

U.S. International Transactions, Third Quarter 1996

By Lori A. Trawinski

THE U.S. current-account deficit increased to \$48.0 billion in the third quarter of 1996 from \$40.2 billion (revised) in the second quarter (table A, chart 1).¹ The increase was accounted for by increases in the deficits on goods and services and on investment income.

In the capital account, net recorded capital inflows were \$69.3 billion in the third quarter, compared with net inflows of \$49.8 billion in the second. Acquisitions of U.S. assets by foreign residents accelerated sharply, while acquisitions of foreign assets by U.S. residents accelerated much less.

The statistical discrepancy—errors and omissions in recorded transactions—was an outflow of \$21.4 billion in the third quarter, compared with an outflow of \$9.6 billion in the second.

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

The following are highlights for the third quarter of 1996:

- The deficit on goods increased, as imports increased and exports decreased. The surplus on services decreased, as receipts decreased and payments increased.
- The deficit on investment income increased, as the increase in income payments outpaced the increase in income receipts. The increase in income payments largely reflected a strong rise in U.S. Government payments and higher payments on foreign direct investment in the United States.
- Capital outflows for U.S. assets abroad increased, largely as a result of a surge in claims of U.S. banks and strong net U.S. purchases of foreign securities. In contrast, outflows for direct investment abroad slowed sharply.
- Capital inflows for foreign assets in the United States accelerated sharply; net foreign purchases of U.S. Treasury, corporate, and agency

Table A.—Summary of U.S. International Transactions

[Millions of dollars, seasonally adjusted]

Line	Lines in tables 1 and 10 in which transactions are included are indicated in ()	1995	1995				1996			Change: 1996 II-III	January-September		
			I	II	III	IV	I	II ^r	III ^p		1995	1996	Change: 1995-96
1	Exports of goods, services, and income (1)	969,189	233,086	241,497	244,479	250,128	252,647	257,007	253,836	-3,171	719,062	763,490	44,428
2	Goods, Adjusted, excluding military (2)	575,940	138,551	142,983	144,984	149,422	150,028	153,095	149,937	-3,158	426,518	453,060	26,542
3	Services (3)	210,590	50,435	51,735	54,226	54,193	55,122	55,902	55,596	-306	156,396	166,620	10,224
4	Income receipts on investments (11)	182,659	44,100	46,779	45,269	46,513	47,497	48,010	48,303	293	136,148	143,810	7,662
5	Imports of goods, services, and income (15)	-1,082,268	-263,501	-274,183	-273,175	-271,409	-276,612	-287,848	-292,375	-4,527	-810,859	-856,835	-45,976
6	Goods, adjusted, excluding military (16)	-749,364	-183,474	-190,910	-187,532	-187,448	-192,758	-200,091	-201,530	-1,439	-561,916	-594,379	-32,463
7	Services (17)	-142,230	-35,027	-35,632	-36,013	-35,558	-36,619	-37,483	-37,837	-354	-106,672	-111,939	-5,267
8	Income payments on investments (25)	-190,674	-45,000	-47,641	-49,630	-48,403	-47,235	-50,274	-53,008	-2,734	-142,271	-150,517	-8,246
9	Unilateral transfers (29)	-35,075	-8,639	-8,290	-8,992	-9,154	-10,904	-9,369	-9,422	-53	-25,921	-29,695	-3,774
10	U.S. assets abroad, net (increase/capital outflow (-)) (33)	-307,856	-61,747	-108,299	-39,595	-98,214	-68,750	-50,726	-54,676	-3,950	-209,641	-174,152	35,489
11	U.S. official reserve assets, net (34)	-9,742	-5,318	-2,722	-1,893	191	17	-523	7,489	8,012	-9,933	6,983	16,916
12	U.S. Government assets, other than official reserve assets, net (39)	-280	-154	-179	252	-199	-152	-353	72	425	-81	-433	-352
13	U.S. private assets, net (43)	-297,834	-56,275	-105,398	-37,954	-98,206	-68,615	-49,850	-62,237	-12,387	-199,627	-180,702	18,925
14	Foreign assets in the United States, net (increase/capital inflow (+)) (48)	424,462	90,995	115,421	118,816	99,229	99,471	100,549	123,999	23,540	325,232	324,019	-1,213
15	Foreign official assets, net (49)	109,757	21,822	37,380	39,186	11,369	52,021	13,566	23,642	10,076	98,388	89,229	-9,159
16	Other foreign assets, net (56)	314,705	69,173	78,041	79,630	87,860	47,450	86,983	100,357	13,374	226,844	234,790	7,946
17	Allocations of special drawing rights (62) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
18	Statistical discrepancy (63)	31,548	9,806	33,854	-41,533	29,420	4,148	-9,613	-21,362	-11,749	2,127	-26,827	-28,954
19	Memorandum: Balance on current account (70)	-148,154	-39,054	-40,976	-37,688	-30,435	-34,869	-40,210	-47,961	-7,751	-117,718	-123,040	-5,322

^r Revised.

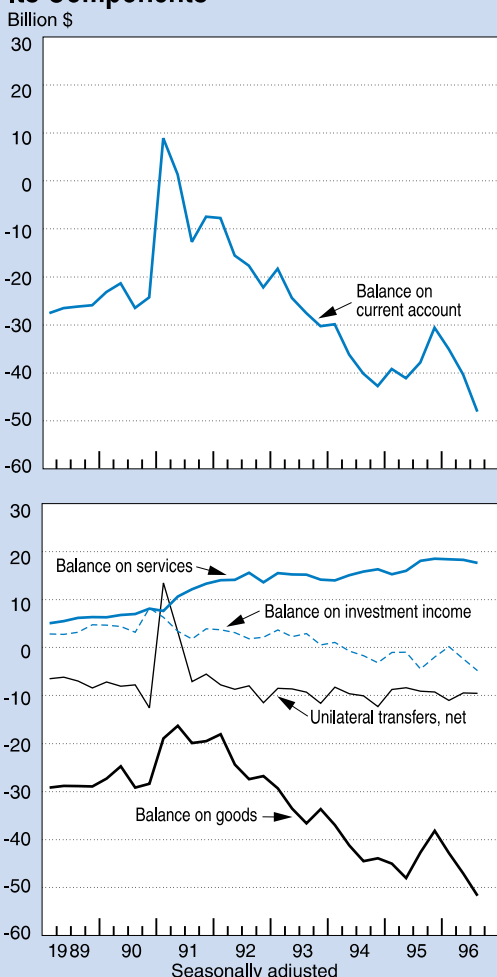
^p Preliminary.

bonds accounted for nearly 80 percent of the third-quarter inflows. Inflows for direct investment were also strong.

- The U.S. dollar depreciated slightly in exchange markets, mostly early in the quarter.

CHART 1

U.S. Current-Account Balance and Its Components



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

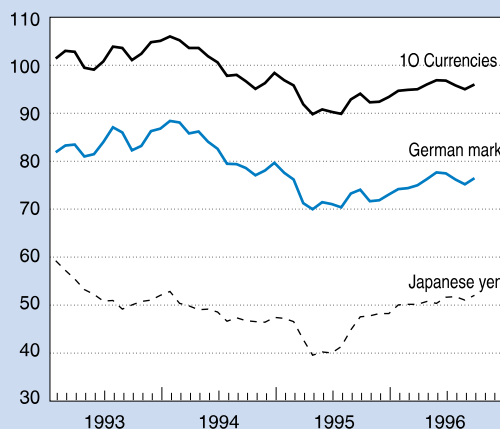
U.S. dollar in exchange markets

In the third quarter, the dollar was relatively stable; it depreciated only 1 percent on a trade-weighted quarterly average basis against the currencies of 10 industrial countries (table B, chart 2). The dollar appreciated against most currencies early in the quarter, following the release of a strong June nonfarm payroll report that led many market participants to expect a tightening of monetary policy. Subsequently, the dollar weakened as a drop in U.S. stock prices prompted a liquidation of dollar positions. In August and September, the dollar stabilized and began to appreciate, as sharp declines in foreign interest rates (chart 3) led interest-rate differentials to move in favor of dollar assets; as a result, the dollar ended the third quarter only slightly lower than in the second.

CHART 2

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

December 1980=100



1. Currencies of Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom.

Monthly average rates. Indexes rebased by BEA. Data: Federal Reserve Board

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

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

[December 1980=100]

	1995		1996			1995				1996								
	III	IV	I	II	III	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.
Trade-weighted average against 10 currencies ¹	92.5	92.9	95.1	96.8	95.8	94.3	92.5	92.6	93.6	94.9	95.1	95.2	96.2	97.1	97.0	96.0	95.2	96.2
Selected currencies: ²																		
Canada	113.3	113.4	114.5	114.1	114.6	112.9	112.5	113.2	114.5	114.3	115.0	114.2	113.6	114.5	114.2	114.5	114.7	114.5
European currencies:																		
Belgium	93.1	92.6	95.4	98.9	97.5	95.0	92.0	92.1	93.6	95.1	95.2	96.0	97.7	99.6	99.3	97.8	96.5	98.1
France	108.6	108.2	110.7	113.2	111.9	110.6	108.4	107.3	108.8	110.1	110.8	111.1	112.1	113.9	113.7	111.7	111.2	112.7
Germany	72.8	72.4	74.7	77.4	76.2	74.3	71.9	72.1	73.3	74.4	74.6	75.2	76.5	77.9	77.7	76.4	75.4	76.7
Italy	172.6	170.7	168.1	166.3	162.9	172.6	172.6	169.8	169.8	167.2	167.2	167.2	167.2	167.2	164.6	164.6	162.1	162.1
Netherlands	75.1	74.7	77.0	79.7	78.6	76.6	74.2	74.3	75.5	76.7	76.9	77.4	78.7	80.2	80.2	78.9	77.9	79.1
Switzerland	66.2	64.6	66.9	69.8	68.7	66.6	64.3	64.2	65.3	66.3	67.2	67.1	68.4	70.4	70.6	69.2	67.5	69.3
United Kingdom	149.2	150.5	153.4	154.1	151.1	150.6	148.8	150.3	152.4	153.6	152.9	153.7	154.9	155.0	152.3	151.2	151.5	150.6
Japan	44.8	48.3	50.4	51.2	51.9	47.8	48.0	48.5	48.5	50.3	50.4	50.4	51.0	50.6	51.9	52.0	51.3	52.3

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

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

On a quarterly average basis, the dollar depreciated 2 percent against the German mark in the third quarter after strong appreciation in the second. Most of the depreciation occurred early in the quarter, concurrently with the sharp decline in U.S. stock prices. Later, the dollar stabilized and then appreciated after the Bundesbank cut its repurchase rate late in August. As a result, dollar assets became comparatively more attractive, and the dollar continued to recover.

In contrast to the declines against the European currencies, the dollar appreciated 1 percent against the Japanese yen on a quarterly average basis. Following the strong June nonfarm payroll report, the dollar reached its highest level against the yen in over 2 years. However, this appreciation ended abruptly as U.S. stock prices fell and market participants liquidated dollar positions. The dollar stabilized and began to recover in mid-quarter, as sharp declines in Japanese stock prices and falling Japanese interest rates supported the dollar. The

dollar further recovered late in the quarter, following the report of a decrease in second-quarter Japanese gross domestic product.

The U.S. dollar was unchanged against the Canadian dollar. Despite sharp drops in Canadian short- and long-term interest rates, the U.S. dollar remained stable throughout the quarter.

The U.S. dollar depreciated 1 percent against the Mexican peso. The strength of the Mexican economic recovery and falling Mexican domestic interest rates contributed to the peso's appreciation.

On a quarterly average basis against the currencies of the newly industrialized countries in Asia, the U.S. dollar appreciated 4 percent against the South Korean won and less than 1 percent against both the Singapore dollar and the Taiwan dollar; it was unchanged against the Hong Kong dollar.

Current Account

Goods and services

The deficit on goods and services increased to \$33.8 billion in the third quarter from \$28.6 billion in the second. The deficit on goods increased \$4.6 billion, and the surplus on services decreased \$0.7 billion.

Goods.—The deficit on goods increased to \$51.6 billion in the third quarter from \$47.0 billion in the second, as imports increased and exports decreased.

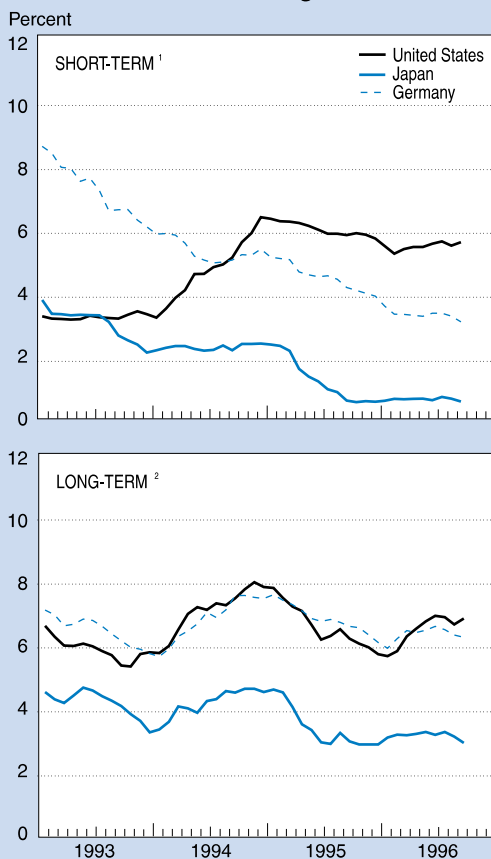
Exports.—Exports decreased \$3.2 billion, or 2 percent, to \$149.9 billion in the third quarter. Quantity, measured in chained (1992) dollars, decreased 1 percent (table C).

Nonagricultural exports decreased \$3.1 billion to \$135.0 billion; quantity decreased 2 percent, and prices decreased 1 percent. In value, a drop in industrial supplies and materials largely reflected a sharp decrease in nonmonetary gold; decreases also occurred in chemicals and in other nonferrous metals. Capital goods also decreased; a sharp decline in civilian aircraft largely reflected lower shipments to Western Europe and Asia. Despite an increase in new chip orders, semiconductors decreased for the third consecutive quarter, reflecting an oversupply and continued depressed prices. Consumer goods decreased moderately, mostly because of decreases in medical, dental, and pharmaceutical preparations and in unmanufactured goods. In contrast, automotive products increased as exports of passenger cars accelerated.

Agricultural exports decreased slightly to \$15.0 billion. Quantity increased 2 percent, but prices

CHART 3

Selected U.S. and Foreign Interest Rates



1. Three-month interest rates. Monthly averages.

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

Data: Federal Reserve Board.

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

decreased 3 percent. In value, corn dropped sharply, mainly to Mexico and to developing countries in Asia; meat products and poultry also decreased. These decreases were nearly offset by a surge in wheat to developing countries, reflecting a sharp increase in quantity; wheat prices began to fall in the third quarter, as world supplies of wheat increased after a year of tight supply. Soybeans also increased.

Imports.—Imports increased \$1.4 billion, or 1 percent, to \$201.5 billion in the third quarter. Quantity, measured in chained (1992) dollars, increased 2 percent (table C).

Nonpetroleum imports increased \$1.1 billion, or 1 percent, to \$183.7 billion; quantity increased 2 percent, while prices decreased 1 percent. In value, consumer goods and automotive products both increased for the third consecutive quarter; other major commodity categories decreased. By commodity, the increase in consumer goods was widespread; by area, it was more than accounted for by the developing countries in Asia, mainly China. The increase in automotive products reflected growth in parts and accessories and in passenger cars. Industrial supplies and materials decreased; a sharp drop in nonmonetary gold was partly offset by increases in building materials and in iron and steel products. Capital goods decreased, largely as a result of a continued decline in semiconductors, which reflected declines in prices and in quantity.

Petroleum imports increased \$0.4 billion, or 2 percent, to \$17.9 billion. Nearly all of the increase was accounted for by an increase in quantity; the average number of barrels imported daily increased to 10.0 million from 9.8 million. The average price per barrel increased to \$19.58 from \$19.52. The increase in imports occurred as domestic consumption increased and as domestic production decreased. Inventories increased only slightly in the third quarter, following a buildup in the second.

Balances by area.—The deficit with industrial countries decreased to \$21.9 billion in the third quarter from \$23.9 billion in the second. The decrease reflected smaller deficits with Canada and with Japan. In contrast, the deficit with Western Europe increased.

The deficit with Asia excluding Japan increased to \$24.4 billion from \$15.9 billion; an increase in the deficit with China accounted for nearly half of the increase. In contrast, the deficit with Latin America decreased to \$3.2 billion from \$5.2 billion, largely reflecting an increase in exports, mostly to Mexico and Brazil.

Services.—The surplus on services decreased to \$17.8 billion in the third quarter from \$18.4 billion in the second, as receipts decreased and payments increased.

Travel receipts decreased to \$15.7 billion from \$16.1 billion. Receipts from Canada and from overseas decreased as a result of a decrease in the number of foreign visitors. In contrast, receipts from Mexico increased, reflecting an increase in expenditures in the border area. Travel payments were \$11.9 billion, down from \$12.1 billion. Payments to Canada and to countries overseas decreased as a result of a decline in the number of U.S. travelers.

“Other” transportation receipts were unchanged at \$7.3 billion. An increase in freight receipts was offset by a decrease in port expenditure receipts. “Other” transportation payments were unchanged at \$7.3 billion; a decrease in port expenditure payments was offset by an increase in freight payments.

Receipts for royalties and license fees were unchanged at \$7.2 billion. Payments for royalties and license fees increased to \$2.2 billion from \$1.7 billion; the increase largely reflected payments for broadcast rights to the Summer Olympic Games.

Table C.—U.S. Trade in Goods, Current and Chained (1992) Dollars

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

	Current dollars									Chained (1992) dollars ¹								
	1994	1995	1995				1996			1994	1995	1995				1996		
			I	II	III	IV	I	II ^r	III ^p			I	II	III	IV	I	II ^r	III ^p
Exports	502,463	575,940	138,551	142,983	144,984	149,422	150,028	153,095	149,937	504,873	560,498	135,968	138,684	140,352	145,494	146,798	150,684	148,895
Agricultural products	47,062	57,228	13,876	13,452	14,732	15,168	15,811	15,055	14,985	44,457	49,576	12,707	12,032	12,495	12,342	12,619	11,379	11,634
Nonagricultural products	455,401	518,712	124,675	129,531	130,252	134,254	134,217	138,040	134,952	460,584	510,960	123,197	126,619	127,823	133,321	134,351	139,575	137,426
Imports	668,584	749,364	183,474	190,910	187,532	187,448	192,758	200,091	201,530	675,511	737,169	181,837	186,072	184,035	185,225	190,661	197,914	201,128
Petroleum and products	51,276	55,080	13,085	14,624	13,988	13,383	13,982	17,515	17,871	60,206	59,176	14,459	14,639	15,388	14,690	13,789	15,500	15,773
Nonpetroleum products	617,308	694,284	170,389	176,286	173,544	174,065	178,776	182,576	183,659	615,086	676,674	167,048	170,985	168,489	170,152	176,482	182,212	184,954

^r Revised.

^p Preliminary.

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

“Other” private services receipts increased to \$17.0 billion from \$16.7 billion as a result of a step-up in affiliated service receipts. “Other” private service payments increased to \$9.5 billion from \$9.4 billion.

Transfers under U.S. military agency sales contracts, at \$3.5 billion, and U.S. direct defense expenditures abroad, at \$2.8 billion, were unchanged.

Investment income

The deficit on investment income increased to \$4.7 billion in the third quarter from \$2.3 billion in the second. Income receipts on U.S. assets abroad increased to \$48.3 billion from \$48.0 billion, and income payments on foreign assets in the United States increased to \$53.0 billion from \$50.3 billion.

Direct investment income.—Income receipts on U.S. direct investment abroad were unchanged at \$23.5 billion in the third quarter. Total earnings were virtually unchanged; reinvested earnings declined \$0.5 billion, while distributed earnings rose by the same amount. Net interest receipts increased slightly. By area, earnings of affiliates in Western Europe and Japan decreased for the second consecutive quarter. In contrast, earnings of affiliates in Latin America increased for the fourth consecutive quarter. Earnings of affiliates in Canada also increased.

Income payments on foreign direct investment in the United States were \$9.5 billion, up from \$8.7 billion. The increase reflected higher earnings and increased net interest payments. The increase in earnings was in “other” industries, mainly in banking and in wholesale trade. By area, the increase in earnings resulted from an increase in earnings of U.S. affiliates with British parents and from a decrease in losses of affiliates with South Korean parents. In contrast, earnings of affiliates with Canadian parents decreased.

Portfolio investment income.—Receipts of income on “other” private investment abroad increased to \$23.5 billion from \$23.2 billion as a result of an increase in U.S. holdings of foreign assets. Payments of income on “other” private investment in the United States increased to \$25.1 billion from \$24.7 billion; the increase largely reflected an increase in foreign holdings of U.S. corporate bonds.

Receipts of income on U.S. Government assets were unchanged at \$1.3 billion. Payments of income on U.S. Government liabilities increased sharply to \$18.5 billion from \$16.8 billion, reflecting increased interest payments as a result of the recent surge in foreign holdings of U.S. Treasury bonds.

Unilateral transfers

Net unilateral transfers increased slightly to \$9.4 billion in the third quarter. An increase in U.S. Government grants was nearly offset by a decrease in private remittances and other transfers.

Capital Account

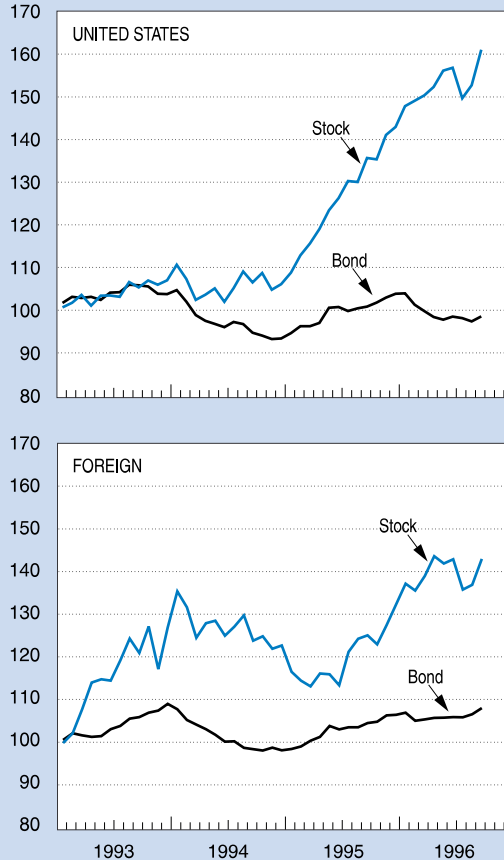
Net recorded capital inflows—that is, net changes in U.S. assets abroad less net changes in foreign assets in the United States—were \$69.3 billion in the third quarter, up from net inflows of \$49.8 billion in the second. Acquisitions of U.S. assets by foreign residents accelerated more than acquisitions of foreign assets by U.S. residents.

During the third quarter, world stock markets were volatile; stock prices dropped sharply early in the quarter but recovered by the end of the quarter

CHART 4

Stock and Bond Price Indexes

December 1992=100



Sources:

Stock indexes — Morgan Stanley Capital International: U.S. index, and world index excluding United States, in local currencies.

Bond indexes — Salomon Brothers Inc.: Treasury/government sponsored/corporate index, and non-U.S. world government bond index, in local currencies.

Indexes rebased by BEA.

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

(chart 4). Conditions in world bond markets were much less volatile. Overseas bond markets rallied as interest rates fell in most foreign countries. In contrast, U.S. bond prices were mixed. Bond prices dropped early in the quarter, reflecting the market's initial response to the strong June U.S. nonfarm payroll report, and then recovered. Bond prices slid again in mid-quarter after the release of additional economic data that indicated strength in the U.S. economy and then dropped further after the Federal Reserve decided to hold interest rates steady in late August. By the end of the quarter, prices recovered as the economy appeared to weaken. In exchange markets, the U.S. dollar depreciated slightly, mostly early in the quarter.

U.S. assets abroad

U.S. assets abroad increased \$54.7 billion in the third quarter, compared with an increase of \$50.7 billion in the second. Most of the third-quarter capital outflows were accounted for by increases in claims reported by U.S. banks and by net U.S. purchases of foreign securities.

U.S. official reserve assets.—U.S. official reserve assets decreased \$7.5 billion in the third quarter, in contrast to an increase of \$0.5 billion in the second (table D). U.S. holdings of Mexican pesos decreased as a result of Mexico's prepayment of \$7.0 billion of drawings under their medium-term swap facility with the U.S. Treasury's Exchange Stabilization Fund.

Claims reported by banks.—U.S. claims on foreigners reported by U.S. banks increased \$32.5 billion in the third quarter, following virtually no change in the second. In the third quarter, banks' domes-

tic customers' claims increased strongly and banks' own claims increased moderately.

Banks' domestic customers' claims surged \$20.7 billion, following a decrease of \$1.0 billion; nearly all of the increase was accounted for by a runup in dollar deposits abroad and by a record increase in foreign commercial paper placed in the United States. Foreign commercial paper rose sharply as a result of increased issuance by government-related entities in Western Europe and strong issuance by several issuers new to the U.S. commercial paper market.

Banks' own claims payable in dollars increased \$8.6 billion, following an increase of \$4.4 billion. The third-quarter increase, which was mostly accounted for by U.S.-owned banks, was largely the result of an increase in lending to own foreign offices in the United Kingdom and to unaffiliated foreign banks. In contrast, U.S.-owned banks' claims on other foreigners decreased; these transactions included a surge in lending by U.S. securities brokers and dealers to the Netherlands Antilles to finance purchases of U.S. Treasury bonds in July; most of these loans were repaid in August and September. Foreign-owned banks' claims increased; an increase in lending to other foreigners was partly offset by repayments from own foreign offices and unaffiliated foreign banks.

Banks' own claims payable in foreign currencies increased \$3.1 billion, following a decrease of \$3.3 billion.

Foreign securities.—Net U.S. purchases of foreign securities were \$21.3 billion in the third quarter, up from \$20.2 billion in the second. A sharp step-up in net U.S. purchases of foreign bonds more than accounted for the increase. In contrast, net

Table D.—Selected Transactions with Official Agencies

[Millions of dollars]

Line	1995					1996			Change: 1996 II-III	January-September		
	1995	I	II	III	IV	I	II ^r	III ^p		1995	1996	Change: 1995-96
1	Changes in foreign official assets in the United States, net (decrease -)											
	(table 1, line 49)											
2	109,757	21,822	37,380	39,186	11,369	52,021	13,566	23,642	10,076	98,388	89,229	-9,159
3	23,081	14,067	7,175	5,483	-3,644	39,785	10,697	10,631	-66	26,725	61,113	34,388
4	3,959	-412	-341	6,147	-1,435	-992	5,555	5,347	-208	5,394	9,910	4,516
5	82,717	8,167	30,546	27,556	16,448	13,228	-2,686	7,664	10,350	66,269	18,206	-48,063
5	Changes in U.S. official reserve assets, net (increase -) (table 1, line 34)											
	Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ³											
6	-9,742	-5,318	-2,722	-1,893	191	17	-523	7,489	8,012	-9,933	6,983	16,916
6	Foreign drawings, or repayments (-), net											
6a	11,800	5,000	5,000	2,500	-700	-1,300		-7,000	-7,000	12,500	-8,300	-20,800
6b	18,800	6,000	7,000	4,500	1,300					17,500		-17,500
6b	-7,000	-1,000	-2,000	-2,000	-2,000	-1,300		-7,000	-7,000	-5,000	-8,300	-3,300

^r Revised.

^p Preliminary.

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

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

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

U.S. purchases of foreign stocks dropped sharply, following five quarters of strong net purchases.

Net U.S. purchases of foreign bonds were \$14.9 billion, up from \$2.8 billion; gross trading volume (purchases plus sales) increased 15 percent. U.S. investors shifted funds from foreign stock markets into foreign bond markets as overseas bond markets rallied. Transactions in outstanding bonds shifted to net purchases of \$7.4 billion from net sales of \$2.2 billion. The shift was more than accounted for by a shift to large net purchases from net sales of bonds from the United Kingdom and by an increase in net purchases of bonds from the Caribbean; partly offsetting was a shift to large net sales of Japanese bonds that was prompted, in part, by further declines in Japanese interest rates, which were already at comparatively low levels. New issues of foreign bonds placed in the United States were \$12.1 billion, up from \$8.4 billion. New issues from the developing countries in Latin America and Asia accounted for over half of the third-quarter placements; the placements included the U.S.-placed portion of a large global bond issue by Mexico.

Net U.S. purchases of foreign stocks dropped sharply to \$6.5 billion from \$17.4 billion; gross trading volume decreased 16 percent. Foreign stock prices declined sharply early in the quarter, and although most prices recovered by the end of the quarter, rallying foreign bond markets diverted investors away from stocks. This diversion was reflected in a slowdown in the flow of funds into U.S. internationally and globally targeted equity mutual funds. Net purchases from Western Europe, Japan, and Canada decreased sharply. In contrast, net purchases from emerging markets in Asia increased.

Direct investment.—Net capital outflows for U.S. direct investment abroad dropped to \$8.4 billion in the third quarter from \$26.2 billion in the second. Net intercompany debt more than accounted for the drop; debt flows shifted to large inflows from large outflows. Finance affiliates accounted for most of the shift; these flows largely reflected short-term financing arrangements related to securities trading operations. Reinvested earnings decreased, reflecting an increase in distributed earnings. In contrast, equity capital outflows increased as a result of several large acquisitions.

Foreign assets in the United States

Foreign assets in the United States increased \$124.0 billion in the third quarter, compared with an increase of \$100.5 billion in the second.

Nearly 80 percent of the third-quarter inflows were accounted for by inflows into U.S. Treasury, corporate, and agency bonds.

Foreign official assets.—Foreign official assets in the United States increased \$23.6 billion in the third quarter, following an increase of \$13.6 billion in the second (table D). A sharp increase in foreign official holdings of U.S. Treasury bonds more than accounted for the third-quarter increase. Dollar assets of industrial countries increased by nearly the same amount as in the second quarter, and dollar assets of developing countries excluding OPEC members increased sharply, following a decrease.

Liabilities reported by banks.—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$0.3 billion in the third quarter, following an increase of \$1.9 billion in the second. In the third quarter, an increase in banks' custody liabilities more than offset a decrease in banks' own liabilities.

Banks' custody liabilities increased \$2.4 billion, following an increase of \$0.2 billion. The third-quarter increase largely reflected an increase in holdings of negotiable certificates of deposit held in custody by U.S. banks on behalf of their foreign customers.

Banks' own liabilities payable in dollars decreased \$1.6 billion, following a \$2.4 billion decrease. In the third quarter, U.S.-owned banks made repayments to their own foreign offices, continuing a trend that began in the second quarter of 1995; borrowing from other unaffiliated foreign banks and from other foreigners also decreased. In contrast, liabilities of foreign-owned banks increased, largely reflecting a runup in time deposits.

Banks' own liabilities payable in foreign currencies decreased \$0.5 billion, following an increase of \$4.1 billion.

U.S. Treasury securities.—Net foreign purchases of U.S. Treasury securities increased to a record \$42.0 billion in the third quarter from \$31.2 billion in the second. Net foreign purchases of U.S. Treasury bonds and notes increased to a record \$43.1 billion from \$30.1 billion (chart 5); gross trading volume (purchases plus sales) increased 24 percent. Most of the net purchases occurred early in the quarter when stock prices tumbled and investors sought the relative stability of the bond market; in addition, uncertainties about interest rates prompted a surge in buying by hedge funds. Net purchases by investors from the United Kingdom and Asian countries excluding Japan increased sharply and

accounted for most of the third-quarter increase. In contrast, net purchases by investment funds in the Caribbean slowed; large net purchases early in the quarter were nearly offset by large net sales later in the quarter.

Transactions in Treasury bills and certificates shifted to net sales of \$1.1 billion from net purchases of \$1.1 billion, as foreign investors focused their attention on long-term securities.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities increased to \$33.0 billion in the third quarter from \$29.1 billion in the second. A strong increase in net foreign purchases of U.S. corporate and agency bonds (chart 5) more than offset a sharp drop in net foreign purchases of U.S. stocks.

Net foreign purchases of U.S. federally-sponsored agency bonds increased to \$12.2 billion from \$5.7 billion; gross trading volume was unchanged. Net purchases included \$2.9 billion of new agency bond issues sold abroad. Most of the step-up in net purchases is attributable to Japanese and other Asian investors, who accelerated their net purchases, and to investment funds in the Caribbean, which shifted from net sales to net purchases.

Net foreign purchases of U.S. corporate bonds were \$19.2 billion, up from \$17.6 billion; gross trading volume decreased 2 percent. An increase in net purchases by investors from Western Europe accounted for most of the increase; partly offsetting the increase was a slowdown in net pur-

chases by investors from Asia, Canada, and the Caribbean. New issues sold abroad by U.S. corporations totalled \$12.1 billion, up from \$11.6 billion. The volume of new issues denominated in foreign currencies increased, largely reflecting cheaper financing opportunities available by issuing bonds in a foreign currency and then swapping them into dollars rather than by issuing bonds directly in dollars.

Net foreign purchases of U.S. stocks dropped to \$1.6 billion from \$5.9 billion; gross trading volume decreased 9 percent. U.S. stock prices fell early in the quarter, as sharp drops in technology stock prices reflected concern about weakening corporate earnings. Although stock prices began to recover in mid-quarter, many investors shifted their funds to the relatively stable bond market. Japanese and other Asian investors shifted to net sales of U.S. stocks from net purchases, and investment funds in the Caribbean slowed their net purchases; partly offsetting was an increase in net purchases by Western European investors.

Direct investment.—Net capital inflows for foreign direct investment in the United States were \$25.1 billion in the third quarter, up from \$17.4 billion in the second. Equity capital inflows increased, especially from the United Kingdom and, to a lesser extent, from Japan and Canada, reflecting an increase in foreign acquisitions of U.S. companies. Net intercompany debt inflows also increased. Reinvested earnings were up, largely reflecting a decrease in distributed earnings.


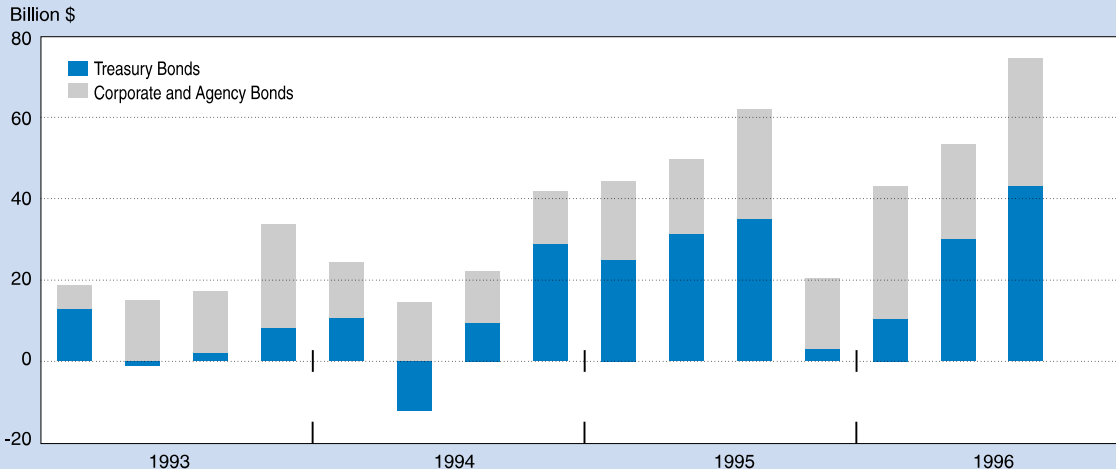
Tables 1 through 10 follow. 

CHART 5

Net Private Foreign Purchases of U.S. Bonds



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

Table 1.—U.S. International Transactions

[Millions of dollars]

Line	(Credits +; debits -) ¹	1995	Not seasonally adjusted						Seasonally adjusted					
			1995			1996			1995			1996		
			II	III	IV	I	II ²	III ²	II	III	IV	I	II ²	III ²
1	Exports of goods, services, and income	969,189	242,306	243,599	250,988	251,913	257,059	252,830	241,497	244,479	250,128	252,647	257,007	253,836
2	Goods, adjusted, excluding military ²	575,940	144,829	140,969	151,001	150,885	154,329	145,580	142,983	144,984	149,422	150,028	153,095	149,937
3	Services ³ under U.S. military agency sales contracts ⁴	210,590	50,418	57,921	53,232	53,506	54,562	59,264	51,735	54,226	54,193	55,122	55,902	55,596
4	Transfers under U.S. military agency sales contracts ⁴	13,405	3,327	3,589	3,334	3,092	3,500	3,510	3,327	3,589	3,334	3,092	3,500	3,510
5	Travel	61,137	14,736	18,704	14,567	14,486	16,052	18,665	14,825	15,682	15,867	16,235	16,133	15,651
6	Passenger fares	18,534	4,529	5,656	4,437	4,470	4,813	5,646	4,825	4,815	4,836	4,869	4,911	4,814
7	Other transportation	28,063	6,937	7,175	7,290	6,839	7,274	7,334	6,951	7,117	7,211	6,965	7,288	7,275
8	Royalties and license fees ⁵	26,953	6,476	6,877	7,622	6,813	7,030	7,023	6,615	7,014	7,015	7,186	7,166	7,161
9	Other private services ⁵	61,724	14,278	15,654	15,796	17,532	15,736	16,895	15,247	15,743	15,744	16,501	16,747	16,994
10	U.S. Government miscellaneous services	775	135	266	186	274	157	191	135	266	186	274	157	191
11	Income receipts on U.S. assets abroad	182,659	47,059	44,709	46,755	47,522	48,167	47,986	46,779	45,269	46,513	47,497	48,010	48,303
12	Direct investment receipts	88,882	23,511	21,185	22,809	23,409	23,973	23,089	22,962	21,877	22,592	23,467	23,527	23,531
13	Other private receipts	89,064	22,421	22,358	22,835	22,806	23,218	23,494	22,421	22,358	22,835	22,806	23,218	23,494
14	U.S. Government receipts	4,713	1,127	1,166	1,111	1,307	976	1,403	1,396	1,034	1,086	1,224	1,265	1,278
15	Imports of goods, services, and income	-1,082,268	-274,489	-279,312	-273,868	-267,971	-287,807	-298,795	-274,183	-273,175	-271,409	-276,612	-287,848	-292,375
16	Goods, adjusted, excluding military ²	-749,364	-190,056	-190,203	-191,552	-187,248	-198,889	-204,509	-190,910	-187,532	-187,448	-192,758	-200,091	-201,530
17	Services ³	-142,230	-36,578	-39,088	-34,226	-33,770	-38,435	-40,889	-35,632	-36,013	-35,558	-36,619	-37,483	-37,837
18	Direct defense expenditures	-9,820	-2,468	-2,469	-2,356	-2,603	-2,775	-2,800	-2,468	-2,469	-2,356	-2,603	-2,775	-2,800
19	Travel	-45,855	-12,563	-13,787	-10,100	-10,145	-13,185	-14,301	-11,539	-11,377	-11,541	-12,276	-12,132	-11,858
20	Passenger fares	-14,313	-3,828	-4,215	-3,198	-3,247	-3,732	-3,984	-3,658	-3,716	-3,583	-3,541	-3,567	-3,517
21	Other transportation	-29,205	-7,306	-7,642	-7,163	-6,732	-7,220	-7,471	-7,380	-7,434	-7,140	-6,890	-7,284	-7,288
22	Royalties and license fees ⁵	-6,312	-1,450	-1,643	-1,765	-1,553	-1,659	-2,216	-1,508	-1,619	-1,690	-1,596	-1,724	-2,187
23	Other private services ⁵	-33,790	-8,332	-8,632	-8,958	-8,799	-9,253	-9,425	-8,448	-8,698	-8,582	-9,022	-9,389	-9,495
24	U.S. Government miscellaneous services	-2,755	-631	-700	-686	-691	-612	-692	-631	-700	-686	-691	-612	-692
25	Income payments on foreign assets in the United States	-190,674	-47,855	-50,022	-48,090	-46,953	-50,482	-53,396	-47,641	-49,630	-48,403	-47,235	-50,274	-53,008
26	Direct investment payments	-31,418	-8,202	-9,454	-6,942	-6,667	-8,925	-9,852	-7,988	-9,062	-7,255	-6,949	-8,717	-9,464
27	Other private payments	-97,977	-24,592	-24,761	-24,976	-24,122	-24,725	-25,051	-24,592	-24,761	-24,976	-24,122	-24,725	-25,051
28	U.S. Government payments	-61,279	-15,061	-15,807	-16,172	-16,164	-16,832	-18,493	-15,061	-15,807	-16,172	-16,164	-18,493	-18,493
29	Unilateral transfers, net	-35,075	-7,915	-8,980	-9,389	-10,979	-8,871	-9,688	-8,290	-8,992	-9,154	-10,904	-9,369	-9,422
30	U.S. Government grants ⁴	-10,959	-2,381	-2,933	-2,799	-4,259	-2,364	-2,502	-2,381	-2,933	-2,799	-4,259	-2,364	-2,502
31	U.S. Government pensions and other transfers	-3,420	-804	-900	-1,007	-831	-781	-1,248	-967	-964	-731	-960	-1,029	-1,034
32	Private remittances and other transfers ⁶	-20,696	-4,730	-5,147	-5,583	-5,889	-5,726	-5,938	-4,942	-5,095	-5,624	-5,685	-5,976	-5,886
33	U.S. assets abroad, net (increase/capital outflow (-))	-307,856	-109,762	-40,630	-94,529	-70,051	-52,420	-56,320	-108,299	-39,595	-98,214	-68,750	-50,726	-54,676
34	U.S. official reserve assets, net ⁷	-9,742	-2,722	-1,893	191	17	-523	7,489	-2,722	-1,893	191	17	-523	7,489
35	Gold	-908	-156	362	-147	-199	-133	848	-156	362	-147	-199	-133	848
36	Special drawing rights	-2,466	-786	-991	-163	-849	-220	183	-786	-991	-163	-849	-220	183
37	Reserve position in the International Monetary Fund	-6,468	-1,780	-1,264	501	1,065	-170	6,824	-1,780	-1,264	501	1,065	-170	6,824
38	Foreign currencies	-280	-179	252	-199	-152	-353	72	-179	252	-199	-152	-353	72
39	U.S. Government assets, other than official reserve assets, net	-4,640	-815	-1,014	-1,199	-1,010	-1,489	-1,108	-815	-1,014	-1,199	-1,010	-1,489	-1,108
40	U.S. credits and other long-term assets	4,258	647	1,523	1,025	1,005	875	1,183	647	1,523	1,025	1,005	875	1,183
41	Repayments on U.S. credits and other long-term assets ⁸	102	-11	-257	-25	-147	261	-3	-11	-257	-25	-147	261	-3
42	U.S. foreign currency holdings and U.S. short-term assets, net	-297,834	-106,861	-38,989	-94,521	-69,916	-51,544	-63,881	-105,398	-37,954	-98,206	-68,615	-49,850	-62,237
43	Direct investment	-95,509	-19,710	-19,126	-40,432	-24,503	-27,896	-10,085	-18,247	-18,091	-44,117	-23,202	-26,202	-8,441
44	Foreign securities	-98,960	-23,011	-35,839	-32,539	-34,420	-20,200	-21,314	-23,011	-35,839	-32,539	-34,420	-20,200	-21,314
45	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-34,219	-22,904	7,500	-14,278	-12,707	-3,374	n.a.	-22,904	7,500	-14,278	-12,707	-3,374	n.a.
46	U.S. claims reported by U.S. banks, not included elsewhere	-69,146	-41,236	8,476	-7,272	1,714	-74	-32,482	-41,236	8,476	-7,272	1,714	-74	-32,482
47	Foreign assets in the United States, net (increase/capital inflow (+))	424,462	115,740	119,449	98,530	99,219	100,852	124,635	115,421	118,816	99,229	99,471	100,549	123,999
48	Foreign official assets in the United States, net	109,757	37,380	39,186	11,369	52,021	13,566	23,642	37,380	39,186	11,369	52,021	13,566	23,642
49	U.S. Government securities	72,547	26,534	21,007	13,748	55,652	-2,126	26,534	21,007	13,748	55,652	-2,126	26,534	
50	U.S. Treasury securities ⁹	68,813	25,208	20,489	12,984	55,600	-3,384	25,335	25,208	20,489	12,984	55,600	-3,384	25,335
51	Other ¹⁰	3,734	1,326	518	764	52	1,258	1,217	1,326	518	764	52	1,258	1,217
52	Other U.S. Government liabilities ¹¹	1,082	235	-71	1,249	-156	220	755	235	-71	1,249	-156	220	755
53	U.S. liabilities reported by U.S. banks, not included elsewhere	32,862	7,662	18,478	-3,908	-3,264	14,187	-2,080	7,662	18,478	-3,908	-3,264	14,187	-2,080
54	Other foreign official assets ¹²	3,266	2,949	-228	280	-211	1,285	-1,585	2,949	-228	280	-211	1,285	-1,585
55	Other foreign assets in the United States, net	314,705	78,360	80,263	87,161	47,198	87,286	100,993	78,041	79,630	87,860	47,450	86,983	100,357
56	Direct investment	60,236	10,011	25,620	14,069	28,438	17,731	25,785	9,692	24,987	14,768	28,690	17,428	25,149
57	U.S. Treasury securities	99,340	30,368	37,269	1,734	11,832	31,122	41,982	30,368	37,269	1,734	11,832	31,122	41,982
58	U.S. securities other than U.S. Treasury securities	95,268	20,496	31,971	27,321	35,993	29,122	32,961	20,496	31,971	27,321	35,993	29,122	32,961
59	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	34,578	7,285	6,945	11,272	6,506	7,296	n.a.	7,285	6,945	11,272	6,506	7,296	n.a.
60	U.S. liabilities reported by U.S. banks, not included elsewhere	25,283	10,200	-21,542	32,765	-35,571	1,925	265	10,200	-21,542	32,765	-35,571	1,925	265
61	Allocations of special drawing rights													
62	Statistical discrepancy (sum of above items with sign reversed)	31,548	34,120	-34,126	28,267	-2,131	-8,812	-12,663	33,854	-41,533	29,420	4,148	-9,613	-21,362
63a	Of which seasonal adjustment discrepancy								-266	-7,407	1,153	6,279	-801	-8,699
64	Memoranda:													
65	Balance on goods (lines 2 and 16)	-173,424	-45,227	-49,234	-40,551	-36,363	-44,560	-58,929	-47,927	-42,548	-38,026	-42,730	-46,996	-51,593
66	Balance on services (lines 3 and 17)	68,360	13,840	18,833	19,006	19,736	16,127	18,375	16,103	18,213	18,635	18,503	18,419	17,759
67	Balance on goods and services (lines 64 and 65)	-105,064	-31,387	-30,401	-21,546	-16,627	-28,433	-40,554	-31,824	-24,335	-			

Table 2.—U.S. Trade in Goods

[Millions of dollars]

Line	1995	Not seasonally adjusted									Seasonally adjusted					
		1995				1996					1995				1996	
		I	II	III	IV	I	II ^r	III ^p	IV	I	II	III	IV	I	II ^r	III ^p
A Balance of payments adjustments to Census trade data:																
EXPORTS																
1	Exports of goods, Census basis ¹ including reexports and including military grant shipments	584,743	141,211	147,055	143,085	153,392	153,262	157,220	149,698	140,621	145,209	147,100	151,813	152,405	155,986	154,055
Adjustments:																
2	Private gift parcel remittances	817	196	209	197	215	226	209	183	196	209	197	215	226	209	183
3	Gold exports, nonmonetary	38		13	25			247	8		13	25			247	8
4	Inland U.S. freight to Canada ²															
5	U.S.-Canadian reconciliation adjustments, n.e.c., net ³															
6	Exports transferred under U.S. military agency sales contracts identified in Census documents ⁴	-8,641	-2,038	-2,239	-2,087	-2,277	-2,160	-2,944	-3,859	-2,038	-2,239	-2,087	-2,277	-2,160	-2,944	-3,859
7	Other adjustments, net ⁵	-1,017	-228	-209	-251	-329	-443	-403	-450	-228	-209	-251	-329	-443	-403	-450
8	Equals: Exports of goods, adjusted to balance of payments basis excluding "military" (table 1, line 2)	575,940	139,141	144,829	140,969	151,001	150,885	154,329	145,580	138,551	142,983	144,984	149,422	150,028	153,095	149,937
IMPORTS																
9	Imports of goods, Census basis ¹ (general imports)	743,445	176,206	187,108	189,528	190,603	185,365	195,151	203,000	182,128	187,961	186,857	186,499	190,875	196,353	200,021
Adjustments:																
10	Electric energy	84	21	21	21	21	23	23	23	21	21	21	21	23	23	23
11	Gold imports, nonmonetary	3,066	625	2,205		236	1,056	794	625	2,205		236	1,056	2,973	794	
12	Inland freight in Canada ²	3,350	829	853	811	857	935	913	862	829	853	811	857	935	913	
13	U.S.-Canadian reconciliation adjustment, n.e.c., net ³															
14	Imports of U.S. military agencies identified in Census documents ⁴	-470	-111	-113	-120	-126	-98	-135	-132	-111	-113	-120	-126	-98	-135	
15	Other adjustments, net ⁵	-111	-17	-18	-37	-39	-33	-36	-38	-17	-18	-37	-39	-33	-36	
16	Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 16)	749,364	177,553	190,056	190,203	191,552	187,248	198,889	204,509	183,474	190,910	187,532	187,448	192,758	200,091	201,530
B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:⁸																
EXPORTS																
1	Total, all countries (A-8)	575,940	139,141	144,829	140,969	151,001	150,885	154,329	145,580	138,551	142,983	144,984	149,422	150,028	153,095	149,937
2	Western Europe	132,442	31,881	33,906	31,198	35,457	34,895	36,062	30,621	31,805	33,446	32,039	35,152	34,732	35,688	31,477
3	European Union	121,482	29,234	30,627	28,921	32,700	31,633	32,480	27,936	29,164	30,208	29,692	32,418	31,488	32,143	28,699
4	Belgium and Luxembourg	12,838	3,049	3,213	3,254	3,322	3,145	3,125	3,074	3,166	3,333	3,294	3,139	3,091	3,155	
5	France	14,253	3,707	3,663	3,235	3,648	3,731	3,548	3,205	3,707	3,610	3,313	3,623	3,724	3,507	
6	Germany ⁹	21,882	5,248	5,409	5,247	5,978	5,847	5,808	5,301	5,240	5,330	5,383	5,929	5,872	5,744	
7	Italy	8,690	2,088	2,261	1,967	2,374	2,401	2,301	1,801	2,084	2,233	2,021	2,352	2,387	2,278	
8	Netherlands	16,225	3,790	4,210	3,752	4,473	4,127	3,914	3,490	3,767	4,165	3,868	4,425	4,088	3,888	
9	United Kingdom	28,024	6,573	7,224	6,834	7,393	7,263	9,037	6,963	6,571	7,112	7,002	7,339	7,251	8,929	
10	Other	19,570	4,779	4,647	4,632	5,512	5,119	4,749	4,102	4,750	4,592	4,772	5,456	5,074	4,706	
11	Western Europe, excluding EU	10,960	2,647	3,279	2,277	2,757	3,262	3,582	2,685	2,641	3,238	2,347	2,734	3,243	3,545	2,778
12	Canada ³	127,585	32,055	33,045	30,146	32,339	33,138	34,066	32,393	32,019	32,580	30,897	32,089	33,067	33,723	33,232
13	Japan	63,115	14,787	15,580	16,230	16,518	17,057	16,615	16,168	14,649	15,428	16,771	16,267	16,886	16,577	16,733
14	Australia, New Zealand, and South Africa ¹⁰															
15	Australia	10,500	2,588	2,663	2,607	2,642	2,975	2,914	2,894	2,586	2,621	2,670	2,623	2,973	2,879	2,967
16	Eastern Europe	5,722	1,172	1,463	1,391	1,696	1,929	1,638	1,789	1,155	1,454	1,450	1,663	1,938	1,674	1,866
17	Latin America and Other Western Hemisphere	95,842	23,416	23,507	23,998	24,921	24,665	26,440	27,463	23,338	23,185	24,654	24,665	24,535	26,244	28,275
18	Brazil	11,155	2,785	2,959	2,519	2,892	2,549	2,924	3,371	2,784	2,915	2,584	2,872	2,545	2,889	
19	Mexico	46,182	11,566	10,847	11,890	12,079	12,980	13,642	14,076	11,531	10,694	11,999	11,958	12,912	13,545	14,486
20	Venezuela	4,606	1,056	1,194	1,282	1,074	1,062	1,215	1,185	1,049	1,178	1,317	1,062	1,055	1,206	
21	Other	33,899	8,009	8,507	8,507	8,786	8,074	8,659	8,831	7,974	8,398	8,754	8,773	8,023	8,604	9,105
22	Other countries in Asia and Africa ^{8 10}	140,734	33,242	34,665	35,399	37,428	36,224	36,594	34,252	32,999	34,269	36,503	36,963	35,935	36,342	35,387
23	Asia ^{8 10}	130,463	30,884	32,216	32,722	34,641	33,483	33,890	31,490	30,879	31,832	33,713	34,239	33,239	33,636	32,497
24	Members of OPEC	12,329	3,194	3,021	2,775	3,339	3,246	3,538	3,286	3,177	2,983	2,871	3,298	3,217	3,506	3,405
25	China	11,750	2,905	2,678	2,815	3,352	3,119	2,518	2,513	2,857	2,665	2,916	3,312	3,081	2,502	2,593
26	Hong Kong	14,197	3,282	3,752	3,564	3,599	3,093	3,646	3,309	3,268	3,705	3,666	3,558	3,076	3,619	
27	Korea, Republic of	24,200	5,727	6,031	6,137	6,305	6,278	6,359	6,281	5,678	5,963	6,337	6,222	6,220	6,327	
28	Singapore	14,901	3,343	3,415	3,881	4,262	4,246	4,178	3,906	3,343	3,357	3,968	4,233	4,245	4,125	
29	Taiwan	18,521	4,605	4,960	4,591	4,365	4,319	4,612	3,995	4,576	4,904	4,736	4,305	4,278	4,591	
30	Africa ^{8 10}	9,973	2,297	2,369	2,601	2,706	2,673	2,627	2,681	2,260	2,357	2,705	2,651	2,627	2,802	
31	Members of OPEC	1,496	374	392	373	357	393	608	382	367	394	387	348	383	609	
32	International organizations and unallocated						2							2		
Memoranda:																
33	Industrial countries ⁸	338,123	82,317	86,350	81,397	88,059	89,259	90,858	83,345	82,060	85,216	83,623	87,224	88,847	90,057	85,714
34	Members of OPEC ⁸	18,431	4,624	4,607	4,430	4,770	4,701	5,361	4,853	4,593	4,555	4,575	4,708	4,655	5,321	5,025
35	Other countries ⁸	219,386	52,200	53,872	55,142	58,172	56,923	58,110	57,382	51,898	53,212	56,786	57,490	56,524	57,717	59,198

See footnotes on page 32.

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

[Millions of dollars]

Line	1995	Not seasonally adjusted									Seasonally adjusted								
		1995				1996					1995				1996				
		I	II	III	IV	I	II ^r	III ^p	IV		I	II	III	IV	I	II ^r	III ^p		
B	Trade in goods, by area and country, adjusted to balance of payments basis, excluding military⁸—Continued:																		
	IMPORTS																		
36	Total, all countries (A-16)	749,364	177,553	190,056	190,203	191,552	187,248	198,889	204,509	183,474	190,910	187,532	187,448	192,758	200,091	201,530			
37	Western Europe	147,650	34,549	39,574	35,559	37,968	37,984	41,951	39,676	35,723	39,749	35,048	37,130	39,123	42,199	39,087			
38	European Union	134,193	31,476	35,941	32,218	34,558	34,495	37,550	36,106	32,550	36,100	31,752	33,791	35,536	37,776	35,566			
39	Belgium and Luxembourg	8,755	2,196	3,446	1,463	1,650	2,601	3,303	1,730	2,252	3,451	1,440	1,612	2,653	3,314	1,704			
40	France	17,175	4,195	4,412	4,221	4,347	4,358	4,654	4,677	4,340	4,431	4,157	4,247	4,496	4,684	4,605			
41	Germany ⁹	36,764	8,258	9,649	9,269	9,588	9,053	9,574	9,804	8,553	9,699	9,137	9,375	9,341	9,636	9,652			
42	Italy	16,335	3,869	4,089	4,049	4,328	4,374	4,469	4,664	4,005	4,109	3,990	4,231	4,513	4,498	4,592			
43	Netherlands	6,396	1,416	1,630	1,548	1,802	1,527	1,902	2,290	1,467	1,638	1,528	1,763	1,573	1,912	2,264			
44	United Kingdom	26,733	6,421	6,897	6,448	6,967	6,687	7,391	6,984	6,633	6,927	6,356	6,817	6,882	7,435	6,881			
45	Other	22,035	5,121	5,816	5,220	5,876	5,895	6,257	5,957	5,300	5,845	5,144	5,746	6,078	6,297	5,868			
46	Western Europe, excluding EU	13,457	3,073	3,633	3,341	3,410	3,489	4,401	3,570	3,173	3,649	3,296	3,339	3,587	4,423	3,521			
47	Canada ³	148,087	36,483	37,882	35,226	38,496	38,197	41,392	39,193	37,673	38,035	34,719	37,660	39,315	41,645	38,624			
48	Japan	123,466	30,697	32,570	31,055	29,144	28,762	27,953	28,392	31,746	32,694	30,571	28,455	29,681	28,134	27,954			
49	Australia, New Zealand, and South Africa ¹⁰																		
50	Australia	3,401	906	825	848	822	828	882	975	936	827	835	803	853	888	961			
51	Eastern Europe	7,012	1,958	1,956	1,623	1,475	1,363	1,678	1,771	2,021	1,959	1,595	1,437	1,405	1,689	1,745			
52	Latin America and Other Western Hemisphere	104,625	25,360	25,941	26,214	27,110	27,915	30,958	31,528	26,151	26,049	25,863	26,562	28,657	31,134	31,097			
53	Brazil	8,829	2,183	2,081	2,219	2,346	2,059	2,159	2,328	2,259	2,091	2,186	2,293	2,124	2,173	2,293			
54	Mexico	62,361	15,144	15,356	15,512	16,349	16,916	18,512	18,851	15,640	15,423	15,297	16,001	17,409	18,624	18,578			
55	Venezuela	9,719	2,362	2,479	2,480	2,398	2,649	3,215	3,415	2,403	2,485	2,458	2,373	2,687	3,226	3,388			
56	Other	23,716	5,671	6,025	6,003	6,017	6,291	7,072	6,934	5,849	6,050	5,922	5,895	6,657	7,111	6,838			
57	Other countries in Asia and Africa ^{8 10}	215,123	47,600	51,308	59,678	56,537	52,199	54,075	62,974	49,224	51,597	58,901	55,401	53,724	54,402	62,062			
58	Asia ^{8 10}	199,549	43,978	47,216	55,657	52,698	48,263	49,220	57,785	45,528	47,491	54,921	51,609	49,741	49,527	56,919			
59	Members of OPEC	17,544	4,174	4,360	4,563	4,447	4,126	4,576	5,232	4,272	4,376	4,513	4,383	4,196	4,597	5,175			
60	China	45,542	9,362	10,764	13,700	11,716	10,059	11,308	15,799	9,711	10,835	13,522	11,474	10,378	11,381	15,556			
61	Hong Kong	10,284	2,220	2,361	2,984	2,719	2,271	2,237	2,744	2,302	2,376	2,945	2,861	3,344	2,251	2,701			
62	Korea, Republic of	24,154	5,185	5,730	6,813	6,626	6,202	5,507	5,296	5,376	5,766	6,526	6,486	6,399	5,542	5,214			
63	Singapore	18,557	3,893	4,339	5,071	5,254	5,060	5,023	5,193	4,038	4,368	5,006	5,145	5,222	5,055	5,114			
64	Taiwan	28,969	6,636	6,997	7,711	7,625	6,869	7,246	7,943	6,873	7,035	7,603	7,458	7,089	7,293	7,820			
65	Africa ^{8 10}	15,239	3,569	3,940	3,955	3,775	3,888	4,791	5,085	3,642	3,952	3,916	3,729	3,934	4,809	5,039			
66	Members of OPEC	7,936	1,884	2,039	2,063	1,950	2,019	2,682	2,933	1,911	2,044	2,047	1,934	2,024	2,690	2,913			
67	International organizations and unallocated																		
	Memoranda:																		
68	Industrial countries ⁸	426,271	103,492	111,861	103,619	107,299	106,611	113,216	109,213	106,965	112,319	102,090	104,897	109,838	113,911	107,587			
69	Members of OPEC ⁸	35,199	8,420	8,878	9,106	8,795	8,794	10,473	11,580	8,586	8,905	9,018	8,690	8,887	10,513	11,476			
70	Other countries ⁸	287,894	65,641	69,317	77,478	75,458	71,843	75,200	83,716	67,923	69,686	76,424	73,661	74,033	75,667	82,467			
	BALANCE (EXCESS OF EXPORTS +)																		
71	Total, all countries	-173,424	-38,412	-45,227	-49,234	-40,551	-36,363	-44,560	-58,929	-44,923	-47,927	-42,548	-38,026	-42,730	-46,996	-51,593			
72	Western Europe	-15,208	-2,668	-5,668	-4,361	-2,511	-3,089	-5,889	-9,055	-3,918	-6,303	-3,009	-1,978	-4,391	-6,511	-7,610			
73	European Union	-12,711	-2,242	-5,314	-3,297	-1,858	-2,862	-5,070	-8,170	-3,386	-5,892	-2,060	-1,373	-4,047	-5,633	-6,867			
74	Belgium and Luxembourg	4,083	853	-233	1,791	1,672	544	-178	1,344	793	1,893	1,682	485	-223	1,351	1,421			
75	France	-2,922	-488	-749	-986	-699	-627	-1,106	-1,472	-633	-821	-844	-624	-772	-1,177	-1,322			
76	Germany ⁹	-14,882	-3,010	-4,240	-4,022	-3,610	-3,206	-3,768	-4,503	-3,313	-4,369	-3,754	-3,446	-3,514	-3,892	-4,205			
77	Italy	-7,645	-1,781	-1,828	-2,082	-1,954	-1,973	-2,168	-2,863	-1,921	-1,876	-1,879	-1,879	-2,126	-2,220	-2,742			
78	Netherlands	9,829	2,374	2,580	2,204	2,671	2,600	2,012	1,200	2,300	2,527	2,340	2,662	2,615	1,976	1,328			
79	United Kingdom	1,291	152	327	386	426	576	1,646	-21	-62	185	646	522	369	1,494	1,363			
80	Other	-2,465	-342	-1,171	-588	-364	-776	-1,508	-1,855	-550	-1,253	-372	-290	-1,004	-1,591	-1,640			
81	Western Europe, excluding EU	-2,497	-426	-354	-1,064	-653	-227	-819	-885	-532	-411	-949	-605	-344	-878	-743			
82	Canada ³	-20,502	-4,428	-4,837	-5,080	-6,157	-5,059	-7,326	-6,800	-5,654	-5,455	-3,822	-5,571	-6,248	-7,922	-5,392			
83	Japan	-60,351	-15,910	-16,990	-14,825	-12,626	-11,705	-11,338	-12,224	-17,097	-17,266	-13,800	-12,188	-12,795	-11,557	-11,221			
84	Australia, New Zealand, and South Africa ¹⁰																		
85	Australia	7,099	1,682	1,838	1,759	1,820	2,147	2,032	1,919	1,650	1,794	1,835	1,820	2,120	1,991	2,006			
86	Eastern Europe	-1,290	-786	-493	-232	221	566	-40	18	-866	-505	-145	226	493	-47	121			
87	Latin America and Other Western Hemisphere	-8,783	-1,944	-2,434	-2,216	-2,189	-3,250	-4,518	-4,065	-2,813	-2,864	-1,209	-1,897	-4,122	-4,890	-2,822			
88	Brazil	2,326	602	878	300	546	490	765	1,043	825	824	398	579	421	716	1,171			
89	Mexico	-16,179	-3,578	-4,509	-3,822	-4,270	-3,936	-4,870	-4,775	-4,109	-4,720	-3,298	-4,043	-4,497	-5,079	-4,092			
90	Venezuela	-5,113	-1,306	-1,285	-1,198	-1,324	-1,587	-2,000	-2,230	-1,354	-1,307	-1,141	-1,311	-1,612	-2,020	-2,168			
91	Other	10,183	2,338	2,482	2,504	2,859	1,783	1,587	1,897	2,125	2,348	2,832	2,878	1,566	1,493	2,267			
92	Other countries in Asia and Africa ^{8 10}	-74,389	-14,358	-16,643	-24,279	-19,109	-15,975	-17,481	-28,722	-16,225	-17,328	-22,398	-18,438	-17,789	-18,060	-26,675			
93	Asia ^{8 10}	-69,086	-13,094	-15,000	-22,935	-18,057	-14,790	-15,330	-26,295	-14,849	-15,659	-21,208	-17,370	-16,502	-15,891	-24,422			
94	Members of OPEC	-5,215	-980	-1,339	-1,788	-1,108	-880	-1,038	-1,946	-1,095	-1,632	-1,686	-1,085	-979	-1,091	-1,770			
95	China	-33,792	-6,457	-8,086	-10,885	-8,364	-6,940	-13,286	-8,954	-8,170	-10,606	-10,761	-8,967	-7,297	-8,879	-12,963			
96	Hong Kong	3,913	1,062	1,391	890	880	822	1,409	565	966	1,329	721	897	732	1,368	1,711			
97	Korea, Republic of	46	542	301	476	321	76	852											

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

(Millions of dollars)

Line	1995	Not seasonally adjusted						Seasonally adjusted							
		1995				1996		1995				1996			
		I	II	III	IV	I	II ^P	III ^P	I	II	III	IV	I	II ^P	III ^P
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military:														
1	575,940	139,141	144,829	140,969	151,001	150,855	154,329	145,580	138,551	142,983	144,984	149,422	150,028	153,095	149,937
2	Agricultural products														
3	Nonagricultural products														
4	Foods, feeds, and beverages														
5	Agricultural														
6	Grains and preparations														
7	Wheat														
8	Corn														
9	Soybeans														
10	Meat products and poultry														
11	Vegetables, fruits, nuts, and preparations														
12	Other agricultural foods, feeds, and beverages														
13	Nonagricultural (fish, distilled beverages, etc.)														
14	Fish and shellfish														
15	Industrial supplies and materials														
16	Agricultural														
17	Raw cotton														
18	Tobacco, unmanufactured														
19	Hides and skins, including furskins														
20	Other agricultural industrial supplies														
21	Nonagricultural														
22	Energy products														
23	Fuels and lubricants														
24	Coal and related fuels														
25	Petroleum and products														
26	Paper and paper base stocks														
27	Textile supplies and related materials														
28	Chemicals, excluding medicinals														
29	Building materials, except metals														
30	Other nonmetals														
31	Metals and nonmetallic products														
32	Steelmaking materials														
33	Iron and steel products														
34	Nonferrous metals														
35	Nonmonetary gold														
36	Other precious metals														
37	Other nonferrous metals														
38	Other metals and nonmetallic products														
39	Capital goods, except automotive														
40	Machinery, except consumer-type														
41	Electric generating machinery, electric apparatus, and parts														
42	Nonelectric, including parts and attachments														
43	Oil drilling, mining, and construction machinery														
44	Industrial engines, pumps, and compressors														
45	Machine tools and metalworking machinery														
46	Measuring, testing, and control instruments														
47	Other industrial, agricultural, and service industry machinery														
48	Computers, peripherals, and parts														
49	Semiconductors														
50	Telecommunications equipment														
51	Other office and business machines														
52	Scientific, hospital, and medical equipment and parts														
53	Civilian aircraft, engines, parts														
54	Civilian aircraft, complete, all types														
55	Other transportation equipment														
56	Automotive vehicles, engines, and parts														
57	To Canada														
58	Passenger cars, new and used														
59	Trucks, buses, and special purpose vehicles														
60	Engines and engine parts														
61	Other parts and accessories														
62	To other areas														
63	Passenger cars, new and used														
64	Trucks, buses, and special purpose vehicles														
65	Engines and engine parts														
66	Other parts and accessories														
67	Consumer goods (nonfood), except automotive														
68	Consumer nondurable goods, manufactured														
69	Medical, dental, and pharmaceutical preparations, including vitamins														
70	Consumer durable goods, manufactured														
71	Household and kitchen appliances and other household goods														
72	Unmanufactured consumer goods (gem stones, nursery stock)														
73	Exports, n.e.c.														

See footnotes on page 32.

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

(Millions of dollars)

Line	1995	Not seasonally adjusted						Seasonally adjusted							
		1995			1996			1995			1996				
		I	II	III	IV	I	II ^P	III ^P	I	II	III	IV	I	II ^P	III ^P
C	Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military—Continued:														
74	749,364	177,553	190,056	190,203	191,552	187,248	198,889	204,509	183,474	190,910	187,532	187,448	192,758	200,091	201,530
75	55,080	12,906	14,588	14,097	13,489	13,951	17,461	17,996	13,085	14,624	13,988	13,383	13,982	17,515	17,871
76	694,284	164,647	175,468	176,106	178,063	173,297	181,428	186,513	170,389	176,286	173,544	174,065	178,776	182,576	183,659
77	33,176	8,473	8,204	8,053	8,446	8,490	8,987	8,792	8,530	8,202	8,248	8,196	8,562	8,980	8,956
78	24,085	6,415	6,031	5,636	6,003	6,459	6,839	6,347	6,257	5,957	5,922	5,949	6,326	6,746	6,623
79	4,078	1,231	939	1,008	900	1,172	968	1,069	1,231	939	1,008	900	1,172	968	1,069
80	2,986	912	754	634	686	712	599	562	912	754	634	686	712	599	562
81	3,929	1,077	1,032	912	908	944	927	969	1,077	1,032	912	908	944	927	969
82	6,465	1,986	1,714	1,296	1,467	1,991	2,182	1,461	1,609	1,631	1,636	1,589	1,627	2,079	1,823
83	2,368	465	577	604	722	522	719	746	577	562	594	635	647	701	718
84	7,245	1,657	1,768	1,813	2,007	1,829	2,042	2,103	1,763	1,794	1,772	1,916	1,937	2,070	2,044
85	9,091	2,058	2,173	2,417	2,443	2,031	2,148	2,445	2,273	2,245	2,326	2,247	2,236	2,234	2,333
86	6,735	1,527	1,588	1,800	1,820	1,463	1,553	1,737	1,664	1,622	1,729	1,720	1,586	1,592	1,646
87	1,945	416	418	493	518	443	464	575	495	456	473	421	525	512	555
88	183,818	44,549	49,522	45,250	44,497	46,678	53,390	52,108	44,757	49,019	45,351	44,691	46,744	52,927	52,117
89	5,572	1,360	1,488	1,370	1,354	1,602	1,612	1,716	1,329	1,475	1,408	1,360	1,567	1,593	1,761
90	178,246	43,189	48,034	43,880	43,143	45,076	51,778	50,392	43,428	47,544	43,943	43,331	45,177	51,334	50,356
91	61,093	14,343	16,084	15,587	15,079	15,642	19,154	19,765	14,432	16,178	15,580	14,903	15,564	19,288	19,787
92	60,151	14,105	15,831	15,325	14,890	15,437	18,930	19,468	14,194	15,926	15,317	14,714	15,359	19,064	19,490
93	12,890	2,867	3,239	3,329	3,445	3,070	2,586	2,611	2,918	3,245	3,310	3,407	3,112	2,595	2,598
94	8,615	2,183	2,264	2,135	2,033	2,014	2,227	2,276	2,233	2,179	2,110	2,067	2,066	2,152	2,226
95	25,552	6,567	6,690	6,198	6,097	6,950	6,872	6,448	6,345	6,541	6,399	6,263	6,729	6,733	6,591
96	12,716	3,067	3,246	3,248	3,155	3,116	3,698	4,188	3,178	3,115	3,180	3,243	3,221	3,556	4,083
97	12,503	2,902	3,180	3,245	3,176	3,116	3,363	3,455	2,993	3,118	3,202	3,190	3,238	3,301	3,392
98	44,887	11,260	13,331	10,138	10,158	11,143	13,878	11,649	11,329	13,168	10,162	10,228	11,247	13,709	11,679
99	2,958	613	701	822	822	735	835	742	696	668	781	813	837	799	707
100	16,175	4,295	4,336	3,865	3,679	3,885	4,204	4,575	4,292	4,251	3,914	3,718	3,874	4,113	4,626
101	20,262	5,000	6,828	4,109	4,325	5,125	7,382	4,824	4,981	6,824	4,114	4,343	5,128	7,379	4,831
102	5,292	1,099	2,704	631	858	1,692	3,653	1,548	1,099	631	858	1,692	3,653	1,548	1,548
103	2,516	575	686	644	611	588	607	575	686	644	611	588	607	575	686
104	6,219	1,753	1,870	1,335	1,260	1,289	1,395	1,181	1,744	1,870	1,338	1,266	1,289	1,395	1,181
105	6,236	1,573	1,568	1,499	1,596	1,556	1,727	1,520	1,566	1,566	1,499	1,605	1,557	1,725	1,524
106	5,492	1,352	1,466	1,342	1,332	1,398	1,457	1,508	1,360	1,425	1,353	1,354	1,408	1,418	1,515
107	221,431	50,126	54,716	56,959	59,630	56,510	56,081	56,953	51,864	54,922	56,655	57,990	58,401	56,437	56,266
108	208,939	46,991	51,409	53,949	56,590	53,186	52,400	53,231	48,730	51,615	53,644	54,950	55,077	52,756	52,544
109	24,150	5,678	6,075	6,213	6,184	5,824	6,009	6,378	5,841	5,989	6,201	6,119	5,998	5,937	6,306
110	184,789	41,313	45,334	47,736	50,406	47,362	46,391	46,853	42,889	45,626	47,443	48,831	49,079	46,819	46,238
111	5,481	1,489	1,593	1,247	1,152	1,395	1,496	1,333	1,464	1,667	1,300	1,250	1,365	1,375	1,370
112	6,175	1,496	1,595	1,545	1,549	1,561	1,592	1,569	1,505	1,552	1,551	1,557	1,585	1,549	1,561
113	6,644	1,469	1,818	1,859	1,698	1,799	1,886	1,879	1,454	1,817	1,670	1,703	1,801	1,885	1,875
114	5,601	1,306	1,426	1,416	1,453	1,422	1,444	1,521	1,321	1,439	1,420	1,421	1,438	1,458	1,509
115	36,708	8,933	9,747	9,076	8,952	9,368	9,593	9,939	8,965	9,411	9,243	9,089	9,406	9,286	9,334
116	56,276	11,929	12,920	14,851	16,576	14,606	14,553	15,696	12,783	13,409	14,612	15,472	15,543	15,122	15,345
117	39,043	7,834	9,222	10,505	11,482	10,533	9,138	8,506	8,174	9,324	10,388	11,157	10,933	9,252	8,356
118	15,332	3,748	3,683	3,882	4,019	3,330	3,348	3,553	3,972	3,828	3,783	3,709	3,514	3,493	3,444
119	6,861	1,622	1,688	1,828	1,723	1,688	1,593	1,685	1,660	1,716	1,784	1,741	1,723	1,624	1,633
120	6,668	1,497	1,642	1,727	1,802	1,660	1,748	1,870	1,591	1,663	1,692	1,722	1,771	1,775	1,811
121	12,492	3,135	3,307	3,010	3,040	3,324	3,681	3,722	3,134	3,307	3,011	3,040	3,324	3,681	3,722
122	10,709	2,651	2,815	2,594	2,649	2,749	3,181	3,288	2,651	2,815	2,594	2,649	2,749	3,181	3,288
123	3,590	965	978	754	893	932	1,012	966	965	978	754	893	932	1,012	966
124	124,773	32,236	32,892	28,479	31,166	31,287	33,752	31,176	32,618	31,897	30,438	29,820	31,243	32,769	33,912
125	45,361	11,846	11,798	9,794	11,923	11,357	13,201	11,303	12,204	10,944	10,752	11,461	11,434	12,308	12,875
126	24,898	6,485	6,521	5,271	6,621	6,113	7,284	6,101	7,015	5,966	5,659	6,258	6,421	6,960	6,857
127	9,011	2,373	2,337	1,988	2,313	2,113	2,436	2,096	2,342	2,221	2,232	2,216	2,064	2,332	2,428
128	1,816	511	469	381	455	649	684	581	467	429	445	475	579	630	707
129	9,636	2,477	2,471	2,154	2,534	2,482	2,797	2,525	2,380	2,328	2,416	2,512	2,370	2,656	2,883
130	79,412	20,390	21,094	18,685	19,243	19,930	20,551	19,873	20,444	20,953	19,686	18,359	19,809	20,641	21,037
131	39,904	10,132	10,791	9,180	9,801	9,806	9,983	9,758	10,269	10,868	9,885	8,882	9,867	10,105	10,561
132	3,815	915	952	953	995	1,054	1,190	1,292	920	971	965	959	952	1,214	1,330
133	8,900	2,352	2,384	2,119	2,045	2,327	2,422	2,149	2,320	2,327	2,198	2,055	2,275	2,363	2,234
134	26,793	6,991	6,967	6,433	6,402	6,743	6,956	6,679	6,905	6,787	6,638	6,463	6,615	6,779	6,912
135	160,010	36,181	38,195	44,923	40,711	37,378	39,254	48,313	39,657	40,392	40,315	39,646	40,851	41,585	43,088
136	75,397	17,652	18,059	21,723	17,963	18,244	18,463	23,053	18,701	19,049	19,057	18,590	19,298	19,564	20,092
137	37,783	8,941	8,765	11,433	8,644	8,729	8,621	12,020	9,521	9,637	9,499	9,126	9,292	9,573	9,911
138	9,348	2,233	2,291	2,636	2,188	2,272	2,213	2,735	2,336	2,356	2,325	2,331	2,373	2,284	2,400
139	76,501	16,419	18,350	21,018	20,714										

Table 3.—Private Service Transactions
[Millions of dollars]

Line	1995	Not seasonally adjusted									Seasonally adjusted								
		1995				1996					1995				1996				
		I	II	III	IV	I	II ^P	III ^P	IV	V	I	II	III	IV	I	II ^P	III ^P		
1	Exports of private services	196,411	45,676	46,956	54,066	49,712	50,140	50,905	55,563	47,092	48,273	50,371	50,673	51,756	52,245	51,895			
2	Travel (table 1, line 5)	61,137	13,130	14,736	18,704	14,567	14,486	16,052	18,665	14,762	14,825	15,682	15,867	16,235	16,133	15,651			
3	Passenger fares (table 1, line 6)	18,534	3,912	4,529	5,656	4,437	4,470	4,813	5,646	4,248	4,635	4,815	4,836	4,869	4,911	4,814			
4	Other transportation (table 1, line 7)	28,063	6,661	6,937	7,175	7,290	6,839	7,274	7,334	6,784	6,951	7,117	7,211	6,965	7,288	7,275			
5	Freight	10,780	2,436	2,712	2,736	2,896	2,585	2,763	2,764	2,459	2,689	2,747	2,885	2,608	2,740	2,774			
6	Port services	16,091	3,928	3,929	4,144	4,090	3,947	4,201	4,263	4,028	3,965	4,075	4,021	4,050	4,237	4,194			
7	Other	1,193	297	297	295	304	307	310	307	297	297	295	304	307	310	307			
8	Royalties and license fees (table 1, line 8)	26,953	5,977	6,476	6,877	7,622	6,813	7,030	7,023	6,309	6,615	7,014	7,015	7,186	7,166	7,161			
9	Affiliated	21,619	4,692	5,157	5,527	6,243	5,406	5,604	5,583	5,024	5,296	5,664	5,636	5,779	5,739	5,720			
10	U.S. parents' receipts	20,180	4,333	4,866	5,158	5,821	5,120	5,292	5,176	4,656	4,964	5,281	5,280	5,485	5,381	5,285			
11	U.S. affiliates' receipts	1,439	359	289	369	422	286	312	407	369	332	383	356	294	358	435			
12	Unaffiliated	5,333	1,285	1,319	1,350	1,379	1,407	1,427	1,441	1,285	1,319	1,350	1,379	1,407	1,427	1,441			
13	Industrial processes ¹	3,316	801	819	858	878	893	893	903	801	819	838	858	878	893	903			
14	Other ²	2,017	484	499	512	522	529	534	538	484	499	512	522	529	534	538			
15	Other private services (table 1, line 9)	61,724	15,996	14,278	15,654	15,796	17,532	15,736	16,895	14,989	15,247	15,743	15,744	16,501	16,747	16,994			
16	Affiliated services	19,458	4,421	4,698	4,956	5,384	5,173	5,326	5,513	4,600	4,773	5,070	5,015	5,377	5,404	5,636			
17	U.S. parents' receipts	11,933	2,726	2,920	2,984	3,303	3,093	3,161	3,222	2,846	2,965	3,050	3,072	3,225	3,230	3,288			
18	U.S. affiliates' receipts	7,525	1,695	1,778	1,972	2,081	2,080	2,145	2,291	1,754	1,808	2,020	1,943	2,152	2,174	2,348			
19	Unaffiliated services	42,265	11,576	9,579	10,698	10,412	12,359	10,410	11,382	10,389	10,474	10,673	10,729	11,124	11,343	11,358			
20	Education	7,517	3,028	965	1,976	1,548	3,156	1,002	2,065	1,860	1,950	1,866	1,922	1,935	2,040				
21	Financial services	6,109	1,173	1,504	1,574	1,659	1,742	1,906	1,922	1,373	1,504	1,524	1,659	1,742	1,906				
22	Insurance, net	1,395	361	346	342	347	362	373	381	381	346	342	347	362	373				
23	Premiums received	5,575	1,346	1,377	1,409	1,443	1,480	1,507	1,525	1,346	1,377	1,409	1,443	1,480	1,525				
24	Losses paid	4,180	985	1,031	1,068	1,096	1,118	1,134	1,145	985	1,031	1,068	1,096	1,118	1,145				
25	Telecommunications	2,848	717	713	710	708	706	705	705	717	713	710	708	706	705				
26	Business, professional, and technical services	16,264	4,044	4,039	4,078	4,104	4,267	4,254	4,246	4,044	4,039	4,078	4,104	4,267	4,254				
27	Other unaffiliated services ³	8,131	2,055	2,012	2,019	2,046	2,126	2,170	2,065	2,055	2,012	2,019	2,046	2,126	2,170				
28	Imports of private services	129,655	29,073	33,479	35,919	31,184	30,476	35,049	37,397	31,762	32,533	32,844	32,516	33,325	34,096	34,345			
29	Travel (table 1, line 19)	45,855	9,405	12,563	13,787	10,100	10,145	13,185	14,301	11,397	11,539	11,377	11,541	12,276	12,132	11,858			
30	Passenger fares (table 1, line 20)	14,313	3,072	3,828	4,215	3,198	3,247	3,732	3,984	3,376	3,658	3,716	3,563	3,541	3,567	3,517			
31	Other transportation (table 1, line 21)	29,205	7,094	7,306	7,642	7,163	6,732	7,220	7,471	7,251	7,380	7,434	7,140	6,890	7,284	7,288			
32	Freight	17,089	4,357	4,235	4,390	4,107	4,045	4,473	4,571	4,409	4,267	4,370	4,043	4,099	4,504	4,551			
33	Port services	11,215	2,507	2,846	3,026	2,836	2,477	2,547	2,694	2,611	2,888	2,839	2,877	2,580	2,579	2,531			
34	Other	902	231	225	226	220	211	201	206	231	225	226	220	211	201	206			
35	Royalties and license fees (table 1, line 22)	6,312	1,453	1,450	1,643	1,765	1,553	1,659	2,216	1,496	1,508	1,619	1,690	1,596	1,724	2,187			
36	Affiliated	5,148	1,148	1,163	1,350	1,488	1,268	1,367	1,939	1,191	1,221	1,325	1,412	1,310	1,433	1,370			
37	U.S. parents' payments	430	93	100	118	120	95	110	117	93	100	118	120	95	110				
38	U.S. affiliates' payments	4,718	1,055	1,063	1,232	1,368	1,173	1,257	1,822	1,098	1,121	1,207	1,292	1,215	1,323				
39	Unaffiliated	1,163	305	287	293	278	286	291	387	305	287	293	278	286	291				
40	Industrial processes ¹	819	220	205	197	197	203	208	211	220	205	197	197	203	208				
41	Other ²	344	85	82	96	81	83	83	606	85	82	96	81	83	83				
42	Other private services (table 1, line 23)	33,970	8,049	8,332	8,632	8,958	8,799	9,253	9,425	8,242	8,448	8,698	8,582	9,022	9,389	9,495			
43	Affiliated services	13,723	3,090	3,284	3,490	3,860	3,560	3,942	4,045	3,286	3,373	3,553	3,511	3,785	4,050				
44	U.S. parents' payments	6,740	1,462	1,652	1,701	1,925	1,594	1,696	1,830	1,656	1,660	1,749	1,675	1,809	1,701				
45	U.S. affiliates' payments	6,983	1,628	1,632	1,789	1,935	1,966	2,246	2,215	1,630	1,713	1,804	1,836	1,976	2,349				
46	Unaffiliated services	20,247	4,959	5,046	5,142	5,098	5,239	5,311	5,380	4,956	5,075	5,145	5,071	5,237	5,339				
47	Education	877	177	219	273	209	188	232	290	213	218	223	223	226	231				
48	Financial services	1,707	398	410	452	447	476	500	524	398	410	452	447	476	500				
49	Insurance, net	4,481	1,104	1,152	1,182	1,043	1,188	1,184	1,181	1,104	1,152	1,182	1,043	1,188	1,181				
50	Premiums paid	13,710	3,458	3,421	3,409	3,422	3,462	3,491	3,511	3,458	3,421	3,409	3,422	3,462	3,491				
51	Losses recovered	9,230	2,355	2,269	2,227	2,379	2,273	2,307	2,330	2,355	2,269	2,227	2,379	2,273	2,307				
52	Telecommunications	6,773	1,709	1,706	1,678	1,681	1,689	1,695	1,703	1,709	1,706	1,678	1,681	1,689	1,695				
53	Business, professional, and technical services	4,502	1,077	1,114	1,142	1,170	1,182	1,226	1,244	1,077	1,114	1,142	1,170	1,182	1,226				
54	Other unaffiliated services ³	1,908	496	448	416	549	517	473	440	496	448	416	549	517	473				
Memoranda:																			
55	Balance on goods (table 1, line 64)	-173,442	-38,412	-45,227	-49,234	-40,551	-36,363	-44,560	-58,929	-44,923	-47,927	-42,548	-38,026	-42,730	-46,996	-51,593			
56	Balance on private services (line 1 minus line 28)	66,756	16,603	13,477	18,147	18,528	19,664	15,856	18,166	15,330	15,740	17,527	18,157	18,431	18,149	17,550			
57	Balance on goods and private services (lines 55 and 56)	-106,686	-21,809	-31,750	-31,087	-22,023	-16,699	-28,704	-40,763	-29,593	-32,187	-25,021	-19,869	-24,299	-28,847	-34,043			

See footnotes on page 32.

Table 4.—Selected U.S. Government Transactions

[Millions of dollars]

Line		1995	Not seasonally adjusted						
			1995				1996		
			I	II	III	IV	I	II ^r	III ^r
A1	U.S. Government grants and transactions increasing Government assets, total	15,497	4,063	3,206	4,204	4,024	5,416	3,592	3,614
	By category								
2	Grants, net (table 1, line 30, with sign reversed)	10,959	2,846	2,381	2,933	2,799	4,259	2,364	2,502
3	Financing military purchases ¹	2,437	599	433	535	870	1,733	492	607
4a	Other grants	8,522	2,247	1,948	2,398	1,929	2,526	1,872	1,895
4b	Cash contributions received from coalition partners for Persian Gulf operations								
5	Credits and other long-term assets (table 1, line 40, with sign reversed)	4,640	1,612	815	1,014	1,199	1,010	1,489	1,108
6	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,498	312	258	403	526	438	358	433
7	Credits repayable in U.S. dollars	2,558	1,155	418	461	524	432	974	513
8	Credits repayable in other than U.S. dollars	-11	3	-1	-9	-3	-6	(*)	-1
9	Other long-term assets	595	143	141	159	153	145	158	164
10	Foreign currency holdings and short-term assets, net (table 1, line 42 with sign reversed)	-102	-395	11	257	25	147	-261	3
11	Foreign currency holdings (excluding administrative cash holdings), net	16	9	-8	17	-1	4	-20	-2
	Receipts from:								
12	Sales of agricultural commodities	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
13	Interest	10	3	3	4	1	4	3	1
14	Repayments of principal	34	9	11	10	3	21	10	3
15	Reverse grants								
16	Other sources	26	3	2	17	4	(*)	1	4
	Less currencies disbursed for:								
17	Grants and credits in the recipient's currency	3	3	(*)	(*)		1	1	
18	Other grants and credits								
19	Other U.S. Government expenditures	50	4	24	13	9	20	34	10
20	Assets acquired in performance of U.S. Government guarantee and insurance obligations, net	-209	-395	14	100	71	70	-215	47
21	Other assets held under Commodity Credit Corporation Charter Act, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
22	Assets financing military sales contracts, net ²								
23	Other short-term assets (including changes in administrative cash holdings), net	91	-9	5	140	-45	73	-26	-42
	By program								
24	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,498	312	258	403	526	438	358	433
25	Under Agricultural Trade Development and Assistance Act and related programs	1,100	247	239	259	355	204	193	199
26	Under Foreign Assistance Act and related programs	9,603	2,388	2,101	2,560	2,555	4,107	2,078	2,237
27	Under Export-Import Bank Act	997	415	122	310	150	218	478	389
28	Under Commodity Credit Corporation Charter Act	442	105	86	122	129	58	71	34
29	Under other grant and credit programs	1,151	452	263	233	203	169	303	202
30	Other foreign currency assets acquired (lines A13, A14, and A16)	69	15	16	30	8	25	14	8
31	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	50	4	24	13	9	20	34	10
32	Other (including changes in administrative cash holdings), net	687	133	146	299	108	218	132	123
	By disposition ³								
33	Estimated transactions involving no direct dollar outflow from the United States	9,929	2,543	2,052	2,796	2,539	3,244	2,312	2,348
34	Expenditures on U.S. goods	3,663	763	737	920	1,243	2,132	686	910
35	Expenditures on U.S. services ⁴	2,789	756	675	780	579	586	725	708
36	Financing of military sales contracts by U.S. Government ⁵ (line C6)	2,399	653	526	620	599	441	619	609
37	By long-term credits	518	104	126	122	166	151	147	67
38	By short-term credits ¹								
39	By grants ¹	1,881	549	401	498	433	291	472	541
40	U.S. Government grants and credits to repay prior U.S. Government credits ^{1,4}	548	99	28	366	55	34	231	84
41	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	639	304	114	140	81	70	93	53
42	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
43	Less receipts on short-term U.S. Government assets (a) financing military sales contracts ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. goods	59	28	5	17	9	(*)	8	7
44	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	50	4	24	13	9	20	34	10
45	Estimated dollar payments to foreign countries and international financial institutions	5,568	1,521	1,155	1,408	1,485	2,172	1,280	1,266
B1	Repayments on U.S. Government long-term assets, total (table 1, line 41)	4,258	1,063	647	1,523	1,025	1,005	875	1,183
2	Receipts of principal on U.S. Government credits	3,623	905	488	1,366	864	842	709	1,017
3	Under Agricultural Trade Development and Assistance Act and related programs	340	43	39	104	154	69	76	101
4	Under Foreign Assistance Act and related programs	1,864	541	265	850	207	556	214	560
5	Under Export-Import Bank Act	1,050	265	144	341	300	172	398	294
6	Under Commodity Credit Corporation Charter Act	229	53	38	60	78	44	21	63
7	Under other credit programs	141	2	3	11	126	(*)	(*)	(*)
8	Receipts on other long-term assets	635	158	159	157	161	163	165	167
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 53)	1,082	-331	235	-71	1,249	-156	220	755
2	Associated with military sales contracts ²	1,054	-361	221	-68	1,262	-120	215	718
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds. ¹	11,963	2,416	2,826	2,753	3,968	3,556	2,911	3,722
4	Less U.S. Government receipts from principal repayments	795	359	85	307	44	368	31	386
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	-892	-84	-280	-454	-74	657	-216	-285
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A36)	2,399	653	526	620	599	441	619	609
7	By long-term credits	518	104	125	122	166	151	147	67
8	By short-term credits ¹								
9	By grants ¹	1,881	549	401	498	433	291	472	541
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) ^{1,2} (table 1, line 4)	13,405	3,155	3,327	3,589	3,334	3,092	3,500	3,511
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A42)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
12	Associated with other liabilities	29	31	13	-3	-13	-36	5	37
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation	-4	(*)	1	1	-6	1	1	38
14	Sales of space launch and other services by National Aeronautics and Space Administration	34	12	22	-3	3	-39	8	-3
15	Other sales and miscellaneous operations	-1	18	-9	(*)	-10	2	-4	1

See footnotes on page 32.

Table 5.—Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services

(Millions of dollars)

Line	(Credits +; debits -)	1995	Not seasonally adjusted									Seasonally adjusted					
			1995				1996					1995				1996	
			I	II	III	IV	I	II ^P	III ^P	IV	I	II	III	IV	I	II ^P	III ^P
U.S. direct investment abroad:																	
1	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 12)	88,882	21,376	23,511	21,185	22,809	23,409	23,973	23,089	21,452	22,962	21,877	22,592	23,467	23,527	23,531	
2	Earnings	86,425	20,701	22,829	20,597	22,298	22,796	23,176	22,266	20,777	22,280	21,289	22,080	22,855	22,730	22,708	
3	Distributed earnings	31,955	6,643	6,867	6,691	11,754	6,540	8,756	8,393	7,907	7,780	8,418	7,851	7,900	10,004	10,479	
4	Reinvested earnings	54,470	14,058	15,963	13,906	10,544	16,256	14,420	13,874	12,870	14,500	12,871	14,229	14,955	12,726	12,229	
5	Interest ¹	2,457	675	682	588	512	613	798	823	675	682	588	512	613	798	823	
6	U.S. parents' receipts	6,447	1,516	1,687	1,625	1,619	1,495	1,507	1,544	1,516	1,687	1,625	1,619	1,495	1,507	1,544	
7	U.S. parents' payments	-3,991	-841	-1,005	-1,038	-1,107	-883	-710	-721	-841	-1,005	-1,038	-1,107	-883	-710	-721	
8	Less: Current-cost adjustment	2,103	457	502	548	596	643	692	741	457	502	548	596	643	692	741	
9	Less: Withholding taxes	1,240	345	259	280	356	288	367	299	364	290	319	267	307	427	347	
10	Equals: Income without current-cost adjustment, after deduction of withholding taxes ²	85,539	20,574	22,750	20,357	21,857	22,478	22,915	22,049	20,631	22,170	21,019	21,729	22,518	22,408	22,443	
11	Petroleum	9,338	2,387	2,445	2,086	2,420	2,992	2,857	2,790	2,368	2,571	2,167	2,232	2,900	2,989	2,920	
12	Manufacturing	35,775	8,585	9,842	8,365	8,983	8,856	9,100	7,914	8,661	9,136	8,936	9,042	8,980	8,461	8,179	
13	Other	40,426	9,602	10,463	9,907	10,454	10,630	10,958	11,344	9,602	10,463	9,907	10,454	10,630	10,958	11,344	
14	Capital with current-cost adjustment (table 1, line 44)	-95,509	-16,241	-19,710	-19,126	-40,432	-24,503	-27,896	-10,085	-15,053	-18,247	-18,091	-44,117	-23,202	-26,202	-8,441	
15	Equity capital	-36,292	-4,898	1,681	-7,518	-25,557	-9,093	-2,018	-7,148	-4,898	1,681	-7,518	-25,557	-9,093	-2,018	-7,148	
16	Increases in equity capital ³	-47,736	-6,711	-3,638	-9,930	-27,458	-11,148	-7,272	-9,393	-6,711	-3,638	-9,930	-27,458	-11,148	-7,272	-9,393	
17	Decreases in equity capital ⁴	11,444	1,813	5,319	2,412	1,901	2,055	5,253	2,245	1,813	5,319	2,412	1,813	5,319	2,412	2,245	
18	Reinvested earnings	-54,470	-14,058	-15,963	-13,906	-10,544	-16,256	-14,420	-13,874	-12,870	-14,500	-12,871	-14,229	-14,955	-12,726	-12,229	
19	Intercompany debt	-4,747	2,714	-5,428	2,298	-4,331	847	-11,458	10,936	2,714	-5,428	2,298	-4,331	847	-11,458	10,936	
20	U.S. parents' receivables	-23,631	-6,378	-7,311	-5,327	-4,616	5,222	-8,668	6,680	-6,378	-7,311	-5,327	-4,616	5,222	-8,668	6,680	
21	U.S. parents' payables	18,884	9,092	1,882	7,625	285	-4,375	-2,790	4,257	9,092	1,882	7,625	285	-4,375	-2,790	4,257	
22	Less: Current-cost adjustment (line 8 with sign reversed)	-2,103	-457	-502	-548	-596	-643	-692	-741	-457	-502	-548	-596	-643	-692	-741	
23	Equals: Capital without current-cost adjustment ²	-93,406	-16,784	-19,208	-18,578	-39,836	-23,860	-27,204	-9,344	-14,596	-17,745	-15,443	-43,521	-22,559	-25,510	-7,700	
24	Equity capital (line 15)	-36,292	-4,898	1,681	-7,518	-25,557	-9,093	-2,018	-7,148	-4,898	1,681	-7,518	-25,557	-9,093	-2,018	-7,148	
25	Petroleum	-1,412	-26	2,345	-427	-479	-669	2,355	-1,660	-26	2,345	-427	-479	-669	2,355	-1,660	
26	Manufacturing	-17,914	-2,882	-1,165	-754	-13,114	-4,935	-1,081	-1,408	-2,882	-1,165	-754	-13,114	-4,935	-1,081	-1,408	
27	Other	-19,790	-1,990	501	-6,337	-11,964	-3,489	-3,292	-4,079	-1,990	501	-6,337	-11,964	-3,489	-3,292	-4,079	
28	Reinvested earnings without current-cost adjustment (line 18 less line 22)	-52,367	-13,601	-15,461	-13,358	-9,948	-15,613	-13,728	-13,133	-12,413	-13,998	-12,323	-13,633	-14,312	-12,034	-11,488	
29	Petroleum	-3,148	-1,280	-514	-563	-791	-1,666	-1,132	-1,131	-1,112	-753	-302	-980	-1,417	-1,366	-842	
30	Manufacturing	-24,839	-5,539	-7,573	-5,904	-8,823	-6,430	-6,239	-4,512	-5,460	-6,368	-6,100	-6,911	-6,301	-4,824	-4,089	
31	Other	-24,381	-6,782	-7,374	-6,890	-3,335	-7,517	-6,357	-7,490	-5,841	-6,877	-5,921	-5,742	-6,598	-5,844	-6,557	
32	Intercompany debt (line 19)	-4,747	2,714	-5,428	2,298	-4,331	847	-11,458	10,936	2,714	-5,428	2,298	-4,331	847	-11,458	10,936	
33	Petroleum	-931	98	-2,082	687	709	-483	134	98	-2,082	687	709	-483	134	98	-2,082	
34	Manufacturing	-768	-295	909	-994	-388	2,075	-1,601	-66	-295	909	-994	-388	2,075	-1,601	-66	
35	Other	-3,048	1,122	-4,255	2,604	-4,309	-1,937	9,374	11,137	2,912	-4,255	2,604	-4,309	-1,937	9,374	11,137	
36	Royalties and license fees, before deduction of withholding taxes, net	19,750	4,240	4,768	5,040	5,701	5,025	5,181	5,059	4,563	4,864	5,163	5,160	5,390	5,271	5,168	
37	U.S. parents' receipts (table 1, part of line 8)	20,180	4,333	4,868	5,158	5,821	5,120	5,292	5,176	4,656	4,964	5,281	5,280	5,485	5,381	5,285	
38	U.S. parents' payments (table 1, part of line 22)	-430	-93	-100	-118	-120	-95	-110	-117	-93	-100	-118	-120	-95	-110	-117	
39	Other private services, before deduction of withholding taxes, net	5,193	1,264	1,268	1,283	1,378	1,499	1,485	1,393	1,190	1,305	1,301	1,397	1,416	1,528	1,406	
40	U.S. parents' receipts (table 1, part of line 9)	11,933	2,726	2,820	2,984	3,303	3,093	3,181	3,222	2,846	2,965	3,050	3,072	3,225	3,230	3,288	
41	U.S. parents' payments (table 1, part of line 23)	-6,740	-1,462	-1,652	-1,701	-1,925	-1,594	-1,696	-1,830	-1,656	-1,660	-1,749	-1,675	-1,809	-1,701	-1,882	
Foreign direct investment in the United States:																	
42	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 26)	-31,418	-6,821	-8,202	-9,454	-6,942	-6,667	-8,925	-9,852	-7,113	-7,988	-9,062	-7,255	-6,949	-8,717	-9,464	
43	Earnings	-23,116	-4,865	-6,092	-7,329	-4,830	-5,372	-6,621	-7,361	-5,156	-5,878	-6,938	-5,143	-5,664	-6,413	-6,973	
44	Distributed earnings	-9,825	-1,801	-2,324	-3,244	-2,459	-2,263	-2,521	-1,668	-1,841	-2,425	-3,485	-2,074	-2,292	-2,615	-1,917	
45	Reinvested earnings	-13,290	-3,063	-3,771	-4,085	-2,370	-3,109	-4,100	-5,693	-3,316	-3,453	-3,452	-3,069	-3,362	-3,798	-5,057	
46	Interest ¹	-8,303	-1,957	-2,110	-2,124	-2,112	-1,295	-2,305	-2,491	-1,957	-2,110	-2,124	-2,112	-1,295	-2,305	-2,491	
47	U.S. affiliates' payments	-12,574	-2,989	-2,989	-3,203	-3,393	-2,915	-3,312	-3,753	-2,989	-2,989	-3,203	-3,393	-2,915	-3,312	-3,753	
48	U.S. affiliates' receipts	4,271	1,032	879	1,079	1,281	1,620	1,007	1,262	1,032	879	1,079	1,281	1,620	1,007	1,262	
49	Less: Current-cost adjustment	612	125	148	165	174	179	177	169	125	148	165	174	179	177	169	
50	Less: Withholding taxes	-216	-49	-49	-69	-49	-51	-49	-56	-49	-49	-69	-49	-51	-49	-56	
51	Equals: Income without current-cost adjustment, after deduction of withholding taxes ²	-31,815	-6,898	-8,300	-9,549	-7,067	-6,795	-9,053	-9,966	-7,189	-8,087	-9,158	-7,381	-7,077	-8,845	-9,578	
52	Petroleum	-2,768	-318	-705	-875	-869	-707	-927	-953	-318	-705	-875	-869	-707	-927	-953	
53	Manufacturing	-16,447	-3,231	-4,473	-5,051	-3,693	-4,196	-5,213	-5,173	-3,522	-4,259	-4,659	-4,006	-4,748	-5,005	-4,785	
54	Other	-12,599	-3,349	-3,122	-3,623	-2,506	-1,893	-2,914	-3,841	-3,349	-3,122	-3,623	-2,506	-1,893	-2,914	-3,841	
55	Capital with current-cost adjustment (table 1, line 57)	60,236	10,536	10,011	25,620	14,069	28,438	17,731	25,785	10,788	9,692	24,987	14,768	28,690	17,428	25,149	
56	Equity capital	39,544	11,459	6,780	11,122	10,183	17,721	17,226	12,261	11,459	6,780	11,122	10,183	17,721	17,226	12,261	
57	Increases in equity capital ³	44,991	12,864	7,917	11,825	12,384	18,890	10,533	15,957	12,864	7,917	11,825	12,384	18,890	10,533	15,957	
58	Decreases in equity capital ⁴	-5,447	-1,406	-1,137	-703	-2,201	-1,169	-3,307	-3,697	-1,406	-1,137	-703	-2,201	-1,169	-3,307	-3,697	
59	Reinvested earnings	13,290	3,063	3,771	4,085	2,370	3,109	4,100	5,693	3,316	3,453	3,452	3,069	3,362	3,798	5,057	
60	Intercompany debt	7,402	-3,986	-541	10,413	1,516	7,608	6,404	7,832	-3,986	-541	10,413	1,516	7,608	6,404	7,832	
61	U.S. affiliates' payables	15,437	-2,014	1,741	9,246	6,464	7,988	11,559	6,041	-2,014	1,741	9,246	6,464	7,988	11,559	6,041	
62	U.S. affiliates' receivables	-8,035	-1,972	-2,281	1,167	-4,948	-381	-5,155	1,790	-1,972	-2,281	1,167					

Table 6.—Securities Transactions

[Millions of dollars]

Line	(Credits +; debits -)	1995	Not seasonally adjusted						
			1995				1996		
			I	II	III	IV	I	II ^P	III ^P
A1	Foreign securities, net U.S. purchases (-), (table 1, line 45 or lines 2 + 13 below)	-98,960	-7,571	-23,011	-35,839	-32,539	-34,420	-20,200	-21,314
2	Stocks, net U.S. purchases	-50,697	-4,090	-10,200	-22,051	-14,356	-22,455	-17,414	-6,460
3	New issues in the United States	-8,863	-428	-2,216	-1,183	-5,036	-2,920	-4,908	-1,334
4	Of which Western Europe	-5,365	-152	-1,253	-715	-3,245	-757	-3,341	-644
5	Canada	(D)	(D)	-156	-102	-621	-645	-561	(P)
6	Latin America	(D)	(D)	(P)	(P)	-224	-394	-92	-119
7	Transactions in outstanding stocks, net	-41,834	-3,662	-7,984	-20,868	-9,320	-19,535	-12,506	-5,126
8	Western Europe	-15,959	-2,021	-3,771	-6,600	-3,567	-6,905	-6,837	-3,530
9	Of which United Kingdom	-8,458	-1,662	-2,045	-2,871	-1,880	-2,043	-4,789	-1,914
10	Canada	1,099	913	469	859	376	876	921	384
11	Japan	-19,398	-400	-3,103	-11,752	-4,143	-7,924	-2,523	-99
12	Other	-7,576	-2,154	-1,579	-1,857	-1,986	-3,830	-2,225	-1,881
13	Bonds, net U.S. purchases	-48,263	-3,481	-12,811	-13,788	-18,183	-11,965	-2,786	-14,854
14	New issues in the United States	-39,368	-6,471	-7,268	-12,645	-12,984	-12,895	-8,411	-12,066
15	By issuer:								
16	Central governments and their agencies and corporations	-3,095	-912	-532	-1,262	-389	-3,022	-89	-5,408
17	Other governments and their agencies and corporations ¹	-4,838	-1,472	-210	-2,017	-1,139	-2,716	-1,587	-714
18	Private corporations	-30,276	-4,075	-6,243	-9,032	-10,926	-6,957	-6,725	-5,307
19	International financial institutions ²	-1,159	-12	-283	-334	-530	-200	-10	-637
20	By area:								
21	Western Europe	-13,005	-2,877	-2,617	-2,835	-4,676	-3,942	-1,420	-1,639
22	Canada	-10,732	-1,975	-2,175	-4,152	-2,430	-3,042	-963	-1,218
23	Japan	-330	-310	-310	-310	-20	-197	-197	-197
24	Latin America	-5,083	-950	-938	-1,536	-1,659	-3,130	-2,775	-5,857
25	Other countries	-9,059	-657	-945	-3,788	-3,669	-2,581	-3,046	-2,715
26	International financial institutions ²	-1,159	-12	-283	-334	-530	-200	-10	-637
27	Redemptions of U.S.-held foreign bonds ³	10,579	1,210	3,186	2,731	3,452	3,475	3,438	4,600
28	Western Europe	2,734	321	1,384	518	511	2,508	977	1,678
29	Canada	3,509	415	986	998	1,110	1,206	983	983
30	Other countries	2,437	474	543	1,015	405	579	1,206	1,764
31	International financial institutions ²	1,899	273	200	1,426	.....	25	175	.....
32	Other transactions in outstanding bonds, net ³	-19,474	1,780	-8,729	-3,874	-8,651	-2,545	2,187	-7,388
33	Western Europe	-15,970	3,595	-9,184	-3,448	-6,933	-1,803	1,723	-14,472
34	Of which United Kingdom	-14,112	3,374	-9,450	-2,782	-5,254	-2,657	5,050	-9,691
35	Canada	-834	238	-1,729	-1,706	-2,363	424	1,150	1,786
36	Japan	-5,807	-1,964	1,111	-3,231	-1,723	-477	-587	3,217
37	Other	3,137	-89	1,073	4,511	-2,358	159	-99	-919
B1	U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 59 or lines 2 + 10 below)	95,268	15,480	20,496	31,971	27,321	35,993	29,122	32,961
2	Stocks, net foreign purchases	13,357	-3,755	2,071	4,977	10,064	3,419	5,901	1,565
3	By area:								
4	Western Europe	10,632	-1,986	369	2,346	9,903	2,048	386	3,189
5	Of which Germany	-1,877	-462	-1,022	-244	-149	274	349	540
6	Switzerland	-2,406	-966	-1,382	-892	834	722	517	990
7	United Kingdom	7,751	-170	2,708	2,582	2,631	-719	65	1,451
8	Canada	-1,663	-225	900	-641	103	1,058	-281	-35
9	Japan	-2,808	-1,741	-366	-1,557	856	-825	2,291	-1,326
10	Other	7,196	197	2,968	4,829	-798	1,138	3,505	-263
11	Corporate and other bonds, net foreign purchases	81,911	19,235	18,425	26,994	17,257	32,574	23,221	31,396
12	By type:								
13	New issues sold abroad by U.S. corporations	59,261	16,499	12,107	16,279	14,376	13,511	11,643	12,089
14	U.S. federally-sponsored agency bonds, net	24,975	5,378	5,047	11,722	2,828	14,391	5,661	12,161
15	Other outstanding bonds, net	-2,325	-2,642	1,271	-1,007	53	4,672	5,917	7,146
16	By area:								
17	Western Europe	68,955	17,456	14,532	19,779	17,188	21,125	15,645	18,646
18	Of which Germany	5,788	1,859	568	2,132	1,229	2,301	1,610	1,160
19	Switzerland	487	157	95	559	-134	-70	259	760
20	United Kingdom	57,347	15,310	15,168	14,363	12,506	14,838	10,089	13,505
21	Canada	2,359	650	644	705	360	903	1,420	999
22	Japan	2,233	303	1,437	1,662	-1,169	909	2,580	5,444
23	Other countries	8,911	1,040	1,907	5,022	942	9,962	3,587	6,316
24	International financial institutions ²	-547	-214	-95	-174	-64	75	-11	-9
Memoranda:									
Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts:									
Foreign official assets in the United States (lines in table 9):									
1	U.S. Treasury marketable bonds (line A4)	39,466	7,960	12,296	11,792	7,418	26,044	8,086	30,267
2	Other U.S. Government securities (line A6)	3,734	1,126	1,326	518	764	52	1,258	1,217
3	U.S. corporate and other bonds (part of line A14)	220	178	-457	-117	616	9	831	905
4	U.S. stocks (part of line A14)	3,046	87	3,406	-111	-336	-202	454	-2,490
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)	94,060	24,814	31,123	34,979	3,144	10,316	30,098	43,063

See footnotes on page 32.

Table 7.—Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns

(Millions of dollars)

Line	(Credits +; increase in U.S. liabilities or decrease in U.S. assets. Debits -; decrease in U.S. liabilities or increase in U.S. assets.)	1995	Not seasonally adjusted						Amounts outstanding June 30, 1996	
			1995				1996			
			I	II	III	IV	I	II ^P		III
A1	Claims, total (table 1, line 46)	-34,219	-4,537	-22,904	7,500	-14,278	-12,707	-3,374	n.a.	324,353
2	Financial claims	-33,133	-5,918	-22,041	7,554	-12,728	-13,232	-3,159	n.a.	299,443
3	<i>Denominated in U.S. dollars</i>	-26,289	-5,465	-22,872	12,005	-9,957	-5,270	-4,111	n.a.	230,298
4	<i>Denominated in foreign currencies</i>	-6,844	-453	831	-4,451	-2,771	-7,962	952	n.a.	69,145
5	By type: Deposits ¹	-33,080	-6,409	-21,984	7,962	-12,649	-13,131	-2,994	n.a.	295,030
6	Other claims ^{1,2}	-53	491	-57	-408	-79	-101	-165	n.a.	4,413
7	By area: Industrial countries ³	-23,501	-653	-5,913	-10,950	-5,985	-11,038	7,988	n.a.	123,910
8	<i>Of which United Kingdom</i>	-9,960	-1,102	-804	-1,709	-6,345	-6,818	4,033	n.a.	55,175
9	Canada	276	1,724	-1,845	755	-358	101	863	n.a.	9,044
10	Caribbean banking centers ⁴	-9,850	-5,871	-15,993	18,745	-6,731	-1,238	-10,853	n.a.	163,958
11	Other	218	606	-135	-241	-12	-956	-294	n.a.	11,575
12	Commercial claims	-1,086	1,381	-863	-54	-1,550	525	-215	n.a.	24,910
13	<i>Denominated in U.S. dollars</i>	-1,576	783	-723	-195	-1,441	456	-166	n.a.	22,900
14	<i>Denominated in foreign currencies</i>	490	598	-140	141	-109	69	-49	n.a.	2,010
15	By type: Trade receivables	-1,815	743	-911	-83	-1,564	921	-153	n.a.	22,276
16	Advance payments and other claims	729	638	48	29	14	-396	-62	n.a.	2,634
17	By area: Industrial countries ³	358	1,323	-470	345	-840	-210	-72	n.a.	14,609
18	Members of OPEC ⁵	-171	118	-20	-94	-175	80	120	n.a.	1,506
19	Other	-1,273	-60	-373	-305	-535	655	-263	n.a.	8,795
B1	Liabilities, total (table 1, line 60)	34,578	9,076	7,285	6,945	11,272	6,506	7,296	n.a.	249,407
2	Financial liabilities	34,705	8,939	9,168	6,101	10,497	5,434	7,108	n.a.	221,187
3	<i>Denominated in U.S. dollars</i>	30,475	6,233	9,678	5,034	9,530	4,373	7,215	n.a.	208,555
4	<i>Denominated in foreign currencies</i>	4,230	2,706	-510	1,067	967	1,061	-107	n.a.	12,632
5	By area: Industrial countries ³	7,639	3,009	-2,023	3,565	3,088	9,714	6,529	n.a.	62,282
6	<i>Of which United Kingdom</i>	10,203	1,342	-351	4,711	4,501	7,757	7,738	n.a.	49,607
7	Caribbean banking centers ⁴	26,908	6,100	11,200	2,508	7,100	-4,125	900	n.a.	142,900
8	Other	158	-170	-9	28	309	-155	-321	n.a.	16,005
9	Commercial liabilities	-127	137	-1,883	844	775	1,072	188	n.a.	28,220
10	<i>Denominated in U.S. dollars</i>	541	799	-2,108	882	968	1,384	110	n.a.	27,247
11	<i>Denominated in foreign currencies</i>	-668	-662	225	-38	-193	-312	78	n.a.	973
12	By type: Trade payables	1,006	-161	683	-466	950	-198	274	n.a.	11,089
13	Advance receipts and other liabilities	-1,133	298	-2,566	1,310	-175	1,270	-86	n.a.	17,131
14	By area: Industrial countries ³	-272	579	-1,913	991	71	1,607	-157	n.a.	16,780
15	Members of OPEC ⁵	440	205	-19	-138	392	-204	285	n.a.	2,754
16	Other	-295	-647	49	-9	312	-331	60	n.a.	8,686

See footnotes on page 32.

Table 8.—Claims on Foreigners Reported by U.S. Banks

[Millions of dollars]

Line	(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)	1995	Not seasonally adjusted							Amounts outstanding Sept. 30, 1996
			1995				1996			
			I	II	III	IV	I	II ^a	III ^a	
1	Total (table 1, line 47)	-69,146	-29,114	-41,236	8,476	-7,272	1,714	-74	-32,482	798,529
2	By type:									
	Banks' own claims	-54,296	-19,941	-32,612	14,562	-16,305	3,916	-1,106	-11,744	613,843
3	Payable in dollars	-39,960	-7,526	-28,135	6,703	-11,002	-1,392	-4,401	-8,602	544,837
	By borrower:									
	Claims on:									
4	own foreign offices	-20,415	-10,119	-8,180	3,607	-5,723	9,908	-9,670	-3,543	311,335
5	unaffiliated foreign banks	13,139	6,183	-6,981	5,185	8,752	-4,807	-1,830	-4,353	109,701
6	foreign public borrowers ¹	882	-276	-164	1,498	-176	-5,237	4,801	287	22,659
7	other private foreigners	-33,566	-3,314	-12,810	-3,587	-13,855	-1,256	2,298	-993	101,142
	By bank ownership: ²									
	U.S.-owned banks' claims on:									
8	own foreign offices	10,057	-6,288	9,567	8,347	-1,569	-1,468	1,065	-5,899	132,168
9	unaffiliated foreign banks	-69	2,914	-1,158	-762	-1,063	1,152	-6,746	-4,779	46,738
10	other foreigners	-29,314	-815	-14,320	-2,740	-11,439	-4,350	7,360	3,890	74,137
	Foreign-owned banks' claims on:									
11	own foreign offices	-30,472	-3,831	-17,747	-4,740	-4,154	11,376	-10,735	2,356	179,167
12	unaffiliated foreign banks	13,208	3,269	-5,823	5,947	9,815	-5,959	4,916	426	62,963
13	other foreigners	-3,370	-2,775	1,346	651	-2,592	-2,143	-261	-4,596	49,664
14	Payable in foreign currencies	-14,336	-12,415	-4,477	7,859	-5,303	5,308	3,295	-3,142	69,006
15	Banks' domestic customers' claims	-14,850	-9,173	-8,624	-6,086	9,033	-2,202	1,032	-20,738	184,686
16	Payable in dollars	-19,342	-11,028	-7,466	-9,702	8,854	-2,283	2,143	-21,357	177,841
17	Deposits	7,300	-2,323	-2,427	3,512	8,538	-10,281	-2,604	-9,254	80,695
18	Foreign commercial paper ³	-13,497	-6,859	911	-6,860	-689	3,577	-2,142	-9,893	63,362
19	Other negotiable and readily transferable instruments ⁴	-7,768	81	-3,297	-4,105	-447	2,151	5,377	-2,107	17,377
20	Outstanding collections and other	-5,377	-1,927	-2,653	-2,249	1,452	2,270	1,512	-103	16,407
21	Payable in foreign currencies	4,492	1,855	-1,158	3,616	179	81	-1,111	619	6,845
	By area:									
22	Industrial countries ⁵	-34,267	-27,236	-11,624	14,175	-9,582	11,895	-8,731	-33,482	425,757
23	Western Europe	-31,045	-17,957	-2,379	6,399	-17,108	-730	-7,602	-26,056	282,074
24	Of which United Kingdom	-15,083	-6,652	687	7,638	-16,756	-3,866	1,958	-16,106	137,272
25	Canada	-147	-9,005	4,062	1,761	3,035	1,796	-5,015	-5,364	49,395
26	Japan	-5,067	-1,892	-11,958	7,317	1,466	10,966	3,422	572	84,290
27	Other	1,992	1,618	-1,349	-1,302	3,025	-137	464	-2,634	9,998
28	Caribbean banking centers ⁶	-23,616	5,615	-19,707	-7,996	-1,528	-1,851	14,487	-3,138	215,908
29	Other areas	-11,263	-7,493	-9,905	2,297	3,838	-8,330	-5,830	4,138	156,864
30	Of which Members of OPEC, included below ⁷	4,002	1,164	-753	-285	3,876	2,687	-892	-1,481	15,963
31	Latin America	-3,110	-963	-2,194	1,582	-1,535	298	-855	-773	70,430
32	Asia	-8,400	-7,691	-8,324	2,341	5,274	-4,951	-7,530	4,158	76,459
33	Africa	-37	162	-124	-226	151	-94	-10	39	2,764
34	Other ⁸	284	999	737	-1,400	-52	-3,583	2,565	714	7,211
	Memoranda:									
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	9,767	5,400	-4,289	4,876	3,780	3,292	1,061	2,754	195,289
	By borrower:									
	Claims on:									
2	own foreign offices	-7,463	-408	655	-3,237	-4,473	6,270	-3,310	3,379	108,882
3	unaffiliated foreign banks	18,789	5,511	-4,335	8,685	8,928	-3,891	4,413	-886	56,488
4	foreign public borrowers	1,145	811	295	616	-577	867	955	211	6,045
5	all other foreigners	-2,704	-514	-904	-1,188	-98	46	-997	50	23,874
	By bank ownership: ²									
6	U.S.-owned IBF's	4,165	234	6,057	695	-2,821	-278	-141	3,231	59,999
7	Foreign-owned IBF's	5,602	5,166	-10,346	4,181	6,601	3,570	1,202	-477	135,290
8	Banks' dollar acceptances payable by foreigners	47	-21	-344	-29	441	-616	-304	-58	9,393

See footnotes on page 32.

Table 9.—Foreign Official Assets and Other Foreign Assets in the United States Reported by U.S. Banks

[Millions of dollars]

Line	(Credits +; increase in foreign assets. Debits -; decrease in foreign assets.)	1995	Not seasonally adjusted						Amounts outstanding Sept. 30, 1996	
			1995				1996			
			I	II	III	IV	I ^r	III ^r		
A1	Foreign official assets in the United States (table 1, line 49)	109,757	21,822	37,380	39,186	11,369	52,021	13,566	23,642	756,651
	By type:									
2	U.S. Treasury securities (table 1, line 51)	68,813	10,132	25,208	20,489	12,984	55,600	-3,384	25,335	549,053
3	Bills and certificates	28,964	2,146	12,801	8,576	5,441	29,848	-11,211	-5,049	182,122
4	Bonds and notes, marketable	39,466	7,960	12,296	11,792	7,418	26,044	8,086	30,267	360,874
5	Bonds and notes, nonmarketable	383	26	111	121	125	-292	-259	117	6,057
6	Other U.S. Government securities (table 1, line 52)	3,734	1,126	1,326	518	764	52	1,258	1,217	27,776
7	Other U.S. Government liabilities (table 1, line 53)	1,082	-331	235	-71	1,249	-156	220	755	28,008
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 54)	32,862	10,630	7,662	18,478	-3,908	-3,264	14,187	-2,080	116,167
9	Banks' liabilities for own account, payable in dollars ¹	22,376	9,580	3,709	12,879	-3,792	5,226	3,311	-6,106	85,808
10	Demand deposits	537	341	-507	-36	739	-675	788	-151	2,060
11	Time deposits	7,090	317	3,425	4,795	-1,447	1,688	6,459	-4,674	34,255
12	Other liabilities ²	14,749	8,922	791	8,120	-3,084	4,213	-9,936	-1,281	49,493
13	Banks' custody liabilities, payable in dollars ^{1,3}	10,486	1,050	3,953	5,599	-116	-8,490	10,876	4,026	30,359
14	Other foreign official assets (table 1, line 55)	3,266	265	2,949	-228	280	-211	1,285	-1,585	35,647
	By area (see text table D):									
B1	Other foreign assets in the United States (table 1, lines 58 and 61)	124,623	33,829	40,568	15,727	34,499	-23,739	33,137	42,247	1,255,415
	By type:									
2	U.S. Treasury securities (line 58)	99,340	29,969	30,368	37,269	1,734	11,832	31,212	41,982	474,215
	By security:									
3	Bills and certificates	5,280	5,155	-755	2,290	-1,410	1,516	1,114	-1,081	30,356
4	Marketable bonds and notes	94,060	24,814	31,123	34,979	3,144	10,316	30,098	43,063	443,859
	By holder:									
5	Foreign banks	4,394	4,495	-714	1,149	-536	98	2,274	315	18,556
6	Other private foreigners	94,875	25,085	31,433	36,104	2,253	10,974	29,800	42,877	444,628
7	International financial institutions ⁴	71	389	-351	16	17	760	-862	-1,210	11,031
8	U.S. liabilities reported by U.S. banks (line 61)	25,283	3,860	10,200	-21,542	32,765	-35,571	1,925	265	781,200
9	Banks' own liabilities ¹	26,880	2,743	14,691	-18,122	27,568	-31,887	1,713	-2,131	749,941
10	Payable in dollars	4,253	-3,786	4,166	-13,567	17,440	-28,966	-2,424	-1,592	637,829
	By account:									
11	Liabilities to own foreign offices	-3,386	1,330	-1,857	-8,302	5,443	-22,031	-9,943	-7,488	357,714
	Liabilities to unaffiliated foreigners:									
12	demand deposits	529	-775	-193	1,488	9	-414	3,217	-1,703	23,450
13	time deposits ²	-614	-1,737	6,720	-11,879	6,282	-839	-10,383	6,998	157,668
14	other liabilities ²	7,724	-2,604	-504	5,126	5,706	-5,682	14,685	701	98,997
	By holder:									
	Liabilities to:									
15	own foreign offices	-3,386	1,330	-1,857	-8,302	5,443	-22,031	-9,943	-7,488	357,714
16	unaffiliated foreign banks	1,301	-2,224	2,946	-10,114	10,693	-6,292	296	2,680	168,103
17	other private foreigners	4,613	-3,435	2,634	1,891	3,523	1,146	4,903	458	98,340
18	international financial institutions ⁴	1,725	543	443	2,958	-2,219	-1,789	2,320	2,758	13,672
	By bank ownership: ⁵									
	U.S.-owned banks' liabilities to:									
19	own foreign offices	-19,359	5,774	-14,207	-8,040	-2,886	-12,354	-7,063	-4,963	143,039
20	unaffiliated foreign banks	5,195	-1,069	3,560	-4,157	6,861	2,424	6,813	-386	47,320
21	other private foreigners and international financial institutions ⁴	2,872	-4,103	570	5,262	1,143	-3,114	9,193	-2,671	67,286
	Foreign-owned banks' liabilities to:									
22	own foreign offices	15,973	-4,444	12,350	-262	8,329	-9,677	-2,880	-2,525	214,675
23	unaffiliated foreign banks	-3,894	-1,155	-614	-5,957	3,832	-8,716	-6,517	3,066	120,783
24	other private foreigners and international financial institutions ⁴	3,466	1,211	2,507	-413	161	2,471	-1,970	5,887	44,726
	Payable in foreign currencies	22,627	6,529	10,525	-4,555	10,128	-2,921	4,137	-539	111,112
26	Banks' custody liabilities, payable in dollars ^{1,3}	-1,597	1,117	-4,491	-3,420	5,197	-3,684	212	2,396	32,259
27	Of which negotiable and readily transferable instruments	-633	1,843	-4,343	-3,285	5,152	-3,130	115	2,023	27,651
	By area:									
28	Industrial countries ⁶	64,699	26,927	13,308	31,808	-7,344	7,070	21,864	21,266	751,218
29	Western Europe	24,356	7,000	-3,829	20,405	780	9,601	17,932	22,559	505,820
30	Canada	-846	4,873	1,740	-3,620	-3,839	3,799	3,496	-272	47,280
31	Other	41,189	15,054	15,997	15,023	-4,285	-6,330	436	-1,021	198,118
32	Caribbean banking centers ⁷	37,146	-707	19,843	-18,518	36,528	-32,986	6,766	5,178	306,340
33	Other areas	22,778	7,609	7,417	2,437	5,315	2,177	4,507	15,803	197,857
34	Of which Members of OPEC, included below ⁸	6	580	167	231	-972	1,252	310	2,859	41,811
35	Latin America	-1,830	-1,664	-1,584	-1,098	2,516	1,370	2,925	1,598	50,498
36	Asia	18,313	7,550	6,575	-425	4,613	2,545	1,670	11,449	109,137
37	Africa	397	-232	394	366	-131	-82	169	6,773	16,449
38	Other ⁹	5,898	1,955	2,032	3,594	-1,683	-1,656	-40	2,587	31,449
	Memoranda:									
1	International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9, and B10 above)	11,572	-6,380	4,974	2,992	9,986	-6,550	-8,898	-13,928	340,930
	By holder:									
	Liabilities to:									
2	own foreign offices	770	-7,745	1,211	2,890	4,414	-2,072	-8,340	-9,713	144,875
3	unaffiliated foreign banks	-3,463	-1,363	-1,647	-6,267	5,814	-7,523	-7,093	-1,112	122,811
4	foreign official agencies	7,342	-477	3,041	5,794	-1,016	1,476	7,497	-5,018	43,070
5	other private foreigners and international financial institutions ⁴	6,923	3,205	2,369	575	774	1,569	-962	1,915	30,174
	By bank ownership: ⁵									
6	U.S.-owned IBF's	2,279	2,727	-5,548	656	4,444	2,031	-1,857	-16,065	67,409
7	Foreign-owned IBF's	9,293	-9,107	10,522	2,336	5,542	-8,581	-7,041	2,137	273,521
8	Negotiable certificates of deposit held for foreigners ¹ (in lines A13 and B27 above)	-8,797	-1,086	-4,652	-2,219	-840	906	-425	886	10,466

See footnotes on page 32.

Table 10.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Western Europe							European Union ¹⁴		
		1995	1995			1996			1995	1995	
			II	III	IV	I	II ^r	III ^p		II	III
1	Exports of goods, services, and income	278,980	70,301	68,985	73,484	72,399	75,252	70,739	252,680	63,532	62,657
2	Goods, adjusted, excluding military ²	132,442	33,906	31,198	35,457	34,895	36,062	30,621	121,482	30,627	28,921
3	Services ³	71,281	16,946	19,921	18,592	17,327	19,042	21,375	63,733	15,248	17,878
4	Transfers under U.S. military agency sales contracts ⁴	2,175	443	512	638	531	1,097	1,302	1,657	352	409
5	Travel	19,089	4,570	6,383	4,621	3,828	5,008	6,320	17,345	4,198	5,818
6	Passenger fares	5,971	1,287	1,986	1,470	1,445	1,369	1,980	5,648	1,211	1,890
7	Other transportation	8,934	2,264	2,296	2,241	2,193	2,438	2,391	6,956	1,801	1,741
8	Royalties and license fees ⁵	14,058	3,361	3,500	3,987	3,541	3,560	3,516	13,351	3,193	3,328
9	Other private services ⁵	20,852	4,990	5,198	5,559	5,740	5,528	5,820	18,595	4,469	4,652
10	U.S. Government miscellaneous services	202	31	46	76	49	41	46	180	24	40
11	Income receipts on U.S. assets abroad	75,257	19,448	17,866	19,435	20,178	20,148	18,743	67,466	17,658	15,858
12	Direct investment receipts	40,787	10,928	9,196	10,449	10,988	10,711	9,174	35,186	9,599	7,745
13	Other private receipts	32,968	8,229	8,301	8,683	8,837	9,245	9,248	31,054	7,799	7,783
14	U.S. Government receipts	1,502	291	369	303	353	192	321	1,226	260	330
15	Imports of goods, services, and income	-297,710	-78,211	-76,188	-74,398	-74,630	-83,630	-83,636	-270,056	-70,785	-68,814
16	Goods, adjusted, excluding military ²	-147,650	-39,574	-35,559	-37,968	-37,984	-41,951	-39,676	-134,193	-35,941	-32,218
17	Services ³	-57,783	-15,402	-16,508	-13,498	-13,183	-16,383	-17,343	-51,627	-13,853	-14,655
18	Direct defense expenditures	-6,420	-1,615	-1,596	-1,586	-1,741	-1,791	-1,805	-5,716	-1,440	-1,396
19	Travel	-16,380	-4,963	-5,470	-3,131	-2,997	-5,159	-5,660	-15,144	-4,606	-4,941
20	Passenger fares	-6,937	-2,002	-2,164	-1,363	-1,471	-1,930	-2,023	-6,385	-1,843	-1,990
21	Other transportation	-9,208	-2,334	-2,385	-2,226	-2,185	-2,430	-2,556	-7,177	-1,849	-1,835
22	Royalties and license fees ⁵	-4,168	-943	-1,107	-1,214	-976	-1,068	-1,105	-3,555	-791	-983
23	Other private services ⁵	-13,470	-3,257	-3,508	-3,651	-3,501	-3,733	-3,889	-12,600	-3,071	-3,272
24	U.S. Government miscellaneous services	-1,199	-288	-278	-327	-312	-272	-305	-1,050	-252	-238
25	Income payments on foreign assets in the United States	-92,277	-23,236	-24,121	-22,932	-23,463	-25,296	-26,617	-84,236	-20,991	-21,941
26	Direct investment payments	-23,625	-8,197	-8,878	-5,297	-5,791	-7,105	-7,476	-21,984	-5,595	-6,264
27	Other private payments	-45,433	-11,246	-11,362	-11,632	-11,521	-11,913	-12,090	-42,278	-10,429	-10,596
28	U.S. Government payments	-23,219	-5,793	-5,881	-6,003	-6,151	-6,278	-7,051	-19,994	-4,967	-5,081
29	Unilateral transfers, net	679	284	205	132	159	230	116	1,383	393	343
30	U.S. Government grants ⁴	-341	-37	-67	-72	-19	-41	-97	-77	-19	-41
31	U.S. Government pensions and other transfers	-1,253	-303	-310	-329	-314	-303	-331	-1,072	-267	-266
32	Private remittances and other transfers ⁶	2,273	624	582	533	492	574	544	2,532	679	650
33	U.S. assets abroad, net (increase/capital outflow (-))	-151,025	-32,247	-21,710	-69,343	-33,680	-25,794	-38,814	-139,453	-28,687	-16,696
34	U.S. official reserve assets, net ⁷	2,574	2,173	172	-201	-212	154	-482	2,648	1,883	152
35	Gold .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
36	Special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
37	Reserve position in the International Monetary Fund .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
38	Foreign currencies	2,574	2,173	172	-201	-212	154	-482	2,648	1,883	152
39	U.S. Government assets, other than official reserve assets, net	126	-86	64	52	122	-128	234	4	-133	71
40	U.S. credits and other long-term assets	-643	-158	-145	-184	-158	-158	-141	-455	-140	-77
41	Repayments on U.S. credits and other long-term assets ⁸	787	77	234	226	288	53	367	474	9	171
42	U.S. foreign currency holdings and U.S. short-term assets, net	-18	-5	-25	10	-8	-23	8	-15	-2	-23
43	U.S. private assets, net	-153,725	-34,334	-21,946	-69,194	-33,590	-25,820	-38,566	-142,105	-30,437	-16,919
44	Direct investment	-51,516	-12,087	-5,723	-26,870	-11,165	-16,001	3,505	-46,335	-11,116	-3,777
45	Foreign securities	-47,560	-15,440	-13,080	-17,907	-10,898	-8,899	-16,007	-45,502	-14,610	-12,455
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-24,061	-4,499	-9,982	-7,191	-10,912	6,679	n.a.	-25,245	-4,324	-8,861
47	U.S. claims reported by U.S. banks, not included elsewhere	-30,588	-2,308	6,839	-17,226	-615	-7,599	-26,064	-25,023	-387	8,174
48	Foreign assets in the United States, net (increase/capital inflow (+))	158,992	15,143	64,804	39,684	80,837	65,073	64,644	154,820	8,208	67,753
49	Foreign official assets in the United States, net	-6,404	-1,518	-2,865	-3,636	18,021	6,327	2,250	(18)	(18)	(18)
50	U.S. Government securities	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
51	U.S. Treasury securities ⁹	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
52	Other ¹⁰	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
53	Other U.S. Government liabilities ¹¹	1,387	364	351	478	285	81	-353	713	280	120
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
55	Other foreign official assets ¹²	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
56	Other foreign assets in the United States, net	165,396	16,661	67,669	43,320	62,816	58,746	62,394	(18)	(18)	(18)
57	Direct investment	51,875	7,367	20,271	11,72	20,298	18,492	17,902	43,577	4,896	15,368
58	U.S. Treasury securities	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
59	U.S. securities other than U.S. Treasury securities	79,583	14,899	22,125	27,091	23,173	16,030	21,836	81,054	16,228	22,236
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	9,651	-1,838	5,025	4,266	9,786	6,274	n.a.	9,819	-2,046	5,345
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(17)	18 19,657	18 -11,150	18 24,684
62	Allocations of special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	10,084	24,730	-36,096	30,442	-45,086	-31,132	-13,049	626	27,338	-45,244
64	Memoranda:										
65	Balance on goods (lines 2 and 16)	-15,208	-5,668	-4,361	-2,511	-3,089	-5,889	-9,055	-12,711	-5,314	-3,297
66	Balance on services (lines 3 and 17)	13,498	1,545	3,413	5,094	4,144	2,659	4,032	12,105	1,395	3,223
67	Balance on goods and services (lines 64 and 65)	-1,710	-4,123	-948	2,583	1,055	-3,230	-5,023	-606	-3,919	-74
68	Balance on investment income (lines 11 and 25)	-17,021	-3,787	-6,255	-3,497	-3,285	-5,148	-7,875	-16,770	-3,334	-6,083
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-18,730	-7,911	-7,203	-3,914	-2,230	-8,378	-12,897	-17,376	-7,252	-6,157
70	Unilateral transfers, net (line 29)	679	284	205	132	159	230	116	1,383	393	343
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	-18,051	-7,627	-6,998	-782	-2,071	-8,148	-12,781	-15,993	-6,859	-5,814

Transactions, by Area

[of dollars]

European Union ¹⁴				United Kingdom							European Union (6) ¹⁵							Line		
1995		1996		1995	1995			1996				1995	1995			1996				
IV	I	II ^r	III ^r		II	III	IV	I	II ^r	III ^r	II		III	IV	I	II ^r	III ^r			
66,799	65,309	67,860	63,655	74,814	18,860	18,891	19,839	19,492	22,372	20,412	138,275	34,814	33,965	36,486	35,794	35,383	33,300	1		
32,700	31,633	32,480	27,936	28,024	7,224	6,834	7,393	7,263	9,037	6,963	73,888	18,756	17,455	19,795	19,251	18,694	16,871	2		
16,636	15,535	16,994	18,901	18,438	4,406	5,162	4,802	4,417	4,816	5,304	33,740	7,947	9,636	8,762	8,138	8,985	9,861	3		
437	397	913	898	443	101	100	81	90	146	100	676	104	157	239	175	564	229	4		
4,108	3,508	4,600	5,761	6,422	1,535	2,060	1,590	1,347	1,682	2,040	8,315	2,949	2,949	1,887	1,622	2,236	2,920	5		
1,383	1,369	1,287	1,883	1,540	330	504	423	331	349	503	3,262	702	1,122	747	811	747	1,115	6		
1,823	1,769	1,823	1,808	1,380	356	353	355	332	355	356	3,568	882	925	928	813	842	893	7		
3,805	3,371	3,393	3,347	2,333	515	569	697	601	606	621	8,315	1,978	2,069	2,368	2,098	2,058	1,982	8		
5,009	5,079	4,940	5,163	6,283	1,565	1,559	1,652	1,712	1,672	1,676	9,478	2,227	2,397	2,572	2,589	2,518	2,703	9		
72	41	37	41	37	5	17	4	5	6	8	75	13	17	21	30	20	20	10		
17,463	18,142	18,386	16,819	28,352	7,229	6,895	7,644	7,812	8,519	8,145	30,647	8,111	6,874	7,929	8,405	7,704	6,568	11		
8,944	9,443	9,395	7,827	10,585	2,766	2,533	2,796	3,031	3,082	2,919	19,239	5,213	3,994	5,021	5,292	4,829	3,634	12		
8,274	8,388	8,823	8,722	17,736	4,463	4,362	4,817	4,781	5,437	5,226	10,441	2,649	2,652	2,707	2,907	2,719	2,770	13		
245	311	168	270	31			31				967	249	228	201	206	156	164	14		
-68,049	-67,498	-74,991	-75,568	-97,432	-24,461	-25,218	-25,019	-23,701	-25,847	-26,477	-137,185	-36,931	-34,571	-34,179	-34,104	-38,754	-38,593	15		
-34,558	-34,495	-37,550	-36,106	-26,733	-6,897	-6,448	-6,967	-6,687	-7,391	-6,984	-85,425	-23,226	-20,550	-21,715	-21,913	-23,902	-23,165	16		
-12,287	-11,880	-14,393	-15,178	-16,755	-4,417	-4,765	-3,986	-3,875	-4,634	-4,903	-27,253	-7,322	-7,655	-6,464	-6,206	-7,555	-7,887	17		
-1,469	-1,523	-1,396	-1,405	-612	-132	-147	-108	-143	-123	-130	-4,838	-1,216	-1,152	-1,278	-1,261	-1,186	-1,190	18		
-2,925	-2,844	-4,788	-5,113	-4,601	-1,282	-1,412	-995	-971	-1,333	-1,461	-7,989	-326	-2,621	-1,460	-1,490	-2,608	-2,713	19		
-1,262	-1,348	-1,776	-1,861	-2,605	-752	-787	-552	-538	-725	-734	-2,592	-746	-809	-496	-566	-718	-756	20		
-1,837	-1,798	-1,833	-1,979	-1,508	-386	-404	-384	-361	-393	-437	-3,836	-961	-986	-979	-869	-915	-999	21		
-1,049	-827	-909	-940	-1,751	-413	-489	-483	-403	-467	-488	-1,566	-326	-502	-382	-391	-407	-407	22		
-3,454	-3,267	-3,452	-3,613	-5,698	-1,438	-1,502	-1,446	-1,442	-1,574	-1,634	-5,668	-1,362	-1,473	-1,566	-1,420	-1,550	-1,624	23		
-291	-274	-239	-267	-80	-14	-24	-18	-18	-19	-20	-762	-202	-183	-183	-187	-199	-24	24		
-21,204	-21,123	-23,048	-24,284	-53,944	-13,147	-14,006	-14,066	-13,138	-13,822	-14,589	-24,507	-6,383	-6,366	-6,000	-5,985	-7,297	-7,541	25		
-5,134	-4,900	-6,345	-6,712	-12,029	-2,830	-3,374	-3,163	-2,362	-2,539	-2,663	-9,148	-2,564	-2,561	-2,099	-2,087	-3,292	-3,416	26		
-10,888	-10,875	-11,218	-11,346	-31,401	-7,743	-7,886	-8,084	-8,070	-8,370	-8,491	-9,142	-2,265	-2,264	-2,318	-2,301	-2,340	-2,373	27		
-5,182	-5,348	-5,485	-6,226	-10,514	-2,746	-2,819	-2,706	-2,913	-3,435	-6,217	-1,554	-1,541	-1,583	-1,597	-1,665	-1,752	28			
311	298	356	318	1,224	322	335	261	286	321	331	901	252	221	217	193	206	194	29		
-4	-1	-1	-27	-176	-44	-44	-44	-45	-46	-44	-608	-151	-150	-159	-152	-153	-154	30		
-274	-270	-273	-270	1,400	366	379	305	331	367	375	1,510	403	371	376	345	359	348	32		
589	569	630	615															33		
-70,940	-35,100	-18,770	-36,325	-65,442	-16,764	-286	-42,737	-18,246	-7,493	-21,243	-52,204	-8,194	-13,805	-15,754	-17,140	-14,611	-11,300	34		
-201	201	-457	104								2,648	1,883	152	-201	201	-457	104	35		
																		36		
																		37		
-201	201	-457	104								2,648	1,883	152	-201	201	-457	104	38		
																		39		
37	85	-96	139	119	-5	-2	123	-2	3		-12	7	-18	2	8	-32	8	40		
-110	-91	-81	-49															41		
140	171	14	181	122			122		3									42		
7	5	-29	7	-3	-5	-2	1	-2	3		-12	7	-18	2	8	-32	8	43		
-70,776	-35,386	-18,217	-36,568	-65,564	-16,759	-284	-42,860	-18,244	-7,496	-21,243	-54,840	-10,084	-13,938	-15,555	-17,349	-14,122	-11,412	44		
-25,810	-10,172	-15,865	4,940	-11,624	-4,986	800	-9,312	-1,358	-11,572	7,034	-22,600	-5,377	-4,640	-5,984	-8,486	-1,736	-2,213	45		
-17,527	-8,810	-7,530	-15,844	-28,795	-11,575	-7,003	-10,271	-6,251	-1,871	-12,171	-9,972	-1,555	-2,959	-5,585	-1,445	-5,391	-4,433	46		
-9,637	-10,566	7,146	n.a.	-10,059	-885	-1,719	-6,521	-6,789	3,989	n.a.	-15,334	-3,078	-6,687	-4,344	-5,351	2,656	n.a.	47		
-17,802	-5,838	-1,968	-25,664	-15,083	687	7,638	-16,756	-3,866	1,958	-16,106	-6,934	-74	347	358	-2,067	-9,651	-4,766	48		
37,884	81,296	60,561	55,972	106,127	7,619	46,015	16,111	37,603	34,558	38,413	31,482	-727	17,650	11,527	29,981	20,793	8,001	49		
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	50	
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	51	
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	52	
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	53	
220	92	-261	-291	21	6	4	13	4	18	-35	-7	76	-6	-20	-60	-370	-2	54		
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	55	
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56	
12,267	18,462	17,556	17,156	22,081	664	3,333	9,251	3,503	124	9,435	13,374	2,221	10,392	-59	12,652	15,399	8,579	57		
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58	
26,277	22,409	15,370	19,807	65,097	17,876	16,945	15,137	14,119	10,154	14,956	7,229	-1,856	4,303	4,050	7,145	3,830	4,424	59		
4,055	9,630	6,581	n.a.	10,319	-1,124	5,169	4,533	7,847	7,540	n.a.	-647	-1,112	200	1,659	-1,035	n.a.	60			
18-4,935	18-30,703	18-21,315	18-19,300	18-8,609	18-9,805	18-20,564	18-12,823	18-12,130	18-16,722	18-14,057	18-11,533	18-56	18-2,836	18-7,356	18-8,585	18-2,969	18-5,000	61		
																			62	
33,996	-44,305	-35,016	-8,053	-19,291	14,425	-39,736	31,545	-15,435	-23,912	-11,436	18,730	10,786	-3,459	1,704	-14,724	-3,017	8,397	63		
-1,858	-2,862	-5,070	-8,170	1,291	327	386	426	576	1,646	-21	-11,537	-4,470	-3,095	-1,920	-2,662	-5,208	-6,294	64		
4,349	3,654	2,601	3,723	1,683	-11	398	816	542	182	401	6,487	825	1,981	2,298	1,932	1,430	1,974	65		
2,491	792	-2,469	-4,447	2,974	316	784	1,242	1,118	1,828	380	-5,050	-3,845	-1,114	-378	-730	-3,778	-4,320	66		
-3,741	-2,981	-4,662	-7,466	-25,592	-5,918	-7,111	-6,422	-5,327	-5,303	-6,444	6,140	1,728	508	1,930	2,420	408	-972	67		
-1,250	-2,189	-7,132	-11,913	-22,816	-5,602	-6,327	-5,180	-4,209	-3,475	-6,064	1,090	-2,117	606	2,307	1,690	-3,371	-5,293	68		
311	298	356	318	1,224	322	335	261	286	321	331	901	252	221	217	193	206	194	69		
-939	-1,891	-6,776	-11,595	-21,394	-5,280	-5,992	-4,919	-3,923	-3,154	-5,733	1,991	-1,865	-385	2,524	1,883	-3,165	-5,099	70		

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

Line	(Credits +; debits -) ¹	Eastern Europe							Canada		
		1995	1995			1996			1995	1995	
			II	III	IV	I	II ^r	III ^r		II	III
1	Exports of goods, services, and income	9,085	2,252	2,301	2,555	2,887	2,528	2,757	162,622	41,947	39,239
2	Goods, adjusted, excluding military ²	5,722	1,463	1,391	1,696	1,929	1,638	1,789	127,585	33,045	30,146
3	Services ³	2,764	640	722	742	713	686	702	18,129	4,600	4,550
4	Transfers under U.S. military agency sales contracts ⁴	352	76	93	96	61	88	72	133	23	29
5	Travel	656	164	201	155	148	180	199	6,207	1,727	1,500
6	Passenger fares	36	10	1	9	20	13	1	1,284	324	286
7	Other transportation	716	166	164	226	177	133	135	2,507	611	622
8	Royalties and license fees ⁵	93	20	25	30	24	29	32	1,235	304	325
9	Other private services ⁵	862	196	216	216	270	233	252	6,716	1,609	1,775
10	U.S. Government miscellaneous services	48	9	22	10	14	10	11	48	3	13
11	Income receipts on U.S. assets abroad	599	148	188	117	244	205	266	16,907	4,302	4,543
12	Direct investment receipts	123	62	49	6	66	74	124	8,386	2,158	2,345
13	Other private receipts	253	74	47	84	79	95	71	8,521	2,144	2,198
14	U.S. Government receipts	223	12	92	27	99	36	71			
15	Imports of goods, services, and income	-10,074	-2,882	-2,486	-2,206	-2,095	-2,704	-2,736	-170,700	-43,296	-42,067
16	Goods, adjusted, excluding military ²	-7,012	-1,956	-1,623	-1,475	-1,363	-1,678	-1,771	-148,087	-37,882	-35,226
17	Services ³	-2,090	-685	-600	-416	-414	-704	-639	-12,605	-3,168	-4,006
18	Direct defense expenditures	-9	-5	-2	-1	-32	-45	-45	-54	-13	-16
19	Travel	-1,016	-366	-315	-177	-168	-381	-326	-4,319	-1,098	-1,940
20	Passenger fares	-302	-107	-108	-48	-41	-103	-102	-306	-82	-102
21	Other transportation	-364	-96	-77	-92	-75	-73	-66	-3,576	-893	-872
22	Royalties and license fees ⁵	-7	-2	-1	-1	-1	-1	-1	-138	-34	-37
23	Other private services ⁵	-335	-96	-79	-81	-81	-82	-84	-4,039	-1,021	-999
24	U.S. Government miscellaneous services	-57	-13	-18	-16	-16	-20	-16	-173	-27	-40
25	Income payments on foreign assets in the United States	-972	-241	-262	-316	-318	-322	-326	-10,008	-2,247	-2,836
26	Direct investment payments	-1	-1	-1	(*)	1	1	-1	-3,513	-592	-1,200
27	Other private payments	-350	-83	-90	-113	-117	-103	-109	-4,097	-1,022	-1,031
28	U.S. Government payments	-621	-157	-171	-204	-201	-220	-216	-2,398	-633	-605
29	Unilateral transfers, net	-2,946	-725	-749	-702	-766	-772	-820	-365	-79	-95
30	U.S. Government grants ⁴	-1,692	-427	-438	-369	-414	-441	-515			
31	U.S. Government pensions and other transfers	-34	-8	-9	-8	-8	-9	-9	-453	-114	-114
32	Private remittances and other transfers ⁶	-1,220	-290	-302	-325	-344	-322	-296	88	35	19
33	U.S. assets abroad, net (increase/capital outflow (-))	-4,255	152	-1,928	-2,664	-1,810	101	-926	-15,430	-874	-5,052
34	U.S. official reserve assets, net ⁷										
35	Gold										
36	Special drawing rights										
37	Reserve position in the International Monetary Fund										
38	Foreign currencies										
39	U.S. Government assets, other than official reserve assets, net	-213	-21	-87	-78	-12	-29	13	5	10	
40	U.S. credits and other long-term assets	-246	-36	-24	-148	-30	-52	-19			
41	Repayments on U.S. credits and other long-term assets ⁸	76	8	12	56	3	8	4			
42	U.S. foreign currency holdings and U.S. short-term assets, net	-43	7	-75	14	15	15	28	5	10	
43	U.S. private assets, net	-4,042	173	-1,841	-2,586	-1,798	130	-939	-15,435	-884	-5,052
44	Direct investment	-1,312	-213	-675	-349	-349	-793	-217	-7,767	-505	-1,980
45	Foreign securities	-596	66	-487	-96	-141	-196	-117	-7,842	-2,605	-5,621
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	28	14	-23	-23	146	-5	n.a.	321	-1,836	788
47	U.S. claims reported by U.S. banks, not included elsewhere	-2,162	306	-656	-2,084	-1,454	1,124	-605	-147	4,062	1,761
48	Foreign assets in the United States, net (increase/capital inflow (+))	15,574	8,062	1,756	3,846	2,249	-3,375	-1,127	6,811	954	-1,874
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	2,237	275	971
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
53	Other U.S. Government liabilities ¹¹	-3	-2	-2	-2		4	67	-1	-6	-2
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	4,574	679	-2,845
57	Direct investment	-83	-8	-20	-10	43	-12	157	4,489	221	614
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
59	U.S. securities other than U.S. Treasury securities	222	5	60	141	35	84	14	694	-256	64
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	90	37	-27	92	-27	-78	n.a.	237	-1,026	97
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 15,348	18 8,030	18 1,745	18 3,625	18 2,198	18 -3,373	18 -1,365	(17)	(17)	(17)
62	Allocations of special drawing rights										
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-7,384	-6,859	1,106	-828	-464	4,221	2,852	17,062	1,347	9,850
64	Memoranda:										
65	Balance on goods (lines 2 and 16)	-1,290	-493	-232	221	566	-40	18	-20,502	-4,837	-5,080
66	Balance on services (lines 3 and 17)	674	-44	122	326	300	-18	63	5,524	1,432	544
67	Balance on goods and services (lines 64 and 65)	-616	-537	-110	547	866	-58	81	-14,978	-3,405	-4,536
68	Balance on investment income (lines 11 and 25)	-373	-93	-74	-199	-74	-117	-61	6,899	2,055	1,708
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-989	-630	-185	348	792	-176	20	-8,078	-1,349	-2,828
70	Unilateral transfers, net (line 29)	-2,946	-725	-749	-702	-766	-772	-820	-365	-79	-95
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	-3,935	-1,355	-934	-354	26	-948	-800	-8,443	-1,428	-2,923

Transactions, by Area—Continued
of dollars]

Canada				Latin America and Other Western Hemisphere								Japan								Line
1995		1996		1995	1995			1996			1995	1995			1996					
IV	I	II ^r	III ^r		II	III	IV	I	II ^r	III ^r		II	III	IV	I	II ^r	III ^r			
40,895	42,558	43,565	42,253	168,252	41,478	42,511	43,755	43,681	45,009	47,441	105,649	26,366	27,643	27,123	27,314	26,934	27,173	1		
32,339	33,138	34,066	32,393	95,842	23,507	23,998	24,921	24,665	26,440	27,463	63,115	15,580	16,230	16,518	17,057	16,615	16,168	2		
4,313	5,198	5,061	4,785	30,825	7,110	8,316	8,064	8,028	7,587	8,609	32,610	7,750	9,148	8,245	8,001	8,359	9,007	3		
42	50	36	30	379	108	92	79	144	128	104	995	76	207	382	136	158	108	4		
1,323	1,962	1,870	1,578	13,215	2,959	3,788	3,476	3,284	3,169	3,803	11,189	2,565	3,363	2,673	2,821	2,809	3,330	5		
302	312	330	273	3,665	823	1,046	923	1,018	880	1,067	5,597	1,577	1,745	1,284	1,164	1,678	1,738	6		
675	642	676	678	3,703	911	929	990	897	938	1,003	3,268	822	848	842	819	762	771	7		
320	315	327	334	1,242	298	308	364	318	350	334	5,345	1,310	1,373	1,468	1,310	1,385	1,385	8		
1,644	1,912	1,818	1,883	8,469	1,980	2,105	2,197	2,314	2,094	2,262	6,175	1,397	1,577	1,595	1,715	1,562	1,662	9		
7	5	3	9	153	31	47	35	53	29	37	40	2	34	2	36	5	13	10		
4,243	4,223	4,439	5,075	41,585	10,860	10,197	10,770	10,988	10,982	11,369	9,925	3,036	2,265	2,360	2,256	1,960	1,998	11		
2,123	1,876	2,105	2,370	14,840	3,945	3,551	3,774	4,346	4,447	4,813	4,504	1,583	858	1,117	1,123	989	905	12		
2,120	2,347	2,334	2,705	25,743	6,648	6,438	6,604	6,312	6,224	6,079	5,164	1,322	1,331	1,245	1,107	948	1,082	13		
				1,002	267	208	392	330	311	477	257	131	76	-2	26	23	11	14		
-44,027	-43,647	-47,806	-46,168	-166,361	-41,509	-41,946	-42,867	-43,844	-47,071	-47,945	-165,855	-43,435	-42,259	-39,490	-38,005	-38,149	-39,369	15		
-38,496	-38,197	-41,392	-39,193	-104,625	-25,941	-26,214	-27,110	-27,915	-30,958	-31,528	-123,466	-32,570	-31,055	-29,144	-28,762	-27,953	-28,392	16		
-2,811	-2,770	-3,599	-4,343	-25,013	-6,234	-6,321	-6,326	-6,588	-6,601	-6,693	-15,607	-3,874	-4,174	-3,843	-3,605	-3,552	-3,709	17		
-13	-12	-12	-15	-402	-91	-119	-89	-137	-117	-116	-1,271	-322	-327	-285	-259	-296	-300	18		
-735	-600	-1,191	-1,952	-12,819	-3,211	-3,202	-3,273	-3,448	-3,413	-3,403	-2,974	-743	-797	-734	-746	-773	-825	19		
-69	-64	-99	-114	-2,244	-516	-585	-589	-604	-521	-574	-826	-155	-179	-156	-143	-149	-167	20		
-955	-931	-1,001	-991	-2,244	-568	-558	-557	-581	-623	-651	-5,458	-1,424	-1,497	-1,293	-1,063	-1,009	-1,076	21		
-35	-39	-38	-49	-116	-31	-31	-31	-16	-43	-43	-1,467	-347	-365	-360	-424	-402	-410	22		
-962	-1,106	-1,235	-1,186	-6,732	-1,713	-1,702	-1,689	-1,690	-1,794	-1,793	-3,714	-864	-965	-1,001	-947	-907	-908	23		
-42	-18	-23	-37	-455	-104	-124	-99	-112	-90	-112	-97	-18	-45	-14	-23	-16	-23	24		
-2,720	-2,680	-2,815	-2,631	-36,723	-9,333	-9,411	-9,431	-9,341	-9,511	-9,724	-26,782	-6,991	-7,030	-6,503	-5,637	-6,644	-7,268	25		
-1,133	-1,125	-1,156	-921	-885	-288	-193	-196	-410	-456	-371	-3,231	-1,089	-963	-492	188	-689	-1,023	26		
-1,053	-1,004	-1,081	-1,108	-29,660	-7,641	-7,661	-7,361	-6,922	-7,055	-7,095	-6,716	-1,666	-1,634	-1,747	-1,620	-1,545	-1,528	27		
-534	-551	-578	-602	-6,178	-1,404	-1,557	-1,884	-2,009	-2,000	-2,258	-16,835	-4,236	-4,433	-4,264	-4,185	-4,410	-4,717	28		
-85	-101	-73	-102	-9,963	-2,440	-2,602	-2,523	-2,558	-2,694	-2,901	-128	1	-41	-22	-63	-14	-44	29		
				-1,610	-420	-483	-356	-322	-497	-580								30		
-113	-103	-103	-114	-867	-148	-167	-183	-169	-137	-170	-83	-21	-21	-21	-22	-22	-21	31		
28	2	30	12	-7,686	-1,872	-1,952	-1,984	-2,067	-2,060	-2,151	-45	22	-20	-1	-41	8	-23	32		
-523	-5,017	-6,145	-6,067	-70,943	-45,152	5,953	-18,476	-8,943	-6,341	-7,809	-28,014	-12,961	-8,326	-2,321	-699	2,505	3,625	33		
				-11,800	-5,000	-2,500	700	1,300		7,000	2,758	1,047	1,064	2	-23	-324	306	34		
																		35		
																		36		
																		37		
				-11,800	-5,000	-2,500	700	1,300		7,000	2,758	1,047	1,064	2	-23	-324	306	38		
																		39		
				515	86	252	14	50	118	195	-17	-3	-20	5	21	-14		40		
				-1,004	-173	-303	-272	-238	-216	-237								41		
				1,509	283	544	295	371	318	441								42		
				10	-24	11	-9	-83	16	-9	-17	-3	-20	5	21	-14		43		
-525	-5,017	-6,149	-6,067	-59,658	-40,238	8,201	-19,190	-10,293	-6,459	-15,004	-30,755	-14,005	-9,370	-2,328	-697	2,843	3,316	43		
-729	-2,225	-1,881	-2,623	-14,614	-2,050	-5,253	-4,013	-3,105	-6,512	-4,773	-1,584	-86	-1,045	1,430	-3,008	2,043	-451	44		
-4,024	-4,598	-89	1,920	-7,909	104	1,366	-5,245	-3,633	-2,403	-6,331	-24,973	-2,011	-14,722	-5,887	-8,216	-3,074	3,195	45		
-335	10	836	n.a.	-10,292	-16,343	18,551	-8,863	-1,976	-11,330	n.a.	869	50	-920	663	-439	452	n.a.	46		
3,035	1,796	-5,015	-5,364	-26,843	-21,949	-6,433	-3,069	-1,579	13,786	-3,900	-5,067	-11,958	7,317	1,466	10,966	3,422	572	47		
-2,080	8,598	4,825	3,255	95,791	44,507	3,441	46,619	-16,973	9,732	10,068	69,769	27,530	23,327	-5,239	18,074	6,823	17,974	48		
-1,045	1,347	430	77	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	49		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	50		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	51		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	52		
4	-26	26	-24	8	-26	-7	5	-42	-40	-1	-359	147	198	-369	-161	150	297	53		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	54		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	55		
-1,035	7,251	4,395	3,178	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56		
2,445	1,629	79	2,486	-2,189	566	427	-1,256	2,521	-337	-975	5,252	2,225	2,978	1,039	2,356	268	5,658	57		
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58		
462	1,561	1,138	964	11,313	4,008	6,769	-1,136	10,139	4,109	4,200	-575	1,071	105	-313	84	4,871	4,117	59		
-103	262	(18)	n.a.	26,015	11,038	2,357	7,251	-3,873	629	n.a.	-2,807	-897	-795	-1,158	1,051	259	n.a.	60		
(17)	(17)	(17)	(17)	18 60,644	18 28,921	18 -6,105	18 41,755	18 -25,718	18 5,371	18 6,844	18 68,258	18 24,984	18 20,841	18 -4,437	18 14,744	18 1,275	18 7,902	61		
																		62		
5,821	-2,392	5,634	6,829	-16,776	3,115	-7,357	-26,508	28,636	1,364	1,146	18,579	2,499	-344	19,948	-6,622	1,901	-9,360	63		
-6,157	-5,059	-7,326	-6,800	-8,783	-2,434	-2,216	-2,189	-3,250	-4,518	-4,065	-60,351	-16,990	-14,825	-12,626	-11,705	-11,338	-12,224	64		
1,503	2,428	1,462																		

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

Line	(Credits +; debits -) ¹	Australia						
		1995	1995			1996		
			II	III	IV	I	II ²	III ²
1	Exports of goods, services, and income	18,854	4,620	4,704	4,905	4,853	5,151	5,257
2	Goods, adjusted, excluding military ²	10,500	2,663	2,607	2,642	2,975	2,914	2,894
3	Services ³	4,271	1,029	1,162	1,112	1,036	1,110	1,174
4	Transfers under U.S. military agency sales contracts ⁴	250	58	57	68	41	65	38
5	Travel	1,496	351	455	374	344	385	451
6	Passenger fares	442	111	129	111	107	118	129
7	Other transportation	242	62	62	63	59	62	65
8	Royalties and license fees ⁵	553	127	145	158	137	145	144
9	Other private services ³	1,281	321	312	338	338	335	344
10	U.S. Government miscellaneous services	7	.....	2	.....	9	.....	3
11	Income receipts on U.S. assets abroad	4,084	928	935	1,152	843	1,127	1,189
12	Direct investment receipts	2,759	589	618	783	567	710	870
13	Other private receipts	1,325	339	317	369	276	417	319
14	U.S. Government receipts .....	.....	.....	.....	.....	.....	.....	.....
15	Imports of goods, services, and income	-6,100	-1,435	-1,556	-1,517	-1,235	-1,436	-1,653
16	Goods, adjusted, excluding military ²	-3,401	-825	-848	-822	-828	-882	-975
17	Services ³	-2,110	-485	-523	-549	-581	-495	-540
18	Direct defense expenditures	-61	-15	-16	-10	-13	-11	-12
19	Travel	-752	-174	-167	-206	-218	-181	-173
20	Passenger fares	-443	-87	-121	-114	-127	-83	-112
21	Other transportation	-290	-72	-76	-76	-77	-82	-85
22	Royalties and license fees ⁵	-14	-3	-3	-3	-4	-5	-4
23	Other private services ³	-516	-129	-130	-135	-118	-128	-143
24	U.S. Government miscellaneous services	-34	-5	-10	-4	-24	-6	-11
25	Income payments on foreign assets in the United States	-589	-125	-185	-147	173	-58	-137
26	Direct investment payments	-159	-19	-73	-29	284	63	-6
27	Other private payments	-321	-94	-84	-75	-72	-85	-93
28	U.S. Government payments	-109	-12	-28	-43	-39	-36	-38
29	Unilateral transfers, net	-93	-22	-21	-25	-30	-20	-23
30	U.S. Government grants ⁴ .....	.....	.....	.....	.....	.....	.....	.....
31	U.S. Government pensions and other transfers	-32	-8	-8	-8	-8	-8	-7
32	Private remittances and other transfers ⁶	-61	-14	-13	-17	-22	-12	-16
33	U.S. assets abroad, net (increase/capital outflow (-))	-4,002	-1,637	-2,540	-1,571	-3,632	128	-2,757
34	U.S. official reserve assets, net ⁷ .....	.....	.....	.....	.....	.....	.....	.....
35	Gold .....	.....	.....	.....	.....	.....	.....	.....
36	Special drawing rights .....	.....	.....	.....	.....	.....	.....	.....
37	Reserve position in the International Monetary Fund .....	.....	.....	.....	.....	.....	.....	.....
38	Foreign currencies .....	.....	.....	.....	.....	.....	.....	.....
39	U.S. Government assets, other than official reserve assets, net	3	1	.....	.....	1	.....	.....
40	U.S. credits and other long-term assets .....	.....	.....	.....	.....	.....	.....	.....
41	Repayments on U.S. credits and other long-term assets ⁸ .....	.....	.....	.....	.....	.....	.....	.....
42	U.S. foreign currency holdings and U.S. short-term assets, net	3	1	.....	.....	1	.....	.....
43	U.S. private assets, net	-4,005	-1,638	-2,540	-1,571	-3,633	128	-2,757
44	Direct investment	-5,711	-348	-976	-3,661	-1,465	-492	-1,143
45	Foreign securities	11	15	680	-1,026	-2,007	-235	571
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-92	-116	-458	187	90	-123	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	1,787	-1,189	-1,786	2,929	-251	977	-2,185
48	Foreign assets in the United States, net (increase/capital inflow (+))	1,564	-991	1,788	1,462	1,154	2,551	-1,002
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)
53	Other U.S. Government liabilities ¹¹	-23	20	-22	-21	8	-37	4
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
57	Direct investment	473	-260	409	148	1,205	-169	203
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
59	U.S. securities other than U.S. Treasury securities	648	671	-283	66	-233	-389	211
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	286	-184	213	178	154	155	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 200	18 -1,238	18 1,471	18 1,091	18 20	18 2,991	18 -1,420
62	Allocations of special drawing rights .....	.....	.....	.....	.....	.....	.....	.....
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-10,224	-535	-2,375	-3,254	-1,110	-6,374	178
Memoranda:								
64	Balance on goods (lines 2 and 16)	7,099	1,838	1,759	1,820	2,147	2,032	1,919
65	Balance on services (lines 3 and 17)	2,161	544	639	563	455	615	634
66	Balance on goods and services (lines 64 and 65)	9,260	2,382	2,398	2,383	2,602	2,647	2,553
67	Balance on investment income (lines 11 and 25)	3,495	803	750	1,005	1,016	1,069	1,052
68	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	12,755	3,185	3,149	3,388	3,618	3,716	3,605
69	Unilateral transfers, net (line 29)	-93	-22	-21	-25	-30	-20	-23
70	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	12,662	3,163	3,128	3,363	3,588	3,696	3,582

See footnotes on page 32.

Transactions, by Area—Continued

[of dollars]

Other countries in Asia and Africa							International organizations and unallocated ¹⁶							Line
1995	1995			1996			1995	1995			1996			
	II	III	IV	I	II ^r	III ^r		II	III	IV	I	II ^r	III ^r	
208,206	51,167	53,771	53,655	53,535	53,459	52,092	17,541	4,176	4,445	4,616	4,685	5,159	5,119	1
140,734	34,665	35,399	37,428	36,224	36,594	34,252	.....	.....	.....	.....	2	.....	.....	2
45,376	11,111	12,690	10,841	11,875	11,160	12,122	5,334	1,231	1,413	1,323	1,328	1,558	1,490	3
9,063	2,533	2,576	2,014	2,129	1,919	1,853	58	10	23	15	.....	9	3	4
9,285	2,400	3,014	1,945	2,099	2,631	2,984	.....	.....	.....	.....	.....	.....	.....	5
1,539	397	463	338	404	425	458	.....	.....	.....	.....	.....	.....	.....	6
7,758	1,949	1,940	2,071	1,881	1,963	1,933	935	152	314	182	171	302	358	7
3,015	718	842	898	810	866	911	1,411	340	359	397	357	368	368	8
14,439	3,056	3,753	3,519	4,445	3,287	3,912	2,931	729	717	729	800	879	761	9
277	59	102	56	108	69	72	.....	.....	.....	.....	.....	.....	.....	10
22,096	5,391	5,682	5,385	5,435	5,706	5,718	12,207	2,945	3,031	3,293	3,355	3,601	3,629	11
13,926	3,447	3,680	3,543	3,435	3,760	3,663	3,558	798	886	1,014	1,008	1,178	1,171	12
7,040	1,676	1,741	1,599	1,700	1,666	1,683	8,050	1,989	1,985	2,131	2,148	2,289	2,307	13
1,130	268	261	243	300	280	372	599	158	160	148	199	134	151	14
-260,996	-62,688	-71,608	-68,280	-63,461	-65,720	-75,412	-4,472	-1,033	-1,203	-1,083	-1,055	-1,293	-1,876	15
-215,123	-51,308	-59,678	-56,537	-52,199	-54,075	-62,974	.....	.....	.....	.....	.....	.....	.....	16
-24,724	-6,221	-6,330	-6,223	-6,103	-6,351	-6,315	-2,299	-509	-626	-561	-526	-750	-1,307	17
-1,603	-407	-393	-372	-409	-503	-507	.....	.....	.....	.....	.....	.....	.....	18
-7,595	-2,008	-1,896	-1,844	-1,968	-2,087	-1,962	.....	.....	.....	.....	.....	.....	.....	19
-3,455	-879	-956	-859	-797	-847	-892	.....	.....	.....	.....	.....	.....	.....	20
-7,186	-1,763	-1,907	-1,805	-1,674	-1,683	-1,673	.....	.....	.....	.....	.....	.....	.....	21
-80	-16	-17	-32	-15	-19	-21	-323	-75	-83	-90	-79	-84	-583	22
-4,068	-973	-977	-1,127	-1,054	-1,028	-1,072	-1,094	-278	-272	-312	-301	-346	-351	23
-737	-175	-184	-184	-186	-184	-188	-3	-1	-1	.....	.....	-1	.....	24
-21,149	-5,159	-5,600	-5,520	-5,159	-5,294	-6,123	-2,174	-523	-577	-523	-528	-542	-570	25
-400	-115	-242	67	79	289	-167	397	99	96	126	128	128	114	26
-9,089	-2,277	-2,301	-2,402	-2,260	-2,311	-2,379	-2,311	-563	-598	-593	-606	-632	-649	27
-11,660	-2,767	-3,057	-3,185	-2,978	-3,272	-3,577	-259	-59	-75	-55	-50	-38	-34	28
-11,998	-2,447	-3,316	-3,542	-5,126	-2,716	-3,081	-10,261	-2,487	-2,361	-2,622	-2,494	-2,812	-2,833	29
-6,106	-1,142	-1,767	-1,905	-3,356	-1,126	-1,284	-1,210	-355	-178	-97	-148	-259	-26	30
-238	-112	-109	-109	-49	-112	-116	-660	-90	-162	-236	-158	-87	-480	31
-5,654	-1,193	-1,440	-1,528	-1,721	-1,478	-1,681	-8,391	-2,042	-2,021	-2,289	-2,188	-2,466	-2,327	32
-30,097	-16,879	-4,734	624	-12,233	-16,049	-2,638	-4,091	-165	-2,292	-255	-4,038	-825	-935	33
.....	.....	.....	.....	.....	.....	.....	-3,274	-942	-629	-310	-1,048	-353	665	34
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	35
.....	.....	.....	.....	.....	.....	.....	-808	-156	362	-147	-199	-133	848	36
.....	.....	.....	.....	.....	.....	.....	-2,466	-786	-991	-163	-849	-220	-183	37
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	38
502	69	363	190	-15	-70	-52	-1,201	-235	-320	-384	-319	-234	-321	39
-1,546	-213	-222	-211	-265	-829	-390	-1,201	-235	-320	-384	-319	-234	-321	40
1,886	279	733	448	343	496	371	.....	.....	.....	.....	.....	.....	.....	41
162	3	-148	-47	-93	263	-33	.....	.....	.....	.....	.....	.....	.....	42
-30,599	-16,948	-5,097	434	-12,218	-15,979	-2,586	384	1,012	-1,343	439	-2,671	-238	-1,279	43
-10,841	-3,961	-2,746	-2,263	-2,513	-3,381	-1,889	-2,165	-461	-727	-648	-674	-880	-2,495	44
-9,604	-3,249	-3,621	-3,185	-4,828	-5,199	-4,426	-487	109	-324	8	-99	-105	-119	45
-1,003	-187	-439	-742	383	111	n.a.	11	13	-17	26	-9	6	n.a.	46
-9,151	-9,551	1,709	6,624	-5,260	-7,510	3,729	3,025	1,351	-275	1,053	-1,889	741	1,335	47
75,025	21,015	23,346	16,917	5,802	13,823	29,742	936	-482	2,860	-2,679	-521	1,399	1,080	48
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	49
(18)	(18)	(18)	(18)	(18)	(18)	(18)	-4	11	-18	-3	1	1	1	50
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	51
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	52
77	-273	-569	1,157	-221	35	764	.....	.....	.....	.....	.....	.....	.....	53
(18)	(18)	(18)	(18)	(18)	(18)	(18)	-4	11	-18	-3	1	1	1	54
(18)	(18)	(18)	(18)	(18)	(18)	(18)	.....	.....	.....	.....	.....	.....	.....	55
(18)	(18)	(18)	(18)	(18)	(18)	(18)	940	-493	2,878	-2,676	-522	1,398	1,079	56
1,031	46	1,105	706	566	-414	522	-612	-148	-165	-174	-179	-177	-169	57
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58
3,922	194	3,299	1,065	1,298	3,279	1,634	-539	-96	-168	-55	64	.....	-15	59
875	93	9	678	-902	350	n.a.	251	66	66	68	25	n.a.	n.a.	60
¹⁸ 69,120	¹⁸ 20,955	¹⁸ 19,502	¹⁸ 13,311	¹⁸ 5,061	¹⁸ 10,573	¹⁸ 26,822	¹⁸ 1,840	¹⁸ -311	¹⁸ 3,145	¹⁸ -2,515	¹⁸ -334	¹⁸ 1,550	¹⁸ 1,263	61
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	62
19,860	9,832	2,541	626	21,483	17,202	-704	347	-10	-1,449	2,023	3,422	-1,629	-555	63
-74,389	-16,643	-24,279	-19,109	-15,975	-17,481	-28,722	.....	.....	.....	.....	2	.....	.....	64
20,652	4,890	6,360	4,619	5,773	4,809	5,808	3,036	722	788	762	802	808	183	65
-53,737	-11,753	-17,920	-14,491	-10,202	-12,672	-22,915	3,036	722	788	762	804	808	183	66
947	233	83	-135	276	412	-405	10,033	2,422	2,454	2,771	2,827	3,059	3,059	67
-52,790	-11,521	-17,837	-14,625	-9,926	-12,261	-23,320	13,069	3,144	3,242	3,533	3,631	3,867	3,243	68
-11,998	-2,447	-3,316	-3,542	-5,126	-2,716	-3,081	-10,261	-2,487	-2,361	-2,622	-2,494	-2,812	-2,833	69
-64,788	-13,968	-21,153	-18,167	-15,052	-14,977	-26,401	2,808	657	881	911	1,137	1,055	410	70

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

General notes for all tables: *P* Preliminary. *R* Revised. *Less than \$500,000 (\pm) n.a. Not available.

D Suppressed to avoid disclosure of data of individual companies.

Table 1:

1. Credits, +: Exports of goods, services, and income; unilateral transfers to United States; capital inflows (increase in foreign assets (U.S. liabilities) or decrease in U.S. assets); decrease in U.S. official reserve assets; increase in foreign official assets in the United States.

Debits, -: Imports of goods, services, and income; unilateral transfers to foreigners; capital outflows (decrease in foreign assets (U.S. liabilities) or increase in U.S. assets); increase in U.S. official reserve assets; decrease in foreign official assets in the United States.

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

3. Includes some goods: Mainly military equipment in line 4; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 18; and fuels purchased by airline and steamship operators in lines 7 and 21.

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

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

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

7. For all areas, amounts outstanding September 30, 1996, were as follows in millions of dollars: Line 34, 75,510; line 35, 11,050; line 36, 10,177; line 37, 15,421; line 38, 38,862. Data are preliminary.

8. Includes sales of foreign obligations to foreigners.

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

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

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 4.

12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.

13. Conceptually, the sum of lines 70 and 62 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in the "Reconciliation and Other Special Tables" section in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables (published annually in the July issue of the SURVEY).

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

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

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

16. Break in series. See Technical Notes in the June 1989, June 1990, June 1992, June 1993, June 1995, and July 1996 issues of the SURVEY.

Table 2:

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974-81, when they represent transactions values, f.a.s. foreign port of exportation (see June issues of the SURVEY for historical data).

From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" month data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY).

Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see Technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975-80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.

2. Beginning in 1990, the Census Bureau replaced its compiled export statistics with counterpart Canadian import statistics. Similarly, Statistics Canada replaced its compiled export statistics with counterpart U.S. import statistics. This exchange of data has eliminated the need for the inland freight adjustment on U.S. exports, but not on U.S. imports.

3. Adjustments in lines A5 and A13, B12, B47, and B82 reflect the Census Bureau's reconciliation of discrepancies between the 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.

4. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10, line 4 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 18 (direct defense expenditures).

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

6. Deduction of foreign charges for repair of U.S. vessels abroad, which are included in tables 1 and 10, line 21 (other transportation); coverage adjustments for special situations in which shipments were omitted from Census data; and the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair. Also includes addition of understatement of inland freight in f.a.s. values of U.S. 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 June issues of the SURVEY for historical data).

7. For 1988-89, correction for the understatement of crude petroleum imports from Canada.

8. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 2 and 16. Trade with international organizations includes purchases of 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 (beginning in January 1993, excludes Ecuador); *Other countries*: Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."

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

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

11. Includes nuclear fuel materials and fuels.

Table 3:

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States. Payments (imports) include mainly wages of foreign residents temporarily employed in the United States and Canadian and Mexican commuters in U.S. border areas.

Table 4:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A3. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A3 items, part of these military expenditures is applied in lines A40 and A43 to reduce short-term assets previously recorded in lines A38 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A3 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A39 and C9. A third part of line A3, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A34. A fourth part of line A3, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A45.

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

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

4. Line A35 includes foreign currency collected as interest and line A40 includes foreign currency collected as principal, as recorded in lines A13 and A14, respectively.

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

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

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

Table 5:

1. Beginning with 1991, payments and receipts of interest related to interest rate and foreign currency swaps between affiliates and parents are netted and are shown as either net payments or net receipts. Receipts and payments of other types of interest are shown on a gross basis.

2. Petroleum includes, and manufacturing and "other" industries exclude, the exploration, development, and production of crude oil and gas, and the transportation, refining, and marketing of petroleum products, exclusive of petrochemicals. "Other" industries includes wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining; construction; transportation, communication, and public utilities; and retail trade.

3. Acquisition of equity holdings in existing and newly established companies, capital contributions, capitalization of intercompany debt, and other equity contributions.

4. Sales (total and partial), liquidations, returns of capital contributions, and other dispositions of equity holdings.

Table 6:

1. Primarily provincial, regional, and municipal.

2. Largely transactions by International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), and Inter-American Development Bank (IDB).

3. Estimate for scheduled redemptions and identifiable early retirements. Includes estimates based on Canadian statistics for redemptions of Canadian issues held in the United States. Unidentified and nonscheduled retirements appear in line A30.

Table 7:

1. Deposits (line A5) include other financial claims (line A6) for some countries due to the commingling of these categories in foreign source data.

2. Primarily mortgages, loans, and bills and notes drawn on foreigners.

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

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

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

Table 8:

1. Includes central governments and their agencies and corporations; state, provincial, and local governments and their agencies and corporations; and international and regional organizations.

2. U.S.-owned banks are mainly U.S.-chartered banks and Edge Act subsidiaries. U.S. brokers' and dealers' accounts may be commingled in some categories. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.

3. Commercial paper issued in the U.S. market by foreign incorporated entities; excludes commercial paper issued through foreign direct investment affiliates in the United States.

4. Negotiable and readily transferable instruments other than commercial paper, payable in dollars; consists largely of negotiable certificates of deposit.

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

6. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

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

8. Includes Eastern Europe and international and regional organizations.

Table 9:

1. Negotiable certificates of deposit issued by banks in the United States are included in banks' custody liabilities and are separately identified in memorandum line 8. Nonnegotiable certificates of deposit are included in time deposits.

2. Includes borrowing under Federal funds or repurchase arrangements, deferred credits, and liabilities other than deposits.

3. Mainly negotiable and readily transferable instruments, excluding U.S. Treasury securities.

4. Mainly International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), Inter-American Development Bank (IDB), and the Trust Fund of the International Monetary Fund.

5. U.S.-owned banks are mainly U.S.-chartered banks and Edge Act subsidiaries. U.S. brokers' and dealers' liabilities may be commingled in some categories. Foreign-owned banks are U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.

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

7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

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

9. Includes Eastern Europe and international and regional organizations.

Table 10: For footnotes 1-13, see table 1.

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

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

17. Details not shown separately; see totals in lines 49 and 56.

18. Details not shown separately are included in line 61.