

U.S. International Transactions

Second 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 to \$166.2 billion in the second quarter of 2004 from \$147.2 billion (revised) in the first quarter (table A, chart 1).¹ The increase was more than accounted for by an increase in the deficit on goods and by a decrease in the surplus on income. In contrast, the surplus on services increased, and net outflows for unilateral current transfers decreased.

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—increased to \$146.8 billion in the second quarter from \$138.6 billion in the first quarter. Financial outflows for U.S.-owned assets abroad decreased more than financial inflows for foreign-owned assets in the United States.

The statistical discrepancy—errors and omissions in

recorded transactions—was a positive \$19.7 billion in the second quarter, compared with a positive \$8.9 billion in the first quarter.

The following are highlights for the second quarter of 2004:

- For the third consecutive quarter, a surge in goods imports outpaced a sizable increase in goods exports.
- The surplus on income decreased substantially as a result of a sizable increase in income payments.
- Net foreign private purchases of U.S. Treasury securities slowed, while net foreign private purchases of other U.S. securities picked up.
- U.S. direct investment abroad and foreign direct investment in the United States both picked up.
- U.S. claims and liabilities reported by U.S. banks both increased, but by much less in the second quarter than in the first quarter.

U.S. dollar in exchange markets

In the second quarter, the U.S. dollar appreciated 3 percent on a nominal, trade-weighted, quarterly average basis against a group of seven major currencies

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 -)	2002	2003	2003				2004		Change: 2004 I-II
				I	II	III	IV	I ^r	II ^p	
Current account										
1	Exports of goods and services and income receipts (1).....	1,242,739	1,314,888	315,676	317,367	329,508	352,336	359,604	371,177	11,573
2	Goods, balance of payments basis (3).....	681,833	713,122	173,459	174,554	178,251	186,858	193,920	199,315	5,395
3	Services (4).....	294,107	307,381	74,540	73,920	77,472	81,448	82,156	84,979	2,823
4	Income receipts (12).....	266,799	294,385	67,677	68,893	73,785	84,030	83,528	86,883	3,355
5	Imports of goods and services and income payments (18).....	-1,657,301	-1,778,117	-437,067	-434,873	-444,497	-461,679	-486,042	-518,820	-32,778
6	Goods, balance of payments basis (20).....	-1,164,728	-1,260,674	-311,402	-310,087	-312,886	-326,299	-344,688	-362,895	-18,207
7	Services (21).....	-232,947	-256,337	-61,983	-61,767	-65,087	-67,501	-69,990	-71,685	-1,695
8	Income payments (29).....	-259,626	-261,106	-63,682	-63,019	-66,524	-67,879	-71,364	-84,240	-12,876
9	Unilateral current transfers, net (35).....	-59,382	-67,439	-16,815	-16,369	-16,639	-17,617	-20,726	-18,534	2,192
Capital account										
10	Capital account transactions, net (39).....	-1,260	-3,079	-406	-1,552	-821	-300	-396	-321	75
Financial account										
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40).....	-198,014	-283,414	-102,665	-110,962	-8,138	-61,647	-306,729	-118,455	188,274
12	U.S. official reserve assets, net (41).....	-3,681	1,523	83	-170	-611	2,221	557	1,122	565
13	U.S. Government assets, other than official reserve assets, net (46).....	345	537	53	310	483	-309	727	-41	-768
14	U.S. private assets, net (50).....	-194,678	-285,474	-102,801	-111,102	-8,010	-63,559	-308,013	-119,536	188,477
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55)	768,246	829,173	246,105	218,553	134,202	230,311	445,348	265,246	-180,102
16	Foreign official assets in the United States, net (56).....	113,990	248,573	48,986	65,245	50,663	83,679	127,864	73,877	-53,987
17	Other foreign assets in the United States, net (63).....	654,256	580,600	197,119	153,308	83,539	146,632	317,484	191,369	-126,115
18	Statistical discrepancy (sum of above items with sign reversed) (70).....	-95,028	-12,012	-4,828	27,836	6,385	-41,404	8,941	19,707	10,766
Memoranda:										
19	Balance on current account (76).....	-473,944	-530,668	-138,206	-133,875	-131,628	-126,960	-147,164	-166,177	-19,013
20	Net financial flows (40 and 55).....	570,232	545,759	143,440	107,591	126,064	168,664	138,619	146,791	8,172

r Revised.
p Preliminary.

that are widely traded in international markets (table B, chart 2).

Several factors had a potential impact on the value of the U.S. dollar. In the United States, data releases indicated that U.S. nonfarm employment increased more in March and April than in previous months. U.S. long-term interest rates increased substantially in the first half of the quarter and remained higher by the end of the quarter. At the end of the quarter, U.S. monetary authorities tightened monetary policy for the first time in more than 4 years, raising their target for the federal funds rate by 25 basis points.

In Europe, data releases indicated that euro area economic conditions changed little; growth in some larger countries (notably Germany) remained weaker than in the United States. Yields on long-term German Government bonds increased, but yields on long-

term U.S. Treasury bonds increased even more and surpassed German Government bond yields. Euro area monetary policy was unchanged.

In Japan, data releases in the second quarter indicated that Japanese economic growth in the first quarter was very strong. There were no large-scale intervention sales of yen in foreign currency markets in the second quarter after substantial intervention sales in the first quarter.

Current Account

Goods and services

The deficit on goods and services increased to \$150.3 billion in the second quarter from \$138.6 billion in the first quarter. The increase was more than accounted for by a large increase in the deficit on goods. In contrast, the surplus on services increased.

Goods

The deficit on goods increased to \$163.6 billion in the second quarter from \$150.8 billion in the first quarter, as imports increased much more than exports. The goods deficit has increased significantly over the last three quarters as strong growth in exports has been exceeded by even stronger growth in imports (chart 3).

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

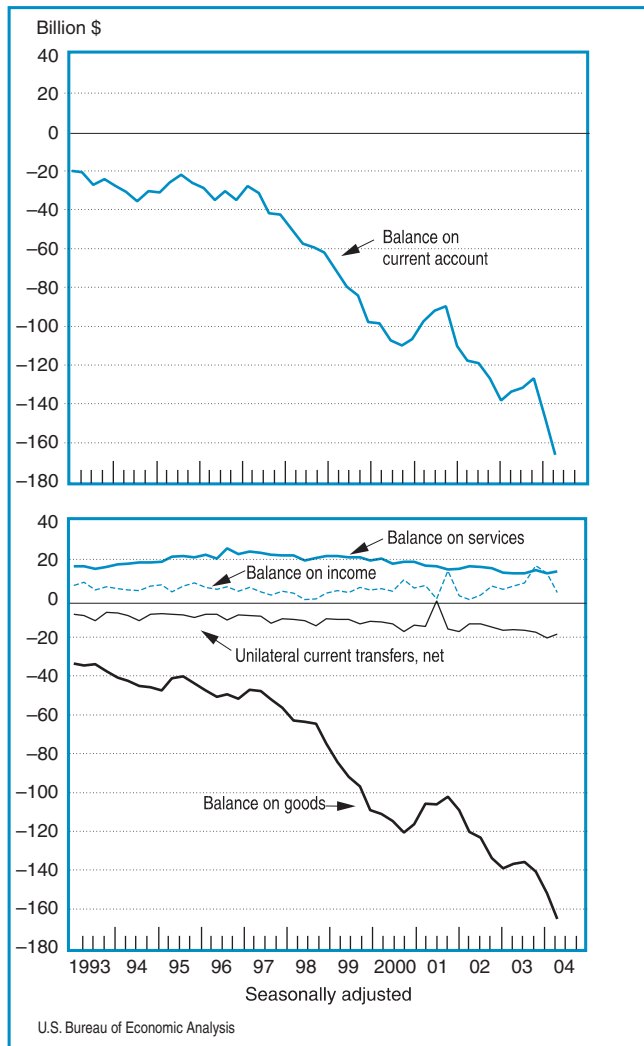
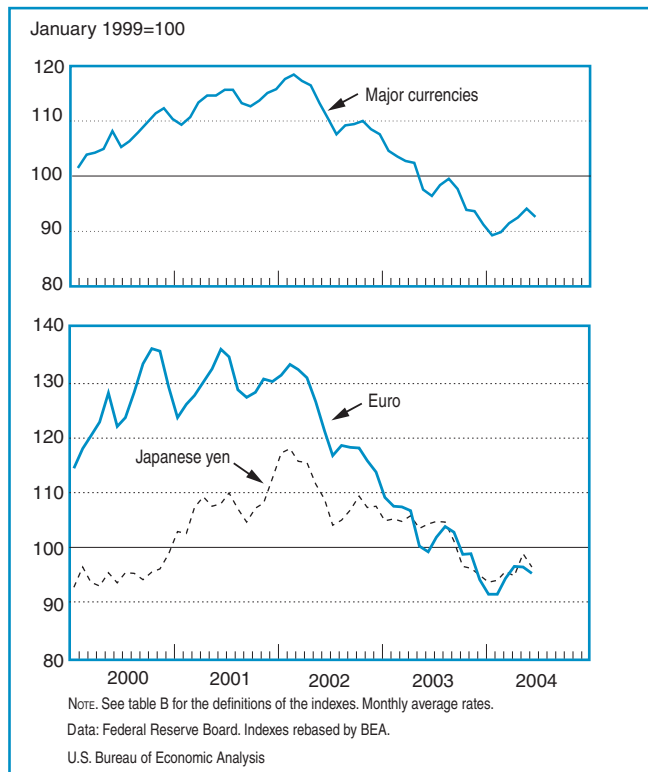


Chart 2. Nominal Indexes of Foreign Currency Price of the U.S. Dollar



The relative strength in imports partly reflects the stronger growth in economic activity in the United States than in most foreign countries.

Exports. Goods exports increased \$5.4 billion, or 3 percent, to a new record of \$199.3 billion in the second quarter of 2004. After falling to a low in the first quarter of 2002, the current-dollar value of exports has increased in eight out of nine quarters and now exceeds the previous record level set in the third quarter of 2000. In the second quarter, real exports increased 2

percent and export prices increased 1 percent (table C).²

Nonagricultural industrial supplies and materials increased strongly in the second quarter, rising \$2.0 billion, after an even sharper increase in the first quarter (chart 4). More than half of the second-quarter

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						
	II	III	IV	I	II	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	
Nominal: ¹																			
Broad ²	104.2	104.1	101.1	99.1	101.5	102.6	103.7	104.9	103.7	101.6	101.5	100.1	98.4	98.9	99.9	100.7	102.4	101.4	
Major currencies ³	98.8	98.6	93.0	90.3	93.2	96.5	98.4	99.6	97.7	94.0	93.7	91.3	89.4	89.9	91.5	92.6	94.2	92.7	
Other important trading partners ⁴	110.7	110.8	111.6	110.7	112.3	110.3	110.1	111.3	111.1	111.4	111.6	111.8	110.4	110.7	110.9	111.2	113.0	112.7	
Real: ¹																			
Broad ²	105.2	105.6	101.6	99.8	102.9	103.8	105.1	106.4	105.2	102.7	101.9	100.3	98.9	99.6	100.9	101.8	103.9	103.1	
Major currencies ³	103.0	103.1	97.0	94.8	98.3	100.6	102.8	104.3	102.3	98.4	97.7	95.0	93.5	94.5	96.4	97.5	99.4	98.1	
Other important trading partners ⁴	107.4	107.9	107.0	105.7	108.2	107.3	107.2	108.5	108.1	107.6	106.7	106.6	105.2	105.6	106.2	106.6	109.0	109.0	
Selected currencies: (nominal) ⁵																			
Canada.....	92.0	90.9	86.6	86.7	89.5	89.0	91.0	91.9	89.7	87.0	86.4	86.4	85.3	87.5	87.4	88.3	90.8	89.4	
European currencies:																			
Euro area ⁶	102.1	102.9	97.4	92.6	96.2	99.3	102.0	103.9	102.9	98.9	99.0	94.3	91.7	91.7	94.5	96.7	96.6	95.4	
United Kingdom.....	101.9	102.4	96.7	89.7	91.4	99.3	101.7	103.5	102.1	98.2	97.6	94.2	90.4	88.4	90.3	91.5	92.4	90.3	
Switzerland.....	96.4	99.0	94.2	90.5	92.2	95.2	98.2	99.7	99.2	95.4	96.1	91.2	89.4	89.8	92.2	93.6	92.7	90.2	
Japan.....	104.6	103.6	96.1	94.6	96.9	104.4	104.8	104.7	101.3	96.7	96.4	95.1	93.8	94.2	95.8	95.0	99.0	96.6	
Mexico.....	103.2	105.9	110.5	108.5	112.5	103.7	103.3	106.5	107.8	110.4	110.1	111.1	107.8	108.9	108.8	111.3	113.7	112.5	
Brazil.....	197.3	194.2	191.9	191.7	201.5	191.1	190.7	198.8	193.1	189.3	192.8	193.5	188.7	194.1	192.2	192.3	205.2	207.0	

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. 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.

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 consists of 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 ^r	2003 ^r	2003				2004	
			I	II	III	IV	I ^r	II ^p			I ^r	II ^r	III ^r	IV ^r	I ^r	II ^p
Exports.....	681,833	713,122	173,459	174,554	178,251	186,858	193,920	199,315	691,087	708,587	173,192	173,580	177,528	184,209	188,230	190,960
Agricultural products.....	54,512	60,883	14,322	14,607	15,651	16,303	15,902	15,690	53,130	53,844	13,286	13,282	14,006	13,279	12,432	11,789
Nonagricultural products.....	627,321	652,239	159,137	159,947	162,600	170,555	178,018	183,625	637,845	654,582	159,864	160,258	163,429	171,029	176,175	179,780
Imports.....	1,164,728	1,260,674	311,402	310,087	312,886	326,299	344,688	362,895	1,222,414	1,285,510	314,462	318,610	319,562	332,921	343,469	354,819
Petroleum and products.....	103,491	133,088	36,040	30,807	32,642	33,599	40,597	41,046	121,562	129,287	32,146	31,930	31,981	33,229	36,086	32,619
Nonpetroleum products.....	1,061,237	1,127,586	275,362	279,280	280,244	292,700	304,091	321,849	1,100,777	1,155,764	282,122	286,603	287,459	299,569	307,048	322,724
	Percent change from previous period (current dollars)								Percent change from previous period (chained (2000) dollars)							
	2002	2003	2003				2004		2002 ^r	2003 ^r	2003				2004	
			I	II	III	IV	I ^r	II ^p			I ^r	II ^r	III ^r	IV ^r	I ^r	II ^p
Exports.....	-5.1	4.6	1.9	0.6	2.1	4.8	3.8	2.8	-4.5	2.5	1.0	0.2	2.3	3.8	2.2	1.5
Agricultural products.....	-0.7	11.7	5.5	2.0	7.1	4.2	-2.5	-1.3	-2.5	1.3	4.6	0.0	5.5	-5.2	-6.4	-5.2
Nonagricultural products.....	-5.5	4.0	1.5	0.5	1.7	4.9	4.4	3.1	-4.7	2.6	0.7	0.2	2.0	4.7	3.0	2.0
Imports.....	1.6	8.2	2.8	-0.4	0.9	4.3	5.6	5.3	3.5	5.2	-0.1	1.3	0.3	4.2	3.2	3.3
Petroleum and products.....	-0.1	28.6	18.0	-14.5	6.0	2.9	20.8	1.1	-2.5	6.4	-1.6	-0.7	0.2	3.9	8.6	-9.6
Nonpetroleum products.....	1.8	6.3	1.1	1.4	0.3	4.4	3.9	5.8	4.1	5.0	0.0	1.6	0.3	4.2	2.5	5.1

^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.

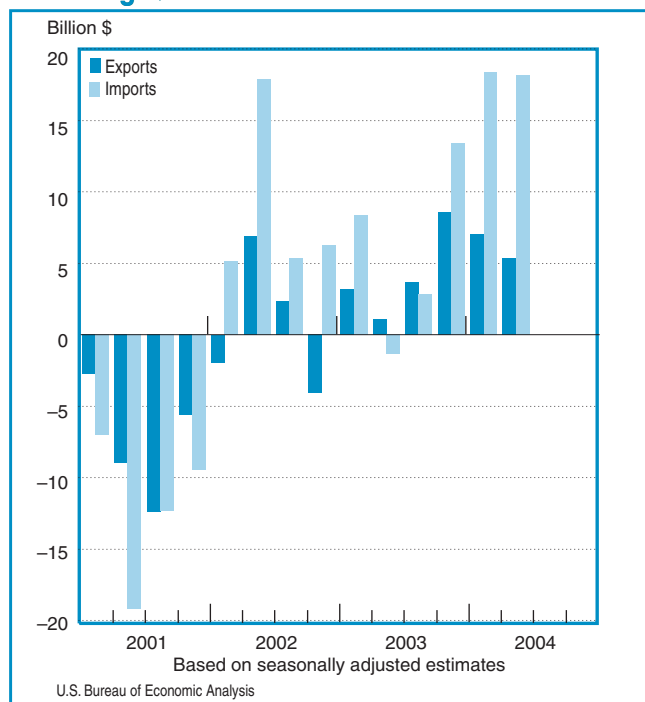
increase was attributable to fuels and lubricants; petroleum and petroleum products increased \$0.7 billion, or 22 percent, and coal and related fuels increased \$0.4 billion, or 73 percent. In addition, chemicals increased \$0.6 billion, and steelmaking materials increased \$0.2 billion. After rising sharply in the first quarter, prices of many nonagricultural industrial supplies and materials again increased substantially in the second quarter, as worldwide economic activity and industrial production remained relatively strong (chart 5).

Capital goods increased \$1.4 billion. After sharp declines in 2001 and little change from early 2002 to mid-2003, capital goods have increased substantially in the last four quarters (chart 6). In the second quarter of 2004, electric generating machinery and parts jumped \$0.6 billion, and most other types of industrial, agricultural, and service machinery also increased. Among technology products, telecommunications equipment continued to increase strongly; however, semiconductors decreased in the second quarter after slowing in the first quarter and computers, peripherals, and parts continued to decrease. Completed civilian aircraft dropped substantially in the second quarter.

Consumer goods increased \$1.1 billion. The largest increases were in medical, dental, and pharmaceutical preparations and in artwork.

Automotive vehicles, engines, and parts increased \$0.5 billion, mainly in passenger cars to Canada, Western Europe, and the Middle East.

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

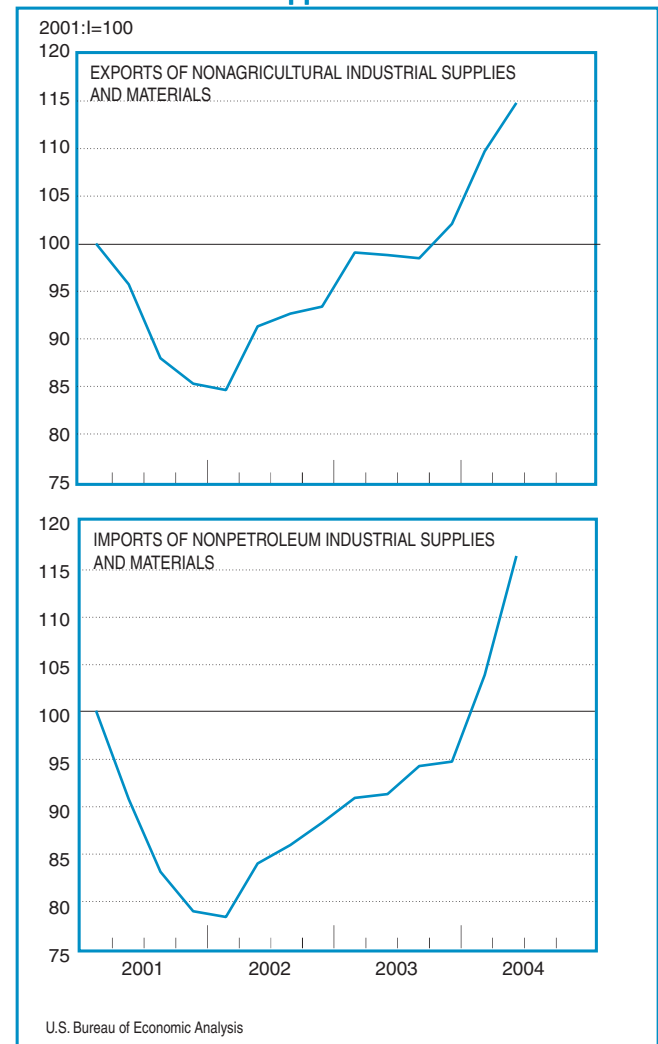


In contrast, agricultural products decreased \$0.2 billion. Declines in soybeans, mainly to China, and in vegetables, fruits, and nuts more than offset increases in meat products and poultry and in corn.

Imports. Goods imports increased \$18.2 billion, or 5 percent, to \$362.9 billion in the second quarter. Imports have increased substantially for three consecutive quarters, largely as a result of strong growth in the U.S. economy, though growth decelerated in the second quarter of 2004. In the second quarter, real imports increased 3 percent, and import prices increased 2 percent (table C).

Nonpetroleum industrial supplies and materials increased very sharply for the second consecutive quarter (chart 4). In the second quarter, iron and steel products rose \$2.0 billion, or 42 percent, the largest increase on record in both dollar and percentage terms. The second-quarter dollar increase more than doubled the previous record increase of \$0.9 billion in the first

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



quarter. The strong increases largely reflected a surge in iron and steel prices in the first half of 2004; prices increased 12 percent in the first quarter and 28 percent in the second quarter (chart 5). U.S. tariffs on steel imports were lifted in December 2003. Building materials increased a record \$1.1 billion, or 15 percent, the largest percentage increase in nearly 11 years; the second-quarter increase partly reflected increased prices for building materials amid continued strength in U.S. housing starts. Nonferrous metals increased \$0.5 billion, mainly from South Africa and Russia. Chemicals and natural gas each increased \$0.4 billion.

Capital goods increased \$4.9 billion, or 6 percent, the fifth consecutive quarterly increase and the largest quarterly increase in 4 years in both dollar and percentage terms (chart 6). After sharp declines in 2001 and little change in 2002, capital goods have increased substantially since the beginning of 2003; the increase

has been supported by increased capital investment by U.S. businesses, particularly for high-tech equipment. In the second quarter, the largest increases were in computers, peripherals, and parts (mainly from China), in civilian aircraft, engines, and parts (mainly from Brazil, Germany, and France), and in "other" industrial, agricultural, and service industry machinery. Telecommunications equipment and electric generating machinery also increased substantially.

Consumer goods increased \$4.1 billion. Durable goods increased \$2.3 billion, mostly as a result of an increase in household and kitchen appliances and other household goods from China and Korea. Nondurable goods increased \$1.5 billion; apparel, footwear, and household goods from China and pharmaceutical products from Ireland accounted for most of the increase.

Automotive vehicles, engines, and parts increased

Chart 5. Percent Change in Export and Import Prices of Selected Industrial Supplies and Materials

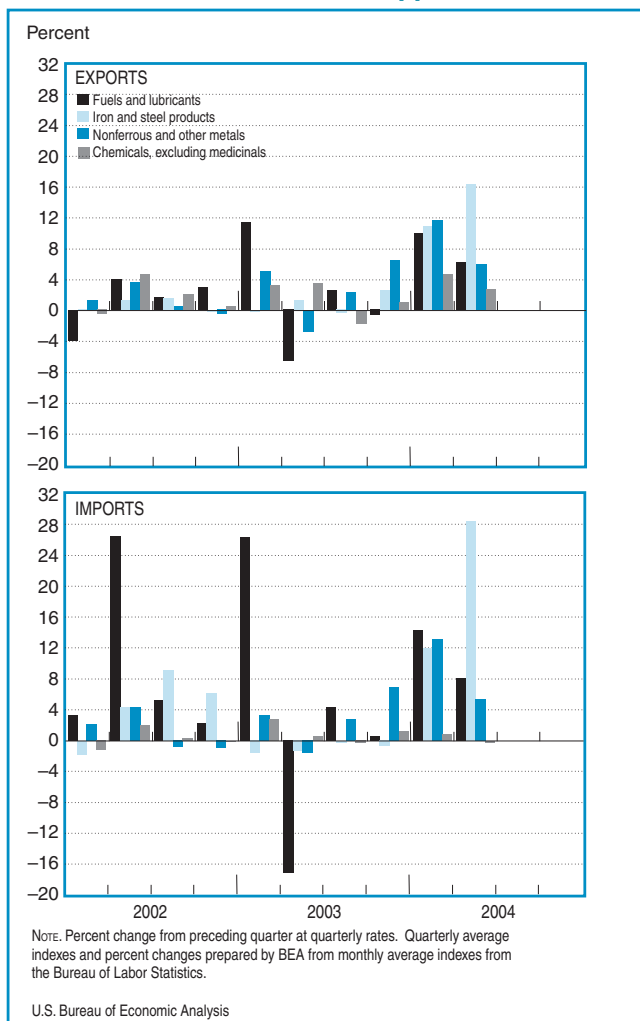
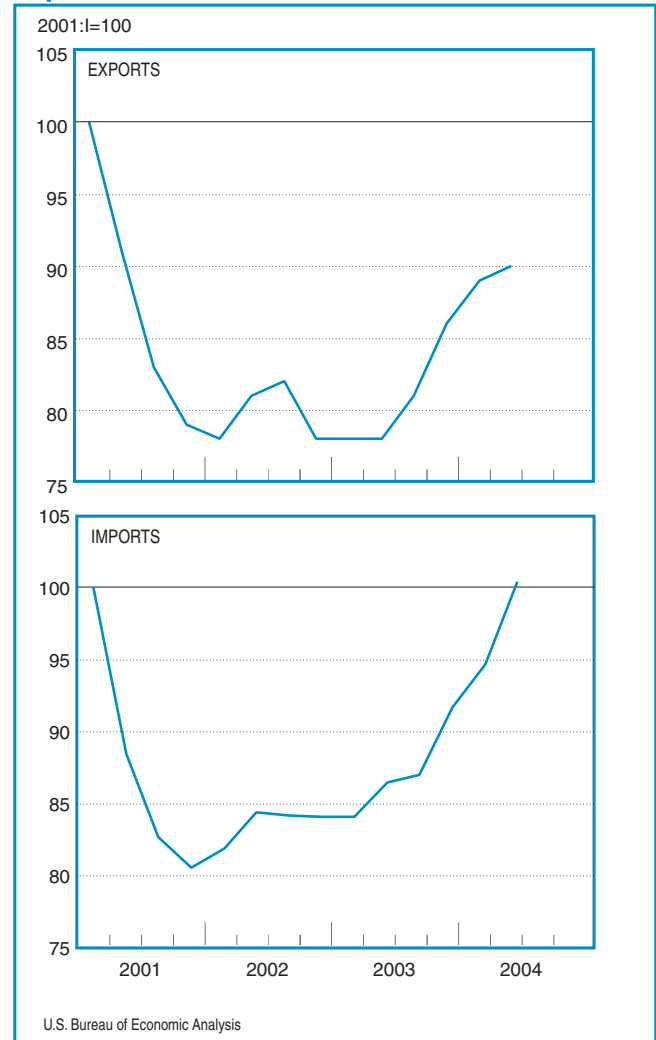


Chart 6. Growth in Exports and Imports of Capital Goods



\$1.6 billion. Two-thirds of the increase was accounted for by an increase in passenger cars from Canada.

Petroleum and petroleum products increased \$0.4 billion, as an increase in prices was largely offset by a decrease in volume. The average price per barrel increased to \$34.55 in the second quarter from \$30.91 in the first quarter, and the average number of barrels imported daily decreased to 13.02 million from 14.39 million. During the quarter, U.S. domestic consumption fell slightly, and domestic production increased.

Balances by area. The goods deficits with nearly all major regions increased in the second quarter.³ The deficit with Asia excluding Japan increased \$8.2 billion after declining for two quarters; a surge in imports from China accounted for most of the increase. The deficit with Europe increased \$3.5 billion as a result of increased imports, mainly from Germany, the United Kingdom, and Ireland. The deficit with Latin America increased \$1.1 billion, to a record \$20.6 billion, largely because of higher imports from Brazil and Mexico.

Services

The surplus on services increased to \$13.3 billion in the second quarter from \$12.2 billion in the first quarter. Services receipts increased \$2.8 billion, to \$85.0 billion, and services payments increased \$1.7 billion, to \$71.7 billion.

Travel receipts increased \$1.1 billion, to \$18.9 billion, and travel payments increased \$0.7 billion, to \$16.2 billion. The increases were attributable to a rise in the number of overseas visitors to the United States and to a rise in the number of U.S. travelers overseas. Passenger fare receipts and passenger fare payments both increased \$0.2 billion, reflecting the rise in the number of international travelers.

“Other” transportation receipts increased \$0.3 billion, to \$9.4 billion. The rise was mostly attributable to increases in air port services and in ocean port services. “Other” transportation payments decreased \$0.1 billion, to \$13.0 billion, mostly because of a decline in ocean freight payments.

“Other” private services receipts increased \$0.8 billion, to \$35.5 billion. The increase was accounted for by increases in receipts for unaffiliated services—particularly business, professional, and technical services—and for affiliated services. “Other” private

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.)

services payments increased \$0.5 billion, to \$23.5 billion. Affiliated services and unaffiliated services increased by similar amounts. The increase in unaffiliated services largely reflected a rise in payments for insurance services.

Income

The surplus on income decreased to \$2.6 billion in the second quarter from \$12.2 billion in the first quarter. A substantial increase in income payments more than offset a rise in income receipts.

Receipts of income on U.S. direct investment abroad increased \$1.1 billion, to \$56.6 billion. Foreign affiliates’ earnings increased gradually in the first half of 2003 and much more strongly in the second half, and then they fell by a relatively small amount in the first quarter of 2004. In the second quarter, earnings rebounded, reflecting the continued growth in economic activity abroad. By industry, earnings increased in manufacturing, in finance and insurance, and in “other” industries (mainly oil and gas extraction as a result of a rise in crude oil prices).

Payments of income on foreign direct investment in the United States increased \$6.8 billion, to \$27.6 billion. After increasing strongly in the first quarter, U.S. affiliates’ earnings increased even more sharply in the second quarter. The increases reflected growth in affiliates’ earnings in many industries, as U.S. economic growth and corporate profitability remained strong. In the second quarter, the largest increases in earnings were in wholesale trade, largely wholesalers of autos and petroleum, in manufacturing, mainly chemicals and petroleum and coal products, and in “other” industries. The increased earnings of affiliates in petroleum partly resulted from a rise in petroleum prices.

Receipts of “other” private income increased \$2.4 billion, to \$28.9 billion. The increase was mostly attributable to a rise in interest receipts on bonds as a

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 our Web site at <www.bea.gov/bea/uguide.htm#_1_22>.

result of a substantial increase in yields and to a rise in interest receipts on bank claims as a result of increases in yields and in average amounts outstanding.

Payments of "other" private income increased \$4.5 billion, to \$33.9 billion. The increase mostly resulted from a rise in interest payments on bonds, reflecting a substantial increase in yields. Interest payments on bank and nonbank liabilities also increased.

Receipts of income on U.S. Government assets decreased \$0.2 billion, to \$0.6 billion. Payments of income on U.S. Government liabilities increased \$1.4 billion, to \$20.5 billion, mostly as a result of increases in average foreign holdings of U.S. Treasury bonds and in average yields on U.S. agency bonds.

Unilateral current transfers

Unilateral current transfers were a net outflow of \$18.5 billion in the second quarter, down from a net outflow of \$20.7 billion in the first quarter. The decrease was more than accounted for by a decrease in U.S. Government grants.

Capital Account

Capital account transactions were a net outflow of \$0.3 billion in the second quarter, down slightly from a net outflow of \$0.4 billion in the first 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 \$146.8 billion in the second quarter, up from \$138.6 billion in the first quarter. Both financial outflows for U.S.-owned assets abroad and financial inflows for foreign-owned assets in the United States decreased sharply from record highs in the first quarter, but outflows decreased more than inflows.

U.S.-owned assets abroad

U.S.-owned assets abroad increased \$118.5 billion in the second quarter after an increase of \$306.7 billion in the first quarter. The slowdown was more than accounted for by a much smaller increase in U.S. claims on foreigners reported by U.S. banks in the second quarter than in the first quarter and by a decrease in U.S. claims on foreigners reported by U.S. nonbanks in the second quarter after a sizable increase in the first quarter. In contrast, both net U.S. purchases of foreign securities and net financial outflows for U.S. direct investment abroad picked up.

U.S. official reserve assets. U.S. official reserve assets decreased \$1.1 billion in the second quarter after a decrease of \$0.6 billion in the first quarter. The second-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 Brazil, Turkey, Argentina, and Russia.

Claims reported by banks and by nonbanks. U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$30.9 billion in the second quarter after a record increase of \$187.1 billion in the first quarter.

Banks' own claims denominated in dollars increased \$12.5 billion in the second quarter after a record increase of \$182.0 billion in the first quarter. The slowdown was attributable to a substantial shift in resale agreements to a second-quarter decrease from an especially large first-quarter increase and to sharply reduced growth in overseas deposits and other bank claims. The modest second-quarter increase in claims was mainly to nonbank investment funds in the Caribbean and to nonbanks in Europe.

Banks' domestic customers' claims increased \$11.3 billion after an increase of \$3.6 billion. In the second quarter, the largest increases were in negotiable certificates of deposits and in deposits and brokerage balances. In contrast, foreign commercial paper decreased.

Claims reported by U.S. nonbanking concerns decreased \$2.4 billion, in contrast to an increase of \$56.8 billion. In the second quarter, a decrease in deposits was mostly offset by increases in resale agreements and in "other" claims.

Foreign securities. Net U.S. purchases of foreign securities were \$30.3 billion in the second quarter, up from \$16.5 billion in the first quarter. A step-up in net U.S. purchases of foreign stocks more than offset a step-up in net U.S. sales of foreign bonds.

Net U.S. purchases of foreign stocks were \$40.2 billion, up from \$21.4 billion. The step-up was partly attributable to exchanges of stock that resulted from foreign acquisitions of U.S. companies. Nonmerger-related net U.S. purchases were boosted by transactions with the United Kingdom, which shifted to net purchases from net sales. In contrast, net U.S. purchases from Japan decreased; the depreciation of the yen against the dollar and little appreciation in Japanese stock prices may have dampened U.S. investors' net purchases.

Net U.S. sales of foreign bonds were \$9.9 billion, up from \$4.9 billion, as global bond markets fell in the second quarter. An increase in net U.S. sales to Japan and a decrease in net U.S. purchases from the United Kingdom more than offset a shift from net U.S. sales to net U.S. purchases from Caribbean financial centers. Foreign new issues in the United States fell to a 14-year low, as an increase in long-term interest rates raised

borrowing costs.

Direct investment. Net financial outflows for U.S. direct investment abroad were \$60.7 billion in the second quarter, up from \$47.6 billion in the first quarter. The increase was accounted for by an increase in net equity capital outflows that mostly resulted from a few large U.S. acquisitions of foreign companies. The acquisitions were in the manufacturing and finance and insurance industries. A small increase in reinvested earnings was offset by a small increase in net intercompany debt inflows.

Foreign-owned assets in the United States

Foreign-owned assets in the United States increased \$265.2 billion in the second quarter after an increase of \$445.3 billion in the first quarter. The slowdown was mostly attributable to a much smaller increase in U.S. liabilities reported by U.S. banks in the second quarter than in the first quarter. In addition, foreign official assets in the United States increased much less in the second quarter than in the first quarter, U.S. liabilities reported by U.S. nonbanks decreased in the second quarter after increasing in the first quarter, and net foreign purchases of U.S. Treasury securities slowed. In contrast, net foreign purchases of U.S. securities other than U.S. Treasury securities picked up.

Foreign official assets. Foreign official assets in the United States increased \$73.9 billion in the second quarter after an increase of \$127.9 billion in the first quarter.

Liabilities reported by banks and by nonbanks. U.S. liabilities reported by U.S. banks and securities brokers, excluding U.S. Treasury securities, increased \$30.9 billion in the second quarter after a record increase of \$140.8 billion in the first quarter.

Banks' own liabilities denominated in dollars increased \$21.2 billion after a record increase of \$135.6 billion. The slowdown in borrowing, to a level more typical of borrowing in most past quarters, partly reflected the slowdown in U.S. bank lending to foreigners that reduced banks' requirements for funding from abroad. Foreign-owned banks repaid some funds borrowed in the first quarter, largely to parent banks in Japan. In contrast, U.S.-owned banks borrowed funds from affiliated branches in Caribbean financial centers and in Europe.

Banks' customers' liabilities increased \$11.8 billion, mostly to the Caribbean, after an increase of \$3.0 billion. U.S. liabilities reported by U.S. nonbanking concerns decreased \$5.2 billion, in contrast to an increase of \$40.7 billion. In the second quarter, repayments of funds previously borrowed from the United Kingdom were mostly offset by borrowing from Caribbean financial centers.

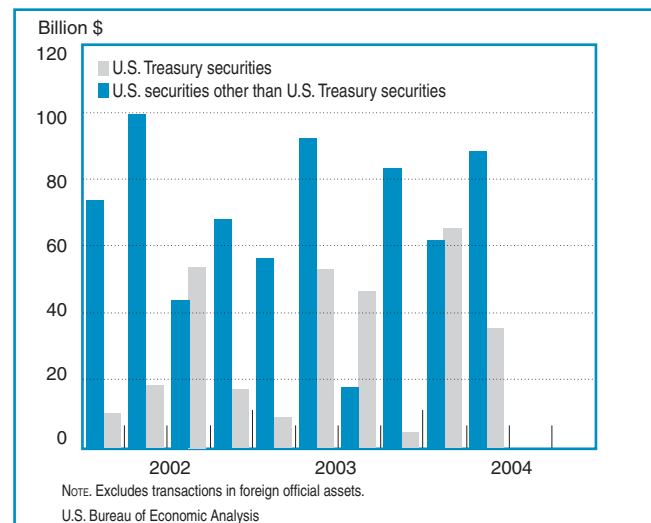
U.S. Treasury securities. Net foreign purchases of U.S. Treasury securities were \$35.6 billion in the second quarter, down from \$65.4 billion in the first quarter (chart 7). In the second quarter, U.S. Treasury bond prices decreased substantially. The slowdown in net foreign purchases was more than accounted for by a shift to net sales by investors in the United Kingdom from strong net purchases. In contrast, net purchases by investors in Caribbean financial centers and in Asian countries except Japan increased, and transactions by investors in Latin America shifted to net purchases from net sales.

Other U.S. securities. Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$88.6 billion, up from \$62.1 billion (chart 7). The pickup was more than accounted for by a step-up in net foreign purchases of U.S. federally sponsored agency bonds. Net foreign purchases of U.S. corporate bonds changed little, and net foreign purchases of U.S. stocks were slightly lower.

Net foreign purchases of U.S. stocks decreased to \$2.0 billion from \$4.2 billion. A shift in nonmerger-related transactions to net sales by foreign residents from net purchases more than offset an increase in merger-related foreign acquisitions of U.S. stocks. U.S. stock prices fell in the first half of the quarter, but they rebounded in the second half to nearly the same level as at the beginning of the quarter.

Net foreign purchases of U.S. corporate bonds increased slightly to \$51.5 billion from \$51.2 billion. Although bond prices decreased, foreign demand for U.S. corporate bonds remained strong due to the improving credit quality of U.S. corporations that resulted from the recent strength in U.S. economic

Chart 7. Net Foreign Purchases of U.S. Securities



activity and in corporate profits. New U.S. corporate issues sold abroad, mainly denominated in euro and yen, increased, while net foreign purchases of outstanding U.S. corporate bonds decreased.

Net foreign purchases of U.S. federally sponsored agency bonds increased to a record \$35.1 billion from \$6.7 billion. After five quarters of net foreign sales, transactions in outstanding U.S. agency bonds shifted to net foreign purchases in the second quarter.

U.S. currency flows. Net U.S. currency shipments to foreigners were \$8.8 billion in the second quarter, following net shipments from foreigners to the United States of \$1.8 billion in the first quarter.

Direct investment. Net financial inflows for foreign

direct investment in the United States were \$32.7 billion in the second quarter, up from \$10.2 billion in the first quarter. The increase, the largest in 4 years, was more than accounted for by increases in net equity capital inflows and in reinvested earnings. Net equity capital inflows were boosted by foreign acquisitions of U.S. companies in finance, in manufacturing, and in other industries. The increase in reinvested earnings was largely attributable to a strong increase in earnings. In contrast, intercompany debt shifted to net outflows from net inflows, mostly because of a shift to net outflows to the United Kingdom and increased net outflows to Luxembourg.

Tables 1 through 11 follow.

Table 1. U.S. International Transactions

[Millions of dollars]

Line	(Credits +; debits -) ¹	Not seasonally adjusted											Seasonally adjusted			
		2003		2003				2004		2003				2004		
		I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^p			
Current account																
1	Exports of goods and services and income receipts	1,314,888	312,717	319,352	327,829	354,990	358,940	374,040	315,676	317,367	329,508	352,336	359,604	371,177		
2	Exports of goods and services	1,020,503	244,400	249,271	253,788	273,044	274,808	285,479	247,999	248,474	255,723	268,306	276,076	284,294		
3	Goods, balance of payments basis ²	713,122	171,660	177,552	172,740	191,170	193,902	202,808	173,459	174,554	178,251	186,858	193,920	199,315		
4	Services ³	307,381	72,740	71,719	81,048	81,874	80,906	82,671	74,540	73,920	77,472	81,448	82,156	84,979		
5	Transfers under U.S. military agency sales contracts ⁴	12,491	2,827	3,014	3,292	3,358	3,290	3,739	2,827	3,014	3,292	3,358	3,290	3,739		
6	Travel	64,509	13,602	14,518	19,220	17,169	16,103	19,199	15,862	14,360	16,216	18,071	17,878	18,932		
7	Passenger fares	15,693	3,454	3,440	4,561	4,238	4,183	4,518	3,825	3,522	4,036	4,310	4,527	4,690		
8	Other transportation	31,833	7,352	7,777	8,215	8,489	8,653	9,428	7,683	7,709	7,893	8,548	9,060	9,374		
9	Royalties and license fees ⁵	48,227	11,286	11,779	11,914	13,248	12,136	12,344	11,628	11,943	12,175	12,481	12,472	12,508		
10	Other private services ⁵	133,818	34,017	30,989	33,643	35,169	36,357	33,256	32,513	33,170	33,657	34,477	34,745	35,549		
11	U.S. Government miscellaneous services	810	202	202	203	203	184	187	202	202	203	203	184	187		
12	Income receipts	294,385	68,317	70,081	74,041	81,946	84,132	88,561	67,677	68,893	73,785	84,030	83,528	86,883		
13	Income receipts on U.S.-owned assets abroad	291,354	67,576	69,351	73,272	81,155	83,373	87,818	66,936	68,163	73,016	83,239	82,769	86,140		
14	Direct investment receipts	187,522	41,288	43,984	47,452	54,798	56,066	58,402	40,748	42,704	47,229	56,843	55,553	56,642		
15	Other private receipts	99,135	25,345	24,218	24,498	25,074	26,433	28,878	25,345	24,218	24,998	25,074	26,433	28,878		
16	U.S. Government receipts	4,697	943	1,149	1,322	1,283	874	538	843	1,241	1,289	1,322	783	620		
17	Compensation of employees	3,031	741	730	769	791	759	743	741	730	769	791	759	743		
18	Imports of goods and services and income payments	-1,778,117	-418,713	-438,545	-455,104	-465,755	-469,523	-523,904	-437,067	-434,873	-444,497	-461,679	-486,042	-518,820		
19	Imports of goods and services	-1,517,011	-355,417	-374,644	-387,701	-399,429	-398,564	-438,616	-373,385	-371,854	-377,973	-393,800	-414,678	-434,580		
20	Goods, balance of payments basis ²	-1,260,674	-297,186	-310,988	-319,254	-332,718	-332,718	-364,846	-311,402	-310,087	-312,886	-326,299	-344,688	-362,895		
21	Services ³	-256,337	-58,231	-63,476	-68,447	-66,183	-65,846	-73,770	-61,983	-61,767	-65,087	-67,501	-69,990	-71,685		
22	Direct defense expenditures	-25,117	-5,732	-6,229	-6,339	-6,817	-6,824	-6,930	-5,732	-6,229	-6,339	-6,817	-6,824	-6,930		
23	Travel	-56,613	-12,229	-14,286	-16,868	-13,230	-13,206	-17,989	-14,312	-12,790	-14,409	-15,102	-15,508	-16,170		
24	Passenger fares	-20,957	-4,498	-5,347	-6,163	-4,949	-5,033	-6,310	-5,007	-4,875	-5,512	-5,563	-5,574	-5,811		
25	Other transportation	-44,768	-10,248	-11,242	-11,668	-11,610	-12,378	-13,154	-10,796	-11,109	-11,312	-11,551	-13,051	-12,965		
26	Royalties and license fees ⁵	-20,049	-4,480	-4,726	-5,180	-5,663	-5,072	-5,282	-4,629	-4,912	-5,204	-5,304	-5,223	-5,497		
27	Other private services ⁵	-85,829	-20,299	-20,897	-21,476	-23,157	-22,549	-23,303	-20,762	-21,103	-21,558	-22,407	-23,026	-23,510		
28	U.S. Government miscellaneous services	-3,004	-745	-749	-753	-757	-784	-802	-745	-749	-753	-757	-784	-802		
29	Income payments	-261,106	-63,296	-64,081	-67,403	-66,326	-70,959	-85,288	-63,682	-63,019	-66,524	-67,879	-71,364	-84,240		
30	Income payments on foreign-owned assets in the United States	-252,573	-61,221	-62,078	-65,265	-64,009	-68,841	-83,151	-61,557	-60,899	-64,402	-65,713	-69,205	-81,964		
31	Direct investment payments	-68,657	-15,079	-17,541	-19,452	-16,585	-20,423	-28,769	-15,415	-16,362	-18,589	-18,289	-20,787	-27,582		
32	Other private payments	-111,874	-28,146	-26,785	-27,844	-29,099	-29,361	-33,877	-28,146	-26,785	-27,844	-29,099	-29,361	-33,877		
33	U.S. Government payments	-72,042	-17,996	-17,752	-17,969	-18,325	-19,057	-20,505	-17,996	-17,752	-17,969	-18,325	-19,057	-20,505		
34	Compensation of employees	-8,533	-2,075	-2,003	-2,138	-2,317	-2,118	-2,137	-2,125	-2,120	-2,122	-2,166	-2,159	-2,276		
35	Unilateral current transfers, net	-67,439	-16,979	-16,001	-16,674	-17,785	-20,920	-17,696	-16,815	-16,369	-16,639	-17,617	-20,726	-18,534		
36	U.S. Government grants ⁴	-21,865	-5,833	-5,832	-5,447	-4,753	-7,744	-5,051	-5,833	-5,832	-5,447	-4,753	-7,744	-5,051		
37	U.S. Government pensions and other transfers	-5,341	-1,037	-1,208	-1,155	-1,392	-1,167	-1,320	-1,335	-1,334	-1,352	-1,554	-1,564			
38	Private remittances and other transfers ⁴	-40,233	-10,109	-9,961	-10,072	-11,091	-11,784	-11,478	-9,662	-9,202	-9,858	-11,512	-11,428	-11,919		
Capital and financial account																
Capital account																
39	Capital account transactions, net	-3,079	-406	-1,552	-821	-300	-396	-321	-406	-1,552	-821	-300	-396	-321		
Financial account																
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-283,414	-106,395	-114,630	-10,447	-51,942	-310,328	-124,162	-102,665	-110,962	-8,138	-61,647	-306,729	-118,455		
41	U.S. official reserve assets, net	1,523	83	-170	-611	2,221	557	1,122	83	-170	-611	2,221	557	1,122		
42	Gold ⁷	601	897	-102	-97	-97	-100	-90	897	-102	-97	-97	-100	-90		
43	Special drawing rights	1,494	-644	86	-383	2,435	815	1,345	-644	86	-383	2,435	815	1,345		
44	Reserve position in the International Monetary Fund	-572	-170	-154	-131	-117	-158	-133	-170	-154	-131	-117	-158	-133		
45	Foreign currencies	537	53	310	483	-309	727	-41	53	310	483	-309	727	-41		
46	U.S. Government assets, other than official reserve assets, net	-7,279	-2,428	-1,591	-1,532	-1,728	-561	-598	-2,428	-1,591	-1,532	-1,728	-561	-598		
47	U.S. credits and other long-term assets	7,981	2,445	1,975	2,035	1,526	1,374	572	2,445	1,975	2,035	1,526	1,374	572		
48	Repayments on U.S. credits and other long-term assets ⁸	-165	36	-74	-20	-107	-86	-15	36	-74	-20	-107	-86	-15		
49	U.S. foreign currency holdings and U.S. short-term assets, net	-285,474	-106,531	-114,770	-10,319	-53,854	-311,612	-125,243	-102,801	-111,102	-8,010	-63,559	-308,013	-119,536		
50	U.S. private assets, net	-173,799	-44,567	-37,717	-47,515	-44,000	-51,207	-66,540	-40,837	-34,409	-45,206	-53,705	-47,608	-60,743		
51	Direct investment	-72,337	-26,619	8,429	-28,312	-25,835	-16,524	-30,316	-26,619	8,429	-28,312	-25,835	-16,524	-30,316		
52	Foreign securities	-28,932	-11,207	-22,480	35,845	-31,090	-56,761	2,403	-11,207	-22,480	35,845	-31,090	-56,761	2,403		
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-10,406	-24,138	-63,002	29,663	47,071	-187,120	-30,880	-24,138	-63,002	29,663	47,071	-187,120	-30,880		
54	U.S. claims reported by U.S. banks, not included elsewhere	829,173	245,695	220,419	135,414	227,645	445,125	267,035	246,105	218,553	134,202	230,311	445,348	265,246		
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	248,573	48,986	65,245	50,663	83,679	127,864	73,877	48,986	65,245	50,663	83,679	127,864	73,877		
56	Foreign official assets in the United States, net	194,568	39,845	45,958	27,293	81,472	114,708	65,794	39,845	45,958	27,293	81,472	114,708	65,794		
57	U.S. Government securities	169,685	30,277	42,668	23,953	72,787	101,692	63,027	30,277	42,668	23,953	72,787	101,692	63,027		
58	U.S. Treasury securities ⁹	24,883	9,568	3,290	3,340	8,685	13,016	2,767	9,568	3,290	3,340	8,685	13,016	2,767		
59	Other ¹⁰	-564	-437	-16	-41	-70	-140	-158	-437	-16	-41	-70	-140	-158		
60	Other U.S. Government liabilities ¹¹	49,420	8,325	18,552	22,019	524	11,854	6,237	8,325	18,552	22,019	524	11,854	6,237		
61	U.S. liabilities reported by U.S. banks, not included elsewhere	5,149	1,253	751	1,392	1,753	1,442	2,004	1,253	751	1,392	1,753	1,442	2,004		
62	Other foreign official assets ¹²	580,600	196,709	155,174	84,751	143,966	317,261	193,158	197,119	153,308	83,539	146,632	317,484	191,369		
63	Direct investment	39,890	32,113	1,322	-1,598	8,053	10,002	34,491	32,523	-544	-2,810	10,719	10,225	32,702		
64	U.S. Treasury securities	113,432	8,974	53,254	46,490	4,714	65,438	35,560	8,974	53,254	46,490	4,714	65,438	35,560		
65	U.S. securities other than U.S. Treasury securities	250,981	56,723	92,407	18,090	83,761	62,064	88,617	56,723							

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 ^r	II ^p	I	II	III	IV	I ^r	II ^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	176,095	177,718	181,431	189,527	197,032	202,244
Adjustments:														
2	Private gift parcel remittances.....	394	93	98	94	109	104	112	93	98	94	109	104	112
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	-1,923	-2,374	-2,474	-1,953	-2,379	-2,177
7	Other adjustments, net ⁴	-3,319	-806	-888	-800	-825	-837	-864	-806	-888	-800	-825	-837	-864
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	173,459	174,554	178,251	186,858	193,920	199,315
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	310,703	308,994	311,893	325,531	343,891	362,151
Adjustments:														
10	Electric energy.....	31	6	9	9	7	7	7	6	9	9	7	7	7
11	Gold imports, nonmonetary.....	625		340	285					340	285			
12	Inland freight in Canada.....	3,857	945	983	937	992	1,049	1,101	945	983	937	992	1,049	1,101
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	-196	-182	-141	-173	-181	-274
15	Other adjustments, net ⁵	-268	-56	-57	-96	-59	-79	-90	-56	-57	-96	-59	-79	-90
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	311,402	310,087	312,886	326,299	344,688	362,895
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	173,459	174,554	178,251	186,858	193,920	199,315
2	Europe.....	168,220	41,831	42,373	39,390	44,626	46,358	47,807	42,334	41,523	40,554	43,809	46,447	46,858
3	European Union.....	147,391	37,069	37,086	34,320	38,916	40,830	42,229	37,547	36,307	35,300	38,237	40,931	41,353
4	Belgium and Luxembourg.....	15,332	3,873	3,939	3,630	3,890	4,246	4,521	3,933	3,855	3,728	3,816	4,256	4,426
5	France.....	16,829	4,362	4,432	3,763	4,272	5,137	5,349	4,414	4,336	3,862	4,217	5,135	5,228
6	Germany ⁸	28,288	7,256	7,093	6,549	7,390	7,517	7,627	7,338	6,944	6,736	7,270	7,541	7,466
7	Italy.....	10,287	2,485	2,655	2,160	2,987	2,441	2,854	2,531	2,599	2,226	2,931	2,444	2,798
8	Netherlands.....	20,528	4,903	5,030	4,672	5,923	5,760	6,063	4,960	4,938	4,813	5,817	5,779	5,944
9	United Kingdom.....	32,869	8,492	8,362	7,845	8,170	8,898	8,811	8,596	8,174	8,056	8,043	8,939	8,629
10	Other.....	23,258	5,698	5,575	5,701	6,284	6,831	7,004	5,775	5,461	5,879	6,143	6,837	6,862
11	Europe, excluding EU.....	20,829	4,762	5,287	5,070	5,710	5,528	5,578	4,787	5,216	5,254	5,572	5,516	5,505
12	Canada ²	169,905	41,494	44,823	39,517	44,071	45,016	48,787	41,978	44,029	40,657	43,241	45,036	47,894
13	Japan.....	50,250	12,153	12,912	12,260	12,925	12,708	13,329	12,202	12,811	12,748	12,489	12,623	13,185
14	Australia, New Zealand, and South Africa ⁹													
15	Australia.....	12,696	2,762	3,154	3,572	3,208	3,134	3,327	2,795	3,071	3,686	3,144	3,152	3,258
16	Latin America and Other Western Hemisphere.....	148,802	35,031	36,166	37,347	40,258	40,531	42,606	35,429	35,553	38,523	39,297	40,589	41,912
17	Brazil.....	11,125	2,529	2,651	2,891	3,054	3,605	3,251	2,559	2,593	2,966	3,007	3,627	3,179
18	Mexico.....	97,221	22,634	23,856	24,329	26,402	25,849	27,539	22,921	23,451	25,075	25,774	25,892	27,087
19	Venezuela.....	2,779	482	573	803	921	980	1,158	482	562	836	899	978	1,138
20	Other.....	37,677	9,386	9,086	9,324	9,881	10,097	10,658	9,467	9,847	9,646	9,617	10,092	10,508
21	Other countries in Asia and Africa ^{7,9}	163,249	38,389	38,124	40,654	46,082	46,155	46,952	38,721	37,567	42,083	44,878	46,073	46,208
22	Asia ^{7,9}	152,851	36,190	35,766	37,849	43,046	42,845	43,799	36,522	35,228	39,137	41,964	42,789	43,077
23	Members of OPEC.....	12,266	3,048	3,023	3,112	3,063	2,966	3,541	3,061	2,988	3,228	2,989	2,948	3,487
24	China.....	28,285	6,522	6,203	6,169	9,391	8,954	8,352	6,590	6,174	6,433	9,088	8,891	8,245
25	Hong Kong.....	13,453	3,046	3,193	3,429	3,785	3,699	3,846	3,071	3,141	3,534	3,707	3,706	3,774
26	Korea, Republic of.....	23,481	5,915	5,730	5,518	6,318	6,276	6,432	5,962	5,652	5,717	6,150	6,279	6,340
27	Singapore.....	16,145	3,985	3,729	4,510	3,921	4,489	5,169	4,026	3,635	4,625	3,859	4,477	5,053
28	Taiwan.....	16,988	3,732	3,764	4,472	5,020	4,998	5,404	3,765	3,703	4,626	4,894	4,983	5,319
29	Africa ^{7,9}	10,112	2,139	2,290	2,724	2,959	3,252	3,072	2,139	2,272	2,861	2,840	3,225	3,051
30	Members of OPEC.....	1,507	299	376	418	414	530	515	298	377	442	390	525	520
31	International organizations and unallocated.....													
Memoranda:														
32	Industrial countries ⁷	398,641	97,688	102,716	94,237	104,000	106,355	112,253	98,759	100,879	97,106	101,897	106,412	110,195
33	Of which: Euro area ¹⁰	109,869	27,387	27,609	25,410	29,463	30,512	31,397	27,752	27,037	26,149	28,931	30,580	30,741
34	Members of OPEC ⁷	16,552	3,829	3,972	4,333	4,418	4,476	5,214	3,841	3,927	4,506	4,278	4,451	5,145
35	Other countries ⁷	297,929	70,143	70,864	74,170	82,752	83,071	85,341	70,859	69,748	76,639	80,683	83,057	83,975

See footnotes on pages 106 and 107.

Table 2. U.S. Trade in Goods—Continued
[Millions of dollars]

Line		Not seasonally adjusted						Seasonally adjusted							
		2003	2003				2004		2003				2004		
			I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^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	311,402	310,087	312,886	326,299	344,688	362,895	
37	Europe.....	284,679	66,710	71,625	70,647	75,697	74,766	81,344	69,800	71,557	69,327	73,995	77,225	81,096	
38	European Union	245,002	57,394	61,505	60,223	65,880	64,341	70,658	59,989	61,508	59,156	64,349	66,394	70,530	
39	Belgium and Luxembourg.....	10,404	2,485	2,562	2,619	2,738	3,103	3,318	2,605	2,559	2,560	2,680	3,202	3,300	
40	France	29,230	6,902	7,128	7,153	8,047	7,335	7,608	7,214	7,131	7,032	7,853	7,562	7,603	
41	Germany ⁸	68,007	15,974	17,543	15,915	18,575	17,892	19,157	16,641	17,574	15,658	18,134	18,439	19,177	
42	Italy.....	25,392	6,093	6,277	6,430	6,592	6,580	7,022	6,352	6,279	6,323	6,438	6,789	7,014	
43	Netherlands.....	11,519	2,677	3,035	3,023	2,784	2,800	2,956	2,807	3,028	2,968	2,716	2,914	2,938	
44	United Kingdom.....	42,574	10,160	10,530	10,487	11,397	10,889	11,963	10,678	10,488	10,259	11,149	11,276	11,890	
45	Other	57,876	13,103	14,430	14,596	15,747	15,742	18,634	13,692	14,449	14,356	15,379	16,212	18,608	
46	Europe, excluding EU	39,677	9,316	10,120	10,424	9,817	10,425	10,686	9,811	10,049	10,171	9,646	10,831	10,566	
47	Canada ²	224,249	55,380	56,362	54,678	57,829	60,998	66,377	57,916	56,199	53,555	56,579	63,138	66,100	
48	Japan.....	118,034	28,986	29,178	28,655	31,215	31,141	32,029	30,253	29,219	28,175	30,387	32,084	32,033	
49	Australia, New Zealand, and South Africa ⁹	6,396	1,419	1,597	1,696	1,684	1,669	1,751	1,485	1,600	1,665	1,646	1,724	1,748	
50	Australia.....	6,396	1,419	1,597	1,696	1,684	1,669	1,751	1,485	1,600	1,665	1,646	1,724	1,748	
51	Latin America and Other Western Hemisphere.....	217,826	51,352	54,193	55,175	57,106	58,128	63,513	53,913	53,790	53,878	56,245	60,466	62,855	
52	Brazil.....	17,909	4,275	4,303	4,746	4,585	4,118	5,183	4,483	4,294	4,645	4,487	4,264	5,163	
53	Mexico.....	138,992	33,808	34,318	34,562	36,304	36,636	39,742	35,416	34,200	33,843	35,533	37,948	39,519	
54	Venezuela.....	17,136	2,548	4,762	4,866	4,960	5,529	6,257	2,742	4,589	4,666	5,139	5,925	5,980	
55	Other	43,789	10,721	10,810	11,001	11,257	11,845	12,331	11,272	10,707	10,724	11,086	12,329	12,193	
56	Other countries in Asia and Africa ^{7,9}	409,490	93,339	98,033	108,403	109,715	106,016	119,832	98,035	97,722	106,286	107,447	110,051	119,063	
57	Asia ^{7,9}	377,103	85,653	90,358	99,467	101,625	96,442	108,718	89,845	90,296	97,722	99,240	99,860	108,349	
58	Members of OPEC.....	36,069	9,988	9,018	8,202	8,861	9,307	10,255	10,626	8,680	7,832	8,931	9,880	9,898	
59	China.....	152,426	31,144	35,531	41,943	43,808	39,145	46,674	32,670	35,723	41,381	42,652	40,440	46,674	
60	Hong Kong.....	8,851	1,948	1,942	2,630	2,331	2,029	2,051	2,045	1,952	2,593	2,261	2,098	2,048	
61	Korea, Republic of.....	37,226	8,400	9,163	9,037	10,626	10,190	11,780	8,789	9,183	8,891	10,363	10,511	11,778	
62	Singapore.....	15,136	3,759	3,982	3,645	3,750	3,565	3,822	3,925	3,987	3,579	3,645	3,682	3,826	
63	Taiwan.....	31,603	7,416	7,768	8,245	8,174	7,738	8,736	7,743	7,784	8,110	7,966	7,981	8,736	
64	Africa ^{7,9}	32,021	7,617	7,596	8,813	7,995	9,490	11,030	8,117	7,346	8,444	8,114	10,104	10,628	
65	Members of OPEC.....	15,142	3,602	3,777	4,061	3,702	4,829	5,952	3,852	3,605	3,854	3,831	5,206	5,669	
66	International organizations and unallocated.....														
	Memoranda:														
67	Industrial countries ⁷	622,074	149,537	155,994	152,432	164,111	165,741	178,039	156,311	155,851	149,596	160,316	171,196	177,581	
68	Of which: Euro area ¹⁰	187,608	44,015	47,028	46,167	50,398	49,353	52,597	45,951	47,063	45,388	49,206	50,887	52,552	
69	Members of OPEC ⁷	68,347	16,138	17,557	17,129	17,523	19,665	22,464	17,220	16,874	16,352	17,901	21,011	21,547	
70	Other countries ⁷	570,253	131,511	137,437	149,693	151,612	147,312	164,343	137,871	137,362	146,938	148,082	152,480	163,767	
	BALANCE (EXCESS OF EXPORTS +)														
71	Total, all countries.....	-547,552	-125,526	-133,436	-146,514	-142,076	-138,816	-162,038	-137,943	-135,533	-134,635	-139,441	-150,768	-163,580	
72	Europe.....	-116,459	-24,879	-29,252	-31,257	-31,071	-28,408	-33,537	-27,466	-30,034	-28,773	-30,186	-30,778	-34,238	
73	European Union	-97,611	-20,325	-24,419	-25,903	-26,964	-23,511	-28,429	-22,442	-25,201	-23,856	-26,112	-25,463	-29,177	
74	Belgium and Luxembourg.....	4,928	1,388	1,377	1,011	1,152	1,143	1,203	1,328	1,296	1,168	1,136	1,054	1,126	
75	France	-12,401	-2,540	-2,696	-3,390	-3,775	-2,198	-2,259	-2,800	-2,795	-3,170	-3,636	-2,427	-2,375	
76	Germany ⁸	-39,719	-8,718	-10,450	-9,366	-11,185	-10,375	-11,530	-10,363	-10,630	-9,922	-10,866	-10,898	-11,711	
77	Italy.....	-15,105	-3,608	-3,622	-4,270	-3,605	-4,139	-4,168	-3,821	-3,680	-4,097	-3,507	-4,345	-4,216	
78	Netherlands.....	9,009	2,226	1,995	1,649	3,139	2,960	3,107	2,153	1,910	1,845	3,101	2,865	3,006	
79	United Kingdom.....	-9,705	-1,668	-2,168	-2,642	-3,227	-1,991	-3,152	-2,082	-2,314	-2,203	-3,106	-2,337	-3,261	
80	Other	-34,618	-7,405	-8,855	-8,895	-9,463	-8,911	-11,630	-7,917	-8,988	-8,477	-9,236	-9,375	-11,746	
81	Europe, excluding EU	-18,848	-4,554	-4,833	-5,354	-4,107	-4,897	-5,108	-5,024	-4,833	-4,917	-4,074	-5,315	-5,061	
82	Canada ²	-54,344	-13,886	-11,539	-15,161	-13,758	-15,982	-17,590	-15,938	-12,170	-12,898	-13,338	-18,102	-18,206	
83	Japan.....	-67,784	-16,833	-16,266	-16,395	-18,290	-18,433	-18,700	-18,051	-16,408	-15,427	-17,898	-19,461	-18,848	
84	Australia, New Zealand, and South Africa ⁹	6,300	1,343	1,557	1,876	1,524	1,465	1,576	1,310	1,471	2,021	1,498	1,428	1,510	
85	Australia.....	6,300	1,343	1,557	1,876	1,524	1,465	1,576	1,310	1,471	2,021	1,498	1,428	1,510	
86	Latin America and Other Western Hemisphere.....	-69,024	-16,321	-18,027	-17,828	-16,848	-17,597	-20,907	-18,484	-18,237	-15,355	-16,948	-19,877	-20,943	
87	Brazil.....	-6,784	-1,746	-1,652	-1,855	-1,531	-513	-1,932	-1,924	-1,701	-1,679	-1,480	-637	-1,984	
88	Mexico.....	-41,771	-11,174	-10,462	-10,233	-9,902	-10,787	-12,203	-12,495	-10,749	-8,768	-9,759	-12,056	-12,432	
89	Venezuela.....	-14,357	-2,066	-4,189	-4,063	-4,039	-4,549	-5,099	-2,260	-4,027	-3,830	-4,240	-4,947	-4,842	
90	Other	-6,112	-1,335	-1,724	-1,677	-1,376	-1,748	-1,673	-1,805	-1,760	-1,078	-1,469	-2,237	-1,685	
91	Other countries in Asia and Africa ^{7,9}	-246,241	-54,950	-59,909	-67,749	-63,633	-59,861	-72,880	-59,314	-60,155	-64,203	-62,569	-63,978	-72,855	
92	Asia ^{7,9}	-224,252	-49,463	-54,592	-61,618	-58,579	-53,597	-64,919	-53,323	-55,068	-58,585	-57,276	-57,071	-65,272	
93	Members of OPEC.....	-23,803	-6,940	-5,995	-5,090	-5,778	-6,341	-6,714	-7,565	-5,692	-4,604	-5,542	-6,932	-6,411	
94	China.....	-124,141	-24,622	-29,328	-35,774	-34,417	-30,191	-38,322	-26,800	-29,549	-34,948	-33,564	-31,549	-38,429	
95	Hong Kong.....	4,602	1,098	1,251	799	1,454	1,670	1,795	1,026	1,189	941	1,446	1,608	1,726	
96	Korea, Republic of.....	-13,745	-2,485	-3,433	-3,519	-4,308	-3,914	-5,348	-2,827	-3,531	-3,174	-4,213	-4,232	-5,438	
97	Singapore.....	1,009	226	-253	865	171	924	1,347	101	-352	1,046	214	795	1,227	
98	Taiwan.....	-14,615	-3,684	-4,004	-3,773	-3,154	-2,740	-3,332	-3,978	-4,081	-3,484	-3,072	-2,998	-3,417	
99	Africa ^{7,9}	-21,909	-5,478	-5,306	-6,089	-5,036	-6,238	-7,958	-5,978	-5,074	-5,583	-5,274	-6,879	-7,577	
100	Members of OPEC.....	-13,635	-3,303	-3,401	-3,643	-3,288	-4,299	-5,437	-3,554	-3,228	-3,412	-3,441			

Table 2. U.S. Trade in Goods—Continued
[Millions of dollars]

Line		Not seasonally adjusted						Seasonally adjusted															
		2003	2003				2004		2003				2004										
			I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^p									
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military:																						
1	Exports of goods, balance of payments basis, excluding military (A-8)	713,122	171,660	177,552	172,740	191,170	193,902	202,808	173,459	174,554	178,251	186,858	193,920	199,315									
2	Agricultural products	60,883	14,905	13,454	13,846	18,678	16,743	14,729	14,322	14,607	15,651	16,303	15,902	15,690									
3	Nonagricultural products	652,239	156,755	164,098	158,894	172,492	177,159	188,079	159,137	159,947	162,600	170,555	178,018	183,625									
4	Foods, feeds, and beverages	55,026	13,415	11,942	12,860	16,809	14,514	12,666	13,167	13,330	13,832	14,697	14,118	13,939									
5	Agricultural	50,023	12,255	10,842	11,318	15,608	13,129	11,534	11,968	12,062	12,547	13,446	12,702	12,612									
6	Grains and preparations	14,806	3,471	3,241	3,840	4,254	4,564	4,230	3,426	3,537	3,850	3,993	4,527	4,622									
7	Wheat	4,002	823	722	1,340	1,117	1,365	1,321	948	851	1,186	1,017	1,531	1,549									
8	Corn	5,751	1,274	1,386	1,399	1,692	1,776	1,730	1,225	1,469	1,449	1,608	1,695	1,820									
9	Soybeans	8,047	2,542	892	706	3,907	2,449	745	1,974	1,808	1,798	2,467	1,803	1,419									
10	Meat products and poultry	7,873	1,727	1,941	2,075	2,130	1,133	1,346	1,825	1,985	2,083	1,980	1,174	1,373									
11	Vegetables, fruits, nuts, and preparations	9,152	2,110	2,296	2,123	2,623	2,466	2,434	2,209	2,271	2,273	2,399	2,575	2,434									
12	Other agricultural foods, feeds, and beverages	10,145	2,405	2,472	2,574	2,694	2,517	2,779	2,534	2,461	2,543	2,607	2,623	2,764									
13	Nonagricultural (fish, distilled beverages, etc.)	5,003	1,160	1,100	1,542	1,201	1,385	1,132	1,199	1,268	1,285	1,251	1,416	1,327									
14	Fish and shellfish	3,364	820	658	1,087	799	999	683	832	817	844	871	998	866									
15	Industrial supplies and materials	173,050	42,592	43,765	42,396	44,297	48,241	50,938	42,690	42,772	43,190	44,398	47,846	49,775									
16	Agricultural	10,572	2,569	2,534	2,473	2,996	3,524	3,111	2,286	2,475	3,028	2,783	3,124	3,004									
17	Raw cotton	3,389	811	920	667	991	1,553	1,342	619	781	955	1,034	1,219	1,134									
18	Tobacco, unmanufactured	1,027	321	243	144	319	341	196	259	249	249	270	276	193									
19	Hides and skins, including furskins	1,793	449	467	462	415	459	487	440	451	459	443	445	470									
20	Other agricultural industrial supplies	4,363	988	904	1,200	1,271	1,171	1,086	968	994	1,365	1,036	1,184	1,207									
21	Nonagricultural	162,478	40,023	41,231	39,923	41,301	44,717	47,827	40,404	40,297	40,162	41,615	44,722	46,771									
22	Energy products	18,230	5,249	4,419	4,181	4,381	5,194	6,079	5,261	4,475	4,221	4,273	5,158	6,164									
23	Fuels and lubricants	17,466	5,013	4,253	4,023	4,177	4,889	5,871	5,025	4,309	4,063	4,069	4,854	5,956									
24	Coal and related fuels	1,803	410	470	455	468	526	958	430	469	446	458	551	952									
25	Petroleum and products	12,693	3,542	3,136	2,932	3,083	3,461	4,056	3,533	3,193	2,981	2,986	3,400	4,146									
26	Paper and paper base stocks	12,813	3,135	3,202	3,135	3,341	3,443	3,505	3,161	3,165	3,167	3,320	3,447	3,469									
27	Textile supplies and related materials	11,347	2,772	2,987	2,777	2,811	3,027	3,286	2,816	2,814	2,816	2,901	3,079	3,091									
28	Chemicals, excluding medicinals	57,994	14,114	14,519	14,251	15,110	16,055	16,996	14,201	14,108	14,411	15,274	15,951	16,521									
29	Building materials, except metals	7,829	1,888	1,997	1,946	1,998	2,173	2,361	1,916	1,923	1,970	2,020	2,193	2,273									
30	Other nonmetals	17,952	4,384	4,516	4,504	4,548	4,817	5,049	4,406	4,420	4,563	4,563	4,787	4,948									
31	Metals and nonmetallic products	36,313	8,481	9,591	9,129	9,112	10,008	10,551	8,643	9,392	9,014	9,264	10,107	10,305									
32	Steelmaking materials	2,607	565	671	683	688	784	1,094	607	635	679	686	828	1,032									
33	Iron and steel products	7,081	1,691	2,051	1,661	1,678	2,029	2,145	1,690	1,987	1,688	1,716	2,014	2,071									
34	Nonferrous metals	13,943	3,102	3,579	3,681	3,581	3,814	3,708	3,168	3,610	3,537	3,628	3,873	3,733									
35	Nonmonetary gold	4,791	940	1,359	1,328	1,164	1,099	865	940	1,359	1,328	1,164	1,099	865									
36	Other precious metals	2,145	552	529	503	561	666	763	552	529	503	561	666	763									
37	Other nonferrous metals	7,007	1,610	1,691	1,850	1,856	2,049	2,080	1,678	1,722	1,706	1,903	2,108	2,105									
38	Other metals and nonmetallic products	12,682	3,123	3,290	3,104	3,165	3,381	3,604	3,178	3,160	3,110	3,234	3,392	3,469									
39	Capital goods, except automotive	293,622	69,664	71,870	72,173	79,915	80,475	83,056	70,810	71,030	73,456	78,326	80,835	82,226									
40	Machinery, except consumer-type	244,219	57,976	59,603	60,411	66,229	67,548	69,819	58,799	59,470	61,146	64,804	67,679	69,558									
41	Electric generating machinery, electric apparatus, and parts ...	27,445	6,499	6,658	6,886	7,402	7,419	7,984	6,549	6,640	6,881	7,375	7,406	7,962									
42	Nonelectric, including parts and attachments	216,774	51,477	52,945	53,525	58,827	60,129	61,835	52,250	52,830	54,265	57,429	60,273	61,596									
43	Oil drilling, mining, and construction machinery	12,834	3,130	3,303	3,134	3,267	3,727	3,601	3,159	3,209	3,192	3,274	3,709	3,491									
44	Industrial engines, pumps, and compressors	11,690	2,882	2,960	2,757	3,091	3,046	3,388	2,970	2,916	2,821	2,983	3,082	3,328									
45	Machine tools and metalworking machinery	5,253	1,211	1,327	1,255	1,460	1,638	1,823	1,248	1,309	1,287	1,409	1,655	1,800									
46	Measuring, testing, and control instruments	13,936	3,373	3,427	3,383	3,753	4,096	4,479	3,383	3,346	3,486	3,721	4,047	4,378									
47	Other industrial, agricultural, and service industry machinery	43,467	10,441	11,098	10,638	11,290	12,469	13,607	10,698	10,659	10,713	11,397	12,624	13,064									
48	Computers, peripherals, and parts	39,925	9,556	9,086	9,815	11,468	10,595	10,043	9,574	9,474	10,192	10,685	10,497	10,456									
49	Semiconductors	46,137	10,576	11,180	11,895	12,486	12,530	12,178	10,708	11,276	11,688	12,465	12,528	12,255									
50	Telecommunications equipment	20,744	4,803	4,993	5,140	5,808	5,799	6,350	5,019	5,051	5,155	5,519	5,969	6,423									
51	Other office and business machines	1,927	484	481	455	507	502	499	493	483	468	483	510	501									
52	Scientific, hospital, and medical equipment and parts	20,861	5,021	5,090	5,053	5,697	5,727	5,867	4,998	5,107	5,263	5,493	5,652	5,900									
53	Civilian aircraft, engines, and parts	46,724	11,036	11,601	11,098	12,989	12,235	12,491	11,359	10,894	11,646	12,825	12,464	11,922									
54	Civilian aircraft, complete, all types	23,306	5,266	5,891	5,313	6,836	6,035	5,769	5,500	5,170	5,852	6,784	6,260	5,161									
55	Other transportation equipment	2,679	652	666	664	697	692	746	652	666	664	697	692	746									
56	Automotive vehicles, engines, and parts	80,685	19,738	22,256	17,961	20,730	20,824	23,482	19,944	20,248	19,886	20,607	20,891	21,381									
57	To Canada	46,226	11,654	13,245	9,446	11,881	11,909	13,465	11,571	11,570	11,118	11,967	11,604	11,780									
58	Passenger cars, new and used	10,729	2,648	3,481	1,619	2,981	2,358	3,146	2,713	2,737	2,362	2,917	2,343	2,427									
59	Trucks, buses, and special purpose vehicles	7,846	1,870	2,144	1,633	2,199	1,946	2,378	1,889	1,927	1,958	2,072	1,966	2,152									
60	Engines and engine parts	5,419	1,402	1,516	1,243	1,258	1,415	1,367	1,352	1,365	1,366	1,336	1,340	1,231									
61	Other parts and accessories	22,232	5,734	6,104	4,951	5,443	6,190	6,574	5,617	5,541	5,432	5,642	5,955	5,970									
62	To other areas	34,459	8,084	9,011	8,515	8,849	8,915	10,017	8,373	8,678	8,768	8,640	9,287	9,601									
63	Passenger cars, new and used	11,373	2,492	3,114	2,731	3,036	2,727	3,565	2,685	2,892	2,938	2,858	2,979	3,291									
64	Trucks, buses, and special purpose vehicles	2,399	441	633	608	717	645	684	491	618	639	651	722	653									
65	Engines and engine parts	4,694	1,216	1,223	1,144	1,111	1,257	1,220	1,199	1,149	1,119	1,119	1,267	1,196									
66	Other parts and accessories	15,993	3,935	4,041	4,032	3,985	4,286	4,548	3,970	3,969	4,042	4,012	4,319	4,461									
67	Consumer goods (nonfood), except automotive	89,907	21,330	22,499	22,225	23,853	24,305	26,080	21,697	22,087	22,708	23,415	24,476	25									

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

[Millions of dollars]

Line		Not seasonally adjusted						Seasonally adjusted						
		2003	2003				2004		2003				2004	
			I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^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	311,402	310,087	312,886	326,299	344,688	362,895
75	Petroleum and products ⁶	133,088	33,508	32,460	34,530	32,590	37,719	43,159	36,040	30,807	32,642	33,599	40,597	41,046
76	Nonpetroleum products.....	1,127,586	263,678	278,528	284,724	300,656	294,999	321,687	275,362	279,280	280,244	292,700	304,091	321,849
77	Foods, feeds, and beverages.....	55,831	13,129	13,835	13,726	15,141	14,714	15,715	13,541	13,764	13,908	14,618	15,039	15,621
78	Agricultural.....	40,766	9,955	10,246	9,646	10,919	11,211	12,046	9,816	9,997	10,103	10,850	10,968	11,780
79	Coffee, cocoa, and sugar.....	2,888	805	712	701	670	777	872	729	713	725	721	697	873
80	Green coffee.....	1,612	406	419	429	358	423	543	358	414	447	393	377	543
81	Meat products and poultry.....	5,716	1,527	1,381	1,105	1,703	1,590	1,687	1,524	1,358	1,175	1,659	1,558	1,659
82	Vegetables, fruits, nuts, and preparations.....	11,322	3,282	2,841	2,374	2,825	3,559	3,232	2,718	2,722	2,920	2,962	2,921	3,134
83	Wine and related products.....	6,024	1,259	1,603	1,549	1,613	1,309	1,692	1,457	1,488	1,518	1,561	1,487	1,569
84	Other agricultural foods, feeds, and beverages.....	14,817	3,082	3,710	3,917	4,108	3,977	4,564	3,389	3,716	3,766	3,946	4,304	4,545
85	Nonagricultural (fish, distilled beverages, etc.).....	15,065	3,174	3,589	4,080	4,222	3,503	3,669	3,725	3,767	3,805	3,768	4,071	3,841
86	Fish and shellfish.....	10,945	2,315	2,576	3,032	3,022	2,580	2,534	2,725	2,733	2,763	2,724	3,015	2,687
87	Whiskey and other alcoholic beverages.....	3,712	759	915	939	1,099	826	1,038	899	937	934	942	958	1,056
88	Industrial supplies and materials.....	314,466	77,479	78,217	80,594	78,176	88,459	101,246	80,465	75,428	78,689	79,884	91,322	97,862
89	Agricultural.....	5,826	1,420	1,539	1,401	1,466	1,569	1,761	1,430	1,472	1,439	1,485	1,558	1,702
90	Nonagricultural products.....	308,640	76,059	76,678	79,193	76,710	86,890	99,485	79,035	73,956	77,250	78,399	89,764	96,160
91	Energy products.....	157,080	40,141	38,250	40,433	38,256	44,519	50,242	42,213	36,700	38,978	39,189	46,860	48,287
92	Fuels and lubricants ⁶	155,720	39,751	37,906	40,004	38,059	44,226	49,940	41,819	36,341	38,641	38,919	46,577	47,975
93	Paper and paper base stocks.....	11,768	2,863	3,027	2,993	2,885	3,040	3,203	2,925	3,047	2,937	2,859	3,077	3,217
94	Textile supplies and related materials.....	10,806	2,626	2,778	2,710	2,692	2,855	3,160	2,729	2,647	2,658	2,772	2,913	3,013
95	Chemicals, excluding medicinals.....	36,661	9,124	9,524	9,222	8,791	10,228	10,625	8,881	9,128	9,504	9,148	9,833	10,230
96	Building materials, except metals.....	24,163	5,141	5,986	6,514	6,522	6,593	8,577	5,561	5,634	6,174	6,794	7,013	8,092
97	Other nonmetals.....	20,141	4,577	5,006	5,231	5,327	5,329	5,866	4,835	4,919	5,081	5,306	5,535	5,762
98	Metals and nonmetallic products.....	48,021	11,587	12,107	12,090	12,237	14,326	17,812	11,891	11,881	11,918	12,331	14,533	17,559
99	Steelmaking materials.....	2,839	605	649	809	776	937	1,246	693	626	772	748	1,066	1,200
100	Iron and steel products.....	16,319	4,227	4,090	3,968	4,034	4,754	6,997	4,389	4,036	3,896	3,998	4,906	6,951
101	Nonferrous metals.....	19,349	4,536	4,893	4,868	5,052	5,995	6,419	4,527	4,824	4,838	5,160	5,892	6,362
102	Nonmonetary gold.....	3,582	594	1,021	1,019	948	1,022	820	594	1,021	1,019	948	1,022	820
103	Other precious metals.....	3,633	828	892	955	958	1,197	1,305	855	898	937	943	1,178	1,332
104	Bauxite and aluminum.....	6,922	1,798	1,742	1,646	1,736	2,056	2,357	1,748	1,666	1,653	1,855	1,970	2,272
105	Other nonferrous metals.....	5,212	1,316	1,238	1,248	1,410	1,720	1,937	1,330	1,239	1,229	1,414	1,722	1,938
106	Other metallic and nonmetallic products.....	9,514	2,219	2,475	2,445	2,375	2,640	3,150	2,282	2,395	2,412	2,425	2,669	3,046
107	Capital goods, except automotive.....	295,832	68,712	73,138	74,055	79,927	78,662	85,207	71,201	73,236	73,704	77,691	80,248	85,169
108	Machinery, except consumer-type.....	269,550	62,424	66,467	67,822	72,837	72,555	78,504	64,888	66,622	67,456	70,584	74,163	78,520
109	Electric generating machinery, electric apparatus and parts.....	33,291	7,945	8,057	8,337	8,952	9,052	9,658	8,198	8,076	8,261	8,756	9,180	9,681
110	Nonelectric, including parts and attachments.....	236,259	54,479	58,410	59,485	63,885	63,503	68,846	56,690	58,546	59,195	61,828	64,983	68,839
111	Oil drilling, mining, and construction machinery.....	7,823	1,688	2,351	1,929	1,855	2,331	2,796	1,660	2,178	1,973	2,012	2,312	2,555
112	Industrial engines, pumps, and compressors.....	9,210	2,264	2,297	2,249	2,400	2,591	2,854	2,234	2,275	2,298	2,403	2,512	2,829
113	Machine tools and metalworking machinery.....	6,193	1,446	1,663	1,464	1,620	1,550	1,756	1,477	1,607	1,505	1,604	1,572	1,694
114	Measuring, testing, and control instruments.....	9,686	2,281	2,351	2,484	2,570	2,667	2,862	2,338	2,386	2,447	2,515	2,696	2,898
115	Other industrial, agricultural, and service industry machinery.....	51,872	12,316	13,009	12,920	13,627	14,304	15,515	12,591	12,633	13,118	13,530	14,380	15,049
116	Computers, peripherals, and parts.....	76,511	17,270	18,311	19,524	21,406	19,736	21,337	18,457	18,852	19,067	20,135	20,664	21,928
117	Semiconductors.....	24,605	6,055	6,040	6,201	6,309	6,681	6,756	6,102	6,124	6,180	6,199	6,627	6,830
118	Telecommunications equipment.....	24,781	5,510	6,062	6,167	7,042	6,743	7,616	5,858	6,047	6,127	6,749	7,055	7,598
119	Other office and business machines.....	7,135	1,518	1,847	1,815	1,955	1,800	2,019	1,601	1,859	1,802	1,873	1,881	2,022
120	Scientific, hospital, and medical equipment and parts.....	18,443	4,131	4,479	4,732	5,101	5,100	5,335	4,372	4,585	4,678	4,808	5,284	5,436
121	Transportation equipment, except automotive.....	26,282	6,288	6,671	6,233	7,090	6,107	6,703	6,313	6,614	6,248	7,107	6,085	6,649
122	Civilian aircraft, engines, and parts.....	24,085	5,784	6,018	5,730	6,553	5,419	6,156	5,810	5,961	5,745	6,569	5,398	6,101
123	Civilian aircraft, complete, all types.....	12,233	2,775	2,975	2,939	3,544	2,311	3,021	2,775	2,975	2,939	3,544	2,311	3,021
124	Automotive vehicles, engines, and parts.....	210,173	50,628	54,061	48,571	56,913	55,028	58,916	51,528	52,680	51,515	54,450	55,525	57,105
125	From Canada.....	60,652	14,775	15,861	13,821	16,195	16,413	18,172	14,686	14,798	15,058	16,110	16,002	16,935
126	Passenger cars, new and used.....	30,517	7,354	8,309	6,658	8,196	8,220	9,883	7,357	7,651	7,479	8,030	8,005	9,089
127	Trucks, buses, and special purpose vehicles.....	11,051	2,705	2,824	2,588	2,934	2,798	2,972	2,661	2,714	2,761	2,915	2,754	2,855
128	Engines and engine parts.....	3,829	991	916	870	1,052	1,154	1,061	967	849	946	1,067	1,104	986
129	Other parts and accessories.....	15,255	3,725	3,812	3,705	4,013	4,241	4,256	3,701	3,584	3,872	4,098	4,139	4,005
130	From other areas.....	149,521	35,853	38,200	34,750	40,718	38,615	40,744	36,842	37,882	36,457	38,340	39,523	40,170
131	Passenger cars, new and used.....	83,903	20,097	21,603	18,531	23,672	20,932	21,868	20,852	21,711	20,028	21,312	21,766	21,820
132	Trucks, buses, and special purpose vehicles.....	8,780	1,756	2,188	2,382	2,454	2,220	2,526	1,891	2,188	2,276	2,425	2,412	2,513
133	Engines and engine parts.....	12,143	3,041	3,060	2,915	3,127	3,238	3,508	3,052	2,974	2,991	3,126	3,203	3,403
134	Other parts and accessories.....	44,695	10,959	11,349	10,922	11,465	12,225	12,842	11,047	11,009	11,162	11,477	12,142	12,434
135	Consumer goods (nonfood), except automotive.....	334,006	75,165	78,999	90,012	89,830	83,199	90,227	82,187	82,295	82,640	86,884	89,538	93,682
136	Consumer nondurable goods, manufactured.....	161,713	38,679	38,863	44,173	39,998	40,958	42,299	40,620	40,323	39,817	40,953	42,242	43,741
137	Textile apparel and household goods, except rugs.....	69,534	16,542	16,006	20,521	16,465	16,767	16,850	17,614	17,444	17,247	17,229	17,588	18,307
138	Footwear of leather, rubber, and other materials.....	11,875	3,064	2,829	3,279	2,703	3,119	2,961	3,082	2,943	2,941	2,909	3,096	3,084
139	Consumer durable goods, manufactured.....	156,406	32,652	36,307	41,665	45,782	37,814	43,553	37,817	38,007	38,819	41,763	43,052	45,389
140	Household and kitchen appliances and other household goods.....	73,738	16,270	17,978	19,514	19,976	18,965	21,949	18,132	18,228	18,234	19,144	20,788	22,309
141	Toys, shooting, and sporting goods, including bicycles.....	22,951	4,575											

Table 3. Private Services Transactions

[Millions of dollars]

Line		2003	Not seasonally adjusted						Seasonally adjusted					
			2003				2004		2003				2004	
			I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^p
1	Exports of private services	294,080	69,711	68,503	77,553	78,313	77,432	78,745	71,511	70,704	73,977	77,887	78,682	81,053
2	Travel (table 1, line 6)	64,509	13,602	14,518	19,220	17,169	16,103	19,199	15,862	14,360	16,216	18,071	17,878	18,932
3	Passenger fares (table 1, line 7)	15,693	3,454	3,440	4,561	4,238	4,183	4,518	3,825	3,522	4,036	4,310	4,527	4,690
4	Other transportation (table 1, line 8)	31,833	7,352	7,777	8,215	8,489	8,653	9,428	7,683	7,709	7,893	8,548	9,060	9,374
5	Freight	14,099	3,261	3,611	3,454	3,773	3,940	4,055	3,324	3,587	3,465	3,723	4,011	4,028
6	Port services	17,734	4,091	4,166	4,761	4,716	4,713	5,373	4,359	4,122	4,428	4,825	5,049	5,346
7	Royalties and license fees (table 1, line 9)	48,227	11,286	11,779	11,914	13,248	12,136	12,344	11,628	11,943	12,175	12,481	12,472	12,508
8	Affiliated	35,924	8,278	8,721	8,813	10,112	8,979	9,165	8,620	8,885	9,074	9,345	9,315	9,329
9	U.S. parents' receipts	32,500	7,540	8,007	7,923	9,030	8,378	8,448	7,777	8,041	8,167	8,516	8,627	8,482
10	U.S. affiliates' receipts	3,424	738	714	890	1,082	601	717	843	844	907	829	688	847
11	Unaffiliated	12,303	3,008	3,058	3,101	3,136	3,157	3,179	3,008	3,058	3,101	3,136	3,157	3,179
12	Industrial processes ¹	4,775	1,120	1,179	1,225	1,251	1,255	1,254	1,120	1,179	1,225	1,251	1,255	1,254
13	Other ²	7,528	1,887	1,879	1,877	1,885	1,901	1,925	1,887	1,879	1,877	1,885	1,901	1,925
14	Other private services (table 1, line 10)	133,818	34,017	30,989	33,643	35,169	36,357	33,256	32,513	33,170	33,657	34,477	34,745	35,549
15	Affiliated services	48,450	11,084	11,547	11,797	14,022	11,644	12,098	11,691	12,031	12,154	12,574	12,280	12,572
16	U.S. parents' receipts	27,674	6,368	6,743	6,634	7,929	6,806	6,919	6,644	6,847	6,890	7,293	7,098	7,012
17	U.S. affiliates' receipts	20,776	4,716	4,804	5,163	6,093	4,838	5,179	5,047	5,184	5,264	5,281	5,182	5,560
18	Unaffiliated services	85,368	22,933	19,442	21,846	21,147	24,713	21,158	20,822	21,139	21,503	21,903	22,465	22,977
19	Education	13,399	5,464	1,669	3,672	2,595	5,798	1,752	3,286	3,331	3,390	3,392	3,488	3,526
20	Financial services	17,637	4,282	4,289	4,450	4,616	4,828	4,877	4,282	4,289	4,450	4,616	4,828	4,877
21	Insurance services	4,877	1,194	1,210	1,224	1,249	1,267	1,302	1,194	1,210	1,224	1,249	1,267	1,302
22	Telecommunications	5,477	1,328	1,354	1,382	1,414	1,433	1,455	1,328	1,354	1,382	1,414	1,433	1,455
23	Business, professional, and technical services	29,084	7,059	7,269	7,316	7,440	7,638	7,849	7,059	7,269	7,316	7,440	7,638	7,849
24	Other unaffiliated services ³	14,894	3,606	3,651	3,803	3,834	3,748	3,923	3,672	3,686	3,742	3,793	3,809	3,969
25	Imports of private services	228,216	51,754	56,498	61,355	58,609	58,238	66,038	55,506	54,789	57,995	59,927	62,382	63,953
26	Travel (table 1, line 23)	56,613	12,229	14,286	16,868	13,230	13,206	17,989	14,312	12,790	14,409	15,102	15,508	16,170
27	Passenger fares (table 1, line 24)	20,957	4,498	5,347	6,163	4,949	5,033	6,310	5,007	4,875	5,512	5,563	5,574	5,811
28	Other transportation (table 1, line 25)	44,768	10,248	11,242	11,668	11,610	12,378	13,154	10,796	11,109	11,312	11,551	13,051	12,965
29	Freight	31,775	6,971	8,112	8,384	8,307	8,925	9,502	7,369	8,023	8,155	8,228	9,434	9,366
30	Port services	12,995	3,277	3,130	3,284	3,303	3,453	3,652	3,427	3,086	3,158	3,324	3,617	3,599
31	Royalties and license fees (table 1, line 26)	20,049	4,480	4,726	5,180	5,663	5,072	5,282	4,629	4,912	5,204	5,304	5,223	5,497
32	Affiliated	16,407	3,592	3,825	4,263	4,727	4,126	4,326	3,741	4,011	4,287	4,368	4,277	4,541
33	U.S. parents' payments	2,658	637	651	669	701	666	692	637	651	669	701	666	692
34	U.S. affiliates' payments	13,749	2,955	3,174	3,594	4,026	3,460	3,634	3,104	3,360	3,618	3,667	3,611	3,849
35	Unaffiliated	3,642	888	901	917	936	946	956	888	901	917	936	946	956
36	Industrial processes ¹	2,188	535	543	551	560	570	580	535	543	551	560	570	580
37	Other ²	1,453	354	358	366	376	376	376	354	358	366	376	376	376
38	Other private services (table 1, line 27)	85,829	20,299	20,897	21,476	23,157	22,549	23,303	20,762	21,103	21,558	22,407	23,026	23,510
39	Affiliated services	35,497	8,460	8,538	8,423	10,076	9,092	9,431	8,782	8,748	8,709	9,258	9,419	9,644
40	U.S. parents' payments	18,606	4,086	4,517	4,649	5,354	4,897	5,279	4,439	4,615	4,674	4,878	5,279	5,365
41	U.S. affiliates' payments	16,891	4,374	4,021	3,774	4,722	4,195	4,152	4,343	4,133	4,035	4,380	4,140	4,279
42	Unaffiliated services	50,332	11,839	12,359	13,053	13,081	13,457	13,872	11,980	12,355	12,849	13,149	13,607	13,866
43	Education	2,696	516	676	887	618	550	721	657	671	682	686	700	714
44	Financial services	4,236	1,029	997	1,103	1,107	1,261	1,243	1,029	997	1,103	1,107	1,261	1,243
45	Insurance services	26,702	6,307	6,569	6,807	7,021	7,229	7,412	6,307	6,569	6,807	7,021	7,229	7,412
46	Telecommunications	4,799	1,183	1,196	1,207	1,214	1,221	1,236	1,183	1,196	1,207	1,214	1,221	1,236
47	Business, professional, and technical services	10,960	2,585	2,691	2,810	2,875	2,951	3,014	2,585	2,691	2,810	2,875	2,951	3,014
48	Other unaffiliated services ³	938	220	231	240	247	246	246	220	231	240	247	246	246
Supplemental detail on insurance transactions:														
49	Premiums received ⁴	13,139	3,247	3,259	3,286	3,347	3,447	3,568	3,247	3,259	3,286	3,347	3,447	3,568
50	Actual losses paid	8,548	2,083	2,120	2,157	2,188	2,213	2,235	2,083	2,120	2,157	2,188	2,213	2,235
51	Premiums paid ⁴	57,561	13,511	14,149	14,714	15,187	15,571	15,904	13,511	14,149	14,714	15,187	15,571	15,904
52	Actual losses recovered	34,787	8,538	8,655	8,751	8,843	8,959	9,070	8,538	8,655	8,751	8,843	8,959	9,070
Memoranda:														
53	Balance on goods (table 1, line 71)	-547,552	-125,526	-133,436	-146,514	-142,076	-138,816	-162,038	-137,943	-135,533	-134,635	-139,441	-150,768	-163,580
54	Balance on private services (line 1 minus line 25)	65,864	17,957	12,005	16,198	19,704	19,194	12,707	16,005	15,915	15,982	17,960	16,300	17,100
55	Balance on goods and private services (lines 53 and 54)	-481,688	-107,569	-121,431	-130,316	-122,372	-119,622	-149,331	-121,938	-119,618	-118,653	-121,481	-134,468	-146,480

See footnotes on pages 106 and 107.

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 June 30, 2004
			2003				2004		
			I	II	III	IV	I ^r	II ^p	
A1	U.S. official reserve assets, net (table 1, line 41)	1,523	83	-170	-611	2,221	557	1,122	174,903
2	Gold (table 1, line 42)								103,534
3	Special drawing rights (table 1, line 43)	601	897	-102	-97	-97	-100	-90	12,659
4	Reserve position in the International Monetary Fund (table 1, line 44)	1,494	-644	86	-383	2,435	815	1,345	20,076
5	Foreign currencies (table 1, line 45)	-572	-170	-154	-131	-117	-158	-133	38,634
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	73,877	1,645,967
	By instrument:								
2	U.S. Treasury securities (table 1, line 58)	169,685	30,277	42,668	23,953	72,787	101,692	63,027	1,094,468
3	Bills and certificates	21,581	16,818	3,763	-3,107	4,107	19,579	157	231,761
4	Bonds and notes, marketable	148,259	13,406	38,850	27,004	68,999	83,186	62,840	861,138
5	Bonds and notes, nonmarketable	-155	53	55	56	-319	-1,073	30	1,569
6	Other U.S. Government securities (table 1, line 59)	24,883	9,568	3,290	3,340	8,685	13,016	2,767	200,071
7	Other U.S. Government liabilities (table 1, line 60)	-564	-437	-16	-41	-70	-140	-158	16,282
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	6,237	208,776
9	Banks' liabilities for own account ¹	27,316	5,670	8,175	15,264	-1,793	8,296	7,746	133,861
10	Repurchase agreements	28,558	6,125	4,668	16,709	1,056	2,029	10,506	100,277
11	Deposits and brokerage balances ²	3,292	4,288	615	-2,891	1,280	1,129	3,487	28,763
12	Other liabilities	-4,534	-4,743	2,892	1,446	-4,129	5,138	-6,247	4,821
13	Banks' customers' liabilities ¹	22,104	2,655	10,377	6,755	2,317	3,558	-1,509	74,915
14	Negotiable certificates of deposit and other short-term instruments	19,719	1,808	6,195	5,154	6,562	5,666	-3,668	72,415
15	Other liabilities	2,385	847	4,182	1,601	-4,245	-2,108	2,159	2,500
16	Other foreign official assets (table 1, line 62)	5,149	1,253	751	1,392	1,753	1,442	2,004	126,370
	By area:								
17	Europe	5,118	8,744	3,210	308	-7,144	4,549	23,489	322,301
18	Canada	-1,105	-978	-168	406	-365	892	-113	7,157
19	Latin America and Caribbean	12,290	3,339	7,992	522	437	4,448	8,026	85,557
20	Asia	228,087	40,568	49,492	51,744	86,283	117,367	45,399	1,204,235
21	Africa	328	-189	505	-972	984	1,512	-172	12,878
22	Other	3,855	-2,498	4,214	-1,345	3,484	-904	-2,752	13,839

Table 5. Selected U.S. Government Transactions

[Millions of dollars]

Line		Not seasonally adjusted						
		2003	2003				2004	
			I	II	III	IV	I ^P	II ^P
A1	U.S. Government grants and transactions increasing Government assets, total	31,196	8,322	8,764	7,509	6,601	8,451	5,663
	By category							
2	Grants, net	23,752	5,930	7,100	5,957	4,766	7,804	5,051
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	5,051
4	Financing military purchases ¹	6,364	2,979	1,642	512	1,230	3,973	573
5	Other grants	15,502	2,854	4,190	4,935	3,523	3,772	4,478
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	
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	598
9	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,434	378	405	357	294	342	513
10	Credits repayable in U.S. dollars	5,845	2,050	1,186	1,175	1,434	219	85
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	15
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	(*)					
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	
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
	By program							
27	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,434	378	405	357	294	342	513
28	Under Agricultural Trade Development and Assistance Act and related programs	2,661	327	1,318	453	564	306	297
29	Under Foreign Assistance Act and related programs	22,451	6,611	6,344	5,146	4,351	7,444	4,468
30	Under Export-Import Bank Act	3,316	753	429	1,159	975	60	23
31	Under Commodity Credit Corporation Charter Act	97	17	5	39	36	68	
32	Under other grant and credit programs	1,253	270	284	359	341	224	348
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
	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	3,320
37	Expenditures on U.S. goods	9,006	3,575	2,730	1,376	1,325	3,815	982
38	Expenditures on U.S. services ⁴	7,744	1,237	2,096	2,492	1,919	1,632	1,773
39	Financing of military sales contracts by U.S. Government ⁵ (line C6)	2,532	603	474	568	888	1,123	561
40	By long-term credits	180	10	76	58	36		
41	By short-term credits ¹							
42	By grants ¹	2,353	592	398	510	852	1,123	561
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	4
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	
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	
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	2,344
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	572
2	Receipts of principal on U.S. Government credits	7,981	2,445	1,975	2,035	1,526	1,374	572
3	Under Agricultural Trade Development and Assistance Act and related programs	1,640	88	1,023	141	388	55	31
4	Under Foreign Assistance Act and related programs	3,417	1,792	591	724	310	795	252
5	Under Export-Import Bank Act	2,520	440	310	1,054	716	390	223
6	Under Commodity Credit Corporation Charter Act	328	125	51	107	45	125	58
7	Under other credit programs	77			9	68	10	7
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	-158
2	Associated with military sales contracts ²	-591	-441	-35	-49	-67	-142	-162
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
4	Less U.S. Government receipts from principal repayments	796	346	124	244	81	567	57
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	561
7	By long-term credits	180	10	76	58	36		
8	By short-term credits ¹							
9	By grants ¹	2,353	592	398	510	852	1,123	561
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	3,739
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	4
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	4

See footnotes on pages 106 and 107.

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

[Millions of dollars]

Line	(Credits +; debits -)	Not seasonally adjusted								Seasonally adjusted						
		2003	2003				2004				2003				2004	
			I	II	III	IV	I ¹	II ^P	I	II	III	IV	I ¹	II ^P		
U.S. direct investment abroad:																
1	Income (table 1, line 14)	187,522	41,288	43,984	47,452	54,798	56,066	58,402	40,748	42,704	47,229	56,843	55,553	56,642		
2	Earnings.....	181,470	39,812	42,447	45,940	53,270	54,547	56,919	39,272	41,167	45,717	55,315	54,034	55,159		
3	Distributed earnings.....	40,363	7,115	7,968	8,135	17,145	10,160	10,179	10,305	10,355	10,220	9,485	13,246	14,125		
4	Reinvested earnings.....	141,106	32,697	34,479	37,805	36,125	44,387	46,740	28,967	30,812	35,497	45,830	40,788	41,034		
5	Reinvested earnings without current-cost adjustment.....	119,192	27,384	29,039	32,263	30,506	38,715	41,039	23,654	25,372	29,955	40,211	35,116	35,333		
6	Current-cost adjustment.....	21,914	5,313	5,440	5,542	5,619	5,672	5,701	5,313	5,440	5,542	5,619	5,672	5,701		
7	Interest.....	6,053	1,476	1,537	1,512	1,528	1,519	1,483	1,476	1,537	1,512	1,528	1,519	1,483		
8	U.S. parents' receipts.....	9,189	2,205	2,306	2,275	2,402	2,233	2,214	2,205	2,306	2,275	2,402	2,233	2,214		
9	U.S. parents' payments.....	-3,137	-729	-769	-764	-875	-714	-732	-729	-769	-764	-875	-714	-732		
10	Income without current-cost adjustment.....	165,608	35,975	38,544	41,910	49,179	50,394	52,701	35,435	37,264	41,687	51,224	49,881	50,941		
11	Manufacturing.....	36,818	8,398	8,773	9,173	10,474	11,146	13,285	8,647	8,386	9,026	10,760	11,528	12,726		
12	Wholesale trade.....	19,654	3,441	4,298	4,879	7,037	6,088	5,811	3,441	4,298	4,879	7,037	6,088	5,811		
13	Finance (including depository institutions) and insurance.....	21,603	4,826	4,948	5,282	6,547	7,787	8,718	4,037	4,056	5,204	8,305	6,892	7,519		
14	Holding companies, except bank holding companies.....	54,151	12,398	12,718	13,967	15,067	14,719	13,524	12,398	12,718	13,967	15,067	14,719	13,524		
15	Other.....	33,384	6,912	7,806	8,610	10,054	10,653	11,362	6,912	7,806	8,610	10,054	10,653	11,362		
16	Earnings without current-cost adjustment (line 2 less line 6).....	159,556	34,499	37,007	40,398	47,651	48,875	51,218	33,959	35,727	40,175	49,696	48,362	49,458		
17	Manufacturing.....	35,507	8,066	8,443	8,859	10,139	10,860	13,012	8,315	8,055	8,712	10,425	11,243	12,453		
18	Wholesale trade.....	19,287	3,363	4,214	4,782	6,930	5,991	5,715	3,363	4,214	4,782	6,930	5,991	5,715		
19	Finance (including depository institutions) and insurance.....	21,906	4,923	5,011	5,338	6,634	7,836	8,740	4,134	4,119	5,260	8,393	6,941	7,541		
20	Holding companies, except bank holding companies.....	52,185	11,905	12,204	13,501	14,574	14,244	13,075	11,905	12,204	13,501	14,574	14,244	13,075		
21	Other.....	30,671	6,242	7,135	7,920	9,374	9,943	10,674	6,242	7,135	7,920	9,374	9,943	10,674		
22	Interest.....	6,053	1,476	1,537	1,512	1,528	1,519	1,483	1,476	1,537	1,512	1,528	1,519	1,483		
23	Manufacturing.....	1,311	332	331	314	335	285	273	332	331	314	335	285	273		
24	Wholesale trade.....	367	78	85	97	107	98	96	78	85	97	107	98	96		
25	Finance (including depository institutions) and insurance ¹	-304	-97	-63	-56	-88	-49	-22	-97	-63	-56	-88	-49	-22		
26	Holding companies, except bank holding companies.....	1,966	493	514	467	493	475	448	493	514	467	493	475	448		
27	Other.....	2,712	670	671	690	681	710	688	670	671	690	681	710	688		
28	Capital (table 1, line 51)	-173,799	-44,567	-37,717	-47,515	-44,000	-51,207	-66,450	-40,837	-34,049	-45,206	-53,705	-47,608	-60,743		
29	Equity capital.....	-24,595	-4,714	-4,614	-4,141	-11,126	-10,069	-23,263	-4,714	-4,614	-4,141	-11,126	-10,069	-23,263		
30	Increases in equity capital.....	-45,290	-9,784	-8,535	-7,873	-19,097	-13,183	-31,064	-9,784	-8,535	-7,873	-19,097	-13,183	-31,064		
31	Decreases in equity capital.....	20,694	5,070	3,921	3,732	7,971	3,114	7,800	5,070	3,921	3,732	7,971	3,114	7,800		
32	Reinvested earnings (line 4 with sign reversed).....	-141,106	-32,697	-34,479	-37,805	-36,125	-44,387	-46,740	-28,967	-30,812	-35,497	-45,830	-40,788	-41,034		
33	Intercompany debt.....	-8,096	-7,156	1,377	-5,568	3,251	3,249	3,554	-7,156	1,377	-5,568	3,251	3,249	3,554		
34	U.S. parents' receivables.....	-29,488	-12,537	-4,363	-7,060	-5,528	-3,789	1,841	-12,537	-4,363	-7,060	-5,528	-3,789	1,841		
35	U.S. parents' payables.....	21,392	5,381	5,739	1,491	8,780	7,038	1,713	5,381	5,739	1,491	8,780	7,038	1,713		
36	Capital without current-cost adjustment.....	-151,884	-39,254	-32,277	-41,973	-38,381	-45,535	-60,749	-35,524	-28,609	-39,664	-48,086	-41,936	-55,042		
37	Manufacturing.....	-28,370	-8,228	-3,458	-7,152	-9,532	-9,808	-23,795	-8,070	-2,547	-6,466	-11,285	-9,611	-22,394		
38	Wholesale trade.....	-12,802	-1,103	-1,029	-6,034	-4,636	-5,990	-3,827	-1,103	-1,029	-6,034	-4,636	-5,990	-3,827		
39	Finance (including depository institutions) and insurance.....	-30,842	-9,617	-6,500	-7,784	-6,941	-4,537	-13,242	-8,022	-5,289	-7,438	-10,095	-2,868	-11,691		
40	Holding companies, except bank holding companies.....	-52,314	-15,519	-10,281	-12,469	-14,046	-18,231	-9,214	-14,181	-8,957	-11,923	-17,252	-17,492	-6,572		
41	Other.....	-27,556	-4,787	-11,008	-8,534	-3,227	-6,969	-10,671	-4,541	-11,108	-8,134	-3,772	-6,642	-10,816		
42	Equity capital.....	-24,595	-4,714	-4,614	-4,141	-11,126	-10,069	-23,263	-4,714	-4,614	-4,141	-11,126	-10,069	-23,263		
43	Manufacturing.....	-8,674	-2,009	-1,108	-847	-4,709	-5,665	-13,424	-2,009	-1,108	-847	-4,709	-5,665	-13,424		
44	Wholesale trade.....	-853	-43	66	-183	-693	-245	-652	-43	66	-183	-693	-245	-652		
45	Finance (including depository institutions) and insurance.....	-8,730	-3,316	-366	-990	-4,059	-1,997	-1,930	-3,316	-366	-990	-4,059	-1,997	-1,930		
46	Holding companies, except bank holding companies.....	-4,454	973	-1,728	-1,016	-2,683	-2,022	-3,915	973	-1,728	-1,016	-2,683	-2,022	-3,915		
47	Other.....	-1,885	-319	-1,478	-1,106	1,018	-140	-3,344	-319	-1,478	-1,106	1,018	-140	-3,344		
48	Reinvested earnings without current-cost adjustment (line 5 with sign reversed).....	-119,192	-27,384	-29,039	-32,263	-30,506	-38,715	-41,039	-23,654	-25,372	-29,955	-40,211	-35,116	-35,333		
49	Manufacturing.....	-26,558	-5,789	-6,800	-7,416	-6,552	-7,651	-10,513	-5,632	-5,889	-6,730	-8,306	-7,455	-9,112		
50	Wholesale trade.....	-14,275	-2,434	-3,147	-3,918	-4,775	-4,571	-4,982	-2,434	-2,827	-3,588	-5,821	-3,903	-4,726		
51	Finance (including depository institutions) and insurance.....	-12,946	-3,080	-3,353	-3,554	-2,960	-6,023	-6,977	-1,484	-2,141	-3,208	-6,114	-4,354	-5,425		
52	Holding companies, except bank holding companies.....	-41,996	-11,114	-10,272	-10,832	-9,278	-12,190	-9,895	-9,776	-9,948	-10,286	-12,485	-11,452	-7,253		
53	Other.....	-23,917	-4,967	-5,467	-6,543	-6,940	-8,279	-8,672	-4,967	-5,467	-6,543	-7,485	-7,952	-8,817		
54	Intercompany debt.....	-8,096	-7,156	1,377	-5,568	3,251	3,249	3,554	-7,156	1,377	-5,568	3,251	3,249	3,554		
55	Manufacturing.....	6,862	-429	4,450	1,111	1,730	3,509	142	-429	4,450	1,111	1,730	3,509	142		
56	Wholesale trade.....	2,326	1,373	2,053	-1,933	833	-1,174	1,807	1,373	2,053	-1,933	833	-1,174	1,807		
57	Finance (including depository institutions) and insurance ²	-9,166	-3,222	-2,782	-3,240	78	3,483	-4,336	-3,222	-2,782	-3,240	78	3,483	-4,336		
58	Holding companies, except bank holding companies.....	-6,364	-5,378	1,719	-621	-2,084	-4,018	4,596	-5,378	1,719	-621	-2,084	-4,018	4,596		
59	Other.....	-1,754	500	-4,063	-885	2,695	1,450	1,345	500	-4,063	-885	2,695	1,450	1,345		
60	Royalties and license fees, net	29,843	6,903	7,357	7,254	8,329	7,712	7,756	7,140	7,390	7,498	7,815	7,961	7,790		
61	U.S. parents' receipts (table 1, part of line 9).....	32,500	7,540	8,007	7,923	9,030	8,378	8,448	7,777	8,041	8,167	8,516	8,627	8,482		
62	U.S. parents' payments (table 1, part of line 26).....	-2,658	-637	-651	-669	-701	-666	-692	-637	-651	-669	-701	-666	-692		
63	Other private services, net	9,070	2,283	2,226	1,986	2,575	1,909	1,640	2,205	2,232	2,216	2,415	1,819	1,647		
64	U.S. parents' receipts (table 1, part of line 10).....	27,674	6,368	6,743	6,634	7,929	6,806	6,919	6,644	6,847	6,890	7,293	7,098	7,012		
65	U.S. parents' payments (table 1, part of line 27).....	-18,606	-4,086	-4,517	-4,649	-5,354	-4,897	-5,279	-4,439	-4,615	-4,674	-4,878	-5,279	-5,365		

See footnotes on pages 106 and 107.

Table 6a. Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services—Continued
 (Millions of dollars)

Line	(Credits +; debits -)	2003	Not seasonally adjusted						Seasonally adjusted					
			2003				2004		2003				2004	
			I	II	III	IV	I ^r	II ^p	I	II	III	IV	I ^r	II ^p
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	-28,769	-15,415	-16,362	-18,589	-18,289	-20,787	-27,582
67	Earnings	-50,313	-10,943	-12,965	-14,766	-11,639	-16,510	-24,509	-11,279	-11,786	-13,903	-13,343	-16,874	-23,322
68	Distributed earnings	-38,265	-3,125	-19,669	-6,255	-9,214	-10,052	-6,454	-3,051	-20,357	-6,604	-8,252	-10,193	-7,055
69	Reinvested earnings	-12,048	-7,818	6,705	-8,511	-2,424	-6,458	-18,055	-8,228	8,571	-7,299	-5,091	-6,681	-16,266
70	Reinvested earnings without current-cost adjustment	-1,931	-5,340	9,218	-5,964	156	-3,847	-15,413	-5,750	11,084	-4,752	-2,511	-4,070	-13,624
71	Current-cost adjustment	-10,118	-2,478	-2,513	-2,547	-2,580	-2,611	-2,642	-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	-4,260	-4,136	-4,576	-4,686	-4,946	-3,913	-4,260
73	U.S. affiliates' payments	-19,984	-4,495	-4,925	-5,124	-5,440	-4,378	-4,743	-4,495	-4,925	-5,124	-5,440	-4,378	-4,743
74	U.S. affiliates' receipts	1,640	359	349	438	494	465	483	359	349	438	494	465	483
75	Income without current-cost adjustment	-58,540	-12,601	-15,028	-16,905	-14,005	-17,812	-26,127	-12,937	-13,849	-16,042	-15,709	-18,176	-24,940
76	Manufacturing	-20,385	-3,607	-5,888	-6,441	-4,449	-6,662	-10,107	-3,942	-4,696	-5,578	-6,168	-7,026	-8,907
77	Wholesale trade	-17,950	-5,702	-3,680	-3,579	-4,987	-5,121	-7,132	-5,702	-3,680	-3,579	-4,987	-5,121	-7,132
78	Finance (including depository institutions) and insurance	-11,027	-2,313	-3,040	-3,137	-2,538	-3,283	-3,904	-2,313	-3,040	-3,137	-2,538	-3,283	-3,904
79	Other	-9,178	-980	-2,420	-3,748	-2,030	-2,746	-4,985	-981	-2,434	-3,147	-2,016	-2,746	-4,997
80	Earnings without current-cost adjustment (line 67 less line 71)	-40,196	-8,465	-10,452	-12,219	-9,059	-13,899	-21,867	-8,801	-9,273	-11,356	-10,763	-14,263	-20,680
81	Manufacturing	-11,064	-1,494	-3,695	-4,002	-1,873	-4,675	-7,929	-1,829	-2,503	-3,140	-3,592	-5,039	-6,729
82	Wholesale trade	-17,367	-5,550	-3,515	-3,429	-4,872	-5,042	-7,050	-5,550	-3,515	-3,429	-4,872	-5,042	-7,050
83	Finance (including depository institutions) and insurance	-9,554	-1,915	-2,640	-2,839	-2,159	-3,058	-3,700	-1,915	-2,640	-2,839	-2,159	-3,058	-3,700
84	Other	-2,209	494	-601	-1,949	-154	-1,124	-3,190	493	-615	-1,948	-140	-1,124	-3,201
85	Interest	-18,345	-4,136	-4,576	-4,686	-4,946	-3,913	-4,260	-4,136	-4,576	-4,686	-4,946	-3,913	-4,260
86	Manufacturing	-9,321	-2,113	-2,193	-2,438	-2,576	-1,987	-2,178	-2,113	-2,193	-2,438	-2,576	-1,987	-2,178
87	Wholesale trade	-582	-152	-165	-151	-115	-79	-82	-152	-165	-151	-115	-79	-82
88	Finance (including depository institutions) and insurance	-1,473	-397	-399	-298	-379	-226	-205	-397	-399	-298	-379	-226	-205
89	Other	-6,969	-1,474	-1,819	-1,799	-1,876	-1,622	-1,796	-1,474	-1,819	-1,799	-1,876	-1,622	-1,796
90	Capital (table 1, line 64)	39,890	32,113	1,322	-1,598	8,053	10,002	34,491	32,523	-544	-2,810	10,719	10,225	32,702
91	Equity capital	62,216	33,076	8,072	9,714	11,354	3,365	28,174	33,076	8,072	9,714	11,354	3,365	28,174
92	Increases in equity capital	74,106	34,844	11,529	11,482	16,252	7,269	29,040	34,844	11,529	11,482	16,252	7,269	29,040
93	Decreases in equity capital	-11,890	-1,768	-3,457	-1,768	-4,897	-3,904	-866	-1,768	-3,457	-1,768	-4,897	-3,904	-866
94	Reinvested earnings (line 69 with sign reversed)	12,048	7,818	-6,705	8,511	2,424	6,458	18,055	8,228	-8,571	7,299	5,091	6,681	16,266
95	Intercompany debt	-34,374	-8,781	-45	-19,823	-5,726	179	-11,738	-8,781	-45	-19,823	-5,726	179	-11,738
96	U.S. affiliates' payables	-15,915	-6,566	5,001	-11,701	-2,649	18,125	-6,322	-6,566	5,001	-11,701	-2,649	18,125	-6,322
97	U.S. affiliates' receivables	-18,460	-2,215	-5,046	-8,122	-3,077	-17,945	-5,416	-2,215	-5,046	-8,122	-3,077	-17,945	-5,416
98	Capital without current-cost adjustment	29,772	29,635	-1,191	-4,145	5,473	7,391	31,849	30,045	-3,057	-5,357	8,139	7,614	30,060
99	Manufacturing	344	-1,558	3,920	-845	-1,173	3,392	-395	-1,179	2,222	-1,864	1,164	3,577	-2,041
100	Wholesale trade	-6,510	5,111	-12,529	-2,309	3,216	2,913	541	5,111	-12,530	-2,309	3,216	2,913	541
101	Finance (including depository institutions) and insurance	21,167	21,323	1,267	3,096	-4,520	1,826	20,864	21,323	1,267	3,096	-4,520	1,826	20,864
102	Other	14,772	4,759	6,151	-4,088	7,949	-739	10,840	4,759	5,982	-4,280	8,279	-702	10,695
103	Equity capital	62,216	33,076	8,072	9,714	11,354	3,365	28,174	33,076	8,072	9,714	11,354	3,365	28,174
104	Manufacturing	13,020	2,677	3,261	2,574	4,508	1,071	4,080	2,677	3,261	2,574	4,508	1,071	4,080
105	Wholesale trade	1,185	256	339	291	298	193	655	256	339	291	298	193	655
106	Finance (including depository institutions) and insurance	27,836	21,925	1,157	3,293	1,460	292	20,312	21,925	1,157	3,293	1,460	292	20,312
107	Other	20,175	8,217	3,314	3,556	5,088	1,808	3,127	8,217	3,314	3,556	5,088	1,808	3,127
108	Reinvested earnings without current-cost adjustment (line 70 with sign reversed)	1,931	5,340	-9,218	5,964	-156	3,847	15,413	5,750	-11,084	4,752	2,511	4,070	13,624
109	Manufacturing	7,036	168	2,449	3,581	838	3,900	7,325	548	752	2,561	3,175	4,085	5,680
110	Wholesale trade	-8,790	5,438	-12,588	-1,239	-401	-2,490	2,488	5,438	-12,588	-1,239	-401	-2,490	2,488
111	Finance (including depository institutions) and insurance	3,825	933	721	2,000	172	1,936	2,749	932	721	2,000	172	1,936	2,749
112	Other	-141	-1,199	200	1,622	-765	501	2,851	-1,168	31	1,430	-435	539	2,707
113	Intercompany debt	-34,374	-8,781	-45	-19,823	-5,726	179	-11,738	-8,781	-45	-19,823	-5,726	179	-11,738
114	Manufacturing	-19,712	-4,404	-1,791	-6,999	-6,519	-1,579	-11,801	-4,404	-1,791	-6,999	-6,519	-1,579	-11,801
115	Wholesale trade	1,094	-583	-281	-1,361	3,319	5,210	-2,601	-583	-281	-1,361	3,319	5,210	-2,601
116	Finance (including depository institutions) and insurance	-10,494	-1,535	-611	-2,197	-6,152	-403	-2,197	-1,535	-611	-2,197	-6,152	-403	-2,197
117	Other	-5,262	-2,259	2,637	-9,266	3,626	-3,049	4,861	-2,259	2,637	-9,266	3,626	-3,049	4,861
118	Royalties and license fees, net	-10,325	-2,217	-2,460	-2,704	-2,944	-2,860	-2,918	-2,217	-2,516	-2,711	-2,838	-2,923	-3,002
119	U.S. affiliates' payments (table 1, part of line 26)	-13,749	-2,955	-3,174	-3,594	-4,026	-3,460	-3,634	-3,104	-3,360	-3,618	-3,667	-3,611	-3,849
120	U.S. affiliates' receipts (table 1, part of line 9)	3,424	738	714	890	1,082	601	717	843	844	907	829	688	847
121	Other private services, net	3,883	341	782	1,389	1,371	642	1,027	704	1,051	1,229	901	1,042	1,281
122	U.S. affiliates' payments (table 1, part of line 27)	-16,891	-4,374	-4,021	-3,774	-4,722	-4,195	-4,152	-4,343	-4,133	-4,035	-4,380	-4,140	-4,279
123	U.S. affiliates' receipts (table 1, part of line 10)	20,776	4,716	4,804	5,163	6,093	4,838	5,179	5,047	5,184	5,264	5,281	5,182	5,560

See footnotes on pages 106 and 107.

Table 7a. Transactions in Long-Term Securities

[Millions of dollars]

Line	(Credits +; debits -)	2003	Not seasonally adjusted					
			2003				2004	
			I	II	III	IV	I ^r	II ^p
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	-30,316
2	Stocks, gross purchases by U.S. residents	1,476,983	304,908	334,356	407,143	430,576	510,116	517,569
3	Stocks, gross sales by U.S. residents	1,376,552	270,802	317,732	376,642	411,376	488,684	477,321
4	Stocks, net purchases by U.S. residents	-100,431	-34,106	-16,624	-30,501	-19,200	-21,432	-40,248
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	-40,156
7	Net purchases by U.S. residents, by area:							
8	Europe	-25,574	-23,424	-8,294	-4,189	10,333	-5,215	-21,435
9	Of which: United Kingdom	-27,787	-22,668	-6,343	-1,711	2,935	1,579	-16,884
10	Canada	-2,570	137	-1,395	-1,218	-94	418	-11,657
11	Caribbean financial centers ¹	-3,877	-4,139	-1,213	1,609	-134	-1,687	-2,777
12	Latin America, excluding Caribbean financial centers	-1,212	-520	313	32	-1,037	1,639	1,080
13	Asia	-63,324	-5,523	-5,470	-27,213	-25,118	-16,357	-4,942
14	Of which: Japan	-37,483	-2,792	-2,848	-17,370	-14,473	-13,923	-5,102
15	Africa	-188	-79	-45	-187	123	8	-32
16	Other	-3,686	-558	-520	665	-3,273	-238	-485
17	Bonds, gross purchases by U.S. residents	2,136,812	412,054	555,580	578,522	590,656	525,576	404,168
18	Bonds, gross sales by U.S. residents	2,164,906	419,541	580,633	580,711	584,021	530,484	414,100
19	Bonds, net purchases by U.S. residents	28,094	7,487	25,053	2,189	-6,635	4,908	9,932
20	New issues in the United States	-21,262	-10,138	-2,282	-3,235	-5,607	-4,518	-1,936
21	Transactions in outstanding bonds, net	49,356	17,625	27,335	5,424	-1,028	9,426	11,868
22	Net purchases by U.S. residents, by area:							
23	Europe	10,679	5,262	15,923	-9,511	-995	-11,886	-7,809
24	Of which: United Kingdom	4,755	9,644	8,146	-11,484	-1,551	-15,668	-10,163
25	Canada	10,218	4,083	3,188	4,021	-1,074	967	-925
26	Caribbean financial centers ¹	-10,215	-6,324	-649	-6,035	2,793	4,944	-2,239
27	Latin America, excluding Caribbean financial centers	-1,330	-1,858	-2,136	2,265	399	2,072	5,737
28	Asia	18,307	4,748	9,908	11,474	-7,823	8,601	14,903
29	Of which: Japan	5,508	1,630	2,756	6,803	-5,681	482	7,825
30	Africa	463	274	190	-66	65	219	448
31	Other	-28	1,302	-1,371	41		-9	-183
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	88,617
2	Stocks, gross purchases by foreign residents	3,107,487	653,734	816,984	777,317	859,452	1,019,250	1,057,819
3	Stocks, gross sales by foreign residents	3,070,224	656,399	796,475	780,717	836,633	1,015,094	1,055,861
4	Stocks, net purchases by foreign residents	37,263	-2,665	20,509	-3,400	22,819	4,156	1,958
5	Net purchases by foreign residents, by area:							
6	Europe	25,206	801	9,582	-723	15,546	4,765	5,099
7	Of which: United Kingdom	199	-1,247	1,352	-3,167	3,261	1,235	4,912
8	Canada	11,593	2,224	4,457	-2,150	7,062	3,128	-3,335
9	Caribbean financial centers ¹	-1,699	-6,742	4,005	409	629	-793	-5,582
10	Latin America, excluding Caribbean financial centers	-97	-342	367	-68	-54	205	-257
11	Asia	2,587	4,271	1,107	-1,524	-1,267	-3,310	5,644
12	Of which: Japan	-2,529	1,474	-2,434	-1,311	-258	-3,317	2,415
13	Africa	243	-3	128	-35	153	-197	13
14	Other	-570	-2,874	863	691	750	358	376
15	Corporate bonds, gross purchases by foreign residents	1,030,558	228,091	271,392	258,469	272,606	292,462	277,366
16	Corporate bonds, gross sales by foreign residents	803,475	172,875	210,240	206,022	214,338	241,238	225,824
17	Corporate bonds, net purchases by foreign residents	227,083	55,216	61,152	52,447	58,268	51,224	51,542
18	New issues sold abroad by U.S. corporations	69,105	18,625	15,185	20,991	14,304	19,181	23,611
19	Transactions in outstanding bonds, net	157,978	36,591	45,967	31,456	43,964	32,043	27,931
20	Net purchases by foreign residents, by area:							
21	Europe	129,146	35,798	35,121	26,632	31,595	20,923	19,835
22	Of which: United Kingdom	87,619	24,692	24,746	16,443	21,738	6,552	6,371
23	Canada	6,789	2,019	1,196	1,319	2,255	1,343	1,145
24	Caribbean financial centers ¹	54,285	10,369	15,077	14,649	14,190	12,385	12,436
25	Latin America, excluding Caribbean financial centers	7,467	1,487	1,983	2,621	1,376	2,206	3,738
26	Asia	26,761	4,726	7,076	6,707	8,252	13,094	13,553
27	Of which: Japan	12,161	248	3,016	3,629	5,268	9,907	10,639
28	Africa	403	124	118	78	83	68	159
29	Other	2,232	693	581	441	517	1,205	676
30	Federally sponsored agency bonds, gross purchases by foreign residents	2,146,473	459,068	705,457	581,264	400,684	506,158	532,067
31	Federally sponsored agency bonds, gross sales by foreign residents	2,159,838	454,896	694,711	612,221	398,010	499,474	496,950
32	Federally sponsored agency bonds, net purchases by foreign residents	-13,365	4,172	10,746	-30,957	2,674	6,684	35,117
33	New issues sold abroad by federally sponsored agencies	49,061	14,521	12,153	8,929	13,458	20,639	11,371
34	Transactions in outstanding bonds, net	-62,426	-10,349	-1,407	-39,886	-10,784	-13,955	23,746
35	Net purchases by foreign residents, by area:							
36	Europe	-30,222	2,534	-13,736	-11,959	-7,061	-12,378	11,055
37	Of which: United Kingdom	13,162	11,669	2,461	-1,229	261	1,494	12,566
38	Canada	-4,405	-1,443	-1,700	-1,006	-256	1,749	279
39	Caribbean financial centers ¹	11,187	-6,244	17,297	-4,176	4,310	8,264	2,981
40	Latin America, excluding Caribbean financial centers	5,146	1,252	1,006	1,583	1,305	1,228	-1,772
41	Asia	6,787	8,005	9,054	-14,583	4,311	7,909	21,642
42	Of which: Japan	-15,171	547	2,757	-18,101	-374	-1,947	8,440
43	Africa	853	671	-10	168	24	-70	891
44	Other	-2,711	-603	-1,165	-984	41	-18	41
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	40,251
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	2,291,402
3	U.S. Treasury bonds and notes, gross sales by foreign residents	8,149,378	1,670,523	2,125,215	2,397,431	1,956,206	2,006,679	2,251,151
4	Net purchases by foreign residents, by area:							
5	Europe	20,544	-10,134	21,719	17,351	-8,392	45,614	1,532
6	Canada	11,759	-894	3,972	6,521	1,960	4,152	1,067
7	Caribbean financial centers ¹	12,849	10,184	-940	3,688	-83	12,182	25,295
8	Latin America, excluding Caribbean financial centers	6,955	1,921	-116	3,614	1,536	-171	5,978
9	Asia	57,242	9,892	26,782	12,982	7,586	875	5,637
10	Africa	-67	33	46	-43	-103	-31	326
11	Other	6,089	552	2,275	1,865	1,397	-1,665	416
12	Memoranda:							
13	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	62,840
2	Other U.S. Government securities (line B6)	24,883	9,568	3,290	3,340	8,685	13,016	2,767
3	U.S. corporate and other bonds (part of line B16)	5,519	1,201	731	1,316	2,271	1,898	1,789
4	U.S. stocks (part of line B16)	-370	52	20	76	-518	-456	215

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 June 30, 2004
			2003				2004		
			I	II	III	IV	I ¹	II ²	
A1	Claims, total (table 1, line 53)	-28,932	-11,207	-22,480	35,845	-31,090	-56,761	2,403	666,152
2	Financial claims	-26,582	-12,191	-19,998	34,709	-29,102	-56,206	2,403	632,020
3	Denominated in U.S. dollars	-22,663	2,111	-26,072	37,755	-36,457	-47,953	11,198	497,136
4	Denominated in foreign currencies	-3,919	-14,302	6,074	-3,046	7,355	-8,253	-8,795	134,884
	By instrument: ³								
5	Resale agreements	1,628	-1,162	2,869	-1,480	1,401	1,884	-6,095	8,036
6	Negotiable certificates of deposit	44	-41	108	-24	1	151	-123	129
7	Other short-term instruments (including money market instruments)	2,074	1,578	469	69	-42	583	-2,876	5,339
8	Deposits	14,621	2,784	-23,276	64,982	-29,869	-41,356	16,812	434,596
9	Other claims	-44,949	-15,350	-168	-28,838	-593	-17,468	-5,315	183,920
10	Of which: Financial intermediaries' accounts ⁴	-44,459	-12,068	-165	-27,238	-4,988	-11,306	374	147,443
	By area:								
11	Europe	-40,544	-32,316	-16,849	15,968	-7,347	-45,119	7,844	388,256
	Of which:								
12	United Kingdom	-30,041	-25,824	-7,706	12,429	-8,940	-31,730	11,066	188,674
13	Germany	2,388	3,800	713	-435	-1,690	5,568	1,423	83,599
14	Caribbean financial centers ⁵	21,906	26,857	-7,911	23,476	-20,516	-6,972	-9,973	207,099
15	Other	-7,944	-6,732	4,762	-4,735	-1,239	-4,115	4,532	36,665
16	Commercial claims	-2,350	984	-2,482	1,136	-1,988	-555		34,132
17	Denominated in U.S. dollars	120	5,054	-2,381	-1,291	-1,262	-929		26,456
18	Denominated in foreign currencies	-2,470	-4,070	-101	2,427	-726	374		7,676
	By instrument:								
19	Trade receivables	-2,296	892	-998	403	-2,593	-280		28,914
20	Advance payments and other claims	-54	92	-1,484	733	605	-275		5,218
	By area:								
21	Europe	-190	693	-1,808	1,225	-300	-62		14,628
22	Canada	-315	114	-310	241	-360	-207		3,275
23	Asia	-67	1,103	-404	52	-818	107		7,246
24	Other	-1,778	-926	40	-382	-510	-393		8,983
B1	Liabilities, total (table 1, line 68)	84,014	69,410	-2,257	12,721	4,140	40,723	-5,191	498,520
2	Financial liabilities	84,270	69,681	-703	13,827	1,465	36,212	-5,191	467,744
3	Denominated in U.S. dollars	88,435	54,385	4,573	23,127	6,350	45,343	-9,569	385,832
4	Denominated in foreign currencies	-4,165	15,296	-5,276	-9,300	-4,885	-9,131	4,378	81,912
	By instrument: ³								
5	Repurchase agreements	6,785	5,753	-659	206	1,485	-1,717	11,049	34,726
6	Short-term instruments	-8,589	749	-3,861	-1,171	-4,306	-3,649	1,072	10,868
7	Other liabilities	86,074	63,179	3,817	14,792	4,286	41,578	-17,312	422,150
8	Of which: Financial intermediaries' accounts ⁴	56,966	35,497	-701	21,403	767	9,996	-5,350	188,925
	By area:								
9	Europe	86,199	66,335	-912	19,291	1,485	33,311	-16,376	402,214
	Of which:								
10	United Kingdom	64,380	59,088	-2,422	17,727	-10,013	34,216	-19,302	228,835
11	Germany	14,634	10,432	5,604	-6,067	4,665	-2,313	1,125	78,556
12	Caribbean financial centers ⁵	-4,538	-2,186	2,087	-6,813	2,374	-2,390	14,390	46,669
13	Other	2,609	5,532	-1,878	1,349	-2,394	5,291	-3,205	18,861
14	Commercial liabilities	-256	-271	-1,554	-1,106	2,675	4,511		30,776
15	Denominated in U.S. dollars	-564	-1,961	-1,136	165	2,368	4,711		28,522
16	Denominated in foreign currencies	308	1,690	-418	-1,271	307	-200		2,254
	By instrument:								
17	Trade payables	2,513	425	405	824	859	654		17,822
18	Advance receipts and other liabilities	-2,769	-696	-1,959	-1,930	1,816	3,857		12,954
	By area:								
19	Europe	1,916	-1,788	2,420	-1,486	2,770	2,179		9,256
20	Canada	-1,500	1,366	-1,502	-290	-1,074	260		2,336
21	Asia	-216	188	-1,815	55	1,356	949		13,552
22	Other	-456	-37	-657	615	-377	1,123		5,632

See footnotes on pages 106 and 107.

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 June 30, 2004
			2003				2004		
			I	II	III	IV	I ^r	II ^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	-30,880	1,997,112
2	Claims for own accounts	2,044	-4,098	-52,831	16,655	42,318	-183,528	-19,586	1,587,499
3	Denominated in dollars.....	-7,941	266	-51,728	5,166	38,355	-182,027	-12,522	1,501,720
	By instrument: ²								
4	Resale agreements.....	-78,178	-20,468	-23,274	-33,768	-668	-70,840	7,122	408,471
5	Negotiable certificates of deposit.....	1,261	-275	1,850	-239	-75	-3,390	-1,658	5,424
6	Other short-term instruments (including money market instruments).....	15,647	12,755	-3,169	5,098	963	120	-1,190	6,398
7	Deposits and brokerage balances.....	-24,903	-12,353	-12,092	-4,365	3,907	-52,883	-16,543	567,847
8	Other claims (including loans).....	78,232	20,607	-15,043	38,440	34,228	-55,034	-253	513,580
	By foreign borrower:								
	Claims on:								
9	Foreign banks.....	12,713	-7,241	-40,817	11,666	49,105	-138,317	4,337	1,115,703
10	Foreign nonbanks, excluding foreign official institutions.....	-7,144	15,411	-16,903	1,553	-7,205	-29,706	-16,400	314,714
11	Foreign official institutions ³	-13,510	-7,904	5,992	-8,053	-3,545	-14,004	-459	71,303
	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	-4,106	340,876
13	Foreign nonbanks and foreign official institutions.....	19,875	14,911	2,882	2,360	-278	1,112	643	47,902
	Foreign-owned banks' claims on:								
14	Foreign banks.....	-3,107	-2,693	-42,045	8,309	33,322	-84,581	-5,200	688,351
15	Foreign nonbanks and foreign official institutions.....	58	-767	-5,504	3,654	2,675	-4,526	-7,355	80,430
	Brokers' and dealers' claims on:								
16	Foreign banks.....	-15,018	6,637	-7,290	-21,484	7,119	-12,634	13,643	86,476
17	Foreign nonbanks and foreign official institutions.....	-40,587	-6,637	-8,289	-12,514	-13,147	-40,296	-10,147	257,685
18	Denominated in foreign currencies.....	9,985	-4,364	-1,103	11,489	3,963	-1,501	-7,064	85,779
	By instrument: ²								
19	Deposits and brokerage balances.....	2,089	-2,325	-3,649	6,921	1,142	22	-1,682	38,633
20	Other claims (including loans).....	7,896	-2,039	2,546	4,568	2,821	-1,523	-5,382	47,146
21	Claims for customers' accounts	-12,450	-20,040	-10,171	13,008	4,753	-3,592	-11,294	409,613
22	Denominated in dollars.....	-14,133	-15,905	-14,615	10,933	5,454	-6,001	-7,652	375,556
	By instrument: ²								
23	Commercial paper ⁵	-2,176	-2,115	-4,320	13,235	-8,976	-9,412	8,395	141,186
24	Negotiable certificates of deposit.....	9,387	2,437	6,119	-10,696	11,527	-1,027	-7,108	73,003
25	Other short-term instruments (including money market instruments) ⁶	-5,011	-1,103	-3,989	-2,675	2,756	-2,331	-4,551	12,048
26	Deposits and brokerage balances (including sweep accounts) ⁷	-19,146	-15,110	-14,659	8,973	1,650	5,123	-5,574	137,809
27	Other claims.....	2,813	-14	2,234	2,096	-1,503	1,646	1,186	11,510
28	Denominated in foreign currencies.....	1,683	-4,135	4,444	2,075	-701	2,409	-3,642	34,057
	By instrument: ²								
29	Deposits and brokerage balances.....	1,749	3,654	-69	459	-2,295	1,491	-624	9,834
30	Other claims.....	-66	-7,789	4,513	1,616	1,594	918	-3,018	24,223
	Claims, total (line 1), by area:								
31	Europe.....	-2,351	2,851	-48,979	6,383	37,394	-124,362	-19,431	970,834
	Of which:								
32	United Kingdom.....	-41,234	-8,478	-39,708	-10,954	17,906	-55,281	-12,207	508,170
33	Switzerland.....	54,122	23,768	2,418	11,356	16,580	-26,192	14,984	95,711
34	Canada.....	11,950	6,384	11,202	-5,118	-518	-1,031	-1,649	86,708
35	Caribbean financial centers ⁸	10,030	-8,281	-28,580	33,221	13,670	-51,483	-13,506	712,360
36	Latin America, excluding Caribbean financial centers.....	5,199	-562	1,046	2,121	2,594	-1,168	505	53,288
37	Asia.....	-32,309	-23,475	3,931	-5,031	-7,734	-3,930	-4,745	147,524
38	Of which: Japan.....	-21,694	-12,642	-6,743	1,041	-3,350	6,855	-13,211	81,061
39	Africa.....	367	-115	371	-115	226	76	287	3,944
40	Other.....	-3,292	-940	-1,993	-1,798	1,439	-5,222	7,659	22,454
	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	-1,983	341,324
	By bank ownership: ⁴								
2	U.S.-owned IBFs.....	16,008	5,010	-3,140	6,476	7,662	-15,099	-7,376	77,020
3	Foreign-owned IBFs.....	3,544	7,418	-15,170	-24	11,320	-30,344	5,393	264,304

See footnotes on pages 106 and 107.

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 June 30, 2004
			2003				2004		
			I	II	III	IV	I ^r	II ^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	26,236	2,112,422
2	U.S. Treasury bills and certificates (table 1, part of line 65).....	-1,939	-2,780	-484	512	813	4,482	-4,691	45,471
3	Other U.S. liabilities, total (table 1, line 69).....	75,643	24,562	8,990	6,280	35,811	140,834	30,927	2,066,951
4	Liabilities for own accounts.....	88,451	38,058	-8,830	38,661	20,562	137,883	19,106	1,723,246
5	Denominated in dollars.....	118,877	34,079	8,974	45,298	30,526	135,610	21,240	1,663,691
	By instrument: ²								
6	Repurchase agreements.....	131,328	53,016	-765	38,877	40,200	65,847	10,861	451,826
7	Deposits and brokerage balances.....	23,668	1,912	49,575	-28,573	754	8,979	35,555	868,368
8	Other liabilities (including loans).....	-36,119	-20,849	-39,836	34,994	-10,428	60,784	-25,176	343,497
	By foreign holder:								
	Liabilities to:								
9	Foreign banks.....	13,618	-9,355	11,617	5,759	5,597	78,169	8,768	1,201,187
10	Foreign nonbanks, including international organizations.....	105,259	43,434	-2,643	39,539	24,929	57,441	12,472	462,504
	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	27,621	528,626
12	Foreign nonbanks, including international organizations.....	23,969	11,467	5,735	-2,135	8,902	-1,048	5,908	81,881
	Foreign-owned banks' liabilities to:								
13	Foreign banks.....	-48,211	-52,264	43,063	-13,902	-25,108	30,602	-12,717	483,331
14	Foreign nonbanks, including international organizations.....	-10,805	-4,924	-1,664	2,775	-6,992	6,090	-3,352	65,378
	Brokers' and dealers' liabilities to:								
15	Foreign banks.....	73,217	37,013	2,907	28,656	4,641	29,715	-6,136	189,230
16	Foreign nonbanks, including international organizations.....	92,095	36,891	-6,714	38,899	23,019	52,399	9,916	315,245
17	Denominated in foreign currencies.....	-30,426	3,979	-17,804	-6,637	-9,964	2,273	-2,134	59,555
	By instrument: ²								
18	Deposits and brokerage balances.....	-18,722	1,796	-8,925	-4,574	-7,019	2,342	-7,133	30,798
19	Other liabilities (including loans).....	-11,704	2,183	-8,879	-2,063	-2,945	-69	4,999	28,757
20	Liabilities for customers' accounts.....	-12,808	-13,496	17,820	-32,381	15,249	2,951	11,821	343,705
21	Denominated in dollars.....	-12,783	-14,346	17,800	-31,443	15,206	2,896	12,579	339,405
	By instrument: ²								
22	Negotiable certificates of deposit and other short-term instruments.....	-7,206	-3,349	8,738	-16,610	4,015	-335	6,674	139,969
23	Other liabilities (including loans).....	-5,577	-10,997	9,062	-14,833	11,191	3,231	5,905	199,436
24	Denominated in foreign currencies.....	-25	850	20	-938	43	55	-758	4,300
	Other U.S. liabilities, total (line 3), by area:								
25	Europe.....	2,479	-11,812	-22,142	24,566	11,867	90,177	16,767	742,049
26	Canada.....	2,716	2,683	2,680	-2,551	-96	-4,148	2,257	28,929
27	Caribbean financial centers ⁴	81,708	43,215	37,072	-21,327	22,748	50,123	26,684	1,043,055
28	Latin America, excluding Caribbean financial centers.....	-697	301	-2,016	-2,336	3,354	1,411	-1,839	79,527
29	Asia.....	-10,651	-7,122	-11,205	7,133	543	2,466	-12,491	143,410
30	Africa.....	2,850	1,050	-269	108	1,961	204	420	9,194
31	Other.....	-2,762	-3,753	4,870	687	-4,566	601	-871	20,787
	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	-15,762	391,459
	By bank ownership: ³								
2	U.S.-owned IBFs.....	7,007	-4,731	6,904	-9,388	14,222	13,493	947	89,023
3	Foreign-owned IBFs.....	-48,958	-57,314	-944	15,569	-6,269	26,538	-16,709	302,436

See footnotes on pages 106 and 107.

Table 11. U.S. International
[Millions]

Line	(Credits +; debits -) ¹	Europe						European Union ¹⁴			
		2003	2003				2004		2003	2003	
			I	II	III	IV	I ^P	II ^P		I	II
Current account											
1	Exports of goods and services and income receipts	422,230	100,423	104,194	104,289	113,324	114,985	120,613	363,531	86,757	89,373
2	Exports of goods and services.....	289,781	69,967	71,377	71,103	77,334	77,251	80,898	251,837	60,923	62,068
3	Goods, balance of payments basis ²	168,220	41,831	42,373	39,390	44,626	46,358	47,807	147,391	37,069	37,086
4	Services ³	121,561	28,136	29,004	31,713	32,708	30,893	33,091	104,446	23,854	24,982
5	Transfers under U.S. military agency sales contracts ⁴	3,921	852	912	1,130	1,027	1,066	984	3,053	612	696
6	Travel.....	21,976	4,292	5,020	6,587	6,077	5,158	6,787	19,124	3,700	4,348
7	Passenger fares	5,699	1,195	1,296	1,659	1,549	1,374	1,720	5,392	1,138	1,236
8	Other transportation.....	10,754	2,486	2,692	2,804	2,772	2,882	3,258	9,245	2,146	2,279
9	Royalties and license fees ⁵	23,268	5,470	5,679	5,708	6,411	5,850	5,942	19,844	4,693	4,864
10	Other private services ⁵	55,768	13,798	13,361	13,781	14,828	14,526	14,361	47,661	11,534	11,527
11	U.S. Government miscellaneous services.....	175	43	44	44	44	37	39	127	31	32
12	Income receipts	132,449	30,456	32,817	33,186	35,990	37,734	39,715	111,694	25,834	27,305
13	Income receipts on U.S.-owned assets abroad.....	132,069	30,364	32,722	33,090	35,893	37,638	39,617	111,418	25,768	27,236
14	Direct investment receipts	82,282	17,521	20,692	20,640	23,429	24,299	25,166	67,084	14,466	16,475
15	Other private receipts	48,491	12,361	11,841	12,063	12,226	12,953	14,249	43,550	11,072	10,600
16	U.S. Government receipts	1,296	482	189	387	238	386	202	784	230	161
17	Compensation of employees.....	380	92	95	96	97	96	98	276	66	69
18	Imports of goods and services and income payments	-531,836	-124,088	-134,412	-135,712	-137,624	-137,722	-159,790	-456,995	-106,842	-114,703
19	Imports of goods and services.....	-398,356	-91,426	-101,385	-101,109	-104,436	-102,423	-115,567	-341,395	-78,449	-86,720
20	Goods, balance of payments basis ²	-284,679	-66,710	-71,625	-70,647	-75,697	-74,766	-81,344	-245,002	-57,394	-61,505
21	Services ³	-113,677	-24,716	-29,760	-30,462	-28,739	-27,657	-34,223	-96,393	-21,055	-25,215
22	Direct defense expenditures.....	-11,140	-2,599	-2,829	-2,703	-3,009	-2,963	-2,972	-9,551	-2,185	-2,434
23	Travel.....	-19,923	-3,665	-6,025	-6,078	-4,155	-3,868	-7,809	-17,160	-3,255	-5,167
24	Passenger fares	-11,063	-2,079	-3,201	-3,433	-2,350	-2,303	-3,773	-10,046	-1,886	-2,920
25	Other transportation.....	-17,030	-3,836	-4,397	-4,443	-4,354	-4,573	-5,079	-13,893	-3,179	-3,546
26	Royalties and license fees ⁵	-11,114	-2,253	-2,757	-2,902	-3,202	-2,676	-2,886	-8,549	-1,755	-2,045
27	Other private services ⁵	-42,181	-9,980	-10,245	-10,596	-11,360	-10,957	-11,388	-36,203	-8,549	-8,856
28	U.S. Government miscellaneous services.....	-1,226	-304	-306	-307	-309	-317	-316	-991	-246	-247
29	Income payments	-133,480	-32,662	-33,027	-34,603	-33,188	-35,299	-44,223	-115,600	-28,393	-27,983
30	Income payments on foreign-owned assets in the United States.....	-133,029	-32,540	-32,922	-34,504	-33,063	-35,173	-44,117	-115,274	-28,308	-27,905
31	Direct investment payments	-45,461	-10,341	-11,889	-12,713	-10,518	-12,744	-18,715	-37,536	-8,552	-9,323
32	Other private payments	-66,361	-16,636	-15,738	-16,541	-17,446	-17,407	-20,154	-60,560	-15,207	-14,297
33	U.S. Government payments	-21,207	-5,563	-5,295	-5,250	-5,099	-5,022	-5,248	-17,178	-4,549	-4,285
34	Compensation of employees.....	-451	-122	-105	-99	-125	-126	-106	-326	-85	-78
35	Unilateral current transfers, net.....	-1,759	-553	400	-671	-935	-733	-815	667	208	897
36	U.S. Government grants ⁴	-2,301	-612	-510	-630	-549	-612	-650	-51	-	-
37	U.S. Government pensions and other transfers	-1,672	-392	-408	-403	-469	-435	-422	-1,373	-338	-342
38	Private remittances and other transfers ⁶	2,214	451	1,318	362	83	314	257	2,091	553	1,239
Capital and financial account											
Capital account											
39	Capital account transactions, net.....	-518	-132	-126	-135	-125	-144	-140	-210	-53	-51
Financial account											
40	U.S.-owned assets abroad, net (increase/financial outflow (-)).....	-157,026	-64,056	-83,454	-17,181	7,665	-208,240	-79,185	-182,044	-82,929	-73,300
41	U.S. official reserve assets, net.....	-572	-170	-154	-131	-117	-158	-132	-386	-120	-104
42	Gold ⁷	-	-	-	-	-	-	-	-	-	-
43	Special drawing rights.....	-	-	-	-	-	-	-	-	-	-
44	Reserve position in the International Monetary Fund	-	-	-	-	-	-	-	-	-	-
45	Foreign currencies.....	-572	-170	-154	-131	-117	-158	-132	-386	-120	-104
46	U.S. Government assets, other than official reserve assets, net.....	719	213	48	310	148	648	78	505	238	38
47	U.S. credits and other long-term assets	-523	-294	-122	-62	-45	-25	-23	-	-	-
48	Repayments on U.S. credits and other long-term assets ⁸	1,255	483	154	368	250	685	116	480	207	28
49	U.S. foreign currency holdings and U.S. short-term assets, net.....	-13	24	16	4	-57	-12	-15	25	31	10
50	U.S. private assets, net.....	-157,173	-64,099	-83,348	-17,360	7,634	-208,730	-79,131	-182,163	-83,047	-73,234
51	Direct investment.....	-99,191	-17,165	-23,340	-27,235	-31,451	-22,086	-38,300	-81,437	-13,809	-19,707
52	Foreign securities.....	-14,895	-18,162	7,629	-13,700	9,338	-17,101	-29,244	-14,536	-17,048	6,705
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	-40,736	-31,623	-18,658	17,192	-7,647	-45,181	7,844	-34,887	-30,262	-13,513
54	U.S. claims reported by U.S. banks, not included elsewhere.....	-2,351	2,851	-48,979	6,383	37,394	-124,362	-19,431	-51,303	-21,928	-46,719
55	Foreign-owned assets in the United States, net (increase/financial inflow (+)).....	244,036	120,545	25,722	60,433	37,336	189,622	67,463	217,744	128,397	9,566
56	Foreign official assets in the United States, net.....	5,118	8,744	3,210	308	-7,144	4,549	23,489	(18)	(18)	(18)
57	U.S. Government securities.....	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
58	U.S. Treasury securities ⁹	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
59	Other ¹⁰	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
60	Other U.S. Government liabilities ¹¹	-635	-174	64	-177	-348	-80	104	-951	-169	-17
61	U.S. liabilities reported by U.S. banks, not included elsewhere.....	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
62	Other foreign official assets ¹²	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
63	Other foreign assets in the United States, net.....	238,918	111,801	22,512	60,125	44,480	185,073	43,974	(18)	(18)	(18)
64	Direct investment.....	6,572	30,933	-7,176	-11,583	-5,602	153	8,150	11,516	25,392	-9,818
65	U.S. Treasury securities	17,619	-11,000	19,354	15,386	-6,121	45,944	-557	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	124,130	39,133	30,967	13,950	40,080	13,310	35,989	107,652	35,323	28,253
67	U.S. currency.....	-	-	-	-	-	-	-	-	-	-
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	88,118	64,547	1,509	17,806	4,256	35,489	-16,375	84,493	64,627	2,059
69	U.S. liabilities reported by U.S. banks, not included elsewhere.....	2,479	-11,812	-22,142	24,566	11,867	90,177	16,767	¹⁸ 15,034	¹⁸ 3,224	¹⁸ -10,911
70	Statistical discrepancy (sum of above items with sign reversed).....	24,873	-32,139	87,676	-11,023	-19,641	42,232	51,854	57,307	-25,538	88,218
Memoranda:											
71	Balance on goods (lines 3 and 20).....	-116,459	-24,879	-29,252	-31,257	-31,071	-28,408	-33,537	-97,611	-20,325	-24,419
72	Balance on services (lines 4 and 21).....	7,884	3,420	-756	1,251	3,969	3,236	-1,132	8,053	2,799	-233
73	Balance on goods and services (lines 2 and 19).....	-108,575	-21,459	-30,008	-30,006	-27,102	-25,172	-34,669	-89,558	-17,526	-24,652
74	Balance on income (lines 12 and 29).....	-1,031	-2,206	-210	-1,417	2,802	2,435	-4,508	-3,906	-2,559	-678
75	Unilateral current transfers, net (line 35).....	-1,759	-553	400	-671	-935	-733	-815	667	208	897
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-111,365	-24,218	-29,818	-32,094	-25,235	-23,470	-39,992	-92,797	-19,877	-24,433

See footnotes on pages 106 and 107.

Transactions, by Area
of dollars]

Table with columns for European Union, United Kingdom, and Canada, each subdivided by years 2003 and 2004. It includes a 'Line' column for row identification. The data is presented in a grid format with bolded values for specific rows.

Table 11. U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Latin America and Other Western Hemisphere						
		2003	2003				2004	
			I	II	III	IV	I ^r	II ^p
Current account								
1	Exports of goods and services and income receipts	251,612	58,266	59,689	63,747	69,910	68,161	72,207
2	Exports of goods and services.....	203,065	47,363	48,780	51,796	55,126	53,793	57,145
3	Goods, balance of payments basis ²	148,802	35,031	36,166	37,347	40,258	40,531	42,606
4	Services ³	54,263	12,332	12,614	14,449	14,868	13,262	14,539
5	Transfers under U.S. military agency sales contracts ⁴	415	114	102	100	99	114	118
6	Travel.....	17,088	3,456	3,930	4,973	4,729	3,820	4,962
7	Passenger fares.....	4,275	955	974	1,212	1,134	1,046	1,261
8	Other transportation.....	3,623	850	898	917	958	959	1,045
9	Royalties and license fees ⁵	3,964	876	972	994	1,122	860	913
10	Other private services ⁵	24,722	6,037	5,694	6,209	6,782	6,418	6,197
11	U.S. Government miscellaneous services.....	176	44	44	44	44	45	43
12	Income receipts.....	48,547	10,903	10,909	11,951	14,784	14,368	15,062
13	Income receipts on U.S.-owned assets abroad.....	48,343	10,852	10,858	11,900	14,733	14,316	15,010
14	Direct investment receipts.....	24,671	4,811	4,842	6,145	8,873	8,412	8,486
15	Other private receipts.....	23,347	5,974	5,929	5,696	5,748	5,860	6,447
16	U.S. Government receipts.....	325	67	87	59	112	44	77
17	Compensation of employees.....	204	51	51	51	51	52	52
18	Imports of goods and services and income payments	-307,067	-73,447	-76,664	-78,074	-78,882	-81,576	-89,702
19	Imports of goods and services.....	-267,626	-63,119	-66,525	-68,225	-69,757	-71,353	-77,703
20	Goods, balance of payments basis ²	-217,826	-51,352	-54,193	-55,175	-57,106	-58,128	-63,513
21	Services ³	-49,800	-11,767	-12,332	-13,050	-12,651	-13,225	-14,190
22	Direct defense expenditures.....	-285	-83	-66	-64	-72	-56	-93
23	Travel.....	-18,760	-4,600	-4,602	-5,090	-4,468	-4,754	-5,626
24	Passenger fares.....	-2,896	-705	-705	-801	-685	-649	-788
25	Other transportation.....	-3,696	-923	-949	-921	-903	-1,069	-1,102
26	Royalties and license fees ⁵	-1,212	-350	-271	-288	-303	-287	-366
27	Other private services ⁵	-22,410	-4,972	-5,604	-5,750	-6,084	-6,268	-6,077
28	U.S. Government miscellaneous services.....	-541	-134	-135	-136	-136	-142	-138
29	Income payments.....	-39,441	-10,328	-10,139	-9,849	-9,125	-10,223	-11,999
30	Income payments on foreign-owned assets in the United States.....	-32,559	-8,718	-8,502	-8,042	-7,297	-8,597	-10,240
31	Direct investment payments.....	-1,324	-806	-758	-829	569	-601	-909
32	Other private payments.....	-24,212	-6,192	-6,021	-5,944	-6,055	-6,196	-7,203
33	U.S. Government payments.....	-7,023	-1,720	-1,723	-1,769	-1,811	-1,800	-2,128
34	Compensation of employees.....	-6,882	-1,610	-1,637	-1,807	-1,828	-1,626	-1,759
35	Unilateral current transfers, net	-26,132	-6,193	-6,375	-6,604	-6,960	-7,337	-7,531
36	U.S. Government grants ⁴	-1,986	-501	-531	-428	-526	-521	-532
37	U.S. Government pensions and other transfers.....	-842	-186	-202	-196	-258	-221	-197
38	Private remittances and other transfers ⁶	-23,304	-5,506	-5,642	-5,980	-6,176	-6,595	-6,802
Capital and financial account								
Capital account								
39	Capital account transactions, net	-94	-62	-7	-21	-4	-15	-11
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	8,505	-1,589	-40,346	52,973	-2,533	-62,127	-25,401
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.....	373	164	20	105	84	99	48
47	U.S. credits and other long-term assets.....	-279	-69	-97	-52	-61	-36	-29
48	Repayments on U.S. credits and other long-term assets ⁸	738	240	124	197	177	147	77
49	U.S. foreign currency holdings and U.S. short-term assets, net.....	-86	-7	-7	-40	-32	-12	
50	U.S. private assets, net.....	8,132	-1,753	-40,366	52,868	-2,617	-62,226	-25,449
51	Direct investment.....	-13,170	-6,996	-13,562	-13,562	-1,520	-9,623	-5,902
52	Foreign securities.....	-16,634	-12,841	-3,685	-2,129	2,021	6,968	1,801
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	22,707	26,927	-7,585	22,747	-19,382	-7,634	-9,393
54	U.S. claims reported by U.S. banks, not included elsewhere.....	15,229	-8,843	-27,534	35,342	16,264	-51,937	-11,955
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	191,242	56,620	89,013	-6,921	52,530	96,987	90,755
56	Foreign official assets in the United States, net.....	12,290	3,339	7,992	522	437	4,448	8,026
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	70	-5	25	30	20	44	301
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.....	178,952	53,281	81,021	-7,443	52,093	92,539	82,729
64	Direct investment.....	3,526	480	3,606	638	-1,198	3,144	1,969
65	U.S. Treasury securities.....	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)	(¹⁷)
66	U.S. securities other than U.S. Treasury securities.....	76,289	-220	39,735	15,018	21,756	23,495	11,544
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.....	81,011	43,516	35,056	-23,663	26,102	54,180	24,845
70	Statistical discrepancy (sum of above items with sign reversed)	-118,066	-33,595	-25,310	-25,100	-34,061	-14,093	-40,317
Memoranda:								
71	Balance on goods (lines 3 and 20).....	-69,024	-16,321	-18,027	-17,828	-16,848	-17,597	-20,907
72	Balance on services (lines 4 and 21).....	4,463	565	282	1,399	2,217	37	349
73	Balance on goods and services (lines 2 and 19).....	-64,561	-15,756	-17,745	-16,429	-14,631	-17,560	-20,558
74	Balance on income (lines 12 and 29).....	9,106	575	770	2,102	5,659	4,145	3,063
75	Unilateral current transfers, net (line 35).....	-26,132	-6,193	-6,375	-6,604	-6,960	-7,337	-7,531
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-81,587	-21,374	-23,350	-20,931	-15,932	-20,752	-25,026

See footnotes on pages 106 and 107.

Transactions, by Area—Continued
of dollars]

Mexico ¹⁵							Japan							Line
2003	2003				2004		2003	2003				2004		
	I	II	III	IV	I ^r	II ^p		I	II	III	IV	I ^r	II ^p	
121,545					32,630	34,866	95,613	23,060	22,830	24,185	25,538	25,641	25,600	1
113,853					30,071	32,031	80,613	19,505	19,352	20,547	21,209	21,036	20,945	2
97,221					25,849	27,539	50,250	12,153	12,912	12,260	12,925	12,708	13,329	3
16,632					4,222	4,492	30,363	7,352	6,440	8,287	8,284	8,328	7,616	4
7					1	4	475	151	120	105	99	111	118	5
5,861					1,470	1,569	7,595	1,793	1,215	2,367	2,220	2,171	1,664	6
1,158					324	324	2,422	533	418	770	701	706	558	7
882					233	253	3,145	738	766	793	848	884	992	8
1,224					273	297	6,657	1,584	1,600	1,669	1,804	1,714	1,738	9
7,481					1,916	2,040	9,965	2,527	2,295	2,557	2,586	2,726	2,530	10
19					5	5	104	26	26	26	26	16	16	11
7,692					2,559	2,835	15,000	3,555	3,478	3,638	4,329	4,605	4,655	12
7,666					2,552	2,828	14,928	3,537	3,460	3,620	4,311	4,587	4,637	13
5,764					2,072	2,309	9,183	2,096	2,111	2,198	2,778	2,824	2,790	14
1,884					476	515	5,742	1,440	1,349	1,421	1,532	1,763	1,847	15
18					4	4	3	1		1	1			16
26					7	7	72	18	18	18	18	18	18	17
-159,819					-42,047	-45,168	-171,253	-40,856	-41,711	-42,675	-46,011	-46,663	-49,817	18
-150,892					-39,960	-42,896	-137,243	-33,631	-33,644	-33,564	-36,404	-36,385	-37,449	19
-138,992					-36,636	-39,742	-118,034	-28,986	-29,178	-28,655	-31,215	-31,141	-32,029	20
-11,900					-3,324	-3,154	-19,209	-4,645	-4,466	-4,909	-5,189	-5,244	-5,420	21
-8					-4	-5	-1,650	-391	-422	-407	-430	-453	-450	22
-7,404					-2,263	-2,040	-2,323	-588	-516	-615	-604	-542	-670	23
-862					-212	-205	-966	-241	-213	-250	-262	-275	-254	24
-1,040					-242	-243	-4,763	-1,133	-1,125	-1,234	-1,271	-1,320	-1,437	25
-122					-23	-32	-5,594	-1,369	-1,223	-1,470	-1,532	-1,580	-1,473	26
-2,253					-525	-577	-3,717	-874	-918	-884	-1,041	-1,024	-1,086	27
-211					-55	-52	-196	-49	-49	-49	-49	-50	-50	28
-8,927					-2,087	-2,272	-34,010	-7,225	-8,067	-9,111	-9,607	-10,278	-12,368	29
-2,208					-504	-549	-33,920	-7,198	-8,048	-9,095	-9,579	-10,250	-12,349	30
-193					-29	14	-7,629	-751	-1,705	-2,513	-2,660	-2,634	-3,849	31
-657					-188	-229	-5,852	-1,516	-1,372	-1,448	-1,516	-1,555	-1,869	32
-1,358					-287	-334	-20,439	-4,931	-4,971	-5,134	-5,403	-6,061	-6,631	33
-6,719					-1,583	-1,723	-90	-27	-19	-16	-28	-28	-19	34
-7,308					-1,825	-1,929	59	43	48	-28	-4	-105	-10	35
-33					-8	-7								36
-250							-141	-34	-35	-35	-37	-37	-27	37
-7,025					-1,817	-1,922	200	77	83	7	33	-68	17	38
					-4	-4	24	6	6	6	6	6	6	39
-3,536					991	1,003	-59,919	-13,795	-8,669	-11,990	-25,465	-5,234	-15,404	40
													-1	41
														42
														43
													-1	44
														45
45					8	9		8	2		-10			46
-2					-2	-2								47
44					10	11								48
3								8	2		-10			49
-3,581					983	994	-59,919	-13,803	-8,671	-11,990	-25,455	-5,234	-15,403	50
-5,667					-2,669	-2,256	-5,800	-1,100	-1,270	-2,158	-1,272	560	-4,273	51
-1,236					2,790	2,210	-31,975	-1,162	-92	-10,567	-20,154	-13,441	2,723	52
1,124					148	-6	-451	1,101	-567	-306	-679	792	-642	53
2,198					714	1,046	-21,693	-12,642	-6,742	1,041	-3,350	6,855	-13,211	54
11,850					4,180	8,453	140,569	22,532	44,840	18,718	54,479	105,026	61,760	55
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	57
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	59
(18)					-1	-4	-114	-176	21	202	-161	-103	-86	60
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	61
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	62
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	63
1,944					418	231	6,494	-2,064	3,174	2,197	3,187	2,739	4,553	64
(18)					(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	65
4,144					750	615	-5,539	2,269	3,339	-15,783	4,636	4,643	21,494	66
196					111	19	242	-17	-74	377	-44	1,257	-547	68
¹⁸ 5,566					¹⁸ 2,902	¹⁸ 7,592	¹⁸ 139,486	¹⁸ 22,520	¹⁸ 38,380	¹⁸ 31,725	¹⁸ 46,861	¹⁸ 96,490	¹⁸ 36,346	69
37,268					6,075	2,779	-5,093	9,010	-17,344	11,784	-8,543	-78,671	-22,135	70
-41,771					-10,787	-12,203	-67,784	-16,833	-16,266	-16,395	-18,290	-18,433	-18,700	71
4,732					898	1,338	11,154	2,707	1,974	3,378	3,095	3,084	2,196	72
-37,039					-9,889	-10,865	-56,630	-14,126	-14,292	-13,017	-15,195	-15,349	-16,504	73
-1,235					472	563	-19,010	-3,670	-4,589	-5,473	-5,278	-5,673	-7,713	74
-7,308					-1,825	-1,929	59	43	48	-28	-4	-105	-10	75
-45,582					-11,242	-12,231	-75,581	-17,753	-18,833	-18,518	-20,477	-21,127	-24,227	76

Table 11. U.S. International
 [Millions]

Line	(Credits +; debits -) ¹	Australia						
		2003	2003				2004	
			I	II	III	IV	I ^r	II ^p
Current account								
1	Exports of goods and services and income receipts	24,190	5,125	5,896	6,662	6,507	6,485	6,893
2	Exports of goods and services.....	18,711	4,063	4,776	5,097	4,775	4,728	4,968
3	Goods, balance of payments basis ²	12,696	2,762	3,154	3,572	3,208	3,134	3,327
4	Services ³	6,015	1,301	1,622	1,525	1,567	1,594	1,641
5	Transfers under U.S. military agency sales contracts ⁴	172	57	43	37	35	53	35
6	Travel.....	1,502	297	353	452	400	435	483
7	Passenger fares	312	66	68	89	89	97	91
8	Other transportation.....	332	69	85	92	86	82	93
9	Royalties and license fees ⁵	913	201	230	211	271	234	258
10	Other private services ⁵	2,776	609	841	642	684	691	678
11	U.S. Government miscellaneous services.....	8	2	2	2	2	2	3
12	Income receipts.....	5,479	1,062	1,120	1,565	1,732	1,757	1,925
13	Income receipts on U.S.-owned assets abroad.....	5,453	1,056	1,114	1,558	1,725	1,750	1,918
14	Direct investment receipts.....	3,737	625	709	1,126	1,277	1,265	1,397
15	Other private receipts.....	1,716	431	405	432	448	485	521
16	U.S. Government receipts.....							
17	Compensation of employees.....	26	6	6	7	7	7	7
18	Imports of goods and services and income payments	-11,770	-2,974	-2,853	-3,028	-2,915	-3,392	-3,513
19	Imports of goods and services.....	-9,716	-2,226	-2,375	-2,528	-2,587	-2,616	-2,702
20	Goods, balance of payments basis ²	-6,396	-1,419	-1,597	-1,696	-1,684	-1,669	-1,751
21	Services ³	-3,320	-807	-778	-832	-903	-947	-951
22	Direct defense expenditures.....	-124	-26	-28	-26	-44	-47	-45
23	Travel.....	-1,037	-267	-249	-265	-256	-295	-323
24	Passenger fares	-648	-176	-143	-163	-166	-199	-170
25	Other transportation.....	-185	-49	-43	-42	-51	-62	-62
26	Royalties and license fees ⁵	-94	-19	-19	-19	-37	-32	-19
27	Other private services ⁵	-1,196	-261	-287	-308	-340	-295	-315
28	U.S. Government miscellaneous services.....	-36	-9	-9	-9	-9	-17	-17
29	Income payments.....	-2,054	-748	-478	-500	-328	-776	-811
30	Income payments on foreign-owned assets in the United States.....	-2,040	-744	-475	-497	-324	-772	-808
31	Direct investment payments.....	-533	-365	-126	-123	81	-359	-372
32	Other private payments.....	-1,065	-274	-247	-265	-279	-286	-331
33	U.S. Government payments.....	-442	-105	-109	-109	-126	-127	-105
34	Compensation of employees.....	-14	-4	-3	-3	-4	-4	-3
35	Unilateral current transfers, net	-131	-50	-38	-22	-21	-52	-57
36	U.S. Government grants ⁴							
37	U.S. Government pensions and other transfers.....	-56	-13	-14	-14	-15	-15	-16
38	Private remittances and other transfers ⁶	-75	-37	-24	-8	-6	-37	-41
Capital and financial account								
Capital account								
39	Capital account transactions, net	-28	-7	-7	-7	-7	-7	-7
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-19,215	-3,754	-3,501	-4,656	-7,304	-4,858	4,225
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.....	-1				-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.....	-1				-1		
50	U.S. private assets, net.....	-19,214	-3,754	-3,501	-4,656	-7,303	-4,858	4,225
51	Direct investment.....	-3,882	-825	-687	-1,255	-1,115	-828	-294
52	Foreign securities.....	-3,787	224	-1,727	664	-2,948	-206	-1,259
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	-9,104	-3,496	-1,348	-3,877	-3,079	-2,266	3,977
54	U.S. claims reported by U.S. banks, not included elsewhere.....	-2,441	343	-2,435	-188	-161	-1,558	1,801
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	13,133	-6,421	6,489	3,433	9,632	-3,465	1,230
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	23	-9	11	19	2	-16	42
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.....	4,382	13	-1,430	3,083	2,716	197	816
65	U.S. Treasury securities.....	(18)	(18)	(18)	(18)	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities.....	-1,650	-2,793	650	-543	1,036	1,101	600
67	U.S. currency.....							
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	1,480	869	-156	-79	846	-478	-362
69	U.S. liabilities reported by U.S. banks, not included elsewhere.....	¹⁸ 8,898	¹⁸ -4,501	¹⁸ 7,414	¹⁸ 953	¹⁸ 5,032	¹⁸ -4,269	¹⁸ 1,334
70	Statistical discrepancy (sum of above items with sign reversed)	-6,179	8,081	-5,986	-2,382	-5,892	5,289	-8,771
Memoranda:								
71	Balance on goods (lines 3 and 20).....	6,300	1,343	1,557	1,876	1,524	1,465	1,576
72	Balance on services (lines 4 and 21).....	2,695	494	844	693	664	647	690
73	Balance on goods and services (lines 2 and 19).....	8,995	1,837	2,401	2,569	2,188	2,112	2,266
74	Balance on income (lines 12 and 29).....	3,425	314	642	1,065	1,404	981	1,114
75	Unilateral current transfers, net (line 35).....	-131	-50	-38	-22	-21	-52	-57
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	12,289	2,101	3,005	3,612	3,571	3,041	3,323

See footnotes on pages 106 and 107.

Transactions, by Area—Continued
of dollars]

Other countries in Asia and Africa							International organizations and unallocated ¹⁶							Line
2003	2003				2004		2003	2003				2004		
	I	II	III	IV	I ^r	II ^p		I	II	III	IV	I ^r	II ^p	
261,504	62,412	59,974	67,090	72,028	74,056	74,137	38,343	9,459	9,353	9,637	9,894	10,048	10,424	1
225,467	53,834	51,910	57,580	62,143	63,704	63,338	5,952	1,475	1,468	1,468	1,541	1,521	1,716	2
163,249	38,389	38,124	40,654	46,082	46,155	46,952	.....	.....	.....	.....	.....	.....	.....	3
62,218	15,445	13,786	16,926	16,061	17,549	16,386	5,952	1,475	1,468	1,468	1,541	1,521	1,716	4
7,308	1,609	1,780	1,869	2,050	1,886	2,454	.....	.....	.....	.....	.....	.....	.....	5
9,504	1,937	2,131	3,240	2,196	2,231	3,003	.....	.....	.....	.....	.....	.....	.....	6
871	183	156	279	253	247	201	.....	.....	.....	.....	.....	.....	.....	7
10,658	2,385	2,521	2,774	2,978	2,975	2,982	707	180	175	174	178	192	302	8
7,499	1,758	1,841	1,888	2,012	1,973	1,981	2,537	599	621	625	692	637	649	9
26,115	7,507	5,292	6,810	6,506	8,173	5,701	2,708	696	672	669	671	692	765	10
263	66	65	66	66	64	64	.....	.....	.....	.....	.....	.....	.....	11
36,037	8,578	8,064	9,510	9,885	10,352	10,799	32,391	7,984	7,885	8,169	8,353	8,527	8,708	12
35,626	8,476	7,961	9,407	9,782	10,247	10,695	30,551	7,535	7,452	7,700	7,864	8,074	8,270	13
28,305	7,000	6,065	7,503	7,737	8,554	9,127	21,914	5,313	5,440	5,542	5,619	5,672	5,701	14
4,662	1,200	1,126	1,126	1,210	1,349	1,399	8,223	2,105	1,909	2,061	2,148	2,302	2,479	15
2,659	276	770	778	835	344	169	414	117	103	97	97	100	90	16
411	102	103	103	103	105	104	1,840	449	433	469	489	453	438	17
-485,801	-111,600	-115,712	-127,867	-130,622	-127,459	-140,849	-17,121	-4,127	-4,307	-4,354	-4,333	-4,638	-4,964	18
-456,761	-104,345	-108,619	-120,827	-122,970	-119,565	-132,163	-3,639	-822	-970	-948	-899	-1,129	-1,378	19
-409,490	-93,339	-98,033	-108,403	-109,715	-106,016	-119,832	.....	.....	.....	.....	.....	.....	.....	20
-47,271	-11,006	-10,586	-12,424	-13,255	-13,549	-12,331	-3,639	-822	-970	-948	-899	-1,129	-1,378	21
-11,823	-2,614	-2,865	-3,115	-3,229	-3,279	-3,345	.....	.....	.....	.....	.....	.....	.....	22
-8,194	-2,146	-1,380	-2,089	-2,579	-2,707	-1,791	.....	.....	.....	.....	.....	.....	.....	23
-4,978	-1,210	-1,004	-1,390	-1,374	-1,532	-1,198	.....	.....	.....	.....	.....	.....	.....	24
-12,900	-2,861	-3,076	-3,443	-3,520	-3,502	-3,326	-2,560	-572	-714	-672	-602	-859	-1,095	25
-256	-58	-56	-59	-83	-64	-68	-969	-225	-230	-247	-267	-241	-253	26
-8,299	-1,914	-2,001	-2,122	-2,262	-2,255	-2,395	-106	-24	-25	-28	-29	-28	-29	27
-821	-203	-204	-206	-208	-210	-208	-4	-1	-1	-1	-1	-1	-1	28
-29,040	-7,255	-7,093	-7,040	-7,652	-7,894	-8,686	-13,482	-3,305	-3,337	-3,406	-3,434	-3,509	-3,586	29
-28,290	-7,028	-6,938	-6,910	-7,414	-7,656	-8,525	-13,482	-3,305	-3,337	-3,406	-3,434	-3,509	-3,586	30
-64	11	-34	103	-144	-210	-528	-10,118	-2,478	-2,513	-2,547	-2,580	-2,611	-2,642	31
-6,510	-1,605	-1,518	-1,640	-1,747	-1,793	-2,038	-3,196	-777	-777	-819	-823	-869	-914	32
-21,716	-5,434	-5,386	-5,373	-5,523	-5,653	-5,959	-168	-50	-47	-40	-31	-29	-30	33
-750	-227	-155	-130	-238	-238	-161	.....	.....	.....	.....	.....	.....	.....	34
-31,705	-8,643	-8,248	-7,464	-7,350	-10,706	-7,331	-7,581	-1,520	-1,741	-1,857	-2,463	-1,859	-1,857	35
-16,351	-4,573	-4,496	-3,913	-3,369	-6,526	-3,649	-1,227	-147	-295	-476	-309	-85	-220	36
-546	-134	-136	-137	-139	-140	-142	-1,531	-142	-274	-231	-884	-403	-203	37
-14,808	-3,936	-3,616	-3,414	-3,842	-4,040	-3,540	-4,823	-1,231	-1,172	-1,150	-1,270	-1,371	-1,434	38
-2,565	-227	-1,447	-696	-195	-255	-195	.....	.....	.....	.....	.....	.....	.....	39
-39,512	-18,311	17,176	-17,642	-20,735	-16,109	11,602	-21,418	-5,508	-5,871	-7,518	-2,521	-6,566	-1,671	40
.....	.....	.....	.....	.....	.....	.....	2,095	253	-16	-480	2,338	715	1,255	41
.....	.....	.....	.....	.....	.....	.....	601	897	-102	-97	-97	-100	-90	42
.....	.....	.....	.....	.....	.....	.....	1,494	-644	86	-383	2,435	815	1,345	43
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	44
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	45
510	-69	501	363	-285	227	79	-1,064	-263	-261	-295	-245	-247	-246	46
-5,413	-1,802	-1,111	-1,123	-1,377	-253	-300	-1,064	-263	-261	-295	-245	-247	-246	47
5,988	1,722	1,697	1,470	1,099	542	379	.....	.....	.....	.....	.....	.....	.....	48
-65	11	-85	16	-7	-62	.....	.....	.....	.....	.....	.....	.....	.....	49
-40,022	-18,242	16,675	-18,005	-20,450	-16,336	11,523	-22,449	-5,498	-5,594	-6,743	-4,614	-7,034	-2,680	50
-16,016	-5,179	-1,688	-4,518	-4,631	-7,811	-7,230	-21,914	-5,313	-5,440	-5,542	-5,619	-5,672	-5,701	51
-12,106	1,086	4,597	-5,337	-12,452	5,965	8,356	-588	16	-86	-46	-472	-94	-111	52
-738	-2,110	2,212	-1,506	666	-670	-36	-9	-9	.....	-2	2	-1	.....	53
-11,162	-12,039	11,554	-6,644	-4,033	-13,820	10,433	62	-192	-68	-1,153	1,475	-1,267	3,132	54
181,146	37,906	39,409	49,640	54,191	44,775	21,220	23,648	5,816	7,085	5,535	5,212	998	9,349	55
(18)	(18)	(18)	(18)	(18)	(18)	(18)	211	168	25	3	15	2	2	56
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	57
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	58
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	59
-80	-229	-150	-99	398	44	-545	211	168	25	3	15	2	2	60
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	61
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	62
(18)	(18)	(18)	(18)	(18)	(18)	(18)	23,437	5,648	7,060	5,532	5,197	996	9,347	63
-318	560	-322	-431	-125	1,884	-722	10,118	2,478	2,513	2,547	2,580	2,611	2,642	64
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	65
44,770	15,737	14,190	7,779	7,064	13,009	20,361	-996	-203	-427	-494	128	286	540	66
.....	.....	.....	.....	.....	.....	.....	16,640	4,927	1,458	2,768	7,487	-1,800	8,754	67
-348	1,565	-2,611	1,102	-404	2,156	-265	-22	-22	-22	.....	.....	.....	.....	68
¹⁸ 137,122	¹⁸ 20,273	¹⁸ 28,302	¹⁸ 41,289	¹⁸ 47,258	¹⁸ 27,682	¹⁸ 2,391	¹⁸ -2,303	¹⁸ -1,532	¹⁸ 3,516	¹⁸ 711	¹⁸ -4,998	¹⁸ -101	¹⁸ -2,589	69
116,933	38,463	8,848	36,939	32,683	35,698	41,416	-15,871	-4,120	-4,519	-1,443	-5,789	2,017	-11,281	70
-246,241	-54,950	-59,909	-67,749	-63,633	-59,861	-72,880	.....	.....	.....	.....	.....	.....	.....	71
14,947	4,439	3,200	4,502	2,806	4,000	4,055	2,313	653	498	520	642	392	338	72
-231,294	-50,511	-56,709	-63,247	-60,827	-55,861	-68,825	2,313	653	498	520	642	392	338	73
6,997	1,323	971	2,470	2,233	2,458	2,113	18,909	4,679	4,548	4,763	4,919	5,018	5,122	74
-31,705	-8,643	-8,248	-7,464	-7,350	-10,706	-7,331	-7,581	-1,520	-1,741	-1,857	-2,463	-1,859	-1,857	75
-256,002	-57,831	-63,986	-68,241	-65,944	-64,109	-74,043	13,641	3,812	3,305	3,426	3,098	3,551	3,603	76

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.