An Ownership-Based Framework of the U.S. Current Account, 1999–2010

This report updates the supplemental ownership-based framework of the current account in the Bureau of Economic Analysis (BEA) U.S. international transactions accounts. This supplemental presentation includes the same major elements as the standard current-account presentation—trade in goods and services and receipts and payments of income on foreign investment—but it highlights the role that multinational companies play in these international transactions. This report includes new summary statistics of the major current-account aggregates for 2010, revised and more detailed statistics for 2009, and revised statistics for 1999–2008.[1]

A technical note that presents information on the conceptual basis of the ownership-based framework follows the highlights of this presentation.[2]

The following are highlights of the updated statistics:

- Net receipts of direct investment income by U.S. parents from sales by their foreign affiliates were $432.0 billion in 2010, up from $356.2 billion in 2009 (table 1). Net payments of direct investment income to foreign parents from sales by their U.S. affiliates were $151.4 billion in 2010, up from $94.0 billion in 2009.
- In 2009 (the latest year for which the detailed statistics are available), the net receipts of $356.2 billion resulted from sales by foreign affiliates of $5,718.9 billion less deductions (such as for labor, capital, and purchased inputs) of $5,362.7 billion. The net payments of $94.0 billion resulted from sales of $3,266.5 billion less deductions of $3,172.4 billion.
- In 2010, U.S. receipts from exports of goods and services and net income receipts of U.S. parents from sales by foreign affiliates were $2,269.6 billion, which consisted of exports of goods and services of $1,837.6 billion and net income receipts of U.S. parents from sales by their foreign affiliates of $432.0 billion. U.S. payments from imports of goods and services and net income payments to foreign parents resulting from sales by U.S. affiliates were $2,489.0 billion, which consisted of imports of goods and services of $2,337.6 billion and net income payments to foreign parents from sales by their U.S. affiliates of $151.4 billion.
- In 2010, the resulting U.S. deficit on goods, services, and net receipts from sales by affiliates (line 41) was $219.4 billion ($2,269.6 billion minus $2,489.0 billion). This deficit was $280.6 billion less than the $500.0 billion deficit on trade in goods and services in the conventional framework of the international transactions accounts. The deficit in the ownership-based framework was smaller because the receipts of income by U.S. parents from sales by their foreign affiliates exceeded the payments of income to foreign parents from sales by their U.S. affiliates.
- The $219.4 billion deficit on goods, services, and net receipts from sales by affiliates in 2010 was $100.3 billion more than the deficit in 2009. The 2010 increase, the first since 2006, resulted from a $118.8 billion increase in the deficit on trade in goods and services that was partly offset by an $18.5 billion increase in the surplus on net receipts from sales by affiliates.

The updated statistics incorporate the results of the 2011 annual revision of the U.S. international transactions accounts that features new and improved definitions, classifications, and estimation methodologies, the incorporation of newly available and more complete source data, and updated table presentations. Many of these changes are part of an ongoing multiyear effort to modernize and enhance the international transactions accounts and to align them with international standards.[3] Revisions to the current-account statistics on exports and imports of goods and services and income receipts and payments begin with 1999; revisions to net unilateral current transfers begin with 2000.[4] In addition, the statistics incorporate the preliminary results from the 2009 benchmark survey of U.S. direct investment abroad and the 2009 annual survey of foreign direct investment in the United States, the final results of the 2008 annual surveys of U.S. direct investment abroad and foreign direct investment in the United States, and the final results of the 2007 benchmark survey of foreign direct investment in the United States.

1. The statistics for 1982–2010 are available on BEA's Web site at www.bea.gov.

2. For additional information on the sources and methods used to prepare the supplemental estimates, see Obie G. Whichard and Jeffrey H. Lowe, "An Ownership-Based Disaggregation of the U.S. Current Account, 1982–93," Survey of Current Business 75 (October 1995): 52–61. For a general review of the issues relating to ownership relationships in international transactions, see J. Steven Landefeld, Obie G. Whichard, and Jeffrey H. Lowe, "Alternative Frameworks for U.S. International Transactions," Survey 73 (December 1993): 50–61.

3. For the most recent update on the modernization efforts, see Kristy L. Howell and Ned Howenstine, "Modernizing and Enhancing BEA's International Economic Accounts: A Progress Report," Survey 91 (May 2011): 26–38.

4. For more information on these changes and other revisions to the U.S. international accounts, see Mai-Chi Hoang and Erin M. Whitaker, "Annual Revision of the U.S. International Accounts," Survey 91 (July 2011): 47–59.

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Technical Note

The ownership-based framework was developed in the early 1990s in response to interest in examining international transactions in a way that would reflect the increasing importance of multinational companies in world economies and, particularly, the growing tendency of these companies to use locally established affiliates to deliver goods and services to international markets.[5]

In the conventionally constructed current account, the trade balance reflects only the goods and services that are delivered to international markets through cross-border exports and imports. This balance is an important indicator of U.S. performance in foreign markets; it reflects the net value of the transactions in goods and services between U.S. residents (including companies) and foreign residents. In the international accounts, affiliates are treated as residents in their countries of location rather than in the countries of ownership. As a result, sales of goods and services by foreign affiliates of U.S. companies to other foreign residents and sales by U.S. affiliates of foreign companies to other U.S. residents are not regarded as exports and imports and are therefore excluded from the conventional trade balance.

In the ownership-based framework, a balance is introduced in which net receipts from sales by affiliates are combined with cross-border exports and imports. Specifically, the net receipts that accrue to U.S. parent companies from the sales by their foreign affiliates are combined with cross-border sales to foreigners by U.S. companies (U.S. exports of goods and services), and the net payments that accrue to foreign parent companies from the sales by their U.S. affiliates are combined with cross-border sales to the United States by foreign companies (U.S. imports of goods and services). The difference between these receipts and payments is an indicator of the net effect of United States-foreign commerce on the U.S. economy, and it reflects the perspective that both cross-border trade and sales through affiliates represent methods of active participation in the international markets for goods and services.

Only the net receipts that accrue to the U.S. parent companies (table 1, line 8), not the gross value of sales by their foreign affiliates (line 9), are included in the introduced balance, because only for sales originating in the United States, most of the costs—such as for labor, capital, and purchased inputs—are incurred domestically and accrue to the benefit of the U.S. economy. Similarly, only the net payments that accrue to foreign parent companies (line 27), not the gross value of sales by their U.S. affiliates (line 28), are included, because only for sales originating abroad, most of the costs are incurred abroad and accrue to the benefit of foreign economies. This methodology also eliminates the double-counting that would occur if both the total value of the sales by parents to their affiliates and the subsequent sales by the affiliates to others were included.

Conceptually, the ownership-based framework is fully consistent with the current account in the conventional international transactions accounts, and it can be viewed as a “satellite” of those accounts.[6] (The current-account balance is the same in both sets of accounts.) The grouping of the income from affiliates with cross-border trade in goods and services acknowledges the active role parent companies typically take in managing and coordinating their affiliates’ operations. This direct investment income from affiliates differs fundamentally from income on other types of investments. For example, for U.S. direct investment abroad, direct investment income represents U.S. companies’ returns on sales that for reasons such as efficiency, transportation costs, or the avoidance of trade barriers are made by foreign affiliates rather than by U.S. parent companies; other investment income represents returns on passive investments, such as on foreign stocks and bonds.[7] Indeed, in many cases, a portion of the income from affiliates may be regarded as a kind of implicit management fee that compensates parent companies for undertaking active roles in the operations of their affiliates.

In addition, the framework provides information on ownership relationships by disaggregating the trade in goods and services into trade between affiliated parties (that is, trade within multinational companies) and trade between unaffiliated parties. It also shows how receipts and payments of direct investment income are derived from the production and sales by affiliates. To highlight the links between the income and the activities that produce it, the income is designated as “resulting from sales by affiliates.” In the addenda to table 1, the framework also provides information on the U.S. content and the foreign content of affiliates’ sales and on the extent to which such content results from the affiliates’ own value added.

5. Among the calls for more information on ownership was a National Academy of Sciences study panel. See Anne Y. Kester, ed., *Behind the Numbers: U.S. Trade in the World Economy,* National Research Council, Panel on Foreign Trade Statistics (Washington, DC: National Academy Press, 1992).

6. According to the sixth edition of the International Monetary Fund’s *Balance of Payments and International Investment Position Manual*, paragraph 2.43, “[satellite] presentations use the basic framework as a starting point but differ by adding detail or other information, or by rearranging information, to meet particular needs. Use of the basic framework as a starting point increases the ability to relate the topic to other aspects of the economy while maintaining international comparability.”

7. Direct investment income consists of net receipts of earnings and of interest by parents from their affiliates.

Table 1. Ownership-Based Framework of the U.S. Current Account, 1999–2010—Continues

[Billions of dollars]

Line		1999	2000	2001	2002	2003	2004
1	**Exports of goods and services and income receipts (line 2 plus line 16, and ITA table 1, line 1)**	**1,262.4**	**1,425.3**	**1,300.2**	**1,263.6**	**1,345.9**	**1,578.9**
2	**Receipts resulting from exports of goods and services and sales by foreign affiliates**	**1,098.6**	**1,224.6**	**1,136.4**	**1,126.5**	**1,209.9**	**1,413.8**
3	**Exports of goods and services, total (ITA table 1, line 2)**	**967.0**	**1,072.8**	**1,007.7**	**980.9**	**1,023.5**	**1,163.1**
3a	Goods, balance of payments basis (ITA table 1, line 3)	698.2	784.8	731.2	697.4	729.8	822.0
3b	Services (ITA table 1, line 4)	268.8	288.0	276.5	283.4	293.7	341.2
4	To unaffiliated foreigners	676.7	758.4	705.5	688.0	713.0	822.9
4a	Goods	469.4	535.8	495.1	477.8	497.9	571.2
4b	Services	207.3	222.6	210.4	210.2	215.2	251.6
5	To affiliated foreigners	290.3	314.4	302.3	292.9	310.5	340.3
5a	Goods	228.8	248.9	236.1	219.6	232.0	250.7
5b	Services	61.5	65.4	66.2	73.3	78.5	89.5
6	To foreign affiliates of U.S. parents	218.7	234.1	221.7	204.9	215.3	238.9
6a	Goods	168.9	182.7	170.2	150.6	156.6	170.6
6b	Services	49.8	51.4	51.5	54.3	58.6	68.2
7	To foreign parent groups of U.S. affiliates	71.6	80.3	80.6	88.0	95.2	101.4
7a	Goods	59.9	66.2	65.9	69.0	75.3	80.1
7b	Services	11.7	14.1	14.7	19.0	19.9	21.3
8	**Net receipts of direct investment income by U.S. parents resulting from sales by their foreign affiliates (ITA table 1, line 14)**	**131.6**	**151.8**	**128.7**	**145.6**	**186.4**	**250.6**
9	Sales by foreign affiliates [1]	2,611.8	2,905.5	2,945.9	2,945.7	3,319.5	3,841.4
10	*Less:* Foreign affiliates' purchases of goods and services directly from the United States	246.3	260.7	249.5	232.8	242.6	264.0
11	*Less:* Costs and profits accruing to foreign persons	1,787.3	1,989.1	2,055.2	2,038.7	2,246.3	2,548.2
12	Compensation of employees of foreign affiliates	295.3	310.8	309.7	311.4	338.1	378.6
13	Other	1,492.0	1,678.4	1,745.6	1,727.3	1,908.2	2,169.6
14	*Less:* Sales by foreign affiliates to other foreign affiliates of the same parent	447.5	506.1	514.8	530.0	646.4	780.0
15	*Plus:* Bank affiliates (net receipts)	1.0	2.2	2.3	1.3	2.3	1.3
16	**Other income receipts**	**163.8**	**200.6**	**163.8**	**137.1**	**136.0**	**165.2**
17	Other private receipts on U.S.-owned assets abroad (ITA table 1, line 15)	156.4	192.4	155.7	129.2	126.5	157.3
18	U.S. government receipts (ITA table 1, line 16)	3.2	3.8	3.6	3.3	4.8	3.1
19	Compensation of employees (ITA table 1, line 17)	4.2	4.4	4.5	4.6	4.7	4.7
20	**Imports of goods and services and income payments (line 21 plus line 35, and ITA table 1, line 18)**	**1,513.7**	**1,782.8**	**1,632.2**	**1,655.8**	**1,793.2**	**2,119.2**
21	**Payments resulting from imports of goods and services and sales by U.S. affiliates**	**1,283.6**	**1,506.4**	**1,382.3**	**1,441.6**	**1,588.3**	**1,868.3**
22	**Imports of goods and services, total (ITA table 1, line 19)**	**1,230.2**	**1,449.5**	**1,369.5**	**1,398.3**	**1,514.5**	**1,768.5**
22a	Goods, balance of payments basis (ITA table 1, line 20)	1,034.4	1,230.6	1,152.5	1,171.9	1,270.2	1,485.5
22b	Services (ITA table 1, line 21)	195.8	219.0	217.0	226.4	244.3	283.0
23	From unaffiliated foreigners	797.8	945.1	880.0	894.0	975.4	1,166.2
23a	Goods	637.5	765.8	703.8	712.2	777.8	933.9
23b	Services	160.3	179.3	176.1	181.8	197.6	232.3
24	From affiliated foreigners	432.3	504.5	489.5	504.3	539.1	602.3
24a	Goods	396.8	464.7	448.6	459.8	492.4	551.5
24b	Services	35.5	39.7	40.9	44.6	46.6	50.7
25	From foreign affiliates of U.S. parents	184.8	209.9	201.3	202.0	214.1	241.8
25a	Goods	167.0	191.2	182.2	182.0	192.6	218.8
25b	Services	17.8	18.7	19.1	19.9	21.5	23.0
26	From foreign parent groups of U.S. affiliates	247.6	294.6	288.3	302.4	324.9	360.4
26a	Goods	229.9	273.6	266.5	277.7	299.8	332.7
26b	Services	17.7	21.0	21.8	24.7	25.2	27.7
27	**Net payments of direct investment income to foreign parents resulting from sales by their U.S. affiliates (ITA table 1, line 31)**	**53.4**	**56.9**	**12.8**	**43.2**	**73.8**	**99.8**
28	Sales by U.S. affiliates [2]	2,044.4	2,334.7	2,327.1	2,216.5	2,323.2	2,526.3
29	*Less:* U.S. affiliates' purchases of goods and services directly from abroad	342.7	393.1	369.6	372.8	393.3	437.5
30	*Less:* Costs and profits accruing to U.S. persons	1,651.2	1,888.2	1,946.7	1,802.1	1,858.2	1,993.8
31	Compensation of employees of U.S. affiliates	292.7	332.2	344.7	341.9	342.7	351.9
32	Other	1,358.5	1,556.1	1,601.9	1,460.2	1,515.5	1,641.9
33	*Less:* Sales by U.S. affiliates to other U.S. affiliates of the same parent [3]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
34	*Plus:* Bank affiliates (net payments)	3.0	3.6	2.0	1.6	2.2	4.7
35	**Other income payments**	**230.1**	**276.4**	**249.9**	**214.3**	**205.0**	**251.0**
36	Other private payments on foreign-owned assets in the United States (ITA table 1, line 32)	138.1	180.9	159.8	127.0	119.1	155.3
37	U.S. government payments (ITA table 1, line 33)	80.5	84.5	78.4	74.9	73.9	82.7
38	Compensation of employees (ITA table 1, line 34)	11.4	11.0	11.7	12.4	12.0	13.0
39	**Unilateral current transfers, net (ITA table 1, line 35)**	**–50.4**	**–58.8**	**–64.6**	**–65.0**	**–71.8**	**–88.2**
	Memoranda:						
40	Balance on goods and services (line 3 minus line 22, and ITA table 1, line 74)	–263.2	–376.7	–361.8	–417.4	–491.0	–605.4
41	Balance on goods, services, and net receipts from sales by affiliates (line 2 minus line 21)	–185.0	–281.8	–245.9	–315.1	–378.3	–454.5
42	Balance on current account (line 1 minus line 20 plus line 39, and ITA table 1, line 77)	–301.7	–416.3	–396.6	–457.2	–519.1	–628.5
	Addenda:						
	Source of the content of foreign affiliates' sales and change in inventories: [1]						
43	Sales to nonaffiliates and change in inventories, total (line 9 minus line 14 plus the change in inventories)	2,160.6	2,406.8	2,424.0	2,425.9	2,692.3	3,092.4
44	Foreign content	1,914.3	2,146.1	2,174.5	2,193.1	2,449.7	2,828.5
45	Value added by foreign affiliates of U.S. parents	666.7	702.9	683.4	704.5	808.4	948.9
46	Other foreign content [4]	1,247.7	1,443.2	1,491.1	1,488.6	1,641.3	1,879.6
47	U.S. content	246.3	260.7	249.5	232.8	242.6	264.0
	Source of the content of U.S. affiliates' sales and change in inventories: [2, 5]						
48	Sales to nonaffiliates and change in inventories, total (line 28 minus line 33 plus the change in inventories)	2,056.1	2,349.9	2,318.9	2,214.5	2,326.1	2,543.4
49	U.S. content	1,713.4	1,956.7	1,949.3	1,841.7	1,932.7	2,105.9
50	Value added by U.S. affiliates of foreign parents	457.7	516.7	477.0	502.7	519.9	563.5
51	Other U.S. content [6]	1,255.7	1,440.1	1,472.3	1,339.0	1,412.8	1,542.4
52	Foreign content	342.7	393.1	369.6	372.8	393.3	437.5

See the footnotes at the end of the table.

Table 1. Ownership-Based Framework of the U.S. Current Account, 1999–2010—Table Ends

[Billions of dollars]

Line		2005	2006	2007	2008	2009	2010[7]
1	**Exports of goods and services and income receipts (line 2 plus line 16, and ITA table 1, line 1)**	**1,824.8**	**2,144.4**	**2,488.4**	**2,656.6**	**2,174.5**	**2,500.8**
2	**Receipts resulting from exports of goods and services and sales by foreign affiliates**	**1,582.0**	**1,784.6**	**2,025.3**	**2,256.4**	**1,931.2**	**2,269.6**
3	**Exports of goods and services, total (ITA table 1, line 2)**	**1,287.4**	**1,459.8**	**1,654.6**	**1,842.7**	**1,575.0**	**1,837.6**
3a	Goods, balance of payments basis (ITA table 1, line 3)	911.7	1,039.4	1,164.0	1,307.5	1,069.5	1,288.7
3b	Services (ITA table 1, line 4)	375.8	420.4	490.6	535.2	505.5	548.9
4	To unaffiliated foreigners	917.1	1,057.7	1,193.3	1,353.4	1,114.5	......
4a	Goods	637.9	746.4	836.0	960.0	749.0	......
4b	Services	279.3	311.3	357.3	393.5	365.5	......
5	To affiliated foreigners	370.3	402.2	461.3	489.2	460.5	......
5a	Goods	273.8	293.1	328.0	347.5	320.5	......
5b	Services	96.5	109.1	133.3	141.7	140.1	......
6	To foreign affiliates of U.S. parents	264.7	286.1	321.3	339.9	318.4	......
6a	Goods	188.8	200.2	214.1	227.6	208.9	......
6b	Services	75.9	85.8	107.2	112.3	109.6	......
7	To foreign parent groups of U.S. affiliates	105.6	116.1	140.0	149.3	142.1	......
7a	Goods	85.1	92.8	113.9	119.9	111.6	......
7b	Services	20.6	23.3	26.1	29.4	30.5	......
8	**Net receipts of direct investment income by U.S. parents resulting from sales by their foreign affiliates (ITA table 1, line 14)**	**294.5**	**324.8**	**370.8**	**413.7**	**356.2**	**432.0**
9	Sales by foreign affiliates [1]	4,362.2	4,793.3	5,785.1	6,513.2	5,718.9	......
10	*Less:* Foreign affiliates' purchases of goods and services directly from the United States	293.1	323.4	363.4	380.2	347.5	......
11	*Less:* Costs and profits accruing to foreign persons	2,837.3	3,098.8	3,752.5	4,285.4	3,733.7	......
12	Compensation of employees of foreign affiliates	405.0	436.1	505.7	535.9	548.7	......
13	Other	2,432.3	2,662.7	3,246.8	3,749.5	3,185.0	......
14	*Less:* Sales by foreign affiliates to other foreign affiliates of the same parent	937.5	1,040.0	1,298.5	1,433.9	1,281.5	......
15	*Plus:* Bank affiliates (net receipts)	0.2	–6.4	......	......	......	......
16	**Other income receipts**	**242.8**	**359.8**	**463.1**	**400.2**	**243.3**	**231.2**
17	Other private receipts on U.S.-owned assets abroad (ITA table 1, line 15)	235.1	352.1	455.4	389.9	233.3	224.5
18	U.S. government receipts (ITA table 1, line 16)	2.9	2.7	2.5	5.1	4.8	1.5
19	Compensation of employees (ITA table 1, line 17)	4.8	5.0	5.1	5.2	5.2	5.3
20	**Imports of goods and services and income payments (line 21 plus line 35, and ITA table 1, line 18)**	**2,464.8**	**2,853.5**	**3,083.6**	**3,207.8**	**2,427.8**	**2,835.6**
21	**Payments resulting from imports of goods and services and sales by U.S. affiliates**	**2,117.4**	**2,363.9**	**2,477.5**	**2,670.5**	**2,050.3**	**2,489.0**
22	**Imports of goods and services, total (ITA table 1, line 19)**	**1,996.1**	**2,213.1**	**2,351.3**	**2,541.0**	**1,956.3**	**2,337.6**
22a	Goods, balance of payments basis (ITA table 1, line 20)	1,692.4	1,875.1	1,982.8	2,137.6	1,575.4	1,934.6
22b	Services (ITA table 1, line 21)	303.6	338.0	368.4	403.4	380.9	403.0
23	From unaffiliated foreigners	1,322.9	1,486.1	1,568.6	1,712.8	1,247.7	......
23a	Goods	1,077.4	1,216.0	1,276.3	1,394.6	952.2	......
23b	Services	245.5	270.0	292.3	318.2	295.4	......
24	From affiliated foreigners	673.1	727.0	782.7	828.3	708.6	......
24a	Goods	615.0	659.1	706.5	743.0	623.2	......
24b	Services	58.2	68.0	76.2	85.2	85.5	......
25	From foreign affiliates of U.S. parents	270.7	286.1	310.2	319.9	269.4	......
25a	Goods	245.0	249.6	267.4	272.6	222.3	......
25b	Services	25.7	36.5	42.8	47.3	47.2	......
26	From foreign parent groups of U.S. affiliates	402.4	440.9	472.6	508.3	439.2	......
26a	Goods	370.0	409.5	439.2	470.4	400.9	......
26b	Services	32.4	31.5	33.4	37.9	38.3	......
27	**Net payments of direct investment income to foreign parents resulting from sales by their U.S. affiliates (ITA table 1, line 31)**	**121.3**	**150.8**	**126.2**	**129.4**	**94.0**	**151.4**
28	Sales by U.S. affiliates [2]	2,792.5	3,114.5	3,616.2	3,887.1	3,266.5	......
29	*Less:* U.S. affiliates' purchases of goods and services directly from abroad	495.0	546.0	599.8	661.9	545.7	......
30	*Less:* Costs and profits accruing to U.S. persons	2,180.5	2,425.3	2,890.3	3,095.7	2,626.8	......
31	Compensation of employees of U.S. affiliates	365.5	395.9	437.6	457.2	449.3	......
32	Other	1,815.0	2,029.4	2,452.7	2,638.6	2,177.5	......
33	*Less:* Sales by U.S. affiliates to other U.S. affiliates of the same parent [3]	n.a.	n.a.	n.a.	n.a.	n.a.	......
34	*Plus:* Bank affiliates (net payments)	4.4	7.5	......	......	......	......
35	**Other income payments**	**347.4**	**489.7**	**606.2**	**537.4**	**377.5**	**346.7**
36	Other private payments on foreign-owned assets in the United States (ITA table 1, line 32)	228.4	338.9	426.8	354.6	218.9	196.0
37	U.S. government payments (ITA table 1, line 33)	104.1	135.2	164.7	166.8	144.4	136.1
38	Compensation of employees (ITA table 1, line 34)	14.9	15.5	14.7	15.9	14.2	14.5
39	**Unilateral current transfers, net (ITA table 1, line 35)**	**–105.7**	**–91.5**	**–115.1**	**–125.9**	**–123.3**	**–136.1**
	Memoranda:						
40	Balance on goods and services (line 3 minus line 22, and ITA table 1, line 74)	–708.6	–753.3	–696.7	–698.3	–381.3	–500.0
41	Balance on goods, services, and net receipts from sales by affiliates (line 2 minus line 21)	–535.4	–579.2	–452.1	–414.0	–119.1	–219.4
42	Balance on current account (line 1 minus line 20 plus line 39, and ITA table 1, line 77)	–745.8	–800.6	–710.3	–677.1	–376.6	–470.9
	Addenda:						
	Source of the content of foreign affiliates' sales and change in inventories: [1]						
43	Sales to nonaffiliates and change in inventories, total (line 9 minus line 14 plus the change in inventories)	3,544.0	3,722.6	4,565.1	5,069.7	4,524.7	......
44	Foreign content	3,250.9	3,399.2	4,201.7	4,689.5	4,177.3	......
45	Value added by foreign affiliates of U.S. parents	1,050.0	1,151.1	1,346.1	1,466.7	1,341.8	......
46	Other foreign content [4]	2,200.9	2,248.1	2,855.6	3,222.7	2,835.4	......
47	U.S. content	293.1	323.4	363.4	380.2	347.5	......
	Source of the content of U.S. affiliates' sales and change in inventories: [2, 5]						
48	Sales to nonaffiliates and change in inventories, total (line 28 minus line 33 plus the change in inventories)	2,814.6	3,138.3	3,613.3	3,912.5	3,243.1	......
49	U.S. content	2,319.5	2,592.3	3,013.6	3,250.6	2,697.4	......
50	Value added by U.S. affiliates of foreign parents	611.5	679.7	736.7	714.8	658.3	......
51	Other U.S. content [6]	1,708.0	1,912.6	2,276.8	2,535.8	2,039.1	......
52	Foreign content	495.0	546.0	599.8	661.9	545.7	......

n.a. Not available

1. For 2007–2010, annual data for sales, purchases, costs, and profits for both bank and nonbank foreign affiliates are included in the calculations for lines 9–14 and lines 43–47. For the years before 2007, these data for bank affiliates are unavailable.

2. For 2007–2010, annual data for sales, purchases, costs, and profits for both bank and nonbank U.S. affiliates are included in the calculations for lines 28–33 and lines 48–52. For the years before 2007, these data for bank affiliates are unavailable.

3. In principle, sales by U.S. affiliates to other U.S. affiliates of the same foreign parent should be subtracted, but data on these sales are unavailable. Because U.S. affiliates are generally required to report to BEA on a fully consolidated basis, most of these sales are eliminated through consolidation, and the remaining amount is thought to be immaterial.

4. Other foreign content (purchases from foreign persons by foreign affiliates) is overstated to the extent that it includes U.S. exports that are embodied in goods and services purchased by foreign affiliates from foreign suppliers.

5. In principle, the sales exclude the affiliates' sales to other affiliates of their parent. For U.S. affiliates, data on sales to other affiliates are unavailable, but these sales are thought to be immaterial. (See footnote 3.)

6. Other U.S. content (purchases from U.S. persons by U.S. affiliates) is overstated to the extent that it includes U.S. imports that are embodied in goods and services purchased by U.S. affiliates from U.S. suppliers.

7. The estimates for 2010 are from the international transactions accounts. Detailed estimates for 2010 from BEA's annual surveys of U.S. direct investment abroad and foreign direct investment in the United States will not be available until the second half of 2012.

ITA International transactions accounts