

An Ownership-Based Framework of the U.S. Current Account, 2015

This report updates the supplemental ownership-based framework of the current account of the U.S. international transactions accounts (ITAs) prepared by the Bureau of Economic Analysis (BEA). The supplemental presentation includes the same major elements as the standard current-account presentation: trade in goods and services as well as receipts and payments of both primary income and secondary income. Primary income generally represents income that results from the production of goods and services or the provision of financial assets; it includes income on foreign investment and compensation of employees. Secondary income represents all other income (also known as current transfers); it includes, for example, foreign aid and remittances. As in the standard presentation, transactions are defined as international when they occur between a U.S. resident and a nonresident. The residency of an affiliate of a multinational enterprise (MNE) depends on the country where the affiliate's operations are located, not on the country of its owner.

The ownership-based framework goes beyond the standard presentation of the current account, highlighting the important role that MNEs play in international transactions. First, it recognizes that direct investment income results from the MNE's active role in decisions about the production of goods and services by its affiliates. Under the ownership-based framework, direct investment income is renamed "net receipts or payments of direct investment income resulting from sales by affiliates" to distinguish this income from the other, more passive types of investment income included in the current account, such as dividends and interest on foreign stocks and bonds. Second, this framework shows that these receipts and payments are the result of substantial sales of goods and services and purchases of labor and other inputs. Third, it disaggregates trade in goods and services to show trade with affiliated foreigners separately from trade with unaffiliated foreigners.

This report includes new summary statistics on the major current-account aggregates for 2015, revised and more detailed statistics for 2014, and revised statistics for earlier years.¹ The updated statistics in this report

1. The statistics for 1982–2015 are available on BEA's Web site. For details about data sources for the statistics, see "Data Sources."

through 2015 reflect the 2016 annual revision of the ITAs, which incorporates newly available and revised source data and improved estimation methodologies.² In addition, the updated statistics reflect preliminary results from both the 2014 Benchmark Survey of U.S. Direct Investment Abroad ("outward" direct investment) and the 2014 Annual Survey of Foreign Direct Investment in the United States ("inward" direct investment) as well as the revised results from both the 2013 Annual Survey of U.S. Direct Investment Abroad and the 2013 Annual Survey of Foreign Direct Investment in the United States.³

A technical note that presents information on the conceptual basis of the ownership-based framework is available on BEA's Web site.⁴

The following are highlights of the updated statistics in table A:⁵

- In 2015, U.S. receipts from exports of goods and services and net income receipts of U.S. parents from sales by foreign affiliates were \$2,682.8 billion, consisting of exports of goods and services of \$2,261.2 billion and net income receipts of U.S. parents from sales by their foreign affiliates of \$421.6 billion. U.S. payments for imports of goods and services and net income payments to foreign parents resulting from sales by U.S. affiliates were \$2,917.7 billion, consisting of imports

2. For more information about the 2016 annual revision, see C. Omar Kebbeh and Eric Bryda, "Annual Revision of the U.S. International Transactions Accounts," SURVEY OF CURRENT BUSINESS 96 (July 2016).

3. For more information about the U.S. direct investment abroad survey results, see Sarah P. Scott, "Activities of U.S. Multinational Enterprises in 2014," SURVEY 96 (December 2016). For more information about foreign direct investment in the United States survey results, see Sarah Stutzman, "Activities of U.S. Affiliates of Foreign Multinational Enterprises in 2014," SURVEY 96 (August 2016).

4. For additional information about the sources and methods used to prepare the supplemental estimates, see Obie G. Whichard and Jeffrey H. Lowe, "An Ownership-Based Disaggregation of the U.S. Current Account, 1982–93," SURVEY 75 (October 1995): 52–61. For a general review of the issues relating to ownership relationships in international transactions, see J. Steven Landefeld, Obie G. Whichard, and Jeffrey H. Lowe, "Alternative Frameworks for U.S. International Transactions," SURVEY 73 (December 1993): 50–61.

5. The statistics in table A correspond to the statistics in table 2 on BEA's Web site, which presents statistics for 1999–2015 and reflects the June 2014 comprehensive restructuring of the ITAs. Table 1, which presents statistics for 1982–1998, reflects methodologies before the comprehensive restructuring. For the details, see Maria Borge and Kristy L. Howell, "The Comprehensive Restructuring of the International Economic Accounts," SURVEY 94 (March 2014) and "An Ownership-Based Framework of the U.S. Current Account, 2002–2013" SURVEY 95 (January 2015).

of goods and services of \$2,761.5 billion and net income payments to foreign parents from sales by their U.S. affiliates of \$156.2 billion.

- In 2015, the deficit on goods, services, and net income receipts from sales by affiliates (U.S. parents' income receipts from foreign affiliates less U.S. affiliates' income payments to foreign parents) was \$235.0 billion, less than the more narrowly defined deficit on

trade in goods and services, which was \$500.4 billion. The ownership-based deficit was smaller because receipts of income by U.S. parents resulting from sales by their foreign affiliates were larger than payments of income to foreign parents from sales by their U.S. affiliates.

- In 2015, the deficit on goods, services, and net income receipts was \$235.0 billion, up from \$201.2 billion in

Table A. Ownership-Based Framework of the U.S. Current Account, 2004–2015—Continues

(Billions of dollars)

| Line | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 ¹ |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|
| 1 Exports of goods and services and income receipts (international transactions accounts (ITAs) table 1.2, line 1) | 1,642.3 | 1,896.0 | 2,222.1 | 2,569.5 | 2,751.9 | 2,285.9 | 2,630.8 | 2,987.6 | 3,097.1 | 3,214.8 | 3,338.8 | 3,172.7 |
| Less: Adjustment to convert direct investment receipts to a directional basis (ITA table 4.2, line 8) | 4.8 | 6.6 | 8.4 | 10.1 | 9.6 | 7.8 | 6.9 | 6.7 | 6.6 | 8.8 | 9.9 | 10.9 |
| 3 Equals: Exports of goods and services and income receipts, directional basis | 1,637.5 | 1,889.3 | 2,213.7 | 2,559.4 | 2,742.3 | 2,278.1 | 2,623.9 | 2,980.9 | 3,090.5 | 3,206.0 | 3,328.8 | 3,161.8 |
| 4 Receipts resulting from exports of goods and services and sales by foreign affiliates (line 5 plus line 20) | 1,412.2 | 1,580.6 | 1,782.5 | 2,024.3 | 2,255.4 | 1,945.6 | 2,294.5 | 2,597.7 | 2,678.2 | 2,762.7 | 2,845.0 | 2,682.8 |
| 5 Exports of goods and services, total (ITA table 1.2, line 2) | 1,161.5 | 1,286.0 | 1,457.6 | 1,653.5 | 1,841.6 | 1,583.1 | 1,853.6 | 2,127.0 | 2,219.0 | 2,293.5 | 2,376.6 | 2,261.2 |
| Goods, balance of payments basis (ITA table 1.2, line 3) | 823.6 | 913.0 | 1,040.9 | 1,165.2 | 1,308.8 | 1,070.3 | 1,290.3 | 1,499.2 | 1,562.6 | 1,592.0 | 1,633.3 | 1,510.3 |
| Services (ITA table 1.2, line 13) | 338.0 | 373.0 | 416.7 | 488.4 | 532.8 | 512.7 | 563.3 | 627.8 | 656.4 | 701.5 | 743.3 | 750.9 |
| To unaffiliated foreigners | 821.6 | 915.9 | 1,055.6 | 1,192.4 | 1,352.8 | 1,120.0 | 1,342.9 | 1,547.3 | 1,586.4 | 1,618.3 | 1,652.3 | ..... |
| Goods ² | 572.9 | 639.1 | 747.9 | 837.2 | 961.3 | 748.5 | 931.5 | 1,092.5 | 1,111.8 | 1,118.5 | 1,126.8 | ..... |
| Services | 248.7 | 276.8 | 307.7 | 355.3 | 391.5 | 371.4 | 411.4 | 454.8 | 474.6 | 499.8 | 525.5 | 531.4 |
| To affiliated foreigners | 340.0 | 370.1 | 402.0 | 461.1 | 488.8 | 463.1 | 510.7 | 579.7 | 632.5 | 675.2 | 724.3 | ..... |
| Goods ² | 250.7 | 273.9 | 293.0 | 328.0 | 347.5 | 321.8 | 358.8 | 406.7 | 450.8 | 473.5 | 506.5 | ..... |
| Services | 89.3 | 96.2 | 109.0 | 133.1 | 141.3 | 141.3 | 151.9 | 173.0 | 181.8 | 201.7 | 217.8 | 219.4 |
| To foreign affiliates of U.S. parents | n.a. | n.a. | 285.8 | 321.5 | 340.1 | 318.4 | 353.2 | 403.3 | 420.5 | 450.7 | 492.9 | ..... |
| Goods ² | 170.6 | 188.8 | 200.2 | 214.1 | 227.6 | 207.5 | 232.8 | 264.7 | 276.2 | 288.7 | 313.8 | ..... |
| Services | n.a. | n.a. | 85.6 | 107.4 | 112.5 | 110.9 | 120.4 | 138.6 | 144.3 | 162.0 | 179.1 | 177.7 |
| To foreign parent groups of U.S. affiliates | n.a. | n.a. | 116.2 | 139.6 | 148.7 | 144.7 | 157.5 | 176.4 | 212.1 | 224.5 | 231.4 | ..... |
| Goods ² | 80.1 | 85.1 | 92.8 | 113.9 | 119.9 | 114.3 | 126.0 | 142.0 | 174.6 | 184.7 | 192.7 | ..... |
| Services | n.a. | n.a. | 23.4 | 25.7 | 28.8 | 30.4 | 31.5 | 34.4 | 37.5 | 39.7 | 38.7 | 41.7 |
| 20 Net receipts by U.S. parents of direct investment income resulting from sales by their foreign affiliates (ITA table 4.2, line 11) | 250.6 | 294.5 | 324.8 | 370.8 | 413.7 | 362.5 | 440.9 | 470.7 | 459.2 | 469.2 | 468.4 | 421.6 |
| Sales by foreign affiliates ³ | 3,841.4 | 4,362.2 | 4,793.3 | 5,785.1 | 6,513.2 | 5,640.4 | 6,066.7 | 6,894.9 | 6,977.5 | 7,054.7 | 7,417.2 | ..... |
| Less: Foreign affiliates' purchases of goods and services directly from the United States ⁴ | 264.0 | 293.1 | 323.2 | 363.5 | 380.4 | 341.0 | 379.9 | 419.9 | 426.4 | 450.7 | 492.9 | ..... |
| Less: Costs and profits accruing to foreign persons | 2,548.1 | 2,837.3 | 3,098.9 | 3,752.3 | 4,285.2 | 3,705.7 | 3,952.2 | 4,502.5 | 4,620.9 | 4,655.4 | 4,954.6 | ..... |
| Compensation of employees of foreign affiliates | 378.6 | 405.0 | 436.1 | 505.7 | 535.9 | 547.9 | 559.1 | 602.5 | 625.6 | 633.1 | 694.5 | ..... |
| Other | 2,169.5 | 2,432.3 | 2,662.8 | 3,246.6 | 3,749.3 | 3,157.8 | 3,393.1 | 3,900.0 | 3,995.3 | 4,022.4 | 4,260.1 | ..... |
| Less: Sales by foreign affiliates to other foreign affiliates of the same parent | 780.0 | 937.5 | 1,040.0 | 1,298.5 | 1,433.9 | 1,231.2 | 1,293.7 | 1,501.8 | 1,471.0 | 1,479.3 | 1,501.2 | ..... |
| Plus: Bank affiliates (net receipts) | 1.3 | 0.2 | -6.4 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| 28 Primary income receipts, except on direct investment (line 29 plus line 33) | 165.2 | 242.8 | 359.9 | 463.2 | 400.3 | 244.1 | 237.1 | 282.3 | 303.2 | 316.6 | 343.4 | 350.4 |
| Investment income, except on direct investment | 160.4 | 238.0 | 354.8 | 458.0 | 395.0 | 238.3 | 231.2 | 276.2 | 296.9 | 310.0 | 336.7 | 343.3 |
| Portfolio investment income (ITA table 1.2, line 26) | 186.8 | 129.7 | 166.1 | 221.6 | 241.3 | 184.4 | 194.9 | 237.3 | 260.4 | 278.4 | 305.0 | 311.6 |
| Other investment income (ITA table 1.2, line 27) | 50.6 | 107.1 | 187.4 | 234.9 | 152.1 | 53.1 | 35.7 | 38.0 | 36.0 | 31.2 | 31.5 | 31.5 |
| Reserve asset income (ITA table 1.2, line 28) | 1.2 | 1.2 | 1.2 | 1.4 | 1.6 | 0.8 | 0.7 | 0.8 | 0.5 | 0.4 | 0.3 | 0.2 |
| Compensation of employees (ITA table 1.2, line 29) | 4.7 | 4.8 | 5.1 | 5.2 | 5.4 | 5.7 | 5.9 | 6.1 | 6.3 | 6.6 | 6.7 | 7.1 |
| 34 Secondary income (current transfer) receipts (ITA table 1.2, line 30) | 60.2 | 66.0 | 71.4 | 71.9 | 86.6 | 88.5 | 92.3 | 100.8 | 109.1 | 126.7 | 140.4 | 128.6 |
| 35 Imports of goods and services and income payments (ITA table 1.2, line 31) | 2,276.1 | 2,641.4 | 3,028.9 | 3,288.1 | 3,442.7 | 2,669.9 | 3,072.8 | 3,447.9 | 3,543.6 | 3,581.2 | 3,730.8 | 3,635.7 |
| Less: Adjustment to convert direct investment receipts to a directional basis (ITA table 4.2, line 8) | 4.8 | 6.6 | 8.4 | 10.1 | 9.6 | 7.8 | 6.9 | 6.7 | 6.6 | 8.8 | 9.9 | 10.9 |
| 37 Equals: Imports of goods and services and income receipts, directional basis | 2,271.3 | 2,634.8 | 3,020.4 | 3,278.0 | 3,433.1 | 2,662.2 | 3,065.9 | 3,441.2 | 3,537.0 | 3,572.4 | 3,720.9 | 3,624.8 |
| 38 Payments resulting from imports of goods and services and sales by U.S. affiliates (line 39 plus line 54) | 1,871.2 | 2,121.6 | 2,370.1 | 2,485.1 | 2,679.8 | 2,071.7 | 2,501.2 | 2,847.8 | 2,921.2 | 2,928.3 | 3,046.2 | 2,917.7 |
| 39 Imports of goods and services, total (ITA table 1.2, line 32) | 1,771.4 | 2,000.3 | 2,219.4 | 2,358.9 | 2,550.3 | 1,966.8 | 2,348.3 | 2,675.6 | 2,755.8 | 2,755.3 | 2,866.8 | 2,761.5 |
| Goods, balance of payments basis (ITA table 1.2, line 33) | 1,488.3 | 1,695.8 | 1,878.2 | 1,986.3 | 2,141.3 | 1,580.0 | 1,939.0 | 2,239.9 | 2,303.7 | 2,294.2 | 2,385.5 | 2,272.9 |
| Services (ITA table 1.2, line 42) | 283.1 | 304.4 | 341.2 | 372.6 | 409.1 | 386.8 | 409.3 | 435.8 | 452.0 | 461.1 | 481.3 | 488.7 |
| From unaffiliated foreigners | 1,168.8 | 1,326.9 | 1,491.5 | 1,575.3 | 1,720.6 | 1,233.9 | 1,549.4 | 1,777.5 | 1,814.6 | 1,776.9 | 1,830.3 | ..... |
| Goods ² | 936.8 | 1,080.8 | 1,219.1 | 1,279.7 | 1,398.3 | 936.7 | 1,237.3 | 1,455.7 | 1,481.4 | 1,445.9 | 1,487.4 | ..... |
| Services | 232.0 | 246.0 | 272.4 | 295.6 | 322.4 | 297.2 | 312.1 | 321.9 | 333.1 | 331.0 | 342.8 | 347.4 |
| From affiliated foreigners | 602.6 | 673.4 | 727.9 | 783.6 | 829.7 | 732.9 | 798.9 | 898.1 | 941.2 | 978.4 | 1,036.5 | ..... |
| Goods ² | 551.5 | 615.0 | 659.1 | 706.6 | 743.0 | 643.3 | 701.7 | 784.2 | 822.3 | 848.3 | 898.1 | ..... |
| Services | 51.1 | 58.4 | 68.8 | 77.0 | 86.7 | 89.6 | 97.2 | 113.9 | 118.9 | 130.1 | 138.4 | 141.3 |
| From foreign affiliates of U.S. parents | n.a. | n.a. | 286.5 | 310.6 | 321.2 | 285.3 | 327.4 | 391.2 | 410.0 | 417.1 | 456.1 | ..... |
| Goods ² | 218.8 | 245.0 | 249.6 | 267.4 | 272.6 | 233.6 | 270.7 | 320.2 | 338.0 | 336.9 | 368.9 | ..... |
| Services | n.a. | n.a. | 36.9 | 43.2 | 48.6 | 51.7 | 56.7 | 71.0 | 72.0 | 80.2 | 87.2 | 90.5 |
| From foreign parent groups of U.S. affiliates | n.a. | n.a. | 441.4 | 473.0 | 508.5 | 447.6 | 471.5 | 506.9 | 531.2 | 561.3 | 580.4 | ..... |
| Goods ² | 332.7 | 370.0 | 409.5 | 439.2 | 470.4 | 409.7 | 431.0 | 464.0 | 484.3 | 511.5 | 529.2 | ..... |
| Services | n.a. | n.a. | 31.9 | 33.8 | 38.1 | 37.9 | 40.5 | 42.9 | 46.9 | 49.8 | 51.3 | 50.8 |

n.a. Not available

1. The estimates for 2015 are from the international transactions accounts, which are published quarterly. Detailed estimates for 2015 from BEA's annual surveys of the activities of multinational enterprises will not be available until the second half of 2017.

2. The sources for total U.S. exports and imports of goods are based on Census Bureau tabulations of Customs data. The sources for U.S. parent trade in goods with their foreign affiliates and U.S. affiliate trade in goods with their foreign parent groups are BEA's annual surveys of financial and operating data of U.S. parents, their foreign affiliates, and foreign-owned U.S. affiliates.

3. For 2007–2014, annual data on sales, purchases, costs, and profits for both bank and nonbank affiliates are included in the calculation in lines 21–26, lines 55–60, line 71–75, and lines 76–80. For 1999–2006, these data for bank affiliates are unavailable.

4. In principle, purchases of services from the United States should include both purchases from the U.S. parent and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for

services, line 22 only includes purchases from U.S. parents.

5. In principle, purchases of services from abroad should include both purchases from the foreign parent group and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for services, line 56 only includes purchases from the foreign parent group.

6. In principle, sales by U.S. affiliates to other U.S. affiliates of the same foreign parent should be subtracted, but data on these sales are unavailable. Because U.S. affiliates are generally required to report to BEA on a fully consolidated basis, most of these sales are eliminated through consolidation, and the remaining amount is thought to be negligible.

7. Other foreign content (purchases from foreign persons by foreign affiliates) is overstated to the extent that it includes U.S. exports that are embodied in goods and services purchased by foreign affiliates from foreign suppliers.

8. In principle, the sales exclude the affiliates' sales to other affiliates of their parent. For U.S. affiliates, data on sales to other affiliates are unavailable, but these sales are thought to be negligible. (See footnote 6.)

9. Other U.S. content (purchases from U.S. persons by U.S. affiliates) is overstated to the extent that it includes U.S. imports that are embodied in goods and services purchased by U.S. affiliates from U.S. suppliers.

2014. The increase of \$33.8 billion reflected a \$23.6 billion decrease in the surplus on net income receipts from sales by affiliates and a \$10.2 billion increase in the deficit on trade in goods and services.

- In 2014 (the latest year for which detailed statistics are available), net receipts of direct investment income of \$468.4 billion resulted from sales by foreign affiliates of \$7,417.2 billion less deductions of \$6,948.7 billion for labor, other inputs, and profits accruing to foreign persons (this calculation used unrounded numbers).

Net payments of \$179.4 billion in 2014 resulted from sales by U.S. affiliates of \$4,377.2 billion less deductions of \$4,197.8 billion for labor, other inputs, and profits accruing to foreign persons.

- Long-run patterns in the statistics suggest that MNEs have been playing a growing role in U.S. international transactions. Transactions that are facilitated by the operations of MNEs—direct investment income and intrafirm trade in goods and services—have accounted for a growing share of all transactions. They

Table A. Ownership-Based Framework of the U.S. Current Account, 2004–2015—Table Ends

(Billions of dollars)

| Line | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 ¹ |
|--|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------------------|
| 54 | Net payments to foreign parents of direct investment income resulting from sales by their U.S. affiliates (ITA table 4.2, line 48) | | | | | | | | | | | |
| | 99.8 | 121.3 | 150.8 | 126.2 | 129.4 | 104.8 | 152.9 | 172.2 | 165.4 | 173.0 | 179.4 | 156.2 |
| 55 | 2,526.3 | 2,792.5 | 3,114.5 | 3,616.2 | 3,887.1 | 3,277.2 | 3,432.2 | 3,864.6 | 4,191.7 | 4,331.6 | 4,377.2 | |
| 56 | 437.5 | 495.0 | 546.4 | 600.2 | 662.1 | 555.4 | 608.8 | 696.8 | 719.7 | 766.4 | 786.3 | |
| 57 | 1,993.7 | 2,180.6 | 2,424.8 | 2,889.8 | 3,095.6 | 2,617.0 | 2,670.5 | 2,995.6 | 3,306.6 | 3,392.2 | 3,411.5 | |
| 58 | 351.9 | 365.5 | 395.9 | 437.6 | 457.2 | 450.6 | 448.9 | 481.6 | 518.8 | 534.3 | 547.4 | |
| 59 | 1,641.8 | 1,815.1 | 2,028.9 | 2,452.2 | 2,638.4 | 2,166.4 | 2,221.6 | 2,514.0 | 2,787.8 | 2,857.9 | 2,864.1 | |
| 60 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | |
| 61 | 4.7 | 4.4 | 7.5 | | | | | | | | | |
| 62 | Primary income payments, except on direct investment | | | | | | | | | | | |
| 63 | 251.9 | 348.4 | 490.6 | 607.2 | 538.5 | 378.2 | 347.5 | 359.9 | 381.2 | 393.9 | 408.4 | 433.4 |
| 64 | 237.9 | 332.5 | 474.1 | 591.4 | 521.4 | 363.8 | 333.5 | 345.7 | 366.2 | 377.9 | 391.5 | 415.4 |
| 65 | 195.8 | 238.6 | 304.9 | 381.8 | 400.0 | 332.5 | 313.5 | 324.9 | 345.2 | 361.8 | 377.5 | 400.4 |
| 66 | 42.1 | 93.9 | 169.2 | 209.7 | 121.4 | 31.3 | 20.0 | 20.8 | 21.0 | 16.1 | 14.0 | 15.0 |
| 67 | 14.0 | 15.9 | 16.4 | 15.7 | 17.1 | 14.4 | 14.0 | 14.2 | 14.9 | 16.0 | 16.9 | 18.1 |
| 67 | Secondary income (current transfer) payments (ITA table 1.2, line 58) | | | | | | | | | | | |
| | 148.2 | 164.8 | 159.7 | 185.8 | 214.8 | 212.3 | 217.2 | 233.5 | 234.7 | 250.2 | 266.3 | 273.6 |
| Memoranda: | | | | | | | | | | | | |
| 68 | -609.9 | -714.2 | -761.7 | -705.4 | -708.7 | -383.8 | -494.7 | -548.6 | -536.8 | -461.9 | -490.2 | -500.4 |
| 69 | -459.0 | -541.0 | -587.7 | -460.8 | -424.4 | -126.1 | -206.6 | -250.1 | -243.0 | -165.6 | -201.2 | -235.0 |
| 70 | -633.8 | -745.4 | -806.7 | -718.6 | -690.8 | -384.0 | -442.0 | -460.4 | -446.5 | -366.4 | -392.1 | -463.0 |
| Addenda: | | | | | | | | | | | | |
| Source of the content of foreign affiliates' sales and change in inventories:³ | | | | | | | | | | | | |
| 71 | Sales to nonaffiliates and change in inventories, total (line 21 minus line 26 plus the change in inventories) | | | | | | | | | | | |
| | 3,092.4 | 3,544.0 | 3,722.6 | 4,565.1 | 5,069.7 | 4,433.8 | 4,794.3 | 5,413.1 | 5,529.1 | 5,616.8 | 5,928.5 | |
| 72 | 2,828.4 | 3,250.9 | 3,399.4 | 4,201.6 | 4,689.3 | 4,092.8 | 4,414.4 | 4,993.2 | 5,102.7 | 5,166.1 | 5,435.6 | |
| 73 | 948.9 | 1,050.0 | 1,151.1 | 1,346.1 | 1,466.7 | 1,350.0 | 1,458.1 | 1,651.1 | 1,661.0 | 1,639.5 | 1,717.6 | |
| 74 | 1,879.5 | 2,200.9 | 2,248.3 | 2,855.5 | 3,222.6 | 2,742.8 | 2,956.3 | 3,342.1 | 3,441.7 | 3,526.7 | 3,718.0 | |
| 75 | 264.0 | 293.1 | 323.2 | 363.5 | 380.4 | 341.0 | 379.9 | 419.9 | 426.4 | 450.7 | 492.9 | |
| Source of the content of U.S. affiliates' sales and change in inventories:^{3, 8} | | | | | | | | | | | | |
| 76 | Sales to nonaffiliates and change in inventories, total (line 55 minus line 60 plus the change in inventories) | | | | | | | | | | | |
| | 2,543.4 | 2,814.6 | 3,138.3 | 3,613.3 | 3,912.5 | 3,249.7 | 3,434.6 | 3,901.1 | 4,219.1 | 4,351.5 | 4,391.9 | |
| 77 | 2,105.9 | 2,319.6 | 2,591.9 | 3,013.1 | 3,250.4 | 2,694.3 | 2,825.8 | 3,204.3 | 3,499.4 | 3,585.1 | 3,605.6 | |
| 78 | 563.5 | 611.5 | 679.7 | 736.7 | 714.8 | 665.5 | 727.1 | 808.8 | 878.9 | 910.8 | 920.1 | |
| 79 | 1,542.4 | 1,708.1 | 1,912.2 | 2,276.4 | 2,535.6 | 2,028.8 | 2,098.7 | 2,395.5 | 2,620.5 | 2,674.3 | 2,685.5 | |
| 80 | 437.5 | 495.0 | 546.4 | 600.2 | 662.1 | 555.4 | 608.8 | 696.8 | 719.7 | 766.4 | 786.3 | |

n.a. Not available

1. The estimates for 2015 are from the international transactions accounts, which are published quarterly. Detailed estimates for 2015 from BEA's annual surveys of the activities of multinational enterprises will not be available until the second half of 2017.

2. The sources for total U.S. exports and imports of goods are based on Census Bureau tabulations of Customs data. The sources for U.S. parent trade in goods with their foreign affiliates and U.S. affiliate trade in goods with their foreign parent groups are BEA's annual surveys of financial and operating data of U.S. parents, their foreign affiliates, and foreign-owned U.S. affiliates.

3. For 2007–2014, annual data on sales, purchases, costs, and profits for both bank and nonbank affiliates are included in the calculation in lines 21–26, lines 55–60, line 71–75, and lines 76–80. For 1999–2006, these data for bank affiliates are unavailable.

4. In principle, purchases of services from the United States should include both purchases from the U.S. parent and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for

services, line 22 only includes purchases from U.S. parents.

5. In principle, purchases of services from abroad should include both purchases from the foreign parent group and purchases from unaffiliated providers. However, data on purchases from unaffiliated providers are unavailable, so for services, line 56 only includes purchases from the foreign parent groups.

6. In principle, sales by U.S. affiliates to other U.S. affiliates of the same foreign parent should be subtracted, but data on these sales are unavailable. Because U.S. affiliates are generally required to report to BEA on a fully consolidated basis, most of these sales are eliminated through consolidation, and the remaining amount is thought to be negligible.

7. Other foreign content (purchases from foreign persons by foreign affiliates) is overstated to the extent that it includes U.S. exports that are embodied in goods and services purchased by foreign affiliates from foreign suppliers.

8. In principle, the sales exclude the affiliates' sales to other affiliates of their parent. For U.S. affiliates, data on sales to other affiliates are unavailable, but these sales are thought to be negligible. (See footnote 6.)

9. Other U.S. content (purchases from U.S. persons by U.S. affiliates) is overstated to the extent that it includes U.S. imports that are embodied in goods and services purchased by U.S. affiliates from U.S. suppliers.

accounted for 35.8 percent of U.S. receipts (line 3 in table A) in 2014, up from 30.4 percent in 1982, and they accounted for 32.7 percent of U.S. payments (line 37) in 2014, up from 27.4 percent in 1982 (chart 1).⁶ These patterns may reflect the growing complexity of U.S. international transactions, such as the rise of global value chains and corporate inversions, which leads to an increased need for coordination and cooperation, such as that provided within an MNE structure.⁷ Direct investment income receipts as a share of total receipts increased from 8.0 percent in 1982 to 14.1 percent in 2014, whereas the share attributable to intrafirm exports of goods and services decreased from 22.3 percent in 1982 to 21.8 percent in 2014.⁸ Direct investment income payments as a share of total payments increased from less than 1 percent in 1982 to 4.8 percent in 2014, and the share attributable to intrafirm imports of goods and services increased from 26.8 percent in 1982 to 27.9 percent in 2014.

- By type of affiliation, the share of receipts attributable to intrafirm exports of goods and services to foreign affiliates of U.S. parents decreased from 15.1 percent

6. The statistics on U.S. international transactions for 1982–1998 exclude secondary income receipts and payments (or current transfers) in total U.S. receipts and payments because secondary income for 1982–1998 was presented on a net basis.

7. For more information, see Jessica M. Hanson, Howard I. Krakower, Raymond J. Mataloni Jr., and Kate L.S. Pinard, “The Effects of Corporate Inversions on the International and National Economic Accounts,” SURVEY 95 (February 2015).

8. The shares are calculated using the statistics from “Ownership-Based Framework of the Current Account for 1982–2015” that are available on BEA’s Web site.

in 1982 to 14.8 percent in 2014 (the latest year for which detailed statistics are available), while the share attributable to foreign parent groups of U.S. affiliates decreased from 7.2 percent in 1982 to 7.0 percent in 2014. The share of payments attributable to intrafirm imports of goods and services from foreign affiliates of U.S. parents increased from 11.8 percent in 1982 to 12.3 percent in 2014, whereas the share attributable to imports of goods and services from foreign parent groups of U.S. affiliates increased from 15.0 percent in 1982 to 15.6 percent in 2014.

Chart 1. U.S. Multinational Enterprises (Intrafirm Trade and Direct Investment Income) as a Share of U.S. International Transactions

