

Preview of the 2019 Annual Update of the International Economic Accounts

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In June, the Bureau of Economic Analysis (BEA) will release the results of the 2019 annual update of the U.S. international transactions accounts (ITAs) and the U.S. international investment position (IIP) accounts. Annual updates provide the opportunity to introduce standard updates to maintain the international accounts and to implement major improvements, such as those outlined in BEA's strategic plan.¹ The improvements are generally of three major types: (1) statistical changes to introduce new and improved methodologies and to incorporate newly available and revised source data, (2) changes in definitions to more accurately portray the evolving U.S. economy and to provide consistent comparisons with data for other national economies, and (3) changes in presentations to reflect the definitional and statistical changes, where necessary, or to provide additional data or perspectives for users.

As in previous years, this annual update of the U.S. ITAs and IIP accounts will incorporate newly available and revised source data for the preceding 3 years for most statistical series. One exception to BEA's usual approach to incorporating revisions is for statistics on direct investment income, financial transactions, and positions, for which BEA will incorporate newly available and revised source data for 2018 only. The update to direct investment statistics for 2016 and 2017 will be delayed until 2020 because of the impact of the partial federal government shutdown that started in late December 2018 and lasted through late January 2019. This will allow BEA to focus resources on updating statistics covering 2018—the most recent period available.

This year's annual update will incorporate revised seasonal factors and trading day adjustments for 2014 to 2018. As part of BEA's goal to more accurately portray the changing U.S. economy, with the June 2018 annual update, BEA extended the period for incorporating revised seasonal factors for most seasonally adjusted series from 3 to 5 years. With the 2019 annual update, in cooperation with the U.S. Census Bureau, BEA will also apply this extended revision period to seasonally adjusted trade in goods.

Enhancements Coming After the June 2019 Annual Update

Later in 2019, BEA will also introduce two new standard tables and will begin to introduce changes to its standard table presentations for the international accounts.

Introduction of New Standard Tables

With the September 2019 release of the ITAs, BEA will introduce two new standard tables to its international transactions accounts that present: (1) geographical detail by type of transaction and (2) annual trade in goods and services with expanded country and geographic area detail.

Geographical detail by type of transaction. Currently, [ITA Table 1.3 U.S. International Transactions, Expanded Detail by Area and Country](#) presents statistics for transaction types for an individual country or geographic area. The new table will present statistics for all published countries or areas for a given type of transaction. For example, trade in goods by commodity in this table will be shown with trading partner countries and geographic areas as rows and annual and quarterly time periods as columns.

Annual trade in goods and services with expanded country and geographic area detail. Currently, BEA publishes its most detailed country and geographic area statistics on trade in goods and trade in services in three separate tables: (1) [ITA Table 2.3. U.S. International Trade in Goods by Area and Country, Not Seasonally Adjusted Detail](#), (2) [ITA Table 3.3. U.S. International Trade in Services by Area and Country, Not Seasonally Adjusted Detail](#), and (3) [International Services Table 2.3. U.S. Trade in Services, by Country or Affiliation and by Type of Service](#). BEA will present a new ITA table that includes aggregate exports, imports, and balances for both goods and services by country. The new table will allow BEA to release preliminary annual trade in services statistics for the prior year—with the most detailed geographic breakdown—as part of the March release of the ITAs and to accelerate the release of statistics that reflect the annual update from October to June. The new table will also allow BEA to include statistics for more countries in the [BEA International Trade and Investment Country Facts application](#).

Changes to Existing Standard Table Presentations

BEA plans to make several improvements to the standard table presentations of the international transaction accounts as part of the annual update in 2020. To prepare data users for these changes, prototype ITA tables reflecting the presentation changes will be published in September 2019, alongside tables reflecting the current standard presentation. Both sets of tables will be published concurrently until June 2020, when the prototype tables will replace the existing tables as the standard presentation. Several of the elements outlined below will affect other BEA statistical products. The current standard presentation for the IIP accounts, direct investment by country and industry, activities of multinational enterprises statistics, and international services statistics will also be updated in 2020 to reflect these presentational changes.

Consistency in country and geographic area presentations. In numerous data products, BEA presents detailed statistics by country and geographic area, including some country groupings that are not strictly geographical in nature (for example, the European Union). The ITA publication tables include some of these nongeographical country groupings within the primary geographical hierarchy, while other products include them as addenda items. Also, the presentation order of

geographic areas and countries differs across various BEA data products. BEA will restructure the ITA standard tables and other data products to present nongeographical country groupings as addenda items and to increase consistency across all data products.

Discontinuation of the Organization of the Petroleum Exporting Countries (OPEC) grouping.

BEA has produced statistics on transactions with members of OPEC since the 1970s, but the evolution of the international energy market and the fluctuations in OPEC membership have rendered these statistics less useful than in the past. The statistics BEA publishes reflect U.S. international transactions with the aggregate of all OPEC member countries for a given month, quarter, or year. The frequently shifting composition of OPEC can make underlying economic activity difficult to interpret from the OPEC-related time series. BEA plans to discontinue statistics on U.S. transactions with OPEC in all data products, effective with the replacement of the current presentation tables by the prototype tables in 2020. BEA will continue to publish data for all transaction types in the ITAs with the Middle East and with Venezuela, as well as additional detail for other individual members of OPEC in tables related to trade in goods and services and in supplemental material on direct investment by country and area. BEA is also considering further expansions of geographic detail to include more individual countries.

Replacement of Roman numerals with Arabic numbers. As part of a general change in BEA presentation standards, tables of international statistics will use Arabic numbers instead of Roman numerals to refer to quarters, for example, “Q3” instead of “III.” This change will affect all tables with quarterly statistics. While this change is relatively minor from a presentation standpoint, data users who pull data from BEA’s tables by keying off the Roman numerals may need to adjust their programs.



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