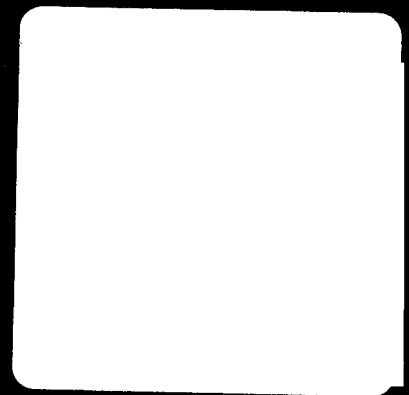
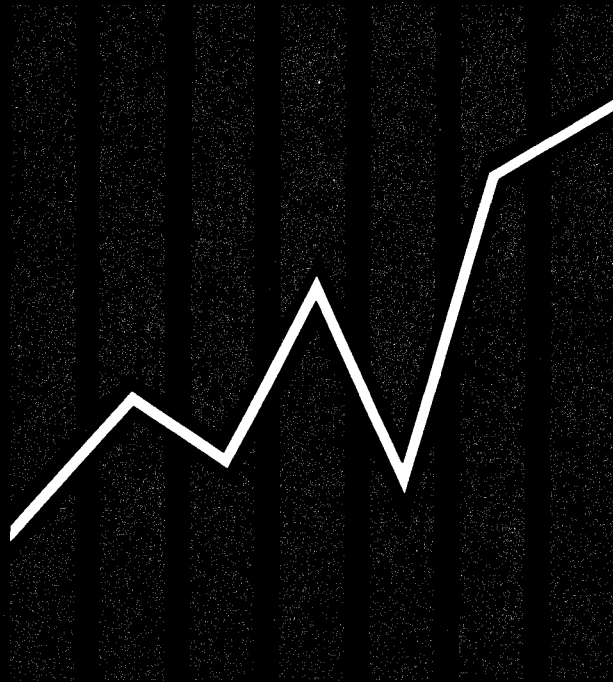


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3



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Staff Contributors to This Issue: Christopher L. Bach, Leo M. Bernstein, David W. Cartwright, Ellen M. Herr, Daniel J. Larkins, Larry R. Moran, National Income and Wealth Division, Charles S. Robinson, Joseph C. Wakefield.

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NOTE—This issue of the SURVEY went to the printer on April 4, 1988. It incorporates data from the following monthly BEA news releases:

- Gross National Product (Mar. 23),
- Personal Income and Outlays (Mar. 24), and
- Composite Indexes of Leading, Coincident, and Lagging Indicators (Mar. 29).

the BUSINESS SITUATION

PROFITS from current production—profits before tax with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAdj)—declined \$4½ billion in the fourth quarter of 1987, following an \$18 billion increase in the third. Domestic profits of nonfinancial corporations declined \$10 billion after a \$20½ billion increase; domestic profits of financial corporations declined \$1½ billion after a \$1 billion decline; and profits from the rest of the world increased \$7 billion after a \$1 billion decline.

Profits before tax (PBT) declined \$2 billion in the fourth quarter, following a \$16 billion increase in the third. The fourth-quarter difference between profits from current production and PBT reflected a \$3½ billion decline in the IVA (to negative \$21½ billion) and a \$1 billion increase in the CCAdj (to \$48½ billion). The IVA and CCAdj convert inventories and depreciation reported by business for tax purposes to those used in the national income and product accounts (NIPA's).

While PBT declined \$2 billion in the fourth quarter, profits tax liability declined even more (\$4½ billion); as a result, profits after tax (PAT) increased \$2½ billion. This divergence of PBT and PAT resulted from the sharp increase in profits from the rest of the world. If profits from the rest of the world is removed from both PBT and PAT, the resulting estimates of domestic profits before and after tax both show declines—\$9 billion and \$4½ billion, respectively.

Profits from the rest of the world—consisting of inflows to U.S. corporations from their foreign affiliates net of outflows to foreign corporations from their U.S. affiliates—are included in total PBT and total PAT. These total measures are national measures of profits, i.e., profits of U.S. residents regardless of where those profits were generated. Domestic profits, in con-

trast, are profits earned within the geographical confines of the United States and include the profits of U.S. affiliates of foreign corporations. Profits of U.S. affiliates are subtracted from the domestic profits total in calculating the national total. The before- and after-tax measures of the profits of U.S. affiliates are equal because they reflect only profits that could be remitted to the foreign parent, i.e., profits net of U.S. taxes. Inflows from foreign affiliates are added to the domestic profits total in calculating the national total. The before- and after-tax measures of inflows are equal because it is assumed that foreign tax credits satisfy all U.S. tax liability on these profits.

The fourth-quarter increase in profits from the rest of the world reflected both a sizable increase in the inflow of profits from foreign affiliates of U.S. corporations (\$4 billion) and a sizable decline in the outflow of profits to foreign parents of affiliates in this country (\$3 billion). The increased inflow was largely from non-petroleum affiliates in Europe; the reduced outflow reflected, in large part, lower profits of wholesaling affiliates of Japanese corporations.

The fourth-quarter decline in domestic profits was widespread; profits fell in almost all manufacturing industries (chemical manufacturing being the only notable exception) and in both wholesale and retail trade.

Looking Ahead . . .

- **Local Area Personal Income.** A comprehensive revision of county and metropolitan area estimates of personal income is nearing completion. Total and per capita personal income for 1984-86 will appear in the April SURVEY. More detailed estimates of personal income by type and industry, 1969-86, will be available as of May 4.

- **Gross State Product.** Estimates of gross State product will be introduced in an upcoming issue of the SURVEY. The estimates are by industry for 1963-86.

- **U.S. Affiliates of Foreign Companies: Operations in 1986.** Data and analysis of the operations in 1986 of foreign-owned U.S. companies, by industry and by country of foreign owner, will be presented in the May SURVEY. Key measures by State will also be presented. Selected data will be available as of May 4.

- **U.S. Business Enterprises Acquired or Established by Foreign Direct Investors in 1987.** Data on the cost to foreign direct investors of the ownership interests acquired or established in U.S. business enterprises in 1987, by industry and by country of foreign owner, will be presented in the May SURVEY. Selected operating data of the U.S. business enterprises will also be presented.

- **Pollution Abatement and Control Expenditures.** Estimates of U.S. expenditures for pollution abatement and control for 1983-86 will appear in the May issue of the SURVEY.

Profits rebounded, however, in the transportation, communications, and public utilities group.

Government sector

The fiscal position of the government sector in the national income and product accounts deteriorated substantially in the fourth quarter of 1987, as the combined deficit of the Federal Government and of State and local governments increased \$34½ billion to \$124 billion (table 1). The deficit of the Federal Government increased \$25½ billion, and the surplus of State and local governments declined \$9 billion. The increase in the combined deficit was due to a strong acceleration in spending, particularly at the Federal Government level.

The Federal sector.—The Federal Government deficit increased to \$161½ billion, as expenditures increased more than receipts.

Receipts increased \$13½ billion, following no change in the third quarter when a large decline in personal tax and nontax receipts offset increases in other receipt categories. (See the November 1987 "Business Situation" for a discussion of the decline in personal taxes in the third quarter.) The fourth-quarter increase was more than accounted for by personal taxes (up \$9 billion) and contributions for social insurance (up \$6½ billion). These increases—and a smaller one in indirect business tax and nontax accruals—were partly offset by a \$3½ billion decline in corporate profits tax accruals.

Expenditures increased \$39 billion, following a \$3½ billion decline in the third quarter. All categories of expenditures, except national defense purchases of goods and services, contributed to the sharp rebound. The bulk of the rebound was accounted for by three expenditure categories, each of which recorded large increases in the fourth quarter, following declines in the third. Subsidies less the current surplus of government enterprises increased \$18½ billion in the fourth quarter, following a \$7½ billion decline in the third; the swing was largely due to subsidies to farmers. Nondefense purchases increased \$6 billion, following a \$2 billion decline; purchases of agricultural commodities by the Commodity Credit Corporation (CCC) and non-CCC purchases both contributed to the swing.

Transfer payments to foreigners increased \$6 billion, following a \$½ billion decline; this shift was due to a rebound in military and economic assistance. Net interest paid accelerated in the fourth quarter. Grants-in-aid to State and local governments declined, but less than in the third quarter. National defense purchases decelerated, increasing \$½ billion in the fourth quarter, compared with \$4½ billion in the third.

Cyclically adjusted deficit.—When measured using cyclical adjustments based on middle-expansion trend GNP, the Federal deficit on the national income and product accounts basis increased from \$166.1 billion in the third quarter to \$200.8 billion in the fourth (see table 2 on page 17). The cyclically adjusted deficit as a

percentage of middle-expansion trend GNP increased from 3.8 percent in the third quarter to 4.5 percent in the fourth.

State and local sector.—The State and local government surplus declined \$9 billion in the fourth quarter to \$37½ billion, as expenditures increased more than receipts. An increase in the other funds deficit more than accounted for the total decline; the social insurance funds surplus increased \$1 billion.

Receipts increased \$5½ billion, compared with \$6½ billion in the third quarter. Personal tax and nontax receipts increased \$4½ billion, following a \$1 billion decline. (See the November 1987 "Business Situation" for a discussion of the decline in personal taxes in the third quarter.) Indirect business tax and nontax accruals

Table 1.—Government Sector Receipts and Expenditures

(Billions of dollars, seasonally adjusted at annual rates)

| | Change from preceding quarter | | | | | Level 1987:IV |
|---|-------------------------------|-------|-------|-------|-------|------------------|
| | 1986 | 1987 | | | | |
| | IV | I | II | III | IV | |
| Government sector | | | | | | |
| Receipts..... | 29.7 | 30.4 | 59.1 | 8.9 | 20.5 | 1,497.6 |
| Expenditures..... | 23.6 | 21.8 | 18.2 | 9.6 | 55.0 | 1,621.4 |
| Surplus or deficit (-)..... | 10.0 | 8.6 | 40.8 | -7 | -34.5 | -123.8 |
| Federal Government | | | | | | |
| Receipts..... | 20.1 | 26.8 | 43.6 | .1 | 13.5 | 986.4 |
| Personal tax and nontax receipts..... | 11.2 | 5.2 | 34.1 | -11.4 | 9.2 | 413.5 |
| Corporate profits tax accruals..... | 6.2 | 12.4 | 4.9 | 6.7 | -3.3 | 111.2 |
| Indirect business tax and nontax accruals..... | -1.0 | 2.2 | .9 | -3 | 1.1 | 54.9 |
| Contributions for social insurance..... | 3.7 | 7.0 | 3.7 | 5.1 | 6.5 | 356.8 |
| Expenditures..... | 5.1 | 8.6 | 12.3 | -3.3 | 39.0 | 1,097.8 |
| Purchases of goods and services..... | -2.6 | -1.7 | 12.7 | 2.5 | 6.9 | 388.9 |
| National defense..... | -8.5 | 8.5 | 7.0 | 4.5 | .7 | 299.8 |
| Nondefense..... | 5.9 | -10.1 | 5.6 | -2.0 | 6.1 | 89.2 |
| Of which: Commodity Credit Corporation inventory change..... | 6.2 | -10.9 | -1.5 | -1.1 | 3.8 | -2.3 |
| Transfer payments..... | -2 | 1.0 | 5.3 | 1.4 | 8.4 | 421.8 |
| To persons..... | 1.0 | 4.9 | 5.5 | 2.2 | 2.5 | 406.2 |
| To foreigners..... | -1.2 | -3.9 | -3 | -7 | 5.8 | 15.6 |
| Grants-in-aid to State and local governments..... | -6.7 | -6 | 3.7 | -2.5 | -1.5 | 102.0 |
| Net interest paid..... | 3.6 | 1.8 | .2 | 3.1 | 6.0 | 148.9 |
| Subsidies less current surplus of government enterprises..... | 11.0 | 8.0 | -9.5 | -7.6 | 18.5 | 35.8 |
| Subsidies..... | 3.5 | 14.1 | -11.2 | -6.7 | 17.7 | 38.4 |
| Of which: Agricultural subsidies..... | 3.5 | 14.1 | -11.4 | -6.7 | 17.6 | 23.6 |
| Less: Current surplus of government enterprises..... | -7.5 | 6.1 | -1.7 | .8 | -8 | 2.7 |
| Less: Wage accruals less disbursements..... | 0 | 0 | 0 | .3 | -7 | -3 |
| Surplus or deficit (-)..... | 15.0 | 18.2 | 31.3 | 3.4 | -25.6 | -161.4 |
| State and local governments | | | | | | |
| Receipts..... | 2.8 | 3.0 | 19.2 | 6.3 | 5.6 | 663.2 |
| Personal tax and nontax receipts..... | 5.5 | -1.0 | 7.7 | -9 | 4.5 | 165.9 |
| Corporate profits tax accruals..... | 1.6 | 1.7 | 1.3 | 2.1 | -1.1 | 27.3 |
| Indirect business tax and nontax accruals..... | .1 | 4.2 | 6.0 | 7.0 | 3.0 | 320.9 |
| Contributions for social insurance..... | 2.3 | -1.2 | .5 | .6 | .7 | 47.0 |
| Federal grants-in-aid..... | -6.7 | -6 | 3.7 | -2.5 | -1.5 | 102.0 |
| Expenditures..... | 11.8 | 12.6 | 9.6 | 10.4 | 14.5 | 625.6 |
| Purchases of goods and services..... | 10.4 | 11.6 | 8.3 | 9.3 | 13.0 | 559.9 |
| Of which: Structures..... | -1.0 | 2.6 | -1.2 | -1.2 | 3.5 | 64.9 |
| Transfer payments to persons..... | 1.9 | 1.8 | 2.0 | 1.9 | 2.3 | 121.6 |
| Net interest paid..... | -2 | -3 | -5 | -4 | -5 | -33.7 |
| Less: Dividends received by government..... | -1 | -2 | .3 | .3 | .5 | 6.8 |
| Subsidies less current surplus of government enterprises..... | -1 | -3 | .1 | -1 | -5 | -15.4 |
| Subsidies..... | 0 | 0 | 0 | 0 | 0 | 1.0 |
| Less: Current surplus of government enterprises..... | .2 | .3 | -1 | .1 | .5 | 16.4 |
| Less: Wage accruals less disbursements..... | 0 | 0 | 0 | 0 | 0 | 0 |
| Surplus or deficit (-)..... | -9.0 | -9.6 | 9.6 | -4.1 | -8.9 | 37.6 |
| Social insurance funds..... | 2.2 | -1.2 | .8 | 1.1 | 1.3 | 53.4 |
| Other..... | -11.2 | -8.4 | 8.8 | -5.3 | -10.2 | -15.8 |

NOTE.—Dollar levels are found in the National Income and Product Accounts Tables, tables 3.2 and 3.3.

increased \$3 billion, compared with \$7 billion in the third quarter; the deceleration was accounted for by sales taxes. Contributions for social insurance registered a small increase, and corporate profits tax accruals declined.

Expenditures increased \$14½ billion, compared with \$10½ billion in the third quarter. Most of the increase was in purchases of goods and services, which increased \$13 billion, \$3½ billion more than in the preceding quarter. The acceleration in purchases was more than accounted for

by structures, which increased \$3½ billion after a \$1 billion decline.

* * *

Fourth-quarter NIPA revisions

Table 5 on page 19 shows the second revision of the NIPA estimates for the fourth quarter of 1987. In addition to the regular source data that are usually incorporated into these estimates, the revised estimates of the fourth-quarter changes in personal

consumption expenditures and in change in nonfarm business inventories incorporate the results of an annual Census Bureau revision of retail sales and inventories. The Census revision reflects corrections to the previously published series, primarily in 1987, and the benchmarking of these series to the results of the 1986 *Retail Trade Survey*. Revised estimates of personal consumption expenditures and change in nonfarm business inventories for previous periods will be incorporated in the annual NIPA revision scheduled for July.

Table 1.11.—Command-Basis Gross National Product in Constant Dollars

[Billions of 1982 dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|--|---------|-------------------|-------------------------------------|---------|---------|---------|---------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Gross national product | 3,713.3 | 3,821.0 | 3,718.0 | 3,731.5 | 3,772.2 | 3,795.3 | 3,835.9 | 3,880.8 |
| Less: Net exports of goods and services | -145.8 | -135.5 | -161.6 | -151.8 | -135.2 | -132.7 | -138.4 | -135.8 |
| Exports..... | 377.4 | 425.8 | 379.6 | 388.3 | 397.8 | 414.5 | 437.1 | 453.5 |
| Imports..... | 523.2 | 561.3 | 541.2 | 540.1 | 533.0 | 547.2 | 575.6 | 589.3 |
| Equals: Gross domestic purchases | 3,859.1 | 3,956.6 | 3,879.6 | 3,883.3 | 3,907.4 | 3,927.9 | 3,974.4 | 4,016.6 |
| Plus: Command-basis net exports of goods and services | -114.6 | -122.7 | -122.8 | -126.3 | -117.4 | -121.1 | -126.5 | -125.8 |
| Command-basis exports ¹ | 408.6 | 438.6 | 418.4 | 413.9 | 415.6 | 426.1 | 449.1 | 463.5 |
| Imports..... | 523.2 | 561.3 | 541.2 | 540.1 | 533.0 | 547.2 | 575.6 | 589.3 |
| Equals: Command-basis gross national product | 3,744.4 | 3,833.9 | 3,756.8 | 3,757.0 | 3,790.0 | 3,806.8 | 3,847.9 | 3,890.8 |
| Addendum: | | | | | | | | |
| Terms of trade ² | 108.3 | 103.1 | 110.2 | 106.6 | 104.5 | 102.9 | 102.8 | 102.2 |

1. Exports of goods and services deflated by the implicit price deflator for imports of goods and services.

2. Ratio of the implicit price deflator for exports of goods and services to the implicit price deflator for imports of goods and services with the decimal point shifted two places to the right.

Note.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.19.—Truck Output

[Billions of dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|---|------|-------------------|-------------------------------------|------|------|------|------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Truck output ¹ | 58.4 | 63.3 | 58.9 | 58.3 | 61.4 | 61.3 | 63.5 | 66.9 |
| Final sales | 58.3 | 61.7 | 64.4 | 58.0 | 55.7 | 61.5 | 66.3 | 63.5 |
| Personal consumption expenditures..... | 27.6 | 29.3 | 33.3 | 26.9 | 27.0 | 29.9 | 31.7 | 28.6 |
| Producers' durable equipment..... | 32.4 | 34.7 | 34.1 | 31.4 | 32.1 | 34.9 | 36.3 | 35.5 |
| Net exports of goods and services..... | -7.4 | -7.0 | -8.7 | -5.9 | -8.0 | -7.8 | -6.5 | -5.8 |
| Exports..... | 3.0 | 3.5 | 2.7 | 3.2 | 3.0 | 3.2 | 3.3 | 4.4 |
| Imports..... | 10.3 | 10.5 | 11.4 | 9.1 | 11.0 | 11.0 | 9.9 | 10.3 |
| Government purchases of goods and services..... | 5.7 | 4.8 | 5.7 | 5.7 | 4.6 | 4.5 | 4.8 | 5.2 |
| Change in business inventories | .1 | 1.5 | -5.5 | .3 | 5.7 | -1 | -2.8 | 3.4 |

1. Includes new trucks only.

Table 1.20.—Truck Output in Constant Dollars

[Billions of 1982 dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|---|------|-------------------|-------------------------------------|------|------|------|------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Truck output ¹ | 50.5 | 53.7 | 50.7 | 49.6 | 52.4 | 52.4 | 53.7 | 56.4 |
| Final sales | 50.4 | 52.5 | 55.4 | 49.4 | 47.6 | 52.5 | 56.1 | 53.6 |
| Personal consumption expenditures..... | 23.8 | 24.9 | 28.5 | 23.0 | 23.0 | 25.5 | 27.0 | 24.1 |
| Producers' durable equipment..... | 28.0 | 29.5 | 29.4 | 26.7 | 27.5 | 29.9 | 30.6 | 30.0 |
| Net exports of goods and services..... | -6.4 | -6.0 | -7.4 | -5.1 | -6.8 | -6.6 | -5.5 | -4.9 |
| Exports..... | 2.6 | 3.0 | 2.3 | 2.7 | 2.6 | 2.7 | 2.8 | 3.8 |
| Imports..... | 8.9 | 8.9 | 9.8 | 7.7 | 9.4 | 9.4 | 8.3 | 8.7 |
| Government purchases of goods and services..... | 4.9 | 4.1 | 4.9 | 4.8 | 3.9 | 3.8 | 4.1 | 4.4 |
| Change in business inventories | .1 | 1.3 | -4.7 | .2 | 4.8 | -1 | -2.3 | 2.8 |

1. Includes new trucks only.

Table 1.17.—Auto Output

[Billions of dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|---|-------|-------------------|-------------------------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Auto output | 119.4 | 111.9 | 118.1 | 124.6 | 114.9 | 109.7 | 107.1 | 116.1 |
| Final sales | 118.5 | 108.0 | 131.6 | 121.0 | 95.6 | 104.8 | 124.9 | 106.5 |
| Personal consumption expenditures..... | 135.3 | 130.2 | 151.3 | 141.3 | 117.5 | 125.1 | 148.3 | 129.8 |
| New autos..... | 101.5 | 93.7 | 118.2 | 105.3 | 83.8 | 89.3 | 109.3 | 92.5 |
| Net purchases of used autos..... | 33.8 | 36.5 | 33.1 | 36.0 | 33.7 | 35.8 | 39.0 | 37.3 |
| Producers' durable equipment..... | 20.7 | 17.5 | 22.5 | 21.0 | 15.8 | 17.6 | 18.5 | 17.9 |
| New autos..... | 45.8 | 44.6 | 49.0 | 45.5 | 40.6 | 44.5 | 47.7 | 45.8 |
| Net purchases of used autos..... | -25.1 | -27.2 | -26.5 | -24.5 | -24.7 | -26.8 | -29.2 | -27.8 |
| Net exports of goods and services..... | -38.9 | -41.1 | -43.4 | -42.6 | -39.2 | -39.5 | -43.1 | -42.7 |
| Exports..... | 6.3 | 6.9 | 6.1 | 6.1 | 5.8 | 7.2 | 6.3 | 8.2 |
| Imports..... | 45.2 | 48.0 | 49.5 | 48.7 | 45.0 | 46.6 | 49.4 | 50.9 |
| Government purchases of goods and services..... | 1.4 | 1.4 | 1.2 | 1.4 | 1.4 | 1.6 | 1.3 | 1.5 |
| Change in business inventories of new and used autos | .9 | 4.0 | -13.6 | 3.6 | 19.3 | 4.9 | -17.9 | 9.7 |
| New..... | .7 | 3.8 | -16.5 | 6.0 | 20.0 | 4.4 | -18.2 | 8.8 |
| Used..... | .2 | .2 | 3.0 | -2.4 | -7 | .5 | .3 | .8 |
| Addenda: | | | | | | | | |
| Domestic output of new autos ¹ | 98.2 | 93.8 | 96.7 | 101.1 | 99.3 | 93.4 | 85.1 | 97.2 |
| Sales of imported new autos ² | 55.8 | 53.5 | 60.0 | 62.3 | 46.7 | 50.0 | 59.5 | 57.7 |

1. Consists of final sales and change in business inventories of new autos assembled in the United States.

2. Consists of personal consumption expenditures, producers' durable equipment, and government purchases.

Table 1.18.—Auto Output in Constant Dollars

[Billions of 1982 dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|---|-------|-------------------|-------------------------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Auto output | 106.4 | 98.3 | 103.1 | 109.6 | 102.3 | 97.0 | 93.5 | 100.6 |
| Final sales | 107.3 | 95.4 | 118.4 | 107.8 | 85.9 | 93.4 | 109.4 | 92.8 |
| Personal consumption expenditures..... | 119.1 | 110.1 | 132.7 | 122.6 | 101.7 | 106.2 | 124.5 | 108.0 |
| New autos..... | 89.3 | 79.7 | 103.4 | 90.6 | 72.0 | 76.3 | 92.6 | 77.8 |
| Net purchases of used autos..... | 29.8 | 30.4 | 29.4 | 32.0 | 29.7 | 29.9 | 31.9 | 30.2 |
| Producers' durable equipment..... | 18.5 | 14.9 | 19.5 | 17.3 | 13.0 | 15.2 | 16.0 | 15.4 |
| New autos..... | 40.3 | 37.9 | 42.9 | 39.1 | 34.9 | 38.0 | 40.4 | 38.5 |
| Net purchases of used autos..... | -21.8 | -23.0 | -23.4 | -21.8 | -21.8 | -22.8 | -24.4 | -23.1 |
| Net exports of goods and services..... | -31.6 | -30.9 | -34.9 | -33.3 | -30.0 | -29.5 | -32.2 | -31.9 |
| Exports..... | 5.4 | 5.7 | 5.2 | 5.1 | 4.9 | 5.9 | 5.2 | 6.7 |
| Imports..... | 37.1 | 36.6 | 40.1 | 38.4 | 34.9 | 35.4 | 37.4 | 38.6 |
| Government purchases of goods and services..... | 1.3 | 1.3 | 1.1 | 1.2 | 1.2 | 1.4 | 1.1 | 1.3 |
| Change in business inventories of new and used autos | -.9 | 3.0 | -15.4 | 1.8 | 16.3 | 3.6 | -15.9 | 7.8 |
| New..... | -1.1 | 2.8 | -18.0 | 4.0 | 17.0 | 3.2 | -16.2 | 7.1 |
| Used..... | .2 | .2 | 2.7 | -2.1 | -7 | .5 | .2 | .7 |
| Addenda: | | | | | | | | |
| Domestic output of new autos ¹ | 85.3 | 79.6 | 81.7 | 86.3 | 85.8 | 79.7 | 71.4 | 81.7 |
| Sales of imported new autos ² | 49.1 | 45.4 | 52.5 | 53.7 | 40.1 | 42.7 | 50.3 | 48.5 |

1. Consists of final sales and change in business inventories of new autos assembled in the United States.

2. Consists of personal consumption expenditures, producers' durable equipment, and government purchases.

Table 2.1.—Personal Income and Its Disposition

[Billions of dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|---|----------------|-------------------|-------------------------------------|----------------|----------------|----------------|----------------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Personal income | 3,534.3 | 3,746.5 | 3,553.6 | 3,593.6 | 3,662.0 | 3,708.6 | 3,761.0 | 3,854.4 |
| Wage and salary disbursements | 2,089.1 | 2,212.7 | 2,097.9 | 2,128.5 | 2,163.3 | 2,191.4 | 2,226.1 | 2,270.2 |
| Commodity-producing industries..... | 623.3 | 641.1 | 622.8 | 628.4 | 632.9 | 635.0 | 641.8 | 654.7 |
| Manufacturing..... | 470.5 | 484.0 | 470.0 | 474.5 | 477.2 | 479.0 | 485.1 | 494.7 |
| Distributive industries..... | 497.1 | 522.9 | 498.6 | 504.7 | 511.5 | 518.9 | 526.3 | 535.0 |
| Service industries..... | 573.9 | 627.3 | 578.8 | 591.6 | 606.7 | 619.3 | 633.9 | 649.3 |
| Government and government enterprises..... | 394.8 | 421.4 | 397.7 | 403.8 | 412.2 | 418.1 | 424.2 | 431.2 |
| Other labor income | 201.1 | 210.2 | 202.3 | 204.4 | 206.7 | 209.5 | 211.1 | 213.5 |
| Proprietors' income with inventory valuation and capital consumption adjustments | 289.8 | 327.4 | 292.5 | 297.8 | 320.9 | 323.1 | 322.7 | 342.7 |
| Farm..... | 37.2 | 48.4 | 36.3 | 36.6 | 51.3 | 47.3 | 40.6 | 54.3 |
| Nonfarm..... | 252.6 | 279.0 | 256.2 | 261.2 | 269.7 | 275.8 | 282.1 | 288.4 |
| Rental income of persons with capital consumption adjustment | 16.7 | 19.3 | 17.2 | 18.4 | 20.0 | 18.9 | 17.3 | 20.9 |
| Personal dividend income | 81.2 | 87.5 | 82.1 | 82.9 | 84.5 | 86.3 | 88.7 | 90.5 |
| Personal interest income | 497.6 | 516.2 | 498.1 | 496.8 | 499.8 | 506.3 | 520.0 | 538.8 |
| Transfer payments | 518.3 | 543.1 | 523.6 | 526.6 | 533.7 | 541.5 | 545.8 | 551.4 |
| Old-age, survivors, disability, and health insurance benefits..... | 269.2 | 282.8 | 272.4 | 273.5 | 278.0 | 282.3 | 284.4 | 286.5 |
| Government unemployment insurance benefits..... | 16.4 | 14.6 | 17.1 | 16.6 | 15.6 | 14.9 | 14.5 | 13.2 |
| Veterans benefits..... | 16.8 | 16.6 | 16.7 | 16.4 | 16.6 | 16.7 | 16.6 | 16.4 |
| Government employees retirement benefits..... | 71.0 | 76.2 | 71.5 | 72.4 | 73.9 | 76.0 | 77.3 | 77.6 |
| Other transfer payments..... | 145.0 | 152.9 | 146.0 | 147.7 | 149.6 | 151.5 | 153.0 | 157.6 |
| Aid to families with dependent children..... | 16.2 | 16.7 | 16.4 | 16.4 | 16.5 | 16.7 | 16.8 | 16.8 |
| Other..... | 128.7 | 136.2 | 129.6 | 131.3 | 133.1 | 134.7 | 136.3 | 140.8 |
| Less: Personal contributions for social insurance | 159.6 | 169.9 | 160.1 | 161.8 | 166.7 | 168.4 | 170.7 | 173.6 |
| Less: Personal tax and nontax payments | 512.2 | 564.8 | 515.3 | 532.0 | 536.1 | 578.0 | 565.7 | 579.4 |
| Equals: Disposable personal income | 3,022.1 | 3,181.7 | 3,038.2 | 3,061.6 | 3,125.9 | 3,130.6 | 3,195.3 | 3,275.0 |
| Less: Personal outlays | 2,891.5 | 3,062.7 | 2,929.4 | 2,952.6 | 2,987.5 | 3,037.4 | 3,106.5 | 3,119.3 |
| Personal consumption expenditures | 2,799.8 | 2,967.8 | 2,837.1 | 2,858.6 | 2,893.8 | 2,943.7 | 3,011.3 | 3,022.6 |
| Interest paid by consumers to business..... | 89.9 | 93.5 | 90.7 | 92.1 | 92.1 | 92.6 | 93.9 | 95.4 |
| Personal transfer payments to foreigners (net)..... | 1.7 | 1.4 | 1.6 | 1.9 | 1.7 | 1.2 | 1.2 | 1.3 |
| Equals: Personal saving | 130.6 | 119.0 | 108.9 | 109.0 | 138.4 | 93.2 | 88.8 | 155.7 |
| Addenda: | | | | | | | | |
| Disposable personal income: | | | | | | | | |
| Total, billions of 1982 dollars..... | 2,645.1 | 2,677.2 | 2,653.2 | 2,656.7 | 2,674.6 | 2,645.5 | 2,674.7 | 2,713.8 |
| Per capita: | | | | | | | | |
| Current dollars..... | 12,508 | 13,050 | 12,560 | 12,626 | 12,865 | 12,858 | 13,090 | 13,384 |
| 1982 dollars..... | 10,947 | 10,980 | 10,968 | 10,956 | 11,008 | 10,865 | 10,953 | 11,090 |
| Population (mid-period, millions)..... | 241.6 | 243.8 | 241.9 | 242.5 | 243.0 | 243.5 | 244.1 | 244.7 |
| Personal saving as percentage of disposable personal income | 4.3 | 3.7 | 3.6 | 3.6 | 4.4 | 3.0 | 2.8 | 4.8 |

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 2.2.—Personal Consumption Expenditures by Major Type of Product

[Billions of dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|--|----------------|-------------------|-------------------------------------|----------------|----------------|----------------|----------------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Personal consumption expenditures | 2,799.8 | 2,967.8 | 2,837.1 | 2,858.6 | 2,893.8 | 2,943.7 | 3,011.3 | 3,022.6 |
| Durable goods | 402.4 | 413.7 | 427.6 | 419.8 | 396.1 | 409.0 | 436.8 | 413.0 |
| Motor vehicles and parts..... | 194.9 | 193.9 | 217.0 | 201.2 | 177.6 | 189.6 | 215.2 | 193.3 |
| Furniture and household equipment..... | 139.9 | 146.7 | 142.9 | 143.8 | 146.0 | 146.0 | 147.9 | 146.8 |
| Other..... | 67.6 | 73.1 | 67.8 | 74.8 | 72.5 | 73.5 | 73.7 | 72.9 |
| Nondurable goods | 939.4 | 982.9 | 940.0 | 946.3 | 969.9 | 982.1 | 986.4 | 993.1 |
| Food..... | 497.8 | 515.8 | 499.6 | 507.5 | 514.8 | 515.0 | 514.0 | 519.3 |
| Clothing and shoes..... | 167.5 | 177.0 | 169.8 | 169.6 | 174.0 | 175.8 | 178.7 | 179.6 |
| Gasoline and oil..... | 75.3 | 80.3 | 70.6 | 68.4 | 75.8 | 80.6 | 82.7 | 82.1 |
| Other nondurable goods..... | 198.8 | 209.7 | 200.0 | 200.8 | 205.3 | 210.7 | 211.0 | 212.0 |
| Fuel oil and coal..... | 16.0 | 15.8 | 15.5 | 15.1 | 15.4 | 16.1 | 15.6 | 16.2 |
| Other..... | 182.8 | 193.9 | 184.5 | 185.7 | 189.8 | 194.6 | 195.5 | 195.8 |
| Services | 1,458.0 | 1,571.2 | 1,469.5 | 1,492.4 | 1,527.7 | 1,552.6 | 1,588.1 | 1,616.5 |
| Housing..... | 436.9 | 469.3 | 440.9 | 449.0 | 456.3 | 464.1 | 472.9 | 483.7 |
| Household operation..... | 178.6 | 182.1 | 181.5 | 179.8 | 176.6 | 179.6 | 186.2 | 186.0 |
| Electricity and gas..... | 87.6 | 87.4 | 89.6 | 87.5 | 84.8 | 85.8 | 90.0 | 88.9 |
| Other..... | 91.0 | 94.7 | 91.9 | 92.3 | 91.8 | 93.8 | 96.3 | 97.1 |
| Transportation..... | 95.1 | 105.3 | 95.5 | 97.6 | 102.1 | 103.7 | 106.3 | 109.1 |
| Medical care..... | 319.8 | 351.0 | 323.1 | 330.1 | 338.5 | 346.8 | 355.4 | 363.3 |
| Other..... | 427.7 | 463.6 | 428.5 | 435.8 | 454.3 | 458.5 | 467.2 | 474.5 |

Table 2.3.—Personal Consumption Expenditures by Major Type of Product in Constant Dollars

[Billions of 1982 dollars]

| | 1986 | 1987 ^r | Seasonally adjusted at annual rates | | | | | |
|--|----------------|-------------------|-------------------------------------|----------------|----------------|----------------|----------------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ^r |
| Personal consumption expenditures | 2,450.5 | 2,497.2 | 2,477.5 | 2,480.5 | 2,475.9 | 2,487.5 | 2,520.7 | 2,504.6 |
| Durable goods | 383.5 | 388.2 | 405.5 | 399.0 | 375.9 | 385.4 | 406.9 | 384.5 |
| Motor vehicles and parts..... | 175.7 | 169.5 | 194.3 | 179.1 | 158.1 | 166.4 | 186.6 | 166.8 |
| Furniture and household equipment..... | 144.7 | 152.8 | 148.3 | 150.7 | 151.5 | 152.5 | 154.1 | 153.3 |
| Other..... | 63.1 | 65.9 | 63.0 | 69.3 | 66.4 | 66.5 | 66.2 | 64.4 |
| Nondurable goods | 877.2 | 878.1 | 879.8 | 880.3 | 883.2 | 879.0 | 875.7 | 874.6 |
| Food..... | 444.9 | 441.2 | 442.2 | 444.0 | 447.5 | 441.6 | 437.1 | 438.6 |
| Clothing and shoes..... | 158.0 | 159.5 | 160.4 | 158.4 | 160.4 | 157.3 | 161.7 | 158.6 |
| Gasoline and oil..... | 100.3 | 101.1 | 101.5 | 102.5 | 99.8 | 102.1 | 100.9 | 101.5 |
| Other nondurable goods..... | 174.1 | 176.4 | 175.7 | 175.4 | 175.5 | 178.1 | 176.1 | 175.9 |
| Fuel oil and coal..... | 21.5 | 21.1 | 22.5 | 22.3 | 21.0 | 21.4 | 20.4 | 21.5 |
| Other..... | 152.6 | 155.3 | 153.2 | 153.1 | 154.5 | 156.6 | 155.6 | 154.4 |
| Services | 1,189.8 | 1,230.9 | 1,192.2 | 1,201.1 | 1,216.9 | 1,223.1 | 1,238.1 | 1,245.6 |
| Housing..... | 350.0 | 358.8 | 351.1 | 353.1 | 355.3 | 357.7 | 360.0 | 362.2 |
| Household operation..... | 151.3 | 153.6 | 152.9 | 152.8 | 150.0 | 151.4 | 156.5 | 156.6 |
| Electricity and gas..... | 76.8 | 77.7 | 78.4 | 78.2 | 75.8 | 76.1 | 79.8 | 79.3 |
| Other..... | 74.5 | 75.9 | 74.5 | 74.6 | 74.2 | 75.3 | 76.7 | 77.3 |
| Transportation..... | 84.4 | 88.1 | 85.2 | 85.5 | 86.9 | 87.5 | 88.6 | 89.5 |
| Medical care..... | 251.9 | 263.3 | 252.4 | 256.3 | 258.7 | 262.0 | 265.2 | 267.2 |
| Other..... | 352.3 | 367.1 | 350.7 | 353.6 | 366.0 | 364.5 | 367.8 | 370.1 |

Table 6.18B.—Corporate Profits by Industry

[Billions of dollars]

| | 1986 | 1987 ¹ | Seasonally adjusted at annual rates | | | | | |
|--|-------|-------------------|-------------------------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ² |
| Corporate profits with inventory valuation and capital consumption adjustments..... | 284.4 | 304.0 | 286.4 | 281.1 | 294.0 | 296.8 | 314.9 | 310.2 |
| Domestic industries..... | 253.2 | 269.9 | 254.3 | 251.4 | 261.3 | 263.8 | 283.1 | 271.4 |
| Financial..... | 27.5 | 27.1 | 26.6 | 26.8 | 28.0 | 27.9 | 26.9 | 25.4 |
| Nonfinancial..... | 225.8 | 242.9 | 227.7 | 224.6 | 233.4 | 235.9 | 256.2 | 246.0 |
| Rest of the world..... | 31.2 | 34.0 | 32.1 | 29.7 | 32.6 | 33.0 | 31.9 | 38.7 |
| Corporate profits with inventory valuation adjustment..... | 238.4 | 255.8 | 242.4 | 239.0 | 245.7 | 248.8 | 267.3 | 261.5 |
| Domestic industries..... | 207.2 | 221.8 | 210.2 | 209.3 | 213.1 | 215.8 | 235.4 | 222.8 |
| Financial..... | 26.1 | 27.1 | 25.2 | 26.1 | 27.6 | 27.8 | 27.0 | 25.9 |
| Federal Reserve banks..... | 16.0 | 16.0 | 15.6 | 15.5 | 15.7 | 16.1 | 16.1 | 16.2 |
| Other..... | 10.1 | 11.0 | 9.6 | 10.6 | 11.9 | 11.7 | 10.9 | 9.7 |
| Nonfinancial..... | 181.1 | 194.7 | 185.1 | 183.2 | 185.5 | 188.0 | 208.4 | 196.9 |
| Manufacturing..... | 69.4 | 88.1 | 68.0 | 75.4 | 75.4 | 85.5 | 100.7 | ..... |
| Durable goods..... | 31.1 | 37.5 | 31.0 | 31.3 | 38.7 | 37.4 | 42.8 | ..... |
| Primary metal industries..... | -1.8 | 6 | -2.5 | -4 | 8 | -7 | 1.4 | ..... |
| Fabricated metal products..... | 4.1 | 4.8 | 4.4 | 3.6 | 3.9 | 3.8 | 6.7 | ..... |
| Machinery, except electrical..... | 3.9 | 5.6 | 3.7 | 3.1 | 4.9 | 5.0 | 7.0 | ..... |
| Electric and electronic equipment..... | 4.3 | 4.3 | 3.7 | 1.6 | 2.9 | 5.6 | 6.2 | ..... |
| Motor vehicles and equipment..... | 5.9 | 5.2 | 5.3 | 6.4 | 7.1 | 7.4 | 3.5 | ..... |
| Other..... | 14.7 | 17.0 | 16.4 | 17.0 | 19.1 | 16.3 | 18.0 | ..... |
| Nondurable goods..... | 38.4 | 50.6 | 37.0 | 44.1 | 36.7 | 48.2 | 57.9 | ..... |
| Food and kindred products..... | 8.7 | 9.3 | 8.9 | 9.1 | 7.7 | 8.4 | 11.1 | ..... |
| Chemicals and allied products..... | 6.7 | 9.7 | 7.4 | 8.4 | 7.9 | 7.8 | 10.2 | ..... |
| Petroleum and coal products..... | 5.4 | 10.9 | 2.7 | 5.9 | 2.3 | 12.7 | 14.7 | ..... |
| Other..... | 17.6 | 20.6 | 18.0 | 20.8 | 18.8 | 19.2 | 21.9 | ..... |
| Transportation and public utilities..... | 42.4 | 38.4 | 46.0 | 41.9 | 37.4 | 39.0 | 37.9 | ..... |
| Wholesale and retail trade..... | 52.1 | 50.6 | 54.6 | 49.7 | 56.2 | 45.2 | 52.1 | ..... |
| Other..... | 17.2 | 17.5 | 16.5 | 16.3 | 16.6 | 18.3 | 17.6 | ..... |
| Rest of the world..... | 31.2 | 34.0 | 32.1 | 29.7 | 32.6 | 33.0 | 31.9 | 38.7 |

Table 7.1.—Fixed-Weighted Price Indexes for Gross National Product, 1982 Weights

[Index numbers, 1982=100]

| | 1986 | 1987 ¹ | Seasonally adjusted | | | | | |
|--|-------|-------------------|---------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ² |
| Gross national product..... | 115.1 | 119.1 | 115.5 | 116.1 | 117.4 | 118.6 | 119.6 | 120.7 |
| Personal consumption expenditures..... | 115.2 | 120.0 | 115.5 | 116.4 | 118.0 | 119.5 | 120.7 | 121.9 |
| Durable goods..... | 106.2 | 109.1 | 106.7 | 107.1 | 107.9 | 108.6 | 109.7 | 110.3 |
| Nondurable goods..... | 107.7 | 112.6 | 107.5 | 108.2 | 110.4 | 112.4 | 113.2 | 114.3 |
| Services..... | 123.1 | 128.3 | 123.8 | 124.9 | 126.2 | 127.6 | 129.0 | 130.5 |
| Gross private domestic investment..... | 104.9 | 107.3 | 105.1 | 105.7 | 106.4 | 107.1 | 107.9 | 107.9 |
| Fixed investment..... | 103.2 | 104.9 | 103.3 | 103.9 | 104.3 | 104.7 | 105.2 | 105.4 |
| Nonresidential..... | 100.7 | 102.9 | 100.5 | 100.8 | 101.6 | 102.6 | 103.5 | 104.0 |
| Structures..... | 104.7 | 106.1 | 105.1 | 105.8 | 106.0 | 106.0 | 106.2 | 106.2 |
| Producers' durable equipment..... | 110.9 | 115.8 | 111.1 | 112.0 | 113.5 | 115.3 | 117.4 | 117.0 |
| Residential..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Net exports of goods and services..... | 103.6 | 106.0 | 103.5 | 103.5 | 104.5 | 105.6 | 106.4 | 107.3 |
| Exports..... | 92.6 | 99.5 | 91.6 | 93.5 | 96.3 | 98.9 | 100.7 | 101.8 |
| Imports..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Government purchases of goods and services..... | 116.5 | 121.2 | 116.5 | 117.6 | 119.3 | 120.6 | 121.7 | 123.1 |
| Federal..... | 111.3 | 114.4 | 111.0 | 111.1 | 113.2 | 114.3 | 114.4 | 115.7 |
| National defense..... | 112.1 | 115.3 | 111.9 | 112.1 | 114.2 | 115.3 | 115.3 | 116.5 |
| Nondefense..... | 109.3 | 112.1 | 108.7 | 108.7 | 110.5 | 111.7 | 112.4 | 113.6 |
| State and local..... | 120.3 | 126.2 | 120.5 | 122.4 | 123.8 | 125.2 | 127.1 | 128.6 |
| Addenda: | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Final sales..... | 115.0 | 118.9 | 115.3 | 116.0 | 117.3 | 118.5 | 119.5 | 120.5 |
| Personal consumption expenditures, food..... | 112.2 | 117.2 | 113.2 | 114.5 | 115.3 | 116.9 | 117.8 | 118.8 |
| Personal consumption expenditures, energy..... | 90.8 | 92.1 | 87.5 | 85.0 | 90.3 | 91.9 | 93.6 | 92.8 |
| Other personal consumption expenditures..... | 119.1 | 124.2 | 119.6 | 120.8 | 122.2 | 123.6 | 124.8 | 126.3 |

Note.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.2.—Fixed-Weighted Price Indexes for Gross National Product by Major Type of Product, 1982 Weights

[Index numbers, 1982=100]

| | 1986 | 1987 ¹ | Seasonally adjusted | | | | | |
|-------------------------------------|-------|-------------------|---------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ² |
| Gross national product..... | 115.1 | 119.1 | 115.5 | 116.1 | 117.4 | 118.6 | 119.6 | 120.7 |
| Final sales..... | 115.0 | 118.9 | 115.3 | 116.0 | 117.3 | 118.5 | 119.5 | 120.5 |
| Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Goods..... | 108.3 | 111.0 | 108.4 | 108.5 | 109.7 | 110.8 | 111.2 | 112.1 |
| Final sales..... | 108.1 | 110.8 | 108.2 | 108.3 | 109.6 | 110.6 | 111.1 | 111.9 |
| Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Durable goods..... | 105.7 | 106.8 | 105.9 | 106.0 | 106.7 | 106.7 | 106.9 | 107.0 |
| Final sales..... | 105.7 | 106.8 | 105.8 | 105.9 | 106.6 | 106.6 | 106.8 | 107.0 |
| Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Nondurable goods..... | 109.9 | 113.7 | 110.0 | 110.1 | 111.8 | 113.5 | 114.2 | 115.5 |
| Final sales..... | 109.8 | 113.5 | 109.8 | 109.9 | 111.6 | 113.3 | 114.0 | 115.3 |
| Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Services..... | 122.5 | 127.8 | 123.1 | 124.3 | 125.8 | 127.1 | 128.4 | 129.9 |
| Structures..... | 106.5 | 109.5 | 106.5 | 107.0 | 107.9 | 109.1 | 110.4 | 110.6 |

Table 7.3.—Fixed-Weighted Price Indexes for Relation of Gross National Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers, 1982 Weights

[Index numbers, 1982=100]

| | 1986 | 1987 ¹ | Seasonally adjusted | | | | | |
|--|-------|-------------------|---------------------|-------|-------|-------|-------|-----------------|
| | | | 1986 | | 1987 | | | |
| | | | III | IV | I | II | III | IV ² |
| Gross national product..... | 115.1 | 119.1 | 115.5 | 116.1 | 117.4 | 118.6 | 119.6 | 120.7 |
| Less: Exports of goods and services..... | 103.6 | 106.0 | 103.5 | 103.5 | 104.5 | 105.6 | 106.4 | 107.3 |
| Plus: Imports of goods and services..... | 92.6 | 99.5 | 91.6 | 93.5 | 96.3 | 98.9 | 100.7 | 101.8 |
| Equals: Gross domestic purchases¹..... | 114.1 | 118.5 | 114.3 | 115.2 | 116.7 | 118.0 | 119.1 | 120.2 |
| Less: Change in business inventories..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Equals: Final sales to domestic purchasers²..... | 113.9 | 118.4 | 114.2 | 115.0 | 116.5 | 117.9 | 119.0 | 120.1 |

1. Purchases in the United States of goods and services wherever produced.
2. Final sales in the United States of goods and services wherever produced.
Note.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 8.1.—Percent Change From Preceding Period in Selected Series

[Percent]

| | Seasonally adjusted at annual rates | | | | | | | | | Seasonally adjusted at annual rates | | | | | | | | | | | | |
|---|-------------------------------------|-------------------|-------|------|-------|------|------|-----------------|--|-------------------------------------|-------------------|-------|-------|-------|------|------|-----------------|-------|--|--|--|--|
| | 1986 | 1987 ^r | 1986 | | 1987 | | | | | 1986 | 1987 ^r | 1986 | | 1987 | | | | | | | | |
| | | | III | IV | I | II | III | IV ^r | | | | III | IV | I | II | III | IV ^r | | | | | |
| Gross national product: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 5.6 | 6.0 | 5.3 | 2.1 | 8.6 | 6.3 | 7.3 | 7.6 | Government purchases of goods and services: | | | | | | | | | | | | | |
| 1982 dollars..... | 2.9 | 2.9 | 1.4 | 1.5 | 4.4 | 2.5 | 4.3 | 4.8 | Current dollars..... | 6.2 | 6.1 | 5.3 | 3.6 | 4.5 | 9.7 | 5.3 | 8.8 | | | | | |
| Implicit price deflator..... | 2.6 | 3.0 | 3.6 | .7 | 4.2 | 3.5 | 2.8 | 2.7 | 1982 dollars..... | 3.8 | 2.3 | 3.0 | 7.9 | -6.2 | 3.8 | 2.6 | 9.2 | | | | | |
| Chain price index..... | 2.4 | 3.2 | 2.6 | 2.0 | 4.2 | 3.7 | 3.3 | 3.1 | Implicit price deflator..... | 2.4 | 3.7 | 2.1 | -4.1 | 11.6 | 5.5 | 2.7 | -3 | | | | | |
| Fixed-weighted price index..... | 2.7 | 3.4 | 2.6 | 2.3 | 4.5 | 4.1 | 3.4 | 3.6 | Chain price index..... | 2.3 | 3.3 | 1.4 | 3.0 | 5.0 | 3.0 | 3.6 | 3.5 | | | | | |
| Personal consumption expenditures: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 6.5 | 6.0 | 10.7 | 3.1 | 5.0 | 7.1 | 9.5 | 1.5 | Fixed-weighted price index..... | 2.5 | 4.0 | 1.7 | 3.8 | 5.8 | 4.6 | 3.7 | 4.6 | | | | | |
| 1982 dollars..... | 4.2 | 1.9 | 7.3 | .5 | -7 | 1.9 | 5.4 | -2.5 | Federal: | | | | | | | | | | | | | |
| Implicit price deflator..... | 2.2 | 3.9 | 3.2 | 2.5 | 6.0 | 4.9 | 4.1 | 4.1 | Current dollars..... | 3.5 | 3.6 | 3.1 | -2.8 | -1.8 | 14.6 | 2.7 | 7.3 | | | | | |
| Chain price index..... | 2.5 | 4.1 | 3.6 | 3.0 | 5.5 | 5.2 | 4.0 | 4.0 | 1982 dollars..... | 2.6 | 1.1 | 2.4 | 15.2 | -18.6 | 6.6 | 4.5 | 14.1 | | | | | |
| Fixed-weighted price index..... | 2.6 | 4.2 | 3.6 | 3.0 | 5.7 | 5.2 | 4.0 | 4.2 | Implicit price deflator..... | .9 | 2.5 | .7 | -15.5 | 20.5 | 7.3 | -1.7 | -5.9 | | | | | |
| Durable goods: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 9.1 | 2.8 | 50.0 | -7.1 | -20.7 | 13.7 | 30.1 | -20.1 | Chain price index..... | .5 | 1.4 | -1.7 | -1.0 | 5.8 | .6 | .4 | 2.0 | | | | | |
| 1982 dollars..... | 8.7 | 1.2 | 44.9 | -6.3 | -21.2 | 10.5 | 24.3 | -20.3 | Fixed-weighted price index..... | .5 | 2.8 | -1.4 | .3 | 7.7 | 4.0 | .5 | 4.4 | | | | | |
| Implicit price deflator..... | .4 | 1.6 | 3.1 | -8 | .8 | 2.7 | 5.0 | 0 | National defense: | | | | | | | | | | | | | |
| Chain price index..... | 1.0 | 2.4 | 2.6 | 1.6 | 2.9 | 2.2 | 3.6 | 2.2 | Current dollars..... | 7.1 | 6.3 | 14.2 | -11.4 | 12.8 | 10.1 | 6.3 | 1.1 | | | | | |
| Fixed-weighted price index..... | 1.2 | 2.7 | 3.4 | 1.6 | 3.2 | 2.6 | 4.1 | 2.3 | 1982 dollars..... | 5.9 | 5.4 | 16.4 | -10.5 | 7.6 | 9.8 | 7.5 | -9 | | | | | |
| Non-durable goods: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 2.9 | 4.6 | 2.5 | 2.7 | 10.4 | 5.1 | 1.8 | 2.7 | Implicit price deflator..... | 1.2 | .8 | -1.8 | -1.1 | 4.8 | .4 | -1.4 | 2.2 | | | | | |
| 1982 dollars..... | 3.3 | 1 | -1 | 2 | 1.3 | -1.9 | -1.5 | -5 | Chain price index..... | 1.0 | 1.1 | -1.7 | -1.4 | 6.1 | 0 | .2 | 3.0 | | | | | |
| Implicit price deflator..... | -4 | 4.5 | 2.3 | 2.6 | 8.8 | 7.1 | 3.3 | 3.6 | Fixed-weighted price index..... | .9 | 2.9 | -2 | .5 | 7.9 | 3.9 | -2 | 4.3 | | | | | |
| Chain price index..... | -1 | 4.5 | 3.2 | 2.6 | 8.2 | 7.8 | 3.1 | 3.9 | Nondefense: | | | | | | | | | | | | | |
| Fixed-weighted price index..... | -1 | 4.5 | 3.0 | 2.6 | 8.3 | 7.6 | 3.2 | 3.9 | Current dollars..... | -6.6 | -4.8 | -26.2 | 31.9 | -38.3 | 32.0 | -9.5 | 33.4 | | | | | |
| Services: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 8.2 | 7.8 | 6.9 | 6.4 | 9.8 | 6.7 | 9.5 | 7.3 | 1982 dollars..... | -6.5 | -12.3 | -32.8 | 153.9 | -66.5 | -4.5 | -6.8 | 92.7 | | | | | |
| 1982 dollars..... | 3.4 | 3.5 | 2.6 | 3.0 | 5.4 | 2.1 | 5.0 | 2.4 | Implicit price deflator..... | | | 8.5 | 10.4 | -48.3 | 84.3 | 37.9 | -2.9 | -30.7 | | | | |
| Implicit price deflator..... | 4.6 | 4.2 | 4.3 | 3.3 | 3.9 | 4.5 | 4.5 | 4.8 | Chain price index..... | -9 | 2.5 | -4.3 | -2 | 7.1 | 4.4 | 2.3 | 4.6 | | | | | |
| Chain price index..... | 4.7 | 4.3 | 4.2 | 3.6 | 4.6 | 4.4 | 4.6 | 4.7 | State and local: | | | | | | | | | | | | | |
| Fixed-weighted price index..... | 4.7 | 4.2 | 4.0 | 3.6 | 4.5 | 4.2 | 4.5 | 4.7 | Current dollars..... | 8.3 | 7.9 | 7.0 | 8.5 | 9.3 | 6.4 | 7.1 | 9.9 | | | | | |
| Gross private domestic investment: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 4.6 | 6.9 | -10.5 | -.4 | 26.3 | 1.6 | 2.8 | 33.4 | 1982 dollars..... | 4.8 | 3.2 | 3.5 | 2.4 | 5.0 | 1.7 | 1.2 | 5.5 | | | | | |
| 1982 dollars..... | 2.8 | 5.1 | -11.8 | -.8 | 28.5 | 1.1 | 5.0 | 26.4 | Implicit price deflator..... | 3.4 | 4.5 | 3.4 | 5.8 | 4.0 | 4.7 | 5.9 | 4.2 | | | | | |
| Implicit price deflator..... | | | | | | | | | Chain price index..... | 3.6 | 4.7 | 3.7 | 6.0 | 4.5 | 4.7 | 5.9 | 4.5 | | | | | |
| Chain price index..... | | | | | | | | | Fixed-weighted price index..... | 3.8 | 4.9 | 4.0 | 6.3 | 4.5 | 4.9 | 6.0 | 4.8 | | | | | |
| Fixed-weighted price index..... | | | | | | | | | Addenda: | | | | | | | | | | | | | |
| Fixed investment: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 3.7 | 2.5 | 3.4 | 5.8 | -10.6 | 9.0 | 14.1 | 3.7 | Gross domestic purchases: | | | | | | | | | | | | | |
| 1982 dollars..... | 1.8 | .7 | .8 | 4.2 | -12.5 | 6.9 | 15.0 | 3.3 | 1982 dollars..... | 3.9 | 2.5 | 3.0 | 4 | 2.5 | 2.1 | 4.8 | 4.3 | | | | | |
| Implicit price deflator..... | 1.8 | 1.9 | 2.8 | 1.6 | 2.3 | 1.9 | -1.1 | .8 | Chain price index..... | 2.3 | 3.7 | 2.8 | 2.9 | 5.0 | 4.4 | 3.8 | 3.2 | | | | | |
| Chain price index..... | 1.5 | 2.5 | 1.5 | 2.9 | 2.7 | 2.7 | 3.3 | -.7 | Fixed-weighted price index..... | 2.5 | 3.9 | 2.9 | 3.1 | 5.3 | 4.7 | 3.8 | 3.7 | | | | | |
| Fixed-weighted price index..... | 1.6 | 2.3 | 1.0 | 2.4 | 2.6 | 2.6 | 3.1 | .2 | Final sales: | | | | | | | | | | | | | |
| Nonresidential: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | -1.3 | 1.5 | -.3 | 5.8 | -14.5 | 11.6 | 21.8 | 2.7 | 1982 dollars..... | 2.8 | 2.1 | 3.9 | 3.7 | -2.3 | 3.5 | 6.0 | .9 | | | | | |
| 1982 dollars..... | -2.3 | 1.0 | -3.0 | 5.1 | -14.6 | 11.7 | 25.8 | 1.6 | Chain price index..... | 2.4 | 3.2 | 2.6 | 2.1 | 4.2 | 3.7 | 3.3 | 3.1 | | | | | |
| Implicit price deflator..... | 1.0 | .4 | 2.5 | .8 | .4 | -.4 | -3.2 | 1.2 | Fixed-weighted price index..... | 2.7 | 3.4 | 2.6 | 2.3 | 4.5 | 4.1 | 3.4 | 3.6 | | | | | |
| Chain price index..... | 1.1 | 1.5 | 1.7 | 2.6 | 1.4 | 4 | 1.1 | -.3 | Final sales to domestic purchasers: | | | | | | | | | | | | | |
| Fixed-weighted price index..... | 1.4 | 1.6 | .9 | 2.1 | 1.8 | 1.4 | 1.8 | .7 | 1982 dollars..... | 3.7 | 1.8 | 5.3 | 2.5 | -3.8 | 3.1 | 6.4 | .6 | | | | | |
| Structures: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | -9.9 | -2.3 | -13.4 | 5.6 | -12.1 | 3.1 | 24.9 | 12.2 | Chain price index..... | 2.3 | 3.7 | 2.8 | 3.0 | 5.0 | 4.4 | 3.8 | 3.2 | | | | | |
| 1982 dollars..... | -12.8 | -4.5 | -16.6 | 6.3 | -12.8 | 0 | 24.6 | 8.4 | Fixed-weighted price index..... | 2.4 | 3.9 | 2.8 | 3.1 | 5.3 | 4.7 | 3.8 | 3.7 | | | | | |
| Implicit price deflator..... | 3.8 | 2.2 | 3.4 | -.4 | .8 | 3.4 | 0 | 3.4 | Command-basis gross national product: | | | | | | | | | | | | | |
| Chain price index..... | .8 | 2.8 | -.2 | 2.1 | 3.7 | 4.2 | 4.0 | 1.7 | 1982 dollars..... | 3.1 | 2.4 | 1.7 | 0 | 3.6 | 1.8 | 4.4 | 4.5 | | | | | |
| Fixed-weighted price index..... | .4 | 2.2 | -1.1 | 1.3 | 3.3 | 3.8 | 3.7 | 1.9 | Implicit price deflator..... | 2.4 | 3.5 | 3.6 | 1.8 | 5.0 | 4.6 | 2.8 | 2.7 | | | | | |
| Producers' durable equipment: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 3.2 | 3.2 | 6.2 | 5.8 | -15.4 | 15.5 | 20.6 | -1.2 | Gross domestic product: | | | | | | | | | | | | | |
| 1982 dollars..... | 2.9 | 3.3 | 3.1 | 4.7 | -15.3 | 16.5 | 26.3 | -.9 | 1982 dollars..... | 3.1 | 3.1 | 1.2 | 2.2 | 4.2 | 2.8 | 4.8 | 4.4 | | | | | |
| Implicit price deflator..... | .3 | 0 | 3.0 | 1.3 | 0 | -1.2 | -4.5 | 0 | Implicit price deflator..... | 2.6 | 3.0 | 3.6 | .7 | 4.2 | 3.5 | 2.8 | 2.7 | | | | | |
| Chain price index..... | 1.2 | .9 | 2.6 | 2.8 | 4 | -1.2 | 0 | -1.1 | Business: | | | | | | | | | | | | | |
| Fixed-weighted price index..... | 2.0 | 1.3 | 2.2 | 2.6 | .9 | 0 | .7 | 0 | 1982 dollars..... | 3.3 | 3.3 | 1.1 | 2.3 | 4.6 | 2.9 | 5.2 | 4.9 | | | | | |
| Residential: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 15.5 | 4.5 | 10.9 | 5.7 | -2.6 | 4.1 | .4 | 5.9 | Implicit price deflator..... | 2.3 | 2.8 | 4.0 | -.4 | 3.9 | 3.5 | 2.4 | 2.4 | | | | | |
| 1982 dollars..... | 12.5 | 0 | 9.7 | 2.2 | -7.7 | -2.8 | -6.5 | 7.4 | Nonfarm: | | | | | | | | | | | | | |
| Implicit price deflator..... | 2.7 | 4.5 | 1.1 | 3.3 | 5.5 | 7.2 | 7.5 | -1.4 | 1982 dollars..... | 3.2 | 3.3 | 1.7 | 2.9 | 3.7 | 3.2 | 6.1 | 3.9 | | | | | |
| Chain price index..... | 2.6 | 4.5 | 1.1 | 3.5 | 5.4 | 7.2 | 7.5 | -1.4 | Implicit price deflator..... | 2.5 | 2.6 | 3.6 | .4 | 3.6 | 2.8 | 2.8 | 2.4 | | | | | |
| Fixed-weighted price index..... | 2.5 | 4.4 | 1.3 | 3.5 | 5.3 | 6.7 | 7.3 | -1.4 | Disposable personal income: | | | | | | | | | | | | | |
| Exports of goods and services: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 1.7 | 13.7 | 5.8 | 7.3 | 15.4 | 20.8 | 23.6 | 18.4 | Current dollars..... | 6.4 | 5.3 | 2.1 | 3.1 | 8.7 | .6 | 8.5 | 10.4 | | | | | |
| 1982 dollars..... | 3.3 | 12.8 | 10.6 | 9.5 | 10.2 | 17.9 | 23.7 | 15.9 | 1982 dollars..... | 4.0 | 1.2 | -1.0 | .5 | 2.7 | -4.3 | 4.5 | 6.0 | | | | | |
| Implicit price deflator..... | -1.6 | .8 | -4.3 | -2.0 | 5.0 | 2.4 | 0 | 2.0 | | | | | | | | | | | | | | |
| Chain price index..... | -5 | 2.1 | -1.0 | -.2 | 3.8 | 4.0 | 2.7 | 3.1 | | | | | | | | | | | | | | |
| Fixed-weighted price index..... | -.1 | 2.3 | -1.2 | 0 | 4.0 | 4.4 | 3.1 | 3.4 | | | | | | | | | | | | | | |
| Imports of goods and services: | | | | | | | | | | | | | | | | | | | | | | |
| Current dollars..... | 7.2 | 13.6 | 13.3 | 11.2 | 7.6 | 21.4 | 22.7 | 14.6 | | | | | | | | | | | | | | |
| 1982 dollars..... | 10.5 | 7.3 | 20.1 | -.8 | -5.2 | 11.1 | 22.4 | 9.9 | | | | | | | | | | | | | | |
| Implicit price deflator..... | -2.8 | 5.9 | -5.6 | 12.1 | 13.6 | 9.1 | .4 | 4.2 | | | | | | | | | | | | | | |
| Chain price index..... | -.9 | 7.0 | 2.0 | 3.5 | 10.8 | 10.0 | 6.6 | 3.8 | | | | | | | | | | | | | | |
| Fixed-weighted price index..... | -3.1 | 7.4 | .6 | 8.7 | 12.5 | 11.3 | 7.5 | 4.3 | | | | | | | | | | | | | | |

NOTE.—The fixed-weighted price index and the chain price index, both of which are weighted averages of the detailed prices used in the deflation of GNP, are measures of price change. In calculating changes in these indexes, the composition of GNP is held constant. Consequently these changes reflect only changes in prices. The fixed-weighted price index measures price change over any period, using as weights the composition of GNP in 1982. The chain price index measures price change between two consecutive periods, using as weights the composition of

GNP in the first period. The implicit price deflator is a byproduct of the deflation of GNP. It is derived as the ratio of current- to constant-dollar GNP (multiplied by 100). It is the average of the detailed prices used in the deflation of GNP, but the prices are weighted by the composition of GNP in each period. Consequently, the implicit price deflator reflects not only changes in prices but also changes in the composition of GNP, and its use as a measure of price change should be avoided.

Reconciliation and Other Special Tables

Table 1.—Relation of Net Exports of Goods and Services in the National Income and Product Accounts (NIPA's) to Balance of Goods and Services in the Balance of Payments Accounts (BPA's)

[Billions of dollars]

| | Line | 1987 | Seasonally adjusted at annual rates | | | |
|---|------|--------|-------------------------------------|--------|--------|--------|
| | | | 1987 | | | |
| | | | I | II | III | IV |
| Exports of goods and services, BPA's..... | 1 | 420.1 | 394.9 | 400.3 | 422.6 | 462.7 |
| Less: Gold, BPA's..... | 2 | 2.7 | 1.9 | 1.9 | 2.8 | 4.1 |
| Capital gains net of losses in direct investment income receipts, BPA's..... | 3 | 11.7 | 18.5 | 3.5 | 3.1 | 21.5 |
| Statistical differences ¹ | 4 | -2.7 | -3.7 | -2.5 | -3.1 | -1.6 |
| Other items..... | 5 | 0 | 0 | 0 | 0 | 0 |
| Plus: Adjustment for U.S. territories and Puerto Rico..... | 6 | 13.3 | 13.3 | 13.3 | 13.3 | 13.3 |
| Services furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans..... | 7 | 6.0 | 5.8 | 5.9 | 6.0 | 6.1 |
| Equals: Exports of goods and services, NIPA's..... | 8 | 427.8 | 397.3 | 416.5 | 439.2 | 458.1 |
| Imports of goods and services, BPA's..... | 9 | 567.3 | 530.2 | 553.4 | 584.7 | 601.0 |
| Less: Payments of income on U.S. Government liabilities..... | 10 | 24.0 | 22.9 | 24.3 | 24.1 | 25.0 |
| Gold, BPA's..... | 11 | 3.8 | 3.0 | 1.9 | 3.6 | 6.6 |
| Capital gains net of losses in direct investment income payments, BPA's..... | 12 | .7 | 3.8 | 0 | 2.2 | -3.3 |
| Statistical differences ¹ | 13 | 3.1 | 2.8 | 4.0 | 3.5 | 1.9 |
| Other items..... | 14 | 0 | 0 | 0 | 0 | 0 |
| Plus: Gold, NIPA's..... | 15 | -1.2 | -8 | -1.2 | -1.3 | -1.3 |
| Adjustment for U.S. territories and Puerto Rico..... | 16 | 6.8 | 6.8 | 6.8 | 6.8 | 6.8 |
| Imputed interest paid to foreigners..... | 17 | 6.0 | 5.8 | 5.9 | 6.0 | 6.1 |
| Equals: Imports of goods and services, NIPA's..... | 18 | 547.4 | 509.5 | 534.8 | 562.9 | 582.4 |
| Balance on goods and services, BPA's (1-9)..... | 19 | -147.2 | -135.3 | -153.1 | -162.1 | -138.4 |
| Less: Gold (2-11+15)..... | 20 | -2.2 | -1.9 | -1.1 | -2.1 | -3.8 |
| Capital gains net of losses in direct investment income, BPA's (3-12)..... | 21 | 11.0 | 14.8 | 3.5 | .9 | 24.8 |
| Statistical differences (4-13)..... | 22 | -5.8 | -6.6 | -6.4 | -6.6 | -3.5 |
| Other items (5-14)..... | 23 | 0 | 0 | 0 | 0 | 0 |
| Plus: Payments of income on U.S. Government liabilities (10)..... | 24 | 24.0 | 22.9 | 24.3 | 24.1 | 25.0 |
| Adjustment for U.S. territories and Puerto Rico (6-16)..... | 25 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 |
| Equals: Net exports of goods and services, NIPA's (8-18)..... | 26 | -119.6 | -112.2 | -118.4 | -123.7 | -124.3 |

1. Consists of statistical revisions in the BPA's that have not yet been incorporated in the NIPA's.

Table 2.—Cyclically Adjusted Federal Receipts, Expenditures, Surplus or Deficit (-), and Debt

[Billions of dollars; quarters at seasonally adjusted annual rates]

| | 1986 | 1987 | 1986 | | | | 1987 | | | |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | | | I | II | III | IV | I | II | III | IV |
| Based on middle-expansion trend GNP: | | | | | | | | | | |
| Receipts: | | | | | | | | | | |
| Level..... | 812.6 | 891.7 | 788.3 | 801.7 | 819.1 | 841.3 | 862.0 | 904.2 | 897.8 | 902.7 |
| Percentage of trend GNP..... | 19.5 | 20.3 | 19.2 | 19.3 | 19.4 | 19.8 | 20.0 | 20.7 | 20.3 | 20.1 |
| Change from preceding period..... | 30.1 | 79.1 | -6.5 | 13.4 | 17.4 | 22.2 | 20.7 | 42.2 | -6.4 | 4.9 |
| Due to automatic inflation effects..... | 16.3 | 23.3 | 2.0 | 5.1 | 7.4 | -1.3 | 9.2 | 8.5 | 4.8 | 5.3 |
| Due to discretionary policy and other factors..... | 13.8 | 55.8 | -8.5 | 8.3 | 10.0 | 23.5 | 11.5 | 33.7 | -11.2 | -0.4 |
| Expenditures: | | | | | | | | | | |
| Level..... | 1,031.2 | 1,071.0 | 1,008.3 | 1,045.6 | 1,035.1 | 1,040.9 | 1,050.7 | 1,065.9 | 1,064.0 | 1,103.5 |
| Percentage of trend GNP..... | 24.7 | 24.3 | 24.5 | 25.2 | 24.6 | 24.5 | 24.4 | 24.4 | 24.0 | 24.6 |
| Change from preceding period..... | 46.4 | 39.8 | -17.3 | 42.3 | -10.5 | 5.8 | 9.8 | 15.2 | -1.9 | 39.5 |
| Due to automatic inflation effects..... | 18.1 | 18.1 | 9.1 | 2.8 | 2.3 | 3.2 | 8.4 | 3.9 | 3.6 | 3.0 |
| Due to discretionary policy and other factors..... | 28.3 | 21.7 | -26.4 | 39.5 | -12.8 | 2.6 | 1.4 | 11.3 | -5.5 | 36.5 |
| Surplus or deficit (-): | | | | | | | | | | |
| Level..... | -218.6 | -179.4 | -215.1 | -243.8 | -216.0 | -199.6 | -188.7 | -161.8 | -166.1 | -200.8 |
| Percentage of trend GNP..... | -5.2 | -4.1 | -5.2 | -5.9 | -5.1 | -4.7 | -4.4 | -3.7 | -3.8 | -4.5 |
| Change from preceding period..... | -16.3 | 39.2 | 10.7 | -28.7 | 27.8 | 16.4 | 10.9 | 26.9 | -4.3 | -34.7 |
| Due to automatic inflation effects..... | -1.8 | 5.1 | -7.1 | 2.3 | 5.1 | -4.5 | 0.8 | 4.6 | 1.2 | 2.2 |
| Due to discretionary policy and other factors..... | -14.5 | 34.1 | 17.8 | -31.0 | 22.7 | 20.9 | 10.1 | 22.3 | -5.5 | -36.9 |
| Debt: | | | | | | | | | | |
| At par value, end of period: | | | | | | | | | | |
| Level..... | 1,734.8 | 1,902.6 | 1,561.7 | 1,627.5 | 1,689.2 | 1,734.8 | 1,780.4 | 1,829.7 | 1,861.5 | 1,902.6 |
| Percentage of trend GNP..... | 41.5 | 43.3 | 38.1 | 39.2 | 40.1 | 40.9 | 41.3 | 41.8 | 42.0 | 42.4 |
| At market value, end of period: | | | | | | | | | | |
| Level..... | 1,870.1 | 1,957.8 | | | | | | | | |
| Percentage of trend GNP..... | 44.8 | 44.5 | | | | | | | | |
| Based on 6-percent unemployment rate trend GNP: | | | | | | | | | | |
| Receipts: | | | | | | | | | | |
| Level..... | 840.1 | 920.7 | 815.3 | 828.9 | 846.7 | 869.4 | 889.9 | 933.5 | 927.0 | 932.4 |
| Percentage of trend GNP..... | 19.6 | 20.4 | 19.4 | 19.5 | 19.6 | 20.0 | 20.1 | 20.8 | 20.4 | 20.3 |
| Expenditures: | | | | | | | | | | |
| Level..... | 1,027.9 | 1,068.3 | 999.4 | 1,042.1 | 1,032.1 | 1,038.1 | 1,047.9 | 1,063.3 | 1,061.3 | 1,100.8 |
| Percentage of trend GNP..... | 24.0 | 23.7 | 23.8 | 24.5 | 23.9 | 23.8 | 23.7 | 23.7 | 23.4 | 23.9 |
| Surplus or deficit (-): | | | | | | | | | | |
| Level..... | -187.9 | -147.6 | -184.1 | -213.2 | -185.4 | -168.7 | -158.0 | -129.8 | -134.3 | -168.4 |
| Percentage of trend GNP..... | -4.4 | -3.3 | -4.4 | -5.0 | -4.3 | -3.9 | -3.6 | -2.9 | -3.0 | -3.7 |
| Addenda: | | | | | | | | | | |
| Middle-expansion trend GNP: | | | | | | | | | | |
| Current dollars..... | 4,176.7 | 4,399.0 | 4,099.6 | 4,152.0 | 4,212.0 | 4,243.1 | 4,311.6 | 4,373.2 | 4,428.0 | 4,483.1 |
| 1982 dollars..... | 3,662.0 | 3,745.2 | 3,631.2 | 3,651.7 | 3,672.2 | 3,692.9 | 3,713.7 | 3,734.6 | 3,755.7 | 3,776.8 |
| 6-percent unemployment rate trend GNP: | | | | | | | | | | |
| Current dollars..... | 4,286.4 | 4,514.6 | 4,207.3 | 4,261.0 | 4,322.7 | 4,354.6 | 4,424.9 | 4,488.2 | 4,544.3 | 4,600.9 |
| 1982 dollars..... | 3,758.2 | 3,843.7 | 3,726.6 | 3,747.6 | 3,768.7 | 3,789.9 | 3,811.3 | 3,832.8 | 3,854.4 | 3,876.1 |

NOTE.—Tables 3 and 4 expand upon the detail shown for gross private domestic investment in the Selected National Income and Product Accounts Tables shown regularly in the Survey. These tables will be incorporated into the selected tables after the annual revision.

Table 3.—Gross Private Domestic Investment by Type

[Billions of dollars]

| | 1985 | 1986 | 1987 ¹ | Seasonally adjusted at annual rates | | | | |
|---|--------------|--------------|-------------------|-------------------------------------|--------------|--------------|--------------|-----------------|
| | | | | 1986 | | 1987 | | |
| | | | | IV | I | II | III | IV ² |
| Gross private domestic investment | 641.6 | 671.0 | 717.5 | 660.2 | 699.9 | 702.6 | 707.4 | 760.2 |
| Fixed investment | 631.6 | 655.2 | 671.5 | 666.6 | 648.2 | 662.3 | 684.5 | 690.8 |
| Nonresidential | 442.6 | 436.9 | 443.4 | 439.7 | 422.8 | 434.6 | 456.6 | 459.6 |
| Structures..... | 152.5 | 137.4 | 134.2 | 132.9 | 128.7 | 129.7 | 137.1 | 141.1 |
| Nonresidential buildings, excluding farm | 95.2 | 90.8 | 87.3 | 89.7 | 85.7 | 85.0 | 87.4 | 91.3 |
| Public utilities..... | 25.9 | 26.2 | 27.3 | 25.5 | 24.8 | 26.3 | 29.0 | 29.1 |
| Mining exploration, shafts, and wells..... | 25.9 | 15.8 | 15.2 | 13.5 | 14.1 | 14.3 | 16.3 | 16.3 |
| Other ² | 5.5 | 4.5 | 4.3 | 4.3 | 4.1 | 4.3 | 4.5 | 4.4 |
| Producers' durable equipment | 290.1 | 299.5 | 309.2 | 306.7 | 294.1 | 304.9 | 319.5 | 318.5 |
| Information processing and related equipment..... | 95.0 | 96.5 | 101.1 | 102.8 | 96.6 | 98.6 | 106.3 | 102.9 |
| Industrial equipment..... | 68.3 | 70.4 | 73.4 | 72.9 | 70.9 | 71.5 | 73.9 | 77.3 |
| Transportation and related equipment..... | 63.8 | 68.2 | 66.7 | 67.0 | 61.7 | 68.1 | 69.5 | 67.6 |
| Other ² | 63.0 | 64.4 | 68.0 | 64.0 | 64.9 | 66.8 | 69.7 | 70.7 |
| Residential | 189.0 | 218.3 | 228.1 | 226.9 | 225.4 | 227.7 | 227.9 | 231.2 |
| Single family structures..... | 86.0 | 102.0 | 114.6 | 107.8 | 110.2 | 113.7 | 115.6 | 118.7 |
| Multifamily structures..... | 29.9 | 32.5 | 27.1 | 32.7 | 29.9 | 27.7 | 25.2 | 25.8 |
| Other..... | 73.1 | 83.8 | 86.4 | 86.4 | 85.3 | 86.4 | 87.1 | 86.8 |
| Change in business inventories | 10.0 | 15.7 | 46.1 | -6.4 | 51.6 | 40.3 | 22.9 | 69.4 |
| Nonfarm | 13.6 | 16.8 | 36.2 | 5.1 | 48.7 | 27.3 | 11.1 | 57.5 |
| Manufacturing | -7.8 | -4.6 | 6.2 | -4.7 | 5.9 | -3.7 | 12.8 | 10.0 |
| Durable goods..... | -5.4 | -5.2 | 4.6 | -7.6 | 1.4 | -1.6 | 9.2 | 9.4 |
| Nondurable goods..... | -2.4 | .6 | 1.6 | 2.9 | 4.5 | -2.2 | 3.6 | .6 |
| Wholesale trade..... | 2.8 | 4.0 | 8.3 | -5.2 | 7.4 | 8.1 | 1.4 | 16.4 |
| Durable goods..... | 0 | 1.7 | 5.2 | -5.8 | 6.1 | 6.2 | -2.7 | 11.3 |
| Nondurable goods..... | 2.9 | 2.3 | 3.1 | .6 | 1.3 | 1.9 | 4.1 | 5.1 |
| Retail trade | 11.2 | 6.9 | 14.6 | 7.4 | 28.3 | 16.9 | -9.5 | 22.9 |
| Automotive..... | 6.3 | .8 | 7.5 | 4.6 | 24.0 | 3.4 | -13.7 | 16.2 |
| Other durable goods..... | 2.6 | 3.0 | 2.2 | -2.1 | -2.6 | 7.3 | -4 | 4.6 |
| Nondurable goods..... | 2.3 | 3.2 | 4.9 | 4.8 | 6.9 | 6.2 | 4.6 | 2.0 |
| Other..... | 7.4 | 10.5 | 7.0 | 7.7 | 7.2 | 6.0 | 6.4 | 8.2 |
| Farm | -3.6 | -1.1 | 9.9 | -11.6 | 2.9 | 13.0 | 11.7 | 12.0 |

1. Consists of farm buildings; streets, dams, reservoirs, sewer and water facilities, parks, airfields, etc.; brokers' commissions on sale of structures; and net purchases of used structures (see the July 1987 Survey, National Income and Product Accounts Tables, table 5.4, lines 18, 22, 23, and 24).

2. Consists of furniture and fixtures; agricultural, construction, mining and oilfield, and service industry machinery; electrical equipment not elsewhere classified; and other equipment; less the sale of equipment scrap other than autos (table 5.6, lines 22 through 30).

Table 4.—Gross Private Domestic Investment by Type in Constant Dollars

[Billions of 1982 dollars]

| | 1985 | 1986 | 1987 ¹ | Seasonally adjusted at annual rates | | | | |
|---|--------------|--------------|-------------------|-------------------------------------|--------------|--------------|--------------|-----------------|
| | | | | 1986 | | 1987 | | |
| | | | | IV | I | II | III | IV ² |
| Gross private domestic investment | 636.1 | 654.0 | 687.6 | 631.0 | 671.8 | 673.7 | 681.9 | 723.1 |
| Fixed investment | 628.7 | 640.2 | 644.7 | 645.4 | 624.2 | 634.7 | 657.3 | 662.6 |
| Nonresidential | 454.1 | 443.8 | 448.3 | 443.2 | 426.0 | 437.9 | 463.8 | 465.6 |
| Structures..... | 149.4 | 130.3 | 124.5 | 124.6 | 120.4 | 120.4 | 127.2 | 129.8 |
| Nonresidential buildings, excluding farm | 84.8 | 78.7 | 72.7 | 76.9 | 72.6 | 71.0 | 72.1 | 75.1 |
| Public utilities..... | 24.2 | 24.1 | 24.7 | 23.4 | 22.6 | 23.8 | 26.3 | 26.2 |
| Mining exploration, shafts, and wells..... | 35.3 | 23.5 | 23.3 | 20.6 | 21.7 | 21.8 | 25.0 | 24.8 |
| Other ² | 5.0 | 4.0 | 3.7 | 3.7 | 3.5 | 3.7 | 3.9 | 3.8 |
| Producers' durable equipment | 304.8 | 313.5 | 323.9 | 318.6 | 305.6 | 317.5 | 336.6 | 335.8 |
| Information processing and related equipment..... | 120.5 | 128.7 | 137.6 | 135.4 | 128.5 | 132.4 | 146.1 | 143.5 |
| Industrial equipment..... | 64.2 | 64.7 | 66.2 | 66.6 | 64.4 | 64.7 | 66.6 | 69.0 |
| Transportation and related equipment..... | 61.5 | 60.9 | 58.1 | 57.8 | 53.5 | 59.8 | 60.4 | 58.6 |
| Other ² | 58.6 | 59.2 | 62.0 | 58.6 | 59.1 | 60.7 | 63.6 | 64.7 |
| Residential | 174.6 | 196.4 | 196.4 | 202.2 | 198.2 | 196.8 | 193.5 | 197.0 |
| Single family structures..... | 79.4 | 91.4 | 97.8 | 95.6 | 96.4 | 97.3 | 97.2 | 100.2 |
| Multifamily structures..... | 27.6 | 29.1 | 25.2 | 29.0 | 26.2 | 23.7 | 21.2 | 21.7 |
| Other..... | 67.7 | 76.0 | 75.4 | 77.5 | 75.7 | 75.8 | 75.2 | 75.1 |
| Change in business inventories | 7.4 | 13.8 | 42.9 | -14.4 | 47.6 | 39.0 | 24.6 | 60.5 |
| Nonfarm | 12.0 | 15.4 | 32.5 | 2.3 | 43.9 | 22.7 | 12.1 | 51.5 |
| Manufacturing | -7.8 | -5.2 | 5.6 | -4.9 | 5.3 | -4.4 | 12.1 | 9.4 |
| Durable goods..... | -5.4 | -5.2 | 4.2 | -7.1 | 1.1 | -1.7 | 8.5 | 8.7 |
| Nondurable goods..... | -2.5 | 0 | 1.4 | 2.1 | 4.2 | -2.7 | 3.5 | .6 |
| Wholesale trade..... | 2.5 | 3.7 | 7.0 | -5.9 | 6.6 | 5.6 | 1.6 | 14.2 |
| Durable goods..... | -1 | 1.7 | 4.9 | -5.3 | 5.7 | 5.6 | -2.4 | 10.7 |
| Nondurable goods..... | 2.6 | 2.1 | 2.1 | -6 | .9 | 0 | 4.0 | 3.4 |
| Retail trade | 10.4 | 6.6 | 13.2 | 6.7 | 25.2 | 15.5 | -8.0 | 20.2 |
| Automotive..... | 5.8 | .7 | 6.6 | 4.1 | 21.3 | 3.0 | -11.9 | 14.1 |
| Other durable goods..... | 2.4 | 2.8 | 2.1 | -2.0 | -2.5 | 6.8 | -3 | 4.3 |
| Nondurable goods..... | 2.1 | 3.0 | 4.5 | 4.5 | 6.4 | 5.7 | 4.2 | 1.9 |
| Other..... | 7.0 | 10.2 | 6.7 | 6.4 | 6.8 | 6.0 | 6.4 | 7.7 |
| Farm | -4.6 | -1.6 | 10.4 | -16.6 | 3.7 | 16.3 | 12.5 | 9.0 |

1. Consists of farm buildings; streets, dams, reservoirs, sewer and water facilities, parks, airfields, etc.; brokers' commissions on sale of structures; and net purchases of used structures (see the July 1987 Survey, National Income and Product Accounts Tables, table 5.5, lines 18, 22, 23, and 24).

2. Consists of furniture and fixtures; agricultural, construction, mining and oilfield, and service industry machinery; electrical equipment not elsewhere classified; and other equipment; less the sale of equipment scrap other than autos (table 5.7, lines 22 through 30).

Table 5.—Revisions in Selected Component Series of the NIPA's, Fourth Quarter of 1987

| | Seasonally adjusted at annual rates | | | Percent change from preceding quarter at annual rates | |
|--|--------------------------------------|-----------------|------------|---|-----------------|
| | First revision | Second revision | Difference | First revision | Second revision |
| | Billions of current dollars | | | | |
| GNP | 4,604.0 | 4,607.4 | 3.4 | 7.3 | 7.6 |
| Personal consumption expenditures | 3,019.2 | 3,022.6 | 3.4 | 1.1 | 1.5 |
| Nonresidential fixed investment | 457.8 | 459.6 | 1.8 | 1.1 | 2.7 |
| Residential investment | 232.3 | 231.2 | -1.1 | 7.9 | 5.9 |
| Change in business inventories | 66.7 | 69.4 | 2.7 | | |
| Net exports | -126.9 | -124.3 | 2.6 | | |
| Government purchases | 954.8 | 948.8 | -6.0 | 11.6 | 8.8 |
| National income | | 3,740.6 | | | 9.2 |
| Compensation of employees | 2,713.4 | 2,713.5 | .1 | 7.7 | 7.7 |
| Corporate profits with inventory valuation and capital consumption adjustments | | 310.2 | | | -5.8 |
| Other | 716.2 | 716.9 | .7 | 22.6 | 23.1 |
| Personal income | 3,853.6 | 3,854.4 | .8 | 10.2 | 10.3 |
| | Billions of constant (1982) dollars | | | | |
| GNP | 3,877.9 | 3,880.8 | 2.9 | 4.5 | 4.8 |
| Personal consumption expenditures | 2,500.9 | 2,504.6 | 3.7 | -3.1 | -2.5 |
| Nonresidential fixed investment | 463.2 | 465.6 | 2.4 | -5 | 1.6 |
| Residential investment | 197.3 | 197.0 | -.3 | 8.1 | 7.4 |
| Change in business inventories | 56.7 | 60.5 | 3.8 | | |
| Net exports | -136.4 | -135.8 | .6 | | |
| Government purchases | 796.3 | 788.9 | -7.4 | 13.4 | 9.2 |
| | Index numbers, 1982=100 ¹ | | | | |
| GNP price index (fixed weights) | 120.7 | 120.7 | 0 | 3.7 | 3.6 |
| GNP price index (chained weights) | | | | 3.2 | 3.1 |
| GNP implicit price deflator | 118.7 | 118.7 | 0 | 2.7 | 2.7 |

1. Not at annual rates.

NOTE.—For the fourth quarter of 1987, the following revised or additional major source data were incorporated: For *personal consumption expenditures*, revised retail sales for October through December; for *nonresidential fixed investment*, revised manufacturers' shipments of equipment for December and revised construction put in place for December; for *residential investment*, revised construction put in place for December; for *change in business inventories*, revised manufacturing and merchant wholesale inventories for December and revised retail inventories for October through December; for *net exports of goods and services*, revised service receipts for the quarter; for *government purchases of goods and services*, additional Commodity Credit Corporation commodity loan and inventory data for the quarter and revised State and local government construction put in place for December; for *wages and salaries*, revised employment, average hourly earnings, and average weekly hours for December; for *net interest*, financial assets held by households for the quarter and revised net interest from the rest of the world for the quarter; for *corporate profits*, domestic book profits for the quarter and revised profits from the rest of the world for the quarter; and for *GNP prices*, revised residential housing prices for the quarter and unit-value indexes for merchandise exports and nonpetroleum merchandise imports for December.

For additional information on fourth-quarter revisions, see page 3.

Composite Indexes of Leading, Coincident, and Lagging Indicators

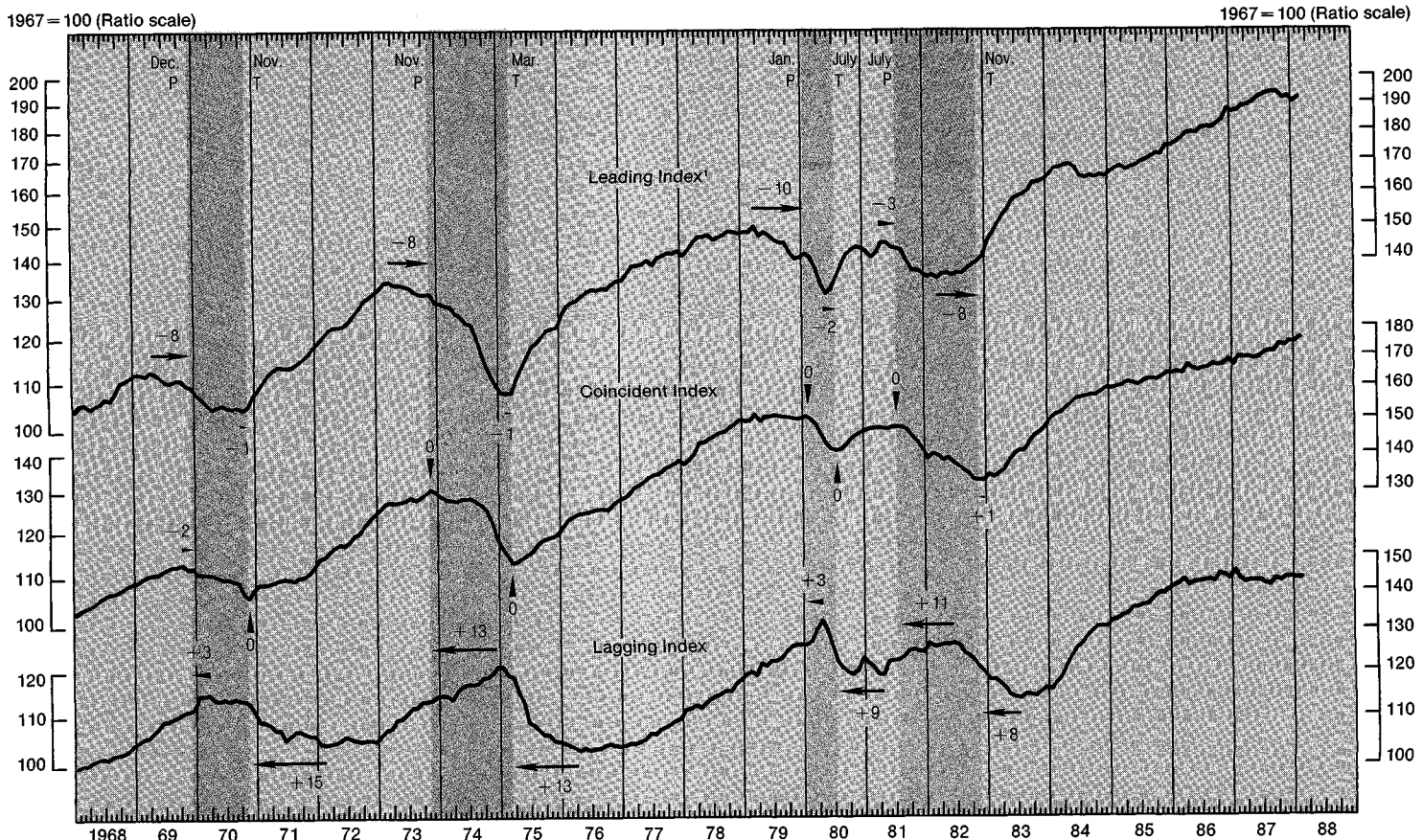
Recent Data and Percent Changes

| Index | 1987 | | | | | | | | | | | | 1988 | | 1987 | | | |
|-----------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------------------|-------|-------|-------|-------|--|--|
| | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. ^P | I | II | III | IV | | |
| | Index (1967=100) | | | | | | | | | | | | | | | | | |
| Leading index..... | 187.6 | 188.0 | 188.9 | 190.7 | 191.4 | 192.4 | 192.8 | 192.7 | 190.3 | 191.0 | 188.9 | 190.6 | 186.4 | 189.2 | 192.2 | 191.3 | | |
| Coincident index..... | 168.0 | 168.0 | 167.6 | 168.0 | 169.4 | 170.0 | 170.1 | 172.5 | 172.0 | 173.3 | 173.1 | 174.7 | 167.3 | 167.9 | 169.8 | 172.6 | | |
| Lagging index..... | 141.3 | 141.8 | 141.8 | 141.9 | 140.9 | 140.7 | 142.4 | 141.8 | 142.8 | 142.9 | 142.5 | 142.6 | 142.7 | 141.8 | 141.3 | 142.5 | | |
| | Percent change from preceding month (quarter) | | | | | | | | | | | | | | | | | |
| Leading index..... | .9 | .2 | .5 | 1.0 | .4 | .5 | .2 | -.1 | -1.2 | .4 | -1.1 | .9 | 1.6 | 1.5 | 1.6 | -.5 | | |
| Coincident index..... | -.1 | 0 | -.2 | .2 | .8 | .4 | .1 | 1.4 | -.3 | .8 | -.1 | .9 | .7 | .4 | 1.1 | 1.6 | | |
| Lagging index..... | -.6 | .4 | 0 | .1 | -.7 | -.1 | 1.2 | -.4 | .7 | .1 | -.3 | .1 | -.3 | -.6 | -.4 | .8 | | |

^r Revised.
^P Preliminary.

NOTE.—Quarterly data are averages of monthly figures. Quarterly percent changes are computed from quarterly data.

Long-Term Perspective: January 1968 to February 1988



Note.—Peak (P) indicates the end of business cycle expansion and the beginning of recession (shaded area). Trough (T) indicates the end of business cycle recession and the beginning of expansion. Business cycle peaks and troughs are designated by the National Bureau of Economic Research, Inc. The numbers entered on the chart indicate the length of leads (-) and lags (+) in months from the business cycle turning dates.

1. Beginning with data for January 1984, the net business formation component has been suspended from this index.

U.S. Department of Commerce, Bureau of Economic Analysis

Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies, 1988

MAJORITY-OWNED foreign affiliates of U.S. companies plan to increase capital expenditures 15 percent, to \$38.9 billion, in 1988, following a planned 4-percent increase in 1987 (table 1, chart1).¹ The 1988 increase, if realized, will be the largest since 1980. Spending leveled off in 1981-82; it decreased sharply in 1983 and remained soft throughout 1984-87 due to sluggish economic conditions abroad and weak petroleum markets. Despite the planned increase, spending in 1988 remains below the 1982 level. Spending currently planned by petroleum affiliates, although up 20 percent from 1987, is 60 percent lower than in 1982. Spending currently planned by manufacturing affiliates is up 16 percent from 1987 and, in contrast to petroleum, is 17 percent higher than in 1982.

In all industries, depreciation of the dollar against other major currencies since 1985 has raised spending estimates, because depreciation raises the dollar value of a given amount of expenditures denominated in foreign currencies. The 20-percent increase in spending planned by petroleum affiliates also reflects expectations that the spring 1987 rise in oil prices

NOTE.—Smith W. Allnutt designed the computer programs used in generating the estimates.

1. Capital expenditures estimates are for majority-owned nonbank foreign affiliates of nonbank U.S. parents. (An affiliate is majority owned when the combined ownership of all U.S. parents exceeds 50 percent.) For affiliates other than those engaged in natural resource exploration and development, capital expenditures include all expenditures that are charged to capital accounts and that are made to acquire, add to, or improve property, plant, and equipment. For affiliates engaged in natural resource exploration and development, capital expenditures also include the full amount of exploration and development expenditures, whether capitalized or expensed. Capital expenditures are on a gross basis; sales and other dispositions of fixed assets are not netted against them. They are reported to BEA in current dollars; they are not adjusted for price changes in host countries or for changes in the value of foreign currencies, because the necessary data are unavailable.

would be maintained. Because oil prices have softened considerably since late 1987, when these plans were formulated, the increase may not be realized. The 16-percent increase in spending planned by manufacturing affiliates reflects, in addition to dollar depreciation, expenditures to improve products and production facilities in response to increased competition for global market share

(especially in the automobile and computer industries) and expenditures to expand capacity in the primary metals industry.

In total, planned spending for 1988 is substantially higher than the level reported 6 months earlier (table 2). In contrast, the spending estimate for 1987 is little changed. The most recent estimates for both years are based on a survey conducted in De-

Table 1.—Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies, 1983-88

| | Percent change from preceding year | | | | | | | | Billions of dollars | | | | | | | |
|---|------------------------------------|------|------|--------------------------------|------|----------------------------|------|------|---------------------|------|------|------|--------------------------------|------|----------------------------|--|
| | Actual expenditures | | | Most recent plans ¹ | | Earlier plans ² | | | Actual expenditures | | | | Most recent plans ¹ | | Earlier plans ² | |
| | 1984 | 1985 | 1986 | 1987 | 1988 | 1987 | 1988 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1987 | 1988 | |
| Total | -6 | 2 | -7 | 4 | 15 | 3 | -1 | 36.4 | 34.1 | 34.9 | 32.6 | 33.9 | 38.9 | 33.6 | 33.4 | |
| By industry | | | | | | | | | | | | | | | | |
| Petroleum..... | -11 | -3 | -30 | 7 | 20 | -1 | 6 | 15.9 | 14.1 | 13.7 | 9.6 | 10.3 | 12.3 | 9.5 | 10.0 | |
| Manufacturing..... | (*) | 10 | 10 | 3 | 16 | 6 | -2 | 13.6 | 13.6 | 14.9 | 16.4 | 16.8 | 19.6 | 17.3 | 17.1 | |
| Food and kindred products..... | 4 | 2 | 8 | 18 | 10 | 16 | -14 | 1.1 | 1.2 | 1.2 | 1.3 | 1.5 | 1.7 | 1.5 | 1.3 | |
| Chemicals and allied products..... | 3 | 15 | 12 | 9 | 15 | 8 | -2 | 2.3 | 2.4 | 2.7 | 3.1 | 3.3 | 3.8 | 3.3 | 3.2 | |
| Primary and fabricated metals..... | 14 | -14 | 8 | -17 | 26 | -8 | -2 | .9 | 1.0 | .9 | .9 | .8 | 1.0 | .9 | .9 | |
| Machinery, except electrical..... | -9 | -3 | -5 | (*) | 17 | 5 | 5 | 3.4 | 3.1 | 3.0 | 2.9 | 2.9 | 3.4 | 3.0 | 3.2 | |
| Electric and electronic equipment..... | -19 | -2 | -4 | -4 | 10 | -1 | -1 | 1.2 | 1.5 | 1.4 | 1.4 | 1.3 | 1.5 | 1.4 | 1.3 | |
| Transportation equipment..... | -11 | 40 | 26 | -8 | 20 | 1 | 4 | 2.6 | 2.3 | 3.3 | 4.1 | 3.8 | 4.6 | 4.2 | 4.3 | |
| Other manufacturing..... | 10 | 13 | 14 | 15 | 17 | 15 | -9 | 1.9 | 2.1 | 2.4 | 2.7 | 3.1 | 3.7 | 3.1 | 2.9 | |
| Wholesale trade..... | -8 | -1 | 10 | 10 | 3 | 8 | -7 | 2.6 | 2.4 | 2.4 | 2.6 | 2.9 | 3.0 | 2.8 | 2.6 | |
| Finance (except banking), insurance, and real estate..... | -8 | 4 | 39 | 38 | -4 | -5 | -8 | .4 | .3 | .3 | .5 | .7 | .6 | .4 | .4 | |
| Services..... | -9 | -4 | (*) | 5 | 6 | 1 | -4 | 1.5 | 1.4 | 1.3 | 1.3 | 1.4 | 1.5 | 1.4 | 1.3 | |
| Other industries..... | -6 | 1 | -4 | -14 | 3 | -1 | -7 | 2.4 | 2.3 | 2.3 | 2.2 | 1.9 | 2.0 | 2.2 | 2.0 | |
| By area | | | | | | | | | | | | | | | | |
| Developed countries..... | -3 | 5 | -2 | 5 | 15 | 4 | -1 | 25.0 | 24.4 | 25.5 | 25.0 | 26.2 | 30.0 | 26.0 | 25.7 | |
| Canada..... | -2 | 10 | -4 | -7 | 10 | (*) | 2 | 6.3 | 6.2 | 6.8 | 6.6 | 6.1 | 6.7 | 6.6 | 6.7 | |
| Europe..... | -3 | 2 | -4 | 10 | 16 | 6 | -2 | 16.3 | 15.9 | 16.2 | 15.6 | 17.1 | 19.8 | 16.6 | 16.3 | |
| European Communities (10) ³ | -4 | 7 | -3 | 8 | 15 | 4 | -2 | 13.8 | 13.2 | 14.1 | 13.7 | 14.9 | 17.1 | 14.3 | 14.0 | |
| France..... | -4 | 2 | 17 | 10 | 7 | 6 | -5 | 1.8 | 1.7 | 1.7 | 2.0 | 2.2 | 2.4 | 2.2 | 2.0 | |
| Germany..... | -6 | 9 | 14 | -2 | 27 | -5 | 3 | 2.9 | 2.7 | 3.0 | 3.4 | 3.3 | 4.2 | 3.2 | 3.3 | |
| United Kingdom..... | -2 | 7 | -20 | 18 | 16 | 8 | 1 | 5.9 | 5.8 | 6.2 | 5.0 | 5.9 | 6.8 | 5.4 | 5.5 | |
| Other..... | -6 | 6 | 4 | 3 | 7 | 6 | -8 | 3.2 | 3.0 | 3.2 | 3.3 | 3.4 | 3.7 | 3.5 | 3.2 | |
| Other..... | 6 | -21 | -33 | 18 | 10 | 16 | -7 | 2.5 | 2.6 | 2.1 | 1.4 | 1.6 | 1.8 | 1.6 | 1.5 | |
| Japan..... | 15 | 27 | 8 | (*) | 48 | -2 | 7 | .7 | .8 | 1.0 | 1.1 | 1.1 | 1.6 | 1.0 | 1.1 | |
| Australia, New Zealand, and South Africa..... | -12 | -1 | 13 | 11 | 4 | 6 | -11 | 1.7 | 1.5 | 1.5 | 1.7 | 1.9 | 2.0 | 1.8 | 1.6 | |
| Developing countries..... | -13 | -4 | -18 | 1 | 13 | 1 | 1 | 10.7 | 9.4 | 8.9 | 7.3 | 7.4 | 8.4 | 7.4 | 7.4 | |
| Latin America..... | -2 | 6 | -11 | -1 | 13 | (*) | -3 | 3.7 | 3.6 | 3.9 | 3.4 | 3.4 | 3.9 | 3.4 | 3.4 | |
| Other Africa..... | -22 | 4 | -32 | -13 | 18 | -1 | 2 | 1.9 | 1.5 | 1.5 | 1.0 | .9 | 1.1 | 1.0 | 1.0 | |
| Middle East..... | -8 | -31 | -24 | 60 | -23 | -12 | 5 | .8 | .7 | .5 | .4 | .6 | .5 | .3 | .4 | |
| Other Asia and Pacific..... | -19 | -14 | -19 | (*) | 22 | 4 | 5 | 4.3 | 3.5 | 3.0 | 2.4 | 2.4 | 3.0 | 2.5 | 2.7 | |
| International..... | -40 | 16 | -25 | -2 | 39 | -16 | -3 | .6 | .4 | .5 | .3 | .3 | .5 | .3 | .3 | |
| Addenda: | | | | | | | | | | | | | | | | |
| European Communities (12) ⁴ | | | | 9 | 16 | 5 | -1 | | | | 14.2 | 15.5 | 18.0 | 14.9 | 14.8 | |
| OPEC ⁵ | -28 | -16 | -21 | -12 | 25 | -3 | 17 | 3.4 | 2.4 | 2.0 | 1.6 | 1.4 | 1.8 | 1.6 | 1.8 | |

* Less than 0.5 percent (±).
 1. Based on BEA survey taken in December 1987.
 2. Based on BEA survey taken in June 1987.
 3. European Communities (10) comprises Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, and the United Kingdom.
 4. European Communities (12) comprises European Communities (10), Portugal, and Spain.
 5. OPEC comprises Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

NOTE.—Estimates are for majority-owned nonbank foreign affiliates of nonbank U.S. parents.

December 1987; the earlier estimates were based on a survey taken in June. The large upward revision in planned 1988 spending mostly reflects further dollar depreciation in the fall of 1987. The revision also reflects additional spending planned, since June, for exploration and development projects by petroleum affiliates. Finally, the earlier estimate was made before the spring 1987 oil price increase could be fully incorporated into spending plans; the most recent estimate reflects the increase. (As mentioned earlier, the increase may not be realized if the softening of oil

prices late in 1987 causes affiliates to scale back spending plans.)

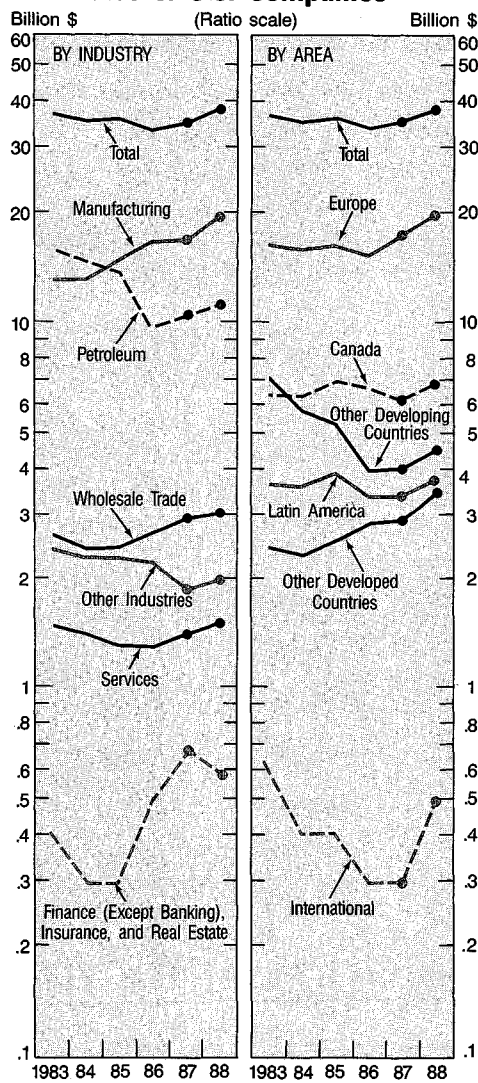
By area, affiliates in developed countries plan a 15-percent increase, to \$30.0 billion, in 1988, following a 5-percent increase. Affiliates in developing countries plan a 13-percent increase, to \$8.4 billion, following a 1-percent increase. Affiliates in "international"—those that have operations in more than one country and that are engaged in petroleum shipping, other water transportation, or operating oil and gas drilling equipment that is moved from country to country during the year—plan a sharp increase, to \$0.5 billion, following a small decrease.

Table 2.—Revisions to Capital Expenditures Estimates, 1987-88

| | Millions of dollars | | Percent change from preceding year: | |
|---|---------------------|--------|-------------------------------------|------|
| | 1987 | 1988 | 1987 | 1988 |
| Date of BEA survey: ¹ | | | | |
| June 1986 | 34,926 | n.a. | -2 | n.a. |
| December 1986 | 35,317 | n.a. | 3 | n.a. |
| June 1987 | 33,627 | 33,445 | 3 | -1 |
| December 1987 | 33,918 | 38,905 | 4 | 15 |
| Addenda: | | | | |
| Percent change from earlier to most recent estimate | 1 | 16 | | |
| Total percent change from first to most recent estimate | -3 | n.a. | | |

n.a. Not applicable.
 1. Results of the June 1986, December 1986, and June 1987 surveys were published in the September 1986, March 1987, and September 1987 issues, respectively, of the SURVEY OF CURRENT BUSINESS. Results of the December 1987 survey are presented in this article.

CHART 1
Capital Expenditures by Majority-Owned Foreign Affiliates of U.S. Companies



Note — Estimates are for nonbank foreign affiliates of nonbank U.S. parents.
 U.S. Department of Commerce, Bureau of Economic Analysis 88-3-1

Petroleum

Petroleum affiliates plan to increase capital spending 20 percent, to \$12.3 billion, in 1988, following a 7-percent increase. The increase is widespread by area. Affiliates in developed countries plan a 19-percent increase, to \$8.0 billion, following an 11-percent increase. The largest dollar increases are in the United Kingdom, Norway, and Canada. In the United Kingdom, affiliates plan an 18-percent increase, to \$2.9 billion, following a 39-percent increase. Norwegian affiliates plan a 39-percent increase, to \$1.0 billion, following an 11-percent increase. In both countries, the increases in both years reflect stepped-up exploration and development projects in the North Sea. In Canada, affiliates plan a 19-percent increase, to \$2.0 billion, following a 14-percent increase. In addition to increased exploration and drilling activity, the 1988 increase reflects expenditures planned by a Canadian oil company acquired in 1987 by a U.S. company.

In developing countries, affiliates plan to increase spending 19 percent, to \$3.9 billion, after little change in spending in 1987. The increase is mostly in Indonesia, Malaysia, Nigeria, and Brazil. Increases in Indonesia, Malaysia, and Nigeria are for exploration and development; the increase in Brazil is mostly for development of a natural gas field.

In contrast to most areas, affiliates in the Middle East plan a sizable spending decrease, which mostly reflects the winding down of a pipeline project in Yemen.

Affiliates in "international" plan to increase spending sharply, to \$0.4 bil-

lion, following a 7-percent decrease. The increase is primarily for offshore oil rigs and reflects recovered demand following several years of oversupply.

Manufacturing

Manufacturing affiliates plan to increase capital spending 16 percent, to \$19.6 billion, in 1988, following a 3-percent increase. Affiliates in all industries within manufacturing plan sizable increases. The largest dollar increases are in transportation equipment, "other manufacturing," and chemicals.

Affiliates in transportation equipment plan to increase spending 20 percent, to \$4.6 billion, following an 8-percent decrease. Strong competition for global market share among automobile manufacturers has led to expenditures for advanced manufacturing systems and product development. Recently, competition has been especially strong in the market for luxury automobiles. The 1987 decrease is centered in Canada and partly reflects reduced retooling expenditures due to a plant closing by a transportation equipment affiliate.

Chemical affiliates plan a 15-percent increase, to \$3.8 billion, following a 9-percent increase. In general, the increases in both years reflect continued strong demand for chemical products.

In "other manufacturing," affiliates plan to increase spending 17 percent, to \$3.7 billion, following a 15-percent increase. Both increases largely reflect capacity expansion by manufacturers of paper products.

Affiliates in primary and fabricated metals and in nonelectrical machin-

ery also plan large increases. In primary and fabricated metals, affiliates plan to increase spending 26 percent, to \$1.0 billion, following a 17-percent decrease. The increase partly reflects expenditures for capacity expansion to meet increased demand for aluminum products. In nonelectrical machinery, affiliates plan to increase spending 17 percent, to \$3.4 billion, following no change. The increase mostly reflects spending plans by computer manufacturers. As in transportation equipment, intensified competition among computer manufacturers has led to expenditures for facilities to produce new and diversified product lines.

By area, manufacturing affiliates in developed countries plan to increase spending 16 percent, to \$16.3 billion, following a 2-percent increase. The largest dollar increases are in Germany, the United Kingdom, and Japan. German affiliates plan to increase spending 29 percent, to \$3.3 billion, following a 6-percent decrease. The increase, mostly in transportation equipment, reflects retooling of assembly lines and development of a new automobile model.

British affiliates plan to increase spending 19 percent, to \$2.8 billion, following a 7-percent increase. The largest increases are in transportation equipment and in primary and fabricated metals. In transportation equipment, the increase partly reflects expenditures planned by a British manufacturer of luxury automobiles recently acquired by a U.S. company. In primary and fabricated metals, sizable spending increases are planned in both years to finance expansion by a manufacturer of aluminum containers.

Japanese affiliates plan a 53-percent increase, to \$1.0 billion, following

a 5-percent decrease. The increase, centered in nonelectrical machinery, mainly reflects expansion by a computer manufacturer.

Large increases are also planned by Spanish and Canadian affiliates. Spanish affiliates plan a 59-percent increase, to \$0.7 billion, following a 40-percent increase. The increases in both years mostly reflect expenditures by an affiliate in transportation equipment for facilities to manufacture a line of small automobiles. Canadian affiliates plan a 10-percent increase, to \$3.3 billion, following an 11-percent decrease. The increase is mostly in "other manufacturing" and reflects capacity expansion by manufacturers of paper products.

In developing countries, manufacturing affiliates plan to increase spending 17 percent, to \$3.3 billion, following a 6-percent increase. The 1988 increase is mostly in Brazil and Mexico. Brazilian affiliates plan a 16-percent spending increase, to \$1.4 billion, following a 20-percent increase. The 1988 increase is widespread and is largest in transportation equipment and in "other manufacturing." In Mexico, affiliates plan a 22-percent increase, to \$0.7 billion, following a 13-percent decrease. The increase is widespread by industry and reflects the construction of new U.S. assembly plants and capacity expansion. In recent years, the U.S. presence in Mexico has expanded due to: The devalued peso; the maquiladora program, which allows favorable trade concessions on U.S. assembly operations in Mexico; and the removal of restrictions on 100-percent ownership by foreigners in several manufacturing industries. The 1987 decrease reflects completion of a transportation equipment plant in 1986.

Other industries

Affiliates in all other industries combined plan a 4-percent spending increase, to \$7.1 billion, in 1988, following a 3-percent increase. Increases are planned in all industries except finance (except banking), insurance, and real estate, where affiliates plan a 4-percent decrease, to \$0.6 billion. The decrease mostly reflects the 1987 completion of building modernization projects in the United Kingdom.

Affiliates in wholesale trade plan to increase spending 3 percent, to \$3.0 billion, following a 10-percent increase. Large increases are planned by affiliates in Japan, Germany, and France. In Japan, the increase partly reflects construction of an inspection center by an automobile wholesaler. In Germany, the increase reflects expenditures by a computer wholesaler; in France, it reflects expenditures by a wholesaler of farm machinery.

Affiliates in services plan to increase spending 6 percent, to \$1.5 billion, following a similar increase in 1987. The increase in 1988 is mostly in the United Kingdom and Japan. In the United Kingdom, the increase reflects expenditures by an affiliate in computer services; in Japan, it reflects expenditures by an affiliate in management and consulting services.

Affiliates in "other industries"—agriculture, construction, public utilities, mining, and retail trade—plan a 3-percent increase, to \$2.0 billion, following a 14-percent decrease. The largest increases are in Germany and the United Kingdom. In Germany, an affiliate in freight transportation plans a capacity expansion. In Japan, a food retail chain plans restaurant upgrades.

Tables 3-5, which provide detailed country-by-industry estimates of capital expenditures for each year 1986-88, follow.

U.S. International Transactions, Fourth Quarter and Year 1987

Fourth Quarter 1987

THE U.S. current-account deficit decreased to \$39.0 billion in the fourth quarter from \$43.4 billion in the third.¹ The merchandise trade deficit was virtually unchanged at \$40.2 billion; service transactions shifted to net receipts of \$5.6 billion from net payments of \$0.2 billion; and net unilateral transfers were \$4.4 billion compared with \$2.9 billion.

Merchandise trade.—Merchandise imports increased \$3.8 billion, or 4 percent, to a record \$109.2 billion. Volume and prices each increased 2 percent. Nonpetroleum imports increased \$5.3 billion, or 6 percent, to \$98.1 billion. Volume increased 5 percent and prices 1 percent. The largest increases in value were in nonpetroleum industrial supplies and materials, \$2.4 billion, or 13 percent; capital goods, \$1.4 billion, or 6 percent; and

automotive products, \$0.9 billion, or 4 percent. Within industrial supplies, nonmonetary gold increased \$0.7 billion, or 8 percent, partly for minting U.S. commemorative coins. Within capital goods, business machines increased \$0.5 billion, or 10 percent. Within automotive products, passenger cars from Canada increased \$1.0 billion, or 19 percent. Passenger cars from areas other than Canada decreased \$0.7 billion, or 7 percent, due entirely to a decrease from Japan. Petroleum imports decreased \$1.5 billion, or 12 percent, to \$11.1 billion. Both price and volume decreased. The average price per barrel decreased to \$17.39 from \$18.06, and the average number of barrels imported daily decreased to 6.99 million from 7.65 million.

Merchandise exports increased \$3.9 billion, or 6 percent, to a record \$69.1 billion. Volume increased 5 percent and prices 1 percent. Nonagricultural exports increased \$4.5 billion, or 8 percent, to \$61.3 billion. Volume increased 8 percent. The largest increases in value were in capital goods,

\$1.3 billion, or 6 percent; automotive products, \$1.2 billion, or 18 percent; and nonagricultural industrial supplies and materials, \$1.1 billion, or 7 percent. Within capital goods, business machines increased \$0.5 billion, or 10 percent, and other capital equipment increased \$0.8 billion, or 4 percent. Within automotive products, exports to Canada increased \$1.0 billion, or 21 percent. Agricultural exports decreased \$0.6 billion, or 7 percent, to \$7.7 billion. Soybeans decreased \$0.5 billion, or 32 percent; corn, \$0.2 billion, or 30 percent; and wheat, \$0.1 billion, or 18 percent. The average price of wheat increased 3 percent, and corn, 2 percent. The average price of soybeans was unchanged.

Service transactions.—Net service transactions shifted to net receipts of \$5.6 billion from net payments of \$0.2 billion in the third quarter. Among major components, receipts of income on U.S. direct investment abroad increased to \$15.6 billion from \$9.9 billion, largely the result of exchange rate related gains due to the decline

1. Quarterly estimates for U.S. current- and capital-account components are seasonally adjusted when statistically significant seasonal patterns are present.

Table A.—Summary of U.S. International Transactions

[Millions of dollars, seasonally adjusted]

| Line | Lines in tables 1, 2, and 10 in which transactions are included are indicated in () | 1986 | 1987 ^a | Change: 1986-87 | 1986 | | | | 1987 | | | | Change: 1987 III-IV |
|------|--|----------|-------------------|-----------------|----------|----------|----------|----------|----------------|-----------------|------------------|-----------------|---------------------|
| | | | | | I | II | III | IV | I ^c | II ^c | III ^c | IV ^a | |
| 1 | Exports of goods and services (1)..... | 372,807 | 420,123 | 47,316 | 92,134 | 93,540 | 93,241 | 93,891 | 98,728 | 100,070 | 105,662 | 115,662 | 10,000 |
| 2 | Merchandise, excluding military (2)..... | 224,361 | 250,814 | 26,453 | 53,878 | 56,928 | 56,534 | 57,021 | 56,769 | 59,875 | 65,110 | 69,060 | 3,950 |
| 3 | Other goods and services (3-14)..... | 148,446 | 169,309 | 20,863 | 38,256 | 36,612 | 36,707 | 36,870 | 41,959 | 40,195 | 40,552 | 46,602 | 6,050 |
| 4 | Imports of goods and services (16)..... | -498,501 | -567,336 | -68,835 | -122,153 | -123,128 | -125,490 | -127,730 | -132,562 | -138,344 | -146,179 | -150,251 | -4,072 |
| 5 | Merchandise, excluding military (17)..... | -368,700 | -410,015 | -41,315 | -88,856 | -90,579 | -93,649 | -95,616 | -95,689 | -99,617 | -105,475 | -109,234 | -3,759 |
| 6 | Other goods and services (18-29)..... | -129,801 | -157,321 | -27,520 | -33,297 | -32,549 | -31,841 | -32,114 | -36,873 | -38,727 | -40,704 | -41,017 | -313 |
| 7 | U.S. Government grants (excluding military grants of goods and services) (32)..... | -11,773 | -9,942 | 1,831 | -2,078 | -3,249 | -3,459 | -2,987 | -2,086 | -2,227 | -2,092 | -3,536 | -1,444 |
| 8 | Remittances, pensions, and other transfers (33, 34)..... | -3,885 | -3,526 | 359 | -943 | -918 | -875 | -1,151 | -989 | -837 | -833 | -868 | -35 |
| 9 | U.S. assets abroad, net (increase/capital outflow (-)) (35)..... | -95,982 | -63,796 | 32,186 | -13,770 | -25,529 | -24,478 | -32,204 | 15,351 | -15,078 | -27,172 | -36,898 | -9,726 |
| 10 | U.S. official reserve assets, net (36)..... | 312 | 9,151 | 8,839 | -115 | 16 | 280 | 132 | 1,956 | 3,419 | 32 | 3,743 | 3,711 |
| 11 | U.S. Government assets, other than official reserve assets, net (41)..... | -1,920 | 1,219 | 3,139 | -240 | -242 | -1,454 | 15 | 225 | -177 | 355 | 816 | 461 |
| 12 | U.S. private assets, net (45)..... | -94,374 | -74,166 | 20,208 | -13,415 | -25,303 | -23,304 | -32,351 | 13,170 | -18,320 | -27,559 | -41,457 | -13,898 |
| 13 | Foreign assets in the United States, net (increase/capital inflow (+)) (50)..... | 213,386 | 202,585 | -10,801 | 36,322 | 49,042 | 69,591 | 58,431 | 26,754 | 49,564 | 67,389 | 58,878 | -8,511 |
| 14 | Foreign official assets, net (51)..... | 34,698 | 44,289 | 9,591 | 2,576 | 15,568 | 15,551 | 1,003 | 13,953 | 10,070 | 363 | 19,904 | 19,541 |
| 15 | Other foreign assets, net (58)..... | 178,689 | 158,297 | -20,392 | 33,746 | 33,475 | 54,040 | 57,428 | 12,802 | 39,494 | 67,026 | 38,974 | -28,052 |
| 16 | Allocations of special drawing rights (64)..... | | | | | | | | | | | | |
| 17 | Statistical discrepancy (65)..... | 23,947 | 21,892 | -2,055 | 10,488 | 10,241 | -8,530 | 11,750 | -5,197 | 6,852 | 3,226 | 17,013 | 13,787 |

^c Revised.

^a Preliminary.

Table B.—Selected Transactions with Official Agencies

[Millions of dollars]

| Line | | 1986 | 1987 ^p | Change: 1986-87 | 1986 | | | | 1987 | | | | Change: 1987 III-IV |
|------|---|--------|-------------------|--------------------|-------|--------|--------|--------|--------|--------|------------------|-----------------|---------------------------|
| | | | | | I | II | III | IV | I | II | III ^r | IV ^p | |
| 1 | Changes in foreign official assets in the United States, net (decrease -) (table 1, line 51). | 34,698 | 44,289 | 9,591 | 2,576 | 15,568 | 15,551 | 1,003 | 13,953 | 10,070 | 363 | 19,904 | 19,541 |
| 2 | Industrial countries ¹ | 28,572 | 48,867 | 20,295 | -464 | 11,785 | 13,174 | 4,077 | 16,695 | 17,388 | -1,147 | 15,981 | 17,128 |
| 3 | Members of OPEC ² | -8,508 | -10,006 | -1,498 | 1,876 | -2,166 | -3,023 | -5,195 | -2,901 | -2,651 | -1,721 | -2,733 | -1,012 |
| 4 | Other countries | 14,634 | 5,429 | -9,205 | 1,164 | 5,949 | 5,400 | 2,121 | 159 | -4,617 | 3,231 | 6,656 | 3,425 |
| 5 | Changes in U.S. official reserve assets, net (increase -) (table 1, line 36). | 312 | 9,151 | 8,839 | -115 | 16 | 280 | 132 | 1,956 | 3,419 | 32 | 3,743 | 3,711 |
| | Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ³ | | | | | | | | | | | | |
| 6 | Foreign drawings, or repayments (-), net | 198 | -167 | -365 | | 75 | 212 | -89 | 27 | | -225 | 31 | 256 |
| 6a | Drawings | 642 | 446 | -196 | | 75 | 421 | 146 | 225 | | | 221 | 221 |
| 6b | Repayments | -444 | -613 | -169 | | | -209 | -235 | -198 | | -225 | -190 | 35 |

^r Revised.^p Preliminary.

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

2. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries.

3. Consists of transactions of the Federal Reserve System and the U.S. Treasury Department's Exchange Stabilization Fund.

in the value of the dollar. Payments of income on foreign direct investment in the United States decreased to \$2.1 billion from \$4.2 billion, reflecting losses of European and Canadian insurance companies from declines in the value of their securities portfolios, losses of banking affiliates, and a decline in operating earnings of Japanese automotive affiliates in the United States. Receipts of income on other private investment increased to \$12.9 billion from \$11.4 billion, and payments of income on other private investment increased to \$14.2 billion from \$12.2 billion. Both increases were due partly to higher interest rates.

Foreign visitors spent \$4.0 billion for travel in the United States, up 1 percent. Receipts from overseas visitors increased less than 1 percent to \$2.5 billion; receipts from Canada, 1 percent to \$1.0 billion; and receipts from Mexico, 1 percent to \$0.6 billion. U.S. travelers spent \$5.3 billion in foreign countries, up 2 percent. Payments for overseas travel decreased 2 percent to \$3.3 billion; payments to Canada increased 15 percent to \$0.8 billion due to higher average expenditures; and payments to Mexico, 7 percent to \$1.1 billion due to stepped-up travel to the Mexican interior.

Other transportation receipts were \$4.3 billion, up 3 percent, due to a rise in ocean freight receipts. Other transportation payments were \$5.2 billion, up 4 percent, due to a rise in air freight payments from higher import volume and higher freight rates.

Transfers under U.S. military agency sales contracts decreased \$0.6 billion to \$2.2 billion. As in the third quarter, major aircraft and equipment delivery programs continued to

be completed or reduced. Direct defense expenditures abroad were unchanged at \$3.6 billion.

Net unilateral transfers.—Net unilateral transfers were \$4.3 billion compared with \$2.9 billion. Pursuant to legislation, all of the cash grants for Israel were paid as soon as funds were appropriated by Congress in the first quarter of the new fiscal year.

U.S. assets abroad.—U.S. assets abroad increased \$36.9 billion compared with \$27.2 billion in the third quarter. U.S. official reserve assets decreased \$3.7 billion following virtually no change. Intervention sales of German marks and Japanese yen accounted for \$3.3 billion of the decrease.

U.S. claims on foreigners reported by U.S. banks increased \$23.3 billion compared with \$20.1 billion. In the interbank market, foreign-owned banks increased their claims \$14.9 billion; they advanced funds to their own foreign offices in October following the stock market collapse, and they advanced funds in December to meet moderate yearend demand in the Eurodollar market. In contrast, U.S.-owned banks reduced their claims on foreigners \$2.6 billion, as relatively few funds were advanced to their own foreign offices either after the collapse or at yearend and as foreigners repaid most of the large quarter-end funds advanced in September. Claims payable in foreign currencies increased \$9.6 billion; more than one-half the total was accounted for by claims on Japan.

Net U.S. purchases of foreign securities were \$1.8 billion compared with \$0.9 billion. Net U.S. sales of stocks increased to \$3.9 billion from \$0.4 bil-

lion, as equity prices in most major markets abroad dropped 20-30 percent. Sales of Japanese stocks accounted for over 70 percent of fourth-quarter sales; sales of Western European stocks accounted for 20 percent. Sales of stocks in the United Kingdom were more than offset by the purchase by U.S. underwriters of \$1.0 billion in the shares of British Petroleum. In contrast, net U.S. purchases of bonds increased to \$5.5 billion from \$1.3 billion. Following the stock market collapse, and with the sharper drop in U.S. bond rates than Euro-bond rates, foreign governments and international financial institutions placed \$3.7 billion in new issues in the United States. In transactions in outstanding bonds, net U.S. purchases were \$2.6 billion compared with \$1.5 billion. The step-up was more than accounted for by purchases of Western European bonds, including British gilt-edged bonds, as investors sought high quality, fixed-rate instruments with relatively high interest rates.

Net outflows for U.S. direct investment abroad were \$16.4 billion compared with \$6.2 billion. Both reinvested earnings (largely capital gains) and equity capital increased.

Foreign assets in the United States.—Foreign assets in the United States increased \$58.9 billion compared with \$67.4 billion in the third quarter. Foreign official assets increased a record \$19.9 billion, following a \$0.4 billion increase. Dollar assets of Western European countries and Japan increased strongly, reflecting intervention purchases of dollars. Dollar assets of OPEC members decreased, and dollar assets of other countries increased (table B).

U.S. liabilities to private foreigners and international financial institutions reported by U.S. banks, excluding U.S. Treasury securities, increased \$32.3 billion compared with \$44.4 billion. Foreign-owned banks accounted for all of the \$25.1 billion increase in liabilities in the interbank market; the increase funded strong loan expansion at agencies and branches of foreign banks in the United States and in the Eurodollar market. In contrast, U.S.-owned banks did not acquire any funds from abroad in the fourth quarter compared with moderate amounts in the third. Liabilities payable in foreign currencies increased \$9.7 billion compared with \$7.0 billion.

Net foreign purchases of U.S. Treasury securities were \$0.6 billion compared with net sales of \$2.9 billion.

Net foreign sales of U.S. securities other than U.S. Treasury securities were \$4.9 billion compared with net purchases of \$12.7 billion. New bond issues abroad by U.S. corporations were \$3.1 billion compared with \$6.3 billion. Foreigners sold \$0.2 billion net in outstanding U.S. bonds, a shift from net purchases of \$1.4 billion.

Transactions in U.S. stocks shifted to net foreign sales of \$7.8 billion from net purchases of \$5.0 billion. A record \$6.7 billion was sold in November following the 25-percent drop in stock prices. Net sales were more than accounted for by Western European investors. Japanese investors continued as small net purchasers of stocks (mostly in October), although at sharply reduced levels from those in the first half of the year.

Net inflows for foreign direct investment in the United States were \$11.1 billion compared with \$12.3 billion. Equity capital and intercompany debt inflows remained strong.

The statistical discrepancy (errors and omissions in reported transactions) was a net inflow of \$17.0 billion compared with \$3.2 billion.

U.S. dollar in exchange markets.— In the fourth quarter, the dollar depreciated 9 percent on a trade-weighted quarterly average basis against the currencies of both 10 industrial and 22 OECD countries. The dollar depreciated most against the German mark and British pound, 8 percent each, and least against the Canadian dollar, 1 percent (table C, chart 2). The dollar was under selling pressure in October even before the collapse in equity prices and the sharp drop in interest rates that followed. Although interest rate differentials in favor of U.S. assets increased with the rebound in U.S. rates in November and early December, the dollar depreciated sharply in those two months. The depreciation occurred despite coordinated interest rate reductions among industrial countries and extensive exchange market intervention purchases of dollars.

The Year 1987

U.S. dollar in exchange markets

The U.S. dollar depreciated 17 percent from December 1986 to December 1987 on a trade-weighted average basis against the currencies of 10 industrial countries and 9 percent against the currencies of 22 OECD countries.

The persistence of the large merchandise trade deficit was a major contributing factor to dollar depreciation. Relatively rapid expansion in the United States contributed to the rise in imports. Relatively slow expansion in most leading foreign countries, particularly in the first half of the year, limited U.S. export expansion. Rising interest rate differentials in favor of U.S. assets for much of the year, in contrast to declining differentials in 1986, did little to halt the depreciation.

Temporary stability against most European currencies and the Japanese yen was achieved following an agreement among authorities of six industrial countries in late February to maintain exchange rates close to their prevailing levels. Substantial exchange market intervention purchases of dollars in March and April were necessary to maintain those levels. A sharp increase in U.S. interest rates in April and May, while foreign rates were unchanged, probably contributed to a strengthening of the dollar through early August. A flare-up of hostilities in the Persian Gulf in June and July also may have contributed.

In mid-August, dollar depreciation resumed following the release of unfavorable U.S. merchandise trade data for June and amid renewed inflationary concerns. Another sharp rise in U.S. market interest rates in September and October, accompanied by a rise in the U.S. discount rate, temporarily interrupted the dollar's depreciation. A restatement of the February commitment by major industrial countries to foster exchange rate stability also helped the dollar.

Table C.—Indexes of Foreign Currency Price of the U.S. Dollar

[1977=100]

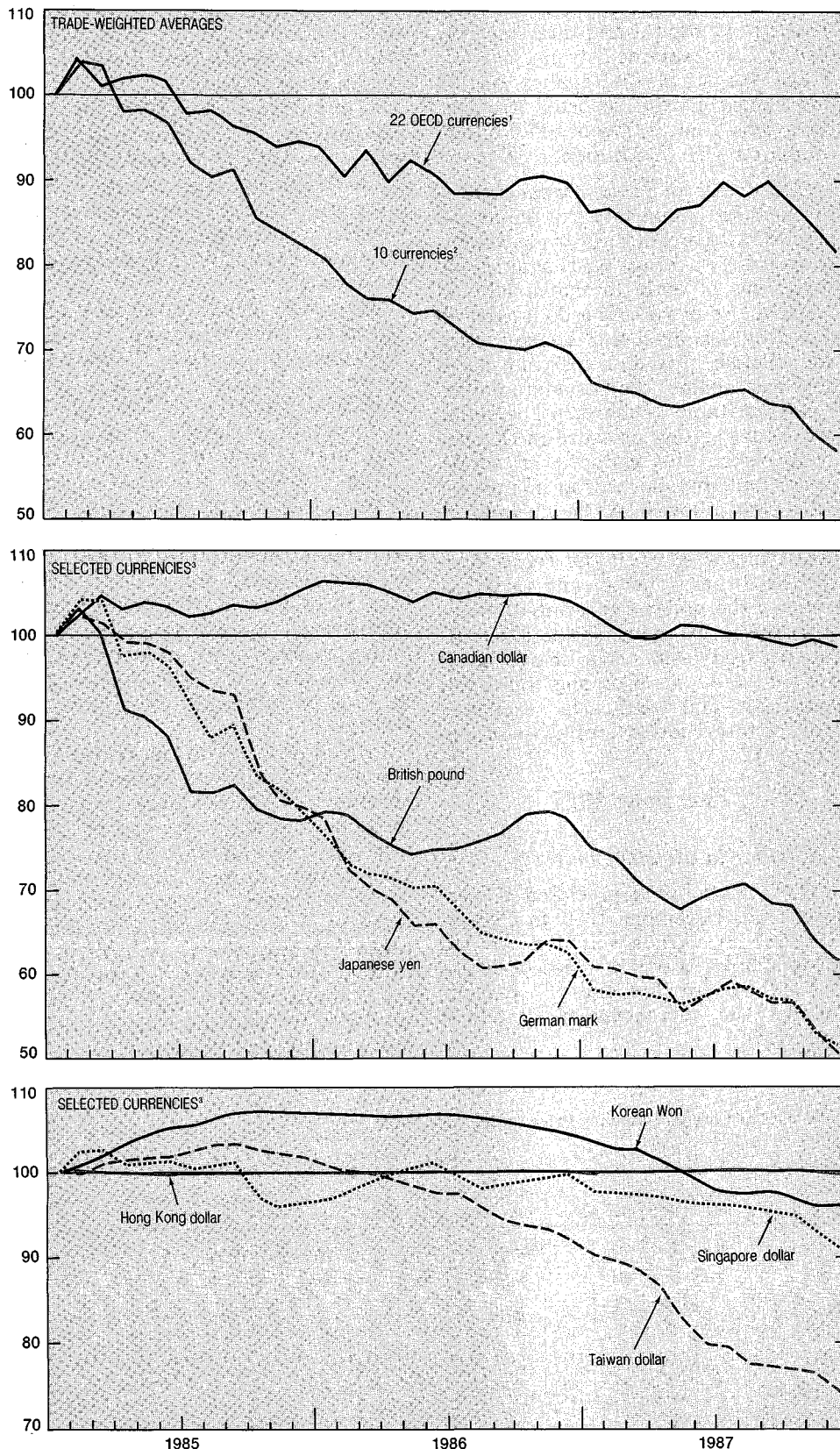
| | 1986 | 1987 | | | | 1986 | 1987 | | | | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | IV | I | II | III | IV | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |
| Trade-weighted average against 22 OECD currencies ¹ | 144.3 | 137.1 | 137.4 | 143.0 | 135.8 | 143.7 | 137.6 | 138.4 | 135.2 | 134.6 | 138.3 | 139.2 | 144.0 | 141.0 | 144.0 | 140.4 | 136.1 | 131.0 |
| Trade-weighted average against 10 currencies ² | 103.4 | 96.5 | 93.7 | 95.4 | 89.2 | 103.0 | 97.7 | 96.1 | 95.7 | 93.8 | 92.8 | 94.5 | 96.0 | 96.1 | 94.0 | 88.4 | 85.7 | |
| Selected currencies: ³ | | | | | | | | | | | | | | | | | | |
| Canada..... | 130.5 | 126.0 | 125.5 | 124.5 | 123.5 | 130.0 | 128.1 | 125.6 | 124.3 | 124.2 | 126.3 | 126.1 | 124.9 | 124.8 | 123.9 | 123.4 | 124.0 | 123.1 |
| United Kingdom..... | 121.9 | 113.1 | 106.2 | 107.8 | 99.5 | 121.1 | 115.8 | 114.1 | 109.5 | 106.9 | 104.6 | 107.0 | 108.3 | 109.0 | 106.0 | 104.9 | 98.2 | 95.3 |
| European Monetary System currencies: | | | | | | | | | | | | | | | | | | |
| Belgium..... | 116.1 | 106.3 | 104.4 | 106.3 | 99.2 | 115.2 | 107.6 | 105.2 | 106.0 | 104.8 | 103.2 | 105.2 | 106.8 | 107.2 | 104.8 | 104.4 | 98.1 | 95.1 |
| France..... | 133.6 | 124.6 | 122.6 | 124.7 | 117.0 | 132.8 | 126.1 | 123.5 | 124.2 | 122.7 | 121.5 | 123.5 | 125.1 | 125.9 | 123.2 | 122.3 | 116.1 | 112.6 |
| Germany..... | 36.3 | 79.2 | 77.7 | 79.1 | 73.4 | 85.5 | 80.0 | 78.5 | 79.0 | 78.0 | 76.9 | 78.2 | 79.5 | 79.8 | 78.0 | 77.5 | 72.4 | 70.3 |
| Italy..... | 156.3 | 147.4 | 146.7 | 150.2 | 140.8 | 155.6 | 143.7 | 146.3 | 147.3 | 146.0 | 145.6 | 148.5 | 151.0 | 151.7 | 147.9 | 146.9 | 139.8 | 135.8 |
| Netherlands..... | 92.3 | 84.5 | 82.9 | 84.3 | 75.1 | 91.5 | 85.4 | 83.8 | 84.4 | 83.2 | 82.0 | 83.4 | 84.7 | 85.1 | 83.1 | 82.5 | 77.1 | 74.8 |
| Switzerland..... | 69.3 | 64.4 | 62.1 | 63.5 | 58.4 | 69.3 | 65.0 | 64.1 | 64.1 | 62.3 | 61.2 | 62.8 | 64.0 | 62.6 | 62.2 | 57.6 | 55.4 | |
| Japan..... | 59.7 | 57.0 | 53.1 | 54.7 | 50.5 | 60.3 | 57.6 | 57.1 | 56.4 | 53.2 | 52.3 | 53.8 | 56.0 | 54.8 | 53.3 | 53.4 | 50.4 | 47.7 |

1. Australia, Austria, Belgium-Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom. Data: U.S. Department of the Treasury. End-of-month rates for months; averages of end-of-month rates for quarters. Index rebased by BEA.

2. Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, United Kingdom. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.

CHART 2
Indexes of Foreign Currency Price of the U.S. Dollar (January 1985 = 100)



1. Australia, Austria, Belgium-Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, and United Kingdom.
Data: U.S. Department of the Treasury. End-of-month rates. Index rebased by BEA.
2. Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom.
Data: Federal Reserve Board. Monthly average rates. Index rebased by BEA.
3. Data: Federal Reserve Board. Monthly average rates. Indexes prepared by BEA.

However, selling pressures on the dollar intensified toward the end of October with the sharp drop in interest rates that followed the stock market collapse of October 19. Also, there was widespread speculation that the commitment to foster exchange rate stability by major industrial countries was ineffective, given the sharp drop in exchange rates that had already occurred. Subsequent intervention purchases and central bank rate cuts in most European countries had little effect and the dollar fell to record lows by yearend.

The dollar also depreciated against the currencies of most newly industrialized countries in Southeast Asia. From December 1986 to December 1987, the dollar was unchanged against the Hong Kong dollar, depreciated 8 percent against both the Singapore dollar and Korean won, and depreciated 19 percent against the Taiwan dollar.

Merchandise trade

The U.S. merchandise trade deficit was \$159.2 billion in 1987 compared with \$144.3 billion in 1986 (tables D, E). Imports increased \$41.3 billion, or 11 percent, to \$410.0 billion; volume increased 5 percent. Nonpetroleum imports increased to \$367.7 billion from \$334.9 billion and petroleum imports increased to \$42.3 billion from \$33.8 billion. The 10-percent increase in the value of nonpetroleum imports followed increases of 16 percent in 1986 and 5 percent in 1985. Exports increased \$26.5 billion, or 12 percent, to \$250.8 billion; volume increased 12 percent. Nonagricultural exports increased to \$221.3 billion from \$197.3 billion, and agricultural exports increased to \$29.5 billion from \$27.0 billion. The 12-percent increase in the value of nonagricultural exports followed increases of 6 percent in 1986 and 3 percent in 1985.

Dollar depreciation, which began to affect trade developments in mid-1986, had a more pronounced impact in 1987. The price competitiveness of U.S. goods in export markets improved as the foreign currency cost of U.S. manufactured exports decreased 2 percent (following decreases of 3 percent and 7 percent in 1986 and 1985, respectively). In contrast, a weighted average of producer prices for manufactured products in major industrial countries abroad increased 5 percent (following no increases in

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

[Millions of dollars, quarters seasonally adjusted]

| | 1985 | 1986 | 1987 ^P | 1987 | | | |
|---------------------------|----------|----------|-------------------|----------------|-----------------|------------------|-----------------|
| | | | | I ^r | II ^r | III ^r | IV ^P |
| Merchandise trade balance | -122,148 | -144,339 | -159,201 | -38,920 | -39,742 | -40,365 | -40,174 |
| Investment income, net | 25,398 | 20,844 | 14,484 | 5,513 | 1,589 | 294 | 7,088 |
| Direct, net | 26,586 | 30,851 | 35,296 | 9,269 | 6,771 | 5,764 | 13,491 |
| Other private, net | 14,615 | 6,279 | -2,080 | 582 | -511 | -843 | -1,307 |
| U.S. Government, net | -15,803 | -16,286 | -18,732 | -4,338 | -4,671 | -4,627 | -5,096 |
| Other services, net | -4,344 | -2,197 | -2,497 | -427 | -121 | -446 | -1,503 |
| Unilateral transfers, net | -15,301 | -15,658 | -13,467 | -3,075 | -3,064 | -2,925 | -4,404 |
| Current account balance | -116,393 | -141,352 | -160,681 | -36,909 | -41,338 | -43,442 | -38,993 |

^r Revised.
^P Preliminary.

either 1986 or 1985). The price competitiveness of U.S. goods at home also improved as the dollar cost of U.S. imports of manufactured goods increased 10 percent (following increases of 9 percent and 4 percent in 1986 and 1985, respectively), compared with a 4-percent increase in U.S. producer prices (following a 3-percent decline in 1986 and no increase in 1985) (chart 3).

A more detailed look at prices of imports and exports for major end-use categories indicates considerable diversity. Dollar prices of most imports, which rose significantly in 1986, rose again by large amounts in 1987, especially capital goods, consumer goods (nonfood), and autos (table F). These three categories accounted for 65 percent of import trade in 1987. Other import prices—for example, petroleum and industrial supplies—also increased, as raw materials, nonfood commodities, and metals prices rose in world markets.

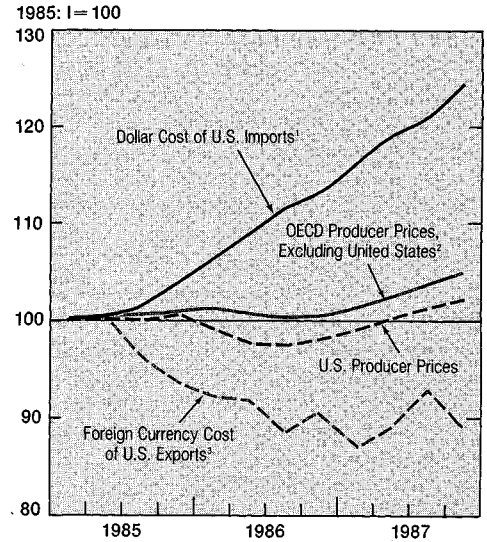
Price increases for exports in 1986 and in 1987 reflected only small in-

creases in production costs for capital goods, consumer goods, and autos, which accounted for 50 percent of export trade. Prices of industrial supplies and materials, determined largely in world markets, increased sharply. When converted into foreign currency terms, prices in most categories declined significantly (table G).

The impact of the lower foreign currency cost of U.S. exports has occurred in about the same timeframe and in the same magnitude as would have been expected from historical experience. The response of imports to higher dollar prices also has been about that expected from historical experience, but the rise in import prices has been limited relative to the total depreciation of the dollar since 1985.

Three factors may partly explain the limited rise in import prices in 1986-87 relative to total depreciation. First, profit margins of foreign exporters have absorbed much of the impact of movements in exchange rates and higher costs. These margins had been

CHART 3
Comparative Cost Indexes of Manufactured Goods



1. Price index of U.S. imports of manufactured goods.
2. Weighted by gross domestic product originating in manufacturing at 1980 exchange rates.
3. Price index of U.S. exports of manufactured goods multiplied by trade-weighted exchange rate index of 22 OECD currencies.
Data: U.S. Department of Labor, price indexes of U.S. exports and imports and U.S. producer price index. U.S. Department of the Treasury, trade-weighted exchange rate index of 22 OECD currencies. OECD, OECD producer price index, excluding the United States.

U.S. Department of Commerce, Bureau of Economic Analysis

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inflated by dollar appreciation in 1980-84, and foreign exporters in 1985-87 chose to hold down price increases to U.S. consumers to maintain market shares in the U.S. market despite higher costs. Strong U.S. demand may have sustained foreign sales somewhat or slowed their decline, thereby partly offsetting the negative impact of lower margins on foreign profits. Second, dollar depreciation has reduced production costs

Table E.—U.S. Merchandise Trade, Current and Constant (1982) Dollars

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

| | Current dollars | | | | | | | | Constant (1982) dollars | | | | | | | |
|---|-----------------|---------|-------------------|----------------|-----------------|------------------|-----------------|---------|-------------------------|-------------------|----------------|-----------------|------------------|-----------------|--|--|
| | 1985 | 1986 | 1987 ^P | 1987 | | | | 1985 | 1986 | 1987 ^P | 1987 | | | | | |
| | | | | I ^r | II ^r | III ^r | IV ^P | | | | I ^r | II ^r | III ^r | IV ^P | | |
| Exports | 215,935 | 224,361 | 250,814 | 56,769 | 59,875 | 65,110 | 69,060 | 226,593 | 244,344 | 274,059 | 62,501 | 65,606 | 71,104 | 74,848 | | |
| Agricultural | 29,571 | 27,023 | 29,545 | 6,421 | 7,070 | 8,317 | 7,737 | 30,350 | 30,259 | 34,955 | 7,644 | 8,407 | 9,949 | 8,955 | | |
| Nonagricultural | 186,364 | 197,338 | 221,269 | 50,348 | 52,805 | 56,793 | 61,323 | 196,213 | 214,085 | 239,104 | 54,857 | 57,199 | 61,155 | 65,893 | | |
| Foods, feeds, and beverages | 23,989 | 22,580 | 24,370 | 5,246 | 5,782 | 7,030 | 6,312 | 25,093 | 25,714 | 29,647 | 6,421 | 7,103 | 8,573 | 7,550 | | |
| Industrial supplies and materials | 60,430 | 64,021 | 69,181 | 15,777 | 16,868 | 17,607 | 18,929 | 63,402 | 69,626 | 71,932 | 17,107 | 17,759 | 18,038 | 19,028 | | |
| Capital goods, except automotive | 76,411 | 79,824 | 89,229 | 20,124 | 20,742 | 23,518 | 24,845 | 85,392 | 94,213 | 109,044 | 24,256 | 25,311 | 28,691 | 30,786 | | |
| Automotive vehicles, parts, and engines | 25,026 | 25,431 | 26,566 | 6,299 | 6,363 | 6,366 | 7,538 | 22,846 | 22,635 | 23,240 | 5,560 | 5,577 | 5,560 | 6,543 | | |
| Consumer goods (nonfood), except automotive | 12,979 | 14,490 | 17,890 | 4,055 | 4,372 | 4,645 | 4,818 | 12,965 | 14,034 | 16,879 | 3,852 | 4,131 | 4,374 | 4,522 | | |
| Imports | 338,083 | 368,700 | 410,015 | 95,689 | 99,617 | 105,475 | 109,234 | 367,680 | 421,768 | 442,649 | 105,455 | 107,308 | 113,673 | 116,213 | | |
| Petroleum and products | 50,391 | 35,760 | 42,321 | 8,669 | 9,946 | 12,612 | 11,094 | 59,586 | 74,273 | 76,961 | 17,303 | 17,921 | 21,820 | 19,917 | | |
| Nonpetroleum products | 287,692 | 334,940 | 367,694 | 87,020 | 89,671 | 92,863 | 98,140 | 308,094 | 347,495 | 365,688 | 88,152 | 89,387 | 91,853 | 96,296 | | |
| Foods, feeds, and beverages | 21,308 | 23,987 | 24,330 | 5,967 | 6,089 | 6,130 | 6,144 | 21,793 | 22,864 | 23,431 | 5,799 | 6,029 | 5,877 | 5,726 | | |
| Industrial supplies and materials | 112,958 | 102,776 | 113,138 | 25,500 | 26,286 | 30,256 | 31,096 | 131,296 | 154,875 | 154,519 | 36,889 | 36,325 | 40,658 | 40,647 | | |
| Capital goods, except automotive | 63,962 | 75,446 | 87,675 | 19,786 | 21,303 | 22,579 | 24,007 | 78,358 | 93,280 | 108,680 | 24,207 | 26,004 | 23,201 | 30,268 | | |
| Automotive vehicles, parts, and engines | 65,022 | 78,084 | 85,271 | 20,593 | 21,100 | 21,324 | 22,254 | 60,809 | 66,302 | 68,177 | 16,797 | 16,921 | 16,964 | 17,495 | | |
| Consumer goods (nonfood), except automotive | 65,148 | 77,802 | 87,230 | 20,746 | 21,945 | 22,065 | 22,474 | 65,410 | 74,057 | 76,495 | 18,830 | 19,354 | 19,141 | 19,170 | | |

^r Revised.
^P Preliminary.

of many countries exporting to the United States, particularly for major foreign industrial importers of petroleum and other raw materials denominated in dollars. Some of this advantage was negated by the rise in prices of raw materials, nonfood commodities, and metals in 1987. Third, only in some commodity categories have import prices increased significantly relative to domestic prices. For capital goods, for example, import prices have not risen greatly relative to domestic prices, and there has been relatively little slowing in capital goods imports. For automotive products, the difference between the rise in import prices and domestic prices has been greater, and prices have played a more significant role in slowing these imports. For consumer durables, the difference in relative prices has been the largest of these three categories.

Two additional factors are relevant in analyzing the impact of import prices on the value of imports. First, the dollar's depreciation against the newly industrialized countries in Asia has been much less than against most major industrial countries. When the import trade of these countries is combined with that of Canada and Mexico, most of which is denominated in U.S. dollars and therefore should not be expected to be much affected by exchange rate changes, these three areas account for over 35 percent of U.S. imports. Second, some of the depreciation of 1986 and much of that in 1987 has yet to have an impact.

Relative growth rates in real domestic demand also exerted an important influence on U.S. trade in 1987. The strength of domestic demand continued to boost expenditures on U.S. imports as well as on domestically produced goods. Restrained growth in domestic demand abroad limited the expansion of U.S. exports, although growth accelerated in the last half of the year, both in Western Europe and Japan.

Imports.—Nonpetroleum imports increased \$32.8 billion in 1987, or 10 percent, to \$367.7 billion, compared with a 16-percent increase. Volume increased 5 percent, compared with a 13-percent increase. The slowing was evident in all major commodity categories except capital goods.

Capital goods increased \$12.2 billion, or 16 percent, to \$87.7 billion,

Table F.—U.S. Merchandise Trade, Fixed-Weighted Price Indexes by Major End-Use Category (Change from Same Period One Year Earlier)

[Percent change: Based on index numbers (1982=100), seasonally adjusted]

| | 1985 | | | 1986 | | | | 1987 | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|-----------------|
| | II | III | IV | I | II | III | IV | I | II | III | IV ^p |
| Exports | -3.7 | -3.7 | -3.2 | -1.9 | -2.3 | -2.7 | -2.3 | -1.6 | 0.3 | 2.8 | 4.3 |
| Agricultural..... | -11.3 | -10.0 | -9.4 | -5.4 | -6.4 | -9.4 | -7.8 | -10.6 | -8.7 | -1.3 | 3.1 |
| Nonagricultural..... | -2.0 | -2.4 | -1.9 | -1.2 | -1.5 | -1.3 | -1.1 | 0.2 | 2.0 | 3.6 | 4.5 |
| Foods, feeds, and beverages..... | -12.4 | -10.7 | -10.5 | -5.9 | -6.9 | -10.6 | -8.3 | -12.2 | -11.3 | -3.3 | 1.5 |
| Industrial supplies and materials..... | -5.5 | -6.4 | -4.3 | -2.9 | -4.4 | -4.0 | -5.6 | -3.1 | 2.7 | 7.2 | 9.6 |
| Capital goods, except automotive..... | -0.1 | -0.9 | -1.7 | -1.7 | -1.3 | -0.7 | 0.4 | 1.6 | 2.1 | 2.0 | 2.2 |
| Business machines..... | -19.0 | -20.6 | -22.9 | -22.4 | -17.9 | -13.5 | -8.3 | -3.8 | -5.7 | -7.5 | -9.1 |
| Other capital goods..... | 2.4 | 1.5 | 0.7 | 0.5 | 0.2 | 0.4 | 1.1 | 2.1 | 2.9 | 2.9 | 3.1 |
| Automotive vehicles, parts, and engines..... | 2.1 | 2.6 | 3.3 | 3.3 | 2.5 | 2.1 | 2.4 | 1.9 | 1.8 | 1.5 | 1.6 |
| Consumer goods (nonfood), except automotive..... | -1.2 | -0.5 | 0.2 | 2.1 | 3.4 | 3.2 | 3.8 | 3.6 | 2.7 | 2.7 | 2.5 |
| Imports | -3.9 | -4.0 | -1.9 | -2.6 | -8.4 | -7.9 | -6.5 | -0.4 | 9.3 | 12.3 | 10.4 |
| Petroleum and products..... | -4.7 | -7.4 | -4.4 | -19.6 | -51.2 | -55.7 | -51.6 | -27.1 | 31.8 | 58.4 | 36.5 |
| Nonpetroleum products..... | -3.8 | -3.0 | -1.0 | 2.3 | 4.3 | 5.7 | 6.4 | 5.7 | 6.2 | 6.9 | 7.0 |
| Food, feeds, and beverages..... | -5.4 | -6.8 | -2.2 | 4.5 | 9.3 | 6.8 | 8.7 | -0.8 | -5.5 | 1.3 | 1.0 |
| Industrial supplies and materials, excluding petroleum..... | -7.5 | -6.4 | -6.9 | -4.3 | -4.9 | -3.8 | -0.9 | 0.5 | 5.5 | 10.4 | 11.5 |
| Capital goods, except automotive..... | -6.5 | -4.6 | -1.7 | 2.6 | 5.8 | 8.1 | 8.9 | 9.6 | 8.5 | 5.9 | 5.8 |
| Business machines..... | -19.0 | -20.6 | -22.9 | -22.4 | -17.9 | -13.5 | -8.3 | -3.8 | -5.7 | -7.5 | -9.1 |
| Other capital goods..... | -4.7 | -2.4 | 1.1 | 5.9 | 8.6 | 10.4 | 10.6 | 10.9 | 9.8 | 7.0 | 7.0 |
| Automotive vehicles, parts, and engines..... | 1.2 | 1.4 | 4.8 | 7.7 | 10.0 | 12.3 | 10.4 | 8.3 | 7.1 | 5.5 | 4.3 |
| Consumer goods (nonfood), except automotive..... | -0.9 | -0.2 | 1.0 | 2.7 | 5.1 | 6.8 | 6.8 | 7.8 | 9.0 | 8.2 | 8.8 |

^p Preliminary.

Table G.—Foreign Currency Cost of U.S. Merchandise Exports, Fixed-Weighted Price Indexes by Major End-Use Category (Change from Same Period One Year Earlier)

[Percent change: Based on index numbers (1982=100), seasonally adjusted]

| | 1985 | | | 1986 | | | | 1987 | | | |
|--|------|-------|-------|-------|-------|-------|-------|-------|-------|------|-----------------|
| | II | III | IV | I | II | III | IV | I | II | III | IV ^p |
| Exports | 10.3 | 0.0 | -6.0 | -10.9 | -11.9 | -11.8 | -6.8 | -8.8 | -6.4 | 4.1 | -1.9 |
| Agricultural..... | 1.5 | -6.5 | -12.0 | -14.0 | -15.6 | -17.9 | -12.1 | -17.1 | -14.8 | -0.1 | -3.0 |
| Nonagricultural..... | 12.2 | 1.4 | -4.8 | -10.2 | -11.2 | -10.6 | -5.7 | -7.1 | -4.7 | 4.8 | -1.7 |
| Foods, feeds, and beverages..... | 0.2 | -7.3 | -13.1 | -14.5 | -16.1 | -19.0 | -12.6 | -18.6 | -17.2 | -2.1 | -4.6 |
| Industrial supplies and materials..... | 8.2 | -2.8 | -7.1 | -11.7 | -13.8 | -13.0 | -9.9 | -10.1 | -4.1 | 8.5 | 3.1 |
| Capital goods, except automotive..... | 14.4 | 2.9 | -4.6 | -10.7 | -11.0 | -10.0 | -4.2 | -5.7 | -4.6 | 3.3 | -3.8 |
| Business machines..... | -7.3 | -17.5 | -25.2 | -29.5 | -26.0 | -21.6 | -12.6 | -10.8 | -12.0 | -6.4 | -14.5 |
| Other capital goods..... | 17.2 | 5.4 | -2.3 | -8.7 | -9.7 | -9.0 | -3.6 | -5.3 | -3.9 | 4.1 | -3.0 |
| Automotive vehicles, parts, and engines..... | 16.8 | 6.6 | 0.2 | -6.1 | -7.6 | -7.5 | -2.3 | -5.5 | -5.0 | 2.7 | -4.4 |
| Consumer goods (nonfood), except automotive..... | 13.1 | 3.3 | -2.7 | -7.2 | -6.8 | -6.5 | -1.0 | -3.9 | -4.1 | 3.9 | -3.6 |

^p Preliminary.

Note.—Fixed-weighted price indexes multiplied by trade-weighted exchange rate index of 22 OECD currencies.

compared with an 18-percent increase in 1986. Capital goods from Western Europe and Japan, against whose currencies the dollar has depreciated significantly, slowed to an 8-percent increase from a 19-percent increase and to a 16-percent increase from a 22-percent increase, respectively. Capital goods from the newly industrialized countries in Asia (Hong Kong, Korea, Singapore, and Taiwan), against whose currencies the dollar has depreciated much less, accelerated to a 29-percent increase from a 23-percent increase. Within capital goods, most commodity categories continued to increase at about the same pace as in 1986, in spite of significant price increases. Business and office machines, however, increased at a considerably faster pace; import prices of business machines have fallen rapidly over the past 2 years.²

2. The fixed-weight deflator used to deflate business purchases of office, computing, and accounting ma-

Consumer goods (nonfood) increased \$9.4 billion, or 12 percent, to \$87.2 billion, compared with a 19-percent increase. Imports of durables from

chinery incorporates BEA's quality-adjusted measure of computer prices. (See "Improved Deflation of Purchases of Computers" in the March 1986 SURVEY OF CURRENT BUSINESS for a description of BEA's quality-adjusted measure.) The deflator has two shortcomings specific to its use in deflating imports. First, it measures mostly the change in the prices of domestically produced business machines, not the prices of imported machines. This shortcoming can be important to the extent that changes in the value of the dollar against the currencies of the supplying countries are reflected in the price of imports. Because the dollar has depreciated since early 1985, use of this deflator would tend to understate prices of these imports. About one-half of the imports in the business machines category in recent years has come from Japan; the remainder is mainly from Singapore and Korea. Second, the deflator measures the change in the prices of the mix of business machines purchased from U.S. manufacturers, which may differ from the mix of imports. For example, computer processors have a much larger weight in purchases from domestic manufacturers than in imports. It is not yet clear whether the difference in the mix would tend to understate or overstate the constant-dollar estimates. Until a more adequate deflator is available, BEA will continue to use the existing deflator.

Table H.—U.S. Merchandise Trade Balances by Area

[Balance of payments basis, millions of dollars]

| | 1985 | 1986 | 1987 ^a |
|--|----------|----------|-------------------|
| Total | -122,148 | -144,339 | -159,201 |
| Canada..... | -15,004 | -13,331 | -11,877 |
| Western Europe..... | -21,439 | -28,410 | -27,283 |
| United Kingdom..... | -3,388 | -3,990 | -3,443 |
| Germany..... | -10,596 | -14,268 | -15,335 |
| Other..... | -7,455 | -10,152 | -8,505 |
| Japan..... | -43,508 | -54,403 | -56,968 |
| Australia, New Zealand, and South Africa..... | 1,366 | 1,171 | 2,047 |
| Latin America..... | -15,215 | -11,319 | -13,075 |
| Brazil..... | -3,384 | -2,987 | -4,053 |
| Mexico..... | -5,719 | -4,801 | -5,705 |
| Venezuela..... | -3,458 | -1,705 | -2,013 |
| Other..... | -2,154 | -1,826 | -1,304 |
| Other Western Hemisphere..... | -106 | 770 | 906 |
| OPEC (non-Latin America)..... | -6,643 | -5,848 | -10,886 |
| Asia (non-OPEC)..... | -23,256 | -33,356 | -41,448 |
| Hong Kong, Korea, Singapore, Taiwan..... | -21,323 | -28,708 | -34,793 |
| Other..... | -1,933 | -4,648 | -6,655 |
| Eastern Europe..... | 1,411 | 45 | 316 |

^a Preliminary.

Japan dropped 13 percent, compared with a 15-percent increase; durables from Western Europe slowed to a 3-percent increase from a 17-percent increase. Durables from the newly industrialized countries in Asia increased at the same pace as in 1986, about 27 percent. Nondurables from the newly industrialized countries in Asia increased 18 percent, unchanged from 1986.

Automotive products increased \$7.2 billion, or 9 percent, to \$85.3 billion, compared with a 20-percent increase. Increases in imports from Japan slowed to 3 percent from 35 percent, and those from West Germany slowed to 14 percent from 27 percent. Unit sales of autos from Japan and West Germany dropped 8 percent and 22 percent, respectively. Over the past 2 years, prices of Japanese autos have risen 9 percent due to dollar depreciation, voluntary sales restraints, and substitution of higher priced for lower priced models. Imports of relatively low-priced autos from Korea increased substantially, as did those from Mexico, where U.S. manufacturers increased assembly operations. The foreign share of total autos sold in the United States decreased 1 percent to 20 percent.

Nonpetroleum industrial supplies and materials increased \$1.8 billion, or 3 percent, to \$69.0 billion, compared with a 10-percent increase. However, iron and steel products, chemicals, and paper and paper base stocks increased substantially, both in

volume and price. Most other supplies and materials increased little in volume; the increases in value were attributable to the sharp rise in world market prices of raw materials, non-food commodities, and metals, following declines in 1986. Nonmonetary gold dropped substantially.

Petroleum imports increased \$8.6 billion, or 25 percent, to \$42.3 billion, partly offsetting the slowing in nonpetroleum imports. Most of the increase was due to a 40-percent increase in prices in the first half of the year. For the year, the average price per barrel increased to \$17.17 from \$14.18. The average number of barrels imported daily increased to 6.75 million from 6.52 million; the increase was more than accounted for by Saudi Arabia and Nigeria. U.S. consumption of petroleum increased 1 percent, and stocks, excluding those of the Strategic Petroleum Reserve, were unchanged. U.S. production decreased 3 percent.

Exports.—Nonagricultural exports increased \$23.9 billion, or 12 percent, to \$221.3 billion, compared with a 6-percent increase. Volume increased 12 percent, compared with a 9-percent increase. Although the improvement was widespread across major end-use commodity categories, it was particularly pronounced in capital goods except autos. The improvement reflected, to some extent, the effect of dollar depreciation, reinforced in the second half of the year by a pickup in demand in some Western European and Asian countries.

Capital goods increased \$9.4 billion, or 12 percent, to \$89.2 billion, following a 4-percent increase. Nearly all types of electrical and nonelectrical machinery increased strongly, principally exports to Western Europe, but also to the newly developed countries in Asia. Business and office machines, which had begun to rise in mid-1986, accelerated strongly. Nearly all the increase in business machines was in volume as prices declined. In contrast, prices of other machinery for export increased moderately. However, exports were stimulated by a pickup in demand abroad by substantially lower foreign currency costs due to dollar depreciation.

Nonagricultural industrial supplies and materials increased \$5.2 billion, or 7 percent, to \$62.7 billion, following

an 8-percent increase. Chemicals increased \$3.4 billion and paper and paper base products \$1.3 billion; both volumes and prices increased. For most other supplies and materials, volume increases slowed considerably and prices rose.

Consumer goods (nonfood) increased \$3.4 billion, or 24 percent, to \$17.9 billion, following a 12-percent increase.

Automotive products increased \$1.1 billion, or 5 percent, to \$26.6 billion, following a 2-percent increase.

Agricultural exports increased \$2.5 billion, or 9 percent, to \$29.5 billion, recouping the decrease in 1986. Volume increased 16 percent. Cotton increased \$0.8 billion, or 102 percent, mostly to Western Europe, Japan, and South Korea; corn, \$0.6 billion, or 23 percent, mostly to South Korea and Taiwan, and fruits and vegetables, \$0.4 billion, or 25 percent. The increase in exports reflected the effects of reduced harvests in some parts of the world, the Soviet Union's purchase of grain under export promotion programs, and some improvement in the price competitiveness of U.S. agricultural products in world markets. Sizable price declines in world agricultural markets continued: The average price of corn decreased 18 percent; wheat, 17 percent; and rice, 10 percent. The average price of cotton increased 11 percent, and soybeans, 1 percent.

Balances by area.—One-half of the increase in exports was to Canada and Western Europe, particularly industrial supplies and capital goods. Combined with the slowing of imports across all major commodity categories from these areas, the trade deficit with Canada dropped to \$12.0 billion from \$13.3 billion and with Western Europe to \$27.3 billion from \$28.4 billion (tables H, I). Exports to the newly industrialized countries in Asia, especially capital goods and industrial supplies, also accelerated, but imports, especially consumer and capital goods, rose even more, so that the deficit increased to \$34.8 billion from \$28.7 billion. Exports to Japan were only slightly higher, following a surge in 1986, but imports of all major commodities except capital goods slowed sharply. As a result, the deficit increased only \$2.0 billion to \$57.0 billion, following an increase of \$10.9 billion. The deficit with OPEC members

other than in Latin America increased to \$10.9 billion from \$5.8 billion.

Service transactions

Net service receipts were \$12.0 billion in 1987 compared with \$18.7 billion in 1986 (table J).

Receipts of income on U.S. direct investment abroad increased to \$47.9 billion from \$36.7 billion. Operating earnings, especially those of manufacturing and other affiliates in Western Europe, increased strongly following little increase in 1986. Earnings in 1987 were boosted by an even larger increase in capital gains than in 1986. Gains in both years were generated largely by the appreciation of major foreign currencies against the dollar. Interest payments decreased \$0.9 billion. Receipts of income on other private investment were \$46.5 billion compared with \$45.2 billion, reflecting higher bank claims (table K). Receipts of income on U.S. Government assets were \$5.3 billion compared with \$6.3 billion; receipts had been boosted in 1986 by an exceptionally large debt rescheduling.

Payments of income on foreign direct investment in the United States were \$12.6 billion compared with \$5.8 billion. Significantly higher operating earnings of manufacturing affiliates, following little increase or losses in 1986, and a recovery in petroleum earnings accounted for much of the rise. Also, there was a shift in 1987 to capital gains from capital losses. Interest payments increased \$0.8 billion. Payments of income on other private investment were \$48.6 billion compared with \$38.9 billion. The increase was due to larger payments on bonds and bank liabilities in 1987. Payments of income on U.S. Government liabilities were \$24.0 billion compared with \$22.6 billion.

Net travel and passenger fare payments increased to \$8.8 billion from \$8.0 billion. Foreign visitors spent \$15.4 billion for travel in the United States, up 19 percent from the previous year. Travel receipts from overseas were \$9.5 billion, up 21 percent: The number of visitors from Japan was up 27 percent; from Europe, 26 percent; and from the Caribbean, 15 percent. Receipts from Canada in-

creased 21 percent to \$3.9 billion, mostly due to an increase in the number of auto travelers. Receipts from Mexico increased 6 percent to \$2.0 billion; the number of Mexican visitors to the U.S. interior increased 10 percent.

U.S. travel payments totaled \$20.8 billion, an 18-percent increase over 1986. Travel expenditures overseas increased 27 percent to \$13.3 billion; the number of travelers rebounded from levels depressed by terrorist activities in the peak midsummer travel season in 1986, and average expenditures rose partly as a result of the drop in the dollar's value. Travelers to Europe increased 20 percent, following a 20-percent decrease, and travelers to the Far East slowed to an 8-percent increase from a 12-percent increase. Travel payments to Canada decreased 3 percent to \$3.1 billion; the number of travelers decreased 3 percent. Payments to Mexico totaled \$4.3 billion, up 12 percent; the number of U.S. travelers to Mexico's interior increased 17 percent, and the number of border crossers increased 3 percent.

Table I.—U.S. Merchandise Trade by Major End-Use Category by Selected Area and Country

[Balance of payments basis, millions of dollars]

| | Canada | | | Western Europe | | | Germany | | | Japan | | | Australia, New Zealand, and South Africa | | |
|--|---|--------|-------------------|----------------|--------|-------------------|--------------------------|--------|-------------------|-----------------|--------|-------------------|--|--------|-------------------|
| | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p |
| | Exports | 55,390 | 56,984 | 61,842 | 56,015 | 60,664 | 68,939 | 8,939 | 10,275 | 11,618 | 22,145 | 26,361 | 27,651 | 6,967 | 7,116 | 7,410 |
| Agricultural..... | 2,160 | 2,257 | 2,420 | 7,127 | 7,412 | 7,613 | 952 | 1,135 | 1,313 | 5,404 | 5,132 | 5,736 | 245 | 252 | 258 |
| Nonagricultural..... | 53,230 | 54,727 | 59,422 | 48,888 | 53,252 | 61,326 | 7,987 | 9,140 | 10,305 | 16,741 | 21,229 | 21,915 | 6,722 | 6,864 | 7,152 |
| Food, feeds, and beverages..... | 1,697 | 1,830 | 1,883 | 5,215 | 5,786 | 6,005 | 598 | 703 | 913 | 5,019 | 5,065 | 5,572 | 203 | 191 | 180 |
| Industrial supplies and materials..... | 11,444 | 11,846 | 12,589 | 16,596 | 17,255 | 18,218 | 2,199 | 2,429 | 2,580 | 8,695 | 11,849 | 10,219 | 1,659 | 1,683 | 1,988 |
| Capital goods, except automotive..... | 13,355 | 13,801 | 15,296 | 25,103 | 27,022 | 31,237 | 4,519 | 5,200 | 5,786 | 5,665 | 6,373 | 7,399 | 3,612 | 3,861 | 3,587 |
| Automotive vehicles, parts, and engines..... | 19,387 | 19,665 | 19,327 | 1,162 | 1,307 | 1,780 | 328 | 358 | 429 | 245 | 299 | 383 | 332 | 262 | 323 |
| Consumer goods (nonfood), except automotive..... | 2,500 | 2,691 | 3,149 | 3,911 | 4,749 | 5,705 | 557 | 699 | 816 | 1,411 | 1,681 | 2,560 | 513 | 501 | 562 |
| Imports | 70,394 | 70,315 | 73,719 | 77,454 | 89,074 | 96,222 | 19,535 | 24,543 | 26,953 | 65,653 | 80,764 | 84,619 | 5,601 | 5,945 | 5,363 |
| Petroleum and products..... | 7,078 | 4,411 | 4,904 | 6,112 | 4,059 | 4,701 | 85 | 59 | 30 | 45 | 16 | 41 | 544 | 292 | 377 |
| Nonpetroleum products..... | 63,316 | 65,904 | 68,815 | 71,342 | 85,015 | 91,521 | 19,450 | 24,484 | 26,923 | 65,608 | 80,748 | 84,578 | 5,057 | 5,653 | 4,986 |
| Foods, feeds, and beverages..... | 2,780 | 3,099 | 3,492 | 5,047 | 5,469 | 5,783 | 509 | 590 | 585 | 467 | 502 | 451 | 1,396 | 1,415 | 1,658 |
| Industrial supplies and materials..... | 30,042 | 28,411 | 29,709 | 22,726 | 24,384 | 24,489 | 3,440 | 3,884 | 4,197 | 6,694 | 6,781 | 7,281 | 3,164 | 3,372 | 2,831 |
| Capital goods, except automotive..... | 6,295 | 6,675 | 7,759 | 20,352 | 24,164 | 26,111 | 5,329 | 7,690 | 8,361 | 20,573 | 25,022 | 29,042 | 190 | 212 | 228 |
| Automotive vehicles, parts, and engines..... | 24,542 | 24,827 | 24,601 | 11,863 | 14,646 | 17,465 | 7,539 | 9,607 | 10,950 | 24,127 | 32,554 | 33,671 | 53 | 61 | 85 |
| Consumer goods (nonfood), except automotive..... | 2,411 | 2,704 | 3,047 | 14,877 | 17,431 | 18,367 | 1,737 | 2,261 | 2,344 | 13,088 | 15,118 | 13,385 | 559 | 524 | 317 |
| | Latin American Republics and Other Western Hemisphere | | | Mexico | | | OPEC (non-Latin America) | | | Asia (non-OPEC) | | | Hong Kong, Korea, Singapore, Taiwan | | |
| | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p | 1985 | 1986 | 1987 ^p |
| Exports | 30,788 | 30,877 | 35,089 | 13,386 | 12,363 | 14,590 | 7,761 | 6,779 | 6,575 | 29,062 | 29,725 | 37,255 | 16,200 | 17,307 | 22,809 |
| Agricultural..... | 4,275 | 3,691 | 3,731 | 1,480 | 1,098 | 1,213 | 1,487 | 1,438 | 1,615 | 4,774 | 4,334 | 5,499 | 8,152 | 2,980 | 3,760 |
| Nonagricultural..... | 26,513 | 27,186 | 31,358 | 11,906 | 11,265 | 13,377 | 6,274 | 5,341 | 4,960 | 24,288 | 25,391 | 31,756 | 13,048 | 14,327 | 19,049 |
| Food, feeds, and beverages..... | 3,600 | 3,123 | 3,063 | 1,117 | 873 | 932 | 1,318 | 1,300 | 1,425 | 3,331 | 3,084 | 3,767 | 2,041 | 1,965 | 2,319 |
| Industrial supplies and materials..... | 10,093 | 9,655 | 11,248 | 4,096 | 3,573 | 4,353 | 1,192 | 1,057 | 1,238 | 9,026 | 9,166 | 12,369 | 5,457 | 6,185 | 8,593 |
| Capital goods, except automotive..... | 10,146 | 10,772 | 12,076 | 4,538 | 4,555 | 5,210 | 3,576 | 2,957 | 2,020 | 13,213 | 13,683 | 16,232 | 6,625 | 6,924 | 8,788 |
| Automotive vehicles, parts, and engines..... | 2,838 | 2,843 | 3,228 | 1,974 | 1,853 | 2,143 | 597 | 478 | 793 | 385 | 494 | 610 | 156 | 216 | 410 |
| Consumer goods (nonfood), except automotive..... | 2,201 | 2,430 | 2,858 | 684 | 660 | 836 | 805 | 654 | 699 | 1,410 | 1,565 | 2,125 | 881 | 1,023 | 1,470 |
| Imports | 46,109 | 41,426 | 47,258 | 19,104 | 17,164 | 20,295 | 14,404 | 12,627 | 17,461 | 52,318 | 63,080 | 78,703 | 37,523 | 46,014 | 57,602 |
| Petroleum and products..... | 18,932 | 10,837 | 12,705 | 7,838 | 3,582 | 3,852 | 12,604 | 10,809 | 14,998 | 2,221 | 1,352 | 1,454 | 164 | 266 | 230 |
| Nonpetroleum products..... | 27,177 | 30,589 | 34,553 | 11,266 | 13,582 | 16,443 | 1,800 | 1,818 | 2,463 | 50,097 | 61,728 | 77,249 | 37,359 | 45,748 | 57,372 |
| Foods, feeds, and beverages..... | 5,179 | 9,335 | 8,876 | 1,792 | 2,384 | 2,362 | 340 | 379 | 291 | 1,983 | 2,499 | 2,695 | 602 | 796 | 1,016 |
| Industrial supplies and materials..... | 25,322 | 17,733 | 19,990 | 9,697 | 5,776 | 6,120 | 13,602 | 11,711 | 16,181 | 7,313 | 7,009 | 8,095 | 3,450 | 3,621 | 4,153 |
| Capital goods, except automotive..... | 4,016 | 4,524 | 5,353 | 2,957 | 3,538 | 4,282 | 37 | 31 | 351 | 12,889 | 14,709 | 18,708 | 9,611 | 11,816 | 15,212 |
| Automotive vehicles, parts, and engines..... | 3,613 | 4,256 | 6,120 | 2,830 | 3,311 | 4,711 | 1 | 2 | 1 | 763 | 1,691 | 3,260 | 701 | 1,617 | 3,137 |
| Consumer goods (nonfood), except automotive..... | 4,132 | 4,694 | 5,830 | 1,278 | 1,558 | 2,060 | 270 | 390 | 525 | 29,353 | 36,380 | 45,018 | 22,680 | 27,647 | 33,469 |

^p Preliminary.

Table J.—U.S. International Service Transactions

(Millions of dollars)

| | 1985 | 1986 | 1987 ^p |
|---|----------|----------|-------------------|
| Service transactions, net..... | 21,056 | 18,645 | 11,988 |
| Receipts..... | 143,523 | 148,446 | 169,309 |
| Payments..... | -122,467 | -129,801 | -157,321 |
| Military transactions, net ¹ | -3,339 | -3,662 | -2,079 |
| Travel and passenger fares, net..... | -9,080 | -7,994 | -8,808 |
| Other transportation, net..... | -1,786 | -1,909 | -2,818 |
| Royalties and license fees, net..... | 5,274 | 5,785 | 6,881 |
| Investment income, net..... | 25,398 | 20,844 | 14,484 |
| Direct, net..... | 26,586 | 30,851 | 35,296 |
| Other private, net..... | 14,615 | 6,279 | -2,080 |
| U.S. Government, net..... | -15,803 | -16,286 | -18,732 |
| Other private and U.S. Government, net..... | 4,587 | 5,583 | 4,327 |
| Contractor operations, net..... | 1,368 | 1,335 | 1,239 |
| Reinsurance, net..... | -959 | -1,095 | -1,143 |
| Communications, net..... | -1,103 | -1,181 | -1,250 |
| U.S. Government, net..... | -857 | -1,094 | -1,295 |
| Other, net..... | 6,138 | 7,618 | 6,726 |

^p Preliminary.

1. Consists of goods and services transferred under U.S. military agency sales contracts less imports of goods and services by U.S. defense agencies.

Passenger fare receipts from foreign visitors traveling on U.S. flag carriers increased 30 percent to \$4.6 billion. The number of visitors was up 26 percent. Increases were largest from Oceania, 60 percent, and Europe, 39 percent. U.S. payments to foreign transocean carriers totaled \$8.0 billion, an 18-percent increase. The number of U.S. travelers on foreign flag carriers increased 11 percent, due to a 17-percent increase in travel on European carriers.

Other net transportation payments were \$2.8 billion compared with \$1.9 billion. Total receipts increased 9 percent to \$16.5 billion. Ocean port expenditure receipts increased 10 percent to \$6.7 billion due to an 11-percent increase in tonnage, and air port expenditure receipts increased 13 percent to \$4.7 billion. Total payments increased 13 percent to \$19.4 billion. Ocean freight payments increased 10 percent to \$9.9 billion, as liner service imports rose 14 percent and tanker volume was up moderately. Air port expenditure payments increased 34

Table K.—Other Private Income ¹

(Billions of dollars)

| | 1985 | 1986 | 1987 ^p |
|--|------|------|-------------------|
| Receipts..... | 50.2 | 45.2 | 46.5 |
| Dividends..... | .8 | 1.0 | .9 |
| Interest on bonds..... | 7.4 | 7.7 | 7.7 |
| Interest on bank claims ² | 36.7 | 32.0 | 33.4 |
| Interest on other claims ³ | 5.3 | 4.5 | 4.5 |
| Payments..... | 35.5 | 38.9 | 48.6 |
| Dividends..... | 2.4 | 2.8 | 3.7 |
| Interest on bonds..... | 4.4 | 9.3 | 13.5 |
| Interest on bank liabilities..... | 25.3 | 23.4 | 27.2 |
| Interest on other liabilities ³ | 3.4 | 3.4 | 4.2 |

1. Excludes direct investment receipts and payments.

2. Receipts include certain fee-based income.

3. Primarily income of business concerns other than banks.

percent to \$4.2 billion, due to strong growth in U.S. airline traffic overseas. Air freight payments increased 8 percent to \$2.2 billion.

U.S. military transactions with foreigners resulted in net payments of \$2.1 billion, down from \$3.7 billion. Transfers under U.S. military agency sales contracts were \$11.9 billion, an increase of \$3.0 billion. Completion of scheduled deliveries of aircraft and other major equipment during the first half of the year accounted for the increase. U.S. direct defense expenditures abroad were \$14.0 billion, up \$1.4 billion. Expenditures for contractual services increased \$0.9 billion, mostly in Western Europe and Japan, due to the dollar's depreciation against currencies in those areas. Personnel expenditures, which are protected by cost-of-living allowances against higher foreign currency costs and inflation, increased nearly \$0.2 billion. Pay to foreign nationals and foreign construction payments increased \$0.2 billion each, also partly due to higher foreign currency costs.

Net receipts from unaffiliated foreigners for miscellaneous services increased to \$2.6 billion from \$2.3 billion. Among the components, transactions in securities commissions resulted in a reduction in net payments to \$0.4 billion from \$0.5 billion. Receipts and payments both increased rapidly in 1987, reflecting the large step-up in activity in securities markets. U.S. brokers' gross receipts of commissions from foreigners on securities transactions increased 45 percent to \$2.1 billion. A 70-percent increase in commissions on stocks accounted for most of the increase. The surge in foreign interest in U.S. stocks prior to October resulted in substantial increases in receipts from nearly all areas, led by Japan. Commissions on U.S. Treasury bonds rose moderately, more than accounted for by increased transactions with Japan and the United Kingdom.

Gross payments of commissions to foreign brokers increased 25 percent to \$2.4 billion. Commissions and transfer taxes on foreign securities transactions increased 30 percent, split about evenly among Japan, the United Kingdom, and Western Europe. Fees paid on new Eurobond issues by U.S. corporations decreased, along with the decline in activity. Increased payments on transactions in outstanding bonds were mostly limited to West Germany and Japan.

Commissions paid by foreigners on futures trading in the United States were \$0.3 billion, up from \$0.2 billion, reflecting a step-up in trading activity.

Net unilateral transfers

Net unilateral transfers decreased to \$13.5 billion in 1987 from \$15.7 billion in 1986. U.S. Government grants dropped sharply. Although military grants to countries in the Middle East were maintained, grants to countries in other areas dropped due to a change in administrative procedures that slowed the disbursement of funds relative to the level of funds appropriated. Economic support and project and technical assistance grants under the Foreign Assistance Act also declined, and grants under programs for the use of agricultural products remained at last year's depressed levels.

U.S. assets abroad

U.S. assets abroad increased \$63.8 billion in 1987 compared with \$96.0 billion in 1986.

U.S. official reserve assets.—U.S. official reserve assets decreased \$9.2 billion compared with \$0.3 billion. Decreases in foreign currency assets, mostly German marks and Japanese yen, were especially large in March and April, when large-scale intervention sales were effected to foster exchange rate stability, and in November and December, when the dollar fell 9 percent against the German mark and 11 percent against the Japanese yen. The U.S. reserve position in the International Monetary Fund decreased \$2.1 billion, and holdings of special drawing rights increased \$0.5 billion.

Claims reported by banks.—U.S. claims on foreigners reported by U.S. banks increased \$33.4 billion compared with \$59.0 billion (tables L, M). Interbank market activity dropped significantly: U.S.-owned banks reduced their claims on foreigners, and foreign-owned banks limited the increase in their claims.

Interbank claims on own foreign offices and other unaffiliated banks increased \$10.0 billion, compared with a \$43.9 billion increase. The slowing was accounted for by a \$17.2 billion decrease in claims of U.S.-owned banks, following an increase of \$11.2 billion, and an increase of \$27.2 bil-

lion in claims of foreign-owned banks, following an increase of \$32.6 billion.

U.S.-owned banks advanced fewer funds to their own foreign offices; large outflows occurred in April and September when interest rates and credit demands rose sharply making it advantageous to fund foreign offices from the United States. In general, U.S.-owned banks continued to limit their financial exposure abroad. For the year, claims on own foreign offices decreased \$3.8 billion.

U.S.-owned banks sharply reduced the funds made available to unaffiliated banks. In large part, the reduction reflected the increased supply of funds made available by Japanese banks and by dollar deposits of foreign monetary authorities in the Eurodollar markets. The reduction may also have partly reflected the repayment of earlier large-scale borrowing by banks in Europe for purchases of foreign securities, and a reduced

Table L.—Private Capital Flows, Net

[Billions of dollars]

| Claims (increase/capital outflow (-)); liabilities (increase/capital inflow (+)) | 1985 | 1986 | 1987 ^p | 1987 | | | |
|--|-------|-------|-------------------|-------|-------|------------------|-----------------|
| | | | | I | II | III ^r | IV ^p |
| Private capital flows | 106.2 | 84.5 | 84.2 | 25.6 | 20.1 | 39.6 | -1.1 |
| Bank-reported capital, net ¹ | 39.7 | 18.4 | 44.5 | 12.1 | -9 | 24.3 | 9.0 |
| U.S. claims | -1.3 | -59.0 | -33.4 | 25.7 | -15.7 | -20.1 | -23.3 |
| U.S. liabilities ¹ | 41.0 | 77.4 | 77.9 | -13.6 | 14.8 | 44.4 | 32.3 |
| Securities, net | 63.9 | 75.8 | 32.3 | 15.6 | 14.1 | 8.9 | -6.2 |
| Net U.S. purchases of foreign securities | -7.5 | -3.3 | -3.7 | -1.3 | .4 | -9 | -1.8 |
| Net foreign purchases of U.S. securities | 71.4 | 79.1 | 36.0 | 16.9 | 13.7 | 9.8 | -4.4 |
| U.S. Treasury securities | 20.4 | 8.3 | -6.1 | -1.6 | -2.2 | -2.9 | .5 |
| Other than U.S. Treasury securities | 51.0 | 70.8 | 42.1 | 18.5 | 15.9 | 12.7 | -4.9 |
| Direct investment, net | 1.7 | -2.9 | 2.4 | -2.7 | 2.8 | 6.2 | -3.9 |
| U.S. direct investment abroad | -17.3 | -28.0 | -38.2 | -10.4 | -6.7 | -6.1 | -15.0 |
| Foreign direct investment in the United States | 19.0 | 25.1 | 40.6 | 7.7 | 9.5 | 12.3 | 11.1 |
| Nonbank-reported capital, net | .9 | -6.8 | n.a. | .6 | 4.1 | .2 | n.a. |
| U.S. claims | 1.4 | -4.0 | n.a. | -1.2 | 2.6 | -3 | n.a. |
| U.S. liabilities | -5 | -2.8 | n.a. | 1.8 | 1.5 | .5 | n.a. |

n.a. Not available.

^r Revised.^p Preliminary.

1. Liabilities exclude U.S. Treasury securities.

need to finance inventories of securities. For the year, claims on unaffiliated banks decreased \$13.4 billion.

Foreign-owned banks made about the same amount of funds available to

their own foreign offices and unaffiliated banks as in 1986. Large outflows occurred in April, May, and September in response to sharp rises in interest rates. In October, banks quickly provided liquidity to their own foreign offices in the two weeks following the collapse in equity prices. (Much of this outflow was reversed in early November.) Additional funds were provided to own foreign offices at year-end. For the year, claims of foreign-owned banks increased \$27.2 billion.

Claims payable in foreign currencies increased \$24.1 billion; 40 percent of the increase was in claims on Japan.

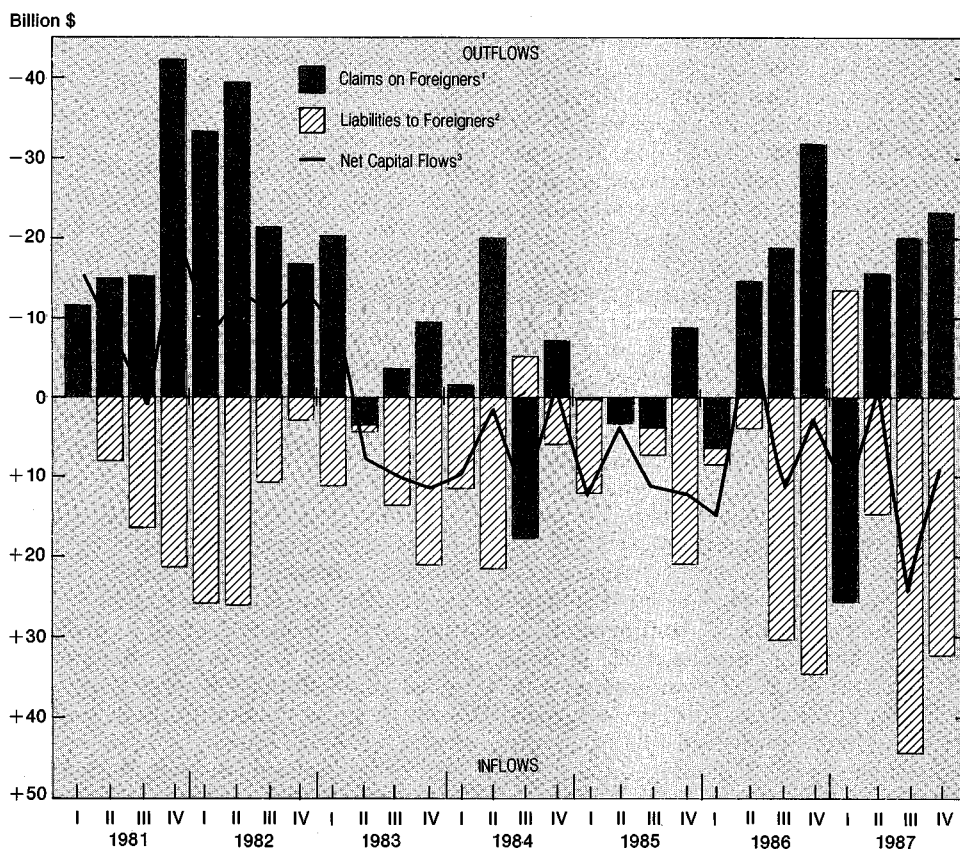
Outside the interbank market, there was no new discretionary lending to problem debtor countries. Banks' claims for domestic customers' accounts increased \$2.1 billion, following a \$7.1 billion increase: Large purchases of Eurodollar certificates of deposit in the first quarter, when rates rose sharply, were more than offset by large sales in the fourth, when uncertainty and volatility in the Eurodollar market increased.

U.S. banks continued as net borrowers from the international credit markets in 1987; their increase in claims dropped substantially while their increase in liabilities remained strong. Net funds raised from abroad increased \$44.5 billion compared with \$18.4 billion (chart 4).

Foreign securities.—Net U.S. purchases of foreign securities were \$3.7 billion compared with \$3.3 billion. Transactions in foreign stocks shifted to net sales from net purchases. Net purchases of foreign bonds more than doubled.

Private Bank-Reported Capital Flows

CHART 4



1. Increase/outflow (-); decrease/inflow (+).

2. Increase/inflow (+); decrease/outflow (-). Excludes U.S. Treasury securities and liabilities to foreign official agencies.

3. Sum of flow in claims and flow in liabilities.

U.S. Department of Commerce, Bureau of Economic Analysis

88-3-4

Table M.—U.S. Bank-Reported Claims and Liabilities by Type

[Billions of dollars]

| | 1985 | 1986 | 1987 ^p | 1987 | | | |
|--|-------|-------|-------------------|-------|-------|------------------|-----------------|
| | | | | I | II | III ^r | IV ^p |
| Claims on foreigners reported by U.S. banks (increase/capital outflow (-))..... | -1.3 | -59.0 | -33.4 | 25.7 | -15.7 | -20.1 | -23.3 |
| Of which International banking facilities' (IBF) claims..... | -9.0 | -23.2 | -12.3 | 10.2 | -9.0 | -10.4 | -3.1 |
| Banks' claims for own accounts, payable in dollars: | | | | | | | |
| Own foreign offices..... | -18.0 | -37.7 | -7.6 | 21.7 | -7.7 | -9.0 | -12.6 |
| Unaffiliated banks..... | 8.7 | -6.2 | -2.4 | 5.7 | -7.6 | -8 | 3 |
| Public borrowers and other foreigners..... | 8.3 | 1.1 | 2.8 | 2.6 | 4 | -2.1 | 2.0 |
| Banks' claims for domestic customers' accounts and all foreign currency claims..... | -0.3 | -16.2 | -26.2 | -4.3 | -8 | -8.2 | -13.0 |
| Liabilities to foreigners reported by U.S. banks (including U.S. Treasury securities) increase/capital inflow (+) ¹ | 61.5 | 85.6 | 71.8 | -15.2 | 12.6 | 41.5 | 32.8 |
| Of which International banking facilities' (IBF) liabilities..... | 11.1 | 36.0 | 31.7 | -15.4 | 14.6 | 20.2 | 12.3 |
| Banks' liabilities for own accounts, payable in dollars: | | | | | | | |
| Own foreign offices..... | 23.3 | 35.2 | 32.2 | -9.1 | 6.6 | 15.9 | 18.7 |
| Unaffiliated banks..... | 4.6 | 21.6 | 21.6 | -5.7 | 5.9 | 14.4 | 7.1 |
| Other private foreigners and international financial institutions..... | 4.0 | 2.3 | -0.3 | -3.2 | -1 | 5.9 | -3.0 |
| Banks' custody liabilities and all foreign currency liabilities..... | 9.2 | 18.2 | 24.4 | 4.4 | 2.4 | 8.1 | 9.5 |
| U.S. Treasury securities..... | 20.4 | 8.3 | -6.1 | -1.6 | -2.2 | -2.8 | .5 |

^r Revised.

^p Preliminary.

1. Excludes liabilities to foreign official agencies.

Net U.S. sales of foreign stocks were \$2.7 billion compared with net purchases of \$0.7 billion. Foreign net issues of stock in the United States were especially strong in the second and third quarters, when the cost of equity capital dropped sharply as U.S. equity prices continued to rise. In transactions in outstanding stocks, moderate net purchases early in the year gave way to net sales of \$1.2 billion in the third quarter and net sales of \$4.2 billion in the fourth. By year-end, prices in most major markets

were 20-30 percent below their peaks in July and August and, on average, at about the same levels as at the beginning of the year (chart 5). Net sales of Western European stocks would have been larger if they had not been partly offset by a special transaction involving a \$1.0 billion purchase of British Petroleum shares in November by U.S. underwriters at pre-stock market collapse prices. Net sales of Japanese stocks tripled. There had been net sales since mid-1986; earnings prospects for these shares weakened, particularly for those companies heavily involved in export trade. Substantial exchange rate gains were realized on the sale of many Western European and Japanese shares. Gross U.S. transactions in foreign stocks increased 200 percent from January through October, but subsequently fell back to 1986 levels in November and December.

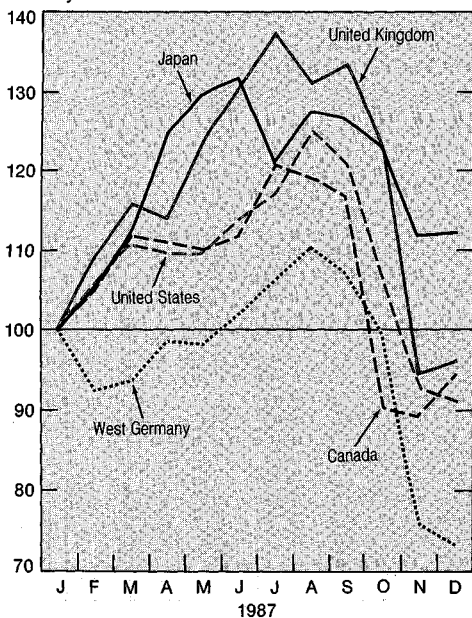
Net U.S. purchases of bonds were \$6.3 billion compared with \$2.6 billion. New issues in the United States were \$6.2 billion compared with \$6.7 billion. Over one-half the new issues were sold in the fourth quarter when, following the collapse in equity prices, U.S. bond rates dropped 80 basis points, more sharply than rates in the Eurobond market. Many foreign governments—including Canadian provincial governments, which had been largely absent from the U.S. market in 1987—and international financial institutions took advantage of an interest differential in favor of U.S. borrowing that increased to 80-115 basis points from 40-50 points during much

of the year (chart 6). In transactions in outstanding bonds, redemptions dropped to \$3.0 billion from \$3.7 billion, and net purchases were \$3.1 billion, a shift from net sales of \$0.4 billion. Purchases of Western European bonds dropped by one-half, although purchases of British gilt-edged bonds remained strong at \$8.9 billion, compared with \$13.0 billion. The average monthly interest differential in favor of gilt-edged bonds declined to 130 basis points from 240 basis points as U.S. rates rose, and was partly offset by an 18-percent appreciation of the British pound against the dollar. Several major U.S. dealers continued to offer currency hedging options on these securities to offset currency fluctuations. Purchases of Japanese

CHART 5

Indexes of Stock Prices

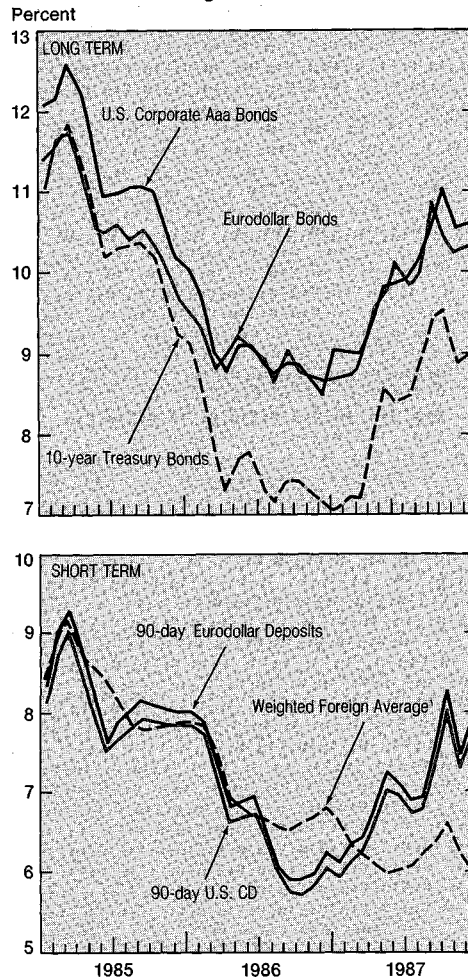
January 1987 = 100



Data from *Business Conditions Digest*, rebased to January 1987 = 100. U.S. Department of Commerce, Bureau of Economic Analysis 88-3-5

CHART 6

U.S. and Foreign Interest Rates



1. Interest rates for 3-month interbank loans or short-term paper for other Group of 10 countries and Switzerland weighted by average total trade shares in 1972-76. Data: Federal Reserve Board; Morgan Guaranty Trust Company.

U.S. Department of Commerce, Bureau of Economic Analysis

88-3-6

bonds were \$0.2 billion, in contrast to sales of \$6.3 billion.

Direct investment.—Net outflows for U.S. direct investment abroad were \$38.2 billion compared with \$28.0 billion. Higher operating earnings and capital gains from appreciation of foreign currencies boosted re-invested earnings, which accounted for over 80 percent of the capital outflows. Net equity capital outflows increased \$3.3 billion to \$3.7 billion, and intercompany debt outflows decreased \$5.0 billion, to \$3.7 billion (table N).

Foreign assets in the United States

Foreign assets in the United States increased \$202.6 billion in 1987 compared with \$213.4 billion in 1986.

Foreign official assets.—Foreign official assets in the United States increased \$44.3 billion compared with \$34.7 billion. Dollar assets of industrial countries increased \$48.9 billion following a \$28.6 billion increase. The 2-year increase exceeded the previous record of 1977-78, when there were also substantial exchange market intervention purchases of dollars by industrial countries. Asset increases in 1987 resulting from intervention purchases were especially large in March and April, and again in October and December. Dollar assets of

OPEC members decreased \$10.0 billion following an \$8.5 billion decrease. Dollar assets of other countries increased \$5.4 billion compared with \$14.6 billion.

Liabilities reported by banks.—U.S. liabilities to foreigners and international financial institutions reported by U.S. banks, excluding U.S. Treasury securities, increased \$77.9 billion compared with \$77.4 billion.

Liabilities to own foreign offices and other unaffiliated banks increased \$53.7 billion compared with a \$56.8 billion increase. Liabilities of U.S.-owned banks increased \$9.1 billion, following a decrease of \$2.0 billion, and liabilities of foreign-owned banks increased \$44.6 billion, following an increase of \$54.8 billion.

U.S.-owned banks borrowed large amounts of funds in April, when interest rates and demand rose rapidly, and in September, when interest rates rose and bank reserves were reduced. During the fourth quarter, borrowing

needs diminished after ample liquidity was provided by the Federal Reserve following the stock market collapse.

Foreign-owned banks borrowed large amounts of funds, particularly in the third and fourth quarters, to finance strong loan expansion at agencies and branches of foreign banks in the United States and in the Euro-dollar market. Relatively high U.S. interest rates also attracted some funds, and interest differentials in late December strongly favored borrowing from abroad to meet loan demand at yearend.

Liabilities payable in foreign currencies increased \$22.9 billion, compared with \$14.5 billion; over one-third of the 1987 increase was to Japan.

U.S. Treasury securities.—Transactions in U.S. Treasury securities shifted to net foreign sales of \$6.1 billion from net purchases of \$8.3 billion.

Table N.—Selected Direct Investment Transactions With Netherlands Antilles Finance Affiliates

[Millions of dollars]

| (Credits +; debits -) | 1985 | 1986 | 1987 ^a | 1986 | | | | 1987 | | | |
|--------------------------|--------|--------|-------------------|--------|--------|--------|--------|------|--------|------------------|-----------------|
| | | | | I | II | III | IV | I | II | III ^c | IV ^c |
| Capital..... | -4,236 | -5,106 | -3,123 | -1,563 | -2,044 | -991 | -503 | -181 | -949 | -1,913 | -134 |
| Equity capital..... | 830 | -1,028 | 658 | 25 | 106 | 251 | -1,411 | 32 | 508 | 103 | 15 |
| Reinvested earnings..... | -910 | 274 | -471 | -116 | -184 | 455 | 120 | -141 | -88 | -177 | -66 |
| Intercompany debt..... | -4,156 | -4,352 | -3,315 | -1,477 | -1,966 | -1,697 | 788 | -23 | -1,370 | -1,839 | -83 |
| Income..... | -3,136 | -2,828 | -2,103 | -708 | -717 | -685 | -718 | -580 | -483 | -585 | -455 |
| Of which interest..... | -4,791 | -3,946 | -3,245 | -1,039 | -1,013 | -941 | -952 | -837 | -750 | -860 | -798 |

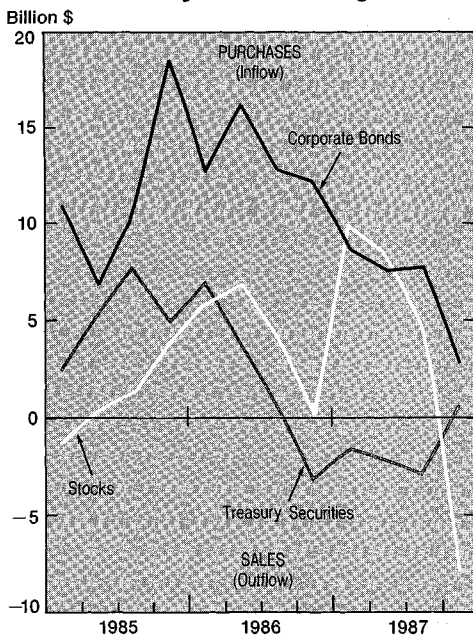
^a Preliminary.

^c Revised.

NOTE.—Table shows only transactions with affiliates established primarily to borrow funds abroad and relend them to their U.S. parents.

CHART 7

Net Purchases and Sales of U.S. Securities by Private Foreigners



U.S. Department of Commerce, Bureau of Economic Analysis

88-3-7

Table O.—New International Bond Issues by U.S. Borrowers

[Millions of dollars]

| | 1985 | 1986 | 1987 ^a | 1987 | | | |
|--|---------------|---------------|-------------------|--------------|--------------|--------------|-----------------|
| | | | | I | II | III | IV ^b |
| Total..... | 39,644 | 40,053 | 22,585 | 7,000 | 5,929 | 6,348 | 3,308 |
| By issuer: | | | | | | | |
| Industrial corporations ¹ | 13,756 | 16,632 | 10,659 | 2,097 | 3,887 | 3,000 | 1,675 |
| Banking corporations..... | 10,446 | 4,065 | 970 | 350 | 120 | 400 | 100 |
| Nonbank financial institutions..... | 7,123 | 12,267 | 4,273 | 2,263 | 1,006 | 500 | 504 |
| U.S. federally sponsored agencies..... | 2,047 | 675 | 600 | 400 | | | 200 |
| All other borrowers..... | 6,272 | 6,414 | 6,083 | 1,890 | 916 | 2,448 | 829 |
| By instrument: | | | | | | | |
| Straight fixed-rate bonds..... | 22,454 | 24,194 | 14,596 | 4,526 | 3,225 | 4,740 | 2,105 |
| Floating-rate notes..... | 11,572 | 3,154 | 1,059 | 722 | | | 337 |
| Zero-coupon bonds..... | 1,858 | 302 | | | | | |
| Bonds convertible into stock..... | 1,203 | 3,021 | 4,582 | 1,410 | 1,980 | 985 | 207 |
| Other debt instruments..... | 3,057 | 4,382 | 2,348 | 342 | 724 | 623 | 659 |
| By currency: | | | | | | | |
| U.S. dollars..... | 31,373 | 28,766 | 18,545 | 5,977 | 4,286 | 5,248 | 3,034 |
| Dual currency ² | 2,280 | 816 | 50 | 50 | | | |
| Foreign currencies..... | 5,991 | 10,471 | 3,990 | 973 | 1,643 | 1,100 | 274 |
| Japanese yen..... | 1,619 | 3,395 | 351 | 158 | 193 | | |
| Swiss franc..... | 1,857 | 3,673 | 989 | 100 | 308 | 500 | 81 |
| German mark..... | 1,089 | 797 | 735 | 325 | 410 | | |
| British pound..... | 709 | 562 | 468 | 30 | 345 | | |
| Other currencies ³ | 717 | 2,044 | 1,447 | 360 | 387 | 600 | 100 |

^a Preliminary.

¹ Fortune 500 industrial corporations.

² Generally, repayment of principal in dollars, with initial issue and interest paid in foreign currency.

³ Includes European Currency Unit.

This shift was in contrast to the \$44.3 billion increase in foreign official purchases, which largely reflected exchange market intervention to support the dollar.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities fell to \$42.1 billion from last year's record \$70.8 billion. Foreigners purchased \$22.4 billion in Eurobonds issued abroad by U.S. corporations, compared with \$39.4 billion, and \$15.4 billion in U.S. stocks, slightly below last year's record \$17.0 billion (chart 7).

Sharply higher interest rates led to a marked reduction in the level of

U.S. corporate borrowing in the Euro-bond market in the first three quarters. Borrowing was further reduced in the fourth due to increased volatility in financial markets that followed the declines in equity prices and interest rates in October. For the year, the total amount of borrowing in bond markets by U.S. corporations dropped to \$151 billion from \$210 billion; the overseas share dropped to 14 percent from 20 percent.

Industrial corporations reduced their borrowing to \$10.7 billion from \$16.6 billion; their borrowing had begun to drop rapidly in the last half of 1986 even before interest rates

began to rise in 1987 (table O). Borrowing by bank holding companies was virtually nonexistent, and borrowing by nonbank financial institutions was reduced to less than one-third of the previous year's record.

Straight fixed-rate bonds accounted for 65 percent of total borrowing, up from 60 percent in 1986. Convertible issues exceeded last year's record due to continued strength in equity prices in the first three quarters of the year. For the year, their share increased to 20 percent from 8 percent. Floating-rate note issues were small due to the absence of borrowing by bank holding companies.

Table P.—Selected U.S. Transactions With OPEC Members ¹

[Millions of dollars]

| (Credits +; debits -) | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 ^a | 1982 ^a | 1983 ^a | 1984 ^a | 1985 ^a | 1986 ^a | 1987 ^a |
|--|--------|---------|---------|---------|---------|---------|---------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Exports of goods and services: | | | | | | | | | | | | | | | |
| Merchandise, adjusted, excluding military..... | 3,414 | 6,219 | 9,957 | 11,561 | 12,877 | 14,846 | 14,556 | 17,368 | 21,097 | 20,651 | 15,256 | 13,771 | 11,409 | 10,484 | 10,762 |
| Transfers under U.S. military agency sales contracts..... | 657 | 1,258 | 1,765 | 2,865 | 4,318 | 4,734 | 3,077 | 2,962 | 3,655 | 4,694 | 5,548 | 3,239 | 2,960 | 3,020 | 2,812 |
| Royalties and license fees from affiliated foreigners ² | 18 | 16 | 10 | 9 | 17 | 17 | 10 | (^b) | 16 | 24 | 11 | 10 | 12 | 11 | 15 |
| Royalties and license fees from unaffiliated foreigners..... | 11 | 14 | 20 | 29 | 25 | 31 | 36 | 47 | 53 | 92 | 68 | 65 | 74 | 80 | 80 |
| Other private services from affiliated foreigners ² | 123 | 165 | 174 | 200 | 184 | 267 | 246 | (^b) | 227 | 230 | 261 | 214 | 173 | 173 | 141 |
| Other private services from unaffiliated foreigners..... | 146 | 253 | 372 | 590 | 799 | 948 | 606 | 803 | 993 | 1,105 | 971 | 933 | 878 | 837 | 831 |
| U.S. Government miscellaneous services..... | 7 | 7 | 8 | 22 | 18 | 32 | 37 | 34 | 28 | 29 | 44 | 46 | 41 | 16 | 25 |
| Receipts of income on U.S. assets abroad: | | | | | | | | | | | | | | | |
| Direct investment..... | 3,928 | 6,106 | 3,717 | 3,498 | 3,360 | 3,142 | 4,514 | 2,591 | 4,133 | 3,463 | 1,910 | 3,373 | 2,444 | 1,396 | 1,862 |
| Other private receipts..... | 166 | 330 | 332 | 405 | 489 | 841 | 1,206 | 1,517 | 2,187 | 2,710 | 2,480 | 2,648 | 2,152 | 1,679 | 1,747 |
| U.S. Government receipts..... | 87 | 105 | 118 | 117 | 134 | 135 | 155 | 147 | 167 | 174 | 274 | 212 | 222 | 195 | 169 |
| Imports of goods and services: | | | | | | | | | | | | | | | |
| Merchandise, adjusted, excluding military..... | -5,097 | -17,234 | -18,897 | -27,409 | -35,778 | -33,286 | -45,039 | -55,602 | -49,934 | -31,517 | -25,282 | -26,852 | -22,650 | -18,894 | -24,307 |
| Direct defense expenditures..... | -75 | -240 | -141 | -441 | -790 | -1,455 | -1,580 | -1,489 | -1,862 | -1,798 | -1,976 | -1,440 | -861 | -488 | -2,988 |
| Royalties and license fees to affiliated foreigners ² | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) |
| Royalties and license fees to unaffiliated foreigners..... | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) |
| Other private services to affiliated foreigners ² | (*) | (*) | (*) | (*) | (*) | 4 | 2 | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) | (^b) |
| Other private services to unaffiliated foreigners..... | -20 | -20 | -22 | -31 | -37 | -79 | -92 | -113 | -104 | -162 | -186 | -173 | -161 | -169 | -178 |
| U.S. Government miscellaneous services..... | -34 | -34 | -40 | -60 | -61 | -70 | -71 | -73 | -85 | -98 | -106 | -114 | -118 | -103 | -104 |
| Payments of income on foreign assets in the United States: | | | | | | | | | | | | | | | |
| Direct investment..... | (*) | -5 | -11 | -5 | 6 | -27 | -49 | -40 | -48 | -165 | 9 | 31 | 380 | 191 | 160 |
| Other private payments..... | -103 | -451 | -574 | -655 | -788 | -1,096 | -1,646 | -2,415 | -3,120 | -3,384 | -2,746 | -2,925 | -2,382 | -1,847 | -1,699 |
| U.S. Government payments..... | -38 | -276 | -650 | -816 | -1,093 | -1,271 | -1,382 | -2,408 | -3,901 | -5,821 | -5,176 | -4,463 | -3,823 | -2,796 | -2,235 |
| U.S. Government grants..... | -35 | -46 | -41 | -26 | -31 | -25 | -33 | -43 | -48 | -47 | -52 | -64 | -58 | -71 | -73 |
| U.S. Government pensions and other transfers..... | -2 | -3 | -3 | -4 | -4 | -4 | -15 | -17 | -7 | -7 | -8 | -8 | -9 | -9 | -16 |
| U.S. assets abroad, net (increase/capital outflow (-))..... | 702 | 5,912 | -4,225 | -1,821 | -1,332 | -4,527 | -1,672 | 290 | -3,147 | -6,881 | -3,318 | -1,150 | 2,018 | -337 | -1,186 |
| U.S. Government assets, other than official reserve assets, net: | | | | | | | | | | | | | | | |
| U.S. credits and other long-term assets..... | -391 | -211 | -44 | -261 | -39 | -107 | -179 | -251 | -188 | 41 | 82 | -92 | -7 | 156 | 164 |
| Repayments on U.S. credits and other long-term assets..... | -594 | -436 | -256 | -467 | -317 | -412 | -465 | -353 | -432 | -195 | -525 | -425 | -358 | -195 | -143 |
| U.S. foreign currency holdings and U.S. short-term assets, net..... | 205 | 229 | 212 | 212 | 269 | 316 | 277 | 112 | 251 | 238 | 586 | 331 | 348 | 348 | 308 |
| U.S. private assets, net..... | -2 | -4 | (*) | -6 | 9 | -11 | 9 | -10 | -7 | -2 | 21 | 2 | 3 | 3 | -1 |
| U.S. private assets, net..... | 1,093 | 6,123 | -4,181 | -1,560 | -1,293 | -4,420 | -1,493 | 541 | -2,959 | -6,922 | -3,400 | -1,058 | 2,025 | -493 | -1,350 |
| Direct investment abroad..... | 1,667 | 7,121 | -3,022 | -305 | 2 | -925 | -1,783 | 2,106 | -523 | -1,595 | -816 | -1,677 | 344 | -705 | -787 |
| Foreign securities..... | 9 | 5 | 32 | 35 | 18 | -164 | 258 | 321 | 130 | -218 | -77 | 324 | 156 | 29 | 58 |
| U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns..... | -158 | -467 | -548 | 41 | -371 | 141 | -209 | -202 | -264 | 589 | 98 | 171 | 208 | -64 | 180 |
| U.S. claims reported by U.S. banks, not included elsewhere..... | -425 | -536 | -643 | -1,331 | -942 | -3,472 | 241 | -1,684 | -2,302 | -5,698 | -3,105 | 124 | 1,317 | 247 | -801 |
| Foreign assets in the United States, net (increase/capital inflow (+))..... | | | | | | | | | | | | | | | |
| Of which: foreign official..... | 1,026 | 11,499 | 7,924 | 10,837 | 7,324 | 338 | 7,047 | 14,968 | 14,784 | 9,776 | -7,921 | -3,128 | -3,911 | -8,898 | -5,344 |
| U.S. Treasury securities..... | 720 | 10,455 | 6,937 | 9,084 | 6,369 | -1,074 | 5,498 | 12,680 | 13,092 | 7,271 | -8,561 | -4,666 | -6,709 | -8,508 | -10,006 |
| Other U.S. securities..... | 50 | 5,473 | 2,426 | 3,206 | 3,477 | -2,602 | 2,179 | 9,566 | 10,338 | 7,345 | -6,650 | -3,501 | -1,389 | -4,431 | -5,348 |
| Other U.S. Government liabilities..... | -2 | 1,191 | 3,199 | 3,005 | 2,938 | 1,620 | 1,089 | 4,688 | 4,621 | -673 | -1,947 | -3,228 | -2,327 | -1,922 | -1,885 |
| U.S. liabilities reported by U.S. banks, not included elsewhere..... | 281 | 133 | 944 | 2,480 | 390 | 139 | -1,033 | 543 | 416 | 737 | -276 | 836 | -42 | -459 | -991 |
| Direct investment in the United States..... | 550 | 4,098 | 631 | 1,638 | 409 | 934 | 5,088 | -1,161 | -2,054 | 4,660 | 1,043 | 3,458 | 325 | -829 | 2,472 |
| U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns..... | 2 | 111 | -32 | -6 | -10 | 111 | 20 | 240 | 2,689 | 715 | -1 | 754 | -277 | 543 | 112 |
| U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns..... | 145 | 493 | 756 | 514 | 120 | 136 | -296 | 1,092 | -1,226 | -3,008 | -90 | -1,447 | -201 | -1,800 | 296 |
| All other transactions with OPEC and transfers of funds between foreign areas, net..... | | | | | | | | | | | | | | | |
| Memorandum: | -4,881 | -13,575 | 207 | 1,135 | 10,383 | 16,505 | 20,087 | 21,033 | 14,557 | 6,540 | 19,521 | 15,206 | 10,645 | 14,841 | 16,245 |
| Balance on merchandise trade..... | -1,683 | -11,015 | -8,940 | -15,848 | -22,901 | -18,440 | -30,483 | -38,234 | -28,837 | -10,866 | -10,026 | -13,081 | -11,271 | -8,410 | -13,545 |

^a Suppressed to avoid disclosure of data of individual companies.

^b Revised.

^c Preliminary.

* Less than \$500,000 (±).

1. OPEC members are Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria,

Qatar, Saudi Arabia, United Arab Emirates, and Venezuela. Individual country information is not available for all accounts; therefore, some accounts are estimated from regional data.

2. Royalties and license fees of affiliated foreigners are redefined to include only intangible property rights, beginning with data for 1982. Other fees and charges, previously included in royalties and license fees, are transferred to other private services of affiliated foreigners.

As in 1986, more than three-fourths of U.S. corporate borrowing was denominated in dollars. The share of borrowing denominated in Swiss francs dropped to 4 percent from 9 percent, and the share in Japanese yen to less than 1 percent from 7 percent.

Net foreign purchases of U.S. agency bonds were \$3.6 billion compared with \$8.2 billion.

Net foreign purchases of U.S. stocks were \$15.4 billion compared with \$17.0 billion (chart 8). Increased foreign purchases had begun in mid-1985 and continued during most of 1986 and much of 1987, in step with the rise in equity prices. By the end of the second quarter of 1987, net purchases exceeded the total for all of 1986. For the period prior to the October collapse in equity prices, net purchases were \$26.3 billion; net sales of \$7.9 billion occurred in November and December. Western Europeans purchased \$10.2 billion net through October, and subsequently sold \$9.4 billion. Japanese holders purchased \$11.2 billion net through October, and subsequently purchased \$0.2 billion. Japanese purchases for the year tri-

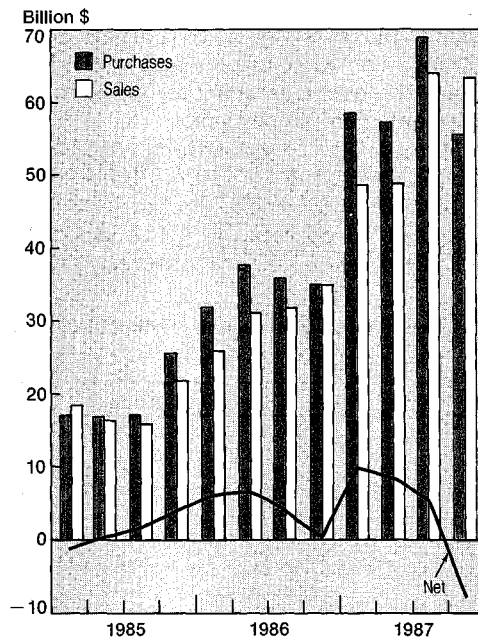
pled following the liberalization of investment restrictions in 1986. Gross

foreign transactions in the U.S. stock market increased 70 percent from January through October, but subsequently fell back to 1986 levels.

Direct investment.—Net inflows for foreign direct investment in the United States were a record \$40.6 billion, compared with \$25.1 billion. The surge was spurred by relatively low-cost debt, by cost and other incentives to shift production to the United States, and by significant appreciation of many foreign currencies against the dollar. Intercompany debt inflows increased to \$19.2 billion from \$6.9 billion, largely related to foreign parent financing of major acquisitions of U.S. companies. Equity capital inflows, although decreasing \$2.1 billion to \$17.4 billion, were still strong. Reinvested earnings shifted to a positive \$4.0 billion from a negative \$1.3 billion, due to higher operating earnings of manufacturing affiliates and a recovery in earnings of petroleum affiliates. (In 1986, a large number of U.S. affiliates had suffered losses).

The statistical discrepancy (errors and omissions in reported transactions) decreased to an inflow of \$21.9 billion from \$23.9 billion.

CHART 8
Private Foreign Transactions
in U.S. Stocks



U.S. Department of Commerce, Bureau of Economic Analysis

88-3-8

Table 4.—Selected U.S. Government Transactions

[Millions of dollars]

| Line | | 1986 | 1987 ^a | 1986 | | | | 1987 | | | |
|------|---|--------|-------------------|-------|-------|-------|-------|--------|--------|-------|-----------------|
| | | | | I | II | III | IV | I | II | III | IV ^b |
| A1 | U.S. Government grants (excluding military) and transactions increasing Government assets, total | 19,768 | 16,278 | 3,880 | 4,843 | 6,661 | 4,384 | 3,034 | 4,134 | 4,095 | 5,014 |
| | By category | | | | | | | | | | |
| 2 | Grants, net (table 1, line 32, with sign reversed) | 11,773 | 9,942 | 2,078 | 3,249 | 3,459 | 2,987 | 2,086 | 2,227 | 2,092 | 3,536 |
| 3 | Financing military purchases ¹ | 3,873 | 2,816 | 668 | 1,252 | 1,453 | 500 | 715 | 683 | 611 | 807 |
| 4 | Other grants | 7,900 | 7,126 | 1,410 | 1,997 | 2,006 | 2,487 | 1,372 | 1,544 | 1,481 | 2,730 |
| 5 | Credits and other long-term assets (table 1, line 42, with sign reversed) | 8,915 | 6,319 | 1,813 | 1,624 | 4,146 | 1,382 | 924 | 2,048 | 2,022 | 1,325 |
| 6 | Capital subscriptions and contributions to international financial institutions, excluding IMF | 1,481 | 1,212 | 208 | 394 | 715 | 165 | 189 | 282 | 407 | 334 |
| 7 | Credits repayable in U.S. dollars | 6,873 | 4,627 | 1,489 | 1,123 | 3,265 | 996 | 681 | 1,640 | 1,488 | 867 |
| 8 | Credits repayable in other than U.S. dollars | 121 | 32 | 17 | 6 | 60 | 38 | -6 | 8 | 20 | 10 |
| 9 | Other long-term assets | 440 | 449 | 100 | 101 | 107 | 133 | 109 | 117 | 107 | 115 |
| 10 | Foreign currency holdings and short-term assets, net (table 1, line 44, with sign reversed) | -920 | 16 | -11 | -29 | -944 | 65 | 24 | -141 | -19 | 153 |
| 11 | Foreign currency holdings (excluding administrative cash holdings), net | 2 | -120 | 9 | -2 | -12 | 7 | -66 | -23 | -16 | -15 |
| | Receipts from: | | | | | | | | | | |
| 12 | Sales of agricultural commodities | 50 | 7 | 8 | 25 | 8 | 9 | 2 | 2 | 3 | (*) |
| 13 | Interest | 50 | 78 | 19 | 14 | 7 | 10 | 34 | 14 | 17 | 13 |
| 14 | Repayments of principal | 120 | 52 | 33 | 23 | 17 | 47 | 7 | 20 | 12 | 13 |
| 15 | Reverse grants | | | | | | | | | | |
| 16 | Other sources | 48 | 13 | 30 | 11 | 6 | 1 | 4 | 3 | 3 | 3 |
| | Less currencies disbursed for: | | | | | | | | | | |
| 17 | Grants and credits in the recipient's currency | 5 | 11 | 3 | (*) | 1 | (*) | 1 | 1 | 7 | 3 |
| 18 | Other grants and credits | 1 | | | | | | | | | |
| 19 | Other U.S. Government expenditures | 261 | 257 | 77 | 75 | 50 | 59 | 112 | 59 | 45 | 41 |
| 20 | Assets acquired in performance of U.S. Government guarantee and insurance obligations, net | -909 | 233 | -48 | 18 | -935 | 57 | 165 | -133 | 45 | 157 |
| 21 | Other assets held under Commodity Credit Corporation Charter Act, net | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) | (*) |
| 22 | Assets financing military sales contracts, net ² | | | | | | | | | | |
| 23 | Other short-term assets (including changes in administrative cash holdings), net | -13 | -97 | 29 | -45 | 2 | 1 | -75 | 15 | -48 | 10 |
| | By program | | | | | | | | | | |
| 24 | Capital subscriptions and contributions to international financial institutions, excluding IMF | 1,481 | 1,212 | 208 | 394 | 715 | 165 | 189 | 282 | 407 | 334 |
| 25 | Under Agricultural Trade Development and Assistance Act and related programs | 1,924 | 1,593 | 454 | 369 | 677 | 425 | 225 | 356 | 537 | 414 |
| 26 | Under Foreign Assistance Act and related programs | 13,178 | 11,243 | 2,506 | 3,556 | 3,858 | 3,258 | 2,229 | 2,767 | 2,640 | 3,007 |
| 27 | Under Export-Import Bank Act | 1,230 | 958 | 356 | 310 | 458 | 106 | 152 | 439 | 208 | 154 |
| 28 | Under Commodity Credit Corporation Charter Act | 991 | 577 | 93 | 76 | 751 | 71 | 158 | 62 | 162 | 195 |
| 29 | Under other grant and credit programs | 575 | 524 | 131 | 106 | 113 | 225 | 114 | 122 | 93 | 195 |
| 30 | Other foreign currency assets acquired (lines A13, A14, and A16) | 219 | 142 | 32 | 49 | 31 | 58 | 46 | 36 | 32 | 28 |
| 31 | Less foreign currencies used by U.S. Government other than for grants or credits (line A19) | 261 | 257 | 77 | 75 | 50 | 59 | 112 | 59 | 45 | 41 |
| 32 | Other (including changes in administrative cash holdings), net | 431 | 352 | 128 | 59 | 108 | 136 | 33 | 129 | 61 | 128 |
| | By disposition ³ | | | | | | | | | | |
| 33 | Estimated transactions involving no direct dollar outflow from the United States | 13,164 | 11,386 | 3,044 | 3,271 | 4,631 | 2,217 | 2,282 | 3,134 | 3,093 | 2,876 |
| 34 | Expenditures on U.S. merchandise | 5,240 | 5,128 | 1,333 | 1,400 | 1,324 | 1,184 | 1,262 | 1,036 | 1,427 | 1,408 |
| 35 | Expenditures on U.S. services ⁴ | 2,817 | 2,452 | 680 | 540 | 1,176 | 420 | 419 | 936 | 501 | 596 |
| 36 | Financing of military sales contracts by U.S. Government ⁵ (line C6) | 3,742 | 2,807 | 603 | 1,160 | 1,447 | 532 | 456 | 809 | 868 | 674 |
| 37 | By long-term credits | 1,448 | 1,492 | 303 | 412 | 384 | 348 | 218 | 499 | 504 | 272 |
| 38 | By short-term credits ¹ | | | | | | | | | | |
| 39 | By grants ¹ | 2,294 | 1,315 | 300 | 747 | 1,063 | 184 | 239 | 310 | 364 | 402 |
| 40 | U.S. Government grants and credits to repay prior U.S. Government credits ^{1, 4} | 1,174 | 516 | 353 | 190 | 562 | 70 | 88 | 270 | 113 | 45 |
| 41 | U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets | 483 | 791 | 170 | 55 | 186 | 72 | 173 | 148 | 266 | 203 |
| 42 | Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11) | -11 | (*) | -10 | 8 | -9 | (*) | 1 | (*) | -1 | (*) |
| 43 | Less receipts on short-term U.S. Government assets (a) financing military sales contracts, ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. merchandise | 21 | 51 | 7 | 7 | 5 | 2 | 4 | 5 | 38 | 4 |
| 44 | Less foreign currencies used by U.S. Government other than for grants or credits (line A19) | 261 | 257 | 77 | 75 | 50 | 59 | 112 | 59 | 45 | 41 |
| 45 | Estimated dollar payments to foreign countries and international financial institutions | 6,604 | 4,892 | 836 | 1,572 | 2,029 | 2,167 | 752 | 1,000 | 1,001 | 2,138 |
| B1 | Repayments on U.S. Government long-term assets, total (table 1, line 43) | 6,075 | 7,555 | 1,413 | 1,433 | 1,733 | 1,496 | 1,012 | 1,824 | 2,339 | 2,380 |
| 2 | Receipts of principal on U.S. Government credits | 5,634 | 7,106 | 1,304 | 1,324 | 1,620 | 1,386 | 901 | 1,711 | 2,226 | 2,267 |
| 3 | Under Agricultural Trade Development and Assistance Act and related programs | 367 | 272 | 84 | 46 | 92 | 145 | 31 | 51 | 46 | 144 |
| 4 | Under Foreign Assistance Act and related programs | 1,669 | 2,335 | 461 | 323 | 347 | 538 | 250 | 351 | 602 | 1,132 |
| 5 | Under Export-Import Bank Act | 2,903 | 4,257 | 719 | 900 | 742 | 543 | 564 | 1,284 | 1,544 | 865 |
| 6 | Under Commodity Credit Corporation Charter Act | 572 | 121 | 29 | 51 | 436 | 56 | 47 | 23 | 30 | 21 |
| 7 | Under other credit programs | 122 | 120 | 11 | 4 | 3 | 104 | 9 | 1 | 5 | 105 |
| 8 | Receipts on other long-term assets | 441 | 449 | 109 | 110 | 113 | 110 | 111 | 113 | 112 | 113 |
| C1 | U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 55) | 1,723 | -3,227 | 406 | 925 | 999 | -607 | -1,381 | -1,504 | -377 | 35 |
| 2 | Associated with military sales contracts ² | 1,768 | -2,929 | 438 | 920 | 1,065 | -655 | -1,370 | -1,331 | -306 | 79 |
| 3 | U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds ¹ | 7,239 | 7,825 | 1,955 | 1,442 | 1,516 | 2,326 | 1,938 | 2,203 | 1,736 | 1,947 |
| 4 | Less U.S. Government receipts from principal repayments | 875 | 1,301 | 219 | 150 | 170 | 337 | 161 | 160 | 387 | 594 |
| 5 | Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States | -565 | 373 | (*) | -564 | -524 | 523 | 262 | 700 | -324 | -266 |
| 6 | Plus financing of military sales contracts by U.S. Government ⁵ (line A36) | 3,742 | 2,807 | 603 | 1,160 | 1,447 | 532 | 456 | 809 | 868 | 674 |
| 7 | By long-term credits | 1,448 | 1,492 | 303 | 412 | 384 | 348 | 218 | 499 | 504 | 272 |
| 8 | By short-term credits ¹ | | | | | | | | | | |
| 9 | By grants ¹ | 2,294 | 1,315 | 300 | 747 | 1,063 | 184 | 239 | 310 | 364 | 402 |
| 10 | Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits) ^{1, 2} (table 1, line 8) | 3,903 | 11,886 | 1,902 | 2,096 | 2,252 | 2,653 | 3,341 | 3,483 | 2,848 | 2,215 |
| 11 | Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A42) | -11 | (*) | -10 | 8 | -9 | (*) | 1 | (*) | -1 | (*) |
| 12 | Associated with other liabilities | -34 | -298 | -22 | -3 | -58 | 48 | -12 | -173 | -69 | -44 |
| 13 | Sales of nuclear material by Department of Energy | -77 | -75 | -24 | -15 | -21 | -16 | -27 | -25 | -3 | -20 |
| 14 | Sales of space launch and other services by National Aeronautics and Space Administration | 47 | -68 | 5 | 24 | 2 | 16 | 14 | -56 | -29 | 2 |
| 15 | Other sales and miscellaneous operations | -4 | -155 | -2 | -12 | -39 | 49 | 1 | -92 | -38 | -26 |

See footnotes on page 53.

Table 6.—Securities Transactions

[Millions of dollars]

| Line | (Credits +; debits -) | 1986 | 1987 ^p | 1986 | | | | 1987 | | | |
|------|--|---------|-------------------|--------|--------|--------|--------|--------|--------|------------------|-----------------|
| | | | | I | II | III | IV | I | II | III ^r | IV ^p |
| A1 | Foreign securities, net U.S. purchases (-), (table 1, line 47 or lines 2 + 11 below)..... | -3,302 | -3,654 | -5,886 | -1,149 | 620 | 3,113 | -1,345 | 384 | -923 | -1,770 |
| 2 | Stocks, net U.S. purchases..... | -741 | 2,651 | -1,922 | -1,980 | 1,194 | 1,967 | -1,208 | -468 | 402 | 3,925 |
| 3 | New issues in the United States..... | -924 | -2,679 | | -309 | -240 | -375 | -232 | -1,445 | -797 | -205 |
| 4 | Of which Canada..... | -104 | -472 | | | | -104 | | -157 | -315 | |
| 5 | Transactions in outstanding stocks, net..... | 183 | 5,330 | -1,922 | -1,671 | 1,434 | 2,342 | -976 | 977 | 1,199 | 4,130 |
| 6 | Western Europe..... | -434 | -760 | -480 | -1,005 | 148 | 903 | -874 | -552 | -270 | 936 |
| 7 | Of which United Kingdom..... | -520 | -1,562 | -306 | -657 | 221 | 222 | -1,121 | -40 | 1 | -402 |
| 8 | Canada..... | -943 | -1,608 | -531 | -320 | 15 | -107 | -889 | -527 | -238 | 46 |
| 9 | Japan..... | 2,104 | 7,009 | -1,072 | -158 | 1,442 | 1,892 | 431 | 2,098 | 1,490 | 2,990 |
| 10 | Other..... | -544 | 689 | 161 | -188 | -171 | -346 | 356 | -42 | 217 | 158 |
| 11 | Bonds, net U.S. purchases..... | -2,561 | -6,305 | -3,964 | 831 | -574 | 1,146 | -137 | 852 | -1,325 | -5,695 |
| 12 | New issues in the United States..... | -6,708 | -6,184 | -1,863 | -843 | -896 | -3,106 | -1,139 | -1,001 | -377 | -3,667 |
| | By issuer: | | | | | | | | | | |
| 13 | Central governments and their agencies and corporations..... | -3,150 | -2,329 | -885 | -497 | -342 | -1,426 | -891 | -193 | -261 | -984 |
| 14 | Other governments and their agencies and corporations ¹ | -1,186 | -2,368 | -385 | -247 | -159 | -395 | -188 | -325 | -116 | -1,739 |
| 15 | Private corporations..... | -926 | -147 | | | -150 | -680 | -60 | -87 | | |
| 16 | International financial institutions ² | -1,446 | -1,340 | -497 | -99 | -245 | -605 | | -396 | | -944 |
| | By area: | | | | | | | | | | |
| 17 | Western Europe..... | -996 | -713 | | -197 | | -799 | | | -116 | -597 |
| 18 | Canada..... | -1,477 | -2,052 | -481 | -247 | -159 | -590 | -440 | -472 | | -1,140 |
| 19 | Japan..... | | -642 | | | | | -134 | | -112 | -396 |
| 20 | Latin America..... | | | | | | | | | | |
| 21 | Other countries..... | -2,789 | -1,436 | -885 | -300 | -492 | -1,112 | -565 | -132 | -149 | -590 |
| 22 | International financial institutions ² | -1,446 | -1,341 | -497 | -99 | -245 | -605 | | -397 | | -944 |
| 23 | Redemptions of U.S.-held foreign bonds ³ | 3,717 | 2,994 | 672 | 1,052 | 963 | 1,030 | 1,094 | 800 | 550 | 550 |
| 24 | Western Europe..... | | 447 | | | | | 447 | | | |
| 25 | Canada..... | 2,442 | 1,347 | 397 | 852 | 663 | 530 | 347 | 350 | 300 | 350 |
| 26 | Other countries..... | | | | | | | | | | |
| 27 | International financial institutions ² | 1,275 | 1,200 | 275 | 200 | 300 | 500 | 300 | 450 | 250 | 200 |
| 28 | Other transactions in outstanding bonds, net ³ | 430 | -3,115 | -2,773 | 622 | -641 | 3,222 | -92 | 1,053 | -1,498 | -2,578 |
| 29 | Western Europe..... | -14,204 | -7,683 | -5,174 | -2,233 | -4,468 | -2,329 | -1,175 | -2,569 | -809 | -3,130 |
| 30 | Of which United Kingdom..... | -13,045 | -8,860 | -5,421 | -1,497 | -4,116 | -2,011 | -1,175 | -3,527 | -2,273 | -1,885 |
| 31 | Canada..... | -768 | -976 | -406 | -465 | 105 | -2 | -168 | -89 | -1,070 | 351 |
| 32 | Japan..... | 6,282 | 166 | 1,789 | 218 | 999 | 3,276 | -788 | 1,863 | 24 | -953 |
| 33 | Other..... | 9,120 | 5,378 | 1,018 | 3,102 | 2,723 | 2,277 | 2,039 | 1,848 | 357 | 1,134 |
| B1 | U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 61 or lines 2 + 10 below)..... | 70,802 | 42,134 | 18,571 | 22,888 | 17,074 | 12,269 | 18,499 | 15,870 | 12,693 | -4,928 |
| 2 | Stocks, net foreign purchases..... | 17,023 | 15,398 | 5,915 | 6,767 | 4,247 | 94 | 9,831 | 8,392 | 4,973 | -7,798 |
| | By area: | | | | | | | | | | |
| 3 | Western Europe..... | 9,028 | 1,108 | 4,636 | 3,706 | 1,874 | -1,188 | 4,528 | 3,031 | 1,924 | -8,375 |
| 4 | Of which Germany..... | 289 | -127 | 590 | -37 | -172 | -92 | 85 | -151 | -97 | 36 |
| 5 | Switzerland..... | 1,448 | -1,343 | 1,397 | 780 | -109 | -620 | 333 | 409 | -21 | -2,064 |
| 6 | United Kingdom..... | 4,556 | 208 | 2,177 | 1,284 | 1,404 | -309 | 2,350 | 1,441 | 1,447 | -5,070 |
| 7 | Canada..... | 686 | 962 | 112 | 196 | 378 | | 285 | 23 | 145 | 509 |
| 8 | Japan..... | 3,208 | 11,047 | 340 | 846 | 1,365 | 657 | 3,442 | 4,035 | 1,816 | 1,754 |
| 9 | Other..... | 4,101 | 2,281 | 827 | 2,019 | 630 | 625 | 1,576 | 1,303 | 1,088 | -1,686 |
| 10 | Corporate and other bonds, net foreign purchases..... | 53,779 | 26,736 | 12,656 | 16,121 | 12,827 | 12,175 | 8,668 | 7,478 | 7,720 | 2,870 |
| | By type: | | | | | | | | | | |
| 11 | New issues sold abroad by U.S. corporations ⁴ | 39,378 | 22,385 | 9,977 | 11,825 | 10,254 | 7,322 | 7,000 | 5,929 | 6,348 | 3,108 |
| 12 | U.S. federally-sponsored agency bonds, net..... | 8,220 | 3,567 | 1,378 | 2,764 | 1,855 | 2,229 | 908 | 738 | 756 | 1,165 |
| 13 | Other outstanding bonds, net..... | 6,181 | 784 | 1,301 | 1,532 | 718 | 2,630 | 760 | 811 | 616 | -1,403 |
| | By area: | | | | | | | | | | |
| 14 | Western Europe..... | 39,700 | 21,552 | 9,767 | 12,799 | 8,451 | 8,683 | 6,386 | 6,385 | 7,043 | 1,738 |
| 15 | Of which Germany..... | -311 | -18 | -197 | 129 | -195 | -48 | 125 | -66 | 34 | -111 |
| 16 | Switzerland..... | 4,566 | 1,651 | 1,243 | 2,193 | 777 | 353 | 697 | 337 | 730 | -113 |
| 17 | United Kingdom..... | 34,084 | 19,526 | 8,520 | 10,456 | 7,709 | 7,399 | 5,533 | 5,839 | 6,015 | 2,139 |
| 18 | Canada..... | 544 | 1,288 | -228 | 183 | 196 | 393 | 449 | 229 | 125 | 485 |
| 19 | Japan..... | 9,833 | 1,560 | 2,518 | 1,568 | 3,405 | 2,342 | 1,554 | -4 | 196 | -186 |
| 20 | Other countries..... | 3,134 | 1,489 | 473 | 845 | 1,016 | 800 | 144 | 724 | 467 | 154 |
| 21 | International financial institutions ² | 568 | 847 | 126 | 726 | -241 | -43 | 135 | 144 | -111 | 679 |
| | Memoranda: | | | | | | | | | | |
| | Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts: | | | | | | | | | | |
| | Foreign official assets in the United States (lines in table 9): | | | | | | | | | | |
| 1 | U.S. Treasury marketable bonds (line A4)..... | 14,366 | 31,121 | 1,357 | 5,630 | 3,361 | 4,018 | 8,165 | 10,650 | 6,222 | 6,084 |
| 2 | Other U.S. Government securities (line A6)..... | -1,214 | 1,370 | -177 | -644 | -276 | -117 | -62 | 256 | 714 | 662 |
| 3 | U.S. corporate and other bonds (part of line A14)..... | -1,614 | -465 | 97 | -635 | -538 | -438 | -36 | -231 | -250 | 52 |
| 4 | U.S. stocks (part of line A14)..... | 734 | -596 | 266 | 154 | 236 | 78 | -325 | -82 | -374 | 185 |
| 5 | Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)..... | 9,549 | -4,333 | 5,805 | 3,905 | 2,148 | -2,309 | -331 | -1,713 | -3,868 | 1,629 |
| 6 | New issues of bonds sold abroad by U.S. corporations' finance affiliates in the Netherlands Antilles (included in table 5, line 17) ⁴ | | | | | | | | | | |

See footnotes on page 53.

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.) | 1986 | 1986 | | | | 1987 | | | | Amounts out- standing Sept. 30, 1987 |
|------|---|--------|--------|--------|--------|-------|--------|--------|------------------|------|---|
| | | | I | II | III | IV | I | II | III ^p | IV | |
| A1 | Claims, total (table 1, line 48)..... | -3,986 | -2,947 | -1,894 | 685 | 170 | -1,163 | 2,603 | -327 | n.a. | 31,545 |
| 2 | Financial claims..... | -4,409 | -3,547 | -2,141 | 637 | 642 | -1,209 | 2,582 | 486 | n.a. | 21,052 |
| 3 | Denominated in U.S. dollars..... | -4,251 | -3,646 | -2,116 | 769 | 742 | -976 | 2,959 | -13 | n.a. | 19,092 |
| 4 | Denominated in foreign currencies..... | -158 | 99 | -25 | -132 | -100 | -233 | -377 | 499 | n.a. | 1,960 |
| 5 | By type: Deposits..... | -3,018 | -3,411 | -2,218 | 2,267 | 344 | 13 | 2,812 | -450 | n.a. | 15,920 |
| 6 | Other claims ¹ | -1,391 | -136 | 77 | -1,630 | 298 | -1,222 | -230 | 936 | n.a. | 5,132 |
| 7 | By area: Industrial countries ² | -2,913 | -1,276 | -3,009 | 737 | 635 | -971 | 574 | 495 | n.a. | 13,089 |
| 8 | Of which United Kingdom..... | -1,605 | -586 | -2,489 | 274 | 1,196 | -1,116 | -748 | 409 | n.a. | 8,781 |
| 9 | Canada..... | -848 | -760 | -409 | 612 | -291 | 252 | 526 | 444 | n.a. | 2,883 |
| 10 | Caribbean banking centers ³ | -1,331 | -2,237 | 832 | -61 | 135 | -308 | 2,155 | 702 | n.a. | 6,232 |
| 11 | Other..... | -165 | -34 | 36 | -39 | -128 | 70 | -147 | -711 | n.a. | 1,731 |
| 12 | Commercial claims..... | 423 | 600 | 247 | 48 | -472 | 46 | 21 | -813 | n.a. | 10,493 |
| 13 | Denominated in U.S. dollars..... | 527 | 585 | 216 | 207 | -483 | 265 | -316 | -745 | n.a. | 9,787 |
| 14 | Denominated in foreign currencies..... | -104 | 15 | 31 | -161 | 11 | -219 | 337 | -68 | n.a. | 706 |
| 15 | By type: Trade receivables..... | 217 | 609 | 286 | -123 | -555 | -24 | -3 | -858 | n.a. | 9,364 |
| 16 | Advance payments and other claims..... | 206 | -9 | -39 | 171 | 83 | 70 | 24 | 45 | n.a. | 1,129 |
| 17 | By area: Industrial countries ² | 526 | 356 | 183 | 88 | -101 | -321 | -52 | -489 | n.a. | 6,347 |
| 18 | Members of OPEC ⁴ | -67 | -26 | -16 | 21 | -46 | 155 | 53 | -57 | n.a. | 976 |
| 19 | Other..... | -36 | 270 | 80 | -61 | -325 | 212 | 20 | -267 | n.a. | 3,170 |
| B1 | Liabilities, total (table 1, line 62)..... | -2,791 | -2,193 | -1,553 | -80 | 1,035 | 1,761 | 1,526 | 525 | n.a. | 29,952 |
| 2 | Financial liabilities..... | -1,430 | -544 | -1,394 | 152 | 356 | 522 | 1,361 | -662 | n.a. | 12,851 |
| 3 | Denominated in U.S. dollars..... | -1,376 | -608 | -1,189 | -98 | 519 | 286 | 617 | -29 | n.a. | 10,139 |
| 4 | Denominated in foreign currencies..... | -54 | 64 | -205 | 250 | -163 | 236 | 744 | -633 | n.a. | 2,712 |
| 5 | By area: Industrial countries ² | -94 | -143 | -890 | 329 | 610 | 168 | 1,994 | -68 | n.a. | 11,311 |
| 6 | Of which United Kingdom..... | 534 | -37 | 57 | -2 | 516 | 126 | 1,279 | 152 | n.a. | 6,359 |
| 7 | Caribbean banking centers ³ | -1,153 | -371 | -356 | -146 | -280 | 418 | -616 | -767 | n.a. | 917 |
| 8 | Other..... | -183 | -80 | -148 | -31 | 26 | -64 | -17 | 173 | n.a. | 623 |
| 9 | Commercial liabilities..... | -1,361 | -1,649 | -159 | -232 | 679 | 1,239 | 165 | 1,187 | n.a. | 17,101 |
| 10 | Denominated in U.S. dollars..... | -1,579 | -1,953 | -264 | -133 | 821 | -205 | 1,428 | 1,162 | n.a. | 15,492 |
| 11 | Denominated in foreign currencies..... | 218 | 304 | 105 | -49 | -142 | 1,444 | -1,263 | 25 | n.a. | 1,609 |
| 12 | By type: Trade payables..... | -358 | -1,067 | -146 | 120 | 735 | 504 | 314 | 242 | n.a. | 7,389 |
| 13 | Advance receipts and other liabilities..... | -1,003 | -582 | -13 | -352 | -56 | 735 | -149 | 945 | n.a. | 9,712 |
| 14 | By area: Industrial countries ² | 261 | -353 | -108 | 528 | 194 | 588 | 371 | 23 | n.a. | 10,197 |
| 15 | Members of OPEC ⁴ | -1,723 | -571 | -239 | -665 | -254 | 261 | -130 | 283 | n.a. | 2,535 |
| 16 | Other..... | 107 | -725 | 188 | -95 | 739 | 390 | -76 | 881 | n.a. | 4,369 |

See footnotes on page 53.

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.) | 1986 | 1987 ^a | 1986 | | | | 1987 | | | | Amounts out-standing Dec. 31, 1987 |
|------|--|---------|-------------------|--------|---------|---------|---------|--------|---------|------------------|-----------------|------------------------------------|
| | | | | I | II | III | IV | I | II | III ^r | IV ^p | |
| 1 | Total (table 1, line 49)..... | -59,039 | -33,431 | 6,373 | -14,734 | -18,878 | -31,800 | 25,686 | -15,685 | -20,107 | -23,325 | 547,264 |
| 2 | By type: | | | | | | | | | | | |
| | Banks' own claims..... | -51,916 | -31,353 | 3,382 | -11,009 | -15,639 | -28,650 | 22,825 | -15,189 | -19,064 | -19,925 | 508,873 |
| 3 | Payable in dollars..... | -42,851 | -7,212 | 6,816 | -9,474 | -12,336 | -27,857 | 29,936 | -14,918 | -11,911 | -10,319 | 458,220 |
| | By borrower: | | | | | | | | | | | |
| | Claims on: | | | | | | | | | | | |
| 4 | own foreign offices..... | -37,761 | -7,563 | 819 | -8,474 | -11,434 | -18,672 | 21,689 | -7,654 | -9,002 | -12,596 | 223,136 |
| 5 | unaffiliated foreign banks..... | -6,166 | -2,493 | 6,084 | -2,779 | -3,489 | -5,982 | 5,683 | -7,645 | -823 | 292 | 127,029 |
| 6 | foreign public borrowers ¹ | -3,076 | 90 | -180 | 67 | 17 | -2,980 | 1,213 | 518 | -3,561 | 1,920 | 65,285 |
| 7 | other private foreigners..... | 4,152 | 2,754 | 93 | 1,712 | 2,570 | -223 | 1,351 | -137 | 1,475 | 65 | 42,783 |
| | By bank ownership: ² | | | | | | | | | | | |
| | U.S.-owned banks' claims on: | | | | | | | | | | | |
| 8 | own foreign offices..... | -7,162 | 3,834 | 6,196 | -3,457 | -5,350 | -4,551 | 11,081 | -5,792 | -3,467 | 2,012 | 96,704 |
| 9 | unaffiliated foreign banks..... | -4,179 | 13,354 | 2,314 | -1,622 | 2,791 | -7,662 | 10,097 | 2,166 | 502 | 589 | 44,712 |
| 10 | other foreigners..... | -1,557 | 4,040 | 189 | 1,936 | 2,960 | -6,642 | 3,744 | -547 | -1,074 | 1,917 | 59,964 |
| | Foreign-owned banks' claims on: | | | | | | | | | | | |
| 11 | own foreign offices..... | -30,599 | -11,397 | -5,377 | -5,017 | -6,084 | -14,121 | 10,608 | -1,862 | -5,535 | -14,608 | 126,432 |
| 12 | unaffiliated foreign banks..... | -1,987 | -15,847 | 3,770 | -1,157 | -6,280 | 1,680 | -4,414 | -9,811 | -1,325 | -297 | 82,317 |
| 13 | other foreigners..... | 2,633 | -1,196 | -276 | -157 | -373 | 3,439 | -1,180 | 928 | -1,012 | 68 | 48,091 |
| 14 | Payable in foreign currencies..... | -9,065 | -24,141 | -3,434 | -1,535 | -3,303 | -793 | -7,111 | -271 | -7,153 | -9,606 | 50,653 |
| 15 | Banks' domestic customers' claims..... | -7,123 | -2,078 | 2,991 | -3,725 | -3,239 | -3,150 | 2,861 | -496 | -1,043 | -3,400 | 38,391 |
| 16 | Payable in dollars..... | -5,091 | -3,899 | 3,837 | -3,766 | -2,965 | -2,197 | 2,386 | -1,620 | -865 | -3,800 | 37,725 |
| 17 | Deposits..... | -1,078 | 741 | 841 | -981 | -193 | -745 | 1,011 | -73 | 256 | -453 | 3,671 |
| 18 | Negotiable and readily transferable instruments..... | -4,713 | -2,639 | 1,473 | -2,762 | -1,717 | -1,707 | 3,494 | -833 | -687 | -4,613 | 26,684 |
| 19 | Outstanding collections and other..... | 700 | -2,000 | 1,523 | -23 | -1,055 | 255 | -2,118 | -714 | -434 | 1,266 | 7,370 |
| 20 | Payable in foreign currencies..... | -2,032 | 1,820 | -846 | 41 | -274 | -953 | 474 | 1,124 | -178 | 400 | 666 |
| | By area: | | | | | | | | | | | |
| 21 | Industrial countries ³ | -46,749 | -25,727 | 393 | -9,904 | -12,008 | -25,230 | 13,639 | -15,661 | -3,327 | -20,378 | 270,589 |
| 22 | Western Europe..... | -10,132 | 1,995 | 7,417 | -5,927 | -8,098 | -3,524 | 8,159 | -13,866 | 9,005 | -1,303 | 139,623 |
| 23 | Of which United Kingdom..... | -3,494 | 6,317 | 6,650 | -2,964 | -8,483 | 1,303 | 5,711 | -5,213 | 5,868 | -49 | 79,601 |
| 24 | Canada..... | -5,118 | -2,942 | -1,966 | -131 | -76 | -2,945 | 789 | 1,669 | -1,125 | -4,275 | 30,624 |
| 25 | Japan..... | -32,077 | -24,976 | -5,358 | -4,344 | -3,565 | -18,810 | 4,666 | -3,797 | -11,327 | -14,518 | 95,905 |
| 26 | Other..... | 578 | 196 | 300 | 498 | -269 | 49 | 25 | 333 | 120 | -282 | 4,437 |
| 27 | Caribbean banking centers ⁴ | -8,803 | -7,804 | 5,126 | -5,048 | -6,226 | -2,655 | 8,606 | -2,816 | -11,878 | -1,716 | 126,216 |
| 28 | Other areas..... | -3,487 | 100 | 854 | 218 | -644 | -3,915 | 3,441 | 2,792 | -4,902 | -1,231 | 150,472 |
| 29 | Of which Members of OPEC, included below ⁵ | 247 | -801 | 681 | -87 | -23 | -324 | -1,292 | 1,563 | -1,324 | 252 | 20,624 |
| 30 | Latin America..... | 765 | 1,185 | 496 | -43 | 472 | -160 | 410 | 302 | -1,072 | 1,545 | 97,415 |
| 31 | Asia..... | -2,142 | -363 | -80 | 854 | -2,244 | -672 | 976 | 2,931 | -288 | -3,982 | 41,207 |
| 32 | Africa..... | 407 | -101 | 207 | 31 | 225 | -56 | -231 | 100 | -3 | 33 | 3,540 |
| 33 | Other ⁶ | -2,517 | -621 | 231 | -624 | 903 | -3,027 | 2,286 | -541 | -3,539 | 1,173 | 8,310 |
| 34 | Memoranda: | | | | | | | | | | | |
| | International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above). | -23,169 | -12,250 | 1,880 | -1,987 | -11,457 | -11,605 | 10,202 | -9,009 | -10,363 | -3,080 | 237,269 |
| | By borrower: | | | | | | | | | | | |
| | Claims on: | | | | | | | | | | | |
| 35 | own foreign offices..... | -19,643 | -2,163 | -2,368 | -3,134 | -4,453 | -9,688 | 9,942 | -2,199 | -6,976 | -2,930 | 78,551 |
| 36 | unaffiliated foreign banks..... | -3,224 | -10,218 | 4,268 | 1,057 | -6,497 | -2,052 | -258 | -7,129 | -1,811 | -1,020 | 86,432 |
| 37 | foreign public borrowers..... | -2,273 | -62 | -667 | -458 | -758 | -390 | -413 | -212 | -815 | 1,378 | 47,259 |
| 38 | all other foreigners..... | 1,971 | 193 | 647 | 548 | 251 | 525 | 931 | 531 | -761 | -508 | 25,027 |
| | By bank ownership: ² | | | | | | | | | | | |
| 39 | U.S.-owned IBF's..... | 5,945 | -8,589 | 2,341 | 603 | -117 | 3,118 | 914 | -2,502 | -4,487 | -2,514 | 76,632 |
| 40 | Foreign-owned IBF's..... | -29,114 | -3,661 | -461 | -2,590 | -11,340 | -14,723 | 9,288 | -6,507 | -5,876 | -566 | 160,637 |
| 41 | Banks' dollar acceptances payable by foreigners..... | 2,880 | 2,242 | -162 | 355 | 1,211 | 1,476 | 166 | 1,718 | 1,953 | -1,595 | 23,377 |

See footnotes on page 53.

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

General notes for all tables:

| | |
|----------------|---------------------------------|
| * Revised. | * Less than \$500,000 (\pm) |
| " Preliminary. | n.a. Not available. |

Table 1-2:

1. Credits, +: Exports of goods and services; unilateral transfers to United States; capital inflows (increase in foreign assets (U.S. liabilities) or decrease in U.S. assets; decrease in U.S. official reserve assets; increase in foreign official assets in the United States.

Debits, -: Imports of goods and services; unilateral transfers to foreigners; capital outflows (decrease in foreign assets (U.S. liabilities) or increase in U.S. assets); increase in U.S. official reserve assets; decrease in foreign official assets in the United States.

2. Excludes transfers of goods and services under U.S. military grant programs (see line 15).

3. 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 3.

4. Beginning in 1982, line 7 and line 22 are redefined to include only net receipts and payments for the use or sale of intangible property rights, including patents, industrial processes, trademarks, copyrights, franchises, designs, know-how, formulas, techniques, and manufacturing rights. Other direct investment services, net—including fees for management, professional, and technical services; charges for use of tangible property; film and television tape rentals; and all other charges and fees—are shown in line 9 and line 24. Data on the redefined basis are not separately available prior to 1982.

5. For all areas; amounts outstanding December 31, 1987, were as follows in millions of dollars: Line 36, 45,800; line 37, 11,078; line 38, 10,283; line 39, 11,349; line 40, 13,090. Data are preliminary.

6. Includes sales of foreign obligations to foreigners.

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

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

9. 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.

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

11. Conceptually, the sum of lines 69 and 64 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) excludes capital gains and losses of foreign affiliates of U.S. parent companies from the NIPA measure of income receipts from direct investment abroad, and from the corresponding income payments on direct investment in the United States, (c) includes an adjustment for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (d) includes services furnished without payment by financial intermediaries, except life insurance carriers and private noninsured pension plans. In addition, for NIPA purposes, U.S. Government interest payments to foreigners are excluded from "net exports of goods and services" but included with transfers in "net foreign investment." A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in the "Reconciliation and Other Special Tables" section in this issue of the SURVEY OF CURRENT BUSINESS. A Reconciliation of other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables (published annually in the July issue of the SURVEY).

Table 3:

1. Exports, Census basis, represent transaction values, f.a.s. U.S. port of exportation; imports, Census basis, represent Customs values (see Technical Notes, June 1982 SURVEY). Both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" month data supplied by the Census Bureau (see Technical Notes, December 1985 SURVEY). The seasonally adjusted data are the sum of seasonally adjusted 4-digit end-use commodity categories (see Technical Notes, June 1980 SURVEY).

2. Adjustments in lines A5 and A13, B12, B46, and B80 reflect the Census Bureau's reconciliation of discrepancies between the merchandise trade statistics published by the United States and the counterpart statistics published in Canada. These adjustments also have been 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 the Census basis data shown in lines A1, D1, and D58.

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. These exports are included in tables 1, 2, and 10, line 3 (transfers under U.S. military agency sales contracts); the imports are included in tables 1, 2, and 10, line 18 (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; and coverage adjustments for special situations in which shipments were omitted from Census data.

5. Deduction of foreign charges for repair of U.S. vessels abroad, which are included in tables 1, 2, and 10, line 21 (other transportation); and coverage adjustments for special situations in which shipments were omitted from Census data.

6. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 2 and 17. Trade with international organizations includes purchases of non-monetary gold from the IMF, 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, and Australia, New Zealand, and South Africa; *Members of OPEC*: Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, Gabon; *Other countries*: Eastern Europe, Latin American Republics, other Western Hemisphere, and other countries in Asia and Africa, less OPEC. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."

7. Includes nuclear fuel materials and fuels.

Table 4:

1. Expenditures to release foreign governments from their contractual liabilities to pay for defense articles 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 A3. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A3 items, part of these military expenditures is applied in lines A40 and A43 to reduce short-term assets previously recorded in lines A38 and C8; this application of funds is excluded from lines C9 and C4. A second part of line A3 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A39 and C9. A third part of line A3, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A34. A fourth part of line A3, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A45.

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 A35 includes foreign currency collected as interest and line A40 includes foreign currency collected as principal, as recorded in lines A13 and A14, 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 which 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. Also included in line 4.

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

3. Sales, liquidations, and other dispositions of equity holdings, total and partial.

4. 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. Manufacturing excludes petroleum refining. "Other" industries includes mining; wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining; construction; transportation, communications, and public utilities; and retail trade.

5. Also included in line 47.

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 28.

4. Issues through finance affiliates established primarily to borrow capital from abroad. Issues are almost always guaranteed by the establishing U.S. parent and are often convertible into the parents' securities. To the extent proceeds are transferred from offshore affiliates to U.S. parents—the common practice—they are recorded as direct investment transactions in table 5, line 8.

Table 7:

1. Primarily mortgages, loans, and bills and notes drawn on foreigners.

2. Consists of Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

3. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

4. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries.

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 and Edge Act subsidiaries. U.S. brokers' and dealers' accounts may be commingled in some categories. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.

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

4. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

5. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries.

6. 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 and Edge Act subsidiaries. U.S. brokers' and dealers' liabilities may be commingled in some categories. Foreign-owned banks are U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.

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

7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.

8. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries.

9. Includes Eastern Europe and international and regional organizations.

Table 10:

For footnotes 1-11, see table 1.

12. The "European Communities (10)" includes the "European Communities (6)," United Kingdom, Denmark, Ireland, and Greece. "European Communities (12)" reflects the admission of Spain and Portugal in 1986.

13. The "European Communities (6)" includes Belgium, France, Germany, Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

14. 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 that is moved from country to country during the year, and in petroleum trading.

15. Details not shown separately; see totals in lines 51 and 58.

16. Details not shown separately are included in line 63.

Table 10.—U.S. International

[Millions]

| Line | (Credits +; debits -) ¹ | Western Europe | | | | | | EC(12) ¹² | |
|------|---|----------------|-------------------|---------|---------|------------------|-----------------|----------------------|-------------------|
| | | 1986 | 1987 ^p | 1987 | | | | 1986 | 1987 ^p |
| | | | | I | II | III ^r | IV ^p | | |
| 1 | Exports of goods and services ² | 115,164 | 134,516 | 33,150 | 31,487 | 30,059 | 39,819 | 97,956 | 115,807 |
| 2 | Merchandise, adjusted, excluding military ³ | 60,664 | 68,939 | 16,967 | 17,056 | 15,895 | 19,021 | 52,158 | 59,811 |
| 3 | Transfers under U.S. military agency sales contracts..... | 2,213 | 3,370 | 800 | 748 | 859 | 964 | 1,734 | 2,644 |
| 4 | Travel..... | 2,924 | 3,837 | 699 | 1,007 | 1,220 | 911 | 2,393 | 3,127 |
| 5 | Passenger fares..... | 1,478 | 2,097 | 380 | 551 | 683 | 483 | 1,304 | 1,806 |
| 6 | Other transportation..... | 4,832 | 5,216 | 1,190 | 1,291 | 1,363 | 1,372 | 3,935 | 4,225 |
| 7 | Royalties and license fees from affiliated foreigners ⁴ | 2,870 | 3,815 | 968 | 797 | 1,084 | 967 | 2,575 | 3,427 |
| 8 | Royalties and license fees from unaffiliated foreigners..... | 737 | 771 | 189 | 192 | 195 | 196 | 625 | 655 |
| 9 | Other private services from affiliated foreigners..... | 1,461 | 754 | 174 | 193 | 195 | 192 | 1,266 | 658 |
| 10 | Other private services from unaffiliated foreigners..... | 2,287 | 2,702 | 645 | 687 | 686 | 684 | 1,810 | 2,113 |
| 11 | U.S. Government miscellaneous services..... | 132 | 121 | 23 | 32 | 39 | 27 | 109 | 96 |
| | Receipts of income on U.S. assets abroad: | | | | | | | | |
| 12 | Direct investment..... | 22,127 | 27,841 | 7,743 | 5,193 | 4,196 | 10,769 | 18,731 | 24,286 |
| 13 | Other private receipts..... | 12,418 | 13,957 | 3,137 | 3,478 | 3,439 | 3,903 | 10,538 | 12,153 |
| 14 | U.S. Government receipts..... | 1,023 | 1,094 | 236 | 262 | 266 | 330 | 778 | 801 |
| 15 | Transfers of goods and services under U.S. military grant programs, net..... | 26 | 10 | -1 | 2 | 1 | 8 | 20 | 7 |
| 16 | Imports of goods and services..... | -150,086 | -173,821 | -38,917 | -44,157 | -44,426 | -46,322 | -125,038 | -146,754 |
| 17 | Merchandise, adjusted, excluding military ³ | -89,074 | -96,222 | -22,298 | -23,949 | -23,099 | -26,881 | -74,269 | -81,521 |
| 18 | Direct defense expenditures..... | -8,263 | -9,769 | -2,379 | -2,401 | -2,504 | -2,485 | -7,951 | -9,241 |
| 19 | Travel..... | -5,003 | -6,997 | -729 | -2,244 | -2,833 | -1,191 | -4,138 | -5,769 |
| 20 | Passenger fares..... | -4,745 | -5,670 | -1,202 | -1,897 | -1,449 | -1,122 | -3,870 | -4,606 |
| 21 | Other transportation..... | -5,265 | -6,039 | -1,309 | -1,504 | -1,606 | -1,621 | -4,086 | -4,767 |
| 22 | Royalties and license fees to affiliated foreigners ⁴ | -486 | -536 | -140 | -131 | -122 | -144 | -318 | -348 |
| 23 | Royalties and license fees to unaffiliated foreigners..... | -319 | -335 | -83 | -84 | -84 | -85 | -259 | -272 |
| 24 | Other private services to affiliated foreigners..... | 176 | 176 | 36 | 75 | 60 | 6 | 325 | 298 |
| 25 | Other private services to unaffiliated foreigners..... | -2,711 | -3,025 | -707 | -783 | -786 | -749 | -2,349 | -2,676 |
| 26 | U.S. Government miscellaneous services..... | -512 | -523 | -100 | -151 | -135 | -137 | -405 | -407 |
| | Payments of income on foreign assets in the United States: | | | | | | | | |
| 27 | Direct investment..... | -6,130 | -9,924 | -2,592 | -2,439 | -3,062 | -1,831 | -5,053 | -8,162 |
| 28 | Other private payments..... | -18,541 | -24,482 | -4,969 | -5,994 | -6,248 | -7,271 | -15,898 | -21,354 |
| 29 | U.S. Government payments..... | -9,214 | -10,475 | -2,450 | -2,657 | -2,556 | -2,812 | -6,767 | -7,930 |
| 30 | U.S. military grants of goods and services, net..... | -26 | -10 | 1 | -2 | -1 | -8 | -20 | -7 |
| 31 | Unilateral transfers (excluding military grants of goods and services), net..... | -578 | -15 | -19 | 61 | -31 | -25 | 17 | 486 |
| 32 | U.S. Government grants (excluding military grants of goods and services)..... | -589 | -332 | -35 | -54 | -140 | -103 | -241 | -84 |
| 33 | U.S. Government pensions and other transfers..... | -759 | -768 | -183 | -185 | -187 | -213 | -613 | -626 |
| 34 | Private remittances and other transfers..... | 770 | 1,085 | 199 | 300 | 296 | 291 | 870 | 1,195 |
| 35 | U.S. assets abroad, net (increase/capital outflow (-))..... | -44,379 | -28,170 | -976 | -20,228 | 4,838 | -11,804 | -46,774 | -26,100 |
| 36 | U.S. official reserve assets, net ⁵ | -431 | 2,168 | 298 | 660 | -682 | 1,893 | -2,517 | 1,672 |
| 37 | Gold..... | | | | | | | | |
| 38 | Special drawing rights..... | | | | | | | | |
| 39 | Reserve position in the International Monetary Fund..... | | | | | | | | |
| 40 | Foreign currencies..... | -431 | 2,168 | 298 | 660 | -682 | 1,893 | -2,517 | 1,672 |
| 41 | U.S. Government assets, other than official reserve assets, net..... | 360 | 11 | 55 | -116 | 36 | 36 | 261 | 189 |
| 42 | U.S. credits and other long-term assets..... | -1,077 | -1,532 | -263 | -541 | -477 | -249 | -763 | -963 |
| 43 | Repayments on U.S. credits and other long-term assets ⁶ | 1,436 | 1,492 | 314 | 367 | 536 | 277 | 998 | 1,112 |
| 44 | U.S. foreign currency holdings and U.S. short-term assets, net..... | 1 | 51 | 7 | 58 | -23 | 9 | 27 | 41 |
| 45 | U.S. private assets, net..... | -44,307 | -30,349 | -1,329 | -20,771 | 5,484 | -13,733 | -44,518 | -27,961 |
| 46 | Direct investment..... | -16,452 | -19,655 | -6,305 | -1,892 | -1,834 | -9,654 | -14,192 | -16,717 |
| 47 | Foreign securities..... | -16,358 | -10,627 | -1,815 | -4,372 | -1,648 | -2,792 | -18,345 | -11,799 |
| 48 | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns..... | -1,353 | n.a. | -1,404 | -629 | -23 | n.a. | -1,284 | n.a. |
| 49 | U.S. claims reported by U.S. banks, not included elsewhere..... | -10,145 | 2,018 | 8,195 | -13,879 | 8,989 | -1,287 | -10,697 | 2,745 |
| 50 | Foreign assets in the United States, net (increase/capital inflow (+))..... | 106,207 | 136,247 | 29,727 | 47,887 | 26,472 | 32,160 | 99,459 | 118,860 |
| 51 | Foreign official assets in the United States, net..... | 14,256 | 35,717 | 11,246 | 11,612 | -3,134 | 15,993 | (16) | (16) |
| 52 | U.S. Government securities..... | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 53 | U.S. Treasury securities ⁷ | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 54 | Other ⁸ | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 55 | Other U.S. Government liabilities ⁹ | 771 | -7 | -176 | 27 | 242 | -100 | 648 | -64 |
| 56 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 57 | Other foreign official assets ¹⁰ | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 58 | Other foreign assets in the United States, net..... | 91,951 | 100,530 | 18,482 | 36,274 | 29,607 | 16,168 | (16) | (16) |
| 59 | Direct investment..... | 20,502 | 30,718 | 5,061 | 6,918 | 11,297 | 7,443 | 17,727 | 28,466 |
| 60 | U.S. Treasury securities..... | (15) | (15) | (15) | (15) | (15) | (15) | (16) | (16) |
| 61 | U.S. securities other than U.S. Treasury securities..... | 48,728 | 22,658 | 10,913 | 9,416 | 8,966 | -6,637 | 42,225 | 21,954 |
| 62 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns..... | 327 | n.a. | 273 | 1,727 | -19 | n.a. | 368 | n.a. |
| 63 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | (15) | (15) | (15) | (15) | (15) | (15) | 16 38,491 | 16 66,638 |
| 64 | Allocations of special drawing rights..... | | | | | | | | |
| 65 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)..... | -26,328 | -68,757 | -22,966 | -15,049 | -16,912 | -13,829 | -25,620 | -62,298 |
| | Memoranda: | | | | | | | | |
| 66 | Balance on merchandise trade (lines 2 and 17)..... | -28,410 | -27,283 | -5,326 | -6,893 | -7,204 | -7,860 | -22,111 | -21,710 |
| 67 | Balance on goods and services (lines 1 and 16) ¹¹ | -34,922 | -39,306 | -5,766 | -12,670 | -14,367 | -6,503 | -27,081 | -30,947 |
| 68 | Balance on goods, services, and remittances (lines 67, 33, and 34)..... | -34,911 | -38,988 | -5,750 | -12,556 | -14,258 | -6,425 | -26,824 | -30,378 |
| 69 | Balance on current account (lines 67 and 31) ¹¹ | -35,500 | -39,320 | -5,786 | -12,610 | -14,397 | -6,527 | -27,065 | -30,462 |

See footnotes on page 53.

Table 10.—U.S. International

[Millions]

| Line | (Credits +; debits -) ¹ | Eastern Europe | | | | | | Canada | |
|------|---|-------------------|-------------------|-------------------|------------------|--------------------|------------------|---------|-------------------|
| | | 1986 | 1987 ^P | 1987 | | | | 1986 | 1987 ^P |
| | | | | I | II | III ^r | IV ^P | | |
| 1 | Exports of goods and services ² | 2,873 | 2,634 | 446 | 787 | 673 | 729 | 75,173 | 82,854 |
| 2 | Merchandise, adjusted, excluding military ³ | 2,025 | 2,238 | 339 | 691 | 576 | 632 | 56,984 | 61,842 |
| 3 | Transfers under U.S. military agency sales contracts..... | | | | | | | 100 | 165 |
| 4 | Travel..... | | | | | | | 3,185 | 3,856 |
| 5 | Passenger fares..... | | | | | | | | |
| 6 | Other transportation..... | 83 | 91 | 22 | 23 | 23 | 24 | 895 | 936 |
| 7 | Royalties and license fees from affiliated foreigners ⁴ | | | | | | | 509 | 505 |
| 8 | Royalties and license fees from unaffiliated foreigners..... | 31 | 33 | 8 | 8 | 8 | 8 | 113 | 119 |
| 9 | Other private services from affiliated foreigners..... | | | | | | | 905 | 953 |
| 10 | Other private services from unaffiliated foreigners..... | 79 | 84 | 21 | 21 | 21 | 21 | 1,051 | 1,175 |
| 11 | U.S. Government miscellaneous services..... | 5 | 6 | 1 | 1 | 3 | 1 | 32 | 57 |
| | Receipts of income on U.S. assets abroad: | | | | | | | | |
| 12 | Direct investment..... | | | | | | | 5,180 | 6,925 |
| 13 | Other private receipts..... | 142 | 148 | 38 | 35 | 38 | 38 | 6,171 | 6,280 |
| 14 | U.S. Government receipts..... | 508 | 34 | 17 | 8 | 5 | 5 | 48 | 41 |
| 15 | Transfers of goods and services under U.S. military grant programs, net..... | | | | | | | | |
| 16 | Imports of goods and services..... | -2,353 | -2,297 | -492 | -581 | -645 | -580 | -77,544 | -83,202 |
| 17 | Merchandise, adjusted, excluding military ³ | -1,980 | -1,922 | -426 | -491 | -500 | -505 | -70,315 | -73,719 |
| 18 | Direct defense expenditures..... | -3 | -4 | -2 | -1 | -1 | -1 | -215 | -185 |
| 19 | Travel..... | -85 | -110 | -4 | -25 | -74 | -7 | -3,242 | -3,141 |
| 20 | Passenger fares..... | | | | | | | | |
| 21 | Other transportation..... | -186 | -164 | -36 | -40 | -42 | -45 | -547 | -589 |
| 22 | Royalties and license fees to affiliated foreigners ⁴ | | | | | | | -6 | -6 |
| 23 | Royalties and license fees to unaffiliated foreigners..... | -1 | -1 | (*) | (*) | (*) | (*) | -11 | -12 |
| 24 | Other private services to affiliated foreigners..... | | | | | | | 42 | -154 |
| 25 | Other private services to unaffiliated foreigners..... | -26 | -27 | -7 | -7 | -7 | -7 | -566 | -635 |
| 26 | U.S. Government miscellaneous services..... | -42 | -34 | -10 | -8 | -9 | -7 | -97 | -147 |
| | Payments of income on foreign assets in the United States: | | | | | | | | |
| 27 | Direct investment..... | | | | | | | -53 | -1,585 |
| 28 | Other private payments..... | -29 | -34 | -7 | -8 | -11 | -8 | -1,934 | -2,149 |
| 29 | U.S. Government payments..... | -2 | -3 | -1 | -1 | -1 | | -600 | -880 |
| 30 | U.S. military grants of goods and services, net..... | | | | | | | | |
| 31 | Unilateral transfers (excluding military grants of goods and services), net..... | -161 | -154 | -43 | -36 | -35 | -41 | -263 | -274 |
| 32 | U.S. Government grants (excluding military grants of goods and services)..... | -20 | -12 | -9 | -2 | -1 | (*) | | (*) |
| 33 | U.S. Government pensions and other transfers..... | -19 | -19 | -5 | -5 | -2 | -6 | -288 | -297 |
| 34 | Private remittances and other transfers..... | -122 | -124 | -29 | -29 | -32 | -35 | 25 | 24 |
| 35 | U.S. assets abroad, net (increase/capital outflow (-))..... | -577 | -10 | 14 | -311 | -96 | 384 | -9,278 | -11,930 |
| 36 | U.S. official reserve assets, net ⁵ | | | | | | | | |
| 37 | Gold..... | | | | | | | | |
| 38 | Special drawing rights..... | | | | | | | | |
| 39 | Reserve position in the International Monetary Fund..... | | | | | | | | |
| 40 | Foreign currencies..... | | | | | | | | |
| 41 | U.S. Government assets, other than official reserve assets, net..... | -314 | 140 | 75 | 32 | 4 | 29 | 72 | 155 |
| 42 | U.S. credits and other long-term assets..... | -1,769 | | | | | | -7 | |
| 43 | Repayments on U.S. credits and other long-term assets ⁶ | 610 | 135 | 63 | 32 | 7 | 28 | 68 | 158 |
| 44 | U.S. foreign currency holdings and U.S. short-term assets, net..... | 845 | 5 | 7 | (*) | -3 | 1 | 11 | -3 |
| 45 | U.S. private assets, net..... | -263 | -149 | -61 | -343 | -100 | 355 | -9,351 | -12,086 |
| 46 | Direct investment..... | | | | | | | -2,664 | -6,610 |
| 47 | Foreign securities..... | (*) | -18 | -18 | 2 | | -2 | -849 | -3,762 |
| 48 | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns..... | -143 | n.a. | 74 | -21 | 27 | n.a. | -719 | n.a. |
| 49 | U.S. claims reported by U.S. banks, not included elsewhere..... | -120 | -211 | -117 | -324 | -127 | 357 | -5,118 | -2,942 |
| 50 | Foreign assets in the United States, net (increase/capital inflow (+))..... | 96 | 30 | -67 | 47 | -116 | 166 | 11,963 | 12,789 |
| 51 | Foreign official assets in the United States, net..... | (16) | (16) | (16) | (16) | (16) | (16) | 787 | 3,018 |
| 52 | U.S. Government securities..... | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 53 | U.S. Treasury securities ⁷ | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 54 | Other ⁸ | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 55 | Other U.S. Government liabilities ⁹ | (*) | (*) | 2 | -2 | (*) | (*) | 98 | 62 |
| 56 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 57 | Other foreign official assets ¹⁰ | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 58 | Other foreign assets in the United States, net..... | (16) | (16) | (16) | (16) | (16) | (16) | 11,177 | 9,772 |
| 59 | Direct investment..... | | | | | | | 1,022 | 1,361 |
| 60 | U.S. Treasury securities..... | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) |
| 61 | U.S. securities other than U.S. Treasury securities..... | -2 | 93 | 21 | -2 | | 74 | 1,230 | 2,250 |
| 62 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns..... | -8 | n.a. | -8 | 5 | | n.a. | -452 | n.a. |
| 63 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | ¹⁶ 106 | ¹⁶ -60 | ¹⁶ -82 | ¹⁶ 46 | ¹⁶ -116 | ¹⁶ 92 | (15) | (15) |
| 64 | Allocations of special drawing rights..... | | | | | | | | |
| 65 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)..... | 122 | -203 | 142 | 95 | 218 | -658 | -52 | -237 |
| | Memoranda: | | | | | | | | |
| 66 | Balance on merchandise trade (lines 2 and 17)..... | 45 | 316 | -87 | 200 | 76 | 127 | -13,381 | -11,877 |
| 67 | Balance on goods and services (lines 1 and 16) ¹¹ | 519 | 337 | -47 | 206 | 29 | 149 | -2,371 | -348 |
| 68 | Balance on goods, services, and remittances (lines 67, 33, and 34)..... | 379 | 194 | -80 | 172 | -5 | 108 | -2,634 | -621 |
| 69 | Balance on current account (lines 67 and 31) ¹¹ | 359 | 182 | -89 | 170 | -6 | 108 | -2,634 | -622 |

See footnotes on page 53.

Table 10.—U.S. International

[Millions]

| Line | (Credits +; debits -) ¹ | Australia, New Zealand, and South Africa | | | | | |
|------|---|--|--------------------|----------------------|---------------------|---------------------|----------------------|
| | | 1986 | 1987 ^p | 1987 | | | |
| | | | | I | II | III ^r | IV ^p |
| 1 | Exports of goods and services ² | 10,923 | 12,613 | 2,782 | 3,175 | 3,328 | 3,328 |
| 2 | Merchandise, adjusted, excluding military ³ | 7,116 | 7,410 | 1,624 | 1,909 | 1,919 | 1,958 |
| 3 | Transfers under U.S. military agency sales contracts..... | 405 | 671 | 226 | 120 | 155 | 171 |
| 4 | Travel..... | 493 | 573 | 88 | 165 | 220 | 100 |
| 5 | Passenger fares..... | 250 | 407 | 49 | 92 | 128 | 138 |
| 6 | Other transportation..... | 350 | 380 | 82 | 97 | 102 | 100 |
| 7 | Royalties and license fees from affiliated foreigners ⁴ | 279 | 230 | 54 | 55 | 57 | 64 |
| 8 | Royalties and license fees from unaffiliated foreigners..... | 104 | 109 | 27 | 27 | 27 | 28 |
| 9 | Other private services from affiliated foreigners..... | 206 | 137 | 37 | 33 | 34 | 34 |
| 10 | Other private services from unaffiliated foreigners..... | 338 | 346 | 87 | 87 | 85 | 87 |
| 11 | U.S. Government miscellaneous services..... | 12 | 6 | 1 | 2 | 1 | 2 |
| 12 | Receipts of income on U.S. assets abroad: | | | | | | |
| 13 | Direct investment..... | 632 | 1,627 | 323 | 425 | 406 | 474 |
| 14 | Other private receipts..... | 716 | 699 | 182 | 159 | 189 | 169 |
| 15 | U.S. Government receipts..... | 23 | 17 | 3 | 5 | 6 | 4 |
| 15 | Transfers of goods and services under U.S. military grant programs, net..... | | | | | | |
| 16 | Imports of goods and services..... | -8,017 | -7,919 | -1,826 | -1,939 | -2,164 | -1,990 |
| 17 | Merchandise, adjusted, excluding military ³ | -5,945 | -5,363 | -1,277 | -1,355 | -1,482 | -1,249 |
| 18 | Direct defense expenditures..... | -44 | -43 | -9 | -12 | -12 | -10 |
| 19 | Travel..... | -722 | -899 | -224 | -204 | -185 | -286 |
| 20 | Passenger fares..... | -464 | -575 | -118 | -102 | -186 | -169 |
| 21 | Other transportation..... | -389 | -487 | -100 | -112 | -128 | -147 |
| 22 | Royalties and license fees to affiliated foreigners ⁴ | -3 | -2 | -1 | (*) | -1 | |
| 23 | Royalties and license fees to unaffiliated foreigners..... | -9 | -9 | -2 | -2 | -2 | -2 |
| 24 | Other private services to affiliated foreigners..... | -1 | -17 | -2 | -2 | -3 | -10 |
| 25 | Other private services to unaffiliated foreigners..... | 11 | 6 | 2 | 1 | 1 | 2 |
| 26 | U.S. Government miscellaneous services..... | -68 | -55 | -19 | -11 | -11 | -14 |
| 27 | Payments of income on foreign assets in the United States: | | | | | | |
| 28 | Direct investment..... | -39 | 30 | 17 | -14 | -1 | 29 |
| 29 | Other private payments..... | -135 | -152 | -33 | -37 | -39 | -44 |
| 30 | U.S. Government payments..... | -210 | -354 | -60 | -89 | -114 | -90 |
| 30 | U.S. military grants of goods and services, net..... | | | | | | |
| 31 | Unilateral transfers (excluding military grants of goods and services), net..... | -81 | -91 | -21 | -24 | -22 | -23 |
| 32 | U.S. Government grants (excluding military grants of goods and services)..... | -2 | -8 | -2 | -1 | -3 | -2 |
| 33 | U.S. Government pensions and other transfers..... | -21 | -22 | -5 | -5 | -5 | -6 |
| 34 | Private remittances and other transfers..... | -58 | -61 | -14 | -17 | -14 | -16 |
| 35 | U.S. assets abroad, net (increase/capital outflow (-))..... | -509 | -1,329 | -528 | -135 | 322 | -987 |
| 36 | U.S. official reserve assets, net ⁵ | | | | | | |
| 37 | Gold..... | | | | | | |
| 38 | Special drawing rights..... | | | | | | |
| 39 | Reserve position in the International Monetary Fund..... | | | | | | |
| 40 | Foreign currencies..... | | | | | | |
| 41 | U.S. Government assets, other than official reserve assets, net..... | 99 | 62 | 14 | 19 | 18 | 11 |
| 42 | U.S. credits and other long-term assets..... | | | | | | |
| 43 | Repayments on U.S. credits and other long-term assets ⁶ | 128 | 34 | 6 | 12 | 6 | 10 |
| 44 | U.S. foreign currency holdings and U.S. short-term assets, net..... | -28 | 28 | 8 | 8 | 12 | 1 |
| 45 | U.S. private assets, net..... | -608 | -1,391 | -542 | -155 | 304 | -998 |
| 46 | Direct investment..... | 488 | -965 | 61 | -422 | 119 | -723 |
| 47 | Foreign securities..... | -1,742 | -554 | -500 | -175 | 114 | 7 |
| 48 | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns..... | 68 | n.a. | -128 | 109 | -49 | n.a. |
| 49 | U.S. claims reported by U.S. banks, not included elsewhere..... | 578 | 196 | 25 | 333 | 120 | -282 |
| 50 | Foreign assets in the United States, net (increase/capital inflow (+))..... | 5,109 | -224 | -1,571 | 2,268 | 2,091 | -3,013 |
| 51 | Foreign official assets in the United States, net..... | (16) | (16) | (16) | (16) | (16) | (16) |
| 52 | U.S. Government securities..... | (16) | (16) | (16) | (16) | (16) | (16) |
| 53 | U.S. Treasury securities ⁷ | (16) | (16) | (16) | (16) | (16) | (16) |
| 54 | Other ⁸ | (16) | (16) | (16) | (16) | (16) | (16) |
| 55 | Other U.S. Government liabilities ⁹ | 314 | -67 | -79 | 55 | -21 | -23 |
| 56 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | (16) | (16) | (16) | (16) | (16) | (16) |
| 57 | Other foreign official assets ¹⁰ | (16) | (16) | (16) | (16) | (16) | (16) |
| 58 | Other foreign assets in the United States, net..... | (16) | (16) | (16) | (16) | (16) | (16) |
| 59 | Direct investment..... | 1,615 | 296 | -473 | 200 | 689 | -120 |
| 60 | U.S. Treasury securities..... | (16) | (16) | (16) | (16) | (16) | (16) |
| 61 | U.S. securities other than U.S. Treasury securities..... | 419 | 203 | 280 | 213 | 108 | -398 |
| 62 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns..... | -108 | n.a. | 20 | -6 | 48 | n.a. |
| 63 | U.S. liabilities reported by U.S. banks, not included elsewhere..... | ¹⁶ 2,869 | ¹⁶ -718 | ¹⁶ -1,319 | ¹⁶ 1,806 | ¹⁶ 1,267 | ¹⁶ -2,472 |
| 64 | Allocations of special drawing rights..... | | | | | | |
| 65 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)..... | -7,425 | -3,050 | 1,165 | -3,344 | -3,556 | 2,685 |
| 66 | Memoranda: | | | | | | |
| 67 | Balance on merchandise trade (lines 2 and 17)..... | 1,171 | 2,047 | 347 | 554 | 437 | 709 |
| 68 | Balance on goods and services (lines 1 and 16) ¹¹ | 2,906 | 4,694 | 956 | 1,236 | 1,165 | 1,338 |
| 69 | Balance on goods, services, and remittances (lines 67, 33, and 34)..... | 2,826 | 4,611 | 936 | 1,213 | 1,145 | 1,317 |
| 69 | Balance on current account (lines 67 and 31) ¹¹ | 2,825 | 4,603 | 935 | 1,211 | 1,142 | 1,315 |

See footnotes on page 53.

Transactions, by Area—Continued

of dollars]

| Other countries in Asia and Africa | | | | | | International organizations and unallocated ¹⁴ | | | | | | Line |
|------------------------------------|-------------------|-----------|-----------|------------------|-----------------|---|-------------------|--------|-----------|------------------|-----------------|------|
| 1986 | 1987 ^p | 1987 | | | | 1986 | 1987 ^p | 1987 | | | | |
| | | I | II | III ^r | IV ^p | | | I | II | III ^r | IV ^p | |
| 63,380 | 73,809 | 16,796 | 18,081 | 18,912 | 20,020 | 3,924 | 3,966 | 1,060 | 1,019 | 1,064 | 823 | 1 |
| 40,334 | 47,645 | 10,392 | 10,912 | 12,239 | 14,102 | | | | | | | 2 |
| 5,727 | 6,995 | 2,022 | 2,387 | 1,691 | 895 | | | | | | | 3 |
| 985 | 1,021 | 265 | 260 | 342 | 154 | | | | | | | 4 |
| 307 | 317 | 56 | 90 | 118 | 58 | | | | | | | 5 |
| 3,529 | 3,712 | 871 | 944 | 924 | 973 | 1,107 | 1,252 | 296 | 306 | 312 | 338 | 6 |
| 156 | 139 | 28 | 40 | 34 | 37 | | | | | | | 7 |
| 316 | 332 | 82 | 83 | 84 | 84 | | | | | | | 8 |
| 611 | 523 | 105 | 118 | 138 | 162 | -13 | 13 | 19 | 4 | -3 | -6 | 9 |
| 1,575 | 1,968 | 408 | 407 | 407 | 746 | 1,470 | 1,230 | 398 | 377 | 397 | 59 | 10 |
| 312 | 235 | 47 | 53 | 74 | 61 | 3 | 3 | (*) | 1 | 1 | 2 | 11 |
| 2,920 | 4,970 | 937 | 1,327 | 1,319 | 1,387 | -338 | -250 | -73 | -41 | -73 | -63 | 12 |
| 3,641 | 3,279 | 862 | 803 | 752 | 861 | 886 | 1,033 | 228 | 223 | 252 | 330 | 13 |
| 2,966 | 2,674 | 722 | 657 | 791 | 505 | 810 | 685 | 193 | 150 | 179 | 163 | 14 |
| 51 | 58 | 2 | 20 | 8 | 29 | | | | | | | 15 |
| -96,186 | -118,483 | -25,448 | -28,389 | -33,663 | -30,983 | -2,992 | -2,994 | -697 | -783 | -732 | -781 | 16 |
| -79,196 | -100,912 | -21,401 | -24,139 | -28,999 | -26,373 | | | | | | | 17 |
| -1,692 | -1,664 | -383 | -425 | -432 | -424 | | | | | | | 18 |
| -1,474 | -1,606 | -334 | -420 | -444 | -408 | | | | | | | 19 |
| -529 | -555 | -98 | -130 | -167 | -160 | -68 | -70 | -21 | -13 | -18 | -18 | 20 |
| -4,234 | -4,536 | -1,046 | -1,149 | -1,161 | -1,180 | -1,578 | -1,716 | -371 | -427 | -461 | -457 | 21 |
| 8 | 11 | | -1 | 6 | 6 | | | | | | | 22 |
| -10 | -10 | -3 | -3 | -3 | -3 | | | | | | | 23 |
| 667 | 536 | 122 | 137 | 81 | 196 | | | | | | | 24 |
| -653 | -710 | -175 | -180 | -177 | -178 | -131 | -151 | -37 | -37 | -39 | -37 | 25 |
| -640 | -693 | -151 | -162 | -190 | -191 | -1 | -1 | | -1 | | | 26 |
| 203 | 195 | 49 | 114 | -9 | 41 | | | | | | | 27 |
| -3,592 | -3,791 | -880 | -905 | -960 | -1,046 | -245 | -297 | -59 | -93 | -64 | -81 | 28 |
| -5,042 | -4,748 | -1,148 | -1,128 | -1,208 | -1,264 | -969 | -759 | -209 | -213 | -150 | -187 | 29 |
| -51 | -58 | -2 | -20 | -8 | -29 | | | | | | | 30 |
| -10,834 | -8,965 | -2,020 | -1,952 | -1,665 | -3,328 | -965 | -862 | -215 | -155 | -191 | -302 | 31 |
| -9,057 | -7,359 | -1,592 | -1,531 | -1,310 | -2,926 | -704 | -518 | -171 | -128 | -131 | -88 | 32 |
| -468 | -344 | -86 | -94 | -82 | -83 | -248 | -333 | -44 | -16 | -60 | -214 | 33 |
| -1,309 | -1,262 | -342 | -327 | -274 | -319 | -13 | -12 | | -12 | | | 34 |
| -176 | 2,480 | 2,284 | 4,278 | -1,080 | -3,001 | -239 | 1,552 | 3,594 | -50 | -2,446 | 454 | 35 |
| | | | | | | 1,254 | 1,561 | 682 | 165 | 197 | 517 | 36 |
| | | | | | | -246 | -509 | 76 | -171 | -210 | -205 | 37 |
| | | | | | | 1,501 | 2,070 | 606 | 335 | 407 | 722 | 38 |
| | | | | | | | | | | | | 39 |
| | | | | | | | | | | | | 40 |
| -524 | 2,191 | 136 | 388 | 489 | 1,178 | -923 | -783 | -122 | -157 | -278 | -226 | 41 |
| -3,052 | -2,067 | -316 | -574 | -687 | -490 | -927 | -787 | -126 | -157 | -278 | -226 | 42 |
| 2,502 | 4,294 | 322 | 1,199 | 1,801 | 1,801 | 4 | 4 | 4 | | | | 43 |
| 26 | -36 | 129 | -10 | -22 | -133 | | | | | | | 44 |
| -348 | 290 | 2,148 | 3,890 | -1,569 | -4,179 | -570 | 774 | 3,034 | -58 | -2,365 | 164 | 45 |
| -783 | -2,395 | -871 | -338 | -525 | -662 | 698 | 280 | 186 | -4 | 63 | 36 | 46 |
| 3,267 | 3,383 | 2,145 | 1,093 | -77 | 222 | 686 | 679 | 399 | 145 | 596 | -461 | 47 |
| 34 | n.a. | 193 | 112 | -305 | n.a. | -4 | n.a. | | -1 | | n.a. | 48 |
| -2,170 | -698 | 681 | 3,022 | -662 | -3,739 | -1,950 | -184 | 2,449 | -198 | -3,024 | 589 | 49 |
| 13,968 | 9,087 | -2,871 | -2,949 | 4,566 | 10,341 | -2,311 | -3,717 | 611 | -2,624 | -736 | -968 | 50 |
| (16) | (16) | (16) | (16) | (16) | (16) | (*) | -52 | (*) | -52 | | (*) | 51 |
| (16) | (16) | (16) | (16) | (16) | (16) | | | | | | | 52 |
| (16) | (16) | (16) | (16) | (16) | (16) | | | | | | | 53 |
| (16) | (16) | (16) | (16) | (16) | (16) | | | | | | | 54 |
| 521 | -2,854 | -912 | -1,501 | -703 | 262 | (*) | -52 | (*) | -52 | | (*) | 55 |
| (16) | (16) | (16) | (16) | (16) | (16) | | | | | | | 56 |
| (16) | (16) | (16) | (16) | (16) | (16) | | | | | | | 57 |
| (16) | (16) | (16) | (16) | (16) | (16) | -2,311 | -3,665 | 611 | -2,572 | -736 | -968 | 58 |
| 267 | 429 | -141 | 9 | 235 | 325 | | | | | | | 59 |
| (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | (16) | 60 |
| 2,680 | 1,242 | 320 | 816 | 189 | -83 | 348 | 791 | -15 | 131 | 88 | 587 | 61 |
| -1,296 | n.a. | 245 | -33 | 1,200 | n.a. | 102 | 21 | 32 | 89 | n.a. | n.a. | 62 |
| 16 11,796 | 16 8,858 | 16 -2,383 | 16 -2,240 | 16 3,644 | 16 9,837 | 16 -2,761 | 16 -4,598 | 16 605 | 16 -2,735 | 16 -913 | 16 -1,555 | 63 |
| 29,848 | 42,072 | 11,259 | 10,932 | 12,931 | 6,950 | 2,584 | 2,056 | -4,353 | 2,593 | 3,041 | 774 | 64 |
| -38,862 | -53,267 | -11,009 | -13,227 | -16,760 | -12,271 | | | | | | | 66 |
| -32,806 | -44,674 | -8,652 | -10,308 | -14,751 | -10,963 | 932 | 972 | 363 | 236 | 331 | 42 | 67 |
| -34,583 | -46,280 | -9,080 | -10,729 | -15,107 | -11,365 | 671 | 627 | 319 | 209 | 271 | -172 | 68 |
| -43,640 | -53,639 | -10,672 | -12,260 | -16,416 | -14,291 | -34 | 109 | 148 | 81 | 141 | -260 | 69 |

Table 5.—Manufacturing Inventories by Stage of Fabrication in Constant Dollars, Seasonally Adjusted, End of Period

(Billions of 1982 dollars)

| | 1987 | | | | | | | 1988 |
|-------------------------------------|--------------|--------------|--------------|--------------|-------------------|--------------|--------------|-------------------|
| | III | IV | Aug. | Sept. | Oct. ^r | Nov. | Dec. | Jan. ^p |
| Materials and supplies | | | | | | | | |
| Manufacturing | 105.1 | 105.7 | 104.2 | 105.1 | 104.7 | 104.6 | 105.7 | 106.3 |
| Durable goods..... | 58.9 | 59.8 | 58.8 | 58.9 | 59.0 | 59.1 | 59.8 | 60.0 |
| Primary metals..... | 5.5 | 5.8 | 5.5 | 5.5 | 5.5 | 5.6 | 5.8 | 5.9 |
| Fabricated metals..... | 8.3 | 8.6 | 8.1 | 8.3 | 8.3 | 8.1 | 8.6 | 8.8 |
| Machinery, except electrical..... | 11.7 | 12.1 | 11.6 | 11.7 | 11.9 | 12.0 | 12.1 | 12.0 |
| Electrical machinery..... | 9.7 | 9.7 | 9.8 | 9.7 | 9.7 | 9.5 | 9.7 | 9.8 |
| Motor vehicles..... | 4.6 | 4.6 | 4.4 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 |
| Other transportation equipment..... | 6.9 | 6.7 | 6.9 | 6.9 | 6.8 | 6.9 | 6.7 | 6.4 |
| Other durable goods..... | 12.3 | 12.3 | 12.5 | 12.3 | 12.2 | 12.3 | 12.3 | 12.5 |
| Nondurable goods..... | 46.2 | 46.0 | 45.4 | 46.2 | 45.6 | 45.5 | 46.0 | 46.3 |
| Food and kindred products..... | 10.2 | 9.7 | 9.8 | 10.2 | 9.7 | 9.6 | 9.7 | 9.7 |
| Paper and allied products..... | 5.6 | 5.6 | 5.5 | 5.6 | 5.5 | 5.4 | 5.6 | 5.7 |
| Chemicals and allied products..... | 9.7 | 9.7 | 9.5 | 9.7 | 9.7 | 9.6 | 9.7 | 9.7 |
| Petroleum and coal products..... | 4.2 | 4.1 | 4.1 | 4.2 | 4.2 | 4.2 | 4.1 | 4.0 |
| Rubber and plastic products..... | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.3 |
| Other nondurable goods..... | 13.6 | 13.7 | 13.4 | 13.6 | 13.5 | 13.6 | 13.7 | 13.9 |
| Work-in-process | | | | | | | | |
| Manufacturing | 114.2 | 114.8 | 113.3 | 114.2 | 114.1 | 115.6 | 114.8 | 115.4 |
| Durable goods..... | 95.8 | 96.4 | 94.8 | 95.8 | 96.0 | 97.2 | 96.4 | 96.8 |
| Primary metals..... | 6.9 | 7.3 | 6.8 | 6.9 | 7.1 | 7.1 | 7.3 | 7.4 |
| Fabricated metals..... | 7.7 | 7.5 | 7.7 | 7.7 | 7.7 | 7.8 | 7.5 | 7.5 |
| Machinery, except electrical..... | 17.3 | 16.7 | 16.9 | 17.3 | 17.0 | 16.8 | 16.7 | 16.9 |
| Electrical machinery..... | 19.4 | 19.1 | 19.1 | 19.4 | 19.2 | 19.7 | 19.1 | 18.9 |
| Motor vehicles..... | 4.4 | 4.4 | 4.3 | 4.4 | 4.2 | 4.5 | 4.4 | 4.6 |
| Other transportation equipment..... | 31.1 | 32.3 | 31.2 | 31.1 | 31.9 | 32.5 | 32.3 | 32.5 |
| Other durable goods..... | 8.9 | 8.9 | 8.8 | 8.9 | 8.8 | 8.8 | 8.9 | 9.0 |
| Nondurable goods..... | 18.4 | 18.4 | 18.5 | 18.4 | 18.1 | 18.4 | 18.4 | 18.7 |
| Food and kindred products..... | 2.5 | 2.4 | 2.5 | 2.5 | 2.5 | 2.5 | 2.4 | 2.5 |
| Paper and allied products..... | 1.0 | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Chemicals and allied products..... | 4.5 | 4.5 | 4.5 | 4.5 | 4.4 | 4.5 | 4.5 | 4.7 |
| Petroleum and coal products..... | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 3.0 | 2.9 | 2.8 |
| Rubber and plastic products..... | 1.2 | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.2 | 1.2 |
| Other nondurable goods..... | 6.3 | 6.3 | 6.3 | 6.3 | 6.1 | 6.3 | 6.3 | 6.4 |
| Finished goods | | | | | | | | |
| Manufacturing | 100.9 | 102.0 | 102.0 | 100.9 | 101.6 | 101.9 | 102.0 | 103.3 |
| Durable goods..... | 52.6 | 53.3 | 53.1 | 52.6 | 53.2 | 53.4 | 53.3 | 54.2 |
| Primary metals..... | 5.8 | 5.6 | 5.8 | 5.8 | 5.9 | 5.8 | 5.6 | 5.8 |
| Fabricated metals..... | 6.9 | 6.6 | 6.9 | 6.9 | 6.8 | 6.8 | 6.6 | 6.6 |
| Machinery, except electrical..... | 12.1 | 13.0 | 13.0 | 12.1 | 12.5 | 12.7 | 13.0 | 13.5 |
| Electrical machinery..... | 8.0 | 8.2 | 7.9 | 8.0 | 8.2 | 8.3 | 8.2 | 8.2 |
| Motor vehicles..... | 2.2 | 2.3 | 2.1 | 2.2 | 2.3 | 2.3 | 2.3 | 2.2 |
| Other transportation equipment..... | 3.5 | 3.6 | 3.6 | 3.5 | 3.6 | 3.6 | 3.6 | 3.9 |
| Other durable goods..... | 14.1 | 14.0 | 13.9 | 14.1 | 14.0 | 13.9 | 14.0 | 14.0 |
| Nondurable goods..... | 48.3 | 48.8 | 48.9 | 48.3 | 48.4 | 48.5 | 48.8 | 49.2 |
| Food and kindred products..... | 11.9 | 11.9 | 11.9 | 11.9 | 12.0 | 12.0 | 11.9 | 11.9 |
| Paper and allied products..... | 3.8 | 3.8 | 3.9 | 3.8 | 3.7 | 3.7 | 3.8 | 3.7 |
| Chemicals and allied products..... | 13.0 | 13.5 | 13.1 | 13.0 | 13.2 | 13.2 | 13.5 | 14.0 |
| Petroleum and coal products..... | 6.3 | 6.3 | 6.5 | 6.3 | 6.2 | 6.3 | 6.3 | 6.3 |
| Rubber and plastic products..... | 3.7 | 3.7 | 3.7 | 3.7 | 3.6 | 3.7 | 3.7 | 3.8 |
| Other nondurable goods..... | 9.6 | 9.6 | 9.7 | 9.6 | 9.6 | 9.6 | 9.6 | 9.5 |

See footnotes to table 4.

A User's Guide to BEA Information

Publications, Computer Tapes, Diskettes, and Other Information Services

BEA provides basic information on such key issues as economic growth, inflation, regional development, and the Nation's role in the world economy. This guide, which lists the most recent and most frequently requested BEA products and services, helps users locate that information.

BEA has released several new products and services since this guide was first issued a year ago. The new products include two national income and product accounts methodology papers, one on foreign transactions and the other an overview of source data and estimating methods used to prepare GNP (see reference nos. 2.12 and 2.13, respectively); an index of items appearing in the national income and product accounts (see reference no. 2.8); and revised estimates of U.S. direct investment abroad that extend time series on the position and balance of payments transactions (see reference no. 10.5).

The guide has two parts. The first part contains program descriptions and entries for specific products and services. It has five sections. The first section, entitled "General," describes the products and services that cut across the range of BEA's work. The following sections describe those related to BEA's four program areas: National economics, regional economics, international economics, and other tools for measuring, analyzing, and forecasting. The second part of the guide, a subject index, was added this year to make it easier for users to locate the information they need. The subject index begins on page 72.

General

BEA's current national, regional, and international estimates usually appear first in news releases. The information in news releases is available to the general public in three forms: On recorded telephone messages, online through the Economic Bulletin Board, and in *BEA Reports*. This section describes these services, as well as the SURVEY OF CURRENT BUSINESS—BEA's monthly publication of record—and products related to it. With few exceptions (mainly the work on business cycle indicators), BEA's work is presented in the SURVEY OF CURRENT BUSINESS, either in full or summary form. The presentations of current estimates and analyses are usually on a regular schedule; this schedule is noted in each of the program-description sections that follow. For more information on BEA's programs, products, and services, write to the Public Information Office, Bureau of Economic Analysis,

NOTE.—Larry R. Moran updated this guide.

U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0777.

1.1 Recorded Telephone Messages. Brief (3-5 minutes) recorded telephone messages summarizing key estimates immediately after their release. The messages are available 24 hours a day for several days following release. The usual time of release (eastern standard or eastern daylight time) and the telephone numbers to call are:

| | |
|---|----------------|
| Leading Indicators (8:30 a.m.)..... | (202) 898-2450 |
| Gross National Product (8:30 a.m.)..... | -2451 |
| Personal Income and Outlays (10:00 a.m.)..... | -2452 |
| The most recently released of the following quarterly series..... | -2453 |
| Plant and Equipment Expenditures (8:30 a.m.); Merchandise Trade, Balance of Payments Basis (10:00 a.m.); or U.S. International Transactions (10:00 a.m.) | |

1.2 Economic Bulletin Board. Online computer access to news releases and other information. BEA places an increasing range of its information on the Economic Bulletin Board maintained by the Office of Business Analysis of the Department of Commerce. News releases are available on the Bulletin Board shortly after their release. Selected estimates and articles (including those in this guide marked with an asterisk following their title) are also available. The Bulletin Board may be accessed by personal computer, computer terminal, or word processor equipped with a modem; the information available on it—which includes information from several Federal agencies—may be either viewed on the user's screen or downloaded. The Bulletin Board is available by subscription from NTIS. A \$25.00 registration fee covers 2 hours of connect time on the system; additional time is charged by the minute. For more information, call the Commerce Department's Office of Business Analysis at (202) 377-1986.

1.3 BEA Reports. Six sets of reports that present the information contained in the BEA news releases for the following areas: Gross national product; personal income and outlays; regional reports; international reports; composite indexes of leading, coincident, and lagging indicators; and plant and equipment expenditures. These reports are mailed the day after estimates are released. They contain summary estimates. Annual subscriptions may be ordered individually or for the group of six sets. Order information for the group of six sets is given below. For information on individual sets: Gross national product, see reference no. 2.1; personal income and outlays, see reference no. 2.2; regional reports, see reference no. 5.1; internation-

al reports, see reference no. 8.1; composite indexes, see reference no. 11.1; and plant and equipment expenditures, see reference no. 12.1.

All Six Sets.* Usually a total of 60 reports. Available from ESA/BEA: Accession No. BEA-19-S, price \$90.00 per year.

1.4 Survey of Current Business (publication). A monthly journal containing estimates and analyses of U.S. economic activity. Includes the "Business Situation"—a review of current economic developments—and articles pertaining to the national, regional, and international economic accounts and related topics. A few of the articles that appeared in 1987 were "U.S. Sales of Services to Foreigners," "State and Local Government Fiscal Position in 1986," "Federal Fiscal Programs," "Pollution Abatement and Control Expenditures, 1982-85," "International Travel and Passenger Fares, 1986," "GNP: An Overview of Source Data and Estimating Methods," "Evaluation of the GNP Estimates," "State Personal Income, 1969-86: Revised Estimates," "Motor Vehicles, Model Year 1987," and "Composite Indexes of Leading, Coincident, and Lagging Indicators." "Looking Ahead," a box on the first page of each issue of the SURVEY OF CURRENT BUSINESS, highlights upcoming special articles, changes in the schedule for regular articles, and the availability of major BEA publications. (The June and December issues contain subject guides for the January-June and the January-December issues, respectively.) In addition, the journal contains 36 pages of tables (the S-pages) that present over 1,900 major economic series obtained from public and private sources. Available from GPO: Catalog No. C 56.109, price \$18.00 per year (first class mail, \$46.00 per year), \$6.50 single issue.

1.5 Advance Business Situation* (advance copy). The lead article in the SURVEY OF CURRENT BUSINESS presenting an analysis of the preliminary estimates of gross national product. The article is available four times each

* Also available on the Economic Bulletin Board; see reference No. 1.2.

year (October, January, April, and July), 7-10 days after the gross national product release and several weeks in advance of its appearance in the SURVEY OF CURRENT BUSINESS. Annual subscriptions begin in October. Available from ESA/BEA: Accession No. BEA CBA 85-301, price \$16.00 per year.

1.6 S-page Data (diskette). Series shown in the S-pages (or blue pages) of the current issue of the SURVEY OF CURRENT BUSINESS. Updated monthly. Available from ESA/BEA on a subscription basis: Accession No. BEA CBA 87-401, price \$240.00 per year.

1.7 Business Statistics: 1986 (publication). Monthly or quarterly data for 1983-86 and annual data for 1961-86 for series that appear in the S-pages (or blue pages) of the SURVEY OF CURRENT BUSINESS. These series include business sales, inventories, and orders; prices; employment and unemployment; construction; banking and finance; transportation; and many other industries and commodities. An appendix provides data for several BEA series—national income and product accounts, U.S. international transactions, and plant and equipment expenditures. Also contains definitions of terms, sources of data, and methods of compilation. (1988) Available from GPO: Stock No. 003-010-00181-0, price \$16.00.

National Economics

BEA's national economics program encompasses the national income and product accounts, government transactions on a national income and product accounting basis, and the input-output accounts.

National income and product accounts

2.A The national income and product accounts (NIPA's)—the most widely used branch of the national economic accounts—show the value and composition of

How To Use This Guide and How To Order BEA Products and Services

Entries in this guide are arranged by program area. To locate products or services that contain information on specific subjects, consult the subject index at the end of the guide. A sample entry follows:

9.6 The National Income and Product Accounts of the United States, 1929-82: Statistical Tables (publication). The full set of NIPA tables. Also includes a selected bibliography and the definitions and classifications underlying the NIPA's. (1986) Available from GPO: Stock No. 003-010-00174-7, price \$23.00.

The sample entry begins with a reference number, which consists of a number, a period, and a second number; the first number refers to the subject area, and the second number refers to the specific product.

Products and services are available from three sales agents. Abbreviations used for the sales agents follow:

ESA/BEA—Economic and Statistical Analysis/Bureau of Economic Analysis
GPO—U.S. Government Printing Office, Superintendent of Documents
NTIS—National Technical Information Service

Order forms are provided at the end of this guide. They give the agents' complete mailing addresses and, for GPO and NTIS, telephone numbers for placing charge orders. Orders placed by mail must include title and stock or accession numbers (see sample entry) and must be accompanied by a check or money order.

the Nation's output and the distribution of incomes generated in its production. The accounts include estimates of gross national product (GNP)—the market value of the Nation's output of goods and services—in current and constant dollars, GNP price measures, the goods and services that make up GNP in current and constant dollars, national income, personal income, and corporate profits. In addition, BEA produces specialized measures such as estimates of auto and truck output, gross domestic product of corporate business, housing output, and business inventories and sales. Measures of the inventory and fixed capital stocks consistent with the NIPA output measures are also provided. Further, the accounts provide a consistent framework within which estimates of special interest—such as expenditures to protect the environment—are prepared. (Information about the environmental estimates is provided in program description 13.A.)

The estimates of GNP are prepared each quarter in the following sequence: Preliminary estimates are released in the first month after the end of the quarter, and, as more detailed and comprehensive data become available, first and second revisions are released in the second and third months, respectively. Estimates of personal income and outlays are prepared each month. The NIPA's are also revised in each of the following 3 years, usually in July, and in comprehensive (benchmark) revisions, usually every 5 years (most recently in 1985). Current quarterly and monthly estimates are reported in the SURVEY OF CURRENT BUSINESS; quarterly NIPA estimates appear in a set of 52 "selected" tables, and monthly personal income and outlays estimates are reported in the S-pages (or blue pages). The full set of annual revisions (130 tables) usually is reported in the July issue. Annual estimates of the fixed capital stock are reported in the August issue.

In addition to the current and historical estimates described in the entries that follow, a considerable amount of component and industry detail is available. For further information about this detail or about the listed computer tapes and diskettes, write to the National Income and Wealth Division, BE-54, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0669. For specific questions, the following telephone numbers may be used:

| | |
|---|----------------|
| GNP | (202) 523-0824 |
| Personal income and outlays | -0832 |
| Corporate profits | -0888 |
| Personal consumption expenditures | -0819 |
| Gross private domestic investment | -0791 |
| GNP by industry | -0808 |

Current estimates:

2.1 BEA Reports: Gross National Product.* Monthly reports with summary NIPA estimates that feature GNP and corporate profits. Reports are mailed the day after estimates are released. (This set of reports is included in the six sets of *BEA Reports*; see reference no. 1.3.) The gross national product reports are available from ESA/BEA on a subscription basis: Accession No. BEA-15-S, price \$18.00 per year.

2.2 BEA Reports: Personal Income and Outlays.* Monthly reports with summary NIPA estimates that feature personal income and outlays. Reports are mailed the day after estimates are released. (This set of reports is included in the six sets of *BEA Reports*; see reference no.

1.3.) The personal income and outlay reports are available from ESA/BEA on a subscription basis: Accession No. BEA-14-S, price \$18.00 per year.

2.3 Monthly Advance National Income and Product Accounts Tables* (diskette or printout). NIPA estimates as they appear in the current issue of the SURVEY OF CURRENT BUSINESS. Updated monthly; available 1 day after the release of GNP. Available from ESA/BEA on a subscription basis:

Diskette—Accession No. BEA NIW 85-401, price \$240.00 per year.

Printout—Accession No. BEA NIW 83-201, price \$48.00 per year.

2.4 Key Source Data and Assumptions (printed table). Available source data and assumptions for missing source data that are used to prepare the preliminary estimates of GNP. Available in January, April, July, and October. Annual subscriptions begin in January. Available from ESA/BEA: Accession No. BEA NIW 84-209, price \$16.00 per year.

Historical estimates:

2.5 National Income and Product Accounts (diskette). Most NIPA tables with estimates from 1929 to the present. Available from ESA/BEA: Accession No. BEA NIW 86-424, price \$460.00 (23 diskettes). (Diskettes can be ordered individually; for information, write or call the National Income and Wealth Division.)

2.6 National Income and Product Accounts (computer tape). The full set of NIPA tables with estimates from 1929 to the present. Available from ESA/BEA: Accession No. BEA NIW 83-001, price \$200.00.

2.7 The National Income and Product Accounts of the United States, 1929-82: Statistical Tables (publication). The full set of NIPA tables. Also includes a selected bibliography and the definitions and classifications underlying the NIPA's. (1986) Available from GPO: Stock No. 003-010-00174-7, price \$23.00.

Recent information related to the NIPA's:

2.8 Index of Items Appearing in the National Income and Product Accounts Tables (publication). An index to the NIPA tables with listings by general subject area as well as by detailed series. First appeared in July 1987 SURVEY OF CURRENT BUSINESS. (1987) Available from GPO: Stock No. 003-010-00180-1, price \$1.25.

2.9 National Income and Product Accounts Estimates: When They Are Released, Where They Are Available, How They Are Presented (reprint). A guide to assist users in locating NIPA estimates and to explain some of the conventions used in their presentation. First appeared in January 1988 SURVEY OF CURRENT BUSINESS. (1988) Available upon request from the National Income and Wealth Division.

Methodology Papers (publications). A series of papers that documents the conceptual framework of the NIPA's and the methodology used to prepare the estimates. To date, four papers are available. (Papers on government transactions and personal consumption expenditures will

be completed later in 1988. Their availability will be announced in the SURVEY OF CURRENT BUSINESS.)

- 2.10 An Introduction to National Economic Accounting** (NIPA Methodology Paper No. 1). An introduction to the concepts of the U.S. NIPA's that places these accounts within the larger framework of national economic accounting. Shows the step-by-step derivation of a general national economic accounting system from the conventional accounting statements used by business and government and inferred for other transactors. Also shows how the income and product accounts, the capital finance accounts, and the input-output accounts—the major branches of national economic accounting in the United States today—are derived from this general system. First appeared in March 1985 SURVEY OF CURRENT BUSINESS. (1985) Available from GPO: Stock No. 003-010-00158-5, price \$1.00.
- 2.11 Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends** (NIPA Methodology Paper No. 2). A description of the concepts, sources, and methods of the corporate profits components of the NIPA's. (1985) Available from GPO: Stock No. 003-010-00143-7, price \$2.50.
- 2.12 Foreign Transactions** (NIPA Methodology Paper No. 3). A description of the preparation of estimates in the NIPA's of net exports (both current- and constant-dollar), transfer payments to foreigners, capital grants received by the United States, interest paid by Government to foreigners, and net foreign investment. Also describes the relationship between foreign transactions estimates in the NIPA's and those in the balance of payments accounts. (1987) Available from GPO: Stock No. 003-010-00178-0, price \$2.75.
- 2.13 GNP: An Overview of Source Data and Estimating Methods** (NIPA Methodology Paper No. 4). Basic information about GNP, including the conceptual basis for the account that presents GNP, definitions of each of the components on the income and product sides of that account, and a summary, presented in tabular form, of the source data and methods used in preparing estimates of current- and constant-dollar GNP. Also provides an annotated bibliography, with a directory, of the more than 50 items over the last decade that provided methodological information about GNP. First appeared in July 1987 SURVEY OF CURRENT BUSINESS. (1987) Available from GPO: Stock No. 003-010-00179-8, price \$2.00.
- 2.14 Evaluation of the GNP Estimates** (reprint). An evaluation of the GNP estimates, covering the reliability of estimates, sources of error and types of statistical improvement, status of source data, documentation of methodology, release schedules, and security before release. This article first appeared in August 1987 SURVEY OF CURRENT BUSINESS. Available from ESA/BEA: Accession No. BEA CBA 88-101, price \$5.00.
- 2.15 The Use of National Income and Product Accounts for Public Policy: Our Successes and Failures** (BEA Staff Paper No. 43). An evaluation using two indirect approaches. The first reviews the "accuracy" of the estimates, using the size of revisions to GNP estimates as an indicator. The second reviews users' recommendations drawn from publications issued over the last 30 years. (1985) Available from GPO: Stock No. 003-010-00162-3, price \$1.25.
- 2.16 The Underground Economy: An Introduction** (reprint). A discussion of the coverage, measurement methods, and implications of the underground economy. Part of the discussion features the relation between the the NIPA's and the underground economy—illegal activities in the context of the NIPA's, three sets of NIPA estimates sometimes misunderstood as being measures of the underground economy, and the effect on NIPA estimates of possible misreporting in source data due to the underground economy. (1984) This reprint contains both items 2.16 and 2.17. Available from ESA/BEA: Accession No. BEA CBA 84-101, price \$5.00.
- 2.17 Improved Adjustments for Misreporting of Tax Return Information Used to Estimate the National Income and Product Accounts, 1977** (reprint). A description of the use of tax return information in the NIPA's and the methodology used to prepare the improved adjustments that were subsequently incorporated in the 1985 comprehensive revision. (1984) This reprint contains both items 2.16 and 2.17. Available from ESA/BEA: Accession No. BEA CBA 84-101, price \$5.00.
- 2.18 Wealth** (computer tape). Annual estimates through 1987 of gross and net stocks, depreciation, and discards for fixed nonresidential private and residential capital, durable goods owned by consumers, and fixed capital owned by governments. For fixed private capital, contains estimates by each NIPA type of equipment and structures starting in 1925. For fixed private capital, also contains estimates of total equipment, total structures, and the total of equipment and structures owned by each two-digit SIC establishment-based industry starting in 1947. For durable goods owned by consumers, contains estimates by each NIPA type of goods starting in 1925. For fixed capital owned by governments, contains estimates by each NIPA type of equipment and structures, separately for the Federal Government and for State and local governments, starting in 1925. The estimates are in historical-cost, constant-cost, and current-cost valuations. Also includes stock series similar to those used by the Bureau of Labor Statistics to derive measures of capital input for multifactor productivity studies. The investment series through 1987 used to derive all of these estimates are also included, in the same detail as the stock estimates, in historical-cost and constant-cost valuations. Updated annually. Available from ESA/BEA: Accession No. BEA NIW 87-001, price \$200.00.
- 2.19 Detailed Investment by Industry** (computer tape). Annual estimates through 1987 of investment owned by each two-digit SIC establishment-based industry, separately for each detailed NIPA type of equipment and structures. (The Wealth tape in item 2.18 also includes investment series for each industry, but only for total equipment, total structures, and the total of equipment and structures.) The estimates are in historical-cost and constant-cost valuations. Updated annually. Available from ESA/BEA: Accession No. BEA NIW 87-002, price \$200.00.
- 2.20 Fixed Reproducible Tangible Wealth in the United States, 1925-85** (publication). Annual estimates of the stock of privately owned and government-owned durable equipment and structures and of durable goods owned

by consumers for 1925-85. Estimates are for fixed nonresidential private capital by major industry group (farm, manufacturing, and nonfarm nonmanufacturing), for residential capital by tenure group (owner-occupied and tenant-occupied), for government-owned fixed capital by type of government (Federal, and State and local), and for 11 types of durable goods owned by consumers. (1987) Available from GPO: Stock No. 003-010-00177-1, price \$18.00.

Government transactions

3.A BEA's estimates of government receipts, expenditures, and surplus or deficit are on a national income and product accounting basis. The estimates are prepared separately for Federal and for State and local governments on the same schedule as described for the NIPA's. Reconciliations of the Federal sector on a NIPA basis and the unified budget prepared by the Office of Management and Budget are the basis for an article in the SURVEY OF CURRENT BUSINESS, usually in February, about Federal fiscal programs for the next fiscal year and for detailed tables in the July issue. These reconciliations, and more specialized work such as described in the papers that follow, facilitate analysis of the effects of government fiscal policies on the economy. An article on the fiscal position of State and local governments is usually published in February. For further information, write to the Government Division, BE-57, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0715. For specific questions, the following telephone numbers may be used:

| | |
|------------------------|----------------|
| Federal | (202) 523-0744 |
| State and local | -0725 |
| National defense | -5027 |

3.1 **Cyclical Adjustment of the Federal Budget and Federal Debt: Updated Detailed Methodology and Estimates** (BEA Staff Paper No. 45). Description of the models that BEA uses to estimate the cyclically adjusted Federal budget and inflation-induced changes in the cyclically adjusted budget. The quarterly data for the variables in the models and the regression equations underlying the coefficients are presented. The paper also discusses the cyclical adjustment of Federal debt and shows some results. (1986) Available from GPO: Stock No. 003-010-00176-3, price \$8.50.

3.2 **Price Changes of Defense Purchases of the United States** (publication). Annual and quarterly estimates of purchases that were the result of a project undertaken in cooperation with the Department of Defense. Provides five major product groupings in current and constant dollars for 1972-77, along with estimates of implicit price deflators for these groupings and for greater detail. Also contains the conceptual framework and methodology currently used in preparing estimates of defense purchases. (1979) Available from NTIS: Accession No. PB-80-217-359, price \$17.50.

Input-output accounts

4.A Input-output accounts for the United States show how industries interact—providing input to, and taking output from, each other—to produce the GNP. Benchmark tables, based largely on the economic censuses, are prepared every 5 years; the latest benchmark table is for

1977. Annual tables are prepared using basically the same procedures as used for the benchmark tables, but with less comprehensive and less reliable source data. (An annual 85-industry 1982 input-output table based on the 1977 benchmark table is scheduled to appear in the SURVEY OF CURRENT BUSINESS in the spring of 1988.) Associated tables showing capital flows from producing to using industries and employment and employee compensation by industry are also prepared. The computer tapes, diskettes, and printouts listed below are for the tables at the 85-industry level; more detailed tables are also available. For further information about this detail or about the listed computer tapes, diskettes, and printouts, write to the Interindustry Economics Division, BE-51, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0683. For specific questions, the following telephone numbers may be used:

| | |
|---------------------|----------------|
| Goods | (202) 523-0703 |
| Services | -0683 |
| Annual tables | -0867 |

4.1 **Annual 85-Industry Input-Output Tables Based on the 1977 Benchmark Input-Output Study: 1981 Summary Input-Output Tables** (computer tape, diskette, and printout). Five tables: (1) Use table, (2) make table, (3) commodity-by-industry direct requirements table, (4) commodity-by-commodity total requirements table, and (5) industry-by-commodity total requirements table. Available from ESA/BEA:

Computer tape—Accession No. BEA IED 87-003, price \$200.00.

Diskette—Accession No. BEA IED 87-409, price \$40.00 (two diskettes). (Diskettes can be ordered individually; for information, write or call the Interindustry Economics Division.)

Printout—Accession No. BEA IED 87-218, price \$50.00 (five printouts). (Printouts can be ordered individually; for information, write or call the Interindustry Economics Division.)

4.2 **Annual 85-Industry Input-Output Tables Based on the 1977 Benchmark Input-Output Study: 1980 (Revised) Summary Input-Output Tables** (computer tape, diskette, and printout). Five tables: (1) Use table, (2) make table, (3) commodity-by-industry direct requirements table, (4) commodity-by-commodity total requirements table, and (5) industry-by-commodity total requirements table. Available from ESA/BEA:

Computer tape—Accession No. BEA IED 87-002, price \$200.00.

Diskette—Accession No. BEA IED 87-406, price \$40.00 (two diskettes). (Diskettes can be ordered individually; for information, write or call the Interindustry Economics Division.)

Printout—Accession No. BEA IED 87-212, price \$50.00 (five printouts). (Printouts can be ordered individually; for information, write or call the Interindustry Economics Division.)

4.3 **The Input-Output Structure of the U.S. Economy, 1977** (reprint). An explanation of the concepts, conventions, definitions, and uses of the 1977 input-output tables. Includes the input-output tables at the 85-industry level as published in the May 1984 SURVEY OF CURRENT BUSINESS;

the tables have since been revised (see the next item). Also includes an extensive bibliography of BEA publications relating to input-output. (1984) Available from ESA/BEA: Accession No. BEA IED 84-101, price \$5.00.

4.4 1977 (Revised) 85-Industry Input-Output Tables (computer tape, diskette, and printout). Five tables: (1) Use table, (2) make table, (3) commodity-by-industry direct requirements table, (4) commodity-by-commodity total requirements table, and (5) industry-by-commodity total requirements table. The revised input-output tables reflect the statistical changes and the changes in definition and classification incorporated in the 1985 comprehensive revision of the national income and product accounts. Available from ESA/BEA:

Computer tape—Accession No. BEA IED 87-001, price \$200.00.

Diskette—Accession No. BEA IED 87-403, price \$40.00 (two diskettes). (Diskettes can be ordered individually; for information, write or call the Interindustry Economics Division.)

Printout—Accession No. BEA IED 87-206, price \$50.00 (five printouts). (Printouts can be ordered individually; for information, write or call the Interindustry Economics Division.)

Regional Economics

BEA's regional economics program provides estimates, analyses, and projections by region, State, metropolitan statistical area, and county.

5.1 BEA Reports: Regional Reports.* Reports (usually six a year) with summary estimates of State personal income (quarterly and annual) and of county and metropolitan area personal income (annual). Reports are mailed the day after estimates are released. (The Economic Bulletin Board carries, in addition to the news release, estimates of personal income and wages by State and by industry; see reference No. 1.2. This set of reports is included in the six sets of *BEA Reports*; see reference no. 1.3.) Regional reports are available from ESA/BEA on a subscription basis: Accession No. BEA-17-S, price \$9.00 per year.

Regional estimates

6.A Current quarterly State personal income estimates are reported in the January, April, July, and October issues of the SURVEY OF CURRENT BUSINESS. Preliminary annual State estimates for the preceding year are usually reported in April; revised annual estimates are usually reported in August. The August estimates are subsequently revised to incorporate newly available data used to prepare the local area estimates. These revised State estimates are usually reported the following April together with consistent local area estimates. This schedule has been modified for 1986-88 due to the preparation of a comprehensive revision, which will reflect the 1985 comprehensive revision of the national estimates and the use of new data and improved estimating methods.¹

Through the Regional Economic Information System, the following data sets are available: Quarterly and annual State personal income and wage and salary disbursements; annual State disposable personal income and

personal tax and nontax payments; annual State full- and part-time wage and salary employment; annual State and county personal income, transfer payments, and farm income and expenses; and annual State and county full- and part-time total employment. The system includes an information retrieval service that provides a variety of analytical tabulations for counties and specified combinations of counties. All of the tabulations are available on computer tape, diskette, microfiche, and printout.

BEA also makes its regional estimates available through the BEA User Group, members of which include State agencies, universities, and Census Bureau Primary State Data Centers. BEA provides its estimates of income and employment for all States and for the counties of the given State to these organizations with the understanding that they will make the estimates readily available.

For further information, write to the Regional Economic Measurement Division, BE-55, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0966. For specific questions, the following telephone numbers may be used:

| | |
|--|----------------|
| Quarterly State personal income | (202) 523-0551 |
| Wage and salary income and employment | -0945 |
| Proprietors' income and employment | -0937 |

6.1 Local Area Personal Income, 1981-86 (publication). Personal income by major type of payment and earnings by major industry, population, and total and per capita personal income for States, counties, and metropolitan areas. Availability, probably in July 1988, will be announced in the SURVEY OF CURRENT BUSINESS. (Estimates will be available on computer tape, diskette, microfiche, and printout in May 1988.)

Volume 1. Summary: Regions, States, and Metropolitan Areas. Estimates for the United States, regions, States, and metropolitan areas. Also contains county definitions of metropolitan areas, a detailed description of sources and methods, and samples of tables available.

Each of the following volumes provides a methodology and estimates for the listed States and their counties and metropolitan areas.

Volume 2. New England, Mideast, and Great Lakes Regions. (Connecticut, Delaware, District of Columbia, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, and Wisconsin)

Volume 3. Plains Region. (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota)

Volume 4. Southeast Region. (Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia)

1. The results of the comprehensive revision were or will be published in the following issues of the SURVEY OF CURRENT BUSINESS. For annual State personal income, revised 1969-85 estimates were in August 1986, preliminary 1986 estimates were in April 1987, and newly revised 1984-86 estimates were in August 1987. For quarterly State personal income, revised 1980-85 estimates were in October 1986, revised 1969-79 estimates were in July 1987, and newly revised 1984-86 estimates were in October 1987. For annual county and metropolitan area personal income, revised 1984 estimates and 1985-86 estimates will be in the April 1988 issue. (Annual county and metropolitan area personal income revised 1969-84 estimates and 1985-86 estimates will be available in May 1988 on computer tape, diskette, microfiche, and printout from the Regional Economic Measurement Division.)

Volume 5. Southwest, Rocky Mountain, and Far West Regions and Alaska and Hawaii. (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oklahoma, Oregon, Texas, Utah, Washington, and Wyoming)

6.2 State Personal Income: Estimates for 1929-82 and a Statement of Sources and Methods (publication). Estimates of annual personal income and disposable personal income, total and per capita, for 1929-82 and 1948-82, respectively; annual personal income by major type of payment and earnings by industry for 1929-82; and quarterly total personal income for 1948-82. (The estimates for 1969-82 have been superseded; see footnote 1.) The estimates are for each State, the eight BEA regions, and the United States. A comprehensive statement of sources and methods used for estimating State personal income is provided. (A major improvement has since been made in the methodology for nonfarm proprietors' income as part of the comprehensive revision; see footnote 1.) (1984) Available from ESA/BEA: Accession No. BEA REM 84-101, price \$18.00.

Regional analyses and projections

7.A BEA prepares analyses to identify and measure factors that determine area differences in total and per capita income and in industry employment and output. Long-term projections of personal income, employment, and earnings by industry are prepared every 5 years for all States and metropolitan areas and for selected States and areas in other years. BEA maintains mid-term regional econometric models to forecast annual changes in economic activity and to analyze the impacts of projects and programs. In conjunction with the projections work, BEA has developed estimates of gross State product. These estimates, prepared by industry, supplement the estimates of personal income described in program description 6.A. (Estimates of gross State product for 1963-86 will be introduced in the spring of 1988 in the SURVEY OF CURRENT BUSINESS and will be available on computer tape and diskette.) For further information, write to the Regional Economic Analysis Division, BE-61, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0946. For specific questions, the following telephone numbers may be used:

| | |
|--|----------------|
| OBERS regional projections (long-term) | (202) 523-0971 |
| NRIES II regional projections (mid-term) | -0591 |
| Regional input-output multipliers | -0594 |
| Gross State product by industry | -0973 |

7.1 Experimental Estimates of Gross State Product by Industry (BEA Staff Paper No. 42). A description of the issues and methodology for preparing estimates of gross State product—the State equivalent of GNP. The estimates are consistent with BEA's State personal income and with GNP by industry. Estimates for 1963, 1967, 1972, and 1977 are presented. (These estimates will be superseded; see program description 7.A.) (1985) Available from NTIS: Accession No. PB-85-240-885, price \$13.00.

7.2 Regional Multipliers: A User Handbook for the Regional Input-Output Modeling System (RIMS II) (publication). An explanation of how to use regional input-output multipliers, by industry, for output, earnings, and employment. Includes information on how to perform systematic analyses of the regional economic impacts of

projects and programs. Also contains multipliers for all States from RIMS II, sample tables of input-output multipliers, and hypothetical case studies. (1986) Available from GPO: Stock No. 003-010-00163-1, price \$6.50.

7.3 1985 OBERS BEA Regional Projections (two volumes). Estimates for 1969, 1973, 1978, and 1983, and projections for 1990, 1995, 2000, 2005, 2015, and 2035 for total personal income, population, per capita personal income, and employment and earnings by industry for the United States, States, and metropolitan statistical areas. (1985) Available from GPO:

Volume 1. State Projections to 2035. Stock No. 003-010-00157-7, price \$4.75.

Volume 2. Metropolitan Statistical Area Projections to 2035. Stock No. 003-010-00159-3, price \$12.00.

International Economics

BEA's international economics program encompasses the international transactions accounts (balance of payments) and the direct investment estimates. The international transactions accounts, which measure U.S. transactions with foreign countries, include merchandise trade, the current-account balance, and the international investment position of the United States. The direct investment estimates cover estimates of U.S. direct investment abroad and foreign direct investment in the United States, income and other flows associated with these investments, and other aspects of the operations of multinational enterprises.

8.1 BEA Reports: International Reports.* Reports (usually 13 a year) with summary estimates of merchandise trade, balance of payments basis (quarterly); summary of international transactions (quarterly); international investment position (annual); capital spending of majority-owned foreign affiliates (semiannual); direct investment (annual); and related topics. Reports are mailed the day after estimates are released. (This set of reports is included in the six sets of *BEA Reports*; see reference no. 1.3.) International reports are available from ESA/BEA on a subscription basis: Accession No. BEA-18-S, price \$19.50 per year.

U.S. international transactions

9.A The international transactions accounts provide a detailed and comprehensive view of economic transactions between the United States and foreign countries. The accounts include estimates of merchandise exports and imports; travel, transportation, and other services; foreign aid; and private and official capital flows, including direct investment. (Information about direct investment and international services is provided in program description 10.A.) Current estimates, including estimates of merchandise trade on a balance of payments basis, are reported in the March, June, September, and December issues of the SURVEY OF CURRENT BUSINESS. Estimates include detail for the current and capital accounts, classified by type of transaction and by area. Each June, these estimates are revised back 4 years. The investment position estimates appear in June. International travel estimates usually appear in May or June. For further information, write to

the Balance of Payments Division, BE-58, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0620. For specific questions, the following telephone numbers may be used:

| | |
|------------------------------------|----------------|
| Current-account analysis | (202) 523-0621 |
| Current-account estimates | -0625 |
| Merchandise trade | -0668 |
| Capital-account transactions | -0603 |
| Government transactions | -0614 |

9.1 U.S. Merchandise Trade Data (printout). Seasonally adjusted and unadjusted exports and imports for the end-use categories used by BEA to derive trade totals on a Census basis. Series begin in 1983. Updated monthly or quarterly. Available from ESA/BEA:

U.S. Merchandise Trade Data, Monthly. Accession No. BEA BPD 86-201, price \$95.00 per year.

U.S. Merchandise Trade Data, Quarterly. Also includes, on a balance of payments basis, exports of agricultural products, nonagricultural products, and nonmonetary gold, and imports of petroleum and products, nonpetroleum products, and nonmonetary gold. Accession No. BEA BPD 86-202, price \$60.00 per year.

U.S. Merchandise Trade Data, Monthly and Quarterly. Accession No. BEA BPD 86-203, price \$130.00 per year.

9.2 U.S. Merchandise Trade: Exports and Imports by End-Use Category, Monthly (computer tape). Monthly end-use detail (not seasonally adjusted) on a Census basis for exports and imports for 70 countries and areas. Series begin in 1978. Updated monthly. Available from ESA/BEA:

U.S. Merchandise Exports, Monthly. Accession No. BEA BPD 86-001, price \$200.00.

U.S. Merchandise Imports, Monthly. Accession No. BEA BPD 86-002, price \$200.00.

9.3 U.S. Merchandise Trade: Exports and Imports by End-Use Category, Quarterly (computer tape). Quarterly end-use detail (not seasonally adjusted) on a Census basis for exports and imports for 18 countries and areas. Series begin in 1965. Updated quarterly. Available from ESA/BEA:

U.S. Merchandise Exports, Quarterly. Accession No. BEA BPD 86-003, price \$200.00.

U.S. Merchandise Imports, Quarterly. Accession No. BEA BPD 86-004, price \$200.00.

Direct investment and international services

10.A BEA conducts quarterly, annual, and benchmark surveys of U.S. direct investment abroad and of foreign direct investment in the United States. The information collected relates to the direct investment position and flows of capital, income, royalties and license fees, and other service charges between parent companies and affiliates; capital expenditures by majority-owned foreign affiliates of U.S. companies; the financial structure and operations of U.S. parent companies and their foreign affiliates; the financial structure and operations of U.S. affiliates of foreign companies; and U.S. business enterprises acquired or established by foreign direct investors. The information on the annual and quarterly surveys usually

appears in the SURVEY OF CURRENT BUSINESS on the following schedule:

Foreign direct investment in the United States:

- The position and balance of payments flows, in June, with additional detail in August.
- Operations of U.S. affiliates of foreign companies, in May.
- U.S. business enterprises acquired or established by foreign direct investors, in May.

U.S. direct investment abroad:

- The position and balance of payments flows, in June, with additional detail in August.
- Operations of U.S. parent companies and their foreign affiliates, in June.
- Capital expenditures by majority-owned foreign affiliates of U.S. companies, in March and September.

BEA is expanding and improving the information it provides on U.S. international trade and investment in services. (For a description of the major elements of this program, see part I of "U.S. Sales of Services to Foreigners" in the January 1987 SURVEY OF CURRENT BUSINESS.) Information on sales of services by U.S. parents and their foreign affiliates is collected as part of the annual survey on their financial structure and operations. In addition, BEA is conducting a benchmark survey on selected U.S. services transactions with unaffiliated foreign persons. Preliminary results of the survey will be available in the fall of 1988.

For further information on direct investment and international services, write to the International Investment Division, BE-50, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0659. For specific questions, the following telephone numbers may be used:

| | |
|--|----------------|
| Foreign direct investment in the United States. | (202) 523-0547 |
| International services | -0646 |
| Operations of U.S. parent companies and their foreign affiliates | -0646 |
| Operations of U.S. affiliates of foreign companies | -0650 |
| U.S. direct investment abroad | -0661 |

10.1 Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies (publication and diskette). The results of BEA's annual survey of foreign direct investment in the United States. Contains information on the financial structure and operations of nonbank U.S. affiliates of foreign direct investors. Data are classified by industry of U.S. affiliate, by country and industry of ultimate beneficial owner, and, for selected data, by State. Updated annually. Available from ESA/BEA:

Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies, Preliminary 1985 Estimates. (1987)

Publication—Accession No. BEA IID 87-102, price \$5.00.

Diskette—Accession No. BEA IID 87-402, price \$40.00 (two diskettes).

Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies, Revised 1984 Estimates. (1987)

Publication—Accession No. BEA IID 87-101, price \$5.00.

Diskette—Accession No. BEA IID 87-401, price \$40.00 (two diskettes).

10.2 Foreign Direct Investment in the United States: Direct Investment Position and Related Capital and Income Flows, 1980-86 (computer tape). Annual estimates of the foreign direct investment position in the United States and selected capital and income flows between U.S. affiliates and their foreign parent companies. Estimates are for 32 countries by 16 industries. Available from ESA/BEA: Accession No. BEA IID 80-002, price \$200.00.

10.3 Foreign Direct Investment in the United States, 1980 (publication). The results of BEA's 1980 benchmark survey of foreign direct investment in the United States. Contains information on the financial structure and operations of the U.S. affiliates of foreign direct investors in 1980. Data are classified by industry of U.S. affiliate, by country and industry of foreign parent or ultimate beneficial owner, and, for selected data, by State. Also contains a complete methodology for foreign direct investment in the United States and copies of the survey forms and instructions. (1983) Available from GPO: Stock No. 003-010-00123-2, price \$8.00.

10.4 U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates (publication and diskette). Results of BEA's annual survey of the worldwide operations of U.S. multinational companies. Contains information on the financial structure and operations of both U.S. parent companies and their foreign affiliates. Data are classified by country and industry of foreign affiliate and by industry of U.S. parent. Updated annually. Available from ESA/BEA:

U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates, Preliminary 1985 Estimates. (1987)

Publication—Accession No. BEA IID 87-104, price \$5.00.

Diskette—Accession No. BEA IID 87-410, price \$80.00 (four diskettes).

U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates, Revised 1984 Estimates. (1987)

Publication—Accession No. BEA IID 87-103, price \$5.00.

Diskette—Accession No. BEA IID 87-409, price \$80.00 (four diskettes).

10.5 U.S. Direct Investment Abroad: Balance of Payments and Direct Investment Position Estimates, 1977-81 (publication). Contains revised estimates of the U.S. direct investment position abroad and balance of payments transactions between U.S. parent companies and their foreign affiliates for 1977-81. Includes estimates by country and industry of foreign affiliate. (1987) Available from GPO: Stock No. 003-010-00175-5, price \$2.75.

10.6 U.S. Direct Investment Abroad, Country by Industry Estimates, 1950-86 (computer tape). Annual estimates of the U.S. direct investment position abroad and of selected capital and income flows between U.S. parent companies and their foreign affiliates. Estimates are for 56 countries by 7 industries for 1950-65, 56 countries by 14 industries for 1966-76, and 76 countries by 15 industries for 1977-86. Available from ESA/BEA: Accession No. BEA IID 82-001, price \$200.00.

10.7 U.S. Direct Investment Abroad: 1982 Benchmark Survey Data (publication and computer tape). Results of BEA's latest benchmark survey of over 2,000 U.S. multinational companies and their 17,000 foreign affiliates. Presents a detailed account of U.S. direct investment abroad in 1982, including data on balance sheets; income statements; employment; employee compensation; U.S. merchandise trade; sales of goods and services; research and development expenditures; property, plant, and equipment; and taxes. Data are classified by country and industry of affiliate and industry of U.S. parent. (1985)

Publication—Available from GPO: Stock No. 003-010-00161-5, price \$18.00.

Computer tape—Available from ESA/BEA: Accession No. BEA IID 86-001, price \$200.00.

10.8 U.S. International Trade and Investment in Services: Data Needs and Availability (BEA Staff Paper No. 41). A description and evaluation of available BEA data on U.S. international trade and investment in services. Includes a discussion of efforts by BEA to improve its data and suggestions for further improvements. (1984) Available from NTIS: Accession No. PB-85-117-521, price \$11.50.

Other Tools for Measuring, Analyzing, and Forecasting

BEA's work on economic accounts is supplemented by various other tools for measuring, analyzing, and forecasting economic developments. These include a system of business cycle indicators, surveys of capital spending by U.S. business, and a set of estimates relating to the environment.

Business cycle indicators

11.A BEA maintains a system of indicators to track business cycles. The system features the composite indexes of leading, coincident, and lagging indicators. The data base includes series classified as cyclical indicators (because they conform well to broad fluctuations in economic activity), as well as other series useful in interpreting the economic situation and outlook. The monthly *Business Conditions Digest*, described below, is devoted to the presentation of this system. Summary information on the composite indexes appears in the SURVEY OF CURRENT BUSINESS. For further information, write to the Statistical Indicators Division, BE-60, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0701. For specific questions, the following telephone numbers may be used:

| | |
|-----------------------------------|----------------|
| Business cycle indicators | (202) 523-0755 |
| Composite indexes | -0800 |
| Data and series definitions | -0589 |

Current data:

11.1 BEA Reports: Composite Indexes of Leading, Coincident, and Lagging Indicators.* Monthly reports with summary estimates of the composite indexes. Reports are mailed the day after estimates are released. (This set of

reports is included in the six sets of *BEA Reports*; see reference no. 1.3.) The composite index reports are available from ESA/BEA on a subscription basis: Accession No. BEA-16-S, price \$18.00 per year.

11.2 Business Conditions Digest (publication). A monthly publication containing tables and charts for more than 300 series, including business cycle indicators and other series that help evaluate economic conditions. Features the composite indexes of leading, coincident, and lagging indicators. Also includes cyclical comparison charts and data sources. Available from GPO: Catalog No. C 59.9, price \$44.00 per year, \$4.00 single issue.

11.3 Business Conditions Digest Current Data (diskette). Data for the last 5 years for most of the series in *Business Conditions Digest* (more than 300 series). Updated monthly. Available from ESA/BEA on a subscription basis: Accession No. BEA SID 86-401, price \$240.00 per year.

Historical data:

11.4 Business Conditions Digest Data File (computer tape). Historical data (from 1945, when available, to the present) for most of the series in *Business Conditions Digest* and some diffusion index components not shown in the publication (more than 500 series). Updated monthly. Available from ESA/BEA: Accession No. BEA SID 76-001, price \$200.00.

11.5 Business Conditions Digest Historical Data (diskette). Historical data (from 1945, when available, to the present) for most of the series in *Business Conditions Digest* (more than 300 series). Updated monthly. Available from ESA/BEA: Accession No. BEA SID 86-402, price \$100.00 (five diskettes).

11.6 Handbook of Cyclical Indicators (publication). Series descriptions and data for 1947-82 for all series that appear in *Business Conditions Digest*. Includes an explanation of how the composite indexes are constructed. (1984) Available from GPO: Stock No. 003-010-00127-5, price \$5.50.

Plant and equipment expenditures

12.A BEA surveys U.S. business on their planned and actual expenditures for new plant and equipment.² Annual and quarterly estimates of capital spending by industry based on the survey are reported in the April, June, September, and December issues of the SURVEY OF CURRENT BUSINESS. For further information, write to the Business Outlook Division, BE-52, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0874.

12.1 BEA Reports: Plant and Equipment Expenditures.* Reports (usually five a year) with summary estimates of plant and equipment expenditures (quarterly) and pollution abatement and control expenditures (annual). Reports are mailed the day after estimates are released. (This set of reports is included in the six sets of *BEA Reports*; see reference no. 1.3.) The plant and equip-

ment expenditures reports are available from ESA/BEA on a subscription basis: Accession No. BEA-13-S, price \$7.50 per year.

12.2 Expenditures for New Plant and Equipment by Business (computer tape and printout). Annual and quarterly estimates for 12- to 39-industry detail on an enterprise-industry basis of actual expenditures for plant and equipment (P&E) in current and constant dollars; annual and quarterly estimates of planned P&E expenditures in current dollars; annual estimates of expenditures for plant and for equipment in current and constant dollars; and implicit price deflators and fixed-weighted price indexes for annual and quarterly P&E expenditures and for annual plant and annual equipment expenditures. Beginning dates for time series range from 1947 to 1955. Updated quarterly. Available from ESA/BEA:

Computer tape—Accession No. BEA BOD 85-001, price \$200.00.

Printout—Accession No. BEA BOD 85-201, price \$50.00.

12.3 Expenditures for New Plant and Equipment by Business in Constant Dollars (computer tape and printout). Annual and quarterly estimates for 12- to 58-industry detail on both establishment-industry basis and enterprise-industry basis for constant-dollar expenditures for plant and equipment (P&E), and annual estimates for plant and for equipment. Also contains estimates for P&E implicit price deflators and fixed-weighted price indexes. All series begin in 1947. Updated quarterly. Available from ESA/BEA:

Computer tape—Accession No. BEA BOD 85-002, price \$200.00.

Printout—Accession No. BEA BOD 85-202, price \$50.00.

12.4 Expenditures for New Plant and Equipment by Business, Summary Data (printout). Annual and quarterly estimates for 12- to 39-industry detail on an enterprise-industry basis of actual expenditures for plant and equipment in current and constant dollars, and annual estimates of expenditures for plant and for equipment in current and constant dollars. All series begin in 1947. Updated quarterly. Available from ESA/BEA: Accession No. BEA BOD 87-201, price \$15.00.

Environmental estimates

13.A BEA maintains a set of annual current- and constant-dollar estimates of capital expenditures and operating costs for pollution abatement and control. These estimates, which are prepared within the framework of the national income and product accounts, are classified by sector (consumers, business, and government) and by element of the environment affected (air, land, and water). The most recent SURVEY OF CURRENT BUSINESS article reporting the capital expenditures appeared in October 1987, and the most recent article reporting the total expenditures (including operating costs) appeared in May 1987. For further information, write to the Environmental Economics Division, BE-62, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 523-0687. For specific questions, the following telephone numbers may be used:

| | |
|----------------------------|----------------|
| Total expenditures | (202) 523-4821 |
| Capital expenditures | -0882 |

² BEA also surveys actual and planned capital spending by majority-owned foreign affiliates of U.S. companies; see program description 10.A.

13.1 BEA Reports.* Pollution abatement and control expenditures are included in the set of plant and equipment expenditures reports; see reference no. 12.1.

13.2 Stocks and Underlying Data for Air and Water Pollution Abatement Plant and Equipment (printout). Estimates of the gross and net capital stocks at historical,

constant, and current cost; estimates of capital expenditures in constant and current dollars; price indexes by media (air and water) and for selected industry groups (manufacturing, electric utilities, and other nonmanufacturing); and estimates of lifetimes by media for pollution abatement plant and equipment. Available from ESA/BEA: Accession No. BEA EED 86-201, price \$50.00.

Subject Index

This index is designed to help locate BEA materials for particular subject areas. The index uses reference numbers to indicate where in the guide information on particular subjects can be found. Each reference number consists of a number, a period, and a letter or number. The first number refers to the section of the guide where the information is located; a letter following the period refers to a program description, and a number following the period refers to a specific product or service. For example, in the entry for "Balance of payments," the reference

number "9.A" in the column for program description refers to the paragraph in the guide describing BEA's work on the balance of payments; the reference number "1.4" in the column for publications and printouts refers to the SURVEY OF CURRENT BUSINESS, which is listed at the beginning of the guide in the "General" section; and the reference number "9.2" in the column for computer tapes refers to a tape listed in the "International Economics" section of the guide.

| | Program description | Publications and printouts | Computer tapes | Diskettes | Other |
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| Balance of payments (also see Net exports)..... | 9.A | 1.3, 1.4, 1.7, 2.12, 8.1, 9.1, 10.3, 10.5, 10.7, 10.8. | 9.2, 9.3, 10.2, 10.6, 10.7. | | 1.1, 1.2 |
| Business cycle indicators | 11.A | 1.3, 1.4, 11.1, 11.2, 11.6..... | 11.4 | 11.3, 11.5..... | 1.1, 1.2 |
| Business inventories and sales (also see Inventories). | 2.A | 1.4, 1.7, 11.2 | 11.4 | 1.6, 11.3, 11.5 | |
| Capital expenditures: | | | | | |
| Gross private domestic fixed investment | 2.A | 1.3, 1.4, 1.5, 1.7, 2.1, 2.3, 2.4, 2.7, 2.8, 2.13, 4.1, 4.2, 4.3, 4.4, 11.2. | 2.6, 4.1, 4.2, 4.4, 11.4. | 2.3, 2.5, 4.1, 4.2, 4.4, 11.3, 11.5. | 1.1, 1.2 |
| Majority-owned foreign affiliates of U.S. companies. | 10.A | 1.3, 1.4, 8.1, 10.4, 10.5, 10.7. | 10.6, 10.7..... | 10.4 | 1.2 |
| Majority-owned U.S. affiliates of foreign companies. | 10.A | 1.3, 1.4, 8.1, 10.1, 10.3..... | | 10.1 | 1.2 |
| Plant and equipment expenditures | 12.A | 1.3, 1.4, 1.7, 11.2, 12.1, 12.2, 12.3, 12.4. | 11.4, 12.2, 12.3..... | 11.3, 11.5..... | 1.1, 1.2 |
| Capital stock | 2.A | 1.4, 2.20..... | 2.18, 2.19 | | |
| Compensation of employees: | | | | | |
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| Construction (see Capital expenditures) | | | | | |
| Corporate profits..... | 2.A | 1.3, 1.4, 1.7, 2.1, 2.3, 2.7, 2.8, 2.11, 2.13, 10.1, 10.2, 10.4, 10.5, 10.7, 11.2. | 2.6, 10.6, 10.7, 11.4.... | 1.6, 2.3, 2.5, 10.1, 10.4, 11.3, 11.5. | 1.1, 1.2 |
| Direct investment: | | | | | |
| Foreign direct investment in the United States. | 10.A | 1.3, 1.4, 8.1, 10.1, 10.3, 10.8. | 10.2 | 10.1 | 1.2 |
| U.S. direct investment abroad..... | 10.A | 1.3, 1.4, 8.1, 10.4, 10.5, 10.7, 10.8. | 10.6, 10.7..... | 10.4 | 1.2 |

| | Program description | Publications and printouts | Computer tapes | Diskettes | Other |
|---|-----------------------------|---|---|---|----------|
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| Equipment (see Capital expenditures) | | | | | |
| Exports (see Balance of payments and Net exports) | | | | | |
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| | Program description | Publications and printouts | Computer tapes | Diskettes | Other |
|--|---------------------|--|---------------------------------------|---|----------|
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| Wealth (see Capital stock) | | | | | |

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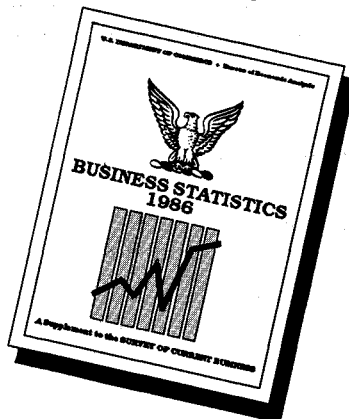
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Table with columns for Units, Annual (1986, 1987), and 1987 (Jan-Feb), and 1988 (Jan-Feb). Rows include GENERAL BUSINESS INDICATORS—Continued, MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS—Continued, and Shipment details.

See footnotes at end of tables.

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See footnotes at end of tables.

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See footnotes at end of tables.

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Table with columns for Units, Annual (1986, 1987), 1987 (Jan-Feb-Mar-Apr-May-June-July-Aug-Sept-Oct-Nov-Dec), and 1988 (Jan-Feb). Sections include MONETARY STATISTICS, PROFITS AND DIVIDENDS (QTRLY.), SECURITIES ISSUED, and SECURITY MARKETS.

See footnotes at end of tables.

Table header with columns for Units, Annual (1986, 1987), 1987 (Jan-Feb-Mar-Apr-May-June-July-Aug-Sept-Oct-Nov-Dec), and 1988 (Jan-Feb).

TRANSPORTATION AND COMMUNICATION-Continued

COMMUNICATION
Telephone carriers: Operating revenues #, Station revenues, Tolls, message, Operating expenses, Net operating income.
Telegraph carriers, domestic and overseas: Operating revenues, Operating expenses, Net operating revenues.

CHEMICALS AND ALLIED PRODUCTS

CHEMICALS
Inorganic Chemicals: Aluminum sulfate, Chlorine gas, Hydrochloric acid, Phosphorus, Sodium hydroxide, Sodium silicate, Sodium sulfate, Titanium dioxide, Sulfur, native.
Inorganic Fertilizer Materials: Ammonia, synthetic anhydrous, Ammonium nitrate, Nitric acid, Nitrogen solutions, Phosphoric acid, Sulfuric acid.
Superphosphate and other phosphatic fertilizers.
Imports: Ammonium nitrate, Ammonium sulfate, Potassium chloride, Sodium nitrate.
Industrial Gases: Acetylene, Hydrogen, Nitrogen, Oxygen.
Organic Chemicals: Acetylsalicylic acid, Ethyl acetate, Formaldehyde, Glycerin, Methanol, Phthalic anhydride.
ALCOHOL: Ethyl alcohol and spirits, Denatured alcohol.

See footnotes at end of tables.

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|--|--|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | FOOD AND KINDRED PRODUCTS; TOBACCO—Cont. | | | | | | | | | | | | | | | |
| MISCELLANEOUS FOOD PRODUCTS—Cont. | | | | | | | | | | | | | | | | |
| Sugar: | | | | | | | | | | | | | | | | |
| Exports, raw and refined.....sh. tons | 454,394 | 617,947 | 83,683 | 49,937 | 62,915 | 85,425 | 87,312 | 34,371 | 52,906 | 27,609 | 26,994 | 33,431 | 32,577 | 40,787 | | |
| Imports, raw and refined.....thous. sh. tons | 1,913 | 1,275 | 33 | 129 | 140 | 146 | 116 | 74 | 167 | 65 | 139 | 87 | 128 | 51 | | |
| Producer Price Indexes: | | | | | | | | | | | | | | | | |
| Raw (cane).....1982=100 | 104.9 | 110.3 | 107.7 | 109.5 | 109.9 | 110.3 | 110.7 | 111.0 | 111.6 | 111.2 | 110.9 | 110.6 | 110.1 | 109.8 | *109.7 | 111.4 |
| Refined.....do | 103.3 | 106.5 | 104.7 | 105.3 | 105.1 | 106.5 | 106.3 | 106.8 | 107.2 | 107.1 | 107.4 | *107.1 | 106.9 | 106.8 | *106.5 | 106.7 |
| Tea, imports.....thous. lb. | 197,963 | 170,616 | 15,206 | 14,495 | 19,890 | 14,634 | 16,835 | 12,421 | 12,838 | 13,538 | 11,207 | 15,569 | 12,562 | 11,480 | | |
| TOBACCO | | | | | | | | | | | | | | | | |
| Leaf: | | | | | | | | | | | | | | | | |
| Production (crop estimate).....mil. lb. | '1,164 | '1,226 | | | | | | | | | | | | | | |
| Stocks, dealers' and manufacturers' end of period.....do | 4,979 | | | | 4,775 | | | 4,436 | | | 4,455 | | | | | |
| Exports, incl. scrap and stems.....thous. lb. | 466,630 | 425,886 | 59,598 | 25,388 | 43,120 | 41,399 | 32,270 | 20,732 | 19,408 | 15,658 | 21,640 | 28,096 | 53,734 | 64,842 | | |
| Imports, incl. scrap and stems.....do | 457,658 | 489,861 | 31,635 | 50,385 | 45,474 | 24,782 | 50,250 | 38,027 | 53,679 | 47,834 | 30,372 | 40,936 | 43,352 | 33,135 | | |
| Manufactured products: | | | | | | | | | | | | | | | | |
| Consumption (withdrawals): | | | | | | | | | | | | | | | | |
| Cigarettes (small): | | | | | | | | | | | | | | | | |
| Tax-exempt.....millions | 74,301 | 111,200 | 6,440 | 6,952 | 8,467 | 8,077 | 8,728 | 11,608 | 9,547 | 10,136 | 10,136 | 11,110 | 10,488 | 9,511 | | |
| Taxable.....do | 583,020 | 576,998 | 38,100 | 42,666 | 52,980 | 42,212 | 50,996 | 61,753 | 37,894 | 49,814 | 50,955 | 48,564 | 52,556 | 48,508 | | |
| Cigars (large), taxable.....do | 2,909 | 2,647 | 217 | 206 | 226 | 204 | 225 | 281 | 181 | 211 | 245 | 241 | 203 | 207 | | |
| Exports, cigarettes.....do | 63,945 | 100,246 | 5,021 | 6,663 | 7,466 | 7,169 | 8,786 | 9,026 | 8,965 | 9,835 | 9,695 | 9,639 | 8,996 | 8,985 | | |

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|--|-----------------------------|---------|--------|--------|--------|--------|--------|--------|--------|------------------|------------------|------------------|------------------|------------------|--------|-------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | LEATHER AND PRODUCTS | | | | | | | | | | | | | | | |
| LEATHER | | | | | | | | | | | | | | | | |
| Exports: | | | | | | | | | | | | | | | | |
| Upper and lining leather.....thous. sq. ft. | 160,888 | 194,152 | 12,172 | 15,625 | 19,865 | 18,874 | 18,818 | 19,585 | 15,455 | 15,015 | 14,806 | 13,557 | 15,703 | 14,677 | 16,033 | |
| Producer Price Index, leather.....1982=100 | 122.9 | 140.9 | 128.1 | 129.4 | 131.9 | 137.5 | 140.5 | 143.1 | 142.3 | 141.0 | 145.6 | *148.6 | 149.5 | 152.8 | *156.0 | 159.0 |
| LEATHER MANUFACTURES | | | | | | | | | | | | | | | | |
| Footwear: | | | | | | | | | | | | | | | | |
| Production, total.....thous. pairs | 241,388 | 220,660 | 17,337 | 18,351 | 19,376 | 18,959 | 18,385 | 20,025 | 15,622 | 19,852 | 20,159 | 19,947 | *17,641 | 15,006 | | |
| Shoes, sandals, and play shoes, except athletic.....thous. pairs | 176,111 | | 14,510 | 15,348 | 15,674 | 15,456 | 14,848 | 14,929 | 12,240 | (³) | (³) | (³) | (³) | (³) | | |
| Slippers.....do | 55,927 | 39,985 | 2,338 | 2,488 | 3,132 | 2,932 | 2,989 | 4,480 | 2,897 | 3,935 | 4,282 | 4,297 | *3,823 | 2,342 | | |
| Athletic.....do | 9,350 | | 488 | 515 | 520 | 571 | 548 | 616 | 485 | (³) | (³) | (³) | (³) | (³) | | |
| Other footwear.....do | 2,971 | 4,168 | 442 | 473 | 378 | 458 | 485 | 322 | 215 | 294 | 323 | 266 | 264 | 248 | | |
| Exports.....do | 10,277 | 21,002 | 1,078 | 1,214 | 1,264 | 1,114 | 1,043 | 1,471 | 2,231 | 2,328 | 2,301 | 2,642 | 2,431 | 1,886 | 2,468 | |
| Producer Price Indexes: | | | | | | | | | | | | | | | | |
| Men's leather upper, dress and casual 1982=100 | | | | | | | | | | | | | | | | |
| | 107.2 | 111.4 | 108.9 | 109.0 | 109.5 | 109.4 | 109.4 | 109.8 | 111.8 | 113.0 | 113.3 | *114.1 | 112.7 | 116.0 | *117.3 | 120.1 |
| Women's leather upper.....do | 104.3 | 107.3 | 105.5 | 105.7 | 106.4 | 106.7 | 106.7 | 106.5 | 107.1 | 107.5 | 108.9 | *108.3 | 108.5 | 109.6 | *109.4 | 111.5 |
| Women's plastic upper.....do | 106.6 | 104.6 | 106.7 | 102.3 | 106.7 | 105.1 | 107.0 | 95.0 | 104.5 | 105.9 | 105.9 | 105.8 | 102.5 | 107.2 | *107.4 | 107.5 |

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|---|----------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|--------|-------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | LUMBER AND PRODUCTS | | | | | | | | | | | | | | | |
| LUMBER—ALL TYPES # | | | | | | | | | | | | | | | | |
| National Forest Products Association: | | | | | | | | | | | | | | | | |
| Production, total.....mil. bd. ft. | *42,676 | 46,953 | 3,293 | 3,307 | 3,742 | 3,616 | 3,518 | 3,905 | 3,662 | 3,737 | 3,617 | 3,942 | 3,458 | 3,509 | | |
| Hardwoods.....do | *7,403 | 8,143 | 396 | 384 | 398 | 449 | 430 | 461 | 470 | 813 | 586 | 620 | *279 | 716 | | |
| Softwoods.....do | *35,273 | 37,910 | 2,897 | 2,923 | 3,349 | 3,167 | 3,088 | 3,444 | 3,192 | 3,124 | 3,031 | 3,122 | 2,870 | 2,793 | | |
| Shipments, total.....do | *42,618 | 47,090 | 3,350 | 3,302 | 3,735 | 3,656 | 3,656 | 4,089 | 3,671 | 3,812 | 3,540 | 4,034 | 3,470 | 3,576 | | |
| Hardwoods.....do | *7,486 | 9,045 | 449 | 453 | 480 | 499 | 471 | 492 | 480 | 609 | 609 | 646 | *301 | 734 | | |
| Softwoods.....do | *35,132 | 38,045 | 2,901 | 2,849 | 3,255 | 3,187 | 3,185 | 3,547 | 3,191 | 3,163 | 2,931 | 3,388 | 2,836 | 2,842 | | |
| Stocks (gross), mill, end of period, total.....do | | | | | | | | | | | | | | | | |
| | 6,549 | 6,183 | 6,495 | 6,625 | 6,607 | 6,554 | 6,432 | 6,233 | 6,237 | 5,979 | 6,088 | 6,002 | 5,970 | 6,183 | | |
| Hardwoods.....do | 1,509 | 1,412 | 1,456 | 1,513 | 1,404 | 1,373 | 1,335 | 1,306 | 1,309 | 1,224 | 1,233 | 1,213 | 1,147 | 1,412 | | |
| Softwoods.....do | 5,040 | 4,771 | 5,039 | 5,112 | 5,203 | 5,181 | 5,097 | 4,927 | 4,928 | 4,755 | 4,855 | 4,787 | 4,823 | 4,771 | | |
| Exports, total sawmill products.....do | | | | | | | | | | | | | | | | |
| Imports, total sawmill products.....do | 14,607 | 15,217 | 1,078 | 1,222 | 1,329 | 1,293 | 1,332 | 1,383 | 1,329 | 1,182 | 1,449 | 1,264 | 1,210 | 1,146 | | |
| SOFTWOODS | | | | | | | | | | | | | | | | |
| Douglas fir: | | | | | | | | | | | | | | | | |
| Orders, new.....mil. bd. ft. | 9,570 | 10,219 | 897 | 824 | 1,032 | 843 | 966 | 976 | 804 | 896 | 700 | 860 | 704 | 717 | 758 | |
| Orders, unfilled, end of period.....do | 668 | 547 | 741 | 732 | 783 | 728 | 753 | 704 | 695 | 746 | 625 | 568 | 555 | 547 | 618 | |
| Production.....do | 9,412 | 10,191 | 825 | 861 | 1,009 | 892 | 883 | 964 | 824 | 835 | 826 | 849 | 745 | 678 | 716 | |
| Shipments.....do | 9,430 | 10,340 | 824 | 833 | 981 | 898 | 941 | 1,025 | 813 | 845 | 821 | 917 | 717 | 725 | 687 | |
| Stocks (gross), mill, end of period.....do | 881 | 732 | 882 | 910 | 938 | 932 | 874 | 813 | 824 | 814 | 819 | 751 | 779 | 732 | 761 | |
| Exports, total sawmill products.....do | 522 | 684 | 57 | 56 | 61 | 56 | 55 | 53 | 57 | 54 | 57 | 54 | 60 | 62 | 55 | |
| Sawed timber.....do | 105 | 138 | 16 | 13 | 10 | 14 | 9 | 21 | 8 | 9 | 8 | 8 | 9 | 13 | 7 | |
| Boards, planks, scantlings, etc.....do | 417 | 546 | 42 | 43 | 46 | 47 | 47 | 34 | 45 | 48 | 45 | 48 | 52 | 49 | 48 | |
| Producer Price Index, Douglas fir, dressed 1982=100 | 124.5 | 124.8 | 118.2 | 122.6 | 122.4 | 122.7 | 121.3 | 121.5 | 124.6 | 127.6 | 138.2 | *128.2 | 126.1 | 124.0 | *131.1 | 130.4 |

See footnotes at end of tables.

| Unless otherwise stated in footnotes below, data through 1986 and methodological notes are as shown in Business Statistics: 1986 | Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|---|-------|--------|------|------|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
| | | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |

LUMBER AND PRODUCTS—Continued

| | | | | | | | | | | | | | | | | | |
|---|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--|
| SOFTWOODS—Continued | | | | | | | | | | | | | | | | | |
| Southern pine: | | | | | | | | | | | | | | | | | |
| Orders, new.....mil. bd. ft. | 11,593 | 12,575 | 1,082 | 957 | 977 | 1,092 | 1,116 | 1,156 | 857 | 1,035 | 761 | 1,213 | 891 | 1,024 | | | |
| Orders, unfilled, end of period.....do | 710 | 835 | 808 | 849 | 828 | 806 | 936 | 1,005 | 792 | 848 | 600 | 681 | 618 | 835 | | | |
| Production.....do | 11,678 | 12,437 | 966 | 912 | 1,008 | 1,092 | 988 | 1,071 | 1,086 | 1,007 | 1,004 | 1,102 | 929 | 958 | | | |
| Shipments.....do | 11,562 | 12,450 | 984 | 920 | 997 | 1,114 | 997 | 1,092 | 1,074 | 1,016 | 953 | 1,091 | 956 | 947 | | | |
| Stocks (gross), mill and concentration yards, end of period.....mil. bd. ft. | 2,010 | 1,997 | 1,992 | 1,982 | 1,992 | 1,969 | 1,972 | 1,949 | 1,960 | 1,950 | 2,001 | 2,013 | 1,986 | 1,997 | | | |
| Exports, total sawmill products.....thous. bd. ft. | 187,258 | 263,166 | 19,889 | 20,611 | 20,159 | 12,174 | 24,865 | 19,877 | 18,413 | 13,738 | 21,243 | 30,856 | 31,673 | 29,668 | 30,745 | | |
| Producer Price Index, southern pine, dressed.....1982=100 | 104.9 | 114.1 | 103.5 | 106.8 | 111.5 | 112.8 | 111.5 | 116.1 | 122.9 | 120.7 | 120.8 | 113.7 | 113.1 | 115.7 | 118.2 | 119.0 | |
| Western pine: | | | | | | | | | | | | | | | | | |
| Orders, new.....mil. bd. ft. | 10,500 | 11,294 | 957 | 889 | 1,016 | 880 | 966 | 1,074 | 891 | 1,029 | 801 | 1,064 | 849 | 878 | 968 | | |
| Orders, unfilled, end of period.....do | 451 | 524 | 553 | 590 | 594 | 583 | 582 | 607 | 551 | 581 | 528 | 548 | 505 | 524 | 619 | | |
| Production.....do | 10,482 | 11,274 | 840 | 882 | 1,035 | 885 | 928 | 1,051 | 928 | 994 | 892 | 1,045 | 923 | 871 | 879 | | |
| Shipments.....do | 10,482 | 11,221 | 855 | 852 | 1,012 | 891 | 967 | 1,049 | 947 | 999 | 854 | 1,044 | 892 | 859 | 873 | | |
| Stocks (gross), mill, end of period.....do | 1,312 | 1,365 | 1,297 | 1,327 | 1,350 | 1,344 | 1,305 | 1,307 | 1,288 | 1,283 | 1,321 | 1,322 | 1,353 | 1,365 | 1,371 | | |
| Producer Price Index, other softwood, dressed.....1982=100 | 109.7 | 118.9 | 113.0 | 118.4 | 119.7 | 120.0 | 117.8 | 119.0 | 119.0 | 119.9 | 124.4 | 120.4 | 119.3 | 116.3 | 116.0 | 117.1 | |
| HARDWOOD FLOORING | | | | | | | | | | | | | | | | | |
| Oak: | | | | | | | | | | | | | | | | | |
| Orders, unfilled, end of period.....mil. bd. ft. | 7.5 | 11.0 | 8.3 | 9.4 | 11.5 | 12.9 | 11.3 | 13.5 | 16.1 | 13.9 | 11.8 | 12.8 | 10.7 | 11.0 | 11.3 | | |
| Shipments.....do | 145.3 | 173.9 | 12.4 | 12.3 | 14.6 | 13.6 | 14.1 | 15.9 | 14.5 | 15.8 | 16.8 | 17.3 | 14.3 | 12.2 | 15.0 | | |
| Stocks (gross), mill, end of period.....do | 7.4 | 8.7 | 7.1 | 6.9 | 6.2 | 5.9 | 5.7 | 5.9 | 6.2 | 6.6 | 7.8 | 8.6 | 8.5 | 8.7 | 8.9 | | |

METALS AND MANUFACTURES

| | | | | | | | | | | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|--|
| IRON AND STEEL | | | | | | | | | | | | | | | | | |
| Exports: | | | | | | | | | | | | | | | | | |
| Steel mill products.....thous. sh. tons | 929 | 1,129 | 65 | 87 | 84 | 92 | 115 | 99 | 84 | 91 | 99 | 86 | 114 | 110 | 89 | | |
| Scrap.....do | 11,704 | 10,367 | 731 | 728 | 798 | 900 | 638 | 1,258 | 1,072 | 862 | 779 | 809 | 782 | 1,009 | 649 | | |
| Pig iron.....do | 47 | 50 | | 1 | 22 | 1 | 2 | 12 | | 1 | 4 | 2 | 2 | 2 | 15 | | |
| Imports: | | | | | | | | | | | | | | | | | |
| Steel mill products.....do | 20,698 | 20,414 | 1,500 | 1,852 | 1,807 | 1,529 | 1,898 | 1,697 | 1,723 | 1,624 | 1,600 | 1,651 | 1,812 | 1,728 | 1,810 | | |
| Scrap.....do | 724 | 843 | 63 | 76 | 58 | 50 | 55 | 60 | 62 | 47 | 71 | 88 | 89 | 125 | 89 | | |
| Pig iron.....do | 295 | 355 | 13 | 14 | 38 | 13 | 21 | 30 | 14 | 28 | 25 | 53 | 53 | 54 | 136 | | |
| Iron and Steel Scrap | | | | | | | | | | | | | | | | | |
| Production.....thous. sh. tons | 26,335 | | 1,949 | 1,803 | 1,963 | 2,150 | 2,063 | 2,142 | 2,044 | 2,039 | 2,137 | 2,288 | 2,119 | | | | |
| Receipts, net.....do | 37,928 | | 3,196 | 3,427 | 3,869 | 3,684 | 3,520 | 3,682 | 3,490 | 3,929 | 4,184 | 4,667 | 4,377 | | | | |
| Consumption.....do | 65,856 | | 5,185 | 5,025 | 5,683 | 5,751 | 5,714 | 5,667 | 5,434 | 6,001 | 6,255 | 6,624 | 6,217 | | | | |
| Stocks, end of period.....do | 4,344 | | 4,385 | 4,366 | 4,411 | 10,124 | 4,260 | 4,316 | 4,363 | 4,291 | 4,279 | 4,505 | 4,699 | | | | |
| Composite price, No. 1 heavy melting scrap: American Metal Market *.....\$ per long ton | 74.17 | 85.73 | 77.83 | 77.61 | 74.97 | 73.72 | 74.94 | 76.67 | 78.29 | 82.73 | 91.35 | 109.90 | 109.69 | 101.37 | 99.72 | | |
| Ore | | | | | | | | | | | | | | | | | |
| Iron ore (operations in all U.S. districts): | | | | | | | | | | | | | | | | | |
| Mine production.....thous. lg. tons | 38,882 | | 2,782 | 3,029 | 3,258 | 3,076 | 4,000 | 4,064 | 3,521 | | | | | | | | |
| Shipments from mines.....do | 41,327 | | 330 | 254 | 900 | 3,437 | 4,844 | 5,128 | 4,819 | | | | | | | | |
| Imports.....do | 16,749 | 16,601 | 959 | 438 | 931 | 1,159 | 1,580 | 1,948 | 1,173 | 1,817 | 1,452 | 1,493 | 2,238 | 1,415 | | | |
| U.S. and foreign ores and ore agglomerates: | | | | | | | | | | | | | | | | | |
| Receipts at iron and steel plants.....do | 51,807 | 58,596 | 1,616 | 1,052 | 2,209 | 4,479 | 5,159 | 6,127 | 6,178 | 5,994 | 6,330 | 6,662 | 6,292 | 6,598 | 4,559 | | |
| Consumption at iron and steel plants.....do | 55,283 | 60,087 | 4,242 | 3,928 | 4,890 | 5,031 | 5,334 | 5,095 | 4,684 | 5,139 | 5,194 | 5,450 | 5,395 | 5,765 | 5,751 | | |
| Exports (domestic).....do | 6,501 | 6,121 | 71 | (2) | 22 | 440 | 911 | 1,463 | 414 | 438 | 626 | 647 | 441 | 644 | | | |
| Stocks, total, end of period.....do | 22,133 | | 21,817 | 21,750 | 20,910 | 19,885 | 19,024 | 19,196 | 19,397 | | | | | | | | |
| At mines.....do | 3,255 | | 5,347 | 8,127 | 10,485 | 10,124 | 9,281 | 8,225 | 6,927 | | | | | | | | |
| At furnace yards.....do | 17,165 | 16,304 | 14,334 | 11,660 | 9,522 | 9,204 | 9,027 | 10,906 | 11,350 | 12,207 | 13,343 | 14,554 | 15,452 | 16,304 | | | |
| At U.S. docks.....do | 1,987 | 2,024 | 2,136 | 1,963 | 903 | 557 | 716 | 965 | 1,120 | 1,052 | 1,023 | 1,485 | 1,566 | 2,024 | | | |
| Manganese (manganese content), general imports.....do | | | | | | | | | | | | | | | | | |
| | 883 | 801 | 30 | 31 | 46 | 64 | 57 | 95 | 57 | 58 | 62 | 85 | 116 | 101 | | | |
| Pig Iron and Iron Products | | | | | | | | | | | | | | | | | |
| Pig iron: | | | | | | | | | | | | | | | | | |
| Production (including production of ferrosilloys).....thous. sh. tons | 43,952 | 48,397 | 3,214 | 3,069 | 3,891 | 4,048 | 4,256 | 4,079 | 4,235 | 4,165 | 4,208 | 4,407 | 4,351 | 4,447 | 4,683 | 4,443 | |
| Consumption.....do | 41,789 | | 3,046 | 3,052 | 4,122 | 4,222 | 4,200 | 4,123 | 4,255 | 4,327 | 4,327 | 4,664 | 4,613 | | | | |
| Stocks, end of period.....do | 226 | | 243 | 214 | 222 | 223 | 244 | 239 | 258 | 262 | 260 | 256 | 263 | | | | |
| Producer Price Index, basic...../82=100 | | | | | | | | | | | | | | | | | |
| Castings, gray and ductile iron: | | | | | | | | | | | | | | | | | |
| Shipments, total.....thous. sh. tons | 8,333 | 9,600 | 724 | 713 | 837 | 874 | 796 | 875 | 786 | 774 | 797 | 962 | 770 | 692 | | | |
| For sale.....do | 5,536 | 6,343 | 473 | 484 | 549 | 553 | 524 | 559 | 535 | 539 | 482 | 650 | 533 | 462 | | | |
| Castings, malleable iron: | | | | | | | | | | | | | | | | | |
| Shipments, total.....do | 320 | 431 | 36 | 33 | 39 | 40 | 34 | 41 | 32 | 30 | 39 | 42 | 30 | 35 | | | |
| For sale.....do | 154 | 201 | 16 | 16 | 17 | 17 | 17 | 20 | 14 | 16 | 19 | 19 | 13 | 17 | | | |

See footnotes at end of tables.

Unless otherwise stated in footnotes below, data through 1986 and methodological notes are as shown in BUSINESS STATISTICS: 1986

METALS AND MANUFACTURES-Continued. Table with columns for units (1986, 1987) and monthly data (1987, 1988). Rows include MACHINERY AND EQUIPMENT, ELECTRICAL EQUIPMENT, and GAS EQUIPMENT (RESIDENTIAL).

PETROLEUM, COAL, AND PRODUCTS. Table with columns for units (1982=100) and monthly data (1982, 1988). Rows include COAL, COKE, and PETROLEUM AND PRODUCTS.

See footnotes at end of tables.

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|-------|--|------|------|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | Unless otherwise stated in footnotes below, data through 1986 and methodological notes are as shown in BUSINESS STATISTICS: 1986 | | | | | | | | | | | | | | | |

PULP, PAPER, AND PAPER PRODUCTS—Continued

| PAPER AND PAPER PRODUCTS | | | | | | | | | | | | | | | | |
|---|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Paper and board: | | | | | | | | | | | | | | | | |
| Production (API): | | | | | | | | | | | | | | | | |
| Total.....thous. sh. tons.. | '70,885 | 74,452 | 6,226 | 5,769 | 6,285 | 6,071 | 6,134 | 6,140 | 6,238 | *6,463 | 6,254 | 6,390 | 6,146 | 6,342 | 6,425 | ..... |
| Paper.....do | *35,466 | 36,959 | 3,083 | 2,874 | 3,090 | 3,010 | 3,023 | 3,048 | 3,081 | *3,163 | 3,125 | *3,211 | *3,066 | *3,164 | 3,174 | ..... |
| Paperboard.....do | 35,419 | 37,493 | 3,144 | 2,895 | 3,194 | 3,061 | 3,111 | 3,092 | 3,157 | 3,300 | 3,129 | 3,177 | 3,069 | 3,165 | 3,251 | ..... |
| Producer Price Indexes: | | | | | | | | | | | | | | | | |
| Paperboard.....1982=100 .. | 106.6 | 118.1 | 113.9 | 115.5 | 115.5 | 116.2 | 115.8 | 115.9 | 116.1 | 119.8 | 121.3 | *122.1 | 122.1 | 122.7 | *122.7 | 122.8 |
| Building paper and board.....do | 108.8 | 111.2 | 109.6 | 109.3 | 109.2 | 109.1 | 109.8 | 110.2 | 111.1 | 112.2 | 113.2 | *113.8 | 113.3 | 113.4 | *113.6 | 114.0 |
| Selected types of paper (API): | | | | | | | | | | | | | | | | |
| Groundwood paper, uncoated: | | | | | | | | | | | | | | | | |
| Orders, new.....thous. sh. tons.. | '1,553 | 1,548 | 138 | 110 | 154 | 109 | 119 | 126 | 134 | 136 | 130 | *121 | *113 | *128 | 127 | ..... |
| Orders, unfilled, end of period .. | 131 | 179 | 125 | 108 | 127 | 116 | 115 | 124 | 137 | 148 | 153 | *150 | *153 | *179 | 175 | ..... |
| Shipments.....do | '1,540 | 1,491 | 135 | 127 | 138 | 120 | 121 | 120 | 132 | 127 | 126 | 124 | 112 | 110 | 122 | ..... |
| Coated paper: | | | | | | | | | | | | | | | | |
| Orders, new.....do | *6,334 | 7,107 | 553 | 524 | 527 | 561 | 630 | 651 | 623 | 632 | 570 | *610 | *563 | *615 | 623 | ..... |
| Orders, unfilled, end of period .. | 399 | 739 | 462 | 454 | 429 | 443 | 521 | 604 | 647 | 678 | 666 | *729 | *693 | *739 | 679 | ..... |
| Shipments.....do | 6,263 | 6,869 | 568 | 529 | 548 | 548 | 554 | 569 | 584 | 597 | 591 | 603 | 587 | 592 | 634 | ..... |
| Uncoated free sheet papers: | | | | | | | | | | | | | | | | |
| Orders, new.....do | '10,485 | 11,195 | 850 | 844 | 900 | 892 | 902 | 923 | 945 | 996 | 946 | *1,029 | *919 | *979 | 929 | ..... |
| Shipments.....do | *10,681 | 11,234 | 898 | 855 | 939 | 926 | 912 | 933 | 945 | 968 | 949 | 988 | 927 | 983 | 949 | ..... |
| Unbleached kraft packaging and industrial converting papers: | | | | | | | | | | | | | | | | |
| Shipments.....thous. sh. tons.. | '3,303 | 3,075 | 280 | 260 | 274 | 265 | 233 | 247 | 244 | 249 | 258 | 259 | 248 | *261 | 262 | ..... |
| Tissue paper, production.....do | *5,095 | 5,300 | 439 | 414 | 446 | 429 | 443 | 439 | 434 | *457 | 447 | *455 | *442 | *449 | 436 | ..... |
| Newsprint: | | | | | | | | | | | | | | | | |
| Canada: | | | | | | | | | | | | | | | | |
| Production.....thous. metric tons.. | 9,289 | 9,673 | 794 | 765 | 848 | 808 | 816 | 806 | 791 | 826 | 797 | 827 | 812 | 783 | 822 | ..... |
| Shipments from mills.....do | 9,302 | 9,761 | 750 | 756 | 847 | 818 | 815 | 857 | 779 | 785 | 852 | 811 | 801 | *892 | 716 | ..... |
| Inventory, end of period.....do | 277 | 193 | 322 | 331 | 333 | 323 | 323 | 273 | 286 | 326 | 271 | 286 | 298 | 193 | 295 | ..... |
| United States: | | | | | | | | | | | | | | | | |
| Production.....do | 5,108 | 5,300 | 445 | 400 | 431 | 420 | 454 | 444 | 455 | 452 | 448 | 461 | 437 | 453 | 452 | ..... |
| Shipments from mills.....do | 5,115 | 5,310 | 427 | 402 | 442 | 428 | 452 | 451 | 452 | 449 | 451 | 456 | 439 | 461 | 437 | ..... |
| Inventory, end of period.....do | 49 | 36 | 67 | 65 | 54 | 45 | 47 | 40 | 43 | 46 | 43 | 48 | 46 | *86 | 51 | ..... |
| Estimated consumption, all users.....do | *11,937 | 12,317 | 908 | 906 | 1,037 | 1,031 | 1,073 | 996 | 967 | 1,041 | 1,050 | 1,129 | *1,134 | *1,045 | 976 | ..... |
| Publishers' stocks, end of period #.....do | 849 | 900 | 845 | 879 | 874 | 869 | 848 | 885 | 931 | 905 | 929 | 897 | 866 | *900 | 912 | ..... |
| Imports.....thous. sh. tons.. | 8,589 | 8,975 | 781 | 696 | 759 | 740 | 761 | 776 | 741 | 708 | 780 | 746 | 777 | 710 | 727 | ..... |
| Producer Price Index, standard newsprint.....1982=100 .. | 103.3 | 112.3 | 107.9 | 108.6 | 108.4 | 108.5 | 108.7 | 108.7 | 112.7 | 116.3 | 116.9 | *116.9 | 117.2 | 116.6 | *125.4 | 126.7 |
| Paper products: | | | | | | | | | | | | | | | | |
| Shipping containers, corrugated and solid fiber shipments.....mil. sq. ft. surf. area.. | 283,921 | 297,430 | *24,701 | 22,704 | 24,755 | 25,591 | 23,637 | 25,620 | 25,341 | 24,977 | 25,925 | 27,647 | 23,281 | 23,141 | 24,782 | ..... |

RUBBER AND RUBBER PRODUCTS

| RUBBER | | | | | | | | | | | | | | | | |
|--|-----------|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|-------|-------|
| Natural rubber: | | | | | | | | | | | | | | | | |
| Consumption.....thous. metric tons.. | *743.56 | 775.82 | 49.94 | 85.38 | 81.30 | 62.30 | 62.61 | 56.30 | 67.35 | 61.41 | 61.85 | 57.39 | 60.63 | 69.38 | ..... | ..... |
| Stocks, end of period.....do | *38.51 | 72.46 | 76.67 | 78.78 | 70.24 | 80.20 | 79.49 | 79.00 | 82.47 | 77.01 | 70.56 | 65.85 | 65.47 | 72.46 | ..... | ..... |
| Imports, incl. latex and guayule.....thous. long tons .. | 752.99 | 745.67 | 55.01 | 89.85 | 80.67 | 32.73 | 63.60 | 58.01 | 63.22 | 46.83 | 58.47 | 56.76 | 62.85 | 77.67 | 81.89 | ..... |
| U.S. Import Price Index.....12/83=100 .. | 77.0 | 89.7 | ..... | ..... | 80.2 | ..... | ..... | 86.1 | ..... | ..... | 91.7 | ..... | ..... | 100.5 | ..... | ..... |
| Synthetic rubber: | | | | | | | | | | | | | | | | |
| Production.....thous. metric tons .. | *2,012.77 | 2,182.12 | 187.12 | 177.46 | 193.56 | 174.07 | 179.80 | 174.97 | 186.19 | 164.15 | 176.04 | 191.00 | 182.94 | 194.82 | ..... | ..... |
| Consumption.....do | *1,895.23 | 2,017.46 | 162.30 | 166.12 | 182.78 | 160.53 | 163.09 | 157.92 | 161.88 | 163.56 | 172.19 | 185.08 | *167.56 | 174.07 | ..... | ..... |
| Stocks, end of period.....do | *235.61 | 229.65 | 247.01 | 249.44 | 242.62 | 240.34 | 242.21 | 241.65 | 251.86 | 240.55 | 222.76 | 213.60 | *213.82 | 229.65 | ..... | ..... |
| Exports (Bu. of Census).....thous. lg. tons .. | 338.85 | 422.64 | 31.91 | 32.69 | 35.49 | 36.48 | 38.79 | 36.34 | 33.56 | 32.75 | 38.23 | 32.93 | 36.94 | 36.53 | 39.07 | ..... |
| TIRES AND TUBES | | | | | | | | | | | | | | | | |
| Pneumatic casings: | | | | | | | | | | | | | | | | |
| Production.....thous..... | '190,289 | 202,978 | 16,879 | 16,593 | 17,733 | 16,680 | 16,982 | 16,548 | 15,796 | 16,723 | 17,204 | 18,956 | 16,455 | 16,428 | ..... | ..... |
| Shipments, total.....do | *243,244 | 255,220 | 18,888 | 18,501 | 20,786 | 21,030 | 20,981 | 23,829 | 20,812 | 20,656 | 23,216 | 24,925 | 21,297 | 20,326 | ..... | ..... |
| Original equipment.....do | *61,251 | 60,758 | 5,481 | 5,493 | 6,019 | 5,408 | 5,400 | 5,145 | 3,605 | 4,316 | 4,969 | 5,778 | 4,966 | 4,177 | ..... | ..... |
| Replacement equipment.....do | *176,659 | 186,406 | 12,917 | 12,351 | 14,182 | 15,032 | 14,949 | 17,983 | 16,531 | 15,683 | 17,516 | 18,366 | 15,583 | 15,340 | ..... | ..... |
| Exports.....do | 5,334 | 8,056 | 490 | 657 | 585 | 590 | 632 | 701 | 676 | 657 | 781 | 781 | 748 | 809 | ..... | ..... |
| Stocks, end of period.....do | 34,286 | 34,338 | 36,323 | 38,341 | 40,673 | 39,962 | 40,312 | 37,872 | 37,344 | 37,501 | 36,234 | 34,539 | 33,702 | 34,338 | ..... | ..... |
| Exports (Bu. of Census).....do | 5,202 | 9,580 | 111 | 144 | 895 | 746 | 762 | 844 | 745 | 793 | 1,155 | 849 | 1,277 | 1,259 | 1,328 | ..... |
| Inner tubes: | | | | | | | | | | | | | | | | |
| Exports (Bu. of Census).....do | 809 | 1,518 | 64 | 107 | 190 | 120 | 250 | 149 | 109 | 102 | 141 | 76 | 96 | 114 | 95 | ..... |

See footnotes at end of tables.

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|-------|---|------|------|------|------|------|-----|------|------|------|-------|------|------|------|------|------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | <p align="center">STONE, CLAY, AND GLASS PRODUCTS</p> <p>PORTLAND CEMENT</p> Shipments, finished cement.....thous. bbl. 1470,500 1480,410 25,532 24,888 34,096 41,495 43,197 47,835 49,282 45,638 47,638 50,011 38,298 30,840 20,979..... <p>CLAY CONSTRUCTION PRODUCTS</p> Shipments: Brick, unglazed (common and face) mil. standard brick... 7,401.9 7,313.2 431.2 443.5 590.9 654.2 651.8 700.1 721.0 669.3 692.0 704.4 557.4 497.3 343.1..... Structural tile, except facing.....thous. sh. tons. 108.4 96.1 3.8 6.4 4.7 4.5 11.5 16.9 16.5 15.9 15.9 36.4 22.7 18.5 15.6..... Sewer pipe and fittings, vitrified.....do.... 323.6 324.6 19.3 17.5 24.9 25.0 33.1 31.4 31.6 31.8 32.5 36.4 22.7 18.5 15.6..... Floor and wall tile and accessories, glazed and unglazed.....mi. sq. ft. 505.0 462.0 36.9 36.1 41.5 40.6 35.7 39.4 36.5 38.6 39.3 40.1 37.7 39.6 34.4..... Producer Price Index, brick and structural clay tile.....12/84=100 105.2 108.2 106.6 107.4 107.6 108.1 108.5 108.7 108.6 108.6 108.6 108.6 108.7 108.6 109.4 109.7..... <p>GLASS AND GLASS PRODUCTS</p> Flat glass, mfrs.' shipments.....thous. \$.. 1,259,746 1,471,986..... 331,669..... 358,044..... 398,080..... 384,193..... Glass containers: Production.....thous. gross.. 289,253 286,222 23,155 22,916 25,701 24,963 25,528 26,007 25,485 25,666 22,660 25,342 20,081 18,718 21,535..... Shipments, total.....do.... 283,057 283,091 21,962 21,794 24,810 25,414 25,308 26,867 26,110 24,369 23,502 23,525 19,111 20,319 21,972..... Narrow-neck containers: Food.....do.... 25,266 29,554 2,298 2,220 2,871 2,711 2,783 2,980 2,846 2,578 2,687 2,105 1,679 1,796 1,837..... Beverage.....do.... 59,885 62,434 4,048 4,174 5,353 5,913 6,196 6,471 5,950 5,962 5,203 4,896 4,085 4,183 3,885..... Beer.....do.... 86,922 85,357 6,903 6,477 7,353 7,372 7,507 7,740 8,161 7,003 6,694 7,513 6,117 6,517 7,928..... Liquor and wine.....do.... 27,856 27,535 1,965 2,133 2,409 2,800 2,429 3,155 2,479 2,135 1,987 2,235 1,751 2,057 2,103..... Wide-mouth containers: Food and dairy products.....do.... 62,795 62,673 5,179 5,115 5,204 5,146 5,039 5,399 5,368 5,507 5,891 5,599 4,460 4,766 5,198..... Narrow-neck and wide-mouth containers: Medicinal and toilet.....do.... 18,843 14,167 1,453 1,470 1,465 1,343 1,258 1,038 1,220 1,060 949 1,098 916 897 935..... Chemical, household, and industrial.....do.... 1,490 1,371 116 205 155 129 96 84 86 124 91 79 103 103 86..... Stocks, end of period.....do.... 39,912 41,812 40,889 42,042 42,905 42,417 42,580 41,820 40,919 42,403 41,226 42,769 43,728 41,812 41,026..... <p>GYPSUM AND PRODUCTS</p> Production: Crude gypsum (exc. byproduct).....thous. sh. tons. 16,227..... 1,717 1,099 1,156 1,261 1,240 1,422 1,313 1,316 1,161 1,432 1,442..... Calcined.....do.... 17,538..... 1,375 1,301 1,376 1,508 1,421 1,284 1,486 1,427 1,396 1,566 1,441..... Imports, crude gypsum.....do.... 9,559..... 781 630 688 833 987 884 810 821 879 952 817..... Sales of gypsum products: Uncalcined.....do.... 3,359..... 201 155 163 242 336 567 264 309 317 311 654..... Calcined: Industrial plasters.....do.... 259..... 13 11 12 14 10 40 12 11 10 14 10..... Building plasters, total (incl. Keene's cement).....do.... 260..... 20 20 23 24 19 23 23 23 22 23 25..... Board products, total.....mil. sq. ft. 20,411..... 1,624 1,612 1,786 1,872 1,602 1,705 1,784 1,775 1,775 1,916 1,675..... Lath.....do.... 24..... 2 2 2 2 2 2 2 2 2 2 2..... Veneer base.....do.... 475..... 35 37 43 45 41 42 43 43 46 41..... Gypsum sheathing.....do.... 323..... 24 22 26 26 25 27 25 26 25 27..... Regular gypsum board.....do.... 12,343..... 988 996 1,103 1,147 977 1,031 1,084 1,086 1,090 1,171 1,021..... Type X gypsum board.....do.... 5,781..... 458 448 489 507 435 475 492 482 480 519 451..... Predecorated wallboard.....do.... 123..... 9 8 10 10 8 10 10 10 10 9..... 1/2" mobile home board.....do.... 751..... 57 47 59 79 64 66 72 73 74 81 62..... Water/moisture resistant board.....do.... 591..... 50 51 53 57 50 52 54 53 52 58 62..... | | | | | | | | | | | | | | | |

| TEXTILE PRODUCTS | | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| FABRIC | | | | | | | | | | | | | | | | |
| Woven fabric, finishing plants: | | | | | | | | | | | | | | | | |
| Production (finished fabric).....mil. linear yd. 6,796 | | | | | | | | | | | | | | | | |
| Cotton.....do.... 2,522 | | | | | | | | | | | | | | | | |
| Manmade fiber and silk fabrics.....do.... 4,271 | | | | | | | | | | | | | | | | |
| Inventories held at end of period.....do.... 504 | | | | | | | | | | | | | | | | |
| Cotton.....do.... 211 | | | | | | | | | | | | | | | | |
| Manmade fiber and silk fabrics.....do.... 293 | | | | | | | | | | | | | | | | |
| Backlog of finishing orders.....do.... | | | | | | | | | | | | | | | | |
| Cotton.....do.... | | | | | | | | | | | | | | | | |
| Manmade fiber and silk fabrics.....do.... | | | | | | | | | | | | | | | | |
| COTTON AND MANUFACTURES | | | | | | | | | | | | | | | | |
| Cotton (excluding linters): | | | | | | | | | | | | | | | | |
| Production: | | | | | | | | | | | | | | | | |
| Ginnings ◊.....thous. running bales.. 9,438 14,358..... 1 429 3,197 7,534 11,082 13,278..... | | | | | | | | | | | | | | | | |
| Crop estimate.....thous. net weight bales \$.. 9,731..... 12,907 12,846 13,336 13,336 13,936 14,281..... | | | | | | | | | | | | | | | | |
| Consumption.....thous. running bales.. 6,566 7,446 546 562 734 573 586 708 540 606 753 621 606 610 568 590..... | | | | | | | | | | | | | | | | |
| Stocks in the United States, total, end of period #.....thous. running bales.. | | | | | | | | | | | | | | | | |
| Domestic cotton, total.....do.... 13,416 13,722 12,409 11,153 9,553 8,559 7,836 6,577 4,787 16,263 16,242 15,581 14,823 13,722 12,394..... | | | | | | | | | | | | | | | | |
| On farms and in transit.....do.... 2,540 2,525 1,827 1,392 931 1,016 1,256 1,097 300 12,376 10,799 7,652 4,825 2,525 1,470..... | | | | | | | | | | | | | | | | |
| Public storage and compresses.....do.... 10,252 10,555 9,942 9,033 7,894 6,832 5,870 4,807 3,809 3,239 4,864 7,398 9,456 10,555 10,197..... | | | | | | | | | | | | | | | | |
| Consuming establishments.....do.... 624 642 640 728 728 711 710 673 678 648 579 531 542 642 727..... | | | | | | | | | | | | | | | | |

See footnotes at end of tables.

| Unless otherwise stated in footnotes below, data through 1986 and methodological notes are as shown in BUSINESS STATISTICS, 1986 | Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|--|-------------------------|-----------------------------------|-------------------|--------|------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|--------------------|--------------------|------------------|---------|--------------------|-------------------|
| | | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| | | TEXTILE PRODUCTS—Continued | | | | | | | | | | | | | | | |
| COTTON AND MANUFACTURES—Cont. | | | | | | | | | | | | | | | | | |
| Cotton (excluding linters)—Continued | | | | | | | | | | | | | | | | | |
| Exports..... | thous. running bales | 5,666 | 5,683 | 429 | 499 | 595 | 529 | 512 | 422 | 400 | 395 | 295 | 346 | 580 | 681 | | |
| Imports..... | thous. net-weight bales | 7 | 2 | 1 | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | (¹) | 1 | | |
| Price(farm), American upland | cents per lb. | ^a 51.5 | ^a 64.6 | 52.1 | 46.4 | 47.5 | 50.4 | 60.0 | 66.2 | 68.3 | 63.7 | 64.9 | 64.4 | 65.0 | 64.2 | ^a 60.6 | ^a 57.1 |
| Price, Strict Low Middling, Grade 41, staple 34 (1 1/8") | cents per lb. | ^a 60.0 | ^a 53.2 | 57.2 | 54.8 | 54.6 | 57.7 | 65.9 | 70.4 | 73.1 | 75.9 | 71.4 | 64.3 | 64.7 | 62.3 | 59.7 | |
| Spindle activity (cotton system spindles): | | | | | | | | | | | | | | | | | |
| Active spindles, last working day, total.....mil. | | | | | | | | | | | | | | | | | |
| Consuming 100 percent cotton..... | mil. | 11.8 | 11.6 | 11.9 | 11.9 | 11.9 | 11.8 | 11.9 | 11.7 | 11.7 | 11.8 | 11.8 | 11.8 | 11.6 | 11.6 | | |
| Spindle hours operated, all fibers, total.....bil. | | | | | | | | | | | | | | | | | |
| Average per working day..... | bil. | 81.5 | | 6.4 | 6.8 | 4.8 | 6.6 | 6.5 | 4.8 | 5.8 | 6.4 | 4.7 | 6.7 | 6.6 | 6.8 | | |
| Consuming 100 percent cotton..... | bil. | 309 | 274 | 321 | 342 | 343 | 331 | 323 | 310 | 292 | 322 | 318 | 335 | 328 | 274 | | |
| Cotton cloth: | | | | | | | | | | | | | | | | | |
| Cotton broadwoven goods over 12" in width: | | | | | | | | | | | | | | | | | |
| Production (qtrly.)..... | mil. sq. yd. | ^a 4,364 | 4,777 | | | 1,163 | | | 1,221 | | | 1,199 | | | 1,195 | | |
| Orders, unfilled, end of period, compared with average weekly production | no. weeks' prod. | | | | | | | | | | | | | | | | |
| Inventories, end of period, compared with avg. weekly production..... | no. weeks' prod. | | | | | | | | | | | | | | | | |
| Ratio of stocks to unfilled orders (at cotton mills), end of period..... | | | | | | | | | | | | | | | | | |
| Exports, raw cotton equivalent | thous. net-weight bales | 293.6 | | 20.2 | 27.5 | 25.4 | 21.7 | 20.3 | 22.1 | 19.0 | 23.0 | 19.9 | 20.6 | 20.5 | | | |
| Imports, raw cotton equivalent..... | do. | 1,322.2 | | 119.9 | 142.1 | 136.4 | 119.6 | 119.3 | 140.4 | 143.3 | 140.4 | 130.1 | 146.6 | 143.8 | | | |
| Producer Price Index, gray cotton broadwovens..... | 1982=100 | 101.1 | 105.2 | 101.8 | 101.8 | 101.9 | 102.5 | 103.0 | 103.3 | 106.0 | 103.9 | 107.1 | ^a 109.5 | 110.3 | 111.7 | ^a 111.4 | 112.9 |
| MANMADE FIBERS AND MANUFACTURES | | | | | | | | | | | | | | | | | |
| Fiber production, qtrly: | | | | | | | | | | | | | | | | | |
| Acetate filament yarn..... | mil. lb. | 214.8 | 191.1 | | | 46.2 | | | 46.7 | | | 45.2 | | | 53.0 | | |
| Rayon staple, including tow..... | do. | 403.7 | 413.8 | | | 101.3 | | | 100.5 | | | ^a 103.6 | | | 108.4 | | |
| Noncellulosic, except textile glass: | | | | | | | | | | | | | | | | | |
| Yarn and monofilaments..... | do. | 3,836.7 | 4,009.7 | | | 957.6 | | | 1,014.7 | | | 1,014.2 | | | 1,023.2 | | |
| Staple, incl. tow..... | do. | 3,991.8 | 4,306.2 | | | 1,069.6 | | | 1,108.6 | | | 1,058.6 | | | 1,069.5 | | |
| Textile glass fiber.....do. | | | | | | | | | | | | | | | | | |
| Fiber stocks, producers', end of period: | | | | | | | | | | | | | | | | | |
| Acetate filament yarn..... | mil. lb. | 14.8 | 14.2 | | | 16.8 | | | 14.0 | | | 12.9 | | | 14.2 | | |
| Rayon staple, including tow..... | do. | 22.4 | 20.7 | | | 23.8 | | | 25.1 | | | 18.2 | | | 20.7 | | |
| Noncellulosic fiber, except textile glass: | | | | | | | | | | | | | | | | | |
| Yarn and monofilaments..... | do. | 306.6 | 398.4 | | | 295.4 | | | 290.3 | | | 279.1 | | | 398.4 | | |
| Staple, incl. tow..... | do. | 326.4 | 319.6 | | | 319.8 | | | 333.2 | | | 329.8 | | | 319.6 | | |
| Textile glass fiber.....do. | | | | | | | | | | | | | | | | | |
| Manmade fiber and silk broadwoven fabrics: | | | | | | | | | | | | | | | | | |
| Production (qtrly.), total #..... | mil. sq. yd. | | | | | | | | | | | | | | | | |
| Filament yarn (100%) fabrics #..... | do. | | | | | | | | | | | | | | | | |
| Chiefly rayon and/or acetate fabrics..... | do. | | | | | | | | | | | | | | | | |
| Chiefly nylon fabrics..... | do. | | | | | | | | | | | | | | | | |
| Spun yarn (100%) fabrics #..... | do. | | | | | | | | | | | | | | | | |
| Rayon and/or acetate fabrics, blends..... | do. | | | | | | | | | | | | | | | | |
| Polyester blends with cotton..... | do. | | | | | | | | | | | | | | | | |
| Acetate filament and spun yarn fabrics..... | do. | | | | | | | | | | | | | | | | |
| Producer Price Index, gray synthetic broadwovens..... | 1982=100 | 101.9 | 105.5 | 101.9 | 101.9 | 102.2 | 103.4 | 103.9 | 105.3 | 106.4 | 106.9 | 107.9 | ^a 108.6 | 109.0 | 109.1 | ^a 110.0 | 111.1 |
| Manmade fiber textile trade: | | | | | | | | | | | | | | | | | |
| Exports, manmade fiber equivalent..... | mil. lbs. | 519.31 | | 38.01 | 45.03 | 51.46 | 54.20 | 52.70 | 52.23 | 42.61 | 48.25 | 52.37 | 51.24 | 52.66 | | | |
| Yarn, tops, thread, cloth..... | do. | 228.77 | | 16.67 | 19.61 | 22.00 | 24.22 | 24.09 | 23.45 | 17.22 | 21.01 | 23.60 | 22.60 | 22.62 | | | |
| Cloth, woven..... | do. | 134.58 | | 8.12 | 12.17 | 13.58 | 15.24 | 12.76 | 14.73 | 9.31 | 13.52 | 13.79 | 12.80 | 13.36 | | | |
| Manufactured prods., apparel, furnishings..... | do. | 290.53 | | 21.34 | 25.42 | 29.46 | 29.98 | 28.61 | 28.78 | 25.40 | 27.24 | 28.77 | 28.64 | 30.04 | | | |
| Imports, manmade fiber equivalent..... | do. | 1,702.95 | | 136.77 | 149.87 | 137.73 | 148.14 | 161.99 | 178.33 | 190.72 | 174.07 | 145.57 | 147.60 | 114.00 | | | |
| Yarn, tops, thread, cloth..... | do. | 306.15 | | 20.86 | 21.86 | 21.88 | 24.43 | 26.92 | 27.10 | 26.95 | 25.24 | 20.32 | 23.03 | 20.16 | | | |
| Cloth, woven..... | do. | 207.18 | | 13.98 | 14.08 | 14.53 | 15.75 | 17.68 | 16.81 | 17.54 | 17.48 | 12.26 | 14.48 | 13.31 | | | |
| Manufactured products, apparel, furnishings..... | do. | 1,396.81 | | 115.91 | 128.01 | 115.84 | 123.71 | 135.07 | 151.23 | 163.77 | 148.84 | 125.25 | 124.53 | 93.84 | | | |
| Apparel, total..... | do. | 929.36 | | 81.67 | 86.55 | 75.47 | 80.85 | 91.75 | 104.58 | 116.64 | 103.88 | 85.41 | 82.65 | 59.53 | | | |
| Knit apparel..... | do. | 431.18 | | 30.04 | 34.18 | 31.18 | 37.82 | 47.37 | 53.96 | 62.10 | 54.51 | 45.89 | 40.60 | 24.70 | | | |
| WOOL AND MANUFACTURES | | | | | | | | | | | | | | | | | |
| Wool consumption, mill (clean basis): | | | | | | | | | | | | | | | | | |
| Apparel class..... | mil. lb. | 126.8 | 137.2 | 12.4 | 11.5 | 14.1 | 11.3 | 11.3 | 13.6 | 9.7 | 10.0 | 12.4 | 10.7 | 10.3 | 11.8 | | |
| Carpet class..... | do. | 10.0 | 13.1 | .7 | .8 | 1.3 | 1.2 | 1.2 | 1.9 | 1.2 | 1.4 | 1.2 | 1.4 | 1.1 | 1.1 | | |
| Wool imports, clean yield..... | do. | 97.0 | | 8.6 | 8.2 | 9.5 | 8.7 | 13.4 | 8.9 | 8.6 | 8.4 | 6.7 | 7.0 | 9.0 | | | |
| Duty-free..... | do. | 30.9 | | 1.5 | 1.6 | 2.7 | 2.2 | 3.8 | 3.1 | 3.7 | 3.2 | 2.8 | 2.0 | 2.7 | 1.7 | | |
| Wool prices, raw, shorn, clean basis, delivered to U.S. mills: | | | | | | | | | | | | | | | | | |
| Domestic—Graded territory, 64's, staple 2 3/4" and up..... | dollars per lb. | 1.91 | 2.65 | 1.93 | 2.02 | 2.16 | 2.60 | 2.70 | 2.70 | 3.00 | 3.00 | 2.95 | 3.00 | 3.00 | 3.00 | 3.15 | 3.97 |
| Australian, 64's, Type 62, duty-paid..... | do. | 2.36 | 3.24 | 2.52 | 2.59 | 2.88 | 3.25 | 3.27 | 3.35 | 3.32 | 3.73 | 3.41 | 3.48 | 3.47 | 3.56 | 3.91 | 4.68 |
| Wool broadwoven goods, exc. felts: | | | | | | | | | | | | | | | | | |
| Production (qtrly.)..... | mil. sq. yd. | 134.1 | | | | 48.0 | | | 48.1 | | | 37.5 | | | 42.2 | | |
| FLOOR COVERINGS | | | | | | | | | | | | | | | | | |
| Carpet, rugs, carpeting (woven, tufted, other), shipments, quarterly..... | mil. sq. yds. | 1,254.2 | | | | ^a 310.8 | | | ^a 310.8 | | | ^a 395.6 | | | | | |
| APPAREL | | | | | | | | | | | | | | | | | |
| Women's, misses', juniors' apparel cuttings: † | | | | | | | | | | | | | | | | | |
| Coats..... | thous. units | 8,959 | | | | 6,738 | | | 6,638 | | | 6,315 | | | | | |
| Dresses..... | do. | 131,924 | | | | 52,837 | | | 47,423 | | | 41,532 | | | | | |
| Suits (incl. pant suits, jumpsuits)..... | do. | | | | | 2,513 | | | 1,619 | | | 1,451 | | | | | |
| Skirts..... | do. | 89,769 | | | | 30,221 | | | 25,397 | | | 29,424 | | | | | |
| Slacks, jeans, dungarees, and jean-cut casual slacks..... | do. | 219,716 | | | | 71,100 | | | 80,088 | | | 77,592 | | | | | |
| Blouses..... | thous. dozen | 29,575 | | | | 11,117 | | | 9,864 | | | 9,506 | | | | | |

See footnotes at end of tables.

| Units | Annual | | 1987 | | | | | | | | | | | | 1988 | |
|--|-----------|----------|--------|--------|----------|----------|----------|---------|---------|--------|---------|--------|---------|----------|----------|------------------|
| | 1986 | 1987 | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
| TEXTILE PRODUCTS—Continued | | | | | | | | | | | | | | | | |
| APPAREL—Continued | | | | | | | | | | | | | | | | |
| Men's apparel cuttings: † | | | | | | | | | | | | | | | | |
| Suits.....thous. units.. | 10,552 | | | | 3,401 | | | | 2,874 | | | | 3,140 | | | |
| Coats (separate), dress and sport ..do.. | 19,794 | | | | 5,549 | | | 4,154 | | | | | 4,607 | | | |
| Trousers (separate), dress ..do.. | 112,612 | | | | 7123,992 | | | 120,967 | | | | | 131,916 | | | |
| Slacks (jean cut), casual.....do.. | 180,811 | | | | | | | | | | | | | | | |
| Shirts, dress and sport.....thous. doz. | 48,028 | | | | 21,618 | | | 23,861 | | | | | 21,934 | | | |
| Hosiery, shipments.....thous. doz. pairs.. | 313,244 | 308,982 | 24,438 | 24,723 | 28,120 | 27,702 | 25,297 | 24,363 | 27,509 | 24,060 | | | 25,018 | 28,333 | 26,545 | 22,875 |
| TRANSPORTATION EQUIPMENT | | | | | | | | | | | | | | | | |
| AEROSPACE VEHICLES | | | | | | | | | | | | | | | | |
| Orders, new (net), qtrly, total.....mil. \$. | \$110,836 | | | | | | | | | | | | | | | |
| U.S. Government.....do.. | \$68,001 | | | | | | | | | | | | | | | |
| Prime contract.....do.. | \$106,686 | | | | | | | | | | | | | | | |
| Sales (net), receipts, or billings, quarterly, total.....do.. | \$105,577 | | | | | | | | | | | | | | | |
| U.S. Government.....do.. | \$65,326 | | | | | | | | | | | | | | | |
| Backlog of orders, end of period #.....do.. | \$148,212 | | | | | | | | | | | | | | | |
| U.S. Government.....do.. | \$95,009 | | | | | | | | | | | | | | | |
| Aircraft (complete) and parts.....do.. | \$62,032 | | | | | | | | | | | | | | | |
| Engines (aircraft) and parts.....do.. | \$14,359 | | | | | | | | | | | | | | | |
| Missiles, space vehicle systems, engines, propulsion units, and parts.....mil. \$. | \$24,320 | | | | | | | | | | | | | | | |
| Other related operations (conversions, modifications), products, services.....mil. \$. | \$17,422 | | | | | | | | | | | | | | | |
| Aircraft (complete); | | | | | | | | | | | | | | | | |
| Shipments.....do.. | 12,518.0 | 12,372.6 | *575.5 | 830.7 | 1,415.0 | 1,133.3 | 895.2 | 1,042.4 | 1,131.2 | 688.4 | 1,088.0 | 881.9 | 885.8 | *1,810.2 | 732.7 | |
| Airframe weight.....thous. lb. | | | | | | | | | | | | | | | | |
| Exports, commercial.....mil. \$. | 7,207 | 7,380 | 309 | 643 | 884 | 688 | 439 | 346 | 937 | 390 | 730 | 335 | 781 | 903 | | |
| MOTOR VEHICLES (NEW) | | | | | | | | | | | | | | | | |
| Passenger cars: | | | | | | | | | | | | | | | | |
| Factory sales (from U.S. plants): | | | | | | | | | | | | | | | | |
| Total.....thous.. | 7,516 | 7,085 | *617 | 691 | 741 | 660 | 626 | 665 | 373 | 377 | 582 | 670 | 583 | 500 | 473 | (²) |
| Domestic.....do.. | 6,869 | 6,487 | *585 | 634 | 675 | 601 | 563 | 595 | 349 | 355 | 529 | 610 | 533 | 458 | 436 | |
| Retail sales, total, not seas. adj.....do.. | 11,450 | 10,278 | 626 | 781 | 936 | 938 | 887 | 943 | 913 | 968 | 905 | 802 | 737 | 843 | 765 | *888 |
| Domestics \$.....do.. | 8,215 | 7,081 | 428 | 558 | 683 | 694 | 622 | 657 | 611 | 654 | 613 | 524 | 486 | 551 | 531 | 649 |
| Imports \$.....do.. | 3,235 | 3,197 | 198 | 223 | 252 | 244 | 264 | 286 | 302 | 314 | 292 | 278 | 251 | 293 | 234 | *238 |
| Total, seas. adj. at annual rate.....mil. | | | 8.1 | 10.2 | 10.3 | 10.5 | 9.6 | 10.0 | 10.5 | 12.4 | 11.7 | 9.3 | 9.9 | 10.9 | 10.4 | *11.0 |
| Domestics \$.....do.. | | | 5.6 | 7.2 | 7.4 | 7.4 | 6.7 | 7.0 | 7.2 | 8.7 | 8.0 | 5.9 | 6.6 | 7.5 | 7.3 | 7.9 |
| Imports \$.....do.. | | | 2.5 | 3.0 | 2.9 | 3.0 | 3.0 | 3.1 | 3.3 | 3.7 | 3.8 | 3.3 | 3.3 | 3.4 | 3.1 | *3.1 |
| Retail inventories, domestics, end of period: \$ | | | | | | | | | | | | | | | | |
| Not seasonally adjusted.....thous.. | 1,499 | 1,680 | 1,726 | 1,861 | 1,936 | 1,904 | 1,903 | 1,900 | 1,657 | 1,438 | 1,396 | 1,559 | 1,692 | 1,680 | 1,677 | 1,608 |
| Seasonally adjusted.....do.. | 1,457 | 1,499 | 1,629 | 1,737 | 1,798 | 1,778 | 1,812 | 1,796 | 1,634 | 1,459 | 1,364 | 1,495 | 1,554 | 1,499 | *1,424 | 1,325 |
| Inventory-retail sales ratio, domestics \$.....do.. | 2.1 | 2.5 | 3.5 | 2.9 | 2.9 | 2.9 | 3.3 | 3.1 | 2.7 | 2.0 | 2.1 | 3.0 | 2.8 | 2.4 | 2.3 | 2.0 |
| Exports (BuCensus), total.....do.. | 669.46 | 627.65 | 32.43 | 60.12 | 57.33 | 59.61 | 64.52 | 77.14 | 25.31 | 31.58 | 49.22 | 51.14 | 69.70 | 48.55 | | |
| To Canada.....do.. | 639.67 | 561.88 | 28.28 | 55.57 | 52.36 | 53.91 | 58.36 | 72.45 | 20.14 | 29.11 | 44.07 | 58.71 | 41.72 | | | |
| Imports (ITC), complete units.....do.. | 4,691.3 | 4,589.0 | 322.9 | 379.3 | 346.1 | 367.7 | 419.8 | 435.2 | 393.1 | 342.7 | 297.8 | 423.6 | 427.8 | 437.5 | | |
| From Canada, total.....do.. | 1,162.2 | 926.9 | 75.9 | 97.7 | 90.3 | 76.3 | 76.4 | 89.0 | 51.8 | 84.8 | 57.4 | 81.5 | 108.1 | 92.7 | | |
| Registrations ◊, total new vehicles.....do.. | 11,140 | 10,122 | 800 | 671 | 829 | 895 | 830 | 963 | 899 | 903 | 955 | 819 | 718 | 840 | 774 | |
| Imports, including domestically sponsored.....do.. | 3,444 | 3,625 | 293 | 214 | 262 | 286 | 273 | 334 | 340 | 339 | 363 | 318 | 286 | 318 | 285 | |
| Trucks and buses: | | | | | | | | | | | | | | | | |
| Factory sales (from U.S. plants): | | | | | | | | | | | | | | | | |
| Total.....do.. | 3,393 | 3,821 | *299 | 314 | 351 | 385 | 335 | 334 | 261 | 305 | 325 | 364 | 303 | 294 | 317 | (²) |
| Domestic.....do.. | 3,130 | 3,509 | *277 | 290 | 323 | 305 | 304 | 304 | 243 | 287 | 299 | 333 | 276 | 268 | 295 | |
| Retail sales, domestics: | | | | | | | | | | | | | | | | |
| Total, not seasonally adjusted.....do.. | \$3,947.2 | 4,088.4 | 239.1 | 305.0 | 369.9 | 366.8 | 353.4 | 402.3 | 367.8 | 349.8 | 328.7 | 331.4 | 323.9 | 350.4 | 306.6 | 374.8 |
| 0-10,000 lbs. GVW.....do.. | 3,671.3 | 3,786.1 | 219.2 | 284.3 | 343.7 | 338.5 | 327.7 | 375.7 | 341.5 | 324.5 | 302.7 | 305.4 | 299.9 | 323.0 | 284.3 | 348.1 |
| 10,001 lbs. GVW and over.....do.. | 275.8 | 302.3 | 19.9 | 20.7 | 26.1 | 28.2 | 25.8 | 26.6 | 26.3 | 25.3 | 26.0 | 26.1 | 24.0 | 27.3 | 22.3 | 26.7 |
| Total, seasonally adjusted.....do.. | | | 269.9 | 332.3 | 329.4 | 338.3 | 329.1 | 357.1 | 352.2 | 406.9 | 338.7 | 344.7 | 346.3 | 342.6 | *362.6 | 384.6 |
| 0-10,000 lbs. GVW.....do.. | | | 247.2 | 307.3 | 304.5 | 313.4 | 303.9 | 332.7 | 327.7 | 380.5 | 313.5 | 319.9 | 317.6 | 316.8 | *336.3 | 353.8 |
| 10,001 lbs. GVW and over.....do.. | | | 22.8 | 25.0 | 24.9 | 24.9 | 25.2 | 24.4 | 24.5 | 26.4 | 25.3 | 24.8 | 28.7 | 25.8 | *26.3 | 30.9 |
| Retail inventories, excluding captive imports, end of period: † | | | | | | | | | | | | | | | | |
| Not seasonally adjusted.....do.. | *815.7 | 967.9 | *914.5 | *966.4 | *998.5 | *1,000.3 | *1,010.2 | *975.9 | *873.7 | *874.4 | *898.4 | *967.3 | *990.4 | *967.9 | *1,024.0 | *1,034.8 |
| Seasonally adjusted.....do.. | *854.5 | 1,015.4 | *899.3 | *922.3 | *950.4 | *951.1 | *962.0 | *942.4 | *952.7 | *926.1 | *945.1 | *987.4 | *991.8 | *1,015.4 | *1,007.0 | *986.3 |
| Exports (BuCensus).....do.. | 209.06 | 229.27 | 17.97 | 16.08 | 16.91 | 18.62 | 22.43 | 28.96 | 14.68 | 12.95 | 21.20 | 19.19 | 24.14 | 21.16 | | |
| Imports (BuCensus), including separate chassis and bodies.....thous.. | 1,572.35 | 1,378.19 | 98.25 | 124.92 | 151.15 | 142.22 | 126.09 | 123.32 | 114.70 | 91.66 | 98.15 | 94.25 | 112.94 | 105.54 | | |
| Registrations ◊, new vehicles, excluding buses not produced on truck chassis.....thous.. | 4,301 | 4,939 | 356 | 326 | 410 | 434 | 403 | 485 | 455 | 424 | 459 | 403 | 367 | 417 | 384 | |
| Truck trailers and chassis, complete (excludes detachables), shipments.....number.. | 169,269 | 190,717 | 12,514 | 14,204 | 16,279 | 16,474 | 16,161 | 17,290 | 17,246 | 16,877 | 16,879 | 16,335 | 15,047 | *15,411 | 13,981 | |
| Van type.....do.. | 122,045 | 130,585 | 9,111 | 9,997 | 11,241 | 11,350 | 11,088 | 11,864 | 10,322 | 11,381 | 11,372 | 11,520 | 10,532 | 10,807 | 9,290 | |
| Trailer bodies (detachable), sold separately.....do.. | 417 | 563 | 39 | 26 | 20 | 52 | 33 | 41 | 48 | 56 | 70 | 54 | 79 | 45 | 8 | |
| Trailer chassis (detachable), sold separately.....do.. | 15,046 | 7,560 | 527 | 803 | 585 | 977 | 624 | 606 | 615 | 549 | 744 | 351 | 398 | 781 | 613 | |
| RAILROAD EQUIPMENT | | | | | | | | | | | | | | | | |
| Freight cars (new), for domestic use; all railroads and private car lines (excludes rebuilt cars and cars for export): | | | | | | | | | | | | | | | | |
| Shipments.....number.. | 11,508 | *13,236 | | | *2,687 | | | 3,198 | | | 3,848 | | | 3,552 | | |
| Equipment manufacturers.....do.. | 11,508 | *13,236 | | | *2,687 | | | 3,198 | | | 3,848 | | | 3,552 | | |
| New orders.....do.. | 12,426 | *17,363 | | | *3,860 | | | 4,780 | | | 3,951 | | | 5,077 | | |
| Equipment manufacturers.....do.. | 12,426 | *17,363 | | | *3,860 | | | 4,780 | | | 3,951 | | | 5,077 | | |
| Unfilled orders, end of period.....do.. | 2,677 | 6,736 | | | *3,850 | | | 5,432 | | | 5,535 | | | 6,736 | | |
| Equipment manufacturers.....do.. | 2,677 | 6,736 | | | *3,850 | | | 5,432 | | | 5,535 | | | 6,736 | | |
| Freight cars (revenue), class I railroads(AAR): † | | | | | | | | | | | | | | | | |
| Number owned, end of period.....thous.. | 799 | 749 | 795 | 792 | 781 | 779 | 774 | 771 | 764 | 763 | 759 | 755 | 748 | 749 | 744 | |
| Capacity (carrying), total, end of month.....mil. tons.. | 67.20 | 63.63 | 66.96 | 66.69 | 65.89 | 65.76 | 65.42 | 65.19 | 64.72 | 64.65 | 64.33 | 64.02 | 63.49 | 63.63 | 63.37 | |
| Average per car.....tons.. | 84.14 | 85.01 | 84.18 | 84.25 | 84.35 | 84.45 | 84.51 | 84.57 | 84.68 | 84.73 | 84.80 | 84.83 | 84.89 | 85.01 | 85.13 | |

See footnotes at end of tables.

FOOTNOTES FOR PAGES S-1 THROUGH S-32

General Notes for all Pages:

r Revised.
p Preliminary.
e Estimated.
c Corrected.

Address requests for data to:

Statistical Series Branch
Current Business Analysis Division
Bureau of Economic Analysis
U.S. Department of Commerce
Washington, D.C. 20230

Page S-1

‡ Includes inventory valuation and capital consumption adjustments.
§ Monthly estimates equal the centered three-month average of personal saving as a percentage of the centered three-month moving average of disposable personal income.
◇ See note "◇" for p. S-2.

Page S-2

1. Based on data not seasonally adjusted.
◇ Effective Oct. 1987 SURVEY, the industrial production index has been revised back to Jan. 1985. These revisions are available upon request.
Includes data not shown separately.

Page S-3

Includes data for items not shown separately.

Page S-4

1. Based on data not seasonally adjusted.
Includes data for items not shown separately.
‡ Includes textile mill products, leather and products, paper and allied products, and printing and publishing industries; unfilled orders for other nondurable goods industries are zero.
◇ For these industries (food and kindred products, tobacco, apparel and other textile products, petroleum and coal, chemicals and allied products, and rubber and plastics products) sales are considered equal to new orders.

Page S-5

1. Based on unadjusted data.
@ Compiled by Dun & Bradstreet, Inc.
Includes data for items not shown separately.
§ Ratio of prices received to prices paid (parity index).
‡ See note "‡" for p. S-4.
† Effective with the Feb. 1988 SURVEY, data (back to 1984, for some commodities) have been revised. These revisions are available upon request.
◇ See note "†" for p. S-6.

Page S-6

§ Effective with the release of the January 1988 index, all producer price indexes previously expressed on a base of 1967=100, or any other base through December 1981, have been rebased to 1982=100. Only indexes with a base later than December 1981 remain unchanged. Selection of the 1982 period was made to coincide with the reference year of the shipment weights, which have been taken primarily from the 1982 Census of Manufactures. The last rebasing of these indexes occurred in February 1971, when the 1967 base was substituted for the 1957-59 base. Historical data on the new base are available upon request. For producer price indexes of individual commodities, see respective commodities in the Industry section beginning p. S-19. All indexes subject to revision four months after original publication.
Includes data for items not shown separately.
† Effective with the release of the January 1988 index, all consumer price indexes previously expressed on a base of 1967=100, or any other base through December 1981, have been rebased to 1982-84=100. Only indexes with a base later than December 1981 remain unchanged. Selection of the 1982-84 period was made to coincide with the updated expenditure weights, which are based upon data tabulated from the Consumer Expenditure Surveys for 1982, 1983, and 1984. The last rebasing of these indexes occurred in February 1971, when the 1967 base was substituted for the 1957-59 base. Historical data on the new base are available upon request. Beginning with January 1987, data are calculated using 1982-84 expenditure patterns and updated population weights. Additional information regarding these changes is available from the Bureau of Labor Statistics, Washington, DC 20212.

Page S-7

1. Computed from cumulative valuation total.
2. Index as of Mar. 1, 1988: building, 383.5; construction, 416.2.
Includes data for items not shown separately.
§ Data for Jan., April, July, Oct., and Dec. 1987 are for five weeks; other months four weeks.
◇ Effective Feb. 1988 SURVEY, data for seasonally adjusted housing starts have been revised back to 1985. These revisions are available upon request.

Page S-8

1. Advance estimate.
◇ Home mortgage rates (conventional first mortgages) are under money and interest rates on p. S-14.
§ Data include guaranteed direct loans sold.
Includes data for items not shown separately.
@ Effective Oct. 1987 SURVEY, data are for mortgage loans closed as FSLIC-insured institutions. Historical data back to 1976 are available upon request.

Page S-9

1. Advance estimate.
2. Data beginning Jan. 1986 are not strictly comparable with earlier data because of a change in estimation procedures.
Includes data for items not shown separately.
◇ Effective with the January 1988 SURVEY, the seasonally adjusted labor force series have been revised back to January 1983. The January 1988 issue of *Employment and Earnings* contains the new seasonal adjustment factors, a description of the current methodology, and revised data for the most recent 13 months or calendar quarters. Revised monthly data for the entire 1983-87 revision period are in the February 1988 issue of *Employment and Earnings*.
† The participation rate is the percent of the civilian noninstitutional population in the civilian labor force. The employment-population ratio is civilian employment as a percent of the civilian noninstitutional population, 16 years and over.
@ Data include resident armed forces.

Page S-10

◇ See note "◇" for p. S-9.
§ Effective June 1987 SURVEY, data have been revised back to April 1985 (not seasonally adjusted) and January 1982 (seasonally adjusted) to reflect new benchmarks and seasonal adjustment factors. The June 1987 issue of *Employment and Earnings* will contain a detailed discussion of the effects of the revisions.

Page S-11

‡ This series is not seasonally adjusted because the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.
◇ Production and nonsupervisory workers.
§ See note "§" for p. S-10.

Page S-12

1. This series is not seasonally adjusted because the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision. Use the corresponding unadjusted series.
§ See note "§" for p. S-10.
◇ Production and nonsupervisory workers.
‡ Earnings in 1977 dollars reflect changes in purchasing power since 1977 by dividing by Consumer Price Index. Effective Feb. 1988 SURVEY, this series has been revised back to 1983 to reflect new seasonal factors for the CPI-W. Revised data are available upon request.
§§ Wages as of Mar. 1, 1988: Common, \$17.11; Skilled, \$22.54.
@ New series. The Employment Cost Index (ECI) is a quarterly measure of the average change in the cost of employing labor. See p. S-36 of the August through October 1984 issues of the SURVEY for a brief description of the ECI.
† Excludes farm, household, and Federal workers.
‡‡ See note "‡" for p. S-11.

Page S-13

1. Average for Dec.
2. Reported annual; monthly revisions are not available.
3. Effective December 31, 1987, eight brokers and dealers in commercial paper were added to the reporting panel resulting in a series break. End of month figures on the old basis are as follows: All issuers, 352,915; financial companies, 275,907; dealer placed, 103,667; directly placed, 172,240; and nonfinancial companies, 77,008.
- ‡ Effective January 1984, series revised due to changes in the reporting panel and in the item contents. The new panel includes 168 banks that had domestic office assets exceeding \$1.4 billion as of December 31, 1982. Beginning Jan. 1985, data are as of the last Wednesday of the month. Earlier data are as of the Wednesday nearest the end of the month or year (meaning some data are as of the first Wednesday of the next month).
- # Includes data for items not shown separately.
- ‡‡ Reflects offsetting changes in classification of deposits of thrift institutions. Deposits of thrifts were formerly grouped with deposits of individuals, partnerships, and corporations, instead of with deposits of commercial banks in the United States.
- * "Transaction balances other than demand deposits" consists of ATS, NOW, super NOW, and telephone transfer accounts, which formerly were classified with savings deposits. "Nontransaction balances" reflects the combination of deposits formerly reported separately as time deposits and the savings deposits remaining after deduction of the items now reported separately under "transaction balances."
- § Excludes loans and federal funds transactions with domestic commercial banks and includes valuation reserves (individual loan items are shown gross; i.e., before deduction of valuation reserves).
- ◇ Securities of Federal agencies and corporations have been shifted out of "other securities" and are now combined with U.S. Treasury securities. Also, loan obligations of States and political subdivisions have been shifted out of "other securities" and are now shown separately among the loan items.
- @ Insured unemployment (all programs) data include claims filed under extended duration provisions of regular State laws; amounts paid under these programs are excluded from state benefits paid data.
- @@ Insured unemployment as a percent of average covered employment in a 12-month period.
- ** Effective Aug. 1987 SURVEY, data are provided by the Farm Credit Corporation of America on a quarterly basis. Quarterly data are available back to first quarter 1985, with annual data available back to 1961.

Page S-14

1. Data are for fiscal years ending Sept. 30 and include revisions not distributed to the months.
2. Weighted by number of loans.
3. Effective Feb. 1988 SURVEY, the outlays for the Federal Deposit Insurance Corporation (FSLIC) have been adjusted by \$491 million for 1987 and \$1,054 million for 1988 to reflect FSLIC notes issued in lieu of cash and not reported previously as outlays. Effective Sept. 1987 SURVEY, the outlays for the FSLIC have been adjusted by \$442 million for 1986 and \$158 million for 1987 to reflect Federal Deposit Insurance Corporation debentures issued in lieu of cash and not reported previously as outlays.
4. Beginning Feb. 1988, data temporarily suspended by the Farm Credit Administration, which is revising the information it collects and amending the reports it distributes.
- # Includes data for items not shown separately.
- ◇ Adjusted to exclude domestic commercial interbank loans and federal funds sold to domestic commercial banks.
- ‡ Rates on the commercial paper placed for firms whose bond rating is Aa or the equivalent.
- ‡‡ Courtesy of *Metals Week*.
- @@ Average effective rate
- @ Revised for periods between October 1986 and February 1987. During this interval, outstanding gold certificates were inadvertently in excess of the gold stock.

Page S-15

- † Effective Feb. 1988 SURVEY, the money stock measures and components have been revised and are available from the Banking Section of the Division of Research and Statistics at the Federal Reserve Board, Washington, D.C. 20551.
- ‡ Composition of the money stock measures is as follows:
 - M1.—This measure is currency plus demand deposits at commercial banks and interest-earning checkable deposits at all depository institutions—namely NOW accounts, automatic transfer from savings (ATS) accounts, and credit union share draft balances—as well as a small amount of demand deposits at thrift institutions that cannot, using present data sources, be separated from interest-earning checkable deposits.
 - M2.—This measure adds to M1 overnight repurchase agreements (RP's) issued by commercial banks and certain overnight Eurodollars (those issued by Caribbean branches of member banks) held by U.S. nonbank residents, money market mutual fund shares, and savings and small-denomination time deposits (those issued in denominations of less than \$100,000) at all depository institutions. Depository institutions are commercial banks (including U.S. agencies and branches of foreign banks, Edge Act corporations, and foreign investment companies), mutual savings banks, savings and loan associations, and credit unions.
 - M3.—This measure equals M2 plus large-denomination time deposits (those issued in denominations of \$100,000 or more) at all depository institutions (including negotiable CD's) plus term RP's issued by commercial banks and savings and loan associations.
 - L.—This broad measure of liquid assets equals M3 plus other liquid assets consisting of other Eurodollar holdings of U.S. nonbank residents, bankers acceptances, commercial paper, savings bonds, and marketable liquid Treasury obligations.
- ‡‡ Includes ATS and NOW balances at all depository institutions, credit union share draft balances, and demand deposits at thrift institutions.
- ◇ Overnight (and continuing contract) RP's are those issued by commercial banks to the nonbank public, and overnight Eurodollars are those issued by Caribbean branches of member banks to U.S. nonbank customers.
- @ Small time deposits are those issued in amounts of less than \$100,000. Large time deposits are those issued in amounts of \$100,000 or more and are net of the holdings of domestic banks, thrift institutions, the U.S. Government, money market mutual funds, and foreign banks and official institutions.
- # Includes data for items not shown separately.

Page S-16

- § Number of issues represents number currently used; the change in number does not affect the continuity of the series.
- ‡ For bonds due or callable in 10 years or more.
- # Includes data for items not shown separately.
- @ Data may not equal the sum of the geographic regions, or commodity groups and principal commodities, because of revisions to the totals not reflected in the component items.

Page S-17

- # Includes data not shown separately.
- § Data may not equal the sum of geographic regions, or commodity groups and principal commodities, because of revisions to the totals not reflected in the components.

Page S-18

1. Annual total; quarterly or monthly revisions are not available.
2. Restaurant sales index data represent hotels and motor hotels only.
3. For month shown.
- # Includes data for items not shown separately.
- § Total revenues, expenses, and income for all groups of carriers also reflect nonscheduled service.
- * Data have been revised back to 1981. They now include commuter railroads and small transit systems. Revised data are available upon request.
- ‡ The threshold for Class I railroad status is adjusted annually by the Interstate Commerce Commission to compensate for inflation.
- ◇ Average daily rent per room occupied, not scheduled rates.
- ## Data represent entries to a national park for recreational use of the park, its services, conveniences, and/or facilities.
- † Before extraordinary and prior period items.
- @ Changes in these unit value indexes may reflect changes in quality or product mix as well as price changes.

Page S-19

1. Reported annual total; monthly revisions are not available.
2. For month shown.
3. Less than 500 short tons.
- # Includes data for items not shown separately.
- § Data are reported on the basis of 100 percent content of the specified material unless otherwise indicated.
- @ Because of deregulation, carriers are free to enter both domestic and international markets. Previously, carriers were limited either to domestic or overseas markets. Separate data for domestic or overseas are no longer available.
- ‡ Data for 1985-86 (and 1984, for inorganic chemical production items) have been revised and are available upon request.
- ◇ Beginning January, 1986, data are not directly comparable to earlier periods because the data represent only companies that have annual revenues over \$100 million.

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1. Reported annual total; monthly or quarterly revisions are not available.
2. Data are no longer available.
- § Data are not wholly comparable from year to year because of changes from one classification to another.
- ◇ Data for 1985-86 have been revised and are available upon request.
- @ Includes less than 500 electric generation customers not shown separately.

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1. Previous year's crop. New crop is not reported until Sept. (crop year: Sept. 1-Aug. 31).
2. Crop estimate for the year.
3. Stocks as of June 1.
4. Stocks as of June 1 and represents previous year's crop; new crop not reported until June (beginning of new crop year).
5. Less than 50,000 bushels.
6. Stock estimates for barley and oats are available once a year as June 1 stocks and shown here in the May column and (as previous year's crop) in the annual column.
7. Stocks as of Dec. 1.
8. See note "\$" for p. S-6 regarding a change to a new reference base in 1988.
9. Prices are no longer available.
- § Excludes pearl barley.
- # Bags of 100 lbs.
- @ Quarterly data represent the 3-month periods Dec.-Feb., Mar.-May, June-Aug., and Sept.-Nov. Annual data represent Dec.-Nov.
- † Coverage for 21 selected States, representing approximately 85 percent of U.S. production.

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1. Figure covers 20 selected States, representing approximately 84 percent of U.S. production.
2. See note "\$" for p. S-6 regarding a change to a new reference base in 1988.
- § Cases of 30 dozen.
- ◇ Bags of 60 kilograms.

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1. Crop estimate for the year.
 2. Reported annual total; revisions not distributed to the months.
 3. Data suppressed because they did not meet publication standards of the Bureau of the Census.
 4. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- # Totals include data for items not shown separately.

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1. Annual data; monthly revisions not available.
 2. Less than 500 tons.
 3. Beginning January 1985, data have been revised because of a new estimation procedure and may not be comparable to earlier periods.
 4. See notes 1 and 3 for this page.
 5. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- * New series from the American Metal Market. The composite scrap price represents the average of consumers' buying prices, delivered, at the following markets: Chicago, Pittsburgh, and Philadelphia. Annual and monthly composite price data are available back to January 1982.

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1. Annual data; monthly revisions are not available.
2. For month shown.
3. Includes foreign ores.
- † Beginning January 1982, data represent metallic (mostly aluminum) content. Data for 1981 and prior years represent aluminum content only.
- ◇ The source for these series is now the Bureau of Mines.
- § Source: *Metals Week*.

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1. Annual data; monthly revisions are not available.
2. Less than 50 tons.
3. Beginning 1st quarter 1984, data have been revised because of a new sample and may not be comparable to earlier periods.
4. Total for 8 months; no data for March, April, September, and October.
5. Total for 10 months; no data for November and December.
6. Beginning July 1986, data are not comparable with earlier periods.
7. Total for 5 months; data for May, June, Sept., Nov., and Dec.
8. Total for 10 months; no data for Jan. and Feb.
- ◇ Includes secondary smelters' lead stocks in refinery shapes and in copper-base scrap.
- @ All data (except annual production figures) reflect GSA remelted zinc and zinc purchased for direct shipment.
- ‡ Source for monthly data: American Bureau of Metal Statistics. Source for annual data: Bureau of Mines.
- # Includes data not shown separately.
- § Beginning with the Aug. 1985 SURVEY, unadjusted fluid power shipments indexes are shown. Seasonally adjusted indexes are no longer available.
- † For an explanation of material handling equipment shipments and historical data, see p. S-35 of the Dec. 1985 SURVEY.
- @@ Beginning Oct. 1986, the Lead price represents North American Mean.

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1. Data are for five weeks; other months 4 weeks.
2. Beginning January 1986, data have been restated because a new methodology has been adopted.
3. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- # Includes data for items not shown separately.
- § Includes nonmarketable catalyst coke.
- ◇ Includes small amounts of "other hydrocarbons and alcohol new supply (field production)," not shown separately.
- † Effective with the Oct. 1987 SURVEY, coal production data for 1986 have been revised. These revisions are available upon request.
- @ Includes U.S. produced and imported microwave ovens and combination microwave oven/ranges.
- ‡ "Tractor shovel loaders" includes some front engine mount wheel tractors that had previously been included in "Tractors, wheel, farm, and nonfarm."

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1. Reported annual totals; revisions not allocated to the months.
 2. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- # Includes data for items not shown separately.

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1. See note 1 for p. S-28.
2. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- ◇ Source: American Paper Institute. Total U.S. estimated consumption by all newspaper users.
- # Compiled by the American Newspaper Publishers Association.

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1. Reported annual total; revisions not allocated to the months.
2. Crop for the year.
3. Data cover five weeks; other months, four weeks.
4. Total for 9 months. Effective with the release of data for Oct. 1987, data are being withheld to avoid disclosing data from individual companies.
- # Includes data for items not shown separately.
- ◇ Cumulative ginnings to the end of month indicated.
- § Bales of 480 lbs.

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1. Less than 500 bales.
2. Annual total includes revisions not distributed to the months.
3. Average for crop year; Aug. 1-Jul. 31.
4. For five weeks; other months four weeks.
5. Estimated figure.
6. See note "§" for p. S-6 regarding a change to a new reference base in 1988.
- ◇ Based on 480-lb. bales, preliminary price reflects sales as of the 15th; revised price reflects total quantity purchased and dollars paid for the entire month (revised price includes discounts and premiums).
- # Includes data not shown separately.
- § Bales of 480 lbs.
- † Beginning 1st qtr. 1987, data are not comparable with earlier periods because they represent production of women's and girls' apparel and changes in representation of some items.

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1. Annual total includes revisions not distributed to the months.
2. Production of new vehicles (thous. of units) for Feb. 1988: *passenger cars*, 564; *trucks and buses*, 348.
3. Data are reported on an annual basis only.
4. Effective with the Feb. 1988 SURVEY, data have been revised back to 1985 and are available upon request.
5. Beginning with January 1987, data include Honda, Nissan, and Toyota passenger cars produced in U.S. plants.
6. Beginning with January 1987, data include Nissan trucks produced in U.S. plants.
7. Beginning with 1st qtr. 1987, jeans, jean-cut casual and dungarees are included with trousers.
8. Effective with 1987, frequency of reporting has been changed from a monthly to a quarterly basis.
9. See note "†" for this page.
- # Total includes backlog for nonrelated products and services and basic research.
- § Domestic comprise all cars assembled in the U.S. and cars assembled in Canada and imported to the U.S. under the provisions of the Automotive Products Trade Act of 1965. Imports comprise all other cars.
- ◇ Courtesy of R.L. Polk & Co.; republication prohibited. Because data for some states are not available, month-to-month comparisons are not strictly valid.
- ‡ Excludes railroad-owned private refrigerator cars and private line cars.
- @ Beginning 1st qtr. 1987, data are not comparable with earlier periods because they represent production of men's and boys' apparel and changes in representation of some items.
- † Effective with the Mar. 1988 SURVEY, retail inventories for trucks and buses have been restated to exclude captive imports (vehicles manufactured overseas by U.S. affiliates). These data are available back through 1966.

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| Composite Indexes of Leading, Coincident, and Lagging Indicators, March 1988. | Apr. 29 | Personal Income and Outlays, September 1988..... | Oct. 27 |
| Personal Income for Counties and Metropolitan Areas, 1986.... | May 4 | Composite Indexes of Leading, Coincident, and Lagging Indicators, September 1988. | Nov. 1 |
| Merchandise Trade (balance of payments basis), 1st quarter 1988. | May 25 | Merchandise Trade (balance of payments basis), 3d quarter 1988. | Nov. 28 |
| Gross National Product, 1st quarter 1988 (1st revision)..... | May 26 | Gross National Product, 3d quarter 1988 (1st revision)..... | Nov. 29 |
| Corporate Profits, 1st quarter 1988 (preliminary) | May 26 | Corporate Profits, 3d quarter 1988 (preliminary) | Nov. 29 |
| Personal Income and Outlays, April 1988..... | May 27 | Personal Income and Outlays, October 1988..... | Nov. 30 |
| Composite Indexes of Leading, Coincident, and Lagging Indicators, April 1988. | June 1 | Composite Indexes of Leading, Coincident, and Lagging Indicators, October 1988. | Dec. 1 |
| Plant and Equipment Expenditures, 1st quarter 1988 and Revised Plans for 1988. | June 9 | Summary of International Transactions, 3d quarter 1988..... | Dec. 13 |
| Summary of International Transactions, 1st quarter 1988..... | June 14 | Gross National Product, 3d quarter 1988 (2d revision)..... | Dec. 20 |
| Gross National Product, 1st quarter 1988 (2d revision)..... | June 23 | Corporate Profits, 3d quarter 1988 (revised) | Dec. 20 |
| Corporate Profits, 1st quarter 1988 (revised) | June 23 | Personal Income and Outlays, November 1988..... | Dec. 21 |
| Personal Income and Outlays, May 1988..... | June 24 | Plant and Equipment Expenditures, 3d quarter 1988, Revised Plans for 1988, and Plans for 1988. | Dec. 21 † |
| Composite Indexes of Leading, Coincident, and Lagging Indicators, May 1988. | June 29 | Composite Indexes of Leading, Coincident, and Lagging Indicators, November 1988. | Dec. 30 |

For information, call (202) 523-0777, Bureau of Economic Analysis, U.S. Department of Commerce.

† A transfer of the Plant and Equipment Expenditures survey to the Census Bureau is planned. Under the plan, this release will be issued by the Census Bureau.

* These are target dates and are subject to revision.