

Visual Essay

U.S. International Services

Trade in Services in 2023 and Services Supplied Through Affiliates in 2022

By David Stein, Kaitlin C. Johns, Maryam Fatima, and Shari A. Allen | October 18, 2024

This article highlights statistics on [international services](#) that the U.S. Bureau of Economic Analysis (BEA) releases annually.¹ These statistics cover both U.S. international trade in services and services supplied by majority-owned U.S. and foreign affiliates of multinational enterprises (MNEs).² MNEs can serve foreign markets through trade, but they often provide services through their affiliates located in, or close to, the markets they serve because of the importance of physical proximity to customers in the delivery of certain types of services.³ For the basics on how international services are supplied to foreign and U.S. persons, including diagrams with examples, see the [supplement to this article](#).

Data Availability

Trade in services statistics through 2023 (including statistics on trade in information and communications technology (ICT) services and digitally deliverable services), statistics on services supplied through affiliates through 2022, and statistics on services trade by enterprise characteristics (STEC) can be accessed under “[International Services](#)” in BEA’s Interactive Data Application. This application covers additional years of data and supplemental detail that are not reflected in this article. Trade in services and services supplied through affiliates statistics are also available in BEA’s [Data Application Programming Interface \(API\)](#) within the “IntlServTrade” (tables 1.1–3.3) and “IntlServSTA” (tables 4.1–5.4) data sets.

BEA publishes STEC statistics in tables 6.1–6.4 under “[International Services](#)” in BEA’s Interactive Data Application.¹ STEC statistics provide insight on characteristics such as industry and firm ownership type of U.S. firms that trade services. Beginning in 2024, these statistics are published annually at the same time as BEA’s standard presentation of trade in services statistics in July. Several updates and expansions to the STEC statistics were incorporated with the release of the article “[A Profile of U.S. Services Traders, 2006–2022](#)” in the May 2024 *Survey of Current Business*. These improvements are described in more detail in the FAQ “[What information does the Bureau of Economic Analysis publish on services trade by enterprise characteristics \(STEC\)?](#)” on BEA’s website.

For more resources, such as links to definitions and surveys, see the “[International Services \(Expanded Detail\)](#)” product page on the BEA website.

1. Previously, these data were presented as “characteristics of firms that trade services,” but in May 2024 their title was updated to “services trade by enterprise characteristics (STEC)” to better align with terminology used in emerging international statistical guidance and by key trading partners.

Key Terms

Trade in services refers to U.S. exports and imports of services—that is, services traded between U.S. residents and nonresidents—that are included in the broader set of [U.S. International Transactions Accounts](#) (ITAs) released by BEA. The trade in services statistics in the [international services tables](#) provide more geographic, affiliation, and service-type detail than those in the ITAs, along with supplementary statistics on trade in ICT and digitally deliverable services. Trade in services is also featured in BEA's STEC statistics.

ICT services refers to services that facilitate information processing and communication; **digitally delivered services** refers to services delivered over ICT networks. It is not possible to precisely identify services trade that is digitally delivered, because BEA collects data on trade in services by type of service traded and not on the mode of delivery. BEA, therefore, measures a related but more broadly defined concept of **digitally deliverable services** (previously called potentially ICT-enabled services), which includes services that *can* predominantly be delivered remotely over ICT networks, without identifying the services that *are* delivered over ICT networks.

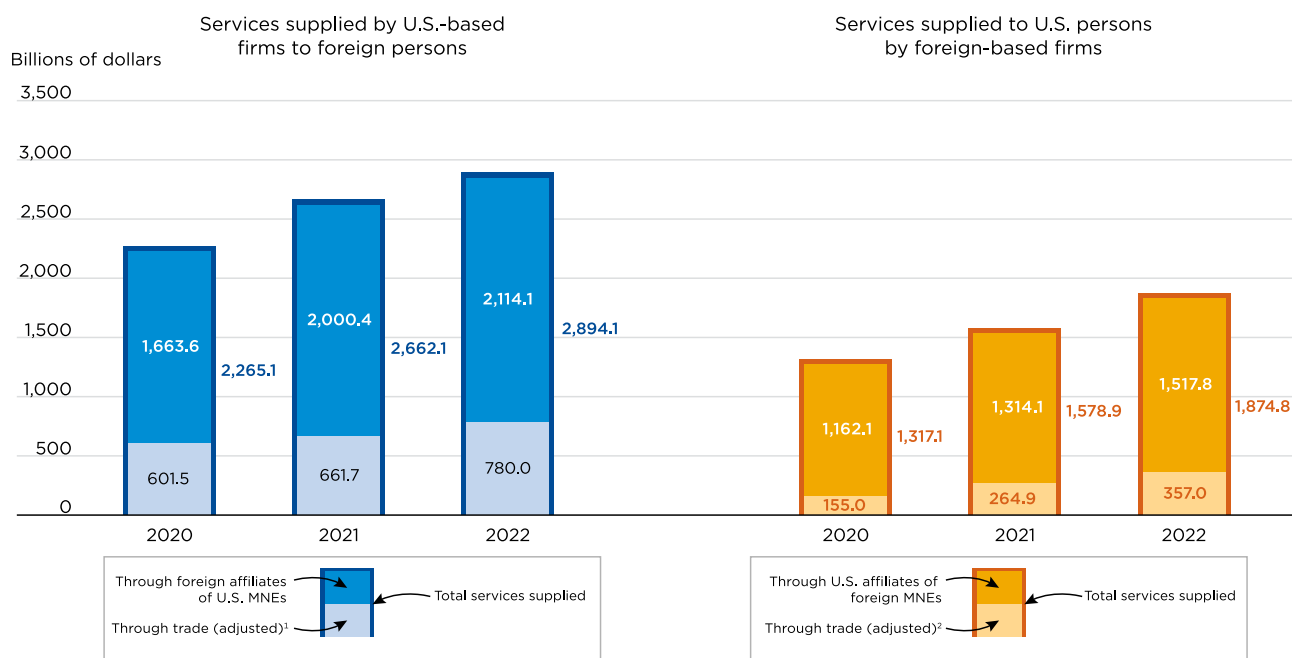
Services supplied through affiliates refers to services supplied by MNEs through the channel of direct investment. This set of statistics covers services supplied by majority-owned foreign affiliates of U.S. MNEs to foreign residents, both in the host country and in other foreign markets, and services supplied by majority-owned U.S. affiliates of foreign MNEs to U.S. residents. The statistics in this article are consistent with services supplied statistics published in BEA's statistics on the activities of multinational enterprises ("AMNE statistics"), except that the AMNE statistics primarily focus on services supplied to all customers, regardless of the residency of the customer.

The following charts present highlights of BEA's U.S. international services statistics for the most recent years for which statistics are available. The most recently published annual statistics for trade in services cover 2023, and the most recently published statistics for services supplied through affiliates cover 2022. The statistics on trade in services are presented by service type, by trading partner, and by affiliation. The statistics on services supplied through affiliates are presented by industry of affiliate, by country of affiliate or country of ultimate beneficial owner (UBO), and by destination.⁴

For more information on BEA's international services statistics including descriptions of data sources, a comparison of U.S. trade in services and services supplied through affiliates, and a listing of the categories of services from BEA's published statistics that are classified as ICT and digitally deliverable, see chapter 31 of [U.S. International Economic Accounts: Concepts and Methods](#).

U.S. International Services Highlights

Chart 1. U.S. International Services Supplied, 2020–2022



MNEs Multinational enterprises

1. Adjusted services supplied by U.S.-based firms to foreign persons through trade is equal to U.S. exports less U.S. exports by majority-owned U.S. affiliates (MOUSAs) of foreign MNEs. U.S. exports by MOUSAs of foreign MNEs are included in total U.S. exports. However, they are excluded from total services supplied so that this total reflects services that are delivered by U.S.-based firms to foreign customers.

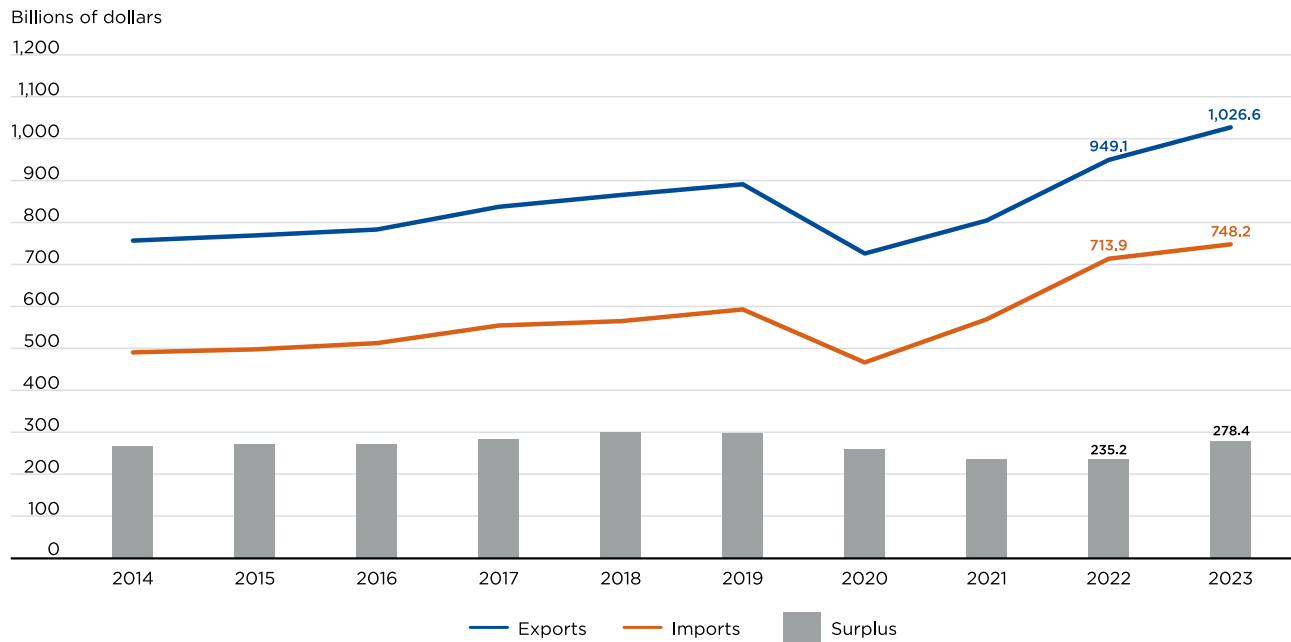
2. Adjusted services supplied to U.S. persons by foreign-based firms through trade is equal to U.S. imports less U.S. imports from majority-owned foreign affiliates of U.S. MNEs. U.S. imports from majority-owned foreign affiliates of U.S. MNEs are included in total U.S. imports. However, they are excluded from total services supplied so that this total reflects services that are delivered by foreign-based firms to U.S. customers.

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- In 2022, total services supplied by U.S.-based firms to foreign persons through both trade (adjusted) and sales by foreign affiliates of U.S. MNEs was \$2.89 trillion, and total services supplied to the United States by foreign-based firms through both trade and sales by U.S. affiliates of foreign MNEs was \$1.87 trillion.⁵
- In 2022, services supplied to foreign persons through foreign affiliates of U.S. MNEs and services supplied to U.S. persons through U.S. affiliates of foreign MNEs increased 6 percent and 16 percent, respectively. Both series set record-high levels for the second consecutive year.⁶
- In 2022, services supplied to foreign persons through trade (adjusted) and services supplied to U.S. persons through trade (adjusted) increased 18 percent and 35 percent, respectively. The more rapid growth in services supplied to U.S. persons through trade (adjusted) than to foreign persons is partly a consequence of the easing of travel restrictions on inbound travelers by many countries prior to the United States doing so.⁷

U.S. Trade in Services in 2023

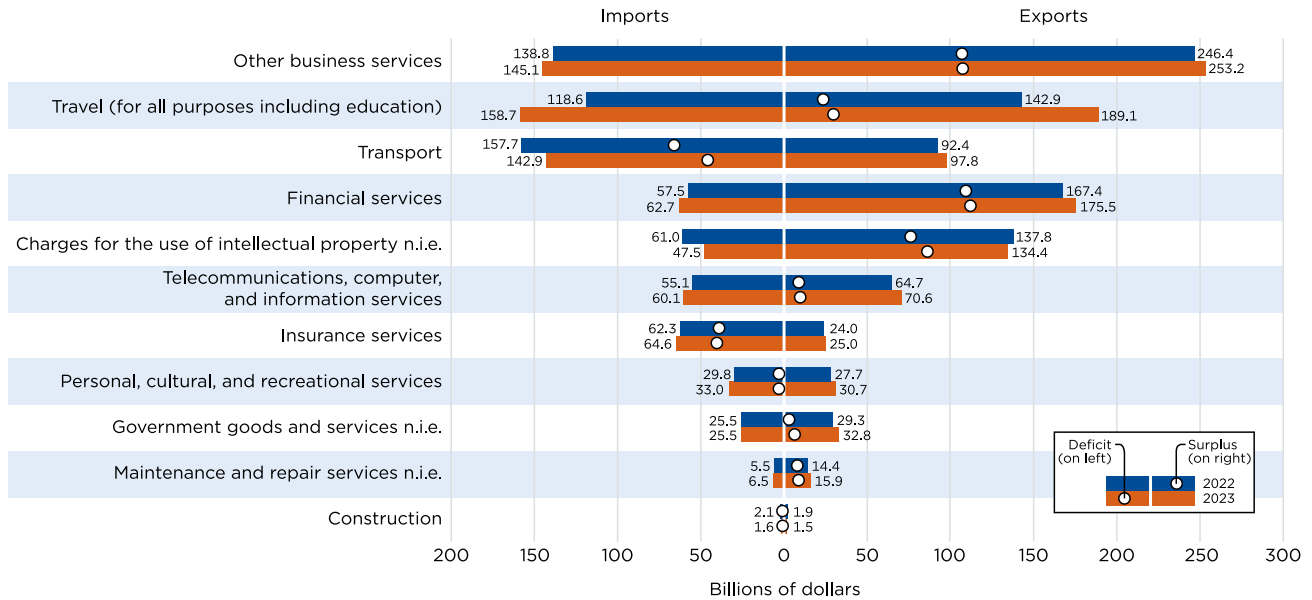
Chart 2. U.S. International Trade in Services, 2014–2023



U.S. Bureau of Economic Analysis

- In 2023, U.S. exports of services were \$1.03 trillion, and U.S. imports of services were \$748.2 billion, resulting in a services trade surplus of \$278.4 billion.
- U.S. exports of services increased at a faster rate (8 percent) than U.S. imports of services (5 percent), resulting in an increase in the services trade surplus of \$43.2 billion, or 18 percent.

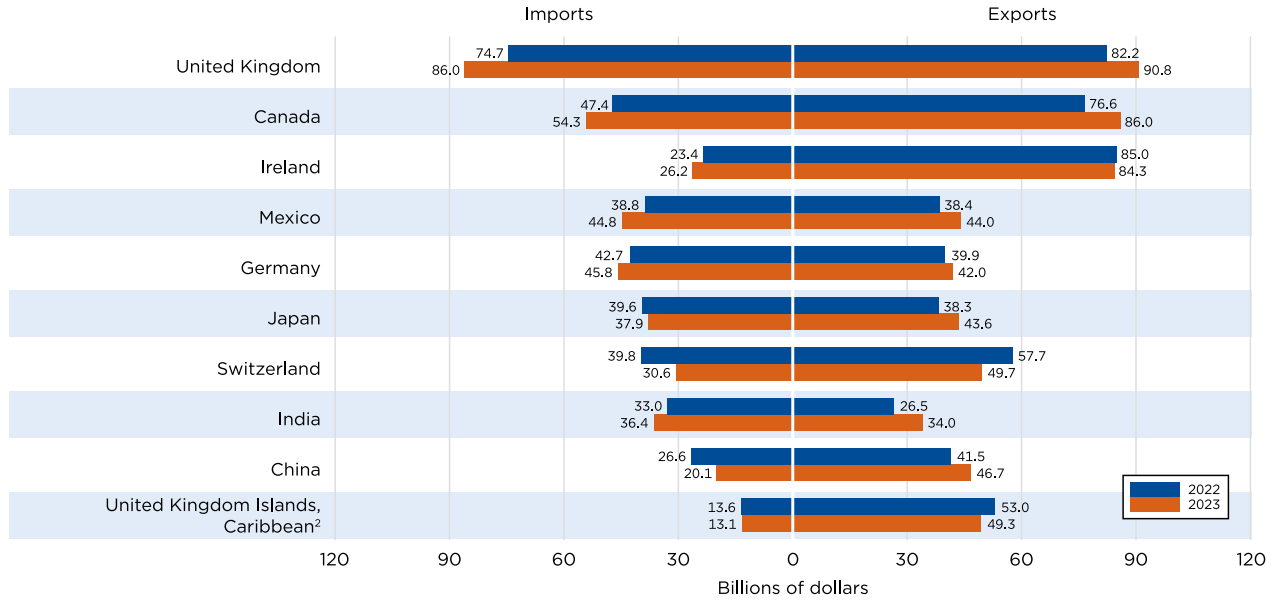
Chart 3. Trade in Services by Type, 2022–2023



n.i.e. Not included elsewhere
U.S. Bureau of Economic Analysis

- In 2023, 7 of the 11 major service-type categories recorded surpluses, while the remaining 4 recorded deficits; none of the categories switched from surplus to deficit or vice versa. Surpluses were largest in financial services and in “other business services,” led by professional and management consulting services. Deficits were largest in transport and in insurance services.
- U.S. exports of services increased \$77.5 billion in 2023. Travel (for all purposes including education) was the largest contributor to the aggregate increase in exports of services, increasing by \$46.2 billion.⁸ Several service-type categories contributed to the remaining increase.
- U.S. imports of services increased \$34.3 billion in 2023, reflecting partly offsetting increases and decreases. The largest increase was in travel, which increased by \$40.1 billion. The largest decreases were in transport (\$14.8 billion) and in charges for the use of intellectual property (\$13.5 billion).
- In 2023, travel exports continued to recover from the impact of the COVID–19 pandemic, increasing 32 percent from 2022 but remaining \$9.8 billion below the 2019 pre-pandemic level. Travel imports increased 34 percent in 2023, surpassing the 2019 pre-pandemic level by \$26.7 billion.

Chart 4. Trade in Services With Selected Countries, 2022–2023¹



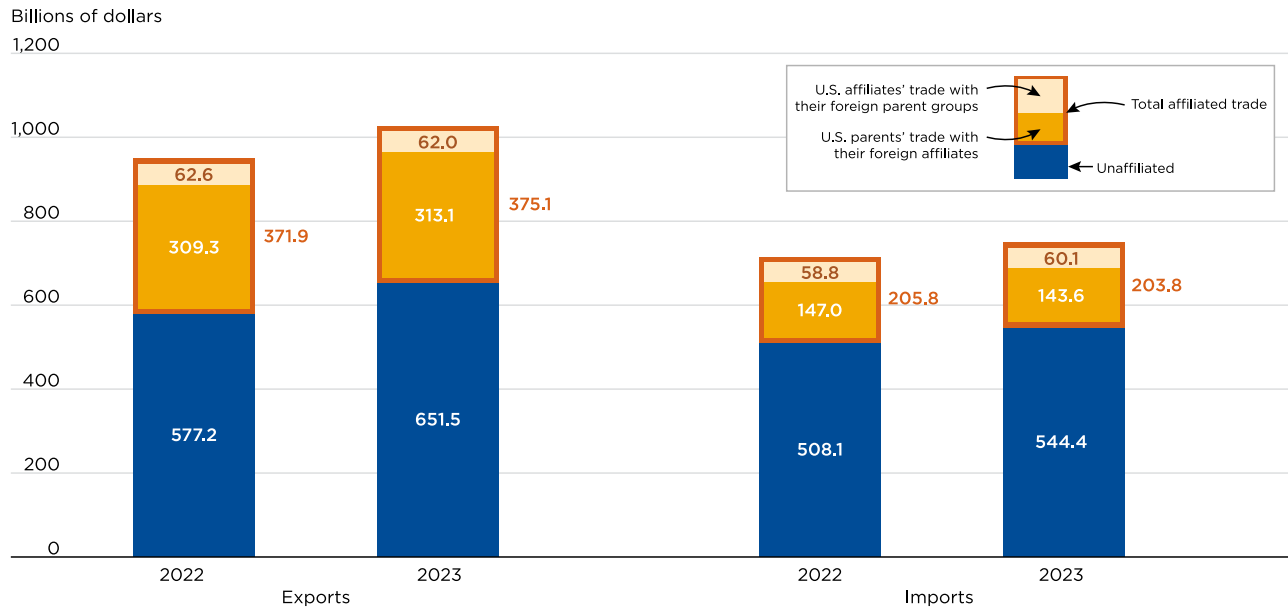
1. The countries selected for this chart are the top 10 U.S. trading partners by total trade in services (exports plus imports) in 2023. Together, they accounted for 56 percent of U.S. exports and 53 percent of U.S. imports.

2. United Kingdom Islands, Caribbean comprises the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands.

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- In 2023, the United Kingdom remained the largest trading partner of the United States based on total trade (exports plus imports) in services.
- The increases in exports (\$77.5 billion) and imports (\$34.3 billion) were both widespread geographically. For exports, the largest increases were to Canada and the United Kingdom. For imports, the largest increases were from the United Kingdom, Canada, and Mexico.

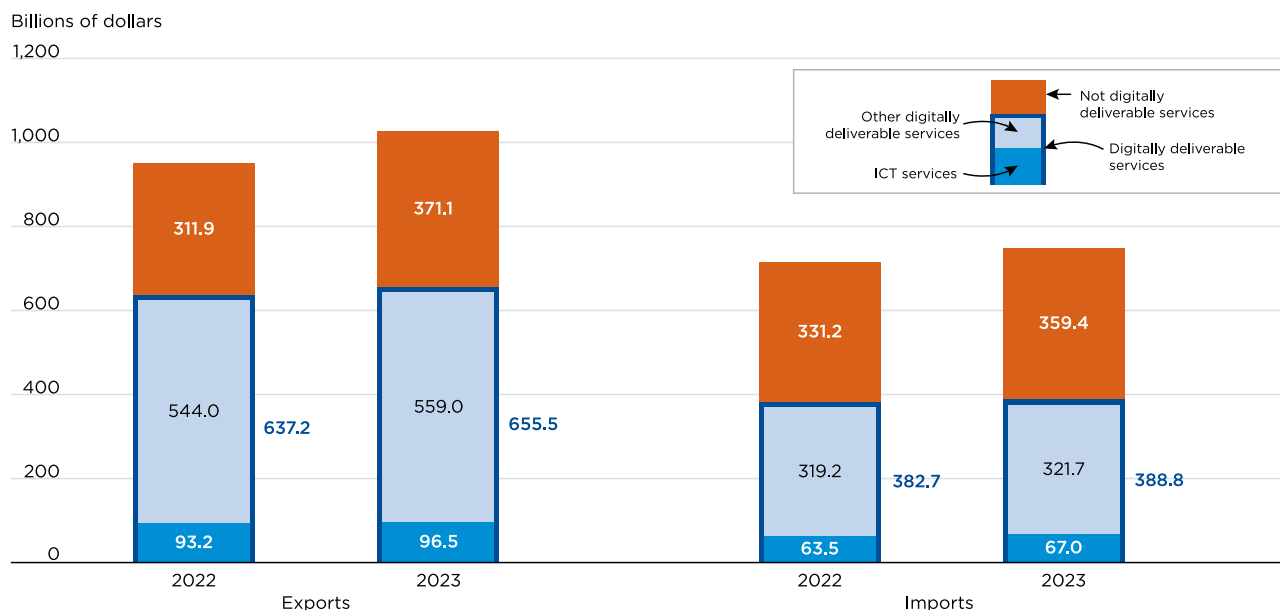
Chart 5. Trade in Services by Affiliation Type, 2022–2023



- U.S. services trade includes trade between unaffiliated parties and trade within MNEs (affiliated trade). Affiliated trade accounted for 37 percent of U.S. services exports and 27 percent of U.S. services imports in 2023.
- In 2023, unaffiliated services exports increased 13 percent, and imports of unaffiliated services increased 7 percent. Both increases mostly reflected increases in travel services, which are only classified as unaffiliated.
- In 2023, affiliated services exports increased 1 percent, largely reflecting increases in financial services and in personal, cultural, and recreational services. Affiliated services imports decreased 1 percent, which was more than accounted for by a decrease in imports of charges for the use of intellectual property.

ICT Services and Digitally Deliverable Services in 2023

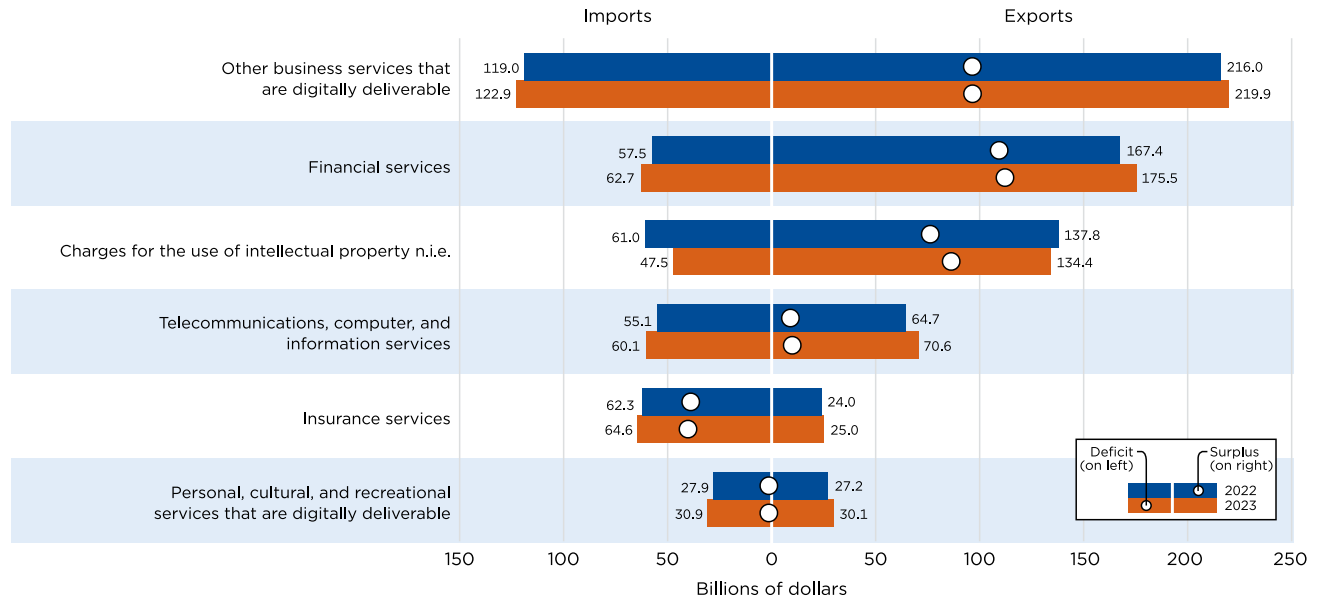
Chart 6. ICT and Digitally Deliverable Services in Total Trade in Services, 2022–2023



ICT Information and communications technology
U.S. Bureau of Economic Analysis

- In 2023, U.S. exports of ICT services were \$96.5 billion, while U.S. imports of ICT services were \$67.0 billion, resulting in a trade in ICT services surplus of \$29.5 billion.
- In 2023, U.S. exports of digitally deliverable services were \$655.5 billion, while U.S. imports of digitally deliverable services were \$388.8 billion, resulting in a trade in digitally deliverable services surplus of \$266.8 billion.⁹
- U.S. exports of digitally deliverable services increased 3 percent in 2023, while U.S. imports of digitally deliverable services increased 2 percent, resulting in an increase in the surplus on digitally deliverable services of 5 percent.

Chart 7. Trade in Digitally Deliverable Services by Type, 2022–2023



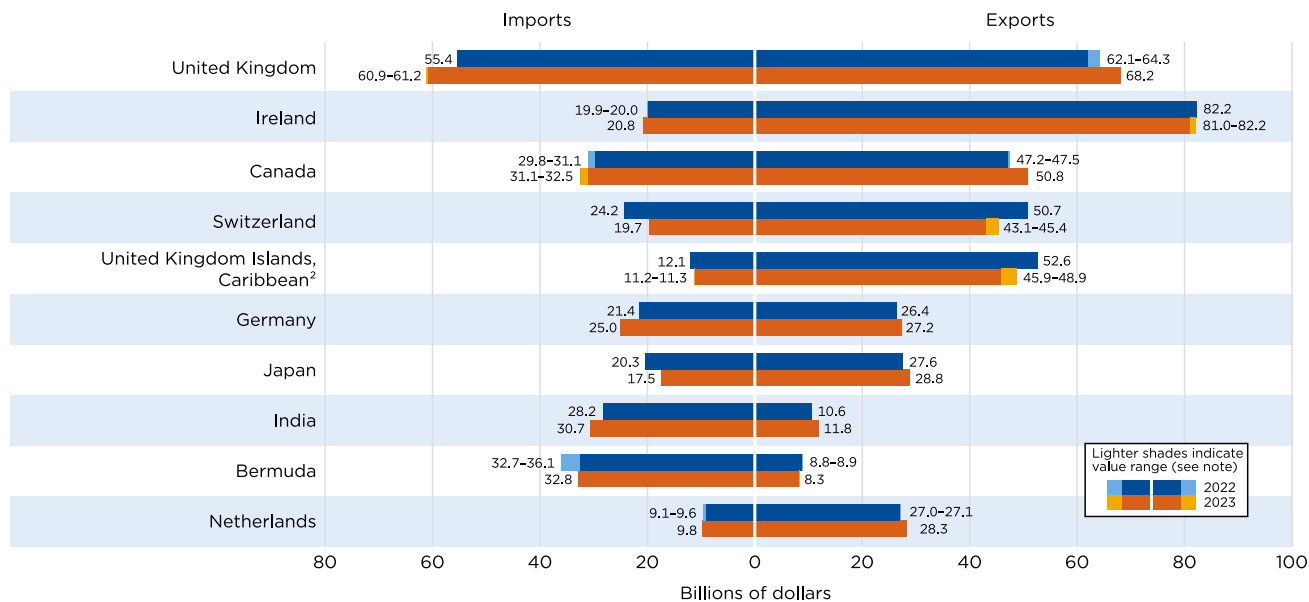
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U.S. Bureau of Economic Analysis

- In 2023, four of the six major categories of digitally deliverable services recorded surpluses, with the largest surpluses occurring in financial services and in other business services that are digitally deliverable.
- Exports of digitally deliverable services increased \$18.4 billion, reflecting increases in five of the six major categories; the largest increase was in financial services.
- Imports of digitally deliverable services increased \$6.0 billion, reflecting increases in five of the six major categories; the largest increase was in financial services.

Calculating Ranges for Suppressed Values

For some countries and affiliation categories, values for digitally deliverable services exports, imports, or trade balance were suppressed to avoid the disclosure of data of individual companies. These statistics may be suppressed when certain components are suppressed, although in most cases, the components that are suppressed are relatively small parts of the total. For values in which one or more components are suppressed, a lower bound and upper bound are used to establish a range of feasible values to facilitate the discussion of digitally deliverable services trade. For example, the lower bound for the total of a country is equal to the sum of all that country’s unsuppressed digitally deliverable service types. The upper bound for that total is calculated as the sum of the unsuppressed digitally deliverable service types plus the parent category of the suppressed component service types less any unsuppressed service types of that parent not considered digitally deliverable. The lower bounds of these ranges are used to rank the countries in chart 8. For some statistics, the lower and upper bounds of these ranges of feasible values round to the same value in \$100 million units and are shown as point values instead of a range.

Chart 8. Trade in Digitally Deliverable Services With Selected Countries, 2022–2023¹



1. The countries selected for this chart are the top 10 U.S. trading partners by total trade in digitally deliverable services (exports plus imports) in 2023. Together, they accounted for between 60 and 61 percent of U.S. exports of digitally deliverable services and 67 percent of U.S. imports of digitally deliverable services.

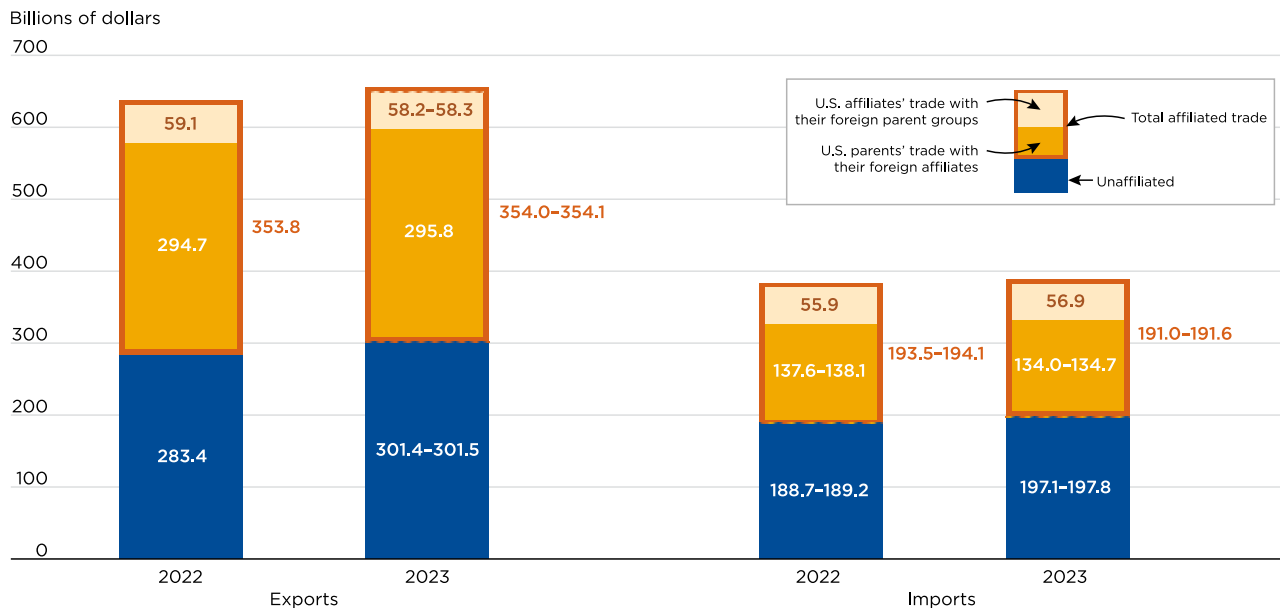
2. United Kingdom Islands, Caribbean comprises the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands.

Note. When the value for digitally deliverable services is suppressed, a range of possible values is used in its place. For more information on how the lower and upper bounds of the range were calculated, see the box “Calculating Ranges for Suppressed Values” in this article.

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- In 2023, the United Kingdom was the United States’ top trading partner in, and top source for imports of, digitally deliverable services.¹⁰ The United Kingdom was also the second-largest recipient country for U.S. exports of digitally deliverable services, after Ireland.
- Increases in exports of digitally deliverable services (\$18.4 billion) and imports of digitally deliverable services (\$6.0 billion) were both widespread geographically. For exports of digitally deliverable services, the largest increases were in exports to the United Kingdom and Canada. Among the source countries accounting for the largest increases in imports of digitally deliverable services were the United Kingdom and Germany.

Chart 9. Trade in Digitally Deliverable Services by Affiliation Type, 2022–2023



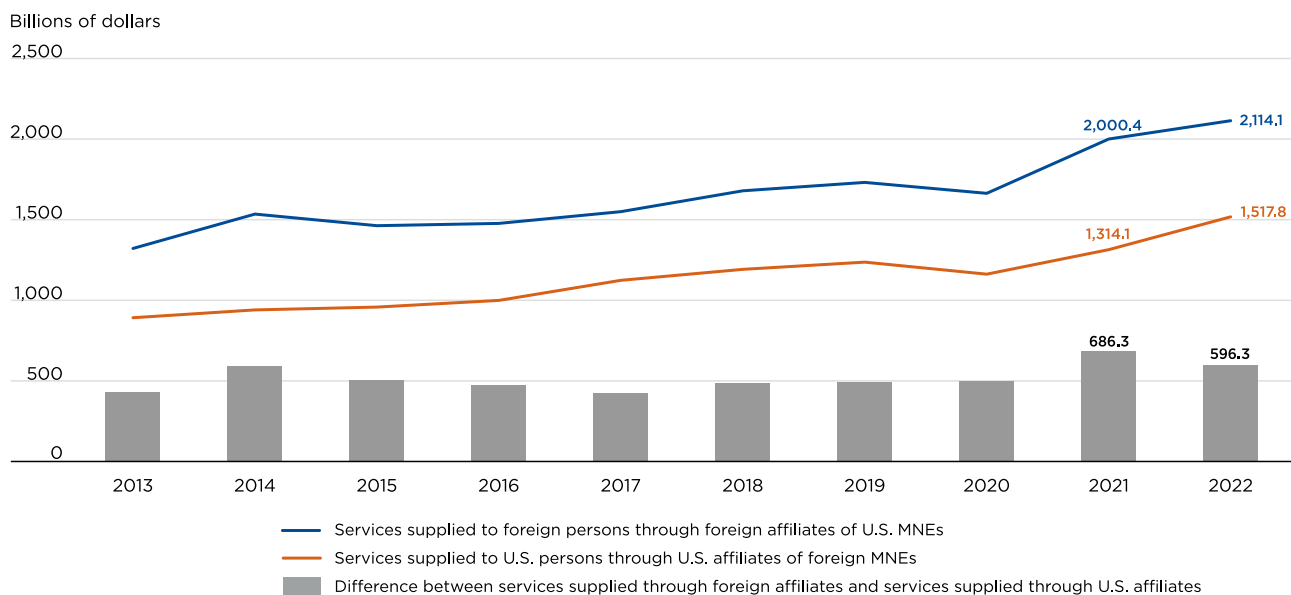
Note. For affiliation types where the value of digitally deliverable services is suppressed to avoid the disclosure of data of individual companies, a range of possible values is used in its place. For more information on how the lower and upper bounds were calculated, see the box "Calculating Ranges for Suppressed Values" in this article.

U.S. Bureau of Economic Analysis

- Affiliated trade accounted for 54 percent of exports and 49 percent of imports of digitally deliverable services in 2023. These shares are much higher than the affiliated shares of total services exports (37 percent) and imports (27 percent).
- Digitally deliverable trade between affiliated parties accounted for 94 percent of total affiliated exports and 94 percent of total affiliated imports. These shares are much higher than the digitally deliverable shares of total exports (64 percent) and imports (52 percent), highlighting the importance of digital delivery for intrafirm trade.

Services Supplied Through Affiliates in 2022

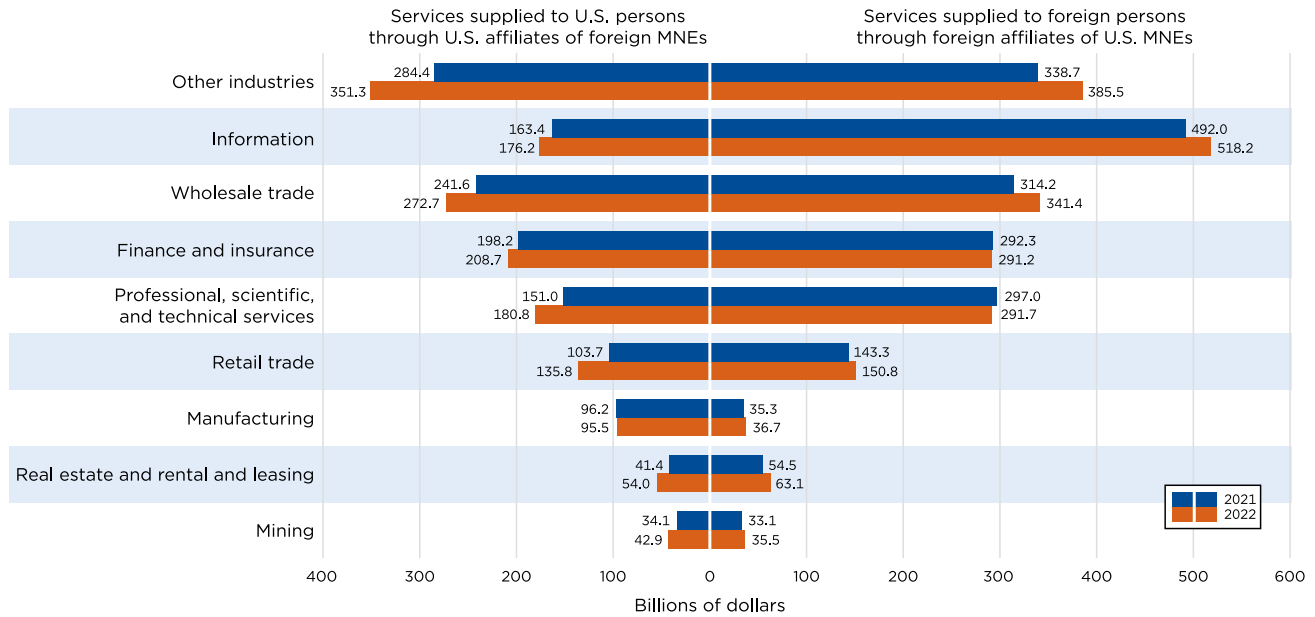
Chart 10. Services Supplied Through Affiliates, 2013–2022



MNEs Multinational enterprises
 U.S. Bureau of Economic Analysis

- In 2022, services supplied by U.S. MNEs to foreign markets through their foreign affiliates were \$2.11 trillion, while services supplied by foreign MNEs to the U.S. market through their U.S. affiliates were \$1.52 trillion.
- Services supplied to foreign persons through foreign affiliates of U.S. MNEs increased by 6 percent, and services supplied to U.S. persons through U.S. affiliates of foreign MNEs increased by 16 percent.
- U.S. MNEs supplied \$596.3 billion more services to foreign persons through their foreign affiliates than foreign MNEs supplied to U.S. persons through their U.S. affiliates. This difference was substantially lower than in 2021 but was higher than in any year prior to that.

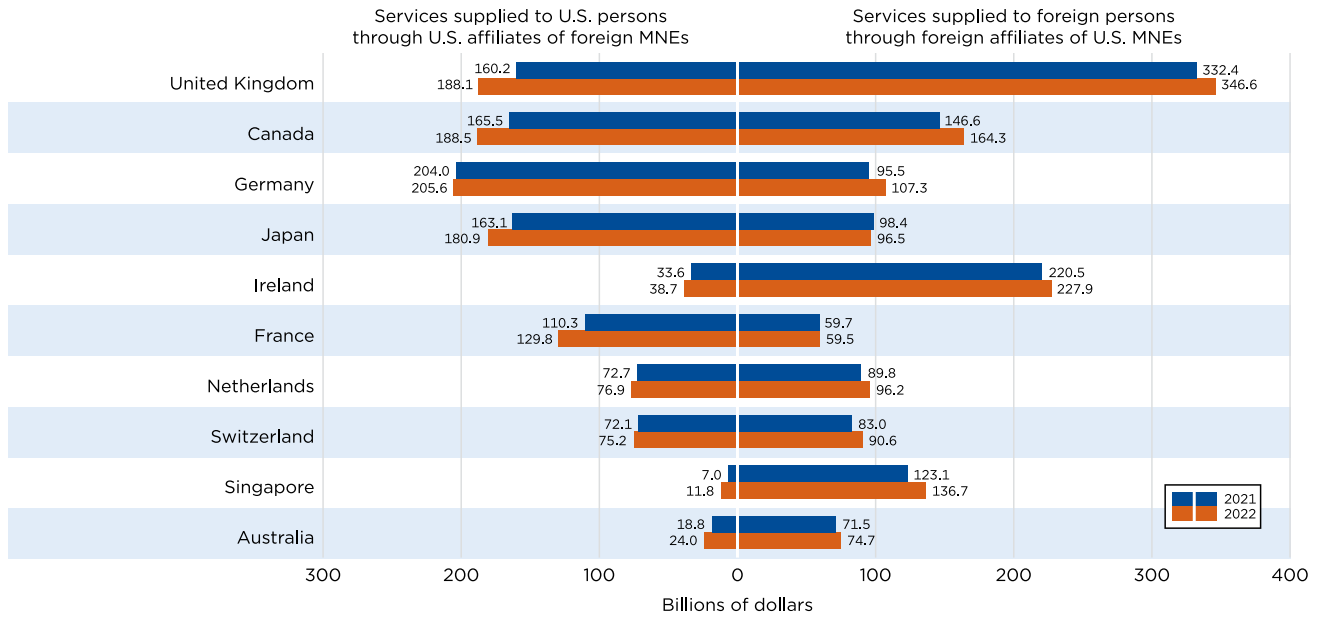
Chart 11. Services Supplied Through Affiliates by Industry, 2021–2022



MNEs Multinational enterprises
U.S. Bureau of Economic Analysis

- In 2022, services supplied to foreign persons by foreign affiliates of U.S. MNEs increased in seven of the nine major industry categories; services supplied fell only in professional, scientific, and technical services and in finance and insurance. The largest industry contributions (by industry of affiliate) to the \$113.7 billion aggregate increase were in “other industries,” in wholesale trade, and in information.
- Services supplied to U.S. persons through U.S. affiliates of foreign MNEs increased in every major industry category except manufacturing. The largest contributions to the \$203.8 billion aggregate increase were in other industries, primarily transportation and warehousing; in retail trade; in wholesale trade; and in professional, scientific, and technical services.

Chart 12. Services Supplied Through Affiliates for Selected Countries, 2021–2022¹

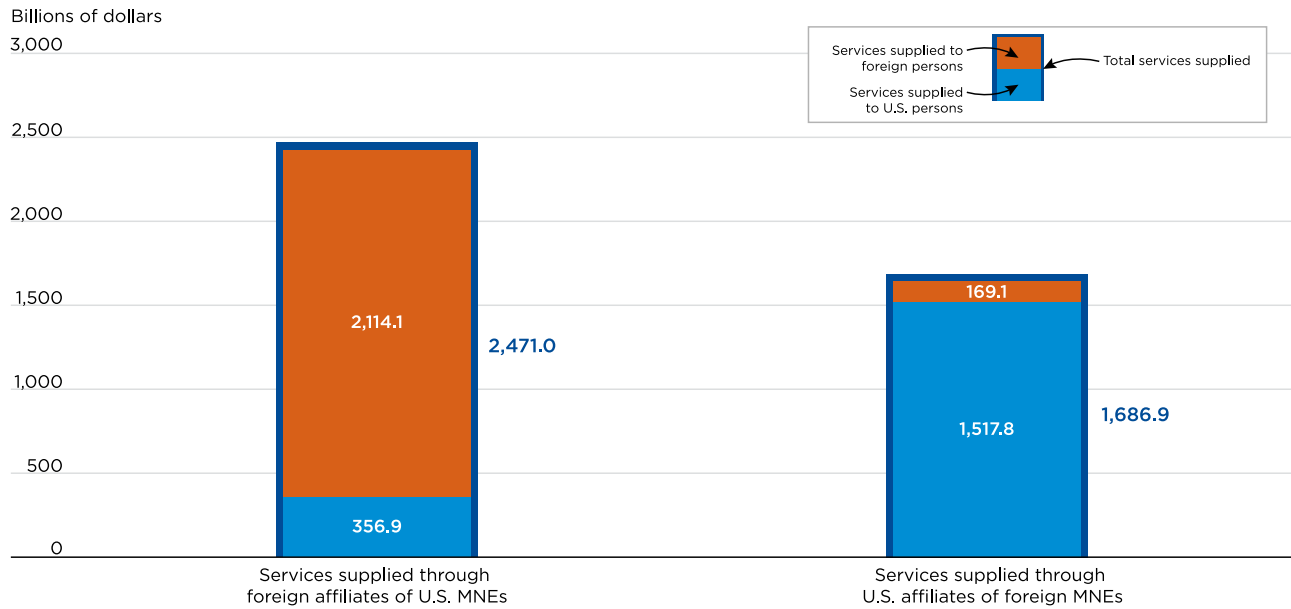


MNEs Multinational enterprises

1. The countries selected for this chart are the top 10 countries as measured by the sum of services supplied by foreign affiliates to foreign markets and by U.S. affiliates to the U.S. market in 2022. U.S. Bureau of Economic Analysis

- The top country through which U.S. MNEs supplied services to foreign markets through their foreign affiliates in 2022 was the United Kingdom, followed by Ireland, Canada, Singapore, and Germany.
- The top country of UBO from which foreign MNEs supplied services to U.S. persons through their U.S. affiliates in 2022 was Germany, followed by Canada, the United Kingdom, Japan, and France.
- In 2022, the \$113.7 billion increase in services supplied to foreign persons through foreign affiliates was widespread geographically. The largest increases were for services supplied through affiliates in Canada, the United Kingdom, Singapore, and Germany.
- The \$203.8 billion increase in services supplied to U.S. persons was widespread geographically. The largest increases were for services supplied through U.S. affiliates with UBOs in the United Kingdom, Canada, France, and Japan.

Chart 13. Services Supplied Through Affiliates by Destination, 2022



MNEs Multinational enterprises
U.S. Bureau of Economic Analysis

- Foreign affiliates supply services to both foreign markets and the U.S. market.¹¹ Services supplied to foreign persons, the focus of the services supplied through foreign affiliates statistics presented in this article, accounted for 86 percent of the services supplied worldwide through foreign affiliates in 2022, and 14 percent was supplied to U.S. persons.
- U.S. affiliates supply services to both the U.S. market and to foreign markets.¹² Services supplied to U.S. persons, the focus of the services supplied through U.S. affiliates statistics presented in this article, accounted for 90 percent of the services supplied worldwide by U.S. affiliates in 2022, and 10 percent was supplied to foreign markets.

Footnotes

1. The trade in services component of the international services statistics is released in July, and the services supplied through affiliates component is released in October of each year.
2. The term “affiliates” in this article refers to majority-owned affiliates. The statistics on services supplied through affiliates cover the full value of services provided by majority-owned affiliates, irrespective of the percentage of ownership.
3. The statistics on trade in services and services supplied through affiliates are not directly comparable, because of differences in coverage and classification. For example, wholesale and retail trade distributive services are included in services supplied through affiliates but not in trade in services statistics. For more information, see “[Definition of International Services](#)” on BEA’s website.
4. The UBO of a U.S. affiliate is that person or entity that ultimately owns or controls the U.S. affiliate and therefore ultimately derives the benefits and assumes the risks from ownership or control. For more information, see the [definition of UBO](#) on BEA’s website.
5. Beginning with statistics released in October 2022, BEA refined its concept of total international services supplied so the statistics better reflect services supplied to foreign persons by U.S.-based firms and services supplied to the United States by foreign-based firms. For more information, see the box “[Refinements to the Calculation of Total International Services Supplied](#)” in “U.S. International Services: Trade in Services in 2021 and Services Supplied Through Affiliates in 2020” in the October 2022 *Survey of Current Business*.
6. In 2020, both types of international services were affected by the COVID-19 pandemic, though it is not possible to say with precision how much of the decreases in these series were due to the pandemic and how much were due to other factors.
7. U.S. restrictions on foreign travel were eased on November 8, 2021. For more information, see President Biden’s “[A Proclamation on Advancing the Safe Resumption of Global Travel During the COVID-19 Pandemic](#).”
8. Travel (for all purposes including education) includes expenditures on goods and services acquired by residents of one country while visiting another country for business or personal travel. Business travel includes expenditures by border, seasonal, and other short-term workers and other business travel. Personal travel includes health-related travel, education-related travel, and other personal travel. Note that airfares or other expenditures associated with transporting travelers between the United States and foreign countries are not classified in travel; these expenditures are included in transport services.
9. BEA statistics on trade in digitally deliverable services complement BEA’s standard presentation of international trade in services statistics by providing insight into the extent to which ICT may be used to facilitate trade in services. For more information, see the box “[Key Terms](#)” in this article.
10. See the box “[Calculating Ranges for Suppressed Values](#)” in this article.
11. Services supplied through foreign affiliates to the U.S. market are mostly classified as U.S. imports of services. However, data from BEA direct investment surveys on these services supplied are not used to estimate U.S. imports of services; data on these services are collected along with data on other U.S. services imports in BEA’s services trade collection program. Of the services supplied through foreign affiliates to U.S. persons, distributive services in wholesale and retail trade are generally not included as U.S. imports of services. Services supplied through foreign affiliates to the U.S. market are used to adjust U.S. imports in chart 1 and in international services table 1.1 to compute services supplied to U.S. persons by foreign-based firms.
12. Services supplied through U.S. affiliates to foreign markets are mostly classified as U.S. exports of services. However, data from BEA direct investment surveys on these services supplied are not used to estimate U.S. exports of services; data on these services are collected along with data on other U.S. services exports in BEA’s services trade collection program. Of the services supplied through U.S. affiliates to foreign persons, distributive services in wholesale and retail trade are generally not included as U.S. exports of services. Services supplied through U.S. affiliates to foreign markets are used to adjust U.S. exports in chart 1 and in international services table 1.1 to compute services supplied by U.S.-based firms to foreign persons.



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