

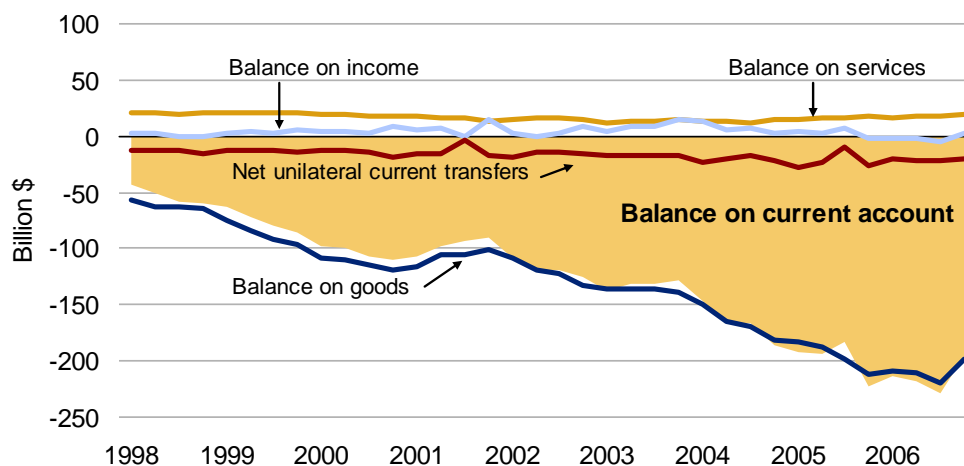
## U.S. CURRENT-ACCOUNT DEFICIT DECREASES IN FOURTH QUARTER 2006

*Preliminary estimates of U.S. international transactions*

The U.S. current-account deficit, the broadest measure of U.S. international trade in goods and services, receipts and payments of income, and net unilateral current transfers (such as gifts) decreased to \$195.8 billion (preliminary) in the fourth quarter of 2006 from \$229.4 billion (revised) in the third quarter. As a share of U.S. GDP, the deficit decreased to 5.8 percent from 6.9 percent. The previously published estimate for the third quarter was \$225.6 billion.

### Current-Account Balance and Its Components

[Seasonally adjusted]



- The deficit on international trade in goods decreased to \$197.9 billion from \$218.9 billion, as goods imports decreased and goods exports increased.
- The surplus on international trade in services increased to \$19.4 billion from \$17.5 billion, as receipts for services increased more than payments for services.
- The balance on income shifted to a surplus of \$3.0 billion from a deficit of \$5.5 billion, as income receipts increased and income payments decreased slightly.
- Net unilateral current transfers to foreign residents were \$20.2 billion, down from \$22.5 billion.

Net financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$164.6 billion in the fourth quarter, down from \$229.7 billion in the third.

- U.S.-owned assets abroad increased \$251.2 billion in the fourth quarter after they had increased \$225.9 billion in the third.
- Foreign-owned assets in the United States increased \$415.8 billion in the fourth quarter after they had increased \$455.6 billion in the third.

BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: [www.bea.gov](http://www.bea.gov). [E-mail alerts](#) are also available.

NOTE: The next release of U.S. international transactions will be on June 15, 2007.