

# U.S. International Transactions, Fourth Quarter and Year 2001

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## Fourth Quarter

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—increased slightly to \$98.8 billion in the fourth quarter of 2001 from \$98.5 billion (revised) in the third quarter (table A).<sup>1</sup> Decreases in the deficit on goods and the deficit on income were offset by a decrease in the surplus on services and an increase in net outflows for unilateral current transfers.

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 of assets abroad—were \$157.3 billion in the fourth quarter, up from \$40.3 billion (revised) in the third. Fi-

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.

ancial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad.

The statistical discrepancy—errors and omissions in recorded transactions—was a negative \$58.7 billion in the fourth quarter, in contrast to a positive \$58.1 billion in the third.

The following are highlights for the fourth quarter of 2001:

- Goods exports and goods imports decreased further, as slower growth abroad limited foreign purchases of U.S. goods and as weak growth in the United States reduced U.S. purchases of foreign goods.
- Among services transactions, travel and passenger fare receipts and payments fell sharply in the aftermath of the September 11th terrorist attacks, and “other” transportation receipts and payments fell further as a result of slower growth abroad and

**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	2001 <sup>a</sup>	Change: 2000- 2001	2000				2001				Change: 2001 III-IV
					I	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>a</sup>	
<b>Current account</b>													
1	Exports of goods and services and income receipts (1).....	1,418,568	1,298,397	-120,171	339,645	355,075	361,236	362,617	354,158	335,722	312,333	296,191	-16,142
2	Goods, balance of payments basis (3).....	772,210	720,831	-51,379	185,142	191,558	199,273	196,237	194,542	185,464	173,419	167,406	-6,013
3	Services (4).....	293,492	283,758	-9,734	72,114	74,264	73,224	73,894	74,072	73,369	69,724	66,594	-3,130
4	Income receipts (12).....	352,866	293,808	-59,058	82,389	89,253	88,739	92,486	85,544	76,889	69,190	62,191	-6,999
5	Imports of goods and services and income payments (18)	-1,809,099	-1,665,325	143,774	-432,624	-450,748	-463,461	-462,268	-454,461	-431,524	-398,195	-381,150	17,045
6	Goods, balance of payments basis (20).....	-1,224,417	-1,147,446	76,971	-292,547	-303,229	-313,884	-314,757	-307,163	-293,222	-278,960	-268,101	10,859
7	Services (21).....	-217,024	-204,953	12,071	-52,031	-53,377	-55,953	-55,667	-56,763	-56,446	-42,633	-49,114	-6,481
8	Income payments (29).....	-367,658	-312,926	54,732	-88,046	-94,142	-93,624	-91,844	-90,535	-81,856	-76,602	-63,935	12,667
9	Unilateral current transfers, net (35).....	-54,136	-50,501	3,635	-11,924	-12,461	-13,080	-16,673	-11,826	-12,130	-12,669	-13,876	-1,207
<b>Capital account</b>													
10	Capital account transactions, net (39).....	705	726	21	173	173	175	184	173	177	182	194	12
<b>Financial account</b>													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40).....	-580,952	-439,563	141,389	-198,105	-93,573	-107,727	-181,548	-243,302	-72,357	-17,443	-106,460	-89,017
12	U.S. official reserve assets, net (41).....	-290	-4,911	-4,621	-554	2,020	-346	-1,410	190	-1,343	-3,559	-199	3,360
13	U.S. Government assets, other than official reserve assets, net (46).....	-944	-573	371	-127	-572	114	-359	21	-786	21	171	150
14	U.S. private assets, net (50).....	-579,718	-434,079	145,639	-197,424	-95,021	-107,495	-179,779	-243,513	-70,228	-13,905	-106,432	-92,527
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55).....	1,024,218	895,459	-128,759	256,782	250,007	222,108	295,321	347,006	226,927	57,718	263,806	206,088
16	Foreign official assets in the United States, net (56).....	37,619	6,092	-31,527	22,498	6,447	12,247	-3,573	4,898	-20,879	16,877	5,196	-11,681
17	Other foreign assets in the United States, net (63).....	986,599	889,367	-97,232	234,284	243,560	209,861	298,894	342,108	247,806	40,841	258,610	217,769
18	Statistical discrepancy (sum of above items with sign reversed) (70).....	696	-39,193	-39,889	46,053	-48,473	749	2,367	8,252	-46,815	58,074	-58,705	-116,779
<b>Memoranda:</b>													
19	Balance on current account (76).....	-444,667	-417,429	27,238	-104,903	-108,134	-115,305	-116,324	-112,129	-107,932	-98,531	-98,835	-304
20	Net financial flows (40 and 55).....	443,266	455,896	12,630	58,677	156,434	114,381	113,773	103,704	154,570	40,275	157,346	117,071

<sup>r</sup> Revised.

<sup>a</sup> Preliminary.

weak growth in the United States. "Other" private services payments returned to more typical levels; payments in the third quarter had been reduced by large nonrecurring losses recovered from foreign reinsurance companies as a result of the September 11th attacks.

- Sharply lower interest rates led to much lower portfolio income receipts and payments, and the global economic downturn led to lower earnings on U.S. direct investment abroad and on foreign direct investment in the United States.
- Net foreign purchases of U.S. securities rose sharply, as U.S. financial markets recovered quickly from sharp declines immediately after September 11th.
- U.S. liabilities reported by U.S. banks increased sharply, reflecting strong needs for liquidity.

### U.S. dollar in exchange markets

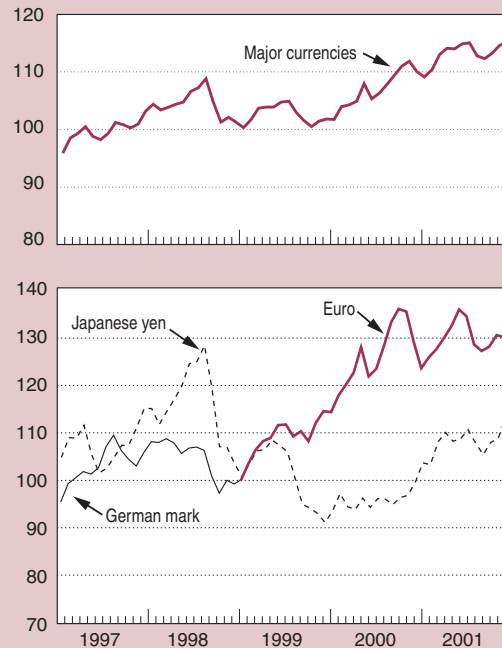
In the fourth quarter, the U.S. dollar appreciated 1 percent on a nominal, trade-weighted quarterly average basis against a group of seven major currencies that are widely traded in international markets (table B, chart 1). The dollar was unchanged against the euro and appreciated 2 percent against the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

Economic conditions in the United States remained weak in the fourth quarter. Data releases in October confirmed that the weakness had been exacerbated, at least temporarily, by reactions to the attacks of September 11th. In response to current conditions and to

### 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

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

[January 1999=100]

	2000	2001				2000	2001											
	IV <sup>r</sup>	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV	Dec. <sup>r</sup>	Jan. <sup>r</sup>	Feb. <sup>r</sup>	Mar. <sup>r</sup>	April <sup>r</sup>	May <sup>r</sup>	June <sup>r</sup>	July <sup>r</sup>	Aug. <sup>r</sup>	Sept. <sup>r</sup>	Oct.	Nov.	Dec.
Nominal: <sup>1</sup>																		
Broad <sup>2</sup> .....	107.0	107.7	110.0	109.8	110.5	106.8	106.7	107.2	109.1	109.9	109.7	110.4	110.8	109.1	109.4	110.2	110.6	110.7
Major currencies <sup>3</sup> .....	111.3	111.1	114.8	113.8	114.9	110.3	109.3	110.6	113.4	114.6	114.5	115.4	115.6	113.2	112.7	113.7	115.1	115.8
Other important trading partners <sup>4</sup> .....	102.6	104.3	105.0	105.6	106.0	103.2	104.3	103.9	104.7	105.1	104.8	105.2	105.9	104.9	106.1	106.6	105.9	105.5
Real: <sup>1</sup>																		
Broad <sup>2</sup> .....	108.2	109.5	112.0	111.7	111.9	107.8	108.4	109.1	110.9	111.8	111.7	112.6	112.9	110.9	111.4	111.7	112.1	111.9
Major currencies <sup>3</sup> .....	114.0	114.6	118.4	117.5	118.7	112.9	112.7	114.2	117.0	118.2	118.0	119.1	119.3	116.6	116.5	117.4	119.2	119.4
Other important trading partners <sup>4</sup> .....	101.6	103.3	104.7	105.0	104.1	102.0	103.2	103.0	103.8	104.4	104.5	105.1	105.4	104.2	105.4	105.0	103.9	103.4
Selected currencies: (nominal) <sup>5</sup>																		
Canada.....	100.4	100.5	101.4	101.8	104.0	100.2	98.9	100.1	102.6	102.5	101.4	100.3	100.8	101.3	103.2	103.4	104.8	103.9
European currencies:																		
Euro area <sup>6</sup> .....	133.5	125.7	132.7	130.1	129.6	129.0	123.6	125.9	127.6	129.9	132.4	135.9	134.5	128.6	127.2	128.1	130.5	130.1
United Kingdom.....	114.1	113.2	116.1	114.7	114.4	112.8	111.7	113.6	114.2	115.0	115.7	117.7	116.6	114.8	112.7	113.8	114.9	114.5
Switzerland.....	126.0	120.0	126.3	122.0	118.9	121.6	117.7	120.4	122.0	123.6	126.5	128.9	126.8	121.3	117.9	118.0	119.1	119.6
Japan.....	97.0	104.3	108.3	107.2	109.3	99.0	103.0	102.6	107.3	109.3	107.5	108.0	109.9	107.1	104.7	107.2	108.1	112.6
Mexico.....	93.9	95.7	90.7	91.3	91.2	93.5	96.5	95.9	94.8	92.1	90.3	89.7	90.5	90.2	93.1	92.2	91.1	90.4
Brazil.....	127.7	133.6	151.3	168.9	168.7	129.8	129.4	132.7	138.6	145.1	151.6	157.3	163.6	166.2	177.0	181.3	168.5	156.3

<sup>r</sup> Revised.

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 the 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.

uncertainty about future economic prospects, U.S. monetary authorities continued to lower the target Federal funds rate. Equity markets turned up sharply and quickly in October, despite weak earnings reports. Prices in the fixed-income markets reflected a more cautious attitude towards future economic prospects, with prices of bonds declining. Data releases in November and December created some optimism that the U.S. economic downturn might be slowing, although this development had yet to be reflected in corporate profits, business investment, and manufacturing output. The dollar appreciated, partly as a result of sentiment that the United States was likely to lead the rest of the industrial nations out of the global economic downturn. Reductions in the target Federal funds rate over the quarter, which brought the rate to 1.75 percent, reinforced the likelihood of this outcome. (Data released in late March 2002 indicated that real GDP increased 1.7 percent in the fourth quarter after decreasing 1.3 percent in the third. Corporate profits increased 17.9 percent after decreasing 8.3 percent.)

Economic conditions abroad showed considerable weakness, especially in Germany where weakness in manufacturing continued. Weakening manufacturing and declining consumer confidence were also evident in other euro-area countries. The European Central Bank lowered its rate on refinancing operations 50 basis points to 3.25 percent as part of the attempt by monetary authorities worldwide to slow the global economic downturn.

Economic conditions in Japan deteriorated more sharply than in Europe, as data on industrial production and gross domestic product confirmed that Japan had entered its second recession in recent years. In ad-

dition, three major credit rating agencies downgraded Japan's sovereign credit rating. These difficulties led to sizable depreciations of the yen against the U.S. dollar and other major currencies.

## Current Account

### Goods and services

The deficit on goods and services increased to \$83.2 billion in the fourth quarter from \$78.5 billion in the third. The deficit on goods decreased \$4.8 billion, and the surplus on services decreased \$9.6 billion, largely as a result of imports of insurance services returning to a more typical level.

### Goods

The deficit on goods decreased to \$100.7 billion in the fourth quarter from \$105.5 billion in the third, marking the fourth consecutive quarterly decrease. The fourth-quarter decrease resulted from a larger decrease in imports than in exports (table A).

**Exports.** Goods exports decreased \$6.0 billion, or 3 percent, to \$167.4 billion, in the fourth quarter, marking the fifth consecutive quarterly decrease. In the fourth quarter, quantities decreased 3 percent, and prices were unchanged.<sup>2</sup>

In value, nonagricultural exports decreased \$6.4 billion, or 4 percent, to \$153.3 billion. Much of the decrease was accounted for by capital goods, which decreased \$3.9 billion. Civilian aircraft and parts were down \$1.3 billion. Computers, telecommunications equipment, and semiconductors accounted for \$1.2 billion of the decrease in capital goods, but they decreased less than in the second and third quarters. Exports of these products are now at their lowest levels since mid-1998. Industrial, agricultural, and service industry machinery also decreased. Automotive products decreased \$1.1 billion, mostly in parts to Mexico and passenger cars to Canada. Nonagricultural industrial supplies and materials decreased \$0.9 billion, mostly attributable to chemicals and "other" nonmetals. These decreases were partly offset by an increase of \$0.4 billion in agricultural products. Agricultural products reached their highest level since the fourth quarter of 1997, but were still 11 percent below the record level in the first quarter of 1996.

**Imports.** Goods imports decreased \$10.9 billion, or 4 percent, to \$268.1 billion in the fourth quarter, marking the fourth consecutive quarterly decrease. In the fourth quarter, quantities decreased 1 percent, and

### Annual Revision of the U.S. International Transactions Accounts

Two statistical revisions will be introduced in the annual revision of the international transactions accounts to be released in June 2002. First, results from the U.S. Treasury Department's Benchmark Survey of Foreign Portfolio Investment in the United States will be incorporated into the accounts for 1995-2001. The results will also be incorporated into the international investment position accounts. Second, results from BEA's Benchmark Survey of Selected Services Transactions with Unaffiliated Foreigners for 2001 will be incorporated into the accounts. The benchmark survey includes more complete and detailed coverage of transactions than BEA's annual survey; both surveys mostly cover transactions in business, professional, and technical services. An article describing these revisions will be published in the July 2002 issue of the SURVEY OF CURRENT BUSINESS.

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

prices decreased 3 percent.

In value, nonpetroleum products decreased \$5.5 billion. Nonpetroleum industrial supplies and materials fell \$2.6 billion. Natural gas dominated the decrease with a drop of \$1.7 billion, largely from Canada. Electric energy, also from Canada, fell \$0.2 billion, and building materials and nonferrous metals each declined \$0.3 billion. Capital goods decreased \$1.3 billion. Telecommunications equipment, semiconductors, and computers accounted for \$0.9 billion of the decrease, but decreases were much smaller than in each of the previous three quarters. Consumer goods decreased \$0.9 billion; the decrease was mostly accounted for by a decline in nondurable goods. Automotive products decreased \$0.7 billion, mostly as a result of a decrease in parts.

Petroleum and products decreased \$5.4 billion—the largest decrease since the first quarter of 1991 and the fifth consecutive quarterly decline. The average price per barrel fell sharply during the quarter, to \$18.35—the lowest level since the second quarter of 1999—from \$23.52. The average number of barrels imported daily increased to 12.06 million from 11.95 million. U.S. production increased, while both U.S. consumption and inventories fell.

**Balances by area.** The deficit on goods decreased \$4.8 billion, to \$100.7 billion in the fourth quarter.<sup>3</sup> The deficit with Asia decreased \$4.4 billion, reflecting a larger drop in imports than in exports, and the deficit with OPEC members decreased \$2.8 billion, mostly because of falling imports. These lower deficits were partly offset by a \$1.7 billion increase in the deficit

with Japan and a \$0.9 billion increase in the deficit with Western Europe.

### Services

The surplus on services decreased to \$17.5 billion in the fourth quarter from \$27.1 billion in the third (table A). The third-quarter surplus partly reflected nonrecurring transactions in insurance imports.

Travel receipts fell to \$14.4 billion in the fourth quarter from \$17.3 billion in the third, and travel payments fell to \$12.0 billion from \$14.5 billion. In the aftermath of the September 11th attacks, overseas travel by U.S. and foreign residents fell sharply early in the quarter but rebounded as the quarter progressed. Nonetheless, by quarter's end, overseas travel was still well below pre-September 11th levels. Travel to and from Canada and Mexico was also disrupted early in the quarter as a result of the attacks and did not return to pre-September 11th levels by the end of the quarter.<sup>4</sup>

Passenger fare receipts decreased to \$3.4 billion in the fourth quarter from \$4.4 billion in the third, and passenger fare payments decreased to \$4.7 billion from \$6.2 billion, also reflecting disruptions in travel.

"Other" transportation receipts decreased to \$6.7 billion in the fourth quarter from \$7.1 billion in the third, and "other" transportation payments decreased to \$8.9 billion from \$9.2 billion. The declines for both receipts and payments mostly reflected lower airline expenses in airports as the volume of passengers declined substantially following the attacks of September 11th. In addition, the declines continued to reflect reduced international shipping activity as the volume of world trade declined.

Receipts on "other" private services were \$28.9 billion in the fourth quarter, up from \$28.0 billion in the third. Affiliated services accounted for more than half of the increase. Financial services also increased, reflecting a rebound in foreign activity in U.S. financial markets. Payments on "other" private services were \$14.9 billion, up from \$4.2 billion. Payments in the third quarter had been reduced \$11.0 billion by large nonrecurring losses recovered from foreign reinsurance companies as a result of the September 11th attacks.

#### Revisions to the Estimates for the Third Quarter of 2001

Estimates of the international transactions accounts for the third quarter of 2001 have been revised from the preliminary estimates that were published in the January 2002 SURVEY OF CURRENT BUSINESS. In addition, data have been revised to ensure that the seasonally adjusted estimates sum to the same annual totals as the unadjusted estimates.

In the third quarter, the current-account deficit was revised to \$98.5 billion from \$95.0 billion. The goods deficit was revised to \$105.5 billion from \$105.8 billion, the services surplus was revised to \$27.1 billion from \$28.2 billion, the deficit on income was revised to \$7.4 billion from \$5.0 billion, and unilateral current transfers were revised to net outflows of \$12.7 billion from net outflows of \$12.4 billion. Net financial inflows were revised to \$40.3 billion from \$36.7 billion. Revisions to the estimates for the first and second quarters were small.

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

4. For more information, see the box "Effects of September 11th Terrorist Attacks on U.S. International Transactions" on page 31 of the January 2002 issue of the SURVEY OF CURRENT BUSINESS.

Transfers under U.S. military sales contracts were unchanged at \$3.0 billion, and direct defense expenditures abroad increased to \$4.0 billion from \$3.7 billion, as a result of the conflict in Afghanistan.

### Income

The deficit on income decreased to \$1.7 billion in the fourth quarter from \$7.4 billion in the third (table A). Receipts of income dropped to \$62.2 billion from \$69.2 billion; “other” private receipts accounted for most of the drop. Payments of income dropped to \$63.9 billion from \$76.6 billion; “other” private payments and direct investment payments both decreased by substantial amounts.

Receipts of income on U.S. direct investment abroad decreased to \$30.2 billion in the fourth quarter from \$31.0 billion in the third. Earnings have now declined for four consecutive quarters. The largest decrease in the fourth quarter was in “other” industries. Over two-thirds of the decrease was attributable to financial affiliates (investment banks, brokers and dealers, and insurance affiliates) in the United Kingdom and Japan, as a result of steep declines in new equity and debt issues, reduced merger and acquisition activity, and lower trading commissions. In manufacturing, earnings declined, particularly in Central and South America, reflecting poor economic conditions in Argentina, Brazil, and Mexico. Petroleum earnings increased slightly.

Payments of income on foreign direct investment in the United States decreased to \$3.1 billion in the fourth quarter from \$9.0 billion in the third. Earnings have now declined in five of the last six quarters. The decrease in the fourth quarter was the result of a \$6.0 billion shift in earnings to losses of \$2.6 billion. Losses in “other” industries increased \$2.3 billion, to losses of \$4.4 billion; particularly hard hit were affiliates in finance. In manufacturing, earnings shifted \$1.8 billion, to losses of \$1.5 billion. In petroleum, earnings fell \$1.9 billion, to \$1.0 billion.

Receipts of “other” private income were \$30.4 billion, a decrease of \$6.4 billion from the third quarter, marking the fourth consecutive quarter of decrease. Nearly all of the decrease in the fourth quarter was attributable to further declines in interest rates. Receipts on bank and nonbank claims decreased \$5.4 billion, as interest rates declined an average of 120 basis points.

Payments of “other” private income were \$33.8 billion, a decrease of \$6.0 billion from the third quarter, marking the fourth consecutive quarter of decrease. Payments on bank and nonbank liabilities decreased \$6.3 billion, as interest rates declined an average of 140 basis points. Interest paid on bonds increased \$1.0 bil-

lion, as a result of higher bond yields and increased foreign holdings.

Receipts of income on U.S. Government assets increased \$0.1 billion, to \$1.0 billion. Payments of income on U.S. Government liabilities were \$25.1 billion in the fourth quarter, a decrease of \$0.8 billion from the third quarter. The decrease was due to lower yields on Government securities, which more than offset modest increases in foreign holdings.

### Unilateral current transfers

Net outflows for unilateral current transfers increased to \$13.9 billion in the fourth quarter from \$12.7 billion in the third (table A). U.S. Government grants increased, although Congress did not appropriate funds for Israel and Egypt—under the credit waiver program to finance military purchases and for general economic support—that are often disbursed annually in the fourth quarter; these funds will instead be disbursed in the first quarter of 2002. Grants of \$0.6 billion were disbursed to Pakistan to support the conflict in Afghanistan. Other U.S. Government transfers also increased, as the United States paid to the United Nations some of the dues for which it is in arrears.

### Capital Account

Capital account transactions were net inflows of \$0.2 billion in the fourth quarter, virtually unchanged from the third (table A).

### 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 \$157.3 billion in the fourth quarter, compared with \$40.3 billion (revised) in the third. Financial inflows for foreign-owned assets in the United States increased more than financial outflows for U.S.-owned assets abroad.

### U.S.-owned assets abroad

U.S.-owned assets abroad increased \$106.5 billion in the fourth quarter, compared with an increase of \$17.4 billion in the third. U.S. claims on foreigners reported by U.S. banks shifted a substantial amount to net outflows, and transactions in foreign securities shifted to net U.S. purchases from net U.S. sales.

**U.S. official reserve assets.** U.S. official reserve assets increased \$0.2 billion in the fourth quarter, following a \$3.6 billion increase in the third (table C). After increasing in the third quarter, the U.S. reserve position at the International Monetary Fund (IMF) changed little in the fourth quarter, as repayments by

Russia, Indonesia, and Thailand of credits extended by the IMF were nearly offset by new credits extended to Turkey.

**Claims reported by banks and by nonbanks.** U.S. claims on foreigners reported by U.S. banks increased \$53.6 billion in the fourth quarter, following a decrease of \$59.1 billion in the third.

Banks' own claims payable in dollars increased \$35.1 billion, following a decrease of \$33.7 billion. The resumption in lending apparently reflected a temporary need for funds by offices overseas, particularly offices of foreign-owned banks. The lending occurred in an environment of increased concerns over credit risk, further reductions in syndicated lending, and a global economic downturn. Lending by U.S. brokers and dealers was limited somewhat by repurchase agreement settlement failures in October. These failures resulted from the inability of counterparties to complete deliveries under repurchase agreements because communication problems disrupted clearing house settlement and delivery operations.

Banks' domestic customers' claims payable in dollars increased \$12.8 billion, following a \$13.6 billion decrease. The fourth-quarter increase was due to increases in collections, in readily transferable instruments, and in deposits. There was little activity in foreign commercial paper.

Nonbanking concerns' claims decreased \$3.1 billion, following an increase of \$40.4 billion.

**Foreign securities.** Net U.S. purchases of foreign securities were \$25.5 billion in the fourth quarter, in contrast to net sales of \$10.6 billion in the third.

Net U.S. purchases of foreign stocks were \$18.7 billion in the fourth quarter, up from a low level of \$9.1 billion in purchases in the third; net purchases attributable to merger-related exchanges of stocks totaled \$6.4 billion in the fourth quarter and zero in the third. World financial markets returned to more normal trading activity after declining sharply after September 11th. On average, foreign stock prices gained 10 per-

cent in local currency terms in the fourth quarter and paralleled the rapid recovery in U.S. stock prices. Further price gains were held down by the continued weakening in economic conditions abroad. Although foreign monetary authorities aggressively lowered interest rates, it was unclear when upturns would occur in foreign economies. In this environment, net U.S. purchases of foreign stocks in nonmerger-related transactions were limited. In addition, questions of economic stability plagued Argentina, Brazil, and Turkey; however, the problems appeared to be largely confined to those countries. Trading activity in foreign stocks (that is, gross sales plus gross purchases) decreased 1 percent, following a decrease of 23 percent.

Net U.S. purchases of foreign bonds were \$6.9 billion in the fourth quarter, following large net sales of \$19.7 billion in the third. New issues increased \$2.4 billion, to \$12.1 billion, as foreign corporate borrowers returned to the U.S. market, partly as a result of a drop of 25 basis points in bond rates and of the somewhat brighter prospects for the U.S. economy at the end of the quarter. Transactions in outstanding bonds shifted to net U.S. purchases of \$5.8 billion from sizable net U.S. sales of \$20.5 billion. Trading activity increased 3 percent, following a decrease of 14 percent.

**Direct investment.** Net financial outflows for U.S. direct investment abroad were \$30.4 billion in the fourth quarter, down from \$43.2 billion in the third. Net equity capital outflows, net intercompany debt outflows, and reinvested earnings all decreased. Net equity capital outflows decreased to \$11.2 billion from \$19.0 billion, largely because a large Mexican financial services provider was acquired in the third quarter. However, there were several sizable (though smaller) acquisitions in the fourth quarter of companies in the United Kingdom (publishing) and Canada (natural gas exploration). Net intercompany debt outflows decreased to \$0.4 billion from \$4.4 billion. Reinvested earnings decreased to \$18.9 billion from \$19.9 billion.

**Table C. Selected Transactions with Official Agencies**

[Millions of dollars]

	2000	2001 <sup>p</sup>	Change: 2000- 2001	2000				2001				Change: 2001 III-IV
				I	II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	
Changes in foreign official assets in the United States, net (decrease -) (table 1, line 56).....	37,619	6,092	-31,527	22,498	6,447	12,247	-3,573	4,898	-20,879	16,877	5,196	-11,681
Industrial countries <sup>1</sup> .....	14,653	-1,079	-15,732	12,745	14,305	-3,133	-9,264	-6,818	-9,959	5,601	10,097	4,496
Members of OPEC.....	11,582	-1,851	-13,433	6,143	1,639	3,636	164	589	-1,743	-4,045	3,348	7,393
Other countries.....	11,384	9,022	-2,362	3,610	-9,497	11,744	5,527	11,127	-9,177	15,321	-8,249	-23,570
Changes in U.S. official reserve assets, net (increase -) (table 1, line 41).....	-290	-4,911	-4,621	-554	2,020	-346	-1,410	190	-1,343	-3,559	-199	3,360

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

1. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

### Foreign-owned assets in the United States

Foreign-owned assets in the United States increased \$263.8 billion in the fourth quarter, compared with an increase of \$57.7 billion in the third. U.S. liabilities to foreigners reported by U.S. banks and net foreign purchases of U.S. securities both increased substantially.

**Foreign official assets.** Foreign official assets in the United States increased \$5.2 billion in the fourth quarter, following a \$16.9 billion increase in the third. In the fourth quarter, assets of industrial countries increased \$10.1 billion and assets of OPEC members increased \$3.3 billion. Assets of developing countries decreased \$8.2 billion (table C).

**Liabilities reported by banks and by nonbanks.** U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$103.4 billion in the fourth quarter, following a decrease of \$59.4 billion in the third.

Banks' own liabilities payable in dollars increased a record \$96.3 billion, following a decrease of \$39.8 billion. The surge in banks' demand for funds from abroad, particularly by U.S.-owned banks, was probably required to provide liquidity to corporate borrowers following the attacks of September 11th, particularly because many corporations no longer had access to the commercial paper market. Funds may also have been used to finance a sizable upswing in credit demand from the real estate sector, to strengthen bank balance sheets through purchases of U.S. Government securities, and perhaps to assist a few large corporations that were involved in bankruptcy settlements. The borrowing was largely from offices in the Caribbean and Western Europe.

Nonbanking concerns' liabilities decreased \$31.8 billion, following a decrease of \$3.9 billion.

**U.S. Treasury securities.** Net foreign purchases of U.S. Treasury securities were \$33.3 billion in the fourth quarter, in contrast to net sales of \$9.5 billion in the third. Foreign investors sought the relative safety of U.S. Treasury securities in the face of uncertainties that existed following the September 11th attacks and unclear prospects as to when the downturn in global economic activity might end. The large fourth-quarter net purchases contrast with lower net purchases or net sales over the past several years, as the supply of outstanding Treasury issues declined and investors sought higher yields on alternative financial instruments. The U.S. Government announced in October that it would no longer issue new 30-year bonds.

**Other U.S. securities.** Net foreign purchases of U.S. securities other than Treasury securities increased to \$126.3 billion in the fourth quarter from \$82.8 billion in the third.

Net foreign purchases of U.S. stocks increased to \$33.1 billion in the fourth quarter from a low level of \$12.4 billion in the third. Foreign purchases rebounded strongly, partly as share prices advanced on heightened optimism about economic prospects in the United States relative to the rest of the world. The Federal Reserve's 125-basis-point reduction in interest rates during the quarter also encouraged investors. The S&P index gained 10 percent, the DJIA gained 13 percent, and the NASDAQ gained 30 percent. Net purchases of U.S. stocks from Western Europe increased to \$22.4 billion from \$8.3 billion, in spite of strong price performance on competing investments in the European markets. Trading activity in U.S. stocks (that is, gross purchases plus gross sales) was up 6 percent, following a decrease of 11 percent.

Net foreign purchases of U.S. corporate and other bonds increased to \$93.3 billion in the fourth quarter from \$70.3 billion in the third, despite modest price declines in U.S. bonds in the fourth quarter. After a strong performance in the third quarter, U.S. investment-grade corporate and agency bond prices fell 1 percent and 1.5 percent, respectively, in the fourth quarter. Net foreign purchases of U.S. agency bonds increased to \$43.2 billion from \$33.1 billion. Net foreign purchases of outstanding U.S. corporate bonds increased to \$35.9 billion from \$24.1 billion. New U.S. corporate bond issues sold abroad increased to \$14.2 billion from \$13.2 billion. Trading activity in U.S. bonds was up 23 percent, following an increase of 2 percent.

**U.S. currency flows.** Net U.S. currency shipments to foreigners were \$10.5 billion in the fourth quarter, up from \$8.2 billion in the third. Shipments to Argentina continued as economic crisis and fears of devaluation mounted. Shipments to Russia were somewhat higher than in the third quarter, and shipments to Europe were slightly higher in advance of the introduction of euro coins and bank notes.

**Direct investment.** Net financial inflows for foreign direct investment in the United States were \$17.0 billion in the fourth quarter, down from \$22.6 billion in the third. Although net equity capital inflows were more than double their low third-quarter level, financial inflows still declined as net intercompany debt transactions shifted to net outflows and reinvested earnings became more negative. Net equity capital inflows increased to \$29.2 billion from \$13.5 billion as a result of numerous foreign acquisitions of U.S. companies in satellite services, offshore drilling, financial services, electronic security, and life insurance. However, the total value of these acquisitions was well below levels in most quarters of 1999 and 2000. Net intercom-

pany debt transactions shifted to net outflows of \$4.5 billion from net inflows of \$12.1 billion. Reinvested earnings decreased from a negative \$3.0 billion to a negative \$7.7 billion, as current-period distributions were in excess of current-period earnings.

### The Year 2001

The U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—decreased to \$417.4 billion in 2001 from \$444.7 billion in 2000. Most of the decrease was accounted for by a decrease in the deficit on goods, but an increase in the surplus on services (partly reflecting nonrecurring transactions in insurance imports), and a decrease in net outflows for unilateral current transfers, also contributed. These changes were partly offset by an increase in the deficit on income (table D).

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 \$455.9 billion in 2001, compared with \$443.3 billion in 2000. Financial outflows for U.S.-owned assets abroad decreased more than financial inflows for foreign-owned assets in the United States.

The statistical discrepancy—errors and omissions in recorded transactions—was a negative \$39.2 billion in 2001, compared with a positive \$0.7 billion in 2000.

The following are highlights for 2001:

- The deficit on goods decreased as imports fell more than exports. The decreases in exports and imports reflected the downturn in global economic activity and the lagged impact of the dollar's appreciation.
- Services exports and imports both declined. Decreases in travel, passenger fares, and "other" transportation were attributable to weakening global economic activity and to the severe disruption to international travel that followed the terrorist attacks of September 11th. A decline in "other" pri-

vate services payments included large nonrecurring recoveries of losses from foreign reinsurers as a consequence of the attacks.

- Income receipts and payments for both direct investment and portfolio investment also decreased by substantial amounts as a result of weakening global economic activity and lower interest rates.
- Financial inflows for foreign direct investment in the United States were sharply lower, and financial inflows to U.S. nonbanks also declined. In contrast, financial inflows for net foreign purchases of U.S. securities other than U.S. Treasury securities edged up to a record.
- Financial outflows were lower for U.S. claims reported by U.S. banks and nonbanks and for net U.S. purchases of foreign securities.

### U.S. dollar in exchange markets

The U.S. dollar appreciated 6 percent in 2001 on a nominal, trade-weighted yearly average basis against the group of seven currencies that are widely traded in international markets, following a 5-percent appreciation in 2000 (table B, chart 1). The dollar appreciated 3 percent against the euro and 13 percent against the yen.

In the first quarter, the dollar depreciated 6 percent against the euro. In response to the economic slowdown that began in the last half of 2000 and to the considerable uncertainty about economic prospects that existed early in the quarter, U.S. monetary authorities began an easing of monetary policy. The target Federal funds rate was lowered in a series of three 50-basis-point reductions to 5.0 percent over the quarter. Long-term interest rates declined too, though not as sharply as short-term rates (charts 2, 3, and 4). U.S. stock prices continued to decline from peaks reached in early 2000. Despite some signs of slowing in euro-area countries, the European Central Bank remained concerned about lingering inflation and did not ease monetary

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

[Millions of dollars, quarters seasonally adjusted]

(Credits +; debits -)	1999	2000	2001 <sup>p</sup>	2001			
				I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
Balance on goods .....	-345,434	-452,207	-426,615	-112,621	-107,758	-105,541	-100,695
Balance on services .....	83,596	76,468	78,805	17,309	16,923	27,091	17,480
Balance on income .....	-13,613	-14,792	-19,118	-4,991	-4,967	-7,412	-1,744
Investment income, net .....	-8,511	-9,621	-13,754	-3,639	-3,637	-6,095	-378
Direct investment, net .....	67,044	81,231	95,221	22,698	23,451	21,974	27,102
Other private, net .....	16,379	12,975	-8,178	-260	-1,500	-3,014	-3,404
U.S. Government, net .....	-91,934	-103,827	-100,797	-26,077	-25,588	-25,055	-24,076
Compensation of employees, net .....	-5,102	-5,171	-5,364	-1,352	-1,330	-1,317	-1,366
Unilateral current transfers, net .....	-48,913	-54,136	-50,501	-11,826	-12,130	-12,669	-13,876
Balance on current account .....	-324,364	-444,667	-417,429	-112,129	-107,932	-98,531	-98,835

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.



policy.

In the second quarter, the dollar appreciated 6 percent against the euro. Economic reports indicated that U.S. economic activity was slowing rapidly, largely as a result of sharp declines in domestic investment in equipment and software and in U.S. exports. U.S. businesses reported that profitability continued to decline and that the near-term outlook for sales and profitability remained uncertain. U.S. monetary authorities further eased monetary policy by lowering the target Federal funds rate in a series of three steps to 3.75 percent from 5.0 percent. The dollar was strengthened by hopes that the rapid easing of U.S. monetary policy, which brought the officially targeted U.S. interest rate below the officially targeted euro-area interest rate, would lead to a pickup in U.S. economic activity in the near future. Deceleration of economic activity in euro-area countries continued, especially in Germany.

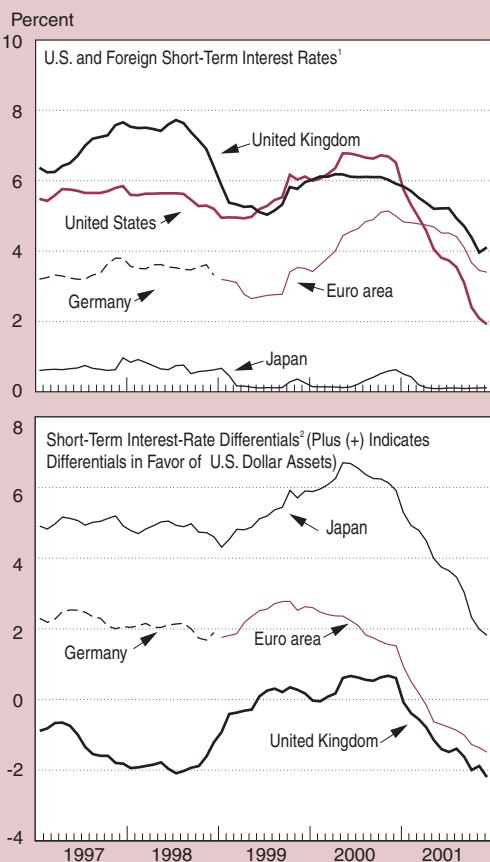
In the third quarter, the dollar depreciated 2 percent

against the euro amid signs that the U.S. economic situation had weakened and growth may have turned negative. Economic reports indicated that U.S. manufacturing activity weakened further and that nonmanufacturing activity might also be slowing. In addition, reports showed 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 had weakened considerably. U.S. monetary authorities lowered the target Federal funds rate an additional 25 basis points to 3.5 percent in August. Economic reports indicated that euro-area 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 its rate on refinancing operations 25 basis points to 4.25 percent in late August.

The dollar depreciated sharply against most major

CHART 2

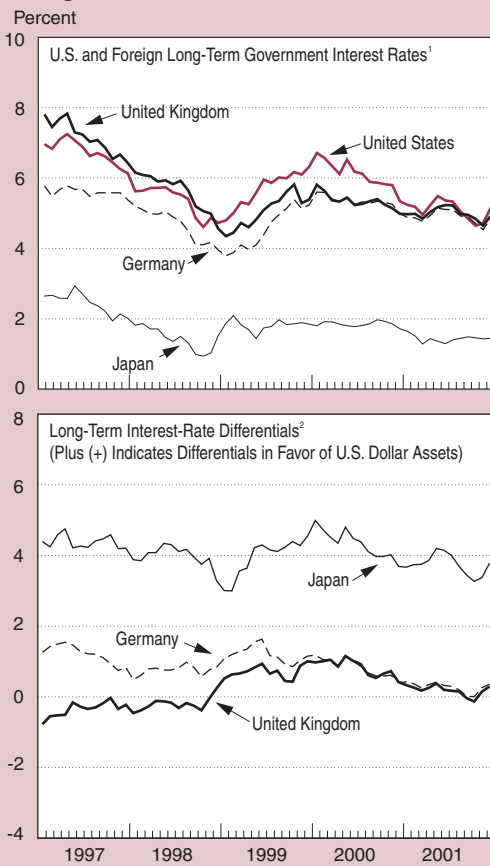
Short-Term Interest Rates



1. Three-month interest rates.  
 2. U.S. interest rates less respective foreign interest rates.  
 Data: Federal Reserve Board.  
 U.S. Bureau of Economic Analysis

CHART 3

Long-Term Interest Rates



1. Long-term government bonds, 10-year maturities.  
 2. U.S. interest rates less respective foreign interest rates.  
 Data: Federal Reserve Board.  
 U.S. Bureau of Economic Analysis

currencies for the first several days after the attacks of 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 System eased its rules for lending of its own 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. When the U.S. stock market reopened on September 17th, U.S. monetary authorities injected additional liquidity by lowering the target Federal funds rate 50 basis points to 3.0 percent.

In the fourth quarter, the dollar was unchanged against the euro. Equity markets rebounded quickly from their post-September 11th lows. Prices in the fixed income market declined. Despite considerable uncertainty following the attacks and despite lower interest rates in the United States than abroad, the dollar appreciated against most major currencies, particularly toward the end of the quarter, when many market participants believed that the cumulative impact of eight cuts in the target Federal funds rate during the first three quarters and three additional cuts to 1.75 percent in the fourth quarter would lead to an earlier and stronger upturn in economic activity in the United States than in other countries. The European Central

Bank lowered its rate on refinancing operations in two steps to 3.25 percent, as additional evidence accumulated that growth in euro-area countries had weakened.

Economic conditions in Japan deteriorated considerably over the year, as a result of both weak domestic spending and falling demand for Japanese exports. Early in the year, Japanese monetary authorities attempted to stimulate domestic demand by first reducing the overnight call rate to 15 basis points and then changing the operational target, which effectively lowered the call rate to almost zero. As economic conditions failed to improve through the summer months, the Bank of Japan downgraded its assessment of prospects for the Japanese economy, and monetary authorities maintained operations that kept the call rate close to zero. By the fourth quarter, reports showed that economic output had contracted in both the second and third quarters and that Japan had entered its second recession in recent years. New downward revisions in growth forecasts and sovereign credit downgrades by three credit rating agencies further depressed the yen against the dollar.

## Current Account

### Goods and services

The deficit on goods and services decreased to \$347.8 billion in 2001 from \$375.7 billion in 2000. The deficit on goods decreased, and the surplus on services increased a small amount, partly reflecting nonrecurring insurance transactions in imports (table D).

### Goods

The deficit on goods decreased to \$426.6 billion in 2001 from \$452.2 billion in 2000. Goods exports and imports both declined by substantial amounts, but the decline in imports was larger than that in exports.

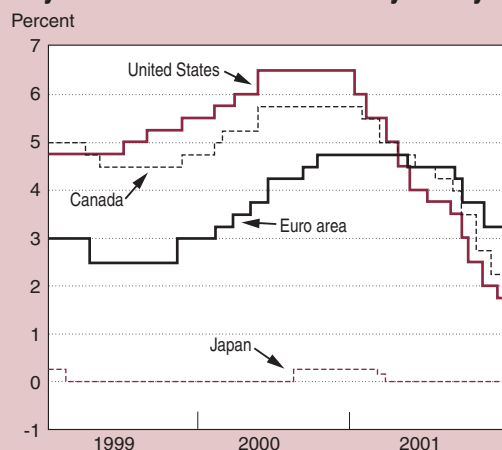
Goods exports decreased \$51.4 billion, or 7 percent, to \$720.8 billion in 2001 after increasing \$87.7 billion, or 13 percent, in 2000. The decrease was concentrated in capital goods and in industrial supplies and materials (tables E and F).

Goods imports decreased \$77.0 billion, or 6 percent, to \$1,147.4 billion in 2001 after increasing \$194.4 billion, or 19 percent, in 2000. Petroleum imports decreased \$16.5 billion, or 14 percent, following an increase of \$52.4 billion, or 77 percent. Nonpetroleum imports decreased \$60.5 billion, or 5 percent, following an increase of \$142.0 billion, or 15 percent; the decrease was concentrated in capital goods and in industrial supplies and materials.

U.S. exports in 2001 were restrained by substantial slowdowns in economic growth in industrial and less

CHART 4

### 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

developed countries. Growth in real gross domestic product (GDP) in many Western European countries, Canada, Japan, and the newly industrialized countries in Asia was substantially lower than in 2000 (chart 5). The slowdown was also evident in Mexico and other countries in Latin America. The lagged impact of dollar appreciation also restrained U.S. exports.

U.S. imports decreased substantially in 2001 as the U.S. economy, which began slowing in the last half of 2000, slowed considerably more in 2001. Growth in U.S. real GDP fell to 1.2 percent in 2001 from 4.1 percent in 2000 and 4.1 percent in 1999.

Domestic prices of most exports decreased slightly in 2001, following an increase in 2000. Prices of computers decreased, but less than in 2000. Prices for the civilian aircraft component of capital goods increased (table G). When converted into foreign currencies, prices increased, because depreciation of foreign currencies more than offset the declines in domestic prices (table H).

Dollar prices of most imports decreased, led by declines in petroleum and petroleum products and in computers (table G).

**Exports.** Nonagricultural exports decreased \$53.6 billion, or 7 percent, to \$665.8 billion in 2001, following an \$84.5 billion, or 13 percent, increase in 2000. Quantities decreased 7 percent, and prices were unchanged. In value, capital goods accounted for 65 percent of the decrease; nonagricultural industrial supplies and materials, for 24 percent; and automotive products, for 10 percent. Agricultural products increased (charts 6 and 7).

Capital goods, except automotive, fell \$34.8 billion,

or 10 percent, following an increase of \$45.8 billion, or 15 percent. Much of the decrease was in high-technology products, resulting from the end in the multiyear worldwide boom in production and sales of high-technology equipment and components. Semiconductors—mainly to Asia, Latin America, and Western Europe—decreased \$15.0 billion, or 25 percent. Computers, peripherals, and parts—mainly to Western Europe, Canada, and Asia (especially South Korea, Taiwan, and Japan)—fell \$7.9 billion, or 14 percent. Telecommunications equipment—mainly to Canada, Latin America, and Japan—fell \$3.4 billion, or 11 percent. Most types of machinery also decreased. “Other” industrial, agricultural, and service machinery—

**Table F. Percent Change in U.S. Trade in Goods, Current and Chained (1996) Dollars**

[Balance of payments basis]

	Current dollars			Chained (1996) dollars		
	1999	2000	2001 <sup>r</sup>	1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>p</sup>
<b>Exports</b> .....	<b>2.1</b>	<b>12.8</b>	<b>-6.7</b>	<b>3.5</b>	<b>11.5</b>	<b>-6.0</b>
Agricultural products .....	-6.6	6.3	4.1	1.0	8.4	3.3
Nonagricultural products .....	2.9	13.3	-7.4	3.8	11.8	-6.7
Foods, feeds, and beverages .....	-1.9	4.2	3.2	2.8	5.9	3.1
Industrial supplies and materials .....	-0.8	16.9	-6.7	0.7	9.9	-3.7
Capital goods, except automotive .....	3.8	14.7	-9.7	5.5	15.5	-9.8
Automotive vehicles, engines, and parts	3.7	6.8	-7.0	3.1	5.9	-7.3
Consumer goods (nonfood), except						
automotive .....	2.1	10.5	-1.1	2.4	10.0	-0.7
Exports, n.e.c. ....	2.0	6.0	-0.1	3.1	4.7	-0.1
<b>Imports</b> .....	<b>12.3</b>	<b>18.9</b>	<b>-6.3</b>	<b>12.0</b>	<b>13.5</b>	<b>-3.4</b>
Petroleum and products .....	33.8	77.4	-13.7	0.6	5.6	3.1
Nonpetroleum products .....	11.0	14.8	-5.5	12.9	14.1	-4.0
Foods, feeds, and beverages .....	5.7	5.5	1.5	9.3	7.1	4.6
Industrial supplies and materials .....	10.8	34.8	-8.2	2.4	5.7	-0.3
Capital goods, except automotive .....	9.6	17.4	-14.1	14.5	20.2	-11.6
Automotive vehicles, engines, and parts	20.4	9.4	-3.1	19.5	8.6	-3.1
Consumer goods (nonfood), except						
automotive .....	11.4	16.4	0.8	12.1	17.5	1.6
Imports, n.e.c., and U.S. goods returned	20.5	12.8	-0.3	20.6	11.8	-0.4

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

n.e.c. Not elsewhere classified.

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

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

	Current dollars							Chained (1996) dollars <sup>1</sup>						
	1999	2000	2001 <sup>p</sup>	2001				1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>p</sup>	2001			
				I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>				I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
<b>Exports</b> .....	<b>684,553</b>	<b>772,210</b>	<b>720,831</b>	<b>194,542</b>	<b>185,464</b>	<b>173,419</b>	<b>167,406</b>	<b>736,408</b>	<b>821,462</b>	<b>771,921</b>	<b>206,740</b>	<b>197,934</b>	<b>186,072</b>	<b>181,175</b>
Agricultural products .....	49,661	52,808	54,986	13,629	13,488	13,746	14,123	63,239	68,539	70,777	17,518	17,517	17,400	18,342
Nonagricultural products .....	634,892	719,402	665,845	180,913	171,976	159,673	153,283	673,008	752,470	702,079	189,240	180,458	168,966	163,415
Foods, feeds, and beverages .....	45,532	47,453	48,982	12,400	12,105	12,025	12,452	56,620	59,975	61,815	15,637	15,401	14,975	15,802
Industrial supplies and materials .....	147,094	171,956	160,375	43,099	41,274	38,454	37,548	158,486	174,250	167,770	43,800	42,551	40,606	40,813
Capital goods, except automotive .....	311,250	357,037	322,259	91,496	82,874	75,907	71,982	342,074	395,048	356,395	100,878	91,472	84,154	79,891
Automotive vehicles, engines, and parts	75,084	80,170	74,596	17,935	19,066	19,341	18,254	73,955	78,293	72,581	17,481	18,547	18,796	17,757
Consumer goods (nonfood), except														
automotive .....	81,972	90,554	89,600	23,457	23,344	21,456	21,343	81,644	89,791	89,158	23,340	23,274	21,349	21,195
Exports, n.e.c. ....	23,621	25,040	25,019	6,155	6,801	6,236	5,827	24,712	25,872	25,847	6,332	6,990	6,436	6,089
<b>Imports</b> .....	<b>1,029,987</b>	<b>1,224,417</b>	<b>1,147,446</b>	<b>307,163</b>	<b>293,222</b>	<b>278,960</b>	<b>268,101</b>	<b>1,139,616</b>	<b>1,293,769</b>	<b>1,249,833</b>	<b>325,385</b>	<b>315,632</b>	<b>305,877</b>	<b>302,939</b>
Petroleum and products .....	67,767	120,185	103,717	29,278	28,535	25,641	20,263	81,443	86,004	88,640	22,784	23,031	21,314	21,511
Nonpetroleum products .....	962,220	1,104,232	1,043,729	277,885	264,687	253,319	247,838	1,056,300	1,205,094	1,156,932	301,394	291,506	283,672	280,360
Foods, feeds, and beverages .....	43,578	45,974	46,675	11,459	11,425	11,987	11,804	46,122	49,419	51,678	12,428	12,638	13,438	13,174
Industrial supplies and materials .....	224,717	302,911	278,171	77,144	74,444	67,288	59,295	248,863	263,046	262,235	66,503	67,309	64,390	64,033
Capital goods, except automotive .....	295,271	346,663	297,802	86,184	74,735	69,116	67,767	375,681	451,647	399,355	113,849	99,780	93,274	92,452
Automotive vehicles, engines, and parts	178,996	195,858	189,700	46,705	47,787	47,976	47,232	177,167	192,490	186,486	45,834	47,034	47,267	46,351
Consumer goods (nonfood), except														
automotive .....	241,845	281,581	283,798	72,983	71,638	70,038	69,139	249,796	293,422	298,168	76,342	75,171	73,647	73,008
Imports, n.e.c., and U.S. goods returned	45,580	51,430	51,300	12,688	13,193	12,555	12,864	45,945	51,350	51,135	12,500	13,062	12,605	12,968

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

n.e.c. Not elsewhere classified.

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

mainly to the newly industrialized countries in Asia, to Canada, to Western Europe, and to Japan—decreased \$7.1 billion, and electric generating machinery—mainly to Mexico, Asia, and Western Europe—decreased \$4.8 billion. In contrast, civilian aircraft and parts increased \$4.7 billion, a turnaround from a strike-depressed 2000 (table I).

Nonagricultural industrial supplies and materials decreased \$12.6 billion, or 8 percent, following an increase of \$23.4 billion, or 17 percent. Metals and non-metallic products decreased \$4.6 billion, and chemicals and paper and paper products also decreased. All of these decreases reflected slowing economic growth abroad (table J).

Automotive vehicles, engines, and parts decreased \$5.6 billion, or 7 percent, following an increase of \$5.1 billion, or 7 percent. The decrease was more than accounted for by a decrease in exports to Canada, mostly

of parts, but also of completed autos, trucks, and buses. Exports to other areas increased slightly.

Consumer goods decreased \$1.0 billion, or 1 percent, following an increase of \$8.6 billion, or 10 percent. Both consumer durables and nondurables fell after strong increases. Offsetting some of the decreases was a 17-percent increase in pharmaceutical products, which have increased strongly for the past 5 years.

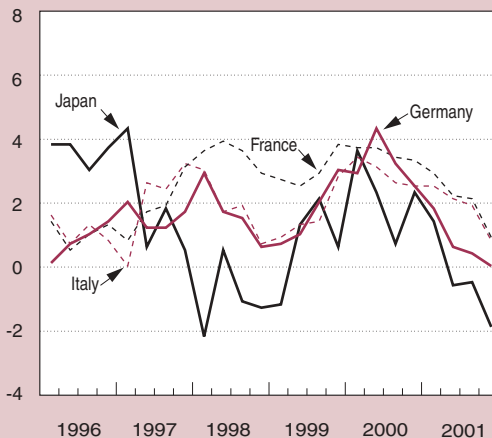
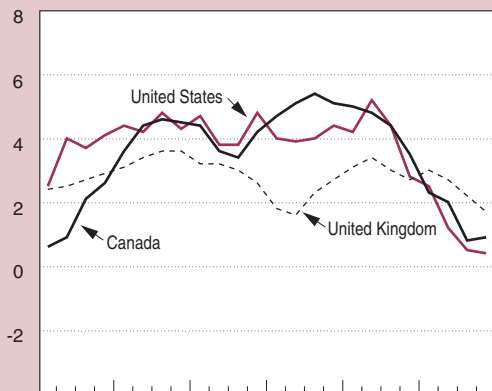
Agricultural products increased \$2.2 billion, or 4 percent, following an increase of \$8.6 billion, or 10 percent. These increases followed 3 years of decline. However, exports remained 11 percent below the record level reached in 1996, as both volume and average prices were well below those in 1996.

**Imports.** Nonpetroleum imports decreased \$60.5 billion, or 5 percent, to \$1,043.7 billion in 2001, following an increase of \$142.0 billion, or 15 percent in 2000. Quantities decreased 4 percent, and prices de-

### CHART 5

#### Major Industrial Countries: Real GDP

Percent change from four quarters earlier



U.S. Bureau of Economic Analysis

**Table G. Percent Change in U.S. Goods Trade  
Chain-Weighted Price Indexes**

[Based on index numbers (1996=100)]

	1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>p</sup>
<b>Exports</b> .....	<b>-1.4</b>	<b>1.2</b>	<b>-0.7</b>
Agricultural products.....	-7.4	-1.9	0.8
Nonagricultural products.....	-0.9	1.4	-0.8
Foods, feeds, and beverages.....	-4.6	-1.6	0.3
Industrial supplies and materials.....	-1.5	6.4	-3.2
Capital goods, except automotive.....	-1.6	-0.7	0.0
Computers, peripherals, and parts.....	-9.4	-5.1	-3.2
Civilian aircraft, engines, and parts.....	2.3	4.1	5.5
Other capital goods.....	-0.7	-0.6	-0.4
Automotive vehicles, engines, and parts.....	0.6	0.9	0.4
Consumer goods (nonfood), except automotive.....	-0.4	0.4	-0.3
Exports, n.e.c.....	-1.1	1.3	0.0
<b>Imports</b> .....	<b>0.1</b>	<b>4.8</b>	<b>-3.1</b>
Petroleum and products.....	33.1	67.9	-16.5
Nonpetroleum products.....	-1.6	0.5	-1.5
Foods, feeds, and beverages.....	-3.3	-1.6	-2.8
Industrial supplies and materials.....	8.2	27.7	-8.1
Capital goods, except automotive.....	-4.3	-2.3	-3.0
Computers, peripherals, and parts.....	-12.7	-5.9	-9.4
Civilian aircraft, engines, and parts.....	1.8	3.0	3.8
Other capital goods.....	-1.2	-1.6	-1.2
Automotive vehicles, engines, and parts.....	0.7	0.7	0.0
Consumer goods (nonfood), except automotive.....	-0.7	-0.9	-0.7
Imports, n.e.c., and U.S. goods returned.....	-0.1	1.0	0.1

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

n.e.c. Not elsewhere classified.

**Table H. Percent Change in Foreign Currency Cost of  
U.S. Exports of Goods**

[Based on index numbers (1996=100)]

	1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>p</sup>
<b>Exports</b> .....	<b>-1.1</b>	<b>3.6</b>	<b>4.6</b>
Agricultural products.....	-7.1	0.5	6.2
Nonagricultural products.....	-0.6	3.8	4.5
Foods, feeds, and beverages.....	-4.3	0.8	5.6
Industrial supplies and materials.....	-1.2	8.9	2.0
Capital goods, except automotive.....	-1.3	1.7	5.4
Computers, peripherals, and parts.....	-9.1	-2.8	2.0
Civilian aircraft, engines, and parts.....	2.6	6.6	11.1
Other capital goods.....	-0.4	1.8	4.9
Automotive vehicles, engines, and parts.....	0.9	3.3	5.8
Consumer goods (nonfood), except automotive.....	-0.1	2.8	5.1
Exports, n.e.c.....	-0.8	3.7	5.4

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

n.e.c. Not elsewhere classified.

NOTE: Chain-weighted price indexes multiplied by trade-weighted exchange rate index of the currencies of Australia, Austria, Belgium, Canada, Finland, France, Germany, Ireland, Italy, Japan, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, and United Kingdom, and, from January 2001, Greece.

creased 1 percent. In value, capital goods accounted for more than 80 percent of the decrease. Nonpetroleum industrial supplies and materials also decreased sharply. Consumer goods increased, but the increase was substantially smaller than in 2000 (charts 6 and 8).

Capital goods, except automotive, fell \$48.9 billion, or 14 percent, following an increase of \$51.4 billion, or 17 percent. High-technology products accounted for \$41.7 billion of the decline. Within the group, semiconductors decreased \$17.9 billion, largely from Asia. Computers and computer parts decreased \$15.8 billion, \$8.2 billion of which was parts from Asia. Telecommunications equipment decreased \$8.0 billion, largely from Canada. Reduced chip demand, falling semiconductor prices, and sharply lower demand for all types of electronic products reflected the end of the

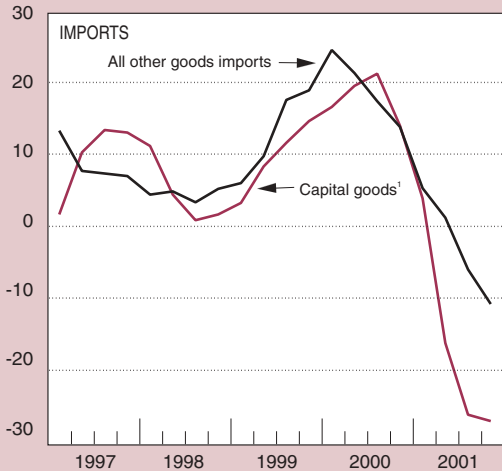
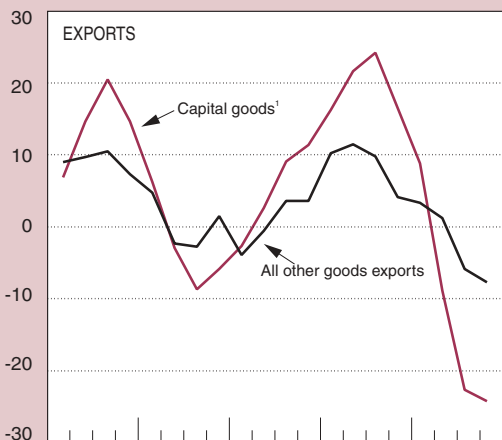
multiyear worldwide boom in production and sales of high-technology products. Among other capital goods, electric generating machinery fell for the first time, reflecting lower purchases from Japan, other countries in Asia, and Mexico. "Other" industrial, agricultural, and service industry machinery, mainly from Japan and Western Europe, fell for the first time since 1991. In contrast, civilian aircraft increased strongly (table I).

Nonpetroleum industrial supplies and materials fell \$8.3 billion, or 5 percent, following an increase of

**CHART 6**

**U.S. Trade in Goods**

Percent change from four quarters earlier



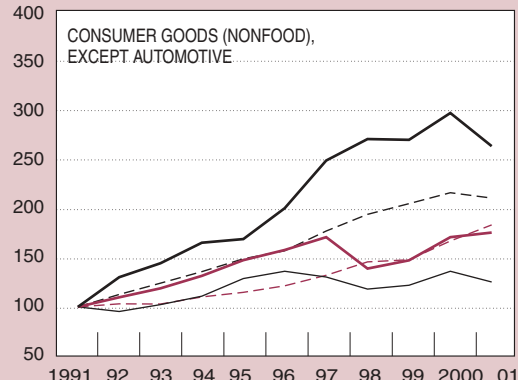
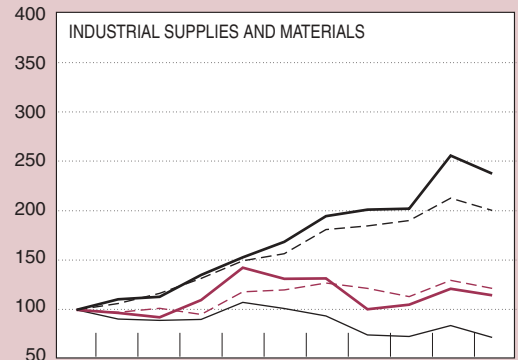
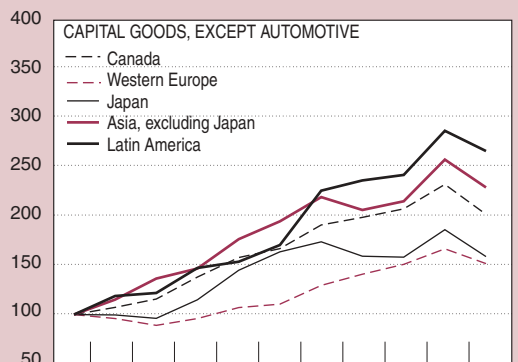
Based on seasonally adjusted data

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

**CHART 7**

**Growth in Exports by Selected Commodity Categories and Areas**

1991=100



p Preliminary

U.S. Bureau of Economic Analysis

\$25.8 billion, or 16 percent. Metals and nonmetallic products more than accounted for the decrease, declining \$8.9 billion; over half the decline was accounted for by iron and steel products and steelmaking materials, principally from countries in Asia and Western Europe. Nonferrous metals fell \$3.4 billion, mainly from Eastern and Western Europe. Among nonmetals, paper and paper base stocks fell \$1.4 billion, mainly from Canada, the top supplier to the U.S. market. Partly offsetting these decreases were stronger imports

of natural gas, also from Canada. Purchases of natural gas have grown strongly since 1998 (table J).

Automotive vehicles, engines, and parts fell \$6.2 billion, or 3 percent—the first decrease since 1991—following an increase of \$16.9 billion, or 9 percent. Parts and accessories, mainly from Canada and Japan, accounted for 70 percent of the decline. However, imports of complete autos, mainly from Canada and Mexico, were also lower. These declines reflected a 12-percent reduction in U.S. auto production for the year

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

[Balance of payments basis, millions of dollars]

	1996	1997	1998	1999	2000	2001 <sup>P</sup>
<b>Exports</b> .....	<b>253,986</b>	<b>295,874</b>	<b>299,868</b>	<b>311,250</b>	<b>357,037</b>	<b>322,259</b>
Computers, peripherals, and parts.....	43,719	49,361	45,247	46,725	55,541	47,632
Semiconductors.....	35,769	38,861	37,650	46,961	60,077	45,099
Telecommunications equipment.....	20,217	23,340	23,869	25,367	31,268	27,914
Scientific, hospital, and medical equipment and parts.....	14,804	16,173	15,827	16,831	19,384	20,124
Industrial, agricultural, and service industry machinery.....	40,960	46,347	43,573	43,768	52,116	45,030
Machine tools, metalworking equipment, and control instruments.....	15,606	18,275	18,815	19,335	23,844	19,974
Oil drilling, mining, and construction machinery.....	12,693	15,965	15,943	11,987	12,628	14,160
Industrial engines, pumps, and compressors.....	10,287	12,614	11,727	11,899	12,583	13,033
Electric generating machinery, electric apparatus, and parts.....	24,113	27,977	27,301	29,403	35,847	31,004
Civilian aircraft, engines, and parts.....	30,792	41,359	53,547	52,920	48,091	52,813
Other capital goods, n.e.c.....	5,026	5,602	6,369	6,054	5,658	5,476
<b>Imports</b> .....	<b>228,478</b>	<b>253,398</b>	<b>269,451</b>	<b>295,271</b>	<b>346,663</b>	<b>297,802</b>
Computers, peripherals, and parts.....	61,514	70,177	72,475	81,457	89,762	74,003
Semiconductors.....	36,707	36,880	33,416	37,627	48,355	30,455
Telecommunications equipment.....	12,788	13,822	15,723	20,922	31,927	23,882
Scientific, hospital, and medical equipment and parts.....	7,992	8,958	10,513	12,196	14,996	15,290
Industrial, agricultural, and service industry machinery.....	38,386	41,814	44,711	46,170	50,923	46,854
Machine tools, metalworking equipment, and control instruments.....	13,463	14,973	16,173	15,497	18,082	16,357
Oil drilling, mining, and construction machinery.....	5,201	6,382	8,007	7,025	7,210	6,927
Industrial engines, pumps, and compressors.....	6,267	6,541	7,338	8,258	10,061	10,422
Electric generating machinery, electric apparatus, and parts.....	24,749	27,920	29,074	32,835	39,748	34,881
Civilian aircraft, engines, and parts.....	12,671	16,598	21,814	23,773	26,376	31,236
Other capital goods, n.e.c.....	8,740	9,333	10,207	9,511	9,223	7,495

<sup>P</sup> Preliminary.  
n.e.c. Not elsewhere classified.

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

[Balance of payments basis, millions of dollars]

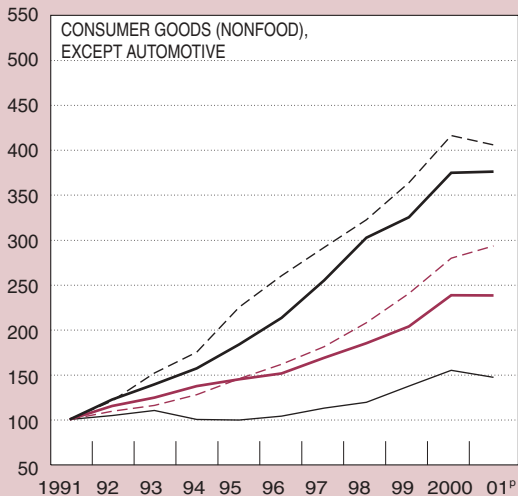
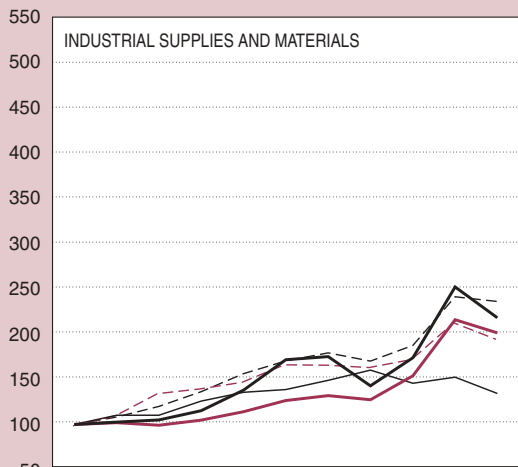
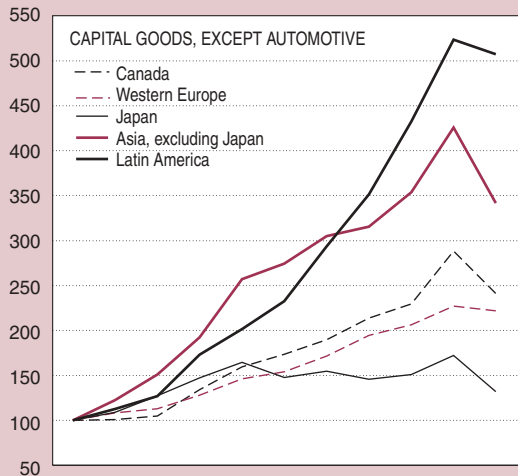
	1996	1997	1998	1999	2000	2001 <sup>P</sup>
<b>Exports</b> .....	<b>137,949</b>	<b>147,730</b>	<b>138,528</b>	<b>139,323</b>	<b>162,769</b>	<b>150,121</b>
Energy products.....	15,536	16,566	13,335	12,882	16,637	16,043
Chemicals, excluding medicinals.....	42,441	46,829	44,944	45,929	52,243	49,784
Paper and paper base stocks.....	12,482	12,785	12,151	12,174	14,000	12,413
Textile supplies and related materials.....	9,555	10,700	8,918	9,215	10,671	10,160
Building materials, except metals.....	9,261	9,482	7,977	8,166	8,762	7,797
Other nonmetals.....	15,302	16,705	18,043	18,503	21,208	19,313
Metals and nonmetallic products.....	33,372	34,663	33,160	32,454	39,248	34,611
Steelmaking materials and iron and steel products.....	7,565	8,186	7,328	7,139	8,548	7,968
Nonferrous metals.....	15,481	15,026	14,235	13,541	16,056	14,231
Other metals and nonmetallic products.....	10,326	11,451	11,597	11,774	14,644	12,412
<b>Imports</b> .....	<b>203,017</b>	<b>211,000</b>	<b>196,853</b>	<b>219,158</b>	<b>297,300</b>	<b>272,870</b>
Energy products.....	80,279	80,158	59,119	78,140	138,397	125,852
Chemicals, excluding medicinals.....	26,862	29,124	29,183	30,117	34,449	34,894
Paper and paper base stocks.....	10,872	10,675	11,222	11,614	13,725	12,336
Textile supplies and related materials.....	8,835	10,097	10,338	10,293	11,242	10,303
Building materials, except metals.....	15,035	16,822	17,909	21,824	21,801	21,301
Other nonmetals.....	13,376	14,177	14,650	15,856	17,914	17,324
Metals and nonmetallic products.....	47,758	49,947	54,432	51,314	59,772	50,860
Steelmaking materials and iron and steel products.....	20,265	21,163	24,456	20,916	24,006	18,982
Nonferrous metals.....	21,678	22,035	22,837	22,797	26,687	23,258
Other metals and nonmetallic products.....	5,815	6,749	7,139	7,601	9,079	8,620
<b>Memorandum:</b>						
Nonpetroleum industrial supplies and materials imports.....	136,752	145,535	152,145	156,950	182,726	174,454

<sup>P</sup> Preliminary.

**CHART 8**

**Growth in Imports by Selected Commodity Categories and Areas**

1991=100



p Preliminary

U.S. Bureau of Economic Analysis

and a 1-percent decline in yearly auto sales. U.S. auto sales plunged immediately following the terrorist attacks of September 11th, but generous financial incentive programs by auto manufacturers led to record high sales in October and relatively strong sales in November and December.

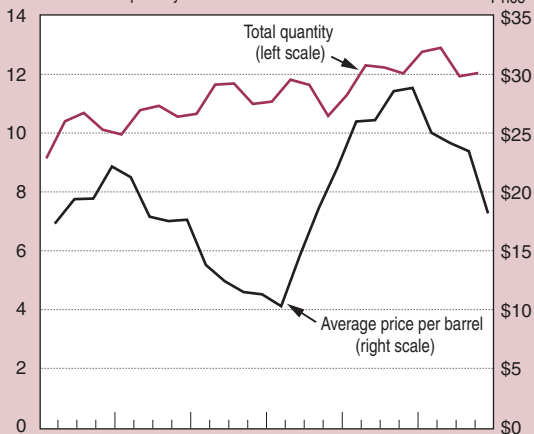
Consumer goods increased \$2.2 billion, or 1 percent, a sizable slowdown from increases of \$39.7 billion, or 16 percent, in 2000 and \$24.7 billion, or 11 percent, in 1999. Imports of most types of consumer goods from nearly every major country declined, but especially those from Western Europe and Canada.

Petroleum and petroleum products decreased \$16.5 billion, or 14 percent, following an increase of \$52.4 billion, or 77 percent. OPEC members, especially Venezuela, Nigeria, and Saudi Arabia, accounted for 42 percent of the decrease. Among non-OPEC members,

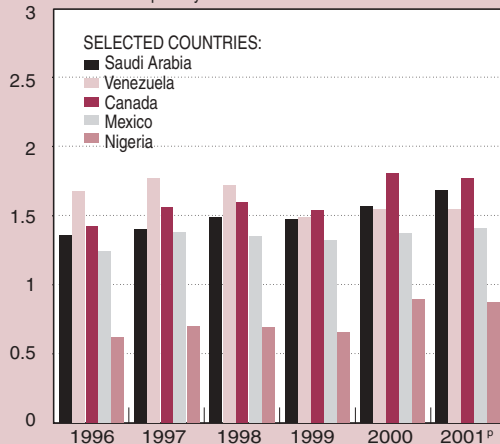
**CHART 9**

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

Millions of barrels per day



Millions of barrels per day



p Preliminary

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

U.S. Bureau of Economic Analysis

imports were lower from Mexico, Canada, and the United Kingdom. Although the average price per barrel fell to \$22.80 in 2001 from a record high of \$27.43 in 2000, it remained high by historical standards. The average number of barrels imported daily continued to rise, to 12.43 million from 11.98 million (chart 9). Inventories rose, while both U.S. consumption and production fell, though marginally.

**Balances by area.** In 2001, the deficit on goods was \$426.6 billion, a reduction of \$25.6 billion. Reductions occurred with Asia—\$12.3 billion with Japan and \$14.8 billion with other countries in Asia—mostly as a result of larger declines in imports than in exports. Most of the reductions in imports and exports were in the high-technology components of capital goods (table K).

By comparison, the deficits with industrial countries except Japan increased by small amounts. The deficit with Western Europe increased \$4.7 billion, primarily because declines in exports of capital goods and

of industrial supplies and materials combined were larger than declines in imports of those commodities. The deficit with Canada increased \$1.0 billion, primarily as a result of declines in exports of capital goods, automotive products, and industrial supplies and materials that were largely offset by declines in imports of capital goods and automotive products.

The deficit with Latin America increased \$1.0 billion. Within Latin America, the deficit with Mexico increased \$5.2 billion, largely because of lower exports of capital goods and industrial supplies and materials, which were partly offset by lower imports of petroleum and petroleum products.

### Services

The surplus on services increased to \$78.8 billion in 2001 from \$76.5 billion in 2000. In contrast to increases in many recent years, services exports and services imports both decreased. Imports decreased more than exports (partly reflecting nonrecurring insurance

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

[Balance of payments basis, millions of dollars]

	Canada			Western Europe			United Kingdom			Germany			Japan		
	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>
<b>Exports</b> .....	<b>166,727</b>	<b>178,987</b>	<b>163,939</b>	<b>162,770</b>	<b>178,793</b>	<b>171,833</b>	<b>37,659</b>	<b>40,727</b>	<b>39,809</b>	<b>26,364</b>	<b>28,923</b>	<b>29,441</b>	<b>56,074</b>	<b>63,576</b>	<b>56,038</b>
Agricultural products .....	7,997	8,469	9,202	7,744	7,579	7,706	1,094	1,050	1,080	978	943	943	9,016	9,547	9,090
Nonagricultural products .....	158,730	170,518	154,737	155,026	171,214	164,127	36,565	39,677	38,729	25,386	27,980	28,498	47,058	54,029	46,948
Foods, feeds, and beverages.....	7,958	8,394	9,104	6,101	5,864	5,927	1,029	938	1,022	744	680	739	9,642	10,006	9,537
Industrial supplies and materials .....	35,965	40,226	37,884	32,975	37,793	35,424	6,318	7,101	6,550	4,384	4,755	4,431	10,847	12,489	10,686
Capital goods, except automotive .....	53,836	60,249	52,357	87,177	96,290	87,662	21,505	23,307	20,616	15,605	17,668	17,562	24,005	28,280	24,083
Automotive vehicles, engines, and parts.....	45,815	45,663	39,698	7,921	7,488	8,569	1,767	1,637	1,820	2,169	2,222	2,926	2,733	3,029	2,677
Consumer goods (nonfood), except automotive .....	18,137	19,122	18,632	22,440	25,332	27,792	5,187	6,259	7,653	2,630	2,712	2,919	7,565	8,450	7,778
Exports, n.e.c.....	5,016	5,333	6,264	6,156	6,026	6,459	1,853	1,485	2,148	832	886	864	1,282	1,322	1,277
<b>Imports</b> .....	<b>201,288</b>	<b>233,678</b>	<b>219,588</b>	<b>214,871</b>	<b>243,426</b>	<b>241,197</b>	<b>38,789</b>	<b>43,388</b>	<b>41,101</b>	<b>55,167</b>	<b>58,501</b>	<b>59,139</b>	<b>130,878</b>	<b>146,497</b>	<b>126,645</b>
Petroleum and products.....	9,958	18,553	16,316	6,596	12,653	11,150	2,425	4,117	3,383	286	510	449	180	251	219
Nonpetroleum products .....	191,330	215,125	203,272	208,275	230,773	230,047	36,364	39,271	37,718	54,881	57,991	58,690	130,698	146,246	126,426
Foods, feeds, and beverages.....	9,462	10,277	11,452	9,480	9,706	9,644	1,227	1,262	1,188	644	663	648	426	438	385
Industrial supplies and materials .....	66,561	85,877	83,993	43,187	53,327	48,753	7,392	10,061	8,827	8,282	9,265	8,627	12,484	13,060	11,507
Capital goods, except automotive .....	32,069	40,300	33,691	70,925	78,076	76,236	15,059	15,574	14,805	19,714	21,588	21,814	54,511	62,196	47,599
Automotive vehicles, engines, and parts.....	63,837	63,946	57,863	28,539	30,398	31,132	3,629	4,185	3,846	17,107	18,423	18,933	43,058	47,594	44,912
Consumer goods (nonfood), except automotive .....	13,981	16,013	15,613	50,499	58,787	61,697	8,374	8,754	8,622	6,777	5,837	6,345	17,057	19,259	18,277
Imports, n.e.c., and U.S. goods returned.....	15,378	17,265	16,976	12,241	13,132	13,735	3,108	3,552	3,813	2,643	2,725	2,772	3,342	3,950	3,965
<b>Balance</b> .....	<b>-34,561</b>	<b>-54,691</b>	<b>-55,649</b>	<b>-52,101</b>	<b>-64,633</b>	<b>-69,364</b>	<b>-1,130</b>	<b>-2,661</b>	<b>-1,292</b>	<b>-28,803</b>	<b>-29,578</b>	<b>-29,698</b>	<b>-74,804</b>	<b>-82,921</b>	<b>-70,607</b>
	Latin America			Mexico			Asia, excluding Japan			Hong Kong, Republic of Korea, Singapore, Taiwan			China		
	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>	1999	2000	2001 <sup>p</sup>
<b>Exports</b> .....	<b>131,387</b>	<b>158,843</b>	<b>148,302</b>	<b>86,761</b>	<b>111,171</b>	<b>101,411</b>	<b>129,622</b>	<b>151,998</b>	<b>140,222</b>	<b>68,317</b>	<b>83,114</b>	<b>69,999</b>	<b>13,055</b>	<b>16,138</b>	<b>19,164</b>
Agricultural products .....	8,663	9,482	10,488	5,678	6,603	7,552	10,893	12,622	13,287	5,854	6,147	6,113	868	1,761	1,954
Nonagricultural products .....	122,724	149,361	137,814	81,083	104,568	93,859	118,729	139,376	126,935	62,463	76,967	63,886	12,187	14,377	17,210
Foods, feeds, and beverages.....	7,409	7,937	9,003	4,903	5,620	6,558	9,454	10,490	10,487	5,090	5,098	4,937	784	1,558	1,584
Industrial supplies and materials .....	34,896	44,352	40,766	24,149	31,820	28,043	25,425	29,318	27,727	14,015	15,969	13,973	3,876	5,098	5,455
Capital goods, except automotive .....	52,439	62,216	57,461	31,813	40,798	36,130	78,151	93,496	83,179	41,990	53,494	43,059	7,407	8,378	10,827
Automotive vehicles, engines, and parts.....	13,560	18,636	18,154	11,753	16,574	16,088	3,179	3,315	3,428	1,140	998	836	275	268	296
Consumer goods (nonfood), except automotive .....	17,717	19,575	17,468	10,419	11,851	10,673	10,033	11,639	11,950	4,457	5,516	5,422	571	672	862
Exports, n.e.c.....	5,366	6,127	5,450	3,724	4,508	3,919	3,380	3,740	3,451	1,625	2,039	1,772	142	164	140
<b>Imports</b> .....	<b>160,969</b>	<b>199,833</b>	<b>190,250</b>	<b>110,550</b>	<b>136,811</b>	<b>132,275</b>	<b>279,520</b>	<b>340,265</b>	<b>313,664</b>	<b>95,091</b>	<b>111,460</b>	<b>93,266</b>	<b>81,789</b>	<b>100,021</b>	<b>102,286</b>
Petroleum and products.....	22,327	37,083	30,251	7,280	12,800	10,216	15,287	26,145	24,250	560	1,081	1,126	182	618	318
Nonpetroleum products .....	138,642	162,750	159,999	103,270	124,011	122,059	264,233	314,120	289,414	94,531	110,379	92,140	81,607	99,403	101,968
Foods, feeds, and beverages.....	13,380	13,656	13,116	5,475	5,853	5,973	7,784	8,515	8,399	712	710	708	942	1,106	1,236
Industrial supplies and materials .....	39,893	56,961	49,116	15,231	21,774	18,763	37,359	52,554	48,991	9,023	10,927	10,035	5,957	7,636	7,556
Capital goods, except automotive .....	31,723	38,543	37,414	27,456	34,105	32,901	101,870	122,642	98,391	51,817	60,351	43,358	17,730	23,292	23,212
Automotive vehicles, engines, and parts.....	34,857	42,226	42,135	33,074	40,249	40,044	7,933	10,583	12,160	5,193	7,270	8,855	1,192	1,557	1,677
Consumer goods (nonfood), except automotive .....	34,168	40,043	40,477	23,940	28,375	28,328	118,441	138,842	138,621	25,174	28,406	26,740	55,073	65,321	67,428
Imports, n.e.c., and U.S. goods returned.....	6,948	8,404	7,992	5,374	6,455	6,266	6,133	7,129	7,102	3,172	3,796	3,570	895	1,109	1,177
<b>Balance</b> .....	<b>-29,582</b>	<b>-40,990</b>	<b>-41,948</b>	<b>-23,789</b>	<b>-25,640</b>	<b>-30,864</b>	<b>-149,898</b>	<b>-188,267</b>	<b>-173,442</b>	<b>-26,774</b>	<b>-28,346</b>	<b>-23,267</b>	<b>-68,734</b>	<b>-83,883</b>	<b>-83,122</b>

<sup>p</sup> Preliminary.  
n.e.c. Not elsewhere classified.



transactions in imports), leading to the rise in the surplus (table L).

In the first 8 months of 2001, slowing U.S. economic activity limited travel abroad by U.S. residents, and slowing growth in major economies abroad significantly limited travel to the United States by foreign residents. The disruption of international travel after the attacks of September 11th further reduced both travel payments and receipts by substantial amounts in the remainder of the year. Although some recovery from October lows was evident in November and December, receipts and payments at yearend remained substantially below their end-of-August levels. For the year, travel receipts were \$72.3 billion, down from \$82.0 billion in 2000; the number of foreign visitors to the United States decreased 14 percent, following an increase of 6 percent. Travel payments were \$58.9 billion, down from \$64.5 billion; the number of U.S. travelers abroad decreased 7 percent, following an increase of 9 percent. Passenger fare receipts were \$17.7 billion, down from \$20.7 billion, and passenger fare payments were \$23.4 billion, down from \$24.2 billion.

Transportation exports and imports were also affected by slowing economic activity in the United States and slowing growth abroad. Freight receipts and payments reflected the sizable deceleration and then the decline in goods exports and imports since mid-

2000. Expenditures by carriers for purchases of services in ports also fell by sizable amounts as a result of the decline in shipping and transportation activity.

"Other" transportation receipts decreased \$1.9 billion, or 6 percent, to \$28.3 billion in 2001, following an increase of \$3.3 billion, or 12 percent, in 2000. Freight receipts decreased \$1.1 billion, or 9 percent, following a 15-percent increase. Ocean freight receipts decreased \$0.6 billion, or 12 percent, as a result of decreases in export volume and freight rates. Rates fell substantially because of weak demand for bulk items, such as coal, iron ore, and grain. Air freight receipts decreased \$0.4 billion, or 8 percent, reflecting an 11-percent decrease in export volume transported by U.S. carriers.

Port services receipts decreased \$0.8 billion, or 4 percent, following a 10-percent increase. Air port services receipts decreased \$0.6 billion, or 7 percent, mostly because of a sizable decrease in the number of foreign visitors to the United States after the attacks of September 11th. A decrease in jet fuel prices also contributed to the decline in air port services receipts. Ocean port services receipts decreased \$0.2 billion, or 2 percent.

"Other" transportation payments decreased \$2.8 billion, or 7 percent, to \$38.2 billion in 2001, following an increase of \$6.9 billion, or 20 percent, in 2000. Freight payments decreased \$2.0 billion, or 7 percent,

**Table L. Services**

[Millions of dollars, quarters seasonally adjusted]

	1999	2000	2001 <sup>P</sup>	2001			
				I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>P</sup>
<b>Exports</b> .....	<b>272,800</b>	<b>293,492</b>	<b>283,758</b>	<b>74,072</b>	<b>73,369</b>	<b>69,724</b>	<b>66,594</b>
Travel.....	74,731	82,042	72,295	20,711	19,835	17,337	14,412
Passenger fares.....	19,785	20,745	17,734	5,006	4,933	4,352	3,443
Other transportation.....	26,916	30,185	28,292	7,415	7,113	7,055	6,709
Royalties and license fees.....	36,420	38,030	38,875	9,564	9,759	9,683	9,870
Other private services.....	98,143	107,568	112,892	27,769	28,166	28,035	28,922
Affiliated services.....	28,969	31,628	35,385	8,793	8,797	8,651	9,144
Unaffiliated services.....	69,174	75,940	77,507	18,976	19,369	19,384	19,778
Education.....	9,604	10,287	10,959	2,630	2,707	2,787	2,835
Financial.....	14,303	17,042	14,498	3,735	3,737	3,426	3,600
Insurance.....	1,299	2,412	3,209	770	796	814	829
Telecommunications.....	3,734	3,843	4,178	950	986	1,107	1,134
Business, professional, and technical.....	27,114	28,026	29,224	7,149	7,316	7,379	7,380
Other.....	13,120	14,331	15,438	3,741	3,827	3,871	3,999
Military transactions <sup>1</sup> .....	15,920	14,060	12,813	3,380	3,362	3,048	3,023
U.S. Government receipts.....	885	862	857	227	201	214	215
<b>Imports</b> .....	<b>189,204</b>	<b>217,024</b>	<b>204,953</b>	<b>56,763</b>	<b>56,446</b>	<b>42,633</b>	<b>49,114</b>
Travel.....	58,865	64,537	58,921	16,247	16,231	14,472	11,971
Passenger fares.....	21,315	24,197	23,407	6,001	6,493	6,240	4,673
Other transportation.....	34,139	41,058	38,230	10,501	9,689	9,159	8,884
Royalties and license fees.....	12,613	16,106	16,399	4,161	4,159	4,177	3,903
Other private services.....	46,117	54,687	50,289	15,548	15,635	4,164	14,941
Affiliated services.....	22,588	25,300	29,484	7,467	7,530	7,305	7,182
Unaffiliated services.....	23,529	29,387	20,805	8,081	8,105	-3,141	7,759
Education.....	1,829	2,140	2,496	587	612	635	662
Financial.....	3,404	4,482	3,936	1,104	1,085	852	895
Insurance.....	3,206	9,189	1,341	3,100	3,122	-7,913	3,032
Telecommunications.....	6,605	5,360	5,002	1,252	1,217	1,283	1,251
Business, professional, and technical.....	8,061	7,776	7,574	1,936	1,953	1,884	1,800
Other.....	425	440	456	102	116	118	119
Direct defense expenditures <sup>2</sup> .....	13,334	13,560	14,775	3,567	3,513	3,685	4,010
U.S. Government payments.....	2,821	2,879	2,932	738	726	736	732

<sup>r</sup> Revised.

<sup>P</sup> Preliminary.

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

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

following a 20-percent increase. Ocean freight payments decreased \$0.9 billion, or 5 percent, reflecting a decrease in import volume and freight rates. Freight rates for all ocean services (liner, tanker, and tramp) fell as a result of a decrease in trade volume and an increase in available capacity. Air freight payments decreased \$0.8 billion, or 17 percent, mostly as a result of a 10-percent decrease in import volume transported by foreign carriers.

Port services payments decreased \$0.8 billion, or 6 percent, following an 18-percent increase. Air port services payments decreased \$0.7 billion, or 6 percent, mostly reflecting the decrease in international air travel after September 11th. A decrease in jet fuel prices also contributed to the decline in air port services payments. Ocean port service payments decreased \$0.1 billion, or 5 percent.

“Other” private services receipts increased to \$112.9 billion in 2001 from \$107.6 billion in 2000, but the increase in 2001 was only half the size of the increase in 2000. Affiliated services (transactions between affiliated companies) accounted for much of the increase in 2001. Most unaffiliated services continued to rise, but financial services decreased as foreign activity in U.S. financial markets slowed.

“Other” private services payments decreased a substantial amount, to \$50.3 billion in 2001 from \$54.7 billion in 2000. A decrease in unaffiliated services more than offset an increase in affiliated services. Among unaffiliated services, financial services payments decreased substantially, reflecting significantly reduced U.S. activity in foreign financial markets. More importantly, “other” private services payments was held down by the recording in the third quarter of large

nonrecurring losses recovered from foreign reinsurance companies as a result of the September 11th attacks. The losses recovered are recorded in the accounts on an accrual basis at the time the insured event occurs. Excluding these nonrecurring transactions, “other” private services payments would have risen to \$61.3 billion in 2001 from \$54.7 billion in 2000.

Transfers under U.S. military agency sales contracts were \$12.8 billion in 2001, down from \$14.1 billion in 2000. Deliveries have fallen substantially from a peak in 1998, reflecting a drop in orders placed in recent years. U.S. direct defense expenditures abroad were \$14.8 billion in 2001, up from \$13.6 billion in 2000, mostly reflecting military activities in Afghanistan in the fourth quarter, especially for the transportation of troops and supplies.

### Income

The deficit on income increased to \$19.1 billion in 2001 from \$14.8 billion in 2000. Income receipts fell to \$293.8 billion from \$352.9 billion (table D). “Other” private receipts accounted for most of the decrease, but direct investment receipts also decreased a large amount. Income payments fell to \$312.9 billion from \$367.7 billion. Both direct investment payments and “other” private payments decreased by large amounts.

Receipts of income on U.S. direct investment abroad decreased to \$132.7 billion in 2001 from \$149.2 billion in 2000 (table M, chart 10). The slowdown in global economic activity combined with the appreciation of the dollar had a pronounced impact on the earnings of affiliates located abroad, which was evident across all industries. In manufacturing, the \$9.7 billion decrease

**Table M. Direct Investment Income and Capital**

[Millions of dollars, quarters seasonally adjusted]

(Credits +; debits -)	1999	2000	2001 <sup>p</sup>	2001			
				I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
<b>Income</b>							
Income receipts on U.S. direct investment abroad .....	123,718	149,240	132,651	37,096	34,311	31,008	30,241
Distributed earnings .....	46,903	45,984	44,189	11,914	11,969	10,050	10,260
Reinvested earnings .....	73,318	99,691	84,296	24,203	21,361	19,854	18,878
Interest, net .....	3,499	3,566	4,167	979	981	1,104	1,103
Income payments on foreign direct investment in the United States .....	-56,674	-68,009	-37,430	-14,398	-10,860	-9,034	-3,139
Distributed earnings .....	-21,299	-24,744	-19,541	-6,293	-1,740	-6,415	-5,096
Reinvested earnings .....	-19,984	-23,651	4,630	-2,715	-3,344	2,984	7,708
Interest, net .....	-15,392	-19,614	-22,520	-5,390	-5,776	-5,603	-5,751
<b>Capital</b>							
U.S. direct investment abroad (increase/financial outflow (-)) .....	-155,385	-152,437	-156,019	-41,122	-41,246	-43,224	-30,426
Equity capital .....	-58,786	-49,907	-52,359	-8,545	-13,675	-18,960	-11,179
Reinvested earnings .....	-73,318	-99,691	-84,296	-24,203	-21,361	-19,854	-18,878
Intercompany debt .....	-23,282	-2,840	-19,363	-8,374	-6,210	-4,410	-369
Foreign direct investment in the United States (increase/financial inflow (+)) .....	301,006	287,655	157,936	52,818	65,554	22,611	16,951
Equity capital .....	225,619	216,749	113,229	21,846	48,736	13,457	29,190
Reinvested earnings .....	19,984	23,651	-4,630	2,715	3,344	-2,984	-7,708
Intercompany debt .....	55,404	47,255	49,338	28,257	13,474	12,138	-4,531

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

in earnings was widespread and included earnings declines in transportation equipment, industrial machinery, and electronic equipment. In "other" industries, nearly three-fourths of the \$8.1 billion decrease in earnings was accounted for by a \$5.9 billion decrease in finance, insurance, and real estate. Financial affiliates of manufacturing and of petroleum companies reported large decreases, as did insurance affiliates and affiliates of major investment banks. By comparison, petroleum earnings decreased only \$0.9 billion.

Payments of income on foreign direct investment in the United States decreased to \$37.4 billion in 2001

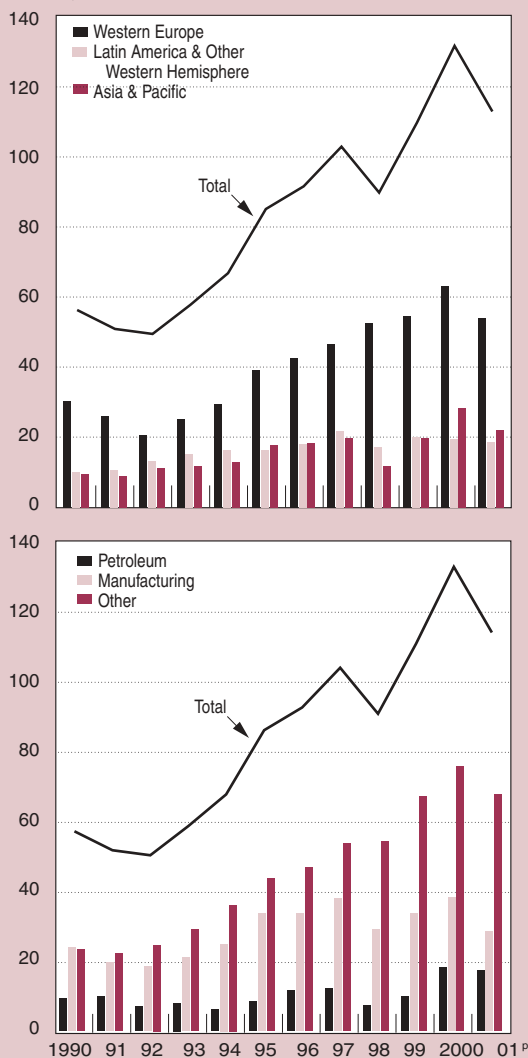
from \$68.0 billion in 2000 (table M, chart 11). The decrease reflected the major economic slowdown in the United States. The largest decreases in earnings were in manufacturing, which shifted from profits of \$13.6 billion to losses of \$3.7 billion, and in "other" industries, which shifted from profits of \$13.5 billion to losses of \$2.3 billion. Within manufacturing, earnings decreases were largest in telecommunications equipment. Within "other" industries, earnings decreases were largest in finance except depository institutions, wholesale trade, "other industries," and insurance. Petroleum earnings decreased from \$13.5 billion to \$11.9 billion.

Receipts of income on "other" private investment decreased to \$155.2 billion in 2001 from \$197.4 billion in 2000, the first annual decrease since 1993 (table N,

**CHART 10**

**Earnings on U.S. Direct Investment Abroad**

Billion \$



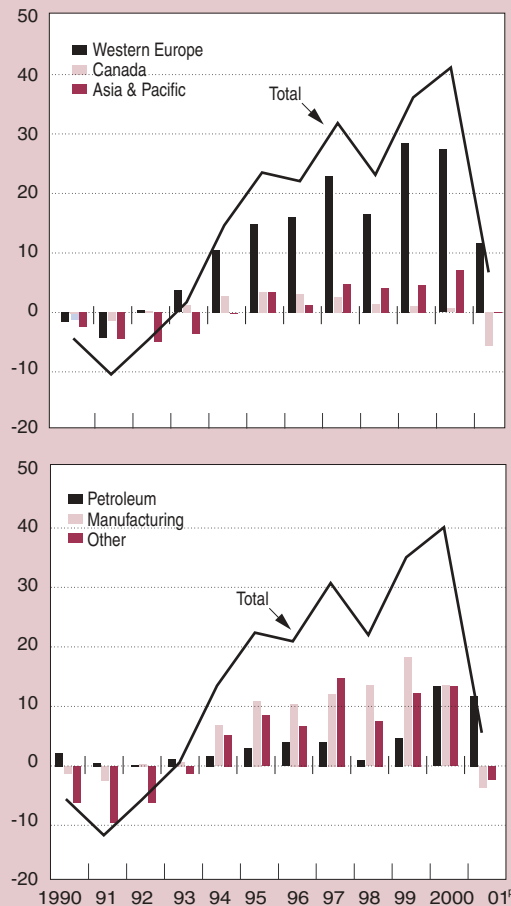
p Preliminary  
NOTE.—To be consistent with earnings by area and by industry, total earnings are shown in this chart without the current-cost adjustment and after deduction of withholding taxes, the only basis on which area and industry data are available.

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**CHART 11**

**Earnings on Foreign Direct Investment in the United States**

Billion \$



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

U.S. Bureau of Economic Analysis

chart 12). The largest decrease was in interest earned on banks' and nonbanks' claims, which declined \$29.4 billion. The average interest rate on banks' and nonbanks' claims was more than 200 basis points lower than in 2000. Dividends earned on stocks decreased \$9.8 billion, attributable to both lower U.S. holdings and lower dividend yields. Interest earned on bonds decreased \$3.0 billion, as higher U.S. holdings of bonds

**Table N. Other Private Income**  
[Billions of dollars]

	1999	2000	2001 <sup>p</sup>
<b>Receipts</b> .....	<b>156.2</b>	<b>197.4</b>	<b>155.2</b>
Dividends .....	30.8	35.9	26.1
Interest on bonds .....	40.3	44.3	41.3
Interest on bank claims .....	41.9	56.7	42.2
Interest on other claims <sup>1</sup> .....	43.2	60.5	45.6
<b>Payments</b> .....	<b>139.8</b>	<b>184.5</b>	<b>163.4</b>
Dividends .....	17.2	19.5	21.7
Interest on bonds .....	43.8	57.7	62.4
Interest on bank liabilities .....	47.4	64.3	41.7
Interest on other liabilities <sup>1</sup> .....	31.4	43.0	37.6

<sup>p</sup> Preliminary.

<sup>1</sup> Primarily income of financial concerns other than banks.

NOTE: Excludes direct investment income receipts and payments.

offset some of the decline in yields.

Payments of income on "other" private investment also decreased substantially, to \$163.4 billion in 2001 from \$184.5 billion in 2000, the first annual decrease since 1993 (table N, chart 12). Interest paid on banks' and nonbanks' liabilities decreased \$28.0 billion as a result of a 200-basis-point decline in average interest rates. The decrease was partly offset by a \$4.7 billion increase in interest paid on bonds, as an increase in foreign holdings more than offset a decline in average yields. Dividends paid on stocks increased \$2.2 billion, as an increase in average yields more than offset a decline in foreign holdings.

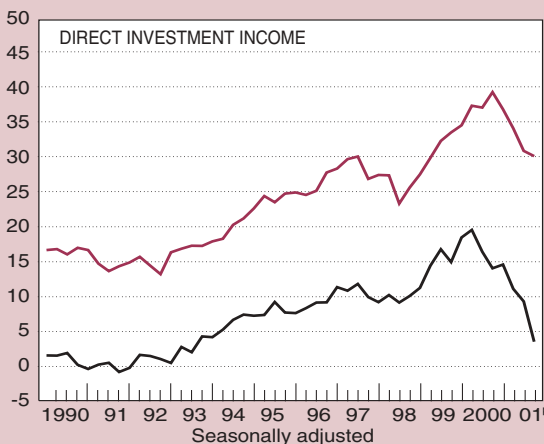
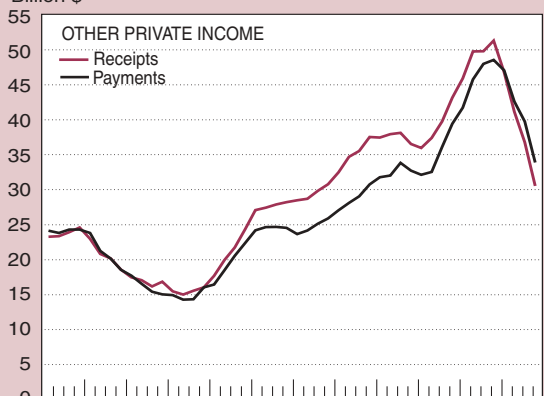
This year, for the first time since 1991, "other" private payments exceeded "other" private receipts. The declines in both receipts and payments were sizable, but the decline in receipts was twice as large as the decline in payments.

U.S. Government income payments decreased to \$104.3 billion in 2001 from \$107.7 billion in 2000 (table O). Although foreigners were net purchasers of Treasury securities in 2001 for the first time in 3 years, most net purchases were in the fourth quarter, so there was little impact on interest payments for the year. Yields declined an average of 150 basis points for short-term Treasury bills and 125 basis points for long-term Treasury bonds.

## CHART 12

### Private Investment Income

Billion \$



<sup>p</sup> Preliminary

U.S. Bureau of Economic Analysis

### Unilateral current transfers

Net unilateral current transfers were outflows of \$50.5 billion in 2001, \$3.6 billion less than in 2000. U.S. Government grants more than accounted for the decrease, largely because grant funds that are often disbursed annually to Israel and Egypt under the debt credit waiver program and under economic assistance programs in the fourth quarter were not appropriated and disbursed until the first quarter of 2002 (table O). Grants were disbursed late in 2001 to Pakistan to support the conflict in Afghanistan. Private remittances and other transfers increased, mainly because of an increase in institutional remittances and net taxes paid to foreigners.

### Capital Account

Capital account transactions were net inflows of \$0.7 billion in 2001, virtually unchanged from 2000.

### 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 \$455.9 billion in 2001, compared with \$443.3 billion in 2000. Financial outflows for U.S.-owned assets abroad

decreased more than financial inflows for foreign-owned assets in the United States (chart 13).

### U.S.-owned assets abroad

U.S.-owned assets abroad increased \$439.6 billion in 2001, compared with an increase of \$581.0 billion in 2000. Outflows for U.S. claims on foreigners reported by U.S. banks and nonbanks slowed, and net U.S. purchases of foreign securities slowed.

**U.S. official reserve assets.** U.S. official reserve assets increased \$4.9 billion in 2001, following an increase of \$0.3 billion in 2000 (table C). The increase in 2001 included a \$3.6 billion increase in the U.S. reserve position at the International Monetary Fund (IMF) as a result of sizable credits extended by the IMF to Turkey, Argentina, and Brazil, as these countries attempted to maintain economic stability, that were only partly offset by repayments of credits to the IMF by Russia and Korea.

**Claims reported by banks and by nonbanks.** U.S. claims on foreigners reported by U.S. banks increased \$104.3 billion in 2001, following an increase of \$138.5 billion in 2000 (tables P and Q).

Banks' own claims payable in dollars increased \$94.7 billion in 2001, following an increase of \$118.7 billion in 2000. In the first quarter, interbank lending was especially strong to Western Europe, where the modest slowdown in economic growth had little impact on the demand for bank credit. Lending by U.S. brokers and dealers in the form of resale agreements with international mutual funds was also strong. Lending in the second and third quarters was sharply lower, partly reflecting the continued slowdown in foreign economic activity, a further dropoff in merger and acquisition activity, and a pullback in the syndicated loan

market. Lending by U.S. securities brokers and dealers was also reduced, as activity in foreign financial markets slowed. Decreases in lending by banks also reflected an effort by U.S. banks to reduce their international exposure and to improve their loan quality in a period of slowing global economic growth and rising loan defaults. The increase in lending in the fourth quarter apparently reflected a temporary need for funds by overseas offices despite continued global economic weakness.

Banks' domestic customers' claims payable in dollars decreased \$9.2 billion, following an increase of \$27.2 billion, largely as the result of a sizable reduction in foreign commercial paper outstanding in the United States. Throughout 2001, slowing global economic activity, as well as ratings downgrades and higher risk premiums, significantly reduced foreign new issues in the U.S. commercial paper market.

Banks' own claims payable in foreign currencies increased \$26.0 billion, following a decrease of \$7.1 billion; most of the increase in 2001 occurred in the first half of the year.

Nonbanks' claims on unaffiliated foreigners increased \$76.1 billion, following an increase of \$163.8 billion. The slowdown was largely attributable to sharply lower deposit flows to Caribbean banking centers (table P).

**Foreign securities.** Net U.S. purchases of foreign securities slowed to \$97.7 billion in 2001, compared with \$124.9 billion in 2000 (table P).

Net U.S. purchases of foreign stocks were \$110.2 billion in 2001, up from \$99.7 billion in 2000, but below the record of \$114.4 billion in 1999. Stock swaps resulting from cross-border mergers and acquisitions accounted for a much smaller portion of activity in 2001

**Table O. Selected U.S. Government Transactions**

[Millions of dollars]

(Credits +; debits -)	1999	2000	2001 <sup>a</sup>	2001			
				I	II	III <sup>c</sup>	IV <sup>b</sup>
U.S. Government grants.....	-13,774	-16,821	-11,334	-2,419	-2,508	-2,877	-3,530
U.S. Government forgiveness of foreign debt.....	-69	-29	-25	-8	-4	-11	-2
U.S. Government credits and other long-term assets.....	-6,175	-5,177	-4,450	-1,094	-1,330	-1,011	-1,015
For debt rescheduling.....	-1,868	-1,687	-656	-233	-28	-51	-344
Other disbursements.....	-4,307	-3,490	-3,794	-861	-1,302	-959	-672
Repayments of US Government credits and other long-term assets.....	9,560	4,257	3,801	1,015	570	1,062	1,154
From debt rescheduling.....	1,800	741	440	171	19	48	202
From debt forgiveness.....	40	20	13	4	2	5	2
Other repayments.....	7,720	3,495	3,349	840	549	1,010	950
U.S. Government foreign currency holdings and short-term assets, net	-634	-24	76	100	-26	-30	32
From debt rescheduling.....	48	303	103	58	.....	3	42
From debt forgiveness.....	11	(*)	4	.....	.....	4	.....
Other.....	-693	-328	-31	42	-26	-37	-10
U.S. Government receipts of income.....	3,197	3,845	3,516	980	718	924	894
From debt rescheduling.....	20	643	113	4	8	1	100
From debt forgiveness.....	18	9	8	4	1	2	1
Other receipts.....	3,159	3,193	3,394	972	708	920	793
U.S. Government payments of income.....	-95,131	-107,672	-104,313	-26,991	-26,380	-25,892	-25,050

<sup>a</sup> Revised.

<sup>b</sup> Preliminary.

<sup>c</sup> Less than \$500,000 (±).

than in 2000. Stock swaps declined to \$42.9 billion in 2001, with 79 percent of the activity occurring in the second quarter, from \$81.1 billion in 2000.

In nonmerger-related transactions, net U.S. purchases of foreign stocks increased to \$67.3 billion in 2001 from \$18.6 billion in 2000. Most net purchases were concentrated in the first half of the year, before the severity of the global economic downturn became evident and before U.S. investors reduced their purchases of foreign stocks following the attacks of September 11th. Net purchases in the second half of the year were about two-fifths of those in the first half. On

average, world stock prices, stated in local currency terms, declined 15 percent in 2001: Prices declined 18 percent in Europe, 20 percent in Japan, and 2 percent in the Far East excluding Japan; they increased 1 percent in Latin America (chart 14). Trading activity in foreign stocks (that is, gross purchases plus gross sales) decreased 21 percent in 2001, following an increase of 50 percent in 2000.

Transactions in foreign bonds were net U.S. sales of \$12.5 billion in 2001, a shift from net U.S. purchases of \$25.2 billion in 2000. Net sales of outstanding bonds increased to \$18.1 billion from \$8.2 billion. Foreign new bond issues in the United States declined to \$39.1 billion from \$54.3 billion, despite favorable borrowing conditions and substantially lower long-term interest rates for investment-grade borrowers. Many potential sovereign and corporate borrowers from emerging countries with less than investment-grade credit ratings encountered higher interest rates (chart 15). For the year, corporate borrowers accounted for 60 percent of new issues, and sovereign borrowers, for 36 percent. More than two-thirds of the new issues were by Asian and Latin American issuers. Trading activity in foreign bonds increased 20 percent in 2001, the same as in 2000.

**Direct investment.** Net financial outflows for U.S. direct investment abroad were \$156.0 billion in 2001, up from \$152.4 billion in 2000 (table M). Net intercompany debt outflows increased sharply, and net equity capital outflows increased a small amount, but these increases were nearly offset by a decrease in reinvested earnings.

Net intercompany debt outflows increased to \$19.4 billion in 2001, just under the level of outflows in 1998 and 1999, from \$2.8 billion in 2000. Net equity capital outflows were \$52.4 billion, about the same level of outflows in 2000 and not far below the level of outflows in 1999. Large acquisitions completed in 2001 were those of a large financial services provider in Mexico, several natural gas firms in Canada, an electronics manufacturing affiliate in Asia, a publishing group in the United Kingdom, and pharmaceutical affiliates throughout Europe, Japan, and Canada. Reinvested earnings fell to \$84.3 billion from \$99.7 billion, as a result of lower earnings.

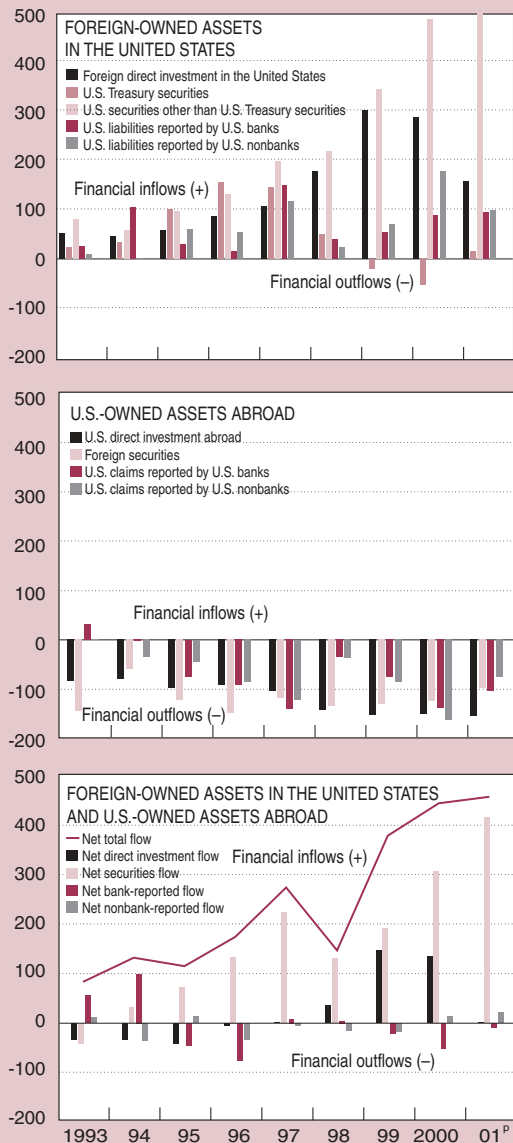
**Foreign-owned assets in the United States**

Net foreign-owned assets in the United States increased \$895.5 billion in 2001, compared with an increase of \$1,024.2 billion in 2000. The slowdown was more than accounted for by reduced inflows for foreign direct investment in the United States and by a reduction in inflows for U.S. liabilities reported by U.S. nonbanking concerns. In contrast, net foreign pur-

CHART 13

**Financial Flows**

Billion \$



p Preliminary  
U.S. Bureau of Economic Analysis

chases of U.S. securities other than U.S. Treasury securities edged up to a record.

**Foreign official assets.** Foreign official assets in the United States increased \$6.1 billion in 2001, compared with an increase of \$37.6 billion in 2000 (table C). In 2001, assets of industrial countries decreased, assets of developing countries increased, and assets of OPEC members decreased.

**Liabilities reported by banks and by nonbanks.** U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$95.2 billion in 2001, following an increase of \$88.0 billion in 2000 (tables P and Q).

Banks' own liabilities payable in dollars increased \$73.1 billion in 2001, following an \$88.1 billion increase in 2000. Interbank borrowing decreased in the first three quarters of 2001, reflecting a cutback in international lending and borrowing by U.S. banks that resulted from the slowdown in global economic

growth, the sizable dropoff in mergers and acquisitions, 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 until the end of the month. Exceptionally large inflows in the fourth quarter, largely to U.S.-owned banks, reflected demands for liquidity associated with lending to corporations, many of which no longer had access to the commercial paper market; the need to finance a surge in real estate loans; and the desire to strengthen bank balance sheets in the face of deteriorating loan quality through purchases of U.S. Government securities. Some funds may have been used to provide liquidity to a few large corporations involved in bankruptcy settlements.

Nonbanking concerns' liabilities to unaffiliated foreigners increased \$98.2 billion, following an increase of \$177.0 billion. Reduced inflows from the United King-

**Table P. Private Financial Flows, Net**

[Billions of dollars]

Claims (increase/financial outflow (-)); liabilities (increase/financial inflow (+))	1999	2000	2001 <sup>p</sup>	2001			
				I	II	III <sup>r</sup>	IV <sup>p</sup>
<b>Private financial flows, net</b> .....	<b>321.6</b>	<b>406.9</b>	<b>455.3</b>	<b>98.6</b>	<b>177.6</b>	<b>26.9</b>	<b>152.2</b>
Bank-reported capital, net <sup>1</sup> .....	-22.0	-50.5	-9.1	-102.9	44.2	-0.2	49.8
U.S. claims.....	-76.3	-138.5	-104.3	-109.8	-0.1	59.1	-53.6
U.S. liabilities <sup>1</sup> .....	54.2	88.0	95.2	6.9	44.3	-59.4	103.4
Securities, net.....	192.3	307.9	416.6	117.9	80.7	83.9	134.1
Net U.S. purchases of foreign securities.....	-131.2	-124.9	-97.7	-31.6	-51.1	10.6	-25.5
Stocks.....	-114.4	-99.7	-110.2	-27.3	-55.1	-9.1	-18.7
Bonds.....	-16.8	-25.2	12.5	-4.3	4.0	19.7	-6.9
Net foreign purchases of U.S. securities.....	323.5	432.9	514.2	149.5	131.8	73.3	159.6
U.S. Treasury securities.....	-20.5	-52.8	15.8	0.7	-8.7	-9.5	33.3
Other than U.S. Treasury securities.....	344.0	485.6	498.4	148.8	140.5	82.8	126.3
Stocks.....	113.0	192.7	127.2	41.1	40.6	12.4	33.1
Bonds.....	231.0	292.9	371.2	107.7	99.9	70.3	93.3
U.S. currency flows, net.....	22.4	1.1	23.8	2.3	2.8	8.2	10.5
Direct investment, net.....	145.6	135.2	1.9	11.7	24.3	-20.6	-13.5
U.S. direct investment abroad.....	-155.4	-152.4	-156.0	-41.1	-41.2	-43.2	-30.4
Foreign direct investment in the United States.....	301.0	287.7	157.9	52.8	65.6	22.6	17.0
Nonbank-reported capital, net.....	-16.6	13.2	22.2	69.6	25.6	-44.3	-28.8
U.S. claims.....	-85.7	-163.8	-76.1	-61.0	22.2	-40.4	3.1
U.S. liabilities.....	69.1	177.0	98.2	130.6	3.4	-3.9	-31.8

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

1. Liabilities exclude U.S. Treasury securities.

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

[Billions of dollars]

	1999	2000	2001 <sup>p</sup>	2001			
				I	II	III <sup>r</sup>	IV <sup>p</sup>
<b>Claims on foreigners reported by U.S. banks (increase/financial outflow (-))</b> ....	<b>-76.3</b>	<b>-138.5</b>	<b>-104.3</b>	<b>-109.8</b>	<b>-0.1</b>	<b>59.1</b>	<b>-53.6</b>
Banks' claims for own accounts, payable in dollars:							
Own foreign offices.....	-45.1	-100.4	-63.7	-47.0	-15.1	28.4	-29.9
Unaffiliated banks.....	9.0	-2.4	-7.8	-10.9	10.3	-0.7	-6.5
Public borrowers and other foreigners.....	-22.0	-15.9	-23.2	-25.4	-5.1	6.1	1.3
Banks' claims for domestic customers' accounts, payable in dollars.....	-32.0	-27.2	9.2	-12.1	20.4	13.6	-12.8
Claims payable in foreign currencies.....	13.9	7.4	-18.8	-14.3	-10.6	11.8	-5.7
<b>Liabilities to foreigners reported by U.S. banks (excluding U.S. Treasury securities) (increase/financial inflow (+))</b> .....	<b>54.2</b>	<b>88.0</b>	<b>95.2</b>	<b>6.9</b>	<b>44.3</b>	<b>-59.4</b>	<b>103.4</b>
Banks' liabilities for own accounts, payable in dollars:							
Own foreign offices.....	46.3	51.3	64.3	-20.5	9.9	-23.2	98.1
Unaffiliated banks.....	6.1	19.2	-13.3	15.1	-6.0	-6.0	-16.4
Other private foreigners and international financial institutions.....	16.8	17.5	22.1	5.3	12.8	-10.6	14.6
Banks' custody liabilities, payable in dollars.....	-11.5	6.9	13.5	-10.5	17.9	-0.3	6.3
Liabilities payable in foreign currencies.....	-3.5	-7.1	8.6	17.5	9.6	-19.2	0.8

<sup>r</sup> Revised.

<sup>p</sup> Preliminary.

1. Excludes liabilities to foreign official agencies.

dom and from Caribbean banking centers partly accounted for the slowdown (table P).

**U.S. Treasury securities.** Net foreign purchases of U.S. Treasury securities were \$15.8 billion in 2001, following net foreign sales of \$52.8 billion in 2000 and \$20.5 billion in 1999 (table P). The increase in 2001 occurred in the fourth quarter, as investors sought a high degree of liquidity and safety in an uncertain environment. In 1999 and 2000, foreigners had been net sellers of U.S. Treasury securities, partly as the supply of Treasury securities declined as debt was repaid and partly as investors participated in U.S. equity markets and sought the higher yields available on agency and corporate bonds.

**Other U.S. securities.** Net foreign purchases of U.S. securities other than Treasury securities were a record \$498.4 billion, surpassing the previous record of \$485.6 billion in 2000 (table P).

Net foreign purchases of U.S. stocks were \$127.2 billion in 2001, down from a record \$192.7 billion in 2000. In 2001, the sizable decline in corporate profits that accompanied the U.S. economic slowdown and uncertainty about when an upturn might occur led to the first back-to-back annual losses in the stock market since 1974. The S&P 500 stock index lost 13 percent after a 10-percent loss in 2000, the DJIA lost 7 percent after a 6-percent loss, and the NASDAQ lost 21 percent after a 39-percent loss. Net purchases from Western Europe were \$86.8 billion, down from \$181.3 billion.

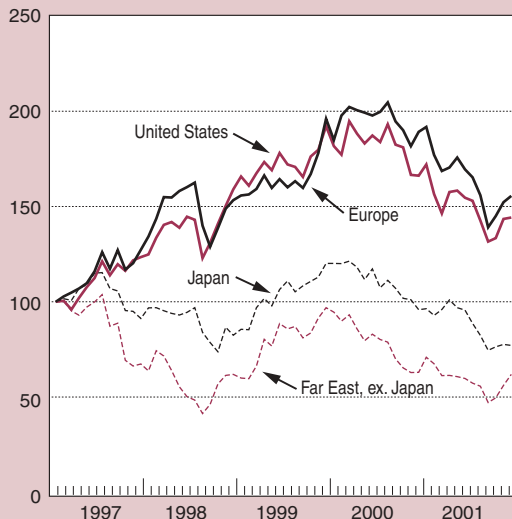
Net purchases from the United Kingdom were \$37.4 billion, down from \$71.8 billion. Partly offsetting were increases in net purchases from Canada, to \$11.4 billion from \$7.7 billion, and in net purchases from Japan, to \$7.8 billion from \$2.0 billion, and a shift from Caribbean offshore investment funds to net purchases of \$1.4 billion from net sales of \$17.0 billion. Trading activity in U.S. stocks (that is, gross purchases plus gross sales) decreased 15 percent in 2001, following an increase of 54 percent in 2000.

Net foreign purchases of U.S. bonds were a record \$371.2 billion, surpassing the previous record of \$292.9 billion in 2000. Increased foreign demand for U.S. bonds was bolstered by setbacks in the equity markets worldwide, amid heightened uncertainty about the extent of the global economic slowdown. The reduced supply of U.S. Treasury bonds and the elimination of new issues of the 30-year bond in the fourth quarter lent additional support to the demand for U.S. corporate and agency bonds. Except for the third quarter of 2001 when the markets were disrupted

**CHART 14**

**Selected Stock Price Indexes in Local Currencies**

January 1997=100

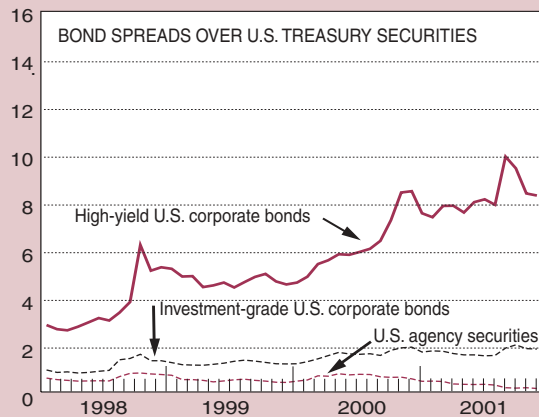
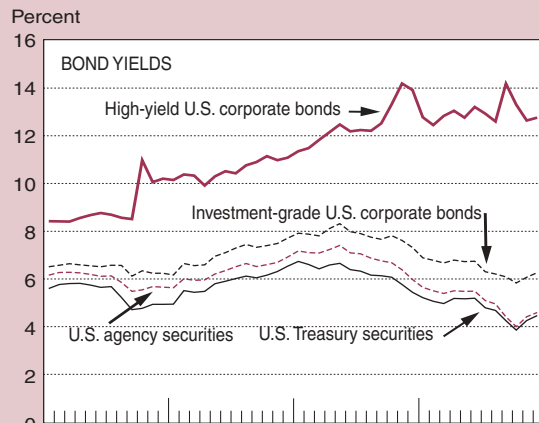


Source: Morgan Stanley Capital International. Indexes rebased by BEA.

U.S. Bureau of Economic Analysis

**CHART 15**

**U.S. Bond Yields and Spreads**



Source: Merrill Lynch.

U.S. Bureau of Economic Analysis



by the attacks of September 11th, inflows into bonds in each quarter of 2001 exceeded inflows in each quarter of 2000. Although U.S. bond yields declined 100 basis points over the year, they remained above many foreign yields. Total returns on U.S. bonds averaged 8.3 percent in 2001, compared with 6.2 percent on euro-area bonds, 4.7 percent on British bonds, and 3.6 percent on Japanese bonds. Trading activity in U.S. bonds was up 71 percent, following an increase of 42 percent in 2000.

New international bond issues by U.S. borrowers were a record \$112.1 billion in 2001, up from the previous record of \$109.2 billion in 2000 (table R). On the supply side of the market, many prominent corporate issuers took advantage of sharply falling interest rates to raise new funds or to refinance existing debt. U.S. agency issuers, such as Fannie Mae and Freddie Mac, stepped up their volume of new issues to meet increased levels of mortgage refinancing. On the demand side of the market, international bond investors were attracted to quality corporate and agency issues that provided better returns and more safety than equities.

Straight fixed rate issues continued to dominate the market, while floating rate issues decreased. U.S. dollar issues continued to dominate the market, although euro-denominated issues gained market share (table R).

**U.S. currency flows.** Net U.S. currency shipments to foreigners were \$23.8 billion in 2001, up from \$1.1 billion in 2000. Shipments were mostly to Argentina, in response to economic crisis and fears of devaluation in the last half of the year, and to Russia. Some shipments may have flowed to Turkey through other Euro-

### Data Availability

Interactive access to the estimates that are presented in tables 1–10a of the U.S. international transactions accounts is available on BEA's Web site at <www.bea.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 presented in tables 1–10a are also available as compressed files on BEA's Web site; 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, Fourth Quarter 2001.** Annual estimates for 2000–2001 and quarterly estimates for 2000:I–2001:IV on a single diskette—product number IDN–0294, 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).

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

[Millions of dollars]

	1999	2000	2001 <sup>a</sup>	2001			
				I	II	III	IV <sup>a</sup>
<b>Total</b> .....	<b>65,847</b>	<b>109,201</b>	<b>112,121</b>	<b>35,129</b>	<b>34,138</b>	<b>19,704</b>	<b>23,150</b>
<b>By issuer:</b>							
Industrial corporations.....	7,124	17,999	19,485	4,216	5,853	4,227	5,189
Banking corporations <sup>1</sup> .....	5,338	6,153	4,255	782	1,309	1,918	246
Nonbank financial corporations <sup>2</sup> .....	26,432	33,961	37,011	12,044	10,255	6,455	8,257
U.S. federally sponsored agencies.....	24,004	44,236	49,008	17,435	16,130	6,519	8,924
All other borrowers.....	2,949	6,851	2,362	652	591	585	534
<b>By instrument:</b>							
Straight fixed-rate bonds.....	57,620	92,866	103,432	33,584	32,849	17,917	19,082
Floating-rate notes.....	7,764	14,699	8,542	1,443	1,289	1,787	4,023
Zero-coupon bonds.....	128	49	.....	.....	.....	.....	.....
Bonds convertible into stock.....	111	1,389	147	102	.....	.....	45
Other debt instruments.....	224	199	.....	.....	.....	.....	.....
<b>By currency:</b>							
U.S. dollars.....	42,125	62,048	68,425	19,780	21,306	13,489	13,850
Foreign currencies.....	23,722	47,153	43,696	15,349	12,832	6,215	9,300
Japanese yen.....	3,200	11,130	5,113	192	3,125	1,590	206
Swiss franc.....	2,082	2,099	1,478	629	649	99	101
German mark.....	.....	.....	.....	.....	.....	.....	.....
British pound.....	3,852	6,508	5,434	1,977	1,370	225	1,862
Euro.....	13,658	26,422	30,889	12,441	7,609	4,005	6,834
Canadian dollar.....	28	148	.....	.....	.....	.....	.....
Other currencies.....	902	846	782	110	79	296	297

<sup>a</sup> Preliminary.

1. Includes banks and bank holding companies.

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

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

[Millions of dollars]

(Credits +; debits -)	1987	1988	1989 <sup>r</sup>	1990 <sup>r</sup>	1991 <sup>r</sup>	1992 <sup>r</sup>	1993 <sup>r</sup>	1994 <sup>r</sup>	1995 <sup>r</sup>	1996 <sup>r</sup>	1997 <sup>r</sup>	1998 <sup>r</sup>	1999 <sup>r</sup>	2000 <sup>r</sup>	2001 <sup>p</sup>
Exports of goods and services and income receipts:															
Goods, balance of payments basis .....	10,714	13,777	13,189	13,141	18,105	20,666	18,319	16,297	17,405	19,224	23,696	22,933	18,317	17,625	19,521
Transfers under U.S. military agency sales contracts .....	2,781	1,430	1,309	2,687	3,809	4,454	3,675	2,936	4,471	5,638	4,039	5,179	4,046	3,541	2,198
Royalties and license fees <sup>1</sup> .....	103	77	71	94	149	161	220	357	394	253	312	263	297	331	334
Other private services <sup>1</sup> .....	1,939	1,516	1,541	1,423	1,898	2,546	2,210	2,080	2,187	3,018	3,117	3,542	4,271	4,137	4,247
U.S. Government miscellaneous services .....	25	18	16	20	16	22	13	14	17	11	8	8	9	8	8
Income receipts on U.S.-owned assets abroad:															
Direct investment receipts.....	1,965	1,875	1,835	2,854	3,293	3,224	2,745	2,701	3,966	4,220	4,073	2,682	3,385	5,030	4,004
Other private receipts.....	1,680	1,941	2,435	2,326	1,441	1,202	1,045	1,470	1,456	1,371	1,697	1,846	1,952	2,188	1,307
U.S. Government receipts .....	167	215	154	261	217	187	141	122	192	268	263	238	266	448	295
Imports of goods and services and income payments:															
Goods, balance of payments basis .....	-24,416	-23,016	-30,720	-38,399	-33,430	-33,718	-32,648	-31,674	-34,265	-42,676	-43,996	-33,673	-41,952	-66,996	-59,818
Direct defense expenditures.....	-370	-377	-614	-1,419	-784	-883	-455	-360	-335	-545	-944	-1,754	-1,815	-1,568	-1,408
Royalties and license fees <sup>1</sup> .....	(*)	-6	-1	(*)	-1	-1	-37	-7	-2	-38	-5	-8	-8	-11	-30
Other private services <sup>1</sup> .....	-253	-259	-245	-306	-461	-388	-340	-405	-456	-628	-588	-613	-546	-381	-351
U.S. Government miscellaneous services .....	-118	-96	-104	-96	-87	-47	-26	-39	-34	-31	-29	-28	-29	-28	-28
Income payments on foreign-owned assets in the United States:															
Direct investment payments.....	-78	164	-50	-98	-93	182	-82	-49	-34	-136	-422	-111	-34	-1,754	-130
Other private payments .....	-1,837	-2,175	-2,798	-2,892	-2,669	-2,302	-2,176	-1,964	-2,955	-2,799	-3,105	-3,173	-2,930	-3,873	-2,933
U.S. Government payments .....	-2,586	-2,141	-2,758	-3,241	-2,764	-2,524	-2,160	-1,747	-2,179	-2,430	-3,751	-3,804	-3,784	-4,272	-4,139
U.S. Government grants .....	-84	-97	-94	3,368	27,453	1,018	-197	-204	-195	-152	-55	-54	-108	-146	-109
U.S. Government pensions and other current transfers .....	-25	-20	5	-25	-305	-32	-27	-28	-25	-93	-57	-40	-26	-23	-21
U.S.-owned assets abroad, net (increase/capital outflow (-)).....	-571	-782	-1,875	1,847	-577	-12,162	-513	-3,107	143	-7,078	-8,974	-12,558	922	2,355	244
U.S. Government assets, other than official reserve assets, net .....	141	-59	135	-253	-788	-529	19	-422	-901	-458	12	-10	-317	-217	-567
U.S. credits and other long-term assets.....	-165	-396	-212	-647	-246	-277	-85	-234	-925	-912	-412	-166	-504	-566	-999
Repayments on U.S. credits and other long-term assets .....	308	344	343	481	397	279	224	177	215	290	420	154	210	366	440
U.S. foreign currency holdings and U.S. short-term assets, net.....	-2	-7	4	-87	-939	-531	-120	-365	-191	164	4	2	-23	-17	-8
U.S. private assets, net .....	-712	-723	-2,010	2,100	211	-11,633	-532	-2,685	1,044	-6,620	-8,986	-12,548	1,239	2,572	811
Direct investment .....	-64	1,133	535	-1,277	-2,706	-1,465	-1,597	-3,575	-2,379	-2,884	-2,411	-4,323	-3,421	-3,438	-3,220
Foreign securities.....	58	-365	96	-2,815	-17	337	-679	-2,077	-675	-2,882	-3,997	-677	22	1,633	2,067
U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....	81	41	100	13	-224	-44	-306	-146	-25	-478	-336	369	-534	569	137
U.S. claims reported by U.S. banks, not included elsewhere .....	-787	-1,532	-2,741	6,179	3,158	-10,461	2,050	3,113	4,123	-376	-2,242	-7,917	5,172	3,808	1,827
Foreign-owned assets in the United States, net (increase/capital inflow(+)).....	-5,371	-728	15,282	3,320	-4,416	14,529	-8,904	1,400	5,396	18,381	17,994	-11,245	9,998	32,582	912
Of which: foreign official .....	-9,939	-2,885	10,724	1,555	-5,235	5,626	-3,850	-1,464	4,061	14,105	12,700	-11,401	1,621	11,582	-1,851
U.S. Treasury securities.....	-5,398	1,688	7,815	-244	-5,902	4,323	-6,302	-1,668	1,829	16,159	9,004	-13,863	3,246	10,263	-932
Other U.S. securities .....	-1,808	-2,591	3,170	-2,676	1,989	4,186	3,322	-820	1,592	217	4,054	4,284	3,028	14,464	6,183
Other U.S. Government liabilities .....	-957	177	437	505	151	569	730	1,797	617	-982	-348	-2,241	-1,167	-1,190	-433
U.S. liabilities reported by U.S. banks, not included elsewhere.....	2,405	-1,146	1,836	5,686	-164	4,793	-5,665	1,677	1,059	1,813	4,094	2,296	4,662	4,867	-4,151
Direct investment in the United States.....	296	1,629	1,503	-662	81	167	-812	251	-140	623	382	-1,291	402	3,884	48
U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	91	-485	521	711	-571	491	-177	163	439	551	808	-430	-173	294	197
All other transactions with OPEC and transfers of funds between foreign areas, net.....	16,335	8,684	3,422	15,135	-10,794	3,866	19,197	12,207	4,853	4,222	6,727	30,370	7,769	10,807	35,897
Memorandum:															
Balance on goods .....	-13,702	-9,239	-17,531	-25,258	-15,325	-13,052	-14,329	-15,377	-16,860	-23,452	-20,300	-10,740	-23,635	-49,371	-40,297

<sup>r</sup>Revised.<sup>p</sup>Preliminary.<sup>\*</sup> Less than \$500,000 (±).

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

affiliates' receipts from foreign parents.

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

pean countries. Flows in 2001 returned to more typical levels from unusual levels in 1999-2000 that were associated with concerns over potential Y2K problems.

**Foreign direct investment.** Net financial inflows for foreign direct investment in the United States were \$157.9 billion in 2001, down from \$287.7 billion in 2000 (table M). Net equity capital inflows were about half those in 2000, and reinvested earnings shifted to outflows. Net intercompany debt inflows edged up.

Net equity capital inflows decreased substantially in 2001, to \$113.2 billion from \$216.7 billion. The decrease was part of the worldwide slowdown in merger and acquisition activity. Among the contributing factors were weak economic conditions in many of the countries that have historically been major sources of direct investment capital flows to the United States—including France, Germany, the Netherlands, Canada,

and Japan—and weak equity markets that deprived companies of the benefit of using high-priced stock to acquire other firms. In 2000, more than 10 acquisitions were valued at \$4.0 billion or more, and equity inflows to finance the smaller acquisitions were sizable. In 2001, less than half a dozen acquisitions were valued at \$4.0 billion or more, and equity inflows used to finance the smaller acquisitions were greatly reduced. The largest acquisitions in 2001 were in telecommunications, commercial lending, offshore drilling, banking, publishing, and electronic security. Reinvested earnings shifted to a negative \$4.6 billion from a positive \$23.7 billion, as current-period distributions exceeded current-period earnings. Net intercompany debt inflows increased to \$49.3 billion from \$47.3 billion.

*Tables 1 through 10 follow.*

Table 1. U.S. International Transactions

(Millions of dollars)

Line	(Credits +, debits -) <sup>1</sup>	2000	2001 <sup>p</sup>	Not seasonally adjusted				Seasonally adjusted			
				2001				2001			
				I	II	III <sup>r</sup>	IV <sup>p</sup>	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
<b>Current account</b>											
1	<b>Exports of goods and services and income receipts</b>	<b>1,418,568</b>	<b>1,298,397</b>	<b>351,834</b>	<b>336,703</b>	<b>309,982</b>	<b>299,878</b>	<b>354,158</b>	<b>335,722</b>	<b>312,333</b>	<b>296,191</b>
2	Exports of goods and services	1,065,702	1,004,589	265,614	259,747	240,983	238,245	268,614	258,833	243,143	234,000
3	Goods, balance of payments basis <sup>2</sup>	772,210	720,831	193,701	188,064	167,668	171,398	194,542	185,464	173,419	167,406
4	Services <sup>3</sup>	293,492	283,758	71,913	71,683	73,315	66,847	74,072	73,369	69,724	66,594
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	14,060	12,813	3,380	3,362	3,048	3,023	3,380	3,362	3,048	3,023
6	Travel	82,042	72,295	18,170	20,155	20,105	13,865	20,711	19,835	17,337	14,412
7	Passenger fares	20,745	17,734	4,648	4,850	4,894	3,342	5,006	4,933	4,352	3,443
8	Other transportation	30,185	28,292	7,085	7,108	7,415	6,684	7,415	7,113	7,055	6,709
9	Royalties and license fees <sup>5</sup>	38,030	38,875	9,304	9,475	9,503	10,593	9,564	9,759	9,683	9,870
10	Other private services <sup>5</sup>	107,568	112,892	29,099	26,532	28,136	29,125	27,769	28,166	28,035	28,922
11	U.S. Government miscellaneous services	862	857	227	201	214	215	227	201	214	215
12	Income receipts	352,866	293,808	86,220	76,956	68,999	61,633	85,544	76,889	69,190	62,191
13	Income receipts on U.S.-owned assets abroad	350,525	291,342	85,606	76,337	68,374	61,025	84,930	76,270	68,565	61,583
14	Direct investment receipts	149,240	132,651	37,706	34,452	30,730	29,763	37,096	34,311	31,008	30,241
15	Other private receipts	197,440	155,175	46,920	41,167	36,720	30,368	46,920	41,167	36,720	30,568
16	U.S. Government receipts	3,845	3,516	980	718	924	894	914	792	837	974
17	Compensation of employees	2,341	2,466	614	619	625	608	614	619	625	608
18	<b>Imports of goods and services and income payments</b>	<b>-1,809,099</b>	<b>-1,665,325</b>	<b>-440,072</b>	<b>-433,043</b>	<b>-405,035</b>	<b>-387,175</b>	<b>-454,461</b>	<b>-431,524</b>	<b>-398,195</b>	<b>-381,150</b>
19	Imports of goods and services	-1,441,441	-1,352,399	-350,031	-350,658	-328,277	-323,433	-363,926	-349,668	-321,593	-317,215
20	Goods, balance of payments basis <sup>2</sup>	-1,224,417	-1,147,446	-297,588	-291,752	-282,416	-275,690	-307,163	-293,222	-278,960	-268,101
21	Services <sup>3</sup>	-217,024	-204,953	-52,443	-58,906	-45,861	-47,743	-56,763	-56,446	-42,633	-49,114
22	Direct defense expenditures	-13,560	-14,775	-3,567	-3,513	-3,685	-4,010	-3,567	-3,513	-3,685	-4,010
23	Travel	-64,537	-58,921	-13,675	-18,311	-16,806	-10,129	-16,247	-16,231	-14,472	-11,971
24	Passenger fares	-24,197	-23,407	-5,434	-6,988	-6,890	-4,095	-6,001	-6,493	-6,240	-4,673
25	Other transportation	-41,058	-38,230	-10,100	-9,645	-9,519	-8,966	-10,501	-9,689	-9,159	-8,884
26	Royalties and license fees <sup>5</sup>	-16,106	-16,399	-4,070	-4,099	-4,024	-4,206	-4,161	-4,159	-4,177	-3,903
27	Other private services <sup>5</sup>	-54,687	-50,289	-14,859	-15,624	-14,201	-15,605	-15,548	-15,635	-14,164	-14,941
28	U.S. Government miscellaneous services	-2,879	-2,932	-738	-726	-736	-732	-738	-726	-736	-732
29	Income payments	-367,658	-312,926	-90,041	-82,385	-76,758	-63,742	-90,535	-81,856	-76,602	-63,935
30	Income payments on foreign-owned assets in the United States	-360,146	-305,096	-88,201	-80,532	-74,736	-61,627	-88,569	-79,907	-74,660	-61,961
31	Direct investment payments	-68,009	-37,430	-11,030	-11,485	-9,110	-2,805	-14,398	-10,860	-9,034	-3,139
32	Other private payments	-184,465	-163,353	-47,180	-42,667	-39,734	-33,772	-47,180	-42,667	-39,734	-33,772
33	U.S. Government payments	-107,672	-104,313	-26,991	-26,380	-25,892	-25,050	-26,991	-26,380	-25,892	-25,050
34	Compensation of employees	-7,512	-7,830	-1,840	-1,853	-2,022	-2,115	-1,966	-1,949	-1,942	-1,974
35	<b>Unilateral current transfers, net</b>	<b>-54,136</b>	<b>-50,501</b>	<b>-12,030</b>	<b>-11,503</b>	<b>-12,444</b>	<b>-14,524</b>	<b>-11,826</b>	<b>-12,130</b>	<b>-12,669</b>	<b>-13,876</b>
36	U.S. Government grants <sup>6</sup>	-16,821	-11,334	-2,419	-2,508	-2,419	-3,530	-2,419	-2,508	-2,877	-3,530
37	U.S. Government pensions and other transfers	-4,705	-5,804	-1,167	-934	-1,027	-2,676	-1,316	-1,292	-1,306	-1,892
38	Private remittances and other transfers <sup>6</sup>	-32,610	-33,363	-8,444	-8,061	-8,540	-8,318	-8,091	-8,330	-8,486	-8,454
<b>Capital and financial account</b>											
<b>Capital account</b>											
39	<b>Capital account transactions, net</b>	<b>705</b>	<b>726</b>	<b>173</b>	<b>177</b>	<b>182</b>	<b>194</b>	<b>173</b>	<b>177</b>	<b>182</b>	<b>194</b>
<b>Financial account</b>											
40	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	<b>-580,952</b>	<b>-439,563</b>	<b>-246,201</b>	<b>-74,264</b>	<b>-18,741</b>	<b>-100,357</b>	<b>-243,302</b>	<b>-72,357</b>	<b>-17,443</b>	<b>-106,460</b>
41	U.S. official reserve assets, net	-290	-4,911	190	-1,343	-3,559	-199	190	-1,343	-3,559	-199
42	Gold <sup>7</sup>	-	-	-	-	-	-	-	-	-	-
43	Special drawing rights	-722	-630	-189	-156	-145	-140	-189	-156	-145	-140
44	Reserve position in the International Monetary Fund	2,308	-3,600	574	-1,015	-3,242	83	574	-1,015	-3,242	83
45	Foreign currencies	-1,876	-681	-195	-172	-172	-142	-195	-172	-172	-142
46	U.S. Government assets, other than official reserve assets, net	-944	-573	21	-786	21	171	21	-786	21	171
47	U.S. credits and other long-term assets	-5,177	-4,450	-1,094	-1,330	-1,011	-1,015	-1,094	-1,330	-1,011	-1,015
48	Repayments on U.S. credits and other long-term assets <sup>8</sup>	4,257	3,801	1,015	570	1,062	1,154	1,015	570	1,062	1,154
49	U.S. foreign currency holdings and U.S. short-term assets, net	-24	76	100	-26	-30	32	100	-26	-30	32
50	U.S. private assets, net	-579,718	-434,079	-246,412	-72,135	-15,203	-100,329	-243,513	-70,228	-13,905	-106,432
51	Direct investment	-152,437	-156,019	-44,021	-43,153	-44,522	-24,323	-41,122	-41,246	-43,224	-30,426
52	Foreign securities	-124,935	-97,661	-31,591	-51,109	-10,564	-25,525	-31,591	-51,109	-10,564	-25,525
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-163,846	-76,067	-61,011	-22,232	-40,361	3,073	-61,011	22,232	-40,361	3,073
54	U.S. claims reported by U.S. banks, not included elsewhere	-138,500	-104,332	-109,789	-105	59,116	-53,554	-109,789	-105	59,116	-53,554
55	<b>Foreign-owned assets in the United States, net (increase/financial inflow(+))</b>	<b>1,024,218</b>	<b>895,459</b>	<b>347,052</b>	<b>227,102</b>	<b>59,402</b>	<b>261,903</b>	<b>347,006</b>	<b>226,927</b>	<b>57,718</b>	<b>263,806</b>
56	Foreign official assets in the United States, net	37,619	6,092	4,898	-20,879	16,877	5,196	4,898	-20,879	16,877	5,196
57	U.S. Government securities	30,676	31,680	2,547	-10,851	15,594	24,390	2,547	-10,851	15,594	24,390
58	U.S. Treasury securities <sup>9</sup>	-10,233	10,760	-1,027	-20,783	15,810	16,760	-1,027	-20,783	15,810	16,760
59	Other <sup>10</sup>	40,909	20,920	3,574	9,932	-216	7,630	3,574	9,932	-216	7,630
60	Other U.S. Government liabilities <sup>11</sup>	-1,987	-2,482	-1,246	-926	119	-429	-1,246	-926	119	-429
61	U.S. liabilities reported by U.S. banks, not included elsewhere	5,803	-28,825	2,594	-10,130	-817	-20,472	2,594	-10,130	-817	-20,472
62	Other foreign official assets <sup>12</sup>	3,127	5,719	1,003	1,028	1,981	1,707	1,003	1,028	1,981	1,707
63	Other foreign assets in the United States, net	986,599	889,367	342,154	247,981	42,525	256,707	342,108	247,806	40,841	258,610
64	Direct investment	287,655	157,936	52,864	65,729	24,295	15,048	52,818	65,554	22,611	16,951
65	U.S. Treasury securities	-52,792	15,779	656	-8,678	-9,459	33,260	656	-8,678	-9,459	33,260
66	U.S. securities other than U.S. Treasury securities	485,644	498,433	148,809	140,512	82,777	126,335	485,644	498,433	148,809	126,335
67	U.S. currency	1,129	23,783	2,311	2,772	8,203	10,497	2,311	2,772	8,203	10,497
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	177,010	98,222	130,624	3,375	-3,941	-31,836	130,624	3,375	-3,941	-31,836
69	U.S. liabilities reported by U.S. banks, not included elsewhere	87,953	95,214	6,890	44,271	-59,350	103,403	6,890	44,271	-59,350	103,403
70	<b>Statistical discrepancy (sum of above items with sign reversed)</b>	<b>696</b>	<b>-39,193</b>	<b>-756</b>	<b>-45,172</b>	<b>66,654</b>	<b>-59,919</b>	<b>8,252</b>	<b>-46,815</b>	<b>58,074</b>	<b>-58,705</b>
70a	Of which: Seasonal adjustment discrepancy	-	-	-	-	-	-	9,008	-1,643	-8,580	1,214
<b>Memoranda:</b>											
71	Balance on goods (lines 3 and 20)	-452,207	-426,615	-103,887	-103,688	-114,748	-104,292	-112,621	-107,758	-105,541	-100,695
72	Balance on services (lines 4 and 21)	76,468	78,805	19,470	12,777	27,454	19,104	17,309	16,923	27,091	17,480
73	Balance on goods and services (lines 2 and 19)	-375,739	-347,810	-84,417	-90,911	-87,294	-85,188	-95,312	-90,835	-78,450	-83,215
74	Balance on income (lines 12 and 29)	-14,792	-19,118	-3,821	-5,429	-7,759	-2,109	-4,991	-4,967	-7,412	-1,744
75	Unilateral current transfers, net (line 35)	-54,136	-50,501	-12,030	-11,503	-12,444	-14,524	-11,826	-12,130	-12,669	-13,876
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-444,667	-417,429	-100,268	-107,843	-107,497	-101,821	-112,129	-107,932	-98,531	-98,835

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

Line	2000	2001 <sup>P</sup>	Not seasonally adjusted							Seasonally adjusted							
			2000			2001				2000			2001				
			II	III	IV	I	II	III <sup>r</sup>	IV <sup>P</sup>	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>P</sup>	
<b>A Balance of payment adjustments to Census trade data:</b>																	
<b>EXPORTS</b>																	
1	Exports of goods, Census basis including reexports and including military grant shipments <sup>1</sup> .....	781,918	730,897	195,978	195,675	202,459	196,041	190,518	170,297	174,041	193,838	201,460	198,678	196,883	187,918	176,047	170,049
Adjustments:																	
2	Private gift parcel remittances.....	597	542	152	144	160	130	139	135	138	152	144	160	130	139	135	138
3	Gold exports, nonmonetary.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4	Inland U.S. freight to Canada.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
5	U.S.-Canadian reconciliation adjustments, n.e.c., net <sup>2</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
6	Exports transferred under U.S. military agency sales contracts identified in Census documents <sup>3</sup> .....	-7,882	-7,675	-1,861	-1,690	-1,934	-1,764	-1,867	-1,997	-2,047	-1,861	-1,690	-1,934	-1,764	-1,867	-1,997	-2,047
7	Other adjustments, net <sup>4</sup> .....	-2,423	-2,933	-571	-641	-667	-706	-726	-767	-734	-571	-641	-667	-706	-726	-767	-734
8	<b>Equals: Exports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 3)</b> .....	<b>772,210</b>	<b>720,831</b>	<b>193,698</b>	<b>193,488</b>	<b>200,018</b>	<b>193,701</b>	<b>188,064</b>	<b>167,668</b>	<b>171,398</b>	<b>191,558</b>	<b>199,273</b>	<b>196,237</b>	<b>194,542</b>	<b>185,464</b>	<b>173,419</b>	<b>167,406</b>
<b>IMPORTS</b>																	
9	Imports of goods, Census basis (general imports) <sup>1</sup> .....	1,218,022	1,142,286	300,735	316,508	318,659	295,814	289,769	281,667	275,036	302,236	312,671	312,949	305,388	291,239	278,212	267,447
Adjustments:																	
10	Electric energy.....	4	4	2	.....	2	1	1	1	1	2	.....	2	1	1	1	1
11	Gold imports, nonmonetary.....	3,213	2,220	161	439	1,078	1,012	1,198	4	6	1,061	439	1,078	1,012	1,198	4	6
12	Inland freight in Canada.....	3,929	3,612	1,006	960	964	952	958	863	839	1,166	960	964	952	958	863	839
13	U.S.-Canadian reconciliation adjustment, n.e.c., net <sup>2</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
14	Imports of U.S. military agencies identified in Census documents <sup>3</sup> .....	-743	-622	-180	-175	-233	-178	-155	-123	-166	-180	-175	-233	-178	-155	-123	-166
15	Other adjustments, net <sup>5,6</sup> .....	-8	-54	3	-11	-2	-13	-19	4	-26	3	-11	-2	-13	-19	4	-26
16	<b>Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20)</b> .....	<b>1,224,417</b>	<b>1,147,446</b>	<b>301,727</b>	<b>317,721</b>	<b>320,468</b>	<b>297,588</b>	<b>291,752</b>	<b>282,416</b>	<b>275,690</b>	<b>303,229</b>	<b>313,884</b>	<b>314,757</b>	<b>307,163</b>	<b>293,222</b>	<b>278,960</b>	<b>268,101</b>
<b>B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:<sup>7</sup></b>																	
<b>EXPORTS</b>																	
1	<b>Total, all countries (A-8)</b> .....	<b>772,210</b>	<b>720,831</b>	<b>193,698</b>	<b>193,488</b>	<b>200,018</b>	<b>193,701</b>	<b>188,064</b>	<b>167,668</b>	<b>171,398</b>	<b>191,558</b>	<b>199,273</b>	<b>196,237</b>	<b>194,542</b>	<b>185,464</b>	<b>173,419</b>	<b>167,406</b>
2	Western Europe.....	178,793	171,833	44,846	42,620	47,192	47,894	45,849	37,744	40,346	44,275	43,807	46,442	48,209	45,126	38,973	39,525
3	European Union.....	162,583	156,178	40,872	39,245	43,226	43,062	40,697	35,283	37,136	40,350	40,340	42,558	43,363	40,026	36,406	36,383
4	Belgium and Luxembourg.....	14,266	13,933	3,462	3,584	3,849	3,627	3,689	3,531	3,086	3,419	3,690	3,788	3,647	3,629	3,636	3,021
5	France.....	20,200	19,750	4,975	4,737	5,567	5,614	5,013	4,227	4,896	4,902	4,864	5,495	5,657	4,928	4,353	4,812
6	Germany <sup>8</sup> .....	28,923	29,441	7,459	6,969	7,455	8,257	7,373	6,893	6,918	7,371	7,169	7,348	8,312	7,237	7,113	6,779
7	Italy.....	10,951	9,698	2,575	3,092	2,742	2,754	2,395	2,110	2,439	2,544	3,167	2,694	2,774	2,358	2,185	2,381
8	Netherlands.....	21,717	19,369	5,272	5,291	5,932	5,516	4,938	4,144	4,771	5,214	5,450	5,824	5,551	4,871	4,275	4,672
9	United Kingdom.....	40,727	39,809	10,086	9,529	11,038	10,358	11,310	9,303	8,838	9,941	9,785	10,877	10,440	11,110	9,597	8,662
10	Other.....	25,799	24,178	7,043	6,043	6,643	6,936	5,979	5,075	6,188	6,959	6,215	6,532	6,982	5,893	5,247	6,056
11	Western Europe, excluding EU.....	16,210	15,655	3,974	3,375	3,966	4,832	5,152	2,461	3,210	3,925	3,467	3,884	4,846	5,100	2,567	3,142
12	Canada <sup>2</sup> .....	178,987	163,939	46,698	42,343	44,281	42,649	44,707	37,967	38,616	46,187	43,524	43,533	42,882	44,079	39,195	37,783
13	Japan.....	63,576	56,038	15,499	15,965	16,743	16,062	14,562	12,861	12,553	15,421	16,521	16,349	16,057	14,442	13,365	12,174
14	Australia, New Zealand, and South Africa <sup>9</sup> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
15	Australia.....	12,189	10,610	3,268	3,010	2,940	2,704	2,639	2,574	2,693	3,218	3,094	2,890	2,721	2,591	2,656	2,642
16	Eastern Europe.....	5,925	6,826	1,329	1,514	1,641	1,694	1,832	1,608	1,692	1,318	1,559	1,594	1,692	1,826	1,674	1,634
17	Latin America and Other Western Hemisphere.....	170,262	159,442	42,146	44,480	44,073	41,410	40,539	38,834	38,659	41,662	45,801	43,222	41,620	39,963	40,135	37,724
18	Brazil.....	15,257	15,821	3,664	4,229	4,173	3,844	4,271	4,134	3,572	3,603	4,342	4,109	3,865	4,188	4,261	3,507
19	Mexico.....	111,171	101,411	27,558	29,230	28,352	26,743	25,248	24,421	24,999	27,235	30,090	27,798	26,904	24,895	25,222	24,309
20	Venezuela.....	5,508	5,638	1,408	1,377	1,464	1,399	1,469	1,398	1,372	1,395	1,417	1,441	1,402	1,449	1,447	1,340
21	Other.....	38,326	36,571	9,516	9,644	10,084	9,423	9,551	8,881	8,716	9,429	9,952	9,874	9,449	9,431	9,205	8,487
22	Other countries in Asia and Africa <sup>7,9</sup> .....	162,477	152,143	39,911	43,556	43,148	41,288	37,936	36,080	36,839	39,476	44,967	42,207	41,361	37,437	37,421	35,924
23	Asia <sup>7,9</sup> .....	151,998	140,222	37,280	40,763	40,319	38,252	34,858	33,278	33,834	36,862	42,060	39,472	38,326	34,389	34,482	33,025
24	Members of OPEC.....	10,519	11,875	2,340	2,737	3,210	3,324	2,890	2,815	2,846	2,319	2,828	3,119	3,281	2,875	2,943	2,776
25	China.....	16,138	19,164	4,087	4,405	4,497	4,341	4,774	4,824	5,225	4,048	4,569	4,400	4,323	4,719	4,992	5,130
26	Hong Kong.....	14,510	13,989	3,550	3,809	3,998	3,570	3,709	3,530	3,180	3,519	3,928	3,922	3,570	3,661	3,653	3,105
27	Korea, Republic of.....	27,150	21,216	7,196	6,968	6,673	6,085	4,858	5,303	4,970	7,125	7,199	6,527	6,101	4,788	5,493	4,834
28	Singapore.....	17,621	17,365	4,055	4,881	4,684	4,595	4,157	4,232	4,381	3,994	5,009	4,616	4,627	4,080	4,368	4,290
29	Taiwan.....	23,833	17,429	6,051	6,763	5,705	5,097	4,344	4,132	3,856	5,968	6,994	5,567	5,127	4,284	4,283	3,735
30	Africa <sup>7,9</sup> .....	10,115	11,585	2,552	2,706	2,700	3,011	2,684	2,930	2,536	2,610	2,816	2,610	2,959	2,981	2,819	2,826
31	Members of OPEC.....	1,598	2,008	243	508	482	537	567	464	440	244	525	461	539	562	484	423
32	International organizations and unallocated.....	1	.....	1	.....	.....	.....	.....	.....	.....	1	.....	.....	.....	.....	.....	.....
<b>Memoranda:</b>																	
33	Industrial countries <sup>7</sup> .....	438,567	407,438	111,627	105,381	112,453	110,736	109,198	92,213	95,291	110,399	108,428	110,489	111,289	107,660	95,296	93,193
34	Of which: Euro Area <sup>10</sup> .....	115,026	111,325	29,075	28,070	30,519	31,083	28,139	24,885	27,218	28,723	28,866	30,043	31,298	27,886	25,678	26,663
35	Members of OPEC <sup>7</sup> .....	17,625	19,521	3,991	4,622	5,156	5,260	4,926	4,677	4,658	3,958	4,770	5,021	5,222	4,886	4,874	4,539
36	Other countries <sup>7</sup> .....	316,017	293,872	78,079	83,485	82,409	77,705	73,940	70,778	71,449	77,200	86,075	80,727	78,031	72,918	73,249	69,674

See footnotes on page 74.

Table 2. U.S. Trade in Goods—Continued

[Millions of dollars]

Line		2000	2001 <sup>p</sup>	Not seasonally adjusted						Seasonally adjusted							
				2000			2001			2000			2001				
				II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
<b>B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military:<sup>7</sup>—Continued</b>																	
<b>IMPORTS</b>																	
37	Total, all countries (A-16)	1,224,417	1,147,446	301,727	317,721	320,468	297,588	291,752	282,416	275,690	303,229	313,884	314,757	307,163	293,222	278,960	268,101
38	Western Europe	243,426	241,197	59,856	60,335	64,851	63,104	62,475	56,639	58,979	60,171	59,588	63,708	65,182	62,807	55,903	57,305
39	European Union	219,946	219,742	54,548	54,589	58,691	56,885	56,005	52,224	54,628	54,840	53,904	57,633	58,808	56,315	51,546	53,073
40	Belgium and Luxembourg	10,258	10,444	2,461	2,469	2,794	2,834	2,719	2,313	2,578	2,474	2,444	2,744	2,923	2,730	2,286	2,505
41	France	29,773	30,362	7,420	6,921	8,373	8,194	7,644	6,884	7,640	7,452	6,827	8,230	8,461	7,692	6,790	7,439
42	Germany <sup>8</sup>	58,501	59,139	14,428	14,943	14,982	15,047	15,381	14,614	14,097	14,576	14,733	14,712	15,566	15,460	14,406	13,707
43	Italy	25,031	23,788	6,139	6,706	6,285	6,206	5,941	5,803	5,838	6,165	6,619	6,173	6,419	5,971	5,718	5,680
44	Netherlands	9,624	9,465	2,411	2,374	2,507	2,400	2,492	2,167	2,406	2,423	2,345	2,459	2,477	2,506	2,141	2,341
45	United Kingdom	43,388	41,101	10,827	10,579	11,418	10,964	10,503	9,410	10,224	10,882	10,449	11,220	11,338	10,560	9,285	9,918
46	Other	43,371	45,443	10,802	10,597	12,332	11,240	11,325	11,033	11,845	10,868	10,487	12,095	11,644	11,396	10,920	11,483
47	Western Europe, excluding EU	23,480	21,455	5,308	5,746	6,160	6,219	6,470	4,415	4,351	5,331	5,684	6,075	6,374	6,492	4,357	4,232
48	Canada <sup>2</sup>	233,678	219,588	59,582	56,800	60,154	57,875	59,192	52,019	50,502	59,826	56,025	59,109	59,716	59,422	51,322	49,128
49	Japan	146,497	126,645	36,574	36,581	38,600	34,630	31,175	29,896	30,944	36,792	36,103	37,837	35,831	31,337	29,469	30,008
50	Australia, New Zealand, and South Africa <sup>9</sup>																
51	Australia	6,422	6,459	1,676	1,732	1,669	1,457	1,639	1,756	1,607	1,681	1,708	1,645	1,506	1,650	1,739	1,564
52	Eastern Europe	16,101	14,453	3,686	4,446	3,947	4,438	3,254	3,360	3,401	3,701	4,400	3,880	4,555	3,267	3,320	3,311
53	Latin America and Other Western Hemisphere	210,179	199,676	52,210	54,674	53,964	51,560	50,801	49,978	47,337	52,462	54,055	53,060	53,104	51,037	49,390	46,145
54	Brazil	13,853	14,464	3,546	3,816	3,247	3,611	3,527	3,844	3,482	3,552	3,758	3,196	3,725	3,542	3,793	3,404
55	Mexico	136,811	132,275	34,096	35,801	35,074	33,345	33,603	33,029	32,296	34,280	35,383	34,404	34,441	33,777	32,646	31,411
56	Venezuela	18,623	15,230	4,554	4,664	5,110	4,492	4,149	3,612	2,977	4,577	4,636	5,079	4,546	4,161	3,577	2,946
57	Other	40,892	37,707	10,014	10,393	10,533	10,112	9,522	9,493	8,580	10,053	10,278	10,381	10,392	9,557	9,374	8,384
58	Other countries in Asia and Africa <sup>7,9</sup>	368,114	339,428	88,143	103,153	97,283	84,524	83,216	88,768	82,920	88,596	102,005	95,518	87,269	83,702	87,817	80,640
59	Asia <sup>7,9</sup>	340,265	313,664	81,046	95,620	89,990	77,524	76,008	82,354	77,778	81,457	94,524	88,290	80,148	76,473	81,462	75,581
60	Members of OPEC	35,204	33,110	8,519	9,843	9,235	8,479	8,868	8,706	7,057	8,559	9,775	9,145	8,646	8,894	8,629	6,941
61	China	100,021	102,286	23,463	29,363	27,284	22,398	23,842	28,946	27,100	23,606	29,035	26,699	23,252	24,061	28,691	26,282
62	Hong Kong	11,455	9,652	2,663	3,449	2,744	2,353	2,289	2,745	2,265	2,668	3,405	2,684	2,438	2,303	2,719	2,192
63	Korea, Republic of	40,297	35,199	9,574	10,734	11,069	9,453	8,447	8,382	8,917	9,617	10,601	10,863	9,770	8,485	8,275	8,669
64	Singapore	19,201	15,017	4,536	5,278	5,085	4,182	3,767	3,478	3,590	4,556	5,208	4,996	4,326	3,784	3,427	3,480
65	Taiwan	40,507	33,398	10,113	10,959	10,349	8,800	8,493	8,196	7,909	10,159	10,819	10,140	9,087	8,539	8,089	7,683
66	Africa <sup>7,9</sup>	27,545	25,419	7,027	7,437	7,215	6,928	7,128	6,326	5,037	7,068	7,386	7,153	7,047	7,147	6,268	4,957
67	Members of OPEC	13,169	11,478	3,457	3,703	3,292	3,279	3,445	2,764	1,990	3,480	3,683	3,275	3,307	3,451	2,747	1,973
68	International organizations and unallocated																
<b>Memoranda:</b>																	
69	Industrial countries <sup>7</sup>	636,319	600,526	159,383	157,144	166,842	158,702	156,376	141,972	143,476	160,172	155,102	163,840	163,925	157,119	140,072	139,410
70	Of which: Euro Area <sup>10</sup>	163,414	166,379	40,442	41,058	43,556	42,765	42,405	39,930	41,279	40,663	40,537	42,764	44,207	42,643	39,408	40,121
71	Members of OPEC <sup>7</sup>	66,996	59,818	16,530	18,210	17,637	16,250	16,462	15,082	12,024	16,616	18,094	17,499	16,499	16,506	14,953	11,860
72	Other countries <sup>7</sup>	521,102	487,102	125,814	142,367	135,989	122,636	118,914	125,362	120,190	126,441	140,688	133,418	126,739	119,597	123,935	116,831
<b>BALANCE (EXCESS OF EXPORTS +)</b>																	
73	Total, all countries	-452,207	-426,615	-108,029	-124,233	-120,450	-103,887	-103,688	-114,748	-104,292	-111,671	-114,611	-118,520	-112,621	-107,758	-105,541	-100,695
74	Western Europe	-64,633	-69,364	-15,010	-17,715	-17,659	-15,210	-16,626	-18,895	-18,633	-15,896	-15,781	-17,266	-16,973	-17,681	-16,930	-17,780
75	European Union	-57,363	-63,564	-13,676	-15,344	-15,465	-13,823	-15,308	-16,941	-17,492	-14,490	-15,564	-15,075	-15,445	-16,289	-15,140	-16,690
76	Belgium and Luxembourg	4,008	3,489	1,001	1,115	1,055	793	970	1,218	508	945	1,246	1,044	724	899	1,350	516
77	France	-9,573	-10,612	-2,445	-2,184	-2,806	-2,580	-2,631	-2,657	-2,744	-2,550	-1,963	-2,735	-2,784	-2,764	-2,437	-2,627
78	Germany <sup>8</sup>	-29,578	-29,698	-7,029	-7,974	-7,527	-6,790	-8,008	-7,721	-7,179	-7,205	-7,564	-7,364	-7,254	-8,223	-7,293	-6,928
79	Italy	-14,080	-14,090	-3,564	-3,614	-3,543	-3,452	-3,408	-3,693	-3,399	-3,621	-3,452	-3,479	-3,645	-3,613	-3,533	-3,299
80	Netherlands	12,093	9,904	2,861	2,917	3,425	3,116	2,446	1,977	2,365	2,791	3,105	3,365	3,074	2,365	2,134	2,331
81	United Kingdom	-2,661	-1,292	-741	-1,050	-380	-606	807	-107	-1,386	-941	-610	-363	-898	550	312	-1,256
82	Other	-17,572	-21,265	-3,759	-4,554	-5,689	-4,304	-5,346	-5,958	-5,657	-3,909	-4,272	-5,563	-4,662	-5,503	-5,673	-5,427
83	Western Europe, excluding EU	-7,270	-5,800	-1,334	-2,371	-2,194	-1,387	-1,318	-1,954	-1,141	-1,406	-2,217	-2,191	-1,528	-1,392	-1,790	-1,090
84	Canada <sup>2</sup>	-54,691	-55,649	-12,884	-14,457	-15,873	-15,226	-14,485	-14,052	-11,886	-13,639	-12,501	-15,576	-16,834	-15,343	-12,127	-11,345
85	Japan	-82,921	-70,607	-21,075	-20,616	-21,857	-18,568	-16,613	-17,035	-18,391	-21,371	-19,582	-21,488	-19,774	-16,895	-16,104	-17,834
86	Australia, New Zealand, and South Africa <sup>9</sup>																
87	Australia	5,767	4,151	1,592	1,278	1,271	1,247	1,000	818	1,086	1,537	1,386	1,245	1,215	941	917	1,078
88	Eastern Europe	-10,176	-7,627	-2,357	-2,932	-2,306	-2,744	-1,422	-1,752	-1,709	-2,383	-2,841	-2,286	-2,863	-1,441	-1,646	-1,677
89	Latin America and Other Western Hemisphere	-39,917	-40,234	-10,064	-10,194	-9,891	-10,150	-10,262	-11,144	-8,678	-10,800	-8,254	-9,838	-11,484	-11,074	-9,255	-8,421
90	Brazil	1,404	1,357	118	413	926	233	744	290	90	51	584	913	140	646	468	103
91	Mexico	-25,640	-30,864	-6,538	-6,571	-6,722	-6,602	-8,355	-8,608	-7,299	-7,045	-5,293	-6,606	-7,537	-8,882	-7,424	-7,021
92	Venezuela	-13,115	-9,592	-3,146	-3,287	-3,646	-3,093	-2,680	-2,214	-1,605	-3,182	-3,219	-3,638	-3,144	-2,712	-2,130	-1,606
93	Other	-2,566	-1,136	-498	-749	-449	-689	29	-612	136	-624	-326	-507	-943	-126	-169	103
94	Other countries in Asia and Africa <sup>7,9</sup>	-205,637	-187,285	-48,232	-59,597	-54,135	-43,236	-45,280	-52,688	-46,081	-49,120	-57,038	-53,311	-45			

**Table 2. U.S. Trade in Goods—Continued**  
 (Millions of dollars)

Line	2000	2001 <sup>p</sup>	Not seasonally adjusted								Seasonally adjusted							
			2000			2001					2000				2001			
			II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>		
<b>C</b>	<b>Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military:</b>																	
<b>1</b>	<b>Exports of goods, balance of payments basis, excluding military (A-B) .....</b>																	
	<b>772,210</b>	<b>720,831</b>	<b>193,698</b>	<b>193,488</b>	<b>200,018</b>	<b>193,701</b>	<b>188,064</b>	<b>167,668</b>	<b>171,398</b>	<b>191,558</b>	<b>199,273</b>	<b>196,237</b>	<b>194,542</b>	<b>185,464</b>	<b>173,419</b>	<b>167,406</b>		
2	Agricultural products.....	52,808	54,986	12,274	12,483	14,570	14,150	12,802	12,570	15,464	12,977	13,629	13,298	13,629	13,488	13,746	14,123	
3	Nonagricultural products.....	719,402	665,845	181,424	181,005	185,448	179,551	175,262	155,934	178,581	185,644	182,939	180,913	171,976	159,673	153,283		
4	<b>Foods, feeds, and beverages .....</b>	<b>47,453</b>	<b>48,982</b>	<b>10,930</b>	<b>11,691</b>	<b>12,996</b>	<b>12,543</b>	<b>11,278</b>	<b>11,544</b>	<b>13,617</b>	<b>11,749</b>	<b>12,227</b>	<b>11,853</b>	<b>12,400</b>	<b>12,105</b>	<b>12,025</b>	<b>12,452</b>	
5	Agricultural.....	43,331	44,452	9,978	10,455	11,947	11,488	10,226	10,243	12,495	10,670	11,156	10,809	11,298	10,932	10,898	11,324	
6	Grains and preparations.....	13,650	13,951	3,206	3,530	3,462	3,614	3,196	3,560	3,581	3,450	3,551	3,321	3,494	3,435	3,619	3,403	
7	Wheat.....	3,499	3,480	866	1,002	908	806	785	869	1,020	922	869	901	896	831	761	992	
8	Corn.....	4,884	4,996	1,226	1,295	1,128	1,239	1,125	1,471	1,161	1,315	1,311	1,090	1,182	1,204	1,503	1,107	
9	Soybeans.....	7,708	7,996	847	885	1,934	1,982	698	599	2,240	1,292	1,447	1,299	1,648	1,154	1,071	1,646	
10	Meat products and poultry.....	8,364	8,278	2,100	2,039	2,306	1,997	2,112	1,950	2,219	2,069	2,147	1,918	1,959	2,011	2,000	2,026	
11	Vegetables, fruits, nuts, and preparations.....	8,227	8,708	1,972	2,070	2,215	2,002	2,230	2,163	2,313	1,985	2,047	2,141	2,084	2,059	2,032	2,032	
12	Other agricultural foods, feeds, and beverages.....	4,122	4,530	952	1,236	1,049	1,055	1,052	1,301	1,122	1,079	1,071	1,044	1,102	1,173	1,127	1,128	
13	Nonagricultural (fish, distilled beverages, etc.).....	3,033	3,282	689	934	743	774	991	796	810	774	762	796	834	824	828	828	
14	<b>Industrial supplies and materials.....</b>	<b>171,956</b>	<b>160,375</b>	<b>42,350</b>	<b>43,176</b>	<b>43,969</b>	<b>43,176</b>	<b>42,082</b>	<b>37,723</b>	<b>37,394</b>	<b>41,556</b>	<b>43,922</b>	<b>44,354</b>	<b>43,099</b>	<b>41,274</b>	<b>38,454</b>	<b>37,548</b>	
16	Agricultural.....	9,187	10,254	2,221	1,977	2,543	2,580	2,202	2,273	2,901	2,236	2,400	2,416	2,260	2,483	2,773	2,738	
17	Raw cotton.....	1,925	2,179	524	366	408	569	554	564	492	491	550	434	375	490	815	499	
18	Tobacco, unmanufactured.....	1,196	1,271	318	194	300	343	313	231	384	285	321	267	286	271	368	346	
19	Hides and skins, including furskins.....	1,602	1,993	393	423	432	499	541	489	464	383	431	459	475	533	490	495	
20	Other agricultural industrial supplies.....	4,464	4,811	986	994	1,403	1,169	1,092	989	1,561	1,077	1,098	1,256	1,124	1,189	1,100	1,398	
21	Nonagricultural.....	162,769	150,121	40,129	41,199	41,426	40,596	39,582	35,450	34,493	39,320	41,522	41,938	40,839	38,791	35,681	34,810	
22	Energy products.....	16,637	16,043	3,707	4,258	4,902	4,274	4,433	3,725	3,611	3,694	4,250	4,914	4,298	4,428	3,697	3,620	
23	Fuels and lubricants.....	16,201	14,711	3,635	4,168	4,680	3,603	3,992	3,570	3,546	3,622	4,160	4,914	3,628	3,985	3,543	3,555	
24	Coal and related fuels.....	2,598	2,263	643	692	655	547	611	557	548	631	678	647	580	604	534	545	
25	Petroleum and products.....	12,012	10,670	2,636	3,039	3,564	2,660	2,794	2,636	2,580	2,635	3,046	3,583	2,652	2,794	2,632	2,592	
26	Paper and paper base stocks.....	14,000	12,413	3,611	3,543	3,300	3,291	3,092	2,949	3,081	3,579	3,554	3,353	3,271	3,060	2,960	3,122	
27	Textile supplies and related materials.....	10,671	10,160	2,708	2,757	2,654	2,703	2,732	2,420	2,305	2,588	2,807	2,719	2,736	2,611	2,453	2,360	
28	Chemicals, excluding medicinals.....	52,243	49,784	13,055	13,593	13,187	13,527	12,720	12,024	11,513	12,752	13,869	13,304	13,528	12,424	12,246	11,586	
29	Building materials, except metals.....	8,762	7,797	2,230	2,197	2,190	2,075	2,063	1,840	1,819	2,149	2,215	2,225	2,112	1,993	1,859	1,833	
30	Other nonmetals.....	21,208	19,313	5,347	5,212	5,388	5,034	5,056	4,717	4,506	5,243	5,301	5,456	5,027	4,945	4,810	4,531	
31	Metals and nonmetallic products.....	39,248	34,611	9,471	9,639	9,805	9,692	9,486	7,775	7,658	9,315	9,526	9,967	9,867	9,330	7,656	7,758	
32	Steelmaking materials.....	1,721	1,763	475	434	420	439	414	434	476	436	433	435	472	375	423	493	
33	Iron and steel products.....	6,827	6,205	1,712	1,721	1,669	1,664	1,561	1,509	1,471	1,683	1,738	1,695	1,655	1,532	1,527	1,491	
34	Nonferrous metals.....	16,056	14,231	3,426	3,754	4,111	4,259	4,211	2,886	2,875	3,482	3,669	4,132	4,329	4,264	2,757	2,881	
35	Nonmonetary gold.....	6,028	4,887	928	1,056	1,630	1,675	1,900	597	715	928	1,016	1,630	1,675	1,900	597	715	
36	Other precious metals.....	2,476	2,703	609	632	671	874	648	537	644	609	632	671	874	648	537	644	
37	Other nonferrous metals.....	7,552	6,641	1,889	2,056	1,810	1,710	1,663	1,752	1,516	1,945	1,921	1,831	1,780	1,716	1,623	1,522	
38	Other metals and nonmetallic products.....	14,644	12,412	3,858	3,730	3,605	3,330	3,300	2,946	2,836	3,714	3,736	3,705	3,411	3,159	2,949	2,893	
39	<b>Capital goods, except automotive.....</b>	<b>357,037</b>	<b>322,259</b>	<b>89,656</b>	<b>91,932</b>	<b>93,765</b>	<b>90,378</b>	<b>83,665</b>	<b>74,220</b>	<b>73,996</b>	<b>89,331</b>	<b>93,630</b>	<b>91,468</b>	<b>91,496</b>	<b>82,874</b>	<b>75,907</b>	<b>71,982</b>	
40	Machinery, except consumer-type.....	306,489	266,865	75,280	80,268	80,606	75,698	68,562	61,699	60,906	75,767	80,825	78,958	76,865	68,556	62,125	59,319	
41	Electric generating machinery, electric apparatus, and parts.....	35,847	31,004	8,826	9,611	9,256	8,916	8,106	7,076	6,906	8,821	9,505	9,277	9,065	8,068	7,011	6,860	
42	Nonelectric, including parts and attachments.....	270,642	235,861	66,454	70,657	71,350	66,782	60,456	54,623	54,000	66,946	71,320	69,681	67,800	60,488	55,114	52,459	
43	Oil drilling, mining, and construction machinery.....	12,628	14,160	3,098	3,233	3,349	3,287	3,684	3,732	3,457	3,007	3,281	3,377	3,339	3,614	3,761	3,446	
44	Industrial engines, pumps, and compressors.....	12,583	13,033	3,103	3,192	3,243	3,163	3,372	3,225	3,273	3,072	3,276	3,144	3,210	3,342	3,337	3,144	
45	Machine tools and metalworking machinery.....	7,475	5,839	1,794	1,904	2,012	1,814	1,474	1,299	1,252	1,776	1,957	1,831	1,840	1,458	1,341	1,200	
46	Measuring, testing, and control instruments.....	16,369	14,135	4,022	4,284	4,353	3,987	3,726	3,259	3,163	3,994	4,380	4,306	4,012	3,679	3,325	3,119	
47	Other industrial, agricultural, and service industry machinery.....	52,116	45,030	13,170	13,284	13,104	12,902	11,786	10,320	10,022	12,828	13,486	13,179	13,043	11,435	10,551	10,001	
48	Computers, peripherals, and parts.....	55,541	47,632	13,390	14,287	15,081	13,933	11,760	10,803	11,136	13,870	14,648	14,310	13,959	12,105	11,088	10,480	
49	Semiconductors.....	60,077	45,099	14,622	16,429	15,779	14,170	11,399	9,865	9,665	14,950	16,206	15,546	14,418	11,543	9,658	9,480	
50	Telecommunications equipment.....	31,268	27,914	7,754	8,421	8,271	7,469	7,416	6,680	6,349	7,877	8,312	7,877	7,960	7,426	6,456	6,072	
51	Other office and business machines.....	3,201	2,895	795	835	816	845	744	663	643	805	839	772	876	749	662	608	
52	Scientific, hospital, and medical equipment and parts.....	19,384	20,124	4,706	4,788	5,342	5,212	5,095	4,777	5,040	4,767	4,935	5,217	5,143	4,397	4,935	4,909	
53	Civilian aircraft, engines, parts.....	48,091	52,813	13,780	11,133	12,504	13,994	14,499	11,948	12,372	12,968	12,274	11,855	13,945	13,714	13,209	11,945	
54	Civilian aircraft, complete, all types.....	22,694	25,856	7,394	4,887	5,854	7,069	7,414	5,235	6,138	6,611	5,881	5,260	7,069	6,684	6,298	5,805	
55	Other transportation equipment.....	2,457	2,581	596	531	655	686	604	573	718	596	531	655	686	604	573	718	
56	<b>Automotive vehicles, engines, and parts.....</b>	<b>80,170</b>	<b>74,596</b>	<b>21,594</b>	<b>17,765</b>	<b>19,705</b>	<b>18,351</b>	<b>20,472</b>	<b>16,972</b>	<b>18,801</b>	<b>20,149</b>	<b>20,161</b>	<b>19,311</b>	<b>17,935</b>	<b>19,066</b>	<b>19,341</b>	<b>18,254</b>	
57	To Canada.....	45,663	39,698	12,716	9,536	10,657	9,717	11,660	8,438	9,883	11,551	11,272	10,518	9,400	10,575	10,087	9,636	
58	Passenger cars, new and used.....	9,225	8,619	2,854	1,593													

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

Line	2000	2001 <sup>P</sup>	Not seasonally adjusted								Seasonally adjusted							
			2000			2001					2000			2001				
			II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>		
<b>C</b>	<b>Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military—Continued:</b>																	
74	<b>Imports of goods, balance of payments basis, excluding military (A-16)</b>	<b>1,224,417</b>	<b>1,147,446</b>	<b>301,727</b>	<b>317,721</b>	<b>320,468</b>	<b>297,588</b>	<b>291,752</b>	<b>282,416</b>	<b>275,690</b>	<b>303,229</b>	<b>313,884</b>	<b>314,757</b>	<b>307,163</b>	<b>293,222</b>	<b>278,960</b>	<b>268,101</b>	
75	Petroleum and products <sup>e</sup>	120,185	103,717	29,316	32,134	31,918	28,964	28,484	25,838	20,431	29,472	31,982	31,770	29,278	28,535	25,641	20,263	
76	Nonpetroleum products	1,104,232	1,043,729	272,411	285,587	288,550	268,624	263,268	256,578	255,259	273,757	281,902	282,987	277,885	264,687	253,319	247,838	
77	Foods, feeds, and beverages	45,974	46,675	11,536	11,437	11,921	11,186	11,500	11,679	12,310	11,460	11,713	11,579	11,459	11,425	11,987	11,804	
78	Agricultural	32,773	33,463	8,516	7,739	8,111	8,340	8,417	8,136	8,570	8,252	8,248	8,137	8,159	8,148	8,681	8,475	
79	Coffee, cocoa, and sugar	3,258	2,309	886	746	536	653	513	587	556	866	842	830	549	497	652	611	
80	Green coffee	2,350	1,357	680	500	363	378	381	324	274	660	580	444	302	366	375	314	
81	Meat products and poultry	5,309	6,073	1,378	1,297	1,385	1,481	1,537	1,554	1,501	1,330	1,351	1,381	1,482	1,485	1,619	1,487	
82	Vegetables, fruits, nuts, and preparations	9,191	9,394	2,450	1,829	2,257	2,271	2,467	1,905	2,251	2,269	2,301	2,405	2,323	2,271	2,415	2,385	
83	Wine and related products	4,500	4,693	1,181	1,185	1,180	1,016	1,245	1,192	1,240	1,124	1,139	1,115	1,196	1,184	1,149	1,164	
84	Other agricultural foods, feeds, and beverages	10,517	10,993	2,621	2,682	2,754	2,420	2,654	2,898	3,021	2,662	2,615	2,607	2,609	2,711	2,846	2,247	
85	Nonagricultural (fish, distilled beverages, etc.)	13,201	13,212	3,249	3,698	3,792	2,846	3,083	3,343	3,740	3,208	3,465	3,442	3,300	3,000	3,306	3,329	
86	Fish and shellfish	9,909	9,762	2,249	2,675	2,792	2,080	2,264	2,681	2,737	2,400	2,653	2,548	2,425	2,417	2,452	2,468	
87	Whiskey and other alcoholic beverages	2,947	3,066	681	740	926	668	729	766	903	718	728	803	779	770	757	760	
88	Industrial supplies and materials	302,911	278,171	74,778	78,436	78,481	76,764	75,138	67,410	58,859	73,818	78,190	79,258	77,144	74,444	67,288	59,295	
89	Agricultural	5,611	5,301	1,460	1,236	1,457	1,359	1,350	1,272	1,320	1,388	1,305	1,526	1,300	1,293	1,379	1,329	
90	Nonagricultural products	297,300	272,870	73,318	77,200	77,024	75,405	73,788	66,138	57,539	72,430	76,885	77,732	75,844	73,151	65,909	57,966	
91	Energy products	138,397	125,852	32,911	37,155	38,500	35,909	35,363	30,843	23,737	33,301	37,049	38,033	36,101	35,801	30,649	23,301	
92	Fuels and lubricants <sup>e</sup>	135,677	123,169	32,334	36,164	37,659	34,971	34,329	30,312	23,557	32,705	36,252	37,113	34,980	34,751	30,282	23,156	
93	Paper and paper base stocks	13,725	12,336	3,380	3,589	3,464	3,376	3,110	2,952	2,898	3,416	3,558	3,448	3,394	3,135	2,937	2,870	
94	Textile supplies and related materials	11,242	10,303	3,010	2,790	2,653	2,640	2,734	2,506	2,423	2,867	2,793	2,750	2,695	2,613	2,511	2,484	
95	Chemicals, excluding medicinals	34,449	34,894	8,734	8,675	8,406	9,959	8,834	8,012	8,089	8,497	8,992	8,882	9,369	8,647	8,364	8,514	
96	Building materials, except metals	21,801	21,301	5,910	5,491	4,982	4,644	5,839	5,789	5,029	5,587	5,253	5,204	4,989	5,524	5,558	5,230	
97	Other nonmetals	17,914	17,324	4,570	4,573	4,512	4,286	4,400	4,410	4,228	4,497	4,451	4,539	4,448	4,338	4,342	4,196	
98	Metals and nonmetallic products	59,772	50,860	14,803	14,927	14,507	14,591	13,508	11,626	11,135	14,265	14,749	14,876	14,848	13,093	11,548	11,371	
99	Steelmaking materials	3,098	2,240	896	800	605	555	612	560	513	836	788	611	603	567	543	527	
100	Iron and steel products	20,908	16,742	5,686	5,494	4,602	4,165	4,255	4,174	4,148	5,440	5,287	4,737	4,379	4,069	4,053	4,241	
101	Nonferrous metals	26,687	23,258	5,896	6,268	7,007	7,589	6,466	4,778	4,425	5,741	6,301	7,178	7,552	6,352	4,822	4,532	
102	Nonmonetary gold	5,877	4,312	740	1,058	1,685	1,531	1,622	1,546	1,613	740	1,058	1,685	1,531	1,622	546	613	
103	Other precious metals	6,643	6,053	1,428	1,670	1,969	2,601	1,531	1,100	821	1,413	1,688	2,025	2,563	1,539	1,134	817	
104	Bauxite and aluminum	6,981	6,397	1,876	1,843	1,459	1,677	1,592	1,606	1,522	1,734	1,878	1,571	1,670	1,466	1,629	1,632	
105	Other nonferrous metals	7,186	6,496	1,852	1,697	1,894	1,780	1,721	1,526	1,469	1,854	1,677	1,897	1,788	1,725	1,513	1,470	
106	Other metallic and nonmetallic products	9,079	8,620	2,325	2,365	2,293	2,282	2,175	2,114	2,049	2,248	2,373	2,350	2,314	2,105	2,130	2,071	
107	Capital goods, except automotive	346,663	297,802	85,986	90,357	91,828	82,662	74,838	69,869	70,433	86,270	89,655	89,337	86,184	74,735	69,116	67,767	
108	Machinery, except consumer-type	317,198	263,938	78,912	82,929	83,483	74,097	66,350	61,634	61,857	79,254	82,219	80,941	77,603	66,300	60,830	59,205	
109	Electric generating machinery, electric apparatus and parts	39,748	34,881	9,914	10,338	10,520	9,557	8,694	8,286	8,344	9,981	10,174	10,293	9,952	8,723	8,173	8,033	
110	Nonelectric, including parts and attachments	277,450	229,057	68,998	72,591	72,963	64,540	57,656	53,348	53,513	69,273	72,045	70,648	67,651	57,577	52,657	51,172	
111	Oil drilling, mining, and construction machinery	7,210	6,927	1,716	1,599	1,757	1,952	1,683	1,535	1,878	1,803	1,747	1,721	1,792	1,755	1,659	1,659	
112	Industrial engines, pumps, and compressors	10,061	10,422	2,570	2,458	2,510	2,766	2,600	2,526	2,530	2,512	2,537	2,535	2,750	2,543	2,592	2,537	
113	Machine tools and metalworking machinery	8,549	7,341	2,247	2,053	2,247	2,199	1,905	1,710	1,527	2,166	2,125	2,242	2,220	1,839	1,776	1,506	
114	Measuring, testing, and control instruments	9,533	9,016	2,304	2,459	2,584	2,462	2,347	2,110	2,097	2,316	2,470	2,543	2,501	2,363	2,115	2,037	
115	Other industrial, agricultural, and service industry machinery	50,923	46,854	13,264	12,564	12,883	12,776	12,063	10,918	11,097	12,822	12,967	12,929	12,909	11,680	11,204	11,061	
116	Computers, peripherals, and parts	89,762	74,003	21,710	24,352	23,807	19,756	18,227	17,721	18,277	22,575	23,389	22,933	21,331	18,883	16,896	16,893	
117	Semiconductors	48,355	30,455	11,605	13,316	12,659	10,547	7,587	6,297	6,024	11,775	13,179	12,261	10,999	7,632	6,097	5,727	
118	Telecommunications equipment	31,927	23,882	8,129	8,166	9,048	7,074	6,046	5,524	5,238	8,013	8,102	8,616	7,769	5,837	5,425	4,851	
119	Other office and business machines	6,134	4,867	1,538	1,517	1,511	1,391	1,222	1,096	1,158	1,580	1,520	1,451	1,408	1,258	1,105	1,096	
120	Scientific, hospital, and medical equipment and parts	14,996	15,290	3,575	3,990	4,115	3,812	3,685	3,763	4,030	3,636	3,953	3,931	4,043	3,750	3,692	3,805	
121	Transportation equipment, except automotive	29,465	33,864	7,074	7,428	8,345	8,565	8,488	8,235	8,576	7,016	7,436	8,396	8,581	8,435	8,286	8,566	
122	Civilian aircraft, engines, parts	26,376	31,236	6,294	6,622	7,604	7,753	7,828	7,636	8,019	6,236	6,670	7,656	7,769	7,774	7,887	8,006	
123	Civilian aircraft, complete, all types	12,404	14,760	2,911	3,204	3,967	3,703	3,603	3,401	4,053	2,911	3,204	3,967	3,703	3,603	3,401	4,053	
124	Automotive vehicles, engines, and parts	195,858	189,700	49,688	46,292	49,984	47,253	48,601	44,822	49,024	48,992	49,594	48,256	46,705	47,787	47,976	47,232	
125	From Canada	63,946	57,863	16,643	13,960	15,502	14,843	15,846	12,831	14,343	16,081	15,893	15,091	13,994	15,235	14,727	13,907	
126	Passenger cars, new and used	33,931	30,560	8,628	7,058	8,706	8,149	8,520	6,328	7,563	8,386	8,372	8,279	7,540	8,226	7,658	7,136	
127	Trucks, buses, and special purpose vehicles	12,154	11,076	3,106	2,796	2,743	2,713	2,975	2,594	2,794	3,052	3,044	2,720	2,578	2,923	2,793	2,782	
128	Engines and engine parts	4,217	3,425	1,256	926	885	847	946	784	848	1,164	1,032	917	812	864	887	862	
129	Other parts and accessories	13,644	12,802	3,653	3,180	3,168	3,134	3,405	3,125	3,138	3,479	3,445	3,175	3,064	3,222	3,389	3,127	
130	From other areas	131,912	131,837	33,045	32,332	34,482	32,410	32,755	31,991	34,681	32,911	33,70						



**Table 3. Private Services Transactions**  
 [Millions of dollars]

Line	2000	2001 <sup>p</sup>	Not seasonally adjusted								Seasonally adjusted							
			2000				2001				2000				2001			
			I	II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	I	II	III	IV	I <sup>r</sup>	II <sup>r</sup>	III <sup>r</sup>	IV <sup>p</sup>
<b>1 Exports of private services</b> .....	<b>278,570</b>	<b>270,088</b>	<b>66,265</b>	<b>68,526</b>	<b>73,821</b>	<b>69,958</b>	<b>68,306</b>	<b>68,120</b>	<b>70,053</b>	<b>63,609</b>	<b>68,509</b>	<b>70,141</b>	<b>69,675</b>	<b>70,249</b>	<b>70,465</b>	<b>69,806</b>	<b>66,462</b>	<b>63,356</b>
2 Travel (table 1, line 6).....	82,042	72,295	17,892	21,236	23,427	19,487	18,170	20,155	20,105	13,865	20,448	20,976	20,226	20,392	20,711	19,835	17,337	14,412
3 Passenger fares (table 1, line 7)	20,745	17,734	4,627	5,237	5,874	5,007	4,648	4,850	4,894	3,342	5,013	5,342	5,213	5,177	5,006	4,933	4,352	3,443
4 Other transportation (table 1, line 8).....	30,185	28,292	7,035	7,615	7,964	7,571	7,085	7,108	7,415	6,684	7,365	7,619	7,593	7,609	7,415	7,113	7,055	6,709
5 Freight.....	13,236	12,094	3,187	3,319	3,342	3,388	3,093	3,051	2,973	2,977	3,234	3,297	3,372	3,333	3,138	3,030	3,000	2,926
6 Port services.....	16,950	16,198	3,848	4,296	4,622	4,183	3,992	4,057	4,442	3,707	4,131	4,322	4,221	4,276	4,277	4,083	4,055	3,783
7 Royalties and license fees (table 1, line 9).....	38,030	38,875	9,099	9,270	9,361	10,300	9,304	9,475	9,503	10,593	9,345	9,525	9,538	9,624	9,564	9,759	9,683	9,870
8 Affiliated.....	26,621	26,581	6,324	6,447	6,485	7,365	6,301	6,400	6,406	7,474	6,570	6,702	6,662	6,689	6,561	6,684	6,586	6,751
9 U.S. parents' receipts.....	24,444	23,760	5,903	6,044	5,939	6,558	5,697	5,822	5,804	6,437	6,123	6,203	6,071	6,047	5,909	5,971	5,941	5,938
10 U.S. affiliates' receipts.....	2,177	2,821	421	403	546	807	604	578	607	1,037	447	499	591	642	652	713	645	813
11 Unaffiliated.....	11,409	12,294	2,775	2,823	2,876	2,935	3,003	3,075	3,097	3,119	2,775	2,823	2,876	2,935	3,003	3,075	3,097	3,119
12 Industrial processes <sup>1</sup> .....	4,421	4,770	1,072	1,095	1,116	1,138	1,159	1,181	1,204	1,226	1,072	1,095	1,116	1,138	1,159	1,181	1,204	1,226
13 Other <sup>2</sup> .....	6,987	7,524	1,702	1,728	1,759	1,798	1,843	1,894	1,893	1,894	1,702	1,728	1,759	1,798	1,843	1,894	1,893	1,894
14 Other private services (table 1, line 10).....	107,568	112,892	27,612	25,168	27,195	27,593	29,099	26,532	28,136	29,125	26,338	26,679	27,105	27,447	27,769	28,166	28,035	28,922
15 Affiliated services.....	31,628	35,385	7,454	7,505	7,797	8,872	8,495	8,498	8,495	9,897	7,724	7,738	7,954	8,212	8,793	8,797	8,651	9,144
16 U.S. parents' receipts.....	19,604	20,644	4,621	4,860	4,701	5,422	4,926	5,032	4,947	5,739	4,797	4,897	4,894	5,016	5,116	5,073	5,154	5,300
17 U.S. affiliates' receipts.....	12,024	14,741	2,833	2,645	3,086	3,450	3,569	3,466	3,548	4,158	2,927	2,841	3,060	3,196	3,677	3,724	3,497	3,844
18 Unaffiliated services.....	75,940	77,507	20,158	17,663	19,398	18,721	20,604	18,034	19,641	19,228	18,614	18,941	19,151	19,235	18,976	19,369	19,384	19,778
19 Education.....	10,287	10,959	4,103	4,292	4,778	2,114	4,365	4,377	2,968	2,249	2,472	2,540	2,608	2,668	2,630	2,707	2,787	2,835
20 Financial services.....	17,042	14,498	4,224	4,371	4,309	4,138	3,727	3,762	3,418	3,591	4,224	4,371	4,309	4,138	3,735	3,737	3,426	3,600
21 Insurance, net.....	2,412	3,209	480	595	671	667	770	796	814	829	480	595	671	667	770	796	814	829
22 Premiums received.....	8,898	9,855	2,047	2,182	2,294	2,375	2,425	2,456	2,478	2,496	2,047	2,182	2,294	2,375	2,425	2,456	2,478	2,496
23 Losses paid.....	6,486	6,646	1,568	1,587	1,624	1,708	1,655	1,660	1,664	1,667	1,568	1,568	1,624	1,708	1,655	1,660	1,664	1,667
24 Telecommunications.....	3,843	4,178	988	963	952	941	950	986	1,107	1,134	988	963	952	941	950	986	1,107	1,134
25 Business, professional, and technical services	28,026	29,224	6,961	6,949	7,018	7,099	7,149	7,316	7,379	7,380	6,961	6,949	7,018	7,099	7,149	7,316	7,379	7,380
26 Other unaffiliated services <sup>3</sup> .....	14,331	15,438	3,403	3,494	3,671	3,762	3,642	3,797	3,955	4,044	3,490	3,524	3,594	3,722	3,741	3,827	3,871	3,999
<b>27 Imports of private services</b> .....	<b>200,585</b>	<b>187,246</b>	<b>43,950</b>	<b>51,820</b>	<b>55,296</b>	<b>49,519</b>	<b>48,138</b>	<b>54,667</b>	<b>41,440</b>	<b>43,001</b>	<b>48,055</b>	<b>49,281</b>	<b>51,688</b>	<b>51,565</b>	<b>52,458</b>	<b>52,207</b>	<b>38,212</b>	<b>44,372</b>
28 Travel (table 1, line 23).....	64,537	58,921	13,874	18,320	18,748	13,595	13,675	18,311	16,806	10,129	16,399	16,123	16,075	15,940	16,247	16,231	14,472	11,971
29 Passenger fares (table 1, line 24).....	24,197	23,407	5,296	6,645	6,923	5,333	5,434	6,988	6,890	4,095	5,805	6,146	6,226	6,020	6,001	6,493	6,240	4,673
30 Other transportation (table 1, line 25).....	41,058	38,230	9,305	10,034	10,932	10,787	10,100	9,645	9,519	8,966	9,693	10,097	10,554	10,718	10,501	9,689	9,159	8,884
31 Freight.....	26,979	24,981	6,012	6,530	7,243	7,192	6,791	6,220	6,097	5,873	6,283	6,548	6,977	7,171	7,077	6,225	5,842	5,838
32 Port services.....	14,083	13,249	3,293	3,504	3,689	3,595	3,309	3,425	3,422	3,093	3,410	3,549	3,577	3,547	3,424	3,464	3,317	3,046
33 Royalties and license fees (table 1, line 26).....	16,106	16,399	3,520	3,644	4,381	4,561	4,070	4,099	4,024	4,206	3,604	3,715	4,535	4,253	4,161	4,159	4,177	3,903
34 Affiliated.....	12,170	12,851	2,717	2,807	3,001	3,645	3,174	3,183	3,139	3,355	2,801	2,878	3,155	3,337	3,265	3,243	3,292	3,052
35 U.S. parents' payments.....	2,184	2,186	542	530	542	570	539	550	541	556	542	530	542	570	539	550	541	556
36 U.S. affiliates' payments.....	9,986	10,665	2,175	2,277	2,459	3,075	2,635	2,633	2,598	2,799	2,259	2,348	2,613	2,767	2,726	2,693	2,751	2,496
37 Unaffiliated.....	3,936	3,548	803	837	1,380	916	896	916	885	851	803	837	1,380	916	896	916	885	851
38 Industrial processes <sup>1</sup> .....	1,852	2,037	456	459	464	472	486	501	517	534	456	459	464	472	486	501	517	534
39 Other <sup>2</sup> .....	2,084	1,511	347	378	916	444	410	415	368	317	347	378	916	444	410	415	368	317
40 Other private services (table 1, line 27).....	54,687	50,289	11,955	13,177	14,312	15,243	14,859	15,624	4,201	15,605	12,554	13,200	14,298	14,634	15,548	15,635	4,164	14,941
41 Affiliated services.....	25,300	29,484	5,704	6,041	6,333	7,222	6,899	7,520	7,175	7,890	6,201	6,065	6,646	6,568	7,467	7,530	7,305	7,182
42 U.S. parents' payments.....	12,980	13,612	3,109	3,138	3,205	3,528	3,130	3,496	3,305	3,681	3,437	3,140	3,304	3,098	3,456	3,497	3,419	3,240
43 U.S. affiliates' payments.....	12,320	15,872	2,595	2,903	3,128	3,694	3,769	4,024	3,870	4,209	2,764	2,925	3,160	3,470	4,011	4,033	3,886	3,942
44 Unaffiliated services.....	29,387	20,805	6,251	7,136	7,979	8,021	7,960	8,104	-2,974	7,715	6,353	7,135	7,834	8,066	8,081	8,105	-3,141	7,759
45 Education.....	2,140	2,496	400	525	689	526	466	611	802	618	502	524	544	570	587	612	635	662
46 Financial services.....	4,482	3,936	1,103	1,157	1,195	1,027	1,104	1,085	852	895	1,103	1,157	1,195	1,027	1,104	1,085	852	895
47 Insurance, net.....	9,189	1,341	1,234	2,058	2,730	3,167	3,100	3,122	-7,913	3,032	1,234	2,058	2,730	3,167	3,100	3,122	-7,913	3,032
48 Premiums paid.....	27,923	32,021	6,304	6,809	7,242	7,569	7,791	7,951	8,080	8,199	6,304	6,809	7,242	7,569	7,791	7,951	8,080	8,199
49 Losses recovered.....	18,734	30,680	5,071	4,750	4,512	4,401	4,691	4,829	15,993	5,167	5,071	4,750	4,512	4,401	4,691	4,829	15,993	5,167
50 Telecommunications.....	5,360	5,002	1,409	1,337	1,331	1,283	1,252	1,217	1,283	1,251	1,409	1,337	1,331	1,283	1,252	1,217	1,283	1,251
51 Business, professional, and technical services	7,776	7,574	1,997	1,949	1,925	1,905	1,936	1,953	1,884	1,800	1,997	1,949	1,925	1,905	1,936	1,953	1,884	1,800
52 Other unaffiliated services <sup>3</sup> .....	440	456	108	110	109	113	102	116	118	119	108	110	109	113	102	116	118	119
<b>Memoranda:</b>																		
53 Balance on goods (table 1, line 71).....	-452,207	-426,615	-99,495	-108,029	-124,233	-120,450	-103,887	-103,688	-114,748	-104,292	-107,405	-111,671	-114,611	-118,520	-112,621	-107,758	-105,541	-100,695
54 Balance on private services (line 1 minus line																		

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

Line		2000	2001 <sup>a</sup>	Not seasonally adjusted							
				2000				2001			
				I	II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>
A1	<b>U.S. Government grants and transactions increasing Government assets, total</b>	<b>22,051</b>	<b>15,732</b>	<b>4,372</b>	<b>4,665</b>	<b>4,803</b>	<b>8,212</b>	<b>3,420</b>	<b>3,868</b>	<b>3,928</b>	<b>4,515</b>
	<b>By category</b>										
2	Grants, net	16,850	11,357	2,916	3,237	3,652	7,044	2,426	2,512	2,888	3,532
3	U.S. Government current grants, net (table 1, line 36, with sign reversed)	16,821	11,334	2,912	3,232	3,634	7,043	2,419	2,508	2,877	3,530
4	Financing military purchases <sup>1</sup>	7,205	1,799	1,026	718	1,248	4,213	326	337	391	745
5	Other grants	9,616	9,534	1,886	2,514	2,386	2,830	2,093	2,171	2,485	2,785
6	Cash contributions received from coalition partners for Persian Gulf operations										
7	Debt forgiveness (table 1, part of line 39, with sign reversed)	29	25	5	5	18	1	8	4	11	2
8	Credits and other long-term assets (table 1, line 47, with sign reversed)	5,177	4,450	1,750	1,368	1,050	1,009	1,094	1,330	1,011	1,015
9	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,500	1,704	343	410	335	412	521	498	359	327
10	Credits repayable in U.S. dollars	3,679	2,746	1,409	958	715	597	573	832	652	688
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	-76	-294	59	101	158	-100	26	30	-32
14	Foreign currency holdings (excluding administrative cash holdings), net	5	2	4	-1	1			2		
	Receipts from:										
15	Sales of agricultural commodities										
16	Interest	(*)	1	(*)	(*)	(*)	(*)	(*)	1		
17	Repayments of principal	6	1	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 acquired in performance of U.S. Government guarantee and insurance obligations, net	-17	40	-220	40	115	49	13	30	29	-32
24	Other assets held under Commodity Credit Corporation Charter Act, net	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
25	Assets financing military sales contracts, net <sup>2</sup>										
26	Other short-term assets (including changes in administrative cash holdings), net	37	-117	-78	21	-15	110	-113	-5	1	
	<b>By program</b>										
27	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,500	1,704	343	410	335	412	521	498	359	327
28	Under Agricultural Trade Development and Assistance Act and related programs	1,538	1,406	507	374	343	314	317	298	314	477
29	Under Foreign Assistance Act and related programs	15,654	9,725	2,767	2,756	3,557	6,575	1,825	2,012	2,931	2,958
30	Under Export-Import Bank Act	1,499	1,705	562	246	321	371	446	772	93	395
31	Under Commodity Credit Corporation Charter Act	436	31	44	355	27	11	15	5	8	3
32	Under other grant and credit programs	1,383	1,276	224	505	234	420	410	288	224	356
33	Other foreign currency assets acquired (lines A16, A17, and A19)	6	2	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	-117	-78	21	-15	110	-113	-5	1	
	<b>By disposition <sup>3</sup></b>										
36	Estimated transactions involving no direct dollar outflow from the United States	16,880	10,648	3,354	3,200	3,625	6,702	2,147	2,574	2,728	3,198
37	Expenditures on U.S. goods	8,246	4,193	1,261	1,011	1,569	4,405	814	1,290	777	1,312
38	Expenditures on U.S. services <sup>4</sup>	4,289	3,794	1,007	1,245	919	1,118	767	867	993	1,167
39	Financing of military sales contracts by U.S. Government <sup>5</sup> (line C6)	3,564	2,050	757	716	968	1,124	316	363	866	505
40	By long-term credits <sup>1</sup>	422	517	67	34	295	27	2	29	476	11
41	By short-term credits <sup>1</sup>										
42	By grants <sup>1</sup>	3,143	1,533	690	683	673	1,097	315	334	390	495
43	U.S. Government grants and credits to repay prior U.S. Government credits <sup>4</sup>	496	468	282	157	54	3	179	24	61	205
44	U.S. Government long- and short-term credits to repay prior U.S. private credits <sup>6</sup> and other assets	376	165	49	111	126	89	71	32	53	10
45	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) <sup>7</sup> (line C11)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
46	Less receipts on short-term U.S. Government assets (a) financing military sales contracts <sup>1</sup> (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. goods	90	22	1	40	12	37		2	21	
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	5,084	1,019	1,465	1,178	1,510	1,273	1,294	1,200	1,317
B1	<b>Repayments on U.S. Government long-term assets, total (table 1, line 48)</b>	<b>4,257</b>	<b>3,801</b>	<b>1,329</b>	<b>855</b>	<b>1,265</b>	<b>808</b>	<b>1,015</b>	<b>570</b>	<b>1,062</b>	<b>1,154</b>
2	Receipts of principal on U.S. Government credits	4,257	3,801	1,329	855	1,265	808	1,015	570	1,062	1,154
3	Under Agricultural Trade Development and Assistance Act and related programs	512	601	174	25	124	189	99	13	173	316
4	Under Foreign Assistance Act and related programs	1,905	1,658	715	380	586	224	486	251	553	369
5	Under Export-Import Bank Act	1,243	1,188	384	266	498	95	366	270	262	291
6	Under Commodity Credit Corporation Charter Act	175	218	48	49	30	65	37	75	42	42
7	Under other credit programs	422	136	8	136	8	271				136
8	Receipts on other long-term assets	(*)	(*)				(*)				(*)
C1	<b>U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 60)</b>	<b>-1,987</b>	<b>-2,482</b>	<b>-474</b>	<b>-1,000</b>	<b>-220</b>	<b>-293</b>	<b>-1,246</b>	<b>-926</b>	<b>119</b>	<b>-429</b>
2	Associated with military sales contracts <sup>2</sup>	-1,968	-2,478	-469	-990	-213	-297	-1,244	-927	121	-428
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds <sup>1</sup>	10,494	7,107	2,107	2,171	2,444	3,772	1,238	1,872	1,747	2,251
4	Less U.S. Government receipts from principal repayments	634	735	174	73	296	91	224	88	261	162
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	1,335	-1,912	-241	-106		1,682	-806	-289	-817	
6	Plus financing of military sales contracts by U.S. Government <sup>5</sup> (line A39)	3,564	2,050	757	716	968	1,124	316	363	866	505
7	By long-term credits	422	517	67	34	295	27	2	29	476	11
8	By short-term credits <sup>1</sup>										
9	By grants <sup>1</sup>	3,143	1,533	690	683	673	1,097	315	334	390	495
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) <sup>12</sup> (table 1, line 5)	14,060	12,812	3,401	3,910	3,329	3,420	3,379	3,362	3,048	3,023
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) <sup>7</sup> (line A45)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
12	Associated with other liabilities	-18	-4	-5	-10	-7	4	-2	-1	-2	-1
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	-4		-3	-5	1		2	-2	(*)
15	Other sales and miscellaneous operations	-12	(*)	-5	-7	-2	2	-2	-1	-1	(*)

See footnotes on page 74.

**Table 5. Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services**  
[Millions of dollars]

Line	(Credits +; debits -)	2000	2001 <sup>a</sup>	Not seasonally adjusted								Seasonally adjusted							
				2000				2001				2000				2001			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
<b>U.S. direct investment abroad:</b>																			
1	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 14)	149,240	132,651	35,309	37,955	37,046	38,930	37,706	34,452	30,730	29,763	34,734	37,591	37,335	39,581	37,096	34,311	31,008	30,241
2	Earnings	145,674	128,486	34,469	37,133	36,200	37,872	36,728	33,471	29,627	28,660	33,894	36,769	36,489	38,523	36,117	33,330	29,904	29,138
3	Distributed earnings	45,984	44,189	7,869	10,235	9,327	18,553	9,625	10,204	8,475	15,885	9,820	12,151	11,559	12,454	11,914	11,969	10,050	10,260
4	Reinvested earnings	99,691	84,296	26,601	26,898	26,873	19,319	27,102	23,267	21,152	12,775	24,074	24,618	24,930	26,069	24,203	21,361	19,854	18,878
5	Interest <sup>1</sup>	3,566	4,167	840	822	846	1,058	979	981	1,104	1,103	840	822	846	1,058	979	981	1,104	1,103
6	U.S. parents' receipts	7,150	7,829	1,628	1,714	1,819	1,989	1,943	1,961	1,968	1,957	1,628	1,714	1,819	1,989	1,943	1,961	1,968	1,957
7	U.S. parents' payments	-3,585	-3,663	-789	-892	-973	-931	-964	-980	-865	-854	-789	-892	-973	-931	-964	-980	-865	-854
8	Less: Current-cost adjustment	13,180	14,816	3,212	3,254	3,316	3,398	3,500	3,623	3,765	3,928	3,212	3,254	3,316	3,398	3,500	3,623	3,765	3,928
9	Less: Withholding taxes	1,273	1,146	298	316	239	420	352	242	255	297	344	359	268	302	404	259	274	209
10	Equals: Income without current-cost adjustment, after deduction of withholding taxes <sup>2</sup>	134,787	116,689	31,799	34,385	33,491	35,112	33,854	30,587	26,710	25,538	31,177	33,978	33,751	35,881	33,191	30,429	26,968	26,104
11	Petroleum	18,523	17,595	3,990	4,094	4,736	5,703	5,353	4,959	3,519	3,764	3,507	4,170	4,929	5,917	4,789	5,132	3,718	3,958
12	Manufacturing	39,268	29,615	9,822	10,347	9,722	9,377	9,019	7,219	6,964	6,413	9,683	9,864	9,789	9,932	8,920	6,888	7,023	6,785
13	Other	76,996	69,479	17,987	19,944	19,033	20,032	19,482	18,409	16,227	15,361	17,987	19,944	19,033	20,032	19,482	18,409	16,227	15,361
14	Capital with current-cost adjustment (table 1, line 5)	-152,437	-156,019	-40,915	-35,626	-43,576	-32,320	-44,021	-43,153	-44,522	-24,323	-38,388	-33,346	-41,634	-39,070	-41,122	-41,246	-43,224	-30,426
15	Equity capital	-49,907	-52,359	-15,531	-14,323	-7,885	-12,168	-8,545	-13,675	-18,960	-11,179	-15,531	-14,323	-7,885	-12,168	-8,545	-13,675	-18,960	-11,179
16	Increases in equity capital <sup>3</sup>	-70,273	-71,187	-18,275	-19,324	-13,665	-18,989	-13,734	-19,239	-21,572	-16,642	-18,275	-19,324	-13,665	-18,989	-13,734	-19,239	-21,572	-16,642
17	Decreases in equity capital <sup>4</sup>	20,366	18,828	2,744	5,001	5,800	6,212	5,190	5,664	2,611	5,463	2,744	5,001	5,800	6,212	5,190	5,664	2,611	5,463
18	Reinvested earnings	-99,691	-84,296	-26,601	-26,898	-26,873	-19,319	-27,102	-23,267	-21,152	-12,775	-24,074	-24,618	-24,930	-26,069	-24,203	-21,361	-19,854	-18,878
19	Intercompany debt	-2,840	-19,363	1,217	5,595	-8,819	-833	-837	-6,210	-4,410	-369	1,217	5,595	-8,819	-833	-837	-6,210	-4,410	-369
20	U.S. parents' receivables	-15,955	-19,070	-3,867	-1,214	-5,635	-5,239	-6,779	-9,167	-4,091	967	-3,867	-1,214	-5,635	-5,239	-6,779	-9,167	-4,091	967
21	U.S. parents' payables	13,115	-294	5,084	6,809	-3,184	4,406	-1,595	2,956	-319	-1,336	5,084	6,809	-3,184	4,406	-1,595	2,956	-319	-1,336
22	Less: Current-cost adjustment (line 8 with sign reversed)	-13,180	-14,816	-3,212	-3,254	-3,316	-3,398	-3,500	-3,623	-3,765	-3,928	-3,212	-3,254	-3,316	-3,398	-3,500	-3,623	-3,765	-3,928
23	Equals: Capital without current-cost adjustment <sup>2</sup>	-139,257	-141,203	-37,703	-32,372	-40,260	-28,922	-40,521	-39,530	-40,757	-20,395	-35,176	-30,092	-38,318	-35,672	-37,622	-37,623	-39,459	-26,498
24	Equity capital (line 15)	-49,907	-52,359	-15,531	-14,323	-7,885	-12,168	-8,545	-13,675	-18,960	-11,179	-15,531	-14,323	-7,885	-12,168	-8,545	-13,675	-18,960	-11,179
25	Petroleum	-4,553	-5,565	-567	-2,556	-550	-880	-972	-1,393	-769	-2,431	-567	-2,556	-550	-880	-972	-1,393	-769	-2,431
26	Manufacturing	-18,180	-12,389	-5,808	-4,637	-2,246	-5,489	-4,154	-1,898	-1,920	-4,417	-5,808	-4,637	-2,246	-5,489	-4,154	-1,898	-1,920	-4,417
27	Other	-27,172	-34,405	-9,156	-7,129	-5,089	-5,798	-3,419	-10,384	-16,271	-4,331	-9,156	-7,129	-5,089	-5,798	-3,419	-10,384	-16,271	-4,331
28	Reinvested earnings without current-cost adjustment (line 18 less line 22)	-86,511	-69,480	-23,389	-23,644	-23,557	-15,921	-23,602	-19,644	-17,387	-8,847	-20,862	-21,364	-21,614	-22,671	-20,703	-17,738	-16,089	-14,950
29	Petroleum	-13,165	-9,809	-3,159	-3,122	-3,433	-3,451	-3,945	-3,205	-1,792	-867	-2,494	-2,971	-3,371	-4,328	-3,079	-2,969	-1,750	-2,010
30	Manufacturing	-23,486	-15,251	-6,501	-6,885	-6,577	-3,503	-5,469	-3,386	-4,288	-2,108	-5,513	-5,754	-6,235	-5,964	-4,611	-2,484	-4,164	-3,994
31	Other	-49,881	-44,419	-13,729	-13,638	-13,547	-8,967	-14,188	-13,053	-11,306	-5,872	-12,855	-12,639	-12,008	-12,379	-13,013	-12,285	-10,175	-8,946
32	Intercompany debt (line 19)	-2,840	-19,363	1,217	5,595	-8,819	-833	-837	-6,210	-4,410	-369	1,217	5,595	-8,819	-833	-837	-6,210	-4,410	-369
33	Petroleum	7,313	-2,908	1,725	4,070	-472	1,990	-1,923	-1,429	441	3	1,725	4,070	-472	1,990	-1,923	-1,429	441	3
34	Manufacturing	-2,455	-8,280	-3,319	-708	1,819	-247	-1,385	1,612	-8,904	397	-3,319	-708	1,819	-247	-1,385	1,612	-8,904	397
35	Other	-7,700	-8,174	2,811	2,233	-10,167	-2,577	-5,066	-6,393	4,053	-768	2,811	2,233	-10,167	-2,577	-5,066	-6,393	4,053	-768
36	Royalties and license fees, before deduction of withholding taxes, net	22,261	21,574	5,361	5,515	5,397	5,988	5,158	5,272	5,263	5,881	5,581	5,673	5,529	5,477	5,370	5,421	5,400	5,382
37	U.S. parents' receipts (table 1, part of line 9)	24,444	23,760	5,903	6,044	5,939	6,558	5,697	5,822	5,804	6,437	6,123	6,203	6,071	6,047	5,909	5,971	5,941	5,938
38	U.S. parents' payments (table 1, part of line 26)	-2,184	-2,186	-542	-530	-542	-570	-539	-550	-541	-556	-542	-530	-542	-540	-539	-550	-541	-556
39	Other private services, before deduction of withholding taxes, net	6,623	7,032	1,511	1,722	1,496	1,894	1,796	1,536	1,643	2,057	1,360	1,757	1,590	1,918	1,660	1,576	1,735	2,060
40	U.S. parents' receipts (table 1, part of line 10)	19,604	20,644	4,621	4,860	4,701	5,422	4,926	5,032	4,947	5,739	4,797	4,897	4,894	5,016	5,156	5,073	5,154	5,300
41	U.S. parents' payments (table 1, part of line 27)	-12,980	-13,612	-3,109	-3,138	-3,205	-3,528	-3,130	-3,496	-3,305	-3,681	-3,437	-3,140	-3,304	-3,098	-3,456	-3,497	-3,419	-3,240
<b>Foreign direct investment in the United States:</b>																			
42	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 31)	-68,009	-37,430	-18,003	-20,051	-16,369	-13,586	-14,030	-11,485	-9,110	-2,805	-18,369	-19,474	-16,286	-13,878	-14,398	-10,860	-9,034	-3,139
43	Earnings	-48,394	-14,910	-13,972	-15,457	-11,023	-7,942	-8,640	-5,709	-3,507	2,946	-14,338	-14,880	-10,941	-8,234	-9,008	-5,084	-3,431	2,612
44	Distributed earnings	-24,744	-19,541	-6,417	-5,249	-5,561	-7,517	-5,878	-2,191	-4,808	-6,664	-7,186	-4,842	-6,688	-6,026	-6,293	-3,440	-6,415	-5,096
45	Reinvested earnings	-23,651	4,630	-7,555	-10,209	-5,462	-4,25	-2,762	-3,158	1,300	9,610	-7,152	-10,038	-4,253	-2,208	-2,715	-3,740	2,984	7,708
46	Interest <sup>1</sup>	-19,614	-22,520	-4,031	-4,594	-5,345	-5,644	-5,390	-5,776	-5,603	-5,751	-4,031	-4,594	-5,345	-5,644	-5,390	-5,776	-5,603	-5,751
47	U.S. affiliates' payments	-22,278	-25,380	-4,738	-5,217	-5,986	-6,337	-6,518	-6,389	-6,195	-6,278	-4,738	-5,217	-5,986	-6,337	-6,518	-6,389	-6,195	-6,278
48	U.S. affiliates' receipts	2,664	2,860	707	623	641	693	1,128	613	592	527	707	623	641	693	1,128	613	592	527
49	Less: Current-cost adjustment	-6,539	-8,062	-1,547	-1,595	-1,659	-1,738	-1,833	-1,944	-2,071	-2,214	-1,547	-1,595	-1,659	-1,738	-1,833	-1,944	-2,071	-2,214
50	Less: Withholding taxes	-1,312	-922	-326	-315	-286	-385	-267	-130	-209	-316	-410	-389	-282	-230	-352	-156	-212	-202
51	Equals: Income without current-cost adjustment, after deduction of withholding taxes <sup>2</sup>	-60,158	-28,446	-16,130	-18,141	-14,424	-11,463	-11,930	-9,411	-6,830	-275	-16,413	-17,489	-14,345	-11,911	-12,213	-8,759	-6,752	-724
52	Petroleum	-13,915	-12,385	-2,643	-3,920	-4,143	-3,209	-4,169	-4,278	-2,945	-993	-2,643	-3,920	-4,143	-3,209	-4,169	-4,278	-2,945	-993
53	Manufacturing																		

Table 6. Securities Transactions

[Millions of dollars]

Line	(Credits +; debits -)	2000	2001 <sup>P</sup>	Not seasonally adjusted							
				2000				2001			
				I	II	III	IV	I	II	III <sup>P</sup>	IV <sup>P</sup>
A1	<b>Foreign securities, net U.S. purchases (-), (table 1, line 52 or lines 2 + 13 below)</b>	<b>-124,935</b>	<b>-97,661</b>	<b>-27,546</b>	<b>-39,639</b>	<b>-33,129</b>	<b>-24,621</b>	<b>-31,591</b>	<b>-51,109</b>	<b>10,564</b>	<b>-25,525</b>
2	<b>Stocks, net U.S. purchases</b>	<b>-99,735</b>	<b>-110,186</b>	<b>-15,638</b>	<b>-46,466</b>	<b>-15,272</b>	<b>-22,359</b>	<b>-27,309</b>	<b>-55,072</b>	<b>-9,142</b>	<b>-18,663</b>
3	New issues in the United States	-15,526	-4,583	-1,894	-8,075	-3,641	-1,916	-1,142	-2,591	-418	-432
4	Of which: Western Europe	-2,924	(D)	-2,645	-279	(D)	(D)	(D)	(D)	(D)	(D)
5	Canada	-1,665	(D)	-737	-186	-742	(D)	(D)	(D)	(D)	(D)
6	Latin America	-1,477	(D)	-1,477	(D)	(D)	(D)	(D)	(D)	(D)	(D)
7	Transactions in outstanding stocks, net	-84,209	-105,602	-13,744	-38,391	-11,631	-20,443	-26,167	-52,480	-8,724	-18,231
8	Western Europe	-54,216	-57,132	-273	-27,193	-12,184	-14,566	-14,017	-23,859	-9,262	-9,994
9	Of which: United Kingdom	-41,472	-30,036	-3,157	-23,107	-8,337	-6,871	-9,568	2,631	-11,223	-11,876
10	Canada	-17,972	-2,692	-3,131	-5,413	-2,999	-6,429	221	-4,615	1,374	328
11	Japan	17,709	-19,339	-1,561	11,729	5,904	1,637	-6,990	-10,388	-951	-1,010
12	Other	-29,730	-26,439	-8,779	-17,514	-2,352	-1,085	-5,381	-13,618	115	-7,555
13	<b>Bonds, net U.S. purchases</b>	<b>-25,200</b>	<b>12,524</b>	<b>-11,908</b>	<b>6,827</b>	<b>-17,857</b>	<b>-2,262</b>	<b>-4,283</b>	<b>3,963</b>	<b>19,706</b>	<b>-6,862</b>
14	New issues in the United States	-54,273	-39,054	-11,187	-7,811	-22,864	-12,411	-8,325	-8,997	-9,658	-12,074
	By issuer:										
15	Central governments and their agencies and corporations	-15,548	(D)	-6,500	-2,400	-6,648	(D)	-3,253	-2,087	(D)	-3,273
16	Other governments and their agencies and corporations <sup>1</sup>	-1,595	(D)	-350	(D)	-1,000	-245	-59	(D)	(D)	-798
17	Private corporations	-36,898	-23,512	-4,337	-5,180	-15,215	-12,166	-4,813	-5,350	-5,346	-8,003
18	International financial institutions <sup>2</sup>	-232	(D)	(D)	-231	-1	(D)	-200	(D)	(D)	(D)
	By area:										
19	Western Europe	-26,745	(D)	-872	-3,425	-11,913	-10,535	-350	(D)	(D)	-2,455
20	Canada	-2,662	-8,888	-385	-615	-1,377	-285	-923	-3,646	-2,331	-1,988
21	Japan	-2,000	(D)	-2,000	(D)	(D)	(D)	(D)	(D)	(D)	(D)
22	Latin America	-17,894	-14,049	-6,070	-2,431	-8,648	-745	-4,763	-2,724	-3,348	-3,214
23	Other countries	-4,972	-10,547	-1,860	-1,340	-926	-846	-2,089	-1,212	-2,829	-4,417
24	International financial institutions <sup>2</sup>	(D)	(D)	(D)	(D)	(D)	(D)	-200	(D)	(D)	(D)
25	Redemptions of U.S.-held foreign bonds <sup>3</sup>	20,886	33,441	2,364	5,626	5,951	6,945	7,422	6,162	8,880	10,977
26	Western Europe	4,120	9,774	433	491	1,855	1,341	1,372	2,382	1,031	4,989
27	Canada	6,927	6,240	1,008	3,886	750	1,283	1,571	1,436	1,131	2,102
28	Other countries	8,148	13,929	783	853	2,661	3,851	2,622	1,505	6,368	3,434
29	International financial institutions <sup>2</sup>	1,691	3,498	140	396	685	470	1,857	839	350	452
30	Other transactions in outstanding bonds, net <sup>3</sup>	8,187	18,137	-3,085	9,012	-944	3,204	-3,380	6,798	20,484	-5,765
31	Western Europe	-19,589	-5,883	-8,937	-967	-11,733	2,048	-11,350	-4,249	19,331	-9,615
32	Of which: United Kingdom	-26,868	-16,393	-9,385	-1,124	-13,862	-2,297	-13,836	-10,877	18,563	-10,243
33	Canada	652	3,388	-530	-2,034	3,844	-628	246	4,475	-134	-707
34	Japan	5,808	1,046	1,834	1,515	1,517	1,422	840	3,866	-689	-2,971
35	Other	21,516	19,586	4,548	10,498	5,428	7,042	7,376	2,706	1,976	7,528
B1	<b>U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 66 or lines 2 + 10 below)</b>	<b>485,644</b>	<b>498,433</b>	<b>136,208</b>	<b>94,400</b>	<b>128,393</b>	<b>126,643</b>	<b>148,809</b>	<b>140,512</b>	<b>82,777</b>	<b>126,335</b>
2	<b>Stocks, net foreign purchases</b>	<b>192,741</b>	<b>127,223</b>	<b>66,045</b>	<b>33,619</b>	<b>53,825</b>	<b>39,252</b>	<b>41,120</b>	<b>40,602</b>	<b>12,440</b>	<b>33,061</b>
	By area:										
3	Western Europe	181,263	86,758	62,150	40,847	44,382	33,884	33,615	22,417	8,328	22,398
4	Of which: Germany	31,600	8,316	15,542	9,297	3,649	3,112	3,738	1,331	1,070	2,177
5	Switzerland	11,727	3,347	6,753	2,268	3,548	-842	2,047	860	-1,064	1,504
6	United Kingdom	71,810	37,372	13,515	15,668	24,430	18,197	11,164	8,757	9,155	8,296
7	Canada	7,690	11,440	1,730	1,146	604	4,210	4,382	2,871	1,837	2,350
8	Japan	2,018	7,760	-5,344	-1,072	3,540	4,894	826	4,123	1,195	1,616
9	Other	1,770	21,265	7,509	-7,302	5,299	-3,736	2,297	11,191	1,080	6,697
10	<b>Corporate and other bonds, net foreign purchases</b>	<b>292,903</b>	<b>371,210</b>	<b>70,163</b>	<b>60,781</b>	<b>74,568</b>	<b>87,391</b>	<b>107,689</b>	<b>99,910</b>	<b>70,337</b>	<b>93,274</b>
	By type:										
11	New issues sold abroad by U.S. corporations	64,965	63,113	13,560	17,759	23,788	9,858	17,694	18,008	13,185	14,226
12	U.S. federally sponsored agency bonds, net	111,830	144,278	26,010	18,998	28,589	38,233	38,663	29,357	33,065	43,193
13	Other outstanding bonds, net	116,108	163,819	30,593	24,024	22,191	39,300	51,332	52,545	24,087	35,855
	By area:										
14	Western Europe	167,375	202,019	44,702	33,049	42,420	47,204	63,216	57,689	33,533	47,581
15	Of which: Germany	3,100	10,772	190	1,222	837	851	3,330	2,838	1,265	3,339
16	Switzerland	2,883	5,707	759	565	1,060	499	2,683	1,679	768	577
17	United Kingdom	141,330	164,831	40,053	27,080	35,850	38,347	50,241	47,357	29,058	38,175
18	Canada	10,890	3,977	3,368	2,147	3,094	2,281	890	2,321	-1,552	2,318
19	Japan	38,896	34,161	4,217	8,030	12,584	14,065	7,402	5,060	6,164	15,535
20	Other countries	75,794	130,517	17,987	17,552	16,285	23,970	36,032	34,761	32,036	27,688
21	International financial institutions <sup>2</sup>	-52	536	-111	3	185	-129	149	79	156	152
	<b>Memoranda:</b>										
	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	9,989	7,977	3,586	-6,816	-11,049	3,142	-4,870	2,151	9,566
2	Other U.S. Government securities (line A6)	40,909	20,920	8,107	10,334	14,272	8,196	3,574	9,932	-216	7,630
3	U.S. corporate and other bonds (part of line A14)	2,019	3,755	423	491	422	683	1,033	567	623	1,532
4	U.S. stocks (part of line A14)	1,108	1,964	508	413	-110	297	-30	461	1,358	175
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)	-48,025	7,190	-9,871	-14,149	-7,984	-16,021	-404	-9,389	-11,391	28,374

See footnotes on page 74.

**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	2001 <sup>p</sup>	Not seasonally adjusted								Amounts outstand- ing Dec. 31, 2001
				2000				2001				
				I	II	III	IV	I	II	III <sup>r</sup>	IV <sup>1</sup>	
A1	<b>Claims, total (table 1, line 53)</b> .....	<b>-163,846</b>	<b>-76,067</b>	<b>-75,256</b>	<b>-29,491</b>	<b>-14,585</b>	<b>-44,514</b>	<b>-61,011</b>	<b>22,232</b>	<b>-40,361</b>	<b>3,073</b>	<b>894,127</b>
2	Financial claims .....	-162,372	-79,099	-75,228	-29,539	-14,509	-43,096	-63,154	23,362	-42,380	3,073	860,013
3	<i>Denominated in U.S. dollars</i> .....	-144,302	-75,141	-65,779	-31,065	-4,435	-43,023	-50,591	22,721	-50,344	3,073	749,060
4	<i>Denominated in foreign currencies</i> .....	-18,070	-3,958	-9,449	1,526	-10,074	-73	-12,563	641	7,964	.....	110,953
5	By type: Deposits <sup>2</sup> .....	-133,371	-72,418	-52,929	-31,470	-413	-48,559	-36,213	22,617	-32,046	-26,776	647,429
6	Financial intermediaries' accounts .....	-28,339	-2,531	-22,206	2,890	-15,487	6,464	-21,594	154	-10,940	29,849	188,422
7	Other claims <sup>2,3</sup> .....	-62	-4,150	-93	-959	1,391	-1,001	-5,347	591	606	.....	24,162
8	By area: Industrial countries <sup>4</sup> .....	-81,002	-86,624	-36,427	-14,181	-33,171	2,777	-64,927	6,470	-31,239	3,072	530,444
9	<i>Of which: United Kingdom</i> .....	-49,637	-73,645	-28,402	-11,824	-6,602	-2,809	-52,990	3,355	-24,601	591	327,319
10	Canada .....	-2,449	693	1,273	206	-3,559	-369	3,496	147	-3,161	211	12,248
11	Caribbean banking centers <sup>5</sup> .....	-76,963	-7,698	-37,059	-14,148	18,737	-44,493	10,185	17,018	-9,157	-25,744	330,236
12	Other .....	-4,407	15,223	-1,742	-1,210	-75	-1,380	-8,412	-126	-1,984	25,745	-667
13	Commercial claims .....	-1,474	3,032	-28	48	-76	-1,418	2,143	-1,130	2,019	.....	34,114
14	<i>Denominated in U.S. dollars</i> .....	-780	2,040	1,003	-1,317	194	-660	1,597	-1,208	1,651	.....	31,381
15	<i>Denominated in foreign currencies</i> .....	-694	992	-1,031	1,365	-270	-758	546	78	368	.....	2,733
16	By type: Trade receivables .....	-829	3,722	1,186	166	-253	-1,928	2,611	-676	1,787	.....	29,381
17	Advance payments and other claims .....	-645	-690	-1,214	-118	177	510	-468	-454	232	.....	4,733
18	By area: Industrial countries <sup>4</sup> .....	-1,498	2,087	-78	293	-362	-1,351	1,585	-766	1,268	.....	21,125
19	Members of OPEC <sup>6</sup> .....	660	214	150	109	-37	438	163	-120	171	.....	1,582
20	Other .....	-636	731	-100	-354	323	-505	395	-244	580	.....	11,407
B1	<b>Liabilities, total (table 1, line 68)</b> .....	<b>177,010</b>	<b>98,222</b>	<b>85,188</b>	<b>24,400</b>	<b>19,078</b>	<b>48,344</b>	<b>130,624</b>	<b>3,375</b>	<b>-3,941</b>	<b>-31,836</b>	<b>785,874</b>
2	Financial liabilities .....	164,606	79,515	85,105	22,419	16,572	40,510	127,776	-7,367	-9,058	-31,836	759,768
3	<i>Denominated in U.S. dollars</i> .....	146,271	82,127	79,549	18,931	15,833	31,958	112,287	5,906	-4,230	-31,836	717,849
4	<i>Denominated in foreign currencies</i> .....	18,335	-2,612	5,556	3,488	739	8,552	15,489	-13,273	-4,828	.....	41,919
5	By type: Financial intermediaries' accounts .....	50,512	315	59,498	-23,811	8,986	5,839	31,809	5,695	-6,813	-30,376	242,820
6	Other liabilities .....	114,094	79,200	25,607	46,230	7,586	34,671	95,967	-13,062	-2,245	-1,460	516,948
7	By area: Industrial countries <sup>4</sup> .....	121,814	90,139	84,485	-1,557	12,104	26,782	110,404	-14,526	-5,739	.....	560,329
8	<i>Of which: United Kingdom</i> .....	84,357	57,590	55,399	-3,451	11,796	20,613	77,635	-15,486	-4,559	.....	348,764
9	Caribbean banking centers <sup>5</sup> .....	38,092	25,323	-1,571	19,809	2,983	16,871	19,726	7,180	-4,100	2,517	214,028
10	Other .....	4,700	-35,947	2,191	4,167	1,485	-3,143	-2,354	-21	781	-34,353	-14,589
11	Commercial liabilities .....	12,404	18,707	83	1,981	2,506	7,834	2,848	10,742	5,117	.....	26,106
12	<i>Denominated in U.S. dollars</i> .....	11,212	19,415	-152	2,129	2,454	6,781	3,126	11,223	5,066	.....	24,014
13	<i>Denominated in foreign currencies</i> .....	1,192	-708	235	-148	52	1,053	-278	-481	51	.....	2,092
14	By type: Trade payables .....	1,448	-2,472	-456	1,363	154	387	-1,636	556	-1,392	.....	11,821
15	Advance receipts and other liabilities .....	10,956	21,179	539	618	2,352	7,447	4,484	10,186	6,509	.....	14,285
16	By area: Industrial countries <sup>4</sup> .....	10,763	15,529	-451	588	1,938	8,688	1,196	10,100	4,233	.....	13,208
17	Members of OPEC <sup>6</sup> .....	288	198	-325	1,303	261	-951	563	-347	-18	.....	3,801
18	Other .....	1,353	2,980	859	90	307	97	1,089	989	902	.....	9,097

See footnotes on page 74.

**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	2001 <sup>a</sup>	Not seasonally adjusted								Amounts outstanding Dec. 31, 2001
				2000				2001				
				I	II	III	IV	I	II	III <sup>b</sup>	IV <sup>b</sup>	
1	<b>Total (table 1, line 54)</b> .....	<b>-138,500</b>	<b>-104,332</b>	<b>-56,234</b>	<b>7,455</b>	<b>-18,147</b>	<b>-71,574</b>	<b>-109,789</b>	<b>-105</b>	<b>59,116</b>	<b>-53,554</b>	<b>1,354,891</b>
2	By type:											
3	Banks' own claims .....	-111,665	-120,693	-14,840	-23,286	-22,160	-51,379	-101,408	-20,500	45,231	-44,016	1,067,970
3	Payable in dollars .....	-118,740	-94,704	-17,396	-18,056	-27,883	-55,405	-83,338	-9,956	33,728	-35,138	992,124
	By borrower:											
	Claims on:											
4	own foreign offices.....	-100,423	-63,698	-23,777	-5,686	-33,502	-37,458	-47,044	-15,113	28,393	-29,934	687,606
5	unaffiliated foreign banks .....	-2,436	-7,786	7,263	967	1,812	-12,478	-10,888	10,305	-730	-6,473	98,650
6	foreign public borrowers <sup>1</sup> .....	-3,237	-7,623	-1,496	-4,638	787	2,110	-7,721	-3,070	6,416	-3,248	49,030
7	other private foreigners.....	-12,644	-15,597	614	-8,699	3,020	-7,579	-17,685	-2,078	-351	4,517	156,838
	By type of reporting institution: <sup>2</sup>											
	U.S.-owned banks' claims on:											
8	own foreign offices.....	-35,408	-34,184	13,706	-18,591	-16,354	-14,169	-10,631	-3,452	-11,393	-8,708	237,375
9	unaffiliated foreign banks .....	-3,013	-6,780	6,260	-1,950	-542	-6,781	-9,855	9,156	-1,376	-4,705	44,438
10	other foreigners.....	-518	10,347	1,881	972	-11	-3,360	8,807	-3,564	-1,624	6,728	51,897
	Foreign-owned banks' claims on:											
11	own foreign offices.....	-65,015	-29,514	-37,483	12,905	-17,148	-23,289	-36,413	-11,661	39,786	-21,226	450,231
12	unaffiliated foreign banks .....	-1,499	1,374	-3,641	4,906	595	-3,359	-1,437	1,908	1,755	-852	35,990
13	other foreigners.....	-7,380	-4,350	1,334	-3,603	-128	-4,983	-5,925	1,127	1	447	55,041
	U.S. brokers' and dealers' claims on:											
14	unaffiliated foreign banks .....	2,076	-2,380	4,644	-1,989	1,759	-2,338	404	-759	-1,109	-916	18,222
15	other foreigners.....	-7,983	-29,217	-4,097	-10,706	3,946	2,874	-28,288	-2,711	7,688	-5,906	98,930
16	Payable in foreign currencies .....	7,075	-25,989	2,556	-5,230	5,723	4,026	-18,070	-10,544	11,503	-8,878	75,846
17	Banks' domestic customers' claims .....	-26,835	16,361	-41,394	30,741	4,013	-20,195	-8,381	20,395	13,885	-9,538	286,921
18	Payable in dollars .....	-27,175	9,158	-40,467	27,790	4,334	-18,832	-12,110	20,434	13,585	-12,751	269,290
19	Deposits .....	20,210	7,772	-23,454	23,459	18,715	1,490	-10,999	17,661	4,178	-3,068	92,546
20	Foreign commercial paper <sup>3</sup> .....	-39,644	24,287	-15,702	240	-9,526	-14,656	11,253	3,380	10,158	-504	108,972
21	Other negotiable and readily transferable instruments <sup>4</sup> .....	-7,649	-19,744	-1,935	7,161	-8,097	-4,778	-11,659	2,276	-7,165	-3,196	51,955
22	Outstanding collections and other.....	-92	-3,157	624	-3,070	3,242	-888	-705	-2,883	6,414	-5,983	15,817
23	Payable in foreign currencies .....	340	7,203	-927	2,951	-321	-1,363	3,729	-39	300	3,213	17,631
	By area:											
24	Industrial countries <sup>5</sup> .....	-121,683	-69,642	-91,630	13,841	-3,489	-40,405	-98,727	-15,464	69,892	-25,343	786,633
25	Western Europe.....	-107,306	-49,587	-84,194	23,559	-8,416	-38,255	-86,345	-17,793	63,855	-9,304	650,540
26	Of which: United Kingdom .....	-55,861	-21,539	-12,131	-12,652	-6,958	-24,120	-29,007	-2,311	-3,619	13,398	278,987
27	Canada .....	-3,154	-17,858	-6,203	-2,019	7,678	-2,610	-5,130	-6,018	3,213	-9,923	80,389
28	Japan .....	-6,335	-5,125	886	-5,124	-3,205	1,108	-7,746	4,890	1,946	-4,215	42,115
29	Other .....	-4,888	2,928	-2,119	-2,575	454	-648	494	3,457	878	-1,901	13,589
30	Caribbean banking centers <sup>6</sup> .....	-16,228	-37,269	29,719	-3,445	-14,205	-28,297	-13,191	15,308	-8,513	-30,873	414,814
31	Other areas.....	-589	2,579	5,677	-2,941	-453	-2,872	2,129	51	-2,263	2,662	153,444
32	Of which: Members of OPEC, included below <sup>7</sup> .....	3,808	1,827	2,797	-698	1,432	277	299	463	502	563	14,486
33	Latin America.....	-4,693	7,421	3,527	701	-1,955	-6,966	2,836	1,969	-2,648	5,264	85,995
34	Asia.....	2,951	-8,801	763	-3,365	1,800	3,753	-5,798	-247	-333	-2,423	57,187
35	Africa.....	-68	211	118	-142	-477	433	36	-73	266	-18	1,481
36	Other <sup>8</sup> .....	1,221	3,748	1,269	-135	179	-92	5,055	-1,598	452	-161	8,781
	<b>Memoranda:</b>											
1	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	-37,777	-25,023	-30,454	13,407	-16,342	-4,388	-12,309	-18,786	35,831	-29,759	306,555
	By borrower:											
	Claims on:											
2	own foreign offices.....	-51,599	-27,481	-37,853	9,296	-18,840	-4,202	-15,481	-22,009	37,811	-27,802	234,590
3	unaffiliated foreign banks .....	11,050	-2,537	6,873	3,853	358	-34	667	1,151	-1,479	-2,876	40,067
4	foreign public borrowers .....	449	1,442	78	-398	796	-27	393	473	136	440	4,298
5	all other foreigners.....	2,323	3,553	448	656	1,344	-125	2,112	1,599	-637	479	27,600
	By bank ownership: <sup>2</sup>											
6	U.S.-owned IBF's.....	3,772	-11,324	8,808	-5,585	5,197	-4,648	10,094	-4,451	1	-16,968	92,060
7	Foreign-owned IBF's.....	-41,549	-13,699	-39,262	18,992	-21,539	260	-22,403	-14,335	35,830	-12,791	214,495
8	Banks' dollar acceptances payable by foreigners .....	414	1,659	208	-592	229	569	1,254	-61	586	-120	2,588

See footnotes on page 74.

**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	2001 <sup>p</sup>	Not seasonally adjusted								Amounts outstanding Dec. 31, 2001
				2000				2001				
				I	II	III	IV	I	II	III <sup>r</sup>	IV <sup>p</sup>	
<b>A1</b>	<b>Foreign official assets in the United States, net (table 1, line 56)</b> .....	<b>37,619</b>	<b>6,092</b>	<b>22,498</b>	<b>6,447</b>	<b>12,247</b>	<b>-3,573</b>	<b>4,898</b>	<b>-20,879</b>	<b>16,877</b>	<b>5,196</b>	<b>943,222</b>
	By type:											
2	U.S. Treasury securities (table 1, line 58) .....	-10,233	10,760	16,204	-4,000	-9,001	-13,436	-1,027	-20,783	15,810	16,760	607,087
3	Bills and certificates .....	-3,167	2,709	8,604	-7,591	-1,692	-2,488	-3,806	-16,009	14,704	7,820	161,719
4	Bonds and notes, marketable .....	-6,302	9,989	7,977	3,586	-6,816	-11,049	3,142	-4,870	2,151	9,566	441,956
5	Bonds and notes, nonmarketable .....	-764	-1,938	-377	5	-493	101	-363	96	-1,045	-626	3,412
6	Other U.S. Government securities (table 1, line 59) .....	40,909	20,920	8,107	10,334	14,272	8,196	3,574	9,932	-216	7,630	117,397
7	Other U.S. Government liabilities (table 1, line 60) .....	-1,987	-2,482	-474	-1,000	-220	-293	-1,246	-926	119	-429	10,907
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61) .....	5,803	-28,825	-2,270	209	6,884	980	2,594	-10,130	-817	-20,472	123,125
9	Banks' liabilities for own account, payable in dollars <sup>1</sup> .....	-563	-11,845	-10,121	1,612	6,603	1,343	1,602	3,025	1,389	-17,861	83,524
10	Demand deposits .....	609	-950	-960	506	2,326	-1,263	-427	-1,046	577	-54	2,988
11	Time deposits <sup>1</sup> .....	6,696	-15,945	1,333	3,318	3,106	-1,061	-7,457	4,793	-781	-12,500	19,471
12	Other liabilities <sup>2</sup> .....	-7,868	5,050	-10,494	-2,212	1,171	3,667	9,486	-722	1,593	-5,307	61,065
13	Banks' custody liabilities, payable in dollars <sup>1,3</sup> .....	6,366	-16,980	7,851	-1,403	281	-363	992	-13,155	-2,206	-2,611	39,601
14	Other foreign official assets (table 1, line 62) .....	3,127	5,719	931	904	312	980	1,003	1,028	1,981	1,707	84,706
	By area (see text table C)											
<b>B1</b>	<b>Other foreign assets in the United States, net (table 1, lines 65 and 69)</b> .....	<b>35,161</b>	<b>110,993</b>	<b>-16,773</b>	<b>33,377</b>	<b>-14,413</b>	<b>32,970</b>	<b>7,546</b>	<b>35,593</b>	<b>-68,809</b>	<b>136,663</b>	<b>1,914,870</b>
	By type:											
2	U.S. Treasury securities (line 65) .....	-52,792	15,779	-9,348	-20,546	-12,503	-10,395	656	-8,678	-9,459	33,260	654,001
	By security:											
3	Bills and certificates .....	-4,767	8,589	523	-6,397	-4,519	5,626	1,060	711	1,932	4,886	24,224
4	Marketable bonds and notes .....	-48,025	7,190	-9,871	-14,149	-7,984	-16,021	-404	-9,389	-11,391	28,374	629,777
5	U.S. liabilities reported by U.S. banks (line 69) .....	87,953	95,214	-7,425	53,923	-1,910	43,365	6,890	44,271	-59,350	103,403	1,260,869
6	Banks' own liabilities <sup>1</sup> .....	81,030	81,716	4,428	55,872	2,438	18,292	17,370	26,354	-59,065	97,057	1,142,005
7	Payable in dollars .....	88,097	73,097	5,875	54,296	7,337	20,589	-138	16,800	-39,841	96,276	1,051,473
	By account:											
8	Liabilities to own foreign offices .....	51,314	64,272	6,645	25,178	4,876	14,615	-20,498	9,928	-23,222	98,064	745,592
	Liabilities to unaffiliated foreigners:											
9	demand deposits .....	-9,940	1,137	-12,669	958	-1,081	2,852	943	-39	848	-615	30,601
10	time deposits <sup>1</sup> .....	21,475	-18,200	12,469	12,469	-1,071	8,029	-419	-6,405	-97	-11,279	135,252
11	other liabilities <sup>2</sup> .....	25,248	25,888	9,851	15,691	4,613	-4,907	19,836	13,316	-17,370	10,106	140,028
	By holder:											
	Liabilities to:											
12	own foreign offices .....	51,314	64,272	6,645	25,178	4,876	14,615	-20,498	9,928	-23,222	98,064	745,592
13	unaffiliated foreign banks .....	19,246	-13,322	-5,020	9,923	1,673	12,670	15,084	-5,959	-6,018	-16,429	122,784
14	other private foreigners .....	19,736	24,139	267	16,247	6,672	-3,450	5,687	11,098	-10,197	17,551	172,932
15	international financial institutions <sup>4</sup> .....	-2,199	-1,992	3,983	2,948	-5,884	-3,246	-411	1,733	-404	-2,910	10,165
	By type of reporting institution: <sup>5</sup>											
	U.S.-owned banks' liabilities to:											
16	own foreign offices .....	74,046	46,286	24,103	50,742	-8,036	7,237	-33,274	22,314	-5,026	62,272	422,752
17	unaffiliated foreign banks .....	5,592	2,385	-10,282	7,952	-572	8,494	5,760	-687	-734	-1,954	47,624
18	other private foreigners and international financial institutions <sup>4</sup> .....	-16,345	7,488	-11,787	-4,813	824	-569	-4,323	6,970	128	4,713	85,469
	Foreign-owned banks' liabilities to:											
19	own foreign offices .....	-22,732	17,986	-17,458	-25,564	12,912	7,378	12,776	-12,386	-18,196	35,792	322,840
20	unaffiliated foreign banks .....	20,804	-16,626	10,068	2,818	1,569	6,349	3,927	-3,980	-4,238	-12,335	66,938
21	other private foreigners and international financial institutions <sup>4</sup> .....	8,894	-2,036	4,911	10,439	-2,663	-3,793	-549	373	-517	-1,343	31,733
	U.S. brokers' and dealers' liabilities to:											
22	unaffiliated foreign banks .....	-7,150	919	-4,806	-847	676	-2,173	5,397	-1,292	-1,046	-2,140	8,222
23	other private foreigners and international financial institutions <sup>4</sup> .....	24,988	16,695	11,126	13,569	2,627	-2,334	10,148	5,488	-10,212	11,271	65,895
24	Payable in foreign currencies .....	-7,067	8,619	-1,447	1,576	-4,899	-2,297	17,508	9,554	-19,224	781	90,532
25	Banks' custody liabilities, payable in dollars <sup>1,3</sup> .....	6,923	13,498	-11,853	-1,949	-4,348	25,073	-10,480	17,917	-285	6,346	118,864
26	Of which: Negotiable and readily transferable instruments .....	6,063	9,765	-12,484	-1,885	-4,430	24,862	-11,594	15,674	-299	5,984	77,824
	By area:											
27	Industrial countries <sup>6</sup> .....	-46,472	57,736	-22,473	-3,505	4,525	-25,019	12,038	36,872	-83,206	92,032	1,002,750
28	Western Europe .....	-32,277	40,736	-3,720	-8,171	9,914	-30,300	18,737	28,469	-80,197	73,727	706,581
29	Canada .....	-2,126	-9,360	2,360	3,402	-3,311	-4,577	-6,675	1,521	-3,646	-560	39,747
30	Other .....	-12,069	26,360	-21,113	1,264	-2,078	9,858	-24	6,882	637	18,865	256,422
31	Caribbean banking centers <sup>7</sup> .....	81,034	34,112	7,370	34,014	-10,854	50,504	447	-6,726	6,483	33,908	582,869
32	Other areas .....	599	19,145	-1,670	2,868	-8,084	7,485	-4,939	5,447	7,914	10,723	329,251
	Of which: Members of OPEC, included below <sup>8</sup>											
33	Latin America .....	4,415	-2,452	-3,622	2,723	3,596	1,718	-2,001	-714	-1,626	1,889	35,213
34	Asia .....	687	7,284	1,016	-1,088	-1,140	1,899	-3,290	3,906	5,094	1,574	109,153
35	Africa .....	3,542	8,513	-5,412	1,324	-248	7,878	-3,788	-3,118	2,338	13,081	173,809
36	Other .....	735	-189	444	-19	161	149	310	178	-353	-324	4,710
37	Other <sup>9</sup> .....	-4,365	3,537	2,282	2,651	-6,857	-2,441	1,829	4,481	835	-3,608	41,579
	<b>Memoranda:</b>											
1	International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9 and B7 above) .....	20,569	4,474	-10,869	9,844	30,105	-8,511	-24,769	18,858	-37,418	47,803	388,700
	By holder:											
	Liabilities to:											
2	own foreign offices .....	-16,153	42,743	-20,268	-7,728	28,685	-16,842	-21,298	19,171	-33,713	78,583	252,782
3	unaffiliated foreign banks .....	23,276	-20,027	2,633	12,045	-601	9,199	3,667	-5,747	-4,812	-13,135	77,826
4	foreign official agencies .....	8,385	-14,248	5,443	1,270	552	1,120	-5,973	8,203	1,074	-17,552	33,681
5	other private foreigners and international financial institutions <sup>4</sup> .....	5,061	-3,994	1,323	4,257	1,469	-1,988	-1,165	-2,769	33	-93	24,411
	By bank ownership: <sup>5</sup>											
6	U.S.-owned IBF's .....	-3,039	3,773	-11,788	8,925	-4,706	4,530	-7,602	-324	-5,412	17,111	88,586
7	Foreign-owned IBF's .....	23,608	701	919	919	34,811	-13,041	-17,167	19,182	-32,006	30,692	300,114
8	Negotiable certificates of deposit held for foreigners <sup>1</sup> (in lines A13 and B25 above) .....	3,743	-14,418	-2,289	-1,484	-581	8,097	-9,565	366	-1,656	-3,563	19,665

See footnotes on page 74.

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

Line	(Credits +, debits -) <sup>1</sup>	Western Europe						European Union <sup>14</sup>	
		2000	2001 <sup>P</sup>	2001				2000	2001 <sup>P</sup>
				I	II	III <sup>r</sup>	IV <sup>P</sup>		
<b>Current account</b>									
<b>1</b>	<b>Exports of goods and services and income receipts</b>	<b>437,170</b>	<b>402,367</b>	<b>111,346</b>	<b>106,641</b>	<b>93,559</b>	<b>90,821</b>	<b>391,637</b>	<b>360,541</b>
2	Exports of goods and services	281,812	271,174	71,644	71,259	63,589	64,682	255,258	244,766
3	Goods, balance of payments basis <sup>2</sup>	178,793	171,833	47,894	45,849	37,744	40,346	162,583	156,178
4	Services <sup>3</sup>	103,019	99,341	23,750	25,410	25,845	24,336	92,675	88,588
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	3,143	3,488	899	1,068	803	718	2,506	2,425
6	Travel	26,498	22,231	5,206	6,130	6,491	4,404	24,136	20,231
7	Passenger fares	6,897	5,816	1,380	1,627	1,677	1,132	6,656	5,632
8	Other transportation	9,340	8,945	2,212	2,235	2,402	2,096	8,055	7,714
9	Royalties and license fees <sup>5</sup>	18,201	18,432	4,374	4,485	4,437	5,136	16,584	16,579
10	Other private services <sup>5</sup>	38,768	40,273	9,636	9,832	9,997	10,808	34,582	35,869
11	U.S. Government miscellaneous services	172	156	43	33	38	42	156	138
12	Income receipts	155,358	131,193	39,702	35,382	29,970	26,139	136,379	115,775
13	Income receipts on U.S.-owned assets abroad	155,207	131,034	39,663	35,342	29,930	26,099	136,240	115,628
14	Direct investment receipts	65,503	56,650	17,368	15,429	12,165	11,686	56,215	48,095
15	Other private receipts	88,868	73,436	22,010	19,712	17,497	14,217	79,305	66,695
16	U.S. Government receipts	836	948	285	201	268	194	720	838
17	Compensation of employees	151	159	39	40	40	40	139	147
<b>18</b>	<b>Imports of goods and services and income payments</b>	<b>-521,433</b>	<b>-488,130</b>	<b>-130,835</b>	<b>-133,792</b>	<b>-112,422</b>	<b>-111,081</b>	<b>-467,900</b>	<b>-441,719</b>
19	Imports of goods and services	-336,818	-325,451	-84,453	-88,974	-73,124	-78,900	-301,888	-294,584
20	Goods, balance of payments basis <sup>2</sup>	-243,426	-241,197	-63,104	-62,475	-56,639	-58,979	-219,946	-219,742
21	Services <sup>3</sup>	-93,392	-84,254	-21,349	-26,499	-16,485	-19,921	-81,942	-74,842
22	Direct defense expenditures	-7,971	-8,586	-2,076	-2,092	-2,153	-2,265	-6,252	-6,897
23	Travel	-22,674	-20,266	-8,862	-7,161	-6,353	-2,890	-20,585	-18,393
24	Passenger fares	-13,238	-12,960	-2,723	-4,122	-4,031	-2,084	-11,981	-11,709
25	Other transportation	-13,633	-12,857	-3,406	-3,285	-3,192	-2,974	-11,126	-10,444
26	Royalties and license fees <sup>5</sup>	-8,501	-8,435	-1,966	-2,062	-2,165	-2,242	-6,807	-6,444
27	Other private services <sup>5</sup>	-26,219	-20,004	-7,030	-7,496	1,698	-7,176	-24,194	-19,979
28	U.S. Government miscellaneous services	-1,156	-1,146	-286	-281	-289	-290	-997	-976
29	Income payments	-184,615	-162,679	-46,382	-44,818	-39,298	-32,181	-166,012	-147,135
30	Income payments on foreign-owned assets in the United States	-184,388	-162,452	-46,318	-44,766	-39,251	-32,117	-165,826	-146,948
31	Direct investment payments	-45,781	-32,561	-10,971	-10,801	-8,045	-2,744	-41,477	-28,323
32	Other private payments	-95,871	-90,196	-24,989	-23,869	-21,387	-19,951	-84,703	-81,542
33	U.S. Government payments	-42,736	-39,695	-10,358	-10,096	-9,819	-9,422	-39,646	-37,083
34	Compensation of employees	-227	-227	-64	-52	-47	-64	-186	-187
<b>35</b>	<b>Unilateral current transfers, net</b>	<b>-1,293</b>	<b>-1,542</b>	<b>-379</b>	<b>-271</b>	<b>-435</b>	<b>-457</b>	<b>-168</b>	<b>-64</b>
36	U.S. Government grants <sup>4</sup>	-505	-715	-187	-154	-218	-156	-2	-8
37	U.S. Government pensions and other transfers	-1,442	-1,586	-373	-356	-369	-488	-1,234	-1,310
38	Private remittances and other transfers <sup>6</sup>	654	759	181	239	152	187	1,068	1,254
<b>Capital and financial account</b>									
<b>Capital account</b>									
<b>39</b>	<b>Capital account transactions, net</b>	<b>156</b>	<b>142</b>	<b>35</b>	<b>35</b>	<b>36</b>	<b>36</b>	<b>140</b>	<b>114</b>
<b>Financial account</b>									
<b>40</b>	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	<b>-367,391</b>	<b>-260,063</b>	<b>-188,741</b>	<b>-66,865</b>	<b>25,288</b>	<b>-29,745</b>	<b>-340,816</b>	<b>-250,015</b>
41	U.S. official reserve assets, net	-6,013	-223	250	-164	-168	-141	-1,187	-529
42	Gold <sup>7</sup>								
43	Special drawing rights								
44	Reserve position in the International Monetary Fund								
45	Foreign currencies	-6,013	-223	250	-164	-168	-141	-1,187	-529
46	U.S. Government assets, other than official reserve assets, net	545	328	195	89	-203	247	452	321
47	U.S. credits and other long-term assets	-451	-515	-13	-26	-476		-219	-215
48	Repayments on U.S. credits and other long-term assets <sup>8</sup>	939	866	237	109	273	247	621	549
49	U.S. foreign currency holdings and U.S. short-term assets, net	57	-23	-29	6			50	-13
50	U.S. private assets, net	-361,923	-260,168	-189,186	-66,790	25,659	-29,851	-340,081	-249,807
51	Direct investment	-77,213	-65,956	-17,143	-27,131	-15,270	-6,412	-61,874	-59,387
52	Foreign securities	-99,354	-56,485	-24,131	-25,933	10,655	-17,076	-86,985	-56,161
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-78,060	-88,136	-61,557	4,065	-33,382	2,738	-83,244	-93,319
54	U.S. claims reported by U.S. banks, not included elsewhere	-107,296	-49,591	-86,355	-17,791	63,656	-9,101	-101,978	-40,940
<b>55</b>	<b>Foreign-owned assets in the United States, net (increase/financial inflow(+))</b>	<b>655,195</b>	<b>569,690</b>	<b>272,525</b>	<b>161,280</b>	<b>-13,726</b>	<b>149,611</b>	<b>610,679</b>	<b>534,650</b>
56	Foreign official assets in the United States, net	-5,105	-2,455	-1,482	-3,300	4,761	-2,434	(18)	(18)
57	U.S. Government securities	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
58	U.S. Treasury securities <sup>9</sup>	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
59	Other <sup>10</sup>	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
60	Other U.S. Government liabilities <sup>11</sup>	-293	-933	-341	-462	-27	-103	-347	-93
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
62	Other foreign official assets <sup>12</sup>	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
63	Other foreign assets in the United States, net	660,300	572,145	274,007	164,580	-18,487	152,045	(18)	(18)
64	Direct investment	222,934	140,005	50,085	57,297	24,716	7,907	201,778	124,899
65	U.S. Treasury securities	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
66	U.S. securities other than U.S. Treasury securities	348,638	288,777	96,831	80,106	41,861	69,979	333,830	275,575
67	U.S. currency								
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	121,178	102,398	108,476	-1,190	-4,888		131,474	90,498
69	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
<b>70</b>	<b>Statistical discrepancy (sum of above items with sign reversed)</b>	<b>-202,404</b>	<b>-222,464</b>	<b>-63,951</b>	<b>-67,028</b>	<b>7,700</b>	<b>-99,185</b>	<b>-193,572</b>	<b>-203,507</b>
<b>Memoranda:</b>									
71	Balance on goods (lines 3 and 20)	-64,633	-69,364	-15,210	-16,626	-18,895	-18,633	-57,363	-63,564
72	Balance on services (lines 4 and 21)	9,627	15,087	2,401	-1,089	9,360	4,415	10,733	13,746
73	Balance on goods and services (lines 2 and 19)	-55,006	-54,277	-12,809	-17,715	-9,535	-14,218	-46,630	-49,818
74	Balance on income (lines 12 and 29)	-29,257	-31,486	-6,680	-9,436	-9,328	-6,042	-29,633	-31,360
75	Unilateral current transfers, net (line 35)	-1,293	-1,542	-379	-271	-435	-457	-168	-64
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-85,556	-87,305	-19,868	-27,422	-19,298	-20,717	-76,431	-81,242

See footnotes on page 74.





**Table 10. U.S. International**  
 (Millions)

Line	(Credits +, debits -) <sup>1</sup>	Eastern Europe					Canada		
		2000	2001 <sup>P</sup>	2001				2000	2001 <sup>P</sup>
				I	II	III <sup>r</sup>	IV <sup>P</sup>		
<b>Current account</b>									
<b>1</b>	<b>Exports of goods and services and income receipts</b>	<b>14,544</b>	<b>14,965</b>	<b>3,934</b>	<b>3,902</b>	<b>3,702</b>	<b>3,427</b>	<b>229,634</b>	<b>211,326</b>
2	Exports of goods and services	10,180	11,131	2,819	2,941	2,713	2,658	202,409	188,259
3	Goods, balance of payments basis <sup>2</sup>	5,925	6,826	1,694	1,832	1,608	1,692	178,987	163,939
4	Services <sup>3</sup>	4,255	4,305	1,125	1,109	1,105	966	23,422	24,320
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	397	483	131	143	124	85	143	117
6	Travel	1,336	1,191	296	365	312	218	7,055	6,300
7	Passenger fares	89	72	18	24	16	14	1,713	1,655
8	Other transportation	342	266	58	72	67	69	2,703	2,516
9	Royalties and license fees <sup>5</sup>	247	303	63	75	76	89	2,101	2,138
10	Other private services <sup>5</sup>	1,793	1,924	545	413	493	473	9,633	11,521
11	U.S. Government miscellaneous services	51	66	14	17	17	17	74	73
12	Income receipts	4,364	3,834	1,115	961	989	769	27,225	23,067
13	Income receipts on U.S.-owned assets abroad	4,344	3,814	1,110	956	984	764	27,147	22,988
14	Direct investment receipts	1,650	1,622	475	462	403	282	14,518	13,064
15	Other private receipts	2,200	1,905	511	485	459	450	12,629	9,924
16	U.S. Government receipts	494	287	124	9	122	32		
17	Compensation of employees	20	20	5	5	5	5	78	79
<b>18</b>	<b>Imports of goods and services and income payments</b>	<b>-21,273</b>	<b>-19,561</b>	<b>-5,652</b>	<b>-4,815</b>	<b>-4,748</b>	<b>-4,346</b>	<b>-259,612</b>	<b>-238,058</b>
19	Imports of goods and services	-18,669	-16,920	-4,951	-4,144	-4,037	-3,788	-250,268	-236,647
20	Goods, balance of payments basis <sup>2</sup>	-16,101	-14,453	-4,438	-3,254	-3,360	-3,401	-233,678	-219,588
21	Services <sup>3</sup>	-2,568	-2,467	-513	-890	-677	-387	-16,590	-17,059
22	Direct defense expenditures	-119	-144	-45	-30	-34	-35	-70	-79
23	Travel	-1,270	-1,158	-244	-524	-276	-114	-6,367	-6,397
24	Passenger fares	-365	-369	-51	-130	-144	-44	-827	-676
25	Other transportation	-249	-211	-50	-53	-52	-56	-3,578	-3,295
26	Royalties and license fees <sup>5</sup>	-83	-61	-9	-17	-23	-12	-987	-1,206
27	Other private services <sup>5</sup>	-426	-458	-99	-119	-131	-109	-4,555	-5,160
28	U.S. Government miscellaneous services	-56	-66	-15	-17	-17	-17	-206	-246
29	Income payments	-2,604	-2,641	-701	-671	-711	-558	-9,344	-1,411
30	Income payments on foreign-owned assets in the United States	-2,558	-2,595	-687	-661	-703	-544	-9,088	-1,156
31	Direct investment payments	-123	-210	-37	-51	-77	-45	-911	5,364
32	Other private payments	-1,018	-830	-253	-222	-216	-139	-6,214	-4,516
33	U.S. Government payments	-1,417	-1,555	-397	-388	-410	-360	-1,963	-2,004
34	Compensation of employees	-46	-46	-14	-10	-8	-14	-256	-255
<b>35</b>	<b>Unilateral current transfers, net</b>	<b>-3,667</b>	<b>-3,538</b>	<b>-909</b>	<b>-826</b>	<b>-910</b>	<b>-893</b>	<b>-724</b>	<b>-752</b>
36	U.S. Government grants <sup>4</sup>	-1,789	-1,541	-399	-348	-389	-405	-499	-534
37	U.S. Government pensions and other transfers	-48	-57	-13	-13	-20	-11	-492	-534
38	Private remittances and other transfers <sup>6</sup>	-1,830	-1,940	-497	-465	-501	-477	-225	-218
<b>Capital and financial account</b>									
<b>Capital account</b>									
<b>39</b>	<b>Capital account transactions, net</b>	<b>26</b>	<b>16</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>109</b>	<b>137</b>
<b>Financial account</b>									
<b>40</b>	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	<b>337</b>	<b>-1,492</b>	<b>-1,028</b>	<b>-149</b>	<b>10</b>	<b>-325</b>	<b>-39,363</b>	<b>-39,073</b>
41	U.S. official reserve assets, net								
42	Gold <sup>7</sup>								
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	28	19	-43	7	45		
47	U.S. credits and other long-term assets	-852	-89	-2	-46	-20	-21		
48	Repayments on U.S. credits and other long-term assets <sup>8</sup>	418	117	21	3	27	66		
49	U.S. foreign currency holdings and U.S. short-term assets, net	2							
50	U.S. private assets, net	769	-1,520	-1,047	-106	3	-370	-39,363	-39,073
51	Direct investment	277	-2,286	-1,188	-859	-233	-6	-18,301	-20,024
52	Foreign securities	-176	1,599	885	183	57	474	-14,720	-2,281
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-111	173	183	23	-33		-3,188	1,090
54	U.S. claims reported by U.S. banks, not included elsewhere	779	-1,006	-927	547	212	-838	-3,154	-17,858
<b>55</b>	<b>Foreign-owned assets in the United States, net (increase/financial inflow(+))</b>	<b>16,421</b>	<b>9,742</b>	<b>-56</b>	<b>8,755</b>	<b>7,056</b>	<b>-6,013</b>	<b>51,336</b>	<b>11,937</b>
56	Foreign official assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	-172	-303
57	U.S. Government securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
58	U.S. Treasury securities <sup>9</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
59	Other <sup>10</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
60	Other U.S. Government liabilities <sup>11</sup>	335	28	9		-3	22	-63	-16
61	U.S. liabilities reported by U.S. banks, not included elsewhere	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
62	Other foreign official assets <sup>12</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
63	Other foreign assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	51,508	12,240
64	Direct investment	1,326	3,515	175	1,950	1,673	-283	27,975	1,961
65	U.S. Treasury securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
66	U.S. securities other than U.S. Treasury securities	1,275	540	265	325	29	-79	18,579	15,418
67	U.S. currency								
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-132	-171	-168	-30	27		7,080	4,221
69	U.S. liabilities reported by U.S. banks, not included elsewhere	<sup>18</sup> 13,617	<sup>18</sup> 830	<sup>18</sup> 337	<sup>18</sup> 5,510	<sup>18</sup> 5,330	<sup>18</sup> 5,673	( <sup>17</sup> )	( <sup>17</sup> )
<b>70</b>	<b>Statistical discrepancy (sum of above items with sign reversed)</b>	<b>-6,388</b>	<b>-132</b>	<b>3,707</b>	<b>-6,871</b>	<b>-5,114</b>	<b>8,146</b>	<b>18,620</b>	<b>54,483</b>
<b>Memoranda:</b>									
71	Balance on goods (lines 3 and 20)	-10,176	-7,627	-2,744	-1,422	-1,752	-1,709	-54,691	-55,649
72	Balance on services (lines 4 and 21)	1,687	1,838	612	219	428	579	6,832	7,261
73	Balance on goods and services (lines 2 and 19)	-8,489	-5,789	-2,132	-1,203	-1,324	-1,130	-47,859	-48,388
74	Balance on income (lines 12 and 29)	1,760	1,193	414	290	278	211	17,881	21,656
75	Unilateral current transfers, net (line 35)	-3,667	-3,538	-909	-826	-910	-893	-724	-752
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-10,396	-8,134	-2,627	-1,739	-1,956	-1,812	-30,702	-27,484

See footnotes on page 74.

Transactions, by Area—Continued  
of dollars]

Canada				Latin America and Other Western Hemisphere								Japan				Line	
2001				2000	2001 <sup>P</sup>	2001				2000	2001 <sup>P</sup>	2001					
I	II	III <sup>r</sup>	IV <sup>p</sup>			I	II	III <sup>r</sup>	IV <sup>p</sup>			I	II	III <sup>r</sup>	IV <sup>p</sup>		
55,941	56,988	49,196	49,201	304,094	275,610	73,560	70,651	67,779	63,620	112,278	99,011	27,724	25,159	24,274	21,854	1	
49,378	50,898	43,821	44,162	225,375	212,358	54,452	54,363	52,709	50,834	98,470	89,088	24,939	22,601	21,425	20,123	2	
42,649	44,707	37,967	38,616	170,262	159,442	41,410	40,539	38,834	38,659	63,576	56,038	16,062	14,562	12,861	12,553	3	
6,729	6,191	5,854	5,546	55,113	52,916	13,042	13,824	13,875	12,175	34,894	33,050	8,877	8,039	8,564	7,570	4	
25	48	27	17	838	723	159	239	194	131	590	570	227	116	119	108	5	
1,973	1,818	1,474	1,035	21,909	20,068	4,852	5,584	5,473	4,159	10,238	9,181	2,709	2,262	2,484	1,726	6	
587	431	376	261	5,958	5,116	1,308	1,471	1,385	952	3,773	2,959	797	683	881	598	7	
621	684	622	589	3,456	3,132	802	803	814	713	3,508	3,314	809	830	877	798	8	
513	503	536	586	2,995	3,258	747	794	822	895	6,993	7,020	1,736	1,742	1,720	1,822	9	
2,986	2,688	2,803	3,044	19,792	20,450	5,132	4,893	5,145	5,280	9,939	9,939	2,578	2,391	2,467	2,503	10	
24	19	16	14	165	169	42	40	42	45	62	67	21	15	16	15	11	
6,563	6,090	5,375	5,039	78,719	63,252	19,108	16,288	15,070	12,786	13,808	9,923	2,785	2,558	2,849	1,731	12	
6,543	6,070	5,355	5,020	78,589	63,140	19,074	16,255	15,036	12,775	13,800	9,915	2,783	2,556	2,847	1,729	13	
3,684	3,511	2,998	2,871	19,115	18,577	4,566	4,345	4,856	4,810	7,266	5,649	1,535	1,490	1,656	968	14	
2,859	2,559	2,357	2,149	59,081	44,164	14,411	11,818	10,095	7,840	6,512	4,240	1,236	1,057	1,187	760	15	
				393	399	97	92	85	125	22	26	12	9	4	1	16	
				130	112	34	33	34	11	8	8	2	2	2	2	17	
-62,088	-63,153	-57,766	-55,051	-322,905	-299,406	-80,677	-77,775	-72,832	-68,122	-209,517	-182,487	-50,395	-44,975	-44,690	-42,427	18	
-61,629	-63,802	-57,081	-54,135	-248,364	-237,301	-61,619	-61,234	-58,253	-56,195	-165,202	-144,952	-39,478	-35,944	-34,230	-35,300	19	
-57,875	-59,192	-52,019	-50,502	-210,179	-199,676	-51,560	-50,801	-49,978	-47,337	-146,497	-126,645	-34,630	-31,175	-29,896	-30,944	20	
-3,754	-4,610	-5,062	-3,633	-38,185	-37,625	-10,059	-10,433	-8,275	-8,858	-18,705	-18,307	-4,848	-4,769	-4,334	-4,356	21	
-23	-18	-18	-20	-279	-412	-99	-65	-98	-150	-1,320	-1,273	-282	-318	-333	-340	22	
-1,030	-1,734	-2,702	-931	-17,977	-16,623	-4,571	-4,705	-4,188	-3,159	-2,872	-2,527	-664	-795	-634	-434	23	
-136	-193	-221	-126	-3,046	-2,879	-736	-803	-791	-549	-938	-901	-216	-259	-230	-196	24	
-841	-853	-805	-796	-3,019	-3,019	-786	-783	-767	-683	-5,738	-5,182	-1,366	-1,301	-1,317	-1,198	25	
-239	-462	-245	-260	-1,114	-1,079	-264	-271	-270	-274	-3,974	-4,680	-1,358	-1,049	-1,085	-1,188	26	
-1,425	-1,278	-1,008	-1,449	-12,013	-13,111	-3,476	-3,689	-2,031	-3,915	-3,725	-3,615	-925	-1,017	-709	-964	27	
-60	-72	-63	-51	-524	-502	-127	-117	-130	-128	-138	-129	-37	-30	-26	-36	28	
-459	649	-685	-916	-74,541	-62,105	-19,058	-16,541	-14,579	-11,927	-44,315	-37,535	-10,917	-9,031	-10,460	-7,127	29	
-392	711	-625	-850	-68,134	-55,403	-17,546	-14,935	-12,776	-10,146	-44,260	-37,481	-10,900	-9,020	-10,452	-7,109	30	
1,396	2,357	983	628	-2,928	218	-655	-236	352	757	-7,337	-2,375	-1,827	-264	-927	643	31	
-1,264	-1,132	-1,098	-1,022	-52,280	-42,316	-13,396	-11,267	-9,906	-7,747	-10,915	-10,182	-2,378	-2,328	-3,529	-1,947	32	
-524	-514	-510	-456	-12,926	-13,305	-3,495	-3,432	-3,222	-3,156	-26,008	-24,924	-6,695	-6,428	-5,996	-5,805	33	
-67	-62	-60	-66	-6,407	-6,702	-1,512	-1,606	-1,803	-1,781	-55	-54	-17	-11	-8	-18	34	
-199	-162	-199	-192	-15,634	-17,046	-4,156	-4,171	-4,290	-4,429	-252	-303	-113	-53	-84	-53	35	
				-1,972	-2,064	-506	-525	-523	-510							36	
-130	-131	-130	-143	-756	-848	-189	-173	-180	-306	-114	-116	-30	-30	-31	-25	37	
-69	-31	-69	-49	-12,906	-14,134	-3,461	-3,473	-3,587	-3,613	-138	-187	-83	-23	-53	-28	38	
31	29	37	40	256	257	58	65	65	69	24	32	8	8	8	8	39	
-5,436	-14,270	-4,877	-14,490	-152,154	-100,299	-18,332	18,095	-38,065	-61,997	8,952	-28,521	-22,192	1,725	2,847	-10,901	40	
										4,137	-458	-445	-8	-4	-1	41	
																42	
																43	
																44	
										4,137	-458	-445	-8	-4	-1	45	
						135	258	-82	61	213	66	39	-2	-1		46	
						-676	-516	-249	-62	-133						47	
						899	804	175	135	295	199					48	
						-88	-30	-8	-2	-20		39	-2	-1	-1	49	
-5,436	-14,270	-4,877	-14,490	-152,289	-100,557	-18,250	18,034	-38,278	-62,063	4,776	-28,061	-21,746	1,734	2,851	-10,900	50	
-4,537	-5,872	-5,103	-4,512	-19,948	-31,545	-9,173	-2,349	-16,103	-9,920	-8,060	-7,212	-2,619	-434	-1,332	-2,827	51	
623	-2,422	-216	-266	-33,282	-23,718	-3,254	-13,632	-274	-6,558	21,966	-18,614	-6,150	-7,190	-1,293	-3,991	52	
3,608	42	-2,771	211	-77,996	-15,457	4,400	16,870	-10,983	-25,744	-2,795	2,890	-5,231	4,468	3,530	123	53	
-5,130	-6,018	3,213	-9,923	-21,063	-29,837	-10,223	17,145	-10,918	-25,841	-6,335	-5,125	-7,746	4,890	1,946	-4,215	54	
2,210	8,748	-6,700	7,679	167,878	151,461	33,653	33,489	23,670	60,649	61,758	71,700	4,612	5,729	12,299	49,060	55	
-2,000	1,153	-275	819	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	57	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	59	
-2	-24	-1	11	7	-148	68	-109	-84	-23	-239	-275	-235	-40	73	-73	60	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	61	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	62	
4,210	7,595	-6,425	6,860	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	63	
1,170	4,544	-6,505	2,752	4,326	2,073	235	-892	851	1,879	10,043	-317	-141	-1,642	644	822	64	
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	65	
5,273	5,192	285	4,668	37,416	82,425	15,175	30,583	17,469	19,198	40,914	41,921	8,228	9,183	7,359	17,151	66	
																67	
4,442	-3,662	3,441		41,447	25,302	18,899	6,570	-2,684	2,517	5,446	-1,565	-1,508	-177	120		68	
(17)	(17)	(17)	(17)	1884,682	1841,809	18-724	18-2,663	188,118	1837,078	185,594	1831,936	18-1,732	18-1,595	184,103	1831,160		69
9,541	11,820	20,309	12,813	18,465	-10,577	-4,106	-40,354	23,673	10,210	26,757	40,568	40,356	12,407	5,346	-17,541	70	
-15,226	-14,485	-14,052	-11,886	-39,917	-40,234	-10,150	-10,262	-11,144	-8,678	-82,921	-70,607	-18,568	-16,613	-17,035	-18,391	71	

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

Line	(Credits +, debits -) <sup>1</sup>	Australia					
		2000	2001 <sup>p</sup>	2001			
				I	II	III <sup>r</sup>	IV <sup>p</sup>
<b>Current account</b>							
1	<b>Exports of goods and services and income receipts</b>	<b>25,441</b>	<b>21,279</b>	<b>5,463</b>	<b>5,524</b>	<b>5,098</b>	<b>5,194</b>
2	Exports of goods and services	17,944	15,937	3,996	4,067	3,982	3,892
3	Goods, balance of payments basis <sup>2</sup>	12,189	10,610	2,704	2,639	2,574	2,693
4	Services <sup>3</sup>	5,755	5,327	1,292	1,428	1,408	1,199
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	335	231	61	106	37	27
6	Travel	1,856	1,543	365	444	452	282
7	Passenger fares	528	445	113	130	119	83
8	Other transportation	334	312	72	76	89	75
9	Royalties and license fees <sup>5</sup>	719	721	177	170	182	192
10	Other private services <sup>5</sup>	1,975	2,067	502	501	527	537
11	U.S. Government miscellaneous services	8	8	2	1	2	3
12	Income receipts	7,497	5,342	1,467	1,457	1,116	1,302
13	Income receipts on U.S.-owned assets abroad	7,493	5,338	1,466	1,456	1,115	1,301
14	Direct investment receipts	3,625	2,186	580	620	382	604
15	Other private receipts	3,868	3,152	886	836	733	697
16	U.S. Government receipts						
17	Compensation of employees	4	4	1	1	1	1
18	<b>Imports of goods and services and income payments</b>	<b>-11,928</b>	<b>-9,378</b>	<b>-2,528</b>	<b>-3,089</b>	<b>-1,828</b>	<b>-1,933</b>
19	Imports of goods and services	-9,802	-9,719	-2,331	-2,531	-2,537	-2,280
20	Goods, balance of payments basis <sup>2</sup>	-6,422	-6,459	-1,457	-1,639	-1,756	-1,607
21	Services <sup>3</sup>	-3,380	-3,260	-874	-932	-781	-673
22	Direct defense expenditures	-81	-112	-16	-50	-23	-23
23	Travel	-1,465	-1,293	-398	-400	-267	-228
24	Passenger fares	-619	-602	-164	-157	-155	-126
25	Other transportation	-244	-218	-58	-55	-58	-47
26	Royalties and license fees <sup>5</sup>	-73	-53	-13	-15	-14	-11
27	Other private services <sup>5</sup>	-862	-950	-217	-248	-256	-229
28	U.S. Government miscellaneous services	-36	-32	-8	-7	-8	-9
29	Income payments	-2,126	341	-197	-518	709	347
30	Income payments on foreign-owned assets in the United States	-2,119	347	-195	-517	710	349
31	Direct investment payments	-487	1,607	195	-155	983	584
32	Other private payments	-1,144	-819	-253	-235	-183	-148
33	U.S. Government payments	-488	-441	-137	-127	-90	-87
34	Compensation of employees	-7	-6	-2	-1	-1	-2
35	<b>Unilateral current transfers, net</b>	<b>-305</b>	<b>-347</b>	<b>-90</b>	<b>-84</b>	<b>-84</b>	<b>-89</b>
36	U.S. Government grants <sup>4</sup>						
37	U.S. Government pensions and other transfers	-43	-45	-11	-12	-12	-10
38	Private remittances and other transfers <sup>6</sup>	-262	-302	-79	-72	-72	-79
<b>Capital and financial account</b>							
<b>Capital account</b>							
39	<b>Capital account transactions, net</b>	<b>8</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Financial account</b>							
40	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	<b>-3,357</b>	<b>1,092</b>	<b>1,255</b>	<b>-2,183</b>	<b>3,663</b>	<b>-1,643</b>
41	U.S. official reserve assets, net						
42	Gold <sup>7</sup>						
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 <sup>8</sup>						
49	U.S. foreign currency holdings and U.S. short-term assets, net	1					
50	U.S. private assets, net	-3,358	1,092	1,255	-2,183	3,663	-1,643
51	Direct investment	-1,464	46	938	-613	70	-349
52	Foreign securities	968	-1,611	-53	-2,027	360	109
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	1,484	-299	-61	-2,923	2,685	
54	U.S. claims reported by U.S. banks, not included elsewhere	-4,346	2,956	431	3,380	548	-1,403
55	<b>Foreign-owned assets in the United States, net (increase/financial inflow(+))</b>	<b>6,460</b>	<b>-2,157</b>	<b>-786</b>	<b>2,080</b>	<b>-2,095</b>	<b>-1,356</b>
56	Foreign official assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
57	U.S. Government securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
58	U.S. Treasury securities <sup>9</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
59	Other <sup>10</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
60	Other U.S. Government liabilities <sup>11</sup>	-97	56	3	-52	49	56
61	U.S. liabilities reported by U.S. banks, not included elsewhere	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
62	Other foreign official assets <sup>12</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
63	Other foreign assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
64	Direct investment	2,430	1,995	-4	1,763	1,194	-958
65	U.S. Treasury securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
66	U.S. securities other than U.S. Treasury securities	1,923	-1,761	-129	-582	-983	-67
67	U.S. currency						
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-1,099	629	224	576	-171	
69	U.S. liabilities reported by U.S. banks, not included elsewhere	<sup>18</sup> 3,303	<sup>18</sup> -3,076	<sup>18</sup> -880	<sup>18</sup> 375	<sup>18</sup> -2,184	<sup>18</sup> -387
70	<b>Statistical discrepancy (sum of above items with sign reversed)</b>	<b>-16,319</b>	<b>-10,493</b>	<b>-3,315</b>	<b>-2,249</b>	<b>-4,755</b>	<b>-174</b>
<b>Memoranda:</b>							
71	Balance on goods (lines 3 and 20)	5,767	4,151	1,247	1,000	818	1,086
72	Balance on services (lines 4 and 21)	2,375	2,067	418	496	627	526
73	Balance on goods and services (lines 2 and 19)	8,142	6,218	1,665	1,496	1,445	1,612
74	Balance on income (lines 12 and 29)	5,371	5,683	1,270	939	1,825	1,649
75	Unilateral current transfers, net (line 35)	-305	-347	-90	-84	-84	-89
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	13,208	11,554	2,845	2,351	3,186	3,172

See footnotes on page 74.

**Transactions, by Area—Continued**  
of dollars]

Other countries in Asia and Africa						International organizations and unallocated <sup>16</sup>						Line
2000	2001 <sup>P</sup>	2001				2000	2001 <sup>P</sup>	2001				
		I	II	III <sup>r</sup>	IV <sup>p</sup>			I	II	III <sup>r</sup>	IV <sup>p</sup>	
<b>259,942</b>	<b>238,805</b>	<b>65,272</b>	<b>59,136</b>	<b>57,619</b>	<b>56,778</b>	<b>35,465</b>	<b>35,034</b>	<b>8,594</b>	<b>8,702</b>	<b>8,755</b>	<b>8,983</b>	1
223,371	210,462	56,853	52,054	51,228	50,327	6,141	6,180	1,533	1,564	1,516	1,567	2
162,477	152,143	41,288	37,936	36,080	36,839	1						3
60,894	58,319	15,565	14,118	15,148	13,488	6,140	6,180	1,533	1,564	1,516	1,567	4
8,614	7,201	1,878	1,642	1,744	1,937							5
13,150	11,781	2,769	3,552	3,419	2,041							6
1,787	1,671	445	484	440	302							7
9,946	9,276	2,371	2,282	2,408	2,215	556	531	140	126	136	129	8
4,791	4,968	1,210	1,211	1,231	1,316	1,983	2,035	484	495	499	557	9
22,276	23,104	6,811	4,871	5,823	5,599	3,601	3,614	909	943	881	881	10
330	318	81	76	83	78							11
36,571	28,343	8,419	7,082	6,391	6,451	29,324	28,854	7,061	7,138	7,239	7,416	12
36,491	28,259	8,398	7,061	6,370	6,430	27,454	26,854	6,569	6,641	6,737	6,907	13
23,082	18,641	5,536	4,623	4,200	4,282	14,481	16,262	3,962	3,972	4,070	4,258	14
12,033	8,392	2,588	2,188	1,870	1,746	12,249	9,962	2,419	2,512	2,522	2,509	15
1,376	1,226	274	250	300	402	724	630	188	157	145	140	16
80	84	21	21	21	21	1,870	2,000	492	497	502	509	17
<b>-447,880</b>	<b>-413,209</b>	<b>-104,148</b>	<b>-101,821</b>	<b>-106,973</b>	<b>-100,267</b>	<b>-14,551</b>	<b>-15,096</b>	<b>-3,749</b>	<b>-3,623</b>	<b>-3,776</b>	<b>-3,948</b>	18
-409,452	-378,878	-94,838	-93,320	-98,438	-92,282	-2,866	-2,531	-732	-669	-577	-553	19
-368,114	-339,428	-84,524	-83,216	-88,768	-82,920							20
-41,338	-39,450	-10,314	-10,104	-9,670	-9,362	-2,866	-2,531	-732	-669	-577	-553	21
-3,720	-4,169	-1,026	-940	-1,026	-1,177							22
-11,912	-10,657	-2,906	-2,992	-2,386	-2,373							23
-5,164	-5,020	-1,408	-1,324	-1,318	-970							24
-12,865	-11,932	-3,119	-2,903	-3,003	-2,907	-1,519	-1,516	-474	-412	-325	-305	25
-300	-330	-81	-82	-84	-83	-1,074	-555	-140	-141	-138	-136	26
-6,614	-6,540	-1,570	-1,662	-1,651	-1,657	-273	-451	-117	-115	-113	-106	27
-763	-802	-204	-201	-202	-195		-9	-1	-1	-1	-6	28
-38,428	-34,331	-9,310	-8,501	-8,535	-7,985	-11,685	-12,565	-3,017	-2,954	-3,199	-3,395	29
-37,914	-33,791	-9,146	-8,390	-8,440	-7,815	-11,685	-12,565	-3,017	-2,954	-3,199	-3,395	30
-2,591	-489	-31	-261	-99	-98	-7,851	-8,984	-2,100	-2,074	-2,280	-2,530	31
-13,209	-10,945	-3,736	-2,740	-2,505	-1,964	-3,814	-3,549	-911	-874	-910	-854	32
-22,114	-22,357	-5,379	-5,389	-5,836	-5,753	-20	-32	-6	-6	-9	-11	33
-514	-540	-164	-111	-95	-170							34
<b>-22,250</b>	<b>-18,282</b>	<b>-4,186</b>	<b>-4,050</b>	<b>-4,716</b>	<b>-5,330</b>	<b>-10,011</b>	<b>-8,691</b>	<b>-1,998</b>	<b>-1,886</b>	<b>-1,726</b>	<b>-3,081</b>	35
-11,382	-6,282	-1,074	-1,286	-1,607	-2,315	-1,173	-732	-253	-195	-140	-144	36
-497	-549	-154	-129	-128	-138	-1,306	-2,069	-267	-90	-157	-1,555	37
-10,371	-11,451	-2,958	-2,635	-2,981	-2,877	-7,532	-5,890	-1,478	-1,601	-1,429	-1,382	38
<b>126</b>	<b>138</b>	<b>36</b>	<b>35</b>	<b>31</b>	<b>36</b>							39
<b>-14,576</b>	<b>-18,332</b>	<b>-11,054</b>	<b>-4,474</b>	<b>208</b>	<b>-3,012</b>	<b>-13,400</b>	<b>7,125</b>	<b>-673</b>	<b>-6,143</b>	<b>-7,815</b>	<b>21,756</b>	40
						1,586	-4,230	385	-1,171	-3,387	-57	41
						-722	-630	-189	-156	-145	-140	42
						2,308	-3,600	574	-1,015	-3,242	83	43
												44
												45
-54	107	245	-515	340	37	-1,178	-1,292	-355	-377	-336	-224	46
-2,020	-2,038	-475	-809	-117	-637	-1,178	-1,292	-355	-377	-336	-224	47
2,001	2,014	582	323	467	642							48
-35	131	138	-29	-10	32							49
-14,522	-18,439	-11,299	-3,959	-132	-3,049	-13,808	12,647	-703	-4,595	-4,092	22,037	50
-14,495	-14,708	-6,939	-2,786	-2,759	-2,224	-13,233	-14,334	-3,360	-3,109	-3,792	-4,073	51
117	2,424	-569	-210	1,669	1,534	-454	1,025	1,058	122	-394	239	52
-3,102	-2,074	-2,355	-311	592	-78	-78	25,746	2	-2	1	25,745	53
2,958	-4,081	-1,436	-652	366	-2,359	-43	210	1,597	-1,606	93	126	54
<b>59,442</b>	<b>81,679</b>	<b>29,420</b>	<b>-864</b>	<b>27,337</b>	<b>25,786</b>	<b>5,728</b>	<b>1,407</b>	<b>5,474</b>	<b>7,885</b>	<b>11,561</b>	<b>-23,513</b>	55
(18)	(18)	(18)	(18)	(18)	(18)	5	19		1	10	8	56
(18)	(18)	(18)	(18)	(18)	(18)							57
(18)	(18)	(18)	(18)	(18)	(18)							58
(18)	(18)	(18)	(18)	(18)	(18)							59
-1,642	-1,213	-748	-240	102	-327	5	19		1	10	8	60
(18)	(18)	(18)	(18)	(18)	(18)							61
(18)	(18)	(18)	(18)	(18)	(18)							62
(18)	(18)	(18)	(18)	(18)	(18)	5,723	1,388	5,474	7,884	11,551	-23,521	63
12,082	642	-489	765	-349	715	6,539	8,062	1,833	1,944	2,071	2,214	64
(18)	(18)	(18)	(18)	(18)	(18)							65
36,996	70,547	22,876	15,739	16,611	15,321		566	290	-34	146	164	66
						1,129	23,783	2,311	2,772	8,203	10,497	67
2,908	1,666	215	1,237	214	182	-34,258	44	51			-34,353	68
<sup>18</sup> 0,098	<sup>18</sup> 10,037	<sup>18</sup> 7,566	<sup>18</sup> -18,365	<sup>18</sup> 10,759	<sup>18</sup> 10,077	<sup>18</sup> -2,030	<sup>18</sup> 3,235	<sup>18</sup> 996	<sup>18</sup> 3,151	<sup>18</sup> 1,131	<sup>18</sup> -2,043	69
<b>165,196</b>	<b>129,201</b>	<b>24,660</b>	<b>52,038</b>	<b>26,494</b>	<b>26,009</b>	<b>-3,231</b>	<b>-19,779</b>	<b>-7,648</b>	<b>-4,935</b>	<b>-6,999</b>	<b>-197</b>	70
-205,637	-187,285	-43,236	-45,280	-52,688	-46,081	1						71
19,566	18,869	5,251	4,014	5,478	4,126	3,274	3,649	801	895	939	1,014	72
-186,081	-168,416	-37,985	-41,266	-47,210	-41,955	3,275	3,649	801	895	939	1,014	73
-1,857	-5,988	-891	-1,419	-2,144	-1,534	17,939	16,289	4,044	4,184	4,040	4,021	74
-22,250	-18,282	-4,186	-4,050	-4,716	-5,330	-10,011	-8,691	-1,998	-1,886	-1,726	-3,081	75
-210,188	-192,686	-43,062	-46,735	-54,070	-48,819	10,903	11,247	2,847	3,193	3,253	1,954	76

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

**General notes for all tables:** <sup>p</sup> Preliminary. <sup>r</sup> Revised. <sup>†</sup> Less than \$500,000 (+/-) <sup>††</sup> 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 nonincluded 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 includes wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining construction; transportation, communication, and public utilities; and retail trade.

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

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

### Table 6:

1. Primarily provincial, regional, and municipal.

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

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