

U.S. International Transactions, Third Quarter 2001

By Douglas B. Weinberg

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—decreased to \$95.0 billion in the third quarter of 2001 from \$107.6 billion (revised) in the second quarter (table A).¹ The decrease was accounted for by a large increase in the surplus on services, as payments fell much more sharply than receipts, and by a decrease in the deficit on goods, as imports decreased more than exports. The deficit on income was virtually unchanged, and net outflows for unilateral current transfers increased.

In the financial account, net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents

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.

Patricia E. Abaroa prepared the section on goods exports and imports.

of assets abroad—were \$36.7 billion in the third quarter, down from \$154.4 billion (revised) in the second. Financial inflows for foreign-owned assets in the United States decreased much more than financial outflows for U.S.-owned assets abroad.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$58.1 billion in the third quarter, in contrast to a negative \$47.0 billion in the second.

The following are highlights for the third quarter of 2001:

- Slowing economic activity in the United States and in most foreign countries contributed to sharp decreases in exports and imports of goods and in receipts and payments of income.
- The September 11th terrorist attacks substantially affected travel and passenger fare receipts and payments, “other” private services payments, and U.S. nonbanking concerns’ transactions with unaffiliated foreigners.

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 -)	2000	2000				2001			Change: 2001 II-III	January-September		
			I	II	III	IV	I	II ^r	III ^p		2000	2001	Change: 2000-2001
Current account													
1	Exports of goods and services and income receipts (1)	1,418,568	339,645	355,075	361,236	362,617	354,624	336,193	313,838	-22,355	1,055,956	1,004,655	-51,301
2	Goods, balance of payments basis (3)	772,210	185,142	191,558	199,273	196,237	194,942	185,864	173,775	-12,089	575,973	554,581	-21,392
3	Services (4)	293,492	72,114	74,264	73,224	73,894	74,150	73,451	69,616	-3,835	219,602	217,217	-2,385
4	Income receipts (12)	352,866	82,389	89,253	88,739	92,486	85,532	76,878	70,447	-6,431	260,381	232,857	-27,524
5	Imports of goods and services and income payments (18)	-1,809,099	-432,624	-450,748	-463,461	-462,268	-454,668	-431,731	-396,463	35,268	-1,346,833	-1,282,862	63,971
6	Goods, balance of payments basis (20)	-1,224,417	-292,547	-303,229	-313,884	-314,757	-307,462	-293,522	-279,603	13,919	-909,660	-880,587	29,073
7	Services (21)	-217,024	-52,031	-53,377	-55,953	-55,667	-56,653	-56,336	-41,375	14,961	-161,361	-154,364	6,997
8	Income payments (29)	-367,658	-88,046	-94,142	-93,624	-91,844	-90,553	-81,873	-75,485	6,388	-275,812	-247,911	27,901
9	Unilateral current transfers, net (35)	-54,136	-11,924	-12,461	-13,080	-16,673	-11,734	-12,038	-12,355	-317	-37,465	-36,127	1,338
Capital account													
10	Capital account transactions, net (39)	705	173	173	175	184	173	177	182	5	521	532	11
Financial account													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40)	-580,952	-198,105	-93,573	-107,727	-181,548	-243,120	-72,175	-15,383	56,792	-399,405	-330,678	68,727
12	U.S. official reserve assets, net (41)	-290	-554	2,020	-346	-1,410	190	-1,343	-3,559	-2,216	1,120	-4,712	-5,832
13	U.S. Government assets, other than official reserve assets, net (46) ..	-944	-127	-572	114	-359	21	-786	23	809	-585	-742	-157
14	U.S. private assets, net (50)	-579,718	-197,424	-95,021	-107,495	-179,779	-243,331	-70,046	-11,847	58,199	-399,940	-325,224	74,716
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55)	1,024,218	256,782	250,007	222,108	295,321	346,660	226,581	52,111	-174,470	728,897	625,352	-103,545
16	Foreign official assets in the United States, net (56)	37,619	22,498	6,447	12,247	-3,573	4,898	-20,879	16,814	37,893	41,192	833	-40,359
17	Other foreign assets in the United States, net (63)	986,599	234,284	243,560	209,861	298,894	341,762	247,460	35,297	-212,163	687,705	624,519	-63,186
18	Statistical discrepancy (sum of above items with sign reversed) (70)	696	46,053	-48,473	749	2,367	8,065	-47,007	58,070	105,077	-1,671	19,128	20,799
Memoranda:													
19	Balance on current account (76)	-444,667	-104,903	-108,134	-115,305	-116,324	-111,778	-107,576	-94,980	12,596	-328,342	-314,334	14,008
20	Net financial flows (40 and 55)	443,266	58,677	156,434	114,381	113,773	103,540	154,406	36,728	-117,678	329,492	294,674	-34,818

^r Revised.

^p Preliminary.

- Foreign direct investment in the United States fell sharply, largely as a result of a drop in foreign acquisitions of U.S. companies.
- Net foreign purchases of U.S. securities other than U.S. Treasury securities were the lowest in 2 ½ years, reflecting lower net foreign purchases throughout the quarter.
- U.S. claims and liabilities reported by U.S. banks both decreased by large amounts in the third quarter after increasing in the second quarter.

U.S. dollar in exchange markets

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

The dollar depreciated against most major currencies throughout much of the quarter, amid increasing signs that a recession had begun in the United States. Economic reports indicated that U.S. manufacturing activity remained weak and that nonmanufacturing activity might be slowing. In addition, reports showed

Revisions to the Estimates for the Second Quarter of 2001

The international transactions accounts estimates for the second quarter of 2001 are revised from the preliminary estimates that were published in the October 2001 SURVEY OF CURRENT BUSINESS. The current-account deficit for the second quarter was revised to \$107.6 billion from \$106.5 billion. The goods deficit was revised to \$107.7 billion from \$107.8 billion, the services surplus was revised to \$17.1 billion from \$18.9 billion, the deficit on income was revised to \$5.0 billion from \$5.5 billion, and unilateral current transfers were revised to net outflows of \$12.0 billion from net outflows of \$12.1 billion. Net recorded financial inflows were revised to \$154.4 billion from \$124.7 billion.

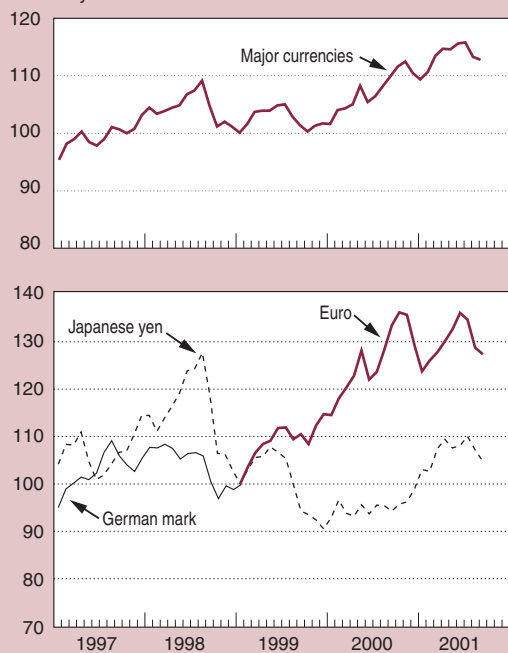
that U.S. nonfarm payrolls were weaker than expected, that U.S. corporate profits continued to decline, and that the near-term outlook for sales and corporate profitability remained uncertain. In this environment, U.S. monetary authorities lowered the target federal funds rate by 25 basis points to 3.5 percent in late August, the seventh reduction in the federal funds rate in 2001 (chart 2).

Economic reports also indicated that economic activity was continuing to slow in some major foreign countries and remained weak in most other foreign countries. In the euro area, reports showed that manufacturing activity continued to decline, particularly in Germany, and that measures of total economic activity grew weakly or declined in most other euro-area countries. In response, the European Central Bank reduced

CHART 1

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

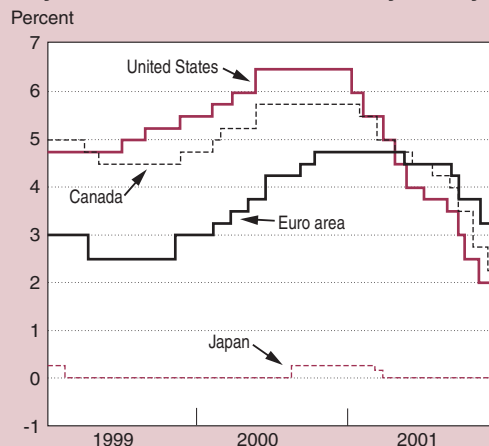
January 1999=100



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

CHART 2

Key Interest Rates for Monetary Policy



Note.—The rates shown are the following: The target level for the federal funds rate in the United States, the target level for the overnight rate in Canada, the minimum bid rate on main refinancing operations in the euro area, and the uncollateralized overnight call rate in Japan.
Data: Federal Reserve Board and foreign monetary authorities
U.S. Bureau of Economic Analysis

Effects of September 11th Terrorist Attacks on U.S. International Transactions

Repercussions from the September 11th attacks were widely felt throughout the U.S. economy.¹ U.S. financial markets were disrupted for a short period of time. The U.S. stock market closed for 4 regular trading days, and U.S. bond markets closed briefly and then reopened with limitations on the types of instruments traded, the volume of transactions for some instruments, the length of trading days, and the time allowed for clearing and settling trades. Normal channels for borrowing and making payments were temporarily disrupted as a result of damage to some communications networks and other infrastructure. There were large temporary dislocations in the distribution of bank deposits and reserves. U.S. air transport was completely shut down for a short period of time, and land transport to and from the United States slowed as a result of a tightening of U.S. border restrictions. Consumer spending decreased in September, partly reflecting the effects of the attacks. Certain industries, such as air transport, other travel-related industries, financial services, and insurance, experienced disproportionately large adverse impacts.

1. For information on the effects of the attacks on the U.S. national income and product accounts estimates, see the box "The Terrorist Attacks of September 11th as Reflected in the National Income and Product Accounts," SURVEY OF CURRENT BUSINESS 81 (November 2001): 2-3.

All of these developments affected U.S. international transactions, though some developments had a larger impact than others. Most of the effects are reflected in the regularly incorporated source data. For example, a sharp drop in international travel after the attacks is reflected in the source data for receipts and payments for travel and passenger fares. Similarly, the disruption in financial markets is reflected in the source data for securities transactions and for banking transactions.

For certain components, however, BEA prepares adjustments to account for the effects that are not captured in the source data. Specifically, imports of insurance services (a component of "other" private services) are adjusted downward to reflect large and nonrecurring insurance losses recovered from reinsurance companies abroad; these recovered losses are recorded on an accrual basis at the time the insured event occurs.² U.S. nonbanking concerns' transactions with unaffiliated foreigners are also adjusted to reflect the insurance losses recovered that were accrued but not paid.

2. Consistent with standard BEA methodology, imports of insurance services are calculated as premiums paid to foreigners for primary insurance and for reinsurance, less losses recovered.

its rate on refinancing operations by 25 basis points to 4.25 percent in late August. In Japan, reports showed that economic output contracted in the second quarter and that conditions were not improving in the third quarter.

The dollar depreciated sharply against most major

currencies in the first several days after September 11th, but it rebounded to pre-attack levels by the end of the quarter. In the days after the attacks, central banks around the world acted to facilitate the functioning of financial markets and to provide liquidity. The U.S. Federal Reserve eased its rules for lending of its own

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

[January 1999=100]

	2000		2001			2000				2001									
	III	IV	I	II	III	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	
Nominal: ¹																			
Broad ²	104.5	107.3	107.9	110.4	110.1	105.5	107.0	107.9	107.1	106.9	107.5	109.3	110.3	110.1	110.8	111.2	109.4	109.7	
Major currencies ³	108.0	111.3	111.0	114.8	113.8	109.7	111.4	112.3	110.3	109.2	110.5	113.3	114.5	114.4	115.4	115.6	113.1	112.6	
Other important trading partners ⁴	100.3	102.5	104.2	105.1	105.7	100.6	101.9	102.6	103.1	104.2	103.8	104.6	105.2	104.9	105.3	106.0	105.0	106.2	
Real: ¹																			
Broad ²	106.1	108.6	109.7	112.5	112.1	107.1	108.6	109.1	108.2	108.6	109.3	111.3	112.2	112.2	113.1	113.3	111.3	111.7	
Major currencies ³	110.5	114.2	114.7	118.5	117.5	112.3	114.3	115.2	113.0	112.8	117.1	118.2	118.1	118.2	119.3	119.4	116.7	116.5	
Other important trading partners ⁴	100.9	102.0	103.8	105.2	105.6	100.8	101.8	102.0	102.3	103.6	103.4	104.3	104.9	105.1	105.7	106.0	104.8	105.9	
Selected currencies: (nominal) ⁵																			
Canada	97.6	100.4	100.5	101.4	101.8	97.8	99.5	101.5	100.2	98.9	100.1	102.6	102.5	101.4	100.3	100.8	101.3	103.2	
European currencies:																			
Euro area ⁶	128.3	133.5	125.7	132.7	130.1	133.3	136.0	135.5	129.0	123.6	125.9	127.6	129.9	132.4	135.9	134.5	128.6	127.2	
United Kingdom	111.8	114.1	113.2	116.1	114.7	115.1	113.7	115.7	112.8	111.7	113.6	114.2	115.0	115.7	117.7	116.6	114.8	112.7	
Switzerland	123.3	126.0	120.0	126.3	122.0	126.9	128.1	128.3	121.6	117.7	120.4	122.0	123.6	126.5	128.9	126.8	121.3	117.9	
Japan	95.1	97.0	104.3	108.3	107.2	94.3	95.7	96.2	99.0	103.0	102.6	107.3	109.3	107.5	108.0	109.9	107.1	104.7	
Mexico	92.3	93.9	95.7	90.7	91.3	92.4	94.2	93.9	93.5	96.5	95.9	94.8	92.1	90.3	89.7	90.5	90.2	93.1	
Brazil	120.1	127.7	133.6	151.3	168.9	121.7	124.4	128.9	129.8	129.4	132.7	138.6	145.1	151.6	157.3	163.6	166.2	177.0	

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, Mexico, 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, Greece, 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; 340.750 Greek drachmas; 787.564 Irish pounds; 1936.27 Italian lira; 40.3399 Luxembourg francs; 2.20371 Netherlands guilders; 200.482 Portuguese escudos; 166.386 Spanish pesetas.

securities to dealers and took other steps to facilitate the functioning of financial markets. It provided an unusually large volume of liquidity, partly by lending record amounts through the discount window and by establishing new short-term reciprocal currency swap arrangements or temporarily augmenting existing currency swap facilities with the European Central Bank, the Bank of England, and the Bank of Canada. On September 17, U.S. monetary authorities injected additional liquidity by lowering the target federal funds rate by 50 basis points to 3.0 percent. Shortly thereafter, monetary authorities in most major foreign countries also eased monetary policies. (In the fourth quarter, the U.S. target federal funds rate was reduced further, in three steps, to 1.75 percent, and many key interest rates for monetary policy in foreign countries were also lowered.)

Current Account

Goods and services

The deficit on goods and services decreased to \$77.6 billion in the third quarter from \$90.5 billion in the second. The deficit on goods decreased, and the surplus on services increased sharply.

Goods. The deficit on goods decreased \$1.8 billion, to \$105.8 billion, in the third quarter. Since the record high in the fourth quarter of 2000, the goods deficit has narrowed by \$12.7 billion. Global economic deceleration has caused U.S. imports and exports to fall, but imports have decreased more in dollar terms, although less in percentage terms, than exports.

Exports. Exports decreased a record \$12.1 billion, or

7 percent, to \$173.8 billion in the third quarter, eclipsing the previous record drop in the second quarter. Quantities decreased 6 percent, and prices decreased 1 percent (table C). The decrease in value was largely accounted for by a decline in capital goods, although capital goods fell somewhat less in the third quarter than in the second. In the third quarter, total exports to Western Europe and to Canada decreased sharply.

Since a record high in the third quarter of 2000, exports have declined \$25.5 billion, or 13 percent, as slowing foreign economic activity, and the lagged effect of a generally strengthening dollar over the past 2 years, have contributed to a recent softening in demand for U.S. exports (table D, chart 3). Exports to all major countries and regions have decreased. Exports to the newly industrialized countries in Asia have declined 23 percent; to Japan, 19 percent; to Mexico, 16 percent; and to Western Europe, 11 percent.

Foreign businesses, faced with shrinking demand for their products in domestic and foreign markets, have cut production and capital investment, resulting in a substantial decline in demand for U.S. capital goods exports. In the last year, capital goods exports (except civilian aircraft) have decreased \$18.4 billion, or 23 percent, accounting for most of the decline in total exports. High-tech products have been particularly hard hit: Semiconductors, which are the building blocks of the technology sector, have dropped 40 percent; computers and peripherals are down 24 percent; and telecommunications equipment has declined 22 percent. Other capital goods exports have also fallen sharply: Electric generating machinery has dropped 26 percent, and "other" industrial, agricultural, and ser-

Table C. U.S. Trade in Goods, Current and Chained (1996) Dollars, and Percent Changes from Previous Period
[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

	Current dollars									Chained (1996) dollars ¹								
	1999	2000	2000				2001			1999	2000	2000				2001		
			I	II	III	IV	I	II ^r	III ^p			I	II	III	IV	I	II ^r	III ^p
Exports.....	684,553	772,210	185,142	191,558	199,273	196,237	194,942	185,864	173,775	736,609	821,683	197,590	203,785	211,767	208,541	207,165	198,361	186,454
Agricultural products.....	49,661	52,808	12,904	12,977	13,629	13,298	13,606	13,465	13,703	63,200	68,496	16,693	16,616	18,028	17,159	17,488	17,487	17,346
Nonagricultural products.....	634,892	719,402	172,238	178,581	185,644	182,939	181,336	172,399	160,072	673,008	752,660	180,922	186,996	193,783	190,959	189,682	180,901	169,388
Imports.....	1,029,987	1,224,417	292,547	303,229	313,884	314,757	307,462	293,522	279,603	1,140,233	1,293,769	311,884	322,241	329,710	329,934	325,701	316,295	306,582
Petroleum and products.....	67,767	120,185	26,961	29,472	31,982	31,770	29,306	28,562	25,504	81,443	86,004	20,394	22,209	21,920	21,481	22,824	23,052	21,200
Nonpetroleum products.....	962,220	1,104,232	265,586	273,757	281,902	282,987	278,156	264,960	254,099	1,056,300	1,205,430	290,894	299,188	307,083	308,265	301,688	291,806	284,545
	Percent change from previous period (current dollars)									Percent change from previous period (chained (1996) dollars)								
	1999	2000	2000				2001			1999	2000	2000				2001		
I			II	III	IV	I	II ^r	III ^p	I			II	III	IV	I	II ^r	III ^p	
Exports.....	2.1	12.8	2.6	3.5	4.0	-1.5	-0.7	-4.7	-6.5	3.6	11.5	2.2	3.1	3.9	-1.5	-0.7	-4.2	-6.0
Agricultural products.....	-6.6	6.3	2.3	.6	5.0	-2.4	2.3	-1.0	1.8	.9	8.4	3.1	-5	8.5	-4.8	1.9	.0	-8
Nonagricultural products.....	2.9	13.3	2.6	3.7	4.0	-1.5	-9	-4.9	-7.2	3.8	11.8	2.3	3.4	3.6	-1.5	-7	-4.6	-6.4
Imports.....	12.3	18.9	6.0	3.7	3.5	.3	-2.3	-4.5	-4.7	12.1	13.5	4.3	3.3	2.3	.1	-1.3	-2.9	-3.1
Petroleum and products.....	33.8	77.4	25.9	9.3	8.5	-7	-7.8	-2.5	-10.7	.6	5.6	6.7	8.9	-1.3	-2.0	6.3	1.0	-8.0
Nonpetroleum products.....	11.0	14.8	4.3	3.1	3.0	.4	-1.7	-4.7	-4.1	12.9	14.1	4.1	2.9	2.6	.4	-2.1	-3.3	-2.5

^r Revised.

^p Preliminary.

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

vice industry machinery has decreased 22 percent.

Foreign demand for industrial supplies and materials has also weakened. In the last three quarters, exports of industrial supplies and materials have decreased \$5.7 billion, or 13 percent. Nearly all major commodities have decreased; the largest declines were in nonferrous metals, in energy products, and in chemicals.

Consumer goods, which changed little over the preceding three quarters, fell a record \$1.9 billion, or 8 percent, in the third quarter, largely to Western Europe. Durables, nondurables, and unmanufactured consumer goods all fell sharply.

Imports. Imports decreased \$13.9 billion, or 5 percent, to \$279.6 billion in the third quarter. Quantities decreased 3 percent, and prices decreased 2 percent (table C). The decrease in value was only slightly

smaller than the record decrease in the second quarter; however, the third-quarter decrease was more evenly spread across major commodity categories. In the third quarter, imports from Canada and from Western Europe decreased sharply.

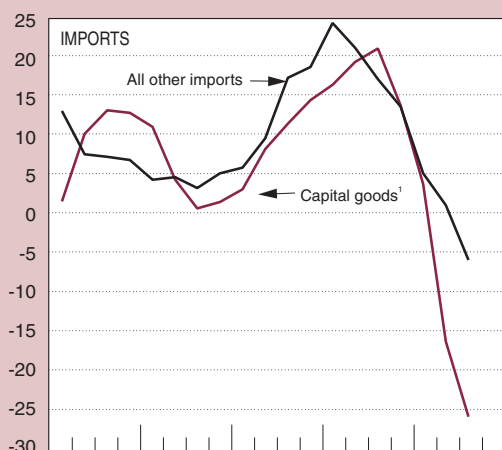
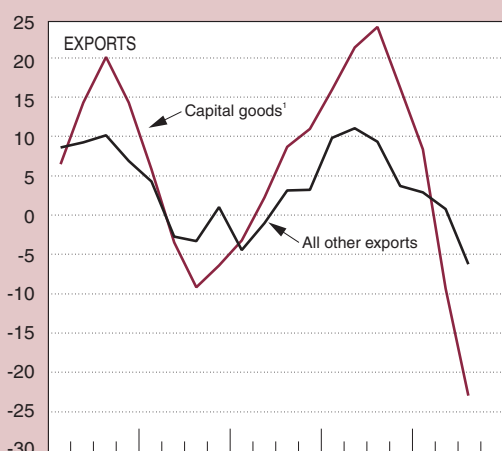
Since the third quarter of 2000, imports have decreased \$34.3 billion, or 11 percent (table D, chart 3). After slowing in the fourth quarter of 2000 and decreasing in the first quarter of 2001, imports have declined sharply in the last two quarters, as the United States has been in a recession. U.S. businesses have cut capital investment spending, especially for high-tech equipment, and reduced production in an effort to pare excess productive capacity and inventories. In addition, U.S. consumer spending has slowed in the last two quarters.

In the last year, capital goods imports (except civilian aircraft) have decreased \$21.3 billion, or 26 percent, accounting for the majority of the decline in total imports. High-tech capital goods have declined substantially. Semiconductors, which are often first and most heavily affected by changes in final demand for high-tech products, have dropped 53 percent. Tele-

CHART 3

U.S. Trade in Goods

Percent change from a year ago



Based on seasonally adjusted data

1. Capital goods, except automotive and civilian aircraft
U.S. Bureau of Economic Analysis

Table D. U.S. Trade in Goods: 2000:III and 2001:III
[Balance of payments basis, millions of dollars, seasonally adjusted]

	2000	2001	Dollar change	Percent change
	III	III ^p		
Exports	199,273	173,775	-25,498	-13
By principal end-use category:				
Foods, feeds, and beverages.....	12,227	11,925	-302	-2
Industrial supplies and materials	43,922	38,612	-5,310	-12
Capital goods, except automotive	93,630	76,187	-17,443	-19
Capital goods, except civilian aircraft	81,356	62,916	-18,440	-23
Civilian aircraft, engines, and parts	12,274	13,271	997	8
Automotive vehicles, engines, and parts.....	20,161	19,313	-848	-4
Consumer goods (nonfood), except automotive....	23,104	21,504	-1,600	-7
Exports, n.e.c.	6,229	6,234	5	0
By areas and countries:				
Western Europe	43,807	39,040	-4,767	-11
Canada	43,524	39,251	-4,273	-10
Japan	16,521	13,401	-3,120	-19
Latin America.....	42,881	37,445	-5,436	-13
Asia, excluding Japan	42,060	34,570	-7,490	-18
All other areas and countries	10,480	10,068	-412	-4
Imports	313,884	279,603	-34,281	-11
By principal end-use category:				
Foods, feeds, and beverages.....	11,713	11,981	268	2
Industrial supplies and materials	78,190	67,203	-10,987	-14
Petroleum and products.....	31,982	25,504	-6,478	-20
Industrial supplies and materials, except petroleum	46,208	41,699	-4,509	-10
Capital goods, except automotive	89,655	69,537	-20,118	-22
Capital goods, except civilian aircraft	82,985	61,710	-21,275	-26
Civilian aircraft, engines, and parts	6,670	7,827	1,157	17
Automotive vehicles, engines, and parts	49,594	48,259	-1,335	-3
Consumer goods (nonfood), except automotive....	71,596	70,065	-1,531	-2
Imports, n.e.c., and U.S. goods returned	13,136	12,558	-578	-4
By areas and countries:				
Western Europe	59,588	55,935	-3,653	-6
Canada.....	56,025	51,398	-4,627	-8
Japan	36,103	29,776	-6,327	-18
Latin America.....	51,397	47,146	-4,251	-8
Asia, excluding Japan	94,524	81,481	-13,043	-14
All other areas and countries	16,247	13,867	-2,380	-15

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

communications equipment has declined 32 percent, reflecting the declining profitability of many telecommunications service providers. Computers and peripherals have decreased 27 percent. In late 2000, demand for personal computers dropped sharply, and soon thereafter, demand for printers, servers, and disk storage systems also fell.

As the United States has entered a recession, demand for imported industrial supplies and materials, most of which are intermediate products, has fallen. In the last two quarters, imports of nonpetroleum industrial supplies and materials have decreased \$6.2 billion, or 13 percent. Nearly all major commodities decreased; the largest declines were in nonferrous metals, mostly reflecting decreases in nonmonetary gold and "other" precious metals, and in chemicals. Petroleum imports fell for the fourth consecutive quarter. The third-quarter decrease, which was considerably larger than in previous quarters, was mostly attributable to a drop in the average number of barrels imported daily, to 11.88 million from 12.92 million in the second quarter (chart 4). Despite recent production cuts by major oil suppliers, petroleum prices continued to decline as a result of the slowdown in global economic activity.

Consumer goods decreased moderately in recent quarters. In the third quarter, consumer goods imports exceeded capital goods imports for the first time since the third quarter of 1987, reflecting the contrast between the moderate slowdown in U.S. consumer spending and the sharp reduction in U.S. business investment. Consumer durable goods, such as televisions and video receivers, decreased the most in recent quarters, and nondurable goods and unmanufactured

goods also declined.

Balances by area. In the third quarter, the goods deficits with Canada, with Mexico, with the Republic of Korea, and with Germany decreased by the largest amounts.² In contrast, the goods deficit with China, which was already the largest deficit with any single country, increased sharply.

Since the record high in the fourth quarter of 2000, the goods deficit has decreased largely as a result of declines in the deficits with Japan, with the group of newly industrialized countries in Asia (NICs), and with Canada. Imports from Japan and from the NICs, which were down in every quarter, have decreased substantially, while exports to them, which were down in most quarters, have decreased less. The decrease in the deficit with Canada was largely attributable to a sharper drop in imports than in exports in the third quarter of 2001.

Services. The surplus on services increased \$11.1 billion, to \$28.2 billion, in the third quarter. Receipts decreased to \$69.6 billion from \$73.5 billion, and payments decreased to \$41.4 billion from \$56.3 billion.

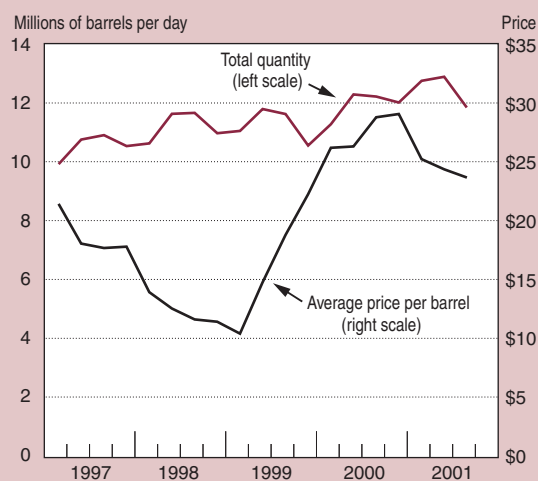
Travel receipts decreased to \$17.4 billion from \$19.9 billion, and travel payments decreased to \$13.6 billion from \$16.1 billion. The magnitude of the decreases in receipts and payments was mostly attributable to a sharp drop in the number of international travelers after the September 11th attacks. The U.S. air transport system was completely shut down for a short period of time and then reopened with only limited service and with far fewer travelers. In addition, land travel between the United States and both Canada and Mexico slowed sharply for a short period of time as a result of tightened U.S. border restrictions.

Passenger fare receipts decreased to \$4.4 billion from \$4.9 billion, and passenger fare payments decreased to \$5.9 billion from \$6.4 billion. As with travel, the large decreases were largely attributable to the sharp drop in the number of international travelers after September 11th.

"Other" transportation receipts decreased to \$7.0 billion from \$7.1 billion. Port services receipts decreased slightly, as a drop in air port services more than offset a rise in ocean port services, and freight receipts edged lower. "Other" transportation payments decreased to \$9.0 billion from \$9.7 billion. Freight pay-

CHART 4

U.S. Petroleum Imports and Price



U.S. Bureau of Economic Analysis

2. 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.)

ments fell sharply for the second consecutive quarter, as a result of a decrease in the volume of U.S. imports and a decline in freight rates. Port services payments decreased, as the drop in international air travel after September 11th reduced U.S. air carriers' expenditures in foreign airports.

Receipts for "other" private services decreased to \$28.0 billion from \$28.2 billion, as a result of a decline in affiliated services receipts. Unaffiliated services receipts changed little; a large decrease in financial services receipts, resulting from a substantial decline in receipts for underwriting and brokerage services, was offset by increases in receipts for other unaffiliated services. Payments for "other" private services fell sharply to \$4.3 billion from \$15.6 billion. The drop was attributable to large and nonrecurring insurance losses recovered from reinsurance companies abroad following the September 11th attacks; these recovered losses are recorded on an accrual basis at the time the insured event occurs. Financial services payments decreased as a result of a substantial decline in payments for underwriting and brokerage services.

Income

The deficit on income was virtually unchanged at \$5.0 billion in the third quarter. Income receipts decreased to \$70.4 billion from \$76.9 billion, and income payments decreased to \$75.5 billion from \$81.9 billion.

Receipts of income on U.S. direct investment abroad decreased to \$32.3 billion from \$34.3 billion. Earnings decreased for the third consecutive quarter, largely as a result of the slowdown in foreign economic activity. In the third quarter, earnings of petroleum affiliates fell the most, reflecting declining demand and falling prices for petroleum products. Earnings of affiliates in most manufacturing industries decreased, and earnings of finance affiliates also fell.

Payments of income on foreign direct investment in the United States decreased to \$8.3 billion from \$10.9 billion. Over the last five quarters, nonpetroleum affiliates have had progressively lower profits and then higher losses, as U.S. economic activity slowed. In the third quarter, lower losses by manufacturing affiliates were more than offset by lower profits or higher losses by affiliates in insurance, in "other" industries (particularly telecommunications), and in finance. Profits by petroleum affiliates decreased, reflecting declining demand and falling prices for petroleum products.

"Other" private income receipts decreased to \$36.7 billion from \$41.2 billion. Since the fourth quarter of 2000, income receipts have fallen sharply as a result of declines in average yields, reflecting the weakening of foreign demand for short-term credit and the easing of monetary policy in major foreign countries. In the

third quarter of 2001, receipts on bank claims, on non-bank claims, and on U.S. holdings of foreign securities all decreased.

"Other" private income payments decreased to \$39.4 billion from \$42.7 billion. Since the fourth quarter of 2000, income payments have fallen as a result of declines in average yields, reflecting the weakening of U.S. demand for short-term credit and the easing of monetary policy in the United States. In the third quarter of 2001, payments on bank liabilities, on non-bank liabilities, and on foreign holdings of U.S. securities all decreased.

U.S. Government income receipts were virtually unchanged at \$0.8 billion, and U.S. Government income payments decreased to \$25.9 billion from \$26.4 billion.

Unilateral current transfers

Unilateral current transfers were net outflows of \$12.4 billion in the third quarter, up from net outflows of \$12.0 billion in the second. The increase was accounted for by increases in U.S. Government grants and in private remittances and other private transfers to foreigners.

Capital Account

Capital account transactions were virtually unchanged at net inflows of \$0.2 billion in the third quarter.

Financial Account

Net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$36.7 billion in the third quarter, down from \$154.4 billion (revised) in the second. Financial inflows for foreign-owned assets in the United States decreased much more than financial outflows for U.S.-owned assets abroad.

U.S.-owned assets abroad

Net U.S.-owned assets abroad increased \$15.4 billion in the third quarter, following an increase of \$72.2 billion in the second. The slowdown was more than accounted for by a shift to net U.S. sales of foreign securities from net U.S. purchases and by a shift in U.S. claims on foreigners reported by banks to a large decrease in the third quarter from a slight increase in the second. In contrast, U.S. claims on foreigners reported by nonbanks increased in the third quarter after decreasing in the second, and net outflows for U.S. direct investment abroad strengthened.

U.S. official reserve assets. Net U.S. official reserve assets increased \$3.6 billion in the third quarter, following an increase of \$1.3 billion in the second (table E). The third-quarter increase was mostly accounted

for by an increase in the U.S. reserve position in the International Monetary Fund (IMF), reflecting net lending of U.S. dollars to foreign countries by the IMF.

Claims reported by banks and by nonbanks. U.S. claims on foreigners reported by U.S. banks decreased \$56.0 billion in the third quarter, in contrast to a slight increase of \$0.1 billion in the second. Banks' own claims decreased substantially after an increase, and banks' domestic customers' claims decreased less in the third quarter than in the second.

Banks' own claims payable in dollars decreased \$31.8 billion, in contrast to an increase of \$10.0 billion. The third-quarter decrease, which followed nine consecutive quarterly increases, reflected an effort by banks to reduce their international exposure in a period of slowing global economic growth. Claims of foreign-owned banks in the United States fell sharply. The decrease was mostly attributable to a drop in claims on parent offices in Western Europe, where slowing economic activity reduced the demand for U.S. bank credit. Claims of U.S. securities dealers and brokers also decreased. In contrast, claims of U.S.-owned banks increased, partly as a result of lending to Caribbean branches in September.

Banks' domestic customers' claims payable in dollars decreased \$12.4 billion, following a decrease of \$20.4 billion. Most of the third-quarter decrease was attributable to a decline in foreign commercial paper outstanding in the United States, as slowing global economic activity led to ratings downgrades and higher risk premiums in the U.S. commercial paper market. Dollar deposits abroad also decreased.

Claims reported by U.S. nonbanking concerns increased \$29.8 billion, in contrast to a decrease of \$22.2 billion. The third-quarter increase was accounted for by increases in deposits abroad and in nonbank financial intermediaries' claims.

Foreign securities. Transactions in foreign securities shifted to net U.S. sales of \$14.0 billion in the third quarter from net U.S. purchases of \$51.1 billion in the second. Net U.S. purchases of foreign stocks were \$5.7 billion, down from \$55.1 billion, and net U.S. sales of

foreign bonds were \$19.7 billion, up from \$4.0 billion.

The sharp drop in net U.S. purchases of foreign stocks was accounted for by declines in net purchases arising from merger-related exchanges of stock and from nonmerger-related transactions. Exchanges of stock resulting from foreign acquisitions of U.S. companies were minimal in the third quarter, following substantial exchanges in the second quarter. Nonmerger-related net U.S. purchases were moderate in July and August, but transactions shifted to net U.S. sales in September. Before the September 11th attacks, concerns about slowing global economic growth caused stock prices to decline in most foreign countries. For a short period after the attacks, foreign and U.S. stock prices fell sharply, amid concern about the attacks' impact on global economic activity. For the quarter, nonmerger-related transactions with most major countries shifted to net U.S. sales from net U.S. purchases. The largest shifts were with Japan, where economic output was declining, with Hong Kong, and with Canada. In contrast, nonmerger-related transactions with the United Kingdom, where stocks of many foreign countries are traded, shifted to net U.S. purchases from net U.S. sales.

The increase in net U.S. sales of foreign bonds was partly attributable to an increase in the risk aversion of investors. Before September 11th, prices of lower risk foreign government securities generally increased, while prices of higher risk foreign corporate and emerging-market securities generally decreased, amid the slowdown in global economic growth and the financial and economic difficulties in a few large developing countries. The events of September 11th further heightened investors' risk aversion, causing prices on higher risk securities to fall even lower. For the quarter, net U.S. sales of outstanding foreign bonds stepped up as a result of very large net U.S. sales to the United Kingdom, where bonds of many foreign countries are traded. In contrast, new foreign issues in the United States increased. New foreign issues were moderately strong in July and August, when foreign issuers with high credit ratings were able to borrow funds at very

Table E. Selected Transactions with Official Agencies
[Millions of dollars]

	2000	2000				2001			Change: 2001	January–September		
		I	II	III	IV	I	II ^r	III ^p		II–III	2000	2001
Changes in foreign official assets in the United States, net (decrease –) (table 1, line 56).....	37,619	22,498	6,447	12,247	–3,573	4,898	–20,879	16,814	37,693	41,192	833	–40,359
Industrial countries ¹	14,653	12,745	14,305	–3,133	–9,264	–6,818	–9,959	5,611	15,570	23,917	–11,166	–35,083
Members of OPEC ²	11,582	6,143	1,639	3,636	164	589	–1,743	–4,057	–2,314	11,418	–5,211	–16,629
Other countries.....	11,384	3,610	–9,497	11,744	5,527	11,127	–9,177	15,260	24,437	5,857	17,210	11,353
Changes in U.S. official reserve assets, net (increase –) (table 1, line 41).....	–290	–554	2,020	–346	–1,410	190	–1,343	–3,559	–2,216	1,120	–4,712	–5,832

^rRevised.

^pPreliminary.

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.

attractive interest rates. However, new foreign issues slowed sharply in September. For the quarter, new issues by borrowers from Latin America and from "other" countries were moderately strong, while new issues by borrowers from Western Europe remained very weak, partly as a result of the continued development of the euro primary market as a large alternative source of funds.

Direct investment. Net financial outflows for U.S. direct investment abroad were \$52.1 billion in the third quarter, up from \$41.1 billion in the second. The increase was mostly attributable to a rise in net equity capital outflows, reflecting a step-up in the value of U.S. acquisitions of companies located in Latin America and a slowdown in U.S. sales of existing foreign affiliates. Net intercompany debt outflows also increased, and reinvested earnings decreased by a small amount.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$52.1 billion in the third quarter, following an increase of \$226.6 billion in the second. The slowdown was more than accounted for by a shift in U.S. liabilities to foreigners reported by banks to a large decrease in the third quarter from an increase in the second and by sizable reductions in net foreign purchases of U.S. securities other than U.S. Treasury securities and in net inflows for foreign direct investment in the United States.

Foreign official assets. Net foreign official assets in the United States increased \$16.8 billion in the third quarter, in contrast to a decrease of \$20.9 billion in the second (table E). The third-quarter increase was more than accounted for by increases in assets of industrial countries and of non-OPEC developing countries. Assets of OPEC members decreased.

Liabilities reported by banks and by nonbanks. U.S. liabilities to foreigners reported by U.S. banks, excluding U.S. Treasury securities, decreased \$54.0 billion in the third quarter, in contrast to an increase of \$44.3 billion in the second. Banks' own liabilities decreased substantially in the third quarter after increasing in the second, and banks' custody liabilities decreased slightly in the third quarter after increasing in the second.

Banks' own liabilities payable in dollars decreased \$40.2 billion in the third quarter, in contrast to an increase of \$16.8 billion in the second. The third-quarter decrease partly reflected a cutback in international lending and borrowing by U.S. banks, resulting from the slowdown in global economic growth and the availability of adequate liquidity from U.S. sources. The injection of an unusually large volume of liquidity by U.S. monetary authorities after September 11th may have prompted a further pullback from international

borrowing. A decrease in banks' liabilities to offices abroad largely reflected a drop in foreign-owned banks' liabilities to offices in Western Europe and Caribbean financial centers. Liabilities to unaffiliated foreign banks decreased for the second consecutive quarter, as interest rates on U.S. bank deposits continued to decline. Liabilities to other private foreigners, mostly in Western Europe and in Caribbean financial centers, also decreased.

Banks' custody liabilities payable in dollars decreased \$0.3 billion, in contrast to an increase of \$17.9 billion. Liabilities reported by U.S. nonbanking concerns decreased \$13.3 billion, in contrast to an increase of \$3.4 billion.

U.S. Treasury securities. Net foreign sales of U.S. Treasury securities increased to \$9.4 billion in the third quarter from \$8.7 billion in the second. U.S. Treasury security prices increased throughout most of the quarter. Before September 11th, U.S. Treasury security prices were boosted by increasing signs that a recession

Data Availability

Interactive access to estimates that are presented in tables 1–10a of the U.S. international transactions accounts is now available on BEA's Web site at <www.bea.doc.gov>. You may view the most recent quarterly (annual for table 10a) estimates for an entire table with a single mouse click, or you may select the time period, frequency, and line(s) that you wish to view. The estimates are available as an html table or as comma-separated values that can be downloaded and imported into a spreadsheet or database.

The current and historical estimates that are presented in tables 1–10a are also 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 \$80.00. The subscription also includes the diskette of the historical series estimates (see below).

U.S. International Transactions, Third Quarter 2001. Annual estimates for 2000 and quarterly estimates for 2000:I–2001:III on a single diskette—product number IDN–0293, price \$20.00.

U.S. International Transactions, Historical Series. All the available historical annual and quarterly estimates on a single diskette—product number IDN–0282, price \$20.00.

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

had begun in the United States, by indications that U.S. inflationary pressures remained weak, and by declines in U.S. stock prices. After September 11th, prices of shorter term Treasury securities rose strongly. These prices were boosted by investors' shift of funds into lower risk assets, amid concern about the attacks' impact on U.S. economic activity, and by the easing of U.S. monetary policy. Prices of longer term U.S. Treasury securities increased less strongly. For the quarter, the yield curve for U.S. Treasury securities with maturities from 1 to 10 years shifted down and steepened (chart 5).

The increase in net foreign sales of U.S. Treasury securities was more than accounted for by an increase in net sales by investors in Western Europe and by shifts to net sales by investors in Canada and in Asia. In contrast, transactions by investors in Caribbean financial centers shifted to net purchases from net sales.

Other U.S. securities. Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$77.5 billion in the third quarter, down from \$140.5 billion in the second. Net foreign purchases of U.S. corporate and other bonds were \$69.9 billion, down from \$99.9 billion, and net foreign purchases of U.S. stocks were \$7.5 billion, down from \$40.6 billion.

In July and August, net foreign purchases of U.S. corporate bonds slowed after exceptionally strong net purchases in recent quarters, but net foreign purchases of U.S. federally-sponsored agency securities picked up. U.S. corporate and agency bond prices increased in tandem with U.S. Treasury bond prices, and corporate and agency yield spreads changed little.

In September, net foreign purchases of corporate bonds slowed further, and gross foreign trading volume dropped sharply. Immediately after September 11th, U.S. corporate bond prices fell sharply, partly as a result of concern that normal channels for borrowing and payments by corporations would be disrupted and that corporate profitability might be adversely affected. By the end of the quarter, prices on top-rated corporate bonds had turned higher, but prices on high-yield bonds had declined further, causing the widest spread on those securities since 1991.

In September, net foreign purchases of U.S. federally-sponsored agency securities also slowed, but gross foreign trading volume stepped up. In the post-attack period, prices of agency securities rose strongly, partly as a result of the shift of funds into instruments with lower risk as well as repurchases of outstanding securities by Fannie Mae and Freddie Mac.

In stock transactions, there were moderately strong net foreign purchases in July, much weaker net foreign purchases in August, and substantial net foreign sales in September. Gross foreign trading volume decreased

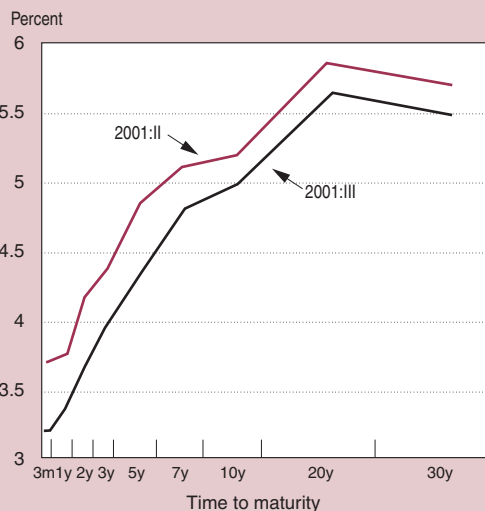
in July and August and fell sharply in September. U.S. stock prices changed little in July but fell substantially in August, amid indications that U.S. economic activity and corporate profitability were continuing to weaken. After the September 11th attacks, the U.S. stock market closed for 4 trading days. When the market reopened on September 17, stock prices fell sharply. Major U.S. stock price indexes hit their lows on September 21 and then rebounded in the last week of the quarter. Nevertheless, the declines in stock prices in the third quarter were the largest since the fall of 1987.

U.S. currency flows. Net U.S. currency shipments to foreigners were \$8.2 billion in the third quarter, up from \$2.8 billion in the second. The increase partly resulted from the worsening financial situation in Argentina.

Direct investment. Net financial inflows for foreign direct investment in the United States were \$26.4 billion in the third quarter, down from \$65.2 billion in the second. The decrease was largely accounted for by a decline in net equity capital inflows, resulting from a drop in large-scale foreign acquisitions of U.S. companies. In the third quarter, there were a few moderately sized contributions of equity capital to existing U.S. affiliates and foreign acquisitions of new U.S. affiliates. Reinvested earnings turned negative as a result of both a decrease in earnings and a large increase in distributed earnings. Net intercompany debt inflows decreased.

CHART 5

Yield Curve for U.S. Treasury Securities



Data: Federal Reserve Board
U.S. Bureau of Economic Analysis

Tables 1–10 follow.

Table 2. U.S. Trade in Goods
[Millions of dollars]

Line	2000	Not seasonally adjusted						Seasonally adjusted								
		2000				2001		2000				2001				
		I	II	III	IV	I	II ^r	III ^p	I	II	III	IV	I	II ^r	III ^p	
A Balance of payment adjustments to Census trade data:																
EXPORTS																
1	Exports of goods, Census basis including reexports and including military grant shipments ¹	781,918	187,806	195,978	195,675	202,459	196,041	190,518	170,255	187,942	193,838	201,460	198,678	197,282	188,318	176,399
Adjustments:																
2	Private gift parcel remittances.....	597	141	152	144	160	130	139	136	141	152	144	160	130	139	136
3	Gold exports, nonmonetary.....															
4	Inland U.S. freight to Canada.....															
5	U.S.-Canadian reconciliation adjustments, n.e.c., net ²															
6	Exports transferred under U.S. military agency sales contracts identified in Census documents ³	-7,882	-2,397	-1,861	-1,690	-1,934	-1,764	-1,867	-1,994	-2,397	-1,861	-1,690	-1,934	-1,764	-1,867	-1,994
7	Other adjustments, net ⁴	-2,423	-544	-571	-641	-667	-706	-726	-766	-544	-571	-641	-667	-706	-726	-766
8	Equals: Exports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 3)	772,210	185,006	193,698	193,488	200,018	193,701	188,064	167,631	185,142	191,558	199,273	196,237	194,942	185,864	173,775
IMPORTS																
9	Imports of goods, Census basis (general imports) ¹	1,218,022	282,120	300,735	316,508	318,659	295,814	289,769	281,983	290,166	302,236	312,671	312,949	305,689	291,539	278,858
Adjustments:																
10	Electric energy.....	4	2	2	2	1	1	1	2	2	2	2	1	1	1	5
11	Gold imports, nonmonetary.....	3,213	1,535	161	439	1,078	1,012	1,198	5	1,535	161	439	1,078	1,012	1,198	5
12	Inland freight in Canada.....	3,929	999	1,006	960	964	952	958	860	999	1,006	960	964	952	958	860
13	U.S.-Canadian reconciliation adjustment, n.e.c., net ²															
14	Imports of U.S. military agencies identified in Census documents ³	-743	-155	-180	-175	-233	-178	-155	-124	-155	-180	-175	-233	-178	-155	-124
15	Other adjustments, net ^{5a}	-8	2	3	-11	-2	-13	-19	3	2	3	-11	-2	-13	-19	3
16	Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20)	1,224,417	284,501	301,727	317,721	320,468	297,588	291,752	282,728	292,547	303,229	313,884	314,757	307,462	293,522	279,603
B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:⁷																
EXPORTS																
1	Total, all countries (A-8)	772,210	185,006	193,698	193,488	200,018	193,701	188,064	167,631	185,142	191,558	199,273	196,237	194,942	185,864	173,775
2	Western Europe.....	178,793	44,135	44,846	42,620	47,192	47,894	45,849	37,740	44,269	44,275	43,807	46,442	48,288	45,206	39,040
3	European Union.....	162,583	39,240	40,872	39,245	43,226	43,062	40,697	35,281	39,335	40,350	40,340	42,558	43,451	40,113	36,487
4	Belgium and Luxembourg.....	14,266	3,371	3,462	3,584	3,849	3,627	3,689	3,525	3,369	3,419	3,690	3,788	3,656	3,638	3,642
5	France.....	20,200	4,921	4,975	4,737	5,567	5,614	5,013	4,229	4,939	4,902	4,864	5,495	5,664	4,934	4,360
6	Germany ⁸	28,923	7,040	7,459	6,969	7,455	8,257	7,373	6,896	7,035	7,371	7,169	7,348	8,344	7,267	7,146
7	Italy.....	10,951	2,542	2,575	3,092	2,742	2,754	2,395	2,113	2,546	2,544	3,167	2,694	2,778	2,362	2,192
8	Netherlands.....	21,717	5,222	5,272	5,291	5,932	5,516	4,938	4,159	5,229	5,214	5,450	5,824	5,558	4,879	4,297
9	United Kingdom.....	40,727	10,074	10,086	9,529	11,038	10,358	11,310	9,287	10,124	9,941	9,785	10,877	10,466	11,138	9,606
10	Other.....	25,799	6,070	7,043	6,043	6,643	6,936	5,979	5,072	6,093	6,959	6,215	6,532	6,985	5,895	5,244
11	Western Europe, excluding EU.....	16,210	4,895	3,974	3,375	3,966	4,832	5,152	2,459	4,934	3,925	3,467	3,884	4,837	5,093	2,553
12	Canada ²	178,987	45,665	46,698	42,343	44,281	42,649	44,707	37,961	45,743	46,187	43,524	43,533	42,942	44,145	39,251
13	Japan.....	63,576	15,369	15,499	15,965	16,743	16,062	14,562	12,854	15,285	15,421	16,521	16,349	16,102	14,485	13,401
14	Australia, New Zealand, and South Africa ⁹															
15	Australia.....	12,189	2,971	3,268	3,010	2,940	2,704	2,639	2,572	2,987	3,218	3,094	2,890	2,730	2,600	2,663
16	Eastern Europe.....	5,925	1,441	1,329	1,514	1,641	1,694	1,832	1,608	1,454	1,318	1,559	1,594	1,698	1,831	1,679
17	Latin America and Other Western Hemisphere.....	170,262	39,563	42,146	44,480	44,073	41,410	40,539	38,842	39,577	41,662	45,801	43,222	41,736	40,077	40,261
18	Brazil.....	15,257	3,191	3,664	4,229	4,173	3,844	4,271	4,135	3,203	3,603	4,342	4,109	3,878	4,202	4,277
19	Mexico.....	111,171	26,031	27,558	29,230	28,352	26,743	25,248	24,426	26,048	27,235	30,090	27,798	26,972	24,962	25,297
20	Venezuela.....	5,508	1,259	1,408	1,377	1,464	1,399	1,469	1,397	1,255	1,395	1,417	1,441	1,406	1,452	1,449
21	Other.....	38,326	9,082	9,516	9,644	10,084	9,423	9,551	8,884	9,071	9,429	9,952	9,874	9,480	9,461	9,238
22	Other countries in Asia and Africa ^{7a}	162,477	35,862	39,911	43,556	43,148	41,288	37,936	36,054	35,827	39,476	44,967	42,207	41,446	37,520	37,480
23	Asia ^{7a}	151,998	33,636	37,280	40,763	40,319	38,252	34,858	33,281	33,604	36,862	42,060	39,472	38,411	34,469	34,570
24	Members of OPEC.....	10,519	2,232	2,340	2,737	3,210	3,324	2,890	2,796	2,253	2,319	2,828	3,119	3,279	2,874	2,923
25	China.....	16,138	3,149	4,087	4,405	4,497	4,341	4,774	4,840	3,121	4,048	4,569	4,400	4,308	4,708	4,998
26	Hong Kong.....	14,510	3,153	3,550	3,809	3,998	3,570	3,709	3,532	3,141	3,519	3,928	3,922	3,578	3,670	3,664
27	Korea, Republic of.....	27,150	6,313	7,196	6,968	6,673	6,085	4,858	5,303	6,299	7,125	7,199	6,527	6,131	4,814	5,522
28	Singapore.....	17,621	4,001	4,055	4,881	4,684	4,595	4,157	4,243	4,002	3,994	5,009	4,616	4,635	4,088	4,390
29	Taiwan.....	23,833	5,314	6,051	6,763	5,705	5,097	4,344	4,128	5,304	5,968	6,994	5,567	5,156	4,312	4,306
30	Africa ^{7a}	10,115	2,157	2,552	2,706	2,700	2,960	3,011	2,654	2,153	2,536	2,816	2,610	2,959	2,983	2,788
31	Members of OPEC.....	1,598	365	243	508	482	537	567	434	368	244	525	461	543	565	458
32	International organizations and unallocated.....	1		1							1					
Memoranda:																
33	Industrial countries ⁷	438,567	109,106	111,627	105,381	112,453	110,736	109,198	92,191	109,251	110,399	108,428	110,489	111,479	107,853	95,453
34	Of which: Euro Area ¹⁰	115,026	27,362	29,075	28,070	30,519	31,083	28,139	24,899	27,394	28,723	28,866	30,043	31,356	27,742	25,747
35	Members of OPEC ⁷	17,625	3,856	3,991	4,622	5,156	5,260	4,926	4,627	3,876	3,958	4,770	5,021	5,228	4,891	4,830
36	Other countries ⁷	316,017	72,044	78,079	83,485	82,409	77,705	73,940	70,813	72,015	77,200	86,075	80,727	78,235	73,120	73,492

See footnotes on page 46.

Table 4. Selected U.S. Government Transactions
[Millions of dollars]

Line		2000	Not seasonally adjusted						
			2000				2001		
			I	II	III	IV	I	II ^r	III ^p
A1	U.S. Government grants and transactions increasing Government assets, total	22,051	4,372	4,665	4,803	8,212	3,420	3,868	3,716
	By category								
2	Grants, net	16,850	2,916	3,237	3,652	7,044	2,426	2,512	2,680
3	U.S. Government current grants, net (table 1, line 36, with sign reversed)	16,821	2,912	3,232	3,634	7,043	2,419	2,508	2,669
4	Financing military purchases ¹	7,205	1,026	718	1,248	4,213	326	337	288
5	Other grants	9,616	1,886	2,514	2,386	2,830	2,093	2,171	2,381
6	Cash contributions received from coalition partners for Persian Gulf operations								
7	Debt forgiveness (table 1, part of line 39, with sign reversed)	29	5	5	18	1	8	4	11
8	Credits and other long-term assets (table 1, line 47, with sign reversed)	5,177	1,750	1,368	1,050	1,099	1,094	1,330	1,007
9	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,500	343	410	335	412	521	498	359
10	Credits repayable in U.S. dollars	3,679	1,409	958	715	597	573	832	648
11	Credits repayable in other than U.S. dollars	-2	-2						
12	Other long-term assets								
13	Foreign currency holdings and short-term assets, net (table 1, line 49 with sign reversed)	24	-294	59	101	158	-100	26	29
14	Foreign currency holdings (excluding administrative cash holdings), net	5	4	-1	1			2	
	Receipts from:								
15	Sales of agricultural commodities								
16	Interest	(*)	(*)	(*)	(*)	(*)		1	
17	Repayments of principal	6	4		1			1	
18	Reverse grants								
19	Other sources								
	Less currencies disbursed for:								
20	Grants and credits in the recipient's currency								
21	Other grants and credits								
22	Other U.S. Government expenditures	1		1					
23	Assets transferred in performance of U.S. Government guarantee and insurance obligations, net	-17	-220	40	115	49	13	30	29
24	Other assets held under Commodity Credit Corporation Charter Act, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
25	Assets financing military sales contracts, net ²								
26	Other short-term assets (including changes in administrative cash holdings), net	37	-78	21	-15	110	-113	-5	
	By program								
27	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,500	343	410	335	412	521	498	359
28	Under Agricultural Trade Development and Assistance Act and related programs	1,538	507	374	343	314	317	298	347
29	Under Foreign Assistance Act and related programs	15,654	2,767	2,756	3,557	6,575	1,825	2,012	2,696
30	Under Export-Import Bank Act	1,499	562	246	321	371	446	772	93
31	Under Commodity Credit Corporation Charter Act	436	44	355	27	11	15	5	8
32	Under other grant and credit programs	1,383	224	505	234	420	410	288	213
33	Other foreign currency assets acquired (lines A16, A17, and A19)	6	4		1			2	
34	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)	1		1					
35	Other (including changes in administrative cash holdings), net	37	-78	21	-15	110	-113	-5	
	By disposition³								
36	Estimated transactions involving no direct dollar outflow from the United States	16,880	3,354	3,200	3,625	6,702	2,147	2,574	2,546
37	Expenditures on U.S. goods	8,246	1,261	1,011	1,569	4,405	814	1,290	793
38	Expenditures on U.S. services ⁴	4,289	1,007	1,245	919	1,118	767	867	937
39	Financing of military sales contracts by U.S. Government ⁵ (line C6)	3,564	757	716	968	1,124	316	363	763
40	By long-term credits	422	67	34	295	27	2	29	476
41	By short-term credits ¹								
42	By grants ¹	3,143	690	683	673	1,097	315	334	286
43	U.S. Government grants and credits to repay prior U.S. Government credits ¹⁴	496	282	157	54	3	179	24	25
44	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	376	49	111	126	89	71	32	46
45	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
46	Less receipts on short-term U.S. Government assets (a) financing military sales contracts ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. goods	90	1	40	12	37		2	17
47	Less foreign currencies used by U.S. Government other than for grants or credits (line A22)	1		1					
48	Estimated dollar payments to foreign countries and international financial institutions	5,172	1,019	1,465	1,178	1,510	1,273	1,294	1,170
B1	Repayments on U.S. Government long-term assets, total (table 1, line 48)	4,257	1,329	855	1,265	808	1,015	570	1,059
2	Receipts of principal on U.S. Government credits	4,257	1,329	855	1,265	808	1,015	570	1,059
3	Under Agricultural Trade Development and Assistance Act and related programs	512	174	25	124	189	99	13	173
4	Under Foreign Assistance Act and related programs	1,905	715	380	586	224	486	251	549
5	Under Export-Import Bank Act	1,243	384	266	498	95	366	270	262
6	Under Commodity Credit Corporation Charter Act	175	48	49	49	30	65	37	75
7	Under other credit programs	422	8	136	8	271			(*)
8	Receipts on other long-term assets	(*)				(*)			
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 60)	-1,987	-474	-1,000	-220	-293	-1,246	-926	113
2	Associated with military sales contracts ²	-1,968	-469	-990	-213	-297	-1,244	-927	115
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds ¹	10,494	2,107	2,171	2,444	3,772	1,238	1,872	1,844
4	Less U.S. Government receipts from principal repayments	634	174	73	296	91	224	88	261
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	1,335	-241	-106		1,682	-806	-289	-817
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A39)	3,564	757	716	968	1,124	316	363	763
7	By long-term credits	422	67	34	295	27	2	29	476
8	By short-term credits ¹								
9	By grants ¹	3,143	690	683	673	1,097	315	334	286
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) ¹² (table 1, line 5)	14,060	3,401	3,910	3,329	3,420	3,379	3,362	3,048
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A45)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
12	Associated with other liabilities	-18	-5	-10	-7	4	-2	1	-2
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation								
14	Sales of space launch and other services by National Aeronautics and Space Administration	-6		-3	-5	1		2	-2
15	Other sales and miscellaneous operations	-12	-5	-7	-2	2	-2	-1	-1

See footnotes on page 46.

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

General notes for all tables: ^P Preliminary. ^R Revised. ^D Less than \$500,000 (+/-) ^S 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).

Debits, -; Imports of goods and services and income payments; unilateral current transfers to foreigners; capital accounts transactions payments; financial outflows—decrease in foreign-owned assets (U.S. liabilities) or increase in U.S.-owned assets (U.S. claims).

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

3. Includes some goods: Mainly military equipment in line 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.

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

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

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

7. At the present time, all U.S. Treasury-owned gold is held in the United States.

8. Includes sales of foreign obligations to foreigners.

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

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

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

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

13. Conceptually, 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 noninsured 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.

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

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

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

16. Break in series. See Technical Notes in the June 1989–90, 1992–95, and July 1996–2001 issues of the SURVEY.

Table 2:

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

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

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

2. 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.

3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 22 (direct defense expenditures).

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

5. Coverage adjustments 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. values of U.S. imports of goods from Canada in 1974–81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975–82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

6. For 1988–89, correction for the understatement of crude petroleum imports from Canada.

7. 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, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."

8. 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.

9. 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."

10. The "Euro area," which formed in January 1999, includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and from January 2001, Greece.

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, software licensing fees, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States and film and television tape rentals. Payments (imports) include mainly expenditures of U.S. residents temporarily working abroad and film and television tape rentals.

Table 4:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93–199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these mil-

itary 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 include wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining construction; transportation, communication, and public utilities; and retail trade.

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

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

Table 6:

1. Primarily provincial, regional, and municipal.

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

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

Table 7:

1. 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 the 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: For footnotes 1–13, see table 1.

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

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

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, 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; and net U.S. currency flows, for which geographic source data are not available.

17. Details are not shown separately; see totals in lines 56 and 63.

18. Details not shown separately are included in line 69.

NOTE.—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 reported destination; in many cases the exports may be transhipped 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.

Table 5. Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services (Millions of dollars)

Table with columns: Line, (Credits +; debits -), 2000, Not seasonally adjusted (2000, 2001), Seasonally adjusted (2000, 2001). Rows include U.S. direct investment abroad and Foreign direct investment in the United States, with detailed sub-categories like Income with current-cost adjustment and Royalties and license fees.

See footnotes on page 46.

Table 6. Securities Transactions
[Millions of dollars]

Line	(Credits +; debits -)	2000	Not seasonally adjusted						
			2000				2001		
			I	II	III	IV	I	II ^r	III ^p
A1	Foreign securities, net U.S. purchases (-), (table 1, line 52 or lines 2 + 13 below)	-124,935	-27,546	-39,639	-33,129	-24,621	-31,591	-51,109	13,963
2	Stocks, net U.S. purchases	-99,735	-15,638	-46,466	-15,272	-22,359	-27,309	-55,072	-5,747
3	New issues in the United States.....	-15,526	-1,894	-8,075	-3,641	-1,916	-1,142	-2,591	-418
4	Of which Western Europe.....	-2,924		-2,645	-279		(D)	(D)	
5	Canada.....	-1,665	-737		-186	-742		(D)	-256
6	Latin America.....	-1,477		-1,477				(D)	
7	Transactions in outstanding stocks, net.....	-84,209	-13,744	-38,391	-11,631	-20,443	-26,167	-52,480	-5,329
8	Western Europe.....	-54,216	-273	-27,193	-12,184	-14,566	-14,017	-23,859	-9,696
9	Of which United Kingdom.....	-41,472	-3,157	-23,107	-8,337	-6,871	-9,568	2,631	-10,967
10	Canada.....	-17,972	-3,131	-5,413	-2,999	-6,429	221	-4,615	1,367
11	Japan.....	17,709	-1,561	11,729	5,904	1,637	-6,990	-10,388	2,551
12	Other.....	-29,730	-8,779	-17,514	-2,352	-1,085	-5,381	-13,618	449
13	Bonds, net U.S. purchases	-25,200	-11,908	6,827	-17,857	-2,262	-4,283	3,963	19,710
14	New issues in the United States.....	-54,273	-11,187	-7,811	-22,864	-12,411	-8,325	-8,997	-9,658
15	By issuer:								
16	Central governments and their agencies and corporations.....	-15,548	-6,500	-2,400	-6,648		-3,253	-2,087	(D)
17	Other governments and their agencies and corporations ¹	-1,595	-350		-1,000	-245	-59	(D)	
18	Private corporations.....	-36,898	-4,337	-5,180	-15,215	-12,166	-4,813	-5,350	-5,346
19	International financial institutions ²	-232		-231	-1		-200	(D)	(D)
20	By area:								
21	Western Europe.....	-26,745	-872	-3,425	-11,913	-10,535	-350	(D)	(D)
22	Canada.....	-2,662	-385	-615	-1,377	-285	-923	-3,646	-2,331
23	Japan.....	-2,000	-2,000					(D)	
24	Latin America.....	-17,894	-6,070	-2,431	-8,648	-745	-4,763	-2,724	-3,348
25	Other countries.....	-4,972	-1,860	-1,340	-926	-846	-2,089	-1,212	-2,829
26	International financial institutions ²						-200	(D)	(D)
27	Redemptions of U.S.-held foreign bonds ³	20,886	2,364	5,626	5,951	6,945	7,422	6,162	8,880
28	Western Europe.....	4,120	433	491	1,855	1,341	1,372	2,382	1,031
29	Canada.....	6,927	1,008	3,886	750	1,283	1,571	1,436	1,131
30	Other countries.....	8,148	783	853	2,661	3,851	2,622	1,505	6,369
31	International financial institutions ²	1,691	140	396	685	470	1,857	839	350
32	Other transactions in outstanding bonds, net ³	8,187	-3,085	9,012	-944	3,204	-3,380	6,798	20,488
33	Western Europe.....	-19,589	-8,937	-967	-11,733	2,048	-11,350	-4,249	19,331
34	Of which United Kingdom.....	-26,668	-9,385	-1,124	-13,862	-2,297	-13,836	-10,877	18,563
35	Canada.....	652	-530	-2,034	3,844	-628	-246	4,475	-135
36	Japan.....	5,608	1,834	1,515	1,517	742	840	3,866	-689
37	Other.....	21,516	4,548	10,498	5,428	1,042	7,376	2,706	1,981
B1	U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 66 or lines 2 + 10 below)	485,644	136,208	94,400	128,393	126,643	148,809	140,512	77,455
2	Stocks, net foreign purchases	192,741	66,045	33,619	53,825	39,252	41,120	40,602	7,523
3	By area:								
4	Western Europe.....	181,263	62,150	40,847	44,382	33,884	33,615	22,417	10,049
5	Of which Germany.....	31,600	15,542	9,297	3,649	3,112	3,738	1,331	1,088
6	Switzerland.....	11,727	6,753	2,268	3,548	-842	2,047	860	-1,077
7	United Kingdom.....	71,810	13,515	15,668	24,430	18,197	11,164	8,757	9,225
8	Canada.....	7,690	1,730	1,146	604	4,210	4,382	2,871	1,791
9	Japan.....	2,018	-5,344	-1,072	3,540	4,894	826	4,123	1,190
10	Other.....	1,770	7,509	-7,302	5,299	-3,736	2,297	11,191	-5,507
11	Corporate and other bonds, net foreign purchases	292,903	70,163	60,781	74,568	87,391	107,689	99,910	69,932
12	By type:								
13	New issues sold abroad by U.S. corporations.....	64,965	13,560	17,759	23,788	9,858	17,694	18,008	13,185
14	U.S. federally sponsored agency bonds, net.....	111,830	26,010	18,998	28,589	38,233	38,663	29,357	33,065
15	Other outstanding bonds, net.....	116,108	30,593	24,024	22,191	39,300	51,332	52,545	23,682
16	By area:								
17	Western Europe.....	167,375	44,702	33,049	42,420	47,204	63,216	57,689	33,126
18	Of which Germany.....	3,100	190	1,222	837	851	3,330	2,838	1,265
19	Switzerland.....	2,883	759	565	1,060	499	2,683	1,679	767
20	United Kingdom.....	141,330	40,053	27,080	35,850	38,347	50,241	47,357	28,668
21	Canada.....	10,890	3,368	2,147	3,094	2,281	890	2,321	-1,550
22	Japan.....	38,896	4,217	8,030	12,584	14,065	7,402	5,060	6,164
23	Other countries.....	75,794	17,987	17,552	16,285	23,970	36,032	34,761	32,035
24	International financial institutions ²	-52	-111	3	185	-129	149	79	157
Memoranda:									
Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts:									
Foreign official assets in the United States (lines in table 9):									
1	U.S. Treasury marketable bonds (line A4).....	-6,302	7,977	3,586	-6,816	-11,049	3,142	-4,870	2,151
2	Other U.S. Government securities (line A6).....	40,909	8,107	10,334	14,272	8,196	3,574	9,932	-216
3	U.S. corporate and other bonds (part of line A14).....	2,019	423	491	422	683	1,033	567	623
4	U.S. stocks (part of line A14).....	1,108	508	413	-110	297	-30	461	1,358
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4).....	-48,025	-9,871	-14,149	-7,984	-16,021	-404	-9,389	-11,322

See footnotes on page 46.

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.)	2000	Not seasonally adjusted						Amounts outstanding September 30, 2001	
			2000				2001			
			I	II	III	IV	I	II ¹		III ¹
A1	Claims, total (table 1, line 53)	-163,846	-75,256	-29,491	-14,585	-44,514	-61,011	22,232	-29,773	884,897
2	Financial claims	-162,372	-75,228	-29,539	-14,509	-43,096	-63,154	23,362	-29,773	848,763
3	<i>Denominated in U.S. dollars</i>	-144,302	-65,779	-31,065	-4,435	-43,023	-50,591	22,721	-29,773	744,235
4	<i>Denominated in foreign currencies</i>	-18,070	-9,449	1,526	-10,074	-73	-12,563	641	.....	104,528
5	By type: Deposits ²	-133,371	-52,929	-31,470	-413	-48,559	-36,213	22,617	-18,088	613,752
6	Financial intermediaries' accounts	-28,339	-22,206	2,890	-15,487	6,464	-21,594	154	-11,685	219,016
7	Other claims ^{2,3}	-662	-93	-959	1,391	-1,001	-5,347	591	.....	15,995
8	By area: Industrial countries ⁴	-81,002	-36,427	-14,181	-33,171	2,777	-64,927	6,470	.....	496,571
9	Of which United Kingdom	-49,637	-28,402	-11,824	-6,602	-2,809	-52,990	3,355	.....	301,262
10	Canada	-2,449	1,273	206	-3,559	-369	3,496	147	.....	9,332
11	Caribbean banking centers ⁵	-76,963	-37,059	-14,148	18,737	-44,493	10,185	17,018	-18,088	310,557
12	Other	-4,407	-1,742	-1,210	-75	-1,380	-8,412	-126	-11,685	41,635
13	Commercial claims	-1,474	-28	48	-76	-1,418	2,143	-1,130	.....	36,134
14	<i>Denominated in U.S. dollars</i>	-780	1,003	-1,317	194	-660	1,597	-1,208	.....	33,033
15	<i>Denominated in foreign currencies</i>	-694	-1,031	1,365	-270	-758	546	78	.....	3,101
16	By type: Trade receivables	-829	1,186	166	-253	-1,928	2,611	-676	.....	31,186
17	Advance payments and other claims	-645	-1,214	-118	177	510	-468	-454	.....	4,948
18	By area: Industrial countries ⁴	-1,498	-78	293	-362	-1,351	1,585	-766	.....	22,377
19	Members of OPEC ⁶	660	150	109	-37	438	163	-120	.....	1,753
20	Other	-636	-100	-354	323	-505	395	-244	.....	12,004
B1	Liabilities, total (table 1, line 68)	177,010	85,188	24,400	19,078	48,344	130,624	3,375	-13,298	812,784
2	Financial liabilities	164,606	85,105	22,419	16,572	40,510	127,776	-7,367	-13,298	786,579
3	<i>Denominated in U.S. dollars</i>	146,271	79,549	18,931	15,833	31,958	112,287	5,906	-13,298	741,863
4	<i>Denominated in foreign currencies</i>	18,335	5,556	3,488	739	8,552	15,489	-13,273	.....	44,716
5	By type: Financial intermediaries' accounts	50,512	59,498	-23,811	8,986	5,839	31,809	5,695	-924	279,085
6	Other liabilities	114,094	25,607	46,230	7,586	34,671	95,967	-13,062	-12,374	507,494
7	By area: Industrial countries ⁴	121,814	84,485	-1,557	12,104	26,782	110,404	-14,526	-9,067	555,891
8	Of which United Kingdom	84,357	55,399	-3,451	11,796	20,613	77,635	-15,486	-2,192	350,169
9	Caribbean banking centers ⁵	38,092	-1,571	19,809	2,983	16,871	19,726	7,180	-3,307	210,421
10	Other	4,700	2,191	4,167	1,485	-3,143	-2,354	-21	-924	20,267
11	Commercial liabilities	12,404	83	1,981	2,506	7,834	2,848	10,742	.....	26,205
12	<i>Denominated in U.S. dollars</i>	11,212	-152	2,129	2,454	6,781	3,126	11,223	.....	24,164
13	<i>Denominated in foreign currencies</i>	1,192	235	-148	52	1,053	-278	-481	.....	2,041
14	By type: Trade payables	1,448	-456	1,363	154	387	-1,636	556	.....	13,213
15	Advance receipts and other liabilities	10,956	539	618	2,352	7,447	4,484	10,186	.....	12,992
16	By area: Industrial countries ⁴	10,763	-451	588	1,938	8,688	1,196	10,100	.....	13,501
17	Members of OPEC ⁶	288	-325	1,303	261	-951	563	-347	.....	3,895
18	Other	1,353	859	90	307	97	1,089	989	.....	8,809

See footnotes on page 46.

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.)	2000	Not seasonally adjusted						Amounts outstanding September 30, 2001	
			2000				2001			
			I	II	III	IV	I	II ^r		III ^p
1	Total (table 1, line 54)	-138,500	-56,234	7,455	-18,147	-71,574	-109,789	-105	56,025	1,306,156
2	By type:									
3	Banks' own claims	-111,665	-14,840	-23,286	-22,160	-51,379	-101,408	-20,500	43,284	1,027,624
3	Payable in dollars	-118,740	-17,396	-18,056	-27,883	-55,405	-83,338	-9,956	31,777	958,921
	By borrower:									
	Claims on:									
4	own foreign offices	-100,423	-23,777	-5,686	-33,502	-37,458	-47,044	-15,113	26,299	659,766
5	unaffiliated foreign banks	-2,436	7,263	967	1,812	-12,478	-10,888	10,305	-583	91,996
6	foreign public borrowers ¹	-3,237	-1,496	-4,638	787	2,110	-7,721	-3,070	6,454	45,739
7	other private foreigners	-12,644	614	-8,699	3,020	-7,579	-17,685	-2,078	-393	161,420
	By type of reporting institution: ²									
8	U.S.-owned banks' claims on:									
9	own foreign offices	-35,408	13,706	-18,591	-16,354	-14,169	-10,631	-3,452	-12,365	229,639
10	unaffiliated foreign banks	-3,013	6,260	-1,950	-542	-6,781	-9,855	9,156	-1,448	39,771
10	other foreigners	-518	1,881	972	-11	-3,360	8,807	-3,564	-1,615	59,634
	Foreign-owned banks' claims on:									
11	own foreign offices	-65,015	-37,483	12,905	-17,148	-23,289	-36,413	-11,661	38,664	430,127
12	unaffiliated foreign banks	-1,499	-3,641	4,906	595	-3,359	-1,437	1,908	1,974	34,919
13	other foreigners	-7,380	1,334	-3,603	-128	-4,983	-5,925	1,127	-12	54,501
	U.S. brokers' and dealers' claims on:									
14	unaffiliated foreign banks	2,076	4,644	-1,989	1,759	-2,338	404	-759	-1,109	17,306
15	other foreigners	-7,983	-4,097	-10,706	3,946	2,874	-28,288	-2,711	7,688	93,024
16	Payable in foreign currencies	7,075	2,556	-5,230	5,723	4,026	-18,070	-10,544	11,507	68,703
17	Banks' domestic customers' claims	-26,835	-41,394	30,741	4,013	-20,195	-8,381	20,395	12,741	278,532
18	Payable in dollars	-27,175	-40,467	27,790	4,334	-18,832	-12,110	20,434	12,441	257,688
19	Deposits	20,210	-23,454	23,459	18,715	1,490	-10,999	17,661	4,184	89,478
20	Foreign commercial paper ³	-39,644	-15,702	240	-9,526	-14,656	11,253	3,380	8,809	109,816
21	Other negotiable and readily transferable instruments ⁴	-7,649	-1,935	7,161	-8,097	-4,778	-11,659	2,276	-6,966	48,560
22	Outstanding collections and other	-92	624	-3,070	3,242	-888	-705	-2,883	6,414	9,834
23	Payable in foreign currencies	340	-927	2,951	-321	-1,363	3,729	-39	300	20,844
	By area:									
24	Industrial countries ⁵	-121,683	-91,630	13,841	-3,489	-40,405	-98,727	-15,464	69,009	764,242
25	Western Europe	-107,306	-84,194	23,559	-8,416	-38,255	-86,345	-17,793	64,284	642,388
26	Of which United Kingdom	-55,861	-12,131	-12,652	-6,958	-24,120	-29,007	-2,311	-3,696	292,592
27	Canada	-3,154	-6,203	-2,019	7,678	-2,610	-5,130	-6,018	3,145	70,502
28	Japan	-6,335	886	-5,124	-3,205	1,108	-7,746	4,890	2,066	38,301
29	Other	-4,888	-2,119	-2,575	454	-648	494	3,457	-486	13,051
30	Caribbean banking centers ⁶	-16,228	29,719	-3,445	-14,205	-28,297	-13,191	15,308	-10,457	386,159
31	Other areas	-589	5,677	-2,941	-453	-2,872	2,129	51	-2,527	155,755
32	Of which Members of OPEC, included below ⁷	3,808	2,797	-698	1,432	277	299	463	560	14,991
33	Latin America	-4,693	3,527	701	-1,955	-6,966	2,836	1,969	-2,324	90,958
34	Asia	2,951	763	-3,365	1,800	3,753	-5,798	-247	-298	54,729
35	Africa	-68	118	-142	-477	433	36	-73	266	1,463
36	Other ⁸	1,221	1,269	-135	179	-92	5,055	-1,598	-171	8,605
	Memoranda:									
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	-37,777	-30,454	13,407	-16,342	-4,388	-12,309	-18,786	35,887	276,740
	By borrower:									
	Claims on:									
2	own foreign offices	-51,599	-37,853	9,296	-18,840	-4,202	-15,481	-22,009	37,611	206,988
3	unaffiliated foreign banks	11,050	6,873	3,853	358	-34	667	1,151	-1,437	37,149
4	foreign public borrowers	449	78	-398	796	-27	393	473	336	4,538
5	all other foreigners	2,323	448	656	1,344	-125	2,112	1,599	-623	28,065
	By bank ownership: ²									
6	U.S.-owned IBF's	3,772	8,808	-5,585	5,197	-4,648	10,094	-4,451	1	75,092
7	Foreign-owned IBF's	-41,549	-39,262	18,992	-21,539	260	-22,403	-14,335	35,886	201,648
8	Banks' dollar acceptances payable by foreigners	414	208	-592	229	569	1,254	-61	586	2,468

See footnotes on page 46.

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

[Millions of dollars]

Line	(Credits +; increase in foreign assets. Debits -; decrease in foreign assets.)	2000	Not seasonally adjusted						Amounts outstanding September 30, 2001	
			2000				2001			
			I	II	III	IV	I	II ^r		III ^p
A1	Foreign official assets in the United States, net (table 1, line 56)	37,619	22,498	6,447	12,247	-3,573	4,898	-20,879	16,814	941,699
	By type:									
2	U.S. Treasury securities (table 1, line 58).....	-10,233	16,204	-4,000	-9,001	-13,436	-1,027	-20,783	15,810	596,353
3	Bills and certificates.....	-3,167	8,604	-7,591	-1,692	-2,488	-3,806	-16,009	14,704	153,899
4	Bonds and notes, marketable.....	-6,302	7,977	3,586	-6,816	-11,049	3,142	-4,870	2,151	438,416
5	Bonds and notes, nonmarketable.....	-764	-377	5	-493	101	-363	96	-1,045	4,038
6	Other U.S. Government securities (table 1, line 59).....	40,909	8,107	10,334	14,272	8,196	3,574	9,932	-216	111,285
7	Other U.S. Government liabilities (table 1, line 60).....	-1,987	-474	-1,000	-220	-293	-1,246	-926	113	11,330
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61).....	5,803	-2,270	209	6,884	980	2,594	-10,130	-874	143,597
9	Banks' liabilities for own account, payable in dollars ¹	-563	-10,121	1,612	6,603	1,343	1,602	3,025	1,332	101,385
10	Demand deposits.....	609	-960	506	2,326	-1,263	-427	-1,046	577	3,042
11	Time deposits ¹	6,696	1,333	3,318	3,106	-1,061	-7,457	4,793	-781	31,971
12	Other liabilities ²	-7,868	-10,494	-2,212	1,171	3,667	9,486	-722	1,536	66,372
13	Banks' custody liabilities, payable in dollars ^{1,3}	6,366	7,851	-1,403	281	-363	992	-13,155	-2,206	42,212
14	Other foreign official assets (table 1, line 62).....	3,127	931	904	312	980	1,003	1,028	1,981	79,134
	By area (see text table E):									
B1	Other foreign assets in the United States, net (table 1, lines 65 and 69)	35,161	-16,773	33,377	-14,413	32,970	7,546	35,593	-63,451	1,792,783
	By type:									
2	U.S. Treasury securities (line 65).....	-52,792	-9,348	-20,546	-12,503	-10,395	656	-8,678	-9,436	631,879
	By security:									
3	Bills and certificates.....	-4,767	523	-6,397	-4,519	5,626	1,060	711	1,886	19,216
4	Marketable bonds and notes.....	-48,025	-9,871	-14,149	-7,984	-16,021	-404	-9,389	-11,322	612,663
5	U.S. liabilities reported by U.S. banks (line 69).....	87,953	-7,425	53,923	-1,910	43,365	6,890	44,271	-54,015	1,160,904
6	Banks' own liabilities ¹	81,030	4,428	55,872	2,438	18,292	17,370	26,354	-53,727	1,049,032
7	Payable in dollars.....	88,097	5,875	54,296	7,337	20,589	-138	16,800	-40,233	955,841
	By account:									
8	Liabilities to own foreign offices.....	51,314	6,645	25,178	4,876	14,615	-20,498	9,928	-21,782	647,993
	Liabilities to unaffiliated foreigners:									
9	demand deposits.....	-9,940	-12,669	958	-1,081	2,852	943	-39	852	31,220
10	time deposits ¹	21,475	2,048	12,469	-1,071	8,029	-419	-6,405	-1,187	146,706
11	other liabilities ²	25,248	9,851	15,691	4,613	-4,907	19,836	13,316	-18,116	129,922
	By holder:									
	Liabilities to:									
12	own foreign offices.....	51,314	6,645	25,178	4,876	14,615	-20,498	9,928	-21,782	647,993
13	unaffiliated foreign banks.....	19,246	-5,020	9,923	1,673	12,670	15,084	-5,959	-7,678	139,713
14	other private foreigners.....	19,736	267	16,247	6,672	-3,450	5,687	11,098	-10,369	156,198
15	international financial institutions ⁴	-2,199	3,983	2,948	-5,884	-3,246	-411	1,733	-404	11,937
	By type of reporting institution: ⁵									
	U.S.-owned banks' liabilities to:									
16	own foreign offices.....	74,046	24,103	50,742	-8,036	7,237	-33,274	22,314	-3,085	361,341
17	unaffiliated foreign banks.....	5,592	-10,282	7,952	-572	8,494	5,760	-687	-1,784	50,078
18	other private foreigners and international financial institutions ⁴	-16,345	-11,787	-4,813	824	-569	-4,323	6,970	-1,106	79,237
	Foreign-owned banks' liabilities to:									
19	own foreign offices.....	-22,732	-17,458	-25,564	12,912	7,378	12,776	-12,386	-18,697	286,652
20	unaffiliated foreign banks.....	20,804	10,068	2,818	1,569	6,349	3,927	-3,980	-4,848	79,273
21	other private foreigners and international financial institutions ⁴	8,894	4,911	10,439	-2,663	-3,793	-549	373	-653	33,076
	U.S. brokers' and dealers' liabilities to:									
22	unaffiliated foreign banks.....	-7,150	-4,806	-847	676	-2,173	5,397	-1,292	-1,046	10,362
23	other private foreigners and international financial institutions ⁴	24,988	11,126	13,569	2,627	-2,334	10,148	5,488	-9,014	55,822
24	Payable in foreign currencies.....	-7,067	-1,447	1,576	-4,899	-2,297	17,508	9,554	-13,494	93,191
25	Banks' custody liabilities, payable in dollars ^{1,3}	6,923	-11,853	-1,949	-4,348	25,073	-10,480	17,917	-288	111,872
26	Of which negotiable and readily transferable instruments.....	6,063	-12,484	-1,885	-4,430	24,862	-11,594	15,674	-302	94,621
	By area:									
27	Industrial countries ⁶	-46,472	-22,473	-3,505	4,525	-25,019	12,038	36,872	-78,977	921,725
28	Western Europe.....	-32,277	-3,720	-8,171	9,914	-30,300	18,737	28,469	-75,811	640,374
29	Canada.....	-2,126	2,360	3,402	-3,311	-4,577	-6,675	1,521	-3,587	40,535
30	Other.....	-12,069	-21,113	1,264	-2,078	9,858	-24	6,882	421	240,816
31	Caribbean banking centers ⁷	81,034	7,370	34,014	-10,854	50,504	447	-6,726	7,023	550,539
32	Other areas.....	599	-1,670	2,868	-8,084	7,485	-4,939	5,447	8,503	320,519
33	Of which Members of OPEC, included below ⁸	4,415	-3,622	2,723	3,596	1,718	-2,001	-714	-1,633	38,369
34	Latin America.....	687	1,016	-1,088	-1,140	1,899	-3,290	3,906	5,084	107,826
35	Asia.....	3,542	-5,412	1,324	-248	7,878	-3,788	-3,118	2,273	162,001
36	Africa.....	735	444	-19	161	149	310	178	-394	5,053
37	Other ⁹	-4,365	2,282	2,651	-6,857	-2,441	1,829	4,481	1,540	45,639
	Memoranda:									
1	International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9, and B7 above)	20,569	-10,869	9,844	30,105	-8,511	-24,769	18,858	-37,458	341,052
	By holder:									
	Liabilities to:									
2	own foreign offices.....	-16,153	-20,268	-7,728	28,685	-16,842	-21,298	19,171	-33,713	174,199
3	unaffiliated foreign banks.....	23,276	2,633	12,045	-601	9,199	3,667	-5,747	-4,812	90,961
4	foreign official agencies.....	8,385	5,443	1,270	552	1,120	-5,973	8,203	1,074	51,233
5	other private foreigners and international financial institutions ⁴	5,061	1,323	4,257	1,469	-1,988	-1,165	-2,769	-7	24,659
	By bank ownership: ⁵									
6	U.S.-owned IBF's.....	-3,039	-11,788	8,925	-4,706	4,530	-7,602	-324	-5,452	71,630
7	Foreign-owned IBF's.....	23,608	919	919	34,811	-13,041	-17,167	19,182	-32,006	269,422
8	Negotiable certificates of deposit held for foreigners ¹ (in lines A13 and B25 above).....	3,743	-2,289	-1,484	-581	8,097	-9,565	366	-1,656	23,228

See footnotes on page 46.

Table 10. U.S. International
 [Millions]

Line	(Credits +, debits -) ¹	Western Europe						European Union ¹⁴			
		2000	2000			2001			2000	2000	
			II	III	IV	I	II ^P	III ^P		II	III
Current account											
1	Exports of goods and services and income receipts	437,170	110,191	108,286	113,025	111,346	106,641	95,680	391,637	98,807	97,640
2	Exports of goods and services	281,812	70,775	69,489	73,502	71,644	71,259	63,509	255,258	64,431	63,474
3	Goods, balance of payments basis ²	178,793	44,846	42,620	47,192	47,894	45,849	37,740	162,583	40,872	39,245
4	Services ³	103,019	25,929	26,869	26,310	23,750	25,410	25,769	92,675	23,559	24,229
5	Transfers under U.S. military agency sales contracts ⁴	3,143	918	719	738	899	1,068	801	2,506	752	557
6	Travel	26,498	7,062	7,633	6,328	5,206	6,130	6,494	24,136	6,479	6,978
7	Passenger fares	6,897	1,826	2,009	1,680	1,380	1,627	1,709	6,656	1,755	1,940
8	Other transportation	9,340	2,336	2,501	2,296	2,212	2,235	2,361	8,055	2,005	2,168
9	Royalties and license fees ⁵	18,201	4,461	4,359	4,919	4,374	4,485	4,405	16,584	4,083	3,942
10	Other private services ⁵	38,768	9,284	9,603	10,304	9,636	9,832	9,962	34,582	8,447	8,603
11	U.S. Government miscellaneous services	172	42	45	45	43	33	37	156	38	41
12	Income receipts	155,358	39,416	38,797	39,523	39,702	35,382	32,171	136,379	34,376	34,166
13	Income receipts on U.S.-owned assets abroad	155,207	39,378	38,760	39,485	39,663	35,342	32,131	136,240	34,341	34,132
14	Direct investment receipts	65,503	16,738	15,891	16,098	17,368	15,429	14,368	56,215	14,245	13,708
15	Other private receipts	88,868	22,493	22,626	23,194	22,010	19,712	17,495	79,305	19,963	20,220
16	U.S. Government receipts	836	147	243	193	285	201	268	720	133	204
17	Compensation of employees	151	38	37	38	39	40	40	139	35	34
18	Imports of goods and services and income payments	-521,433	-132,489	-133,263	-134,074	-130,835	-133,792	-110,763	-467,900	-119,075	-119,372
19	Imports of goods and services	-336,818	-84,736	-86,669	-87,745	-84,453	-88,974	-72,545	-301,888	-76,428	-77,641
20	Goods, balance of payments basis ²	-243,426	-59,856	-60,335	-64,851	-63,104	-62,475	-56,594	-219,946	-54,548	-54,589
21	Services ³	-93,392	-24,880	-26,334	-22,894	-21,349	-26,499	-15,951	-81,942	-21,880	-23,052
22	Direct defense expenditures	-7,971	-1,956	-2,047	-2,016	-2,076	-2,092	-2,145	-6,252	-1,490	-1,628
23	Travel	-22,674	-7,285	-7,293	-4,115	-3,862	-7,161	-5,967	-20,585	-6,564	-6,557
24	Passenger fares	-13,238	-3,903	-4,010	-2,670	-2,723	-4,122	-3,809	-11,981	-3,545	-3,633
25	Other transportation	-13,633	-3,345	-3,660	-3,600	-3,406	-3,285	-3,149	-11,126	-2,757	-2,979
26	Royalties and license fees ⁵	-8,501	-1,804	-2,160	-2,751	-1,966	-2,062	-2,008	-6,807	-1,458	-1,645
27	Other private services ⁵	-26,219	-6,300	-6,872	-7,448	-7,030	-7,496	-1,409	-24,194	-5,819	-6,358
28	U.S. Government miscellaneous services	-1,156	-287	-292	-294	-286	-281	-282	-997	-247	-252
29	Income payments	-184,615	-47,753	-46,594	-46,329	-46,382	-44,818	-38,218	-166,012	-42,647	-41,731
30	Income payments on foreign-owned assets in the United States	-184,388	-47,702	-46,546	-46,264	-46,318	-44,766	-38,171	-165,826	-42,604	-41,690
31	Direct investment payments	-45,781	-13,304	-10,830	-10,159	-10,971	-10,801	-7,108	-41,477	-11,710	-9,713
32	Other private payments	-95,871	-23,633	-25,067	-25,620	-24,989	-23,869	-21,244	-84,703	-20,894	-22,084
33	U.S. Government payments	-42,736	-10,765	-10,649	-10,485	-10,358	-10,996	-9,819	-39,646	-10,000	-9,893
34	Compensation of employees	-227	-51	-48	-65	-64	-52	-47	-186	-43	-41
35	Unilateral current transfers, net	-1,293	-203	-344	-469	-379	-271	-357	-168	48	-65
36	U.S. Government grants ⁴	-505	-134	-127	-78	-187	-154	-168	-2		
37	U.S. Government pensions and other transfers	-1,442	-341	-352	-398	-373	-356	-372	-1,234	-308	-311
38	Private remittances and other transfers ⁶	654	272	135	7	181	239	183	1,068	356	246
Capital and financial account											
Capital account											
39	Capital account transactions, net	156	38	40	40	35	35	36	140	34	35
Financial account											
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-367,391	-38,750	-93,346	-75,922	-188,741	-66,865	51,134	-340,816	-76,045	-70,330
41	U.S. official reserve assets, net	-6,013	-310	-4,124	-1,200	250	-164	-168	-1,187	-79	-619
42	Gold ⁷										
43	Special drawing rights										
44	Reserve position in the International Monetary Fund										
45	Foreign currencies	-6,013	-310	-4,124	-1,200	250	-164	-168	-1,187	-79	-619
46	U.S. Government assets, other than official reserve assets, net	545	29	14	246	195	89	-203	452	16	55
47	U.S. credits and other long-term assets	-451	-39	-308	-31	-13	-26	-476	-219	-11	-171
48	Repayments on U.S. credits and other long-term assets ⁸	939	86	311	247	237	109	273	621	33	225
49	U.S. foreign currency holdings and U.S. short-term assets, net	57	-18	11	30	-29	6		50	-6	1
50	U.S. private assets, net	-361,923	-38,469	-89,236	-74,968	-189,186	-66,790	51,505	-340,081	-75,982	-69,766
51	Direct investment	-77,213	-18,119	-19,766	-14,670	-17,143	-27,131	-22,801	-67,874	-17,063	-18,356
52	Foreign securities	-99,354	-33,739	-34,253	-21,712	-24,131	-25,933	10,221	-86,985	-32,816	-30,625
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-78,060	-10,165	-26,764	-373	-61,557	4,065		-83,244	-20,285	-26,170
54	U.S. claims reported by U.S. banks, not included elsewhere	-107,296	23,554	-8,453	-38,213	-86,355	-17,791	64,085	-101,978	-5,818	5,385
55	Foreign-owned assets in the United States, net (increase/financial inflow(+))	655,195	134,180	174,383	132,883	272,525	161,280	-8,355	610,679	144,764	148,637
56	Foreign official assets in the United States, net	-5,105	2,701	-402	-9,492	-1,482	-3,300	4,772	(18)	(18)	(18)
57	U.S. Government securities	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
58	U.S. Treasury securities ⁹	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
59	Other ¹⁰	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
60	Other U.S. Government liabilities ¹¹	-293	-132	69	19	-341	-462	-16	-347	-151	-10
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
62	Other foreign official assets ¹²	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
63	Other foreign assets in the United States, net	660,300	131,479	174,785	142,375	274,007	164,580	-13,127	(18)	(18)	(18)
64	Direct investment	222,934	70,380	63,282	63,160	50,085	57,297	27,890	201,778	63,989	62,984
65	U.S. Treasury securities	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	348,638	73,896	86,802	81,088	96,831	80,106	43,175	333,830	72,442	82,373
67	U.S. currency										
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	121,178	-4,624	15,273	28,101	108,476	-1,190	-8,402	131,474	-1,571	23,349
69	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(17)	¹⁸ -56,056	¹⁸ 10,055	¹⁸ -20,059
70	Statistical discrepancy (sum of above items with sign reversed)	-202,404	-72,967	-55,756	-35,483	-63,951	-67,028	-27,375	-193,572	-48,533	-56,545
Memoranda:											
71	Balance on goods (lines 3 and 20)	-64,633	-15,010	-17,715	-17,659	-15,210	-16,626	-18,854	-57,363	-13,676	-15,344
72	Balance on services (lines 4 and 21)	9,627	1,049	535	3,416	2,401	-1,089	9,818	10,733	1,679	1,177
73	Balance on goods and services (lines 2 and 19)	-55,006	-13,961	-17,180	-14,243	-12,809	-17,715	-9,036	-46,630	-11,997	-14,167
74	Balance on income (lines 12 and 29)	-29,257	-8,337	-7,797	-6,806	-6,680	-9,436	-6,047	-29,633	-8,271	-7,565
75	Unilateral current transfers, net (line 35)	-1,293	-203	-344	-469	-379	-271	-357	-168	48	-65
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-85,556	-22,501	-25,321	-21,518	-19,868	-27,422	-15,440	-76,431	-20,220	-21,797

See footnotes on page 46.

Transactions, by Area

of dollars]

Table with columns for European Union 14, United Kingdom, and European Union (6) 15, and rows for years 2000 and 2001 across various sub-categories (IV, I, II, III). Includes a 'Line' column on the right for row numbering.

Table 10. U.S. International
 [Millions]

Line	(Credits +, debits -) ¹	Eastern Europe						Canada			
		2000	2000			2001			2000	2000	
			II	III	IV	I	II ^r	III ^p		II	III
Current account											
1	Exports of goods and services and income receipts	14,544	3,648	3,712	3,732	3,934	3,902	3,704	229,634	59,765	54,801
2	Exports of goods and services	10,180	2,404	2,665	2,630	2,819	2,941	2,714	202,409	52,611	48,111
3	Goods, balance of payments basis ²	5,925	1,329	1,514	1,641	1,694	1,832	1,608	178,987	46,698	42,343
4	Services ³	4,255	1,075	1,151	989	1,125	1,109	1,106	23,422	5,913	5,768
5	Transfers under U.S. military agency sales contracts ⁴	397	83	150	63	131	143	124	143	40	42
6	Travel	1,336	368	367	313	296	365	312	7,055	1,956	1,678
7	Passenger fares	89	29	19	21	18	24	17	1,713	425	419
8	Other transportation	342	134	75	78	58	72	66	2,703	689	687
9	Royalties and license fees ⁵	247	59	58	69	63	75	78	2,101	517	534
10	Other private services ⁵	1,793	390	469	432	545	413	492	9,633	2,268	2,388
11	U.S. Government miscellaneous services	51	12	13	13	14	17	17	74	18	20
12	Income receipts	4,364	1,244	1,047	1,102	1,115	961	990	27,225	7,154	6,690
13	Income receipts on U.S.-owned assets abroad	4,344	1,239	1,042	1,097	1,110	956	985	27,147	7,135	6,670
14	Direct investment receipts	1,650	351	436	513	475	462	405	14,518	3,891	3,490
15	Other private receipts	2,200	550	536	543	511	485	458	12,629	3,244	3,180
16	U.S. Government receipts	494	338	70	41	124	9	122	.....	.....	.....
17	Compensation of employees	20	5	5	5	5	5	5	78	19	20
18	Imports of goods and services and income payments	-21,273	-5,197	-5,829	-5,147	-5,652	-4,815	-4,785	-259,612	-66,515	-64,031
19	Imports of goods and services	-18,669	-4,572	-5,145	-4,404	-4,951	-4,144	-4,082	-250,268	-63,764	-62,060
20	Goods, balance of payments basis ²	-16,101	-3,686	-4,446	-3,947	-4,438	-3,254	-3,434	-233,678	-59,582	-56,800
21	Services ³	-2,568	-886	-699	-457	-513	-890	-648	-16,590	-4,182	-5,260
22	Direct defense expenditures	-119	-20	-29	-29	-45	-30	-30	-70	-16	-18
23	Travel	-1,270	-525	-322	-171	-244	-524	-259	-6,367	-1,590	-2,692
24	Passenger fares	-365	-117	-137	-62	-51	-130	-136	-827	-232	-256
25	Other transportation	-249	-76	-65	-59	-50	-53	-52	-3,578	-918	-906
26	Royalties and license fees ⁵	-83	-28	-21	-19	-9	-17	-23	-987	-236	-251
27	Other private services ⁵	-426	-106	-111	-103	-99	-119	-131	-4,555	-1,139	-1,085
28	U.S. Government miscellaneous services	-56	-14	-14	-14	-15	-17	-17	-206	-51	-52
29	Income payments	-2,604	-625	-684	-743	-701	-671	-703	-9,344	-2,751	-1,971
30	Income payments on foreign-owned assets in the United States	-2,558	-615	-676	-729	-687	-661	-695	-9,088	-2,689	-1,910
31	Direct investment payments	-123	-32	-46	-25	-37	-51	-69	-911	-393	134
32	Other private payments	-1,018	-250	-259	-307	-253	-222	-216	-6,214	-1,805	-1,518
33	U.S. Government payments	-1,417	-333	-371	-397	-397	-388	-410	-1,963	-491	-526
34	Compensation of employees	-46	-10	-8	-14	-14	-10	-8	-256	-62	-61
35	Unilateral current transfers, net	-3,667	-948	-1,031	-742	-909	-826	-1,004	-724	-166	-187
36	U.S. Government grants ⁴	-1,789	-501	-547	-276	-399	-348	-499	.....	.....	.....
37	U.S. Government pensions and other transfers	-48	-12	-12	-12	-13	-13	-11	-499	-124	-126
38	Private remittances and other transfers ⁶	-1,830	-435	-472	-454	-497	-465	-494	-225	-42	-61
Capital and financial account											
Capital account											
39	Capital account transactions, net	26	6	6	7	4	4	4	109	21	36
Financial account											
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	337	-1,327	1,497	-198	-1,028	-149	90	-39,363	-11,629	-1,793
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	-432	-417	10	48	19	-43	7	.....	.....	.....
47	U.S. credits and other long-term assets	-852	-587	-17	-153	-2	-46	-20	.....	.....	.....
48	Repayments on U.S. credits and other long-term assets ⁸	418	165	30	201	21	3	27	.....	.....	.....
49	U.S. foreign currency holdings and U.S. short-term assets, net	2	5	-3	.....	.....	.....	.....	.....	.....	.....
50	U.S. private assets, net	769	-910	1,487	-246	-1,047	-106	83	-39,363	-11,629	-1,793
51	Direct investment	277	-609	1,529	-384	-1,188	-859	-187	-18,301	-5,480	-6,243
52	Foreign securities	-176	-263	-226	459	885	183	57	-14,720	-4,176	32
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-111	-41	69	-49	183	23	.....	-3,188	46	-3,260
54	U.S. claims reported by U.S. banks, not included elsewhere	779	3	115	-272	-927	547	213	-3,154	-2,019	7,678
55	Foreign-owned assets in the United States, net (increase/financial inflow(+))	16,421	178	5,150	5,818	-56	8,755	5,531	51,336	15,078	1,807
56	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	-172	-152	-738
57	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
58	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
59	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
60	Other U.S. Government liabilities ¹¹	335	124	110	1	9	.....	-3	-63	-11	-17
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
62	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
63	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)	51,508	15,230	2,545
64	Direct investment	1,326	120	215	-67	175	1,950	175	27,975	6,874	2,160
65	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)	(17)
66	U.S. securities other than U.S. Treasury securities	1,275	150	-43	1,082	265	325	29	18,579	3,293	3,698
67	U.S. currency	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-132	-86	-125	34	-168	-30	.....	7,080	1,661	-2
69	U.S. liabilities reported by U.S. banks, not included elsewhere	¹⁸ 13,617	¹⁸ -130	¹⁸ 4,993	¹⁸ 4,768	¹⁸ -337	¹⁸ 6,510	¹⁸ 5,330	(17)	(17)	(17)
70	Statistical discrepancy (sum of above items with sign reversed)	-6,388	3,640	-3,505	-3,470	3,707	-6,871	-3,540	18,620	3,446	9,367
Memoranda:											
71	Balance on goods (lines 3 and 20)	-10,176	-2,357	-2,932	-2,306	-2,744	-1,422	-1,826	-54,691	-12,884	-14,457
72	Balance on services (lines 4 and 21)	1,687	189	452	532	612	219	458	6,832	1,731	508
73	Balance on goods and services (lines 2 and 19)	-8,489	-2,168	-2,480	-1,774	-2,132	-1,203	-1,368	-47,859	-11,153	-13,949
74	Balance on income (lines 12 and 29)	1,760	619	363	359	414	290	287	17,881	4,403	4,719
75	Unilateral current transfers, net (line 35)	-3,667	-948	-1,031	-742	-909	-826	-1,004	-724	-166	-187
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	-10,396	-2,497	-3,148	-2,157	-2,627	-1,739	-2,085	-30,702	-6,916	-9,417

See footnotes on page 46.

Transactions, by Area—Continued
of dollars]

Table with columns for Canada, Latin America and Other Western Hemisphere, and Japan, and rows for years 2000 and 2001, categorized by IV, I, II, and III. Includes a 'Line' column on the right.

Table 10. U.S. International
 [Millions]

Line	(Credits +, debits -) ¹	Australia						
		2000	2000			2001		
			II	III	IV	I	II ^r	III ^p
Current account								
1	Exports of goods and services and income receipts	25,441	6,512	6,468	6,386	5,463	5,524	5,386
2	Exports of goods and services	17,944	4,704	4,493	4,273	3,996	4,067	3,961
3	Goods, balance of payments basis ²	12,189	3,268	3,010	2,940	2,704	2,639	2,572
4	Services ³	5,755	1,436	1,483	1,333	1,292	1,428	1,389
5	Transfers under U.S. military agency sales contracts ⁴	335	34	34	34	61	106	38
6	Travel	1,856	510	532	406	365	444	452
7	Passenger fares	528	140	142	125	113	130	121
8	Other transportation	334	81	102	78	72	76	84
9	Royalties and license fees ⁵	719	182	181	186	177	170	176
10	Other private services ⁵	1,975	487	490	502	502	501	517
11	U.S. Government miscellaneous services	8	2	2	2	2	1	1
12	Income receipts	7,497	1,808	1,975	2,113	1,467	1,457	1,425
13	Income receipts on U.S.-owned assets abroad	7,493	1,807	1,974	2,112	1,466	1,456	1,424
14	Direct investment receipts	3,625	827	1,011	1,129	580	620	683
15	Other private receipts	3,868	980	963	983	886	836	741
16	U.S. Government receipts							
17	Compensation of employees	4	1	1	1	1	1	1
18	Imports of goods and services and income payments	-11,928	-3,240	-2,979	-2,944	-2,528	-3,089	-1,947
19	Imports of goods and services	-9,802	-2,535	-2,533	-2,526	-2,331	-2,571	-2,509
20	Goods, balance of payments basis ²	-6,422	-1,676	-1,732	-1,669	-1,457	-1,639	-1,759
21	Services ³	-3,380	-859	-801	-857	-874	-932	-750
22	Direct defense expenditures	-81	-31	-16	-16	-16	-50	-20
23	Travel	-1,465	-401	-311	-342	-398	-400	-250
24	Passenger fares	-619	-140	-146	-176	-164	-157	-146
25	Other transportation	-244	-57	-67	-59	-58	-55	-47
26	Royalties and license fees ⁵	-73	-15	-27	-16	-13	-15	-14
27	Other private services ⁵	-862	-206	-225	-239	-217	-248	-266
28	U.S. Government miscellaneous services	-36	-9	-9	-9	-8	-7	-7
29	Income payments	-2,126	-705	-446	-418	-197	-518	562
30	Income payments on foreign-owned assets in the United States	-2,119	-703	-445	-416	-195	-517	563
31	Direct investment payments	-487	-284	-25	17	195	-155	832
32	Other private payments	-1,144	-305	-290	-291	-253	-235	-179
33	U.S. Government payments	-488	-114	-130	-142	-137	-127	-90
34	Compensation of employees	-7	-2	-1	-2	-2	-1	-1
35	Unilateral current transfers, net	-305	-74	-81	-75	-90	-84	-88
36	U.S. Government grants ⁴							
37	U.S. Government pensions and other transfers	-43	-11	-11	-11	-11	-12	-10
38	Private remittances and other transfers ⁶	-262	-63	-70	-64	-79	-72	-78
Capital and financial account								
Capital account								
39	Capital account transactions, net	8	2	2	2	1	1	1
Financial account								
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-3,357	-295	-2,164	521	1,255	-2,183	-1,238
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						
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						
50	U.S. private assets, net	-3,358	-295	-2,164	521	1,255	-2,183	-1,238
51	Direct investment	-1,464	-172	-93	-1,236	938	-613	-793
52	Foreign securities	968	-349	525	-69	-53	-2,027	371
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	1,484	2,419	-2,460	1,775	-61	-2,923	
54	U.S. claims reported by U.S. banks, not included elsewhere	-4,346	-2,193	-136	51	431	3,380	-816
55	Foreign-owned assets in the United States, net (increase/financial inflow(+))	6,460	61	2,400	2,524	-786	2,080	-1,649
56	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
57	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
58	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(18)
59	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(18)
60	Other U.S. Government liabilities ¹¹	-97	3	43	35	3	-52	48
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(18)
62	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(18)
63	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	(18)
64	Direct investment	2,430	388	58	1,082	-4	1,763	1,593
65	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	1,923	309	496	571	-129	-582	-983
67	U.S. currency							
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-1,099	-978	225	-25	224	576	-123
69	U.S. liabilities reported by U.S. banks, not included elsewhere	¹⁸ 3,303	¹⁸ 339	¹⁸ 1,578	¹⁸ 861	¹⁸ -880	¹⁸ 375	¹⁸ -2,184
70	Statistical discrepancy (sum of above items with sign reversed)	-16,319	-2,966	-3,646	-6,414	-3,315	-2,249	-465
Memoranda:								
71	Balance on goods (lines 3 and 20)	5,767	1,592	1,278	1,271	1,247	1,000	813
72	Balance on services (lines 4 and 21)	2,375	577	682	476	418	496	639
73	Balance on goods and services (lines 2 and 19)	8,142	2,169	1,960	1,747	1,665	1,496	1,452
74	Balance on income (lines 12 and 29)	5,371	1,103	1,529	1,695	1,270	939	1,987
75	Unilateral current transfers, net (line 35)	-305	-74	-81	-75	-90	-84	-88
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹³	13,208	3,198	3,408	3,367	2,845	2,351	3,351

See the footnotes on page 46.

