up \$0.1 billion, to \$5.9 billion.

"Other" transportation receipts increased \$0.2 billion, to \$9.4 billion. The rise was more than accounted for by increases in ocean port and air port services that resulted from increases in U.S. goods exports and imports and in the cost of jet fuel. "Other" transportation payments increased \$0.3 billion, to \$13.4 billion. The increase was mainly attributable to a rise in ocean freight payments that resulted from increases in freight rates and in U.S. goods imports.

"Other" private services receipts were virtually unchanged at \$35.7 billion, as a decline in affiliated services was offset by small increases in all types of unaffiliated services. "Other" private services payments were virtually unchanged at \$23.6 billion, as an increase in unaffiliated services, mostly insurance services, was offset by a decrease in affiliated services.

Income

The surplus on income increased to \$5.3 billion in the third quarter from \$5.0 billion in the second quarter. Both income receipts and income payments increased, but receipts increased more than payments.

Receipts of income on U.S. direct investment abroad increased \$1.0 billion, to \$59.0 billion. Foreign affiliates' earnings increased for the second consecutive quarter. By industry, increases in the earnings of holding company affiliates and wholesale trade affiliates were partly offset by a decrease in the earnings of manufacturing affiliates, particularly those in transportation equipment, chemicals, and computers and electronic products.

Payments of income on foreign direct investment in the United States increased \$0.9 billion, to \$27.6 billion. After rising strongly in the first two quarters of the year, U.S. affiliates' earnings increased much more moderately in the third quarter. By industry, increases in the earnings of affiliates in manufacturing, particularly the food industry, and of affiliates in finance and insurance, largely depository institutions, were partly offset by decreases in the earnings of affiliates in "other" industries and in wholesale trade.

Receipts of "other" private income increased \$3.3 billion, to \$32.3 billion, and payments of "other" private income increased \$2.4 billion, to \$36.2 billion. The increases were mostly attributable to increases in

interest receipts and payments on bank and nonbank claims and liabilities that resulted from a rise in short-term interest rates.

Receipts of income on U.S. Government assets increased \$0.2 billion, to \$0.8 billion. Payments of income on U.S. Government liabilities increased \$1.0 billion, to \$21.5 billion, mostly as a result of a rise in interest payments on U.S. agency bonds.

Unilateral current transfers

Unilateral current transfers were net outflows of \$14.6 billion in the third quarter, down from net outflows of \$18.3 billion in the second quarter. The decrease was mostly attributable to a decrease in “private remittances and other transfers” that resulted from an increase in inflows to U.S. insurance companies from foreign reinsurance companies. The increased inflows resulted from unusually large claims for compensation for catastrophic damage caused by the major hurricanes during the quarter.⁴ (For a discussion of the impact of disasters on the national economic accounts, see <www.bea.gov/bea/faq/national/disasters.htm>.)

Capital Account

Capital account transactions were net outflows of \$0.4 billion in the third quarter, up slightly from net outflows of \$0.3 billion in the second quarter.

Financial Account

Net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$153.2 billion in the third quarter, down from \$164.9 billion in the second quarter. Both financial outflows for U.S.-owned assets abroad and financial inflows for foreign-owned assets in the United States increased, but outflows increased more than inflows.

U.S.-owned assets abroad

U.S.-owned assets abroad increased \$133.2 billion in the third quarter after an increase of \$105.8 billion in the second quarter. U.S. claims on foreigners reported by U.S. banks increased more in the third quarter than in the second quarter. In contrast, both net U.S. purchases of foreign securities and net financial outflows for U.S. direct investment abroad slowed.

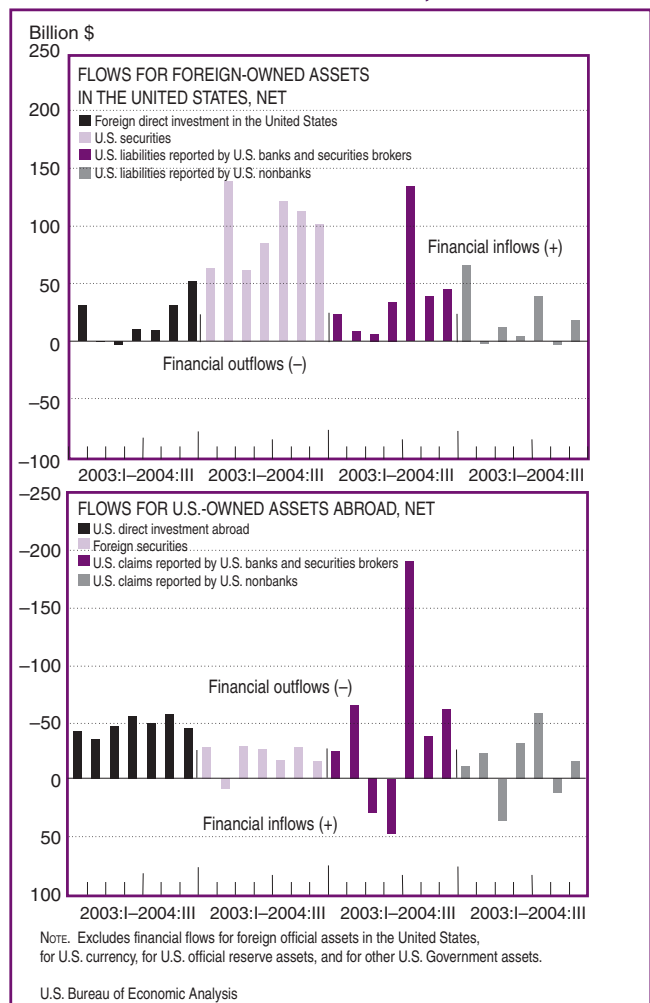
U.S. official reserve assets. U.S. official reserve assets decreased \$0.4 billion in the third quarter after a decrease of \$1.1 billion in the second quarter. The

third-quarter decrease was more than accounted for by a decrease in the U.S. reserve position in the International Monetary Fund (IMF), reflecting the net repayment of U.S. dollars to the IMF by foreign countries.

Claims reported by banks and by nonbanks. U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$60.3 billion in the third quarter after an increase of \$37.0 billion in the second quarter (chart 7).

Banks’ own claims denominated in dollars increased \$64.9 billion in the third quarter after an increase of \$8.7 billion in the second quarter. The pickup was largely attributable to a strong upturn in lending by brokers and dealers, mostly to foreign banks and nonbanks in the United Kingdom. Brokers’ and dealers’ lending was predominantly in the form of resale agreements and was partly used to finance foreigners’ record net purchases of U.S. corporate bonds. Banks’ lending was mostly to affiliated branches and offices abroad and may have partly reflected an increase in international syndicated lending.

Chart 7. Selected Financial Flows, 2003:I–2004:III



4. For more information on the measurement of insurance services in the international accounts, see Christopher L. Bach, “Annual Revision of the U.S. International Accounts, 1992–2002” SURVEY OF CURRENT BUSINESS 83 (July 2003): 35–37, and Christopher L. Bach, “Annual Revision of the U.S. International Accounts, 1989–2003” SURVEY 84 (July 2004): 60–62.

Banks' domestic customers' claims denominated in dollars decreased \$1.6 billion in the third quarter, in contrast to an increase of \$13.7 billion in the second quarter. In the third quarter, decreases in negotiable certificates of deposits and in "other" short-term instruments were mostly offset by increases in deposits and brokerage balances and in foreign commercial paper.

Claims reported by U.S. nonbanking concerns increased \$15.0 billion, in contrast to a decrease of \$12.1 billion. The increase was mostly accounted for by an increase in deposits.

Foreign securities. Net U.S. purchases of foreign securities were \$15.0 billion in the third quarter, down from \$26.8 billion in the second quarter. The slowdown was more than accounted for by a decrease in net U.S. purchases of foreign stocks.

Net U.S. purchases of foreign stocks were \$9.0 billion, down from \$40.4 billion. The decline was partly attributable to a drop in exchanges of stock that result from foreign acquisitions of U.S. companies. In addition, nonmerger-related net U.S. purchases were the lowest in several quarters, as stock prices in many developed foreign countries, particularly in Japan, decreased. Transactions with Canada and Caribbean financial centers shifted to net U.S. sales from net U.S. purchases, and net U.S. purchases from the United Kingdom and Japan slowed.

Transactions in foreign bonds shifted to net U.S. purchases of \$6.0 billion from net U.S. sales of \$13.5 billion. Many global bond markets rallied in the third quarter after falling substantially in the second quarter. In the third quarter, net U.S. sales of foreign bonds from Asia slowed sharply, mainly as a result of a shift to net U.S. purchases from Japan, and transactions with Caribbean financial centers shifted to small net U.S. purchases from net U.S. sales. Foreign new issues in the United States rebounded from a 14-year low, and transactions in outstanding foreign bonds shifted to small net U.S. purchases from large net U.S. sales.

Direct investment. Net financial outflows for U.S. direct investment abroad were \$43.5 billion in the third quarter, down from \$55.3 billion in the second quarter. The decrease was more than accounted for by a substantial decline in net equity capital outflows. In the third quarter, the value of U.S. acquisitions of foreign companies was low. In contrast, net intercompany debt inflows decreased, largely as a result of a shift to net outflows on U.S. parents' receivables from net inflows, and reinvested earnings increased.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$286.4 billion in the third quarter after an in-

crease of \$270.7 billion in the second quarter. Net financial inflows for foreign direct investment in the United States picked up, and U.S. liabilities reported by U.S. banks increased more in the third quarter than in the second quarter. In contrast, net foreign purchases of U.S. Treasury securities slowed, and foreign official assets in the United States increased less in the third quarter than in the second quarter.

Foreign official assets. Foreign official assets in the United States increased \$60.1 billion in the third quarter after an increase of \$73.3 billion in the second quarter. Foreign official assets continued to increase substantially, but these assets increased much less in the most recent two quarters than in the preceding two quarters.

Liabilities reported by banks and by nonbanks. U.S. liabilities reported by U.S. banks and securities brokers, excluding U.S. Treasury securities, increased \$46.6 billion in the third quarter after an increase of \$41.2 billion in the second quarter.

Banks' own liabilities denominated in dollars increased \$42.6 billion after an increase of \$26.0 billion. The pickup was largely attributable to a pickup in borrowing by brokers and dealers, mostly from foreign nonbanks in Western Europe. Brokers' and dealers' borrowing was predominantly in the form of repurchase agreements and was partly associated with the strong rise in brokers' and dealers' lending to foreigners in the form of resale agreements. Foreign-owned banks' liabilities increased moderately, mostly to overseas branches, and U.S.-owned banks' liabilities decreased.

Banks' customers' liabilities denominated in dollars increased \$3.0 billion, mostly to Western Europe, after an increase of \$18.1 billion. U.S. liabilities reported by U.S. nonbanking concerns increased \$19.5 billion, in contrast to a decrease of \$3.6 billion; the increase was attributable to an increase in "other" liabilities, such as

Data Availability

The estimates that are presented in tables 1–12 of the U.S. international transactions accounts (table 12 is presented annually in the July SURVEY OF CURRENT BUSINESS) are available interactively on BEA's Web site at <www.bea.gov>. Users may view and download the most recent quarterly estimates (annual estimates for table 12) for an entire table, or they may select the period, frequency, and lines that they wish to view. The estimates are available in an HTML table, in an Excel file, or as comma-separated values.

The current and historical estimates in tables 1–12 are also available as compressed files on BEA's Web site at <www.bea.gov/bea/uguide.htm#_1_22>.

loans and advances, mainly to the United Kingdom and Caribbean financial centers.

U.S. Treasury securities. Net foreign purchases of U.S. Treasury securities were \$14.1 billion in the third quarter, down from \$29.7 billion in the second quarter. Long-term U.S. Treasury security prices rebounded in the third quarter after falling substantially in the second quarter. In the third quarter, yields on long-term securities decreased, and yields on short-term securities increased as U.S. monetary authorities tightened monetary policy.

Other U.S. securities. Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$90.5 billion in the third quarter, up from \$88.8 billion in the second quarter. The slight pickup was more than accounted for by a surge in net foreign purchases of U.S. corporate bonds.

Net foreign purchases of U.S. stocks increased to \$2.9 billion from \$1.8 billion. Net foreign purchases were weak for the third consecutive quarter. In the third quarter, as in the first and second quarters, U.S. stock prices fluctuated widely, but they were only moderately changed at the end of the quarter from their levels at the beginning of the quarter.

Net foreign purchases of U.S. corporate bonds swelled to a record \$84.7 billion from \$51.1 billion. Foreign investors may have been attracted by the higher yields offered on U.S. corporate bonds than on

U.S. Treasury and U.S. federally sponsored agency bonds. U.S. bond prices rose strongly, and spreads on both investment-grade and high-yield corporate bonds over U.S. Treasury bonds narrowed. New U.S. corporate issues sold abroad remained strong, and net foreign purchases of outstanding U.S. corporate bonds surged.

Net foreign purchases of U.S. federally sponsored agency bonds slowed to \$2.9 billion from \$35.9 billion. The slowdown may have been partly related to recent revelations of possible accounting violations at one of the major issuers.

U.S. currency flows. Net U.S. currency shipments to foreigners were \$2.6 billion in the third quarter, down from \$8.8 billion in the second quarter.

Direct investment. Net financial inflows for foreign direct investment in the United States were \$53.1 billion in the third quarter, up from \$32.6 billion in the second quarter. The increase was more than accounted for by a shift to net inflows on intercompany debt from net outflows. The shift mostly resulted from a shift to inflows from European owners of U.S. manufacturing affiliates. In addition, reinvested earnings increased slightly. In contrast, net equity capital inflows decreased, but they were still substantially larger than in some recent quarters as a result of a few large acquisitions of U.S. companies in the finance industry.

Tables 1 through 11 follow.

Table 1. U.S. International Transactions

[Millions of dollars]

Line	(Credits +; debits -) ¹	Not seasonally adjusted												Seasonally adjusted		
		2003				2004				2003				2004		
		I	II	III	IV	I	II ^a	III ^b	IV	I	II	III	IV	I	II ^a	III ^b
Current account																
1	Exports of goods and services and income receipts	1,314,888	312,717	319,352	327,829	354,990	358,940	375,319	380,191	315,676	317,367	329,508	352,336	359,604	372,463	382,498
2	Exports of goods and services	1,020,503	244,400	249,271	253,788	273,044	274,808	285,215	287,404	247,999	248,474	255,723	268,306	276,076	284,044	289,619
3	Goods, balance of payments basis ²	713,122	171,660	177,552	172,740	191,170	193,902	202,808	198,498	173,459	174,554	176,251	186,858	193,920	199,315	204,610
4	Services ³	307,381	72,740	71,719	81,048	81,874	80,906	82,407	88,906	74,540	73,920	77,472	81,448	82,156	84,729	85,009
5	Transfers under U.S. military agency sales contracts ⁴	12,491	2,827	3,014	3,292	3,358	3,290	3,668	3,348	2,827	3,014	3,292	3,358	3,290	3,668	3,348
6	Travel	64,509	13,602	14,518	19,220	17,169	16,103	18,679	21,897	15,862	14,360	16,216	18,071	17,878	18,617	18,769
7	Passenger fares	15,693	3,454	3,440	4,561	4,238	4,183	4,535	5,251	3,825	3,522	4,036	4,310	4,527	4,717	4,687
8	Other transportation	31,833	7,352	7,777	8,215	8,489	8,653	9,260	9,851	7,683	7,709	7,893	8,548	9,060	9,206	9,367
9	Royalties and license fees ⁵	48,227	11,286	11,779	11,914	15,248	12,136	12,422	12,649	11,628	11,943	12,175	12,481	12,472	12,581	12,928
10	Other private services ⁶	133,818	34,017	30,989	33,643	35,169	36,357	33,456	35,722	32,513	33,170	33,657	34,477	34,745	35,753	35,722
11	U.S. Government miscellaneous services	810	202	202	203	203	184	187	188	202	202	203	203	184	187	188
12	Income receipts	294,385	68,317	70,081	74,041	81,946	84,132	90,104	92,787	67,677	68,893	73,785	84,030	83,528	88,419	92,879
13	Income receipts on U.S.-owned assets abroad	291,354	67,576	69,351	73,272	81,155	83,373	89,361	92,001	66,936	68,163	73,016	83,239	82,769	87,676	92,093
14	Direct investment receipts	187,522	41,288	43,984	47,452	54,798	56,066	59,777	58,895	40,748	42,704	47,229	56,843	55,553	58,011	59,013
15	Other private receipts	99,135	25,345	24,218	24,498	25,074	26,433	29,055	32,311	25,345	24,218	24,498	25,074	26,433	29,055	32,311
16	U.S. Government receipts	4,697	943	1,149	1,322	1,283	874	529	795	843	1,241	1,289	1,322	783	610	769
17	Compensation of employees	3,031	741	730	769	791	759	743	786	741	730	769	791	759	743	786
18	Imports of goods and services and income payments	-1,778,117	-418,713	-438,545	-455,104	-465,755	-469,523	-523,589	-543,775	-437,067	-434,873	-444,497	-461,679	-486,042	-518,510	-532,559
19	Imports of goods and services	-1,517,011	-355,417	-374,464	-387,701	-399,429	-398,564	-439,157	-455,282	-373,385	-371,854	-377,973	-393,800	-414,678	-435,128	-444,961
20	Goods, balance of payments basis ²	-1,260,674	-297,186	-310,988	-319,254	-332,246	-332,718	-364,846	-377,837	-311,402	-310,087	-312,886	-326,299	-344,688	-362,895	-371,341
21	Services ³	-256,337	-58,231	-63,476	-68,447	-66,183	-65,846	-74,311	-77,445	-61,983	-61,767	-65,087	-67,501	-69,990	-72,233	-73,620
22	Direct defense expenditures	-25,117	-5,732	-6,229	-6,339	-6,817	-6,824	-7,143	-7,180	-5,732	-6,229	-6,339	-6,817	-6,824	-7,143	-7,180
23	Travel	-56,613	-12,229	-14,286	-16,868	-13,230	-13,206	-18,118	-19,263	-14,312	-12,790	-14,409	-15,102	-15,508	-16,285	-16,518
24	Passenger fares	-20,957	-4,498	-5,347	-6,163	-4,949	-5,033	-6,236	-6,618	-5,007	-4,875	-5,512	-5,563	-5,574	-5,745	-5,871
25	Other transportation	-44,768	-10,248	-11,242	-11,668	-11,610	-12,378	-13,237	-13,756	-10,796	-11,109	-11,312	-11,551	-13,051	-13,053	-13,356
26	Royalties and license fees ⁵	-20,049	-4,480	-4,726	-5,180	-5,663	-5,072	-5,393	-6,268	-4,629	-4,912	-5,204	-5,304	-5,223	-5,614	-6,265
27	Other private services ⁶	-85,829	-20,299	-20,897	-21,476	-23,157	-22,549	-23,364	-23,551	-20,762	-21,103	-21,558	-22,407	-23,026	-23,573	-23,621
28	U.S. Government miscellaneous services	-3,004	-745	-749	-753	-757	-784	-809	-809	-745	-749	-753	-757	-784	-809	-809
29	Income payments	-261,106	-63,296	-64,081	-67,403	-66,326	-70,959	-84,432	-88,493	-63,682	-63,019	-66,524	-67,879	-71,364	-83,382	-87,598
30	Income payments on foreign-owned assets in the United States	-252,573	-61,221	-62,078	-65,265	-64,009	-68,841	-82,290	-86,279	-61,557	-60,899	-64,402	-65,713	-69,205	-81,100	-85,393
31	Direct investment payments	-68,657	-15,079	-17,541	-19,452	-16,585	-20,423	-27,937	-28,503	-15,415	-16,362	-18,589	-18,289	-20,787	-26,747	-27,617
32	Other private payments	-111,874	-28,146	-26,785	-27,844	-29,099	-29,361	-33,853	-36,248	-28,146	-26,785	-27,844	-29,099	-29,361	-33,853	-36,248
33	U.S. Government payments	-72,042	-17,996	-17,752	-17,969	-18,325	-19,057	-20,500	-21,528	-17,996	-17,752	-17,969	-18,325	-19,057	-20,500	-21,528
34	Compensation of employees	-8,533	-2,075	-2,003	-2,138	-2,317	-2,118	-2,142	-2,214	-2,125	-2,120	-2,122	-2,166	-2,159	-2,282	-2,205
35	Unilateral current transfers, net	-67,439	-16,979	-16,001	-16,674	-17,785	-20,920	-17,517	-14,785	-16,815	-16,369	-16,639	-17,617	-20,726	-18,344	-14,648
36	U.S. Government grants ⁴	-21,865	-5,833	-5,832	-5,447	-4,753	-7,744	-4,910	-4,772	-5,833	-5,832	-5,447	-4,753	-7,744	-4,910	-4,772
37	U.S. Government pensions and other transfers	-5,341	-1,037	-1,208	-1,155	-1,941	-1,392	-1,159	-1,348	-1,320	-1,335	-1,334	-1,352	-1,554	-1,556	-1,559
38	Private remittances and other transfers ⁶	-40,233	-10,109	-8,961	-10,072	-11,091	-11,784	-11,448	-8,665	-9,662	-9,202	-9,858	-11,512	-11,428	-11,878	-8,317
Capital and financial account																
Capital account																
39	Capital account transactions, net	-3,079	-406	-1,552	-821	-300	-396	-324	-374	-406	-1,552	-821	-300	-396	-324	-374
Financial account																
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-283,414	-106,395	-114,630	-10,447	-51,942	-310,328	-111,789	-136,155	-102,665	-110,962	-8,138	-61,647	-306,729	-105,810	-133,176
41	U.S. official reserve assets, net	1,523	83	-170	-611	2,221	557	1,122	429	83	-170	-611	2,221	557	1,122	429
42	Gold ⁷															
43	Special drawing rights	601	897	-102	-97	-97	-100	-90	-98	897	-102	-97	-100	-90	-98	
44	Reserve position in the International Monetary Fund	1,494	-644	86	-383	2,435	815	1,345	676	-644	86	-383	2,435	815	1,345	676
45	Foreign currencies	-572	-170	-154	-131	-117	-158	-133	-149	-170	-154	-131	-117	-128	-133	-149
46	U.S. Government assets, other than official reserve assets, net	537	53	310	483	-309	727	-2	183	53	310	483	-309	727	-2	183
47	U.S. credits and other long-term assets	-7,279	-2,428	-1,591	-1,532	-1,728	-561	-668	-978	-2,428	-1,591	-1,532	-1,728	-561	-668	-978
48	Repayments on U.S. credits and other long-term assets ⁸	7,981	2,445	1,975	2,035	1,526	1,374	544	1,179	2,445	1,975	2,035	1,526	1,374	544	1,179
49	U.S. foreign currency holdings and U.S. short-term assets, net	-165	36	-74	-20	-107	-86	122	-18	36	-74	-20	-107	-86	122	-18
50	U.S. private assets, net	-285,474	-106,531	-114,770	-10,319	-53,854	-311,612	-112,909	-136,767	-102,801	-111,102	-8,010	-63,559	-308,013	-106,930	-133,788
51	Direct investment	-173,799	-44,567	-37,717	-47,515	-44,000	-51,207	-61,236	-46,458	-40,837	-34,049	-45,206	-53,759	-47,608	-55,257	-43,479
52	Foreign securities	-72,337	-26,619	8,429	-28,312	-25,835	-16,524	-26,844	-15,015	-26,619	8,429	-28,312	-25,835	-16,524	-26,844	-15,015
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-28,932	-11,207	-22,480	35,845	-31,090	-56,761	12,122	-14,986	-11,207	-22,480	35,845	-31,090	-56,761	12,122	-14,986
54	U.S. claims reported by U.S. banks, not included elsewhere	-10,406	-24,138	-63,002	29,683	47,071	-187,120	-36,951	-60,308	-24,138	-63,002	29,683	47,071	-187,120	-36,951	-60,308
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	829,173	245,695	220,419	135,414	227,645	445,125	272,562	287,983	246,105	218,553	134,202	230,311	445,348	270,745	286,412
56	Foreign official assets in the United States, net	248,573	48,986	65,245	50,663	83,879	127,864	73,349	60,118	48,986	65,245	50,663	83,879	127,864	73,349	60,118
57	U.S. Government securities	194,568	39,845	45,958	27,293	81,472	114,708	65,240	51,735	39,845	45,958	27,293	81,472	114,708	65,240	51,735
58	U.S. Treasury securities ⁹	169,685	30,277	42,668	29,953	72,787	101,692	62,979	45,688	30,277	42,668	29,953	72,787	101,692	6	

Table 2. U.S. Trade in Goods—Continues

[Millions of dollars]

Line	2003	Not seasonally adjusted							Seasonally adjusted							
		2003				2004			2003				2004			
		I	II	III	IV	I	II	III ^P	I	II	III	IV	I	II	III ^P	
A Balance of payments adjustments to Census trade data:																
EXPORTS																
1	Exports of goods, Census basis ¹ including reexports and including military grant shipments.....	724,771	174,296	180,716	175,920	193,839	197,014	205,737	201,147	176,095	177,718	181,431	189,527	197,032	202,244	207,259
Adjustments:																
2	Private gift parcel remittances.....	394	93	98	94	109	104	112	113	93	98	94	109	104	112	113
3	Gold exports, nonmonetary.....															
4	Inland U.S. freight to Canada.....															
5	U.S.-Canadian reconciliation adjustments, n.e.c., net ²															
6	Exports transferred under U.S. military agency sales contracts identified in Census documents ³	-8,724	-1,923	-2,374	-2,474	-1,953	-2,379	-2,177	-1,894	-1,923	-2,374	-2,474	-1,953	-2,379	-2,177	-1,894
7	Other adjustments, net ⁴	-3,319	-806	-888	-800	-825	-837	-864	-868	-806	-888	-800	-825	-837	-864	-868
8	Equals: Exports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 3).....	713,122	171,660	177,552	172,740	191,170	193,902	202,808	198,498	173,459	174,554	178,251	186,858	193,920	199,315	204,610
IMPORTS																
9	Imports of goods, Census basis ¹ (general imports).....	1,257,121	296,487	309,895	318,260	332,479	331,922	364,102	377,031	310,703	308,994	311,893	325,531	343,891	362,151	370,534
Adjustments:																
10	Electric energy.....	31	6	9	9	7	7	7	7	6	9	9	7	7	7	7
11	Gold imports, nonmonetary.....	625		340	285				40		340	285				40
12	Inland freight in Canada.....	3,857	945	983	937	992	1,049	1,101	1,078	945	983	937	992	1,049	1,101	1,078
13	U.S.-Canadian reconciliation adjustment, n.e.c., net ²															
14	Imports of U.S. military agencies identified in Census documents ³	-692	-196	-182	-141	-173	-181	-274	-232	-196	-182	-141	-173	-181	-274	-232
15	Other adjustments, net ^{5,6}	-268	-56	-57	-96	-59	-79	-90	-87	-56	-57	-96	-59	-79	-90	-87
16	Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20).....	1,260,674	297,186	310,988	319,254	333,246	332,718	364,846	377,837	311,402	310,087	312,886	326,299	344,688	362,895	371,341
B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:⁷																
EXPORTS																
1	Total, all countries (A-8).....	713,122	171,660	177,552	172,740	191,170	193,902	202,808	198,498	173,459	174,554	178,251	186,858	193,920	199,315	204,610
2	Europe.....	168,220	41,831	42,373	39,390	44,626	46,358	47,807	44,754	42,334	41,523	40,554	43,809	46,447	46,858	46,030
3	European Union.....	147,391	37,069	37,086	34,320	38,916	40,830	42,229	40,014	37,547	36,307	35,300	38,237	40,931	41,353	41,129
4	Belgium and Luxembourg.....	15,332	3,873	3,939	3,630	3,890	4,246	4,521	4,164	3,933	3,855	3,728	3,816	4,256	4,426	4,282
5	France.....	16,829	4,362	4,432	3,763	4,272	5,137	5,349	4,649	4,414	4,336	3,862	4,217	5,135	5,228	4,764
6	Germany ⁸	28,288	7,256	7,093	6,549	7,390	7,517	7,627	7,609	7,338	6,944	6,736	7,270	7,541	7,466	7,813
7	Italy.....	10,287	2,485	2,655	2,160	2,987	2,441	2,854	2,326	2,531	2,599	2,226	2,931	2,444	2,798	2,393
8	Netherlands.....	20,528	4,903	5,030	4,672	5,923	5,760	6,063	5,815	4,960	4,938	4,813	5,817	5,779	5,944	5,973
9	United Kingdom.....	32,869	8,492	8,362	7,845	8,170	8,898	8,811	8,465	8,596	8,174	8,056	8,043	8,939	8,629	8,709
10	Other.....	23,258	5,698	5,575	5,701	6,284	6,831	7,004	6,986	5,775	5,461	5,879	6,143	6,837	6,862	7,195
11	Europe, excluding EU.....	20,829	4,762	5,287	5,070	5,710	5,528	5,578	4,740	4,787	5,216	5,254	5,572	5,516	5,505	4,901
12	Canada ²	169,905	41,494	44,823	39,517	44,071	45,016	48,787	46,586	41,978	44,029	40,657	43,241	45,036	47,894	47,900
13	Japan.....	50,250	12,153	12,912	12,260	12,925	12,708	13,329	12,799	12,202	12,811	12,748	12,489	12,623	13,185	13,288
14	Australia, New Zealand, and South Africa ⁹															
15	Australia.....	12,696	2,762	3,154	3,572	3,208	3,134	3,327	3,629	2,795	3,071	3,686	3,144	3,152	3,258	3,737
16	Latin America and Other Western Hemisphere.....	148,802	35,031	36,166	37,347	40,258	40,531	42,606	42,915	35,429	35,553	38,523	39,297	40,589	41,912	44,261
17	Brazil.....	11,125	2,529	2,651	2,891	3,054	3,605	3,251	3,469	2,559	2,593	2,966	3,007	3,627	3,179	3,563
18	Mexico.....	97,221	22,634	23,856	24,329	26,402	25,849	27,539	27,907	22,921	23,451	25,075	25,774	25,892	27,087	28,768
19	Venezuela.....	2,779	482	573	803	921	980	1,158	1,214	482	562	836	899	978	1,138	1,255
20	Other.....	37,677	9,386	9,086	9,324	9,881	10,097	10,658	10,325	9,467	8,947	9,646	9,617	10,092	10,508	10,675
21	Other countries in Asia and Africa ^{7,9}	163,249	38,389	38,124	40,654	46,082	46,155	46,952	47,815	38,721	37,567	42,083	44,878	46,073	46,208	49,394
22	Asia ^{7,9}	152,851	36,190	35,766	37,849	43,046	42,845	43,799	44,630	36,522	35,228	39,137	41,964	42,789	43,077	46,064
23	Members of OPEC.....	12,266	3,048	3,023	3,112	3,083	2,966	3,541	3,600	3,061	2,988	3,228	2,989	2,948	3,487	3,723
24	China.....	28,285	6,522	6,203	6,169	9,391	8,954	8,352	8,162	6,590	6,174	6,433	9,088	8,891	8,245	8,442
25	Hong Kong.....	13,453	3,046	3,193	3,429	3,785	3,699	3,846	4,087	3,071	3,141	3,534	3,707	3,706	3,774	4,210
26	Korea, Republic of.....	23,481	5,915	5,730	5,518	6,318	6,276	6,432	6,568	5,962	5,652	5,717	6,150	6,279	6,340	6,783
27	Singapore.....	16,145	3,985	3,729	4,510	3,921	4,489	5,169	5,397	4,026	3,635	4,625	3,859	4,477	5,053	5,544
28	Taiwan.....	16,988	3,732	3,764	4,472	5,020	4,998	5,404	5,094	3,765	3,703	4,626	4,894	4,983	5,319	5,257
29	Africa ^{7,9}	10,112	2,139	2,290	2,724	2,959	3,252	3,072	3,083	2,139	2,272	2,861	2,840	3,225	3,051	3,224
30	Members of OPEC.....	1,507	299	376	418	414	530	515	607	298	377	442	390	525	520	637
31	International organizations and unallocated.....															
Memoranda:																
32	Industrial countries ⁷	398,641	97,688	102,716	94,237	104,000	106,355	112,253	106,948	98,759	100,879	97,106	101,897	106,412	110,195	110,091
33	Of which: Euro area ¹⁰	109,869	27,387	27,609	25,410	29,463	30,512	31,397	29,501	27,752	27,037	26,149	28,931	30,580	30,741	30,310
34	Members of OPEC ⁷	16,552	3,829	3,972	4,333	4,418	4,476	5,214	5,421	3,841	3,927	4,506	4,278	4,451	5,145	5,615
35	Other countries ⁷	297,929	70,143	70,864	74,170	82,752	83,071	85,341	86,129	70,859	69,748	76,639	80,683	83,057	83,975	88,904

See the footnotes on pages 75-76.

Table 2. U.S. Trade in Goods—Continues

(Millions of dollars)

Line	2003	Not seasonally adjusted							Seasonally adjusted							
		2003				2004			2003				2004			
		I	II	III	IV	I	II	III ^P	I	II	III	IV	I	II	III ^P	
B	Trade in goods, by area and country, adjusted to balance of payments basis, excluding military⁷—Continued:															
	IMPORTS															
36	Total, all countries (A–16)	1,260,674	297,186	310,988	319,254	333,246	332,718	364,846	377,837	311,402	310,087	312,886	326,299	344,688	362,895	371,341
37	Europe	284,679	66,710	71,625	70,647	75,697	74,766	81,344	78,488	69,800	71,557	69,327	73,995	77,225	81,096	77,274
38	European Union	245,002	57,394	61,505	60,223	65,880	64,341	70,658	68,356	59,989	61,508	59,156	64,349	66,394	70,530	67,359
39	Belgium and Luxembourg	10,404	2,485	2,562	2,619	2,738	3,103	2,976	2,605	2,559	2,560	2,680	3,202	3,300	2,928	
40	France	29,230	6,902	7,128	7,153	8,047	7,335	7,608	7,720	7,214	7,131	7,032	7,853	7,562	7,603	7,613
41	Germany ⁸	68,007	15,974	17,543	15,915	18,575	17,892	19,157	19,122	16,641	17,574	15,658	18,134	18,439	19,177	18,869
42	Italy	25,392	6,093	6,277	6,430	6,592	6,580	7,022	7,160	6,352	6,279	6,623	6,438	6,789	7,014	7,060
43	Netherlands	11,519	2,677	3,035	3,023	2,784	2,800	2,956	3,139	2,807	3,028	2,968	2,716	2,914	2,938	3,078
44	United Kingdom	42,574	10,160	10,530	10,487	11,397	10,889	11,963	10,677	10,678	10,488	10,259	11,149	11,276	11,890	10,493
45	Other	57,876	13,103	14,430	14,596	15,747	15,742	18,634	17,562	13,692	14,449	14,356	15,379	16,212	18,608	17,318
46	Europe, excluding EU	39,677	9,316	10,120	10,424	9,817	10,425	10,686	10,132	9,811	10,049	9,646	10,381	10,566	9,915	
47	Canada ²	224,249	55,380	56,362	54,678	57,829	60,998	66,377	64,318	57,916	56,199	53,555	56,579	63,138	66,100	63,220
48	Japan	118,034	28,986	29,178	28,655	31,215	31,141	32,029	32,301	30,253	29,219	28,175	30,387	32,034	32,033	31,885
49	Australia, New Zealand, and South Africa ⁹															
50	Australia	6,396	1,419	1,597	1,696	1,684	1,669	1,751	1,972	1,485	1,600	1,665	1,646	1,724	1,748	1,943
51	Latin America and Other Western Hemisphere	217,826	51,352	54,193	55,175	57,106	58,128	63,513	65,353	53,913	53,790	53,878	56,245	60,466	62,855	64,020
52	Brazil	17,909	4,275	4,303	4,746	4,585	4,118	5,183	5,959	4,483	4,294	4,645	4,487	4,264	5,163	5,865
53	Mexico	138,992	33,808	34,318	34,562	36,304	36,636	39,742	39,300	35,416	34,200	33,843	35,533	37,948	39,519	38,622
54	Venezuela	17,136	2,548	4,762	4,866	4,960	5,529	6,257	6,311	2,742	4,589	4,666	5,139	5,925	5,980	6,036
55	Other	43,789	10,721	10,810	11,001	11,257	11,845	12,331	13,783	11,272	10,707	10,724	11,086	12,299	12,193	13,497
56	Other countries in Asia and Africa ^{7,9}	409,490	93,339	93,033	108,403	109,715	106,016	119,832	135,405	98,035	97,722	106,286	107,447	110,051	119,063	132,999
57	Asia ^{7,9}	377,103	85,653	90,358	99,467	101,625	96,442	108,718	123,273	89,845	90,296	97,722	99,240	99,860	108,349	121,329
58	Members of OPEC	36,069	9,988	9,018	8,202	8,861	9,307	10,255	12,691	10,626	8,680	7,832	8,931	9,880	9,988	12,226
59	China	152,426	31,144	35,531	41,943	43,808	39,145	46,674	54,019	32,670	35,723	41,381	42,652	40,440	46,674	53,309
60	Hong Kong	8,851	1,948	1,942	2,630	2,321	2,029	2,051	2,740	2,045	1,952	2,593	2,261	2,098	2,048	2,704
61	Korea, Republic of	37,226	8,400	9,163	9,037	10,626	10,190	11,780	12,023	8,789	9,183	8,891	10,363	10,511	11,778	11,854
62	Singapore	15,136	3,759	3,982	3,645	3,750	3,565	3,822	4,112	3,925	3,987	3,579	3,645	3,682	3,826	4,056
63	Taiwan	31,603	7,416	7,768	8,245	8,174	7,738	8,736	9,097	7,743	7,784	8,110	7,966	7,981	8,736	8,975
64	Africa ^{7,9}	32,021	7,617	7,596	8,813	7,995	9,490	11,030	12,022	8,117	7,346	8,444	8,114	10,104	10,628	11,561
65	Members of OPEC	15,142	3,602	3,777	4,061	3,702	4,829	5,952	6,502	3,852	3,605	3,854	3,831	5,206	5,669	6,206
66	International organizations and unallocated															
67	Memoranda:															
68	Industrial countries ⁷	622,074	149,537	155,994	152,432	164,111	165,741	178,039	173,034	156,311	155,851	149,596	160,316	171,196	177,581	170,375
69	Of which: Euro area ¹⁰	187,608	44,015	47,028	46,167	50,398	49,353	52,597	51,681	45,951	47,063	45,388	49,206	50,887	52,552	50,952
70	Members of OPEC ⁷	68,347	16,138	17,557	17,129	17,523	19,665	22,464	25,504	17,220	16,874	16,352	17,901	21,011	21,547	24,468
71	Other countries ⁷	570,253	131,511	137,437	149,693	151,612	147,312	164,343	179,299	137,871	137,362	146,938	148,082	152,480	163,767	176,498
	BALANCE (EXCESS OF EXPORTS +)															
71	Total, all countries	-547,552	-125,526	-133,436	-146,514	-142,076	-138,816	-162,038	-179,339	-137,943	-135,533	-134,635	-139,441	-150,768	-163,580	-166,731
72	Europe	-116,459	-24,879	-29,252	-31,257	-31,071	-28,408	-33,537	-33,734	-27,466	-30,034	-28,773	-30,186	-30,778	-34,238	-31,244
73	European Union	-97,611	-20,325	-24,419	-25,903	-26,964	-23,511	-28,429	-28,342	-22,442	-25,201	-23,856	-26,112	-25,463	-29,177	-26,230
74	Belgium and Luxembourg	4,928	1,388	1,377	1,011	1,152	1,143	1,203	1,188	1,328	1,296	1,168	1,136	1,054	1,126	1,354
75	France	-12,401	-2,540	-2,696	-3,390	-3,775	-2,198	-2,259	-3,071	-2,800	-2,795	-3,170	-3,636	-2,427	-2,375	-2,849
76	Germany ⁸	-39,719	-8,718	-10,450	-9,366	-11,185	-10,375	-11,530	-11,513	-9,303	-10,630	-8,922	-10,864	-10,988	-11,711	-11,056
77	Italy	-15,105	-3,608	-3,622	-4,270	-3,605	-4,139	-4,168	-4,834	-3,821	-3,680	-4,097	-3,507	-4,345	-4,216	-4,667
78	Netherlands	9,009	2,226	1,995	1,649	3,139	2,960	3,107	2,676	2,153	1,910	1,845	3,101	2,865	3,006	2,895
79	United Kingdom	-9,705	-1,668	-2,168	-2,642	-3,227	-1,991	-3,152	-2,212	-2,082	-2,314	-2,203	-3,106	-2,337	-3,261	-1,784
80	Other	-34,618	-7,405	-8,855	-8,895	-9,463	-8,911	-11,630	-10,576	-7,917	-8,988	-8,477	-9,236	-9,375	-11,746	-10,123
81	Europe, excluding EU	-18,848	-4,554	-4,833	-5,354	-4,107	-4,897	-5,108	-5,392	-5,024	-4,833	-4,917	-4,074	-5,315	-5,061	-5,014
82	Canada ²	-54,344	-13,886	-11,539	-15,161	-13,758	-15,982	-17,590	-17,732	-15,938	-12,170	-12,898	-13,338	-18,102	-18,206	-15,320
83	Japan	-67,784	-16,833	-16,266	-16,395	-18,290	-18,433	-18,700	-19,502	-18,051	-16,408	-15,427	-17,898	-19,461	-18,848	-18,597
84	Australia, New Zealand, and South Africa ⁹															
85	Australia	6,300	1,343	1,557	1,876	1,524	1,465	1,576	1,657	1,310	1,471	2,021	1,498	1,428	1,510	1,794
86	Latin America and Other Western Hemisphere	-69,024	-16,321	-18,027	-17,828	-18,848	-17,597	-20,907	-22,438	-18,484	-18,237	-15,355	-16,948	-19,877	-20,943	-19,759
87	Brazil	-6,784	-1,746	-1,652	-1,855	-1,531	-513	-1,932	-2,490	-1,924	-1,701	-1,679	-1,480	-637	-1,984	-2,302
88	Mexico	-41,771	-11,174	-10,462	-10,233	-9,902	-10,787	-12,203	-11,393	-12,495	-10,749	-8,768	-9,759	-12,056	-12,432	-9,854
89	Venezuela	-14,357	-2,066	-4,189	-4,063	-4,039	-4,549	-5,099	-5,097	-2,260	-4,027	-3,830	-4,240	-4,947	-4,842	-4,781
90	Other	-6,112	-1,335	-1,724	-1,677	-1,376	-1,748	-1,673	-3,458	-1,805	-1,760	-1,078	-1,469	-2,237	-1,685	-2,822
91	Other countries in Asia and Africa ^{7,9}	-246,241	-54,950	-59,909	-67,749	-63,633	-59,861	-72,880	-87,590	-59,314	-60,155	-64,203	-62,569	-63,978	-72,855	-83,605
92	Asia ^{7,9}	-224,252	-49,463	-54,592	-61,618	-58,579	-53,597	-64,919	-78,643	-53,323	-55,068	-58,585	-57,276	-57,071	-65,272	-75,265
93	Members of OPEC	-23,803	-6,940	-5,995	-5,090	-5,778	-6,341	-6,714	-9,091	-7,565	-5,692	-4,604	-5,942	-6,932	-6,411	-8,503
94	China	-124,141	-24,622	-29,328	-35,774	-34,417	-30,191	-38,322	-45,857	-26,080	-					

Table 2. U.S. Trade in Goods

[Millions of dollars]

Line	2003	Not seasonally adjusted							Seasonally adjusted							
		2003				2004			2003				2004			
		I	II	III	IV	I	II	III ^P	I	II	III	IV	I	II	III ^P	
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military:—Continued															
74	Imports of goods, balance of payments basis, excluding military (A-16)	1,260,674	297,186	310,988	319,254	333,246	332,718	364,846	377,837	311,402	310,087	312,886	326,299	344,688	362,895	371,341
75	Petroleum and products ⁶	133,088	33,508	32,460	34,530	32,590	37,719	43,159	47,076	36,040	30,807	32,642	33,599	40,597	41,046	44,880
76	Nonpetroleum products.....	1,127,586	263,678	278,528	284,724	300,656	294,999	321,687	330,761	275,362	279,280	280,244	292,700	304,091	321,849	326,461
77	Foods, feeds, and beverages.....	55,831	13,129	13,835	13,726	15,141	14,714	15,715	14,973	13,541	13,764	13,908	14,618	15,039	15,621	15,213
78	Agricultural.....	40,766	9,955	10,246	9,646	10,919	11,211	12,046	11,138	9,816	9,997	10,103	10,850	10,968	11,780	11,639
79	Coffee, cocoa, and sugar.....	2,888	805	712	701	670	777	872	792	729	713	725	721	697	873	818
80	Green coffee.....	1,612	406	419	429	358	423	462	358	414	447	393	377	543	481	481
81	Meat products and poultry.....	5,716	1,527	1,381	1,105	1,703	1,590	1,687	1,736	1,524	1,358	1,175	1,659	1,558	1,659	1,846
82	Vegetables, fruits, nuts, and preparations.....	11,322	3,282	2,841	2,374	2,825	3,559	3,232	2,501	2,718	2,722	2,920	2,962	2,921	3,134	3,062
83	Wine and related products.....	6,024	1,259	1,603	1,549	1,613	1,309	1,692	1,589	1,457	1,488	1,518	1,561	1,487	1,569	1,559
84	Other agricultural foods, feeds, and beverages.....	14,817	3,082	3,710	3,917	4,108	3,977	4,564	4,520	3,389	3,716	3,766	3,946	4,304	4,545	4,353
85	Nonagricultural (fish, distilled beverages, etc.).....	15,065	3,174	3,589	4,080	4,222	3,503	3,669	3,835	3,725	3,767	3,805	3,768	4,071	3,841	3,574
86	Fish and shellfish.....	10,945	2,315	2,576	3,032	3,022	2,580	2,534	2,806	2,725	2,733	2,763	2,724	3,015	2,687	2,561
87	Whiskey and other alcoholic beverages.....	3,712	759	915	939	1,099	826	1,038	927	899	937	934	942	958	1,056	911
88	Industrial supplies and materials.....	314,466	77,479	78,217	80,594	78,176	88,459	101,246	108,217	80,465	75,428	78,689	79,884	91,322	97,862	106,024
89	Agricultural.....	5,826	1,420	1,539	1,401	1,466	1,569	1,761	1,647	1,430	1,472	1,439	1,485	1,558	1,702	1,676
90	Nonagricultural products.....	308,640	76,059	76,678	79,193	76,710	86,890	99,485	106,570	79,035	73,956	77,250	78,399	89,764	96,160	104,348
91	Energy products.....	157,800	40,141	38,250	40,433	38,256	44,519	50,242	54,778	42,213	36,700	38,978	39,189	46,860	48,287	53,273
92	Fuels and lubricants ⁶	155,720	39,751	37,906	40,004	38,059	44,226	49,940	54,404	41,819	36,341	38,641	38,919	46,577	47,975	52,952
93	Paper and paper base stocks.....	11,788	2,863	3,027	2,993	2,885	3,040	3,203	3,419	2,925	3,047	2,937	2,859	3,077	3,217	3,359
94	Textile supplies and related materials.....	10,806	2,626	2,778	2,710	2,692	2,855	3,160	3,045	2,729	2,647	2,658	2,772	2,913	3,013	2,997
95	Chemicals, excluding medicinals.....	36,661	9,124	9,524	9,222	8,791	10,228	10,436	8,881	9,128	9,504	9,148	9,833	10,230	10,743	8,354
96	Building materials, except metals.....	24,163	5,141	5,986	6,514	6,522	6,593	8,577	8,876	5,561	5,634	6,174	6,794	7,013	8,092	8,416
97	Other nonmetals.....	20,141	4,577	5,006	5,231	5,327	5,866	6,117	4,835	4,919	5,081	5,306	5,535	5,762	5,943	5,943
98	Metals and nonmetallic products.....	48,021	11,587	12,107	12,090	12,237	14,326	17,812	19,899	11,891	11,881	11,918	12,331	14,533	17,559	19,617
99	Steelmaking materials.....	2,839	605	649	809	776	937	1,246	1,610	693	626	772	748	1,066	1,200	1,519
100	Iron and steel products.....	16,319	4,227	4,090	3,968	4,034	4,754	6,997	8,524	4,389	4,036	3,896	3,998	4,906	6,951	8,354
101	Nonferrous metals.....	19,349	4,536	4,893	4,868	5,052	5,995	6,419	6,537	4,527	4,824	4,838	5,160	5,892	6,362	6,548
102	Nonmonetary gold.....	3,582	594	1,021	1,019	948	1,022	820	1,000	594	1,021	1,019	948	1,022	820	1,000
103	Other precious metals.....	3,633	828	892	955	958	1,197	1,305	1,163	855	898	937	943	1,178	1,332	1,175
104	Bauxite and aluminum.....	6,922	1,798	1,742	1,646	1,736	2,056	2,357	2,334	1,748	1,666	1,653	1,855	1,970	2,272	2,356
105	Other nonferrous metals.....	5,212	1,316	1,238	1,248	1,410	1,720	1,937	2,040	1,330	1,239	1,229	1,414	1,722	1,938	2,017
106	Other metallic and nonmetallic products.....	9,514	2,219	2,475	2,445	2,375	2,640	3,150	3,228	2,282	2,395	2,412	2,425	2,669	3,046	3,196
107	Capital goods, except automotive.....	295,832	68,712	73,138	74,055	79,927	78,662	85,207	87,944	71,201	73,236	73,704	77,691	80,248	85,169	87,728
108	Machinery, except consumer-type.....	269,550	62,424	66,467	67,822	72,837	72,555	78,504	81,383	64,888	66,622	67,456	70,584	74,163	78,520	81,147
109	Electric generating machinery, electric apparatus and parts.....	33,291	7,945	8,057	8,337	8,952	9,052	9,658	9,846	8,198	8,076	8,261	8,756	9,180	9,681	9,780
110	Nonelectric, including parts and attachments.....	236,259	54,479	58,410	59,485	63,885	63,503	68,846	71,537	56,990	58,546	59,195	61,828	64,983	68,839	71,367
111	Oil drilling, mining, and construction machinery.....	7,823	1,688	2,351	1,929	1,855	2,331	2,796	3,420	1,660	2,178	1,973	2,012	2,312	2,555	3,460
112	Industrial engines, pumps, and compressors.....	9,210	2,264	2,297	2,249	2,400	2,591	2,854	2,779	2,234	2,275	2,298	2,403	2,512	2,829	2,842
113	Machine tools and metalworking machinery.....	6,193	1,446	1,663	1,464	1,620	1,550	1,756	1,841	1,477	1,607	1,505	1,604	1,572	1,694	1,859
114	Measuring, testing, and control instruments.....	9,686	2,281	2,351	2,484	2,570	2,667	2,862	2,960	2,338	2,386	2,447	2,515	2,696	2,898	2,914
115	Other industrial, agricultural, and service industry machinery.....	51,872	12,316	13,009	12,920	13,627	14,304	15,515	15,669	12,591	12,633	13,118	13,530	14,380	15,049	15,930
116	Computers, peripherals, and parts.....	76,511	17,270	18,311	19,524	21,406	19,736	21,337	23,178	18,457	18,852	19,067	20,135	20,664	21,928	22,816
117	Semiconductors.....	24,605	6,055	6,040	6,201	6,309	6,681	6,756	6,880	6,102	6,124	6,180	6,199	6,627	6,830	6,875
118	Telecommunications equipment.....	24,781	5,510	6,062	6,167	7,042	6,743	7,616	7,156	5,858	6,047	6,127	6,749	7,055	7,598	7,107
119	Other office and business machines.....	7,135	1,518	1,847	1,815	1,945	1,800	2,019	2,068	1,601	1,859	1,802	1,873	1,881	2,022	2,038
120	Scientific, hospital, and medical equipment and parts.....	18,443	4,131	4,479	4,732	5,101	5,100	5,335	5,586	4,372	4,585	4,678	4,808	5,284	5,436	5,526
121	Transportation equipment, except automotive.....	26,282	6,288	6,671	6,233	7,090	6,107	6,703	6,561	6,313	6,614	6,248	7,107	6,085	6,649	6,581
122	Civilian aircraft, engines, and parts.....	24,085	5,784	6,018	5,730	6,553	5,419	6,156	6,029	5,810	5,961	5,745	6,569	5,398	6,101	6,049
123	Civilian aircraft, complete, all types.....	12,233	2,775	2,975	2,939	3,544	2,311	3,021	2,830	2,775	2,975	2,939	3,544	2,311	3,021	2,830
124	Automotive vehicles, engines, and parts.....	210,173	50,628	54,061	48,571	56,913	55,028	58,916	54,403	51,528	52,680	51,515	54,450	55,525	57,105	57,822
125	From Canada.....	60,652	14,775	15,861	13,821	16,195	16,413	18,172	15,798	14,686	14,798	15,058	16,110	16,002	16,935	17,286
126	Passenger cars, new and used.....	30,517	7,354	8,309	6,658	8,196	8,220	9,883	8,543	7,357	7,651	7,479	8,030	8,005	9,089	9,608
127	Trucks, buses, and special purpose vehicles.....	11,051	2,705	2,824	2,588	2,934	2,798	2,972	2,481	2,661	2,714	2,761	2,915	2,754	2,855	2,654
128	Engines and engine parts.....	3,829	991	916	870	1,052	1,154	1,061	981	967	849	946	1,067	1,104	986	1,062
129	Other parts and accessories.....	15,255	3,725	3,812	3,705	4,013	4,241	4,256	3,793	3,701	3,584	3,872	4,098	4,139	4,005	3,962
130	From other areas.....	149,521	35,853	38,200	34,750	40,718	38,615	40,744	38,605	36,842	37,882	36,457	38,340	39,523	40,170	40,536
131	Passenger cars, new and used.....	83,903	20,097	21,603	18,531	23,672	20,932	21,868	20,373	20,852	21,711	20,028	21,312	21,766	21,820	22,116
132	Trucks, buses, and special purpose vehicles.....	8,780	1,756	2,188	2,382	2,454	2,220	2,526	2,356	1,891	2,188	2,276	2,425	2,412	2,513	2,231
133	Engines and engine parts.....	12,143	3,041	3,060	2,915	3,127	3,238	3,508	3,341	3,052	2,974	2,991	3,126	3,203	3,403	3,

Table 3. Private Services Transactions

[Millions of dollars]

Line		2003	Not seasonally adjusted							Seasonally adjusted						
			2003				2004			2003				2004		
			I	II	III	IV	I	II ¹	III ²	I	II	III	IV	I	II ¹	III ²
1	Exports of private services	294,080	69,711	68,503	77,553	78,313	77,432	78,552	85,370	71,511	70,704	73,977	77,887	78,682	80,874	81,473
2	Travel (table 1, line 6)	64,509	13,602	14,518	19,220	17,169	16,103	18,879	21,897	15,862	14,360	16,216	18,071	17,878	18,617	18,769
3	Passenger fares (table 1, line 7)	15,693	3,454	3,440	4,561	4,238	4,183	4,535	5,251	3,825	3,522	4,036	4,310	4,527	4,717	4,687
4	Other transportation (table 1, line 8)	31,833	7,352	7,777	8,215	8,489	8,653	9,260	9,851	7,683	7,709	7,893	8,548	9,060	9,206	9,367
5	Freight	14,099	3,261	3,611	3,454	3,773	3,940	3,996	3,872	3,324	3,587	3,465	3,723	4,011	3,969	3,882
6	Port services	17,734	4,091	4,166	4,761	4,716	4,713	5,264	5,979	4,359	4,122	4,428	4,825	5,049	5,237	5,485
7	Royalties and license fees (table 1, line 9)	48,227	11,286	11,779	11,914	13,248	12,136	12,422	12,649	11,628	11,943	12,175	12,481	12,472	12,581	12,928
8	Affiliated	35,924	8,278	8,721	8,813	10,112	8,979	9,243	9,443	8,620	8,885	9,074	9,345	9,315	9,402	9,722
9	U.S. parents' receipts	32,500	7,540	8,007	7,923	9,030	8,378	8,558	8,724	7,777	8,041	8,167	8,516	8,627	8,591	8,990
10	U.S. affiliates' receipts	3,424	738	714	890	1,082	601	685	719	843	844	907	829	688	811	732
11	Unaffiliated	12,303	3,008	3,058	3,101	3,136	3,157	3,179	3,206	3,008	3,058	3,101	3,136	3,157	3,179	3,206
12	Industrial processes ¹	4,775	1,120	1,179	1,225	1,251	1,255	1,254	1,254	1,120	1,179	1,225	1,251	1,255	1,254	1,254
13	Other ²	7,528	1,887	1,879	1,877	1,885	1,901	1,925	1,952	1,887	1,879	1,877	1,885	1,901	1,925	1,952
14	Other private services (table 1, line 10)	133,818	34,017	30,989	33,643	35,169	36,357	33,456	35,722	32,513	33,170	33,657	34,477	34,745	35,753	35,722
15	Affiliated services	48,450	11,084	11,547	11,797	14,022	11,644	12,300	12,171	11,691	12,031	12,154	12,574	12,280	12,778	12,525
16	U.S. parents' receipts	27,674	6,368	6,743	6,634	7,929	6,806	7,099	7,117	6,644	6,847	6,890	7,293	7,098	7,194	7,383
17	U.S. affiliates' receipts	20,776	4,716	4,804	5,163	6,093	4,838	5,201	5,054	5,047	5,184	5,264	5,281	5,182	5,584	5,142
18	Unaffiliated services	85,368	22,933	19,442	21,846	21,147	24,713	21,156	23,551	20,822	21,139	21,503	21,903	22,465	22,975	23,197
19	Education	13,399	5,464	1,669	3,672	2,595	5,798	1,752	3,884	3,286	3,331	3,390	3,392	3,488	3,526	3,589
20	Financial services	17,637	4,282	4,289	4,450	4,616	4,828	4,869	4,888	4,282	4,289	4,450	4,616	4,828	4,869	4,888
21	Insurance services	4,877	1,194	1,210	1,224	1,249	1,302	1,335	1,335	1,194	1,210	1,224	1,249	1,267	1,302	1,335
22	Telecommunications	5,477	1,328	1,354	1,382	1,414	1,433	1,455	1,473	1,328	1,354	1,382	1,414	1,433	1,455	1,473
23	Business, professional, and technical services	29,084	7,059	7,269	7,316	7,440	7,638	7,848	7,919	7,059	7,269	7,316	7,440	7,638	7,848	7,919
24	Other unaffiliated services ³	14,894	3,606	3,651	3,803	3,834	3,748	3,929	4,053	3,672	3,686	3,742	3,793	3,809	3,975	3,993
25	Imports of private services	228,216	51,754	56,498	61,355	58,609	58,238	66,348	69,456	55,506	54,789	57,995	59,927	62,382	64,270	65,631
26	Travel (table 1, line 23)	56,613	12,229	14,286	16,868	13,230	13,206	18,118	19,263	14,312	12,790	14,409	15,102	15,508	16,285	16,518
27	Passenger fares (table 1, line 24)	20,957	4,498	5,347	6,163	4,949	5,033	6,236	6,618	5,007	4,875	5,512	5,563	5,574	5,745	5,871
28	Other transportation (table 1, line 25)	44,768	10,248	11,242	11,668	11,610	12,378	13,237	13,756	10,796	11,109	11,312	11,551	13,051	13,053	13,356
29	Freight	31,775	6,971	8,112	8,384	8,307	8,925	9,625	9,980	7,369	8,023	8,155	8,228	9,434	9,494	9,723
30	Port services	12,995	3,277	3,130	3,284	3,303	3,453	3,612	3,776	3,427	3,086	3,158	3,324	3,617	3,559	3,633
31	Royalties and license fees (table 1, line 26)	20,049	4,480	4,726	5,180	5,663	5,072	5,393	6,268	4,629	4,912	5,204	5,304	5,223	5,614	6,265
32	Affiliated	16,407	3,592	3,825	4,263	4,727	4,126	4,437	4,510	3,741	4,011	4,287	4,368	4,277	4,658	4,507
33	U.S. parents' payments	2,658	637	651	669	701	666	691	716	637	651	669	701	666	691	716
34	U.S. affiliates' payments	13,749	2,955	3,174	3,594	4,026	3,460	3,746	3,794	3,104	3,360	3,618	3,667	3,611	3,967	3,791
35	Unaffiliated	3,642	888	901	917	936	946	956	1,758	888	901	917	936	946	956	1,758
36	Industrial processes ¹	2,188	535	543	551	560	570	580	591	535	543	551	560	570	580	591
37	Other ²	1,453	354	358	366	376	376	376	1,168	354	358	366	376	376	376	1,168
38	Other private services (table 1, line 27)	85,829	20,299	20,897	21,476	23,157	22,549	23,364	23,551	20,762	21,103	21,558	22,407	23,026	23,573	23,621
39	Affiliated services	35,497	8,460	8,538	8,423	10,076	9,092	9,492	9,227	8,782	8,748	8,709	9,258	9,419	9,707	9,517
40	U.S. parents' payments	18,606	4,086	4,517	4,649	5,354	4,897	5,250	5,259	4,439	4,615	4,674	4,878	5,279	5,335	5,267
41	U.S. affiliates' payments	16,891	4,374	4,021	3,774	4,722	4,195	4,242	3,968	4,343	4,133	4,035	4,380	4,140	4,372	4,250
42	Unaffiliated services	50,332	11,839	12,359	13,053	13,081	13,457	13,872	14,324	11,980	12,355	12,849	13,149	13,607	13,866	14,104
43	Education	2,696	516	676	887	618	550	721	946	657	671	682	686	700	714	726
44	Financial services	4,236	1,029	997	1,103	1,107	1,261	1,243	1,200	1,029	997	1,103	1,107	1,261	1,243	1,200
45	Insurance services	26,702	6,307	6,569	6,807	7,021	7,229	7,412	7,586	6,307	6,569	6,807	7,021	7,229	7,412	7,586
46	Telecommunications	4,799	1,183	1,196	1,207	1,214	1,221	1,236	1,254	1,183	1,196	1,207	1,214	1,221	1,236	1,254
47	Business, professional, and technical services	10,960	2,585	2,691	2,810	2,875	2,951	3,015	3,086	2,585	2,691	2,810	2,875	2,951	3,015	3,086
48	Other unaffiliated services ³	938	220	231	240	247	246	246	252	220	231	240	247	246	246	252
Supplemental detail on insurance transactions:																
49	Premiums received ⁴	13,139	3,247	3,259	3,286	3,347	3,447	3,568	3,700	3,247	3,259	3,286	3,347	3,447	3,568	3,700
50	Actual losses paid	8,548	2,083	2,120	2,157	2,188	2,213	2,235	2,254	2,083	2,120	2,157	2,188	2,213	2,235	2,254
51	Premiums paid ⁴	57,561	13,511	14,149	14,714	15,187	15,571	15,904	16,210	13,511	14,149	14,714	15,187	15,571	15,904	16,210
52	Actual losses recovered	34,787	8,538	8,655	8,751	8,843	8,959	9,070	12,885	8,538	8,655	8,751	8,843	8,959	9,070	12,885
Memoranda:																
53	Balance on goods (table 1, line 71)	-547,552	-125,526	-133,436	-146,514	-142,076	-138,816	-162,038	-179,339	-137,943	-135,533	-134,635	-139,441	-150,768	-163,580	-166,731
54	Balance on private services (line 1 minus line 25)	65,864	17,957	12,005	16,198	19,704	19,194	12,204	15,914	16,005	15,915	15,982	17,960	16,300	16,604	15,842
55	Balance on goods and private services (lines 53 and 54)	-481,688	-107,569	-121,431	-130,316	-122,372	-119,622	-149,834	-163,425	-121,938	-119,618	-118,653	-121,481	-134,468	-146,976	-150,889

See the footnotes on pages 75-76.

Table 4. U.S. Official Reserve Assets and Foreign Official Assets in the United States

[Millions of dollars]

Line	(Credits +; decrease in U.S. assets or increase in foreign assets. Debits -; increase in U.S. assets or decrease in foreign assets.)	2003	Not seasonally adjusted						Amounts outstanding Sept. 30, 2004	
			2003				2004			
			I	II	III	IV	I	II ^r		III ^p
A1	U.S. official reserve assets, net (table 1, line 41)	1,523	83	-170	-611	2,221	557	1,122	429	179,995
2	Gold (table 1, line 42)									108,713
3	Special drawing rights (table 1, line 43)	601	897	-102	-97	-97	-100	-90	-98	12,782
4	Reserve position in the International Monetary Fund (table 1, line 44)	1,494	-644	86	-383	2,435	815	1,345	676	19,443
5	Foreign currencies (table 1, line 45)	-572	-170	-154	-131	-117	-158	-133	-149	39,057
B1	Foreign official assets in the United States, net (table 1, line 56)	248,573	48,986	65,245	50,663	83,679	127,864	73,349	60,118	1,715,177
	By instrument:									
2	U.S. Treasury securities (table 1, line 58)	169,685	30,277	42,668	23,953	72,787	101,692	62,979	45,688	1,149,079
3	Bills and certificates	21,581	16,818	3,763	-3,107	4,107	19,579	289	304	232,197
4	Bonds and notes, marketable	148,259	13,406	38,850	27,004	68,999	83,186	62,660	45,354	915,283
5	Bonds and notes, nonmarketable	-155	53	55	56	-319	-1,073	30	30	1,599
6	Other U.S. Government securities (table 1, line 59)	24,883	9,568	3,290	3,340	8,685	13,016	2,261	6,047	207,635
7	Other U.S. Government liabilities (table 1, line 60)	-564	-437	-16	-41	-70	-140	-89	515	16,867
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61)	49,420	8,325	18,552	22,019	524	11,854	6,189	4,750	213,480
9	Banks' liabilities for own account ¹	27,316	5,670	8,175	15,264	-1,793	8,296	7,698	3,227	137,042
10	Repurchase agreements	28,558	6,125	4,668	16,709	1,056	2,029	10,456	9,418	109,645
11	Deposits and brokerage balances ²	3,292	4,288	615	-2,891	1,280	1,129	3,489	-5,081	23,678
12	Other liabilities	-4,534	-4,743	2,892	1,446	-4,129	5,138	-6,247	-1,110	3,719
13	Banks' customers' liabilities ¹	22,104	2,655	10,377	6,755	2,317	3,558	-1,509	1,523	76,438
14	Negotiable certificates of deposit and other short-term instruments	19,719	1,808	6,195	5,154	6,562	5,666	-3,668	2,823	75,238
15	Other liabilities	2,385	847	4,182	1,601	-4,245	-2,108	2,159	-1,300	1,200
16	Other foreign official assets (table 1, line 62)	5,149	1,253	751	1,392	1,753	1,442	2,009	3,118	128,116
	By area:									
17	Europe	5,118	8,744	3,210	308	-7,144	4,549	22,534	6,953	329,578
18	Canada	-1,105	-978	-168	406	-365	892	-114	968	8,166
19	Latin America and Caribbean	12,290	3,339	7,992	522	437	4,448	7,786	1,856	87,648
20	Asia	228,087	40,568	49,492	51,744	86,283	117,367	45,661	50,014	1,262,287
21	Africa	328	-189	505	-972	984	1,512	480	1,248	14,778
22	Other	3,855	-2,498	4,214	-1,345	3,484	-904	-2,998	-921	12,720

See the footnotes on pages 75-76.

Table 5. Selected U.S. Government Transactions

[Millions of dollars]

Line		2003	Not seasonally adjusted						
			2003				2004		
			I	II	III	IV	I	II ^P	III ^P
A1	U.S. Government grants and transactions increasing Government assets, total	31,196	8,322	8,764	7,509	6,601	8,451	5,459	5,780
	By category								
2	Grants, net	23,752	5,930	7,100	5,957	4,766	7,804	4,914	4,783
3	U.S. Government current grants, net (table 1, line 36, with sign reversed)	21,865	5,833	5,832	5,447	4,753	7,744	4,910	4,772
4	Financing military purchases ¹	6,364	2,979	1,642	512	1,230	3,973	576	444
5	Other grants	15,502	2,854	4,190	4,935	3,523	3,772	4,334	4,329
6	Cash contributions received from coalition partners for Persian Gulf operations.....								
7	Debt forgiveness (table 1, part of line 39, with sign reversed)	1,886	97	1,267	509	13	59	3	10
8	Credits and other long-term assets (table 1, line 47, with sign reversed)	7,279	2,428	1,591	1,532	1,728	561	668	978
9	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,434	378	405	357	294	342	513	849
10	Credits repayable in U.S. dollars	5,845	2,050	1,186	1,175	1,434	219	155	130
11	Credits repayable in other than U.S. dollars								
12	Other long-term assets								
13	Foreign currency holdings and short-term assets, net (table 1, line 49 with sign reversed)	165	-36	74	20	107	86	-122	18
14	Foreign currency holdings (excluding administrative cash holdings), net	5			5				
	Receipts from:								
15	Sales of agricultural commodities								
16	Interest	4			4				
17	Repayments of principal	2	(*)		1				
18	Reverse grants								
19	Other sources								
	Less currencies disbursed for:								
20	Grants and credits in the recipient's currency								
21	Other grants and credits								
22	Other U.S. Government expenditures								
23	Assets acquired in performance of U.S. Government guarantee and insurance obligations, net	181	-4	94	24	67	78	-137	10
24	Other assets held under Commodity Credit Corporation Charter Act, net								
25	Assets financing military sales contracts, net ²								
26	Other short-term assets (including changes in administrative cash holdings), net	-21	-33	-20	-9	40	8	15	8
	By program								
27	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,434	378	405	357	294	342	513	849
28	Under Agricultural Trade Development and Assistance Act and related programs	2,661	327	1,318	453	564	306	276	280
29	Under Foreign Assistance Act and related programs	22,451	6,611	6,344	5,146	4,351	7,444	4,255	4,310
30	Under Export-Import Bank Act	3,316	753	429	1,159	975	60	23	50
31	Under Commodity Credit Corporation Charter Act	97	17	5	39	36	68	13	
32	Under other grant and credit programs	1,253	270	284	359	341	224	364	282
33	Other foreign currency assets acquired (lines A16, A17, and A19)	5	1		5				
34	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)								
35	Other (including changes in administrative cash holdings), net	-22	-33	-20	-9	40	8	15	8
	By disposition³								
36	Estimated transactions involving no direct dollar outflow from the United States	24,327	6,959	6,919	5,502	4,948	6,733	3,092	3,067
37	Expenditures on U.S. goods	9,006	3,575	2,730	1,376	1,325	3,815	871	838
38	Expenditures on U.S. services ⁴	7,744	1,237	2,096	2,492	1,919	1,632	1,685	1,736
39	Financing of military sales contracts by U.S. Government ⁵ (line C6)	2,532	603	474	568	888	1,123	565	463
40	By long-term credits	180	10	76	58	36			46
41	By short-term credits ¹								
42	By grants ¹	2,353	592	398	510	852	1,123	565	417
43	U.S. Government grants and credits to repay prior U.S. Government credits ^{1,4}	4,574	1,386	1,522	998	668	82	6	20
44	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	529	179	102	87	162	71	20	10
45	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)								
46	Less receipts on short-term U.S. Government assets (a) financing military sales contracts ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. goods	57	21	4	19	13	-11	55	
47	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)								
48	Estimated dollar payments to foreign countries and international financial institutions	6,869	1,363	1,846	2,007	1,653	1,718	2,367	2,712
B1	Repayments on U.S. Government long-term assets, total (table 1, line 48)	7,981	2,445	1,975	2,035	1,526	1,374	544	1,179
2	Receipts of principal on U.S. Government credits	7,981	2,445	1,975	2,035	1,526	1,374	544	1,179
3	Under Agricultural Trade Development and Assistance Act and related programs	1,640	88	1,023	141	388	55	31	161
4	Under Foreign Assistance Act and related programs	3,417	1,792	591	724	310	795	235	448
5	Under Export-Import Bank Act	2,520	440	310	1,054	716	390	223	426
6	Under Commodity Credit Corporation Charter Act	328	125	51	107	45	125	56	133
7	Under other credit programs	77			9	68	10		11
8	Receipts on other long-term assets								
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 60)	-564	-437	-16	-41	-70	-140	-89	515
2	Associated with military sales contracts ²	-591	-441	-35	-49	-67	-142	-89	515
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds ¹	11,062	3,126	3,178	2,273	2,484	3,439	2,773	3,638
4	Less U.S. Government receipts from principal repayments	796	346	124	244	81	567	57	238
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	899	997	549	-647		847	-299	
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A39)	2,532	603	474	568	888	1,123	565	463
7	By long-term credits	180	10	76	58	36			46
8	By short-term credits ¹								
9	By grants ¹	2,353	592	398	510	852	1,123	565	417
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) ^{1,2} (table 1, line 5)	12,491	2,827	3,014	3,292	3,358	3,289	3,669	3,348
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A45)								
12	Associated with other liabilities	27	4	19	7	-4	2		
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation ⁸								
14	Sales of space launch and other services by National Aeronautics and Space Administration	32	17	16		-1			
15	Other sales and miscellaneous operations	-6	-13	3	7	-3	2		

See the footnotes on pages 75-76.

Table 6a. Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services—Continues

[Millions of dollars]

Line	(Credits +; debits -)	2003	Not seasonally adjusted						Seasonally adjusted							
			2003				2004		2003				2004			
			I	II	III	IV	I	II ¹	III ²	I	II	III	IV	I	II ¹	III ²
U.S. direct investment abroad:																
1	Income (table 1, line 14).....	187,522	41,288	43,984	47,452	54,798	56,066	59,777	58,895	40,748	42,704	47,229	56,843	55,553	58,011	59,013
2	Earnings.....	181,470	39,812	42,447	45,940	53,270	54,547	58,311	57,438	39,272	41,167	45,717	55,315	54,034	56,545	57,557
3	Distributed earnings.....	40,363	7,115	7,968	8,135	17,145	10,160	11,233	9,984	10,305	10,220	9,485	13,246	15,446	13,083	
4	Reinvested earnings.....	141,106	32,697	34,479	37,805	36,125	44,387	47,078	47,454	28,967	30,812	35,497	45,830	40,788	41,099	44,474
5	Reinvested earnings without current-cost adjustment.....	119,192	27,384	29,039	32,263	30,506	38,715	41,377	41,749	23,654	25,372	29,955	40,211	35,116	35,398	38,769
6	Current-cost adjustment.....	21,914	5,313	5,440	5,542	5,619	5,672	5,701	5,705	5,313	5,440	5,542	5,619	5,672	5,701	5,705
7	Interest.....	6,053	1,476	1,537	1,512	1,528	1,519	1,466	1,456	1,476	1,537	1,512	1,528	1,519	1,466	1,456
8	U.S. parents' receipts.....	9,189	2,205	2,306	2,275	2,402	2,233	2,206	2,209	2,205	2,306	2,275	2,402	2,233	2,206	2,209
9	U.S. parents' payments.....	-3,137	-729	-769	-764	-875	-714	-740	-752	-729	-769	-764	-875	-714	-740	-752
10	Income without current-cost adjustment.....	165,608	35,975	38,544	41,910	49,179	50,394	54,076	53,190	35,435	37,264	41,687	51,224	49,881	52,310	53,308
11	Manufacturing.....	36,818	8,398	8,773	9,173	10,474	11,146	13,387	11,832	8,647	8,386	9,026	10,760	11,528	12,808	11,659
12	Wholesale trade.....	19,654	3,441	4,298	4,879	7,037	6,088	6,236	6,724	3,441	4,298	4,879	7,037	6,088	6,236	6,724
13	Finance (including depository institutions) and insurance.....	21,603	4,826	4,948	5,282	6,547	7,787	8,622	6,991	4,037	4,056	5,204	8,305	6,892	7,434	7,282
14	Holding companies, except bank holding companies.....	54,151	12,398	12,718	13,967	15,067	14,719	14,152	15,516	12,398	12,718	13,967	15,067	14,719	14,152	15,516
15	Other.....	33,384	6,912	7,806	8,610	10,054	10,653	11,680	12,126	6,912	7,806	8,610	10,054	10,653	11,680	12,126
16	Earnings without current-cost adjustment (line 2 less line 6).....	159,556	34,499	37,007	40,398	47,651	48,875	52,610	51,733	33,959	35,727	40,175	49,696	48,362	50,844	51,852
17	Manufacturing.....	35,507	8,066	8,443	8,859	10,139	10,860	13,090	11,544	8,315	8,055	8,712	10,425	11,243	12,511	11,371
18	Wholesale trade.....	19,287	3,363	4,214	4,782	6,930	5,991	6,142	6,622	3,363	4,214	4,782	6,930	5,991	6,142	6,622
19	Finance (including depository institutions) and insurance.....	21,906	4,923	5,011	5,338	6,634	7,836	8,659	7,036	4,134	4,119	5,260	8,393	6,941	7,471	7,327
20	Holding companies, except bank holding companies.....	52,185	11,905	12,204	13,501	14,574	14,244	13,731	15,087	11,905	12,204	13,501	14,574	14,244	13,731	15,087
21	Other.....	30,671	6,242	7,135	7,920	9,374	9,943	10,989	11,445	6,242	7,135	7,920	9,374	9,943	10,989	11,445
22	Interest.....	6,053	1,476	1,537	1,512	1,528	1,519	1,466	1,456	1,476	1,537	1,512	1,528	1,519	1,466	1,456
23	Manufacturing.....	1,311	332	331	314	335	285	297	288	332	331	314	335	285	297	288
24	Wholesale trade.....	367	78	85	97	107	98	94	103	78	85	97	107	98	94	103
25	Finance (including depository institutions) and insurance ¹	-304	-97	-63	-56	-88	-49	-37	-45	-97	-63	-56	-88	-49	-37	-45
26	Holding companies, except bank holding companies.....	1,966	493	514	467	493	475	421	429	493	514	467	493	475	421	429
27	Other.....	2,712	670	671	690	681	710	691	681	670	671	690	681	710	691	681
28	Capital (table 1, line 51).....	-173,799	-44,560	-37,717	-47,515	-44,000	-51,207	-61,236	-46,458	-40,837	-34,409	-45,206	-53,705	-47,608	-55,257	-43,479
29	Equity capital.....	-24,595	-4,714	-4,614	-4,141	-11,126	-10,069	-22,009	-554	-4,714	-4,614	-4,141	-11,126	-10,069	-22,009	-554
30	Increases in equity capital.....	-45,290	-9,784	-8,535	-7,873	-19,097	-13,183	-29,460	-7,245	-9,784	-8,535	-7,873	-19,097	-13,183	-29,460	-7,245
31	Decreases in equity capital.....	20,694	5,070	3,921	3,732	7,971	3,114	7,450	6,692	5,070	3,921	3,732	7,971	3,114	7,450	6,692
32	Reinvested earnings (line 4 with sign reversed).....	-141,106	-32,697	-34,479	-37,805	-36,125	-44,387	-47,078	-47,454	-28,967	-30,812	-35,497	-45,830	-40,788	-41,099	-44,474
33	Intercompany debt.....	-8,096	-7,156	1,377	-5,568	3,251	3,249	7,851	1,549	-7,156	1,377	-5,568	3,251	3,249	7,851	1,549
34	U.S. parents' receivables.....	-29,488	-12,537	-4,363	-7,060	-5,528	-3,789	5,239	-825	-12,537	-4,363	-7,060	-5,528	-3,789	5,239	-825
35	U.S. parents' payables.....	21,392	5,381	5,739	1,491	8,780	7,038	2,612	2,374	5,381	5,739	1,491	8,780	7,038	2,612	2,374
36	Capital without current-cost adjustment.....	-151,884	-39,254	-32,277	-41,973	-38,381	-45,535	-55,535	-40,753	-35,524	-28,609	-39,664	-48,086	-41,936	-49,556	-37,774
37	Manufacturing.....	-28,370	-8,228	-3,458	-7,152	-9,532	-9,808	-24,622	-10,034	-8,070	-2,547	-6,466	-11,285	-9,611	-22,898	-8,979
38	Wholesale trade.....	-12,802	-1,103	-1,029	-6,034	-4,636	-5,990	-4,176	-5,406	-710	-708	-5,704	-5,681	-5,322	-3,862	-4,961
39	Finance (including depository institutions) and insurance.....	-30,842	-9,617	-6,500	-7,784	-6,941	-4,537	-10,439	-6,920	-8,022	-5,289	-7,438	-10,095	-2,868	-8,962	-6,946
40	Holding companies, except bank holding companies.....	-52,314	-15,519	-10,281	-12,469	-14,046	-18,231	-5,056	-12,262	-14,181	-8,957	-11,922	-17,492	-2,421	-11,220	-9,289
41	Other.....	-27,556	-4,787	-11,008	-8,534	-3,227	-6,969	-11,242	-6,131	-4,541	-11,108	-8,134	-3,772	-6,642	-11,413	-5,666
42	Equity capital.....	-24,595	-4,714	-4,614	-4,141	-11,126	-10,069	-22,009	-554	-4,714	-4,614	-4,141	-11,126	-10,069	-22,009	-554
43	Manufacturing.....	-8,674	-2,009	-1,108	-847	-4,709	-5,665	-13,467	-1,766	-2,009	-1,108	-847	-4,709	-5,665	-13,467	-1,766
44	Wholesale trade.....	-853	-43	66	-183	-693	-245	-643	-201	-43	66	-183	-693	-245	-643	-201
45	Finance (including depository institutions) and insurance.....	-8,730	-3,316	-366	-990	-4,059	-1,997	-1,544	-1,494	-3,316	-366	-990	-4,059	-1,997	-1,544	-1,494
46	Holding companies, except bank holding companies.....	-4,454	973	-1,728	-1,016	-2,683	-2,022	-3,365	87	973	-1,728	-1,016	-2,683	-2,022	-3,365	87
47	Other.....	-1,885	-319	-1,478	-1,106	1,018	-140	-2,990	2,821	-319	-1,478	-1,106	1,018	-140	-2,990	2,821
48	Reinvested earnings without current-cost adjustment (line 5 with sign reversed).....	-119,192	-27,384	-29,039	-32,263	-30,506	-38,715	-41,377	-41,749	-23,654	-25,372	-29,955	-40,211	-35,116	-35,398	-38,769
49	Manufacturing.....	-26,558	-5,789	-6,800	-7,416	-6,552	-7,651	-9,737	-9,260	-5,632	-5,889	-6,730	-8,306	-7,455	-8,013	-8,205
50	Wholesale trade.....	-14,275	-2,434	-3,147	-3,918	-4,775	-4,571	-5,237	-5,587	-2,040	-2,827	-3,588	-5,821	-3,903	-4,923	-5,142
51	Finance (including depository institutions) and insurance.....	-12,946	-3,080	-3,353	-3,554	-2,960	-6,023	-7,206	-5,177	-1,484	-2,141	-3,208	-6,114	-4,354	-5,729	-5,203
52	Holding companies, except bank holding companies.....	-41,496	-11,114	-10,272	-10,832	-9,278	-12,190	-10,558	-11,972	-9,776	-8,948	-10,286	-12,485	-11,452	-7,922	-10,930
53	Other.....	-23,917	-4,967	-5,467	-6,543	-6,940	-8,279	-8,639	-9,754	-4,722	-5,567	-6,143	-7,485	-7,952	-8,811	-9,289
54	Intercompany debt.....	-8,096	-7,156	1,377	-5,568	3,251	3,249	7,851	1,549	-7,156	1,377	-5,568	3,251	3,249	7,851	1,549
55	Manufacturing.....	6,862	-429	4,450	1,111	1,730	3,509	-1,418	992	-429	4,450	1,111	1,730	3,509	-1,418	992
56	Wholesale trade.....	2,326	1,373	2,053	-1,933	833	-1,174	1,704	382	1,373	2,053	-1,933	833	-1,174	1,704	382
57	Finance (including depository institutions) and insurance ²	-9,166	-3,222	-2,782	-3,240	78	3,483	-1,689	-249	-3,222	-2,782	-3,240	78	3,483	-1,689	-249
58	Holding companies, except bank holding companies.....	-6,364	-5,378	1,719	-621	-2,084	-4,018	8,866	-377	-5,378	1,719	-621	-2,084	-4,018	8,866	-377
59	Other.....	-1,754	500	-4,063	-885	2,695	1,450	388	802	500	-4,063	-885	2,695	1,450	388	802
60	Royalties and license fees, net.....	29,843	6,903	7,357	7,254	8,329	7,712	7,867	8,008	7,140	7,390	7,498	7,815	7,961	7,900	8,274
61	U.S. parents' receipts (table 1, part of line 9).....	32,500	7,540	8,007	7,923	9,030	8,378	8,558								

Table 6a. Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services
 [Millions of dollars]

Line	(Credits +; debits -)	2003	Not seasonally adjusted						Seasonally adjusted							
			2003				2004		2003				2004			
			I	II	III	IV	I	II ¹	III ²	I	II	III	IV	I	II ¹	III ²
Foreign direct investment in the United States:																
66	Income (table 1, line 31).....	-68,657	-15,079	-17,541	-19,452	-16,585	-20,423	-27,937	-28,503	-15,415	-16,362	-18,589	-18,289	-20,787	-26,747	-27,617
67	Earnings.....	-50,313	-10,943	-12,965	-14,766	-11,639	-16,510	-23,677	-24,095	-11,279	-11,786	-13,903	-13,343	-16,874	-22,488	-23,209
68	Distributed earnings.....	-38,265	-3,125	-19,669	-6,255	-9,214	-10,052	-6,029	-5,773	-3,051	-20,357	-6,604	-8,252	-10,193	-6,658	-6,460
69	Reinvested earnings.....	-12,048	-7,818	6,705	-8,511	-2,424	-6,458	-17,648	-18,321	-8,228	8,571	-7,299	-5,091	-6,681	-15,831	-16,750
70	Reinvested earnings without current-cost adjustment	-1,931	-5,340	9,218	-5,964	156	-3,847	-15,006	-15,649	-5,750	11,084	-4,752	-2,511	-4,070	-13,189	-14,078
71	Current-cost adjustment.....	-10,118	-2,478	-2,513	-2,547	-2,580	-2,611	-2,642	-2,672	-2,478	-2,513	-2,547	-2,580	-2,611	-2,642	
72	Interest.....	-18,345	-4,136	-4,576	-4,686	-4,946	-3,913	-4,259	-4,408	-4,136	-4,576	-4,686	-4,946	-3,913	-4,259	
73	U.S. affiliates' payments.....	-19,984	-4,495	-4,925	-5,124	-5,440	-4,378	-4,729	-4,938	-4,495	-4,925	-5,124	-5,440	-4,378	-4,729	
74	U.S. affiliates' receipts.....	1,640	359	349	438	494	465	470	530	359	349	438	494	465	470	
75	Income without current-cost adjustment.....	-58,540	-12,601	-15,028	-16,905	-14,005	-17,812	-25,295	-25,831	-12,937	-13,849	-16,042	-15,709	-18,176	-24,105	-24,945
76	Manufacturing.....	-20,385	-3,607	-5,888	-6,441	-4,449	-6,662	-9,946	-10,865	-3,942	-4,696	-5,578	-6,168	-7,026	-8,746	-9,981
77	Wholesale trade.....	-17,950	-5,702	-3,680	-3,579	-4,967	-5,121	-6,219	-5,971	-5,702	-3,680	-3,579	-4,967	-5,121	-6,219	-5,971
78	Finance (including depository institutions) and insurance	-11,027	-2,313	-3,040	-3,137	-2,538	-3,283	-3,807	-4,308	-2,313	-3,040	-3,137	-2,538	-3,283	-3,807	
79	Other.....	-9,178	-980	-2,420	-3,748	-2,030	-2,746	-5,322	-4,686	-980	-2,420	-3,747	-2,030	-2,746	-5,322	
80	Earnings without current-cost adjustment (line 67 less line 71).....	-40,196	-8,465	-10,452	-12,219	-9,059	-13,899	-21,035	-21,423	-8,801	-9,273	-11,356	-10,763	-14,263	-19,846	-20,537
81	Manufacturing.....	-11,064	-1,494	-3,695	-4,002	-1,873	-4,675	-7,718	-8,379	-1,829	-2,503	-3,140	-3,592	-5,039	-6,518	-7,495
82	Wholesale trade.....	-17,367	-5,550	-3,515	-3,429	-4,872	-5,042	-6,135	-5,884	-5,550	-3,515	-3,429	-4,872	-5,042	-6,135	
83	Finance (including depository institutions) and insurance	-9,554	-1,915	-2,640	-2,839	-2,159	-3,058	-3,699	-4,143	-1,915	-2,640	-2,839	-2,159	-3,058	-3,699	
84	Other.....	-2,209	494	-601	-1,949	-154	-1,124	-3,483	-3,016	493	-615	-1,948	-140	-1,124	-3,494	
85	Interest.....	-18,345	-4,136	-4,576	-4,686	-4,946	-3,913	-4,259	-4,408	-4,136	-4,576	-4,686	-4,946	-3,913	-4,259	
86	Manufacturing.....	-9,321	-2,113	-2,193	-2,438	-2,576	-1,987	-2,228	-2,486	-2,113	-2,193	-2,438	-2,576	-1,987	-2,228	
87	Wholesale trade.....	-582	-152	-165	-151	-115	-79	-84	-87	-152	-165	-151	-115	-79	-84	
88	Finance (including depository institutions) and insurance ¹	-1,473	-397	-399	-298	-379	-276	-109	-165	-397	-399	-298	-379	-276	-109	
89	Other.....	-6,969	-1,474	-1,819	-1,799	-1,876	-1,622	-1,839	-1,670	-1,474	-1,819	-1,799	-1,876	-1,622	-1,839	
90	Capital (table 1, line 64).....	39,890	32,113	1,322	-1,598	8,053	10,002	34,385	54,641	32,523	-544	-2,810	10,719	10,225	32,568	53,070
91	Equity capital.....	62,216	33,076	8,072	9,714	11,354	3,365	27,007	19,684	33,076	8,072	9,714	11,354	3,365	27,007	
92	Increases in equity capital.....	74,106	34,844	11,529	11,482	16,252	7,269	30,280	22,903	34,844	11,529	11,482	16,252	7,269	30,280	
93	Decreases in equity capital.....	-11,890	-1,768	-3,457	-1,768	-4,897	-3,904	-3,272	-3,219	-1,768	-3,457	-1,768	-4,897	-3,904	-3,272	
94	Reinvested earnings (line 69 with sign reversed).....	12,048	7,818	-6,705	8,511	2,424	6,458	17,648	18,321	8,228	-8,571	7,299	5,091	6,681	15,831	
95	Intercompany debt.....	-34,374	-8,781	-45	-19,823	-5,726	179	-10,270	16,636	-8,781	-45	-19,823	-5,726	179	-10,270	
96	U.S. affiliates' payables.....	-15,915	-6,566	5,001	-11,701	-2,649	18,125	-2,761	15,557	-6,566	5,001	-11,701	-2,649	18,125	-2,761	
97	U.S. affiliates' receivables.....	-18,460	-2,215	-5,046	-8,122	-3,077	-17,945	-7,509	1,080	-2,215	-5,046	-8,122	-3,077	-17,945	-7,509	
98	Capital without current-cost adjustment.....	29,772	29,635	-1,191	-4,145	5,473	7,391	31,743	51,969	30,045	-3,057	-5,357	8,139	7,614	29,926	50,398
99	Manufacturing.....	344	-1,558	3,920	-845	-1,173	3,392	801	26,117	-1,179	2,222	-1,864	1,164	3,577	-845	24,736
100	Wholesale trade.....	-6,510	5,111	-12,529	-2,309	3,216	2,913	1,765	2,689	5,111	-12,530	-2,309	3,216	2,913	1,765	2,689
101	Finance (including depository institutions) and insurance	21,167	21,323	1,267	3,096	-4,520	1,826	18,991	18,222	21,323	1,267	3,096	-4,520	1,826	18,991	
102	Other.....	14,772	4,759	6,151	-4,088	7,949	-739	10,187	4,941	4,759	5,982	-4,280	8,279	-702	10,015	
103	Equity capital.....	62,216	33,076	8,072	9,714	11,354	3,365	27,007	19,684	33,076	8,072	9,714	11,354	3,365	27,007	
104	Manufacturing.....	13,020	2,677	3,261	2,574	4,508	1,071	4,382	2,234	2,677	3,261	2,574	4,508	1,071	4,382	
105	Wholesale trade.....	1,185	256	339	291	298	193	437	1,064	256	339	291	298	193	437	
106	Finance (including depository institutions) and insurance	27,836	21,925	1,157	3,293	1,460	292	20,000	13,856	21,925	1,157	3,293	1,460	292	20,000	
107	Other.....	20,175	8,217	3,314	3,556	5,088	1,808	2,188	2,530	8,217	3,314	3,556	5,088	1,808	2,188	
108	Reinvested earnings without current-cost adjustment (line 70 with sign reversed).....	1,931	5,340	-9,218	5,964	-156	3,847	15,006	15,649	5,750	-11,084	4,752	2,511	4,070	13,189	14,078
109	Manufacturing.....	7,036	168	2,449	3,581	838	3,900	7,113	7,654	548	752	2,561	3,175	4,085	5,467	
110	Wholesale trade.....	-8,790	5,438	-12,588	-1,239	-401	-2,490	2,071	1,780	5,438	-12,588	-1,239	-401	-2,490	2,071	
111	Finance (including depository institutions) and insurance	3,825	933	721	2,000	172	1,936	2,735	3,528	932	721	2,000	172	1,936	2,735	
112	Other.....	-141	-1,199	200	1,622	-765	501	3,088	2,687	-1,168	31	1,430	-435	539	2,916	
113	Intercompany debt.....	-34,374	-8,781	-45	-19,823	-5,726	179	-10,270	16,636	-8,781	-45	-19,823	-5,726	179	-10,270	
114	Manufacturing.....	-19,712	-4,404	-1,791	-6,999	-6,519	-1,579	-10,694	16,229	-4,404	-1,791	-6,999	-6,519	-1,579	-10,694	
115	Wholesale trade.....	1,094	-583	-281	-1,361	3,319	5,210	-742	-154	-583	-281	-1,361	3,319	5,210		
116	Finance (including depository institutions) and insurance ²	-10,494	-1,535	-611	-2,197	-6,152	-403	-3,745	838	-1,535	-611	-2,197	-6,152	-403	-3,745	
117	Other.....	-5,262	-2,259	2,637	-9,266	3,626	-3,049	4,911	-2,259	2,637	-9,266	3,626	-3,049	4,911		
118	Royalties and license fees, net.....	-10,325	-2,217	-2,460	-2,704	-2,944	-2,860	-3,061	-3,075	-2,217	-2,460	-2,711	-2,838	-2,923	-3,156	-3,059
119	U.S. affiliates' payments (table 1, part of line 26).....	-13,749	-2,955	-3,174	-3,584	-4,026	-3,460	-3,746	-3,794	-3,104	-3,360	-3,618	-3,667	-3,611	-3,967	
120	U.S. affiliates' receipts (table 1, part of line 9).....	3,424	738	714	890	1,082	601	685	719	843	844	907	829	688	732	
121	Other private services, net.....	3,883	341	782	1,389	1,371	642	960	1,086	704	1,051	1,229	901	1,042	1,212	892
122	U.S. affiliates' payments (table 1, part of line 27).....	-16,891	-4,374	-4,021	-3,774	-4,722	-4,195	-4,242	-3,968	-4,343	-4,133	-4,035	-4,380	-4,140	-4,372	
123	U.S. affiliates' receipts (table 1, part of line 10).....	20,776	4,716	4,804	5,163	6,093	4,838	5,201	5,054	5,047	5,184	5,264	5,281	5,182	5,584	

See the footnotes on pages 75-76.

Table 7a. Transactions in Long-Term Securities

[Millions of dollars]

Line	(Credits +; debits -)	2003	Not seasonally adjusted						
			2003			2004			
			I	II	III	IV	I	II ^a	III ^a
A1	Foreign securities, net purchases (-) or net sales (+) by U.S. residents (table 1, line 52 or lines 4 + 18 below)	-72,337	-26,619	8,429	-28,312	-25,835	-16,524	-26,844	-15,015
2	Stocks, gross purchases by U.S. residents	1,476,983	304,908	334,356	407,143	430,576	510,116	517,198	416,287
3	Stocks, gross sales by U.S. residents	1,376,552	270,802	317,732	376,642	411,376	488,684	476,808	407,303
4	Stocks, net purchases by U.S. residents	-100,431	-34,106	-16,624	-30,501	-19,200	-21,432	-40,390	-8,984
5	New issues in the United States	-313	-201		-112		-75	-92	
6	Transactions in outstanding stocks, net	-100,118	-33,905	-16,624	-30,389	-19,200	-21,357	-40,298	-8,984
	Net purchases by U.S. residents, by area:								
7	Europe	-25,574	-23,424	-8,294	-4,189	10,333	-5,215	-21,261	-11,923
	Of which: United Kingdom	-27,787	-22,668	-6,343	-1,711	2,935	1,579	-16,874	-8,171
9	Canada	-2,570	137	-1,395	-1,218	-94	418	-11,686	4,449
10	Caribbean financial centers ¹	-3,877	-4,139	-1,213	1,609	-134	-1,687	-3,037	3,007
11	Latin America, excluding Caribbean financial centers	-1,212	-520	313	32	-1,037	1,639	1,136	266
12	Asia	-63,324	-5,523	-5,470	-27,213	-25,118	-16,357	-5,016	-3,315
	Of which: Japan	-37,483	-2,792	-2,848	-17,370	-14,473	-13,923	-5,197	-3,196
14	Africa	-188	-79	-45	-187	123	8	-33	314
15	Other	-3,686	-558	-520	665	-3,273	-238	-493	-1,782
16	Bonds, gross purchases by U.S. residents	2,136,812	412,054	555,580	578,522	590,656	525,576	400,262	398,475
17	Bonds, gross sales by U.S. residents	2,164,906	419,541	580,633	580,711	584,021	530,484	413,808	392,444
18	Bonds, net purchases by U.S. residents	28,094	7,487	25,053	2,189	-6,635	4,908	13,546	-6,031
19	New issues in the United States	-21,262	-10,138	-2,282	-3,235	-5,607	-4,518	-2,261	-5,039
20	Transactions in outstanding bonds, net ²	49,356	17,625	27,335	5,424	-1,028	9,426	15,807	-992
	Net purchases by U.S. residents, by area:								
21	Europe	10,679	5,262	15,923	-9,511	-995	-11,886	-7,530	-8,064
	Of which: United Kingdom	4,755	9,644	8,146	-11,484	-1,551	-15,668	-10,176	-9,012
23	Canada	10,218	4,083	3,188	4,021	-1,074	967	-820	-253
24	Caribbean financial centers ¹	-10,215	-6,324	-649	-6,035	2,793	4,944	3,818	-942
25	Latin America, excluding Caribbean financial centers	-1,330	-1,858	-2,136	2,265	399	2,072	4,503	1,649
26	Asia	18,307	4,748	9,908	11,474	-7,823	8,601	14,687	314
	Of which: Japan	5,508	1,630	2,756	6,803	-5,681	482	7,836	-2,521
28	Africa	463	274	190	-66	65	219	423	654
29	Other	-28	1,302	-1,371	41		-9	-1,535	611
B1	U.S. securities, excluding transactions in U.S. Treasury securities and transactions of foreign official agencies, net purchases (+) or net sales (-) by foreign residents (table 1, line 66 or lines 4 + 16 + 30 below)	250,981	56,723	92,407	18,090	83,761	62,064	88,843	90,489
2	Stocks, gross purchases by foreign residents	3,107,487	653,734	816,984	777,317	859,452	1,019,250	1,057,550	1,006,790
3	Stocks, gross sales by foreign residents	3,070,224	656,399	796,475	780,717	836,633	1,015,094	1,055,739	1,003,914
4	Stocks, net purchases by foreign residents	37,263	-2,665	20,509	-3,400	22,819	4,156	1,811	2,876
	Net purchases by foreign residents, by area:								
5	Europe	25,206	801	9,582	-723	15,546	4,765	5,004	58
	Of which: United Kingdom	199	-1,247	1,352	-3,167	3,261	1,235	4,870	1,363
7	Canada	11,593	2,224	4,457	-2,150	7,062	3,128	-3,332	6,237
8	Caribbean financial centers ¹	-1,699	-6,742	4,005	409	629	-793	-5,587	-2,589
9	Latin America, excluding Caribbean financial centers	-97	-342	367	-68	-54	205	-252	-45
10	Asia	2,587	4,271	1,107	-1,524	-1,267	-3,310	5,599	2,084
	Of which: Japan	-2,529	1,474	-2,434	-1,311	-258	-3,317	2,421	1,924
12	Africa	243	-3	128	-35	153	-197	13	116
13	Other	-570	-2,874	863	691	750	358	366	-2,985
14	Corporate bonds, gross purchases by foreign residents	1,030,558	228,091	271,392	258,469	272,606	292,462	276,045	309,191
15	Corporate bonds, gross sales by foreign residents	803,475	172,875	210,240	206,022	214,338	241,238	224,934	214,338
16	Corporate bonds, net purchases by foreign residents	227,083	55,216	61,152	52,447	58,268	51,224	51,111	84,730
17	New issues sold abroad by U.S. corporations	69,105	18,625	15,185	20,991	14,304	19,181	23,611	23,875
18	Transactions in outstanding bonds, net	157,978	36,591	45,967	31,456	43,964	32,043	27,500	60,855
	Net purchases by foreign residents, by area:								
19	Europe	129,146	35,798	35,121	26,632	31,595	20,923	19,576	47,330
	Of which: United Kingdom	87,619	24,692	24,746	16,443	21,738	6,552	6,250	27,447
21	Canada	6,789	2,019	1,196	1,319	2,255	1,343	1,019	1,787
22	Caribbean financial centers ¹	54,285	10,369	15,077	14,649	14,190	12,385	12,459	14,366
23	Latin America, excluding Caribbean financial centers	7,467	1,487	1,983	2,621	1,376	2,206	3,746	7,019
24	Asia	26,761	4,726	7,076	6,707	8,252	13,094	13,478	13,291
	Of which: Japan	12,161	248	3,016	3,629	5,268	9,907	10,638	6,836
26	Africa	403	124	118	78	83	68	157	197
27	Other	2,232	693	581	441	517	1,205	676	740
28	Federally sponsored agency bonds, gross purchases by foreign residents	2,146,473	459,668	705,457	581,264	400,684	506,158	463,609	361,811
29	Federally sponsored agency bonds, gross sales by foreign residents	2,159,838	454,896	694,711	612,221	398,010	499,474	427,688	358,928
30	Federally sponsored agency bonds, net purchases by foreign residents	-13,365	4,172	10,746	-30,957	2,674	6,684	35,921	2,883
31	New issues sold abroad by federally sponsored agencies	49,061	14,521	12,153	8,929	13,458	20,639	11,371	11,967
32	Transactions in outstanding bonds, net	-62,426	-10,349	-1,407	-39,886	-10,784	-13,955	24,550	-9,084
	Net purchases by foreign residents, by area:								
33	Europe	-30,222	2,534	-13,736	-11,959	-7,061	-12,378	10,642	6,890
	Of which: United Kingdom	13,162	11,669	2,461	-1,229	261	1,494	12,253	10,645
35	Canada	-4,405	-1,443	-1,700	-1,006	-256	1,749	198	-264
36	Caribbean financial centers ¹	11,187	-6,244	17,297	-4,176	4,310	8,264	4,875	-3,973
37	Latin America, excluding Caribbean financial centers	5,146	1,252	1,006	1,583	1,305	1,228	-1,769	3,325
38	Asia	6,787	8,005	9,054	-14,583	4,311	7,909	21,045	-3,277
	Of which: Japan	-15,171	547	2,757	-18,101	-374	-1,947	8,184	-5,555
40	Africa	853	671	-10	168	24	-70	891	-265
41	Other	-2,711	-603	-1,165	-984	41	-18	39	447
C1	U.S. Treasury bonds and notes, excluding transactions of foreign official agencies, net purchases (+) or net sales (-) by foreign residents (table 1, part of line 65)	115,371	11,754	53,738	45,978	3,901	60,956	34,584	8,561
2	U.S. Treasury bonds and notes, gross purchases by foreign residents	8,264,749	1,682,277	2,178,956	2,443,409	1,960,107	2,067,635	2,276,325	2,131,012
3	U.S. Treasury bonds and notes, gross sales by foreign residents	8,149,378	1,670,523	2,125,218	2,397,431	1,956,206	2,006,679	2,241,741	2,122,451
	Net purchases by foreign residents, by area:								
4	Europe	20,544	-10,134	21,719	17,351	-8,392	45,614	-418	-2,035
5	Canada	11,759	-694	3,972	6,521	1,960	4,152	1,078	3,212
6	Caribbean financial centers ¹	12,849	10,184	-940	3,688	-83	12,182	21,569	13,582
7	Latin America, excluding Caribbean financial centers	6,955	1,921	-116	3,614	1,536	-171	5,977	-4,484
8	Asia	57,242	9,892	26,782	12,982	7,586	875	5,731	-1,767
9	Africa	-67	33	46	-43	-103	-31	331	132
10	Other	6,089	552	2,275	1,865	1,397	-1,665	316	-79
	Memoranda:								
	Net purchases of marketable long-term U.S. securities by foreign official agencies included elsewhere in the international transactions accounts, net purchases (+) or net sales (-) (lines in table 4):								
1	U.S. Treasury marketable bonds and notes (line B4)	148,259	13,406	38,850	27,004	68,999	83,186	62,660	45,354
2	Other U.S. Government securities (line B6)	24,883	9,568	3,290	3,340	8,685	13,016	2,261	6,047
3	U.S. corporate and other bonds (part of line B16)	5,519	1,201	731	1,316	2,271	1,898	1,794	2,970
4	U.S. stocks (part of line B16)	-370	52	20	76	-518	-456	215	148

Table 8a. Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns Except Securities Brokers¹

[Millions of dollars]

Line	(Credits +; decrease in U.S. assets or increase in U.S. liabilities. Debits -; increase in U.S. assets or decrease in U.S. liabilities.)	2003	Not seasonally adjusted						Amounts outstanding Sept. 30, 2004	
			2003				2004			
			I	II	III	IV	I	II ²		III ²
A1	Claims, total (table 1, line 53)	-28,932	-11,207	-22,480	35,845	-31,090	-56,761	12,122	-14,986	691,509
2	Financial claims	-26,582	-12,191	-19,998	34,709	-29,102	-56,206	12,805	-14,986	657,106
3	Denominated in U.S. dollars	-22,663	2,111	-26,072	37,755	-36,457	-47,953	20,439	-20,727	529,046
4	Denominated in foreign currencies	-3,919	-14,302	6,074	-3,046	7,355	-8,253	-7,634	5,741	128,060
	By instrument: ³									
5	Resale agreements	1,628	-1,162	2,869	-1,480	1,401	1,884	-6,093	378	7,669
6	Negotiable certificates of deposit	44	-41	108	-24	1	151	-123	59	70
7	Other short-term instruments (including money market instruments)	2,074	1,578	469	69	-42	583	-2,876	-2,184	7,525
8	Deposits	14,621	2,784	-23,276	64,982	-29,869	-41,356	11,168	-17,840	478,511
9	Other claims	-44,949	-15,350	-168	-28,838	-593	-17,468	10,729	4,601	163,331
10	Of which: Financial intermediaries' accounts ⁴	-44,459	-12,068	-165	-27,238	-4,988	-11,306	16,412	4,914	126,491
	By area:									
11	Europe	-40,544	-32,316	-16,849	15,968	-7,347	-45,119	16,941	4,661	380,720
	Of which:									
12	United Kingdom	-30,041	-25,824	-7,706	12,429	-8,940	-31,730	11,118	-964	193,875
13	Germany	2,388	3,800	713	-435	-1,690	5,568	3,220	2,222	81,021
14	Caribbean financial centers ⁵	21,906	26,857	-7,911	23,476	-20,516	-6,972	-9,844	-19,996	241,222
15	Other	-7,944	-6,732	4,762	-4,735	-1,239	-4,115	5,708	349	35,164
16	Commercial claims	-2,350	984	-2,482	1,136	-1,988	-555	-683		34,403
17	Denominated in U.S. dollars	120	5,054	-2,381	-1,291	-1,262	-929	-1,208		27,373
18	Denominated in foreign currencies	-2,470	-4,070	-101	2,427	-726	374	525		7,030
	By instrument:									
19	Trade receivables	-2,296	892	-998	403	-2,593	-280	-1,366		29,877
20	Advance payments and other claims	-54	92	-1,484	733	605	-275	683		4,526
	By area:									
21	Europe	-190	693	-1,808	1,225	-300	-62	728		13,559
22	Canada	-315	114	-310	241	-360	-207	970		2,290
23	Asia	-67	1,103	-404	52	-818	107	-926		8,150
24	Other	-1,778	-926	40	-382	-510	-393	-1,455		10,404
B1	Liabilities, total (table 1, line 68)	84,014	69,410	-2,257	12,721	4,140	40,723	-3,603	19,542	520,371
2	Financial liabilities	84,270	69,681	-703	13,827	1,465	36,212	-3,028	19,542	488,256
3	Denominated in U.S. dollars	88,435	54,385	4,573	23,127	6,350	45,343	-5,282	8,234	395,159
4	Denominated in foreign currencies	-4,165	15,296	-5,276	-9,300	-4,885	-9,131	2,254	11,308	93,097
	By instrument: ³									
5	Repurchase agreements	6,785	5,753	-659	206	1,485	-1,717	11,046	-1,180	33,580
6	Short-term instruments	-8,589	749	-3,861	-1,171	-4,306	-3,649	1,069	418	11,415
7	Other liabilities	86,074	63,179	3,817	14,792	4,286	41,578	-15,143	20,304	443,261
8	Of which: Financial intermediaries' accounts ⁴	56,966	35,497	-701	21,403	767	9,996	-7,897	2	186,381
	By area:									
9	Europe	86,199	66,335	-912	19,291	1,485	33,311	-11,364	9,678	417,984
	Of which:									
10	United Kingdom	64,380	59,088	-2,422	17,727	-10,013	34,216	-14,940	11,370	248,395
11	Germany	14,634	10,432	5,604	-6,067	4,665	-2,313	200	-1,221	76,837
12	Caribbean financial centers ⁵	-4,538	-2,186	2,087	-6,813	2,374	-2,390	8,711	6,394	47,283
13	Other	2,609	5,532	-1,878	1,349	-2,394	5,291	-375	3,470	22,989
14	Commercial liabilities	-256	-271	-1,554	-1,106	2,675	4,511	-575		32,115
15	Denominated in U.S. dollars	-564	-1,961	-1,136	165	2,368	4,711	-830		29,636
16	Denominated in foreign currencies	308	1,690	-418	-1,271	307	-200	255		2,479
	By instrument:									
17	Trade payables	2,513	425	405	824	859	654	921		18,390
18	Advance receipts and other liabilities	-2,769	-696	-1,959	-1,930	1,816	3,857	-1,496		13,725
	By area:									
19	Europe	1,916	-1,788	2,420	-1,486	2,770	2,179	-1,181		9,718
20	Canada	-1,500	1,366	-1,502	-290	-1,074	260	344		2,533
21	Asia	-216	188	-1,815	55	1,356	949	-194		13,455
22	Other	-456	-37	-657	615	-377	1,123	456		6,409

See the footnotes on pages 75-76.

Table 9a. Claims on Foreigners Reported by U.S. Banks and Securities Brokers¹

[Millions of dollars]

Line	(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)	2003	Not seasonally adjusted						Amounts outstanding Sept. 30, 2004	
			2003				2004			
			I	II	III	IV	I	II ^r		III ^p
1	Claims reported by U.S. banks and securities brokers, total (table 1, line 54)	-10,406	-24,138	-63,002	29,663	47,071	-187,120	-36,951	-60,308	2,037,973
2	Claims for own accounts	2,044	-4,098	-52,831	16,655	42,318	-183,528	-15,803	-63,002	1,650,031
3	Denominated in dollars.....	-7,941	266	-51,728	5,166	38,355	-182,027	-8,739	-64,940	1,560,558
	By instrument: ²									
4	Resale agreements.....	-78,178	-20,468	-23,274	-33,768	-668	-70,840	7,122	-60,313	468,784
5	Negotiable certificates of deposit.....	1,261	-275	1,850	-239	-75	-3,390	-1,178	-259	2,928
6	Other short-term instruments (including money market instruments).....	15,647	12,755	-3,169	5,098	963	120	-303	99	5,354
7	Deposits and brokerage balances.....	-24,903	-12,353	-12,092	-4,365	3,907	-52,883	-12,504	6,350	559,915
8	Other claims (including loans).....	78,232	20,607	-15,043	38,440	34,228	-55,034	-1,876	-10,817	523,577
	By foreign borrower:									
	Claims on:									
9	Foreign banks.....	12,713	-7,241	-40,817	11,666	49,105	-138,317	6,805	-48,063	1,158,934
10	Foreign nonbanks, excluding foreign official institutions.....	-7,144	15,411	-16,903	1,553	-7,205	-29,706	-15,151	-21,607	335,181
11	Foreign official institutions ³	-13,510	-7,904	5,992	-8,053	-3,545	-14,004	-393	4,730	66,443
	By type of U.S. reporting institution: ⁴									
	U.S.-owned banks' claims on:									
12	Foreign banks.....	30,838	-11,185	8,518	24,841	8,664	-41,102	-3,082	-11,287	348,783
13	Foreign nonbanks and foreign official institutions.....	19,875	14,911	2,882	2,360	-278	1,112	2,016	2,450	44,116
	Foreign-owned banks' claims on:									
14	Foreign banks.....	-3,107	-2,693	-42,045	8,309	33,322	-84,581	-3,698	-5,017	691,857
15	Foreign nonbanks and foreign official institutions.....	58	-767	-5,504	3,654	2,675	-4,526	-7,337	6,066	74,355
	Brokers' and dealers' claims on:									
16	Foreign banks.....	-15,018	6,637	-7,290	-21,484	7,119	-12,634	13,585	-31,759	118,294
17	Foreign nonbanks and foreign official institutions.....	-40,587	-6,637	-8,289	-12,514	-13,147	-40,296	-10,223	-25,393	283,153
18	Denominated in foreign currencies.....	9,985	-4,364	-1,103	11,489	3,963	-1,501	-7,064	1,938	89,473
	By instrument: ²									
19	Deposits and brokerage balances.....	2,089	-2,325	-3,649	6,921	1,142	22	-1,682	1,464	37,699
20	Other claims (including loans).....	7,896	-2,039	2,546	4,568	2,821	-1,523	-5,382	474	51,774
21	Claims for customers' accounts	-12,450	-20,040	-10,171	13,008	4,753	-3,592	-21,148	2,694	387,942
22	Denominated in dollars.....	-14,133	-15,905	-14,615	10,933	5,454	-6,001	-13,652	1,637	367,360
	By instrument: ²									
23	Commercial paper ⁵	-2,176	-2,115	-4,320	13,235	-8,976	-9,412	8,395	-1,600	142,786
24	Negotiable certificates of deposit.....	9,387	2,437	6,119	-10,696	11,527	-1,027	-7,108	7,534	63,383
25	Other short-term instruments (including money market instruments) ⁶	-5,011	-1,103	-3,989	-2,675	2,756	-2,331	-4,551	1,844	9,716
26	Deposits and brokerage balances (including sweep accounts) ⁷	-19,146	-15,110	-14,659	8,973	1,650	5,123	-11,574	-5,944	143,503
27	Other claims.....	2,813	-14	2,234	2,096	-1,503	1,646	1,186	-197	7,972
28	Denominated in foreign currencies.....	1,683	-4,135	4,444	2,075	-701	2,409	-7,496	1,057	20,582
	By instrument: ²									
29	Deposits and brokerage balances.....	1,749	3,654	-69	459	-2,295	1,491	-4,479	2,365	7,686
30	Other claims.....	-66	-7,789	4,513	1,616	1,594	918	-3,017	-1,308	12,896
	Claims, total (line 1), by area:									
31	Europe.....	-2,351	2,851	-48,979	6,383	37,394	-124,362	-21,884	-48,755	1,008,916
	Of which:									
32	United Kingdom.....	-41,234	-8,478	-39,708	-10,954	17,906	-55,281	-12,024	-47,930	548,899
33	Switzerland.....	54,122	23,768	2,418	11,356	16,580	-26,192	10,643	-15,703	112,467
34	Canada.....	11,950	6,384	11,202	-5,118	-518	-1,031	-1,028	7,721	76,701
35	Caribbean financial centers ⁸	10,030	-8,281	-28,580	33,221	13,670	-51,483	-17,913	-13,370	725,143
36	Latin America, excluding Caribbean financial centers.....	5,199	-562	1,046	2,121	2,594	-1,168	552	3,275	50,405
37	Asia.....	-32,309	-23,475	3,931	-5,031	-7,734	-3,930	-4,998	-9,140	154,440
38	Of which: Japan.....	-21,694	-12,642	-6,743	1,041	-3,350	6,855	-13,159	-10,222	89,224
39	Africa.....	367	-115	371	-115	226	76	200	79	860
40	Other.....	-3,292	-940	-1,993	-1,798	1,439	-5,222	8,120	-118	21,508
	Memoranda:									
1	International banking facilities' (IBFs) own claims, denominated in dollars (in lines 1-15 above).....	19,552	12,428	-18,310	6,452	18,982	-45,443	-1,988	-33,620	374,949
	By bank ownership: ⁴									
2	U.S.-owned IBFs.....	16,008	5,010	-3,140	6,476	7,662	-15,099	-7,376	2,438	74,582
3	Foreign-owned IBFs.....	3,544	7,418	-15,170	-24	11,320	-30,344	5,388	-36,058	300,367

See the footnotes on pages 75-76.

Table 10a. Liabilities to Foreigners, Except Foreign Official Agencies, Reported by U.S. Banks and Securities Brokers¹
 (Millions of dollars)

Line	(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)	2003	Not seasonally adjusted									Amounts outstanding Sept. 30, 2004
			2003				2004					
			I	II	III	IV	I	II ^r	III ^p			
1	Liabilities reported by U.S. banks and securities brokers, total (table 1, part of line 65 and table 1, line 69)	73,704	21,782	8,506	6,792	36,624	145,316	36,250	52,072	2,163,733		
2	U.S. Treasury bills and certificates (table 1, part of line 65).....	-1,939	-2,780	-484	512	813	4,482	-4,900	5,511	50,773		
3	Other U.S. liabilities, total (table 1, line 69).....	75,643	24,562	8,990	6,280	35,811	140,834	41,150	46,561	2,112,960		
4	Liabilities for own accounts.....	88,451	38,058	-8,830	38,661	20,562	137,883	23,816	43,948	1,778,621		
5	Denominated in dollars.....	118,877	34,079	8,974	45,298	30,526	135,610	25,950	42,645	1,714,401		
	By instrument: ²											
6	Repurchase agreements.....	131,328	53,016	-765	38,877	40,200	65,847	8,217	40,734	489,891		
7	Deposits and brokerage balances.....	23,668	1,912	49,575	-28,573	754	8,979	39,295	3,251	860,949		
8	Other liabilities (including loans).....	-36,119	-20,849	-39,836	34,994	-10,428	60,784	-21,562	-1,340	363,561		
	By foreign holder:											
	Liabilities to:											
9	Foreign banks.....	13,618	-9,355	11,617	5,759	5,597	78,169	10,339	891	1,206,595		
10	Foreign nonbanks, including international organizations.....	105,259	43,434	-2,643	39,539	24,929	57,441	15,611	41,754	507,806		
	By type of U.S. reporting institution: ³											
	U.S.-owned banks' liabilities to:											
11	Foreign banks.....	-11,388	5,896	-34,353	-8,995	26,064	17,852	29,012	-8,641	506,733		
12	Foreign nonbanks, including international organizations.....	23,969	11,467	5,735	-2,135	8,902	-1,048	4,472	2,225	83,109		
	Foreign-owned banks' liabilities to:											
13	Foreign banks.....	-48,211	-52,264	43,063	-13,902	-25,108	30,602	-10,792	6,169	491,470		
14	Foreign nonbanks, including international organizations.....	-10,805	-4,924	-1,664	2,775	-6,992	6,090	-2,648	4,086	70,138		
	Brokers' and dealers' liabilities to:											
15	Foreign banks.....	73,217	37,013	2,907	28,656	4,641	29,715	-7,881	3,363	208,392		
16	Foreign nonbanks, including international organizations.....	92,095	36,891	-6,714	38,899	23,019	52,399	13,787	35,443	354,559		
17	Denominated in foreign currencies.....	-30,426	3,979	-17,804	-6,637	-9,964	2,273	-2,134	1,303	64,220		
	By instrument: ²											
18	Deposits and brokerage balances.....	-18,722	1,796	-8,925	-4,574	-7,019	2,342	-7,133	4,558	35,893		
19	Other liabilities (including loans).....	-11,704	2,183	-8,879	-2,063	-2,945	-69	4,999	-3,255	28,327		
20	Liabilities for customers' accounts.....	-12,808	-13,496	17,820	-32,381	15,249	2,951	17,334	2,613	334,339		
21	Denominated in dollars.....	-12,783	-14,346	17,800	-31,443	15,206	2,896	18,092	3,012	330,386		
	By instrument: ²											
22	Negotiable certificates of deposit and other short-term instruments.....	-7,206	-3,349	8,738	-16,610	4,015	-335	6,575	6,777	146,647		
23	Other liabilities (including loans).....	-5,577	-10,997	9,062	-14,833	11,191	3,231	11,517	-3,765	183,739		
24	Denominated in foreign currencies.....	-25	850	20	-938	43	55	-758	-399	3,953		
	Other U.S. liabilities, total (line 3), by area:											
25	Europe.....	2,479	-11,812	-22,142	24,566	11,867	90,177	16,126	41,134	785,720		
26	Canada.....	2,716	2,683	2,680	-2,551	-96	-4,148	928	1,394	29,199		
27	Caribbean financial centers ⁴	81,708	43,215	37,072	-21,327	22,748	50,123	37,551	1,312	1,041,805		
28	Latin America, excluding Caribbean financial centers.....	-697	301	-2,016	-2,336	3,354	1,411	-1,392	574	81,045		
29	Asia.....	-10,651	-7,122	-11,205	7,133	543	2,466	-12,503	6,229	148,433		
30	Africa.....	2,850	1,050	-269	108	1,961	204	406	-568	8,611		
31	Other.....	-2,762	-3,753	4,870	687	-4,566	601	34	-3,514	18,147		
	Memoranda:											
1	International banking facilities' (IBFs) own liabilities, denominated in dollars (in lines 3-14 above).....	-41,951	-62,045	5,960	6,181	7,953	40,031	-15,726	6,132	398,262		
	By bank ownership: ³											
2	U.S.-owned IBFs.....	7,007	-4,731	6,904	-9,388	14,222	13,493	938	10,489	100,134		
3	Foreign-owned IBFs.....	-48,958	-57,314	-944	15,569	-6,269	26,538	-16,664	-4,357	298,128		

See the footnotes on pages 75-76.

Table 11. U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Europe						
		2003	2003			2004		
			II	III	IV	I	II ^r	III ^p
Current account								
1	Exports of goods and services and income receipts	422,230	104,194	104,289	113,324	114,985	121,279	120,074
2	Exports of goods and services	289,781	71,377	71,103	77,334	77,251	80,303	79,234
3	Goods, balance of payments basis ²	168,220	42,373	39,390	44,626	46,358	47,807	44,754
4	Services ³	121,561	29,004	31,713	32,708	30,893	32,496	34,480
5	Transfers under U.S. military agency sales contracts ⁴	3,921	912	1,130	1,027	1,066	969	875
6	Travel	21,976	5,020	6,587	6,077	5,158	6,400	7,516
7	Passenger fares	5,699	1,296	1,659	1,549	1,374	1,673	1,953
8	Other transportation	10,754	2,692	2,804	2,772	2,882	3,118	3,440
9	Royalties and license fees ⁵	23,268	5,679	5,708	6,411	5,850	6,009	6,075
10	Other private services ⁵	55,768	13,361	13,781	14,828	14,526	14,288	14,582
11	U.S. Government miscellaneous services	175	44	44	44	37	39	39
12	Income receipts	132,449	32,817	33,186	35,990	37,734	40,976	40,840
13	Income receipts on U.S.-owned assets abroad	132,069	32,722	33,090	35,893	37,638	40,878	40,741
14	Direct investment receipts	82,282	20,692	20,640	23,429	24,299	26,294	24,336
15	Other private receipts	48,491	11,841	12,063	12,226	12,953	14,428	16,050
16	U.S. Government receipts	1,296	189	387	238	386	156	355
17	Compensation of employees	380	95	96	97	96	98	99
18	Imports of goods and services and income payments	-531,836	-134,412	-135,712	-137,624	-137,722	-157,917	-157,127
19	Imports of goods and services	-398,356	-101,385	-101,109	-104,436	-102,423	-114,069	-112,400
20	Goods, balance of payments basis ²	-284,679	-71,625	-70,647	-75,697	-74,766	-81,344	-78,488
21	Services ³	-113,677	-29,760	-30,462	-28,739	-27,657	-32,725	-33,912
22	Direct defense expenditures	-11,140	-2,829	-2,703	-3,009	-2,963	-2,909	-2,925
23	Travel	-19,923	-6,025	-6,078	-4,155	-3,868	-7,056	-6,975
24	Passenger fares	-11,063	-3,201	-3,433	-2,350	-2,303	-3,221	-3,685
25	Other transportation	-17,030	-4,397	-4,443	-4,354	-4,573	-4,887	-5,213
26	Royalties and license fees ⁵	-11,114	-2,757	-2,902	-3,202	-2,676	-3,004	-3,254
27	Other private services ⁵	-42,181	-10,245	-10,596	-11,360	-10,957	-11,330	-11,538
28	U.S. Government miscellaneous services	-1,226	-306	-307	-309	-317	-318	-322
29	Income payments	-133,480	-33,027	-34,603	-33,188	-35,299	-43,848	-44,727
30	Income payments on foreign-owned assets in the United States	-133,029	-32,922	-34,504	-33,063	-35,173	-43,742	-44,625
31	Direct investment payments	-45,461	-11,889	-12,713	-10,518	-12,744	-18,269	-18,264
32	Other private payments	-66,361	-15,738	-16,541	-17,446	-17,407	-20,233	-20,954
33	U.S. Government payments	-21,207	-5,295	-5,250	-5,099	-5,022	-5,240	-5,407
34	Compensation of employees	-451	-105	-99	-125	-126	-106	-102
35	Unilateral current transfers, net	-1,759	400	-671	-935	-733	-528	870
36	U.S. Government grants ⁴	-2,301	-510	-630	-549	-612	-485	-613
37	U.S. Government pensions and other transfers	-1,672	-408	-403	-469	-435	-415	-434
38	Private remittances and other transfers ⁶	2,214	1,318	362	83	314	372	1,917
Capital and financial account								
Capital account								
39	Capital account transactions, net	-518	-126	-135	-125	-144	-140	-152
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-157,026	-83,454	-17,181	7,665	-208,240	-69,099	-80,145
41	U.S. official reserve assets, net	-572	-154	-131	-117	-158	-132	-148
42	Gold							
43	Special drawing rights							
44	Reserve position in the International Monetary Fund							
45	Foreign currencies	-572	-154	-131	-117	-158	-132	-148
46	U.S. Government assets, other than official reserve assets, net	719	48	310	148	648	95	227
47	U.S. credits and other long-term assets	-523	-122	-62	-45	-25	-24	-57
48	Repayments on U.S. credits and other long-term assets ⁸	1,255	154	368	250	685	84	291
49	U.S. foreign currency holdings and U.S. short-term assets, net	-13	16	4	-57	-12	35	-7
50	U.S. private assets, net	-157,173	-83,348	-17,360	7,634	-208,730	-69,062	-80,224
51	Direct investment	-99,191	-23,340	-27,235	-31,451	-22,086	-36,057	-16,142
52	Foreign securities	-14,895	7,629	13,700	9,338	-17,101	-28,791	-19,987
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-40,736	-18,658	17,192	-7,647	-45,181	17,670	4,660
54	U.S. claims reported by U.S. banks, not included elsewhere	-2,351	-48,979	6,383	37,394	-124,362	-21,884	-48,755
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	244,036	25,722	60,433	37,336	189,622	64,824	154,365
56	Foreign official assets in the United States, net	5,118	3,210	308	-7,144	4,549	22,534	6,953
57	U.S. Government securities	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
58	U.S. Treasury securities ⁹	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
59	Other ¹⁰	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
60	Other U.S. Government liabilities ¹¹	-635	64	-177	-348	-80	-277	-89
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
62	Other foreign official assets ¹²	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
63	Other foreign assets in the United States, net	238,918	22,512	60,125	44,480	185,073	42,290	147,412
64	Direct investment	6,572	-7,176	-11,583	-5,602	153	5,924	40,869
65	U.S. Treasury securities	17,619	19,354	15,386	-6,121	45,944	-2,438	1,453
66	U.S. securities other than U.S. Treasury securities	124,130	30,967	13,950	40,080	13,310	35,222	54,278
67	U.S. currency							
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	88,118	1,509	17,806	4,256	35,489	-12,544	9,678
69	U.S. liabilities reported by U.S. banks, not included elsewhere	2,479	-22,142	24,566	11,867	90,177	16,126	41,134
70	Statistical discrepancy (sum of above items with sign reversed)	24,873	87,676	-11,023	-19,641	42,232	41,581	-37,885
Memoranda:								
71	Balance on goods (lines 3 and 20)	-116,459	-29,252	-31,257	-31,071	-28,408	-33,537	-33,734
72	Balance on services (lines 4 and 21)	7,884	-756	1,251	3,969	3,236	-229	568
73	Balance on goods and services (lines 2 and 19)	-108,575	-30,008	-30,006	-27,102	-25,172	-33,766	-33,166
74	Balance on income (lines 12 and 29)	-1,031	-210	-1,417	2,802	2,435	-2,872	-3,887
75	Unilateral current transfers, net (line 35)	-1,759	400	-671	-935	-733	-528	870
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-111,365	-29,818	-32,094	-25,235	-23,470	-37,166	-36,183

See the footnotes on pages 75-76.

Transactions, by Area—Continues
of dollars]

European Union ¹⁴							United Kingdom							Line
2003	2003			2004			2003	2003			2004			
	II	III	IV	I	II ¹	III ²		II	III	IV	I	II ¹	III ²	
363,531	89,373	89,306	98,095	98,826	105,801	105,094	101,390	25,272	25,551	26,725	27,393	29,843	30,638	1
251,837	62,068	61,596	67,250	67,198	70,516	70,000	67,806	16,696	16,999	17,810	17,823	18,120	18,581	2
147,391	37,086	34,320	38,916	40,830	42,229	40,014	32,869	8,362	7,845	8,170	8,898	8,811	8,465	3
104,446	24,982	27,276	28,334	26,368	28,287	29,986	34,937	8,334	9,154	9,640	8,925	9,309	10,116	4
3,053	696	931	814	790	709	538	388	76	99	94	92	110	145	5
19,124	4,348	5,740	5,336	4,510	5,790	6,839	8,579	2,033	2,464	2,418	1,989	2,370	2,811	6
5,392	1,236	1,548	1,470	1,307	1,544	1,820	2,680	627	743	752	653	735	873	7
9,245	2,279	2,427	2,393	2,489	2,703	3,040	2,410	602	649	630	626	684	751	8
19,844	4,864	4,819	5,468	4,949	5,120	5,170	4,150	975	984	1,138	983	987	1,047	9
47,661	11,527	11,779	12,821	12,299	12,393	12,551	16,714	4,017	4,211	4,604	4,578	4,416	4,482	10
127	32	32	32	24	28	28	16	4	4	4	4	7	7	11
111,694	27,305	27,710	30,845	31,628	35,285	35,094	33,584	8,576	8,552	8,915	9,570	11,723	12,057	12
111,418	27,236	27,640	30,774	31,559	35,207	35,015	33,495	8,554	8,529	8,892	9,547	11,700	12,033	13
67,084	16,475	16,602	19,541	19,671	21,957	20,363	13,970	3,800	3,667	3,876	4,161	5,427	4,844	14
43,550	10,600	10,851	11,027	11,679	13,111	14,464	19,445	4,754	4,862	4,936	5,386	6,273	7,189	15
784	161	187	206	209	139	188	80	80	80	80	80	80	80	16
276	69	70	71	69	78	79	89	22	23	23	23	23	24	17
-456,995	-114,703	-115,496	-119,954	-118,021	-137,794	-136,888	-134,248	-32,642	-33,038	-35,646	-34,637	-39,248	-38,096	18
-341,395	-86,720	-85,909	-90,317	-87,962	-98,926	-97,474	-74,027	-18,571	-18,813	-19,521	-18,866	-20,516	-19,693	19
-245,002	-61,505	-60,223	-65,880	-64,341	-70,658	-68,356	-42,574	-10,530	-10,487	-11,397	-10,889	-11,963	-10,677	20
-96,393	-25,215	-25,686	-24,437	-23,621	-28,268	-29,118	-31,453	-8,041	-8,326	-8,124	-7,977	-8,553	-9,016	21
-9,551	-2,434	-2,323	-2,609	-2,611	-2,581	-2,600	-829	-193	-219	-222	-282	-245	-250	22
-17,160	-5,167	-5,070	-3,668	-3,461	-6,269	-5,930	-5,446	-1,422	-1,536	-1,274	-1,213	-1,660	-1,764	23
-10,046	-2,920	-3,088	-2,152	-2,126	-2,991	-3,470	-3,981	-1,237	-1,145	-899	-859	-1,006	-1,234	24
-13,893	-3,546	-3,595	-3,573	-3,775	-4,126	-4,395	-3,189	-792	-823	-853	-855	-873	-929	25
-8,549	-2,045	-2,239	-2,510	-2,009	-2,341	-2,541	-1,662	-368	-393	-464	-407	-443	-466	26
-36,203	-8,856	-9,123	-9,675	-9,381	-9,702	-9,920	-16,274	-4,011	-4,192	-4,394	-4,343	-4,307	-4,354	27
-991	-247	-248	-250	-258	-258	-262	-72	-18	-18	-18	-18	-19	-19	28
-115,600	-27,983	-29,587	-29,637	-30,059	-38,868	-39,414	-60,221	-14,071	-14,225	-16,125	-15,771	-18,732	-18,403	29
-115,274	-27,905	-29,511	-29,550	-29,971	-38,783	-39,330	-60,143	-14,052	-14,207	-16,104	-15,750	-18,713	-18,384	30
-37,536	-9,323	-10,167	-9,494	-10,183	-16,041	-16,132	-18,882	-4,247	-3,975	-5,289	-4,976	-5,986	-5,439	31
-60,560	-14,297	-15,100	-15,956	-15,800	-18,463	-18,843	-37,536	-8,894	-9,367	-9,949	-9,764	-11,489	-11,603	32
-17,178	-4,285	-4,244	-4,100	-3,988	-4,279	-4,355	-3,725	-911	-865	-866	-1,010	-1,238	-1,342	33
-326	-78	-76	-87	-88	-85	-84	-78	-19	-18	-21	-21	-19	-19	34
667	897	-57	-381	-66	-23	1,023	1,999	1,067	425	236	447	449	920	35
-51	-44	-44	-44	-50	-3	-21	-243	-61	-61	-61	-62	-62	-59	36
-1,373	-342	-341	-352	-357	-370	-362	2,242	1,128	486	297	509	511	979	37
2,091	1,239	328	-29	341	350	1,406								38
-210	-51	-56	-50	-60	-71	-86	-34	-8	-9	-8	-9	-8	-9	39
-182,044	-73,300	-25,600	-215	-172,034	-67,970	-64,261	-124,830	-50,921	-21,721	3,431	-101,487	-44,116	-67,070	40
-386	-104	-85	-77	-118	-91	-111								41
														42
														43
														44
-386	-104	-85	-77	-118	-91	-111								45
505	38	140	89	328	13	124	54	-6	2	58	-4	-7	-4	46
480	28	136	109	335	28	131	68			68				47
25	10	4	-20	-7	-15	-7	-14	-6	2	-10	-4	-7	-4	48
-182,163	-73,234	-25,655	-227	-172,244	-67,892	-64,274	-124,884	-50,915	-21,723	3,373	-101,483	-44,109	-67,066	49
-81,437	-19,707	-22,697	-25,224	-19,638	-34,036	-12,464	-30,456	-4,577	-10,497	-7,110	-260	-16,201	-989	50
-14,536	6,705	-11,277	7,084	-17,502	-28,223	-19,282	-23,032	1,803	-13,195	1,384	-14,089	-27,050	-17,183	51
-34,887	-13,513	16,960	-8,072	-45,296	20,292	4,777	-30,162	-8,433	12,923	-8,807	-31,853	11,166	-964	52
-51,303	-46,719	-8,641	25,985	-89,808	-25,925	-37,305	-41,234	-39,708	-10,954	17,906	-55,281	-12,024	-47,930	53
217,744	9,566	52,874	26,907	155,563	31,197	143,027	182,500	-16,667	73,795	6,398	141,464	12,672	113,297	54
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	55
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	57
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	59
-951	-17	-336	-429	-331	-213	23	-61	37	-3	-12	-91	-16	-32	60
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	61
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	62
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	63
11,516	-9,818	-10,501	6,443	-3,768	4,873	39,669	-1,660	-12,319	-3,253	-4,898	48	1,471	17,629	64
107,652	28,253	10,367	33,709	8,867	31,659	49,868	100,980	28,559	12,047	25,260	9,281	23,373	39,455	65
														66
														67
84,493	2,059	15,202	2,605	37,221	-19,860	12,463	65,782	-1,250	17,365	-8,097	35,995	-15,794	11,370	68
¹⁸ 15,034	¹⁸ -10,911	¹⁸ 38,142	¹⁸ -15,421	¹⁸ 113,574	¹⁸ 14,738	¹⁸ 41,004	¹⁸ 17,459	¹⁸ -31,694	¹⁸ 47,639	¹⁸ -5,855	¹⁸ 96,231	¹⁸ 3,638	¹⁸ 44,875	69
57,307	88,218	-971	-4,402	35,792	68,860	-47,909	-26,777	73,899	-45,003	-1,136	-33,171	40,408	-39,680	70
-97,611	-24,419	-25,903	-26,964	-23,511	-28,429	-28,342	-9,705	-2,168	-2,642	-3,227	-1,991	-3,152	-2,212	71
8,053	-233	1,590	3,897	2,747	19	868	3,484	293	828	1,516	948	756	1,100	72
-89,558	-24,652	-24,313	-23,067	-20,764	-28,410	-27,474	-6,221	-1,875	-1,814	-1,711	-1,043	-2,396	-1,112	73
-3,906	-678	-1,877	1,208	1,569	-3,583	-4,320	-26,637	-5,495	-5,673	-7,210	-6,201	-7,009	-6,346	74
667	897	-57	-381	-66	-23	1,023	1,999	1,067	425	236	447	449	920	75
-92,797	-24,433	-26,247	-22,240	-19,261	-32,016	-30,771	-30,859	-6,303	-7,062	-8,685	-6,797	-8,956	-6,538	76

Table 11. U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Canada						
		2003	2003			2004		
			II	III	IV	I	II ^r	III ^p
Current account								
1	Exports of goods and services and income receipts	221,396	57,416	52,219	57,789	59,564	64,141	61,305
2	Exports of goods and services	196,914	51,608	46,197	50,916	52,775	56,312	53,779
3	Goods, balance of payments basis ²	169,905	44,823	39,517	44,071	45,016	48,787	46,586
4	Services ³	27,009	6,785	6,680	6,845	7,759	7,525	7,193
5	Transfers under U.S. military agency sales contracts ⁴	200	57	51	48	60	30	23
6	Travel	6,844	1,869	1,601	1,547	2,288	2,260	1,834
7	Passenger fares	2,114	528	552	512	713	560	519
8	Other transportation	2,614	640	661	669	679	741	767
9	Royalties and license fees ⁵	3,389	836	819	936	868	844	877
10	Other private services ⁵	11,764	2,834	2,975	3,112	3,131	3,068	3,151
11	U.S. Government miscellaneous services	84	21	21	21	20	22	22
12	Income receipts	24,482	5,808	6,022	6,873	6,789	7,829	7,526
13	Income receipts on U.S.-owned assets abroad	24,384	5,784	5,997	6,847	6,761	7,803	7,498
14	Direct investment receipts	17,430	4,125	4,298	5,085	5,040	5,874	5,548
15	Other private receipts	6,954	1,659	1,699	1,762	1,721	1,929	1,950
16	U.S. Government receipts							
17	Compensation of employees	98	24	25	26	28	26	28
18	Imports of goods and services and income payments	-253,269	-62,886	-63,394	-65,368	-68,073	-75,193	-74,773
19	Imports of goods and services	-243,670	-60,946	-60,500	-62,376	-65,093	-71,661	-70,722
20	Goods, balance of payments basis ²	-224,249	-56,362	-54,678	-57,829	-60,998	-66,377	-64,318
21	Services ³	-19,421	-4,584	-5,822	-4,547	-4,095	-5,284	-6,404
22	Direct defense expenditures	-95	-19	-24	-33	-26	-37	-25
23	Travel	-6,376	-1,514	-2,731	-1,168	-1,040	-1,789	-3,120
24	Passenger fares	-406	-81	-126	-112	-75	-133	-147
25	Other transportation	-3,634	-938	-913	-909	-993	-1,040	-1,032
26	Royalties and license fees ⁵	-810	-170	-195	-239	-192	-219	-220
27	Other private services ⁵	-7,920	-1,817	-1,788	-2,041	-1,722	-2,011	-1,794
28	U.S. Government miscellaneous services	-180	-45	-45	-45	-47	-55	-66
29	Income payments	-9,599	-1,940	-2,894	-2,992	-2,980	-3,532	-4,051
30	Income payments on foreign-owned assets in the United States	-9,253	-1,856	-2,811	-2,898	-2,884	-3,443	-3,962
31	Direct investment payments	-3,528	-516	-1,330	-1,333	-1,264	-1,663	-2,132
32	Other private payments	-4,678	-1,112	-1,187	-1,233	-1,255	-1,376	-1,416
33	U.S. Government payments	-1,047	-228	-294	-332	-365	-404	-414
34	Compensation of employees	-346	-84	-83	-94	-96	-89	-89
35	Unilateral current transfers, net	-190	-47	-28	-52	-128	-82	-22
36	U.S. Government grants ⁴							-7
37	U.S. Government pensions and other transfers	-553	-139	-139	-139	-141	-142	-158
38	Private remittances and other transfers ⁶	363	92	111	87	13	60	143
Capital and financial account								
Capital account								
39	Capital account transactions, net	102	29	32	25	19	26	11
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	5,171	10,035	-4,433	-1,049	-7,194	-15,338	5,956
41	U.S. official reserve assets, net							
42	Gold ⁷							
43	Special drawing rights							
44	Reserve position in the International Monetary Fund							
45	Foreign currencies							
46	U.S. Government assets, other than official reserve assets, net							
47	U.S. credits and other long-term assets							
48	Repayments on U.S. credits and other long-term assets ⁸							
49	U.S. foreign currency holdings and U.S. short-term assets, net							
50	U.S. private assets, net	5,171	10,035	-4,433	-1,049	-7,194	-15,338	5,956
51	Direct investment	-13,826	-3,730	-3,715	1,608	-5,747	-5,058	-4,662
52	Foreign securities	7,648	1,793	2,803	-1,168	1,385	-12,506	4,196
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-601	770	1,597	-971	-1,801	3,254	-1,299
54	U.S. claims reported by U.S. banks, not included elsewhere	11,950	11,202	-5,118	-518	-1,031	-1,028	7,721
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	35,399	7,861	4,576	14,265	11,182	17,127	17,177
56	Foreign official assets in the United States, net	-1,105	-168	406	-365	892	-114	968
57	U.S. Government securities	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
58	U.S. Treasury securities ⁹	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
59	Other ¹⁰	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
60	Other U.S. Government liabilities ¹¹	-39	-12	-19	4	-31	23	5
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
62	Other foreign official assets ¹²	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
63	Other foreign assets in the United States, net	36,504	8,029	4,170	14,630	10,290	17,241	16,209
64	Direct investment	9,116	957	1,951	6,495	-726	17,843	3,280
65	U.S. Treasury securities	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
66	U.S. securities other than U.S. Treasury securities	13,977	3,953	-1,837	9,061	6,220	-2,115	7,760
67	U.S. currency							
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
69	U.S. liabilities reported by U.S. banks, not included elsewhere	2,716	2,680	-2,551	-96	-4,148	928	1,394
70	Statistical discrepancy (sum of above items with sign reversed)	-8,609	-12,408	11,028	-5,610	4,630	9,319	-9,654
Memoranda:								
71	Balance on goods (lines 3 and 20)	-54,344	-11,539	-15,161	-13,758	-15,982	-17,590	-17,732
72	Balance on services (lines 4 and 21)	7,588	2,201	858	2,298	3,664	2,241	789
73	Balance on goods and services (lines 2 and 19)	-46,756	-9,338	-14,303	-11,460	-12,318	-15,349	-16,943
74	Balance on income (lines 12 and 29)	14,883	3,868	3,128	3,881	3,809	4,297	3,475
75	Unilateral current transfers, net (line 35)	-190	-47	-28	-52	-128	-82	-22
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-32,063	-5,517	-11,203	-7,631	-8,637	-11,134	-13,490

Table 11. U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Japan						
		2003	2003			2004		
			II	III	IV	I	II ^r	III ^p
Current account								
1	Exports of goods and services and income receipts	95,613	22,830	24,185	25,538	25,641	26,211	26,790
2	Exports of goods and services.....	80,613	19,352	20,547	21,209	21,036	21,492	22,036
3	Goods, balance of payments basis ²	50,250	12,912	12,260	12,925	12,708	13,329	12,799
4	Services ³	30,363	6,440	8,287	8,284	8,328	8,163	9,237
5	Transfers under U.S. military agency sales contracts ⁴	475	120	105	99	111	115	107
6	Travel.....	7,595	1,215	2,367	2,220	2,171	2,097	2,701
7	Passenger fares.....	2,422	418	770	701	706	672	910
8	Other transportation.....	3,145	766	793	848	884	941	935
9	Royalties and license fees ⁵	6,657	1,600	1,669	1,804	1,714	1,740	1,740
10	Other private services ⁵	9,965	2,295	2,557	2,586	2,726	2,582	2,828
11	U.S. Government miscellaneous services.....	104	26	26	26	16	16	16
12	Income receipts.....	15,000	3,478	3,638	4,329	4,605	4,719	4,754
13	Income receipts on U.S.-owned assets abroad.....	14,928	3,460	3,620	4,311	4,587	4,701	4,736
14	Direct investment receipts.....	9,183	2,111	2,198	2,778	2,824	2,853	2,755
15	Other private receipts.....	5,742	1,349	1,421	1,532	1,763	1,848	1,980
16	U.S. Government receipts.....	3		1	1			1
17	Compensation of employees.....	72	18	18	18	18	18	18
18	Imports of goods and services and income payments	-171,253	-41,711	-42,675	-46,011	-46,663	-48,889	-49,666
19	Imports of goods and services.....	-137,243	-33,644	-33,564	-36,404	-36,385	-37,323	-37,685
20	Goods, balance of payments basis ²	-118,034	-29,178	-28,655	-31,215	-31,141	-32,029	-32,301
21	Services ³	-19,209	-4,466	-4,909	-5,189	-5,244	-5,294	-5,384
22	Direct defense expenditures.....	-1,650	-422	-407	-430	-453	-402	-405
23	Travel.....	-2,323	-516	-615	-604	-542	-708	-706
24	Passenger fares.....	-966	-213	-250	-262	-275	-172	-270
25	Other transportation.....	-4,763	-1,125	-1,234	-1,271	-1,320	-1,400	-1,541
26	Royalties and license fees ⁵	-5,594	-1,223	-1,470	-1,532	-1,580	-1,465	-1,385
27	Other private services ⁵	-3,717	-918	-884	-1,041	-1,024	-1,096	-1,027
28	U.S. Government miscellaneous services.....	-196	-49	-49	-49	-50	-51	-50
29	Income payments.....	-34,010	-8,067	-9,111	-9,607	-10,278	-11,566	-11,981
30	Income payments on foreign-owned assets in the United States.....	-33,920	-8,048	-9,095	-9,579	-10,250	-11,547	-11,964
31	Direct investment payments.....	-7,629	-1,705	-2,513	-2,660	-2,634	-3,049	-3,116
32	Other private payments.....	-5,852	-1,372	-1,448	-1,516	-1,555	-1,870	-1,960
33	U.S. Government payments.....	-20,439	-4,971	-5,134	-5,403	-6,061	-6,628	-6,888
34	Compensation of employees.....	-90	-19	-16	-28	-28	-19	-17
35	Unilateral current transfers, net	59	48	-28	-4	-105	12	-5
36	U.S. Government grants ⁴							
37	U.S. Government pensions and other transfers.....	-141	-35	-35	-37	-37	-38	-27
38	Private remittances and other transfers ⁶	200	83	7	33	-68	50	22
Capital and financial account								
Capital account								
39	Capital account transactions, net	24	6	6	6	6	6	6
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-59,919	-8,669	-11,990	-25,465	-5,234	-14,795	-19,282
41	U.S. official reserve assets, net.....						-1	-1
42	Gold ⁷							
43	Special drawing rights.....							
44	Reserve position in the International Monetary Fund.....							
45	Foreign currencies.....						-1	-1
46	U.S. Government assets, other than official reserve assets, net.....		2		-10			-1
47	U.S. credits and other long-term assets.....							
48	Repayments on U.S. credits and other long-term assets ⁸							
49	U.S. foreign currency holdings and U.S. short-term assets, net.....		2		-10			-1
50	U.S. private assets, net.....	-59,919	-8,671	-11,990	-25,455	-5,234	-14,794	-19,280
51	Direct investment.....	-5,800	-1,270	-2,158	-1,272	560	-3,453	-3,372
52	Foreign securities.....	-31,975	-92	-10,567	-20,154	-13,441	2,639	-5,717
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	-451	-567	-306	-679	792	-821	31
54	U.S. claims reported by U.S. banks, not included elsewhere.....	-21,693	-6,742	1,041	-3,350	6,855	-13,159	-10,222
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	140,569	44,840	18,718	54,479	105,026	60,583	41,447
56	Foreign official assets in the United States, net.....	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
57	U.S. Government securities.....	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
58	U.S. Treasury securities ⁹	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
59	Other ¹⁰	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
60	Other U.S. Government liabilities ¹¹	-114	21	202	-161	-103	-83	423
61	U.S. liabilities reported by U.S. banks, not included elsewhere.....	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
62	Other foreign official assets ¹²	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
63	Other foreign assets in the United States, net.....	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
64	Direct investment.....	6,494	3,174	2,197	3,187	2,739	3,936	3,298
65	U.S. Treasury securities.....	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)	(¹⁸)
66	U.S. securities other than U.S. Treasury securities.....	-5,539	3,339	-15,783	4,636	4,643	21,243	3,205
67	U.S. currency.....							
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	242	-74	377	-44	1,257	-792	1,226
69	U.S. liabilities reported by U.S. banks, not included elsewhere.....	¹⁸ 139,486	¹⁸ 38,380	¹⁸ 31,725	¹⁸ 46,861	¹⁸ 96,490	¹⁸ 36,279	¹⁸ 33,295
70	Statistical discrepancy (sum of above items with sign reversed)	-5,093	-17,344	11,784	-8,543	-78,671	-23,128	710
Memoranda:								
71	Balance on goods (lines 3 and 20).....	-67,784	-16,266	-16,395	-18,290	-18,433	-18,700	-19,502
72	Balance on services (lines 4 and 21).....	11,154	1,974	3,378	3,095	3,084	2,869	3,853
73	Balance on goods and services (lines 2 and 19).....	-56,630	-14,292	-13,017	-15,195	-15,349	-15,831	-15,649
74	Balance on income (lines 12 and 29).....	-19,010	-4,589	-5,473	-5,278	-5,673	-6,847	-7,227
75	Unilateral current transfers, net (line 35).....	59	48	-28	-4	-105	12	-5
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-75,581	-18,833	-18,518	-20,477	-21,127	-22,666	-22,881

Table 11. U.S. International Transactions, by Area

[Millions of dollars]

Line	(Credits +; debits -) ¹	International organizations and unallocated ¹⁶						
		2003	2003			2004		
			II	III	IV	I	II ^r	III ^p
Current account								
1	Exports of goods and services and income receipts	38,343	9,353	9,637	9,894	10,048	10,320	10,496
2	Exports of goods and services	5,952	1,468	1,468	1,541	1,521	1,615	1,730
3	Goods, balance of payments basis ²							
4	Services ³	5,952	1,468	1,468	1,541	1,521	1,615	1,730
5	Transfers under U.S. military agency sales contracts ⁴							
6	Travel							
7	Passenger fares							
8	Other transportation	707	175	174	178	192	197	262
9	Royalties and license fees ⁵	2,537	621	625	692	637	653	666
10	Other private services ⁵	2,708	672	669	671	692	765	802
11	U.S. Government miscellaneous services							
12	Income receipts	32,391	7,885	8,169	8,353	8,527	8,705	8,766
13	Income receipts on U.S.-owned assets abroad	30,551	7,452	7,700	7,864	8,074	8,267	8,289
14	Direct investment receipts	21,914	5,440	5,542	5,619	5,672	5,701	5,705
15	Other private receipts	8,223	1,909	2,061	2,148	2,302	2,476	2,486
16	U.S. Government receipts	414	103	97	97	100	90	98
17	Compensation of employees	1,840	433	469	489	453	438	477
18	Imports of goods and services and income payments	-17,121	-4,307	-4,354	-4,333	-4,638	-4,701	-5,765
19	Imports of goods and services	-3,639	-970	-948	-899	-1,129	-1,113	-2,111
20	Goods, balance of payments basis ²							
21	Services ³	-3,639	-970	-948	-899	-1,129	-1,113	-2,111
22	Direct defense expenditures							
23	Travel							
24	Passenger fares							
25	Other transportation	-2,560	-714	-672	-602	-859	-825	-1,023
26	Royalties and license fees ⁵	-969	-230	-247	-267	-241	-258	-1,057
27	Other private services ⁵	-106	-25	-28	-29	-28	-29	-30
28	U.S. Government miscellaneous services	-4	-1	-1	-1	-1	-1	-1
29	Income payments	-13,482	-3,337	-3,406	-3,434	-3,509	-3,588	-3,654
30	Income payments on foreign-owned assets in the United States	-13,482	-3,337	-3,406	-3,434	-3,509	-3,588	-3,654
31	Direct investment payments	-10,118	-2,513	-2,547	-2,580	-2,611	-2,642	-2,672
32	Other private payments	-3,196	-777	-819	-823	-869	-915	-949
33	U.S. Government payments	-168	-47	-40	-31	-29	-31	-33
34	Compensation of employees							
35	Unilateral current transfers, net	-7,581	-1,741	-1,857	-2,463	-1,859	-1,819	-1,916
36	U.S. Government grants ⁴	-1,227	-295	-476	-309	-85	-164	-95
37	U.S. Government pensions and other transfers	-1,531	-274	-231	-884	-403	-203	-361
38	Private remittances and other transfers ⁶	-4,823	-1,172	-1,150	-1,270	-1,371	-1,452	-1,460
Capital and financial account								
Capital account								
39	Capital account transactions, net							
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-21,418	-5,871	-7,518	-2,521	-6,566	-1,680	-6,885
41	U.S. official reserve assets, net	2,095	-16	-480	2,338	715	1,255	578
42	Gold ⁷							
43	Special drawing rights	601	-102	-97	-97	-100	-90	-98
44	Reserve position in the International Monetary Fund	1,494	86	-383	2,435	815	1,345	676
45	Foreign currencies							
46	U.S. Government assets, other than official reserve assets, net	-1,064	-261	-295	-245	-247	-245	-741
47	U.S. credits and other long-term assets	-1,064	-261	-295	-245	-247	-245	-741
48	Repayments on U.S. credits and other long-term assets ⁸							
49	U.S. foreign currency holdings and U.S. short-term assets, net							
50	U.S. private assets, net	-22,449	-5,594	-6,743	-4,614	-7,034	-2,690	-6,722
51	Direct investment	-21,914	-5,440	-5,542	-5,619	-5,672	-5,701	-5,705
52	Foreign securities	-588	-86	-46	-472	-94	-111	15
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-9		-2	2	-1		
54	U.S. claims reported by U.S. banks, not included elsewhere	62	-68	-1,153	1,475	-1,267	3,122	-1,032
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	23,648	7,085	5,535	5,212	998	10,195	3,143
56	Foreign official assets in the United States, net	211	25	3	15	2		101
57	U.S. Government securities							
58	U.S. Treasury securities ⁹							
59	Other ¹⁰							
60	Other U.S. Government liabilities ¹¹	211	25	3	15	2		101
61	U.S. liabilities reported by U.S. banks, not included elsewhere							
62	Other foreign official assets ¹²							
63	Other foreign assets in the United States, net	23,437	7,060	5,532	5,197	996	10,195	3,042
64	Direct investment	10,118	2,513	2,547	2,580	2,611	2,642	2,672
65	U.S. Treasury securities							
66	U.S. securities other than U.S. Treasury securities	(¹⁸) -996	(¹⁸) -427	(¹⁸) -494	(¹⁸) 128	(¹⁸) 286	(¹⁸) 540	(¹⁸) 496
67	U.S. currency	16,640	1,458	2,768	7,487	-1,800	8,754	2,560
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-22						
69	U.S. liabilities reported by U.S. banks, not included elsewhere	¹⁸ -2,303	¹⁸ 3,516	¹⁸ 711	¹⁸ -4,998	¹⁸ -101	¹⁸ -1,741	¹⁸ -2,686
70	Statistical discrepancy (sum of above items with sign reversed)	-15,871	-4,519	-1,443	-5,789	2,017	-12,315	927
Memoranda:								
71	Balance on goods (lines 3 and 20)							
72	Balance on services (lines 4 and 21)	2,313	498	520	642	392	502	-381
73	Balance on goods and services (lines 2 and 19)	2,313	498	520	642	392	502	-381
74	Balance on income (lines 12 and 29)	18,909	4,548	4,763	4,919	5,018	5,117	5,112
75	Unilateral current transfers, net (line 35)	-7,581	-1,741	-1,857	-2,463	-1,859	-1,819	-1,916
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	13,641	3,305	3,426	3,098	3,551	3,800	2,815

Footnotes to U.S. International Transactions Tables 1–11

General notes for all tables: p Preliminary. r Revised. * Less than \$500,000 (+/-). D Suppressed to avoid disclosure of data of individual companies. Quarterly estimates are not annualized and are expressed at quarterly rates.

Table 1:

1. Credits, +: Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows—increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).

Debits, -: Imports of goods and services and income payments; unilateral current transfers to foreigners; capital account transactions payments; financial outflows—decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).

2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census import documents, and reflects various other adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see table 2.

3. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.

4. Includes transfers of goods and services under U.S. military grant programs.

5. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.

6. Beginning in 1982, the "other transfers" component includes taxes paid by U.S. private residents to foreign governments and taxes paid by private nonresidents to the U.S. Government.

7. At the present time, all U.S. Treasury-owned gold is held in the United States.

8. Includes sales of foreign obligations to foreigners.

9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.

10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 5.

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 line 76 and line 39 is equal to "net lending or net borrowing" in the national income and product accounts (NIPAs). However, the foreign transactions account in the NIPAs (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in reconciliation table 2 in appendix A 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 4.3B of the full set of NIPA tables.

Additional footnotes for historical data in July issues of the SURVEY:

14. For 1974, includes extraordinary U.S. Government transactions with India. See "Special U.S. Government Transactions," June 1974 SURVEY, p. 27.

15. For 1978–83, includes foreign currency-denominated notes sold to private residents abroad.

16. Break in series. See Technical Notes in the June 1989–90, 1992–95, and July 1996–2004 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 July 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" monthly data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY). Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975–80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.

2. Adjustments in lines A5 and A13, B12, B47, and B82 reflect the Census Bureau's reconciliation of discrepancies between the goods statistics published by the United States and the counterpart statistics published in Canada. These adjustments are distributed to the affected end-use categories in section C. Beginning in 1986, estimates for undocumented exports to Canada, the largest item in the U.S.-Canadian reconciliation, are included in Census basis data shown in line A1.

3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 11, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 11, line 22 (direct defense expenditures).

4. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stock of U.S.-owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to foreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975–82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

5. Coverage adjustments for special situations in which shipments were omitted from Census data; the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair; and the adjustment of software imports to market value. Also includes addition of understatement of inland freight in f.a.s. values of U.S. imports of goods from Canada in 1974–81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975–82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

6. For 1988–89, correction for the understatement of crude petroleum imports from Canada.

7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 11, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries:* Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC:* Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (Excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995.); *Other countries:* Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."

8. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.

9. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."

10. The "Euro area," which formed in January 1999, includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and from January 2001, Greece.

Table 3:

1. Includes royalties, license fees, and other fees associated with the use of

intangible assets, including patents, trade secrets, and other proprietary rights, that are used in connection with the production of goods.

2. Includes royalties, license fees, and other fees associated with the use of copyrights, trademarks, franchises, rights to broadcast live events, software licensing fees, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States and film and television tape rentals. Payments (imports) include mainly expenditures of U.S. residents temporarily working abroad and film and television tape rentals.

4. These reflect the amount of premiums explicitly charged by, or paid to, insurers and reinsurers.

Table 4:

1. Complete instrument detail is only available beginning with 2003.

2. Prior to 2003, includes only demand deposits and nonnegotiable time and savings deposits.

Table 5:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these military expenditures is applied in lines A43 and A46 to reduce short-term assets previously recorded in lines A41 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A4 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A42 and C9. A third part of line A4, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A37. A fourth part of line A4, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A48.

2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are *not* included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.

3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.

4. Line A38 includes foreign currency collected as interest and line A43 includes foreign currency collected as principal, as recorded in lines A16 and A17, respectively.

5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.

6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.

7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

8. Excludes transactions of the U.S. Enrichment Corporation since it became a non-government entity in July 1998.

Table 6a:

1. For bank affiliates, includes only interest on permanent debt investment by their parent companies. Excludes interest between financial parent companies and nonbank financial affiliates.

2. For bank affiliates, includes only permanent debt investment by their parent companies. Excludes intercompany debt between financial parent companies and nonbank financial affiliates.

Table 7a:

1. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

2. Includes all redemptions and early retirements.

Table 8a:

1. Prior to 2003, securities brokers' claims on and liabilities to their foreign affiliates are included in the estimates. They are excluded beginning in 2003.

2. Estimates of commercial claims and liabilities with unaffiliated foreigners are not available.

3. Complete instrument detail is only available beginning with 2003.

4. Financial intermediaries' accounts are shown under "other claims (liabilities)" because the majority of these claims (liabilities) are in the form of intercompany balances. Financial intermediaries' accounts represent transactions between firms in a direct investment relationship (that is, between U.S. parents and their foreign affiliates or between U.S. affiliates and their foreign-parent groups), where both the U.S. and foreign firms are classified in a finance industry, but the firms are neither banks nor securities brokers.

5. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 9a:

1. Beginning with 2003, includes securities brokers' claims on their foreign affiliates.

2. Complete instrument detail is only available beginning with 2003.

3. Includes foreign official agencies and international and regional organizations. Prior to 2003, also includes government-owned corporations and state, provincial, and local governments and their agencies.

4. U.S.-owned banks include U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. Brokers and dealers may be U.S.-owned or foreign-owned.

5. Commercial paper issued in the U.S. market by foreign incorporated entities and held in U.S. customers' accounts. Excludes commercial paper issued through foreign direct investment affiliates in the United States.

6. Prior to 2003, includes negotiable certificates of deposit and other negotiable and transferable instruments.

7. Prior to 2003, includes only deposits.

8. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 10a:

1. Beginning with 2003, includes securities brokers' liabilities to their foreign affiliates.

2. Complete instrument detail is only available beginning with 2003.

3. U.S.-owned banks include U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. Brokers and dealers may be U.S.-owned or foreign-owned.

4. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 11:

For footnotes 1-13, see table 1.

14. The "European Union" includes Belgium, Denmark, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, United Kingdom; beginning with the first quarter of 1995, also includes Austria, Finland, and Sweden; and beginning with the second quarter of 2004, also includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia. The "European Union" also includes the European Atomic Energy Community, the European Coal and Steel Community (through the third quarter of 2002), and the European Investment Bank.

15. Quarterly estimates for Mexico are available beginning with 2004.

16. Includes, as part of international and unallocated, taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; and net U.S. currency flows. Before 1999, also includes the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Before 1996, also includes small transactions in business services that are not reported by country.

17. Details are not shown separately; see totals in lines 56 and 63.

18. Details not shown separately are included in line 69.