

BUSINESS SITUATION

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THE general picture of the U.S. economy in the fourth quarter of 2000 that is indicated by the “final” estimates of the national income and product accounts (NIPAs) is little changed from that shown by the “preliminary” estimates. The final estimates reflect the incorporation of revised and newly available source data.

According to the final estimates,

- The pace of U.S. economic growth slowed slightly more than previously estimated. Real gross domestic product (GDP) increased 1.0 percent after increasing 2.2 percent in the third

quarter and 5.6 percent in the second (table 1 and chart 1).¹

- GDP growth was the slowest since the second quarter of 1995, when growth was 0.8 percent. Over the current expansion, which began in the

1. Quarterly estimates in the NIPAs are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters; real estimates are expressed both as index numbers (1996=100) and as chained (1996) dollars. Price indexes (1996=100) are also calculated using a chain-type Fisher formula.

Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

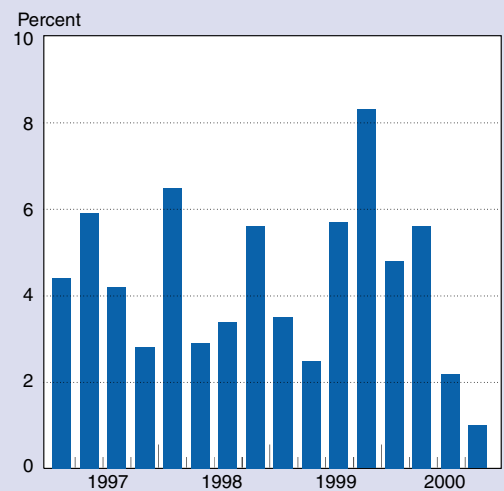
[Seasonally adjusted at annual rates]

	Billions of chained (1996) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				2000			
	2000	2000				I	II	III	IV
	IV	I	II	III	IV				
Gross domestic product	9,393.7	107.7	127.1	50.6	24.2	4.8	5.6	2.2	1.0
Less: Exports of goods and services	1,139.8	16.4	37.0	37.0	-19.0	6.3	14.3	13.9	-6.4
Plus: Imports of goods and services	1,581.5	40.8	63.5	61.2	-4.9	12.0	18.6	17.0	-1.2
Equals: Gross domestic purchases	9,803.2	129.5	150.7	71.7	37.2	5.6	6.5	3.0	1.5
Less: Change in private inventories	55.7	-44.3	42.0	-6.1	-16.8				
Nonfarm	50.5	-40.0	39.3	-4.9	-16.9				
Farm	5.3	-4.3	2.6	-1.2	.3				
Equals: Final sales to domestic purchasers	9,738.9	169.5	110.6	76.8	51.6	7.5	4.7	3.2	2.1
Personal consumption expenditures	6,373.3	112.5	47.1	69.2	43.5	7.6	3.1	4.5	2.8
Durable goods	896.0	46.4	-11.5	16.5	-7.2	23.6	-5.0	7.6	-3.1
Nondurable goods	1,887.4	26.7	16.3	21.5	4.8	6.0	3.6	4.7	1.0
Services	3,602.5	44.2	39.5	32.6	43.2	5.2	4.6	3.7	4.9
Private fixed investment	1,787.1	64.3	46.7	13.7	-4.2	16.4	11.2	3.1	-9
Nonresidential	1,438.3	63.5	47.2	26.3	-5	21.0	14.6	7.7	-1
Structures	293.8	13.4	3.0	9.6	7.2	22.3	4.4	14.6	10.4
Equipment and software	1,152.7	50.3	46.2	15.8	-9.7	20.6	17.9	5.6	-3.3
Residential	359.0	2.9	1.2	-10.3	-3.3	3.2	1.3	-10.6	-3.6
Government consumption expenditures and gross investment	1,589.6	-4.4	18.6	-5.5	11.4	-1.1	4.8	-1.4	2.9
Federal	550.9	-21.0	21.7	-13.0	5.1	-14.2	17.2	-9.0	3.8
National defense	353.7	-19.4	13.6	-8.9	7.5	-19.8	16.9	-9.7	8.9
Nondefense	197.1	-1.7	8.2	-4.2	-2.3	-3.3	17.8	-7.9	-4.6
State and local	1,038.1	16.2	-2.8	7.3	6.2	6.6	-1.1	2.9	2.5
Addendum: Final sales of domestic product	9,329.5	147.5	87.3	55.6	38.6	6.7	3.9	2.4	1.7

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1996) dollar levels and residuals, which measure the extent of nonadditivity in each table, are shown in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are shown in NIPA table S.1. (See “Selected NIPA Tables,” which begins on page D-2 in this issue.)

CHART 1

Real Gross Domestic Product



Note.—Percent change at annual rate from preceding quarter; based on seasonally adjusted estimates.

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second quarter of 1991, GDP has increased at an average annual rate of 3.6 percent.

- The major contributors to the fourth-quarter increase in real GDP were consumer spending for services, government spending, and investment in nonresidential structures (table 2).
- The deceleration in GDP growth from the third quarter to the fourth reflected downturns in exports, consumer spending for goods, and nonresidential fixed investment that were downturns were partly offset by an upturn in Federal Government spending and an acceleration in consumer spending for services.
- Real gross domestic purchases—a measure of domestic demand for goods and services regardless of where they were produced—increased 1.5 percent after increasing 3.0 percent in the third quarter and 6.5 percent in the second.
- Exports of goods and services—a measure of foreign demand—decreased 6.4 percent, the first decrease in almost 2 years.
- Inflation remained moderate. The prices of gross domestic purchases—a measure of prices paid by U.S. residents—increased 1.9 percent, a little less than in the preceding two quarters.
- Real disposable personal income (DPI) increased 0.7 percent after increasing 2.6 percent in the third quarter and 3.7 percent in the second.
- The personal saving rate—saving as a percentage of current-dollar DPI—was -0.7 percent, the lowest quarterly rate since 1946 (the first year for which the quarterly estimates were prepared). The third-quarter rate was -0.2 percent.

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

[Seasonally adjusted at annual rates]

	2000			
	I	II	III	IV
Percent change at annual rate:				
Gross domestic product	4.8	5.6	2.2	1.0
Percentage points at annual rates:				
Personal consumption expenditures	5.03	2.14	2.99	1.87
Durable goods	1.79	-.42	.61	-.26
Nondurable goods	1.19	.74	.93	.21
Services	2.04	1.83	1.46	1.92
Gross private domestic investment .....	.92	3.66	.33	-.78
Fixed investment	2.68	1.93	.55	-.17
Nonresidential	2.54	1.87	1.02	-.02
Structures .....	.63	.14	.44	.33
Equipment and software	1.91	1.73	.58	-.35
Residential .....	.14	.06	-.47	-.15
Change in private inventories	-1.76	1.73	-.22	-.62
Net exports of goods and services	-.94	-1.00	-.90	-.55
Exports .....	.67	1.48	1.45	-.74
Goods .....	.46	1.37	1.54	-.84
Services .....	.21	.11	-.09	.10
Imports	-1.61	-2.48	-2.35	.19
Goods	-1.28	-2.26	-1.90	.28
Services	-.33	-.22	-.44	-.09
Government consumption expenditures and gross investment	-.18	.85	-.24	.50
Federal	-.93	.97	-.57	.22
National defense	-.86	.60	-.38	.32
Nondefense	-.07	.37	-.18	-.10
State and local .....	.75	-.12	.33	.28

NOTE.—More detailed contributions to percent change in real gross domestic product are shown in NIPA table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

Revisions

In general, the revisions to the fourth-quarter estimates were small. The final estimate of a 1.0-percent increase in GDP is 0.1 percentage point lower than the preliminary estimate (table 3); for 1981–2000, the average revision, without regard to the sign, from the preliminary estimate to the final estimate was 0.3 percentage point.

By component, the largest negative contributors to the revision in real GDP were private nonfarm inventories (–0.15 percentage point) and exports of goods (–0.13 percentage point); the largest positive contributors were exports of services (0.09 percentage point), imports of services (0.07 percentage point), and nonresidential fixed investment (0.07 percentage point).

The downward revision to private nonfarm inventories was largely attributable to manufacturing and retail trade inventories and primarily reflected the incorporation of revised Census Bureau data on inventories for December.

The downward revision to exports of goods also reflected revised Census Bureau data for December. The upward revision to exports of services reflected revised quarterly data from BEA's international transactions accounts.

The final estimate of a 0.7-percent increase in real DPI is 0.1 percentage point more than the preliminary estimate. The upward revision to real DPI reflected an upward revision to current-dollar DPI that was mostly accounted for by an upward revision to personal interest income, primarily reflecting the incorporation of newly available data for the quarter from the Federal Deposit Insurance Corporation.

Table 3.—Revisions to Change in Real Gross Domestic Product and Prices, Fourth Quarter 2000

[Seasonally adjusted at annual rates]

	Percent change from preceding quarter		Final estimate minus preliminary estimate	
	Preliminary estimate	Final estimate	Percentage points	Billions of chained (1996) dollars
Gross domestic product	1.1	1.0	–0.1	–0.5
<i>Less: Exports</i>	–6.1	–6.4	–.3	–.9
Goods	–8.5	–9.9	–1.4	–3.3
Services .....	.4	3.4	3.0	2.1
<i>Plus: Imports</i>	–.7	–1.2	–.5	–2.1
Goods	–1.6	–2.1	–.5	–1.7
Services	4.7	4.0	–.7	–.4
Equals: Gross domestic purchases	1.6	1.5	–.1	–1.7
<i>Less: Change in private inventories</i>				–3.8
Farm .....				.1
Nonfarm				–3.9
Equals: Final sales to domestic purchasers	2.1	2.1	0	1.9
Personal consumption expenditures	2.8	2.8	0	–.4
Durable goods	–2.8	–3.1	–.3	–.7
Nondurable goods .....	.8	1.0	.2	1.0
Services	5.0	4.9	–.1	–.8
Fixed investment	–1.3	–.9	.4	1.6
Nonresidential	–.6	–.1	.5	1.8
Structures	8.8	10.4	1.6	1.1
Equipment and software	–3.5	–3.3	.2	.6
Residential	–3.4	–3.6	–.2	–.1
Government consumption expenditures and gross investment	2.7	2.9	.2	.7
Federal	3.7	3.8	.1	.1
National defense	8.8	8.9	.1	.1
Nondense	–4.6	–4.6	0	0
State and local	2.2	2.5	.3	.6
Addenda:				
Final sales of domestic product	1.5	1.7	.2	2.9
Gross domestic purchases price index	1.8	1.9	.1	.....
GDP price index	1.9	2.0	.1	.....

NOTE.—The final estimates for the fourth quarter of 2000 incorporate the following revised or additional major source data that were not available when the preliminary estimates were prepared.

Personal consumption expenditures: Revised retail sales for December.

Nonresidential fixed investment: Revised construction put-in-place for November and December and revised manufacturers' shipments of machinery and equipment for December.

Residential fixed investment: Revised construction put in-place for November and December, revised sales of new houses for October through December, and revised sales of existing houses for January through November.

Change in private inventories: Revised manufacturing and trade inventories for December.

Exports and imports of goods and services: Revised data on exports and imports of goods for December and revised international transactions data on exports and imports of services for the third and fourth quarters.

Government consumption expenditures and gross investment: Revised State and local construction put-in-place for November and December.

Wages and salaries: Revised employment, average hourly earnings, and average weekly hours for November and December.

GDP prices: Revised export and import prices for October through December, revised unit-value index for petroleum imports for December, and revised prices of single-family houses under construction for the quarter.

Gross National Product

The "final" NIPA estimates include the first estimates of gross national product (GNP) for the fourth quarter. In the fourth quarter, real GNP—goods and services produced by labor and property supplied by U.S. residents—increased 1.7 percent, 0.7 percentage point more than real GDP (table 4).² Income receipts from the rest of the world increased, and income payments to the rest

of the world decreased. The increase in receipts reflected increases in both interest income and corporate profits, and the decrease in payments reflected a decrease in corporate profits that was only partly offset by an increase in interest income.

Real GNP on a command basis, which measures the purchasing power of goods and services produced by the U.S. economy, increased the same as real GNP—1.7 percent—reflecting little change in the terms of trade (chart 2).³ In the third quarter, real GNP on a command basis increased less than

2. GNP equals GDP plus income receipts from the rest of the world less income payments to the rest of the world.

Table 4.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Command-Basis Gross National Product

[Seasonally adjusted at annual rates]

	Billions of chained (1996) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				2000			
	2000	2000				I	II	III	IV
	IV	I	II	III	IV				
Gross domestic product	9,393.7	107.7	127.1	50.6	24.2	4.8	5.6	2.2	1.0
<i>Plus:</i> Income receipts from the rest of the world	356.7	15.8	21.2	-4.5	8.0	21.6	28.1	-5.0	9.6
<i>Less:</i> Income payments to the rest of the world	347.7	10.8	22.1	-3.1	-7.1	14.0	29.1	-3.4	-7.8
Equals: Gross national product	9,402.2	112.7	126.0	49.1	39.4	5.1	5.6	2.1	1.7
<i>Less:</i> Exports of goods and services and income receipts from the rest of the world	1,499.0	33.0	58.9	31.4	-9.9	9.9	17.7	8.8	-2.6
<i>Plus:</i> Command-basis exports of goods and services and income receipts from the rest of the world ¹	1,523.9	24.5	65.5	23.9	-8.9	7.1	19.4	6.5	-2.3
Equals: Command-basis gross national product	9,427.1	104.2	132.6	41.6	40.4	4.7	5.9	1.8	1.7
Addendum: Terms of trade ²	101.7	-7	.4	-5	.1	-2.7	-1.6	-1.9	.4

1. Exports of goods and services and income receipts deflated by the implicit price deflator for imports of goods and services and income payments.

2. Ratio of the implicit price deflator for exports of goods and services and income receipts

to the corresponding implicit price deflator for imports divided by 100.

NOTE: See note to table 1 for an explanation of chained (1996) dollar series. Levels of these series are shown in NIPA tables 1.10 and 1.11.

real GNP—1.8 percent, compared with 2.1 percent—reflecting a deterioration in the terms of trade.

The national saving rate—gross saving as a percentage of GNP—decreased to 18.0 percent in the fourth quarter from 18.5 percent in the third. The fourth-quarter rate was the lowest since the second quarter of 1997.

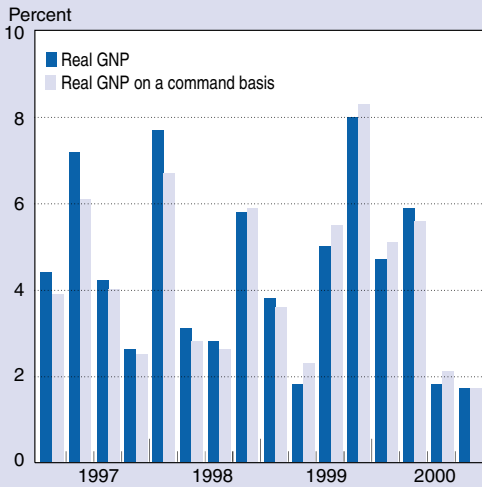
3. In the estimates of command-basis GNP, the current-dollar value of the sum of exports of goods and services and income receipts is deflated by the implicit price deflator (IPD) for the sum of imports of goods and services and income payments.

The terms of trade is a measure of the relationship between the prices that are received by U.S. producers for exports of goods and services and the prices that are paid by U.S. purchasers for imports of goods and services. It is measured by the following ratio, with the decimal point shifted two places to the right: In the numerator, the IPD for the sum of exports of goods and services and of income receipts; in the denominator, the IPD for the sum of imports of goods and services and of income payments.

Changes in the terms of trade reflect the interaction of several factors, including movements in exchange rates, changes in the composition of the traded goods and services, and changes in producers' profit margins. For example, if the U.S. dollar depreciates against a foreign currency, a foreign manufacturer may choose to absorb this cost by reducing the profit margin on the product it sells to the United States, or it may choose to raise the price of the product and risk a loss in market share.

CHART 2

Real Gross National Product



Note.—Percent change at annual rate from preceding quarter; based on seasonally adjusted estimates.

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Corporate Profits

Profits decreased sharply in the fourth quarter. The current-production measure decreased \$55.6 billion (or 5.7 percent at a quarterly rate) after increasing \$6.7 billion (0.7 percent) in the third quarter (table 5).⁴ In percentage terms, the fourth-quarter decrease was the largest since the first quarter of 1994.

Fourth-quarter profits were reduced by a \$14.2 billion (annual rate) adjustment for tobacco "out-of-court" settlement payments to the States by tobacco companies; third-quarter profits had been reduced by a \$6.2 billion adjustment. Excluding these adjustments, profits from current production decreased 4.8 percent (quarterly rate) in the fourth quarter.

4. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16, and 6.16C (see "Selected NIPA Tables," which begins on page D-2 of this issue) as corporate profits with inventory valuation and capital consumption adjustments.

Percent changes in profits are shown at quarterly, not annual, rates.

The decrease in profits from current production was more than accounted for by a sharp drop in the profits of domestic nonfinancial corporations. Unit profits of these firms plunged as a result of a record quarterly increase in unit labor costs and a large increase in unit nonlabor costs that partly reflected the tobacco payments. The drop in profits also reflected a decrease in the real product of domestic nonfinancial corporations—the first since the first quarter of 1993.⁵

In contrast, profits of domestic financial corporations increased a little, and profits from the rest of the world increased sharply.⁶ The jump in rest-of-the-world profits mainly reflected a drop in

5. Nonfinancial corporate gross product is a measure of the contribution, or value added, of nonfinancial corporations to the Nation's output and is measured as the sum of the income generated by these businesses. Consequently, the fourth-quarter decrease in nonfinancial corporate gross product partly reflected the difference between the growth of gross domestic income (GDI), which is a measure of output calculated as the sum of incomes earned in production, and GDP, which is a measure of output calculated as the sum of expenditures for final goods and services. GDI grew more slowly than GDP in the fourth quarter.

Table 5.—Corporate Profits

[Quarterly estimates seasonally adjusted]

	Billions of dollars (annual rate)						Percent change from preceding period ¹				
	Level		Change from preceding period				1999	2000	2000		
	2000	2000 IV	1999	2000	2000				III	IV	
					III	IV					
Profits from current production	946.2	914.7	41.0	90.2	6.7	-55.6	5.0	10.5	0.7	-5.7	
Domestic industries	805.0	755.3	33.1	60.4	-1.2	-72.8	4.6	8.1	-1.1	-8.8	
Financial	174.2	178.0	5.0	18.1	6.1	2.8	3.3	11.6	3.6	1.6	
Nonfinancial	630.8	577.3	28.1	42.3	-7.1	-75.7	5.0	7.2	-1.1	-11.6	
Rest of the world	141.2	159.4	7.9	29.8	7.8	17.3	7.6	26.7	5.8	12.1	
Receipts (inflows)	203.1	207.9	21.6	33.8	-3.9	5.0	14.6	20.0	-1.9	2.5	
Payments (outflows)	62.0	48.6	13.7	4.1	-11.7	-12.2	31.0	7.0	-16.2	-20.1	
IVA	-12.9	-8.5	-26.1	-3.8	9.1	-4.0	.....	.....	.....	.....
CCAdj	33.5	29.1	2.2	-8.6	-5.0	-6	.....	.....	.....	.....
Profits before tax	925.6	894.1	64.8	102.6	2.6	-51.0	8.5	12.5	.3	-5.4	
Profits tax liability	284.2	267.7	11.3	28.3	-1.4	-22.9	4.6	11.0	-5	-7.9	
Profits after tax	641.4	626.4	53.5	74.3	4.0	-28.0	10.4	13.1	.6	-4.3	
Cash flow from current production	1,004.5	1,004.5	63.1	98.2	20.1	-25.1	7.5	10.8	2.0	-2.4	
Domestic industry profits:											
Corporate profits of domestic industries with IVA	771.5	726.2	30.9	69.0	3.9	-72.2	4.6	9.8	.5	-9.0	
Financial	193.6	198.9	7.2	21.6	7.4	3.4	4.4	12.5	4.0	1.7	
Nonfinancial	577.9	527.3	23.6	47.5	-3.6	-75.6	4.7	8.9	-6	-12.5	
Manufacturing	185.0	152.4	4.2	3.4	-9.7	-39.7	2.4	1.9	-4.8	-20.7	
Transportation and public utilities	100.8	94.3	4.5	12.4	-8	-8.8	5.3	14.1	-8	-8.5	
Wholesale trade	65.1	58.6	.3	8.4	1.4	-12.5	.6	14.9	1.9	-17.6	
Retail trade	89.5	83.5	4.9	8.0	-6	-8.3	6.5	9.8	-6	-9.0	
Other	137.5	138.5	9.7	15.2	6.2	-6.4	8.6	12.5	4.5	-4.4	
	Dollars										
Unit price, costs, and profits of nonfinancial corporations:											
Unit price	1.031	1.035	0.009	0.012	0.001	0.003	.....	.....	.....	.....
Unit labor cost .....	.663	.673	.006	.004	.002	.012	.....	.....	.....	.....
Unit nonlabor cost .....	.248	.254	.002	.007	0	.007	.....	.....	.....	.....
Unit profits from current production .....	.120	.109	-.001	.001	-.003	-.014	.....	.....	.....	.....

1. Quarterly percent changes are not annualized.

NOTE.—Levels of these and other profits series are in NIPA tables 1.14, 1.16, 6.16C, and 7.15.

IVA Inventory valuation adjustment
CCAdj Capital consumption adjustment

payments of earnings by U.S. affiliates of foreign corporations.

Cash flow from current production, a profits-related measure of internally generated funds available for investment, decreased \$25.1 billion after increasing \$20.1 billion.⁷ The ratio of cash flow to nonresidential fixed investment, an indicator of the share of the current level of investment that could be financed by internally generated funds, decreased from 74.0 percent to 72.2 percent, its lowest value since the third quarter of 1982. During 1991–99, the ratio fluctuated between 74 percent and 94 percent, and it averaged 84 percent.

6. Profits from the rest of the world is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. These estimates include capital consumption adjustments (but not inventory valuation adjustments) and are derived from BEA's international transactions accounts.

7. Cash flow from current production is undistributed profits with inventory valuation and capital consumption adjustments plus the consumption of fixed capital.

Domestic industry profits and related measures.— Domestic industry profits decreased \$72.2 billion after a modest increase.⁸ The decrease was more than accounted for by declines in the profits of all major categories of nonfinancial industries (chart 3). Manufacturing profits dropped the most; all of the major manufacturing industries except chemicals and allied products, decreased. The largest decrease, \$13.5 billion, was in food and kindred products; large decreases were also posted by manufacturers of “other durable goods,” “other nondurable goods,” and fabricated metal products.⁹ Profits of wholesale and retail trade decreased sharply, and profits of the transportation group

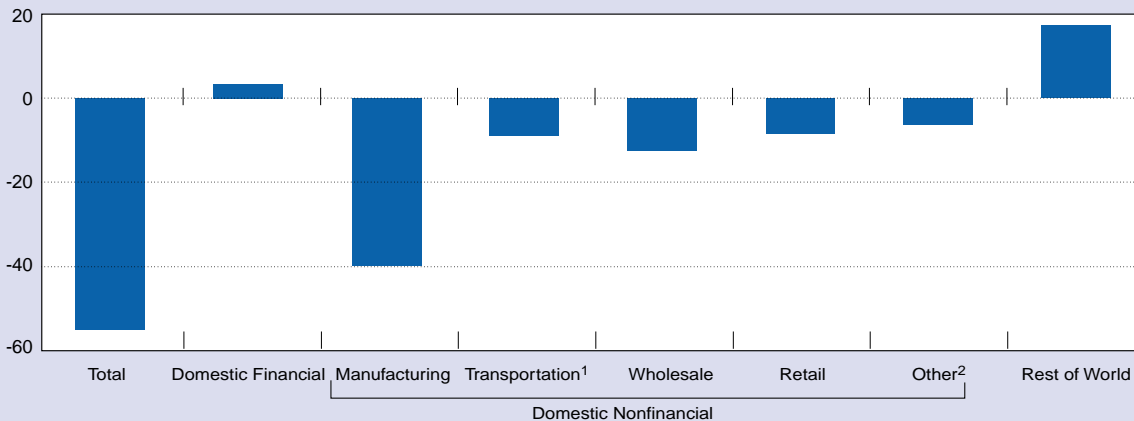
8. Domestic industry profits are estimated as the sum of corporate profits before tax and the inventory valuation adjustment; they are shown in NIPA table 6.16C (on page D-16 of this issue). Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.

9. “Other” nondurable manufacturing includes the tobacco, textile, apparel, paper, printing, rubber, and leather industries. “Other” durable manufacturing includes the lumber, furniture, stone, transportation equipment (excluding motor vehicles), instruments, and miscellaneous manufacturing industries.

CHART 3

**Corporate Profits with Inventory Valuation Adjustment:
Change from 2000:III to 2000:IV**

Billion \$



1. Also includes communications and public utilities.

2. “Other” nonfinancial corporations includes the agriculture, mining, construction, and services industries, along with some activities included in the “finance, insurance, and real estate” group.

Note.—Based on seasonally adjusted estimates.

and of "other" nonfinancial corporations also fell.¹⁰

Profits before tax decreased somewhat less than profits from current production. The difference between the two measures mainly reflected a decrease in the inventory valuation adjustment; the capital consumption adjustment changed only slightly.¹¹

The year 2000.—Although profits ended the year with a decrease, for the entire year, profits from current production increased \$90.2 billion (or 10.5 percent), to \$946.2 billion; in 1999, profits had increased \$41.0 billion (5.0 percent).¹² For domes-

10. "Other" nonfinancial corporations includes the agriculture, mining, construction, and services industries, along with some activities included in the "finance, insurance, and real estate" group.

11. As prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits—a capital-gains-like element in profits—result from an increase in inventory prices, and inventory losses—a capital-loss-like element in profits—result from a decrease in inventory prices. In the NIPAs, inventory profits or losses are removed from business incomes by the inventory valuation adjustment (IVA); a negative IVA removes inventory profits, and a positive IVA removes inventory losses.

The capital consumption adjustment converts depreciation valued at historical cost and based on service lives and depreciation patterns specified in the tax code to depreciation valued at replacement cost and based on empirical evidence on the prices of used equipment and structures in resale markets. For information on depreciation in the NIPAs, see Arnold J. Katz and Shelby W. Herman, "Improved Estimates of Fixed Reproducible Tangible Wealth, 1929-95," *SURVEY OF CURRENT BUSINESS* 77 (May 1997): 69-92.

tic nonfinancial corporations, profits increased \$42.3 billion in 2000 after increasing \$28.1 billion in 1999; profits per unit increased a little after a small decrease, and real gross product of nonfinancial corporations increased 6.1 percent, slightly more than in 1999. Profits of domestic financial corporations and profits from the rest of the world increased more than three times as much as in 1999. The increase in profits from the rest of the world was more than accounted for by an increase in receipts from foreign affiliates of U.S. corporations.

Domestic industry profits increased \$69.0 billion in 2000 after increasing \$30.9 billion in 1999; profits of both domestic nonfinancial corporations and domestic financial corporations stepped up. In nonfinancial corporations, all major groups except manufacturing stepped up; profits in manufacturing increased a little less than in 1999.

In 2000, profits before tax increased more than profits from current production. The difference between the two measures reflected decreases in both the capital consumption adjustment and the inventory valuation adjustment.

12. Changes for 2000 are calculated from *annual* levels for 1999 and 2000.

Government Sector

The combined current surplus of the Federal Government and of State and local governments—the NIPA measure of net saving by government-increased \$23.5 billion, to \$340.1 billion, in the fourth quarter after increasing \$15.5 billion in the third (table 6).¹³ The Federal Government current surplus increased more in the fourth quarter than in the third, while the State and local government current surplus changed little after increasing.

Federal

The Federal Government current surplus increased \$23.7 billion, to \$277.0 billion, in the fourth quarter after increasing \$12.4 billion in the third. A downturn in current expenditures more than offset a deceleration in current receipts.

Current receipts.—Federal current receipts increased \$17.2 billion in the fourth quarter after increasing \$34.6 billion in the third. The deceleration was more than accounted for by a larger decrease in corporate profits tax accruals. In contrast, contributions for social insurance and personal tax and nontax receipts accelerated.

Corporate profits tax accruals decreased \$19.1 billion after decreasing \$1.1 billion. The larger decrease reflected a steeper decline in domestic corporate profits before tax.

Contributions for social insurance increased \$8.8 billion after increasing \$8.4 billion. The acceleration was accounted for by contributions for social security (old-age, survivors, disability, and health insurance), which increased \$8.2 billion after increasing \$7.6 billion, reflecting an acceleration in wage and salary disbursements.

Personal tax and nontax receipts increased \$27.5 billion after increasing \$27.3 billion. Income taxes increased \$27.3 billion after increasing \$27.1 billion; “estimated income tax payments and final settlements less refunds” increased more than in the third quarter.

Current expenditures.—Current expenditures fell \$6.4 billion in the fourth quarter after increasing \$22.1 billion in the third. The downturn was more than accounted for by “subsidies less the current surplus of government enterprises,” which turned down sharply, and by grants-in-aid to State and

local governments, which was unchanged after an increase. In contrast, transfer payments accelerated, and consumption expenditures decreased less than in the third quarter.

Table 6.—Government Sector Current Receipts and Expenditures

(Billions of dollars, seasonally adjusted at annual rates)

	Level		Change from preceding quarter			
	2000	1999	2000			
	IV	IV	I	II	III	IV
Current receipts	3,115.4	83.2	83.0	62.8	45.4	34.4
Current expenditures	2,775.3	67.8	5.1	49.6	29.9	10.9
Current surplus or deficit(-)	340.1	15.3	77.9	13.2	15.5	23.5
Social insurance funds	118.4	8.4	3.4	-2.5	7.6	7.2
Other	221.7	6.8	74.6	15.6	7.9	16.4
Federal Government						
Current receipts	2,106.6	50.7	70.9	42.9	34.6	17.2
Personal tax and nontax receipts	1,058.4	24.5	39.8	25.6	27.3	27.5
Corporate profits tax accruals	230.3	14.5	13.4	4.8	-1.1	-19.1
Indirect business tax and nontax accruals	109.0	2.5	2.9	2.1	0	.1
Contributions for social insurance	709.0	9.2	14.9	10.3	8.4	8.8
Current expenditures	1,829.6	54.6	-21.7	37.9	22.1	-6.4
Consumption expenditures	489.2	15.7	-8.3	20.3	-9.1	-7
National defense	322.4	12.5	-13.5	14.5	-6.1	2.8
Nondefense	166.7	3.2	5.2	5.8	-3.0	-3.6
Transfer payments (net)	802.0	12.7	5.5	15.8	6.2	16.8
To persons	778.6	2.9	16.1	15.0	3.9	4.8
To the rest of the world	23.4	9.8	-10.6	.8	2.3	12.0
Grants-in-aid to State and local governments	251.2	4.8	-3.8	5.9	10.3	0
Net interest paid	254.9	-4	3.2	-4.7	-3.1	-2.3
Subsidies less current surplus of government enterprises	32.4	21.8	-18.2	.5	17.8	-20.0
Subsidies	39.3	22.4	-16.9	.8	17.5	-19.3
Of which: Agricultural subsidies	16.3	22.5	-16.8	.8	17.4	-19.4
Less: Current surplus of government enterprises	6.8	.6	1.3	.3	-4	.7
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	277.0	-4.0	92.5	5.1	12.4	23.7
Social insurance funds	118.8	8.5	3.3	-2.5	7.5	7.2
Other	158.2	-12.5	89.3	7.6	4.8	16.5
State and local governments						
Current receipts	1,259.9	37.3	8.3	25.8	21.1	17.1
Personal tax and nontax receipts	284.4	8.9	2.2	12.2	3.6	7.2
Corporate profits tax accruals	37.5	2.2	2.1	.9	-3	-3.7
Indirect business tax and nontax accruals	676.8	21.4	7.6	6.5	7.5	13.6
Contributions for social insurance	10.1	0	.2	.2	.1	.1
Federal grants-in-aid	251.2	4.8	-3.8	5.9	10.3	0
Current expenditures	1,196.9	18.1	22.9	17.7	18.0	17.3
Consumption expenditures	937.9	14.3	20.1	13.8	13.9	12.7
Transfer payments to persons	274.4	4.0	3.1	4.0	4.0	4.8
Net interest paid	-4.7	-3	-6	-4	.2	-3
Less: Dividends received by government .....	.4	0	0	0	0	0
Subsidies less current surplus of government enterprises	-10.4	.1	.3	.2	-1	.1
Subsidies .....	.5	0	0	0	0	0
Less: Current surplus of government enterprises	10.9	0	-3	-2	.1	-1
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	63.1	19.2	-14.6	8.1	3.1	-1
Social insurance funds	-4	-1	.1	.1	0	0
Other	63.5	19.3	-14.7	8.1	3.0	-1
Addendum:						
Net lending or net borrowing (-)	244.5	5.9	70.3	20.5	15.7	16.3
Federal Government	257.7	-4.1	92.7	2.6	13.6	17.2
State and local government	-13.2	10.0	-22.4	17.9	2.1	-9

13. Net saving equals gross saving less consumption of fixed capital (CFC); the estimates of gross saving, CFC, and net saving are shown in NIPA table 5.1. For NIPA estimates of government current receipts, current expenditures, and the current surplus or deficit for 1998 and 1999, see NIPA tables 3.1, 3.2, and 3.3 in this issue.

1. “Net lending or borrowing” is conceptually similar to “net financial investment” in the flow-of-funds accounts prepared by the Board of Governors of the Federal Reserve System. The two measures differ primarily because government net lending or borrowing is estimated from data for transactions, whereas net financial investment is estimated from data for financial assets. There are also small conceptual differences, such as the classification of the Federal Government’s railroad retirement and veterans life insurance programs.

“Subsidies less current surplus of government enterprises” decreased \$20.0 billion after increasing \$17.8 billion. The downturn was mostly accounted for by agricultural subsidies, which decreased \$19.4 billion after increasing \$17.4 billion, reflecting the pattern of the special payments to farmers under the Agricultural Risk Protection Act of 2000.

Grants-in-aid to State and local governments was unchanged after increasing \$10.3 billion, reflecting downturns in grants for medicaid and for health and hospitals.

“Transfer payments (net)” increased \$16.8 billion after increasing \$6.2 billion. The acceleration was mostly accounted for by transfer payments to the rest of the world, which increased \$12.0 billion after increasing \$2.3 billion; these payments were boosted by the annual payment of \$2.8 billion (\$11.2 billion at an annual rate) to Israel for economic support and other payments. Transfer payments to persons increased \$4.8 billion after increasing \$3.9 billion.

Consumption expenditures decreased \$0.7 billion after decreasing \$9.1 billion. The smaller decrease was primarily the result of an upturn in defense consumption expenditures, which increased \$2.8 billion after decreasing \$6.1 billion. The upturn was largely accounted for by services, which increased \$1.7 billion after decreasing \$5.2 billion. Durable goods also contributed, increasing \$1.1 billion after decreasing \$0.4 billion; within durable goods, “other durable goods,” electronics, and missiles all turned up in the fourth quarter.

Nondefense consumption expenditures decreased \$3.6 billion after decreasing \$3.0 billion. The fourth-quarter decrease was more than accounted for by an increase in sales from the Strategic Petroleum Reserve, which are treated as deductions from consumption expenditures. The Strategic Petroleum Reserve, under the “Exchange 2000” program, released 30 million barrels of crude oil, with an estimated value of \$3.9 billion (annual rate), to private business. Repayment by private business for this in-kind transaction will be made with deliveries of contracted amounts of crude oil to the Strategic Petroleum Reserve from August through November of 2001.¹⁴

14. The decrease in Federal consumption expenditures resulting from the release of crude oil from the Strategic Petroleum Reserve was offset by an increase in change in private inventories. Similarly, the repayment of this oil by private business will result in additions to Federal consumption expenditures and offsetting decreases in change in private inventories.

State and local

The State and local government current surplus decreased \$0.1 billion, to \$63.1 billion, in the fourth quarter after increasing \$3.1 billion in the third. Both current receipts and current expenditures decelerated.

Current receipts.—State and local government current receipts increased \$17.1 billion after increasing \$21.1 billion. The deceleration was more than accounted for by Federal grants-in-aid, which was unchanged after increasing in the third quarter, and by corporate profits tax accruals, which decreased more than in the third quarter. In contrast, both indirect business tax and nontax accruals and personal tax and nontax receipts accelerated.

Corporate profits tax accruals decreased \$3.7 billion after decreasing \$0.3 billion, reflecting the steeper decline in domestic corporate profits before tax.

Indirect business tax and nontax accruals increased \$13.6 billion after increasing \$7.5 billion. The acceleration reflected “out-of-court” settlement payments to the States by tobacco companies: In the fourth quarter, these payments amounted to \$14.2 billion at an annual rate; in the third quarter, these payments amounted to \$6.2 billion. In contrast, sales taxes decelerated to a \$1.8 billion increase from a \$4.2 billion increase.

Personal tax and nontax receipts increased \$7.2 billion after increasing \$3.6 billion. The acceleration was mostly accounted for by personal income taxes, which increased \$6.5 billion after increasing \$2.9 billion.

Current expenditures.—Current expenditures increased \$17.3 billion after increasing \$18.0 billion. The deceleration was more than accounted for by a deceleration in consumption expenditures and by a downturn in net interest paid. In contrast, transfer payments to persons accelerated.

Consumption expenditures increased \$12.7 billion after increasing \$13.9 billion. The deceleration was mainly attributable to decelerations in services and in nondurable goods; within services, compensation increased \$4.6 billion after increasing \$7.2 billion.

Net lending or net borrowing

“Net lending or net borrowing(-)” is an alternative measure of the government fiscal position. Net

lending is the financing requirement of the government sector and is derived as the current surplus plus the consumption of fixed capital and “capital transfers received (net)” less gross investment and net purchases of nonproduced assets.

Net lending increased \$16.3 billion after increasing \$15.7 billion. The acceleration was attributable to a step-up in Federal Government net lending, reflecting an acceleration in the Federal current surplus.

Gross investment increased \$12.9 billion after increasing \$1.7 billion. Federal Government gross investment increased \$8.5 billion after decreasing \$1.2 billion; the turnaround reflected an upturn in equipment and software investment. State and local government gross investment increased \$4.4 billion after increasing \$2.9 billion.

The Government Sector in 2000

The combined current surplus of the Federal Government and of State and local governments increased \$137.0 billion, to \$311.4 billion, in 2000. The increase was mostly accounted for by an increase in the Federal Government current surplus.

The Federal Government current surplus increased \$127.4 billion, to \$251.8 billion, in 2000. The increase in current receipts exceeded the increase in current expenditures.


Federal current receipts increased \$191.1 billion, to \$2,065.7 billion. Personal tax and nontax receipts increased \$115.5 billion, contributions for

social insurance increased \$43.1 billion, corporate profits tax accruals increased \$24.7 billion, and indirect business taxes increased \$7.9 billion.

Federal current expenditures increased \$63.7 billion, to \$1,813.9 billion. “Transfer payments (net)” increased \$36.3 billion, consumption expenditures increased \$18.4 billion, and grants-in-aid to State and local governments increased \$15.3 billion. In contrast, net interest paid decreased \$5.3 billion, and “subsidies less current surplus of government enterprises” decreased \$0.9 billion.

The State and local government current surplus increased \$9.6 billion, to \$59.6 billion, in 2000. The increase in current receipts exceeded the increase in current expenditures.

State and local current receipts increased \$87.4 billion, to \$1,230.1 billion. Indirect business tax and nontax accruals increased \$43.7 billion, personal tax and nontax receipts increased \$24.4 billion, Federal grants-in-aid increased \$15.3 billion, corporate profits tax accruals increased \$3.6 billion, and contributions for social insurance increased \$0.3 billion.

State and local current expenditures increased \$77.8 billion, to \$1,170.5 billion. Consumption expenditures increased \$63.0 billion, transfer payments to persons increased \$15.8 billion, and “subsidies less current surplus of government enterprises” increased \$0.4 billion. In contrast, net interest paid decreased \$1.5 billion. 

Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade, 2000:IV

TABLES 1, 2, and 3 show quarterly and monthly estimates of real inventories, sales, and inventory-sales ratios, respectively. Table 4 shows real manufacturing inventories by stage of fabrication. Real estimates are in chained (1996) dollars.

Data availability

Estimates for 1996:IV–2000:I of real manufacturing and trade inventories, sales, and inventory-sales ratios and of real manufacturing inventories by stage of fabrication were published in the October 2000 SURVEY OF CURRENT BUSINESS, and estimates for 2000:II were published in the January 2001 SURVEY.

The estimates for 1967–99 are available as downloadable files on BEA's Web site at <www.bea.doc.gov>; click on "GDP and related data" and look under "Sup-

plementary estimates," underlying detail estimates for change in private inventories, historical file.


The most recent estimates are also available by subscription from BEA: On diskette as part of the NIPA monthly update (product number NDS-0171, price \$204.00) and as separate monthly printouts (product number NLS-0166, price \$108.00). To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666). 

Table 1.—Real Manufacturing and Trade Inventories, Seasonally Adjusted, End of Period
(Billions of chained (1996) dollars)

	2000		2000					2001
	III	IV	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Manufacturing and trade	1,200.9	1,212.3	1,199.0	1,200.9	1,207.0	1,210.2	1,212.3	1,215.8
Manufacturing	483.5	486.6	482.9	483.5	486.1	487.1	486.6	489.5
Durable goods	302.3	306.8	302.5	302.3	304.9	306.4	306.8	309.4
Primary metal industries	25.4	25.3	25.4	25.4	25.4	25.4	25.3	25.2
Fabricated metal products	31.3	31.0	31.5	31.3	31.3	31.2	31.0	31.6
Industrial machinery and equipment	65.2	67.5	65.1	65.2	66.2	66.6	67.5	67.9
Electronic and other electric equipment	51.3	53.8	51.6	51.3	52.4	53.1	53.8	54.8
Transportation equipment	63.3	62.9	63.3	63.3	63.5	63.6	62.9	63.1
Motor vehicles and equipment	18.2	17.5	18.1	18.2	18.1	17.8	17.5	17.3
Other transportation equipment	45.2	45.5	45.4	45.2	45.5	46.0	45.5	45.9
Other durable goods ¹	66.5	67.2	66.3	66.5	66.9	67.3	67.2	67.8
Nondurable goods	181.2	180.0	180.4	181.2	181.3	180.8	180.0	180.3
Food and kindred products	41.1	40.7	41.6	41.1	40.9	40.7	40.7	40.6
Paper and allied products	17.4	17.0	17.4	17.4	17.4	17.2	17.0	17.0
Chemicals and allied products	50.6	50.7	50.1	50.6	50.7	50.8	50.7	50.9
Petroleum and coal products	11.9	11.9	11.8	11.9	12.0	11.9	11.9	12.0
Rubber and miscellaneous plastic products	17.5	17.6	17.5	17.5	17.6	17.4	17.6	17.6
Other nondurable goods ²	42.1	41.5	41.6	42.1	42.2	42.2	41.5	41.6
Merchant wholesalers	340.0	342.5	339.5	340.0	341.2	342.1	342.5	341.3
Durable goods	218.7	219.9	218.7	218.7	219.4	220.1	219.9	220.6
Nondurable goods	121.3	122.6	120.8	121.3	121.8	122.0	122.6	120.8
Groceries and farm products	41.9	41.8	41.7	41.9	41.6	42.0	41.8	41.1
Other nondurable goods	79.6	80.9	79.3	79.6	80.3	80.2	80.9	79.8
Retail trade	377.2	382.9	376.4	377.2	379.5	380.8	382.9	384.7
Durable goods	211.7	215.4	211.5	211.7	212.5	213.8	215.4	216.9
Motor vehicle dealers ³	109.0	110.9	108.6	109.0	109.1	109.5	110.9	111.7
Other durable goods ³	102.6	104.5	102.9	102.6	103.3	104.3	104.5	105.2
Nondurable goods	165.7	167.8	165.1	165.7	167.1	167.2	167.8	168.0
Food stores	31.9	31.9	31.7	31.9	31.9	31.7	31.9	31.9
Other nondurable goods	134.0	135.9	133.4	134.0	135.3	135.6	135.9	136.2

Implementing the North American Industry Classification System

As part of this year's annual revision of the national income and product accounts (NIPA's), the Bureau of Economic Analysis will convert its inventory estimates from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS).¹ This change, which was announced in the August 2000 SURVEY OF CURRENT BUSINESS, is part of a several-year process of implementing NAICS in the collection and compilation of industry data by the Federal statistical agencies.² The conversion of the inventory estimates reflects the implementation of NAICS by the Census Bureau in collecting the major monthly source data for these estimates.

Specifically, the NIPA inventory estimates are based on data from the Census Bureau's monthly wholesale trade report, monthly retail trade sales and inventories report, and monthly manufacturers' shipments, inventories, and orders report. The Census Bureau has announced that the data on manufacturers' shipments, inventories, and orders will be reported on the NAICS basis beginning in May, and the data on wholesale and retail trade will be reported on the NAICS basis beginning in June.³

Reflecting the conversion from the SIC to NAICS, the estimates of real inventories, sales, and inventory-sales ratios for manufacturing and trade will be published on the following schedule. In the June SURVEY, the estimates for the fourth quarter 2000 and the first quarter of 2001 and for October 2000 through March 2001 will be published on the SIC basis. In the October SURVEY, the estimates for the fourth quarter 1997 through the second quarter 2001 and for January 2001 through July 2001 will be published on the NAICS basis.

1. NAICS is an economic classification system that groups establishments into industries and that provides the framework for collecting, analyzing, and disseminating economic data on an industry basis. NAICS is unique because it is constructed under a single conceptual framework in which economic units that use similar production processes are classified in the same industry. As a result, the data are more appropriately classified for measuring productivity, unit labor costs, and input-output relationships.

2. See the box "Implementation of the North American Industry Classification System" in Eugene P. Seskin and David F. Sullivan, "Annual Revision of the National Income and Product Accounts," SURVEY 80 (August 2000): 27.

3. For more information about the Census Bureau's plans for implementing NAICS, go to <www.census.gov>, click on NAICS, and then click on "Implementation, Census Bureau."

^p Preliminary.
^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; and instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade, 2000:IV

TABLES 1, 2, and 3 show quarterly and monthly estimates of real inventories, sales, and inventory-sales ratios, respectively. Table 4 shows real manufacturing inventories by stage of fabrication. Real estimates are in chained (1996) dollars.

Data availability

Estimates for 1996:IV–2000:I of real manufacturing and trade inventories, sales, and inventory-sales ratios and of real manufacturing inventories by stage of fabrication were published in the October 2000 SURVEY OF CURRENT BUSINESS, and estimates for 2000:II were published in the January 2001 SURVEY.

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Manufacturing	483.5	486.6	482.9	483.5	486.1	487.1	486.6	489.5
Durable goods	302.3	306.8	302.5	302.3	304.9	306.4	306.8	309.4
Primary metal industries	25.4	25.3	25.4	25.4	25.4	25.4	25.3	25.2
Fabricated metal products	31.3	31.0	31.5	31.3	31.3	31.2	31.0	31.6
Industrial machinery and equipment	65.2	67.5	65.1	65.2	66.2	66.6	67.5	67.9
Electronic and other electric equipment	51.3	53.8	51.6	51.3	52.4	53.1	53.8	54.8
Transportation equipment	63.3	62.9	63.3	63.3	63.5	63.6	62.9	63.1
Motor vehicles and equipment	18.2	17.5	18.1	18.2	18.1	17.8	17.5	17.3
Other transportation equipment	45.2	45.5	45.4	45.2	45.5	46.0	45.5	45.9
Other durable goods ¹	66.5	67.2	66.3	66.5	66.9	67.3	67.2	67.8
Nondurable goods	181.2	180.0	180.4	181.2	181.3	180.8	180.0	180.3
Food and kindred products	41.1	40.7	41.6	41.1	40.9	40.7	40.7	40.6
Paper and allied products	17.4	17.0	17.4	17.4	17.4	17.2	17.0	17.0
Chemicals and allied products	50.6	50.7	50.1	50.6	50.7	50.8	50.7	50.9
Petroleum and coal products	11.9	11.9	11.8	11.9	12.0	11.9	11.9	12.0
Rubber and miscellaneous plastic products	17.5	17.6	17.5	17.5	17.6	17.4	17.6	17.6
Other nondurable goods ²	42.1	41.5	41.6	42.1	42.2	42.2	41.5	41.6
Merchant wholesalers	340.0	342.5	339.5	340.0	341.2	342.1	342.5	341.3
Durable goods	218.7	219.9	218.7	218.7	219.4	220.1	219.9	220.6
Nondurable goods	121.3	122.6	120.8	121.3	121.8	122.0	122.6	120.8
Groceries and farm products	41.9	41.8	41.7	41.9	41.6	42.0	41.8	41.1
Other nondurable goods	79.6	80.9	79.3	79.6	80.3	80.2	80.9	79.8
Retail trade	377.2	382.9	376.4	377.2	379.5	380.8	382.9	384.7
Durable goods	211.7	215.4	211.5	211.7	212.5	213.8	215.4	216.9
Motor vehicle dealers ³	109.0	110.9	108.6	109.0	109.1	109.5	110.9	111.7
Other durable goods ³	102.6	104.5	102.9	102.6	103.3	104.3	104.5	105.2
Nondurable goods	165.7	167.8	165.1	165.7	167.1	167.2	167.8	168.0
Food stores	31.9	31.9	31.7	31.9	31.9	31.7	31.9	31.9
Other nondurable goods	134.0	135.9	133.4	134.0	135.3	135.6	135.9	136.2

Implementing the North American Industry Classification System

As part of this year's annual revision of the national income and product accounts (NIPA's), the Bureau of Economic Analysis will convert its inventory estimates from the Standard Industrial Classification (SIC) system to the North American Industry Classification System (NAICS).¹ This change, which was announced in the August 2000 SURVEY OF CURRENT BUSINESS, is part of a several-year process of implementing NAICS in the collection and compilation of industry data by the Federal statistical agencies.² The conversion of the inventory estimates reflects the implementation of NAICS by the Census Bureau in collecting the major monthly source data for these estimates.

Specifically, the NIPA inventory estimates are based on data from the Census Bureau's monthly wholesale trade report, monthly retail trade sales and inventories report, and monthly manufacturers' shipments, inventories, and orders report. The Census Bureau has announced that the data on manufacturers' shipments, inventories, and orders will be reported on the NAICS basis beginning in May, and the data on wholesale and retail trade will be reported on the NAICS basis beginning in June.³

Reflecting the conversion from the SIC to NAICS, the estimates of real inventories, sales, and inventory-sales ratios for manufacturing and trade will be published on the following schedule. In the June SURVEY, the estimates for the fourth quarter 2000 and the first quarter of 2001 and for October 2000 through March 2001 will be published on the SIC basis. In the October SURVEY, the estimates for the fourth quarter 1997 through the second quarter 2001 and for January 2001 through July 2001 will be published on the NAICS basis.

1. NAICS is an economic classification system that groups establishments into industries and that provides the framework for collecting, analyzing, and disseminating economic data on an industry basis. NAICS is unique because it is constructed under a single conceptual framework in which economic units that use similar production processes are classified in the same industry. As a result, the data are more appropriately classified for measuring productivity, unit labor costs, and input-output relationships.

2. See the box "Implementation of the North American Industry Classification System" in Eugene P. Seskin and David F. Sullivan, "Annual Revision of the National Income and Product Accounts," SURVEY 80 (August 2000): 27.

3. For more information about the Census Bureau's plans for implementing NAICS, go to <www.census.gov>, click on NAICS, and then click on "Implementation, Census Bureau."

^p Preliminary.
^r Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; and instruments and related products; and miscellaneous manufacturing industries.

2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.

3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

NOTE.—Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Ruggles and Ruggles—A National Income Accounting Partnership

THE recent death of Richard Ruggles ends a distinguished research career. In the field of national income accounting, it is impossible to separate his contribution from the contribution of his research partner and wife Nancy Dunlop Ruggles, who died in 1987. This tribute is to both of them.

The importance of the contributions of the Ruggleses to the field of national income accounting has long been recognized. A summary of their expertise was provided in the editor's note to the presentation and discussion of their integrated economic accounts for the United States in the May 1982 SURVEY OF CURRENT BUSINESS:

Their qualifications for this undertaking are unique: familiarity with the intricacies of the U.S. national income and product accounts that may be unparalleled outside BEA; association with work in economic, social, and demographic statistics at the United Nations; participation in the activities of the professional organizations in the field, especially the International Association for Research in Income and Wealth and its *Review of Income and Wealth*; and service as consultants on statistical programs in the United States and abroad. (Ruggles and Ruggles 1982, 1)

From the beginning, their research focused on measurement issues and national income accounting. Both of their doctoral theses were concerned with prices. At the Office of Strategic Services during World War II, Richard Ruggles developed a surprisingly accurate system for estimating German tank production on the basis of the serial numbers of captured German tanks (Feder 2001, A–25). In the years immediately after World War II, Richard and Nancy Ruggles became heavily involved in national income accounting. Around 1947, the Economic Cooperation Administration decided to use national income accounting as a basis for distributing aid under the Marshall Plan and for assessing the European economic recovery, and the Ruggleses developed a five-account system for these purposes.¹ Eventually, this system was adopted as the basic framework of the U.S. national accounts. Richard Ruggles' book *An Introduction*

1. In his autobiography, Nobel Prize Laureate Sir Richard Stone comments that he believes Richard Ruggles came up with the idea of using national accounts for these purposes (Stone 1984).

NOTE. —Barbara M. Fraumeni prepared this tribute.

to *National Income and Income Analysis* was the standard textbook exposition on the U.S. national accounts until 1951, when the first U.S. Government publication explaining the conceptual and statistical bases for the national accounts figures was published (Carson 1971).² Later, *The Design of Economic Accounts* became the standard academic reference for national income accounting (Ruggles and Ruggles 1970).

The Ruggleses interacted regularly with the Bureau of Economic Analysis and its predecessors. Richard Ruggles was a member of the National Accounts Review Committee of the National Bureau of Economic Research, which in 1957 prepared a major review of the national accounts at the request of the Bureau of the Budget (the predecessor of the Office of Management and Budget); this review committee recommended the adoption of the five-account system. The Ruggleses developed an experimental set of accounts as part of a long-term project to evaluate the feasibility of extending the U.S. accounts to encompass balance sheets (Ruggles and Ruggles 1982). The Ruggleses also contributed an article to the 50th anniversary issue of the SURVEY on the historical evolution of the national accounts and the national database (Ruggles and Ruggles 1971).


The Ruggleses proposed to extend the national accounts in several directions. First, they recommended the integration of and the linking of macrodata with microdata, including demographic data on race, age, education, and sex. Second, they recommended that the production boundary be extended to include imputations for nonmarket activities, such as the services of household and government capital; for intangible capital, such as future pensions and the discounted future earnings of human capital; and for changing environmental conditions.³ Finally, they proposed that balance sheets include the development of capital transactions accounts and revaluation accounts. The Ruggleses' own integrated economic accounts included estimates for some of these extensions.

The research undertaken by Richard and Nancy Ruggles had an impact on national income accounting both in the United States and around the world. Their accomplishments in estimating and formulating the bases for integrated accounts spanned half a century, and their legacy continues.

2. See U.S. Department of Commerce 1951.

3. Since the 1995 comprehensive revision, the national income and product accounts has included imputations for the services of government capital.

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Comparing NIPA Profits with S&P 500 Profits

By Kenneth A. Petrick

THE users of the national income and product accounts (NIPA's) often compare the growth rates of NIPA profit measures with those of other publicly available profit-type measures, such as Standard & Poor's 500 (S&P 500) earnings.¹ In this article, NIPA profits before tax and NIPA profits after tax—components of corporate profits from current production—are compared with S&P 500 reported earnings and operating earnings.²

The long-term trends of the NIPA profits measures and the S&P profits measures are roughly similar, but the year-to-year changes sometimes differ substantially (chart 1). For example, NIPA profits after tax decreased 7.5 percent in 1998, while S&P 500 operating earnings (after tax) increased 3.7 percent. In contrast, the two measures reflected similar growth in 1997; profits after tax increased 10.4 percent, and S&P operating earnings increased 10.6 percent.

The differences between the NIPA profit measures and the S&P 500 earnings measures reflect differences in purpose, definitions, and methodologies. In particular, the S&P earnings measures are broad market measures that serve as benchmarks for assessing the performance of individual companies or groups of companies, while the NIPA profits measures serve as time series that provide consistent coverage of all the Nation's corporations.

NIPA estimates of profits

Corporate profits in national income is the income earned from current production by corporations. Because national income is defined as the income of U.S. residents, its profits component includes

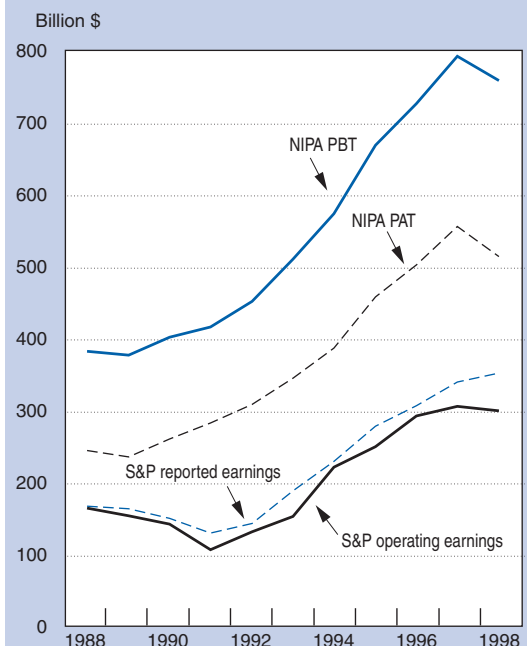
income earned abroad by U.S. corporations less income earned in the United States by foreign corporations.³ Income consists of receipts that arise from current production less associated expenses. Receipts exclude income in the form of dividends and capital gains, and expenses exclude bad debts, depletion, and capital losses.

The estimates of corporate profits are based on tabulations of data that are reported by corporations under two sets of accounting principles—financial accounting and tax accounting. Financial-accounting measures that reflect “generally accepted accounting principles” underlie the reports

3. These “rest-of-the-world” profits consist of receipts by all U.S. residents of dividends from their incorporated affiliates, their share of reinvested earnings of their incorporated affiliates, and earnings of unincorporated foreign affiliates, net of corresponding payments.

CHART 1

S&P and NIPA Profits



U.S. Bureau of Economic Analysis

1. Information about the S&P 500 index is available at <www.spglobal.com/indexmain500.html>.

2. Corporate profits from current production in the NIPA's is the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment. Profits before tax is largely based on tax-return information and thus reflects the charges used in tax accounting for inventory withdrawals and for depreciation. The two adjustment items restate the historical-cost basis used in tax accounting for inventory withdrawals and depreciation to the current-cost measures used in the NIPA's.

to stockholders and to government regulatory agencies, and tax-accounting measures underlie corporate income tax returns. Both financial accounting and tax accounting calculate profits as the difference between receipts and expenses, but they differ with respect to the definitions of some receipts and expenses and the timing of when some receipts and expenses are recorded.

The tax-accounting measures published annually by the Internal Revenue Service (IRS) in *Statistics of Income: Corporation Income Tax Returns (SOI)* are the primary source data for the annual NIPA estimates of corporate profits.⁴ These comprehensive tabulations are only available annually and with a considerable lag. As a result, data from financial-accounting measures are used to interpolate and extrapolate the tax-return-based profits estimates to current periods.⁵

Neither set of accounting measures is entirely suitable for implementing the NIPA concept of profits. Consequently, the procedure for estimating NIPA corporate profits mainly consists of adjusting, supplementing, and integrating the two measures.

In order to estimate NIPA corporate profits, the SOI tabulations of “total receipts less total deductions” are adjusted to conform to NIPA concepts.⁶ In particular, the adjustments for capital gains and losses and for bad debt expenses result in significant differences between the NIPA measures of profits and both the financial-accounting and the tax-accounting measures. Capital gains and losses are not included in the NIPA profits measures, because they result from the revaluation and sale of existing assets rather than from current produc-

tion. Similarly, bad debt expenses are not deducted in calculating the NIPA profits measures, because these charges represent a rearrangement of assets and liabilities in the Nation’s balance sheet rather than costs of current production.

S&P 500 profits measures

The S&P 500 measures of profits—which consists of reported earnings, operating earnings, and earnings per share—reflect the aggregate earnings of the 500 corporations that compose the S&P 500 stock index, and they are measured on a financial-accounting basis. Reported earnings are based on the after-tax earnings that are publicly reported by corporations; operating earnings are reported earnings that exclude the impact of cumulative accounting changes, discontinued operations, extraordinary items, and special items.

The S&P 500 stock index is intended to gauge changes in the total market value of 500 leading corporations chosen by S&P. The inclusion of a corporation in the index is based on its market value, capitalization, trading activity, and industry-group representation. As a market-based index, the S&P 500 universe is continuously changing because of corporate actions—such as mergers and acquisitions, bankruptcy, or restructuring—and because of market actions that limit liquidity or industry representation. In 1998, the S&P 500 index reflected 48 corporate compositional changes; in 1999, it reflected 42 changes; and in 2000, it reflected 58 changes. To prevent discontinuities in the overall S&P 500 index, a scaling factor, referred to as the “divisor,” is used to derive the index; the S&P 500 index is calculated as the overall market capitalization of the 500 corporations divided by the divisor.⁷

Because the S&P 500 earnings measures reflect a shifting market basket of corporations, the series for reported and operating earnings are discontinuous over time. Thus, the estimates of growth derived from these series reflect changes in the composition of the index as well as changes in the actual earnings.

4. U.S. Department of the Treasury, Internal Revenue Service, *Statistics of Income: Corporation Income Tax Returns*, No. 16, (Washington, DC: U.S. Government Printing Office).

5. Interpolation is a method that is used to prepare estimates between two periods; it applies a mathematical formula to preserve the quarterly pattern of the indicator series consistent with the annual level of the source data. Extrapolation is a method that is used to extend estimates forward (or backward) from a given estimate; in simple terms, it applies a percentage change in an indicator series to the level of the estimate.

Preliminary SOI tabulations for a given year become available about 2 years later, and final tabulations, about a year after that. Each July, the existing estimates for the years for which SOI tabulations are newly available are replaced with estimates based on these tabulations. Preliminary annual NIPA profit estimates are prepared for the most recent year by using financial-accounting-based profits as indicators to extrapolate profits for about 75 industries. Quarterly estimates are derived by interpolating the annual industry estimates, using quarterly financial-accounting profits measures as the indicator and by using the same indicator to extrapolate into the current period.

For a detailed explanation of the process, see U.S. Department of Commerce, Bureau of Economic Analysis, *Corporate Profits: Profits Before Tax, Tax Liability, and Dividends*, Methodology Paper No. 2 (Washington, DC: U.S. Government Printing Office, May 1985), or go to BEA’s Web site at <www.bea.doc.gov> and look under “Methodologies.”

6. These adjustments are summarized in NIPA table 8.25, “Relation of Corporate Profits, Taxes, and Dividends in the NIPAs to Corresponding Measures as Published by the IRS,” on page 118 of the August 2000 SURVEY OF CURRENT BUSINESS.

7. The divisor assumes arbitrary values and is a scaling factor that equates adjacent-period estimates of S&P 500 total market capitalization. Total market capitalization and the divisor change as new corporations enter and exit the index, as new shares are issued or repurchased, or as the corporations conduct special stock-related transactions. (The divisor is also used to derive the S&P 500 earnings per share measure, which is calculated as total earnings of the 500 corporations divided by the latest available divisor.) Additional information can be found at <www.spglobal.com/indexmain500_method.html>.

Differences between annual NIPA and S&P profits

The SOI tax return tabulations that are used to prepare the NIPA estimates of profits differ from the S&P 500 earnings in several important ways.

Coverage.—The SOI data cover all incorporated businesses—both publicly traded and privately held—and all industries. In 1998, the last year for which SOI data are available, 4.8 million corporate tax returns were filed. Because the earnings of small and mid-sized corporations do not necessarily move in concert with the earnings of large corporations, changes in NIPA profits may differ from changes in S&P 500 earnings.

Changing shares.—Because the composition of the S&P 500 is constantly changing, the share of total corporate earnings that are accounted for by these corporations varies: For reported earnings, the share ranged from 38 percent in 1991 to 67 percent in 1988; for operating earnings, the share ranged from 46 percent in 1991 to 69 percent in 1989 and 1998 (chart 2). These shares are also affected by the number of corporations losing money in the overall economy. The NIPA profit measures include all of the deficit corporations in the corporate universe, while the S&P measures are limited to the largest, and generally more profitable, corporations. Because the proportion of deficit corporations to profitable corporations varies, comparisons with a given set of corporate earnings will result in varying shares.

Industry representation.—The universe of the S&P 500 index is limited to publicly traded corporations, so representation of certain sectors of the economy—such as construction, legal services, and medical services—is likely to be limited because few corporations in these sectors meet the criteria for inclusion in the S&P 500 index. Thus, the industry composition of the S&P 500 index does not reflect the industry composition of the overall economy. In addition, the composition of the S&P 500 index is based on market values, so strong market sectors—such as technology—may have a higher weight in the S&P profits measures than in the NIPA profits measures.

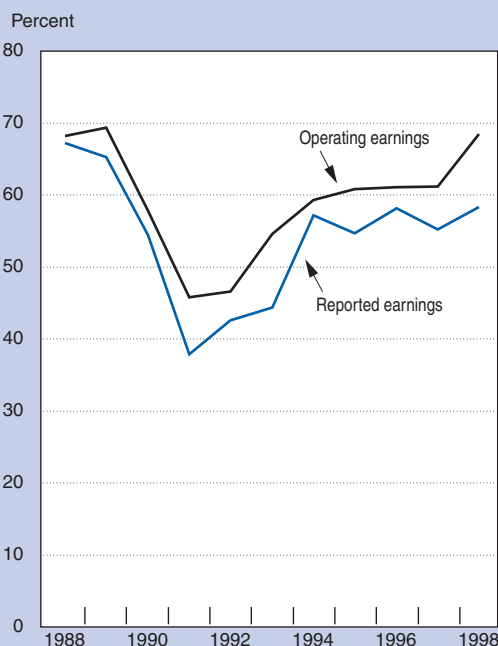
Accounting principles.—Accounting principles affect the definition of some receipts and expenses and the timing with which some receipts and expenses are recorded. For example, in financial accounting, the most common type of employee

stock options (nonstatutory options) are usually not recorded as expenses, whereas under tax-accounting rules, these options are deducted from profits when exercised. In addition, the appreciation of securities in corporate-sponsored, defined-benefit pension plans can result in increased earnings under financial accounting but not under tax accounting. In financial accounting, the expenditures associated with plant closings and company reorganizations are recorded as current expenses when companies establish reserves for their estimated future costs, but in tax accounting, these expenditures are recorded only when they are actually made. Such differences can result in substantial short-term divergences between the S&P and NIPA measures of profits.⁸ In addition, the adjustment of S&P earnings to an operating-earnings concept depends on interpretations of what constitutes special or extraordinary items and the degree to which corporations disclose or quantify the amounts.

8. For additional examples, see table A-1, "Selected Differences in Financial, Tax, and National Income and Product Accounting," in *Corporate Profits*, 52.

CHART 2

S&P Earnings as a Percent of NIPA Profits After Tax



U.S. Bureau of Economic Analysis

Differences between quarterly NIPA and S&P profits

In general, the factors that contribute to the differences between the annual measures of S&P 500 earnings and of NIPA profits also contribute to the differences between the quarterly measures. The corporate coverage is more extensive in the quarterly financial-profits indicator series that underlie the quarterly NIPA estimates than the coverage of S&P 500 index. For example, the indicator series for manufacturing, mining, wholesale trade, and retail trade are from the Census Bureau's *Quarterly Financial Report*.⁹ These indicators are from a sample panel that currently consists of 8,225 corporations—including both publicly traded and privately held corporations and both large and small businesses—and that provides specific information that is used to adjust NIPA domestic industry profits for foreign source income, dividend receipts, and nonrecurring and special items. Additional tabulations of quarterly financial reports filed with regulatory authorities provide universe coverage for commercial banks, savings and loans, property and casualty insurers, airlines, and railroads. The remaining sectors of the economy are included in matched sample panels of earnings that are compiled from publicly available sources.

Because the industry coverage of the S&P earnings is more limited, short-term developments may affect S&P earnings more than NIPA profits; for example, a spike in energy prices may have a greater effect on S&P profits because of the heavy representation of large energy corporations. In ad-

dition, the quarterly NIPA estimates are seasonally adjusted, and they are affected by timing differences in the recording of expenses, such as payments by tobacco companies related to out-of-court settlements and payments by insurance companies as a result of natural disasters.

Growth-rate comparisons

It is misleading to directly compare the growth rates of the NIPA measures of corporate profits with those of the S&P 500 measures or others like them because these measures are designed for different purposes and are constructed differently. The S&P 500 earnings measures should not be viewed as a time series, because they are designed to be a benchmark against which to measure economic performance at a specific time, not over time. However, NIPA profits can be compared with S&P earnings by adjusting for the differences in coverage, industry composition, and definitions.

Table 1 shows the growth rates of the NIPA, *SOI*, and S&P measures of profits in 1991–98. The adjusted NIPA profits estimate shown in line 4, which adds back capital gains and losses and bad debt expenses, provides one conceptual bridge to understand the differences between NIPA growth rates and *SOI* growth rates. The differences between lines 5 and 6 and the differences between lines 7 and 8 reflect the impact of corporate turnover in the S&P 500, and the differences between line 8 and line 9 reflect the differences in coverage, industry representation, and accounting principles between the S&P 500 and *SOI* tax return tabulations. The differences between lines 9 and 11 reflect the adjustments that are made to the *SOI* data to prepare NIPA profits estimates. The differences between lines 10 and 11 reflect the adjustments to remove capital gains and losses and bad debt expenses, and the differences between lines 11 and 12 reflect the impact of corporate income tax liabilities.

The growth rates of the various measures of profits are similar in some years and differ considerably in others. For example, NIPA before-tax and after-tax profits increased 3.6 percent and 8.3 percent, respectively, in 1991, while S&P 500 operating earnings (after tax) decreased 14.1 percent; the *SOI* measure decreased 7.3 percent, and adjusted NIPA profits before tax decreased 3.5 percent. Thus, the difference in the direction of the change in the NIPA profit measures was attributable to the


9. U.S. Department of Commerce, Bureau of the Census, *Quarterly Financial Report for Manufacturing, Mining and Trade Corporations* (Washington, DC: U.S. Government Printing Office, quarterly).

Table 1.—Comparison of Selected Measures of Profits

Line		1991	1992	1993	1994	1995	1996	1997	1998
	Billions of dollars:								
1	NIPA profits before tax	416.1	451.6	510.4	573.4	668.5	726.3	792.4	758.2
2	Less: bad debt expense	100.9	89.6	80.7	67.9	67.8	74.7	83.6	88.3
3	Plus: Capital gains	62.2	70.9	90.8	71.0	115.5	132.9	200.5	205.3
4	Equals: Adjusted NIPA profits before tax	377.4	432.9	520.5	576.5	716.2	784.5	909.3	875.2
	Percent change from preceding year:								
	S&P 500 reported earnings:								
5	Earnings per share	-25.2	19.5	14.7	39.8	11.0	14.0	2.6	-5.1
6	Earnings	-24.7	22.6	16.8	44.3	13.2	17.0	4.6	-2.2
	S&P 500 operating earnings:								
7	Earnings per share	-18.8	8.1	28.9	18.0	18.7	7.8	8.3	0.6
8	Earnings	-14.1	10.9	31.3	21.7	21.2	10.5	10.6	3.7
9	<i>SOI</i> total receipts less deductions	-7.3	18.0	22.5	15.9	22.7	11.1	13.5	-5.7
10	Adjusted NIPA profits before tax (based on line 4)	-3.5	14.7	20.2	10.8	24.2	9.5	15.9	-3.8
11	NIPA profits before tax	3.6	8.5	13.0	12.3	16.6	8.7	9.1	-4.3
12	NIPA profits after tax	8.3	9.2	11.9	12.1	18.3	9.9	10.4	-7.5

NIPA adjustments to remove capital gains and losses and bad debt expense.

In 1997, S&P 500 operating earnings increased 10.6 percent, and NIPA before-tax and after-tax profits increased 9.1 percent and 10.4 percent, respectively; the *SOI* measure increased 13.5 percent, and adjusted NIPA profits increased 15.9 percent. The growth rates in NIPA profits and in S&P 500 earnings are relatively close only because of large increases in bad debt expense and in capital gains and losses.

In 1998, S&P 500 operating earnings increased 3.7 percent, while NIPA before-tax and after-tax profits decreased 4.3 percent and 7.5 percent, respectively; the *SOI* measure decreased 5.7 percent, and adjusted NIPA profits before tax decreased 3.8 percent. The difference in the direction of change between S&P 500 operating earnings and the NIPA profits measures reflected differences in coverage, industry representation, and accounting principles. 

U.S. International Transactions, Fourth Quarter and Year 2000

By Christopher L. Bach

FOURTH QUARTER

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—increased to \$115.3 billion in the fourth quarter of 2000 from \$113.1 billion (revised) in the third quarter (table A).¹ Increases in the goods and services deficit and in net outflows for unilateral current transfers more than accounted for the in-

crease. These increases were partly offset by a decrease in the deficit on income.

In the financial account, net recorded inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$86.6 billion in the fourth quarter, down from \$101.9 billion in the third. Financial outflows for U.S.-owned assets abroad increased more than financial inflows for foreign-owned assets in the United States.

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

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

[Millions of dollars, quarters seasonally adjusted]

Line	Lines in tables 1 and 10 in which transactions are included are indicated in () (Credits +; debits -)	1999	2000 ^a	Change: 1999- 2000	1999				2000				Change: 2000 III-IV
					I	II	III	IV	I ^r	II ^r	III ^r	IV ^r	
Current account													
1	Exports of goods and services and income receipts (1)	1,232,407	1,414,925	182,518	293,717	300,994	313,084	324,612	336,729	353,494	362,765	361,938	-827
2	Goods, balance of payments basis (3)	684,358	773,304	88,946	163,949	166,443	173,881	180,085	183,659	191,713	200,836	197,096	-3,740
3	Services (4)	271,884	296,227	24,343	66,372	67,854	68,088	69,568	72,277	74,212	74,575	75,160	585
4	Income receipts (12)	276,165	345,394	69,229	63,396	66,697	71,115	74,959	80,793	87,569	87,354	89,682	2,328
5	Imports of goods and services and income payments (18)	-1,515,861	-1,797,061	-281,200	-349,513	-368,439	-391,337	-406,575	-426,410	-446,399	-462,926	-461,332	1,594
6	Goods, balance of payments basis (20)	-1,029,917	-1,222,772	-192,855	-236,973	-250,427	-266,199	-276,318	-289,699	-302,147	-315,574	-315,352	222
7	Services (21)	-191,296	-215,239	-23,943	-46,024	-47,170	-48,488	-49,615	-51,497	-52,523	-55,467	-55,757	-290
8	Income payments (29)	-294,648	-359,050	-64,402	-66,516	-70,842	-76,650	-80,642	-85,214	-91,729	-91,885	-90,223	1,662
9	Unilateral current transfers, net (35)	-48,025	-53,241	-5,216	-10,831	-11,537	-11,396	-14,260	-12,087	-12,334	-12,949	-15,872	-2,923
Capital account													
10	Capital account transactions, net (39)	-3,500	680	4,180	157	165	171	-3,993	166	170	167	177	10
Financial account													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40)	-430,187	-553,349	-123,162	-21,555	-170,842	-122,909	-114,882	-178,947	-92,413	-93,420	-188,566	-95,146
12	U.S. official reserve assets, net (41)	8,747	-290	-9,037	4,068	1,159	1,951	1,569	-554	2,020	-346	-1,410	-1,064
13	U.S. Government assets, other than official reserve assets, net (46)	2,751	-715	-3,466	118	-392	-686	3,711	-131	-574	114	-124	-238
14	U.S. private assets, net (50)	-441,685	-552,344	-110,659	-25,741	-171,609	-124,174	-120,162	-178,262	-93,859	-93,188	-187,032	-93,844
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55)	753,564	952,430	198,866	102,780	272,008	194,210	184,567	236,638	245,252	195,325	275,211	79,886
16	Foreign official assets in the United States, net (56)	42,864	35,909	-6,955	4,274	-1,096	12,191	27,495	22,015	6,346	11,901	-4,353	-16,254
17	Other foreign assets in the United States, net (63)	710,700	916,521	205,821	98,506	273,104	182,019	157,072	214,623	238,906	183,424	279,564	96,140
18	Statistical discrepancy (sum of above items with sign reversed) (70)	11,602	35,616	24,014	-14,755	-22,349	18,177	30,531	43,911	-47,770	11,038	28,444	17,406
Memoranda:													
19	Balance on current account (76)	-331,479	-435,377	-103,898	-66,627	-78,982	-89,649	-96,223	-101,768	-105,239	-113,110	-115,266	-2,156
20	Net financial flows (40 and 55)	323,377	399,081	75,704	81,225	101,166	71,301	69,685	57,691	152,839	101,905	86,645	-15,260

^r Revised.
^p Preliminary.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$28.4 billion in the fourth quarter, compared with a positive \$11.0 billion in the third.

The following are highlights for the fourth quarter of 2000:

- Goods exports and goods imports both decreased, ending many successive quarters of large increases. The decline in goods exports was larger than the slight decline in goods imports.
- The deficit on income fell as a result of an increase in earnings on U.S. direct investment abroad and a decrease in earnings on foreign direct investment in the United States.
- Net foreign purchases of U.S. securities other than U.S. Treasury securities remained strong, despite declines in U.S. stock prices and unsettled conditions in the bond market.
- Net financial inflows for foreign direct investment in the United States were much higher, partly as a result of numerous large acquisitions.
- U.S. claims reported both by U.S. banks and by U.S. nonbanks increased sharply to meet a surge in demand for credit abroad. U.S. liabilities reported both by U.S. banks and by U.S. nonbanks also increased sharply and provided some of the funds for the external lending.

U.S. dollar in exchange markets

In the fourth quarter, the U.S. dollar appreciated 3 percent on a nominal, trade-weighted quarterly average basis against the group of 7 major currencies that are widely traded in international markets (table B, chart 1). The dollar appreciated 4 percent against the euro and 2 percent against the Japanese yen.

In the first half of the quarter, high energy prices and a tight labor market were important concerns for the U.S. economy. In this environment, U.S. monetary authorities left the target Federal funds rate unchanged at 6.5 percent at their meeting in mid-November. However, economic data released later in the quarter—preliminary third-quarter GDP, October durable goods, and November retail sales—indicated that economic growth had slowed appreciably. The slowing in growth was also evidenced by further declines in long-term interest rates, by instability in the bond market, and by further declines in stock prices, partly reflecting an increasing number of corporate profits reports that fell significantly short of expectations. (In recognition of this deceleration, U.S. monetary authorities reduced the target Federal funds rate 50 basis points on January 3, 2001, and another 50 basis points on January 31, 2001.)

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

[January 1999=100]

	1999	2000				1999	2000											
	IV	I	II	III	IV	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Nominal: ¹																		
Broad ²	100.7	101.6	103.7	104.9	107.8	100.8	100.7	102.0	102.0	102.5	104.8	103.7	104.0	104.7	105.9	107.5	108.3	107.5
Major currencies ³	101.0	103.2	106.2	108.1	111.4	101.6	101.5	103.9	104.2	104.9	108.2	105.4	106.4	108.0	109.8	111.5	112.4	110.4
Other important trading partners ⁴	100.4	99.5	100.6	101.0	103.2	99.8	99.7	99.7	99.2	99.6	100.6	101.6	101.1	100.7	101.3	102.6	103.3	103.8
Real: ¹																		
Broad ²	101.0	102.0	104.8	106.2	108.6	101.0	100.9	102.2	103.0	103.6	105.8	105.0	105.4	106.0	107.1	108.5	109.1	108.2
Major currencies ³	102.0	104.9	108.3	110.5	114.1	102.6	102.8	105.5	106.3	107.1	110.2	107.7	108.8	110.5	112.3	114.2	115.1	113.0
Other important trading partners ⁴	99.8	98.6	100.5	100.9	102.0	99.0	98.6	98.3	98.9	99.3	100.4	101.7	101.3	100.5	100.8	101.8	101.9	102.3
Selected currencies: (nominal) ⁵																		
Canada	96.9	95.6	97.4	97.6	100.4	96.9	95.3	95.5	96.1	96.7	98.4	97.2	97.3	97.6	97.8	99.5	101.5	100.2
European currencies:																		
Euro area ⁶	111.7	117.5	124.2	128.3	133.5	114.6	114.4	117.9	120.2	122.7	128.0	121.9	123.5	128.1	133.3	136.0	135.5	129.0
United Kingdom	101.2	102.7	107.6	111.8	114.1	102.3	100.6	103.1	104.4	104.3	109.3	109.3	109.4	110.8	115.1	113.7	115.7	112.8
Switzerland	111.3	117.6	120.9	123.3	126.0	114.3	114.8	118.0	120.1	120.2	124.1	118.5	119.2	123.8	126.9	128.1	128.3	121.6
Japan	92.1	94.4	94.2	95.1	97.0	90.5	92.9	96.6	93.8	93.2	95.6	93.7	95.5	95.4	94.3	95.7	96.2	99.0
Mexico	93.5	92.8	94.6	92.3	93.9	93.1	93.7	93.1	91.7	92.8	93.9	97.1	93.0	91.5	92.4	94.2	93.9	93.5
Brazil	126.6	117.4	119.2	120.1	127.7	122.0	119.4	117.5	115.2	117.0	120.9	119.7	118.9	119.6	121.7	124.4	128.9	129.8

1. For more information on the nominal and real indexes of the foreign exchange value of the U.S. dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998): 811–18.

2. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, United Kingdom, Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that circulate widely outside the country of issue, including the currencies of euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, and the United Kingdom. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

4. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that do not circulate widely outside the country of issue, including the currencies of Argentina, Brazil, Chile, Colombia, Mex-

ico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the other important trading partners index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

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

6. The euro area includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain. Exchange rates (but not index values with January 1999=100) for the individual euro area currencies can be derived from the euro exchange rate by using the fixed conversion rates (in currencies per euro) as shown below: 13.7603 Austrian schillings; 40.3399 Belgian francs; 5.94573 Finnish markkas; 6.55957 French francs; 1.95583 German marks; 787564 Irish pounds; 193627 Italian lira; 40.3399 Luxembourg francs; 2.20371 Netherlands guilders; 200.482 Portuguese escudos; 166.386 Spanish pesetas.

Concurrently, concerns in Europe centered on inflation. The European Central Bank raised its rate on refinancing operations 25 basis points to 4.75 percent in early October to counter the inflationary effects of the euro's depreciation and high energy prices. When the euro continued to depreciate, the European Central Bank intervened in the exchange markets on several occasions in early November to raise the euro's value. The euro recouped some of its earlier losses in December, but the reversal was temporary, as depreciation resumed in January. (The European Central Bank left its rate on refinancing operations unchanged in January 2001.)

The U.S. dollar appreciated against the Japanese yen amid few indications that sustained expansion had taken hold and amid some speculation that the Japanese economy may have, in fact, weakened further.

Current Account

Goods and services

The deficit on goods and services increased to \$98.9 billion in the fourth quarter from \$95.6 billion in the third. The deficit on goods increased \$3.5 billion, and the surplus on services increased \$0.3 billion.

Goods.—The deficit on goods increased to \$118.3 billion in the fourth quarter from \$114.7 billion in the third. The increase resulted from a larger decrease in exports than in imports (table A).

Exports.—Exports decreased \$3.7 billion, or 2 percent, to \$197.1 billion in the fourth quarter. Quantities decreased 2 percent, and prices were unchanged.²

In value, nonagricultural exports decreased \$3.2 billion, or 2 percent, to \$183.8 billion. Much of the decrease was accounted for by capital goods, which declined \$2.3 billion after an increase of \$4.9 billion in the third quarter. Semiconductors, telecommunications equipment, and computers, peripherals, and parts all had sizable decreases, following especially large increases in recent quarters. These decreases reflected the worldwide slowdown in sales and production of high-technology equipment. "Other" industrial, agricultural, and service industry machinery also shifted to a decrease from an especially large increase. Civilian aircraft continued to decrease. Consumer goods decreased \$0.6 billion, and automotive vehicles, engines, and parts decreased \$0.6 billion, primarily in shipments to Canada. Agricultural products decreased \$0.6 billion, largely in shipments of corn and soybeans. Industrial supplies and materials increased \$0.5 billion; higher shipments of energy products were partly offset by decreases in chemicals and in paper and paper base stocks.

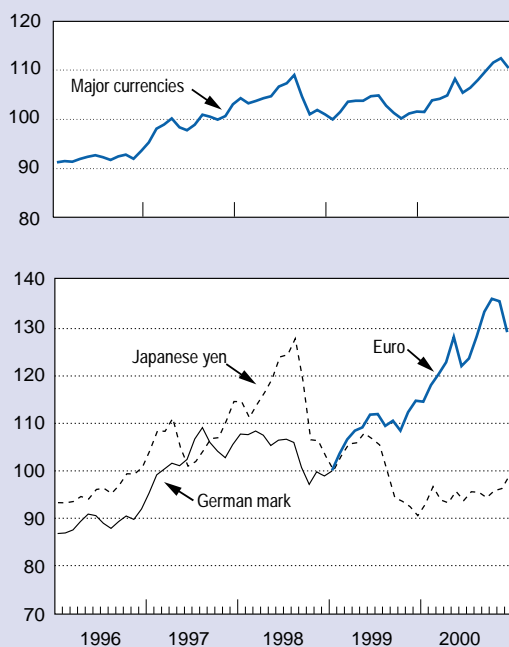
Imports.—Imports decreased \$0.2 billion, or less than 1 percent, to \$315.4 billion in the fourth quarter. Quantities decreased less than 1 percent, and prices were unchanged.

In value, nonpetroleum products decreased \$0.5 billion, or less than 1 percent, to \$283.3 billion. This was the first decrease since the third quarter of 1995. In contrast to the third quarter when imports of all major commodity categories

CHART 1

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

January 1999=100



Note.—See table B for definitions of the indexes. Monthly average rates.

Data: Federal Reserve Board. Indexes rebased by BEA.

U.S. Bureau of Economic Analysis

2. Quantity (real) estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters. Real estimates are expressed as chained (1996) dollars. Price indexes (1996=100) are also calculated using a chain-type Fisher formula.

increased, imports in the fourth quarter were mixed.

Automotive vehicles, engines, and parts fell \$2.2 billion, the first decrease since the third quarter of 1998. Imports of parts and complete autos, mostly from Mexico, fell in response to declines in U.S. domestic sales and production. Capital goods changed little after especially large increases in the two previous quarters. Sizable increases continued in telecommunications equipment and in civilian aircraft and parts. However, computers, peripherals, and parts and semiconductors fell by substantial amounts in response to reduced sales and large inventories. Consumer goods increased \$1.3 billion. Nonpetroleum industrial supplies and materials increased \$0.7 billion; nonferrous metals were higher, while iron and steel products and chemicals were sharply lower.

Petroleum imports slowed to an increase of only \$0.3 billion, or 1 percent, to \$32.1 billion in the fourth quarter. The average price per barrel increased further to \$29.14 per barrel, the highest level since the fourth quarter of 1982. The average number of barrels imported daily fell to 12.06 million from 12.12 million. Consumption, production, and inventories all fell.

Balances by area.—The deficit on goods increased \$3.5 billion, to \$118.3 billion, in the fourth quarter, compared with an increase of \$4.3 billion in the third.³ The deficit with Western Europe was up \$1.7 billion, with Canada, up \$3.3 billion, and with Japan, up \$1.8 billion. These higher deficits were partly offset by a \$3.4 billion decrease in the deficit with countries in Asia, excluding Japan.

Services.—The surplus on services increased to \$19.4 billion in the fourth quarter from \$19.1 billion in the third (table A).

Foreign visitors spent \$21.8 billion on travel to the United States, up 2 percent. Receipts from overseas visitors were \$18.9 billion, up 2 percent. Receipts from Canada decreased 3 percent, and receipts from Mexico changed little. Payments by U.S. travelers were \$16.9 billion, up 3 percent. Payments for overseas travel were \$13.5 billion,

3. Seasonally adjusted estimates for exports for areas and countries are derived by applying seasonal factors for total U.S. agricultural and nonagricultural exports to the unadjusted agricultural and nonagricultural exports for areas and countries and then summing the seasonally adjusted estimates. Seasonally adjusted estimates for imports for areas and countries are derived by applying seasonal factors for total U.S. petroleum and nonpetroleum imports to the unadjusted petroleum and nonpetroleum imports for areas and countries and then summing the seasonally adjusted estimates. (The seasonal factors are derived from the seasonal adjustment of U.S. exports and U.S. imports by five-digit end-use commodity category.)

up 3 percent. Payments to Canada were up 4 percent, and payments to Mexico were up 5 percent.

Passenger fare receipts were \$5.5 billion, up 1 percent, and passenger fare payments were \$6.2 billion, up 5 percent.

“Other” transportation receipts were \$7.5 billion, down 2 percent. Port expenditure receipts decreased slightly as a result of lower ocean port services receipts. Freight receipts decreased slightly as a result of lower revenues of U.S. air carriers. “Other” transportation payments were \$10.7 billion, up 1 percent. Freight payments accounted for the increase, partly due to an increase in container rates imposed at the beginning of September. Port expenditure payments were unchanged.

Royalties and license fees receipts were \$9.6 billion, up \$0.2 billion. Royalties and license fees payments were \$4.2 billion, down \$0.6 billion; payments had been boosted in the third quarter by payments for broadcast rights to the Summer Olympic Games.

“Other” private services receipts were \$26.9 billion, up from \$26.7 billion. Business, professional, and technical receipts increased, while financial services receipts dropped as conditions in U.S. financial markets deteriorated rapidly. “Other” private services payments were little changed at \$13.4 billion. Among the changes, insurance payments increased, and financial services payments fell as a result of increased uncertainties in financial markets abroad.

Transfers under U.S. military agency sales contracts were little changed at \$3.6 billion. Direct defense expenditures abroad changed little at \$3.6 billion.

Revisions to the Third-Quarter 2000 Estimates

As a result of incorporating newly available, more complete source data, the estimates of the international transactions accounts for the third quarter of 2000 have been revised from the preliminary estimates that were published in the January 2001 SURVEY OF CURRENT BUSINESS. In addition, data for all quarters have been revised to ensure that the seasonally adjusted estimates sum to the same annual totals as the unadjusted estimates.

The current-account deficit for the third quarter was revised to \$113.1 billion from \$113.8 billion. The goods deficit was revised to \$114.7 billion from \$115.4 billion, the services surplus was revised to \$19.1 billion from \$18.9 billion, the deficit on income was unrevised at \$4.5 billion, and net unilateral current transfers were revised to outflows of \$12.9 billion from outflows of \$12.8 billion. Net financial inflows were revised to \$101.9 billion from \$123.0 billion.

Income

The deficit on income decreased to \$0.5 billion in the fourth quarter from \$4.5 billion in the third (table A).

Investment income.—Receipts of investment income on U.S.-owned assets abroad increased to \$89.1 billion in the fourth quarter from \$86.8 billion in the third (table A). Direct investment receipts accounted for much of the increase, though “other” private receipts also increased. Payments of income on foreign-owned assets in the United States decreased to \$88.2 billion from \$89.9 billion. A decrease in direct investment payments more than accounted for the decrease; “other” private payments increased.

Receipts of income on U.S. direct investment abroad increased to \$39.7 billion in the fourth quarter from \$37.9 billion in the third. Earnings growth was largest in “other” industries, particularly finance, and in petroleum. In finance, earnings benefitted from high volumes of conventional bond and stock transactions and of transactions in financial derivatives at investment and brokerage affiliates abroad. In petroleum, high petroleum prices continued to sustain strong earnings. In manufacturing, earnings decreased, particularly in transportation equipment and electronics.

Payments of income on foreign direct investment in the United States decreased to \$13.5 billion in the fourth quarter from \$16.3 billion in the third. The decrease was centered in manufacturing, particularly in chemicals and in automotive, which had begun to weaken in the third quarter and weakened substantially more in the fourth. Earnings of petroleum affiliates and earnings of “other” industries changed little.

Receipts of income on “other” private investment increased to \$48.6 billion from \$48.1 billion. The increase was due to higher amounts outstanding of both bank and nonbank claims. Income on foreign securities decreased, mostly because of lower holdings of bonds.

Payments of income on “other” private investment increased to \$47.4 billion from \$46.3 billion. The increase was due to higher amounts outstanding of both bank and nonbank liabilities. Income on U.S. securities also rose; however, a sizable increase in holdings was largely offset by a decline in rates.

Receipts of income on U.S. Government investment decreased slightly to \$0.7 billion. Payments of income on U.S. Government liabilities were virtually unchanged at \$27.3 billion.

Compensation of employees.—Receipts for compensation of U.S. workers abroad were unchanged at \$0.6 billion. Payments for compensation of foreign workers in the United States increased to \$2.0 billion from \$1.9 billion.

Unilateral current transfers

Unilateral current transfers were net outflows of \$15.9 billion in the fourth quarter, up from \$12.9 billion in the third (table A). The increase was more than accounted for by U.S. Government grants, which increased to \$6.7 billion from \$3.6 billion, mostly as a result of cash grants to Israel—\$2.0 billion under the credit waiver program to finance military purchases and \$0.8 billion for economic support.

Capital Account

Net capital account inflows were \$0.2 billion in the fourth quarter, unchanged from the third (table A).

Financial Account

Net recorded financial inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$86.6 billion in the fourth quarter, compared with \$101.9 billion (revised) in the third. Financial outflows for U.S.-owned assets abroad increased more than financial inflows for foreign-owned assets in the United States.

U.S.-owned assets abroad

Net U.S.-owned assets abroad increased \$188.6 billion in the fourth quarter, compared with an increase of \$93.4 billion in the third. U.S. claims reported by U.S. banks and by U.S. nonbanks were sharply higher. Net outflows for U.S. direct investment abroad were moderately higher, and net U.S. purchases of foreign securities were lower.

Official reserve assets.—U.S. official reserve assets increased \$1.4 billion in the fourth quarter, following a \$0.3 billion increase in the third. The increase in the fourth quarter was largely the result of International Monetary Fund (IMF) lending to Turkey and Argentina, which increased the U.S. reserve position at the IMF.

Claims reported by banks and by nonbanks.—U.S. claims on foreigners reported by U.S. banks increased \$67.0 billion in the fourth quarter, up

strongly from an increase of \$6.0 billion in the third.

Banks' own claims payable in dollars increased \$55.7 billion, following an increase of \$13.2 billion. The surge in demand for bank credit partly resulted from a shift in preferences to short-term bank financing when conditions in bond markets deteriorated. Because only the highest rated borrowers were able to obtain funds at attractive rates in bond markets, borrowers turned to banks for short-term funds. The fourth-quarter surge also reflected the continued need for a large volume of funds to finance acquisitions, consolidations, and buyouts—largely in Europe—until more permanent financing could be arranged in the securities markets. Claims of both U.S.-owned and foreign-owned banks were higher; foreign-owned banks' claims increased mainly in October and November, and U.S.-owned banks' claims increased mainly in December. Some lending in December was for yearend bookkeeping operations.

Banks' domestic customers' claims payable in dollars increased \$13.6 billion, following a decrease of \$1.9 billion. Foreign commercial paper issued in the United States increased \$14.4 billion. Reflecting increased uncertainties in the bond markets and a deterioration in credit quality, spreads for many borrowers were sharply higher, forcing them to turn to the commercial paper market for short-term funds. The largest increases in commercial paper issues were from Western Europe, Canada, and the Caribbean.

Nonbank claims on foreigners increased \$50.1 billion in the fourth quarter. Nonbanks responded to many of the same factors as banks, supplying a large amount of credit to foreigners. Combined, nonbanks and banks supplied \$117.1 billion to foreign financial markets in the quarter.

Foreign securities.—Net U.S. purchases of foreign securities were \$24.9 billion in the fourth quarter, down from \$33.2 billion in the third.

Net U.S. purchases of foreign stocks were \$22.6 billion, consisting of \$24.7 billion in merger-related exchanges of stock and \$2.1 billion in net sales of outstanding stocks. Many of the merger-related exchanges of stock were with Western Europe, where they totaled \$15.7 billion. Net sales of outstanding stocks reflected concerns about telecommunications and information technology

stocks, uncertainty about how quickly economic growth abroad might slow, and generally high interest rates, particularly in Europe. For the quarter, stock prices, stated in local currency terms, fell 3 percent in Western Europe, 11 percent in Japan, 10 percent in the Far East (excluding Japan), and 6 percent in Latin America. Technology-related issues fell by substantially larger amounts than the broad indexes. Trading activity in foreign stocks—that is, gross purchases plus gross sales—increased 1 percent.

Net U.S. purchases of foreign bonds were \$2.3 billion, down from \$18.0 billion. Foreign new bond issues in the United States slowed substantially, declining to \$12.4 billion from \$22.9 billion. Credit risk premiums rose considerably for all but the highest rated corporate borrowers; this rise eliminated many low rated corporate borrowers from the U.S. bond market. Even some highly rated corporate borrowers postponed new issues until the first quarter, when interest rates were expected to be lower. Most new issues for the fourth quarter were by foreign corporations; they included a jumbo issue by a large European telecommunications company that accounted for nearly 60 percent of new foreign bond issues. This issue had been announced in mid-summer, but final pricing was not completed until late in the fourth quarter; substantial pricing incentives had to be added to the offering to offset increased tightness in the U.S. bond market and a significant increase in the credit risks associated with telecommunications issues. Transactions in outstanding bonds, excluding redemptions, shifted to net sales of \$3.2 billion from net purchases of \$1.0 billion. Trading activity increased 17 percent in the fourth quarter, reaching the highest trading volume of the year.

Direct investment.—Net financial outflows for U.S. direct investment abroad were \$45.0 billion in the fourth quarter, up from \$36.2 billion in the third. Net equity capital outflows increased to \$20.8 billion from \$12.3 billion; outflows were boosted by acquisitions in optical equipment, communications hardware and software, and computer programming services. Reinvested earnings increased to \$27.5 billion from \$25.4 billion. In contrast, intercompany debt inflows increased to \$3.4 billion from \$1.5 billion.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$275.2 billion in the fourth quarter, compared with an increase of \$195.3 billion in the third. U.S. liabilities reported by U.S. banks and by U.S. nonbanks were sharply higher, as were net inflows for foreign direct investment in the United States. Net foreign purchases of U.S. securities other than U.S. Treasury securities remained strong.

Foreign official assets.—Foreign official assets in the United States decreased \$4.4 billion in the fourth quarter, following an increase of \$11.9 billion in the third. In the fourth quarter, assets of many industrial countries decreased, and assets of developing countries increased a small amount (table C).

Liabilities reported by banks and by nonbanks.—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$42.8 billion in the fourth quarter, following a decrease of \$1.4 billion in the third.

Banks' own liabilities payable in dollars increased \$19.8 billion, following an increase of \$7.8 billion. A large share of the funds were borrowed from branches in the Caribbean and probably transferred to Western Europe to meet the surge in demand associated with acquisitions and consolidations. Additional funds were borrowed and likely transferred to Western Europe to accommodate a shift to short-term borrowing by those unable to obtain longer term funds in the bond markets at advantageous rates because of their deteriorating credit ratings. Additional funds were borrowed to fund yearend bookkeeping operations abroad.

Banks' liabilities to other private foreigners decreased \$3.5 billion, following an increase of \$6.6 billion. The decrease largely reflected the pay down of liabilities of U.S. securities dealers to international bond funds in the Caribbean.

Banks' custody liabilities increased \$25.1 billion, after decreasing \$4.3 billion. The increase in readily transferrable instruments may have reflected the unusual amount of uncertainty in financial markets, both in the United States and abroad.

Nonbanks' liabilities to unaffiliated foreigners increased \$22.1 billion, following an increase of \$1.5 billion. Although sizable, the increase was only half the size of the increase in funds supplied to foreigners by U.S. banks. Combined, nonbanks and banks borrowed \$64.9 billion from foreign financial markets in the quarter.

U.S. Treasury securities.—Net foreign sales of U.S. Treasury securities were \$9.8 billion in the fourth quarter, down from \$12.5 billion in the third. Foreign investors sold long-term bonds for liquidity needs or reinvested the proceeds in other financial instruments, including U.S. Treasury bills and agency bonds.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities increased to \$123.9 billion in the fourth quarter from \$122.4 billion in the third.

Net foreign purchases of U.S. stocks fell to \$36.5 billion from \$47.8 billion. Offshore investment funds in the Caribbean were net sellers of \$10.4 billion in stocks, following net purchases of \$2.3 billion. Demand from Europe remained strong, with net purchases of \$31.7 billion, compared with \$38.4 billion. Despite the unfavorable news of

Table C.—Selected Transactions with Official Agencies

[Millions of dollars]

	1999	2000 ^P	Change: 1999– 2000	1999				2000				Change: 2000 III–IV
				I	II	III	IV	I	II	III ^r	IV ^P	
Changes in foreign official assets in the United States, net (decrease –) (table 1, line 56)	42,864	35,909	–6,955	4,274	–1,096	12,191	27,495	22,015	6,346	11,901	–4,353	–16,254
Industrial countries ¹	31,119	13,126	–17,993	3,342	1,314	13,988	12,475	12,416	13,698	–3,517	–9,471	–5,954
Members of OPEC ²	1,331	11,989	10,658	2,155	1,632	–783	–1,673	6,109	1,913	3,803	164	–3,639
Other countries	10,414	10,794	380	–1,223	–4,042	–1,014	16,693	3,490	–9,265	11,615	4,954	–6,661
Changes in U.S. official reserve assets, net (increase –) (table 1, line 41)	8,747	–290	–9,037	4,068	1,159	1,951	1,569	–554	2,020	–346	–1,410	–1,064

^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. Excludes Ecuador beginning January 1993 and Gabon beginning January 1995.

slower growth in the United States, investors continued to view the U.S. market more favorably than their own. Stock valuations adjusted downward rapidly, as announced corporate profits fell short of expectations, especially for technology-related companies, and as the economy shifted to appreciably slower growth. While the Dow industrial index edged up 1.3 percent, the S&P 500 index lost 8 percent, and the Nasdaq index lost 33 percent. Trading activity increased 7 percent in the fourth quarter, compared with a decrease of 4 percent in the third.

Net foreign purchases of bonds increased to a record \$87.4 billion from \$74.6 billion. Net foreign purchases of outstanding corporate bonds were \$39.3 billion, up from \$22.2 billion. Investment-grade corporate bonds continued to outperform high-yield bonds, amid concerns about the amount of corporate debt that had accumulated over recent quarters and the ability to service that debt in a period of declining sales and profits. Investment-grade bonds posted a total return of 3.4 percent for the quarter, while high-yield bonds posted a total loss of 4.8 percent. High-yield spreads increased 211 basis points in the fourth quarter, following an increase of 60 basis points in the third.

New corporate bonds issued abroad dropped to \$9.9 billion from \$23.8 billion; only the highest rated issuers were able to obtain favorable credit terms as conditions in global capital markets tightened. Many new issues were postponed until the first quarter of 2001.

Net foreign purchases of U.S. agency bonds increased to a record \$38.2 billion, surpassing last quarter's record of \$28.6 billion. Net purchases were bolstered by the continued increase in demand for investment-grade bonds, amid an

increasingly volatile equity market and heightened credit risk in the bond market. Agency bonds outperformed all other bond sectors in the quarter with a total return of 5.1 percent.

Trading activity in U.S. bonds increased 9 percent in the fourth quarter, compared with an increase of 4 percent in the third.

U.S. currency flows.—Net U.S. currency shipments were \$6.2 billion in the fourth quarter, up from \$0.8 billion in the third, as shipments returned to a more usual quarterly flow.

Direct investment.—Net financial inflows for foreign direct investment in the United States were \$94.4 billion in the fourth quarter, up from \$72.7 billion in the third. Net equity capital inflows increased to \$80.1 billion from \$39.9 billion as a large number of foreign acquisitions of U.S. companies were completed. The acquisitions were in banking, securities brokerage, investment management, communications, technology products, foods, and pharmaceuticals. In contrast, net inter-company debt inflows were \$11.2 billion, down from \$27.5 billion, largely the result of a smaller increase in U.S. affiliates' payables. Reinvested earnings decreased to \$3.1 billion from \$5.3 billion.

THE YEAR 2000

The U.S. current-account deficit increased to a record \$435.4 billion in 2000 from the previous record of \$331.5 billion in 1999. Most of the increase was attributable to an increase in the deficit on goods and services, though net outflows for unilateral current transfers also increased. These increases were partly offset by a decrease in the deficit on income (table D).

Table D.—Selected Balances on U.S. International Transactions

[Millions of dollars, quarters seasonally adjusted]

(Credits +; debits -)	1998	1999	2000 ^r	2000			
				I ^r	II ^r	III ^r	IV ^r
Balance on goods	-246,854	-345,559	-449,468	-106,040	-110,434	-114,738	-118,256
Balance on services	79,956	80,588	80,988	20,780	21,689	19,108	19,403
Balance on income	-6,211	-18,483	-13,656	-4,421	-4,160	-4,531	-541
Investment income, net	-1,036	-13,102	-8,142	-3,050	-2,769	-3,184	864
Direct, net	67,728	62,704	83,776	17,026	18,973	21,537	26,241
Other private, net	18,754	16,128	11,926	4,924	3,946	1,836	1,220
U.S. Government, net	-87,518	-91,934	-103,844	-25,000	-25,688	-26,557	-26,597
Compensation of employees, net	-5,175	-5,381	-5,514	-1,371	-1,391	-1,347	-1,405
Unilateral current transfers, net	-44,029	-48,025	-53,241	-12,087	-12,334	-12,949	-15,872
Balance on current account	-217,138	-331,479	-435,377	-101,768	-105,239	-113,110	-115,266

^r Revised.

^p Preliminary.

In the financial account, net recorded inflows were \$399.1 billion in 2000, compared with \$323.4 billion in 1999. Financial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$35.6 billion in 2000, compared with a positive \$11.6 billion in 1999.

The following are highlights for 2000:

- The U.S. current-account deficit was substantially higher as a result of a rise in the deficit on goods.
- The deficit on income was somewhat lower after a sizable increase in 1999.
- Financial inflows into the United States increased by a very substantial amount, led by inflows into U.S. securities other than U.S. Treasury securities. Inflows into U.S. corporate stocks and bonds were exceptionally strong for the second consecutive year. Inflows for foreign direct investment in the United States also increased by a substantial amount, as an especially high number of large acquisitions of U.S. companies by foreign companies were completed.
- Financial outflows from U.S. banks and financial

inflows to U.S. banks were substantially larger than in 1999. U.S. banks were sizable net suppliers of funds to financial markets abroad in 2000, whereas they were very small net suppliers in 1999. Financial outflows from U.S. nonbanks and financial inflows to U.S. nonbanks were also substantially larger than in 1999. U.S. nonbanks were sizable net suppliers of funds to financial markets abroad in both years.

- Financial outflows for net U.S. direct investment abroad were larger than in 1999 and continued to include numerous large acquisitions of foreign companies.
- Financial outflows for net U.S. purchases of foreign securities remained strong, partly as a result of exchanges of stock related to foreign acquisitions of U.S. companies.

U.S. dollar in exchange markets

After changing little in 1999, the dollar resumed its appreciation in 2000, rising 5 percent on a nominal, trade-weighted yearly average basis against the group of 7 currencies that are widely traded in international markets (table B, chart 1). The dollar appreciated 15 percent against the euro. In contrast, the dollar depreciated 5 percent against the Japanese yen.

In the first quarter, the dollar appreciated strongly against the euro as a result of exceptional growth in the U.S. economy. Analysts expected that U.S. growth would continue to outpace growth in Europe by a substantial amount and that despite rising energy prices, U.S. inflation would remain moderate. Given the pace of U.S. expansion and the accompanying rise in credit demands in the banking and securities markets, both long-term and short-term interest rates rose sharply. Dollar-denominated assets maintained the significant yield advantage over euro-denominated assets that had emerged in the last half of 1999, contributing to sizable capital inflows (charts 2 and 3). The strength of the U.S. economy prompted U.S. monetary authorities to raise the target Federal funds rate to 6.0 percent during the quarter. Economic activity also accelerated substantially in the euro area, but the growth was less rapid than in the United States. The European Central Bank responded by raising its refinancing rate to 3.5 percent.

Rapid U.S. economic growth continued well into mid-year. Many analysts questioned the likelihood that such rapid growth could continue without bringing on higher inflation, while others

Data Availability

The current and historical estimates presented in tables 1–10a of the U.S. international transactions accounts are available as compressed files on BEA's Web site at <www.bea.doc.gov>; click on "Catalog of Products," and look under "International Accounts Products," "Balance of Payments."

The estimates are also available from BEA on the following diskettes:

U.S. International Transactions. The most recently released annual and quarterly estimates are available as a 1-year subscription (four installments)—product number IDS-0001, price \$80. The subscription also includes the diskette of the historical series estimates (see below).

U.S. International Transactions, Fourth Quarter 2000. Annual estimates for 1999 and quarterly estimates for 1999:I–2000:IV on a single diskette—product number IDN-0280, price \$20.

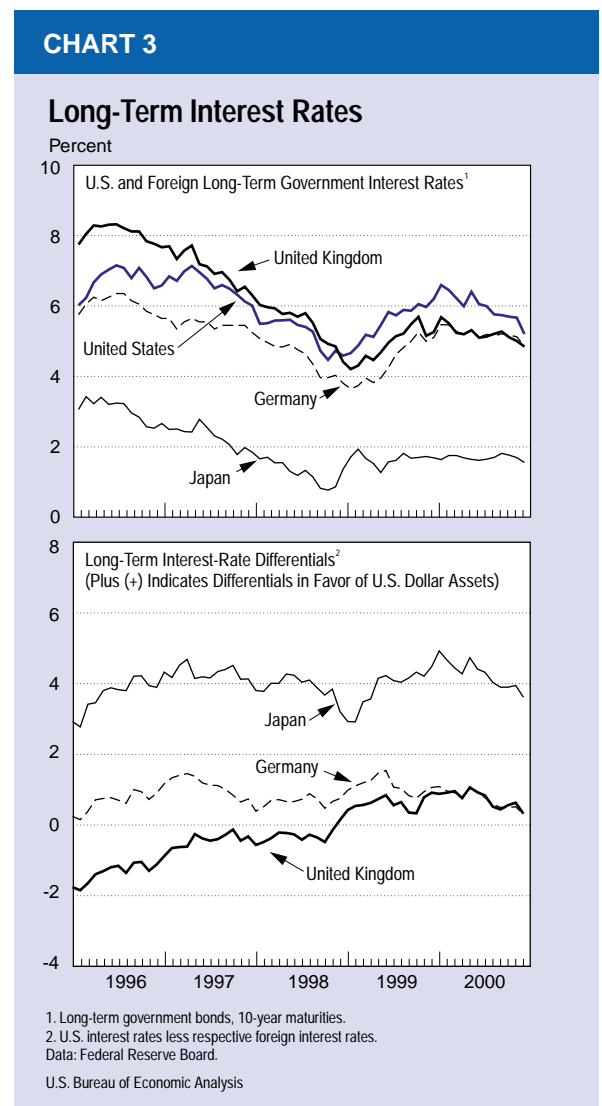
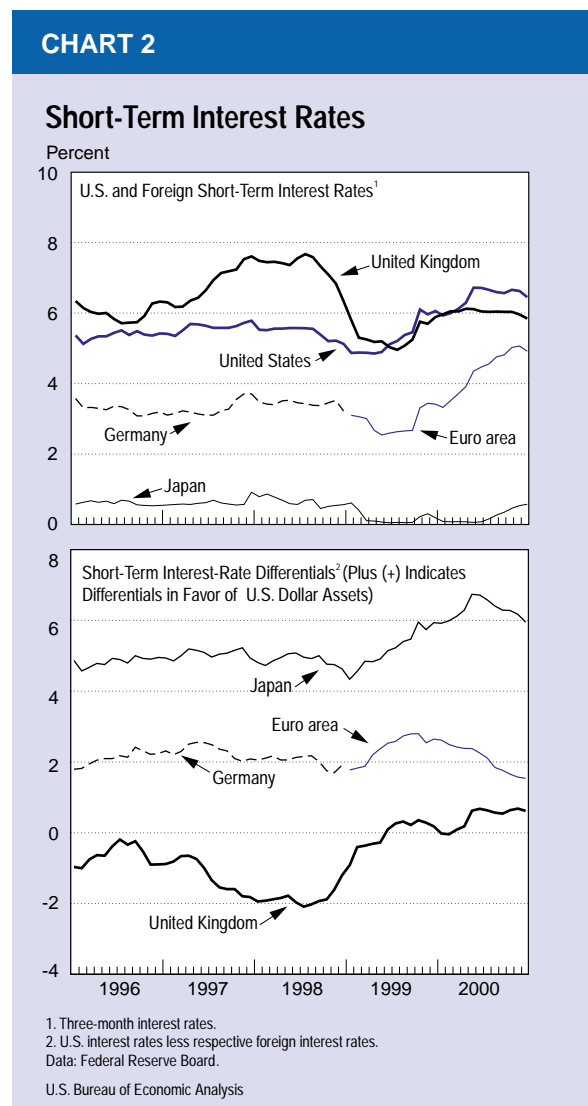
U.S. International Transactions, Historical Series. All the available historical annual and quarterly estimates on a single diskette—product number IDN-0261, price \$20.

To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666).

pointed to increases in productivity that suggested inflation would likely remain moderate. In this environment, U.S. short-term interest rates continued to rise, while long-term rates turned down in April, and U.S. stocks fell sharply from their peak valuations of late March. U.S. monetary authorities responded to the rapid growth and strong credit demands by raising the target Federal funds rate 50 basis points to 6.5 percent in mid-May. As U.S. economic growth exceeded that in the euro area by a wide margin, capital continued to flow into the United States, and the dollar continued to appreciate. In Europe, the European Central Bank raised its refinancing rate to 4.25 percent to restrain actual and anticipated price pressures; as a result, the interest-rate differential in favor of U.S. assets narrowed somewhat.

Dollar appreciation moderated in the third quarter. Early signs indicated that economic

growth was moderating and that inflation was not accelerating despite continued increases in oil prices and a tight labor market. Long-term interest rates continued to fall, while short-term interest rates remained high. Equity prices continued to decline, particularly for technology stocks. U.S. monetary authorities left the Federal funds rate unchanged after having raised it 175 basis points to 6.5 percent from June 1999 to May 2000. Amid fresh indications that inflation in the euro area might be accelerating, the European Central Bank raised its refinancing rate 25 basis points to 4.5 percent, further narrowing the differential between euro area and U.S. short-term interest rates. Nonetheless, confidence in the strength of the U.S. economy remained high, and the euro continued to decline against the dollar. In an effort to halt the decline, the European Central Bank and monetary authorities in the United States, Japan,



the United Kingdom, and Canada intervened in the currency markets on September 22 by purchasing euros.

In the fourth quarter, evidence accumulated that the U.S. economy had slowed appreciably from its rapid expansion in the first half of the year. Long-term interest rates fell further, and short-term rates turned down at the end of the quarter, partly as a result of a slackening in final demand. U.S. stock prices also fell further. Final sales slowed, corporate profits were lower than anticipated, and consumer confidence eroded quickly. Nonetheless, the dollar continued to appreciate strongly against the euro. In early October, the European Central Bank, still concerned about actual and potential inflation, raised its refinancing rate 25 basis points to 4.75 percent, and in early November, the Bank intervened on several occasions to boost the value of the euro in exchange markets. In December, the euro regained some of its lost value as European expansion continued and as short-term interest rates in the euro area rose relative to those in the United States. The appreciation was temporary, however, as the euro resumed its depreciation in the first quarter of 2001.

The dollar depreciated 5 percent against the Japanese yen in 2000. Early in the year, the dollar appreciated because of signs that the Japanese economy was contracting. During the second quarter, the yen strengthened after intervention in

exchange markets by Japanese authorities and comments by Japanese authorities about possible increases in interest rates. In response to some indications that the Japanese economy might be gaining strength, Japanese monetary authorities increased the overnight call rate to 0.25 percent in mid-August from the near-zero rate that had prevailed for more than a year. However, concerns arose that the tightening of monetary policy might hinder the recovery of the Japanese economy, and in the fourth quarter, the dollar appreciated amid accumulating evidence that sustained expansion had not taken hold and that confidence in the Japanese economy was weakening.

Current Account

Goods and services

The deficit on goods and services increased to \$368.5 billion in 2000 from \$265.0 billion in 1999. The deficit on goods increased; the surplus on services changed little (table D).

Goods.—The deficit on goods increased to \$449.5 billion in 2000 from \$345.6 billion in 1999. Imports and exports both increased by very large amounts in 2000.

Goods exports increased \$88.9 billion, or 13 percent, to \$773.3 billion in 2000 after increasing \$14.0 billion, or 2 percent in 1999. The increase was concentrated in capital goods, which had

Table E.—U.S. Trade in Goods, Current and Chained (1996) Dollars

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

	Current dollars							Chained (1996) dollars ¹						
	1998	1999	2000 ^P	2000				1998	1999	2000 ^P	2000			
				I ^r	II ^r	III ^r	IV ^P				I ^r	II ^r	III ^r	IV ^P
Exports	670,324	684,358	773,304	183,659	191,713	200,836	197,096	711,246	736,199	823,066	196,007	203,950	213,655	209,454
Agricultural products	53,105	49,619	53,214	13,012	13,083	13,842	13,277	62,549	63,131	68,936	16,811	16,730	18,285	17,110
Nonagricultural products	617,219	634,739	720,090	170,647	178,630	186,994	183,819	648,364	672,845	753,568	179,251	187,047	195,192	192,078
Foods, feeds, and beverages	46,397	45,532	47,826	11,704	11,763	12,453	11,906	55,061	56,608	60,531	14,759	14,631	16,089	15,052
Industrial supplies and materials	148,269	147,029	172,192	41,756	41,717	44,091	44,628	157,345	158,378	174,482	42,871	42,266	44,402	44,943
Capital goods, except automotive	300,129	311,775	356,820	81,584	89,242	94,166	91,828	324,418	342,557	394,807	90,348	98,828	104,051	101,580
Automotive vehicles, parts, and engines	73,157	75,755	80,005	20,109	20,040	20,241	19,615	72,486	74,577	78,111	19,676	19,570	19,728	19,137
Consumer goods (nonfood), except automotive	79,262	80,768	89,167	21,829	22,137	22,922	22,279	78,673	80,445	88,416	21,634	21,940	22,718	22,124
Exports, n.e.c.	23,110	23,499	27,294	6,677	6,814	6,963	6,840	23,901	24,581	28,204	6,912	7,039	7,216	7,037
Imports	917,178	1,029,917	1,222,772	289,699	302,147	315,574	315,352	1,017,149	1,140,418	1,295,085	309,177	321,775	332,533	331,600
Petroleum and products	50,903	67,807	120,277	27,067	29,322	31,814	32,074	81,418	81,498	86,060	20,474	22,080	21,805	21,701
Nonpetroleum products	866,275	962,110	1,102,495	262,632	272,825	283,760	283,278	935,464	1,056,193	1,204,864	287,658	298,169	309,782	309,255
Foods, feeds, and beverages	41,243	43,578	45,982	11,143	11,408	11,824	11,607	42,206	46,111	49,456	11,842	12,201	12,769	12,644
Industrial supplies and materials	203,095	224,800	301,349	71,566	72,960	77,911	78,912	243,522	249,010	263,205	65,477	65,494	66,364	65,870
Capital goods, except automotive	269,557	297,112	352,233	81,128	87,184	91,911	92,010	328,248	378,199	460,457	105,088	113,521	120,302	121,546
Automotive vehicles, parts, and engines	149,054	179,392	196,266	48,329	48,860	50,643	48,434	148,573	177,557	192,888	47,662	47,996	49,699	47,531
Consumer goods (nonfood), except automotive	216,654	239,607	275,902	65,195	69,178	70,120	71,409	222,283	247,485	287,504	67,630	72,060	73,118	74,696
Imports, n.e.c., and U.S. goods returned	37,575	45,428	51,040	12,338	12,557	13,165	12,980	37,833	45,759	50,961	12,375	12,570	13,113	12,903

^r Revised.
^P Preliminary.
n.e.c. Not elsewhere classified.

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

accounted for virtually all of the growth in 1999, and in industrial supplies and materials (tables E and F).

Goods imports increased \$192.9 billion, or 19 percent, to \$1,222.8 billion in 2000 after increasing \$112.7 billion, or 12 percent, in 1999. Petroleum imports increased \$52.5 billion, or 77 percent, up from a 33-percent increase. Nonpetroleum imports increased \$140.4 billion, or 15 percent, up from an 11-percent increase. Increases in capital goods, consumer goods, and industrial supplies and materials were especially strong, but the increase in autos was about half the increase in 1999.

U.S. export growth in 2000 was stimulated by the substantial pickup in economic growth in industrial and less developed countries that began early in 1999 and continued through much of 2000 (chart 4). Real GDP growth in many countries in Western Europe and in many Asian countries was considerably stronger in 2000 than in 1999. Growth in Canada and Japan was slightly stronger than in 1999.

U.S. import growth increased substantially in 2000, as the U.S. economy continued to grow very strongly. Growth in U.S. real GDP was 5.0 percent in 2000, following increases of 4.2 percent in 1999 and 4.4 percent in 1998.

Domestic prices of most exports increased slightly in 2000, following a decrease in 1999. The largest increases were in industrial supplies and materials and in the civilian aircraft component of capital goods. Prices of computers and foods decreased, but by less than in 1999 (table G). When converted into foreign currencies, most price increases were larger, because depreciation of foreign currencies added to the increases (table H).

Dollar prices of imports increased. Prices of petroleum and petroleum products were sharply higher. However, prices of most nonpetroleum imports changed little; computer prices declined, but less than in 1999 (table G).

Exports.—Nonagricultural exports increased \$85.4 billion, or 13 percent, to \$720.1 billion in 2000,

Table F.—Percent Changes in U.S. Trade in Goods, Current and Chained (1996) Dollars
[Balance of payments basis]

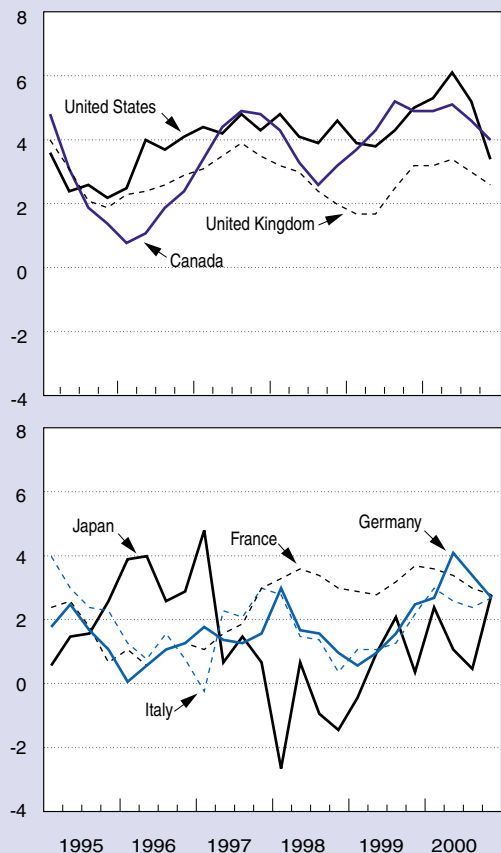
	Current dollars			Chained (1996) dollars		
	1998	1999	2000 ^P	1998	1999	2000 ^P
Exports	-1.4	2.1	13.0	1.8	3.5	11.8
Agricultural products	-9.1	-6.6	7.2	0	.9	9.2
Nonagricultural products	-7	2.8	13.4	2.0	3.8	12.0
Foods, feeds, and beverages	-9.9	-1.9	5.0	-1.0	2.8	6.9
Industrial supplies and materials	-6.3	-8	17.1	-1.0	.7	10.2
Capital goods, except automotive	1.5	3.9	14.4	4.3	5.6	15.3
Automotive vehicles, parts, and engines	-1.2	3.6	5.6	-1.3	2.9	4.7
Consumer goods (nonfood), except automotive	2.5	1.9	10.4	2.5	2.3	9.9
Exports, n.e.c.	1.4	1.7	16.1	3.8	2.8	14.7
Imports	4.7	12.3	18.7	11.3	12.1	13.6
Petroleum and products	-29.1	33.2	77.4	7.0	.1	5.6
Nonpetroleum products	7.7	11.1	14.6	11.6	12.9	14.1
Foods, feeds, and beverages	3.9	5.7	5.5	7.3	9.3	7.3
Industrial supplies and materials	-6.6	10.7	34.1	9.7	2.3	5.7
Capital goods, except automotive	6.4	10.2	18.6	14.7	15.2	21.7
Automotive vehicles, parts, and engines	6.6	20.4	9.4	6.5	19.5	8.6
Consumer goods (nonfood), except automotive	11.7	10.6	15.1	13.2	11.3	16.2
Imports, n.e.c., and U.S. goods returned	16.4	20.9	12.4	16.6	20.9	11.4

^P Preliminary.
n.e.c. Not elsewhere classified.

CHART 4

Major Industrial Countries: Real GDP

Percent change from four quarters earlier



U.S. Bureau of Economic Analysis

following a \$17.5 billion, or 3 percent, increase in 1999. Quantities increased 12 percent, and prices increased 1 percent. In value, capital goods accounted for more than half of the increase. Nonagricultural industrial supplies and materials jumped sharply. Agricultural goods increased after 3 years of decline (chart 5).

Capital goods, except automotive, increased \$45.0 billion, or 14 percent, up from an increase of \$11.6 billion, or 4 percent. Semiconductors; computers, peripherals, and parts; and telecommunications equipment jumped \$27.8 billion, or 23 percent, up from a 12-percent increase. In 2000, these commodities accounted for over half of the increase in capital goods and over 30 percent of the increase in total exports. Semiconductors—mainly

to Asia, Latin America, and Western Europe—increased \$13.0 billion, or 28 percent, following an increase of 25 percent. Computers, peripherals, and parts—mainly to Western Europe, Canada, and Asia—increased \$8.9 billion, or 19 percent, following an increase of 3 percent. Telecommunications equipment—mainly to Western Europe, Canada, and Mexico—increased \$5.9 billion, or 22 percent, following a 7-percent increase in 1999.

Table G.—Percent Changes in U.S. Goods Trade Chain-Weighted Price Indexes
[Based on index numbers (1996=100)]

	1998	1999	2000 ^P
Exports	-3.1	-1.4	1.1
Agricultural products	-9.1	-7.4	-1.8
Nonagricultural products	-2.6	-8	1.3
Foods, feeds, and beverages	-9.0	-4.6	-1.7
Industrial supplies and materials	-5.4	-1.5	6.4
Capital goods, except automotive	-2.7	-1.6	-7
Computers, peripherals, and parts	-12.2	-9.4	-5.4
Civilian aircraft, engines, and parts	1.4	2.3	3.7
Other capital goods	-1.4	-7	-5
Automotive vehicles, parts, and engines .....	.1	.7	.8
Consumer goods (nonfood), except automotive .....	.1	-4	.4
Exports, n.e.c.	-2.3	-1.1	1.3
Imports	-5.9	.1	4.5
Petroleum and products	-33.7	33.1	68.0
Nonpetroleum products	-3.5	-1.6	.4
Foods, feeds, and beverages	-3.2	-3.3	-1.6
Industrial supplies and materials	-14.8	8.2	26.9
Capital goods, except automotive	-7.2	-4.3	-2.7
Computers, peripherals, and parts	-17.1	-12.8	-6.4
Civilian aircraft, engines, and parts	1.7	1.8	2.6
Other capital goods	-3.9	-1.3	-1.6
Automotive vehicles, parts, and engines .....	.1	.7	.8
Consumer goods (nonfood), except automotive	-1.3	-7	-9
Imports, n.e.c., and U.S. goods returned	-2	0	.9

^P Preliminary.
n.e.c. Not elsewhere classified.

Table H.—Percent Changes in Foreign Currency Cost of U.S. Exports of Goods
[Based on index numbers (1996=100)]

	1998	1999	2000 ^P
Exports	1.8	-3.2	5.8
Agricultural products	-4.5	-9.1	2.8
Nonagricultural products	2.3	-2.7	6.0
Foods, feeds, and beverages	-4.4	-6.4	2.9
Industrial supplies and materials	-7	-3.3	11.3
Capital goods, except automotive	2.1	-3.4	4.0
Computers, peripherals, and parts	-7.8	-11.1	-1.0
Civilian aircraft, engines, and parts	6.4	.4	8.6
Other capital goods	3.6	-2.6	4.1
Automotive vehicles, parts, and engines	5.1	-1.2	5.5
Consumer goods (nonfood), except automotive	5.1	-2.2	5.1
Exports, n.e.c.	2.6	-3.0	6.0

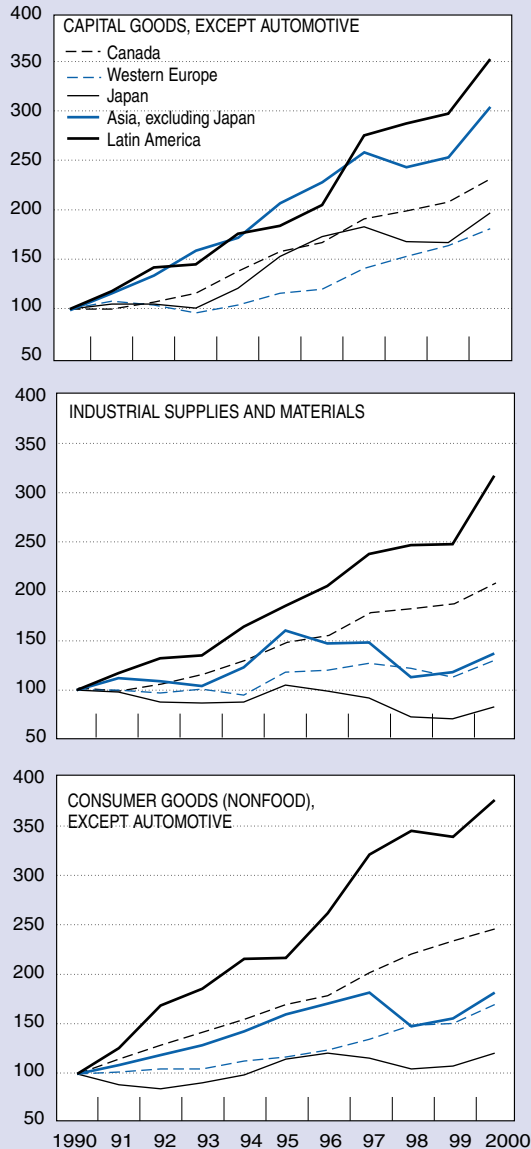
^P Preliminary.
n.e.c. Not elsewhere classified.

NOTE.—Chain-weighted price indexes multiplied by trade-weighted exchange rate index of the currencies of Australia, Austria, Belgium, Canada, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, and United Kingdom.

CHART 5

Growth in Exports by Selected Commodity Categories and Areas

1990=100



^P Preliminary

U.S. Bureau of Economic Analysis

Increases in "other" industrial, agricultural, and service industry machinery—mainly to the newly industrialized countries in Asia, Western Europe, and Japan—and in electric generating equipment—mainly to Mexico, Asia, and Western Europe—were also up sharply (table I).

In contrast, exports of civilian aircraft and parts fell \$4.9 billion, or 9 percent, following a decrease of 1 percent. A strike at a major manufacturing plant early in the year and production difficulties thereafter slowed shipments of complete aircraft significantly. Most of the falloff was in deliveries to

Table I.—U.S. Trade in Capital Goods, except Automotive

[Balance of payments basis, millions of dollars]

	1995	1996	1997	1998	1999	2000 ^P
Exports	233,778	253,252	295,741	300,129	311,775	356,820
Computers, peripherals, and parts	39,654	43,719	49,361	45,246	46,724	55,606
Semiconductors	34,153	35,768	38,861	37,649	46,962	59,995
Telecommunications equipment	20,248	20,323	23,995	24,956	26,622	32,568
Scientific, hospital, and medical equipment and parts	13,073	14,748	16,114	15,773	16,780	19,174
Industrial, agricultural, and service industry machinery	37,088	40,178	45,620	42,802	43,097	51,084
Machine tools, metalworking equipment, and control instruments	14,259	15,607	18,275	18,815	19,335	23,718
Oil drilling, mining, and construction machinery	11,517	12,693	15,964	15,943	11,987	12,666
Industrial engines, pumps, and compressors	10,160	10,287	12,614	11,727	11,899	12,454
Electric generating machinery, electric apparatus, and parts	23,040	24,112	27,977	27,301	29,403	35,875
Civilian aircraft, engines, and parts	26,128	30,792	41,358	53,548	52,921	48,042
Other capital goods, n.e.c.	4,458	5,025	5,602	6,369	6,045	5,638
Imports	221,429	228,075	253,281	269,557	297,112	352,233
Computers, peripherals, and parts	56,277	61,513	70,176	72,474	81,456	89,788
Semiconductors	39,042	36,707	36,881	33,417	37,628	48,333
Telecommunications equipment	15,331	13,360	14,774	17,073	23,939	37,999
Scientific, hospital, and medical equipment and parts	6,669	7,209	8,153	9,580	11,340	14,148
Industrial, agricultural, and service industry machinery	36,707	38,195	41,552	44,400	45,849	51,263
Machine tools, metalworking equipment, and control instruments	12,245	13,463	14,973	16,173	15,496	18,098
Oil drilling, mining, and construction machinery	5,481	5,201	6,381	8,007	7,026	7,217
Industrial engines, pumps, and compressors	6,176	6,266	6,541	7,338	8,258	10,047
Electric generating machinery, electric apparatus, and parts	24,150	24,749	27,920	29,074	32,836	39,786
Civilian aircraft, engines, and parts	10,709	12,671	16,598	21,814	23,773	26,328
Other capital goods, n.e.c.	8,642	8,741	9,332	10,207	9,511	9,226

^P Preliminary.
n.e.c. Not elsewhere classified.

Table J.—U.S. Trade in Nonagricultural Industrial Supplies and Materials

[Balance of payments basis, millions of dollars]

	1995	1996	1997	1998	1999	2000 ^P
Exports	135,483	137,961	147,672	138,490	139,253	162,919
Energy products	13,778	15,556	16,521	13,294	12,819	16,598
Chemicals, excluding medicinals	42,985	42,472	46,865	44,980	45,959	52,460
Paper and paper base stocks	14,487	12,483	12,785	12,151	12,174	14,152
Textile supplies and related materials	9,284	9,555	10,700	8,918	9,215	10,663
Building materials, except metals	9,061	9,261	9,482	7,977	8,166	8,771
Other nonmetals	13,410	15,262	16,655	18,010	18,467	21,178
Metals and nonmetallic products	32,478	33,372	34,664	33,160	32,453	39,097
Steelmaking materials and iron and steel products	8,574	7,565	8,186	7,328	7,138	8,525
Nonferrous metals	14,602	15,481	15,027	14,234	13,540	16,058
Other metals and nonmetallic products	9,302	10,326	11,451	11,598	11,775	14,514
Imports	179,434	203,015	211,106	197,205	219,271	295,770
Energy products	62,178	80,257	80,242	59,436	78,222	136,892
Chemicals, excluding medicinals	25,552	26,897	29,164	29,238	30,173	34,497
Paper and paper base stocks	12,879	10,871	10,676	11,223	11,614	13,725
Textile supplies and related materials	8,617	8,843	10,107	10,348	10,303	11,260
Building materials, except metals	12,819	15,035	16,822	17,909	21,824	21,809
Other nonmetals	12,503	13,353	14,147	14,618	15,821	17,876
Metals and nonmetallic products	44,886	47,759	49,948	54,433	51,314	59,711
Steelmaking materials and iron and steel products	19,133	20,265	21,163	24,457	20,916	24,008
Nonferrous metals	20,260	21,679	22,035	22,836	22,797	26,633
Other metals and nonmetallic products	5,493	5,815	6,750	7,140	7,601	9,070
Memorandum:						
Nonpetroleum industrial supplies and materials imports	128,850	136,733	145,585	152,192	156,993	181,072

^P Preliminary.

Western Europe and Asia. Deliveries of aircraft engines increased, mainly to Western Europe, Canada, and Japan.

Nonagricultural industrial supplies and materials increased \$23.7 billion, or 17 percent, following an increase of \$0.8 billion, or 1 percent. Metals and nonmetallic products increased \$6.6 billion, following decreases in each of the last 2 years; the increases were in nonmonetary gold and other precious metals to Western Europe, copper to China and Mexico, aluminum to Canada and China, and other precious and nonferrous metals to Japan. Chemicals increased \$6.5 billion to all areas, up substantially from last year. Petroleum and products increased \$3.4 billion, largely to Mexico. Paper products and textile products—largely to Mexico, Canada, and Western Europe—were also up substantially (table J).

Consumer goods increased \$8.4 billion, or 10 percent, following an increase of \$1.5 billion, or 2 percent. Durable goods and nondurable goods each increased about 10 percent.

Automotive vehicles, engines, and parts increased \$4.3 billion, or 6 percent, up from an increase of \$2.6 billion, or 4 percent. Higher shipments of parts to Mexico, where a growing share of U.S. production now takes place, accounted for much of the increase. Exports of complete autos and of parts to Canada, where U.S. production also occurs, fell in 2000, in contrast to a large increase in 1999.

Agricultural products increased \$3.6 billion, or 7 percent, following 3 consecutive years of sizable declines. In 2000, growth was led by meat and poultry products, which increased \$1.2 billion, largely to Japan, Mexico, Korea, and Canada; prices increased 3 percent. Cotton increased \$1.0 billion, largely to Mexico, Turkey, Asia, and Latin America; prices increased 5 percent. Soybeans increased \$0.7 billion, \$0.6 billion of which was to China; prices increased 4 percent.

Imports.—Nonpetroleum imports increased \$140.4 billion, or 15 percent, to \$1,102.5 billion in 2000, following an increase of \$95.8 billion, or 11 percent, in 1999. Quantities increased 14 percent, and prices increased 1 percent. In value, capital goods, consumer goods, and nonpetroleum industrial supplies and materials each jumped strongly. Automotive products increased less than in 1999 (chart 6).

Capital goods, except automotive, jumped \$55.1 billion, or 19 percent, following an increase of

\$27.6 billion, or 10 percent. The increase in value was twice that of 1999. High-technology products dominated the increase, accounting for more than 60 percent of the growth in capital goods in 2000. Within the group, telecommunications equipment increased \$14.1 billion, up from the 1999 increase of \$6.9 billion; imports from all major areas rose, but especially from Canada, Asia, and Mexico. Semiconductors increased \$10.7 billion, compared with the 1999 increase of \$4.2 billion; imports from Asia accounted for nearly two-thirds of the increase. Computers, peripherals, and parts increased \$8.3 billion, compared with the 1999 increase of \$9.0 billion; imports from Asia accounted for nearly three-fourths of the increase. “Other” industrial, agricultural, and service industry machinery grew substantially; imports of these products jumped \$5.4 billion—largely from Japan and Western Europe—compared with the 1999 increase of \$1.4 billion (table I).

Civilian aircraft, engines, and parts continued to grow at a moderate pace, increasing \$2.6 billion; the increase was more than accounted for by complete aircraft. Since 1998, imports of complete aircraft have been rising, mostly from Western Europe, while those of engines and parts have fallen as U.S. production has slowed, especially in 2000.

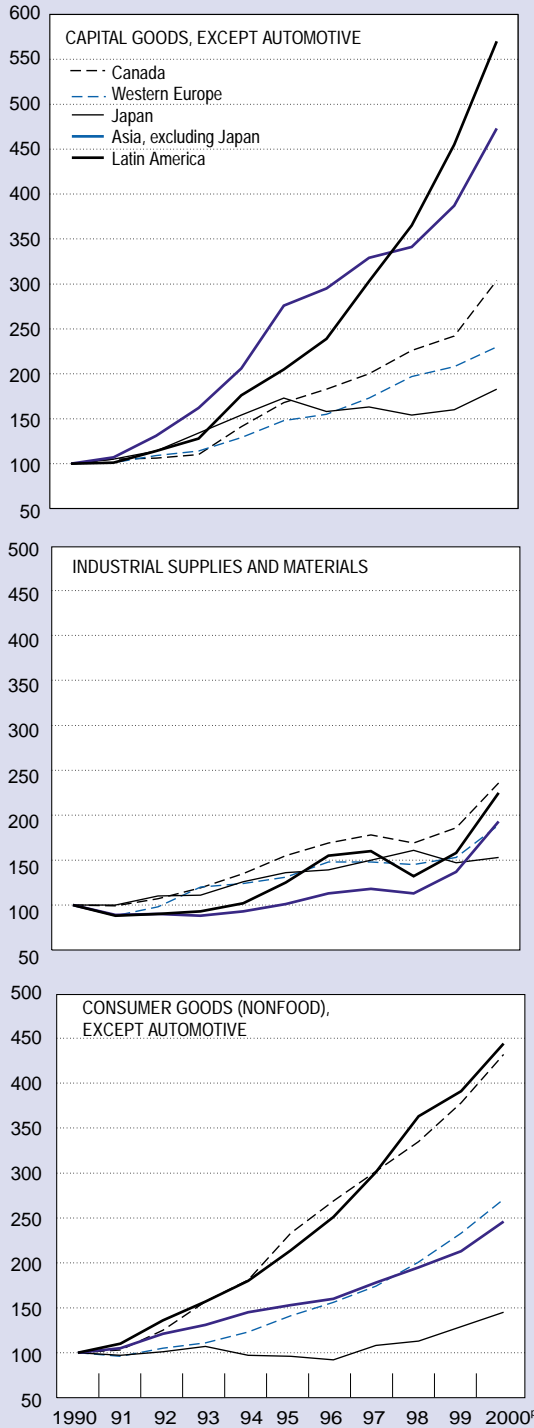
Consumer goods jumped \$36.3 billion, or 15 percent, following an increase of \$23.0 billion, or 11 percent. This is the fourth consecutive year of double-digit growth. Within durable goods, home entertainment goods, largely from Asia, and household goods, largely from China, continued to rise steadily. Recreational equipment and coins, gems, jewelry, and collectibles also rose. Within nondurable goods, apparel and footwear were higher.

Nonpetroleum industrial supplies and materials surged \$24.1 billion, or 15 percent, up from an increase of \$4.8 billion, or 3 percent. The increase in 2000 was more than the combined increases in the previous 3 years. Metals and nonmetallic products, which accounted for one-third of the increase in 2000, increased \$8.4 billion, compared with a decrease of \$3.1 billion in 1999; the increase was largely due to stronger imports of iron and steel products and steelmaking materials from Asia, Latin America, and Eastern Europe. Precious metals also increased. Among nonmetals, chemicals, largely from Asia and Canada, increased a record \$4.3 billion, compared with the 1999 increase of \$0.9 billion. Paper and paper base stocks, mainly

CHART 6

Growth in Imports by Selected Commodity Categories and Areas

1990=100



^p Preliminary

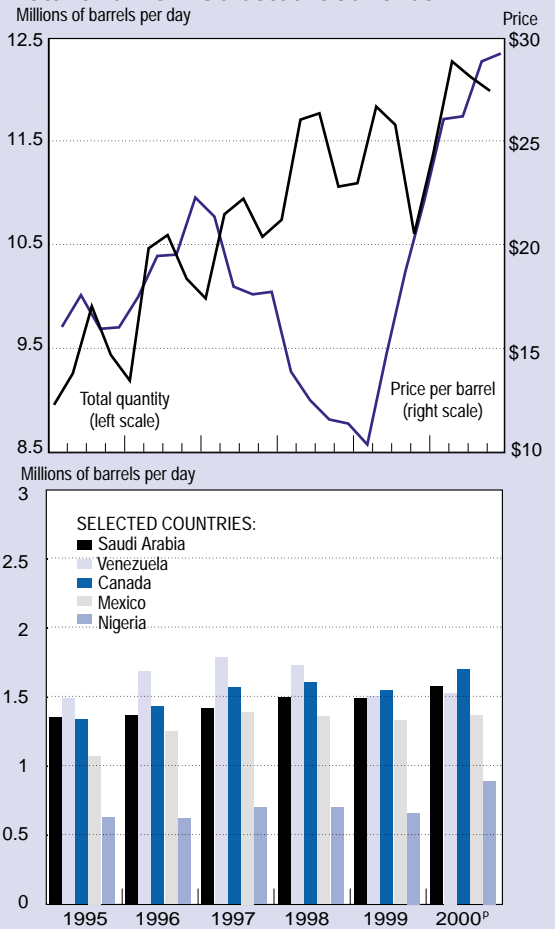
U.S. Bureau of Economic Analysis

from Canada, also rose strongly. Building materials were unchanged, following 8 consecutive years of growth. Among energy products, excluding petroleum, both natural gas and electric energy from Canada surged in 2000; the increases were partly attributable to sharp increases in prices, especially late in the year (table J).

Automotive vehicles, engines, and parts slowed sharply from an especially strong increase in 1999; imports increased \$16.9 billion, or 9 percent, in 2000, compared with \$30.3 billion, or 20 percent, in 1999. Passenger cars and parts from Canada

CHART 7

U.S. Petroleum Imports and Price, Total and from Selected Countries



^p Preliminary

Data: Total quantity and price data from U.S. Bureau of Economic Analysis; selected country data from U.S. Department of Energy.

U.S. Bureau of Economic Analysis

changed little in 2000, following an increase of \$12.5 billion, while those from Mexico and other areas increased \$16.8 billion, a little less than in 1999. Slowing U.S. auto sales in the second and third quarters and sharply lower sales in the fourth held down the increases from both areas.

Petroleum and products increased a record \$52.5 billion, or 77 percent, to \$120.3 billion in 2000, following an increase of \$16.9 billion, or 33 percent. The increase resulted from a rise in the average price per barrel to \$27.50 from \$16.46 and from an increase in the average number of barrels

imported daily to 11.96 million from 11.30 million (chart 7). In 2000, U.S. consumption fell slightly to 19.5 billion barrels per day. U.S. domestic production rebounded with a 2-percent increase. Inventories also rose.

Balances by area.—The U.S. deficit on goods increased to \$449.5 billion in 2000 from \$345.6 billion in 1999. A sizable pickup in exports was more than offset by a substantial strengthening in imports (table K).

Table K.—U.S. Trade in Goods by Major End-Use Category for Selected Areas and Countries

[Balance of payments basis, millions of dollars]

	Canada			Western Europe			United Kingdom			Germany			Japan		
	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P
Exports	156,241	166,533	178,924	159,296	162,518	178,352	37,899	37,321	40,918	26,441	26,565	28,902	56,633	56,352	64,010
Agricultural products	7,657	7,996	8,770	9,139	7,741	7,443	1,252	1,093	1,051	1,272	977	915	9,236	9,019	9,573
Nonagricultural products	148,584	158,537	170,154	150,157	154,777	170,909	36,647	36,228	39,867	25,169	25,588	27,987	47,397	47,333	54,437
Foods, feeds, and beverages	7,408	7,958	8,692	7,049	6,101	5,732	1,082	1,029	941	964	744	653	9,372	9,642	10,027
Industrial supplies and materials	34,922	35,965	39,963	35,452	32,975	37,833	7,864	6,318	7,123	4,638	4,384	4,750	11,071	10,847	12,572
Capital goods, except automotive	51,473	53,721	59,677	81,233	87,092	95,842	21,629	21,490	23,281	14,912	15,593	17,432	24,156	23,983	28,288
Automotive vehicles, parts, and engines	40,574	45,952	44,773	7,737	8,020	7,613	1,423	1,787	1,646	2,411	2,186	2,247	3,316	2,755	3,206
Consumer goods (nonfood), except automotive	17,137	18,115	19,064	22,080	22,426	25,253	4,512	5,182	6,239	2,489	2,626	2,709	7,329	7,565	8,454
Exports, n.e.c.	4,727	4,822	6,755	5,745	5,904	6,079	1,389	1,515	1,688	1,027	1,032	1,111	1,389	1,560	1,463
Imports	175,806	201,268	232,039	194,016	214,756	243,395	34,416	38,789	43,206	49,727	55,151	58,558	121,850	130,877	146,477
Petroleum and products	8,530	9,958	18,575	4,542	6,607	12,649	1,557	2,436	4,122	219	286	510	96	180	250
Nonpetroleum products	167,276	191,310	213,464	189,474	208,149	230,746	32,859	36,353	39,084	49,508	54,865	58,048	121,754	130,697	146,227
Foods, feeds, and beverages	8,923	9,462	10,276	8,581	9,480	9,714	1,056	1,227	1,260	651	644	663	403	426	438
Industrial supplies and materials	60,367	66,561	84,274	40,929	43,198	53,337	6,421	7,404	10,089	8,188	8,282	9,281	13,732	12,484	13,051
Capital goods, except automotive	29,832	32,036	40,256	66,644	70,683	78,024	14,477	14,856	15,489	17,907	19,731	21,630	52,829	55,049	62,859
Automotive vehicles, parts, and engines	51,373	63,871	63,992	24,304	28,840	30,766	3,143	3,851	4,404	14,295	17,110	18,501	37,395	43,063	47,550
Consumer goods (nonfood), except automotive	12,387	13,979	16,011	43,534	50,440	58,766	6,985	8,355	8,669	6,476	6,758	5,808	14,546	16,514	18,610
Imports, n.e.c., and U.S. goods returned	12,924	15,359	17,230	10,024	12,115	12,788	2,334	3,096	3,295	2,210	2,626	2,675	2,945	3,341	3,969
Balance	-19,565	-34,735	-53,115	-34,720	-52,238	-65,043	3,483	-1,468	-2,288	-23,286	-28,586	-29,656	-65,217	-74,525	-82,467

	Latin America			Mexico			Asia, excluding Japan			Hong Kong, Republic of Korea, Singapore, Taiwan			China		
	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P	1998	1999	2000 ^P
Exports	131,106	131,054	159,128	78,388	86,621	111,458	126,174	130,045	152,653	61,513	68,686	83,404	14,022	13,033	16,152
Agricultural products	10,175	8,649	9,552	6,202	5,671	6,727	11,470	10,876	12,606	5,829	5,845	6,210	1,389	867	1,735
Nonagricultural products	120,931	122,405	149,576	72,186	80,950	104,731	114,704	119,169	140,047	55,684	62,841	77,194	12,633	12,166	14,417
Foods, feeds, and beverages	8,100	7,409	8,006	4,951	4,903	5,730	9,393	9,454	10,439	4,748	5,090	5,128	1,171	784	1,531
Industrial supplies and materials	34,695	34,833	44,574	21,690	24,087	32,011	24,303	25,423	29,443	13,120	14,015	16,017	3,604	3,876	5,175
Capital goods, except automotive	51,309	53,200	62,941	27,460	32,111	41,095	74,992	78,237	93,724	36,228	42,082	53,549	8,540	7,415	8,349
Automotive vehicles, parts, and engines	15,159	13,717	18,862	11,778	11,765	16,657	3,956	3,302	3,376	1,286	1,152	1,019	192	277	281
Consumer goods (nonfood), except automotive	17,098	16,799	18,602	9,319	10,109	11,489	9,267	9,824	11,446	3,888	4,351	5,397	576	561	664
Exports, n.e.c.	4,745	5,096	6,143	3,190	3,646	4,476	4,263	3,805	4,225	2,243	1,996	2,294	-61	120	152
Imports	138,192	161,008	199,735	95,453	110,590	136,772	247,324	279,537	340,274	85,918	95,084	111,450	71,170	81,789	100,038
Petroleum and products	16,497	22,327	36,999	5,295	7,280	12,744	9,705	15,291	26,170	423	560	1,081	273	182	616
Nonpetroleum products	121,695	138,681	162,736	90,158	103,310	124,028	237,619	264,246	314,104	85,495	94,524	110,369	70,897	81,607	99,422
Foods, feeds, and beverages	13,003	13,380	13,658	5,192	5,475	5,855	7,281	7,784	8,512	687	711	709	771	942	1,105
Industrial supplies and materials	33,167	39,935	56,850	13,128	15,274	21,730	30,878	37,362	52,576	8,489	9,023	10,924	5,458	5,957	7,635
Capital goods, except automotive	25,901	32,342	40,478	23,094	28,060	35,803	90,752	102,865	125,743	48,376	53,379	63,207	14,078	17,763	24,050
Automotive vehicles, parts, and engines	29,537	34,872	42,230	27,978	33,074	40,251	5,846	7,935	10,584	3,624	5,194	7,271	941	1,192	1,556
Consumer goods (nonfood), except automotive	31,147	33,535	38,108	21,611	23,336	26,677	107,564	117,444	135,766	22,204	23,611	25,550	49,224	55,039	64,584
Imports, n.e.c., and U.S. goods returned	5,437	6,944	8,411	4,450	5,371	6,456	5,003	6,147	7,093	2,538	3,166	3,789	698	896	1,108
Balance	-7,086	-29,954	-40,607	-17,065	-23,969	-25,314	-121,150	-149,492	-187,621	-24,405	-26,398	-28,046	-57,148	-68,756	-83,886

^P Preliminary.
n.e.c. Not elsewhere classified.

The deficit with Asia, excluding Japan, increased to \$187.6 billion from \$149.5 billion. The increase in exports was concentrated in capital goods, mainly to the newly industrialized countries. The increase in imports was mostly in capital goods, industrial supplies and materials, and consumer goods.

The deficit with Canada increased to \$53.1 billion from \$34.7 billion. Increases in exports of capital goods and of industrial supplies and materials were partly offset by a large shift to a decrease in autos. The increase in petroleum imports was higher, and the increase in nonpetroleum imports was lower, than in 1999. Auto imports, which increased strongly in 1999, were virtually unchanged in 2000.

The deficit with Western Europe increased to \$65.0 billion from \$52.2 billion. The increase in exports was concentrated in capital goods and in industrial supplies and materials. The increase in imports was spread across most major commodity categories.

The deficit with Latin America increased to \$40.6 billion from \$30.0 billion. Higher exports of

capital goods, industrial supplies and materials, and automotive products were largely to Mexico. Increases in imports were spread across most major categories, including petroleum.

The deficit with Japan increased to \$82.5 billion from \$74.5 billion. In exports, the increase was largely in capital goods. In imports, the increase was largely in autos and consumer goods.

Services.—The surplus on services increased slightly to \$81.0 billion in 2000 from \$80.6 billion in 1999. Services receipts increased \$24.3 billion, up from a \$9.2 billion increase. Services payments increased \$23.9 billion, up from an \$8.6 billion increase (table L).

Foreign visitors spent \$85.2 billion for travel in the United States in 2000, an increase of 14 percent, following an increase of 5 percent in 1999. Overseas receipts were \$73.1 billion, up 14 percent, following an increase of 5 percent. After a limited recovery in 1999 from the Asian crisis that began in 1997 and continued through 1998, travel increased much more strongly in 2000. Worldwide, the number of visitors increased 6 percent,

Table L.—Services

[Millions of dollars, quarters seasonally adjusted]

	1998	1999	2000 ^r	2000			
				I ^r	II ^r	III ^r	IV ^p
Exports	262,653	271,884	296,227	72,277	74,212	74,575	75,160
Travel	71,286	74,881	85,153	20,466	21,398	21,445	21,844
Passenger fares	20,098	19,776	21,313	5,067	5,392	5,400	5,454
Other transportation	25,604	27,033	29,847	7,255	7,438	7,635	7,519
Royalties and license fees	36,197	36,467	37,955	9,348	9,577	9,424	9,605
Other private services	90,914	96,508	106,493	26,363	26,495	26,741	26,892
Affiliated services	28,397	28,943	31,659	8,061	7,750	7,862	7,984
Unaffiliated services	62,517	67,565	74,834	18,302	18,745	18,879	18,908
Education	9,037	9,572	10,116	2,475	2,509	2,557	2,575
Financial	11,273	13,925	17,851	4,389	4,656	4,499	4,307
Insurance	2,189	2,295	2,660	625	651	678	705
Telecommunications	5,538	4,460	3,882	1,015	972	962	933
Business, professional, and technical	22,175	24,368	26,354	6,378	6,507	6,674	6,795
Other	12,305	12,946	13,972	3,420	3,449	3,509	3,594
Military transactions ¹	17,628	16,334	14,604	3,574	3,699	3,710	3,621
U.S. Government receipts	926	885	862	204	213	220	225
Imports	182,697	191,296	215,239	51,497	52,523	55,467	55,757
Travel	56,509	59,351	65,044	15,815	16,022	16,338	16,869
Passenger fares	19,971	21,405	23,902	5,767	5,934	5,966	6,235
Other transportation	30,363	34,137	40,713	9,586	9,904	10,554	10,671
Royalties and license fees	11,713	13,275	16,331	3,598	3,669	4,833	4,230
Other private services	49,051	46,657	52,486	12,695	12,849	13,521	13,425
Affiliated services	19,756	22,437	24,005	6,165	5,990	6,065	5,789
Unaffiliated services	29,295	24,220	28,481	6,530	6,859	7,456	7,636
Education	1,591	1,840	2,136	502	524	543	567
Financial	3,561	3,574	5,071	1,188	1,290	1,382	1,211
Insurance	9,080	4,078	6,609	1,182	1,408	1,851	2,168
Telecommunications	7,687	6,766	6,025	1,565	1,500	1,498	1,462
Business, professional, and technical	6,869	7,430	8,067	1,949	1,993	2,040	2,085
Other	507	532	575	145	145	142	143
Direct defense expenditures ²	12,241	13,650	13,884	3,322	3,431	3,531	3,600
U.S. Government payments	2,849	2,821	2,879	714	714	724	727

^r Revised.^p Preliminary.

¹ Consists of goods and services transferred under U.S. military agency sales contracts, which cannot be separately identified.

² Consists of imports of goods and services by U.S. defense agencies, which cannot be separately identified.

up from an increase of 3 percent in 1999. Visitors from Western Europe slowed to a 3-percent increase from a 6-percent increase, partly as a result of a large decrease in the value of the euro, but visitors from Japan increased 5 percent after a 1-percent decrease, and visitors from other Asian countries increased 18 percent after a 15-percent increase, as economic expansion resumed in Asia. Travel receipts from Canada were \$7.0 billion, up 5 percent. Travel receipts from Mexico were \$5.1 billion, up 24 percent, as travel to the border area increased strongly.

U.S. residents spent \$65.0 billion for travel abroad in 2000, an increase of 10 percent, following an increase of 5 percent in 1999. Overseas payments were \$52.0 billion, up 10 percent, following an increase of 6 percent. Worldwide, the number of overseas travelers increased 9 percent, up from a 7-percent increase. The increase in the number of travelers to Western Europe more than doubled to 14 percent, while the increase to Japan slowed sharply to 2 percent from 9 percent. The increase in travelers to Asian countries other than Japan was 9 percent, up from 4 percent. Payments to Canada were \$6.3 billion, up 3 percent. Payments to Mexico were \$6.7 billion, up 11 percent.

Passenger fare receipts were \$21.3 billion, up \$1.5 billion, or 8 percent, in 2000, following a decrease of 2 percent in 1999. Passenger fare payments were \$23.9 billion, up \$2.5 billion, or 12 percent, following an increase of 7 percent.

“Other” transportation receipts were \$29.8 billion, up \$2.8 billion, or 10 percent, in 2000, following an increase of \$1.4 billion, or 6 percent, in 1999.

Freight receipts increased \$1.6 billion, or 14 percent, up from a 6-percent increase. Goods exports to every geographic area were significantly higher. The sharp step-ups were the result of increases in ocean export volumes transported by U.S. carriers associated with the worldwide pickup in economic growth. The increases in volumes were accompanied by an increase in ocean freight rates that resulted from the strong demand for bulk items, such as coal, iron ore, and grain. An increase in air freight receipts was due mostly to the increase in revenues for transporting goods between foreign countries. These revenues were enhanced by a surcharge that was imposed by air carriers to help offset the higher cost of jet fuel.

Port services receipts increased \$1.2 billion, or 8 percent, up from a 6-percent increase, as a result of

an increase in export and import volumes transported by foreign-operated liner vessels and an increase in bunker fuel revenues. Air port service receipts also increased.

“Other” transportation payments were \$40.7 billion, up \$6.6 billion, or 19 percent, in 2000, following an increase of \$3.8 billion, or 12 percent, in 1999.

Freight payments increased \$4.7 billion, or 21 percent, following a 14-percent increase, partly reflecting the pickup in goods imports to a 19-percent increase in 2000 from a 12-percent increase in 1999. In addition, both liner freight rates on imports from Asia and tanker freight rates increased substantially, reflecting capacity shortages. Air freight rates also increased.

Port services payments increased \$1.9 billion, or 16 percent, following a 9-percent increase, mostly as a result of an increase in air port services. The increase in air port service payments was the result of higher jet fuel prices, which rose 70 percent, and the result of higher air import and export volumes transported on U.S. air carriers; imports increased 3 percent, and exports increased 2 percent.

“Other” private services receipts were \$106.5 billion in 2000, up from \$96.5 billion in 1999. Affiliated services (transactions between affiliated companies) accounted for a fourth of the increase. Among unaffiliated services, financial services accounted for more than half of the increase in 2000; receipts were strong in the first half of the year when U.S. financial markets reflected a strong economy, but receipts fell in the last half when U.S. financial markets turned down. Business, professional, and technical services also increased.

“Other” private services payments were \$52.5 billion in 2000, up from \$46.7 billion in 1999. Affiliated services accounted for a fourth of the increase. Among unaffiliated services, insurance services accounted for more than half of the increase, as companies recovered from sizable losses in 1999. Financial services were the other major contributor to the increase, though payments fell in the fourth quarter when uncertainties in the financial markets abroad increased. Business, professional, and technical services also increased.

Transfers under U.S. military agency sales contracts were \$14.6 billion in 2000, down from \$16.3 billion in 1999. During 2000, multiyear delivery programs of fighter aircraft were completed to Singapore, South Korea, and Finland.

Direct defense expenditures abroad were \$13.9 billion in 2000, up from \$13.7 billion in 1999. Personnel expenditures, payments for contractual services, and petroleum expenditures all changed little.

Income

The deficit on income decreased to \$13.7 billion in 2000 from \$18.5 billion in 1999 (table D). Income receipts increased more than income payments.

Investment income.—Receipts of investment income on U.S.-owned assets abroad increased to \$343.1 billion in 2000 from \$274.0 billion in 1999. "Other" private receipts and direct investment receipts both increased strongly. Payments of investment income on foreign-owned assets in the United States increased to \$351.2 billion from \$287.1 billion. "Other" private payments accounted for two-thirds of the increase.

Receipts of income on U.S. direct investment abroad increased strongly to \$149.5 billion in 2000 from \$118.8 billion in 1999 (table M, chart 8). The acceleration coincided with a substantial pickup in economic growth abroad. Earnings in petroleum increased \$8.8 billion, reflecting both a 67-percent increase in petroleum prices and a rise in refiners' margins. Earnings in "other" industries increased \$15.0 billion, reflecting higher earnings of holding companies, the establishment of large new banking affiliates, and higher earnings of brokerage affiliates abroad as a result of high volumes of securities transactions. Earnings in manufactur-

ing increased \$5.8 billion; the largest increases were in industrial machinery and "other" manufacturing. Interest receipts changed little.

Payments of income on foreign direct investment in the United States increased to \$65.7 billion in 2000 from \$56.1 billion in 1999 (table M, chart 9). The increase was more than accounted for by a \$9.5 billion rise in petroleum earnings as a result of higher petroleum prices, which raised profit margins in exploration, production, and refining operations of oil companies. Earnings of manufacturing affiliates fell \$5.5 billion after increasing in 1999; most of the falloff was accounted for by automotive affiliates. The falloff in manufacturing earnings began in the third quarter, coincident with the beginning of the slowdown in the U.S. economy, and continued in the fourth. Earnings in "other" industries, which includes depository institutions and finance, increased \$0.4 billion. Interest payments increased \$4.4 billion.

Receipts of income on "other" private investment increased to \$189.8 billion in 2000 from \$152.0 billion in 1999 (table N, chart 10). After a decrease in 1999, both bank and nonbank receipts were up strongly in 2000; higher outstanding amounts and higher average interest rates both contributed to the increases. Bond receipts increased because of higher outstanding amounts and higher average interest rates. Dividend receipts increased because of higher outstanding amounts; dividend rates fell.

Table M.—Direct Investment Income and Capital

[Millions of dollars, quarters seasonally adjusted]

(Credits +; debits -)	1998	1999	2000 ^p	2000			
				I ^r	II ^r	III ^r	IV ^r
Income							
Income receipts on U.S. direct investment abroad	106,407	118,802	149,459	34,053	37,835	37,857	39,716
Distributed earnings	55,545	45,492	45,495	10,295	12,412	11,534	11,261
Reinvested earnings	47,622	69,640	100,277	22,922	24,475	25,361	27,516
Interest, net	3,241	3,670	3,685	836	948	962	939
Income payments on foreign direct investment in the United States	-38,679	-56,098	-65,683	-17,027	-18,862	-16,320	-13,475
Distributed earnings	-24,456	-17,390	-22,752	-5,514	-6,629	-5,786	-4,830
Reinvested earnings	-3,835	-23,155	-22,981	-7,150	-7,478	-5,276	-3,072
Interest, net	-10,386	-15,555	-19,950	-4,363	-4,756	-5,258	-5,573
Capital							
U.S. direct investment abroad (increase/financial outflow (-))	-146,052	-150,901	-161,577	-42,952	-37,476	-36,175	-44,971
Equity capital	-73,332	-52,093	-56,333	-9,403	-13,812	-12,309	-20,809
Reinvested earnings	-47,622	-69,640	-100,277	-22,922	-24,475	-25,361	-27,516
Intercompany debt	-25,099	-29,167	-4,967	-10,627	811	1,495	3,354
Foreign direct investment in the United States (increase/financial inflow (+))	186,316	275,533	316,527	49,065	100,426	72,681	94,351
Equity capital	151,741	212,140	221,118	27,510	73,601	39,890	80,117
Reinvested earnings	3,835	23,155	22,981	7,150	7,478	5,276	3,072
Intercompany debt	30,739	40,239	72,429	14,405	19,347	27,515	11,162

^r Revised.

^p Preliminary.

Payments of income on “other” private investment increased to \$177.8 billion in 2000 from \$135.8 billion in 1999 (table N, chart 10). After a decrease in 1999, both bank and nonbank payments were sharply higher in 2000; higher outstanding amounts and higher average interest rates both contributed to the increases. Bond payments were sharply higher as a result of both higher outstanding amounts and higher average interest rates. Dividend payments increased a small amount.

Table N.—Other Private Income

[Billions of dollars]

	1998	1999	2000 ^P
Receipts	146.5	152.0	189.8
Dividends	23.5	30.6	35.8
Interest on bonds	39.2	40.3	44.6
Interest on bank claims	41.0	38.9	51.5
Interest on nonbank claims ¹	42.8	42.2	57.9
Payments	127.7	135.8	177.8
Dividends	15.7	17.1	19.1
Interest on bonds	33.4	43.8	57.7
Interest on bank liabilities	48.0	45.6	61.0
Interest on nonbank liabilities ¹	30.6	29.3	40.0

^P Preliminary.

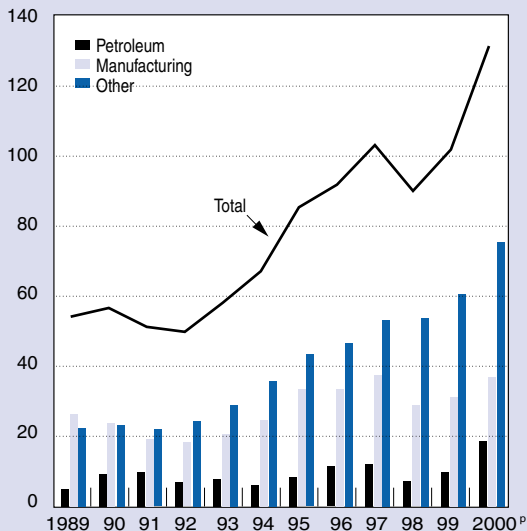
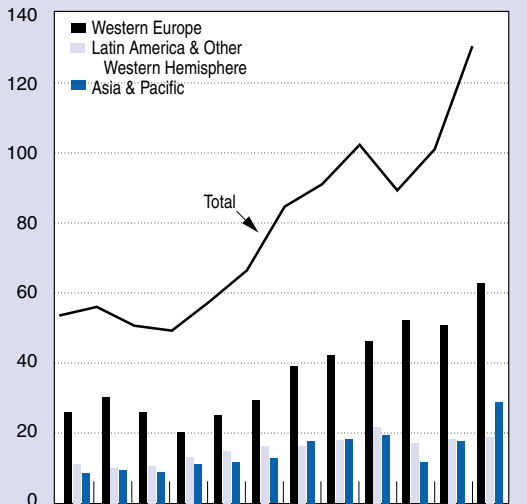
1. Primarily income of financial concerns other than banks.

NOTE.—Excludes direct investment income receipts and payments.

CHART 8

Earnings on U.S. Direct Investment Abroad

Billion \$



^p Preliminary

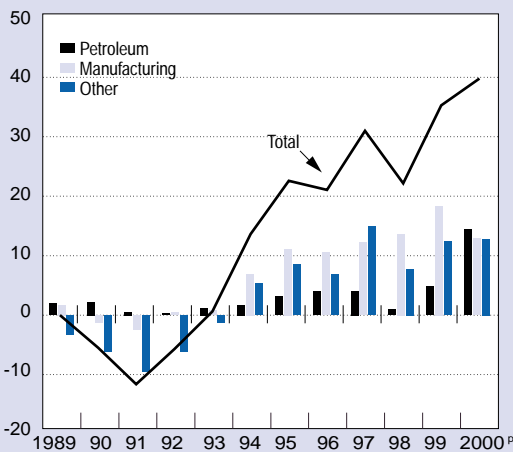
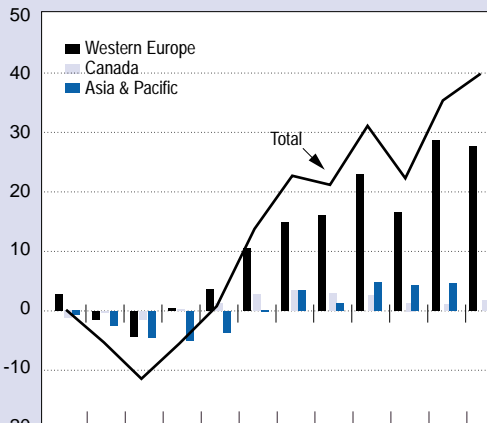
NOTE.—To be consistent with earnings by area and by industry, total earnings are shown in this chart without the current-cost adjustment and after deduction of withholding taxes, the only basis on which area and industry data are available.

U.S. Bureau of Economic Analysis

CHART 9

Earnings on Foreign Direct Investment in the United States

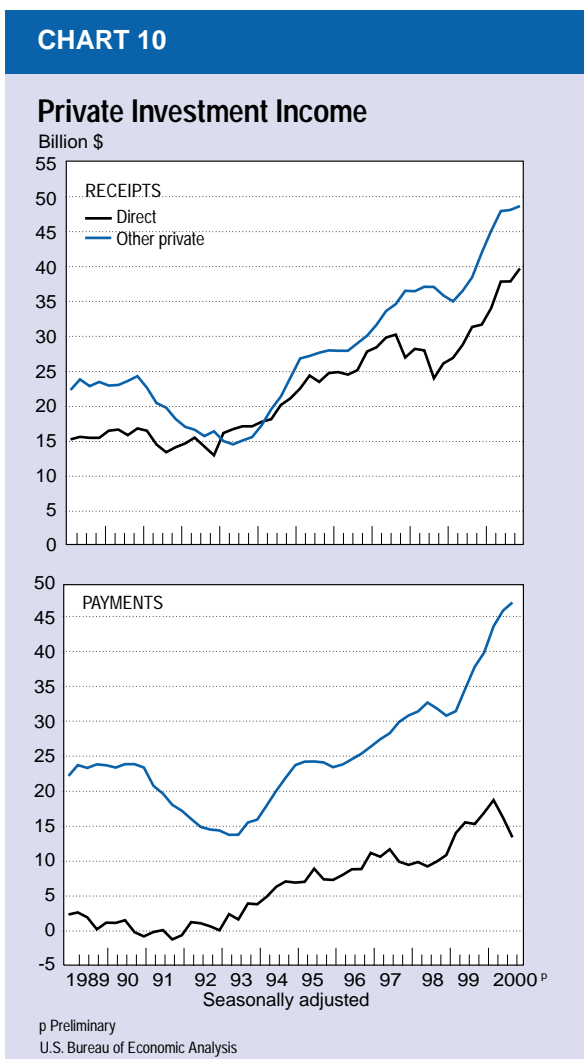
Billion \$



^p Preliminary

NOTE.—To be consistent with earnings by area and by industry, total earnings are shown in this chart without the current-cost adjustment and after deduction of withholding taxes, the only basis on which area and industry data are available.

U.S. Bureau of Economic Analysis



Receipts of income on U.S. Government investment increased to \$3.8 billion in 2000 from \$3.2 billion in 1999.

Payments of income on U.S. Government liabilities increased to \$107.7 billion in 2000 from \$95.1 billion in 1999. Most of the increase came from increased foreign holdings of agency bonds; holdings of Treasury bonds changed little (table O).

Compensation of employees.—Receipts for compensation of U.S. workers abroad increased slightly to \$2.3 billion in 2000 from \$2.2 billion in 1999. Payments for compensation of foreign workers in the United States increased to \$7.9 billion from \$7.6 billion.

Unilateral current transfers

Unilateral current transfers were net outflows of \$53.2 billion in 2000, up from \$48.0 billion in 1999. Half of the increase was attributable to an increase in U.S. Government grants to \$16.4 billion from \$13.8 billion, mostly the result of additional military and economic assistance to Israel and Egypt (table O). Funds allocated annually to Israel under the Sinai Peace Accords continued to be disbursed. The other half of the increase was attributable to an increase in private remittances and other transfers, mainly due to an increase in institutional remittances and net taxes paid to foreigners.

Table O.—Selected U.S. Government Transactions

[Millions of dollars]

(Credits +; debits -)	1998	1999	2000 ^p	2000			
				I	II	III ^r	IV ^p
U.S. Government grants	-13,270	-13,774	-16,448	-2,912	-3,232	-3,634	-6,670
U.S. Government forgiveness of foreign debt	-26	-69	-29	-5	-5	-18	-1
U.S. Government credits and other long-term assets	-4,687	-6,175	-4,887	-1,750	-1,235	-1,050	-852
For debt rescheduling	-589	-1,868	-1,405	-823	-532	-48	-2
Other disbursements	-4,098	-4,307	-3,482	-927	-703	-1,002	-850
Repayments of U.S. Government credits and other long-term assets	4,111	9,560	4,064	1,328	720	1,265	751
From debt rescheduling	459	1,800	475	280	152	42	1
From debt forgiveness	23	40	21	1	4	15	1
Other repayments	3,628	7,720	3,569	1,048	563	1,208	750
U.S. Government foreign currency holdings and short-term assets, net	145	-634	108	291	-59	-101	-23
From debt rescheduling	75	49	295	264	31	.....	.....
From debt forgiveness .....	.....	11	(*)	.....	.....	.....	(*)
Other	70	-693	-188	28	-91	-101	-24
U.S. Government receipts of income	3,601	3,197	3,828	1,146	1,015	940	727
From debt rescheduling	56	20	634	279	348	6	1
From debt forgiveness	3	18	8	4	1	3	.....
Other receipts	3,541	3,159	3,186	863	666	931	726
U.S. Government payments of income	-91,119	-95,131	-107,672	-26,074	-26,901	-27,369	-27,328

^r Revised.

^p Preliminary.

* Less than \$500,000 (±).

Capital Account

Net capital account transactions were net inflows of \$0.7 billion in 2000, in contrast to net outflows of \$3.5 billion in 1999. Transactions in 1999 included the transfer of the U.S. Government's assets in the Panama Canal Commission to the Republic of Panama.

Financial Account

Net recorded financial inflows—the result of combining financial flows for U.S.-owned assets abroad with financial flows for foreign-owned assets in the United States—were \$399.1 billion in 2000, compared with \$323.4 billion in 1999. Financial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad (chart 11).

U.S.-owned assets abroad

Net U.S.-owned assets abroad increased \$553.3 billion in 2000, compared with an increase of \$430.2 billion in 1999. U.S. claims reported by U.S. banks and by U.S. nonbanks were sharply higher in 2000 than in 1999. Net outflows for U.S. direct investment abroad were moderately higher. Net U.S. purchases of foreign securities were down but remained strong.

U.S. official reserve assets.—U.S. official reserve assets increased \$0.3 billion in 2000, compared with an \$8.7 billion decrease in 1999 (table C). Transactions in 2000 included a \$2.3 billion decrease in the U.S. reserve position at the International Monetary Fund (IMF) as a result of repayments of dollars to the IMF by Brazil and Mexico in the second and third quarters that were partly offset by an increase in the reserve position as a result of credit extended by the IMF to Turkey and Argentina in the fourth quarter. Transactions in 2000 also included the acquisition of \$1.3 billion in euros in the third quarter, when the United States (along with the European Central Bank and monetary authorities in the United Kingdom, Canada, and Japan) purchased euros in exchange markets.

Claims reported by banks and by nonbanks.—U.S. claims on foreigners reported by U.S. banks increased \$110.2 billion in 2000, following an increase of \$69.9 billion in 1999 (tables P and Q).

Banks' own claims payable in dollars increased \$99.5 billion, following an increase of \$42.2 billion. Some of the strong increase in 2000 was

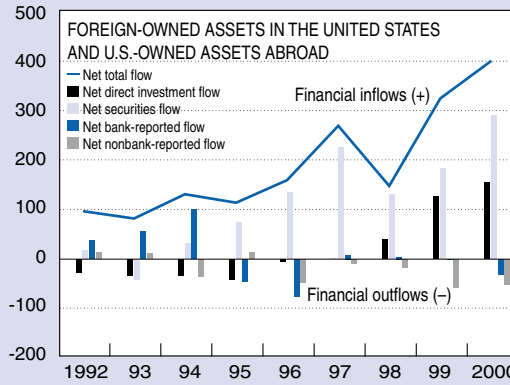
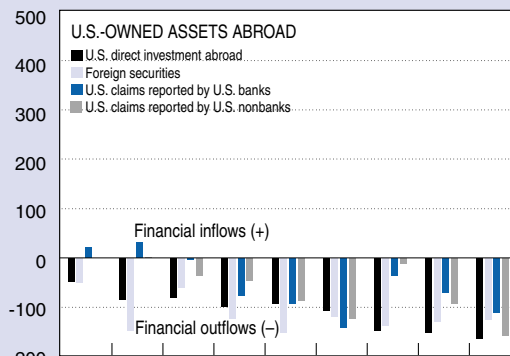
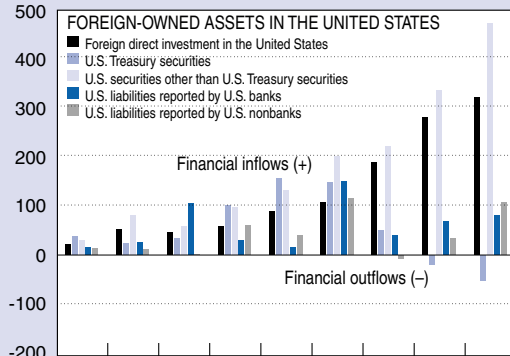
attributable to the step-up in economic activity and related credit needs that accompanied it, particularly in Europe.

Additional demand for U.S. credit arose from unusually large needs for capital to finance major acquisitions throughout the year and needs to supply funds when conditions in bond markets deteriorated in the fourth quarter. U.S. banks provided

CHART 11

Financial Flows

Billion \$



^p Preliminary
U.S. Bureau of Economic Analysis

sizable amounts of funds that helped finance the wave of consolidations, acquisitions, and leveraged or managed buyouts that occurred throughout Europe. Although the number of acquisitions was down from 1999, financing needs remained large, particularly in the telecommunications industry. The funds were often provided through participation in syndicated loans, which provided temporary financing until more permanent financing could be arranged in the securities markets. U.S. banks also provided sizable amounts of funds to foreigners in the fourth quarter, when credit con-

ditions deteriorated in the bond markets. The substantial widening of yield spreads for lower rated borrowers forced many borrowers to shorter term borrowing, either from banks or from the commercial paper market.

Banks' domestic customers' claims payable in dollars increased \$22.9 billion, following an increase of \$29.7 billion. Foreign commercial paper issues in the United States increased \$39.9 billion, more than three times the increase of \$12.6 billion in 1999. Increases were particularly large in the third and fourth quarters, when borrowing

Table P.—Private Financial Flows, Net

[Billions of dollars]

Claims (increase/financial outflow (-)); liabilities (increase/financial inflow (+))	1998	1999	2000 ^P	2000			
				I	II	III ^r	IV ^P
Private financial flows, net	174.0	268.9	364.1	33.7	143.1	89.6	97.9
Bank-reported capital, net ¹	4.2	-2.5	-30.7	-64.3	65.2	-7.4	-24.2
U.S. claims	-35.6	-69.9	-110.2	-55.5	18.3	-6.0	-67.0
U.S. liabilities ¹	39.8	67.4	79.5	-8.8	46.9	-1.4	42.8
Securities, net	130.6	182.4	290.1	96.0	28.3	76.7	89.2
Net U.S. purchases of foreign securities	-136.0	-128.6	-123.6	-27.2	-38.2	-33.2	-24.9
Stocks	-101.2	-114.4	-98.8	-15.8	-45.0	-15.3	-22.6
Bonds	-34.8	-14.2	-24.8	-11.4	6.8	-17.9	-2.3
Net foreign purchases of U.S. securities	266.6	311.0	413.7	123.2	66.5	109.9	114.1
U.S. Treasury securities	48.6	-20.5	-52.2	-9.2	-20.6	-12.5	-9.8
Other than U.S. Treasury securities	218.0	331.5	465.9	132.4	87.1	122.4	123.9
Stocks	45.6	98.7	171.8	61.2	26.3	47.8	36.5
Bonds	172.4	232.8	294.1	71.2	60.8	74.6	87.4
U.S. currency flows, net	16.6	22.4	1.1	-6.8	1.0	.8	6.2
Direct investment, net	40.2	124.6	154.9	3.3	61.1	35.8	54.7
U.S. direct investment abroad	-146.1	-150.9	-161.6	-45.8	-40.0	-37.7	-38.1
Foreign direct investment in the United States	186.3	275.5	316.5	49.1	101.1	73.5	92.8
Nonbank-reported capital, net	-17.6	-58.0	-51.3	5.5	-12.5	-16.3	-28.0
U.S. claims	-10.6	-92.3	-157.0	-52.6	-36.5	-17.8	-50.1
U.S. liabilities	-7.0	34.3	105.7	58.1	24.0	1.5	22.1

^r Revised.^P Preliminary.

1. Liabilities exclude U.S. Treasury securities.

Table Q.—U.S. Bank-Reported Claims and Liabilities by Type

[Billions of dollars]

	1998	1999	2000 ^P	2000			
				I	II	III ^r	IV ^P
Claims on foreigners reported by U.S. banks (increase/financial outflow (-))	-35.6	-69.9	-110.2	-55.5	18.3	-6.0	-67.0
Banks' claims for own accounts, payable in dollars:							
Own foreign offices	-52.9	-27.3	-80.8	-23.8	-1.0	-18.7	-37.2
Unaffiliated banks	3.0	5.0	-2.7	5.2	3.1	1.7	-12.7
Public borrowers and other foreigners	23.1	-19.9	-15.9	0.1	-14.1	3.7	-5.8
Banks' claims for domestic customers' accounts, payable in dollars	-4.3	-29.7	-22.9	-38.5	27.4	1.9	-13.6
Claims payable in foreign currencies	-4.5	2.0	12.1	1.5	2.9	5.4	2.3
Liabilities to foreigners reported by U.S. banks (excluding U.S. Treasury securities)(increase/financial inflow (+))¹	39.8	67.4	79.5	-8.8	46.9	-1.4	42.8
Banks' liabilities for own accounts, payable in dollars:							
Own foreign offices	77.8	40.3	49.6	5.3	24.6	5.1	14.6
Unaffiliated banks	-43.2	13.0	19.3	-4.9	10.5	1.7	12.1
Other private foreigners and international financial institutions	-10.8	20.4	17.7	3.9	19.4	1.0	-6.9
Banks' custody liabilities, payable in dollars	37.8	-3.5	6.9	-11.8	-1.9	-4.3	25.1
Liabilities payable in foreign currencies	-21.8	-2.8	-14.0	-1.3	-5.7	-4.9	-2.1

^r Revised.^P Preliminary.

1. Excludes liabilities to foreign official agencies.

preferences shifted sharply to short-term financing as borrowing conditions deteriorated in bond markets in the United States and abroad. Deposits decreased by substantial amounts in the second and third quarters.

Claims on unaffiliated foreigners reported by U.S. nonbanks increased \$157.0 billion, following an increase of \$92.3 billion. U.S. nonbanks supplied large amounts of funds to foreigners in the first, second, and fourth quarters, when the needs for short-term funds were especially strong. Combined, U.S. nonbanks and U.S. banks supplied \$267.2 billion to financial markets abroad in 2000, the largest amount since 1997 (table P).

Foreign securities.—Net U.S. purchases of foreign securities slowed to \$123.6 billion in 2000, compared with \$128.6 billion in 1999 (table P).

Net U.S. purchases of foreign stocks slowed to \$98.8 billion from \$114.4 billion. Merger-related exchanges of stock fell to \$80.7 billion from \$117.2 billion but still remained strong. Many foreign takeovers were from Western Europe, particularly from the United Kingdom, which accounted for \$39.4 billion in stock exchanges in 2000 after accounting for \$77.3 billion in exchanges in 1999.

In other transactions in stocks, net U.S. purchases of outstanding foreign stocks were \$18.1

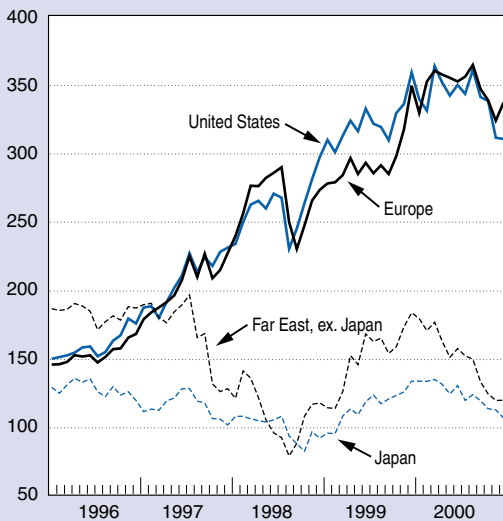
billion, in contrast to net sales of \$2.8 billion, despite continued weakness in foreign currencies and declining foreign stock prices. On average, world stock prices, stated in local currency terms, declined 11 percent in 2000: Prices declined 4 percent in Europe, 15 percent in Latin America, 20 percent in Japan, and 35 percent the Far East, excluding Japan (chart 12). In each area, declines in technology-related issues were considerably larger than declines in the broad market averages. Trading activity in foreign stocks—that is, gross purchases plus gross sales—increased 54 percent in 2000, following an increase of 26 percent in 1999. Activity peaked in the first quarter of 2000 and then fell, but it remained at high quarterly levels for the rest of the year.

Net U.S. purchases of foreign bonds were \$24.8 billion, up from \$14.2 billion. Foreign new bond issues in the United States increased to \$54.3 billion from \$34.8 billion as a result of increased activity of sovereign issuers from emerging market countries in the first three quarters and an increase in corporate activity brought on by mergers and acquisitions in the second half of the year. Sovereign borrowers from emerging market countries responded to a 200-basis-point drop in spreads over U.S. Treasury rates (chart 13). Corporate borrowers remained confident in the stability of the U.S. bond market relative to other world markets.

CHART 12

Selected Stock Price Indexes in Local Currencies

December 1992=100



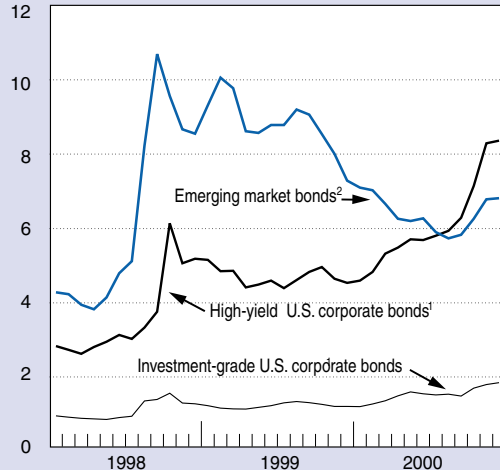
Source: Morgan Stanley Capital International. Indexes rebased by BEA.

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CHART 13

Bond Spreads over U.S. Treasury Securities

Percent



1. Source: Merrill Lynch.

2. Source: J.P. Morgan. Emerging Market Bond Index Plus, EMBI+, represents external currency denominated debt in emerging markets. It is comprised mostly of U.S. dollar issues.

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A substantial share of corporate borrowing was to finance acquisitions, especially in Western Europe. For the year, central governments issued \$15.6 billion in new bonds. Private corporations issued \$36.9 billion in new bonds, of which \$23.5 billion was by telecommunications companies. Trading activity in foreign bonds increased 19 percent in 2000, up from very slow trading in 1999 but well below the strong trading in 1997 and 1998.

Direct investment.—Net financial outflows for U.S. direct investment abroad were \$161.6 billion in 2000, up from \$150.9 billion in 1999 (table M).

The increase was more than accounted for by a surge in reinvested earnings to \$100.3 billion from \$69.6 billion—a much larger step-up than in 1999 and a consequence of the strong pickup in economic activity abroad. In addition, a larger share of earnings was reinvested. Net equity capital outflows increased to \$56.3 billion from \$52.1 billion. Equity capital increases, though \$4.2 billion less than in 1999 and \$20.7 billion less than in 1998, remained high at \$76.5 billion in 2000. There were numerous large acquisitions in investment banking, financial services, optical equipment, communications networks, insurance, and automotive manufacturing. Equity capital decreases, though \$8.5 billion less than the record \$28.6 billion in 1999, also remained strong at \$20.1 billion and included large sales in telecommunications, utilities, and petroleum. Net intercompany debt outflows decreased to \$5.0 billion from \$29.2 billion, mostly as a result of large decrease in U.S. parents' receivables.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$952.4 billion in 2000, following an increase of \$753.6 billion in 1999. For the second consecutive year, there was an exceptionally large step-up in net foreign purchases of U.S. securities other than U.S. Treasury securities. U.S. liabilities reported by U.S. banks and by U.S. nonbanks were sharply higher. Net inflows for foreign direct investment in the United States remained especially strong, though the year-to-year step-up was not as large as the exceptional increases of the 2 preceding years.

Foreign official assets.—Foreign official assets in the United States increased \$35.9 billion in 2000, following an increase of \$42.9 billion in 1999

(table C). In 2000, the increase by industrial countries was more than accounted for by a single country in Asia. Assets of OPEC members, who benefitted from higher revenues from petroleum sales, and of other developing countries also increased.

Liabilities reported by banks and by nonbanks.—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$79.5 billion in 2000, following an increase of \$67.4 billion in 1999 (table P and Q).

Banks' own liabilities payable in dollars increased \$86.5 billion in 2000, following an increase of \$73.7 billion. In the first half of the year, the increase in liabilities provided some funds for domestic lending when U.S. loan growth was especially strong and the U.S. economy was growing rapidly. Domestic commercial and industrial loan growth and real estate loan growth were unusually strong throughout the half. U.S. banks also borrowed heavily from branches in the Caribbean, probably for transfer to Western Europe to meet the surge in demand associated with acquisitions and consolidations. Additional funds were borrowed and likely transferred to Europe to accommodate a shift to short-term borrowing when conditions in bond markets deteriorated in the fourth quarter.

Banks' liabilities to other private foreigners increased \$20.4 billion, following an increase of \$17.3 billion. U.S. securities dealers' liabilities to international bond funds in the Caribbean increased strongly in the first half of the year.

Nonbank liabilities to unaffiliated foreigners increased \$105.7 billion, following an increase of \$34.3 billion. Along with banks, nonbanks were major borrowers of funds from foreigners in 2000. Combined, U.S. nonbanks and U.S. banks borrowed \$185.2 billion from financial markets abroad in 2000 (table P).

U.S. Treasury securities.—Net foreign sales of U.S. Treasury securities were \$52.2 billion in 2000, following \$20.5 billion in net sales in 1999. The back-to-back years of net sales reflected the decline in the supply of U.S. Treasury securities and the higher yields available on alternative U.S. financial instruments, including equities and corporate and agency bonds. The U.S. Government's buyback program of its debt supported the rise in U.S. Treasury bond prices.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities were a record \$465.9 billion, surpassing the previous record of \$331.5 billion in 1999 by 41 percent (table P).

Net foreign purchases of U.S. stocks were a record \$171.8 billion, up from \$98.7 billion, despite a U.S. stock market that was more volatile and performed more poorly in 2000 than in 1999. Continuing the upward momentum of several previous years, most “new” economy stocks, especially telecommunications and information technology stocks, hit new highs in the first several months of 2000. By late March, technology-related stocks began to fall, amid concerns about their high valuations and future profitability in an environment of tightening credit and rising inflation expectations. This decline continued throughout the year. “Old” economy stocks, which had already begun to decline in late 1999 amid concerns of slower sales and reduced profits, continued down throughout 2000, but by much smaller amounts than technology-related stocks. The Nasdaq index, which is heavily weighted with technology-related stocks, lost 39.3 percent in 2000 after gaining 85.6 percent in 1999. The S&P 500 index lost 10.1 percent after a rise of 19.5 percent, and the Dow Jones index lost 6.2 percent after a rise of 25.2 percent. In response to these substantial price declines, trad-

ing activity fell off sharply after the first quarter, though net inflows for each of the following quarters were well above net quarterly inflows in 1999. For the year, trading activity increased 54 percent in 2000, following an increase of 50 percent in 1999.

Net foreign purchases of U.S. bonds were a record \$294.1 billion, surpassing the record of \$232.8 billion in 1999.

New issues sold abroad by U.S. corporations were \$65.0 billion—the second highest on record—up from \$41.8 billion. New issues accelerated over the first three quarters but slowed abruptly in the fourth, when conditions in the financial markets deteriorated rapidly and corporate spreads rose sharply. Some borrowing was postponed into the first quarter of 2001, when interest rates were expected to be lower. Straight fixed-rate issues continued to dominate the market, but floating-rate issues rebounded strongly. Issues denominated in foreign currencies were sharply higher, particularly those denominated in euros (table R). Net foreign purchases of outstanding U.S. corporate bonds were \$116.7 billion, down slightly from \$117.2 billion.

Net foreign purchases of U.S. agency bonds, which includes new agency issues sold abroad, were a record \$112.4 billion, up the previous record of \$73.7 billion in 1999. As a result of con-

Table R.—New International Bond Issues by U.S. Borrowers

[Millions of dollars]

	1998	1999	2000 ^P	2000			
				I	II	III	IV ^P
Total	87,098	65,847	109,201	23,853	26,561	36,661	22,126
By issuer:							
Industrial corporations	4,440	7,124	17,999	3,574	7,156	5,972	1,297
Banking corporations ¹	7,203	5,338	6,153	1,151	1,944	1,622	1,436
Nonbank financial corporations ²	41,722	26,432	33,961	7,631	7,609	12,551	6,170
U.S. federally sponsored agencies	33,121	24,004	44,236	10,293	8,802	12,873	12,268
All other borrowers	612	2,949	6,851	1,204	1,050	3,643	954
By instrument:							
Straight fixed-rate bonds	67,204	57,620	92,866	20,403	22,014	31,442	19,007
Floating-rate notes	16,757	7,764	14,699	3,089	4,258	4,767	2,585
Zero-coupon bonds	490	128	49	49			
Bonds convertible into stock	1,239	111	1,389	113	289	452	535
Other debt instruments	1,408	224	199	199			
By currency:							
U.S. dollars	56,110	42,125	62,048	15,786	16,400	17,095	12,767
Foreign currencies	30,988	23,722	47,153	8,067	10,161	19,566	9,359
Japanese yen	1,645	3,200	11,130	1,616	3,758	4,644	1,112
Swiss franc	3,265	2,082	2,099	166	435	722	776
German mark	4,427						
British pound	10,249	3,852	6,508	966	888	2,640	2,014
Euro	3,965	13,658	26,422	5,155	4,921	11,425	4,921
Canadian dollar	253	28	148				148
Other currencies	7,184	902	846	164	159	135	388

^P Preliminary.

1. Includes banks and bank holding companies.

2. Principally credit, securities, brokerage, and insurance companies.

cerns over credit quality that developed during the year, agency bonds were increasingly viewed as alternatives to U.S. Treasury issues. U.S. agencies stepped up their new issues by a substantial amount in the last half of the year.

Trading activity in U.S. bonds increased 42 percent in 2000, following a 13-percent decrease in 1999.

U.S. currency flows.—Net U.S. currency shipments were \$1.1 billion in 2000, down from \$22.4 billion in 1999. Supplies of U.S. currency shipped at yearend 1999 in anticipation of Y2K problems were sufficient to meet demands for much of 2000. No major political upheavals significantly increased the demand for currency.

Table S.— Selected U.S. Transactions With OPEC Members

[Millions of dollars]

(Credits +; debits -)	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996 ^r	1997 ^r	1998 ^r	1999 ^r	2000 ^p
Exports of goods and services and income receipts:															
Goods, balance of payments basis	10,386	10,714	13,777	12,669	12,712	18,446	19,726	18,692	17,113	18,326	20,225	24,210	23,387	18,566	17,958
Transfers under U.S. military agency sales contracts	2,992	2,781	1,430	1,309	2,687	3,809	4,454	3,675	2,936	4,471	5,638	4,077	5,308	4,003	3,009
Royalties and license fees ¹	48	103	77	71	94	149	161	220	357	394	253	312	249	283	298
Other private services ¹	² 2,270	1,939	1,516	1,541	1,423	1,898	2,546	2,210	2,080	2,187	3,018	3,117	3,291	3,372	3,462
U.S. Government miscellaneous services	15	25	18	16	20	16	22	13	14	17	11	10	10	11	10
Income receipts on U.S.-owned assets abroad:															
Direct investment receipts	1,858	1,965	1,875	1,835	2,854	3,293	3,224	2,745	2,701	3,966	4,220	4,073	2,669	3,086	4,685
Other private receipts	1,535	1,680	1,941	2,435	2,326	1,441	1,202	1,045	1,470	1,456	1,371	1,697	1,846	1,788	1,966
U.S. Government receipts	196	167	215	154	261	217	187	141	122	192	268	263	238	266	404
Imports of goods and services and income payments:															
Goods, balance of payments basis	-18,893	-24,416	-23,016	-29,243	-37,024	-33,431	-32,377	-32,644	-31,674	-34,257	-42,665	-44,017	-33,919	-41,976	-67,186
Direct defense expenditures	-494	-370	-377	-614	-1,419	-784	-883	-455	-360	-335	-545	-944	-1,754	-1,815	-1,630
Royalties and license fees ¹	(^D)	(*)	-6	-1	(*)	-1	-1	-37	-7	-2	-38	-5	-8	-9	-8
Other private services ¹	² (^D)	-253	-259	-245	-306	-461	-388	-340	-405	-456	-628	-588	-605	-570	-527
U.S. Government miscellaneous services	-102	-118	-96	-104	-96	-87	-47	-26	-39	-34	-31	-31	-30	-31	-30
Income payments on foreign-owned assets in the United States:															
Direct investment payments	114	-78	164	-50	-98	-93	182	-82	-49	-34	-136	-422	-173	-4	-2,436
Other private payments	-1,916	-1,837	-2,175	-2,798	-2,892	-2,669	-2,302	-2,176	-1,964	-2,955	-2,799	-3,105	-3,173	-2,925	-4,333
U.S. Government payments	-3,141	-2,586	-2,141	-2,758	-3,241	-2,764	-2,524	-2,160	-1,747	-2,179	-2,430	-3,751	-3,804	-3,784	-4,272
U.S. Government grants	-74	-84	-97	-94	3,368	27,453	1,018	-197	-204	-195	-152	-55	-54	-108	-144
U.S. Government pensions and other current transfers	-21	-25	-20	5	-25	-305	-32	-27	-28	-25	-93	-57	-40	-26	-22
U.S.-owned assets abroad, net (increase/capital outflow (-))	-945	-571	-782	-1,875	1,847	-577	-12,162	-513	-3,107	143	-7,078	-8,974	-12,076	1,713	3,160
U.S. Government assets, other than official reserve assets, net	158	141	-59	135	-253	-788	-529	19	-422	-901	-458	12	-10	-320	-87
U.S. credits and other long-term assets	-195	-165	-396	-212	-647	-246	-277	-85	-234	-925	-912	-412	-166	-504	-433
Repayments on U.S. credits and other long-term assets	349	308	344	343	481	397	279	224	177	215	290	420	154	207	359
U.S. foreign currency holdings and U.S. short-term assets, net	4	-2	-7	4	-87	-939	-531	-120	-365	-191	164	4	2	-23	-13
U.S. private assets, net	-1,103	-712	-723	-2,010	2,100	211	-11,633	-532	-2,685	1,044	-6,620	-8,986	-12,066	2,033	3,247
Direct investment	-1,357	-64	1,133	535	-1,277	-2,706	-1,465	-1,597	-3,575	-2,379	-2,884	-2,411	-3,841	-3,075	-2,570
Foreign securities	33	58	-365	96	-2,815	-17	337	-679	-2,077	-675	-2,882	-3,997	-677	55	1,844
U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	43	81	41	100	13	-224	-44	-306	-146	-25	-478	-336	369	-534	199
U.S. claims reported by U.S. banks, not included elsewhere	178	-787	-1,532	-2,741	6,179	3,158	-10,461	2,050	3,113	4,123	-376	-2,242	-7,917	5,587	3,774
Foreign-owned assets in the United States, net (increase/capital inflow(+))	-9,380	-5,371	-728	15,282	3,320	-4,416	14,529	-8,904	1,400	5,396	18,381	17,957	-10,152	9,510	32,924
Of which: foreign official	-9,308	-9,939	-2,885	10,724	1,555	-5,235	5,626	-3,850	-1,464	4,061	14,105	12,663	-11,532	1,331	11,989
U.S. Treasury securities	-4,938	-5,398	1,688	7,815	-244	-5,902	4,323	-6,302	-1,668	1,829	16,159	9,004	-13,863	3,255	10,013
Other U.S. securities	-1,746	-1,808	-2,591	3,170	-2,676	1,989	4,186	3,322	-820	1,592	217	4,054	4,284	2,577	13,933
Other U.S. Government liabilities	-427	-957	177	437	505	151	569	730	1,797	617	-982	-385	-2,372	-1,186	-659
U.S. liabilities reported by U.S. banks, not included elsewhere	-1,459	2,405	-1,146	1,836	5,686	-164	4,793	-5,665	1,677	1,059	1,813	4,094	2,296	4,634	5,013
Direct investment in the United States	510	296	1,629	1,503	-662	81	167	-812	251	-140	623	382	-67	403	3,391
U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-1,320	91	-485	521	711	-571	491	-177	163	439	551	808	-430	-173	1,233
All other transactions with OPEC and transfers of funds between foreign areas, net	15,834	16,335	8,684	2,465	14,189	-11,134	3,465	18,820	11,391	3,924	3,210	6,233	28,790	8,650	12,712
Memorandum:															
Balance on goods	-8,507	-13,702	-9,239	-16,574	-24,312	-14,985	-12,651	-13,952	-14,561	-15,931	-22,440	-19,807	-10,532	-23,410	-49,228

^D Suppressed to avoid disclosure of data of individual companies.^r Revised.^p Preliminary.^{*} Less than \$500,000 (±).

1. 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.

2. Break in series. See Technical Notes in June 1989 and June 1990 SURVEY.

NOTE:—OPEC members are Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela. Excludes Ecuador beginning January 1993 and Gabon beginning January 1995. Individual country information is not available for all accounts; therefore, some accounts are estimated from regional data.

Direct investment.—Net financial inflows for foreign direct investment in the United States were \$316.5 billion in 2000, up from \$275.5 billion in 1999 (table M).

Net equity capital inflows increased to a record \$221.1 billion from the previous record of \$212.1 billion in 1999. Although there was no single exceptionally large acquisition, as there was in 1999, large acquisitions in many industries continued the especially rapid pace of recent years. These acquisitions allowed companies, mostly from

Europe, to increase their global presence by gaining a share of the U.S. market. The largest acquisitions were in petroleum, investment banking, management consulting, optical equipment, advertising, networking equipment, foods, communications, insurance, and electronics manufacturing. Net intercompany debt inflows increased to \$72.4 billion from \$40.2 billion, as a result of an increase in U.S. affiliates' payables. Reinvested earnings decreased slightly to \$23.0 billion.


Tables 1 through 10 follow. 

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.)	1999	2000 ^a	Not seasonally adjusted								Amounts outstanding Dec. 31, 2000
				1999				2000				
				I	II	III	IV	I	II	III ^b	IV ^c	
A1	Claims, total (table 1, line 53)	-92,328	-156,988	-14,223	-25,734	-27,943	-24,428	-52,563	-36,507	-17,807	-50,111	665,129
2	Financial claims	-87,134	-157,417	-14,590	-24,647	-26,183	-21,714	-52,983	-36,595	-17,728	-50,111	628,603
3	<i>Denominated in U.S. dollars</i>	-71,604	-142,086	-7,663	-22,559	-23,011	-18,371	-46,144	-37,959	-7,872	-50,111	533,025
4	<i>Denominated in foreign currencies</i>	-15,530	-15,331	-6,927	-2,088	-3,172	-3,343	-6,839	1,364	-9,856		95,578
5	By type: Deposits ²	-68,362	-128,049	-15,048	-19,821	-17,365	-16,128	-39,877	-31,725	-6,608	-49,839	475,523
6	Financial intermediaries' accounts	-14,406	-29,315	802	-4,311	-7,685	-3,212	-12,622	-3,911	-12,510	-272	143,442
7	Other claims ^{2,3}	-4,366	-53	-344	-515	-1,133	-2,374	-484	-959	1,390		9,638
8	By area: Industrial countries ⁴	-58,628	-76,498	-24,918	-11,994	-5,312	-16,404	-23,974	-21,763	-30,761		390,078
9	Of which United Kingdom	-31,046	-43,449	-17,695	-13,613	6,861	-6,599	-27,264	-8,815	-7,370		223,393
10	Canada	-4,238	-2,116	-2,918	805	-235	-1,890	1,288	155	-3,559		12,675
11	Caribbean banking centers ⁵	-26,149	-77,500	11,006	-12,339	-19,307	-5,509	-27,299	-13,585	13,223	-49,839	218,586
12	Other	-2,357	-3,419	-678	-314	-1,564	199	-1,710	-1,247	-190	-272	19,939
13	Commercial claims	-5,194	429	367	-1,087	-1,760	-2,714	420	88	-79		36,526
14	<i>Denominated in U.S. dollars</i>	-4,616	363	107	-1,099	-926	-2,698	1,451	-1,277	189		34,385
15	<i>Denominated in foreign currencies</i>	-728	66	260	12	-834	-16	-1,031	1,365	-268		2,141
16	By type: Trade receivables	-5,393	1,177	478	-1,067	-1,606	-3,198	1,227	206	-256		31,556
17	Advance payments and other claims	199	-748	-111	-20	-154	484	-807	-118	177		4,970
18	By area: Industrial countries ⁴	-3,973	309	47	-139	-1,444	-2,437	340	316	-347		22,452
19	Members of OPEC ⁶	-539	224	22	-362	-68	-131	151	111	-38		2,231
20	Other	-682	-104	298	-586	-248	-146	-71	-339	306		11,843
B1	Liabilities, total (table 1, line 68)	34,298	105,728	27,928	13,663	-8,085	792	58,061	24,038	1,506	22,123	624,617
2	Financial liabilities	38,975	102,687	31,079	13,814	-8,023	2,105	58,555	22,262	-253	22,123	597,568
3	<i>Denominated in U.S. dollars</i>	47,488	93,899	27,063	22,511	-9,295	7,209	53,629	17,314	833	22,123	568,328
4	<i>Denominated in foreign currencies</i>	-8,513	8,788	4,016	-8,697	1,272	-5,104	4,926	4,948	-1,086		29,240
5	By type: Financial intermediaries' accounts	42,600	27,937	17,909	15,441	3,462	5,788	36,250	-6,317	-28	-1,968	222,486
6	Other Liabilities	-3,625	74,750	13,170	-1,627	-11,485	-3,683	22,305	28,579	-225	24,091	375,082
7	By area: Industrial countries ⁴	54,682	60,239	26,176	24,003	-4,382	8,885	59,770	2,598	-2,129		370,639
8	Of which United Kingdom	38,868	32,204	23,021	13,299	-4,697	7,245	44,633	-12,368	-61		239,958
9	Caribbean banking centers ⁵	-17,681	37,711	3,398	-12,435	-2,363	-6,281	-3,492	16,523	589	24,091	202,931
10	Other	1,974	4,737	1,505	2,246	-1,278	-499	2,277	3,141	1,287	-1,968	23,998
11	Commercial liabilities	-4,677	3,041	-3,151	-151	-62	-1,313	-494	1,776	1,759		27,049
12	<i>Denominated in U.S. dollars</i>	-4,977	2,940	-3,533	-203	-102	-1,139	-691	1,924	1,707		25,592
13	<i>Denominated in foreign currencies</i>	300	101	382	52	40	-174	197	-148	52		1,457
14	By type: Trade payables	1,886	1,359	-979	936	1,716	213	-458	1,363	454		14,218
15	Advance receipts and other liabilities	-6,563	1,682	-2,172	-1,087	-1,778	-1,526	-36	413	1,305		12,831
16	By area: Industrial countries ⁴	-4,013	356	-2,713	382	-822	-860	-882	296	942		13,616
17	Members of OPEC ⁶	-162	1,233	-478	-240	695	-139	-328	1,301	260		4,644
18	Other	-502	1,452	40	-293	65	-314	716	179	557		8,789

See footnotes on page 68.

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.)	1999	2000 ^a	Not seasonally adjusted								Amounts outstanding Dec. 31, 2000
				1999				2000				
				I	II	III	IV	I	II	III ^c	IV ^c	
1	Total (table 1, line 54)	-69,862	-110,173	28,487	-41,786	-11,259	-45,304	-55,511	18,320	-5,964	-67,018	1,232,456
2	By type:											
3	Banks' own claims	-45,800	-87,622	34,518	-29,125	-16,486	-34,707	-16,047	-12,028	-7,523	-52,024	952,985
3	Payable in dollars	-42,247	-99,461	40,271	-39,990	-8,191	-34,337	-18,513	-12,008	-13,247	-55,693	896,118
4	By borrower:											
4	Claims on:											
5	own foreign offices	-27,322	-80,760	32,666	-20,826	54	-39,216	-23,821	-1,044	-18,735	-37,160	613,612
5	unaffiliated foreign banks	4,976	-2,748	12,237	-10,092	2,049	782	5,197	3,119	1,678	-12,742	100,018
6	foreign public borrowers ¹	-11,671	-3,524	-11,211	-2,596	2,347	-211	-946	-5,425	788	2,059	38,377
7	other private foreigners	-8,230	-12,429	6,579	-6,476	-12,641	4,308	1,057	-8,658	3,022	-7,850	144,111
8	By type of reporting institution: ²											
8	U.S.-owned banks' claims on:											
9	own foreign offices	11,709	-16,259	26,433	9,355	-13,068	-11,011	13,634	-15,897	42	-14,038	186,993
9	unaffiliated foreign banks	-9,211	-312	-2,345	906	2,061	-9,833	11,372	-3,522	-748	-7,414	40,406
10	other foreigners	1,778	-724	4,415	-65	138	-2,710	-1,287	4,419	-71	-3,785	34,097
11	Foreign-owned banks' claims on:											
11	own foreign offices	-39,031	-64,501	6,233	-30,181	13,122	-28,205	-37,455	14,853	-18,777	-23,122	426,619
12	unaffiliated foreign banks	15,624	-517	10,062	-5,024	1,661	8,925	-5,204	7,010	667	-2,990	43,770
13	other foreigners	-6,767	-7,246	-5,302	-915	532	-1,082	1,744	-4,045	-65	-4,880	78,678
14	U.S. brokers' and dealers' claims on:											
14	unaffiliated foreign banks	-1,437	-1,919	4,520	-5,974	-1,673	1,690	-971	-369	1,759	-2,338	15,842
15	other foreigners	-14,912	-7,983	-3,745	-8,092	-10,964	7,889	-346	-14,457	3,946	2,874	69,713
16	Payable in foreign currencies	-3,553	11,839	-5,753	10,865	-8,295	-370	2,466	-20	5,724	3,669	56,867
17	Banks' domestic customers' claims	-24,062	-22,551	-6,031	-12,661	5,227	-10,597	-39,464	30,348	1,559	-14,994	279,471
18	Payable in dollars	-29,710	-22,891	-15,710	-226	-6,713	-7,061	-38,537	27,397	1,880	-13,631	258,985
19	Deposits	-6,930	19,781	-13,668	-1,544	7,353	929	-22,859	22,435	18,715	1,490	85,850
20	Foreign commercial paper ³	-12,572	-39,917	-3,367	5,248	-2,939	-11,514	-14,415	875	-11,980	-14,397	133,000
21	Other negotiable and readily transferable instruments ⁴	-11,195	-2,664	300	-6,168	-7,347	2,020	-1,892	7,161	-8,097	164	27,412
22	Outstanding collections and other	987	-91	1,025	2,238	-3,780	1,504	629	-3,074	3,242	-888	12,723
23	Payable in foreign currencies	5,648	340	9,679	-12,435	11,940	-3,536	-927	2,951	-321	-1,363	20,486
24	By area:											
24	Industrial countries ⁵	-63,433	-114,612	9,168	-57,451	-2,482	-12,668	-92,041	20,956	-7,238	-36,289	720,547
25	Western Europe	-105,283	-98,726	-6,063	-78,937	-9,566	-10,717	-84,353	31,056	-12,179	-33,250	601,330
26	Of which United Kingdom	-36,433	-47,923	6,185	-40,742	-2,201	325	-13,589	-8,102	-6,958	-19,274	255,951
27	Canada	19,126	-3,425	9,256	9,398	1,158	-686	-6,221	-2,117	7,686	-2,773	63,623
28	Japan	20,917	-7,402	5,816	15,089	164	-152	647	-5,389	-3,199	539	39,325
29	Other	1,807	-5,059	159	-3,001	5,762	-1,113	-2,114	-2,594	454	-805	16,269
30	Caribbean banking centers ⁶	-20,423	4,465	11,407	11,186	-9,588	-33,428	30,572	338	1,948	-28,393	357,131
31	Other areas	13,994	-26	7,912	4,479	811	792	5,958	-2,974	-674	-2,336	154,778
32	Of which Members of OPEC, included below ⁷	5,587	3,774	6,419	3,864	-1,557	-3,139	2,782	-697	1,431	258	17,563
33	Latin America	6,197	-3,974	4,205	1,161	2,783	-1,952	3,828	1,080	-2,005	-6,877	95,392
34	Asia	6,990	2,744	5,643	1,059	-3,189	3,477	684	-3,355	1,641	3,774	50,646
35	Africa	942	-89	402	182	30	328	118	-150	-489	432	1,867
36	Other ⁸	-135	1,293	-2,338	2,077	1,187	-1,061	1,328	-549	179	335	6,873
1	Memoranda:											
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	-26,321	-38,242	18,188	-7,122	-25,462	-11,925	-30,449	14,577	-17,765	-4,605	281,763
2	By borrower:											
2	Claims on:											
3	own foreign offices	-34,334	-51,602	10,721	-8,683	-25,319	-11,053	-37,852	10,697	-20,264	-4,183	207,090
4	unaffiliated foreign banks	5,505	10,858	7,453	344	-401	-1,891	6,889	3,879	358	-268	37,764
5	foreign public borrowers	336	449	298	279	-355	114	78	-398	796	-27	5,740
6	all other foreigners	2,172	2,053	-284	938	613	905	436	399	1,345	-127	31,169
7	By bank ownership: ²											
7	U.S.-owned IBF's	-10,682	2,403	3,559	-4,594	-7,515	-2,132	8,808	-6,155	5,226	-5,476	77,211
7	Foreign-owned IBF's	-15,639	-40,645	14,629	-2,528	-17,947	-9,793	-39,257	20,732	-22,991	671	204,552
8	Banks' dollar acceptances payable by foreigners	-152	386	34	30	-164	-52	206	-618	229	569	4,258

See footnotes on page 68.

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

Line	(Credits +; debits -) ¹	Eastern Europe						Canada	
		1999	2000 ^P	2000				1999	2000 ^P
				I	II	III ^r	IV ^P		
Current account									
1	Exports of goods and services and income receipts	12,182	14,816	3,606	3,620	3,756	3,834	209,897	227,813
2	Exports of goods and services	9,523	10,468	2,685	2,381	2,683	2,719	187,873	201,440
3	Goods, balance of payments basis ²	5,560	6,124	1,646	1,305	1,490	1,683	166,533	178,924
4	Services ³	3,963	4,344	1,039	1,076	1,193	1,036	21,340	22,516
5	Transfers under U.S. military agency sales contracts ⁴	344	345	87	71	138	49	115	106
6	Travel	1,184	1,359	283	361	393	322	6,670	6,982
7	Passenger fares	78	84	19	23	19	23	1,540	1,620
8	Other transportation	344	353	56	133	80	84	2,479	2,683
9	Royalties and license fees ⁵	267	292	68	69	72	83	1,696	1,942
10	Other private services ⁵	1,705	1,860	513	407	478	462	8,749	9,109
11	U.S. Government miscellaneous services	41	51	13	12	13	13	91	74
12	Income receipts	2,659	4,348	921	1,239	1,073	1,115	22,024	26,373
13	Income receipts on U.S.-owned assets abroad	2,639	4,328	916	1,234	1,068	1,110	21,948	26,294
14	Direct investment receipts	448	1,676	317	350	460	549	11,102	13,902
15	Other private receipts	2,047	2,179	554	546	538	541	10,846	12,392
16	U.S. Government receipts	144	473	45	338	70	20	.....	.....
17	Compensation of employees	20	20	5	5	5	5	76	79
18	Imports of goods and services and income payments	-16,220	-21,685	-5,029	-5,170	-6,115	-5,371	-224,395	-258,911
19	Imports of goods and services	-14,526	-19,043	-4,501	-4,535	-5,407	-4,600	-216,796	-248,585
20	Goods, balance of payments basis ²	-11,813	-16,098	-4,018	-3,682	-4,443	-3,955	-201,268	-232,039
21	Services ³	-2,713	-2,945	-483	-853	-964	-645	-15,528	-16,546
22	Direct defense expenditures	-169	-120	-41	-20	-29	-30	-72	-72
23	Travel	-1,274	-1,409	-166	-402	-554	-287	-6,135	-6,309
24	Passenger fares	-370	-415	-55	-165	-122	-73	-712	-804
25	Other transportation	-229	-251	-49	-76	-65	-61	-3,224	-3,570
26	Royalties and license fees ⁵	-10	-68	-11	-24	-16	-17	-607	-1,035
27	Other private services ⁵	-586	-626	-147	-152	-164	-163	-4,543	-4,550
28	U.S. Government miscellaneous services	-75	-56	-14	-14	-14	-14	-235	-206
29	Income payments	-1,694	-2,642	-528	-635	-708	-771	-7,599	-10,326
30	Income payments on foreign-owned assets in the United States	-1,622	-2,567	-507	-618	-692	-750	-7,287	-10,002
31	Direct investment payments	-9	-128	-9	-32	-46	-41	-1,482	-2,127
32	Other private payments	-400	-1,022	-182	-275	-275	-312	-4,661	-5,912
33	U.S. Government payments	-1,213	-1,417	-316	-333	-371	-397	-1,144	-1,963
34	Compensation of employees	-72	-75	-21	-17	-16	-21	-312	-324
35	Unilateral current transfers, net	-4,089	-3,746	-945	-948	-1,033	-820	-643	-686
36	U.S. Government grants ⁴	-2,393	-1,864	-465	-501	-547	-351	.....	.....
37	U.S. Government pensions and other transfers	-47	-46	-12	-12	-12	-10	-482	-508
38	Private remittances and other transfers ⁶	-1,649	-1,836	-468	-435	-474	-459	-161	-178
Capital and financial account									
Capital account									
39	Capital account transactions, net	25	26	7	6	6	7	87	111
Financial account									
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-1,652	-109	-231	-996	1,345	-227	-5,066	-36,253
41	U.S. official reserve assets, net .....	.....	.....	.....	.....	.....	.....	.....	.....
42	Gold ⁷ .....	.....	.....	.....	.....	.....	.....	.....	.....
43	Special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....
44	Reserve position in the International Monetary Fund .....	.....	.....	.....	.....	.....	.....	.....	.....
45	Foreign currencies .....	.....	.....	.....	.....	.....	.....	.....	.....
46	U.S. Government assets, other than official reserve assets, net	-301	-423	-73	-418	10	58	.....	.....
47	U.S. credits and other long-term assets	-1,550	-578	-95	-454	-17	-12	.....	.....
48	Repayments on U.S. credits and other long-term assets ⁸	1,276	153	22	31	30	70	.....	.....
49	U.S. foreign currency holdings and U.S. short-term assets, net	-27	2	.....	5	-3	.....	.....	.....
50	U.S. private assets, net	-1,351	314	-158	-578	1,335	-285	-5,066	-36,253
51	Direct investment	-1,183	-249	-903	-283	1,383	-446	-14,268	-16,655
52	Foreign securities	-230	-149	-108	-269	-221	449	-5,570	-13,879
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	27	-43	-73	-28	58	.....	-4,354	-2,294
54	U.S. claims reported by U.S. banks, not included elsewhere	35	755	926	2	115	-288	19,126	-3,425
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	5,311	17,598	4,821	862	5,160	6,755	29,118	46,907
56	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	1,953	-140
57	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
58	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
59	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
60	Other U.S. Government liabilities ¹¹	438	387	113	137	123	14	2	-31
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
62	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
63	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	27,165	47,047
64	Direct investment	922	2,022	660	796	207	359	12,229	28,951
65	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
66	U.S. securities other than U.S. Treasury securities	-188	1,269	84	149	-44	1,080	2,601	18,122
67	U.S. currency .....	.....	.....	.....	.....	.....	.....	.....	.....
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	167	-158	42	-82	-118	.....	-1,459	1,470
69	U.S. liabilities reported by U.S. banks, not included elsewhere	¹⁸ 3,972	¹⁸ 14,078	¹⁸ 3,922	¹⁸ -138	¹⁸ 4,992	¹⁸ 5,302	(17)	(17)
70	Statistical discrepancy (sum of above items with sign reversed)	4,443	-6,900	-2,229	2,626	-3,119	-4,178	-8,998	21,019
Memoranda:									
71	Balance on goods (lines 3 and 20)	-6,253	-9,974	-2,372	-2,377	-2,953	-2,272	-34,735	-53,115
72	Balance on services (lines 4 and 21)	1,250	1,399	556	223	229	391	5,812	5,970
73	Balance on goods and services (lines 2 and 19)	-5,003	-8,575	-1,816	-2,154	-2,724	-1,881	-28,923	-47,145
74	Balance on income (lines 12 and 29)	965	1,706	393	604	365	344	14,425	16,047
75	Unilateral current transfers, net (line 35)	-4,089	-3,746	-945	-948	-1,033	-820	-643	-686
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-8,127	-10,615	-2,368	-2,498	-3,392	-2,357	-15,141	-31,784

See footnotes on page 68.

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

Line	(Credits +; debits -) ¹	Australia					
		1999	2000 ²	2000			
				I	II	III ³	IV ⁴
Current account							
1	Exports of goods and services and income receipts	23,020	25,692	5,963	6,574	6,555	6,600
2	Exports of goods and services	16,990	18,055	4,283	4,726	4,568	4,478
3	Goods, balance of payments basis ²	11,664	12,262	2,960	3,274	3,024	3,004
4	Services ³	5,326	5,793	1,323	1,452	1,544	1,474
5	Transfers under U.S. military agency sales contracts ⁴	296	265	65	68	67	65
6	Travel	1,735	1,968	408	510	557	493
7	Passenger fares	520	565	123	145	152	145
8	Other transportation	360	356	76	84	110	86
9	Royalties and license fees ⁵	723	757	173	192	192	200
10	Other private services ⁵	1,685	1,874	476	451	464	483
11	U.S. Government miscellaneous services	7	8	2	2	2	2
12	Income receipts	6,030	7,637	1,680	1,848	1,987	2,122
13	Income receipts on U.S.-owned assets abroad	6,026	7,633	1,679	1,847	1,986	2,121
14	Direct investment receipts	2,495	3,837	749	889	1,036	1,163
15	Other private receipts	3,531	3,796	930	959	950	958
16	U.S. Government receipts						
17	Compensation of employees	4	4	1	1	1	1
18	Imports of goods and services and income payments	-9,411	-11,800	-2,617	-2,954	-3,180	-3,049
19	Imports of goods and services	-8,852	-10,196	-2,274	-2,604	-2,708	-2,610
20	Goods, balance of payments basis ²	-5,271	-6,432	-1,346	-1,677	-1,733	-1,676
21	Services ³	-3,581	-3,764	-928	-927	-975	-934
22	Direct defense expenditures	-62	-82	-19	-31	-16	-16
23	Travel	-1,243	-1,373	-352	-333	-391	-297
24	Passenger fares	-642	-717	-170	-181	-151	-215
25	Other transportation	-197	-225	-56	-52	-62	-55
26	Royalties and license fees ⁵	-69	-94	-17	-18	-30	-29
27	Other private services ⁵	-1,326	-1,237	-305	-303	-316	-313
28	U.S. Government miscellaneous services	-42	-36	-9	-9	-9	-9
29	Income payments	-559	-1,604	-343	-350	-472	-439
30	Income payments on foreign-owned assets in the United States	-551	-1,596	-341	-348	-470	-437
31	Direct investment payments	569	-108	7	-2	-79	-34
32	Other private payments	-787	-1,000	-246	-232	-261	-261
33	U.S. Government payments	-333	-488	-102	-114	-130	-142
34	Compensation of employees	-8	-8	-2	-2	-2	-2
35	Unilateral current transfers, net	-296	-289	-70	-71	-75	-73
36	U.S. Government grants ⁴						
37	U.S. Government pensions and other transfers	-40	-42	-10	-11	-11	-10
38	Private remittances and other transfers ⁶	-256	-247	-60	-60	-64	-63
Capital and financial account							
Capital account							
39	Capital account transactions, net	8	8	2	2	2	2
Financial account							
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-3,520	-5,292	-2,732	323	-1,943	-940
41	U.S. official reserve assets, net						
42	Gold ⁷						
43	Special drawing rights						
44	Reserve position in the International Monetary Fund						
45	Foreign currencies						
46	U.S. Government assets, other than official reserve assets, net	-1	1	1			
47	U.S. credits and other long-term assets						
48	Repayments on U.S. credits and other long-term assets ⁸						
49	U.S. foreign currency holdings and U.S. short-term assets, net	-1	1	1			
50	U.S. private assets, net	-3,519	-5,293	-2,733	323	-1,943	-940
51	Direct investment	-4,062	-941	-600	483	105	-929
52	Foreign securities	-1,699	991	874	-358	526	-51
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	58	-991	-944	2,391	-2,438	
54	U.S. claims reported by U.S. banks, not included elsewhere	2,184	-4,352	-2,063	-2,193	-136	40
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	3,465	7,771	2,830	-297	2,456	2,782
56	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)
57	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)
58	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)
59	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)
60	Other U.S. Government liabilities ¹¹	-49	-27	-10	-31	10	4
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)
62	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)
63	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)
64	Direct investment	-2,506	4,648	2,853	195	252	1,348
65	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	1,956	1,912	544	307	493	568
67	U.S. currency						
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-404	-2,101	-1,117	-1,108	124	
69	U.S. liabilities reported by U.S. banks, not included elsewhere	18 4,468	18 3,339	18 560	18 340	18 1,577	18 862
70	Statistical discrepancy (sum of above items with sign reversed)	-13,266	-16,090	-3,376	-3,577	-3,815	-5,322
Memoranda:							
71	Balance on goods (lines 3 and 20)	6,393	5,830	1,614	1,597	1,291	1,328
72	Balance on services (lines 4 and 21)	1,745	2,029	395	525	569	540
73	Balance on goods and services (lines 2 and 19)	8,138	7,859	2,009	2,122	1,860	1,868
74	Balance on income (lines 12 and 29)	5,471	6,033	1,337	1,498	1,515	1,683
75	Unilateral current transfers, net (line 35)	-296	-289	-70	-71	-75	-73
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	13,313	13,603	3,276	3,549	3,300	3,478

See footnotes on page 68.

Footnotes to U.S. International Transactions Tables 1-10

General notes for all tables: ^p Preliminary, ^r Revised, ^{*} Less than \$500,000 (+/-) ^D Suppressed to avoid disclosure of data of individual companies.

Table 1

1. Credits, +; Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows—increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).
2. Debits, -; Imports of goods and services and income payments; unilateral current transfers to foreigners; capital account transactions payments; financial outflows—decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).
3. 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.
4. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.
5. Excludes transfers of goods and services under U.S. military grant programs.
6. 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.
7. 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.
8. At the present time, all U.S. Treasury-owned gold is held in the United States.
9. Includes sales of foreign obligations to foreigners.
10. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.
11. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.
12. 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.
13. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.
14. Conceptually, line 76 is equal to "net foreign investment" in the national income and product accounts (NIPAs). However, the foreign transactions account in the NIPAs (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private nonresident pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in reconciliation table 2 in appendix A in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables in the August issue of the SURVEY.

Table 2

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974-81, when they represent transactions values, f.a.s. foreign port of exportation (see July issues of the SURVEY for historical data).
2. From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" monthly data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY).
3. 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.
4. Adjustments in lines A5 and A13, B12, B48, and B84 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.
5. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by 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 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 22 (direct defense expenditures).
6. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stocks of U.S.-owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to foreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).
7. Coverage adjustment for special situations in which shipments were omitted from Census data; the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair; and the adjustment of software imports to market value. Also includes addition of understatement of inland freight in f.a.s. value of U.S. imports of goods from Canada in 1974-81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).
8. For 1988-89, correction for the understatement of crude petroleum imports from Canada.
9. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries:* Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC:* Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (Excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995.); *Other countries:* Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Other" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other" countries in Asia and Africa.
10. 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.
11. 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."
12. The "Euro area," which formed in January 1999, includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain.

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 expenditures of U.S. residents temporarily working abroad and film rentals.
4. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these military expenditures is applied in lines A43 and A46 to reduce short-term assets previously recorded in lines A41 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A4 expenditures finances future deliveries under military sales

contracts for the recipient countries and is applied directly to lines A42 and C9. A third part of line A4, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A37. A fourth part of line A4, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A48.

2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are not included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.
3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.
4. Line A38 includes foreign currency collected as interest and line A43 includes foreign currency collected as principal, as recorded in lines A16 and A17, respectively.
5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.
6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.
7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

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 non-scheduled retirements appear in line A30.

Table 7

1. Estimates of transactions other than those with U.S. banks' Caribbean branches and with financial intermediaries (F.I.s) are not available. Preliminary estimates of transactions with F.I.s, by area, are commingled in "other" to avoid disclosure of individual companies' area data.
2. Deposits (line A5) include other financial claims (line A7) for some countries due to the commingling of these categories in foreign source data.
3. Primarily mortgages, loans, and bills and notes drawn on foreigners.
4. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
5. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
6. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.

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, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.
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. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.
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 U.S. Trust Fund of the International Monetary Fund.
5. U.S.-owned banks are mainly U.S. chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. U.S. brokers and dealers are identified separately beginning with the first quarter of 1997; prior to 1997, they are commingled with U.S.-owned banks' accounts.
6. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
8. Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Excludes Ecuador beginning in January 1993.
9. Includes Eastern Europe and international and regional organizations.

Table 10:

1. For footnotes 1-13, see table 1.
2. 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.
3. 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.
4. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also includes taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; before 1996, small transactions in business services that are not reported by country, or net U.S. currency flows, for which geographic source data are not available.
5. Details are not shown separately; see totals in lines 56 and 63.
6. Details not shown separately are included in line 69.
7. Details not shown separately are included in line 69.

Table 10a:

1. Country data are based on information available from U.S. reporting sources. In some instances the statistics may not necessarily reflect the ultimate foreign transactor. For instance: U.S. export statistics reflect country of report destination; in many cases the exports may be transshipped to third countries (especially true for the Netherlands and Germany). The geographic breakdown of security transactions reflects country with which transaction occurred but may not necessarily reflect the ultimate sources of foreign funds or ultimate destination of U.S. funds. Data for individual countries within the European Union (6) may not add to the published totals for the European Union (6), because in several instances estimates for the group are not available for each country. In addition, country data may not add to the European Union (6) totals because of rounding.

National Data

A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on March 29, 2001, and include the “final” estimates for the fourth quarter of 2000.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly; in most of these tables, annual estimates are also shown.

The news release on gross domestic product is available within minutes of the time of release, and the “Selected NIPA Tables” are available later that day, on BEA’s Web site <www.bea.doc.gov> and on STAT-USA’s Web site <www.stat-usa.gov>.

The “Selected NIPA Tables” are also available on printouts or diskettes from BEA. To order NIPA subscription products, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

S. Summary Tables

Table S.1.—Summary of Percent Change From Preceding Period in Real Gross Domestic Product and Related Measures

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Personal consumption expenditures	5.3	5.3	5.0	5.9	7.6	3.1	4.5	2.8
Durable goods	12.4	9.6	8.0	13.0	23.6	-5.0	7.6	-3.1
Nondurable goods	5.6	5.0	4.9	7.4	6.0	3.6	4.7	1.0
Services	3.7	4.5	4.5	3.8	5.2	4.6	3.7	4.9
Gross private domestic investment	6.6	10.2	15.0	17.9	5.1	21.7	1.8	-4.1
Fixed investment	9.2	9.3	7.8	7.2	16.4	11.2	3.1	-9
Nonresidential	10.1	12.6	11.8	9.5	21.0	14.6	7.7	-1
Structures	-1.4	9.1	-6.2	9.7	22.3	4.4	14.6	10.4
Equipment and software	14.1	13.7	18.0	9.5	20.6	17.9	5.6	-3.3
Residential	6.4	-5	-3.1	.5	3.2	1.3	-10.6	-3.6
Change in private inventories								
Net exports of goods and services								
Exports	2.9	9.0	10.2	10.3	6.3	14.3	13.9	-6.4
Goods	4.0	11.6	15.9	12.6	6.0	19.0	21.0	-9.9
Services .....	.5	2.9	-2.5	4.6	6.9	3.5	-2.8	3.4
Imports	10.7	13.5	16.9	10.7	12.0	18.6	17.0	-1.2
Goods	12.5	13.9	19.0	11.2	11.2	20.0	16.2	-2.1
Services	1.7	11.5	6.3	8.2	16.6	10.6	22.3	4.0
Government consumption expenditures and gross investment	3.3	2.8	4.8	8.5	-1.1	4.8	-1.4	2.9
Federal	2.5	1.5	6.9	13.2	-14.2	17.2	-9.0	3.8
National defense	2.0	.2	12.3	12.6	-19.8	16.9	-9.7	8.9
Nondefense	3.4	3.8	-2.2	14.4	-3.3	17.8	-7.9	-4.6
State and local	3.8	3.5	3.7	6.1	6.6	-1.1	2.9	2.5
Addenda:								
Final sales of domestic product	4.6	4.8	4.5	6.4	6.7	3.9	2.4	1.7
Gross domestic purchases	5.2	5.7	6.6	8.4	5.6	6.5	3.0	1.5
Final sales to domestic purchasers	5.6	5.5	5.5	6.6	7.5	4.7	3.2	2.1
Gross national product	4.1	5.1	5.5	8.3	5.1	5.6	2.1	1.7
Disposable personal income	3.2	2.8	2.2	4.5	1.9	3.7	2.6	.7

NOTE.—Percent changes from preceding period in the current-dollar and price measures for these series are shown in table 8.1.

Table S.2.—Summary of Contributions to Percent Change in Real Gross Domestic Product

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Percentage points at annual rates:								
Personal consumption expenditures	3.52	3.56	3.43	4.08	5.03	2.14	2.99	1.87
Durable goods .....	.96	.77	.64	1.04	1.79	-.42	.61	-.26
Nondurable goods	1.10	1.01	.97	1.47	1.19	.74	.93	.21
Services	1.46	1.78	1.81	1.58	2.04	1.83	1.46	1.92
Gross private domestic investment	1.15	1.80	2.50	3.04	.92	3.66	.33	-.78
Fixed investment	1.53	1.59	1.33	1.26	2.68	1.93	.55	-.17
Nonresidential	1.26	1.62	1.47	1.22	2.54	1.87	1.02	-.02
Structures	-.05	.28	-.19	.29	.63	.14	.44	.33
Equipment and software	1.30	1.33	1.66	.94	1.91	1.73	.58	-.35
Residential .....	.27	-.02	-.13	.03	.14	.06	-.47	-.15
Change in private inventories	-.37	.21	1.17	1.78	-1.76	1.73	-.22	-.62
Net exports of goods and services	-1.03	-.87	-1.08	-.37	-.94	-1.00	-.90	-.55
Exports .....	.32	.96	1.05	1.09	.67	1.48	1.45	-.74
Goods .....	.30	.87	1.13	.94	.46	1.37	1.54	-.84
Services .....	.02	.09	-.08	.15	.21	.11	-.09	.10
Imports	-1.35	-1.83	-2.13	-1.45	-1.61	-2.48	-2.35	-.19
Goods	-1.32	-1.59	-1.99	-1.28	-1.28	-2.26	-1.90	.28
Services	-.04	-.24	-.13	-.17	-.33	-.22	-.44	-.09
Government consumption expenditures and gross investment .....	.59	.50	.84	1.50	-.18	.85	-.24	.50
Federal .....	.16	.09	.41	.79	-.93	.97	-.57	.22
National defense .....	.08	.01	.46	.48	-.86	.60	-.38	.32
Nondefense .....	.08	.08	-.05	.30	-.07	.37	-.18	-.10
State and local .....	.43	.41	.43	.71	.75	-.12	.33	.28

NOTE.—More detailed contributions to percent change in real gross domestic product are shown in table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	9,299.2	9,963.1	9,340.9	9,559.7	9,752.7	9,945.7	10,039.4	10,114.4
Personal consumption expenditures	6,268.7	6,757.3	6,319.9	6,446.2	6,621.7	6,706.3	6,810.8	6,890.2
Durable goods	761.3	820.3	767.2	787.6	826.3	814.3	824.7	815.8
Nondurable goods	1,845.5	2,010.0	1,860.0	1,910.2	1,963.9	1,997.6	2,031.5	2,046.9
Services	3,661.9	3,927.0	3,692.7	3,748.5	3,831.6	3,894.4	3,954.6	4,027.5
Gross private domestic investment	1,650.1	1,832.7	1,659.1	1,723.7	1,755.7	1,852.6	1,869.3	1,853.3
Fixed investment	1,606.8	1,778.2	1,622.4	1,651.0	1,725.8	1,780.5	1,803.0	1,803.5
Nonresidential	1,203.1	1,362.2	1,216.8	1,242.2	1,308.5	1,359.2	1,390.6	1,390.4
Structures	285.6	324.2	281.2	290.4	308.9	315.1	330.1	342.8
Equipment and software	917.4	1,038.0	935.6	951.8	999.6	1,044.1	1,060.5	1,047.6
Residential	403.8	416.0	405.6	408.8	417.3	421.3	412.4	413.1
Change in private inventories	43.3	54.5	36.7	72.7	29.9	72.0	66.4	49.8
Net exports of goods and services	-254.0	-370.7	-280.5	-299.1	-335.2	-355.4	-389.5	-402.7
Exports	990.2	1,097.3	999.5	1,031.0	1,051.9	1,092.9	1,130.8	1,113.7
Goods	699.2	788.6	708.9	734.6	747.5	783.6	821.9	801.5
Services	291.0	308.7	290.7	296.4	304.4	309.2	308.9	312.2
Imports	1,244.2	1,468.0	1,280.0	1,330.1	1,387.1	1,448.3	1,520.3	1,516.4
Goods	1,048.6	1,248.6	1,081.7	1,127.3	1,176.1	1,233.9	1,294.7	1,289.6
Services	195.6	219.5	198.3	202.8	211.0	214.4	225.6	226.8
Government consumption expenditures and gross investment	1,634.4	1,743.7	1,642.4	1,688.8	1,710.4	1,742.2	1,748.8	1,773.6
Federal	568.6	595.2	570.4	591.6	580.1	604.5	594.2	602.0
National defense	365.0	377.0	367.5	380.8	366.6	381.9	375.0	384.4
Nondefense	203.5	218.2	202.8	210.7	213.5	222.6	219.2	217.6
State and local	1,065.8	1,148.6	1,072.1	1,097.3	1,130.4	1,137.7	1,154.6	1,171.6

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.—Real Gross Domestic Product

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	8,875.8	9,318.5	8,905.8	9,084.1	9,191.8	9,318.9	9,369.5	9,393.7
Personal consumption expenditures	5,978.8	6,294.3	6,013.8	6,101.0	6,213.5	6,260.6	6,329.8	6,373.3
Durable goods	817.8	896.0	826.2	851.8	898.2	886.7	903.2	896.0
Nondurable goods	1,779.4	1,869.0	1,786.1	1,818.1	1,844.8	1,861.1	1,882.6	1,887.4
Services	3,390.8	3,543.9	3,411.1	3,443.0	3,487.2	3,526.7	3,559.3	3,602.5
Gross private domestic investment	1,669.7	1,839.8	1,680.8	1,751.6	1,773.6	1,863.0	1,871.1	1,851.5
Fixed investment	1,621.4	1,771.7	1,637.8	1,666.6	1,730.9	1,777.6	1,791.3	1,787.1
Nonresidential	1,255.3	1,413.7	1,272.5	1,301.8	1,365.3	1,412.5	1,438.8	1,438.3
Structures	259.2	282.9	254.6	260.6	274.0	277.0	286.6	293.8
Equipment and software	1,003.1	1,140.5	1,026.6	1,050.1	1,100.4	1,146.6	1,162.4	1,152.7
Residential	368.3	366.3	368.0	368.5	371.4	372.6	362.3	359.0
Change in private inventories	45.3	60.9	39.1	80.9	36.6	78.6	72.5	55.7
Net exports of goods and services	-322.4	-412.4	-342.6	-352.5	-376.8	-403.4	-427.7	-441.7
Exports	1,033.0	1,126.3	1,042.6	1,068.4	1,084.8	1,121.8	1,158.8	1,139.8
Goods	752.2	839.4	763.4	786.5	798.1	833.5	874.2	851.8
Services	281.7	289.9	280.5	283.7	288.5	291.0	288.9	291.4
Imports	1,355.3	1,538.7	1,385.2	1,420.9	1,461.7	1,525.2	1,586.4	1,581.5
Goods	1,161.1	1,322.5	1,190.5	1,222.5	1,255.3	1,313.9	1,364.0	1,356.7
Services	195.9	218.5	196.7	200.6	208.4	213.7	224.8	227.0
Government consumption expenditures and gross investment	1,536.1	1,579.2	1,537.8	1,569.5	1,565.1	1,583.7	1,578.2	1,589.6
Federal	540.1	548.2	541.0	558.1	537.1	558.8	545.8	550.9
National defense	348.5	349.1	350.4	360.9	341.5	355.1	346.2	353.7
Nondefense	191.5	198.9	190.5	197.1	195.4	203.6	199.4	197.1
State and local	995.6	1,030.5	996.4	1,011.2	1,027.4	1,024.6	1,031.9	1,038.1
Residual	-6	-7.8	.1	-5.2	-8.0	-10.6	-11.2	-1.8

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2.

Chain-type quantity indexes for the series in this table are shown in table 7.1.

Table 1.9.—Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	9,299.2	9,963.1	9,340.9	9,559.7	9,752.7	9,945.7	10,039.4	10,114.4
Plus: Income receipts from the rest of the world	305.9	370.6	314.4	331.2	350.9	375.4	372.8	383.1
Less: Income payments to the rest of the world	316.9	374.9	328.0	344.6	358.6	383.7	381.7	375.7
Equals: Gross national product	9,288.2	9,958.7	9,327.3	9,546.3	9,745.0	9,937.4	10,030.5	10,121.8
Less: Consumption of fixed capital	1,161.0	1,257.1	1,181.8	1,188.5	1,215.4	1,244.3	1,272.3	1,296.4
Private	961.4	1,040.5	980.8	983.5	1,005.6	1,029.8	1,053.3	1,073.4
Capital consumption allowances	984.9	1,053.2	1,000.6	1,007.7	1,026.3	1,043.9	1,062.0	1,080.8
Less: Capital consumption adjustment	23.5	12.7	19.8	24.2	20.8	14.1	8.6	7.4
Government	199.6	216.6	201.0	205.0	209.8	214.6	219.0	223.0
General government	170.3	185.0	171.5	175.0	179.1	183.2	187.1	190.6
Government enterprises	29.3	31.6	29.5	30.0	30.7	31.4	31.8	32.3
Equals: Net national product	8,127.1	8,701.6	8,145.5	8,357.7	8,529.6	8,693.1	8,758.2	8,825.4
Less: Indirect business tax and nontax liability	718.1	769.6	721.6	745.5	755.9	764.6	772.0	785.8
Business transfer payments	39.7	41.7	39.9	40.6	41.3	42.0	41.6	41.8
Statistical discrepancy	-71.9	-83.7	-89.5	-67.8	-77.7	-72.5	-101.8	-82.9
Plus: Subsidies less current surplus of government enterprises	28.4	27.9	19.5	41.4	23.5	24.2	42.0	22.0
Equals: National income	7,469.7	8,002.0	7,493.1	7,680.7	7,833.5	7,983.2	8,088.5	8,102.8
Less: Corporate profits with inventory valuation and capital consumption adjustments	856.0	946.2	842.0	893.2	936.3	963.6	970.3	914.7
Net interest	507.1	567.2	513.8	530.6	545.4	565.9	575.7	582.0
Contributions for social insurance	662.1	705.6	666.9	676.1	691.2	701.7	710.2	719.1
Wage accruals less disbursements	5.2	0	5.2	5.2	0	0	0	0
Plus: Personal interest income	963.7	1,034.3	969.4	989.0	1,011.6	1,031.3	1,042.9	1,051.5
Personal dividend income	370.3	396.6	373.5	380.2	386.9	392.6	399.7	407.2
Government transfer payments to persons	986.5	1,037.1	990.4	997.3	1,016.5	1,035.5	1,043.5	1,053.0
Business transfer payments to persons	29.7	30.7	29.9	30.1	30.4	30.6	30.8	31.0
Equals: Personal income	7,789.6	8,281.7	7,828.5	7,972.3	8,105.8	8,242.1	8,349.0	8,429.7
Addenda:								
Gross domestic income	9,371.1	10,046.8	9,430.4	9,627.5	9,830.4	10,018.3	10,141.3	10,197.3
Gross national income	9,360.1	10,042.4	9,416.8	9,614.0	9,822.7	10,010.0	10,132.3	10,204.7
Net domestic product	8,138.1	8,706.0	8,159.1	8,371.2	8,537.3	8,701.4	8,767.1	8,818.0

Table 1.10.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	8,875.8	9,318.5	8,905.8	9,084.1	9,191.8	9,318.9	9,369.5	9,393.7
Plus: Income receipts from the rest of the world	294.1	347.6	301.9	316.2	332.0	353.2	348.7	356.7
Less: Income payments to the rest of the world	301.5	349.1	312.0	325.0	335.8	357.9	354.8	347.7
Equals: Gross national product	8,868.3	9,316.6	8,895.4	9,075.0	9,187.7	9,313.7	9,362.8	9,402.2
Less: Consumption of fixed capital	1,169.7	1,269.5	1,190.1	1,202.8	1,229.1	1,256.0	1,283.0	1,310.0
Private	974.1	1,062.7	993.3	1,003.2	1,026.7	1,050.7	1,074.8	1,098.8
Government	195.8	207.2	197.0	199.7	202.7	205.6	208.6	211.8
General government	167.8	177.7	168.8	171.2	173.7	176.3	179.0	181.8
Government enterprises	28.0	29.5	28.2	28.5	29.0	29.3	29.6	30.0
Equals: Net national product	7,701.6	8,052.7	7,709.1	7,875.1	7,962.3	8,062.2	8,086.1	8,100.4
Addenda:								
Gross domestic income ¹	8,944.4	9,396.8	8,991.1	9,148.4	9,265.0	9,386.9	9,464.6	9,470.7
Gross national income ²	8,936.9	9,394.9	8,980.8	9,139.4	9,260.9	9,381.7	9,457.8	9,479.1
Net domestic product	7,709.0	8,054.6	7,719.3	7,884.1	7,966.4	8,067.4	8,092.7	8,092.0

1. Gross domestic income deflated by the implicit price deflator for gross domestic product.
2. Gross national income deflated by the implicit price deflator for gross national product.

NOTE.—Except as noted in footnotes 1 and 2, chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

The chain-type quantity index for gross national product is shown in table 7.3.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1996) dollars]

Gross national product	8,868.3	9,316.6	8,895.4	9,075.0	9,187.7	9,313.7	9,362.8	9,402.2
Less: Exports of goods and services and income receipts from the rest of the world	1,327.4	1,476.0	1,345.0	1,385.6	1,418.6	1,477.5	1,508.9	1,499.0
Plus: Command-basis exports of goods and services and income receipts from the rest of the world ¹	1,374.0	1,502.2	1,385.3	1,418.9	1,443.4	1,508.9	1,532.8	1,523.9
Equals: Command-basis gross national product	8,915.0	9,342.8	8,935.7	9,108.3	9,212.5	9,345.1	9,386.7	9,427.1
Addendum:								
Terms of trade ²	103.5	101.8	103.0	102.4	101.7	102.1	101.6	101.7

1. Exports of goods and services and income receipts deflated by the implicit price deflator for imports of goods and services and income payments.

2. Ratio of the implicit price deflator for exports of goods and services and income receipts to the corresponding implicit price deflator for imports divided by 100.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Percent changes from preceding period for gross national product are shown in table 8.1.

Chain-type quantity indexes for the series in this table are shown in table 7.3.

3. Government Current Receipts and Expenditures

Table 3.1.—Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	2,788.0	3,051.2	2,806.6	2,889.8	2,972.8	3,035.6	3,081.0	3,115.4
Personal tax and nontax receipts	1,152.0	1,291.9	1,164.0	1,197.3	1,239.3	1,277.2	1,308.1	1,342.7
Corporate profits tax accruals	255.9	284.2	254.2	270.8	286.3	292.0	290.6	267.7
Indirect business tax and nontax accruals	718.1	769.6	721.6	745.5	755.9	764.6	772.0	785.8
Contributions for social insurance	662.1	705.6	666.9	676.1	691.2	701.7	710.2	719.1
Current expenditures	2,613.5	2,739.8	2,612.0	2,679.8	2,684.8	2,734.5	2,764.4	2,775.3
Consumption expenditures	1,325.7	1,407.2	1,334.4	1,364.5	1,376.2	1,410.3	1,415.2	1,427.1
Transfer payments (net)	998.1	1,050.2	999.5	1,016.2	1,024.8	1,044.7	1,054.9	1,076.4
To persons	986.5	1,037.1	990.4	997.3	1,016.5	1,035.5	1,043.5	1,053.0
To the rest of the world (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
Net interest paid	261.7	254.9	258.9	258.2	260.8	255.7	252.8	250.2
Interest paid	357.0	356.3	354.3	355.1	360.6	358.0	354.2	352.4
To persons and business	261.8	248.6	257.8	254.5	256.3	250.4	244.7	243.1
To the rest of the world	95.1	107.7	96.6	100.6	104.3	107.6	109.5	109.3
Less: Interest received by government	95.2	101.4	95.5	96.9	99.8	102.2	101.4	102.2
Less: Dividends received by government .....	.4	.4	.4	.4	.4	.4	.4	.4
Subsidies less current surplus of government enterprises	28.4	27.9	19.5	41.4	23.5	24.2	42.0	22.0
Subsidies	43.9	45.3	35.3	57.7	40.7	41.6	59.1	39.8
Less: Current surplus of government enterprises	15.6	17.4	15.8	16.3	17.3	17.4	17.1	17.7
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	174.4	311.4	194.7	210.0	287.9	301.1	316.6	340.1
Social insurance funds	90.3	109.8	94.3	102.7	106.1	103.6	111.2	118.4
Other	84.1	201.6	100.4	107.2	181.8	197.4	205.3	221.7
Addenda:								
Net lending or net borrowing (-)	94.9	219.4	115.8	121.7	192.0	212.6	228.3	244.5
Current surplus or deficit (-), national income and product accounts	174.4	311.4	194.7	210.0	287.9	301.1	316.6	340.1
Plus: Consumption of fixed capital	199.6	216.6	201.0	205.0	209.8	214.6	219.0	223.0
Plus: Capital transfers received (net)	36.8	36.5	36.2	39.2	37.1	36.2	36.4	36.2
Less: Gross investment	308.7	336.6	308.0	324.4	334.2	331.9	333.6	346.5
Less: Net purchases of nonproduced assets	7.2	8.6	8.1	8.0	8.6	7.5	10.0	8.2

Table 3.2.—Federal Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	1,874.6	2,065.7	1,890.3	1,941.0	2,011.9	2,054.8	2,089.4	2,106.6
Personal tax and nontax receipts	902.2	1,017.7	913.7	938.2	978.0	1,003.6	1,030.9	1,058.4
Income taxes	892.7	1,007.7	904.1	928.4	968.2	993.7	1,020.8	1,048.1
Nontaxes	9.5	10.0	9.6	9.8	9.8	9.9	10.1	10.2
Corporate profits tax accruals	219.3	244.0	217.8	232.3	245.7	250.5	249.4	230.3
Federal Reserve banks	25.4	30.0	25.2	27.7	29.2	29.3	30.0	31.7
Other	193.9	213.9	192.6	204.6	216.5	221.3	219.4	198.5
Indirect business tax and nontax accruals	100.5	108.4	101.4	103.9	106.8	108.9	108.9	109.0
Excise taxes	65.6	70.0	66.0	66.2	70.1	70.0	69.2	70.7
Customs duties	19.2	21.0	19.7	20.8	19.4	21.8	22.0	21.0
Nontaxes	15.8	17.4	15.6	16.9	17.3	17.2	17.6	17.3
Contributions for social insurance	652.5	695.6	657.4	666.6	681.5	691.8	700.2	709.0
Current expenditures	1,750.2	1,813.9	1,743.1	1,797.7	1,776.0	1,813.9	1,836.0	1,829.6
Consumption expenditures	470.8	489.2	471.3	487.0	478.7	499.0	489.9	489.2
Transfer payments (net)	746.1	782.4	745.0	757.7	763.2	779.0	785.2	802.0
To persons	734.5	769.3	735.9	738.8	754.9	769.9	773.8	778.6
To the rest of the world (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
Grants-in-aid to State and local governments	229.3	244.6	234.0	238.8	235.0	240.9	251.2	251.2
Net interest paid	264.7	259.4	262.2	261.8	265.0	260.3	257.2	254.9
Interest paid	281.8	279.7	279.0	279.4	284.5	281.5	277.4	275.2
To persons and business	186.7	172.0	182.4	178.8	180.2	173.9	167.9	165.9
To the rest of the world	95.1	107.7	96.6	100.6	104.3	107.6	109.5	109.3
Less: Interest received by government	17.1	20.3	16.8	17.6	19.6	21.2	20.2	20.3
Subsidies less current surplus of government enterprises	39.3	38.4	30.5	52.3	34.1	34.6	52.4	32.4
Subsidies	43.5	44.8	34.8	57.2	40.3	41.1	58.6	39.3
Less: Current surplus of government enterprises	4.2	6.4	4.3	4.9	6.2	6.5	6.1	6.8
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	124.4	251.8	147.3	143.3	235.8	240.9	253.3	277.0
Social insurance funds	90.7	110.3	94.8	103.3	106.6	104.1	111.6	118.8
Other	33.7	141.5	52.5	40.0	129.3	136.9	141.7	158.2
Addenda:								
Net lending or net borrowing (-)	117.1	237.4	135.6	131.6	224.4	227.0	240.6	257.7
Current surplus or deficit (-), national income and product accounts	124.4	251.8	147.3	143.3	235.8	240.9	253.3	277.0
Plus: Consumption of fixed capital	92.8	99.8	93.4	95.0	97.2	98.9	100.8	102.3
Plus: Capital transfers received (net)	-3.2	-8.0	-5.9	-2.4	-7.0	-8.3	-7.7	-9.1
Less: Gross investment	97.8	106.0	99.0	104.5	101.3	105.5	104.3	112.8
Less: Net purchases of nonproduced assets	-8	.2	0	-2	.3	-9	1.6	-3

Table 3.3.—State and Local Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	1,142.7	1,230.1	1,150.3	1,187.6	1,195.9	1,221.7	1,242.8	1,259.9
Personal tax and nontax receipts	249.7	274.1	250.3	259.2	261.4	273.6	277.2	284.4
Income taxes	194.8	216.3	195.0	203.2	204.6	216.1	219.0	225.5
Nontaxes	35.1	37.3	35.4	35.9	36.5	37.0	37.6	38.1
Other	19.8	20.5	19.9	20.1	20.3	20.5	20.6	20.8
Corporate profits tax accruals	36.6	40.2	36.3	38.5	40.6	41.5	41.2	37.5
Indirect business tax and nontax accruals	617.5	661.2	620.2	641.6	649.2	655.7	663.2	676.8
Sales taxes	307.1	331.7	310.8	318.3	327.4	329.8	334.0	335.8
Property taxes	238.5	248.5	239.7	242.1	244.8	247.5	249.8	251.9
Other	71.9	81.0	69.7	81.2	77.0	78.5	79.4	89.0
Contributions for social insurance	9.6	9.9	9.5	9.5	9.7	9.9	10.0	10.1
Federal grants-in-aid	229.3	244.6	234.0	238.8	235.0	240.9	251.2	251.2
Current expenditures	1,092.7	1,170.5	1,102.9	1,121.0	1,143.9	1,161.6	1,179.6	1,196.9
Consumption expenditures	855.0	918.0	863.1	877.4	897.5	911.3	925.2	937.9
Transfer payments to persons ...	252.0	267.8	254.5	258.5	261.6	265.6	269.6	274.4
Net interest paid	-3.0	-4.5	-3.3	-3.6	-4.2	-4.6	-4.4	-4.7
Interest paid	75.1	76.6	75.3	75.7	76.1	76.4	76.8	77.2
Less: Interest received by government	78.1	81.1	78.6	79.3	80.2	81.0	81.2	81.9
Less: Dividends received by government .....	.4	.4	.4	.4	.4	.4	.4	.4
Subsidies less current surplus of government enterprises	-11.0	-10.5	-11.0	-10.9	-10.6	-10.4	-10.5	-10.4
Subsidies .....	.5	.5	.5	.5	.5	.5	.5	.5
Less: Current surplus of government enterprises	11.4	11.0	11.4	11.4	11.1	10.9	11.0	10.9
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	50.0	59.6	47.4	66.6	52.0	60.1	63.2	63.1
Social insurance funds	-4	-4	-5	-6	-5	-4	-4	-4
Other	50.4	60.1	47.9	67.2	52.5	60.6	63.6	63.5
Addenda:								
Net lending or net borrowing (-)	-22.1	-18.1	-19.9	-9.9	-32.3	-14.4	-12.3	-13.2
Current surplus or deficit (-), national income and product accounts	50.0	59.6	47.4	66.6	52.0	60.1	63.2	63.1
Plus: Consumption of fixed capital	106.8	116.8	107.7	109.9	112.7	115.6	118.2	120.6
Plus: Capital transfers received (net)	40.0	44.5	42.1	41.6	44.2	44.5	44.1	45.3
Less: Gross investment	210.9	230.6	209.0	219.8	232.9	226.4	229.3	233.7
Less: Net purchases of nonproduced assets	8.1	8.4	8.1	8.2	8.3	8.4	8.4	8.5

Table 3.10.—National Defense Consumption Expenditures and Gross Investment

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National defense consumption expenditures and gross investment¹	365.0	377.0	367.5	380.8	366.6	381.9	375.0	384.4
Consumption expenditures	311.2	319.7	312.2	324.7	311.2	325.7	319.6	322.4
Durable goods²	22.4	22.4	24.0	22.3	22.4	22.2	21.9	23.0
Aircraft	10.9	10.1	11.9	10.5	10.7	9.7	10.3	9.9
Missiles	2.2	2.2	2.3	2.2	1.9	2.2	2.2	2.6
Ships	1.0	1.5	1.0	.9	1.5	1.5	1.5	1.4
Vehicles .....	.8	.8	.8	.9	.7	.8	.8	.8
Electronics	2.6	2.9	2.9	2.7	2.9	3.0	2.6	2.9
Other durable goods	4.9	4.9	5.0	5.2	4.8	5.0	4.5	5.3
Nondurable goods	8.1	10.4	10.0	8.6	10.8	10.5	10.1	10.0
Petroleum products	2.6	4.1	3.8	2.6	3.8	3.7	4.5	4.3
Ammunition	1.9	1.7	2.3	1.8	1.6	1.5	2.0	1.9
Other nondurable goods	3.7	4.5	3.9	4.3	5.4	5.4	3.6	3.8
Services	280.7	287.0	278.2	293.8	277.9	292.9	287.7	289.4
Compensation of general government employees, except own-account investment ³	133.2	137.9	133.4	132.8	137.0	137.2	138.9	138.7
Military	85.0	88.7	85.1	85.1	87.9	87.8	89.6	89.6
Civilian	48.2	49.2	48.3	47.7	49.1	49.4	49.3	49.1
Consumption of general government fixed capital ⁴	63.1	65.3	63.2	63.8	64.5	65.0	65.6	66.0
Other services	84.4	83.7	81.6	97.2	76.4	90.8	83.1	84.7
Research and development	19.0	17.9	18.1	23.2	14.5	20.4	18.3	18.4
Installation support	25.8	25.7	25.1	30.1	25.6	28.1	24.9	24.2
Weapons support	8.7	9.1	8.6	9.1	8.0	9.3	9.4	9.8
Personnel support	24.1	24.9	24.0	28.9	23.5	26.3	24.7	25.1
Transportation of material	4.8	4.5	4.6	4.5	4.5	4.5	4.5	4.5
Travel of persons	3.8	3.4	3.8	3.5	3.4	3.3	3.3	3.4
Other	-1.8	-1.8	-2.7	-2.0	-3.0	-1.2	-2.0	-8
Gross investment	53.8	57.2	55.4	56.1	55.4	56.2	55.4	62.0
Structures	5.3	4.6	5.3	5.2	4.7	4.5	4.6	4.6
Equipment and software	48.5	52.6	50.1	50.8	50.6	51.7	50.8	57.4
Aircraft	7.0	7.7	9.1	6.5	9.1	6.7	7.9	7.2
Missiles	2.8	2.6	2.8	2.9	2.0	2.4	2.0	4.2
Ships	6.8	6.6	6.5	7.1	6.0	6.8	6.7	6.8
Vehicles	1.6	1.9	1.4	2.0	1.9	2.0	1.9	1.7
Electronics and software	15.6	19.2	16.5	16.3	17.6	18.9	19.3	20.9
Other equipment	14.7	14.6	13.8	16.0	14.1	14.9	13.0	16.6
Addendum:								
Compensation of general government employees ³	133.7	138.8	134.1	133.4	137.8	138.0	139.8	139.6

Table 3.11.—Real National Defense Consumption Expenditures and Gross Investment

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National defense consumption expenditures and gross investment¹	348.5	349.1	350.4	360.9	341.5	355.1	346.2	353.7
Consumption expenditures	293.8	291.6	294.1	304.0	285.7	298.4	290.5	291.9
Durable goods²	22.7	22.5	24.4	22.5	22.6	22.3	21.9	23.1
Aircraft	11.0	10.2	12.1	10.6	10.8	9.8	10.3	10.0
Missiles	2.2	2.3	2.3	2.1	1.9	2.2	2.2	2.7
Ships	1.0	1.5	1.1	.9	1.5	1.5	1.5	1.4
Vehicles .....	.7	.6	.7	.7	.5	.6	.6	.6
Electronics	2.9	3.2	3.2	3.0	3.2	3.4	3.0	3.3
Other durable goods	4.9	4.9	5.0	5.2	4.8	5.0	4.5	5.3
Nondurable goods	8.9	9.4	10.6	8.7	10.2	10.0	9.0	8.5
Petroleum products	3.3	3.1	4.5	2.6	3.1	3.1	3.3	2.7
Ammunition	1.9	1.8	2.3	1.8	1.6	1.6	2.1	1.9
Other nondurable goods	3.6	4.4	3.8	4.2	5.3	5.2	3.4	3.7
Services	262.5	260.1	259.7	273.0	253.4	266.4	259.9	260.9
Compensation of general government employees, except own-account investment ³	121.0	120.1	121.2	120.2	119.7	119.8	120.7	120.4
Military	78.5	78.9	78.8	78.5	78.5	78.4	79.3	79.3
Civilian	42.5	41.4	42.4	41.8	41.3	41.5	41.4	41.2
Consumption of general government fixed capital ⁴	62.7	63.6	62.8	62.9	63.2	63.4	63.7	64.0
Other services	78.9	76.6	76.0	90.1	70.6	83.4	75.7	76.7
Research and development	17.9	16.5	17.1	21.7	13.5	18.9	16.8	16.8
Installation support	24.6	24.2	23.7	28.5	24.3	26.4	23.2	22.7
Weapons support	8.0	8.1	7.9	8.2	7.2	8.3	8.3	8.6
Personnel support	21.4	21.6	21.3	25.2	20.5	23.0	21.5	21.4
Transportation of material	4.8	4.4	4.6	4.5	4.5	4.4	4.3	4.4
Travel of persons	3.7	3.2	3.6	3.5	3.2	3.1	3.1	3.2
Other	-1.6	-1.5	-2.4	-1.8	-2.7	-1.0	-1.8	-7
Gross investment	55.0	58.0	56.6	57.2	56.3	57.0	56.0	62.6
Structures	4.8	4.0	4.8	4.7	4.2	4.0	4.0	4.0
Equipment and software	50.3	54.3	52.0	52.7	52.4	53.4	52.3	59.1
Aircraft	7.2	8.2	9.3	6.5	9.4	7.1	8.4	7.7
Missiles	3.0	2.8	2.9	3.1	2.1	2.6	2.2	4.5
Ships	6.8	6.4	6.5	7.0	5.9	6.6	6.5	6.6
Vehicles	1.6	1.9	1.5	1.9	1.9	2.1	2.0	1.8
Electronics and software	17.2	20.7	18.1	18.1	19.2	20.4	20.7	22.5
Other equipment	14.7	14.5	13.8	16.1	14.0	14.8	12.9	16.4
Residual	-8	-1.8	-1.3	-6	-1.4	-1.3	-1.2	-2.3
Addendum:								
Compensation of general government employees ³	121.5	120.9	121.7	120.7	120.4	120.5	121.4	121.1

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.
 2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.
 3. Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addendum.
 4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.

Chain-type indexes for the series in this table are shown in table 7.12.
 See footnotes to table 3.10.

4. Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Receipts from the rest of the world	1,296.1	1,467.9	1,314.0	1,362.2	1,402.8	1,468.3	1,503.6	1,496.9
Exports of goods and services ...	990.2	1,097.3	999.5	1,031.0	1,051.9	1,092.9	1,130.8	1,113.7
Goods ¹	699.2	788.6	708.9	734.6	747.5	783.6	821.9	801.5
Durable	504.5	570.1	511.6	528.4	538.1	569.3	594.4	578.5
Nondurable	194.7	218.6	197.3	206.1	209.4	214.3	227.5	223.0
Services ¹	291.0	308.7	290.7	296.4	304.4	309.2	308.9	312.2
Income receipts	305.9	370.6	314.4	331.2	350.9	375.4	372.8	383.1
Payments to the rest of the world	1,296.1	1,467.9	1,314.0	1,362.2	1,402.8	1,468.3	1,503.6	1,496.9
Imports of goods and services ...	1,244.2	1,468.0	1,280.0	1,330.1	1,387.1	1,448.3	1,520.3	1,516.4
Goods ¹	1,048.6	1,248.6	1,081.7	1,127.3	1,176.1	1,233.9	1,294.7	1,289.6
Durable	715.4	823.6	732.5	758.7	783.8	818.8	850.3	841.6
Nondurable	333.2	425.0	349.3	368.6	392.3	415.1	444.4	448.0
Services ¹	195.6	219.5	198.3	202.8	211.0	214.4	225.6	226.8
Income payments	316.9	374.9	328.0	344.6	358.6	383.7	381.7	375.7
Transfer payments (net)	48.1	52.9	45.7	57.0	47.8	48.9	51.7	63.2
From persons (net)	26.6	28.8	26.6	27.6	28.5	28.3	29.5	29.0
From government (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
From business	9.9	11.0	10.0	10.5	11.0	11.4	10.8	10.8
Net foreign investment	-313.2	-427.9	-339.8	-369.6	-390.7	-412.5	-450.1	-458.5

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 4.2.—Real Exports and Imports of Goods and Services and Receipts and Payments of Income

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Exports of goods and services	1,033.0	1,126.3	1,042.6	1,068.4	1,084.8	1,121.8	1,158.8	1,139.8
Goods ¹	752.2	839.4	763.4	786.5	798.1	833.5	874.2	851.8
Durable	538.7	608.7	547.8	564.2	575.3	608.1	633.8	617.7
Nondurable	213.4	230.6	215.5	222.1	222.7	225.4	240.3	234.0
Services ¹	281.7	289.9	280.5	283.7	288.5	291.0	288.9	291.4
Income receipts	294.1	347.6	301.9	316.2	332.0	353.2	348.7	356.7
Imports of goods and services	1,355.3	1,538.7	1,385.2	1,420.9	1,461.7	1,525.2	1,586.4	1,581.5
Goods ¹	1,161.1	1,322.5	1,190.5	1,222.5	1,255.3	1,313.9	1,364.0	1,356.7
Durable	802.6	928.7	824.3	854.4	880.5	920.8	958.8	954.9
Nondurable	358.8	395.5	366.5	369.1	376.2	394.5	407.2	404.0
Services ¹	195.9	218.5	196.7	200.6	208.4	213.7	224.8	227.0
Income payments	301.5	349.1	312.0	325.0	335.8	357.9	354.8	347.7

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Chain-type quantity indexes for the series in this table are shown in table 7.9.

Table 5.10.—Change in Private Inventories by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Change in private inventories	43.3	54.5	36.7	72.7	29.9	72.0	66.4	49.8
Farm	-2	-1.3	-5.3	.9	-2.5	-1	-1.1	-1.3
Nonfarm	43.5	55.8	42.0	71.8	32.4	72.2	67.5	51.0
Change in book value ¹	59.1	79.0	73.3	95.5	65.1	99.2	78.0	73.5
Inventory valuation adjustment ²	-15.6	-23.2	-31.3	-23.7	-32.7	-27.1	-10.6	-22.5
Manufacturing .....	.2	15.2	3.4	7.4	9.9	16.9	22.0	12.0
Durable goods	-.1	12.3	3.1	3.2	6.3	10.8	14.9	17.4
Nondurable goods .....	.3	2.9	.2	4.1	3.6	6.1	7.2	-5.4
Wholesale trade	16.7	22.0	21.9	17.9	21.0	32.1	21.9	13.1
Durable goods	12.5	14.4	11.9	14.6	16.7	23.0	10.3	7.5
Nondurable goods	4.2	7.7	10.0	3.3	4.3	9.1	11.6	5.6
Merchant wholesalers	15.3	17.4	19.6	19.9	15.7	28.4	15.4	10.0
Durable goods	11.2	10.5	10.6	16.7	11.9	20.6	4.9	4.6
Nondurable goods	4.1	6.9	9.1	3.2	3.8	7.8	10.6	5.4
Nonmerchant wholesalers	1.4	4.6	2.3	-1.9	5.2	3.7	6.5	3.1
Durable goods	1.3	3.9	1.3	-2.1	4.8	2.4	5.4	2.9
Nondurable goods .....	.1	.8	1.0	.2	.5	1.3	1.1	.2
Retail trade	21.0	15.4	15.8	42.4	-4.5	22.1	20.5	23.4
Durable goods	14.2	10.3	12.9	27.7	-3.6	16.1	13.9	14.9
Motor vehicle dealers ³	7.5	5.3	9.6	14.6	-6.4	9.7	10.4	7.5
Other ³	6.7	5.0	3.3	13.1	2.8	6.3	3.5	7.4
Nondurable goods	6.8	5.0	2.9	14.7	-9	6.0	6.6	8.6
Other	5.6	3.2	.9	4.1	6.1	1.1	3.1	2.5
Durable goods .....	.7	.2	-.3	2.0	1.3	-1.6	.2	1.0
Nondurable goods	5.0	2.9	1.2	2.1	4.8	2.6	2.9	1.5

1. This series is derived from the Census Bureau series "current cost inventories."

2. The inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (such as first-in, first-out and last-in, first-out) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics.

3. Inventories of auto and home supply stores are included in "other durable goods."

Table 5.11.—Real Change in Private Inventories by Industry Group

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Change in private inventories	45.3	60.9	39.1	80.9	36.6	78.6	72.5	55.7
Farm	0	5.1	-5.0	7.9	3.6	6.2	5.0	5.3
Nonfarm	44.9	55.8	43.5	73.0	33.0	72.3	67.4	50.5
Manufacturing .....	.1	15.7	3.5	7.6	10.3	17.6	22.6	12.2
Durable goods	-.1	12.8	3.3	3.3	6.5	11.3	15.4	17.9
Nondurable goods .....	.2	3.1	.2	4.2	3.8	6.4	7.2	-5.0
Wholesale trade	17.4	22.4	23.0	18.5	21.5	32.5	22.3	13.2
Durable goods	13.0	14.9	12.5	15.2	17.3	23.8	10.6	7.7
Nondurable goods	4.4	7.5	10.5	3.4	4.4	8.9	11.4	5.4
Merchant wholesalers	16.0	17.8	20.6	20.6	16.2	28.9	15.8	10.1
Durable goods	11.7	10.8	11.1	17.4	12.3	21.3	5.0	4.8
Nondurable goods	4.4	6.9	9.5	3.3	3.9	7.7	10.6	5.3
Nonmerchant wholesalers	1.4	4.5	2.4	-2.0	5.2	3.6	6.3	3.0
Durable goods	1.4	4.0	1.4	-2.2	5.0	2.5	5.7	3.0
Nondurable goods .....	.1	.7	1.0	.2	.4	1.2	.9	.2
Retail trade	20.8	15.0	15.7	41.7	-4.4	21.5	20.0	22.7
Durable goods	14.2	10.3	13.0	27.7	-3.6	16.0	13.9	14.8
Motor vehicle dealers ¹	7.6	5.3	9.7	14.7	-6.4	9.7	10.5	7.4
Other ¹	6.7	5.0	3.3	13.0	2.7	6.3	3.4	7.4
Nondurable goods	6.7	4.8	2.9	14.2	-8	5.7	6.2	8.1
Other	6.1	3.0	1.1	4.2	6.1	.9	2.8	2.3
Durable goods .....	.6	.2	-.3	1.9	1.3	-1.5	.2	1.0
Nondurable goods	5.4	2.8	1.4	2.2	4.8	2.5	2.6	1.3
Residual .....	.6	-.6	.6	.8	-.5	-.7	-.2	-1.0

1. Inventories of auto and home supply stores are included in "other durable goods."

NOTE.—Chained (1996) dollar series for real change in private inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.12.—Private Inventories and Domestic Final Sales of Business by Industry Group

[Billions of dollars]

	Seasonally adjusted quarterly totals					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	1,387.9	1,416.3	1,446.5	1,472.4	1,492.8	1,521.4
Farm	96.4	100.3	108.3	108.0	105.3	112.7
Nonfarm	1,291.4	1,316.0	1,338.3	1,364.3	1,387.5	1,408.7
Durable goods	714.9	729.7	737.0	749.6	758.7	768.9
Nondurable goods	576.6	586.3	601.3	614.7	628.9	639.8
Manufacturing	452.6	458.6	466.1	472.6	480.7	484.1
Durable goods	280.7	283.3	286.2	288.4	292.4	296.5
Nondurable goods	171.9	175.3	179.9	184.2	188.4	187.5
Wholesale trade	356.4	363.4	373.2	381.3	387.8	391.4
Durable goods	225.7	230.4	235.3	241.4	243.4	244.7
Nondurable goods	130.7	133.0	137.9	140.0	144.5	146.7
Merchant wholesalers	308.5	315.4	322.7	329.6	334.0	337.2
Durable goods	196.6	201.7	205.4	210.8	211.5	212.2
Nondurable goods	111.9	113.7	117.4	118.8	122.4	125.1
Nonmerchant wholesalers	47.9	48.0	50.4	51.7	53.9	54.1
Durable goods	29.1	28.7	29.9	30.6	31.9	32.5
Nondurable goods	18.8	19.3	20.5	21.1	22.0	21.6
Retail trade	363.5	374.6	375.5	382.2	387.4	394.8
Durable goods	198.0	205.1	204.0	208.8	211.9	216.5
Motor vehicle dealers ²	101.4	104.9	103.2	106.3	109.0	111.9
Other ²	96.6	100.1	100.9	102.5	102.9	104.6
Nondurable goods	165.5	169.5	171.5	173.3	175.5	178.3
Other	118.9	119.5	123.5	128.2	131.5	138.5
Durable goods	10.5	11.0	11.5	11.0	11.0	11.2
Nondurable goods	108.4	108.4	112.0	117.2	120.5	127.3
Final sales of domestic business ³	655.9	669.8	687.3	698.2	705.0	711.4
Final sales of goods and structures of domestic business ³	361.6	369.7	382.3	386.9	391.0	391.4
Ratio of private inventories to final sales of domestic business						
Private inventories to final sales	2.12	2.11	2.10	2.11	2.12	2.14
Nonfarm inventories to final sales	1.97	1.96	1.95	1.95	1.97	1.98
Nonfarm inventories to final sales of goods and structures	3.57	3.56	3.50	3.53	3.55	3.60

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in the private inventories component of GDP. The former is the difference between two inventory stocks, each valued at its respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas, the change in private inventories is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

Table 5.13.—Real Private Inventories and Real Domestic Final Sales of Business by Industry Group

[Billions of chained (1996) dollars]

	Seasonally adjusted quarterly totals					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	1,420.8	1,441.1	1,450.2	1,469.9	1,488.0	1,501.9
Farm	106.2	108.2	109.1	110.6	111.9	113.2
Nonfarm	1,314.1	1,332.4	1,340.6	1,358.7	1,375.6	1,388.2
Durable goods	736.9	749.2	754.5	766.8	776.9	787.3
Nondurable goods	577.1	583.2	586.2	592.1	598.9	601.4
Manufacturing	469.0	470.9	473.5	477.9	483.5	486.6
Durable goods	293.2	294.0	295.7	298.5	302.3	306.8
Nondurable goods	175.8	176.8	177.8	179.4	181.2	180.0
Wholesale trade	368.5	373.1	378.5	386.6	392.1	395.4
Durable goods	235.2	239.0	243.3	249.3	251.9	253.8
Nondurable goods	133.2	134.1	135.2	137.4	140.2	141.6
Merchant wholesalers	319.6	324.8	328.8	336.0	340.0	342.5
Durable goods	204.7	209.0	212.1	217.4	218.7	219.9
Nondurable goods	114.9	115.7	116.7	118.6	121.3	122.6
Nonmerchant wholesalers	48.8	48.3	49.6	50.5	52.1	52.8
Durable goods	30.5	30.0	31.2	31.8	33.3	34.0
Nondurable goods	18.3	18.3	18.5	18.7	19.0	19.0
Retail trade	357.5	368.0	366.9	372.2	377.2	382.9
Durable goods	198.2	205.1	204.2	208.2	211.7	215.4
Motor vehicle dealers ²	101.9	105.6	104.0	106.4	109.0	110.9
Other ²	96.2	99.5	100.2	101.8	102.6	104.5
Nondurable goods	159.4	163.0	162.8	164.2	165.7	167.8
Other	119.1	120.2	121.7	121.9	122.6	123.2
Durable goods	10.2	10.7	11.0	10.7	10.7	11.0
Nondurable goods	108.8	109.4	110.6	111.2	111.8	112.2
Residual	.7	.9	.5	.6	.5	0
Final sales of domestic business ³	628.4	639.6	651.3	657.7	661.9	664.8
Final sales of goods and structures of domestic business ³	357.3	364.8	375.1	377.3	380.8	380.0
Ratio of private inventories to final sales of domestic business						
Private inventories to final sales	2.26	2.25	2.23	2.23	2.25	2.26
Nonfarm inventories to final sales	2.09	2.08	2.06	2.07	2.08	2.09
Nonfarm inventories to final sales of goods and structures	3.68	3.65	3.57	3.60	3.61	3.65

1. Inventories are as of the end of the quarter. The quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in private inventories component of GDP is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

NOTE.—Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

6. Income and Employment by Industry

Table 6.1C.—National Income Without Capital Consumption Adjustment by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National income without capital consumption adjustment	7,439.2	7,981.2	7,466.3	7,649.4	7,805.1	7,961.2	8,071.6	8,086.9
Domestic industries	7,450.2	7,985.6	7,479.9	7,662.8	7,812.7	7,969.4	8,080.5	8,079.5
Private industries	6,497.0	6,988.8	6,522.8	6,696.9	6,828.8	6,974.1	7,078.4	7,073.8
Agriculture, forestry, and fishing	109.2	113.1	100.3	118.6	106.9	110.9	124.5	110.2
Mining	51.3	57.4	51.2	52.3	53.8	57.6	59.5	58.6
Construction	381.8	420.6	384.1	393.1	410.8	418.5	423.8	429.4
Manufacturing	1,193.3	1,244.6	1,200.1	1,202.5	1,237.0	1,257.2	1,258.9	1,225.5
Durable goods	704.6	729.8	708.8	716.1	726.0	735.6	736.9	720.6
Nondurable goods	488.7	514.8	491.3	486.5	510.9	521.6	522.0	504.8
Transportation and public utilities	534.6	601.9	540.5	562.3	578.3	596.5	612.7	620.1
Transportation	236.9	257.8	239.1	244.4	248.3	257.7	261.3	263.9
Communications	161.9	191.8	163.7	174.2	183.2	188.6	194.4	201.1
Electric, gas, and sanitary services	135.9	152.3	137.7	143.7	146.7	150.3	157.0	155.1
Wholesale trade	441.8	478.3	443.0	457.1	465.0	480.6	486.5	481.2
Retail trade	635.2	685.0	632.8	651.5	674.5	682.6	691.0	691.8
Finance, insurance, and real estate	1,366.9	1,468.9	1,371.5	1,418.5	1,439.8	1,459.8	1,482.8	1,493.1
Services	1,782.9	1,918.9	1,799.4	1,841.0	1,862.7	1,910.4	1,938.7	1,963.9
Government	953.2	996.8	957.1	965.9	984.0	995.3	1,002.1	1,005.7
Rest of the world	-11.0	-4.4	-13.6	-13.4	-7.7	-8.3	-8.9	7.4

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table 6.16C.—Corporate Profits by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Corporate profits with inventory valuation and capital consumption adjustments	856.0	946.2	842.0	893.2	936.3	963.6	970.3	914.7
Domestic industries	744.6	805.0	730.1	772.7	807.4	829.3	828.1	755.3
Financial	156.1	174.2	150.9	170.6	174.6	169.1	175.2	178.0
Nonfinancial	588.5	630.8	579.1	602.0	632.8	660.1	653.0	577.3
Rest of the world	111.4	141.2	111.9	120.5	128.9	134.3	142.1	159.4
Receipts from the rest of the world	169.3	203.1	176.4	181.7	194.8	206.8	202.9	207.9
Less: Payments to the rest of the world	57.9	62.0	64.5	61.2	66.0	72.5	60.8	48.6
Corporate profits with inventory valuation adjustment	813.9	912.7	799.3	851.5	895.7	928.8	940.5	885.6
Domestic industries	702.5	771.5	687.4	731.0	766.8	794.5	798.4	726.2
Financial	172.0	193.6	167.2	187.3	191.9	188.1	195.5	198.9
Federal Reserve banks	25.8	30.5	25.6	28.1	29.6	29.7	30.5	32.2
Other	146.2	163.1	141.5	159.1	162.3	158.3	165.0	166.7
Nonfinancial	530.4	577.9	520.2	543.8	574.9	606.5	602.9	527.3
Manufacturing	181.6	185.0	179.8	173.0	193.7	201.8	192.1	152.4
Durable goods	92.2	89.0	90.0	92.6	94.7	97.2	92.4	71.8
Primary metal industries	2.6	4.1	2.0	2.2	4.8	5.1	3.6	2.7
Fabricated metal products	18.3	16.3	18.0	16.7	18.5	18.0	16.9	11.7
Industrial machinery and equipment	22.8	21.9	22.9	24.5	20.8	21.2	24.2	21.3
Electronic and other electric equipment	12.3	14.1	13.3	14.3	16.1	16.4	13.0	10.8
Motor vehicles and equipment	6.9	4.8	5.5	5.7	6.2	6.1	4.6	2.2
Other	29.4	28.0	28.3	29.2	28.3	30.3	30.1	23.1
Nondurable goods	89.4	96.0	89.9	80.4	99.0	104.6	99.7	80.6
Food and kindred products	21.9	17.7	25.3	14.1	21.0	20.3	21.5	8.0
Chemicals and allied products	29.9	35.6	26.9	25.3	32.7	37.9	35.2	36.6
Petroleum and coal products	5.4	13.8	7.2	7.1	10.4	15.4	15.2	14.2
Other	32.2	28.8	30.5	34.0	34.8	30.9	27.8	21.8
Transportation and public utilities	88.4	100.8	88.6	101.4	101.9	103.9	103.1	94.3
Transportation	23.0	23.9	22.6	24.9	22.6	28.2	24.5	20.3
Communications	26.9	32.2	26.7	32.6	35.2	31.9	31.2	30.4
Electric, gas, and sanitary services	38.4	44.7	39.3	43.8	44.1	43.8	47.5	43.5
Wholesale trade	56.7	65.1	54.3	59.2	61.2	69.7	71.1	58.6
Retail trade	81.5	89.5	75.4	81.9	90.2	92.4	91.8	83.5
Other	122.3	137.5	122.1	128.3	127.9	138.7	144.9	138.5
Rest of the world	111.4	141.2	111.9	120.5	128.9	134.3	142.1	159.4

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification.

Table 7.11.—Chain-Type Quantity and Price Indexes for Government Consumption Expenditures and Gross Investment by Type

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted															
			1999				2000											
			III	IV	I	II	III	IV										
			Chain-type quantity indexes															
Government consumption expenditures and gross investment ¹	108.03	111.06	108.14	110.38	110.07	111.37	110.99	111.79										
Federal	101.61	103.12	101.77	104.98	101.04	105.13	102.67	103.63										
National defense	97.62	97.79	98.14	101.09	95.65	99.46	96.97	99.06										
Consumption expenditures	97.16	96.44	97.27	100.54	94.47	98.68	96.08	96.55										
Durable goods ²	108.28	107.14	116.32	107.48	107.56	106.44	104.58	110.00										
Nondurable goods	115.92	122.63	138.58	112.98	132.50	130.29	117.41	110.32										
Services	95.88	95.03	94.89	99.75	92.57	97.32	94.95	95.30										
Compensation of general government employees, except own-account investment ³	90.90	90.28	91.04	90.32	89.95	90.05	90.68	90.46										
Consumption of general government fixed capital ⁴	99.54	100.89	99.61	99.90	100.26	100.64	101.06	101.60										
Other services	101.65	98.66	97.85	115.98	90.95	107.39	97.54	98.77										
Gross investment	100.64	106.13	103.61	104.65	103.01	104.38	102.51	114.63										
Structures	72.18	60.15	70.98	70.12	62.68	59.50	59.40	59.01										
Equipment and software	104.93	113.24	108.56	109.89	109.20	111.31	109.16	123.29										
Nondefense	109.72	113.93	109.14	112.88	111.95	116.62	114.24	112.91										
Consumption expenditures	103.22	105.93	102.71	104.22	104.99	108.75	106.33	103.63										
Durable goods ²																		
Nondurable goods																		
Commodity Credit Corporation inventory change																		
Other nondurables	123.98	108.69	122.46	122.72	125.11	122.36	121.37	65.92										
Services	100.86	104.19	100.68	101.39	102.56	106.66	103.92	103.62										
Compensation of general government employees, except own-account investment ³	101.13	104.63	99.85	101.06	103.15	108.44	104.01	102.90										
Consumption of general government fixed capital ⁴	135.52	154.26	137.65	142.28	147.20	151.96	156.64	161.25										
Other services	85.80	82.48	86.86	84.98	82.78	84.20	81.81	81.13										
Gross investment	141.01	152.56	140.06	154.86	145.36	154.54	152.39	157.96										
Structures	90.85	85.65	87.38	94.47	88.21	85.15	83.17	86.06										
Equipment and software	170.31	192.18	170.91	190.31	178.93	195.69	193.48	200.64										
State and local	111.82	115.74	111.91	113.57	115.40	115.07	115.89	116.60										
Consumption expenditures	109.37	112.53	109.78	110.62	111.46	112.18	112.98	113.48										
Durable goods ²	123.10	131.10	123.74	126.18	128.12	130.08	132.08	134.10										
Nondurable goods	116.88	123.01	117.64	119.32	120.78	122.26	123.75	125.27										
Services	108.24	110.94	108.60	109.31	110.06	110.67	111.36	111.69										
Compensation of general government employees, except own-account investment ³	104.64	106.17	104.86	105.15	105.68	106.02	106.49	106.47										
Consumption of general government fixed capital ⁴	118.18	126.61	119.11	121.12	123.23	125.42	127.71	130.09										
Other services	163.57	178.44	165.92	172.94	175.11	177.56	178.99	182.12										
Gross investment	122.79	130.22	121.44	126.89	133.18	128.06	128.98	130.66										
Structures	116.88	120.85	114.43	119.94	126.68	118.75	118.54	119.45										
Equipment and software	142.56	162.60	145.17	150.32	154.83	160.25	165.40	169.92										
Addenda:																		
Compensation of general government employees ³	102.04	103.36	102.11	102.31	102.80	103.59	103.60	103.46										
Federal	94.72	95.59	94.45	94.33	94.83	96.83	95.63	95.09										
State and local	104.86	106.35	105.07	105.39	105.87	106.18	106.68	106.68										

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.

3. Compensation of government employees engaged in new own-account investment and related expenditures

for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addenda.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 7.14.—Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Chain-type quantity indexes								
Gross domestic product	113.60	119.27	113.98	116.27	117.65	119.27	119.92	120.23
Business ¹	115.27	121.64	115.70	118.34	119.88	121.66	122.36	122.66
Nonfarm ²	115.26	121.69	115.71	118.39	119.90	121.73	122.42	122.72
Nonfarm less housing	116.27	123.02	116.72	119.60	121.13	123.10	123.81	124.05
Housing	106.27	109.93	106.70	107.70	108.99	109.63	110.12	110.98
Farm	115.26	114.89	113.32	111.82	116.37	112.92	115.17	115.11
Households and institutions ...	108.54	110.66	108.66	109.27	109.68	110.31	110.89	111.77
Private households	87.94	68.83	84.08	72.02	67.99	68.36	69.05	69.91
Nonprofit institutions	109.29	112.19	109.55	110.63	111.20	111.84	112.41	113.29
General government ³	103.68	105.82	103.85	104.26	104.93	105.87	106.16	106.32
Federal	98.12	100.10	98.05	98.29	99.01	100.85	100.29	100.26
State and local	106.29	108.50	106.57	107.07	107.72	108.22	108.91	109.16
Chain-type price indexes								
Gross domestic product	104.77	106.99	104.90	105.31	106.17	106.80	107.22	107.75
Business ¹	104.18	106.17	104.27	104.63	105.41	106.03	106.38	106.87
Nonfarm ²	104.67	106.63	104.79	105.08	105.91	106.45	106.85	107.32
Nonfarm less housing	104.23	106.09	104.34	104.59	105.41	105.94	106.31	106.72
Housing	108.95	111.86	109.16	109.87	110.76	111.40	112.15	113.13
Farm	69.84	74.61	68.40	73.44	71.34	77.37	73.59	76.15
Households and institutions ...	106.19	109.41	106.47	106.97	107.77	108.77	109.99	111.10
Private households	108.58	113.33	108.95	110.00	111.34	112.99	114.09	114.90
Nonprofit institutions	106.10	109.29	106.39	106.88	107.67	108.65	109.87	110.98
General government ³	108.80	112.39	109.13	109.93	111.46	112.03	112.74	113.35
Federal	108.03	111.99	108.17	108.58	111.69	111.61	112.21	112.44
State and local	109.16	112.60	109.57	110.54	111.39	112.23	112.99	113.77

1. Equals gross domestic product less gross product of households and institutions and of general government.
 2. Equals gross domestic business product less gross farm product.
 3. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 7.15.—Price, Costs, and Profit Per Unit of Real Gross Product of Nonfinancial Corporate Business

[Dollars]

Price per unit of real gross product of nonfinancial corporate business ¹	1.019	1.031	1.019	1.019	1.025	1.031	1.032	1.035
Compensation of employees (unit labor cost) .....	.659	.663	.661	.658	.658	.659	.661	.673
Unit nonlabor cost .....	.241	.248	.242	.243	.245	.247	.247	.254
Consumption of fixed capital .....	.115	.118	.116	.115	.116	.117	.118	.121
Indirect business tax and nontax liability plus business transfer payments less subsidies .....	.097	.099	.097	.098	.099	.099	.098	.101
Net interest .....	.029	.031	.029	.030	.030	.031	.031	.032
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) .....	.119	.120	.116	.118	.122	.126	.123	.109
Profits tax liability .....	.034	.035	.034	.034	.036	.037	.035	.031
Profits after tax with inventory valuation and capital consumption adjustments ...	.085	.085	.083	.084	.086	.089	.088	.078

1. The implicit price deflator for gross product of nonfinancial corporate business divided by 100.

Table 7.16.—Implicit Price Deflators for Private Inventories by Industry Group

[Index numbers, 1996=100]

	Seasonally adjusted					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	97.68	98.28	99.75	100.17	100.32	101.29
Farm	90.79	92.73	99.28	97.67	94.11	99.52
Nonfarm	98.28	98.77	99.82	100.42	100.87	101.48
Durable goods	97.01	97.41	97.68	97.76	97.66	97.66
Nondurable goods	99.90	100.52	102.57	103.83	105.00	106.39
Manufacturing	96.50	97.38	98.43	98.90	99.42	99.48
Durable goods	95.74	96.34	96.79	96.63	96.70	96.66
Nondurable goods	97.80	99.14	101.19	102.70	103.96	104.21
Wholesale	96.74	97.40	98.60	98.64	98.90	98.97
Durable goods	95.96	96.40	96.70	96.83	96.62	96.38
Nondurable goods	98.15	99.21	102.02	101.89	103.02	103.64
Merchant wholesalers	96.53	97.11	98.14	98.10	98.22	98.46
Durable goods	96.06	96.51	96.83	96.96	96.74	96.50
Nondurable goods	97.40	98.22	100.55	100.17	100.94	102.02
Nonmerchant wholesalers	98.13	99.32	101.64	102.25	103.41	102.44
Durable goods	95.29	95.60	95.79	95.95	95.78	95.58
Nondurable goods	102.81	105.39	111.26	112.62	116.07	113.74
Retail trade	101.68	101.80	102.36	102.67	102.71	103.09
Durable goods	99.92	99.98	99.93	100.30	100.12	100.53
Motor vehicle dealers	99.52	99.39	99.25	99.95	100.03	100.91
Other	100.39	100.64	100.67	100.71	100.25	100.16
Nondurable goods	103.83	104.01	105.37	105.58	105.90	106.26
Other	99.77	99.40	101.45	105.15	107.21	112.38
Durable goods	102.50	102.90	104.05	103.50	102.75	102.00
Nondurable goods	99.59	99.15	101.30	105.42	107.74	113.49

1. Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.

Table 7.17.—Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	113.60	119.27	113.98	116.27	117.65	119.27	119.92	120.23
Final sales of domestic product	113.41	118.86	113.86	115.64	117.54	118.66	119.37	119.87
Change in private inventories								
Goods	120.08	129.14	120.80	124.84	126.79	129.40	130.72	129.64
Final sales	119.66	128.15	120.58	123.22	126.64	127.82	129.34	128.79
Change in private inventories								
Durable goods	131.80	145.82	133.65	138.26	142.10	146.86	147.72	146.60
Final sales	131.58	145.03	133.41	136.51	142.58	145.20	146.80	145.54
Change in private inventories								
Nondurable goods	110.55	115.80	110.41	113.99	114.49	115.47	117.12	116.10
Final sales	110.06	114.77	110.27	112.55	113.97	114.08	115.53	115.50
Change in private inventories								
Services	108.89	112.69	109.31	110.50	111.18	112.59	112.95	114.05
Structures	115.74	119.40	114.48	116.54	119.98	119.06	118.89	119.68
Addenda:								
Motor vehicle output	126.35	124.51	127.71	130.25	130.35	128.86	123.03	115.81
Gross domestic product less motor vehicle output	113.15	119.07	113.50	115.77	117.20	118.93	119.80	120.36

Table 7.18B.—Chain-Type Quantity Indexes for Motor Vehicle Output

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Motor vehicle output	126.35	124.51	127.71	130.25	130.35	128.86	123.03	115.81
Auto output	102.34	94.87	99.97	103.97	103.88	96.72	93.98	84.91
Truck output ¹	146.35	149.12	150.77	152.13	152.39	155.53	147.14	141.44
Final sales of domestic product	121.07	120.18	122.51	123.04	129.35	121.59	118.97	110.79
Personal consumption expenditures	126.94	133.23	127.69	129.43	138.07	131.61	133.95	129.31
New motor vehicles	130.15	139.03	130.75	134.24	144.92	137.22	139.28	134.70
Autos	120.73	126.35	120.09	126.32	133.18	128.63	123.72	119.87
Light trucks	141.32	153.99	143.33	143.66	158.77	147.41	157.60	152.16
Net purchases of used autos	117.17	115.85	118.39	114.95	117.57	114.78	117.93	113.14
Private fixed investment	131.60	127.43	137.38	134.41	138.07	131.48	127.85	112.33
New motor vehicles	126.83	122.88	132.44	128.53	132.91	125.82	123.13	109.64
Autos	106.96	101.23	110.99	105.29	109.78	100.72	99.71	94.69
Trucks	145.85	143.57	152.96	150.72	155.00	149.76	145.49	124.04
Light trucks	149.20	154.96	159.04	153.56	163.55	158.47	160.33	137.49
Other	139.13	122.09	141.18	144.88	138.69	133.18	117.63	98.84
Net purchases of used autos	109.19	105.99	114.14	106.81	113.79	104.95	105.68	99.54
Gross government investment	118.29	122.59	123.73	135.82	123.54	115.38	118.65	132.81
Autos	99.01	102.00	108.11	108.30	86.04	93.99	123.35	104.63
New trucks	129.04	134.03	132.38	151.25	144.75	127.34	115.53	148.50
Net exports								
Exports	96.65	98.75	95.51	98.34	100.25	101.69	97.45	95.62
Autos	94.99	95.20	91.69	95.86	96.79	98.45	93.91	91.63
Trucks	99.94	105.50	102.74	103.14	106.83	107.87	104.17	103.12
Imports	142.99	156.66	148.85	149.50	153.68	153.82	162.17	156.95
Autos	142.71	161.64	149.45	149.62	154.15	157.77	168.05	166.56
Trucks	144.23	133.08	145.96	148.84	151.37	135.07	134.32	111.57
Change in private inventories								
Autos								
New								
Domestic								
Foreign								
Used								
New trucks								
Domestic								
Foreign								
Addenda:								
Final sales of motor vehicles to domestic purchasers	128.35	130.79	131.09	131.46	137.60	131.04	131.24	123.27
Private fixed investment in new autos and new light trucks	124.11	123.06	130.51	124.90	131.63	124.20	124.36	112.05
Domestic output of new autos ²	100.70	99.95	101.90	100.85	105.06	101.48	101.99	91.28
Sales of imported new autos ³	144.38	150.93	145.99	152.66	152.30	150.64	149.25	151.53

1. Except for exports and imports, consists of new trucks only.

2. Consists of final sales and change in private inventories of new autos assembled in the United States.

3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.

Table 8.2.—Contributions to Percent Change in Real Gross Domestic Product

	Seasonally adjusted at annual rates							
	1999	2000	1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Percentage points at annual rates:								
Personal consumption expenditures	3.52	3.56	3.43	4.08	5.03	2.14	2.99	1.87
Durable goods .....	.96	.77	.64	1.04	1.79	-.42	.61	-.26
Motor vehicles and parts .....	.35	.19	-.02	.27	.87	-.64	.25	-.38
Furniture and household equipment .....	.44	.39	.45	.52	.56	.18	.26	.09
Other .....	.17	.19	.20	.25	.37	.04	.10	.04
Nondurable goods	1.10	1.01	.97	1.47	1.19	.74	.93	.21
Food .....	.39	.36	.41	.90	.28	.20	.11	.10
Clothing and shoes .....	.29	.27	.24	0	.63	.18	.30	-.01
Gasoline, fuel oil, and other energy goods .....	.05	-.02	-.02	.09	-.26	.08	.10	0
Other .....	.37	.40	.34	.48	.54	.27	.41	.12
Services	1.46	1.78	1.81	1.58	2.04	1.83	1.46	1.92
Housing .....	.25	.25	.25	.29	.23	.27	.22	.23
Household operation .....	.17	.17	.39	-.22	.23	.42	.02	.21
Electricity and gas .....	.01	.04	.23	-.32	.09	.27	-.11	.20
Other household operation .....	.16	.13	.16	.10	.14	.16	.12	.01
Transportation .....	.10	.10	.14	.11	.12	.11	.04	.07
Medical care .....	.26	.29	.36	.36	.22	.30	.24	.34
Recreation .....	.13	.20	.18	.10	.24	.23	.20	.26
Other .....	.55	.78	.49	.94	1.00	.50	.74	.80
Gross private domestic investment	1.15	1.80	2.50	3.04	.92	3.66	.33	-.78
Fixed investment	1.53	1.59	1.33	1.26	2.68	1.93	.55	-.17
Nonresidential	1.26	1.62	1.47	1.22	2.54	1.87	1.02	-.02
Structures	-.05	.28	-.19	.29	.63	.14	.44	.33
Equipment and software	1.30	1.33	1.66	.94	1.91	1.73	.58	-.35
Information processing equipment and software	1.03	1.13	1.20	.91	1.37	1.28	.84	.52
Computers and peripheral equipment .....	.39	.37	.43	.23	.34	.53	.41	.10
Software ¹ .....	.40	.42	.48	.53	.39	.39	.40	.26
Other .....	.25	.34	.29	.15	.63	.37	.03	.16
Industrial equipment .....	.01	.18	.15	.17	.26	.22	.14	-.01
Transportation equipment .....	.27	-.02	.45	-.13	.06	.08	-.35	-.75
Other	-.01	.04	-.13	-.02	.23	.15	-.05	-.11
Residential .....	.27	-.02	-.13	.03	.14	.06	-.47	-.15
Change in private inventories	-.37	.21	1.17	1.78	-1.76	1.73	-.22	-.62
Farm	-.01	.05	-.14	.49	-.15	.10	-.05	.02
Nonfarm	-.37	.16	1.32	1.29	-1.60	1.63	-.17	-.63
Net exports of goods and services	-1.03	-.87	-1.08	-.37	-.94	-1.00	-.90	-.55
Exports	.32	.96	1.05	1.09	.67	1.48	1.45	-.74
Goods .....	.30	.87	1.13	.94	.46	1.37	1.54	-.84
Services .....	.02	.09	-.08	.15	.21	.11	-.09	.10
Imports	-1.35	-1.83	-2.13	-1.45	-1.61	-2.48	-2.35	.19
Goods	-1.32	-1.59	-1.99	-1.28	-1.28	-2.26	-1.90	.28
Services	-.04	-.24	-.13	-.17	-.33	-.22	-.44	-.09
Government consumption expenditures and gross investment	.59	.50	.84	1.50	-.18	.85	-.24	.50
Federal	.16	.09	.41	.79	-.93	.97	-.57	.22
National defense .....	.08	.01	.46	.48	-.86	.60	-.38	.32
Consumption expenditures .....	.04	-.03	.36	.46	-.82	.57	-.34	.06
Gross investment .....	.04	.03	.10	.03	-.04	.03	-.04	.26
Nondefense .....	.08	.08	-.05	.30	-.07	.37	-.18	-.10
Consumption expenditures	0	.05	.01	.10	.05	.25	-.15	-.17
Gross investment .....	.07	.04	-.06	.20	-.12	.12	-.03	.07
State and local	.43	.41	.43	.71	.75	-.12	.33	.28
Consumption expenditures .....	.26	.27	.31	.30	.29	.25	.26	.16
Gross investment .....	.17	.14	.12	.41	.46	-.37	.07	.12
Addenda:								
Goods	2.28	2.84	3.92	5.14	2.41	3.18	1.57	-1.25
Services	1.64	1.86	2.09	2.45	1.34	2.75	.67	2.05
Structures .....	.30	.29	-.31	.67	1.09	-.28	-.05	.24
Motor vehicle output .....	.34	-.05	.45	.31	.01	-.16	-.64	-.79
Final sales of computers ² .....	.40	.46	.55	.25	.60	.50	.40	.20

1. Excludes software "embedded," or bundled, in computers and other equipment.

2. For some components of final sales of computers, includes computer parts.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in tables 7.1, 7.2, 7.4, 7.6, 7.9, 7.11, and 7.17.

Table 8.3.—Contributions to Percent Change in Real Personal Consumption Expenditures by Major Type of Product

	Seasonally adjusted at annual rates							
	1999	2000	1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Personal consumption expenditures	5.3	5.3	5.0	5.9	7.6	3.1	4.5	2.8
Percentage points at annual rates:								
Durable goods	1.45	1.15	.95	1.52	2.67	-.64	.91	-.38
Motor vehicles and parts .....	.53	.28	-.03	.39	1.29	-.95	.37	-.57
Furniture and household equipment .....	.66	.58	.67	.77	.83	.26	.39	.13
Other .....	.26	.29	.30	.36	.55	.06	.15	.06
Nondurable goods	1.64	1.49	1.43	2.14	1.81	1.06	1.39	.32
Food .....	.59	.53	.61	1.32	.44	.29	.17	.15
Clothing and shoes .....	.43	.40	.35	0	.94	.27	.45	-.01
Gasoline, fuel oil, and other energy goods .....	.07	-.03	-.03	.12	-.38	.12	.15	0
Gasoline and oil .....	.05	-.02	-.05	.17	-.34	.07	.12	.03
Fuel oil and coal .....	.02	0	.02	-.05	-.04	.05	.04	-.03
Other .....	.55	.59	.50	.70	.81	.39	.62	.17
Services	2.20	2.64	2.67	2.27	3.10	2.64	2.19	2.84
Housing .....	.38	.37	.37	.42	.36	.38	.33	.34
Household operation .....	.26	.25	.57	-.34	.35	.62	.03	.31
Electricity and gas .....	.02	.06	.34	-.48	.14	.39	-.16	.29
Other household operation .....	.24	.19	.23	.14	.21	.23	.19	.02
Transportation .....	.14	.15	.21	.16	.18	.16	.06	.10
Medical care .....	.39	.43	.53	.51	.34	.42	.36	.51
Recreation .....	.20	.29	.27	.15	.36	.33	.30	.39
Other .....	.83	1.15	.72	1.37	1.51	.73	1.11	1.19
Addenda:								
Energy goods and services ¹ .....	.09	.03	.31	-.35	-.24	.51	-.01	.29
Personal consumption expenditures less food and energy	4.62	4.71	4.13	4.96	7.38	2.27	4.32	2.33

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.4. The estimates in this table differ from those in table 8.2 because this table shows contributions to real personal consumption expenditures, whereas table 8.2 shows contributions to real gross domestic product.

Table 8.4.—Contributions to Percent Change in Real Private Fixed Investment by Type

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Private fixed investment	9.2	9.3	7.8	7.2	16.4	11.2	3.1	-0.9
Percentage points at annual rates:								
Nonresidential	7.54	9.35	8.58	7.04	15.37	10.83	5.71	-0.9
Structures	-28	1.64	-1.09	1.66	3.80	.86	2.47	1.85
Nonresidential buildings, including farm	-1.3	.94	-1.20	.53	3.26	.84	.83	.50
Utilities .....	.04	.14	.11	.11	.26	-.50	.66	.90
Mining exploration, shafts, and wells	-23	.56	-.19	.92	.43	.63	.57	.53
Other structures .....	.04	0	-.20	.10	-.15	-.12	.41	-.09
Equipment and software	7.82	7.71	9.67	5.38	11.57	9.97	3.24	-1.94
Information processing equipment and software	6.21	6.56	6.95	5.26	8.15	7.37	4.68	2.92
Computers and peripheral equipment ¹	2.33	2.17	2.50	1.35	2.02	3.01	2.28	.56
Software ²	2.40	2.44	2.77	3.04	2.38	2.24	2.21	1.47
Other	1.49	1.95	1.68	.87	3.75	2.12	.18	.89
Industrial equipment .....	.06	1.04	.86	1.00	1.59	1.26	.78	-.08
Transportation equipment	1.62	-1.3	2.60	-.78	.45	.49	-1.94	-4.19
Other	-.07	.23	-.73	-.10	1.38	.85	-.27	-.59
Residential	1.62	-.08	-.74	.18	1.00	.41	-2.61	-.84
Structures	1.57	-.12	-.78	.14	.91	.40	-2.62	-.85
Single family .....	.86	.17	-.77	.90	2.02	-.22	-2.20	-.43
Multifamily .....	.12	-.01	.06	-.08	.25	-.04	-.50	.19
Other structures .....	.60	-.27	-.07	-.68	-1.35	.97	.08	-.62
Equipment .....	.05	.04	.04	.04	.09	.01	.01	.02

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.6. The estimates in this table differ from those in table 8.2 because this table shows contributions to real private fixed investment, whereas table 8.2 shows contributions to real gross domestic product.

Table 8.6.—Contributions to Percent Change in Real Government Consumption Expenditures and Gross Investment by Type

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Government consumption expenditures and gross investment ¹	3.3	2.8	4.8	8.5	-1.1	4.8	-1.4	2.9
Percentage points at annual rates:								
Federal .....	.88	.52	2.35	4.47	-5.27	5.51	-3.24	1.28
National defense .....	.45	.04	2.62	2.75	-4.86	3.42	-2.20	1.86
Consumption expenditures .....	.20	-.14	2.04	2.61	-4.65	3.25	-1.97	.37
Durable goods ² .....	.07	-.01	.36	-.44	0	-.05	-.09	.26
Nondurable goods .....	.05	.02	.44	-.46	.36	-.04	-.24	-.14
Services .....	.08	-.15	1.24	3.51	-5.02	3.34	-1.63	.25
Compensation of general government employees, except own-account investment ³	-.23	-.05	.09	-.24	-.13	.04	.22	-.07
Consumption of general government fixed capital ⁴ .....	.02	.05	.03	.05	.05	.06	.06	.08
Other services .....	.29	-.15	1.12	3.69	-4.94	3.24	-1.91	.24
Gross investment .....	.25	.18	.58	.15	-.21	.17	-.23	1.49
Structures	-.02	-.05	-.04	-.01	-.13	-.06	0	-.01
Equipment and software .....	.27	.23	.61	.16	-.07	.23	-.23	1.50
Nondefense .....	.43	.48	-.26	1.72	-.41	2.09	-1.04	-.58
Consumption expenditures .....	.02	.26	.06	.59	.29	1.41	-.88	-.98
Durable goods ² .....	.10	0	-.03	.01	.02	0	-.05	.02
Nondurable goods .....	.01	-.04	-.04	.30	-.14	-.06	-.12	-.90
Services	-.09	.30	.13	.28	.41	1.47	-.96	-1.10
Compensation of general government employees, except own-account investment ³ .....	.04	.19	-.21	.27	.43	1.11	-.91	-.23
Consumption of general government fixed capital ⁴ .....	.18	.20	.20	.20	.21	.20	.20	.19
Other services	-.31	-.09	.15	-.19	-.23	.15	-.25	-.07
Gross investment .....	.41	.22	-.33	1.13	-.70	.68	-.16	.41
Structures	-.03	-.04	.02	.21	-.18	-.09	-.06	.08
Equipment and software .....	.43	.26	-.35	.92	-.52	.77	-.10	.33
State and local	2.46	2.29	2.43	4.04	4.17	-.69	1.87	1.63
Consumption expenditures	1.50	1.51	1.75	1.72	1.60	1.40	1.49	.94
Durable goods ² .....	.06	.06	.05	.08	.06	.06	.06	.06
Nondurable goods .....	.29	.31	.32	.34	.29	.31	.30	.31
Services	1.14	1.14	1.38	1.30	1.25	1.04	1.13	.57
Compensation of general government employees, except own-account investment ³ .....	.55	.56	.67	.52	.77	.52	.66	-.02
Consumption of general government fixed capital ⁴ .....	.32	.36	.34	.36	.35	.37	.38	.40
Other services .....	.28	.23	.37	.43	.13	.15	.09	.19
Gross investment .....	.96	.78	.68	2.31	2.57	-2.09	.38	.69
Structures .....	.53	.33	.17	1.84	2.18	-2.56	-.07	.30
Equipment and software .....	.43	.45	.51	.47	.40	.48	.44	.39

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.

3. Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.11. The estimates in this table differ from those in table 8.2 because this table shows contributions to real government consumption expenditures and gross investment, whereas table 8.2 shows contributions to real gross domestic product.

Table 8.5.—Contributions to Percent Change in Real Exports and in Real Imports of Goods and Services by Type of Product

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Exports of goods and services	2.9	9.0	10.2	10.3	6.3	14.3	13.9	-6.4
Percentage points at annual rates:								
Exports of goods ¹	2.78	8.17	10.82	8.84	4.31	13.13	14.47	-7.35
Foods, feeds, and beverages .....	.13	.33	1.38	-.41	.29	-.12	1.71	-1.28
Industrial supplies and materials .....	.12	1.49	.95	2.80	.54	1.47	3.03	-.38
Capital goods, except automotive	1.72	4.71	6.98	2.95	1.04	11.95	7.12	-3.46
Automotive vehicles, engines, and parts .....	.22	.34	.93	-.04	1.03	-.11	.28	-.98
Consumer goods, except automotive .....	.18	.80	.51	1.11	1.37	.52	1.19	-.97
Other .....	.40	.50	.07	2.44	.04	-.58	1.14	-.28
Exports of services ¹ .....	.15	.87	-.64	1.43	1.99	1.21	-.62	.96
Percent change at annual rate:								
Imports of goods and services	10.7	13.5	16.9	10.7	12.0	18.6	17.0	-1.2
Percentage points at annual rates:								
Imports of goods ¹	10.39	11.75	15.77	9.42	9.52	16.85	13.86	-1.83
Foods, feeds, and beverages .....	.34	.24	.40	.10	-.01	.43	.61	-.14
Industrial supplies and materials, except petroleum and products .....	.60	.75	1.48	1.69	.64	-.23	1.42	-.98
Petroleum and products	0	.52	-.29	-2.41	1.95	2.54	-.34	-.36
Capital goods, except automotive	3.58	4.97	5.14	4.13	3.33	7.77	6.02	.97
Automotive vehicles, engines, and parts	2.60	1.23	4.02	.37	1.57	.58	2.03	-2.31
Consumer goods, except automotive	2.19	2.99	3.70	2.94	2.60	5.13	1.28	1.33
Other	1.08	1.05	1.32	2.60	-.55	.62	2.83	-.32
Imports of services ¹ .....	.29	1.77	1.13	1.30	2.45	1.71	3.19	.59

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment were reclassified from goods to services.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.10. The estimates in this table differ from those in table 8.2 because this table shows contributions to real exports and to real imports, whereas table 8.2 shows contributions to real gross domestic product. Because imports are subtracted in the calculation of gross domestic product, the contributions of components of real imports have opposite signs in this table and in table 8.2.

Table B.5.—Private Fixed Investment in Structures by Type

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Private fixed investment in structures	576.1	640.4	680.5	557.2	600.7	618.4
Nonresidential	255.8	283.2	285.6	245.4	263.0	259.2
New	254.3	282.4	284.7	243.9	262.1	258.3
Nonresidential buildings, excluding farm	178.9	198.0	204.0	173.3	185.1	183.4
Industrial	33.1	36.5	31.5	32.1	34.1	28.3
Commercial	89.7	100.7	109.1	86.9	94.1	98.1
Office buildings ¹	39.9	49.1	54.2	38.7	45.9	48.7
Other ²	49.8	51.6	54.9	48.2	48.2	49.4
Religious	5.6	6.4	7.3	5.4	6.0	6.6
Educational	9.8	10.9	10.6	9.5	10.2	9.5
Hospital and institutional	15.1	15.4	15.2	14.6	14.4	13.6
Other ³	25.5	28.2	30.4	24.7	26.3	27.3
Utilities	36.1	44.5	45.0	35.3	43.0	43.5
Railroads	4.9	5.7	4.9	4.8	5.5	5.0
Telecommunications	12.3	13.2	15.1	12.0	12.9	15.0
Electric light and power	11.4	12.5	14.2	11.2	12.0	13.5
Gas	6.5	11.8	9.3	6.3	11.4	8.7
Petroleum pipelines	1.0	1.3	1.5	.9	1.2	1.4
Farm	3.8	4.3	4.5	3.7	4.0	4.0
Mining exploration, shafts, and wells	30.1	29.3	24.3	26.2	24.4	21.5
Petroleum and natural gas	28.4	28.0	22.8	24.5	23.2	20.2
Other	1.7	1.3	1.5	1.6	1.2	1.3
Other ⁴	5.5	6.2	6.9	5.3	5.9	6.4
Brokers' commissions on sale of structures	2.0	2.3	2.4	2.0	2.2	2.3
Net purchases of used structures	-5	-1.5	-1.5	-5	-1.4	-1.3
Residential	320.4	357.1	394.9	311.8	337.7	359.2
New	281.2	311.0	342.9	272.9	293.0	310.4
New housing units	199.6	225.5	248.6	193.7	212.2	224.2
Permanent site	186.1	210.4	234.4	180.5	197.5	210.7
Single-family structures	163.2	185.8	207.2	158.6	175.9	187.6
Multifamily structures	22.9	24.6	27.3	21.9	21.7	23.2
Manufactured homes	13.5	15.2	14.2	13.3	14.7	13.4
Improvements	80.8	84.5	93.0	78.4	79.9	85.1
Other ⁵ .....	.8	1.0	1.3	.8	.9	1.2
Brokers' commissions on sale of structures	41.5	48.9	54.3	41.2	47.5	51.0
Net purchases of used structures	-2.3	-2.8	-2.3	-2.3	-2.7	-2.1
Residual .....	.....	.....	.....	.3	-4	-9

1. Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for their own use.

2. Consists of stores, restaurants, garages, service stations, warehouses, mobile structures, and other buildings used for commercial purposes.

3. Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

4. Consists primarily of streets, dams and reservoirs, sewer and water facilities, parks, and airfields.

5. Consists primarily of dormitories and of fraternity and sorority houses.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.—Private Fixed Investment in Equipment and Software by Type

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Private fixed investment in equipment and software	751.5	832.6	926.3	772.0	887.3	1,012.1
Nonresidential equipment and software	743.6	824.3	917.4	764.2	879.0	1,003.1
Information processing equipment and software	325.2	367.4	433.0	349.8	431.6	542.2
Computers and peripheral equipment ¹	79.6	84.9	94.3	102.9	149.3	217.3
Software ²	116.5	144.1	180.1	119.0	151.0	188.0
Communication equipment	73.7	80.7	99.1	74.5	83.0	103.8
Instruments	33.3	36.4	39.0	33.2	36.2	38.7
Photocopy and related equipment	14.1	13.5	12.7	14.1	13.7	12.9
Office and accounting equipment	8.0	7.7	7.9	8.0	7.8	7.9
Industrial equipment	141.0	148.9	150.7	140.0	146.9	147.8
Fabricated metal products	12.2	12.6	13.0	12.2	12.6	13.1
Engines and turbines	4.1	4.8	5.6	4.1	4.6	5.4
Metalworking machinery	33.3	34.7	34.8	33.2	34.3	34.2
Special industry machinery, n.e.c.	35.8	37.3	38.3	35.4	36.6	37.1
General industrial, including materials handling, equipment	32.8	35.3	34.2	32.4	34.7	33.2
Electrical transmission, distribution, and industrial apparatus	22.8	24.1	24.9	22.7	24.1	24.8
Transportation equipment	151.4	168.2	193.5	150.5	168.0	191.8
Trucks, buses, and truck trailers	85.7	97.9	113.5	86.3	99.8	113.6
Autos	42.4	40.6	44.1	41.1	39.2	43.4
Aircraft	14.8	20.0	25.7	14.6	19.7	24.9
Ships and boats	2.6	2.6	2.5	2.6	2.5	2.4
Railroad equipment	5.9	7.0	7.7	6.0	7.1	7.8
Other equipment	130.5	143.5	144.4	129.1	140.9	140.7
Furniture and fixtures	32.3	36.0	35.8	31.7	35.2	34.9
Tractors	14.0	14.9	13.6	14.0	14.7	13.3
Agricultural machinery, except tractors	12.2	12.8	12.0	12.1	12.5	11.6
Construction machinery, except tractors	18.3	20.9	19.4	18.0	20.2	18.3
Mining and oilfield machinery	4.6	4.7	5.1	4.5	4.6	4.9
Service industry machinery	14.0	15.3	16.5	13.8	14.9	15.9
Electrical equipment, n.e.c.	12.2	13.8	14.6	12.4	14.2	15.2
Other	23.0	25.1	27.5	22.8	24.7	26.8
Less: Sale of equipment scrap, excluding autos	4.5	3.7	4.2	4.4	4.3	5.2
Residential equipment	7.9	8.3	8.9	7.9	8.3	9.1
Residual .....	.....	.....	.....	-3.1	-13.9	-41.2
Addenda:						
Private fixed investment in equipment and software	751.5	832.6	926.3	.....	.....	.....
Less: Dealers' margin on used equipment	7.7	8.2	8.1	.....	.....	.....
Net purchases of used equipment from government .....	.9	1.2	1.0	.....	.....	.....
Plus: Net sales of used equipment	38.3	39.3	39.8	.....	.....	.....
Net exports of used equipment .....	.4	.5	.7	.....	.....	.....
Sale of equipment scrap	4.6	3.8	4.3	.....	.....	.....
Equals: Private fixed investment in new equipment and software	786.3	866.8	962.1	.....	.....	.....

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.
n.e.c. Not elsewhere classified.

Table B.8.—Employment by Industry

[Thousands]

	Full-time and part-time employees			Persons engaged in production ¹				Full-time and part-time employees			Persons engaged in production ¹		
	1997	1998	1999	1997	1998	1999		1997	1998	1999	1997	1998	1999
Total	130,118	133,433	136,363	126,790	129,711	132,216	Pipelines, except natural gas	14	13	13	14	13	13
Domestic industries	130,640	133,964	136,915	127,237	130,166	132,689	Transportation services	453	470	475	455	464	473
Private industries	108,587	111,684	114,358	108,802	111,559	113,919	Communications	1,420	1,475	1,556	1,323	1,363	1,426
Agriculture, forestry, and fishing	2,130	2,182	2,288	3,315	3,340	3,384	Telephone and telegraph	1,003	1,044	1,109	938	958	1,013
Farms	876	880	923	1,814	1,705	1,693	Radio and television	417	431	447	385	405	413
Agricultural services, forestry, and fishing	1,254	1,302	1,365	1,501	1,635	1,691	Electric, gas, and sanitary services	871	860	864	866	852	861
Mining	601	595	540	603	603	545	Wholesale trade	6,750	6,917	7,001	6,739	6,922	7,024
Metal mining	54	49	44	54	49	45	Retail trade	22,636	23,003	23,583	20,258	20,417	20,988
Coal mining	97	93	87	95	93	86	Finance, insurance, and real estate	7,257	7,536	7,723	7,425	7,634	7,826
Oil and gas extraction	340	341	296	345	350	304	Depository institutions	2,033	2,047	2,053	1,927	1,934	1,932
Nonmetallic minerals, except fuels	110	112	113	109	111	110	Nondepository institutions	574	662	710	563	643	692
Construction	5,965	6,299	6,707	7,255	7,605	8,026	Security and commodity brokers	630	681	727	679	732	796
Manufacturing	18,772	18,922	18,665	18,776	18,932	18,655	Insurance carriers	1,526	1,575	1,609	1,462	1,502	1,527
Durable goods	11,059	11,265	11,176	11,132	11,344	11,221	Insurance agents, brokers, and service	767	787	795	875	880	873
Lumber and wood products	821	839	857	864	895	915	Real estate	1,481	1,534	1,571	1,684	1,706	1,762
Furniture and fixtures	514	534	551	531	543	563	Holding and other investment offices	246	250	258	235	237	244
Stone, clay, and glass products	555	566	570	563	569	571	Services	38,010	39,556	40,952	37,959	39,456	40,619
Primary metal industries	710	715	698	706	711	697	Hotels and other lodging places	1,833	1,874	1,936	1,665	1,701	1,760
Fabricated metal products	1,485	1,515	1,530	1,481	1,512	1,518	Personal services	1,326	1,340	1,365	1,789	1,804	1,833
Industrial machinery and equipment	2,170	2,212	2,142	2,168	2,212	2,136	Business services	8,147	8,780	9,449	8,260	8,988	9,577
Electronic and other electric equipment	1,695	1,709	1,669	1,684	1,699	1,655	Auto repair, services, and parking	1,248	1,276	1,331	1,511	1,523	1,561
Motor vehicles and equipment	983	998	1,024	976	996	1,019	Miscellaneous repair services	389	395	391	582	591	553
Other transportation equipment	857	899	874	854	902	872	Motion pictures	569	593	618	610	645	664
Instruments and related products	865	872	854	860	864	841	Amusement and recreation services	1,664	1,726	1,783	1,485	1,494	1,547
Miscellaneous manufacturing industries	404	406	407	445	441	434	Health services	10,038	10,217	10,349	9,402	9,521	9,638
Nondurable goods	7,713	7,657	7,489	7,644	7,588	7,434	Legal services	1,084	1,112	1,138	1,200	1,223	1,216
Food and kindred products	1,694	1,694	1,694	1,676	1,672	1,677	Educational services	2,183	2,272	2,350	2,006	2,101	2,164
Tobacco products	41	40	37	40	39	36	Social services and membership organizations	4,951	5,155	5,350	4,818	4,992	5,157
Textile mill products	617	597	559	619	598	555	Social services	2,622	2,751	2,861	2,881	2,993	3,087
Apparel and other textile products	830	770	697	831	775	708	Membership organizations	2,329	2,404	2,489	1,937	1,999	2,070
Paper and allied products	686	679	669	678	672	664	Other services ³	3,345	3,536	3,641	3,797	3,991	4,087
Printing and publishing	1,579	1,594	1,575	1,562	1,578	1,556	Private households	1,233	1,280	1,251	834	882	862
Chemicals and allied products	1,037	1,043	1,039	1,024	1,029	1,028	Government	22,053	22,280	22,557	18,435	18,607	18,770
Petroleum and coal products	137	136	130	135	135	130	Federal	5,265	5,194	5,139	4,269	4,208	4,157
Rubber and miscellaneous plastics products	1,000	1,017	1,010	990	1,005	1,000	General government	4,275	4,200	4,147	3,476	3,417	3,367
Leather and leather products	92	87	79	89	85	80	Civilian	1,899	1,878	1,856	1,869	1,846	1,818
Transportation and public utilities	6,466	6,674	6,899	6,472	6,650	6,852	Military ⁴	2,376	2,322	2,291	1,607	1,571	1,549
Transportation	4,175	4,339	4,479	4,283	4,435	4,565	Government enterprises	990	994	992	793	791	790
Railroad transportation	220	223	222	208	211	210	State and local	16,788	17,086	17,418	14,166	14,399	14,613
Local and interurban passenger transit	457	473	491	481	486	504	General government	15,954	16,244	16,564	13,304	13,529	13,737
Trucking and warehousing ²	1,709	1,777	1,846	1,880	1,954	2,018	Education	8,736	8,947	9,164	7,070	7,228	7,373
Water transportation	182	185	187	178	185	184	Other	7,218	7,297	7,400	6,234	6,301	6,364
Transportation by air ²	1,140	1,198	1,245	1,067	1,122	1,163	Government enterprises	834	842	854	862	870	876
							Rest of the world ⁵	-522	-531	-552	-447	-455	-473

1. Equals the number of full-time equivalent employees plus the number of self-employed persons. Unpaid family workers are not included.

2. Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.

3. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.

4. Includes Coast Guard.

5. Includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.9.—Wage and Salary Accruals Per Full-Time Equivalent Employee and Full-Time Equivalent Employees by Industry

	Wage and salary accruals per full-time equivalent			Full-time equivalent employees ¹				Wage and salary accruals per full-time equivalent			Full-time equivalent employees ¹				
	Dollars			Thousands				Dollars			Thousands				
	1997	1998	1999	1997	1998	1999		1997	1998	1999	1997	1998	1999		
Total	33,429	35,124	36,653	116,246	119,370	122,095									
Domestic industries	33,343	35,034	36,555	116,693	119,825	122,568	Pipelines, except natural gas	59,071	65,000	64,846	14	13	13		
Private industries	32,838	34,631	36,187	98,258	101,218	103,798	Transportation services	32,796	34,555	36,170	416	431	436		
Agriculture, forestry, and fishing	20,449	20,701	21,288	1,833	1,974	2,057	Communications	53,425	56,086	62,148	1,292	1,339	1,409		
Farms	20,157	21,515	20,954	751	754	791	Telephone and telegraph	57,315	58,957	65,847	913	948	1,005		
Agricultural services, forestry, and fishing	20,652	20,198	21,497	1,082	1,220	1,266	Radio and television	44,053	49,125	52,946	379	391	404		
Mining	50,581	52,465	55,369	589	583	529	Electric, gas, and sanitary services	52,444	54,975	58,034	859	846	850		
Metal mining	49,593	50,633	55,659	54	49	44	Wholesale trade	41,224	43,606	45,856	6,462	6,621	6,734		
Coal mining	49,653	51,275	51,376	95	91	85	Retail trade	19,495	20,602	21,414	18,759	19,063	19,643		
Oil and gas extraction	54,598	56,731	61,424	333	334	290	Finance, insurance, and real estate	48,170	52,403	55,357	6,797	7,025	7,164		
Nonmetallic minerals, except fuels	39,402	41,211	42,373	107	109	110	Depository institutions	38,279	41,492	43,402	1,926	1,930	1,926		
Construction	32,932	34,625	36,127	5,753	6,076	6,471	Nondepository institutions	46,444	52,325	51,928	547	628	670		
Manufacturing	38,941	40,830	42,862	18,352	18,501	18,269	Security and commodity brokers	118,661	129,475	139,459	601	646	686		
Durable goods	40,770	42,617	44,902	10,878	11,089	11,002	Insurance carriers	45,984	48,969	50,882	1,462	1,502	1,527		
Lumber and wood products	27,382	28,278	29,040	794	816	843	Insurance agents, brokers, and service	41,982	43,116	45,401	724	739	743		
Furniture and fixtures	27,622	28,860	29,635	502	522	540	Real estate	31,924	34,660	36,447	1,302	1,343	1,368		
Stone, clay, and glass products	35,719	36,978	38,621	544	558	560	Holding and other investment offices	75,643	82,658	87,016	235	237	244		
Primary metal industries	42,038	42,855	44,536	705	710	692	Services	31,116	32,759	34,197	33,677	35,154	36,507		
Fabricated metal products	35,152	36,280	37,192	1,461	1,491	1,509	Hotels and other lodging places	21,569	22,633	23,626	1,603	1,647	1,711		
Industrial machinery and equipment	43,987	46,212	49,728	2,136	2,177	2,103	Personal services	19,360	20,306	21,008	1,161	1,176	1,206		
Electronic and other electric equipment	42,871	45,729	50,333	1,675	1,689	1,646	Business services	29,647	32,326	35,244	7,525	8,169	8,797		
Motor vehicles and equipment	49,662	52,175	53,949	974	989	1,017	Auto repair, services, and parking	23,801	24,897	25,666	1,182	1,215	1,273		
Other transportation equipment	47,276	48,669	50,329	849	891	866	Miscellaneous repair services	30,194	31,639	32,522	360	368	366		
Instruments and related products	48,616	51,403	55,215	851	858	836	Motion pictures	39,669	40,904	40,488	447	468	490		
Miscellaneous manufacturing industries	30,540	31,897	33,118	387	388	390	Amusement and recreation services	25,531	27,150	28,462	1,360	1,392	1,449		
Nondurable goods	36,278	38,156	39,775	7,474	7,412	7,267	Health services	35,541	36,793	37,776	8,989	9,122	9,248		
Food and kindred products	31,895	33,394	34,176	1,651	1,648	1,655	Legal services	57,042	60,258	62,629	963	989	1,013		
Tobacco products	59,375	56,103	60,278	40	39	36	Educational services	26,092	27,109	27,965	1,901	1,992	2,063		
Textile mill products	26,354	27,311	28,470	611	591	551	Social services and membership organizations	20,739	21,305	21,884	4,241	4,429	4,609		
Apparel and other textile products	20,838	22,103	23,255	804	745	675	Social services	18,926	19,656	20,227	2,304	2,430	2,539		
Paper and allied products	42,129	43,185	44,900	675	671	661	Membership organizations	22,896	23,308	23,915	1,937	1,999	2,070		
Printing and publishing	37,427	39,256	41,083	1,465	1,478	1,465	Other services ³	49,044	51,531	53,939	3,111	3,305	3,420		
Chemicals and allied products	56,766	60,350	62,859	1,020	1,024	1,025	Private households	14,060	15,465	12,933	834	882	862		
Petroleum and coal products	60,119	63,425	63,651	135	134	129	Government	36,032	37,227	38,594	18,435	18,607	18,770		
Rubber and miscellaneous plastics products	32,237	33,574	34,508	984	998	994	Federal	41,493	42,649	44,480	4,269	4,208	4,157		
Leather and leather products	25,225	25,940	27,882	89	84	76	General government	40,571	41,695	43,692	3,476	3,417	3,367		
Transportation and public utilities	41,059	42,898	45,422	6,036	6,221	6,424	Civilian	46,079	47,346	50,012	1,869	1,846	1,818		
Transportation	34,429	35,991	37,189	3,885	4,036	4,165	Military ⁴	34,166	35,054	36,276	1,607	1,571	1,549		
Railroad transportation	56,519	61,071	60,667	208	211	210	Government enterprises	45,532	46,772	47,835	793	791	790		
Local and interurban passenger transit	21,201	22,028	22,676	418	432	448	State and local	34,387	35,642	36,919	14,166	14,399	14,613		
Trucking and warehousing ²	31,740	32,945	34,042	1,597	1,660	1,724	General government	34,252	35,511	36,769	13,304	13,529	13,737		
Water transportation	40,524	42,266	43,286	170	173	175	Education	34,077	35,341	36,488	7,070	7,228	7,373		
Transportation by air ²	38,693	40,430	42,379	1,062	1,116	1,159	Other	34,450	35,706	37,095	6,234	6,301	6,364		
							Government enterprises	36,477	37,679	39,273	862	870	876		
							Rest of the world⁵				-447	-455	-473		

1. Full-time equivalent employees equals the number of employees on full-time schedules plus the number of employees on part-time schedules converted to a full-time basis. The number of full-time equivalent employees in each industry is the product of the total number of employees and the ratio of average weekly hours per employee for all employees to average weekly hours per employee on full-time schedules.
 2. Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.
 3. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.

4. Includes Coast Guard.
 5. Includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.
 NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.10.—Farm Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Farm output	226.3	214.6	208.4	237.5	238.4	243.9
Cash receipts from farm marketings	208.6	198.2	190.7	218.7	220.5	224.3
Crops	112.0	104.0	95.3	121.2	122.2	123.7
Livestock	96.6	94.2	95.4	97.6	98.3	100.6
Farm housing	6.4	6.7	7.0	6.0	5.9	5.7
Farm products consumed on farms .....	.5	.5	.5	.5	.5	.5
Other farm income	7.8	8.6	10.4	8.2	9.6	12.4
Change in farm inventories	2.9	.6	-0.2	3.2	1.2	0
Crops	3.3	.9	.5	3.5	1.5	.9
Livestock	-4	-3	-7	-4	-3	-7
Less: Intermediate goods and services purchased	138.1	133.9	134.2	134.4	138.0	138.4
Intermediate goods and services, other than rent	122.1	118.8	120.1	119.0	122.4	124.0
Rent paid to nonoperator landlords	16.0	15.1	14.1	15.5	15.7	14.4
Equals: Gross farm product	88.3	80.8	74.2	103.6	100.2	106.3
Less: Consumption of fixed capital	26.3	27.4	29.2	25.9	26.6	28.1
Equals: Net farm product	61.9	53.4	45.0	78.1	73.5	78.2
Less: Indirect business tax and nontax liability	5.2	5.2	5.6	.....	.....	.....
Plus: Subsidies to operators	6.3	10.3	17.6	.....	.....	.....
Equals: Farm national income	63.1	58.5	56.9	.....	.....	.....
Compensation of employees	17.6	18.7	19.4	.....	.....	.....
Wage and salary accruals	15.1	16.2	16.6	.....	.....	.....
Supplements to wages and salaries	2.4	2.5	2.9	.....	.....	.....
Proprietors' income and corporate profits with inventory valuation and capital consumption adjustments	35.8	29.8	27.2	.....	.....	.....
Proprietors' income	29.7	25.4	25.3	.....	.....	.....
Corporate profits	6.1	4.4	1.9	.....	.....	.....
Net interest	9.7	10.0	10.3	.....	.....	.....

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table B.11.—Housing Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Housing output ¹	778.0	823.2	868.7	756.1	775.5	795.0
Nonfarm housing	771.6	816.6	861.7	750.1	769.6	789.4
Owner-occupied	585.5	622.7	661.1	569.0	586.7	605.7
Tenant-occupied	186.1	193.8	200.6	181.0	182.9	183.7
Farm housing	6.4	6.7	7.0	6.0	5.9	5.7
Less: Intermediate goods and services consumed	106.0	115.4	118.6	102.0	107.9	107.1
Equals: Gross housing product	672.0	707.9	750.2	654.0	667.6	687.9
Nonfarm housing	666.7	702.3	744.3	649.0	662.6	683.1
Owner-occupied	504.0	534.0	570.8	490.3	503.3	523.6
Tenant-occupied	162.6	168.3	173.5	158.7	159.4	159.5
Farm housing	5.3	5.6	5.9	5.0	5.0	4.8
Less: Consumption of fixed capital	126.5	133.7	143.7	122.7	125.8	130.1
Capital consumption allowances	67.6	72.0	77.5	.....	.....	.....
Less: Capital consumption adjustment	-58.8	-61.7	-66.2	.....	.....	.....
Equals: Net housing product	545.5	574.2	606.5	531.3	541.7	557.8
Less: Indirect business tax and nontax liability plus business transfer payments	124.2	129.9	135.6	.....	.....	.....
Plus: Subsidies less current surplus of government enterprises	23.7	23.7	24.2	.....	.....	.....
Equals: Housing national income	445.0	468.0	495.2	.....	.....	.....
Compensation of employees	8.8	9.5	10.1	.....	.....	.....
Proprietors' income with inventory valuation adjustment and capital consumption adjustment	21.3	20.7	20.2	.....	.....	.....
Rental income of persons with capital consumption adjustment	109.0	119.0	126.4	.....	.....	.....
Corporate profits with inventory valuation adjustment and capital consumption adjustment	4.7	4.5	4.4	.....	.....	.....
Net interest	301.2	314.4	334.1	.....	.....	.....

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued
 [Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1996) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1988: I	6,275.9	6,263.0	6,302.0	2.7	6.6	78.99	79.21	78.98	78.99	2.7	2.9	2.7	2.7
1988: II	6,349.8	6,334.0	6,372.8	4.8	4.6	79.79	80.01	79.79	79.79	4.1	4.1	4.1	4.1
1988: III	6,382.3	6,365.9	6,402.0	2.1	2.0	80.73	80.75	80.71	80.72	4.8	3.8	4.7	4.7
1988: IV	6,465.2	6,447.5	6,487.4	5.3	5.2	81.36	81.46	81.33	81.34	3.2	3.6	3.1	3.1
1989: I	6,543.8	6,492.7	6,565.6	5.0	2.8	82.20	82.36	82.20	82.20	4.2	4.5	4.3	4.3
1989: II	6,579.4	6,542.8	6,599.7	2.2	3.1	83.02	83.26	83.01	83.02	4.0	4.4	4.0	4.0
1989: III	6,610.6	6,605.8	6,633.4	1.9	3.9	83.62	83.74	83.62	83.63	2.9	2.4	2.9	3.0
1989: IV	6,633.5	6,620.4	6,663.4	1.4	.9	84.24	84.43	84.24	84.25	3.0	3.3	3.0	3.0
1990: I	6,716.3	6,705.8	6,743.6	5.1	5.3	85.19	85.48	85.18	85.20	4.6	5.1	4.5	4.6
1990: II	6,731.7	6,697.6	6,760.8	5.9	-.5	86.17	86.27	86.16	86.17	4.7	3.7	4.7	4.6
1990: III	6,719.4	6,699.2	6,742.6	-.7	.1	87.00	87.26	86.99	87.00	3.9	4.7	3.9	3.9
1990: IV	6,664.2	6,680.0	6,713.3	-3.2	-1.1	87.76	88.41	87.74	87.76	3.5	5.3	3.5	3.5
1991: I	6,631.4	6,652.5	6,667.4	-2.0	-1.6	88.78	89.09	88.76	88.78	4.7	3.1	4.8	4.7
1991: II	6,668.5	6,692.5	6,692.1	2.3	2.4	89.41	89.51	89.40	89.41	2.9	1.9	2.9	2.9
1991: III	6,684.9	6,689.2	6,704.7	1.0	-.2	89.99	90.04	89.99	90.00	2.6	2.4	2.7	2.6
1991: IV	6,720.9	6,692.0	6,749.4	2.2	.2	90.47	90.60	90.47	90.48	2.2	2.5	2.2	2.2
1992: I	6,783.3	6,788.9	6,811.1	3.8	5.9	91.16	91.25	91.16	91.15	3.1	2.9	3.1	3.0
1992: II	6,846.8	6,827.1	6,873.8	3.8	2.3	91.68	91.81	91.67	91.67	2.3	2.5	2.3	2.3
1992: III	6,899.7	6,882.7	6,923.3	3.1	3.3	91.98	92.26	91.97	91.97	1.3	2.0	1.3	1.3
1992: IV	6,990.6	6,972.4	7,015.1	5.4	5.3	92.56	92.81	92.55	92.55	2.5	2.4	2.5	2.5
1993: I	6,988.7	6,953.6	7,020.9	-.1	-1.1	93.33	93.42	93.32	93.32	3.4	2.7	3.4	3.4
1993: II	7,031.2	7,008.8	7,056.0	2.5	3.2	93.83	93.98	93.82	93.83	2.2	2.4	2.2	2.2
1993: III	7,062.0	7,057.9	7,092.4	1.8	2.8	94.26	94.32	94.24	94.26	1.8	1.5	1.8	1.8
1993: IV	7,168.7	7,154.8	7,182.1	6.2	5.6	94.79	94.83	94.79	94.81	2.3	2.2	2.4	2.4
1994: I	7,229.4	7,187.1	7,249.8	3.4	1.8	95.28	95.22	95.28	95.29	2.1	1.7	2.0	2.1
1994: II	7,330.2	7,250.2	7,346.3	5.7	3.6	95.72	95.74	95.71	95.73	1.8	2.2	1.8	1.8
1994: III	7,370.2	7,318.5	7,385.1	2.2	3.8	96.29	96.43	96.28	96.29	2.4	2.9	2.4	2.4
1994: IV	7,461.1	7,387.2	7,476.0	5.0	3.8	96.74	96.86	96.74	96.74	1.9	1.8	1.9	1.9
1995: I	7,488.7	7,427.3	7,510.2	1.5	2.2	97.45	97.51	97.45	97.45	3.0	2.7	3.0	3.0
1995: II	7,503.3	7,469.6	7,528.6	.8	2.3	97.86	98.04	97.86	97.87	1.7	2.2	1.7	1.7
1995: III	7,561.4	7,549.7	7,572.3	3.1	4.4	98.31	98.42	98.30	98.31	1.8	1.6	1.8	1.8
1995: IV	7,621.9	7,602.5	7,645.2	3.2	2.8	98.79	98.85	98.78	98.79	2.0	1.8	2.0	2.0
1996: I	7,676.4	7,669.6	7,703.1	2.9	3.6	99.40	99.42	99.39	99.39	2.5	2.3	2.5	2.5
1996: II	7,802.9	7,773.4	7,820.4	6.8	5.5	99.74	99.74	99.74	99.74	1.4	1.3	1.4	1.4
1996: III	7,841.9	7,792.1	7,853.5	2.0	1.0	100.23	100.16	100.22	100.22	2.0	1.7	1.9	1.9
1996: IV	7,931.3	7,897.6	7,947.9	4.6	5.5	100.63	100.68	100.63	100.63	1.6	2.1	1.7	1.6
1997: I	8,016.4	7,966.4	8,025.1	4.4	3.5	101.36	101.28	101.34	101.33	2.9	2.4	2.9	2.8
1997: II	8,131.9	8,043.2	8,145.6	5.9	3.9	101.82	101.49	101.82	101.80	1.9	.8	1.9	1.8
1997: III	8,216.6	8,164.9	8,225.1	4.2	6.2	102.12	101.74	102.12	102.10	1.2	1.0	1.2	1.2
1997: IV	8,272.9	8,206.3	8,276.9	2.8	2.0	102.49	102.07	102.49	102.46	1.4	1.3	1.4	1.4
1998: I	8,404.9	8,289.4	8,412.9	6.5	4.1	102.75	102.08	102.74	102.70	1.0	.1	1.0	1.0
1998: II	8,465.6	8,402.7	8,471.4	2.9	5.6	103.04	102.28	103.03	102.99	1.1	.8	1.1	1.1
1998: III	8,537.6	8,463.4	8,526.7	3.4	2.9	103.42	102.57	103.41	103.38	1.5	1.1	1.5	1.5
1998: IV	8,654.5	8,585.0	8,649.3	5.6	5.9	103.69	102.87	103.70	103.67	1.1	1.2	1.1	1.1
1999: I	8,730.0	8,680.3	8,726.0	3.5	4.5	104.25	103.35	104.29	104.25	2.2	1.9	2.3	2.3
1999: II	8,783.2	8,764.9	8,776.7	2.5	4.0	104.63	103.86	104.65	104.62	1.4	2.0	1.4	1.4
1999: III	8,905.8	8,861.8	8,895.4	5.7	4.5	104.90	104.30	104.89	104.86	1.1	1.7	.9	.9
1999: IV	9,084.1	9,000.5	9,075.0	8.3	6.4	105.31	104.80	105.24	105.19	1.6	1.9	1.3	1.3
2000: I	9,191.8	9,148.0	9,187.7	4.8	6.7	106.17	105.78	106.10	106.07	3.3	3.8	3.3	3.4
2000: II	9,318.9	9,235.3	9,313.7	5.6	3.9	106.80	106.33	106.73	106.70	2.4	2.1	2.4	2.4
2000: III	9,369.5	9,290.9	9,362.8	2.2	2.4	107.22	106.86	107.15	107.13	1.6	2.0	1.6	1.6
2000: IV	9,393.7	9,329.5	9,402.2	1.0	1.7	107.75	107.36	107.67	107.65	2.0	1.9	2.0	2.0

D. Domestic Perspectives

This table presents data collected from other government agencies and private organizations, as noted. Quarterly data are shown in the middle month of the quarter.

Table D.1.—Domestic Perspectives

	1999	2000	2000												2001	
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Consumer and producer prices, (monthly data seasonally adjusted) ¹																
Consumer price index for all urban consumers, 1982-84=100:																
All items	166.6	172.2	169.4	170.2	171.2	171.1	171.3	172.2	172.7	172.8	173.6	173.9	174.3	174.6	175.7	176.2
Less food and energy	177.0	181.3	179.4	179.7	180.3	180.7	181.0	181.3	181.7	182.1	182.6	182.8	183.3	183.5	184.1	184.7
Services	188.8	195.3	192.0	192.4	193.1	193.5	194.1	195.0	195.7	196.4	196.9	197.5	198.1	198.8	200.5	201.0
Producer price index, 1982=100:																
Finished goods	133.0	138.0	135.1	136.3	137.5	137.1	138.3	138.2	138.0	139.0	139.6	139.7	140.0	141.6	141.8	
Less food and energy	146.1	147.9	146.7	147.3	147.4	147.7	147.8	148.0	148.3	148.7	148.7	148.7	148.5	148.7	149.7	149.2
Finished consumer goods	132.0	138.1	134.5	136.2	137.6	137.1	138.6	138.4	138.1	139.4	140.2	140.3	140.6	142.6	143.1	
Capital equipment	137.6	138.8	138.1	138.2	138.3	138.4	138.6	138.8	139.0	139.1	139.4	139.3	139.5	139.9	139.5	
Intermediate materials	123.2	129.1	126.2	127.2	128.5	128.4	128.4	129.5	129.8	129.4	130.4	130.6	130.4	130.9	131.7	
Crude materials	98.2	119.8	106.9	110.9	112.9	111.2	114.7	124.5	122.0	117.6	126.0	130.8	126.3	137.0	156.1	133.9
Money, interest rates, and stock prices																
Money stock (monthly and quarterly data seasonally adjusted): ²																
Percent change:																
M1			-0.13	-1.25	0.40	0.37	-0.96	-0.09	-0.15	-0.38	-0.36	0.04	-0.69	0.17	1.00	0
M2 .....			.45	.33	.66	.80	.14	.45	.43	.66	.69	.46	.35	.80	1.03	.90
Ratio:																
Gross domestic product to M1	8.441	9.023		8.748			8.962			9.128			9.266			
Personal income to M2	1.721	1.725	1.725	1.728	1.730	1.727	1.730	1.731	1.728	1.722	1.730	1.719	1.716	1.710	1.701	1.693
Interest rates (percent, not seasonally adjusted): ²																
Federal funds rate	4.97	6.24	5.45	5.73	5.85	6.02	6.27	6.53	6.54	6.50	6.52	6.51	6.51	6.40	5.98	5.49
Discount rate on new 91-day Treasury bills	4.66	5.84	5.34	5.57	5.72	5.67	5.92	5.74	5.93	6.11	5.99	6.10	6.18	5.83	5.27	4.93
Yield on new high-grade corporate bonds	7.00	7.57	7.83	7.59	7.54	7.49	7.85	7.75	7.66	7.47	7.50	7.50	7.41	7.21	7.15	7.08
10-Year U.S. Treasury bonds	5.65	6.03	6.66	6.52	6.26	5.99	6.44	6.10	6.05	5.83	5.80	5.74	5.72	5.24	5.16	5.10
Yield on municipal bonds, 20-bond average	5.43	5.71	6.08	6.00	5.83	5.75	6.00	5.80	5.63	5.51	5.56	5.59	5.54	5.22	5.10	5.18
Mortgage commitment rate	7.43	8.06	8.21	8.33	8.24	8.15	8.52	8.29	8.15	8.03	7.91	7.80	7.75	7.38	7.03	7.05
Average prime rate charged by banks	8.00	9.23	8.50	8.73	8.83	9.00	9.24	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.05	8.50
Index of stock prices (not seasonally adjusted): ³																
500 common stocks, 1941-43=10	1,326.06	1,426.76	1,425.59	1,388.87	1,442.21	1,461.36	1,418.48	1,461.96	1,473.00	1,485.46	1,468.05	1,390.14	1,375.04	1,330.93	1,335.63	1,305.75
Labor markets (thousands, monthly and quarterly data seasonally adjusted, unless otherwise noted) ¹																
Civilian labor force	139,368	140,863	140,645	140,860	140,705	141,114	140,573	140,757	140,546	140,724	140,847	141,000	141,136	141,489	141,955	141,751
Labor force participation rates (percent):																
Males 20 and over	76.7	76.6	76.9	77.0	76.8	76.7	76.5	76.5	76.4	76.6	76.5	76.5	76.4	76.6	76.7	76.5
Females 20 and over	60.7	60.9	61.1	61.1	61.1	61.4	61.0	60.9	60.9	60.5	60.7	60.6	60.7	60.8	61.1	61.2
16-19 years of age	52.0	52.2	52.1	52.1	51.6	52.7	51.9	52.6	51.5	52.8	52.0	52.1	52.4	52.3	51.9	51.2
Civilian employment	133,488	135,208	134,976	135,120	135,013	135,517	134,843	135,183	134,898	134,939	135,310	135,464	135,478	135,836	135,999	135,815
Ratio, civilian employment to working-age population (percent)																
.....	64.3	64.5	64.6	64.7	64.6	64.8	64.4	64.5	64.3	64.3	64.4	64.4	64.3	64.5	64.5	64.4
Persons engaged in nonagricultural activities	130,207	131,903	131,620	131,753	131,675	132,157	131,549	131,870	131,603	131,622	131,954	132,223	132,302	132,562	132,819	132,680
Employees on nonagricultural payrolls	128,786	131,417	130,387	130,482	131,009	131,419	131,590	131,647	131,607	131,528	131,723	131,789	131,842	131,878	132,102	132,237
Goods-producing industries	25,482	25,661	25,677	25,624	25,738	25,725	25,684	25,700	25,756	25,644	25,639	25,665	25,635	25,569	25,639	25,564
Services-producing industries	103,304	105,756	104,710	104,858	105,271	105,694	105,906	105,947	105,851	105,884	106,084	106,124	106,207	106,309	106,463	106,673
Average weekly hours, manufacturing (hours)	41.7	41.5	41.7	41.8	41.7	42.2	41.4	41.6	41.7	41.4	41.3	41.4	41.2	40.4	40.9	40.6
Average weekly overtime hours, manufacturing (hours)	4.6	4.5	4.6	4.7	4.6	4.9	4.5	4.6	4.6	4.5	4.4	4.5	4.3	3.9	4.1	3.8
Number of persons unemployed	5,880	5,655	5,669	5,740	5,692	5,597	5,730	5,574	5,648	5,785	5,537	5,536	5,658	5,653	5,956	5,936
Unemployment rates (percent):																
Total	4.2	4.0	4.0	4.1	4.0	4.0	4.1	4.0	4.0	4.1	3.9	3.9	4.0	4.0	4.2	4.2
15 weeks and over	1.1	.9	1.0	.9	.9	.9	.9	.9	.9	1.0	.9	.9	.9	.9	1.0	1.1
Average duration of unemployment (weeks)	13.4	12.6	12.9	12.5	12.7	12.5	12.6	12.5	13.2	13.0	12.1	12.4	12.4	12.6	12.6	12.9
Nonfarm business sector, 1992=100:																
Output per hour of all persons	113.2	118.1		116.2			118.0			118.8			119.5			
Unit labor costs	109.7	110.5		109.8			109.7			110.6			111.7			
Hourly compensation	124.2	130.5		127.6			129.4			131.4			133.5			

See footnotes at the end of the table.

Table D.1.—Domestic Perspectives—Continued

	1999	2000	2000												2001	
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Construction (monthly data seasonally adjusted at annual rates) ⁴																
Total new private construction put in place (billions of dollars)	591.6	623.9	614.6	629.6	637.7	629.5	629.8	624.4	619.0	616.9	625.3	618.7	624.6	625.1	639.2	647.1
Residential	348.8	358.6	365.1	368.7	372.1	368.9	367.7	363.8	355.2	350.8	351.7	348.1	349.0	350.7	355.9	364.3
Nonresidential	195.8	217.0	202.5	215.5	218.0	214.6	215.6	213.6	216.0	219.5	222.7	222.1	224.5	219.7	231.6	231.9
Housing starts (thousands of units):																
Total	1,667	1,593	1,744	1,822	1,630	1,652	1,591	1,571	1,527	1,519	1,537	1,529	1,564	1,577	1,653	1,647
1-unit structures	1,335	1,262	1,361	1,324	1,327	1,310	1,258	1,227	1,201	1,229	1,226	1,232	1,233	1,298	1,347	1,315
New 1-family houses sold (thousands of units)	907	903	927	905	947	865	875	827	914	860	924	940	890	986	933	911
Manufacturing and trade, inventories and sales (millions of dollars, monthly data seasonally adjusted) ⁴																
Inventories:																
Total manufacturing and trade	1,136,555	1,205,120	1,157,489	1,162,448	1,165,746	1,171,965	1,182,162	1,192,224	1,197,112	1,205,636	1,207,688	1,215,754	1,219,868	1,220,343	1,224,768	.....
Manufacturing	460,048	481,343	472,706	475,999	475,887	477,868	479,362	482,041	486,303	487,644	488,884	492,282	493,386	493,057	496,283	.....
Merchant wholesalers	309,445	330,227	310,950	312,230	314,206	317,164	320,188	323,252	324,313	326,195	326,352	327,653	328,810	328,734	327,673	.....
Retail trade	367,062	393,550	373,833	374,219	375,653	376,933	382,612	386,931	386,496	391,797	392,452	395,819	397,672	398,552	400,812	.....
Sales:																
Total manufacturing and trade	9,996,943	10,727,039	877,740	881,157	891,597	886,555	895,965	902,798	897,634	901,289	903,881	898,912	895,583	896,591	896,596	.....
Manufacturing	4,259,532	4,514,695	370,565	370,865	377,562	373,079	381,157	384,208	377,584	380,780	380,025	375,428	373,703	372,216	368,007	.....
Merchant wholesalers	2,742,482	2,980,498	243,941	243,128	245,678	246,357	247,391	250,154	249,405	249,960	251,142	250,994	250,949	253,028	253,626	.....
Retail trade	2,994,929	3,231,846	263,234	267,164	268,357	267,119	267,417	268,436	270,645	270,549	272,714	272,490	270,931	271,347	274,963	.....
Industrial production indexes and capacity utilization rates (monthly data seasonally adjusted) ²																
Industrial production indexes, 1992=100:																
Total	139.6	147.5	143.6	144.3	145.2	146.3	147.2	147.9	147.6	148.6	149.0	148.7	148.2	147.7	146.8	146.0
By industry:																
Durable manufactures	175.6	193.5	185.1	186.3	188.9	191.0	193.0	194.6	194.7	196.9	198.4	197.6	196.7	195.5	193.4	192.6
Nondurable manufactures	115.4	116.9	116.0	116.3	116.6	116.7	116.7	116.7	116.3	116.3	116.0	116.3	115.5	114.4	114.4	113.9
By market category:																
Consumer goods	120.8	123.0	122.1	122.8	122.2	123.2	123.5	124.2	122.9	123.8	123.8	122.7	122.4	122.8	121.7	121.2
Capacity utilization rates (percent):																
Total industry	81.2	82.2	81.9	82.0	82.2	82.5	82.7	82.7	82.3	82.6	82.4	82.0	81.4	80.8	80.1	79.4
Manufacturing	80.5	81.3	81.2	81.2	81.6	81.8	81.9	82.0	81.6	81.7	81.7	81.2	80.5	79.5	78.7	78.1
Credit market borrowing (billions of dollars, quarterly data seasonally adjusted at annual rates) ²																
All sectors, by instrument:																
Total	2,234.6	1,751.5	.....	1,659.8	.....	.....	1,781.4	.....	.....	1,602.2	.....	.....	1,962.6	.....	.....	.....
Open market paper	229.9	207.6	.....	218.4	.....	.....	199.8	.....	.....	128.4	.....	.....	283.6	.....	.....	.....
U.S. government securities	520.7	136.8	.....	33.0	.....	.....	-43.0	.....	.....	284.0	.....	.....	273.4	.....	.....	.....
Municipal securities	68.2	35.3	.....	8.9	.....	.....	34.0	.....	.....	29.8	.....	.....	68.6	.....	.....	.....
Corporate and foreign bonds	465.9	397.2	.....	398.4	.....	.....	357.2	.....	.....	452.0	.....	.....	381.2	.....	.....	.....
Bank loans, n.e.c.	68.9	112.1	.....	147.7	.....	.....	174.2	.....	.....	43.0	.....	.....	83.6	.....	.....	.....
Other loans and advances	172.6	146.7	.....	216.9	.....	.....	249.5	.....	.....	-40.7	.....	.....	161.0	.....	.....	.....
Mortgages	614.0	581.1	.....	491.9	.....	.....	672.6	.....	.....	583.0	.....	.....	576.9	.....	.....	.....
Consumer credit	94.4	134.7	.....	144.6	.....	.....	137.2	.....	.....	122.9	.....	.....	134.2	.....	.....	.....

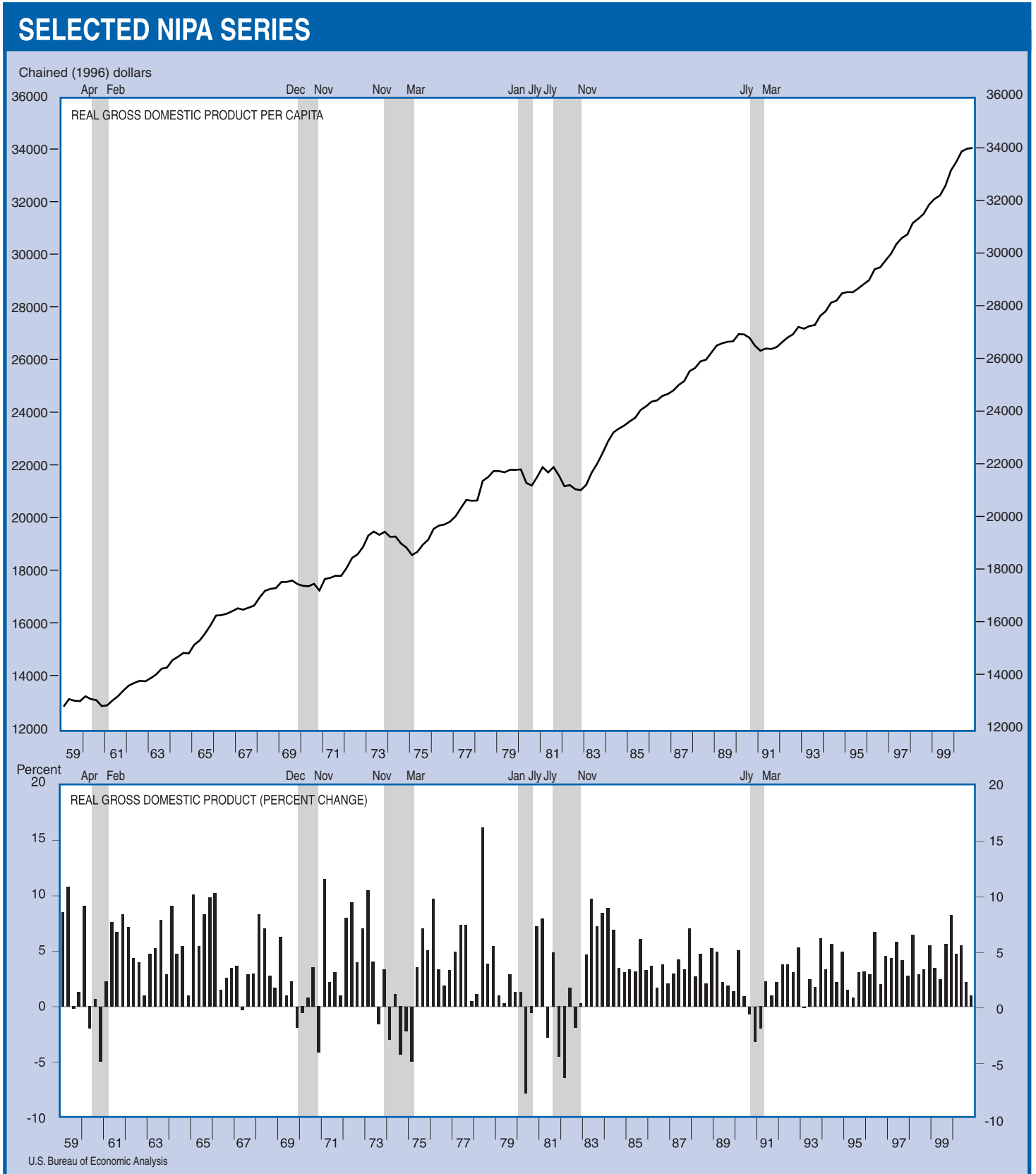
Sources:

1. Bureau of Labor Statistics
2. Federal Reserve Board

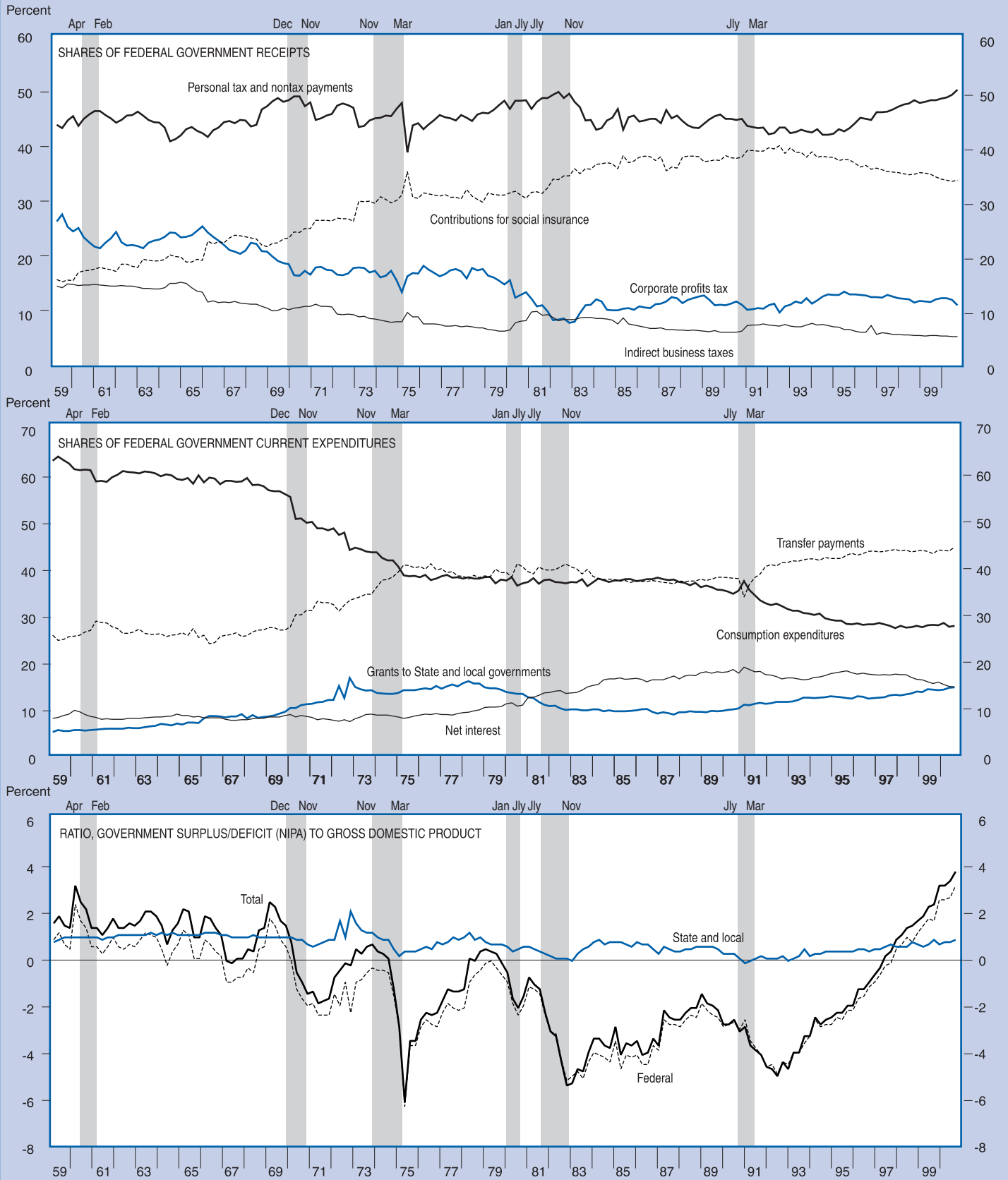
3. Standard and Poor's, Inc.
4. Bureau of the Census
n.e.c. Not elsewhere classified

E. Charts

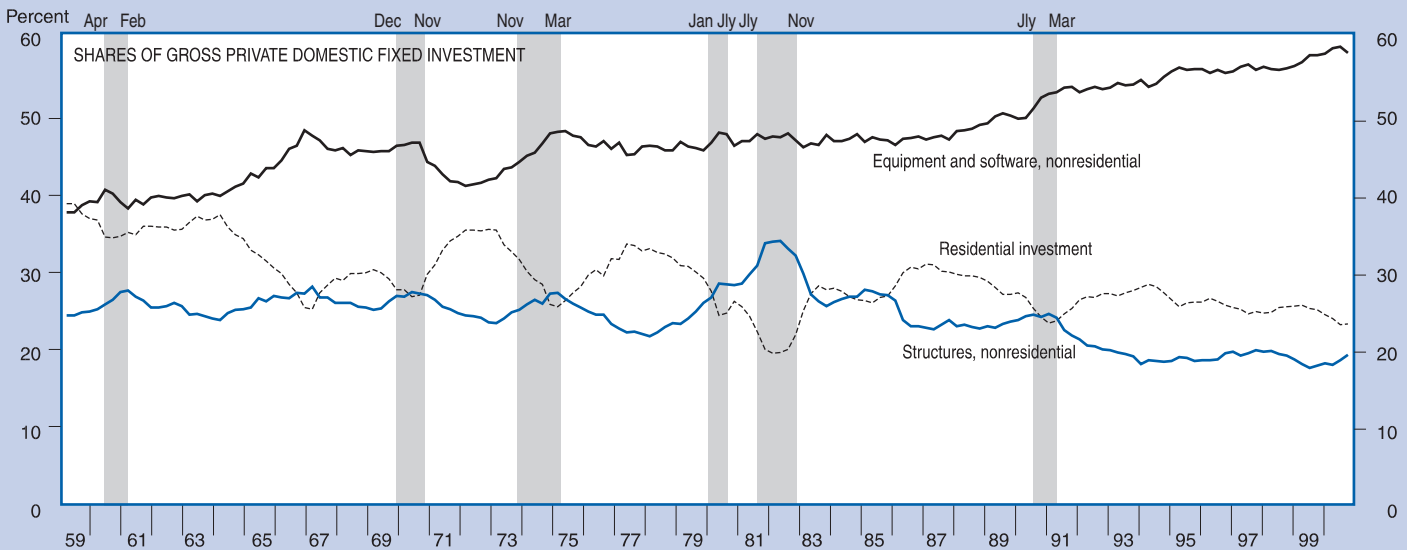
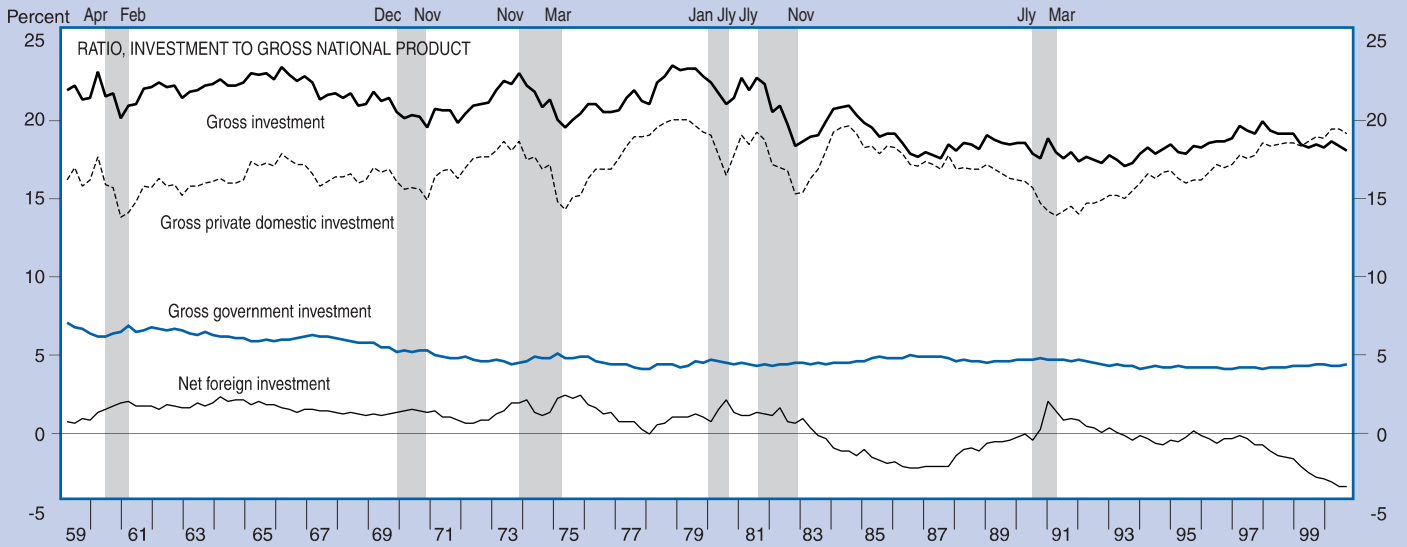
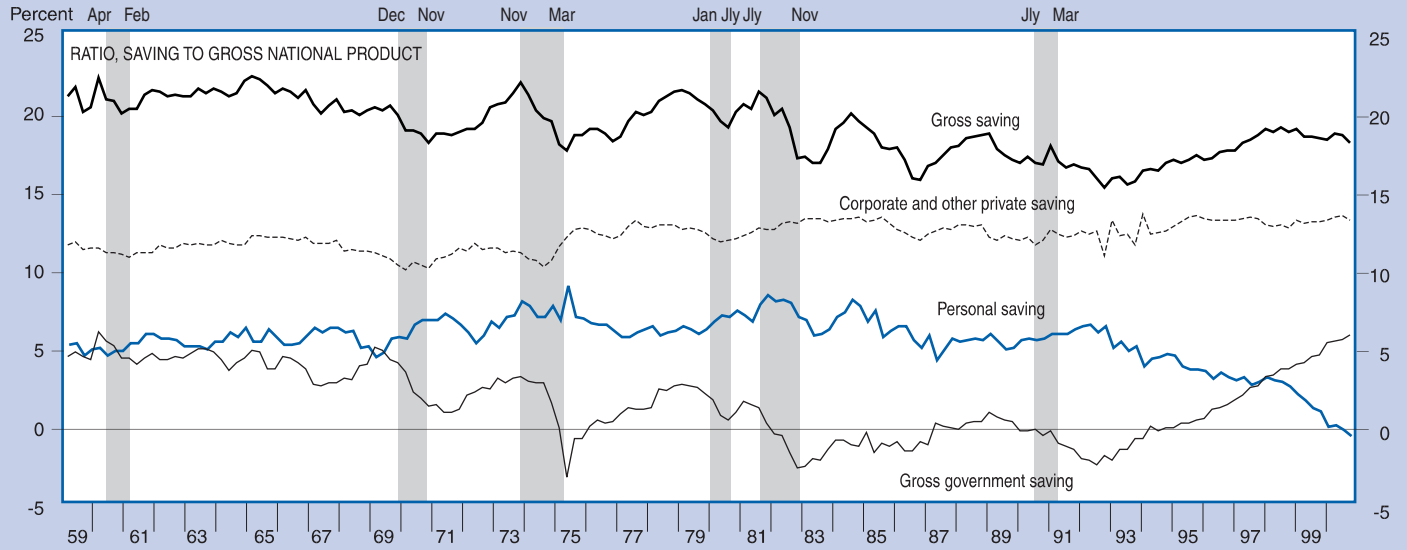
Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.



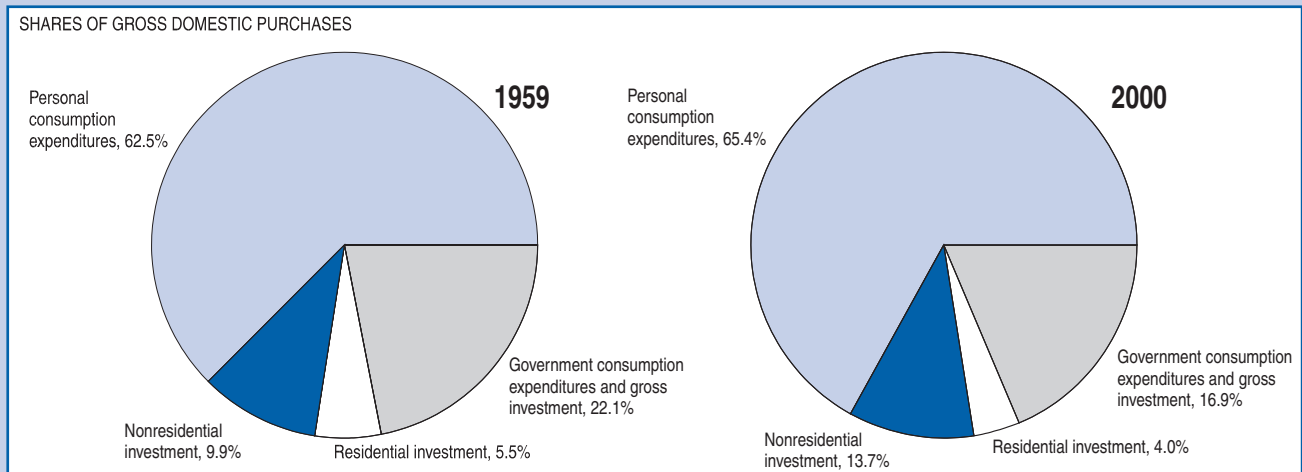
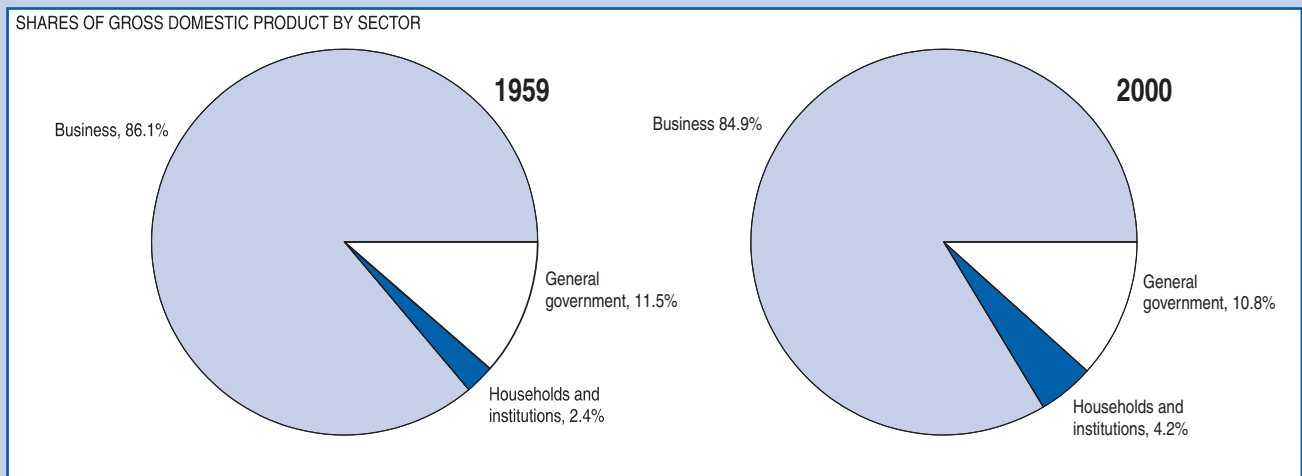
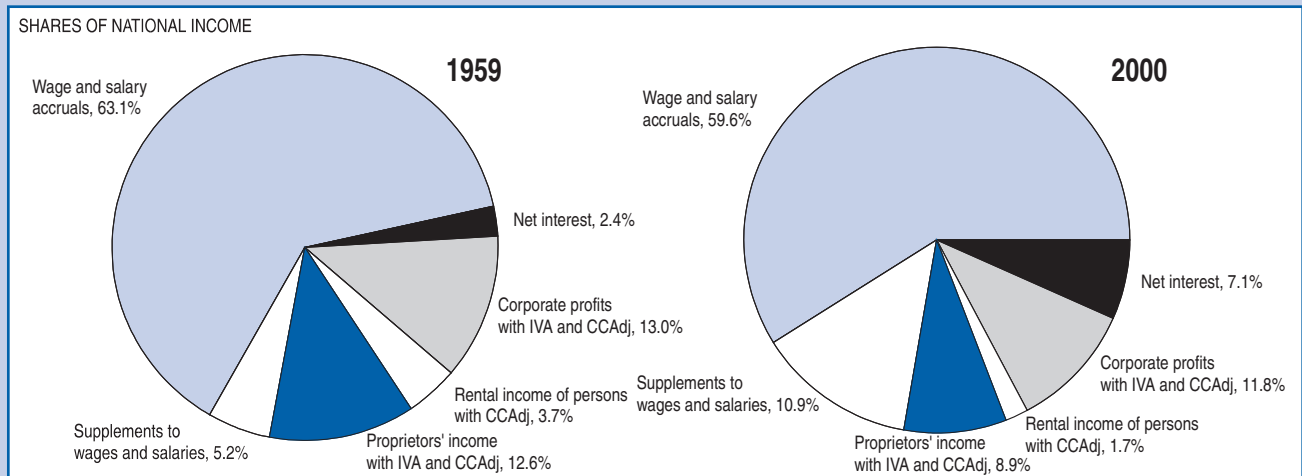
SELECTED NIPA SERIES



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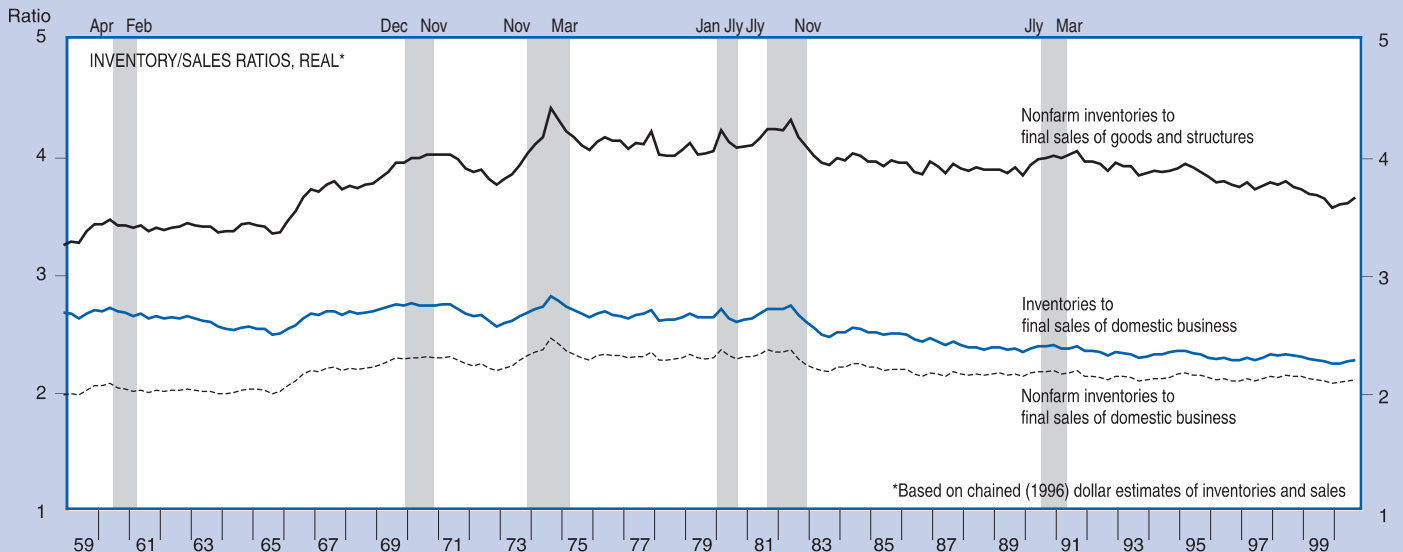
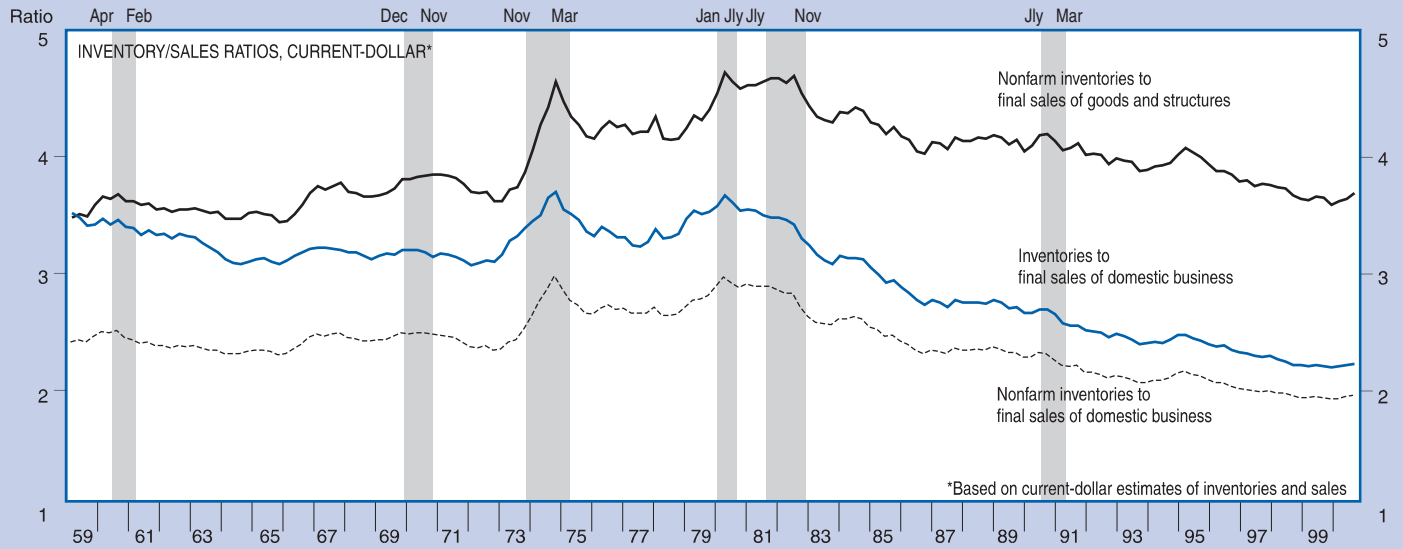
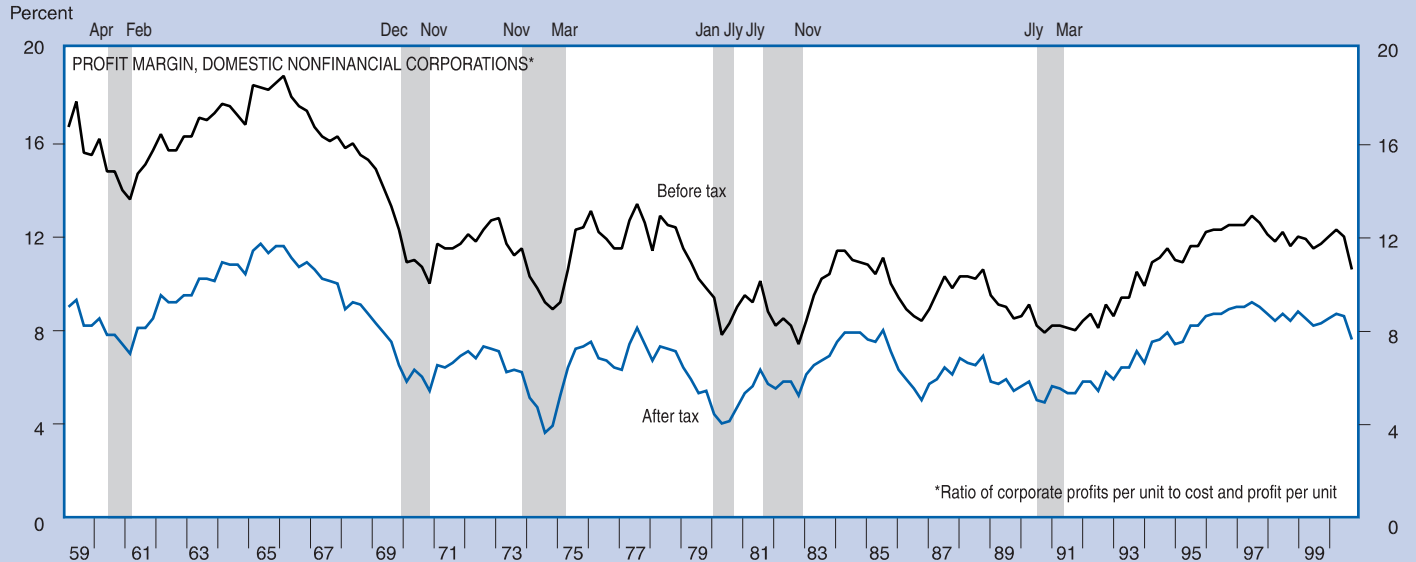
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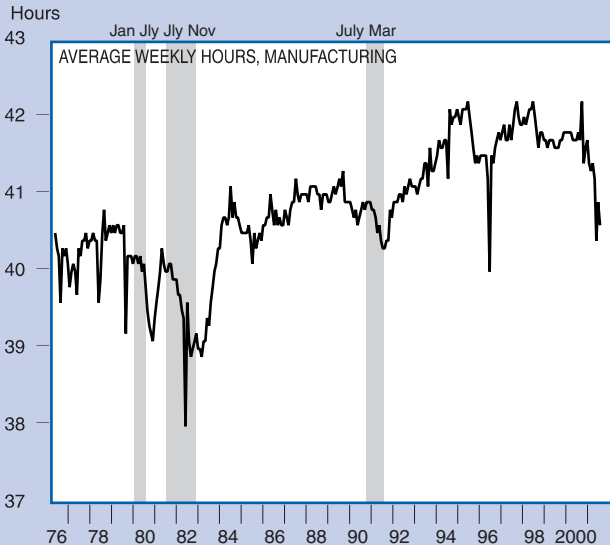
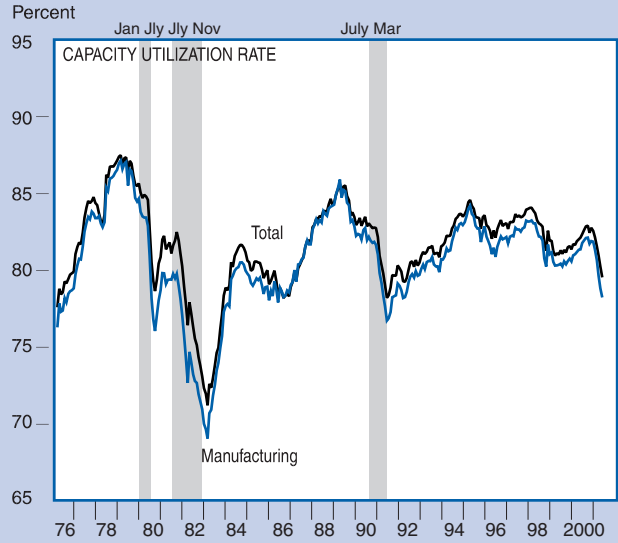
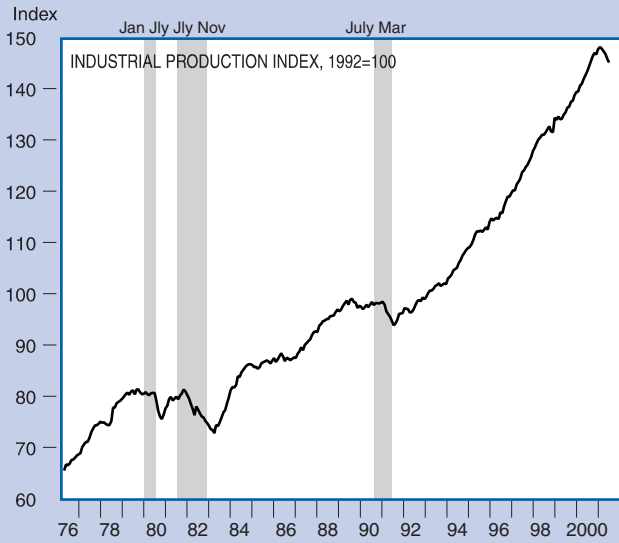
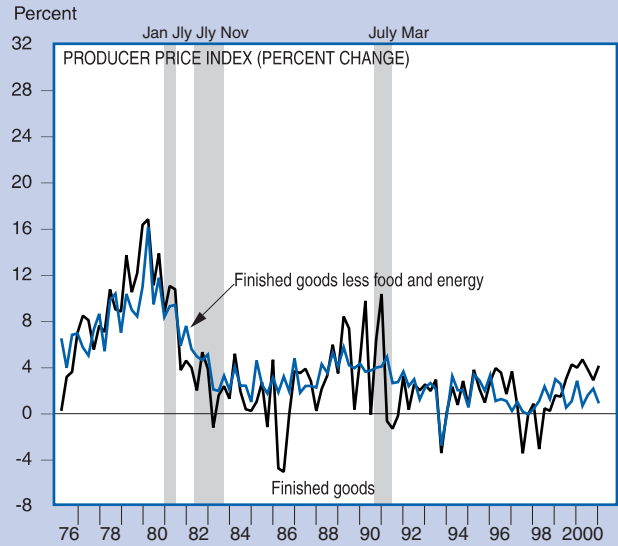
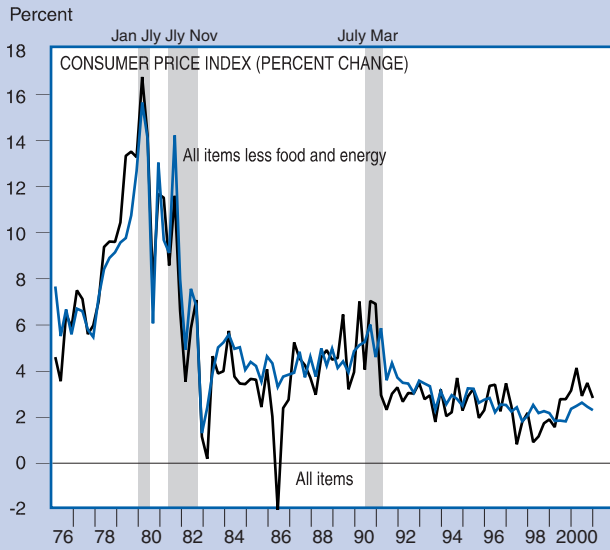
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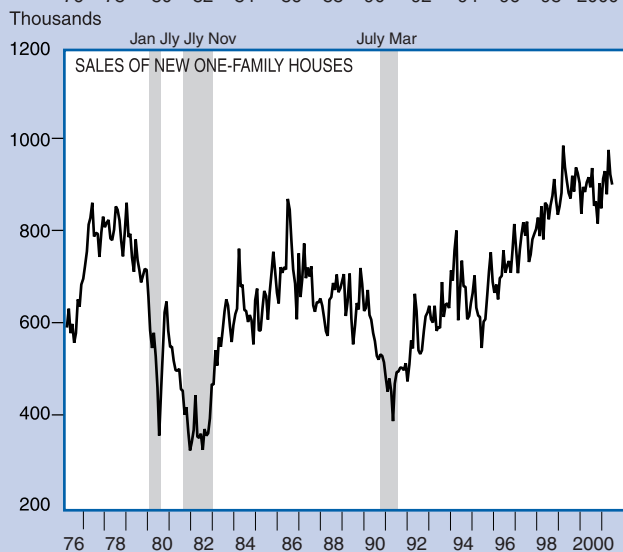
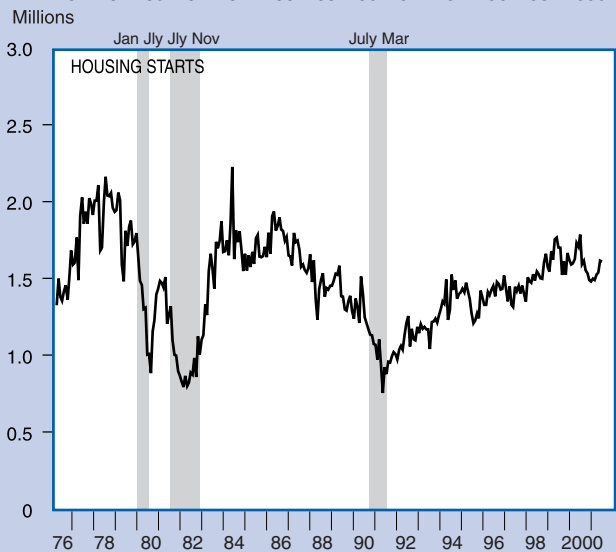
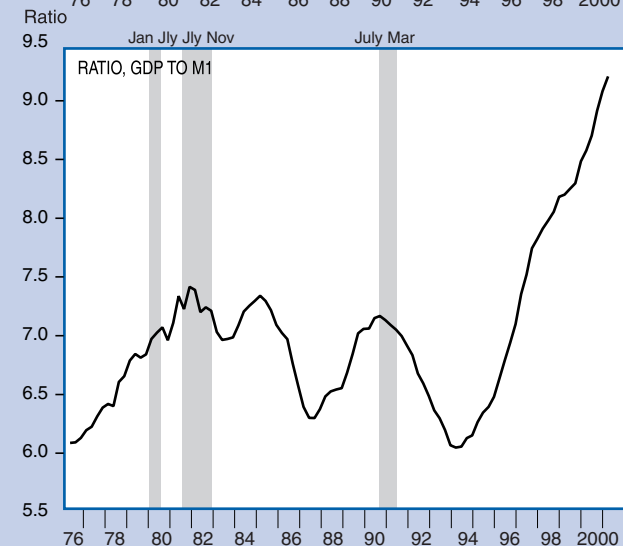
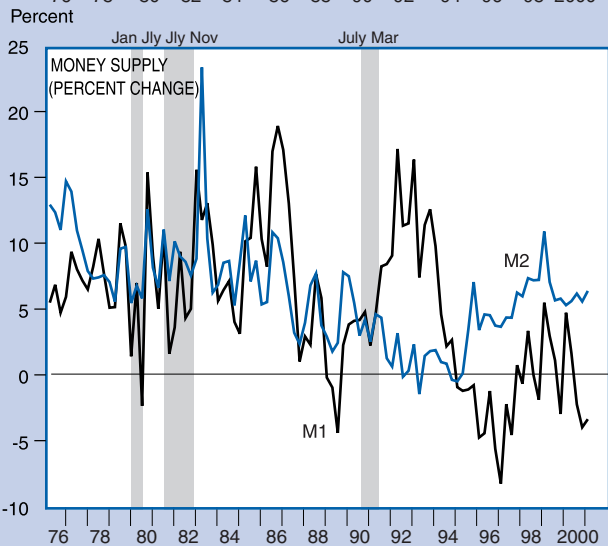
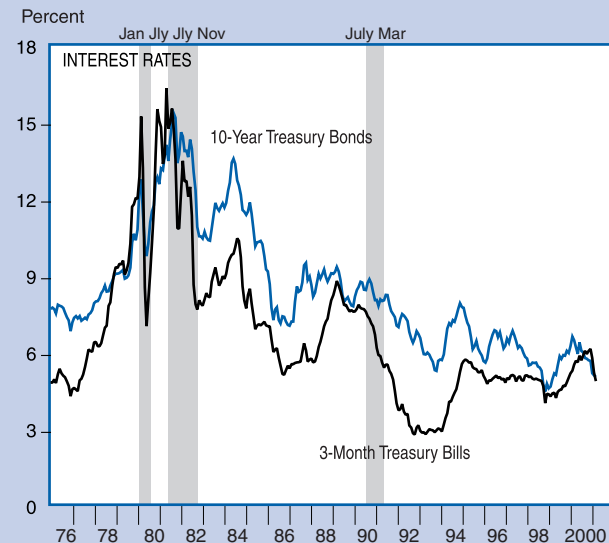
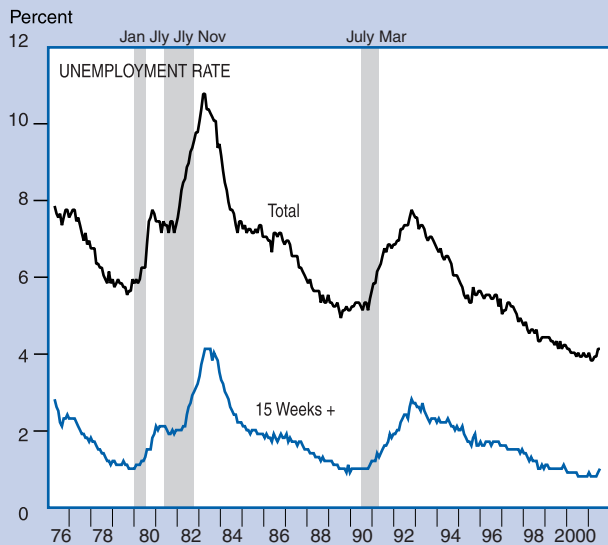
SELECTED NIPA SERIES



OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



International Data

F. Transactions Tables

Table F.1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on March 20, 2001 and include "preliminary" estimates for January 2001 and "revised" estimates for January–December 2000. The sources for the other tables in this section are as noted.

Table F.1.—U.S. International Transactions in Goods and Services
[Millions of dollars; monthly estimates seasonally adjusted]

	1999	2000	2000												2001	
			Dec.	Jan. ^r	Feb. ^r	Mar. ^r	Apr. ^r	May ^r	June ^r	July ^r	Aug. ^r	Sept. ^r	Oct. ^r	Nov. ^r		Dec. ^r	Jan.^{p}
Exports of goods and services	956,242	1,068,741	84,107	83,679	85,300	86,963	87,594	87,063	91,273	89,742	92,883	92,793	91,425	90,825	89,201	89,650
Goods	684,358	772,514	61,211	60,300	60,873	62,492	62,544	62,728	66,446	65,075	67,952	67,815	66,325	65,850	64,114	64,705
Foods, feeds, and beverages	45,532	47,738	3,846	3,930	3,843	3,931	3,829	3,956	3,978	4,063	4,258	4,133	3,987	3,891	3,938	3,946
Industrial supplies and materials	147,000	171,944	13,559	13,271	13,850	14,637	13,716	13,737	14,266	13,975	14,831	15,288	15,032	15,121	14,218	14,109
Capital goods, except automotive	311,406	356,573	27,784	27,430	28,974	27,176	29,058	29,057	31,126	30,664	31,815	31,686	31,066	30,659	29,861	30,820
Automotive vehicles, parts, and engines	75,756	79,916	6,596	6,643	6,557	6,909	6,424	6,576	7,040	6,462	7,141	6,637	6,689	6,454	6,384	5,841
Consumer goods (nonfood), except automotive	80,768	89,077	7,193	7,031	7,377	7,424	7,216	7,167	7,756	7,558	7,694	7,673	7,269	7,429	7,482	7,829
Other goods	35,336	36,402	3,124	3,003	3,380	2,989	2,842	2,932	3,170	2,894	2,973	2,979	3,104	3,132	3,002	2,953
Adjustments ¹	-11,439	-9,136	-891	-1,009	-1,108	-576	-542	-697	-889	-541	-761	-582	-823	-836	-772	-793
Services	271,884	296,227	22,896	23,379	24,427	24,471	25,050	24,335	24,827	24,667	24,931	24,978	25,100	24,975	25,087	24,945
Travel	74,881	85,153	6,174	6,628	7,010	6,828	7,406	6,928	7,064	7,055	7,087	7,303	7,235	7,262	7,347	7,275
Passenger fares	19,776	21,313	1,590	1,458	1,853	1,756	1,824	1,764	1,804	1,761	1,782	1,857	1,822	1,834	1,798	1,765
Other transportation	27,033	29,847	2,344	2,335	2,385	2,535	2,455	2,463	2,520	2,500	2,560	2,576	2,570	2,497	2,453	2,436
Royalties and license fees	36,467	37,955	3,038	3,090	3,115	3,143	3,195	3,199	3,183	3,148	3,137	3,139	3,190	3,203	3,212	3,241
Other private services	96,508	106,493	8,478	8,608	8,616	8,939	8,872	8,707	8,916	8,863	9,019	8,859	8,970	8,896	9,027	8,950
Transfers under U.S. military agency sales contracts ²	16,334	14,604	1,201	1,191	1,180	1,203	1,228	1,203	1,268	1,267	1,273	1,170	1,239	1,208	1,174	1,202
U.S. Government miscellaneous services	885	862	71	69	68	67	70	71	72	73	73	74	74	75	76	76
Imports of goods and services	1,221,213	1,437,606	109,764	110,992	112,829	117,378	116,813	116,713	121,147	121,871	122,834	126,339	124,593	123,700	122,400	122,912
Goods	1,029,917	1,222,367	93,466	94,415	95,581	99,706	99,506	99,269	103,375	103,665	104,702	107,210	106,279	104,974	103,683	104,205
Foods, feeds, and beverages	43,579	45,966	3,768	3,648	3,668	3,827	3,769	3,802	3,836	3,930	3,966	3,928	3,824	3,982	3,784	3,953
Industrial supplies and materials	222,024	297,919	21,274	21,847	23,577	24,596	23,399	23,942	25,446	25,818	25,111	26,532	26,086	25,098	26,468	26,660
Capital goods, except automotive	297,112	352,219	26,592	26,567	26,792	27,769	28,689	28,832	29,664	29,573	30,789	31,549	31,099	30,355	30,541	29,049
Automotive vehicles, parts, and engines	179,393	196,283	16,119	16,363	15,594	16,371	16,500	15,619	16,740	16,999	16,917	16,725	15,770	16,532	15,153	15,393
Consumer goods (nonfood), except automotive	239,466	275,518	21,202	21,419	21,193	22,550	22,951	23,044	23,143	23,081	23,297	23,699	23,827	24,132	23,183	24,513
Other goods	43,046	48,459	3,758	3,878	3,897	3,920	3,947	3,765	4,143	4,092	4,296	4,158	4,066	4,251	4,046	4,132
Adjustments ¹	5,299	6,003	753	693	860	674	251	265	403	173	325	618	607	623	510	505
Services	191,296	215,239	16,298	16,577	17,248	17,672	17,307	17,444	17,772	18,206	18,132	19,129	18,314	18,726	18,717	18,707
Travel	59,351	65,044	4,863	4,997	5,295	5,523	5,306	5,235	5,481	5,546	5,315	5,477	5,440	5,673	5,756	5,603
Passenger fares	21,405	23,902	1,796	1,776	1,944	2,047	1,954	1,954	2,026	2,007	1,952	2,007	1,965	2,139	2,131	2,058
Other transportation	34,137	40,713	3,082	3,077	3,218	3,291	3,219	3,342	3,423	3,427	3,542	3,585	3,599	3,552	3,520	3,601
Royalties and license fees	13,275	16,331	1,241	1,201	1,197	1,200	1,211	1,222	1,236	1,358	1,394	2,081	1,427	1,396	1,407	1,429
Other private services	46,657	52,486	3,979	4,181	4,249	4,265	4,244	4,308	4,297	4,459	4,511	4,551	4,445	4,523	4,457	4,572
Direct defense expenditures ²	13,650	13,884	1,109	1,108	1,107	1,107	1,136	1,145	1,150	1,168	1,177	1,186	1,196	1,201	1,203	1,203
U.S. Government miscellaneous services	2,821	2,879	228	237	238	239	237	238	239	241	241	242	242	242	243	241
Memoranda:																
Balance on goods	-345,559	-449,853	-32,255	-34,116	-34,708	-37,215	-36,962	-36,541	-36,929	-38,590	-36,751	-39,395	-39,954	-39,124	-39,569	-39,500
Balance on services	80,588	80,988	6,598	6,802	7,179	6,799	7,743	6,891	7,055	6,461	6,799	5,849	6,766	6,249	6,370	6,238
Balance on goods and services	-264,971	-368,865	-25,657	-27,314	-27,529	-30,416	-29,219	-29,650	-29,874	-32,129	-29,952	-33,546	-33,168	-32,875	-33,199	-33,262

^p Preliminary.

^r Revised.

1. Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and

definitions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of the Census

G. Investment Tables

Table G.1.—International Investment Position of the United States at Yearend, 1998 and 1999

[Millions of dollars]

Line	Type of investment	Position, 1998 ^p	Changes in position in 1999 (decrease (-))				Total (a+b+c+d)	Position, 1999 ^p
			Attributable to:					
			Financial flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
(a)	(b)	(c)	(d)					
Net international investment position of the United States:								
1	With direct investment positions at current cost (line 3 less line 24)	-1,111,813	-323,377	344,215	-60,235	68,702	29,305	-1,082,508
2	With direct investment positions at market value (line 4 less line 25)	-1,407,670	-323,377	301,897	-57,364	12,829	-66,015	-1,473,685
U.S.-owned assets abroad:								
3	With direct investment positions at current cost (lines 5+10+15)	5,079,056	430,187	455,115	-71,115	-4,215	809,972	5,889,028
4	With direct investment positions at market value (lines 5+10+16) ...	6,045,544	430,187	755,413	-63,035	5,264	1,127,829	7,173,373
5	U.S. official reserve assets	146,006	-8,747	642	-1,500	17	-9,588	136,418
6	Gold	75,291	.....	³ 642	.....	⁴ 17	659	75,950
7	Special drawing rights	10,603	-10	.....	-257	.....	-267	10,336
8	Reserve position in the International Monetary Fund	24,111	-5,484	.....	-677	.....	-6,161	17,950
9	Foreign currencies	36,001	-3,253	.....	-566	.....	-3,819	32,182
10	U.S. Government assets, other than official reserve assets	86,768	-2,751	.....	7	202	-2,542	84,226
11	U.S. credits and other long-term assets ⁵	84,850	-3,384	.....	-11	202	-3,193	81,657
12	Repayable in dollars	84,528	-3,363	.....	.....	202	-3,161	81,367
13	Other ⁶	322	-21	.....	-11	.....	-32	290
14	U.S. foreign currency holdings and U.S. short-term assets	1,918	633	.....	18	.....	651	2,569
U.S. private assets:								
15	With direct investment at current cost (lines 17+19+22+23)	4,846,282	441,685	454,473	-69,622	-4,434	822,102	5,668,384
16	With direct investment at market value (lines 18+19+22+23)	5,812,770	441,685	754,771	-61,542	5,045	1,139,959	6,952,729
Direct investment abroad:								
17	At current cost	1,207,059	150,901	5,475	-17,646	-14,602	124,128	1,331,187
18	At market value	2,173,547	150,901	305,773	-9,566	-5,123	441,985	2,615,532
19	Foreign securities	2,052,929	128,594	448,998	-47,135	.....	530,457	2,583,386
20	Bonds	576,745	14,193	-31,341	-2,849	.....	-19,997	556,748
21	Corporate stocks	1,476,184	114,401	480,339	-44,286	.....	550,454	2,026,638
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	565,466	92,328	.....	-8,037	-6,010	78,281	643,747
23	U.S. claims reported by U.S. banks, not included elsewhere	1,020,828	69,862	.....	3,196	16,178	89,236	1,110,064
Foreign-owned assets in the United States:								
24	With direct investment at current cost (lines 26+33)	6,190,869	753,564	110,900	-10,880	-72,917	780,667	6,971,536
25	With direct investment at market value (lines 26+34)	7,453,214	753,564	453,516	-5,671	-7,565	1,193,844	8,647,058
26	Foreign official assets in the United States	837,701	42,864	-11,231	.....	.....	31,633	869,334
27	U.S. Government securities	620,285	32,527	-23,905	.....	.....	8,622	628,907
28	U.S. Treasury securities	589,023	12,177	-22,975	.....	.....	-10,798	578,225
29	Other	31,262	20,350	-930	.....	.....	19,420	50,682
30	Other U.S. Government liabilities ⁷	18,000	-3,255	.....	.....	.....	-3,255	14,745
31	U.S. liabilities reported by U.S. banks, not included elsewhere	125,883	12,692	.....	.....	.....	12,692	138,575
32	Other foreign official assets	73,533	900	12,674	.....	.....	13,574	87,107
Other foreign assets:								
33	With direct investment at current cost (lines 35+37+38+41+42+43) ...	5,353,168	710,700	122,131	-10,880	-72,917	749,034	6,102,202
34	With direct investment at market value (lines 36+37+38+41+42+43)	6,615,513	710,700	464,747	-5,671	-7,565	1,162,211	7,777,724
Direct investment in the United States:								
35	At current cost	928,645	275,533	1,766	-5,209	-75,521	196,569	1,125,214
36	At market value	2,190,990	275,533	344,382	.....	-10,169	609,746	2,800,736
37	U.S. Treasury securities	729,738	-20,464	-48,552	.....	.....	-69,016	660,722
38	U.S. securities other than U.S. Treasury securities	2,012,431	331,523	168,917	-3,549	.....	496,891	2,509,322
39	Corporate and other bonds	902,155	232,814	-67,690	-3,549	.....	161,575	1,063,730
40	Corporate stocks	1,110,276	98,709	236,607	.....	.....	335,316	1,445,592
41	U.S. currency	228,250	22,407	.....	.....	.....	22,407	250,657
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	437,973	34,298	.....	-1,050	2,604	35,852	473,825
43	U.S. liabilities reported by U.S. banks, not included elsewhere	1,016,131	67,403	.....	-1,072	.....	66,331	1,082,462

^p Preliminary.^r Revised.

1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions financial flows.

5. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

6. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States at Yearend 1999" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1997–99

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital outflows (inflows (-))			Income		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
All countries, all industries	871,316	1,014,012	1,132,622	95,769	134,083	138,510	104,794	92,775	105,001
By country									
Canada	96,626	101,871	111,707	7,642	9,152	14,268	11,024	7,527	11,103
Europe	425,139	528,113	581,791	48,318	93,805	72,090	48,333	52,618	53,584
<i>Of which:</i>									
France	36,630	42,067	39,984	2,971	3,805	786	2,688	2,066	1,644
Germany	40,726	46,405	49,617	2,464	3,284	5,875	3,707	5,256	4,243
Netherlands	68,619	93,592	106,436	12,450	24,034	7,980	11,588	11,804	12,482
Switzerland	30,634	40,144	51,227	-792	9,418	11,910	5,071	6,614	6,566
United Kingdom	154,462	192,663	213,070	22,961	36,552	29,824	13,469	13,198	14,465
Latin America and Other Western Hemisphere	180,818	200,477	223,182	21,539	16,830	19,522	21,723	17,262	18,578
<i>Of which:</i>									
Bermuda	38,071	40,403	45,959	589	1,352	5,122	3,965	3,080	4,173
Brazil	35,778	38,195	35,003	7,138	4,834	455	4,965	2,906	1,626
Mexico	24,050	28,396	34,265	5,596	4,718	5,355	3,893	3,885	4,721
Panama	22,016	25,982	33,429	354	718	1,803	1,277	1,812	2,074
Africa	11,330	14,241	15,062	3,436	3,150	1,302	1,948	1,574	2,106
Middle East	8,836	10,632	11,137	619	2,150	1,417	1,340	825	949
Asia and Pacific	144,815	155,364	185,912	13,733	8,366	29,362	20,009	12,322	18,410
<i>Of which:</i>									
Australia	28,404	31,150	33,662	1,209	4,697	4,063	3,674	1,880	2,495
Japan	33,854	35,633	47,786	-339	1,394	10,616	3,511	1,917	4,102
International	3,752	3,315	3,832	482	631	549	416	647	271
By industry									
Petroleum	84,116	92,964	99,925	11,555	8,517	8,892	12,508	7,597	10,213
Manufacturing	278,447	294,129	318,121	28,326	22,126	35,524	38,468	29,879	32,472
Food and kindred products	32,773	35,074	36,126	4,080	2,342	1,416	5,030	4,306	3,604
Chemicals and allied products	76,394	79,868	82,794	6,974	5,245	7,100	10,023	9,428	9,431
Primary and fabricated metals	15,898	18,776	18,803	408	2,954	808	1,376	1,281	1,365
Industrial machinery and equipment	30,179	31,348	37,833	4,873	1,888	6,705	5,022	3,986	3,450
Electronic and other electric equipment	31,308	32,398	38,449	2,727	1,866	6,231	4,663	2,147	3,737
Transportation equipment	35,537	33,939	36,013	4,667	-1,190	4,857	5,478	2,495	4,371
Other manufacturing	56,357	62,725	68,103	4,687	9,021	8,406	6,876	6,237	6,514
Wholesale trade	64,929	70,014	80,148	121	6,434	11,801	9,047	9,909	10,560
Depository institutions	37,932	40,582	39,937	1,508	2,140	-920	3,286	743	1,693
Finance (except depository institutions), insurance, and real estate	297,828	375,965	436,024	39,001	62,161	54,475	31,986	34,921	37,867
Services	46,533	60,696	68,763	4,306	12,210	10,778	6,109	5,955	8,193
Other industries	61,532	79,663	89,705	10,953	20,494	17,962	3,391	3,770	4,003

NOTE.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates and Majority-Owned Nonbank Foreign Affiliates of U.S. Companies by Country and by Industry of Affiliate, 1998

	All nonbank affiliates						Majority-owned nonbank foreign affiliates (MOFA's)						
	Millions of dollars					Thou- sands of employ- ees	Millions of dollars						Thou- sands of employ- ees
	Total assets	Sales	Net income	U.S. ex- ports of goods shipped to affil- iates	U.S. im- ports of goods shipped by affil- iates		Total assets	Sales	Net income	Gross product	U.S. ex- ports of goods shipped to MOFA's	U.S. im- ports of goods shipped by MOFA's	
All countries, all industries	4,000,842	2,443,350	155,292	217,153	187,610	8,388.0	3,434,808	2,027,782	136,957	510,735	210,634	178,150	6,899.9
By country													
Canada	313,647	263,849	10,666	67,776	70,577	935.3	284,995	242,668	9,992	54,739	65,988	67,601	862.1
Europe	2,302,253	1,331,199	90,889	63,782	36,638	3,532.2	2,093,970	1,148,312	84,422	303,505	62,802	35,463	3,145.2
<i>Of which:</i>													
France	171,797	141,586	4,391	(D)	3,907	501.1	146,118	123,941	4,538	35,915	5,362	3,729	447.9
Germany	279,338	253,825	11,759	8,322	4,542	643.1	233,313	188,259	9,820	56,464	8,304	4,519	590.0
Netherlands	244,324	140,385	16,601	(D)	(D)	179.9	226,984	118,114	14,904	20,243	13,605	2,739	167.5
United Kingdom	1,025,588	366,114	15,646	13,839	9,924	1,038.7	973,745	334,572	16,128	90,735	13,803	9,854	953.5
Latin America and Other Western Hemisphere	570,042	297,670	31,792	37,081	37,759	1,807.4	434,375	230,736	22,728	61,336	35,677	36,271	1,416.4
<i>Of which:</i>													
Brazil	129,977	83,715	5,003	4,168	2,882	395.1	84,673	64,555	3,239	21,922	4,015	2,753	341.5
Mexico	99,105	98,344	8,861	24,660	27,223	907.1	55,006	65,147	4,114	13,961	23,802	26,061	668.9
Africa	47,990	28,033	2,155	887	(P)	202.9	35,867	20,830	1,551	6,752	856	1,542	111.2
Middle East	40,169	22,443	1,506	938	(P)	88.6	16,591	9,340	784	3,764	696	855	49.5
Asia and Pacific	707,708	492,388	17,224	46,689	39,734	1,810.8	558,121	371,509	16,796	79,129	44,615	36,419	1,305.4
<i>Of which:</i>													
Australia	96,615	65,874	2,629	4,761	1,290	291.0	75,555	52,315	2,209	16,756	4,731	1,217	221.6
Japan	298,485	182,288	4,006	13,514	4,773	404.2	232,322	103,644	3,133	23,648	12,185	2,003	187.8
International	19,032	7,768	1,060	0	0	10.9	10,888	4,387	684	1,510	0	0	10.1
By industry													
Petroleum	341,685	340,447	10,269	4,762	11,414	241.8	252,603	233,056	6,988	89,484	4,655	11,383	176.9
Manufacturing	982,117	1,087,302	56,908	136,201	156,492	4,652.9	839,666	954,037	52,342	251,442	131,652	147,637	3,977.3
Food and kindred products	129,038	133,141	7,492	3,501	5,161	646.6	95,898	108,529	6,362	26,570	3,187	4,788	434.9
Chemicals and allied products	236,473	200,698	19,537	15,429	10,117	609.3	209,859	179,830	18,517	55,040	14,707	9,661	543.6
Primary and fabricated metals	51,675	43,506	1,870	3,253	3,597	228.4	43,460	35,206	1,546	10,729	3,004	3,274	190.0
Industrial machinery and equipment	131,304	173,128	8,266	21,487	34,919	602.1	123,477	163,797	8,088	34,758	21,211	34,193	563.6
Electronic and other electric equipment	90,176	110,418	3,231	21,574	25,787	781.8	82,424	103,537	3,003	22,774	21,462	24,972	721.4
Transportation equipment	147,949	241,818	5,604	54,872	62,580	752.4	118,489	204,365	5,472	41,618	52,939	57,746	642.0
Other manufacturing	195,501	184,593	10,909	16,085	14,329	1032.4	166,060	158,773	9,355	59,952	15,141	13,002	881.7
Wholesale trade	244,358	438,792	16,207	69,521	16,740	601.2	238,236	420,288	15,893	59,109	68,119	16,468	569.7
Finance (except depository institutions), insurance, and real estate	1,794,120	154,402	51,409	31	8	239.5	1,732,655	146,236	49,514	22,912	27	8	222.0
Services	194,427	150,262	7,500	2,047	814	1086.6	173,177	135,679	7,120	52,509	2,010	813	962.8
Other industries	444,134	272,145	12,998	4,590	2,142	1,566.0	198,472	138,486	5,099	35,279	4,172	1,840	991.1

D Suppressed to avoid disclosure of data of individual companies.

NOTE.—The data in this table are from "U.S. Multinational Companies: Operations in 1998" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1997–99

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital inflows (outflows (-))			Income		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
All countries, all industries	689,834	793,748	986,668	103,513	181,764	271,169	40,359	32,782	51,004
By country									
Canada	65,144	74,143	79,716	10,838	16,012	12,228	2,840	1,563	1,482
Europe	433,876	528,601	685,845	71,860	160,722	234,548	30,883	25,722	42,504
<i>Of which:</i>									
France	49,515	58,051	77,622	10,932	10,371	19,310	2,851	1,475	3,035
Germany	70,901	94,404	111,138	12,186	42,110	22,701	3,361	4,860	6,244
Luxembourg	11,433	26,650	54,894	5,334	14,299	25,888	476	1,162	2,766
Netherlands	87,584	98,926	130,703	12,710	9,606	32,845	6,957	5,618	8,638
Switzerland	37,874	48,403	55,280	8,611	6,392	4,930	3,110	1,582	5,181
United Kingdom	130,883	143,165	183,145	11,395	65,701	116,605	10,925	6,929	12,355
Latin America and Other Western Hemisphere	33,008	27,854	44,591	3,819	-2,817	16,787	1,730	907	1,155
<i>Of which:</i>									
Bermuda	3,506	3,740	13,054	1,853	-139	9,737	232	172	222
Mexico	3,244	2,432	3,612	323	1,057	1,214	199	246	260
Panama	5,898	6,504	5,896	328	1,121	-124	725	872	753
United Kingdom Islands—Caribbean	11,425	9,009	13,883	3,457	-2,082	4,351	149	-339	244
Africa	1,464	862	1,545	434	-593	415	-352	-90	-78
Middle East	6,585	6,346	7,087	768	509	371	576	371	165
Asia and Pacific	149,757	155,943	167,884	15,795	7,931	6,820	4,682	4,309	5,777
<i>Of which:</i>									
Australia	13,977	12,883	10,818	1,821	904	-2,507	36	-245	-569
Japan	126,464	134,590	148,947	10,559	7,563	9,529	5,513	5,160	5,892
By industry									
Petroleum	42,632	51,729	55,940	3,847	58,813	5,558	4,110	1,383	5,113
Manufacturing	271,287	334,898	391,013	34,218	87,010	72,610	17,842	19,795	27,570
Food and kindred products	26,196	22,026	16,717	-1,793	-5,031	-2,285	1,384	594	1,631
Chemicals and allied products	86,558	95,662	103,465	11,804	10,340	9,416	5,270	6,815	6,604
Primary and fabricated metals	20,466	19,340	21,808	2,067	853	1,619	1,486	1,784	1,458
Machinery	51,693	62,067	76,584	11,147	19,675	24,132	2,691	1,417	2,362
Other manufacturing	86,373	135,803	172,440	10,992	61,173	39,729	7,011	9,184	15,514
Wholesale trade	86,248	89,980	108,936	13,020	10,364	11,853	4,148	4,435	7,381
Retail trade	17,546	21,090	23,386	3,181	4,123	2,478	446	766	1,830
Depository institutions	38,956	43,804	60,118	7,626	4,618	18,331	3,860	2,694	2,934
Finance, except depository institutions	44,024	45,895	52,133	6,970	2,388	8,793	1,949	-1,975	-138
Insurance	71,327	77,785	101,760	12,922	5,537	27,014	4,599	3,795	4,383
Real estate	38,922	43,558	44,720	5,149	2,980	1,341	584	490	939
Services	35,410	41,271	57,558	4,680	6,764	16,876	985	1,067	2,157
Other industries	43,481	43,741	91,106	11,901	-832	106,315	1,835	333	-1,166

NOTE.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates and Majority-Owned Nonbank U.S. Affiliates of Foreign Companies by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1998

	All nonbank affiliates							Majority-owned nonbank affiliates						
	Millions of dollars				Thousands of employees	Millions of dollars		Millions of dollars				Thousands of employees	Millions of dollars	
	Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates	Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
All countries, all industries	3,525,885	1,881,865	33,276	418,138	5,633.0	150,836	289,679	3,043,966	1,623,767	23,970	352,756	4,655.0	137,912	277,599
By country														
Canada	371,546	153,157	2,868	40,425	661.9	8,118	15,484	347,913	133,495	2,758	34,635	541.4	7,846	15,063
Europe	2,234,177	1,080,158	25,779	267,066	3,563.5	80,329	119,590	2,019,390	929,236	19,460	228,162	2,936.0	72,698	117,772
<i>Of which:</i>														
France	387,383	142,434	1,505	37,349	525.7	15,140	12,649	334,708	106,113	232	25,347	306.4	(P)	12,381
Germany	427,162	282,786	8,780	66,597	782.4	28,987	55,246	402,534	254,117	7,341	57,658	638.3	27,875	54,783
Netherlands	320,861	145,575	1,200	29,464	406.8	4,124	10,842	294,479	114,442	549	26,314	396.8	3,952	10,790
Sweden	45,528	34,423	359	7,679	105.3	3,880	6,562	45,177	33,848	339	7,542	103.7	3,860	6,514
Switzerland	454,836	105,372	4,395	28,039	375.5	5,640	6,815	415,446	87,216	2,491	22,955	285.3	5,280	6,654
United Kingdom	493,554	269,069	8,499	76,214	986.8	16,700	15,555	447,428	254,152	6,774	71,064	916.3	16,254	15,070
Latin America and Other Western Hemisphere	75,307	60,235	972	16,995	222.0	5,537	10,276	57,272	52,367	872	15,421	204.7	5,272	8,458
<i>Of which:</i>														
Bermuda	24,778	18,474	679	5,806	118.3	(P)	857	(P)	18,242	721	5,793	116.3	(P)	855
Mexico	7,807	9,217	132	1,582	29.2	720	3,001	7,053	8,160	102	1,300	24.4	(P)	(P)
Panama	3,362	2,601	-191	943	13.4	599	200	3,240	2,536	-195	(P)	J	599	200
United Kingdom Islands—Caribbean	8,158	3,223	-40	1,009	19.1	17	350	6,714	2,711	221	1,017	15.7	16	349
Venezuela	12,175	15,360	554	5,301	9.1	115	(P)	(P)	(P)	(P)	(P)	I	(P)	(P)
Africa	12,923	12,233	263	2,543	20.7	788	875	(P)	(P)	(P)	(P)	J	(P)	(P)
Middle East	17,959	16,094	439	4,614	73.1	814	2,358	15,149	10,869	552	2,422	52.7	792	(P)
Asia and Pacific	670,164	535,198	-392	78,714	1,031.0	54,303	140,248	587,556	483,007	530	67,496	871.0	50,051	133,994
<i>Of which:</i>														
Australia	59,088	27,764	-720	6,633	83.8	1,404	1,307	50,895	22,698	-713	5,421	67.4	679	(P)
Japan	560,799	453,381	2,059	65,482	835.9	45,989	122,315	491,406	412,991	2,691	56,617	715.2	42,775	117,569
United States	143,808	24,791	3,346	7,780	60.7	946	849	(P)	(P)	(P)	(P)	K	(P)	743
By industry ¹														
Manufacturing	878,864	834,396	17,025	224,372	2,539.6	87,581	126,924	793,094	730,082	14,934	201,870	2,285.3	80,843	118,125
<i>Of which:</i>														
Food	44,315	49,815	743	10,796	159.0	3,023	2,498	41,771	46,103	677	9,716	141.3	2,931	2,439
Chemicals	199,557	141,875	3,226	42,935	380.0	14,930	14,429	186,187	130,516	2,836	39,637	349.0	13,538	13,936
Primary and fabricated metals	66,493	66,578	1,644	17,250	224.1	5,212	8,893	50,641	48,372	1,091	13,104	188.5	3,915	6,941
Machinery	42,770	49,751	855	14,622	209.7	7,936	7,438	39,535	45,604	1,053	13,667	196.1	7,133	6,675
Computers and electronic products	81,604	97,391	-1,922	19,402	282.9	14,306	26,771	73,184	87,159	-1,895	17,810	259.4	13,417	26,100
Electrical equipment, appliances, and components	30,535	32,865	1,157	9,925	167.6	4,957	2,967	29,618	31,570	1,100	9,545	162.4	4,748	2,934
Transportation equipment	143,045	169,701	6,957	36,056	368.2	24,609	45,241	138,545	160,177	6,569	33,862	344.8	23,638	43,140
Wholesale trade	283,125	491,520	3,884	51,292	526.9	56,127	155,164	268,168	462,280	2,817	47,122	467.9	50,332	152,884
Retail trade	51,304	97,275	1,373	26,032	679.2	1,401	4,089	38,872	68,812	723	17,043	493.5	(P)	3,399
Information	156,163	74,060	-788	23,186	266.9	870	208	99,165	49,587	34	13,746	179.3	(P)	(P)
<i>Of which:</i>														
Publishing industries	51,457	23,676	1,034	9,595	105.1	717	(P)	(P)	19,853	-103	6,948	95.9	(P)	(P)
Broadcasting and telecommunications	77,942	35,036	-2,438	9,616	106.0	1	(P)	28,139	14,685	-485	2,795	29.6	1	1
Finance (except depository institutions) and insurance	1,789,405	187,956	10,292	23,954	234.9	4	49	1,556,470	162,016	4,895	19,970	198.2	4	49
Real estate and rental and leasing	123,474	21,121	1,411	9,679	39.1	27	224	101,316	17,582	1,047	7,678	35.4	27	224
Professional, scientific, and technical services	24,332	20,541	-202	7,961	104.5	283	232	19,093	17,486	3	6,665	80.7	263	(P)
Other industries	219,218	154,995	281	51,662	1,241.9	4,542	2,790	167,788	115,922	-482	38,663	914.7	4,428	2,543

D Suppressed to avoid disclosure of data of individual companies.

1. The industry classification system used to classify the data for U.S. affiliates is based on the North American Industry Classification System. Prior to 1997, the affiliate data were classified using an industry classification system based on the Standard Industrial Classification system.

NOTE.—The data in this table are from BEA's annual survey of the operations of U.S. affiliates of foreign companies; see "U.S. Affiliates of Foreign Companies: Operations in 1998," in the August 2000 issue of the SURVEY OF CURRENT BUSINESS.

Size ranges are given in employment cells that are suppressed. The size ranges are: A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

	1999	2000	2000												2001	
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.		Dec.	Jan.
Exchange rates per U.S. dollar (not seasonally adjusted) ¹																
Canada (Can.\$/US\$)	1.4858	1.4855	1.4722	1.4486	1.4512	1.4608	1.4689	1.4957	1.4770	1.4778	1.4828	1.4864	1.5125	1.5426	1.5219	1.5032
Euro zone (US\$/Euro) ²	1.0653	.9234	1.0110	1.0131	.9834	.9643	.9449	.9059	.9505	.9386	.9045	.8695	.8525	.8552	.8983	.9376
Japan (¥/US\$)	1.1373	1.0782	1.0258	1.0530	1.0939	1.0631	1.0563	1.0832	1.0613	1.0821	1.0808	1.0684	1.0844	1.0901	1.1221	1.1667
Mexico (Peso/US\$)	9.5530	9.4590	9.4270	9.4940	9.4270	9.2890	9.3940	9.5060	9.8340	9.4190	9.2720	9.3610	9.5370	9.5080	9.4670	9.7690
United Kingdom (US\$/£)	1.6172	1.5159	1.6132	1.6404	1.6000	1.5799	1.5823	1.5090	1.5092	1.5076	1.4889	1.4336	1.4506	1.4258	1.4629	1.4775
Addendum: Exchange value of the U.S. dollar ³ ...	116.87	119.93	116.09	115.95	117.44	117.24	117.63	120.20	118.94	119.34	120.12	121.53	123.27	124.21	123.28	123.15
Unemployment rates (percent, monthly data seasonally adjusted)																
Canada	7.6	6.8	6.8	6.8	6.8	6.8	6.8	6.6	6.6	6.8	7.1	6.8	6.9	6.9	6.8	6.9
France	11.2	9.7	10.6	10.5	10.2	10.0	9.9	9.8	9.6	9.7	9.6	9.5	9.4	9.2	9.2	9.0
Germany	10.5	9.6	10.2	10.1	10.0	10.1	9.6	9.6	9.6	9.5	9.5	9.4	9.3	9.3	9.2	9.3
Italy	11.4	10.6	.....	.....	11.2	.....	.....	10.7	.....	.....	10.5	.....	.....	10.0	.....	.....
Japan	4.7	4.8	4.7	4.7	4.9	4.9	4.8	4.6	4.7	4.7	4.6	4.7	4.7	4.8	4.9	4.9
Mexico	2.5	2.1	2.0	2.3	2.4	2.2	2.5	2.1	2.1	2.0	2.6	2.5	2.0	2.0	1.9 ⁴	2.3
United Kingdom	4.3	3.7	4.1	4.0	4.0	3.9	3.8	3.8	3.8	3.7	3.6	3.6	3.6	3.6	3.5	3.5
Addendum: United States	4.2	4.0	4.1	4.0	4.1	4.1	3.9	4.1	4.0	4.0	4.1	3.9	3.9	4.0	4.0	4.2
Consumer prices (monthly data seasonally adjusted, 1995=100)																
Canada	106.1	109.0	107.0	106.9	107.5	108.2	107.9	108.4	109.1	109.5	109.3	109.8	110.0	110.4	110.5	110.1
France	104.6	106.3	105.4	105.4	105.5	106.0	106.0	106.2	106.4	106.2	106.4	107.0	106.8	107.1	107.0	106.6
Germany	104.9	106.9	105.5	105.8	106.2	106.4	106.4	106.3	106.9	107.4	107.2	107.7	107.5	107.7	107.8	108.3
Italy	110.0	112.8	111.1	111.3	111.7	112.0	112.1	112.5	112.8	113.0	113.1	113.3	113.7	114.0	114.1	114.6
Japan	102.2	101.5	101.7	101.4	101.3	101.5	101.7	101.8	101.5	101.3	101.3	101.6	101.7	101.5	101.5	101.5
Mexico	219.1	239.9	228.8	231.9	234.0	235.3	236.6	237.5	238.9	239.8	241.1	242.9	244.6	246.7	249.3	250.7
United Kingdom	111.0	114.2	112.2	111.8	112.4	113.0	114.1	114.5	114.8	114.4	114.4	115.2	115.1	115.5	115.5	114.8
Addendum: United States	109.3	113.0	110.8	111.0	111.6	112.3	112.3	112.5	113.1	113.4	113.3	113.9	114.1	114.4	114.6	115.3
Real gross domestic product (percent change from preceding quarter, quarterly data seasonally adjusted at annual rates)																
Canada	4.5	4.7	.....	.....	4.8	.....	.....	4.3	.....	.....	4.5	.....	.....	2.6	.....	.....
France	3.2	3.2	.....	.....	2.2	.....	.....	2.8	.....	.....	2.4	.....	.....	3.9	.....	.....
Germany	1.4	3.1	.....	.....	3.9	.....	.....	4.8	.....	.....	1.1	.....	.....	.8	.....	.....
Italy	1.4	.....	.....	.....	4.4	.....	.....	1.0	.....	.....	2.4	.....	.....	.....	.....	.....
Japan .....	.8	.....	.....	.....	10.0	.....	.....	.9	.....	.....	-2.4	.....	.....	.....	.....	.....
Mexico	3.8	6.9	.....	.....	7.7	.....	.....	7.6	.....	.....	7.3	.....	.....	5.1	.....	.....
United Kingdom	2.3	3.0	.....	.....	1.6	.....	.....	3.6	.....	.....	3.4	.....	.....	1.6	.....	.....
Addendum: United States	4.2	5.0	.....	.....	4.8	.....	.....	5.6	.....	.....	2.2	.....	.....	1.0	.....	.....

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

	1999	2000	2000													2001
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.		Jan.
Short-term, 3-month, interest rates (percent, not seasonally adjusted)																
Canada	4.83	5.61	5.12	5.04	5.07	5.35	5.39	5.84	5.83	5.79	5.81	5.79	5.83	5.86	5.74	5.44
Euro zone	2.97	4.39	3.44	3.34	3.54	3.75	3.93	4.35	4.50	4.58	4.78	4.85	5.04	5.09	4.94	4.77
Japan .....	.25	.26	.12	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10
Mexico	22.38	16.15	17.65	17.43	16.44	14.46	14.37	15.58	16.61	14.62	15.71	16.15	17.06	18.01	17.41	18.50
United Kingdom	5.45	6.10	5.96	6.05	6.15	6.15	6.20	6.23	6.13	6.11	6.13	6.12	6.08	6.00	5.88	5.75
Addendum:																
United States	4.66	5.84	5.23	5.34	5.57	5.72	5.67	5.92	5.74	5.93	6.11	5.99	6.10	6.18	5.83	5.27
Long-term interest rates, government bond yields (percent, not seasonally adjusted)																
Canada	5.68	5.92	6.22	6.48	6.19	5.93	5.90	6.10	5.89	5.84	5.77	5.81	5.79	5.78	5.58	5.71
Euro zone	4.66	5.44	5.30	5.70	5.66	5.49	5.41	5.52	5.35	5.45	5.40	5.47	5.42	5.34	5.07	5.01
France	4.94	5.89	5.81	6.11	5.96	5.73	5.84	5.92	5.94	6.00	6.04	5.93	5.92	5.78	5.55	5.48
Germany	4.5	5.27	5.2	5.5	5.5	5.3	5.2	5.4	5.2	5.3	5.2	5.3	5.2	5.2	4.9	4.8
Italy	4.73	5.58	5.36	5.75	5.73	5.58	5.47	5.67	5.51	5.59	5.56	5.63	5.58	5.55	5.30	5.18
Japan	1.75	1.75	1.77	1.69	1.8	1.8	1.7	1.7	1.7	1.7	1.8	1.9	1.8	1.8	1.6	1.5
United Kingdom	5.08	5.31	5.38	5.82	5.62	5.36	5.30	5.40	5.20	5.20	5.29	5.34	5.19	5.07	4.90	4.86
Addendum:																
United States	5.65	6.03	6.28	6.66	6.52	6.26	5.99	6.44	6.10	6.05	5.83	5.80	5.74	5.72	5.24	5.16
Share price indices (not seasonally adjusted, 1995=100)																
Canada	159.2	216.7	189.8	191.3	205.9	213.4	210.8	208.7	229.9	234.7	253.7	234.1	217.4	198.9	201.5	210.2
France	234.6	321.7	289.3	295.1	316.7	329.7	318.2	324.2	333.4	332.6	336.5	336.5	316.5	317.0	303.6	299.7
Germany	204.9	260.3	234.8	253.6	279.6	293.8	272.9	265.8	266.0	262.9	261.8	256.6	242.6	240.7	227.0	227.4
Italy	246	319	271	283	320	337	309	316	321	328	325	327	317	332	312	307
Japan	100	119	119	120	124	124	124	124	124	124	124	124	124	124	124	124
Mexico	240.3	293.6	321.3	296.7	332.0	336.7	299.2	268.6	313.1	293.5	300.3	285.4	288.1	254.7	254.7	292.7
United Kingdom	168.4	178.5	185.1	183.7	178.2	189.8	178.7	175.2	182.1	182.3	180.7	179.2	172.5	172.2	167.4	165.0
Addendum:																
United States	213	221.4	219	218	208	214	222	220	223	224	229	233	222	222	222	223

1. All exchange rates are from the Board of Governors of the Federal Reserve System.

2. Rates for selected euro-area currencies can be derived by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire.

3. The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100 and reflects revised trade weights. For more information on the exchange rate indexes, see "New Summary Measures

of the Foreign Exchange Value of the Dollar," Federal Reserve Bulletin, vol. 84 (October 1998), pp. 811-18.

NOTE.—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. GDP growth rates for other countries are calculated from levels published by those countries. Most other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1995 to facilitate comparison) are © OECD and are reproduced with permission.

I. Charts

THE U.S. IN THE INTERNATIONAL ECONOMY

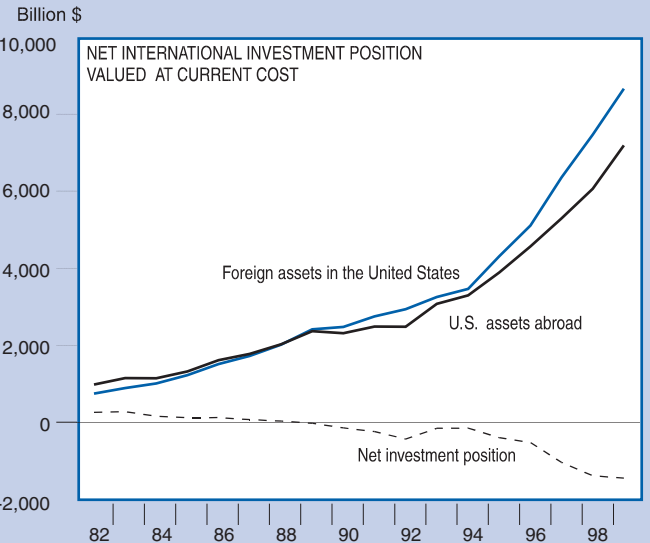
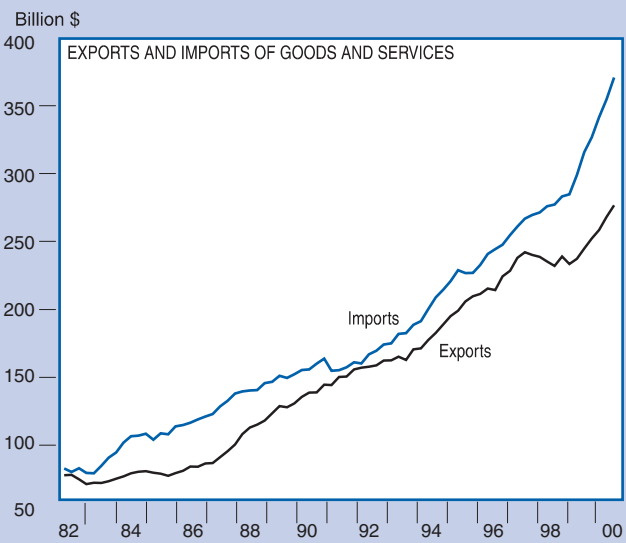
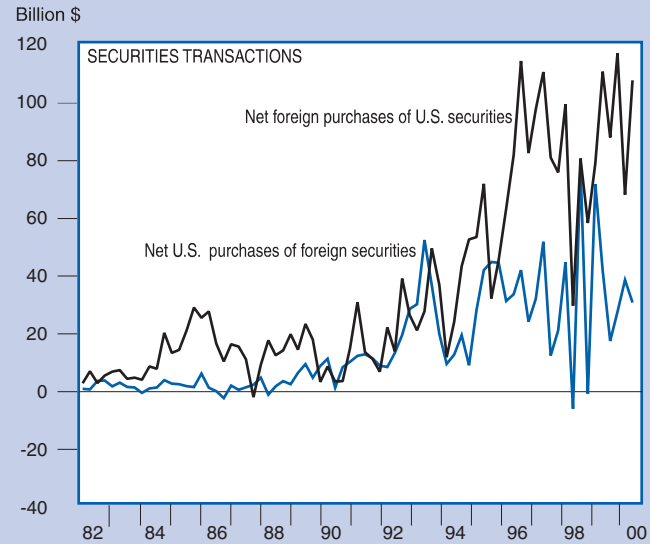
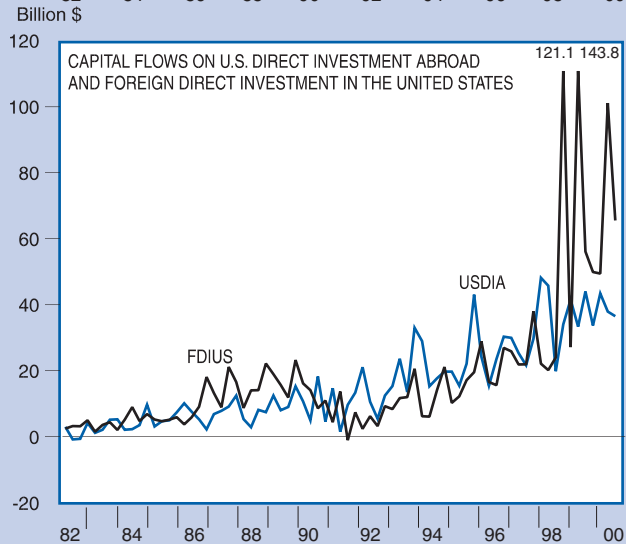
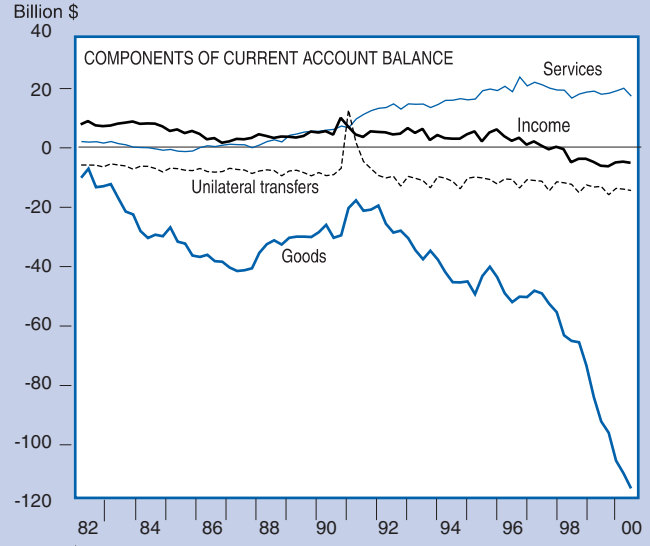
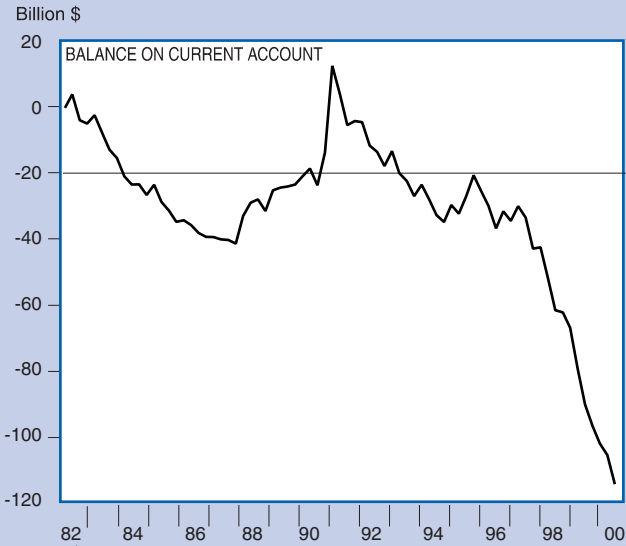


Table J.2.—Annual Personal Income and Disposable Personal Income for States and Regions

Area name	Personal income					Disposable personal income				
	Millions of dollars			Percent change ¹		Millions of dollars			Percent change ¹	
	1997	1998	1999	1997-98	1998-99	1997	1998	1999	1997-98	1998-99
United States	6,928,762	7,383,687	7,783,152	6.6	5.4	5,960,966	6,313,822	6,632,353	5.9	5.0
New England	408,160	434,615	461,194	6.5	6.1	342,534	361,447	382,203	5.5	5.7
Connecticut	116,347	122,564	128,983	5.3	5.2	95,651	99,372	104,030	3.9	4.7
Maine	27,774	29,353	30,828	5.7	5.0	24,201	25,359	26,520	4.8	4.6
Massachusetts	191,613	205,189	219,533	7.1	7.0	159,690	169,586	180,895	6.2	6.7
New Hampshire	32,389	35,194	37,372	8.7	6.2	28,192	30,568	32,398	8.4	6.0
Rhode Island	26,284	27,667	29,107	5.3	5.2	22,843	23,890	25,109	4.6	5.1
Vermont	13,752	14,648	15,371	6.5	4.9	11,956	12,672	13,251	6.0	4.6
Mideast	1,315,305	1,391,425	1,461,043	5.8	5.0	1,114,005	1,168,787	1,221,832	4.9	4.5
Delaware	20,143	22,003	23,192	9.2	5.4	16,986	19,600	19,608	9.5	5.4
District of Columbia	19,081	19,665	20,686	3.1	5.2	16,066	16,321	17,078	1.6	4.6
Maryland	148,826	158,264	167,895	6.3	6.1	125,597	132,608	140,236	5.6	5.8
New Jersey	260,727	277,757	289,503	6.5	4.2	220,986	233,040	241,717	5.5	3.7
New York	553,004	585,372	616,678	5.9	5.3	463,929	486,687	509,868	4.9	4.8
Pennsylvania	313,523	328,364	343,088	4.7	4.5	270,442	281,531	293,326	4.1	4.2
Great Lakes	1,138,409	1,204,878	1,259,859	5.8	4.6	975,316	1,026,548	1,069,723	5.3	4.2
Illinois	340,490	361,775	377,744	6.3	4.4	291,402	307,669	319,997	5.6	4.0
Indiana	139,454	148,767	155,365	6.7	4.4	119,821	127,277	132,401	6.2	4.0
Michigan	250,211	263,252	277,296	5.2	5.3	214,495	223,930	235,117	4.4	5.0
Ohio	279,342	294,027	305,643	5.3	4.0	239,874	251,603	260,595	4.9	3.6
Wisconsin	128,912	137,056	143,811	6.3	4.9	109,723	116,069	121,615	5.8	4.8
Plains	462,250	491,292	514,176	6.3	4.7	399,702	423,294	443,002	5.9	4.7
Iowa	67,930	71,080	73,499	4.6	3.4	59,286	61,982	63,977	4.5	3.2
Kansas	63,721	67,780	71,194	6.4	5.0	55,106	58,538	61,430	6.2	4.9
Minnesota	129,136	139,442	147,050	8.0	5.5	109,299	117,439	124,702	7.4	6.2
Missouri	131,131	138,128	144,235	5.3	4.4	113,988	119,486	124,377	4.8	4.1
Nebraska	40,722	42,949	45,065	5.5	4.9	35,530	37,255	38,936	4.9	4.5
North Dakota	13,330	14,521	14,773	8.9	1.7	11,852	12,954	13,112	9.3	1.2
South Dakota	16,280	17,391	18,361	6.8	5.6	14,642	15,640	16,468	6.8	5.3
Southeast	1,532,182	1,633,047	1,712,414	6.6	4.9	1,336,078	1,418,043	1,481,552	6.1	4.5
Alabama	91,283	96,257	100,452	5.4	4.4	80,341	84,653	88,142	5.4	4.1
Arkansas	51,059	53,962	56,752	5.7	5.2	45,067	47,480	49,834	5.4	5.0
Florida	377,681	401,474	419,792	6.3	4.6	329,690	348,142	362,376	5.6	4.1
Georgia	183,762	199,576	212,929	8.6	6.7	158,356	171,212	182,071	8.1	6.3
Kentucky	82,905	87,945	92,036	6.1	4.7	71,894	76,046	79,348	5.8	4.3
Louisiana	92,290	97,516	99,887	5.7	2.4	81,435	86,198	88,190	5.8	2.3
Mississippi	51,589	55,063	57,278	6.7	4.0	46,237	49,250	51,128	6.5	3.8
North Carolina	179,688	192,070	198,943	6.9	3.6	155,308	165,273	170,056	6.4	2.9
South Carolina	81,049	86,560	91,490	6.8	5.7	70,884	75,530	79,872	6.6	5.7
Tennessee	125,449	133,514	140,234	6.4	5.0	111,625	118,615	124,332	6.3	4.8
Virginia	180,226	192,429	204,736	6.8	6.4	154,063	163,213	172,777	5.9	5.9
West Virginia	35,200	36,679	37,884	4.2	3.3	31,181	32,432	33,425	4.0	3.1
Southwest	677,722	732,117	773,803	8.0	5.7	596,805	641,449	676,394	7.5	5.4
Arizona	103,704	112,635	120,360	8.6	6.9	90,219	97,361	103,789	7.9	6.6
New Mexico	34,861	36,712	38,020	5.3	3.6	30,760	32,353	33,456	5.2	3.4
Oklahoma	69,952	74,133	77,077	6.0	4.0	61,222	64,770	67,239	5.8	3.8
Texas	469,205	508,636	538,345	8.4	5.8	414,604	446,966	471,910	7.8	5.6
Rocky Mountain	206,831	223,051	238,235	7.8	6.8	178,178	191,470	204,058	7.5	6.6
Colorado	108,763	118,514	127,955	9.0	8.0	92,925	100,597	108,194	8.3	7.6
Idaho	25,217	26,986	28,582	7.0	5.9	22,035	23,557	24,887	6.9	5.6
Montana	17,721	18,755	19,438	5.8	3.6	15,616	16,491	17,041	5.6	3.3
Utah	43,696	46,831	49,600	7.2	5.9	37,715	40,527	43,071	7.5	6.3
Wyoming	11,434	11,966	12,660	4.6	5.8	9,887	10,298	10,865	4.2	5.5
Far West	1,187,903	1,273,263	1,362,427	7.2	7.0	1,018,348	1,082,785	1,153,588	6.3	6.5
Alaska	16,465	17,167	17,704	4.3	3.1	14,473	15,036	15,501	3.9	3.1
California	862,114	924,253	991,382	7.2	7.3	735,730	782,340	835,087	6.3	6.7
Hawaii	31,209	31,815	32,653	1.9	2.6	27,361	27,819	28,541	1.7	2.6
Nevada	47,254	51,976	56,127	10.0	8.0	41,122	44,861	48,280	9.1	7.6
Oregon	80,578	85,197	89,614	5.7	5.2	68,542	72,551	76,280	5.8	5.1
Washington	150,283	162,855	174,948	8.4	7.4	131,119	140,177	149,899	6.9	6.9

1. Percent change was calculated from unrounded data.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPAs) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the

NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, Revised Estimates for 1997–99" in the October 2000 SURVEY OF CURRENT BUSINESS.

Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

Area name	Per capita personal income ¹				Per capita disposable personal income ¹			
	Dollars			Rank in U.S.	Dollars			Rank in U.S.
	1997	1998	1999	1999	1997	1998	1999	1999
United States	25,874	27,322	28,542	.....	22,260	23,363	24,322	.....
New England	30,510	32,365	34,173	.....	25,604	26,916	28,320	.....
Connecticut	35,596	37,452	39,300	1	29,264	30,365	31,697	1
Maine	22,305	23,529	24,603	37	19,435	20,327	21,165	37
Massachusetts	31,332	33,394	35,551	2	26,112	27,600	29,294	3
New Hampshire	27,607	29,679	31,114	8	24,030	25,778	26,973	6
Rhode Island	26,631	28,012	29,377	15	24,144	24,188	25,342	13
Vermont	23,362	24,803	25,889	32	20,310	21,456	22,318	32
Midwest	29,511	31,161	32,628	.....	24,995	26,175	27,286	.....
Delaware	27,405	29,571	30,778	11	23,109	24,997	26,021	12
District of Columbia	36,087	37,714	39,858	.....	30,384	31,300	32,905	.....
Maryland	29,222	30,850	32,465	5	24,661	25,849	27,116	5
New Jersey	32,372	34,310	35,551	2	27,437	28,786	29,683	2
New York	30,480	32,236	33,890	4	25,570	26,801	28,020	4
Pennsylvania	26,092	27,358	28,605	16	22,507	23,456	24,456	17
Great Lakes	25,825	27,224	28,348	.....	22,125	23,195	24,070	.....
Illinois	28,347	29,974	31,145	7	24,260	25,491	26,384	9
Indiana	23,748	25,182	26,143	30	20,404	21,544	22,279	34
Michigan	25,570	26,807	28,113	18	21,920	22,803	23,866	20
Ohio	24,913	26,164	27,152	23	21,393	22,389	23,150	25
Wisconsin	24,790	26,245	27,390	21	21,100	22,226	23,165	24
Plains	24,861	26,282	27,350	.....	21,497	22,644	23,564	.....
Iowa	23,798	24,844	25,615	33	20,770	21,664	22,296	33
Kansas	24,355	25,687	26,824	27	21,062	22,185	23,146	26
Minnesota	27,548	29,503	30,793	10	23,316	24,847	26,113	10
Missouri	24,252	25,403	26,376	29	21,081	21,974	22,745	28
Nebraska	24,590	25,861	27,049	24	21,455	22,432	23,370	23
North Dakota	20,798	22,767	23,313	39	18,491	20,311	20,692	38
South Dakota	22,275	23,797	25,045	36	20,034	21,402	22,463	31
Southeast	23,518	24,780	25,703	.....	20,508	21,518	22,238	.....
Alabama	21,129	22,123	22,967	42	18,596	19,456	20,170	42
Arkansas	20,229	21,260	22,244	46	17,855	18,706	19,532	46
Florida	25,722	26,930	27,780	19	22,453	23,352	23,981	19
Georgia	24,547	26,134	27,340	22	21,153	22,420	23,378	22
Kentucky	21,215	22,353	23,237	41	18,397	19,329	20,033	43
Louisiana	21,209	22,352	22,847	44	18,715	19,758	20,171	41
Mississippi	18,885	20,013	20,688	50	16,925	17,900	18,467	50
North Carolina	24,188	25,454	26,003	31	20,907	21,903	22,227	35
South Carolina	21,385	22,544	23,545	38	18,702	19,671	20,555	39
Tennessee	23,324	24,576	25,574	34	20,754	21,834	22,674	29
Virginia	26,768	28,343	29,789	14	22,862	24,040	25,139	15
West Virginia	19,388	20,246	20,966	49	17,174	17,902	18,498	49
Southwest	23,414	24,857	25,862	.....	20,619	21,779	22,606	.....
Arizona	22,781	24,133	25,189	35	19,819	20,860	21,721	36
New Mexico	20,233	21,178	21,853	48	17,853	18,663	19,229	48
Oklahoma	21,106	22,199	22,953	43	18,472	19,395	20,023	44
Texas	24,242	25,803	26,858	26	21,421	22,674	23,544	21
Rocky Mountain	24,259	25,756	27,072	.....	20,898	22,110	23,188	.....
Colorado	27,950	29,880	31,546	6	23,880	25,346	26,674	8
Idaho	20,830	21,923	22,835	45	18,201	19,138	19,883	45
Montana	20,167	21,324	22,019	47	17,771	18,749	19,303	47
Utah	21,156	22,294	23,288	40	18,261	19,294	20,222	40
Wyoming	23,820	24,927	26,396	28	20,597	21,452	22,654	30
Far West	26,671	28,168	29,727	.....	22,864	23,954	25,170	.....
Alaska	27,042	27,904	28,577	17	23,772	24,441	25,022	16
California	26,759	28,280	29,910	13	22,836	23,937	25,195	14
Hawaii	26,241	26,725	27,544	20	23,006	23,368	24,075	18
Nevada	28,201	29,806	31,022	9	24,542	25,726	26,685	7
Oregon	24,845	25,958	27,023	25	21,134	22,105	23,003	27
Washington	26,817	28,632	30,392	12	23,397	24,645	26,041	11

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates from the Bureau of the Census.

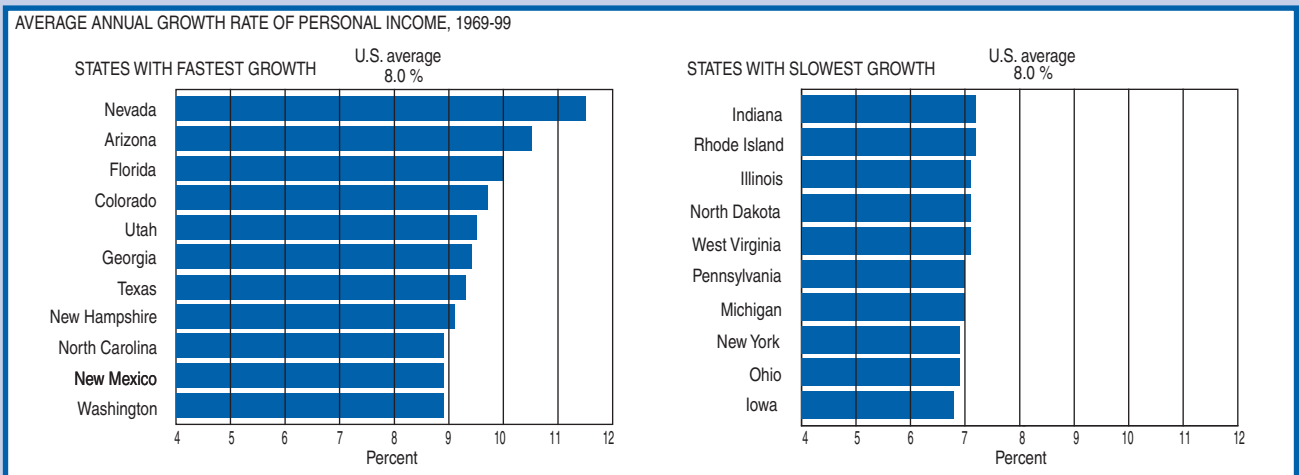
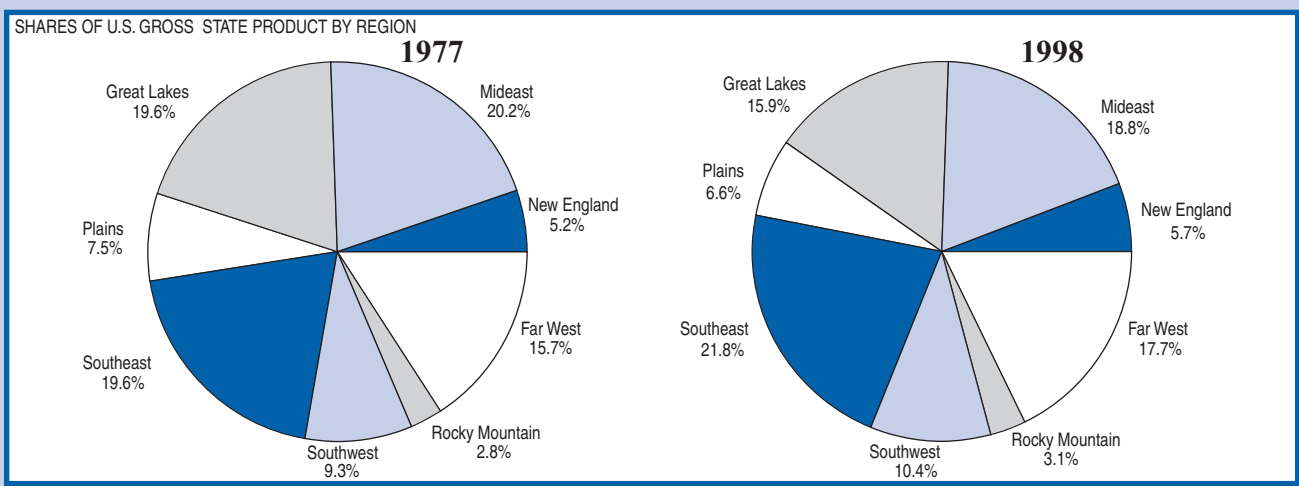
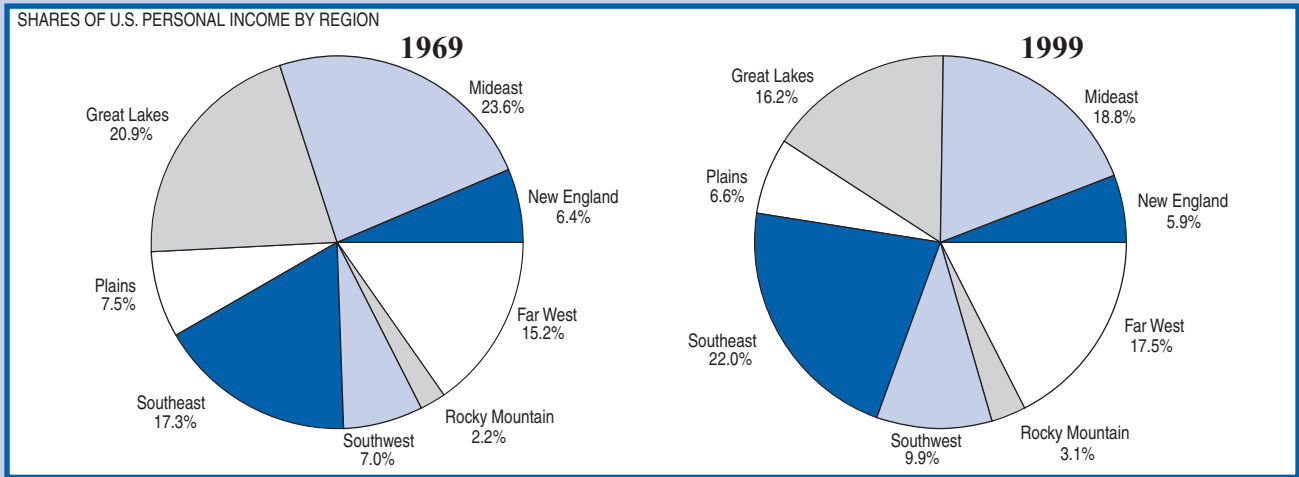
NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the

estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, Revised Estimates for 1997-99" in the October 2000 SURVEY OF CURRENT BUSINESS.

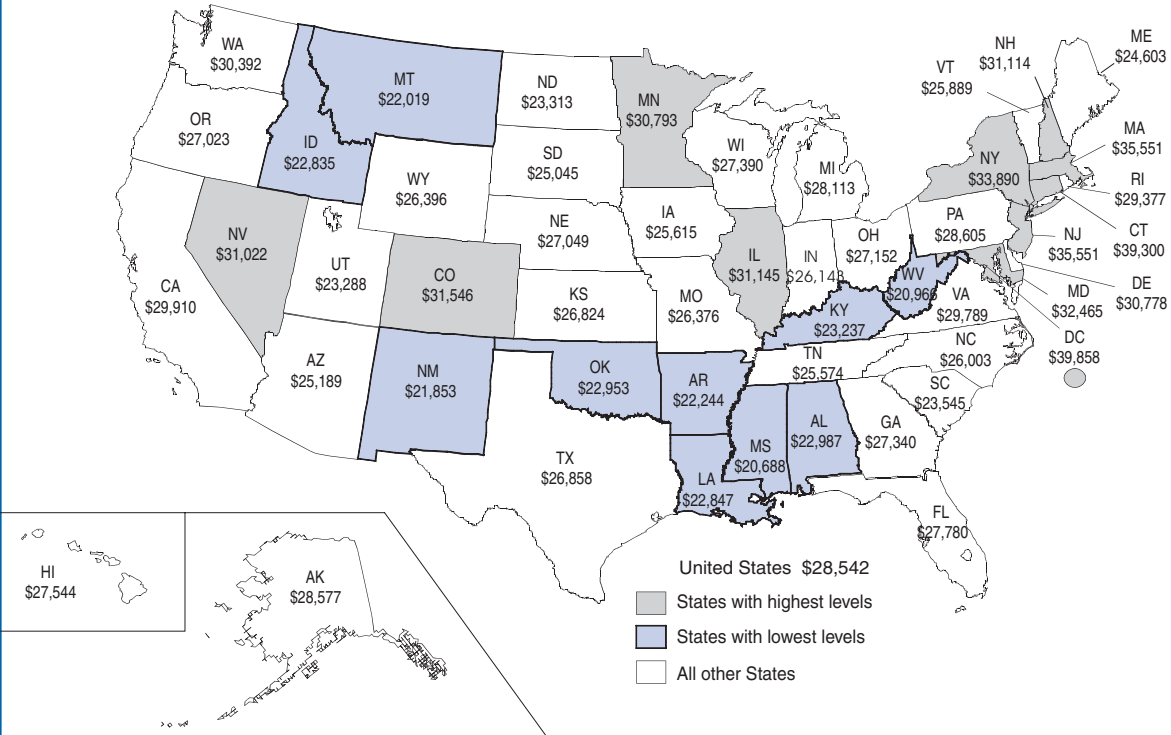
L. Charts

SELECTED REGIONAL ESTIMATES

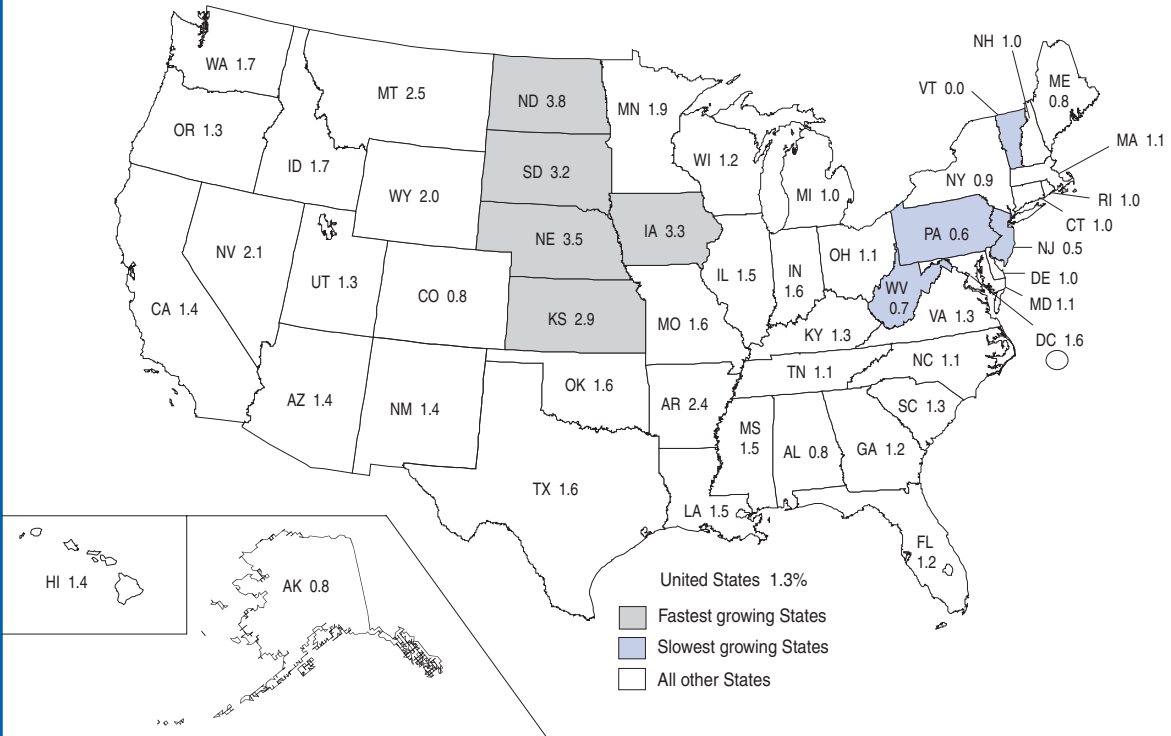


SELECTED REGIONAL ESTIMATES

PER CAPITA PERSONAL INCOME, 1999



PERSONAL INCOME: PERCENT CHANGE, 2000:II-2000:III



Appendix A

Additional Information About the NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in “real GDP.”) For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the annual percent change in real GDP in 1997–98 uses prices for 1997 and 1998 as weights, and the 1997–98 annual percent change in the GDP price index uses quantities for 1997 and 1998 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula.¹ These annual changes are “chained” (multiplied) together to form time series of quantity and price; the percent changes that are calculated from these time series are not affected by the choice of reference period.

The quarterly changes in quantities and prices are calculated with weights from two adjacent quarters. As part of an annual or comprehensive revision, the quarterly indexes through the most recent complete year are adjusted to ensure that the average of the quarterly indexes conforms to the corresponding annual index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated “chained (1996) dollar estimates.” These estimates are computed by multiplying the 1996 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component

increased by 10 percent in 1997, then the “chained (1996) dollar” value of this component in 1997 would be \$110 ($\100×1.10). Note that percentage changes in the chained (1996) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1996) dollar estimates for detailed GDP components do not add to the chained-dollar value of GDP or to any intermediate aggregates. A “residual” line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. Accurate measures of component contributions to the percentage changes in real GDP and its major components are shown in NIPA tables 8.2–8.6.

BEA also publishes the “implicit price deflator” (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding “chain-type” price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left[\left(\frac{x_t}{x_o} \right)^{m/n} - 1 \right] \times 100,$$

where r is the percent change at an annual rate; x_t is the level of activity in the later period; x_o is the level of activity in the earlier period; m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and n is the number of periods between the earlier and later periods (that is, $t - o$).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

1. In addition, because the changes in quantities and prices calculated using these weights are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings

[Percent change from preceding period]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) ¹	4.8	5.0	5.5	4.2	3.9	5.9	5.7	6.7
Less: Contribution of supplements to wages and salaries per hour	-3	-1	-5	-4	.1	.2	.1	0
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	-1	-4	-5	-3	-1	-1	-9	-3
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	0	-1	-1	-1	-1	-3	-1	-3
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	5.0	4.9	5.5	4.4	3.7	5.9	4.8	6.7
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing	-1	0	.4	0	.2	.4	.6	.6
Less: Other differences ²	1.4	1.1	1.4	1.3	-3	1.6	.5	1.4
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	3.6	3.7	3.7	3.1	3.8	3.9	3.8	4.7
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ³	4.4	5.1	5.2	4.2	4.1	6.0	6.2	6.6

1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked of unpaid family workers.

2. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include

differences in seasonal adjustment procedures.

3. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

BLS Bureau of Labor Statistics

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Income in the NIPA's to Balance on Goods, Services, and Income in the ITA's

[Billions of dollars]

	Line	1999	2000	Seasonally adjusted at annual rates					
				1999		2000			
				III	IV	I	II	III	IV
Exports of goods, services, and income receipts, ITA's	1	1232.4	1414.9	1252.3	1298.4	1346.9	1414.0	1451.1	1447.8
Less: Gold, ITA's	2	5.3	6.0	6.1	8.8	9.6	3.7	4.2	6.5
Statistical differences ¹	3	0	16.0	0	0	8.3	14.8	18.8	22.1
Other items	4	1.0	1.2	1.1	1.1	1.3	1.2	1.5	.9
Plus: Adjustment for grossing of parent/affiliate interest payments	5	4.6	6.2	4.6	5.3	6.0	5.8	6.2	6.6
Adjustment for U.S. territories and Puerto Rico	6	48.9	53.4	48.6	52.8	52.7	51.3	54.3	55.2
Services furnished without payment by financial intermediaries except life insurance carriers	7	16.4	16.7	15.7	15.5	16.4	16.9	16.6	16.9
Equals: Exports of goods and services and income receipts, NIPA's	8	1296.1	1467.9	1314.0	1362.2	1402.8	1468.3	1503.6	1496.9
Imports of goods, services, and income payments, ITA's	9	1515.9	1797.1	1565.3	1626.3	1705.6	1785.6	1851.7	1845.3
Less: Gold, ITA's	10	5.8	5.9	7.4	9.3	9.6	3.0	4.2	6.7
Statistical differences ¹	11	0	9.4	0	0	5.8	7.8	11.1	12.8
Other items	12	0	0	0	0	0	0	0	0
Plus: Gold, NIPA's	13	-2.7	-2.9	-2.6	-2.7	-3.2	-3.1	-2.8	-2.5
Adjustment for grossing of parent/affiliate interest payments	14	4.6	6.2	4.6	5.3	6.0	5.8	6.2	6.6
Adjustment for U.S. territories and Puerto Rico	15	32.6	41.2	32.5	39.6	36.2	37.5	45.6	45.4
Imputed interest paid to rest of world	16	16.4	16.7	15.7	15.5	16.4	16.9	16.6	16.9
Equals: Imports of goods and services and income payments, NIPA's	17	1561.1	1842.9	1608.1	1674.8	1745.7	1832.0	1902.0	1892.2
Balance on goods, services, and income, ITA's (1-9)	18	-283.5	-382.2	-313.0	-327.9	-358.7	-371.6	-400.6	-397.5
Less: Gold (2-10+13)	19	-3.2	-2.8	-3.9	-3.2	-3.2	-2.4	-2.8	-2.7
Statistical differences (3-11) ¹	20	0	6.6	0	0	2.5	7.0	7.7	9.3
Other items (4-12)	21	1.0	1.2	1.1	1.1	1.3	1.2	1.5	.9
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	16.3	12.2	16.1	13.2	16.5	13.8	8.7	9.8
Equals: Net exports of goods and services and net receipts of income, NIPA's (8-17)	23	-265.0	-375.0	-294.1	-312.6	-342.9	-363.7	-398.4	-395.3

1. Consists of statistical revisions in the NIPA's that have not yet been incorporated into the ITA's (2000:IV) and statistical revisions in the ITA's that have not yet been incorporated into the NIPA's (2000:I-2000:IV).

ITA's International transactions accounts
NIPA's National income and product accounts

Appendix B

Suggested Reading

The Bureau of Economic Analysis (BEA) has published a wealth of information about the methodologies that are used to prepare its national, regional, and international accounts.

National accounts

The national accounts encompass the detailed estimates in the national income and product accounts (including gross domestic product), the estimates of wealth and related estimates, gross product by industry, the input-output accounts, and the satellite accounts.

National income and product accounts (NIPAs). This series of papers documents the conceptual framework of the NIPAs and the methodologies that have been used to prepare the estimates.

An Introduction to National Economic Accounting (1985) [also in the March 1985 SURVEY]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (1985)

Foreign Transactions (1987) [A revised version is forthcoming.]

GNP: An Overview of Source Data and Estimating Methods (1987) [Most of the information in this paper has been superseded by “A Guide to the NIPAs” (March 1998 SURVEY).]

Government Transactions (1988)

Personal Consumption Expenditures (1990)

These methodologies have been updated and improved, typically as part of the comprehensive and annual revisions of the NIPAs. The most recent revisions are described in the following SURVEY articles.

“A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts”
Definitional and Classificational Changes
(August 1999)

New and Redesigned Tables (September 1999)

Statistical Changes (October 1999)

“Improved Estimates of the National Income and Product Accounts: Results of the Comprehensive Revision”

For 1959–98 (December 1999)

For 1929–99 (April 2000)

“Annual Revision of the U.S. National Income and Product Accounts” (August 2000)

“A Guide to the NIPAs” (March 1998) provides the definitions of the major NIPA aggregates and components, discusses the measures of real output and prices, explains how production is classified and how the NIPAs are presented, describes the statistical conventions that are used, and lists the principal source data and methods that are used to prepare the estimates of gross domestic product (GDP).

Information about the sources and methods that are used to prepare the national estimates of personal income, which are the basis for the State estimates, is in *State Personal Income, 1929–97* (1999).

“BEA’s Chain Indexes, Time Series, and Measures of Long-Term Economic Growth” (May 1997) is the most recent in a series of articles that describe the conceptual basis for the chain-type measures of real output and prices that are used in the NIPAs.

“Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income” (December 1998) evaluates these estimates by examining the record of revisions to them.

Wealth and related estimates. *Fixed Reproducible Tangible Wealth in the United States, 1925–94* (1999) discusses the concepts and statistical considerations that underlie the estimates and their derivation.

“Fixed Assets and Consumer Durable Goods for 1925–98” (April 2000) describes the definitional and statistical improvements that were incorporated in the comprehensive revision of the estimates.

Gross product by industry. “Improved Estimates of

Mission and Strategic Plan

The mission statement of the Bureau of Economic Analysis and the latest update to its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts are available on BEA’s Web site at <www.bea.doc.gov>. For information about the development and the implementation of the plan, see these SURVEY articles.

“Mid-Decade Strategic Review of BEA’s Economic Accounts: Maintaining and Improving Their Performance” (February 1995)

“Mid-Decade Strategic Review of BEA’s Economic Accounts: An Update” (April 1995)

“BEA’s Mid-Decade Strategic Plan: A Progress Report” (June 1996)

Gross Product by Industry for 1947–98 (June 2000) describes the most recent comprehensive revision of these estimates.

“**Gross Domestic Product by Industry for 1997–99**” (December 2000) describes the most recent annual revision of these estimates.

Input-output accounts. “**Benchmark Input-Output Accounts for the U.S. Economy, 1992**” (November 1997) describes the preparation of the 1992 accounts and the concepts and methods that underlie the accounts.

“Annual Input-Output Accounts of the U.S. Economy” presents annual tables that update the 1992 benchmark accounts

For 1996 (January 2000)

For 1997 (January 2001)

Satellite accounts. These accounts extend the analytical capacity of the national accounts by focusing on one aspect of economic activity.

“**Integrated Economic and Environmental Satellite Accounts**” and “**Accounting for Mineral Resources: Issues and BEA’s Initial Estimates**” (April 1994)

“**A Satellite Account for Research and Development**” (November 1994)

“U.S. Transportation Satellite Accounts”

For 1992 (April 1998)

For 1996 (May 2000)

“U.S. Travel and Tourism Satellite Accounts”

For 1992 (July 1998)

For 1996 and 1997 (July 2000)

International accounts

The international accounts encompass the international transactions accounts, direct investment, and international transactions in services.

International transactions accounts (ITA’s). *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures* (1990) describes the methodologies used to prepare the estimates in the ITA’s and the international investment position of the United States. These methodologies are usually updated and improved as part of the annual revisions of the ITA’s.

“**U.S. International Transactions, Revised Estimates**” is a series of articles about the annual ITA revisions and the improvements in methodology; the latest article is published in the July 2000 issue.

Direct investment. *International Direct Investment: Studies by the Bureau of Economic Analysis* (1999) is a collection of previously published articles on U.S. direct investment abroad and foreign direct investment in the United States. It also includes the following information.

“**Methodology for U.S. Direct Investment Abroad**,” which is also available in *U.S. Direct*

Investment Abroad: 1994 Benchmark Survey, Final Results (1998)

“**A Guide to BEA Statistics on U.S. Multinational Companies**,” which is also available in the March 1995 SURVEY

“**Methodology for Foreign Direct Investment in the United States**,” which is also available in *Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results* (1995)

“**A Guide to BEA Statistics on Foreign Direct Investment in the United States**,” which is also available in the February 1990 SURVEY

International services. *U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis* (1998) describes 11 surveys. It includes classifications, definitions, release schedules, the methods used to prepare the estimates, and samples of the survey forms.

Regional accounts

The regional accounts include estimates of personal income and gross state product.

Personal income. Estimates of personal income are prepared for States and for local areas.

“**Comprehensive Revision of State Personal Income for 1969–99**” (June 2000) summarizes the changes in the methodology that is used to prepare the estimates. The detailed methodology is available on the CD-ROM *State Personal Income, 1929–99*.

“**Comprehensive Revision of Local Area Personal Income for 1969–98**” (July 2000) summarizes the changes in the methodology that is used to prepare the estimates for counties and metropolitan areas. The detailed methodology is available on the CD-ROM *Regional Economic Information System, 1969–98*.

Gross state product. “**Comprehensive Revision of Gross State Product by Industry, 1977–94**” (June 1997 SURVEY) summarizes the sources and the methods that are used to prepare the estimates. “**Gross State Product by Industry, 1977–98**” (October 2000) describes the most recent comprehensive revision of these estimates.

Availability

Most of the items listed here are available on our Web site at <www.bea.doc.gov>; in particular, look under “Methodologies.” Our online *Catalog of Products* provides descriptions of both our printed and electronic publications. The *Catalog* also includes links to compressed files of our diskette products that can be downloaded for free.

For specific information about the availability of our most recently released estimates and products, see “**Getting BEA’s Estimates**” on the inside back cover.

National Data

A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on March 29, 2001, and include the "final" estimates for the fourth quarter of 2000.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly; in most of these tables, annual estimates are also shown.

The news release on gross domestic product is available within minutes of the time of release, and the "Selected NIPA Tables" are available later that day, on BEA's Web site <www.bea.doc.gov> and on STAT-USA's Web site <www.stat-usa.gov>.

The "Selected NIPA Tables" are also available on printouts or diskettes from BEA. To order NIPA subscription products, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

S. Summary Tables

Table S.1.—Summary of Percent Change From Preceding Period in Real Gross Domestic Product and Related Measures

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Personal consumption expenditures	5.3	5.3	5.0	5.9	7.6	3.1	4.5	2.8
Durable goods	12.4	9.6	8.0	13.0	23.6	-5.0	7.6	-3.1
Nondurable goods	5.6	5.0	4.9	7.4	6.0	3.6	4.7	1.0
Services	3.7	4.5	4.5	3.8	5.2	4.6	3.7	4.9
Gross private domestic investment	6.6	10.2	15.0	17.9	5.1	21.7	1.8	-4.1
Fixed investment	9.2	9.3	7.8	7.2	16.4	11.2	3.1	-9
Nonresidential	10.1	12.6	11.8	9.5	21.0	14.6	7.7	-1
Structures	-1.4	9.1	-6.2	9.7	22.3	4.4	14.6	10.4
Equipment and software	14.1	13.7	18.0	9.5	20.6	17.9	5.6	-3.3
Residential	6.4	-5	-3.1	.5	3.2	1.3	-10.6	-3.6
Change in private inventories								
Net exports of goods and services								
Exports	2.9	9.0	10.2	10.3	6.3	14.3	13.9	-6.4
Goods	4.0	11.6	15.9	12.6	6.0	19.0	21.0	-9.9
Services .....	.5	2.9	-2.5	4.6	6.9	3.5	-2.8	3.4
Imports	10.7	13.5	16.9	10.7	12.0	18.6	17.0	-1.2
Goods	12.5	13.9	19.0	11.2	11.2	20.0	16.2	-2.1
Services	1.7	11.5	6.3	8.2	16.6	10.6	22.3	4.0
Government consumption expenditures and gross investment	3.3	2.8	4.8	8.5	-1.1	4.8	-1.4	2.9
Federal	2.5	1.5	6.9	13.2	-14.2	17.2	-9.0	3.8
National defense	2.0	.2	12.3	12.6	-19.8	16.9	-9.7	8.9
Nondefense	3.4	3.8	-2.2	14.4	-3.3	17.8	-7.9	-4.6
State and local	3.8	3.5	3.7	6.1	6.6	-1.1	2.9	2.5
Addenda:								
Final sales of domestic product	4.6	4.8	4.5	6.4	6.7	3.9	2.4	1.7
Gross domestic purchases	5.2	5.7	6.6	8.4	5.6	6.5	3.0	1.5
Final sales to domestic purchasers	5.6	5.5	5.5	6.6	7.5	4.7	3.2	2.1
Gross national product	4.1	5.1	5.5	8.3	5.1	5.6	2.1	1.7
Disposable personal income	3.2	2.8	2.2	4.5	1.9	3.7	2.6	.7

NOTE.—Percent changes from preceding period in the current-dollar and price measures for these series are shown in table 8.1.

Table S.2.—Summary of Contributions to Percent Change in Real Gross Domestic Product

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Percentage points at annual rates:								
Personal consumption expenditures	3.52	3.56	3.43	4.08	5.03	2.14	2.99	1.87
Durable goods .....	.96	.77	.64	1.04	1.79	-.42	.61	-.26
Nondurable goods	1.10	1.01	.97	1.47	1.19	.74	.93	.21
Services	1.46	1.78	1.81	1.58	2.04	1.83	1.46	1.92
Gross private domestic investment	1.15	1.80	2.50	3.04	.92	3.66	.33	-.78
Fixed investment	1.53	1.59	1.33	1.26	2.68	1.93	.55	-.17
Nonresidential	1.26	1.62	1.47	1.22	2.54	1.87	1.02	-.02
Structures	-.05	.28	-.19	.29	.63	.14	.44	.33
Equipment and software	1.30	1.33	1.66	.94	1.91	1.73	.58	-.35
Residential .....	.27	-.02	-.13	.03	.14	.06	-.47	-.15
Change in private inventories	-.37	.21	1.17	1.78	-1.76	1.73	-.22	-.62
Net exports of goods and services	-1.03	-.87	-1.08	-.37	-.94	-1.00	-.90	-.55
Exports .....	.32	.96	1.05	1.09	.67	1.48	1.45	-.74
Goods .....	.30	.87	1.13	.94	.46	1.37	1.54	-.84
Services .....	.02	.09	-.08	.15	.21	.11	-.09	.10
Imports	-1.35	-1.83	-2.13	-1.45	-1.61	-2.48	-2.35	-.19
Goods	-1.32	-1.59	-1.99	-1.28	-1.28	-2.26	-1.90	.28
Services	-.04	-.24	-.13	-.17	-.33	-.22	-.44	-.09
Government consumption expenditures and gross investment .....	.59	.50	.84	1.50	-.18	.85	-.24	.50
Federal .....	.16	.09	.41	.79	-.93	.97	-.57	.22
National defense .....	.08	.01	.46	.48	-.86	.60	-.38	.32
Nondefense .....	.08	.08	-.05	.30	-.07	.37	-.18	-.10
State and local .....	.43	.41	.43	.71	.75	-.12	.33	.28

NOTE.—More detailed contributions to percent change in real gross domestic product are shown in table 8.2. Contributions to percent change in major components of real gross domestic product are shown in tables 8.3 through 8.6.

1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	9,299.2	9,963.1	9,340.9	9,559.7	9,752.7	9,945.7	10,039.4	10,114.4
Personal consumption expenditures	6,268.7	6,757.3	6,319.9	6,446.2	6,621.7	6,706.3	6,810.8	6,890.2
Durable goods	761.3	820.3	767.2	787.6	826.3	814.3	824.7	815.8
Nondurable goods	1,845.5	2,010.0	1,860.0	1,910.2	1,963.9	1,997.6	2,031.5	2,046.9
Services	3,661.9	3,927.0	3,692.7	3,748.5	3,831.6	3,894.4	3,954.6	4,027.5
Gross private domestic investment	1,650.1	1,832.7	1,659.1	1,723.7	1,755.7	1,852.6	1,869.3	1,853.3
Fixed investment	1,606.8	1,778.2	1,622.4	1,651.0	1,725.8	1,780.5	1,803.0	1,803.5
Nonresidential	1,203.1	1,362.2	1,216.8	1,242.2	1,308.5	1,359.2	1,390.6	1,390.4
Structures	285.6	324.2	281.2	290.4	308.9	315.1	330.1	342.8
Equipment and software	917.4	1,038.0	935.6	951.8	999.6	1,044.1	1,060.5	1,047.6
Residential	403.8	416.0	405.6	408.8	417.3	421.3	412.4	413.1
Change in private inventories	43.3	54.5	36.7	72.7	29.9	72.0	66.4	49.8
Net exports of goods and services	-254.0	-370.7	-280.5	-299.1	-335.2	-355.4	-389.5	-402.7
Exports	990.2	1,097.3	999.5	1,031.0	1,051.9	1,092.9	1,130.8	1,113.7
Goods	699.2	788.6	708.9	734.6	747.5	783.6	821.9	801.5
Services	291.0	308.7	290.7	296.4	304.4	309.2	308.9	312.2
Imports	1,244.2	1,468.0	1,280.0	1,330.1	1,387.1	1,448.3	1,520.3	1,516.4
Goods	1,048.6	1,248.6	1,081.7	1,127.3	1,176.1	1,233.9	1,294.7	1,289.6
Services	195.6	219.5	198.3	202.8	211.0	214.4	225.6	226.8
Government consumption expenditures and gross investment	1,634.4	1,743.7	1,642.4	1,688.8	1,710.4	1,742.2	1,748.8	1,773.6
Federal	568.6	595.2	570.4	591.6	580.1	604.5	594.2	602.0
National defense	365.0	377.0	367.5	380.8	366.6	381.9	375.0	384.4
Nondefense	203.5	218.2	202.8	210.7	213.5	222.6	219.2	217.6
State and local	1,065.8	1,148.6	1,072.1	1,097.3	1,130.4	1,137.7	1,154.6	1,171.6

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.—Real Gross Domestic Product

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	8,875.8	9,318.5	8,905.8	9,084.1	9,191.8	9,318.9	9,369.5	9,393.7
Personal consumption expenditures	5,978.8	6,294.3	6,013.8	6,101.0	6,213.5	6,260.6	6,329.8	6,373.3
Durable goods	817.8	896.0	826.2	851.8	898.2	886.7	903.2	896.0
Nondurable goods	1,779.4	1,869.0	1,786.1	1,818.1	1,844.8	1,861.1	1,882.6	1,887.4
Services	3,390.8	3,543.9	3,411.1	3,443.0	3,487.2	3,526.7	3,559.3	3,602.5
Gross private domestic investment	1,669.7	1,839.8	1,680.8	1,751.6	1,773.6	1,863.0	1,871.1	1,851.5
Fixed investment	1,621.4	1,771.7	1,637.8	1,666.6	1,730.9	1,777.6	1,791.3	1,787.1
Nonresidential	1,255.3	1,413.7	1,272.5	1,301.8	1,365.3	1,412.5	1,438.8	1,438.3
Structures	259.2	282.9	254.6	260.6	274.0	277.0	286.6	293.8
Equipment and software	1,003.1	1,140.5	1,026.6	1,050.1	1,100.4	1,146.6	1,162.4	1,152.7
Residential	368.3	366.3	368.0	368.5	371.4	372.6	362.3	359.0
Change in private inventories	45.3	60.9	39.1	80.9	36.6	78.6	72.5	55.7
Net exports of goods and services	-322.4	-412.4	-342.6	-352.5	-376.8	-403.4	-427.7	-441.7
Exports	1,033.0	1,126.3	1,042.6	1,068.4	1,084.8	1,121.8	1,158.8	1,139.8
Goods	752.2	839.4	763.4	786.5	798.1	833.5	874.2	851.8
Services	281.7	289.9	280.5	283.7	288.5	291.0	288.9	291.4
Imports	1,355.3	1,538.7	1,385.2	1,420.9	1,461.7	1,525.2	1,586.4	1,581.5
Goods	1,161.1	1,322.5	1,190.5	1,222.5	1,255.3	1,313.9	1,364.0	1,356.7
Services	195.9	218.5	196.7	200.6	208.4	213.7	224.8	227.0
Government consumption expenditures and gross investment	1,536.1	1,579.2	1,537.8	1,569.5	1,565.1	1,583.7	1,578.2	1,589.6
Federal	540.1	548.2	541.0	558.1	537.1	558.8	545.8	550.9
National defense	348.5	349.1	350.4	360.9	341.5	355.1	346.2	353.7
Nondefense	191.5	198.9	190.5	197.1	195.4	203.6	199.4	197.1
State and local	995.6	1,030.5	996.4	1,011.2	1,027.4	1,024.6	1,031.9	1,038.1
Residual	-6	-7.8	.1	-5.2	-8.0	-10.6	-11.2	-1.8

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2.

Chain-type quantity indexes for the series in this table are shown in table 7.1.

Table 1.9.—Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	9,299.2	9,963.1	9,340.9	9,559.7	9,752.7	9,945.7	10,039.4	10,114.4
Plus: Income receipts from the rest of the world	305.9	370.6	314.4	331.2	350.9	375.4	372.8	383.1
Less: Income payments to the rest of the world	316.9	374.9	328.0	344.6	358.6	383.7	381.7	375.7
Equals: Gross national product	9,288.2	9,958.7	9,327.3	9,546.3	9,745.0	9,937.4	10,030.5	10,121.8
Less: Consumption of fixed capital	1,161.0	1,257.1	1,181.8	1,188.5	1,215.4	1,244.3	1,272.3	1,296.4
Private	961.4	1,040.5	980.8	983.5	1,005.6	1,029.8	1,053.3	1,073.4
Capital consumption allowances	984.9	1,053.2	1,000.6	1,007.7	1,026.3	1,043.9	1,062.0	1,080.8
Less: Capital consumption adjustment	23.5	12.7	19.8	24.2	20.8	14.1	8.6	7.4
Government	199.6	216.6	201.0	205.0	209.8	214.6	219.0	223.0
General government	170.3	185.0	171.5	175.0	179.1	183.2	187.1	190.6
Government enterprises	29.3	31.6	29.5	30.0	30.7	31.4	31.8	32.3
Equals: Net national product	8,127.1	8,701.6	8,145.5	8,357.7	8,529.6	8,693.1	8,758.2	8,825.4
Less: Indirect business tax and nontax liability	718.1	769.6	721.6	745.5	755.9	764.6	772.0	785.8
Business transfer payments	39.7	41.7	39.9	40.6	41.3	42.0	41.6	41.8
Statistical discrepancy	-71.9	-83.7	-89.5	-67.8	-77.7	-72.5	-101.8	-82.9
Plus: Subsidies less current surplus of government enterprises	28.4	27.9	19.5	41.4	23.5	24.2	42.0	22.0
Equals: National income	7,469.7	8,002.0	7,493.1	7,680.7	7,833.5	7,983.2	8,088.5	8,102.8
Less: Corporate profits with inventory valuation and capital consumption adjustments	856.0	946.2	842.0	893.2	936.3	963.6	970.3	914.7
Net interest	507.1	567.2	513.8	530.6	545.4	565.9	575.7	582.0
Contributions for social insurance	662.1	705.6	666.9	676.1	691.2	701.7	710.2	719.1
Wage accruals less disbursements	5.2	0	5.2	5.2	0	0	0	0
Plus: Personal interest income	963.7	1,034.3	969.4	989.0	1,011.6	1,031.3	1,042.9	1,051.5
Personal dividend income	370.3	396.6	373.5	380.2	386.9	392.6	399.7	407.2
Government transfer payments to persons	986.5	1,037.1	990.4	997.3	1,016.5	1,035.5	1,043.5	1,053.0
Business transfer payments to persons	29.7	30.7	29.9	30.1	30.4	30.6	30.8	31.0
Equals: Personal income	7,789.6	8,281.7	7,828.5	7,972.3	8,105.8	8,242.1	8,349.0	8,429.7
Addenda:								
Gross domestic income	9,371.1	10,046.8	9,430.4	9,627.5	9,830.4	10,018.3	10,141.3	10,197.3
Gross national income	9,360.1	10,042.4	9,416.8	9,614.0	9,822.7	10,010.0	10,132.3	10,204.7
Net domestic product	8,138.1	8,706.0	8,159.1	8,371.2	8,537.3	8,701.4	8,767.1	8,818.0

Table 1.10.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	8,875.8	9,318.5	8,905.8	9,084.1	9,191.8	9,318.9	9,369.5	9,393.7
Plus: Income receipts from the rest of the world	294.1	347.6	301.9	316.2	332.0	353.2	348.7	356.7
Less: Income payments to the rest of the world	301.5	349.1	312.0	325.0	335.8	357.9	354.8	347.7
Equals: Gross national product	8,868.3	9,316.6	8,895.4	9,075.0	9,187.7	9,313.7	9,362.8	9,402.2
Less: Consumption of fixed capital	1,169.7	1,269.5	1,190.1	1,202.8	1,229.1	1,256.0	1,283.0	1,310.0
Private	974.1	1,062.7	993.3	1,003.2	1,026.7	1,050.7	1,074.8	1,098.8
Government	195.8	207.2	197.0	199.7	202.7	205.6	208.6	211.8
General government	167.8	177.7	168.8	171.2	173.7	176.3	179.0	181.8
Government enterprises	28.0	29.5	28.2	28.5	29.0	29.3	29.6	30.0
Equals: Net national product	7,701.6	8,052.7	7,709.1	7,875.1	7,962.3	8,062.2	8,086.1	8,100.4
Addenda:								
Gross domestic income ¹	8,944.4	9,396.8	8,991.1	9,148.4	9,265.0	9,386.9	9,464.6	9,470.7
Gross national income ²	8,936.9	9,394.9	8,980.8	9,139.4	9,260.9	9,381.7	9,457.8	9,479.1
Net domestic product	7,709.0	8,054.6	7,719.3	7,884.1	7,966.4	8,067.4	8,092.7	8,092.0

1. Gross domestic income deflated by the implicit price deflator for gross domestic product.
 2. Gross national income deflated by the implicit price deflator for gross national product.

NOTE.—Except as noted in footnotes 1 and 2, chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

The chain-type quantity index for gross national product is shown in table 7.3.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1996) dollars]

Gross national product	8,868.3	9,316.6	8,895.4	9,075.0	9,187.7	9,313.7	9,362.8	9,402.2
Less: Exports of goods and services and income receipts from the rest of the world	1,327.4	1,476.0	1,345.0	1,385.6	1,418.6	1,477.5	1,508.9	1,499.0
Plus: Command-basis exports of goods and services and income receipts from the rest of the world ¹	1,374.0	1,502.2	1,385.3	1,418.9	1,443.4	1,508.9	1,532.8	1,523.9
Equals: Command-basis gross national product	8,915.0	9,342.8	8,935.7	9,108.3	9,212.5	9,345.1	9,386.7	9,427.1
Addendum:								
Terms of trade ²	103.5	101.8	103.0	102.4	101.7	102.1	101.6	101.7

1. Exports of goods and services and income receipts deflated by the implicit price deflator for imports of goods and services and income payments.

2. Ratio of the implicit price deflator for exports of goods and services and income receipts to the corresponding implicit price deflator for imports divided by 100.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Percent changes from preceding period for gross national product are shown in table 8.1.

Chain-type quantity indexes for the series in this table are shown in table 7.3.

3. Government Current Receipts and Expenditures

Table 3.1.—Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	2,788.0	3,051.2	2,806.6	2,889.8	2,972.8	3,035.6	3,081.0	3,115.4
Personal tax and nontax receipts	1,152.0	1,291.9	1,164.0	1,197.3	1,239.3	1,277.2	1,308.1	1,342.7
Corporate profits tax accruals	255.9	284.2	254.2	270.8	286.3	292.0	290.6	267.7
Indirect business tax and nontax accruals	718.1	769.6	721.6	745.5	755.9	764.6	772.0	785.8
Contributions for social insurance	662.1	705.6	666.9	676.1	691.2	701.7	710.2	719.1
Current expenditures	2,613.5	2,739.8	2,612.0	2,679.8	2,684.8	2,734.5	2,764.4	2,775.3
Consumption expenditures	1,325.7	1,407.2	1,334.4	1,364.5	1,376.2	1,410.3	1,415.2	1,427.1
Transfer payments (net)	998.1	1,050.2	999.5	1,016.2	1,024.8	1,044.7	1,054.9	1,076.4
To persons	986.5	1,037.1	990.4	997.3	1,016.5	1,035.5	1,043.5	1,053.0
To the rest of the world (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
Net interest paid	261.7	254.9	258.9	258.2	260.8	255.7	252.8	250.2
Interest paid	357.0	356.3	354.3	355.1	360.6	358.0	354.2	352.4
To persons and business	261.8	248.6	257.8	254.5	256.3	250.4	244.7	243.1
To the rest of the world	95.1	107.7	96.6	100.6	104.3	107.6	109.5	109.3
Less: Interest received by government	95.2	101.4	95.5	96.9	99.8	102.2	101.4	102.2
Less: Dividends received by government .....	.4	.4	.4	.4	.4	.4	.4	.4
Subsidies less current surplus of government enterprises	28.4	27.9	19.5	41.4	23.5	24.2	42.0	22.0
Subsidies	43.9	45.3	35.3	57.7	40.7	41.6	59.1	39.8
Less: Current surplus of government enterprises	15.6	17.4	15.8	16.3	17.3	17.4	17.1	17.7
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	174.4	311.4	194.7	210.0	287.9	301.1	316.6	340.1
Social insurance funds	90.3	109.8	94.3	102.7	106.1	103.6	111.2	118.4
Other	84.1	201.6	100.4	107.2	181.8	197.4	205.3	221.7
Addenda:								
Net lending or net borrowing (-)	94.9	219.4	115.8	121.7	192.0	212.6	228.3	244.5
Current surplus or deficit (-), national income and product accounts	174.4	311.4	194.7	210.0	287.9	301.1	316.6	340.1
Plus: Consumption of fixed capital	199.6	216.6	201.0	205.0	209.8	214.6	219.0	223.0
Plus: Capital transfers received (net)	36.8	36.5	36.2	39.2	37.1	36.2	36.4	36.2
Less: Gross investment	308.7	336.6	308.0	324.4	334.2	331.9	333.6	346.5
Less: Net purchases of nonproduced assets	7.2	8.6	8.1	8.0	8.6	7.5	10.0	8.2

Table 3.2.—Federal Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	1,874.6	2,065.7	1,890.3	1,941.0	2,011.9	2,054.8	2,089.4	2,106.6
Personal tax and nontax receipts	902.2	1,017.7	913.7	938.2	978.0	1,003.6	1,030.9	1,058.4
Income taxes	892.7	1,007.7	904.1	928.4	968.2	993.7	1,020.8	1,048.1
Nontaxes	9.5	10.0	9.6	9.8	9.8	9.9	10.1	10.2
Corporate profits tax accruals	219.3	244.0	217.8	232.3	245.7	250.5	249.4	230.3
Federal Reserve banks	25.4	30.0	25.2	27.7	29.2	29.3	30.0	31.7
Other	193.9	213.9	192.6	204.6	216.5	221.3	219.4	198.5
Indirect business tax and nontax accruals	100.5	108.4	101.4	103.9	106.8	108.9	108.9	109.0
Excise taxes	65.6	70.0	66.0	66.2	70.1	70.0	69.2	70.7
Customs duties	19.2	21.0	19.7	20.8	19.4	21.8	22.0	21.0
Nontaxes	15.8	17.4	15.6	16.9	17.3	17.2	17.6	17.3
Contributions for social insurance	652.5	695.6	657.4	666.6	681.5	691.8	700.2	709.0
Current expenditures	1,750.2	1,813.9	1,743.1	1,797.7	1,776.0	1,813.9	1,836.0	1,829.6
Consumption expenditures	470.8	489.2	471.3	487.0	478.7	499.0	489.9	489.2
Transfer payments (net)	746.1	782.4	745.0	757.7	763.2	779.0	785.2	802.0
To persons	734.5	769.3	735.9	738.8	754.9	769.9	773.8	778.6
To the rest of the world (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
Grants-in-aid to State and local governments	229.3	244.6	234.0	238.8	235.0	240.9	251.2	251.2
Net interest paid	264.7	259.4	262.2	261.8	265.0	260.3	257.2	254.9
Interest paid	281.8	279.7	279.0	279.4	284.5	281.5	277.4	275.2
To persons and business	186.7	172.0	182.4	178.8	180.2	173.9	167.9	165.9
To the rest of the world	95.1	107.7	96.6	100.6	104.3	107.6	109.5	109.3
Less: Interest received by government	17.1	20.3	16.8	17.6	19.6	21.2	20.2	20.3
Subsidies less current surplus of government enterprises	39.3	38.4	30.5	52.3	34.1	34.6	52.4	32.4
Subsidies	43.5	44.8	34.8	57.2	40.3	41.1	58.6	39.3
Less: Current surplus of government enterprises	4.2	6.4	4.3	4.9	6.2	6.5	6.1	6.8
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	124.4	251.8	147.3	143.3	235.8	240.9	253.3	277.0
Social insurance funds	90.7	110.3	94.8	103.3	106.6	104.1	111.6	118.8
Other	33.7	141.5	52.5	40.0	129.3	136.9	141.7	158.2
Addenda:								
Net lending or net borrowing (-)	117.1	237.4	135.6	131.6	224.4	227.0	240.6	257.7
Current surplus or deficit (-), national income and product accounts	124.4	251.8	147.3	143.3	235.8	240.9	253.3	277.0
Plus: Consumption of fixed capital	92.8	99.8	93.4	95.0	97.2	98.9	100.8	102.3
Plus: Capital transfers received (net)	-3.2	-8.0	-5.9	-2.4	-7.0	-8.3	-7.7	-9.1
Less: Gross investment	97.8	106.0	99.0	104.5	101.3	105.5	104.3	112.8
Less: Net purchases of nonproduced assets	-8	.2	0	-2	.3	-9	1.6	-3

Table 3.3.—State and Local Government Current Receipts and Expenditures

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Current receipts	1,142.7	1,230.1	1,150.3	1,187.6	1,195.9	1,221.7	1,242.8	1,259.9
Personal tax and nontax receipts	249.7	274.1	250.3	259.2	261.4	273.6	277.2	284.4
Income taxes	194.8	216.3	195.0	203.2	204.6	216.1	219.0	225.5
Nontaxes	35.1	37.3	35.4	35.9	36.5	37.0	37.6	38.1
Other	19.8	20.5	19.9	20.1	20.3	20.5	20.6	20.8
Corporate profits tax accruals	36.6	40.2	36.3	38.5	40.6	41.5	41.2	37.5
Indirect business tax and nontax accruals	617.5	661.2	620.2	641.6	649.2	655.7	663.2	676.8
Sales taxes	307.1	331.7	310.8	318.3	327.4	329.8	334.0	335.8
Property taxes	238.5	248.5	239.7	242.1	244.8	247.5	249.8	251.9
Other	71.9	81.0	69.7	81.2	77.0	78.5	79.4	89.0
Contributions for social insurance	9.6	9.9	9.5	9.5	9.7	9.9	10.0	10.1
Federal grants-in-aid	229.3	244.6	234.0	238.8	235.0	240.9	251.2	251.2
Current expenditures	1,092.7	1,170.5	1,102.9	1,121.0	1,143.9	1,161.6	1,179.6	1,196.9
Consumption expenditures	855.0	918.0	863.1	877.4	897.5	911.3	925.2	937.9
Transfer payments to persons ...	252.0	267.8	254.5	258.5	261.6	265.6	269.6	274.4
Net interest paid	-3.0	-4.5	-3.3	-3.6	-4.2	-4.6	-4.4	-4.7
Interest paid	75.1	76.6	75.3	75.7	76.1	76.4	76.8	77.2
Less: Interest received by government	78.1	81.1	78.6	79.3	80.2	81.0	81.2	81.9
Less: Dividends received by government .....	.4	.4	.4	.4	.4	.4	.4	.4
Subsidies less current surplus of government enterprises	-11.0	-10.5	-11.0	-10.9	-10.6	-10.4	-10.5	-10.4
Subsidies .....	.5	.5	.5	.5	.5	.5	.5	.5
Less: Current surplus of government enterprises	11.4	11.0	11.4	11.4	11.1	10.9	11.0	10.9
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	50.0	59.6	47.4	66.6	52.0	60.1	63.2	63.1
Social insurance funds	-4	-4	-5	-6	-5	-4	-4	-4
Other	50.4	60.1	47.9	67.2	52.5	60.6	63.6	63.5
Addenda:								
Net lending or net borrowing (-)	-22.1	-18.1	-19.9	-9.9	-32.3	-14.4	-12.3	-13.2
Current surplus or deficit (-), national income and product accounts	50.0	59.6	47.4	66.6	52.0	60.1	63.2	63.1
Plus: Consumption of fixed capital	106.8	116.8	107.7	109.9	112.7	115.6	118.2	120.6
Plus: Capital transfers received (net)	40.0	44.5	42.1	41.6	44.2	44.5	44.1	45.3
Less: Gross investment	210.9	230.6	209.0	219.8	232.9	226.4	229.3	233.7
Less: Net purchases of nonproduced assets	8.1	8.4	8.1	8.2	8.3	8.4	8.4	8.5

Table 3.10.—National Defense Consumption Expenditures and Gross Investment

(Billions of dollars)

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National defense consumption expenditures and gross investment¹	365.0	377.0	367.5	380.8	366.6	381.9	375.0	384.4
Consumption expenditures	311.2	319.7	312.2	324.7	311.2	325.7	319.6	322.4
Durable goods²	22.4	22.4	24.0	22.3	22.4	22.2	21.9	23.0
Aircraft	10.9	10.1	11.9	10.5	10.7	9.7	10.3	9.9
Missiles	2.2	2.2	2.3	2.2	1.9	2.2	2.2	2.6
Ships	1.0	1.5	1.0	.9	1.5	1.5	1.5	1.4
Vehicles .....	.8	.8	.8	.9	.7	.8	.8	.8
Electronics	2.6	2.9	2.9	2.7	2.9	3.0	2.6	2.9
Other durable goods	4.9	4.9	5.0	5.2	4.8	5.0	4.5	5.3
Nondurable goods	8.1	10.4	10.0	8.6	10.8	10.5	10.1	10.0
Petroleum products	2.6	4.1	3.8	2.6	3.8	3.7	4.5	4.3
Ammunition	1.9	1.7	2.3	1.8	1.6	1.5	2.0	1.9
Other nondurable goods	3.7	4.5	3.9	4.3	5.4	5.4	3.6	3.8
Services	280.7	287.0	278.2	293.8	277.9	292.9	287.7	289.4
Compensation of general government employees, except own-account investment ³	133.2	137.9	133.4	132.8	137.0	137.2	138.9	138.7
Military	85.0	88.7	85.1	85.1	87.9	87.8	89.6	89.6
Civilian	48.2	49.2	48.3	47.7	49.1	49.4	49.3	49.1
Consumption of general government fixed capital ⁴	63.1	65.3	63.2	63.8	64.5	65.0	65.6	66.0
Other services	84.4	83.7	81.6	97.2	76.4	90.8	83.1	84.7
Research and development	19.0	17.9	18.1	23.2	14.5	20.4	18.3	18.4
Installation support	25.8	25.7	25.1	30.1	25.6	28.1	24.9	24.2
Weapons support	8.7	9.1	8.6	9.1	8.0	9.3	9.4	9.8
Personnel support	24.1	24.9	24.0	28.9	23.5	26.3	24.7	25.1
Transportation of material	4.8	4.5	4.6	4.5	4.5	4.5	4.5	4.5
Travel of persons	3.8	3.4	3.8	3.5	3.4	3.3	3.3	3.4
Other	-1.8	-1.8	-2.7	-2.0	-3.0	-1.2	-2.0	-8
Gross investment	53.8	57.2	55.4	56.1	55.4	56.2	55.4	62.0
Structures	5.3	4.6	5.3	5.2	4.7	4.5	4.6	4.6
Equipment and software	48.5	52.6	50.1	50.8	50.6	51.7	50.8	57.4
Aircraft	7.0	7.7	9.1	6.5	9.1	6.7	7.9	7.2
Missiles	2.8	2.6	2.8	2.9	2.0	2.4	2.0	4.2
Ships	6.8	6.6	6.5	7.1	6.0	6.8	6.7	6.8
Vehicles	1.6	1.9	1.4	2.0	1.9	2.0	1.9	1.7
Electronics and software	15.6	19.2	16.5	16.3	17.6	18.9	19.3	20.9
Other equipment	14.7	14.6	13.8	16.0	14.1	14.9	13.0	16.6
Addendum:								
Compensation of general government employees ³	133.7	138.8	134.1	133.4	137.8	138.0	139.8	139.6

Table 3.11.—Real National Defense Consumption Expenditures and Gross Investment

(Billions of chained (1996) dollars)

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National defense consumption expenditures and gross investment¹	348.5	349.1	350.4	360.9	341.5	355.1	346.2	353.7
Consumption expenditures	293.8	291.6	294.1	304.0	285.7	298.4	290.5	291.9
Durable goods²	22.7	22.5	24.4	22.5	22.6	22.3	21.9	23.1
Aircraft	11.0	10.2	12.1	10.6	10.8	9.8	10.3	10.0
Missiles	2.2	2.3	2.3	2.1	1.9	2.2	2.2	2.7
Ships	1.0	1.5	1.1	.9	1.5	1.5	1.5	1.4
Vehicles .....	.7	.6	.7	.7	.5	.6	.6	.6
Electronics	2.9	3.2	3.2	3.0	3.2	3.4	3.0	3.3
Other durable goods	4.9	4.9	5.0	5.2	4.8	5.0	4.5	5.3
Nondurable goods	8.9	9.4	10.6	8.7	10.2	10.0	9.0	8.5
Petroleum products	3.3	3.1	4.5	2.6	3.1	3.1	3.3	2.7
Ammunition	1.9	1.8	2.3	1.8	1.6	1.6	2.1	1.9
Other nondurable goods	3.6	4.4	3.8	4.2	5.3	5.2	3.4	3.7
Services	262.5	260.1	259.7	273.0	253.4	266.4	259.9	260.9
Compensation of general government employees, except own-account investment ³	121.0	120.1	121.2	120.2	119.7	119.8	120.7	120.4
Military	78.5	78.9	78.8	78.5	78.5	78.4	79.3	79.3
Civilian	42.5	41.4	42.4	41.8	41.3	41.5	41.4	41.2
Consumption of general government fixed capital ⁴	62.7	63.6	62.8	62.9	63.2	63.4	63.7	64.0
Other services	78.9	76.6	76.0	90.1	70.6	83.4	75.7	76.7
Research and development	17.9	16.5	17.1	21.7	13.5	18.9	16.8	16.8
Installation support	24.6	24.2	23.7	28.5	24.3	26.4	23.2	22.7
Weapons support	8.0	8.1	7.9	8.2	7.2	8.3	8.3	8.6
Personnel support	21.4	21.6	21.3	25.2	20.5	23.0	21.5	21.4
Transportation of material	4.8	4.4	4.6	4.5	4.5	4.4	4.3	4.4
Travel of persons	3.7	3.2	3.6	3.5	3.2	3.1	3.1	3.2
Other	-1.6	-1.5	-2.4	-1.8	-2.7	-1.0	-1.8	-7
Gross investment	55.0	58.0	56.6	57.2	56.3	57.0	56.0	62.6
Structures	4.8	4.0	4.8	4.7	4.2	4.0	4.0	4.0
Equipment and software	50.3	54.3	52.0	52.7	52.4	53.4	52.3	59.1
Aircraft	7.2	8.2	9.3	6.5	9.4	7.1	8.4	7.7
Missiles	3.0	2.8	2.9	3.1	2.1	2.6	2.2	4.5
Ships	6.8	6.4	6.5	7.0	5.9	6.6	6.5	6.6
Vehicles	1.6	1.9	1.5	1.9	1.9	2.1	2.0	1.8
Electronics and software	17.2	20.7	18.1	18.1	19.2	20.4	20.7	22.5
Other equipment	14.7	14.5	13.8	16.1	14.0	14.8	12.9	16.4
Residual	-8	-1.8	-1.3	-6	-1.4	-1.3	-1.2	-2.3
Addendum:								
Compensation of general government employees ³	121.5	120.9	121.7	120.7	120.4	120.5	121.4	121.1

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.

Chain-type indexes for the series in this table are shown in table 7.12.

See footnotes to table 3.10.

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.

3. Compensation of government employees engaged in new own-account investment and related expenditures for goods and services are classified as investment in structures and in software. The compensation of all general government employees is shown in the addendum.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

4. Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Receipts from the rest of the world	1,296.1	1,467.9	1,314.0	1,362.2	1,402.8	1,468.3	1,503.6	1,496.9
Exports of goods and services ...	990.2	1,097.3	999.5	1,031.0	1,051.9	1,092.9	1,130.8	1,113.7
Goods ¹	699.2	788.6	708.9	734.6	747.5	783.6	821.9	801.5
Durable	504.5	570.1	511.6	528.4	538.1	569.3	594.4	578.5
Nondurable	194.7	218.6	197.3	206.1	209.4	214.3	227.5	223.0
Services ¹	291.0	308.7	290.7	296.4	304.4	309.2	308.9	312.2
Income receipts	305.9	370.6	314.4	331.2	350.9	375.4	372.8	383.1
Payments to the rest of the world	1,296.1	1,467.9	1,314.0	1,362.2	1,402.8	1,468.3	1,503.6	1,496.9
Imports of goods and services ...	1,244.2	1,468.0	1,280.0	1,330.1	1,387.1	1,448.3	1,520.3	1,516.4
Goods ¹	1,048.6	1,248.6	1,081.7	1,127.3	1,176.1	1,233.9	1,294.7	1,289.6
Durable	715.4	823.6	732.5	758.7	783.8	818.8	850.3	841.6
Nondurable	333.2	425.0	349.3	368.6	392.3	415.1	444.4	448.0
Services ¹	195.6	219.5	198.3	202.8	211.0	214.4	225.6	226.8
Income payments	316.9	374.9	328.0	344.6	358.6	383.7	381.7	375.7
Transfer payments (net)	48.1	52.9	45.7	57.0	47.8	48.9	51.7	63.2
From persons (net)	26.6	28.8	26.6	27.6	28.5	28.3	29.5	29.0
From government (net)	11.6	13.1	9.1	18.9	8.3	9.1	11.4	23.4
From business	9.9	11.0	10.0	10.5	11.0	11.4	10.8	10.8
Net foreign investment	-313.2	-427.9	-339.8	-369.6	-390.7	-412.5	-450.1	-458.5

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 4.2.—Real Exports and Imports of Goods and Services and Receipts and Payments of Income

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Exports of goods and services	1,033.0	1,126.3	1,042.6	1,068.4	1,084.8	1,121.8	1,158.8	1,139.8
Goods ¹	752.2	839.4	763.4	786.5	798.1	833.5	874.2	851.8
Durable	538.7	608.7	547.8	564.2	575.3	608.1	633.8	617.7
Nondurable	213.4	230.6	215.5	222.1	222.7	225.4	240.3	234.0
Services ¹	281.7	289.9	280.5	283.7	288.5	291.0	288.9	291.4
Income receipts	294.1	347.6	301.9	316.2	332.0	353.2	348.7	356.7
Imports of goods and services	1,355.3	1,538.7	1,385.2	1,420.9	1,461.7	1,525.2	1,586.4	1,581.5
Goods ¹	1,161.1	1,322.5	1,190.5	1,222.5	1,255.3	1,313.9	1,364.0	1,356.7
Durable	802.6	928.7	824.3	854.4	880.5	920.8	958.8	954.9
Nondurable	358.8	395.5	366.5	369.1	376.2	394.5	407.2	404.0
Services ¹	195.9	218.5	196.7	200.6	208.4	213.7	224.8	227.0
Income payments	301.5	349.1	312.0	325.0	335.8	357.9	354.8	347.7

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Chain-type quantity indexes for the series in this table are shown in table 7.9.

5. Saving and Investment

Table 5.1.—Gross Saving and Investment

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Gross saving	1,717.6	1,825.1	1,716.8	1,746.3	1,777.0	1,844.5	1,854.7	1,824.2
Gross private saving	1,343.5	1,297.1	1,321.1	1,331.4	1,279.2	1,328.8	1,319.2	1,261.2
Personal saving	147.6	-8.5	121.1	101.0	11.0	20.6	-13.8	-51.6
Undistributed corporate profits with inventory valuation and capital consumption adjustments	229.4	265.0	214.0	241.7	262.7	278.5	279.6	239.4
Undistributed profits	196.4	244.4	190.9	219.3	247.1	257.4	254.4	218.8
Inventory valuation adjustment	-9.1	-12.9	-19.7	-19.2	-25.0	-13.6	-4.5	-8.5
Capital consumption adjustment	42.1	33.5	42.7	41.6	40.6	34.7	29.7	29.1
Corporate consumption of fixed capital	676.9	739.4	687.7	694.8	711.5	731.1	750.0	765.2
Noncorporate consumption of fixed capital	284.5	301.1	293.1	288.7	294.1	298.7	303.3	308.2
Wage accruals less disbursements	5.2	0	5.2	5.2	0	0	0	0
Gross government saving	374.0	528.0	395.7	414.9	497.7	515.7	535.5	563.0
Federal	217.3	351.6	240.6	238.4	333.0	339.9	354.1	379.3
Consumption of fixed capital	92.8	99.8	93.4	95.0	97.2	98.9	100.8	102.3
Current surplus or deficit (-), national income and product accounts	124.4	251.8	147.3	143.3	235.8	240.9	253.3	277.0
State and local	156.8	176.4	155.1	176.6	164.7	175.8	181.4	183.7
Consumption of fixed capital	106.8	116.8	107.7	109.9	112.7	115.6	118.2	120.6
Current surplus or deficit (-), national income and product accounts	50.0	59.6	47.4	66.6	52.0	60.1	63.2	63.1
Gross investment	1,645.6	1,741.3	1,627.3	1,678.5	1,699.3	1,771.9	1,752.8	1,741.3
Gross private domestic investment	1,650.1	1,832.7	1,659.1	1,723.7	1,755.7	1,852.6	1,869.3	1,853.3
Gross government investment	308.7	336.6	308.0	324.4	334.2	331.9	333.6	346.5
Net foreign investment	-313.2	-427.9	-339.8	-369.6	-390.7	-412.5	-450.1	-458.5
Statistical discrepancy	-71.9	-83.7	-89.5	-67.8	-77.7	-72.5	-101.8	-82.9
Addendum:								
Gross saving as a percentage of gross national product	18.5	18.3	18.4	18.3	18.2	18.6	18.5	18.0

Table 5.4.—Private Fixed Investment by Type

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Private fixed investment	1,606.8	1,778.2	1,622.4	1,651.0	1,725.8	1,780.5	1,803.0	1,803.5
Nonresidential	1,203.1	1,362.2	1,216.8	1,242.2	1,308.5	1,359.2	1,390.6	1,390.4
Structures	285.6	324.2	281.2	290.4	308.9	315.1	330.1	342.8
Nonresidential buildings, including farm	208.5	232.2	204.7	208.7	224.5	229.3	235.0	239.9
Utilities	45.0	48.4	45.1	45.8	47.1	45.4	48.5	52.8
Mining exploration, shafts, and wells	24.3	35.5	23.8	27.8	29.8	33.2	37.6	41.4
Other structures	7.8	8.1	7.6	8.1	7.5	7.1	9.0	8.7
Equipment and software	917.4	1,038.0	935.6	951.8	999.6	1,044.1	1,060.5	1,047.6
Information processing equipment and software	433.0	532.2	445.5	461.4	495.3	527.5	548.6	557.5
Computers and peripheral equipment ¹	94.3	114.3	97.6	98.9	104.3	113.6	120.3	119.0
Software ²	180.1	229.6	184.7	196.8	210.5	224.5	238.4	245.1
Other	158.6	188.3	163.2	165.7	180.6	189.3	189.9	193.4
Industrial equipment	150.7	168.5	151.8	156.3	162.7	168.0	171.8	171.4
Transportation equipment	193.5	192.2	200.3	196.5	198.7	201.6	193.8	174.6
Other	140.2	145.1	137.9	137.6	142.9	147.1	146.4	144.1
Residential	403.8	416.0	405.6	408.8	417.3	421.3	412.4	413.1
Structures	394.9	406.4	396.6	399.6	407.8	411.7	402.8	403.4
Single family	207.2	216.9	206.1	211.5	222.8	220.6	211.9	212.4
Multifamily	27.3	27.9	27.5	27.3	28.7	28.6	26.5	27.7
Other structures	160.4	161.6	163.1	160.9	156.3	162.5	164.4	163.4
Equipment	8.9	9.6	9.0	9.2	9.5	9.6	9.6	9.7

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

Table 5.5.—Real Private Fixed Investment by Type

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Private fixed investment	1,621.4	1,771.7	1,637.8	1,666.6	1,730.9	1,777.6	1,791.3	1,787.1
Nonresidential	1,255.3	1,413.7	1,272.5	1,301.8	1,365.3	1,412.5	1,438.8	1,438.3
Structures	259.2	282.9	254.6	260.6	274.0	277.0	286.6	293.8
Nonresidential buildings, including farm	187.4	200.8	183.2	185.1	196.5	199.5	202.7	204.6
Utilities	43.5	45.7	43.6	44.0	44.9	42.8	45.6	49.4
Mining exploration, shafts, and wells	21.5	29.4	21.3	24.6	26.1	28.4	30.5	32.5
Other structures	7.3	7.3	7.1	7.5	6.9	6.5	8.1	7.8
Equipment and software	1,003.1	1,140.5	1,026.6	1,050.1	1,100.4	1,146.6	1,162.4	1,152.7
Information processing equipment and software	542.2	676.6	561.1	587.9	629.4	669.1	695.6	712.3
Computers and peripheral equipment ¹	217.3	304.2	230.9	243.8	264.1	297.3	324.3	331.2
Software ²	188.0	228.6	192.5	205.3	215.0	224.5	234.3	240.8
Other	163.1	195.8	168.1	171.6	187.3	196.6	197.5	201.7
Industrial equipment	147.8	164.3	148.9	152.8	158.9	164.0	167.4	167.0
Transportation equipment	191.8	189.8	199.1	195.9	197.3	199.2	190.6	172.0
Other	135.6	139.3	133.3	132.8	138.0	141.4	140.3	137.7
Residential	368.3	366.3	368.0	368.5	371.4	372.6	362.3	359.0
Structures	359.2	356.6	358.8	359.2	361.8	362.9	352.6	349.2
Single family	187.6	189.4	185.6	188.8	195.8	193.5	184.9	183.2
Multifamily	23.2	22.9	23.3	23.0	23.8	23.6	21.8	22.5
Other structures	148.5	144.3	150.1	147.5	142.0	145.7	146.0	143.5
Equipment	9.1	9.8	9.2	9.3	9.7	9.7	9.8	9.9
Residual	-50.3	-99.9	-58.4	-65.4	-75.4	-95.1	-112.5	-116.7

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1999 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Chain-type quantity indexes for the series in this table are shown in table 7.6.

Contributions to the percent change in real private fixed investment are shown in table 8.4.

Table 5.10.—Change in Private Inventories by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Change in private inventories	43.3	54.5	36.7	72.7	29.9	72.0	66.4	49.8
Farm	-2	-1.3	-5.3	.9	-2.5	-1	-1.1	-1.3
Nonfarm	43.5	55.8	42.0	71.8	32.4	72.2	67.5	51.0
Change in book value ¹	59.1	79.0	73.3	95.5	65.1	99.2	78.0	73.5
Inventory valuation adjustment ²	-15.6	-23.2	-31.3	-23.7	-32.7	-27.1	-10.6	-22.5
Manufacturing .....	.2	15.2	3.4	7.4	9.9	16.9	22.0	12.0
Durable goods	-.1	12.3	3.1	3.2	6.3	10.8	14.9	17.4
Nondurable goods .....	.3	2.9	.2	4.1	3.6	6.1	7.2	-5.4
Wholesale trade	16.7	22.0	21.9	17.9	21.0	32.1	21.9	13.1
Durable goods	12.5	14.4	11.9	14.6	16.7	23.0	10.3	7.5
Nondurable goods	4.2	7.7	10.0	3.3	4.3	9.1	11.6	5.6
Merchant wholesalers	15.3	17.4	19.6	19.9	15.7	28.4	15.4	10.0
Durable goods	11.2	10.5	10.6	16.7	11.9	20.6	4.9	4.6
Nondurable goods	4.1	6.9	9.1	3.2	3.8	7.8	10.6	5.4
Nonmerchant wholesalers	1.4	4.6	2.3	-1.9	5.2	3.7	6.5	3.1
Durable goods	1.3	3.9	1.3	-2.1	4.8	2.4	5.4	2.9
Nondurable goods .....	.1	.8	1.0	.2	.5	1.3	1.1	.2
Retail trade	21.0	15.4	15.8	42.4	-4.5	22.1	20.5	23.4
Durable goods	14.2	10.3	12.9	27.7	-3.6	16.1	13.9	14.9
Motor vehicle dealers ³	7.5	5.3	9.6	14.6	-6.4	9.7	10.4	7.5
Other ³	6.7	5.0	3.3	13.1	2.8	6.3	3.5	7.4
Nondurable goods	6.8	5.0	2.9	14.7	-9	6.0	6.6	8.6
Other	5.6	3.2	.9	4.1	6.1	1.1	3.1	2.5
Durable goods .....	.7	.2	-.3	2.0	1.3	-1.6	.2	1.0
Nondurable goods	5.0	2.9	1.2	2.1	4.8	2.6	2.9	1.5

1. This series is derived from the Census Bureau series "current cost inventories."

2. The inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (such as first-in, first-out and last-in, first-out) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics.

3. Inventories of auto and home supply stores are included in "other durable goods."

Table 5.11.—Real Change in Private Inventories by Industry Group

[Billions of chained (1996) dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Change in private inventories	45.3	60.9	39.1	80.9	36.6	78.6	72.5	55.7
Farm	0	5.1	-5.0	7.9	3.6	6.2	5.0	5.3
Nonfarm	44.9	55.8	43.5	73.0	33.0	72.3	67.4	50.5
Manufacturing .....	.1	15.7	3.5	7.6	10.3	17.6	22.6	12.2
Durable goods	-.1	12.8	3.3	3.3	6.5	11.3	15.4	17.9
Nondurable goods .....	.2	3.1	.2	4.2	3.8	6.4	7.2	-5.0
Wholesale trade	17.4	22.4	23.0	18.5	21.5	32.5	22.3	13.2
Durable goods	13.0	14.9	12.5	15.2	17.3	23.8	10.6	7.7
Nondurable goods	4.4	7.5	10.5	3.4	4.4	8.9	11.4	5.4
Merchant wholesalers	16.0	17.8	20.6	20.6	16.2	28.9	15.8	10.1
Durable goods	11.7	10.8	11.1	17.4	12.3	21.3	5.0	4.8
Nondurable goods	4.4	6.9	9.5	3.3	3.9	7.7	10.6	5.3
Nonmerchant wholesalers	1.4	4.5	2.4	-2.0	5.2	3.6	6.3	3.0
Durable goods	1.4	4.0	1.4	-2.2	5.0	2.5	5.7	3.0
Nondurable goods .....	.1	.7	1.0	.2	.4	1.2	.9	.2
Retail trade	20.8	15.0	15.7	41.7	-4.4	21.5	20.0	22.7
Durable goods	14.2	10.3	13.0	27.7	-3.6	16.0	13.9	14.8
Motor vehicle dealers ¹	7.6	5.3	9.7	14.7	-6.4	9.7	10.5	7.4
Other ¹	6.7	5.0	3.3	13.0	2.7	6.3	3.4	7.4
Nondurable goods	6.7	4.8	2.9	14.2	-8	5.7	6.2	8.1
Other	6.1	3.0	1.1	4.2	6.1	.9	2.8	2.3
Durable goods .....	.6	.2	-.3	1.9	1.3	-1.5	.2	1.0
Nondurable goods	5.4	2.8	1.4	2.2	4.8	2.5	2.6	1.3
Residual .....	.6	-.6	.6	.8	-.5	-.7	-.2	-1.0

1. Inventories of auto and home supply stores are included in "other durable goods."

NOTE.—Chained (1996) dollar series for real change in private inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.12.—Private Inventories and Domestic Final Sales of Business by Industry Group

[Billions of dollars]

	Seasonally adjusted quarterly totals					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	1,387.9	1,416.3	1,446.5	1,472.4	1,492.8	1,521.4
Farm	96.4	100.3	108.3	108.0	105.3	112.7
Nonfarm	1,291.4	1,316.0	1,338.3	1,364.3	1,387.5	1,408.7
Durable goods	714.9	729.7	737.0	749.6	758.7	768.9
Nondurable goods	576.6	586.3	601.3	614.7	628.9	639.8
Manufacturing	452.6	458.6	466.1	472.6	480.7	484.1
Durable goods	280.7	283.3	286.2	288.4	292.4	296.5
Nondurable goods	171.9	175.3	179.9	184.2	188.4	187.5
Wholesale trade	356.4	363.4	373.2	381.3	387.8	391.4
Durable goods	225.7	230.4	235.3	241.4	243.4	244.7
Nondurable goods	130.7	133.0	137.9	140.0	144.5	146.7
Merchant wholesalers	308.5	315.4	322.7	329.6	334.0	337.2
Durable goods	196.6	201.7	205.4	210.8	211.5	212.2
Nondurable goods	111.9	113.7	117.4	118.8	122.4	125.1
Nonmerchant wholesalers	47.9	48.0	50.4	51.7	53.9	54.1
Durable goods	29.1	28.7	29.9	30.6	31.9	32.5
Nondurable goods	18.8	19.3	20.5	21.1	22.0	21.6
Retail trade	363.5	374.6	375.5	382.2	387.4	394.8
Durable goods	198.0	205.1	204.0	208.8	211.9	216.5
Motor vehicle dealers ²	101.4	104.9	103.2	106.3	109.0	111.9
Other ²	96.6	100.1	100.9	102.5	102.9	104.6
Nondurable goods	165.5	169.5	171.5	173.3	175.5	178.3
Other	118.9	119.5	123.5	128.2	131.5	138.5
Durable goods	10.5	11.0	11.5	11.0	11.0	11.2
Nondurable goods	108.4	108.4	112.0	117.2	120.5	127.3
Final sales of domestic business ³	655.9	669.8	687.3	698.2	705.0	711.4
Final sales of goods and structures of domestic business ³	361.6	369.7	382.3	386.9	391.0	391.4
Ratio of private inventories to final sales of domestic business						
Private inventories to final sales	2.12	2.11	2.10	2.11	2.12	2.14
Nonfarm inventories to final sales	1.97	1.96	1.95	1.95	1.97	1.98
Nonfarm inventories to final sales of goods and structures	3.57	3.56	3.50	3.53	3.55	3.60

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in the private inventories component of GDP. The former is the difference between two inventory stocks, each valued at its respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas, the change in private inventories is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

Table 5.13.—Real Private Inventories and Real Domestic Final Sales of Business by Industry Group

[Billions of chained (1996) dollars]

	Seasonally adjusted quarterly totals					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	1,420.8	1,441.1	1,450.2	1,469.9	1,488.0	1,501.9
Farm	106.2	108.2	109.1	110.6	111.9	113.2
Nonfarm	1,314.1	1,332.4	1,340.6	1,358.7	1,376.6	1,388.2
Durable goods	736.9	749.2	754.5	766.8	776.9	787.3
Nondurable goods	577.1	583.2	586.2	592.1	598.9	601.4
Manufacturing	469.0	470.9	473.5	477.9	483.5	486.6
Durable goods	293.2	294.0	295.7	298.5	302.3	306.8
Nondurable goods	175.8	176.8	177.8	179.4	181.2	180.0
Wholesale trade	368.5	373.1	378.5	386.6	392.1	395.4
Durable goods	235.2	239.0	243.3	249.3	251.9	253.8
Nondurable goods	133.2	134.1	135.2	137.4	140.2	141.6
Merchant wholesalers	319.6	324.8	328.8	336.0	340.0	342.5
Durable goods	204.7	209.0	212.1	217.4	218.7	219.9
Nondurable goods	114.9	115.7	116.7	118.6	121.3	122.6
Nonmerchant wholesalers	48.8	48.3	49.6	50.5	52.1	52.8
Durable goods	30.5	30.0	31.2	31.8	33.3	34.0
Nondurable goods	18.3	18.3	18.5	18.7	19.0	19.0
Retail trade	357.5	368.0	366.9	372.2	377.2	382.9
Durable goods	198.2	205.1	204.2	208.2	211.7	215.4
Motor vehicle dealers ²	101.9	105.6	104.0	106.4	109.0	110.9
Other ²	96.2	99.5	100.2	101.8	102.6	104.5
Nondurable goods	159.4	163.0	162.8	164.2	165.7	167.8
Other	119.1	120.2	121.7	121.9	122.6	123.2
Durable goods	10.2	10.7	11.0	10.7	10.7	11.0
Nondurable goods	108.8	109.4	110.6	111.2	111.8	112.2
Residual	.7	.9	.5	.6	.5	0
Final sales of domestic business ³	628.4	639.6	651.3	657.7	661.9	664.8
Final sales of goods and structures of domestic business ³	357.3	364.8	375.1	377.3	380.8	380.0
Ratio of private inventories to final sales of domestic business						
Private inventories to final sales	2.26	2.25	2.23	2.23	2.25	2.26
Nonfarm inventories to final sales	2.09	2.08	2.06	2.07	2.08	2.09
Nonfarm inventories to final sales of goods and structures	3.68	3.65	3.57	3.60	3.61	3.65

1. Inventories are as of the end of the quarter. The quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in private inventories component of GDP is stated at annual rates.

2. Inventories of auto and home supply stores are included in "other durable goods."

3. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government, and it includes a small amount of final sales by farm and by government enterprises.

NOTE.—Chained (1996) dollar inventory series are calculated to ensure that the chained (1996) dollar change in inventories for 1996 equals the current-dollar change in inventories for 1996 and that the average of the 1995 and 1996 end-of-year chain-weighted and fixed-weighted inventories are equal. Chained (1996) dollar final sales are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

6. Income and Employment by Industry

Table 6.1C.—National Income Without Capital Consumption Adjustment by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
National income without capital consumption adjustment	7,439.2	7,981.2	7,466.3	7,649.4	7,805.1	7,961.2	8,071.6	8,086.9
Domestic industries	7,450.2	7,985.6	7,479.9	7,662.8	7,812.7	7,969.4	8,080.5	8,079.5
Private industries	6,497.0	6,988.8	6,522.8	6,696.9	6,828.8	6,974.1	7,078.4	7,073.8
Agriculture, forestry, and fishing	109.2	113.1	100.3	118.6	106.9	110.9	124.5	110.2
Mining	51.3	57.4	51.2	52.3	53.8	57.6	59.5	58.6
Construction	381.8	420.6	384.1	393.1	410.8	418.5	423.8	429.4
Manufacturing	1,193.3	1,244.6	1,200.1	1,202.5	1,237.0	1,257.2	1,258.9	1,225.5
Durable goods	704.6	729.8	708.8	716.1	726.0	735.6	736.9	720.6
Nondurable goods	488.7	514.8	491.3	486.5	510.9	521.6	522.0	504.8
Transportation and public utilities	534.6	601.9	540.5	562.3	578.3	596.5	612.7	620.1
Transportation	236.9	257.8	239.1	244.4	248.3	257.7	261.3	263.9
Communications	161.9	191.8	163.7	174.2	183.2	188.6	194.4	201.1
Electric, gas, and sanitary services	135.9	152.3	137.7	143.7	146.7	150.3	157.0	155.1
Wholesale trade	441.8	478.3	443.0	457.1	465.0	480.6	486.5	481.2
Retail trade	635.2	685.0	632.8	651.5	674.5	682.6	691.0	691.8
Finance, insurance, and real estate	1,366.9	1,468.9	1,371.5	1,418.5	1,439.8	1,459.8	1,482.8	1,493.1
Services	1,782.9	1,918.9	1,799.4	1,841.0	1,862.7	1,910.4	1,938.7	1,963.9
Government	953.2	996.8	957.1	965.9	984.0	995.3	1,002.1	1,005.7
Rest of the world	-11.0	-4.4	-13.6	-13.4	-7.7	-8.3	-8.9	7.4

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table 6.16C.—Corporate Profits by Industry Group

[Billions of dollars]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
Corporate profits with inventory valuation and capital consumption adjustments	856.0	946.2	842.0	893.2	936.3	963.6	970.3	914.7
Domestic industries	744.6	805.0	730.1	772.7	807.4	829.3	828.1	755.3
Financial	156.1	174.2	150.9	170.6	174.6	169.1	175.2	178.0
Nonfinancial	588.5	630.8	579.1	602.0	632.8	660.1	653.0	577.3
Rest of the world	111.4	141.2	111.9	120.5	128.9	134.3	142.1	159.4
Receipts from the rest of the world	169.3	203.1	176.4	181.7	194.8	206.8	202.9	207.9
Less: Payments to the rest of the world	57.9	62.0	64.5	61.2	66.0	72.5	60.8	48.6
Corporate profits with inventory valuation adjustment	813.9	912.7	799.3	851.5	895.7	928.8	940.5	885.6
Domestic industries	702.5	771.5	687.4	731.0	766.8	794.5	798.4	726.2
Financial	172.0	193.6	167.2	187.3	191.9	188.1	195.5	198.9
Federal Reserve banks	25.8	30.5	25.6	28.1	29.6	29.7	30.5	32.2
Other	146.2	163.1	141.5	159.1	162.3	158.3	165.0	166.7
Nonfinancial	530.4	577.9	520.2	543.8	574.9	606.5	602.9	527.3
Manufacturing	181.6	185.0	179.8	173.0	193.7	201.8	192.1	152.4
Durable goods	92.2	89.0	90.0	92.6	94.7	97.2	92.4	71.8
Primary metal industries	2.6	4.1	2.0	2.2	4.8	5.1	3.6	2.7
Fabricated metal products	18.3	16.3	18.0	16.7	18.5	18.0	16.9	11.7
Industrial machinery and equipment	22.8	21.9	22.9	24.5	20.8	21.2	24.2	21.3
Electronic and other electric equipment	12.3	14.1	13.3	14.3	16.1	16.4	13.0	10.8
Motor vehicles and equipment	6.9	4.8	5.5	5.7	6.2	6.1	4.6	2.2
Other	29.4	28.0	28.3	29.2	28.3	30.3	30.1	23.1
Nondurable goods	89.4	96.0	89.9	80.4	99.0	104.6	99.7	80.6
Food and kindred products	21.9	17.7	25.3	14.1	21.0	20.3	21.5	8.0
Chemicals and allied products	29.9	35.6	26.9	25.3	32.7	37.9	35.2	36.6
Petroleum and coal products	5.4	13.8	7.2	7.1	10.4	15.4	15.2	14.2
Other	32.2	28.8	30.5	34.0	34.8	30.9	27.8	21.8
Transportation and public utilities	88.4	100.8	88.6	101.4	101.9	103.9	103.1	94.3
Transportation	23.0	23.9	22.6	24.9	22.6	28.2	24.5	20.3
Communications	26.9	32.2	26.7	32.6	35.2	31.9	31.2	30.4
Electric, gas, and sanitary services	38.4	44.7	39.3	43.8	44.1	43.8	47.5	43.5
Wholesale trade	56.7	65.1	54.3	59.2	61.2	69.7	71.1	58.6
Retail trade	81.5	89.5	75.4	81.9	90.2	92.4	91.8	83.5
Other	122.3	137.5	122.1	128.3	127.9	138.7	144.9	138.5
Rest of the world	111.4	141.2	111.9	120.5	128.9	134.3	142.1	159.4

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification.

Table 7.6.—Chain-Type Quantity and Price Indexes for Private Fixed Investment by Type

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Chain-type quantity indexes								
Private fixed investment	133.70	146.10	135.05	137.43	142.73	146.59	147.71	147.37
Nonresidential	139.56	157.18	141.47	144.73	151.79	157.04	159.97	159.92
Structures	115.22	125.73	113.18	115.83	121.80	123.12	127.40	130.59
Nonresidential buildings, including farm	115.92	124.22	113.36	114.48	121.56	123.39	125.37	126.57
Utilities	120.76	126.76	120.92	122.09	124.63	118.82	126.53	137.08
Mining exploration, shafts, and wells	102.09	139.32	100.86	116.53	123.71	134.79	144.82	153.94
Other structures	118.37	117.94	115.09	120.95	111.74	104.25	130.69	125.09
Equipment and software	148.74	169.11	152.21	155.70	163.16	170.00	172.34	170.91
Information processing equipment and software Computers and peripheral equipment ¹ Software ² Other	188.74	235.53	195.33	204.64	219.11	232.93	242.13	247.97
Industrial equipment	306.72	429.35	325.92	344.08	372.78	419.58	457.68	467.36
Transportation equipment Other	197.65	240.32	202.34	215.75	225.96	235.97	246.24	253.09
Residential	117.56	116.93	117.48	117.63	118.56	118.93	115.64	114.59
Structures	117.54	116.69	117.42	117.53	118.37	118.75	115.38	114.28
Single family	117.92	119.00	116.65	118.66	123.03	121.62	116.21	115.15
Multifamily	113.95	112.67	114.43	112.95	116.89	116.14	107.12	110.54
Other structures	117.69	114.39	118.95	116.89	112.59	115.47	115.72	113.77
Equipment	118.61	127.70	120.07	122.07	126.79	127.37	127.76	128.90
Chain-type price indexes								
Private fixed investment	99.10	100.36	99.06	99.07	99.71	100.17	100.66	100.92
Nonresidential	95.84	96.34	95.62	95.42	95.84	96.23	96.64	96.66
Structures	110.19	114.57	110.44	111.42	112.72	113.75	115.15	116.67
Nonresidential buildings, including farm	111.26	115.58	111.70	112.75	114.22	114.95	115.94	117.24
Utilities	103.42	105.99	103.41	104.02	104.85	106.01	106.30	106.78
Mining exploration, shafts, and wells	112.81	120.41	111.99	113.24	114.24	116.94	122.98	127.48
Other structures	106.74	110.47	106.73	107.47	108.24	110.35	110.97	112.32
Equipment and software	91.46	90.99	91.11	90.62	90.82	91.05	91.22	90.86
Information processing equipment and software Computers and peripheral equipment ¹ Software ² Other	79.87	78.60	79.32	78.42	78.62	78.76	78.80	78.20
Industrial equipment	43.40	37.43	42.00	40.28	39.20	37.96	36.84	35.70
Transportation equipment Other	95.75	100.38	95.93	95.89	97.91	100.03	101.78	101.80
Residential	109.64	113.58	110.21	110.94	112.36	113.08	113.83	115.07
Structures	109.93	113.97	110.52	111.26	112.72	113.45	114.22	115.50
Single family	110.41	114.57	111.01	112.01	113.80	114.00	114.60	115.89
Multifamily	117.69	121.69	118.09	118.96	120.87	121.08	121.72	123.09
Other structures	108.05	112.00	108.68	109.09	110.04	111.55	112.58	113.83
Equipment	98.08	98.10	97.94	97.95	97.76	98.39	98.18	98.08

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

Table 7.9.—Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services and for Receipts and Payments of Income

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Chain-type quantity indexes								
Exports of goods and services	118.17	128.84	119.27	122.22	124.10	128.33	132.56	130.39
Goods ¹	121.63	135.74	123.45	127.18	129.06	134.79	141.37	137.74
Durable	127.75	144.36	129.90	133.80	136.42	144.21	150.31	146.49
Nondurable	108.46	117.21	109.56	112.91	113.21	114.56	122.14	118.94
Services ¹	110.14	113.37	109.67	110.92	112.79	113.78	112.98	113.92
Income receipts	119.78	141.57	122.93	128.75	135.20	143.82	141.98	145.28
Imports of goods and services	140.72	159.76	143.82	147.53	151.76	158.36	164.72	164.20
Goods ¹	143.64	163.60	147.28	151.23	155.29	162.54	168.74	167.83
Durable	150.51	174.15	154.56	160.22	165.10	172.67	179.79	179.05
Nondurable	130.45	143.78	133.26	134.18	136.78	143.42	148.03	146.88
Services ¹	126.54	141.14	127.05	129.59	134.66	138.07	145.20	146.63
Income payments	132.53	153.44	137.14	142.85	147.59	157.34	155.98	152.86
Chain-type price indexes								
Exports of goods and services	95.86	97.44	95.88	96.51	96.98	97.43	97.60	97.73
Goods ¹	92.96	93.96	92.87	93.41	93.68	94.02	94.02	94.11
Durable	93.65	93.65	93.39	93.65	93.54	93.62	93.77	93.65
Nondurable	91.25	94.83	91.58	92.84	94.07	95.13	94.74	95.36
Services ¹	103.30	106.47	103.62	104.50	105.52	106.27	106.92	107.17
Income receipts	103.99	106.58	104.16	104.76	105.69	106.30	106.91	107.40
Imports of goods and services	91.80	95.46	92.47	93.68	94.97	95.03	95.91	95.96
Goods ¹	90.31	94.48	90.93	92.30	93.77	93.99	95.00	95.14
Durable	89.14	88.67	88.84	88.78	89.00	88.90	88.66	88.12
Nondurable	92.85	107.59	95.46	100.06	104.48	105.42	109.36	111.10
Services ¹	99.89	100.49	100.85	101.14	101.25	100.33	100.41	99.96
Income payments	105.10	107.45	105.19	106.10	106.85	107.25	107.61	108.10

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 7.14.—Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Chain-type quantity indexes								
Gross domestic product	113.60	119.27	113.98	116.27	117.65	119.27	119.92	120.23
Business ¹	115.27	121.64	115.70	118.34	119.88	121.66	122.36	122.66
Nonfarm ²	115.26	121.69	115.71	118.39	119.90	121.73	122.42	122.72
Nonfarm less housing	116.27	123.02	116.72	119.60	121.13	123.10	123.81	124.05
Housing	106.27	109.93	106.70	107.70	108.99	109.63	110.12	110.98
Farm	115.26	114.89	113.32	111.82	116.37	112.92	115.17	115.11
Households and institutions ...	108.54	110.66	108.66	109.27	109.68	110.31	110.89	111.77
Private households	87.94	68.83	84.08	72.02	67.99	68.36	69.05	69.91
Nonprofit institutions	109.29	112.19	109.55	110.63	111.20	111.84	112.41	113.29
General government ³	103.68	105.82	103.85	104.26	104.93	105.87	106.16	106.32
Federal	98.12	100.10	98.05	98.29	99.01	100.85	100.29	100.26
State and local	106.29	108.50	106.57	107.07	107.72	108.22	108.91	109.16
Chain-type price indexes								
Gross domestic product	104.77	106.99	104.90	105.31	106.17	106.80	107.22	107.75
Business ¹	104.18	106.17	104.27	104.63	105.41	106.03	106.38	106.87
Nonfarm ²	104.67	106.63	104.79	105.08	105.91	106.45	106.85	107.32
Nonfarm less housing	104.23	106.09	104.34	104.59	105.41	105.94	106.31	106.72
Housing	108.95	111.86	109.16	109.87	110.76	111.40	112.15	113.13
Farm	69.84	74.61	68.40	73.44	71.34	77.37	73.59	76.15
Households and institutions ...	106.19	109.41	106.47	106.97	107.77	108.77	109.99	111.10
Private households	108.58	113.33	108.95	110.00	111.34	112.99	114.09	114.90
Nonprofit institutions	106.10	109.29	106.39	106.88	107.67	108.65	109.87	110.98
General government ³	108.80	112.39	109.13	109.93	111.46	112.03	112.74	113.35
Federal	108.03	111.99	108.17	108.58	111.69	111.61	112.21	112.44
State and local	109.16	112.60	109.57	110.54	111.39	112.23	112.99	113.77

1. Equals gross domestic product less gross product of households and institutions and of general government.
 2. Equals gross domestic business product less gross farm product.
 3. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 7.15.—Price, Costs, and Profit Per Unit of Real Gross Product of Nonfinancial Corporate Business

[Dollars]

Price per unit of real gross product of nonfinancial corporate business ¹	1.019	1.031	1.019	1.019	1.025	1.031	1.032	1.035
Compensation of employees (unit labor cost) .....	.659	.663	.661	.658	.658	.659	.661	.673
Unit nonlabor cost .....	.241	.248	.242	.243	.245	.247	.247	.254
Consumption of fixed capital .....	.115	.118	.116	.115	.116	.117	.118	.121
Indirect business tax and nontax liability plus business transfer payments less subsidies .....	.097	.099	.097	.098	.099	.099	.098	.101
Net interest .....	.029	.031	.029	.030	.030	.031	.031	.032
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) .....	.119	.120	.116	.118	.122	.126	.123	.109
Profits tax liability .....	.034	.035	.034	.034	.036	.037	.035	.031
Profits after tax with inventory valuation and capital consumption adjustments ...	.085	.085	.083	.084	.086	.089	.088	.078

1. The implicit price deflator for gross product of nonfinancial corporate business divided by 100.

Table 7.16.—Implicit Price Deflators for Private Inventories by Industry Group

[Index numbers, 1996=100]

	Seasonally adjusted					
	1999		2000			
	III	IV	I	II	III	IV
Private inventories ¹	97.68	98.28	99.75	100.17	100.32	101.29
Farm	90.79	92.73	99.28	97.67	94.11	99.52
Nonfarm	98.28	98.77	99.82	100.42	100.87	101.48
Durable goods	97.01	97.41	97.68	97.76	97.66	97.66
Nondurable goods	99.90	100.52	102.57	103.83	105.00	106.39
Manufacturing	96.50	97.38	98.43	98.90	99.42	99.48
Durable goods	95.74	96.34	96.79	96.63	96.70	96.66
Nondurable goods	97.80	99.14	101.19	102.70	103.96	104.21
Wholesale	96.74	97.40	98.60	98.64	98.90	98.97
Durable goods	95.96	96.40	96.70	96.83	96.62	96.38
Nondurable goods	98.15	99.21	102.02	101.89	103.02	103.64
Merchant wholesalers	96.53	97.11	98.14	98.10	98.22	98.46
Durable goods	96.06	96.51	96.83	96.96	96.74	96.50
Nondurable goods	97.40	98.22	100.55	100.17	100.94	102.02
Nonmerchant wholesalers	98.13	99.32	101.64	102.25	103.41	102.44
Durable goods	95.29	95.60	95.79	95.95	95.78	95.58
Nondurable goods	102.81	105.39	111.26	112.62	116.07	113.74
Retail trade	101.68	101.80	102.36	102.67	102.71	103.09
Durable goods	99.92	99.98	99.93	100.30	100.12	100.53
Motor vehicle dealers	99.52	99.39	99.25	99.95	100.03	100.91
Other	100.39	100.64	100.67	100.71	100.25	100.16
Nondurable goods	103.83	104.01	105.37	105.58	105.90	106.26
Other	99.77	99.40	101.45	105.15	107.21	112.38
Durable goods	102.50	102.90	104.05	103.50	102.75	102.00
Nondurable goods	99.59	99.15	101.30	105.42	107.74	113.49

1. Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.

Table 7.17.—Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Gross domestic product	113.60	119.27	113.98	116.27	117.65	119.27	119.92	120.23
Final sales of domestic product	113.41	118.86	113.86	115.64	117.54	118.66	119.37	119.87
Change in private inventories								
Goods	120.08	129.14	120.80	124.84	126.79	129.40	130.72	129.64
Final sales	119.66	128.15	120.58	123.22	126.64	127.82	129.34	128.79
Change in private inventories								
Durable goods	131.80	145.82	133.65	138.26	142.10	146.86	147.72	146.60
Final sales	131.58	145.03	133.41	136.51	142.58	145.20	146.80	145.54
Change in private inventories								
Nondurable goods	110.55	115.80	110.41	113.99	114.49	115.47	117.12	116.10
Final sales	110.06	114.77	110.27	112.55	113.97	114.08	115.53	115.50
Change in private inventories								
Services	108.89	112.69	109.31	110.50	111.18	112.59	112.95	114.05
Structures	115.74	119.40	114.48	116.54	119.98	119.06	118.89	119.68
Addenda:								
Motor vehicle output	126.35	124.51	127.71	130.25	130.35	128.86	123.03	115.81
Gross domestic product less motor vehicle output	113.15	119.07	113.50	115.77	117.20	118.93	119.80	120.36

Table 7.18B.—Chain-Type Quantity Indexes for Motor Vehicle Output

[Index numbers, 1996=100]

	1999	2000	Seasonally adjusted					
			1999		2000			
			III	IV	I	II	III	IV
Motor vehicle output	126.35	124.51	127.71	130.25	130.35	128.86	123.03	115.81
Auto output	102.34	94.87	99.97	103.97	103.88	96.72	93.98	84.91
Truck output ¹	146.35	149.12	150.77	152.13	152.39	155.53	147.14	141.44
Final sales of domestic product	121.07	120.18	122.51	123.04	129.35	121.59	118.97	110.79
Personal consumption expenditures	126.94	133.23	127.69	129.43	138.07	131.61	133.95	129.31
New motor vehicles	130.15	139.03	130.75	134.24	144.92	137.22	139.28	134.70
Autos	120.73	126.35	120.09	126.32	133.18	128.63	123.72	119.87
Light trucks	141.32	153.99	143.33	143.66	158.77	147.41	157.60	152.16
Net purchases of used autos	117.17	115.85	118.39	114.95	117.57	114.78	117.93	113.14
Private fixed investment	131.60	127.43	137.38	134.41	138.07	131.48	127.85	112.33
New motor vehicles	126.83	122.88	132.44	128.53	132.91	125.82	123.13	109.64
Autos	106.96	101.23	110.99	105.29	109.78	100.72	99.71	94.69
Trucks	145.85	143.57	152.96	150.72	155.00	149.76	145.49	124.04
Light trucks	149.20	154.96	159.04	153.56	163.55	158.47	160.33	137.49
Other	139.13	122.09	141.18	144.88	138.69	133.18	117.63	98.84
Net purchases of used autos	109.19	105.99	114.14	106.81	113.79	104.95	105.68	99.54
Gross government investment	118.29	122.59	123.73	135.82	123.54	115.38	118.65	132.81
Autos	99.01	102.00	108.11	108.30	86.04	93.99	123.35	104.63
New trucks	129.04	134.03	132.38	151.25	144.75	127.34	115.53	148.50
Net exports								
Exports	96.65	98.75	95.51	98.34	100.25	101.69	97.45	95.62
Autos	94.99	95.20	91.69	95.86	96.79	98.45	93.91	91.63
Trucks	99.94	105.50	102.74	103.14	106.83	107.87	104.17	103.12
Imports	142.99	156.66	148.85	149.50	153.68	153.82	162.17	156.95
Autos	142.71	161.64	149.45	149.62	154.15	157.77	168.05	166.56
Trucks	144.23	133.08	145.96	148.84	151.37	135.07	134.32	111.57
Change in private inventories								
Autos								
New								
Domestic								
Foreign								
Used								
New trucks								
Domestic								
Foreign								
Addenda:								
Final sales of motor vehicles to domestic purchasers	128.35	130.79	131.09	131.46	137.60	131.04	131.24	123.27
Private fixed investment in new autos and new light trucks	124.11	123.06	130.51	124.90	131.63	124.20	124.36	112.05
Domestic output of new autos ²	100.70	99.95	101.90	100.85	105.06	101.48	101.99	91.28
Sales of imported new autos ³	144.38	150.93	145.99	152.66	152.30	150.64	149.25	151.53

1. Except for exports and imports, consists of new trucks only.

2. Consists of final sales and change in private inventories of new autos assembled in the United States.

3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.

Table 8.2.—Contributions to Percent Change in Real Gross Domestic Product

	Seasonally adjusted at annual rates							
	1999	2000	1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Gross domestic product	4.2	5.0	5.7	8.3	4.8	5.6	2.2	1.0
Percentage points at annual rates:								
Personal consumption expenditures	3.52	3.56	3.43	4.08	5.03	2.14	2.99	1.87
Durable goods .....	.96	.77	.64	1.04	1.79	-.42	.61	-.26
Motor vehicles and parts .....	.35	.19	-.02	.27	.87	-.64	.25	-.38
Furniture and household equipment .....	.44	.39	.45	.52	.56	.18	.26	.09
Other .....	.17	.19	.20	.25	.37	.04	.10	.04
Nondurable goods	1.10	1.01	.97	1.47	1.19	.74	.93	.21
Food .....	.39	.36	.41	.90	.28	.20	.11	.10
Clothing and shoes .....	.29	.27	.24	0	.63	.18	.30	-.01
Gasoline, fuel oil, and other energy goods .....	.05	-.02	-.02	.09	-.26	.08	.10	0
Other .....	.37	.40	.34	.48	.54	.27	.41	.12
Services	1.46	1.78	1.81	1.58	2.04	1.83	1.46	1.92
Housing .....	.25	.25	.25	.29	.23	.27	.22	.23
Household operation .....	.17	.17	.39	-.22	.23	.42	.02	.21
Electricity and gas .....	.01	.04	.23	-.32	.09	.27	-.11	.20
Other household operation .....	.16	.13	.16	.10	.14	.16	.12	.01
Transportation .....	.10	.10	.14	.11	.12	.11	.04	.07
Medical care .....	.26	.29	.36	.36	.22	.30	.24	.34
Recreation .....	.13	.20	.18	.10	.24	.23	.20	.26
Other .....	.55	.78	.49	.94	1.00	.50	.74	.80
Gross private domestic investment	1.15	1.80	2.50	3.04	.92	3.66	.33	-.78
Fixed investment	1.53	1.59	1.33	1.26	2.68	1.93	.55	-.17
Nonresidential	1.26	1.62	1.47	1.22	2.54	1.87	1.02	-.02
Structures	-.05	.28	-.19	.29	.63	.14	.44	.33
Equipment and software	1.30	1.33	1.66	.94	1.91	1.73	.58	-.35
Information processing equipment and software	1.03	1.13	1.20	.91	1.37	1.28	.84	.52
Computers and peripheral equipment .....	.39	.37	.43	.23	.34	.53	.41	.10
Software ¹ .....	.40	.42	.48	.53	.39	.39	.40	.26
Other .....	.25	.34	.29	.15	.63	.37	.03	.16
Industrial equipment .....	.01	.18	.15	.17	.26	.22	.14	-.01
Transportation equipment .....	.27	-.02	.45	-.13	.06	.08	-.35	-.75
Other	-.01	.04	-.13	-.02	.23	.15	-.05	-.11
Residential .....	.27	-.02	-.13	.03	.14	.06	-.47	-.15
Change in private inventories	-.37	.21	1.17	1.78	-1.76	1.73	-.22	-.62
Farm	-.01	.05	-.14	.49	-.15	.10	-.05	.02
Nonfarm	-.37	.16	1.32	1.29	-1.60	1.63	-.17	-.63
Net exports of goods and services	-1.03	-.87	-1.08	-.37	-.94	-1.00	-.90	-.55
Exports	.32	.96	1.05	1.09	.67	1.48	1.45	-.74
Goods .....	.30	.87	1.13	.94	.46	1.37	1.54	-.84
Services .....	.02	.09	-.08	.15	.21	.11	-.09	.10
Imports	-1.35	-1.83	-2.13	-1.45	-1.61	-2.48	-2.35	.19
Goods	-1.32	-1.59	-1.99	-1.28	-1.28	-2.26	-1.90	.28
Services	-.04	-.24	-.13	-.17	-.33	-.22	-.44	-.09
Government consumption expenditures and gross investment	.59	.50	.84	1.50	-.18	.85	-.24	.50
Federal	.16	.09	.41	.79	-.93	.97	-.57	.22
National defense .....	.08	.01	.46	.48	-.86	.60	-.38	.32
Consumption expenditures .....	.04	-.03	.36	.46	-.82	.57	-.34	.06
Gross investment .....	.04	.03	.10	.03	-.04	.03	-.04	.26
Nondefense .....	.08	.08	-.05	.30	-.07	.37	-.18	-.10
Consumption expenditures	0	.05	.01	.10	.05	.25	-.15	-.17
Gross investment .....	.07	.04	-.06	.20	-.12	.12	-.03	.07
State and local	.43	.41	.43	.71	.75	-.12	.33	.28
Consumption expenditures .....	.26	.27	.31	.30	.29	.25	.26	.16
Gross investment .....	.17	.14	.12	.41	.46	-.37	.07	.12
Addenda:								
Goods	2.28	2.84	3.92	5.14	2.41	3.18	1.57	-1.25
Services	1.64	1.86	2.09	2.45	1.34	2.75	.67	2.05
Structures .....	.30	.29	-.31	.67	1.09	-.28	-.05	.24
Motor vehicle output .....	.34	-.05	.45	.31	.01	-.16	-.64	-.79
Final sales of computers ² .....	.40	.46	.55	.25	.60	.50	.40	.20

1. Excludes software "embedded," or bundled, in computers and other equipment.

2. For some components of final sales of computers, includes computer parts.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in tables 7.1, 7.2, 7.4, 7.6, 7.9, 7.11, and 7.17.

Table 8.3.—Contributions to Percent Change in Real Personal Consumption Expenditures by Major Type of Product

	Seasonally adjusted at annual rates							
	1999	2000	1999		2000			
			III	IV	I	II	III	IV
Percent change at annual rate:								
Personal consumption expenditures	5.3	5.3	5.0	5.9	7.6	3.1	4.5	2.8
Percentage points at annual rates:								
Durable goods	1.45	1.15	.95	1.52	2.67	-.64	.91	-.38
Motor vehicles and parts .....	.53	.28	-.03	.39	1.29	-.95	.37	-.57
Furniture and household equipment .....	.66	.58	.67	.77	.83	.26	.39	.13
Other .....	.26	.29	.30	.36	.55	.06	.15	.06
Nondurable goods	1.64	1.49	1.43	2.14	1.81	1.06	1.39	.32
Food .....	.59	.53	.61	1.32	.44	.29	.17	.15
Clothing and shoes .....	.43	.40	.35	0	.94	.27	.45	-.01
Gasoline, fuel oil, and other energy goods .....	.07	-.03	-.03	.12	-.38	.12	.15	0
Gasoline and oil .....	.05	-.02	-.05	.17	-.34	.07	.12	.03
Fuel oil and coal .....	.02	0	.02	-.05	-.04	.05	.04	-.03
Other .....	.55	.59	.50	.70	.81	.39	.62	.17
Services	2.20	2.64	2.67	2.27	3.10	2.64	2.19	2.84
Housing .....	.38	.37	.37	.42	.36	.38	.33	.34
Household operation .....	.26	.25	.57	-.34	.35	.62	.03	.31
Electricity and gas .....	.02	.06	.34	-.48	.14	.39	-.16	.29
Other household operation .....	.24	.19	.23	.14	.21	.23	.19	.02
Transportation .....	.14	.15	.21	.16	.18	.16	.06	.10
Medical care .....	.39	.43	.53	.51	.34	.42	.36	.51
Recreation .....	.20	.29	.27	.15	.36	.33	.30	.39
Other .....	.83	1.15	.72	1.37	1.51	.73	1.11	1.19
Addenda:								
Energy goods and services ¹ .....	.09	.03	.31	-.35	-.24	.51	-.01	.29
Personal consumption expenditures less food and energy	4.62	4.71	4.13	4.96	7.38	2.27	4.32	2.33

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

NOTE.—The quantity indexes on which the estimates in this table are based are shown in table 7.4. The estimates in this table differ from those in table 8.2 because this table shows contributions to real personal consumption expenditures, whereas table 8.2 shows contributions to real gross domestic product.

Table B.5.—Private Fixed Investment in Structures by Type

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Private fixed investment in structures	576.1	640.4	680.5	557.2	600.7	618.4
Nonresidential	255.8	283.2	285.6	245.4	263.0	259.2
New	254.3	282.4	284.7	243.9	262.1	258.3
Nonresidential buildings, excluding farm	178.9	198.0	204.0	173.3	185.1	183.4
Industrial	33.1	36.5	31.5	32.1	34.1	28.3
Commercial	89.7	100.7	109.1	86.9	94.1	98.1
Office buildings ¹	39.9	49.1	54.2	38.7	45.9	48.7
Other ²	49.8	51.6	54.9	48.2	48.2	49.4
Religious	5.6	6.4	7.3	5.4	6.0	6.6
Educational	9.8	10.9	10.6	9.5	10.2	9.5
Hospital and institutional	15.1	15.4	15.2	14.6	14.4	13.6
Other ³	25.5	28.2	30.4	24.7	26.3	27.3
Utilities	36.1	44.5	45.0	35.3	43.0	43.5
Railroads	4.9	5.7	4.9	4.8	5.5	5.0
Telecommunications	12.3	13.2	15.1	12.0	12.9	15.0
Electric light and power	11.4	12.5	14.2	11.2	12.0	13.5
Gas	6.5	11.8	9.3	6.3	11.4	8.7
Petroleum pipelines	1.0	1.3	1.5	.9	1.2	1.4
Farm	3.8	4.3	4.5	3.7	4.0	4.0
Mining exploration, shafts, and wells	30.1	29.3	24.3	26.2	24.4	21.5
Petroleum and natural gas	28.4	28.0	22.8	24.5	23.2	20.2
Other	1.7	1.3	1.5	1.6	1.2	1.3
Other ⁴	5.5	6.2	6.9	5.3	5.9	6.4
Brokers' commissions on sale of structures	2.0	2.3	2.4	2.0	2.2	2.3
Net purchases of used structures	-5	-1.5	-1.5	-5	-1.4	-1.3
Residential	320.4	357.1	394.9	311.8	337.7	359.2
New	281.2	311.0	342.9	272.9	293.0	310.4
New housing units	199.6	225.5	248.6	193.7	212.2	224.2
Permanent site	186.1	210.4	234.4	180.5	197.5	210.7
Single-family structures	163.2	185.8	207.2	158.6	175.9	187.6
Multifamily structures	22.9	24.6	27.3	21.9	21.7	23.2
Manufactured homes	13.5	15.2	14.2	13.3	14.7	13.4
Improvements	80.8	84.5	93.0	78.4	79.9	85.1
Other ⁵ .....	.8	1.0	1.3	.8	.9	1.2
Brokers' commissions on sale of structures	41.5	48.9	54.3	41.2	47.5	51.0
Net purchases of used structures	-2.3	-2.8	-2.3	-2.3	-2.7	-2.1
Residual .....	.....	.....	.....	.3	-4	-9

1. Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for their own use.

2. Consists of stores, restaurants, garages, service stations, warehouses, mobile structures, and other buildings used for commercial purposes.

3. Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

4. Consists primarily of streets, dams and reservoirs, sewer and water facilities, parks, and airfields.

5. Consists primarily of dormitories and of fraternity and sorority houses.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.—Private Fixed Investment in Equipment and Software by Type

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Private fixed investment in equipment and software	751.5	832.6	926.3	772.0	887.3	1,012.1
Nonresidential equipment and software	743.6	824.3	917.4	764.2	879.0	1,003.1
Information processing equipment and software	325.2	367.4	433.0	349.8	431.6	542.2
Computers and peripheral equipment ¹	79.6	84.9	94.3	102.9	149.3	217.3
Software ²	116.5	144.1	180.1	119.0	151.0	188.0
Communication equipment	73.7	80.7	99.1	74.5	83.0	103.8
Instruments	33.3	36.4	39.0	33.2	36.2	38.7
Photocopy and related equipment	14.1	13.5	12.7	14.1	13.7	12.9
Office and accounting equipment	8.0	7.7	7.9	8.0	7.8	7.9
Industrial equipment	141.0	148.9	150.7	140.0	146.9	147.8
Fabricated metal products	12.2	12.6	13.0	12.2	12.6	13.1
Engines and turbines	4.1	4.8	5.6	4.1	4.6	5.4
Metalworking machinery	33.3	34.7	34.8	33.2	34.3	34.2
Special industry machinery, n.e.c.	35.8	37.3	38.3	35.4	36.6	37.1
General industrial, including materials handling, equipment	32.8	35.3	34.2	32.4	34.7	33.2
Electrical transmission, distribution, and industrial apparatus	22.8	24.1	24.9	22.7	24.1	24.8
Transportation equipment	151.4	168.2	193.5	150.5	168.0	191.8
Trucks, buses, and truck trailers	85.7	97.9	113.5	86.3	99.8	113.6
Autos	42.4	40.6	44.1	41.1	39.2	43.4
Aircraft	14.8	20.0	25.7	14.6	19.7	24.9
Ships and boats	2.6	2.6	2.5	2.6	2.5	2.4
Railroad equipment	5.9	7.0	7.7	6.0	7.1	7.8
Other equipment	130.5	143.5	144.4	129.1	140.9	140.7
Furniture and fixtures	32.3	36.0	35.8	31.7	35.2	34.9
Tractors	14.0	14.9	13.6	14.0	14.7	13.3
Agricultural machinery, except tractors	12.2	12.8	12.0	12.1	12.5	11.6
Construction machinery, except tractors	18.3	20.9	19.4	18.0	20.2	18.3
Mining and oilfield machinery	4.6	4.7	5.1	4.5	4.6	4.9
Service industry machinery	14.0	15.3	16.5	13.8	14.9	15.9
Electrical equipment, n.e.c.	12.2	13.8	14.6	12.4	14.2	15.2
Other	23.0	25.1	27.5	22.8	24.7	26.8
Less: Sale of equipment scrap, excluding autos	4.5	3.7	4.2	4.4	4.3	5.2
Residential equipment	7.9	8.3	8.9	7.9	8.3	9.1
Residual .....	.....	.....	.....	-3.1	-13.9	-41.2
Addenda:						
Private fixed investment in equipment and software	751.5	832.6	926.3	.....	.....	.....
Less: Dealers' margin on used equipment	7.7	8.2	8.1	.....	.....	.....
Net purchases of used equipment from government .....	.9	1.2	1.0	.....	.....	.....
Plus: Net sales of used equipment	38.3	39.3	39.8	.....	.....	.....
Net exports of used equipment .....	.4	.5	.7	.....	.....	.....
Sale of equipment scrap	4.6	3.8	4.3	.....	.....	.....
Equals: Private fixed investment in new equipment and software	786.3	866.8	962.1	.....	.....	.....

1. Includes new computers and peripheral equipment only.

2. Excludes software "embedded," or bundled, in computers and other equipment.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.
n.e.c. Not elsewhere classified.

Table B.8.—Employment by Industry
[Thousands]

	Full-time and part-time employees			Persons engaged in production ¹				Full-time and part-time employees			Persons engaged in production ¹		
	1997	1998	1999	1997	1998	1999		1997	1998	1999	1997	1998	1999
Total	130,118	133,433	136,363	126,790	129,711	132,216	Pipelines, except natural gas	14	13	13	14	13	13
Domestic industries	130,640	133,964	136,915	127,237	130,166	132,689	Transportation services	453	470	475	455	464	473
Private industries	108,587	111,684	114,358	108,802	111,559	113,919	Communications	1,420	1,475	1,556	1,323	1,363	1,426
Agriculture, forestry, and fishing	2,130	2,182	2,288	3,315	3,340	3,384	Telephone and telegraph	1,003	1,044	1,109	938	958	1,013
Farms	876	880	923	1,814	1,705	1,693	Radio and television	417	431	447	385	405	413
Agricultural services, forestry, and fishing	1,254	1,302	1,365	1,501	1,635	1,691	Electric, gas, and sanitary services	871	860	864	866	852	861
Mining	601	595	540	603	603	545	Wholesale trade	6,750	6,917	7,001	6,739	6,922	7,024
Metal mining	54	49	44	54	49	45	Retail trade	22,636	23,003	23,583	20,258	20,417	20,988
Coal mining	97	93	87	95	93	86	Finance, insurance, and real estate	7,257	7,536	7,723	7,425	7,634	7,826
Oil and gas extraction	340	341	296	345	350	304	Depository institutions	2,033	2,047	2,053	1,927	1,934	1,932
Nonmetallic minerals, except fuels	110	112	113	109	111	110	Nondepository institutions	574	662	710	563	643	692
Construction	5,965	6,299	6,707	7,255	7,605	8,026	Security and commodity brokers	630	681	727	679	732	796
Manufacturing	18,772	18,922	18,665	18,776	18,932	18,655	Insurance carriers	1,526	1,575	1,609	1,462	1,502	1,527
Durable goods	11,059	11,265	11,176	11,132	11,344	11,221	Insurance agents, brokers, and service	767	787	795	875	880	873
Lumber and wood products	821	839	857	864	895	915	Real estate	1,481	1,534	1,571	1,684	1,706	1,762
Furniture and fixtures	514	534	551	531	543	563	Holding and other investment offices	246	250	258	235	237	244
Stone, clay, and glass products	555	566	570	563	569	571	Services	38,010	39,556	40,952	37,959	39,456	40,619
Primary metal industries	710	715	698	706	711	697	Hotels and other lodging places	1,833	1,874	1,936	1,665	1,701	1,760
Fabricated metal products	1,485	1,515	1,530	1,481	1,512	1,518	Personal services	1,326	1,340	1,365	1,789	1,804	1,833
Industrial machinery and equipment	2,170	2,212	2,142	2,168	2,212	2,136	Business services	8,147	8,780	9,449	8,260	8,988	9,577
Electronic and other electric equipment	1,695	1,709	1,669	1,684	1,699	1,655	Auto repair, services, and parking	1,248	1,276	1,331	1,511	1,523	1,561
Motor vehicles and equipment	983	998	1,024	976	996	1,019	Miscellaneous repair services	389	395	391	582	591	553
Other transportation equipment	857	899	874	854	902	872	Motion pictures	569	593	618	610	645	664
Instruments and related products	865	872	854	860	864	841	Amusement and recreation services	1,664	1,726	1,783	1,485	1,494	1,547
Miscellaneous manufacturing industries	404	406	407	445	441	434	Health services	10,038	10,217	10,349	9,402	9,521	9,638
Nondurable goods	7,713	7,657	7,489	7,644	7,588	7,434	Legal services	1,084	1,112	1,138	1,200	1,223	1,216
Food and kindred products	1,694	1,694	1,694	1,676	1,672	1,677	Educational services	2,183	2,272	2,350	2,006	2,101	2,164
Tobacco products	41	40	37	40	39	36	Social services and membership organizations	4,951	5,155	5,350	4,818	4,992	5,157
Textile mill products	617	597	559	619	598	555	Social services	2,622	2,751	2,861	2,881	2,993	3,087
Apparel and other textile products	830	770	697	831	775	708	Membership organizations	2,329	2,404	2,489	1,937	1,999	2,070
Paper and allied products	686	679	669	678	672	664	Other services ³	3,345	3,536	3,641	3,797	3,991	4,087
Printing and publishing	1,579	1,594	1,575	1,562	1,578	1,556	Private households	1,233	1,280	1,251	834	882	862
Chemicals and allied products	1,037	1,043	1,039	1,024	1,029	1,028	Government	22,053	22,280	22,557	18,435	18,607	18,770
Petroleum and coal products	137	136	130	135	135	130	Federal	5,265	5,194	5,139	4,269	4,208	4,157
Rubber and miscellaneous plastics products	1,000	1,017	1,010	990	1,005	1,000	General government	4,275	4,200	4,147	3,476	3,417	3,367
Leather and leather products	92	87	79	89	85	80	Civilian	1,899	1,878	1,856	1,869	1,846	1,818
Transportation and public utilities	6,466	6,674	6,899	6,472	6,650	6,852	Military ⁴	2,376	2,322	2,291	1,607	1,571	1,549
Transportation	4,175	4,339	4,479	4,283	4,435	4,565	Government enterprises	990	994	992	793	791	790
Railroad transportation	220	223	222	208	211	210	State and local	16,788	17,086	17,418	14,166	14,399	14,613
Local and interurban passenger transit	457	473	491	481	486	504	General government	15,954	16,244	16,564	13,304	13,529	13,737
Trucking and warehousing ²	1,709	1,777	1,846	1,880	1,954	2,018	Education	8,736	8,947	9,164	7,070	7,228	7,373
Water transportation	182	185	187	178	185	184	Other	7,218	7,297	7,400	6,234	6,301	6,364
Transportation by air ²	1,140	1,198	1,245	1,067	1,122	1,163	Government enterprises	834	842	854	862	870	876
							Rest of the world⁵	-522	-531	-552	-447	-455	-473

1. Equals the number of full-time equivalent employees plus the number of self-employed persons. Unpaid family workers are not included.
 2. Reflects the reclassification of air couriers from trucking and warehousing to transportation by air.
 3. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.

4. Includes Coast Guard.
 5. Includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.10.—Farm Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Farm output	226.3	214.6	208.4	237.5	238.4	243.9
Cash receipts from farm marketings	208.6	198.2	190.7	218.7	220.5	224.3
Crops	112.0	104.0	95.3	121.2	122.2	123.7
Livestock	96.6	94.2	95.4	97.6	98.3	100.6
Farm housing	6.4	6.7	7.0	6.0	5.9	5.7
Farm products consumed on farms .....	.5	.5	.5	.5	.5	.5
Other farm income	7.8	8.6	10.4	8.2	9.6	12.4
Change in farm inventories	2.9	.6	-0.2	3.2	1.2	0
Crops	3.3	.9	.5	3.5	1.5	.9
Livestock	-4	-3	-7	-4	-3	-7
Less: Intermediate goods and services purchased	138.1	133.9	134.2	134.4	138.0	138.4
Intermediate goods and services, other than rent	122.1	118.8	120.1	119.0	122.4	124.0
Rent paid to nonoperator landlords	16.0	15.1	14.1	15.5	15.7	14.4
Equals: Gross farm product	88.3	80.8	74.2	103.6	100.2	106.3
Less: Consumption of fixed capital	26.3	27.4	29.2	25.9	26.6	28.1
Equals: Net farm product	61.9	53.4	45.0	78.1	73.5	78.2
Less: Indirect business tax and nontax liability	5.2	5.2	5.6	.....	.....	.....
Plus: Subsidies to operators	6.3	10.3	17.6	.....	.....	.....
Equals: Farm national income	63.1	58.5	56.9	.....	.....	.....
Compensation of employees	17.6	18.7	19.4	.....	.....	.....
Wage and salary accruals	15.1	16.2	16.6	.....	.....	.....
Supplements to wages and salaries	2.4	2.5	2.9	.....	.....	.....
Proprietors' income and corporate profits with inventory valuation and capital consumption adjustments	35.8	29.8	27.2	.....	.....	.....
Proprietors' income	29.7	25.4	25.3	.....	.....	.....
Corporate profits	6.1	4.4	1.9	.....	.....	.....
Net interest	9.7	10.0	10.3	.....	.....	.....

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table B.11.—Housing Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1996) dollars		
	1997	1998	1999	1997	1998	1999
Housing output ¹	778.0	823.2	868.7	756.1	775.5	795.0
Nonfarm housing	771.6	816.6	861.7	750.1	769.6	789.4
Owner-occupied	585.5	622.7	661.1	569.0	586.7	605.7
Tenant-occupied	186.1	193.8	200.6	181.0	182.9	183.7
Farm housing	6.4	6.7	7.0	6.0	5.9	5.7
Less: Intermediate goods and services consumed	106.0	115.4	118.6	102.0	107.9	107.1
Equals: Gross housing product	672.0	707.9	750.2	654.0	667.6	687.9
Nonfarm housing	666.7	702.3	744.3	649.0	662.6	683.1
Owner-occupied	504.0	534.0	570.8	490.3	503.3	523.6
Tenant-occupied	162.6	168.3	173.5	158.7	159.4	159.5
Farm housing	5.3	5.6	5.9	5.0	5.0	4.8
Less: Consumption of fixed capital	126.5	133.7	143.7	122.7	125.8	130.1
Capital consumption allowances	67.6	72.0	77.5	.....	.....	.....
Less: Capital consumption adjustment	-58.8	-61.7	-66.2	.....	.....	.....
Equals: Net housing product	545.5	574.2	606.5	531.3	541.7	557.8
Less: Indirect business tax and nontax liability plus business transfer payments	124.2	129.9	135.6	.....	.....	.....
Plus: Subsidies less current surplus of government enterprises	23.7	23.7	24.2	.....	.....	.....
Equals: Housing national income	445.0	468.0	495.2	.....	.....	.....
Compensation of employees	8.8	9.5	10.1	.....	.....	.....
Proprietors' income with inventory valuation adjustment and capital consumption adjustment	21.3	20.7	20.2	.....	.....	.....
Rental income of persons with capital consumption adjustment	109.0	119.0	126.4	.....	.....	.....
Corporate profits with inventory valuation adjustment and capital consumption adjustment	4.7	4.5	4.4	.....	.....	.....
Net interest	301.2	314.4	334.1	.....	.....	.....

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.

NOTE.—Chained (1996) dollar series are calculated as the product of the chain-type quantity index and the 1996 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued
 [Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1996) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1988: I	6,275.9	6,263.0	6,302.0	2.7	6.6	78.99	79.21	78.98	78.99	2.7	2.9	2.7	2.7
II	6,349.8	6,334.0	6,372.8	4.8	4.6	79.79	80.01	79.79	79.79	4.1	4.1	4.1	4.1
III	6,382.3	6,365.9	6,402.0	2.1	2.0	80.73	80.75	80.71	80.72	4.8	3.8	4.7	4.7
IV	6,465.2	6,447.5	6,487.4	5.3	5.2	81.36	81.46	81.33	81.34	3.2	3.6	3.1	3.1
1989: I	6,543.8	6,492.7	6,565.6	5.0	2.8	82.20	82.36	82.20	82.20	4.2	4.5	4.3	4.3
II	6,579.4	6,542.8	6,599.7	2.2	3.1	83.02	83.26	83.01	83.02	4.0	4.4	4.0	4.0
III	6,610.6	6,605.8	6,633.4	1.9	3.9	83.62	83.74	83.62	83.63	2.9	2.4	2.9	3.0
IV	6,633.5	6,620.4	6,663.4	1.4	.9	84.24	84.43	84.24	84.25	3.0	3.3	3.0	3.0
1990: I	6,716.3	6,705.8	6,743.6	5.1	5.3	85.19	85.48	85.18	85.20	4.6	5.1	4.5	4.6
II	6,731.7	6,697.6	6,760.8	5.9	-.5	86.17	86.27	86.16	86.17	4.7	3.7	4.7	4.6
III	6,719.4	6,699.2	6,742.6	-.7	.1	87.00	87.26	86.99	87.00	3.9	4.7	3.9	3.9
IV	6,664.2	6,680.0	6,713.3	-3.2	-1.1	87.76	88.41	87.74	87.76	3.5	5.3	3.5	3.5
1991: I	6,631.4	6,652.5	6,667.4	-2.0	-1.6	88.78	89.09	88.76	88.78	4.7	3.1	4.8	4.7
II	6,668.5	6,692.5	6,692.1	2.3	2.4	89.41	89.51	89.40	89.41	2.9	1.9	2.9	2.9
III	6,684.9	6,689.2	6,704.7	1.0	-.2	89.99	90.04	89.99	90.00	2.6	2.4	2.7	2.6
IV	6,720.9	6,692.0	6,749.4	2.2	.2	90.47	90.60	90.47	90.48	2.2	2.5	2.2	2.2
1992: I	6,783.3	6,788.9	6,811.1	3.8	5.9	91.16	91.25	91.16	91.15	3.1	2.9	3.1	3.0
II	6,846.8	6,827.1	6,873.8	3.8	2.3	91.68	91.81	91.67	91.67	2.3	2.5	2.3	2.3
III	6,899.7	6,882.7	6,923.3	3.1	3.3	91.98	92.26	91.97	91.97	1.3	2.0	1.3	1.3
IV	6,990.6	6,972.4	7,015.1	5.4	5.3	92.56	92.81	92.55	92.55	2.5	2.4	2.5	2.5
1993: I	6,988.7	6,953.6	7,020.9	-.1	-1.1	93.33	93.42	93.32	93.32	3.4	2.7	3.4	3.4
II	7,031.2	7,008.8	7,056.0	2.5	3.2	93.83	93.98	93.82	93.83	2.2	2.4	2.2	2.2
III	7,062.0	7,057.9	7,092.4	1.8	2.8	94.26	94.32	94.24	94.26	1.8	1.5	1.8	1.8
IV	7,168.7	7,154.8	7,182.1	6.2	5.6	94.79	94.83	94.79	94.81	2.3	2.2	2.4	2.4
1994: I	7,229.4	7,187.1	7,249.8	3.4	1.8	95.28	95.22	95.28	95.29	2.1	1.7	2.0	2.1
II	7,330.2	7,250.2	7,346.3	5.7	3.6	95.72	95.74	95.71	95.73	1.8	2.2	1.8	1.8
III	7,370.2	7,318.5	7,385.1	2.2	3.8	96.29	96.43	96.28	96.29	2.4	2.9	2.4	2.4
IV	7,461.1	7,387.2	7,476.0	5.0	3.8	96.74	96.86	96.74	96.74	1.9	1.8	1.9	1.9
1995: I	7,488.7	7,427.3	7,510.2	1.5	2.2	97.45	97.51	97.45	97.45	3.0	2.7	3.0	3.0
II	7,503.3	7,469.6	7,528.6	.8	2.3	97.86	98.04	97.86	97.87	1.7	2.2	1.7	1.7
III	7,561.4	7,549.7	7,572.3	3.1	4.4	98.31	98.42	98.30	98.31	1.8	1.6	1.8	1.8
IV	7,621.9	7,602.5	7,645.2	3.2	2.8	98.79	98.85	98.78	98.79	2.0	1.8	2.0	2.0
1996: I	7,676.4	7,669.6	7,703.1	2.9	3.6	99.40	99.42	99.39	99.39	2.5	2.3	2.5	2.5
II	7,802.9	7,773.4	7,820.4	6.8	5.5	99.74	99.74	99.74	99.74	1.4	1.3	1.4	1.4
III	7,841.9	7,792.1	7,853.5	2.0	1.0	100.23	100.16	100.22	100.22	2.0	1.7	1.9	1.9
IV	7,931.3	7,897.6	7,947.9	4.6	5.5	100.63	100.68	100.63	100.63	1.6	2.1	1.7	1.6
1997: I	8,016.4	7,966.4	8,025.1	4.4	3.5	101.36	101.28	101.34	101.33	2.9	2.4	2.9	2.8
II	8,131.9	8,043.2	8,145.6	5.9	3.9	101.82	101.49	101.82	101.80	1.9	.8	1.9	1.8
III	8,216.6	8,164.9	8,225.1	4.2	6.2	102.12	101.74	102.12	102.10	1.2	1.0	1.2	1.2
IV	8,272.9	8,206.3	8,276.9	2.8	2.0	102.49	102.07	102.49	102.46	1.4	1.3	1.4	1.4
1998: I	8,404.9	8,289.4	8,412.9	6.5	4.1	102.75	102.08	102.74	102.70	1.0	.1	1.0	1.0
II	8,465.6	8,402.7	8,471.4	2.9	5.6	103.04	102.28	103.03	102.99	1.1	.8	1.1	1.1
III	8,537.6	8,463.4	8,526.7	3.4	2.9	103.42	102.57	103.41	103.38	1.5	1.1	1.5	1.5
IV	8,654.5	8,585.0	8,649.3	5.6	5.9	103.69	102.87	103.70	103.67	1.1	1.2	1.1	1.1
1999: I	8,730.0	8,680.3	8,726.0	3.5	4.5	104.25	103.35	104.29	104.25	2.2	1.9	2.3	2.3
II	8,783.2	8,764.9	8,776.7	2.5	4.0	104.63	103.86	104.65	104.62	1.4	2.0	1.4	1.4
III	8,905.8	8,861.8	8,895.4	5.7	4.5	104.90	104.30	104.89	104.86	1.1	1.7	.9	.9
IV	9,084.1	9,000.5	9,075.0	8.3	6.4	105.31	104.80	105.24	105.19	1.6	1.9	1.3	1.3
2000: I	9,191.8	9,148.0	9,187.7	4.8	6.7	106.17	105.78	106.10	106.07	3.3	3.8	3.3	3.4
II	9,318.9	9,235.3	9,313.7	5.6	3.9	106.80	106.33	106.73	106.70	2.4	2.1	2.4	2.4
III	9,369.5	9,290.9	9,362.8	2.2	2.4	107.22	106.86	107.15	107.13	1.6	2.0	1.6	1.6
IV	9,393.7	9,329.5	9,402.2	1.0	1.7	107.75	107.36	107.67	107.65	2.0	1.9	2.0	2.0

Table D.1.—Domestic Perspectives—Continued

	1999	2000	2000												2001	
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
Construction (monthly data seasonally adjusted at annual rates) ⁴																
Total new private construction put in place (billions of dollars)	591.6	623.9	614.6	629.6	637.7	629.5	629.8	624.4	619.0	616.9	625.3	618.7	624.6	625.1	639.2	647.1
Residential	348.8	358.6	365.1	368.7	372.1	368.9	367.7	363.8	355.2	350.8	351.7	348.1	349.0	350.7	355.9	364.3
Nonresidential	195.8	217.0	202.5	215.5	218.0	214.6	215.6	213.6	216.0	219.5	222.7	222.1	224.5	219.7	231.6	231.9
Housing starts (thousands of units):																
Total	1,667	1,593	1,744	1,822	1,630	1,652	1,591	1,571	1,527	1,519	1,537	1,529	1,564	1,577	1,653	1,647
1-unit structures	1,335	1,262	1,361	1,324	1,327	1,310	1,258	1,227	1,201	1,229	1,226	1,232	1,233	1,298	1,347	1,315
New 1-family houses sold (thousands of units)	907	903	927	905	947	865	875	827	914	860	924	940	890	986	933	911
Manufacturing and trade, inventories and sales (millions of dollars, monthly data seasonally adjusted) ⁴																
Inventories:																
Total manufacturing and trade	1,136,555	1,205,120	1,157,489	1,162,448	1,165,746	1,171,965	1,182,162	1,192,224	1,197,112	1,205,636	1,207,688	1,215,754	1,219,868	1,220,343	1,224,768	.....
Manufacturing	460,048	481,343	472,706	475,999	475,887	477,868	479,362	482,041	486,303	487,644	488,884	492,282	493,386	493,057	496,283	.....
Merchant wholesalers	309,445	330,227	310,950	312,230	314,206	317,164	320,188	323,252	324,313	326,195	326,352	327,653	328,810	328,734	327,673	.....
Retail trade	367,062	393,550	373,833	374,219	375,653	376,933	382,612	386,931	386,496	391,797	392,452	395,819	397,672	398,552	400,812	.....
Sales:																
Total manufacturing and trade	9,996,943	10,727,039	877,740	881,157	891,597	886,555	895,965	902,798	897,634	901,289	903,881	898,912	895,583	896,591	896,596	.....
Manufacturing	4,259,532	4,514,695	370,565	370,865	377,562	373,079	381,157	384,208	377,584	380,780	380,025	375,428	373,703	372,216	368,007	.....
Merchant wholesalers	2,742,482	2,980,498	243,941	243,128	245,678	246,357	247,391	250,154	249,405	249,960	251,142	250,994	250,949	253,028	253,626	.....
Retail trade	2,994,929	3,231,846	263,234	267,164	268,357	267,119	267,417	268,436	270,645	270,549	272,714	272,490	270,931	271,347	274,963	.....
Industrial production indexes and capacity utilization rates (monthly data seasonally adjusted) ²																
Industrial production indexes, 1992=100:																
Total	139.6	147.5	143.6	144.3	145.2	146.3	147.2	147.9	147.6	148.6	149.0	148.7	148.2	147.7	146.8	146.0
By industry:																
Durable manufactures	175.6	193.5	185.1	186.3	188.9	191.0	193.0	194.6	194.7	196.9	198.4	197.6	196.7	195.5	193.4	192.6
Nondurable manufactures	115.4	116.9	116.0	116.3	116.6	116.7	116.7	116.7	116.3	116.3	116.0	116.3	115.5	114.4	114.4	113.9
By market category:																
Consumer goods	120.8	123.0	122.1	122.8	122.2	123.2	123.5	124.2	122.9	123.8	123.8	122.7	122.4	122.8	121.7	121.2
Capacity utilization rates (percent):																
Total industry	81.2	82.2	81.9	82.0	82.2	82.5	82.7	82.7	82.3	82.6	82.4	82.0	81.4	80.8	80.1	79.4
Manufacturing	80.5	81.3	81.2	81.2	81.6	81.8	81.9	82.0	81.6	81.7	81.7	81.2	80.5	79.5	78.7	78.1
Credit market borrowing (billions of dollars, quarterly data seasonally adjusted at annual rates) ²																
All sectors, by instrument:																
Total	2,234.6	1,751.5	.....	1,659.8	.....	.....	1,781.4	.....	.....	1,602.2	.....	.....	1,962.6	.....	.....	.....
Open market paper	229.9	207.6	.....	218.4	.....	.....	199.8	.....	.....	128.4	.....	.....	283.6	.....	.....	.....
U.S. government securities	520.7	136.8	.....	33.0	.....	.....	-43.0	.....	.....	284.0	.....	.....	273.4	.....	.....	.....
Municipal securities	68.2	35.3	.....	8.9	.....	.....	34.0	.....	.....	29.8	.....	.....	68.6	.....	.....	.....
Corporate and foreign bonds	465.9	397.2	.....	398.4	.....	.....	357.2	.....	.....	452.0	.....	.....	381.2	.....	.....	.....
Bank loans, n.e.c.	68.9	112.1	.....	147.7	.....	.....	174.2	.....	.....	43.0	.....	.....	83.6	.....	.....	.....
Other loans and advances	172.6	146.7	.....	216.9	.....	.....	249.5	.....	.....	-40.7	.....	.....	161.0	.....	.....	.....
Mortgages	614.0	581.1	.....	491.9	.....	.....	672.6	.....	.....	583.0	.....	.....	576.9	.....	.....	.....
Consumer credit	94.4	134.7	.....	144.6	.....	.....	137.2	.....	.....	122.9	.....	.....	134.2	.....	.....	.....

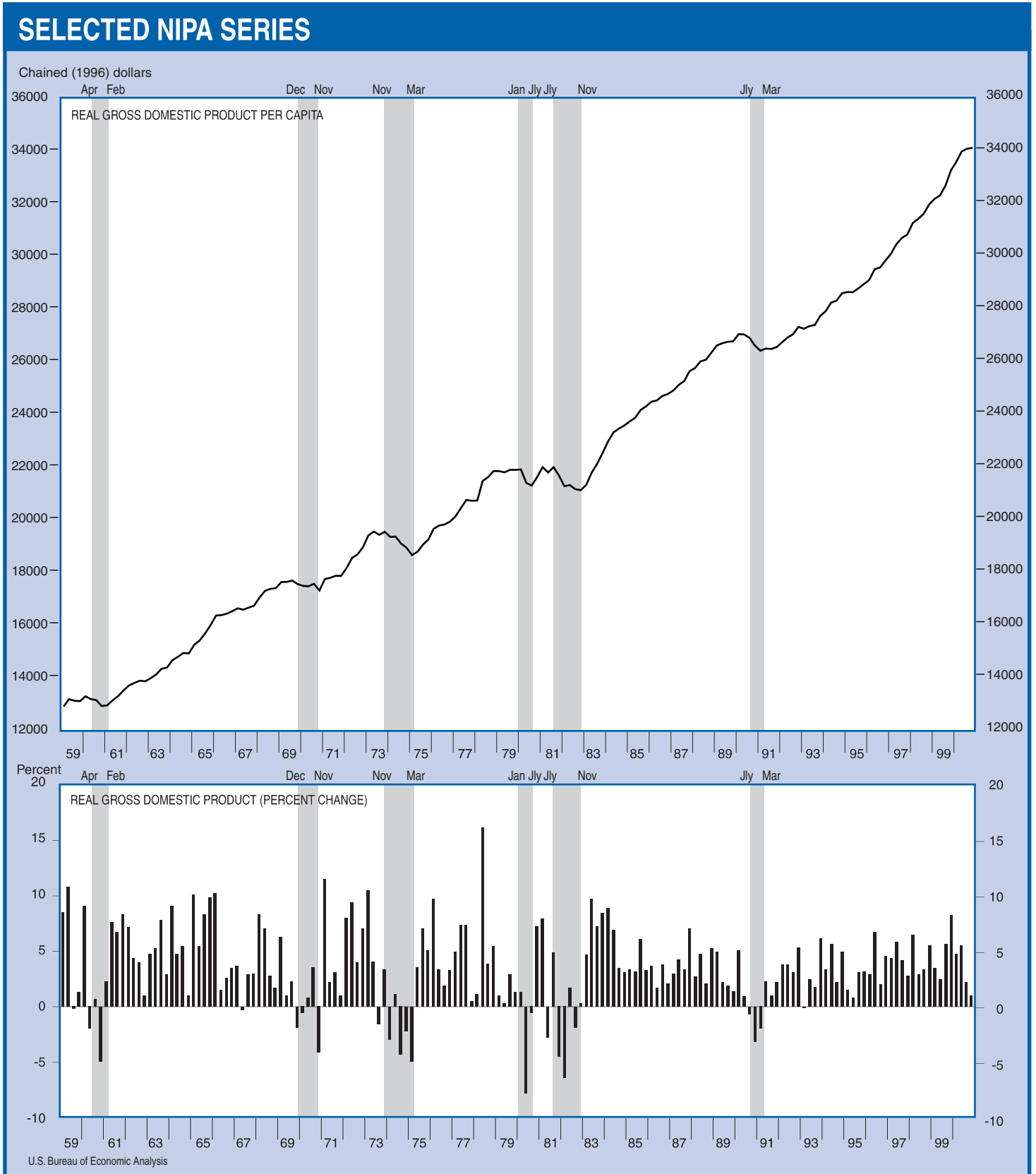
Sources:

1. Bureau of Labor Statistics
2. Federal Reserve Board

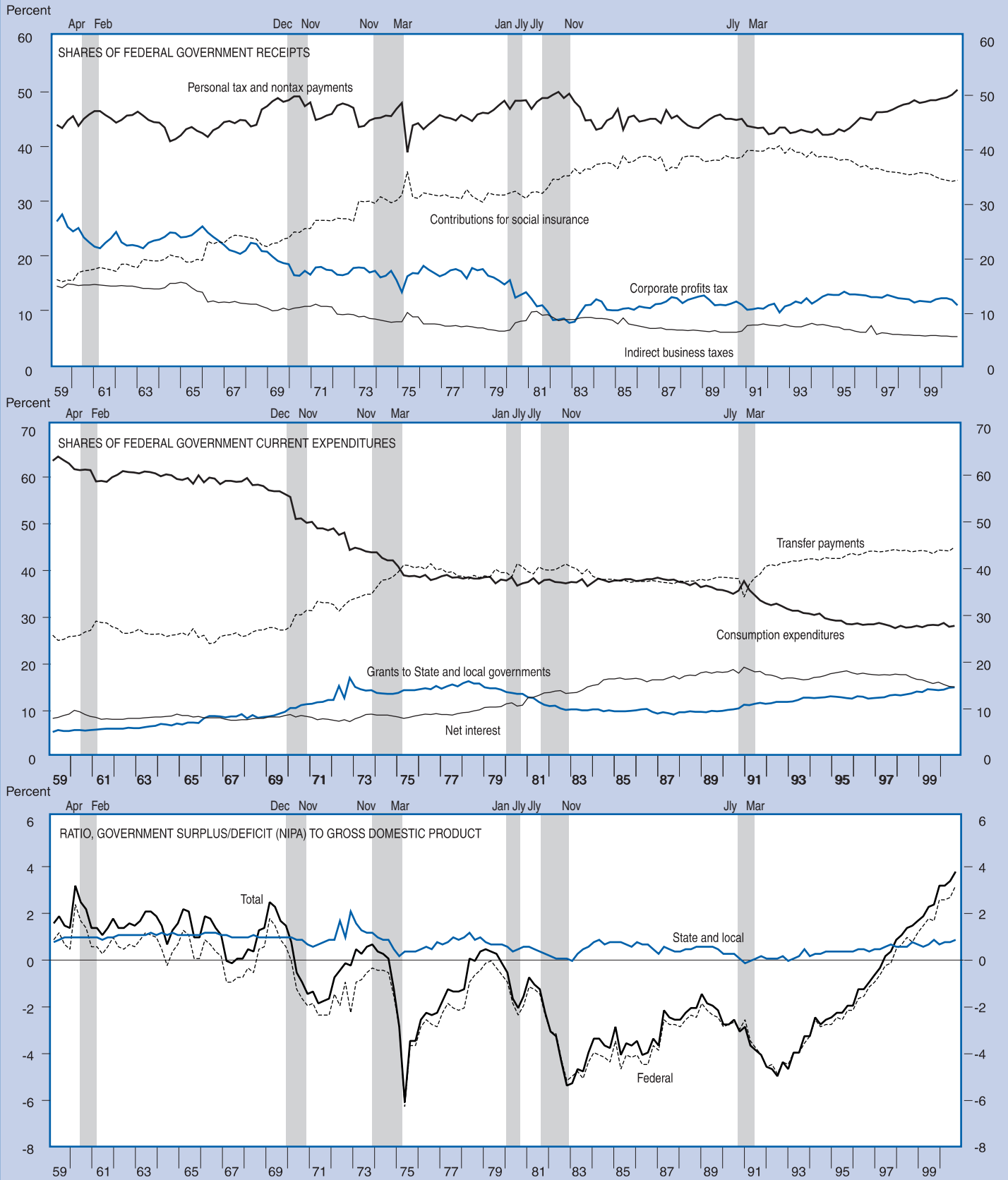
3. Standard and Poor's, Inc.
4. Bureau of the Census
n.e.c. Not elsewhere classified

E. Charts

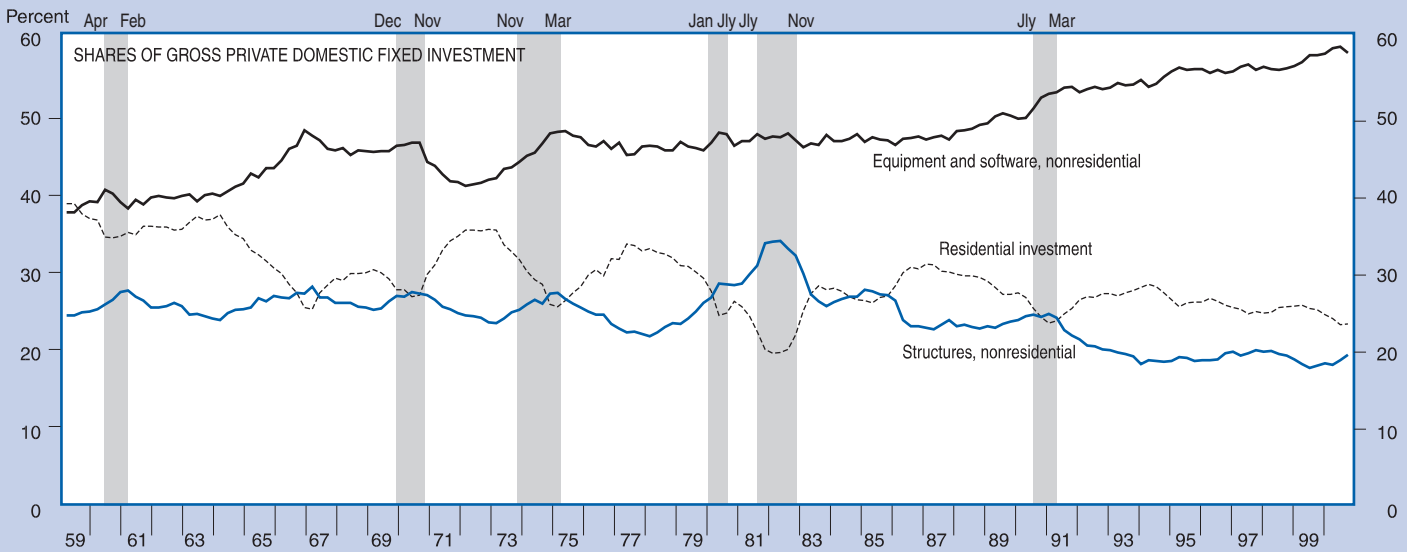
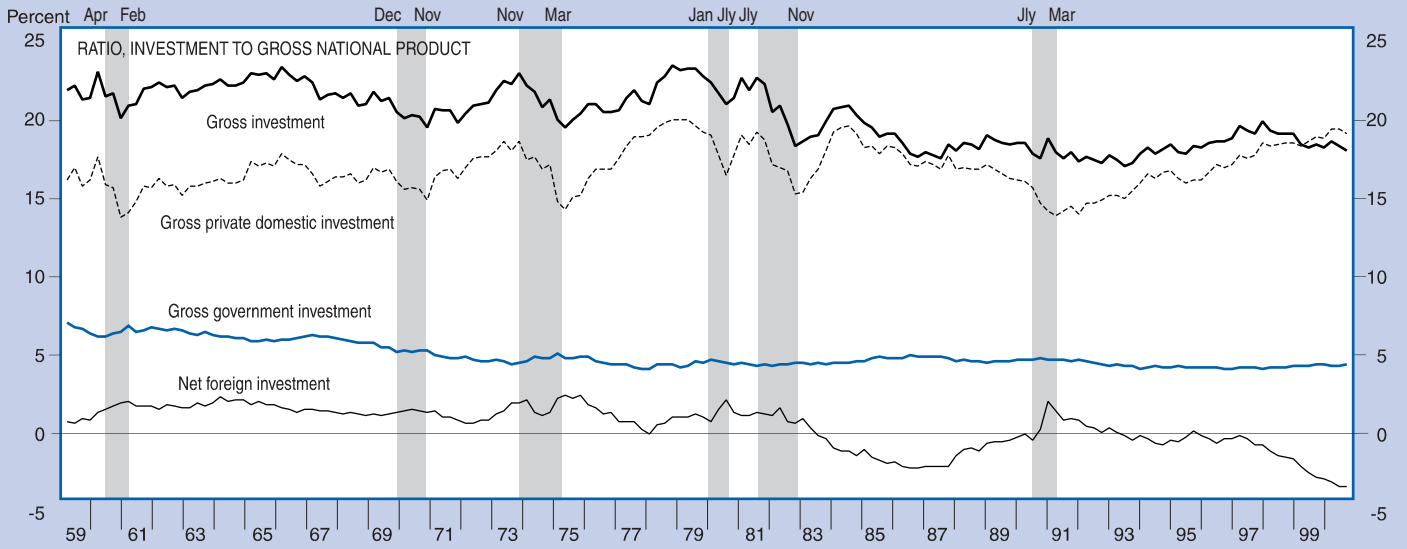
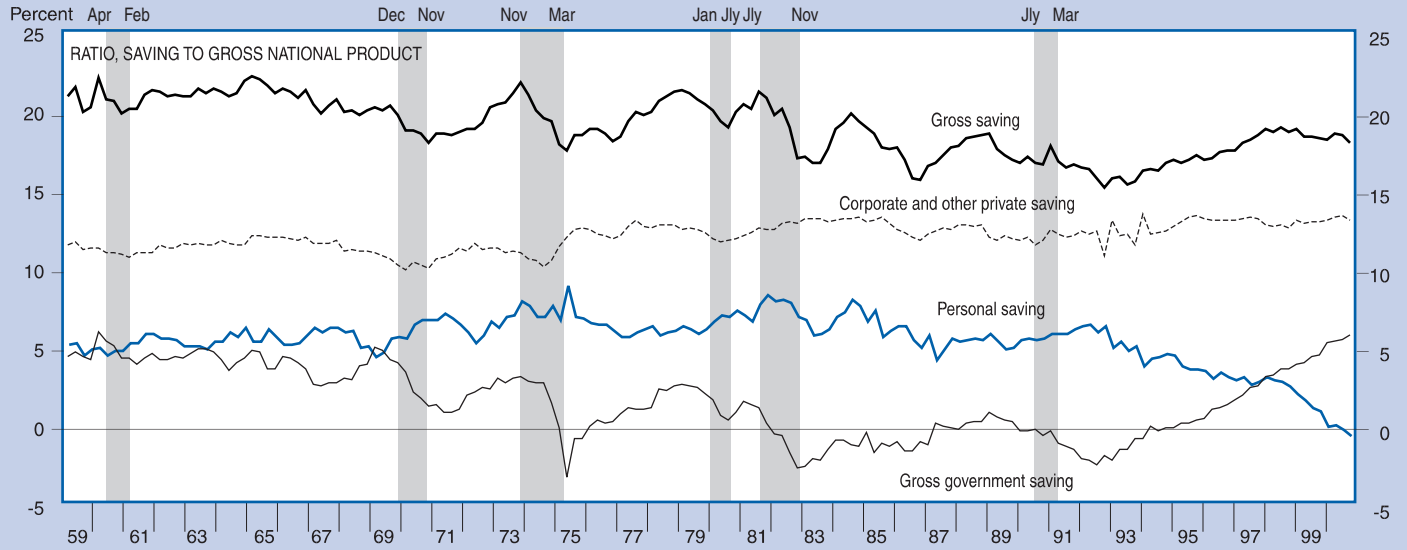
Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.



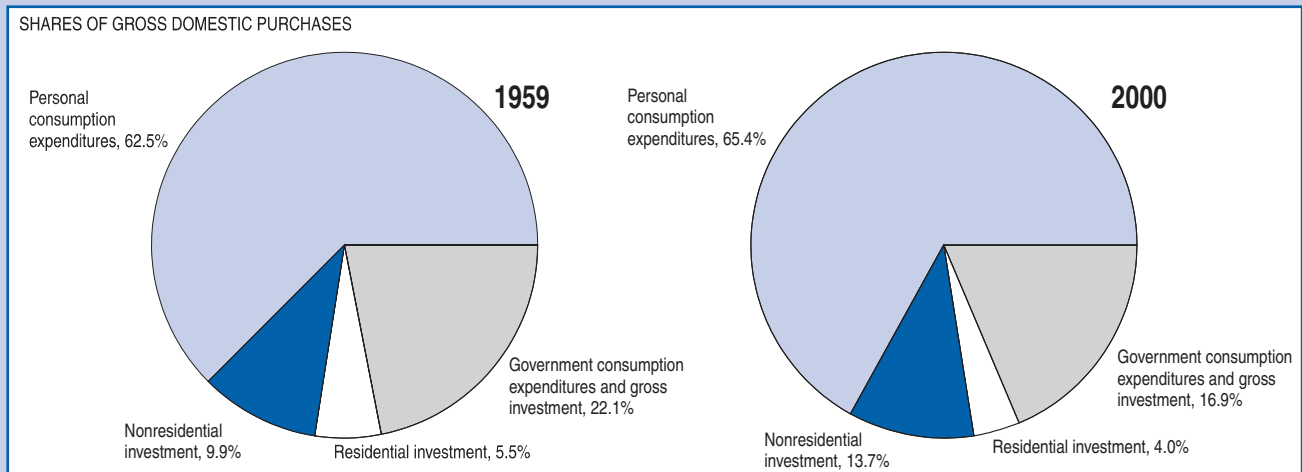
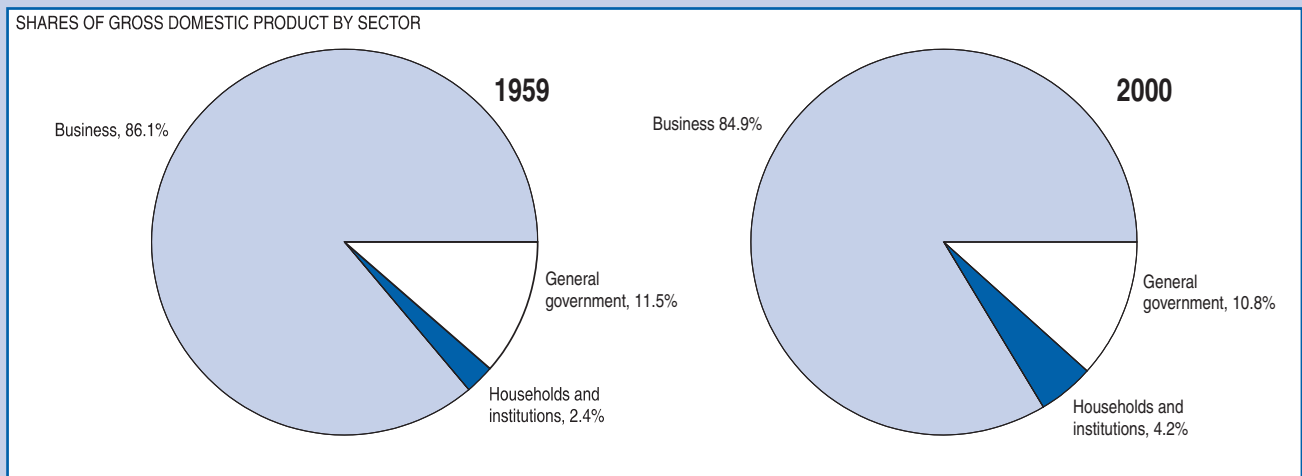
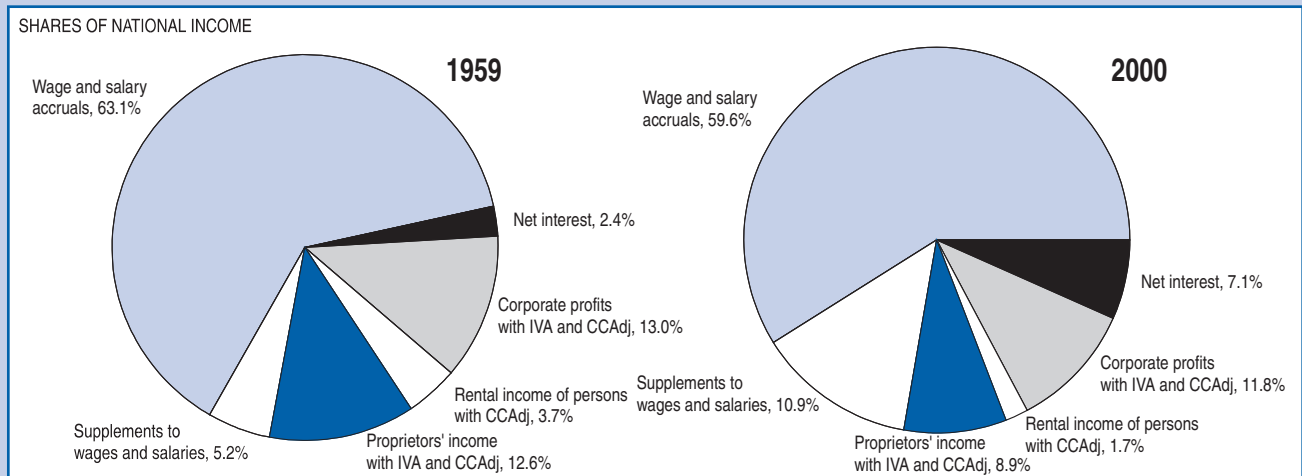
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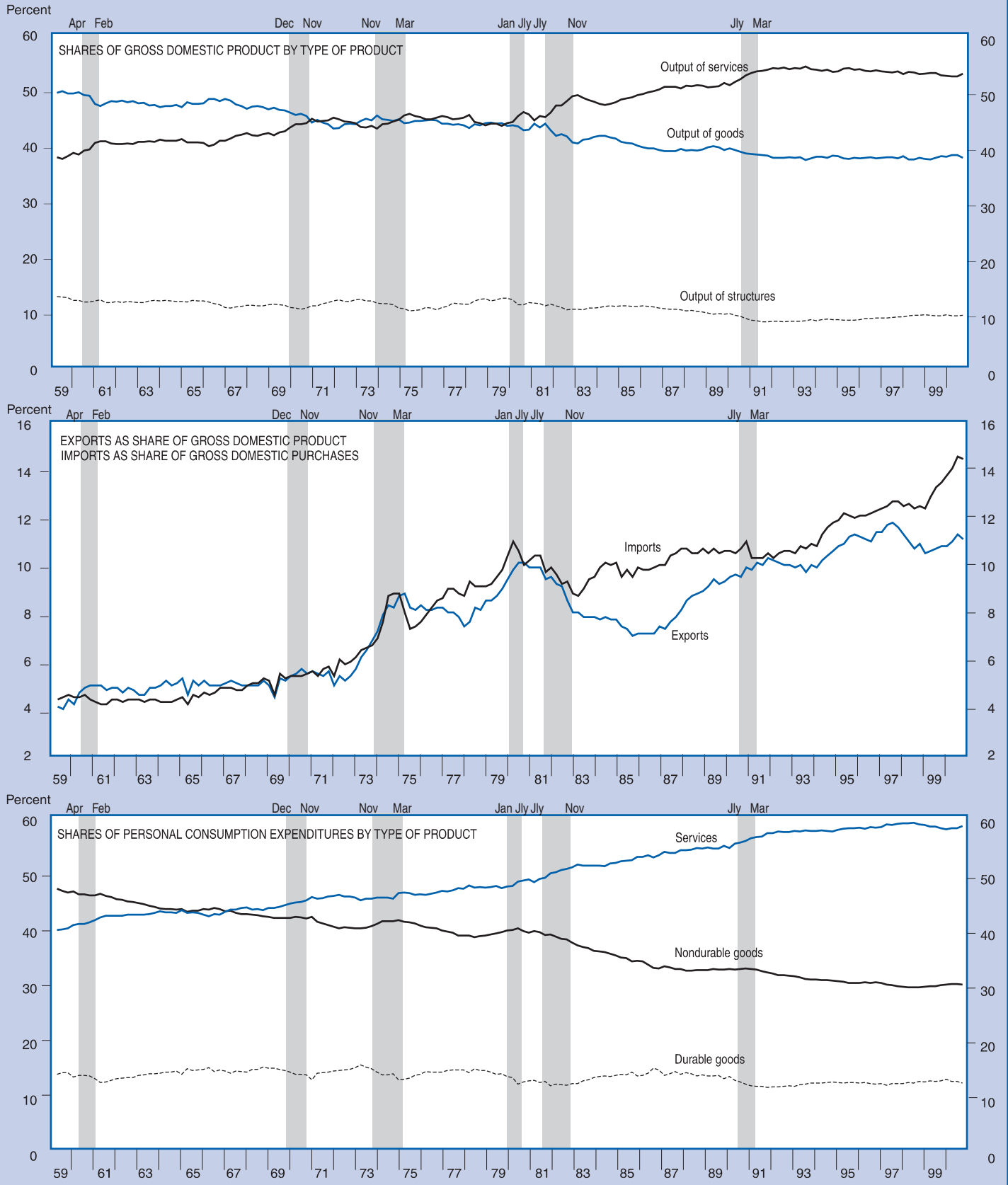
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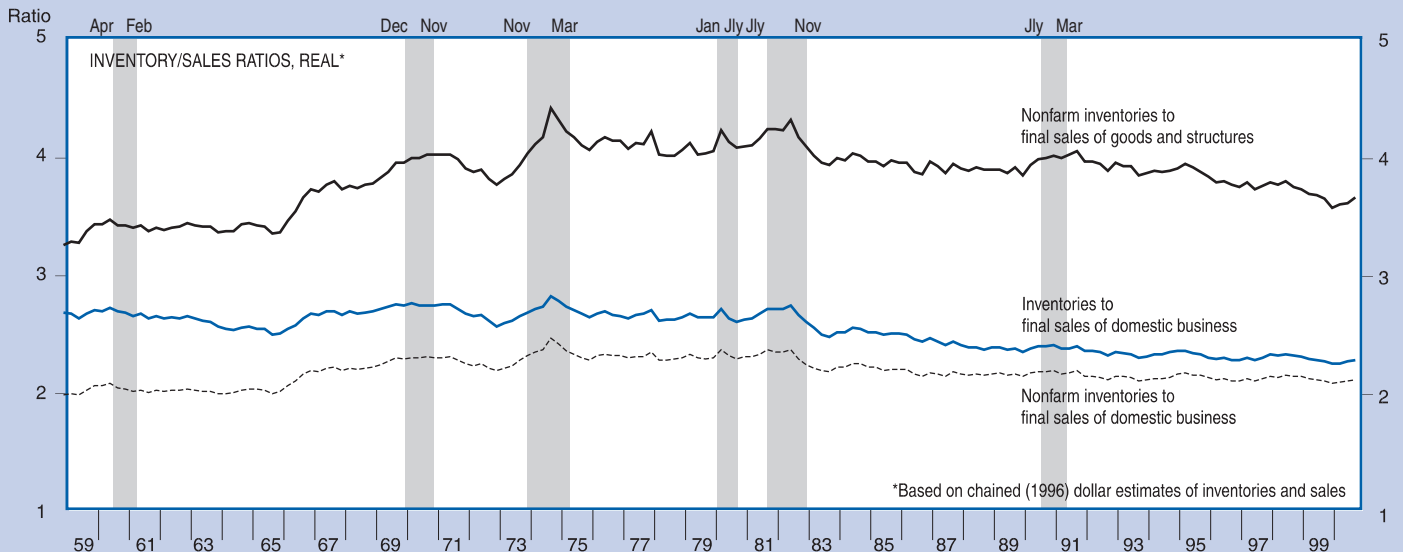
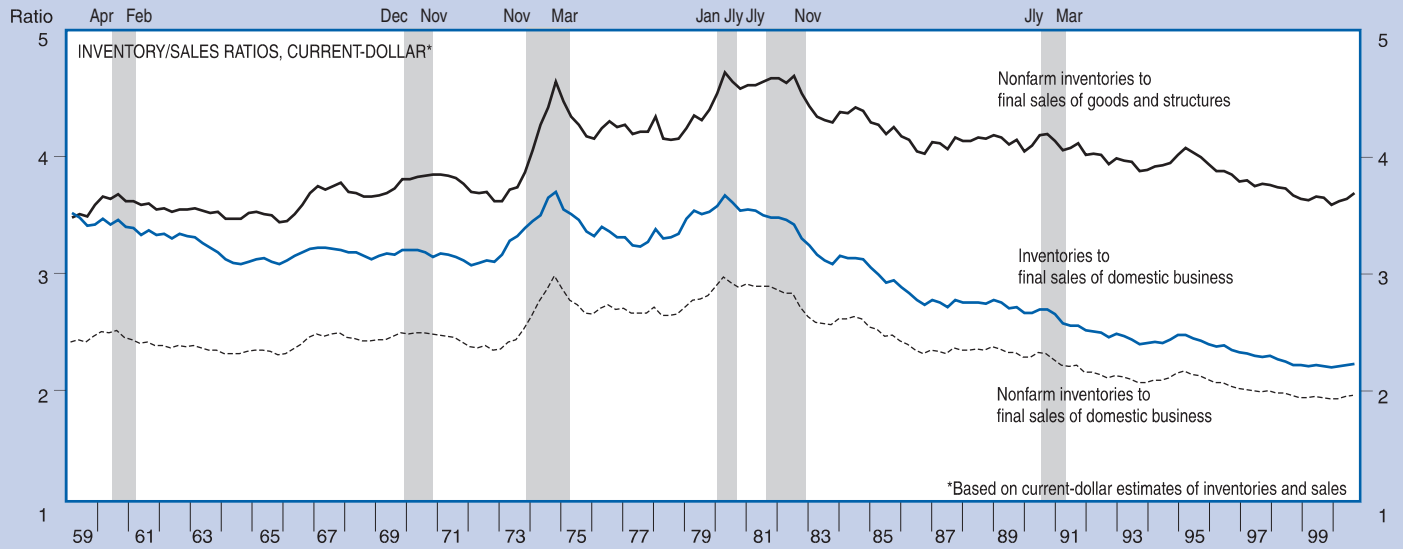
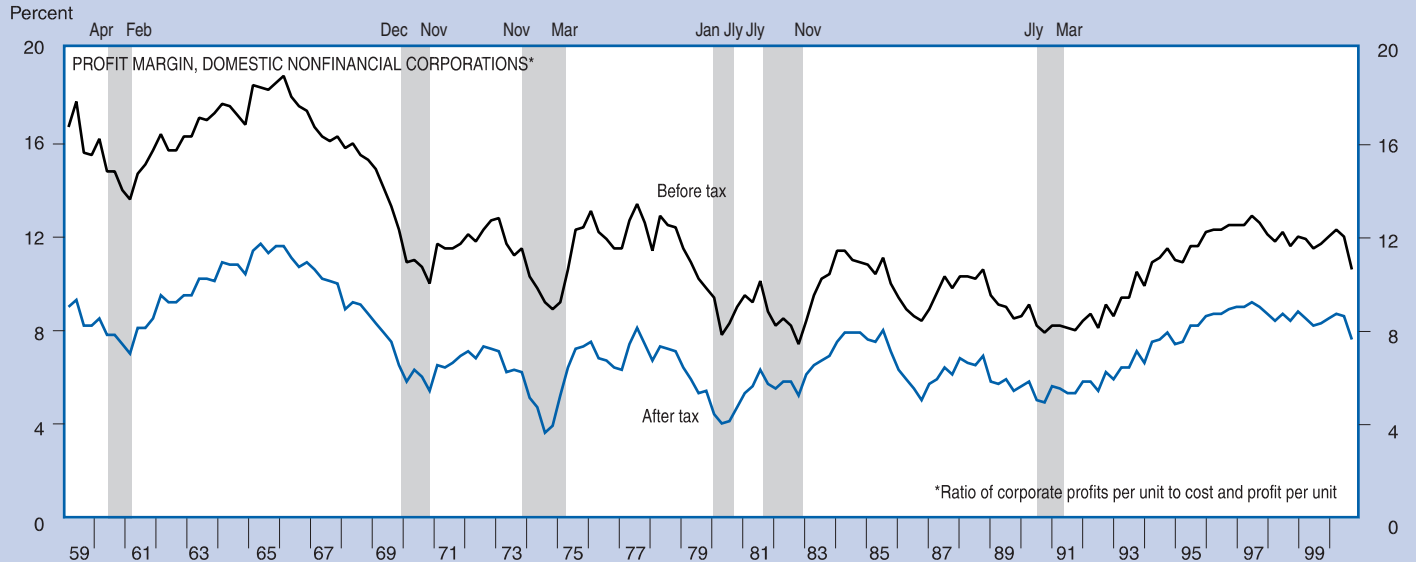
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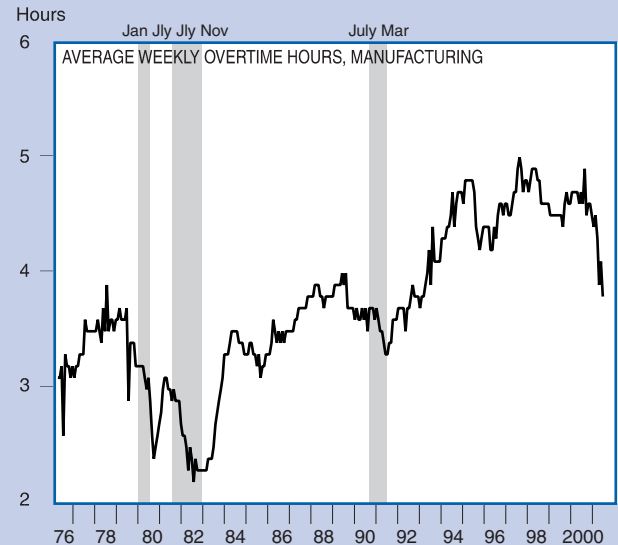
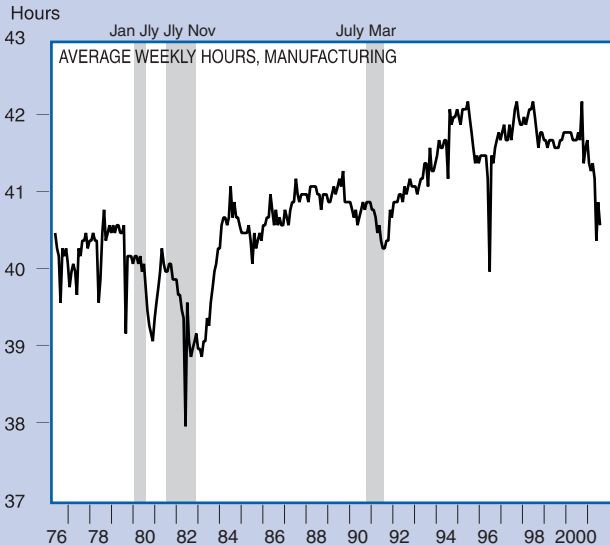
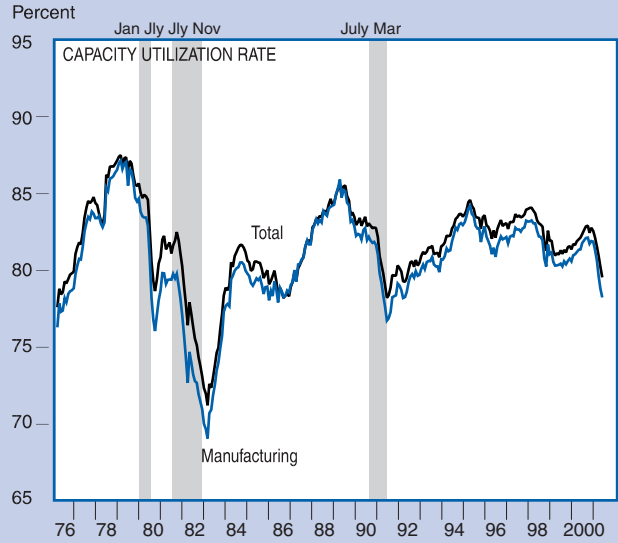
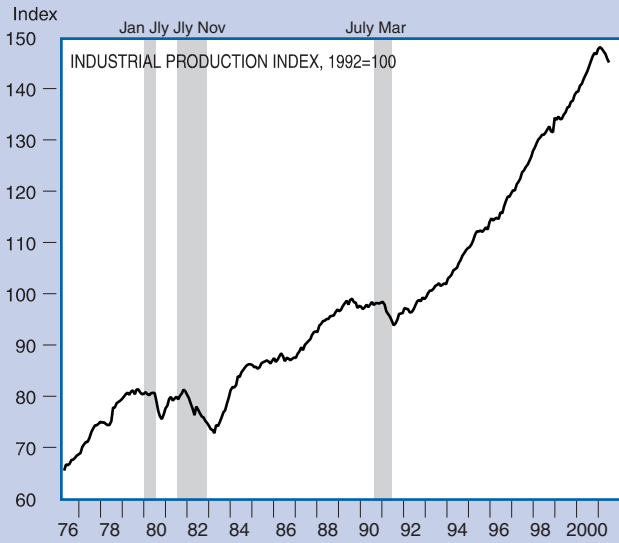
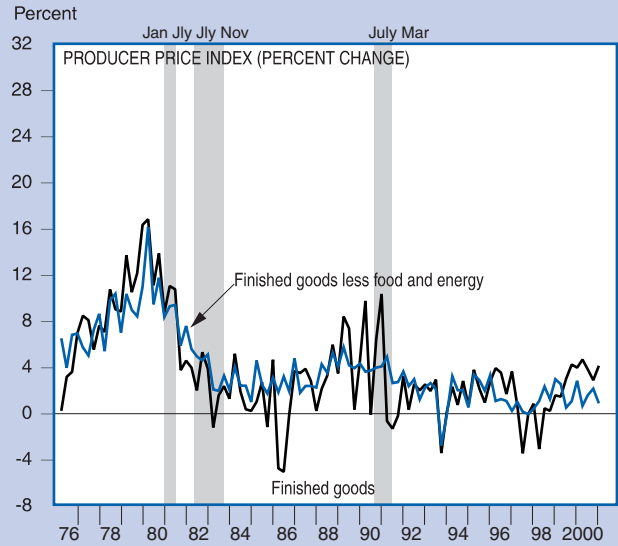
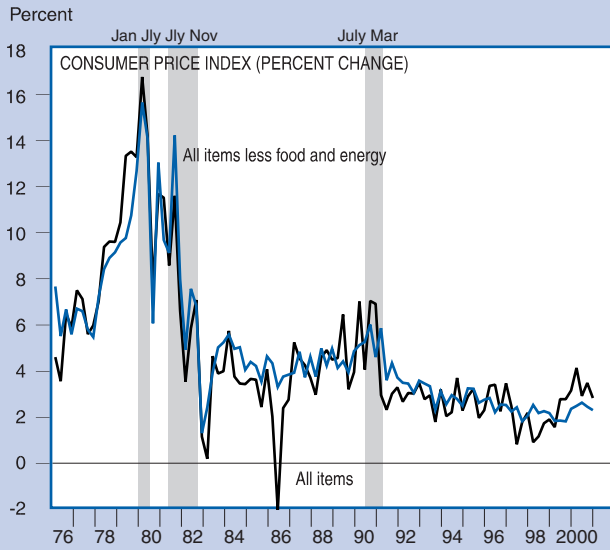
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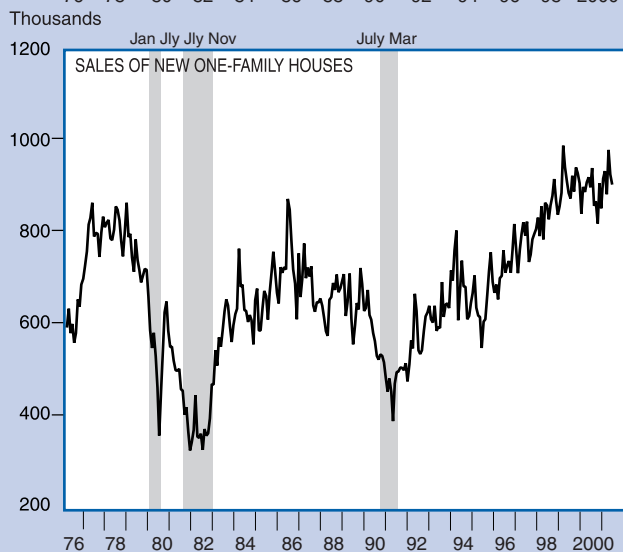
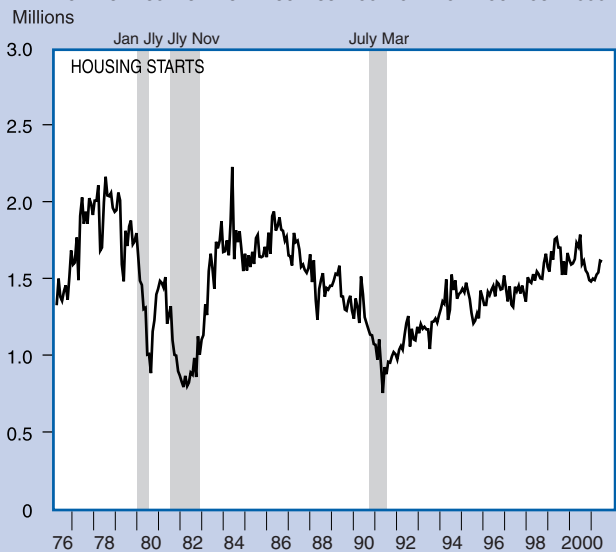
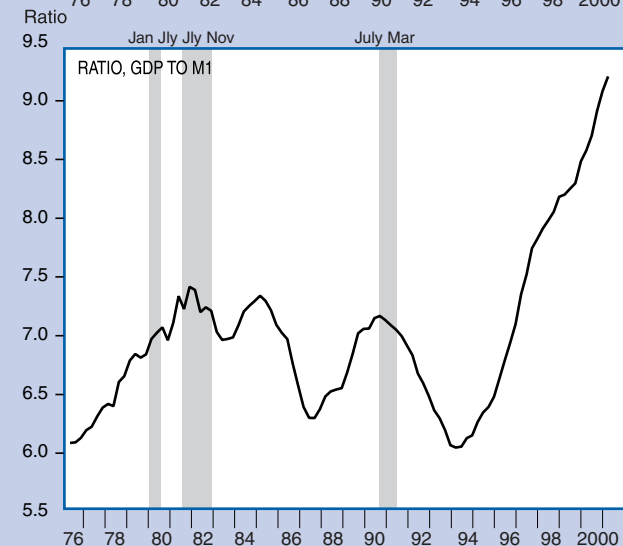
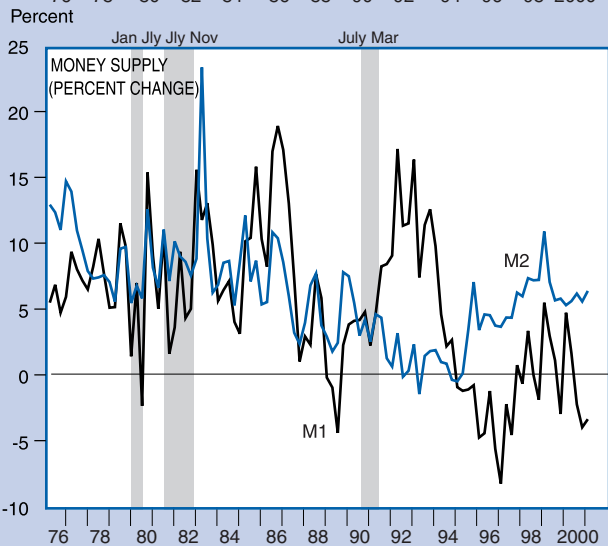
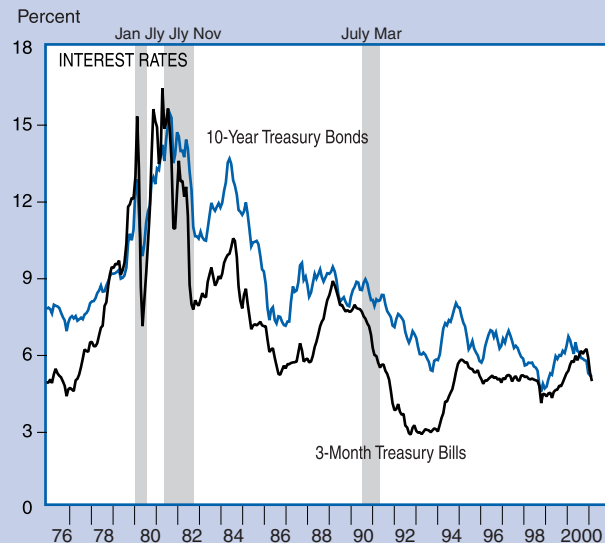
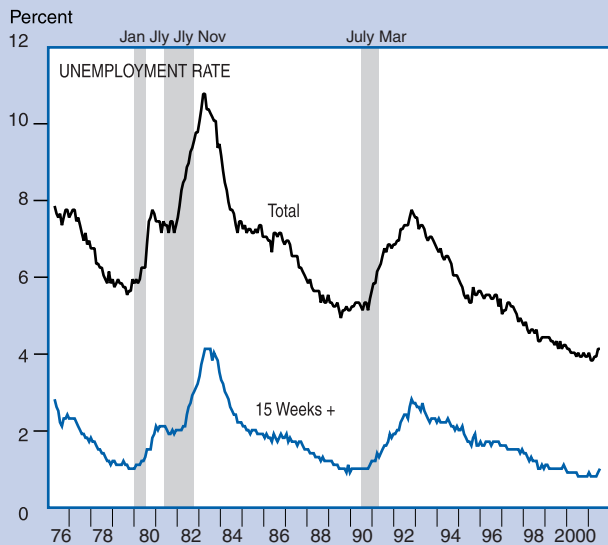
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OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



G. Investment Tables

Table G.1.—International Investment Position of the United States at Yearend, 1998 and 1999

[Millions of dollars]

Line	Type of investment	Position, 1998 ^p	Changes in position in 1999 (decrease (-))				Total (a+b+c+d)	Position, 1999 ^p
			Attributable to:					
			Financial flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
(a)	(b)	(c)	(d)					
Net international investment position of the United States:								
1	With direct investment positions at current cost (line 3 less line 24)	-1,111,813	-323,377	344,215	-60,235	68,702	29,305	-1,082,508
2	With direct investment positions at market value (line 4 less line 25)	-1,407,670	-323,377	301,897	-57,364	12,829	-66,015	-1,473,685
U.S.-owned assets abroad:								
3	With direct investment positions at current cost (lines 5+10+15)	5,079,056	430,187	455,115	-71,115	-4,215	809,972	5,889,028
4	With direct investment positions at market value (lines 5+10+16) ...	6,045,544	430,187	755,413	-63,035	5,264	1,127,829	7,173,373
5	U.S. official reserve assets	146,006	-8,747	642	-1,500	17	-9,588	136,418
6	Gold	75,291		3 642		4 17	659	75,950
7	Special drawing rights	10,603	-10		-257		-267	10,336
8	Reserve position in the International Monetary Fund	24,111	-5,484		-677		-6,161	17,950
9	Foreign currencies	36,001	-3,253		-566		-3,819	32,182
10	U.S. Government assets, other than official reserve assets	86,768	-2,751		7	202	-2,542	84,226
11	U.S. credits and other long-term assets ⁵	84,850	-3,384		-11	202	-3,193	81,657
12	Repayable in dollars	84,528	-3,363			202	-3,161	81,367
13	Other ⁶	322	-21		-11		-32	290
14	U.S. foreign currency holdings and U.S. short-term assets	1,918	633		18		651	2,569
U.S. private assets:								
15	With direct investment at current cost (lines 17+19+22+23)	4,846,282	441,685	454,473	-69,622	-4,434	822,102	5,668,384
16	With direct investment at market value (lines 18+19+22+23)	5,812,770	441,685	754,771	-61,542	5,045	1,139,959	6,952,729
Direct investment abroad:								
17	At current cost	1,207,059	150,901	5,475	-17,646	-14,602	124,128	1,331,187
18	At market value	2,173,547	150,901	305,773	-9,566	-5,123	441,985	2,615,532
19	Foreign securities	2,052,929	128,594	448,998	-47,135		530,457	2,583,386
20	Bonds	576,745	14,193	-31,341	-2,849		-19,997	556,748
21	Corporate stocks	1,476,184	114,401	480,339	-44,286		550,454	2,026,638
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	565,466	92,328		-8,037	-6,010	78,281	643,747
23	U.S. claims reported by U.S. banks, not included elsewhere	1,020,828	69,862		3,196	16,178	89,236	1,110,064
Foreign-owned assets in the United States:								
24	With direct investment at current cost (lines 26+33)	6,190,869	753,564	110,900	-10,880	-72,917	780,667	6,971,536
25	With direct investment at market value (lines 26+34)	7,453,214	753,564	453,516	-5,671	-7,565	1,193,844	8,647,058
26	Foreign official assets in the United States	837,701	42,864	-11,231			31,633	869,334
27	U.S. Government securities	620,285	32,527	-23,905			8,622	628,907
28	U.S. Treasury securities	589,023	12,177	-22,975			-10,798	578,225
29	Other	31,262	20,350	-930			19,420	50,682
30	Other U.S. Government liabilities ⁷	18,000	-3,255				-3,255	14,745
31	U.S. liabilities reported by U.S. banks, not included elsewhere	125,883	12,692				12,692	138,575
32	Other foreign official assets	73,533	900	12,674			13,574	87,107
Other foreign assets:								
33	With direct investment at current cost (lines 35+37+38+41+42+43) ...	5,353,168	710,700	122,131	-10,880	-72,917	749,034	6,102,202
34	With direct investment at market value (lines 36+37+38+41+42+43)	6,615,513	710,700	464,747	-5,671	-7,565	1,162,211	7,777,724
Direct investment in the United States:								
35	At current cost	928,645	275,533	1,766	-5,209	-75,521	196,569	1,125,214
36	At market value	2,190,990	275,533	344,382		-10,169	609,746	2,800,736
37	U.S. Treasury securities	729,738	-20,464	-48,552			-69,016	660,722
38	U.S. securities other than U.S. Treasury securities	2,012,431	331,523	168,917	-3,549		496,891	2,509,322
39	Corporate and other bonds	902,155	232,814	-67,690	-3,549		161,575	1,063,730
40	Corporate stocks	1,110,276	98,709	236,607			335,316	1,445,592
41	U.S. currency	228,250	22,407				22,407	250,657
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	437,973	34,298		-1,050	2,604	35,852	473,825
43	U.S. liabilities reported by U.S. banks, not included elsewhere	1,016,131	67,403		-1,072		66,331	1,082,462

^p Preliminary.^r Revised.

1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions financial flows.

5. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

6. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States at Yearend 1999" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1997–99

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital outflows (inflows (-))			Income		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
All countries, all industries	871,316	1,014,012	1,132,622	95,769	134,083	138,510	104,794	92,775	105,001
By country									
Canada	96,626	101,871	111,707	7,642	9,152	14,268	11,024	7,527	11,103
Europe	425,139	528,113	581,791	48,318	93,805	72,090	48,333	52,618	53,584
<i>Of which:</i>									
France	36,630	42,067	39,984	2,971	3,805	786	2,688	2,066	1,644
Germany	40,726	46,405	49,617	2,464	3,284	5,875	3,707	5,256	4,243
Netherlands	68,619	93,592	106,436	12,450	24,034	7,980	11,588	11,804	12,482
Switzerland	30,634	40,144	51,227	-792	9,418	11,910	5,071	6,614	6,566
United Kingdom	154,462	192,663	213,070	22,961	36,552	29,824	13,469	13,198	14,465
Latin America and Other Western Hemisphere	180,818	200,477	223,182	21,539	16,830	19,522	21,723	17,262	18,578
<i>Of which:</i>									
Bermuda	38,071	40,403	45,959	589	1,352	5,122	3,965	3,080	4,173
Brazil	35,778	38,195	35,003	7,138	4,834	455	4,965	2,906	1,626
Mexico	24,050	28,396	34,265	5,596	4,718	5,355	3,893	3,885	4,721
Panama	22,016	25,982	33,429	354	718	1,803	1,277	1,812	2,074
Africa	11,330	14,241	15,062	3,436	3,150	1,302	1,948	1,574	2,106
Middle East	8,836	10,632	11,137	619	2,150	1,417	1,340	825	949
Asia and Pacific	144,815	155,364	185,912	13,733	8,366	29,362	20,009	12,322	18,410
<i>Of which:</i>									
Australia	28,404	31,150	33,662	1,209	4,697	4,063	3,674	1,880	2,495
Japan	33,854	35,633	47,786	-339	1,394	10,616	3,511	1,917	4,102
International	3,752	3,315	3,832	482	631	549	416	647	271
By industry									
Petroleum	84,116	92,964	99,925	11,555	8,517	8,892	12,508	7,597	10,213
Manufacturing	278,447	294,129	318,121	28,326	22,126	35,524	38,468	29,879	32,472
Food and kindred products	32,773	35,074	36,126	4,080	2,342	1,416	5,030	4,306	3,604
Chemicals and allied products	76,394	79,868	82,794	6,974	5,245	7,100	10,023	9,428	9,431
Primary and fabricated metals	15,898	18,776	18,803	408	2,954	808	1,376	1,281	1,365
Industrial machinery and equipment	30,179	31,348	37,833	4,873	1,888	6,705	5,022	3,986	3,450
Electronic and other electric equipment	31,308	32,398	38,449	2,727	1,866	6,231	4,663	2,147	3,737
Transportation equipment	35,537	33,939	36,013	4,667	-1,190	4,857	5,478	2,495	4,371
Other manufacturing	56,357	62,725	68,103	4,687	9,021	8,406	6,876	6,237	6,514
Wholesale trade	64,929	70,014	80,148	121	6,434	11,801	9,047	9,909	10,560
Depository institutions	37,932	40,582	39,937	1,508	2,140	-920	3,286	743	1,693
Finance (except depository institutions), insurance, and real estate	297,828	375,965	436,024	39,001	62,161	54,475	31,986	34,921	37,867
Services	46,533	60,696	68,763	4,306	12,210	10,778	6,109	5,955	8,193
Other industries	61,532	79,663	89,705	10,953	20,494	17,962	3,391	3,770	4,003

NOTE.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates and Majority-Owned Nonbank Foreign Affiliates of U.S. Companies by Country and by Industry of Affiliate, 1998

	All nonbank affiliates						Majority-owned nonbank foreign affiliates (MOFA's)						
	Millions of dollars					Thou- sands of employ- ees	Millions of dollars						Thou- sands of employ- ees
	Total assets	Sales	Net income	U.S. ex- ports of goods shipped to affil- iates	U.S. im- ports of goods shipped by affil- iates		Total assets	Sales	Net income	Gross product	U.S. ex- ports of goods shipped to MOFA's	U.S. im- ports of goods shipped by MOFA's	
All countries, all industries	4,000,842	2,443,350	155,292	217,153	187,610	8,388.0	3,434,808	2,027,782	136,957	510,735	210,634	178,150	6,899.9
By country													
Canada	313,647	263,849	10,666	67,776	70,577	935.3	284,995	242,668	9,992	54,739	65,988	67,601	862.1
Europe	2,302,253	1,331,199	90,889	63,782	36,638	3,532.2	2,093,970	1,148,312	84,422	303,505	62,802	35,463	3,145.2
<i>Of which:</i>													
France	171,797	141,586	4,391	(D)	3,907	501.1	146,118	123,941	4,538	35,915	5,362	3,729	447.9
Germany	279,338	253,825	11,759	8,322	4,542	643.1	233,313	188,259	9,820	56,464	8,304	4,519	590.0
Netherlands	244,324	140,385	16,601	(D)	(D)	179.9	226,984	118,114	14,904	20,243	13,605	2,739	167.5
United Kingdom	1,025,588	366,114	15,646	13,839	9,924	1,038.7	973,745	334,572	16,128	90,735	13,803	9,854	953.5
Latin America and Other Western Hemisphere	570,042	297,670	31,792	37,081	37,759	1,807.4	434,375	230,736	22,728	61,336	35,677	36,271	1,416.4
<i>Of which:</i>													
Brazil	129,977	83,715	5,003	4,168	2,882	395.1	84,673	64,555	3,239	21,922	4,015	2,753	341.5
Mexico	99,105	98,344	8,861	24,660	27,223	907.1	55,006	65,147	4,114	13,961	23,802	26,061	668.9
Africa	47,990	28,033	2,155	887	(P)	202.9	35,867	20,830	1,551	6,752	856	1,542	111.2
Middle East	40,169	22,443	1,506	938	(P)	88.6	16,591	9,340	784	3,764	696	855	49.5
Asia and Pacific	707,708	492,388	17,224	46,689	39,734	1,810.8	558,121	371,509	16,796	79,129	44,615	36,419	1,305.4
<i>Of which:</i>													
Australia	96,615	65,874	2,629	4,761	1,290	291.0	75,555	52,315	2,209	16,756	4,731	1,217	221.6
Japan	298,485	182,288	4,006	13,514	4,773	404.2	232,322	103,644	3,133	23,648	12,185	2,003	187.8
International	19,032	7,768	1,060	0	0	10.9	10,888	4,387	684	1,510	0	0	10.1
By industry													
Petroleum	341,685	340,447	10,269	4,762	11,414	241.8	252,603	233,056	6,988	89,484	4,655	11,383	176.9
Manufacturing	982,117	1,087,302	56,908	136,201	156,492	4,652.9	839,666	954,037	52,342	251,442	131,652	147,637	3,977.3
Food and kindred products	129,038	133,141	7,492	3,501	5,161	646.6	95,898	108,529	6,362	26,570	3,187	4,788	434.9
Chemicals and allied products	236,473	200,698	19,537	15,429	10,117	609.3	209,859	179,830	18,517	55,040	14,707	9,661	543.6
Primary and fabricated metals	51,675	43,506	1,870	3,253	3,597	228.4	43,460	35,206	1,546	10,729	3,004	3,274	190.0
Industrial machinery and equipment	131,304	173,128	8,266	21,487	34,919	602.1	123,477	163,797	8,088	34,758	21,211	34,193	563.6
Electronic and other electric equipment	90,176	110,418	3,231	21,574	25,787	781.8	82,424	103,537	3,003	22,774	21,462	24,972	721.4
Transportation equipment	147,949	241,818	5,604	54,872	62,580	752.4	118,489	204,365	5,472	41,618	52,939	57,746	642.0
Other manufacturing	195,501	184,593	10,909	16,085	14,329	1032.4	166,060	158,773	9,355	59,952	15,141	13,002	881.7
Wholesale trade	244,358	438,792	16,207	69,521	16,740	601.2	238,236	420,288	15,893	59,109	68,119	16,468	569.7
Finance (except depository institutions), insurance, and real estate	1,794,120	154,402	51,409	31	8	239.5	1,732,655	146,236	49,514	22,912	27	8	222.0
Services	194,427	150,262	7,500	2,047	814	1086.6	173,177	135,679	7,120	52,509	2,010	813	962.8
Other industries	444,134	272,145	12,998	4,590	2,142	1,566.0	198,472	138,486	5,099	35,279	4,172	1,840	991.1

D Suppressed to avoid disclosure of data of individual companies.

NOTE.—The data in this table are from "U.S. Multinational Companies: Operations in 1998" in the July 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1997–99

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital inflows (outflows (-))			Income		
	1997	1998	1999	1997	1998	1999	1997	1998	1999
All countries, all industries	689,834	793,748	986,668	103,513	181,764	271,169	40,359	32,782	51,004
By country									
Canada	65,144	74,143	79,716	10,838	16,012	12,228	2,840	1,563	1,482
Europe	433,876	528,601	685,845	71,860	160,722	234,548	30,883	25,722	42,504
<i>Of which:</i>									
France	49,515	58,051	77,622	10,932	10,371	19,310	2,851	1,475	3,035
Germany	70,901	94,404	111,138	12,186	42,110	22,701	3,361	4,860	6,244
Luxembourg	11,433	26,650	54,894	5,334	14,299	25,888	476	1,162	2,766
Netherlands	87,584	98,926	130,703	12,710	9,606	32,845	6,957	5,618	8,638
Switzerland	37,874	48,403	55,280	8,611	6,392	4,930	3,110	1,582	5,181
United Kingdom	130,883	143,165	183,145	11,395	65,701	116,605	10,925	6,929	12,355
Latin America and Other Western Hemisphere	33,008	27,854	44,591	3,819	-2,817	16,787	1,730	907	1,155
<i>Of which:</i>									
Bermuda	3,506	3,740	13,054	1,853	-139	9,737	232	172	222
Mexico	3,244	2,432	3,612	323	1,057	1,214	199	246	260
Panama	5,898	6,504	5,896	328	1,121	-124	725	872	753
United Kingdom Islands—Caribbean	11,425	9,009	13,883	3,457	-2,082	4,351	149	-339	244
Africa	1,464	862	1,545	434	-593	415	-352	-90	-78
Middle East	6,585	6,346	7,087	768	509	371	576	371	165
Asia and Pacific	149,757	155,943	167,884	15,795	7,931	6,820	4,682	4,309	5,777
<i>Of which:</i>									
Australia	13,977	12,883	10,818	1,821	904	-2,507	36	-245	-569
Japan	126,464	134,590	148,947	10,559	7,563	9,529	5,513	5,160	5,892
By industry									
Petroleum	42,632	51,729	55,940	3,847	58,813	5,558	4,110	1,383	5,113
Manufacturing	271,287	334,898	391,013	34,218	87,010	72,610	17,842	19,795	27,570
Food and kindred products	26,196	22,026	16,717	-1,793	-5,031	-2,285	1,384	594	1,631
Chemicals and allied products	86,558	95,662	103,465	11,804	10,340	9,416	5,270	6,815	6,604
Primary and fabricated metals	20,466	19,340	21,808	2,067	853	1,619	1,486	1,784	1,458
Machinery	51,693	62,067	76,584	11,147	19,675	24,132	2,691	1,417	2,362
Other manufacturing	86,373	135,803	172,440	10,992	61,173	39,729	7,011	9,184	15,514
Wholesale trade	86,248	89,980	108,936	13,020	10,364	11,853	4,148	4,435	7,381
Retail trade	17,546	21,090	23,386	3,181	4,123	2,478	446	766	1,830
Depository institutions	38,956	43,804	60,118	7,626	4,618	18,331	3,860	2,694	2,934
Finance, except depository institutions	44,024	45,895	52,133	6,970	2,388	8,793	1,949	-1,975	-138
Insurance	71,327	77,785	101,760	12,922	5,537	27,014	4,599	3,795	4,383
Real estate	38,922	43,558	44,720	5,149	2,980	1,341	584	490	939
Services	35,410	41,271	57,558	4,680	6,764	16,876	985	1,067	2,157
Other industries	43,481	43,741	91,106	11,901	-832	106,315	1,835	333	-1,166

NOTE.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 1999" in the September 2000 issue of the SURVEY OF CURRENT BUSINESS.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates and Majority-Owned Nonbank U.S. Affiliates of Foreign Companies by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1998

	All nonbank affiliates							Majority-owned nonbank affiliates							
	Millions of dollars				Thousands of employees	Millions of dollars			Millions of dollars				Thousands of employees	Millions of dollars	
	Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates		Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
All countries, all industries	3,525,885	1,881,865	33,276	418,138	5,633.0	150,836	289,679	3,043,966	1,623,767	23,970	352,756	4,655.0	137,912	277,599	
By country															
Canada	371,546	153,157	2,868	40,425	661.9	8,118	15,484	347,913	133,495	2,758	34,635	541.4	7,846	15,063	
Europe	2,234,177	1,080,158	25,779	267,066	3,563.5	80,329	119,590	2,019,390	929,236	19,460	228,162	2,936.0	72,698	117,772	
<i>Of which:</i>															
France	387,383	142,434	1,505	37,349	525.7	15,140	12,649	334,708	106,113	232	25,347	306.4	(P)	12,381	
Germany	427,162	282,786	8,780	66,597	782.4	28,987	55,246	402,534	254,117	7,341	57,658	638.3	27,875	54,783	
Netherlands	320,861	145,575	1,200	29,464	406.8	4,124	10,842	294,479	114,442	549	26,314	396.8	3,952	10,790	
Sweden	45,528	34,423	359	7,679	105.3	3,880	6,562	45,177	33,848	339	7,542	103.7	3,860	6,514	
Switzerland	454,836	105,372	4,395	28,039	375.5	5,640	6,815	415,446	87,216	2,491	22,955	285.3	5,280	6,654	
United Kingdom	493,554	269,069	8,499	76,214	986.8	16,700	15,555	447,428	254,152	6,774	71,064	916.3	16,254	15,070	
Latin America and Other Western Hemisphere	75,307	60,235	972	16,995	222.0	5,537	10,276	57,272	52,367	872	15,421	204.7	5,272	8,458	
<i>Of which:</i>															
Bermuda	24,778	18,474	679	5,806	118.3	(P)	857	(P)	18,242	721	5,793	116.3	(P)	855	
Mexico	7,807	9,217	132	1,582	29.2	720	3,001	7,053	8,160	102	1,300	24.4	(P)	(P)	
Panama	3,362	2,601	-191	943	13.4	599	200	3,240	2,536	-195	(P)	J	599	200	
United Kingdom Islands—Caribbean	8,158	3,223	-40	1,009	19.1	17	350	6,714	2,711	221	1,017	15.7	16	349	
Venezuela	12,175	15,360	554	5,301	9.1	115	(P)	(P)	(P)	(P)	(P)	I	(P)	(P)	
Africa	12,923	12,233	263	2,543	20.7	788	875	(P)	(P)	(P)	(P)	J	(P)	(P)	
Middle East	17,959	16,094	439	4,614	73.1	814	2,358	15,149	10,869	552	2,422	52.7	792	(P)	
Asia and Pacific	670,164	535,198	-392	78,714	1,031.0	54,303	140,248	587,556	483,007	530	67,496	871.0	50,051	133,994	
<i>Of which:</i>															
Australia	59,088	27,764	-720	6,633	83.8	1,404	1,307	50,895	22,698	-713	5,421	67.4	679	(P)	
Japan	560,799	453,381	2,059	65,482	835.9	45,989	122,315	491,406	412,991	2,691	56,617	715.2	42,775	117,569	
United States	143,808	24,791	3,346	7,780	60.7	946	849	(P)	(P)	(P)	(P)	K	(P)	743	
By industry ¹															
Manufacturing	878,864	834,396	17,025	224,372	2,539.6	87,581	126,924	793,094	730,082	14,934	201,870	2,285.3	80,843	118,125	
<i>Of which:</i>															
Food	44,315	49,815	743	10,796	159.0	3,023	2,498	41,771	46,103	677	9,716	141.3	2,931	2,439	
Chemicals	199,557	141,875	3,226	42,935	380.0	14,930	14,429	186,187	130,516	2,836	39,637	349.0	13,538	13,936	
Primary and fabricated metals	66,493	66,578	1,644	17,250	224.1	5,212	8,893	50,641	48,372	1,091	13,104	188.5	3,915	6,941	
Machinery	42,770	49,751	855	14,622	209.7	7,936	7,438	39,535	45,604	1,053	13,667	196.1	7,133	6,675	
Computers and electronic products	81,604	97,391	-1,922	19,402	282.9	14,306	26,771	73,184	87,159	-1,895	17,810	259.4	13,417	26,100	
Electrical equipment, appliances, and components	30,535	32,865	1,157	9,925	167.6	4,957	2,967	29,618	31,570	1,100	9,545	162.4	4,748	2,934	
Transportation equipment	143,045	169,701	6,957	36,056	368.2	24,609	45,241	138,545	160,177	6,569	33,862	344.8	23,638	43,140	
Wholesale trade	283,125	491,520	3,884	51,292	526.9	56,127	155,164	268,168	462,280	2,817	47,122	467.9	50,332	152,884	
Retail trade	51,304	97,275	1,373	26,032	679.2	1,401	4,089	38,872	68,812	723	17,043	493.5	(P)	3,399	
Information	156,163	74,060	-788	23,186	266.9	870	208	99,165	49,587	34	13,746	179.3	(P)	(P)	
<i>Of which:</i>															
Publishing industries	51,457	23,676	1,034	9,595	105.1	717	(P)	(P)	19,853	-103	6,948	95.9	(P)	(P)	
Broadcasting and telecommunications	77,942	35,036	-2,438	9,616	106.0	1	(P)	28,139	14,685	-485	2,795	29.6	1	1	
Finance (except depository institutions) and insurance	1,789,405	187,956	10,292	23,954	234.9	4	49	1,556,470	162,016	4,895	19,970	198.2	4	49	
Real estate and rental and leasing	123,474	21,121	1,411	9,679	39.1	27	224	101,316	17,582	1,047	7,678	35.4	27	224	
Professional, scientific, and technical services	24,332	20,541	-202	7,961	104.5	283	232	19,093	17,486	3	6,665	80.7	263	(P)	
Other industries	219,218	154,995	281	51,662	1,241.9	4,542	2,790	167,788	115,922	-482	38,663	914.7	4,428	2,543	

D Suppressed to avoid disclosure of data of individual companies.

See "U.S. Affiliates of Foreign Companies: Operations in 1998," in the August 2000 issue of the SURVEY OF CURRENT BUSINESS.

Size ranges are given in employment cells that are suppressed. The size ranges are: A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

1. The industry classification system used to classify the data for U.S. affiliates is based on the North American Industry Classification System. Prior to 1997, the affiliate data were classified using an industry classification system based on the Standard Industrial Classification system.

NOTE.—The data in this table are from BEA's annual survey of the operations of U.S. affiliates of foreign compa-

H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

	1999	2000	2000												2001	
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.		Dec.	Jan.
Exchange rates per U.S. dollar (not seasonally adjusted) ¹																
Canada (Can.\$/US\$)	1.4858	1.4855	1.4722	1.4486	1.4512	1.4608	1.4689	1.4957	1.4770	1.4778	1.4828	1.4864	1.5125	1.5426	1.5219	1.5032
Euro zone (US\$/Euro) ²	1.0653	.9234	1.0110	1.0131	.9834	.9643	.9449	.9059	.9505	.9386	.9045	.8695	.8525	.8552	.8983	.9376
Japan (¥/US\$)	1.1373	1.0782	1.0258	1.0530	1.0939	1.0631	1.0563	1.0832	1.0613	1.0821	1.0808	1.0684	1.0844	1.0901	1.1221	1.1667
Mexico (Peso/US\$)	9.5530	9.4590	9.4270	9.4940	9.4270	9.2890	9.3940	9.5060	9.8340	9.4190	9.2720	9.3610	9.5370	9.5080	9.4670	9.7690
United Kingdom (US\$/£)	1.6172	1.5159	1.6132	1.6404	1.6000	1.5799	1.5823	1.5090	1.5092	1.5076	1.4889	1.4336	1.4506	1.4258	1.4629	1.4775
Addendum: Exchange value of the U.S. dollar ³ ...	116.87	119.93	116.09	115.95	117.44	117.24	117.63	120.20	118.94	119.34	120.12	121.53	123.27	124.21	123.28	123.15
Unemployment rates (percent, monthly data seasonally adjusted)																
Canada	7.6	6.8	6.8	6.8	6.8	6.8	6.8	6.6	6.6	6.8	7.1	6.8	6.9	6.9	6.8	6.9
France	11.2	9.7	10.6	10.5	10.2	10.0	9.9	9.8	9.6	9.7	9.6	9.5	9.4	9.2	9.2	9.0
Germany	10.5	9.6	10.2	10.1	10.0	10.1	9.6	9.6	9.6	9.5	9.5	9.4	9.3	9.3	9.2	9.3
Italy	11.4	10.6	.....	.....	11.2	.....	.....	10.7	.....	.....	10.5	.....	.....	10.0	.....	.....
Japan	4.7	4.8	4.7	4.7	4.9	4.9	4.8	4.6	4.7	4.7	4.6	4.7	4.7	4.8	4.9	4.9
Mexico	2.5	2.1	2.0	2.3	2.4	2.2	2.5	2.1	2.1	2.0	2.6	2.5	2.0	2.0	1.9 ⁴	2.3
United Kingdom	4.3	3.7	4.1	4.0	4.0	3.9	3.8	3.8	3.8	3.7	3.6	3.6	3.6	3.6	3.5	3.5
Addendum: United States	4.2	4.0	4.1	4.0	4.1	4.1	3.9	4.1	4.0	4.0	4.1	3.9	3.9	4.0	4.0	4.2
Consumer prices (monthly data seasonally adjusted, 1995=100)																
Canada	106.1	109.0	107.0	106.9	107.5	108.2	107.9	108.4	109.1	109.5	109.3	109.8	110.0	110.4	110.5	110.1
France	104.6	106.3	105.4	105.4	105.5	106.0	106.0	106.2	106.4	106.2	106.4	107.0	106.8	107.1	107.0	106.6
Germany	104.9	106.9	105.5	105.8	106.2	106.4	106.4	106.3	106.9	107.4	107.2	107.7	107.5	107.7	107.8	108.3
Italy	110.0	112.8	111.1	111.3	111.7	112.0	112.1	112.5	112.8	113.0	113.1	113.3	113.7	114.0	114.1	114.6
Japan	102.2	101.5	101.7	101.4	101.3	101.5	101.7	101.8	101.5	101.3	101.3	101.6	101.7	101.5	101.5	101.5
Mexico	219.1	239.9	228.8	231.9	234.0	235.3	236.6	237.5	238.9	239.8	241.1	242.9	244.6	246.7	249.3	250.7
United Kingdom	111.0	114.2	112.2	111.8	112.4	113.0	114.1	114.5	114.8	114.4	114.4	115.2	115.1	115.5	115.5	114.8
Addendum: United States	109.3	113.0	110.8	111.0	111.6	112.3	112.3	112.5	113.1	113.4	113.3	113.9	114.1	114.4	114.6	115.3
Real gross domestic product (percent change from preceding quarter, quarterly data seasonally adjusted at annual rates)																
Canada	4.5	4.7	.....	.....	4.8	.....	.....	4.3	.....	.....	4.5	.....	.....	2.6	.....	.....
France	3.2	3.2	.....	.....	2.2	.....	.....	2.8	.....	.....	2.4	.....	.....	3.9	.....	.....
Germany	1.4	3.1	.....	.....	3.9	.....	.....	4.8	.....	.....	1.1	.....	.....	.8	.....	.....
Italy	1.4	.....	.....	.....	4.4	.....	.....	1.0	.....	.....	2.4	.....	.....	.....	.....	.....
Japan .....	.8	.....	.....	.....	10.0	.....	.....	.9	.....	.....	-2.4	.....	.....	.....	.....	.....
Mexico	3.8	6.9	.....	.....	7.7	.....	.....	7.6	.....	.....	7.3	.....	.....	5.1	.....	.....
United Kingdom	2.3	3.0	.....	.....	1.6	.....	.....	3.6	.....	.....	3.4	.....	.....	1.6	.....	.....
Addendum: United States	4.2	5.0	.....	.....	4.8	.....	.....	5.6	.....	.....	2.2	.....	.....	1.0	.....	.....

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

	1999	2000	2000													2001
			2000													
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.		Jan.
Short-term, 3-month, interest rates (percent, not seasonally adjusted)																
Canada	4.83	5.61	5.12	5.04	5.07	5.35	5.39	5.84	5.83	5.79	5.81	5.79	5.83	5.86	5.74	5.44
Euro zone	2.97	4.39	3.44	3.34	3.54	3.75	3.93	4.35	4.50	4.58	4.78	4.85	5.04	5.09	4.94	4.77
Japan .....	.25	.26	.12	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10	.10
Mexico	22.38	16.15	17.65	17.43	16.44	14.46	14.37	15.58	16.61	14.62	15.71	16.15	17.06	18.01	17.41	18.50
United Kingdom	5.45	6.10	5.96	6.05	6.15	6.15	6.20	6.23	6.13	6.11	6.13	6.12	6.08	6.00	5.88	5.75
Addendum:																
United States	4.66	5.84	5.23	5.34	5.57	5.72	5.67	5.92	5.74	5.93	6.11	5.99	6.10	6.18	5.83	5.27
Long-term interest rates, government bond yields (percent, not seasonally adjusted)																
Canada	5.68	5.92	6.22	6.48	6.19	5.93	5.90	6.10	5.89	5.84	5.77	5.81	5.79	5.78	5.58	5.71
Euro zone	4.66	5.44	5.30	5.70	5.66	5.49	5.41	5.52	5.35	5.45	5.40	5.47	5.42	5.34	5.07	5.01
France	4.94	5.89	5.81	6.11	5.96	5.73	5.84	5.92	5.94	6.00	6.04	5.93	5.92	5.78	5.55	5.48
Germany	4.5	5.27	5.2	5.5	5.5	5.3	5.2	5.4	5.2	5.3	5.2	5.3	5.2	5.2	4.9	4.8
Italy	4.73	5.58	5.36	5.75	5.73	5.58	5.47	5.67	5.51	5.59	5.56	5.63	5.58	5.55	5.30	5.18
Japan	1.75	1.75	1.77	1.69	1.8	1.8	1.7	1.7	1.7	1.7	1.8	1.9	1.8	1.8	1.6	1.5
United Kingdom	5.08	5.31	5.38	5.82	5.62	5.36	5.30	5.40	5.20	5.20	5.29	5.34	5.19	5.07	4.90	4.86
Addendum:																
United States	5.65	6.03	6.28	6.66	6.52	6.26	5.99	6.44	6.10	6.05	5.83	5.80	5.74	5.72	5.24	5.16
Share price indices (not seasonally adjusted, 1995=100)																
Canada	159.2	216.7	189.8	191.3	205.9	213.4	210.8	208.7	229.9	234.7	253.7	234.1	217.4	198.9	201.5	210.2
France	234.6	321.7	289.3	295.1	316.7	329.7	318.2	324.2	333.4	332.6	336.5	336.5	316.5	317.0	303.6	299.7
Germany	204.9	260.3	234.8	253.6	279.6	293.8	272.9	265.8	266.0	262.9	261.8	256.6	242.6	240.7	227.0	227.4
Italy	246	319	271	283	320	337	309	316	321	328	325	327	317	332	312	307
Japan	100	100	119	120	124	124	124	124	124	124	124	124	124	124	124	124
Mexico	240.3	293.6	321.3	296.7	332.0	336.7	299.2	268.6	313.1	293.5	300.3	285.4	288.1	254.7	254.7	292.7
United Kingdom	168.4	178.5	185.1	183.7	178.2	189.8	178.7	175.2	182.1	182.3	180.7	179.2	172.5	172.2	167.4	165.0
Addendum:																
United States	213	221.4	219	218	208	214	222	220	223	224	229	233	222	222	222	223

1. All exchange rates are from the Board of Governors of the Federal Reserve System.

2. Rates for selected euro-area currencies can be derived by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire.

3. The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100 and reflects revised trade weights. For more information on the exchange rate indexes, see "New Summary Measures

of the Foreign Exchange Value of the Dollar," Federal Reserve Bulletin, vol. 84 (October 1998), pp. 811-18.

NOTE.—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. GDP growth rates for other countries are calculated from levels published by those countries. Most other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1995 to facilitate comparison) are © OECD and are reproduced with permission.

I. Charts

THE U.S. IN THE INTERNATIONAL ECONOMY

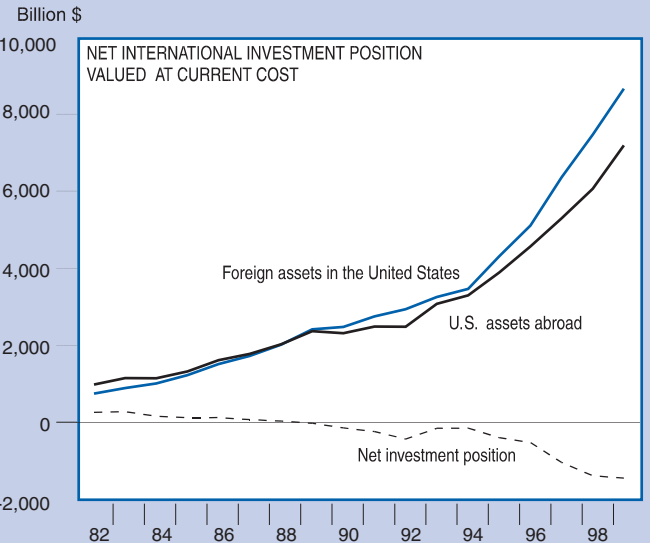
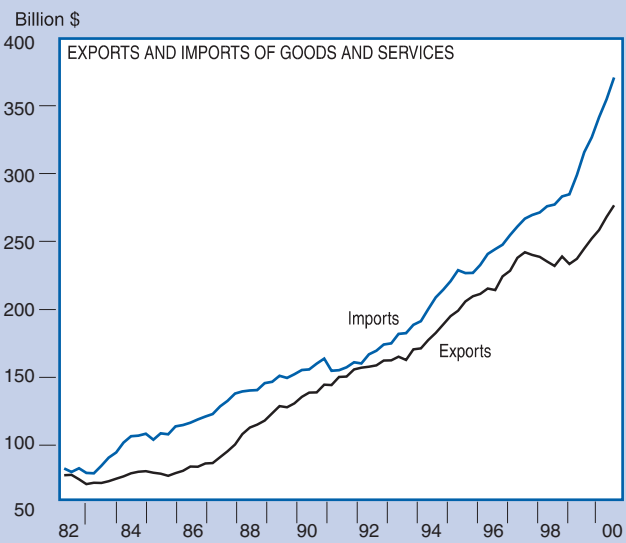
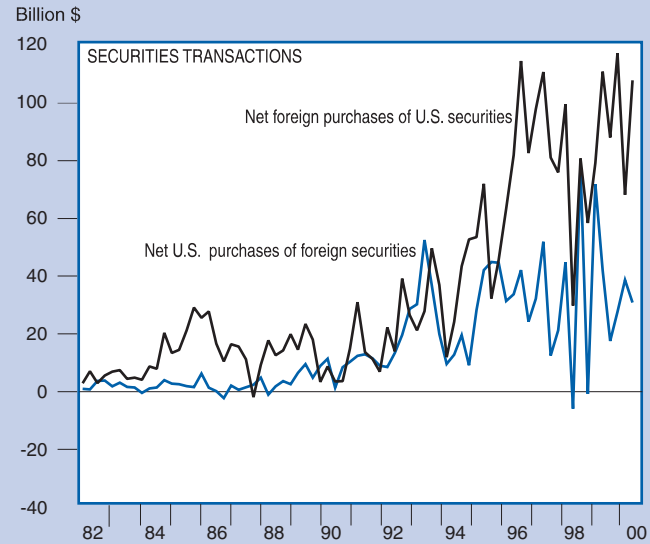
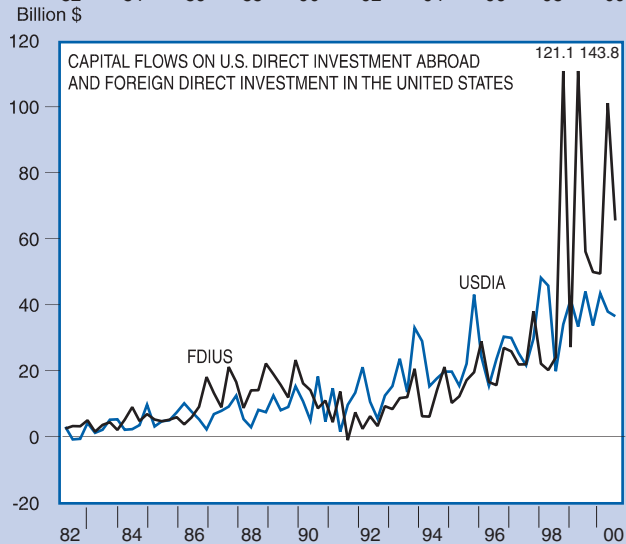
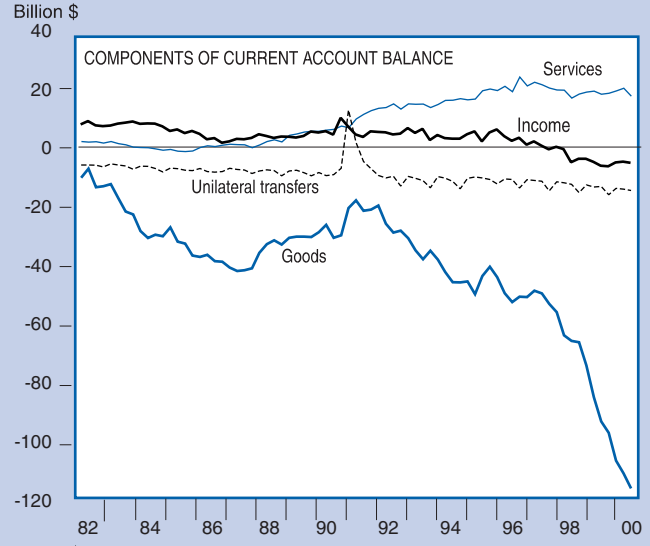
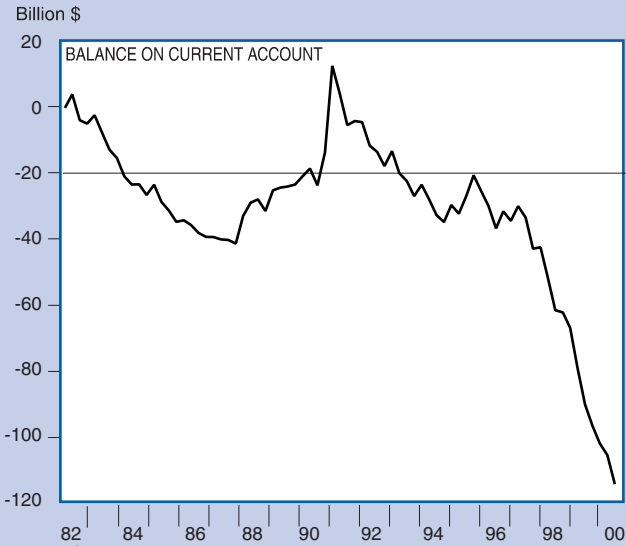


Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

Area name	Per capita personal income ¹				Per capita disposable personal income ¹			
	Dollars			Rank in U.S.	Dollars			Rank in U.S.
	1997	1998	1999	1999	1997	1998	1999	1999
United States	25,874	27,322	28,542	.....	22,260	23,363	24,322	.....
New England	30,510	32,365	34,173	.....	25,604	26,916	28,320	.....
Connecticut	35,596	37,452	39,300	1	29,264	30,365	31,697	1
Maine	22,305	23,529	24,603	37	19,435	20,327	21,165	37
Massachusetts	31,332	33,394	35,551	2	26,112	27,600	29,294	3
New Hampshire	27,607	29,679	31,114	8	24,030	25,778	26,973	6
Rhode Island	26,631	28,012	29,377	15	24,144	24,188	25,342	13
Vermont	23,362	24,803	25,889	32	20,310	21,456	22,318	32
Midwest	29,511	31,161	32,628	.....	24,995	26,175	27,286	.....
Delaware	27,405	29,571	30,778	11	23,109	24,997	26,021	12
District of Columbia	36,087	37,714	39,858	.....	30,384	31,300	32,905	.....
Maryland	29,222	30,850	32,465	5	24,661	25,849	27,116	5
New Jersey	32,372	34,310	35,551	2	27,437	28,786	29,683	2
New York	30,480	32,236	33,890	4	25,570	26,801	28,020	4
Pennsylvania	26,092	27,358	28,605	16	22,507	23,456	24,456	17
Great Lakes	25,825	27,224	28,348	.....	22,125	23,195	24,070	.....
Illinois	28,347	29,974	31,145	7	24,260	25,491	26,384	9
Indiana	23,748	25,182	26,143	30	20,404	21,544	22,279	34
Michigan	25,570	26,807	28,113	18	21,920	22,803	23,866	20
Ohio	24,913	26,164	27,152	23	21,393	22,389	23,150	25
Wisconsin	24,790	26,245	27,390	21	21,100	22,226	23,165	24
Plains	24,861	26,282	27,350	.....	21,497	22,644	23,564	.....
Iowa	23,798	24,844	25,615	33	20,770	21,664	22,296	33
Kansas	24,355	25,687	26,824	27	21,062	22,185	23,146	26
Minnesota	27,548	29,503	30,793	10	23,316	24,847	26,113	10
Missouri	24,252	25,403	26,376	29	21,081	21,974	22,745	28
Nebraska	24,590	25,861	27,049	24	21,455	22,432	23,370	23
North Dakota	20,798	22,767	23,313	39	18,491	20,311	20,692	38
South Dakota	22,275	23,797	25,045	36	20,034	21,402	22,463	31
Southeast	23,518	24,780	25,703	.....	20,508	21,518	22,238	.....
Alabama	21,129	22,123	22,967	42	18,596	19,456	20,170	42
Arkansas	20,229	21,260	22,244	46	17,855	18,706	19,532	46
Florida	25,722	26,930	27,780	19	22,453	23,352	23,981	19
Georgia	24,547	26,134	27,340	22	21,153	22,420	23,378	22
Kentucky	21,215	22,353	23,237	41	18,397	19,329	20,033	43
Louisiana	21,209	22,352	22,847	44	18,715	19,758	20,171	41
Mississippi	18,885	20,013	20,688	50	16,925	17,900	18,467	50
North Carolina	24,188	25,454	26,003	31	20,907	21,903	22,227	35
South Carolina	21,385	22,544	23,545	38	18,702	19,671	20,555	39
Tennessee	23,324	24,576	25,574	34	20,754	21,834	22,674	29
Virginia	26,768	28,343	29,789	14	22,862	24,040	25,139	15
West Virginia	19,388	20,246	20,966	49	17,174	17,902	18,498	49
Southwest	23,414	24,857	25,862	.....	20,619	21,779	22,606	.....
Arizona	22,781	24,133	25,189	35	19,819	20,860	21,721	36
New Mexico	20,233	21,178	21,853	48	17,853	18,663	19,229	48
Oklahoma	21,106	22,199	22,953	43	18,472	19,395	20,023	44
Texas	24,242	25,803	26,858	26	21,421	22,674	23,544	21
Rocky Mountain	24,259	25,756	27,072	.....	20,898	22,110	23,188	.....
Colorado	27,950	29,880	31,546	6	23,880	25,346	26,674	8
Idaho	20,830	21,923	22,835	45	18,201	19,138	19,883	45
Montana	20,167	21,324	22,019	47	17,771	18,749	19,303	47
Utah	21,156	22,294	23,288	40	18,261	19,294	20,222	40
Wyoming	23,820	24,927	26,396	28	20,597	21,452	22,654	30
Far West	26,671	28,168	29,727	.....	22,864	23,954	25,170	.....
Alaska	27,042	27,904	28,577	17	23,772	24,441	25,022	16
California	26,759	28,280	29,910	13	22,836	23,937	25,195	14
Hawaii	26,241	26,725	27,544	20	23,006	23,368	24,075	18
Nevada	28,201	29,806	31,022	9	24,542	25,726	26,685	7
Oregon	24,845	25,958	27,023	25	21,134	22,105	23,003	27
Washington	26,817	28,632	30,392	12	23,397	24,645	26,041	11

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates from the Bureau of the Census.

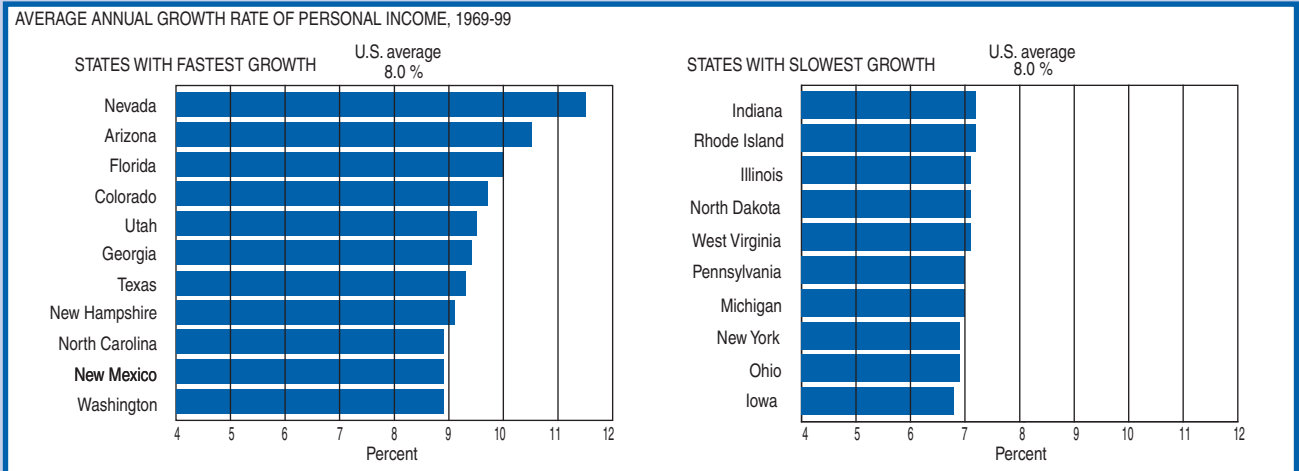
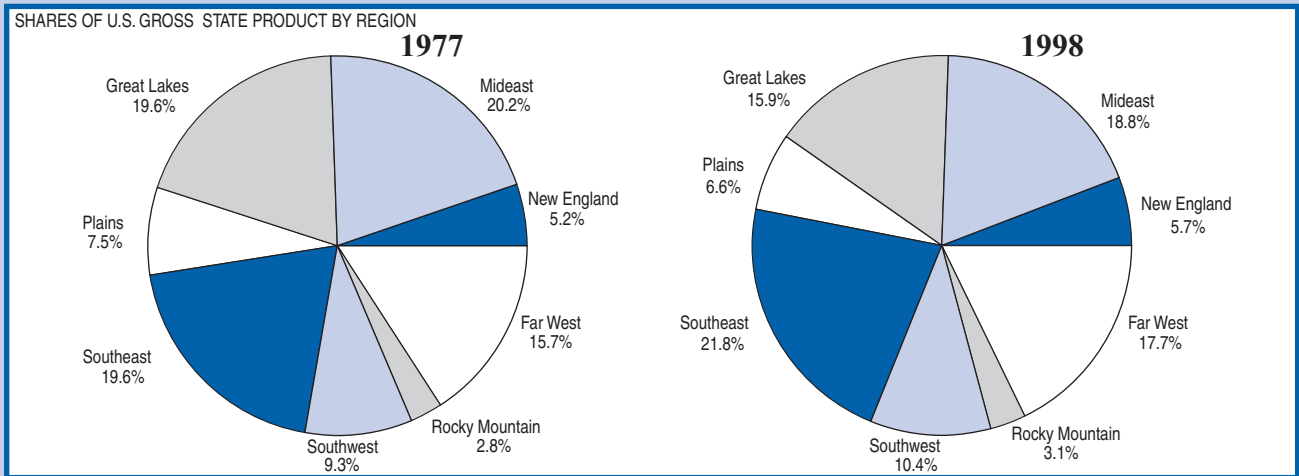
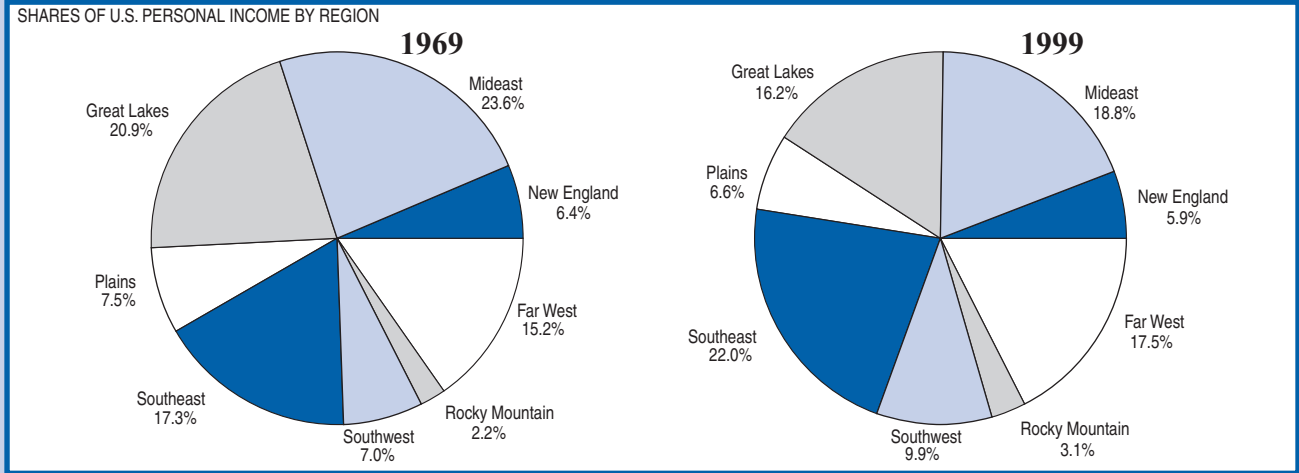
NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the estimate of personal income in the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the

estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "State Personal Income, Revised Estimates for 1997-99" in the October 2000 SURVEY OF CURRENT BUSINESS.

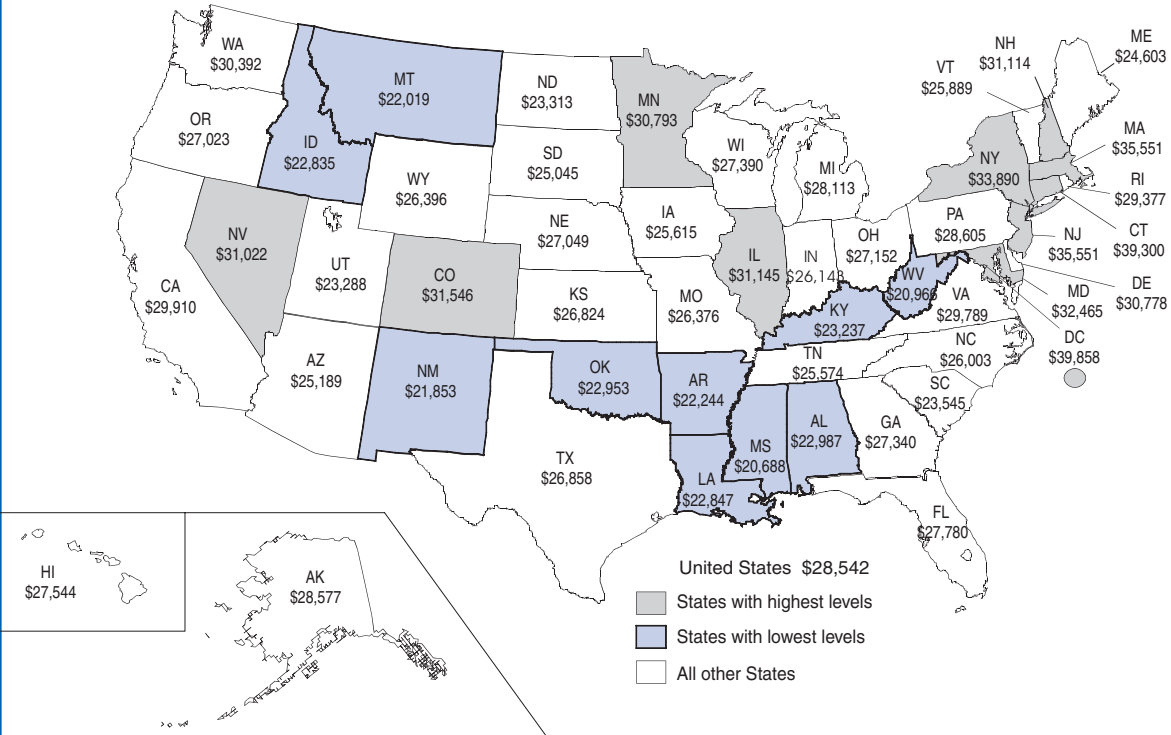
L. Charts

SELECTED REGIONAL ESTIMATES

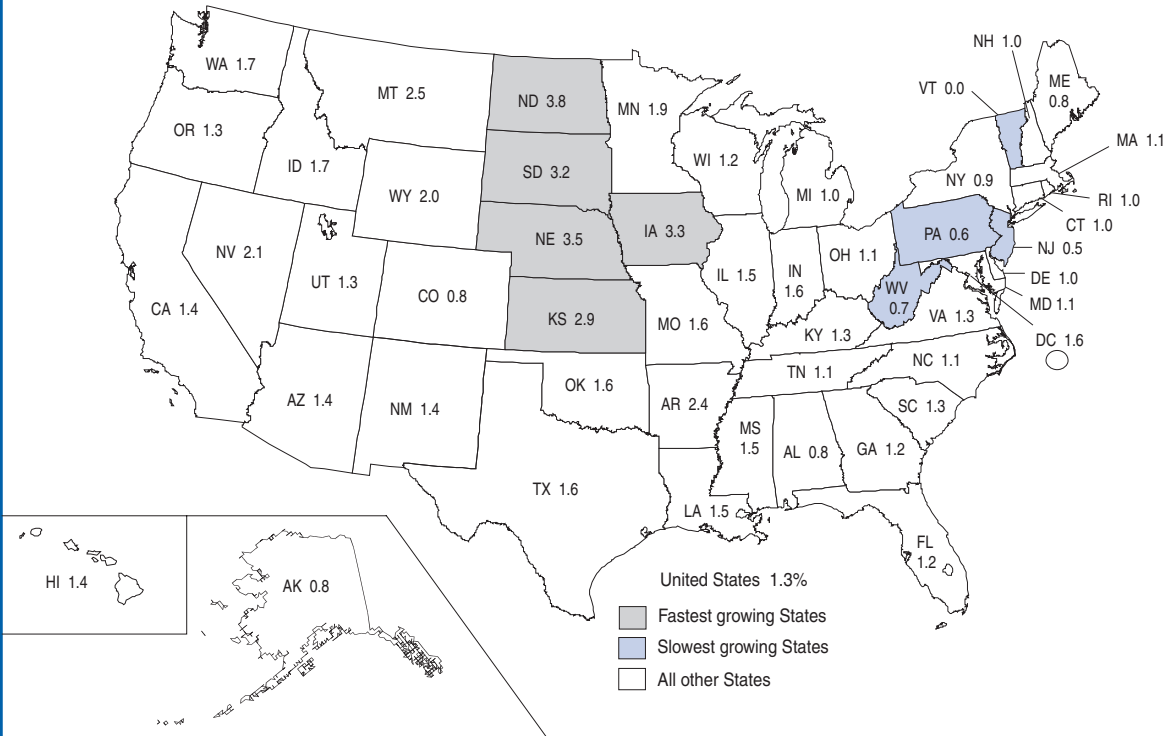


SELECTED REGIONAL ESTIMATES

PER CAPITA PERSONAL INCOME, 1999



PERSONAL INCOME: PERCENT CHANGE, 2000:II-2000:III



Appendix A

Additional Information About the NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in “real GDP.”) For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the annual percent change in real GDP in 1997–98 uses prices for 1997 and 1998 as weights, and the 1997–98 annual percent change in the GDP price index uses quantities for 1997 and 1998 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula.¹ These annual changes are “chained” (multiplied) together to form time series of quantity and price; the percent changes that are calculated from these time series are not affected by the choice of reference period.

The quarterly changes in quantities and prices are calculated with weights from two adjacent quarters. As part of an annual or comprehensive revision, the quarterly indexes through the most recent complete year are adjusted to ensure that the average of the quarterly indexes conforms to the corresponding annual index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated “chained (1996) dollar estimates.” These estimates are computed by multiplying the 1996 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component

increased by 10 percent in 1997, then the “chained (1996) dollar” value of this component in 1997 would be \$110 ($\100×1.10). Note that percentage changes in the chained (1996) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1996) dollar estimates for detailed GDP components do not add to the chained-dollar value of GDP or to any intermediate aggregates. A “residual” line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. Accurate measures of component contributions to the percentage changes in real GDP and its major components are shown in NIPA tables 8.2–8.6.

BEA also publishes the “implicit price deflator” (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding “chain-type” price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left[\left(\frac{x_t}{x_o} \right)^{m/n} - 1 \right] \times 100,$$

where r is the percent change at an annual rate; x_t is the level of activity in the later period; x_o is the level of activity in the earlier period; m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and n is the number of periods between the earlier and later periods (that is, $t - o$).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

1. In addition, because the changes in quantities and prices calculated using these weights are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings

[Percent change from preceding period]

	1999	2000	Seasonally adjusted at annual rates					
			1999		2000			
			III	IV	I	II	III	IV
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) ¹	4.8	5.0	5.5	4.2	3.9	5.9	5.7	6.7
Less: Contribution of supplements to wages and salaries per hour	-3	-1	-5	-4	.1	.2	.1	0
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	-1	-4	-5	-3	-1	-1	-9	-3
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	0	-1	-1	-1	-1	-3	-1	-3
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	5.0	4.9	5.5	4.4	3.7	5.9	4.8	6.7
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing	-1	0	.4	0	.2	.4	.6	.6
Less: Other differences ²	1.4	1.1	1.4	1.3	-3	1.6	.5	1.4
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	3.6	3.7	3.7	3.1	3.8	3.9	3.8	4.7
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ³	4.4	5.1	5.2	4.2	4.1	6.0	6.2	6.6

1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked of unpaid family workers.

2. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include

differences in seasonal adjustment procedures.

3. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

BLS Bureau of Labor Statistics

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Income in the NIPA's to Balance on Goods, Services, and Income in the ITA's

[Billions of dollars]

	Line	1999	2000	Seasonally adjusted at annual rates					
				1999		2000			
				III	IV	I	II	III	IV
Exports of goods, services, and income receipts, ITA's	1	1232.4	1414.9	1252.3	1298.4	1346.9	1414.0	1451.1	1447.8
Less: Gold, ITA's	2	5.3	6.0	6.1	8.8	9.6	3.7	4.2	6.5
Statistical differences ¹	3	0	16.0	0	0	8.3	14.8	18.8	22.1
Other items	4	1.0	1.2	1.1	1.1	1.3	1.2	1.5	.9
Plus: Adjustment for grossing of parent/affiliate interest payments	5	4.6	6.2	4.6	5.3	6.0	5.8	6.2	6.6
Adjustment for U.S. territories and Puerto Rico	6	48.9	53.4	48.6	52.8	52.7	51.3	54.3	55.2
Services furnished without payment by financial intermediaries except life insurance carriers	7	16.4	16.7	15.7	15.5	16.4	16.9	16.6	16.9
Equals: Exports of goods and services and income receipts, NIPA's	8	1296.1	1467.9	1314.0	1362.2	1402.8	1468.3	1503.6	1496.9
Imports of goods, services, and income payments, ITA's	9	1515.9	1797.1	1565.3	1626.3	1705.6	1785.6	1851.7	1845.3
Less: Gold, ITA's	10	5.8	5.9	7.4	9.3	9.6	3.0	4.2	6.7
Statistical differences ¹	11	0	9.4	0	0	5.8	7.8	11.1	12.8
Other items	12	0	0	0	0	0	0	0	0
Plus: Gold, NIPA's	13	-2.7	-2.9	-2.6	-2.7	-3.2	-3.1	-2.8	-2.5
Adjustment for grossing of parent/affiliate interest payments	14	4.6	6.2	4.6	5.3	6.0	5.8	6.2	6.6
Adjustment for U.S. territories and Puerto Rico	15	32.6	41.2	32.5	39.6	36.2	37.5	45.6	45.4
Imputed interest paid to rest of world	16	16.4	16.7	15.7	15.5	16.4	16.9	16.6	16.9
Equals: Imports of goods and services and income payments, NIPA's	17	1561.1	1842.9	1608.1	1674.8	1745.7	1832.0	1902.0	1892.2
Balance on goods, services, and income, ITA's (1-9)	18	-283.5	-382.2	-313.0	-327.9	-358.7	-371.6	-400.6	-397.5
Less: Gold (2-10+13)	19	-3.2	-2.8	-3.9	-3.2	-3.2	-2.4	-2.8	-2.7
Statistical differences (3-11) ¹	20	0	6.6	0	0	2.5	7.0	7.7	9.3
Other items (4-12)	21	1.0	1.2	1.1	1.1	1.3	1.2	1.5	.9
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	16.3	12.2	16.1	13.2	16.5	13.8	8.7	9.8
Equals: Net exports of goods and services and net receipts of income, NIPA's (8-17)	23	-265.0	-375.0	-294.1	-312.6	-342.9	-363.7	-398.4	-395.3

1. Consists of statistical revisions in the NIPA's that have not yet been incorporated into the ITA's (2000:IV) and statistical revisions in the ITA's that have not yet been incorporated into the NIPA's (2000:I-2000:IV).

ITA's International transactions accounts
NIPA's National income and product accounts

Appendix B

Suggested Reading

The Bureau of Economic Analysis (BEA) has published a wealth of information about the methodologies that are used to prepare its national, regional, and international accounts.

National accounts

The national accounts encompass the detailed estimates in the national income and product accounts (including gross domestic product), the estimates of wealth and related estimates, gross product by industry, the input-output accounts, and the satellite accounts.

National income and product accounts (NIPAs). This series of papers documents the conceptual framework of the NIPAs and the methodologies that have been used to prepare the estimates.

[An Introduction to National Economic Accounting](#) (1985) [also in the March 1985 SURVEY]

[Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends](#) (1985)

[Foreign Transactions](#) (1987) [A revised version is forthcoming.]

[GNP: An Overview of Source Data and Estimating Methods](#) (1987) [Most of the information in this paper has been superseded by “A Guide to the NIPAs” (March 1998 SURVEY).]

[Government Transactions](#) (1988)

[Personal Consumption Expenditures](#) (1990)

These methodologies have been updated and improved, typically as part of the comprehensive and annual revisions of the NIPAs. The most recent revisions are described in the following SURVEY articles.

“A Preview of the 1999 Comprehensive Revision of the National Income and Product Accounts”
[Definitional and Classificational Changes](#)
(August 1999)

[New and Redesigned Tables](#) (September 1999)

[Statistical Changes](#) (October 1999)

“Improved Estimates of the National Income and Product Accounts: Results of the Comprehensive Revision”

[For 1959–98](#) (December 1999)

[For 1929–99](#) (April 2000)

“Annual Revision of the U.S. National Income and Product Accounts” (August 2000)

“A Guide to the NIPAs” (March 1998) provides the definitions of the major NIPA aggregates and components, discusses the measures of real output and prices, explains how production is classified and how the NIPAs are presented, describes the statistical conventions that are used, and lists the principal source data and methods that are used to prepare the estimates of gross domestic product (GDP).

Information about the sources and methods that are used to prepare the national estimates of personal income, which are the basis for the State estimates, is in [State Personal Income, 1929–97](#) (1999).

“BEA’s Chain Indexes, Time Series, and Measures of Long-Term Economic Growth” (May 1997) is the most recent in a series of articles that describe the conceptual basis for the chain-type measures of real output and prices that are used in the NIPAs.

“Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income” (December 1998) evaluates these estimates by examining the record of revisions to them.

Wealth and related estimates. [Fixed Reproducible Tangible Wealth in the United States, 1925–94](#) (1999) discusses the concepts and statistical considerations that underlie the estimates and their derivation.

“Fixed Assets and Consumer Durable Goods for 1925–98” (April 2000) describes the definitional and statistical improvements that were incorporated in the comprehensive revision of the estimates.

Gross product by industry. “Improved Estimates of

Mission and Strategic Plan

The mission statement of the Bureau of Economic Analysis and the latest update to its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts are available on BEA’s Web site at <www.bea.doc.gov>. For information about the development and the implementation of the plan, see these SURVEY articles.

“Mid-Decade Strategic Review of BEA’s Economic Accounts: Maintaining and Improving Their Performance” (February 1995)

“Mid-Decade Strategic Review of BEA’s Economic Accounts: An Update” (April 1995)

“BEA’s Mid-Decade Strategic Plan: A Progress Report” (June 1996)

Gross Product by Industry for 1947–98 (June 2000) describes the most recent comprehensive revision of these estimates.

“**Gross Domestic Product by Industry for 1997–99**” (December 2000) describes the most recent annual revision of these estimates.

Input-output accounts. “**Benchmark Input-Output Accounts for the U.S. Economy, 1992**” (November 1997) describes the preparation of the 1992 accounts and the concepts and methods that underlie the accounts.

“Annual Input-Output Accounts of the U.S. Economy” presents annual tables that update the 1992 benchmark accounts

For 1996 (January 2000)

For 1997 (January 2001)

Satellite accounts. These accounts extend the analytical capacity of the national accounts by focusing on one aspect of economic activity.

“**Integrated Economic and Environmental Satellite Accounts**” and “**Accounting for Mineral Resources: Issues and BEA’s Initial Estimates**” (April 1994)

“**A Satellite Account for Research and Development**” (November 1994)

“U.S. Transportation Satellite Accounts”

For 1992 (April 1998)

For 1996 (May 2000)

“U.S. Travel and Tourism Satellite Accounts”

For 1992 (July 1998)

For 1996 and 1997 (July 2000)

International accounts

The international accounts encompass the international transactions accounts, direct investment, and international transactions in services.

International transactions accounts (ITA’s). *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures* (1990) describes the methodologies used to prepare the estimates in the ITA’s and the international investment position of the United States. These methodologies are usually updated and improved as part of the annual revisions of the ITA’s.

“**U.S. International Transactions, Revised Estimates**” is a series of articles about the annual ITA revisions and the improvements in methodology; the latest article is published in the July 2000 issue.

Direct investment. *International Direct Investment: Studies by the Bureau of Economic Analysis* (1999) is a collection of previously published articles on U.S. direct investment abroad and foreign direct investment in the United States. It also includes the following information.

“**Methodology for U.S. Direct Investment Abroad**,” which is also available in *U.S. Direct*

Investment Abroad: 1994 Benchmark Survey, Final Results (1998)

“**A Guide to BEA Statistics on U.S. Multinational Companies**,” which is also available in the March 1995 SURVEY

“**Methodology for Foreign Direct Investment in the United States**,” which is also available in *Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results* (1995)

“**A Guide to BEA Statistics on Foreign Direct Investment in the United States**,” which is also available in the February 1990 SURVEY

International services. *U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis* (1998) describes 11 surveys. It includes classifications, definitions, release schedules, the methods used to prepare the estimates, and samples of the survey forms.

Regional accounts

The regional accounts include estimates of personal income and gross state product.

Personal income. Estimates of personal income are prepared for States and for local areas.

“**Comprehensive Revision of State Personal Income for 1969–99**” (June 2000) summarizes the changes in the methodology that is used to prepare the estimates. The detailed methodology is available on the CD-ROM *State Personal Income, 1929–99*.

“**Comprehensive Revision of Local Area Personal Income for 1969–98**” (July 2000) summarizes the changes in the methodology that is used to prepare the estimates for counties and metropolitan areas. The detailed methodology is available on the CD-ROM *Regional Economic Information System, 1969–98*.

Gross state product. “**Comprehensive Revision of Gross State Product by Industry, 1977–94**” (June 1997 SURVEY) summarizes the sources and the methods that are used to prepare the estimates. “**Gross State Product by Industry, 1977–98**” (October 2000) describes the most recent comprehensive revision of these estimates.

Availability

Most of the items listed here are available on our Web site at <www.bea.doc.gov>; in particular, look under “Methodologies.” Our online *Catalog of Products* provides descriptions of both our printed and electronic publications. The *Catalog* also includes links to compressed files of our diskette products that can be downloaded for free.

For specific information about the availability of our most recently released estimates and products, see “**Getting BEA’s Estimates**” on the inside back cover.