

Visual Essay

A Look at the U.S. International Transactions

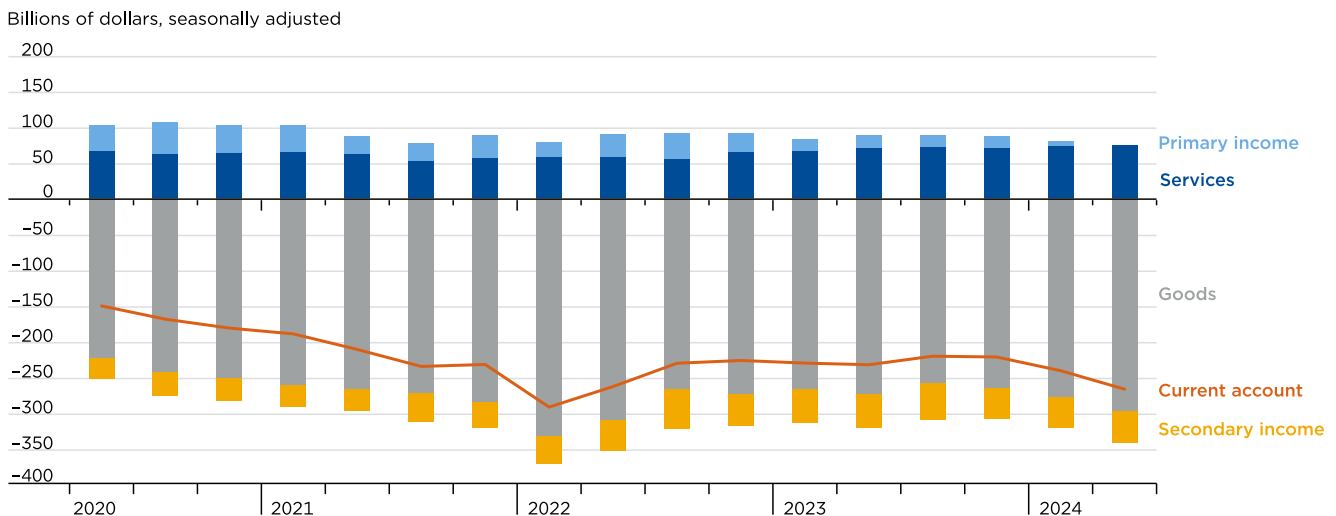
Second Quarter of 2024

By Elliot Berg and David Stein | October 23, 2024

This article highlights statistics on the U.S. International Transactions Accounts and the current-account deficit, which reflects the combined balances on trade in goods and services and income flows between U.S. residents and residents of other countries. These statistics are published by the U.S. Bureau of Economic Analysis (BEA) each quarter. Detailed statistics for U.S. international transactions and a description of the estimation methods are available on the BEA website. For the statistics, see “[International Transactions](#)” in BEA’s Interactive Data Application. For the methods, see [U.S. International Economic Accounts: Concepts and Methods](#).

Current-Account Overview

Chart 1. U.S. Current-Account Balance and Its Components

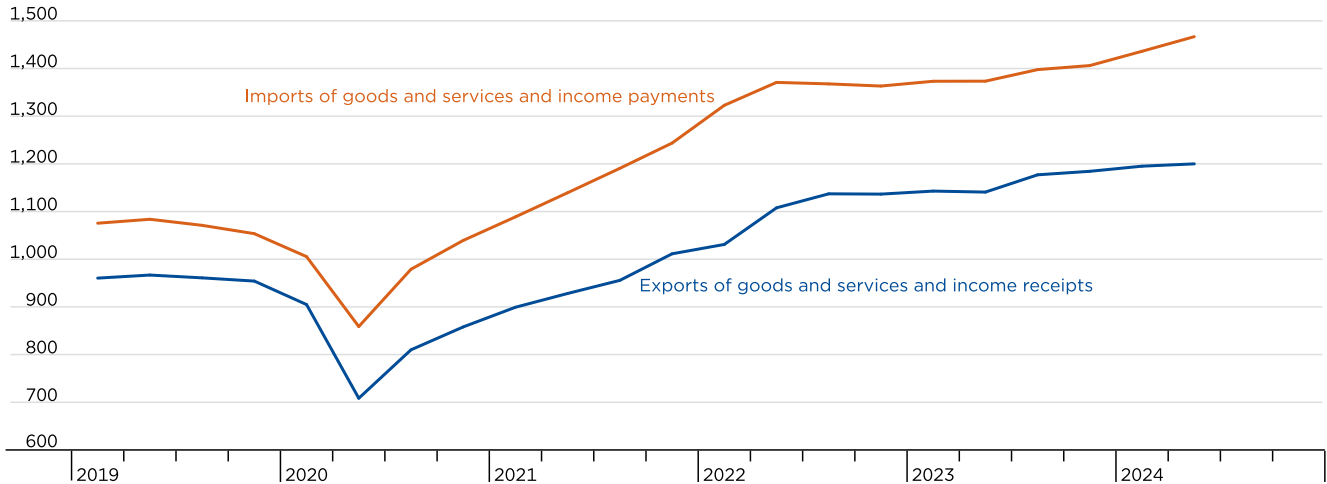


U.S. Bureau of Economic Analysis

- The current-account deficit widened by \$25.8 billion, or 10.7 percent, to \$266.8 billion in the second quarter of 2024—the largest level since the first quarter of 2022, when the deficit was \$291.8 billion.
- The second-quarter widening mostly reflected an expanded deficit on goods.¹

Chart 2. U.S. Current-Account Transactions

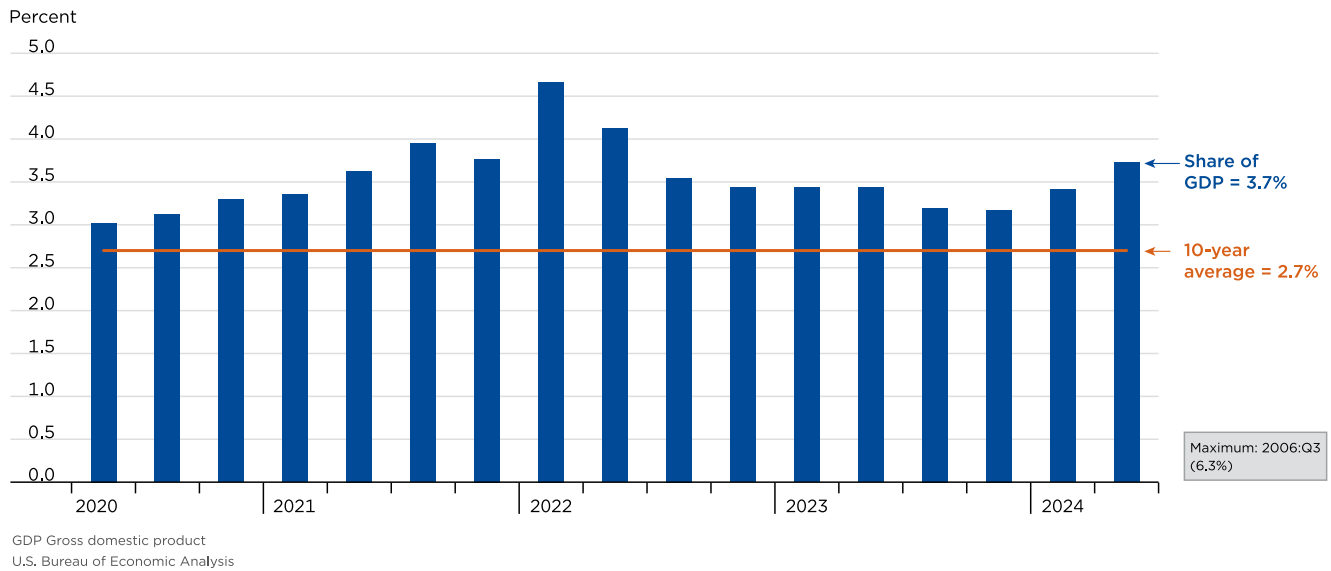
Billions of dollars, seasonally adjusted



U.S. Bureau of Economic Analysis

- Exports of goods and services and income receipts increased \$4.9 billion, or 0.4 percent, in the second quarter, following a \$10.7 billion, or 0.9 percent, increase in the first quarter.
- Imports of goods and services and income payments increased \$30.7 billion, or 2.1 percent, following a \$29.9 billion, or 2.1 percent, increase in the first quarter.

Chart 3. U.S. Current-Account Deficit Share of GDP

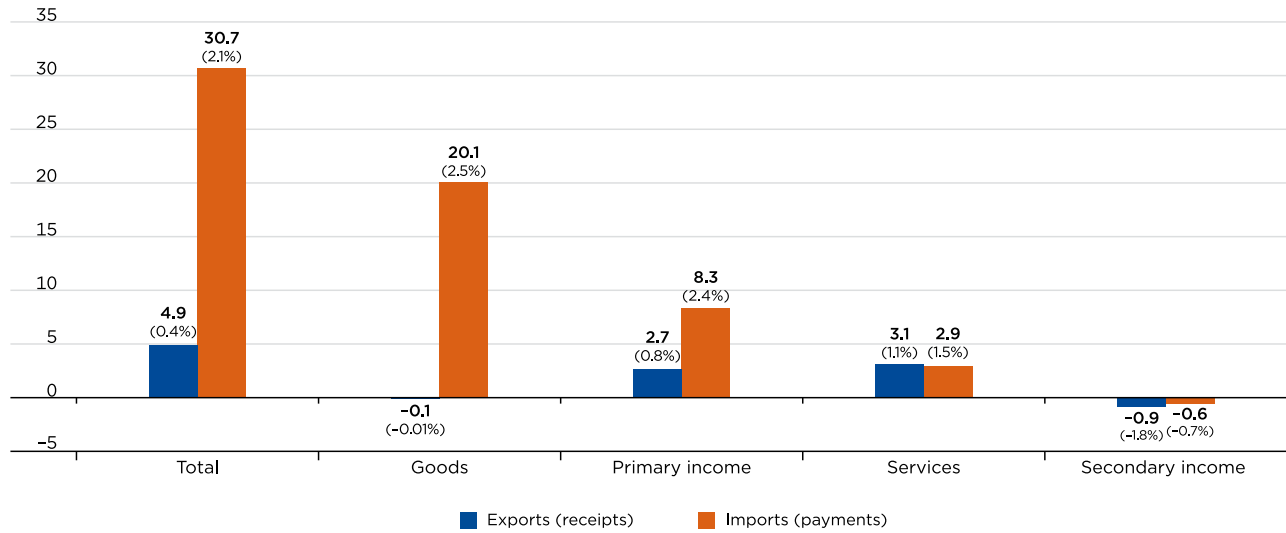


- The second-quarter deficit was 3.7 percent of nominal gross domestic product, up 0.3 percent from the first quarter.
- The second-quarter percentage was higher than the 10-year average of 2.7 percent but below the record of 6.3 percent in the third quarter of 2006.

Chart 4. Changes in Exports (Receipts) and Imports (Payments), 2024:Q2

Dollar change by major aggregate, quarterly

Billions of dollars, seasonally adjusted



Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

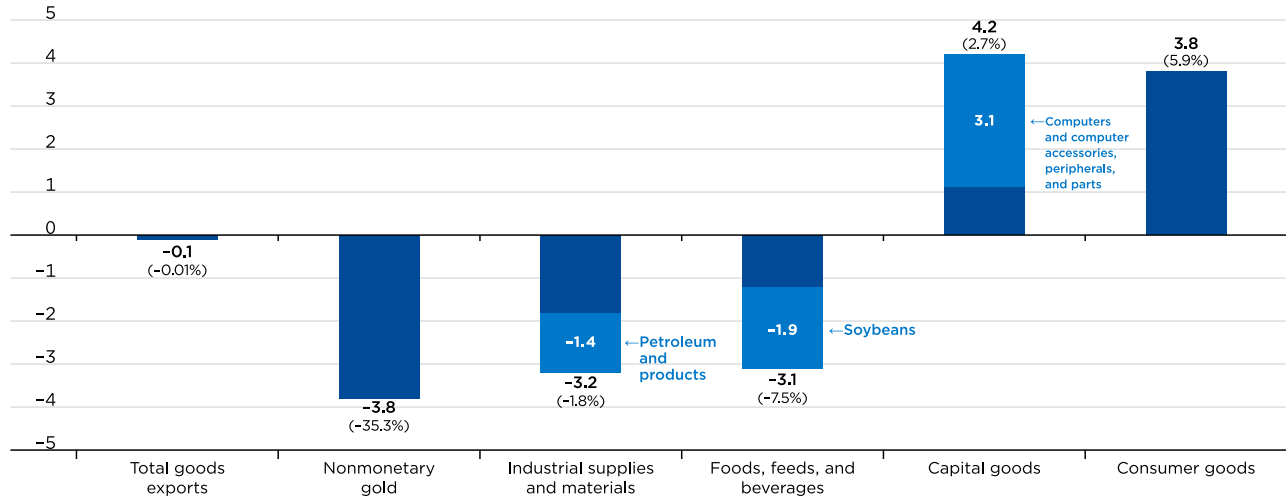
- The increase in exports of goods and services and income receipts was mainly due to services exports and to primary income receipts.
- The increase in imports of goods and services and income payments was mostly due to goods imports and to primary income payments.

Goods and Services

Chart 5. Goods Exports, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted



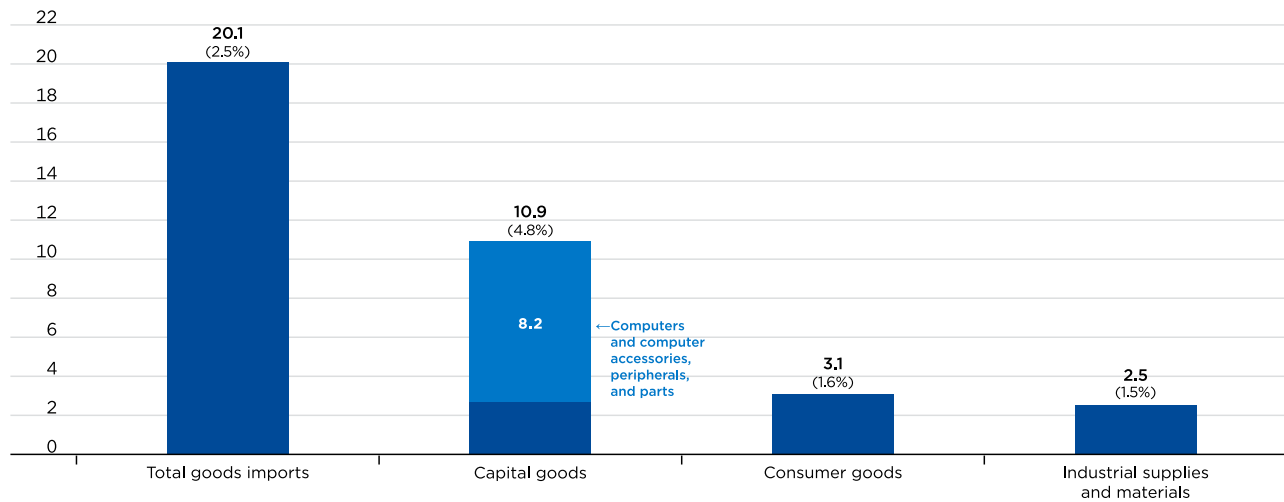
Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

- Exports of goods decreased \$0.1 billion, or 0.01 percent, reflecting offsetting changes in several categories.
- The largest decrease was in nonmonetary gold.
- The largest increase was in capital goods, mostly computers and computer accessories, peripherals, and parts.

Chart 6. Goods Imports, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted



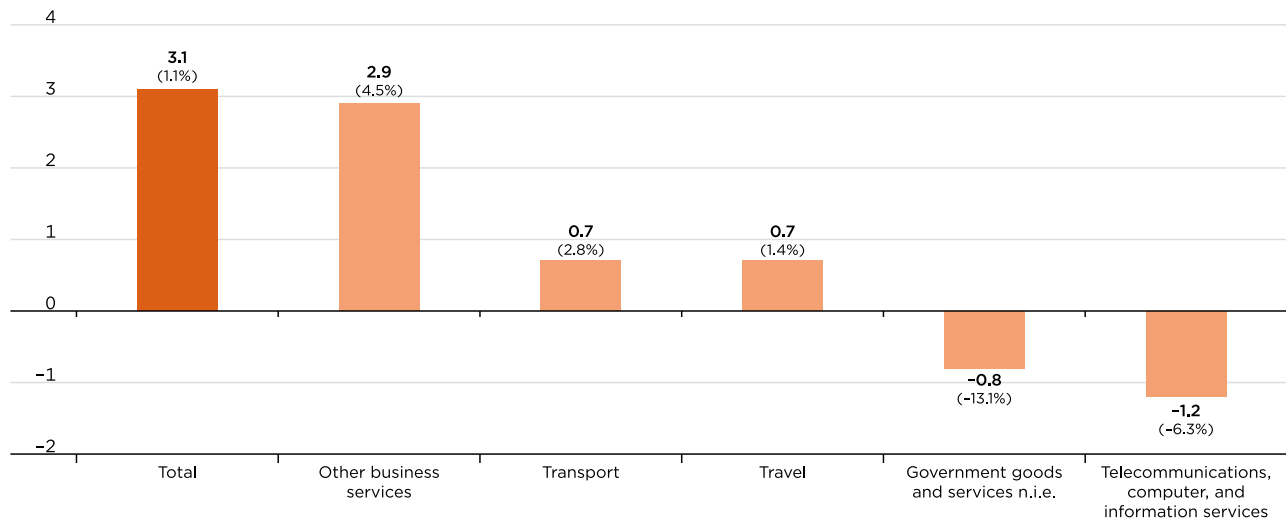
Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

- Imports of goods increased \$20.1 billion, or 2.5 percent.
- The increase was led by capital goods, mostly computers and computer accessories, peripherals, and parts.
- Consumer goods, particularly medicinal, dental, and pharmaceutical products, and industrial supplies and materials, particularly petroleum and products, also contributed to the increase.

Chart 7. Services Exports, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted



n.i.e. Not included elsewhere

Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.

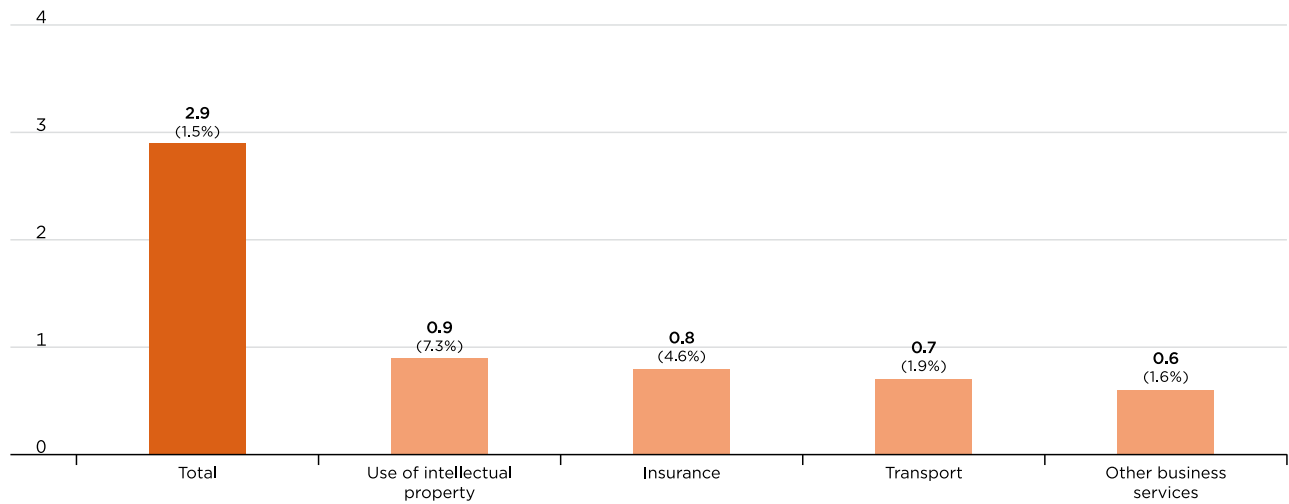
U.S. Bureau of Economic Analysis

- Exports of services increased \$3.1 billion, or 1.1 percent.
- The increase was mostly due to “other business services,” mainly professional and management consulting services and research and development services.
- A decrease in telecommunications, computer, and information services, mostly computer services, partly offset the increase.

Chart 8. Services Imports, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted



Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

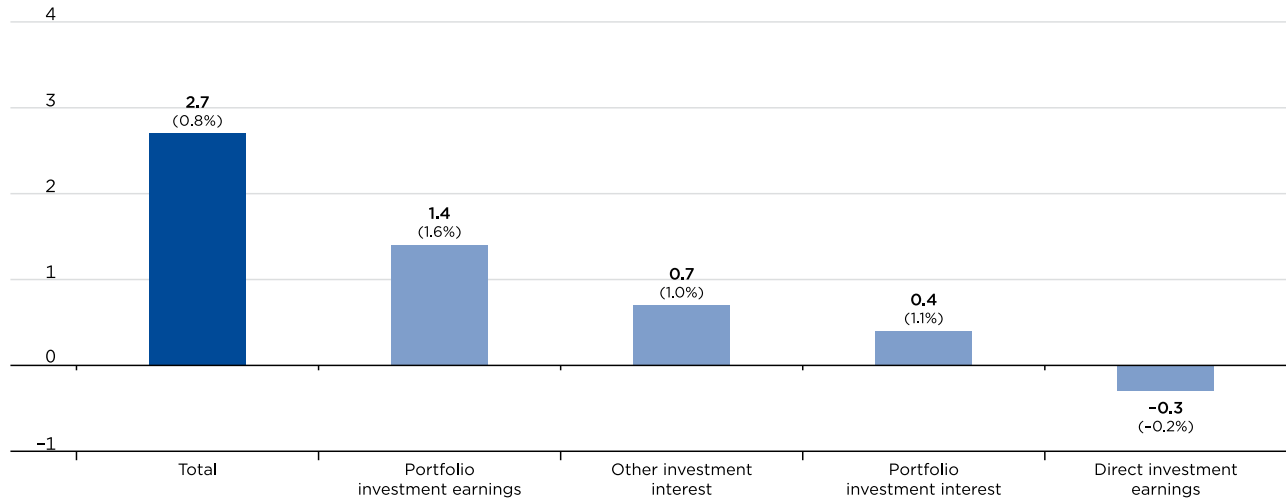
- Imports of services increased \$2.9 billion, or 1.5 percent.
- The increase was widespread by category, led by charges for the use of intellectual property.

Primary Income

Chart 9. Primary Income Receipts, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted



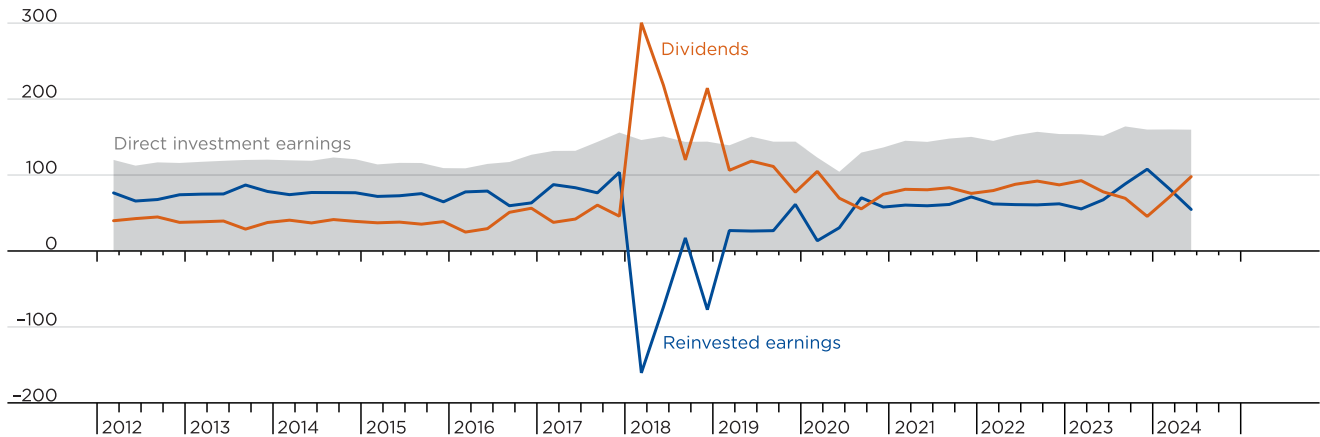
Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

- Primary income receipts increased \$2.7 billion, or 0.8 percent.
- The increase was led by portfolio investment earnings.
- “Other investment interest” and portfolio investment interest also contributed to the increase.

Chart 10. Direct Investment Earnings Receipts and Components

Dollar level by major component

Billions of dollars, seasonally adjusted



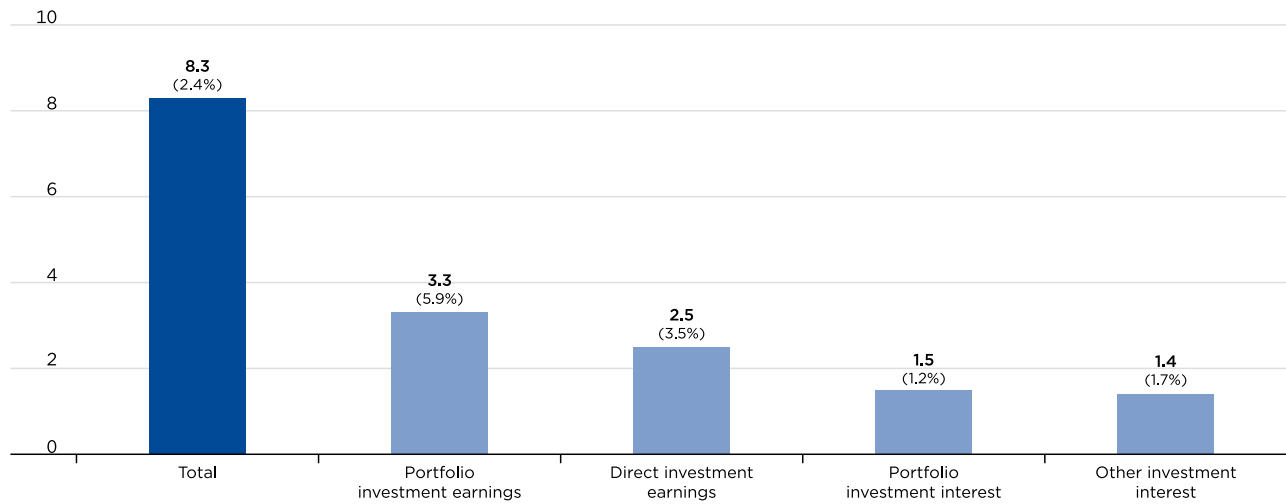
U.S. Bureau of Economic Analysis

- Direct investment dividend receipts, a component of direct investment income receipts, repatriated by foreign affiliates of U.S. multinational enterprises increased \$27.1 billion to \$97.9 billion in the second quarter—the highest level since the first quarter of 2020.
- Direct investment dividend receipts were largest in 2018 and 2019 following the passage of the Tax Cuts and Jobs Act of 2017, which allowed U.S. multinational enterprises to repatriate their foreign profits tax free.

Chart 11. Primary Income Payments, 2024:Q2

Component contributions to total dollar change, quarterly

Billions of dollars, seasonally adjusted

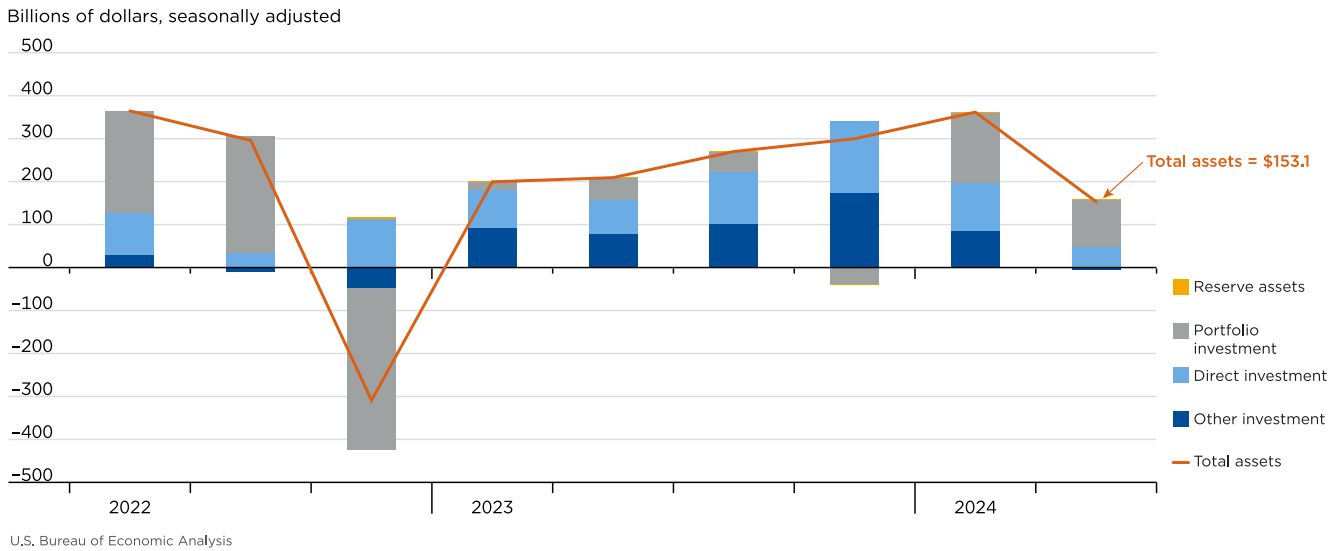


Note. Percentages indicate percent change from the first quarter of 2024 to the second quarter.
U.S. Bureau of Economic Analysis

- Primary income payments increased \$8.3 billion, or 2.4 percent.
- The increase was led by portfolio investment earnings, mainly dividends paid to private foreigners.
- Direct investment earnings, portfolio investment interest, and other investment interest also contributed to the increase.

Financial Assets and Liabilities

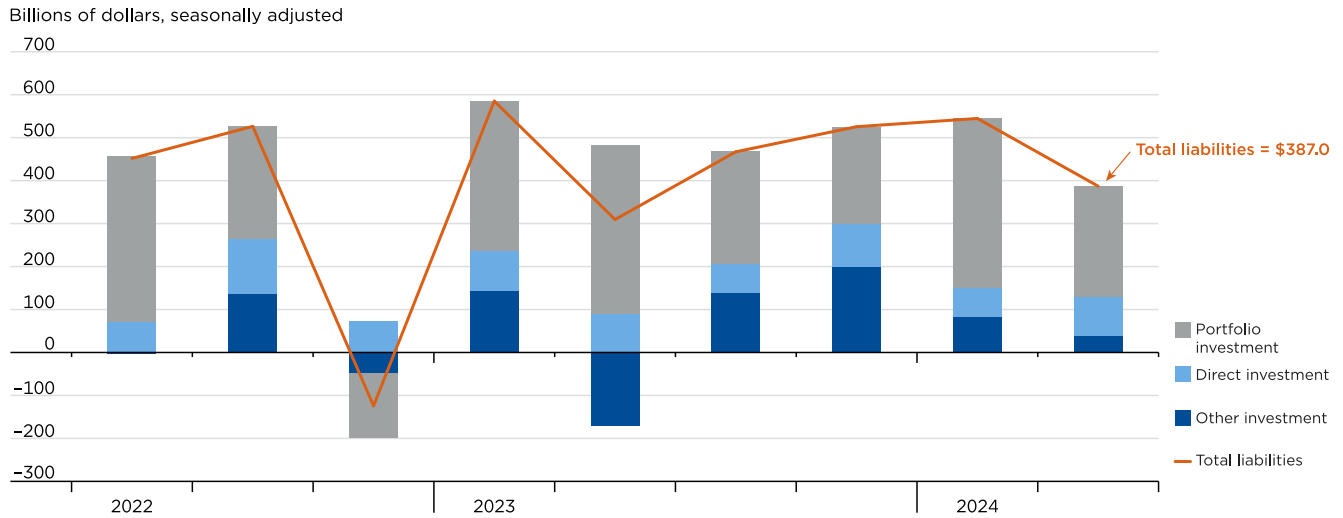
Chart 12. Transactions in Assets
Dollar level by major aggregate



- Total transactions in financial assets were \$153.1 billion in the second quarter, representing continued net U.S. acquisition of assets since the fourth quarter of 2022.
- Transactions in portfolio investment assets, mainly long-term debt securities, were the leading contributor, followed by transactions in direct investment assets, mainly equity.

Chart 13. Transactions in Liabilities

Dollar level by major aggregate

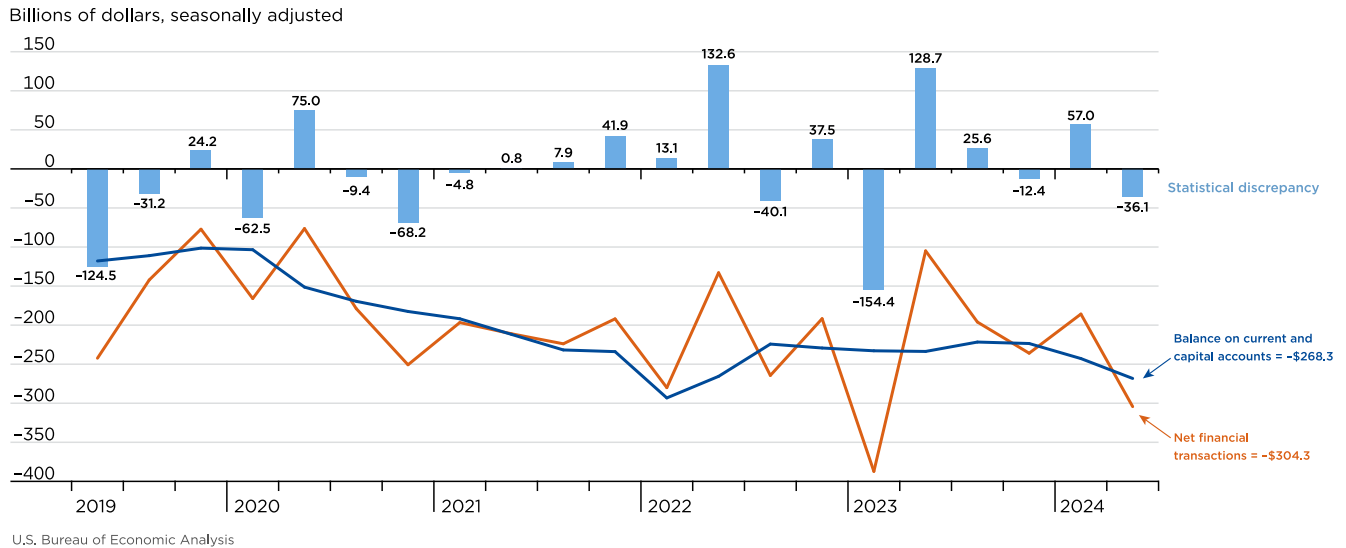


U.S. Bureau of Economic Analysis

- Total transactions in liabilities were \$387.0 billion in the second quarter, representing continued net U.S. incurrence of liabilities since the fourth quarter of 2022.
- Transactions in portfolio investment liabilities, both long-term debt securities and equity, were the leading contributor, followed by transactions in direct investment liabilities, mostly equity.

Chart 14. Statistical Discrepancy

Dollar level by major component



- The statistical discrepancy, shown as the difference between net financial transactions and the balance on the current and capital accounts, was $-\$36.1$ billion in the second quarter, following a revised $\$57$ billion discrepancy in the first quarter.

1. U.S. international transactions are presented in current dollars in accordance with international statistical presentation guidelines. For a comparison of current-dollar, or nominal, and inflation-adjusted, or real, measures of international transactions, see "SECTION 4 – FOREIGN TRANSACTIONS" of the [National Income and Product Accounts](#).



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