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## Survey of Current Business



## In This Issue . . .

U.S. Transportation Satellite Accounts

The Domestic Orientation of Production and Sales by Foreign-Owned Manufacturers


## Survey of Current Business

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29 The Domestic Orientation of Production and Sales by U.S. Manufacturing Affiliates of Foreign Companies

Detailed industry data on the production of foreign-owned U.S. manufacturing affiliates and of domestically owned manufacturing firms show that in most industries, domestic content tends to account for the dominant share of output. However, the shares for U.S. affiliates tend to be lower than those for domestically owned firms across the detailed industries, and the difference at the aggregate level increases rather than decreases when industry mix is held constant. In most industries, U.S. affiliates and domestically owned manufacturers both tend to sell most of their output in the United States, but the domestic-market shares of sales for U.S. affiliates tend to be higher than those for domestically owned firms.

## 1 Business Situation

The "final" estimate of real GDP indicates a 3.7-percent increase in the fourth quarter of 1997, 0.2 percentage point lower than the "preliminary" estimate; downward revisions to consumer spending and net exports more than offset an upward revision to business fixed investment. Corporate profits decreased $\$ 9.2$ billion in the fourth quarter after increasing $\$ 32.2$ billion in the third; the downturn was accounted for by the profits of domestic nonfinancial corporations. The Federal Government current deficit increased \$1.3 billion, to \$12.1 billion, in the fourth quarter; the State and local government current surplus decreased $\$ 1.3$ billion, to $\$ 110.1$ billion.

## 10 State and Local Government Fiscal Position in 1997

The current surplus of State and local governments increased $\$ 2.5$ billion, to $\$ 107.8$ billion, in 1997. Receipts and current expenditures both increased at about the same pace as they had in 1996. For 1998, available information suggests some acceleration in both receipts and current expenditures and little change in the current surplus.

51 U.S. International Transactions, Fourth Quarter and Year 1997
In the fourth quarter of 1997, the U.S. current-account deficit increased to $\$ 45.6$ billion from $\$ 43.1$ billion in the third quarter; a decrease in the deficit on goods was more than offset by an increase in net unilateral transfers, a decrease in the surplus on services, and an increase in the deficit on investment income. In the capital account, outflows for U.S. assets abroad decelerated $\$ 14.0$ billion in the fourth quarter, while inflows for foreign assets in the United States decelerated only $\$ 1.4$ billion. For the year 1997, the U.S. current-account deficit increased to $\$ 166.4$ billion from $\$ 148.2$ billion in 1996; a shift to a deficit on investment income and an increase in the deficit on goods more than offset an increase in the surplus on services and a decrease in net unilateral transfers. In the capital account, outflows for U.S. assets abroad accelerated $\$ 74.5$ billion in 1997, while inflows for foreign assets in the United States accelerated $\$ 142.9$ billion.

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## RECRUITMENT

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## B U S I N E S S

Ralph W. Morris prepared the first section of this article, Daniel Larkins prepared the section on corporate profits, and Benyam Tsehaye prepared the section on the government sector.
$\boldsymbol{R}^{\text {eal gross domestic product (GDP) }}$ increased 3.7 percent in the fourth quarter of 1997, according to the "final" estimates of the national income and product accounts (NIPA's) (chart 1). ${ }^{1}$ The acceleration from the 3.1percent increase in the third quarter was more than accounted for by upturns in business inventory investment and in net exports. In contrast, consumer spending and government spending increased less than in the third quarter, and business fixed investment turned down (table 1).

[^0]Table 1.-Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers
[Seasonally adjusted at annual rates]

|  | Billions of chained (1992) dollars |  |  |  |  | Percent change from preceding quarter |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Level | Change from preceding quarter |  |  |  | 1997 |  |  |  |
|  | 1997 | 1997 |  |  |  | 1 | II | III | IV |
|  | IV | I | 1 | III | IV |  |  |  |  |
| Gross domestic product ........................... | $\begin{array}{r} 7,280.0 \\ 992.7 \\ 1,151.8 \end{array}$ | 84.2 | 58.0 | $\begin{aligned} & 54.4 \\ & 10.5 \end{aligned}$ | $\begin{aligned} & 66.0 \\ & 19.7 \\ & 14.7 \end{aligned}$ | 4.9 | $\begin{array}{r} 3.3 \\ 18.4 \\ 20.5 \end{array}$ | 3.1 | 3.7 |
| Less: Exports of goods and services $\qquad$ Plus: imports of goods and services $\qquad$ |  | 21.6 42.3 | 39.8 50.2 |  |  | 9.9 17.9 |  | 4.4 | 8.3 5.3 |
| Equals: Gross domestic purchases ............ | 7,426.1 | 102.5 | 66.0 | 77.7 | 61.5 | 5.9 | 3.7 | 4.3 | 3.4 |
| Personal consumption expenditures ..... | 4,926.1 | 61.7 | 11.3 | 66.8 | 29.9 | 5.3 | . 9 | 5.6 | 2.5 |
| Durable goods .................................... | 659.3 | 20.7 | -8.8 | 27.1 | 3.2 | 14.1 | -5.4 | 18.4 | 1.9 |
| Nondurable goods ................... | 1,460.9 | 16.6 | -7.8 | 15.5 | -4.6 | 4.7 | -2.1 | 4.3 | -1.2 |
| Services | 2,806.4 | 25.7 | 25.9 | 26.3 | 30.3 | 3.9 | 3.9 | 3.9 | 4.4 |
| Gross private domestic fixed investment ..... | 1,154.6 | 10.3 | 32.4 | 37.9 | 5.3 | 3.9 | 12.6 | 14.4 | 1.8 |
| Nonresidential fixed investment .............. | 872.7 | 8.1 | 28.1 | 37.5 | -1.8 | 4.1 | 14.6 | 19.2 | - 8 |
| Structures, | 195.5 | -1.0 | -2.4 | 3.2 | -1.2 | -2.1 | -4.7 | 6.7 | -2.3 |
| Producers' durable equipment ............ | 684.8 | 9.9 | 32.7 | 36.0 | -. 5 | 6.7 | 23.0 | 24.1 | -. 3 |
| Residential investment ......................... | 286.3 | 2.2 | 4.9 | 1.9 | 6.2 | 3.3 | 7.4 | 2.7 | 9.1 |
| Change in business inventories ................. | 74.0 | 30.8 | 13.9 | -30.1 | 26.5 |  |  |  |  |
| Nonfarm .......................................... | 64.5 | 31.8 | 11.8 | -31.8 | 26.2 |  | .... | . |  |
| Farm .................................................. | 9.8 | -1.1 | 2.2 | 2.0 | .3 |  | .... |  | ...... |
| Government consumption expenditures and gross investment $\qquad$ | 1,274.4 | -1.3 | 9.6 | 3.3 | 1.0 | -. 4 | 3.1 | 1.1 | . 3 |
| Federal ...................................................................... | 456.1 | -6.8 | 7.3 | -1.3 | -2.7 | -5.8 | 6.6 | -1.1 | -2.3 |
| National defense ............................... | 311.1 | -9.7 | 5.5 | . 9 | . 8 | -11.8 | 7.5 | 1.2 | 1.0 |
| Nondefense ................................... | 144.8 | 2.8 | 1.7 | -2.2 | -3.2 | 8.0 | 4.9 | -5.7 | -8.6 |
| State and local ................................... | 818.3 | 5.4 | 2.4 | 4.6 | 3.6 | 2.7 | 1.2 | 2.3 | 1.8 |
| Addenda: |  |  |  |  |  |  |  |  |  |
| Final sales to domestic purchasers ............. | 7,346.9 | 70.4 | 51.6 | 106.2 | 36.0 | 4.0 | 2.9 | 6.0 | 2.0 |
| Final sales of domestic product .................. | 7,201.1 | 52.4 | 43.6 | 82.6 | 44.2 | 3.0 | 2.5 | 4.7 | 2.3 |

NOTE--Chained (1992) dollar series are calculated as the product of the chain-type quantily index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more which measure the extent of nonadditivity in each table, are in NIPA tables 12, 14, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are shown in NIPA table 8.1.

The "final" estimate of the change in real GDP is 0.2 percentage point lower than the 3.9-percent increase indicated by the "preliminary" estimate reported in the March "Business Situation" (table 2). The revision is slightly less than the average revision- 0.3 percentage point, without regard to the sign-from the preliminary to the final estimate for 1976-97. Downward revisions to consumer spending and net exports more than offset an upward revision to business fixed investment. In consumer spending, the largest revision was to services and primarily reflected the incorporation of newly available data on hospital expenses and on residential gas sales. In net exports, the incorporation of revised data on trade in goods and services, resulted in a slightly larger downward revision to exports than to imports. The revisions to both exports and imports were mostly to services. In business fixed investment, the upward revision was mostly to producers' durable equipment, reflecting the incorporation of revised data for shipments of commercial aircraft.

## CHART 1

Selected Product Measures: Change From Preceding Quarter Percent


Real final sales of domestic product increased 2.3 percent in the fourth quarter, 0.2 percentage point less than the preliminary estimate. ${ }^{2}$ The revision was the same as that to GDP because business inventory investment was unrevised. Real gross domestic purchases increased 3.4 percent, 0.1 percentage point less than the preliminary estimate.
The price index for gross domestic purchases increased 1.4 percent in the fourth quarter, the same as the preliminary estimate; the index increased 1.3 percent in the third quarter. The price index for GDP increased 1.4 percent in the fourth quarter, the same as the preliminary estimate; the index increased 1.4 percent in the third quarter.
2. Final sales of domestic product equals GDP less change in business inventories.

Table 2.-Revisions to Real Gross Domestic Product and Prices, Fourth Quarter 1997
[Seasonally adjusted at annual rates]

|  | Percent change from preceding quarter |  | Final estimate minus preliminary estimate |  |
| :---: | :---: | :---: | :---: | :---: |
|  | Preliminary estimate | Final estimate | Percentage points | $\begin{aligned} & \text { Billions } \\ & \text { of } \\ & \text { chained } \\ & \text { (1992) } \\ & \text { doilars } \end{aligned}$ |
| Gross domestic product .................................................. | 3.9 | 3.7 | -0.2 | -3.3 |
| Less: Exports of goods and services .. | 10.0 | 8.3 | -1.7 | -3.7 |
| Goods .............................................................................................................. | 14.5 | 14.1 | -. 4 | -. 7 |
|  | -. 8 | -5.1 | -4.3 | -2.7 |
| Plus: Imports of goods and services $\qquad$ Goods | 6.4 6.6 | 5.3 6.2 | -1.1 -.4 | -3.1 -.8 |
| Services ........................................................................................................................ | 5.4 | . 3 | -5.1 | -2.1 |
| Equals: Gross domestic purchases .................................... | 3.5 | 3.4 | -. 1 | -2.6 |
| Personal consumption expenditures .................................. | 3.1 | 2.5 | -. 6 | -7.4 |
| Durable goods ......................................................... | 1.7 | 1.9 | . 2 | . 4 |
| Nondurable goods ................................................................................................ | -1.0 | -1.2 | - 2 | -1.0 |
| Services ........................................................................................................... | 5.4 | 4.4 | -1.0 | -6.5 |
| Fixed investment ................................................................ | 0 | 1.8 | 1.8 | 5.4 |
| Nonresidential ........................................................ | -3.5 | -. 8 | 2.7 | 6.1 |
| Structures | -4.3 | -2.3 | 2.0 | 1.0 |
| Producers' durable equipment ................................... | -3.3 | $-3$ | 3.0 | 5.1 |
| Residential ............................................................... | 9.7 | 9.1 | -. 6 | -. 4 |
| Change in business inventories ...................................... | $\ldots$ | ............. | ................ | 0 |
| Nonfarm ................................................................................. | ................ | ........ | ..... | . 1 |
| Farm ...................................................................... | $\ldots$ | ............. | ................ |  |
| Government consumption expenditures and gross investment | . 4 | . 3 | -. 1 | -. 3 |
| Federal ................................................................. | -2.1 | -2.3 | -. 2 | -. 3 |
| National defense ................................................... | 1.3 | 1.0 | -. 3 | -. 2 |
| Nondefense ........................................................ | -8.6 | -8.6 | 0 | 0 |
| State and local ......................................................... | 1.8 | 1.8 | 0 | 0 |
| Addenda: |  |  |  |  |
| Final sales of domestic product ....................................... | 2.5 | 2.3 | -. 2 | -3.4 |
|  | 1.4 | 1.4 | 0 | ............ |
| GDP price index ${ }^{1}$........................................................... | 1.4 | 1.4 | 0 | ............ |

1. Based on chained-type annual (1992) weights.

Nore.-The final estimates for the fouth quarter of 1997 incorporate the following revised or additional major source data that
were not available when the preliminary estimates were prepared.
Personal consumption expenditures. Revised retail sales for December, revised consumer price indexes for October through
Nonresidental fixed investment Revised constuction, and residential volume gas sales for November.
ments of machinery and equipment for December.
Residenntial fixed investment Revised construction put in place for November and December.
Change in business inventories: Revised manutacturing and trade inventories for December.
Exports and imports of goods and services. Revised data on exports and imports of goods for December and revised balance-of-payments data on exports and imports of sevices for the foutth quarter.
Govemment consumption expenditures and gross investment: Revised State and local construction put in place for November and December.
Wages and salaries: Revised employment, average hourly earnings, and average weekly hours for December.
GOP prices: Revised export and import prices for September through December and revised prices of single-family homes under
construction for November and December.

Real disposable personal income increased 4.5 percent, the same as the preliminary estimate. The personal saving rate was 3.9 percent, 0.1 percentage point more than the preliminary estimate.

Gross national product (GNP).—Real GNP—goods and services produced by labor and property supplied by U.S. residents-increased 3.6 percent in the fourth quarter, o.1 percentage point less than real GDP (table 3). ${ }^{3}$ Receipts of factor income from the rest of the world changed little, and payments of factor income increased; interest income more than accounted for the increase in payments.
Real GNP on a command basis-a measure of the goods and services produced by the U.S. economy in terms of their purchasing powerincreased the same as real GNP- 3.6 percentreflecting no change in the terms of trade. ${ }^{4}$

\footnotetext{
3. For the fourth quarter, estimates of gross national product and corporate profits are released only with the final GDP estimates. GNP equals GDP plus receipts of factor income from the rest of the world less payments of factor income to the rest of the world.
4. In the estimation of command-basis GNP the current-dollar value of the sum of exports of goods and services and of receipts of factor income is deflated by the implicit price deflator (IPD) for the sum of imports of goods and services and of payments of factor income.

The terms of trade is a measure of the relationship between the prices that are received by U.S. producers for exports of goods and services and the prices that are paid by U.S. purchasers for imports of goods and services. It is measured by the following ratio, with the decimal point shifted two places to the right: In the numerator, the ipd for the sum of exports of goods and services and of receipts of factor income; in the denominator,

Table 3.-Relation of Real Gross Domestic Product, Real Gross National Product, and Real Command-Basis Gross National Product
[Seasonally adjusted at annual rates]

|  | Billions of chained (1992) dollars |  |  | Percent change from preceding quarter |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | Level | Change from preceding quarter |  |  |  |
|  |  |  |  | 1997 |  |
|  | 1997 | 1997 |  | III | IV |
|  | IV | III | IV |  |  |
| Gross domestic product .................. | 7,280.0 | 54.4 | 66.0 | 3.1 | 3.7 |
| Plus: Receipts of factor income from the rest of the world $\qquad$ | 242.0 | 6.2 | -. 5 | 10.9 | . 7 |
| Less: Payments of factor income to the rest of the world $\qquad$ | 258.7 | 6.1 | 1.8 | 10.1 | 2.9 |
| Equals: Gross national product ......... | 7,262.6 | 54.4 | 63.8 | 3.1 | 3.6 |
| Less: Exports of goods and services and receipts of factor income from the rest of the world $\qquad$ | 1,234.7 | 17.1 | 18.7 | 5.8 | 6.3 |
| Plus: Command-basis exports of goods and services and receipts of factor income $\qquad$ | 1,281.3 | 20.2 | 19.4 | 6.7 | 6.3 |
| Equals: Command-basis gross national product $\qquad$ | 7,309.3 | 57.6 | 64.5 | 3.2 | 3.6 |
| Addendum: <br> Terms of trade ${ }^{1}$ $\qquad$ | 103.8 | . 2 | 0 | 8 | 0 |

1. Ratio of the implicit price deflator for the sum of exports of goods and services and of receipts of factor income to the corresponding implicit price deflator for imports with the decimal point shifted two places to the right.
NOTE--Levels of these series are found in NIPA tables 1.10 and 1.11.

In the third quarter, command-basis GNP increased slightly more than real GNP-3.2 percent, compared with 3.1 percent-reflecting a slight improvement in the terms of trade.

## Corporate Profits

Profits from current production-profits excluding nonoperating income such as capital gains (loses) and special charges-decreased $\$ 9.2$ billion in the fourth quarter after increasing $\$ 32.2$ billion in the third (table 4). ${ }^{5}$
the IPD for the sum of imports of goods and services and of payments of factor income. Changes in the terms of trade reflect the interaction of several factors, including movements in exchange rates, changes in the composition of the traded goods and services, and changes in producers' profit margins. For example, if the U.S. dollar depreciates against a foreign currency, a foreign manufacturer may choose to absorb this cost by reducing the profit margin on the product it sells to the United States, or it may choose to raise the price of the product and risk a loss in market share.
5. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16 , and 6.16 C in the "Selected nIPA Tables" that begin on page D-2 as corporate profits with inventory

Table 4.-Corporate Profits
[Quarterly estimates seasonally adjusted at annual rates]

|  | Level <br> 1997 | Change from preceding quarter |  | 1997 | Change from preceding year |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | IV | 1997 |  |  | 1996 | 1997 |
|  |  | III | IV |  |  |  |
|  | Billions of dollars |  |  |  |  |  |
| Profits from current production | 818.1 | 32.2 | -9.2 | 805.0 | 85.9 | 69.1 |
| Domestic industries ................. | 721.8 | 33.1 | -5.7 | 706.5 | 76.8 | 66.5 |
| Financial ............................ | 114.3 | 1.6 | 5.0 | 109.5 | 5.5 | 15.3 |
| Nontinancial ....................... | 607.5 | 31.5 | -10.7 | 596.9 | 71.2 | 51.1 |
| Rest of the world .................... | 96.3 | -. 9 | -3.6 | 98.6 | 9.2 | 2.7 |
| Receipts (inflows) ................ | 145.0 | 2.2 | -5.5 | 145.9 | 12.5 | 13.2 |
| Payments (outflows) ............. | 48.7 | 3.1 | -1.9 | 47.3 | 3.2 | 10.6 |
| IVA .................. | 9.2 | -2.3 | 5.6 | 5.5 | 21.8 | 8.0 |
| CCAdj ........... | 71.6 | . 9 | 1.3 | 69.7 | 10.2 | 7.9 |
| Profits before tax .................... | 737.3 | 33.6 | -16.1 | 729.8 | 54.0 | 53.2 |
| Profits tax liability ................. | 253.6 | 13.7 | $-4.6$ | 249.4 | 15.8 | 20.4 |
| Profits after tax ..................... | 483.7 | 19.9 | -11.5 | 480.3 | 38.2 | 32.7 |
| Cash flow from current production | 703.4 | 17.7 | -4.5 | 695.1 | 53.0 | 40.8 |
| Profits by industry: |  |  |  |  |  |  |
| Corporate profits with IVA .......... | 746.5 | 31.4 | -10.6 | 735.3 | 75.7 | 61.2 |
| Domestic industries ............... | 650.2 | 32.3 | -7.0 | 636.7 | 66.5 | 58.5 |
| Financial ......................... | 124.5 | 1.9 | 5.1 | 119.5 | 5.9 | 16.0 |
| Nontinancial .................... | 525.7 | 30.4 | -12.1 | 517.2 | 60.6 | 42.5 |
| Manufacturing ............. | 229.0 | 19.4 | -11.4 | 224.7 | 24.2 | 19.2 |
| Transportation and public utilities | 91.5 | . 4 | 1.5 | 90.7 | 5.3 | -1.0 |
| Wholesale trade ............ | 51.7 | 4.6 | -2.4 | 51.1 | 11.4 | 12.8 |
| Retail trade ................. | 55.2 | 3.0 | -2.7 | 55.8 | 7.0 | 6.9 |
| Other .......................... | 98.2 | 2.9 | 2.9 | 95.0 | 12.7 | 4.7 |
| Rest of the world .................. | 96.3 | -. 9 | -3.6 | 98.6 | 9.2 | 2.7 |
|  | Dollars |  |  |  |  |  |
| Unit price, costs, and profits of nonfinancial corporations: |  |  |  |  |  |  |
| Unit price ............................. | 1.073 |  | . 001 | 1.072 | . 013 | . 009 |
| Unit labor cost ....................... | . 702 | -. 003 | . 007 | . 698 | . 003 | . 008 |
| Unit noniabor cost' ................... | . 227 | -. 001 | -. 001 | . 229 | -. 002 | -. 003 |
| Unit profits from current production $\qquad$ | . 145 | . 005 | -. 004 | . 145 | . 012 | . 005 |

NOTE--Levels of these and other profits series are found in NIPA tables 1.14, 1.16, 6.16C, and 7.15 .
IVA Inventory valuation adjustmen
CCAdj Capital consumption adjustment

Profits of domestic industries decreased $\$ 5.7$ billion after increasing $\$ 33.1$ billion. Profits of domestic nonfinancial corporations decreased $\$ 10.7$ billion after increasing $\$ 31.5$ billion, primarily reflecting a downturn in profits per unit; this downturn, in turn, reflected an upturn in unit labor costs and little change in prices. Profits of domestic financial corporations increased $\$ 5.0$ billion after increasing $\$ 1.6$ billion. Profits from the rest of the world decreased $\$ 3.6$ billion after decreasing $\$ 0.9$ billion; receipts turned down more sharply than payments. ${ }^{6}$

Cash flow from current production, a profitsrelated measure of internally generated funds available for investment, decreased $\$ 4.5$ billion after increasing $\$ 17.7$ billion. The ratio of cash flow to nonresidential fixed investment, an indicator of the share of the current level of investment that could be financed by internally generated funds, slipped slightly to 81.0 percent from 81.2 percent. The ratio remains in the lower part of the range in which it has fluctuated during most of this decade.

Industry profits.-Industry profits decreased $\$ 10.6$ billion after increasing $\$ 31.4$ billion. ${ }^{7}$ The downturn was accounted for by domestic nonfinancial corporations. Most manufacturing industries contributed to the downturn; however, food and kindred products increased more in the fourth quarter than in the third. Wholesale trade and retail trade also turned down. In contrast, transportation and public utilities increased more in the fourth quarter than in the third. "Other" nonfinancial corporations increased the same amount as in the third quarter.
Related measures.-Profits before tax (PBT) decreased $\$ 16.1$ billion after increasing $\$ 33.6$ billion. The difference between the $\$ 16.1$ decrease in PBT and the $\$ 9.2$ billion decrease in profits from current production mainly reflected larger negative inventory profits in the fourth quarter than in the third. ${ }^{8}$
valuation and capital consumption adjustments. These adjustments convert
inventory withdrawals and depreciation charges reported to businesses to a inventory withdrawals and depreciation charges reported to businesses to a current-replacement-cost basis.
6. Profits from the rest of the world is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. These estimates are derived from ben's international transactions accounts.
7. Industry profits, which are estimated as the sum of corporate profits before tax and the inventory valuation adjustment, are shown in NIPA table 6.16 c (on page D-16). Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.
8. As prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits-a capital-gains-like element in profits-result from an

The year 1997.-For the year 1997, profits from current production increased $\$ 69.1$ billion (or 9.4 percent) țo a level of $\$ 805.0$ billion; in 1996, the increase was $\$ 85.9$ billion ( 13.2 percent). Profits of domestic nonfinancial corporations increased $\$ 51.1$ billion after increasing $\$ 71.2$ billion, reflecting a slowdown in profits per unit; the slowdown in unit profits, in turn, reflected a slowdown in unit prices and a step-up in unit labor costs. The foreign component of profits also increased less than in 1997, $\$ 2.7$ billion, than in 1996, $\$ 9.2$ billion. In contrast to these slowdowns, profits of domestic financial corporations increased $\$ 15.3$ billion after increasing $\$ 5.5$ billion.
Industry profits increased $\$ 61.2$ billion after increasing $\$ 75.7$ billion. The slowdown was more than accounted for by domestic nonfinancial corporations. Profits in the transportation and utilities group turned down, and profits in manufacturing and in "other" nonfinancial corporations increased less than in 1996.
PBT increased $\$ 53.2$ billion, about the same amount as in 1996. Inventory profits-the main difference between PBT and profits from current production-turned negative for the first time since 1991.

## Government Sector

The combined current surplus, which measures the net saving of the Federal Government and State and local governments, decreased $\$ 2.6$ billion in the fourth quarter, to $\$ 98.0$ billion (table 5). ${ }^{9}$ The fourth-quarter decrease in the fiscal position of the government sector was the first since the third quarter of 1995 . The decrease was equally attributable to an increase in the Federal Government deficit and a decrease in the State and local government surplus. ${ }^{10}$

## Federal

The Federal Government current deficit increased $\$ 1.3$ billion, to $\$ 12.1$ billion, in the fourth quarter, the first increase in seven quarters. The deficit decreased $\$ 26.0$ billion in the third quarter.
increase in inventory prices, and inventory losses-a capital-loss-like element in profits-result from a decrease in inventory prices. In the nipa's, inventory profits or losses are shown as adjustments to business income (corporate profits and proprietors' income); they are shown as the inventory valuation adjustment with the sign reversed.
9. Net government saving equals gross saving less consumption of fixed capital.
10. The NIPA estimates for the government sector are derived from financial statements for the Federal Government and for State and local governments but differ from them in several respects. The major differences are shown in NIPA tables 3.18 B and 3.19 , which reconcile the NIPA estimates with government financial statements; these tables were published in the October 1997 Survey of Current Business on pages 11-13.

Receipts.-Federal receipts increased $\$ 25.6$ billion in the fourth quarter after increasing $\$ 32.5$ billion in the third. The deceleration resulted from a downturn in corporate profits tax accruals that more than offset accelerations in personal tax and nontax receipts and contributions for social insurance.

Corporate profits tax accruals decreased $\$ 3.8$ billion after increasing $\$ 11.6$ billion; the downturn reflected the downturn in domestic corporate profits.
Indirect business tax and nontax accruals decreased $\$ 0.1$ billion after increasing $\$ 0.2$ billion. Customs duties turned down, but excise taxes accelerated. Within excise taxes, air transport taxes increased $\$ 1.5$ billion after increasing $\$ 0.3$ billion, as a result of several provisions of the Taxpayer Relief Act of 1997 that became effective October 1.

Personal tax and nontax receipts increased $\$ 19.1$ billion after increasing $\$ 14.0$ billion. Receipts from income taxes increased $\$ 18.4$ billion after increasing $\$ 14.4$ billion; the acceleration was more than accounted for by an acceleration in. withheld income taxes, reflecting higher growth in wage and salary disbursements. "Estimated income tax payments and final settlements, less refunds" increased $\$ 1.5$ billion after increasing $\$ 4.3$ billion. Estate and gift taxes increased $\$ 0.7$ billion after decreasing $\$ 0.4$ billion.
Contributions for social insurance increased $\$ 10.4$ billion after increasing $\$ 6.7$ billion. Reflecting stronger fourth-quarter wage and salary disbursements, contributions to the old-age, survivors, disability and hospital insurance and to the State unemployment insurance trust funds increased $\$ 10.2$ billion after increasing $\$ 6.1$ billion.
Current expenditures.-Current expenditures increased $\$ 26.9$ billion in the fourth quarter after increasing $\$ 6.6$ billion in the third. The acceleration was mostly accounted for by step-ups in transfer payments (net), in grants-in-aid to State and local governments, and in consumption expenditures.
Transfer payments (net) increased $\$ 15.7$ billion after increasing $\$ 3.1$ billion. Transfer payments to the rest of the world increased $\$ 11.6$ billion after decreasing $\$ 0.8$ billion; the upturn was accounted for by the yearly payment to Israel of $\$ 3.0$ billion- $\$ 12.0$ billion at an annual rate-in economic support and other payments. Transfer payments to persons increased $\$ 4.1$ billion after increasing $\$ 4.0$ billion.
Grants-in-aid to State and local governments increased $\$ 6.4$ billion after increasing $\$ 1.7$ billion. The acceleration was accounted for by upturns in
grants for medicaid, health care, and family assistance that were only partly offset by downturns in grants for education, mass transit, highways, and other programs.

Consumption expenditures increased $\$ 3.7$ billion after increasing $\$ 0.5$ billion. Expenditures for national defense increased $\$ 2.8$ billion after increasing $\$ 0.3$ billion; the acceleration was primarily accounted for by an upturn in expenditures for durable goods, mainly for aircraft parts and for parts of other military durable goods. Nondefense expenditures increased $\$ 0.9$ billion after increasing \$0.2 billion.
Subsidies less current surplus of government enterprises increased $\$ 1.1$ billion after decreasing $\$ 0.2$ billion. The upturn was mostly accounted for by a downturn in the surplus of government enterprises.
Net interest paid increased $\$ 0.1$ billion after increasing $\$ 1.4$ billion. The deceleration was mainly accounted for by an upturn in gross interest received from persons, business, and the rest of the world, which increased $\$ 0.2$ billion after decreasing $\$ 0.7$ billion.

## State and local

The State and local government current surplus decreased $\$ 1.3$ billion, to $\$ 110.1$ billion, in the fourth quarter after increasing $\$ 6.5$ billion in the third. The downturn was mostly attributable to a deceleration in receipts.

Receipts increased $\$ 12.6$ billion after increasing $\$ 19.1$ billion. The deceleration was more than accounted for by a deceleration in indirect business tax and nontax accruals and a downturn in corporate profits tax accruals.

Indirect business tax and nontax accruals increased $\$ 0.5$ billion after increasing $\$ 9.0$ billion; the deceleration was more than accounted for by a downturn in "other tax and nontax accruals" and a deceleration in sales taxes. "Other tax and nontax accruals" decreased $\$ 2.8$ billion after increasing $\$ 4.6$ billion; these accruals had been boosted in the third quarter by a payment of $\$ 0.92$ billion- or $\$ 3.7$ billion at an annual rate-to two States by tobacco companies as out-of-court settlements of lawsuits. Sales taxes increased $\$ 0.9$ billion after increasing $\$ 2.8$ billion; the deceleration primarily reflected a deceleration in retail sales.

Corporate profits tax accruals decreased $\$ 0.8$ billion after increasing $\$ 2.1$ billion; the downturn reflected the downturn in domestic corporate profits. As previously noted, Federal
grants-in-aid increased $\$ 6.4$ billion after increasing $\$ 1.7$ billion. Personal tax and nontax receipts increased $\$ 5.0$ billion after increasing $\$ 4.8$ billion.

Current expenditures increased $\$ 13.8$ billion after increasing $\$ 12.6$ billion. The acceleration was more than accounted for by consumption expenditures, which increased $\$ 10.3$ billion after increasing $\$ 8.7$ billion, largely because of accelerations in "other" services and in nondurable goods. Transfer payments to persons increased $\$ 4.7$ billion after increasing $\$ 4.5$ billion.

Table 5.-Government Sector Receipts and Current Expenditures [Billions of dollars, seasonally adjusted at annual rates]

|  | $\frac{\text { Level }}{1997}$ | Change from preceding quarter |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1996 | 1997 |  |  |  |
|  | IV | N | 1 | 11 | III | IV |
| Government sector |  |  |  |  |  |  |
| Receipts | 2,648.5 | 52.3 | 47.6 | 40.2 | 49.9 | 31.8 |
| Current expenditures .................................................. | 2,550.5 | 32.2 | 21.6 | 21.3 | 17.4 | 34.4 |
| Current surplus or deficict $(-)$ | 98.0 | 20.1 | 26.0 | 18.9 | 32.5 | -2.6 |
| Social insurance funds .... | 142.8 | 2.3 | -2.1 | 2.1 | 3.8 | 7.0 |
| Other ...................................................................... | -44.8 | 17.8 | 28.1 | 16.8 | 28.8 | -9.7 |
| Federal Government |  |  |  |  |  |  |
| Receipts .............................................................. | 1,767.4 | 43.0 | 33.7 | 34.0 | 32.5 | 25.6 |
| Personal tax and nontax receipts ................................... | 801.0 | 21.8 | 29.4 | 21.0 | 14.0 | 19.1 |
| Corporate profits tax accruals ........................................ | 215.5 | -4.7 | 12.9 | 2.8 | 11.6 | -3.8 |
| Indirect business tax and nontax accruals ........................ | 92.3 | 18.7 | -22.0 | 4.0 | 2 | -. 1 |
| Contributions for social insurance .................................... | 658.6 | 7.2 | 13.3 | 6.2 | 6.7 | 10.4 |
| Current expenditures ............................................ | 1,779.5 | 20.6 | 12.0 | 15.2 | 6.6 | 26.9 |
| Consumption expenditures | 468.4 | -. 4 | 4.4 | 6.2 | 5 | 3.7 |
| National defense .... | 314.4 | -1.7 | -1.2 | 4.9 | 3 | 2.8 |
| Nondefense | 154.0 | 1.4 | 5.7 | 1.2 | 2 | . 9 |
| Transfer payments (net) ............................................. | 810.2 | 15.8 | 8.6 | 5.5 | 3.1 | 15.7 |
| To persons.. | 788.6 | 4.7 | 21.1 | 5.0 | 4.0 | 4.1 |
| To the rest of the world .......................................... | 21.6 | 11.0 | -12.4 | 3 | -. 8 | 11.6 |
| Grants-in-aid to State and local governments .................... | 230.6 | -1.2 | 2.1 | 2.9 | 1.7 | 6.4 |
| Net interest paid ........................................ | 231.3 | 5.2 | -2.9 | 0.9 | 1.4 | . 1 |
| Subsidies less current surplus of government enterprises .... | 39.0 | 1.1 | -. 1 | -. 3 | -. 2 | 1.1 |
| Subsidies ............................................................. | 34.5 | . 3 | , | . 5 | 0 | 2 |
| Of which: Agricultural subsidies ............................. | 8.0 | . 1 | . 0 | . 1 | 0 | . 5 |
| Less: Current surplus of government enterprises ............. | -4.5 | -.9 | . 4 | . 8 | . 3 | -. 9 |
| Less: Wage accruals less disbursements .......................... | 0 | 0 | 0 | 0 | 0 | 0 |
| Current surplus or deficit ( - ) .................................. | -12.1 | 22.4 | 21.6 | 18.7 | 26.0 | -1.3 |
| Social insurance funds .................. | 71.3 | 2.4 | -1.9 | 1.7 | 4.0 | 6.9 |
| Other ....................................................................... | -83.4 | 20.1 | 23.5 | 17.0 | 22.0 | -8.2 |
| State and local governments |  |  |  |  |  |  |
| Receipts ........................................................... | 1,111.7 | 8.2 | 16.0 | 9.1 | 19.1 | 12.6 |
| Personal tax and nontax receipts ..................................' | 221.1 | 3.4 | 3.6 | 2.6 | 4.8 | 5.0 |
| Corporate profits tax accruals ...................................... | 38.1 | -. 9. | 2.4 | 4 | 2.1 | -. 8 |
| Indirect business tax and nontax accruals ........................ | 533.5 | 5.7 | 6.9 | 2.0 | 9.0 | . |
| Contributions for social insurance ................. | 88.4 | 1.1 | 1.1 | 1.2 | 1.4 | 1.6 |
| Federal grants-in-aid ..................................................... | 230.6 | -1.2 | 2.1 | 2.9 | 1.7 | 6.4 |
| Current expenditures ............................................. | 1,001.5 | 10.3 | 11.6 | 9.0 | 12.6 | 13.8 |
| Consumption expenditures ........................................... | 776.4 | 7.4 | 8.4 | 5.7 | 8.7 | 10.3 |
| Transfer payments to persons ....................................... | 318.7 | 4.0 | 4.5 | 4.4 | 4.5 | 4.7 |
| Net interest paid ...................................................................... | -66.3 | -. 8 | -1.0 | -. 9 | -.7 | -. 7 |
| Less: Dividends received by government ......................... | 14.9 | . 3 | . 3 | . 4 | 0 | . 2 |
| Subsidies less current surplus of government enterprises .... | -12.4 | -. 1 | . 2 | . 1 | . 1 | -. 3 |
| Subsidies ........................................................... | 0.3 | 0 | 0 | 0 | 0 | 0 |
| Less: Current surpius of government enterprises ............. | 12.7 | 0 | -. 1 | -. 2 | -. 1 | . 3 |
| Less: Wage accruals less disbursements .......................... | 0 | 0 | 0 | 0 | 0 | 0 |
| Current surplus or deficit ( - ) ................................... | 110.1 | -2.2 | 4.3 | . 2 | 6.5 | -1.3 |
| Social insurance funds | 71.5 | -. 1 | -. 1 | . 3 | -. 2 | . 1 |
| Other ...................................................................... | 38.6 | -2.2 | 4.6 | -. 2 | 6.7 | -1.4 |

[^1]
## The Government Sector in 1997

The combined fiscal position of the Federal Government and State and local governments shifted from a current deficit of $\$ 5.1$ billion in 1996 to a current surplus of $\$ 79.0$ billion in 1997, the first surplus since 1979. ${ }^{11}$ The shift in the fiscal position was primarily accounted for by a substantial decrease in the Federal current deficit.

The Federal current deficit decreased $\$ 81.7$ billion, to $\$ 28.8$ billion, the smallest Federal deficit since 1979; the decrease was attributable to a much larger increase in receipts than in current expenditures. ${ }^{12}$ Federal receipts increased $\$ 135.8$ billion; the increase was more than accounted for by increases in personal tax and

[^2]nontax receipts, contributions for social insurance, and corporate profits tax accruals. Federal current expenditures increased $\$ 54.1$ billion; the increase was mostly accounted for by increases in transfer payments (net) and consumption expenditures.

The State and local government current surplus increased $\$ 2.5$ billion, to $\$ 107.8$ billion; the increase was attributable to a slightly larger increase in receipts than in current expenditures. ${ }^{13}$ Receipts increased $\$ 47.0$ billion; all categories of receipts increased, but the largest increases were in indirect business tax and nontax accruals and in personal tax and nontax receipts. Current expenditures increased $\$ 44.6$ billion; the increase was more than accounted for by consumption expenditures and transfer payments to persons.
13. For more information, see "State and Local Government Fiscal Position in 1997" in this issue.

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# Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade 

Tables 1,2 , and 3 show quarterly and monthly estimates of real inventories, sales, and inventory-sales ratios, respectively. Real manufacturing inventories by stage of fabrication are shown in table 4. Real estimates are in chained (1992) dollars.

## Data availability

Quarterly estimates for 1992:IV-1997:II of real manufacturing and trade inventories, sales, and inventorysales ratios and of real manufacturing inventories by stage of fabrication were published in the October 1997 Survey of Current Business.

Table 1.-Real Manufacturing and Trade Inventories, Seasonally Adjusted, End of Period (Billions of chained (1992) dollars]

|  | 1997 |  | 1997 |  |  |  |  | 1998 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | III | N | Aug. | Sep. | Oct. | Nov. ${ }^{\text {r }}$ | Dec. ${ }^{\text {r }}$ | Jan!p |
| Manufacturing and trade | 976.5 | 990.9 | 371.9 | 976.5 | 980.6 | 985.5 | 900.9 | 993.4 |
| Manufacturing ...... | 425.8 | 431.2 | 425.6 | 425.8 | 428.1 | 429.8 | 431.2 | 433.1 |
| Durable goods | 271.0 | 273.6 | 271.1 | 271.0 | 272.5 | 273.3 | 273.6 | 274.9 |
| Primary metal industries | 21.9 | 22.4 | 22.0 | 21.9 | 22.0 | 22.1 | 22.4 | 22.5 |
| Fabricated metal producls | 26.0 | 26.1 | 25.8 | 26.0 | 26.1 | 26.2 | 26.1 | 26.3 |
| Industrial machinery and equipment .......... | 61.1 | 61.9 | 61.2 | 61.1 | 61.6 | ${ }^{61.8}$ | 61.9 | 61.9 |
| Electronic and other electric equipment .... | 40.0 | 40.6 | 40.1 | 40.0 | 40.1 | 40.4 | 40.6 | 41.0 |
| Transportation equipment ...................... | 66.3 | 66.6 | 66.3 | 66.3 | 66.9 | 66.7 | 66.6 | ${ }^{66.8}$ |
| Motor veticles and equipment .............. | 14.4 | 13.7 | 14.0 | 14.4 | 13.9 | 13.7 | 13.7 | 13.8 |
| Other durable goods | 57.5 | 52.9 57.9 | 52.5 | 57.5 | 57.5 | 53.0 | 52.9 | 58.1 |
| Nondurable goods | 155.0 | 157.8 | 154.7 | 155.0 | 155.9 | 156.7 | 157.8 | 158.4 |
| Food and kindred products | 32.6 | 33.4 | 32.4 | 32.6 | 32.8 | 33.0 | 33.4 | 33.5 |
| Paper and allied products | 14.1 | 14.2 | 13.9 | 14.1 | 14.0 | 14.4 | 14.2 | 14.3 |
| Chemicals and alied products ... | 39.0 | 39.9 | 38.6 | 39.0 | 39.5 | 39.9 | 39.9 | 40.0 |
| Petroleum and coal products.... | 13.7 | 14.2 | 14.0 | 13.7 | 13.5 | 13.6 | 14.2 | 14.2 |
| Rubber and miscellaneous plastic products | 14.7 | 14.9 | 14.7 | 14.7 | 14.8 | 14.9 | 14.9 | 14.9 |
|  | 40.7 | 41.1 | 40.8 | 40.7 | 41.0 | 41.0 | 41.1 | 41.2 |
| Merchant wholesalers | 255.2 | 260.0 | 252.5 | 255.2 | 255.3 | 257.2 | 260.0 | 259.5 |
| Durable goods | 162.8 | 164.5 | 160.5 | 162.8 | 162.0 | 162.5 | 164.5 | 165.3 |
| Nondurable goods ................................. | 92.6 | 95.5 | 92.1 | 92.6 | 93.4 | 94.7 | 95.5 | 94.4 |
| Groceries and farm products Other nondurable goods ..... | 26.1 | 27.5 | 26.3 | 26.1 | 27.4 | 28.0 | 27.4 68.5 | 27.1 |
| Retail trade | 295.4 | 299.7 | 2938 | 295.4 | 297.2 | 298.4 | 299.7 | 300.7 |
| Durable goods | 153.6 | 157.5 | 153.0 | 153.6 | 156.1 | 157.3 | 157.5 | 156.9 |
| Motor vehicle dealers ${ }^{3}$ | 72.8 | 75.5 | 73.4 | 72.8 | 74.7 | 76.0 | 75.5 | 74.8 |
| Other durable goods ${ }^{3}$........................... | 81.0 | 82.2 | 79.8 | 81.0 | 81.6 | 81.5 | 82.2 | 82.3 |
| Nondurable goods ....................................... | 141.5 | 141.9 | 140.5 | 141.5 | 140.8 | 140.7 | 141.9 | 143.5 |
| Food stores ..................................... | 29.0 | 28.7 | 29.0 | 29.0 | 28.8 | 28.9 | 28.7 | 128.8 |
| Other nondurable goods .......................... | 112.5 | 113.2 | 111.4 | 112.5 | 111.9 | 111.8 | 113.2 | 114.7 |

$\quad p$ Preliminary.
$r$ Revised.

1. Includes lumber and wood products; fumilure and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.
2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.
3. Prior to 1981 , inventories and sales of auto and home supply stores are included in motor vehicie dealers. Beginning with 1981, these inventories are included in "other durable goods"
NoTES.-Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory. Chained (1992) dollar inventory series are calculated as the product of the chain-lype quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, divided by 100 . Because the formula for
the chain-type quantily indexes uses weights of more than one period, the corresponding chained-dollar estimates the chain-type quantity in
are usually not additive.

Estimates for 1967 forward are available electronically to subscribers to stat-usa's Economic Bulletin Board or Internet services. For information, call 202-482-1986.

The estimates for 1959-96 are also available from bea on the underlying nipa historical data diskette: Product number nDN-0162, price $\$ 60.00$. To order using Visa or MasterCard, call the bea Order Desk at 1-800-704-0415 (outside the United States, 202-6069666). To order by mail, send a check made payable to "Bureau of Economic Analysis, Be-53" to bea Order Desk (be-53), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.

Table 2.-Real Manufacturing and Trade Sales, Seasonally Adjusted at Monthly Rate
[Billions of chained (1992) dollars]

|  | 1997 |  | 1997 |  |  |  |  | 1998 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | III | IV | Aug. | Sep. | Oct.r | Nov. $r$ | Dec. ${ }^{\text {r }}$ | Jan $P$ |
| Manufacturing and trade ................... | 722.1 | 726.1 | 717.5 | 725.3 | 723.4 | 723.0 | 731.9 | 736.6 |
| Manufacturing ............................................. | 314.1 | 316.5 | 311.5 | 315.8 | 315.5 | 314.7 | 319.4 | 318.3 |
| Durable goods | 179.9 | 181.1 | 177.8 | 181.8 | 180.5 | 180.0 | 182.8 | 181.4 |
| Primary metal industries | 13.8 | 13.8 | 13.7 | 13.8 | 13.8 | 13.7 | 13.8 | 13.9 |
| Fabricated metal products | 17.6 | 17.7 | 17.5 | 17.8 | 17.7 | 17.7 | 17.7 | 17.6 |
| Industrial machinery and equipment .......... | 42.5 | 43.1 | 41.7 | 43.2 | 42.9 | 42.2 | 44.2 | 44.9 |
| Electronic and other electric equipment... | 31.5 | 31.8 | 31.6 | 32.4 | 31.7 | 31.6 | 32.1 | 31.4 |
| Transportation equipment ....................... | 40.2 | 40.4 | 39.8 | 39.9 | 40.0 | 40.7 | 40.4 | 39.5 |
| Motor vehicles and equipment.............. | 28.0 | 28.0 | 28.0 | 27.6 | 28.5 | 27.7 | 27.9 | 26.5 |
| Other transportation equipment ............. | 12.6 | 12.8 | 12.2 | 12.7 | 12.0 | 13.4 | 12.9 | 13.4 |
| Other durable goods ${ }^{1}$............................ | 36.7 | 36.7 | 35.8 | 37.2 | 36.7 | 36.3 | 37.2 | 36.9 |
| Nondurable goods | 134.5 | 135.8 | 134.1 | 134.4 | 135.3 | 135.0 | 136.9 | 137.2 |
| Food and kindred products | 36.3 | 37.2 | 36.4 | 36.0 | 36.7 | 37.1 | 37.6 | 38.4 |
| Paper and allied products ...................... | 12.1 | 12.4 | 12.1 | 12.2 | 12.4 | 12.2 | 12.5 | 12.3 |
| Chemicals and allied products ................... | 28.4 | 28.5 | 28.2 | 28.6 | 28.6 | 28.3 | 28.7 | 28.2 |
| Petroleum and coal products .... | 14.8 | 14.4 | 15.0 | 14.4 | 14.5 | 14.2 | 14.4 | 14.7 |
| Rubber and miscellaneous plastic products | 11.3 | 11.6 | 11.2 | 11.4 | 11.6 | 11.4 | 11.8 | 11.5 |
| Other nondurable goods ${ }^{2}$........................ | 31.8 | 32.0 | 31.5 | 32.0 | 31.8 | 32.0 | 32.1 | 32.4 |
| Merchant wholesalers ................................. | 200.3 | 201.3 | 197.5 | 201.9 | 200.5 | 200.2 | 203.3 | 206.1 |
| Durable goods ........................................ | 107.1 | 107.6 | 105.1 | 108.4 | 107.7 | 106.9 | 108.2 | 110.1 |
| Nondurable goods ................................... | 93.2 | 93.8 | 92.4 | 93.6 | 92.9 | 93.4 | 95.1 | 96.1 |
| Groceries and farm products ................... | 33.5 | 34.1 | 32.9 | 33.8 | 34.2 | 34.0 | 34.3 | 34.6 |
| Other nondurable goods .......................... | 60.2 | 60.2 | 60.1 | 60.3 | 59.2 | 59.9 | 61.3 | 62.1 |
| Retail trade | 209.3 | 209.8 | 209.9 | 209.1 | 209.0 | 209.7 | 210.9 | 213.7 |
| Durable goods | 85.4 | 86.1 | 86.0 | 85.2 | 85.1 | 86.0 | 87.3 | 88.7 |
| Motor vehicle dealers ${ }^{3}$. | 44.4 | 44.5 | 44.9 | 44.2 | 43.7 | 44.3 | 45.4 | 45.3 |
| Other durable goods ${ }^{3}$........................... | 42.0 | 42.7 | 42.1 | 41.9 | 42.5 | 42.7 | 43.0 | 44.7 |
| Nondurable goods .................................... | 123.8 | 123.5 | 123.7 | 123.7 | 123.7 | 123.5 | 123.3 | 124.7 |
| Food stores ......................................... | 33.2 | 33.2 | 33.1 | 33.3 | 33.2 | 33.3 | 33.1 | 32.9 |
| Other nondurable goods .......................... | 90.1 | 89.9 | 90.1 | 90.0 | 90.1 | 89.8 | 89.8 | 91.4 |

$p$ Preliminary
$r$ Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and
lated products; and miscellaneous manufacturing industries
2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.
3. Prior to 1981, inventories and sales of auto and home supply stores are included in motor vehicie dealers Beginning with 1981, these inventories are included in "other durable goods".
NOTES.-Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity indexes
uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table 3.-Real Inventory-Saies Ratios for Manufacturing and Trade, Seasonally Adjusted
[Ratio, based on chained (1992) dollars]

|  | 1997 |  | 1997 |  |  |  |  | 1998 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | I\# | IV | Aug. | Sep. | Oct.r | Nov. ${ }^{\text {r }}$ | Dec. $r$ | JanP |
| Manufacturing and trade .................... | 1.35 | 1.37 | 1.36 | 1.35 | 1.36 | 1.36 | 1.35 | 1.35 |
| Manufacturing | 1.36 | 1.36 | 1.37 | 1.35 | 1.36 | 1.37 | 1.35 | 1.36 |
| Durable goods | 1.51 | 1.51 | 1.53 | 1.49 | 1.51 | 1.52 | 1.50 | 1.52 |
| Primary metal industries | 1.59 | 1.62 | 1.61 | 1.59 | 1.59 | 1.61 | 1.63 | 1.62 |
| Fabricated metal products. | 1.48 | 1.48 | 1.48 | 1.46 | 1.47 | 1.48 | 1.48 | 1.50 |
| Industrial machinery and equipment ......... | 1.44 | 1.44 | 1.47 | 1.42 | 1.44 | 1.47 | 1.40 | 1.38 |
| Electronic and other electric equipment ..... | 1.27 | 1.28 | 1.27 | 1.23 | 1.26 | 1.28 | 1.27 | 1.30 |
| Transportation equipment .................... | 1.65 | 1.65 | 1.67 | 1.66 | 1.67 | 1.64 | 1.65 | 1.69 |
| Motor vehicles and equipment .............. | . 51 | . 49 | . 50 | . 52 | .49 | . 49 | 49 | . 52 |
| Other transportation equipment ............. | 4.12 | 4.14 | 4.29 | 4.09 | 4.42 | 3.95 | 4.09 | 3.96 |
| Other durable goods ${ }^{1}$............................ | 1.57 | 1.57 | 1.61 | 1.55 | 1.57 | 1.60 | 1.56 | 1.57 |
| Nondurable goods | 1.15 | 1.16 | 1.15 | 1.15 91 | 1.15 89 | 1.16 | 1.15 | 1.15 |
| Food and kindred products | .90 1.16 | 1.90 1.15 | $\begin{array}{r}1.89 \\ 1.15 \\ \hline\end{array}$ | . 1.11 | .89 1.13 | .89 1.16 | 1.89 1.14 | .87 1.17 |
| Paper and allied products $\qquad$ Chemicals and alied products | 1.16 1.37 | 1.15 1.40 | 1.15 <br> 1.37 | 1.15 <br> 1.37 | 1.13 1.38 | 1.16 <br> 1.41 | 1.14 1.39 | 1.17 1.42 |
| Chemicals and allied products | 1.93 | +.99 | 1.94 | 1.95 | 1.93 | . 96 | 1.98 | . 97 |
| Rubber and miscellaneous plastic products | 1.30 | 1.28 | 1.32 | 1.28 | 1.27 | 1.30 | 1.26 | 1.30 |
| Other nondurable goods ${ }^{2}$....................... | 1.28 | 1,29 | 1.29 | 1.27 | 1.29 | 1.28 | 1.28 | 1.27 |
| Merchant wholesalers | 1.28 | 1.29 | 1.28 | 1.26 | 1.27 | 1.28 | 1.28 | 1.26 |
| Durable goods | 1.52 | 1.53 | 1.53 | 1.50 | 1.50 | 1.52 | 1.52 | 1.50 |
| Nondurable goods ................................... | . 99 | 1.02 | 1.00 | . 99 | 1.01 | 1.01 | 1.01 | . 98 |
| Groceries and farm products ................... | . 78 | . 80 | . 80 | . 77 | . 80 | . 83 | . 80 | . 79 |
| Other nondurable goods ......................... | 1.11 | 1.14 | 1.10 | 1.11 | 1.12 | 1.12 | 1.12 | 1.09 |
| Retail trade | 1.41 | 1.43 | 1.40 | 1.41 | 1.42 | 1.42 | 1.42 | 1.41 |
| Durable goods | 1.80 | 1.83 | 1.78 | 1.80 | 1.84 | 1.83 | 1.80 | 1.77 |
| Motor vehicle dealers ${ }^{3}$ | 1.64 | 1.70 | 1.63 | 1.65 | 1.71 | 1.72 | 1.66 | 1.65 |
| Other durable goods ${ }^{3}$............................ | 1.93 | 1.92 | 1.90 | 1.93 | 1.92 | 1.91 | 1.91 | 1.84 |
| Nondurable goods ........... | 1.14 | 1.15 | 1.14 | 1.14 | 1.14 | 1.14 | 1.15 | 1.15 |
| Food stores | . 87 | .86 | . 88 | . 87 | . 87 | . 87 | . 87 | . 88 |
| Other nondurable goods ......................... | 1.25 | 1.26 | 1.24 | 1.25 | 1.24 | 1.25 | 1.26 | 1.25 |

${ }^{p}$ Preliminary.
Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and elated products; and miscellaneous manufacturing industries.
2. Includes tobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.
3. Prior to 1981 , inventories and sales of auto and home supply stores are included in motor vehicie dealers. Beginning with 1981, these inventories are included in "other durable goods"
Note.-Manufacturing inventories are classified by the type of product produced by the establishment holding the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory.

Table 4.-Real Manufacturing Inventories by Stage of Fabrication, Seasonally Adjusted, End of Period
[Billions of chained (1992) dollars]

|  | 1997 |  | 1997 |  |  |  |  | $\frac{1998}{\operatorname{Jan}^{p}}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 111 | N | Aug. | Sep. | Octr ${ }^{\text {r }}$ | Nov. ${ }^{\text {r }}$ | Dec. ${ }^{\text {r }}$ |  |
| Materials and supplies <br> Manufacturing $\qquad$ | 136.9 | 137.7 | 435.8 | 136.9 | 137.2 | 136.7 | 137.7 | 139.1 |
|  |  |  |  |  |  |  |  |  |
| Durable goods ........................................ | 80.0 | 80.2 | 79.2 | 80.0 | 80.1 | 80.1 | 80.2 | 80.9 |
| Primary metal industries ........................ | 7.6 | 7.7 | 7.6 | 7.6 | 7.7 | 7.6 | 7.7 | 7.6 |
| Fabricated metal products .............................. | 9.6 | 9.5 | 9.4 | 9.6 | 9.5 | 9.5 | 9.5 | 9.6 |
| Industrial machinery and equipment ........... | 17.1 | 17.0 | 16.9 | 17.1 | 17.2 | 17.2 | 17.0 | 17.1 |
|  | 13.3 | 13.6 | 13.3 | 13.3 | 13.3 | 13.5 | 13.6 | 13.9 |
| Motor vehicles and equipment ................ | 6.4 | 6.6 | 6.7 | 6.4 | 6.5 | 6.6 | 6.6 | 6.9 |
| Other transportation equipment .................. | 6.1 | 5.7 | 5.7 | 6.1 | 6.0 | 5.7 | 5.7 | 5.7 |
| Other durable goods ${ }^{1}$............................ | 20.0 | 20.2 | 19.8 | 20.0 | 20.1 | 20.2 | 20.2 | 20.3 |
| Nondurable goods | 57.0 | 57.5 | 56.6 | 57.0 | 57.1 | 56.6 | 57.5 | 58.2 |
| Food and kindred products | 10.4 | 10.4 | 10.3 | 10.4 | 10.4 | 10.2 | 10.4 | 10.5 |
| Paper and allied products ........................ | 6.8 | 6.9 | 6.8 | 6.8 | 6.8 | 6.8 | 6.9 | 7.0 |
| Chemicals and allied products .................. | 12.9 | 12.8 | 12.7 | 12.9 | 12.8 | 12.8 | 12.8 | 12.9 |
| Petroleum and coal products .... | 4.0 | 4.2 | 4.1 | 4.0 | 4.0 | 4.0 | 4.2 | 4.4 |
| Rubber and miscellaneous plastic products | 5.6 | 5.7 | 5.5 | 5.6 | 5.6 | 5.6 | 5.7 | 5.8 |
| Other nondurable goods ${ }^{2}$....................... | 17.3 | 17.4 | 17.3 | 17.3 | 17.5 | 17.1 | 17.4 | 17.6 |
| Work-in-process |  |  |  |  |  |  |  |  |
| Manufacturing ............................................ | 142.6 | 145.8 | 143.0 | 142.6 | 143.2 | 145.2 | 145.8 | 145.9 |
| Durable goods | 116.3 | 118.3 | 116.8 | 116.3 | 116.4 | 118.0 | 118.3 | 118.3 |
| Primary metal industries .......................... | 7.4 | 7.6 | 7.4 | 7.4 | 7.4 | 7.5 | 7.6 | 7.7 |
| Fabricated metal products .............................. | 7.5 | 7.4 | 7.4 | 7.5 | 7.4 | 7.5 | 7.4 | 7.5 |
| Industrial machinery and equipment ........... | 23.6 | 24.6 | 23.7 | 23.6 | 23.8 | 24.0 | 24.6 | 24.2 |
| Electronic and other electric equipment...... | 15.5 | 15.9 | 45.5 | 15.5 | 15.5 | 15.7. | 15.9 | 16.1 |
| Motor vehicles and equipment ................. | 4.8 | 4.0 | 4.3 | 4.8 | 4.3 | 4.2 | 4.0 | 3.8 |
| Other transportation equipment ................. | 42.1 | 43.5 | 43.0 | 42.1 | 42.7 | 43.6 | 43.5 | 43.5 |
| Other durable goods ${ }^{1}$................................. | 15.6 | 15.5 | 15.7 | 15.6 | 15.4 | 15.7 | 15.5 | 15.6 |
| Nondurable goods ................................... | 26.4 | 27.5 | 26.3 | 26.4 | 26.8 | 27.2 | 27.5 | 27.5 |
| Food and kindred products ..................... | 4.7 | 4.9 | 4.6 | 4.7 | 4.7 | 4.9 | 4.9 | 4.9 |
| Paper and allied products .............................. | 1.6 | 1.6 | 1.5 | 1.6 | 1.6 | 1.6 | 1.6 | 1.7 |
| Chemicals and allied products ....................... | 7.0 | 7.7 | 6.9 | 7.0 | 7.4 | 7.5 | 7.7 | 7.7 |
| Petroleum and coal products ..................... | 3.1 | 3.1 | 3.1 | 3.1 | 3.0 | 3.1 | 3.1 | 3.2 |
| Rubber and miscellaneous plastic products | 2.1 | 2.1 | 2.1 | 2.1 | 2.0 | 2.1 | 2.1 | 2.1 |
| Other nondurable goods ${ }^{2}$...................... | 7.9 | 8.1 | 8.0 | 7.9 | 8.0 | 8.1 | 8.1 | 8.0 |
| Finished goods |  |  |  |  |  |  |  |  |
| Manufacturing | 146.4 | 147.9 | 146.9 | 146.4 | 147.9 | 148.2 | 147.9 | 148.2 |
| Durable goods | 74.9 | 75.1 | 75.2 | 74.9 | 76.1 | 75.2 | 75.1 | 75.6 |
| Primary metal industries ......................... | 6.9 | 7.1 | 6.9 | 6.9 | 6.9 | 7.0 | 7.1 | 7.2 |
| Fabricated metal products ...................... | 9.0 | 9.1 | 9.0 | 9.0 | 9.2 | 9.2 | 9.1 | 9.2 |
| Industrial machinery and equipment .......... | 20.6 | 20.4 | 20.9 | 20.6 | 20.8 | 20.8 | 20.4 | 20.8 |
| Electronic and other electric equipment ..... | 14.2 | 11.2 | 11.5 | 11.2 | 11.4 | 11.3 | 11.2 | 11.0 |
| Motor vehicles and equipment ................. | 3.2 | 3.1 | 3.1 | 3.2 | 3.1 | 2.9 | 3.1 | 3.1 |
| Other transportation equipment .............................. | 3.7 | 3.8 | 3.6 | 3.7 | 4.3 | 3.7 | 3.8 | 3.8 |
| Other durable goods ${ }^{\text {P }}$................................ | 20.7 | 20.9 | 20.8 | 20.7 | 20.8 | 20.8 | 20.9 | 21.1 |
| Nondurable goods .................................... | 71.7 | 72.9 | 71.8 | 71.7 | 72.0 | 73.0 | 72.9 | 72.7 |
| Food and kindred products ...................... | 17.5 | 18.0 | 17.5 | 17.5 | 17.7 | 18.0 | 18.0 | 18.1 |
| Paper and allied products ....................... | 5.7 | 5.7 | 5.6 | 5.7 | 5.7 | 5.7 | 5.7 | 5.7 |
| Chemicals and allied products ................. | 19.2 | 19.4 | 19.1 | 19.2 | 19.4 | 19.7 | 19.4 | 19.4 |
| Petroleum and coal products ................................ | 6.7 | 6.8 | 6.9 | 6.7 | 6.5 | 6.5 | 6.8 | 6.6 |
| Rubber and miscellianeous plastic products | 7.0 | 7.1 | 7.1 | 7.0 | 7.1 | 7.2 | 7.1 | 7.1 |
| Other nondurable goods ${ }^{2}$....................... | 15.7 | 15.8 | 15.7 | 15.7 | 15.7 | 15.9 | 15.8 | 15.8 |

${ }^{p}$ Preliminary
'Revised.

1. Includes lumber and wood products; furniture and fixtures; stone, clay, and glass products; instruments and related products; and miscellaneous manufacturing industries.
2. Includes lobacco manufacturers; textile mill products; apparel products; printing and publishing; and leather and leather products.
Nores- - Manufacturing inventories are classified by the type of product produced by the establishment holding
the inventory. Trade inventories are classified by the type of product sold by the establishment holding the inventory. Chained (1992) dollar inventory series are calculated as the product of the chain-type quantity index and the the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

# State and Local Government Fiscal Position in 1997 

By Florence Campi and David F. Sullivan

$\tau$he current surplus of State and local governments, which is a measure of the net saving by these governments, increased $\$ 2.5$ billion, to $\$ 107.8$ billion, in 1997 from $\$ 105.3$ billion in 1996 (table 1, chart 1). ${ }^{1}$ As in recent years, little of the increase in the current surplus was accounted for by employee retirement, workers' compensation, or other social insurance funds; instead, it was mainly accounted for by general receipts and by current expenditures for other programs, which include education, medical care, highways, and police. The social insurance funds surplus increased so. billion, to $\$ 71.4$ billion, and the "other" funds surplus increased $\$ 2.2$ billion, to $\$ 36.3$ billion. ${ }^{2}$

## Receipts

State and local government receipts increased 4.5 percent, to $\$ 1,090.4$ billion, in 1997 after increasing 4.4 percent in 1996 (table 2). General own-source receipts-that is, receipts exclud-

1. The NiPA current surplus or deficit reflects the treatment of government investment that was introduced in January 1996. Current expenditures now include (1) consumption of fixed capital for general government in consumption expenditures, and (2) consumption of fixed capital for government enterprises as an expense in the calculation of the current surplus of government enterprises. Gross investment in fixed assets by general government and government enterprises is no longer classified as a current-account ex penditure in the year the asset is purchased but is classiffed, instead, as an expenditure over the service life of the asset.
2. The social insurance funds surplus is calculated as the sum of receipts from personal contributions and employer contributions for social insurance plus interest and dividends received less transfer payments and administrative expenses (consumption expenditures) of social insurance funds. The detailed estimates of social insurance funds receipts and current expenditures are shown annually in NIPA table 3.14, most recently in the August 1997 Survey.

Table 1.-State and Local Government Receipts, Current Expenditures, and Current Surplus or Deficit, NIPA Basis [Billions of dollars]

|  | Calendar years |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1993 | 1994 | 1995 | 1996 | 1997 |
| Receipts ........................................ | 894.4 | 949.2 | 999.0 | 1,043.4 | 1,090.4 |
| Current expenditures ...................... | 807.0 | 852.3 | 895.9 | 938.0 | 982.6 |
| Current surplus or deficit (-) ............ | 87.4 | 96.8 | 103.1 | 105.3 | 107.8 |
| Social insurance funds ................ | 67.8 | 68.9 | 70.5 | 71.3 | 71.4 |
| Other funds ................................. | 19.7 | 27.9 | 32.5 | 34.1 | 36.3 |

NCTE. -The esimates for $1996-97$ are in NIPA table 3.3 of th:s issue of ine SLRVEY Of NIPA National income and product accounts
ing contributions for social insurance and Federal grants-in-aid-increased 4.9 percent in 1997, compared with a 4.8 -percent increase in 1996. All the major components of receipts increased.

Personal tax and nontax receipts.-Personal tax and nontax receipts, which accounted for about 20 percent of total State and local government receipts, increased 7.0 percent, to $\$ 214.3$ billion, in 1997, an acceleration from a 5.7 -percent increase in 1996. Personal income tax receipts increased 7.2 percent, to $\$ 159.8$ billion, after a 6.3-percent increase. Personal income accelerated only slightly to a 5.8 -percent increase from a 5.6 -percent increase. The faster acceleration in personal income taxes than in personal income is within the normal range of variation, but it may also reflect increases in taxes on other types of income, such as capital gains. State legislative actions reduced income tax receipts by $\$ 0.6$ billion in 1997; excluding these actions, income tax receipts would have increased 7.6 percent.

Personal nontax receipts (largely fines, donations, and unclaimed bank deposits) increased

## CHART 1

State and Local Government Current Surplus or Deficit, NIPA Basis

7.6 percent after a 7.9 -percent increase. "Other" personal tax receipts increased 5.4 percent after a o.4-percent decrease; the upturn was accounted for by upturns in motor vehicle license taxes and in other taxes (largely hunting, fishing, and other personal licenses). ${ }^{3}$

Corporate profits tax accruals.-Corporate profits tax accruals, which accounted for about 3 percent of total receipts, increased 9.0 percent in 1997, following a 10.9 -percent increase in 1996. The deceleration reflected a deceleration in corporate profits. Corporate profits before tax increased 7.9 percent after increasing 8.7 percent.

Indirect business tax and nontax accruals.Indirect business tax and nontax accruals, which accounted for about 48 percent of total receipts, decelerated slightly in 1997; they increased 3.8 percent, to $\$ 528.1$ billion, in 1997 and 4.0 percent in 1996. ${ }^{4}$ Sales taxes, which accounted for about 49 percent of indirect business tax and nontax accruals, continued to decelerate; they increased 3.0 percent, to $\$ 257.4$ billion, in 1997 and 4.3 percent in 1996. All the components of sales taxes except taxes on alcoholic beverages and on insurance receipts decelerated; both these com-

[^3]ponents accelerated. The deceleration in general sales taxes is partly attributable to a deceleration in retail sales, which increased 4.1 percent in 1997 after increasing 5.2 percent in 1996. Tobacco sales taxes decreased $\$ 0.2$ billion in 1997. Legislative actions reduced sales taxes only slightly in 1997; excluding these actions, sales taxes would still have increased 3.0 percent in 1997.
Property taxes, which accounted for about 40 percent of indirect business tax and nontax accruals, accelerated in 1997; they increased 3.2 percent, to $\$ 208.8$ billion, after decelerating for 7 years.
"Other" indirect business tax and nontax accruals increased 9.2 percent, to $\$ 62.0$ billion, in 1997 after increasing 8.2 percent in 1996. The acceleration was primarily accounted for by motor vehicle license taxes and indirect business nontax accruals. The pickup in nontaxes was attributable to payments of $\$ 0.9$ billion to two States by tobacco companies as a result of out-of-court settlements of lawsuits. Severance taxes and "other" indirect business taxes decelerated.

Other receipts.-Contributions for social insurance, which accounted for about 8 percent of total receipts, increased 5.9 percent, to $\$ 86.2$ billion in 1997, an acceleration from a 5.3 -percent increase in 1996. Employer contributions accelerated, primarily reflecting an acceleration in private workers' compensation contributions. Per-

Table 2.-State and Local Government Receipts, NIPA Basis

|  | Calendar years |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Billions of dollars |  |  |  |  | Percent change |  |  |  |
|  | 1993 | 1994 | 1995 | 1996 | 1997 | 1994 | 1995 | 1996 | 1997 |
| Receipts ................................................. | 894.4 | 949.2 | 999.0 | 1,043.4 | 1,090.4 | 6.1 | 5.2 | 4.4 | 4.5 |
| General own-source receipts .................................. | 639.9 | 676.5 | 709.8 | 743.7 | 780.1 | 5.7 | 4.9 | 4.8 | 4.9 |
| Personal tax and nontax receipts ............................. | 167.4 | 176.8 | 189.4 | 200.2 | 214.3 | 5.6 | 7.1 | 5.7 | 7.0 |
| Income taxes .............................................. | 124.2 | 131.2 | 140.3 | 149.1 | 159.8 | 5.6 | 6.9 | 6.3 | 7.2 |
| Nontaxes ................................................... | 23.4 | 24.8 | 26.7 | 28.8 | 31.0 | 6.0 | 7.7 | 7.9 | 7.6 |
| Other ........................................................................................ | 19.8 | 20.8 | 22.4 | 22.3 | 23.5 | 5.1 | 7.7 | -. 4 | 5.4 |
| Corporate profits tax accruals ............................. | 26.9 | 29.9 | 31.1 | 34.5 | 37.6 | 11.2 | 4.0 | 10.9 | 9.0 |
| Indirect business tax and nontax accruals ............... | 445.6 | 469.8 | 489.3 | 508.9 | 528.1 | 5.4 | 4.2 | 4.0 | 3.8 |
| Sales taxes ................................................. | 214.8 | 228.2 | 239.4 | 249.8 | 257.4 | 6.2 | 4.9 | 4.3 | 3.0 |
| Property taxes ..................................................................................... | 185.0 | 191.4 | 197.4 | 202.3 | 208.8 | 3.5 | 3.1 | 2.5 | 3.2 |
| Other ........................................................ | 45.9 | 50.2 | 52.5 | 56.8 | 62.0 | 9.4 | 4.6 | 8.2 | 9.2 |
| Contributions for social insurance ............................. | 68.7 | 73.4 | 77.3 | 81.4 | 86.2 | 6.8 | 5.3 | 5.3 | 5.9 |
| Federal grants-in-aid ................................................ | 185.8 | 199.2 | 211.9 | 218.3 | 224.2 | 7.2 | 6.4 | 3.0 | 2.7 |
| Addenda: Receipts exciuding selected law changes: ' |  |  |  |  |  |  |  |  |  |
| Total ............................................................ | $\begin{aligned} & 893.7 \\ & 639.2 \end{aligned}$ | 947.4 674.8 | 997.3 | $1,042.7$ 743.0 | $1,090.3$ 780.1 | 6.0 5.6 | 5.3 4.9 | 4.6 4.9 | 4.6 5.0 |

1. Estimates of the effect of law changes on receipts are calculated as follows. For changes of which BEA is aware (hence the use of "selected" in the line title in the table), the estimate is the amount or the change over the 12 -month period after the change is introduced. For per-
sonal taxes, the change is introduced when the tax is paid or refunded or when the witholding is changed. For indirect business taxes, the change is introduced to coincide with the transaction affected. The calculations are made by months for personal taxes and nontaxes (because they are used to prepare monthly estimates of disposable personal income) and by quarters for other taxes. Two characteristics of the resulting estimates should be noted. First, aggregation of the monthly or quarterly estimates to calendar years may give results that appear anomalous. For example, a sales tax imposed for 1 year beginning July 1 would be recorded as follows: (a) For quarters, an increase in receipts by the amount of the 12 -month yield in the third quarter of that
year and a decrease by the same amount in the third quarter of the following year, and (b) for calendar years, an increase in receipts by the amount of the 12 -month yield divided by 2 in the
year that the increase takes place, no change in receipts in the following year, and a decrease year that the increase takes place, no change in receipts in the following year, and a decrease by the amount of the 12 -month yield divided by 2 in the year after that (that is, 2 years after
the increase). Second, a law change after July, which is the beginning of the fiscal year for many the increase, Second, a law change after July, which is the beginning of the fiscal year for many
States, would have more impact on receipts of the next calendar year than on those of the calendar year in which it occurs.
The effects of tax law changes that are excluded from receipts to derive the addenda items in the table cover the changes beginning with those introduced in 1992. The 12 -month effects, recorded for calendar years as described above, are cumulated. NIPA National income and product accounts
sonal contributions decelerated, primarily reflecting a deceleration in contributions for temporary disability insurance.
Federal grants-in-aid to State and local governments, which accounted for about 21 percent of total receipts, increased 2.7 percent, to $\$ 224.2$ billion, after increasing 3.0 percent in 1996. Most categories of grants increased, but grants for cash benefits (public assistance), education, and health care decreased. ${ }^{5}$

## Current expenditures

Current expenditures increased 4.8 percent, to $\$ 982.6$ billion, in 1997 (table 3). The increase was more than accounted for by increases in consumption expenditures and transfer payments to persons.

Consumption expenditures.-Consumption expen-ditures-which consist primarily of compensation of employees and net purchases of goods and services from businesses-increased 4.4 percent, to $\$ 762.9$ billion, in 1997 after increasing 4.6 percent in 1996. The deceleration primarily reflected decelerations in expenditures for durable goods other than equipment and in expenditures for nondurable goods. The deceleration in nondurable goods largely reflected a decrease in petroleum prices.

Compensation of general government employees, which accounted for about 75 percent of
5. The detailed estimates of Federal grants-in-aid are shown annually in nIPA table 3.16, most recently in the October 1997 Survex. See also "Federal Budget Estimates, Fiscal Year 1999," Surver 78 (March 1998): 8-16.
consumption expenditures, increased 4.3 percent, to $\$ 570.6$ billion, in 1997 after increasing 4.1 percent in 1996 (table 4). State and local government employment increased 1.6 percent in 1997 after increasing 1.3 percent in 1996. The employment cost index for the wages and salaries of State and local government workers increased 2.7 percent in 1997, slightly less than in $1996 .{ }^{6}$
In the nipa's, consumption expenditures are net of receipts for certain goods and services that are defined as government sales and that are subtracted in the estimation of consumption expenditures; the largest components of government sales are tuition charges and health and hospital charges. Government sales decelerated in 1997, reflecting decelerations in sales of nondurable goods and of services. ${ }^{7}$
Consumption of general government fixed capital, or depreciation, increased 4.2 percent in 1997, compared with a 4.4-percent increase in 1996.

Real consumption expenditures accelerated to a 2.0 -percent increase in 1997 from a 1.2 -percent increase in 1996 (table 4). Most of the acceleration was accounted for by compensation of general government employees, which increased 1.5 percent after increasing 0.4 percent, reflecting the acceleration in State and local government employment.
6. The employment cost index and the employment figures are reported in the U.S. Department of Labor, Bureau of Labor Statistics, Employment Cost Index: Historical Listing (January 1998); Current Employment Statistics (June 1997); and The Employment Situation News Release (March 6, 1998).
7. The detailed estimates of government sales are shown annually in NIPA table 3.9, most recently in the August 1997 Survex.

Table 3.-State and Local Government Current Expenditures, NIPA Basis

|  | Calendar years |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Billions of dollars |  |  |  |  | Percent change |  |  |  |
|  | 1993 | 1994 | 1995 | 1996 | 1997 | 1994 | 1995 | 1996 | 1997 |
| Current expenditures ............................... | 807.0 | 852.3 | 895.9 | 938.0 | 982.6 | 5.6 | 5.1 | 4.7 | 4.8 |
| Consumption expenditures .................................... | 631.6 | 663.8 | 698.6 | 730.9 | 762.9 | 5.1 | 5.2 | 4.6 | 4.4 |
| Transfer payments to persons .................................... | 247.2 | 264.3 | 280.6 | 294.8 | 311.8 | 6.9 | 6.2 | 5.1 | 5.8 |
| Beneftits fom social insurance funds ...................... | 66.0 | 71.1 | 76.8 | 83.5 | 91.0 | 7.7 | 8.0 | 8.7 | 9.0 |
| Medical care ................................................. | 132.5 | 141.7 | 151.3 | 159.9 | 171.0 | 6.9 | 6.8 | 5.7 | 6.9 |
| Family assistance ............................................. | 24.0 | 24.3 | 23.3 | 21.7 | 18.8 | 1.3 | -4.1 | -6.9 | -13.4 |
| All other ....................................................... | 24.6 | 27.2 | 29.2 | 29.7 | 31.1 | 10.6 | 7.4 | 1.7 | 4.7 |
| Net interest paid ................................................ | -52.4 | -55.1 | -59.6 | -61.7 | -65.2 |  |  |  |  |
| Interest paid .................................................... | 64.5 | 63.7 | 64.1 | 64.6 | 64.6 | -1.2 | 6 | . 8 | . 0 |
| Less: Interest received by government .................. | 116.9 | 118.8 | 123.7 | 126.3 | 129.8 | 1.6 | 4.1 | 2.1 | 2.8 |
| Social insurance funds ............................. | 59.9 | 61.4 | 64.3 | 67.1 | 69.7 | 2.5 | 4.7 | 4.4 | 3.9 |
| Other .................................................. | 57.0 | 57.4 | 59.4 | 59.2 | 60.1 | . 7 | 3.4 | -. 3 | 1.5 |
| Less: Dividends received by government $\qquad$ Social insurance funds $\qquad$ | 10.5 10.3 | 11.4 11.2 | 12.5 12.3 | 13.6 13.4 | 14.6 14.4 | 8.6 8.7 | 9.6 9.8 | 8.8 8.9 | 7.4 |
| Other ....................................................................... | . 2 | . 2 | . 2 | . 2 | . 2 | 0 | 0 | 0 | 0 |
| Subsidies less current surplus of government |  |  |  |  |  |  |  |  |  |
| enterprises <br> Subsidies | -9.0 .4 | -9.3 .4 | -11.2 | -12.3 | -12.2 | 0 | -25.0 | 0 | 0 |
| Less: Current surplus of government enterprises .......................................... | 9.3 | 9.7 | 11.5 | 12.7 | 12.6 | 4.3 | 18.6 | 10.4 | -. 8 |
| Less: Wage accruals less disbursements ................... | 0 | 0 | 0 | 0 | 0 | ............... | ............... | ............... | ............. |

NIPA National income and product accounts

Transfer payments to persons.-Transfer payments to persons-which include medicaid, employee retirement benefits, and family assistance payments-increased 5.8 percent, to $\$ 311.8$ billion, in 1997 after increasing 5.1 percent in 1996 (table 3).

Benefits from social insurance funds increased 9.0 percent, to $\$ 91.0$ billion, in 1997 after an 8.7 -percent increase in 1996. State and local employee retirement payments have continued to increase about 10 percent a year, workers' compensation payments increased 2.2 percent in 1997, and temporary disability insurance has declined since 1994. Medical care transfers (primarily medicaid), which accounted for about 55 percent of transfer payments, increased 6.9 percent, to $\$ 171.0$ billion, in 1997 after increasing 5.7 percent
in $1996 .{ }^{8}$ Family assistance, which has decreased since 1994 , decreased 13.4 percent, to $\$ 18.8$ billion, in 1997. ${ }^{9}$ All other transfer payments (including those for education and for employment and training) increased 4.7 percent, to $\$ 31.1$ billion, in 1997.

Other current expenditures.-Net interest paid (interest paid by State and local governments less interest received by them) has become more negative each year since 1993, because interest received has increased more than interest paid. In 1997, interest received increased 2.8 percent, and interest paid was unchanged. Interest received

[^4]Table 4.-State and Local Government Consumption Expenditures and Gross Investment, NIPA Basis

|  | Calendar years |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1993 | 1994 | 1995 | 1996 | 1997 | 1994 | 1995 | 1996 | 1997 |
|  | Billions of dollars |  |  |  |  | Percent change |  |  |  |
| Consumption expenditures and gross investment ........ | 765.0 | 802.8 | 846.0 | 886.7 | 928.9 | 4.9 | 5.4 | 4.8 | 4.8 |
| Consumption expenditures ................................................. | 631.6 | 663.8 | 698.6 | 730.9 | 762.9 | 5.1 | 5.2 | 4.6 | 4.4 |
| Durable goods ........................................................................................ | 13.2 | 13.9 | 14.7 | 15.3 | 15.8 | 5.3 | 5.8 | 4.1 | 3.3 |
| Nondurable goods ..................................................... | 64.3 | 67.8 | 73.0 | 78.2 | 80.6 | 5.4 | 7.7 | 7.1 | 3.1 |
| Services .............................................................. | 554.2 | 582.1 | 610.9 | 637.5 | 666.5 | 5.0 | 4.9 | 4.4 | 4.5 |
| Compensation of general government employees except force-account construction ${ }^{1}$ $\qquad$ | 479.5 | 502.6 | 525.5 | 547.2 | 570.6 | 4.8 | 4.6 | 4.1 | 4.3 |
| Consumption of general government fixed capital ............. | 48.8 | 51.3 | 54.2 | 56.6 | 59.0 | 5.1 | 5.7 | 4.4 | 4.2 |
| Other sevices ........................................................ | 25.9 | 28.1 | 31.2 | 33.7 | 36.9 | 8.5 | 11.0 | 8.0 | 9.5 |
| Gross investment ............................................................ | 133.4 | 138.9 | 147.4 | 155.7 | 166.0 | 4.1 | 6.1 | 5.6 | 6.6 |
| Structures .................................................................... | 108.7 | 113.4 | 121.0 | 128.5 | 138.4 | 4.3 | 6.7 | 6.2 | 7.7 |
| Equipment .................................................................................. | 24.7 | 25.6 | 26.4 | 27.3 | 27.6 | 3.6 | 3.1 | 3.4 | 1.1 |
|  | Billions of chained (1992) dollars |  |  |  |  | 2.6 | 2.1 | 1.5 | 2.4 |
| Consumption expenditures and gross investment ........ | 746.4 | 765.7 | 781.6 | 793.7 | 812.7 |  |  |  |  |
| Consumption expenditures ............................................... | 615.8 | 633.4 | 646.0 | 653.6 | 666.6 | 2.9 | 2.0 | 1.2 | 2.0 |
| Durable goods ............................................................. | 13.0 | 13.6 | 13.9 | 14.4 | 14.8 | 4.6 | 2.2 | 3.6 | 2.8 |
| Nondurable goods ........................................................ | 64.0 | 67.4 | 69.2 | 71.5 | 74.1 | 5.3 | 2.7 | 3.3 | 3.6 |
| Services ................................................................. | 538.9 | 552.5 | 563.0 | 567.9 | 577.9 | 2.5 | 1.9 | . 9 | 1.8 |
| Compensation of general government employees except force-account construction ${ }^{1}$ $\qquad$ | 463.2 | 471.6 | 478.2 | 479.9 | 486.9 | 1.8 | 1.4 | . 4 | 1.5 |
| Consumption of general government fixed capital .............. | 48.1 | 49.4 | 50.7 | 52.0 | 53.4 | 2.7 | 2.6 | 2.6 | 2.7 |
| Other services ....................................................... | 27.5 | 32.1 | 35.1 | 37.4 | 39.4 | 16.7 | 9.3 | 6.6 | 5.3 |
| Gross investment ......................................................... | 130.6 | 132.2 | 135.6 | 140.1 | 146.1 | 1.2 | 2.6 | 3.3 | 4.3 |
| Structures ................................................................... | 106.1 | 107.1 | 109.5 | 112.8 | 117.4 | . 9 | 2.2 | 3.0 | 4.1 |
| Equipment ................................................................... | 24.5 | 25.2 | 26.1 | 27.4 | 28.8 | 2.9 | 3.6 | 5.0 | 5.1 |
| Residual ..................................................................... | 0 | -. 7 | -1.1 | -1.7 | -2.1 | $\ldots . . . . . .$. | .......... | .......... | .......... |
|  | Index numbers, 1992=100 |  |  |  |  |  |  |  |  |
| Addenda: ${ }^{2}$Consumption expenditures: |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Quantity index ....................................................... | 102.03102.56 | $\begin{aligned} & 104.94 \\ & 104.80 \end{aligned}$ | $\begin{aligned} & 107.02 \\ & 108.14 \end{aligned}$ | $\begin{aligned} & 108.28 \\ & 111.84 \end{aligned}$ | $\begin{aligned} & 110.44 \\ & 114.44 \end{aligned}$ | $\begin{aligned} & 2.9 \\ & 2.2 \end{aligned}$ | $\begin{aligned} & 2.0 \\ & 3.2 \end{aligned}$ | $\begin{aligned} & 1.2 \\ & 3.4 \end{aligned}$ | 2.02.3 |
| Price index ............................................................. |  |  |  |  |  |  |  |  |  |
| Gross investment: |  |  |  |  |  |  |  |  |  |
| Quantity index ......................................................... | $\begin{array}{r} 98.81 \\ 102.17 \end{array}$ | $\begin{aligned} & 100.06 \\ & 105.06 \end{aligned}$ | $\begin{aligned} & 102.60 \\ & 108.69 \end{aligned}$ | $\begin{aligned} & 106.03 \\ & 111.14 \end{aligned}$ | $\begin{aligned} & 110.52 \\ & 113.71 \end{aligned}$ | $\begin{aligned} & 1.3 \\ & 2.8 \end{aligned}$ | 2.53.5 | $\begin{aligned} & 3.3 \\ & 2.3 \end{aligned}$ | 4.22.3 |
| Price index .............................................................. |  |  |  |  |  |  |  |  |  |

1. Compensation of government employees engaged in new iorce-account construction and related expenditures for goods and senices are classified as investment in structures.
2. Quantity and price indexes are chain-tyee indexes. The incexes are shown in NIPA table
7.11. For a discussion of the indexes, see "Preview of the Comprehensive Revision of the National Income and Product Accounts: BEA's New Featured Measures of Output and Prices," in the July 1995 Surver.
Notes.-The current-dollar estimates are shown in NIPA table 3.7.
Real estimates are expressed in chained (1992) dollars, which are shown in NIPA table 3.8 . Chained (1992) dollar series are calculated as the product of the chaintype quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chair-type quantity indexes uses weights of more than one period, the corresponding chained-dolar estimates are ussully not additive. The residual line is the difference between the first line and the sum of the most detailed lines. NIPA National income and product accounts
by social insurance funds increased 3.9 percent; general government interest received increased 1.5 percent. Dividends received, primarily by State and local government pension funds, increased 7.4 percent after an increase of 8.8 percent.

The current surplus of government enterprisescertain government agencies that operate like businesses, such as water and sewerage facilities, public utilities, lotteries, and public transitdecreased slightly to $\$ 12.6$ billion in 1997 after 10 consecutive years of increases. ${ }^{10}$ The downturn reflected a downturn in Federal subsidies paid to housing and urban renewal enterprises and to public transit enterprises; other enterprise revenues and current expenditures increased at about the same rate in 1997 as in 1996.

## Gross investment

Government expenditures for structures and equipment are now classified as "gross investment" (see footnote 1 ) and do not directly affect the NIPA current surplus (or deficit), but they remain an important activity of State and local governments. State and local government gross investment increased 6.6 percent, to $\$ 166.0$ billion, in 1997 after an increase of 5.6 percent in 1996 (table 4). ${ }^{11}$
Gross investment in structures increased 7.7 percent, to $\$ 138.4$ billion, in 1997 after increasing 6.2 percent in 1996. Investment in buildings accelerated, reflecting increases of 8 percent or more in all types of buildings. In structures other than buildings, the largest increases were in conservation and development and in "other" construction (which consists primarily of electric and gas facilities, transit systems, and airfields). Investment in highways and streets increased 7.7 percent, or $\$ 3.4$ billion, to $\$ 47.5$ billion. Construction of water systems increased 7.3 percent; construction of sewer systems increased 1.6 percent.
Gross investment in equipment increased 1.1 percent, to $\$ 27.6$ billion, in 1997 after a $3.4-$ percent increase in 1996. The deceleration largely reflected a continuing decline in computer prices.
In real terms, gross investment accelerated, primarily reflecting an acceleration in structures. Structures increased 4.1 percent after an increase of 3.0 percent. Real investment in equipment increased 5.1 percent after an increase of 5.0 percent.

[^5]The steady growth in real equipment investment contrasts with the deceleration in current-dollar equipment investment; the contrasting movements are partly the result of the continuing decline in computer prices.

## Fiscal position in $1998^{12}$

A major factor affecting the State and local fiscal position in 1998 will be the pace of overall economic activity during the year. In the Economic Report of the President, real gross domestic product in 1998 is projected to grow more slowly than in 1997, the unemployment rate is projected to be unchanged, and the rate of inflation is projected to step up slightly. ${ }^{13}$

Receipts.-In State and local government receipts, the growth of the economy will have the largest effect on personal income taxes, corporate profits tax accruals, and sales taxes, which together account for approximately two-fifths of total receipts. Federal grants-in-aid, which are determined by the Federal Government, account for approximately one-fifth of receipts. ${ }^{14}$ Business and personal property taxes account for about one-fifth of total receipts, and other personal and business taxes and nontaxes and contributions for social insurance, which are influenced by such factors as State and local government employment and fiscal policies, and by changes in demographics, account for the remaining one-fifth.
Total receipts in 1998 are expected to increase $\$ 50-\$ 55$ billion, to $\$ 1,140-\$ 1,145$ billion. Personal tax and nontax receipts are likely to decelerate because of an expected deceleration in personal income taxes. The deceleration is partly attributable to the effect of the projected slowdown in economic growth; in addition, State tax law changes already enacted are expected to reduce personal income taxes more in 1998 than in 1997. Sales tax receipts are also expected to decelerate in 1998; tax law changes already enacted are expected to have little effect. Corporate tax accruals are unlikely to match the large increases

[^6]in 1996 and 9997 . Property tax accruals, which are related to property values and to changes in investment as well as to the national economy, are expected to increase at about the same rate as in 1997. Reflecting all these changes, general own-source receipts are expected to increase less in 1998 than in 1997.

Federal grants-in-aid are expected to increase about 7 percent in 1998. This increase represents an acceleration after 2 years of deceleration. Almost all of the grants programs are expected to increase; the largest increases are expected in the programs for health care, community development, cash benefits (public assistance), and "all other." ${ }^{15}$

Contributions for social insurance are assumed to increase at about the same rate in 1998 as in 1997.

Current expenditures.-Evidence from State and local budgets suggests that expenditures for current operations will accelerate in 1998. Current expenditures are likely to increase $\$ 50-\$ 55$ billion, to $\$ 1,033-\$ 1,038$ billion. Consumption expenditures are likely to accelerate in 1998; the acceleration is expected to be widespread among the components of consumption expenditures.
Transfer payments, which are partly funded by Federal grants-in-aid, are likely to increase slightly more in 1998 than in 1997. Benefits from

[^7]social insurance are likely to increase at about the same rate.

Net interest paid in 1998 will be affected by the refinancing of debt and new borrowing at relatively low rates. Interest paid and interest received are likely to increase slowly again; dividends received is likely to increase at about the same rate as in 1997.
Current surplus or deficit.-These changes in receipts and in current expenditures would result in a NIPA surplus of $\$ 107-\$ 112$ billion in 1998. The social insurance funds surplus is expected to increase about $\$ 1$ billion, and the "other funds" surplus is likely to increase slightly.

Gross investment.-Gross investment is likely to increase in 1998. New borrowing by State and local governments, which is used to finance gross investment, increased in 1997. Most categories of structures are expected to increase in 1998, but at slower rates than in 1997. The largest increases are expected in educational and "other" buildings (including offices, police and fire stations, courthouses, and prisons). Water and sewer construction are also expected to remain relatively strong. Highway construction is expected to increase in 1998. Recently proposed Federal legislation on transportation increases the likelihood that it will accelerate: Presidential and congressional proposals currently under consideration, if enacted, would increase Federal funding for State and local government investment in transportation facilities, including highways.

# U.S. Transportation Satellite Accounts for 1992 

By Bingsong Fang, Xiaoli Han, Ann M. Lawson, and Sherlene K.S. Lum

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This article introduces the transportation satellite accounts (TsA's), which are an extension of the U.S. input-output ( $\mathrm{I}-\mathrm{o}$ ) accounts. ${ }^{1}$ Satellite accounts rearrange information from the basic economic accounts for the purpose of analyzing important economic activities more completely than is otherwise possible. They expand the analytical capacity of the basic accounts without overburdening them with details or interfering with their general-purpose orientation. The TSA's were jointly developed by the Bureau of Transportation Statistics (bтs) of the U.S. Department of Transportation and the Bureau of Economic Analysis (bea). ${ }^{2}$ In 1994, bea introduced a set of prototype economic and environmental satellite accounts and a satellite account for research and development expenditures; BEA is also developing satellite accounts for travel and tourism that will be introduced in a few months. ${ }^{3}$
Like other satellite accounts, the tsa's provide a more comprehensive measure of an economic activity by bringing together components of that activity wherever they occur throughout the economy, including activities which are internal to the firm and for which there are no observable

[^8]prices. In this case, the activity is transportation, and the intrafirm transportation activities identified in the TSA's include, for example, the transportation activities that are conducted by a grocery company's truck fleet when it moves goods from warehouses to the retail outlets of the grocery store chain. The tsa's identify and aggregate such transportation activities whether they are purchased from other firms or performed by other units in the same firm and present the data on both an industry and a commodity basis.
The TSA's are based on and are an extension of the $\mathrm{I}-\mathrm{o}$ accounts. They are the result of rearranging the 1992 I-O data using additional information from other sources of transportation data so as to provide a unified picture of the impact of transportation on the U.S. economy. The TSA's cover both the transportation activities conducted on a for-hire basis, which are identified as transportation within the published I-O accounts, and those conducted by businesses for their own use, which-though included-are not separately identified as transportation activities in the I-O accounts. The estimates from the TSA's, therefore, have several major advantages for transportation analyses.
First, the TSA estimates provide a more comprehensive measure of all transportation activities, both in terms of their contribution to the economy and their use of inputs from other industries in the economy. For example, the value added of transportation industries as defined in the TSA's represents 5.0 percent of gross domestic product (GDP) in 1992. In contrast, the total value added of all transportation industries identified in the $\mathrm{I}-\mathrm{O}$ accounts is 3.1 percent of gDp for the same year. ${ }^{4}$ In addition, the TSA's show that transportation industries used $\$ 33.2$ billion of petroleum products in 1992, while the I-O accounts show that transportation industries used $\$ 21.6$ billion of these products in the same year.

[^9]Second, the TSA estimates show more accurately the total use of transportation across industries, as shown in table 1. For example, in the i-o estimates, the largest user of transportation was manufacturing ( $\$ 80.2$ billion, 21.0 percent), followed by motor freight and warehousing ( $\$ 35.0$ billion, 9.2 percent), services ( $\$ 21.5$ billion, 5.6 percent), and air transportation ( $\$ 14.4$ billion, 3.8 percent). In the tSA estimates, the largest user was still manufacturing ( $\$ 102.0$ billion, 18.7 percent), but the next largest user was services ( $\$ 63.5$ billion, 11.6 percent), followed by construction ( $\$ 52.2$ billion, 9.6 percent) and wholesale and retail trade ( $\$ 51.8$ billion, 9.5 percent).

Third, the TSA estimates on transportation are not affected by changes in the way transportation is provided, and therefore they provide a more reliable representation of transportation in the economy. For example, when a grocery company contracts out its internal trucking operations to a common carrier trucking company, the i-o estimates show an increase in the output of transportation; when the company switches back to its internal operations for its trucking needs, the I-o estimates show a decrease in the output of transportation. In contrast, the TSA estimates remain unchanged in both cases.

The first section of this article explains why the tsA's were developed. The second section provides a conceptual overview of the TSA's, including their relationship to the $\mathrm{I}-\mathrm{O}$ accounts. The third section describes the major components of the TSA's. The fourth section provides a methodological overview of the estimation
and derivation of the tsa's. The final section summarizes the TSA estimates for 1992.

## Background

Current statistics on transportation from the I-O accounts and other data sources do not provide a comprehensive and consistent view of transportation activities in the economy. Specifically, the i-O accounts separately identify only transportation that is provided on a for-hire basis-that is, services provided by common carriers of freight and passengers-but not those that are provided by a business for its own use-for example, delivery of furniture by a retailer using either an owned or leased truck.

## Current measures of transportation activities

The current statistics on transportation from various public and private sources are presented in different ways, reflecting the multifaceted nature of transportation and the variety of uses for the statistics. The major methods of presentation include the following:

- By what is transported: The transportation statistics are divided into two broad groups-the conveyance of goods (freight transportation) and the conveyance of people (passenger transportation).
- By mode of transportation: The statistics are organized according to the means of transportation, such as rail, urban transit, highway, air, water, and pipeline.
- By industry provider of transportation: The statistics focus on those businesses or estab-

Table 1.-Total Use of Transportation Across Industries

| Industry | Commodity |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Millions of dollars at producers' prices |  |  | Percent |  |  |
|  |  |  |  | Share of total for-hire transportation | Share of total ownaccount transportation | Share of total transportation |
|  | For-hire transportation | Own-account transportation | Total transportation |  |  |  |
| Agriculture, forestry, and fisheries ................................................. | 5,720 | 13,177 | 18,897 | 1.5 | 8.0 | 3.5 |
| Mining ...................................................................................... | 2,810 | 3,870 | 6,680 | . 7 | 2.3 | 1.2 |
| Construction ............................................................................. | 13,286 | 38,950 | 52,235 | 3.5 | 23.5 | 9.6 |
| Manufacturing | 80,248 | 21,806 | 102,054 | 21.0 | 13.2 | 18.7 |
| Railroads and related services; passenger ground transportation ...... | 3,470 | , 1 | 3,470 | . 9 | .............. | . 6 |
| Motor freight transportation and warehousing ................................ | 35,049 | ....................... | 35,049 | 9.2 | ................. | 6.4 |
| Water transportation ................................................................... | 5,889 | ........................ | 5,889 | 1.5 | - | 1.1 |
| Air transportation ....................................................................... | 14,409 | ........................ | 14,409 | 3.8 | ................. | 2.6 |
| Pipelines, freight forwarders, and related services .......................... | 1,294 | ........................ | 1,294 | (*) | ................. | . 2 |
| State and local government passenger transit ............................... | 173 | ........................ | 173 | (*) | ................. | (*) |
| Own-account transportation ........................................................ | 1,306 |  | 1,306 | . 3 | $\cdots$ | . 2 |
| Communications and utilities ....................................................... | 8,803 | 1,187 | 9,990 | 2.3 | . 7 | 1.8 |
| Wholesale and retail trade ............................................................ | 8,963 | 42,819 | 51,783 | 2.4 | 25.9 | 9.5 |
| Finance, insurance, and real estate ..............................................: | 10,523 | 899 | 11,422 | 2.8 | . 5 | 2.1 |
| Services ..................................................................................... | 21,482 | 42,035 | 63,517 | 5.6 | 25.4 | 11.6 |
| Other ${ }^{1}$. ..................................................................................... | 4,500 | 718 | 5,218 | 1.2 | . 4 | 1.0 |
| Total commodity output ................................................................ | 381,300 | 165,461 | 546,761 | 100.0 | 100.0 | 100.0 |

- Less than 0.1 percent.
ransit and other input-output spial enterprises (except state and local government passenger
lishments that sell transportation in the marketplace. These establishments as a group are referred to as an industry, such as the air transportation industry, water transportation industry, and motor freight transportation industry.

Though useful for certain analytical purposes, the existing transportation data do not provide a comprehensive and comparable measure of the contribution of all transportation activities to an economy for two reasons.
First, they do not identify those transportation activities for which there are no corresponding, identifiable market transactions. Second, the data are often presented in a way that does not provide a common basis for comparison.
In the first case, the I -o accounts identify only for-hire transportation activities. Most of the estimates on transportation in the I -o accounts are based on data from the Census Bureau ${ }^{5}$ that are collected at the establishment level of detail and are classified on the basis of the 1987 Standard Industrial Classification (sic) system. ${ }^{6}$ Two types of establishments are distinguished in the sic: Operating establishments primarily produce goods or provide services for personal or household use or for use by other enterprises; auxiliary establishments primarily perform management or support services within the same enterprise. ${ }^{7}$ If transportation activities are conducted by an operating establishment, the activities are referred to as "for-hire" transportation, and the establishment is classified as transportation in the sic system. If transportation activities are conducted as a support activity by an operating establishment within a

[^10]nontransportation enterprise, they are referred to as "own-account" transportation. Data on these own-account transportation activities are not identified separately from the primary activity of the establishment; hence they are not classified as transportation in the sIc system. In the sic system, an exception is made for auxiliary establishments primarily engaged in long-distance trucking, stevedoring, water and pipeline transportation within nontransportation enterprises; these establishments are classified as for-hire transportation operating units in the sIc system, but auxiliary establishments performing other types of transportation activities are not. ${ }^{8}$

In the second case, there are different forms of limitations in the transportation statistics. Data from many sources, including various government transportation agencies and trade organizations, provide information on the physical characteristics of the transportation systemsuch as number of trips taken, number of people and tonnage of goods transported, and number of firms providing specific types of transportation. Though they usually cover all the activities for specific modes of transportation, two characteristics limit their usefulness. First, they are often measured in physical units, such as tonmiles and passenger-miles, rather than in dollar
8. Under the newly developed North American Industrial Classification System (NaICs), an auxiliary establishment is classified according to the nature of its own activity. Therefore, auxiliary establishments primarily engaged in transportation activities are classified as transportation.

## Acknowledgments

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Bingsong Fang and Xiaoli Han from bts developed the framework for the accounts and designed the data processing system. They developed the estimates with Simon Randrianarivel from bTs and Belinda L. Bonds from bea. Also from bea, Brian D. Kajutti and John Turner assisted with the computer programming and data processing; Mark A. Planting and Karen J. Horowitz provided valuable comments during the review of the estimates; and Mary L. Roy and Kimberly A. Mourey coordinated the preparation of the article. Other contributors were Timothy D. Aylor, William McCarthy, and Robert E. Yuskavage from bea and David P. Vogt from Oak Ridge National Laboratory.
values. Second, they are generally presented by mode of transportation, and detailed information on industry distributions of their use are not available. As a result, it is very difficult to use these data with data from the national economic accounts for industry analysis.

## Satellite accounts

In general, satellite accounts are frameworks designed to expand the analytical capacity of the "basic" economic accounts without overburdening them with details or interfering with their general-purpose orientation. Satellite accounts, which are meant to supplement rather than to replace the existing accounts, organize information in an internally consistent way that suits their particular analytical focus, while maintaining links to the existing accounts. They typically expand a particular segment of the existing accounts with more details and additional dimensions of information, including nonmonetary information; in addition, they may use definitions and classifications that differ from those in the existing accounts. Depending on the analytical focus, the production boundary of the national accounts can be maintained or modified. ${ }^{9}$
In the United States, satellite accounts have been used to extend the analytical capacity of the national economic accounts in two ways. In 1994, bea released the Integrated Economic and Environmental Satellite Accounts (IeesA's) and a satellite account for research and development expenditures. bea also has produced supplementary balance of payments accounts that record U.S. trade and capital flows on an ownership basis rather than a residence basis. Currently, BEA is working with the International Trade Administration to develop satellite accounts for travel and tourism.
The 1993 manual of the System of National Accounts ( sNa ) recommends using satellite accounts to handle such situations as measuring own-account transportation. ${ }^{10}$ Own-account transportation in the TSA's is what is referred to as an "auxiliary" activity in the sIC and as an "ancillary" activity in the sNA manual. According to the SNA manual, an ancillary unit is one whose sole function is to produce one or more common types of services for intermediate consumption within the same enterprise. In the $\mathrm{sNa}^{2}$,

[^11]ancillary units are not treated as separate units. However, it is suggested that for some types of analysis it may be useful and necessary to estimate and record the activities of ancillary units separately-preferably by using satellite accounts. In addition, the un handbook of input-output accounts suggests the satellite account approach to estimating own-account transportation and including it in the output of the transportation industry. ${ }^{11}$ The satellite account approach has also been used for own-accoulnt transportation in other countries. For example, France's Department of Transportation and Tourism developed national transportation satellite accounts in 1992. ${ }^{12}$

## Conceptual Overview

As a satellite to the 1992 benchmark I-O accounts, the TSA's focus on transportation-related activities by industries. Its primary purpose is to provide a systematic and consistent framework and data set for conducting analytical studies of the role of transportation in the economy on both an industry and commodity basis.

## Boundary of transportation

Transportation in the TsA's includes all activities related to the use of vehicles (such as trucks, aircraft, and boats) and of related structures (such as highways, airports, and port facilities) for the movement of goods and passengers. Specifically, transportation in the tsa's consists of six groups of for-hire transportation industries from the $\mathrm{I}-\mathrm{o}$ accounts and a single group for ownaccount transportation. Table 2 lists all the for-hire transportation industries and one ownaccount transportation industry in the TSA's. The table also shows the major output components of these industries.

## Relationship to the I-O accounts

The tsa's are a satellite to the $\mathrm{I}-\mathrm{o}$ accounts. This relationship facilitates the construction and application of the TSA's in two ways. First, the I-O accounts provide detailed estimates of the intermediate purchases by industries, including the for-hire transportation industries; this detailed information can be used to prepare

[^12]the TSA estimates. Second, the i-o accounts provide an analytical framework with detailed linkages among industries and between industries and final demand; this framework facilitates the estimates of the interdependencies between transportation and the rest of the economy.
What is the same.-The TSA's maintain the following I-O account treatments:

- The measurement of the value of ownaccount transportation activities is similar to that of own-account construction activities in the 1-O accounts; that is, the intermediate inputs and the value-added inputs associated with the own-account construction, such as capital consumption allowance and labor costs, are moved-or, using I-o terminology, "redefined"-to the other industries in which the activities are primary. In the TSA's, these inputs are similarly redefined, but to a new industry-own-account transportation.
- The overall industry and commodity classification system and the special definitions and conventions in the $\mathrm{r}-\mathrm{O}$ accounts are used in the tsa's except for the single new industry and commodity (own-account transportation).
- The total value added for all industries, or GDP, is the same in the TSA's as in the I-o accounts. ${ }^{13}$
- The general valuation conventions used in the TSA's are consistent with those in the I-O accounts. In particular, all transactions are valued in producers' prices, and

[^13]Table 2.-Components of Transportation Industry and Industry Output

| Industry | Industry components | Industry output |
| :---: | :---: | :---: |
| For-hire transportation industries |  |  |
| Railroads and related services; passenger ground transportation. | Railroads, including AMTRAK $\qquad$ <br> Switching and terminal companies <br> Freight car rental <br> Private local and suburban passenger transportation <br> intercity, rural, and other bus services, including charter and school buses <br> Bus terminal and service facilities <br> Taxicabs | Total operating revenues Less: Rental receipts |
| Motor freight transportation and warehousing. | Trucking and courier services, except air $\qquad$ Public warehousing and storage <br> Trucking terminal facilities | Total operating revenues <br> Plus: Trucking receipts of construction firms Warehousing revenues of wholesalers Delivery and storage charges of retailers <br> Less: Merchandise sales Rental receipts |
| Water transportation ..................... | Deep sea and other water transportation of freight $\qquad$ <br> Water transportation of passengers <br> Services incidental to water transportation, including marinas and other services | Total operating revenues <br> Plus: Docking and boat cleaning and maintenance at retailers <br> Federal excise tax on cruise ship receipts <br> Less: Merchandise sales <br> Boat repair at marinas |
| Air transportation ........................ | Domestic and international passenger and freight air transportation ... Airport terminal services | Total operating revenues <br> Plus: Federal taxes on air fares, air freight, and air facilities <br> Aircraft storage and sevices by wholesalers and retailers <br> Less: Rental receipts <br> Flight training and instruction |
| Pipelines, freight forwarders, and related services. | Refined petroleum pipelines $\qquad$ <br> Other pipelines, including crude petroleum and natural gas <br> Arrangement of freight and passenger transportation, including freight forwarding <br> Miscellaneous services incidental to transportation | Total operating revenues Plus: Pipeline receipts by wholesalers Less: Rental receipts |
| State and local government passenger transit. | State and local government passenger transit ................................. | Total operating revenues Less: Operating subsidies |
| Own-account transportation industries |  |  |
| Own-account transportation ........... | Private trucking and bus operations in all nontransportation industries | Total operating expenses of highway motor vehicles and overhead expenses <br> Less: Expenses on advertising, depository institutions, security and commodity brokers, and other services unrelated to own-account transportation operations |

the valuations of purchases for final use are unchanged.

What is different.-The tsa's differ from the 1-0 accounts in the following ways:

- They introduce a new industry called "ownaccount transportation" whose output is a new commodity called "own-account transportation." The own-account transportation commodity is only produced by the ownaccount transportation industry, and the own-account transportation industry only produces the own-account transportation commodity.
- The treatment of own-account transportation provided by an industry for its own use in the TSA's is different from the treatment of for-hire transportation used by an industry in the I-O accounts. In the TSA's, the use of own-account transportation by an industry includes the costs of operating the industry's own trucks and buses, whether those trucks are used to move the industry's intermediate inputs or its output. In the 1-O accounts, the use of for-hire transportation by an industry includes only those transportation expenses associated with moving intermediate inputs to the industry plus the expenses for certain direct use of transportation commodities. For example, if a for-hire truck carries wheat from a farm to a mill, the I-O use table shows this activity as the mill using the trucking services, whether the services are purchased by the farm or the mill. If an own-account truck of the mill is used, the tsa use table shows this activity as the mill using the services; however, if an ownaccount truck of the farm provides the same services, the TSA use table shows this activity as the farm using the services.


## Future work

The TSA's now provide a comprehensive picture of all for-hire and most own-account transportation activities. Future work could proceed in several directions to improve and extend the accounts. These include the following:

- The TSA's omit own-account transportation activities through modes other than truck and bus-such as the business use of automobiles and water transportation. These omissions can be addressed as additional information becomes available. For example, when the capital flow table for the

1992 benchmark i-O accounts is published by bea later this year, additional information on the business use of automobiles will be available upon which to base estimates of related operating expenses for own-account transportation activities in the TSA's. ${ }^{14}$

- The accounts may be expanded to include the service values of government-owned transportation capital, such as highway infrastructure, and to include transportation provided by households for their own use, such as commuting to and from work in a privately owned automobile. Inclusion of these services in the TSA's would result in the expansion of the production boundary beyond that of the I-o accounts.
- Because the value of own-account transportation output cannot be measured directly, its output in the current TSA's is valued by summing the costs of all the intermediate inputs and the value-added inputs of compensation, indirect business taxes, and capital consumption allowances that are used for its production. Though this approach is frequently used to measure the value of ownaccount types of production, the resulting estimates of output are understated because they do not include profits. As a result, such estimates have limited value for productivity analyses and similar types of studies. An alternative approach would be to value ownaccount transportation output as the product of a quantity measure of output and the market price for a similar service. This approach requires the development of quantity and price estimates of for-hire transportation. Before this approach can be implemented, however, quantity measures for transportation activities at the detailed industry-level must be developed. For the TSA's, consistent measures of the related inputs would also have to be estimated.
- The treatment of own-account transportation used by industries in the TSA's may also be improved. Ideally, the TSA's should treat the use of own-account transportation as the $\mathrm{I}-\mathrm{O}$ accounts treat the use of for-hire transportation, but doing so requires detailed information on the type of commodities carried by own-account trucks and on the

[^14]origin and destination of the transported commodities.

## Components of the Transportation Satellite Accounts

The TSA's consist of four tables. The tsa make table (table 3) and the TSA use table (table 4) present for-hire and own-account transportation in a complete i-o framework. The tSA direct requirements table (table 5) presents the industry use of intermediate and value added inputs as a percentage of the industry output. The tsa total requirements table (table 6) presents industry-by-commodity output multipliers. ${ }^{15}$ This section presents the four TSA tables and their descriptions.

## tSA make table

The tSA make table is an i-o make table with an additional column for own-account transportation as a commodity and an additional row for an aggregation of all redefined industry ownaccount transportation activities as an industry. An i-o make table shows the value in producers' prices of each commodity produced by each industry. In each row, the cell on the main diagonal shows the value of the production of the commodity for which the industry has been designated the primary producer. The other cells in the row show the value of the production of commodities for which the industry is a secondary

[^15]producer. The sum of all the entriestin a row is the total output of that industry.

In the TSA make table, the own-account transportation industry produces only the ownaccount transportation commodity, and the ownaccount transportation commodity is produced only by the own-account transportation industry. Therefore, the cell value at the intersection of the additional column and row equals the total output of own-account transportation; all other cell entries in the own-account transportation column and row are zero. The data shown in the other parts of the tsa make table are the same as those provided in the 1992 I-O make table.

## tsa use table

The tsa use table is an r-o use table with an additional row for the own-account transportation commodity and an additional column for the aggregation of all redefined industry ownaccount transportation activities as an industry. An I-o use table shows the values in producers' prices of own-account transportation and all other intermediate and value-added inputs used by industries or final users. The cell in each row of a given column shows the commodity that is used by the industry or final user in that column. The sum of all the entries in a row is the total output of the commodity in that row, and the sum of all the entries in a column is the total output of the industry in that column.

In the tsa use table, the use of the own-account transportation commodity is shown in the ownaccount transportation row. By assumption, the following cell values are equal to zero: The

Table 3.-The TSA Make of Commodities by Industries, 1992 [Millions of dollars at producers' prices]

| Industry | Commodity |  |  |  |  |  |  |  |  |  |  |  |  |  |  | $\begin{gathered} \text { Total } \\ \text { industry } \\ \text { Ouppot } \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Agricullure, forestry, and fisheries | Mining | Construction | Manufacturing | Transporation |  |  |  |  |  | Communi cations and | Wholesale and retail trade | Finance,insur-ance,and realestate | Sevices | Other ${ }^{1}$ |  |
|  |  |  |  |  | Rairoad and passenger ground | Motor treight and housing | Water | Air | $\begin{aligned} & \text { Pipe- } \\ & \text { lines } \\ & \text { lind } \\ & \text { frigight } \\ & \text { for. } \\ & \text { warders } \end{aligned}$ | $\begin{array}{\|l\|l} \text { Own- } \\ \text { ancount } \\ \text { transpor } \end{array}$ |  |  |  |  |  |  |
| Agricullure, forestry, and fisheries <br> Mining <br> Construction <br> Manufacturing <br> Rairoads and reiated sevi........................................ <br> transportation <br> Motor freight transportaion and warehousing <br> Water transportation <br> Air transportation <br> Pipelines, freight forwarders, and related services <br> State and local government passenger transit <br> Owr-account transportation <br> Communications and utilities $\qquad$ <br> Wholesale and retail trade <br> Finance, insurance, and real estate <br> Services <br> Other 1 <br> Total commodity output | 235,591 0 0 0 0 0 0 0 0 0 0 0 0 0 0 235,591 |  |  |  | 0 0 0 0 55,576 0 0 0 542 5,876 0 0 0 0 04 64 62,588 |  | $\begin{array}{r} 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 32,440 \\ 0 \\ 194 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 1,713 \\ 34,347 \end{array}$ |  |  |  | 0 43 0 11,363 0 0 0 0 0 491,312 0 0 0 48,012 550,730 |  |  |  | (er $\begin{array}{r}0 \\ 0 \\ 0 \\ 1,536 \\ 4 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 538 \\ 0 \\ 0 \\ 521\end{array}$ |  |

1. "Other" consists of government enterprises (except state and local government passenger transit) and other input-output special industries. See Ann M. Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992 : Make, Use, and Supplementary Tables," SUAVEY OF CURRENT BUSINESS 77 (November 1997): 50-62.
cell value at the intersection of the own-account transportation row and column (the use of the own-account transportation commodity to support own-account transportation activities) and the cell values at the intersections between the own-account transportation row and the for-hire transportation columns (the use of the ownaccount transportation commodity to support for-hire transportation activities).

## tsa direct requirements table

The TSA direct requirements for a dollar of industry output are presented in table 5 as input coefficients (also referred to as "direct requirement coefficients"). The sum of the coefficients for total intermediate inputs and those for total value added for each industry is equal to 1.00000 .

The tsa direct requirements table is derived from the tsa use table by dividing each industry's commodity or value-added input by that industry's total output. Unlike the tSa use table, however, this table does not include the components of final use or gross domestic product. In table 5, each column shows, for the industry named at the head of the column, the input coefficients for the commodities and for the value-added components that an industry directly requires to produce a dollar of output.

## TSA industry-by-commodity total requirements table

The TSA industry-by-commodity total requirements table shows the interdependencies among the producers and consumers in the economy. Using this table, estimates of the direct and in-

Table 4.-The TSA Use of Commodities by Industries, 1992
[Millions of dollars at producers' prices]

| Commodity | Industry |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Agriculture, forestry, and fisheries | Mining | Construction | Manufacturing | Transportation |  |  |  |  |  |  |  |  |  |  | Communications and utilities | Wholesale and retail trade |
|  |  |  |  |  | Railroad and passenger ground | Motor ireight and warehousing | Wa |  | Air | ir | Pipelir and fre forward |  | State an local passen trans |  | Own- account transportation |  |  |
| Agriculture, torestry, and fisheries | 55,569 | 43 | 4,027 | 123,104 | 1 | 3 |  | 6 |  | 1 |  | 0 |  | 2 | 0 | 61 | 894 |
| Mining ................................... | 298 | 25,985 | 5,445 | 94,010 | 0 | 0 |  | 9 |  | 0 |  | 83 |  | 0 | 0 | 54,440 | 30 |
| Construction | 2,877 | 2,655 | 552 | 18,050 | 2,465 | 736 |  | 30 |  | 239 |  | 574 |  |  | 680 | 30,084 | 7,246 |
| Manufacturing | 36,994 | 11,446 | 199,947 | 1,017,125 | 7,174 | 12,818 |  | ,208 |  | 3,201 |  | 775 |  |  | 14,760 | 20,577 | 44,062 |
| Railroads and related services; passenger ground transportation | 1,515 | 1,039 | 1,294 | 14,759 | 2,368 | 442 |  | 19 |  | 128 |  | 33 |  | 9 | 211 | 4,937 | 881 |
| Motor freight transportation and warehousing ......................... | 3,231 | 917 | 10,302 | 44,955 | 368 | 28,810 |  | 104 |  | 233 |  | 209 |  | 0 | 790 | 1,029 | 3,459 |
| Water transportation ......................................................... | 436 | 427 | 723 | 4,261 | 78 | 209 |  | 4,282 |  | 164 |  | 56 |  | 9 | 183 | 838 | 169 |
| Air transportation. | 457 | 413 | 963 | 11,485 | 214 | 622 |  | 77 |  | 6,064 |  | 233 |  | 1 | 10 | 1,476 | 4,144 |
| Pipeines, freight forwarders, and related services ..................... | 81 | 14 | 4 | 4,788 | 442 | 4,966 |  | , 407 |  | 7,820 |  | 763 |  | 4 | 112 | 523 | 311 |
| Own-account transportation ................................................ | 13,177 | 3,870 | 38,950 | 21,806 | 0 | 0 |  | 0 |  | 0 |  | 0 |  | 0 | 0 | 1,187 | 42,819 |
| Communications and utilities ................................................. | 3,954 | 7,218 | 4,343 | 74,295 | 596 | 5,499 |  | 192 |  | 1,636 |  | 444 |  | 3 | 4,503 | 55,863 | 33,509 |
| Wholesale and retail trade .................................................. | 11,131 | 2,600 | 53,758 | 163,845 | 1,706 | 5,824 |  | 520 |  | 1,505 |  | 226 |  |  | 6,787 | 4,537 | 18,588 |
| Finance, insurance, and real estate ...................................... | 15,528 | 19,183 | 11,224 | 48,672 | 1,849 | 6,108 |  | ,990 |  | 3,157 |  | 769 |  |  | 1,323 | 13,890 | 71,101 |
| Services | 5,949 | 5,037 | 64,747 | 165,357 | 3,771 | 16,423 |  | ,836 |  | 8,903 |  | , 35 |  |  | 13,990 | 49,673 | 124,604 |
| Other ${ }^{1}$ | 156 | 1,172 | 696 | 24,581 | 332 | 1,122 |  | ,964 |  | 8,924 |  | 92 |  | 4 | 582 | 7,823 | 11,064 |
| Total intermediate inputs .... | 151,352 | 82,021 | 396,974 | 1,831,093 | 21,364 | 83,582 |  | ,644 |  | 1,975 |  | 92 |  |  | 43,931 | 246,938 | 362,881 |
| Compensation of employees | 25,870 | 27,777 | 219,347 | 688,213 | 23,458 | 55,533 |  | , 140 |  | 3,761 |  |  |  |  | 84,160 | 84,298 | 425,306 |
| Indirect business tax and non tax liability | 5,206 | 8,164 | 3,246 | 37,864 | 1,006 | 2,615 |  | 583 |  | 5,696 |  | 93 |  | 0 | 3,870 | 31,844 | 173,188 |
| Other value added ${ }^{2}$.......................................................... | 55,234 | 38,755 | 59,762 | 394,134 | 9,926 | 25,223 |  | ,073 |  | 3,709 |  | 21 | -97 |  | 33,501 | 157,609 | 130,114 |
| Total value added | 86,310 | 74,696 | 282,356 | 1,120,210 | 34,390 | 83,371 |  | ,796 |  | 2,166 |  |  |  |  | 121,531 | 273,750 | 728,608 |
| Total industry output ......................................................... | 237,662 | 156,717 | 679,330 | 2,951,303 | 55,754 | 166,953 |  | ,440 |  | 4,141 |  |  | 5,8 |  | 165,461 | 520,688 | 1,091,489 |
| Commodity | Industry |  |  |  | Final uses |  |  |  |  |  |  |  |  |  |  |  | Total commodity ouput |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Finance, insurance, and real estate | Services | Other ${ }^{1}$ | Total intermediate inputs | Personal consumption expenditures | $\underset{\text { private }}{\text { Gro }}$ investin | Change in business inventories |  |  | Exports of goods and services |  | Imports of goods and senvices |  | Government expenditures |  | GOP |  |
| Agriculture, forestry, and fisheries | 6,714 | 6,861 | 315 | 197,601 | 27,054 |  | 0 |  | ,847 |  | 19,857 |  | -14,601 |  | 833 | 37,990 | 235,591 |
| Mining |  | , 32 | 2,688 | 183,026 | 107 |  | 73 |  | 107 |  | 8,202 |  | -43,527 |  | -212 | -35,464 | 147,562 |
| Construction | 52,996 |  | 19,484 | 159,618 | ${ }^{0}$ | 0 |  |  | 0 |  | 77 |  |  |  | 159,357 | 519,712 | 679,330 |
| Manufacturing | 16,886 | 227,662 | 8,714 | 1,639,510 | 842,150 |  |  |  | ,566 |  | 342,980 |  | 485,599 |  | 208,772 | 1,250,927 | 2,890,437 |
| Railroads and related services; passenger ground transportation | 971 | 2,674 | 1,113 | 32,452 | 19,504 |  | 57 |  | 135 |  | 3,973 |  | -164 |  | 5,201 | 29,606 | 62,058 |
| Motor freight transportation and warehousing ......................... | 5,759 | 9,102 | 1,339 | 110,656 | 25,965 |  |  |  | 629 |  | 10,161 |  | -2,059 |  | 7,620 | 46,454 | 157,110 |
| Water transportation ........................................................ | 52 | 473 | 390 | 12,771 | 6,249 |  | 18 |  | 36 |  | 9,695 |  | 3,530 |  | 2,048 | 21,576 | 34,347 |
| Air transportation ............................................................... | 3,674 | 8,021 | 1,648 | 39,502 | 36,404 |  |  |  | 137 |  | 23,317 |  | -3,544 |  | 6,464 | 59,317 | 98,819 |
| Pipelines, freight forwarders, and related services ................... | 67 | 1,212 | 11 | 22,544 | 3,474 |  | 0 |  | 8 |  | 2,700 |  |  |  | 240 | 6,422 | 28,966 |
| Own-account transportation ................................................ | 899 | 42,035 | 718 | 165,461 |  |  | 0 |  | 0 |  |  |  | 0 |  | 0 | 0 | 165,461 |
| Communications and utilities ............................................... | 28,152 | 53,421 | 8,506 | 283,773 | 221,574 |  |  |  | 11 |  | 4,476 |  | -695 |  | 36,526 | 266,957 | 550,730 |
| Wholesale and retail trade ................................................ | 4,180 | 44,012 | 829 | 320,451 | 629,893 |  |  |  | 658 |  | 44,746 |  | 18,317 |  | 16,558 | 774,697 | 1,095,148 |
| Finance, insurance, and real estate ........................................ | 229,746 | 153,929 | 4,560 | 584,145 | 960,078 |  |  |  | 0 |  | 39,510 |  | -14,12 |  | 28,688 | 1,055,271 | 1,639,416 |
| Services .......................................................................... | 123,478 | 302,923 | 7,783 | 904,324 | 1,413,094 |  |  |  | -37 |  | 19,530 |  | -4,027 |  | 1,992 | 1,449,778 | 2,354,102 |
| Other ${ }^{1}$............................................................................. | 16,653 | 19,311 | 2.593 | 98,369 | 23,172 |  |  |  | 453 |  | 73,385 |  | $-92,856$ |  | 783,707 | 750,662 | 849,031 |
| Total intermediate inputs ....................................................... | 490,234 | 890,954 | 60,690 | ................. | ................. | . |  |  |  |  | ........ |  | ........... |  | , | ............. | ............... |
| Compensation of employees ............................................... | 285,305 | 935,987 | 730,160 | ................. | ................. |  |  |  |  |  |  |  | ........... |  | ............ | $\ldots . . . . .$. | ............. |
| Indirect business tax and non tax liability .............................. | 182,984 | 48,332 |  |  | - |  |  |  |  |  |  |  | . |  |  |  | ............. |
| Other value added ${ }^{2}$........................................................ | 696,209 | 352,278 | 123,546 | ................. | .................. |  |  |  |  |  | .......... |  | - |  |  |  |  |
| Total value added ............................................................ | 1,164,498 | 1,336,596 | 853,706 | .................. | .................. |  |  |  |  |  | .......... |  | ........... |  |  | 6,233,905 |  |
| Total industry output ............................................................ | 1,654,732 | 2,227,550 | 914,396 | ................... | . ................. | .................. | ................... |  |  | ................. |  | ................. |  | .................. |  | .............. | 10,988,108 |
| 1. "Other" consists of government enterprises (except state and local government passenger transit) and other input-output special industries. See Ann M. Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992: Make, Use, and Supplementary Tables," Survey of Curfent Business 77 (November 1997): 58-62. <br> 2. For all industries except own-account transportation, "other value added" consists of the following national in- |  |  |  |  | come and product account components of gross domestic income: Consumption of fixed capital, net interest, proprietors' income, corporate profits, rental income of persons, business transfer payments, and subsidies less current surplus of government enterprises. "Other value added" for own-account transportation consists of consumption of fixed capital. |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

direct effects of changes in final uses on for-hire and own-account transportation industries and commodities can be derived. For example, this table can be used to analyze the relative effects on transportation and nontransportation industries of an increase in personal consumption expenditures or of a change in the composition of fixed investment that results from a change in business activity. ${ }^{16}$

[^16]This table shows the total requirements coefficients for each industry group's output that is directly and indirectly required to deliver a dollar of a commodity to final users. Each column shows the commodity delivered to final users, and each row shows the total production that is required from an industry in response to a dollar change in the final demand for a commodity. The coefficients in the table are referred to as industry-by-commodity total requirements coefficients. The table is derived from both the TSA make and the tsa use tables.

The last row of the table shows the sum of all the changes in industry outputs that are required
economic tools may be required. See Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992: Requirements Tables," footnote 2.

Table 5.-The TSA Commodity-by-Industry Direct Requirements, 1992
[Direct requirements per dollar of industry output, at producers' prices]

| Commodity | Industry |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Agriculture, forestry, and fisheries | Mining | Construction | Manufacturing | Transportation |  |  |  |  |  |  | Communications and utiaties | Wholesale and retail trade | Finance, insurance, and real estate | Services | Other ${ }^{1}$ |
|  |  |  |  |  | Railroad and passenger ground | Motor freight and warehousing | Water | Air | Pipelines and freight forwarders | State and local passenger transit | Own- account transportation |  |  |  |  |  |
| Agriculture, forestry, and fisheries | 0.23382 | 0.00027 | 0.00593 | 0.04171 | 0.00002 | 0.00002 | 0.00018 | 0.00001 | 0.00000 | 0.00034 | 0.00000 | 0.00012 | 0.00082 | 0.00406 | 0.00308 | 0.00034 |
| Mining .................................... | . 00125 | . 16581 | . 00802 | . 03185 | . 00000 | . 00000 | . 00028 | . 00000 | . 00247 | . 00000 | . 00000 | . 10455 | . 00003 | . 00000 | . 00001 | . 00294 |
| Construction | . 01210 | . 01694 | . 00081 | . 00612 | . 04421 | . 00441 | . 00092 | . 00254 | . 01708 | 28319 | . 00411 | . 05778 | . 00664 | . 03203 | . 00866 | . 02131 |
| Manufacturing ............................................................................................... | . 15566 | . 07304 | . 29433 | . 34464 | . 12867 | . 07678 | . 09889 | . 14023 | . 04388 | . 58884 | . 08921 | . 03952 | . 04037 | . 01020 | . 10220 | . 00953 |
| Railroads and related sevices; passenger ground transportation | . 00637 | . 00663 | . 00191 | . 00500 | . 04247 | . 00265 | . 00059 | . 00136 | . 00098 | . 01174 | . 00127 | . 00948 | . 00081 | . 00059 | . 00120 | . 00122 |
| Motor freight transportation and warehousing ............................................ | . 01359 | . 00585 | . 01516 | .01523 | . 00660 | . 17256 | . 00321 | . 00248 | . 00622 | . 00851 | . 00477 | . 00198 | . 00317 | . 003488 | . 00409 | . 00146 |
| Water transportation .................................................. | . 00183 | . 00273 | . 00106 | . 00144 | . 00140 | . $00+25$ | . T 2200 | . 00174 | . 00167 | . 00494 | . 00111 | . 00161 | . 00016 | . 00003 | .00021 | . 00043 |
| Air transporation ..................................................................................... | . 00192 | . 00263 | . 00142 | . 00389 | . 00384 | . 00373 | . 00237 | . $0644 \dagger$ | . 00693 | . 00017 | . 00006 | . 00283 | . 00380 | . 00222 | . 00360 | . 00180 |
| Pipelines, freight forwarders, and related services ....... | . 00034 | . 00009 | . 00001 | . 00162 | . 00793 | . 02974 | . 04337 | . 08307 | . 02270 | . 00408 | . 00068 | . 00101 | . 00028 | . 00004 | . 00054 | . 00001 |
| Own-account transportation .................................... | . 05544 | . 02470 | . 05734 | . 00739 | . 00000 | . 00000 | . 00000 | . 00000 | . 00000 | . 00000 | . 00000 | . 00228 | . 03923 | . 00054 | . 01887 | . 00079 |
| Communications and utilities .................................. | . 01664 | . 04606 | . 00639 | . 02517 | . 01069 | . 03294 | . 00592 | . 01738 | . 04296 | . 10943 | . 02721 | . 10729 | . 03070 | . 01701 | . 02398 | . 00930 |
| Wholesale and retail trade ............................................................... | . 04683 | . 01659 | . 07913 | . 05552 | . 03060 | . 03488 | . 01603 | . 01599 | . 00970 | . 05157 | . 04102 | . 00871 | . 01703 | . 00253 | . 01976 | . 00091 |
| Finance, insurance, and real estate .......................... | . 06533 | . $1224 \dagger$ | . 01652 | . 01649 | . 03316 | . 03659 | . 06134 | . 03353 | . 05262 | . 01974 | . 00799 | . 02668 | . 06514 | . 13884 | . 06910 | . 00499 |
| Services ............................................................ | . 02503 | . 03214 | . 09531 | . 05603 | . 06764 | . 098837 | . 14908 | . 09457 | . 19738 | . 03642 | . 08455 | . 09540 | . 11416 | . 07462 | . 13599 | . 00851 |
| Other ${ }^{1}$.............................................................. | . 00066 | . 00748 | . 00102 | . 00833 | . 00595 | . 00672 | . 09137 | . 09479 | . 01166 | . 00068 | . 00352 | . 01502 | . 01014 | . 01006 | . 00867 | . 00284 |
| Total value added ................................................ | . 36316 | . 47663 | . 41564 | . 37956 | . 61682 | . 49937 | . 39445 | . 44790 | . 58377 | -. 11964 | . 73450 | . 52575 | . 66754 | . 70374 | . 60003 | . 93363 |
| Total ................................................................. | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 | 1.00000 |

1. "Other" consists of government enterprises (except state and local government passenger transit) and other
input-output special industries. See Ann M. Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992: input-output special industries. See Ann M. Lawson, "Benchmark Input-Output Accounts ior the U.S. Economy, 1992. Make, Use, and Supplementary Tables," SURVEY of CURRENT Business 77 (November 1997): 58-62.

Table 6.-TSA Industry-by-Commodity Total Requirements, 1992
[Total requirements, direct and indirect, per dollar of delivery to final demand, at producers' prices]

| Industry | Commodity |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Agriculture, forestry, fisheries | Mining | Construction | Manufacturing | Transportation |  |  |  |  |  | Communications utilities willes | Wholesale and retail | Finance, insurance,and real estate | Services | Other ${ }^{1}$ |
|  |  |  |  |  | $\begin{aligned} & \text { Railroad } \\ & \text { and } \\ & \text { passen- } \\ & \text { ger } \\ & \text { ground } \end{aligned}$ | Motor freight and housing | Water | Air | Pipe lines and freight warders | Ownaccount tation |  |  |  |  |  |
| Agricillure, forestry, and fisheries | 1.32661 | 0.01332 | 0.03876 | 0.09211 | 0.02770 | 0.01294 | 0.01632 | 0.01771 | 0.00952 | 0.01085 | 0.01181 | 0.00901 | 0.01095 | 0.01863 | 0.00129 |
| Mining ........................................................................... | . 02486 | 1.21270 | . 03724 | . 07757 | . 02166 | . 01678 | . 01578 | . 018141 | . 01754 | . 01309 | . 14897 | . 01112 | . 00706 | . 01539 | . 00157 |
| Construction | . 02999 | . 03598 | 1.01361 | . 02256 | . 08535 | . 01778 | . 02867 | . 02141 | . 03166 | . 01155 | . 08877 | . 01687 | . 04379 | . 22004 | . 01025 |
| Manufacturing | . 38378 | . 20388 | . 53168 | 1.61763 | . 35810 | . 20657 | . 25097 | . 29130 | . 14239 | . 18043 | . 17479 | . 12020 | . 07032 | . 25783 | . 01666 |
| Rairoads and related sevices; passenger ground transportation | . 01081 | . 01005 | . 00567 | . 00971 | . 93508 | . 00645 | . 00292 | . 00385 | . 02883 | . 00286 | . 01312 | . 00228 | . 00163 | . 00332 | . 00070 |
| Motor freight transportation and warehousing ........................ | . 03265 | . 01728 | . 03216 | . 03545 | . 01965 | 1.20178 | . 01339 | . 01314 | . 01311 | . 01172 | . 03892 | . 00947 | . 00863 | . 01320 | . 002330 |
| Water transportation ........................................................... | . 00368 | . 04437 | . 02249 | . 00331 | . 00295 | . 00235 | 1.07995 | . 00299 | . 00207 | . 00171 | . 00326 | .00066 | . 00038 | . 00091 | . 00030 |
|  | . 000365 | . 000235 | . 0003322 | .00834 <br> .00563 | . 0196960 | . 004849 | .00584 .05630 | 1.01853 .11725 | 1.02072 | . 00192 | . 00389 | . 000174 | . 000107 | . 000600 | . 0002080 |
| State and local govermment passenger transit ..................... | . 00114 | . 00106 | . 00060 | . 00102 | . 09886 | . 00054 | . 00031 | . 00041 | . 00030 | . 00030 | . 00139 | . 00024 | . 00077 | . 00035 | . 00007 |
| Own-account transportation .............................................. | . 08477 | . 03800 | . 07340 | . 02732 | 01426 | . 00966 | . 01112 | . 01000 | . 00981 | 1.00758 | . 06649 | . 04612 | . 00716 | . 02783 | . 00197 |
| Communications and utilities .............................................. | . 04616 | . 07109 | . 03732 | 05871 | . 04215 | . 05883 | . 03498 | . 04387 | . 06043 | . 04027 | 1.01879 | . 04493 | . 02836 | . 05502 | . 00589 |
| Wholesale and retail tade | . 09563 | . 04149 | . 12252 | 10595 | . 06712 | . 062200 | . 04238 | . 04242 | . 02704 | . 05325 | . 037397 | 1.02887 | . 01433 | . 04198 | . 00286 |
| Finance, insurance, and real estate | . 13299 | . 19132 | . 06742 | . 07475 | . 07277 | . 08603 | . 11907 | . 08024 | . 09163 | . 03365 | . 07896 | . 09975 | 1.16842 | . 12299 | . 00558 |
| Senices | . 10472 | . 09420 | . 17678 | . 14030 | . 13189 | . 17807 | 23439 | . 17358 | 24863 | . 12187 | . 13360 | . 15692 | . 11124 | 1.13745 | . 00897 |
| Other ${ }^{\text {² }}$ | . 01570 | . 02481 | 2. 1654898 | . 2302668 | . 019683 | . 1.022744 | ${ }_{2} .1681238$ | 13190 +88721 | . 0205666 | $\begin{array}{r}\text { + } \\ + \\ \hline\end{array}$ | 1.12372 189544 | . 024728 | . 22360 | . 02239 | . 99993 |
| Total industy output mutipier ............................................ | 2.30265 | 1.96730 | 2.16408 | 2.30704 | 1.91269 | 1.9374 | 2.08123 | 1.98727 | 1.7169 | 1.50960 | 1.89544 | 1.57800 | 1.50075 | 1.74572 | 1.06082 |

[^17]to deliver a dollar of each commodity to final users. Because each of these sums is a dollar multiple of the initial dollar spent for a commodity group's output, the sum is often referred to as an "industry output multiplier." These multipliers can be used to estimate the impact of changes in the final uses of commodities on total industry output. ${ }^{17}$

## Methodological Overview

The TSA's were estimated in two broad steps. First, the inputs used by each industry for its own-account transportation activities were estimated. Second, these estimates were used with the I-O make and use tables to derive the tSa tables. The following sections describe these two steps in more detail. The major sources of data are identified in table 7 .

## Estimating the transportation inputs

Transportation inputs include both intermediate inputs and value-added inputs. The value of these inputs for each industry in the I-O use table is for a combination of all uses. The tsa transportation estimates were separated from all other uses through the following steps.

- Identifying the transportation-related inputs.A set of commodity inputs that are unique to or are mostly used for transportation were identified from the estimates underlying the I-O accounts. These inputs, which are called

17. For more information on the derivation of the industry-by-commodity total requirements table, see Appendix D in U.S. Department of Commerce, Bureau of Economic Analysis, Benchmark Input-Output Accounts of the United States, 1987 (Washington, DC: U.S. Government Printing Office, November 1994).
"transportation-related inputs" (TRI's), consist of motor gasoline, light fuel oil, liquefied petroleum gases, tires, motor vehicle parts, and automotive repair services.

- Developing industry distribution weights.Distribution weights were developed that can be used separately or in combination to distribute tri commodities to using industries. Nine sets of weights were developed using industry-level information for the number of buses, the number of trucks, miles driven by trucks, and fuels used by trucks. These weights were based on several data sources, the most important of which are the Truck Inventory and Use Survey from the Census Bureau and the occupational employment data from the Bureau of Labor Statistics and the Census Bureau.
- Distributing TRI's.-For each Tri commodity, an estimate was made of its total usage for nontransportation purposes, such as gasoline used for heating or for operating machinery; this nontransportation use was subtracted from the total output of the commodity. The remaining amount of the commodity was then distributed to different transportation modes. Finally, for modes for which the current TSA's provide estimates of own-account transportation, the distribution weights were matched with and applied to the TRI's.
- Estimating other inputs.-Transportation activities require certain inputs that are not uniquely or mainly used for transportation. For example, office supplies and accounting services are shared by transportation and all other production activities. The transportation use of these commodities was estimated

Table 7.-Principal Data Sources

| Data | Sources |
| :---: | :---: |
| Estimates of input-output accounts, 1992 ............................................... | U.S. Department of Commerce, Bureau of Economic Analysis, Benchmark Input-Output Accounts for the U.S. Economy, 1992 (forthcoming) and detailed underlying data files for the 1-0 accounts. |
| Trucks, truck mileage, fuel use by industry, 1992 .................................... | U.S. Department of Commerce, Census Bureau, 1992 Census of Transportation, Truck Inventory and Use Survey-United States, May 1995. |
| Statistics on occupation and industry, 1990 ............................................ | Census Bureau, 1990 Census of Population and Housing, Occupation and Industry-National and State Totals (CD-ROM), March 1995. |
| Employment of truck drivers by industry, 1992 ........................................ | U.S. Department of Labor, Bureau of Labor Statistics, Employment Projection Division, Industry-Occupation Employment Matrix, 1983-1993 (Diskeltes). |
| Energy use, 1992 ............................................................................. | U.S. Department of Energy, Energy Information Administration, Annual Energy Review, historical data for 1949-1996. EIA Website. |
| Energy use by transportation modes, 1992 ............................................ | U.S. Department of Energy, Oak Ridge National Laboratory, Transportation Energy Data Book: Edition 14, May 1994. |
| Vehicle miles of travel by type of vehicles, 1992 .................................... | U.S. Department of Transportation, Federal Highway Administration, Highway Statistics 1993. |

for each industry using the relationships from for-hire transportation industries. ${ }^{18}$

Two assumptions underlie these tSA procedures: First, that the distribution weights selected are reliable predictors of the use of rri's for own-account transportation; second, that the distribution of commodity inputs (except for some value-added inputs) within a for-hire transportation industry is similar to the distribution of these inputs within a nontransportation industry for its transportation-related activities.

## Deriving the TSA make and use tables

The TSA make and use tables are I-o make and use tables that have been modified using the estimates of transportation inputs. First, the estimates of transportation inputs for each industry are arranged in a transportation input matrix so that its rows and columns correspond to those in the intermediate industry portion of the I-o use table. ${ }^{19}$ Second, this input matrix is subtracted from the intermediate industry portion of the I-O use table; the result is a residual use table that shows the intermediate and value-added inputs to industries for nontransportation activities. Third, the tsa make table is derived by adding an additional column and an additional rowrepresenting own-account transportation-to the r-o make table. Fourth, the tSA use table is derived by combining the residual use table derived above, an own-account transportation column with row totals from the transportation input matrix, an own-account transportation row with column totals from the transportation input matrix, and the final-demand portion of the I-o use table.

## Estimates of Transportation for 1992

This section discusses how the results from the tSA's can be used to assess the size and impact of transportation in the U.S. economy.

## Transportation as a share of GDP

From the TSA's, a measure of transportation value added on an expanded industry basis provides a picture of transportation in comparison to the

[^18]economy as a whole that is more comprehensive than that provided by the corresponding industry-basis measure found in the I -O accounts. Comparisons of aggregate measures such as total value added between for-hire and own-account transportation indicate the importance of including own-account transportation in the analyses of transportation.

Own-account transportation activities generated $\$ 121.5$ billion of value added in 1992, and for-hire transportation generated $\$ 191.6$ billion. Together, these activities accounted for 5.0 percent of U.S. GDP in 1992-3.1 percent from for-hire and 1.9 percent from own-account.

## Use of transportation by industry

The biggest industry user of own-account transportation services was the wholesale and retail industry group, which generated and used $\$ 42.8$ billion of the output of such services, accounting for 25.9 percent of total own-account transportation (table 1); in contrast, this industry group used only $\$ 9.0$ billion of for-hire transportation services output. ${ }^{20}$ The next largest group was services, which used $\$ 42.0$ billion, accounting for 25.4 percent of the own-account total; this in-

[^19]
## Data Availability

This article presents the aggregated estimates of the 1992 transportation satellite accounts (TSA's). Summary estimates for 99 industries at the 1 -o summary level and detailed estimates for 499 industries at the I-o six-digit level are available on the following diskettes:
-The summary estimates for the make, use, direct requirements, and industry-by-commodity total requirements tables (one diskette)-product number NDN-0193, price $\$ 20.00$.
-The estimates at the I -o six-digit level of the make, use, and direct requirements tables (three diskettes)-product number NDN-0194, price $\$ 60.00$.
-The estimates at the I-o six-digit level of industry-by-commodity total requirements (one diskette)product number NDN-0195, price $\$ 20.00$.
To order using Visa or MasterCard, contact the bea Order Desk at $1-800-704-0415$ (outside the United States, call 202-606-9666). To order by mail, send a check made payable to "Bureau of Economic Analysis, be-53" to bea Order Desk, be-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230.
dustry group used only $\$ 21.5$ billion of for-hire services. The smallest user (excluding the group "other") was the finance, insurance, and real estate industry group.
Alternatively, measuring the use of ownaccount transportation as a share of an industry's total output (in I-o terminology, the direct requirements for own-account transportation) presents a different picture. According to this measure, the construction industry group was the largest user among all industry groups, at 5.7 percent. In contrast, the share for the wholesale and retail industry group, which was the largest user in absolute terms, was 3.9 percent, less than the share for agriculture ( 5.5 percent), which was only the fifth largest user in absolute terms. The finance, insurance, and real estate industry group had the smallest share.

The same measure for for-hire transportation shows the direct importance of for-hire transportation services in an industry's total output. Except for the transportation industries, manufacturing had the largest direct requirement of for-hire transportation services, at 2.7 percent. The industry groups of trade, of finance, insurance, and real estate, of services, and of "other" each had less than 1 percent.

## Transportation cost by commodities

The use of transportation on an industry basis differs from that on a commodity basis because many industries produce more than one commodity and many commodities are produced by more than one industry. To analyze the importance of direct transportation costs in the producers' prices of commodities, both own-account transportation costs and forhire transportation costs were distributed on a commodity-by-commodity basis. ${ }^{21}$
Among nontransportation commodity groups, agriculture, forestry, and fisheries had the highest

[^20]transportation content ( 8.0 percent), followed by construction ( 7.7 percent), reflecting the general pattern of the use of transportation by industry. For both commodity groups, own-account transportation costs had a larger share in the total transportation cost than for-hire. The services commodity group had a transportation content of 2.8 percent, of which 1.8 percentage points were own-account and 1.0 percentage point were for-hire. The commodities of finance, insurance, and real estate and "other" had the lowest transportation content, at less than 1 percent each.

## Transportation and multipliers

The multipliers derived from the TSA's capture the total interdependence between transportation and the rest of the economy. Excluding changes in the final demand for transportation services itself, transportation as a combined group of industries, including both for-hire and ownaccount, was most affected by the changes in the final demand for agriculture, forestry, and fisheries commodities. For example, a 1 -dollar increase in the demand for these commodities caused an increase of 14.2 cents in total transportation industry output, while a 1-dollar increase for services commodities caused only a 5.4 -cent increase. For own-account transportation alone, the response pattern was similar, but for-hire transportation alone was more responsive to the changes in demand for communications and utilities and for manufacturing commodities.
The changes in demand for transportation services also induce changes in the output of transportation and of all other industries. This effect can be measured by the total industry output multiplier. The pipelines and freight forwarders group had the lowest total industry output multiplier, at 1.7 . The multiplier for each of the other transportation groups was above 1.9. Overall, the economy's response to changes in demand for transportation was larger than that for communications and utilities, for trade, for finance, insurance, and real estate, and for services, but less than that for agricultural, construction, and manufacturing commodities.

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# The Domestic Orientation of Production and Sales by U.S. Manufacturing Affiliates of Foreign Companies 

By William J. Zeile

$\mathcal{S}$ince the surge in foreign direct investment in the United States in the late 1980's, much attention has focused on the role of foreignowned firms in the U.S. economy, particularly in manufacturing. ${ }^{1}$ A question that is frequently posed concerns the degree to which U.S. affiliates of foreign companies are integrated into the U.S. economy through their sourcing behavior and value-added activity. A related question is whether U.S. manufacturing affiliates in comparison with domestically owned firms are more oriented toward producing for the U.S. market or for their home-country and other foreign markets.

Data from the benchmark and annual surveys of foreign direct investment in the United States that are conducted by the Bureau of Economic Analysis (bea) can be used to gauge the domestic content of output by U.S. affiliates of foreign companies. ${ }^{2}$ For affiliates in manufacturing, ${ }^{3}$ aggregate estimates presented in two previous articles in the Survey of Current Business show a high share of domestic content in output; in each of the years examined, about 90 percent of the output of these affiliates was accounted for by the affiliates' own value added and by the value of inputs purchased from suppliers located in the United States. ${ }^{4}$ In both

[^21]articles, imports are estimated to have accounted for less than 20 percent of the intermediate inputs purchased by all manufacturing affiliates. In addition, the second article shows that import shares of affiliate purchases of intermediate inputs in 1991 were generally low across more detailed manufacturing industries; however, in a few industries, the import shares were quite high-more than 30 percent-particularly for Japanese-owned affiliates.

An outstanding question from these results is the degree to which the domestic content for affiliates in manufacturing differs from that for domestically owned manufacturers, both in the aggregate and across detailed industries. A related question is the degree to which any observed differences in domestic content at the aggregate level reflect systematic differences in behavior across industries rather than differences in a few specific industries or differences in the types of industries in which affiliates and domestically owned companies are concentrated.

In this article, measures of domestic content for U.S. manufacturing affiliates in 1989 and 1994 are compared with measures of domestic content for domestically owned U.S. parent companies in manufacturing (which in 1994 accounted for more than one-half of the gross output of all domestically owned U.S. companies in manufacturing); the data are from BEA's 1989 and 1994 benchmark surveys of U.S. direct investment abroad. ${ }^{5}$ Domestically owned U.S. parent companies are an appropriate comparison group

[^22]because of their similarity with U.S. affiliates in terms of size and international orientation. In addition, the data for U.S. parent companies are highly comparable with those for U.S. affiliates because the data for both are collected at the enterprise level and are based on the same concepts and definitions. ${ }^{6}$
Domestic content is analyzed in terms of three related measures that provide information about the inputs used in production: (1) The domestic content of gross output, (2) the value-added share of gross output, and (3) the import share of intermediate inputs. The first measure is the broadest measure of domestic content: It shows the share of a company's gross output (sales plus inventory change) that is accounted for by wages and salaries, profits, and other incomes earned through its production in the United States and by the value of raw materials, components, and other intermediate inputs that are purchased from U.S. suppliers.
The domestic content of output is determined by two decisions that are captured by the second and third measures: The "make or buy" decision and the "import or procure locally" decision. The "make or buy" decision determines the degree of vertical integration in firm production, which is reflected in the share of output accounted for by the firm's own value added. The "import or procure locally" decision, which determines the firm's linkages to domestic suppliers, is captured by the share of imports in its intermediate inputs.?
In addition, the market orientation of affiliate output is analyzed in terms of the export share of sales. This measure shows the degree to which affiliates target their output to markets abroad rather than to the U.S. market.
The analysis in this article includes more detailed information than previous Survey articles, and it introduces a number of new features. First, each of the four measures for affiliates is compared with the corresponding measure for domestically owned companies in the same industries; the comparisons are made across 32 detailed manufacturing industries. Second, for affiliates in selected industries, data for a fixed panel of affiliates for 1988-94 are used to assess changes in affiliate behavior over time. Third, differences in affiliate domestic content and market orientation by country of ownership are

[^23]systematically examined through comparisons of averages for the four measures that are adjusted for industry effects.

The overall profile of affiliate operations that emerges from this analysis reveals both similarities and differences between U.S. affiliates and domestically owned manufacturers. For both groups of firms, domestic content accounts for a high share of output. However, the share for affiliates is not quite as high as that for the domestically owned firms; the domestic-content share for affiliates tends to be lower than that for domestically owned companies across the detailed industries, and the difference at the aggregate level increases, rather than decreases, when industry mix is held constant.
The differences in content are attributable to differences in both value-added shares and the sourcing of intermediate inputs. Value added within the firm accounts for less than one-half of the value of output for both affiliates and domestically owned firms, but the value-added share for affiliates is somewhat smaller than the share for the domestically owned firms. Both affiliates and domestically owned firms purchase most of their inputs from domestic suppliers, but the share of imports in intermediate inputs is much higher for affiliates, largely due to their use of inputs purchased from their foreign parent companies and other affiliated foreign suppliers. With respect to market orientation, both U.S. affliates and domestically owned manufacturers sell most of their output in the United States, but the share of exports in sales is somewhat smaller for affiliates. than for the domestically owned firms.
The following are among the specific findings:

- The domestic content of gross output for all manufacturing affiliates is 87 percent, compared with 93 percent for domestically owned manufacturing companies. In most industries, the measure for affiliates is just below that for domestically owned companies.
- The domestic-content share for affiliates tends to be lowest in industries in machinery, transportation equipment, and instruments manufacturing-industries whose intermediate inputs consist mainly of manufactured components rather than commodity-type bulk materials.
- The value-added share of gross output for all manufacturing affiliates is 30 percent, compared with 37 percent for domestically owned manufacturing companies. In most of the 32 manufacturing industries, the value-added
share for affiliates is more than 20 percent lower than that for domestically owned companies.
- Affiliates rely on imports to a much greater degree than do domestically owned companies. The share of intermediate inputs that are imported is 19 percent for all manufacturing affiliates, compared with 11 percent for domestically owned companies. In about two-thirds of the 32 industries, the import share of intermediate inputs for affiliates is more than twice that for domestically owned companies.
- About two-thirds of the imports by U.S. manufacturing affiliates are obtained from the affiliates' foreign parent companies or other foreign firms with which the parents are associated.
- Production by U.S. manufacturing affiliates is strongly oriented toward the domestic market: The export share of sales for all manufacturing affiliates is only 10 percent, compared with 14 percent for domestically owned companies. The export share for affiliates is lower than that for domestically owned companies in about two-thirds of the 32 industries.
- For affiliates in the electronic components and motor vehicle industries, domestic content has increased over time, reflecting a decrease in the import share of intermediate inputs. In other machinery-type industries, however, the domestic-content and importshare measures for affiliates show no sustained trend. For affiliates in construction machinery, metalworking machinery, and instruments, the export share of sales has increased.
- German-, Swiss-, and Japanese-owned affiliates have the lowest average domestic content in comparison with domestically owned U.S. parent companies in comparable industries. The relatively low domestic content for German- and Swiss-owned affiliates reflects their relatively high reliance on imports for their purchased inputs. For Japanese-owned affiliates, the relatively low domestic content reflects a relatively low share of value added in gross output and a high share of imports in intermediate inputs.
- British-owned affiliates have the highest average domestic content, the highest average value-added share, and the lowest average import share of purchased inputs. The measures for these affiliates are closest to those
for domestically owned companies in comparable industries, perhaps reflecting the fact that, compared with investments from other countries, British direct investment in U.S. manufacturing industries tends to be older and has almost exclusively taken the form of acquisitions of existing U.S. companies.
- For most of the investing countries, the average export share of sales for affiliates does not differ significantly from the export share for domestically owned companies. However, Japanese-owned affiliates have a high average share of exports in sales in comparison with domestically owned companies, particularly in such primary resource-intensive industries as lumber and wood products and food and kindred products other than beverages.

The next section of the article discusses the measures of domestic content and market orientation. The article then compares the industrylevel estimates of the measures for U.S. affiliates with those for domestically owned manufacturing companies. Next, the article examines changes over time in the measures for a panel of affiliates in selected industries. It then examines differences in affiliate behavior by country of ultimate beneficial owner (ubo). ${ }^{8}$ Finally, the article examines differences in the geographic pattern of international purchases and sales of affiliates by country of ownership. An appendix discusses the data used to construct the measures and investigates the extent to which the results are affected by imports unrelated to manufacturing production in the data for affiliates.

## Measures of Content and Market Orientation

Data from bea's benchmark and annual surveys of foreign direct investment in the United States were used to construct three measures that reveal information about the content of output of U.S. manufacturing affiliates: The domestic content of gross output, the value-added share of gross output, and the import share of intermediate inputs.

[^24]The domestic content of gross output can be expressed as follows:
(1) Domestic Content of Gross Output $=$ (Gross Output - Imports) / Gross Output,
where gross output is computed as sales plus the change in end-of-year inventories (table 1). ${ }^{9}$ As defined, domestic content for a U.S. affiliate is that portion of its gross output that is accounted for by wages and salaries, profits, and other incomes earned within the affiliates themselves and by the value of raw materials, components, and other inputs purchased from domestic suppliers.
Conceptually, gross output for a firm is equal to its value added, or gross product originating in the firm, plus the value of intermediate inputs purchased from others. ${ }^{10}$ Because value added by an affiliate represents production in the country in which the affiliate is located, other things being equal, a higher share of value added in total output implies higher domestic content. ${ }^{11}$ This share can be expressed as follows:
(2) Value-Added Share of Gross Output
= Gross Product / Gross Output

[^25]For a U.S. affiliate, the value-added share measures the portion of the affiliate's gross output that is accounted for by incomes earned by labor, capital, and other factors of production employed within the firm.

The other component of a firm's gross output is its intermediate inputs. These inputs can be procured either domestically or through imports. Other things being equal, a higher share of imports in intermediate inputs implies lower domestic content. This share can be expressed as follows:
(3) Import Share of Intermediate Inputs = Imports / Intermediate Inputs $=$ Imports $/$ (Gross Output - Gross Product),
where intermediate inputs is computed as a residual from the data on affiliates' gross output and gross product. ${ }^{12}$ The import share of raw materials, components, and other purchased inputs provides a measure of the affiliates' reliance on imported versus domestically produced goods and services.
12. It should be noted that measures (1) and (3) capture direct (or firstround) imports only-they exclude any imports (direct or indirect) that may be embodied in the inputs purchased from domestic distributors or manufacturers. These measures also exclude purchases of services from abroad, because the benchmark and annual data on affiliate imports cover only imports of goods. In addition, it should be understood that the split between the domestic and foreign components in the measures is based on the geographic location of the suppliers of intermediate inputs-that is, whether or not the suppliers are located within the borders of the United States-not on their country of ownership; thus, intermediate inputs that are supplied to a U.S. affiliate by another U.S. affiliate are included in the domestic components.

Table 1.-Construction of Measures of the Domestic Versus Foreign Orientation of Production and Sales for U.S. Affiliates and Domestically Owned U.S. Parent Companies in Manufacturing, 1989 and 1994

| Line |  | U.S. affiliates |  | U.S. parents |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1989 | 1994 | 1989 | 1994 |
|  |  | Milions of dollars |  |  |  |
| 1 | Sales .......................................................................................... | 325,307 | 512,568 | 1,362,291 | 1,681,149 |
| 2 | Inventories, end of current year .......................................................... | 47,531 | 67,610 | 171,629 | 179,261 |
| 3 | Inventories, end of previous year ........................................................ | 42,022 | 62,902 | n.a. | n.a. |
| 4 | Inventory change (line $2-$ line 3$)^{1}$.................................................... | 5,509 | 4,708 | 7,086 | 11,846 |
| 5 | Gross output (line $1+$ line 4) .............................................................. | 330,816 | 517,276 | 1,369,377 | 1,692,995 |
| 6 | Gross product .................................................................................. | 101,346 | 153,643 | 522,726 | 631,380 |
| 7 | Intermediate inputs (line 5 - line 6) ...................................................... | 229,470 | 363,633 | 846,650 | 1,061,615 |
| 9 | Imports of goods <br> Exports of goods | $\begin{aligned} & 38,596 \\ & 29,355 \end{aligned}$ | $\begin{aligned} & 67,576 \\ & 48,815 \end{aligned}$ | $\begin{array}{r} 91,731 \\ 158,892 \end{array}$ | $\begin{aligned} & 120,388 \\ & 234,221 \end{aligned}$ |
| 10 | Domestic content (line 5 - line 8) ${ }^{2}$..................................................... | 292,220 | 449,700 | 1,277,646 | 1,572,607 |
|  |  | Percent |  |  |  |
| 11 | Domestic content as a percentage of gross output ( $($ line $10 /$ line 5) * 100) ... | 88.3 | 86.9 | 93.3 | 92.9 |
| 12 | Value added as a percentage of gross output (line $6 /$ line 5) * 100) ........... | 30.6 | 29.7 | 38.2 | 37.3 |
| 13 | Imports as a percentage of intermediate inputs (line $8 /$ line 7 ) ${ }^{*} 100$ ) .......... | 16.8 | 18.7 | 10.8 | 11.3 |
| 14 | Exports as a percentage of sales (line $9 /$ line 1) ${ }^{*} 100$ ) .............................. | 9.0 | 9.5 | 11.7 | 13.9 |

1. For domestically owned U.S. parent companies, the change in inventories in 1993-94 was estimated by applying to the U.S.-parent-company data on inventories in 1994 the percentage by which inventories in the 1993 balance sheet differed from inventories in the 1994 balance sheet for U.S. manufacturing corporations reporting in Corporation Source Book of Statistias of Income, Washington, D.C.: Internal Revenue Sevice, U.S. Department of Treasury. The change in irven-
tories in 1988-89 was similarly estimated using the balance sheet data on inventories for 1988 and 1989 reported in Statistics of income. 2. Includes imported services and any imports that may be embodied in domestic purchases.
n.a. Not available. n.a. Not available.

The market orientation of affiliates is measured by the export share of sales, which is expressed as follows: ${ }^{13}$
(4) Export Share of Sales $=$ Exports $/$ Sales

This ratio measures the propensity of affiliates to sell their output abroad rather than to customers in the United States.
For this article, the four measures have been constructed for U.S. manufacturing affiliates at the level of 32 detailed manufacturing industries. For comparative purposes, each of these measures has been constructed by industry for a group of domestically owned companies in manufacturing-specifically, domestically owned U.S. parent companies in manufacturing. Domestically owned U.S. parent companies are highly comparable with U.S. affiliates because of their typically large size and their international orientation. In addition, these companies account for a large share of the total output of all domestically owned manufacturing companiesmore than one-half of total output in 1994 (see the section "Data used to construct measures" in the appendix). In the rest of this article, the term "domestically owned companies" refers to "domestically owned U.S. parent companies."
13. The data for affiliate exports cover only exports of goods; they exclude exports of services. However, for manufacturing affiliates, exports of services tend to be very small: In 1994, services sold to foreign persons accounted for only 0.3 percent of the total sales of manufacturing affiliates.

## Industry-Level Results

In this section, the measures of content and market orientation at the industry level for U.S. affiliates are compared with those for domestically owned companies. The comparisons are made across 32 detailed manufacturing industries for 1989 and $1994{ }^{14}$

## Content of output

Domestic content.-In the aggregate, U.S. manufacturing affiliates display a high level of domestic content. In 1994, the domestic content of gross output for all manufacturing affiliates was 87 percent, compared with 93 percent for all domestically owned manufacturing companies (table 2). Of the domestic content, one-third represents value added by the affiliates, and twothirds represents intermediate inputs purchased domestically (chart 1). The shares were similar in 1989.
The difference between the aggregate domesticcontent shares for affiliates and the aggregate shares for domestically owned companies is more than accounted for by differences in domestic content within the 32 industries: As shown in the addendum to table 2 , the aggregate domesticcontent share for affiliates in 1994 would be reduced to 84 percent if the industry composition
14. It should be noted that differences between the measures for 1989 and 1994 may reflect changes in the population of affiliates through new investments or sell-offs as well as changes in the behavior of given affiliates. In addition, differences for individual industries may reflect changes in industry classification.

## CHART 1

Content of Gross Output of U.S. Affiliates in Manufacturing


US. Department of Conmerce, Burear of Economic Analysis"
of output for affiliates was the same as that for domestically owned companies.

By industry, the domestic content of affiliate output in 1989 and 1994 was more than 90 percent in about one-half of the 32 industries, and it was more than 80 percent in over four-fifths of the industries. In both years, the domestic content for affiliates was lower than that for domestically owned companies in all but two industries. However, in about two-thirds of the industries, the domestic-content shares of gross output for affiliates were within 10 percent of those for domestically owned companies. ${ }^{15}$

Both in absolute terms and in relation to the domestically owned companies, the domesticcontent shares for affiliates tend to be lowest in "machinery-type" industries, which are de-

[^26]fined here as the 12 industries in machinery, transportation equipment, and instruments manufacturing. ${ }^{16}$ The intermediate inputs of these industries consist mainly of manufactured components, which may be subject to product differentiation across foreign and domestic suppliers, rather than of commodity-type bulk materials, which in the United States generally can be procured most cheaply from domestic suppliers because of transportation costs. In addition, because manufacturing in these industries involves the assembly of components, their production processes can often be separated into distinct

[^27]Table 2.-Domestic-Content Share of Gross Output for U.S. Affiliates and Domestically Owned U.S. Parent Companies in Manufacturing, by Industry, 1989 and 1994

|  | Domestic content as a percentage of gross output |  |  |  | Ratio of measure for U.S. affiliates to measure for U.S. parent companies |  | Addendum: Percent distribution of gross output in 1994 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | U.S. affiliates |  | U.S. parent companies |  |  |  |  |  |
|  | 1989 | 1994 | 1989 | 1994 |  |  | U.S. affiliates | U.S. parent companies |
|  |  |  |  |  | 1989 | 1994 |  |  |
| Manufacturing : | 88.3 | 86.9 | 93.3 | 92.9 | 0.95 | 0.94 | 100 | 100 |
| Beverages | 88.4 | 89.2 | 99.1 | 98.6 | . 89 | . 90 | 1 | 5 |
| Other food and kindred products ........................................... | 95.6 | 94.2 | 98.6 | 98.2 | . 97 | . 96 | 8 | 9 |
| Textile mill products ............................................................. | 85.8 | 94.5 | 99.4 | 98.0 | . 86 | . 96 | 1 | 1 |
| Apparel and other textile products .......................................... | 91.9 | 91.4 | 94.8 | 94.2 | . 97 | . 97 | 1 | 1 |
| Lumber and wood products | 94.9 | 94.4 | 98.7 | 98.9 | . 96 | . 95 | (*) | 1 |
| Furniture and fixtures .......... | 81.3 | 95.6 | 97.3 | 97.9 | . 84 | . 98 | 1 | 1 |
| Paper and allied products ..................................................... | 91.1 | 92.5 | 98.0 | 97.4 | . 93 | . 95 | 2 | 6 |
| Printing and publishing ......................................................... | 98.9 | 98.7 | 97.6 | 98.7 | 1.01 | 1.00 | 4 | 3 |
| Industrial chemicals and synthetics ......................................... | 91.2 | 90.5 | 95.1 | 94.5 | . 96 | . 96 | 13 | 5 |
| Drugs ................................................................................... | 88.8 | 87.1 | 97.4 | 97.0 | . 91 | . 90 | 8 | 5 |
| Soap, cleaners, and toilet goods ............................................ | 97.6 | 97.5 | 95.2 | 97.0 | 1.03 | 1.01 | 4 | 2 |
| Other chemicals .................................................................. | 91.7 | 87.4 | 97.0 | 98.3 | . 95 | . 89 | 3 | 2 |
| Rubber products | 92.1 | 82.5 | 93.9 | 92.8 | . 98 | . 89 | 2 | 1 |
| Miscellaneous plastics products ............................................. | 88.9 | 89.0 | 98.0 | 97.6 | . 91 | . 91 | 1 | 1 |
| Glass products .................................................................... | 92.5 | 90.9 | 98.7 | 98.9 | . 94 | . 92 | 1 | 1 |
| Stone, clay, and concrete products ........................................ | 95.8 | 95.1 | 97.9 | 97.7 | . 98 | . 97 | 3 | 1 |
| Primary ferrous metals | 92.0 | 89.2 | 95.8 | 95.3 | . 96 | . 94 | 4 | 1 |
| Primary nonferrous metals | 82.1 | 82.4 | 92.5 | 93.9 | . 89 | . 88 | 3 | 2 |
| Fabricated metal products .................................................... | 93.7 | 90.8 | 98.3 | 97.8 | . 95 | . 93 | 5 | 2 |
| Construction and mining machinery ${ }^{2}$..................................... | 85.7 | 71.7 | 88.5 | 89.1 | . 97 | . 80 | 2 | 1 |
| Metalworking machinery ${ }^{2}$ | 79.5 | 82.5 | 92.3 | 95.7 | . 86 | . 86 | 1 | (*) |
| Special industrial machinery ${ }^{2}$............................................... | 88.1 | 82.4 | 96.1 | 96.6 | . 92 | . 85 | 1 | (\%) |
| General industrial machinery ${ }^{2}$.............................................. | 72.7 | 86.9 | 97.4 | 90.1 | . 75 | . 97 | 2 | 1 |
| Computer and office equipment ${ }^{2}$.......................................... | 71.2 | 66.5 | 86.7 | 80.4 | . 82 | . 83 | 2 | 6 |
| Other industrial machinery and equipment ${ }^{2}$............................ | 92.2 | 83.0 | 93.4 | 94.2 | . 99 | . 88 | 2 | 2 |
| Audio, video, and communications equipment ${ }^{2}$........................ | 66.5 | 68.9 | 93.7 | 91.4 | . 71 | . 75 | 4 | 1 |
| Electronic componenis and accessories ${ }^{2}$ | 77.3 | 78.8 | 87.9 | 91.2 | . 88 | . 86 | 2 | 6 |
| Household appliances and other electrical machinery ${ }^{2}$.................................. | 87.2 | 82.2 | 98.0 | 96.7 | . 89 | . 85 | 6 | 3 |
| Motor vehicles and equipment ${ }^{2}$............................................ | 57.3 | 74.2 | 81.5 | 83.9 | . 70 | . 88 | 6 | 18 |
| Other transportation equipment ${ }^{2}$........................................... | 82.7 | 83.8 | 97.5 | 96.1 | . 85 | . 87 | 1 | 7 |
| Instruments and related products ${ }^{2}$.......................................... | 90.0 | 90.9 | 95.3 | 94.3 | . 94 | . 96 | 3 | 4 |
| Other manufacturing .............................................................. | 91.9 | 91.9 | 97.2 | 95.1 | .95 | . 97 | 2 | 1 |
| Addendum: <br> Manufacturing, standardized for industry mix ${ }^{3}$ $\qquad$ | 82.0 | 84.0 | 93.3 | 92.9 | . 88 | . 90 | ................ | $\ldots$ |
| * Less than 0.5 percent. <br> 1. Excludes petroleum and coal products manufacturing, which, in BEA's data on direct investment, is classified under the major industry "petroleum." <br> 2. "Machinery-type" industries. <br> 3. The measures shown in coiumns 1-4 of this line were derived as weighted averages of the measures for individual industries, using-for both U.S. affiliates and U.S. parent companiesthe industry shares in U.S.-parent-company gross output as the weights. For U.S. parents, the |  |  | measures so derived are identical to those shown in line 1. For U.S. affiliates, they show what the domestic-content shares would have been if the shares for each industry had been as shown, but the industry composition of output had been the same as that for U.S. parents. With industry |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | mix differences thus controlled for, the ratios of the measures for affiliates to the measures for |  |  |  |  |  |
|  |  |  | U.S. parents (shown in columns 5 and 6 ) indicate differences in domestic content attributable to within-industry differences alone. |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | NOTE.-See the section in the appendix on data used to construct measures. |  |  |  |  |  |

stages that can be performed in different locations, permitting a greater degree of outsourcing in a firm's production. Finally, the relatively low domestic content in these industries may reflect the existence of some direct investment in finalassembly operations that were put in place in response to potential or actual barriers to the importation of final goods produced by the foreign parent firms.

In 1994, the domestic-content shares for affiliates were less than 75 percent in four industries, all of which are machinery-type industries: Computer and office equipment ( 67 percent); audio, video, and communications equipment ( 69 percent); construction and mining machinery ( 72 percent); and motor vehicles and equipment (74 percent). ${ }^{17}$ The relatively low domestic content

[^28]in these industries reflects their reliance on foreign sources for the affiliates' intermediate inputs; imports accounted for more than 30 percent of affiliate purchases of intermediate inputs in each industry. In the computer and motor vehicle industries, the low domestic-content share also reflects a low share of value added in gross output.

Vatue-added shares.-In 1994, value added accounted for 30 percent of the gross output of all manufacturing affiliates, compared with a valueadded share of 37 percent for domestically owned companies in manufacturing (table 3). The difference in shares at the aggregate level is more than accounted for by differences within the 32 industries: The value-added share for all affiliates would have been 27 percent if the industry

[^29]Table 3.-Value-Added Share of Gross Output for U.S. Affiliates and Domestically Owned U.S. Parent Companies in Manufacturing, by Industry, 1989 and 1994

composition of output for affiliates had been the same as that for domestically owned companies.
By industry, the value-added shares of gross output for affiliates were less than 40 percent in all 32 industries and were less than 30 percent in 17 industries. The value-added shares were lowest in computer and office equipment ( 15 percent), motor vehicles and equipment ( 19 percent), and primary nonferrous metals ( 20 percent). The value-added shares for domestically owned companies in these industries were also relatively low. ${ }^{18}$
The value-added shares for affiliates were lower than those for domestically owned companies in 30 industries in 1989 and in 31 industries in 1994; in most industries, the shares for affiliates were at least 20 percent lower than those

[^30]for domestically owned companies. In both years, the value-added shares for affiliates were more than 30 percent lower than those for domestically owned companies in four industriesfurniture and fixtures, primary nonferrous metals, motor vehicles and equipment, and other transportation equipment-indicating that the production operations of affiliates in these industries tend to be much less vertically integrated than the operations of their domestically owned counterparts.

Imported inputs.-Both in the aggregate and across industries, affiliates purchase most of their intermediate inputs from domestic suppliers, but they rely on imports to a much greater degree than do domestically owned companies. In 1994, the import share of intermediate inputs purchased by all manufacturing affiliates was 19 percent, compared with an import share of 11 percent for domestically owned companies in

Table 4.-Import Share of Intermediate Inputs for U.S. Affiliates and Domestically Owned U.S. Parent Companies in Manufacturing, by Industry, 1989 and 1994

|  | Imports as a percentage of intermediate inputs |  |  |  | Ratio of measure for U.S. affiliates to measure for U.S. parent companies |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | U.S. affilates |  | U.S. parent companies |  |  |  |
|  | 1989 | 1994 | 1989 | 1994 | 1989 | 1994 |
| Manufacturing ${ }^{1}$................................................................................. | 16.8 | 18.7 | 10.8 | 11.3 | 1.55 | 1.65 |
| Beverages | 17.0 | 15.6 | 1.7 | 2.4 | 9.92 | 6.38 |
| Other food and kindred products ............................................................. | 5.6 | 7.6 | 1.9 | 2.4 | 2.93 | 3.16 |
| Textile mill products ............................................................................... | 20.8 | 8.8 | 1.0 | 3.4 | 20.79 | 2.58 |
| Apparel and other textile products ............................................................ | 11.3 | 12.7 | 8.4 | 9.5 | 1.36 | 1.33 |
| Lumber and wood products | 7.7 | 8.3 | 1.9 | 1.7 | 3.95 | 4.92 |
| Furniture and fixtures .............................................................................. | 25.0 | 5.6 | 4.6 | 3.5 | 5.47 | 1.60 |
| Paper and allied products ....................................................................... | 14.1 | 11.0 | 3.6 | 4.2 | 3.98 | 2.59 |
| Printing and publishing .......................................................................... | 1.5 | 2.1 | 4.2 | 2.4 | . 37 | . 90 |
| industrial chemicals and synthetics | 13.6 | 14.8 | 8.7 | 9.0 | 1.57 | 1.65 |
| Drugs | 18.1 | 19.9 | 5.6 | 5.6 | 3.22 | 3.59 |
| Soap, cleaners, and toilet goods ............................................................... | 3.1 | 3.4 | 7.2 | 4.7 | . 44 | . 71 |
| Other chemicals ..................................................................................... | 11.5 | 17.0 | 4.7 | 2.6 | 2.46 | 6.48 |
| Rubber products | 11.9 | 27.9 | 10.5 | 13.1 | 1.13 | 2.13 |
| Miscellaneous plastics products ............................................................... | 15.0 | 15.5 | 3.0 | 3.9 | 5.00 | 3.99 |
| Glass products ..................................................................................... | 12.4 | 13.6 | 2.8 | 1.9 | 4.52 | 7.19 |
| Stone, clay, and concrete products ........................................................... | 6.3 | 7.7 | 3.5 | 3.4 | 1.83 | 2.27 |
| Primary ferrous metals | 11.1 | 14.8 | 6.4 | 7.2 | 1.72 | 2.05 |
| Primary nonferrous metals ....................................................................... | 23.8 | 21.9 | 12.6 | 8.8 | 1.89 | 2.50 |
| Fabricated metal products ....................................................................... | 9.4 | 12.5 | 2.5 | 3.7 | 3.72 | 3.40 |
| Construction and mining machinery ${ }^{2}$,......................................................... | 19.7 | 37.1 | 17.5 | 16.6 | 1.13 | 2.23 |
| Metalworking machinery ${ }^{2}$.......................................................................... | 30.2 | 25.5 | 11.7 | 6.6 | 2.57 | 3.88 |
| Special industrial machinery ${ }^{2}$................................................................... | 18.0 | 24.1 | 6.5 | 5.6 | 2.75 | 4.34 |
| General industrial machinery ${ }^{2}$.................................................................. | 40.7 | 20.7 | 4.7 | 18.3 | 8.70 | 1.13 |
| Computer and office equipment ${ }^{2}$............................................................................................................... | 49.4 | 39.6 | 24.1 | 30.6 | 2.05 | 1.29 |
| Other industrial machinery and equipment ${ }^{2}$............................................... | 11.0 | 23.2 | 10.6 | 8.7 | $t .04$ | 2.66 |
| Audio, video, and communications equipment ${ }^{2}$ | 47.4 | $41 . \dagger$ | 10.0 | 12.5 | 4.74 | 3.30 |
| Electronic components and accessories ${ }^{2}$.................................................... | 33.8 | 29.1 | 21.5 | 13.8 | 1.57 | 2.11 |
| Household appliances and other electrical machinery ${ }^{2}$................................ | 18.0 | 25.4 | 3.3 | 5.7 | 5.39 | 4.43 |
| Motor vehicles and equipment ${ }^{2}$................................................................ | 49.1 | 31.8 | 25.5 | 24.1 | 1.93 | 1.32 |
| Other transportation equipment ${ }^{2}$................................................................ | 23.7 | 22.8 | 4.4 | 7.1 | 5.38 | 3.23 |
| Instruments and related products ${ }^{2}$............................................................ | 15.9 | 14.9 | 9.2 | 11.4 | 1.73 | 1.31 |
| Other manufacturing ............................................................................... | 13.4 | 12.9 | 4.6 | 8.7 | 2.90 | 1.49 |
| Addendum: <br> Manufacturing, standardized for industry mix ${ }^{3}$ $\qquad$ | 24.9 | 20.6 | 10.8 | 11.3 | 2.29 | 1.82 |
| 1. See table 2, footnote 1. <br> 2. "Machinery-type" industries | NOTE | the section | e appendix on | used to con | ruct measures. |  |
| 3. The measures shown in columns $i-4$ of this line were derived as weighted avera the measures for individual industries, using the industry shares in U.S.-parent-company inte ate inputs as the weights. See table 2 , footnote 3. |  |  |  |  |  |  |

manufacturing (table 4). ${ }^{19}$ As with the domesticcontent and value-added shares, the difference between the import shares at the aggregate level is more than accounted for by differences within industries: The import share for affiliates would have been 21 percent if the industry composition of output for affiliates had been the same as that for domestically owned companies.

In both 1989 and 1994, the import shares of intermediate inputs were higher for affiliates than for domestically owned companies in all but two industries (printing and publishing and soap, cleaners, and toilet goods). In about two-thirds of the industries, the import shares for affiliates were more than twice as high as those for domestically owned companies. However, in many of these industries, the high ratios reflect very low import shares for domestically owned companies; for example, in the three industries in which the ratios were higher than 6 in 1994-glass products, other chemicals, and beverages-the import shares for domestically owned companies were lower than 3 percent. ${ }^{20}$

For both U.S. affiliates and domestically owned companies, the import shares of intermediate inputs have tended to be highest in machinery-type industries: In 1994, these industries accounted for 9 of the 10 industries with the highest import shares for U.S. affiliates and for 7 of the 10 industries with the highest import shares for domestically owned companies. ${ }^{21}$ For affiliates, the import shares were highest in audio, video, and communications equipment ( 41 percent) and in computer and office equipment ( 40 percent). For domestically owned companies, the import shares were highest in computer and office equipment ( 31 percent) and in motor vehicles and equipment (24 percent).
In five machinery-type industries-household appliances and other electrical machinery; special

[^31]industrial machinery; metalworking machinery; audio, video, and communications equipment; and "other" transportation equipment-the import shares for affiliates in 1994 were more than three times as high as the shares for the domestically owned companies. The relatively high import shares for these affiliates appear to reflect a high reliance on their parent companies for specialized inputs; in each industry, more than two-thirds of the affiliates' imports were from their foreign parents and other members of their foreign parent groups (table 5). ${ }^{22}$ In some cases, this reliance may reflect direct invest-

[^32]Table 5.-Intrafirm Imports of U.S. Affiliates as a Percentage of Affiliates' Total Imports and Intermediate Inputs, 1989 and 1994

|  | Intrafirm imports as a percentage of total imports |  | Intrafirm imports as a percentage of intermediate inputs |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1989 | 1994 |  |  |
|  |  |  | 1989 | 1994 |
|  | 69.0 | 69.7 | 11.6 | 12.9 |
| Beverages | 54.4 | 67.5 | 9.3 | 10.5 |
| Other food and kindred products | 39.9 | 56.4 | 2.3 | 4.3 |
| Textile mill products | 55.0 | 54.8 | 11.4 | 4.8 |
| Apparel and other textile products ........................ | 72.0 | 52.9 | 8.2 | 6.7 |
| Lumber and wood products .................................. | 27.0 | 55.2 | 2.1 | 4.6 |
| Furniture and fixtures ............................................ | 79.3 | 50.5 | 19.9 | 2.8 |
| Paper and allied products | 67.8 | 65.0 | 9.6 | 7.1 |
| Printing and publishing ....................................... | 38.1 | 48.4 | . 6 | 1.0 |
| Industrial chemicals and synthetics ....................... | 63.1 | 48.0 | 8.6 | 7.1 |
| Drugs | 94.5 | 90.2 | 17.1 | 18.0 |
| Soap, cleaners, and toilet goods | 44.3 | 75.8 | 1.4 | 2.5 |
| Other chemicals ................................................ | 75.8 | 93.2 | 8.7 | 15.8 |
| Rubber products | 57.3 | 64.6 | 6.8 | 18.0 |
| Miscellaneous plastics products | 91.9 | 41.0 | 13.8 | 6.3 |
| Glass products | 57.7 | 92.9 | 7.2 | 12.7 |
| Stone, clay, and concrete products ..................... | 37.4 | 48.4 | 2.4 | 3.7 |
| Primary ferrous metals .... | 52.8 | 51.2 | 5.8 | 7.6 |
| Primary nonferrous metals | 71.7 | 76.1 | 17.0 | 16.6 |
| Fabricated metal products .................................. | 59.1 | 70.1 | 5.6 | 8.8 |
| Construction and mining machinery ${ }^{2}$ | 60.5 | 73.6 | 11.9 | 27.3 |
| Metalworking machinery ${ }^{2}$ | 89.8 | 70.5 | 27.1 | 18.0 |
| Special industrial machinery ${ }^{2}$.............................. | 69.3 | 76.3 | 12.4 | 18.4 |
| General industrial machinery ${ }^{2}$............................. | 90.6 | 82.5 | 36.9 | 17.1 |
| Computer and office equipment ${ }^{2}$............... | 93.9 | 42.9 | 46.3 | 17.0 |
| Other industrial machinery and equipment ${ }^{2}$.......... | 65.0 | 80.6 | 7.2 | 18.7 |
| Audio, video, and communications equipment ${ }^{2}$...... | 52.6 | 70.7 | 24.9 | 29.1 |
| Electronic components and accessories ${ }^{2}$ | 62.9 | 56.0 | 21.3 | 16.3 |
| Household appliances and other electrical machinery ${ }^{\text {2 }}$ $\qquad$ | 77.8 | 67.9 | 14.0 | 17.3 |
| Motor vehicles and equipment ${ }^{2}$........................... | 95.2 | 92.3 | 46.7 | 29.4 |
| Other transportation equipment ${ }^{2}$.......................... | 88.5 | 87.7 | 21.0 | 20.0 |
| Instruments and related products ${ }^{2}$ | 72.9 | 71.3 | 11.6 | 10.6 |
| Other manufacturing ................................................... | 32.1 | 48.0 | 4.3 | 6.2 |
| 1. See table 2 , footnote 1. <br> 2. "Machinery-type" industries |  |  |  |  |
| NoTES.-Intrafirm imports are imports by affiliates from their foreign parent groups (see footnote 22 in the text). <br> See the section in the appendix on data used to construct measures. |  |  |  |  |

ment in final-assembly operations by the parent companies that may have been in response to potential or actual trade barriers.

Intrafirm imports accounted for about twothirds of the imports by all manufacturing affiliates in both 1989 and 1994. By industry, the intrafirm shares of affiliate imports have been particularly high in the drug industry and in most of the machinery-type industries. In a number of machinery-type industries, intrafirm imports have accounted for a substantial share-more than 20 percent-of the affiliates' total purchases of intermediate inputs, suggesting that affiliates in these industries may rely extensively on their parent companies (or other foreign firms with which the parents have ownership ties) for customized parts and other inputs subject to product differentiation across firms. In many cases, foreign multinationals with affiliates in these industries may be able to realize economies of scale in the design and production of firm-specific parts and
components by concentrating their production in one location rather than trying to produce the parts in each country in which they have affiliates.

## Market for output

Production by U.S. manufacturing affiliates is targeted for the U.S. market even more than the production by domestically owned manufacturers. For all manufacturing affiliates combined, exports accounted for only about 10 percent of total sales in 1994, compared with 14 percent of total sales for the domestically owned companies (table 6). ${ }^{23}$
The export shares for affiliates were less than those for domestically owned companies in 20 industries in 1989 and in 22 industries in 1994. The
23. The low export share for affiliates in comparison with that for domestically owned companies in manufacturing does not reflect differences in industry mix: As shown in the addendum to table 6, the aggregate share for affiliates would be 9.4 percent instead of 9.5 percent if the industry composition of output for affiliates was the same as that for domestically owned companies.

Table 6.-Export Share of Sales for U.S. Affiliates and Domestically Owned U.S. Parent Companies in Manufacturing, by Industry, 1989 and 1994

|  | Exports as a percentage of sales |  |  |  | Ratio of measure for U.S. affiliates to measure for U.S. parent companies |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | U.S. affiliates |  | U.S. parent companies |  |  |  |
|  | 1989 | 1994 | 1989 | 1994 | 1989 | 1994 |
| Manufacturing ${ }^{1}$.......................................................................... | 9.0 | 9.5 | 11.7 | 13.9 | 0.77 | 0.68 |
| Beverages | 2.0 | 4.1 | 6.1 | 5.9 | . 33 | . 69 |
| Other food and kindred products ........................................................ | 3.6 | 5.2 | 5.4 | 8.4 | . 67 | . 62 |
| Textile mill products ........................................................................ | 6.2 | 7.3 | 4.4 | 5.7 | 1.41 | 1.28 |
| Apparel and other textile products ......................................................... | 4.6 | 3.6 | 2.1 | 2.6 | 2.22 | 1.36 |
| Lumber and wood products ................................................................ | B | A | 12.9 | 8.4 | (D) | (D) |
| Furniture and fixtures ......................................................................... | A | A | 3.2 | 5.8 | (D) | (D) |
| Paper and allied products ........................................................................ | 8.8 | 11.0 | 7.3 | 10.0 | 1.20 | 1.11 |
| Printing and publishing ........................................................................ | 1.6 | 1.6 | . 7 | 1.4 | 2.31 | 1.14 |
| Industrial chemicals and synthetics ....................................................... | 13.4 | 12.8 | 12.5 | 17.9 | 1.07 | . 71 |
| Drugs ........................................................................................................... | 5.7 | 7.4 | 10.3 | 9.6 | . 55 | . 77 |
| Soap, cleaners, and toilet goods ......................................................... | 2.3 | 4.1 | 3.8 | 4.4 | . 60 | . 93 |
| Other chemicals .............................................................................. | 10.0 | 10.8 | 11.9 | 12.6 | . 84 | . 86 |
| Rubber products ............................................................................. | 5.6 | 9.0 | 7.8 | 9.2 | . 72 | . 98 |
| Miscellaneous plastics products .................................................... | 4.8 | 5.8 | 6.5 | 8.1 | . 74 | . 72 |
| Glass products | 7.9 | 5.7 | 7.2 | 9.7 | 1.09 | . 59 |
| Stone, clay, and concrete products ...................................................... | 2.0 | 2.8 | 3.9 | 6.1 | . 52 | . 46 |
| Primary ferrous metals ...................................................................... | 2.8 | 2.5 | 3.7 | 6.9 | . 75 | . 37 |
| Primary nonferrous metals ................................................................. | 9.6 | 10.6 | 10.0 | 10.9 | . 96 | . 97 |
| Fabricated metal products .................................................................................... | 7.3 | 7.0 | 5.8 | 8.0 | 1.27 | . 88 |
| Construction and mining machinery ${ }^{2}$................................................... | 11.0 | 18.1 |  | 28.4 |  | . 64 |
| Metalworking machinery ${ }^{2}$................................................................................. | 8.9 12.4 | 12.0 | 13.6 | 8.1 | . 65 | 1.47 |
| Special industrial machinery ${ }^{2}$............................................................. | 12.4 | 17.2 | 16.6 | 25.3 | . 75 | . 68 |
| General industrial machinery ${ }^{2}$........................................................... | 8.4 | 9.3 | 16.3 | 19.2 | . 52 | . 49 |
| Computer and oflice equipment ${ }^{2}$........................................................ | 21.1 | 12.1 | 22.8 | 25.8 | . 93 | . 47 |
| Other industrial machinery and equipment ${ }^{2}$............................................ | 5.2 | 11.9 | 12.7 | 15.5 | . 41 | . 77 |
| Audio, video, and communications equipment ${ }^{2}$........................................ | 27.7 | 14.5 | 11.4 | 14.0 | 2.42 | 1.03 |
| Electronic components and accessories ${ }^{2}$............................................ | 16.1 | 15.7 | 22.5 | 22.2 | . 72 | . 71 |
| Household appliances and other electrical machinery ${ }^{2}$............................... | 9.9 | 16.2 | 8.5 | 12.3 | 1.15 | 1.31 |
| Motor vehicles and equipment ${ }^{2}$........................................................... | 3.8 | 6.1 | 13.8 | 15.0 | . 28 | . 41 |
|  | 19.3 | 14.3 | 20.3 | 25.5 | . 95 | . 56 |
| Instruments and related products ${ }^{2}$...................................................... | 13.7 | 17.5 | 15.5 | 16.5 | . 88 | 1.06 |
| Other manufacturing ......................................................................... | 8.8 | 19.8 | 6.0 | 11.0 | 1.47 | 1.80 |
| Addendum: <br> Manufacturing, standardized for industry mix ${ }^{3}$ $\qquad$ | 9.9 | 9.4 | 11.7 | 13.9 | . 85 | . 68 |
| ${ }^{\text {D }}$ Suppressed to avoid disclosure of data of individual companies. <br> 1. See table 2 , footnote 1. <br> 2. "Machinerr-type" indusstries <br> 3. The measures shown in columns $1-4$ of this line were derived as weighted averages of |  | the weights. See table 2, footnote 3. <br> Nores.--See the section in the appendix on data used to construct measures. <br> Size ranges are given in the percentage cells that are suppressed; these ranges are A-0.01 <br> 199: B-200 to 399: C-40.0 to 599: E-600 to 799 ; F-800 10 +00 |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

lower export propensity of U.S. affiliates suggests that the affiliates operate in the United States to service the U.S. market rather than to exploit any locational advantages associated with production in the United States (such as proximity to U.S. research centers) to service worldwide markets. Foreign multinationals appear to service non-U.S. markets primarily through sales by the parent companies or affiliates located in other countries.
For both U.S. affiliates and the domestically owned companies, the export shares of sales have tended to be highest in machinery-type industries. ${ }^{24}$ In most of these industries, the export shares for affiliates were substantially lower than those for the domestically owned companies in

[^33]Table 7.-Intratirm Exports of U.S. Affiliates as a Percentage of Affiliates' Total Exports and Sales, 1989 and 1994

|  | Intrafirm exports as a percentage of total exports |  | Intrafirm exports as a percentage of sales |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1989 | 1994 | 1989 | 1994 |
| Manufacturing ${ }^{1}$............................................ | 25.3 | 28.4 | 3.2 | 2.7 |
| Beverages | 33.3 | 41.6 | 1.0 | 1.7 |
| Other food and kindred products | 33.1 | 35.9 | 1.5 | 1.9 |
| Textile mill products ........................................... | 23.2 | 16.4 | 2.1 | 1.2 |
| Apparel and other textile products ....................... | 90.5 | 53.8 | 5.5 | 1.9 |
| Lumber and wood products ................................. | 26.7 | 23.6 | $\left({ }^{\text {D }}\right.$ ) | ( ${ }^{\text {d }}$ |
| Furniture and fixtures .......................................... | 94.1 | 1.2 | (D) | *) |
| Paper and allied products ................................... | 45.0 | 37.2 | 6.2 | 4.1 |
| Printing and publishing ....................................... | 20.3 | 31.2 | . 5 | . 5 |
| Industrial chemicals and synthetics ....................... | 21.8 | 17.8 | 4.5 | 2.3 |
| Drugs .............................................................. | 50.4 | 54.6 | 4.6 | 4.0 |
| Soap, cleaners, and toilet goods | 15.3 | 50.7 | . 4 | 2.1 |
| Other chemicals ................................................ | 11.9 | 48.5 | 1.6 | 5.3 |
| Rubber products ................................................ | 26.0 | 21.4 | 2.2 | 1.9 |
| Miscellaneous plastics products | 42.6 | 17.2 | 2.7 | 1.0 |
| Glass products | 14.3 | 9.0 | 1.9 | . 5 |
| Stone, clay, and concrete products ...................... | 10.0 | 13.2 | . 3 | . 4 |
| Primary ferrous metals ....................................... | 27.3 | 16.1 | 1.0 | . 4 |
| Primary nonferrous metals .................................. | 42.1 | 37.4 | 5.3 | 4.0 |
| Fabricated metal products .................................. | 11.5 | 14.3 | 1.2 | 1.0 |
| Construction and mining machinery ${ }^{2}$ | 11.2 | 24.7 | 1.7 | 4.5 |
| Metalworking machinery ${ }^{2}$................................... | 49.2 | 33.0 | 6.2 | 4.0 |
| Special industrial machinery ${ }^{2}$.............................. | 29.5 | 14.4 | 5.5 | 2.5 |
| General industrial machinery ${ }^{2}$............................. | 55.7 | 26.0 | 6.7 | 2.4 |
| Computer and office equipment ${ }^{2}$......................... | 23.9 | 33.5 | 8.6 | 4.0 |
| Other industrial machinery and equipment ${ }^{2}$........... | 26.9 | 24.1 | 1.9 | 2.9 |
| Audio, video, and communications equipment ${ }^{2}$....... | 13.6 | 29.4 | 5.2 | 4.3 |
| Electronic components and accessories ${ }^{2}$ | 38.7 | 24.4 | 9.2 | 3.8 |
| Household appliances and other electrical machinery ${ }^{2}$ $\qquad$ | 39.0 | 30.0 | 5.3 | 4.9 |
| Motor vehicles and equipment ${ }^{2}$.......................... | 21.0 | 32.1 | . 9 | 2.0 |
| Other transportation equipment ${ }^{2}$, ......................... | 14.1 | 24.4 | 3.6 | 3.5 |
| Instruments and related products ${ }^{2}$....................... | 29.0 | 25.2 | 6.3 | 4.4 |
| Other manufacturing .......................................... | 29.6 | 27.3 | 4.3 | 5.4 |

Less than 0.05 percent.
D Suppressed to avoid disclosure of data of individual companies 1. See table 2, footnote 1.
2. "Machinery-type" industries.

NOTES.-Intrafirm exports are exports by affiiates to their foreign parent groups. See the section in the appendix on data used to construct measures.
both 1989 and 1994; in motor vehicles and equipment, the export share for affiliates was less than one-half as much as the share for the domestically owned companies. However, in audio, video, and communications equipment and in household appliances and other electrical machinery, the export shares for affiliates were higher than those for the domestically owned companies.
In contrast to affiliate imports, which have been dominated by trade with the affiliates' foreign parent groups, affiliate exports have been mainly accounted for by trade with unrelated parties (table 7). In both 1989 and 1994, intrafirm exports accounted for only one-fourth of the total exports of all manufacturing affiliates and for less than one-half of affiliate exports in all but a few industries. In 1994, intrafirm exports accounted for less than 3 percent of total sales and for less than 6 percent of sales for any of the 32 industries.

## Trends in Content and Market Orientation

This section examines the changes in the domestic content of production and in the market orientation of sales for a panel of U.S. manufacturing affiliates in 1988-94.

In the case of investment in new manufacturing facilities-often referred to as "greenfield" investment-foreign direct investment typically begins with affiliates undertaking final assembly operations that rely heavily on components and parts from the foreign parent or other suppliers abroad. Over time, these affiliates are expected to increase the domestic content of their output through vertical expansion of their production operations, which results in a higher share of value added in gross output, and through increased procurement from domestic suppliers, which results in a lower share of imports in intermediate inputs. In addition, affiliates that were initially set up to service the domestic market begin with a very low export share of sales, but this share is expected to increase with the expanded scale of production operations over time.

For U.S. affiliates, however, the expected pattern of affiliate behavior over time is more ambiguous, because much of the foreign direct investment in U.S. manufacturing industries has been to acquire existing U.S. companies. In some cases, an acquisition may simply represent a change in management and results in no change in domestic content or the international orientation of sales. In other cases, the domestic content of an acquired firm might decrease, as the firm's
operations become more integrated with those of its foreign parent.
To investigate changes in domestic content and market orientation that are isolated from the effects of changes in the population of affiliates, a panel was constructed of affiliates that were classified in the 12 machinery-type industries in 1994 and that existed in each of the years 1987-94 (see the section "Data used to construct measures" in the appendix). ${ }^{25}$ Affiliates in the machinerytype industries are of special interest because the shares of both imports in intermediate inputs and exports in sales tend to be the highest in these industries. The affiliates in the panel account for a dominant share- 69 percent-of the gross output of all affiliates in machinery-type industries in 1994.

Aggregating the data for affiliates in the panel, the four measures have been computed at the industry level for each of the years 1988-94. The results show little sustained change in affiliate behavior; in most industries, the four measures are either steady or fluctuate without showing a trend (table 8). However, in the few industries in which a sustained trend is shown, the movement is in the direction described in the discussion on greenfield investment.

[^34]In two industries-electronic components and motor vehicles-the domestic content of affiliate output trends upward, reflecting, in each industry, a sustained decrease in the import share of the affiliates' intermediate inputs-from more than 50 percent in 1988 to less than 35 percent in 1994 (chart 2). The upward trend in domestic content for affiliates in the motor vehicles industry is consistent with expectations, given that this industry has been characterized by a high degree of greenfield investment in relation to foreign acquisition activity.
In a number of industries, the import shares of intermediate inputs drop sharply between 1988 and 1989, perhaps because of lagged substitution effects in response to the substantial depreciation of the U.S. dollar in international currency markets in $1985-88 .^{26}$ After this drop, the import shares fluctuate in most industries but show a high degree of stability in two industries: Metalworking machinery and household appliances and other electrical machinery.
The export shares of affiliate sales trend upward in three industries: Construction machinery, metalworking machinery, and instruments and related products (chart 3). In each of these industries, the export share has more than doubled since 1988, suggesting an expanded orientation toward world markets that reflected locational advantages associated with production in the

[^35]
## CHART 2

Import Share of Intermediate Inputs: Selected Industries, 1988-94


## CHART 3

Export Share of Sales: Selected Industries, 1988-94


United States. Particularly in an industry such as instruments, in which the United States is very competitive in world markets, affiliates initially set up to service the U.S. market may turn increasingly to exports as they expand operations. ${ }^{27}$
27. Census Bureau data on trade in goods by product indicate that U.S. exports of professional, scientific, and controlling instruments were about double U.S. imports in each of the years 1988-94.

## Comparisons by Country of Ownership

This section examines the differences in the four measures of domestic content and market orientation among affiliates with ultimate beneficial owners in six major investing countries: Canada, France, Germany, Switzerland, the United Kingdom, and Japan. In terms of affiliate value added and gross output, these six countries are the largest investing countries in U.S. manufactur-

Table 8.-Measures for a Panel of U.S. Affiliates in Machinery-Type Industries, 1988-94

|  | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Domestic content as a percentage of gross output: |  |  |  |  |  |  |  |
| Construction and mining machinery ......................................... | 72.8 | 77.2 | 77.7 | 83.2 | 78.0 | 76.1 | 70.3 |
| Metalworking machinery ....................................................... | 76.9 | 81.6 | 81.1 | 81.1 | 80.7 | 80.5 | 80.3 |
| \Special industrial machinery ................................................. | 85.7 | 85.6 | 87.0 | 84.5 | 86.4 | 85.8 | 84.8 |
| General industrial machinery .. | 83.0 | 85.1 | 85.5 | 86.4 | 87.7 | 88.6 | 86.3 |
| Computer and office equipment | E | - | C | C | C | 60.2 | 75.0 |
| Other industrial machinery and equipment ............................... | 85.9 | 85.0 | 83.2 | 68.5 | 83.0 | 75.7 | 75.5 |
| Audio, video, and communications, equipment .......................... | 62.2 | 65.2 | 64.8 | 71.8 | 67.6 | 69.0 | 68.1 |
| Electronic components and accessories .................................. | 62.7 | 69.0 | 71.7 | 68.9 | 71.9 | 74.8 | 74.5 |
| Household appliances and other electrical machinery .................. | 78.7 | 82.1 | 80.6 | 81.5 | 81.4 | 79.9 | 80.3 |
| Motor vehicles and equipment .............................................. | 54.7 | 55.3 | 59.7 | 58.5 | 67.2 | 68.9 | 71.3 |
| Other transportation equipment ............................................ | 70.3 | 78.6 | 80.9 | 82.3 | 83.0 | 78.9 | 76.4 |
| Instruments and related products .......................................... | 87.3 | 89.1 | 89.7 | 91.7 | 91.7 | 91.2 | 90.7 |
| Value added as a percentage of gross output: |  |  |  |  |  |  |  |
| Construction and mining machinery ....................................... | 24.2 | 23.8 | 23.9 | 27.5 | 26.1 | 21.6 | 21.1 |
| Metalworking machinery .................................. | 30.9 | 31.5 | 35.9 | 34.1 | 34.7 | 34.7 | 33.9 |
| Special industrial machinery ................................................ | 25.9 | 27.0 | 25.3 | 27.8 | 29.4 | 30.2 | 29.2 |
| General industrial machinery | 32.8 | 38.2 | 38.4 | 39.7 | 36.3 | 37.7 | 38.7 |
| Computer and office equipment ........................................... | C | C | C | C | B | 21.2 | 43.6 |
| Other industrial machinery and equipment ................................ | 21.4 | 25.6 | 30.6 | 24.1 | 23.5 | 24.4 | 25.0 |
| Audio, video, and communications, equipment .......................... | 23.8 | 27.3 | 26.7 | 24.8 | 28.1 | 26.5 | 24.2 |
| Electronic components and accessories ...................................... | 29.5 | 28.6 | 25.3 | 29.4 | 31.9 | 27.2 | 25.8 |
| Household appliances and other electrical machinery .................. | 29.3 | 28.7 | 28.5 | 30:2 | 29.3 | 27.5 | 27.2 |
| Motor vehicles and equipment .................................... | 15.8 | 13.1 | 14.5 | 17.2 | 16.9 | 16.5 | 17.0 |
| Other transportation equipment .... | 25.3 | 30.2 | 32.1 | 27.3 | 31.5 | 28.9 | 25.5 |
| Instruments and related products .......................................... | 35.0 | 36.3 | 36.8 | 40.1 | 41.6 | 40.9 | 39.6 |
| imports as a percentage of intermediate inputs: |  |  |  |  |  |  |  |
| Construction and mining machinery ...................................... | 35.9 | 29.9 | 29.3 | 23.2 | 29.8 | 30.5 | 37.6 |
| Metalworking machinery ..................................................... | 33.4 | 26.9 | 29.5 | 28.6 | 29.6 | 29.9 | 29.8 |
| Special industrial machinery ................................................ | 19.3 | 19.7 | 17.4 | 21.5 | 19.3 | 20.4 | 21.4 |
| General industrial machinery ............ | 25.3 | 24.0 | 23.5 | 22.6 | 19.3 | 18.3 | 22.4 |
| Computer and office equipment ...................... | E | F | F | F | E | 50.5 | 44.3 |
| Other industrial machinery and equipment ................................. | 17.9 | 20.2 | 24.2 | 41.5 | 22.2 | 32.1 | 32.6 |
| Audio, video, and communications, equipment ........................... | 49.6 | 47.9 | 48.0 | 37.5 | 45.1 | 42.2 | 42.1 |
| Electronic components and accessories ................................. | 53.1 | 43.4 | 37.9 | 44.1 | 41.3 | 34.7 | 34.4 |
| Household appliances and other electrical machinery ................. | 30.1 | 25.0 | 27.2 | 26.6 | 26.3 | 27.7 | 27.1 |
| Motor vehicles and equipment .................................................... | 53.8 | 55.5 | 47.2 | 50.1 | 39.4 | 37.3 | 34.5 |
| Other transportation equipment ........................................ | 39.8 | 30.7 | 28.1 | 24.3 | 24.9 | 29.7 | 31.7 |
| instruments and related products ............................................ | 19.6 | 17.2 | 16.2 | 13.8 | 14.2 | 14.9 | 15.3 |
| Exports as a percentage of sales: |  |  |  |  |  |  |  |
| Construction and mining machinery ....................................... | 9.3 | 13.6 | 13.1 | 17.0 | 15.6 | 21.8 | 21.4 |
| Metaworking machinery .................................................... | 4.4 | 9.4 | 11.2 | 12.2 | 11.4 | 10.8 | 10.8 |
| Special industrial machinery ................................................. | 16.3 | 12.6 | 16.1 | 19.5 | 19.2 | 18.7 | 14.5 |
| General industrial machinery ......................................................... | 3.6 | 5.8 | 7.0 | 6.1 | 5.3 | 4.8 | 8.7 |
| Computer and office equipment ........................................... | A | B | 22.0 | 21.8 | 18.5 | 18.5 | 21.2 |
| Other industrial machinery and equipment ................................ | 6.7 | 6.9 | 10.3 | 10.9 | 10.4 | 10.1 | 10.1 |
| Audio, video, and communications, equipment ......................... | 28.3 | 27.3 | 24.6 | 8.7 | 9.4 | 9.1 | 15.0 |
| Electronic components and accessories ................................. | 8.3 | 12.5 | 16.7 | 17.8 | 17.6 | 14.0 | 14.1 |
| Household appliances and other electrical machinery .................. | 11.6 | 11.5 | 15.1 | 17.4 | 13.3 | 20.0 | 16.1 |
| Motor vehicles and equipment ............................................. | 4.3 | 3.2 | 3.6 | 5.4 | 8.4 | 6.0 | 5.3 |
| Other transportation equipment .............................................. | 13.7 | 23.0 | 16.0 | 13.4 | 18.4 | 17.3 | 15.4 |
| instruments and related products ......................................... | 7.2 | 8.9 | 11.0 | 12.7 | 13.5 | 14.6 | 15.2 |
| Addendum: |  |  |  |  |  |  |  |
| Multilateral trade-weighted value of the U.S. dollar, adjusted by changes in consumer prices (March $1973=100)^{\prime}$ $\qquad$ | 88.2 | 94.4 | 86.0 | 86.5 | 83.4 | 90.0 | 88.7 |

1. Economic Report of the President (Washington, DC: U.S. Government Printing Office, Feb-
uary 1997): Table B-108.

Notes.-Industry-level measures were constructed from data for a fixed panel of affiliates clas-
sified in the industry in 1994; the panel consists of afililates that existed in 1987 and were fully operational in each of the years 1988-94.
Size ranges are given in the percentage cells that are suppressed; these ranges are $\mathrm{A}-0.01$
to $19.9 ; \mathrm{B}-20.0$ to $39.9 ; \mathrm{C}-40.0$ to $59.9 ; \mathrm{E}-60.0$ to $79.9 ; \mathrm{F}-80.0$ to 100 .
ing; in 1994, the manufacturing affiliates of these countries accounted for about 80 percent of both the value added and the gross output of all U.S. manufacturing affiliates.

Comparisons among the investing countries' affiliates are made in terms of mean values of affiliate-level measures "normalized" by industry; to normalize, each measure for a given affiliate was divided by the corresponding industry-level measure for domestically owned U.S. parent companies in the affiliate's industry.
The mean values for samples of affiliates of each country for 1989 and 1994 are shown in tables 9.1 and 9.2 , respectively. The samples of affiliates consist of the affiliates in all the manufacturing industries and the affiliates in two industry subgroups: Machinery-type industries and all the other manufacturing industries. ${ }^{28}$

[^36]A mean value of 1 indicates that the measure for affiliates, on average, equals that for the domestically owned companies in comparable industries. ${ }^{29}$ For affiliates of each investing country, a $t$ test was performed to determine if the mean is significantly different from 1 , which would indicate that the measure for affiliates differs systematically from the measure for the domestically owned companies.

## Content of output

In 1994, German-, Swiss-, and Japanese-owned affiliates show the lowest average domestic content in relation to domestically owned companies in comparable industries. For Germanand Swiss-owned affiliates, the mean value for

[^37]Table 9.1--Means of Normalized Measures for U.S. Affiliates, by Country of UBO, 1989
[Standard deviations in parentheses]

|  | All countries | Canada | France | Germany | Switzerland | United Kingdom | Japan | Other countries |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Domestic content as a percentage of gross output: All industries $\qquad$ | $\begin{aligned} & 0.88 \\ & (.27) \end{aligned}$ | $\begin{aligned} & 0.92 \\ & (.19) \end{aligned}$ | $\begin{aligned} & 0.89 \\ & (.21) \end{aligned}$ | $\begin{aligned} & 0.84 \\ & (.21) \end{aligned}$ | $\begin{aligned} & 0.87 \\ & (.19) \end{aligned}$ | $\begin{aligned} & 0.96 \\ & (.15) \end{aligned}$ | $\begin{aligned} & 0.81 \\ & (.45) \end{aligned}$ | $\begin{aligned} & 0.88 \\ & (.21) \end{aligned}$ |
| Machinery-type industries ..................................... | $\stackrel{.84}{(.28)}$ | $\begin{array}{r} .97 \mathrm{a} \\ (.19) \end{array}$ | $\begin{gathered} .83 \\ (.27) \end{gathered}$ | $.80$ | $.82$ | $\begin{gathered} .96 \\ (.18) \end{gathered}$ | $\begin{gathered} .75 \\ (.40) \end{gathered}$ | $.$ |
| Other industries .................................................. | $\begin{gathered} .90 \\ (.25) \end{gathered}$ | $.91$ | $\begin{gathered} .91 \\ (.17) \end{gathered}$ | $\begin{gathered} .88 \\ (.18) \end{gathered}$ | $\begin{gathered} .91 \\ (.15) \end{gathered}$ | $\begin{array}{r} .97 \\ (.12) \end{array}$ | $\begin{gathered} .84 \\ (.49) \end{gathered}$ | $\begin{gathered} .90 \\ (.18) \end{gathered}$ |
| Value added as a percentage of gross output: <br> All industries $\qquad$ | $\begin{gathered} .72 \\ (.52) \end{gathered}$ | $\begin{gathered} .76 \\ (.38) \end{gathered}$ | $\begin{gathered} .70 \\ (.38) \end{gathered}$ | $\begin{gathered} .72 \\ (.42) \end{gathered}$ | $\begin{gathered} .76 \\ (.36) \end{gathered}$ | $\begin{gathered} .83 \\ (.37) \end{gathered}$ | $\begin{gathered} .66 \\ (.62) \end{gathered}$ | $\begin{gathered} .68 \\ (.68) \end{gathered}$ |
| Machinery-type industries ..................................... | $\begin{gathered} .66 \\ (.62) \end{gathered}$ | $\begin{gathered} .78 \\ (.36) \end{gathered}$ | $.57$ | $\begin{gathered} .69 \\ (.38) \end{gathered}$ | $\begin{gathered} .81 \\ (.40) \end{gathered}$ | $\frac{.82}{(.37)}$ | $\begin{aligned} & .51 \\ & (.54) \end{aligned}$ | $\begin{gathered} .57 \\ (1.05) \end{gathered}$ |
| Other industries ................................................... | $\begin{gathered} .76 \\ (.45) \end{gathered}$ | $\begin{gathered} .76 \\ (.39) \end{gathered}$ | $\begin{gathered} .75 \\ (.38) \end{gathered}$ | $\begin{gathered} .75 \\ (.44) \end{gathered}$ | $\begin{aligned} & .74 \\ & (.33) \end{aligned}$ | $\begin{gathered} .84 \\ (.37) \end{gathered}$ | $\begin{gathered} .76 \\ (.66) \end{gathered}$ | $\begin{gathered} .72 \\ (.40) \end{gathered}$ |
| Imports as a percentage of intermediate inputs: <br> All industries | $\begin{gathered} 4.43 \\ (9.80) \end{gathered}$ | $\begin{gathered} 4.70 \\ (9.47) \end{gathered}$ | $\begin{gathered} 5.25 \\ (8.93) \end{gathered}$ | $\begin{gathered} 5.04 \\ (7.00) \end{gathered}$ | $\begin{gathered} 4.34 \\ (5.42) \end{gathered}$ | $\begin{array}{r} 2.18 \\ (3.82) \end{array}$ | $\begin{gathered} 4.66 \\ (15.87) \end{gathered}$ | $\begin{gathered} 4.88 \\ (9.25) \end{gathered}$ |
| Machinery-type industries ..................................... | $\begin{gathered} 3.51 \\ (4.79) \end{gathered}$ | $\begin{gathered} 2.00^{\mathrm{a}} \\ (3.71)^{2} \end{gathered}$ | $\begin{gathered} 4.71 \\ (6.29) \end{gathered}$ | $\begin{gathered} 4.62 \\ (4.90) \end{gathered}$ | $\begin{gathered} 3.82 \\ (3.68) \end{gathered}$ | $\begin{gathered} 1.66 \\ (2.31) \end{gathered}$ | $\begin{gathered} 3.73 \\ (5.36) \end{gathered}$ | $\begin{array}{r} 3.99 \\ (5.39) \end{array}$ |
| Other industries ................................................ | $\begin{gathered} 4.98 \\ (11.81) \end{gathered}$ | $\begin{gathered} 5.67 \\ (10.66) \end{gathered}$ | $\begin{gathered} 5.47 \\ (9.85) \end{gathered}$ | $\begin{gathered} 5.39 \\ (8.36) \end{gathered}$ | $\begin{gathered} 4.63 \\ (6.20) \end{gathered}$ | $\begin{gathered} 2.62 \\ (4.71) \end{gathered}$ | $\begin{array}{r} 5.33 \\ (20.34) \end{array}$ | $\begin{array}{r} 5.29 \\ (10.55) \end{array}$ |
| Exports as a percentage of total sales: <br> All industries | $\begin{gathered} 1.18 \\ (3.10) \end{gathered}$ | $\underset{(1.88)}{.77^{\mathrm{a}}}$ | $\begin{gathered} 1.36 \mathrm{a} \\ (2.34) \end{gathered}$ | $\begin{gathered} .96^{\mathrm{a}} \\ (1.57) \end{gathered}$ | $\begin{gathered} .81^{\mathrm{a}} \\ (1.20) \end{gathered}$ | $\begin{gathered} .93 \mathrm{a} \\ (2.22) \end{gathered}$ | $\begin{gathered} 1.73 \\ (4.30) \end{gathered}$ | $\begin{gathered} 1.30 \mathrm{a} \\ (4.09) \end{gathered}$ |
| Machinery-type industries ..................................... | $\begin{gathered} .73 \\ (.96) \end{gathered}$ | $\begin{gathered} .53 \\ (.77) \end{gathered}$ | $\begin{array}{r} 1.16 \mathrm{a} \\ (1.70) \end{array}$ | $\begin{gathered} .66 \\ (.82) \end{gathered}$ | $\begin{aligned} & .76 \mathrm{a} \\ & (.81) \end{aligned}$ | $\begin{gathered} .78 \\ (1.01) \end{gathered}$ | $\begin{gathered} .64 \\ (.96) \end{gathered}$ | $\begin{gathered} .78 \\ (.85) \end{gathered}$ |
| Other industries ................................................ | $\begin{array}{r} 1.45 \\ (3.83) \end{array}$ | $\stackrel{.86 \mathrm{a}}{(2.14)}$ | $\begin{array}{r} 1.44 \mathrm{a} \\ (2.57) \end{array}$ | $\begin{gathered} 1.21 \mathrm{a} \\ (1.96) \end{gathered}$ | $\begin{gathered} .84 \mathrm{a} \\ (1.37) \end{gathered}$ | $\begin{gathered} 1.07^{\mathrm{a}} \\ (2.88)^{2} \end{gathered}$ | $\begin{gathered} 2.53 \\ (5.46) \end{gathered}$ | $\begin{gathered} 1.55^{\mathrm{a}} \\ (4.89) \end{gathered}$ |
| Addenda: Number of affiliates: <br> All industries <br> Machinery-type industries $\qquad$ <br> Other industries $\qquad$ | $\begin{array}{r} 1,441 \\ 543 \\ 898 \end{array}$ | $\begin{gathered} 163 \\ 43 \\ 120 \end{gathered}$ | $\begin{aligned} & 99 \\ & 29 \\ & 70 \end{aligned}$ | $\begin{aligned} & 253 \\ & 115 \\ & 138 \end{aligned}$ | $\begin{aligned} & 89 \\ & 32 \\ & 57 \end{aligned}$ | $\begin{aligned} & 220 \\ & 101 \\ & 119 \end{aligned}$ | $\begin{aligned} & 264 \\ & 111 \\ & 153 \end{aligned}$ | $\begin{aligned} & 353 \\ & 112 \\ & 241 \end{aligned}$ |

a Not statistically different from 1 at the 95 -percent confidence level.
Notes.-To normalize, the measure of content calculated for each affiliate was divided by the corresponding aggregate measure for domestically owned U.S. parent companies classified in the
affiliate's industry
The sample consists of all manufacturing affiliates that existed in both 1988 and 1989 and had at least $\$ 5$ million in sales in 1989. UBO Ulitimate beneficial owner
all manufacturing industries is 0.88 , indicating that their domestic content averages 12 percent less than that of domestically owned companies in comparable industries (table 9.2). For Japanese-owned affiliates, the domestic content averages 11 percent less than that for domestically owned companies. In machinery-type industries, the domestic content for German-, Swiss-, and Japanese-owned affiliates averages $15-17$ percent less than that for domestically owned companies.
The relatively low domestic content for German- and Swiss-owned affiliates reflects a relatively high reliance on foreign sources for their intermediate inputs; the import shares of their purchased inputs average almost four times that of the domestically owned companies. ${ }^{30}$ For Japanese-owned affiliates, the relatively low domestic content reflects a relatively low share of value added in gross output (averaging two-thirds of the share for domestically owned companies)
30. As shown in the appendix, the high import share for Swiss-owned affiliates partly reflects substantial imports of goods for resale without further manufacture by the affiliates.
as well as a high import share of purchased intermediate inputs. The relatively low value-added share for Japanese-owned affiliates (particularly in machinery-type industries) is consistent with established patterns of organizing production in Japan, where manufacturing companies tend to rely heavily on subcontracting. ${ }^{31}$
The average domestic content of Japaneseowned affiliates is substantially higher in 1994 than ${ }_{i}$ in 1989. In 1989, Japanese-owned affiliates show the lowest domestic content among the six investing countries, averaging 81 percent of that of domestically owned companies in all industries and 75 percent of that of domestically owned companies in machinery-type industries (table 9.1). In machinery-type industries, the low domestic content partly reflects a lower share of value added in the total output of Japaneseowned affiliates (averaging only one-half of the share for domestically owned companies). In all industries, the import share of intermedi-

[^38]Table 9.2.-Means of Normalized Measures for U.S. Affiliates, by Country of UBO, 1994
[Standard deviations in parentheses]

|  | All countries | Canada | France | Germany | Switzerland | United Kingdom | Japan | Other countries |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Domestic content as a percentage of gross output: All industries $\qquad$ | $\begin{aligned} & 0.91 \\ & (.20) \end{aligned}$ | $\begin{aligned} & 0.93 \\ & (.19) \end{aligned}$ | $\begin{aligned} & 0.91 \\ & (.19) \end{aligned}$ | $\begin{aligned} & 0.88 \\ & (.20) \end{aligned}$ | $\begin{aligned} & 0.88 \\ & (.18) \end{aligned}$ | $\begin{aligned} & 0.96 \\ & (.16) \end{aligned}$ | $\begin{aligned} & 0.89 \\ & (.23) \end{aligned}$ | $\begin{aligned} & 0.90 \\ & (.20) \end{aligned}$ |
| Machinery-type industries ...................................... | $\begin{gathered} .88 \\ (.24) \end{gathered}$ | $\begin{aligned} & .99 \mathrm{a} \\ & (.19) \end{aligned}$ | $\begin{aligned} & .90 \\ & .(23) \end{aligned}$ | $\begin{gathered} .85 \\ (.20) \end{gathered}$ | $\begin{aligned} & .83 \\ & (.21) \end{aligned}$ | $\begin{aligned} & .97^{a} \\ & (.20) \end{aligned}$ | $\begin{gathered} .84 \\ (.26) \end{gathered}$ | $\begin{aligned} & .90 \\ & (.24) \end{aligned}$ |
| Other industries ........................................................ | $\begin{gathered} .92 \\ (.18) \end{gathered}$ | $\begin{gathered} .92 \\ (.19) \end{gathered}$ | $\begin{gathered} .92 \\ (.16) \end{gathered}$ | $.91$ | $\begin{gathered} .91 \\ (.16) \end{gathered}$ | $\begin{gathered} .96 \\ (.13) \end{gathered}$ | $\begin{gathered} .93 \\ (.19) \end{gathered}$ | $\stackrel{.91}{(.18)}$ |
| Value added as a percentage of gross output: <br> All industries $\qquad$ | $\begin{gathered} .74 \\ (.53) \end{gathered}$ | $\begin{gathered} .75 \\ (.49) \end{gathered}$ | $.77$ | $\begin{gathered} .78 \\ (.39) \end{gathered}$ | $\begin{gathered} .83 \\ (.44) \end{gathered}$ | $\stackrel{.83}{(.44)}$ | $\stackrel{.67}{(.62)}$ | $. .71$ |
| Machinery-type industries ..................................... | $.71$ | $\begin{gathered} .79 \\ (.61) \end{gathered}$ | $\begin{gathered} .65 \\ (.74) \end{gathered}$ | $\begin{gathered} .75 \\ (.39) \end{gathered}$ | $\begin{gathered} .78 \\ (.42) \end{gathered}$ | $\begin{aligned} & .82 \\ & (.42) \end{aligned}$ | $\begin{gathered} .61 \\ (.74) \end{gathered}$ | .71 (.41) |
| Other industries .................................................. | $\begin{gathered} .76 \\ (.50) \end{gathered}$ | $\begin{gathered} .74 \\ (.45) \end{gathered}$ | $\begin{gathered} .83 \\ (.54) \end{gathered}$ | $\begin{gathered} .82 \\ (.39) \end{gathered}$ | $\begin{gathered} .85 \\ (.45) \end{gathered}$ | $\begin{gathered} .84 \\ (.46) \end{gathered}$ | $\begin{gathered} .72 \\ (.52) \end{gathered}$ | $\begin{gathered} .71 \\ (.56) \end{gathered}$ |
| Imports as a percentage of intermediate inputs: <br> All industries | $\begin{aligned} & 3.20 \\ & (5.83) \end{aligned}$ | $\begin{gathered} 3.46 \\ (7.36) \end{gathered}$ | $\begin{aligned} & 3.01 \\ & (5.68) \end{aligned}$ | $\begin{gathered} 3.86 \\ (6.02) \end{gathered}$ | $\begin{gathered} 3.88 \\ (5.29) \end{gathered}$ | $\begin{array}{r} 2.01 \\ (3.93) \end{array}$ | $\begin{gathered} 2.98 \\ (5.75) \end{gathered}$ | $\begin{gathered} 3.49 \\ (5.98) \end{gathered}$ |
| Machinery-type industries ..................................... | $\begin{array}{r} 2.40 \\ (3.05) \end{array}$ | $\begin{aligned} & 1.44^{\mathrm{a}} \\ & (2.97) \end{aligned}$ | $\begin{gathered} 1.96 \\ (2.90) . \end{gathered}$ | $\begin{gathered} 3.15 \\ (3.29) \end{gathered}$ | $\begin{array}{r} 3.40 \\ (3.52) \end{array}$ | $\begin{gathered} 1.41^{\mathrm{a}} \\ (2.34) \end{gathered}$ | $\begin{gathered} 2.51 \\ (2.92) \end{gathered}$ | $\begin{gathered} 2.36 \\ (3.13) \end{gathered}$ |
| Other industries ................................................. | $\begin{gathered} 3.68 \\ (6.93) \end{gathered}$ | $\begin{gathered} 4.06 \\ (8.13) \end{gathered}$ | $\begin{gathered} 3.52 \\ (6.59) \end{gathered}$ | $\begin{aligned} & 4.51 \\ & (7.68) \end{aligned}$ | $\begin{gathered} 4.15 \\ (6.05) \end{gathered}$ | $\begin{gathered} 2.39 \\ (4.63) \end{gathered}$ | $\begin{gathered} 3.31 \\ (7.06) \end{gathered}$ | $\begin{gathered} 4.07 \\ (6.94) \end{gathered}$ |
| Exports as a percentage of total sales: <br> All industries $\qquad$ | $\begin{aligned} & 1.04^{\mathrm{a}} \\ & (2.01) \end{aligned}$ | $\begin{gathered} .99 \mathrm{a} \\ (1.84) \end{gathered}$ | $\begin{gathered} 1.06^{\mathrm{a}} \\ (1.39) \end{gathered}$ | $\begin{array}{r} .94^{a} \\ (1.46) \end{array}$ | $\begin{gathered} .91^{\mathrm{a}} \\ (1.19) \end{gathered}$ | $\begin{gathered} .82 \\ (1.43) \end{gathered}$ | $\begin{gathered} 1.18 \\ (2.08) \end{gathered}$ | $\begin{aligned} & 1.09 \mathrm{a} \\ & (2.73) \end{aligned}$ |
| Machinery-type industries ..................................... | $\begin{gathered} 0.87 \\ (1.03) \end{gathered}$ | $\begin{gathered} 0.85 \mathrm{a} \\ (1.20) \end{gathered}$ | $\begin{gathered} 1.02^{\mathrm{a}} \\ (1.10) \end{gathered}$ | $\begin{aligned} & 0.80 \\ & (.89) \end{aligned}$ | $\begin{aligned} & 0.76 \\ & (.73) \end{aligned}$ | $\begin{aligned} & 0.68 \\ & (.68) \end{aligned}$ | $\begin{gathered} 0.83 \\ (1.04) \end{gathered}$ | $\begin{gathered} 1.08 \mathrm{a} \\ (1.24) \end{gathered}$ |
| Other industries .................................................. | $\begin{gathered} 1.15 \\ (2.41) \end{gathered}$ | $\begin{aligned} & 1.03 \mathrm{a} \\ & (2.00) \end{aligned}$ | $\begin{gathered} 1.08 \mathrm{a} \\ (1.51) \end{gathered}$ | $\begin{gathered} 1.07^{\mathrm{a}} \\ (1.83) \end{gathered}$ | $\begin{gathered} 0.99 \mathrm{a} \\ (1.38) \end{gathered}$ | $\begin{gathered} 0.91^{\mathrm{a}} \\ (1.74)^{2} \end{gathered}$ | $\begin{aligned} & 1.43 \\ & (2.53) \end{aligned}$ | $\begin{array}{r} 1.10^{\mathrm{a}} \\ (3.24) \end{array}$ |
| Addenda: Number of afililiates: |  |  |  |  |  |  |  |  |
| All industries. | 2,236 | 219 | 157 | 323 | 116 | 272 | 627 | 522 |
| Machinery-type industries ....................................... | 836 | 50 | 52 | 155 | 41 | 105 | 256 | 177 |
| Other industries ................................................. | 1,400 | 169 | 105 | 168 | 75 | 167 | 371 | 345 |

${ }^{\text {a }}$ Not statistically different from 1 at the 95 -percent contidence level.
NOTES.-To normalize, the measure of content calculated for each affiliate was divided by the corresponding aggregate measure for domestically owned U.S. parent companies classitied in the
affiliate's industry.
The sample consists of all manufacturing affiliates that existed in both 1993 and 1994 and had at least $\$ 5$ milition in sales in 1994 UBO Ultimate beneficial owner
ate inputs is much higher in 1989 (averaging more than four times that of domestically owned companies) than in 1994.

In both 1989 and 1994, British-owned affiliates had the highest share of domestic content (in 1994, it averaged 96 percent of that for domestically owned companies), the highest value-added share ( 83 percent of the share for the domestically owned companies), and the lowest import share of intermediate inputs (but twice that of the domestically owned companies). In 1'994, both the domestic content and the import share of purchased inputs for British-owned affiliates in machinery-type industries are barely distinguishable from those for domestically owned companies. This similarity may reflect the fact that British direct investment in U.S. manufacturing industries tends to be older and has almost exclusively been to acquire existing U.S. companies. ${ }^{32}$
Canadian-owned affiliates in machinery-type industries also show a high share of domestic content and a low share of imports in intermediate inputs; in 1994, both measures were similar to those for domestically owned companies. ${ }^{33}$ However, for Canadian-owned affiliates in other manufacturing industries, the domestic-content share is relatively low (averaging 92 percent of that for domestically owned companies in 1994) and the import share of intermediate inputs is very high (averaging more than four times that of domestically owned companies). The high import share may be related to the relatively low costs of shipping bulk materials (which serve as intermediate inputs in many of these industries) from Canadian parent companies to their U.S. affiliates due to Canada's proximity to the United States.

## Market for output

For most of the major investing countries, the average export shares of sales for affiliates in all industries do not differ significantly from the export shares for the domestically owned companies. Japanese-owned affiliates stand out as having high average export shares of sales in relation to those of domestically owned companies

[^39](averaging 18 percent higher in 1994), particularly in industries other than machinery-type industries ( 43 percent higher), in which the export shares for both the domestically owned companies and affiliates are generally low. Among specific industries, the export shares for Japaneseowned affiliates average more than eight times the aggregate share for domestically owned companies in lumber and wood products and more than three times the aggregate share for the domestically owned companies in other food and kindred products. In other food and kindred products, exports on average account for more than one-fourth of the sales of Japanese-owned affiliates, reflecting very high export shares for affiliates specializing in seafood products, meat products, and preserved fruits and vegetables. The relatively high export activity in these industries suggests that some Japanese investments in the United States are aimed at obtaining access to primary resources in which the United States is relatively abundant (with some processing taking place in the United States in order to reduce transportation and other costs) rather than at increasing sales to the U.S. market.
In machinery-type industries, Japanese-owned affiliates, together with German-, Swiss- and British-owned affiliates, on average, have substantially lower export shares than domestically owned companies, indicating that their production in these industries is much more oriented toward the domestic market.

## Geographic Pattern of International Purchases and Sales

This section examines differences in the geographic pattern of international purchases and of sales by manufacturing affiliates in 1992, on the basis of data collected in the 1992 benchmark survey of foreign direct investment in the United States.
Aggregate figures on the geographic origin of intermediate inputs purchased from abroad by U.S. manufacturing affiliates of the six major investing countries show considerable diversity in the reliance on the investing country for imported intermediate inputs. Imports from the ultimate beneficial owner (ubo) country account for almost 90 percent of the imported inputs of Japanese-owned affiliates and for about three-fourths of the imported inputs of Germanand Swiss-owned affiliates (table 10). In contrast, imports from the investing country account for only one-third of the inputs imported by

Table 10.-Geographic Origin of Imports by Manufacturing Affiliates of Selected UBO Countries, 1992
[Percentage of imports from all countries]

| Country of origin | Country of UBO |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Canada | France | Germany | Switzerland | United Kingdom | Japan |
| All industries <br> All countries | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
|  |  |  |  |  |  |  |
| Canada ............................................................................. | 66.6 | 12.9 | 6.4 | 3.4 | 7.0 | 2.1 |
| Europe <br> France <br> Germany <br> Switzerland $\qquad$ <br> United Kingdom <br> Other | $\begin{gathered} 11.9 \\ A \\ 1.3 \\ .2 \\ 4.1 \\ A \end{gathered}$ |  | 85.7 | 87.6 | 68.6 | 1.6 |
|  |  |  | 8.9 | 3.2 | 4.3 | . 2 |
|  |  | 34.3 2.4 | 78.6 | 3.8 | 2.8 |  |
|  |  | .11.512.6 | . 3 | 76.3 | A |  |
|  |  |  | . 9 | 1.2 | 39.4 | (*) 2 |
|  |  |  | 5.0 | 3.1 | A | . 9 |
| Latin America and Other Western Hemisphere Mexico $\qquad$ <br> Other $\qquad$ | 12.0AA | 11.8 | 2.7 | 3.6 | 8.3 | 3.0 |
|  |  | 8.7 | 1.5 | A | 1.0 | 2.5 |
|  |  | 3.0 | 1.2 | A | 7.3 | . 5 |
| Africa ................................................................................. | A | 1.9 | $\left.{ }^{*}\right)$ | A | 2.1 | (*) |
| Middle East ........................................................................ | 0 | 0 | (*) | 0 | 0 | (*) |
| Asia and Pacific $\qquad$ <br> Japan $\qquad$ <br> Other $\qquad$ | $\begin{aligned} & 7.7 \\ & \text { A } \end{aligned}$ | 22.2 | 3.4 | 4.4 | 13.0 | 90.886.64.2 |
|  |  | 4.9 | 2.3 | 2.5 | 2.5 |  |
|  |  | 17.3 | 1.1 | 1.9 | 10.5 |  |
| Unallocated ........................................................................ | A | . 3 | 1.7 | A | 1.0 | 2.4 |
| Machinery-type industries |  |  |  |  |  |  |
| All countries .............................................................. | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Canada .............................................................................. | 92.1 | 6.7 | 1.4 | . 3 | 9.2 | . 5 |
| Europe <br> France <br> Germany <br> Switzerland <br> United Kingdom $\qquad$ <br> Other $\qquad$ | $\begin{gathered} 1.2 \\ ()^{*} \\ A \\ 0 \\ A \\ { }^{2} .5 \end{gathered}$ | $\begin{array}{r} 35.1 \\ 24.3 \\ 1.6 \\ 0 \\ 1.0 \\ 8.3 \end{array}$ | 90.3.685.9.1AA | 92.2" $^{*} 9.1$98.178.11.13.9 | 58.21.15.0A44.5A |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Latin America and Other Western Hemisphere $\qquad$ <br> Mexico $\qquad$ <br> Other $\qquad$ | 000 | AAA | 1.1.5.6 | ( ${ }_{\text {A }}$ | 1.11.0.2 | 3.03.0.1 |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Africa ................................................................................ | 0 | 0 | (*) | 0 | 0 | 0 |
| Middle East ........................................................................ | 0 | 0 | 0 | 0 | 0 | 0 |
| Asia and Pacific $\qquad$ Japan $\qquad$ <br> Other $\qquad$ | A | $\begin{array}{r} 44.9 \\ 9.6 \\ 35.3 \end{array}$ | $\begin{array}{r} 3.8 \\ 3.1 \\ .8 \end{array}$ | $\begin{aligned} & 7.0 \\ & 1.9 \\ & 5.2 \end{aligned}$ | $\begin{array}{r} 30.5 \\ 8.0 \\ 22.5 \end{array}$ | 92.688.73.9 |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Unallocated ......................................................................... | A | A | 3.4 | A | 1.0 | 2.7 |
| Other industries |  |  |  |  |  |  |
| All countries .............................................................. | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Canada ............................................................................. | 59.7 | 17.6 | 10.0 | 4.5 | 6.5 | 10.4 |
| Europe <br> France <br> Germany <br> Switzerland $\qquad$ <br> United Kingdom $\qquad$ | 14.7AAAAA | $\begin{array}{r} 63.0 \\ 42.0 \\ 3.0 \\ .2 \\ 1.9 \\ 15.8 \end{array}$ | 82.4 | 86.0 | 71.3 | 4.0 <br> A <br> 1.1 <br> 0 <br> A <br> 9 |
|  |  |  | 1.1 | 4.3 | $\begin{gathered} 5.1 \\ 2.2 \\ A \\ 38.1 \\ A \end{gathered}$ |  |
|  |  |  | 73.3 | 1.9 |  |  |
|  |  |  | ${ }_{\text {A }}{ }^{.5}$ | 75.7 |  |  |
|  |  |  |  | $\begin{aligned} & 1.3 \\ & 2.9 \end{aligned}$ |  |  |
|  |  |  |  |  |  |  |
| Latin America and Other Western Hemisphere Mexico Other $\qquad$ | $\begin{gathered} 15.2 \\ A \\ A \end{gathered}$ | A | $\begin{aligned} & 3.9 \\ & .2 \\ & 1.7 \end{aligned}$ | A | $\begin{array}{r} 10.2 \\ 1.0 \\ 9.2 \end{array}$ | 3.0.42.7 |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Africa ................................................................................. | A | 3.4 | A | A | 2.6 | A |
| Middle East ........................................................................ | 0 | 0 | A | 0 | 0 | A |
| Asia and Pacific .................................................................. | A | 4.9 | 3.1 | 3.4 | 8.4 | 81.7 |
| Japan ............................................................................ | A | 1.4 | 1.8 | 2.7 | 1.0 | 75.7 |
| Other ............................................................................. | A | 3.5 | 1.4 | . 7 | 7.4 | 6.0 |
| Unallocated ........................................................................ | A | A | . 5 | 1.1 | 1.1 | . 6 |
| * Less than 0.05 percent. <br> NOTE-Size ranges are given in the percentage cells that are suppress | se ranges a | -0.01 to 19.9 UBO Ultimat | 0.0 to 39.9; C ficial owner | $0 \text { to } 59.9 ; E-60$ | 79;9; F-80.0 |  |

Table 11.-Geographic Destination of Exports by Manufacturing Affiliates of Selected UBO Countries, 1992
[Percentage of exports to all countries]

| Country of destination | Country of UBO |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Canada | France | Germany | Switerland | United Kingdom | Japan |
| All industries |  |  |  |  |  |  |
| All countries ........................................................ | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Canada ....................................................................... | 30.8 | 23.4 | 20.6 | 16.6 | 16.9 | 16.4 |
| Europe ..................................................................................... | 27.5 | 37.3 | 38.6 | 46.0 | 38.2 | 17.7 |
| France ........... | 3.1 | 21.3 | 2.0 | 2.5 | 3.4 | 2.1 |
| Germany ................................................................ | 3.6 | 4.8 | 24.5 | 4.5 | 4.9 | 4.0 |
| Switzerland ................................................................ | A | . 6 | . 4 | 26.8 | . 9 | . 4 |
| United Kingdom ......................................................... | 4.4 | 3.2 | 2.3 | 3.5 | 18.4 | 4.2 |
| Other ....................................................................... | A | 7.3 | 9.4 | 8.6 | 10.6 | 7.0 |
| Latin America and Other Western Hemisphere $\qquad$ Mexico $\qquad$ | 13.1 4.8 | 10.8 6.8 | 8.8 4.8 | 9.0 3.6 | 7.7 3.8 | 8.8 5.9 |
| Other ........................................................................................................................................... | 8.4 | 4.0 | 4.1 | 5.4 | 3.9 | 2.9 |
| Africa .......................................................................... | . 5 | . 6 | . 8 | 4.0 | . 6 | . 7 |
| Middle East .................................................................. | . 8 | . 8 | . 6 | 2.3 | 3.5 | . 4 |
| Asia and Pacific ................................................... | 25.7 | 21.6 | 25.8 | 17.6 | 24.9 | 52.1 |
| Japan ................................................................... | 10.2 | 9.5 | 6.4 | 3.9 | 11.0 | 38.4 |
| Other ..................................................................... | 15.6 | 12.1 | 19.4 | 13.7 | 13.8 | 13.6 |
| Unallocated .................................................................. | 1.6 | 5.6 | 4.8 | 4.5 | 8.1 | 4.0 |
| Machinery-type industries |  |  |  |  |  |  |
| All countries ......................................................... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Canada ....................................................................... | 49.8 | 18.8 | 18.9 | 13.8 | 16.7 | 17.8 |
| Europe ...................................................................................... | 13.3 | 37.6 | 52.6 | 32.5 | 43.4 | 18.1 |
| France .......................... | 2.8 | 29.3 | 4.2 | 2.1 | 4.0 | 1.8 |
| Germany .................................................................................... | 1.2 | 1.1 | 41.7 | 5.1 | 7.0 | 3.4 |
| Swizerland ................................................................................ | A | . 2 | . 2 | 12.3 | . 1 | A |
|  | ${ }_{4}^{4.6}$ | 2.3 4.8 | 1.9 4.5 | 4.7 8.3 | 24.8 7.5 | 4.8 |
| Latin America and Other Western Hemisphere ....................... | 17.6 | 14.4 | 7.4 |  |  |  |
| Latin America and Other Western Hemisphere $\qquad$ Mexico | 8.0 | 8.0 | 4.8 | 4.7 | 7.3 | 11.1 78 |
| Other ........................................................................................................................... | 9.6 | 6.4 | 2.6 | 3.5 | 2.9 | 3.3 |
| Africa ........................................................................... | A | . 7 | . 1 | 7.9 | . 7 | . 9 |
| Middle East .................................................................. | A | . 9 | . 4 | A | 1.1 | . 3 |
| Asia and Pacific ....................................................................... | 17.3 | 22.8 | 16.2 | 29.4 | 17.5 | 46.9 |
| Japan .................... | A | 10.7 | 4.4 | 4.8 | 5.4 | 29.4 |
| Other ........................................................................ | A | 12.1 | 11.8 | 24.7 | 12.1 | 17.5 |
| Unallocated .................................................................... | 1.8 | 4.8 | 4.4 | A | 13.5 | 4.7 |
| Affiliates in other manufacturing industries |  |  |  |  |  |  |
| All countries ........................................................... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Canada .......................................................................... | 26.3 | 26.7 | 21.4 | 19.1 | 17.1 | 14.4 |
| Europe ......................................................................... | 30.8 | 37.1 | 32.0 | 58.0 | 35.4 | 17.1 |
| France ...................................................................................... | 3.1 | 15.7 | . 9 | 2.9 | 3.2 | 2.4 |
| Germany ................................................................ | 4.2 | 7.5 | 16.3 | 4.1 | 3.8 | 4.7 |
| Switzerland .............................................................. | A | 1.0 | . 5 | 39.8 | 1.3 |  |
| United Kingdom ........................................................ | 4.3 | 3.8 | 2.5 | 2.4 | 14.8 | 3.5 |
|  | A | 9.2 | 11.7 | 8.9 | 12.4 | A |
| Latin America and Other Western Hemisphere ....................... | 12.1 | 8.2 | 9.5 | 9.7 | 8.0 | 5.6 |
| Mexico ............................................................................................... | 4.0 | 5.8 | 4.7 | 2.6 | 3.5 | 3.4 |
| Other .......................................................................... | 8.1 | 2.3 | 4.7 | 7.1 | 4.5 | 2.3 |
| Africa ........................................................................... | A | . 6 | . 1.2 | . 6 | . 6 | . 3 |
| Middle East ..................................................................... | A | . 7 | . 7 | A | 4.9 | . 5 |
| Asia and Pacific ........................................................................ | 27.7 | 20.8 | 30.3 | 7.0 | 29.0 | 59.1 |
| Japan .................................................................... | A | 8.6 | 7.3 | 3.1 | 14.2 | 50.7 |
| Other .......................................................................... | A | 12.2 | 23.0 | 3.9 | 4.1 | 8.4 |
| Unallocated ...................................................................... | 1.6 | 6.1 | 4.9 | A | 5.1 | 2.9 |

[^40]French- and British-owned affiliates. In machinery-type industries, French- and Britishowned affiliates purchase a substantial share of their imported inputs from the developing and newly industrializing countries of East Asia. For affiliates in all six countries, more than 80 percent of the imports from the investing country are intrafirm imports from the affiliates' foreign parent groups. ${ }^{34}$

The destinations of foreign sales by U.S. manufacturing affiliates of the six countries are less geographically concentrated than the origins of affiliate imports. In most cases, exports to the investing country account for 20-30 percent of all affiliate exports (table 11). The investing-country share is largest for Japanese-owned affiliates (38 percent); exports to Japan account for onehalf of the exports by Japanese-owned affiliates in industries other than machinery-type industries. In machinery-type industries, the share of exports to the investing country is largest for German-owned affiliates (42 percent).

## Appendix

## Data used to construct measures

The measures of domestic content and market orientation that are examined in this article are based on ben's data for U.S. affiliates of foreign companies and U.S. parent companies of foreign affiliates. For analytical purposes, adjustments have been made to these data; hence their presentation in this article differs in a number of ways from the standard presentation in BEA publications.

The data used to construct the measures of content and market orientation for U.S. manufacturing affiliates are from bea's benchmark and annual surveys of foreign direct investment in the United States. These data are collected at the enterprise level from reports by fully consolidated enterprises. All of the data for an affiliate are assigned to the affiliate's "primary" industry-the industry in which it has the most sales-even though the affiliate may have production and sales in more than one industry. As a result, data for a given manufacturing industry may include some data for secondary activities in other industries. ${ }^{35}$

[^41]The data used to construct the four measures for domestically owned U.S. parent companies are from bea's benchmark surveys of U.S. direct investment abroad for 1989 and 1994. Because some U.S. parent companies are also U.S. affiliates of foreign companies, the data on U.S. parent companies have been adjusted to exclude U.S. parents that are foreign owned. (In 1994, foreignowned U.S. parents accounted for 12 percent of the gross output of all U.S. parent companies in manufacturing.)

Domestically owned U.S. parent companies in manufacturing are used in the comparisons for four reasons. First, these companies are very similar to U.S. affiliates because of their international orientation and typically large size. Second, both the data for these companies and those for U.S. affiliates are collected at the enterprise level, using the same survey methods and the same procedures for industry classification. ${ }^{36}$ Third, the data covering U.S. parent companies provide the only directly collected industry-level data on the imported intermediate inputs used by domestically owned U.S. companies. ${ }^{37}$ Fourth, domestically owned U.S. parent companies in manufacturing can be viewed as representative of U.S. manufacturing companies insofar as they account for a large share-more than one-half-of the gross output of all domestically owned U.S. companies in manufacturing. ${ }^{38}$
The industry-level measures for U.S. affiliates and domestically owned U.S. parent companies were constructed for 32 detailed manufacturing
for 85 percent of the total sales of affiliates classified in manufacturing; about 7 percent of their sales were accounted for by sales in wholesale trade.
36. Like the data for U.S. manufacturing affiliates, the data for U.S. parent companies classified in manufacturing include some data related to the companies' secondary activities in nonmanufacturing industries: In 1994, nonmanufacturing sales accounted for 15 percent of the total sales of U.S. parent companies in manufacturing.
37. Some researchers have constructed indirect estimates of imported inputs used in U.S. manufacturing industries by combining input-output data with data on imports classified by the industries producing the imported goods. These estimates are based on the assumption that the share of imports in the goods supplied by an industry is identical for all industries using the supplying industry's goods as intermediate inputs.
38. In 1994, domestically owned U.S. parent companies in manufacturing accounted for 56 percent of the gross output of all domestically owned companies in manufacturing. To compute this share, the gross output of U.S. corporations in manufacturing was computed from data in 1994 Corporation Source Book of Statistics of Income from the Internal Revenue Service (irs); the gross output of domestically owned U.S. manufacturing companies was derived by subtracting the gross output of U.S. manufacturing affiliates from the gross output of U.S. corporations in manufacturing. (This share may be understated because of potential double-counting in the ins data due to less than fully consolidated reporting by some U.S. corporations.)

Of the 32 manufacturing industries in table 2, domestically owned U.S. parent companies accounted for more than one-half of the gross output of all domestically owned companies in 17 industries, including 8 of the 12 machinery-type industries. The shares were less than 20 percent in the lumber and wood products, fabricated metal products, and other manufacturing industries. (Because the level of consolidation for company reports to the irs may differ from that required in bea's surveys of direct investment, these shares by detailed industry are approximate.)
industries (tables 2-7); this presentation is more detailed than the industry presentation in bea's standard tables for either U.S. affiliates or U.S. parent companies. ${ }^{39}$ Specifically, the industries are disaggregated to represent the production stages or processes in an industry group; for example, lumber and wood products is separated from furniture and fixtures. In addition, more detail is shown for industries that are usually grouped in "other industrial machinery and equipment."
For industry-level results, the data used to construct the measures for the manufacturing affiliates in 1994 are restricted to affiliates that also existed in 1993, so that the change-in-inventories component of gross output could be computed from reported data on inventory levels. This group of affiliates accounts for 98 percent of the gross product and sales of manufacturing affiliates in the universe in 1994. Similarly, the data used to construct the measures for affiliates in 1989 are restricted to those for affiliates that also existed in 1988. For domestically owned U.S. parent companies, the change-in-inventories component of total output was estimated (table 1), because data on U.S.-parent-company inventories are collected only in benchmark survey years.
For changes in behavior over time, panel data for affiliates classified in machinery-type industries are used in order to isolate changes in affiliate behavior from changes in the population of affiliates. The panel consists of 371 affiliates that were classified in machinery-type industries in 1994 and that existed in each of the years 1987-94. ${ }^{40}$ The panel affiliates accounted for only about onethird of the 1,110 affiliates that were classified in machinery-type industries in 1994, but they accounted for 69 percent of the gross output of all affiliates in those industries in 1994; in 9 of the 12 industries, they accounted for more than onehalf of the gross output (table 12). ${ }^{41}$ The panel data include data for inventories for 1987 and data for each of the items needed to compute the measures of content and market orientation for
39. For examples of the standard level of detail, see tables 19.1 and 19.2 in "Foreign Direct Investment in the United States: New Investment in 1996 and Affiliate Operations in 1995," and tables 17.1 and 17.2 in "U.S. Multinational Companies: Operations in 1995," Survey 77 (October 1997). For the most detailed presentation, see table A-1 in Foreign Direct Investment in the United States: Operations of U.S. Affliates of Foreign Companies, Revised 1994 Estimates (Washington, DC: U.S. Government Printing Office, June 1997).
40. The panel is based on the industry classification of the affiliates in 1994; however, some of the affiliates that were classified in a given industry in 1994 may have been classified in other industries in other years covered by the panel.
41. However, the affiliates in the panel accounted for only 15 percent of the total output of affiliates in computer and office equipment, so the behavior of the affiliates in the panel may not be generalized to that of all affiliates in this industry.

Table 12.-Gross Output of Affiliates in the Panel as a Percentage of Gross Output of All Affiliates in the Industry,
Machinery-Type Industries, 1994

| Construction and mining machinery | 58.6 |
| :---: | :---: |
| Metalworking machinery ....................................... | 45.8 |
| Special industrial machinery ................................... | 56.0 |
| General industrial machinery .............................. | 85.3 |
| Computer and office equipment .............................. | 15.4 |
| Other industrial machinery and equipment .................. | 43.0 |
| Audio and video, and communications, equipment ...... Electronic components and accessories ....................... Household appliances and other electrical machinery | 92.6 65.6 76.8 |
| Motor vehicles and equipment ............................... |  |
| Other transportation equipment ................................ | 59.2 |
| Instruments and related products ............................. | 76.4 |

1988-94. Aggregating the data for affiliates in the panel, the four measures were computed at the industry level for each of the years 1988-94.
For comparisons by country of ownership, the four measures for 1989 and 1994 were constructed at the affiliate level for affiliates that also existed the previous year (so that the change-ininventories component of affiliate gross output could be computed). To control for industrymix effects in the comparisons, the affiliatelevel measures were normalized by dividing the measure for each affiliate by the corresponding industry-level measure for domestically owned U.S. parent companies in the affiliate's industry. The comparisons are made in terms of unweighted averages of the normalized measures across samples of affiliates. The samples are restricted to manufacturing affiliates that had at least $\$ 5$ million in sales in order to prevent the averages from being skewed by the presence of large outliers that may result when the denominator (total output, purchased inputs, or sales) in the measure for an affiliate is very small.

## Intended use of imports by U.S. affiliates

The results reported for U.S. affiliatesparticularly the import share of their intermediate inputs-may be biased by the inclusion of imports that are unrelated to their manufacturing production. Some affiliates classified in manufacturing may have substantial imports of goods for resale without further manufacture as a result of their secondary operations in wholesale trade.
The degree of this bias can be examined using bea's data on U.S. affiliate operations in 1994, which provide information on the intended use of affiliate imports. Specifically, the data include the value of that portion of affiliate imports that consists of the goods intended for further processing, assembly, or manufacture by the affiliate (in contrast to goods intended for resale without
further manufacture or to capital goods intended as additions to the affiliate's capital stock). ${ }^{42}$

In 1994, imports of goods for further manufacture accounted for 53 percent of the total imports of the affiliates in manufacturing (table 13, column 3). The shares of affiliate imports accounted for by goods intended for further manufacture were less than 50 percent in one-half of the 32 industries and were less than 30 percent in five of them-beverages, rubber products, glass products, household appliances and other electrical equipment, and instruments.

The degree of bias that is introduced by the inclusion of these imports can be assessed by reconstructing the measure for a restricted sample

[^42]of affiliates for whom goods intended for further manufacture account for at least 50 percent of imports. Table 13 shows the industry-level import-share measures for this restricted sample of affiliates (column 4) in comparison with the measures for all manufacturing affiliates (column 1); the last two columns show the ratios of these measures to the corresponding measure for domestically owned U.S. parent companies. ${ }^{43}$

In most industries, the import shares for the full and restricted samples of affiliates are very similar, both in absolute terms and relative to the measures for the domestically owned companies. In a few industries, however, the import-share measures are substantially lower for affiliates in

[^43]Table 13.-Import-Share Measures for Full and Restricted Samples of U.S. Manufacturing Affiliates, by Industry, 1994

|  | Full sample |  |  | Restricted sample ${ }^{1}$ |  |  | Addenda: |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | imports as a percentage of intermediate inputs <br> (1) | Imports of goods for further manufacture as a percentage of intermediate inputs <br> (2) | Imports of goods for further manufacture as a percentage of total imports <br> (3) | imports as a percentage of intermediate inputs <br> (4) | imports of goods for further manufacture as a percentage of intermediate inputs <br> (5) | Imports of goods for further manufacture as a percentage of total imports <br> (6) | Imports as a percentage of intermediate inputs: <br> Ratio of measure for U.S. affiliates to measure for U.S. parent companies ${ }^{2}$ |  |
|  |  |  |  |  |  |  | Full sample <br> (7) | Restricted sample |
| Manufacturing ${ }^{3}$.................................................. | 18.7 | 10.0 | 53.3 | 17.2 | 15.2 | 88.0 | 1.65 | 1.52 |
| Beverages | 15.6 | A |  | 2 | 2 | 100.0 | 6.38 | . 07 |
| Other food products ...................................................................................................... | 7.6 | A | C | 8.0 | 7.4 | 93.3 | 3.16 | 3.30 |
| Texile mill products ................................................................................. | 8.8 | 4.2 | 48.5 | 5.8 | 5.8 | 99.0 | 2.58 | 1.72 |
| Apparel and other textile products ................................. | 12.7 | 9.3 | 72.9 | 12.4 | 10.2 | 82.4 | 1.33 | 1.30 |
| Lumber and wood products ............................................... | 8.3 | 5.6 | 67.4 | 6.3 | 6.3 | 100.0 | 4.92 | 3.70 |
| Furniture and fixtures ................................................ | 5.6 | 4.5 | 80.7 | 4.9 | 4.9 | 100.0 | 1.60 | 1.41 |
| Paper and allied products .......................................... | 11.0 | 7.7 | 70.3 | 9.4 | 8.2 | 87.2 | 2.59 | 2.23 |
| Printing and publishing ................................................ | 2.1 | . 9 | 40.6 | 1.3 | 1.2 | 98.6 | . 90 | . 53 |
| Industrial chemicals and synthetics ............................... | 14.8 | 7.8 | 52.6 | 13.0 | 10.8 | 83.4 | 1.65 | 1.45 |
| Drugs .................................................................. | 19.9 | 10.8 | 54.5 | 18.1 | 15.1 | 83.2 | 3.59 | 3.26 |
| Soap, cleaners, and toilet goods .................................. | 3.4 | 1.6 | 47.6 | 3.8 | 3.6 | 95.8 | . 71 | . 80 |
| Other chemicals ........................................................... | 17.0 | 11.4 | 67.0 | 22.7 | 21.9 | 96.5 | 6.48 | 8.66 |
| Rubber products ...................................................... | 27.9 | 5.0 | 17.8 | 16.2 | 14.9 | 92.2 | 2.13 | 1.24 |
| Miscellaneous plastics products .................................... | 15.5 | 5.2 | 33.7 | 6.5 | 6.2 | 95.5 | 3.99 | 1.67 |
| Glass products ....................................................... | 13.6 | 3.6 | 26.4 | 10.6 | 10.6 | 100.0 | 7.19 | 5.60 |
| Stone, clay, and concrete products ............................... | 7.7 | 3.5 | 45.2 | 5.6 | 4.7 | 82.8 | 2.27 | 1.67 |
| Primary ferrous metals .............................................. | 14.8 | 8.9 | 60.1 | 15.7 | 15.2 | 97.1 | 2.05 | 2.17 |
| Primary nonferrous metals ......................................... | 21.9 | 14.0 | 64.2 | 23.0 | 16.3 | 71.2 | 2.50 | 2.62 |
| Fabricated metal products ............................................ | 12.5 | 4.0 | 31.9 | 8.5 | 6.3 | 74.4 | 3.40 | 2.30 |
| Construction and mining machinery .............................. | 37.1 | 19.5 | 52.7 | 34.9 | 26.7 | 76.5 | 2.23 | 2.10 |
| Metalworking machinery ............................................. | 25.5 | 12.4 | 48.8 | 22.2 | 22.2 | 100.0 | 3.88 | 3.39 |
| Special industrial machinery ......................................... | 24.1 | 18.0 | 74.6 | 27.6 | 25.8 | 93.4 | 4.34 | 4.98 |
| General industrial machinery ....................................... | 20.7 | 9.5 | 46.0 | 14.7 | 11.4 | 78.1 | 1.13 | . 80 |
| Computer and office equipment ................................... | 39.6 | 22.8 | 57.6 | 43.3 | 33.0 | 76.3 | 1.29 | 1.41 |
| Other industrial machinery and equipment ....................... | 23.2 | 10.6 | 45.9 | 17.3 | 16.6 | 95.9 | 2.66 | 1.98 |
| Audio, video, and communications equipment ................... | 41.1 | 29.2 | 71.1 | 45.4 | 44.1 | 97.1 | 3.30 | 3.64 |
| Electronic components and accessories ......................... | 29.1 | 11.8 | 40.6 | 21.4 | 21.3 | 99.2 | 2.11 | 1.55 |
| Household appliances and other electrical machinery ......... | 25.4 | 6.2 | 24.5 | 11.6 | 11.5 | 99.5 | 4.43 | 2.02 |
| Motor vehicles and equipment ..................................... | 31.8 | 23.8 | 74.7 | 32.2 | 29.3 | 91.1 | 1.32 | 1.33 |
| Other transportation equipment .................................... | 22.8 | 10.6 | 46.5 | 15.2 | 14.6 | 95.6 | 3.23 | 2.16 |
| Instruments and related products ................................. | 14.9 | 4.4 | 29.2 | 9.3 | 8.6 | 91.8 | 1.31 | . 82 |
| Other manufacturing ................................................... | 12.9 | 9.6 | 74.5 | 13.1 | 10.9 | 83.6 | 1.49 | 1.51 |

2. Import share for the given sample of affiliates divided by the import share for domestically owned U.S. parent companies shown in table 4 .
the restricted sample, indicating that the measures for the full sample are biased by the inclusion of imports that are unrelated to manufacturing production. The bias is particularly pronounced in beverages, rubber products, miscellaneous plastics products, and household appliances.
The restricted sample of affiliates was also used to evaluate the degree to which the comparisons by country of ownership in table 9.2 reflect imports unrelated to manufacturing production. Table 14 presents the mean values of the normalized measures for affiliates of each country based on the restricted sample. For the import-share measure, the means shown in table 14 for the restricted sample are generally
lower than the means shown in table 9.2 for the full sample; however the overall pattern across countries is very similar. In both tables, German-owned affiliates have very high import shares, and British-owned affiliates have relatively low shares. The rankings among countries in terms of the import shares are also similar for Canadian- and Japanese-owned affiliates. For French- and Swiss-owned affiliates, however, the average import shares are substantially lower in the restricted sample than in the full sample, indicating that the shares in the full sample are inflated by imports unrelated to their manufacturing production.

Table 14.-Means of Normalized Measures for Restricted Sample of Manufacturing Affiliates, by Country of UBO, 1994
[Standard deviations in parentheses]

|  | All countries | Canada | France | Germany | Switzerland | United Kingdom | Japan | Other countries |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Domestic content as a percentage of gross output: All industries $\qquad$ | $\begin{aligned} & 0.93 \\ & (.21) \end{aligned}$ | $\begin{aligned} & 0.95 \\ & (.19) \end{aligned}$ | $\begin{aligned} & 0.92 \\ & (.21) \end{aligned}$ | $\begin{aligned} & 0.89 \\ & (.22) \end{aligned}$ | $\begin{aligned} & 0.91 \\ & (.18) \end{aligned}$ | $\begin{aligned} & 0.99^{a} \\ & (.15) \end{aligned}$ | $\begin{aligned} & 0.91 \\ & (.24) \end{aligned}$ | $\begin{aligned} & 0.93 \\ & (.19) \end{aligned}$ |
| Machinery-type industries ............................... | $\begin{gathered} .90 \\ (.24) \end{gathered}$ | $\begin{aligned} & 1.03^{\mathrm{a}} \\ & (.12) \end{aligned}$ | $\begin{gathered} .86 \\ (.28) \end{gathered}$ | $.85$ | $\begin{gathered} .87 \\ (.21) \end{gathered}$ | $\begin{aligned} & 1.00^{a} \\ & (.20) \end{aligned}$ | $\begin{aligned} & .85 \\ & (.27) \end{aligned}$ | $\begin{aligned} & .93 \\ & (.22) \end{aligned}$ |
| Other industries ........................................... | $\begin{gathered} .94 \\ (.18) \end{gathered}$ | $\begin{gathered} .92 \\ (.20) \end{gathered}$ | $\begin{array}{r} .95^{\mathrm{a}} \\ (.16)^{2} \end{array}$ | $\begin{gathered} .92 \\ (.20) \end{gathered}$ | $\begin{gathered} .93 \\ (.17) \end{gathered}$ | $. .988^{\mathbf{a}}$ | $\begin{gathered} .95 \\ (.19) \end{gathered}$ | $.94$ |
| Value added as a percentage of gross output: <br> All industries $\qquad$ | $\begin{gathered} .73 \\ (.50) \end{gathered}$ | $\begin{gathered} .71 \\ (.51) \end{gathered}$ | $\begin{gathered} .74 \\ (.74) \end{gathered}$ | $\begin{gathered} .77 \\ (.43) \end{gathered}$ | $\begin{gathered} .83 \\ (.51) \end{gathered}$ | $\begin{gathered} .83 \\ (.49) \end{gathered}$ | $\stackrel{.68}{(.50)}$ | (72) (.47) |
| Machinery-type industries ............................... | $\begin{gathered} .71 \\ (.49) \end{gathered}$ | $\begin{gathered} .80^{\mathrm{a}} \\ (.69) \end{gathered}$ | $\begin{gathered} .52 \\ (.84) \end{gathered}$ | $\begin{gathered} .73 \\ (.44) \end{gathered}$ | $\begin{aligned} & .80 \mathrm{a} \\ & (.53) \end{aligned}$ | $\begin{gathered} .84 \\ (.44) \end{gathered}$ | $\begin{gathered} .66 \\ (.41) \end{gathered}$ | $\begin{gathered} .70 \\ (.46) \end{gathered}$ |
| Other industries ............................................ | $\begin{gathered} .75 \\ (.51) \end{gathered}$ | $\begin{gathered} .69 \\ (.45) \end{gathered}$ | $\begin{aligned} & .85 \mathrm{a} \\ & (.66) \end{aligned}$ | $\begin{aligned} & .80 \\ & (.42) \end{aligned}$ | $\frac{.84}{(.50)}$ | $\begin{aligned} & .83 \\ & (.52) \end{aligned}$ | $\begin{gathered} .70 \\ (.55) \end{gathered}$ | $\begin{gathered} .72 \\ (.48) \end{gathered}$ |
| Imports as a percentage of intermediate inputs: <br> All industries $\qquad$ | $\begin{aligned} & 2.70 \\ & (6.08) \end{aligned}$ | $\begin{array}{r} 3.12 \\ (8.07) \end{array}$ | $\begin{gathered} 2.28 \\ (4.26) \end{gathered}$ | $\begin{gathered} 3.61 \\ (6.62) \end{gathered}$ | $\begin{array}{r} 3.10 \\ (5.42) \end{array}$ | $\begin{gathered} 1.63 \\ (4.05) \end{gathered}$ | $\begin{gathered} 2.50 \\ (6.00) \end{gathered}$ | $\begin{aligned} & 2.84 \\ & (6.10) \end{aligned}$ |
| Machinery-type industries ............................... | $\begin{aligned} & 2.16 \\ & (3.02) \end{aligned}$ | $\begin{gathered} .77^{\mathrm{a}} \\ (1.29)^{2} \end{gathered}$ | $\begin{array}{r} 2.29 \mathrm{a} \\ (3.56) \end{array}$ | $\begin{gathered} 3.14 \\ (3.75) \end{gathered}$ | $\begin{gathered} 2.66 \\ (3.06) \end{gathered}$ | $\begin{gathered} 1.13^{\mathrm{a}} \\ (2.36)^{2} \end{gathered}$ | $\begin{gathered} 2.27 \\ (2.65) \end{gathered}$ | $\begin{aligned} & 2.09 \\ & (3.20) \end{aligned}$ |
| Other industries ........................................... | $\begin{gathered} 3.01 \\ (7.24) \end{gathered}$ | $\begin{gathered} 3.79 \\ (9.01) \end{gathered}$ | $\begin{aligned} & 2.27 \\ & (4.61) \end{aligned}$ | $\begin{aligned} & 4.02 \\ & (8.35) \end{aligned}$ | $\begin{gathered} 3.28 \\ (6.15) \end{gathered}$ | $\begin{gathered} 1.92 \\ (4.75) \end{gathered}$ | $\begin{gathered} 2.66 \\ (7.49) \end{gathered}$ | $\begin{gathered} 3.19 \\ (7.04) \end{gathered}$ |
| Exports as a percentage of total sales: <br> All industries $\qquad$ | $\begin{gathered} 1.04^{a} \\ (1.96) \end{gathered}$ | $\begin{aligned} & 1.10^{\mathrm{a}} \\ & (2.07) \end{aligned}$ | $\begin{gathered} .97^{\mathrm{a}} \\ (1.50) \end{gathered}$ | $\begin{gathered} .86^{a} \\ (1.59) \end{gathered}$ | $\begin{gathered} .90^{\mathrm{a}} \\ (1.19) \end{gathered}$ | $\begin{gathered} .77^{\mathrm{a}} \\ (1.56) \end{gathered}$ | $\begin{gathered} 1.25 \\ (2.29) \end{gathered}$ | $\begin{gathered} 1.01 \mathrm{a} \\ (2.03)^{2} \end{gathered}$ |
| Machinery-type industries ................................. | $\begin{gathered} .87 \\ (1.13) \end{gathered}$ | $\begin{array}{r} : 97 \mathrm{a} \\ (1.33) \end{array}$ | $\begin{gathered} 1.05^{\mathrm{a}} \\ (1.23) \end{gathered}$ | $\begin{gathered} .74 \\ (.90) \end{gathered}$ | $\begin{gathered} .86^{a} \\ (.76) \end{gathered}$ | $\frac{.61}{(.71)}$ | $\begin{gathered} .85^{a} \\ (1.11) \end{gathered}$ | $\begin{gathered} 1.09 \mathrm{a} \\ (1.43) \end{gathered}$ |
| Other industries ............................................ | $\begin{aligned} & 1.13 \mathrm{a} \\ & (2.29) \end{aligned}$ | $\begin{aligned} & 1.14 \mathrm{a} \\ & (2.23) \end{aligned}$ | $\begin{array}{r} .92 \mathrm{a} \\ (1.63) \end{array}$ | $\begin{array}{r} .96^{\mathrm{a}} \\ (2.01) \end{array}$ | $\begin{gathered} .91^{\mathrm{a}} \\ (1.33) \end{gathered}$ | $\begin{gathered} .86 \mathrm{a} \\ (1.89) \end{gathered}$ | $\begin{gathered} 1.53 \\ (2.80) \end{gathered}$ | $\begin{array}{r} .98 \mathrm{a} \\ (2.26) \end{array}$ |
| Addenda: Number of affiliates: <br> All industries $\qquad$ <br> Machinery-type industries $\qquad$ <br> Other industries $\qquad$ | $\begin{array}{r} 1,436 \\ 518 \\ 918 \end{array}$ | $\begin{array}{r} 159 \\ 35 \\ 124 \end{array}$ | $\begin{aligned} & 90 \\ & 31 \\ & 59 \end{aligned}$ | $\begin{gathered} 194 \\ 90 \\ 104 \end{gathered}$ | $\begin{aligned} & 62 \\ & 18 \\ & 44 \end{aligned}$ | $\begin{array}{r} 173 \\ 64 \\ 109 \end{array}$ | $\begin{aligned} & 419 \\ & 172 \\ & 247 \end{aligned}$ | $\begin{aligned} & 339 \\ & 108 \\ & 231 \end{aligned}$ |

${ }^{a}$ Not statistically different from 1 at the 95 -percent conidence level.
NoTES.-To normalize, the measure of content calculated for each affiliate was divided by the corresponding aggregate measure for U.S. parent companies classiied in the industry of the affilate.

The sample is restricted to manulacturing affiliates that had at least $\$ 5$ million in sales and whose imports, if any, consisted mainly of goocs iniended for further processing, assembly, of manuliacture by the affiliate.
UBO Ullimate beneficial owner

# U.S. International Transactions, Fourth Quarter and Year 1997 

By Christopher L. Bach

Fourth Quarter 1997

$\tau$He u.s. current-account deficit increased to $\$ 45.6$ billion in the fourth quarter from $\$ 43.1$ billion (revised) in the third (table A, table 1). ${ }^{1}$ A decrease in the deficit on goods was more thạ offset by an increase in net unilateral transfers, a decrease in the surplus on services, and an increase in the deficit on investment income.
In the capital account, net recorded inflows were $\$ 85.2$ billion in the fourth quarter, compared with net inflows of $\$ 72.6$ billion in the third. The step-up in net inflows reflected a larger slowdown

[^44]in the increase in U.S. assets abroad than in the increase in foreign assets in the United States.
The statistical discrepancy-errors and omissions in recorded transactions-was a negative $\$ 39.6$ billion in the fourth quarter, compared with a negative $\$ 29.5$ billion in the third. In the fourth quarter, and perhaps in the third, the size of the discrepancy is believed to reflect the imperfect recording of short-term capital flows.
The following are highlights for the fourth quarter of 1997:

- The deficit on goods fell as exports resumed their rise.
- Net U.S. purchases of foreign securities were sharply lower, reflecting uncertainties created by financial problems in Asia. Direct investment outflows were sharply higher, off-

Table A.-Summary of U.S. International Transactions
[Milions of dollars, seasonally adiusted]

| Line | Lines in tables 1 and 10 in which transactions are included indicated in () | 1996 | $1997{ }^{p}$ | Change: <br> 1996-97 | 1996 |  |  |  | 1997 |  |  |  | Change: 1997 III-IV |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | 1 | II | III | N | ${ }^{\prime}$ | Ir | IIIr | IV $p$ |  |
| 1 | Exports | 1,055, | 1,167, | 112,3 | 256,382 | 262,335 | 261,979 | 274,545 | 279,320 | 293,668 | 295,527 | 299,096 | 3,569 |
| 2 | Goods, adjusted, excluding military (2) | 612,069 | 678,348 | 66,279 | 150,048 | 153,411 | 150,764 | 157,846 | 162,341 | 171,227 | 170,255 | 174,525 | 4,270 |
| 3 | Services (3) .................................. | 236,764 | 253,220 | 16,456 | 57,057 | 58,736 | 59,322 | 61,656 | 61,736 | 63,335 | 64,397 | 63,754 | -643 |
| 4 | Income receipts on investments (11) | 206,400 | 236,043 | 29,643 | 49,277 | 50,188 | 51,893 | 55,043 | 55,243 | 59,106 | 60,875 | 60,817 | -58 |
| 5 | imports of goods, services, and income (15) | -1,163,450 | -1,295,530 | -132,080 | -278,860 | -289,231 | -295,865 | -299,493 | -310,659 | -322,608 | -329,571 | -332,691 | -3,120 |
| 6 | Goods, adjusted, excluding military (16) .... | -803,239 | -877,282 | -74,043 | -192,973 | -200,973 | -203,257 | -206,036 | -212,185 | -218;415 | -222,256 | -224,426 | -2,170 |
| 7 | Services (17) | -156,634 | -167,929 | -11,295 | -38,671 | -38,953 | -39,345 | -39,664 | -41,216 | -41,817 | -42,303 | -42,592 | -289 |
| 8 | Income payments on investments (25). | -203,577 | -250,320 | $-46,743$ | -47,216 | -49,305 | $-53,263$ | $-53,793$ | -57,258 | $-62,376$ | -65,012 | -65,673 | -661 |
| 9 | Unilateral transfers (29) | -39,968 | -38,526 | 1,442 | -10,406 | -8,689 | -8,947 | -11,926 | -8,577 | -8,855 | -9,070 | -12,024 | -2,954 |
| 10 | U.S. assets abroad, net (increase/capital outfiow ( - ) ) (33) | -352,444 | -426,938 | -74,494 | -70,768 | -49,698 | -77,542 | -154,436 | -128,297 | -91,264 | -110,696 | -96,678 | 14,018 |
| 11 |  | 6,668 | -1,010 | -7,678 | 17 | -523 | 7,489 | -315 | 4,480 | -236 | -730 | -4,524 | -3,794 |
| 12 | U.S. Government assets, other than official reserve assets, net (39) $\qquad$ | -690 |  | 867 | -210 | -358 |  | -284 | -21 | -268 | 461 | 5 | -456 |
| 13 | U.S. private assets, net (43) ... | -358,422 | -426,105 | -67,683 | -70,575 | -48,817 | $-85,193$ | -153,837 | -132,756 | -90,760 | -110,427 | -92,159 | 18,268 |
| 14 | Foreign assets in the United States,net (increase/ capital inflow ( + ) ( 48 ) $\qquad$ | 547,555 | 690,497 | 142,942 | 88,233 | 106,114 | 158,629 | 194,579 | 182,282 | 143,059 | 183,292 | 181,863 | -1,429 |
| 15 | Foreign official assets, net (49) ................................................................ | 122,354 | 18,157 | -104,197 | 52,014 | 13,154 | 24,089 | 33,097 | 28,891 | -6,374 | 21,867 | -27,227 | -49,094 |
| 16 | Other foreign assets, net (56) | 425,201 | 672,340 | 247,139 | 36,219 | 92,960 | 134,540 | 161,482 | 153,391 | 148,433 | 161,425 | 209,090 | 47,665 |
| 17 | Allocations of special drawing rights (62) $\qquad$ Statistical discrepancy (63) | -46,927 | -97,113 | -50,186 | 15,419 | $-20,881$ | -38,254 | -3,269 | -14,069 | -14,000 | -29,482 | $-39,566$ | -10,084 |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |  |  |
| 19 | Balance on goods (64) | -191,170 | -198,934 | $-7,764$ | -42,925 | -47,562 | -52,493 | -48,190 | -49,844 | -47,188 | -52,001 | -49,901 | 2,100 |
| 20 | Balance on goods and services (66) ........................... | -111,040 | -113,643 | -2,603 | -24,539 | -27,779 | -32,516 | -26,198 | -29,324 | -25,670 | -29,907 | -28,739 | 1,168 |
| 21 | Balance on investment income (67) ............................ | 2,824 | -14,277 | -17,101 | 2,061 | 883 | -1,370 | 1,250 | -2,015 | -3,270 | -4,137 | -4,856 | -719 |
| 22 | Balance on current account (70) ......... | -148,184 | -166,446 | -18,262 | -32,884 | -35,585 | -42,833 | $-36,874$ | -39,916 | -37,795 | -43,114 | -45,619 | -2,505 |
| 23 | Net capital flows (33 and 48) ................................ | 195,111 | 263,559 | 68,448 | 17,465 | 56,416 | 81,087 | 40,143 | 53,985 | 51,795 | 72,596 | 85,1 | 12,589 |

$r$ Revised.
$p$ Preliminary.
setting some of the decline in outflows for net securities purchases.

- U.S. banks borrowed heavily to fund strong demand for credit at financial centers in the Caribbean and the United Kingdom and to replace the drop-off in deposit inflows to foreign-owned banks in the United States. In addition, some foreigners elected to hold deposits at banks in the United States, rather than at foreign banking institutions, in the face of uncertainties created by deteriorating economic and financial conditions in Asia.


## U.S. dollar in exchange markets

In the fourth quarter, the U.S. dollar depreciated 1 percent on a trade-weighted quarterly average basis against the currencies of 10 industrial countries. Against the European currencies, the dollar depreciated 3-4 percent. Against the Japanese yen, the dollar appreciated 6 percent. Against the currencies of developing countries in Asia, appreciation was substantial: 7 percent against the Singapore dollar, 10 percent against the Taiwan dollar, 24 percent against the Thai baht, 25 percent against the Malaysian ringgit, 31 percent against the South Korean won, and 47 percent against the Indonesian rupiah (table B, chart 1).

The U.S. dollar depreciated 3-4 percent against most European currencies in the quarter. Weakness of the dollar for much of the quarter partly reflected a decision by German monetary authorities to raise short-term interest rates 30 basis points in early October. By the end of the quarter, the market had pushed German rates up further, leading to a more rapid rise in German rates than in U.S. rates and a narrowing of the interest differential in favor of U.S. assets (charts 2 and 3). The dollar strengthened late in the quarter, partly because the U.S. economy came to be seen as less vulnerable to the financial problems in Asia than the European economies. In addition, at the end of the quarter, German and other European officials reached an understanding to orient interest rates toward the lowest interest rates among "core" countries of the European Monetary Union.

The U.S. dollar appreciated 6 percent against the Japanese yen, as additional evidence accumulated of slowing economic growth in Japan. Negative prospects about future economic growth were exacerbated when several large, prominent, financial institutions failed in November. By early December, concerns over creditworthiness led to a widening to 100 basis points of the
premium paid by some Japanese banks over nonJapanese banks for dollar funding. Falling equity prices, asset values, and currency prices in developing Asian countries also adversely affected the Japanese economy and exchange rate. Late in December, Japanese monetary authorities confirmed that they had intervened to support the yen in exchange markets.

In late October, the Hong Kong Monetary Authority moved to defend the tie of the Hong Kong dollar to the U.S. dollar, despite the round of

## CHART 1

## Indexes of Foreign Currency

 Price of the U.S. Dollar

Indexes prepared by BEA from weekly data.
Data: Federal Reserve Board and The Wall Street Journal
U.S. Department of Commerce, Bureau of Economic Analysis
competitive currency devaluations just completed by other developing countries in Asia, including Taiwan. A sharp rise in interest rates halted depreciation of the Hong Kong dollar, but led to a sudden, sizable drop in prices on the Hong Kong

## CHART 2

Short-Term Interest Rates


stock exchange, which in turn triggered temporary sharp price declines in stock markets around the world and sharply raised risk premiums in world bond markets. In November, the Republic of Korea announced that it would no longer

## CHART 3

## Long-Term Interest Rates




Table B.-Indexes of Foreign Currency Price of the U.S. Dollar
[March 1973=100]

|  | 1996 | 1997 |  |  |  | $\frac{1996}{\text { Dec. }}$ | 1997 |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | IV | 1 | 11 | III | IV |  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |
| Trade-weighted average against 10 currencies ${ }^{1}$..... | 87.9 | 93.7 | 95.7 | 98.6 | 97.4 | 88.7 | 91.0 | 94.5 | 95.6 | 96.4 | 95.3 | 95.4 | 97.5 | 100.0 | 98.3 | 97.1 | 96.4 | 98.8 |
| Selected currencies: ${ }^{2}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada ........... | 135.5 | 136.4 | 139.1 | 139.0 | 141.3 | 136.7 | 135.4 | 136.0 | 137.7 | 139.9 | 138.5 | 138.9 | 138.2 | 139.5 | 139.2 | 139.1 | 141.7 | 143.2 |
| European currencies: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Belgium | 80.1 | 86.8 | 89.8 | 94.7 | 92.0 | 81.2 | 84.0 | 87.7 | 88.7 | 89.6 | 89.3 | 90.5 | 94.0 | 96.5 | 93.6 | 92.0 | 90.7 | 93.3 |
| France ............................................................. | 114.6 | 123.9 | 128.0 | 134.7 | 130.3 | 116.1 | 119.9 | 125.2 | 126.6 | 127.7 | 127.3 | 129.1 | 134.0 | 137.3 | 132.9 | 130.6 | 128.4 | 131.9 |
| Germany ............................................................... | 54.4 | 58.9 | 61.0 | 64.2 | 62.4 | 55.2 | 57.0 | 59.5 | 60.2 | 60.9 | 60.6 | 61.4 | 63.8 | 65.4 | 63.5 | 62.5 | 61.6 | 63.2 |
| Italy ................................................................. | 267.9 | 288.3 | 297.6 | 310.1 | 302.8 | 269.0 | 276.0 | 291.3 | 297.7 | 298.2 | 296.4 | 298.3 | 307.3 | 316.3 | 306.8 | 302.9 | 298.7 | 306.9 |
| Netherlands ......................................................... | 59.8 | 64.9 | 67.2 | 70.9 | 68.9 | 60.7 | 62.8 | 65.5 | 66.4 | 67.1 | 66.8 | 67.7 | 70.4 | 72.1 | 70.1 | 69.0 | 68.0 | 69.8 |
| Swizerland ........................................................ | 40.0 | 44.6 | 44.9 | 46.3 | 44.5 | 41.3 | 43.2 | 45.2 | 45.5 | 45.4 | 44.5 | 44.8 | 46.1 | 47.0 | 45.7 | 45.1 | 43.7 | 44.7 |
| United Kingdom ................................................................. | 151.0 | 151.6 | 151.2 | 152.2 | 148.9 | 148.6 | 149.1 | 152.1 | 153.6 | 151.7 | 151.5 | 150.3 | 148.1 | 154.2 | 154.4 | 151.4 | 146.4 | 149.0 |
| Japan .................................................................... | 43.1 | 46.3 | 45.7 | 45.1 | 47.9 | 43.5 | 45.0 | 47.0 | 46.9 | 48.0 | 45.5 | 43.7 | 44.1 | 45.0 | 46.2 | 46.2 | 47.9 | 49.5 |

[^45]support the won in exchange markets and, experiencing a large number of corporate failures and an inability to pay interest on its foreign currency debt, applied to the International Monetary Fund (imf) for assistance. An imp rescue package was approved in early December for Korea. An imf rescue package for Indonesia had previously been approved in November.

## Current Account

## Goods and services

The deficit on goods and services decreased to $\$ 28.7$ billion in the fourth quarter from $\$ 29.9$ billion in the third. The deficit on goods decreased, and the surplus on services decreased.
Goods.-The deficit on goods decreased to $\$ 49.9$ billion in the fourth quarter from $\$ 52.0$ billion in the third. The reduction resulted from a larger increase in exports than in imports (table A, table 2).

Exports.-Exports increased $\$ 4.3$ billion, or 3 percent, to $\$ 174.5$ billion in the fourth quarter. Quantity, measured in chained (1992) dollars, also increased 3 percent. Prices were unchanged.
Nonagricultural goods increased $\$ 3.5$ billion, or 2 percent, to $\$ 159.2$ billion. Quantity increased 3 percent, and prices decreased 1 percent. In value, capital goods accounted for nearly two-thirds of the increase. Gains for the quarter included record deliveries of civilian aircraft, mostly in December, over two-thirds of which was to Saudi Arabia. The bunching of deliveries late in the quarter reflected a makeup for production that was curtailed by parts shortages during the summer and autumn months. Excluding civilian aircraft and parts, capital goods were virtually unchanged. Automotive products increased to both Canada and Mexico. Consumer goods, mostly to Western Europe, also increased. Nonagricultural industrial supplies and materials changed little; they had decreased in the third quarter when nonmonetary gold shipments had dropped sharply.
Agricultural exports increased $\$ 0.8$ billion, or 6 percent, to $\$ 15.4$ billion. Quantity increased 7 percent, and prices fell 1 percent. In value, an especially strong increase in soybeans more than accounted for the rise, with large shipments to Asia, Western Europe, and Latin America.

Imports.-Imports increased $\$ 2.2$ billion, or 1 percent, to $\$ 224.4$ billion in the fourth quarter. Quantity, measured in chained (1992) dol-
lars, increased 2 percent, and prices decreased 1 percent.
All of the increase was accounted for by nonpetroleum products, which increased $\$ 2.2$ billion, or 1 percent, to $\$ 206.8$ billion. Quantity increased 2 percent, and prices decreased 1 percent. In value, consumer goods accounted for nearly all of the increase, with over one-half of the increase from Western Europe and other large increases from Japan, Latin America, and Canada. Consumer goods from China declined. Capital goods increased slightly; an increase in most types of machinery, mostly from Japan, was partly offset by declines in computers and parts, mostly from Singapore, and in semiconductors, all from Japan. Nonpetroleum industrial supplies and materials rose slightly. Automotive imports fell; the decline consisted largely of autos from Japan.
Petroleum imports were unchanged at $\$ 17.6$ billion. The average number of barrels imported daily decreased to 10.87 million from 10.96 million, but the average price per barrel increased to $\$ 17.72$ from $\$ 17.58$. Both consumption and production increased, while inventories fell.

Balances by area.-The deficit on goods decreased to $\$ 49.9$ billion in the fourth quarter from $\$ 52.0$ billion in the third. The deficit with Asia, excluding Japan, fell $\$ 5.1$ billion, to $\$ 23.1$ billion, more than accounting for the decrease in the global deficit; the deficit with China-which declined $\$ 2.3$ billion, to $\$ 12.9$ billion-accounted for nearly one-half of the reduction. Trade with the newly industrialized countries was mixed, as a lower deficit with Taiwan and a higher surplus with Hong Kong were partly offset by higher deficits with the Republic of Korea and Singapore.
The decrease in the deficit with Asia, excluding Japan, was partly offset by an increase in the deficit with industrial countries to $\$ 24.7$ billion from $\$ 21.1$ billion. Most of the increase was with Canada, followed by Western Europe and Japan.

Services.-The surplus on services decreased to $\$ 21.2$ billion in the fourth quarter from $\$ 22.1$ billion in the third (table A, table 3). Most major categories of service receipts decreased, more than offsetting the rise in "other" transportation receipts. Within service payments, travel, passenger fares, "other" transportation, and direct defense expenditures abroad increased, and royalties and license fees and "other" services decreased.
Foreign visitors spent $\$ 18.5$ billion on travel in the United States, down 1 percent. Receipts from overseas visitors (excluding Canada and Mexico)
were $\$ 16.0$ billion, down 1 percent; a decline in visitors from Asia as a result of the financial problems in the region partly offset continued growth in visitors from the rest of the world. However, receipts from Canada and Mexico were both down. U.S. travelers spent $\$ 13.2$ billion abroad, up 3 percent. Payments by U.S. travelers overseas were $\$ 10.5$ billion, up 5 percent; payments to Canada were unchanged, and payments to Mexico were down.

Passenger fare receipts were $\$ 5.4$ billion, down 1 percent, and passenger fare payments were $\$ 4.3$ billion, up 3 percent.
"Other" transportation receipts increased \$0.3 billion, to $\$ 7.2$ billion, as a result of higher port expenditure receipts and freight receipts. "Other" transportation payments increased $\$ 0.1$ billion, to $\$ 7.5$ billion, as a result of higher port expenditure payments.
Royalties and license fee receipts were unchanged at $\$ 7.5$ billion, and royalties and license fee payments decreased so.2 billion, to $\$ 1.8$ billion.
"Other" private service receipts decreased to $\$ 21.0$ billion from $\$ 21.3$ billion, largely as a result of a decrease in affiliated services. Among unaffiliated services, receipts on financial services decreased, as foreign activity dropped sharply in U.S. financial markets in response to market concerns over Asian financial problems. "Other" private service payments decreased to $\$ 12.0$ billion from $\$ 12.3$ billion, as affiliated service payments declined. Among unaffiliated services, payments on financial services abroad decreased, as U.S. activity in foreign financial markets dropped sharply in response to the same concerns about Asian financial problems.
Transfers under U.S. military sales contracts were $\$ 4.0$ billion, down from $\$ 4.3$ billion; despite the decline, deliveries in the fourth quarter remained above the levels of most recent quarters. Direct defense expenditures abroad were $\$ 3.1$ billion, up from $\$ 2.9$ billion. Increased maneuvers in the Persian Gulf in response to tensions in Iraq and higher purchases of contractual services boosted expenditures.

## Investment income

The deficit on investment income increased to $\$ 4.9$ billion in the fourth quarter from $\$ 4.1$ billion in the third, as payments increased more than receipts (table A).
Direct investment income.-Receipts of income on U.S. direct investment abroad, which consist of
earnings and interest, decreased to $\$ 27.2$ billion in the fourth quarter from $\$ 28.2$ billion in the third. A $\$ 1.1$ billion decrease in earnings more than accounted for the drop. Earnings increased for affiliates in Western Europe, but they decreased for Canada, Other Western Hemisphere, and Asia. Within Asia, decreases were largest in Hong Kong and Japan, where about half of U.S. direct investment in Asia is located. For Indonesia, Korea, and Thailand, which experienced the largest currency depreciations and account for about 17 percent of investment in Asia, earnings were down slightly.

Payments of income on foreign direct investment in the United States decreased to $\$ 11.1$ billion in the fourth quarter from $\$ 11.7$ billion in the third, reflecting a decrease in earnings. The largest decrease was in affiliates of Western European parents and was concentrated in chemicals, machinery, and petroleum.
"Other" private and U.S. Government income.Receipts of income on "other" private investment increased to $\$ 32.8$ billion in the fourth quarter from $\$ 31.8$ billion in the third, mostly as a result of higher outstanding bank claims. Payments of income on "other" private investment increased to $\$ 30.9$ billion from $\$ 29.9$ billion, as a result of higher outstanding bank liabilities.
Receipts of income on U.S. Government assets decreased slightly to $\$ 0.8$ billion in the fourth quarter. Payments of income on U.S. Government liabilities increased to $\$ 23.7$ billion from $\$ 23.5$ billion.

## Unilateral transfers

Net unilateral transfers were $\$ 12.0$ billion in the fourth quarter, up from $\$ 9.1$ billion in the third (table A, table 1). Nearly all of the increase was attributable to U.S. Government grants, which rose to $\$ 5.1$ billion from $\$ 2.2$ billion as a result of cash grants to Israel- $\$ 1.8$ billion under the credit waiver program to finance military purchases and $\$ 1.2$ billion to finance economic purchases. Normally, these funds are drawn in their entirety as soon as the U.S. Congress appropriates the funds early in the new fiscal year, usually in October. This year, because of delays in the budget process, these funds were appropriated and drawn in December.

## Capital Account

Net recorded capital inflows-that is, the difference between changes in net U.S. assets abroad and changes in net foreign assets in the United States-were $\$ 85.2$ billion in the fourth quarter, compared with net inflows of $\$ 72.6$ billion in the third. The step-up in net inflows from the third to the fourth quarter reflected a larger slowdown in the increase in U.S. assets abroad than in the increase in foreign assets in the United States.

## U.S. assets abroad

U.S. assets abroad increased $\$ 96.7$ billion in the fourth quarter, compared with an increase of $\$ 110.7$ billion in the third. The slowdown reflected sharply lower net outflows for U.S. purchases of foreign securities. Direct investment outflows increased sharply.
U.S. official reserve assets.-U.S. official reserve assets increased $\$ 4.5$ billion in the fourth quarter, compared with an increase of $\$ 0.7$ billion in the third. In the fourth quarter, the U.S. reserve position with the International Monetary Fund (imp) increased $\$ 4.2$ billion, mainly reflecting drawings by Indonesia and Korea on the imp's credit facilities (table C, table 1).

Claims reported by U.S. banks.-U.S. claims on foreigners reported by U.S. banks increased $\$ 30.5$ billion in the fourth quarter, compared with an increase of $\$ 30.6$ billion in the third (table 8). Banks' own claims payable in dollars increased strongly in the fourth quarter, by $\$ 48.1$ billion, in response to heightened demands for credit in the Eurodollar market, particularly by banks in the Caribbean and the United Kingdom. U.S.-owned
banks supplied funds to meet heavy foreign purchases of U.S. Treasury securities in October; to meet strong interbank demand for credit, particularly in Europe, toward the end of the quarter; and to provide liquidity at a time when overseas markets were reacting to deteriorating financial conditions in Asia. Foreign-owned banks also supplied funds to the interbank market in Europe, but on a smaller scale than U.S.owned banks. U.S. banks' domestic customers' claims fell sharply, $\$ 12.6$ billion, as U.S. residents reduced their deposits with banks in foreign financial centers, possibly in response to concerns about the Asian financial situation.

Foreign securities.-Net U.S. purchases of foreign securities were $\$ 3.7$ billion in the fourth quarter, down sharply from $\$ 39.2$ billion in the third (table 6).
Net U.S. purchases of foreign bonds fell to $\$ 6.3$ billion from $\$ 23.7$ billion, largely as a result of a drop in foreign new issues in the United States to $\$ 12.5$ billion from $\$ 23.6$ billion. Uncertainties about credit risks of new bond issues by emerging market countries in Asia as well as Latin America led to a sharp reduction in new bond issues in the U.S. market. Corporations in these areas had been heavy borrowers in the first half of the year, but by the fourth quarter, risk premiums on new issues by Asian emerging countries had risen 180-200 basis points from the first half of the year, effectively curtailing much borrowing. Some borrowing may have shifted to the banking markets. New issues from the emerging market countries in Latin America were also adversely affected by the Asian developments, although the risk premiums on these issues rose only $40-60$ basis points. Borrowing by Latin

Table C.-Selected Transactions With Official Agencies
[Mililions of dollars]

|  | 1996 | $1997{ }^{P}$ | Change: 1996-97 | 1996 |  |  |  | 1997 |  |  |  | $\left\{\begin{array}{c} \text { Change: } \\ 1997 \\ \text { III-IV } \end{array}\right.$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1 | 11 | III | IV | 1 | II | III ${ }^{1}$ | IV ${ }^{\text {p }}$ |  |
| Changes in foreign official assets in the United States, net (decrease -) (table 1, line 49) | 122,354 | 18,157 | -104,197 | 52,014 | 13,154 | 24,089 | 33,097 | 28,891 | -5,374 | 21,867 | -27,227 | -49,094 |
| Industrial countries ${ }^{1}{ }^{1}$.................................................................... | 65,498 | 11,188 | -54,310 | 39,787 | 9,434 | 11,367 | 4,910 | 18,013 | 6,326 | 4,944 | -18,095 | -23,039 |
| Members of OPEC ${ }^{2}$...................................................... | 12,278 | 12,782 | 504 | -1,539 | 5,239 | 5,263 | 3,315 | 9,272 | 2,287 | 2,619 | -1,396 | -4,015 |
| Other countries ............................................................... | 44,578 | -5,813 | -50,391 | 13,766 | -1,519 | 7,459 | 24,872 | 1,606 | -13,987 | 14,304 | -7,736 | -22,040 |
| Changes in U.S. official reserve assets, net (increase -) (table 1, line 34) | 6,668 | -1,010 | -7,678 | 17 | -523 | 7,489 | -315 | 4,480 | -236 | -730 | -4,524 | -3,794 |
| Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ${ }^{3}$ |  |  |  |  |  |  |  |  |  |  |  |  |
| Foreign drawings, or repayments (-), net .............................. | -8,300 | -3,500 | 4,800 | -1,300 | ............ | -7,000 | .............. | -3,500 | ... | ............... | .............. | .............. |
| Drawings <br> Repayments | -8,300 | -3,500 | 4,800 | -1,300 | ........ | -7,000 | ................. | -3,500 | ................... | .................... | $\cdots$ | ............... |

Preliminary.
Western Europe, Canada, Japan, Australia, New Zealand, and South Africa
. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Begin-
ning in January 1993, excludes Ecuador.

America dropped to $\$ 1.5$ billion from $\$ 6.8$ billion, and by other emerging market countries (mainly Asia) to $\$ 3.6$ billion from $\$ 9.1$ billion. Issues from Eastern Europe were delayed. Borrowing by corporations in Western Europe was $\$ 6.0$ billion, up from $\$ 5.5$ billion. In total, foreign new bond issues in the United States dropped to their lowest level since the second quarter of 1996. Trading activity in bonds-gross purchases plus gross sales-increased less than 1 percent.
U.S. transactions in foreign stocks shifted to net sales of $\$ 2.6$ billion from net purchases of $\$ 15.6$ billion. Transactions in Japanese stocks shifted to net sales of $\$ 4.2$ billion from net purchases of $\$ 3.1$ billion, reflecting weak economic prospects for that country and large declines in stock prices and currency values of Japan and other Asian countries. The repercussions of Asian developments were also felt in the European markets, where U.S. transactions shifted to net sales of $\$ 0.1$ billion from net purchases of $\$ 7.9$ billion; the shift was partly in response to the sharp, but temporary, pullback in European stock prices that quickly followed the sudden drop in Hong Kong stock prices at the end of October. Trading activity in stocks increased 6 percent.

Direct investment.-Net capital outflows for U.S. direct investment abroad were $\$ 32.9$ billion in the fourth quarter, up from $\$ 22.8$ billion in the third (table 5). Equity capital outflows increased $\$ 8.6$ billion, and reinvested earnings increased $\$ 1.8$ billion. Equity capital outflows financed several exceptionally large mergers, particularly in the European investment management and securities industries.

## Foreign assets in the United States

Foreign assets in the United States increased $\$ 181.9$ billion in the fourth quarter, compared with an increase of $\$ 183.3$ billion in the third. U.S. banks acquired an exceptionally large amount of foreign funds in the fourth quarter. These inflows were partly offset by a sharp reduction in inflows for net foreign purchases of U.S. securities other than U.S. Treasury securities and by a decrease in foreign official assets in the United States.

Foreign official assets.-Foreign official assets in the United States decreased $\$ 27.2$ billion in the fourth quarter, following a $\$ 21.9$ billion increase in the third. In the fourth quarter, industrial countries accounted for about two-thirds of the decrease, partly through intervention sales in
exchange markets, and developing countries accounted for one-third. Dollar assets of developing Asian countries were mixed; some countries sold dollar assets in response to financial problems, and others purchased dollar assets (table C, table 1).

Liabilities reported by banks.-U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased $\$ 87.0$ billion in the fourth quarter, up sharply from an increase of $\$ 10.1$ billion in the third (table 9). U.S.-owned banks borrowed heavily from banks in financial centers in the Caribbean and the United Kingdom in order to fund especially strong interbank demand in the Eurodollar market, particularly toward the end of the quarter. In addition, some inflows were in response to the desire to hold liquid dollar assets at a time when financial conditions in Asia were deteriorating. In contrast, most foreign-owned banks in the United States borrowed little from financial centers abroad. However, Japanese-owned banks in the United States borrowed heavily from parent banks in Japan in order to replace deposit inflows that fell sharply in response to adverse developments both in Japan and throughout Asia.
U.S. Treasury securities.-Net foreign purchases of U.S. Treasury securities remained strong at $\$ 33.8$ billion in the fourth quarter, down $\$ 2.5$ billion from the third (table 9). The U.S. Treasury bond market continued to rally in the fourth quarter, benefiting from continued low inflation and news of a pending Federal budget surplus. These conditions, together with a desire to hold U.S. Treasury securities as the seriousness of the Asian situation became evident, led to exceptionally large purchases in October, nearly all from Western Europe. Net purchases weakened significantly in November and shifted to net sales in December-partly as Japan sold securities to meet liquidity needs, perhaps to fund banks in the United States whose borrowing costs escalated after several prominent financial institutions in Japan failed in November, and partly as investors in Western European countries reassessed their outlook following the initial reaction to the financial problems in Asia. Net purchases through the Caribbean picked up substantially, perhaps reflecting a shift of transactions from other market centers. Trading activity in U.S. Treasury securities decreased 5 percent.
U.S. currency flows.-Net outflows of U.S. currency were $\$ 9.9$ billion in the fourth quarter, up
from $\$ 6.6$ billion in the third (table 9). Much of the growth in recent quarters was concentrated in Russia and other states of the Commonwealth of Independent States. Elsewhere, the demand for U.S. banknotes has been relatively stable.

Other U.S. securities.-Net foreign purchases of U.S. securities other than U.S. Treasury securities were $\$ 38.4$ billion in the fourth quarter, down from $\$ 60.4$ billion in the third quarter (table 6).

Net foreign purchases of U.S. stocks were $\$ 11.8$ billion, down from $\$ 23.2$ billion. Transactions by brokers and dealers in the Caribbean shifted to net sales of $\$ 4.6$ billion from net purchases of $\$ 6.3$ billion, most likely reflecting both the temporary 7-percent decline in U.S. stock prices at the end of October and uncertainties created by financial problems in Asia. However, net purchases by Western Europeans continued unabated, rising to $\$ 16.7$ billion from $\$ 15.1$ billion. Trading activity in stocks increased 10 percent.
Net foreign purchases of U.S. bonds were $\$ 26.6$ billion, down from $\$ 37.2$ billion. The decline was more than accounted for by a sharp drop in new issues sold abroad by U.S. corporations to $\$ 8.2$ billion from $\$ 27.5$ billion. As the financial situation in Asia deteriorated, many new issues were postponed or borrowing shifted to banking markets, either in the United States or abroad, as borrowers reassessed their funding needs in the face of a possible economic slowdown in Asia. Trading activity in bonds decreased 13 percent.

Direct investment.-Net capital inflows for foreign direct investment in the United States were $\$ 24.6$ billion in the fourth quarter, down from $\$ 25.9$ billion in the third (table 5). A $\$ 5.1$ billion decrease in intercompany debt inflows and a $\$ 1.2$ billion decrease in reinvested earnings were partly offset by a $\$ 5.0$ billion increase in equity capital inflows. For intercompany debt, both receivables and payables registered especially large
swings; Other Western Europe and Australia contributed the most to the net decrease. Equity inflows included especially large acquisitions of U.S. pharmaceutical and U.S. insurance companies by Western European companies but primarily reflected capital contributions to existing U.S. affiliates.

## The Year 1997

The U.S. current-account deficit increased to $\$ 166.4$ billion in 1997 from $\$ 148.2$ billion in 1996. The increase was more than accounted for by a shift to a deficit on investment income and an increase in the goods deficit. The surplus on services increased, and net unilateral transfers decreased (table D).

In the capital account, net inflows in 1997 were higher than in 1996- $\$ 263.6$ billion, compared with $\$ 195.1$ billion-reflecting a larger step-up in the increase in foreign assets in the United States than in the increase in U.S. assets abroad.
The statistical discrepancy-errors and omissions in recorded transactions-was a negative $\$ 97.1$ billion in 1997, compared with a negative $\$ 46.9$ billion in 1996. Much of increase occurred in the last half of the year; in the fourth quarter, and perhaps in the third, the size of the discrepancy is believed to reflect the imperfect recording of short-term capital flows.

The following are highlights for the year 1997:

- Goods exports and goods imports both accelerated in 1997. Exports increased nearly twice as fast as in 1996 in response to a pickup in economic activity in industrial countries abroad in the last half of 1996 and in 1997; export growth was between the strong increases in 1994 and 1995. Imports increased somewhat more rapidly in 1997 than in 1996, reflecting more rapid growth in the U.S.

Table D.-Selected Balances on U.S. International Transactions [Milions of dollars, quarters seasonally adjusted]

|  | 1995 | 1996 | $1997{ }^{\text {P }}$ | 1997 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | $1^{r}$ | $1{ }^{\prime}$ | III ${ }^{\text {r }}$ | IV ${ }^{p}$ |
| Goods, net ...................................................................................... | -173,560 | -191,470 | -198,934 | -49,844 | -47,188 | -52,001 | -49,901 |
| Services, net ...................................................................................... | 71,703 | 80,130 | 85,291 | 20,520 | 21,518 | 22,094 | 21,162 |
| Investment income, net ...................................................................... | 6,808 | 2,824 | -14,277 | -2,015 | -3,270 | -4,137 | -4,856 |
| Direct, net | 60,004 | 66,758 | 67,700 | 17,326 | 17,722 | 16,523 | 16,128 |
| Other private, net | 3,388 | 2,763 | 5,566 | 963 | 810 | 1,930 | 1,863 |
| U.S. Government, net .................................................................... | -56,584 | -66,698 | -87,543 | -20,304 | -21,802 | -22,590 | -22,847 |
| Unilateral transfers, net ..................................................................... | -34,046 | -39,968 | -38,526 | -8,577 | -8,855 | -9,070 | -12,024 |
| Current account balance .......................................................................... | -129,095 | -148,184 | -166,446 | -39,916 | -37,795 | -43,114 | -45,619 |

$r$ Revised.
p Preliminary.
economy over the past 2 years; however, import growth remained well below the sizable increases in 1994 and 1995.

- Net U.S. purchases of foreign securities were sharply lower in 1997 than in 1996; although purchases in the first three quarters were ahead of the pace of a year earlier, uncertainties and higher risks created by Asian financial conditions sharply curtailed net purchases in the fourth quarter. In contrast, net foreign purchases of U.S. securities other than U.S. Treasury securities were substantially higher in 1997 than in 1996, despite a slowdown in the fourth quarter when foreign investors reassessed the impact of financial conditions in Asia. Net foreign purchases of U.S. Treasury securities remained strong.
- The increase in credit extended by U.S. banks to their offices abroad in 1997 was in response to the heightened level of financial activity in interbank markets abroad, to the strong pace of merger and acquisition activity, particularly in Western Europe, and to the unique set of developments in the fourth quarter that led U.S. banks to provide liquidity in response to developments in Asia. During the first three quarters, U.S. banks borrowed relatively small amounts from abroad to finance this overseas lending, but in the fourth quarter, heavy borrowing from foreign banks and the receipt of funds in response to uncertainties created by financial developments in Asia led to very large net inflows of capital to U.S. banks.
- Foreign official assets in the United States increased much less in 1997 than in 1996.


## U.S. dollar in exchange markets

The dollar appreciated 11 percent on a tradeweighted basis against the currencies of 10 industrial countries in 1997. Appreciation against the German mark and most other major European currencies averaged 14 percent, and appreciation against the Japanese yen was also 14 percent. Appreciation was even larger against the currencies of many developing countries in "Asia: 19 percent against the Taiwan dollar, 20 percent against the Singapore dollar, 53 percent against the Malaysian ringgit, 82 percent against the Thai baht, 100 percent against the South Korean won, and 230 percent against the Indonesian rupiah (table $B$, chart 1).

Early in 1997, the dollar advanced sharply against the European currencies, encouraged by a
further increase in short- and long-term interestrate differentials in favor of U.S. dollar assets. U.S. interest rates were pushed higher, partly by a strengthening in U.S. economic activity and partly by expectations that U.S. monetary policy might be tightened. In late March, the Federal Reserve Board raised the target federal funds rate 25 basis points. Subsequently, through the summer months, the U.S. expansion continued while inflation remained low, and the dollar reached an 8-year high in August against the German mark and registered strong increases against other European currencies. During this period, German economic growth remained below that of the United States. In October and November, a strengthening in German economic growth and a rise in German and other European interest rates led to a temporary strengthening of the mark and other European currencies against the dollar. Nonetheless, interest-rate differentials in favor of dollar assets remained large (charts 2 and 3). At times during the last half of the year, there were concerns that the European Monetary Union (EMU) would include a broad group of currencies and thus would result in a "weak" single currency. There were also temporary concerns that France and, perhaps, Germany might not meet the requirements for participation in the emu. However, by yearend, European countries had made major progress in converging their interest rates and lowering inflation, in reducing central government fiscal deficits relative to gross domestic product, and in increasing the growth rates of their economies. In addition, at yearend, German and other European officials reached an understanding to orient interest rates toward the lowest rates among "core" countries of the EMU.

The dollar also appreciated strongly against the Japanese yen, especially in the first and fourth quarters. Early in the year, there was concern about the economic health of Japanese financial institutions, particularly banks and brokerage firms. Subsequently, it became apparent that Japanese growth would, at best, be moderate, and interest-rate differentials in favor of U.S. assets remained large (charts 2 and 3). Additional evidence of weakening Japanese growth accumulated over the last half of the year, and several large, prominent Japanese financial institutions failed in November. During the last half of the year, currency devaluations and declining stock prices in many other Asian countries had negative repercussions on the Japanese economy and were additional factors holding down the value of the yen against the dollar.

Several Asian countries were unable to maintain their currencies' fixed exchange rates against the U.S. dollar during the last half of the year. Efforts to do so led initially to the loss of large amounts of reserve assets and then to decisions by many countries to permit their currencies to fluctuate freely in exchange markets. A decision by Thailand in July to break its link with the dollar was followed by similar decisions by Indonesia in August, by Malaysia and the Philippines in September, by Taiwan in October, and by the Republic of Korea in November. Currency values relative to the dollar fell sharply immediately following these decisions and continued to depreciate through yearend. The declines in currency values, stock prices, and financial asset values reduced prospects for economic growth in the region and had a major impact on international capital flows, including those to the United States. The spread of the economic difficulties to the regional banking centers of Hong Kong and Singapore reflected the dominant role of these regional centers in financing local economies. The economic difficulties also adversely affected Japan, another major supplier of banking capital to the region.

## Current Account

## Goods and services

The deficit on goods and services increased to $\$ 113.6$ billion in 1997 from $\$ 111.0$ billion in 1996. The larger deficit on goods more than accounted
for the increase; the surplus on services increased (table D).

Goods.-The deficit on goods increased to $\$ 198.9$ billion in 1997 from $\$ 191.2$ billion in 1996. Both exports and imports increased substantially, but the increase in imports exceeded that in exports.

Goods exports increased $\$ 66.3$ billion, or 11 percent, to $\$ 678.3$ billion. The 11-percent increase was up sharply from a 6 -percent increase in 1996 and was between the strong increases of 10 percent and 15 percent in 1994 and 1995, respectively. Agricultural exports decreased $\$ 3.1$ billion, while nonagricultural exports increased $\$ 69.4$ billion, more than double the increase in 1996 (tables E and F ).

Goods imports increased $\$ 74.0$ billion, or 9 percent, to $\$ 877.3$ billion. The 9 -percent increase exceeded the 7 -percent increase in 1996 but was well below the sizable increases of 13 percent and 12 percent in 1994 and 1995, respectively. An increase in the volume of petroleum imports was more than offset by a sharp decline in prices, leading to a $\$ 0.7$ billion reduction in petroleum imports for the year. Nonpetroleum imports increased $\$ 74.7$ billion, double the increase in 1996.
U.S. exports increased substantially in 1997, reflecting considerably faster economic expansion abroad in industrial countries and in Latin America (especially Mexico) and slightly slower economic expansion in the developing countries of Asia. Economic expansion accelerated in Canada, the United Kingdom, Germany, and

Table E.-U.S. Trade in Goods, Current and Chained (1992) Dollars
[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

|  | Current dollars |  |  |  |  |  |  | Chained (1992) dollars ${ }^{1}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1995 | 1996 | $1997{ }^{p}$ | 1997 |  |  |  | 1995 | 1996 | $1997{ }^{p}$ | 1997 |  |  |  |
|  |  |  |  | ${ }^{\prime}$ | \# ${ }^{r}$ | IIIr | IV $p$ |  |  |  | $1{ }^{\text {r }}$ | \||r | III ${ }^{r}$ | IV ${ }^{\text {P }}$ |
| Exports | 575,871 | 612,069 | 678,348 | 162,341 | 171,227 | 170,255 | 174,525 | 565,887 | 622,803 | 716,675 | 169,813 | 180,049 | 180,355 | 186,458 |
| Agricultural products | 57,229 | 61,488 | 58,414 | 14,352 | 14,137 | 14,559 | 15,366 | 49,484 | 48,569 | 49,430 | 11,950 | 11,820 | 12,391 | 13,269 |
| Nonagricultural products ..................................... | 518,642 | 550,581 | 619,934 | 147,989 | 157,090 | 155,696 | 159,159 | 516,856 | 575,745 | 670,523 | 158,616 | 169,278 | 168,685 | 173,944 |
| Foods, feeds, and beverages | 50,472 | 55,533 | 51,371 | 12,861 | 12,224 | 12,485 | 13,801 | 44,476 | 43,978 | 44,045 | 10,862 | 10,290 | 10,744 | 12,149 |
| Industrial supplies and materials ................................................ | 146,374 | 147,973 | 158,102 | 38,451 | 40,733 | 39,605 | 39,313 | 120,631 | 127,873 | 137,125 | 33,291 | 35,328 | 34,231 | 34,275 |
| Capital goods, except automotive ............................... | 233,776 | 253,141 | 294,122 | 68,899 | 74,129 | 74,505 | 76,589 | 263,489 | 310,356 | 387,815 | 88,902 | 97,027 | 98,944 | 102,942 |
| Automotive vehicles, parts, and engines | 61,828 | 65,022 | 73,391 | 17,669 | 18,292 | 18,213 | 19,217 | 59,955 | 62,385 | 69,828 | 16,844 | 17,404 | 17,313 | 18,267 |
| Consumer goods (nonfood), except automotive ............. | 64,425 | 70,138 | 77,418 | 18,792 | 19,699 | 19,222 | 19,705 | 62,607 | 67,260 | 73,713 | 17,931 | 18,797 | 18,272 | 18,713 |
| Exports, n.e.c. ..................................................... | 18,996 | 20,262 | 23,944 | 5,669 | 6,150 | 6,225 | 5,900 | 17,961 | 19,553 | 23,750 | 5,602 | 6,077 | 6,200 | 5,871 |
| Imports | 749,431 | 803,239 | 877,282 | 212,185 | 218,415 | 222,256 | 224,426 | 741,078 | 817,392 | 935,491 | 221,026 | 232,852 | 238,728 | 242,885 |
| Petroleum and products | 56,155 | 72,744 | 72,053 | 19,153 | 17,732 | 17,581 | 17,587 | 59,285 | 63,823 | 66,966 | 15,521 | 17,017 | 17,287 | 17,141 |
| Nonpetroleum products ......................................... | 693,276 | 730,495 | 805,229 | 193,032 | 200,683 | 204,675 | 206,839 | 680,515 | 751,801 | 868,677 | 205,572 | 215,788 | 221,510 | 225,807 |
| Foods, feeds, and beverages | 33,176 | 35,711 | 39,704 | 9,516 | 9,997 | 10,148 | 10,043 | 29,319 | 32,253 | 35,506 | 8,550 | 8,839 | 9,069 | 9,048 |
| Industrial supplies and materials ................................... | 184,987 | 209,497 | 217,397 | 54,904 | 55,023 | 53,621 | 53,849 | 176,418 | 189,345 | 200,243 | 47,909 | 51,471 | 50,348 | 50,515 |
| Capital goods, except automotive ................................ | 221,429 | 229,049 | 254,167 | 59,344 | 62,940 | 65,634 | 66,249 | 246,462 | 294,526 | 377,732 | 85,142 | 92,423 | 98,402 | 101,765 |
| Automotive vehicles, parts, and engines | 123,796 | 128,938 | 140,720 | 35,406 | 34,430 | 35,772 | 35,112 | 114,769 | 118,781 | 129,337 | 32,602 | 31,733 | 32,848 | 32,154 |
| Consumer goods (nonfood), except automotive ............... | 159,906 | 171,007 | 192,947 | 45,321 | 48,031 | 48,787 | 50,808 | 155,136 | 165,317 | 188,680 | 44,130 | 46,905 | 47,784 | 49,861 |
| Imports, n.e.C., and U.S. goods returned ............... | 26,137 | 29,037 | 32,347 | 7,694 | 7,994 | 8,294 | 8,365 | 24,337 | 27,032 | 30,384 | 7,184 | 7,513 | 7,795 | 7,892 |

Revised.
${ }^{p}$ Preliminary.

1. Because chain indexes use weights of more than one period, the corresponding chained-dollar estimates are
usually not additive.
most other countries in Europe. Expansion in Japan slowed sharply. Expansion in the developing countries in Asia slowed, as it has every year since 1994 (chart 4).
U.S. imports accelerated in 1997, reflecting faster growth in the U.S. economy. Growth in U.S. real gross domestic product (GDP) was 3.8 percent in 1997, above the 2.8 percent growth in 1996 and 2.0 percent growth in 1995. ${ }^{2}$
Domestic prices of exports decreased in 1997; the largest declines were in foods and many types of capital goods (table G). Prices of total industrial supplies and materials, automotive products, and consumer goods changed little. However, prices increased significantly for most major categories when converted into foreign currencies, as depreciation of foreign currencies more than offset the decrease in domestic prices or added to small domestic price increases (table H).
Dollar prices of most imports decreased or changed little. Prices of many capital goods, nonpetroleum industrial supplies and materials, petroleum products, and consumer goods were all lower (table G).

Exports.-Nonagricultural exports increased $\$ 69.4$ billion, or 13 percent, to $\$ 619.9$ billion in 1997 , up sharply from a 6 -percent increase in 1996. Quantity increased 17 percent, following an 11-percent increase. In value, capital goods increased $\$ 41.0$ billion in 1997, up from an increase of $\$ 19.4$ billion in 1996, and total industrial supplies and materials increased $\$ 10.1$ billion, up from an increase of $\$ 1.6$ billion. Automotive products and consumer

## CHART 4

Major Industrial Countries: Real GDP
Percent change from four quarters earlier

U.S. Departmentor Commerce, Bureau of Economic Anaysis
2. GDP estimates are shown in table 1.2 on page D-2 in this issue.

Table F.-Percent Changes in U.S. Trade in Goods, Current and Chained (1992) Dollars
[Balance of payments basis]

|  | Current dollars |  |  | Chained (1992) dollars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1995 | 1996 | $1997{ }^{\text {P }}$ | 1995 | 1996 | 1997 ${ }^{\prime \prime}$ |
| Exports | 14.6 | 6.3 | 10.8 | 12.6 | 10.1 | 15.1 |
| Agricultural products | 21.6 | 7.4 | -5.0 | 11.5 | -1.8 | 1.8 |
| Nonagricultural products .................................................................. | 13.9 | 6.2 | 12.6 | 12.8 | 11.4 | 16.5 |
| Foods, feeds, and beverages ................................................................. | 20.3 | 10.0 | -7.5 | 10.8 | -1.1 | . 2 |
| Industrial supplies and materials ........................................................... | 20.4 | 1.1 | 6.8 | 6.2 | 6.0 | 7.2 |
| Capital goods, except automotive ......................................................... | 13.9 | 8.3 | 16.2 | 20.6 | 17.8 | 25.0 |
| Automotive vehicles, parts, and engines ................................................ | 7.0 | 5.2 | 12.9 | 5.7 | 4.1 | 11.9 |
| Consumer goods (nonfood), except automotive ....................................... | 7.4 | 8.9 | 10.4 | 6.0 | 7.4 | 9.6 |
| Exports, n.e.c. ................................................................................... | 19.6 | 6.7 | 18.2 | 15.8 | 8.9 | 21.5 |
| Imports | 12.1 | 7.2 | 9.2 | 9.6 | 10.3 | 14.4 |
| Petroleum and products .................................................................. | 9.5 | 29.5 | -. 9 | -1.5 | 7.7 | 4.9 |
| Nonpetroleum products ................................................................... | 12.3 | 5.4 | 10.2 | 10.6 | 10.5 | 15.5 |
| Foods, feeds, and beverages | 7.2 | 7.6 | 11.2 | 2.2 | 10.0 | 10.1 |
| Industrial supplies and materials | 12.2 | 13.2 | 3.8 | 2.2 | 7.3 | 5.8 |
| Capital goods, except automotive .......................................................... | 20.1 | 3.4 | 11.0 | 25.1 | 19.5 | 28.3 |
| Automotive vehicles, parts, and engines ................................................ | 4.7 | 4.2 | 9.1 | 1.7 | 3.5 | 8.9 |
| Consumer goods (nonfood), except automotive ...................................... | 9.3 | 6.9 | 12.8 | 7.7 | 6.6 | 14.1 |
| Imports, n.e.c., and U.S. goods returned ............................................... | 9.9 | 11.1 | 11.4 | 5.6 | 11.1 | 12.4 |

p Preliminary.
goods also increased significantly more in 1997 than in 1996 (chart 5).

Capital goods jumped $\$ 41.0$ billion, or 16 percent, to $\$ 294.1$ billion, following an 8 -percent increase; in both dollar and percentage terms, this jump exceeded the sizable increases in 1994 and 1995. Quantity increased 25 percent, following an 18 -percent increase. In value, exports to all major areas rose strongly in 1997; Latin America ( $\$ 11.3$ billion), Western Europe ( $\$ 11.1$ billion), and Asia, excluding Japan ( $\$ 9.2$ billion) accounted for over three-fourths of the increase. The gains in 1996 were as follows: Latin America ( $\$ 3.9$ billion), Western Europe ( $\$ 2.0$ billion), and Asia, excluding Japan ( $\$ 6.6$ billion).

About one-fourth of the jump in 1997 in capital goods was attributable to civilian aircraft, en-

Table G.-Percent Changes in U.S. Goods Trade ChainWeighted Price Indexes
[Based on index numbers (1992=100)

|  | 1995 | 1996 | 1997 ${ }^{\prime \prime}$ |
| :---: | :---: | :---: | :---: |
| Exports | 1.7 | -3.3 | -3.7 |
| Agricultural products | 9.2 | 9.4 | -6.6 |
| Nonagricultural products .................................... | 1.0 | -4.8 | -3.3 |
| Foods, feeds, and beverages | 8.6 | 11.3 | -7.7 |
| Industrial supplies and materials | 13.3 | -4.6 | -. 3 |
| Capital goods, except automotive | -5.6 | -8.0 | -7.0 |
| Computers, peripherals, and parts | -18.8 | -24.5 | -24.7 |
| Civilian aircraft, engines, and parts | 3.4 | 4.0 | 3.7 |
| Other capital goods | -3.7 | -5.6 | -4.2 |
| Automotive vehicles, parts, and engines ................. | 1.3 | 1.2 | 8 |
| Consumer goods (nonfood), except automotive ....... | 1.4 | 1.4 | . 7 |
| Exports, n.e.c. ..................................................... | 3.2 | -2.1 | -2.7 |
| Imports ................................................................. | 2.2 | -2.8 | -4.6 |
| Petroleum and products .................................... | 11.2 | 20.4 | -5.6 |
| Nonpetroleum products ....................................... | 1.6 | -4.6 | -4.6 |
| Foods, feeds, and beverages | 4.9 | -2.2 | 1.0 |
| Industrial supplies and materials | 9.6 | 5.6 | -1.9 |
| Capital goods, except automotive | -4.1 | -13.4 | -13.5 |
| Computers, peripherals, and parts | -14.4 | -18.1 | -20.8 |
| Civilian aircraft, engines, and parts ..................... | 2.4 | 4.3 | 4.1 |
| Other capital goods | -. 5 | -12.8 | -11.8 |
| Automotive vehicles, parts, and engines | 3.0 | 6 | . 2 |
| Consumer goods (nonfood), except automotive ....... | 1.5 | . 3 | -1.1 |
| Imports, n.e.c., and U.S. goods returned ................. | 4.1 | 0 | -. 8 |

PPreliminary

Table H.-Percent Changes in Foreign Currency Cost of U.S. Exports of Goods
[Based on index numbers (1992=100)]

|  | 1995 | 1996 | $1997{ }^{\text {P }}$ |
| :---: | :---: | :---: | :---: |
| Exports | -6.1 | 0.1 | 6.3 |
| Agricultural products | 8 | 13.4 | 3.0 |
| Nonagricultural products ................................... | -6.8 | -1.4 | 6.6 |
| Foods, feeds, and beverages ................................ | 3 | 15.3 | 1.8 |
| Industrial supplies and materials ............................ | 4.6 | -1.2 | 9.9 |
| Capital goods, except automotive .......................... | -12.9 | -4.7 | 2.6 |
| Computers, peripherals, and parts ...................... | -25.0 | -21.8 | -16.9 |
| Civilian aircraft, engines, and parts ..................... | -4.5 | 7.8 | 14.4 |
| Other capital goods ......................................... | -11.1 | -2.2 | 5.7 |
| Automotive vehicles, parts, and engines .................. | -6.5 | 4.8 | 11.2 |
| Consumer goods (nonfood), except automotive ....... | -6.4 | 5.0 | 11.1 |
| Exports, n.e.c. ..................................................... | $-4.7$ | 1.4 | 7.3 |

## $p$ Preliminary

NOTE-Chain-weighted price indexes multiplied by trade-weighted exchange rate index of the currencies of Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzercurrencies of Belgum, Ca
land and United Kingdom.
gines, and parts, which rose $\$ 10.6$ billion, more than double a 1996 increase that in turn followed declines in 1993-95. The strength in 1997 occurred in the first half of the year, as production problems and parts shortages curtailed shipments in the last half. Although there were scattered cancellations of future deliveries by Asian countries, there was no effect on deliveries in 1997.

## CHART 5

## Growth in Exports by Selected Commodity Categories and Areas



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

Excluding civilian aircraft, engines, and parts, capital goods increased $\$ 30.4$ billion, or 14 percent, to $\$ 252.7$ billion. This double-digit growth rate is more in line with the growth rates of 16 percent in 1994 and 19 percent in 1995 than with the 7 -percent growth rate in 1996. Computers, peripherals, and parts strengthened in 1997, but the increase was less than in 1995; in 1997, ex-
ports were particularly strong to the Netherlands and the United Kingdom. Semiconductors continued to rise, but the increase was modest in comparison with the increase in 1995, which was three times as large; higher exports to Asia and Mexico more than accounted for the rise in 1997. Telecommunications equipment jumped, led by stronger sales to Mexico and Brazil, but the in-

Table I.-U.S. Trade in Capital Goods, Except Automotive
[Balance of payments basis, millions of dollars]

|  | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 ${ }^{\text {P }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Exports ........................................................................................... | 176,070 | 182,096 | 205,248 | 233,776 | 253,141 | 294,122 |
| Computers, peripherals, and parts | 28,763 | 29,317 | 33,320 | 39,654 | 43,719 | 49,276 |
| Semiconductors ...................... | 15,987 | 19,122 | 25,178 | 34,153 | 35,768 | 38,823 |
| Telecommunications equipment | 11,450 | 13,513 | 16,296 | 20,248 | 20,323 | 23,795 |
| Scientific, hospital, and medical equipment and parts ............................. | 9,930 | 10,569 | 11,523 | 13,073 | 14,747 | 16,160 |
| Industrial, agricultural, and service industry machinery | 26,291 | 28,422 | 31,922 | 37,088 | 40,096 | 45,564 |
| Machine tools, metalworking equipment, and control instruments | 9,836 | 10,650 | 12,320 | 14,259 | 15,606 | 18,236 |
| Oil drilling, mining, and construction machinery ....... | 9,620 | 9,474 | 10,216 | 11,514 | 12,693 | 14,824 |
| Industrial engines, pumps, and compressors .......... | 6,658 | 7,506 | 9,176 | 10,160 | 10,287 | 12,518 |
| Electric generating machinery, electric apparatus, and parts ..................... | 15,480 | 16,959 | 19,674 | 23,040 | 24,113 | 27,940 |
| Civilian aircratt, engines, parts ........................................................ | 37,725 | 32,678 | 31,475 | 26,129 | 30,792 | 41,398 |
| Other capital goods, n.e.c. .............................................................. | 4,330 | 3,886 | 4,148 | 4,458 | 4,997 | 5,588 |
| Imports ........ | 134,252 | 152,305 | 184,369 | 221,429 | 229,049 | 254,167 |
| Computers, peripherals, and parts | 31,686 | 38,026 | 46,160 | 56,276 | 61,515 | 70,186 |
| Semiconductors .................................................................. | 15,475 | 19,482 | 26,156 | 39,042 | 36,707 | 36,868 |
| Telecommunications equipment ........................................................ | 10,776 | 11,275 | 14,184 | 15,332 | 14,375 | 15,601 |
| Scientific, hospital, and medical equipment and parts ............................. | 5,436 | 5,746 | 5,908 | 6,669 | 7,208 | 8,151 |
| Industrial, agricultural, and service industry machinery .. | 23,358 | 26,149 | 31,852 | 36,707 | 37,671 | 41,287 |
| Machine tools, metalworking equipment, and control instruments ............... | 7,055 | 8,040 | 9,804 | 12,244 | 13,463 | 14,959 |
| Oil driling, mining, and construction machinery .............................. | 2,948 | 4,314 | 5,325 | 5,481 | 5,685 | 6,656 |
| Industrial engines, pumps, and compressors ........ | 3,618 | 4,094 | 5,758 | 6,176 | 6,266 | 6,528 |
| Electric generating machinery, electric apparatus, and parts ..................... | 15,336 | 17,421 | 20,030 | 24,150 | 24,749 | 27,921 |
| Civilian aircraft, engines, parts .......... | 12,581 | 11,275 | 11,298 | 10,709 | 12,671 | 16,664 |
| Other capital goods, n.e.c. | 5,983 | 6,483 | 7,894 | 8,643 | 8,739 | 9,346 |

$p$ Preliminary.

Table J.-U.S. Trade in Industrial Supplies and Materials, Excluding Agricultural Products
[Balance of payments basis, millions of dollars]

|  |  |  |  |
| ---: | :--- | ---: | ---: | ---: | ---: | ---: | ---: |

$p$ Preliminary.
crease was less than those in 1994 and in 1995. Most types of heavy machinery also contributed to the rise in capital goods exports in 1997; the increase exceeded that in the peak year of 1995 (table I).

Nonagricultural industrial supplies and materials increased $\$ 9.4$ billion, or 7 percent, to $\$ 147.4$ billion in 1997, compared with a 2 -percent increase in 1996. Quantity increased 7 percent, following a 6 -percent increase. In value, chemicals, textiles, and metals and nonmetallic products were all higher. Chemicals increased 10 percent, or $\$ 4.4$ billion, compared with a decrease of 1 percent; nearly one-half of the increase was to Canada and Mexico. Textile supplies increased 12 percent, or $\$ 1.2$ billion. Within metals, iron and steel products and steelmaking materials increased, and nonmonetary gold fell sharply after a sizable increase in 1996 (table J).
Automotive products increased $\$ 8.4$ billion, or 13 percent, to $\$ 73.4$ billion in 1997, following a 5 -percent increase in 1996. Quantity increased 12 percent, following a 4 -percent increase. In value, the surge was due to a 17 -percent increase in engines and parts, largely to Mexico. In 1995, shipments to Mexico were held down as a result of the December 1994 currency devaluation and economic recession in 1995, but they grew rapidly in both 1996 and 1997 as auto manufacturers shifted production to Mexico. Shipments of engines and parts, as well as of completed autos, to Canada also accelerated sharply in 1997.
Consumer goods increased $\$ 7.3$ billion, or 10 percent, to $\$ 77.4$ billion, up from a 9 -percent increase. Quantity increased to percent, following an 8 -percent increase. In value, shipments picked up substantially to Canada and Mexico.
Agricultural products decreased $\$ 3.1$ billion, or 5 percent, to $\$ 58.4$ billion, in contrast to a 7 percent increase in 1996. The decrease was more than accounted for by a 7 -percent decline in prices; prices had increased 9 percent in 1996 when production shortages had driven prices for grains and soybeans to record levels. Quantity increased 2 percent, following a 2 -percent decrease. In value, sharply reduced shipments of corn and wheat more than accounted for the decline. The largest declines were to Asia and Mexico.
Corn dropped $\$ 3.2$ billion, or 36 percent, to $\$ 5.7$ billion. Prices fell 27 percent, as world supplies improved, while quantity declined 8 percent. Shipments to Asia and Mexico dropped the most.
Wheat dropped $\$ 2.2$ billion, or 34 percent to $\$ 4.2$ billion. Prices dropped 20 percent, as world supplies improved, while quantity dropped 16
percent. Shipments to Asia and Latin America dropped the most.

Soybeans increased \$0.1 billion, or 1 percent, to $\$ 7.5$ billion, following increases of 36 percent in 1996 and 24 percent in 1995. Shipments increased to Latin America. In the fourth quarter, shipments increased sharply when the United States had a record crop and supplies abroad remained tight.
Imports.-Nonpetroleum imports increased $\$ 74.7$ billion, or 10 percent, to $\$ 805.2$ billion in 1997, up from a 5 -percent increase in 1996. Quantity increased 16 percent, up from a 10 -percent increase. In value, capital goods increased $\$ 25.1$ billion, up from a $\$ 7.6$ billion increase, and consumer goods increased $\$ 21.9$ billion, up from an $\$ 11.1$ billion increase. Automotive products also increased. Petroleum imports fell after a substantial increase in 1996 (chart 6).

Capital goods increased $\$ 25.1$ billion, or 11 percent, to $\$ 254.2$ billion, compared with a 3-percent increase in 1996. Quantity increased 28 percent, following a 20 -percent increase. Computers, peripherals, and parts increased $\$ 8.7$ billion, or 14 percent, up from an increase of 9 percent in 1996 but below the 21-percent and 22-percent increases in 1994 and 1995, respectively. Semiconductors increased $\$ 0.2$ billion, rebounding from a 6-percent decline in 1996 that resulted from overproduction. As with computers, peripherals, and parts, imports came primarily from Asia, excluding Japan. Telecommunications equipment increased $\$ 1.2$ billion, rebounding from a $\$ 1.0$ billion decrease in 1996. Machinery increased strongly in 1997, following a lackluster performance in 1996 and larger increases in 1994 and 1995. Within this group, industrial, agricultural, and service industry machinery increased $\$ 3.6$ billion, or 10 percent, and electric generating machinery, electric apparatus, and parts increased $\$ 3.2$ billion, or 13 percent. Civilian aircraft, engines, and parts were sharply higher, increasing $\$ 4.0$ billion, or 32 percent (table I).
Consumer goods increased $\$ 22.0$ billion, or 13 percent, to $\$ 192.9$ billion, up from a 7 -percent increase. Quantity increased 14 percent, up from a 7 -percent increase. In value, imports from China increased $\$ 7.1$ billion, accounting for 33 percent of the growth. Other sizable increases were from Mexico and Canada. Three-fifths of the increase was accounted for by nondurable goods, mainly apparel, footwear, and household goods. Twofifths of the increase was accounted for by durable goods, mainly household goods and recreational equipment.

Automotive products increased $\$ 11.8$ billion, or 9 percent, to $\$ 140.7$ percent, following a 4 -percent increase. Quantity increased 9 percent, following a 3 -percent increase. In value, imports of autos from Germany, Canada, and Japan were higher than in 1996.

Nonpetroleum industrial supplies and materials increased $\$ 8.6$ billion, or 6 percent, to $\$ 145.3$ billion, following a 6-percent increase. Quantity increased 6 percent, following an 8 -percent in-

## CHART 6

## Growth in Imports by Selected Commodity Categories and Areas



pPreliminary
U.S. Department of Commerce, Bureau of Economic Analysis
crease. In value, chemicals increased $\$ 2.3$ billion, or 8 percent. A 6-percent rise in industrial production in the United States led to strong imports and rising prices for most imported chemical products. Metals and nonmetallic products increased $\$ 2.2$ billion, or 5 percent; the increase was held down by a decrease in nonmonetary gold. Building materials increased $\$ 1.8$ billion, or 12 percent; paper and paper based stocks declined. Textile supplies increased $\$ 1.3$ billion, or 14 percent (table J).

Petroleum imports decreased $\$ 0.7$ billion, or 1 percent, to $\$ 72.1$ billion in 1997, compared with a 30 -percent increase. The decrease in 1997 resulted from a decline in prices to an average of $\$ 18.58$ per barrel from $\$ 19.71$ per barrel. Quantity increased to 10.62 million barrels per day from 10.11 million barrels. OPEC's share of total petroleum imports remained about unchanged

## CHART 7

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


Milions of barrels per day

at 48 percent. In quantity, imports from Saudi Arabia decreased 2 percent; imports from Mexico and Nigeria increased 10 percent each; and imports from Canada and Venezuela increased 3 percent each (chart 7).
U.S. consumption of petroleum and products increased 2 percent to 18.6 million barrels per day. Production and inventories each increased 2 percent. Imports as a percent of consumption increased to 57 percent from 55 percent.
Balances by area.-The U.S. deficit in goods increased to $\$ 198.9$ billion in 1997 from $\$ 191.2$ billion in 1996; the increase in imports exceeded the increase in exports.

The deficit with Western Europe decreased to $\$ 22.9$ billion from $\$ 24.4$ billion. Exports of capital goods picked up sharply, and total industrial supplies and materials increased, partly in response
to accelerated European economic growth in the past 2 years. Imports of capital goods, consumer goods, and automotive products strengthened, partly in response to continued expansion in the United States (table K).
The deficit with Canada decreased to $\$ 19.0$ billion from $\$ 24.0$ billion. Exports of capital goods, total industrial supplies and materials, and automotive products increased more strongly than in 1996, as Canadian economic growth accelerated. Imports by the United States strengthened for automotive products, but most other categories were only slightly stronger or were somewhat weaker.

The deficit with Japan increased to $\$ 56.9$ billion from $\$ 49.2$ billion. Exports decreased, led by declines in foods and in total industrial supplies and materials. Imports accelerated, led by

Table K.-U.S. Trade in Goods by Major End-Use Category for Selected Areas and Countries
[Balance of payments basis, millions of dollars]

|  | Canada |  |  | Western Europe |  |  | United Kingdom |  |  | Germany |  |  | Japan |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1995 | 1996 | 1997 ${ }^{\text {P }}$ | 1995 | 1996 | $1997{ }^{p}$ | 1995 | 1996 | $1997{ }^{p}$ | 1995 | 1996 | $1997{ }^{p}$ | 1995 | 1996 | 1997p |
| Exports Agricultural products Nonagricultural products | 127,585 | 134,609 | $151,824$ | $132,431$ | 137,194 | 152,936 | $28,024$ | $30,246$ | 35,907 | 21,879 | 22,970 | 24,203 | $63,108$ | $65,954$ | $64,683$ |
|  | $\begin{array}{r} 6,614 \\ 120,971 \end{array}$ | $\begin{array}{r} 6,984 \\ 127,625 \end{array}$ | $\begin{array}{r} 8,060 \\ 143,764 \end{array}$ | $\begin{array}{r} 9,804 \\ 122,627 \end{array}$ | 10,517 126,677 | 10,442 | $\begin{array}{r} 1,086 \\ 26,938 \end{array}$ | $\begin{array}{r} 1,239 \\ 29,007 \end{array}$ | 1,315 34,592 | 20,658 | 21,501 | 22,384 | 11,110 51,998 | 11,690 54,264 | $\begin{aligned} & 10,562 \\ & 54,122 \end{aligned}$ |
| Foods, | 6,504 | 6,819 | 7,78 | 7,952 | 8,647 | 8,098 | 928 | 1,050 | 1,111 | 949 | 1,225 | 1,037 | 11,890 | 12,402 | 10,919 |
| Industrial supplies and materials | 28,247 | 29,603 | 33,832 | 34,433 | 34,953 | 37,032 | 6,365 | 7.578 | 7,047 | 4,416 | 4,127 | 4,694 | 15,985 | 15,079 | 14,071 |
| Capital goods, except automotive . | 40,810 | 43,166 | 49,135 | 61,596 | 63,557 | 74,626 | 15,686 | 16,062 | 20,893 | 11,693 | 12,073 | 12,541 | 21,942 | 24,795 | 26,358 |
| Automotive vehicles, parts, and engines | 34,043 | 35,138 | 39,085 | 6,197 | 6,659 | 7,318 | 929 | 919 | 1,123 | 1,700 | 2,182 | 2,195 | 4,697 | 4,605 | 3,936 |
| Consumer goods (nonlood), except automotive | 13,201 | 13,888 | 15,629 | 17,459 | 18,442 | 20,016 | 3,289 | 3,753 | 4,376 | 2,498 | 2,589 | 2,597 | 7,994 | 8,458 | 8,087 |
| Exports, n.e.c. .......................................... | 4,780 | 5,995 | 6,354 | 4,794 | 4,936 | 5,846 | 827 | 884 | 1,357 | 623 | 774 | 1,139 | 600 | 615 | 1,312 |
| Imports <br> Petroleum and products <br> Nonpetroleum producis $\qquad$ | 147,110 | 158,640 | 170,829 | 147,680 | 161,629 | 175,884 | 26,766 | 28,832 | 32,498 | 36,764 | 38,831 | 43,003 | 123,453 | 115,167 | 121,556 |
|  | 9,814 | 12,194 | 11,996 | 5,652 | 6,908 | 6,222 | 2,828 | 2,893 | 2,135 | 96 | 166 | 184 | 50 | 53 | 112 |
|  | 137,296 | 146,446 | 158,833 | 142,028 | 154,721 | 169,662 | 23,938 | 25,939 | 30,363 | 36,668 | 38,665 | 42,819 | 123,403 | 115,114 | 121,444 |
| Foods, feeds, and beverages $\qquad$ Industrial supplies and materials $\qquad$ <br> Capital goods, except automotive Automotive vehicles, parts, and engines Consumer goods (nonfood), except automotive Imports, n.e.c., and U.S. goods returned $\qquad$ | 6,583 | 7,765 | 8,562 | 7,054 | 7,628 41,698 | 8,178 41695 | 885 | 933 7074 | 987 6.711 | 646 7 | $\begin{array}{r}672 \\ 7 \\ \hline 93\end{array}$ | 660 8006 | 360 11.620 | 343 11.871 | 1243 |
|  | 55,515 | 60,420 | 63,371 | 36,817 | 41,698 | 41,695 | 6,998 | 7,071 | 6,711 | 7,065 | 7,593 | 8,006 | 11,620 | 11,871 | 12.764 |
|  | 22,206 | 24,182 | 26,425 | 50,045 | 52,679 | 58,808 20.504 | $\begin{array}{r}10,123 \\ 2,200 \\ \hline\end{array}$ | $\begin{array}{r}10,987 \\ 2 \\ 2 \\ \hline\end{array}$ | 13,649 2 2682 | 14,720 | 15,079 | 15,834 11761 | 59,382 | 54,376 | 56,868 |
|  | 8,611 | 9,945 | 11,166 | 30,452 | 33,802 | 37,807 | 4,928 | 5,607 | 6,254 | 3,832 | 3,886 | 4,946 | 12,300 | 11,778 | 36,069 12 |
|  | 9,813 | 10,414 | 10,893 | 6,850 | 7,910 | 8,892 | 1,632 | 1,848 | 2,215 | 1,340 | 1,553 | 1,796 | 1,853 | 2,105 | 2,480 |
| Balance | -19,525 | -24,031 | -19,005 | -15,249 | -24,435 | -22,948 | 1,258 | 1,414 | 3,409 | -14,885 | -15,861 | -18,800 | -60,345 | -49,213 | -56,873 |
|  | Latin America |  |  | Mexic |  |  | Asia, excluding Japan |  |  | Hong Kong, Republic of Korea, Singapore, Taiwan |  |  | China |  |  |
|  | 1995 | 1996 | 1997p | 1995 | 1996 | $1997{ }^{\text {P }}$ | 1995 | 1996 | $1997{ }^{P}$ |  |  |  | 1995 | 1996 | $1997{ }^{P}$ |
|  |  |  |  |  |  |  |  |  |  | 1995 | 1996 | 1997P |  |  |  |
| Exports $\qquad$ <br> Agricultural products $\qquad$ Nonagricultural products $\qquad$ | 87,5646,76180,803 | $\begin{array}{r} 100,248 \\ 9,125 \\ 91,123 \end{array}$ | $\begin{array}{r} 123,643 \\ 8,962 \\ 111024 \end{array}$ | $\begin{array}{r} 46,189 \\ 3,529 \end{array}$ | $\begin{gathered} 56,735 \\ 5,461 \\ 5=1 \end{gathered}$ | $\begin{array}{r} 71,214 \\ 5,223 \end{array}$ | $\left\|\begin{array}{r} 130,436 \\ 16,559 \end{array}\right\|$ | $\begin{aligned} & 135,380 \\ & 16,299 \end{aligned}$ | $\begin{gathered} 144,803 \\ 14,444 \end{gathered}$ | $\begin{array}{r} 71,836 \\ 8,145 \end{array}$ | $\begin{array}{r} 73,319 \\ 8,624 \end{array}$ | $\begin{gathered} 76,417 \\ 7,470 \end{gathered}$ | $\begin{array}{r} 11,754 \\ 2,636 \end{array}$ | 11,9382,096 | 12,6691,60111,68 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 114,681 | 42,660 |  | 65,991 | 113,877 | 119,081 | 130,359 | 63,691 | 64,695 | 68,947 | 9,118 | 9,842 | 11,068 |
| Foods, feeds, and beverages $\qquad$ <br> Industrial supplies and materials $\qquad$ <br> Capital goods, except automotive <br> Automotive vehicles, parts, and engines $\qquad$ <br> Consumer goods (nonfood), excepl automotive <br> Exports, n.e.c. $\qquad$ | $\begin{array}{r} 5,533 \\ 26,071 \\ 32,832 \\ 9,723 \\ 10,732 \\ 2,673 \end{array}$ | $\begin{array}{r} 7,666 \\ 28,857 \\ 36,734 \\ 10,923 \\ 1,988 \\ 3,080 \end{array}$ | $\begin{array}{r} 7,202 \\ 3,479 \\ 48,007 \\ 15,196 \\ 15949 \\ 3,810 \end{array}$ | $\begin{array}{r} 2,931 \\ 13,802 \end{array}$ | $\begin{array}{r} 4,581 \\ 16,573 \\ 18,594 \end{array}$ | 4,24219,644 | $\begin{aligned} & 12,653 \\ & 34,458 \end{aligned}$ | $\begin{aligned} & 13,387 \\ & 31,736 \end{aligned}$ | $\begin{aligned} & 11,675 \\ & 31,801 \end{aligned}$ | $\begin{array}{r} 6,433 \\ 20,145 \end{array}$ | $\begin{array}{r} 7,340 \\ 18,022 \end{array}$ | $\begin{array}{r} 6,188 \\ 17,882 \end{array}$ | $\begin{aligned} & 1,702 \\ & 4,350 \end{aligned}$ | 1,3244,109 | 1,0014,138 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  | 24,940 | 63,955 | 70,557 | 79,767 |  | 39,434 | 41,798 | 5,094167 | $\begin{array}{r}5,741 \\ 181 \\ \hline\end{array}$ | 6,584392 |
|  |  |  |  | $\begin{array}{r} 15,900 \\ 6,961 \end{array}$ | $\begin{array}{r} 18,594 \\ 8,284 \end{array}$ | 11,600 | 5,123 | 5,334 | 5,502 |  |  | 2,306 |  |  |  |
|  |  |  |  | 4,811 | 6,524 | 8,095 | 10,056 | 10,744 | 11,480 | 5,391 | 5,680 | 5,836 | 338 | 484 | 534 |
|  |  |  |  | 1,784 | 2,179 | 2,693 | 4,191 | 3,622 | 4,578 | 1,457 | 888 | 2,407 | 103 | 99 | 20 |
| Imports .....................................................Petroleum and products ..................... | $\begin{gathered} 98,739 \\ 17,488 \end{gathered}$ | $\begin{array}{r} 117,475 \\ 23,972 \end{array}$ | $\begin{aligned} & 132,503 \\ & 24,288 \end{aligned}$ | $\begin{gathered} 62,767 \\ 6,270 \end{gathered}$ | $\begin{array}{r} 75,108 \\ 8,127 \end{array}$ | $\begin{gathered} 86,674 \\ 8,459 \end{gathered}$ | $\left.\begin{gathered} 199,698 \\ 10,846 \end{gathered} \right\rvert\,$ | $\begin{array}{r} 212,788 \\ 13,401 \end{array}$ | $\begin{aligned} & 234,843 \\ & 12,527 \end{aligned}$ | $\begin{aligned} & 81,957 \\ & 286 \end{aligned}$ | $\begin{array}{r} 82,705 \\ 216 \\ \hline \end{array}$ | $\begin{aligned} & 86,135 \\ & 269 \end{aligned}$ | $45,542$ | 51,511 <br> 131 <br> 1.077 | 62,56647562,091 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 81,251 | 93,503 | 108,215 | 56,497 | 66,981 | 78,215 | 188,852 | 199,387 | 222,316 | 81,671 | 82,489 | 85,866 | 45,216 | 51,077 |  |
| Foods, feeds, and beverages $\qquad$ Industrial supplies and materials <br> Capital goods, except automotive $\qquad$ | 11,07631,465 | $\begin{aligned} & 11,337 \\ & 39,042 \end{aligned}$ | $\begin{gathered} 12,892 \\ 40,399 \end{gathered}$ | $\begin{array}{r} 4,290 \\ 12,494 \end{array}$ | $\begin{array}{r} 4,221 \\ 14,825 \end{array}$ | $\begin{array}{r} 4,620 \\ 15,85 \end{array}$ | $\begin{gathered} 5,935 \\ 27,608 \\ \gg 0 \end{gathered}$ | $\begin{array}{r} 6,2100 \\ 30,67 \\ \hline 0,0 \end{array}$ | $\begin{array}{r} 6,888 \\ 31973 \\ \hline 0760 \end{array}$ | 691 | 667 | 711 | 6223,8577,596 | 6624,26088 | 7375,179 |
|  |  |  |  |  |  |  |  |  |  | 6,75746,173 | 6,821 | 7,63250875 |  |  |  |
|  | 14,56619,70318 | 17,00424,500 | 21,544 | 13,18518,641 | 15,596 <br> 23,345 | 19,76725,881 | 73,390 | 78,558 |  |  | 48,449 |  |  |  | 11,527 |
| Automotive vehicles, parts, and engines |  |  |  |  |  |  | 5,035 | 5,493 | 5,689 | 3,297 | 3,566 | 3,707 | 635 | $\begin{array}{r\|r\|r} 6 & 8,741 \\ 5 & 750 \\ 4 & 36,697 \\ 8 & 401 \end{array}$ | 78843,873462 |
| Consumer goods (nonfood), except automotive | 18,329 | 21,583 | 25,808 | 11,213 | 13,823 | 16,816 | 84,581 | 88,143 | 98,250 | 23,440 | 21,176 | 20,898 | 32,464 |  |  |
| Imports, n.e.c., and U.S. goods returned .......... | 3,600 | 4,009 | 4,497 | 2,944 | $-18,373$ | 3,737 | 3,149 | 3,713 | 4,480 | 1,599 | 2,026$-9,386$ | 2,312$-9,718$ | 368$-33,788$ |  |  |
| Balance ........................................................ | -11,175 | -17,227 | -8,860 | $-16,578$ |  | -15,460 | -69,262 | -77,408 | -90,040 | -10,121 |  |  |  | -39,573 | -49,897 |

${ }^{p}$ Preliminary.
increases in capital goods, automotive products, and consumer goods that followed sharp declines in these categories in 1996.

The deficit with Latin America decreased to $\$ 8.9$ billion from $\$ 17.2$ billion. Sharply higher exports, mostly of capital goods but also of total industrial supplies and materials and automotive products, were only partly offset by continued strength in most import categories, except petroleum imports, which changed little.

The deficit with the Asia, excluding Japan, increased to $\$ 90.0$ billion from $\$ 77.4$ billion. Exports of capital goods recovered somewhat from the sharp slowdown in 1996, and total industrial supplies and materials were unchanged. Imports of capital goods, largely computers and semiconductors, picked up somewhat (but those from Hong Kong, the Republic of Korea, Singapore, and Taiwan, collectively, increased about the same amount as in 1996), while imports of consumer goods from China accelerated sharply.

Services.-The surplus on services increased to $\$ 85.3$ billion in 1997 from $\$ 80.1$ billion in 1996, a smaller increase than in 1996. In 1997, service receipts increased to $\$ 253.2$ billion from $\$ 236.8$
billion, and service payments increased to $\$ 167.9$ billion from $\$ 156.6$ billion (table L).

Foreign visitors spent $\$ 74.4$ billion for travel in the United States in 1997, an increase of 6 percent. Receipts from overseas (excluding Canada and Mexico) increased 7 percent, following an 11-percent increase; the growth in visitors from Western Europe was less than in 1996, partly reflecting the restraining effect of dollar appreciation against the European currencies. The growth in visitors from Asia was also less; it was held down by a decline in visitors in the fourth quarter when financial conditions in Asia deteriorated. Receipts from Canada were unchanged, and receipts from Mexico increased.
U.S. residents spent $\$ 52.0$ billion for travel abroad in 1997, an increase of 7 percent. Expenditures overseas increased 7 percent, following a 5 -percent increase; the growth in travelers to Western Europe and Japan were both up 11 percent, as U.S. income continued to rise strongly and the dollar appreciated. Expenditures in Canada were down, and expenditures in Mexico increased.
"Other" transportation receipts were $\$ 28.2$ billion in 1997, up 4 percent after a 1-percent

Table L.-Services
[Millions of dollars, quarters seasonally adjusted]

|  | 1995 | 1996 | $1997{ }^{p}$ | 1997 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | $1 r$ | $1^{r}$ | $\\|^{\prime \prime}$ | IV ${ }^{P}$ |
| Exports ................................................................................................ | 218,739 | 236,764 | 253,220 | 61,736 | 63,335 | 64,397 | 63,754 |
| Travel | 63,395 | 69,908 | 74,407 | 18,585 | 18,634 | 18,732 | 18,456 |
| Passenger fares .................................................................................. | 19,125 | 20,557 | 21,710 | 5,316 | 5,508 | 5,468 | 5,418 |
| Other transportation ............................................................................. | 27,412 | 27,216 | 28,194 | 7,001 | 7,045 | 6,939 | 7,210 |
| Royalties and license fees | 27,383 | 29,974 | 30,269 | 7,688 | 7,608 | 7,520 | 7,452 |
| Other private services ......................................................................... | 66,850 | 73,569 | 82,681 | 19,753 | 20,622 | 21,277 | 21,031 |
| Affiliated services .............................................................................. | 20,272 | 22,810 | 25,483 | 6,103 | 6,425 | 6,622 | 6,334 |
| Unaffiliated services .......................................................................... | 46,578 | 50,759 | 57,198 | 13,650 | 14,197 | 14,655 | 14,697 |
| Education | 7,512 | 7,807 | 8,134 | 1,986 | 2,003 | 2,074 | 2,071 |
| Financial | 7,029 | 8,034 | 10,104 | 2,259 | 2,492 | 2,701 | 2,652 |
| Insurance ................................................................................... | 1,390 | 2,121 | 2,558 | 620 | 637 | 648 | 654 |
| Telecommunications ..................................................................... | 3,183 | 3,405 | 3,596 | 845 | 895 | 913 | 944 |
| Business, professional, and technical ............................................. | 17,765 | 19,247 | 22,116 | 5,287 | 5,543 | 5,642 | 5,644 |
| Other .......................................................................................... | 9,699 | 10,145 | 10,690 | 2,653 | 2,627 | 2,677 | 2,732 |
| Miiitary transactions ${ }^{1}$...... | 13,756 | 14,647 | 15,175 | 3,190 | 3,727 | 4,261 | 3,997 |
| U.S. Government receipts | 818 | 893 | 784 | 203 | 191 | 200 | 190 |
| Imports .................................................................................................. | 147,036 | 156,634 | 167,929 | 41,216 | 41,817 | 42,303 | 42,592 |
| Travel | 46,053 | 48,739 | 52,029 | 13,004 | 12,989 | 12,813 | 13,224 |
| Passenger fares ................................................................................ | 14,433 | 15,776 | 16,927 | 4,272 | 4,190 | 4,166 | 4,298 |
| Other transportation ............................................................................ | 28,249 | 28,453 | 29,771 | 7,377 | 7,541 | 7,368 | 7,484 |
| Royalties and license fees ................................................................... | 6,503 | 7,322 | 7,512 | 1,797 | 1,846 | 2,043 | 1,826 |
| Other private services .......................................................................... | 39,285 | 42,796 | 47,548 | 11,327 | 11,893 | 12,320 | 12,009 |
| Affilated services ............................................................................. | 13,597 | 16,026 | 17,610 | 4,227 | 4,368 | 4,600 | 4,415 |
| Unaffiliated services .......................................................................... | 25,689 | 26,770 | 29,938 | 7,100 | 7,525 | 7,720 | 7,594 |
| Education .................................................................................... | 949 | 1,041 | 1,131 | 276 | 279 | 285 | 291 |
| Financial .................................................................................... | 2,472 | 3,184 | 4,059 | 888 | 1,106 | 1,182 | 883 |
| Insurance | 5,383 | 4,387 | 4,817 | 1,139 | 1,195 | 1,232 | 1,251 |
| Telecommunications ...................................................................... | 7,773 | 8,385 | 8,576 | 2,076 | 2,137 | 2,157 | 2,205 |
| Business, protessional, and technical ............................................ | 4,691 | 5,253 | 6,464 | 1,540 | 1,612 | 1,648 | 1,664 |
| Other ................................................................................................................... | 4,420 | 4,520 | 4,891 | 1,180 | 1,196 | 1,215 | 1,299 |
| Direct defense expenditures ${ }^{2}$.............................................................. | 9,890 | 10,861 | 11,345 | 2,753 | 2,679 | 2,863 | 3,050 |
| U.S. Government payments ................................................................. | 2,623 | 2,687 | 2,796 | 686 | 679 | 730 | 701 |
| $r$ Revised. <br> $p$ Preliminary. <br> 1. Consists of transfers under U.S. military agency sales contracts. Includes goods which | not be separately identified. <br> 2. Consists of imports of U.S. defense agencies. Includes goods which cannot be separately identified. |  |  |  |  |  |  |

decrease in 1996. The increase in overseas demand for U.S. goods exports, particularly by Western Europe and Latin America, had the greatest impact on air export volumes, resulting in substantial growth in air freight receipts; ocean export volumes decreased slightly. Port service receipts were up slightly.
"Other" transportation payments were $\$ 29.8$ billion in 1997, up 5 percent after a 1-percent increase in 1996. Like receipts, the increase in payments was strong for Western Europe and Latin America. Freight payments increased: While ocean freight payments were held down by the continued erosion of liner freight rates, particularly on imports from Asia due to overcapacity on that trade route, air freight payments continued to rise, partly because of a jump in import tonnage carried by Asian airlines. Air port service payments increased, reflecting both larger import and export volumes carried by U.S. airlines, and ocean port service payments decreased for the second consecutive year.
"Other" private service receipts were $\$ 82.7$ billion in 1997, up from $\$ 73.6$ billion in 1996. Affiliated services increased about the same amount in 1997 as in 1996. Among unaffiliated services, business, professional, and technical services increased more rapidly in 1997 than in 1996. Financial services also increased more rapidly than in 1996, reflecting heightened activity in U.S. financial markets that was tempered late in the year by repercussions from financial problems in Asia.
"Other" private service payments were $\$ 47.5$ billion in 1997, up from $\$ 42.8$ billion in 1996. Affiliated services increased less in 1997 than in
1996. Among unaffiliated services, business, professional, and technical services increased more rapidly in 1997 than in 1996. Financial services increased only slightly more rapidly than in 1996: Activity in financial markets abroad was particularly high in the second and third quarters, but fell sharply in the fourth quarter as a result of repercussions from financial problems in Asia.

Transfers under U.S. military sales contracts increased to $\$ 15.2$ billion in 1997, up from $\$ 14.6$ billion in 1996. Most of the increase was in the delivery of aircraft, missiles, and weapons systems to Turkey, Saudi Arabia, and Taiwan.
Direct defense expenditures abroad were $\$ 11.3$ billion in 1997, up from $\$ 10.9$ billion in 1996. Much of the increase was attributable to higher personnel expenditures. Key developments within the year included the continuation of the U.S. peace-keeping mission to Bosnia at half the troop strength of 1996 and, toward yearend, the repositioning of U.S. troops to the Persian Gulf area as tensions escalated with Iraq over the access of United Nations' weapons inspection teams to Iraqi facilities.

## Investment income

The balance on investment income shifted to a deficit of $\$ 14.3$ billion in 1997 from a surplus of $\$ 2.8$ billion in 1996 (table D). "Other" private receipts increased much more strongly than in 1996; direct investment receipts also increased more strongly. All types of paymentsU.S. Government, "other" private, and direct investment-increased substantially more than in 1996.

Table M.-Direct Investment Income and Capital
[Millions of dollars, quarters seasonally adjusted]

| (Credits +; debits - ) | 1995 | 1996 | 1997 ${ }^{\text {P }}$ | 1997 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | $1{ }^{\text {r }}$ | $1{ }^{r}$ | lif | IV ${ }^{\text {P }}$ |
| Income |  |  |  |  |  |  |  |
| Income receipts on U.S. direct investment abroad ..................................... | 90,349 | 98,890 | 109,227 | 25,864 | 27,963 | 28,189 | 27,209 |
| Distributed earnings ..................................................................... | 32,991 | 37,629 | 40,778 | 9,036 | 10,975 | 11,835 | 8,932 |
| Reinvested earnings. | 54,007 | 57,885 | 63,955 | 15,938 | 15,933 | 15,135 | 16,949 |
| Interest, net, ................................................................................ | 3,350 | 3,377 | 4,491 | 890 | 1,055 | 1,219 | 1,328 |
| Income payments on foreign direct investment in the United States ............... | -30,345 | -32,132 | -41,527 | -8,538 | -10,241 | -11,666 | -11,081 |
| Distributed earnings ...................................................................... | -12,254 | -12,024 | -10,953 | -2,200 | -3,575 | -2,299 | -2,879 |
| Reinvested earnings ...................................................................... | -9,826 | -12,187 | -20,355 | -4,229 | -3,894 | -6,707 | -5,525 |
| Interest, net .................................................................................... | -8,265 | -7,92t | -10,217 | -2,110 | -2,772 | -2,660 | -2,677 |
| Capital |  |  |  |  |  |  |  |
| U.S. direct investment abroad (increase/capital outilow (-)) .......................... | -86,737 | -87,813 | -119,443 | -26,754 | -36,988 | -22,763 | -32,936 |
| Equity capital ........................................................................................................... | -36,611 | -21,605 | -48,054 | -11,252 | -10,036 | -9,102 | -17,664 |
| Reinvested earnings .................................................................... | -54,007 | -57,885 | -63,955 | -15,938 | -15,933 | -15,135 | -16,949 |
| Intercompany debt .......................................................................... | 3,881 | -8,323 | -7,433 | 436 | -11,019 | 1,474 | 1,677 |
| Foreign direct investment in the United States (increase/capital inflow ( + ))..... | 67,526 | 76,955 | 107,927 | 30,685 | 26,652 | 25,949 | 24,641 |
| Equity capital ............................................................................... | 45,057 | 53,030 | 47,849 | 11,799 | 8,558 | 11,265 | 16,226 |
| Reinvested earnings ...................................................................... | 9,826 | 12,187 | 20,355 | 4,229 | 3,894 | 6,707 | 5,525 |
| Intercompany debt ........................................................................................... | 12,643 | 11,739 | 39,724 | 14,657 | 14,200 | 7,977 | 2,890 |

[^46]${ }_{P}$ Preliminary.

Direct investment income.-Receipts of income on U.S. direct investment abroad were $\$ 109.2$ billion in 1997, compared with $\$ 98.9$ billion in 1996 (table M, chart 8). The increase was about the same as that in 1996, but both years trailed an increase in 1995 that was more than twice as large. Most of the increase in earnings in 1997 was in finance, wholesale trade, services, and "other" industries. Earnings of manufacturing affiliates increased moderately (chart 9).

Payments of income on foreign direct investment in the United States were a record $\$ 41.5$ billion in 1997, up sharply from the previous record of $\$ 32.1$ billion in 1996 (table M, chart 8). Earnings in "other" industries increased $\$ 4.5$ billion, mainly in insurance and finance, following a decline in 1996. Earnings in manufacturing increased $\$ 2.0$ billion, more than twice the increase in 1996; more than half of the increase in 1997 was


Private Investment Income Billion \$


U.S. Department of Commerce, Bureau of Economic Analysis
in machinery. Earnings in petroleum increased $\$ 0.6$ billion (chart 10 ).
"Other" private and U.S. Government income.-Receipts of income on "other" private investment increased to a record $\$ 123.3$ billion in 1997, up from the previous record of $\$ 102.9$ billion in 1996 (table N, chart 8). All the major components increased, led by higher interest income receipts by banks and nonbanks, as increased financial activity resulted in higher outstanding claims on foreigners. Income receipts from stocks and bonds reflected an increase in U.S. holdings of foreign securities.

## CHART 9

## Earnings on U.S. Direct Investment Abroad



NOTE.--To be consistent with earnings by area and by industry, total earnings are
shown in this chart without the current-cost adiustment and after deduction of withhoiding taxes, the only basis on which area and industry data are available
U.S. Department of Commerce, Bureau of Economic Analysis

Receipts of income on U.S. Government assets decreased to $\$ 3.5$ billion from $\$ 4.6$ billion (table O).

Payments of income on "other" private investment increased to a record $\$ 117.7$ billion from the previous record of $\$ 100.1$ billion in 1996 (table N, chart 8). Payments of interest on U.S. corporate bonds increased the most, largely as a result of higher foreign holdings. Payments of interest on U.S. bank liabilities reflected higher outstanding liabilities, as interest rates changed little.

Payments of income on U.S. Government liabilities were a record $\$ 91.1$ billion, up from the previous record of $\$ 71.3$ billion, as a result of a large increase in foreign holdings of U.S. Treasury securities (table O ).

Table N.-Other Private Income

| [Billions of dollars] |  |  |  |
| :---: | :---: | :---: | :---: |
|  | 1995 | 1996 | $1997{ }^{\text {P }}$ |
| Receipts | 101.8 | 102.9 | 123.3 |
| Dividends | 17.9 | 20.7 | 24.7 |
| Interest on bonds | 26.9 | 26.0 | 28.0 |
| Interest on bank claims | 31.0 | 29.6 | 36.7 |
| Interest on other claims ${ }^{1}$ | 26.0 | 26.6 | 33.9 |
| Payments | 98.4 | 100.1 | 117.7 |
| Dividends | 11.2 | 12.3 | 14.3 |
| Interest on bonds | 29.1 | 33.5 | 40.2 |
| Interest on bank liabilities | 42.7 | 37.7 | 42.8 |
| Interest on other liabilities ' | 15.4 | 16.6 | 20.4 |

p Preliminary.

1. Primarily income of business concerns other than banks.

Note.-Excludes direct investment income recepts and payments.

Table O.-Selected U.S. Government Transactions [Milions of dollars]

|  | 1995 | 1996 | $1997{ }^{p}$ | 1997 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1 | II | III | IV 8 |
| U.S. Government grants .......................... | -11,096 | -14,933 | -11,688 | -2,109 | -2,245 | $-2,231$ | -5,103 |
| Disbursed | -11,096 | -14,933 | -11,688 | -2,109 | -2,245 | -2,231 | -5,103 |
| For debt forgiveness | -434 |  | -179 |  | -69 | -89 | -21 |
| Other disbursements | -10,662 | -14,933 | -11,509 | -2,109 | -2,176 | -2,142 | $-5,082$ |
| Received |  |  |  |  |  |  |  |
| For Defense Cooperation Account Other receipts |  |  |  |  |  |  |  |
| U.S. Government credits and other long- |  |  |  |  |  |  |  |
| term assets .................................... | -4,803 | -4,930 | -5,237 | -1,107 | -1,613 | -1,415 | -1,102 |
| For debt rescheduling ........................ | -1.067 | -876 | -1,114 | -80 | -593 | -352 | -89 |
| Other disbursements .......................... | $-3.736$ | -4,054 | -4.123 | -1,027 | -1,020 | -1,063 | -1.013 |
| Repayments of U.S. Government credits and other long-term assets | 4,115 | 4,134 | 5,439 | 1,111 | 1.358 | 1.876 | 1,094 |
| From debt rescheduling ......................... | 174 | 373 | 878 | 26 | 480 | 323 | 49 |
| From debt forgiveness ........................ | 408 |  | 138 |  | 66 | 63 | 9 |
| Other repayments ............................... | 3,533 | 3,761 | 4,423 | 1,085 | 812 | 1,490 | 1,036 |
| U.S. Government receipts of income ......... | 4,695 | 4.644 | 3.538 | 955 | 747 | 1,019 | 817 |
| From debt rescheduling ...................... | 103 | 150 | 174 | 45 | 80 | 26 | 23 |
| From debt forgiveness ........................ | 26 |  | 39 |  | 1 | 25 | 13 |
| Other receipts .................................... | 4,567 | 4,494 | 3,325 | 910 | 666 | 968 | 781 |
| U.S. Government payments of income ...... | -61,279 | -71,342 | -91,081 | $-21.139$ | $-22,794$ | $-23,469$ | -23,679 |

[^47]
## Unilateral transfers

Net unilateral transfers were $\$ 38.5$ billion in 1997, compared with $\$ 40.0$ billion in 1996. U.S. Government grants decreased to $\$ 11.7$ billion from $\$ 14.9$ billion (table O ); they had been boosted to an unusually high level in early 1996 as the Federal Government resumed operations after the budget deadlock and U.S. Government shutdown at the end of 1995. Grant disbursements for debt forgiveness were $\$ 0.2$ billion in 1997, compared with none in 1996. The decrease in grants was partly offset by an increase in private remittances and other transfers.

## CHART 10

Earnings on Foreign Direct Investment in the United States
Billion \$



NOTE - To be consistent with earnings by area and by industry, total earnings are showm in this chart without the current-cost adjustment and atter deduction of
U.S. Department of Commerce, Bureau of Econonic Analysis

## Capital Account

Net recorded capital inflows-that is, the difference between changes in net U.S. assets abroad and changes in net foreign assets in the United States-were $\$ 263.6$ billion in 1997 , compared with $\$ 195.1$ billion in 1996, reflecting a larger stepup in the increase in foreign assets in the United States than in the increase in U.S. assets abroad.

## U.S. assets abroad

U.S. assets abroad increased $\$ 426.9$ billion in 1997 , compared with an increase of $\$ 352.4$ billion in 1996. The increases in U.S. claims on foreigners
reported by U.S. banks and in U.S. direct investment outflows were both higher in 1997 than in 1996. Net U.S. purchases of foreign securities were lower.
U.S. official reserve assets.-U.S. official reserve assets increased $\$ 1.0$ billion in 1997, compared with a decrease of $\$ 6.7$ billion in 1996. In 1997, reserve assets decreased in the first quarter, when Mexico made the last repayment on its mediumterm swap arrangement with the United States, and increased in the fourth, when the U.S. reserve position with the IMF increased, mainly reflecting drawings by Indonesia and the Republic of Korea on the IMF's credit facilities. U.S. mone-

Table P.-Private Capital Flows, Net
[Bilions of dollars]

| Claims (increase/capital outilow (-)); liabilities (increase/capital inflow ( + )) | 1995 | 1996 | $1997{ }^{p}$ | 1997 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1 | 11 | III ${ }^{\text {r }}$ | Np |
| Private capital flows ................................................................. | 43.6 | 66.9 | 246.2 | 20.6 | 57.6 | 50.9 | 116.9 |
| Bank-reported capital, net ${ }^{1}$............................................................... | -44.9 | -88.4 | -8.6 | -44.6 | . 1 | -20.5 | 56.4 |
| U.S. claims ................................................................................. | -75.1 | -98.2 | -151.1 | -62.0 | -28.0 | -30.6 | -30.5 |
|  | 30.2 | 9.8 | 142.5 | 17.4 | 28.1 | 10.1 | 86.9 |
| Securities, net | 95.8 | 181.2 | 273.1 | 72.0 | 74.9 | 57.5 | 68.5 |
| Net U.S. purchases of foreign securities ............................................. | -100.1 | -108.2 | -79.3 | -14.6 | -21.9 | -39.2 | $-3.7$ |
| Stocks ................................................................................ | -50.4 | -58.8 | -38.0 | -11.8 | -13.3 | -15.6 | 2.6 |
| Bonds ................................................................................. | -49.7 | -49.4 | -41.3 | -2.8 | -8.6 | -23.6 | -6.3 |
| Net foreign purchases of U.S. securities ............................................ | 195.9 | 289.4 | 352.4 | 86.6 | 96.8 | 96.7 | 72.2 |
| U.S. Treasury securities ............................................................. | 99.5 | 155.6 | 163.1 | 47.8 | 45.1 | 36.3 | 33.8 |
| Other than U.S. Treasury securities .............................................. | 96.4 | 133.8 | 189.3 | 38.8 | 51.7 | 60.4 | 38.4 |
| Stocks .............................................................................. | 13.5 | 12.6 | 66.9 | 10.2 | 21.7 | 23.2 | 11.8 |
| Bonds ................................................................................ | 82.9 | 121.2 | 122.4 | 28.6 | 30.0 | 37.2 | 26.6 |
| U.S. currency flows, net .................................................................... | 12.3 | 17.3 | 24.8 | 3.5 | 4.8 | 6.6 | 9.9 |
| Direct investment, net | -19.2 | -10.8 | -11.5 | 4.0 | -10.3 | 3.1 | -8.3 |
| U.S. direct investment abroad | -86.7 | -87.8 | -119.4 | -26.7 | -37.0 | -22.8 | $-32.9$ |
| Foreign direct investment in the United States ..................................... | 67.5 | 77.0 | 107.9 | 30.7 | 26.7 | 25.9 | 24.6 |
| Nonbank-reported capital, net ............................................................................. | -. 4 | -32.4 | -31.6 | -14.3 | -11.9 | 4.2 | -9.6 |
| U.S. clains ....................................................................................................... | -35.0 | -64.2 | -76.3 | -29.5 | -4.0 | -17.8 | -25.0 |
| U.S. liabilities ................................................................................... | 34.6 | 31.8 | 44.7 | 15.2 | -7.9 | 22.0 | 15.4 |

Table Q.-U.S. Bank-Reported Claims and Liabilities by Type
[Billions of dollars]

tary authorities did not intervene in the foreign exchange markets in 1997 (table C).

Claims reported by banks.-Claims on foreigners reported by U.S. banks increased $\$ 151.1$ billion in 1997, compared with an increase of $\$ 98.2$ billion in 1996 (tables P and Q).
Banks' own claims payable in dollars increased $\$ 104.2$ billion in 1997, up sharply from an increase of $\$ 68.3$ billion in 1996. The 1997 increase was just under the record $\$ 104.3$ billion increase in 1982. Foreign-owned banks accounted for much of the increase in claims in 1997. Outflows were especially strong in the first half of the year, when foreign-owned banks extended $\$ 65.0$ billion in credit, but their lending slowed to $\$ 12.3$ billion in the second half. In the first half, foreign-owned banks shifted the booking of international loans from overseas to their U.S. offices, but this practice ended abruptly in the third quarter. The lending supported buoyant credit conditions in Europe, where consolidation and merger and acquisition activity among both industrial companies and major European banking groups accelerated in preparation for the beginning of the European Monetary Union. The lending also supported, through October, strong foreign purchases of U.S. Treasury bonds, as bond prices rose and the dollar appreciated. In the fourth quarter, foreign-owned banks were joined by U.S.-owned banks in meeting the surge in borrowing abroad that was partly attributable to uncertainties created by financial problems in Asia and to the desire of many foreign borrowers to enter into shorter term borrowing arrangements.
U.S.-owned banks did not participate in the cross-border funding of financial activity in Europe or elsewhere during the first three quarters; their claims decreased $\$ 10.2$ billion during this period. In the fourth quarter, however, U.S.owned banks provided $\$ 37.2$ billion in credit to meet a surge in demand for credit by banks in financial centers in the Caribbean and the United Kingdom. Much of the increased lending financed unusually strong purchases of U.S. Treasury securities in October and met a step-up in credit demand toward the end of the quarter. However, some lending provided dollar credits during a period of uncertainty when the Asian financial situation depressed credit availability and Asian currencies depreciated rapidly. Uncertainty also adversely affected the bond markets worldwide. With the temporary drying up of available funds, particularly for less than highly rated borrowers, some borrowing was shifted to
the banking markets, particularly borrowing for working capital purposes.

Banks' claims on other private foreigners and foreign public borrowers increased $\$ 22.6$ billion in 1997, following a $\$ 21.2$ billion increase in 1996. A large part of the 1997 increase occurred in the third quarter, when U.S. securities dealers lent to international bond mutual funds in the Caribbean to finance purchases of U.S. Treasury securities, largely in the form of repurchase agreements. The step-up in lending to public (sovereign) borrowers in Latin America in the fourth quarter reflected a shift of borrowing to the bank markets when risk premiums on emerging market new issues rose sharply as a result of financial problems in Asia.
Banks' own claims payable in foreign currencies increased $\$ 20.8$ billion in 1997, compared with a decrease of $\$ 5.4$ billion in 1996. Most of the increase in 1997 was in the first half of the year and was mostly to Western Europe.
Banks' domestic customers' claims increased $\$ 26.0$ billion in 1997 , down from an increase of $\$ 35.3$ billion in 1996. In 1997, the increase in deposits abroad was sharply lower, and less commercial paper was issued in the United States by foreigners. Outstanding collections shifted to an increase.

Foreign securities.-Net U.S. purchases of foreign securities were $\$ 79.3$ billion in 1997, down from $\$ 108.2$ billion in 1996; a sharp decline occurred in the fourth quarter, reflecting uncertainties created by Asian financial problems. For the year, net U.S. purchases of foreign stocks were $\$ 38.0$ billion, down from $\$ 58.8$ billion, and net purchases of foreign bonds were $\$ 41.3$ billion, down from $\$ 49.4$ billion (table $P$, charts 11 and 14 ).
A decline of 97 basis points in U.S. corporate Aaa rates from a high in April sharply reduced the cost of borrowing in the United States in 1997. Lower U.S. rates than foreign rates and longer maturities available in the U.S. market than in foreign markets led to record borrowing in the first three quarters of the year before uncertainties and elevated risk premiums for most borrowers from Asia and Latin America slowed borrowing in the fourth quarter. Stock prices in most foreign markets were sharply higher, particularly in Western Europe where gains averaged more than 40 percent in local currencies even after sharp, but temporary, retrenchments in the fourth quarter. Stock prices in Latin America also pulled back sharply in the fourth quarter but were up 28 percent for the year. However, stock prices in Asian countries, including Japan, fell
nearly 40 percent for the year, mostly in the last half (chart 12).
U.S. institutional investors maintained their cross-border portfolio holdings in 1997. The value of U.S. pension fund assets invested abroad as a share of total U.S. pension fund assets increased to approximately 18 percent late in 1997 from 14 percent late in 1996, reflecting strong price gains and, to a lesser extent, new investments. The share of total capital flows into U.S. equity mutual funds that was invested abroad in 1997 remained unchanged at approximately 11 percent. The value of U.S. equity mutual fund assets invested abroad as a share of total U.S. equity mutual fund assets decreased to approximately 15 percent at yearend 1997 from 16 percent at yearend 1996.

Net U.S. purchases of foreign stocks were $\$ 38.0$ billion in 1997, down from $\$ 58.8$ billion in 1996. Net purchases in the first three quarters of 1997 were just under the strong net purchases in first three quarters of 1996. However, declines in Asian currency markets and equity markets in the fourth quarter led to a sharp and substantial shift to net sales for the quarter in most major countries and areas, including many countries in Western Europe, as investors became cautious of the economic and financial implications of developments in Asia. For the year 1997, net purchases from Western Europe, at

## CHART 11



[^48]$\$ 13.3$ billion, were less than half the 1996 total: There were large slowdowns or shifts to net sales with France, Germany, and Switzerland; however, net purchases from the United Kingdom increased. Transactions with Canada declined to net purchases of $\$ 1.3$ billion from net purchases of $\$ 3.5$ billion, and transactions with Latin America slowed to net purchases of $\$ 0.3$ billion from net purchases of $\$ 3.6$ billion. Net purchases from Japan declined slightly to $\$ 9.4$ billion. Net purchases in other markets, mostly Asian emerging markets, slowed to $\$ 5.3$ billion from $\$ 8.6$ billion; emerging-market countries account for only 6 percent of U.S. holdings of foreign equities. Trading activity in stocks-gross purchases plus gross sales-increased 53 percent in 1997.

Net U.S. purchases of foreign bonds were $\$ 41.3$ billion, down from $\$ 49.4$ billion. However, new issues placed in U.S. markets increased \$14.1 billion to $\$ 66.5$ billion. The continued strength in new issues reflected low U.S. long-term rates, compared with foreign rates, and heavy financing needs of foreign governments and corporations. The pace of new issues was stronger in the first three quarters of 1997 than in the first three quarters of 1996, but fell off sharply in the fourth quarter when the market placed substantial risk premiums on new issues from emerging-market countries, more so for Asian issues than for Latin American issues (chart 13).

## CHART 12

Selected Stock Pilce Indexes
in Local Currencles


Transactions in outstanding bonds shifted to net sales of $\$ 9.3$ billion from net purchases of $\$ 13.1$ billion. Net purchases in the United Kingdom, where much of the trading takes place, slowed substantially to $\$ 2.3$ billion from $\$ 17.6$ billion. Much of the reduction occurred in the first half of the year; there was renewed interest, particularly in British "gilt-edged" securities, in the last half. Trading activity in bonds increased 33 percent in 1997.

Direct investment.-Net capital outflows for U.S. direct investment abroad were $\$ 119.4$ billion in 1997, up from $\$ 87.8$ billion in 1996. Equity capital outflows more than doubled, and reinvested earnings were higher. In contrast, intercompany debt outflows were lower (table M).
Equity capital outflows were a record $\$ 48.1$ billion, up from $\$ 21.6$ billion in 1996 and well above the previous record of $\$ 36.6$ billion in 1995. The outflows in 1997 reflected numerous multibillion dollar acquisitions. Several of the largest transactions occurred in the finance industry, where consolidations and restructurings were propelled partly by the continuing integration of capital markets around the world and partly by the advent of the European Monetary Union. Additional large investments occurred in public utilities (electric power and telecommunications); these transactions partly reflected the desire to capitalize on new market opportunities provided by privatizations of State-ownied

CHART 13
Emerging Market Bond Yields


Source: J. P. Morgan. Emerging Market Bond Index Pus, EMBIt, represents external currency denominated debt in emerging markets. It is comprised mostly of U.S. dollar issues.
U.S. Department of Commerce, Bureau of Economic Analysis
enterprises and partly reflected the desire to enter foreign markets where the potential for growth was greater than in the United States. Western Europe accounted for nearly 60 percent of equity outflows in 1997.
Reinvested earnings were $\$ 64.0$ billion, up from $\$ 57.9$ billion; the largest increase was in Western Europe.

Intercompany debt outflows were $\$ 7.4$ billion, down from $\$ 8.3$ billion. Although little changed for the year, debt flows fluctuated widely during the year, particularly as U.S. parents borrowed or loaned funds to their finance affiliates abroad.

## Foreign assets in the United States

Foreign assets in the United States increased $\$ 690.5$ billion in 1997, compared with an increase of $\$ 547.6$ billion in 1996. The increases in U.S. liabilities reported by U.S. banks, in net inflows

## CHART 14

## Securities Transactions

Billion \$


for foreign direct investment in the United States, and in net foreign purchases of U.S. securities other than U.S. Treasury securities were all substantially larger in 1997 than in 1996. The increase in foreign official assets in the United States was substantially smaller.

Foreign official assets.-Foreign official assets in the United States increased $\$ 18.2$ billion in 1997, compared with an increase of $\$ 122.4$ billion in 1996, as both industrial and developing countries slowed their accumulation of dollar assets (table C). Dollar assets of industrial countries increased $\$ 11.2$ billion, down from an increase of $\$ 65.5$ billion. The accumulation was in the first three quarters; in the fourth, there were net sales, partly to support certain currencies in exchange markets.

Assets of developing countries increased $\$ 7.0$ billion; following an increase of $\$ 56.9$ billion. While most developing countries had accumulated dollar assets in 1996, many sold dollar assets in 1997. In 1997, large increases by several countries in Latin America and Asia were offset in large part by decreases by several emerging-market countries in Asia.

Liabilities reported by banks.-U.S. liabilities to foreigners reported by U.S. banks, excluding U.S. Treasury securities, increased $\$ 142.5$ billion in 1997, compared with an increase of $\$ 9.8$ billion in 1996; the previous record inflow was $\$ 104.3$ billion in 1994 (tables P and Q).
U.S.-owned banks' liabilities payable in dollars increased little during the first three quarters of 1997. Given the strong growth in domestic deposits, U.S.-owned banks had little need to borrow from abroad to meet either domestic or foreign demand for credit. In the fourth quarter, U.S.-owned banks borrowed heavily to fund the strong demand for credit at financial centers in the Caribbean and the United Kingdom, as well as in other countries in Western Europe, particularly toward the end of the quarter. In addition, some foreigners elected to hold dollar deposits at U.S. banking institutions rather than at foreign banking institutions, in the face of uncertainties created by the deteriorating financial situation in Asia.
Foreign-owned banks' liabilities increased only moderately in the first half of the year. During the first half, funds drawn from related branches in the Caribbean complemented funds raised in the United States to finance increased dollar lending in the United States and overseas. In the fourth quarter, the surge in borrowing was
attributable to transactions of Japanese-owned banks and, to a small extent, of other Asianowned banks in the United States. Repercussions from Asian financial problems led to a substantial loss in deposit inflows to Japanese banks located in the United States. In order to replace these inflows and to continue to meet their loan commitments, Japanese banks borrowed heavily from their parent offices in Japan rather than borrow in the U.S. interbank market where borrowing costs had risen sharply to reflect the failure of several Japanese banking and securities firms. In order to provide these funds, parent banks in Japan may have liquidated holdings of U.S. Treasury securities. European-owned banks in the United States also accelerated their foreign borrowing in the fourth quarter, mostly to finance overseas lending.
Banks' liabilities to "other" private foreigners increased $\$ 19.3$ billion in 1997, following an increase of $\$ 11.5$ billion in 1996. Most of the borrowing in 1997 was by U.S. securities dealers from international bond mutual funds in the Caribbean and was likely in the form of repurchase agreements.
Banks' custody liabilities increased $\$ 26.6$ billion in 1997 , compared with an increase of $\$ 2.7$ billion in 1996. Much of the increase in 1997 reflected strong borrowing from banks in the United Kingdom and Caribbean by U.S. nonbanking concerns.
Banks' liabilities payable in foreign currencies increased $\$ 19.7$ billion in 1997, compared with an decrease of $\$ 2.6$ billion in 1996. Most of the increase in 1997 was in liabilities to Japan, the Caribbean, and Western Europe.
U.S. Treasury securities.-Net foreign purchases of U.S. Treasury securities were a record $\$ 163.1$ billion in 1997, up from the previous record of $\$ 155.6$ billion in 1996. Net purchases in the first three quarters of 1997 were well ahead of net purchases in the first three quarters of 1996, but they fell off in the fourth quarter (table P, charts 11 and 14).
Economic conditions in the United States were particularly favorable for bonds. Low inflation and the prospects of a dwindling supply of U.S. Treasury bonds as the Federal budget deficit moved toward a surplus led to the lowest yields since 1993. Yield differentials in favor of U.S. Treasury bonds over German and Japanese Government bonds widened in the early months of the year, but even with some narrowing later in the year, differentials in favor of U.S. Treasury bonds remained sizable (chart 3). Dollar
appreciation increased the attractiveness of U.S. Treasury bonds and complemented large price appreciation.
Net purchases by Western Europeans increased substantially. Early in the year, the strength was attributable to a rise in the interest-rate differential in favor of U.S. Treasury bonds, and in the July-October period, it was related indirectly to preparations for the European Monetary Union and the desire to hold dollar assets when financial difficulties in Asia first became evident. In contrast, net purchases by Japan were sharply lower in 1997 than in 1996; net sales began in the third quarter and accelerated in the fourth as balance sheets of Japanese financial institutions weakened. Net purchases by Asian countries other than Japan were also sharply lower in 1997 than in 1996; there were few net purchases over the last three quarters. Net purchases by international bond mutual funds in the Caribbean fell substantially, reflecting net sales in the first three quarters when international bond funds took profits before a shift to net purchases in the fourth. Trading activity in U.S. Treasury bonds increased 37 percent in 1997.
U.S. currency flows.-Net outflows of U.S. currency were $\$ 24.8$ billion in 1997 , compared with $\$ 17.3$ billion in 1996 (table P). A large part of the increase in currency outflows in 1997, and since 1994, has been to Russia and the other states in the Commonwealth of Independent States. Pur-
chases of U.S. currency by these areas have not declined, even after their political and economic situations have stabilized. Their high demand most likely reflects the underdevelopment of their financial sector, as well as strengthening in their income and consumption. At the end of 1997, dollar purchases in Russia increased, likely reflecting concern about the ruble redenomination. Elsewhere in the world, the demand for U.S. bank notes has been relatively stable.

Other U.S. securities.-Net foreign purchases of U.S. securities other than U.S. Treasury securities were a record $\$ 189.3$ billion in 1997, compared with the previous record of $\$ 133.8$ billion in 1996. Net foreign purchases of U.S. stocks increased more than fivefold-to $\$ 66.9$ billion from $\$ 12.6$ billion (table P, charts 11 and 14).
U.S. stock prices continued to advance; the Standard and Poor's 500 index rose 32 percent in 1997. Falling U.S. interest rates, low U.S. inflation, strong corporate earnings, and rising valuations placed on those earnings pushed U.S. stock prices to record highs. After rising early in the year, yields on U.S. corporate bonds declined an average of 85 basis points through yearend 1997, leading to an average price rise of 14 percent.
Net foreign purchases of U.S. stocks surged to a record $\$ 66.9$ billion-over five times the purchases of $\$ 12.6$ billion in 1996 and over three times the previous record of \$19.0 billion in 1993. The increase in the demand for U.S. stocks was

Table R.-New International Bond Issues by U.S. Borrowers
[Millions of dollars]

from Western Europe; purchases by the United Kingdom increased fivefold to a record $\$ 21.3$ billion, and purchases by Germany, Switzerland also accelerated sharply. These increases occurred despite stock price increases of more than 40 percent in local currencies in many European markets, which exceeded the 32 -percent increase
in the U.S. market. Foreign purchases dropped sharply in the fourth quarter, to one-half of those in the third quarter, largely as a result of uncertainties created by developments in Asia and by the related sharp, but temporary, drop in U.S. stock prices at the end of October; however, net purchases in the fourth quarter were still

Table S.-Selected U.S. Transactions With OPEC Members
[Mililions of dollars]


D Suppressed to avoid disclosure of data of individual companies
${ }^{r}$ Revised.
${ }^{\text {P }}$ Presiminary.

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

The definition of imports is revised to include U.S. parents' payments to foreign aftiliates and to exclude U.S. affiliates' receipts from foreign parents.
2. Break in series. See Technical Notes in June 1989 and June 1990 Survey.

NOTE-OPEC members are Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Verezuela. Beginning in January 1993, excludes Ecuador. Individual country intormation is not available for all accounts; therefore, some accounts are estimated from regional data.
considerably stronger than those in most quarters in recent years. Purchases from Western Europe continued unabated during the fourth quarter; the large shift to net sales occurred in transactions conducted through brokers and dealers in the Caribbean. Trading activity in stocks was 56 percent higher than in 1996.

Net foreign purchases of U.S. bonds were a record $\$ 122.4$ billion, slightly higher than the previous record of $\$ 121.2$ billion in 1996. New issues sold abroad by U.S. corporations were $\$ 80.1$ billion, up from $\$ 53.4$ billion, reflecting continued strong demand from Western Europe for new issues, many of which were part of global launch programs or asset-backed securities; issues of asset-backed securities were strongest in the third and fourth quarters. Both bank and nonbank financial institutions stepped up their borrowing considerably. By type of instrument, straight fixed-rate instruments increased considerably more than floating-rate instruments. The dollar was increasingly favored as the most popular currency of issue. New issues fell by two-thirds in the fourth quarter in response to uncertainties created by the situation in Asia (table R). Net foreign purchases of outstanding U.S. bonds slowed, partly because foreigners
sold bonds to realize capital gains resulting from the large run-up in bond prices. Trading activity in bonds was 48 percent higher than in 1996.

Direct investment.-Net capital inflows for foreign direct investment in the United States were a record $\$ 107.9$ billion in 1997, up from the previous record of $\$ 77.0$ billion in 1996. Intercompany debt inflows increased sharply, reinvested earnings increased, and equity capital inflows decreased (table M).

Intercompany debt inflows were $\$ 39.7$ billion, up from $\$ 11.7$ billion. Inflows in 1997 were dominated by a few exceptionally large transactions by a number of European financial institutions who loaned large amounts to their finance affiliates in the United States. In addition, other large inflows of funds to financial institutions occurred from the Caribbean. Reinvested earnings were $\$ 20.4$ billion, up from $\$ 12.2$ billion; increases were strong for affiliates of Western European and Japanese parents. Equity capital inflows were $\$ 47.8$ billion, down from $\$ 53.0$ billion; new acquisitions trailed those in 1996 because several large-scale transactions in 1996 were not matched by comparable transactions in 1997.

Tables 1 through 10 follow.

Table 1.-U.S. International Transactions
[Millions of dollars]

| Line | Credits +; debils - $)^{1}$ | 1996 | 1997 ${ }^{\text {P }}$ | Not seasonally adjusted |  |  |  | Seasonally adjusted |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1997 |  |  |  | 1997 |  |  |  |
|  |  |  |  |  | 11 | 11.1 | IV ${ }^{\text {P }}$ |  | $1{ }^{\text {r }}$ | ill ${ }^{\text {r }}$ | IV ${ }^{\text {P }}$ |
|  | Exports of goods, services, and income | 1,055,233 | 1,167,610 | 278,315 | 293,478 | 294,591 | 301,226 | 279,320 | 293,668 | 295,527 | 299,096 |
| 2 | Goods, adjusted, excluding military ${ }^{2}$ | 612,069 | 678,348 | 162,812 | 172,548 | 165,548 | 177,440 | 162,341 | 171,227 | 170,255 | 174,525 |
|  | Services ${ }^{3}$ <br>  | 236,764 14,647 | $\begin{array}{r} 253,220 \\ 15,175 \end{array}$ | $\begin{array}{r} 59,841 \\ 3,190 \end{array}$ | $\begin{gathered} 61,652 \\ 3,727 \end{gathered}$ | $\begin{gathered} 68,949 \\ 4,261 \end{gathered}$ | $\begin{array}{r} 62,778 \\ 3,997 \end{array}$ | $\begin{array}{r} 61,736 \\ 3,190 \end{array}$ | $\begin{array}{r} 63,335 \\ 3,727 \end{array}$ | $\begin{array}{r} 64,397 \\ 4,261 \end{array}$ | $\begin{array}{r} 63,754 \\ 3,997 \end{array}$ |
|  | Travel <br> Passenger fares <br> Other transportation | $\begin{aligned} & 69,908 \\ & 20,57 \\ & 27,216 \end{aligned}$ | $\begin{aligned} & 74,407 \\ & 21,710 \end{aligned}$ | $\begin{gathered} 16,421 \\ 4,976 \\ 6,873 \end{gathered}$ | $\begin{gathered} 18,428 \\ 5,302 \\ 7,029 \end{gathered}$ | $\begin{array}{r} 22,350 \\ 6,376 \end{array}$ | $\begin{gathered} 17,208 \\ 5,056 \\ 7,302 \end{gathered}$ | $\begin{array}{r} 18,585 \\ 5,316 \\ 7,001 \end{array}$ | $\begin{gathered} 18,634 \\ \mathbf{5 , 5 0 8} \\ 7,045 \end{gathered}$ | $\begin{array}{r} 18,732 \\ 5,468 \\ 6,939 \end{array}$ | 18,456 5,418 |
|  | Royalties and license fees ${ }^{5}$ <br> Other private services ${ }^{5}$ <br> U.S. Government miscellaneous services | $\begin{array}{r} 29,974 \\ 73,59 \\ 893 \end{array}$ | $\begin{array}{r} 30,269 \\ 82,681 \\ \quad 784 \end{array}$ | $\begin{array}{r} 7,399 \\ 20,799 \\ 203 \end{array}$ | $\begin{array}{r} 7,445 \\ 19,530 \\ 9.91 \end{array}$ | $\begin{array}{r} 7,460 \\ 21,312 \\ 200 \end{array}$ | $\begin{array}{r} 7,975 \\ 21,050 \\ \begin{array}{r} 190 \end{array} \end{array}$ | $\begin{array}{r} 7,688 \\ 19,753 \\ 203 \end{array}$ | $\begin{array}{r} 7,608 \\ 20,622 \\ 0.191 \end{array}$ | $\begin{array}{r} 7,520 \\ 21,277 \\ 200 \end{array}$ | $\begin{array}{r} 7,452 \\ 21,031 \\ 190 \end{array}$ |
| 9 |  |  |  |  |  |  |  |  |  |  |  |
| 0 |  |  |  |  |  |  |  |  |  |  |  |
|  | Income receipts on U.S. assets abroad $\qquad$ <br> Direct investment receipts <br> Other private receipts <br> U.S. Government receipts | $\begin{array}{r} 206,400 \\ 98,890 \\ 102,866 \\ 4,644 \end{array}$ | $\begin{array}{r} 236,043 \\ 109,227 \\ 123,278 \\ 3,338 \\ 3 \end{array}$ | $\begin{aligned} & 55,663 \\ & 26,164 \\ & 28,544 \\ & \hline 955 \end{aligned}$ | $\begin{array}{r} 59,278 \\ 28,380 \\ 30,151 \\ 747 \end{array}$ | $\begin{aligned} & 60,094 \\ & 27,268 \\ & 31,80 \\ & 1,019 \end{aligned}$ | $\begin{array}{r} 61,008 \\ 27,45 \\ 32,76 \\ 817 \end{array}$ | $\begin{aligned} & 55,243 \\ & 28,864 \\ & 28,544 \\ & 835 \end{aligned}$ | $\begin{aligned} & 59,106 \\ & 27,063 \\ & 30,151 \\ & 992 \end{aligned}$ | $\begin{array}{r} 60,875 \\ 28,189 \\ 31,807 \\ 879 \end{array}$ | $\begin{array}{r} 60,817 \\ 27,729 \\ 32,776 \\ 832 \end{array}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |  |  |  |  |
| 15 | Imports of good | -1,163,450 | -1,295,530 | -300,017 | -322,999 | -336,367 | -336,147 | -310,659 | -322,608 | -329,571 | -332,691 |
| 16 |  | -803,239 | -877,282 | -204,876 | -217,230 | -225,541 | -229,635 | -212,185 | -218,415 | -222,256 | -224,426 |
| 7 | Services ${ }^{3}$ $\qquad$ <br> Direct defense expenditures $\qquad$ | $\begin{array}{r} -156,634 \\ -10,861 \end{array}$ | $\begin{array}{r} -167,929 \\ -11,345 \end{array}$ | $\begin{array}{r} -38,247 \\ -2,753 \end{array}$ | $\begin{array}{r} -43,073 \\ -2,679 \end{array}$ | $\begin{aligned} & -45,522 \\ & -2,863 \end{aligned}$ | $\begin{array}{r} -41,087 \\ -3,050 \end{array}$ | $\begin{array}{r} -41,216 \\ -2,753 \end{array}$ | $\begin{array}{r} -41,817 \\ -2,679 \end{array}$ | $\begin{array}{r} -42,303 \\ -2,863 \end{array}$ | $\begin{array}{r} -42,592 \\ -3,050 \end{array}$ |
| 19 | Travel <br> Passenger fares <br> Other transportation $\qquad$ | $\begin{aligned} & -48,739 \\ & -15,776 \\ & -28,453 \end{aligned}$ | $\begin{array}{r} -52,029 \\ -16,927 \\ \hline-16,97 \end{array}$ | $-10,935$$-3,947$$-1,18$ | $\begin{array}{r} -14,205 \\ -4,445 \end{array}$ | $-15,347$$-4,672$ | $-11,542$$-3,863$ | $-13,004$$-4,272$ | $-12,989$$-4,190$ | $\begin{array}{r} -12,813 \\ -4,166 \\ -7,368 \end{array}$ | $\begin{gathered} -13,224 \\ -4,298 \\ -7,484 \end{gathered}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 1 |  |  | -29,771 | -7,191 | -7,514 | -7,538 | -7,528 | -7,377 | -7,541 |  |  |
|  | Royalties and license fees ${ }^{5}$ <br> Other private services ${ }^{5}$ <br> U.S. Government miscellaneous services | $\begin{array}{r} -7,322 \\ -4,796 \\ -2,687 \end{array}$ | $\begin{array}{r} -7,512 \\ -47,548 \\ -2,796 \end{array}$ | $\begin{array}{r} -1,772 \\ -10,962 \\ -1066 \end{array}$ | $\begin{array}{r} -1,758 \\ -11,793 \\ -679 \\ -19 \end{array}$ | $\begin{array}{r} -2,056 \\ -12,316 \\ -730 \end{array}$ | $\begin{array}{r} -1,926 \\ -12,477 \\ -701 \end{array}$ | $\begin{array}{r} -1,797 \\ -1,327 \\ -686 \end{array}$ | $\begin{array}{r} -1,846 \\ -11,893 \\ -679 \\ -69 \end{array}$ | $\begin{array}{r} -2,043 \\ -12,320 \\ -730 \end{array}$ | $\begin{array}{r} -1,826 \\ -12,009 \\ -7001 \\ -701 \end{array}$ |
| , |  |  |  |  |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |  |  |  |  |
|  | Income payments on foreign assets in the United States $\qquad$ <br> Direct investment payments $\qquad$ <br> U.S. Government paym $\qquad$ | $\begin{array}{r} -203,577 \\ -32,132 \\ -100,103 \\ -71,342 \end{array}$ | $\begin{array}{r} -250,320 \\ -41,527 \\ -117,712 \\ -91,081 \\ -91,08 \end{array}$ | $\begin{aligned} & -56,895 \\ & -8,175 \\ & -27,581 \\ & -21,139 \end{aligned}$ | $\begin{aligned} & -22,696 \\ & -10.561 \\ & -299.341 \\ & -20794 \end{aligned}$ | $\begin{aligned} & -65,304 \\ & -11,95 \\ & -29,977 \\ & -2,8499 \end{aligned}$ | $\begin{aligned} & -65,425 \\ & -10,83 \\ & -30,913 \end{aligned}$ | $\begin{aligned} & -57,258 \\ & -8,588 \\ & -27,581 \end{aligned}$ | $\begin{aligned} & -62,376 \\ & -10,241 \\ & -29,341 \end{aligned}$ | $\begin{aligned} & -65,012 \\ & -111,666 \\ & -29,877 \\ & -23,469 \end{aligned}$ | $\begin{aligned} & -65,673 \\ & -11,081 \\ & -30,913 \\ & -23679 \end{aligned}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | -23,679 | -21,139 | -22,99 |  |  |
| 9 | Unilateral transters, net ........................................................................................... | -39,968 | -38,526 | -8,604 | -8,623 | -9,031 | -12,268 | -8,577 | -8,855 | -9,070 | -12,024 |
| 30 | U.S. Government grants ${ }^{4}$ <br> U.S. Government pensions and other transfers <br> Private remittances and other transfers ${ }^{6}$ | $\begin{array}{r} -14,933 \\ -4,331 \\ -20,704 \end{array}$ | $\begin{array}{r} -11,688 \\ -4,075 \\ -22,763 \end{array}$ | $\begin{array}{r} -2.109 \\ -795 \end{array}$ | $\begin{aligned} & -2,245 \\ & -1,057 \\ & -5,321 \end{aligned}$ | $\begin{aligned} & -2,2,21 \\ & -963 \\ & -5,837 \end{aligned}$ | $\begin{aligned} & -5,103 \\ & -1,260 \\ & -5,905 \end{aligned}$ | $\begin{array}{r} -2,109 \\ -988 \\ \hline \end{array}$ | -2,245 | -2,231 | -5,103 |
| $\begin{aligned} & 31 \\ & 32 \end{aligned}$ |  |  |  |  |  |  |  |  | --5,577 | -1,031 | -1,023 |
| 33 | U.S. assets abroad, net (increase/capital outilow ( - | -352,444 | -426,938 | -130,316 | -92,849 | -112,046 | -91,727 | -128,297 | -91,264 | -110,696 | -96,678 |
|  | U.S. official reserve assets, | 6,668 | -1,010 | 4,480 | -236 | -730 | -4,524 | 4,480 | -236 | -730 | -4,524 |
|  | Special drawing lights | 370 | -350 | 72 | -133 | -139 | -150 | 72 | -133 | -139 | -150 |
| 37 | Reserve position in the | -1,280 | -3.575 | 1,055 | 54 | -463 | -4,221 | 1,055 | 54 | -463 | -4,221 |
|  | Foreign currencies | 7,578 | 2,915 | 3,353 | 57 | -128 | -153 | 3,353 | 57 | 128 | -153 |
|  | U.S. Govemment assets, other than official reserve assets, net | -690 | 177 | -21 | -268 | 461 |  | -21 | -268 | 461 |  |
|  | U.S. credits and other long-term assets | -4,930 | -5,237 | -1, 107 | -1,613 | -1,415 | -1,102 | -1,107 | $-1,613$ | -1,415 | -1,102 |
| 41 | Repayments on U.S. credits and other long-term assets ${ }^{8}$ | 4,134 | 5,439 | 1,111 | 1,358 | 1,876 | ,094 | 1,111 | 1,358 | 1,876 | 94 |
| 42 | U.S. foreign currency hoddings and U.S. shor-term assels, net | 106 | -25 | -25 | -13 |  | 13 | -25 | 13 |  |  |
|  | S. private assets, | -358,422 | -426,105 | -134,775 | -92,345 | -111,777 | -87,208 | -132,756 | -90,760 | -110,427 | -92,159 |
| 44 | Direct investment | -87,813 | -119,444 | -28,773 | -38,573 | -24,113 | -27,985 | -26,754 | -36,988 | -22,763 | -32,936 |
| 9 | Fortign securities | -108,189 | -79,287 | -14,510 | -21,841 | -39,214 | -3,722 | -14,510 | -21,841 | -39,214 | -3,722 |
| 46 | U.S. Claims on unatfiliated foreigners reported by U.S. nonbanking concerns | -64,234 | -76,298 | -29,466 | -3,984 | -17,848 | -25,000 | -29,466 | -3,984 | -17,848 | -25,000 |
|  | U.S. claims reported by U.S. banks, not included elsewhere | , | -15 | -62,026 | -27,94 | -30,602 | -30,501 | 62, | -27,94 | -30,602 | 30,01 |
| 48 | Foreign assets in the United Slates, nel (increase/capital inflow | 547,555 | 690,497 | 181,978 | 143,508 | 183,846 | 181,165 | 182,282 | 143,059 | 183,292 | 181,863 |
|  | Foreign official assets in the Un | 122,354 | 18,157 | 28,897 | -5,374 | 21,867 | -27,227 | 28,891 | $-5,374$ | 21,867 | -27,227 |
| 51 | S. Government securities | 115,634 | -2,971 | 23,940 | -11,464 | 9,353 | $-24.800$ | 23,940 | -11,464 | 9,353 | -24,800 |
| 51 | U.S. Treasury securities ${ }^{\text {a }}$ | 111,253 | -7,019 | 23,289 | -12,108 | 6,686 | -24,886 | 23,289 | -12,108 | 6,686 | $-24,886$ |
| 52 | Other ${ }^{10}$ | 4,381 | 4,048 | 651 | 644 | 2,667 | ${ }^{86}$ | 651 | 644 | 2,667 | 86 |
| 53 | Other U.S. Government liabilites | 720 | 539 | 478 | 654 | -510 | -83 | 478 | 654 | -510 | - |
| 54 | U.S. liabilities reported by U.S. banks, | 4,722 | 21,274 | 7,698 | 4,536 | 12,391 | -3,351 | 7,698 | 4,536 | 12,391 | -3,351 |
|  | Other foreign official as | 1,278 |  | -3,2 | 900 | 633 | 1,007 | -3 | 900 | 633 | 1,07 |
|  | Other foreign assets in the United State, | 425,201 | 672,340 | 153,087 | 148,882 | 161,979 | 208,392 | 153,391 | 148,433 | 161,425 | 209,090 |
| 57 | Direct investment | 76,955 | 107,928 | ${ }^{30,381}$ | 27,101 | 26,503 | 23,943 | 30,685 | 26,652 | 25,949 | 24,641 |
| 58 | U.S. Treasury securities and U.S. currency flows | 172,878 | 187.854 | 51,289 | 49,915 | 42.919 | 43,731 | 51.289 | 49,915 | 42,919 | 43,731 |
| 59 | U.S. Securities other than U.S. Treasury securities | 133,798 | 189,273 | 38.820 | 51,682 | 60,409 | 38,362 | ${ }^{38,820}$ | 51,682 | ${ }^{60,409}$ | 38,362 |
| 60 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonban | 31,786 | 44,740 | 15,210 | -7,916 | 22,046 | 15,400 | 15,210 | -7,916 | 22,046 | 15,400 |
| 61 | U.S. liabilities reported by U.S. banks, not included elsewhere | 9,784 | 142,545 | 17,387 | 28,100 | 10,102 | 86,956 | 17,387 | 28,100 | 10,102 | 86,956 |
| 62 | Allocations of special drawing rights |  |  |  |  |  |  |  |  |  |  |
| 63a | Statistical discrepancy (sum of above items with slgn reversed) Or which seasonal adjustment discrepancy | -46,927 | -97,113 | -21,356 | -12,515 | -20,993 | -42,249 | $\begin{array}{r} -14,069 \\ 7,287 \end{array}$ | $\begin{array}{r} -14,000 \\ -1,485 \end{array}$ | $\underset{-8,489}{-29,482}$ | $\begin{array}{r} -39,566 \\ 2,683 \end{array}$ |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |
| 64 | Balance on goods (lines 2 and 16) | -191,170 | -198,934 | -42,064 | -44,682 | -59,993 | -52,195 | -49,844 | -47,188 | -52,001 | -49,901 |
| 65 | Balance on services (lines 3 and 17) | 80,130 | 85.291 | 21,594 | 18,579 | 23,427 | 21,691 | 20,520 | 21,518 | 22,094 | 21,162 |
| ${ }^{66}$ | Balance on goods and services (lines 64 and 65) | -111,040 | -113,643 | -20,470 | -26,103 | -36,566 | -30,504 | -29,324 | -25,670 | -29,907 | -28,739 |
| 67 | Balance on investment income (lines 11 and 25) | 2,824 | -14,277 | ${ }^{-1,232}$ | -3,418 | -5,210 | -4,417 | -2,015 | -3,270 | -4,137 | -4,856 |
| 68 | Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ${ }^{13}$ | -108,216 | -127,920 | -21,702 | -29,521 | -41,776 | -34,921 | -31,339 | -28,940 | -34,044 | -33,595 |
| 69 | Unilateral transiers, net (line 29) | -39,968 | -38,526 | -8,604 | -8,623 | -9,031 | - 22,268 | -8,577 | -8,855 | -9,070 | -12,024 |
| 70 | Balance on current account (lines 1,15 , and 29 or lines 68 and 69) ${ }^{13}$ | -148,184 | -166,446 | -30,306 | -38,144 | -50,807 | -47,189 | -39,916 | -37,79 | -43,114 | -45,619 |

[^49]Table 2.-U.S. Trade in Goods
[Millions of dollars]


See footnotes on page 91.

Table 2.-U.S. Trade in Goods-Continued
[Mililions of dollars]

| Line |  | 1996 | 1997P | Not seasonally adjusted |  |  |  |  |  |  | Seasonally adjusted |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  |  | 1997 |  |  |  | 1996 |  |  | 1997 |  |  |  |
|  |  |  |  | II | III | IV | 1 | 11 | III ${ }^{\text {r }}$ | 1 ${ }^{p}$ | 11 | III | IV | ${ }^{r}$ | IIr | $111{ }^{\text {r }}$ | IV $p$ |
| B | Trade in goods, by area and country, adjusted to balance of payments basis, excluding military ${ }^{8}$-Continued: <br> IMPORTS | 803,239 |  |  |  |  | 204,876 | 217,230 | 225,541 | 229,635 | 200,973 | 203,257 | 206,036 | 212,185 | 218,415 | 222,256 |  |
| 36 | Total, all countries (A-16) .......................................................... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 37 38 | Western. Europe ... | 161,629 146,293 | 175,884 160,207 | 41,986 <br> 37,553 | 39,823 <br> 36,204 | 41,720 37,940 | 40,901 37,268 | 45,115 41,220 | 43,106 39,327 | 46,762 42,392 | 42,286 37,827 | 39,350 35,773 | 40,840 37.133 | 42,348 38,595 | 45,369 | 42,455 38,732 | 45,712 41,427 |
| 39 | Eelgium and Luxer | 146,293 9,499 | 160,24 10,849 | 3,307 | 1,733 | t, | 2,701 | $\begin{array}{r} \\ 31,964 \\ \hline\end{array}$ | 2,058 | 2,126 | 3,322 | 35,715 | 1,811 | 38,795 2 | 41,453 | 38,732 2,023 | 41,427 2,078 |
| 40 | France ......... | 18,630 | 20,690 | 4,652 | 4,679 | 4,972 | 4,581 | 5,026 | 5,481 | 5,602 | 4,693 | 4,626 | 4,858 | 4,755 | 5,060 | 5,401 | 5,474 |
| 41 | Germany ${ }^{9}$ | 38,831 | 43,003 | 9,587 | 9,806 | 10,379 | 10,041 | 10,984 | 10,344 | 11,634 | 9,659 | 9,683 | 10,167 | 10,407 | 11,041 | 10,182 | 11,373 |
| 42 | Italy ........ | 18,294 | 19,336 | 4,469 | 4,661 | 4,686 | 4,497 | 4,789 | 4,908 | 5,142 | 4,502 | 4,599 | 4,584 | 4,663 | 4,815 | 4,839 | 5,019 |
| 43 | Netherlands | 7,473 | 7,591 | 1,903 | 2,292 | 1,753 | 1,817 | 1,857 | 1,942 | 1,975 | 1,917 | 2,274 | 1,713 | 1,875 | 1,870 | 1,915 | 1,931 |
| 44 | United Kingdom | 28,832 | 32,498 | 7,381 | 7,012 | 7,743 | 7,578 | 7,949 | 8,118 | 8,853 | 7,434 | 6,927 | 7,594 | 7,850 | 8,001 | 7.999 | 8,648 |
| 45 | Other | 24,734 | 26,240 | 6,254 | 6,021 | 6,550 | 6,053 | 6,651 | 6,476 | 7,060 | 6,300 | 5,949 | 6,406 | 6,274 | 6,689 | 6,373 | 6,904 |
| 46 | Western Europe, excluding EU .................................................. | 15,336 | 15,677 | 4,433 | 3,619 | 3,780 | 3,633 | 3,895 | 3,779 | 4,370 | 4,459 | 3,577 | 3,707 | 3,753 | 3,916 | 3,723 | 4,285 |
| 47 | Canada ${ }^{3}$ | 158,640 | 170,829 | 40,971 | 38,910 | 40,678 | 42,004 | 43,383 | 41,326 | 44,116 | 41,254 | 38,456 | 39,824 | 43,462 | 43,576 | 40.680 | 43,111 |
| 48 | Japan | 115,167 | 121,556 | 27,953 | 28,434 | 30,012 | 30,096 | 29,317 | 30,787 | 31,356 | 28,166 | 28,085 | 29,302 | 31,210 | 29,461 | 30,307 | 30,578 |
| $\begin{aligned} & 49 \\ & 50 \end{aligned}$ | Australia, New Zealand, and South Africa ${ }^{10}$ $\qquad$ Australia $\qquad$ | 3,869 | 4,870 | 882 | 992 | 1,168 | 1,159 | 1,169 | 1,290 | 1,252 | 889 | 981 | 1,148 | 1,194 | 1,177 | 1,273 | 1,226 |
| 51 | Eastern Europe | 7,003 | 8,444 | 1,679 | 1,766 | 2,182 | 1,864 | 2,009 | 2,325 | 2,246 | 1,694 | 1,748 | 2,143 | 1,931 | 2,023 | 2,292 | 2,198 |
| 52 | Latin America and Other Western Hemisphere | 124,933 | 140,484 | 31,405 | 32,039 | 38,372 | 32,831 | 34,925 | 36,114 | 36,614 | 31,643 | 31,724 | 32,733 | 33,933 | 35,108 | 35,622 | 35,821 |
| 53 | Brazil | 8,773 | 9,628 | 2,176 | 2,320 | 2,217 | 2,327 | 2,507 | 2,547 | 2,247 | 2,191 | 2,290 | 2,173 | 2,413 | 2,518 | 2,507 | 2,190 |
| 54 | Mexico | 75,108 | 86,674 | 18,791 | 19,195 | 20,014 | 19,891 | 21,488 | 22,146 | 23,149 | 18,943 | 18,998 | 19,582 | 20,606 | 21,616 | 21,838 | 22,614 |
| 55 | Venezuela | 13,17t | 13,47t | 3,269 | 3,452 | 3,778 | 3,297 | 3,280 | 3,419 | 3,475 | 3,288 | 3.438 | 3,747 | 3,346 | 3,289 | 3,394 | 3,442 |
| 56 | Other ....... | 27,881 | 30,711 | 7,169 | 7,072 | 7,363 | 7,316 | 7,650 | 8,002 | 7,743 | 7,221 | 6,998 | 7,231 | 7,568 | 7,685 | 7,883 | 7,575 |
| 57 | Other countries in Asia and Africa 810 | 231,998 | 255,215 | 54,574 | 63,554 | 61,410 | 56,021 | 61,312 | 70,593 | 67,289 | 55,041 | 62,913 | 60,046 | 58,107 | 61,701 | 69,627 | 65,780 |
| 58 | Asia ${ }^{\text {8 }} 0$ | 212,788 | 234,843 | 49,620 | 58,262 | 56,474 | 50,880 | 56,143 | 65,473 | 62,347 | 50,060 | 57,653 | 55,160 | 52,866 | 56,514 | 64,562 | 60,901 |
| 59 | Members of OPEC | 21,011 | 21,720 | 4,973 | 5,709 | 6,038 | 4,754 | 5,453 | 5,839 | 5,674 | 5,010 | 5,671 | 5,957 | 4,888 | 5,475 | 5,775 | 5,582 |
| 60 | China | 51,511 | 62,566 | 11,313 | 15,792 | 14,345 | 12,520 | 14,500 | 18,409 | 17,137 | 11,455 | 15,660 | 13,968 | †3,072 | 14,618 | 18,165 | 16,711 |
| 61 | Hong Kong | 9,854 | 10,296 | 2,237 | 2,74i | 2,606 | 2,131 | 2,242 | 3,081 | 2,842 | 2,259 | 2,712 | 2,537 | 2,223 | 2,260 | 3,039 | 2,774 |
| 62 | Korea, Republic of | 22,611 | 23,143 | 5,508 | 5,299 | 5,606 | 5,086 | 5.802 | 6,245 | 6,010 | 5,537 | 5,223 | 5,474 | 5,279 | 5,839 | 6,152 | 5,873 |
| 63 | Singapore | 20,338 | 20,073 | 5,022 | 5,194 | 5.063 | 4,566 | 5,129, | 5,394 | 4.4884 | 5.058 | 5.130 | 4,950 | 4,733 | 5,160 | 5,314 | 4,866 |
| $\begin{aligned} & 64 \\ & 65 \end{aligned}$ | Taiwan <br> Africas ${ }^{10}$ | 29,902 18.940 | 32,623 | 7,246 4 | 7,945 <br> 5 <br> 187 | 7,843 4,884 | 7,256 5,078 | 7,928 <br> 5 | 8,683 5 5 | 8,776 4885 | 7,306 4 4 | 7,853 <br>  <br> 155 | 7,661 4836 | 7,540 <br> 5 <br> 175 | 7,975 | 8,535 | 8,573 |
| 66 | Members of OPEC | 10,211 | 11,095 | 2,727 | 2,997 | 2,401 | 2,794 | 2,902 | 2,850 | 2,549 | 2,741 | 2,984 | 2,388 | 2,829 | 2,911 | 2,827 | 2,528 |
| 67 | International organizations and unallocated |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Industrial countries ${ }^{8}$ | 443,093 | 477,222 | 112,830 | 109,135 | 114,511 | 115,035 | 120,110 | 117,600 | 124,477 | 113,640 | 107,836 | 112,028 | 119,122 | 120,715 | 115,790 | 121,595 |
| 69 | Members of OPEC ${ }^{8}$ | 44,393 | 46,286 | 10,969 | 12,158 | 12,217 | 10,845 | 11,635 | 12,108 | 11,698 | 11,039 | 12,093 | 12,092 | 11,063 | 11,675 | 11,996 | 11,552 |
| 70 | Other countries ${ }^{8}$ | 315,753 | 353,774 | 75,651 | 84,225 | 83,814 | 78,996 | 85,485 | 95,833 | 93,460 | 76,294 | 83,328 | 81,916 | 82,000 | 86,025 | 94,470 | 91,279 |
|  | BALANCE (EXCESS OF EXPORTS +) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 71 | Total, all countries | -191,170 | -198,934 | -45,252 | $-59,848$ | -49,783 | -42,064 | -44,682 | -59,993 | -52,195 | -47,562 | $-52,493$ | -48,190 | $-49,844$ | -47,188 | $-52,001$ | -49,901 |
| 72 | Western Europe | -24,435 | -22,948 | - 0,911 | -9,255 | -6,099 | -2,256 | -5,249 | -7,790 | -7,653 | -6,433 | -7,736 | -5,781 | $-3.803$ | -5,835 | -6,153 | -7.157 |
| 73 | Eutopean Union ................................................................. | -21,507 | -21,384 | -5,052 | -8,314 | -5,208 | -2,179 | -6,073 | -6,973 | -6,159 | -5,533 | -6,958 | -4,913 | -3,563 | -6,610 | - 5,506 | -5,705 |
| 74 | Belgium and Luxembourg ................................................... | 3,186 | 3,042 | -181 | 1,323 | 1,498 | 728 | -591 | 1,354 | 1,551 | -221 | 1,433 | 1,492 | 658 | -640 | 1,474 | 1,550 |
| 75 | France | -4,776 | -4,872 | -1,092 | -1,504 | -995 | -739 | $-1,041$ | -1,763 | ${ }^{-1,329}$ | -1,161 | -1,357 | -934 | -911 | -1,117 | -1,592 | -1,252 |
| 76 | Germany ${ }^{9}$ | -15,861 | -18,800 | $-3,782$ | $-4,511$ | -4,362 | -3,905 | $-4,716$ | -4,607 | -5,572 | $-3,898$ | $-4,215$ | -4,241 | -4,278 | -4,830 | -4,294 | -5,398 |
| 77 | Italy | -9,673 | -10,427 | -2,157 | -2,881 | -2,563 | -2,268 | -2,457 | -2,904 | -2,798 | -2,202 | -2,755 | -2,498 | -2,440 | -2,501 | -2,775 | -2,711 |
| 78 | Netherlands | 9,028 | 12.074 | 2,014 | 1,231 | 3,179, | 2,938 | 2,961 | 2,817 | 3,355 | 2,003 | 1,379 | 3,132 | 2,867 | 2,915 | 2,977 | 3,312 |
| 79 | United Kingdom | 1.414 | 3,409 | 1,644 | -58 | -751 | 1,976 | 1,378 |  |  | 1,512 | 240 | -704 | 1,687 | 1,235 | 361 | 126 |
| 80 81 | Other ...........................u | $-6,425$ $-2,928$ | $-5,807$ $-1,564$ | $-1,498$ -859 | $-1,914$ -941 | $-1,214$ -891 | -909 | -1,607 | $-1,902$ -817 | - $\begin{array}{r}1,389 \\ -1,494\end{array}$ | $-1,566$ -900 | $-1,683$ -778 | $-1,160$ -868 | $1,1,46$ -240 | -1,672 | $-1,657$ -647 | $-1,332$ $-1,452$ |
|  | dem |  |  |  |  |  |  |  |  |  |  |  |  |  |  | -647 | $-1,452$ |
| 82 | Canada ${ }^{3}$ | -24,031 | -19,005 | -6,593 | -6,557 | -6,004 | -5,181 | -4,341 | -4,543 | -4,940 | -7,130 | $-5,133$ | -5,689 | -6,594 | $-4,886$ | $-3,0+2$ | $-4,513$ |
| 83 | Japan ...... | -49,213 | $-56,873$ | -11,477 | -12,303 | $-13,837$ | $-13,648$ | -12,760 | -15,076 | -15,389 | $-11,692$ | -11,317 | $-13,500$ | -14,907 | -12,954 | -14,058 | -14,954 |
| 84 85 | Australia, New Zealand, and South Africa ${ }^{10}$ Australia | 7,836 | 7,034 | 2,028 | 1,903 | 1,747 | 1,664 | 1,926 | 1,781 | 1,663 | 1,990 | 1,999 | 1,725 | 1,630 | 1,884 | 1,871 | 1,649 |
| 86 | Eastern Europe | 356 | -862 | -45 | 22 | -178 | -63 | 101 | $-582$ | -328 | -48 | 125 | -199 | -146 | 86 | -474 | -328 |
| 87 | Latin America and Other Western Hemisphere | -16,069 | -6,878 | -4,945 | -4,321 | $-3,372$ | $-3,315$ | -2,500 | -1,665 | 602 | -5,338 | -3,082 | -3,291 | -4,459 | -2,943 | -246 | 770 |
| 88 | Brazil | 3,574 | 6,207 | 742 | 1,053 | 1,282 | 1,050 | 1,322 | 1,552 | 2,283 | 698 | 1,186 | 1,269 | 965 | 1,272 | 1,689 | 2,281 |
| 89 | Mexico ............................................................................. | -18,373 | -15,460 | -5,144 | -4,852 | -4,234 | -4,226 | -4,508 | $-3,608$ | -3,118 | $-5,369$ | -4,185 | -4,095 | -4,947 | -4,779 | -2,816 | -2,918 |
| 90 | Venezuela | -8,506 | -6,886 | -2,053 | -2,271 | -2,573 | -1,999 | -1,627 | -1,573 | -1,687 | $-2.078$ | -2,218 | -2,564 | -2,054 | -1,647 | $-1,500$ | -1,685 |
| 91 | Other | 7,236 | 9,261 | 1,510 | 1,749 | 2,153 | 1,860 | 2,313 | 1,964 | 3,124 | 1,411 | 2,135 | 2,099 | 1,577 | 2,211 | 2,381 | 3,092 |
| 92 | Other countries in Asia and Africa ${ }^{810}$ | -85,616 | -99,402 | -18,309 | -29,337 | -22,046 | -19,275 | $-21,859$ | -32,118 | -26,150 | -18,911 | $-27,349$ | -21,455 | -21,565 | -22,540 | -29,929 | -25,368 |
| 93 | Asia ${ }^{\text {810 }}$........................................................................... | -77,408 | -90,040 | $-16,072$ | -26,810 | -19,881 | -16,500 | -19,336 | $-30,276$ | -23,928 | -16,658 | -24,997 | -19,248 | -18,656 | -19,981 | -28,276 | -23,127 |
| 94 | Members of OPEC ........................................................... | -7,155 | -5,678 | -1,466 | -2,437 | -2,215 | -1,479 | $-1,500$ | -2,179 | -520 | $-1,526$ | $-2,250$ | $-2,208$ | -1,641 | -1,554 | -1,994 | -489 |
| 95 | China | -39,573 | -49,897 | $-8,827$ | $-13,278$ | -10,557 | $-9,663$ | -11,579 | -15,452 | -13,203 | -8,969 | -13,036 | -10,252 | $-10,222$ | -11,709 | -15,114 | -12,852 |
| 96 | Hong Kong | 4,019 | 4,765 | 1,338 | 559 | 1,235 | 1,355 | 1,691 | 697 | 1,022 | 1,301 | 705 | 1,233 | 1,243 | 1,647 | 857 | 1,018 |
| 97 | Korea, Republic of ............................................................ | 3,042 | 1,481 | 846 | 965 | 1,126 | 1,251 | 1,180 | -403 | -547 | 808 | 1,279 | 1,121 | 1,011 | 1,097 | -115 | -512 |
| 98 | Singapore ..................................................................... | -4,085 | -2,516 | -918 | -1,285 | -1,133 | -230 | -839 | -708 | -739 | -994 | -1,101 | -1,068 | -396 | -925 | -522 | -673 |
| 99 | Taiwan ....................................................................... | -12,362 | -13,448 | -2,673 | $-3,950$ | -3,230 | -2,714 | -3,382 | -4,101 | $-3,251$ | -2,747 | -3,691 | $-3,146$ | $-3,030$ | $-3,452$ | $-3,815$ | -3,151 |
| 100 | Africa ${ }^{810}$ | -8,304 | -9,465 | -2,281 | -2,502 | $-2,220$ | -2,797 | -2,538 | $-1,876$ | -2,254 | -2,308 | -2,341 | -2,24t | -2,927 | -2,573 | -1,694 | -2,271 |
| 101 | Members of OPEC .......................................................................... | -8,407 | -9,482 | -2,125 | $-2,616$ | -1,976 | -2,484 | -2,513 | -2,327 | -2,158 | -2,137 | -2,584 | -1,973 | -2,526 | -2,524 | -2,283 | -2,149 |
| 102 | International organizations and unallocated ...................................... | 2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 103 | Industrial countries ${ }^{8}$............................................................. | -88,792 | $-90,940$ | -21,786 | -25,913 | -23,959 | -19,183 | -20,274 | -25,470 | -26,013 | -23,115 | -21,835 | -23,019 | -23,469 | -21,658 | -21,145 | -24,668 |
| 104 | Members of OPEC ${ }^{8}$ | -24,068 | -22,046 | -5,644 | -7,324 | -6,764 | -5,962 | -5,640 | -6,079 | -4,365 | -5,741 | -7,052 | -6,745 | -6,221 | -5,725 | -5,777 | -4,323 |
| 105 | Other countries ${ }^{8}$.................................................................... | -78,312 | -85,948 | -17,822 | -26,611 | -19,060 | -16,919 | -18,768 | -28,444 | -21,817 | -18,706 | -23,606 | -18,426 | -20,154 | -19,805 | -25,079 | -20,910 |

See footnotes on page 91.

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


[^50]Table 2.-U.S. Trade in Goods-Continued
[Millions of dollars]

| Line |  | 1996 | 1997p | Not seasonally adjusted |  |  |  |  |  |  | Seasonally acjusted |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  |  | 1997 |  |  |  | 1996 |  |  | 1997 |  |  |  |
|  |  |  |  | \# | III | IV |  | II | III | N ${ }^{p}$ | 1 | III | N | F | "r | IIIr | V ${ }^{\text {P }}$ |
| c | Trade in goods, by principal end-use category, adjusted to balance of payments basis, excluding military-Continued: | 803,239 | 877, | 199,450 | 205,518 | $\left\|\begin{array}{r} 210,542 \\ 20,678 \\ 189,864 \end{array}\right\|$ | $\begin{array}{r} 204,876 \\ 18,891 \\ 185,985 \end{array}$ | 217,230 | $\left\lvert\, \begin{array}{r} 225,541 \\ 17,723 \\ 207,818 \end{array}\right.$ | $\left.\begin{array}{r} 229,635 \\ 17,744 \\ 211,891 \end{array} \right\rvert\,$ | 200,973 | 203,257 | 206,036 | 212,185 | 218,415 | 222,256 | 224,426 |
| 74 | Imports of goods, balance of payments basis, excluding military (A16) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 75 | Petroleum and products ${ }^{7}$ | $\begin{array}{\|c} 72,744 \\ 730,495 \end{array}$ | $\begin{array}{r} 72,053 \\ 805,229 \end{array}$ | $\begin{array}{\|r} 18,403 \\ 181,047 \end{array}$ | $\begin{array}{r} 19,130 \\ 186,388 \end{array}$ |  |  | $\left.\begin{array}{r} 17,695 \\ 199,555 \end{array} \right\rvert\,$ |  |  | $\begin{array}{r} 18,514 \\ +82,459 \end{array}$ | $\begin{array}{r} 19,052 \\ 184,205 \end{array}$ | $\begin{array}{r} 20,559 \\ 185,477 \end{array}$ |  | $\left.\begin{gathered} 17,732 \\ 200.683 \end{gathered} \right\rvert\,$ | $\begin{array}{r} 17,581 \\ 204,675 \end{array}$ | $\begin{array}{r} 17,587 \\ 206,839 \end{array}$ |
| 6 | Nonpetroleum products ..... |  |  |  |  |  |  |  |  |  |  |  |  | 193,032 |  |  |  |
| 77 | Foods, feeds, and beverages | 35,711 | 39,704 | 8,987 | 8,791 | 9,435 | 9,375 | 9,978 | 9,950 | 10,401 | 8,980 | 8,953 | 9,173 | 9,516 | 9,997 | 10,148 | 10,043 |
| 78 | Agricultural | 26,484 | 29,291 | 968 | $\begin{aligned} & 6,346 \\ & 1,068 \end{aligned}$ | 6,830910 | 7,241 <br> 1,244 | $\begin{aligned} & 7.596 \\ & 1,382 \end{aligned}$ | $\begin{aligned} & 7,080 \\ & 1,368 \end{aligned}$ | $\begin{aligned} & 7,404 \\ & 1,045 \\ & 1,70 \end{aligned}$ | $\begin{aligned} & 6,716 \\ & 968 \\ & 968 \end{aligned}$ | 1,068 | $\begin{array}{r}6,786 \\ \hline 10\end{array}$ | 7,099 | $\left.\begin{array}{l} 7,482 \\ 1,382 \end{array}\right]$ | $\begin{aligned} & 7,402 \\ & 1,368 \end{aligned}$ | $\begin{aligned} & 7,308 \\ & +, 045 \end{aligned}$ |
| 79 | Coffee, cocoe | 4,118 | 5,039 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 80 | Green cofifee | 2,491 | 3,575 | 599 | 561 | 619928 | 8 | 1,040 | $\begin{aligned} & 1,368 \\ & 928 \end{aligned}$ | $1,0492$ | 599 | 561 | 619 619 | $\begin{array}{r} 1,244 \\ 8,5 \\ \hline \end{array}$ | 1,040 | $\begin{aligned} & 1,368 \\ & 928 \end{aligned}$ | $\begin{array}{r} 1,045 \\ 792 \\ \hline \end{array}$ |
| 81 | Meat products and poultry | 3,769 | 4,162 | 927 | 970 |  | 2,296 | 2,018 | 1,022 | 1,048 | 2,032 | $\|, 817\|$ | 1,913 | $\begin{gathered} 9896 \\ 1,896 \end{gathered}$ | 1,113 | $\begin{aligned} & 1,022 \\ & 1,858 \end{aligned}$ | 1,047 <br> 1.984 <br> 829 |
|  | Vegetables, fruits, nuts, and preparations | 7,390 | 7,624 | 2,183 | 1,460 | 1,754 |  |  |  | $\begin{aligned} & 1,836 \\ & 935 \end{aligned}$ |  |  |  |  | 1,886 |  |  |
|  | Wine and related prooucts - | ${ }_{8,413}^{2,793}$ | 9,214 | 2,042 | $\begin{array}{r}1745 \\ 2.103 \\ \hline\end{array}$ | 2.431 | 2622 | $\begin{array}{r}\text { 235 } \\ 2 \\ 2,248 \\ \hline\end{array}$ | $\begin{array}{r} 860 \\ 2,566 \end{array}$ | $\begin{array}{r} 935 \\ 2,540 \end{array}$ | 2,084 | 2,052 | $\begin{array}{r} 721 \\ 2,315 \end{array}$ |  |  | 2,312 | 829 |
|  | Nonagricultural (fish, distilled | 9,227 | 10,413 | 2, 148 | 2,445 | 2,605 | 2,164 | 2,382 | 2,870 | 2,997 | 2,264 | 2,323 |  |  |  |  | 2,735 |
|  | Fish and shellish | 6,663 | 7,701 | 1,553 | 1,737 | 1,914 | $\begin{array}{r}1,577 \\ \hline 464 \\ \hline\end{array}$ | 1,729518 | $\begin{array}{r}2,149 \\ \hline 88\end{array}$ | 2,246 | 1,630 | 1,661 | 1,765 | 1,751 | 1,817 | 2,072 |  |
| 7 | Whiskey and other alcoholic beverages | 2,045 | 2,191 | 465 | 574 | 565 |  |  |  | 622 | 504 | 529 | 493 | 544 | 562 | 541 | 544 |
| 88 | Industrial supplies and materials | 209,497 | 217,397 | ,308 | 53,294 | 54,451 | 54,384 | 55,677 | 53,744 | 53,592 | 53,933 | 53,377 | 54,654 | 54, | 55,023 | 53,621 | 53,849 |
| 89 | Agricultural | 6,461 | 211, $\begin{array}{r}6,245 \\ \hline 1\end{array}$ | $\begin{aligned} & 1,612 \\ & 52,696 \\ & 20,026 \end{aligned}$ | $\left.\begin{array}{r\|} 1,726 \\ 51,56 \\ 20,925 \end{array} \right\rvert\,$ | 1,524 | 1,61452,770 | ${ }_{53,991}^{1,686}$ | $\begin{array}{r} 1,517 \\ 52,227 \end{array}$ | 1,43052,162 | 1,597 | 1,75651,621 | 53,117 | - $\begin{array}{r}1,585 \\ 53,39\end{array}$ | $\begin{array}{r} 1,664 \\ 53,359 \end{array}$ | 1,56052,076 | $\begin{aligned} & 1,438 \\ & 5,4,41 \\ & 19,741 \end{aligned}$ |
| 0 | nagricultural | 203, |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 92 | Energy products Fuels and lubricantis 7 Ii | 79,311 | 79,225 | 19,805 | 20,637 | 22,721 | 20,910 | 19,285 | 19,375 | 19,655 | 19,958 | 20,714 | 22,531 | 20,990 | 19,36 | 19,419 |  |
|  | Paper and paper base stocks | 10,871 | 10,681 | 2.588 | 2.602 | 2,610 | 2,548 | 2,624 | 2,715 | 2,794 | 2.595 | 2.597 | 2.573 | 2,5 | 2,6 | 2,699 | 888 |
| 94 | Texile supplies and related materi |  | 10,109 | 2,228 | 2,278 | 2,318 | 2,375 | 2,609 | 2.595 | 2,530 | 2,158 | 2,246 | 2,370 | 2,465 | 2,5 | 2,544 | 2,581 |
| 5 | Chemicals, excluding medicinals | 26,8 | 29,15 | 6,872 | 6,45 | 6,610 | 7,439 | 7,401 | 7,263 | 7,056 | 6,72 | 6,702 | 6,86 | 7,16 | 7,19 | 7.4 | 7,307 |
| ${ }_{96}^{96}$ | Building materials, except metals | 15.035 | 16,833 <br> 14,139 | ${ }_{3,361}^{3,23}$ | 4,221 | 3,381 | 3,731 3,298 | 4,458 <br> 3 | 4,472 3,645 | 4,772 3,50 | ${ }_{3}^{3} 3.313$ | 3,381 | 4,061 | 3,985 | 4,272 | 4,28 <br> 3,54 | 4,293 3,599 |
| 97 | her nonmetals | 4,353 |  |  |  | 3,36 |  |  |  |  |  |  |  |  | 3,5 | 3,54 | 3,599 |
| 98 | Metals and nonmetalicic products | 47,759 | 49,953 | 13,898 | 11,625 | 11,087 | 12,249 | 13,771 | 11,855 | 12,078 | 13,783 | 11,602 | 11,069 | 12,448 | 13,619 | 11,764 | 12,122 |
| 99 | Steelmaking materials | 3,044 | 2,997 | 840 | 736 | 737 | 605 | 750 | 784 | 858 | 799 | 703 | 719 | 692 | 715 | 751 | 839 |
| 100 | Iron and steel products | 17,221 | 18,170 | 4,206 | 4,578 | 4,550 | 4,391 | 4,702 | 4,599 | 4,478 | 4,160 | 4,573 | 4.557 | 4,44 | 4,641 | 4,584 | 4,499 |
| 101 | Nonterous metals | 21,679 | 22,034 | 7,393 | 4,818 | 4,335 | 5,627 | 6,622 | 4,768 | 5,017 | 7,399 | 4,826 | 4,312 | 5,660 | 6,613 | 4,724 | 5,037 |
| 102 | Nonmonetary gold | 7,747 | 6,601 | 3,659 | 1.539 | 85 | 2,170 | 2,739 | 741 | 951 | 3,659 | 1,539 | 85 | 2,170 | 2,73 | 741 |  |
| 3 | Other precious metals | 2.494 | 2,633 | 612 | 576 | 717 | 488 | 554 | 718 | 873 | ${ }^{613}$ | 577 | 713 | 49 | 554 | 709 | 78 |
| 104 | Bauxite and alumin | 5,071 | 5.83 | 1,395 | 1,182 | 1,201 | 1,318 | 1,571 | 1,402 | 1,540 | 1,398 | 1,185 | 1,19 | 1,33 | 1,56 | 1,38 |  |
| 105 | Other nonterrous metals | ${ }_{6}^{6,367}$ | 6,756 | 1,727 | 1.521 | 1,558 | 1,651 | 1,758 | 1,907 | 1,653 | 1,729 | 1,525 | 1,548 | 1,66 | 1,75 | 1,888 | 1,662 |
| 106 | Other metallic and nonmetalic products | 5,815 | 6,752 | 1,459 | 1,493 | 1,465 | 1,626 | 1,697 | 1,704 | 1,725 | 1,425 | 1,500 | 1,481 | 1,65 | 1,65 | 1,705 | 1,747 |
| 107 | Capital goods, except automotive | 229,049 | 254,167 | 56,105 | 57,040 | 59,425 | 57,463 | 62,564 | 66,035 | 68,105 | 56,57 | 56,84 | 57,85 | 59,3 | 62,9 | 65,63 | 66,449 |
| 108 | Machinery, except consumer-typ | 214,433 | 235,521 | 52,420 | 53,305 | 55,527 | 53,595 | 58,191 | 60,767 | 62,968 | 52,878 | 53,143 | 53,942 | 55,489 | 58,568 | 60,359 | 61,105 |
| 9 | Electric generating machinery, electric apparat | 24,749 | 27,921 | 6,006 | ${ }_{6}^{6,374}$ | 6,552 | 6,331 | 6,894 | 7,181 | 7,515 | 5,982 | 6,294 | 6,428 | 6,650 | 6,833 | 7,068 | 7,370 |
|  | Nonolectric, including parts and attachments | 189,684 | 207,600 | 46,414 | 46,934 | 48,975 | 47, 264 | 51,297 |  | 55,45 |  | 4, 4 | 47,514 | 48,83 | 51,73 | 53,29 |  |
| 111 | Oil drilling, mining, anc construction machiner | 5.685 | ${ }^{6,656}$ | 1,498 | +,371 | 1,422 | 1,547 | 1,854 | 1,592 | 1,663 | 1,404 | 1,422 | 1,487 | 1,529 | 1.74 | 1,653 | 1,732 |
| 114 | Measuring, testing, and control instruments | 5,960 | 6,714 | 1,445 | 1,530 | 1,561 | 1,508 | 1,623 | 1,723 | 1,860 | 1,450 | 1,514 | 1,53 | 1,56 | 1,624 | ,69 | 1,825 |
| 115 | Other industrial, agricutural, and sevice industry machinery | 37,671 | 41;287 | 9,592 | 9,248 | 9,460 | 9,502 | 10,642 | 10,290 | 10,853 | 9,364 | 9,405 | 9,512 | 9,640 | 10,349 | 10,365 | 10,933 |
| 116 | Computers, peripherais, and patt | 61,515 | 70,186 | 14,558 | 15,705 | 16,654 | 15,625 | 16,942 | 18,740 | 18,879 | 15,189 | 15,423 | 15,698 | 16,385 | 17,655 | 18,417 | 17,729 |
| 117 | Semiconductors | 36,707 | 36,868 | 9,136 | 8.499 | 8.534 | 8.521 | 9,030 | 9,722 | 9,595 | 9,138 | 8.573 | 8,390 | 8.670 | 9,00 | 9,73 | 9,450 |
| 118 | Telecommunications equipment ...... | 14,375 | 15,601 | 3,349 | 3,572 | 4,126 | 3,495 | 3,633 | 4,005 | 4,468 | 3,58 | 3,524 | 3,799 | 3,721 | 3.82 | 3,962 | 4,098 |
| 119 | Other office and business machines | 6,794 | 7,364 | 1,593 | 1,687 | 1,825 | 1,710 | 1,849 | 1,851 | 1,954 | 1,655 | 1,666 | , | 1,744 | , 2 | 1,835 | 1,865 |
| 120 | Scientific, hospital, and medical equipment and parts | 7,208 | 8,151 | 1,747 | 1,865 | 1,941 | 1,754 | 1,978 | 2,157 | 2,322 | 1,785 | 1,874 | 1,843 | 1,898 | 1,958 | 2,094 | 2,201 |
| 121 | Transportation equipment, exceet automotive | 14,616 | 18,646 | 3,685 | 3.735 | 3,898 | 3.868 | 4,373 | 5,268 | 5,137 | 3,694 | 3.703 | 3,913 | 3,855 | 4,37 |  |  |
| 122 | Civilan aircrat, engines, parts | 12,671 | 16,664 | 3,182 | 3,289 | 3,481 | 3,423 | 3,882 | 4,750 | 4,609 | 3,191 | 3,258 | 3.495 | 3,410 | 3.880 | 4,757 | 4,617 |
| 123 | Civilian aircratt, complete, all types | 3,920 | 4,599 | 1,010 | 965 | 1,049 | 745 | 1,059 | 1,472 | 1.32 | 1,010 | 965 | 1,049 | 745 | 1,05 | 1,472 | 1,323 |
| 124 | Automotive vehicles, engines, and parts | 128,938 | 140,72 | 33,406 | 30,92 | 33,58 | 35,156 | 35,770 | 33,096 | 36,69 | 32,27 | 33,42 | 32,230 | 35,40 | 34,43 | 35,772 | 35,112 |
| 125 | From Canada | 45,915 | 50,412 | 12,845 | 11,029 | t0,950 | 12,754 | 13,265 | 11,473 | 12,920 | 11,870 | 12,215 | 10,619 | 13,03 | 12,16 | 12.580 | 12,63 |
| 126 | Passenger cars, new and used | 24,13 | 26,046 | 6,92 | 5,830 | 5,54 | 6,848 | 7,00 | 5,694 | 6,493 | 6,30 | 6,400 | 5,30 | 7,21 |  | 6,2 |  |
| 127 | Trucks, buses, and special purpose vehicles | 8.85 | 10,272 | 2,437 | 2,097 | 2,187 | 2,454 | 2.682 | 2,507 | 2.629 | 2,305 | 2,360 | 2,083 | 2,45 | 2,515 | 2,78 | 2.509 |
|  | Engines and engine parts | 2,540 | 2.82 | 促 | 581 | 626 | 694 | 75 | 657 | - |  | 660 | 64 |  | 721 | 74 | 09 |
| 129 | Other parts and accessories | 10,401 | 11,271 | 2,800 | 2,521 | 2,597 | 2,758 | 2,809 | 2,597 | 3,107 | 2,62 | 2,79 | 2,58 | 2,71 | 2,61 | 2,82 | 3,108 |
| 130 | From other areas | 83,023 | 90,308 | 20,561 | 19,891 | 22,637 | 22,402 | 22,505 | 21,623 | 23,778 | 20,404 | 21,20 | 21,617 | 22,36 | 22,267 | 23,192 | 22,480 |
| 131 | Passenger cars, new and used | 41,725 | 46,969 | 9,988 | 9,765 | 12,165 | 11,384 | 11,735 | 11,350 | 12,500 | 10,09 | 10,68 | 11,110 | 11,397 | 11,805 | 12.53 | 11,228 |
| 132 | Trucks, buses, and special purpose vehicles | 4,840 | 5,536 | 1,190 | 1,295 | 1,301 | 1,430 | 1,302 | 1.420 | 1,384 | 1,184 | ${ }^{1,33}$ | 1,27 | 1,43 | 1,294 | 1,463 | 1,345 |
| 133 | Engines and engine pats | 9,210 | 8.901 | 2.423 | 2.153 | 2,307 | 2,365 | 2,214 | 2,022 | 2,300 | 2,360 | 2,24 | 2,31 | 2,34 | 2,14 | 2,10 | 2,301 |
| 134 | Other parts and accessories ...................... | 27,248 | 28,902 | 6,960 | 6,678 | 6,864 | 7,223 | 7,254 | 6,831 | 7,59 | 6,764 | 6,94 | 6,912 | 7,18 | 7,02 | 7,080 | 7,606 |
|  | Consumer goods (nonfood), except automotive ...... | 171,007 | 192,947 | 39,238 | 48,321 | 46,081 | 41,077 | 45,133 | 54,619 | 52,118 | 41,905 | 43,308 | 44,850 | 45,321 | 48,031 | 48,787 | 50,808 |
| ${ }^{136}$ | Consumer nondurable goods, manufactured. | 80,780 | 93,499 | 18,470 | 23,081. | 20,976 | 20,375 | 21,910 | 27,171 | 24,043 | 19,694 | 20,264 | 21,524 | 21,754 | 23,281 | 23,82 | 24,643 |
| ${ }^{137}$ | Texile apparel and household goods, except rugs | 39,604 | 46,805 | 8,621 | 12.025 | 10,229 | 9,951 | 10,485 | 14,531 | 11,83 | 9,640 | 9,982 | 10,701 | 10,720 | 11,674 | 12,03 | 2,372 |
| 138 | Footwear of leather, rubber, and other materials | 9.772 | 10,574 | 2,214 | 2,734 | 2.550 | 2,559 | 2,644 | 2,918 | 2,453 | 2,311 | 2,445 | 2,670 | 2,707 | 2,752 | 2,56 | 2,550 |
| 139 | Consumer durable goods, manufactured | 81.502 | 89,563 | 18,791 | 22,927 | 22.885 | 18,308 | 21,007 | 24,710 | 25,538 | 20,078 | 20,832 | 21,073 | 21,277 | 22,374 | 22,38 | 23,530 |
| 140 | Household and kitchen appliances and other housenold goods. | 31,076 | 34,694 | 7,351 | 8,798 | 8,254 | 7,432 | 8.433 | 9.581 | 9,248 | 7,516 | 8,020 | 8,209 | 8,255 | 8,574 | 8.66 | 9,205 |
| 141 | Toys, shooting, and sporing goods, induding bicycles | 15,424 | 18,106 | 3,226 | 4,531 | 4,724 | 3,213 | 4,03 | 5.17 | 5.67 | 3.779 | 3,919 | 4,030 | 4,05 | 4.69 | 4,48 | 4,844 |
| 142 | Television and video receives | 10,010 | 10,546 | 2,220 | 2,976 | 2,86 | 2,054 | 2,39 | 3,117 | 2,981 | 2,494 | 2,62 | 2,49, | 2,53 | 2,66 | 2,74 | 2,607 |
| 143 | Radio and stereo equipment, including records, tapes, and disks ..... | 88,385 | 8,571 | 1,936 | 2,473 | 2,320 | 1,616 | 1,944 | 2.481 | 2.530 | 2.119 | 2,149 | 2,074 | 2,027 | 2,122 | 2.159 | ${ }^{2}, 263$ |
| 144 | Unmanutactured consumer goods (gemstones, nursery stock) ............ | 8,725 | 9,885 | 1,977 | 2,313 | 2,220 | 2,394 | 2,216 | 2.738 | 2,537 | 2,133 | 2,212 | 2,253 | 2,290 | 2,376 | 2,584 | 2,635 |
|  | Imports, ne.e., and U.S. goods returned | 29,037 |  | 7,406 | 7,152 | 7,563 | 7,421 |  | 8,097 | 8,721 | 7,309 | 7,353 | 7,268 | 7,694 | 7,994 | 8,294 |  |
| 146 | U.S. goods relurned | 18,552 | 20,640 | 4,685 | 4,600 | 4,914 | 4,613 | 5,139 | 5,238 | 5,650 | 4,611 | 4,787 | 4,658 | 4,826 | 5,055 | 5,416 | 5,343 |
| 147 | Other products, including balance of payments adjustments not included above (minimum value shipments and miscellaneous imports) | 10,485 | 11,707 | 2,721 | 2,552 | 2,649 | 2,808 | 2,969 | 2.859 | 3,071 | 2.698 | 2,566 | 2,640 | 2.868 | 2,939 | 2,878 | 3,022 |

See footnotes on page 91.

Table 3.-Private Service Transactions
[Millions of dollars]

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow{3}{*}{Lin} \& \& \multirow{3}{*}{1996} \& \multirow{3}{*}{1997p} \& \multicolumn{8}{|c|}{Not seasonally adjusted} \& \multicolumn{8}{|c|}{Seasonally adjusted} <br>
\hline \& \& \& \& \multicolumn{4}{|c|}{1996} \& \multicolumn{4}{|c|}{1997} \& \multicolumn{4}{|c|}{1996} \& \multicolumn{4}{|c|}{1997} <br>
\hline \& \& \& \& 1 \& 11 \& III \& IV \& \& 1 \& III r \& IV ${ }^{\text {P }}$ \& \& 11 \& III \& N \& r \& \# ${ }^{\text {r }}$ \& IIIr ${ }^{\text {r }}$ \& IV ${ }^{\text {P }}$ <br>
\hline \multirow[t]{6}{*}{} \& Exports of private services \& 221,224 \& 237,26 \& 52,029 \& 52,974 \& 59,782 \& 56,440 \& 56,448 \& 57,734 \& 64,488 \& 58,59 \& 53,676 \& 54,588 \& 56,540 \& 57,427 \& 58,34 \& 59,417 \& 59,936 \& 59,56 <br>
\hline \& Travel (table 1 , line 5) \& 08 \& 74,407 \& 14,804 \& 17,165 \& 21,041 \& 16, \& 16.421 \& 18,428 \& 22,350 \& 17,208 \& 16,712 \& 17,356 \& 17,659 \& 18,183 \& 18,585 \& 18,634 \& 18,732 \& 18,456 <br>
\hline \& Passenger fares (tabie 1, line 6) 7 ] \& 20,557 \& 21,710 \& 4,768 \& 4,769 \& 6,104 \& 4,916 \& 4,976 \& 5,302 \& 6,376 \& 5,056 \& 5,087 \& 4,952 \& 5.237 \& 5,282 \& 5,316 \& 5,508 \& 5,468 \& 5,418 <br>
\hline \& Other transportation (table 1, line 7) \& 27.216 \& ${ }_{2}^{28,194}$ \& 6,436

2629 \& 6,788 \& | 6,763 |
| :--- | \& 7,229 \& ${ }_{6}^{6,873}$ \& 7,029 \& ${ }^{6,990}$ \& 7,302 \& 6,555 \& 6,805 \& ${ }^{6,716}$ \& 7.142 \& 7,001 \& 7,045 \& 6,939 \& 7,210 <br>

\hline \& Port sevices \& 14,691 \& 15,001 \& 3.467 \& 3,603 \& ${ }_{3}, 683$ \& 3,938 \& 3,618 \& 3,711 \& 3,745 \& 3,927 \& 3,565 \& 3,639 \& 3,625 \& 3,861 \& 3,722 \& 3.749 \& ${ }_{3}, 685$ \& - <br>
\hline \& Other.... \& 1,364 \& 1,503 \& 340 \& 342 \& 343 \& 339 \& 370 \& 377 \& 378 \& 378 \& 340 \& 342 \& 343 \& 339 \& 370 \& 377 \& 378 \& 378 <br>
\hline \& Royalies and license fees \& 29,97 \& 30,2 \& 7.121 \& 7,170 \& 7,410 \& 8,273 \& 7,389 \& 7,445 \& 7.460 \& 7,975 \& 7,432 \& 7,345 \& 7,495 \& 7,703 \& 7,688 \& 7,608 \& 7,520 \& 7,452 <br>
\hline 9 \& Affiliated \& 23,760 \& 23,411 \& 5.616 \& 5,639 \& 5,845 \& 6,661 \& 5,722 \& 5,738 \& 5.725 \& 6,226 \& 5,927 \& 5,814 \& 5.929 \& 6,091 \& 6,022 \& 5,901 \& 5,785 \& 5,703 <br>
\hline 10 \& U.S. parents' receipts \& 21,916 \& 21,977 \& 5.232 \& 5.322 \& 5,456 \& 5,907 \& 5,450 \& 5,345 \& 5,360 \& 5,823 \& 5,531 \& 5,436 \& 5,505 \& 5,445 \& 5,755 \& 5,452 \& 5,402 \& 5,369 <br>
\hline 11 \& U.S. affiliates' receipts ............................... \& 1,844 \& 1,434 \& 384 \& 317 \& \& 754 \& 272 \& 393 \& 365 \& 403 \& 396 \& 378 \& 424 \& 646 \& 267 \& 449 \& 383 \& 334 <br>
\hline 12 \&  \& 6,214 \& 6,857 \& 1.505 \& 1,531 \& 1,566 \& 1.612 \& 1,666 \& 1,707 \& 1,735 \& 1.749 \& 1,505 \& 1,531 \& 1,566 \& 1,612 \& 1,666 \& 1,707 \& 1,735 \& 1,749 <br>
\hline 3 \& Industrial processes ${ }^{1}$ \& 3.979 \& 4,456 \& 956 \& 978 \& 1,006 \& 1,040 \& 1,080 \& 1,109 \& 1,129 \& 1,139 \& 956 \& 978 \& 1,006 \& 1,040 \& 1,080 \& 1,109 \& 1,129 \& 1,139 <br>
\hline 14 \& Other ${ }^{2}$.................. \& 2,235 \& 2,402 \& 549 \& 554 \& 560 \& 573 \& 587 \& 598 \& 607 \& 610 \& 549 \& 554 \& 560 \& 573 \& 587 \& 598 \& 607 \& 610 <br>
\hline \multirow[t]{13}{*}{} \& Other private senvices (table $\mathbf{1}$, line 9) \& 73,5 \& 82,68 \& 18,900 \& 17,082 \& 18,464 \& 19,124 \& 20,789 \& 19.530 \& 21,312 \& 21,050 \& 17,890 \& 18,130 \& 18,433 \& 19,117 \& 19,753 \& 20,622 \& 21,277 \& 21,031 <br>
\hline \& Affilated services \& 22,810 \& 25,483 \& 5,474 \& 5,477 \& 5,674 \& 6,186 \& 5,940 \& ${ }_{6}^{6,320}$ \& 6,510 \& 6,713 \& 5,623 \& \& 5,777 \& \& 6,103 \& 6,425 \& -6,622 \& 6,334 <br>
\hline \& U.S. parents' receipls \& 13,763 \& 14,997 \& 3.400 \& 3,389 \& 3,358 \& 3,617 \& 3,521 \& 3,756 \& 3719 \& 4,001 \& 3,494 \& 3,429 \& 3,410 \& 3,431 \& 3,623 \& 3,802 \& 3,776 \& 3,796 <br>
\hline \& U.S. atfiliates' receipis \& 9,047 \& 10,486 \& 2,074 \& 2.088 \& 2.316 \& 2.569 \& 2,419 \& 2.564 \& 2.791 \& 2.712 \& 2,129 \& 2,142 \& 2.367 \& 2.409 \& 2,430 \& 2.623 \& 2.846 \& 2,538 <br>
\hline \& Unatailiated services ........ \& 50,759 \& 57,198 \& 13,426 \& 11,605 \& 12,790 \& 12,938 \& 14,849 \& 13,210 \& 14,802 \& 14,337 \& 12,267 \& 12,559 \& 12,656 \& 13,277 \& 13,650 \& 14,197 \& 14,655 \& 14,697 <br>
\hline \& Education \& 7,807 \& 8 8,134 \& 3,147 \& 999 \& 2,071 \& 1.589 \& 3,266 \& 1,032 \& 2.155 \& 1,681 \& 1,916 \& 1,938 \& 1,998 \& 1,955 \& 1,986 \& 2,003 \& 2,074 \& 2,071 <br>
\hline \& Financial services \& 8,034 \& 10, 104 \& 1,847 \& 1,938 \& 1,925 \& 2,325 \& 2,259 \& 2,492 \& 2,70t \& 2,652 \& 1,847 \& 1,938 \& 1,925 \& 2,325 \& 2,259 \& 2,492 \& 2,701 \& 2,652 <br>
\hline \& Insurance, net \& 2,121 \& 2.558 \& 450 \& 513 \& 561 \& 597 \& 620 \& 637 \& 648 \& 654 \& 450 \& 513 \& 561 \& 597 \& 620 \& 637 \& 648 \& 654 <br>
\hline \& Premiums received \& 6,179 \& 6,744 \& 1,480 \& 1,524 \& 1,567 \& 1,609 \& 1,650 \& 1,681 \& 1,702 \& 1,712 \& 1,480 \& 1,524 \& 1,567 \& 1,609 \& 1,650 \& 1,681 \& 4.702 \& 1,712 <br>
\hline \& Losses paid \& 4,058 \& 4,186 \& 1,030 \& 1,011 \& 1,006 \& 1,012 \& 1,030 \& 1,044 \& ${ }^{1} 1.054$ \& 1,058 \& 1,030 \& 1,011 \& 1,006 \& 1,012 \& 1,030 \& 1,044 \& 1.054 \& 1,058 <br>
\hline \& Telecommunications \& 3,405 \& 3,596 \& 863 \& 854 \& 838 \& 850 \& 845 \& 895 \& 913 \& 944 \& 86 \& 854 \& 838 \& 50 \& 845 \& \& 913 \& 44 <br>
\hline \& Business, protessional, and technical senvices \& 19,247 \& 22,116 \& 4,681 \& 4,734 \& 4,847 \& 4,985 \& 5,287 \& 5,543 \& 5,642 \& 5.644 \& 4,681 \& 4,734 \& 4,847 \& 4,985 \& 5,287 \& 5,543 \& 5,642 \& 5,644 <br>
\hline \&  \& 10,145 \& 10,690 \& 2,438 \& 2,568 \& 2,547 \& 2,592 \& 2,573 \& 2,611 \& 2,744 \& 2,762 \& 2,510 \& 2,583 \& 2,486 \& 2,565 \& 2,653 \& 2,62 \& 2,677 \& 2,732 <br>
\hline 28 \& Imports of private services .... \& 143,086 \& 153,787 \& 32,572 \& 36,725 \& 38,943 \& 34,846 \& 34,807 \& 39,715 \& 41,929 \& 37,336 \& 35,406 \& 35,549 \& 35,873 \& 36,257 \& 37,777 \& 38,459 \& 38,710 \& 38,841 <br>
\hline \multirow[t]{5}{*}{} \& Travel (table 1, line 19) \& 48,739 \& 52,029 \& 10,492 \& 13,236 \& 14,321 \& 10,690 \& 10,935 \& 14,205 \& 15,347 \& 11.542 \& 12,484 \& 12,099 \& 11,915 \& 12,241 \& 13,004 \& 12,989 \& 12,813 \& 13,224 <br>
\hline \& Passenger fares (table 1 , ine 20 ) \& 15.776 \& 16,927 \& 3,545 \& 4,188 \& 4,406 \& 3,637 \& 3,947 \& 4,445 \& 4,672 \& 3,8633 \& 3,860 \& 3,943 \& 3,920 \& 4,053 \& 4.272 \& 4,190 \& 4,166 \& 4,298 <br>
\hline \& Other transportation (table 1, line 21) \& 28,453 \& 29,771 \& 6,648 \& 7,222 \& 7,380 \& 7,203 \& 7,191 \& 7.514 \& 7.538 \& 7.528 \& 6,816 \& 7,253 \& 7.218 \& 7.166 \& 7377 \& 7.541 \& 7.368 \& 7.484 <br>
\hline \& Freight ..................................................... \& ${ }^{16,879}$ \& 17,799 \& 3,970 \& 4,386 \& 4,326 \& \& 4,257 \& \& 4,463 \& \& \& 4,414 \& \& \& 4,319 \& 4,637 \& 4,447 \& 4,396 <br>

\hline \& | Port services |
| :--- |
| Other | \& 10,792 \& 11,162

812 \& \begin{tabular}{|c}
2,485 <br>
193

 \& 

2,643 <br>
193 <br>
\hline

 \& 

2,857 <br>
198 <br>
\hline 18
\end{tabular} \& -1997 \& 2,720

214 \& $\begin{array}{r}2,707 \\ 200 \\ \hline\end{array}$ \& +19284 \& $\begin{array}{r}2.851 \\ 206 \\ \hline\end{array}$ \& \begin{tabular}{|c}
2.598 <br>
\hline 193

 \& 

2,647 <br>
193 <br>
\hline
\end{tabular} \& $\begin{array}{r}2,709 \\ 198 \\ \hline\end{array}$ \& 2,838

199 \& $\begin{array}{r}2,844 \\ 214 \\ \hline\end{array}$ \& 2,705
200 \& $\begin{array}{r}2,730 \\ 192 \\ \hline\end{array}$ \& $\begin{array}{r}2,883 \\ \hline 206\end{array}$ <br>
\hline \& Royalies and license fees (table 1, line 22) \& 7,322 \& 7,512 \& 1,697 \& 1,606 \& 2,154 \& 1,865 \& 1,772 \& 1,758 \& 2,056 \& 1,926 \& 1,724 \& 1,684 \& 2,144 \& 1,770 \& 1,797 \& 1,846 \& 2,043 \& 1,826 <br>
\hline \& Affiliated .... \& 5,301 \& 5,932 \& 1,331 \& 1,226 \& 1,274 \& 1,471 \& 1,377 \& 1,373 \& 1,642 \& 1,541 \& 1,358 \& 1,304 \& +,264 \& 1,376 \& 1,40 \& 1,461 \& 1,629 \& 1,441 <br>
\hline 37 \& U.S. parents' payments \& 554 \& 742 \& 117 \& 137 \& 136 \& 164 \& 155 \& 172 \& 132 \& 224 \& 117 \& 137 \& 1136 \& 164 \& 155 \& 172 \& 192 \& 224 <br>
\hline 38 \& U.S. atfiliates' payments \& 4,748 \& 5,190 \& 1,214 \& 1,089 \& 1,198 \& 1,307 \& 1,222 \& 1,201 \& 1,450 \& 1.317 \& 1,241 \& 1,167 \& 1,128 \& 1,242 \& 1,24 \& 1,288 \& 1,437 \& 1,217 <br>
\hline 39 \& Unalfitiated \& 2,021 \& 1,580 \& ${ }_{267}^{366}$ \& ${ }_{279}^{380}$ \& ${ }_{88}^{880}$ \& 394 \& ${ }_{291}$ \& 385 \& 414 \& ${ }_{289}^{385}$ \& 267 \& 379 \& 888 \& 294 \& ${ }^{396}$ \& 389 \& 414 \& 29 <br>
\hline 41 \&  \& 1,126 \& +1,159 \& ${ }_{99} 9$ \& 201 \& 288
592 \& 103 \& 106 \& ${ }_{95} 9$ \& 125 \& 96 \& 2 \& 101 \& 592 \& 103 \& 106 \& 95 \& 125 \& 96 <br>
\hline \& Other private services (table 1 , \& 42,796 \& 47,548 \& 10, 90 \& 10,473 \& 10,682 \& 11.451 \& 10,962 \& 11,793 \& 12,316 \& 12,477 \& 10.522 \& 10.570 \& 10,676 \& 11,027 \& 11,327 \& 11,893 \& 12,320 \& 12,009 <br>
\hline \multirow{11}{*}{} \& Aftiliated sevices \& 16,026 \& 17,610 \& 3.677 \& 3,905 \& 3,968 \& 4,476 \& 4,013 \& 4,328 \& 4,4771 \& 4,798 \& 3,877 \& 3,945 \& 4,073 \& 4,130 \& 4,227 \& 4,368 \& 4,600 \& 4,415 <br>
\hline \& U.S. parents' payments \& 7,505 \& 8,630 \& 1,714 \& 1,783 \& 1.879 \& 2,129 \& 1,764 \& 2,130 \& 2,177 \& 2,559 \& 1.914 \& 1,788 \& 1,933 \& 1,887 \& 1,979 \& 2,145 \& 2.25 \& 2,255 <br>
\hline \& U.S. affiliates' payments. \& 8.521 \& 8.980 \& 1,963 \& 2,122 \& 2.089 \& 2, 347 \& 2,249 \& 2,198 \& 2,294 \& 2,239 \& 1,963 \& 2,157 \& 2,138 \& 2,263 \& 2,248 \& 2,223 \& 2,34 \& 2,160 <br>
\hline \& Unatfiliated services ........... \& 26,770 \& 29,938 \& 6.513 \& 6,568 \& 6,714 \& 6,975 \& 6,949 \& 7,465 \& 7,845 \& 7,679 \& 6,645 \& 6,625 \& 6,603 \& 6,897 \& 7,100 \& 7,525 \& 7,720 \& 7,594 <br>
\hline \& Ecucation \& 1,041 \& 1,135 \& 213 \& 256 \& 315 \& 259 \& 23 \& 278 \& 34 \& 28 \& 774 \& 506 \& 2 \& ${ }_{80} 26$ \& 析 \& 279 \& 285 \& 1 <br>
\hline \& Financial service \& 3,184 \& 4,059 \& 774 \& 781 \& 769 \& 85 \& 88 \& 1,106 \& 1,182 \& 88 \& 774 \& 781 \& 76 \& 85 \& 888 \& 1,106 \& 1,18 \& 883 <br>
\hline \& Insurance, net \& 4,387 \& 4,817 \& 1,188 \& 1,089 \& 1,047 \& 1,064 \& 1,139 \& 1.19 \& 1,232 \& 1,251 \& 1,1888 \& 1.089 \& 1,047 \& 1,064 \& 1,139 \& 1,195 \& 1,232 \& <br>
\hline \& Premiums paid \& 15,473 \& 16,525 \& 3,816 \& 3,833 \& 3,877 \& 3,947 \& 4,046 \& 4,1929 \& 4,168 \& 4,992 \& 3,816 \& 3,833 \& 3,877 \& 3,947 \& 4,046 \& 4,199 \& 4,168 \& 4,192
2
2941 <br>

\hline \& Lesses recovered \& | 11,086 |
| :---: |
| 8,385 | \& 18,576 \& 2,127 \& 2,103 \& 2,066 \& | 2,884 |
| :--- |
| 2 |
| 189 | \& 2,076 \& ${ }_{2,137}$ \& 2,157 \& 2,205 \& 2,127 \& 2,103 \& 2,066 \& 2,089 \& 2,076 \& 2,137 \& 2,157 \& 2.205 <br>

\hline \& Business, proiessional, and techrical services \& 5,253 \& 6,464 \& 1,234 \& 1,278 \& 1,335 \& 1,406 \& 1,540 \& 1,612 \& +1,648 \& 1,664 \& 1,234 \& 1,278 \& 1,335 \& 1,406 \& 1,540 \& 1,612 \& 1,648 \& 1,664 <br>
\hline \& Other unatifiliated services ${ }^{3}$........................ \& 4,520 \& 4,891 \& 978 \& 1,062 \& 1,181 \& 1,299 \& 1,074 \& 1,138 \& 1,284 \& 1,395 \& 1,070 \& 1,119 \& 1,122 \& 1,210 \& 1,180 \& 1,196 \& 1,215 \& 1,299 <br>
\hline \& Memoranda: \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& <br>

\hline \&  \& $$
\begin{array}{r}
-191,1708 \\
\hline 78,138
\end{array}
$$ \& \[

\left|$$
\begin{array}{r}
-198,934 \\
83,474
\end{array}
$$\right|
\] \& $-36,287$

19,45 \& -45,252 \& $$
\begin{array}{r}
-59,848 \\
20,839
\end{array}
$$ \& $-49,783$

21,594 \& $-42,064$

21,641 \& $$
\left.\begin{gathered}
-44,682 \\
18,019
\end{gathered} \right\rvert\,
$$ \& \[

$$
\begin{gathered}
-59,993 \\
2,559
\end{gathered}
$$

\] \& -5, 21,25 \& -4, 8,2270 \& -47,562 \& \[

\left.$$
\begin{array}{|c}
-52,493 \\
19,667
\end{array}
$$ \right\rvert\,

\] \& \[

$$
\begin{array}{r}
-48,1,109 \\
21,70
\end{array}
$$

\] \& \[

\left|$$
\begin{array}{r}
-49,846 \\
20,566
\end{array}
$$\right|

\] \& \[

$$
\begin{gathered}
-47,188 \\
20,958
\end{gathered}
$$

\] \& \[

\left.$$
\begin{array}{|}
-52,001 \\
21,226
\end{array}
$$ \right\rvert\,

\] \& \[

$$
\begin{array}{r}
-49,901 \\
20,726
\end{array}
$$
\] <br>

\hline \& | Balan |
| :--- |
| 56) $\qquad$ | \& -113,032 \& -115,460 \& -16,830 \& -29,003 \& -39,009 \& -28,189 \& -20,423 \& $-26,66$ \& -37,434 \& -30,940 \& -24,655 \& -28,523 \& $-32,826$ \& -27,020 \& -29,278 \& -26,230 \& -30,775 \& -29,175 <br>

\hline
\end{tabular}

See footnotes on page 91.

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


See footnotes on page 91.

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


[^51]Table 6.-Securities Transactions
[Millions of dollars]

| Line | (Credits $\boldsymbol{+}$; debits -) | 1996 | 1997P | Not seasonally adiusted |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  |  |  | 1997 |  |  |  |
|  |  |  |  | 1 | 11 | III | IV | 1 | 1 | III ${ }^{\text {r }}$ | IV ${ }^{\text {r }}$ |
| A1 | Foreign securities, net U.S. purchases $(-)$, (table 1 , line 45 or lines $2+13$ below) .. | -108,189 | -79,287 | -34,455 | -20,328 | -23,206 | -30,200 | -14,510 | -21,841 | -39,214 | -3,722 |
| 2 | Stocks, net U.S. purchases | $-58,786$ | -37,984 | -22,520 | -17,519 | -8,164 | -10,583 | -11,757 | -13,257 | -15,561 | 2,591 |
|  | New issues in the United States | -11,353 | -13,045 | -2,920 | -4,908 | -1,342 | -2,183 | -2,007 | -2,377 | -3,305 | -5,356 |
| 4 |  | -5,796 | -3,454 | -757 | -3,341 | -644 | -1,054 | -547 | $-757$ | -787 | -1,363 |
| 5 6 | Canada <br> Latin America |  |  | -645 -394 | $\xrightarrow{-561}$ | -(D) | -503 | ( ${ }_{(0)}^{\text {P }}$ ) | -56 -917 | $\left.\begin{array}{r} -182 \\ -1,555 \end{array} \right\rvert\,$ | $-1,172$ -99 |
| 799101112 | Transactions in outstanding stocks, net | -47,433 | -24,939 | -99,600 | -12,611 | -6,822 | -8,400 | -9,750 | -10,880 | -12,256 | 7,948 |
|  | Western Europe | -25,408 | -9,810 | -6,919 | -6,917 | -6,088 | -6,484 | -4,824 | 664 | -7,113 | 1,463 |
|  | Of which United Kingdom | -12,983 | -15,876 | -2,054 | -4,843 | -1,958 | -4,128 | -3,122 | -2,378 | 8,057 | -2,319 |
|  | Canada | -2,152 | - 289 | -889 | --933 | 372 | -702 | 1,506 -1900 | -804 | -1,494 | 1,081 |
|  | Japan | -9,561 $-10,312$ | $-9,384$ <br> $-6,034$ | ${ }_{-3,863}$ | $-2,527$ $-2,234$ | -202 $-2,004$ | -2,211 | $-1,920$ $-4,512$ | $-8,642$ $-2,099$ | ${ }_{-}-\mathbf{3}, 052$ | 4,229 |
| 13 | Bonds, net U.S. purchases | -49,403 | -41,299 | -11,935 | -2,809 | -15,042 | -19,617 | -2,753 | -8,583 | -23,650 | -6,313 |
|  | New issues in the United States | -52,472 | -66,527 | -12,895 | -8,41t | $-13,800$ | -17,366 | - 4 4,959 | -15,476 | -23,554 | -12,538 |
| 18 | By issuer: Central governments and their agencies and corporations | -9,867 | -9,988 | -3,022 | -89 | -5,517 | -1,239 | -3,990 | -2,861 | -2,237 | -900 |
|  | Other governments and their agencies and corporations ' ............................................................ | -10,206 | $-5,042$ | -2,716 | -1,587 | -1,014 | -4,889 | -910 | -111 | -3,899 | -122 |
|  | Private corporations <br> International financial institutions ${ }^{2}$ | $-31,280$ $-1,119$ | $-50,710$ -787 | -6,957 -200 | -6,725 | $-6,423$ -846 | -11,175 | $-9,859$ -200 | -12,504 | -16,881 | -11,516 |
|  | By area: |  |  |  |  |  |  |  |  |  |  |
|  | Western Europe | -11,380 | -18,121 | -3,942 | -1,420 | -1,989 | -4,029 | -4,023 | -2,614 | $-5,518$ | -5,966 |
|  | Canada | -7,531 | -6,229 | $-3,042$ | -963 | -1,493 | -2,033 | -1,220 | $-1,668$ | -2,065 | -1,276 |
|  | Japan ......a | -19, -1699 | -19,443 | $-3,330$ | -197 -2.785 | -6,518 | -3,536 | $\bigcirc$ | $\bigcirc$ | $\cdots$ | -135 -1.536 |
| 23 | Other countries.............................. | -16,076 | -22,399 | -2,381 | -3,036 | -2,954 | -7,705 | -3,691 | -5,949 | -9,134 | -3,625 |
| 24 | International financial institutions ${ }^{2}$......... | -1,119 | -200 | -200 | -10 | -846 | -63 | -200 |  |  |  |
| 252627282829 | Redemptions of U.S.held foreign bonds ${ }^{3}$ | 16,176 | 15,912 | 3,475 | 3,438 | 4,500 | 4,763 | 3,633 | 1,566 | 3.947 | 6,766 |
|  | Western Europe ........ | 6,125 | 4,853 | 2,508 | 977 | 1,578 | 1,062 | 888 | 274 | 988 | 2,704 |
|  | Canada | 3.141 | 3.019 | 388 | 1,206 | 983 | 564 | 678 | 493 | 1,042 | ${ }^{806}$ |
|  | Other countries <br> International financial institutions ${ }^{2}$ $\qquad$ | 5,813 1,097 | 4,684 <br> 3,357 | 579 | 1,230 25 | 1,764 | 2,240 897 | $\begin{array}{r}517 \\ \hline 1,550 \\ \hline 8\end{array}$ | 701 99 | $\begin{array}{r}1,403 \\ 515 \\ \hline\end{array}$ | 2,062 1,193 |
| 30313232333435 | Other transactions in outstanding bonds, net ${ }^{3}$ | -13,107 | 9,315 | -2,515 | 2,164 | -5,742 | -7,014 | 8,573 | 5,327 | -4,043 | -541 |
|  | Western Europe | -20,645 | 2,957 | -1,820 | 1,491 | -10,458 | -9,858 | 5,141 | 7,206 | -7,343 | -2,048 |
|  | Of which United Kingdom | -17,577 | -2,292 | -2,668 | 4,818 | -8,872 | -10,855 | 2.848 | 5,710 | -8,950 | -1,900 |
|  | Canada ..................... | 1,524 | 751 | -356 | 1,148 | 2,057 | -1,325 | 1,518 | -392 | -1,718 | 1,342 |
|  | Japan | 3,419 2,595 | $-1,015$ 6,623 | $\begin{array}{r}-478 \\ \hline 139\end{array}$ | -589 114 | 3,216 -557 | 1,270 2,899 | $-1,471$ 3,385 | ${ }^{-1,591}$ | 514 4.503 | 1,533 $-1,369$ |
|  | U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net forelgn purchases (+), (table 1, line 59 or lines $2+10$ below) $\qquad$ | 133,798 | 189,273 | 36,475 | 29,761 | 35,115 | 32,447 | 38,820 | 51,682 | 60,409 | 38,362 |
| 2 | Stocks, net foreign purchases | 12,604 | 66,907 | 3,530 | 6,068 | 1,681 | 1,325 | 10,223 | 21,675 | 23,209 | 11,800 |
|  | By area: |  |  |  |  |  |  |  |  |  |  |
|  | Western Europe | ¢,307 | 56,735 8984 | 2,129 277 | 491 | $\begin{array}{r}3,273 \\ \hline 542\end{array}$ | 414 81 | 10.579 2.727 | 14,384 20.090 | 15,088 2 | 16,684 2 2 |
|  |  | 2,606 | 7,672 | 736 | 531 | 1,008 | 331 | 1,331 | 1,996 | 1,030 | 3,315 |
|  | United Kingdom ............................................................................................... | 3,942 | 21,287 | -682 | 120 | 1,484 | 3,020 | 3,231 | 5,949 | 6,625 | 5,483 |
|  | Canada ................................ | 2,156 | $-1,176$ | 1,059 | -274 | -35 | 1,406 | 1,130 | 155 | -1,280 | -1,182 |
|  | Japan ............... | -443 4.584 | 4,665 6,683 | -807 | 2,309 3,542 | $-1,314$ -243 | -631 | -2,340 | 4,151 2,885 | 1,398 8 8 | 1,456 |
|  | Other ................ | 4,584 | 6,683 | 1,149 | 3,542 | -243 | 136 |  | 2,985 | 8,002 | -5,158 |
|  | Corporate and other bonds, net foreign purchases | 121,194 | 122,368 | 32,945 | 23,693 | 33,434 | 31,122 | 28,597 | 30,007 | 37,202 | 26,562 |
|  | By type: |  |  |  |  |  |  |  |  |  |  |
|  | New issues sold abroad by U.S. corporations.. | 53,445 | 80,133 | 13,511 | 11,643 | ${ }^{13,716}$ | 14,575 | 20,740 | 23,719 | 27,476 | 8,988 |
|  | U.S. federally-sponsored agency bonds, net .......... | 44,558 | 39.538 | 14,392 | 5,662 | +2,162 | 12,342 | 7,422 | 9,624 | 12,470 | 10,023 |
|  | Other outstanding bonds, net ........................ | 23,191 | 2,697 | 5,042 | 6,388 | 7,556 | 4,205 | 435 | $-3,336$ | -2,744 | 8,341 |
| 11 12 13 | By area: |  |  |  |  |  |  |  |  |  |  |
| 141516161718192021 | Western Europe | 74.561 | 71,860 | 21,356 | 16,090 | 20,656 | 16,459 | 20,368 | 18,142 | 23,658 | 9,693 |
|  | Of which Germany | 5,218 | 1,554 | 2,329 | 1,628 | 1,237 | -6 | 400 | 109 | 1.476 | -431 |
|  | Swizerland | 888 | 284 | -60 | 271 | 785 | -108 | -151 | 147 | -1,202 | 1,490 |
|  | United Kingdom ..................................................................................................... | 54,991 | 57,160 | 14,963 | 10,462 | 15,366 | 14,200 | 18,239 | 15,087 | 18,460 | 5,374 |
|  | Canada ........................................................................................................................ | 3,902 | 6,205 | 504 | 1,420 | 1,000 | 978 | 1,794 | 822 | 1,498 | 2,091 |
|  | Japan | 13,749 | 9,393 | 984 | 2,601 | 5,464 | 4,700 | 3,339 | 3,251 | 4,243 | -1,440 |
|  | Other countries | 28,941 | 34,842 | 10,026 | 3,593 | 6,323 | 8,999 | 3,097 | 7,789 | 7,803 | 16,152 |
|  |  | 41 | 64 | 75 | $-11$ | $-9$ | -14 | -1 | 3 | -4 | 66 |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |
|  | Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts: |  |  |  |  |  |  |  |  |  |  |
|  | Foreign official assels in the United States (fines in table 9): |  |  |  |  |  |  |  |  |  |  |
| 1 | U.S. Treasury marketable bonds (line A4) .......................................................................................... | 86.875 | 42.815 | 26,044 | 8,087 | 30,404 | 22,340 | 25,060 | 20,534 | 8.913 | 1,692 |
| 2 | Other U.S. Government securities (line A6) ................................................................................... | 4,381 | 4,048 | 52 | 1,258 | 1,217 | 1,854 | 651 | 644 | 2,667 | 86 |
| 3 | U.S. corporate and other bonds (part of line A14) ......................................................................... | 1,636 | 1,121 | -9 | 831 | 905 | -91 | 365 | 16 | 642 | 98 |
| 4 | U.S. stocks (part of line A14) .......................................................................................... | -358 | -1,806 | -202 | 454 | -2,490 | 1,880 | -3,590 | 884 | -9 | 909 |
| 5 | Other foreign transactions in U.S. Treasury bonds and notes (table 9, ine B5) ............................................ | 157,259 | 152,195 | 11,500 | 30,538 | 44,479 | 70,742 | 48,222 | 37,106 | 33,845 | 33,022 |

See footnotes on page 91 .

Table 7.-Claims on and Liabilities to Unatfiliated Foreigners Reported by U.S. Nonbanking Concerns
[Mililions 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.) | 1996 | $1997{ }^{P}$ | Not seasonally adjusted |  |  |  |  |  |  |  | Amounts outstanding Dec. 31, 1997 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  |  |  | 1997 |  |  |  |  |
|  |  |  |  | I | II | 111 | IV | 1 | 11 | $111 p$ | IV ${ }^{\text {I }}$ |  |
| A1 | Claims, total (table 1, line 46) .................................................................................. | -64,234 | -76,298 | -15,778 | -5,047 | -17,294 | -26,115 | $-29,466$ | -3,984 | -17,848 | -25,000 | 449,040 |
| 2 | Financial claims | -61,568 | $-76,021$ | -16,257 | -4,832 | -17,774 | -22,705 | -30,369 | -4,005 | -16,647 | -25,000 | 420,239 |
| 3 | Denominated in U.S. dollars ........................................................................................... | -41,661 | -61,437 | -4,470 | -4,891 | -8,639 | -23,661 | -26,035 | 2,596 | -12,998 | -25,000 | 332,387 |
| 4 | Denominated in foreign currencies ................................................................... | -19,907 | -14,583 | -11,787 | 59 | $-9,135$ | 956 | -4,334 | -6,601 | $-3,648$ | .............. | 87,852 |
| 5 6 | By lype: Deposits ${ }^{2}$ <br> Other claims ${ }^{23}$ | $\begin{array}{r} -60,856 \\ -712 \end{array}$ | $-75,859$ -162 | $-16,147$ -110 | $-4,672$ -160 | $-17,563$ -211 | $-22,474$ -231 | $-30,823$ 454 | $-3,749$ -256 | $\begin{array}{r} -16,287 \\ -360 \end{array}$ | -25,000 | $\begin{array}{r} 415,206 \\ 5,033 \end{array}$ |
| 7 | By area: Industrial countries ${ }^{4}$ | -29,780 | $-26,878$ | -14,987 | 6,319 | -8,112 | $-13,000$ | -16,197 | -2,656 | -8,025 | ...... | 168,270 |
| 8 | Of which United Kingdom ............................................................... | -18,167 | -15,681 | -10,672 | 3,180 | -4,072 | -6,603 | -8,873 | -4,827 | -1,981 | , | 80,468 |
| 9 | Canada ........................................................................ | $-1,061$ | 2,814 | -141 | 55 | 3,126 | -4, 101 | 894 | 2,843 | -923 |  | 8,418 |
| 10 | Caribbean banking centers ${ }^{5}$ | -30,719 | -48,294 | -1,234 | -10,854 | -9,399 | -9,232 | -14,279 | $-957$ | -8,058 | -25,000 | 238,835 |
| 11 | Other ...... | -1,069 | -848 | -36 | -297 | -263 | -473 | 107 | -392 | -563 |  | 13,134 |
| 12 | Commercial claims ..................................................................................................... | -2,666 | -278 | 479 | -215 | 480 | -3,410 | 903 | 21 | -1,202 | .......... | 28,802 |
| 13 | Denominated in U.S. dollars | -2,657 | 168 | 410 | -166 | 432 | -3,333 | 916 | 148 | -896 | ...... | 27,060 |
| 14 | Denominated in foreign currencies | -9 | -446 | 69 | -49 | 48 | -77 | -13 | -127 | -306 | ........ | 1,742 |
| 15 | By type: Trade receivables | -2,227 | 673 | 875 | -153 | 266 | -3,215 | 1,015 | -52 | -290 | .... | 25,148 |
| 16 | Advance payments and other claims ...................................................... | -439 | -951 | -396 | -62 | 214 | -195 | -112 | 73 | -912 | .............. | 3,654 |
| 17 | By area: Industrial countries ${ }^{4}$ | -1,161 | -348 | -231 | -72 | 645 | -1,503 | 485 | 159 | -992 | ............... | 16,071 |
| 18 | Members of OPEC ${ }^{6}$............................................................................ | -278 | 29 | -100 | 120 | -91 | -207 | 68 | 83 | -122 | .............. | 1,979 |
| 19 | Other ............................................................................................... | -1,227 | 41 | 810 | -263 | -74 | -1,700 | 350 | -221 | -88 | .............. | 10,752 |
| B1 | Liabilities, total (table 1, line 60) | 31,786 | 44,740 | 6,800 | 7,288 | 20,610 | -2,912 | 15,210 | -7,916 | 22,046 | 15,400 | 321,788 |
| 2 | Financial liabilities ...... | 26,194 | 41,780 | 5,774 | 7,108 | 18,375 | -5,063 | 13,863 | -8,161 | 20,678 | 15,400 | 287,212 |
| 3 | Denominated in U.S. dollars ......................................................................... | 12,420 | 47,270 | 3,574 | 3,100 | 11,156 | -5,410 | 11,301 | -3,713 | 24,282 | 15,400 | 252,462 |
| 4 | Denominated in foreign currencies ................................................................. | 13,774 | -1,490 | 2,200 | 4,008 | 7,219 | 347 | 2,562 | -448 | -3,604 | .............. | 34,750 |
| 5 | By area: Industrial countries ${ }^{4}$ | 27,031 | 18,900 | 10,054 | 6,530 | 10,247 | 200 | 11,177 | -1,118 | 8,841 |  | 94,490 |
| 6 | Of which United Kingdom ................................................................ | 25,140 | 20,721 | 7,757 | 7,738 | 9,176 | 469 | 11,896 | 167 | 8,658 |  | 82,714 |
| 7 | Caribbean banking centers ${ }^{5}$................................................................. | -657 | 22,600 | -4,105 | 900 | 7,897 | -5,349 | 2,300 | -7,000 | 11,900 | 15,400 | 176,000 |
| 8 | Other .............................................................................................. | -180 | 280 | -175 | -322 | 231 | 86 | 386 | -43 | -63 |  | 16,722 |
| 9 | Commercial liabilities ................................................................................................... | 5,592 | 2,960 | 1,026 | 180 | 2,235 | 2,151 | 1,347 | 245 | 1,368 | ..... | 34,576 |
| 10 | Denominated in U.S. dollars ......................................................................... | 5,919 | 2,896 | 1,338 | 102 | 2,356 | 2,123 | 1,434 | 236 | 1,226 | ...... | 33,405 |
| 11 | Denominated in foreign currencies ................................................................... | -327 | 64 | -312 | 78 | -121 | 28 | -87 | 9 | 142 | .... | 1,171 |
| 12 | By type: Trade payables ........................................................................................ | 1,506 | -1,761 | -198 | 266 | 524 | 914 | -1,200 | -393 | -168 | ....... | 10,954 |
| 13 | Advance receipts and other liabilities ............................................................................................................... | 4,086 | 4,721 | 1,224 | -86 | 1,711 | 1,237 | 2,547 | 638 | 1,536 | .............. | 23,622 |
| 14 | By area: Industrial countries ${ }^{4}$......................................................................................... | 3,967 | 1,511 | 1,371 | -143 | 1,217 | 1,522 | 637 | 46 | 828 |  | 15,802 |
| 15 | Members of OPEC ${ }^{6}$........................................................................... | 632 | 1,095 | -225 | 304 | 260 | 293 | 308 | 131 | 656 | .... | 4,005 |
| 16 | Other ............................................................................................... | 993 | 354 | -120 | 19 | 758 | 336 | 402 | 68 | -116 | .... | 14,769 |

See footnotes on page 91.

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. assels.) | 1996 | $1997{ }^{p}$ | Not seasonally adjusted |  |  |  |  |  |  |  | Amountsoutstand ing Dec. 31, 1997 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  |  |  | 1997 |  |  |  |  |
|  |  |  |  | 1 | 11 | III | IV | 1 | 11 | IIIr | IV ${ }^{\text {P }}$ |  |
| 1 | Total, net (lable 1, line 47) | -98,186 | -151,076 | 1,868 | 192 | -33,589 | -66,657 | -62,026 | -27,947 | -30,602 | -30,501 | 1,004,111 |
| 2 | By type: <br> Banks' own claims $\qquad$ | -62,878 | -125,038 | 5,304 | -1,932 | -11,136 | -55,114 | -44,047 | -26,233 | -11,673 | -43,085 | 787,491 |
| 3 | Payable in dollars | -68,258 | -104,231 | 1,257 | -4,736 | -8,734 | $-56,045$ | -35,969 | -14,957 | -5,219 | -48,086 | 704,762 |
|  | By borrower: Claims on: |  |  |  |  |  | -30,923 | -17832 |  |  |  |  |
| 456 |  | -11,929 | -8,432 | --2,107 | -1,814 | -4,033 | ${ }_{-3,975}^{-0,98}$ | ${ }_{-4,897}$ | ${ }_{-1,083}$ | 14,796 | ${ }_{-5,390}$ | 428,616 109,139 |
|  |  | - 294 | 1,441 $-23,497$ | -5,338 | 4,775 |  |  | -6, 657 $-6,589$ | - | -888 | 9.516 | 20,771 |
|  | other private foreigners $\qquad$ <br> By bank ownership: ${ }^{2}$ | -21,539 | -23,997 | -1,109 | 2,105 | -684 | -21,851 | -6,589 | 5,741 | -24,110 | 961 | 146,236 |
| 10 | U.S.-owned banks' ciaims on: own foreign offices | -17,794 | -23,612 | -1.317 | 582 | -5,814 | -11,245 | 7062 | 3.428 | 2433 | -36535 |  |
|  | unaffiliated foreign banks...... | -11,568 | -20,714 | -3,727 | ${ }_{-6,760}$ | --4,784 | -3,751 | 1,591 |  | 7,676 | - 1,878 | -38,885 |
|  | other foreigners .-.................. | -11,389 | -15,137 | -4,213 | 7,364 | 3,991 | -18,531 | -1,634 | 2,992 | -13,963 | -2,532 | 107,549 |
|  | Foreign-owned banks' claims on: | -17290 | -62 495 | 11.128 | -10,384 | 1,644 | -19.678 | -24894 | -22.513 | 2550 | -17638 |  |
| 12 | unaffiliated foreign banks. | --361 | - $-7,313$ | --, 834 | - 4,946 | 1,751 | - 224 | ${ }_{-6,482}$ | $-2,1683$ | 7,120 | $-6,268$ | 70,254 |
| 13 | other foreigners ............... | -9,856 | -7,419 | -2,234 | -484 | -4,522 | -2,616 | -11,612 | 2,219 | -11,035 | 13,009 | 59,458 |
| 14 | Payable in foreign currencies | 5,380 | -20,807 | 4,047 | 2,804 | -2,402 | 931 | -8,078 | -11,276 | -6,454 | 5,001 | 82,729 |
| 1516161819192021 | Banks' domestic customers' claims. | $-35,308$ | -26,038 | $-3,436$ | 2.124 | -22,453 | $-11,543$ | -17,979 | -1,714 | $-18,929$ | 12.584 | 216,620 |
|  | Payable in dollars ... | $-26.840$ | -27,513 | -3,197 | 3,294 | $-22.617$ | -4,320 | -19,600 | 221 | $-18,984$ | 10,850 | 208,144 |
|  | Deposits .................er | $-19,131$ <br> -10.668 | $-7,907$ $-6,897$ | -10,431 | -1,453 | -10,292 | 3.045 | -17,474 | 556 | -7,092 | 16,103 | 85,580 |
|  | Foreign commercial paper ${ }^{3}$. | - 10,668 | $-6,897$ | 3.577 | -2,142 | -10,163 | -1,940 | -1,107 | 1,211 | -8,271 | 1,270 | 72,901 |
|  | Other negotiable and readily transferable instruments ${ }^{4}$... Outstanding collecions and other | $\begin{array}{r}-1,993 \\ 4 \\ 4 \\ \hline 192\end{array}$ | -5.207 -7.502 | 1,387 2 | 5,377 1,512 | $-2,060$ -102 | --6,697 | $\begin{array}{r}1,153 \\ -2,172 \\ \hline 1,181\end{array}$ | -1,508 | $\begin{array}{r}-2,967 \\ -654 \\ \hline\end{array}$ | $\begin{array}{r}-1,885 \\ -4,638 \\ \hline 1.8\end{array}$ | 27,006 22,657 |
|  | Payable in foreign currencies ........... | -8,468 | 1,475 | -239 | -1,170 | 164 | -7,223 | 1,621 | -1,935 | 55 | 1,734 | 8,476 |
| 22232425252627 | By area: |  |  |  |  |  |  |  |  |  |  |  |
|  | Industrial countries ${ }^{5}$ $\qquad$ <br> Western Europe | -52,753 | -71,511. | 12,303 | -8,637 | -33,987 | -22,432 | -61,572 | -3,218 | 4,093 | -10,814 | 512,160 |
|  |  | -40,870 | -70,579 | -700 | -7,479 | $-24.806$ | -7,885 | $-50,727$ | 1,681 | 19,244 | -2,289 | 355,762 |
|  | Of which United Kingdom ......................................................................... | $-17,842$ | -31,239 | -4,309 | 1,857 | $-16,076$ | -686 | -21,261 | $\begin{array}{r}\text { 3,574 } \\ -255 \\ \hline-50\end{array}$ | -82 | -13,470 | 169,394 |
|  | Canaca | -10,760 |  |  |  | $\bigcirc$ |  |  | - -1.208 | 14,165 7,829 | -2,895 | 56,510 |
|  | Ohater ................... | -3,428 | ${ }_{-674}$ | -208 | 2,415 | -2,842 | $-10,628$ -993 | 436 | -1,139 | 7,843 1,343 | - $\begin{array}{r}-1,314\end{array}$ | - ${ }_{13,272}$ |
| 28 | Caribbean banking centers ${ }^{6}$ | -17,366 | -64,338 | -2,497 | 14,461 | -3,663 | -25,667 | 8,308 | -16,988 | -33,307 | -22,351 | 306,746 |
| 29 | Other areas .... | -28,067 | -15,227 | -7,938 | -5,632 | 4,061 | -18,558 | -8,762 | -7,741 | $-1,388$ | 2,664 | 185,205 |
| 30 | Of which Members of OPEC, included below ${ }^{7}$..................................... | -589 | -2,665 | 2,609 | -733 | -1,862 | -603 | -197 | -122 | 1,219 | -3,565 | 18.780 |
|  | Latin America ................................................ | $-10,505$ | -15,269 | 677 | -675 | -1,449 | -9,058 | 144 | -4,427 | -2,518 | -8,468 | 96,177 |
|  | Asia | -15,430 | -2,600 | -4,914 | -7,494 | 4,729 | -7,751 | -4,920 | -5,174 | 2,422 | 5,072 | 78,995 |
|  | Afirica, | -128 | -456 | -78 | ${ }_{2567}$ | 213 568 |  | - ${ }_{-61}$ | -571 2431 |  | 94 | 3,238 |
| 34 |  | -2,260 | 3,098 | -3,623 | 2,567 | 568 | -1,772 | -3,925 | 2,431 | -1,374 | 5,966 | 6,795 |
| Memoranda: <br> International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above) <br> By borrower: <br> Claims on: <br> own foreign offices $\qquad$ <br> unaffiliated foreign banks $\qquad$ <br> foreign pubic borrowers $\qquad$ <br> all other foreigners <br> By bank ownership: ${ }^{2}$ <br> U.S. owned IBF's <br> Foreign-owned IBF's <br> Banks' dollar acceptances payable by foreigners |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | -17,199 | -34,681 | 3,223 | 1,012 | 2,326 | -23,760 | -10,367 | -2,403 | 2,728 | -24,639 | 254,277 |
|  |  | -15,723 | -21,247 | 6,264 | -3,304 | 2,744 | -21,427 | -4,188 | 1,574 | -634 | -17,999 | 152,186 |
|  |  | 563 | -3,396 | -3,870 | 4,443 | -525 | 515 | -3,854 | -4,703 | 5,534 | -373 | 59,095 |
|  |  | 1,495 | -289 | 859 | 963 | 145 | -472 | 339 | 670 | -86 | -1,212 | 6,868 |
|  |  | -3,534 |  | -30 | -1,090 | -38 | -2,376 | -2,664 | 56 | -2,086 | -5,055 | 36,128 |
|  |  |  |  | -278 | -141 | 3.309 | 1.982 |  | 2.430 | 1,484 |  |  |
|  |  | -22,071 | -30,672 | -2,501 | -1,153 | ${ }_{-983}$ | -25,742 | $-9,026$ $-9,026$ | -4,833 | 1,244 | - -18.057 | 61,948 192.329 |
|  |  | -1214 | 825 | -622 | -303 | -61 | -228 | ${ }_{-110}$ | -235 | 583 | 1287 | 9587 |

[^52]Table 9.-Foreign Official Assets and Other Foreign Assets in the United States Reported by U.S. Banks [Mililions of dollars]


See footnotes on page 91.

## General notes for all tables: $\boldsymbol{P}_{\text {Preliminary. }} \quad \boldsymbol{r}_{\text {Revised. }}$ 'Less than $\$ 500,000$ ( $\pm$ ) <br> $D_{\text {Suppressed to avoid disclosure of data of individual companies. }}$

Table 1

1. Credits, +: Exports of goods, services, and income; unilateral transiers 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, services, and income; unilateral transfers to foreigners; capital outiows (decrease in foreign assets (U.S. liabilities) or increase in U.S. assets); increase in U.S. official reserve assets; decrease in foreign offical assets in the United States.
2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census import documents, and reflects various ther adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see table 2 .
3. Includes some goods: Mainly militaryequipment inline 4; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 18; and fuels purchased by arline and steamship operators in ines 7 and 21
4. Includes transters of goods and services under U.S. military grant programs.
5. Beginning in 1982 , these lines are presented on a gross basis. The definition of exports is revised to exclude U.S parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports
6. Beginning in 1982 the "other transfors" component includes taxes paid by US. private residents to foreign 6. Beginning taxes paid the private nonresidents to the USS Government paid by U.S. privare residents to foreig 7 For all areas amounts outstanding December 31, 1997 were as follows
11.047; line 36, 10,027. line 37 18, $\mathbf{7 1}$; line 38, 30,809. Data are preliminary millions of dollars: Line 34, 69,955; line 8. Includes sales of foreign obligations to toreigners.
9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.
10. Consists of U.S. Treasury and Export-import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.
it. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other ansactions arranged with or through foreign official agencies; see table 4.
12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and Stale and local overnments.
13. Conceptually, the sum of lines 70 and 62 is equal to "net foreign investment" in the national income and produc accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the internationa ransactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of trans actions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in the "Reconciliation and Other Special Tables" section in this issue of the SURVEY OF CURRENT Business. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables (published annually in the August issue of the Surver).

Additional footnotes for historical data in June issues of the SuRver:
14. For 1974, includes extraordinary U.S. Government transactions with India. See "Special U.S. Government Transactions," June 1974 Sufver, p. 27.
15. For 1978-83, includes foreign currency-denominated notes sold to private residents abroad
16. Break in series. See Technical Notes in the June 1989, June 1990, June 1992, June 1993, June 1995, July 1996, and July 1997 issues of the Surver.
Table 2:

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SuRvEY), except for 1974-8t, when they represent ansactions values, f.a.s. foreign port of exportation (see June issues of the Surver for historical data)
From 1983 forward, 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 in the December 1985 SuFVEY).
Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The sea sonally adjusted data are the summ of seasonally adjusted five-digit end-use categories (see Technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SUFVEY. Prior to 1983, annual data are as published by Islands and foreign countries. slands and foreign countries.
2. Beginning in 1990, the Census Bureau replaced its compiled export statistics with counterpart Canadian import statistics. Similarly, Statistics Canada replaced its compiled export statistics with counterpart U.S. import statistics. Thi exchange of data has eliminated the need for the inland freight adjustment on U.S. exports, but not on U.S. imports.
3. Acjustments in lines A5 and A13, B12, B47, and B82 reflect the Census Bureau's reconciliation of discrepancies eween the goods statistics published by the United States and the counterpart statistics published in Canada. These xports to Canada, the largest item in the end-use categories in section C. Beginning in 1986, estimates for undocumented A1.
4. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10 , line 4 (transiers under U.S. military agency sales contracts); the imports are included in tables 1 and 10 , line 18 (direct defense expenditures).
5. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stock of U.S.owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to toreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the SuRver for historical data).
6. Deduction of foreign charges for repair of U.S. vessels abroad, which are included in tables 1 and 10 , line 21 (other transportation); coverage adjustments for special situations in which shipments were omitted from Census data; and the of understatement of inland freight in f.a.s values of U.S. imports of goods from Canada in $1974-81$; deduction of imports from the Panama Canal Zone petore October 1, 1979; and for 1975-82, net timing adiustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the Surver for historical data).

> 7. For 1988-89, correction for the understatement of crude petroleum imports from Canada.
8. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 2 and 16. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transters of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as tolows: Industrial countries. Western Europe, Canada, Japan, Ausiraiia, New Zealand, and South Atrica; Members of OPEC: Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Betore 1984, complete geographic area detail was not available for some balance of payments adiustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacilic islands and unidentified countries included in "Other countries in Asia and Africa."
9. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.
10. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."
11. Includes nuciear fuel materials and fuels.

Table 3:

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.
3. Other unaffliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States. Payments (imports) include mainly wages of foreign residents temporarily employed in the United States and Canadian and Mexican commuters in U.S. border areas.

Table 4:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts-iirst authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation-are included in line A3. Deiveries against these military in lines A40 and A43 10 reduce short-term assets previously recorded in lines A38 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A3 expenditures finances future deliveries under military sales coniracts 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 transiers 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 contracls 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 ioreigners by U.S. Covernment agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations availabie 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:
8. Beginning with 1991, payments and receipts of interest related to interest rate and foreign currency swaps between affliates and parents are netted and are shown as either net payments or net receipts. Receipts and payments of other afyiuates and parents are neted and are sho.
yypes of interest are shown on a gross basis.
9. 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 perrochemicals. "Other" industries includes wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries-agriculture, forestry, and fishing; mining; construction; transportation, communication, and public utilities; and retail trade.
10. Acquisition of equity holdings in existing and newly established companies, capital contributions, capitalization of itercompany debt, and other equity contributions.
11. Sales (total and partial), liquidations, returns of capital contributions, and other dispositions of equity holdings.

Table 6:

1. Primarily provincial, regional, and municipal
2. Largely transactions by International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), and Inter-American 3 Estimate for
3. Estimae for scheduled redemptions and identifiable early retirements. Includes estimates based on Canadian statistics ior redemptions of Canadian issues held in the United Stales. Unidentified and nonscheduied retirements appear in line A30.
Table 7:
4. Estimates of transactions other than those with U.S. banks' Caribbean branches are not available.
5. Deposits (line A5) include other financial claims (line A6) for some countries due to the commingling of these ategories in foreign source data.
6. Primarily mortgages, loans, and bills and notes drawn on foreigners.
7. Western Europe, Canada, Japan, Australia, New Zealand, and South Arrica.
8. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
9. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993 , excludes Ecuador.
Table 8:
10. Includes central governments and their agencies and corporations; stale, provincial, and local governments and their agencies and corporations; and international and regional organizations.
11. U.S.-owned banks are mainly U.S.chartered banks and Edge Act subsidiaries. U.S. brokers' and deaiers' 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.
12. Commercial paper issued in the U.S. market by foreign incorporated entities; excludes commercial paper issued through foreign direct investment affiliates in the United States.
13. Negotiable and readily transferable instruments other than commercial paper, payable in dollars; consists largely of negotiable certificates of deposit.
14. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
15. Bahamas, British West Indies (Cayman Islands), Netheriands Antilles, and Panama.
16. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.
17. 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.
2. Mainly negotiable and readily transferable instruments, excluding U.S. Treasury securities.
3. Mainly International Bark 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.
4. U.S.-owned banks are mainly U.S.-chartered banks and Edge Act subsidiaries. U.S. brokers' and deaiers' 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.
5. U.S. currency flows are not included, because no geographic data are available.
6. Western Europe, Canada, Japan, Australia, New Zeal
. 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 Arrican oil-exporting countries. Beginning in January 1993, excludes Ecuador.
9. Includes Eastern Europe and international and regional organizations.

Table 10: For footnotes 1-13, see table 1.
14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden. 15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Repubic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.
16. Includes, as part of international and unallocated, the estimated direct investment in foreign aftiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleumm trading. Also includes
taxes withheld current-cost adjustments associated with $\mathrm{U} . \mathrm{S}$ and foreign direct investment small transactions in business taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; small transactions in business services that are not reported by country; and net U.S. currency flows, for which geographic source data are not available.
17. Details not shown separately; see totals in lines 49 and 56 .
18. Details not shown separately are included in line 61.

Table 10.-U.S. International
[Millions

| Line | (Credits + debits -$)^{1}$ | Western Europe |  |  |  |  |  | European Únion ${ }^{14}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1996 | $1997{ }^{\circ}$ | 1997 |  |  |  | 1996 | $1997{ }^{P}$ |
|  |  |  |  | 1 | II | IIIr | NP |  |  |
| 1 | Exports of goods, services, and income <br> Goods, adjusted, excluding military ${ }^{2}$ | 305,718 | 340,426 | 82,285 | 85,940 | 84,503 | 87,698 | 275,794 | 306,248 |
| 2 |  | 137,194 | 152,936 | 38,645 | 39,866 | 35,316 | 39,109 | 124,786 | 138,823 |
| 3 | Services ${ }^{3}$ <br> Transfers under U.S. military agency sales contracts ${ }^{4}$ $\qquad$ | $\begin{gathered} 80,819 \\ 3,451 \end{gathered}$ | $\begin{gathered} 86,836 \\ 3,833 \end{gathered}$ | $\begin{array}{r} 19,651 \\ 934 \end{array}$ | $\begin{array}{r} 21,070 \\ 879 \end{array}$ | $\left.\begin{array}{r} 24,087 \\ 1,111 \end{array} \right\rvert\,$ | $\begin{array}{r} 22,028 \\ 909 \end{array}$ | $\begin{array}{r} 72,288 \\ 2,334 \end{array}$ | 76,950 2,344 |
|  |  |  | $\begin{array}{r} 23,945 \\ 7,294 \\ 8,057 \end{array}$ |  |  |  | 5,8341,7432,093 | $\begin{gathered} 20,092 \\ 6,443 \\ 6,113 \end{gathered}$ |  |
| 6 | Travel <br> Passenger fares <br> Other transportation | 22,1666,8647,703 |  |  | $\begin{aligned} & 5,896 \\ & 1,728 \\ & 2,002 \end{aligned}$ | $\begin{aligned} & 7,537 \\ & 2,375 \\ & 2,020 \end{aligned}$ |  |  | $\begin{array}{r} 21,704 \\ 6,908 \\ 6,525 \end{array}$ |
| 7 |  |  |  |  |  |  |  |  |  |
|  | Royalties and license fees ${ }^{5}$ <br> Other private senvices ${ }^{5}$ <br> U.S. Government miscellaneous services | 15,52225,007167 | 14,752 <br> 28,795 | 3,7116,896 | 3,5406,990 | 3,5827,419 | 3,490 | 14,80422,357 | 14,02025,310 |
| 9 |  |  |  |  |  |  |  |  |  |
| 10 |  |  | 160 | 42 | 35 | 43 | 40 | 145 | 139 |
| 11 | Income receipts on U.S. assets abroad | 87705 | 100,655 | 23,990 | 25,0412.44212,420 | 25,1001169013,125 | 26,561112,94413 | 78,720 <br> 39496 <br> 989 | 90,47542,760 |
| 2 | Direct investment receipts | cren40,9481,071 | 50,646920 | 11,013 |  |  |  |  |  |
| 3 | Other private receipts ..... |  |  | 11,695 282 | 12,392 | $\begin{array}{r}13,135 \\ \hline 275\end{array}$ | 13,424193 | $\begin{array}{r}38,298 \\ \hline 926\end{array}$ | 46,927 788 |
| 14 | U.S. Govermment receipts |  |  |  |  |  |  |  |  |
| 15 |  | -324,755 | -367,894 | -83,405 | -94,876 | -94,566 | -95,047 | -293,572 | -334,568 |
| 16 |  | -161,629 | -175,884 | -40,901 | -45,115 | -43,106 | -46,762 | -146,293 | -160,207 |
|  | Travel <br> Passenger fares <br> Other transportation | $\begin{array}{r} 16,738 \\ -7,863 \\ -9,527 \end{array}$ | $\begin{gathered} -17,912 \\ -8,337 \end{gathered}$ | $\begin{array}{r} -3,057 \\ -1,752 \end{array}$ | $-5,609$$-2,338$$-2,50$ | $-5,728$$-2,455$$-2,77$ | $-3,518$$-1,792$$-2,578$ | - $\begin{array}{r}-15,573 \\ -7,102 \\ -7,545\end{array}$ | $-16,663$$-7,529$ |
| 20 |  |  |  |  |  |  |  |  |  |
| 21 |  |  | -10,294 | -2,456 | -2,683 | -2,577 | -2,578 | -7,545 | -8,155 |
| 22 | Royalties and license fees ${ }^{5}$ <br> Other private services <br> U.S. Government miscellaneous services | $-4,543$$-14,903$$-1,1210$ | $\begin{array}{r} -4,989 \\ -16,721 \\ -1,168 \end{array}$ | $\begin{array}{r} -1,213 \\ -3,89 \\ -293 \\ -293 \end{array}$ | $\begin{array}{r} -1,196 \\ -4,168 \\ -288 \end{array}$ | $-1,331$$-4,354$-293 | $\begin{array}{r} -1,249 \\ -4,309 \\ -4004 \end{array}$ | $\begin{array}{r} -3,820 \\ -13,81 \\ -1,061 \\ -1, \end{array}$ | $\begin{array}{r} -4,225 \\ -15,712 \\ -1,004 \end{array}$ |
| 23 |  |  |  |  |  |  |  |  |  |
| 24 |  |  |  |  |  |  |  |  |  |
|  | Income payments on foreign assets in the United States <br> Direct investment payments <br> Other private payments <br> U.S. Government payments | $\begin{array}{r} -101,299 \\ -25,805 \\ -48,444 \\ -27,050 \end{array}$ | $\begin{array}{r} -125,689 \\ -\quad 31,539 \\ -58,237 \\ -35,913 \end{array}$ | $\begin{array}{r} -28,063 \\ -6,31 \\ -63,688 \\ -8,064 \end{array}$ | $\begin{array}{r} -31,885 \\ -8,578 \\ -14,475 \\ -8,832 \end{array}$ | $\begin{array}{r} -32,998 \\ -8,698 \\ -14,829 \\ -9,471 \end{array}$ | $\begin{array}{r} -32,743 \\ -7,952 \\ -15,245 \\ -9,546 \end{array}$ | $\begin{aligned} & -92,688 \\ & -23,311 \\ & -45,539 \\ & -23,838 \end{aligned}$ | $\begin{array}{r} -115,649 \\ -2,833 \\ -54,400 \\ -32,916 \end{array}$ |
| 26 |  |  |  |  |  |  |  |  |  |
| 27 |  |  |  |  |  |  |  |  |  |
| 28 |  |  |  |  |  |  |  |  |  |
| 29 | Unilateral transfers, net $\qquad$ <br> U.S. Government grants ${ }^{4}$ $\qquad$ <br> U.S. Government pensions and other transiers $\qquad$ <br> Private remittances and other transfers ${ }^{6}$ $\qquad$ | 360 | 169 | 45 | 63 | $\begin{array}{r} -2 \\ -145 \\ -322 \\ 465 \end{array}$ | $\begin{array}{r} 63 \\ -76 \\ -336 \\ -375 \end{array}$ | 1,230 | $\begin{array}{r} 1,049 \\ -28 \\ -1,087 \\ 2,164 \end{array}$ |
|  |  | $\begin{array}{r} -476 \\ -1,29 \\ -1,095 \\ 2,095 \end{array}$ | $\begin{array}{r} -457 \\ -1,269 \\ -1,895 \\ 1, \end{array}$ | $\begin{array}{r} -102 \\ -281 \\ 428 \end{array}$ | $\begin{array}{r} -134 \\ -330 \\ -327 \end{array}$ |  |  | $\begin{array}{r} -97 \\ -1,049 \\ 2,376 \end{array}$ |  |
| 3 |  |  |  |  |  |  |  |  |  |
| 32 |  |  |  |  |  |  |  |  |  |
| 33 | U.S. assets abroad, net (increase/capital outflow (-1) .............................................................................. | -171,397 | -182,434 | -83,486 | -21,851 | -54,737 | -22,360 | -154,604 | -161,454 |
| 34 | U.S. official reserve assets, net ${ }^{7}$ <br> Gold <br> Special drawing rights <br> Reserve position in the International Monetary Fund <br> Foreign currencies | -649 | -611 | -196 | -139 | -142 | -134 | -609 | -1,377 |
| 35 |  | ………....... | $\cdots$ | ……........ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ |
| 36 37 |  |  |  |  |  |  |  |  |  |
| 38 |  | -649 | -611 | $-196$ | -139 | -142 | -134 | -609 | -1,377 |
|  | U.S. Government assets, other than official reserve assets, net | 326 | 534 | 157 | -17 | 186 | 208 | 222 |  |
| 40 | U.S. credits and other long-term assets. | -563 | -332 | ${ }^{-86}$ | -112 | ${ }^{-71}$ | -63 | -247 | -166 |
| 41 42 | Repayments on U.S. creeits and other long-term assets ${ }^{8}$ | 933 | 908 | 255 -12 | 109 -14 | 281 -24 | 263 8 | ${ }_{-37}^{506}$ | 564 -43 |
|  | U.S. private assets, net | -171,074 | -182,357 | -83,447 | -21,695 | -54,781 | -22,434 | -154,217 | -160,432 |
| 44 | Direct investment | -43,470 | -58,456 | -12,590 | -22,885 | -8,044 | -14,937 | -38,973 | -52,546 |
| 45 | Foreign securities | $-57,674$ | -23,576 | -3,366 | 4,773 | -19,773 | -5,210 | $-54,488$ | -23,609 |
| 46 | U.S. claims on unafiliated foreigners reported by U.S. nonbanking concerns | -29,176 | -29,747 | -16,678 | -5,269 | -7,800 |  | -28,99 | -29,378 |
| 47 | U.S. claims reported by U.S. banks, not included elsewhere ........................... | 40,754 | -70,578 | -50,813 | 1,686 | -19,164 | -2,287 | -32,547 | -54,899 |
| 48 | Foreign assets in the United States, net (increase/capital inflow ( ${ }^{+}$) | 290,120 | 427,129 | 111,398 | 85,754 | 126,783 | 103,194 | 284,192 | 350,522 |
|  | Foreign official assets in the United States, | 29,320 | 6,617 | 11,034 | 1,172 |  | -6,421 |  |  |
| 50 | U.S. Government securities ..... | (17) | (17) |  | (17) | (17) |  | (18) | (18) |
| 51 | U.S. Treasury securities ${ }^{9}$ :........... | $(17)$ | (17) | (17) | ${ }_{17}^{17}$ | $(17)$ | $(17)$ | (18) | (18) |
|  |  | 686 | 695 | 73 | 209 | 9 | 312 | 4 | 189 |
| $\begin{array}{r}53 \\ 54 \\ \hline\end{array}$ |  | (17) | 695 | (17) | (17) | ${ }^{177}$ |  | ${ }_{(18)}^{44}$ | ${ }^{689}$ |
| 55 | Other toreign official assets ${ }^{\text {i2 }}$.................................................. | (17) | (17) | (17) | (17) | (17) | (17) | (18) | (8) |
|  | Other foreign assets in the United Slates, net ... | 260,800 | 420,512 | 100,364 | 84,582 | 125,951 | 109.615 | ${ }^{18}{ }^{18}$ | ${ }^{18}{ }^{18}$ |
| 57 | Direct investment | 59,640 | 77,352 | 26,390 | 14,755 | 18,650 | ,557 | 59,898 | 57,355 |
| ${ }_{59}^{58}$ | U.S. Treasury securities and U.S. currency flows |  |  | (17) | $32\left(1{ }^{17}\right)$ | 3 (17) | (17) | ${ }^{(18)}$ | ${ }^{(18)}$ |
| 59 | U.S. securities other than U.S. Treasury securities | ${ }^{80,868}$ | +28,594 | 30,948 | 32,525 | 38,745 | 26,376 | 77,157 | 119,055 |
| 60 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking con | 28,281 | 22,021 | 12,825 | -368 | 9,564 |  | 28,090 | 21,506 |
| 61 | U.S. liabilities reported by U.S. banks, not included elsewhere ..................... |  |  | (17) | (17) | (17) | (17) | ${ }^{18} 119,003$ | 18191,917 |
| 62 | Allocations of special drawing rights |  |  |  |  |  |  |  |  |
| 63 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed) | -100,047 | -217,396 | -26,837 | -55,030 | -61,981 | -73,548 | -113,039 | -201,796 |
|  | Memoranda: |  |  |  |  |  |  |  |  |
|  | Balance on goods (lines 2 and 16), | -24,435 | -22,948 | -2,256 | -5,249 | -7,790 | -7,653 | -21,507 | -21,384 |
| 65 | Balance on services (lines 3 and 17) | 18,993 | 20,514 | 5.209 | 3,194 | 5,625 | 6,486 | 17,696 | 18,238 |
| 66 | Balance on goods and services (lines 64 and 65) | -5,442 | -2,434 | 2,953 | -2,055 | -2,165 | -1,167 | -3,811 | -3,146 |
| 67 | Balance on investment income (lines 11 and 25). | -13,594 | -25,034 | -4,073 | -6,881 | -7,898 | -6,182 | -13,968 | -25,174 |
|  | Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ${ }^{13}$ | -19,036 | -27,468 | -1,120 | -8,936 | -10,063 | -7,349 | -17,779 | -28,321 |
|  | Unilateral transfers, net (line 29) |  |  | 45 | 63 |  |  | 1,230 | 1,049 |
| 70 |  | -18,676 | -27,299 | -1,075 | -8,873 | -10,065 | -7,286 | -16,549 | -27,272 |

See footnotes on page 91 .

Transactions, by Area
of dollars]


Table 10.-U.S. International
[Millions

| Line | $(\text { Credits }+ \text {; debis }-)^{\prime}$ | Eastern Europe |  |  |  |  |  | Canada |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1996 | 1997 ${ }^{\text {P }}$ | 1997 |  |  |  | 1996 | $1997{ }^{p}$ |
|  |  |  |  | 1 | 11 | 111 r | N ${ }^{\text {p }}$ |  |  |
| $\dagger$ | Exports of goods, services, and income ................................................................................. | 12,028 | 12,867 | 3,108 | 3,403 | 3,217 | 3,139 | 172,286 | 192,907 |
| 2 | Goods, adjusted, exciuding military ${ }^{2}$ | 7,359 | 7,582 | 1,811 | 2,110 | 1,743 | 1,918 | 134,609 | 151,824 |
| 3 <br> 4 | Services ${ }^{3}$ <br> Transers under U.S. military agency sales contracts ${ }^{4}$ | $\begin{array}{r} 3,548 \\ \hline 477 \end{array}$ | $\begin{array}{r} 3.637 \\ \hline \end{array}$ | 881 96 96 | $\begin{gathered} 846 \\ 80 \end{gathered}$ | $\begin{gathered} 981 \\ 56 \end{gathered}$ | $\begin{gathered} 929 \\ 86 \end{gathered}$ | $\begin{array}{r} 20,181 \\ 166 \end{array}$ | 20,767 92 |
| 5 6 | Travel $\qquad$ Passenger fares | 842.100474 | 909109454 | 1732099 | $\begin{array}{r}227 \\ \hline 22 \\ \hline 97\end{array}$ | $\begin{array}{r} 287 \\ 29 \\ 130 \end{array}$ | $\begin{gathered} 222 \\ 38 \\ 128 \end{gathered}$ | 6,763 $\begin{aligned} & 1,331 \\ & 2 \\ & 2\end{aligned} 889$ | 6,746 <br> 1,160 |
| 7 | Other transportation ............ |  |  |  |  |  |  | 2,889 | 3,015 |
|  | Royalties and license fees ${ }^{5}$ $\qquad$ Other private services ${ }^{5}$ $\qquad$ | $\begin{array}{r} 127 \\ 1,485 \\ 42 \end{array}$ | 1601,64344 | 424429 | 3637410 | 4142315 | 4140410 | $\begin{array}{r} 1,416 \\ 7,552 \\ 63 \end{array}$ | $\begin{array}{r} 1,392 \\ 8,310 \\ 51 \end{array}$ |
| 10 | U.S. Govermment miscellaneous services |  |  |  |  |  |  |  |  |
| 11 | Income receipts on U.S. assets abroad | $\begin{array}{r} 1,122 \\ 497 \\ 348 \\ 277 \end{array}$ | $\begin{aligned} & 1,648 \\ & 898 \\ & 492 \\ & 258 \end{aligned}$ | $\begin{gathered} 416 \\ 247 \\ 100 \\ 69 \end{gathered}$ | $\begin{aligned} & 447 \\ & 302 \\ & 109 \\ & 36 \end{aligned}$ | $\begin{aligned} & 493 \\ & 242 \\ & 131 \\ & 120 \end{aligned}$ | $\begin{aligned} & 292 \\ & 197 \\ & 152 \\ & 33 \end{aligned}$ | $\begin{aligned} & 17,497 \\ & 8,642 \\ & 8,855 \end{aligned}$ | 20,31610,6109,706 |
| 13 | Oiner private receipls ...s. |  |  |  |  |  |  |  |  |
| 14 | U.S. Government receipts . |  |  |  |  |  |  |  |  |
| 15 | Imports of goods, services, and income. | -10,897 | -12,723 | -2,792 | -3,108 | -3,552 | -3,271 | -182,614 | - $\mathbf{- 9 6 , 6 1 4}$ |
| 16 | Goods, adjusted, excluding military ${ }^{2}$ | -7,003 | -8,444 | -1,864 | -2,009 | $-2,325$ | -2,246 | -158,640 | -170,829 |
| 17 18 | Services ${ }^{3}$ $\qquad$ Direct defense expenditures | $\begin{array}{r} -2,612 \\ -309 \end{array}$ | $\begin{array}{r} -2,641 \\ -252 \end{array}$ | $\begin{array}{r} -580 \\ -79 \end{array}$ | $\begin{gathered} -722 \\ -51 \end{gathered}$ | $\begin{array}{r} -777 \\ -37 \end{array}$ | $\begin{gathered} -562 \\ -85 \end{gathered}$ | $\begin{array}{r} -13,967 \\ -47 \end{array}$ | $\begin{array}{r} -14,986 \\ -60 \end{array}$ |
| 19 | Travel | $\begin{array}{r} -1,087 \\ -276 \\ -309 \\ -309 \end{array}$ | $-1,162$-294-276 | -212-52-80 | -338-96-70 | $\begin{array}{r}-407 \\ -94 \\ \hline\end{array}$ | $\begin{array}{r}-205 \\ -52 \\ \hline\end{array}$ |  |  |
| 20 21 | Passenger fares............ |  |  |  |  |  |  | -3,607 | -455 $-3,787$ |
| $\begin{aligned} & 22 \\ & 23 \\ & \hline \end{aligned}$ | Royalties and license fees ${ }^{5}$ $\qquad$ Other private services ${ }^{5}$ $\qquad$ | $\begin{gathered} -861 \\ -561 \\ -62 \end{gathered}$ | $\begin{array}{r} -7 \\ -589 \\ -62 \end{array}$ | $\begin{array}{r} -2 \\ -142 \\ -14 \end{array}$ | $\begin{array}{r} -1 \\ -151 \\ -1 \end{array}$ | $\begin{array}{r} -2 \\ -146 \\ -18 \end{array}$ | $\begin{array}{r} -2 \\ -150 \\ -15 \\ -1 \end{array}$ | -192$-5,022$-101 | $\begin{array}{r} -265 \\ -5,440 \\ -140 \end{array}$ |
| 24 | U.S. Government miscellaneous senices ................ |  |  |  |  |  |  |  |  |
|  | Income payments on foreign assets in the United States | $\begin{array}{r} -1,282 \\ -1 \\ -410 \\ -871 \end{array}$ | $\begin{array}{r} -1,638 \\ 15 \\ -482 \\ -1,171 \end{array}$ | $\begin{array}{r} -348 \\ -3 \\ -99 \\ -246 \end{array}$ | $\begin{array}{r} -377 \\ 5 \\ -99 \\ -283 \end{array}$ | $\begin{aligned} & -450 \\ & 8 \\ & -137 \\ & -321 \end{aligned}$ | $\begin{array}{r} -463 \\ 5 \\ -147 \\ -321 \end{array}$ | $\begin{array}{r} -10,007 \\ -3,25 \\ -4,429 \\ -2,293 \end{array}$ | $\begin{array}{r} -10,799 \\ -3,356 \\ -5,234 \\ -2,209 \\ -2,20 \end{array}$ |
| 6 | Direct investment payments |  |  |  |  |  |  |  |  |
| $\begin{aligned} & 27 \\ & 28 \end{aligned}$ | Other private payments U.S. Government payments .... |  |  |  |  |  |  |  |  |
| 29 | Unilateral transters, net | -3,283 | -2,659 | -653 | -687 | -799 | -520 | -338 | -361 |
|  | U.S. Government grants ${ }^{4}$ | $\begin{aligned} & -1,972 \\ & -1,-26 \\ & -1,275 \end{aligned}$ | $\begin{aligned} & -1,296 \\ & -1,38 \\ & -1,325 \end{aligned}$ | $\begin{aligned} & -292 \\ & -9 \\ & -352 \end{aligned}$ | -359-30-318 | $\begin{array}{r} -459 \\ -10 \\ -330 \end{array}$ | $\begin{array}{r} -186 \\ -9 \\ -325 \end{array}$ | $\begin{array}{r} -408 \\ 70 \end{array}$ | -42160 |
|  | U.S. Govermment pensions and other transters |  |  |  |  |  |  |  |  |
| 32 | Private remitances and other transfers ${ }^{6}$............ |  |  |  |  |  |  |  |  |
| 33 | U.S. assets abroad, net (increase/capital outiow (-)) | -3,816 | -2,444 | -3,738 | 1,044 | -2,636 | 2,886 | -25,200 | -16,722 |
|  |  | $\cdots$ | ............. | $\cdots$ |  |  | $\ldots$ | ${ }^{\text {............... }}$ | ${ }^{\text {anc.a............. }}$ |
| $\begin{aligned} & 35 \\ & 36 \end{aligned}$ | Gold $\qquad$ <br> Special drawing rights | ${ }_{\text {and }}$ | $\mid$ | +1...**+********* |  |  |  |  |  |
| 7 |  |  |  |  | ................ | $\cdots$ | $\cdots$ | $\cdots$ | ….............. |
|  | Foreign currencies .............................................. |  |  |  |  |  |  |  |  |
|  | U.S. Government assets, other than official reserve assets, net ............................................................... | $\begin{array}{r} -122 \\ -132 \\ -17 \\ -37 \end{array}$ | $\begin{array}{r} 11 \\ -647 \\ 615 \\ 43 \end{array}$ | $\begin{array}{r} 11 \\ -28 \\ 27 \\ 12 \end{array}$ | $\begin{array}{r} -13 \\ \begin{array}{r} -328 \\ \hline 315 \\ \ldots . . . . . . . \end{array} . \end{array}$ | $\begin{array}{r} 20 \\ -235 \\ 266 \\ 29 \end{array}$ | $\begin{array}{r} -7 \\ -66 \\ 47 \\ 27 \end{array}$ | 7 | 7 |
| 1 | U.S. creits and other long-term assets ............................-*................................................... |  |  |  |  |  |  | …….......... |  |
| 41 42 | Repayments on U.S. credils and other long-term assets ${ }^{8}$ <br> U.S. foreign currency holdings and U.S. short-term assets, net |  |  |  |  |  |  | $\cdots$ | 10 |
|  | U.S. private assets, net | $\begin{array}{r} -3,694 \\ -1,804 \\ -421 \\ 98 \\ -1,567 \end{array}$ | $\begin{array}{r} -2,455 \\ -1,502 \\ -1,092 \\ -16 \\ 155 \end{array}$ | $\begin{array}{r} -3,749 \\ -748 \\ -85 \\ 38 \\ -2,954 \end{array}$ | $\begin{array}{r} 1,057 \\ -578 \\ -577 \\ -31 \\ 2,243 \end{array}$ | $\begin{array}{r} -2,656 \\ -352 \\ -609 \\ -23 \\ -1,672 \end{array}$ | $\begin{array}{r} 2,893 \\ 176 \\ 179 \end{array}$ | $\begin{array}{r} -25,207 \\ -6,85 \\ -6,324 \\ -1,248 \\ -10,760 \end{array}$ | $\begin{array}{r} -16,732 \\ -11,281 \\ -3,763 \\ 2,343 \\ -4,031 \end{array}$ |
|  | Direct investment |  |  |  |  |  |  |  |  |
| 45 | Foreign securitios |  |  |  |  |  |  |  |  |
| 6 | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .............................................. |  |  |  |  |  |  |  |  |
| 47 | U.S. claims reported by U.S. banks, not included elsewhere ............................................................. |  |  |  |  |  | 2,538 |  |  |
| 48 | Foreign assets in the United States, net (increaselcapital infliow ( + ) | 3,467 | 213 | 1,180 | 3,708 | 1,911 | -6,586 | 24,647 | 440 |
|  | Foreign official assels in the United States, net |  |  |  |  |  |  | 1,829 |  |
|  | U.S. Govemment securities ............... |  | ${ }_{(18)}^{188}$ | ${ }_{(18)}^{18}$ | $\left(\begin{array}{c}18 \\ 188\end{array}\right.$ | (188) |  |  | $(17)$ |
| 51 52 | U.S. Treasury securities ${ }^{9}$ | (18) | (188) | (18) | (18) | ${ }^{188}$ | $\left(\begin{array}{l}188 \\ (18)\end{array}\right.$ | $\left(\begin{array}{l}17 \\ 17 \\ 17\end{array}\right.$ | $(17)$ |
|  | Other U.S. Government liabilities ${ }^{11}$ | 76 | -14 | -22 | 1 | 32 | -25 | -41 | 21 |
| 54 | U.S. liabilities reported by U.S. bank, not included elsewhere | (18) | (18) | (18) | (18) | (18) | (18) | (17) | (17) |
| 55 |  |  | (18) | (18) | (18) | (18) | (18) | (17) | (1) |
|  | Other foreign assets in the United States, net | $\left.{ }^{18}\right)$ | $\left({ }^{18}\right)$ | $\left({ }^{18}\right)$ | ${ }^{18} 7$ | $\left.{ }^{18}\right)$ | $\left({ }^{18}\right)$ | 22,818 | 3,018 |
| 析 | Direct investment .-..ise. | ${ }_{189}^{169}$ | -67 | -217 | 75 | 158 | -83 | 5,670 | 8,436 |
| 58 | U.S. Treasury securites and U.S. currency fows Us Treasury securities $\qquad$ | $(18)$ 87 | $(18)$ 270 | (18) | (18) | (18) ${ }^{189} 8$ | $(18)$ 4 4 | 6,058 | $5.02{ }^{17}$ |
| 60 |  | -44 | 204 |  | -47 | 218 |  | ${ }^{2} 765$ | -1,313 |
| 61 |  | ${ }^{18} 3,179$ | 18-180 | 18,419 | 183,606 | 181,314 | ${ }^{18} \mathbf{- 6 , 5 1 9}$ | (17) | (17) |
| 62 | Allocations of special drawing rights |  |  |  |  |  |  |  |  |
| 63 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed) | 2,501 | 4,747 | 2,896 | -4,360 | 1,859 | 4,352 | 11,219 | 20,351 |
|  | Memoranda: |  |  |  |  |  |  |  |  |
|  |  | 356 | -862 | -53 | 101 | -582 | -328 | -24,031 | -19,005 |
| 65 | Balance on services (lines 3 and 17) | ${ }^{936}$ | 996 | 301 | ${ }^{124}$ | 204 | 367 | 6,214 | 5,781 |
| 66 | Baiance on goods and services (lines 64 and 65) ................................................................................ | 1,292 | 134 | 248 | 225 | -378 | 39 | -17,817 | -13,224 |
| 67 | Balance on investment income (lines 11 and 25) | -161 | 10 | 68 | 70 | 43 | -171 | 7,490 | 9,517 |
| 68 |  | 1,131 | 143 | 315 | 295 | -335 | -132 | -10,327 | -3,708 |
| 69 | Unilateral transters, net (ine 29) | -3,283 | -2,659 | -653 | -687 | -799 | -520 | -338 | ${ }_{-361}$ |
| 70 |  | -2,152 | -2,516 | $-338$ | $-392$ | -1,134 | -652 | -10,665 | -4,069 |

[^53]Transactions, by Area-Continued of dollars]

| Canada |  |  |  | Lain America and Oher Western Hemishhere |  |  |  |  |  | Japan |  |  |  |  |  | Line |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1997 |  |  |  | 1996 | 1997P | 1997 |  |  |  | 1996 | 1997P | 1997 |  |  |  |  |
| 1 | 11 | 117 r | INP |  |  | 1 | II | III' | ${ }^{\text {v }}$ |  |  | 1 | 11 | 1 lir | IVP |  |
| 47,188 | 49,685 | 4,166 | 4,868 | 1,974 | 0,958 | 51,153 | 55,830 | 60,576 | 63,399 | ${ }^{111,326}$ | 122,615 | 28,710 | 28,385 | 28,391 | 27,129 |  |
| 36,823 | 39,042 | 36,783 | 176 | 108,864 | 133,606 | 2,516 | 2,42 | 34,449 | 37,216 | 65,954 | 64,683 | 448 | 16,567 | 15,711 | 15,967 |  |
| 5,448 24 | 5,392 ${ }_{22}$ | $\begin{array}{r}5,082 \\ \hline 2\end{array}$ | $\begin{array}{r}4.845 \\ \hline 24\end{array}$ | 34,694 | 38.680 480 | ${ }_{8}^{8.905}$ | 9,046 | 10,564 | ${ }^{40,165}$ | ${ }_{5}^{35,907}$ | ${ }^{38,552}$ | 9,753 | ${ }^{9.266}$ | $\begin{array}{r}10.518 \\ \hline 195\end{array}$ | $\stackrel{92,25}{110}$ |  |
| 1.954 <br> $\substack{37 \\ 726 \\ \hline 26 \\ \hline}$ | $\begin{aligned} & 1,907 \\ & \hline 307 \\ & \hline 788 \end{aligned}$ | 1,622 <br>  <br> 259 <br> 753 | 1,263 <br>  <br>  <br> 258 <br> 768 | $\begin{aligned} & \begin{array}{c} 3.399 \\ 3.393 \end{array} \\ & \hline, 4 \end{aligned}$ | 15,741 <br> $\substack{4,283 \\ 3,704}$ <br> 105 | 3.543 <br> 97 <br> 84 <br> 98 | 3.551 <br> 993 <br> 930 | ( $\begin{aligned} & 4,487 \\ & 1 \\ & 1,989 \\ & 931\end{aligned}$ |  | (13,163 | cose |  |  | 4,775 <br> $\substack{1,72 \\ 805}$ <br> 1 | 3,281 <br> $\substack{\text { 1.442 } \\ 8809}$ |  |
| [ $\begin{array}{r}343 \\ 2.056 \\ 17\end{array}$ | $\begin{array}{r}392 \\ 2.043 \\ \hline 16\end{array}$ | $\begin{array}{r}\text { 344 } \\ \text { 2,558 } \\ 14 \\ \hline\end{array}$ | 376 3,153 4 4 | 1,401 10,922 146 146 | $\begin{array}{r}1,655 \\ +2.670 \\ 150 \\ \hline 10\end{array}$ | 362 3.019 39 | 390 3,050 37 | 3,320 3 | 483 <br> 3 <br> , 200 <br> 38 | $\begin{array}{r}5,484 \\ \substack{7,229 \\ 89} \\ \hline\end{array}$ | 5,974 <br> 8,308 <br> 88 <br> 8 | 1,455 2,135 14 | 1,573 1,99 10 10 |  | 1,478 $\substack{2,084 \\ 19}$ 1.08 | 10 |
| 4.97 | 5.251 | 5.301 | 4,847 | 48.417 | 58.672 | 12,732 | 14,359 | 15,563 | 16.018 | 9,466 | 9,180 | 2.509 | 2.562 | 2,162 | 1,947 | 11 |
| 2, 2 |  | + | 2,392 | 17,404 | ${ }^{21,174}$ |  |  |  |  |  |  |  |  |  |  | 12 |
|  |  |  |  | ${ }_{\substack{29.330 \\ 1,33}}$ | 37,071 | ${ }_{8}^{8,401}$ | ${ }_{8,841}^{68}$ | ${ }_{1}^{9,585}$ | ${ }^{10,244}$ | 5,449 67 | 5,539 | 1,3997 | ${ }^{1,392}$ | 1,366 | , ${ }_{24}$ | $\stackrel{13}{14}$ |
| -47,506 | $-50,077$ | -48,784 | -50,247 | -194,558 | -220,324 | $-51,733$ | -54,841 | $-56,526$ | -57,24 | -157,101 | -172,85 | -41,415 | -11,837 | -4,445 | -45,160 | 15 |
| -42,04 | -43,383 | -41,32 | -44,416 | -124,933 | -40,484 | -32,831 | $-34,925$ | -36,114 | -36,614 | -115,167 | -121,566 | -30,096 | -29,317 | -30,787 | -31,356 | 16 |
| -3.009 | -3,781 | -4,770 | -3.426 | ${ }^{-30,929}$ | - 23.493 | -8.081 | ${ }_{-8,362}$ | -8.563 | ${ }_{-10}^{-8,48}$ | $-14,392$ $-1,050$ | $-15,371$ $-1,129$ | ${ }_{-3}-3.548$ | ${ }_{-2,38}^{-3,754}$ | -4,025 | $-4,044$ -280 | 17 |
| -619 | -1,270 | $-2157-15$ | -794 | $-13,50$ <br> -2.426 | $-14,825$ -2.691 | -3,733 | - | ${ }_{\substack{3 \\-3,693 \\-675}}$ | ${ }_{-3,711}^{-657}$ | -3,166 | -3,381 | -790 -90 | -865 | $-879$ | --847 | ${ }_{20}^{19}$ |
| -925 | -965 | -937 | -960 | ${ }_{-2,241}$ | -2.446 | $-589$ | $-672$ | -594 | -591 | -4,340 | -4,269 | -982 | -1,018 | -1,70 | -1,099 | 21 |
|  | (1,708 | (rer $\begin{array}{r}-66 \\ -1,40 \\ -39\end{array}$ | - | - $\begin{array}{r}-1144 \\ -11409 \\ -401 \\ -401\end{array}$ | - $\begin{array}{r}-153 \\ -12.55 \\ -448 \\ -488 \\ \hline\end{array}$ | - $\begin{array}{r}-2.88 \\ -110 \\ -18\end{array}$ |  | - $\begin{array}{r}-4.395 \\ -1,36 \\ -116\end{array}$ | - $\begin{gathered}-3.368 \\ -111 \\ -112\end{gathered}$ | ${ }_{\substack{-1,398 \\-3,62 \\-98 \\-98 \\ \hline}}$ | - | -398 <br> -978 <br> -24 <br> -28 | - $\begin{gathered}-323 \\ -1,049 \\ -24\end{gathered}$ | (1, $\begin{array}{r}-149 \\ -1.040 \\ -75 \\ -70\end{array}$ | --428 <br> $-1,186$ <br> -34 | 22 23 24 |
|  | -2,993 | -$-2,688$ <br> -84 <br> -1.208 | -2,705 | $\begin{array}{r}\text {-38,697 } \\ -1.557 \\ -1.958 \\ \hline\end{array}$ | $\begin{array}{r}-46,347 \\ -1.861 \\ \hline\end{array}$ | -10,821 | - -11.54 | -$-11,899$ <br> -559 <br> -598 | -12,123 | -27,541 | -35.930 | -7,71 | - | - $\begin{aligned} & \text {-9,633 } \\ & -2,129 \\ & -1,198\end{aligned}$ |  | 25 |
| -1,279 | -1,380 | ${ }^{-1,2788}$ | ${ }^{-1,597}$ | -28,438 | $-3,4,40$ <br> $-11,076$ | -7,$-7,688$ <br> $-2,802$ | - | - | ${ }_{-2,766}$ | - | - | $\stackrel{-1}{-1,610}$ | --1,658 | ${ }_{-1,1,878}^{-1,688}$ | -1, | 27 28 |
| -102 | -74 | -93 | -92 | -10,423 | -10,877 | -2,627 | -2,700 | -2,739 | -2,811 | -121 | -119 | -66 | -25 | -14 | -14 | 29 |
| -01 | -102 | -102 | -116 | $\begin{gathered} -1,433 \\ -6,6030 \\ -8,300 \end{gathered}$ | $\begin{gathered} -1,196 \\ --930 \\ -9,051 \\ -80 \end{gathered}$ | $\begin{gathered} -276 \\ -240 \\ -2,210 \end{gathered}$ | $\begin{gathered} -342 \\ --161 \\ -1,97 \end{gathered}$ | $\begin{array}{r} -245 \\ -156 \\ -, 383 \end{array}$ | $\begin{array}{r} -333 \\ -133 \\ -2,305 \end{array}$ | ${ }_{-35}^{86}$ | ${ }_{-30}^{-89}$ | -22 | -23 -2 | ${ }_{-23}^{23}$ | -217 | 30 31 32 |
| -12,32 | -5,31 | 5,716 | -4,975 | -76,268 | -173,025 | -13,40 | -40,96 | -53,869 | -64,720 | -5,729 | -7,769 | -2,623 | -11,820 | 4,409 | 2,265 | 33 |
|  |  |  |  | 8,300 | 3,500 | 3,500 | $\cdots$ |  |  | -73 | 26 | 49 | -18 | 14 | -19 |  |
|  |  |  |  |  | $\cdots$ | $\cdots$ |  |  |  | $\cdots$ |  |  | - | $\cdots$ | $\cdots$ | ${ }^{36}$ |
|  | - | $\cdots$ | $\cdots$ | 8,300 | 3,500 | 3,500 | $\cdots$ | $\cdots$ | $\cdots$ | 773 | ${ }^{26}$ | 49 | -18 | 14 | -19 |  |
| -1 |  |  |  | - 384 | - 4768 | ${ }_{-206}^{106}$ |  |  |  | 27 | 10 | 8 | 3 | 1 | -2 |  |
| - -1 |  | 10 | $\cdots$ | -1,489 | 1,540 | 386 -10 | 437 10 | 385 17 | 332 -1 | $\bigcirc$ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | 4 |
| -12,331 | -5,132 | 5.706 | $-4,975$ | -44,952 | -177,001 | -17,046 | $-41,224$ | -53,930 | -64,801 | -5.683 | $-7.805$ | -2.680 | -11,805 | 4,394 | 2,286 | 43 |
| ${ }_{2} 2.300$ | - | - | ${ }_{782}$ | - ${ }^{-14,2629}$ | -24,383 | -4, | - | ${ }_{-2,816}^{-6,88}$ | --5,997 | --1,882 | -1, | -1,2058 | - | $\begin{array}{r}\text {-296 } \\ -2,439 \\ \hline\end{array}$ | 6.102 |  |
| -12,749 | - | -1, 14.100 | -2,895 | -32,072 | ${ }_{-79,673}$ | $\begin{array}{r}-1,388 \\ \hline 8,48 \\ \hline\end{array}$ | ${ }_{-2}{ }^{-1,1,526}$ | - 3 -9,5729 | ${ }_{\text {- }}^{\text {-25,0,00 }}$ | $\stackrel{3}{2,39}$ | 3,773 | 1,155 <br> 1,468 | -1,67 | - 7,829 | -4,316 | ${ }_{47}^{46}$ |
| 3,906 | 7,813 | -9,219 | -2,060 | 90,776 | 117,042 | 7,023 | 27,322 | 30,916 | 51,781 | 57,710 | 79,771 | 26,740 | 20,656 | 9,091 | 23,24 | 48 |
|  | -1,430 |  | -2,475 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (17) | , | (17) | , | (18) | (18) | $(18)$ | (18) | ${ }^{186}$ | (18) | $(18)$ | \% | ${ }^{16}$ | $(18)$ | 118 | ${ }^{118)}$ | 50 |
| -178 | -10 | (17) | ${ }^{17}$ | - 118 | ${ }_{(18)}^{-7}$ | $\begin{gathered} 1.88 \\ 58 \\ 58 \end{gathered}$ | ${ }^{118}$ | (18) | ${ }_{-54}^{188}$ | ${ }_{174}^{189}$ | $\left.\begin{gathered} 189 \\ 309 \\ 309 \end{gathered} \right\rvert\,$ | -154 | (189 | $\begin{aligned} & 188 \\ & \hline 186 \\ & \hline 156 \end{aligned}$ | - | ${ }_{5}^{52}$ |
| (17) | $\left.\begin{array}{c} -10 \\ \substack{10 \\ 10} \\ \hline \end{array}\right)$ | $\binom{\left(i_{0}^{7}\right)}{(0)}$ | $\binom{1,1_{1}^{9}}{\langle 1)^{\prime}}$ | $\underset{\substack{18,(18)}}{(18)}$ | ${ }_{(08)}^{(18)}$ | $\left(\begin{array}{l} (186) \\ (188) \end{array}\right.$ | $\binom{108}{(10)}$ | (18) | $\begin{aligned} & -3.48 \\ & (18) \\ & (18) \end{aligned}$ |  | (18) | (18) | (188) | ${ }_{(18)}^{(18)}$ | - | 54 55 5 |
| 3,224 | 9,243 | -, ,864 | 415 | $(18)$ |  | ${ }^{188}$ |  | \% | 析 | $4^{(188)}$ | ${ }^{18}$ | ${ }^{18}$ | (18) | (18) |  |  |
| 2,034 | ${ }^{3,509}$ | -429 | 3,322 | ${ }^{139}$ | 7.889 | ${ }^{443}$ | 3,832 | 2,470 | 1,144 | 11,930 | 9,706 | +,219 | 1,670 | ${ }^{3,686}$ | 3,133 | 57 |
| 2.924 | 978 | 218 | 909 | 26,516 | 32.458 | 192 | 8.725 | 12,755 | 10,786 | 13,306 | 14,057 | 999 | 7.402 | 5,640 | 16 | ${ }_{59}^{58}$ |
| ${ }^{-1,098}$ | $\xrightarrow{-256}$ | (19) | (i) | ${ }_{18}^{18} 64,688$ | 1854, 225 | ${ }_{18,8861}^{24.469}$ | ${ }_{18}^{18} 21,689$ | 111,643 | ${ }_{18}{ }^{54,4505}$ | 1830,699 <br> 189 | ${ }^{18} 55,941$ | ${ }^{18} 24,787$ | ${ }^{18} 11,448$ | 18-563 | ${ }^{18} 20,259$ | 60 61 |
| 8,447 | -2,216 | 5,214 | 8.506 | -1,501 | 56,225 | 9,623 | 15,365 | 21,642 | 9,575 | -6,086 | -11,641 | $-11,346$ | 4,541 | 2,56 | -7,504 | 63 |
| -5,181 | -4,341 | -4,543 | -4,940 | -16,069 | -6,878 | -3,315 | -2,500 | -1,665 | 602 | -49,213 | -56,873 | -13,648 | -12,760 | -15,076 | -15,389 |  |
| -2,439 | 1.61 $-2,730$ | -4.231 | ${ }_{-}{ }_{-2,521}$ | -12.304 | ${ }_{-1,691}$ | -2.494 | -684 | 2,001 <br> 336 | 边 | 21,514 $-27,69$ | -23,322 | - ${ }^{-1.442}$ | -7.248 | -6,993 | - $\begin{array}{r}\text { 5,717 } \\ -10,218\end{array}$ | ${ }_{66}^{65}$ |
| 2,424 | 2,338 | -2,613 | 2.142 | ${ }_{9} 9.720$ | ${ }^{12,325}$ | 1,911 | 2,805 | 3.714 | 3,895 | -18.075 | -26,50 | -5, 2.62 | -6.204 | -7,471 | -7,813 | 67 |
| -3192 | ${ }_{-74}$ | -1,688 | -1,392 |  | - $\begin{array}{r}10,634 \\ -10,877\end{array}$ | - | -989 | 4,050 $-2,39$ | 6,175 $-2,811$ | ${ }_{-25}-124$ | -60,242 | -12,705 | -13,452 | -16,0,04 | -18,031 | ${ }_{69}^{68}$ |
| -421 | -466 | -1,761 | -1,471 | -13,007 | -243 | -3,207 | -1,711 | 1,311 | 3,364 | -45,895 | -60,361 | -12,71 | -13,47 | -16,068 | -18,045 | 70 |

Table 10.-U.S. International [Mililions

| Line | (Credits +; debits - - $^{1}$ | Austraia |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1996 | $1997{ }^{\text {P }}$ | 1997 |  |  |  |
|  |  |  |  |  | II | lifr | IV ${ }^{\text {P }}$ |
|  | Exports of goods, ser | 21,726 | 23,347 | 5,319 | 6,174 | 6,005 | 5,849 |
|  | Goods, adjusted, excluding military ${ }^{2}$ $\qquad$ <br> Services ${ }^{3}$ $\qquad$ <br> Transfers under U.S. military agency sales contracts ${ }^{4}$ $\qquad$ <br> Travel $\qquad$ <br> Passenger fares <br> Other transportation $\qquad$ $\qquad$ <br> Royalties and license fees ${ }^{5}$ <br> Other private services ${ }^{5}$ $\qquad$ $\qquad$ <br> U.S. Government miscellaneous services $\qquad$ | 11,705 | 11,904 | 2,823 | 3,095 | 3,071 | 2,915 |
|  |  | 4,792 | 5,365 378 | 1,122 | $\begin{array}{r}1,293 \\ 46 \\ \hline 109\end{array}$ | 1,470 76 | 1,480 221 |
|  |  | $\begin{array}{r}1,819 \\ 461 \\ 497 \\ \hline\end{array}$ | 1,941 <br> 494 <br> 320 | 392 100 72 | $\begin{array}{r}480 \\ +133 \\ 79 \\ \hline 9\end{array}$ | $\begin{array}{r}608 \\ 143 \\ 84 \\ \hline\end{array}$ | $\begin{array}{r}461 \\ \hline 18 \\ 85 \\ \hline\end{array}$ |
|  |  | 575 1,423 13 | 625 <br> 1.595 <br> 12 <br> 12 | 141 379 3 | 159 393 3 | 161 396 2 | $\begin{array}{r}164 \\ 427 \\ \hline\end{array}$ |
| 11 12 13 4 | Income receipts on U.S. assets abroad <br> Direct investment receipts <br> Other private receipts <br> U.S. Government receipts | 5,229 2,979 2,950 | 6,078 3,598 3,480 | $\begin{array}{r}1,374 \\ \text {,777 } \\ 597 \\ \hline\end{array}$ | $\begin{array}{r}1,786 \\ \hline 1,169 \\ \hline 1617\end{array}$ | 1,464 836 688 | 1,454 <br> 816 <br> 638 |
| 15 |  | -6,820 | -8,194 | -2,074 | -1,658 | -2,196 | -2,266 |
| 16 | Goods, adjusted, excluding military ${ }^{2}$........................................................................................................... | -3,869 | -4,870 | -7,159 | -1,169 | -1,290 | -1,252 |
|  | Services ${ }^{3}$ <br> Direct defense expenditures | $-2,501$ -53 | -2.702 | -743 -21 | -567 -12 | -645 | -747 -30 |
|  | Travel $\qquad$ <br> Passenger fares <br> Other transportation $\qquad$ | -943 -503 | $-1,003$ -538 -588 | -325 -157 | -175 -114 | -197 -126 | -306 -141 |
|  |  | -326 | -241 | -61 | -60 | -55 | -65 |
| 22 23 24 24 | Royalties and license fees ${ }^{5}$ <br> Other privale services ${ }^{5}$ <br> U.S. Government miscellaneous services | -32 -599 -45 | -77 -702 -54 | -88 -155 -17 | -88 -187 -11 | -54 -174 -14 | -7 -186 -12 |
| 25 26 26 28 28 | Income payments on foreign assets in the United States <br> Direct investment payments <br> Other private payments <br>  <br> U.S. Government payments <br> . $\qquad$ | -450 -31 -333 -148 | -622 -75 -468 -79 | -172 -658 -88 -19 | 78 23 2115 -115 -20 -22 | -261 -108 -133 -20 -20 | -267 -115 -132 -20 |
| 29 | Unilateral translers, net .... | -92 | -88 | -25 | -2 | -21 | -20 |
| 30 31 32 32 | U.S. Government grants ${ }^{4}$ <br> U.S. Govemment pensions and other transfers <br> Private remittances and other transiers ${ }^{6}$ | -34 -58 | -35 | $\stackrel{-9}{-16}$ | -9 -13 | -12 | -12 |
| 33 | U.S. assets abroad, net (increase/capital outilow (-)) ................................................................................................ | -11,507 | -4,782 | -595 | -2,026 | -146 | -2,015 |
| $\begin{aligned} & 39 \\ & 36 \\ & 37 \\ & 38 \end{aligned}$ |  |  | . | $\cdots$ | - | - |  |
|  |  |  | ... |  | $\cdots$ | . |  |
|  | Reserve position in the International Monetary Fund <br> Foreign currencies $\qquad$ | $\cdots$ | $\cdots$ | .................. | ...... | $\cdots$ |  |
|  |  |  |  |  |  |  |  |
|  | U.S. Government assets, other than official reserve assets, net U.S. credits and other long-term assets <br> Repayments on U.S. credilis and other iong-term assets ${ }^{8}$ <br> U.S. foreign currency hodings and U.S. shor-temm assets, net | 15 | () | -1 | -1 | 2 |  |
|  |  |  |  |  | $\cdots$ | $\cdots$ |  |
|  |  | 15 | () | -1 | $-1$ | 2 |  |
|  | U.S. private assets, net ................................................................................................................................ |  | -4,782 | -594 | -2,025 |  |  |
|  |  | -3.789 | -1,658 | -797 | -632 | 207 | -436 |
|  |  | -4,470 | -2,727 | -1,092 | -197 | 21 | 7 |
|  | U.S. claims reported by U.S. banks, not included elsewhere | -3,041 | -547 | 1,153 | -1,139 | 501 | -1,062 |
| 48 |  | 4,280 | 4,887 | -921 | 2,560 | 2,788 | 460 |
|  | Foreign official assets in the United States, net |  | ${ }^{18}$ | (18) | ${ }^{(18)}$ | $(18)$ | $\left.{ }^{18}\right)$ |
|  | S. Govenment securities <br> U.S. Treasury securities ${ }^{9}$ Other ${ }^{10}$ $\qquad$ | $(18)$ | ${ }_{(18)}^{18}$ | $(18)$ | (18) | (18) | (18) ${ }_{(18)}$ |
|  |  | (18) | (18) | (18) | $(18)$ | $(18)$ | $(18)$ |
|  |  | -53 | -150 | (18) |  | -16 |  |
|  | U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets ${ }^{12}$ | ${ }^{(18)}$ | (18) ${ }_{(18)}$ | ${ }_{(18)}(18)$ | $\underset{(18)}{(18)}$ | (18) | $(18)$ $(18)$ |
|  | Other foreign assets in the United States, net ............................................................................................................... | $\begin{array}{r} (18) \\ 2,129 \\ -188 \\ -644 \\ 429 \\ 182,391 \end{array}$ |  | $\begin{array}{r} (18) \\ 469 \\ 188) \\ 272 \\ 182 \\ 18-1,813 \end{array}$ | $\begin{array}{r}\text { [18) } \\ 218 \\ 218 \\ 118) \\ 325 \\ -183 \\ \hline 2,173\end{array}$ | (18) <br> 3,277 <br> $(18)$ <br> 295 <br> -48 <br> $18-720$ | 188-547-187-187-175 |
|  | Direct investment |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  | U.S. liabilites to unafiliated foreigners reported by U.S. nonbanking concerns |  |  |  |  |  | ${ }^{18} 9,341$ |
| 62 |  | $\cdots$ |  |  |  |  |  |
| 63 | Statistical discrepancy, and transters of funds between foreign areas, net (sum of above items wilh sign reversed) .. | -7,587 | -15,169 | -1,703 | -5,028 | -6,430 | -2,008 |
|  | Memoranda: |  |  |  |  |  |  |
| ${ }_{6}^{64}$ |  | 7,836 291 | 7,034 2,662 | 1,664 <br> 378 | 1,926 | $\begin{array}{r}1,781 \\ \hline 825 \\ \hline\end{array}$ | 1,663 |
| 65 66 |  | 7,291 10,127 | 9,662 <br> 9 | 2,042 | $\begin{array}{r}1,726 \\ 2,652 \\ \hline\end{array}$ | $\begin{array}{r}17825 \\ \hline 2.606 \\ \hline\end{array}$ | 733 2.396 |
| 67 |  | 4,779 | 5,456 | 1,202 | +1,864 | 1,203 | 2,396 <br> 1,187 |
| 68 | Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ${ }^{13}$ $\qquad$ Unilateral transters, net (line 29) | 14,906 | 15,152 | 3,244 | 4,516 | 3,809 | 3,583 |
|  |  | -92 | -88 | -25 | -22 | -21 | -20 |
|  |  | 14,814 | 15,064 | 3,219 | 4,494 | 3,788 | 3,563 |

[^54]Transactions, by Area-Continued of dollars]

| Other countries in Asia and Africa |  |  |  |  |  | Intemational organizations and unallocated 16 |  |  |  |  |  | Line |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1996 | $1997{ }^{\text {P }}$ | 1997 |  |  |  | 1996 | $1997{ }^{\text {P }}$ | 1997 |  |  |  |  |
|  |  | 1 | 11 | III r | IV ${ }^{\text {P }}$ |  |  | 1 | 11 | III | IV ${ }^{\text {p }}$ |  |
| 222,809 | 236,170 | 56,128 | 59,659 | 60,099 | 60,284 | 17,364 | 18,320 | 4,424 | 4,402 | 4,634 | 4,860 | 1 |
| 146,382 | 155,873 | 36,746 | 39,453 | 38,475 | 41,139 | 2 | ....................... | $\cdots \cdots \cdots \cdots \cdots \cdots \cdots$ | $\cdots \cdots \cdots \cdots$ | $\cdots \cdots \cdots \cdots \cdots \cdots \cdots$ | ........................ | 2 |
| 51,121 9,297 | $\begin{gathered} 53,549 \\ 9,515 \end{gathered}$ | $\begin{gathered} 12,623 \\ 1,831 \end{gathered}$ | $\begin{gathered} 13,380 \\ 2,507 \end{gathered}$ | $\begin{gathered} 14,864 \\ 2,691 \end{gathered}$ | $\begin{gathered} 12,682 \\ 2,486 \end{gathered}$ | 5,704 13 | 5,634 | 1,458 | 1,359 | 1,383 | 1,434 | 3 |
| $\begin{gathered} 10,776 \\ 1,754 \\ 1,750 \end{gathered}$ | $\begin{array}{r} 11,040 \\ 1,786 \end{array}$ | $\begin{aligned} & 2,195 \\ & 359 \end{aligned}$ | $\begin{array}{r} 3,124 \\ 492 \end{array}$ | $\begin{array}{r} 3,734 \\ 589 \end{array}$ | $\begin{aligned} & 1,987 \\ & \hline 346 \end{aligned}$ | …............................................. |  | $\cdots$ |  | $\cdots$ | $\cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots$ | 5 |
|  |  |  |  |  |  | $527$ | $\cdots$ | $181$ | 107 | 109 | 123 | 7 |
| $\begin{array}{r} 3,899 \\ 16,339 \\ 373 \end{array}$ | 4,143 17,813 309 | 962 4,967 79 | 1,033 3,894 80 | 1,047 4,578 67 | $\begin{array}{r} 1,101 \\ 4,374 \\ 83 \end{array}$ | 1,550 3,614 | $\begin{aligned} & 1,567 \\ & 3,547 \end{aligned}$ | $\begin{gathered} 389 \\ 892 \end{gathered}$ | ${ }_{867}^{385}$ | $\begin{aligned} & 387 \\ & 887 \end{aligned}$ | 413 898 | 8 9 10 |
| 25,306 | 26,809 | 6,760 | 6,826 | 6,760 | 6,463 | 11,659 | 12,686 | 2,966 | 3,043 | 3,251 | 3,426 | 11 |
| 15,429 | 15,271 | 6,80 <br> 4,087 | 6,926 3,912 | 3,758 | 3,514 | 4,304 | 12,689 4,999 | 1,165 | 1,164 | 1,246 | 1,424 1,422 | 12 |
| 8,611 1,266 | 10,222 1,316 | $\begin{array}{r}2,357 \\ \hline 316\end{array}$ | $\begin{array}{r}2,597 \\ \hline 17\end{array}$ | 2,639 | 2,629 320 | 6.725 630 | 7,122 | 1,659 | $\begin{array}{r}1,745 \\ \hline 134\end{array}$ | 1,866 139 | $\begin{array}{r}1,852 \\ \\ \hline 150 \\ \hline\end{array}$ | $1 \begin{aligned} & 13 \\ & 14\end{aligned}$ |
| -282,525 | -313,088 | -70,072 | -75,688 | -85,365 | -81,963 | -4,181 | -3,835 | -1,019 | $-914$ | -933 | -969 | 15 |
| -231,998 | -255,215 | -56,021 | -61,312 | -70,593 | -67,289 |  |  |  | $\cdots$ |  |  | 16 |
| $-27,379$ $-1,901$ | $-29,976$ <br> $-2,537$ | $-7,146$ -513 | $-7,439$ -632 | -7,701 | $-7,790$ -728 | -3,028 | -2,437 | -697 | -572 | -579 | -589 | 17 18 |
| -8,349 | $-8,906$ $-3,887$ | $-2,219$ -972 | $\xrightarrow{-2,240}$ | $-2,286$ -982 | $\begin{array}{r} -, 161 \\ -956 \\ \hline-96 \end{array}$ |  | ..... | $\ldots$ | $\qquad$ | ................. | $\ldots$ | 19 20 |
| $-7,125$ | -7,395 | -1,741 | -1,811 | -1,903 | -1,940 | -978 | -1,063 | -357 | -235 | -229 | -242 | 21 |
| -101 $-5,497$ -768 | -70 $-6,374$ -807 | - $\begin{array}{r}-22 \\ -1.483 \\ -196\end{array}$ | -19 $-1,563$ -197 | r $-1,638$ $-2,63$ -215 | r $-1,16$ $-1,690$ -199 | - -904 $-1,144$ -2 | -456 -918 | $\begin{aligned} & -115 \\ & -225 \end{aligned}$ | -104 -233 | -122 -228 | -115 -232 | 22 23 24 24 |
| -23,148 | -27,897 | -6,905 | -6,937 | -7,071 | -6,984 | -1,153 | -1,398 | -322 | -342 | -354 | -380 | 25 |
|  | 184 -10.070 | -176 -2.423 | $\begin{array}{r}\text { 238 } \\ -2.530 \\ \hline\end{array}$ | $\begin{array}{r}\text {-59 } \\ -2.501 \\ \hline 4.51\end{array}$ | 181 -2.616 | 1,688 $-2,590$ -1 | $\begin{array}{r}1,713 \\ -2,968 \\ \hline\end{array}$ | $\begin{array}{r}432 \\ -726 \\ \hline\end{array}$ | 429 -744 | 425 -735 -4 | - 4727 | ${ }^{26}$ |
| -13,841 | -10,000 | $-2,423$ $-4,306$ | $-2,230$ $-4,645$ | $-2,501$ $-4,511$ | $-2,546$ $-4,549$ | -2,990 | -2,968 | -28 -28 | -744 -27 | -735 -44 | -663 -44 | 27 28 |
| -16,610 | -15,059 | -3,061 | -2,818 | -3,040 | -6,140 | -9,461 | $\rightarrow$-,532 | -2,115 | -2,360 | -2,323 | -2,734 | 29 |
| - $\begin{array}{r}\text {-0,180 } \\ -508 \\ \hline\end{array}$ | -8,026 | $-1,213$ -121 | $-1,203$ <br> -125 | $-1,233$ -123 | $-4,377$ -119 | - $\begin{array}{r}-872 \\ -1,340 \\ \hline\end{array}$ | -713 -1.105 -7.14 | -226 -112 | -207 -297 | -149 -218 | -131 -478 | 30 31 |
| -5,922 | -6,545 | -1,727 | -1,490 | -7,684 | -1,644 | $-7,249$ | -7,714 | -1,777 | -1,856 | -1,956 | -2,125 | 32 |
| -51,803 | -34,754 | -16,737 | -10,535 | -9,432 | 1,950 | -6,725 | -5,007 | 2,636 | -1,534 | $-7,351$ | -4,758 | 33 |
|  | ....................... | $\cdots$ | ............... | $\cdots$ |  | -910 | -3,925 | 1,127 | -79 | -602 | -4,371 |  |
| $\cdots$ |  |  | $\cdots$ | $\ldots$ | $\cdots$ | 370 | -350 | 72 | $-133$ | -139 | -150 | ${ }_{36}$ |
| $\cdots$ | ............... | $\ldots$ | $\cdots$ | ${ }^{\text {a }}$............................. | $\ldots$ | -1,280 | -3,575 | 1,055 | 54 | $-463$ | -4,221 | 37 |
|  | …….............. | $\ldots$ |  |  |  |  | , |  |  |  | $\cdots$ | 38 |
| -40 -1901 | $\begin{array}{r}356 \\ -1.958 \\ \hline\end{array}$ | 32 -390 | -129 <br> -614 <br> 10 | 474 -475 | -21 -479 | $-1,287$ $-1,287$ | $-1,220$ $-1,220$ | -333 -333 | -340 -340 | ${ }_{-293}^{-293}$ | -254 -254 | 39 40 |
| $-1,901$ 1,655 | $-1,958$ 2,376 | - 443 | $\begin{array}{r}-64 \\ \hline 97\end{array}$ | -484 | -452 |  |  |  |  |  |  | 41 |
| 196 | -62 | -21 | -12 | -35 | 6 | ……..................... | $\cdots$ |  | - | - | - | 42 |
| -51,763 | -35,110 | -16.769 | -10,406 | -9,906 | 1,971 | -4.528 | 138 | 1,842 | -1,115 | -456 | -133 | 43 |
| $-11,412$ -2394 | -16,851 | -5,445 | $-3,198$ -297 | $-4,468$ -860 | ${ }_{-2,791}^{-3,740}$ | -4,348 | $-3,502$ 3,262 | -1.648 | $\begin{array}{r}1828 \\ -83 \\ \hline 1\end{array}$ | -860 521 | -887 | 4 |
| ${ }_{-1,203}$ | -106 |  |  | -253 |  | -52 | $\stackrel{43}{ }$ | ,56 | ${ }^{-3}$ | -10 |  | 46 |
| -15,754 | $-510$ | -7,683 | -5,034 | 3,575 | 8,632 | -654 | 335 | 1,065 | -417 | -107 | -206 | 47 |
| 59,216 | 39,563 | 31,640 | -11,650 | 17,290 | 2,283 | 17,340 | 21,452 | 1,012 | 7,345 | 4,286 | 8,809 | 48 |
| ${ }^{188}$ | ${ }_{(18)}^{18}$ | ${ }_{(18)}^{18}$ | $\left(\begin{array}{c}188 \\ 188\end{array}\right.$ |  |  | 2 | $\cdots$ | ....................... | ...................... | ...................... | $\cdots$ |  |
| ${ }^{188}$ | (18) | $(118)$ | $(18)$ | $(18)$ | $(18)$ | ${ }^{\text {....................... }}$ | ........................ | ........................ | ....................... | ....................... | ...................... | 50 51 |
| (18) | (18) | (18) | $(18)$ | (18) | $(18)$ |  | $\cdots$ | …-w-................ | …)...................... | ${ }^{\circ} \times \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots \cdots$ |  | 52 |
| ${ }^{89}$ | ${ }_{-}^{-315}$ | 472 | (12) | -755 | -44 | 2 | …).................. | .-7.a............... | - |  | $\ldots$ | 53 54 |
| (18) | (18) | (18) | (18) | (18) | (18) | $\cdots$ | ……..................................... | …......................... | $\cdots$ | $\cdots$ | $\cdots$ | 55 |
|  | ${ }^{(18)}$ | ${ }^{18}{ }^{18}$ | (18) | $(18)$ | $\left({ }^{18}\right)$ | 17,338 | 21,452 | 1,012 | 7,345 | 4,286 | 8,809 |  |
| -840 | 3,100 | 5514 | 3,520 | ${ }_{-833}$ | $-101$ | -1,873 | -1,900 | -471 | -473 | -476 | -480 | 57 |
| 7,695 | 8,205 | 3,509 | 1,680 | 2,640 | 376 | -118 | ${ }_{-56}$ | 9 | -25 | -73 | 33 | 59 |
| 7851.799 | 1,426 1827,47 |  | $\begin{array}{r}1.79 \\ \hline 18-16.941\end{array}$ | ${ }_{1815}{ }^{4671}$ |  | ${ }_{18}{ }^{259} 954$ | ${ }_{18}{ }^{14268}$ | 18 18.450 | 57 187786 | 59 184776 | 189,256 | ${ }_{61}^{60}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| 68,913 | 87,168 | 2,102 | 41,032 | 20,448 | 23,586 | -14,338 | -21,398 | -4,938 | -6,939 | -4,313 | -5,208 | 63 |
| $-85,616$ | -99,402 | -99,275 |  |  | -26,150 | $22^{2}$ |  |  |  |  |  |  |
| 23,742 | 23,573 | 5,477 | 5,941 | N,163 | 4,992 | 2,676 | 3,197 | 761 | 787 | 804 | 845 | 65 |
| -61,874 | -75,829 | -13,798 | -15,918 | -24,955 | -21,158 | 2,678 | 3,197 | ${ }^{761}$ | ${ }^{787}$ | ${ }^{804}$ | ${ }^{845}$ | 66 |
| 2,158 -59716 | - $\begin{aligned} & -1,088 \\ & -66918\end{aligned}$ | $\begin{array}{r}\text {-145 } \\ -13944 \\ \hline\end{array}$ | - $\begin{array}{r}-11 \\ -16.029 \\ \hline\end{array}$ | -311 -25.266 | -21.521 | 10,506 <br> 13,184 <br> 1 | 11,288 14.486 | 2,644 <br> 3,406 | 2,701 <br> 3,488 | 2,897 3,701 | 3,046 3,891 | 67 68 |
| ${ }_{-16,610}$ | $-76,918$ $-15,059$ | - 3,9061 | - $\begin{array}{r}-2,089 \\ -2,818\end{array}$ | $-25,266$ <br> $-3,040$ | -21,690 | - | - 9 | --1,115 | 3,488 $-2,360$ | - ${ }^{3,701}$ | 3,891 -2.734 | 68 69 |
| -76,326 | -91,977 | -17,005 | -18,847 | -28,306 | -27,819 | 3,723 | 4,954 | 1,291 | 1,128 | 1,378 | 1,157 | 70 |

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# BEA CURRENT AND HISTORICAL DATA 

## National, International, and Regional Estimates

This section presents an extensive selection of economic statistics prepared by the Bureau of Economic Analysis (beA) and a much briefer selection of collateral statistics prepared by other Government agencies and private organizations. Series originating in Government agencies are not copyrighted and may be reprinted freely. Series from private sources are provided through the courtesy of the compilers and are subject to their copyrights.
bea makes its economic information available on three World Wide Web sites. The bea Web site [http://www.bea.doc.gov](http://www.bea.doc.gov) contains data, articles, and news releases from bea's national, international, and regional programs. The Federal Statistical Briefing Room (FSBR) on the White House Web site [http://www.whitehouse.gov/fsbr](http://www.whitehouse.gov/fsbr) provides summary statistics for gdp and a handful of other nipa aggregates. The Commerce Department's stat-usa Web site [http://www.stat-usa.gov](http://www.stat-usa.gov) provides detailed databases and news releases from bea and from other Federal Government agencies by subscription; information about stat-usa's Economic Bulletin Board (ebb) and Internet services may be obtained at the Web site or by calling 202-482-1986.

The tables listed below present annual, quarterly, and monthly estimates, indicated as follows: [A] Annual estimates only; $[\mathrm{Q}]$ quarterly estimates only; [QA] quarterly and annual estimates; $[\mathrm{MA}]$ monthly and annual estimates.

## National Data

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## National Data

## A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on March 26, 1998 and include the "final" estimates for the fourth quarter of 1997 and for the year 1997.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly. In most tables, the annual estimates are also shown. Most of the "annual only" nipa tables were presented in the August 1997 Survey of Current Business; tables $8.20-8.26$ were presented in the September 1997 Survey; and the remaining "annual only" tables-tables 3.15-3.20 and 9.1-9.6-were presented in the October 1997 Survey.

The selected nipa tables are available on printouts or diskettes from bea. To order nipa subscription products using Visa or MasterCard, call the bea Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

The news release on gross domestic product (GDP) is available at the time of release, and the selected NIPA tables are available later that day, on STAT-USA's Economic Bulletin Board and Internet services; for information, call stat-USA on 202-482-1986. In addition, the GDP news release is available the afternoon of the day of the release, and the selected NIPA tables are available about 2 weeks later (when the SURVEY is sent to the printer), on bea's Internet site [http://www.bea.doc.gov](http://www.bea.doc.gov).

## 1. National Product and Income

Table 1.1.-Gross Domestic Product
[Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Gross domestic product | $\left[\begin{array}{r} 7,636.0 \\ \\ 5,207.6 \\ 633.5 \\ 1,543.7 \\ 3,038.4 \end{array}\right]$ | 8,079.9 <br> 5,485.8 | $\begin{aligned} & 7,676.0 \\ & 5,227.4 \end{aligned}$ | $\left\{\begin{array}{l} 7,792.9 \\ 5,308.1 \end{array}\right.$ | $\left[\begin{array}{l} 7,933.6 \\ 5,405.7 \end{array}\right.$ | $\begin{aligned} & 8,034.3 \\ & 5,432.1 \end{aligned}$ | $\begin{aligned} & 8,124.3 \\ & 5,527.4 \end{aligned}$ |  |
| Personal consumption expenditures |  |  |  |  |  |  |  |  |
| Durable goods $\qquad$ <br> Nondurable goods $\qquad$ |  | $\left\|\begin{array}{r} 5,485.8 \\ 659.3 \end{array}\right\|$ | 6634.5 | 6 638.2 | 61,587.4 | \| 6444.5 | 667.3 | $\begin{array}{r} 666.8 \\ 1,600.9 \end{array}$ |
| Services ............................. |  | 3,234,5 | 3,054.6 | 3,109.8 | 3,159.9 | 3,208.7 | 3,259.3 |  |
| Gross private domestic investment $\qquad$ | $1,116.5$ | 1,242.5 | 1,149.2 | 1,151.1 | 1,193.6 | 1,242.0 | 1,250.2 | 1,284.1 |
| Fixed investment $\qquad$ Nonresidential $\qquad$ | $\left\|\begin{array}{r} 1,090.7 \\ 781.4 \\ 215.2 \end{array}\right\|$ | $\left\lvert\, \begin{array}{r} 1,174.1 \\ 846.9 \end{array}\right.$ | $\begin{array}{r} 1,112.0 \\ 798.6 \end{array}$ | $\left\lvert\, \begin{array}{r} 1,119.2 \\ 807.2 \end{array}\right.$ | $\left\lvert\, \begin{array}{\|c\|} 1,127.5 \\ 811.3 \end{array}\right.$ | $\left\|\begin{array}{r} 1,160.8 \\ 836.3 \end{array}\right\|$ | $\begin{array}{\|r\|r\|} 1,201.3 \\ 872.0 \\ \hline \end{array}$ | $\begin{array}{r} 1,206.8 \\ 868.0 \end{array}$ |
| Structures $\qquad$ Producers' durable equipment | $\begin{aligned} & 215.2 \\ & 566.2 \end{aligned}$ | $\begin{aligned} & 230.2 \\ & 616.7 \end{aligned}$ | 217.7 580.9 | 227.0 | 227.4 | 226.8 | 232.9 | 233.9 |
| equipment |  |  | 580.9 | 580.2 | 583.9 | 609.5 324.6 | $\begin{aligned} & 639.1 \\ & 329.3 \end{aligned}$ | 634.2 338.8 |
| Change in business inventories $\qquad$ | 25.9 | 68.4 | 37.1 | 31.9 | 66.1 | 81.1 | 48.9 | 77.2 |
| Net exports of goods and services $\qquad$ | -94.8 | -101.1 | -114.0 | -88.6 | -98.8 | -88.7 | -111.3 | -105.3 |
| Exports | $\begin{aligned} & 870.9 \\ & 617.5 \end{aligned}$ | $\begin{aligned} & 957.1 \\ & 686.3 \end{aligned}$ | $\begin{aligned} & 863.7 \\ & 609.7 \end{aligned}$ | $\begin{aligned} & 904.6 \\ & 640.5 \end{aligned}$ | $\begin{aligned} & 922.2 \\ & 656.2 \end{aligned}$ | $\begin{aligned} & 960.3 \\ & 690.0 \end{aligned}$ | $\begin{aligned} & 965.8 \\ & 691.1 \end{aligned}$ | $\begin{array}{r} 980.0 \\ 707.9 \end{array}$ |
| Goods |  |  |  |  |  |  |  |  |
| Services | 253.3965.7 | r 27.058 .81 | 254.0977.6 | 264.2 | 266.0 | 270.3 | 274.8 | 272.1$1,085.4$ |
| Imports |  |  |  |  |  | 1,080.1 |  |  |
| Goods | $\begin{aligned} & 809.0 \\ & 156.7 \end{aligned}$ | -888.5 | 820.2157.5 | 834.6 | 855.8 |  | 1,077.1 905 | $1,085.4$ 912.6 172.7 |
| Services |  | 169.6 |  | 158.6 | 165.2 | 168.9 | 171.6 | 172.7 |
| Government consumption expenditures and gross investment $\qquad$ | 1,406.7 | 1,452.7 | 1,413.5 | 1,422.3 | 1,433.1 | 1,449.0 | 1,457.9 | 1,470.9 |
| Federal | 520.0352.8167.3 | 523.8350.3 | 521.6354.8 | 517.6350.6 | 516.1343.3 | 526.1350.61 | 525.7352.1 | 527.3 <br> 355.2 <br> 172.0 |
| National defense |  |  |  |  |  |  |  |  |
| Nondefense |  | 173.5 | 166.8 | $\begin{aligned} & 167.0 \\ & 904.7 \end{aligned}$ | $\begin{aligned} & 172.8 \\ & 917.0 \end{aligned}$ | $\begin{aligned} & 175.5 \\ & 923.0 \end{aligned}$ | $\begin{aligned} & 173.6 \\ & 932.3 \end{aligned}$ |  |
| State and local ................... | 886.7 | 928.9 | 891.9 |  |  |  |  | 943.6 |

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

Table 1.2.-Real Gross Domestic Product
[Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | N | 1 | 11 | III | IV |
| Gross domestic product | 6,928.4 | 7,188.8 | 6,943.8 | 7,017.4 | 7,101.6 | 7,159.6 | 7,214.0 | 7,280.0 |
| Personal consumption expenditures $\qquad$ | 4,714.1 | 4,867.5 | 4,718.2 | 4,756.4 | 4,818.1 | 4,829.4 | 4,896.2 | 4,926.1 |
| Durable goods $\qquad$ <br> Nondurable goods | \|ri1.1 | 645.5 | \|r 61.41 .9 | | 617.1 $1,441.2$ | 637.8 <br> $1,457.8$ | 629.0 $1,450.0$ | $\left\|\begin{array}{r} 656.1 \\ 1,465.5 \end{array}\right\|$ | 659.3 $1,460.9$ |
| Services ............. | 2,671.0 | 2,764.1 | 2,672.8 | 2,698.2 | 2,723.9 | 2,749.8 | 2,776.1 | 2,806.4 |
|  |  |  |  |  |  |  |  |  |
| Fixed investment $\qquad$ Nonresidentia $\qquad$ | 1,041.7 | $1,123.6$ <br> 848.3 | $1,060.9$ <br> 789.3 | $1,068.7$ <br> 800.8 | $1,079.0$ <br> 808.9 | $1,111.4$ <br> 837.0 | $1,149.3$ <br> 874.5 | $\begin{aligned} & 1,154.6 \\ & 872.7 \end{aligned}$ |
| Structures ........................ | 188.7 | 195.4 | 190.0 | 196.9 | 195.9 | 193.5 | 196.7 | 195.5 |
| Producers' durable equipment | 586.0 | 659.0 | 602.9 | 606.7 | 616.6 | 649.3 | 685.3 | 684.8 |
| Residential | 272.1 | 279.5 | 274.1 | 271.1 | 273.3 | 278.2 | 280.1 | 286.3 |
| Change in business inventories $\qquad$ | 25.0 | 65.7 | 37.9 | 32.9 | 63.7 | 77.6 | 47.5 | 74.0 |
| Net exports of goods and services $\qquad$ | -114.4 | -146.5 | -138.9 | -105.6 | -126.3 | -136.6 | -164.1 | -159.1 |
| Exports | 857.0 | 962.7 | 851.4 | 901.1 | 922.7 | 962.5 | 973.0 | 992.7 |
| Goods | 628.4 | 725.0 | 623.0 | 666.2 | 686.2 | 725.8 | 731.8 | 756.3 |
| Services | 229.9 | 241.7 | 229.4 | 236.8 | 238.9 | 240.8 | 245.0 | 241.8 |
| Imports | 971.5 | 1,109.2 | 990.2 | 1,006.6 | 1,048.9 | 1,099.1 | 1,137.1 | 1,151.8 |
| Goods | 823.1 | 947.5 | 841.7 | 857.5 | 891.3 | 938.4 | 972.7 | 987.6 |
| Services ........................ | 149.0 | 163.0 | 149.3 | 150.0 | 158.4 | 161.8 | 165.8 | 165.9 |
|  |  |  |  |  |  |  |  |  |
| Federal | 464.2 | 457.0 | 465.7 | 459.6 | 452.8 | 460.1 | 458.8 | 456.1 |
| National defense | 317.8 | 308.6 | 319.4 | 313.6 | 303.9 | 309.4 | 310.3 | 311.1 |
| Nondefense ..................... | 146.1 | 147.9 | 146.0 | 145.7 | 148.5 | 150.2 | 148.0 | 144.8 |
| State and local | 793.7 | 812.7 | 795.9 | 802.3 | 807.7 | 810.1 | 814.7 | 818.3 |
| Residual ................................... | -1.6 | -4.3 | -2.4 | $-3.8$ | -2.9 | -3.9 | -4.6 | -6.0 |

Note-Chained (1992) dollar series are calculated as the product of the chain-ype quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-lype quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive
The residual line is the difference between the first line and the sum of the most detailed lines.
Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to
the percent change in real gross domestic product are shown in table 8.2.

Table 1.3.-Gross Domestic Product by Major Type of Product [Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 1 | III | IV |
| Gross domestic product | $\left.\begin{array}{r} 7,636.0 \\ 7,610.2 \\ 25.9 \end{array} \right\rvert\,$ | $\begin{aligned} & 8,079.9 \\ & 8,011.5 \end{aligned}$ | $\begin{aligned} & 7,676.0 \\ & 7,638.9 \end{aligned}$ | $\begin{aligned} & 7,792.9 \\ & 7,761.0 \end{aligned}$ | $\left\{\begin{array}{l} 7,933.6 \\ 7,867.4 \end{array}\right.$ | $\left[\begin{array}{l} 8,034.3 \\ 7,953.2 \end{array}\right.$ | $\begin{aligned} & 8,124.3 \\ & 8,075.3 \end{aligned}$ | 8,227.4 <br> 8,150.2 |
| Final sales of domestic product |  |  |  |  |  |  |  |  |
| Change in business inventories $\qquad$ |  | $\begin{array}{r} 8,011.5 \\ 68.4 \end{array}$ | -37.1 | $\left\|\begin{array}{r} 7,761.0 \\ 31.9 \end{array}\right\|$ | 66.1 | [ 81.1 | + 48.9 | 8,150.2 |
| Goods | 2,785.2 | 2,945.1 | 2,797.8 | 2,826.9 | 2,904.6 | 2,936.0 | 2,952.1 | 2,987.6 |
| Final sales $\qquad$ Change in business inventories $\qquad$ | $\left\lvert\, \begin{array}{r} 2,759.3 \\ 25.9 \end{array}\right.$ | 2,876.7 | 2,760.7 | 2,795.0 | $2,838.4$ <br> 66.1 | 2,854.9 | 2,903.2 | 2,910.4 |
| Durable goods | $\left\|\begin{array}{l} 1,228.9 \\ 1,212.0 \end{array}\right\|$ | 1,317.0 | 1,249.5 | 1,232.4 | 1,279.8 | 1,322.1 | $\left.\begin{array}{l} 1,323.9 \\ 1,305.3 \end{array}\right]$ | $1,342.1$$1,307.3$ |
| Final sales |  |  | 1,216.3 |  |  |  |  |  |
| Change in business inventories $\qquad$ | 16.9 33.0 33.3 -1.1 31.8 46.8 18.6 34.8 |  |  |  |  |  |  |  |
| Nondurable goods ................ | $\left\|\begin{array}{l} 1,556.3 \\ 1,547.3 \end{array}\right\|$ | $\begin{aligned} & 1,628.1 \\ & 1,592.7 \end{aligned}$ | 1,548.3 | 1,594.5 | 1,624.7 | 1,613.9 | 1,628.2 | $1,645.5$ |
| Final sales ...................... |  |  | 1,544.4 | 1,561.5 | 1,590.4 | 1,579.6 | 1,597.9 | 1,603.1 |
| Change in business inventories $\qquad$ |  | 35.3$4,430.4$ | $\begin{array}{r} 3.9 \\ 4,208.1 \end{array}$ | $\begin{array}{r} 33.0 \\ 4,282.7 \end{array}$ | $\left\{\begin{array}{r} 34.3 \\ 4,338.2 \end{array}\right.$ | $\left\{\begin{array}{r} 34.4 \\ 4,400.1 \end{array}\right.$ | $\left\|\begin{array}{r} 30.3 \\ 4,462.3 \end{array}\right\|$ | [ $\begin{array}{r}\text { 42.4 } \\ 4,521.0\end{array}$ |
| Services.. | 4,187.3 |  |  |  |  |  |  |  |
| Structures. | $\left[\begin{array}{r} 663.6 \\ 271.4 \\ 7,364.7 \end{array}\right.$ | $\left\|\begin{array}{r} 704.4 \\ 284.2 \\ 7,795.7 \end{array}\right\|$ | $\begin{array}{r} 670.1 \\ 278.7 \\ 7,397.3 \end{array}$ | $\begin{aligned} & 683.3 \\ & 267.2 \end{aligned}$ | $\begin{aligned} & 690.8 \\ & 281.4 \end{aligned}$ | $\begin{aligned} & 698.2 \\ & 270.4 \end{aligned}$ | 709.8 | 718.8 |
| Addenda: |  |  |  |  |  |  |  |  |
| Motor vehicle output ... Gross domestic produc |  |  |  |  |  |  | 287.4 | 297.8 |
| motor vehicle output |  |  |  | 7,525.8 | 7,652.2 | 7,764.0 | 7,836.9 | 7,929.6 |

NoTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.5.-Relation of Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers [Billions of dollars]

| Gross domestic product | 7,636.0 | 8,079.9 | 7,676.0 | 7,792.9 | 7,933.6 | 8,034.3 | 8,124,3 | 8,227.4 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Less: Exports of goods and services $\qquad$ | 870.9 | 957.1 | 863.7 | 904.6 | 922.2 | 960.3 | 965.8 | 980.0 |
| Pus: Imports of goods and services $\qquad$ | 965.7 | 1,058.1 | 977.6 | 993.2 | 1,021.0 | 1,049.0 | 1,077.1 | 1,085.4 |
| Equals: Gross domestic <br> purchases $\qquad$ | 7,730.9 | 8,181.0 | 7,790.0 | 7,881.5 | 8,032.4 | 8,123.1 | 8,235.6 | 8,332.7 |
| Less: Change in business inventories | 25.9 | 68.4 | 37.1 | 31.9 | 66.1 | 81.1 | 48.9 | 77.2 |
| Equals: Final sales to domestic purchasers | 7,705.0 | 8,112.6 | 7,752.8 | 7,849.6 | 7,966.3 | 8,042.0 | 8,186.6 | 8,255.5 |

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

Table 1.7.-Gross Domestic Product by Sector [Billions of dollars]

| ss |  | 8,079.9 |  | 7,792.9 | 7,933.6 | 8,034.3 | 8,124.3 | 8,227 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business ${ }^{1}$ | 6,401.0 | 6,794.0 | 6,434.2 | 6,543.1 | 6,666.5 | 6,755.0 | 6,831 | 6,922 |
| Nonfarm ${ }^{1}$ | 6,311.6 | 6,699.4 | 6,341.7 | 6,450.0 | 6,5 | 6,657.9 | 736 | 6829.8 |
| Nonfarm | 5,652.8 | 6,010.1 | 5,677.3 | 5,777.1 | 5,892.5 | 5,971.0 | ,044 | ,132.7 |
| Hous | 658.8 | 689.3 | 664.4 | 673.0 | 680.6 | 686.8 | 692.7 | 697.1 |
| Farm ... | 89.4 | 94.6 | 92.5 | 93.0 |  | 97.1 | 95. | 93.0 |
| Households and insti | 346.0 | 366.3 | 347.9 | 352.0 | 357.7 | 363.6 | 369.3 | 374.8 |
| Private households | 11.5 | 11.4 | 11.4 | 11.1 | 11. | 11.3 | 11. | 1.6 |
| Nonprofit institutions. | 334 | 355.0 | 336 | 341.0 | 346.6 | 352 | 357.9 | 363.2 |
| General government ${ }^{2}$ | 889 | 919.6 | 893.9 | 897. | 909. | 915. | 923 | 929.9 |
| Federal | 281.4 | 285.8 | 282.1 | 281.1 | 286.2 | 286.2 | 286. | 284.9 |
| State and local | 607.6 | 633.7 | 611.8 | 616.7 | 623.3 | 629.6 | 637 | 644.9 |

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross nonfarm product equals gross domestic business product less gross farm tions and of general government. Gross noniarm product equals gross domestic business product less gross larm 2. Equa
as shown in table 3.7.

Table 1.4.-Real Gross Domestic Product by Major Type of Product [Bilions of chained (1992) doilars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | 111 | IV | 1 | 11 | III | IV |
| Gross domestic product | 6,928.4 | 7,188.8 | 6,943.8 | $\begin{aligned} & 7,017.4 \\ & 6,981.7 \end{aligned}$ | 7,101.6 | $\left.\begin{aligned} & 7,159.6 \\ & 7,077.7 \end{aligned} \right\rvert\,$ | $\begin{aligned} & 7,214.0 \\ & 7,160.3 \end{aligned}$ | 7,280.0 |
| Final sales of domestic product | 6,901.0 | 7,118.3 | 6,905.0 |  | 7,034.1 |  |  | 7,201.1 |
| Change in business inventories $\qquad$ | 25.0 | 65.7 | 37.9 | 32.9 | 63.7 | 77.6 | 47.5 | 74.0 |
| Residual | 2.4 | 4.8 | . 9 | 2.8 | 3.8 | 4.3 | 6.2 | 4.9 |
| Goods | 2,662.6 | 2,808.3 | 2,673.1 | 2,704.1 | 2,769.3 | 2,796.7 | 2,815.4 | 2,851.8 |
| Final sales $\qquad$ Change in business inventories $\qquad$ | $2,635.5$ 25.0 | 2,735.6 | $2,634.0$ 37.9 | 2,668.4 | 2,699.6 | [2,711.8 | 2,760.7 | 2,770.0 |
| Durable goods | 1,222.1 | 1,326.4 | 1,244.0 | 1,228.5 | 1,277.0 | 1,327.5 | 1,338.4 | $1,362.9$$1,328.4$ |
| Final sales | 1,205.8 | 1,294.0 | 1,211.4 | 1,230.1 | 1,245.8 | 1,281.4 |  |  |
| Change in business inventories $\qquad$ | 15.9 | 31.0 | 31.3 |  | 29.9 | 43.8 | 17.5 | 32.9 |
| Nondurable goods | 1,443.7 | 1,488.4 | 1,433.5 | 1,477.9 | 1,496.1 | $1,476.2$ | 1,484.3 | $\begin{aligned} & 1,496.9 \\ & 1,450.7 \end{aligned}$ |
| Final sales ...... | 1,433.2 | 1,448.9 | 1,426.5 |  |  |  | 1,449.0 |  |
| Change in business inventories $\qquad$ | 9.1 | 34.7 | 6.6 | 33.8 | 33.8 | 33.8 | 30.1 | 41.1 |
| Services | 3,686.6 | 3,789.1 | 3,689.0 | 3,723.9 | 3,743.9 | 3,774.4 | 3,804.8 | 3,833.3 |
| Structures | 582.2 | 598.7 | 585.0 | 592.9 | 595.1 | 595.7 | 600.7 | 603.1 |
| Residual ............................ | -4.4 | -7.6 | $-6.0$ | $-5.0$ | $-5.2$ | $-7.0$ | 1 | $\begin{array}{r} -9.5 \\ 266.7 \\ 7,013.4 \end{array}$ |
| Addenda: |  |  |  |  |  |  |  |  |
| Motor vehicle output ... | $\begin{array}{r} 241.3 \\ 6,687.1 \end{array}$ | $\begin{gathered} 252.2 \\ 6,936.7 \end{gathered}$ | $\begin{array}{r} 246.8 \\ 6,696.8 \end{array}$ | $\begin{array}{r} 236.5 \\ 6,781.0 \end{array}$ | $\begin{array}{r} 247.5 \\ 6,854.1 \end{array}$ | $\begin{array}{r} 240.6 \\ 6,919.1 \end{array}$ | $\begin{array}{r} 254.0 \\ 6,960.1 \end{array}$ |  |
| Gross domestic product less motor vehicle output $\qquad$ |  |  |  |  |  |  |  |  |

NOTE-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following change in business inventories is the difference between gross domestic product and the sum of final sales of domestic product and of change in business inventories; the residual line following structures is the difference between gross domestic product and the sum of the detalled lines of goods, of services, and of structures.
Percent changes from preceding period for selected items in this table are shown in table 8.1
Table 1.6.-Relation of Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers [Billions of chained (1992) dollars]

| Gross domestic product | 6,928.4 | 7,188,8 | 6,943.8 | 7,017.4 | 7,101.6 | 7,159.6 | 7,214.0 | 7,280.0 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Less: Exports of goods and services $\qquad$ | 857.0 | 962.7 | 851.4 | 901.1 | 922.7 | 962.5 | 973.0 | 92.7 |
| Plus: Imports of goods and services $\qquad$ | 971.5 | 1,109.2 | 990.2 | 1,006.6 | 1,048.9 | 1,099.1 | 1,137.1 | 1,151.8 |
| Equals: Gross domestic purchases | 7,037.7 | 7,324.6 | 7,075.3 | 7,118.4 | 7,220.9 | 7,286.9 | 7,364.6 | 7,426.1 |
| Less: Change in business inventories | 25.0 | 65.7 | 37.9 | 32.9 | 63.7 | 77.6 | 47.5 | 74.0 |
| Equals: Final sales to domestic purchasers | 7,010.2 | 7,253.9 | 7,036.4 | 7,082.7 | 7,153.1 | 7,204.7 | 7,310.9 | 7,346.9 |

NOTE.-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 curfent-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantily indexes uses weights of more than one period, the corresponding chained-dolar estimates are usually not additive.
Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.8.-Real Gross Domestic Product by Sector
[Billions of chained (1992) dollars]

| ross | 6,9 | 7,188.8 | 6,943.8 | 7,017.4 | 7,101.6 | 7,159.6 |  | 7,280.0 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business ${ }^{1}$ | 5,842.9 | 6,092.1 | 5,854.9 | 5,928.5 | 6,009.6 | 6,064.4 | 6,114. | 6,180.0 |
| Nonfarm ${ }^{1}$ | 5,766.8 | 6,011.8 | 5,779.8 | 5,853.3 | 5,929.7 | 5,983.2 | 6,034.0 | 6,100. |
| Nonfarm less housing | 5,181.4 | 5,417.3 | 5,191.3 | 5,261.3 | 5,335.3 | 5,388.2 | 5,439.2 | 5,506.6 |
| Housing | 585.7 | 595.3 | 588.7 | 592.3 | 594.9 | 595.6 | 595.7 | 594.8 |
| Farm | 75.5 | 79.5 | 74.6 | 74.7 | 79.0 | 80.4 | 79.6 | 79.1 |
| Households and institutions | 311.2 | 320.5 | 312.5 | 314.4 | 316.9 | 319.2 | 321.7 | 324.3 |
| Private households | 10.1 | 9.6 | 10.0 | 9.6 | 9.6 | 9.6 | 9.7 | 9.7 |
| Nonprofit institutions . | 301 | 310.9 | 302.5 | 304.8 | 307.4 | 309. | 312. | 314.6 |
| General government ${ }^{2}$ | 775.9 | 79.3 | 778.1 | 776.6 | 777.7 | 778.2 | 781. | 779.4 |
| Federal | 240.9 | 235.9 | 241.3 | 238.9 | 238.2 | 237.1 | 236.3 | 232.2 |
| State and local .. | 535.2 | 543.7 | 537.0 | 537.9 | 539.9 | 542.1 | 545.2 | 547.8 |
| Residual |  | -3. | -1.6 | -2 | -2 | -3 | -3.8 | -4.8 |

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross nonfarm product equals gross domestic business product less gross farm product.
2. Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.8 .
NOTE.-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity The residual line is the difference between the first line and the sum of the most detailed lines.

Table 1.9.-Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income
[Bilions of dollars]


Table 1.10.-Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product
[Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | II | III | IV |
| Gross domestic product ......... | 6,928.4 | 7,188.8 | 6,943.8 | 7,017.4 | 7,101.6 | 7,159.6 | 7,214.0 | 7,280.0 |
| Plus: Receipts of factor income from the rest of the world $\qquad$ | 214.2 | 236.3 | 214.8 | 226.0 | 224.6 | 236.3 | 242.5 | 242.0 |
| Less: Payments of factor income to the rest of the world $\qquad$ | 210.2 | 250.1 | 218.1 | 219.8 | 234.0 | 250.8 | 256.9 | 258.7 |
| Equals: Gross national product $\qquad$ | 6,932.0 | 7,174,4 | 6,940.2 | 7,023.1 | 7,091.8 | 7,144.4 | 7,198.8 | 7,262.6 |
| Less: Consumption of fixed capital $\qquad$ | 776.4 | 807.3 | 779.8 | 786.7 | 797.3 | 806.5 | 816.0 | 809.5 |
| Private | 642.4 | 672.2 | 645.7 | 652.2 | 662.6 | 671.5 | 680.8 | 674.0 |
| Government .............. | 134.2 | 135.4 | 134.3 | 134.6 | 135.0 | 135.3 | 135.6 | 135.8 |
| General |  |  |  |  |  |  |  |  |
| government ....... | 114.1 | 114.9 | 114.2 | 114.4 | 114.6 | 114.8 | 115.0 | 115.1 |
| Government enterprises | 20.0 | 20.5 | 20.1 | 20.2 | 20.3 | 20.4 | 20.6 | 20.7 |
| Equals: Net national product | 6,155.6 | 6,367.2 | 6,160.4 | 6,236.4 | 6,294.5 | 6,338.2 | 6,383.3 | 6,452.8 |
| Addenda: <br> Gross domestic income ${ }^{1}$ | 6,982.7 | 7,265.3 | 7,015.7 | 7,070.9 | 7,159.2 | 7,225.2 | 7,305.6 | 7,371.2 |
| Gross national income ${ }^{2}$. | 6,986.3 | 7,250.9 | 7,012.1 | 7,076.7 | 7,149.4 | 7,210.0 | 7,290.5 | 7,353.8 |
| Net domestic product ............. | 6,151.9 | 6,381.5 | 6,164.0 | 6,230.7 | 6,304.4 | 6,353.3 | 6,398.3 | 6,470.1 |

1. Gross domestic income deflated by the implicit price deflator for gross domestic product
2. Gross national income deflated by the implicit price deflator for gross national product.

NOTE-Except as noted in footnotes 1 and 2, chained (1992) doliar series are calculated as the product of the chain-type quantily index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because formula for the chain-lype quantity indexes uses weights of more than one period, the corresponding chaineddollar estimates are usually not additive.

Table 1.11.-Command-Basis Real Gross National Product
[Bilions of chained (1992) dollars]

| Gross national product ...... | 6,932.0 | 7,174.4 | 6,940.2 | 7,023.1 | 7,091,8 | 7,144.4 | 7,198.8 | 7,262.6 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Less: Exports of goods and services and receipts of factor income from the rest of the world. | 1,071.7 | 1,199.2 | 1,066.8 | 1,127.6 | 1,147.3 | 1,198.9 | 1,216.0 | 1,234.7 |
| Plus: Command-basis exports of goods and services and receipts of factor income | 1,091.1 | 1,239.2 | 1,090.2 | 1,143.4 | 1,171.9 | 1,241.7 | 1,261.9 | ,281.3 |
| Equals: Command-basis gross national product $\qquad$ | 6,951.4 | 7,214.4 | 6,963.6 | 7,038.9 | 7,116.4 | 7,187.2 | 7,244,8 | 7,309.3 |
| Addendum: <br> Terms of trade ${ }^{2}$ | 101.8 | 103.3 | 102.2 | 101.4 | 102.1 | 103.6 | 103.8 | 103.8 |

1. Exports of goods and services and receipts of factor income deflated by the implicit price deflator for imports of goods and services and payments of factor income.
2. Ratio of the implicit price deflator for exports of goods and services and receipts of factor income to the corresponding implicit price deflator for imports with the decimal point shifted two places to the right.
NoTE,-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 dexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not addibive Percent changes from preceding period for selected items in this table are shown in table 8.

Table 1.14.-National Income by Type of Income [Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | IfI | IV | 1 | II | III | IV |
| National income | 6,254,5 | 6,649, | 6,303.3 | 6,376.5 | 6,510.0 | 6,599.0 | 6,699.6 | 6,790.1 |
| Compensation of employees | 4,426.9 | 4,703.6 | 4,461.0 | 4,520.7 | 4,606.3 | 4,663.4 | 4,725.2 | 4,819.6 |
| Wage and salary accruals ..... | 3,633.6 | 3,878.6 | 3,664.0 | 3,718.0 | 3,792.7 | 3,842.7 | 3,897.3 | 3,981.6 |
| Government ..................... | 642.6 | 665.3 | 645.5 | 648.9 | 657.8 | 662.0 | 667.7 | 673.7 |
|  | 2,991.0 | 3,213.3 | 3,018.4 | 3,069.0 | 3,134.9 | 3,180.8 | 3,229.6 | 3,307.9 |
| Supplements to wages and salaries $\qquad$ | 793.3 | 825.0 | 797.0 | 802.7 | 813.6 | 820.7 | 827.9 | 837.9 |
| Employer contributions for social insurance $\qquad$ | 385.7 | 408.4 | 388.6 | 393.6 | 401.3 | 405.6 | 410.2 | 416.6 |
| Other labor income ............ | 407.6 | 416.6 | 408.4 | 409.1 | 412.3 | 415.1 | 417.7 | 421.4 |
| Proprietors' income with inventory valuation and capital consumption adjustments $\qquad$ Farm $\qquad$ | 520.3 | 544.5 | 523.8 | 528.3 | 534.6 | 543.6 | 547.2 | 552.5 |
|  | 37.2 | 40.7 | 40.1 | 40.4 | 40.2 | 43.6 | 40.9 | 38.2 |
| Proprietors' income with inventory valuation adjustment $\qquad$ | 45.0 | 48.3 | 47.9 | 48.1 | 47.9 | 51.2 | 48.5 | 45.7 |
| Capital consumption |  |  |  |  |  |  |  |  |
| adjustment ............ | -78.8 | 503.6 | -78.8 | -787 | -79.7 | 50 | -70.5 | ${ }^{-71.5}$ |
| Nonfarm .................... | 483.1 | 503.8 | 483.7 | 487.9 | 494.4 | 500.0 | 506.3 | 514.3 |
| Proprietors' income .. | 455.3 | 474.5 | 456.1 | 460.0 | 466.3 | 470.8 | 477.0 | 484.1 |
| Inventory valuation adjustment | -. 2 | . 3 | -. 1 | . 3 | -. 1 | 6 | . 2 | . 5 |
| Capital consumption adjustment $\qquad$ | 28.0 | 28.9 | 27.8 | 27.5 | 28.1 | 28.7 | 29.1 | 29.8 |
| Rental income of persons with capital consumption adjustment Rental income of persons ...... Capital consumption adjustment | 146.3 | 147.9 | 148.0 | 149.2 | 149.0 | 148.7 | 148.0 | 145.7 |
|  | 193.3 | 197.3 | 195.5 | 197.3 | 197.9 | 197.6 | 197.7 | 196.0 |
|  | -47.0 | -49.4 | -47.5 | -48.1 | -48.9 | -48.9 | -49.7 | -50.3 |
| Corporate prolits with inventory valuation and capital consumption adjustments | 735.9 | 805.0 | 739.6 | 747,8 | 779.6 | 795.1 | 827.3 | 818.1 |
| Corporate profits with inventory valuation adjustment |  |  |  |  |  |  |  |  |
|  | 674.1 | 735.3 | 676.4 | 683.4 | 711.9 | 725.7 | 757.1 | 746.5 |
| adjustment <br> Profits before tax $\qquad$ | 676.6 | 729.8 | 679.1 | 680.0 | 708.4 | 719.8 | 753.4 | 737.3 |
| Profits before tax Profits tax liability $\qquad$ | 229.0 | 249.4 | 231.6 | 226.0 | 241.2 | 244.5 | 258.2 | 253.6 |
| Profits tax liability ........... | 447.6 | 480.3 | 447.5 | 454.0 | 467.2 | 475.3 | 495.2 | 483.7 |
| Dividends ................ | 304.8 | 336.1 | 305.7 | 309.1 | 326.8 | 333.0 | 339.1 | 345.6 |
| Undistributed profits ... Inventory valuation adjustment $\qquad$ | 142.8 | 144.2 | 141.8 | 144.9 | 140.3 | 142.3 | 156.1 | 138.1 |
|  | -2.5 | 5.5 | -2.7 | 3.3 | 3.5 | 5.9 | 3.6 | 9.2 |
| Capital consumption adjustment $\qquad$ | 61.8 | 69.7 | 63.2 | 64.4 | 67.7 | 69.4 | 70.3 | 71.6 |
| Net interest ........................... | 425.1 | 448.7 | 430.9 | 430.6 | 440.5 | 448.1 | 451.8 | 454.2 |
| Addenda: <br> Corporate profits after tax with inventory valuation and capital consumption adjustments $\qquad$ | 506.9 | 555.6 | 508.0 | 521.8 | 538.4 | 550.6 | 569.1 | 564.5 |
| Net cash flow with inventory valuation and capital consumption adjustments . |  |  |  |  |  |  |  |  |
| Undistributed profits with inventory valuation and | 654.3 | 695.1 | 657.8 | 674.6 | 678.9 | 690.2 | 707.9 | 703.4 |
| capital consumption adjustments | 202.1 | 219.5 | 202.3 | 212.6 | 211.5 | 217.6 | 230.0 | 218.9 |
| Consumption of fixed | 4523 | 475.6 | 455.5 | 4620 | 467.4 | 472.6 | 478.0 | 484.5 |
| ss: Inventory valuation |  |  |  |  |  |  |  |  |
| adjustment ..................... | -2.5 | 5.5 | -2.7 | 3.3 | 3.5 | 5.9 | 3.6 | 9.2 |
| Equals: Net cash flow ........... | 656.8 | 689.6 | 660.5 | 671.3 | 675.5 | 684.4 | 704.3 | 694.2 |

Table 1.16.-Gross Domestic Product of Corporate Business in Current Dollars and Gross Domestic Product of Nonfinancial Corporate Business in Current and Chained Dollars

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | V | 1 | 11 | III | IV |
|  | Billions of dollars |  |  |  |  |  |  |  |
| Gross domestic product of corporate business | $\left\lvert\, \begin{array}{r} 4,624.9 \\ 452.3 \\ 4,172.6 \end{array}\right.$ | $\begin{array}{r} 4,942.6 \\ 475.6 \end{array}$ | $4,661.0$455.5 | $\left\lvert\, \begin{array}{r} 4,733.2 \\ 462.0 \end{array}\right.$ |  | $4,897.2$ <br> 472.6 | $\begin{array}{r} 4,989.2 \\ 478.0 \end{array}$ | 5,059.3 |
| Consumption of fixed capital ...... |  |  |  |  | 467.4 |  |  |  |
| Net domestic product $\qquad$ Indirect business tax and nontax liability plus business transfer payments less subsidies |  | 4,467.0 | 4,205.5 | 4,271.2 | 4,357.4 | 4,424.6 | 4,511.3 | 4,574.9 |
| Domestic income ...................... | $\left\|\begin{array}{r} 463.9 \\ 3,708.7 \end{array}\right\|$ | $\begin{array}{r} 476.3 \\ 3,990.7 \end{array}$ | 3,744.6 | 3,786.2 | 465.9 | 474.4 | $\left[\begin{array}{r} 483.1 \\ 4,028.2 \end{array}\right.$ | 4,093.0 |
| Compensation of employees Wage and salary | $\left.\begin{aligned} & 2,926.7 \\ & 2,433.5 \end{aligned} \right\rvert\,$ | 3,127.3 | 2,951.4 | 2,997.9 | 3,056.5 | 3,098.2 | $\begin{aligned} & 3,142.3 \\ & 26276 \end{aligned}$ | 3,212.2 |
| accruals ......... |  | 2,614.4 | 2,456.3 | 2,500.7 | 2,550.7 | 2,588.0 |  | 2,691.3 |
| Supplements to wages and salaries $\qquad$ | 493.2 | 512.9 | 495.1 | 497.3 | 505.8 | 510.2 | 514.7 | 520.9 |
| Corporate profits with inventory valuation and capital consumption |  |  |  |  |  |  |  |  |
| adjustments | 640.0 | $\begin{aligned} & 706.5 \\ & 631.2 \end{aligned}$ | 647.8 | 640.3 | 682.2 | 694.4 | 727.5 | 721.8641.0 |
| Profits before tax .......... | 580.7 |  | 587.4 | 572.5 | 611.0 | 619.1 | 653.5 |  |
| Profits tax liability ... | 229.0 | 249.4 | 231.6 | 226.0 | 241.2 | 244.5 | 258.2 | 253.6 |
| Profits after tax... | 351.6 | 381.8 | 355.7 | 346.5 | 369.8 | 374.5 | 395.3 | 387.4 |
| Dividends .... | 270.8 | 298.2 | 265.6 | 281.6 | 292.7 | 293.6 | 292.0 | 314.4 |
| Undistributed profits Inventory valuation | 80.8 | 83.6 | 90.1 | 64.9 | 77.1 | 80.9 | 103.3 | 73.0 |
| Inventory valuation adjustment | -2.5 | 83.65.5 | $-2.7$ | 3.3 | 3.5 | 5.969.4 | 3.6 | 9.2 |
| Capital consumption |  |  |  |  |  |  |  |  |
| adjustment ......... | $\begin{array}{r} 61.8 \\ 142.1 \end{array}$ | 5.5 69.7 | 63.2 | $\begin{array}{r} 64.4 \\ 148.0 \end{array}$ | $\begin{array}{r} 67.7 \\ 152.8 \end{array}$ |  | 70.3 158.4 | 71.6159.0 |
| Net interest ............... |  | $\begin{array}{r} 69.7 \\ 157.0 \end{array}$ |  |  |  | $\begin{array}{r} 69.4 \\ 157.6 \end{array}$ | 158.4 |  |
| Gross domestic product of financial corporate business $\qquad$ | 492.5 | 539.9 | 495.2 | 513.2 | 525.1 | 536.1 | 543.0 | 555.3 |
| Gross domestic product of nonfinancial corporate business $\qquad$ |  |  |  |  |  | 4,361.1 |  | 4,504.1 |
| Consumption of fixed capital ...... | 4,132.4 | 4,402.8 | 4,165.8 | 4,220.1 | 4,299.7 | 410.7 | $4,446.3$ 415.3 | 420.8 |
| Net domestic product ... | 3,739.0 | 3,989.5 | 3,769.7 | 3,818.3 | 3,893.4 | 3,950.4 | 4,031.0 | 4,083.3 |
| Indirect business tax and nontax liability plus business transfer payments |  |  |  |  |  |  |  |  |
| Domestic income | $\left\|\begin{array}{r} 421.8 \\ 3,317.2 \end{array}\right\|$ | $\begin{array}{r} 439.6 \\ 3.549 .9 \end{array}$ | $\begin{array}{\|l\|} \hline 423.7 \\ 3,345.9 \end{array}$ |  | $\left\lvert\, \begin{array}{\|c\|c\|} \hline 432.2 \\ 3 \end{array}\right.$ | 3,513.3 | $\begin{array}{r} 445.3 \\ 0 \\ \hline \end{array}$ | $443.8$ |
| Compensation of | $\left[\begin{array}{l} 3,317.2 \\ 2,682.9 \end{array}\right.$ | $\mid 3,845.9$ | $\mid 2,704.7$ |  | $\mid 2,801.9$ |  | 3,585.7 | 3,639.4 |
| employees |  |  |  |  |  |  | $\left\|\begin{array}{l} 2,880.6 \\ 2,406.3 \end{array}\right\|$ | 2,944.6 |
| Wage and salary accruals | $\|2,228.6\|$ | $\left\lvert\, \begin{aligned} & 2,866.8 \\ & 2,394.2 \end{aligned}\right.$ | $\|2,248.7\|$ | 2,745.3 |  | $\left\|\begin{array}{l} 2,840.1 \\ 2,370.0 \end{array}\right\|$ |  |  |
| Supplements to wages and salaries $\qquad$ |  | 472.6 | 456.0 | 457.8 | 466.0 | 470.1 | 474.2 | 480.0 |
| Corporate profits with inventory valuation and capital consumption |  |  |  |  |  |  |  |  |
| adjustments .............. | 545.8 | $\begin{aligned} & 596.9 \\ & 51.7 \end{aligned}$ | $553.3$ | 561.7 | 5794.5 | 586.7501.5 | 618.2534.2 | 607.5516.5 |
| Profits before tax | 477.2 |  |  | 484.4 |  |  |  |  |
| Profits tax liability ...... | 154.8 | 165.4 | 156.8326.6 | 159.0 | 159.4335.1 | 161.8339.8 | 174.1 | 166.4350.2 |
| Profits after tax .......... | 322.4 | 346.3211.1 |  | 199.4 |  |  |  |  |
| Dividends | 196.4 |  | 1919.8 |  | 207.0 | 208.1 | 207.7 | 221.8 |
| Undistributed profits | 126.0 | 135.2 | 134.8 | 126.1 | 128.2 | 131.7 | 152.4 | 128.4 |
| inventory valuation adjustment $\qquad$ | -2.5 | 5.5 | -2.7 | 3.3 | 3.5 | 5.9 | 3.6 | 9.2 |
| Capital consumption |  |  |  |  |  |  |  |  |
| adjustment ................ | 71.1 | 79.7 | 72.6 | 74.0 | 77.4 | 79.3 | 80.4 | 81.8 |
| t interest ...................... | 88.5 | 86.2 | 88.0 | 81.3 | 83.9 | 86 | 87.0 | 87.3 |

Billions of chained (1992) dollars
Gross domestic product of nonfinancial
corporate business ${ }^{1}$.
Consumption of fixed capital ${ }^{2}$.. Net domestic product ${ }^{3}$

| Billions of chained (1992) dollars |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 3,887.8 | 4,108.4 | 3,913.7 | 3,963.5 | 4,022.2 | 4,068.9 | 4,146.5 | 4,196.1 |
|  |  |  | 381.7 | 396.0 | 402.2 | 408.2 | 404.2 |
| 3,513.5 | 3,705.8 | 3,537.1 | 3,581.8 | 3,626.2 | 3,666.7 | 3,738.3 | 3,791.9 |

1. Chained-dollar gross domestic product of nontinancial corporate business equals the current-dollar product defiated by the implicit price dellator for goods and structures in gross domestic product.
2. Chained-dollar consumption of fixed capital of noninanancial corporate business is calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 .
3 Chained-dollar net domestic product of nonfinancial corporate business is the diference product and the consumption of fixed capital.

Table 2.1.-Personal Income and Its Disposition
[Billions of dollars]


1. Consists of aid to families with dependent children and, beginning with 1996, assistance programs operating under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expendi-

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]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | N | 1 | II | III | IV |
| Personal consumption expenditures | 5,207.6 | 5,485.8 | 5,227.4 | 5,308.1 | 5,405.7 | 5,432.1 | 5,527.4 | 5,577.8 |
| Durable goods | 634.5 | 659.3 | 634.5 | 638.2 | 658.4 | 644.5 | 667.3 | 666.8 |
| Motor vehicles | 261.3 | 263.4 | 260.0 | 258.9 | 265.7 | 252.7 | 268.7 | 266.3 |
| Furniture and household |  |  |  |  |  |  |  |  |
| equipment ................... | 252.6 | 267.4 | 254.2 | 255.9 | 263.8 | 265.4 | 269.9 | 270.6 |
| Other .................................. | 120.6 | 128.5 | 120.3 | 123.4 | 128.9 | 126.5 | 128.8 | 129.9 |
| Nondurable goods ................. | 1,534.7 | 1,592.0 | 1,538.3 | 1,560.1 | 1,587.4 | 1,578.9 | 1,600.8 | 1,600.9 |
| Food | 756.1 | 776.4 | 757.4 | 766.6 | 775.5 | 771.4 | 779.3 | 779.4 |
| Clothing and shoes | 264.3 | 277.3 | 265.7 | 266.2 | 275.2 | 274.8 | 280.5 | 278.7 |
| Gasoline and oil | 122.6 | 124.6 | 121.4 | 126.0 | 128.5 | 121.6 | 123.5 | 124.7 |
| Fuel oil and coal ....... | 11.6 | 10.8 | 11.2 | 12.0 | 11.0 | 11.0 | 10.9 | 10.5 |
| Other ................................. | 380.1 | 402.8 | 382.7 | 389.3 | 397.1 | 400.0 | 406.5 | 407.6 |
| Services | 3,038.4 | 3,234.5 | 3,054.6 | 3,109,8 | 3,159.9 | 3,208.7 | 3,259.3 | 3,310.0 |
| Housing | 787.2 | 826.5 | 791.8 | 800.7 | 810.5 | 821.2 | 831.9 | 842.4 |
| Household operation .............. | 315.9 | 327.8 | 313.4 | 321.8 | 320.8 | 326.7 | 328.8 | 334.9 |
| Electricity and gas | 125.3 | 126.2 | 122.8 | 126.8 | 124.9 | 127.2 | 125.2 | 127.5 |
| Other household operation | 190.6 | 201.6 | 190.6 | 195.0 | 195.9 | 199.5 | 203.6 | 207.4 |
| Transportation ...................... | 218.4 | 236.3 | 219.7 | 224.8 | 228.9 | 233.4 | 238.5 | 244.4 |
| Medical care ....................... | 808.1 | 854.2 | 811.9 | 826.9 | 841.0 | 849.6 | 859.7 | 866.5 |
| Other ................ | 908.9 | 989.7 | 917.8 | 935.6 | 958.8 | 977.9 | 1,000.4 | 1,021.9 |

Table 2.3.-Real Personal Consumption Expenditures by Major Type of Product
[Bilitions of chained (1992) doliars]

| Personal consumption expenditures $\qquad$ | 4,714,1 | 4,867.5 | 4,718.2 | 4,756.4 | 4,818.1 | 4,829.4 | 4,896.2 | 4,926.1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Durable goods | 611.1 | 645.5 | 611.9 | 617.1 | 637.8 | 629.0 | 656.1 | 659.3 |
| Motor vehicles and parts | 231.3 | 233.1 | 229.7 | 228.0 | 233.4 | 223.1 | 238.7 | 237.3 |
| Furniture and household |  |  |  |  |  |  |  |  |
| equipment ............... | 269.5 | 296.4 | 272.3 | 276.8 | 287.4 | 292.3 | 301.1 | 304.9 |
| Other .................................. | 113.3 | 121.4 | 113.2 | 116.3 | 121.4 | 119.7 | 121.7 | 123.1 |
| Nondurable goods | 1,432.3 | 1,458.5 | 1,433.9 | 1,441.2 | 1,457.8 | 1,450.0 | 1,465.5 | 1,460.9 |
| Food | 689.7 | 689.7 | 687.3 | 689.0 | 694.6 | 688.2 | 689.5 | 686.6 |
| Clothing and shoes | 267.7 | 278.0 | 270.8 | 270.0 | 277.1 | 273.8 | 281.3 | 279.6 |
| Gasoline and oil | 114.1 | 116.0 | 114.1 | 114.8 | 114.7 | 116.1 | 116.2 | 117.0 |
| Fuel oil and coal | 10.6 | 10.0 | 10.6 | 10.3 | 9.4 | 10.1 | 10.4 | 9.9 |
| Other ................... | 351.2 | 366.7 | 352.5 | 358.3 | 363.7 | 363.4 | 370.0 | 369.8 |
| Services | 2,671.0 | 2,764.1 | 2,672.8 | 2,698.2 | 2,723.9 | 2,749.8 | 2,776.1 | 2,806.4 |
| Housing | 700.2 | 713.8 | 701.7 | 704.8 | 708.3 | 712.0 | 715.6 | 719.3 |
| Household operation | 289.6 | 294.5 | 285.8 | 291.7 | 288.0 | 294.2 | 295.7 | 300.1 |
| Electricity and gas | 117.8 | 16.1 | 114.8 | 17.7 | 113.8 | 117.8 | 115.7 | 116.9 |
| Other household operation | 171.7 | 178.2 | 170.9 | 173.9 | 174.0 | 176.2 | 179.7 | 182.9 |
| Transportation. | 194.6 | 202.7 | 195.4 | 197.0 | 199.3 | 200.9 | 203.9 | 206.8 |
| Medical care | 688.1 | 711.1 | 689.8 | 697.1 | 704.4 | 708.8 | 714.2 | 716.9 |
| Other ................................. | 799.4 | 842.5 | 800.8 | 808.4 | 824.3 | 834.5 | 847.1 | 864.0 |
| Residual ................................. | -5.1 | -8.2 | -5.7 | -6.0 | -7.7 | -7.5 | -8 | -8.9 |

NOTE.-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantily The residual line is the difference between the first line and the sum of the most detailed lines
3. Government Receipts, Current Expenditures, and Gross Investment

Table 3.1.-Government Receipts and Current Expenditures
[Bililions of dollars]

|  |
| :---: | :---: |

Table 3.2.-Federal Government Receipts and Current Expenditures
[Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Receipts. | $\begin{array}{r} 1,587.6 \\ 686.7 \\ 666.8 \\ 17.5 \\ 2.5 \end{array}$ | 1,723.4 | 1,598.6 | 1,641.6 | $1,675.3$ | $\begin{array}{r} 1,709.3 \\ 767.9 \end{array}$ | $1,741.8$ | 1,767.4 |
| Personal tax and nontax receipts |  | $\begin{aligned} & 774.4 \\ & 751.1 \end{aligned}$ | $\begin{aligned} & 695.7 \\ & 674.8 \end{aligned}$ | $\begin{aligned} & 717.5 \\ & 697.2 \end{aligned}$ | $\begin{aligned} & 746.9 \\ & 725.0 \end{aligned}$ |  | $\begin{aligned} & 781.9 \\ & 758.5 \end{aligned}$ | $\begin{aligned} & 801.0 \\ & 776.9 \end{aligned}$ |
| Income taxes ..................... |  |  |  |  |  | $\begin{aligned} & 767.9 \\ & 744.1 \end{aligned}$ |  |  |
| Estate and gift taxes ............. |  | 20.6 | 18.4 | 17.7 | 19.3 | 21.1 | 20.7 | 21.42.7 |
| Nontaxes ............................ |  | 2.7 | 2.5 | 2.6 | 2.6 | 2.6 | 2.7 |  |
| Corporate profits tax accruals | 194.520.1174.4 | 211.9 | 196.7 | 192.0 | $\begin{array}{r} 204.9 \\ 20.9 \end{array}$ | $\begin{array}{r} 207.7 \\ 21.2 \end{array}$ | 219.3 | 215.522.1 |
| Federal Reserve banks .......... |  | 21.5190.4 | 20.1 | 20.4 |  |  | 21.7 |  |
| Other .................... |  |  | 176.6 | 171.7 | 184.0 | 186.5 | 197.7 | 193.4 |
| Indirect business tax and nontax |  |  |  |  |  |  |  |  |
| accruals ............................. | 95.8 | 91.3 | $\begin{gathered} 91.5 \\ 55.75 \end{gathered}$ | $\begin{array}{r} 110.2 \\ 59.6 \end{array}$ | 88.256.5 | 92.259.0 | 92.459.0 | 92.360.4 |
| Excise taxes .................. | 56.4 | 58.7 |  |  |  |  |  |  |
| Customs duties .................... | 19.2 | 19.7 | 20.2 | 16.8 | 18.6 | 20.5 | 20.9 | 19.0 13.0 |
| Nontaxes ............................. | 20.2 | 12.9 | 15.5 | 33.7 | 13.2 | 12.7 | 12.6 | 13.0 |
| Contributions for social insurance | 610.5 | 645.9 | 614.8 | 622.0 | 635.3 | $641.5$ | $648.2$ | 658.6 |
| Current expenditures ...... | 1,698.1 | 1,752.2 | 1,698.2 | 1,718.8 | 1,730.8 | $\|1,746.0\|$ | $\|1,752.6\|$ | 1,779.5 |
| Consumption expenditures ...... | 451.5 | 463.8 | 454.0 | 453.6 | 458.0 | 464.2 | 464.7 | 468.4 |
| Transfer payments (net) | 763.5 | $\begin{aligned} & 795.5 \\ & 782.3 \end{aligned}$ | $\begin{aligned} & 761.5 \\ & 749.7 \end{aligned}$ | $\begin{array}{r} 777.3 \\ 754.4 \end{array}$ | $\begin{aligned} & 785.9 \\ & 775.5 \end{aligned}$ | $\begin{aligned} & 791.4 \\ & 780.5 \end{aligned}$ | $\begin{aligned} & 794.5 \\ & 784.5 \end{aligned}$ | 810.2 |
| To persons. | 747.2 |  |  |  |  |  |  |  |
| To the rest of the world (net) | 16.3 | 13.2 | 11.9 | 22.9 | 10.5 | 10.8 | 10.0 | 21.6 |
| Grants-in-aid to State and local governments $\qquad$ | 218.3 | 224.2 | 218.7 | 217.5 | 219.6 | 222.5 | 224.2 | 230.6 |
| Net interest paid | 227.1 | $\begin{aligned} & 230.3 \\ & 254.5 \end{aligned}$ | $\begin{aligned} & 226.6 \\ & 253.4 \end{aligned}$ | $\begin{aligned} & 231.8 \\ & 256.1 \end{aligned}$ | $\begin{aligned} & 228.9 \\ & 253.2 \end{aligned}$ | $\begin{aligned} & 229.8 \\ & 254.4 \end{aligned}$ | $\begin{aligned} & 231.2 \\ & 255.1 \end{aligned}$ | 231.3255.4160.6 |
| Interest paid. | 253.1 |  |  |  |  |  |  |  |
| To persons and business | 181.8 | 163.591.1 | 179.5 | 176.779.4 | 168.784.6 | 163.391.2 | 161.293.9 |  |
| To the rest of the world ..... | 713 |  | 74.0 |  |  |  |  | 160.6 94.7 |
| Less: Interest received by government | 26.0 | 24.2 | 26.9 | 24.3 | 24.4 | 24.6 | 23.9 | 24.1 |
| Subsidies less current surplus of government enterprises | 37.7 | $\begin{aligned} & 38.4 \\ & 34.2 \end{aligned}$ | 37.4 | $\begin{aligned} & 38.5 \\ & 33.4 \end{aligned}$ | $\begin{aligned} & 38.4 \\ & 33.8 \end{aligned}$ | 38.1 | 37.934.3 | 39.034.5 |
| Subsidies ............................ | 33.1 |  | 33.1 |  |  | 34.3 |  |  |
| Less: Current surplus of government enterprises ..... | -4.6 | -4.2 | -4.2 | -5.1 | -4.7 | -3.9 | $-3.6$ | -4.5 |
| Less: Wage accruals less disbursements $\qquad$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current surplus or deficit $(-)$, national income and product accounts |  |  |  |  |  |  |  | -12.1 |
| Social insurance funds .............. | 55.3 | $\left.\begin{array}{r} 63.7 \\ -92.5 \end{array} \right\rvert\,$ | $\left\|\begin{array}{r} 58.2 \\ -157.8 \end{array}\right\|$ | $\begin{array}{r} 60.6 \\ -137.7 \end{array}$ | $\text { r\|r} \begin{array}{r} 58.7 \\ -114.2 \end{array}$ | $\begin{array}{r} 60.4 \\ -97.2 \end{array}$ | $\begin{array}{r} 64.4 \\ -75.2 \end{array}$ | $\begin{array}{r} 71.3 \\ -83.4 \end{array}$ |
| Other .................................. | -165.8 |  |  |  |  |  |  |  |

Table 3.3.-State and Local Government Receipts and Current Expenditures
[Billions of doilars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Receipts | 1,043.4 | $1,090.4$ | $\begin{array}{\|r\|} \hline 1,046.7 \\ 201.7 \end{array}$ | $1,054.9$ | $\left\|\begin{array}{r} 1,070.9 \\ 208.7 \end{array}\right\|$ | $\left.\begin{array}{r} 1,080.0 \\ 211.3 \end{array} \right\rvert\,$ | $\begin{array}{\|r\|} \hline 1,099.1 \\ 216.1 \end{array}$ | 1,111.7 |
| Personal tax and nontax receipts | 200.2 |  |  |  |  |  |  | 221.1 |
| Income taxes ....................... | 149.1 | 159.8 | 150.3 | 153.1 | 155.7 | 157.4 | 161.2 | 165.1 |
| Nontaxes ......... | 28.8 | 31.0 | 29.1 | 29.6 | 30.1 | 30.7 | 31.3 | 31.8 |
| Other ................................ | 22.3 | 23.5 | 22.3 | 22.5 | 22.9 | 23.3 | 23.7 | 24.1 |
| Corporate profits tax accruals .... | 34.5 | 37.6 | 34.9 | 34.0 | 36.4 | 36.8 | 38.9 | 38.1 |
| Indirect business tax and nontax | 508.9 | 528.1 | 509.4 | 515.1 | 522.0 | 524.0 | 5330 | 5335 |
| Sales taxes | 249.8 | 257.4 | 249.6 | 251.9 | 256.2 | 255.6 | 258.4 | 2593 |
| Property taxes | 202.3 | 208.8 | 203.0 | 204.7 | 206.2 | 207.8 | 209.4 | 211.9 |
| Other ......... | 56.8 | 62.0 | 56.8 | 58.5 | 59.6 | 60.6 | 65.2 | 62.4 |
| Contributions for social insurance | 81.4 | 86.2 | 82.0 | 83.1 | 84.2 | 85.4 | 86.8 | 88.4 |
| Federal grants-in-aid .......... | 218.3 | 224.2 | 218.7 | 217.5 | 219.6 | 222.5 | 224.2 | 230.6 |
| Current expenditures ....... | 938.0 | 982.6 | 944.2 | 954.5 | 966.1 | 975.1 | 987.7 | 1,001.5 |
| Consumption expenditures ......... | 730.9 | 762.9 | 735.9 | 743.3 | 751.7 | 757.4 | 766.1 | 776.4 |
| Transfer payments to persons ... | 294.8 | 311.8 | 296.6 | 300.6 | 305.1 | 309.5 | 314.0 | 318.7 |
| Net interest paid ....................... | -61.7 | -65.2 | -62.2 | -63.0 | -64.0 | -64.9 | -65.6 | -66.3 |
| Interest paid ........................ | 64. | 64.6 | 64.6 | 64.7 | 64.6 | 64.6 | 4,6 | 64.7 |
| Less: Interest received by government $\qquad$ | 126.3 | 129.8 | 126.8 | 127.7 | 128.6 | 129.5 | 130.3 | 130.9 |
| Less: Dividends received by government $\qquad$ | 13.6 | 14.6 | 13.7 | 14.0 | 14.3 | 14.7 | 14.7 | 14.9 |
| Subsidies less current surplus of government enterprises $\qquad$ | -12.3 | -12.2 | -12.4 | -12.5 | -12.3 | -12.2 | -12.1 |  |
| Subsidies ............................. |  |  |  | . 3 | . 3 | . 3 | . 3 | . 3 |
| Less: Current surplus of government enterprises ..... | 12.7 | 12.6 | 12.8 | 12.8 | 12.7 | 12.5 | 12.4 | 12.7 |
| Less: Wage accruals less disbursements $\qquad$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current surplus or deficit $(-)$, national income and product accounts | 105.3 | 107.8 | 102.6 | 100.4 | 104.7 | 104.9 | 111.4 | 110.1 |
| Social insurance funds .............. | 71.3 | 71.4 | 71.5 | 71.4 | 71.3 | 71.6 | 71.4 | 71.5 |
| Other .................................... | 34.1 | 36.3 | 31.1 | 28.9 | 33.5 | 33.3 | 40.0 | 38.6 |

Table 3.7.-Government Consumption Expenditures and Gross
Investment by Type
[Billions of dollars]


1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory invesiment is included in government consumption expenditures.
Iransferred to foreign countries by the Federal Government. Iransserred to toreign countries by the Federal Government.
for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addenda.
2. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 3.8.-Real Government Consumption Expenditures and Real Gross Investment by Type
[Billions of chained (1992) dollars]


NOTE-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.
See footnotes to table 3.7

Table 3.10.-National Defense Consumption Expenditures and Gross Investment
[Bililions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 1 | 1 II | IV |
| National defense consumption expenditures and gross investment ${ }^{1}$....... | $\begin{aligned} & 352.8 \\ & 305.7 \end{aligned}$ | $\begin{aligned} & 350.3 \\ & 310.9 \end{aligned}$ | $\begin{aligned} & 354.8 \\ & 309.3 \end{aligned}$ | $\begin{aligned} & 350.6 \\ & 307.6 \end{aligned}$ | $\begin{aligned} & 343.3 \\ & 306.4 \end{aligned}$ | $\begin{aligned} & 350.6 \\ & 311.3 \end{aligned}$ | $\begin{array}{r} 352.1 \\ 311.6 \end{array}$ | $\begin{aligned} & 355.2 \\ & 314.4 \end{aligned}$ |
| Consumption expenditures ...... |  |  |  |  |  |  |  |  |
| Durable goods ${ }^{2}$ | 22.3 | 20.9 | 24.7 | 20.6 | 20.6 | 21.9 | 20.5 | 20.7 |
| Aircratt .......................... | 9.7 | 9.6 | 10.6 | 9.2 | 9.2 | 10.1 | 9.2 | 9.8 |
| Missiles ... | 3.2 | 3.0 | 3.8 | 2.8 | 2.8 | 3.1 | 3.2 | 2.9 |
| Ships .... | 9 | . 7 | 1.3 | . 6 | . 7 | . 7 | . 7 | . 6 |
| Vehicles ........................... | 1.0 | . 9 | 1.1 | . 9 | 1.2 | . 9 | . 8 | . 6 |
| Electronics | 2.6 | 2.5 | 2.9 | 2.3 | 2.5 | 2.6 | 2.6 | 2.4 |
| Other durable goods ......... | 5.0 | 4.3 | 5.0 | 4.8 | 4.1 | 4.4 | 4.0 | 4.4 |
| Nondurable goods ....... | 7.9 | 7.1 | 8.5 | 7.2 | 7.6 | 6.8 | 7.2 | 7.0 |
| Petroleum products $\qquad$ Ammunition $\qquad$ | 3.4 1.1 | 2.9 1.3 | 4.1 1.1 | 3.0 .7 | 3.1 | 3.0 1.1 | 3.0 | 2.5 1.5 |
| Other nondurable goods .... | 3.4 | 3.0 | 3.3 | 3.6 | 3.0 | 2.7 | 3.2 | 3.1 |
| Services ........................... | 275.6 | 282.9 | 276.1 | 279.8 | 278.2 | 282.7 | 283.9 | 286.6 |
| Compensation of general government employees, except force-account |  |  |  |  |  |  |  |  |
| construction ${ }^{3}$................. | 135.2 | 135.9 | 135.9 | 134.7 | 136.8 | 136.1 | 135.8 | 134.8 |
| Military ........................ | 85.8 | 86.7 | 86.3 | 86.2 | 87.1 | 86.7 | 86.8 | 86.3 |
| Civilian. | 49.4 | 49.1 | 49.5 | 48.5 | 49.7 | 49.4 | 49.0 | 48.5 |
| Consumption of general government fixed |  |  |  |  |  |  |  |  |
| capital ${ }^{4}$...................... | 57.3 | 57.0 | 57.2 | 57.1 | 57.1 | 57.0 | 56.9 | 57.0 |
| Other services $\qquad$ Research and | 83.0 | 90.0 | 83.0 | 87.9 | 84.3 | 89.6 | 91.2 | 94.9 |
| development | 23.5 | 27.5 | 24.2 | 26.2 | 25.8 | 27.5 | 25.9 | 30.7 |
| Instalation support ......... | 27.4 | 26.8 | 28.3 | 26.4 | 25.9 | 26.7 | 27.9 | 26.7 |
| Weapons support .......... | 6.3 | 6.8 | 5.4 | 8.0 | 5.9 | 6.9 | 7.7 | 6.8 |
| Personnel support .......... | 19.0 | 22.3 | 18.8 | 20.5 | 20.2 | 22.4 | 23.3 | 23.5 |
| Transportation of material | 4.7 | 4.4 | 4.7 | 4.7 | 4.5 | 4.2 | 4.1 | 4.6 |
| Travel of persons .............. | 4.3 | 3.8 | 4.2 | 4.1 | 3.9 | 3.9 | 3.7 | 3.7 |
| Other ......................... | -2.1 | -1.6 | -2.6 | -1.9 | -1.8 | -2.0 | -1.5 | -1.1 |
| Gross investment .... | 47.0 | 39.4 | 45.5 | 42.9 | 37.0 | 39.3 | 40.5 | 40.8 |
| Structures .......................... | 6.8 | 6.2 | 6.6 | 6.6 | 6.3 | 6.2 | 6.2 | 6.3 |
| Equipment | 40.2 | 33.1 | 38.8 | 36.3 | 30.7 | 33.1 | 34.3 | 34.5 |
| Aircraft ..... | 9.3 | 5.8 | 7.6 | 5.9 | 4.7 | 4.0 | 6.8 | 7.5 |
| Missiles .......................... | 4.1 | 3.0 | 4.3 | 3.7 | 2.9 | 3.4 | 2.9 | 2.9 |
| Ships ............................ | 6.8 | 6.1 | 6.6 | 6.3 | 5.6 | 6.7 | 6.4 | 5.8 |
| Vehicles .... | . 9 | 1.2 | .9 | 8 | 1.0 | 1.3 | 1.3 | 1.2 |
| Electronics ...................... | 3.6 | 3.3 | 4.0 | 3.2 | 3.3 | 3.4 | 3.3 | 3.1 |
| Other equipment ............... | 15.5 | 13.7 | 15.5 | 16.3 | 13.2 | 14.3 | 13.5 | 14.0 |
| Addendum: Compensation of general government employees ${ }^{3}$ | 135.2 | 135.9 | 135.9 | 134.7 | 136.8 | 136.1 | 135.8 | 134.8 |

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.
2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transierred to foreign countries.
3. Compensation of government employees engaged in new force-account construction and related expenditures for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addendum.
4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero
net return on these assels.

Table 3.11.-Real National Defense Consumption Expenditures and Real Gross Investment
[Billions of chained (1992) dollars]


NOTE-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.
See footnotes to table 3.10 .

## 4. Foreign Transactions

Table 4.1.-Foreign Transactions in the National Income and Product Accounts
[Billions of dollars]

| [Billions of dollars] |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | $1: 1$ | IV |
| Receipts from the rest of the world $\qquad$ | 1,105.1 | $\left\|\begin{array}{r} 1,219.3 \\ 957.1 \end{array}\right\|$ | $1,099.0$$863.7$ | $\left\|\begin{array}{r} 1,153.4 \\ 904.6 \end{array}\right\|$ | $\left\|\begin{array}{r} 1,170.4 \\ 922.2 \end{array}\right\|$ | 1,221.9 | 1,235.2 | 1,249.9 |
| Exports of goods and services ... | 870.9 |  |  |  |  | 960.3 | 965.8 | 980.0 |
|  | 617.5 | 686.3 | 609.7 | 640.5 | 656.2 | 690.0 | 691.1 | 707.9 |
| Durable | 421.2 | 481.5 | 415.8 | 438.8 | 455.9 | 486.3 | 485.6 | 498.2 |
| Nondurable | 196.3 | 204.8 | 193.9 | 201.6 | 200.3 | 203.7 | 205.4 | 209.8 |
| Services ${ }^{1}$........................... | 253.3 | 270.8 | 254.0 | 264.2 | 266.0 | 270.3 | 274.8 | 272.1 |
| Receipts of factor income ........... | 234.3 | 262.2 | 235.4 | 248.8 | 248.2 | 261.6 | 269.4 | 269.8 |
| Capital grants received by the United States (net) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payments to the rest of the world $\qquad$ | 1,105.1 | 1,219.3 | 1,099.0 | 1,153.4 | 1,170.4 | 1,221.9 | 1,235.2 | 1,249.9 |
| Imports of goods and services ... | 965.7 | 1,058.1 | 977.6 | 993.2 | 1,021.0 | 1,049.0 | 1,077.1 | 1,085.4 |
| Goods ${ }^{1}$............................ | 809.0 | 888.5 | 820.2 | 834.6 | 855.8 | 880.1 | 905.6 | 912.6 |
| Durable | 533.6 | 589.9 | 540.3 | 541.3 | 563.4 | 583.8 | 603.2 | 609.2 |
| Nondurable ............................ | 275.5 | 298.6 | 279.8 | 293.3 | 292.5 | 296.3 | 302.4 | 303.4 |
| Services ${ }^{1}$.......................... | 156.7 | 169.6 | 157.5 | 158.6 | 165.2 | 168.9 | 171.6 | 172.7 |
| Payments of factor income ......... | 232.6 | 282.0 | 242.3 | 245.6 | 262.5 | 282.3 | 290.1 | 293.1 |
| Transter payments (net) ... | 39.8 | 39.4 | 35.4 | 47.4 | 35.2 | 36.5 | 36.9 | 48.9 |
| From persons (net) .............. | 15.9 | 17.9 | 15.9 | 16.7 | 17.0 | 17.6 | 18.2 | 18.7 |
| From government (net) .......... | 16.3 | 13.2 | 11.9 | 22.9 | 10.5 | 10.8 | 10.0 | 21.6 |
| From business .................... | 7.6 | 8.2 | 7.7 | 7.8 | 7.7 | 8.1 | 8.7 | 8.5 |
| Net foreign investment ............... | -132.9 | -160.2 | -156.4 | -132.9 | -148.4 | -146.0 | -168.9 | -177.4 |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment were reclassified from goods to services.

Table 4.2.-Real Exports and Imports of Goods and Services and Receipts and Payments of Factor Income
[Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Exports of goods and services | 857.0 | 962.7 | 851.4 | 901.1 | 922.7 | 962.5 | 973.0 | 992.7 |
| Goods ${ }^{1}$............................ | 628.4 | 725.0 | 623.0 | 666.2 | 686.2 | 725.8 | 731.8 | 756.3 |
| Durable | 463.3 | 553.2 | 460.8 | 494.0 | 517.0 | 555.8 | 559.8 | 580.0 |
| Nondurable .................. | 169.1 | 180.6 | 166.4 | 177.0 | 176.0 | 179.2 | 181.1 | 186.1 |
| Services ' .......................... | 229.9 | 241.7 | 229.4 | 236.8 | 238.9 | 240.8 | 245.0 | 241.8 |
| Receipts of factor income ....... | 214.2 | 236.3 | 214,8 | 226.0 | 224.6 | 236.3 | 242.5 | 242.0 |
| Imports of goods and services | 971.5 | 1,109.2 | 990.2 | 1,006.6 | 1,048.9 | 1,099.1 | 1,137.1 | 1,151.8 |
| Goods ${ }^{1}$........................ | 823.1 | 947.5 | 841.7 | 857.5 | 891.3 | 938.4 | 972.7 | 987.6 |
| Durable | 569.9 | 671.1 | 582.6 | 596.6 | 630.8 | 660.7 | 688.5 | 704.2 |
| Nondurable | 253.5 | 279.5 | 259.4 | 261.6 | 263.3 | 280.1 | 287.2 | 287.4 |
|  | 149.0 | 163.0 | 149.3 | 150.0 | 158.4 | 161.8 | 165.8 | 165.9 |
| Payments of factor income ..... | 210.2 | 250.1 | 218.1 | 219.8 | 234.0 | 250.8 | 256.9 | 258.7 |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassitied from goods o services.
NoTE.--Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992
current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity
indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

Table 4.3.-Exports and Imports of Goods and Services by Type of Product

| [Billions of dollars] |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Exports of goods and services | 870.9 | 957.1 | 863.7 | 904.6 | 922.2 | 960.3 | 965.8 | 980.0 |
| Exports of goods 1 | 617.5 | 686.3 | 609.7 | 640.5 | 656.2 | 690.0 | 691.1 | 707.9 |
| Foods, feeds, and beverages | 55.5 | 51.0 | 55.1 | 55.8 | 51.1 | 48.6 | 49.6 | 54.9 |
| Industrial supplies and materials | 141.0 | 152.7 | 139.5 | 145.9 | 147.4 | 154.0 | 155.3 | 154.0 |
| Durable goods | 51.0 | 55.0 | 51.0 | 51.9 | 53.2 | 55.7 | 55.5 | 55.8 |
| Nondurable goods | 90.1 | 97.7 | 88.5 | 94.0 | 94.3 | 98.3 | 99.8 | 98.2 |
| Capital goods, except automotive | 253.1 | 294.3 | 246.8 | 265.3 | 275.9 | 296.9 | 298.4 | 306.1 |
| Civilian aircraft, engines, and parts ... | 30.8 | 41.4 | 26.8 | 36.7 | 39.6 | 45.5 | 36.3 | 44.3 |
| Computers, peripherals, and parts .... | 43.7 | 49.5 | 43.5 | 43.3 | 46.3 | 50.1 | 52.6 | 48.8 |
| Other | 178.6 | 203.5 | 176.5 | 185.2 | 190.0 | 201.3 | 209.5 | 213.1 |
| Automotive vehicles, engines, and parts | 65.0 | 73.6 | 66.2 | 67.0 | 70.9 | 73.4 | 73.1 | 77.0 |
| Consumer goods, except automotive .... | 70.1 | 77.5 | 69.4 | 72.9 | 75.3 | 78.9 | 77.0 | 79.0 |
| Durable goods .................... | 35.8 | 40.0 | 35.5 | 37.8 | 38.1 | 41.2 | 39.8 | 40.7 |
| Nondurable goods | 34.3 | 37.6 | 33.9 | 35.1 | 37.2 | 37.7 | 37.2 | 38.2 |
| Other | 32.7 | 37.1 | 32.7 | 33.5 | 35.6 | 38.2 | 37.7 | 36.9 |
| Durable goods | 16.3 | 18.5 | 16.3 | 16.8 | 17.8 | 19.1 | 18.8 | 18.5 |
| Nondurable goods ......................... | 16.3 | 18.5 | 16.3 | 16.8 | 17.8 | 19.1 | 18.8 | 18.5 |
| Exports of services ${ }^{1}$ | 253.3 | 270.8 | 254.0 | 264.2 | 266.0 | 270.3 | 274.8 | 272.1 |
| Transfers under U.S. military agency sales contracts $\qquad$ | 13.5 | 13.4 | 12.8 | 14.9 | 12.3 | 14.0 | 14.2 | 13.0 |
| Travel | 69.9 | 73.6 | 70.6 | 72.7 | 74.5 | 72.6 | 74.1 | 73.0 |
| Passenger fares | 20.6 | 21.3 | 20.9 | 21.1 | 21.3 | 21.2 | 21.5 | 21.3 |
| Other transportation | 27.2 | 29.1 | 26.9 | 28.6 | 28.2 | 28.8 | 29.2 | 30.3 |
| Royalties and license fees | 30.0 | 31.5 | 30.0 | 30.8 | 30.9 | 31.9 | 31.8 | 31.5 |
| Other private sevices ........ | 72.2 | 80.5 | 72.4 | 75.2 | 77.7 | 80.2 | 82.5 | 81.5 |
| Other ..................................... | 19.9 | 21.5 | 20.4 | 20.8 | 21.0 | 21.5 | 21.6 | 21.6 |
| Imports of goods and services ...... | 965.7 | 1,058 | 977.6 | 993.2 | 1,020 | 1,049 | 1,077 | 1,0854 |
| Imports of goods ${ }^{1}$ | 809.0 | 888.5 | 820.2 | 834.6 | 855.8 | 880.1 | 905.6 | 912.6 |
| Foods, feeds, and beverages $\qquad$ Industrial supplies and materials, except | 35.7 | 39.7 | 35.8 | 36.7 | 38.0 | 40.0 | 40.5 | 40.1 |
| petroleum and products ....... | 125.2 | 135.0 | 127.1 | 128.7 | 130.7 | 134.3 | 137.6 | 137.5 |
| Durable goods ....... | 63.1 | 69.1 | 64.7 | 64.9 | 65.7 | 69.4 | 70.3 | 71.0 |
| Nondurable goods | 62.1 | 65.9 | 62.4 | 63.8 | 65.0 | 64.9 | 67.3 | 66.6 |
| Petroleum and products ..................... | 72.7 | 71.8 | 76.2 | 82.2 | 76.7 | 71.0 | 70.4 | 69.2 |
| Capital goods, except automotive ......... | 229.0 | 254.2 | 227.4 | 231.4 | 237.3 | 251.7 | 262.5 | 265.4 |
| Civilian aircraft, engines, and parts ... | 12.7 | 16.7 | 13.0 | 14.0 | 13.6 | 15.5 | 19.0 | 18.6 |
| Computers, peripherals, and parts .... | 61.5 | 70.1 | 61.7 | 62.8 | 65.5 | 70.5 | 73.6 | 70.9 |
| Other .................................... | 154.9 | 167.4 | 152.7 | 154.6 | 158.2 | 165.6 | 169.9 | 175.9 |
| Automotive vehicles, engines, and parts | 128.9 | 141.4 | 133.7 | 128.9 | 142.2 | 138.3 | 143.7 | 141.4 |
| Consumer goods, except automotive .... | 171.0 | 192.8 | 173.2 | 179.4 | 181.2 | 192.0 | 195.1 | 203.0 |
| Durable goods ............................. | 89.3 | 98.4 | 91.2 | 92.4 | 93.2 | 98.0 | 98.8 | 103.5 |
| Nondurable goods .......................... | 81.7 | 94.4 | 82.0 | 87.0 | 88. | 94.1 | 96.3 | 99.5 |
| Other | 46.4 | 53.5 | 46.7 | 47.2 | 49.6 | 52.8 | 55.8 | 56.0 |
| Durable goods | 23.2 | 26.8 | 23.4 | 23.6 | 24.8 | 26.4 | 27.9 | 28.0 |
| Nondurable goods ........................ | 23.2 | 26.8 | 23.4 | 23.6 | 24.8 | 26.4 | 27 | . |
| Imports of services ${ }^{1}$.................. | 156.7 | 169.6 | 157.5 | 158.6 | 165.2 | 168.9 | 171.6 | 172.7 |
| Direct defense expenditures ... | 10.9 | 11.6 | 11.7 | 10.9 | 11.2 | 11.4 | 11.5 | 12.2 |
| Travel | 48.7 | 53.2 | 47.7 | 49.0 | 52.3 | 52.6 | 53.0 | 54.7 |
| Passenger fares | 15.8 | 17.5 | 15.7 | 16.2 | 17.1 | 17.2 | 17.6 | 18.1 |
| Other transportation | 28.5 | 29.9 | 28.9 | 28.7 | 29.3 | 30.0 | 29.9 | 30.4 |
| Royalties and license fees .................. | 7.3 | 8.2 | 8.6 | 7.1 | 7.6 | 8.4 | 8.8 | 7.9 |
| Other private services ....... | 38.9 | 42.5 | 38.9 | 40.0 | 40.9 | 42.4 | 43.9 | 42.7 |
| Other ...................................... | 6.6 | 6.8 | 6.7 | 6.8 | 6.8 | 6.8 | 6.9 | 6.8 |
| Addenda: |  |  |  |  |  |  |  |  |
| Exports of agricultural goods ${ }^{2}$ | 61.5 | 58.3 | 60.4 | 61.8 | 57.3 | 56.4 | 58.1 | 61.4 |
| Exports of nonagricultural goods ........... | 556.0 | 628.0 | 549.3 | 578.7 | 598.9 | 633.5 | 632.9 | 646.5 |
| Imports of nonpetroleum goods .......... | 736.3 | 816.7 | 743.9 | 752.4 | 779 | 809.1 | 835.2 | 843.5 |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in sevvices. Beginfing with 1986, repairs and alterations of equipment are reciassiifed from goods to services.
2. Incudes parts of foods, feeds, and beverages; of nondurable industrial supplies and materials; and of nondurale nonautomotive consumer goods.

Table 4.4.-Real Exports and Imports of Goods and Services by Type of Product
[Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | II | III | IV |
| Exports of goods and services ...... | 857.0 | 962.7 | 851.4 | 901.1 | 922.7 | 962.5 | 973.0 | 992.7 |
| Exports of goods ${ }^{1}$ | 628.4 | 725.0 | 623.0 | 666.2 | 686.2 | 725.8 | 731.8 | 756.3 |
| Foods, feeds, and beverages | 44.0 | 43.8 | 42.8 | 47.2 | 43.2 | 40.9 | 42.7 | 48.3 |
| Industrial supplies and materiais .......... | 121.9 | 132.4 | 121.3 | 126.6 | 127.6 | 133.5 | 134.3 | 134.2 |
| Durable goods ................................ | 44.8 | 48.8 | 45.4 | 46.3 | 46.9 | 49.1 | 48.9 | 50.2 |
| Nondurable goods | 77.1 | 83.7 | 76.0 | 80.4 | 80.8 | 84.5 | 85.4 | 84.1 |
| Capital goods, except automotive ......... | 310.4 | 388.0 | 305.8 | 337.2 | 356.1 | 388.7 | 396.0 | 411.4 |
| Civilian aircraft, engines, and parts ... | 27.0 | 35.0 | 23.3 | 31.8 | 33.7 | 38.7 | 30.6 | 37.2 |
| Computers, peripherals, and parts .... | 97.2 | 145.9 | 100.3 | 106.8 | 122.3 | 142.5 | 160.7 | 158.0 |
| Other ..................................... | 203.3 | 241.9 | 202.4 | 217.2 | 224.7 | 238.7 | 249.4 | 254.7 |
| Automotive vehicles, engines, and parts | 62.4 | 70.1 | 63.5 | 64.1 | 67.6 | 69.8 | 69.5 | 73.2 |
| Consumer goods, except automotive .... | 67.3 | 73.8 | 66.5 | 69.8 | 71.8 | 75.2 | 73.2 | 75.0 |
| Durable goods ........................... | 34.9 | 38.5 | 34.5 | 36.8 | 36.8 | 39.7 | 38.4 | 39.2 |
| Nondurable goods | 32.4 | 35.3 | 32.0 | 33.0 | 35.0 | 35.5 | 34.8 | 35.8 |
| Other | 31.5 | 36.8 | 31.6 | 33.0 | 35.1 | 37.8 | 37.5 | 36.7 |
| Durable goods | 15:8 | 18.4 | 15.8 | 16.5 | 17.6 | 18.9 | 18.7 | 18.4 |
| Nondurable goods .......................... | 15.8 | 18.4 | 15.8 | 16.5 | 17.6 | 18.9 | 18.7 | 18.4 |
| Exports of services ${ }^{\text {a }}$............................. | 229.9 | 241.7 | 229.4 | 236.8 | 238.9 | 240.8 | 245.0 | 241.8 |
| Transfers under U.S. military agency sales contracts $\qquad$ | 12.2 | 12.1 | 11.6 | 13.5 | 11.1 | 12.6 | 12.8 | 11.7 |
| Travel | 62.6 | 64.0 | 62.9 | 64.4 | 65.3 | 63.4 | 64.6 | 62.8 |
| Passenger fares | 18.7 | 20.1 | 19.1 | 18.8 | 20.7 | 19.4 | 19.9 | 20.3 |
| Other transportation ............................ | 25.8 | 27.5 | 25.4 | 26.7 | 26.5 | 27.2 | 27.8 | 28.6 |
| Royalties and license fees ................... | 27.4 | 28.4 | 27.3 | 28.0 | 28.0 | 28.8 | 28.6 | 28.3 |
| Other private services ......................... | 67.0 | 73.6 | 67.0 | 69.3 | 71.4 | 73.5 | 75.4 | 74.2 |
| Other | 16.3 | 16.4 | 16.2 | 16.2 | 16.3 | 16.3 | 16.4 | 16.4 |
| Residual | -27.7 | -59.2 | -29.9 | -32.4 | -42.8 | -55.9 | -70.3 | -67.1 |
| Imports of goods and services ...... | 971.5 | 1,109 | 990.2 | 1,0066 | 1,0488 | 1,0991 | 1,137 | 1,158 |
| Imports of goods ${ }^{1}$................................ | 823.1 | 947.5 | 841.7 | 857.5 | 891.3 | 938.4 | 972.7 | 987.6 |
| Foods, feeds, and beverages $\qquad$ Industrial supplies and materials, except | 32.3 114 | 35.5 1232 | 32.5 116.9 | 33.2 117 | 34.2 118.3 | 35.3 123 | 36.2 125.5 | 36.1 1257 |
| petroleum and products | 114.2 | 123.2 | 116.9 | 117.7 | 118.3 | 123.3 | 125.5 | 125.7 |
| Durable goods .... | 57.3 56 | 61.7 | 58.8 | 59.1 | 59.1 | 61.7 | 62.2 | 63.7 |
| Nondurable goods | 56.8 | 61.5 | 58.1 | 58.5 | 59.2 | 61.6 | 63.2 | 61.9 |
| Petroleum and products | 63.8 | 66.7 | 67.5 | 64.0 | 62.2 | 68.1 | 69.2 | 67.5 |
| Capital goods, except automotive ......... | 294.5 | 377.7 | 298.6 | 319.6 | 340.3 | 369.4 | 393.4 | 407.6 |
| Civilian aircraft, engines, and parts ... | 11.2 | 14.2 | 11.4 | 12.2 | 11.7 | 13.2 | 16.1 | 15.7 |
| Computers, peripherals, and parts .... | 118.3 | 170.3 | 121.5 | 130.2 | 144.4 | 165.2 | 183.7 | 188.1 |
| Other ............................................. | 177.6 | 217.6 | 179.1 | 191.8 | 202.8 | 214.5 | 221.2 | 231.8 |
| Automotive vehicles, engines, and parts | 118.8 | 130.0 | 123.1 | 118.7 | 131.0 | 127.6 | 132.0 | 129.4 |
| Consumer goods, except automotive .... | 165.3 | 188.6 | 167.6 | 173.9 | 176.5 | 187.6 | 191.0 | 199.2 |
| Durable goods ............................... | 86.6 | 97.6 | 88.6 | 90.0 | 91.5 | 97.0 | 98.2 | 103.5 |
| Nondurable goods | 78.7 | 91.0 | 78.9 | 83.9 | 84.9 | 90.5 | 92.7 | 95.8 |
| Other ..................... | 43.2 | 50.3 | 43.6 | 44.0 | 46.4 | 49.6 | 52.4 | 52.8 |
| Durable goods | 21.6 | 25.1 | 21.8 | 22.0 | 23.2 | 24.8 | 26.2 | 26.4 |
| Nondurable goods .......................... | 21.6 | 25.4 | 21.8 | 22.0 | 23.2 | 24.8 | 26.2 | 26.4 |
| Imports of services ${ }^{1}$............................ | 149.0 | 163.0 | 149.3 | 150.0 | 158.4 | 161.8 | 165.8 | 165.9 |
| Direct defense expenditures ................ | 10.1 | 11.5 | 10.3 | 10.0 | 11.0 | 11.2 | 11.7 | 12.3 |
| Travel ............................................... | 44.6 | 50.3 | 43.0 | 44.7 | 49.1 | 49.9 | 50.6 | 51.7 |
| Passenger fares | 14.9 | 15.7 | 15.0 | 15.1 | 15.7 | 15.3 | 15.6 | 16.1 |
| Other transportation ............................ | 27.6 | 28.9 | 28.0 | 27.4 | 28.1 | 28.9 | 29.1 | 29.5 |
| Royalties and license fees | 6.7 | 7.4 | 7.8 | 6.4 | 6.9 | 7.6 | 7.9 | 7.1 |
| Other private services .......................... | 39.2 | 43.0 | 39.3 | 40.3 | 41.4 | 42.9 | 44.7 | 43.1 |
| Other ................................................ | 6.0 | 6.3 | 6.1 | 6.2 | 6.3 | 6.3 | 6.3 | 6.2 |
| Residual . | -22.2 | $-50.2$ | -22.4 | $-29.1$ | $-37.0$ | -47.3 | -55.9 | -60.5 |
| Addenda: <br> Exports of agricultural goods ${ }^{2}$ | 48.6 | 49.3 | 46.8 | 51.7 | 47.7 | 47.2 | 49.5 | 53.0 |
| Exports of nonagricultural goods ............. | 581.3 | 679.3 | 578.1 | 616.0 | 641.6 | 682.8 | 686.1 | 706.7 |
| Imports of nonpetroleum goods ............ | 757.8 | 881.1 | 772.3 | 792.7 | 829.7 | 870.3 | 903.7 | 920.5 |

NOTE.-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following the detail for exports is the difference between the aggregate "exports of goods and services" and the sum of the detailed lines for exports of goods and export of services. The residual line following the detail imports of goods and imports of services.
ines for imports of goods and
See footnotes to table 4.3 .

## 5. Saving and Investment

Table 5.1.-Gross Saving and Investment
[Bilions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | II | III | IV |
| Gross saving | 1,267.8 | 1,394.3 | 1,295.9 | 1,303.0 | 1,332.9 | 1,396.9 | 1,411.6 | 1,435.8 |
| Gross private saving | 1,125.5 | 1,164.2 | 1,145.1 | 1,131.4 | 1,134.0 | 1,178.1 | 1,159.6 | 1,185.2 |
| Personal saving | 239.6 | 226.7 | 254.0 | 220.4 | 215.9 | 247.0 | 208.2 | 235.8 |
| Undistributed corporate profits with inventory valuation and capital consumption adjustments ................ | 202.1 | 219.5 | 202.3 | 212.6 | 211.5 | 217.6 | 230.0 | 218.9 |
| Undistributed profits ..................................................................................................... | 142.8 | 144.2 | 141.8 | 144.9 | 140.3 | 142.3 | 156.1 | 138.1 |
| Inventory valuation adjustment ............................................................................................................ | -2.5 | 5.5 | -2.7 | 3.3 | 3.5 | 5.9 | 3.6 | 9.2 |
| Capital consumption adjustment ................................................................................... | 61.8 | 69.7 | 63.2 | 64.4 | 67.7 | 69.4 | 70.3 | 71.6 |
| Corporate consumption of fixed capital | 452.3 | 475.6 | 455.5 | 462.0 | 467.4 | 472.6 | 478.0 | 484.5 |
| Noncorporate consumption of fixed capital ........................................................................ | 230.5 | 241.2 | 232.2 | 235.2 | 238.0 | 239.7 | 242.4 | 244.9 |
| Wage accruals less disbursements ............................................................................................................ | 1.1 | 1.2 | 1.1 | 1.1 | 1.2 | 1.2 | 1.2 | 1.2 |
| Gross government saving .................................................................................................. | 142.3 | 230.0 | 150.8 | 171.6 | 198.9 | 218.8 | 251.9 | 250.6 |
| Federal | -39.2 | 42.8 | -28.3 | -5.9 | 15.9 | 34.7 | 60.8 | 59.7 |
| Consumption of fixed capital | 71.2 | 71.6 | 71.2 | 71.3 | 71.4 | 71.5 | 71.6 | 71.8 |
| Current surplus or deficit ( - ), national income and product accounts .......................................... | -110.5 | -28.8 | -99.5 | -77.1 | -55.5 | -36.8 | -10.8 | -12.1 |
| State and local ............................................................................................................... | 181.5 | 187.3 | 179.1 | 177.5 | 182.9 | 184.1 | 191.1 | 190.9 |
| Consumption of fixed capital | 76.2 | 79.5 | 76.5 | 77.2 | 78.2 | 79.2 | 79.7 | 80.8 |
| Current surplus or deficit ( - ), national income and product accounts .............................................. | 105.3 | 107.8 | 102.6 | 100.4 | 104.7 | 104.9 | 111.4 | 110.1 |
| Capital grants received by the United States (net) .................................................................... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gross investment | 1,207.9 | 1,308.3 | 1,216.4 | 1,243.5 | 1,268.6 | 1,323.4 | 1,308.4 | 1,332.7 |
| Gross private domestic investment | 1,116.5 | 1,242.5 | 1,149.2 | 1,151.1 | 1,193.6 | 1,242.0 | 1,250.2 | 1,284.1 |
| Gross government investment ..................................................................................................... | 224.3 | 226.0 | 223.6 | 225.3 | 223.3 | 227.4 | 227.1 | 226.1 |
| Net foreign investment ............................................................................................................................... | -132.9 | -160.2 | -156.4 | -132.9 | -148.4 | -146.0 | -168.9 | -177.4 |
| Statistical discrepancy ..................................................................................................... | -59.9 | -86.0 | -79.5 | -59.5 | -64.3 | -73.5 | -103.2 | -103.1 |
| Addendum: <br> Gross saving as a percentage of gross national product $\qquad$ | 16.6 | 17.3 | 16.9 | 16.7 | 16.8 | 17.4 | 17.4 | 17.5 |

Table 5.4.-Private Fixed Investment by Type
[Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | N |
| Private fixed investment | 1,090.7 | 1,174.1 | 1,112.0 | 1,119.2 | 1,127.5 | 1,160.8 | 1,201.3 | 1,206.8 |
| Nonresidential | 781.4 | 846.9 | 798.6 | 807.2 | 811.3 | 836.3 | 872.0 | 868.0 |
| Structures | 215.2 | 230.2 | 217.7 | 227.0 | 227.4 | 226.8 | 232.9 | 233.9 |
| Nonresidential buildings, including farm $\qquad$ | 159.8 | 174.8 | 162.5 | 171.2 | 174.0 | 172.1 | 177.5 | 175.6 |
| Utilities ........ | 33.3 | 33.1 | 32.7 | 34.1 | 32.0 | 33.7 | 33.2 | 33.6 |
| Mining expioration, shatts, and wells | 16.16.2 | $\begin{array}{r} 15.9 \\ 6.4 \end{array}$ | $\begin{array}{r} 16.5 \\ 6.0 \end{array}$ | 16.05.8 | 16.15.3 | $\begin{array}{r} 15.6 \\ 5.5 \end{array}$ | 16.255 | 15.88.9 |
| Other structures ................ |  |  |  |  |  |  |  |  |
| Producers' durable equipment $\qquad$ | 566.2 | 616.7 | 580.9 | 580.2 | 583.9 | 609.5 | 639.1 | 634.2 |
| Information processing and |  | 212.3 |  |  |  |  |  |  |
| related equipment ......... | 195.1 |  | 201.1 | 200.3 | 202.8 | 208.4 | 219.5 | 218.7 |
| Computers and peripheral equipment ${ }^{1}$ | 78.7 | 85.4127.0 |  | $\begin{array}{r} 81.0 \\ 119.3 \end{array}$ |  |  |  |  |
| Other .......................... | 116.3 |  | $\begin{array}{r} 80.9 \\ 120.3 \end{array}$ |  | $\begin{array}{r} 81.8 \\ 121.0 \end{array}$ | $\begin{array}{r} 84.5 \\ 123.9 \end{array}$ | 88.1 131.3 | 87.1 131.5 |
| Industrial equipment | 127.5 | 134.8 | 128.2 | 127.9 | $127.7$ | 134.9 | 137.5 | 138.9 |
| Transportation and related equipment | 134.5 | $150.0$ | $\begin{aligned} & 120.2 \\ & 140.0 \end{aligned}$ |  |  |  |  |  |
| equipment ..................... |  |  |  |  | 137.7115.7 | $\begin{aligned} & 147.1 \\ & 119.1 \end{aligned}$ | $\begin{aligned} & 159.9 \\ & 122.2 \end{aligned}$ | 155.3121.3 |
| Other ............................... | 109.1 | 119.5 | $\begin{aligned} & 111.5 \\ & 313.5 \end{aligned}$ | $\begin{aligned} & 111.9 \\ & 312.0 \end{aligned}$ |  |  |  |  |
| Residential | 309.2 | 327.2 |  |  | 316.2 | 324.6 | 329.3 | 338.8 |
| Structures | 301.7 | 319.3 | 313.5 | 312.0 304.4 | 308.3 | $\begin{array}{r} 316.7 \\ 162.5 \\ 23.0 \end{array}$ | $\begin{array}{r} 321.4 \\ 163.1 \\ 22.3 \\ 135.9 \end{array}$ | 330.9167.924.21388 |
| Single family .......................... | $\begin{aligned} & 159.1 \\ & 20.3 \\ & 122.3 \end{aligned}$ | $\begin{array}{r} 163.6 \\ 2.6 \\ 232.9 \\ 13.8 \end{array}$ | $\begin{array}{r} 162.9 \\ 19.2 \\ 19.2 \end{array}$ | $\begin{array}{r} 304.4 \\ 160.6 \\ 20.1 \end{array}$ | 30.3161.021.9 |  |  |  |
| Multitamily .......................... |  |  |  |  |  |  |  |  |
| Other structures ................ |  |  | 124.5 | 123.7 | 125.3 | 131.2 |  |  |
| Producers' durable equipment | 7.5 | 7.9 | 7.5 | 7.6 | 7.9 | 7.9 | 8.0 | 7.9 |

1. Includes new computers and peripheral equipment only.

Table 5.5.-Real Private Fixed Investment by Type [Billions of chained (1992) dollars]


1. Indudes new computers and peripheral equipment only.

NOTE-Chained (1992) collar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula tor the chain-lype quantily indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.10.--Change in Business Inventories by Industry [Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | II | III | IV |
| Change in business inventories .... | 25.9 | 68.4 | 37.1 | 31.9 | 66.1 | 81.1 | 48.9 | 77.2 |
| Farm | 2.9 | 6.7 | 5.8 | 3.2 | 3.9 | 6.2 | 8.1 | 8.5 |
| Nonfarm | 23.0 | 61.7 | 31.3 | 28.7 | 62.2 | 74.9 | 40.9 | 68.7 |
| Change in book value | 28.2 | 50.5 | 33.8 | 32.6 | 44.5 | 57.5 | 38.2 | 61.8 |
| Inventory valuation adjustment ......... | -5.1 | 11.2 | -2.4 | -3.9 | 17.7 | 17.4 | 2.6 | 7.0 |
| Manufacturing .................................. | 10.6 | 22.9 | 15.3 | 13.3 | 22.3 | 30.9 | 15.8 | 22.7 |
| Durable goods .............................. | 10.2 | 13.2 | 14.4 | 6.8 | 12.9 | 19.1 | 10.3 | 10.6 |
| Nondurable goods ......................... | . 4 | 9.7 | . 9 | 6.4 | 9.3 | 11.8 | 5.5 | 12.1 |
| Wholesale trade ............................... | 3.3 | 21.8 | -7.7 | 10.1 | 24.3 | 26.0 | 15.8 | 21.0 |
| Durable goods ................................ | 2.5 | 12.3 | 4.7 | -5.5 | 15.4 | 23.5 | 4.0 | 6.4 |
| Nondurable goods ......................... | . 8 | 9.4 | -12.4 | 15.6 | 8.9 | 2.4 | 11.8 | 14.6 |
| Merchant wholesalers .................. | 2.4 | 18.2 | -8.0 | 11.7 | 18.9 | 18.4 | 15.1 | 20.3 |
| Durable goods ....................... | 1.9 | 10.6 | 4.2 | -3.2 | 12.3 | 18.6 | 4.3 | 7.1 |
| Nondurable goods ................... | . 5 | 7.6 | -12.1 | 14.8 | 6.6 | - 2 | 10.9 | 13.3 |
| Nonmerchant wholesalers ............ | . 9 | 3.6 |  |  | 5.4 | 7.6 | 7 | 7 |
| Durable goods ........................ | .6 | 1.8 | .6 | -2.3 | 3.1 | 4.9 | $-3$ | - 6 |
| Nondurable goods .................. | . 3 | 1.8 | -. 3 | . 8 | 2.3 | 2.7 | 1.0 | 1.3 |
| Retail trade | 4.1 | 7.5 | 21.2 | 1.1 | . 6 | 8.3 | 3.0 | 18.1 |
| Durable goods ............. | 1.9 -1.6 | 5.5 | 14.6 | $-3.3$ | 1.4 | 2.4 | 1.7 | 16.8 |
| Motor vehicle dealers | -1.6 | 1.0 | 11.9 | -5.3 | -2.9 | -4.0 | -6 | 11.7 |
| Other ..................................... | 3.5 | 4.5 | 2.7 | 2.0 | 4.2 | 6.4 | 2.3 | 5.1 |
| Nondurable goods ......................... | 2.3 | 1.9 | 6.6 | 4.4 | -. 8 | 5.9 | 1.3 | 1.3 |
| Other | 5.0 | 9.5 | 2.5 | 4.3 | 15.2 | 9.8 | 6.3 | 6.9 |
| Durable goods | 2.3 | 1.9 | -. 5 | . 8 | 2.1 | 1.8 | 2.6 | 1.0 |
| Nondurable goods .......................... | 2.6 | 7.7 | 2.9 | 3.4 | 13.0 | 8.0 | 3.7 | 5.9 |

Nore.-Estimates for nonfarm industries other than manufacturing and trade for 1986 and earlier periods are based on the 1972 Standard industrial Classiifcation (SIC). Manulacturing estimates for 1981 and earier periods
and trade estimates 5 or 1966 and and earrier periods are based on the 1972 SIC; later estimates for these industries
are based on the 1987 SIC. The resulting discontinutities are Small.

Table 5.11.-Real Change in Business Inventories by Industry [Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Change in business inventories .... | 25.0 | 65.7 | 37.9 | 32.9 | 63.7 | 77.6 | 47.5 | 74.0 |
| Farm ................................................ | 2.6 | 8.0 | 6.5 | 6.4 | 5.3 | 7.5 | 9.5 | 9.8 |
| Nonfarm | 22.5 | 57.8 | 31.6 | 26.5 | 58.3 | 70.1 | 38.3 | 64.5 |
| Manufacturing | 9.9 | 21.5 | 14.3 | 12.3 | 20.9 | 29.0 | 14.8 | 21.5 |
| Durable goods ............................. | 9.7 | 12.6 | 13.8 | 6.6 | 12.3 | 18.2 | 9.9 | 10.2 |
| Nondurable goods ........................... | 4 | 8.9 | 8 | 5.7 | 8.5 | 10.8 | 5.0 | 11.2 |
| Wholesale trade ............................... | 4.0 | 20.6 | -5.0 | 9.4 | 22.9 | 24.6 | 14.9 | 19.7 |
| Durable goods ............................. | 2.4 | 11.9 | 4.5 | -5.2 | 14.8 | 22.7 | 3.8 | 6.2 |
| Nondurable goods ......................... | 1.6 | 8.6 | -9.0 | 13.9 | 8.1 | 2.3 | 10.8 | 13.2 |
| Merchant wholesalers .................. | 3.2 | 17.1 | -5.2 | 10.9 | 17.8 | 17.5 | 14.3 | 19.0 |
| Durable goods ........................ | 1.8 | 10.2 | 3.9 | -3.0 | 11.8 | 17.9 | 4.1 | 6.8 |
| Nondurable goods .................. | 1.3 | 6.9 | -8.7 | 13.3 | 6.0 | - 1 | 9.9 | 11.9 |
| Nonmerchant wholesalers .............. | . 8 | 3.4 | . 3 | -1.5 | 5.1 | 7.2 | .6 | 7 |
| Durable goods ...................... | . 6 | 1.7 | 5 | -2.3 | 3.0 | 4.8 | -. 3 | -6 |
| Nondurable goods ................... | 3 | 1.7 | -. 2 | . 6 | 2.1 | 2.5 | . 9 | 1.3 |
| Retail trade ....... | 4.0 | 7.0 | 20.0 | . 9 | . 6 | 7.7 | 2.8 | 17.0 |
| Durable goods ................................ | 1.7 | 5.0 | 13.3 | -3.0 | 1.2 | 2.0 | 1.5 | 15.4 |
| Motor vehicle dealers .................. | -1.4 | 9 | 10.6 | -4.7 | -2.5 | -3.7 | - 6 | 10.6 |
| Other | 3.3 | 4.2 | 2.5 | 1.8 | 3.9 | 5.9 | 2.1 | 4.8 |
| Nondurable goods ......................... | 2.3 | 1.9 | 6.5 | 4.1 | -. 7 | 5.8 | 1.3 | 1.2 |
| Other | 4.5 | 8.7 | 2.3 | 3.9 | 13.7 | 8.9 | 5.7 | 6.3 |
| Durable goods | 2.1 | 1.6 | -. 4 | . | 1.8 | 1.5 | 2.3 | . 9 |
| Nondurable goods ......................... | 2.4 | 7.1 | 2.8 | 3.2 | 12.0 | 7.5 | 3.4 | 5.5 |
| Residual ................................................. | -. 4 | 0 | -. 7 | . 5 | . 2 | -1.0 | 0 | . 4 |

NOTE.-Chained (1992) dollar series for real change in business inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first See note to table 5.10 .

Table 5.12.-Inventories and Domestic Final Sales of Business by Industry

|  | Seasonally adjusted quarterly totals |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1996 |  | 1997 |  |  |  |
|  | III | IV | 1 | 11 | III | IV |
| Inventories ${ }^{1}$ | 1,287.1 | 1,294.5 | 1,306.1 | 1,318.1 | 1,334.1 | 1,342.5 |
| Farm | 106.0 | 102.6 | 107.2 | 107.7 | 109.1 | 108.1 |
| Nonfarm | 1,181.2 | 1,191.9 | 1,198.9 | 1,210.4 | 1,225.0 | 1,234.4 |
| Durable goods | 675.6 | 675.2 | 684.4 | 693.2 | 697.0 | 703.6 |
| Nondurable goods .................................. | 505.5 | 516.7 | 514.5 | 517.2 | 528.0 | 530.8 |
| Manufacturing .......................................... | 436.3 | 440.3 | 443.3 | 448.0 | 453.5 | 457.1 |
| Durable goods | 271.4 | 273.7 | 277.0 | 280.7 | 283.2 | 285.6 |
| Nondurable goods ................................. | 164.9 | 166.6 | 166.3 | 167.3 | 170.3 | 171.5 |
| Wholesale trade | 300.3 | 300.8 | 306.2 | 310.8 | 316.1 | 318.6 |
| Durable goods | 186.6 | 184.9 | 188.7 | 194.4 | 195.0 | 195.6 |
| Nondurable goods .................................. | 113.6 | 116.0 | 117.5 | 116.4 | 121.2 | 123.0 |
| Merchant wholesalers | 257,9 | 258.6 | 263.4 | 266.6 | 271.4 | 274.3 |
| Durable goods ....... | 161.9 | 160.7 | 163.9 | 168.4 | 169.0 | 170.0 |
| Nondurable goods | 96.0 | 97.9 | 99.5 | 98.2 | 102.4 | 104.4 |
| Nonmerchant wholesalers ..................... | 42.4 | 42.3 | 42.8 | 44.2 | 44.7 | 44.3 |
| Durable goods | 24.8 | 24.1 | 24.9 | 26.1 | 25.9 | 25.6 |
| Nondurable goods ........................... | 17.6 | 18.1 | 17.9 | 18.2 | 18.8 | 18.6 |
| Retail trade ..................... | 312.5 | 313.0 | 313.3 | 313.2 | 314.7 | 318.1 |
| Durable goods ...................................... | 168.8 | 167.7 | 168.7 | 167.7 | 168.0 | 171.5 |
| Motor vehicle dealers | 85.5 | 83.9 | 83.6 | 80.9 | 80.7 | 83.2 |
| Other | 83.3 | 83.9 | 85.1 | 86.7 | 87.7 | 88.3 |
| Nondurable goods ................................. | 143.6 | 145.3 | 144.6 | 145.6 | 146.7 | 146.6 |
| Other | 132.1 | 137.7 | 136.1 | 138.3 | 140.7 | 140.6 |
| Durable goods | 48.7 | 48.9 | 50.0 | 50.5 | 50.8 | 50.9 |
| Nondurable goods ................................. | 83.4 | 88.8 | 86.2 | 87.9 | 89.9 | 89.6 |
| Final sales of domestic business ${ }^{2}$ <br> Final sales of goods and structures of domestic business ${ }^{2}$ | 533.1 285.9 | 542.6 289.9 | 550.0 | 556.2 | 565.2 301.1 | 570.5 302.4 |
| Ratio of inventories to final sales of domestic business |  |  |  |  |  |  |
| Inventories to final sales | 2.41 | 2.39 | 2.37 | 2.37 | 2.36 | 2.35 |
| Nonfarm inventories to final sales ..................... | 2.22 | 2.20 | 2.18 | 2.18 | 2.17 | 2.16 |
| Nontarm inventories to final sales of goods and structures | 4.13 | 4.11 | 4.08 | 4.09 | 4.07 | 4.08 |

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from cur-rent-doliar inventories in this table is not the current-dollar change in business inventories (CBI) component of GDP. The former is the difference between wo inventory stocks, each valued at their respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In adoition,
changes calculated from this table are at quarterly rates; whereas, CBI is stated at annual rates. changes calculated irom this table are at quarterly rates; whereas, CBI is stated at annual rates. gross product of househoids and institutions and of general government and includes a small amount of final sales by farm.

Table 5.13.-Real Inventories and Real Domestic Final Sales of Business by Industry
[Billions of chained (1992) dollars]

|  | Seasonally adjusted quarterly totals |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1996 |  | 1997 |  |  |  |
|  | III | IV | 1 | II | III | IV |
| Inventories ' | 1,200.7 | 1,208.9 | 1,224.8 | 1,244.2 | 1,256.1 | 1,274.6 |
| Farm ............................................................. | 100.9 | 102.5 | 103.8 | 105.7 | 108.0 | 110.5 |
| Nonfarm | 1,099.3 | 1,105.9 | 1,120.5 | 1,138.0 | 1,147.6 | 1,163.7 |
| Durable goods ........................................ | 634.3 | 634.0 | 641.5 | 652.5 | 656.8 | 665.0 |
| Nondurable goods .................................... | 464.9 | 471.7 | 478.8 | 485.4 | 490.6 | 498.5 |
| Manufacturing .............................................. | 406.6 | 409.7 | 414.9 | 422.1 | $425: 8$ | 431.2 |
| Durable goods ......................................... | 259.3 | 260.9 | 264.0 | 268.6 | 271.0 | 273.6 |
| Nondurable goods .................................... | 147.5 | 148.9 | 151.1 | 153.8 | 155.0 | 157.8 |
| Wholesale trade ........................................... | 280.1 | 282.4 | 288.1 | 294.3 | 298.0 | 303.0 |
| Durable goods ......................................... | 179.2 | 177.9 | 181.6 | 187.3 | 188.3 | 189.8 |
| Nondurable goods .................................... | 101.1 | 104.6 | 106.6 | 107.2 | 109.9 | 113.2 |
| Merchant wholesalers ............................ | 240.1 | 242.8 | 247.3 | 251.7 | 255.2 | 260.0 |
| Durable goods ................................. | 155.1 | 154.3 | 157.3 | 161.8 | 162.8 | 164.5 |
| Nondurable goods ............................ | 85.3 | 88.6 | 90.1 | 90.1 | 92.6 | 95.5 |
| Nonmerchant wholesalers ...................... | 39.9 | 39.5 | 40.8 | 42.6 | 42.8 | 43.0 |
| Durable goods ................................. | 24.2 | 23.6 | 24.3 | 25.5 | 25.5 | 25.3 |
| Nondurable goods ........................... | 15.8 | 16.0 | 16.5 | 17.1 | 17.3 | 17.6 |
| Retail trade | 292.4 | 292.7 | 292.8 | 294.7 | 295.4 | 299.7 |
| Durable goods | 153.2 | 152.4 | 152.7 | 153.2 | 153.6 | 157.5 |
| Motor vehicle dealers | 75.7 | 74.5 | 73.9 | 73.0 | 72.8 | 75.5 |
| Other .................................................. | 77.5 | 78.0 | 79.0 | 80.4 | 81.0 | 82.2 |
| Nondurable goods ................................... | 138.9 | 140.0 | 139.8 | 141.2 | 141.5 | 141.9 |
| Other | 120.1 | 121.1 | 124.5 | 126.7 | 128.2 | 129.7 |
| Durable goods ........................................ | 42.3 | 42.5 | 42.9 | 43.3 | 43.9 | 44.1 |
| Nondurable goods ................................... | 77.7 | 78.4 | 81.4 | 83.3 | 84.2 | 85.6 |
| Residual .......................................................... | . 5 | . 7 | 7 | . 4 | . 5 | . 5 |
| Final sales of domestic business ${ }^{2}$........ | 484.7 | 491.1 | 495.1 | 498.5 | 505.0 | 508.4 |
| Final sales of goods and structures of domestic business ${ }^{2}$ $\qquad$ | 268.2 | 271.8 | 274.5 | 275.6 | 280.0 | 281.0 |
| Ratio of inventories to final sales of domestic business |  |  |  |  |  |  |
| Inventories to final sales | 2.48 | 2.46 | 2.47 | 2.50 | 2.49 | 2.51 |
| Nontarm inventories to final sales ...................... | 2.27 | 2.25 | 2.26 | 2.28 | 2.27 | 2.29 |
| Nonfarm inventories to final sales of goods and structures $\qquad$ | 4.10 | 4.07 | 4.08 | 4.13 | 4.10 | 4.14 |

1. Inventories are as of the end of the quarter. Quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in the business inventories component of GDP is stated at annual rates. 2. Quarterly totals at montthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government and inciudes a small amount of final sales by farm.
NOTE.-Chained (1992) dollar inventory series are calculated as the product of the chain-type quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, divided by 100. Chained (1992) dollar corresponding series, divided by 100 . Because the formula for the chain-lype quantity indexes uses weights of more corresponding senes, divided by 100. Because the formula tor the chain-type quanity indexes uses weights of more ference between the first line and the sum of the most detailed lines for inventories.
2. Income and Employment by Industry

Table 6.1C.-National Income Without Capital Consumption Adjustment by Industry
[Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| National income without capital consumption adjustment $\qquad$ | $\left\|\begin{array}{l} 6,219.6 \\ 6,217.9 \end{array}\right\|$ | 6,608.0 | 6,267.7 | $\left\lvert\, \begin{gathered} 6,340.4 \\ 6,337.3 \end{gathered}\right.$ | $\begin{aligned} & 6,470.8 \\ & 6,485.1 \end{aligned}$ | 6,557.3 | $\left\lvert\, \begin{gathered} 6,657.5 \\ 6,678.2 \end{gathered}\right.$ | 6,746.5 |
| Domestic industries .... |  | 6,627.8 | 6,274.7 |  |  | 6,578.0 |  | 6,769.7 |
| Private industries | 5,362.6 | 5,741.7 | 5,415.0 | 5,472.0 | 5,608.9 | 5,696.1 | 5,788,8 | 5,873.0 |
| Agriculture, forestry, and fishing $\qquad$ | 105.6 | 113.1 | 109.0 | 109.6 | 110.8 | 115.5 | 114.1 | 112.0 |
| Mining ...................................... | 46.9 | 48.4 | 46.9 | 45.0 | 48.2 | 49.2 | 48.0 | 48.1 |
| Construction | 285.2 | 305.6 | 286.9 | 291.4 | 298.2 | 302.2 | 307.4 | 314.5 |
| Manufacturing $\qquad$ <br> Durable goods $\qquad$ | $\left\lvert\, \begin{array}{r} 1,110.1 \\ 634.5 \\ 475.6 \end{array}\right.$ | $\begin{array}{\|} 1,170.3 \\ 677.0 \\ 493.3 \end{array}$ | $\begin{array}{r} 1,120.8 \\ 642.7 \\ 478.1 \end{array}$ | $\left\lvert\, \begin{aligned} & 1,122.1 \\ & 639.4 \\ & 482.8 \end{aligned}\right.$ | $\begin{array}{\|} 1,134.6 \\ 651.0 \\ 483.6 \end{array}$ | $\begin{array}{r} 1,160.5 \\ 669.7 \\ 490.8 \end{array}$ | $\begin{array}{r} 1,187.8 \\ 691.2 \\ 496.6 \end{array}$ | $\begin{array}{r} 1,198.5 \\ 696.2 \\ 502.3 \end{array}$ |
| Nondurable goods .......... |  |  |  |  |  |  |  |  |
| Transportation and public ufilities $\qquad$ | $456.7$ | 475.5 | $459.3 \quad 457.3$ |  | $\begin{array}{r} 467.1 \\ 199.6 \end{array}$ | 471.5 | 477.2 | 486.4 |
| Transportation ............... | $\begin{aligned} & 191.0 \\ & 135.0 \\ & 130.8 \end{aligned}$ | 205.7 |  | 192.3 |  | 203.0 | 207.6 | 212.7 |
| Communications ............ |  | $\begin{aligned} & 137.6 \\ & 132.2 \end{aligned}$ | 194.6 137.0 | $\begin{aligned} & 133.1 \\ & 131.9 \end{aligned}$ | 199.6 135.5 | $\begin{aligned} & 135.2 \\ & 133.3 \end{aligned}$ | $\begin{aligned} & 139.0 \\ & 130.6 \end{aligned}$ | $\begin{aligned} & 140.8 \\ & 132.9 \end{aligned}$ |
| Electric, gas, and sanitary services .... |  |  | 127.7 |  | 132.0 |  |  |  |
| Wholesale trade | $\begin{aligned} & 349.1 \\ & 503.7 \end{aligned}$ | $\begin{aligned} & 383.3 \\ & 538.4 \end{aligned}$ | 350.6 | $\begin{array}{l\|l\|} \hline & 364.8 \\ 3 & 512.3 \end{array}$ | $\begin{aligned} & 372.4 \\ & 527.7 \end{aligned}$ | $\begin{aligned} & 379.3 \\ & 533.0 \end{aligned}$ | $\begin{aligned} & 388.7 \\ & 542.6 \end{aligned}$ | 392.8550.2 |
| Retail trade .......... |  |  | 506.8 |  |  |  |  |  |
| Finance, insurance, and real estate $\qquad$ | $\left\|\begin{array}{l} 1,095.3 \\ 1,410.1 \end{array}\right\|$ | $\left\|\begin{array}{l} 1,192.0 \\ 1,515.0 \end{array}\right\|$ | $\begin{aligned} & 1,111.5 \\ & 1,423.2 \end{aligned}$ | $\left\|\begin{array}{\|} 1,116.5 \\ 1,452.9 \end{array}\right\|$ | $\begin{array}{l\|l\|l\|} 5 & 1,168.9 \\ 9 & 1,481.1 \end{array}$ | $\begin{aligned} & 1,185.0 \\ & 1,500.1 \end{aligned}$ | $\begin{aligned} & 1,199.2 \\ & 1,523.7 \end{aligned}$ | $\left\{\begin{array}{l} 1,215.1 \\ 1,555.2 \end{array}\right.$ |
| Services .......................... |  |  |  |  |  |  |  |  |
| Government ........................ | $\begin{array}{r} 855.3 \\ 1.7 \end{array}$ | $\begin{array}{r} 886.1 \\ -19.8 \end{array}$ | $\begin{array}{r} 859.7 \\ -7.0 \end{array}$ | $\begin{array}{r} 865.2 \\ 3.1 \end{array}$ | $\begin{gathered} 876.2 \\ -14.3 \end{gathered}$ | $\begin{aligned} & 881.9 \\ & -20.7 \end{aligned}$ | $\begin{aligned} & 889.4 \\ & -20.7 \end{aligned}$ | 896.8-23.3 |
| Rest of the world ................... |  |  |  |  |  |  |  |  |

Table 6.16C.--Corporate Profits by Industry
[Billions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | N |
| Corporate profits with inventory valuation and capital consumption adjustments | 735.9 | 805.0 | 739.6 | 747.8 | 779.6 | 795.1 | 827.3 | 818.1 |
| Domestic industries.. | 640.0 | 706.5 | 647.8 | 640.3 | 682.2 | 694.4 | 727.5 | 721.8 |
| Financial | 94.2 | 109.5 | 94.6 | 78.5 | 106.8 | 107.7 | 109.3 | 114.3 |
| Nonfinancial | 545.8 | 596.9 | 553.3 | 561.7 | 575.4 | 586.7 | 618.2 | 607.5 |
| Rest of the world | 95.9 | 98.6 | 91.8 | 107.5 | 97.4 | 100.8 | 99.9 | 96.3 |
| Receipts from the rest of the world | 132.7 | 145.9 | 133.4 | 142.6 | 139.9 | 148.3 | 150.5 | 145.0 |
| Less: Payments to the rest of the world | 36.7 | 47.3 | 41.6 | 35.0 | 42.5 | 47.5 | 50.6 | 48.7 |
| Corporate profits with inventory valuation adjustment $\qquad$ | 674.1 | 735.3 | 676.4 | 683.4 | 711.9 | 725.7 | 757.1 | 746.5 |
| Domestic industries | 578.2 | 636.7 | 584.6 | 575.8 | 614.5 | 624.9 | 657.2 | 650.2 |
| Financial | 103.5 | 119.5 | 104.0 | 88.1 | 116.5 | 117.5 | 119.4 | 124.5 |
| Federal Reserve banks | 22.0 | 23.5 | 22.0 | 22.3 | 22.8 | 23.2 | 23.7 | 24.2 |
| Other | 81.5 | 96.0 | 82.0 | 65.8 | 93.7 | 94.3 | 95.7 | 100.3 |
| Nonfinancial | 474.7 | 517.2 | 480.7 | 487.8 | 498.0 | 507.4 | 537.8 | 525.7 |
| Manufacturing | 205.5 | 224.7 | 210.5 | 209.7 | 208.2 | 221.0 | 240.4 | 229.0 |
| Durable goods | 99.0 | 14.5 | 102.9 | 99.7 | 101.3 | 111.8 | 128.1 | 116.6 |
| Primary metal industries ..... | 5.6 | 6.0 | 7.0 | 5.1 | 3.9 | 5.6 | 7.6 | 7.0 |
| Fabricated metal products $\qquad$ Industrial machinery and | 17.1 | 18.9 | 18.0 | 18.1 | 17.4 | 18.4 | 20.8 | 18.8 |
| equipment .................... | 25.8 | 28.8 | 25.6 | 24.6 | 24.0 | 27.8 | 32.5 | 30.8 |
| Electronic and other electric equipment | 23.9 | 33.8 | 25.2 | 29.6 | 31.4 | 33.3 | 36.7 | 33.7 |
| Motor vehicles and equipment | -3.2 | -1.9 | -1.5 | -8.3 | -1.3 | 3.5 | 4 | 3.3 |
| Other | 29.8 | 28.9 | 28.6 | 30.6 | 25.9 | 30.2 | 30.0 | 29.7 |
| Nondurable goods | 106.5 | 110.2 | 107.7 | 109.9 | 106.9 | 109.2 | 112.3 | 112.4 |
| Food and kindred products ....... | 28.5 | 29.9 | 28.8 | 34.2 | 28.0 | 28.2 | 29.1 | 34.4 |
| Chemicals and allied products | 31.2 | 29.3 | 31.5 | 28.9 | 28.8 | 29.9 | 30.0 | 28.6 |
| Petroleum and coal products .... | 10.0 | 12.2 | 10.0 | 11.9 | 12.4 | 10.3 | 12.4 | 13.9 |
| Other .................................. | 36.8 | 38.7 | 37.3 | 34.9 | 37.7 | 40.8 | 40.9 | 35.6 |
| Transportation and public utilities ...... | 91.7 | 90.7 | 91.2 | 90.5 | 91.5 | 89.6 | 90.0 | 91.5 |
| Transportation .......................... | 11.7 | 16.1 | 13.0 | 11.4 | 14.9 | 16.4 | 16.9 | 16.3 |
| Communications | 36.0 | 32.8 | 37.6 | 34.8 | 33.8 | 30.8 | 33.4 | 33.4 |
| Electric, gas, and sanitary services | 44.0 | 41.7 | 40.6 | 44.3 | 42.8 | 42.4 | 39.8 | 41.8 |
| Wholesale trade ....................... | 38.3 | 51.1 | 37.7 | 47.4 | 49.0 | 49.5 | 54.1 | 51.7 |
| Retail trade .................................... | 48.9 | 55.8 | 50.6 | 48.3 | 55.1 | 54.9 | 57.9 | 55.2 |
| Other ........................................... | 90.3 | 95.0 | 90.6 | 91.9 | 94.2 | 92.4 | 95.3 | 98.2 |
| Rest of the world .................................. | 95.9 | 98.6 | 91.8 | 107.5 | 97.4 | 100.8 | 99.9 | 96.3 |

NOTE.- Estimates in this table are based on the 1987 Standard Industrial Classification.

## 7. Quantity and Price Indexes

Table 7.1.-Quantity and Price Indexes for Gross Domestic Product
[Index numbers, 1992=100]

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \& \multirow{3}{*}{1996} \& \multirow{3}{*}{1997} \& \multicolumn{6}{|c|}{Seasonally adjusted} \& \& \multirow{3}{*}{1996} \& \multirow{3}{*}{1997} \& \multicolumn{6}{|c|}{Seasonally adjusted} \\
\hline \& \& \& \multicolumn{2}{|r|}{1996} \& \multicolumn{4}{|c|}{1997} \& \& \& \& \multicolumn{2}{|r|}{1996} \& \multicolumn{4}{|c|}{1997} \\
\hline \& \& \& III \& IV \& 1 \& 11 \& III \& IV \& \& \& \& III \& IV \& 1 \& II \& III \& N \\
\hline Gross domestic product: Current dollars \& 122.29 \& 129.39 \& 122.93 \& 124.80 \& 127.05 \& 128.66 \& 130.10 \& 131.76 \& Exports of goods and services: \& \& \& \& \& \& \& \& \\
\hline Chain-type quantity index \& 110.95 \& 115.12 \& 111.20 \& 112.38 \& 113.73 \& 114.66 \& 115.53 \& 116.58 \& Current dollars \& 136.19 \& 149.68 \& 135.07 \& 141.48 \& 144.22 \& 150.18 \& 151.05 \& 153.27 \\
\hline Chain-type price index ... \& 110.22 \& 112.45 \& 110.59 \& 111.10 \& 11.78 \& 112.27 \& 112.67 \& 113.07 \& Chain-type quantity index ................ \& 134.03 \& 150.56 \& 133.15 \& 140.92 \& 144.30 \& 150.53 \& 152.17 \& 155.25 \\
\hline \multirow[t]{7}{*}{\begin{tabular}{l}
Implicit price deflator ...... \\
Personal consumption expenditures:
\(\qquad\) Chain-type quantity index ....... Chain-type price index Implicit price deflator
\(\qquad\)
\end{tabular}} \& 110.21 \& 112.40 \& 110.54 \& 111.05 \& 111.71 \& 112.22 \& 112.62 \& 113.01 \& Chain-type price index ......... \& 101.61 \& 99.38 \& 101.47 \& 100.35 \& 99.90 \& 99.72 \& 99.21 \& 98.68 \\
\hline \& \& \& \& \& \& \& \& \& Implicit price deflator .............. \& 101.61 \& 99.41 \& 101.44 \& 100.39 \& 99.95 \& 99.77 \& 99.26 \& 98.73 \\
\hline \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \& \\
\hline \& 123.41 \& 130.00 \& 123.88 \& 125.79 \& 128.10 \& 128.73 \& 130.99 \& 132.18 \& Current dollars .... \& 137.63 \& 152.96 \& 135.89 \& 142.75 \& 146.26 \& 153.78 \& 154.02 \& 157.78 \\
\hline \& 111.71 \& 115.35 \& 111.81 \& 112.72 \& 114.18 \& 114.45 \& 116.03 \& 116.74 \& Chain-type quantity index ... \& 140.05 \& 161.59 \& 138.85 \& 148.48 \& 152.94 \& 161.76 \& 163.11 \& 168.57 \\
\hline \& 110.47 \& 112.71 \& 110.80 \& 111.61 \& 112.21 \& 112.49 \& 112.91 \& 113.24 \& Chain-type price index ....... \& 98.27 \& 94.60 \& 97.89 \& 96.06 \& 95.55 \& 94.99 \& 94.35 \& 93.52 \\
\hline \& 110.47 \& 112.70 \& 110.79 \& 11.60 \& 112.20 \& 112.48 \& 112.89 \& 113.23 \& Implicit price deflator ......... \& 98.27 \& 94.66 \& 97.86 \& 96.14 \& 95.63 \& 95.07 \& 94.43 \& 93.60 \\
\hline \multirow[t]{4}{*}{\begin{tabular}{l}
Durable goods: \\
Current dollars \(\qquad\) Chain-type quantity index ... Chain-type price index \(\qquad\) Implicit price deflator \(\qquad\)
\end{tabular}} \& 129.88 \& 134.95 \& 129.87 \& 130.64 \& 134.77 \& 131.92 \& 136.60 \& 136.50 \& Exports of services: \& \& \& \& \& \& \& \& \\
\hline \& 125.09 \& 132.14 \& 125.25 \& 126.32 \& 130.55 \& 128.75 \& 134.31 \& 134.96 \& Current dollars \& 132.81 \& 141.96 \& 133.14 \& 138.49 \& 139.43 \& 141.70 \& 144.05 \& 142.67 \\
\hline \& 103.83 \& 102.17 \& 103.72 \& 103.45 \& 103.27 \& 102.50 \& 101.74 \& 101.18 \& Chain-type quantity index ... \& 120.51 \& 126.69 \& 120.28 \& 124.14 \& 125.27 \& 126.25 \& 128.46 \& 126.78 \\
\hline \& 103.83 \& 102.12 \& 103.69 \& 103.41 \& 103.24 \& 102.46 \& 101.71 \& 101.14 \& Chain-type price index ..... \& 110.2 \& 112.04 \& 110.7 \& 111.5 \& 111.2 \& 112.2 \& 112.1 \& 112.51 \\
\hline Nondurable goods: \& \& \& \& \& \& \& \& \& - Implicit price deniaur ........... \& 10 \& 112.0 \& 10.7 \& 11.56 \& 11.30 \& 12.24 \& 112.14 \& 112.53 \\
\hline Current dollars .... \& 116.11 \& 120.44 \& 116.38 \& 118.03 \& 120.09 \& 119.45 \& 121.10 \& 121.11 \& Imports of goods and services: Current dollars \& \& \& \& \& \& \& \& \\
\hline Chain-type quantity index ... \& 108.36 \& 110.34 \& 108.48 \& 109.03 \& 110.29 \& 109.70 \& 110.87
109.24 \& 110.52 \& Current dollars .................... \& 144.36 \& 158.18 \& 1468.03 \& 1480.48 \& 152.63 \& 156.81
164.30 \& 169.98 \& 162.24
172.18 \\
\hline Chain-type price index Implicit price deflator
\(\qquad\) \& 107.15
107.15 \& 109.16
109.15 \& 107.29
107.28 \& 108.26
108.25 \& 108.90
108.89 \& 108.89
108.88 \& 109.24
109.23 \& 109.59
109.59 \& Chain-lype quantity index ....... \& 1459.22
99.41 \& 165.82 \& \begin{tabular}{|c}
148.03 \\
98.76
\end{tabular} \& 10.48
98.75 \& 1526.80
97.42 \& 164.50 \& \(\begin{array}{r}169.98 \\ 94.81 \\ \hline\end{array}\) \& 172.18
94.31 \\
\hline Services: \& \& \& \& \& \& \& \& \& Implicit price deflator... \& 99.40 \& 95.39 \& 98.73 \& 98.66 \& 97.34 \& 95.44 \& 94.73 \& 94.23 \\
\hline Current dollars \& 126.10 \& 134.24 \& 126.78 \& 129.07 \& 131.15 \& 133.17 \& 135.27 \& 137.38 \& Imports of goods: \& \& \& \& \& \& \& \& \\
\hline Chain-type quantity index \& 110.86 \& 114.72 \& 110.93 \& 111.99 \& 113.05 \& 114.13 \& 115.22 \& 116.48 \& Current dollars \& 148.49 \& 163.08 \& 150.53 \& 153.18 \& 157.07 \& 161.53 \& 166.21 \& 167.50 \\
\hline Chain-type price index ..... \& 113.76 \& 117.02 \& 114.29 \& 115.26 \& 116.02 \& 116.70 \& 117.42 \& 117.96 \& Chain-type quantity index ... \& 151.06 \& 173.90 \& 154.49 \& 157.37 \& 163.58 \& 172.24 \& 178.53 \& 181.25 \\
\hline Implicit price deflator ........... \& 113.76 \& 117.02 \& 114.28 \& 115.25 \& 116.01 \& 116.69 \& 117.41 \& 117.95 \& Chain-type price index ........ \& 98.30 \& 93.91 \& 97.47 \& 97.42 \& 96.11 \& 93.87 \& 93.18 \& 92.49 \\
\hline \multirow[t]{5}{*}{Gross private domestic investment: Current dollars Chain-type quantity index ....... Chain-type price index \(\qquad\) Implicit price deflator \(\qquad\)} \& \& \& \& \& \& \& \& \& \begin{tabular}{l}
Implicit price deflator. \\
Imports of services:
\end{tabular} \& \begin{tabular}{c}
98.29 \\
\\
\\
\hline 1823
\end{tabular} \& \({ }^{93.78}\) \& 97.44
12689 \& 97.34
127.76 \& 96.02

133.13 \& 93.78 \& 93.10 \& 92.41
139 <br>
\hline \& 141.26 \& 157.19 \& 145.38 \& 145.63 \& 151.01 \& 157.12 \& 158.17 \& 162.45
1563 \& Current dollars ....... \& 126.23 \& 136.66 \& 126.89 \& 127.76 \& 133.13 \& 136.09 \& 138.23 \& 139.19 <br>
\hline \& 135.26 \& 151.44 \& 139.21 \& 139.77 \& 145.39 \& 151.45 \& 152.40 \& \& Chain-type quantity index ... \& 120.06 \& 131.33 \& 120.29 \& 120.90 \& 127.64 \& 130.41 \& 133.58 \& 133.67 <br>
\hline \& 104.50 \& 104.13 \& 104.63 \& 104.50 \& 104.23 \& 104.07 \& 104.11 \& 104.10 \& Chain-type price index ........ \& 105.13 \& 104.08 \& 105.50 \& 105.69 \& 104.31 \& 104.37 \& 103.49 \& 104.15 <br>
\hline \& 104.43 \& 103.79 \& 104.44 \& 104.19 \& 103.86 \& 103.75 \& 103.78 \& 103.78 \& Implicit price deflator ......... \& 105.13 \& 104.06 \& 105.49 \& 105.68 \& 104.30 \& 104.36 \& 103.48 \& 104.13 <br>
\hline Fixed investment:
Current dollars \& \& \& \& \& \& \& \& \& Government consumption \& \& \& \& \& \& \& \& <br>
\hline Current dollars ................. \& 139.22 \& 149.87 \& 141.94 \& 142.86 \& 143.91 \& 148.17 \& 153.34 \& 154.05 \& expenditures and gross \& \& \& \& \& \& \& \& <br>
\hline Chain-type quantity index ... \& 132.97 \& 143.42 \& 135.42 \& 136.41 \& 137.73 \& 141.86 \& 146.70 \& 147.37 \& investment: \& \& \& \& \& \& \& \& <br>
\hline Chain-type price index ....... \& 104.70
104.70 \& 104.52 \& 104.85 \& 104.75 \& 104.52 \& 104.47 \& 104.55 \& 104.56 \& Current dollars \& 111.31 \& 114.95 \& 111.84 \& 112.54 \& 113.40 \& 114.66 \& 115.37 \& 116.39 <br>
\hline Implicit price deflator ... \& 104.70 \& 104.50 \& 104.82 \& 104.73 \& 104.49 \& 104.45 \& 104.52 \& 104.53 \& Chain-type quantity index .................. \& 99.54 \& 100.46 \& 99.83 \& 99.85 \& 99.74 \& 100.50 \& 100.77 \& 100.84 <br>
\hline \multirow[t]{2}{*}{Nonresidential:} \& \& \& \& \& \& \& \& \& Chain-type price index ..... \& 111.83 \& 114.47 \& 112.07 \& 112.76 \& 113.74 \& 114.14 \& 114.54 \& 115.46 <br>
\hline \& 140.07 \& 151.81 \& 143.15 \& 144.69 \& 145.43 \& 149.90 \& 156.30 \& 155.60 \& Implicit price deflator .............. \& 111.83 \& 114.42 \& 112.04 \& 112.71 \& 113.69 \& 114.09 \& 114.49 \& 115.41 <br>
\hline Chain-type quantity index \& 138.33 \& 152.06 \& 141.48 \& 143.54 \& 145.00 \& 150.03 \& 156.75 \& 156.43 \& Federal: \& \& \& \& \& \& \& \& <br>

\hline Chain-type price index ... \& 101.26 \& 99.87 \& 101.21 \& 100.82 \& 100.31 \& 99.93 \& ${ }_{9}^{99.73}$ \& $$
99.49
$$ \& Current dollars \& 98.49 \& 99.20 \& 98.79 \& 98.03 \& 97.75 \& 99.64 \& 99.56 \& 99.86 <br>

\hline Implicit price deflator .... \& 101.26 \& 99.84 \& 101.18 \& 100.80 \& 100.29 \& 99.91 \& 99.71 \& 99.47 \& Chain-type quantity index...... \& 87.92 \& 86.5 \& 88.21 \& 87.04 \& 85.76 \& 87.14 \& 86.89 \& 86.39 <br>
\hline \multirow[t]{2}{*}{Structures:
Current dollars ...........} \& \& \& \& \& \& \& \& \& Chain-type price index .... \& 112.03 \& 114.74 \& 112.05 \& 112.74 \& 114.10 \& 114.46 \& 114.71 \& 115.71 <br>
\hline \& 127.22 \& 136.09 \& 128.66 \& 134.16 \& 134.40 \& 134.05 \& 137.65 \& 138.24 \& Implicit price deffator. \& 112.02 \& 114.62 \& 111.99 \& 112.62 \& 113.98 \& 114.34 \& 114.58 \& 115.59 <br>
\hline Chain-type quantity index \& \& \& \& \& 115.79 \& 114.39 \& 116.26 \& \& National defense: \& \& \& \& \& \& \& \& <br>
\hline Chain-type price index \& 114.09 \& 117.86 \& 114.58 \& 115.30 \& 116.11 \& 117.23 \& 118.44 \& 119.65 \& Current dollars.. \& 93.87 \& 93.22 \& 94.41 \& 93.29 \& 91.37 \& 93.29 \& 93.70 \& 94.53 <br>
\hline Implicit price deflator \& 114.09 \& 117.82 \& 114.55 \& 115.26 \& 116.07 \& 117.19 \& 118.40 \& 119.61 \& Chain-type quantity index \& 84.56 \& 82.14 \& 85.00 \& 83.44 \& 80.86 \& 82.33 \& 82.58 \& 82.78 <br>
\hline Producers' durable \& \& \& \& \& \& \& \& \& Chain-type price index ... \& 111.02 \& 113.64 \& 111.16 \& 111.9 \& 113.1 \& 113.46 \& 113.62 \& 114.35 <br>
\hline equipment: \& \& \& \& \& \& \& \& \& Impicit price deflator ...... \& 111.02 \& 113.50 \& 111.07 \& 111.80 \& 112.99 \& 11 \& 113.4 \& . 20 <br>
\hline Current dollars ... \& 145.67 \& 158.65 \& 149.45 \& 149.27 \& 150.23 \& 156.80 \& 164.42 \& 163.16 \& Nondefense: \& \& \& \& \& \& \& \& <br>
\hline Chain-type quantity \& \& \& \& \& \& \& \& \& Current dollars \& 109.90 \& 113.97 \& 109.58 \& 109.72 \& 113.52 \& 115.31 \& 114.04 \& 113.02 <br>
\hline index \& 150.77 \& 169.55 \& 155.10 \& 156.09 \& 158.63 \& 167.05 \& 176.32 \& 176.19 \& Chain-type quantity index \& 96.01 \& 97.16 \& 95.93 \& 95.69 \& 97.54 \& 98.71 \& 97.27 \& 95.11 <br>
\hline Chain-type price index \& 96.62 \& 93.62 \& 96.38 \& 95.65 \& 94.72 \& 93.88 \& 93.27 \& 92.62 \& Chain-type price index ... \& 114.47 \& 117.38 \& 114.25 \& 114.72 \& 116.44 \& 116.87 \& 117.30 \& 118.89 <br>
\hline Implicit price deflator \& 96.62 \& 93.57 \& 96.36 \& 95.63 \& 94.70 \& 93.86 \& 93.25 \& 92.60 \& Implicit price deflator ...... \& 114.47 \& 117.31 \& 114.23 \& 114.66 \& 116.39 \& 116.82 \& 117.24 \& 118.83 <br>
\hline Residential: \& \& \& \& \& \& \& \& \& State and local: \& \& \& \& \& \& \& \& <br>
\hline Current dollars \& 137.10 \& 145.07 \& 138.97 \& 138.33 \& 140.16 \& 143.90 \& 146.01 \& 150.20 \& Current dollars ................. \& 120.51 \& 126.25 \& 121.22 \& 122.96 \& 124.63 \& 125.44 \& 126.70 \& 128.25 <br>
\hline Chain-type quantity index \& 120.64 \& 123.91 \& 121.51 \& 120.18 \& 121.17 \& 123.36 \& 124.19 \& 126.93 \& Chain-type quantity index ... \& 107.88 \& 110.46 \& 108.17 \& 109.04 \& 109.78 \& 110.10 \& 110.73 \& 111.22 <br>
\hline Chain-type price index ... \& 113.64 \& 117.06 \& 114.37 \& 115.10 \& 115.68 \& 116.65 \& 117.57 \& 118.33 \& Chain-type price index ....... \& 111.71 \& 114.31 \& 112.07 \& 112.77 \& 113.54 \& 113.95 \& 114.44 \& 115.32 <br>
\hline Implicit price deflator ...... \& 113.64 \& 117.07 \& 114.36 \& 115.10 \& 115.68 \& 116.65 \& 117.56 \& 118.33 \& Implicit price deflator .......... \& 111.71 \& 114.30 \& 112.07 \& t12.76 \& 113.52 \& 113.94 \& 114.43 \& 115.31 <br>
\hline
\end{tabular}

NOTE- Chain-type quantity and price indexes are calculated from weighted averages of the detailed output and price indexes used to prepare each aggregate and component and are calculated as the ratio of current- to chained-

[^55]Table 7.2.-Quantity and Price Indexes for Gross Domestic Product, Final Sales, and Purchases
[Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | II | 111 | IV |
| Gross domestic product: |  |  |  |  |  |  |  |  |
| Current dollars ............. | 122.29 | 129.39 | 122.93 | 124.80 | 127.05 | 128.66 | 130.10 | 131.76 |
| Chain-type quantity index ....... | 110.95 | 115.12 | 111.20 | 112.38 | 113.73 | 114.66 | 115.53 | 116.58 |
| Chain-type price index ........... | 110.22 | 112.45 | 110.59 | 111.10 | 111.78 | 112.27 | 112.67 | 113.07 |
| Implicit price deflator ............. | 110.21 | 112.40 | 110.54 | 111.05 | 111.71 | 112.22 | 112.62 | 113.04 |
| Final sales of domestic product: <br> Current dollars $\qquad$ <br> Chain-type quantity index $\qquad$ <br> Chain-type price index $\qquad$ <br> Implicit price deflator $\qquad$ |  |  |  |  |  |  |  |  |
|  | 122.01 | 128.44 | 122.47 | 124.43 | 126.13 | 127.51 | 129.47 | 130.67 |
|  | 110.64 | 114.12 | 110.70 | 111.93 | 112.77 | 113.47 | 114.80 | 115.45 |
|  | 110.28 | 112.55 | 110.65 | 111.17 | 111.85 | 112.37 | 112.78 | 113.18 |
|  | 110.28 | 112.55 | 110.63 | 111.16 | 111.85 | 112.37 | 112.78 | 113.18 |
| Gross domestic purchases: Current dollars | 123.22 | 130.39 | 124.16 | 125.62 | 128.03 | 129.47 | 131.27 |  |
| Chain-type quantity index ....... | 112.17 | 116.75 | 112.77 | 113.46 | 115.09 | 116.14 | 117.38 | 118.36 |
| Chain-type price index ........... | 109.86 | 111.76 | 110.15 | 110.79 | 111.32 | 111.55 | 111.90 | 112.28 |
| Implicit price deflator ............. | 109.85 | 111.69 | 110.10 | 110.72 | 111.24 | 111.48 | 111.83 | 112.21 |
| Final sales to domestic purchasers: Current dollars $\qquad$ Chain-type quantity index $\qquad$ Chain-type price index $\qquad$ Implicit price deflator $\qquad$ |  |  |  |  |  |  |  |  |
|  | 122.95 | 129.45 | 123.71 | 125.25 | 127.11 | 128.32 | 130.63 | 131.73 |
|  | 111.86 | 115.75 | 112.28 | 113.02 | 114.14 | 114.96 | 116.66 | 117.23 |
|  | 109.91 | 111.86 | 110.20 | 110.85 | 111.39 | 111.65 | 112.00 | 112.39 |
|  | 109.91 | 111.84 | 110.18 | 110.83 | 111.37 | 111.62 | 111.98 | 112.37 |
| Addenda: |  |  |  |  |  |  |  |  |
| Chain-type price indexes for gross domestic purchases: Food |  | 112.23 | 109.98 | 111.02 | 111.35 | 111.79 | 112.67 |  |
| Energy ............................ | 107.42 | 107.4 | 106.72 | 109.23 | 110.89 | 105.91 | 106.16 | 1106.71 |
| Energy Gross domestic purchases less tood and energy ..... | 107.01 110.06 | 107.42 111.93 | 106.72 110.34 | 109.23 110.86 | 110.89 111.36 | 105.91 111.81 | 106.16 112.10 | 106.71 112.47 |

NOTE.-Percent changes from preceding period for selected items in this table are shown in table 8.1.
Table 7.3.-Quantity and Price Indexes for Gross National Product and Command-Basis Gross National Product
[Index numbers, 1992=100]

| Gross national product: Current dollars | 122.10 | 128.85 | 122.60 | 124.63 | 126.60 | 128.10 | 129.54 | 131.15 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Chain-type quantity ind | 110.81 | 114.69 | 110.95 | 112.27 | 113.37 | 114.21 | 115.08 | 116.10 |
| Chain-type price index .... | 110.19 | 112.40 | 110.55 | 111.06 | 111.73 | 112.22 | 112.62 | 113.02 |
| Implicit price deflator ............. | 110.18 | 112.35 | 110.50 | 111.01 | 111.67 | 112.17 | 112.57 | 112.96 |
| Less: Exports of goods and services and recelpts of factor income: Chain-type quantity index | 137.88 | 154.28 | 137.24 | 145.06 | 147.60 | 154.24 | 156.43 | 158.84 |
| Plus: Command-basis exports of goods and services and receipts of factor income: Chain-lype quantity indox | 140.35 | 159.40 | 140.23 | 147.07 | 150.74 | 159.72 | 162.32 | 164.82 |
| Equals: Command-basis gross national product: Chain-type quantity index | 111.12 | 115.33 | 111.32 | 112.52 | 113.76 | 114.89 | 115.81 | 116.84 |

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

Table 7.4.-Chain-Type Quantity and Price Indexes for Personal Consumption Expenditures by Major Type of Product
[Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV |  | II | III | IV |
| Chain-type quantity indexes <br> Personal consumption expenditures $\qquad$ |  |  |  |  |  |  |  |  |
|  | 111.71 | 115.35 | 111.81 | 112.72 | 114.18 | 114.45 | 116.03 | 116.74 |
| Durable goods ........................ | 125.09 | 132.14 | 125.25 | 126.32 | 130.55 | 128.75 | 134.31 | 134.96 |
| Motor vehicles and parts Furniture and household equipment $\qquad$ | 111.82 142.35 | 112.68 156.53 | 111.06 143.80 | 110.19 146.18 | 112.83 151.75 | 107.82 154.35 | 115.39 159.01 | 114.69 161.00 |
| Other ........... | 122.72 | 131.58 | 122.66 | 125.98 | 131.48 | 129.70 | 131.81 | 133.33 |
| Nondurable goods | 108.36 | 110.34 | 108.48 | 109.03 | 110.29 | 109.70 | 110.87 | 110.52 |
| Food | 104.51 | 104.51 | 104.14 | 104.39 | 105.25 | 104.28 | 104.48 | 104.04 |
| Clothing and shoes | 118.70 | 123.25 | 120.09 | 119.73 | 122.88 | 121.39 | 124.74 | 123.98 |
| Gasoline and oil | 107.02 | 108.83 | 107.01 | 107.69 | 107.56 | 108.95 | 109.05 | 109.74 |
| Fuel oil and coal | 97.19 | 91.28 | 96.86 | 94.75 | 86.25 | 92.53 | 95.48 | 90.87 |
| Other .... | 110.16 | 115.03 | 110.55 | 112.37 | 114.07 | 113.98 | 116.06 | 115.99 |
| Services | 110.86 | 114.72 | 110.93 | 111.99 | 113.05 | 114.13 | 115.22 | 116.48 |
| Housing | 108.25 | 110.36 | 108.48 | 108.97 | 109.52 | 110.09 | 110.64 | 111.21 |
| Household operation | 116.65 | 118.64 | 115.15 | 117.51 | 116.02 | 118.51 | 119.14 | 120.90 |
| Electricity and gas | 110.55 | 108.92 | 107.74 | 110.47 | 106.82 | 110.55 | 108.60 | 109.73 |
| Other household operation | 121.17 | 125.78 | 120.61 | 122.71 | 122.79 | 124.38 | 126.86 | 129.09 |
| Transportation | 123.11 | 128.27 | 123.64 | 124.64 | 126.10 | 127.14 | 129.02 | 130.81 |
| Medical care | 106.42 | 109.96 | 106.67 | 107.81 | 108.93 | 109.61 | 110.45 | 110.87 |
| Other .................................. | 112.64 | 118.71 | 112.84 | 113.91 | 116.15 | 117.59 | 119.36 | 121.74 |
| Chain-type price indexes |  |  |  |  |  |  |  |  |
| Personal consumption expenditures | 110.47 | 112.71 | 110.80 | 111.61 | 112.21 | 112.49 | 112.91 | 113.24 |
| Durable goods | 103.83 | 102.17 | 103.72 | 103.45 | 103.27 | 102.50 | 101.74 | 101.18 |
| Motor vehicles and parts Furniture and household | 112.95 | 112.97 | 113.15 | 113.55 | 113.84 | 113.26 | 112.55 | 112.23 |
| equipment ........................ | 93.71 | 90.29 | 93.38 | 92.50 | 91.84 | 90.84 | 89.67 | 88.81 |
| Other .................................. | 106.48 | 105.82 | 106.26 | 106.14 | 106.22 | 105.64 | 105.85 | 105.58 |
| Nondurable goods | 107.15 | 109.16 | 107.29 | 108.26 | 108.90 | 108.89 | 109.24 | 109.59 |
|  | 109.63 | 112.57 | 110.20 | 111.27 | 111.65 | 112.09 | 113.02 | 113.51 |
| Clothing and shoes .............. | 98.75 | 99.75 | 98.08 | 98.56 | 99.29 | 100.37 | 99.68 | 99.67 |
| Gasoline and oil ................... | 107.44 | 107.47 | 106.47 | 109.83 | 112.13 | 104.77 | 106.31 | 106.66 |
| Fuel oil and coal ................... | 108.92 | 108.81 | 105.69 | 116.17 | 116.49 | 108.78 | 104.55 | 105.42 |
| Other .................................. | 108.22 | 109.85 | 108.57 | 108.67 | 109.21 | 110.08 | 109.87 | 110.24 |
| Services | 113.76 | 117.02 | 114.29 | 115.26 | 116.02 | 116.70 | 117.42 | 117.96 |
| Housing ............................... | 112.43 | 115.78 | 112.85 | 113.60 | 114.42 | 115.34 | 116.25 | 117.11 |
| Household operation .............. | 109.08 | 111.29 | 109.63 | 110.32 | 111.37 | 111.05 | 111.17 | 111.58 |
| Electricity and gas | 106.35 | 108.69 | 106.92 | 107.73 | 109.66 | 107.98 | 108.16 | 108.98 |
| Other household operation | 111.04 | 113.14 | 111.55 | 112.16 | 112.63 | 113.21 | 113.28 | 113.43 |
| Transportation | 112.22 | 116.56 | 112.43 | 114.15 | 114.88 | 116.14 | 116.98 | 118.23 |
| Medical care | 117.43 | 120.13 | 117.72 | 118.62 | 119.41 | 119.88 | 120.38 | 120.87 |
| Other | 113.69 | 117.49 | 114.63 | 115.76 | $\dagger 16.33$ | 117.20 | 118.12 | 118.30 |
| Addenda: <br> Price indexes for personal consumption expenditures: <br> Food $\qquad$ <br> Energy ${ }^{1}$ $\qquad$ <br> Personal consumption expenditures less food and energy $\qquad$ |  |  |  |  |  |  |  |  |
|  |  | 108.10 | 106.63 | 109.07 | 111.11 | 112.09 | 113.02 | 113.51 |
|  | 106.96 110.88 | 108.10 113.06 | 106.63 111.21 | 109.07 111.87 | 111.11 112.41 | 106.47 112.97 | 107.11 113.28 | 107.71 113.58 |

1. Consists of prices for gasoline and oil, fuel oil and coal, and electricity and gas.

Table 7.6.-Chain-Type Quantity and Price Indexes for Private Fixed Investment by Type
[index numbers, 1992=100]


1. Includes new computers and peripheral equipment only.

Table 7.9.-Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services and for Receipts and Payments of Factor Income

| [Index numbers, 1992=100] |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Chain-type quantity indexes |  |  |  |  |  |  |  |  |
| Exports of goods and services | 134.03 | 150.56 | 133.15 | 140.92 | 144.30 | 150.53 | 152.17 | 155.25 |
| Goods ${ }^{1}$............................... | 140.05 | 161.59 | 138.85 | 148.48 | 152.94 | 161.76 | 163.11 | 168.57 |
| Durable | 153.97 | 183.85 | 153.17 | 164.19 | 171.81 | 184.74 | 186.07 | 192.76 |
| Nondurable ...................... | 114.40 | 122.22 | 112.57 | 119.77 | $t 19.12$ | 121.23 | 122.57 | 125.95 |
| Services ${ }^{1}$............................ | 120.51 | 126.69 | 120.28 | 124.14 | 125.27 | 126.25 | 128.46 | 126.78 |
| Receipts of factor income ....... | 155.36 | 171.39 | 155.79 | 163.87 | 162.90 | 171.33 | 175.83 | 175.51 |
| Imports of goods and services | 145.22 | 165.82 | 148.03 | 150.48 | 156.80 | 164.30 | 169.98 | 172.18 |
| Goods ${ }^{1}$............................... | 151.06 | 173.90 | 154.49 | 157.37 | 163.58 | 172.24 | 178.53 | 181.25 |
| Durable ............................ | 164.50 | 193.70 | 168.17 | 172.22 | 182.08 | 190.72 | 198.74 | 203.25 |
| Nondurable ...................... | 127.78 | -140.86 | 130.74 | 131.83 | 132.70 | 141.15 | 144.77 | 144.85 |
| Services ${ }^{\text { }}$............................ | 120.06 | 131.33 | 120.29 | 120.90 | 127.64 | 130.41 | 133.58 | 133.67 |
| Payments of factor income $\qquad$ <br> Chain-type price indexes | 165.78 | 197.20 | 171.97 | 173.34 | 184.53 | 197.73 | 202.54 | 203.98 |
| Exports of goods and services | 101.61 | 99.38 | 101.47 | 100.35 | 99.90 | 99.72 | 99.21 | 98.68 |
| Goods ${ }^{1}$............................... | 98.27 | 94.60 | 97.89 | 96.06 | 95.55 | 94.99 | 94.35 | 93.52 |
| Durable ............................ | 90.93 | 87.02 | 90.21 | 88.77 | 88.13 | 87.43 | 86.69 | 85.84 |
| Nondurable ....................... | 116.09 | 113.26 | 116.61 | 113.78 | 113.67 | 113.55 | 113.28 | 112.54 |
| Services ${ }^{1}$............................. | 110.21 | 112.04 | 110.70 | 111.55 | 111.29 | 112.23 | 112.12 | 112.51 |
| Receipts of factor income ...... | 109.36 | 110.95 | 109.56 | 110.08 | 110.49 | 110.73 | 111.10 | 111:48 |
| Imports of goods and services | 99.41 | 95.52 | 98.76 | 98.75 | 97.42 | 95.52 | 94.81 | 94.31 |
| Goods ${ }^{1}$............................... | 98.30 | 93.91 | 97.47 | 97.42 | 96.11 | 93.87 | 93.18 | 92.49 |
| Durable | 93.63 | 87.95 | 92.74 | 90.73 | 89.31 | 88.36 | 87.61 | 86.53 |
| Nondurable ...................... | 108.65 | 107.12 | 107.94 | 112.34 | 111.27 | 105.99 | 105.47 | 105.75 |
| Services ${ }^{1}$....................................... | 105.13 | 104.08 | 105.50 | 105.69 | 104.31 | 104.37 | 103.48 | 104.15 |
| Payments of factor income ..... | 110.63 | 112.81 | 111.14 | 111.81 | 112.24 | 112.65 | 113.00 | 113.35 |

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods
to sevices.

Table 7.10.-Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services by Type of Product
[index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adusted |  |  |  |  |  |  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | N | 1 | II | III | IV |  |  |  | III | IV | 1 | II | III | IV |
| Chain-type quantity indexes Exports of goods and services | 134.03 | 150.56 | 133.15 | 140.92 | 144.30 | 150.53 | 152.17 | 155.25 | Chain-type price indexes Exports of goods and services | 101.61 | 99.38 | 101.47 | 100.35 | 99.90 | 99.72 | 99.21 | 98.6 |
| Exports of goods ${ }^{1}$ | 140 | 161.59 | 138.85 | 148.48 | 152.94 | 161.76 | 163.11 | 168.57 | Exports of goods ${ }^{1}$ | 98.27 | 94.60 | 97.89 | 96.06 | 95.55 | 94.99 | 94.35 | 93.52 |
| Foods, feeds, and beverages Industrial supplies and | 109.04 | 108.52 | 106.22 | 117.01 | 107.05 | 101.39 | 105.81 | 119.82 | Foods, feeds, and beverages Industrial supplies and | 126.27 | 115.97 | 128.50 | 117.48 | 117.60 | 117.98 | 115.48 | 112.81 |
| materials ......................... | 116.02 | 126.05 | 115.44 | 120.53 | 121.51 | 127.10 | 127.82 | 127.79 | materials | 115.72 | 115.34 | 115.05 | 115.29 | 115.52 | 115.36 | 115.71 | 114.77 |
| Durable goods. | 121.61 | 132.47 | 123.20 | 125.69 | 127.44 | 133.28 | 132.87 | 136.27 | Durable goods ................. | 113.74 | 112.73 | 112.30 | 112.12 | 113.19 | 113.30 | 113.32 | 111.13 |
| Nondurable goods $\qquad$ apital goods, except | 113.07 | 122.68 | 111.36 | 117.81 | 118.39 | 123.86 | 125.15 | 123.34 | Nondurable goods <br> apital goods, except | 116.78 | 116.78 | 116.58 | 117.06 | 116.81 | 116.48 | \|17.03 | 116.81 |
| automotive ........... | 176.29 | 220.39 | 173.67 | 191.52 | 202.24 | 220.74 | 224.90 | 233.66 | automotive ............ | 81.56 | 75.84 | 80.68 | 78.60 | 77.42 | 76.31 | 75.28 | 74.34 |
| Civilian aircratt, engines, and parts $\qquad$ | 71.59 | 92.88 | 61.81 | 84.26 | 89.29 | 102.57 | 81.03 | 98.65 | Civilian aircraft, engines, and parts $\qquad$ | 114.01 | 118.34 | 114.97 | 115.70 | 117.81 | 117.63 | 118.82 | 119.10 |
| Computers, peripherals, and parts $\qquad$ | 337.9 | 507.27 | 348.56 | 371.25 | 425.35 | 495 | 558.72 |  | Computers, peripherals, and |  | 34.06 | 43.23 | 46 | 7 | 06 |  | . 78 |
| Other | 185.57 | 220.73 | 184.71 | 198.17 | 205.08 | 217.82 | 227.57 | 232.46 | , | 87.85 | 84.08 | 87.16 | 85.25 | 84.49 | 84.28 | 83.96 | 83.60 |
| Automotive vehicles, engines, and parts $\qquad$ | 132.62 | 148.96 | 135.07 | 136.33 | 143.80 | 148.52 | 147.80 | 155.73 | Automotive vehicles, engines, and parts $\qquad$ | 104.25 | 105.12 | 104.24 | 104.53 | 104.92 | 105.15 | 105.21 | 105.21 |
| Consumer goods, except automotive $\qquad$ | 130 | 143.52 | 129.26 | 135. | 139.66 | 146.32 | 142.33 | 145.76 | Consumer goods, except automotive $\qquad$ | 104.27 | 105.04 | 104.39 | 104.53 | 104.80 | 104.86 | 105.18 | . 34 |
| Durable goods | 131.21 | 145.03 | 129.81 | 138.38 | 138.59 | 149.53 | 144.41 | 147.60 | Durable goods | 102.71 | 103.70 | 102.86 | 102.92 | 103.38 | 103.75 | 103.77 | 103.90 |
| Nondurable goods | 130.37 | 141.91 | 128.68 | 132.80 | 140.75 | 142.95 | 140.13 | 143.82 | Nondurable good | 105.95 | 106.50 | 106.05 | 106.27 | 106.32 | 106.05 | 106.72 | 106.90 |
| Other | 109.60 | 127.90 | 109.92 | 114.59 | 122.19 | 131.33 | 130.36 | 127.71 | Other | 103.61 | 100.76 | 103.38 | 101.61 | 101.12 | 101.12 | 100.38 | 100.43 |
| Durable goods | 109.60 | 127.90 | 109.92 | 114.60 | 122.20 | 131.33 | 130.36 | 127.71 | Durable goods | 103.61 | 100.81 | 103.42 | 101.65 | 101.16 | 101.17 | 100.42 | 100.47 |
| Nondurable goods .............. | 109.60 | 127.90 | 109.92 | 114.59 | 122.19 | 131.33 | 130.35 | 127.71 | Nondurable goods ............ | 103.61 | 100.81 | 103.42 | 101.65 | 101.16 | 101.17 | 100.42 | 100.47 |
| Exports of services ${ }^{1}$............... | 120.51 | 126.69 | 120.28 | 124.14 | 125.27 | 126.25 | 128.46 | 126.78 | Exports of services ${ }^{1}$............... | 110.21 | 112.04 | 110.70 | 111.55 | 111.29 | 112.23 | 112.12 | 112.51 |
| Transfers under U.S. military |  |  |  | 124.35 | 101.68 | 115.54 | 11772 |  | Transfers under U.S. militar |  |  | 109.83 | 109.65 | 110.56 | 10.84 | 69 |  |
| Travel | 114.43 | 116.92 | 114.82 | 117.69 | 119.26 | 115.75 | 117.95 | 114.74 | Travel | 111.60 | 114.93 | 112.38 | 112.89 | 114.09 | 114.62 | 114.78 | 116.24 |
| Passenger fares | 112.61 | 120.72 | 114.88 | 113.35 | 124.53 | 116.59 | 119.52 | 122.23 | Passenger fares | 109.86 | 106.25 | 109.73 | 112.16 | 102.75 | 109.52 | 108.05 | 104.67 |
| Other transportation | 108.78 | 116.13 | 107.32 | 112.55 | 111.72 | 114.98 | 117.26 | 120.55 | Other transportation | 105.61 | 105.87 | 105.69 | 107.16 | 106.69 | 105.73 | 105.06 | 105.99 |
| Royalties and license fees | 136.87 | 141.92 | 136.63 | 139.76 | 139.78 | 143.74 | 142.94 | 141.23 | Royalties and license fees | 109.41 | 111.01 | 109.62 | 110.14 | 110.55 | 110.79 | 111.15 | 111.54 |
| Other private services ....... Other | $\left\|\begin{array}{l} 134.38 \\ 1091 \end{array}\right\|$ | 147.67 | 134.48 108.48 | 139.03 108.73 | 143.25 | 147.40 109.45 | 151.24 10987 | 148.79 110.10 | Other private services | 107.81 | 109.28 | 107.95 | 128.28 | 129.78 | 109.16 | 109.36 | 109.83 |
| Imports of goods and services | 145.22 | 165.82 | 148.03 | 150.48 | 156.80 | 164.30 | 169.98 | 172.18 | Imports of goods and services | 99.41 | 95.52 | 98.76 | 98.75 | 97.42 | 95.52 | 94.81 | 94.31 |
| Imports of goods ${ }^{1}$................ | 151.06 | 173.90 | 154.49 | 157.37 | 163.58 | 172.24 | 178.53 | 181.25 | Imports of goods ${ }^{1}$................... | 98.30 | 93.91 | 97.47 | 97.42 | 96.11 | 93.87 | 93.18 | 92.49 |
| Foods, feeds, and beverages Industrial supplies and materials, except petroleum | 116.82 | 128.46 | 117.84 | 120.16 | 123.78 | 127.97 | 131.19 | 130.92 | Foods, feeds, and beverages Industrial supplies and materials, except petroleum | 110.72 | 111.93 | 110.06 | 110.71 | 111.37 | 113.17 | 112.05 | 111.12 |
| and products .................... | 138.73 | 149.66 | 142.02 | 142.95 | 143.73 | 149.80 | 152.42 | 152.70 | and products .................... | 109.62 | 109.60 | 108.70 | 109.35 | 110.46 | 108.90 | 109.65 | 109.40 |
| Durable goods .... | 146.42 | 157.49 | 150.17 | 150.97 | 150.80 | 157.53 | 158.96 | 162.66 | Durable goods .... | 110.07 | 112.06 | 109.99 | 109.86 | 111.36 | 112.51 | 112.95 | 111.42 |
| Nondurable goods | 131.63 | 142.42 | 134.50 | 135.54 | 137.18 | 142.64 | 146.42 | 143.45 | Nondurable goods | 109.26 | 107.26 | 107.49 | 108.95 | 109.66 | 105.41 | 106.47 | 107.49 |
| Petroleum and products $\qquad$ Capital goods, except | 123.72 | 129.41 | 130.93 | 123.98 | 120.50 | 132.12 | 134.16 | 130.86 | Petroleum and products Capital goods, except | 113.99 | 107.93 | 112.85 | 128.60 | 123.38 | 104.18 | 101.73 | 102.46 |
| Capial goods, excepl | 219.36 | 281.32 | 222.42 | 238.05 | 253.47 | 275.14 | 293.05 | 303.62 | automotive ........... | 7.78 | 7.34 | 76.05 | 72.32 | 69.65 | 68.05 | 66.63 | 65.04 |
| Civilian aircraft, engines, and parts $\qquad$ | 88.71 | 112.51 | 90.5 | 96.77 | 92.67 | 105.06 | 127.72 | 124.60 | Civilian aircratt, engines, and parts $\qquad$ | 113.54 | 118.15 | 114.47 | 114.99 | 117.21 | 117.65 | 118.63 | 119.13 |
| Computers, peripherals, and parts |  |  | 383.34 | 410.89 | 455.71 | 521.20 | 579.68 | 593.67 | Computers, peripherals, and parts $\qquad$ | 52.01 | 41.38 | 50.65 |  | 26 |  |  |  |
| Others........ | 197.41 | 241.77 | 199.06 | 213.17 | 225.32 | 238.34 | 245.82 | 257.60 | Other .......................................... | 87.18 | 76.98 | 85.15 | 80.62 | 78.03 | 77.23 | 76.79 | 75.89 |
| Automotive vehicles, engines, and parts $\qquad$ | 129.38 | 141.62 | 134.07 | 129.32 | 142.67 | 138.97 | 143.84 | 140.99 | Automotive vehicles, engines, and parts $\qquad$ | 108.57 | 108.84 | 108.64 | 108.67 | 108.67 | 108.50 | 108.90 | 109.28 |
| Consumer goods, except |  |  |  |  |  |  |  |  | Consumer goods |  |  |  |  |  |  |  |  |
| automotive ..... | 134.78 | 153.74 | 136.62 | 141.81 | 143.88 | 152.92 | 155.69 | 162.44 | automotive | 103.45 | 102.27 | 103.37 | 103.14 | 102.67 | 102.38 | 102.14 | 101.88 |
| Durable goods | 135.5 | 152.64 | 138.66 | 140.82 | 143.19 | 151.76 | 153.68 | 161.91 | Durable goods. | 103.06 | 100.85 | 102.9 | 102.61 | 101.84 | 101.00 | 100.57 | 99.99 |
| Nondurable goods. | 133.96 | 154.90 | 134.41 | 142.86 | 144.62 | 154.15 | 157.83 | 163.03 | Nondurable goods... | 103.87 | 103.81 | 103.89 | 103.72 | 103.57 | 103.89 | 103.84 | 103.94 |
| Other | 124.65 | 145.18 | 125.92 | 127.07 | 133.79 | 143.13 | 151.38 | 152.43 | Other | 107.43 | 106.43 | 107.08 | 107.24 | 107.05 | 106.36 | 106.34 | 105.99 |
| Durable goods | 124.65 | 145.18 | 125.92 | 127.07 | 133.79 | 143.13 | 151.38 | 152.43 | Durable goods ................... | 107.43 | 106.43 | 107.08 | 107.24 | 107.05 | 106.36 | 106.34 | 105.99 |
| Nondurable goods .............. | 124.65 | 145.18 | 125.92 | 127.07 | 133.79 | 143.13 | 151.38 | 152.43 | Nondurable goods .............. | 107.43 | 106.43 | 107.08 | 107.2 | 107.05 | 106.3 | 106.34 | 105.99 |
| Imports of services ${ }^{1}$........... | 120.06 | 131.33 | 120.29 | 120.90 | 127.64 | 130.41 | 133.58 | 133.67 | Imports of services ${ }^{1}$................ | 105.13 | 104.08 | 105.50 | 105.69 | 104.31 | 104.37 | 103.49 | 104.15 |
| Direct defense expenditures ... | 72.71 | 83.39 | 74.42 | 72.34 | 79.33 | 81.05 | 84.47 | 88.71 | Direct defense expenditures ... | 107.97 | 100.22 | 107.94 | 108.89 | 101.94 | 101.45 | 98.05 | 99.45 |
| Travel ........ | 115.75 | 130.51 | 111.42 | 115.97 | 127.31 | 129.34 | 131.36 | 134.05 | Travel ... | 109.23 | 105.70 | 110.96 | 109.53 | 106.66 | 105.58 | 104.74 | 105.82 |
| Passenger fares | 141.57 | 148. | 142.09 | 143 | 149.12 | 144.58 | 147.33 | 152.27 | Passenger fares ................ | 105.58 | 111.73 | 104.56 | 107.13 | 108.68 | 112.91 | 112.86 | 112.48 |
| Other transportation | 108.20 | 113.46 | 109.77 | 107.70 | 110.16 | 113.41 | 114.41 | 115.83 | Other transportation .............. | 103.29 | 103.46 | 103.32 | 104.57 | 104.33 | 103.88 | 102.65 | 102.96 |
| Royalies and license fees ...... | 131.88 | 145.54 | 154.18 | 126.69 | 135.99 | 149.43 | 156.31 | 140.44 | Royalties and license fees ...... | 109.42 | 111.01 | 109.62 | 110.14 | 110.55 | 110.79 | 111.15 | 111.54 |
| Other private services $\qquad$ Other | 156.64 107.59 | 112.04 | 157.00 108.64 | 161.19 109.99 | 165.61 | 171.31 112.06 | 178.47 | 172.37 111.16 | Other private services <br> Other | 99.25 109.36 | 98.71 108.92 | -98.93 | ${ }^{99} 90.96$ | 98.61 109.04 | -98.98 | 108.61 | 98.92 109.28 |
| Addenda: |  |  |  |  |  |  |  |  | Addenda: |  |  |  |  |  |  |  |  |
| Exports of agricultural goods ${ }^{2}$ | 110.25 | 112.00 | 106.20 | 117.38 | 108.28 | 107.13 | 112.27 | 120.32 | Exports of agricultural goods ${ }^{2}$ | 126.61 | 117.53 | 128.81 | 118.80 | 119.38 | 118.84 | 116.80 | 115.08 |
| Exports of nonagricultural goods $\qquad$ | 143.68 | 167.89 | 142.86 | 152.24 | 158.58 | 168.75 | 169.57 | 174.65 | Exports of nonagricultural goods | 95.65 | 92.44 | 95.04 | 93.91 | 93.31 | 92.75 | 92.22 | 91.46 |
| Imports of nonpetroleum goods $\qquad$ | 153.63 | 178.61 | 156.57 | 160.69 | 168.20 | 176.44 | 183.20 | 186.62 | Imports of nonpetroleum goods $\qquad$ | 97.16 | 92.74 | 96.32 | 94.93 | 93.92 | 92.98 | 92.43 | 91.64 |

Note--See footnotes to table 4.3.

Table 7.11.-Chain-Type Quantity and Price Indexes for Government Consumption Expenditures and Gross Investment by Type
[Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |  |  |  |  | 996 |  |  | 97 |  |
|  |  |  | III | N | 1 | 11 | III | N |  |  |  | III | IV | 1 | 11 | III | N |
| Chain-type quantity indexes <br> Government consumption expenditures and gross investment ${ }^{1}$ | $\begin{aligned} & 99.54 \\ & 87.92 \end{aligned}$ | 100.46 | 99.83 | 99.85 | 99.74 | 100.50 | 100.77 | 100.84 | Federal ................................... |  | 114.47 | 112.07 | 112.76 | 113.74 | 114.14 | 114.54 | 115.46 |
| Federal |  | 86.55 | 88.21 | 87.04 | 85.76 | 87.14 | 86.89 | 86.39 |  |  | 114.74 | 112.05 | 112.74 | 114.10 | 114.46 | 114.71 | 115.71 |
| National defens | 84.56 | 82.14 | 85.00 | 83.44 | 80.86 | 82.33 | 82.58 | 82.78 | National delense .................. | $112.03$ | 113.64 | 111.16 | 111.94 | 113.14 | 113.46 | 113.62 | 114.35 |
| Consumption expenditures | 86.20 | 85.38 | 86.99 | 85.84 | 84.57 | 85.69 | 85.60 | 85.68 | Consumption expenditures | 110.96 | 113.97 | 111.26 | 112.16 | 113.39 | 113.70 | 113.95 | 114.83 |
| Durable goods ${ }^{2}$............ | 72.27 | 67.50 | 79.98 | 67.04 | 66.37 | 70.43 | 66.16 | 67.05 | Durable goods ${ }^{2}$........... | 102.41 | 102.96 | 102.60 | 102.17 | 102.89 | 103.22 | 103.01 | 102.73 |
| Nondurable goods ............ | 76.05 | 69.83 | 82.30 | 66.02 | 70.26 | 66.46 | 72.52 | 70.08 | Nondurable goods .......... | 109.95 | 108.29 | 109.14 | 116.27 | 114.14 | 107.47 | 105.14 | 106.43 |
| Services ...................... | 88.01 | 87.76 | 87.94 | 88.45 | 86.93 | 87.94 | 88.05 | 88.14 | Services ..................... | 111.78 | 115.11 | 112.12 | 112.96 | 114.31 | 114.81 | 115.17 | 116.13 |
| Compensation of general government employees, except force-account construction ${ }^{3}$ $\qquad$ | 81.89 | 78.91 | 81.93 | 80.64 | 79.99 | 79.14 | 78.93 | 77.58 | Compensation of general government employees, except force-account construction ${ }^{3}$ | 115.40 | 120.33 | 115.87 | 116.76 | 119.51 | 120.16 | 120.26 | 121.41 |
| Consumption of general govemment fixed capital ${ }^{4}$ | 94.82 | 92.92 | 94.57 | 94.12 | 93.62 | 93.17 | 92.70 | 92.19 | Consumption of general government fixed capital ${ }^{4}$ | 111.40 | 113.13 | 111.61 | 111.91 | 112.50 | 112.78 | 113.26 | 113.99 |
| Other services ............. | 94.25 | 100.29 | 94.08 | 98.60 | 94.74 | 100.30 | 101.42 | 104.70 | Other services ............. | 106.45 | 108.49 | 106.69 | 107.82 | 107.65 | 108.07 | 108.71 | 109.55 |
| Gross investment ..... | 75.34 | 63.61 | 73.76 | 69.89 | 59.66 | 63.13 | 65.42 | 66.25 | Gross investment ................ | 111.22 | 111.17 | 110.39 | 110.29 | 111.26 | 111.65 | 111.10 | 110.68 |
| Structures | 107.11 | 95.17 | 103.75 | 102.80 | 96.54 | 94.56 | 93.91 | 95.67 | Structures ... | 121.50 | 125.40 | 122.21 | 123.57 | 124.09 | 125.35 | 126.15 | 125.99 |
| Equipment. | 71.80 | 60.08 | 70.43 | 66.21 | 55.49 | 59.61 | 62.26 | 62.98 | Equipment .................... | 110.07 | 109.40 | 109.00 | 108.67 | 109.72 | 109.95 | 109.19 | 108.72 |
| Nonderense | 96.01 | 97.16 | 95.93 | 95.69 | 97.54 | 98.71 | 97.27 | 95.11 | Nondetense | 114.47 | 117.38 | 114.25 | 114.72 | 116.44 | 116.87 | 117.30 | 118.89 |
| Consumption expenditures | 95.37 | 97.09 | 94.84 | 95.21 | 97.18 | 97.60 | 97.24 | 96.34 | Consumption expenditures | 116.32 | 119.92 | 116.10 | 116.74 | 118.80 | 119.30 | 119.87 | 121.70 |
| Durable goods ${ }^{2}$........... |  |  |  |  |  |  |  |  | Durable goods ${ }^{2}$ |  |  |  |  |  |  |  |  |
| Nondurable goods Commodity Credit Corporation inventory change ... |  |  |  |  |  |  |  |  | Nondurable goods Commodity Credit Corporation inventory change ... |  |  |  |  |  |  |  |  |
| Other nondurables ..... | 75.08 | 86.91 | 70.86 | 74.38 | 83.75 | 85.82 | 85.41 | 92.66 | Other nondurables .... | 112.73 | 111.18 | 113.82 | 109.98 | 110.07 | 111.40 | 111.61 | 111.64 |
| Services ..................... | 95.57 | 96.62 | 95.43 | 95.61 | 96.75 | 97.23 | 97.03 | 95.46 | Services ..................... | 116.89 | 120.79 | 116.64 | 117.48 | 119.65 | 120.14 | 120.73 | 122.65 |
| Compensation of general government employees, except force-account |  |  |  |  |  |  |  |  | Compensation of general government employees, except force-account |  |  |  |  |  |  |  |  |
| construction ${ }^{3}$........ | 90.66 | 90.43 | 91.20 | 90.70 | 91.10 | 91.42 | 90.91 | 88.28 | construction ${ }^{3}$ | 126.39 | 132.74 | 125.72 | 126.91 | 130.91 | 131.68 | 132.41 | 135.95 |
| Consumption of |  |  |  |  |  |  |  |  | Consumption of |  |  |  |  |  |  |  |  |
| general government fixed capital ${ }^{4}$ | 115.70 | 121.31 | 116.42 | 117.80 | 119.30 | 120.73 | 122.01 | 123.19 | general government fixed capital ${ }^{4}$ | 104.51 | 104.23 | 104.40 | 104.15 | 104.08 | 103.77 | 104.43 | 104.65 |
| Other services ............ | 99.49 | 101.89 | 98.03 | 99.16 | 101.47 | 102.05 | 102.13 | 101.90 | Other services ............. | 106.39 | 108.10 | 106.65 | 107.29 | 107.60 | 107.92 | 108.29 | 108.58 |
| Gross investment ....... | 100.61 | 97.46 | 103.75 | 99.08 | 100.06 | 106.81 | 97.31 | 85.67 | Gross investment ...... | 102.76 | 101.45 | 102.53 | 101.99 | 101.63 | 101.67 | 101.24 | 101.26 |
| Structures ............ | 97.44 | 85.27 | 96.76 | 97.41 | 94.95 | 88.29 | 90.52 | 67.31 | Structures .................... | 113.14 | 116.64 | 113.30 | 113.92 | 114.63 | 116.18 | 117.11 | 118.63 |
| Equipment .................... | 104.93 | 113.31 | 112.70 | 101.49 | 106.77 | 130.76 | 105.85 | 109.86 | Equipment .................... | 92.16 | 86.86 | 91.56 | 90.00 | 88.66 | 87.56 | 86.12 | 85.10 |
| State and local ....................... | 107.88 | 110.46 | 108.17 | 109.04 | 109.78 | 110.10 | 110.73 | 111.22 | State and local ....................... | 111.71 | 114.31 | 112.07 | 112.77 | 113.54 | 113.95 | 114.44 | 115.32 |
| Consumption expenditures | 108.28 | 110.44 | 108.63 | 108.98 | 109.53 | 110.06 | 110.77 | 111.41 | Consumption expenditures ...... | 111.84 | 114.44 | 112.23 | 113.01 | 113.71 | 114.02 | 114.58 | 115.45 |
| Durable goods ${ }^{2}$........ | 115.98 | 119.47 | 116.49 | 117.32 | 118.18 | 119.04 | 119.90 | 120.76 | Durable goods ${ }^{2}$................ | 106.39 | 106.79 | 106.32 | 106.45 | 106.42 | 106.45 | 107.01 | 107.30 |
| Nondurable goods ................. | 117.38 | 121.71 | 117.92 | 119.06 | 120.12 | 121.18 | 122.24 | 123.30 | Nondurable goods ............... | 109.36 | 108.76 | 109.07 | 110.70 | 110.77 | 108.30 | 107.82 | 108.16 |
| Services ......................... | 107.08 | 108.98 | 107.41 | 107.66 | 108.15 | 108.61 | 109.28 | 109.87 | Services .......................... | 112.25 | 115.32 | 112.75 | 113.43 | 114.23 | 114.90 | 115.60 | 116.56 |
| Compensation of general government employees, except force-account construction ${ }^{3}$ $\qquad$ | 105.08 | 106.62 | 105.44 | 105.54 | 105.87 | 106.30 | 106.90 | 107.40 | Compensation of general government employees, except force-account construction ${ }^{3}$ $\qquad$ | 114.02 | 117.18 | 114.45 | 115.24 | 116.04 | 116.75 | 117.52 | 118.40 |
| Consumption of general government fixed capital ${ }^{4}$ | 111.57 | 114.41 | 111.94 | 112.66 | 113.37 | 114.07 | 114.76 | 115.43 | Consumption of general government fixed capital ${ }^{4}$ $\qquad$ | 108.74 | 110.56 | 108.85 | 108.95 | 09.84 |  | 0.57 |  |
| Other services ................... | 138.73 | 146.07 | 138.20 | 140.65 | 143.86 | 144.66 | 146.73 | 149.02 | Other services ....... | 90.09 | 93.72 | 91.97 | 92.13 | 92.76 | 93.05 | 93.55 | 51.40 |
| Gross investment .... | 106.03 | 110.52 | 106.03 | 109.35 | 110.95 | 110.28 | 110.52 | 110.35 | Gross investment ..... | 111.14 | 113.71 | 111.34 | 111.69 | 112.73 | 113.64 | 113.78 | 114.70 |
| Structures ........................ | 104.30 | 108.59 | 104.15 | 107.84 | 109.49 | 108.43 | 108.39 | 108.03 | Structures | 113.93 | 117.95 | 114.25 | 114.90 | 116.36 | 117.75 | 118.20 | 119.51 |
| Equipment ........................ | 114.13 | 119.81 | 114.91 | 116.33 | 117.57 | 119.08 | 120.88 | 121.73 | Equipment ......................... | 99.35 | 95.94 | 99.09 | 98.20 | 97.49 | 96.39 | 95.28 | 94.59 |
| Addenda: |  |  |  |  |  |  |  |  | Addenda: |  |  |  |  |  |  |  |  |
| Compensation of general government employees ${ }^{3}$ | 98.66 | 99.06 | 98.98 |  | 98.87 | 99.00 | 99.31 | 99.05 | Compensation of general government employees ${ }^{3}$ | 115.42 | 119.17 | 115.75 | 116.59 | 118.03 | 118.73 | 119.38 |  |
| Federal ........................... | 84.83 | 82.79 | 85.07 | 84.02 | 83.73 | 83.27 | 82.98 | 81.17 | Federal ........................... | 119.00 | 124.43 | 119.08 | 120.08 | 123.26 | 123.94 | 124.26 | 126.25 |
| State and local ...................... | 105.06 | 106.63 | 105.42 | 105.54 | 105.89 | 106.31 | 106.91 | 107.41 | State and local .................. | 114.03 | 117.18 | 114.46 | 115.24 | 116.04 | 116.75 | 117.53 | 118.41 |

NOTE.-See footnotes to table 3.7.

Table 7.14.-Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector
[Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | N | 1 | II | III | IV |
| Chain-type quantity indexes Gross domestic product $\qquad$ | 110.95 | \|115.12| |  | $112.38$ | $113.73$ |  |  |  |
| Business ${ }^{1} . .$. | 112.70 | 117.51 | 112.93 | $114.35$ |  | 116.98 | 117.94 | 119.20 |
| Nonfarm ${ }^{1}$ | 112.99 | 117.79 | 113.25 | 114.69 | 116.18 | 117.23 | 118.23 | 119.52 |
| Nonfarm less housing | 113.61 | 118.79 | 113.83 | 115.36 | 116.99 | 118.15 | 119.27 | 120.74 |
| Housing ..................... | 107.83 | 109.59 | 108.37 | 109.05 | 109.53 | 109.66 | 109.67 | 109.50 |
| Farm ................................ | 93.75 | 98.71 | 92.56 | 92.75 | 98.07 | 99.75 | 98.78 | 98.24 |
| Households and institutions ... | 111.52 | 114.86 | 111.96 | 112.66 | 113.55 | 114.40 | 115.28 | 116.20 |
| Private households $\qquad$ Nonprofit institutions $\qquad$ | $\begin{aligned} & 100.06 \\ & 111.96 \end{aligned}$ | $\begin{array}{r} 95.64 \\ 115.59 \end{array}$ | $\left.\begin{array}{r} 98.67 \\ 112.47 \end{array} \right\rvert\,$ | 95.09 <br> 113.33 | 94.77 114.27 | $\begin{array}{r} 95.54 \\ 115.11 \end{array}$ | $\begin{array}{r} 95.97 \\ 116.02 \end{array}$ | 96.28 116.96 |
| General government ${ }^{2}$.... | 99.34 | 99.78 | 99.63 | 99.43 | 99.58 | 99.72 | 100.01 | 99.80 |
| Federal $\qquad$ <br> State and local $\qquad$ | $\begin{array}{r} 87.79 \\ 105.65 \end{array}$ | $\begin{array}{r} 85.99 \\ 107.33 \end{array}$ | $\left\|\begin{array}{r} 87.94 \\ 106.00 \end{array}\right\|$ | $\begin{array}{r} 87.08 \\ 106.18 \end{array}$ | $\begin{array}{r} 86.80 \\ 106.56 \end{array}$ | $\begin{array}{\|r} 86.40 \\ 107.00 \end{array}$ | $\begin{array}{r} 86.12 \\ 107.61 \end{array}$ | $\begin{array}{r} 84.63 \\ 108.13 \end{array}$ |
| Chain-type price indexes |  |  |  |  |  |  |  |  |
| Gross domestic product $\qquad$ | 110.22 | 112.45 | 110.59 | 111.10 | 111.78 | 112.27 | 112.67 | 113.07 |
| Business ${ }^{1}$.... | 109.56 | 111.58 | 109.95 | 110.43 | 111.00 | 111.45 | 111.80 | 112.08 |
| Nonfarm ${ }^{1}$ | 109.46 | 111.45 | 109.76 | 110.21 | 110.88 | 111.29 | 111.67 | 111.98 |
| Nonfarm less housing | 109.11 | 110.96 | 109.40 | 109.82 | 110.47 | 110.83 | 111.14 | 111.39 |
| Housing .................... | 112.48 | 115.81 | 112.88 | 113.63 | 114.42 | 115.32 | 116.29 | 117.21 |
| Farm ................................... | 118.34 | 122.39 | 125.11 | 128.16 | 121.56 | 124.35 | 122.82 | 120.83 |
| Households and institutions ... | 111.19 | 114.29 | 111.36 | 111.98 | 112.87 | 113.90 | 114.79 | 115.59 |
| Private households .............. | 113.51 | 117.66 | 114.29 | 115.40 | 115.86 | 116.84 | 118.22 | 119.72 |
| Nonprofit institutions ............. | 111.10 | 114.17 | 111.2 | 111. | 112.7 | 113.79 | 114 | 115.45 |
| General government ${ }^{2}$... | 114.58 | 118.02 | 114.89 | 115.62 | 116.95 | 117.60 | 118.21 | 119.31 |
| Federal | 116.82 | 121.20 | 116.92 | 117.71 | 120.19 | 120.74 | 121.11 | 122.75 |
| State and local | 113.53 | 116.55 | 113.93 | 114.64 | 115.46 | 116.15 | 116.8 | 117.74 |

NOTE.-See footnotes to table 1.7.
Table 7.15.-Current-Dollar Cost and Profit Per Unit of Real Gross Domestic Product of Nonfinancial Corporate Business
[Dollars]

| Current-dollar cost and profit per unit of real gross domestic product $\qquad$ | 1.063 | 1.072 | 1.064 | 1.065 | 1.069 | 1.072 | 1.072 | 1.073 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Consumption of fixed capital | . 101 | . 101 | . 101 | . 101 | . 101 | . 101 | . 100 | . 100 |
| Net domestic product .............. | . 962 | . 971 | . 963 | . 963 | . 968 | . 971 | . 972 | . 973 |
| Indirect business tax and nontax liability plus business transfer payments | 108 |  |  |  |  |  |  |  |
| Domestic income ..................... | . 853 | . 864 | . 855 | . 855 | . 861 | . 863 | . 865 | . 866 |
| Compensation of employees $\qquad$ | . 690 | . 698 | . 691 | . 693 | . 697 | . 698 | . 695 | . 702 |
| Corporate profits with inventory valuation and capital consumption |  |  |  |  |  |  |  |  |
| adjustments ................. | . 140 | . 145 | . 141 | . 142 | . 143 | . 144 | . 149 | . 145 |
| Profits tax liability .......... | . 040 | . 040 | . 040 | . 040 | . 040 | . 040 | . 042 | . 040 |
| Profits atter tax with inventory valuation and capital consumption |  |  |  |  |  |  |  |  |
| adjustments ............... | . 101 | . 105 | . 101 | . 102 | . 103 | . 104 | . 107 | . 105 |
| Net interest ...................... | . 023 | . 021 | . 022 | . 021 | . 021 | . 021 | . 021 | . 021 |

1. Equals the dellator for gross domestic product of nonfinancial corporate business with the decimal point shifted two places to the left.

Table 7.16.-Implicit Price Deflators for Inventories of Business by Industry
[Index numbers, 1992=100]


Table 7.17.-Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product
[Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Gross domestic product | $\begin{aligned} & 110.95 \\ & 110.64 \end{aligned}$ | $\begin{aligned} & 115.12 \\ & 114.12 \end{aligned}$ | $\left\|\begin{array}{l} 111.20 \\ 110.70 \end{array}\right\|$ | $\begin{aligned} & 112.38 \\ & 111.93 \end{aligned}$ | $\begin{aligned} & 113.73 \\ & 112.77 \end{aligned}$ | $\begin{aligned} & 114.66 \\ & 113.47 \end{aligned}$ | $\begin{aligned} & 115.53 \\ & 114.80 \end{aligned}$ | $\begin{aligned} & 116.58 \\ & 115.45 \end{aligned}$ |
| Final sales of domestic product $\qquad$ |  |  |  |  |  |  |  |  |
| Change in business inventories $\qquad$ |  |  |  |  |  |  |  |  |
| Goods ................................... | $\left\lvert\, \begin{aligned} & 114.72 \\ & 113.89 \end{aligned}\right.$ | $120.99$ | $115.17$ | $116.51$ | $119.31$ | $\begin{aligned} & 120.49 \\ & 117.19 \end{aligned}$ | $\begin{aligned} & 121.30 \\ & 119.31 \end{aligned}$ | $\begin{aligned} & 122.87 \\ & 119.71 \end{aligned}$ |
| Final sales $\qquad$ Change in business inventories $\qquad$ |  |  | 113.83 |  |  |  |  |  |
| Durable goods ...................... | $\begin{aligned} & 127.97 \\ & 124.84 \end{aligned}$ | $\begin{aligned} & 138.89 \\ & 133.96 \end{aligned}$ | $\begin{aligned} & 130.25 \\ & 125.41 \end{aligned}$ | $\begin{array}{\|l\|} 128.64 \\ 127.35 \end{array}$ | $\begin{aligned} & 133.71 \\ & 128.97 \end{aligned}$ | $\begin{aligned} & 139.00 \\ & 132.66 \end{aligned}$ | $\left\|\begin{array}{l} 140.14 \\ 136.70 \end{array}\right\|$ | $\begin{aligned} & 142.71 \\ & 137.53 \end{aligned}$ |
| Final sales ...................... |  |  |  |  |  |  |  |  |
| Change in business inventories $\qquad$ |  |  |  |  |  |  |  |  |
| Nondurable goods ..... | $\begin{aligned} & 105.69 \\ & 106.32 \end{aligned}$ | $\begin{array}{\|l} 108.96 \\ 107.48 \end{array}$ | $\begin{aligned} & 104.94 \\ & 105.82 \end{aligned}$ | $\begin{aligned} & 108.19 \\ & 107.01 \end{aligned}$ | $\begin{aligned} & 109.52 \\ & 108.17 \end{aligned}$ | $\begin{aligned} & 108.07 \\ & 106.63 \end{aligned}$ | $\left\|\begin{array}{l} 108.66 \\ 107.49 \end{array}\right\|$ | $\begin{aligned} & 109.58 \\ & 107.61 \end{aligned}$ |
| Final sales .................... |  |  |  |  |  |  |  |  |
| Change in business inventories $\qquad$ |  |  |  |  |  |  |  |  |
| Services ................................ | $\left\|\begin{array}{l} 108.08 \\ 113.63 \end{array}\right\|$ | $111.08$ | 108.15 | 109.17 | 109.76116.16 | $\begin{array}{\|} 110.65 \\ 116.27 \end{array}$ | $\begin{aligned} & 111.54 \\ & 117.26 \end{aligned}$ | $\begin{aligned} & 112.38 \\ & 117.72 \end{aligned}$ |
| Structures .............................. |  | 116.85 | $\left\lvert\, \begin{aligned} & 114.19 \\ & 120.25 \\ & 110.89 \end{aligned}\right.$ | $\begin{aligned} & 115.73 \\ & 115.23 \\ & 112.28 \end{aligned}$ |  |  |  |  |
| Addenda: | 117.55$110.73$ | $\begin{aligned} & 116.85 \\ & 122.87 \\ & 114.86 \end{aligned}$ |  |  | $\begin{aligned} & 116.16 \\ & 120.59 \\ & 113.50 \end{aligned}$ | $\begin{aligned} & 116.27 \\ & 117.22 \\ & 114.57 \end{aligned}$ | $\left.\begin{aligned} & 123.72 \\ & 115.25 \end{aligned} \right\rvert\,$ |  |
| Motor vehicle output .... |  |  |  |  |  |  |  | 129.92 |
| Gross domestic product less motor vehicle output |  |  |  |  |  |  |  | 116.13 |

Table 7.18.-Chain-Type Quantity Indexes for Auto Output [Index numbers, 1992=100]

|  | 1996 | 1997 | Seasonally adjusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Auto output .................. | $\begin{array}{\|r\|} \hline 98.69 \\ 101.94 \\ 103.07 \\ 95.25 \end{array}$ | $\begin{gathered} 98.77 \\ 97.99 \\ 103.22 \\ 95.86 \end{gathered}$ | $\begin{array}{\|c} \hline 105.25 \\ 101.44 \\ 102.94 \\ 93.43 \end{array}$ | $\begin{array}{\|r\|} \hline 93.58 \\ 99.35 \\ 100.38 \\ 93.83 \end{array}$ | $\left.\begin{array}{\|r} 98.45 \\ 99.31 \\ 105.11 \\ 96.91 \end{array} \right\rvert\,$ | 96.09 <br> 94.84 <br> 99.69 $89.70$ | $\begin{aligned} & 100.49 \\ & 100.39 \\ & 106.36 \\ & 100.20 \end{aligned}$ | $\begin{array}{\|c} 100.04 \\ 97.41 \\ 101.74 \\ 96.61 \end{array}$ |
| Final sales ........................... |  |  |  |  |  |  |  |  |
| Personal consumption expenditures |  |  |  |  |  |  |  |  |
| expendiutes ............................... |  |  |  |  |  |  |  |  |
| Net purchases of used autos $\qquad$ |  |  |  |  |  |  |  |  |
| Producers' durable equipment | $\begin{aligned} & 128.03 \\ & 126.10 \end{aligned}$ | $\left\lvert\, \begin{aligned} & 132.71 \\ & 126.82 \end{aligned}\right.$ | $\begin{aligned} & 133.95 \\ & 133.00 \end{aligned}$ | $\begin{aligned} & 127.22 \\ & 121.72 \end{aligned}$ | $\begin{aligned} & 136.19 \\ & 130.80 \end{aligned}$ | $\left\|\begin{array}{l} 130.82 \\ 126.22 \end{array}\right\|$ | $\begin{aligned} & 136.50 \\ & 129.36 \end{aligned}$ | 127.34120.92 |
| New autos ................... |  |  |  |  |  |  |  |  |
| Net purchases of used |  |  |  |  |  |  |  |  |
| Net exports.. |  |  |  |  |  |  |  |  |
| Exports .... | $\begin{aligned} & 112.16 \\ & 126.62 \\ & 102.75 \end{aligned}$ | $\begin{array}{r} 10.83 \\ 140.15 \\ 98.19 \end{array}$ | $\left.\begin{array}{\|} 12.99 \\ 131.31 \\ 89.32 \end{array} \right\rvert\,$ | $\begin{aligned} & 110.84 \\ & 125.96 \\ & 115.71 \end{aligned}$ | $\begin{aligned} & 100.44 \\ & 143.81 \\ & 103.02 \end{aligned}$ | $\begin{gathered} 111.90 \\ 139.60 \\ 82.28 \end{gathered}$ | $\begin{aligned} & 106.05 \\ & 143.34 \\ & 100.78 \end{aligned}$ | $\begin{aligned} & 100.81 \\ & 133.87 \\ & 106.68 \end{aligned}$ |
| Imports |  |  |  |  |  |  |  |  |
| Gross government investment |  |  |  |  |  |  |  |  |
| Change in business inventories of new and used autos $\qquad$ <br> New $\qquad$ |  |  |  |  |  |  |  |  |
|  | $\ldots$ |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Addenda: <br> Domestic output of new autos ${ }^{1}$ $\qquad$ Sales of imported new aulos ${ }^{2}$ | $\begin{array}{r} 110.93 \\ 98.06 \end{array}$ | $\left\lvert\, \begin{aligned} & 110.36 \\ & 107.19 \end{aligned}\right.$ | $\begin{gathered} 120.25 \\ 97.64 \end{gathered}$ | $\begin{array}{r} 103.63 \\ 99.15 \end{array}$ | $\begin{aligned} & 109.88 \\ & 108.82 \end{aligned}$ | $\begin{aligned} & 108.14 \\ & 102.63 \end{aligned}$ | $\begin{aligned} & 114.28 \\ & 109.56 \end{aligned}$ | $\begin{aligned} & 109.16 \\ & 107.75 \end{aligned}$ |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| 1. Consists of final sales and cha <br> 2. Consists of personal consumptio ment. | $\begin{aligned} & \text { in b } \\ & \text { pendi } \end{aligned}$ | ess | tories $\text { eers' } 0$ | new <br> le | as ment, | led gros | e Unit | States. invest. |

Table 7.19.-Chain-Type Quantity Indexes for Truck Output
[Index numbers, 1992=100]

| Truck output ${ }^{1}$ |
| :---: |
| Final sales ............................ |
| Personal consumption expenditures |
| Producers' durable equiprnent |
| Net export |
| Exports |
|  |
| Gross government investment |
| Change in business inventories $\qquad$ |


| 144.61 | 157.51 | 141.72 | 146.38 | 152.43 | 147.62 | 157.14 | 172.86 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 147.62 | 156.53 | 144.35 | 152.03 | 150.72 | 147.96 | 158.65 | 168.80 |
| 121.78 | 123.02 | 118.29 | 120.90 | 119.17 | 113.36 | 126.05 | 133.49 |
| 181.34 | 199.56 | 184.46 | 190.80 | 193.20 | 192.36 | 202.08 | 210.60 |
| 156.23 | 185.31 | 147.53 | 177.17 | 175.57 | 169.89 | 176.36 | 219.43 |
| 116.45 | 135.16 | 125.33 | 113.92 | 133.14 | 130.75 | 145.62 | 131.15 |
| 91.90 | 105.17 | 79.52 | 82.80 | 97.68 | 109.59 | 120.72 | 92.70 |
|  |  |  |  |  |  |  |  |

1. Incluces new trucks only.
2. Supplementary Tables

Table 8.1.-Percent Change From Preceding Period in Selected Series
[Percent]


NOTE.-Contributions to the percent change in real gross domestic product are shown in table 8.2 .

Table 8.2.-Contributions to Percent Change in Real Gross Domestic Product

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | III | IV |
| Percent change at annual rate: <br> Gross domestic product | 2.8 | 3.8 | 1.0 | 4.3 | 4.9 | 3.3 | 3.1 | 3.7 |
| Percentage points at annual rates: |  |  |  |  |  |  |  |  |
| Personal consumption expenditures | 1.8 | 2.2 | . 4 | 2.2 | 3.6 | . 6 | 3.8 | 1.7 |
| Durable goods $\qquad$ <br> Nondurable goods $\qquad$ | . 4 | 4 | -. 2 | . 3 | 1.1 .9 | -. -.4 | 1.4 .8 | . 2 |
| Services ........................................ | 1.1 | 1.4 | . 4 | 1.5 | 1.5 | 1.5 | 1.5 | 1.8 |
| Gross private domestic investment ... | 1.1 | 1.6 | 2.3 | . 2 | 2.4 | 2.5 | . 4 | 1.7 |
| Fixed investment | 1.1 | 1.1 | 1.4 | . 4 | . 6 | 1.7 | 2.0 | . 3 |
| Nonresidential ........................... | . 9 | 1.0 | 1.6 | . 6 | . 4 | 1.4 | 1.9 | -. 1 |
| Structures ............................ | , | . 1 | . 3 | . 4 | -. 1 | -1 | . 2 | - 1 |
| Producers' durable equipment | . 8 | . 9 | 1.3 | . 2 | . 5 | 1.6 | 1.7 | 0 |
| Residential .............................. | . 2 | . 1 | -. 2 | -. 2 | 1 | . 3 | . 1 | 4 |
| Change in business inventories ........ | 0 | . 6 | . 8 | -. 2 | 1.8 | 8 | -1.6 | 1.4 |
| Net exports of goods and services ... | -. 2 | -. 3 | -1.4 | 1.8 | -1.0 | -. 4 | -1.3 | . 3 |
| Exports. | . 9 | 1.3 | . 2 | 2.7 | 1.1 | 2.0 | . 5 | 1.0 |
| Goods .................................... | . 7 | 1.2 | . 2 | 2.2 | 1.0 | 1.9 | , | 1.1 |
| Services ................................. | . 2 | . 2 | 0 | . 4 | . 1 | . | 2 | -. 2 |
| Imports | -1.1 | -1.7 | -1.6 | -. 8 | -2.1 | -2.5 | -1.7 | -. 7 |
| Goods ..................... | -1.0 | -1.5 | -1.6 | -. 8 | -1.7 | -2.3 | -1.6 | -. 7 |
| Services .................................. | . 1 | -. 2 | 0 | 0 | -. 5 | -. 2 | -. 1 | 0 |
| Government consumption expenditures and gross investment $\qquad$ | . 1 | . 2 | -. 2 | 0 | -. 1 | . 6 | . 2 | . 1 |
| Federal ......................... | -. 1 | -. 1 | -. 3 | -. 4 | -. 4 | . 4 | -. 1 | -. 1 |
| National defense ....................... | -. 1 | -1 | -2 | -. 3 | -6 | . 3 | . 1 | 0 |
| Nondefense ............................. | 0 | 0 | -. 1 | 0 | . 2 | 1 | . 1 | . 2 |
| State and local .............................. | . 2 | . 3 | . 1 | . 4 | 3 | . 1 | 3 | 2 |

Table 8.3.-Selected Per Capita Product and Income Series in Current and Chained Dollars
[Dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | 11 | lil | IV |
| Current dollars: |  |  |  |  |  |  |  |  |
| Gross domestic product | 28,752 | 30,161 | 28,869 | 29,243 | 29,715 | 30,030 | 30,295 | 30,602 |
| Gross national |  |  |  | 29,254 | 29.662 |  |  | 30.515 |
| Personal income | 24,457 | 25,660 | 24,604 | 24,835 | 25,268 | 25,525 | 25,756 | 26,087 |
| Disposable personal income .............. | 21,117 | 21,969 | 21,229 | 21,373 | 21,689 | 21,865 | 22,034 | 22,285 |
| Personal consumption |  |  |  |  |  |  |  |  |
| expenditures ....... | 19,608 | 20,478 | 19,660 | 19,919 | 20,247 | 20,303 | 20,612 | 20,747 |
| Durable goods .... Nondurable | 2,389 | 2,461 | 2,386 | 2,395 | 2,466 | 2,409 | 2,488 | 2,480 |
| goods ............ | 5,779 | 5,943 | 5,786 | 5,854 | 5,945 | 5,901 | 5,969 | 5,955 |
| Services .......... | 11,441 | 12,074 | 11,488 | 11,669 | 11,836 | 11,993 | 12,154 | 12,312 |
| Chained (1992) dollars: |  |  |  |  |  |  |  |  |
| Gross domestic product $\qquad$ | 26,088 | 26,835 | 26,116 | 26,333 | 26,599 | 26,760 | 26,901 | 27,078 |
| Gross national |  |  |  |  |  |  |  |  |
| product .............. | 26,101 | 26,781 | 26,102 | 26,354 | 26,562 | 26,704 | 26,844 | 27,013 |
| Disposable personal income $\qquad$ | 19,116 | 19,493 | 19,161 | 19,152 | 19,331 | 19,439 | 19,518 | 19,681 |
| Personal |  |  |  |  |  |  |  |  |
| consumption expenditures ....... | 17,750 | 18,170 | 17,745 | 17,848 | 18,046 | 18,051 | 18,258 |  |
| Durable goods .... | 2,301 | 2,410 | 2,301 | 2,316 | 2,389 | 2,351 | 2,447 | 2,452 |
| Nondurable |  |  |  |  |  |  |  |  |
| goods ............. | 5,393 | 5,445 | 5,393 | 5,408 | 5,460 | 5,420 | 5,465 | 5,434 |
| Services ............. | 10,057 | 10,318 | 10,052 | 10,125 | 10,202 | 10,278 | 10,352 | 10,438 |
| Population (mid-period, thousands) $\qquad$ | 265,579 | 267,889 | 265,887 | 266,491 | 266,987 | 267,545 | 268,171 | 268,854 |

Table 8.4.-Auto Output
[Bilions of dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | 111 | N | 1 | II | III | IV |
| Auto output ............................... | 134.6 | 134.9 | 144.5 | 128.7 | 136.4 | 130.2 | 138.1 | 134.7 |
| Final sales | 140.0 | 134.7 | 140.2 | 138.0 | 137.9 | 131.1 | 137.4 | 132.6 |
| Personal consumption expenditures | 141.3 | 140.8 | 141.5 | 138.4 | 145.2 | 136.7 | 144.0 | 137.3 |
| New autos ........ | 86.1 | 86.8 | 84.8 | 85.3 | 87.9 | 81.3 | 90.7 | 87.2 |
| Net purchases of used autos ........... | 55.3 | 54.1 | 56.7 | 53.2 | 57.3 | 55.4 | 53.3 | 50.1 |
| Producers' durable equipment .............. | 45.3 | 48.4 | 48.0 | 45.9 | 48.8 | 47.4 | 50.4 | 47.0 |
| New autos ................. | 79.2 | 79.8 | 84.0 | 76.9 | 82.5 | 79.5 | 81.4 | 75.9 |
| Net purchases of used autos ............ | -33.9 | -31.4 | -35.9 | -31.1 | -33.7 | -32.1 | -31.0 | -28.9 |
| Net exports ....................................... | -48.9 | -56.7 | $-51.3$ | -48.8 | -58.4 | -54.9 | -59.4 | -54.2 |
| Exports .......................................... | 17.0 | 16.9 | 17.1 | 16.8 | 16.6 | 18.1 | 16.2 | 16.6 |
| Imports ......................................... | 65.9 | 73.6 | 68.3 | 65.7 | 75.0 | 73.0 | 75.5 | 70.8 |
| Gross government investment .............. | 2.3 | 2.2 | 2.0 | 2.6 | 2.3 | 1.9 | 2.3 | 2.5 |
| Change in business inventories of new <br> and used autos $\qquad$ <br> New $\qquad$ <br> Used $\qquad$ | -5.4 | . 1 | 4.3 | -9.3 | -1.5 | -. 9 | . 7 | 2.2 |
|  | $-5.6$ | . 7 | 3.7 | -9.0 | -. 8 | . 3 | 1.1 | 2.3 |
|  | . 2 | -. 6 | . 6 | -. 4 | -. 6 | $-1.2$ | -. 4 | -. 1 |
| Addenda: <br> Domestic output of new autos ${ }^{\text {1 }}$ $\qquad$ <br> Sales of imported new autos ${ }^{2}$ $\qquad$ |  |  |  |  |  |  |  |  |
|  | $121.1$ | 120.7 | 131.6 | 113.5 | 120.8 | 116.8 | 126.3 | 118.8 |
|  | 58.2 | 63.7 | 58.2 | 59.2 | 64.8 | 61.1 | 65.1 | 63.8 |
| 1. Consists of final sales and change in business inventories of new autos assembled in the United States. <br> 2. Consists of personal consumption expenditures, producers' durable equipment, and gross government invest- |  |  |  |  |  |  |  |  |

Table 8.6.-Truck Output
[Billions of dollars]

|  | 136.7 | 149.4 | 134.2 | 138.5 | 145.0 | 140.2 | 149.3 | 163.1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Final sales | 137.4 | 146.2 | 134.6 | 141.6 | 141.1 | 138.3 | 148.3 | 157.0 |
| Personal consumption expenditures | 63.7 | 65.2 | 62.1 | 63.9 | 63.2 | 60.1 | 66.8 | 70.7 |
| Producers' durable equipment | 71.6 | 78.3 | 72.9 | 74.9 | 76.1 | 75.5 | 79.3 | 82.0 |
| Net exports | -4.7 | -5.0 | -6.3 | -3.2 | -5.4 | -5.4 | -6.7 | -2.5 |
| Exports | 9.0 | 10.9 | 8.5 | 10.2 | 10.2 | 10.0 | 10.4 | 13.0 |
| Imports | 13.7 | 15.9 | 14.8 | 13.4 | 15.7 | 15.3 | 17.1 | 15.5 |
| Gross government investment ............. | 6.8 | 7.8 | 5.9 | 6.1 | 7.2 | 8.1 | 8.9 | 6.8 |
| Change in business inventories ............ | -. 7 | 3.2 | -. 4 | -3.1 | 3.8 | 1.8 | 1.0 | 6.0 |

1. Includes new trucks only.

Table 8.5.-Real Auto Output
[Billions of chained (1992) dollars]

|  | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  | III | IV | 1 | \\| | III | IV |
| Auto output ................................ | 119.9 | 120.0 | 127.9 | 113.7 | 119.7 | 116.8 | 122.1 | 121.6 |
| Final sales | 124.4 | 119.6 | 123.8 | 121.3 | 121.2 | 115.8 | 122.6 | 118.9 |
| Personal consumption expenditures | 121.2 | 121.4 | 121.0 | 118.0 | 123.6 | 117.2 | 125.0 | 119.6 |
| New autos ............................... | 78.2 | 78.7 | 76.7 | 77.0 | 79.6 | 73.7 | 82.3 | 79.3 |
| Net purchases of used autos ......... | 42.1 | 41.8 | 43.2 | 40.2 | 43.1 | 42.4 | 42.0 | 39.7 |
| Producers' durable equipment .............. | 45.1 | 46.8 | 47.2 | 44.9 | 48.0 | 46.1 | 48.1 | 44.9 |
| New autos ..................................... | 72.0 | 72.4 | 75.9 | 69.5 | 74.7 | 72.1 | 73.9 | 69.0 |
| Net purchases of used autos ........... | -26.6 | -25.6 | -28.4 | -24.6 | -26.6 | -25.9 | -25.8 | -24.2 |
| Net exports ........................................ | -43.6 | $-50.1$ | -45.6 | -43.4 | -52.0 | -48.7 | -52.3 | -47.4 |
| Exports ........................................... | 16.0 | 15.8 | 16.1 | 15.8 | 15.6 | 17.0 | 15.1 | 15.5 |
| Imports .......................................... | 59.6 | 65.9 | 61.8 | 59.2 | 67.6 | 65.7 | 67.4 | 63.0 |
| Gross government investment .............. | 2.1 | 2.0 | 1.8 | 2.3 | 2.1 | 1.7 | 2.0 | 2.2 |
| Change in business inventories of new <br> and used autos $\qquad$ <br> New $\qquad$ <br> Used $\qquad$ | -4.7 | . 3 | 4.0 | -7.9 | -1.8 | . 9 | -6 | 2.5 |
|  | -5.2 | 1.1 | 3.6 | -8.1 | -1.0 | 2.3 | 0 | 2.9 |
|  | . 3 | -.7 | . 5 | 0 | -. 7 | $-1.2$ | -. 5 | -. 2 |
| Residual ................................................... | . 6 | .4 | . 3 | . 8 | . 5 | . 4 | . 5 | . 4 |
| Addenda: |  |  |  |  |  |  |  |  |
| Domestic output of new autos ${ }^{1}$........... | 110.9 | 110.3 | 120.2 | 103.6 | 109.8 | 108.1 | 114.2 | 109.1 |
| Sales of imported new autos ${ }^{2}$............. | 52.9 | 57.8 | 52.6 | 53.5 | 58.7 | 55.3 | 59.1 | 58.1 |

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 gross government investment.
current-dolar valued (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.

Table 8.7.-Real Truck Output
[Billions of chained (1992) dollars]

| Truck output ' ............................. | 121.1 | 131.9 | 118.7 | 122.6 | 127.6 | 123.6 | 131.6 | 144.7 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Final sales | 121.7 | 129.0 | 119.0 | 125.3 | 124.2 | 121.9 | 130.7 | 139.1 |
| Personal consumption expenditures | 55.8 | 56.4 | 54.2 | 55.4 | 54.6 | 51.9 | 57.7 | 61.2 |
| Producers' durable equipment | 63.7 | 70.0 | 64.7 | 67.0 | 67.8 | 67.5 | 70.9 | 73.9 |
| Net exports ........................................ | -3.7 | -4.1 | -5.1 | -2.3 | -4.4 | -4.5 | -5.7 | -1.8 |
| Exports | 8.7 | 10.3 | 8.2 | 9.8 | 9.8 | 9.4 | 9.8 | 12.2 |
| Imports .......................................... | 12.4 | 14.4 | 13.4 | 12.1 | 14.2 | 13.9 | 15.5 | 14.0 |
| Gross government investment .............. | 6.1 | 6.9 | 5.2 | 5.5 | 6.4 | 7.2 | 8.0 | 6.1 |
| Change in business inventories ............ | -. 6 | 3.0 | -. 3 | -2.9 | 3.6 | 1.7 | . 9 | 5.7 |
| Residual | -. 2 | -. 3 | 1 | -. 1 | -. 4 | -. 2 | -. 2 | -. 4 |

1. Includes new trucks only

NoTE-Chained (1992) doliar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-fype quantiby indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

## B. Other NIPA and NIPA-Related Tables

## Monthly Estimates:

Tables B. 1 and B. 2 include the most recent estimates of personal income and its components; these estimates were released on March 27, 1998 and include "preliminary" estimates for February 1998 and "revised" estimates for October-December 1997 and January 1998.

Table B.1.-Personal Income
[Biliions of dollars; monthly estimates seasonally adjusted at annual rates]

${ }^{p}$ Preliminary
$r$
$r$ Revised.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.
CCAdj Capital consumption adjustment
IVA Inventory valuation adjustment
Table B.2.-The Disposition of Personal Income
[Monthly estimates seasonally adjusted at annual rates]

|  | 1996 | 1997 | 1997 |  |  |  |  |  |  |  |  |  |  |  | 1998 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. ${ }^{r}$ | Nov. ${ }^{\text {r }}$ | Dec. ${ }^{r}$ | Jan. ${ }^{\text {r }}$ | Feb. ${ }^{p}$ |
|  | Billions of dollars, unless otherwise indicated |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Personal income | 6,495.2 | 6,873.9 | 6,700.1 | 6,750, | 6,788.2 | 6,800.9 | 6,822.8 | 6,863.5 | 6,873.1 | 6,912.2 | 6,935.5 | 6,970.4 | 7,019.8 | 7,050.4 | 7,091.3 | 7,135.0 |
| Less: Personal tax and nontax payments | 886.9 | 988.7 | 942.3 | 957.7 | 967.0 | 970.4 | 978.3 | 988.9 | 991.2 | 999.3 | 1,003.5 | 1,012.1 | 1,024.4 | 1,029.7 | 1,023.6 | 1,033.2 |
| Equals: Disposable personal income ......................................... | 5,608.3 | 5,885.2 | 5,757.8 | 5,792.7 | 5,821.2 | 5,830.5 | 5,844.5 | 5,874.5 | 5,881.9 | 5,913.0 | 5,932.0 | 5,958.3 | 5,995.3 | 6,020.8 | 6,067.7 | 6,101.8 |
| Less: Personal outlays | 5,368.8 | 5,658.5 | 5,565.9 | 5,578.5 | 5,579.5 | 5,592.3 | 5,592.7 | 5,623.5 | 5,690.4 | 5,699.3 | 5,712.6 | 5,735.8 | 5,752.4 | 5,778.8 | 5,814.8 | 5,838.6 |
| Personal consumption expenditures $\qquad$ | 5,207.6 | 5,485.8 | 5,396.7 | 5.409 .7 659.8 | 5,410.8 | 5,422.0. | 5,422.4 | 5,451.9 | $\begin{array}{r}\text { 5,518.7 } \\ 670.8 \\ \hline\end{array}$ | 5,525.8 | $5,537.8$ <br> 6607 | 5,559.3 | 5,575.4 | 5,598.8 | 5,636.2 | 5,659.3 |
| Durable goods <br> Nondurable goods | $\begin{array}{r} 634.5 \\ 1,534.7 \end{array}$ | 659.3 $1,592.0$ | 661.0 $1,584.5$ | 659.8 $1,589.0$ | 654.4 $1,588.6$ | 642.9 $1,577.0$ | 643.5 $+1,577.1$ | 647.0 $1,582.6$ | 670.8 $1,597.6$ | 670.5 $1,599.8$ | 660.7 $1,604.9$ | 655.4 $1,604.8$ | 670.0 $1,600.9$ | 675.1 $1,597.0$ | 688.3 $1,607.4$ | 6688.5 $1,615.2$ |
| Nondurable goods <br> Services $\qquad$ | $\begin{aligned} & 1,534.7 \\ & 3,038.4 \end{aligned}$ | 1,592.0. | $1,584.5$ $3,151.7$ | $1,589.0$ $3,160.9$ | $1,588.6$ $3,167.8$ | $1,577.0$ $3,202.1$ | $1,577.1$ $3,201.8$ | $1,582.6$ $3,222.3$ | $1,597.6$ $3,250.3$ | 1,599.8 | $1,604.9$ $3,272.2$ | $1,604.8$ $3,299.1$ | $1,600.9$ $3,304.5$ | 1,597.0. | $1,607.4$ $3,340.5$ | $1,615.2$ $3,355.7$ |
| Interest paid by persons $\qquad$ <br> Personal transfer payments to rest of world $\qquad$ | $\begin{array}{r} 145.2 \\ 15.9 \end{array}$ | $\begin{array}{r} 154.8 \\ 17.9 \end{array}$ | 152.2 17.0 | $\begin{array}{r} 151.7 \\ 17.0 \end{array}$ | $\begin{array}{r} 151.6 \\ 17.0 \end{array}$ | $\begin{array}{r}152.7 \\ 17.6 \\ \hline\end{array}$ | 152.7 17.6 | $\begin{aligned} & 154.0 \\ & 17.6 \end{aligned}$ | 153.5 18.2 | $\begin{gathered} 155.2 \\ 18.2 \end{gathered}$ | $\begin{array}{r} 156.6 \\ 18.2 \end{array}$ | $\begin{array}{r} 157.8 \\ 18.7 \end{array}$ | $\begin{array}{r} 158.3 \\ 18.7 \end{array}$ | $\begin{array}{r} 161.3 \\ 18.7 \end{array}$ | $\begin{gathered} 159.9 \\ 18.7 \end{gathered}$ | 160.6 18.7 |
| Equals: Personal savings ........................................................ | 239.6 | 226.7 | 191.9 | 214.2 | 241.7 | 238.2 | 251.8 | 251.0 | 191.4 | 213.7 | 219.4 | 222.5 | 243.0 | 242.0 | 252.9 | 263.2 |
| Addenda: Disposable personal income: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Billions of chained (1992) dollars ${ }^{\text {: }}$ $\qquad$ Per capita: | 5,076.9 | 5,221.9 | 5,142.3 | 5,159.4 | 5,181,4 | 5,185.5 | 5,198.7 | 5,218.3 | 5,214.8 | 5,239.8 | 5,247.8 | 5,264.7 | 5,293.6 | 5,316.1 | 5,356.5 | 5,382.7 |
| Current dollars .............................................................. | 21,117 | 21,969 | 21,579 | 21,697 | 21,789 | 21,808 | 21,845 | 21,941 | 21,951 | 22,049 | 22,102 | 22,183 | 22,299 | 22,373 | 22,535 | 22,648 |
| Chained (t992) dollars ....................................................... | 19,116 | 19,493 | 19,272 | 19,326 | 19,394 | 19,396 | 19,431 | 19,490 | 19,462 | 19,539 | 19,553 | 19,601 | 19,689 | 19,754 | 19,893 | 19,979 |
| Population (thousands) ......................................................................................... | 265,579 | 267,889 | 266,826 | 266,975 | 267,161 | 267,354 | 267,541 | 267,741 | 267,952 | 268,171 | 268,391 | 268,594 | 268,859 | 269,108 | 269,263 | 269,423 |
| Personal consumption expenditures: <br> Billions of chained (1992) dollars | 4,714.1 | 4,867.5 | 4,819.8 | 4,818.3 | 4,816.1 | 4,822.2 | 4,823.2 | 4,842.9 | 4,892.8 | 4,896.8 | 4,899.0 | 4,912.2 | 4,922.8 | 4.943 .4 | 4,975.5 | 4.992 .4 |
| Durable goods ............................................................................................ | 4,611.1 | 4,845.5 | 4,641.2 | +638.4 | 4,833.8 | 4,822.9 | 4,828.2 | 4,833.0 | 4,892.7 | +8,898.8 | 4,859.0 | 4,912.2 | 4,963.0 | 4,943.4 | 4,972.6 | 4,992.4 |
|  | 1,432.3 | 1,458.5 | 1,456.0 | 1,458.t | 1,459.2 | 1,446.3 | 1,449.1 | 1,454.7 | 1,466.0 | 1,464.8 | 1,465.6 | 1,464.0 | 1,460.6 | 1,458.1 | t,469.2 | 1,477.5 |
| Services ........................................................................................................ | 2,671,0 | 2,764.1 | 2,724.2 | 2,723.2 | 2,724.2 | 2,749.1 | 2,745.5 | 2,755.0 | 2,771.0 | 2,774.1 | 2,783.2 | 2,800.7 | 2,800.3 | 2,818.2 | 2,826.1 | 2,833.3 |
| Implicit price deflator, 1992=100 ............................................. | 110.47 | 112.70 | 111.97 | 112.27 | 112.35 | 112.44 | 112.42 | 112.58 | 112.79 | 112.85 | 113.04 | 113.17 | 113.26 | 113.26 | 113.28 | 113.36 |
| Personal saving as percentage of disposable personal income ${ }^{2}$..... | 4.3 | 3.9 | 3.3 | 3.7 | 4.2 | 4.1 | 4.3 | 4.3 | 3.3 | 3.6 | 3.7 | 3.7 | 4.1 | 4.0 | 4.2 | 4.3 |
|  | Percent change from preceding period |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Personal income, current dollars $\qquad$ <br> Disposable personal income: <br> Current dollars $\qquad$ <br> Chained (1992) dollars $\qquad$ | 5.6 | 5.8 | 0.5 | 0.7 | 0.6 | 0.2 | 0.3 | 0.6 | 0.1 | 0.6 | 0.3 | 0.5 | 0.7 | 0.4 | 0.6 | 0.6 |
|  | $\begin{aligned} & 4.7 \\ & 2.3 \end{aligned}$ | $\begin{aligned} & 4.9 \\ & 2.9 \end{aligned}$ | $\begin{aligned} & .5 \\ & .4 \end{aligned}$ | $\begin{aligned} & .6 \\ & .3 \end{aligned}$ | $\begin{aligned} & .5 \\ & .4 \end{aligned}$ | . 2 | $\begin{aligned} & .2 \\ & .3 \end{aligned}$ | . 5 | $\begin{array}{r} 1 \\ -1 \end{array}$ | .5 .5 | $\begin{aligned} & .3 \\ & .2 \end{aligned}$ | .4 <br> .3 | $\begin{aligned} & .6 \\ & .5 \end{aligned}$ | . 4 | .8 <br> .8 | .6 . |
| Personal consumption expenditures: <br> Current dollars $\qquad$ <br> Chained (1992) dollars $\qquad$ | $\begin{aligned} & 5.0 \\ & 2.6 \end{aligned}$ | $\begin{aligned} & 5.3 \\ & 3.3 \end{aligned}$ | 1.1 1.0 | $0^{2}$ | 0 0 | . 2 | 0 0 | .5 <br> .4 | 1.2 | . 1 | $0^{2}$ |  | . 3 | . 4 | . 78 | . 4 |
| t. Disposable personal income in chained (1992) dollars equals the current-doliar figure divided by the implicit price deflator for personal consumplion expenditures. <br> 2. Monthly estimates equal personal saving for the month as a percentage of disposable personal income for that month. <br> Source: U.S. Department of Commerce, Bureau of Economic Analysis. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

## Annual Estimates:

Except as noted, these tables are derived from the nipa tables published in the August 1997 Survey of Current Business; they are consistent with the most recent comprehensive and annual revisions.

Table B.3.-Gross Domestic Product by Industry, Current-Dollar and Real Estimates for 1994-96

|  | Billions of dollars |  |  | Billions of chained (1992) dollars |  |  |  | Billions of dollars |  |  | Billions of chained (1992) dollars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Gross domestic product | 6,947.0 | 7,265.4 | 7,636.0 | 6,610,7 | 6,742.1 | 6,928.4 | Transportation services | 22.1 | 23.0 | 24.0 | 21.7 | 23.2 | 24.0 |
| Private industries |  | 6,301.3 | 6,639.8 |  | 5,921.4 |  | Communications .................................... | 184.6 | 191.6 | 200.3 | 176.9 | 178.4 | 181.6 |
| Pate industres |  |  |  |  |  |  | Telephone and telegraph | 142.1 | 144.1 | 149.6 50.6 | 137.9 <br> 38.8 | 136.4 | 141.2 40.4 |
| Agriculture, forestry, and fishing | 119.2 | 111.0 73.5 | 129.8 89.4 | 119.1 84.9 | 111.4 74.4 | $111 .$ | Electric, gas, and sanitary services ............ | 194.2 | 202.0 | 210.0 | 193.1 | 199.6 | 207.0 |
| Agricultural sevices, forestry, and fishing | 35.7 | 37.5 | 40.5 | 34.9 | 37.0 | 37.6 | Wholesale trade | 468.0 | 484.4 | 516.8 | 448.6 | 457.5 | 493.3 |
| Mining | 94.9 | 99.8 | 113.6 | 102.5 | 108.4 | 101.9 | Retail trade | 615.3 | 637.6 | 667.9 | 601.2 | 622.5 | 648.5 |
| Metal mining | 5.9 | 6.8 | 6.8 | 5.7 | 5.5 | 6.3 |  |  |  |  |  |  |  |
| Coal mining ......................................... | 13.1 | 12.3 | 12.3 | 15.5 | 15.7 | 16.6 | Finance, insurance, and real estate ............. | 1,267.6 | 1,361.3 | 1,448.5 | 1,196.9 | 1,231.1 | 1,258.5 |
| Oil and gas ex | 66.7 | 71.0 | 84.4 | 72.2 | 77.7 | 69.4 | Depository instituions | 207.4 | 229.6 | 247.4 | 197.0 | 193.4 | 192.0 |
| Nonmetallic minerals, except fuels | 9.2 | 9.6 | 10.2 | 9.2 | 9.5 | 10.1 | Nondepository institutions | 36.1 | 39.0 | 49.9 | 33.9 | 32.6 | 35.4 |
| Construction | 268.7 | 286.4 | 306.1 | 249.8 | 254.1 | 264.3 | Security and commodity brokers insurance carriers | 78.5 108.8 | 79.5 | 90.0 136.6 | 83.0 91.3 | 81.9 105 | 92.2 |
|  |  |  |  |  |  |  | Insurance agents, brokers, and services | 45.0 | 47.1 | 50.4 | 41.6 | 42.1 | 43.6 |
| Manufacturing | 1,216.1 | 1,286.3 | 1,332.1 | 1,193.2 | 1,273.7 | 1,323.7 | Real estate ..... | 802.9 | 842.7 | 886.2 | 758.3 | 775.6 | 793.3 |
| Durable goods | 679.2 | 716.8 | 749.0 | 671.3 | 731.2 | 785.5 | Nonfarm housing services | 607.3 | 642.8 | 673.3 | 573.3 | 587.9 | 596.8 |
| Lumber and wood products | 38.4 | 40.7 | 41.4 | 29.8 | 31.6 | 33.6 | Other real estate | 195.6 | 199.9 | 212.9 | 185.0 | 187.7 | 196.6 |
| Furniture and fixtures ... | 18.5 | 19.4 307 | 20.5 | 18.0 | 18.7 | 18.8 291 | Holding and other investment offices ............. | -11.1 | -3.2 | -12.0 | 12.9 | 12.6 | 12.6 |
| Stone, clay, and glass products Primary meta industries | 28.8 46.3 | 30.7 52.0 | 32.7 50.6 | 27.0 45.0 | 27.7 44.4 | 29.1 46.8 | Services ........................................ | 1,350.4 |  |  |  |  | 1,342.9 |
| Fabricated metal products | 84.2 | 89.5 | 98.2 | 84.5 | 89.7 | 94.0 | Hotels and other lodging places | 57.4 | 60.6 | 63.7 | 54. | 55.4 | 55.8 |
| Industrial machinery and equipment ........ | 122.3 | 142.4 | 150.2 | 131.5 | 164.5 | 186.1 | Personal services | 45.8 | 46.6 | 49.1 | 42.6 | 42.4 | 43.3 |
| Electronic and other electric equipment | 132.9 | 134.0 | 143.8 | 145.8 | 175.6 | 217.4 | Business services | 256.0 | 283.3 | 318.5 | 247.1 | 271.3 | 295.7 |
| Motor vehicles and equipment | 87.4 | 87.3 | 85.1 | 78.0 | 79.3 | 76.1 | Auto repair, services, and parking .............. | 59.3 | 61.1 | 65.0 | 53.3 | 53.3 | 55.3 |
| Other transportation equipment | 49.5 | 46.9 | 49.7 | 47.6 | 43.8 | 44.5 | Miscellaneous repair services .................... | 19.2 | 20.7 | 22.5 | 16.7 | 17.0 | 15.9 |
| Instruments and related products | 48.7 | 49.7 | 52.3 | 45.1 | 42.6 | 38.3 | Motion pictures | 23.0 | 25.9 | 29.9 | 21.8 | 23.9 | 26.2 |
| Miscellaneous manufacturing industries ... | 22.2 | 24.3 | 24.6 | 21.5 | 22.8 | 23.3 | Amusement and recreation services | 51.4 | 56.2 | 60.8 | 47.5 | 49.7 | 51.6 |
| Nondurable goods | 536.9 | 569.5 | 583.1 | 522.0 | 543.2 | 541.0 | Health services ............................... | 410.2 | 428.9 | 447.0 | 369.7 | 371.6 | 376.6 |
| Food and kindred products | 109.6 | 118.7 | 122.6 | 106.5 | 120.9 | 112.9 | Legal services | 93.8 | 96.5 | 100.0 | 86.0 | 85.5 | 85.1 |
| Tobacco products. | 16.3 | 17.6 | 18.1 | 22.3 | 24.3 | 23.9 | Educational services | 52.3 | 55.1 | 58.2 | 48.9 | 49.6 | 50.7 |
| Textile mill products | 25.4 | 23.6 | 25.5 | 27.3 | 25.4 | 26.6 | Social services | 43.2 | 46.7 | 49.3 | 41.6 | 43.7 | 44.9 |
| Apparel and other textile products | 28.2 | 27.3 | 26.6 | 28.3 | 28.5 | 26.9 | Membership organizations | 45.1 | 47.0 | 48.9 | 42.1 | 42.5 | 43.1 |
| Paper and allied products | 51.3 | 59.9 | 57.1 | 52.1 | 45.4 | 47.3 | Other services | 182.6 | 199.9 | 215.2 | 175.4 | 184.6 | 192.9 |
| Printing and publishing | 86.0 | 85.0 | 90.4 | 78.0 | 77.5 | 74.3 | Private household | O | . 8 | . 5 | 10.4 | 10.8 | 10.1 |
| Chemicals and allied products.. | 140.6 | 155.9 | 157.8 | 131.2 | 138.9 | 142.2 |  |  |  |  |  |  |  |
| Petroleum and coal products ........ | 30.4 44 | 30.2 | 30.1 | 27.6 45 | 32.2 | 33.8 50.9 | Statistical discrepancy ${ }^{1}$.. | 14.6 | -28.2 | -59.9 | 13.9 | -26.3 | -54.7 |
| Rubber and miscellaenous plastics Leather and leather products | 44.4 | 46.1 5.1 | 49.7 5.2 | 45.4 | 48.2 | 50.9 4.8 | Government | 933.5 | 964.1 | 996.3 | 878.3 | 877.4 | 874.1 |
| Transportation and public utilities | 598.7 | 622.4 | 645.3 | 584.1 | 593.8 | 608.9 | Federal | 324.9 | 326.2 | 331.5 | 306.9 | 297.1 | 290.6 |
| Transportation | 219.9 | 228.7 | 235.1 | 214.3 | 216.0 | 220.8 | General gvernment | 275.2 | 275.5 | 281.4 | 258.4 | 248.1 | 240.9 |
| Railroad transportation | 24.2 | 24.5 | 25.3 | 25.9 | 27.7 | 31.0 | Government enterprises ........................... | 49.7 | 50.7 | 50 | 48.6 | 49.0 | . 7 |
| Local and interurban passenger transit | 11.4 | 12.4 | 13.6 | 11.0 | 12.0 | 12.2 |  |  |  |  |  |  |  |
| Trucking and warehousing . | 95.0 | 97.5 | 92.2 | 88.7 | 87.4 | 80.3 10.7 | State and local $\qquad$ | 608.6 557.5 | 637.9 583.4 | 664.7 | 571.3 | 5820.3 | 5833.4 |
| Water transportation ............................. | 10.9 | 10.8 | 11.2 | 10.8 | 11.0 | 10.7 59.0 | Government enterprises | 551.5 | 54.5 | 67.6 57.1 | 424.1 | 532.2 48.0 | 535.2 48.2 |
| Transportation by air Pipelines, except natural gas | 51.7 4.6 | 54.9 5.7 | $\begin{array}{r}63.2 \\ 5.5 \\ \hline\end{array}$ | 51.4 | 49.8 5.4 | 59.0 5.0 | Not allocated by industry ${ }^{2}$ | 51.1 | 54.5 | 57.1 | 47.1 -60.4 | 48.0 -87.9 | -101.1 |
| 1. The current-dollar statistical discrepancy equals gross domestic product (GDP) measured as the sum of expenditures less gross domestic income-that is, GDP measured as the costs incurred and profils earned in domestic production. The chained (1992) doliar statisitical discrepancy equals the current-dollar discrepancy deflated by the implicit price deflator for gross domestic product. <br> 2. Equals GDP in chained (1992) dollars less the statistical discrepancy and the sum of GPO of the detailed industries. <br> NoTE-Estimates are based on the 1987 Standard Industrial Classiifation. The table is derived from tables 7 and 10 in "Gross Product by Industry, 1947-96" in the November t997 SURVEY OF CURFENT BUSINESS. |  |  |  |  |  |  |  |  |  |  |  |  |  |

Table B.4.-Personal Consumption Expenditures by Type of Expenditure

|  | Bilions of dollars |  |  | Billions of chained (1992) dollars |  |  |  | Billions of dollars |  |  | Billions of chained (1992) doliars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |  | 1994 | 1995 | 1996 | 1994 | 1995 | 199 |
| Personal consumption expenditures | 4,717.0 | 4,957.7 | 5,207.6 | 4,486.0 | 4,595.3 | 4,714.1 | Personal business $\qquad$ Brokerage charges and investment counseling (s.) $\qquad$ | $\begin{array}{r} 370.4 \\ 36.2 \end{array}$ | $\begin{gathered} 389.1 \\ 38.8 \end{gathered}$ | $\begin{array}{r} 421.1 \\ 47.2 \end{array}$ | $\begin{array}{r} 352.1 \\ 37.8 \end{array}$ | $\begin{gathered} 350.7 \\ 41.8 \end{gathered}$ | 363.6 50.0 |
| Food and tobacco ....................................... | 761.7 | 783.8 | 805.7 | 735.0 | 737.9 | 736.5 | Brokerage charges and investment counseling (s.) ............ Bank service charges, trust services, and safe deposit |  |  |  |  |  |  |
| Food purchased for otfipremise consumption (n.d.) ........... | 451.6 254.3 | 4626.2 | 478.4 | 434.5 245.1 | 433.4 248.7 | 434.7 246.6 | box rental (s.) Senices furnished without payment by financial | 31.6 | 33.9 | 37.3 | 27.5 | 27.8 | 28. |
| Food furnished to employees (including military) (n.d.) ...... | 8. | 8.4 | 8.7 | 7.8 | 7.9 | 8.0 | Services furnished without payment by financial intermediaries except life insurance carriers and private |  |  |  |  |  |  |
| Food produced and consumed on farms (n.d.) ............... | . |  |  | ${ }^{.5}$ | ${ }^{5}$ |  | noninsured pension plans (s.) ................................ | 151.5 | 159.8 | 169.9 | 146.5 | 141.9 | 143.9 |
| Tobacco products (n.d.) ......................... | 47.3 | 48.7 | 49.6 | 47.2 | 47.4 | 46.8 | Expense of handling life insurance ${ }^{17}(\mathrm{~s}$.$) .....................$ | 72.6 | 75.4 | 79.9 |  | 67.9 | 68.5 |
| Addenda: Food excluding alconolic beverages (n.d.). ........ | 633.6 | 652.0 | 669.9 | 608.7 | 610.2 | 608.7 |  | 48.8 | 49.1 | 52.2 | 45.3 | 44.0 | 45.2 |
| Alcoholic beverages purchased for off-premise |  |  |  |  |  |  | Funeral and butial expenses (s.) .................................. | 11.1 | 12.2 | 12.8 | 10.1 | 10.5 | 10.4 |
| Clothing, accessories, and jew | 312.7 | 323.4 | 336.3 | 308.5 | 321.8 | 335.3 | Transportation | 542.2 | 572.3 | 602.2 | 515.3 | 528.0 | 540.3 |
|  | 36.0 | 36.8 | 38.1 | 35.7 | 36.6 | 37.6 | ser-operated transportation | 502.6 |  |  | 476 |  | 497.7 |
| Clothing and accessories except shoes ${ }^{2}$ | 211.6 | 217.7 | 226.0 | 211.2 | 220.6 | 229.9 | Net purchases of used autos (d) | 44.1 | 52.4 | ${ }_{55.3}$ | 37.5 | 80.8 | 42. |
| Women's and children's (n.d.) | ${ }^{137.5}$ | 141.3 | 145.8 | 137.0 | 144.2 | 150.7 | Other motor vehicles (d.) ...................................... | 76.8 | 79.4 | 82.1 | 71.4 | 71.7 | 72.5 |
| Men's and boys' (n.0.) (.................................... | 74.1 | 76.4 | 80.2 | 74.1 | 76.4 | 79.2 | Tires, tubes, accessories, and other parts (d.) | 34.5 | 35.8 | 37.9 | 35.1 | 36.2 | 38.3 |
| Standard clothing issued to military personnel (n.d) ........ | 11.6 |  |  |  | 11.5 | $\begin{array}{r}11.3 \\ \\ \hline\end{array}$ | Repairs greasing, washing, parking, storage, renta, and |  |  |  |  |  |  |
| Cleaning, storage, and repair of clothing and shoes (s.) ... Jewery and watches (d.) | $\begin{aligned} & 11.6 \\ & 37.7 \end{aligned}$ | 12.3 39.3 | 12.3 41.6 | 11.0 35.6 | 11.5 <br> 36.8 | 11.3 39.7 | leasing (s.) | 116.4 | 128.7 | 140.1 | 108.5 | 116.5 | 123.3 |
| Other ${ }^{3}$ (s.) | 15.6 | 17.1 | 18.1 | 14.7 | 16.0 | 16.6 | Gasoline and oil (n.d.) | 109.4 | 114.4 | 122.6 | 109.8 | 113.1 | 114.1 |
| Personal care | 68.4 | 71.9 | 75.7 | 65.5 |  |  | Insurance ${ }^{19}$ (s.) | 27.5 | 29.4 | 30.9 | 25.6 | 26.0 | 26.2 |
| Toilet articles | 45.3 | 47.2 | 49.9 | 43.7 | 45.0 | 47.0 | Purchased local transportation .................................... | 8.9 | 9.2 | 10.1 | 8.6 |  |  |
| Barbershops, beauty pariors, and healith clubs (s.) | 23.0 | 24.7 | 25.7 | 21.8 | 22.9 | 23.0 | Mass transit systems (s.) | 5.9 | 6.0 | 6.6 | 5.7 | 5.5 | 5.6 |
| Housing | 712.7 | 750.3 | 787.2 | 674.3 | 688.2 | 700.2 | Purchased intercit | 30.7 | 33.0 | 34.4 | 30.1 | 31.7 | 34.2 |
| Owner-occupied nonlarm dwellings space rent ${ }^{4}$ ( $s$.) | 507.0 | 532.2 | 558.3 | 479.6 | 487.2 |  | Railway (s.) ... | . 7 |  |  | . 7 | 7 |  |
| Tenant-occupied nontarm dwellings rent ${ }^{5}$ (s.) .... | 174.0 | 184.6 | 193.6 | 165.2 | 171.1 | 174.9 | Bus (s.) | 1.1 | 1.3 | 1.3 | 1.1 | 1.4 |  |
| Rental value of farm dwellings (s.) | 5.8 | 5.9 | 6.1 | 5.2 | 5.2 | 5.1 | Airine (s.). | 25.8 | 27.7 | 28.2 | 25.5 | 6.8 | 28.8 |
| Other ${ }^{6}$ (s.) ................ | 26.0 | 27.5 | 29.1 | 24.3 | 24.8 | 25.0 | Other ${ }^{20}$ (s.) | 3.2 | 3.3 | 4.0 | 2.8 | 2.8 | 3.3 |
| Household operation | 535.0 | 562.8 | 591.9 | 514.5 | 533.6 | 548.4 | Recreation | 370.2 | 402.5 | 431.1 | 365.2 | 395.7 | 424.4 |
| Furniture, inciuding mattresses and bedsprings (d.) | 45.9 | 48.0 | 49.6 | 43.2 | 44.2 | ${ }^{44.6}$ | Books and maps (d.) | 20.6 | 22.1 | 23.2 | 19.6 | 20.6 | 20.8 |
| Kitchen and other household appliances ${ }^{7}$ (d.) ............... | 25.6 | 27.2 | 27.8 | 25.0 | 26.6 | 27.1 | Magazines, newspapers, and sheet music (n.c.) | 24.5 | 25.5 | 26.5 | 22.9 | 29 |  |
| China, glassware, tableware, and utensils (d.) .-. | 24.0 | 25.3 | 27.4 | 23.5 | 25.0 | 26.9 | Nondurable toys and sport supplies (n.d.) | 39.7 | 42.2 | 45.4 | 38.9 | 41.4 | 43.9 |
| Other durable house furnishings ${ }^{8}$ (d.) | 52.3 | 54.5 | 58.2 | 51.4 | 53.1 | 56.1 | Wheel goods, sports and photographic equipment, boats, |  |  |  |  |  |  |
| Semidurable house furnishings ${ }^{9}$ (n.d.) ... | 27.2 | 28.9 | 30.1 | 25.7 | 26.9 | 28.2 | and pleasure aircratt (d.) . | 35.6 | 39.1 | 42.0 | 34.8 | 37.7 | 40.3 |
| Cleaning and polisthing preparations, and miscellaneous |  |  |  |  |  |  | Video and audio products, computing equipment, and |  |  |  |  |  |  |
| household supplies and paper products ( n . d) ........... | 50.8 | 52.3 | 54.5 | 50.2 | 50.0 | 50.6 | musical instruments (d.) | 78.5 | 85.2 | 89.7 | 87.4 | 101.8 | 19.5 |
| Stationery and writing supplies (n.d.) ..........................- | 15.1 | 15.8 | 17.0 | 14.4 | 14.4 | 14.8 | Radio and television repair (s.) | 4.5 | 4.9 | 5.1 | 4.2 | 4.5 | 4.5 |
| Household uutilities | 163.8 | 168.5 | 177.9 | ${ }^{156.3}$ | ${ }^{159.4}$ | 163.1 | Flowers, seeds, and potted plants (n.C.) | 13.4 | 13.9 | 14.9 | 13.4 | 13.2 | 14.4 |
| Electricity (s.) | 84.2 | 88.0 | 90.3 | 82.6 | 84.3 | 85.2 | Admissions to specified spectator amusements .... | 19.0 | 20.2 | 22.1 | 17.8 | 18.2 | 18.9 |
| Gas (s.) | 32.4 | 31.5 | 34.9 | 30.0 | 30.7 | 32.7 | Motion picture theaters (s.) | 5.6 | 6.0 | 6.3 | 5.2 | 5.4 | 5.4 |
| Water and other sanitary services (s.) | 36.6 | 38.8 | 41.1 | 33.0 | 33.8 | 34.6 | Legitmate theaters and opera, and enterainments of |  |  |  |  |  |  |
| Fuel oil and coal (n.d.) | 10.5 | 10.2 | 11.6 | 10.7 | 10.5 | 10.6 | nonprofit institutions (except athletics) (s.) .............. | 8.2 | 8.7 | 9.3 | 7.7 | 7.9 | 8.0 |
| Telephone and telegraph (s.) | 82.6 | 90.2 | 96.9 | 79.6 | 86.6 | 91.1 | Spectator sports ${ }^{21}$ (s.) | 5.2 | 5.5 | 6.4 | 4.9 | 5.0 | 5.5 |
| Domestic sevice (s.) ........ | 11.9 | 12.8 | 12.5 | 11.2 | 11.7 | 11.0 | Clubs and fratermal organizations ${ }^{22}$ | 11.8 | 12.7 | 13.0 | 11.2 | 11.5 | 11.8 |
| Other ${ }^{10}$ (s.) ........... | 35.8 | 39.4 | 40.1 | 34.2 | 35.9 | 35.3 | Commercial participant amusements ${ }^{23}$ (s.) | 36.2 | 41.5 | 46.2 | 34.1 | 38.0 | . |
| Medical care | 826.1 | 871.6 | 912.8 | 751.0 | 766.2 | 782.4 | Pari-mutuel net receipts (s.) | 3.3 | 3.3 | 3.5 | 3.1 | 3.1 | 3.1 |
| Drug preparations and sundries ${ }^{11}$ (n.d.) | 81.6 | 85.7 | 90.9 | 76.7 | 79.1 | 81.7 | Other ${ }^{24}$ | 83.1 | 91.9 | 99.6 | 79.1 | 85.5 | 89.3 |
| Ophtralmic products and orthopedic appliances (d.) ......... | 12.9 | 13.1 | 13.9 | 12.3 | 12.2 | 12.6 | Education and research ..... | 104.7 | 112.2 | 119.6 | 96.8 | 99.4 | 102.7 |
| Physicians (s.) | 180.0 | 191.4 | ${ }^{196.5}$ | 162.4 | 166.1 | 169.3 | Higher education ${ }^{25}$ (s.) | 59.0 | ${ }_{2}^{62.2}$ | ${ }^{65.2}$ | 53.1 | 53.7 | 54.0 |
| Dentists (s.) | 43.9 | 47.6 | 50.9 | 39.8 | 41.1 | 42.0 | Nursery elementary, and secondary schools ${ }^{26}$ (s.) | 21.4 | 22.8 | 24.0 | 20.4 | 20.8 | 21 |
| Other professional sevices ${ }^{12}$ ( s .) | 95.7 | 104.4 | 110.2 | 39.2 | 95.6 | 99.1 | Other ${ }^{27}(\mathrm{~s})$ ) ............................................... | 24.4 | 27.2 | 30.3 | 23.4 | 25.0 | 27.2 |
| Hospitals and nursing homes ${ }^{13}$ | 357.0 | 375.9 | 394.2 | 331.5 | 3376 | 343.1 | Religious and welfare activities ${ }^{28}$ (s.) | 131.2 | 139.8 | 150.5 | 125.6 | 128.6 | 136.6 |
| Hospitals | 298.1 | 310.6 | 325.1 | 276.9 | 278.5 | 284.4 |  |  |  |  |  |  |  |
| Nonproift (s.) | 200.2 | 207.9 | 217.3 | 1878 | 188.2 | ${ }^{191.8}$ | Foreign travel and other, net | -18.3 | -22.1 | -26.5 | -16.2 | -19.5 | 21.5 |
| Proprietary (s.) | 32.1 65.8 | 34.5 68.2 |  |  |  | 31.9 60.7 | Forign travel by U. S. residents (s.) | 50.1 | 51.9 | 54.9 | 48.8 | 48.9 | 50.8 |
| Government (s.) | 65.8 58.9 | 65.2 | 76.1 | 54.6 | 50.1 | 68.7 58 | Expenditures abroad by U. S. residents (n.d.) | 2.7 | 2.6 | 2.6 | 2.8 | 2.4 | 2.4 |
| Health insurance ....) | 55.0 | ${ }_{53.6}^{65.6}$ | 56.3 | 40.0 | 37.5 | 36.9 | Less. Expenditures in the United States by nonres |  |  |  |  |  |  |
| Medical care and hospitalization ${ }^{14}$ (s.) | 42.9 | 40.7 | 41.8 | 36.6 | 35.2 | 34.7 | (s.) ................................................... | 1.7 | 15.2 | 1. | 6.4 | 9.5 | 73.5 |
| Income loss ${ }^{15}$ (s.) | 2.7 | 2.9 | 3.2 | 2.4 | 2.5 | 2.6 | Less. Personal remitances in kind to nontesidents (n.0.) | 1.4 | 1.4 | 1.2 | 1.3 | 1.3 |  |
| Workers' compensation ${ }^{16}$ (s.) ................................ | 9.4 | 10.0 | 11.3 | 2.3 | 1.8 | 1.8 | Residual ... |  |  |  | -5.7 | -10.6 | -17.8 |

1. Consists of purchases (including tips) of meals and beverages from retail, service, and amusement establish
ents, hotels, dining and buffet cars, schools, school fraternities, institutions, clubs, and industrial lunchrooms. In ments, hotels, dining and bunet cars, schools, school iaterities, institutions, clubs, and industriai lunchrooms. In-
2. Includes iuggage.
3. Consists of watch, clock, and jewelry repairs, costume and dress suit rental, and miscellaneous personal services.
4. Consists of rent for space and for heating and plumbing facilities, water heaters, lighting fixtures, kitchen cabinets, linoleum, storm windows and doors, window screens, and screen doors, but excludes rent for appliances and furniture and purchases of fuel and electricity.
5. Consists of space rent (see footnote 4) and rent for appliances, furnishings, and furniture.
. Consists of transient hotels, motels, clubs, schools, and other group housing.
6. Consists of reirigerators and freezers, cooking ranges,
woners, sewing machines, vacuum ceaners, and other appliances.
7. Includes such house furnistings as floor coverings, comtorte
art products, portable lamps, and clocks. Also includes writing equipment and hand, power, and garden troos, mirrors, 9. Consists largeiy of textile house furnishings, including piece goods allocated to house furnishing use. Also includes lamp shades, brooms, and brushes.
8. Consists of maintenance sevvices for appliances and house turnishings, moving and warehouse expenses, postage and express charges, premiums for fire and theft insurance on personal property less benefits and dividends, and miscellaneous household operation services.
9. Excludes drug preparations and related products dispensed by physicians, hospitals, and other medical services.
10. Consists of osteopathic physicians, chiropraclors, private duty nurses, chiropodists, podiatrists, and others providing heaith and allied services, not elsewhere ciassified.
11. Consists of ( 1 ) current expenditures (including consumption of fixed capital) of nonprofit hospitals and nursing 14. Consists of (1) promims less benefits and dividends, for health hosplatization and accis
dismemberment insurance provided ty commercial insurance carriers, and (2) administrative expenses (including and sumption of fixed capital) of Blue Cross and Blue Shield plans and of other independent prepaid and self-insured health plans.
12. Consists of premiums, less benefits and dividends, for income loss insurance
13. Consists of premiums, less benefits and dividends, for privately administered workers' compensation.
14. Consists of (1) operating expenses of life insurance carriers and private noninsured pension plans, and (2) premiums, less benefits and dividends, of fraternal benefit societies. Excludes expenses allocated by commercial carriers to accident and health insurance.
$\ddagger 8$. Consists of current expenditures (including consumption of fixed capital) of trade unions and professional associations, employment agency fees, money order tees, spending for classified advertisements, tax return preparation services, and other personal business services.
15. Consists of premiums, less benefits and dividends, for motor vehicle insurance.
16. Consists of baggage charges, coastal and inland waterway fares, travel agents' fees, and airpoit bus fares.
17. Consists of admissions to professional and amateur athletic events and to racetracks.
18. Consists of dues and fees excluding insurance premiums.
19. Consists of billiard parfors; bowling alleys; dancing riding 23. Consists of biliard parlors: bowling alieys; dancing, riding, shooting, skating, and swimming places; amusement devices and parks; golf courses; sightseeing buses and guides; private flying operations; casino gambling; and other
20. Consists of net receipts of lotteries and expenditures for purchases of pets and pet care services, cable TV, film processing, photographic studios, sporting and recreation camps, video cassette rentals, and recreational services, not elsewhere classified.
21. For private institutions, equals current expenditures (including consumption of fixed capital) less receiptssuch as those from meals, rooms, and entertainments-accounted for separately in consumer expenditures, and less expenditures ior research and
equals student payments of tuition.
22. For private institutions, equals current expenditures (including consumption of fixed capital) less receiplssuch as those from meals, rooms, and entertainments-accounted for separately in consumer expenditures. For government institutions, equals student payments of tuition. Excludes child day care services, which are included in 27. Consists of (1) fees
services, not elsewhere classified, and (2) current expenditures (including consumption of fixed and for educational organizations and foundations for education and research.
23. For nonprofit institutions, equals current expenditures (including consumption of fixed capital) of religious, social welfare, foreign relief, and political organizations, museums, libraries, and foundations. the expenditures are net of receipts-such as those from meals, rooms, and entertainments-accounted for separately in consumfer expenditures, and excludes relief payments with in the United States and expenditures by foundations for education and research. For proprietary and government institutions, equals receipts from users.
NOTES.-Consumer durable goods are designated (d.), nondurable goods (n.d.), and services (s.)
Estimates of foreign travel by U. S. residents (line 108) expenditures were $\$ 0.3$ billion in 1981 . Beginning with 1984, estimates of ioreign travel by U. S. residents inciude substantially improved estimates of U. S. residents' 110) include, beginning wihh 1981, nonresidents' student and medical care expenditures in the United States. Student expenditures were $\$ 2.2$ billion, and medical expenditures were $\$ 0.4$ billion in 1981. Beginning with 1984, estimates of expenditures in the United States by nonresidents include substantially improved estimates of nonresidents' travel expenditures. Expenditures in the United States by nonresidents are subbracted from total personal consumption expenditures (line 110) because they are included in detailed type of expenditure estimates elsewhere in personal consumption expenditures.
Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 currentdollar value of the corresponding series, divided by to0. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The
residual line is the difference between the first line and the sum of the most detailed lines.

Table B.5.-Private Purchases of Structures by Type

|  | Billions of dollars |  |  | Billions of chained (1992) dollars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Private purchases of structures ... | 463.6 | 478.4 | 517.0 | 432.8 | 430.0 | 453.7 |
| Nonresidential | 184.5 | 200.6 | 215.2 | 172.5 | 179.9 | 188.7 |
| New | 184.3 | 200.2 | 214.7 | 172.2 | 179.5 | 188.2 |
| Nonresidential buildings, excluding farm | 125.5 | 140.8 32.5 | 156.1 | 116.9 | 126.1 | 136.7 |
| Industrial $\qquad$ Commercial | 28.9 61.9 | 32.5 70.8 | 32.1 77.6 | 27.0 57.7 | 29.1 63.4 | 28.1 68.0 |
|  | 25.8 | 29.8 | 32.1 | 24.1 | 26.7 | 28.2 |
| Other ${ }^{2}$................................... | 36.1 | 41.0 | 45.5 | 33.6 | 36.7 | 39.8 |
| Religious .................................... | 3.8 | 4.2 | 4.4 | 3.5 | 3.8 | 3.9 |
| Educational | 5.6 | 6.2 | 7.5 | 5.2 | 5.6 | 6.6 |
| Hospitai and institutional | 13.7 | 12.5 | 13.4 | 12.7 | 11.2 | 11.7 |
| Other ${ }^{3}$...................................... | 11.6 | 14.5 | 21.1 | 10.8 | 13.0 | 18.5 |
| Utitities. | 32.0 | 33.2 | 33.3 | 29.9 | 30.0 | 29.3 |
| Railroads .................................... | 3.3 | 3.5 | 4.6 | 3.0 | 3.1 | 3.9 |
| Telecommunications ...................... | 10.1 | 11.0 | 11.9 | 9.6 | 10.1 | 10.4 |
| Electric light and power ................... | 13.0 | 12.3 | 11.0 | 12.1 | 11.0 | 9.8 |
| Gas ........................................ | 4.6 | 5.5 | 4.7 | 4.2 | 5.0 | 4.2 |
| Petroleum pipelines ....................... | 1.0 | . 9 | 1.0 | . 9 | . 8 | . 9 |
| Farm | 3.2 | 3.0 | 3.7 | 3.0 | 2.7 | 3.2 |
| Mining exploration, shafts, and wells ..... | 16.7 | 16.3 | 16.1 | 15.8 | 14.3 | 13.9 |
| Petroleum and natural gas .............. | 14.7 | 14.8 | 14.8 | 14.0 | 13.0 | 12.7 |
| Other ........................................ | 1.9 | 1.5 | 1.3 | 1.8 | 1.3 | 1.1 |
| Other ${ }^{4}$............................................. | 6.9 | 6.9 | 5.7 | 6.6 | 6.3 | 5.0 |
| Brokers' commissions on sale of structures $\qquad$ | 1.5 | 1.6 | 1.8 | 1.4 | 1.5 | 1.6 |
| Net purchases of used structures ............. | -1.2 | -1.3 | -1.3 | -1.2 | -1.1 | -1.2 |
| Residential ............................................ | 279.1 | 277.8 | 301.7 | 260.3 | 250.0 | 265.0 |
| New ................................................. | 248.5 | 246.9 | 267.0 | 230.8 | 220.8 | 233.6 |
| New housing units ............................ | 177.2 | 174.4 | 192.1 | 162.0 | 153.1 | 165.2 |
| Permanent site ............................. | 167.9 | 163.1 | 179.4 | 153.7 | 143.5 | 154.8 |
| Single-family structures ................ | 153.8 | 145.2 | 159.1 | 140.1 | 126.9 | 136.6 |
| Muftifamily structures .................. | 14.1 | 17.9 | 20.3 | 13.6 | 16.9 | 18.6 |
| Mobile homes ................... | 9.3 | 11.3 | 12.6 | 8.3 | 9.5 | 10.3 |
| Improvements ........................ | 71.0 | 72.0 | 74.4 | 68.4 | 67.3 | 67.7 |
| Other ${ }^{5}$.......................................... | . 3 | . 5 | . 6 | . 3 | . 4 | . 5 |
| Brokers' commissions on sale of structures $\qquad$ | 31.6 | 32.1 | 36.3 | 30.4 | 30.3 | 32.7 |
| Net purchases of used structures ............ | -1.0 | -1.1 | -1.6 | -9 | -1.0 | -1.4 |
| Residual .................................................. |  |  |  | . 3 | - 1 | . 3 |

1. Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for their OWn use.
2. Consists of stores, restaurants, garages, service stations, warehouses, mobile structures, and other buildings used for commercial purposes.
3. Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classitied, such as passenger terminais, greenhouses, and animal hospials.
4. Consists primarily of streets, dams and reservoirs, sewer and water facilities, parks, and airfields.
5. Consists primarily of dormitories, fraternity and sorority houses, and nurses' homes.

NOTE-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100 . Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not addifive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.-Private Purchases of Producers' Durable Equipment by Type

|  | Bililions of dollars |  |  | $\begin{aligned} & \text { Billions of chained } \\ & \text { (1992) dollars } \end{aligned}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 199 | 1994 | 1995 | 199 |
| Private purchases of producers' durable equipment | $\begin{gathered} 483.0 \\ 476.1 \end{gathered}$ | $\left.\begin{aligned} & 529.6 \\ & 522.4 \end{aligned} \right\rvert\,$ | $\left\|\begin{array}{c} 573.7 \\ 566.9 \end{array}\right\|$ | 483.5 | 535.2 | 593.1 |
| Nonresidential equipment |  |  |  | 476.8 | 528.3 | 586.0 |
| Information processing and related equipment | $152.1$ | 522.4 | 195.1 | 165.1 | 201.8108.1 |  |
| Office, computing, and accounting machinery | $\begin{gathered} 59.3 \\ 51.8 \end{gathered}$ | 172.8 |  | 67.2 |  |  |
| Computers and peripheral equipment ${ }^{1}$. |  | 65.6 | 78.7 |  | 102.8 |  |
| Communicalio | 72.8. | $\begin{aligned} & 59.4 \\ & 22.4 \end{aligned}$ | 65.923.4 | 53.7 | 7.562.0 | 0 |
| Instruments |  |  |  |  |  |  |
| Photocopy and related equipment.. | 17.9 | 17.6 | 17.7 | 17.3 | 16.6 | 6 |
| Industrial equipment | $\left\|\begin{array}{c} 109.3 \\ 10.5 \end{array}\right\|$ | 121.511.1 | $\begin{array}{r} 127.5 \\ 11.7 \end{array}$ | 105.510.4 | 5113.4 | . 4 |
| Fabricated metal products |  |  |  |  | 10.6 | 11.0 |
| Engines and turbines | 24.426.9 | 28.2 | 29.6 | 23.3 | 26.0 |  |
| Metalworking machinery |  |  |  |  |  | 26.629.9 |
| Special industry machinery, n.e.c. General industrial, including materials hand |  | 31.2 | 32.8 | 25.9 | 29.0 |  |
| equipment | 23. | 25.8 | 28.5 | 22.6 | 24.0 |  |
| Electrical transmission, distribution, and industrial apparatus $\qquad$ | 19.0 | 20.9 | 20.9 | 18.6 | 19.8 |  |
| Transportation and related equipment | 118.6 | 6 125. <br> 0. 63. <br> 0  | 134.568.9 | 113.250.6 | 118.956.7 | 125.061.3 |
| Trucks, buses, and truck traiers | 15.058.048.0 |  |  |  |  |  |
| Autos |  | 12.5 | 13.4 | 478 | 43.4 | 45. |
| Aircalf | 888.91.5 |  |  |  | 11.6 | 4.141.81.44.6 |
| Ships and boats ... |  |  | 53 | 1.5 4.9 |  |  |
| Rairroad equipment | 5.1 | 57 | 53 | 4 | 5.2 |  |
| Other equipment | ${ }_{25.6}^{99.9}$ | 106.928.1 | $\begin{array}{r}113.7 \\ 30.2 \\ \\ \hline 1\end{array}$ | ${ }_{24} 9.5$ | 100.326.2 | $\begin{array}{r}104.6 \\ 27.4 \\ \hline\end{array}$ |
| Furniture and fixtures. |  |  |  |  |  |  |
| Tractors .-............. | 9.999 | 10.410.4 | 10.910.910 | 9.5 <br> 9.2 | 9.891.61 | 10109 |
| Agricultural machinery, except tractors .... |  |  |  |  |  |  |
| Construction machinery, except tractors ... | 12.0 1.5 | 13.5 1.8 | 14.4 | 11.4 <br> 1.5 | (12.4 |  |
| Sevvice industry machinery ...................... | 13.4 <br> 10.7 <br> 10.9 | 14.410.817 | 15.2 <br> 11.1 <br> 18 <br> 1 | 13.010.616.3 | $\left\|\begin{array}{c} 1.1 .5 \\ 13.5 \\ 16.5 \end{array}\right\|$ | 2.14 <br> 10.0 <br> 17.8 <br> 1.2 |
| Electrical equipment, n.e.c. .... |  |  |  |  |  |  |
| Oth | 16.9 | 17.5 | 18.6 |  |  |  |
| Less: Sale of equipment scrap, excluding autos | 3.7 | 4.5 | 4.6 | 3.1 | 3.4 |  |
| Residential equipment | 6.9 | 7.2 | 7.5 | $\begin{array}{r} 6.7 \\ -1.4 \end{array}$ | 7.0 | 7.1-3.8 |
| Residual |  |  |  |  |  |  |
| nda: | $\begin{array}{r} 483.0 \\ 4.9 \end{array}$ | $\begin{array}{r} 529.6 \\ 5.3 \end{array}$ | $\begin{array}{r} 573.7 \\ 5.8 \end{array}$ |  |  |  |
| Private purchases of producers' durable equipment |  |  |  |  |  |  |
| Lesss Dealers' margin on used equipment |  |  |  | $\cdots$ |  | $\cdots$ |
| Net purchases of used equipment from government | $\begin{array}{r} 1.0 \\ 1.5 \\ 1.5 \\ 33.8 \\ 53.7 \end{array}$ |  |  |  |  |  |
| Net sales of |  | $\begin{array}{r} 1.1 \\ 37.6 \\ 6.6 \\ 46.6 \\ 56.0 \end{array}$ | $\left\lvert\, \begin{array}{r} 1.2 \\ 39.7 \\ .7 \\ 4.6 \\ 611.8 \end{array}\right.$ |  |  |  |
| et exports of |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Equals: Private purchases of new equipment ... |  |  |  |  |  |  |

1. Includes new computers and peripheral equipment only.

NOTE--Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chaintype quartity indexes uses weights of more than one perico, the cor esponding chained-dollar estimates are usually not additive.
The resicual line is the difference between the first line and the sum of the most detailed lines.

Table B.7.-Compensation and Wage and Salary Accruals by Industry
[Milions of dollars]

|  | Compensation |  |  | Wage and salary accruals |  |  |  | Compensation |  |  | Wage and salary accruals |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Total | 4,012,002 | 4,215,434 | 4,426,912 | 3,254,030 | 3,442,583 | 3,633,641 | Communications | 67,070 | 71,112 | 75,153 | 55,320 | 58,933 | 62,279 |
|  |  |  |  |  |  |  | Telephone and telegraph ................ | 51,679 15,391 | 53,701 $+7,411$ | 56,202 18,951 | 42,517 12,803 | 44,315 14,618 | 46,361 15,918 |
| Domestic industries | 4,014,482 | 4,217,968 | 4,429,472 | 3,256,510 | 3,445,117 | 3,636,201 | Radio and television $\qquad$ Electric, gas, and sanitary services | 15,391 53,856 | 17,411 54,741 | 18,951 54,946 | 12,803 42,894 | 14,618 43,727 | $\begin{aligned} & 15,918 \\ & 43,978 \end{aligned}$ |
| Private industries | 3,213,814 | 3,392,629 | 3,574,191 | 2,654,320 | 2,822,137 | 2,993,607 |  |  |  |  |  |  |  |
| Agriculture, forestry, and fishing ........ | 34,780 | 37,011 | 39,619 | 29,852 | 31,915 | 34 | holesale trade | 259,828 | 276,202 | 289,438 | 217,964 | 234,467 | 246,452 |
| Farms $\qquad$ Agricultural services, forestry, and | 14,477 | 15,588 | 16,385 | 12,325 | 13,309 | 14,163 | Retail trade | 365,722 | 383,120 | 399,951 | 313,776 | 329,936 | 345,994 |
| fishing .................................... | 20,303 | 21,423 | 23,234 | 17,527 | 18,606 | 20,313 | Finance, insurance, and real estate .... | 310,211 | 324,894 | 350,180 | 260,045 | 273,124 | 296,112 |
| ning | 32,656 | 32,892 | 33,678 | 26,378 | 26,843 | 27,644 | Depository institutions ...................... | 77,101 | 80,243 | 83,793 | 62,949 | 65,664 | 69,013 |
| Metal mining | 2,791 | 3,145 | 3,358 | 2,187 | 2,518 | 2,707 | Nondepository institutions ................ | 21,474 53,798 | 21,677 59,450 | 25,089 68,973 | 18,087 46,857 | 18,317 51,967 | 21,223 60,688 |
| Coal mining | 6,375 | 6,174 | 5,974 | 4,993 | 4,884 | 4,739 | Insurance carriers ........................... | 70,378 | 72,737 | 75,871 | 58,148 | 60,125 | 60,688 63,079 |
| Oil and gas extraction | 19,069 | 18,929 | 19,539 | 15,606 | 15,628 | 16,240 | Insurance agents, brokers, and |  |  |  |  |  |  |
| Nonmetalic minerals, except fuels ..... | 4,421 | 4,644 | 4,807 | 3,592 | 3,813 | 3,958 | service | 29,514 | 31,008 | 32,828 | 25,039 | 26,384 | 28,031 |
| Construction | 182,016 | 193,746 | 209,279 | 147,425 | 157,684 | 172,234 | Real estate $\qquad$ | 41,284 | 42,182 | 44,906 | 34,567 | 35,442 | 37,910 |
|  |  |  | 20,279 | 14, 25 | 157,64 | 172,23 | Holding and other investment offices | 16,662 | 17,597 | 18,720 | 14,398 | 15,225 | 16,168 |
| Manufacturing | 792,034 | 816,853 | 839,754 | ${ }^{625,496}$ | 651,750 | 675,067 | Services | 970,992 | 1,051,394 | 1,125,269 | 821,544 | 894,648 |  |
| Durable goods ................. | 486,844 | 505,167 | 521,750 | 379,676 | 398,272 | 416,061 | Hotels and other lodging places .......... | 34,231 | $1,051,394$ 35,886 | 1,125,269 | -28,966 | 30,557 | - 32,322 |
| Lumber and wood products | 23,018 14 | 23,802 | 24,832 <br> 15754 | 18,495 | 19,401 12584 | 20,459 | Personal senvices .......................... | 22,439 | 23,495 | 24,609 | 28,383 | 20,405 | 21,518 |
| Furniture and fixtures $\qquad$ Stone, clay, and glass products | 14,927 21,564 | 15,443 22,129 | 15,754 22,920 | 11,986 17.054 | 12,584 $+7,706$ | 12,964 18,548 | Business services ....................................... | 168,265 | 193,888 | 221,473 | 142,292 | 165,300 | 190,526 |
| Stone, clay, and glass products <br> Primary metal industries | 21,564 <br> 36,102 | 22,129 37,261 | 22,920 <br> $\mathbf{3 7}, 888$ | 17,054 <br> 26,841 | 17,106 27,990 | 18,548 28,866 | Auto repair, services, and parking ...... | 25,924 | 27,830 | 30,388 | 22,053 | 23,824 | 26,212 |
| Fabricated metal products | 56,398 | 58,594 | 60,161 | 44,496 | 46,794 | 48,553 | Miscellaneous repair services ............ | 10,222 | 11,247 | 12,103 | 8,709 | 9,650 | 10,455 |
| Industrial machinery and equipment... | 95,407 | 100,891 | 105,182 | 76,720 | 82,191 | 86,528 | Motion pictures ${ }^{\text {Amusement }}$ and recreatioum | 14,426 | 16,837 34526 | 18,956 37235 | 12,224 26179 | 14,399 29 29 | 16,289 31764 |
| Electronic and other electric |  |  |  |  |  |  | Amulth services | 325,041 | 344,686 344 | 359,179 | $\begin{array}{r}\text { 27, } \\ 274,678 \\ \hline\end{array}$ | 289,564 | 31,764 303,790 |
| Motor vehicles and equipment | 76,771 | 77,181 65,047 | 80,895 65,911 | 58,384 | 44,886 |  | Legal sevices | 56,886 | 58,333 | 60,452 | 48,407 | 49,761 | 51,905 |
| Other transportation equipment | 47,367 | 46,243 | 47,105 | 36,861 | 36,172 | 37,186 | Educational services ....................... | 49,079 | 51,755 | 54,601 | 41,294 | 43,697 | 46,503 |
| Instruments and related products | 44,806 | 45,579 | 47,745 | 35,960 | 37,013 | 39,158 | Social services and membership | 86,121 | 1,565 | 95,877 | 73,364 | 78,346 | , 749 |
| Miscellaneous manufacturing industries | 12,758 | 12,997 | 13,357 | 10,517 | 10,854 | 11,243 | Social services | -82,375 | 45,862 | 48,350 | 35,109 | 38,282 | 82,766 |
| Nondurable goods | 305,190 | 311,686 | 318,004 | 245,880 | 253,478 | 259,006 | Membership organizations ............ | 43,746 | 45,703 | 47,527 | 38,255 | 40,064 | 41,983 |
| Food and kindred products | 59,381 | 61,042 | 62,422 | 47,614 | 49,527 | 50,746 | Other services ${ }^{1}$ | 136,059 | 149,531 | 161,263 | 116,205 | 128,432 | 139,316 |
| Tobacco producls ............... | 2,768 | 2,949 | 3,014 | 2,062 | 2,215 | 2,268 | Private households | 11,035 | t1,821 | 11,457 | 10,790 | 11,563 | 11,207 |
| Textile mill products | 19,274 | 18,956 | 18,744 | 15,840 | 15,697 | 15,544 |  |  |  |  |  |  |  |
| Apparel and other textile products | 21,352 | 20,996 | 20,379 | 17,442 | 17,322 | 16,816 | Government | 800,668 | 825,339 | 855,281 | 602,190 | 622,980 | 642,594 |
| Paper and allied products | 32,236 | 32,936 | 33,661 | 26,230 | 27,058 | 27,672 | Federal | 258,006 | 258,051 | 264,853 | 173,413 | 175,045 | 177,228 |
| Printing and publishing ........ | 58,652 | 60,387 | 62,308 | 48,193 | 50,087 | 51,718 | General government | 208,312 | 207,288 | 212,849 | 139,744 | 140,708 | 142,038 |
| Chemicals and allied products | 63,653 | 65,393 | 67,538 | 50,743 | 52,582 | 54,411 | Civilian | 123,976 | 123,427 | 125,174 | 84,864 | 84,540 | 85,541 |
| Petroleum and coal products | 10,769 | 10,834 | 10,738 | 7,796 | 7,837 | 7,791 | Military ${ }^{2}$................................ | 84,336 | 83,861 | 87,675 | 54,880 | 56,168 | 56,497 |
| Rubber and miscellaneous plastics |  |  |  |  |  |  | Government enterprises ................. | 49,694 | 50,763 | 52,004 | 33,669 | 34,337 | 35,190 |
| products | 34,133 | 35,322 | 36,478 | 27,527 | 28,784 | 29,803 | State and local ............................... | 542,662 | 567,288 | 590,428 | 428,777 | 447,935 | 465,366 |
| Leather and leather products ............. | 2,972 | 2,871 | 2,722 | 2,433 | 2,369 | 2,237 | General government ...................... | 506,154 | 529,188 | 551,031 | 399,489 | 417,381 | 433,845 |
|  |  |  |  |  |  |  | Education ................................. | 265,457 | 279,024 | 292,665 | 207,472 | 217,962 | 228,252 |
| Transportation and public utilities ...... | 265,575 | 276,517 | 287,023 | 211,840 | 221,770 | 231,072 | Other ....................................... | 240,697 | 250,164 | 258,366 | 192,017 | 199,419 | 205,593 |
| Transportation ................................ | 144,649 | 150,664 | 156,924 | 113,626 | 119,10 | +124,815 | Government enterprises ................ | 36,508 | 38,100 | 39,397 | 29,288 | 30,554 | 31,521 |
| Railroad transportation ................. | 15,346 | 15,313 | 15,525 | 11,249 | 11,271 | 11,422 |  |  |  |  |  |  |  |
| Local and interuiban passengep transit | 8,911 | 9,374 | 10,101 | 7,292 | 7,731 | 8,381 | Rest of the world .................................. Receipts from the rest of the world ........ | $\begin{array}{r}-2,480 \\ \hline 1,239\end{array}$ | $\begin{array}{r}\mathbf{- 2 , 5 3 4} \\ \hline 1,323 \\ \hline\end{array}$ | $\begin{array}{r}-2,560 \\ 1,338 \\ \hline\end{array}$ | $\begin{array}{r}-2,480 \\ \hline 1,239\end{array}$ | $\begin{array}{r}-2,534 \\ 1,323 \\ \hline\end{array}$ | $\begin{array}{r}-2,560 \\ \hline, 338\end{array}$ |
| Trucking and warehousing . | 63,763 | 66,914 | 60,838 | 49,750 | 52,594 | 47,040 | Less. Payments to the rest of the wort ${ }^{3}$ | 3,719 | 3,857 | 3,898 | 3,719 | 3,857 | 3,898 |
| Water transportation ........... | 7,757 | 7,843 | 7,895 | 6,238 | 6,323 | 6,429 |  |  |  |  |  |  |  |
| Transportation by air | 34,424 | 35,714 | 46,492 | 27,189 | 28,339 | 38,220 | Addenda: |  |  |  |  |  |  |
| Pipelines, except natural gas ......... | 1,126 | 1,051 | 1,007 | 929 | 869 | 829 | Households and institutions | 312,741 | 331,760 | 346,034 |  |  |  |
| Transportation services ................. | 13,322 | 14,455 | 15,066 | 10,979 | 11,983 | 12,494 | Nonfarm business | 2,972,798 | 3,134,144 | 3,303,173 |  |  |  |

1. Consists of museums, botanical, zoological gardens; engineering and management services; and services, not elsewhere classified.
2. Includes Coast Guard

NoTE.-Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).
Compensation equals wage and salary accruals plus supplements to wages and salaries. "Supplements" are listed
3. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory
workers employed temporarily in the United States.

Table B.8.-Employment by Industry
[Thousands]

|  | Full-time and part-time employment |  |  | Persons engaged in production ' |  |  |  | Full-time and part-time employment |  |  | Persons engaged in production ${ }^{1}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Total | 121,695 | 124,602 | 126,992 | 118,560 | 121,370 | 123,666 | Transportation services .............................. Communications ........................ | $\begin{array}{r} 405 \\ 1,293 \end{array}$ | $\begin{array}{r} 423 \\ 1.307 \end{array}$ | $\begin{array}{r} 431 \\ 1.347 \end{array}$ | 392 1,192 | $\begin{array}{r} 419 \\ 1.219 \end{array}$ | $\begin{array}{r} 434 \\ 1.258 \end{array}$ |
| Domestic industries | 122,258 | 125,171 | 127,543 | 119,042 | 121,858 | $124,151$ | Communications ............................................................... | $\begin{array}{r} 1,293 \\ 916 \\ \hline \end{array}$ | $\begin{array}{r} 1,307 \\ 915 \end{array}$ | $\begin{array}{r} 1,347 \\ 936 \end{array}$ | $\begin{array}{r} 1,192 \\ 844 \end{array}$ | $\begin{array}{r} 1,219 \\ 851 \end{array}$ | $\begin{array}{r} 1,258 \\ 873 \end{array}$ |
|  |  |  |  |  |  |  | Radio and television ............................. | 377 | 392 | 411 | 348 | 368 | 385 |
| Private industries ............................................ | 100,326 | 103,195 | 105,596 | 100,750 | 103,53i | 105,947 | Electric, gas, and sanitary sevvices ........... | 933 | 906 | 882 | 931 | 909 | 878 |
| Agriculture, forestry, and fishing | 1,936 | 2,004 | 2,069 | 3,148 | 3,199 |  | Wholesale trade | 6,235 | 6,475 | 6,558 | 6,324 | 6,559 | 6,589 |
| Farms $\qquad$ Agricultural services, forestry, and fishing | 840 1,096 | 868 1,136 | 860 1,209 | 1,791 1,357 | 1,810 1,389 | $\begin{aligned} & 1,818 \\ & 1,482 \end{aligned}$ | Retail trade | 21,159 | 21,867 | 2, 2,256 | 6,324 18,897 | 19,476 | 19,866 |
| Mining |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mining ....... | 606 49 | $\begin{array}{r}587 \\ 52 \\ \hline\end{array}$ | 583 54 | 607 49 | 590 52 | 586 54 | Finance, insurance, and real estate ............... | 7,021 | 6,926 | 7,051 | 7,251 | 7,216 | 7,315 |
| Coal mining | 113 | 106 | 99 | 110 | 103 | 97 | Depository institutions ............................... | 2,068 | 2,023 | 2,018 | 1,973 | 1,937 | 1,923 |
| Oil and gas extraction | 339 | 321 | 321 | 345 | 327 | 327 | Nondepository instilutions | 488 | 463 | 513 | 485 | 466 | 506 |
| Nonmetallic minerals, except tuels ... | 105 | 108 | 109 | 103 | 108 | 108 | Security and commodity brokers ................... | 543 | 554 +497 | 582 | 592 | 622 | 648 |
|  |  |  |  |  |  |  | Insurance carriers ................... | 1,522 | 1,497 | 1,503 | 1,468 | 1,449 | 1,447 |
| Construction | 5,197 | 5,383 | 5,669 | 6,406 | 6,654 | 6,954 | Insurance agents, brokers, and service .......... | 723 | 732 | 746 | 853 | 856 | 873 |
|  |  |  |  |  |  |  | Real estate ........................ | 1,422 | 1,410 | 1,44 $\dagger$ | 1,635 | 1,648 | 1,680 |
| Manufacturing | 18,428 | 18,592 | 18,574 | 18,445 | 18,613 | 18,577 | Holding and other investment offices ............ | 255 | 247 | 248 | 245 | 238 | 238 |
| Durable goods. | 10,507 | 10,722 | 10,834 | 10,584 | 10,802 | 10,911 |  |  |  |  |  |  |  |
| Lumber and wood products.. | 776 | 790 | 801 | 835 | 857 | 858 | Services | 33,684 | 35,186 | 36,544 | 33,627 | 35,048 | 36,442 |
| Furniture and fixtures ................... | 505 | 512 | 506 | 515 | 525 | 521 | Hotels and other lodging places .......... | 1,712 | 1,754 | 1,791 | 1,549 | 1,587 | 1,625 |
| Stone, clay, and glass products ............... | 535 | 542 | 547 | 544 | 550 | 558 | Personal services ................... | 1,276 | 1,300 | 1,317 | 1,725 | 1,776 | 1,805 |
| Primary metal industries | 697 | 708 | 709 | 693 | 701 | 707 | Business services | 6,352 | 6,935 | 7,484 | 6,538 | 7,109 | 7,664 |
| Fabricated metal products ....... | 1,396 | 1.443 | 1,452 | \$,390 | 1,441 | 1,446 | Auto repair, services, and parking ................ | 1,075 | 1,132 | 1,205 | 1,338 | 1,362 | 1,480 |
| Industrial machinery and equipment .......... | 2,000 | 2,069 | 2,115 | 1,996 | ${ }^{2}, 083$ | 2,100 | Misceilaneous tepair services ......... | 350 | 374 | 389 | 568 | 591 | 573 |
| Electronic and other electric equipment | 1,582 | 1,626 | 1,658 | 1,573 | 1,616 | 1,653 | Motion pictures ................................ | 458 | 506 | 553 | 498 | 543 | 583 |
| Motor vehicles and equipment ................. | 900 | 969 | 967 | 895 | 892 | 960 | Amusement and recreation services | 1,421 | 1,519 | 1,593 | 1,264 | 1,327 | 1,420 |
| Other transporation equipment ............... | 852 | 817 | 820 | 850 | 816 | 819 | Health services | 9,318 | 9,568 | 9,809 | 8,677 | 8,903 | 9,168 |
| Instruments and related products ............ | 860 | 841 405 | 855 | 853 440 | 8427 | 850 | Legal services ..... | 1,059 | 1,056 | 1,063 | 1,184 | 1,173 | 1,147 |
| Nondurable goods .................................. | 7,921 | 7,870 | 7.740 | 7.861 | 7.811 | 7,666 | Educational services | 2,024 | 2,075 | 2,141 | 1,860 | 1,915 | 1,986 |
| Food and kindred products | 1,683 | 1,688 | 1,697 | 1,654 | 1,659 | 1,664 | Social services and membership |  |  |  |  |  |  |
| Tobacco products ...................... | + 43 | 42 | 42 | 43 | 42 | - 42 | organizations ................................... | 4,478 | 4,637 | 4,760 | 4,351 | 4,504 | 4,623 |
| Textile mill products ............................................ | 681 | 664 | 629 | 676 | 661 | 631 | Social services ....... | 2,328 | 2,454 | 2,534 | 2,563 | 2,689 | 2,772 |
| Apparel and other textile products ............ | 982 | 946 | 874 | 998 | 952 | 881 | Membership organizations | 2,150 | 2,183 | 2,226 | 1,788 | 1,815 | 1,851 |
| Paper and allied products ................. | 693 | 692 | 682 | 686 | 686 | 677 | Other services ${ }^{2}$............... | 2,877 | 3,049 | 3,193 | 3,254 | 3,439 | 3,572 |
| Printing and publishing ............................ | 1,566 | 1,570 | 1,565 | 1,551 | 1,560 | 1,536 | Private households | 1,284 | 1,281 | 1,246 | 821 | 819 | 796 |
| Chemicals and allied products .................. | 1,056 | 1,039 | 1,032 | 1,039 | 1,032 | 1,024 | Government | 21,932 | 21,976 | 21,947 | 18,292 | 18,327 |  |
| Petroleum and coal products ................. | 147 | 143 | 139 | 145 | 142 | 138 | Federal ... | - 51,720 | -5,560 | - 51,357 | 4,661 | 4,530 | 4,368 |
| Rubber and miscellaneous plastics products | 954 | 978 | 981 | 951 | 967 | 971 | General government ................................................................... | 4,748 | 4,573 | 4,366 | 3,867 | 3,725 | 3,562 |
| Leather and leather products ......... | 116 | 108 | 99 | 118 | 110 | 102 | Civilian | 2,100 | 2,026 | 1,952 | 2,052 | 1,984 | 1,912 |
| Leaker and leaher producls .................... |  |  |  |  |  |  | Military ${ }^{3}$ | 2,648 | 2,547 | 2,414 | 1,815 | 1,741 | 1,650 |
| Transportation and public utilities ................ | 6,060 | 6,175 | 6,292 | 6,045 | 6,176 | 6,318 | Government enterprises ......................... | 972 | 987 | 991 | 794 | 805 | 806 |
| Transportation ........................................... | 3,834 | 3,962 | 4,063 | 3,922 | 4,048 | 4,182 | State and local | 16,212 | 16,416 | 16,590 | 13,631 | 13,797 | 13,836 |
| Rairoad transportation | 233 | 232 | 224 | 220 | 220 | 212 | General government | 15,295 | 15,485 | 15,655 | 12,754 | 12,910 | 12,945 |
| Local and interurban passenger transit ..... | 407 | 420 | 440 | 437 | 431 | 444 | Education | 8,220 | 8,389 | 8,542 | 6,635 | 6,770 | 6,791 |
| Trucking and warehousing ...................... | 1,843 | 1,916 | 1,658 | 1,977 | 2,054 | 1,854 | Other | 7,075 | 7,096 | 7,193 | 6,119 | 6,140 | 6,154 |
| Water transportation .............................. | 179 | 178 | 177 | 175 | 178 | 174 | Government enterprises .......................... | 917 | 931 | 935 | 877 | 887 | 891 |
| Transportation by air ........................... | 750 | 778 15 | 1,119 14 | 704 | 731 15 | 1,050 14 |  |  |  |  |  |  |  |
| Pipelines, except natural gas ................... | 17 | 15 | 14 | 17 | 15 | 14 | Rest of the world ${ }^{4}$........................................... | -563 | -569 | -551 | -482 | -488 | -485 |

1. Equals the number of full-time equivalent employees (table 6.5) plus the number of self-employed persons tabie 6.7). Unpaid family workers are not included. (table 6.7). Unpaid tamily workers are not inciuded.
2. Consists of museums, botanical, zoological gardens; engineering and management services; and services, not
elsewhere classified.

## 3. Includes Coast Guard

4. Beginning with 1993, includes estimates of foreign proiessional workers and undocumented Mexican migratory workers employed temporarily in the United States.
NOTE.-Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.9.-Wage and Salary Accruals Per Full-Time Equivalent Employee and Full-Time Equivalent Employees by Industry

|  | Dollars |  |  | Thousands |  |  |  | Dollars |  |  | Thousands |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Wages and salaries per full-time equivalent |  |  | Full-time equivalent employees |  |  |  | Wages and salaries per full-time equivalent |  |  | Fulltime equivalent employees |  |  |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Total ${ }^{1}$ | 30,131 | 31,032 | 32,121 | 107,996 | 110,935 | 113,125 | Transportation services | 29,593 | 30,884 | 31,551 | 371 | 388 | 396 |
|  |  |  |  |  |  |  | Communications | 46,802 | 49,316 | 50,716 | 1,182 | 1,195 | 1,228 |
| Domestic industries .......................................... | 30,020 | 30,919 | 32,006 | 108,478 | 111,423 | 113,610 | Telephone and telegraph ......................... | 50,736 37218 | 52,945 40,832 | 54,287 42,561 | 838 344 | 837 | 854 374 |
| Private industries | 29,432 | 30,314 | 31,378 | 90,186 | 93,096 | 95,406 | Radio and television .............................. | 37,218 46,725 | 40,832 48,857 | 42,561 50,433 | 344 918 | 358 895 | 374 872 |
| Agriculture, forestry, and fishing .................. | 17,833 | 18,331 | 18,870 | 1,674 | 1,741 | $1,827$ | Wholesale trade . | 36,504 | 37,817 | 39,256 | 5,971 | 6,200 | 6,278 |
| Farms ${ }_{\text {Agricultural }}$ se........................................... | 17,118 <br> 18,372 | 178,888 18,662 | 18,709 18,984 | 720 954 | 744 997 | 1857 $+1,070$ | Retail trade .......: | 18,130 | 18,300 | 18,821 | 17,307 | 18,029 | 18,383 |
| Mining | 44,482 | 46,683 | 48,329 | 593 | 575 | 572 | Finance, insurance, and real estate .............. | 39,282 | 41,698 | 44,629 | 6,620 | 6,550 |  |
| Melal mining | 44,633 | 48,423 | 50,130 | 49 | 52 | 54 97 | Depository institutions | 31,921 | 31,698 | 45,929 | 1,972 | 6,550 1,935 | 6,035 1,921 |
| Coal mining ............................................ | 45,391 | 47,417 | 48,856 | 110 332 | 103 | 97 315 | Nondepository institution | 38,647 | 41,070 | 43,224 | +468 | + 446 | -191 |
| Oil and gas extraction ............................. | 47,006 | 49,613 | 51,556 | 332 | 315 105 | 315 106 | Security and commodity brokers ......................... | 89,937 | 97,499 | 108,760 | 521 | 533 | 558 |
| Nonmetallic minerals, except fuels ............... | 35,216 | 36,314 | 37,340 | 102 | 105 | 106 | Insurance carriers | 39,610 | 41,494 | 43,593 | 1,468 | 1,449 | 1,447 |
| Construction | 30,191 | 30,453 | 31,649 | 4,883 | 5,178 | 5,442 | Insurance agents, brokers, and services ........ | 36,447 27 | 37,854 | 39,648 29 | $\begin{array}{r}687 \\ \\ \hline\end{array}$ | -697 | 707 1 1273 |
|  |  |  |  |  |  |  | Real estate | 27,456 | 28,308 | 29,780 | 1,259 | 1,252 | 1,273 |
| Manufacturing | 34,725 | 35,852 | 37,165 | 18,013 | 18,179 | 18,164 | Holding and other investment offices ............ | 58,767 | 63,971 | 67,933 | 245 | 238 | 238 |
| Durable goods ......................................... | 36,724 | 37,751 | 39,030 | 10,337 | 10,550 | 10,660 |  |  |  |  |  |  |  |
| Lumber and wood products .................... | 24,400 | 25,131 | 26,162 | 758 | 772 | 782 | Services .................................................. | 27,886 | 28,987 | 29,935 | 29,461 | 30,864 | 32,222 |
| Furniture and fixtures ............................ | 24,312 | 25,068 | 26,085 | 493 | 502 | 497 | Hotels and other lodging places .................. | 19,585 | 20,117 | 20,733 | 1,479 | 1,519 | 1,559 |
| Stone, clay, and glass products ............... | 32,299 | 33,345 | 34,799 | 528 | 531 | 533 | Personal services | 17,337 | 17,915 | 18,518 | 1,118 | 1,139 | 1,162 |
| Primary metal industries | 38,788 | 40,100 | 41,003 | 692 | 698 | 704 | Business services | 24,554 | 25,942 | 27,713 | 5,795 | 6,372 | 6,875 |
| Fabricated metal products ..... | 32,455 | 32,954 | 34,072 | 1,37t | 1,420 | 1,425 | Auto repair, services, and'parking | 21,943 | 22,454 | 23,074 | 1,005 | 1,061 | 1,136 |
| Industrial machinery and equipment | 39,063 | 40,093 | 41,761 | 1,964 | 2,050 | 2,072 | Miscellaneous repair services | 27,216 | 28,134 | 29,204 | 320 | 343 | 358 |
| Electronic and other electric equipment ..... | 37,277 | 39,005 | 40,279 | 1,564 | 1,607 | 1,643 | Motion pictures .................... | 34,434 | 36,639 | 37,706 | 355 | 393 | 432 |
| Motor vehicles and equipment ................. | 47,516 | 47,248 | 48,410 | 892 | 950 | 958 | Amusement and recreation services | 22,904 | 23,680 | 24,509 | 1.143 | 1,231 | 1,296 |
| Other transportation equipment ................ | 43,674 | 44.712 | 45,683 | 844 | 809 | 814 | Health sevices | 32,780 | 34,098 | 34,624 | 8,288 | 8,492 | 8,774 |
| Instruments and related products ............. | 42,506 | 44,810 | 46,451 | 846 | 826 | 843 | Legal services | 51,497 | 53,107 | 54,984 | 940 | 937 | 944 |
| Miscellaneous manufacturing industries ..... | 27,317 | 28, 192 | 28,902 | 385 | 385 | 389 | Educational sevices | 23,637 | 24,263 | 24,895 | 1,747 | 1,801 | 1,868 |
| Nondurable goods ................................. | 32,032 | 33,226 | 34,516 | 7,676 | 7.629 | 7,504 | Social services and membership |  |  |  |  |  |  |
| Food and kindred products ..................... | 29,157 | 30,163 | 30,681 | 1,633 | 1,642 | 1,654 | organizations ........................ | 19,266 | 19,834 | 20,346 | 3,808 | 3,950 | 4,067 |
| Tobacco products ... | 47,953 | 52,738 | 54,000 | 43 | 42 | 42 | Social senvices ........................................... | +7,381 | 17,931 | 18,396 | 2,020 | 2,135 | 2,216 |
| Textile mill products ............................ | 23,642 | 24,002 | 24,950 | 670 | ${ }_{9}^{654}$ | 623 846 | Membership organizations ................................................... | 21,395 | 22,074 | 22,681 | 1,788 | 1,815 | 1,851 |
| Apparel and other textile products ............ | 18,169 38,292 | 18,828 3958 | 19,877 40,935 | 968 | 980 | 846 | Other services ${ }^{2}$................................................ | 43,984 | 45,754 | 47,146 | 2,642 | 2,807 | 2,955 |
| Paper and allied products ...... | 38,292 33,259 | 34,543 | -40,935 | $\begin{array}{r}685 \\ 1.449 \\ \hline\end{array}$ | $\begin{array}{r}684 \\ \hline 1.450 \\ \hline\end{array}$ | $\begin{array}{r}676 \\ 1,445 \\ \hline\end{array}$ | Private households | 13,143 | 14,118 | 14,079 | 821 | 819 | 796 |
| Chemicals and allied products ....................... | 48,932 | 51,200 | 53,344 | 1,037 | 1,027 | 1,020 |  |  |  |  |  |  |  |
| Petroleum and coal products ....................... | 53,766 | 55,190 | 56,457 | , 145 | , 142 | 138 | Government ................ | 32,921 | 33,992 | 35,300 | 18,292 | 18,327 | 18,204 |
| Rubber and misceilaneous plastics |  |  |  |  |  |  | Federal | 37,205 | 38,641 | 40,574 | 4,661 | 4,530 | 4,368 |
| products | 29,253 | 29,921 | 30,884 | 941 | 962 | 965 | General government ................................ | 36,138 | 37,774 | 39,876 | 3,867 | 3,725 | 3,562 |
| Leather and leather products .................... | 21,531 | 22,349 | 23,547 | 113 | 106 | 95 | Civilian $\qquad$ | $41,357$ | 42,611 | 44,739 | 2,052 | 1,984 | 1,912 |
|  |  |  |  |  |  |  | Military ${ }^{3}$ $\qquad$ | $\begin{aligned} & 30,237 \\ & 4,4 \cap A \end{aligned}$ | 32,262 | 34,241 43660 | 1,815 794 | , 7,741 | 1,650 |
| Transportation and public utilities ................. | 37,401 | 38,369 | 39,278 | 5,664 | 5,780 | 5,883 | Government enterprises |  |  |  | 794 13.631 | 805 13 | +806 |
| Transportation ......................................... | 31,882 | 32,279 | 32,994 | 3,564 | 3,690 | 3,783 | State and local ........................................... | 31,456 | 32.466 | 33,634 | 13,631 | 13,797 | 13,836 |
| Rairoad transportation .......................... | 51,132 | 51,232 | 53,877 | 220 | 220 | 212 | General government ............................... | 31,323 | 32,330 | 33,514 | 12,754 | 12,910 | 12,945 |
| Local and interuban passenger transit ...... | 19,655 | 20,33 | 20,848 | 371 | 384 | 402 | Education | 31,269 | 32,195 | 33,61 $\dagger$ | 6,635 | 6,770 | 6,791 |
| Trucking and warehousing ...................... | 28,924 | 29,366 | 30,348 | 1,720 | 1,791 | 1,550 | Other | 31,380 | 32,479 | 33,408 | 6,119 | 6,140 | 6,154 |
| Water transportation .............................. | 37,353 | 37,862 | 38,729 | 167 | 167 | 166 | Government enterprises .......................... | 33,396 | 34,446 | 35,377 | 877 | 887 | 891 |
| Transportation by air ............................ | 38,953 | 39,088 | 36,644 | 698 | 725 | 1,043 |  |  |  |  |  |  |  |
| Pipelines, except natural gas ................... | 54,647 | 57,933 | 59,214 | 17 | 15 | 14 | Rest of the world ${ }^{4}$.......................................... | ........... | ........... | ............. | -482 | -488 | -485 |

1. Full-time equivalent employees equals the number of employees on full-time schedules plus the number of each industry is the product of the total number of employees and the ratio of average weekly hours per employe for all employees to average weekly hours per employee on full-time schedules. 2. Consists of mus
elsewhere classified.

Table B.10.-Farm Sector Output, Gross Product, and National Income

|  | Billions of dollars |  |  | Billions of chained (1992) dollars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Farm output | 202.9 | 197.9 | 219.9 | 199.4 | 192.0 | 193.1 |
| Cash receipts from farm marketings | 180.9 | 193.9 | 204.2 | 178.2 | 188.5 | 179.0 |
| Crops ................................... | 92.8 | 106.9 | 111.4 | 88.4 | 96.9 | 88 |
| Livestock | 88.1 | 87.0 | 92.9 | 89.9 | 91.3 | 90.5 |
| Farm housing | 5.8 | 5.9 | 6.1 | 5.2 | 5.2 | 5.1 |
| Farm products consumed on farms .......... | . 5 | . 5 | 4 | . 5 | . 5 | . 4 |
| Other farm income ............................... | 4.9 | 5.6 | 6.3 | 4.8 | 5.2 | . 3 |
| Change in farm inventories .................... | 10.8 | -7.9 | 2.9 | 11.7 | -9.2 | 2.6 |
| Crops | 9.7 | -8.2 | 4.1 | 9.2 | -7.7 | 3.0 |
| Livestock | 1.1 | . 2 | -1.3 | 1.2 | . 3 | -1.5 |
| Less: Intermediate goods and services purchased | 119.4 | 124.4 | 130.6 | 114.7 | 117.6 | 117.3 |
| Intermediate goods and sevic......................................... than rent | 105.3 | 110.0 | 113.7 | 100.7 | 103.4 | 101.2 |
| Rent paid to nonoperator landlords ...... | 14.1 | 14.3 | 16.8 | 14.0 | 14.2 | 16. |
| Equals: Gross farm product ..................... | 83.5 | 73.5 | 89.4 | 85.0 | 74.2 | 75.5 |
| Less: Consumption of fixed capital ....... | 23.7 | 24.7 | 25.6 | 22.4 | 22.8 | 23.2 |
| Equals: Net farm product ................. | 59.8 | 48.8 | 63.8 | 62.9 | 51.3 | 52.2 |
| Less: Indirect business tax and nontax liability $\qquad$ <br> Plus: Subsidies to operators |  | $\begin{aligned} & 5.1 \\ & 6 \end{aligned}$ | $\begin{aligned} & 5.1 \\ & 6.1 \end{aligned}$ |  |  |  |
| Plus: Subsidies to operators ....................... | $6.6$ | $6.1$ | $6.1$ |  |  |  |
| Equals: Farm national income .................. | 61.5 | 49.7 | 64.9 |  |  |  |
| Compensation of employees ... | 14.6 | 15.7 | 16.5 |  |  |  |
| Wage and salary accruals | 12.3 | 13.3 | 14.2 |  |  |  |
| Supplements to wages and salaries | 2.2 | 2.4 | 2.3 |  |  |  |
| Proprietors' income and corporate profits with IVA and CCAdj ........ |  |  |  |  |  |  |
| profits with IVA and CCAdj ............... | 36.9 | 24.7 23.4 | $\begin{aligned} & 38.6 \\ & 37.2 \end{aligned}$ | .......... | ........... |  |
| Corporate profits .................................... | . 9 | $\begin{array}{r}1.2 \\ \hline 1\end{array}$ | 1.4 | ...... | .............. |  |
| Net interest ....................................... | 9.1 | 9.4 | 9.8 |  | ..... |  |

NOTE.-Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. CCAdj Capital consumption adjustmen
IVA Inventory valuation adjustment

Table B.11.-Housing Sector Output, Gross Product, and National income

|  | Billions of dollars |  |  | Billions of chained (1992) dollars |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| Housing output ${ }^{1}$ | 686.7 | 722.7 | 758.1 | 649.9 | 663.4 | 675.2 |
| Nonfarm housing | 680.9 | 716.8 | 752.0 | 644.8 | 658.3 | 670.2 |
| Owner-occupied .............................. | 507.0 | 532.2 | 558.3 | 479.6 | 487.2 | 495.3 |
| Tenant-occupied .............................. | 174.0 | 184.6 | 193.6 | 165.2 | 171.1 | 174.9 |
| Farm housing ...................................... | 5.8 | 5.9 | 6.1 | 5.2 | 5.2 | 5.1 |
| Less: intermediate goods and services consumed $\qquad$ | 87.6 | 88.5 | 94.1 | 83.1 | 82.1 | 85.3 |
| Equals: Gross housing product ................ | 599.1 | 634.2 | 664.0 | 566.8 | 581.3 | 589.9 |
| Nonfarm housing | 594.4 | 629.2 | 658.8 | 562.7 | 577.0 | 585.7 |
| Owner-occupied | 439.5 | 462.8 | 484.0 | 415.6 | 423.1 | 428.3 |
| Tenant-occupied | 155.0 | 166.4 | 174.9 | 147.1 | 153.9 | 157.5 |
| Farm housing ..................................... | 4.7 | 5.0 | 5.1 | 4.2 | 4.3 | 4.2 |
| Less: Consumption of fixed capital ... | 120.5 | 114.8 | 118.2 | 112.2 | 103.6 | 104.6 |
| Capital consumption allowances .............. | 60.9 | 59.6 | 62.8 |  |  |  |
| Less: CCAdj ...................................... | -59.6 | -55.1 | -55.4 |  |  |  |
| Equals: Net housing product ................... | 478.6 | 519.4 | 545.8 | 454.5 | 477.8 | 485.5 |
| Less: Indirect business tax and nontax liability plus business transfer payments ... | 112.9 | 116.2 | 119.5 |  |  |  |
| Plus: Subsidies less current surplus of government enterprises | 20.6 | 20.8 | 22.6 |  |  |  |
| Equals: Housing national income ............. | 386.4 | 424.0 | 448.9 | $\ldots$ |  |  |
| Compensation of employees . | 7.7 | 8.1 | 8.5 |  |  |  |
| Proprietors' income with IVA and CCAdj ... | 17.6 | 25.2 | 27.1 |  |  | .... |
| Rental income of persons with CCAdj ...... | 96.7 | 104.3 | 115.8 |  |  |  |
| Corporate profits with IVA and CCAdj ....... | 4.2 | 5.1 | 5.6 | ........ |  |  |
| Net interest ......................................... | 260.2 | 281.3 | 292.0 |  |  | .......... |

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table

Note--Chained (1992) doliar series are calculated as the product of the chain-lype quantity index and the 1992 current-dollar value or the corresponding series, oivided by too. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dolar estimates are usualy not additive.
CCAdj Capital consumption adjustmen
IVA inventory valuation adjustment

Table B.12.-Net Stock of Fixed Private Capital, by Type
[Yearend estimates]

|  | Current-cost valuation (billions of dollars) |  |  |  |  |  | Chain-type quantity indexes (1992=100) |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| Fixed private capital | 12,955.2 | 13,484.1 | 14,198.8 | 15,064.5 | 15,738.6 | 16,503.4 | 98.49 | 100.00 | 101.94 | 104.15 | 106.67 | 109.58 |
| Private producers' durable equipment ..... | 2,570.3 | 2,642.7 | 2,742.1 | 2,881.7 | 3,050.3 | 3,232.9 | 98.37 | 100.00 | 102.74 | 106.62 | 111.68 | 117.63 |
| Nonresidential equipment | 2,519.5 | 2,590:0 | 2,686.7 | 2,823.1 | 2,989.3 | 3,168.9 | 98.39 | 100.00 | 102.72 | 106.61 | 111.70 | 117.69 |
| Information processing and related equipment | 603.2 | 629.0 | 650.4 | 673.8 | 704.0 | 785.4 | 94.86 | 100.00 | 106.40 | 113.96 | 125.25 | 140.31 |
| Office, computing, and accounting machinery | 119.0 | 120.7 | 128.3 | 138.5 | 151.2 | 175.7 | 87.31 | 100.00 | 120.18 | 144.51 | 189.31 | 264.83 |
| Computers and peripheral equipment ......... | 99.5 | 101.0 | 107.9 | 118.0 | 130.4 | 153.9 | 85.14 | 100.00 | 124.20 | 154.49 | 211.49 | 308.42 |
| Other office equipment ...................... | 19.5 | 19.7 | 20.4 | 20.6 | 20.9 | 21.8 | 99.35 | 100.00 | 101.27 | 101.08 | 101.82 | 108.04 |
| Communication equipment | 318.9 | 330.8 | 333.0 | 335.3 | 342.7 | 391.5 | 97.21 | 100.00 | 102.41 | 106.50 | 112.84 | 120.39 |
| Instruments .................... | 101.4 | 109.9 | 177.9 | 124.1 | 130.6 | 136.2 | 95.09 | 100.00 | 105.34 | 109.32 | 112.73 | 116.19 |
| Photocopy and related equipment | 64.0 | 67.5 | 71.2 | 75.8 | 79.4 | 82.0 | 97.52 | 100.00 | 104.27 | 109.02 | 112.00 | 113.98 |
| Industrial equipment | 898.3 | 916.8 | 945.7 | 991.4 | 1,050.3 | 1,083.6 | 99.38 | 100.00 | 101.38 | 103.55 | 106.34 | 108.92 |
| Fabricated metal products | 87.7 | 86.7 | 87.0 | 90.3 | 93.5 | 95.7 | 100.79 | 100.00 | 100.07 | 100.95 | 101.72 | 102.72 |
| Engines and turbines ...... | 50.8 | 51.8 | 53.2 | 56.8 | 58.4 | 59.7 | 97.84 | 100.00 | 102.12 | 104.56 | 105.58 | 105.86 |
| Steam engines | 46.0 | 47.1 | 48.2 | 51.5 | 52.5 | 53.5 | 97.48 | 100.00 | 102.13 | 104.33 | 104.68 | 104.57 |
| Internal combustion engines | 4.8 | 4.7 | 5.0 | 5.4 | 5.9 | 6.3 | 101.47 | 100.00 | 102.06 | 106.76 | 114.34 | 118.43 |
| Metalworking machinery | 167.1 | 168.8 | 174.4 | 183.0 | 197.0 | 205.8 | 100.38 | 100.00 | 100.48 | 102.74 | 106.16 | 109.54 |
| Special industry machinery, n.e.c | 193.4 | 199.4 | 207.5 | 218.2 | 232.1 | 240.0 | 99.14 | 100.00 | 101.85 | 104.03 | 107.46 | 109.64 |
| General industrial, including materials handling, equipment | 185.7 | 189.0 | 194.9 | 202.5 | 212.5 | 220.8 | 100.53 | 100.00 | 100.70 | 102.25 | 104.37 | 107.35 |
| Electrical transmission, distribution, and industrial apparatus ........ | 213.6 | 221.0 | 228.7 | 240.5 | 256.7 | 261.6 | 97.65 | 100.00 | 102.57 | 105.65 | 109.13 | 112.29 |
| Transportation and related equipment | 491.2 | 510.0 | 538.9 | 581.2 | 627.2 | 660.5 | 98.93 | 100.00 | 102.30 | 106.91 | 111.87 | 116:89 |
| Trucks, buses, and truck traiers | 160.6 | 169.1 | 185.5 | 210.1 | 236.8 | 259.6 | 98.99 | 100.00 | 105.33 | 115.39 | 127.18 | 139.25 |
|  | 102.5 | 107.6 | 111.7 | 124.6 | 131.1 | 138.0 | 97.44 | 100.00 | 100.93 | 109.20 | 113.03 | 117.20 |
| Aircraft | 114.4 | 121.2 | 127.1 | 129.2 | 136.2 | 140.3 | 97.17 | 100.00 | 102.25 | 100.57 | 101.80 | 103.08 |
| Ships and boats | 45.5 | 45.1 | 45.6 | 44.7 | 44.3 | 44.4 | 103.69 | 100.00 | 98.25 | 95.33 | 92.42 | 89.79 |
| Railroad equipment | 68.2 | 67.1 | 69.0 | 72.7 | 78.8 | 78.3 | 101.16 | 100.00 | 99.65 | 100.79 | 102.22 | 102.81 |
| Other equipment | 526.8 | 534.2 | 551.8 | 576.6 | 607.7 | 639.4 | 100.42 | 100.00 | 101.19 | 103.29 | 106.07 | 109.92 |
| Furniture and fixtures | 140.0 | 146.1 | 153.8 | 163.0 | 175.0 | 186.2 | 96.81 | 100.00 | 103.04 | 105.84 | 110.10 | 115.18 |
| Household furniture | 9.0 | 9.1 | 9.4 | 9.7 | 10.1 | 10.5 | 100.22 | 100.00 | 100.43 | 101.74 | 103.22 | 105.88 |
| Other furniture. | 131.0 | 137.0 | 144.4 | 153.3 | 164.9 | 175.7 | 96.59 | 100.00 | 103.21 | 106.12 | 110.55 | 115.79 |
| Tractors | 54.1 | 54.1 | 55.1 | 57.2 | 59.1 | 60.9 | 102.77 | 100.00 | 99.71 | 101.34 | 103.25 | 105.60 |
| Farm tractors | 42.3 | 42.4 | 43.2 | 45.1 | 46.8 | 48.2 | 102.43 | 100.00 | 100.28 | 102.61 | 105.11 | 107.84 |
| Construction tractors | 11.8 | 11.7 | 11.9 | 12.1 | 12.3 | 12.7 | 103.99 | 100.00 | 97.68 | 96.85 | 96.65 | 97.69 |
| Agricultural machinery, excep | 65.4 | 64.9 | 65.6 | 67.1 | 69.9 | 72.2 | 103.85 | 100.00 | 98.79 | 99.07 | 99.89 | 101.40 |
| Construction machinery, except tra | 66.7 | 66.0 | 66.8 | 69.6 | 73.2 | 77.1 | 104.46 | 100.00 | 99.09 | 100.51 | 103.15 | 106.11 |
| Mining and oilfield machinery | 16.7 | 15.3 | 14.6 | 14.0 | 13.8 | 13.3 | 110.04 | 100.00 | 93.67 | 87.79 | 83.85 | 78.91 |
| Service industry machinery | 61.0 | 60.3 | 61.0 | 64.5 | 69.2 | 76.7 | 103.27 | 100.00 | 99.38 | 103.02 | 107.46 | 117.36 |
| Electrical equipment, n.e.c | 41.5 | 44.6 | 47.2 | 48.9 | 50.3 | 50.9 | 94.43 | 100.00 | 104.87 | 107.43 | 109.26 | 111.42 |
| Household appliances | 4.5 | 4.6 | 4.7 | 4.9 | 5.1 | 5.2 | 99.31 | 100.00 | 101.98 | 104.43 | 107.35 | 110.74 |
| Other | 37.0 | 40.1 | 42.5 | 44.0 | 45.2 | 45.7 | 93.87 | 100.00 | 105.20 | 107.77 | 109.47 | 111.49 |
| Other nonresidential equipment | 81.2 | 83.0 | 87.7 | 92.4 | 97.2 | 102.1 | 98.81 | 100.00 | 103.18 | 106.40 | 109.34 | 112.59 |
| Residential equipment | 50.8 | 52.6 | 55.4 | 58.6 | 61.0 | 64.1 | 97.03 | 100.00 | 103.36 | 107.18 | 111.01 | 114.80 |
| Private structures | 10,384.9 | 10,841.4 | 11,456.7 | 12,182.8 | 12,688.3 | 13,270.4 | 98.52 | 100.00 | 101.75 | 103.57 | 105.50 | 107.74 |
| Nonresidential structures | 4,177.2 | 4,302.7 | 4,528.9 | 4,775.6 | 4,970.8 | 5,163.3 | 98.92 | 100.00 | 101.16 | 102.20 | 103.61 | 105.43 |
| Nonresidential buildings, excluding fam | 2,593.9 | 2,686.1 | 2,834.9 | 3,011.3 | 3,144.1 | 3,299.0 | 98.44 | 100.00 | 101.38 | 102.97 | 105.02 | 107.92 |
| Industrial buildings | 589.7 | 613.0 | 636.2 | 673.6 | 700.7 | 725.9 | 98.36 | 100.00 | 100.17 | 101.44 | 103.03 | 104.54 |
| Office buildings ${ }^{1}$ | 611.2 | 625.4 | 670.1 | 707.8 | 736.5 | 767.1 | 98.72 | 100.00 | 101.51 | 102.54 | 104.24 | 106.37 |
| Commercial buildings | 653.7 | 678.7 | 717.2 | 765.0 | 803.8 | 855.8 | 98.46 | 100.00 | 101.96 | 103.93 | 106.63 | 111.20 |
| Mobile structures | 6.4 | 6.6 | 7.2 | 7.9 | 8.3 | 8.7 | 98.26 | 100.00 | 101.54 | 103.27 | 105.36 | 107.95 |
| Other commercial ${ }^{2}$ | 647.4 | 672.1 | 710.1 | 757.1 | 795.5 | 847.1 | 98.47 | 100.00 | 101.97 | 103.94 | 106.64 | 111.24 |
| Religious buildings | 119.7 | 123.5 | 129.4 | 136.6 | 141.4 | 146.2 | 99.10 | 100.00 | 101.10 | 102.06 | 103.23 | 104.47 |
| Educational buildings | 102.6 | 108.0 | 114.7 | 123.5 | 130.2 | 138.0 | 97.05 | 100.00 | 102.47 | 105.40 | 108.64 | 112.77 |
| Hospital and institution | 246.2 | 259.8 | 276.7 | 297.9 | 311.6 | 325.6 | 96.87 | 100.00 | 102.72 | 105.71 | 108.08 | 110.59 |
| Other | 270.8 | 277.6 | 290.6 | 307.0 | 319.9 | 340.5 | 99.67 | 100.00 | 100.79 | 101.88 | 103.76 | 108.01 |
| Hotels and motels | 135.6 | 139.2 | 145.9 | 153.7 | 161.0 | 173.3 | 99.51 | 100.00 | 101.03 | 101.79 | 104.25 | 109.82 |
| Amusement and recreational buildings | 67.8 | 70.2 | 73.7 | 78.6 | 83.2 | 88.7 | 98.63 | 100.00 | 101.25 | 103.20 | 106.83 | 111.45 |
| Other nonfarm buildings ${ }^{3}$............................................... | 67.4 | 68.2 | 71.0 | 74.7 | 75.7 | 78.5 | 101.07 | 100.00 | 99.84 | 100.73 | 99.60 | 100.81 |
| Utilities | 1,032.3 | 1,062.0 | 1,120.2 | 1,159.7 | 1,199.7 | 1,236.4 | 99.44 | 100.00 | 100.59 | 100.76 | 101.29 | 101.73 |
| Railroad | 266.7 | 272.4 | 290.1 | 294.0 | 300.3 | 311.1 | 100.93 | 100.00 | 99.08 | 98.22 | 97.42 | 96.92 |
| Telecommunications | 181.1 | 185.3 | 194.0 | 204.8 | 218.3 | 229.9 | 98.21 | 100.00 | 101.66 | 103.71 | 106.33 | 109.22 |
| Electric light and power | 410.9 | 423.8 | 443.4 | 459.6 | 476.5 | 481.8 | 99.61 | 100.00 | 100.86 | 100.77 | 101.20 | 101.28 |
| Gas | 136.8 | 143.1 | 153.0 | 160.0 | 163.1 | 170.4 | 97.56 | 100.00 | 101.42 | 101.99 | 102.88 | 103.23 |
| Petroleum pipelines ................ | 36.8 | 37.5 | 39.6 | 41.2 | 41.5 | 43.2 | 100.12 | 100.00 | 100.18 | 100.25 | 100.00 | 99.92 |
| Farm related buildings and structures. | 182.0 | 183.5 | 194.3 | 201.6 | 204.6 | 206.1 | 101.36 | 100.00 | 102.10 | 101.29 | 100.48 | 99.14 |
| Mining exploration, shatts, and wells.. | 263.8 | 259.0 | 260.1 | 274.5 | 283.7 | 278.5 | 101.90 | 100.00 | 99.14 | 98.31 | 97.36 | 95.89 |
| Petroleum and natural gas. | 234.7 | 229.3 | 229.2 | 241.6 | 250.0 | 244.5 | 102.17 | 100.00 | 98.97 | 97.82 | 96.76 | 95.21 |
| Other mining | 29.0 | 29.7 | 31.0 | 32.9 | 33.7 | 34.1 | 99.81 | 100.00 | 100.48 | 101.99 | 101.92 | 101.14 |
| Other nonfarm structures ${ }^{4}$ | 105.2 | 112.1 | 119.4 | 128.4 | 138.7 | 143.3 | 94.60 | 100.00 | 104.32 | 107.95 | 111.30 | 113.37 |
| Residential structures | 6,207.7 | 6,538.7 | 6,927.8 | 7,407.2 | 7,717.5 | 8,107.1 | 98.25 | 100.00 | 102.14 | 104.47 | 106.75 | 109.25 |
| Housing units. | 5,057.2 | 5,327.0 | 5,667.3 | 6,078.4 | 6,322.4 | 6,639.3 | 98.37 | 100.00 | 102.00 | 104.20 | 106.43 | 108.99 |
| Permanent site | 4,959.6 | 5,226.1 | 5,557.9 | 5,956.2 | 6,190.1 | 6,497.7 | 98.36 | 100.00 | 102.00 | 104.17 | 106.36 | 108.86 |
| 1-to-4-unit ... | 4,226.4 | 4,465.3 | 4,796.1 | 5,182.3 | 5,398.5 | 5,662.9 | 98.09 | 100.00 | 102.37 | 105.01 | 107.45 | 110.22 |
| 5-or-more-unit | 733.2 | 760.7 | 761.9 | 773.8 | 791.5 | 834.8 | 99.97 | 100.00 | 99.78 | 99.05 | 99.64 | 100.47 |
| Mobile homes.. | 97.6 | 100.9 | 109.4 | 122.2 | 132.3 | 141.5 | 99.10 | 100.00 | 102.02 | 105.56 | 110.07 | 115.21 |
| Improvements | 1,124.7 | 1,185.1 | 1,232.6 | 1,299.8 | 1,365.8 | 1,438.0 | 97.64 | 100.00 | 102.83 | 105.87 | 108.42 | 110.75 |
| Other residential ${ }^{5}$............................................................... | 25.9 | 26.6 | 27.8 | 29.0 | 29.3 | 29.9 | 100.98 | 100. | 99. | 98.5 | 97.95 | 97.69 |

1. Consists of office buildings, except those occupied by electric and gas utility companies.
2. Consists primarily of stores, restaurants, garages, service stations, warehouses, and other buildings used for mimercial purpose
3. Consists of buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals
4. Consists primarily of streets, dams, reservoirs, sewer and water facilities, parks, and airfields.
5. Consists primarily of dormitories, fraternity and sorority houses, and nurses' homes.

## C. Historical Tables

The tables in this section are derived from the "Summary National Income and Product Series" tables that were published in the August 1997 issue of the Survey of Current Business and from the "Selected nipa Tables" that are published in this issue. (Changes in prices are calculated from indexes expressed to three decimal places.)

Table C.1.-Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases
[Quarterly estimates are seasonally adjusted at annual rates]

| Year and quarter | Billions of chained (1992) doliars |  |  | Percent change from preceding period |  | Chair-type price indexes |  | Implicit price deflators |  | Percent change from preceding period |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Gross domesticproduct | Final sales of domestic product | Gross national product |  |  | Gross domestic product | Gross domestic purchases | Gross domestic product | Gross national product | Chain-type price index |  | Implicit price deflators |  |
|  |  |  |  | Gross domestic product | Final sales of domestic product |  |  |  |  | Gross domessic product product | Gross domestic purchases | Gross domestic product | Gross national product |
| 1959 ............ | 2,210.2 | 2,206.9 | 2,222.0 | 7.4 | 6.5 | 22.95 | 22.44 | 22.95 | 22.96 | 1.0 | 4.0 | 1.0 | 1.0 |
| 1960 ............... | 2,262.9 | 2,264.2 | 2,276.0 | 2.4 | 2.6 | 23.27 | 22.75 | 23.27 | 23.28 | 1.4 | 1.4 | 1.4 | 4 |
| 1961 | $2,314.3$ | $2,318.0$ | $2,329.1$ | 2.3 | 2.4 | 23.54 | 23.00 | 23.54 | 23.55 | 1.2 | 1.1 | 1.2 | 1.2 |
| 1962 .............. | $2,454.8$ | 2.445 .4 | $\stackrel{2}{2} 771.5$ | 6.1 | 5.5 | 23.84 | 23.28 | 23.84 | 23.85 | 1.3 | 1.2 | 1.3 | 13 |
| 1963 ............... | $2,559.4$ | 2.552 .4 | ${ }_{2}^{2,577.3}$ | 4.3 | 4.4 6.0 | 24.12 24.48 | 23.58 23.94 | 24.12 <br> 24.48 | 24.13 24.49 | 1.5 | 1.3 | 1.2 | 1.2 |
| 1964 .............. | 2,708.4 | 2,705.1 | 2,727.8 | 5.8 | 6.0 | 24.48 | 23.94 | 24.48 | 24.49 | 1.5 | 1.6 | 1.5 | 1.5 |
| 1965 ............... | 2,881.1 | 2,860.4 | 2,901.4 | 6.4 | 5.7 | 24.95 | 24.39 | 24.96 | 24.97 | 1.9 | 1.9 | 2.0 | 2.0 |
| 1966 ................... | 3,069.2 | 3,033.5 | 3,087.8 | 6.5 | 6.1 | 25.66 | 25.07 | 25.67 | 25.68 | 2.8 | 2.8 | 2.8 | 2.8 |
| 1967 ................ | 3,147.2 | 3,125.1 | 3,166.4 | 2.5 | 3.0 | 26.48 | 25.83 | 26.49 | 26.50 | 3.2 | 3.0 | 3.2 | 3.2 |
| 1968 ................ | $3,293.9$ | 3,278.0 | 3,314.5 | 4.7 | 4.9 | 27.64 | 26.95 | 27.64 | 27.66 | 4.4 | 4.3 | 4.4 | 4.4 |
| 1969 ............... | 3,393,6 | 3,377.2 | 3,413.3 | 3.0 | 3.0 | 28.94 | 28.21 | 28.94 | 28.96 | 4.7 | 4.7 | 4.7 | 4.7 |
| 1970 ............... | 3,397.6 | 3,406.5 | 3,417.1 |  | . 9 | 30.48 | 29.73 | 30.48 | 30.50 | 5.3 | 5.4 | 5.3 | 5.3 |
| 1971 ............... | 3,510.0 | 3,499.8 | 3.532 .1 | 3.3 | 2.7 | 32.05 | 31.32 | 32.06 | 32.08 | 5.2 | 5.3 | 5.2 | 5.2 |
| 1972 ............... | 3,702.3 | 3,689.5 | 3,726.3 | 5.5 | 5.4 | 33.42 | 32.71 | 33.42 | 33.44 | 4.2 | 4.5 | 4.2 | 4.2 |
| 1973 ............... | 3,916.3 | 3,883.9 | 3,950.1 | 5.8 | 5.3 | 35.30 | 34.64 | 35.30 | 35.32 | 5.6 | 5.9 | 5.6 | 5.6 |
| 1974 .............. | 3,891.2 | 3,873.4 | 3,930.2 | -6 | -3 | 38.46 | 38.17 | 38.47 | 38.49 | 8.9 | 10.2 | 9.0 | 8.9 |
| 1975 ............... | 3,873.9 | 3,906.4 | 3,903.3 | -. 4 |  | 42.09 | 41.72 | 42.09 | 42.11 | 9.4 | 9.3 | 9.4 | 9.4 |
| 1976 ................ | 4,082.9 | 4,061.7 | 4,118.8 | 5.4 | 4.0 | 44.55 | 44.15 | 44.55 | 44.58 | 5.8 | 5.8 | 5.8 | 5.9 |
| 1977 ............... | 4,273.6 | 4,240.8 | 4,314.5 | 4.7 | 4.4 | 47.42 | 47.18 | 47.43 | 47.46 | ${ }^{6} \mathbf{6}$ | 6.9 | 6.5 | 6.5 |
| 1978 ............... | $4,503.0$ | 4,464.4 | $4,543.7$ | 5.4 | 5.3 | 50.88 | 50.65 | 50.89 | 50.92 | 7.3 | 7.4 | 7.5 | 7.3 |
| 1979 .............. | 4,630.6 | 4,614.4 | 4,687.4 | 2.8 | 3.4 | 55.22 | 55.22 | 55.23 | 55.26 | 8.5 | 9.0 | 8.5 | 8.5 |
| 1980 .............. | 4,615.0 | 4,641.9 | $4,670.8$ | -. 3 | . 6 | 60.34 | 61.10 | 60.33 | 60.36 | 9.3 | 10.7 | 9.2 | 9.2 |
| 1981 ............... | $4,720.7$ | 4,691.6 | $4,769.9$ | 2.3 | 1.1 | 66.01 | 66.72 | 66.01 | 66.05 | 9.4 | 9.2 | 9.4 | 9.4 |
| 1982 .............. | 4,620.3 | $4,651.2$ | 4.662 .0 | -2.1 | -9 | 70.18 | 70.64 | 70.17 | 70.21 | 6.3 | 5.9 | 6.3 | 6.3 |
| 1983 ............... | 4,803.7 | 4,821.2 | 4.844 .8 | 4.0 | 3.7 | 73.16 | 73.31 | 73.16 | 73.20 | 4.3 | 3.8 | 4.3 | 4.3 |
| 1984 .............. | 5.140 .1 | 5,061.6 | 5,178.0 | 7.0 | 5.0 | 75.92 | 75.90 | 75.92 | 75.97 | 3.8 | 3.5 | 3.8 | 3.8 |
| 1985 ............... | 5,323.5 | 5,296.9 | 5,346.7 | 3.6 | 4.6 | 78.53 | 78.34 | 78.53 | 78.57 | 3.4 | 3.2 | 3.4 | 3.4 |
| 1986 .............. | 5,487.7 | 5,480.9 | 5.501 .2 | 3.1 | 3.5 | 80.58 | 80.40 | 80.58 | 80.62 | 2.6 | 2.6 | 2.6 | 2.6 |
| 1987 ............... | 5.649 .5 | ${ }_{5}^{5} 56856.0$ | ${ }^{5.658 .2}$ | 2.9 | ${ }_{4}^{2.6}$ | 88.06 | 83.11 | ${ }_{8609} 83.06$ | ${ }_{86109}$ | 3.1 | 3.4 | 3.1 37 | 3.1 |
| 1988 ............... | 5,865.2 | 5,855.1 | 5,878.5 | 3.8 | 4.1 | 86.10 | 86.13 | 86.09 | 86.12 | 3.7 | 3.6 | 3.7 | 4.2 |
| 1989 ............... | 6,062.0 | 6,028.7 | 6,075.7 | 3.4 | 3.0 | 89.72 | 89.78 | 89.72 | 89.75 | 4.2 | 4.2 | 4.2 | 4.2 |
| 1990 .............. | 6,136.3 | 8,126.7 | 6,157.0 | 1.2 | 1.6 | 93.64 9732 | ${ }_{9730}^{93.83}$ | 93.60 9732 | 93.63 9733 | 4.4 3.9 | 4.5 | 4.3 | 4.3 |
| 1992 ..................... | 6, 644.4 | 6,237.4 | 6,255.5 | 2.7 | 2.5 | 100.00 | 100.00 | 100.00 | 100.00 | 2.8 | 2.8 | 2.8 | 2.7 |
| 1993 ............... | 6,389.6 | $6,368.9$ | 6.408 .0 | 2.3 | 2.1 | 102.64 | 102.48 | 102.64 | 102.63 | 2.6 | 2.5 | 2.6 | 2.6 |
| 1994 ............... | 6,610.7 | 6,551.2 | 6,619.1 | 3.5 | 2.9 | 105.09 | 104.85 | 105.09 | 105.08 | 2.4 | 2.3 | 2.4 | 2.4 |
| 1995 ............... | $6,742.1$ | 6.712 .7 | 6,748.7 | 2.0 | 2.5 | 107.76 | 107.52 | 107.76 | 107.73 | 2.5 | 2.5 | 2.5 | 2.5 |
| $1996 . . . . . . . . . . . . .$. | 6,928.4 | 6,901.0 | 6,932.0 | 2.8 | 2.8 | 110.22 | 1109.86 | 110.21 11240 | 110.18 <br> $1+2.18$ | 2.3 | 2.2 1.7 | 2.3 | 2.3 |
| 1997 ............... | 7,188.8 | 7,118.3 | 7,174.4 | 3.8 | 3.1 | 112.45 |  | 112.40 |  | 2.0 |  | 2.0 | 2.0 |
|  | 2,165.0 $2,223.3$ | 2.165 .5 $2,204.2$ | $2,176.2$ $2,234.5$ | 81.2 11.2 | 7.2 | 22.86 22.92 | 22.35 | 22.92 22.91 | 22.93 22.91 | ${ }_{1.1}^{8}$ |  | .8 -3 | .8 -3 |
| IIII............... | 2,221.4 | 2,232.6 | 2,233.5 | $\bigcirc$ | 5.3 | 22.96 | 22.45 | 22.94 | 22.95 | 7.7 | 7 | $-.6$ | -. 6 |
| IV | 2,231.0 | 2,225.3 | 2,243.9 | 1.7 | -1.3 | 23.05 | 22.53 | 23.03 | 23.04 | 1.5 | 1.5 | 1.6 | 1.6 |
| 1960: $1 . . . .{ }_{\text {a }}$ | 2,279.2 | 2,248.5 | 2,291.6 | 8.9 | 4.2 | 23.10 | 22.57 | 23.13 | 23.14 | . 9 | 8 |  | 1.9 |
|  | 2,265.5 | $2,268.4$ | 2,278.2 | -2.4 | 3.6 | 23.21 | 22.69 | 23.22 | 23.23 | 2.0 | 2.1 | 1.5 | 1.5 |
| III ........... | 2,268.3 | $2,265.1$ | $2,281.6$ | . 5 | -6 | ${ }_{2}^{23.32}$ | 22.80 | 23.32 | ${ }_{2}^{23.33}$ | 2.0 | 2.0 | 1.7 | 1.7 |
| IV ......... | 2,238.6 | 2,274.7 | 2,252.7 | -5.1 | 1.7 | 23.44 | 22.92 | 23.40 | 23.41 | 2.1 | 2.1 | 1.4 | 1.4 |
| 1961:1 ........... | 2,251.7 | 2,277.7 | 2,266.8 | 2.4 | . 5 | 23.48 | 22.96 | 23.45 | 23.46 |  | . 6 | . 9 | 9 |
| $11 .$. | 2,292.0 | 2.301 .1 | 2,306.3 | 7.4 | 4.2 | 23.51 | 22.97 | 23.51 | 23.52 | . 5 | 2 | 1.0 | 1.0 |
| III. .......... | 2,332.6 | 2,320.4 | 2,347, | 7.3 | 3.4 | 23.55 | 23.00 | ${ }^{23.56}$ | 23.57 | 7 | 7 | 8 | 8 |
| IV ......... | 2,381.0 | 2,372.8 | 2,395.9 | 8.6 | 9.3 | 23.61 | 23.06 | 23.63 | 23.64 | 1.1 | . 9 | 1.2 | 1.2 |
| 1962: $1 . .$. | 2,422.6 | 2,400.3 | 2,437.4 | 7.2 | 4.7 | 23.73 | 23.17 | 23.75 | 23.76 | 2.0 | 1.9 | 2.0 | 2.0 |
| II........... | $2,448.0$ | $2,440.7$ | 2,464.4 | 4.3 | ${ }^{6.9} 5$ | ${ }_{2}^{23.80}$ | ${ }_{23.24}^{23.24}$ | 2.811 | 2.81 | 1.1 | 1.4 | 1.0 | 1.0 |
| IIII.......... | 2.471 .9 | 2.462 .0 | 2,488.4 | 4.0 | 3.5 | 23.86 | 23.31 | 23.87 | 23.87 | 1.1 | 1.1 | 1.0 | 1.0 |
| N ......... | 2,476.7 | 2,478.7 | 2,495.9 | 8 | 2.7 | 23.96 | 23.41 | 23.94 | 23.95 | 1.7 | 1.8 | 1.2 | 1.2 |
| 1963: $1 . . . .{ }_{\text {anc.e.. }}$ | 2,508.7 | 2.492 .4 | 2,526.9 | 5.3 | 2.2 | 24.03 | 23.48 | 24.00 | 24.01 | 1.2 | 1.3 | 1.1 | 1.1 |
| $11 . . . . . . . . . .$. | $2,558.1$ | 2,553.8 | $2,555.5$ | 4.8 | 6.8 | 24.07 | ${ }_{235}^{23.53}$ | 24.07 | 24.08 | ${ }^{6}$ | ${ }^{8}$ | 1.1 | 1.1 |
| \#1......... | $2,586.3$ | $2,578.0$ | $2,604.0$ | 7.8 | 7.2 | 24.11 24.26 | 23.58 23.72 | 24.12 2429 | 24.13 24.30 | $\begin{array}{r}.7 \\ \hline\end{array}$ | $\begin{array}{r}.9 \\ \hline\end{array}$ | 38 | .$^{8}$ |
| N .......... | 2,604.6 | 2,605.3 | 2,622.9 | 2.9 | 4.3 | 24.26 | 23.72 | 24.29 | 24.30 | 2.4 | 2.5 | 3.0 | 3.0 |
| 1964: $1 . . . . . . . . . . .$. | 2,666.7 | $2,663.1$ | 2,686.8 | 9.9 | 9.2 | 24.33 | 23.80 | 24.35 | 24.36 | 1.2 | 1.3 | 9 |  |
| $11 . . . . . . . . . .$. | 2,697.5 | 2,695.0 | $2,716.8$ | 4.7 | 4.9 | 24.41 | 23.89 | 24.41 | 24.42 | 1.3 | 1.5 | 9 | . 8 |
| $\stackrel{111}{1 / . . . . . . . . . . . . . . . ~}$ | $2,729.6$ | 2,777.6 | $2,749.5$ | 4.8 | 4.9 | 24.53 | 23.99 | 24.52 | 24.53 | 1.9 | 1.8 | 1.8 | 1.8 |
| N .......... | 2,739.7 | 2,734.5 | 2,758.1 | 1.5 | 1.0 | 24.64 | 24.09 | 24.64 | 24.65 | 1.8 | 1.6 | 2.1 | 2.1 |
| 1965: $1 . . . .{ }^{\text {a }}$.... | 2,808.9 | $2,777.2$ | 2,830.0 | 10.5 | 6.4 | 24.76 | 24.19 | 24.77 | 24.78 | 2.0 | 1.6 | 2.0 | 2.0 |
| \%.......... | $2,846.3$ | $2,826.7$ | $2,868.2$ | 5.4 | 7.3 | 24.88 | 24.31 | 24.88 | 24.89 | 2.0 | 2.0 | 1.9 | 1.9 |
| $11.1 . . . . . . .$. | $2,898.8$ | 2,879.8 | $2,918.9$ | 7.6 | 7.7 | 25.01 | 24.46 | ${ }_{25}^{25.01}$ | 25.02 <br> 20.18 | 2.1 | 2.2 | 2.1 | 2.1 |
| IV ........ | 2,970.5 | 2,957.8 | 2,988.6 | 10.3 | 11.3 | 25.16 | 24.61 | 25.17 | 25.18 | 2.5 | 2.8 | 2.6 | 2.6 |
| 1966: $1 . . . .{ }_{\text {a }}$.... | 3,042.4 | 3,008.8 | 3,061.1 | 10.0 | 7.1 | 25.30 | 24.73 | 25.32 | 25.34 | 2.2 | 1.9 | 2.5 | 2.5 |
| III............. | 3,055.5 | 3,023.1 | $3,074.2$ | 1.7 | 1.9 | 25.50 | 24.93 | 25.53 | 25.54 | 3.2 | 3.2 | 3.2 | 3.3 |
| IIV | 3,076.5 | 3,047.2 | 3,094.7 | 2.8 | 3.2 | 25.82 | 25.22 25.41 | 25.79 | 25.81 | 5.1 | 4.8 | 4.2 | 4.2 3 |
| IV .......... | 3,102.4 | 3,054.8 | 3,121.4 | 3.4 | 1.0 | 26.03 | 25.41 | 26.02 | 26.03 | 3.4 | 3.1 | 3.5 | 3.5 |
| 1967: $1 . . . . . . . . . . .$. | 3,127.2 | 3,085.6 | $3,145.9$ | 3.2 | 4.1 | ${ }^{26.16}$ | 25.52 | 26.14 | 26.15 | 2.0 | 1.6 | 1.9 | 2.0 |
| III........... | 3,129.5 | 3,19.0 | 3,147.7 | $3{ }^{3}$ | 4.4 | ${ }_{2}^{26.32}$ | ${ }_{25}^{25.67}$ | ${ }_{26}^{26.31}$ | ${ }_{26,61}^{26.32}$ | 2.5 | 2.5 | 2.5 | 2.5 |
|  | 3.154 .2 | $3,134.2$ 3,1615 | $3,174.4$ 3,1975 | 3.2 | ${ }_{35}^{2.0}$ | ${ }_{26.87}^{26.57}$ | 25.92 26.21 | 26.60 26.90 | 26.61 26.91 | 3.9 4.6 | 3.9 4.5 | 4.5 | 4.5 |
| N .......... | 3,778.0 | 3,161.5 | 3,197.5 | 3.1 | 3.5 | 26.87 | 26.21 | 26.90 | 26.91 | 4.6 | 4.5 | 4.6 | 4.6 |

Table C.1.-Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases-Continued [Quarterly estimates are seasonally adiusted at annual rates]

\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow{3}{*}{Year and quarter} \& \multicolumn{3}{|l|}{Billions of chained (1992) dollars} \& \multicolumn{2}{|l|}{\multirow[t]{2}{*}{Percent change from preceding period}} \& \multicolumn{2}{|l|}{Chain-type price indexes} \& \multicolumn{2}{|l|}{Implicit price deflators} \& \multicolumn{4}{|c|}{Percent change from preceding period} <br>
\hline \& \multirow[b]{2}{*}{Gross domestic product} \& \multirow[t]{2}{*}{Final sales of domestic product} \& \multirow[b]{2}{*}{Gross national product} \& \& \& \multirow[b]{2}{*}{Gross domestic product} \& \multirow[b]{2}{*}{Gross domestic purchases} \& \multirow[b]{2}{*}{Gross domestic product} \& \multirow[b]{2}{*}{Gross national product} \& \multicolumn{2}{|l|}{Chain-type price index} \& \multicolumn{2}{|l|}{Implicit price deflators} <br>
\hline \& \& \& \& Gross domestic product \& domestic product \& \& \& \& \& Gross domestic product \& Gross domestic purchases \& Gross domestic product \& Gross national product <br>
\hline  \& $$
\begin{aligned}
& 3,236.2 \\
& 3,292.1 \\
& 3,316.1 \\
& 3,331.2
\end{aligned}
$$ \& $3,225.3$
$3,258.0$
$3,303.9$
$3,325.1$ \& $$
\begin{aligned}
& 3,256.2 \\
& 3,312.5 \\
& 3,337.3 \\
& 3,352.2
\end{aligned}
$$ \& $$
\begin{aligned}
& 7.5 \\
& 7.1 \\
& 3.0 \\
& 1.8
\end{aligned}
$$ \& 8.3
4.1
5.8
2.6 \& 27.19
27.50
27.75
28.12 \& 26.52
26.80
27.06
27.43 \& 27.21
27.49
27.75
28.12 \& 27.22
27.50
27.76
28.13 \& 4.8
4.5
3.7
5.5 \& 4.9
4.2
4.0
5.5 \& 4.7
4.1
3.8
5.5 \& 4.8
4.1
3.8
5.5 <br>
\hline 1969: $\begin{array}{r}\text { I } \\ \text { II.......... } \\ \text { III........ } \\ \text { IV } \\ \text { I........ }\end{array}$ \& $3,381.9$
$3,390.2$
$3,409.7$
$3,392.6$
3, \& $3,357.5$
$3,373.0$
$3,389.6$
$3,388.9$ \& $3,402.8$
$3,410.3$
$3,428.5$
$3,411.4$

3 \& $\begin{array}{r}6.2 \\ 1.0 \\ 2.3 \\ -2.0 \\ \hline\end{array}$ \& 4.0
1.9
2.0
-.1 \& 28.38
28.74
29.14

29.51 \& $$
\begin{aligned}
& 27.66 \\
& 28.02 \\
& 28.40 \\
& 28.77
\end{aligned}
$$ \& 28.39

28.73
29.14
29.51
29 \& 28.40
28.75
29.16
29.52 \& 3.7
5.2
5.7
5.2 \& 3.5
5.3
5.6
5.2 \& 3.8
5.0
5.8
5.1 \& 3.9
5.0
5.8
5.1 <br>

\hline $$
\begin{array}{r}
\text { 1970: I } \\
\text { II................. } \\
\text { III.......... } \\
\text { IV }
\end{array} .
$$ \& $3,386.5$

$3,391.6$
$3,423.0$
$3,389.4$ \& $3,397.6$
3,391
$3,941.9$

$3,414.8$ \& | $3,406.0$ |
| :--- |
| $3,411.9$ |
| $3,442.9$ |
| $3,407.4$ | \& -.7

.6
3.7

-3.9 \& | 1.0 |
| ---: |
| -7 |
| .6 |
| -.8 | \& 29.92

30.36
30.60
31.02 \& 29.71
29.18
29.59
29.87
30.29 \& 29.94
30.36
30.61
31.02 \& 29.95
30.37
30.63
31.03 \& 5.7
6.0
3.2
5.6 \& 5.9
5.8
3.8
5.7 \& 6.0
6.7
3.4
5.4 \& 6.0
5.7
3.4
5.4 <br>
\hline  \& $3,481.4$
$3,500.9$
$3,523.8$
$3,533.8$ \& $3,458.9$
$3,481.2$
$3,509.4$
$3,549.5$ \& $3,503.3$
$3,524.3$
$3,544.7$
$3,556.0$ \& 11.3
2.3
2.6
1.1 \& 5.3
2.6
3.3
4.7 \& 31.50
31.93
32.55

32.53 \& \[
$$
\begin{aligned}
& 30.75 \\
& 31.18 \\
& 31.52 \\
& 31.81
\end{aligned}
$$

\] \& | 31.50 |
| :--- |
| 31.93 |
| 32.27 |
| 32.54 | \& 31.52

31.94
32.29
32.55 \& 6.3
5.7
4.1
3.5 \& 6.2
6.7
4.5
3.7 \& 6.4
5.5
4.4
3.3 \& 6.4
5.5
4.4
3.3 <br>

\hline $$
\text { 1972: I ............. } \begin{array}{r}
\text { II......... } \\
\text { I! } \\
\text { iN............ }
\end{array}
$$ \& $3,604.7$

$3,687.9$
$3,726.2$
$3,790.4$ \& $3,608.0$
3.665 .7
$3,700.0$
$3,784.3$ \& $3,627.9$
$3,710.7$
$3,751.2$
$3,815.3$ \& 8.3
9.6
4.2
7.1 \& 6.8
6.5
3.8
9.4 \& 33.01
33.23
33.50
33.93 \& 32.28
32.53
32.82
33.23 \& 33.02
33.20
33.49
33.95 \& 33.03
33.22
33.51
33.97 \& 6.0
2.6
3.3
5.2 \& 6.0
3.1
3.6
5.1 \& 6.0
2.2
3.5
5.6 \& 6.1
2.2
3.5
5.6 <br>
\hline  \& $3,892.2$
$3,919.0$
$3,907.1$
$3,947.1$ \& $3,867.0$
$3,884.5$
$3,890.9$

$3,893.1$ \& | $3,921.5$ |
| :--- |
| $3,950.4$ |
| $3,944.1$ |
| $3,984.4$ | \& 11.2

2.8
-1.2
4.2

4 \& | 9.0 |
| ---: |
| 1.8 |
| .7 |
| .2 | \& 34.38

34.96
3.63

36.24 \& $$
\begin{aligned}
& 33.69 \\
& 34.33 \\
& 34.95 \\
& 35.60
\end{aligned}
$$ \& 34.36

34.94
35.61
36.29 \& 34.38
34.96
35.63
36.31 \& 5.5
6.9
7.8
7.0 \& 5.6
7.8
7.5

7.6 \& | 5.0 |
| :--- |
| 6.9 |
| 7.9 |
| 7.8 | \& 5.0

6.9
7.9
7.8 <br>
\hline  \& $3,908.1$
$3,922.6$
$3,880.0$

$3,854.1$ \& | $3,889.1$ |
| :--- |
| $3,889.7$ |
| 3.882 .5 |
| $3,822.2$ |
| 18 | \& $3,952.4$

$3,964.3$
$3,917.6$
$3,886.1$ \& -3.9
1.5
-4.3
-2.6 \& -4
1.1
-1.8
-6.1 \& 36.98
37.79
38.93
40.14 \& 36.55
37.59
38.71
39.84 \& 37.01
37.79
38.96
40.13 \& 37.03
37.81
38.98
40.15 \& 8.4
9.0
12.7
13.0 \& 11.1
11.9
12.5
12.2 \& 8.2
8.7
12.9
12.6 \& 8.2
8.7
12.9
12.5 <br>
\hline  \& $3,800.9$
$3,835.2$
$3,907.0$
$3,952.5$ \& $3,848.3$
$3,887.9$
$3,922.7$
$3,966.7$ \& $3,827.3$
$3,871.8$
$3,936.1$
$3,987.9$ \& -5.4
-3.7
7.7
4.7 \& 2.8
4.2
3.6
4.6 \& 41.04
41.67
4.42
4.44
43.21 \& 40.69
41.34
42.05
42.79 \& 41.05
41.66
42.41
43.19 \& 41.07
41.68
42.44
43.22 \& 9.2
6.3
7.6
7.4 \& 8.8
6.5
7.0

7.2 \& | 9.5 |
| :--- |
| 6.1 |
| 7.4 |
| 7.6 | \& 9.5

6.1
7.4
7.6 <br>
\hline  \& $4,044.6$
$4,072.2$
$4,088.5$
$4,126.4$ \& $4,027.0$
$4,039.1$
$4,061.7$
$4,119.0$
4, \& $4,078.8$
$4,107.9$
$4,24.8$
$4,163.7$ \& 9.7
2.8
1.6
3.8 \& 6.2
1.2
2.3
5.8 \& 43.68
44.17
44.78
45.56 \& 43.26
43.76
44.42
45.16 \& 43.69
44.15
44.77
45.57 \& 43.72
44.18
44.80
45.60 \& 4.4
4.6
5.7
7.2 \& 4.5
4.7
6.1
6.9 \& 4.7
4.2
5.7
7.3 \& 4.7
4.2
5.7
7.3 <br>
\hline  \& $4,176.3$
$4,260.5$
$4,329.5$
$4,328.3$ \& $4,461.4$
$4,228.4$
$4,270.0$
$4,303.3$ \& $4,219.4$
$4,302.2$
$4,371.2$
$4,365.0$ \& 4.9
8.3
6.7
-.1 \& 4.2
6.6
4.0
3.2 \& 46.31
47.08
47.74
48.55 \& 45.99
46.81
47.55
48.36 \& 46.32
47.07
47.66
48.63 \& 46.34
47.10
47.69
48.66 \& 6.7
6.8
5.7
7.0 \& 7.6
7.3
6.4
7.1 \& 6.8
6.6
5.1
8.4 \& 6.7
6.7
5.1
8.4 <br>
\hline  \& $4,345.5$
4.510 .7
4.552 .1
$4,603.7$ \& $4,306.0$
$4,474.6$
$4,511.6$
$4,565.4$ \& $4,388.6$
$4,546.1$
$4,591.1$
$4,649.0$ \& 1.6
16.1
3.7
4.6 \& 16.3
3.6
3.4

4.9 \& \begin{tabular}{l}
49.39 <br>
50.43 <br>
50.132 <br>
52.37 <br>
\hline

 \& 

49.19 <br>
50.22 <br>
5.11 <br>
52.08 <br>
\hline

 \& 

49.42 <br>
50.41 <br>
5.27 <br>
52.35 <br>
\hline
\end{tabular} \& 49.45

50.44
51.30
52.39 \& 7.1
8.6
7.3
8.4 \& 7.0
8.6
7.3
7.9 \& 6.7
8.2
7.0
8.7 \& 6.7
8.2
78.1
8.7 <br>
\hline 1979: $\begin{array}{r}\text { I ........... } \\ \text { II.......... } \\ \text { II...... } \\ \text { IV ....... }\end{array}$ \& $4,605.7$
$4,615.6$
$4,644.9$
$4,656.2$ \& $4,579.0$
$4,577.0$
$4,639.2$
$4,662.5$ \& $4,652.6$
$4,668.7$
$4,708.8$
$4,719.5$ \& .2
.9
2.6
+.0 \& 1.2
-.2
5.5
2.0 \& 53.46
54.70
55.82
56.92 \& 53.21
54.5
59.89
57.25 \& 53.51
54.65
56.82
56.92 \& 53.54
54.68
55.85
56.95 \& 8.6
9.6
8.5
8.1 \& 9.0
10.2
10.4
10.2 \& 9.1
8.8
8.9
8.1 \& 9.1
8.8
8.9
8.1 <br>
\hline  \& $4,679.0$
$4,566.6$
$4,562.3$
$4,651.9$ \& $4,675.3$
$4,579.0$
$4,637.1$
$4,676.1$ \& $4,743.0$
$4,625.6$
$4,617.8$
$4,696.6$ \& $\begin{array}{r}2.0 \\ -9.3 \\ -4 \\ 8.1 \\ \hline\end{array}$ \& 1.1
-8.0
5.2
3.4 \& 58.25
59.59
60.93

62.57 \& $$
\begin{aligned}
& 58.89 \\
& 60.41 \\
& 61.77 \\
& 63.33
\end{aligned}
$$ \& \[

$$
\begin{aligned}
& 58.18 \\
& 59.55 \\
& 61.01 \\
& 62.59
\end{aligned}
$$
\] \& 58.22

59.58
61.05
62.64 \& 9.7
9.6
9.3
11.2 \& 12.0
10.7
9
10.3
10.5 \& 9.2
9.7
10.2
10.8 \& 9.2
9.7
10.2
10.8 <br>
\hline 1981: 1 I........... \& $4,739.2$
$4,696.8$
$4,753.0$
$4,693.8$
4 \& $4,692.9$
$4,699.0$
$4,702.5$
$4,672.0$ \& $4,787.7$
$4,742.6$
4.801 .4
$4,747.9$ \& 7.7
-3.5
4.9
-4.9 \& 1.4
.5
.3
-2.6 \& 64.19
65.35
66.65

67.85 \& \begin{tabular}{l}
64.96 <br>
66.15 <br>
66.7 <br>
68.48 <br>
\hline

 \& 

64.15 <br>
6.37 <br>
66.65 <br>
67.87 <br>
\hline 68.
\end{tabular} \& 64.20

65.42
66.69
67.91 \& $\begin{array}{r}10.7 \\ 7.4 \\ 8.4 \\ 7.2 \\ \hline .4\end{array}$ \& 10.7
7.5
7
7.0
7.3 \& 10.3
7.8
8.0
7.5 \& 10.4
7.8
8.0
7.5 <br>
\hline 1982: $\begin{array}{r}1 . . . . . . . . . . . . \\ \text { II...... } \\ \text { IIN...... } \\ \text { V ....... }\end{array}$ \& $4,615.9$
$4,664.9$
$4,612.1$
$4,618.3$ \& $4,655.4$
$4,651.2$
$4,616.9$
$4,681.3$ \& $4,658.5$
$4,682.9$
$4,651.1$

$4,655.6$ \& $$
\begin{array}{r}
-6.5 \\
1.7 \\
-2.0 \\
.5
\end{array}
$$ \& -1.4

-4.4
-2.9
5.7 \& 68.85
69.71
70.69

71.46 \& $$
\begin{aligned}
& 69.42 \\
& 70.17 \\
& 71.10 \\
& 71.85
\end{aligned}
$$ \& 68.86

69.72
70.66
74.44 \& 68.91
69.77
70.70
71.47 \& 6.0
5.1
5.7
4.5 \& 5.6
4.4
5.4

4.3 \& | 6.0 |
| :--- |
| 5.1 |
| 5.5 |
| 4.4 | \& 6.0

5.1
5.5
4.4 <br>

\hline  \& $$
\begin{aligned}
& 4,663.0 \\
& 4,763.6 \\
& 4,849.0 \\
& 4,939.2
\end{aligned}
$$ \& \[

$$
\begin{aligned}
& 4,719.4 \\
& 4,785.3 \\
& 4,860.7 \\
& 4,919.5
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 4,700.1 \\
& 4,804.4 \\
& 4,891.3 \\
& 4,983.5
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 3.9 \\
& 8.9 \\
& 7.4 \\
& 7.7
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 3.3 \\
& 5.7 \\
& 6.4 \\
& 4.9
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 72.12 \\
& 72.84 \\
& 73.50 \\
& 74.19
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 72.33 \\
& 73.03 \\
& 73.65 \\
& 74.24
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 72.08 \\
& 72.83 \\
& 73.48 \\
& 74.19
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 72.12 \\
& 72.87 \\
& 73.52 \\
& 74.24
\end{aligned}
$$

\] \& | 3.7 |
| :--- |
| 4.1 |
| 3.7 |
| 3.8 | \& \[

$$
\begin{aligned}
& 2.7 \\
& 3.9 \\
& 3.4 \\
& 3.2
\end{aligned}
$$
\] \& 3.7

4.2
4.7
3.9 \& 3.7
4.2
3.7
3.9 <br>
\hline 1984: $\begin{array}{r}\text { I ............. } \\ \text { III............ } \\ \text { IV ......... }\end{array}$ \& $5,053.6$
$5,132.9$
$5,170.3$

$5,203.7$ \& $$
\begin{aligned}
& 4,961.0 \\
& 5,050.0 \\
& 5,085.6 \\
& 5,149.9
\end{aligned}
$$ \& $5,092.6$

$5,172.4$
$5,209.5$

$5,237.5$ \& \[
$$
\begin{aligned}
& 9.6 \\
& 6.4 \\
& 3.0 \\
& 2.6
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 3.4 \\
& 7.4 \\
& 2.9 \\
& 5.2
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 75.00 \\
& 75.62 \\
& 76.25 \\
& 76.82
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 75.04 \\
& 75.65 \\
& 76.19 \\
& 76.71
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 75.02 \\
& 75.58 \\
& 76.25 \\
& 76.81
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 75.06 \\
& 75.63 \\
& 76.29 \\
& 76.85
\end{aligned}
$$
\] \& 4.4

3.3
3.4
3.0

4 \& $$
\begin{aligned}
& 4.4 \\
& 3.3 \\
& 2.9 \\
& 2.7
\end{aligned}
$$ \& 4.5

3.1
3.5
3.0 \& 4.5
3.1
3.6
2.9 <br>

\hline  \& $$
\begin{aligned}
& 5,257.3 \\
& 5,283.7 \\
& 5,359.6 \\
& 5,393.6
\end{aligned}
$$ \& \[

$$
\begin{aligned}
& 5,231.7 \\
& 5,261.0 \\
& 5,336.9 \\
& 5,358.0
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 5,280.3 \\
& 5,310.8 \\
& 5,378.4 \\
& 5,417.5
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 4.2 \\
& 2.0 \\
& 5.9 \\
& 2.6
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 6.5 \\
& 2.3 \\
& 5.9 \\
& 1.6
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 77.64 \\
& 78.25 \\
& 78.80 \\
& 79.44
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 77.38 \\
& 78.02 \\
& 78.58 \\
& 79.37
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 77.63 \\
& 78.25 \\
& 78.76 \\
& 79.45
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 77.67 \\
& 78.29 \\
& 78.80 \\
& 79.49
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 4.3 \\
& 3.2 \\
& 2.8 \\
& 3.3
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 3.6 \\
& 3.3 \\
& 2.9 \\
& 4.1
\end{aligned}
$$
\] \& 4.4

3.3
2.6
3.5 \& 4.3
3.2
2.6
3.5 <br>

\hline $$
\begin{array}{r}
\text { 1986: I ............. } \\
\text { III........... } \\
\text { IV ........... }
\end{array}
$$ \& \[

$$
\begin{aligned}
& 5,460.8 \\
& 5,466.9 \\
& 5,496.3 \\
& 5,526.8
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 5,410.5 \\
& 5,448.4 \\
& 5,518.2 \\
& 5,546.6
\end{aligned}
$$

\] \& \[

$$
\begin{array}{r}
5,481.1 \\
5,480.1 \\
5,510.4 \\
.5,533.1
\end{array}
$$

\] \& \[

$$
\begin{aligned}
& 5.1 \\
& .4 \\
& 2.2 \\
& 2.2
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 4.0 \\
& 2.8 \\
& 5.2 \\
& 2.1
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 79.81 \\
& 80.26 \\
& 80.81 \\
& 81.44
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 79.77 \\
& 79.97 \\
& 80.60 \\
& 81.25
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 79.81 \\
& 80.22 \\
& 80.84 \\
& 81.45
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 79.85 \\
& 80.26 \\
& 80.88 \\
& 81.49
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 1.9 \\
& 2.2 \\
& 2.8 \\
& 3.2
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 2.0 \\
& 1.0 \\
& 3.2 \\
& 3.3
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 1.8 \\
& 2.1 \\
& 3.1 \\
& 3.1
\end{aligned}
$$
\] \& 1.8

2.1
3.1
3.0 <br>

\hline  \& $$
\begin{aligned}
& 5,561.8 \\
& 5,618.0 \\
& 5,667.4 \\
& 5,750.6
\end{aligned}
$$ \& \[

$$
\begin{aligned}
& 5,535.8 \\
& 5,608.4 \\
& 5,671.5 \\
& 5,688.3
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 5,568.7 \\
& 5,628.7 \\
& 5,676.0 \\
& 5,759.6
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 2.6 \\
& 4.1 \\
& 3.6 \\
& 6.0
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& -.8 \\
& 5.4 \\
& 4.6 \\
& 1.2
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 82.11 \\
& 82.68 \\
& 83.35 \\
& 84.08
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 82.07 \\
& 82.74 \\
& 83.44 \\
& 84.19
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 82.09 \\
& 82.68 \\
& 83.33 \\
& 84.09
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 82.12 \\
& 82.71 \\
& 83.36 \\
& 84.12
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 3.3 \\
& 2.8 \\
& 3.3 \\
& 3.6
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 4.1 \\
& 3.3 \\
& 3.4 \\
& 3.6
\end{aligned}
$$
\] \& 3.2

2.9
3.2
3.7 \& 3.2
2.9
3.2
3.7 <br>

\hline $$
\begin{array}{r}
\text { 1988: } 1 . . . . . . . . . . . . . ~ \\
\text { II.......... } \\
\text { III....... } \\
\mathrm{N} \\
. . . . . . . . . . ~
\end{array}
$$ \& \[

$$
\begin{aligned}
& 5,785.3 \\
& 5,844.0 \\
& 5,878.7 \\
& 5,952.8
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 5,774.2 \\
& 5,840.1 \\
& 5,869.2 \\
& 5,937.0
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 5,802.3 \\
& 5,857.5 \\
& 5,889.4 \\
& 5,964.9
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 2.4 \\
& 4.1 \\
& 2.4 \\
& 5.1
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 6.2 \\
& 4.6 \\
& 2.0 \\
& 4.7
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 84.69 \\
& 85.56 \\
& 86.67 \\
& 87.46
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 84.81 \\
& 85.68 \\
& 86.58 \\
& 87.44
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 84.67 \\
& 85.56 \\
& 86.66 \\
& 87.44
\end{aligned}
$$
\] \& 84.69

85.59
86.69

87.47 \& $$
\begin{aligned}
& 2.9 \\
& 4.2 \\
& 5.3 \\
& 3.7
\end{aligned}
$$ \& \[

$$
\begin{aligned}
& 3.0 \\
& 4.2 \\
& 4.3 \\
& 4.0
\end{aligned}
$$

\] \& \[

$$
\begin{aligned}
& 2.7 \\
& 4.3 \\
& 5.2 \\
& 3.7
\end{aligned}
$$
\] \& 2.8

4.3
5.2
3.7 <br>
\hline
\end{tabular}

Table C.1.-Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases-Continued [Quarterly estimates are seasonally adjusted at annual rates]

| Year andquarter | Billions of chained (1992) dollars |  |  | Percent change from preceding period |  | Chaintlype price indexes |  | Implicit price deilators |  | Percent change from preceding period |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Gross domesticproduct product | Final sales of domestic product | Gross national product |  |  | Gross domestic product | Gross domestic purchases | Gross domesticproduct | Gross national product | Chain-type price index |  | Implicit price deflators |  |
|  |  |  |  | Gross domestic product | Final sales of comestic product |  |  |  |  | Gross domestic product product | Gross domestic purchases purchases | Gross domestic product | Gross national product |
|  | $6,091.0$ $6,055.6$ $6,088.0$ $6,093.5$ | $\begin{aligned} & 5,970.0 \\ & 6,000.9 \\ & 6,063.1 \\ & 6,070.8 \end{aligned}$ | $\begin{aligned} & 6,023.1 \\ & 6.065 .5 \\ & 6,101.8 \\ & 6,112.3 \end{aligned}$ | $\begin{array}{r} 4.0 \\ 3.0 \\ 2.2 \\ .4 \end{array}$ | 2.2 2.8 3.5 | $\begin{aligned} & 98.44 \\ & 89.40 \\ & 90.13 \\ & 90.91 \end{aligned}$ | $\begin{aligned} & 88.47 \\ & 89.52 \\ & 90.14 \\ & 90.98 \end{aligned}$ | $\begin{aligned} & 88.45 \\ & 89.39 \\ & 90.13 \\ & 90.88 \end{aligned}$ | $\begin{aligned} & 88.48 \\ & 89.42 \\ & 90.16 \\ & 90.91 \end{aligned}$ | 4.5 4.4 3.3 3.5 | $\begin{aligned} & 4.8 \\ & 4.8 \\ & 2.8 \\ & 3.8 \end{aligned}$ | 4.7 <br> 4.3 <br> 3.3 <br> 3.4 | 4.7 4.3 3.3 3.4 |
|  | $6,152.6$ $6,171.6$ $6,142.1$ $6,079.0$ | $6,144.6$ 6.127 .5 $6,1+166.6$ $6,168.1$ | $6,172.8$ 6.188 .0 66.155 .7 $6,111.3$ | $\begin{array}{r}3.9 \\ 1.2 \\ -1.9 \\ -4.0 \\ \hline\end{array}$ | 5.0 -1.1 -1 -1.2 | $\begin{aligned} & 92.01 \\ & 93.20 \\ & 94.19 \\ & 95.14 \end{aligned}$ | $\begin{aligned} & 92.17 \\ & 93.14 \\ & 94.32 \\ & 95.68 \end{aligned}$ | 92.00 93.18 94.14 95.11 | $\begin{aligned} & 92.04 \\ & 93.21 \\ & 94.17 \\ & 95.13 \end{aligned}$ | 4.9 5.2 4.3 4.1 | $\begin{aligned} & 5.4 \\ & 4.2 \\ & 5.2 \\ & 5.9 \end{aligned}$ | 5.0 5.2 4.2 4.2 | 5.1 5.2 4.2 4.2 |
|  | $6,047.5$ 6,0074 $6,0.7$ $6,100.1$ $6,105.3$ | $6,065.4$ $6,0.959 .9$ $6,055.4$ $6,083.8$ | $6,074.3$ <br> $6,086.4$ <br> $6,099.2$ <br> $6,119.5$ <br> 6.9 | $\begin{array}{r}\text { rer } \\ -2.1 \\ 1+.8 \\ 1.0 \\ 1.0 \\ \hline\end{array}$ | -2.8 2.0 -7 -9 | $\begin{aligned} & 96.26 \\ & 97.02 \\ & 97.70 \\ & 98.30 \end{aligned}$ | $\begin{aligned} & 96.42 \\ & 96.95 \\ & 97.58 \\ & 98.27 \end{aligned}$ | 96.27 97.00 97.70 98.31 | $\begin{aligned} & 96.29 \\ & 97.01 \\ & 97.71 \\ & 98.32 \end{aligned}$ | 4.8 4.2 3.2 2.5 2.5 | 3.1 .2 .2 2.6 2.9 | 5.0 <br> 3.1 <br> 3.1 <br> 2.5 | 4.9 3.1 2.9 2.5 |
|  | $6,175.7$ <br> $6,24.2$ <br> $6,260.7$ <br> $6,327.1$ | $6,175.8$ $6,203.8$ $6,249.5$ $6,320.7$ | $\begin{aligned} & 6,192.0 \\ & 6,252.2 \\ & 6,273 \\ & 6,334.6 \end{aligned}$ | 4.7 2.5 3.0 4.3 | 6.2 1.8 3.0 4.6 | 99.14 99.81 100.17 100.88 | $\begin{gathered} 99.04 \\ 99.76 \\ 10.28 \\ 100.92 \end{gathered}$ | $\begin{array}{r}99.13 \\ 99.79 \\ 100.17 \\ 100.88 \\ \hline 108\end{array}$ | $\begin{array}{r} 99.13 \\ 99.79 \\ 100.17 \\ 100.88 \end{array}$ | 3.4 <br> 2.8 <br> 1.4 <br> 2.8 | 3.2 <br> 2.9 <br> 2.1 <br> 2.6 | 3.4 2.4 1.5 2.9 | 3.4 2.7 1.5 2.9 |
|  | $6,327.9$ <br> $6,3.39 .9$ <br> 6,393 <br> $6,976.9$ | $\begin{aligned} & 6,297.3 \\ & 6,344.9 \\ & 6,379.3 \\ & 6,453.8 \end{aligned}$ | $6,351.3$ <br> $6,375.9$ <br> $6,45.3$ <br> $6,489.7$ <br> 6.5 | 2.0 <br> 2.1 <br> 5.3 <br> 1 | -1.5 3.1 2.2 4.8 4 | 101.85 102.38 102.83 103.52 | $\begin{aligned} & 101.71 \\ & 10.28 \\ & 102.64 \\ & 103.28 \end{aligned}$ | 101.84 102.35 1020.83 103.51 10. | $\begin{aligned} & 101.84 \\ & 102.34 \\ & 102.83 \\ & 103.50 \end{aligned}$ | 3.9 <br> 2.1 <br> 1.8 <br> 2.7 | 3.2 <br> 3.3 <br> 1.4 <br> 2.5 | 3.9 2.0 1.9 2.7 | 3.8 2.0 1.9 2.6 |
|  | $6,524.5$ <br> $6,6600.3$ <br> $6,629.5$ <br> $6,688.6$ <br> 6.6 | $\begin{aligned} & 6,4730 \\ & 6,536.7 \\ & 6,560.4 \\ & 6,624.8 \end{aligned}$ | $\begin{aligned} & 6,540.5 \\ & 6,699.3 \\ & 6,639.6 \\ & 6,691.2 \end{aligned}$ | 3.0 4.7 1.8 3.6 | 1.2 <br> 3.4 <br> 3.3 <br> 2.7 | 104.16 104.74 105.79 106.07 10. | $\begin{aligned} & 103.80 \\ & 104.46 \\ & 105.24 \\ & 105.88 \end{aligned}$ | 104.13 104.71 105.39 106.09 10.0 | $\begin{aligned} & 104.14 \\ & 104.71 \\ & 105.38 \\ & 106.06 \end{aligned}$ | 2.5 2.2 2.5 2.6 2.6 | 2.0 2.6 3.0 2.5 | 2.4 <br> 2.2 <br> 2.6 <br> 2.7 | 2.5 2.2 2.6 2.6 |
|  | $6,703.7$ <br> $6,708.8$ <br> $6,799.2$ <br> $6,796.5$ | $\begin{aligned} & 6,654.3 \\ & 6,645.3 \\ & 6,793 \\ & 6,771.9 \end{aligned}$ | $\begin{aligned} & 6,741.3 \\ & 6,724.0 \\ & 6,788.3 \\ & 6,804.2 \end{aligned}$ | .9 .3 3.0 2.2 | 1.8 <br> 1.9 <br> 3.3 <br> 2.0 <br>  | $\begin{aligned} & 106.93 \\ & 197.49 \\ & 108.03 \\ & 108.60 \end{aligned}$ | 106.66 <br> 107.33 <br> 107.79 <br> 108.29 <br> 19 | 106.94 107.46 107.02 108.61 108.51 | $\begin{aligned} & 106.91 \\ & 107.43 \\ & 107.99 \\ & 108.59 \end{aligned}$ | 3.3 2.1 2.0 2.1 | 3.0 .2 .5 1.7 1.9 | 3.3 2.0 2.1 2.2 | 3.2 2.0 2.1 2.2 |
|  | $6,826.4$ <br> $6,926.0$ <br> $6,943.8$ <br> $7,017.4$ | $\begin{aligned} & 6,815.0 \\ & 6,902.3 \\ & 6,909.0 \\ & 6,981.7 \end{aligned}$ | $6,834.7$ <br> $6,930.1$ <br> $6,990.2$ <br> $7,023.1$ | 1.8 6.0 1.0 4.3 | $\begin{array}{r}2.6 \\ 5.2 \\ .2 \\ 4.5 \\ \hline\end{array}$ | 109.35 109.86 110.59 111.10 | $\begin{aligned} & 109.01 \\ & 109.50 \\ & 10.15 \\ & 10.79 \end{aligned}$ | $\begin{aligned} & 109.39 \\ & 109.84 \\ & 10.54 \\ & 111.05 \end{aligned}$ | $\begin{aligned} & 109.37 \\ & 109.82 \\ & 110.50 \\ & 111.01 \end{aligned}$ | 2.8 1.9 2.7 1.9 | $\begin{aligned} & 2.7 \\ & 1.8 \\ & 2.4 \\ & 2.4 \end{aligned}$ | 2.9 1.7 2.6 1.9 | 2.9 1.6 2.5 1.8 |
|  | $7,101.6$ $7,159.6$ $7,214.0$ $7,280.0$ | $7,093.1$ $7,077.7$ $7,160.3$ $7,201.1$ | $7,091.8$ $7,144.4$ $7,198.8$ $7,262.6$ | 4.9 3.3 3.1 3.7 | 3.0 2.5 4.7 2.3 | $\begin{aligned} & 111.78 \\ & 11.27 \\ & 112.67 \\ & 113.07 \end{aligned}$ | $\begin{aligned} & 111.32 \\ & 11.55 \\ & 111.90 \\ & 112.28 \end{aligned}$ | $\begin{aligned} & +11.71 \\ & 12.22 \\ & 12.26 \\ & 12.62 \end{aligned}$ | $\begin{aligned} & 111.67 \\ & 12.17 \\ & 112.57 \\ & 112.96 \end{aligned}$ | 2.4 1.8 1.4 1.4 | 1.9 .8 1.3 1.4 | 2.4 1.8 1.4 1.4 | 2.4 1.8 1.4 1.4 |

Table C.2.-Real Gross Domestic Product
[Average annual percent change, based on chained (1992) dollar estimates]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1997 ............. | 2.8 | 2.7 | 2.6 | 2.7 | 2.9 | 2.7 | 2.6 | 2.5 | 2.5 | 2.6 | 2.7 | 3.0 | 2.9 | 2.6 | 2.5 | 2.5 | 2.4 | 2.3 | 2.2 | 2.3 | 28 | 2.9 | 3.0 | 2.8 | 3.3 | 3.8 |
| 1996 ……) | 2.8 | 2.6 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.4 | 2.6 | 2.6 | 2.9 | 2.9 | 2.5 | 2.4 | 2.4 | 2.3 | 2.1 | 1.9 | 2.0 | 2.6 | 2.6 | 2.7 | 2.4 | 2.8 |  |
| $1995 . . .$. | 2.8 | 2.6 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.4 | 2.6 | 2.6 | 2.9 | 2.9 | 2.5 | 2.4 | 2.3 | 2.2 | 2.0 | 1.8 | 1.9 | 2.6 | 2.6 | 2.7 | 2.0 |  |  |
| $1994 . . . . . . . . . . . . .$. | 2.8 | 2.7 | 2.5 | 2.7 | 2.9 | 2.7 | 2.6 | 2.4 | 2.4 | 2.6 | 2.6 | 3.0 | 2.9 | 2.5 | 2.4 | 2.4 | 2.3 | 2.0 | 1.7 | 1.9 | 2.8 | 2.9 | 3.5 |  |  |  |
| 1993 ............. | 2.8 | 2.6 | 2.5 | 2.6 | 2.8 | 2.7 | 2.5 | 2.4 | 2.3 | 2.5 | 2.6 | 3.0 | 2.9 | 2.4 | 2.3 | 2.2 | 2.1 | 1.7 | 1.3 | 1.4 | 2.5 | 2.3 |  |  |  |  |
| 1992 | 2.8 | 2.6 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.3 | 2.6 | 2.6 | 3.1 | 3.0 | 2.5 | 2.3 | 2.2 | 2.0 | 1.6 | 1.0 | . 9 | 2.7 |  |  |  |  |  |
| $1991 . . . .{ }^{\text {ane.... }}$ | 2.8 | 2.6 | 2.5 | 2.7 | 2.9 | 2.7 | 2.5 | 2.3 | 2.3 | 2.5 | 2.6 | 3.1 | 3.0 | 2.4 | 2.2 | 2.1 | 1.9 | 1.2 | 1 | -. 9 |  |  |  |  |  |  |
| $1990 . . . .{ }^{\text {an...... }}$ | 3.0 | 2.8 | 2.7 | 2.9 | 3.1 | 3.0 | 2.8 | 2.6 | 2.6 | 2.9 | 3.0 | 3.6 | 3.6 | 3.0 | 2.9 | 2.8 | 2.8 | 2.3 | 1.2 |  |  |  |  |  |  |  |
| 1989 ............. | 3.1 | 2.9 | 2.8 | 3.0 | 3.3 | 3.1 | 3.0 | 2.7 | 2.7 | 3.1 | 3.2 | 4.0 | 4.0 | 3.4 | 3.3 | 3.4 | 3.6 | 3.4 |  |  |  |  |  |  |  |  |
| $1988 . . . .{ }^{\text {ane.... }}$ | 3.1 | 2.9 | 2.7 | 3.0 | 3.2 | 3.1 | 2.9 | 2.7 | 2.7 | 3.0 | 3.1 | 4.1 | 4.1 | 3.4 | 3.3 | 3.4 | 3.8 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 3.0 | 2.9 | 2.7 | 2.9 | 3.2 | 3.0 | 2.8 | 2.6 | 2.5 | 2.9 | 3.0 | 4.1 | 4.1 | 3.2 | 3.0 | 2.9 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............. | 3.0 | 2.9 | 2.6 | 2.9 | 3.2 | 3.0 | 2.8 | 2.5 | 2.5 | 2.9 | 3.1 | 4.4 | 4.5 | ${ }_{3}^{3.3}$ | 3.1 |  |  |  |  |  |  |  |  |  |  |  |
|  | 3.0 3.0 | 2.8 2.8 | 2.6 <br> 2.5 | 2.9 2.8 | 3.2 3.2 | 3.0 2.9 | 2.8 2.7 | 2.4 2.2 | 2.4 2.1 | 2.9 | 3.1 2.9 | 4.8 5.5 | 7.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1983 ................ | 2.6 | 2.4 | 2.1 | 2.4 | 2.7 | 2.3 | 2.0 | 1.3 | . 9 | 1.3 | . 9 | 4.0 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 ............ | 2.5 | 2.2 | 1.9 | 2.2 | 2.5 | 2.1 | 1.6 | . 6 | $-1$ |  | -2.1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1981 ............ | 3.0 | 2.7 | 2.4 | 2.8 | 3.3 | 2.9 | 2.5 | 1.6 | 1.0 -3 | 2.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 3.1 <br> 3.5 | 2.8 3.2 | 2.4 | 2.9 3.5 | 3.6 4.6 | 4.3 | 4.1 | 2.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1978 .............. | 3.6 | 3.3 | 28 | 3.7 | 5.1 | 5.0 | 5.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 ............. | 3.3 | 2.9 | 2.2 | 3.2 | 5.0 | 4.7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1976 | 3.1 | 2.5 | 1.4 | 2.4 -4 | 5.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1974}^{1975} \ldots \ldots \ldots \ldots . .$. | 3.5 | 1.5 2.5 | -.5 -6 | -. 4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 .............. | 5.6 | 5.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1972 ............ | 5.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Table C.3.-Chain-Type Price Index for Gross Domestic Product
[Average annual percent change]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1997 ............. | 4.9 | 5.0 | 4.9 | 4.8 | 4.6 | 4.5 | 4.4 | 4.3 | 4.0 | 3.7 | 3.4 | 3.2 | 3.1 | 3.1 | 3.0 |  | 3.1 | 3.0 |  | 2.6 |  |  | 2.3 | 2.3 |  | 2.0 |
| $1996 . . . . . . . . . . . . . ~$ | 5.1 | 5.1 | 5.1 | 4.9 | 4.7 | 4.6 | 4.5 | 4.4 | 4.1 | 3.8 | 3.5 | 3.3 | 3.2 | 3.2 | 3.1 | 3.2 | 3.2 | 3.1 | 3.0 | 2.8 | 2.5 | 2.5 | 2.4 | 2.4 | 2.3 |  |
| 1995. | 5.2 | 5.2 | 5.2 | 5.0 | 4.8 | 4.8 | 4.7 | 4.5 | 4.3 | 3.9 | 3.6 | 3.4 | 3.3 | 3.2 | 3.2 | 3.3 | 3.4 | 3.3 | 3.1 | 2.9 | ${ }_{26}^{2.6}$ | 2.5 | 2.5 | 2.5 |  |  |
| $1994 . . . . . . . . . . . .$. | 5.3 | 5.3 | 5.3 | 5.2 | 4.9 | 4.9 | 4.8 | 4.6 | 4.4 | 4.0 | 3.6 | 3.4 | 3.3 | 3.3 | 3.3 | 3.4 | 3.4 | 3.4 | 3.2 | 2.9 | 2.6 | 2.5 | 2.4 |  |  |  |
| 1993 ............. | 5.4 | 5.5 | 5.5 | 5.3 | 5.1 | 5.0 | 4.9 | 4.8 | 4.5 | 4.2 | 3.7 | 3.5 | 3.4 | 3.4 | 3.4 | 3.5 | ${ }^{3.6}$ | 3.6 | 3.4 | 3.1 | 2.7 | 2.6 |  |  |  |  |
| 1992 ............. | 5.6 | 5.6 | 5.6 | 5.5 | 5.2 | 5.2 | 5.1 | 4.9 | 4.7 | 4.3 | 3.8 | 3.6 | 3.5 | 3.5 | 3.5 | 3.7 | 3.8 | 3.8 | 3.7 | 3.3 | 2.8 |  |  |  |  |  |
| $1991 . . . . . . . . . . . .$. | 5.7 | 5.8 | 5.8 | 5.6 | 5.4 | 5.3 | 5.3 | 5.1 | 4.8 | 4.4 | 4.0 | 3.7 | 3.6 | 3.6 | 3.6 | ${ }^{3.8}$ | 4.0 | 4.2 | 4.1 | 3.9 |  |  |  |  |  |  |
| $1990 . . . . . . . . . . .$. | 5.8 | 5.9 | 5.9 | 5.7 | 5.5 | 5.4 | 5.4 | 5.2 | 4.9 | 4.5 | 4.0 | 3.7 | 3.6 | 3.6 | 3.6 | 3.8 | 4.1 | 4.3 | 4.4 |  |  |  |  |  |  |  |
| $1989 . . . . . . . . . . . .$. | 5.9 | 6.0 | 6.0 | 5.8 | 5.6 | 5.5 | 5.5 | 5.3 | 5.0 | 4.5 | 3.9 | 3.6 | 3.5 | 3.4 | 3.4 | 3.6 | 3.9 | 4.2 |  |  |  |  |  |  |  |  |
| 1988 ............. | 6.0 | 6.1 | 6.1 | 5.9 | 5.7 | 5.6 | 5.6 | 5.4 | 5.1 | 4.5 | 3.9 | 3.5 | 3.3 | 3.2 | 3.1 | 3.4 | 3.7 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 6.1 | 6.3 | 6.3 | 6.1 | 5.8 | 5.8 | 5.8 | 5.6 | 5.2 | 4.7 | 3.9 | 3.4 | 3.2 | 3.0 | 2.8 | 3.1 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............. | 6.3 | 6.5 | 6.6 | 6.4 | 6.1 | 6.1 | 6.1 | 5.9 | 5.5 | 4.9 | 4.1 | 3.5 | 3.3 | 3.0 | 2.6 |  |  |  |  |  |  |  |  |  |  |  |
| 1984. | 6.9 | 7.8 | 7.2 | ${ }_{7} 7.0$ | 6.4 <br> 6.8 | 6.5 6.9 | 7.0 | 6.4 6.9 | 6.6 | 5.4 5.9 | 4.4 | 4.0 | 3.6 | 3.4 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1983 ............. | 7.1 | 7.4 | 7.6 | 7.4 | 7.2 | 7.3 | 7.5 | 7.5 | 7.3 | 6.6 | 5.3 | 4.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 ............ | 7.4 | 7.7 | 7.9 | 7.8 | 7.6 | 7.9 | 8.2 | 8.4 | 8.3 | 7.8 | 6.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1981 . . .$. | 7.5 | 7.9 | 8.1 | 8.0 | 7.8 | 8.2 | 8.6 | 9.1 | 9.3 | 9.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1980 | 7.3 | 77. | 8.0 | 7.8 | 7.5 | 7.9 | 8.4 | 8.9 | 9.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1978}^{1979} \ldots$ | 7.0 <br> 6.8 | 7.4 | 7.7 7.6 | 7.5 | 7.0 | 7.4 | 7.9 7.3 | 8.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 …) | 6.7 | 7.3 | 7.7 | 7.2 | 6.1 | 6.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }^{1976}$............. | 6.8 | 7.5 | 8.1 | 7.6 | 5.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1975 $1974 \ldots . . . . . . . . . . . . . . .$. | 7.0 | ${ }_{7} 8.0$ | 9.2 8.9 | 9.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 ............. | 4.9 | 5.6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1972 .-.......... | 4.2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Table C.4.-Real Gross Domestic Purchases
[Average annual percent change, based on chained (1992) dollar estimates]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1890 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1997 ............. | 2.8 | 2.7 | 2.6 | 2.7 | 2.9 | 2.8 | 2.6 | 2.5 | 2.5 | 2.8 | 2.8 | 3.1 | 3.0 | 2.6 | 2.4 | 2.4 | 2.3 | 2.3 | 2.2 | 2.4 | 3.1 | 3.1 | 3.2 | 3.0 | 3.5 | 4.1 |
| 1996 ............. | 2.7 | 2.6 | 2.5 | 2.7 | 2.9 | 2.7 | 2.6 | 2.4 | 2.4 | 2.7 | 2.7 | 3.1 | 2.9 | 2.4 | 2.3 | 2.2 | 2.1 | 2.0 | 1.9 | 2.1 | 2.9 | 2.9 | 2.9 | 2.4 | 2.9 |  |
| 1995 ............. | 2.7 | 2.6 | 2.5 | 2.7 | 2.9 | 2.7 | 2.5 | 2.4 | 2.4 | 2.7 | 2.7 | 3.1 | 2.9 | 2.4 | 2.2 | 2.1 | 2.0 | 1.9 | 1.8 | 2.0 | 2.9 | 2.9 | 2.9 | 1.9 |  |  |
| 1994 ............. | 2.7 | 2.6 | 2.5 | 2.7 | 2.9 | 2.7 | 2.6 | 2.4 | 2.4 | 2.8 | 2.8 | 3.2 | 3.0 | 2.4 | 2.3 | 2.1 | 2.1 | 1.9 | 1.8 | 2.0 | 3.2 | 3.4 | 3.9 |  |  |  |
| 1993 ............. | 2.7 | 2.6 | 2.4 | 2.7 | 2.9 | 2.7 | 2.5 | 2.3 | 2.3 | 2.7 | 2.7 | 3.1 | 2.9 | 2.3 | 2.1 | 1.9 | t. 8 | 1.5 | 1.2 | 1.4 | 2.9 | 2.9 |  |  |  |  |
| 1992 ............. | 2.7 | 2.5 | 2.4 | 2.6 | 2.9 | 2.7 | 2.5 | 2.3 | 2.3 | 2.7 | 2.7 | 3.1 | 2.9 | 2.2 | 1.9 | 1.7 | 1.5 | 1.2 | .7 | . 6 | 2.8 |  |  |  |  |  |
| 1991 ............. | 2.7 | 2.5 | 2.4 | 2.6 | 2.9 | 2.6 | 2.5 | 2.2 | 2.2 | 2.6 | 2.7 | 3.1 | 2.9 | 2.1 | 1.8 | 1.5 | 1.2 | . 6 | -. 4 | -1.6 |  |  |  |  |  |  |
| 1990 ............. | 2.9 | 2.7 | 2.6 | 2.9 | 3.2 | 3.0 | 2.8 | 2.6 | 2.6 | 3.1 | 3.1 | 3.7 | 3.5 | 2.7 | 2.5 | 2.3 | 2.1 | 1.8 | . 8 |  |  |  |  |  |  |  |
| 1989 ............. | 3.0 | 2.9 | 2.7 | 3.0 | 3.4 | 3.1 | 2.9 | 2.7 | 2.8 | 3.3 | 3.4 | 4.2 | 4.0 | 3.1 | 2.9 | 2.8 | 2.8 | 2.7 |  |  |  |  |  |  |  |  |
| 1988 ............. | 3.0 | 2.9 | 2.7 | 3.1 | 3.4 | 3.2 | 3.0 | 2.7 | 2.8 | 3.4 | 3.5 | 4.4 | 4.2 | 3.2 | 3.0 | 2.8 | 2.9 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 3.0 | 2.9 | 2.7 | 3.1 | 3.4 | 3.2 | 3.0 | 2.7 | 2.8 | 3.5 | 3.6 | 4.7 | 4.6 | 3.3 | 3.0 | 2.7 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............. | 3.1 | 2.9 | 2.7 | 3.1 | 3.5 | 3.2 | 3.0 | 2.7 | 2.8 | 3.6 | 3.8 | 5.2 | 5.2 | 3.6 | 3.3 |  |  |  |  |  |  |  |  |  |  |  |
| 1985 ............. | 3.0 | 2.8 | 2.7 | 3.1 | 3.5 | 3.2 | 2.9 | 2.6 | 2.7 | 3.7 | 4.0 | 5.9 | 6.2 | 3.9 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1984 ............. | 3.0 | 2.8 | 2.6 | 3.0 | 3.5 | 3.1 | 2.8 | 2.4 | 2.5 | 3.6 | 4.0 | 6.9 | 8.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1983 ............. | 2.5 | 2.3 | 2.0 | 2.4 | 2.9 | 2.4 | 1.9 | 1.2 | 1.0 | 2.0 | 1.8 | 5.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 ............. | 2.3 | 2.0 | 1.6 | 2.0 | 2.5 | 1.9 | 1.2 | 2 | -. 4 | . 4 | -1.6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1981 ............. | 2.7 | 2.4 | 2.1 | 2.6 | 3.2 | 2.6 | 1.9 | . 9 | 2 | 2.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1980 ............. | 2.7 | 2.3 | 2.0 | 2.6 | 3.4 | 2.7 | 1.8 | . 1 | -2.0 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1979 ............ | 3.3 | 3.0 | 2.7 | 3.5 | 4.8 | 4.3 | 3.7 | 2.2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1978 ............ | 3.5 | 3.1 | 2.8 | 3.9 | 5.7 | 5.3 | 5.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 ............. | 3.2 | 2.7 | 2.2 | 3.4 | 5.9 | 5.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1976 ............ | 2.7 | 2.0 | 1.1 | 2.5 | 6.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1975 ............. | 1.8 | . 6 | -1.4 | -1.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974 ............ | 2.9 | 1.6 | -1.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 ............. | 5.2 | 4.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1972 ............. | 5.7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

NOTE.-In these triangles, the growth rate from one year to any other year can be found at the intersection the column for the earier year and the row for the later year; thus, growth rates from one year to the next are shown on the main diagonal. For example, from 1985 to 1995, real gross domestic product grew at an average annual rate of 2.4 percent; from 1984 to 1985, it grew 3.6 percent.

Table C.5.-Chain-Type Price Index for Gross Domestic Purchases
[Average annual percent change]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
|  | 5.0 | 5.0 | 5.0 | 4.8 | 4.6 | 4.5 | 4.4 | 4.3 | 4.0 | 3.6 | 3.3 | 3.1 | 3.1 | 3.0 | 3.0 | 3.0 | 3.0 | 2.9 | 2.8 | 2.5 | 2.3 | 2.2 | 2.2 | 2.2 | 2.0 | 1.7 |
|  | 5.1 | 5.2 | 5.1 | 4.9 | 4.7 | 4.7 | 4.5 | 4.4 | 4.1 | 3.7 | 3.4 | 3.2 | 3.2 | 3.1 | 3.1 | 3.2 | 3.1 | 3.1 | 2.9 | 2.7 | 2.5 | 2.4 | 2.3 | 2.4 | 2.2 |  |
| 1995 ............. | 5.3 | 5.3 | 5.3 | 5.1 | 4.8 | 4.8 | 4.7 | 4.5 | 4.3 | 3.8 | 3.5 | 3.3 | 3.2 | 3.2 | 3.2 | 3.3 | 3.3 | 3.2 | 3.1 | 2.8 | 2.5 | 2.4 | 2.4 | 2.5 |  |  |
| 1994 ............. | 5.4 | 5.4 | 5.4 | 5.2 | 5.0 | 4.9 | 4.8 | 4.7 | 4.4 | 3.9 | 3.5 | 3.3 | 3.3 | 3.3 | 3.3 | 3.4 | 3.4 | 3.3 | 3.2 | 2.8 | 2.5 | 2.4 | 2.3 |  |  |  |
|  | 5.5 | 5.6 | 5.6 | 5.3 | 5.1 | 5.1 | 5.0 | 4.8 | 4.5 | 4.1 | 3.6 | 3.4 | 3.4 | 3.4 | 3.4 | 3.5 | 3.6 | 3.5 | 3.4 | 3.0 | 2.6 | 2.5 |  |  |  |  |
| 1992 ............. | 5.7 | 5.7 | 5.7 | 5.5 | 5.3 | 5.2 | 5.1 | 5.0 | 4.7 | 4.2 | 3.7 | 3.5 | 3.5 | 3.5 | 3.5 | 3.7 | 3.8 | 3.8 | 3.7 | 3.2 | 2.8 |  |  |  |  |  |
| $1991 . . . . . . . . . . . . .$. | 5.8 | 5.9 | 5.9 | 5.7 | 5.4 | 5.4 | 5.3 | 5.2 | 4.8 | 4.3 | 3.8 | 3.6 | 3.6 | 3.6 | 3.7 | 3.9 | 4.0 | 4.1 | 4.1 | 3.7 |  |  |  |  |  |  |
| 1990 ............. | 5.9 | 6.0 | 6.0 | 5.8 | 5.6 | 5.5 | 5.4 | 5.3 | 4.9 | 4.4 | 3.9 | 3.6 | 3.6 | 3.6 | 3.7 | 3.9 | 4.1 | 4.4 | 4.5 |  |  |  |  |  |  |  |
| 1989 ............. | 6.0 | 6.1 | 6.1 | 5.9 | 5.6 | 5.6 | 5.5 | 5.3 | 5.0 | 4.4 | 3.8 | 3.5 | 3.4 | 3.4 | 3.5 | 3.7 | 3.9 | 4.2 |  |  |  |  |  |  |  |  |
| 1988 ............. | 6.1 | 6.2 | 6.3 | 6.0 | 5.7 | 5.7 | 5.6 | 5.5 | 5.1 | 4.4 | 3.7 | 3.4 | 3.3 | 3.2 | 3.2 | 3.5 | 3.6 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 6.3 | 6.4 | 6.5 | 6.2 | 5.9 | 5.9 | 5.8 | 5.7 | 5.2 | 4.5 | 3.7 | 3.3 | 3.2 | 3.1 | 3.0 | 3.4 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............ | 6.5 | 6.6 | 6.7 | 6.4 | 6.1 | 6.2 | 6.1 | 5.9 | 5.5 | 4.7 | 3.8 | 3.3 | 3.1 | 2.9 | 2.6 |  |  |  |  |  |  |  |  |  |  |  |
| 1985 ............. | 6.8 | 6.9 | 7.0 | ${ }^{6} .8$ | 6.5 | 6.6 | 6.5 | 6.4 | 6.0 | 5.1 | 4.1 | 3.5 | 3.4 | 3.2 |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 7.0 7.3 | 7.3 7.6 | 7.4 7.8 | 7.1 | 6.9 7.3 | 7.0 | 77.0 | 77.0 | ${ }_{7.3}^{6.6}$ | 5.6 6.3 | 4.4 | 3.7 3.8 | 3.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 ............. | 7.7 | 8.0 | 8.2 | 8.0 | 7.8 | 8.1 | 8.4 | 8.7 | 8.6 | 7.5 | 5.9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1981 ............ | 7.9 | 8.2 | 8.5 | 8.3 | 8.1 | 8.6 | 9.0 | 9.6 | 9.9 | 9.2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1} 1980$............. | 7.7 | 8.1 | 8.4 | ${ }^{8.2}$ | 7.9 | 8.5 | 9.0 | 9.8 | 10.7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1978 …-........... | 7.1 | 7.6 | 7.9 | 7.3 | 6.7 | 7.1 | 7.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 .............. | 7.1 | 7.6 | 8.0 | 7.3 | 6.3 | 6.9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1976 . . . . . . . . . . .$. | 7.1 | 7.8 | 8.4 | 7.5 | 5.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 7.4 | 8.4 8.0 | 9.7 10.2 | 9.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1} 973$............. | 5.2 | 5.9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1972 \ldots \ldots \ldots .$. | 4.5 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Table C.6.-Real Final Sales of Domestic Product
[Average annual percent change, based on chained (1992) doilar estimates]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1997 ............. | 2.8 | 2.7 | 2.6 | 2.7 | 2.8 | 2.7 | 2.6 | 2.5 | 2.4 | 2.5 | 2.6 | 2.9 | 2.8 | 2.7 | 2.5 | 2.4 | 2.4 | 2.2 | 2.1 | 2.2 | 2.7 | 2.7 | 2.8 | 2.8 | 3.0 | 3.1 |
| $1996 . . . . . . . . . . . . . . . . . ~$ | 2.8 | 2.6 | 2.5 | 2.7 | 2.7 | 2.7 | 2.6 | 2.4 | 2.4 | 2.5 | 2.6 | 2.9 | 2.8 | 2.6 | 2.4 | 2.3 | 2.3 | 2.1 | 1.9 | 2.0 | 2.6 | 2.6 | 2.7 | 2.6 | 2.8 |  |
| 1995. | 2.8 | 2.6 | 2.5 | 2.7 | 2.7 | 2.7 | 2.6 | 2.4 | 2.4 | 2.5 | 2.6 | 2.9 | 2.8 | 2.6 | 2.4 | 2.3 | 2.2 | 2.0 | 1.8 | 1.8 | 2.5 | 2.5 | 2.7 | 2.5 |  |  |
| 1994. | 2.8 | 2.6 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.4 | 2.5 | 2.6 | 2.9 | 2.8 | 2.6 | 2.4 | 2.3 | 2.2 | 1.9 | 1.7 | 1.7 | 2.5 | 2.5 | 2.9 |  |  |  |
| 1993 .-........... | 2.8 | 2.6 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.3 | 2.5 | 2.6 | 2.9 | 2.8 | 2.6 | 2.3 | 2.2 | 2.1 | 1.7 | 1.4 | 1.3 | 2.3 | 2.1 |  |  |  |  |
| 1992 ............. | 2.8 | 2.7 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.3 | 2.5 | 2.6 | 3.0 | 2.9 | 2.6 | 2.4 | 2.2 | 2.1 | 1.6 | 1.1 | 9 | 2.5 |  |  |  |  |  |
| $1991 . . . . . . . . . . . .$. | 2.8 | 2.7 | 2.5 | 2.7 | 2.8 | 2.7 | 2.6 | 2.4 | 2.3 | 2.5 | 2.6 | 3.0 | 2.9 | 2.7 | 2.3 | 2.1 | 2.0 | 1.3 | . 4 | -. 7 |  |  |  |  |  |  |
| 1990 ............. | 3.0 | 2.9 | 2.7 | 2.9 | 3.0 | 3.0 | 2.9 | 2.7 | 2.6 | 2.8 | 3.0 | 3.5 | 3.5 | 3.2 | 3.0 | 2.8 | 2.9 | 2.3 | 1.6 |  |  |  |  |  |  |  |
| $1989 . . .$. | 3.1 | 2.9 | 2.8 | 3.0 | 3.1 | 3.1 | 3.0 | 2.8 | 2.7 | 2.9 | 3.2 | 3.8 | 3.8 | 3.6 | 3.3 | 3.2 | 3.5 | 3.0 |  |  |  |  |  |  |  |  |
| 1988 ............. | 3.1 | 2.9 | 2.8 | 3.0 | 3.2 | 3.1 | 3.0 | 2.7 | 2.7 | 2.9 | 3.2 | 3.9 | 4.0 | 3.7 | 3.4 | 3.4 | 4.1 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 3.0 | 2.9 | 2.7 | 2.9 | 3.1 | 3.0 | 2.9 | 2.6 | 2.5 | 2.8 | 3.1 | 3.9 | 3.9 | 3.6 | 3.1 | 2.6 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............. | 3.0 | 2.9 | 2.7 | 2.9 | 3.1 | 3.0 | 2.9 | 2.6 | 2.5 | 2.8 | 3.2 | 4.2 | 4.4 | 4.1 | 3.5 |  |  |  |  |  |  |  |  |  |  |  |
| $1985 . . . .{ }^{\text {anc.... }}$ | 3.0 | 2.8 | 2.6 | 2.9 | 3.1 | 3.0 | 2.8 | 2.5 | 2.3 | 2.7 | 3.1 | 4.4 | 4.8 | 4.6 |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1} 1984 \times$............ | 2.9 2.7 | 2.7 2.5 | 2.4 <br> 2.2 | 2.7 | 2.9 2.7 | 2.8 | 2.6 <br> 2.2 | 2.1 1.5 | 1.9 | 2.2 | 2.6 | 4.3 3.7 | 5.0 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 | 2.6 | 2.3 | 2.0 | 2.3 | 2.5 | 2.3 | 1.9 | 1.0 | ${ }^{3}$ | . 1 | -9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1981 . . . .{ }^{\text {ana..... }}$ | 3.0 | 2.7 | 2.4 | 2.8 | 3.1 | 2.9 | 2.6 | 1.7 | 8 | t. 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1980 ............. | 3.2 | 2.9 | 2.6 | 3.1 | 3.5 | 3.4 | 3.1 | 2.0 | . 6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ${ }_{1} 1979$ | 3.5 | 3.2 | 2.9 2.8 | 3.6 | 4.3 | 4.3 | 4.3 | 3.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 ............. | 3.3 | 2.8 | 2.2 | 3.1 | 4.2 | 4.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1976 ............. | 3.0 | 2.4 | 1.5 | 2.4 | 4.0 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1975 ……..... | 2.8 | 1.9 <br> 8 | . -3 | 9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 ................. | 5.3 | ${ }_{5}^{2.3}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1972 ............ | 5.4 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Table C.7.-Real Disposable Personal Income
[Average annual percent change, based on chained (1992) dollar estimates]

| Terminal year | Initial year |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 |
| 1997 ............. | 2.8 | 2.7 | 2.5 | 2.7 | 2.7 | 2.6 | 2.6 | 2.5 | 2.5 | 2.6 | 2.6 | 2.7 | 2.7 | 2.4 | 2.3 | 2.2 | 2.3 | 2.1 | 2.1 | 2.2 | 2.5 | 2.4 | 2.6 | 2.8 | 2.6 | 2.9 |
| 1996 .............. | 2.8 | 2.7 | 2.5 | 2.7 | 2.7 | 2.6 | 2.6 | 2.5 | 2.4 | 2.6 | 2.6 | 2.7 | 2.7 | 2.3 | 2.3 | 2.2 | 2.2 | 2.0 | 2.0 | 2.0 | 2.4 | 2.3 | 2.6 | 2.8 | 2.3 |  |
| 1995 ............. | 2.8 | 2.7 | 2.5 | 2.7 | 2.7 | 2.7 | 2.6 | 2.5 | 2.5 | 2.6 | 2.6 | 2.7 | 2.7 | 2.3 | 2.3 | 2.1 | 2.2 | 2.0 | 2.0 | 2.0 | 2.5 | 2.4 | 2.7 | 3.3 |  |  |
| 1994 ............. | 2.8 | 2.7 | 2.5 | 2.6 | 2.7 | 2.6 | 2.6 | 2.4 | 2.4 | 2.5 | 2.5 | 2.7 | 2.7 | 2.2 | 2.1 | 2.0 | 2.1 | 1.7 | 1.7 | 1.7 | 2.2 | 1.9 | 2.2 |  |  |  |
| 1993 ................ | 2.8 | 2.7 | 2.5 | 2.7 | 2.7 | 2.6 | 2.6 | 2.4 | 2.4 | 2.6 | 2.6 | 2.7 | 2.7 | 2.2 | 2.1 | 2.0 | 2.0 | 1.7 | 1.6 | 1.5 | 2.2 | 1.7 |  |  |  |  |
| 1992 ............. | 2.8 | 2.8 | 2.5 | 2.7 | 2.8 | 2.7 | 2.7 | 2.5 | 2.5 | 2.6 | 2.7 | 2.8 | 2.9 | 2.3 | 2.2 | 2.0 | 2.1 | 1.7 | 1.6 | 1.4 | 2.8 |  |  |  |  |  |
| 1991 ............. | 2.8 | 2.8 | 2.5 | 2.7 | 2.8 | 2.7 | 2.7 | 2.5 | 2.5 | 2.6 | 2.6 | 2.8 | 2.9 | 2.2 | 2.1 | 1.9 | 1.9 | 1.3 | . 9 | 0 |  |  |  |  |  |  |
| 1990 ................ | 3.0 | 2.9 | 2.7 | 2.9 | 3.0 | 2.9 | 2.9 | 2.7 | 2.7 | 2.9 | 2.9 | 3.2 | 3.3 | 2.6 | 2.5 | 2.3 | 2.6 | 1.9 | 1.8 |  |  |  |  |  |  |  |
| 1989 ................ | 3.1 | 3.0 | 2.7 | 3.0 | 3.0 | 3.0 | 3.0 | 2.8 | 2.8 | 3.0 | 3.1 | 3.4 | 3.5 | 2.8 | 2.7 | 2.5 | 2.9 | 2.0 |  |  |  |  |  |  |  |  |
| 1988 ................ | 3.1 | 3.0 | 2.8 | 3.0 | 3.1 | 3.1 | 3.0 | 2.8 | 2.8 | 3.1 | 3.2 | 3.6 | 3.8 | 3.0 | 2.9 | 2.8 | 3.9 |  |  |  |  |  |  |  |  |  |
| 1987 ............. | 3.1 | 3.0 | 2.7 | 3.0 | 3.1 | 3.0 | 3.0 | 2.7 | 2.7 | 3.0 | 3.1 | 3.6 | 3.8 | 2.6 | 2.4 | 1.6 |  |  |  |  |  |  |  |  |  |  |
| 1986 ............. | 3.2 | 3.1 | 2.8 | 3.1 | 3.2 | 3.1 | 3.1 | 2.8 | 2.9 | 3.2 | 3.4 | 4.1 | 4.5 | 3.1 | 3.2 |  |  |  |  |  |  |  |  |  |  |  |
| 1985 ............. | 3.2 | 3.1 | 2.7 | 3.0 | 3.2 | 3.1 | 3.1 | 2.8 | 2.8 | 3.2 | 3.5 | 4.4 | 5.1 | 3.0 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1984 ............. | 3.2 | 3.1 | 2.7 | 3.1 | 3.2 | 3.1 | 3.1 | 2.8 | 2.8 | 3.3 | 3.6 | 5.0 | 7.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1983 ............ | 2.8 | 2.7 | 2.3 | 2.6 | 2.7 | 2.5 | 2.4 | 1.9 | 1.6 | 2.0 | 1.8 | 2.8 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1982 ............. | 2.8 | 2.7 | 2.2 | 2.6 | 2.7 | 2.5 | 2.3 | 1.6 | 1.3 | 1.6 | . 9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1981 ............. | 3.0 | 2.9 | 2.4 | 2.8 | 3.0 | 2.8 | 2.7 | 1.9 | 1.5 | 2.3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1980 ............. | 3.1 | 2.9 | 2.4 | 2.9 | 3.1 | 2.9 | 2.8 | 1.7 | . 6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1979 ............. | 3.4 | 3.3 | 2.7 | 3.4 | 3.8 | 3.7 | 3.9 | 2.7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1978 ............. | 3.5 | 3.4 | 2.6 | 3.5 | 4.1 | 4.2 | 5.2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 ............. | 3.3 | 3.0 | 2.0 | 3.0 | 3.6 | 3.2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1976 ............ | 3.3 | 3.0 | 1.6 | 2.8 | 3.9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1975 ............. | 3.1 | 2.6 | . 5 | 1.7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974 ............ | 3.6 | 3.1 | -. 7 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1973 ............. | 5.8 | 7.1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1972 \ldots$ | 4.6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

## D. Domestic Perspectives

This table presents data collected from other government agencies and private organizations, as noted. Quarterly data are shown in the middle month of the quarter.

Table D.1.-Domestic Perspectives

|  | 1996 | 1997 | 1997 |  |  |  |  |  |  |  |  |  |  |  | 1998 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. |
|  | Consumer and producer prices, (seasonally adjusted) ${ }^{1}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Consumer price index for all urban consumers, 1982-84=100: <br> All items $\qquad$ <br> Less food and energy <br> Services $\qquad$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 156.9 | 160.5 | 159.4 | 159.7 | 159.8 | 160.0 | 160.1 | 160.4 | 160.6 | 160.9 | 161.3 | 161.6 | 161.8 | 161.9 | 161.9 | 162.0 |
|  | 165.6 | 169.5 | 168.0 | 168.3 | 168.6 | 169.2 | 169.4 | 169.7 | 170.0 | 170.1 | 170.4 | 170.8 | 171.0 | 171.4 | 171.7 | 172.2 |
|  | 174.1 | 179.4 | 177.2 | 177.6 | 178.1 | 178.5 | 178.8 | 179.3 | 179.8 | 180.0 | 180.4 | 181.0 | 181.4 | 181.7 | 181.9 | 182.3 |
| Producer price index, 1982=100: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Finished goods .................... | 131.3 | 131.8 | 133.0 | 132.6 | 132.4 | 131.9 | 131.7 | 131.4 | 131.1 | 131.3 | 131.8 | 131.8 | 131.7 | 131.4 | 130.5 | 130.4 |
| Less food and energy | 142.0 | 142.5 | 142.4 | 142.4 | 142.6 | 142.6 | 142.3 | 142.3 | 142.1 | 142.2 | 142.7 | 142.6 | 142.6 | 142.5 | 142.3 | 142.5 |
| Finished consumer goods. | 129.5 | 130.2 | 131.6 | 131.1 | 131.0 | 130.2 | 130.0 | 129.6 | 129.3 | 129.5 | 130.1 | 130.3 | 130.1 | 129.8 | 128.7 | 128.5 |
| Capital equipment ............. | 138.3 | 138.3 | 138.6 | 138.5 | 138.5 | 138.4 | 138.2 | 138.2 | 138.1 | 138.1 | 138.4 | 138.0 | 138.1 | 137.8 | 137.7 | 137.6 |
| Intermediate materials | 125.7 | 125.6 | 126.5 | 126.4 | 126.0 | 125.6 | 125.5 | 125.4 | 125.2 | 125.3 | 125.5 | 125.4 | 125.7 | 125.3 | 124.5 | 124.2 |
| Crude materials ......................................... | 113.8 | 110.9 | 127.1 | 116.4 | 107.4 | 107.9 | 109.9 | 106.9 | 106.4 | 106.8 | 108.2 | 113.2 | 114.1 | 108.2 | 103.3 | 100.7 |
|  | Money, interest rates, and stock prices |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Money stock (seasonally adjusted): ${ }^{2}$ Percent change: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| M2 ................................................................................................ |  |  | . 38 | . 32 | . 40 | . 54 | . 06 | . 39 | . 35 | . 79 | . 52 | . 48 | . 60 | . 56 | . 60 | . 77 |
| Ratio: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Gross domestic product to M1 ... | 6.904 1.734 | $\begin{aligned} & 7.552 \\ & 1749 \end{aligned} .$ |  | 7.358 1.752 |  |  | 7.537 1.753 |  |  | 7.616 1.749 |  |  | 7.696 <br> 1.747 |  |  |  |
| Personal income to M2 ............... | 1.734 | $1.749$ | 1.745 | 1.752 | 1.755 | 1.748 | 1.753 | 1.756 | 1.752 | 1.749 | 1.745 | 1.746 | 1.747 | 1.745 | 1.745 | 1.742 |
| Interest rates (percent, not seasonally adjusted): ${ }^{2}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Federal funds rate.................................... | 5.30 5.02 | 5.46 5 | 5.25 | 5.19 5.00 | 5.39 5.14 | 5.51 5.17 | 5.50 5.13 | 5.56 4.92 | 5.52 5.07 | 5.54 5.13 | 5.54 4.97 | 5.50 4.95 | 5.52 | 5.50 5.16 | 5.56 5.09 | 5.51 5.11 |
| Yield on new high-grade corporate bonds | 7.62 | 7.40 | 7.63 | 7.54 | 7.85 | 8.04 | 7.90 | 7.71 | 7.44 | 7.30 | 7.04 | 6.90 | 6.79 | 6.68 | 6.62 | 6.66 |
| 10-Year U.S. Treasury bonds | 6.44 | 6.35 | 6.58 | 6.42 | 6.69 | 6.89 | 6.71 | 6.49 | 6.22 | 6.30 | 6.21 | 6.03 | 5.88 | 5.81 | 5.54 | 5.57 |
| Yield on municipal bonds, 20 -bond average | 5.76 | 5.52 | 5.72 | 5.63 | 5.76 | 5.88 | 5.70 | 5.53 | 5.35 | 5.41 | 5.39 | 5.38 | 5.33 | 5.19 | 5.06 | 5.10 |
| Mortgage commitment rate ...................... | 7.80 | 7.60 | 7.82 | 7.65 | 7.90 | 8.14 | 7.94 | 7.69 | 7.50 | 7.48 | 7.43 | 7.29 | 7.21 | 7.10 | 6.99 | 7.04 |
| Average prime rate charged by banks .............. | 8.27 | 8.44 | 8.25 | 8.25 | 8.30 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 | 8.50 |
| Index of stock prices (not seasonally adjusted): ${ }^{3}$ 500 common stocks, 1941-43=10 | 670.83 | 872.72 | 766.22 | 798.39 | 792.16 | 763.93 | 833.09 | 876.29 | 925.29 | 927.74 | 937.02 | 951.16 | 938.92 | 962.37 | 963.36 | 1,023.74 |
|  | Labor markets (thousands, seasonally adjusted, unless otherwise noted) ${ }^{\text {a }}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Civilian labor force $\qquad$ <br> Labor force participation rates (percent): <br> Males 20 and over $\qquad$ <br> Females 20 and over $\qquad$ <br> 16-19 years of age <br> Civilian employment $\qquad$ | 133,943 | 136,297 | 135,729 | 135,689 | 136,115 | 136,043 | 136,060 | 136,206 | 136,294 | 136,404 | 136,439 | 136,406 | 136,864 | 137,169 | 137,493 | 137,557 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 76.8 59.9 | 77.0 60.5 | 77.1 60.3 | 76.9 60.3 | 77.1 60.5 | 77.1 60.4 | 76.9 60.5 | 77.0 60.5 | 77.0 60.5 | 76.9 60.6 | 76.8 60.6 | 76.8 60.5 | 77.0 60.4 | 77.0 60.7 | 77.1 60.6 | 76.9 60.6 |
|  | 52.3 | 51.6 | 51.9 | 52.6 | 52.4 | 52.0 | 51.9 | 51.2 | 51.4 | 51.0 | 51.0 | 50.9 | 51.8 | 51.6 | 53.1 | 53.3 |
|  | 126,708 | 129,558 | 128,541 | 128,515 | 129,035 | 129,275 | 129,494 | 129,392 | 129661 | 129,747 | 129,761 | 129,910 | 130,575 | 130,777 | 131,083 | 131,163 |
| Ratio, civilian employment to working-age pooulation (percent) $\qquad$ |  |  | 63.5 |  |  |  |  |  |  | 63.8 |  |  |  |  |  |  |
| Persons engaged in nonagricultural activities ......... | 123,264 | 126,159 | 125,088 | 125,175 | 125,648 | 125,813 | 126,076 | 126,003 | 126,209 | 126,368 | 126,339 | 126,583 | 127,191 | 127,392 | 127,764 | 127,829 |
| Employees on nonagricultural payrolls .................... | 119,523 | 122,259 | 120,909 | 121,162 | $\left.\begin{array}{r} 121,344 \\ 24,670 \end{array} \right\rvert\,$ | $\left.\begin{array}{r} 121,671 \\ 24,667 \end{array} \right\rvert\,$ | $\begin{array}{r} 121,834 \\ 24,702 \end{array}$ | $\left\|\begin{array}{r} 122,056 \\ 24,714 \end{array}\right\|$ | $\left.\begin{array}{r} 122,440 \\ 24,713 \end{array} \right\rvert\,$ | $\left\|\begin{array}{c} 122,492 \\ 24,765 \end{array}\right\|$ | $\left\|\begin{array}{r} 122,792 \\ 24,771 \end{array}\right\|$ | $\begin{array}{r} 123,083 \\ 24,814 \end{array}$ | $\begin{array}{r} 123,512 \\ 24,888 \end{array}$ | $\left.\begin{array}{r} 123,866 \\ 24,995 \end{array} \right\rvert\,$ | $\left.\begin{array}{r} 124,241 \\ 25,132 \end{array}\right]$ | 124,551 |
| Goods-producing industries ... | 24,431 | 24,739 | 24,581 | 24,653 |  |  |  |  |  |  |  |  |  |  |  |  |
| Services-producing industries ........................ | 95,092 | 97,520 | 96,328 | 96,509 | 96,674 | 97,004 | $\begin{array}{r}97,132 \\ 42 \\ \hline\end{array}$ | 97,342 | 97,727 41 | 97,727 | 98,021 41 | 98,269 | 98,624 | 98,871 42.2 | 99,109 | 99,382 |
| Average weekly hours, manufacturing (hours) ........ |  | 42.0 | 41.8 | 41.9 | 42.1 | 42.1 | 42.0 | 41.8 | 41.8 | 41.8 | 41.9 | 42.0 | 42.1 |  | 42.1 | 42.0 |
| Average weekly overtime hours, manufacturing (hours) $\qquad$ | 4.5 | 4.8 | 4.7 | 4.7 | 4.9 | 4.9 | 4.8 | 4.6 | 4.7 | 4.7 | 4.7 | 4.8 | 4.9 | 4.9 | 4.9 | 4.7 |
| Number of persons unemployed | 7,236 | 6,739 | 7,188 | 7,174 | 7,080 | 6,768 | 6,566 | 6,814 | 6,633 | 6,657 | 6,678 | 6,496 | 6,289 | 6,392 | 6,409 | 6,393 |
| Unemployment rates (percent): |  |  |  | 53 | 52 | 5.0 | 48 | 5.0 | 49 | 4.9 | 49 | 4.8 |  |  |  |  |
| 15 weeks and over. | $\begin{array}{r} 5.4 \\ 1.7 \end{array}$ | $\begin{array}{r} 4.9 \\ 1.5 \end{array}$ | $\begin{array}{r} 0.5 \\ 1.6 \\ 15.9 \end{array}$ | 1.615.9 | 1.515.4 |  | 1.5 | 1.5 | 1.6 | 1.5 | 1.5 | 1.5 | 1.4 | 1.4 | 1.3 | 1.3 |
| Average duration of unemployment (weeks) .......... | 16.7 | 15.8 |  |  |  | 15.4 | 15.3 | 15.3 | 16.5 <br>  <br>  <br> ...... | 15.8 | 15.9 | 16.3 | 15.6 | 16.3 | 15.6 | 15.6 |
| Nonfarm business sector, 1992=100: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Output per hour of all persons ......................... | 102.6108.0110.8 | 104.3$1+10.2$115 | ............ | 103.4109.8198 | $\ldots$ |  | 104.0110.0114.4 | ................ |  |  | ............. |  | 111.0117.0 |  | ${ }_{\text {- }}^{\text {-1......... }}$ | $\ldots$ |
| Unit labor cosis .................................................... |  |  |  |  |  |  |  |  | $\ldots$ | $\begin{aligned} & 110.0 \\ & 115.5 \\ & 15 \end{aligned}$ |  |  |  |  |  |  |
| Hourly compensation ..................................... |  | 115.0 | $\ldots$ | 113.5 | - | ............. | 114.4 | $\ldots$ | ............. |  | ............ |  |  |  |  |  |

[^56]Table D.1.-Domestic Perspectives-Continued


## E. Charts

Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.

## SELECTED NIPA SERIES



## SELECTED NIPA SERIES



## SELECTED NIPA SERIES



## SELECTED NIPA SERIES



SELECTED NIPA SERIES


SELECTED NPA SERIES


OTHER INDICATORS OF THE DOMESTIC ECONOMY





## OTHER INDICATORS OF THE DOMESTIC ECONOMY








[^57]
## International Data

## F. Transactions Tables

Table F. 1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on March 19, 1998 and include "preliminary" estimates for January 1998 and "revised" estimates for January-December 1997. The sources for the other tables in this section are as noted.

Table F.1.-U.S. International Transactions in Goods and Services
[Milions of dollars; monthly estimates seasonally adjusted]

|  | 1996 | 1997 | 1996 | 1997 |  |  |  |  |  |  |  |  |  |  |  | $\frac{1998}{\operatorname{Jan} \cdot p}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Dec. | Jan. ${ }^{\text {r }}$ | Feb. ${ }^{\text {r }}$ | Mar.' | Apr. ${ }^{\text {r }}$ | May ${ }^{\text {r }}$ | June ${ }^{\text {r }}$ | July ${ }^{\text {r }}$ | Aug. ${ }^{\text {r }}$ | Sept. ${ }^{r}$ | Oct.' | Nov. ${ }^{\text {r }}$ | Dec. ${ }^{\text {r }}$ |  |
| Exports of goods and services | 848,833 | 931,370 | 72,444 | 71,789 | 74,224 | 78,065 | 78,325 | 77,930 | 78,306 | 77,681 | 78,867 | 78,104 | 80,067 | 78,661 | 79,352 | 77,283 |
| Goods | 612,069 | 678,150 | 52,133 | 51,624 | 53,625 | 57,093 | 57,100 | 56,809 | 57,317 | 56,683 | 57,264 | 56,308 | 58,388 | 57,524 | 58,414 | 56,296 |
| Foods, feeds, and beverages | 55,534 | 51,375 | 4,398 | 4,355 | 4,299 | 4,208 | 4,189 | 4,079 | 3,956 | 3,860 | 4,261 | 4,364 | 4,708 | 4,639 | 4,455 | 4,155 |
| Industrial supplies and materials | 147,652 | 157,984 | 12,463 | 12,061 | 12,676 | 13,701 | 13,477 | 13,369 | 13,855 | 13,139 | 13,343 | 13,102 | 13,198 | 13,065 | 12,997 | 12,985 |
| Capital goods, except automotive | 252,895 | 293,965 | 22,052 | 21,527 | 22,687 | 24,684 | 24,943 | 24,731 | 24,454 | 24,869 | 24,885 | 24,750 | 25,321 | 24,419 | 26,696 | 24,210 |
| Automotive vehicles, engines, and parts | 65,021 | 73,367 | 5,465 | 5,578 | 5,885 | 6,206 | 6,149 | 5,913 | 6,229 | 6,239 | 6,152 | 5,822 | 6,436 | 6,880 | 5,878 | 6,455 |
| Consumer goods (nonfood), except automotive | 70,138 | 77.430 | 6,015 | 6,061 | 6,257 | 6,474 | 6,331 | 6,656 | 6,712 | 6,389 | 6,440 | 6,393 | 6,745 | 6,562 | 6,409 | 6,630 |
| Other goods ................................................................. | 33,836 | 34,576 | 3,056 | 2,594 | 2,492 | 2,807 | 2,708 | 3,056 | 2,967 | 3,217 | 3,227 | 3,009 | 3,020 | 2,622 | 2,857 | 2,486 |
| Adjustments ${ }^{\text {¢ }}$................................................................. | -13,006 | -10,547 | -1,316 | -551 | -671 | -988 | -697 | -995 | -857 | -1,031 | -1,044 | -1,133 | -1,040 | -663 | -878 | -624 |
| Services | 236,764 | 253,220 | 20,311 | 20,165 | 20,599 | 20,972 | 21,225 | 21,121 | 20,989 | 20,998 | 21,603 | 21,796 | 21,679 | 21,137 | 20,938 | 20,987 |
| Travel | 69,908 | 74,407 | 5,823 | 5,957 | 6,252 | 6,376 | 6,399 | 6,198 | 6,037 | 5,933 | 6,164 | 6,635 | 6,290 | 6,209 | 5,957 | 6,010 |
| Passenger fares | 20,557 | 21,710 | 1,690 | 1,710 | 1,796 | 1,810 | 1,879 | 1,829 | 1,800 | 1,753 | 1,788 | 1,927 | 1,838 | 1,825 | 1,755 | 1,777 |
| Other transportation | 27,216 | 28,194 | 2,349 | 2,292 | 2,321 | 2,388 | 2,380 | 2,365 | 2,300 | 2,290 | 2,336 | 2,313 | 2,445 | 2,327 | 2,438 | 2,377 |
| Royalties and license fees | 29,974 | 30,269 | 2,574 | 2,557 | 2,560 | 2.571 | 2,545 | 2.536 | 2,527 | 2,518 | 2,506 | 2,496 | 2.489 | 2,483 | 2.480 | 2,473 |
| Other private services ....................................... | 73,569 | + ${ }^{82,681}$ | 6,426 | 6,508 | 6,585 | 6,660 | 6,754 | 6,875 | 6,993 | 7,104 | 7,137 | 7,036 | 7.111 | 6,988 | 6,932 | 6,964 |
| Transfers under U.S. military agency sales contracts ${ }^{2}$ <br> U.S. Government miscellaneous sevices | 14,647 893 | 15,175 784 | 1,381 68 | 1,074 68 | 1,015 68 | 1,101 67 | 1,205 64 | $\begin{array}{r}1,252 \\ 64 \\ \hline\end{array}$ | 1,270 63 | 1,333 67 | 1,605 67 | 1,323 66 | 1,440 66 | 1,242 63 | 1,315 61 | 1,320 66 |
| Imports of goods and services | 959,873 | 1,045,054 | 83,045 | 83,408 | 84,088 | 85,905 | 86,454 | 87,127 | 86,652 | 87,600 | 87,860 | 89,100 | 89,046 | 87,565 | 90,249 | 89,327 |
| Goods | 803,239 | 877,125 | 69,828 | 69,791 | 70,405 | 71,989 | 72,646 | 73,191 | 72,579 | 73,550 | 73,842 | 74,865 | 74,886 | 73,265 | 76,117 | 75,092 |
| Foods, feeds, and beverages | 35,710 | 39,703 | 3,189 | 3,077 | 3,108 | 3,331 | 3,361 | 3,382 | 3,254 | 3,399 | 3,351 | 3,399 | 3,308 | 3,216 | 3,519 | 3,379 |
| Industrial supplies and materials | 204,482 | 213,467 | 18,698 | 17,936 | 17,634 | 17,962 | 17,568 | 17,898 | 17,558 | 17,449 | 17,871 | 18,280 | 18,355 | 17,512 | 17,443 | 17,242 |
| Capital goods, except automotive. | 229,050 | 254,293 | 19,581 | 19,472 | 19,445 | 20,428 | 20,692 | 20,994 | 21,256 | 21,580 | 22,066 | 21,990 | 22,392 | 21,391 | 22,588 | 21,898 |
| Automotive vehicles, engines, and parts | 128,938 | 140,795 | 10,846 | 11,712 | 12,061 | 11,633 | 11,314 | 11,574 | 11,543 | 12,239 | 11,765 | 11,769 | 11,200 | 11,754 | 12,23 $\dagger$ | 11,924 |
| Consumer goods (nonfood), except automotive ..................... | 171,007 | 192,913 | 15,149 | 15,124 | 15,263 | 14,935 | 16,221 | 16,087 | 15,723 | 16,107 | 16,017 | 16,663 | 16,652 | 16,753 | 17,370 | 17,275 |
| Other goods .................................................................. | 26,102 | 29,397 | 2,130 | 2,224 | 2,465 | 2,243 | 2,471 | 2,360 | 2,355 | 2,549 | 2,531 | 2,505 | 2,738 | 2,405 | 2,551 | 2,811 |
| Adjustments ${ }^{\text {a }}$.................................................................. | 7,950 | 6,556 | 235 | 247 | 429 | 1,456 | 1,019 | 897 | 891 | 227 | 242 | 259 | 242 | 234 | 414 | 563 |
| Services | 156,634 | 167,929 | 13,217 | 13,617 | 13,683 | 13,916 | 13,808 | 13,936 | 14,073 | 14,050 | 14,018 | 14,235 | 14,160 | 14,300 | 14,132 | 14,235 |
| Travel | 48,739 | 52,029 | 4,061 | 4,290 | 4,308 | 4,406 | 4,270 | 4,336 | 4,383 | 4,244 | 4,245 | 4,324 | 4,285 | 4,559 | 4,380 | 4,390 |
| Passenger fares | 15,776 | 16,927 | 1,342 | 1,407 | 1,422 | 1.443 | 1,393 | +1,389 | 1,408 | 1,379 | 1,381 | 1,406 | 1,397 | 1,473 | 1,428 | 1,445 |
| Other transportation | 28,453 | 29,771 | 2,366 | 2,448 | 2,438 | 2,491 | 2,518 | 2,545 | 2,478 | 2,414 | 2,416 | 2,539 | 2,560 | 2,412 | 2,513 | 2,476 |
| Royalties and license fees | 7,322 | 7,512 | 604 | 587 | 598 | 612 | 609 | 614 | 623 | 698 | 676 | 669 | 621 | 606 | 599 | 618 |
| Other private services | 42,796 | 47,548 | 3,707 | 3,741 | 3,773 | 3,813 | 3,895 | 3,934 | 4,064 | 4,139 | 4,100 | 4,080 | 4,040 | 4,005 | 3,963 | 4,047 |
| Direct defense expenditures ${ }^{2}$ | 10,861 | 11,345 | 911 | 914 | 917 | 922 | 896 | 892 | 891 | 934 | 955 | 974 | 1,020 | 1,012 | 1,018 | 1,026 |
| U.S. Government miscellaneous services | 2,687 | 2,796 | 226 | 229 | 229 | 228 | 227 | 226 | 226 | 242 | 245 | 243 | 237 | 233 | 231 | 233 |
| Memoranda: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Balance on goods ............................................................. | -191,170 | -198,975 | -17,695 | -18,167 | -16,780 | -14,896 | -15,546 | -16,381 | -15,262 | -16,867 | -16,577 | -18,557 | -16,498 | -15,741 | -17,702 | $-18,795$ |
| Balance on sevices ......................................................... | 80,130 | 85,291 | 7,094 | 6,548 | 6,916 | 7,056 | 7,417 | 7,185 | 6,916 | 6,948 | 7,585 | 7,561 | 7,549 | 6,837 | 6,806 | 6,752 |
| Balance on goods and services ............................................. | -111,040 | -113,684 | -10,601 | -11,619 | $-9,864$ | -7,840 | -8,129 | -9,196 | -8,346 | -9,919 | -8,992 | -10,996 | -8,979 | -8,904 | $-10,896$ | -12,043 |

Table F.2.-U.S. International Transactions
[Mililions of dollars]

| Line | $\left(\right.$ Credits +; debits - ) ${ }^{1}$ | 1996 | $1997{ }^{p}$ | Not seasonaly adjusted |  |  |  | Seasonally adjusted |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1997 |  |  |  | 1997 |  |  |  |
|  |  |  |  |  | II | IIIr | $N^{p}$ |  | \|1r | IIIr | IVP |
|  | Exports of goods, services, and | 1,055,233 | 1,167,610 | 278,315 | 293,478 | 294,591 | 301,226 | 279,320 | 293,668 | 295,527 | 299,096 |
| 2 | Goods, adjusted, excluding military ${ }^{2}$ | 612,069 | 678,34 | 162,812 | 172,548 | 165,548 | 177,440 | 162,34 | 171,227 | 170,255 | 174,52 |
| 3 | Sevices $^{3}$ Transfers under U.S. military agency sales contracts ${ }^{4}$ | $\begin{array}{r} 236,764 \\ 14,647 \end{array}$ | $\begin{gathered} 253,220 \\ 15,175 \end{gathered}$ | $\begin{array}{r} 59,841 \\ 3,190 \end{array}$ | $\begin{array}{r} 61,652 \\ 3,727 \end{array}$ | $\begin{array}{r} 68,949 \\ 4,261 \end{array}$ | $\begin{array}{r} 62,778 \\ 3,997 \end{array}$ | $\begin{array}{r} 61,736 \\ 3,190 \end{array}$ | $\begin{gathered} 63,335 \\ 3,727 \end{gathered}$ | $\begin{array}{r} 64,397 \\ 4,261 \end{array}$ | $\begin{gathered} 69,754 \\ 3,997 \end{gathered}$ |
|  | Travel <br> Passenger fares <br> Other transportation | 69,90820.55727,216 | 74,407 21,710 20,194 | $\begin{array}{r}16,421 \\ 4.976 \\ \hline\end{array}$ | $\begin{array}{r}18,428 \\ 5 \\ 7,302 \\ \hline\end{array}$ | 22,3506,3766,990 | $\begin{array}{r}17,208 \\ 5,056 \\ 7,302 \\ \hline,\end{array}$ | 18.585 5.316 7 | 18,6345,5087,045 | $\begin{array}{r}18,732 \\ 5 \\ 5.468 \\ \hline\end{array}$ | $\begin{gathered} 18,456 \\ 5,448 \\ 7,210 \end{gathered}$ |
|  |  |  | 28,194 | 6,873 | 7,029 |  |  | 7,001 |  | 6,939 |  |
|  | Royalties and license fees ${ }^{5}$ <br> Other private senvices ${ }^{5}$ <br> U.S. Government miscellaneous sevices | $\begin{array}{r} 29,974 \\ 7,59 \\ 893 \end{array}$ | $\begin{array}{r} 30,269 \\ 82,681 \\ \hline 784 \end{array}$ | $\begin{array}{r} 7,389 \\ 2,0799 \\ 203 \end{array}$ | $\begin{array}{r} 7,445 \\ 19,530 \\ 191 \end{array}$ | $\begin{array}{r} 7,460 \\ 2,31+2 \\ 200 \end{array}$ | $\begin{array}{r} 7,975 \\ 21,050 \\ \hline 90 \end{array}$ | $\begin{array}{r} 7,688 \\ 19,753 \\ \hline 203 \end{array}$ | $\begin{array}{r} 7,608 \\ 20,622 \\ \hline 191 \end{array}$ | $\begin{array}{r}7,520 \\ 21.277 \\ \hline 200\end{array}$ | $\begin{array}{r} 7,452 \\ 21,031 \\ \hline 190 \end{array}$ |
| 10 |  |  |  |  |  |  |  |  |  |  |  |
| 11 | Income receipts on U.S. assets abroad <br> Direct investment receipts <br> Other private receipls <br> U.S. Government receipts | $\begin{array}{r} 206,400 \\ 98,890 \\ 102,866 \\ 4,644 \end{array}$ | $\begin{aligned} & 236,043 \\ & 109,27 \\ & 12,278 \\ & 12,278 \\ & 3593 \end{aligned}$ | $\begin{aligned} & 55,663 \\ & 26,64 \\ & 28,544 \\ & \hline 955 \end{aligned}$ | $\begin{aligned} & 59,278 \\ & 28,380 \\ & 30,151 \\ & 747 \end{aligned}$ | $\begin{aligned} & 60,094 \\ & 27,26 \\ & 31,807 \\ & 108 \\ & 1007 \end{aligned}$ | $\begin{aligned} & 61,008 \\ & 27,45 \\ & 32,776 \\ & 817 \end{aligned}$ | $\begin{aligned} & 55,243 \\ & 28,864 \\ & 28,544 \\ & 835 \end{aligned}$ | $\begin{array}{r} 59,106 \\ 27,63 \\ 30,151 \\ 992 \end{array}$ | $\begin{array}{r} 60,875 \\ 28,89 \\ 31,807 \\ 879 \end{array}$ | $\begin{array}{r} 60,817 \\ 27,29 \\ 32,776 \\ 832 \end{array}$ |
| 12 |  |  |  |  |  |  |  |  |  |  |  |
| 13 14 |  |  |  |  |  |  |  |  |  |  |  |
| 15 | Imports of goods, services, and income ....................................................................... | -1,163,450 | -1,295,530 | -300,017 | -322,999 | -336,367 | -336,147 | -310,659 | -322,608 | -329,571 | -332,691 |
| 16 | Goods, adjusted, excluding millary ${ }^{2}$ | -803,239 | -877,282 | -204,876 | -217,230 | -225,541 | -229,635 | -212,185 | -218,415 | -222,256 | -224,426 |
| 17 | Services ${ }^{3}$ <br> Direct defense expenditures | $\begin{array}{r} -156,634 \\ -10,861 \end{array}$ | $\begin{array}{r} -167,929 \\ -11,345 \end{array}$ | $\begin{array}{r} -38,247 \\ -2,753 \end{array}$ | $\begin{array}{r} -43,073 \\ -2,679 \end{array}$ | $\begin{array}{r} -45,522 \\ -2,863 \end{array}$ | $\begin{array}{r} -41,087 \\ -3,050 \end{array}$ | $\begin{array}{r} -41,216 \\ -2,753 \end{array}$ | $\begin{array}{r} -41,817 \\ -2,679 \end{array}$ | $\begin{array}{r} -42,303 \\ -2,863 \end{array}$ | $\begin{array}{r} -42,592 \\ -3,050 \end{array}$ |
| 18 |  |  |  |  |  |  |  |  |  |  |  |
| 19 | Travel $\qquad$ <br> Passenger fares <br> Other transportation | $\begin{aligned} & -48,739 \\ & \begin{array}{l} -85,776 \\ -28,453 \end{array} \end{aligned}$ | $\begin{gathered} -52,029 \\ -16,927 \end{gathered}$ | $\begin{array}{r} -10,935 \\ -3,947 \end{array}$ | $\begin{array}{r} -14,205 \\ -4,445 \end{array}$ | $\begin{array}{r} -15,347 \\ -4,672 \\ \hline \end{array}$ | $\begin{array}{r} -11,542 \\ -3,883 \\ -7,528 \end{array}$ | $\begin{array}{r} -13,004 \\ -4,272 \end{array}$ | $\begin{array}{r} -12,989 \\ -4,190 \end{array}$ | -12,813 | $\begin{gathered} -13,224 \\ -4,298 \\ -7,484 \end{gathered}$ |
| $21$ |  |  |  |  |  |  |  |  |  | $-4,166$ $-7,368$ |  |
|  | Royalties and license fees ${ }^{5}$ <br> Other privale services ${ }^{5}$ <br> U.S. Government miscellaneous sevices | $\begin{array}{r} -7,322 \\ -42,796 \\ -2,687 \end{array}$ | $\begin{array}{r} -7,512 \\ -47,548 \\ -2,796 \end{array}$ | $\begin{array}{r} -1,772 \\ -10,962 \\ -686 \end{array}$ | $\begin{array}{r} -1,758 \\ -11,793 \\ -679 \end{array}$ | $\begin{array}{r} -2,056 \\ -12,316 \\ -730 \end{array}$ | $\begin{array}{r} -1,926 \\ -12,47 \\ -701 \end{array}$ | $\begin{array}{r} -1,797 \\ -11,377 \\ -1688 \\ -18 \end{array}$ | $\begin{array}{r} -1,846 \\ -11,893 \\ -679 \end{array}$ | $\begin{array}{r} -2,043 \\ -12,320 \\ -730 \end{array}$ | $\begin{array}{r} -1,826 \\ -12,009 \\ -709 \end{array}$ |
| 23 |  |  |  |  |  |  |  |  |  |  |  |
| 24 |  |  |  |  |  |  |  |  |  |  |  |
| 25 | Income payments on foreign assets in the United States <br> Direct investment payments $\qquad$ <br> Other private payments <br> U.S. Government payments | $\begin{array}{r} -203,577 \\ -3,5,32 \\ -100,103 \\ -71,342 \end{array}$ | $\begin{aligned} & -250,320 \\ & -41,527 \\ & -117,712 \\ & -91,081 \end{aligned}$ | $\begin{aligned} & -56,895 \\ & -8,775 \\ & -27,581 \\ & -21,139 \end{aligned}$ | $\begin{aligned} & -62,696 \\ & -10.561 \\ & -29,341 \\ & -22,794 \end{aligned}$ | $\begin{aligned} & -65,304 \\ & -11,958 \\ & -29,877 \\ & -23,469 \end{aligned}$ | $\begin{aligned} & -65,425 \\ & -10,83 \\ & -30,93 \\ & -2,97 \end{aligned}$ | $\begin{array}{r} -57,258 \\ -8,538 \\ -27,581 \\ -21,139 \end{array}$ | $\begin{aligned} & -62,376 \\ & -10,241 \\ & -29,341 \\ & -22,794 \end{aligned}$ | $\begin{aligned} & -65,012 \\ & -11,666 \\ & -29,877 \\ & -23,469 \end{aligned}$ | $\begin{aligned} & -65,673 \\ & -11,081 \\ & -30,913 \\ & -23,679 \end{aligned}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 27 |  |  |  |  |  |  |  |  |  |  |  |
| 28 |  |  |  |  |  |  |  |  |  |  |  |
| 29 | Unilateral translers, net ........ | -39,968 | -38,526 | -8,604 | -8,623 | -9,031 | -12,268 | -8,577 | -8,855 | -9,070 | -12,024 |
| 30 | U.S. Government grants ${ }^{4}$ <br> U.S. Government pensions and other transfers $\qquad$ Private remittances and other transiers ${ }^{6}$ $\qquad$ | $\begin{array}{r} -14,933 \\ -4,331 \\ -20,704 \end{array}$ | $\begin{gathered} -11,688 \\ -4,075 \\ -22,763 \end{gathered}$ | $\begin{array}{r} -2,109 \\ -795 \\ -5,700 \end{array}$ | $\begin{array}{r} -2,245 \\ -1,057 \end{array}$ | $\begin{array}{r} -2,231 \\ -963 \\ -963 \end{array}$ | $\begin{aligned} & -5,103 \\ & -1,260 \end{aligned}$ | $-2,109$-988$-5,88$ | --2,245 | $-2,231$$-1,031$$-5,20$ | $\begin{aligned} & -5,103 \\ & -1,023 \\ & -5,898 \end{aligned}$ |
|  |  |  |  |  |  |  |  |  |  |  |  |
| 32 |  |  |  |  | -5,321 | -5,837 | -5,905 | -5,480 | -5,577 | -5,808 |  |
| 33 | U.S. assets abroad, net (increase/capital outilow (-)) ........................................................ | -352,444 | -426,938 | -130,316 | $-92,849$ | -112,046 | -91,727 | $-128,297$ | -91,264 | -110,696 | -96,678 |
| 34 | U.S. official reserve assets, ne | 6,668 | -1,010 | 4,480 | -236 | -73 | -4,524 | 4,480 | -236 | -730 | -4,524 |
| $\begin{aligned} & 35 \\ & 36 \end{aligned}$ | Special drawing rights | 370 | -350 | 72 | -133 | -139 | -150 | 72 | -133 | -139 | -150 |
| 37 | Reserve position in the International Monetar | -1,280 | -3,575 | 1,055 | 54 | -463 | -4,221 | 1.055 | 54 | -43 | -4,221 |
| 38 | Foreign currencies | 7.578 | 2,915 | 3,353 | -157 | -128 | -153 | 3,353 | -157 | -128 | 153 |
|  | U.S. Goverrment assets, other than | -690 | 177 | -29 | -268 | 461 |  | -21 | -268 | 461 |  |
| 40 | U.S. credits and other long-term a | -4,930 | -5,237 | -1,107 | $-1,613$ | -1,415 | $-1,102$ | -1,107 | $-1.613$ | -1,415 | -1,102 |
| 41 | Repayments on U.S. credits and other long-term | 4,134 | 5,439 | 1,111 | 1,358 | t,876 | 1,094 | 1,111 | 1,358 | 1,876 | 1,094 |
| 42 | eign currency holdings and U.S. shortterm assets, | 106 | -25 | -25 | - ${ }^{\text {¢ }}$ |  | 13 | -25 | -13 | , .1....... | 13 |
|  | U.S. private assets, | -358,422 | -426,105 | -134,775 | -92,345 | -111,777 | -87,208 | -132,756 | -90,760 | -110,427 | -92,159 |
| 4 | Difect investment | -87,813 | -119,444 | -28,773 | $-38.573$ | $-24,113$ | -27,985 | -26,754 | -36,988 | -22.763 | -32,936 |
| 45 | Foreign securities | -988.189 -64234 | -79,287 | -14.510 -29466 | -21,841 | ${ }_{-179814}$ | -3,722 | $-14,510$ <br> -2966 | -21,841 | $-39,214$ <br> -17248 |  |
| $4{ }_{4}^{46}$ | U.S. claims on unaffiliated foreigners reported by U.S. norbanking concerns U.S. claims reported by U.S. banks, not included elsewhere | - $-64,234$ | $-76,298$ $-151,076$ | -29,466 | $-3,984$ $-27,947$ | -17,848 $-30,602$ | $-25,000$ $-30,501$ | -29,466 | -27,947 | - $\begin{array}{r}-17,848 \\ -30,602\end{array}$ | $-25,000$ $-30,501$ |
| 48 | Foreign assets in the United States, net (increase | 547,555 | 690,497 | 181,978 | 143,500 | 183,846 | 181,165 | 182,282 | 143,059 | 183,292 | 181,863 |
|  | Foreign officicial assets | 122,354 | 18,157 | 28,891 | -5,374 | 21.867 | -27,227 | 28.891 | -5,374 | 21,867 | -27,227 |
| 50 | U.S. Government stander | 115,634 | -2,971 | 23,940 | -11,464 | 9,353 | -24,800 | 23,940 | -11,464 | 9,353 | -24,800 |
| 51 | U.S. Treas | 111,253 | -7,019 | 23,289 | -12,108 | 6,686 | -24,886 | 23,289 | -12,108 | 6,686 | -24,886 |
| 52 | Other ${ }^{10}$ | 4.381 | 4,048 | 651 | 644 | 2,667 | 86 | 651 | 644 | 2,667 | ${ }_{8}^{86}$ |
| 53 | Other U.S. Government liabilities '1 | 720 | 539 | 478 | 654 | -510 | -83 | 478 | 654 | -510 | -83 |
| 54 | U.S. liabilities reported by U.S. banks, | 4,722 | 21,274 | 7,698 | 4,536 | 12,391 | -3,351 | 7,698 | 4,536 | 12,391 | -3,351 |
| 55 | Other foreign official assets ${ }^{12}$ | 1,278 | -685 | -3,2 | 900 | 633 | 1,007 | -3,2 | 900 | 633 | 1,007 |
|  | Other foreign assets in the United States, | 425,201 |  | 153,087 | 148,882 | 161,979 | 208,392 | 153,391 | 148,433 | 161,425 | 209,090 |
|  | Direct investment | 76,955 | 107,928 | 30,381 | 27,101 | 26,503 | 23,943 | 30,685 | 26,652 | 25,949 | 24,641 |
| 5 | U.S. Treasury securities and U.S. currency fiows | 172,878 | ${ }^{187,854}$ | 51,289 | 49,915 | 42.919 | 43,731 | 51,2 | 49,915 | 42,919 | 43,731 |
| 59 | U.S. securities other than U.S. Treasury securities | 133,798 | 189,273 | 38,820 | 51,682 | ${ }^{60,409}$ | 38,362 | ${ }^{38,820}$ | 51,688 | 60,409 | 38,362 |
| 60 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbank | 31,786 | 44,740 | 15,210 | -7,916 | ${ }^{22,046}$ | 15,400 | 15,210 | -7,916 | 22,046 | 15,400 |
| 61 | U.S. liabilities reported by U.S. banks, not included elsewhere | 9,784 | 142,545 | 17,387 | 28,100 | 10,102 | 86,956 | 17,387 | 28,100 | 10,102 | 86,956 |
| 62 | locations of special drawing rights |  |  |  |  |  |  |  |  |  |  |
| $\begin{gathered} 63 \\ 633 \end{gathered}$ | Statistical discrepancy (sum of above items with sign reversed) Of which seasonal adjustment discrepancy | -46,927 | -97,113 | -21,356 | -12,515 | -20,993 | -42,249 | $\begin{array}{r} -14,069 \\ 7,287 \end{array}$ | $-14,000$ $-1,485$ | $\begin{array}{r} -29,482 \\ -8,489 \end{array}$ | $-39,566$ 2,683 |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |  |
|  | Balance on goods (lines 2 and 16) |  |  |  |  |  |  |  |  |  |  |
| 65 | Balance on services (lines 3 and 17) | 80,130 | 85,291 | 21,594 | 18,579 | 23,427 | 21,691 | 20,520 | 21,518 | 22,094 | 21,162 |
| 66 | Balance on goods and services (lines 64 and 65 ) | -111,040 | -113,643 | -20,470 | -26,103 | -36,566 | $-30.504$ | -29,324 | -25,670 | -29,907 | -28,739 |
| 67 | Balance on investment income (lines 11 and 25) | 2,824 | -14,277 | -1,232 | -3,418 | -5,210 | -4,417 | -2,015 | -3,270 | -4,137 | -4,856 |
| 68 | Balance on goods, sevices, and income (lines 1 and 15 or lines 66 and 67$)^{13}$. | -108,266 | -127,920 | -21,702 | -29,521 | -41,776 | -34,921 | -31,339 | -28,940 | -34,044 | -33,595 |
| 5 | Unilateral transters, net (line 29) | -39,968 | -38,526 | -8,604 | -8,623 | $-9,037$ | -12,268 | -8,577 | -8,855 | -9,070 | -12,024 |
| 70 | Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ${ }^{13}$ | -148,184 | -166,446 | -30,306 | -38,144 | -50,807 | -47,189 | -39,916 | -37,795 | -43,114 | -45,619 |

[^58]Table F.3.-Selected U.S. International Transactions, by Area
[Millions of dollars]


## $P$ Preliminary

${ }^{\prime}$ Revised.

1. Credits, +: Exports of goods, sevices, and income; unilateral transiers to United States; capital infibws (increase in toreign assels (U.S. liabilities) or decrease in U.S. assets); decrease in U.S. official resenve assets; in crease in foreign official assets in the United Siates.
in feriois, -: Imports of goods, senvices, and income; uniateral transfers to foreigners; capital outfiows (decrease in 1oreign assetss (U.S. Ilabilities) or inct
foreign ofical assets in the United States.
2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, exciudes imports of goods under direct defense expenditures ident:ifed in census import documents, and retlects various other adjustments (for valuation, coverage, and timing) of Census siatistics to balance of payments basis;
see table 2 in "US Intemational Transactions, fouth see table 2 in "U.S. Intemational Transactions, Fourth Quarter and Year 1997" in this issue of the SUAVEY.
3. Includes some goods: Mainly military equipment in line 4; major equipment, other materials, supplies, and perroleum products purchased abroad by U.S. military agencies in line 18; and fuets purchased by arifine and steamship operators in lines 7 and 21.
4. Incuudes transfers of goods and services under U.S. military grant programs.
5. Beginning in 1982, these lines are presented on a gross basis. The detinition of exports is revised to exclude of imports payments to foreign affliliates and to inciude U.S. affiliates' receipits from foreign parents. The defintion from foreign parents
6. Beginning in 1982 , the "other transters" component includes taxes paid by U.S. private residents to foreign govermments and taxes paid by private nonresidents to the U.S. Government.
7. For all areas, amounts outstanding December 31 , 1997. were as follows in millions of dollars: Line $34,69,955$;
line $35,11,047$; line $36,10.027$; line $37,18,071$; line $38,30,809$. Data are pelininary line $35,11,047$; line $36,10,027$; line $37,18,071$; line $38,30,809$. Data are preliminary.

Table F.3.-Selected U.S. International Transactions, by Area
[Millions of dollars]

8. Includes sales of foreign obligations to foreigners.
9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.
10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of 11. includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 4 in "U.S. International Transactions, Fourth Quarter and Year 1997" in this issue of the SURVEY.
12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.

Table F.3.-Selected U.S. International Transactions, by Area [Mililions of dollars]

| Line | (Credis + ; debits - ) ${ }^{\text {l }}$ | Austraia |  |  | Other countries in Asia and Atrica |  |  | International organizations and unallocated ${ }^{16}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 1997 |  |  | 1997 |  |  | 1997 |  |  |
|  |  | II | IIIr | IV ${ }^{\text {P }}$ | 11 | $111 r$ | IV ${ }^{\text {P }}$ | IIIr |  | $N^{p}$ |
|  |  | $\begin{aligned} & 6,174 \\ & 3,095 \end{aligned}$ | 6,005 | 5,849 | 59,659 | 60,099 | 60,284 | 4,402 | 4,634 | 4,860 |
| 2 |  |  | 3.071 | 2,915 | 39,453 | 38,475 | 41,139 |  |  |  |
|  | Services ${ }^{3}$ <br> Transfers under U.S. military agency sales contracts ${ }^{4}$ |  |  | $\begin{array}{r}1,480 \\ \hline 221\end{array}$ | $\begin{array}{r}13,380 \\ 2,507 \\ \hline 18\end{array}$ |  | $12,682$ | 1,359 | 1,383 | 1,434 |
|  | Travel <br> Passenger fares <br> Other transportation | $\begin{array}{r} 480 \\ 133 \\ 79 \end{array}$ | $\begin{aligned} & 608 \\ & 143 \\ & \hline 1 \end{aligned}$ | $\begin{array}{r}461 \\ 118 \\ 85 \\ \hline 18\end{array}$ | 3,124 $\mathbf{4 9 2}$ $\mathbf{4 , 2 5 0}$ | 3,734 599 2,158 | $\begin{array}{r} 1,9816 \\ 346 \\ 2,305 \end{array}$ | ……........... | …….......... | $\cdots$ |
| $10$ | Royalties and license fees ${ }^{5}$ <br> Other private senices ${ }^{5}$ <br> U.S. Government miscellaneous services | $\begin{aligned} & 159 \\ & 159 \\ & 393 \end{aligned}$ | $\begin{array}{r} 84 \\ 161 \\ 396 \\ 29 \end{array}$ | $\begin{array}{r} 85 \\ 164 \\ 427 \\ 4 \end{array}$ | 1,033 3,894 80 | $\begin{aligned} & 1,047 \\ & 4,578 \\ & \hline 67 \end{aligned}$ | $\begin{aligned} & 1,101 \\ & 4,374 \\ & 83 \end{aligned}$ | $\begin{aligned} & 385 \\ & 867 \end{aligned}$ | $\begin{aligned} & 387 \\ & 887 \end{aligned}$ | 413 898 |
| 11 | Income receipts on U.S. assets abroad. | $\begin{array}{r}1,786 \\ 1,169 \\ \hline 617\end{array}$ |  | $\begin{array}{r} 1,454 \\ 816 \\ 638 \end{array}$ | $\begin{aligned} & 6,826 \\ & 3,912 \\ & 2,597 \\ & 317 \end{aligned}$ | $\begin{array}{r} 6,760 \\ 3,758 \\ 2,639 \\ 363 \end{array}$ | $\begin{array}{r} 6,463 \\ 3,514 \\ 2,629 \\ 320 \end{array}$ | 3.043 | 3,251 <br> 1,246 | 3,4261.4241.4 |
| 12 | Direct investment receipts .............. |  |  |  |  |  |  | 1,164 |  |  |
| 13 | Other private receipts ...... |  |  |  |  |  |  | 1,745 | 1,866 | 1,852 |
| 14 | U.S. Government receipls ... |  |  |  |  |  |  | 134 | 139 | 150 |
| 5 | Imports of goods, services, and income | -1,658 | -2,196 | -2,266 | -75,688 | --95,365 | -81,963 | -914 | -933 | -969 |
| 16 | Goods, adjusted, exciuding military ${ }^{2}$ | -1,169 | -1,290 | -1,252 | -61,312 | -70,593 | -67,289 |  |  |  |
| $\begin{aligned} & 17 \\ & 18 \end{aligned}$ | Services ${ }^{3}$ $\qquad$ <br> Direct defense expenditures $\qquad$ | -567 -12 | $\begin{array}{r} -645 \\ -25 \end{array}$ | $\begin{array}{r} -747 \\ -30 \end{array}$ | $\begin{gathered} -7,439 \\ -632 \\ -632 \end{gathered}$ | $\begin{gathered} -7,701 \\ -664 \\ \hline \end{gathered}$ | $\begin{array}{r} -7,690 \\ -728 \end{array}$ | -572 | -579 | -589 |
| 19 | Travel <br> Passenger fares | -175-114-60 | -197-126-55-12 | $\begin{aligned} & -306 \\ & -141 \end{aligned}$ | $\begin{array}{r}-2,240 \\ -977 \\ \hline 1041\end{array}$ | $\begin{array}{r} -2,286 \\ -982 \\ -982 \end{array}$ | $\begin{array}{r}-2,161 \\ -956 \\ \hline 1\end{array}$ | $\cdots$ | $\cdots$ | ... |
| 20 |  |  |  |  |  |  |  |  | $\ldots$ |  |
| 21 | Other transportaion ................................................................................ |  |  | -65 | -1,811 | -1,903 | -1,940 | -235 | -229 | -242 |
| 22 | Royalties and license fees ${ }^{5}$. | -88-187-11 | $\begin{array}{r} -54 \\ -174 \end{array}$ | - $\begin{array}{r}-7 \\ -186\end{array}$ | $\begin{array}{r} -19 \\ -1,563 \\ -197 \end{array}$ | $\begin{array}{r} -13 \\ -1,638 \\ -215 \end{array}$ | $\begin{array}{r} -16 \\ -1,690 \end{array}$ | $\begin{aligned} & -104 \\ & -233 \end{aligned}$ | $\begin{aligned} & -122 \\ & -228 \end{aligned}$ | --115 |
| $\begin{aligned} & \overline{23} \\ & 24 \end{aligned}$ | Other private services ${ }^{5}$ $\qquad$ |  |  |  |  |  |  |  |  |  |
|  | Income payments on foreign assets in the United States $\qquad$ <br> Direct investment payments <br> Other private payments $\qquad$ <br> U.S. Government payments | $\begin{array}{r} -11 \\ 78 \\ 213 \\ -115 \\ -20 \end{array}$ |  | -267-15 | $\begin{array}{r}\text {-6,937 } \\ \hline 238 \\ \hline\end{array}$ | -7,071 | -6,984 | -342 | -354 | -380 |
| 26 |  |  |  |  |  |  | -2,616 | - 744 | -735 |  |
| 27 |  |  |  | -132 | $\begin{aligned} & -2,50 \\ & -4,64 \\ & -4,645 \end{aligned}$ | $\begin{aligned} & -2,501 \\ & -4,511 \end{aligned}$ |  |  |  | -763 |
| 28 |  |  | -21 |  |  |  | -4,549 | -27 | -44 | -44 |
| 29 |  | -22 |  | -20 | -2,818 | -3,040 | -6,140 | -2,360 | -2,323 | -2,734 |
|  | U.S. Government grants ${ }^{4}$ $\qquad$ <br> U.S. Government pensions and other transfers $\qquad$ | ...............9 ${ }_{-9}$ | ................ | $\cdots$ | $-1,203$-125$-1,490$ | $-1,233$-123 | $-4,377$-119 | $\begin{aligned} & -207 \\ & -297 \end{aligned}$ | -149-218 | -131-478 |
| $\begin{aligned} & 31 \\ & 32 \end{aligned}$ |  |  |  |  |  |  |  |  |  |  |
| 33 | U.S. assets abroad, net (increase/capital outtlow ( - ) ............................................... | -2,026 | -146 | -2,015 | -10,535 | -9,432 | 1,950 | $\begin{array}{r} -1,534 \\ -79 \end{array}$ | -1,351 | $-4,758$$-4,371$ |
| 34 | U.S. official reserve assets, net ${ }^{7}$ $\qquad$ <br> Gold <br> Special drawing rights <br> Reserve position in the International Monetary Fund $\qquad$ <br> Foreign currencies $\qquad$ |  | .......... | .-........ | $\ldots$ | $\cdots$ | $\cdots$ |  | -602 |  |
| $36$ |  | ${ }^{\text {.............. }}$ | ... | ${ }_{\text {a }}$ | .................. | . | .................. |  | -139 |  |
| $37$ |  |  |  | ....-......... | ........... |  |  | 54 | -463 | -4,221 |
|  |  | -1 | 2 |  | -129 |  |  |  |  |  |
| 40 | U.S. credits and other long-term assets .................... |  |  |  | -614 | -475 | -479 | -340 | -293 | -254 |
| $\begin{aligned} & 41 \\ & 42 \end{aligned}$ | Repayments on U.S. credits and other long-term assets ${ }^{8}$ <br> US foreign currency holdings and US shorterm assets, net $\qquad$ | -1 | 2 | ................ |  | 984 -35 | 452 |  |  |  |
|  | U.S. private assets, net | -2,025 | -148 |  |  |  |  |  |  |  |
|  |  |  | 207 |  | -3,198 | -4,468 | -3,740 |  | - 30 | -133 |
| 45 | Foreign seccurities | -197 | -921 | -517 | -2,297 | -8,760 | -2,921 | 133 | - 521 | -860 |
| 46 | U.S. claims on unaffiliated foreigners reported by U.S. nonbarking | -67 | 65 |  | 123 | -253 |  | -3 | -10 |  |
| 47 | U.S. claims reported by U.S. banks, not included elsewhere | -1,139 | 501 | -1,062 | -5,034 | 3,575 | 8,632 | -417 | -107 | -206 |
| 48 | Foreign assets in the United States, net (increase/capital inflow (+) | 2,560 | 2,788 | 460 | -11,650 | 17,290 | 2,283 | 7,345 | 4,286 | 8,809 |
|  | Foreign official assets in the United States, net |  | ${ }^{188}$ |  |  |  | (18) |  |  |  |
| 50 | U.S. Govermment securities ............................. | $(18)$ | ${ }^{188}$ | 88 | $(18)$ | (18) | (18) | .... |  | -........... |
| $\begin{aligned} & 51 \\ & 52 \end{aligned}$ | US. Treasuy securities ${ }^{9}$..... | (18) | (18) | ${ }^{188}$ |  | (18) | $\left(\begin{array}{l}18 \\ 18 \\ \hline 18\end{array}\right.$ | $\cdots$ | …) - | .... |
| 53 | Other U.S. Government liabilit |  | -16 | -159 | 12 | -755 | -44 | .............. |  | $\stackrel{.}{-\cdots .}$ |
| 54 | U.S. llabilities reported by U.S. ban | (18) | (18) | (18) |  | $\left(\begin{array}{l}188 \\ 18 \\ 18\end{array}\right.$ | ${ }_{(18)}^{188} 1$ |  |  |  |
|  | Other foreign official assets ${ }^{12}$.................... | (18) | $\left({ }^{18}\right)$ | (18) | (18) | ${ }^{189}$ | (18) |  |  |  |
|  | Other foreign assets in the United States, | (18) |  |  |  |  | -18) | 7,345 -473 | 4,286 | 8,809 |
| 57 | Direct investment $\qquad$ | 213 | 3,277 | -547 | ${ }^{3.520}$ | ${ }_{-183}$ | -101 | -473 | -476 | -480 |
| S | U.S. Treasury securities and U.S. currency fiows ......... | 325 | 295 | -175 | 1,680 | 2,640 | 376 | -25 | -73 | ${ }^{18}$ |
| 60 | U.S. liabilities to unatifiliated foreigners repoted by U.S. nonbanking | -153 |  |  |  |  |  |  |  |  |
| 61 | U.S. liabilites reported by U.S. banks, not included eisewhere ............................... | ${ }^{8} 2,173$ | ${ }^{18}-720$ | ${ }^{18} 1,341$ | ${ }^{18}$-16,941 | ${ }^{18} 15,771$ | ${ }^{18} 2,052$ | ${ }^{18} 7,786$ | 184,776 | 189,256 |
| 62 | Aliocations of special drawing rights ......... |  |  |  |  |  |  |  |  |  |
| 63 | Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed) | -5,028 | -6,430 | -2,008 | 41,032 | 20,448 | 23,586 | -6,939 | -4,313 | -5,208 |
|  | Memoranda: |  |  |  |  |  |  |  |  |  |
|  | Balance on goods (lines 2 and 16) | 1.926 | 1,781 | 1,663 | -21,859 | -32.118 | -26.150 |  |  |  |
| 65 | Balance on services (lines 3 and 17) | +726 | $\begin{array}{r} 825 \\ 2.606 \end{array}$ | 733 | -5,941 | 7,163 -24 | + $\begin{array}{r}4,992 \\ -2148 \\ \hline\end{array}$ | 787 | 804 | ${ }_{845}^{845}$ |
| 67 | Balance on goods and services (lines 64 and 65 )... Balance on invesment income (lines 11 and 25) .... | 2,652 <br> 1,864 | 2,806 1,203 | 2,396 <br> 1,187 | -15,918 | -24,955 | $-21,158$ -521 | 787 2,701 | 804 2.897 | 845 3,046 |
| 68 | Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67$)^{13}$... | 4,516 | 3,809 | 3,583 | -16,029 | -25,266 | -21,679 | 3,488 | 3,701 | 3,891 |
| 69 |  | -22 | -21 | -20 | -2,818 | -3,040 | -6,140 | -2,360 | -2,323 | -2,734 |
| 70 | Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ${ }^{13} \ldots \ldots . . .{ }_{\text {a }}$................... | 4,494 | 3,788 | 3,563 | -18,847 | -28,306 | -27,819 | 1,128 | 1,378 | 1,157 |

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireand, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden
15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quatrer of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy community, European Coal and Steel Community, and European Investment Bark
16. Includes, as part of international and unalocated, the estimated direct investment in foreign affiliates engaged in international shippoing, in operating oil and gas drilling equipment intemationally, and in peroleum trading. Also
includes laxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; small transactions in business serices that are not reported by country; and net U.S. currency flows, for which geographic
source datu are not available source data are not available.
17. Details not shown separately; see totals in lines 49 and 56 .
18. Details not shown separately are inctiuded in line 61 .

NoTE--The cata in tables F.2 and F.3 are from tables 1 and 10 in "U.S. International Transactions, Fourth Quarter and Year 1997 " in this issue of the SURVEY OF CURRENT BUSINESS, which presents the most recent estimates
from the balance of payments accounts.

Table F.4.-Private Service Transactions
[Millions of dollars]

| Line |  | 1996 | 1997p | Seasonally adiusted |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  |  | III | N | Ir | $11 r$ | IIIr ${ }^{\text {r }}$ | \| ${ }^{p}$ |
|  | Exports of private services | 221,224 | 237,261 | 55,540 | 57,427 | 58,343 | 59,417 | 59,936 | 59,567 |
|  | Travel (table F.2, line 5) | 69,908 | 74,407 | 17,659 | 18,183 | 18.585 | 18,634 | 18,732 | 18,456 |
|  | Passenger fares (table F.2, line 6) | 20,557 | 21,710 | 5,237 | 5,282 | 5.316 | 5,508 | 5,468 | 5,418 |
|  | Other transportation (table F.2, line 7) ....................................... | ${ }^{27,216}$ | 28,194 | ¢,776 | ${ }^{7}, 142$ | 7,001 | 7,045 | $\stackrel{6,939}{ }$ | 7,210 |
|  |  | 14,691 | 11,691 | 2,745 <br> 3 | 2,941 3861 | $\xrightarrow[3]{2,920}$ | - 3,949 | ${ }_{3685}^{2,877}$ | ${ }_{3}^{2,986}$ |
|  |  | 1, 1,364 | 1,503 | 343 | ${ }_{33}$ | 3,370 | -377 | 378 | $\stackrel{3}{38}$ |
|  | Royalies and license fees (table F.2, line 8) ..... | 29,974 | 30,269 | 7,495 | 7,703 | 7,688 | 7,608 | 7,520 | 7,452 |
| 9 | Affiliated, ........................................ | 23,760 | 23,411 | 5,929 | 6,091 | 6,022 | 5.901 | 5,785 | 5,703 |
| 10 | U.S. parents' receipls | 21,916 | 21,977 | 5,505 | 5,445 | 5,755 | 5,452 | 5,402 | 5,369 |
| 11 | U.S. affiliates' receipts | 1,844 | 1,434 | 424 | 646 | 267 | 449 | 383 | 334 |
| 12 | Unafiliated | 6,214 | 6,857 | 1,566 | 1,612 | 1,666 | 1,707 | 1,735 | 1,749 |
| 13 |  | 3,979 | 4,456 | 1,006 | 1,040 | 1,080 | 1,109 | 1,129 | 1,139 |
| 14 | Other ${ }^{2}$................ | 2,235 | 2,402 | 560 | 573 | 587 | 598 | 607 | 610 |
| 1516161819202122222324252627 | Other private sevices (table F.2, line 9) | 73,569 | 82,681 | 18,433 | 19,117 | 19,753 | 20,622 | 21,277 | 21,031 |
|  | filated services, | 22,810 | 25,483 |  | 5,840 | 6,103 | 6,425 |  | 6,334 |
|  | U.S. parents' 'ecciopts | 13,763 | 14,997 | 3,410 | 3,431 | 3,623 | 3,802 | 3,776 | 796 |
|  | U.S. affiliates' receipts | 9,047 | 10,486 | 2,367 | 2,409 | 2,480 | 2,623 |  | 2.538 |
|  | Unafiliated services....... | 50,759 | 57,198 | 12,656 | 13,277 | ${ }^{13,650}$ | 14,197 | 14,655 | 14,697 |
|  | Education | 7,807 | 8,134 | 1,998 | 1.955 | 1,986 | 2,003 | 2,074 | 2,071 |
|  | Financial services | 8,034 | 10,104 | 1,925 | 2,325 | 2,259 | 2,492 | 2,701 | 2,652 |
|  | Insurance, net....... | 2,121 | 2, 744 | 561 | 597 | 620 1650 | ${ }^{637}$ | ${ }^{648}$ | 1754 |
|  | Premiums received | 6,179 | 6,744 | 1,567 | 1,609 | 1,650 | $\begin{array}{r}1,681 \\ 1,044 \\ \hline\end{array}$ |  | 1,1058 |
|  | Telecommunications | $4,4,58$ 3,405 | 4,186 3,596 | 1,006 | -1,012 | 1,030 | 1,044 | 1,054 | 1,058 |
|  | Business, professional, and technical services | 19,247 | 22,116 | 4,847 | 4,985 | 5,287 | 5,543 | 5,642 | 5,644 |
|  | Other unafiliated services ${ }^{3}$....................... | 10,145 | 10,690 | 2,486 | 2,565 | 2,653 | 2,627 | 2,677 | 2,732 |
| 28 | Imports of private services .............. | 143,086 | 153,787 | 35,873 | 36,257 | 37,77 | 38,459 | 38,710 | 38,841 |
| a333333 | Travel (table F.2, line 19) | 48,739 | 52,029 | 11,915 | 12,241 | 13,004 | 12,989 | 12,813 |  |
|  | Passenger fares (table F.2, line 20) | ${ }^{15,776}$ | 16,927 | 3,920 | 4,053 | 4.272 | 4,190 | 4,166 | 4,298 |
|  | Other transporation (table F.2, line 21) ........ | 28,453 | 29,771 | 7.218 | 7,166 | 7,377 | 7.541 | 7.368 | 7,484 |
|  | Freight | 16,879 | 17,799 | 4,312 | 4,130 | 4,319 | 4,637 | 4,447 | 4,396 |
|  | Port sevices | 10,792 | 11,162 | 2,709 | 2,838 | 2,844 | 2,005 | 2,730 | 2,883 |
|  |  | 783 | 812 | 198 | 199 | 214 | 200 | 192 | 206 |
|  | Royalties and license fees (table F.2, line 22). | 7,322 | 7,512 | 2,144 | 1,770 | 1,797 | 1,846 | 2,043 | 1,826 |
| 36 | Affiliated, ... | 5,301 | 5,932 | 1,264 | 1,376 | 1,401 | 1,461 | 1,629 | 1,441 |
| 37 | U.S. parents' payments | 554 | 742 | 136 | 164 | 55 | 172 | 192 | 224 |
| ${ }^{38}$ | U.S. affiliates' payments | 4,748 | 5,190 | 1,128 | 1,212 | 1,246 | 1,289 | 1,437 | 1,217 |
| 39 | Unatililated | 2,021 | 1,580 | 880 | 394 | 396 |  | 414 |  |
| $\begin{aligned} & 40 \\ & 40 \end{aligned}$ | Industrial processes ${ }^{\text {1 }}$ | 1,126 | 1,1599 | 288 | ${ }_{103}^{292}$ | 291 | 290 | 289 125 | 289 96 |
| 4243444546474849505151525354 | Other private services (table F.2, line 23) |  | 47,548 |  | 11,027 |  | 11.893 | 12.320 | 12.009 |
|  | Affilated Senvices, ... | 16,026 | 17,610 | 4,073 | 4,130 | 4,227 | 4,368 |  |  |
|  | U.S. parents' payments | 7,505 | 8,630 | 1,935 | 1,867 | 1,979 | 2,145 | 2,251 | 2,255 |
|  | U.S. affiliates' payments ... | 8,521 | 8,980 | 2,138 | 2,263 | 2,248 | 2,223 | 2,349 | 2,160 |
|  | Unafiliated services | 26,770 | 29,938 | 6,603 | 6,897 | 7,100 | 7,525 | 7,720 | 7.594 |
|  | Education | 1,041 | 1,131 | ${ }^{262}$ | ${ }^{269}$ | 276 | 279 | 285 | 91 |
|  | Financial senvices | 3,184 | 4,059 | 769 | 859 | 888 | 1,106 | 1,182 | 883 |
|  | Insurance, net | 4,387 | 4,817 | 1,047 | 1,064 | 1,139 | 1,195 | 1,232 | 1,251 |
|  | Premiums paid | 15,473 | 16.525 | 3,877 | 3,947 | 4,046 | 4,119 | 4,168 | 4,192 |
|  | Losses recovered | 11,086 | 11,708 | 2,830 | 2.884 | 2,907 | 2,924 | 2,936 | 2,941 |
|  | Telecommunications | ${ }^{8,385}$ | 8.576 | 2,066 | 2,089 | 2,076 | 2,137 | 2,157 | 2,205 |
|  | Business, professional, and technical sevices | 5,253 | 6,464 | 1,335 | 1,406 | 1,540 | 1,612 | 1,648 | 1.664 |
|  | Other unaffiliated services ${ }^{3} \ldots . . .{ }_{\text {a }}$.................................. | 4,520 | 4,891 | 1,122 | 1,210 | 1,180 | 1,196 | 1,215 | 1,299 |
|  | emoranda: |  |  |  |  |  |  |  |  |
| 55 <br> 56 <br> 57 | Balance on goods (table F.2, line 64) .......................................... |  |  |  |  |  |  |  |  |
|  | Balance on private services (line 1 minus line 28) ........................... | 78,138 | 83,474 |  | 21,170 | 20,566 | 20,958 | 21,226 | 20,726 |
|  | Balance on goods and private services (lines 55 and 56) ................... | -113,032 | -115,460 | -32,826 | -27,020 | -29,278 | -26,230 | -30,775 | -29,175 |

[^59]ments and intemational organizations in the United States. Payments (imports) include mainly wages of oreign residents tempo
NOTE.-The data in this table are from table 3 in "U.S. International Transactions, Fourth Quarer and Year 1997" in this issue of the Sunvey or Curaent Business, which presents the most recent estimates from the balance of payments accounts.

## G. Investment Tables

Table G.1.-International Investment Position of the United States at Yearend, 1995 and 1996

| Line | Type of investment | Position 1995 r | Changes in position in 1996 (decrease (-)) |  |  |  |  | Position $1996^{p}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Attributable to: |  |  |  | $\begin{gathered} \text { Total } \\ (a+b+c+d) \end{gathered}$ |  |
|  |  |  | Capital flows <br> (a) | Valuation adjustments |  |  |  |  |
|  |  |  |  | Price changes <br> (b) | Exchange rate changes ${ }^{1}$ <br> (c) | Other changes ${ }^{2}$ <br> (d) |  |  |
| 1 2 | Net international investment position of the United States: <br> With direct investment positions at current cost (line 3 less line 24) ... <br> With direct investment positions at market value (line 4 less line 25) | $\begin{aligned} & -687,702 \\ & -637,480 \end{aligned}$ | $\begin{aligned} & -195,111 \\ & -195,111 \end{aligned}$ | $\begin{aligned} & 32,038 \\ & 39,063 \end{aligned}$ | $\begin{aligned} & -22,195 \\ & -46,339 \end{aligned}$ | 2,446 8,564 | $\begin{aligned} & -182,822 \\ & -193,823 \end{aligned}$ | $\begin{aligned} & -870,524 \\ & -831,303 \end{aligned}$ |
| 3 | U.S. assets abroad: <br> With direct investment positions at current cost (lines $\mathbf{5 + 1 0 + 1 5 )}$ $\qquad$ | 3,272,731 | 352,444 | 121,367 | -21,849 | -3,964 | 447,998 | 3,720,729 |
| 4 | With direct investment positions at market value (lines $5+10+16$ ) ..... | 3,700,432 | 352,444 | 267,858 | -45,567 | 9,373 | 584,108 | 4,284,540 |
| 5 | U.S. official reserve assets | 176,061 | -6,668 | -4,581 | -4,073 |  | -15,322 | 160,739 |
| 6 | Gold ..................................................................................... | 101,279 |  | ${ }^{3}-4,581$ |  | -4,581 | 96,698 |  |
| 7 | Special drawing rights | 11,037 | -370 | .............. | -355 | .............. | -725 | 10,312 |
| 8 | Reserve position in the International Monetary Fund ............................. | 14,649 | 1,280 | ............. | -494 | $\ldots$ | 786 |  |
|  | Foreign currencies .................................................................................... | 49,096 | -7,578 | ............. | -3,224 | ... | -10,802 | 38,294 |
| 10 | U.S. Government assets, other than official reserve assets. | 81,897 | 690 |  | -34 | 1 | 657 | 82,554 |
| 11 | U.S. credits and other long-term assets ${ }^{4}$........................................ | 79,958 | 796 | ...... | -1 | 1 | 796 | 80,754 |
| 12 | Repayable in dollars | 79,178 | 846 |  |  | $-12$ | 834 | 80,012 |
| 13 | Other ${ }^{5}$ | 780 | -50 | .............. | -1 | 13 | -38 | 742 |
| 14 | U.S. foreign currency holdings and U.S. short-term assets ..................... | 1,939 | -106 | .............. | -33 |  | -139 | 1,800 |
|  | U.S. private assets: <br> With direct investment at current cost (lines 17+19+22+23) | 3,014,773 | 358,422 | 125,948 | -17,742 | -3,965 | 462,663 | 3,477,436 |
| 16 | With direct investment at market value (lines 18+19+22+23) ............... | 3,442,474 | 358,422 | 272,439 | -41,460 | 9,372 | 598,773 | 4,041,247 |
|  | Direct investment abroad: |  |  |  |  |  |  |  |
| 17 | At current cost ........................................................................ | 884,290 | 87,813 | 7,375 | -4,726 | -3,954 | 86,508 | 970,798 |
| 18 | At market value | 1,311,991 | 87,813 | 153,866 | -28,444 | 9,383 | 222,618 | 1,534,609 |
| 19 | Foreign securities ...................................................................... | 1,054,352 | 108,189 | 118,573 | -7,675 | .............. | 219,087 | 1,273,439 |
| 20 | Bonds :-.. | 355,284 | 49,403 | 118760 | -7,521 | ............. | 42,688 | 397,972 |
| 21 | Corporate stocks | 699,068 | 58,786 | 117,767 | -154 | .............. | 176,399 | 875,467 |
| 22 | U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns. | 307,982 | 64,234 |  | -3,161 | .............. | 61,073 | 369,055 |
| 23 | U.S. claims reported by U.S. banks, not included elsewhere ................... | 768,149 | 98,186 | $\ldots$ | -2,180 | -11 | 95,995 | 864,144 |
|  | Foreign assets in the United States: |  |  |  |  |  |  |  |
| 24 25 | With direct investment at current cost (lines $26+33) \ldots$ With direct investment at market value (lines $26.1 . . . . . . . . . .$. | $\begin{aligned} & 3,960,433 \\ & 4,337,912 \end{aligned}$ | $\left.\begin{aligned} & 547,555 \\ & 547,555 \end{aligned} \right\rvert\,$ | $\begin{array}{r} 89,329 \\ 228,795 \end{array}$ | 346 772 | $\begin{array}{r} -6,410 \\ 809 \end{array}$ | $\begin{aligned} & 630,820 \\ & 777,931 \end{aligned}$ | $\begin{aligned} & 4,591,253 \\ & 5,115,843 \end{aligned}$ |
| 26 | Foreign official assets in the United States | 678,451 | 122,354 | 4,345 |  | -1 | 126,698 | 805,149 |
| 27 | U.S. Government securities ......... | 498,906 | 115,634 | -4,333 | ............ |  | 111,301 | 610,207 |
| 28 | U.S. Treasury securities. | 471,508 | 111,253 | -3,802 | .......... |  | 107,451 | 578,959 |
| 29 | Other ................................................................................ | 27,398 | 4,381 | -531 | ..... | ............ | 3,850 | 31,248 |
| 30 | Other U.S. Government liabilities ${ }^{7}$................................................. | 25,225 | 720 |  | .............. | -1 | 719 | 25,944 |
| 31 32 | U.S. liabilities reported by U.S. banks, not included elsewhere Other foreign official assets | 107,394 46,926 | 4,722 1,278 | 8,678 | .............. | $\cdots$ | 4,722 9,956 | 112,116 56,882 |
|  | Other foreign assets: |  |  |  |  |  |  |  |
| 33 | With direct investment at current cost (lines $35+37+38+39+42+43$ ) ..... | 3,281,982 | 425,201 | 84,984 | 346 | -6,409 | 504,122 | 3,786,104 |
| 34 | With direct investment at market value (lines $36+37+38+39+42+43$ ) .... | 3,659,461 | 425,201 | 224,450 | 772 | 810 | 651,233 | 4,310,694 |
|  | Direct investment in the United States: |  |  |  |  |  |  |  |
| 35 | At current cost ............................................................................ | 654,502 | 76,955 | 5,356 | -426 | -7,335 | 74,550 | 729,052 |
| 36 | At market value ......................................................................... | 1,031,981 | 76,955 | 144,822 |  | -116 | 221,661 | 1,253,642 |
| 37 | U.S. Treasury securities | 389,383 | 155,578 | -14,411 |  |  | 141,167 | 530,550 |
| 38 | U.S.Currency ........................................................................... | 192,300 | 17,300 |  |  | $\ldots$ | 17,300 | 209,600 |
| 39 | U.S. securities other than U.S. Treasury securities ................................ | 999,537 | 133,798 | 94,039 | -1,887 |  | 225,950 | 1,225,487 |
| 40 | Corporate and other bonds ................................................. | 534,116 | 121,194 | 721 | -1,887 | .............. | 120,028 | 654,144 |
| 41 | Corporate stocks .i....................................................................... | 465,421 | 12,604 | 93,318 |  |  | 105,922 | 571,343 |
| 42 | U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns. | 232,891 | 31,786 | ............ | 5,932 | 926 | 38,644 | 271,535 |
| 43 | U.S. liabilities reported by U.S. banks, not included elsewhere ................ | 813,369 | 9,784 |  | -3,273 | ........ | 6,511 | 819,880 |

[^60]amounts of miscellaneous ciaims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts payable to the U.S. Govern
5. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services. 6. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.
Nore.-The data in this table are from table 1 in "International Investment Position of the Unit-
ed States in $1996^{\circ}$ in the July 1997 issue of the SURVEY OF CURRENT BUSINESS.

Table G.2.-U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1994-96
[Milions of dollars]

|  | Direct investment position on a historical-cost basis |  |  | Capital outlows (inflows (-)) |  |  | Income |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| All countries, all industries $\qquad$ <br> By country | 640,320 | 717,554 | 796,494 | 68,272 | 85,115 | 85,560 | 68,597 | 87,448 | 95,067 |
| Canada | 78,018 | 85,441 | 91,587 | 6,760 | 8,435 | 6,875 | 5,873 | 8,812 | 8,642 |
| Europe $\qquad$ Of which: | 320,135 | 360,994 | 399,632 | 28,785 | 45,292 | 45,274 | 30,468 | 41,320 | 46,183 |
| France .................................................................. | 28,204 | 32,950 | 34,000 | 2,586 | 5,726 | 5,221 | 1,296 | 2,728 | 3,322 |
| Germany | 38,467 | 44,226 | 44,259 | 2,217 | 4,373 | 955 | 3,107 | 4,783 | 4,286 |
| Netherlands | 29,558 | 39,344 | 44,667 | 6,331 | 8,420 | 7,140 | 5,081 | 6,890 | 7,991 |
| United Kingdom | 121,321 | 122,767 | 142,560 | 7,177 | 4,515 | 18,310 | 8,082 | 11,384 | 13,862 |
| Latin America and Other Western Hemisphere $\qquad$ Of which: | 115,093 | 128,252 | 144,209 | 19,010 | 14,753 | 14,299 | 16,299 | 15,221 | 17,404 |
| Brazil ................................................................... | 18,400 | 23,706 | 26,166 | 3,517 | 4,899 | 3,064 | 4,756 | 3,515 | 3,879 |
| Mexico ................................................................................ | 16,169 | 15,980 | 18,747 | 3,674 | 2,955 | 2,747 | 2,497 | 1,369 | 2,931 |
| Africa ......................................................................... | 5,606 | 6,383 | 7,568 | 332 | 873 | 1,221 | 1,395 | 1,861 | 1,963 |
| Middle East | 6,741 | 7,669 | 8,743 | 242 | 905 | 1,044 | 964 | 1,393 | 1,458 |
| Asia and Pacific $\qquad$ Of which: | 111,373 | 125,834 | 140,402 | 13,121 | 15,241 | 14,752 | 13,474 | 18,542 | 18,937 |
| Australia ................................................................ | 20,217 | 25,003 | 28,769 | 32 | 6,450 | 3,789 | 2,392 | 3,402 | 2,979 |
| Japan ...................................................................... | 36,524 | 38,406 | 39,593 | 2,384 | 1,079 | 1,817 | 2,379 | 4,117 | 3,950 |
| International ................................................................... | 3,355 | 2,981 | 4,352 | 22 | -384 | 2,096 | 124 | 300 | 480 |
| By industry |  |  |  |  |  |  |  |  |  |
| Petroleum .................................................................... | 67,104 | 70,229 | 75,479 | 1,690 | 2,437 | 6,144 | 7,177 | 9,730 | 11,960 |
| Manufacturing .............................................................................. | 211,431 | 250,253 | 272,564 | 23,953 | 42,531 | 28,530 | 26,699 | 35,065 | 34,975 |
| Food and kindred products ........................................... | 29,588 | 32,439 | 36,179 | 3,764 | 2,871 | 3,280 | 4,690 | 4,728 | 4,684 |
| Chemicals and allied products | 49,128 | 62,151 | 69,430 | 4,992 | 18,477 | 7,835 | 6,839 | 8,877 | 10,001 |
| Primary and fabricated metals | 10,017 | 12,032 | 13,603 | 819 | 1,935 | 5,009 | 896 | 1,365 | 1,004 |
| Industrial machinery and equipment ................................. | 26,781 | 33,716 | 35,020 | 2,010 | 5,286 | 2,016 | 2,177 | 4,373 | 4,579 |
| Electronic and other electric equipment ............................. | 19,925 | 25,242 | 29,519 | 2,867 | 4,995 | 4,513 | 3,234 | 4,494 | 4,374 |
| Transportation equipment ............................ | 29,420 | 33,972 | 33,543 | 5,993 | 4,636 | 714 | 3,539 | 3,952 | 3,429 |
| Other manufacturing ..................................................... | 46,572 | 50,701 | 55,270 | 3,508 | 4,330 | 5,163 | 5,324 | 7,277 | 6,903 |
| Wholesale trade ............................................................. | 62,608 | 67,222 | 72,462 | 6,325 | 8,511 | 7,048 | 7,753 | 9,191 | 9,272 |
| Banking ............................................................................ | 26,693 | 28,123 | 32,504 | 1,786 | 714 | 1,329 | 3,785 | 2,889 | 3,767 |
| Finance (except banking), insurance, and real estate ................ | 213,175 | 228,744 | 257,213 | 22,982 | 12,109 | 28,985 | 18,302 | 23,757 | 27,797 |
| Services ........................................................................ | 26,734 | 32,769 | 36,673 | 5,613 | 7,702 | 3,644 | 2,796 | 3,815 | 3,997 |
| Other industries ................................................................... | 32,575 | 40,213 | 49,600 | 5,924 | 11,113 | 9,880 | 2,085 | 3,002 | 3,299 |

NOTE--In this table, unlike in the internationat transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. a addition, unlike in the international investment position, the direct investment position is valued at historical cost.

Table G.3.-Selected Financial and Operating Data for Nonbank Foreign Affiliates of U.S. Companies, by Country and by Industry of Affiliate, 1995

|  | Number of affiliates | Millions of dollars |  |  | Number of employees (thousands) |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total assets | Sales | Net income |  |
| All countries, all industries .............................................. | 21,318 | 2,815,141 | 2,140,438 | 124,675 | 7,377.0 |
| By country |  |  |  |  |  |
| Canada .................................................................................. | 2,023 | 246,242 | 231,081 | 8,313 | 918.1 |
| Europe ..................................................................................... | 10,435 | t,567,904 | 1,176,126 | 63,083 | 3,014.5 |
| Of which: |  |  |  |  |  |
| France ................................................................................................... | 1,226 | 135,906 | 124,457 | 4,303 | 413.9 |
| Germany ........................................................................... | 1,358 | 219,538 59,468 | $\begin{array}{r}234,169 \\ 68.550 \\ \hline\end{array}$ | 6,467 2 215 | 596.3 1987 |
| Netheriands ........................................................................................................................................... | 999 | 139,078 | 112,182 | 11,492 | 138.8 |
| Switzerland ....................................................................................................................................... | 505 | 132,464 | 60,128 | 7,203 | 50.6 |
| United Kingdom ................................................................. | 2,393 | 641,348 | 363,372 | 14,338 | 928.8 |
| Latin America and Other Western Hemisphere .................................... | 3,256 | 316,495 | 191,340 | 23,419 | 1,485.2 |
| Of which: |  |  |  |  |  |
| Brazil .............................................................................. | 400 | 48,477 | 44,536 | 5,073 | 299.9 |
| Mexico ........................................................................... | 823 | 59,115 | 61,122 | 4,732 | 743.6 |
| Africa ..................................................................................... | 502 | 22,604 | 20,587 | 1,845 | 126.5 |
| Middle East ............................................................................. | 338 | 30,231 | 21,703 | 2,899 | 73.4 |
| Asia and Pacific ................................................................................. | 4,665 | 614,555 | 492,181 | 24,464 | 1,747.6 |
| Of which: |  |  |  |  |  |
| Australia ............................................................................................ | ${ }_{1}^{855}$ | 81,055 | 63,056 | 2,944 | 258.7 |
| Japan ............................................................................................. | 1,006 | 280, 164 | 211,821 | 4,979 | 414.9 |
| International .............................................................................. | 99 | 17,110 | 7,421 | 653 | 11.8 |
| By industry |  |  |  |  |  |
| Petroleum ............................................................................... | 1,520 | 272,087 | 428,030 | 13,981 | 230.9 |
| Manufacturing ............................................................................................. | 8,023 | 779,339 | 984,868 | 53,795 | 4,376.6 |
| Food and kindred products ......................................................... | 764 | 99,571 | 113,166 | 7,064 | 554.4 |
| Chemicals and allied products ................................................... | 1,942 | 180,964 | 189,096 | 15,695 | 591.9 |
| Primary and fabricated metals ............................................................... | 722 | 35,266 | 36,862 | 1,227 | 195.7 |
| Industrial machinery and equipment ............................................ | 1,033 | 112,921 | 159,205 | 7,611 | 529.4 |
| Electronic and other electric equipment ....................................... | 855 | 71,483 | 95,395 | 6,443 | 846.0 |
| Transportation equipment ......................................................... | 469 | 124,721 | 218,333 | 4,406 | 697.6 |
| Other manufacturing .................................................................. | 2,238 | 154,413 | 172,811 | 11,348 | 961.5 |
| Wholesale trade ......................................................................... | 4,878 | 206,015 | 367,515 | 15,124 | 538.3 |
| Finance (except banking), insurance, and real estate ........................... | 2,742 | 1,229,643 | 108,441 | 30,507 | 191.0 |
| Services ................................................................................... | 2,671 | 114,995 | 100,035 | 4,050 | 779.8 |
| Other industries ............................................................................... | 1,484 | 213,062 | 151,548 | 7,219 | 1,260.4 |

NOTE.-The data in this table are from "U.S. Multinational Companies: Operations in 1995" in the October 1997 SURVEY OF CURRENT BUSINESS.

Table G.4.-Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1994-96
[Milions of dollars]

|  | Direct investment position on a historical-cost basis |  |  | Capital inflows (outlows ( - ) |  |  | Income |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 | 1994 | 1995 | 1996 |
| All countries, all industries ................................... | 496,539 | 560,850 | 630,045 | 46,995 | 69,414 | 78,828 | 21,286 | 32,029 | 33,759 |
| By country |  |  |  |  |  |  |  |  |  |
| Canada ........................................................................... | 41,959 | 48,258 | 53,845 | 4,960 | 7,080 | 5,670 | 2,996 | 3,911 | 3,285 |
| Europe | 303,649 | 357,193 | 410,425 | 28,002 | 55,300 | 59,809 | 16,059 | 22,975 | 25,806 |
| Of which: |  |  |  |  |  |  |  |  |  |
| France .. | $\begin{array}{r} 33,603 \\ 40,345 \\ 67,210 \\ 104,867 \end{array}$ | $\begin{array}{r} 38,480 \\ 49,269 \\ 65,806 \\ 126,177 \end{array}$ | $\begin{array}{r} 49,307 \\ 62,242 \\ 73,803 \\ 142,607 \end{array}$ | $\begin{array}{r} 3,881 \\ 7,144 \\ -3,174 \\ 8,076 \end{array}$ | $\begin{array}{r} 4,500 \\ 10,229 \\ -1,789 \\ 20,446 \end{array}$ | $\begin{array}{r} 10,928 \\ 1,283 \\ 8,282 \\ 18,929 \end{array}$ | $\begin{aligned} & -63 \\ & 2,256 \\ & 4,120 \\ & 7,232 \end{aligned}$ | $\begin{array}{r} 1,722 \\ 1,908 \\ 5,212 \\ 11,006 \end{array}$ | $\begin{aligned} & 2,654 \\ & 2,097 \\ & 6,294 \\ & 9,220 \end{aligned}$ |
| Germany |  |  |  |  |  |  |  |  |  |
| Netherlands |  |  |  |  |  |  |  |  |  |
| United Kingdom ....................................................... |  |  |  |  |  |  |  |  |  |
| Latin America and Other Western Hemisphere $\qquad$ Of which: | 26,070 | 25,240 | 24,627 | 4,767 | $-1,121$97 | 131 | 1,391 | 1,349 | 1,557 |
| Brazil ...... | $\begin{array}{r} 629 \\ 2,412 \end{array}$ | $\begin{array}{r} 751 \\ 1,980 \end{array}$ | $\begin{array}{r} 591 \\ 1,078 \end{array}$ | $\begin{aligned} & -8 \\ & 1,248 \end{aligned}$ |  | $\begin{array}{r} -99 \\ -447 \end{array}$ | 882 | 9181 | 34-8 |
| Mexico ................................................................. |  |  |  |  |  |  |  |  |  |
| Africa ...... | 1,230 | 1,164 | 717 |  |  | -440 | -1954 | 54209 | -113 |
| Middle East ......................................................................... | 6,674 | 6,008 | 6,177 | 161 | -298 | 555 |  |  | 1413,084 |
| Asia and Pacific | $\begin{array}{r} 116,956 \\ 8,080 \\ 102,999 \end{array}$ | $\begin{array}{r} 122,986 \\ 7,833 \\ 107,933 \end{array}$ | 134,255 | 9,061 | 8,519 | 13,104 | 805-268 | 209 3,531 |  |
|  |  |  | 9,747 | 1,101 |  | 2,129 |  | $\begin{array}{r} 112 \\ 3,405 \end{array}$ | $\begin{array}{r}\text { 3, } \\ \hline\end{array}$ |
| Japan .................................................................... |  |  | 118,116 | 6,238 | 6,591 | 11,930 | 985 |  |  |
| By industry |  |  |  |  |  |  |  |  |  |
| Petroleum ..................................................................... | 32,290 | 33,888 | 42,343 | 1,665 | 3,152 | 8,113 | 1,902 | 2,970 | 4,190 |
| Manufacturing | $\begin{array}{r} 189,459 \\ 21,411 \\ 66,028 \\ 14,320 \\ 35,196 \\ 52,504 \end{array}$ | $\begin{array}{r} 213,026 \\ 26,898 \\ 71,367 \\ 14,085 \\ 37,638 \\ 63,037 \end{array}$ | $\begin{array}{r} 234,323 \\ 28,089 \\ 74,810 \\ 18,727 \\ 37,093 \\ 75,604 \end{array}$ | $\begin{array}{r} 19,673 \\ -1,375 \\ 10,820 \\ 1,92 \\ 3,826 \\ 4,419 \end{array}$ | $\begin{array}{r} 27,849 \\ 5,596 \\ 11,306 \\ 312 \\ 3,986 \\ 6,648 \end{array}$ | $\begin{array}{r} 29,12,12 \\ 2,439 \\ 6,880 \\ 5,280 \\ -35 \\ 14,548 \end{array}$ | $\begin{array}{r} 10,788 \\ 2,134 \\ 4,643 \\ -216 \\ 1,165 \\ 3,063 \end{array}$ | $\begin{array}{r} 15,886 \\ 1,09 \\ 6,202 \\ 1,273 \\ 2,316 \\ 4,386 \end{array}$ | 17,2621,7806,2471,0601,7396,436 |
| Food and kindred products ............................................. |  |  |  |  |  |  |  |  |  |
| Chemicals and allied products.. |  |  |  |  |  |  |  |  |  |
| Primary and fabricated metals ........................................ |  |  |  |  |  |  |  |  |  |
| Machinery ................................................................ |  |  |  |  |  |  |  |  |  |
| Other manutacturing ..................................................... |  |  |  |  |  |  |  |  |  |
| Wholesale trade ................................................................ | 63,792 | 66,393 | 77,937 | 5,785 | 6,453 | 9,799 | 2,611 | 3,863 | 3,548 |
| Retail trade | 11,857 | 12,743 | 15,008 | 1,532 | 1,207 | 2,140 | 399 | 544 | 496 |
| Depository institutions ........................................................ | 27,139 | 34,076 | 31,903 | 3,800 | 6,566 | 562 | 2,837 | 4,725 | 2,626 |
| Finance, except depository institutions .................................. | 41,000 | 62,369 | 70,185 | 3,652 | 16,681 | 7,775 | 831 | 697 | 714 |
| Insurance | 38,833 | 50,975 | 59,566 | 2,759 | 4,114 | 7,739 | 2,237 | 1,913 | 3,048 |
| Real estate | 31,613 | 29,704 | 30,118 | 259 | -880 | 388 | -680 | -623 | 623961,418 |
| Services ...................................................................... | $\begin{aligned} & 37,045 \\ & 23,511 \end{aligned}$ | $\begin{aligned} & 32,887 \\ & 24,788 \end{aligned}$ | $\begin{aligned} & 38,945 \\ & 29,716 \end{aligned}$ | $\begin{aligned} & 2,303 \\ & 5,570 \end{aligned}$ | 2,326 |  | -345 | 212 |  |
| Other industries |  |  |  |  |  | $4,583$ | 705 | 1,841 |  |

Note--In this table, unlike in the international transactions accounts, income and capital intilows $\begin{gathered}\text { The data in this table are from tables } 16 \text { and } 17 \text { in "Foreign Direct Investment in the United } \\ \text { are shown without a current-cost adjustment, and income is shown net of witholding taxes. In }\end{gathered}$ States: Detail for Historical-Cost Position and Related Capital and income Flows, 1996" in the are shown without a current-cost adjustment, and income is shown net of withholding laxes. In addition, unike in the intemational investment position, the direct investment position is valued at historical cost.

Table G.5.-Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies, by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1995

|  | Number of affiliates | Millions of dollars |  |  |  | Thousands of employees | Millions of dollars |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Total assets | Sales | Net income | Gross product |  | U.S. exports of goods shipped by affiliates | U.S. <br> imports of goods shipped to affiliates |
| All countries, all industries .............................. | 12,497 | 2,383,612 | 1,561,879 | 15,608 | 326,955 | 4,928.3 | 136,702 | 254,895 |
| By country |  |  |  |  |  |  |  |  |
| Canada ................................................................ | 1,285 | 267,378 | 141,292 | 2,446 | 36,532 | 703.7 | 5,402 | 13,565 |
| Europe $\qquad$ <br> Of which: | 5,363 | 1,327,437 | 832,286 | 14,273 | 202,361 | 2,991.0 | 59,344 | 86,349 |
|  | 668 | 232,662 | 111,966 | 1,053 | 24,178 | 348.2 | 14,882 | 11,255 |
| Germany .......................................................... | 1,291 | 210,408 | 161,099 | 1,331 | 37,182 | 580.6 | 12,308 | 27,753 |
| Netherlands ............................................................................................................. | , 394 | 154,877 | 98,084 | 2,790 | 28,013 | 334.2 | 5,357 | 87,730 |
| Swizerland ...................................................... | 603 | 229,335 | 92,343 | -137 | 18,624 | 308.3 | 6,398 | 7,847 |
| United Kingdom .................................................. | 1,205 | 381,241 | 264,355 | 8,101 | 71,049 | 986.5 | 11,728 | 14,367 |
| Latin America and Other Western Hemisphere $\qquad$ Of which: | 1,078 | 53,830 | 52,067 | 917 | 13,345 | 166.6 | 6,193 | 10,126 |
| Brazil .............................................................. | 75 | 8,661 | 3,903 | 89 | 213 | 4.3 | 866 | 1,310 |
| Mexico .......................................................... | 265 | 9,593 | 8,540 | -20 | 1,798 | 35.6 | 661 | 2,182 |
| Africa .................................................................... | 68 | (D) | 10,495 | 345 | 2,393 | 20.8 | 551 | 723 |
| Middle East ............................................................. | 414 | 25,516 | 18,121 | -198 | 4,861 | 46.6 | 641 | 4,628 |
| Asia and Pacific | 4,212 | 598,404 | 489,928 | -5,027 | 62,558 | 954.6 | 63,933 | 138,425 |
| Of which: <br> Australia | 172 | 37,003 | 22,209 | -577 | 4,211 | 73.6 | 877 | 1,110 |
| Japan ................................................................................................... | 3,241 | 519,577 | 418,656 | -3,621 | 52,000 | 758.2 | 55,519 | 119,942 |
| United States | 77 | (D) | 17,690 | 2,851 | 4,904 | 44.9 | 638 | 1,079 |
| By industry |  |  |  |  |  |  |  |  |
| Petroleum ................................................................ | 240 | 104,358 | 131,889 | 2,419 | 30,525 | 105.7 | 9,956 | 19,522 |
| Manufacturing ......................................................... | 2,896 | 587,049 | 562,151 | 9,824 | 156,991 | 2,276.8 | 55,561 | 81,790 |
| Food and kindred products .................................... | 252 | 57,195 | 50,879 | 632 | 12,229 | 228.6 | 2,790 | 3,238 |
| Chemicals and allied products ................................. | 331 | 191,614 | 131,892 | 3,903 | 39,768 | 407.1 | 13,778 | 13,582 |
| Primary and fabricated metals ................................. | 396 | 55,979 | 70,086 | 1,547 | 17,804 | 246.9 | 3,988 | 8,018 |
| Machinery .......................................................... | 739 | 96,130 | 123,167 | 176 | 32,163 | 541.6 | 18,861 | 29,219 |
| Other manufacturing ............................................... | 1,178 | 186,132 | 186,128 | 3,566 | 55,028 | 852.6 | 16,144 | 27,734 |
| Wholesale trade .......................................................... | 2,228 | 222,616 | 466,192 | 174 | 39,135 | 455.5 | 65,500 | 148,735 |
| Retail trade ............................................................... | 353 | 47,982 | 93,624 | 759 | 23,951 | 759.1 | 1,793 | 3,742 |
| Finance, except depository institutions ............................ | 874 | 568,216 | 45,074 | 1,392 | 2,910 | 45.3 | 18 | 25 |
| Insurance ................................................................ | 167 | 514,601 | 88,149 | 3,570 | 8,557 | 148.2 | 0 | 0 |
| Real estate ............................................................... | 3,494 | 96,852 | 14,184 | -2,283 | 5,574 | 24.9 | 9 | 1 |
| Services ................................................................. | 1,250 | 110,674 | 59,264 | -1,975 | 23,753 | 633.0 | 492 | 690 |
| Other industries ......................................................... | 995 | 131,264 | 101,352 | 1,729 | 35,561 | 479.9 | 3,372 | 389 |

[^61]
## H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.-International Perspectives

|  | 1996 | 1997 | 1996 | 1997 |  |  |  |  |  |  |  |  |  |  |  | 1998 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. |
|  | Exchange rates per U.S. dollar (not seasonally adjusted) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada (Can.\$/US\$) | 1.3725 | 1.3638 | 1.3622 | 1.3494 | 1.3556 | 1.3725 | 1.3942 | 1.3804 | 1.3843 | 1.3775 | 1.3872 | 1.3872 | 1.3869 | 1.4128 | 1.4271 | 1.4409 |
| France (FFr/US\$) .............................. | 4.9864 | 5.1158 | 5.2427 | 5.4145 | 5.6536 | 5.7154 | 5.7672 | 5.7482 | 5.8293 | 6.0511 | 6.2010 | 6.0031 | 5.8954 | 5.8001 | 5.9542 | 6.0832 |
| Germany (DM/US\$) .................................... | 1.4321 | t. 5049 | 1.5525 | 1.6047 | 1.6747 | 1.6946 | 1.7119 | 1.7048 | 1.7277 | 1.7939 | 1.8400 | 1.7862 | 1.7575 | 1.7323 | 1.7788 | 1.8165 |
| Italy (LUS $¢$ ) .................................. | 16.2945 | 15.4276 | 15.2844 | 15.6791 | 16.5500 | 16.9121 | 16.9452 | 16.8433 | 16.9454 | 17.4591 | 17.9712 | 17.4322 | 17.2109 | 16.9708 | 17.4386 | 17.8787 |
| Japan (¥uS¢) ............................... | . 9396 | 1.0878 | 1.1398 | 1.1791 | 1.2296 | 1.2277 | 1.2564 | 1.1919 | 1.1429 | 1.1538 | 1.1793 | 1.2089 | 1.2106 | 1.2538 | 1.2973 | 1.2955 |
| Mexico (Peso/US\$) ........................... | 6.4467 | 7.6004 | 7.8769 | 7.8289 | 7.8023 | 7.9562 | 7.9059 | 7.9037 | 7.9498 | 7.8679 | 7.7818 | 7.7809 | 7.8708 | 8.2716 | 8.1271 | 8.2272 |
| United Kingdom (US\$/E) ..................... | 1.5785 | 1.5607 | 1.6639 | 1.6585 | 1.6285 | 1.6096 | 1.6293 | 1.6322 | 1.6449 | 1.6694 | 1.6035 | 1.6013 | 1.6330 | 1.6889 | 1.6597 | 1.6350 |
| Addendum: <br> Exchange value of the U.S. dollar ${ }^{1}$... | 84.25 | 87.34 | 88.71 | 91.01 | 94.52 | 95.60 | 96.39 | 95.29 | 95.42 | 97.48 | 99.96 | 98.29 | 97.07 | 96.37 | 98.82 | 100.52 |
|  | Unemployment rates (percent, seasonally adjusted) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada | 9.7 | 9.2 | 9.8 | 9.7 | 9.7 | 9.3 | 9.5 | 9.4 | 9.1 | 9.0 | 9.0 | 9.0 | 9.1 | 9.0 | 8.6 | 8.9 |
| France ............................................ | 12.3 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.6 | 12.5 | 12.5 | 12.5 | 12.5 | 12.4 | 12.2 | 12.1 |
| Germany ....................................... | 10.4 | 11.5 | 10.9 | 11.2 | 11.2 | 11.2 | 11.2 | 11.4 | 11.4 | 11.5 | 11.6 | 11.7 | 11.8 | 11.8 | 11.8 | 11.6 |
| Italy ................................................ | 12.1 | 12.3 |  |  | 12.2 |  | ............ | 12.4 |  | 3. | 12.1 |  |  | 12.2 |  |  |
| Japan ....................................... | 3.4 | 3.4 | 3.3 | 3.3 | 3.3 | 3.2 | 3.3 | 3.6 | 3.5 | 3.4 | 3.4 | 3.4 | 3.4 | 3.5 | 3.5 | 3.5 |
| Mexico .... | 5.5 | 3.7 | 5.0 | 4.5 | 4.2 | 4.2 | 4.2 | 3.9 | 3.4 | 3.8 | 3.4 | 3.3 | 3.2 | 3.3 | 3.2 |  |
| United Kingdom ................................ | 7.5 | 5.6 | 6.7 | 6.5 | 6.2 | 6.1 | 5.9 | 5.8 | 5.7 | 5.5 | 5.3 | 5.2 | 5.2 | 5.1 | 5.0 | 5.0 |
| Addendum: <br> United States $\qquad$ | 5.6 | 5.4 | 5.3 | 5.3 | 5.3 | 5.2 | 5.0 | 4.8 | 5.0 | 4.9 | 4.9 | 4.9 | 4.8 | 4.6 | 4.7 | 4.7 |
|  | Consumer prices (seasonally adjusted, 1990=100) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada ............................................. | 113.5 | 115.3 | 114.5 | 114.8 | 114.9 | 115.2 | 115.2 | 115.3 | 115.5 | 115.5 | 115.7 | 115.6 | 115.7 | 115.5 | 115.4 | 116.0 |
| France ........................................... | 113.8 | 115.2 | 114.4 | 114.7 | 114.9 | 115.0 | 115.0 | 115.2 | 115.2 | 115.0 | 115.3 | 115.5 | 115.5 | 115.7 | 115.7 | 115.3 |
| Germany (1991=100) ......................... | 116.5 | 118.6 | 117.0 | 117.6 | 118.1 | 117.9 | 117.9 | 118.4 | 18.6 | 119.2 | 119.3 | 119.0 | 118.9 | 118.9 | 119.1 | 119.1 |
| Italy ............................................. | 133.2 |  | 134.4 | 134.9 | 135.1 | 135.4 | 135.6 | 136.0 | 136.0 | 136.0 | 136.1 | 136.2 | 136.6 | 137.1 |  |  |
| Japan | 107.1 | 109.0 | 107.5 | 107.6 | 107.6 | 107.5 | 109.1 | 109.0 | 109.3 | 109.3 | 109.5 | 109.7 | 109.9 | 109.7 | 109.6 | 109.6 |
| Mexico | 301.7 | 364.0 | 333.3 | 341.9 | 347.6 | 352.0 | 355.8 | 359.0 | 362.2 | 365.3 | 368.6 | 373.2 | 376.2 | 380.4 | 385.7 | 394.1 |
| United Kingdom ................................. | 121.1 | 124.9 | 122.4 | 122.4 | 122.9 | 123.2 | 123.9 | 124.4 | 124.9 | 124.9 | 125.7 | 126.3 | 126.5 | 126.5 | 126.9 | 126.5 |
| Addendum: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| United States ............................... | 120.0 | 122.9 | 121.8 | 122.0 | 122.3 | 122.4 | 122.5 | 122.5 | 122.7 | 122.9 | 123.1 | 123.5 | 123.7 | 123.8 | 123.9 | 123.9 |
|  | Real gross domestic product (percent change from preceding quarter, seasonally adjusted at annual rates) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada | $\begin{array}{r} 1.2 \\ 1.5 \\ 1.4 \\ .6 \\ 3.9 \\ 5.1 \\ 2.3 \end{array}$ | $\square$ |  |  | $\begin{aligned} & 4.1 \\ & 1.3 \\ & 1.2 \\ & -9 . \\ & 8.3 \\ & 3.3 \\ & 4.6 \end{aligned}$ |  |  | $\begin{array}{r} 5.4 \\ 4.4 \\ 4.1 \\ 7.7 \\ -10.6 \\ 19.4 \\ 3.4 \\ \\ 3.3 \end{array}$ |  |  | 4.13.53.21.73.14.73.83.1 |  |  |  |  |  |
| France ........................................... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Germany ......................................... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Italy ................................................ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Japan .............................................. |  |  | ............ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mexico ....................................... |  |  | . |  |  |  |  |  |  |  |  |  |  |  |  |  |
| United Kingdom ................................... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Addendum: <br> United States $\qquad$ | 2.8 | 3.8 |  |  | 4.9 |  |  |  |  |  |  |  |  | 3.7 |  |  |

See footnotes at the end of the table.

Table H.1.-International Perspectives-Continued

|  | 1996 | 1997 | 1996 | 1997 |  |  |  |  |  |  |  |  |  |  |  | $\frac{1998}{\text { Jan. }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |  |
|  | Short-term, 3-month, interest rates (percent, not seasonally adjusted) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada | 4.43 | 3.53 | 3.08 | 3.11 | 3.10 | 3.20 | 3.41 | 3.29 | 3.22 | 3.51 | 3.63 | 3.60 | 3.76 | 3.99 | 4.58 | 4.62 |
| France | 3.94 | 3.46 | 3.44 | 3.35 | 3.33 | 3.36 | 3.40 | 3.48 | 3.43 | 3.39 | 3.43 | 3.41 | 3.59 | 3.69 | 3.69 | 3.62 |
|  | 3.31 | 3.33 | 3.23 | 3.14 | 3.19 | 3.26 | 3.23 | 3.17 | 3.14 | 3.14 | 3.26 | 3.31 | 3.58 | 3.74 | 3.74 | 3.57 |
| Italy ................................................................. | 8.82 | 6.88 | 7.25 | 7.23 | 7.36 | 7.43 | 7.13 | 6.83 | 6.88 | 6.89 | 6.87 | 6.67 | 6.65 | 6.49 | 6.08 | 6.09 |
| Japan .................................................................. | . 59 | . 60 | . 52 | . 53 | . 55 | . 56 | . 56 | . 58 | . 61 | . 67 | . 59 | . 56 | . 53 | . 55 | . 89 |  |
|  | 32.91 | 21.26 | 26.51 | 24.60 | 21.96 | 22.32 | 22.37 | 20.59 | 21.40 | 19.40 | 20.15 | 20.51 | 19.91 | 22.01 | 19.88 | 19.37 |
| United Kingdom ........................................................ | 6.02 | 6.83 | 6.34 | 6.32 | 6.19 | 6.20 | 6.37 | 6.45 | 6.66 | 6.95 | 7.15 | 7.20 | 7.25 | 7.54 | 7.62 | 7.48 |
| Addendum: <br> United States | 5.51 | 5.02 | 4.87 | 5.05 | 5.00 | 5.14 | 5.17 | 5.13 | 4.92 | 5.07 | 5.13 | 4.97 | 4.95 | 5.15 | 5.16 | 5.09 |
|  | Long-term interest rates, government bond yields (percent, not seasonally adjusted) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada | 7.54 | 6.47 | 6.81 | 6.99 | 6.74 | 6.92 | 7.09 | 6.90 | 6.63 | 6.30 | 6.30 | 6.19 | 5.94 | 5.76 | 5.85 | 5.58 |
| France ... | 6.51 | 5.67 | 5.82 | 5.69 | 5.39 | 5.80 | 5.93 | 5.96 | 5.67 | 5.50 | 5.65 | 5.55 | 5.80 | 5.66 | 5.45 | 5.26 |
| Germany ................................................................................................. | 6.10 | 5.50 | 5.70 | 5.70 | 5.40 | 5.60 | 5.70 | 5.60 | 5.60 | 5.40 | 5.50 | 5.50 | 5.50 | 5.50 | 5.30 | 5.10 |
|  | 8.85 | 6.55 | 6.95 | 6.76 | 6.93 | 7.55 | 7.37 | 7.02 | 6.82 | 6.38 | 6.53 | 6.10 | 5.90 | 5.81 | 5.44 | 5.21 |
| Japan .................................................................... | 2.98 | 2.11 | 2.57 | 2.38 | 2.40 | 2.27 | 2.36 | 2.55 | 2.37 | 2.12 | 2.01 | 1.88 | 1.62 | 1.73 | 1.66 | 1.77 |
|  | 7.82 | 7.04 | 7.55 | 7.54 | 7.20 | 7.46 | 7.65 | 7.16 | 7.13 | 7.04 | 7.08 | 6.80 | 6.50 | 6.61 | 6.36 | 6.09 |
| Addendum: <br> United States | 6.44 | 6.35 | 6.30 | 6.58 | 6.42 | 6.69 | 6.89 | 6.71 | 6.49 | 6.22 | 6.30 | 6.21 | 6.03 | 5.88 | 5.81 | 5.54 |
|  | Share price indices (not seasonally adjusted, 1990=100) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada ................................................................... | 154.0 | 189.0 | 173.0 | 179.0 | 180.0 | 171.0 | 175.0 | 187.0 | 188.0 | 201.0 | 193.0 | 206.0 | 200.0 | 190.0 | 196.0 | 196.0 |
| France | 118.0 | 152.0 | 128.0 | 135.0 | 145.0 | 148.0 | 145.0 | 149.0 | 151.0 | 161.0 | 161.0 | 160.0 | 159.0 | 151.0 | 157.0 | 163.0 |
| Germany ............................................................... | 115.6 | 158.4 | 124.9 | 130.0 | 138.9 | 145.8 | 145.7 | 154.4 | 160.2 | 174.8 | 176.4 | 170.2 | 171.5 | 161.5 | 171.2 | 176.7 |
| Italy ....................................................................... | 96.0 | 131.0 | 100.0 | 114.0 | 119.0 | 114.0 | 116.0 | 119.0 | 123.0 | 138.0 | 139.0 | 145.0 | 149.0 | 145.0 | 154.0 | 175.0 |
| Japan .................................................................... | 74.0 | 64.0 | 69.0 | 63.0 | 64.0 | 63.0 | 63.0 | 68.0 | 70.0 | 70.0 | 68.0 | 65.0 | 62.0 | 57.0 | 55.0 |  |
| Mexico | 554.8 | 779.2 | 589.5 | 639.7 | 673.7 | 657.4 | 658.9 | 696.1 | 781.9 | 888.9 | 815.3 | 933.4 | 815.2 | 872.5 | 917.2 | 801.4 |
| United Kingdom ......................................................... | 167.0 | 189.0 | 171.0 | 176.0 | 179.0 | 182.0 | 179.0 | 185.0 | 186.0 | 190.0 | 194.0 | 198.0 | 203.0 | 194.0 | 200.0 | 205.0 |
| Addendurm: <br> United States $\qquad$ | 195.0 | 249.0 | 213.0 | 220.0 | 228.0 | 227.0 | 219.0 | 236.0 | 249.0 | 262.0 | 262.0 | 267.0 | 272.0 | 268.0 | 275.0 | 275.0 |

1. Index of weighted average exchange value of U.S. dollar against currencies of other G-10 countries. March 1973 $=100$. Weights are 1972-76 global rrade of each of the 10 countries. Series revised as of August 1978 . For page 700 of the August 1978 Federal Reserve Bulletin.

Note.-All exchange rates are from the Board of Governors of the Federal Reserve System. U.S. interest rates, NoTE.-AIf exchange rates are from the Board of Governors of the Federal Resevve System. U.S. interest rates,
unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Staissics, and BEA, respectively. All other data (including U.S. consumer prices and U.S. share prices, both of which have been
rebased to 1990 to facilitate comparison) are $©$ OECD, March 1998. OECD Main EConomic Indicators and are rebaseduced with permission of the $O E C D$.
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## I. Charts

$\qquad$

## THE U.S. IN THE INTERNATIONAL ECONOMY




Billion \$


[^62]

Billion \$


Billion
5000
$\begin{array}{llll}5000 & \text { NET INTERNATIONAL INVESTMENT POSITION } \\ \text { VALUED AT CURRENT COST }\end{array}$

## Regional Data

## J. State and Regional Tables

The tables in this section include the most recent estimates of State personal income and gross state product. The sources of these estimates are noted.

The quarterly and annual State personal income estimates and the gross state product estimates are available on diskettes or $\operatorname{cD}-$ rom. For information on personal income, e-mail reis.remd@bea.doc.gov; write to the Regional Economic Information System, be-55, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5360. For information on gross state product, e-mail gspread@bea.doc.gov; write to the Regional Economic Analysis Division, be-61, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; or call 202-606-5340.

Table J.1.-Quarterly Personal Income for States and Regions

| Area name | Millions of dollars |  |  |  |  |  |  |  |  |  |  | Percent change ${ }^{1}$ |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1995 |  |  |  | 1996 |  |  |  | 1997 |  |  | $\begin{aligned} & \text { 1996:II\|- } \\ & \text { 1996:IV } \end{aligned}$ | $\begin{aligned} & \text { 1996:IV- } \\ & \text { 1997:! } \end{aligned}$ | 1997:1-1 | $\begin{aligned} & \text { 1997:I- } \\ & \text { 1997:II } \end{aligned}$ |
|  | 1 | II | III | N | 1 | 11 | III | N | 1 | II | III |  |  |  |  |
| United States | 6,040,235 | 6,102,138 | 6,166,454 | 6,242,674 | 6,344,946 | 6,446,004 | 6,526,017 | 6,602,689 | 6,730,234 | 6,813,111 | 6,890,952 | 1.2 | 1.9 | 1.2 | 1.1 |
| New England | 361,426 | 366,632 | 370,349 | 375,186 | 379,607 | 385,048 | 388,521 | 394,993 | 403,164 | 407,102 | 412,469 | 1.7 | 2.1 | 1.0 | 1.3 |
| Connecticut ........................................................ | 104,157 | 105,263 | 106,209 | 107,485 | 109,083 | \$10,491 | 111,78 | 112,912 | 116,058 | 117,258 | 119,092 | 1.6 | 2.8 | 1.0 | 1.6 |
| Maine | 24,630 | 24,975 | 24,979 | 25,282 | 25,590 | 25,984 | 26,251 | 26,669 | 27,068 | 27,371 | 27,668 | 1.6 | 1.5 | 1.1 | 1.1 |
| Massachusetts | 168,247 | 170,826 | 173,256 | 175,702 | 177,592 | 180,415 | 182,334 | 185,678 | 189,306 | 190,836 | 193,262 | 1.8 | 2.0 | 8 | 1.3 |
| New Hampsthire | 28,839 | 29,559 | 29,592 | 30,050 | 30,336 | 30,727 | 31,109 | 31,584 | 31,984 | 32,533 | 32,896 | 1.5 | 1.3 | 1.7 | 1.1 |
| Rhode Island ...................................................... | 23,121 | 23,507 | 23,684 | 23,853 | 23,971 | 24,270 | 24,341 | 24,743 | 25,105 | 25,330 | 25,600 | 1.7 | 1.5 | . 9 | 1.1 |
| Vermont ............................................................. | 12,433 | 12,502 | 12,630 | 12,815 | 13,034 | 13,160 | 13,307 | 13,407 | 13,643 | 13,773 | 13,952 | . 7 | 1.8 | 1.0 | 1.3 |
| Mideast | 1,186,541 | 1,194,849 | 1,203,961 | 1,216,140 | 1,237,524 | 1,251,871 | 1,264,426 | 1,280,913 | 1,304,447 | 1,311,683 | 1,325,982 | 1.3 | 1.8 | . 6 | 1.1 |
| Delaware | 18,424 | 18,573 | 18,823 | 19,208 | 19,552 | 19,842 | 20,252 | 20,735 | 20,806 | 20,858 | 21,170 | 2.4 | 1.3 | . 2 | 1.5 |
| District of Columbia | 17,979 | 17,999 | 18,011 | 18,097 | 18,444 | 18,299 | 18,629 | 18,787 | 19,046 | 18,980 | 19,128 | 8 | 1.4 | 0 | . 8 |
| Maryland | 132,435 | 133,396 | 134,073 | 135,171 | 137,621 | 139,245 | 140,748 | 142,657 | 145,585 | 146,772 | 148,279 | 1.4 | 2.1 | . 8 | 1.0 |
| New Jersey ........................................................... | 235,873 | 238,211 | 239,921 | 242,202 | 245,984 | 249,308 | 251,460 | 254,430 | 259,568 | 260,234 | 263,035 | 1.2 | 2.0 | . 3 | 1.1 |
| New York | 500,818 | $\begin{array}{r}502,971 \\ \hline 283\end{array}$ | 507,122 | 512,336 289 | 522,825 | 527,239 297 | 532,396 | 540,159 304 | 550,752 | 552,885 311,954 | 559,445 314,925 | 1.5 | 2.0 1.5 | ${ }^{4} 4$ | 1.2 |
| Pennsylvania | 281,013 | 283,700 | 286,012 | 289,126 | 293,099 | 297,938 | 300,941 | 304,145 | 308,691 | 31,984 | 314,925 | 1.1 | 1.5 | 1.1 | 1.0 |
| Great Lakes | 1,011,205 | 1,016,414 | 1,025,335 | 1,037,991 | 1,050,678 | 1,067,473 | 1,080,212 | 1,088,807 | 1,107,241 | 1,118,858 | 1,128,709 | . 8 | 1.7 | 1.0 | . 9 |
| Illinois | 297,953 | 299,874 | 302,507 | 306,538 | 311,898 | 316,298 | 320,221 | 323,827 | 329,728 | 334,795 | 338,706 | 1.1 | 1.8 | 1.5 | 1.2 |
| Indiana | 125,000 | 125,260 | 125,840 | 127,120 | 128,813 | 131,434 | 133,113 | 134,643 | 136,273 | 137,946 | 139,130 | 1.1 | 1.2 | 1.2 | . 9 |
| Michigan | 228,072 | 227,381 | 229,862 | 232,862 | 235,014 | 238,849 | 241,129 | 242,326 | 246,604 | 246,771 | 247,980 | . 5 | 1.8 | . 1 | . 5 |
| Ohio | 247,297 | 249,836 | 252,041 | 254,992 | 257,084 | 261,194 | 264,418 | 265,610 | 270,378 | 273,296 | 275,415 | . 5 | 1.8 | 1.1 | . 8 |
| Wisconsin | 112,884 | 114,063 | 115,086 | 116,480 | 117,869 | 119,697 | 121,331 | 122,402 | 124,257 | 126,050 | 127,478 | . 9 | 1.5 | 1.4 | 1.1 |
| Plains ..................................................................... | 396,928 | 401,414 | 405,940 | 411,894 | 422,854 | 430,289 | 436,027 | 440,502 | 447,509 | 454,004 | 458,272 | 1.0 | 1.6 | 1.5 | . 9 |
| lowa .................................................................. | 58,230 | 58,654 | 59,339 | 60,349 | 62,444 | 63,330 | 64,071 | 64,608 | 65,608 | 66,547 | 66,789 | . 8 | 1.5 | 1.4 | 4 |
| Kansas ............................................................. | 55,452 | 55,957 | 56,483 | 56,978 | 58,546 | 59,253 | 59,992 | 60,546 | 61,519 | 62,694 | 63,322 | . 9 | 1.6 | 1.9 | 1.0 |
| Minnesota | 108,996 | 110,264 | 111,360 | 113,501 | 116,196 | 118,885 | 120,959 | 122,079 | 123,362 | 125,624 | 127,214 | . 9 | 1.1 | 1.8 | 1.3 |
| Missouri .............................................................. | 114,669 | 116,225 | 117,492 | 118,622 | 121,011 | 122,784 | 124,035 | 125,633 | 128,408 | 129,378 | 130,487 | 1.3 | 2.2 | . 8 | . 9 |
| Nebraska | 34,259 | 34,631 | 35,324 | 36,008 | 36,963 | 37,686 | 38,117 | 38,681 | 39,335 | 39,833 | 40,287 | 1.5 | 1.7 | 1.3 | 1.1 |
| North Dakota ....................................................... | 11,619 | 11,828 | 11,871 | 12,141 | 12,842 | 13,111 | 13,347 | 13,338 | 13,507 | 13,758 | 13,933 | 0 | 1.3 | 1.9 | 1.3 |
| South Dakota ........................................................... | 13,702 | 13,854 | 14,072 | 14,295 | 14,853 | 15,239 | 15,505 | 15,617 | 15,769 | 16,170 | 16,240 | . 7 | 1.0 | 2.5 | . 4 |
| Southeast .............................................................. | 1,315,532 | 1,330,900 | 1,346,689 | 1,366,123 | 1,384,840 | 1,409,188 | 1,427,939 | 1,443,187 | 1,472,789 | 1,490,004 | 1,506,729 | 1.1 | 2.1 | 1.2 | 1.1 |
| Alabama | 80,849 | 81,643 | 82,531 | 83,247 | 84,122 | 85,655 | 86,740 | 87,568 | 88,998 | 89,800 | 90,587 | 1.0 | 1.6 | . 9 | . 9 |
| Arkansas | 44,006 | 44,711 | 45,284 | 46,153 | 46,329 | 47,567 | 48,005 | 48,436 | 48,995 | 50,187 | 50,252 | . 9 | 1.2 | 2.4 | . 1 |
| Florida | 322,062 | 325,801 | 330,072 | 334,334 | 342,159 | 346,800 | 351,320 | 355,118 | 362,557 | 366,848 | 371,547 | 1.1 | 2.1 | 1.2 | 1.3 |
| Georgia | 154,451 | 156,103 | 158,784 | 162,162 | 164,063 | 168,023 | 170,891 | 172,857 | 176,818 | 178,647 | 181,433 | 1.2 | 2.3 | 1.0 | 1.6 |
| Kentucky | 71,560 | 72,417 | 72,972 | 74,008 | 75,075 | 76,525 | 77,707 | 78,235 | 79,899 | 80,934 | 81,762 | . 7 | 2.1 | 1.3 | 1.0 |
| Louisiana | 81,220 | 81,823 | 82,912 | 83,053 | 83,917 | 85,273 | 86,111 | 86,892 | 88,374 | 89,748 | 90,871 | . 9 | 1.7 | 1.6 | 1.3 |
| Mississippi | 44,325 | 44,797 | 45,387 | 46,079 | 46,721 | 47,627 | 48,188 | 48,402 | 49,263 | 50,109 | 50,571 | 4 | 1.8 | 1.7 | . 9 |
| North Carolina | 148,917 | 151,505 | 153,258 | 156,724 | 158,014 | 161,859 | 163,920 | 166,616 | 770,544 | 172,999 | 174,230 | 1.6 | 2.4 | 1.4 | . 7 |
| South Carolina | 69,009 | 69,827 | 70,483 | 71,511 | 72,080 | 73,495 | 74,607 | 75,377 | 76,809 | 77,602 | 78,662 | 1.0 | 1.9 | 1.0 | 1.4 |
| Tennessee .......................................................... | 109,635 | 111,021 | 112,222 | 113,817 | 114,441 | 116,169 | 117,626 | 118,806 | 121,368 | 122,635 | 123,994 | 1.0 | 2.2 | 1.0 | 1.1 |
| Virginia ................................................................. | 157,790 | 159,368 | 160,764 | 162,642 | 165,259 | 167,219 | 169,444 | 171,277 | 175,302 | 176,238 | 178,236 | 1.1 | 2.3 | . 5 | 1.1 |
| West Virginia ........................................................ | 31,708 | 31,885 | 32,021 | 32,392 | 32,659 | 32,976 | 33,381 | 33,603 | 33,864 | 34,258 | 34,585 | . 7 | 8 | 1.2 | 1.0 |
| Southwest | 568,008 | 576,315 | 584,361 | 592,619 | 603,099 | 613,576 | 623,327 | 630,151 | 645,366 | 656,488 | 665,435 | 1.1 | 2.4 | 1.7 | 1.4 |
| Arizona | 85,300 | 86,460 | 88,345 | 89,968 | 92,200 | 93,851 | 95,623 | 96,709 | 99,123 | 100,860 | 102,407 | 1.1 | 2.5 | 1.8 | 1.5 |
| New Mexico | 30,231 | 30,580 | 31,009 | 31,304 | 31,823 | 32,152 | 32,367 | 32,526 | 33,301 | 33,837 | 34,154 | . 5 | 2.4 | 1.6 | . 9 |
| Okiahoma .................................................................................... | 60,341 | 61,041 | 61,604 | 62,385 | 63,239 | 64,273 | 65,003 | 65,541 | 67,017 | 67,547 | 68,659 | . 8 | 2.3 | . 8 | 1.6 |
| Texas ................................................................. | 392,135 | 398,234 | 403,402 | 408,962 | 415,838 | 423,301 | 430,334 | 435,376 | 445,924 | 454,244 | 460,215 | 1.2 | 2.4 | 1.9 | 1.3 |
| Rocky Mountain ............................................... | 172,902 | 174,647 | 177,649 | 180,764 | 183,459 | 187,084 | 190,154 | 192,566 | 196,311 | 199,637 | 202,462 | 1.3 | 1.9 | 1.7 | 1.4 |
| Colorado | 89,985 | 90,804 | 92,494 | 93,779 | 95,749 | 97,514 | 99,191 | 100,578 | 102,455 | 104,393 | 105,785 | 1.4 | 1.9 | 1.9 | 1.3 |
| Idaho ................................................................ | 21,944 | 22,135 | 22,446 | 22,945 | 23,112 | 23,581 | 23,795 | 23,877 | 24,354 | 24,760 | 25,169 | 3 | 2.0 | 1.7 | 1.7 |
| Montana ............................................................................................... | 15,891 | 16,029 | 16,250 | 16,456 | 16,566 | 16,788 | 17,017 | 17,213 | 17,294 | 17,536 | 17,660 | 1.2 | . 5 | 1.4 | 7 |
| Utah ................................................................. | 35,196 | 35,701 | 36,388 | 37,378 | 37,856 | 38,848 | 39,697 | 40,397 | 41,520 | 42,153 | 42,921 | 1.8 | 2.8 | 1.5 | 1.8 |
| Wyoming ........................................................... | 9,885 | 9,977 | 10,072 | 10,205 | 10,177 | 10,354 | 10,453 | 10,501 | 10,687 | 10,795 | 10,926 | . 5 | 1.8 | 1.0 | 1.2 |
| Far West | 1,027,694 | 1,040,967 | 1,052,169 | 1,061,958 | 1,082,884 | 1,101,474 | 1,115,412 | 1,131,570 | 1,153,405 | 1,175,334 | 1,190,893 | 1.4 | 1.9 | 1.9 | 1.3 |
| Alaska .................................................................. | 14,500 | 14,548 | 14,590 | 14,615 | 14,731 | 14,789 | 14,826 | 14,894 | 15,055 | 15,384 | 15,574 | . 5 | 1.1 | 2.2 | 1.2 |
| California ............................................................... | 752,421 | 761,430 | 768,728 | 775,160 | 790,291 | 803,573 | 812,716 | 825,321 | 840,004 | 855,514 | 866,436 | 7.6 | 1.8 | 1.8 | 1.3 |
| Hawaii | 29,352 | 29,669 | 29,633 | 29,716 | 29,902 | 30,067 | 30,150 | 30,169 | 30,549 | 30,837 | 31,095 | . 1 | 1.3 | . 9 | 8 |
| Nevada | 36,893 | 37,503 | 38,351 | 39,055 | 40,255 | 41,286 | 42,207 | 43,050 | 44,032 | 44,799 | 45,490 | 2.0 | 2.3 | 1.7 | 1.5 |
| Oregon .............................................................. | 67,167 | 688,155 | 69,323 | 70,580 | 71,934 | 73,336 | 74,683 | 75,735 | 77,505 | 79,098 | 80,046 | 1.4 | 2.3 | 2.1 | 1.2 |
| Washington ............................................................ | 127,361 | 129,663 | 131,544 | 132,832 | 135,771 | 138,424 | 140,830 | 142,401 | 146,261 | 149,703 | 152,252 | 1.1 | 2.7 | 2.4 | 1.7 |

1. Percent changes are expressed at quarterly rates and are calculated from seasonally adjusted unrounded data. NOTE.-The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the national income and product accounts (NIPA) estimate of personal income because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed
[^63]Table J.2.-Annual Personal Income and Disposable Personal Income for States and Regions

| Area name | Personal income |  |  |  |  | Disposable personal income |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Militions of dollars |  |  | Percent change ${ }^{1}$ |  | Millions of dollars |  |  | Percent change ${ }^{1}$ |  |
|  | 1994 | 1995 | 1996 | 1994-95 | 1995-96 | 1994 | 1995 | 1996 | 1994-95 | 1995-96 |
| United States .................................................................... | 5,774,806 | 6,137,875 | 6,479,914 | 6.3 | 5.6 | 5,036,648 | 5,343,656 | 5,593,988 | 6.1 | 4.7 |
| New England ............................................................................. | 345,430 | 368,398 | 387,042 | 6.6 | 5.1 | 295,605 | 313,755 | 325,596 | 6.1 | 3.8 |
| Connecticut .......................................................................... | 99,703 | 105,778 | 110,916 | 6.1 | 4.9 | 84,190 | 88,514 | 91,395 | 5.1 | 3.3 |
| Maine | 23,865 | 24,966 | 26,124 | 4.6 | 4.6 | 21,091 | 22,099 | 22,963 | 4.8 | 3.9 |
| Massachusetts | 160,247 | 172,008 | 181,505 | 7.3 | 5.5 | 135,860 | 145,105 | 151,149 | 6.8 | 4.2 |
| New Hampshire | 27,532 | 29,510 | 30,939 | 7.2 | 4.8 | 24,522 | 26,221 | 27,221 | 6.9 | 3.8 |
| Rhode Island ........................................................................ | 22,296 | 23,541 | 24,331 | 5.6 | 3.4 | 19,562 | 20,683 | 21,247 | 5.7 | 2.7 |
| Vermont ............................................................................... | 11,787 | 12,595 | 13,227 | 6.9 | 5.0 | 10,381 | 11,132 | 11,622 | 7.2 | 4.4 |
| Mideast ................................................................................... | 1,138,137 | 1,200,373 | 1,258,684 | 5.5 | 4.9 | 977,624 | 1,029,807 | 1,070,910 | 5.3 | 4.0 |
| Delaware ............................................................................. | 17,517 | 18,757 | 20,095 | 7.1 | 7.1 | 15,016 | 16,074 | 17,069 | 7.0 | 6.2 |
| District of Columbia ................................................................ | 17,795 | 18,021 | 18,539 | 1.3 | 2.9 | 15,167 | 15,405 | 15,859 | 1.6 | 2.9 |
| Maryland | 127,014 | 133,769 | 140,068 | 5.3 | 4.7 | 108,911 | 114,640 | 119,139 | 5.3 | 3.9 |
| New Jersey | 225,686 <br> 796156 | 239,052 | 250,295 | 5.9 | 4.7 | 193,487 | 205,302 | 212,443 | 6.1 | 3.5 |
| New York ........................................................................................... | 479,156 | 505,812 | 530,655 | 5.6 | 4.9 | 407,831 | 429,520 | 447,031 | 5.3 | 4.1 |
| Pennsylvania .......................................................................... | 270,969 | 284,963 | 299,031 | 5.2 | 4.9 | 237,212 | 248,867 | 259,369 | 4.9 | 4.2 |
| Great Lakes | 964,118 | 1,022,736 | 1,071,792 | 6.1 | 4.8 | 834,810 | 884,726 | 919,565 | 6.0 | 3.9 |
| Minois | 284,319 | 301,718 | 318,061 | 6.1 | 5.4 | 245,498 | 260,030 | 271,612 | 5.9 | 4.5 |
| Indiana | 119,665 | 125,805 | 132,001 | 5.1 | 4.9 | 103,684 | 109,145 | 113,693 | 5.3 | 4.2 |
| Michigan | 215,266 | 229,544 | 239,330 | 6.6 | 4.3 | 186,873 | 199, 127 | 206,030 | 6.6 | 3.5 |
| Ohio .... | 237,118 | 251,041 | 262,077 | 5.9 | 4.4 | 206,164 | 217,936 | 225,788 | 5.7 | 3.6 |
| Wisconsin | 107,749 | 114,628 | 120,325 | 6.4 | 5.0 | 92,591 | 98,488 | 102,442 | 6.4 | 4.0 |
| Plains | 382,697 | 404,044 | 432,418 | 5.6 | 7.0 | 333,873 | 351,357 | 373,267 | 5.2 | 6.2 |
| Iowa ................................................................................... | 56,787 | 59,143 | 63,613 | 4.1 | 7.6 | 49,894 | 51,960 | 55,617 | 4.1 | 7.0 |
| Kansas | 53,088 | 56,218 | 59,585 | 5.9 | 6.0 | 46,463 | 49,000 | 51,481 | 5.5 | 5.1 |
| Minnesota | 104,727 | 111,031 | 119,530 | 6.0 | 7.7 | 89,182 | 94,081 | 100,058 | 5.5 | 6.4 |
| Missouri | 109,613 | 116,752 | 123,366 | 6.5 | 5.7 | 96,242 | 102,314 | 107,573 | 6.3 | 5.1 |
| Nebraska ............................................................................ | 33,218 | 35,055 | 37,862 | 5.5 | 8.0 | 29,308 | 30,756 | 32,985 | 4.9 | 7.2 |
| North Dakota ........................................................................ | 11,661 | 11,865 | 13,159 | 1.7 | 10.9 | 10,437 | 10,602 | 11,748 | 1.6 | 10.8 |
| South Dakota ......................................................................... | 13,602 | 13,981 | 15,303 | 2.8 | 9.5 | 12,348 | 12,643 | 13,805 | 2.4 | 9.2 |
| Southeast .............................................................................. | 1,255,475 | 1,339,811 | 1,416,289 | 6.7 | 5.7 | 1,109,304 | 1,181,959 | 1,240,754 | 6.5 | 5.0 |
| Alabama | 77,344 | 82,067 | 86,021 | 6.1 | 4.8 | 68,892 | 73,043 | 76,151 | 6.0 | 4.3 |
| Arkansas ............................................................................. | 42,079 | 45,039 | 47,584 | 7.0 | 5.7 | 37,597 | 40,142 | 42,344 | 6.8 | 5.5 |
| Florida ................................................................................... | 306,657 | 328,067 | 348,849 | 7.0 | 6.3 | 271,419 | 289,716 | 305,142 | 6.7 | 5.3 |
| Georgia | 146,103 | 157,875 | 168,959 | 8.1 | 7.0 | 127,646 | 137,701 | 145,978 | 7.9 | 6.0 |
| Kentucky ................................................................................... | 68,670 | 72,739 | 76,885 | 5.9 | 5.7 | 60,451 | 63,930 | 67,208 | 5.8 | 5.1 |
| Louisiana .............................................................................. | 78,219 | 82,252 | 85,548 | 5.2 | 4.0 | 70,548 | 74,106 | 76,542 | 5.0 | 3.4 |
| Mississippi | 42,507 | 45,147 | 47,735 | 6.2 | 5.7 | 38,700 | 41,143 | 43,420 | 6.3 | 5.5 |
| North Carolina ................................................................ | 141,426 | 152,601 | 162,602 | 7.9 | 6.6 | 123,333 | 133,009 | 141,008 | 7.8 | 6.0 |
| South Carolina ................................................................. | 66,019 | 70,208 | 73,890 | 6.3 | 5.2 | 58,664 | 62,097 | 65,038 | 5.9 | 4.7 |
| Tennessee | 103,989 | 111,674 | 116,760 | 7.4 | 4.6 | 93,528 | 100,278 | 104,146 | 7.2 | 3.9 |
| Virginia | 151,487 | 160,141 | 168,300 | 5.7 | 5.1 | 130,741 | 138,126 | 144,189 | 5.6 | 4.4 |
| West Virginia ......................................................................... | 30,973 | 32,001 | 33,155 | 3.3 | 3.6 | 27,788 | 28,667 | 29,539 | 3.2 | 3.0 |
| Southwest .............................................................................. | 541,429 | 580,326 | 617,538 | 7.2 | 6.4 | 483,571 | 518,174 | 547,021 | 7.2 | 5.6 |
| Arizona .......................................................................................................... | 79,868 | 87,518 | 94,596 | 9.6 | 8.1 | 70,242 | 76,887 | 82,509 | 9.5 | 7.3 |
| New Mexico .......................................................................... | 28,518 | 30,781 | 32,217 | 7.9 | 4.7 | 25,388 | 27,508 | 28,661 | 8.4 | 4.2 |
| Oklahoma .............................................................................. | 58,69 | 61,343 | 64,514 | 4.5 | 5.2 | 52,010 | 54,409 | 56,831 | 4.6 | 4.5 |
| Texas ................................................................................. | 374,353 | 400,683 | 426,212 | 7.0 | 6.4 | 335,932 | 359,370 | 379,020 | 7.0 | 5.5 |
| Rocky Mountain ...................................................................... | 163,203 | 176,490 | 188,316 | 8.1 | 6.7 | 141,204 | 152,796 | 161,621 | 8.2 | 5.8 |
| Colorado ............................................................................. | 84,643 | 91,766 | 98,258 | 8.4 | 7.1 | 72,629 | 78,826 | 83,523 | 8.5 | 6.0 |
| Idaho ................................................................................... | 20,732 | 22,368 | 23,591 | 7.9 | 5.5 | 18,136 | 19,588 | 20,545 | 8.0 | 4.9 |
| Montana ........................................................................................... | 15,137 | 16,157 | 16,896 | 6.7 | 4.6 | 13,275 | 14,258 | 14,792 | 7.4 | 3.7 |
| Utah ................................................................................................ | 33,171 | 36,166 | 39,199 | 9.0 | 8.4 | 28,761 | 31,239 | 33,633 | 8.6 | 7.7 |
| Wyoming ....................................................................................... | 9.522 | 10,035 | 10,371 | 5.4 | 3.4 | 8,403 | 8,885 | 9,128 | 5.7 | 2.7 |
| Far West ................................................................................. | 984,317 | 1,045,697 | 1,107,835 | 6.2 | 5.9 | 860,656 | 911,081 | 955,254 | 5.9 | 4.8 |
| Alaska ................................................................................. | 14,125 | 14,563 | 14,810 | 3.1 | 1.7 | 12,247 | 12,655 | 12,778 | 3.3 | 1.0 |
| California .............................................................................. | 722,002 | 764,435 | 807,975 | 5.9 | 5.7 | 632,206 | 665,609 | 695,767 | 5.3 | 4.5 |
| Hawaii ............................................................................... | 28,469 | 29,593 | 30,072 | 3.9 | 1.6 | 24,640 | 25,916 | 26,119 | 5.2 | . 8 |
| Nevada ................................................................................ | 34,292 | 37.951 | 41,699 | 10.7 | 9.9 | 29,699 | 32,870 | 35,718 | 10.7 | 8.7 |
| Oregon ................................................................................ | 63,667 | 68,806 | 73,922 | 8.1 | 7.4 | 54,244 | 58,879 | 62,833 | 8.5 | 6.7 |
| Washington ............................................................................ | 121,762 | 130,350 | 139,356 | 7.1 | 6.9 | 107,62t | 115,154 | 122,040 | 7.0 | 6.0 |

1. Percent changes are calculated from unrounded data.

Noit.-The personal income level shown for the United States is derived as the sum of the sonal income because, by definition, it omits the earnings of Federal civilian and military personnel
stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms. It can also differ from the NiPA estimate because of different data sources and revision schedules. Source: Tables 1 and 3 in "State Personal Income, Revised Estimates for 1958-96" in the October 1997 SURvey of Gurrent Business.

Table J.3.-Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions, 1994-96

| Area name | Per capita personal income ${ }^{1}$ |  |  |  | Per capita disposable personal income ${ }^{1}$ |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Doliars |  |  | Rank in U.S. | Dollars |  |  | $\frac{\text { Rank in U.S. }}{\text { t996 }}$ |
|  | 1994 | 1995 | 1996 | 1996 | 1994 | 1995 | 1996 |  |
| United States | 22,180 | 23,348 | 24,426 |  | 19,345 | 20,327 | 21,087 |  |
| New England | 26,040 | 27,688 | 28,989 |  | 22,284 | 23,582 | 24,387 |  |
| Connecticut <br> Maine | 30,462 19,277 | 32,341 20,157 | ${ }_{21,011}^{33,875}$ | 36 | 25,722 17,036 | 27,063 17.842 | 278.913 18.469 | 17 |
| Massachusetts ....................................................................... | 26,522 | 28,332 | 29,792 | 3 | 22,486 | 23,901 | 24,810 | 3 |
| New Hampshire ................................................................ | 24,250 | 25,700 | 26,615 | 8 | 21,599 | 22,836 | 23,416 | 7 |
| Rhode Island .................................................................. | 22,383 | 23,738 | 24,572 | 18 | 19,638 | 20,856 | 21,457 | 18 |
| Vermont ....................................................................... | 20,299 | 21,538 | 22,470 | 29 | 17,878 | 19,036 | 19,743 | 28 |
| Mideast | 25,613 | 26,968 | 28,242 |  | 22,000 | ${ }^{23,136}$ | 24,028 |  |
| Delaware $\qquad$ | 24,748 31327 | 26,159 32499 | 27,724 34,129 | 5 | 21,215 26702 | 22,417 27780 | 23,549 29,195 | 5 |
|  | 25,405 | 26,547 | 27,618 | 6 | 21,784 | 22,751 | 23,491 | 6 |
| New Jersey .......................................................................... | 28,547 | 30,071 | 31,334 | 2 | 24,474 | 25,826 | 26,595 | 2 |
| New York ....................................................................... | 26,332 | 27.806 | 29,181 | 4 | 22,412 | 23,612 | 24,583 | 4 |
| Pennsylvania .................................................................... | 22,471 | 23,628 | 24,803 | 17 | 19,672 | 20,635 | 21,514 | 15 |
| Great Lakes ................................................................................ | 22,342 | 23,575 | 24,575 |  | 19,346 | 20,394 | 21,084 |  |
| Ilinois ..................................................................................... | 24,230 | 25,590 | 26,848 | 7 | ${ }^{20,922}$ | 22,054 | 22,928 | 8 |
|  | 20,611 | 24,702 24.066 | 22,601 24.945 | 28 16 | 18,032 19,699 | 18,828 20,877 | 19,466 | ${ }_{17}$ |
| $\begin{aligned} & \text { Michiy } \\ & \text { Ohio } \end{aligned}$ | 21,368 | 24,547 | 23,457 | 21 | 18,579 | +9,574 | 20,209 | 21 |
| Wisconsin ............................................................................. | 21,192 | 22,379 | 23,320 | 22 | 18,211 | 19,228 | 19,854 | 25 |
| Plains | 21,005 | 22,018 | 23,414 |  | 18,325 | 19,147 | 20,211 |  |
| lowa .......................................... | 20,049 | 20,802 | 22,306 | ${ }^{30}$ | 17,616 | 18,276 | 19,503 | 31 |
| Kansas ........................................... | 20,819 | 21,929 | 23,165 | 23 | 18,221 | 19,114 | 20,015 | 23 |
|  | 20,779 | 21,949 | 23,022 | 25 | 18,244 | ${ }_{19,234}$ | 20,075 | ${ }_{22}$ |
| Nebraska | 20,435 | 21,385 | 22,917 | 27 | 18,030 | 18,763 | 19,966 | 24 |
|  | 18,229 | 18,495 | 20,448 | 38 | 16,315 | 16,526 | 18,255 | 38 |
| South Dakota ............................................................... | 18,783 | 19,165 | 20,895 | 37 | 17,051 | 17,331 | 18,849 | 35 |
| Southeast | 20,003 | 21,076 | 22,016 |  | 17,674 | 18,593 | 19,288 |  |
| Alabama .................................................................... | 18,349 | 19,327 | 20,131 | 39 | 16,344 | 17,202 | 17,821 | 39 |
| Arkansas ....- | 17,142 | ${ }^{18,126}$ | 18,959 | 47 | 15,316 | ${ }^{16,155}$ | 16,872 | 45 |
| Florida ......................................................... | 21,959 | ${ }_{2}^{23,129}$ | 24,226 | 20 | 19,436 | 20,425 | 21,90 | 19 |
| Georgia <br> Kentucky | 20,686 17,949 | 18,860 | 29,797 <br> 18 | 42 | $\xrightarrow{\substack{8,801 \\ 15,801}}$ | 19,576 | 19,852 17,305 | 42 |
|  | ${ }_{18,135}$ | 18,960 | +9,664 | 43 | 16,356 | 17,083 | 17,605 | 40 |
| Mississippi | 15,937 | 16,745 | 17,575 | 50 | 14,504 | 15,260 | 15,986 | 50 |
| North Carolina ............................................................ | 19,979 | 21,188 | 22,205 | 32 | 17,423 | 18,467 | 19,256 | 33 |
| South Carolina ................................................................... | 18,138 | 19,146 | 19,977 | 40 | 16,116 | 16,934 | 17,584 | 41 |
| Tennessee ...................................................................... | 20,120 | 21,284 | 21,949 | 33 | 18.096 | 19,913 | 19,577 | 30 |
|  | 23,129 | 24,208 | ${ }^{25,212}$ | 14 | 19,961 | 20,880 | ${ }^{21,600}$ | 14 49 |
| West Virginia ................................................................ | 16,998 | 17,532 | 18,160 | 49 | 15,250 | 15,706 | 16,179 | 49 |
| Southwest ............................................................................. | 19,739 | 20,673 | 21,614 |  | 17,630 | 18,459 | 19,146 |  |
|  | 19,562 | 20,329 | 21,363 |  | 17,205 | 17.860 | 18,633 |  |
| New Mexico $\qquad$ | 17,88 18.039 | 18,215 18731 | 18,803 19.544 | 48 45 | 15,301 15985 | 16,278 <br> 16,614 <br> 8.6 | 16,727 | 48 |
|  | 20,308 | 21,311 | 22,282 | 31 | 18,224 | 19,114 | 19,815 | 27 |
| Rocky Mountain .................................................................. | 20,286 | 21,467 | 22,490 |  | 17,552 | 18,585 | 19,302 |  |
| Colorado ................................................................................. | 23,109 | 24,487 | 25,704 | 10 | 19,829 | 21,034 | 21,849 | 12 |
|  | 18,243 | 19,181 | 19,837 | 41 | 15.959 | 16,798 | 17,276 | 43 |
| Montana ...................... | 77,632 | 18.563 | 19,214 | 46 | 15,499 | ${ }^{16,382}$ | 16,821 | 46 |
|  | 20,013 | 20,941 | 21,544 | ${ }_{34}^{44}$ | 17,661 | 18,542 | 18,964 | 34 |
| Far West | 22,867 | 24,052 | 25,173 |  | 19,994 | 20,955 | 21,706 |  |
| Alaska | 23,487 | 24,170 | 24,398 | 19 | 20,364 | 21,002 | 21,050 | 20 |
| California | 23,022 | 24,217 | 25,346 | ${ }^{13}$ | 20,158 | 21,087 | 21,826 | 13 |
|  | 24,278 | 25,095 | 25,404 | 12 | 21,012 | 21,978 | 22,065 | 10 |
| Nevada .............................................................................. | 23,422 | 24,748 | 26,071 | 9 | 20,285 | 21,435 | ${ }^{22,280}$ | 9 |
| Oregon. | 20.575 | 21,851 | 23,074 | 24 | 17,530 | 18.698 | 19,612 | 29 |
| Washington .................................................................... | 22,755 | 23,927 | 25,187 | 15 | 20,112 | 21,138 | 22,057 | 11 |

[^64]Table J.4.-Gross State Product for States and Regions by Industry, 1994
[Millions of dollars]

| State and region | Rank of total gross state product | Total gross slate product | Farms | Agricultural services, forestry, and fishing | Mining | $\left\lvert\, \begin{gathered} \text { Construc- } \\ \text { tion } \end{gathered}\right.$ | Manufacturing |  |  | Transportation and public utiitites | Wholesale trade | Retail trade | Finance, insurance, and rea! estate | Services | Federal civilian government | Federal military government | State and local government |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  | Total | Durable goods | Nondurable goods |  |  |  |  |  |  |  |  |
| United States . |  | 6,835,641 | 82,197 | 35,651 | 90,058 | 269,232 | 1,197,098 | 673,139 | 523,959 | 606,354 | 461,863 | 609,908 | 1,273,678 | 1,342,720 | 182,651 | 79,948 | 604,284 |
| New England |  | 389,259 | 1,182 | 1,915 | 237 | 13,158 | 66,134 | 43,392 | 22,743 | 27,786 | 25,962 | 33,195 | 92,056 | 88,578 | 6,712 | 2,084 | 30,258 |
| Connecticut | 21 | 110,449 | 280 | 504 | 38 | 3,646 | 18,612 | 12,231 | 6,381 | 7,744 | 7,328 | 8,813 | 30,138 | 22,939 | 1,510 | 579 | 8,319 |
| Maine | 42 | 26,069 | 221 | 267 | 12 | 1,142 | 4,639 | 2,200 | 2,439 | 1,864 | 1,510 | 3,159 | 4,742 | 4,816 | 827 | 342 | 2,528 |
| Massachusetts | 10 | 186,199 | 296 | 777 | 113 | 5,943 | 30,387 | 20,245 | 10,142 | 12,883 | 13,237 | 14,784 | 42,919 | 47,245 | 3,134 | 678 | 13,804 |
| New Hampshire | 40 | 29,393 | 94 | 138 | 29 | 1,031 | 6,053 | 4,336 | 1,718 | 2,327 | 1,742 | 2,913 | 6,502 | 5,723 | 448 | 67 | 2,326 |
| Rhode island .... | 44 | 23,867 | 56 | 147 | 14 | 822 | 4,148 | 2,776 | 1,372 | 1,739 | 1,274 | 2,204 | 5,456 | 5,151 | 477 | 354 | 2,026 |
| Vermont ........ | 50 | 13,282 | 234 | 82 | 31 | 574 | 2,296 | 1,605 | 691 | 1,229 | 872 | 1,323 | 2,299 | 2,704 | 317 | 65 | 1,256 |
| Mideast |  | 1,327,798 | 4,504 | 4,012 | 2,355 | 45,626 | 183,235 | 85,106 | 98,129 | 114,721 | 86,894 | 100,291 | 321,733 | 294,563 | 46,598 | 7,278 | 115,987 |
| Delaware | 41 | -26,697 | 221 | 75 |  | 889 | 5,397 | 1,486 | 3,911 | 1,354 | 1,046 | 1,513 | 10,414 | 3,419 | 358 | 273 | 1,733 |
| District of Columbia |  | 48,028 | 0 | 13 | 7 | 428 | 1,267 | 153 | 1,114 | 2,596 | 577 | 1,367 | 6,888 | 15,636 | 16,102 | 1,166 | 1,981 |
| Maryland | 16 | 132,703 | 601 | 610 | 111 | 6,536 | 11,442 | 5,676 | 5,766 | 11,144 | 8,199 | 11,787 | 29,253 | 29,531 | 9,956 | 2,117 | 11,416 |
| New Jersey |  | 254,945 | 479 | 864 | 152 | 9,261 | 36,841 | 12,144 | 24,698 | 25,750 | 23,374 | 19,096 | 57,125 | 54,124 | 4,186 | 832 | 22,862 |
| New York | 2 | 570,994 | 1,399 | 1,221 | 428 | 16,661 | 70,346 | 35,556 | 34,790 | 46,605 | 35,683 | 40,005 | 164,081 | 129,468 | 8,443 | 1,804 | 54,850 |
| Pennsylvania ............................... | 6 | 294,431 | 1,805 | 1,229 | 1,653 | 11,852 | 57,941 | 30,091 | 27,850 | 27,272 | 18,014 | 26,523 | 53,972 | 62,385 | 7,553 | 1,087 | 23,145 |
| Great Lakes |  | 1,111,598 | 11,265 | 4,418 | 4,459 | 45,155 | 284,542 | 188,314 | 96,229 | 90,978 | 77,674 | 97,284 | 179,209 | 198,663 | 19,212 | 4,025 | 94,713 |
| Illinois | 4 | 332,853 | 3,515 | 1,321 | 1,273 | 14,086 | 62,441 | 35,277 | 27,164 | 31,940 | 26,639 | 27,549 | 63,253 | 66,853 | 6,357 | t,686 | 25,938 |
| Indiana ...................................... | 15 | 138,190 | 1,839 | 531 | 753 | 6.493 | 41,843 | 29,115 | 12,728 | 11,407 | 8,382 | 12,734 | 18,448 | 21,325 | 2,725 | 479 | 11,229 |
| Michigan .................................... |  | 240,390 | 1,486 | 887 | 938 | 8,584 | 71,415 | 54,414 | 17,001 | 16,156 | 16,373 | 19.958 | 36,385 | 42,288 | 2,814 | 527 | 22,580 |
| Ohio ......................................... | 7 | 274,844 | 2,121 | 1,039 | 1,238 | 10,583 | 73,887 | 48,605 | 25,282 | 22,592 | 18,534 | 25,922 | 41,404 | 47,899 | 5,225 | 1,032 | 23,366 |
| Wisconsin | 19 | 125,321 | 2,302 | 640 | 258 | 5,409 | 34,956 | 20,903 | 14,053 | 8,882 | 7,745 | 11,120 | 19,719 | 20,298 | 2,091 | 300 | 11,600 |
| Plains |  | 455,013 | 17,428 | 2,562 | 2,466 | 19,202 | 88,359 | 49,443 | 38,916 | 43,306 | 34,207 | 41,979 | 69,161 | 79,879 | 10,786 | 4,102 | 41,575 |
| Iowa .......................................... | 29 | 68,298 | 4,238 | 553 | 156 | 2,700 | 16,699 | 9,775 | 6,924 | 5,388 | 4,718 | 5,966 | 9,632 | 10,090 | 1,263 | 191 | 6,706 |
| Kansas ..................................... | 31 | 61,758 | 2,529 | 348 | 815 | 2,402 | 10,727 | 5,638 | 5,090 | 7,444 | 4,545 | 5,956 | 7,831 | 10,003 | 1,584 | 1,347 | 6,227 |
| Minnesota ................................... | 20 | 124,641 | 2,822 | 534 | 507 | 5,318 | 24,950 | 14,510 | 10,440 | 9,564 | 10,061 | 11,134 | 21,869 | 23,882 | 2,361 | 306 | 11,334 |
| Missouri ..................................... | 17 | 128,216 | 1,751 | 563 | 356 | 5,823 | 27,017 | 14,477 | 12,540 | 13,476 | 9,406 | 12,493 | 18,734 | 24,172 | 3,549 | 892 | 9,985 |
| Nebraska .................................... | 36 | 41,357 | 3,160 | 308 | 98 | 1,714 | 6,031 | 3,088 | 2,944 | 4,559 | 3,147 | 3,488 | 5,937 | 6,724 | 1,104 | 587 | 4,500 |
| North Dakota ............................... | 49 | 13,494 | 1,286 | 84 | 349 | 588 | 979 | 534 | 445 | 1,496 | 1,255 | 1,291 | 1,673 | 2,302 | 358 | 494 | 1,341 |
| South Dakota .............................. | 46 | 17,250 | 1,642 | 173 | 185 | 657 | 1,956 | 1,422 | 534 | 1,378 | 1,076 | 1,652 | 3,487 | 2,706 | 567 | 288 | 1,483 |
| Southeast |  | 1,478,627 | 20,175 | 7,841 | 21,509 | 60,747 | 282,972 | 126,435 | 156,537 | 143,740 | 97,808 | 144,130 | 226,278 | 263,453 | 45,781 | 31,101 | 133,092 |
| Alabama | 25 | 88,661 | 1,512 | 460 | 1,184 | 3,496 | 19,398 | 9,593 | 9,805 | 8,821 | 5,515 | 8,926 | 10,860 | 14,045 | 4,173 | 1,411 | 8,861 |
| Arkansas | 33 | 50,575 | 2,035 | 315 | 382 | 1,846 | 12,578 | 6,757 | 5,820 | 6,196 | 3,077 | 5,193 | 5,637 | 7,272 | 1,179 | 411 | 4,455 |
| Fiorida ... | 5 | 317,829 | 3,399 | 2,735 | 711 | 14,592 | 26,612 | 15,079 | 11,533 | 29,914 | 22,644 | 35,783 | 68,123 | 72,639 | 6,669 | 4,573 | 29,435 |
| Georgia | 11 | 183,042 | 2,491 | 768 | 752 | 6,707 | 32,576 | 13,383 | 19,192 | 21,865 | 16,355 | 16,714 | 28,563 | 31,980 | 5,667 | 3,519 | 15,085 |
| Kentucky | 26 | 86,485 | 1,867 | 442 | 2,941 | 3,429 | 23,221 | 12,545 | 10,676 | 8,305 | 4,770 | 7,651 | 9,514 | 12,471 | 2,683 | 1,803 | 7,387 |
| Louisiana | 22 | 101,101 | 882 | 369 | 9,995 | 4,476 | 17.417 | 4,311 | 13,107 | 11,059 | 5,784 | 8,717 | 13,260 | 16,738 | 1,841 | 1,320 | 9,241 |
| Mississippi | 32 | 50,587 | 1,256 | 287 | 356 | 1.855 | 11,854 | 7,015 | 4,839 | 6,228 | 2,840 | 5,008 | 5,680 | 7,597 | 1,522 | 1,064 | 5,039 |
| North Carolina | 12 | 181,521 | 3,420 | 786 | 229 | 7,078 | 53,629 | 19,739 | 33,890 | 14,315 | 11,692 | 16,338 | 23,465 | 26,345 | 3,148 | 4,882 | 16,194 |
| South Carolina ............................ | 27 | 79,925 | 724 | 363 | 158 | 3,473 | 21,787 | 8,403 | 13,384 | 6,399 | 4,367 | 8,043 | 10,297 | 11,632 | 1,864 | 2,273 | 8,545 |
| Tennessee ... | 18 | +26,539 | 1,242 | 476 | 347 | 4,677 | 30,611 | 16,049 | 14,562 | 10,646 | 9,232 | 13,881 | 16,217 | 23,663 | 4,450 | 694 | 10,403 |
| Virginia ..................................... | 13 | 177,708 | 1,147 | 737 | 1,074 | 7.443 | 27,435 | 11,047 | 16,389 | 15,425 | 9,694 | 14,820 | 30,823 | 33,594 | 11,646 | 9,009 | 14,860 |
| West Virginia .............................. | 39 | 34,654 | 200 | 101 | 3,380 | 1,675 | 5,854 | 2,514 | 3,341 | 4,567 | 1,836 | 3,057 | 3,838 | 5,477 | 939 | 142 | 3,587 |
| Southwest .................................... |  | 677,888 | 8,347 | 3,541 | 39,652 | 28,989 | 105,712 | 61,747 | 43,964 | 72,514 | 46,743 | 62,877 | 98,977 | 120,958 | 17,331 | 9,967 | 62,281 |
| Arizona ... | 24 | 94,093 | 810 | 673 | 1,114 | 5,116 | 13,973 | 11,155 | 2,817 | 8,345 | 5,677 | 10,034 | 17,115 | 18,155 | 2,538 | 1,200 | 9,343 |
| New Mexico | 37 | 37,832 | 564 | 178 | 2,702 | 1,781 | 5,117 | 4,422 | 695 | 3,672 | 1,645 | 3,551 | 5,130 | 6,595 | 1,791 | 834 | 4,272 |
| Oklahoma ................................... | 30 | 66,189 | 1,591 | 311 | 3,281 | 2,069 | \$1,060 | 6,615 | 4,445 | 7,281 | 4,051 | 6,663 | 8,203 | 10,788 | 2,500 | 1,476 | 6,915 |
| Texas .............. | 3 | 479,774 | 5,381 | 2,379 | 32,555 | 20,024 | 75,562 | 39,555 | 36,007 | 53,216 | 35,369 | 42,630 | 68,529 | 85,419 | 10,502 | 6,456 | 41.750 |
| Rocky Mountain |  | 198,132 | 3,989 | 1,120 | 8,816 | 10,271 | 24,790 | 15,011 | 9,779 | 22,017 | 11,869 | 19,563 | 29,743 | 37,142 | 7,215 | 3,034 | 18,564 |
| Colorado ... | 23 | 99,767 | 1,180 | 506 | 1,660 | 5,234 | 12,299 | 7,197 | 5,102 | 11,014 | 6,341 | 10,039 | 16,825 | 20,626 | 3,424 | 1,885 | 8,736 |
| Idaho | 43 | 24,185 | 1,260 | 276 | 169 | 1,536 | 4,612 | 3,030 | 1,583 | 2,481 | 1,456 | 2,502 | 3,092 | 3,771 | 760 | 268 | 2,301 |
| Montana | 47 | 16,862 | 835 | 135 | 837 | 758 | 1,317 | 763 | 555 | 2,152 | 1,049 | 1,714 | 2,261 | 3,061 | 742 | 266 | 1,734 |
| Utah ......................................... | 35 | 41,657 | 418 | 123 | 1,484 | 2,15 $\dagger$ | 5,891 | 3,806 | 2,086 | 4,008 | 2,532 | 4,268 | 5,905 | 8,221 | 1,901 | 412 | 4,346 |
| Wyoming .................................... | 48 | 15,660 | 297 | 79 | 4,666 | 59 t | 670 | 215 | 455 | 2,662 | 482 | 1,040 | 1,661 | 1,464 | 388 | 202 | 1,447 |
| Far West ..... |  | 1,197,326 | +5,306 | 10,241 | 10,563 | 46,084 | 161,354 | 103,692 | 57,662 | 91,293 | 80,707 | 110,589 | 256,519 |  | 29,015 | 18,357 |  |
| Alaska ...................................... | 45 | 22,720 |  | 356 | 4,238 | 1,038 | 1,149 | 317 | 833 | 3,835 | 672 | 1,539 | 2.480 | 2,653 | 1,113 | 1.094 | 2,535 |
| California | 1 | 875,697 | 11,171 | 7,189 | 4,459 | 29,222 | 121,842 | 76,608 | 45,234 | 63,122 | 59,860 | 79,662 | 199,078 | 193,314 | 18,900 | 11,187 | 76,691 |
| Hawaii | 38 | 36,718 | 282 | 198 | 26 | 2,151 | 1,128 | 296 | 832 | 3,475 | 1,414 | 4,063 | 8,584 | 7,586 | 1,745 | 2,623 | 3,442 |
| Nevada | 34 | 43,958 | 142 | 178 | 1,438 | 3,090 | 2,002 | 1,269 | 733 | 3,376 | 1,990 | 4,084 | 8,058 | 14,967 | 840 | 435 | 3,358 |
| Oregon | 28 | 74,366 | 1,481 | 734 | 96 | 3,447 | 14,814 | 11,260 | 3,554 | 5,909 | 5,888 | 6,773 | 12,464 | 13,248 | 2,020 | 223 | 7,269 |
| Washington .................................. | 14 | 143,867 | 2,212 | 1,586 | 306 | 7,137 | 20,418 | 13,942 | 6,476 | 11,576 | 10,882 | 14,467 | 25,856 | 27,716 | 4,397 | 2,795 | 14,519 |

NOTE--Totals shown for the United Slates differ from the NIPA estimates of gross domestic product (GDP) because State data exclude the stalistical discrepancy (the diliterence between GDP and gross domestic income), the
ital lor military strucures located abroad and for militany equipment, except office equipment; they may also differ
trom the GDP estimates because of ditiferences in revision schedules.

## K. Local Area Table

Table K.1.-Personal Income and Per Capita Personal Income by Metropolitan Area, 1993-95

| Area name | Personal income |  |  |  | Per capita personal income ${ }^{3}$ |  |  |  | Area name | Personal income |  |  |  | Per capita personal income ${ }^{3}$ |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Millions of dollars |  |  | Percent Change ${ }^{2}$ | Dollars |  |  | $\begin{array}{\|c\|} \hline \text { Rark in } \\ \text { U.S. } \\ \hline \end{array}$ |  | Millions of dollars |  |  | $\begin{array}{l}\text { Percent } \\ \text { change }\end{array}$ <br> 1994-95 | Dollars |  |  | $\begin{array}{\|c\|} \hline \begin{array}{c} \text { Rank in } \\ \text { U.S. } \end{array} \\ \hline 1995 \\ \hline \end{array}$ |
|  | 1993 | 1994 | 1995 | 1994-95 | 1993 | 1994 | 1995 | 1995 |  | 1993 | 1994 | 1995 |  | 1993 | 1994 | 1995 |  |
| United States $\qquad$ Metropolitan portion | $5,541,129$ | $\begin{aligned} & 5,739,851 \\ & 4,850,244 \end{aligned}$ | $\begin{aligned} & 6,097,977 \\ & 5,162,277 \end{aligned}$ | $\begin{aligned} & 6.2 \\ & 6.4 \end{aligned}$ | $\begin{aligned} & 21,223 \\ & 22,481 \\ & \hline \end{aligned}$ | $\begin{aligned} & 22,044 \\ & 23,327 \end{aligned}$ | $\begin{aligned} & 23,196 \\ & 24,594 \end{aligned}$ |  | Colorado Springs, CO | 8,301 | 8,931 | 9,660 | 8.2 | 19,104 | 19,684 | 20,770 | 166 |
| Nonmetropolitan portion .................. | 843,874 | 889,607 | +935,700 | 5.2 | 16,239 | 16,959 | 17,658 |  | Columbia, MO | 290 | 443 | ,08 | 6.7 | 19,212 | 20,178 | 21,137 | 157 |
| Consolidated Metropolitan Statistical Areas |  |  |  |  |  |  |  |  | Columbus, ${ }^{\text {cha }}$ columbus, OH . | 4,612 <br> 30,328 | 9,818 4,798 32,441 | $\begin{array}{r}10,464 \\ 5060 \\ 34,614 \\ \hline\end{array}$ | 6.6 5.4 6.7 | $\begin{aligned} & 19,362 \\ & 17,023 \\ & 21525 \end{aligned}$ | $\begin{aligned} & 20,702 \\ & 17,59 \\ & 2,829 \end{aligned}$ | $\begin{aligned} & 21,733 \\ & 18,616 \\ & 24,132 \end{aligned}$ | 131 259 68 |
| Chicago-Gary-Kenosha, IL-IN-WI ... | 210,079 | 220,224 | 234,889 | 6.7 | 24,869 | 25,906 | 27,481 |  | Corpus Christi, | 6,128 | 6,469 | 6,833 | 5.6 | 16,594 | 17,190 | 17,984 | 285 |
| Cincinnati-Hamillon, OH -KY-IN | 40.549 | 42.522 | 45,310 | 6.6 | 21,559 | 22.436 | 23,752 |  | Cumberland, MD-W | 1,610 | 1,682 | 1,765 | 5.0 | 15,894 | 16,627 | 17,460 | 293 |
| Cleveland-Akron, OH ............ | 64,737 | 67,827 | 72,102 | 6.3 | ${ }^{22,388}$ | 23,350 | 2,792 |  | Dalas TX | $\begin{array}{r}68,719 \\ 1 \\ \hline\end{array}$ | 73,638 | 79,737 | 8.3 | 24,084 | 25,2 | 26,803 | 32 |
| Dallas-Fort Worth, TX | 98,735 | 105,222 | 113,633 | 8.0 | 23,006 | 24,034 | 25,418 |  | Danville, VA ............ | 1,793 | 1,865 | 1,965 | 5.3 | 16,395 | 16,972 | 17,930 | 286 |
| Denver-Boulder-Greeley, CO | 51,988 | 54,925 | 59,361 | 8.1 | 24,211 | ${ }^{25,084}$ | ${ }^{26,561}$ |  | Davenport-Moline-Rock Istand, IA. |  |  |  |  |  |  |  |  |
| Detroi-Ann Arbor--ilint, Mi | 121,25 93,005 | 1311581 97 | 140,169 104,073 | 6.5 | 23,048 | 23,693 | 24,910 |  | Dayton-Springfield, OH ................. | 7,016 19,884 | 7,337 20,823 | 7,722 22,132 | 5.3 | $\begin{gathered} 1,646 \\ 20,734 \end{gathered}$ | $\left\{\begin{array}{l} 20,534 \\ 21,834 \end{array}\right.$ | 21,588 23,238 | 137 89 |
| Los Angeles-Riverside-Orange |  |  |  |  |  |  | 23290 |  | Dayt | 7,417 | 7,867 | 8.464 | 7.6 | 120 |  |  | 249 |
| County, CA .-................... | 331,389 | 337,71 | 357,571 | 5.9 | 21,822 | 22,122 | 23,200 |  | Decatur, AL | 2.466 | 2.623 | 2772 | 5.7 | 17,912 | 19 |  | 249 |
| Miami-Fort Lauderdale, FL ..... | 18 | 74,618 | 80,095 | 7.3 | 21,514 | 21,965 | ${ }^{23,155}$ |  | Decatur, 11 | 2,360 | 2.434 | 2.517 | 3.4 | 20,106 | 20.851 | 21,640 | 134 |
| Wilwaukee-Racine, WI | 37,629 | 39,592 | 42,025 | 6.1 | 23,036 | 24,182 | 25,36 |  | Denver, $\mathrm{CO}^{\text {a }}$ | 43,300 | 45,764 | 49,546 | 8.3 | 24,570 | 25,494 | 27,069 | 28 |
| New York-No. New Jersey-Long is- |  |  |  |  |  |  |  |  | Des Moines, IA | 9,387 | 10,014 | 10,709 | 6.9 | 22,747 | 23,987 | 25,331 | 45 |
|  | 564,130 | 585,058 | 619,024 | 5.8 | 28,691 | 29,654 | 31,280 |  | Detroit, MI | 100,582 | 108,703 | 115,754 | 6.5 | ${ }^{23,395}$ | 25,320 | 26,889 | 31 |
| Priladelphia-Wimington-Atantic |  |  |  |  |  |  |  |  | Dothan, AL | 2,264 | 2,372 | 2,506 | 5.7 | 16,919 | 17,819 | 18,777 | 250 |
| City, PA-NJ-DE-MD | 147,099 | 151,972 | $\begin{gathered} 160,677 \\ 19,170 \end{gathered}$ | $\begin{aligned} & 5.7 \\ & 8.5 \end{aligned}$ | $\left\|\begin{array}{l} 24,743 \\ 21,236 \end{array}\right\|$ | $\left\|\begin{array}{l} 25,497 \\ 22,308 \end{array}\right\|$ |  |  | Dover, DE | 2,069 | 2,177 | 2,344 | 7.7 | 17,494 | 18,232 | 19,333 | ${ }^{226}$ |
|  | 33,416 | 35,017 | 37,534 | 7.2 | 21,212 | 22,052 |  |  | Dubuque, 1 A | 1,669 | 1,771 | 1,865 | 5.3 | 19,01 | 20,113 | 21,160 | 155 |
| San Francisco-Oakland-San |  |  |  |  |  | 2,032 | 23,332 |  | Duluth-Superior, MN-WI ................ | 4,338 | 4,540 | 4,782 | 5.3 | 17,959 | 18,834 | 19,959 | 199 |
| CA | 181,386 | 187,916 | 20 | 7.3 | 28,055 | 28,901 | 30,802 |  | Dutchess County, NY* | 6,092 | 6,132 | 6,302 | 2.8 | 23,177 | 23,474 | 24,098 | 69 |
| Seatle-Tacoma-Bremerton, WA .... | 77,103 | 80,757 | 85,826 | 6.3 | 24,214 | 25,062 | 26,231 |  | Eau Claire, WI | 2.440 | 2,584 | 2,754 | 6.5 | 17,29 | 18,218 | 19,335 | 225 |
| Washington-Baltimore, DC-MD-VA. WV | 185,306 | 194,456 | 204,0 | 4.9 | 26,550 | 27,584 | 28,706 |  | El Paso, TX .....] | 8,391 3,317 | 8,809 3,564 | 9,299 | 5.6 | 12,96 | 13,211 | 13,702 22.660 | 312 |
|  |  |  |  |  |  |  |  |  | Elimira, NY | 1,686 | 1,773 | 1,863 | 5.0 | 17,745 | 18,766 | 19,817 | 206 |
| Metropoilian |  |  |  |  |  |  |  |  | Enid, OK | 1,031 | 1,063 | 1,099 | 3.3 | 18,246 | 18,719 | 19,160 | 235 |
| Albany, GA | 1,915 | 2,063 | 2,199 | 6.6 | 16,507 | 17,711 | 18,849 | 246 | Eugene-Springifield, OR....- | 5 | 5,071 | 6,043 6,360 | 4.8 | 20.505 | 21,184 | 22,124 | ${ }_{124}$ |
| Albany Schenectad | 19,396 | 20,365 | 21,004 | 3.1 | 22,194 | ${ }^{23,082}$ | 23,837 | 73 | Fargo-Moorhead, ND-MN | 2,952 | 3,165 | 3,348 | 5.8 | 18,469 | 19,535 | 20,433 | 180 |
| Albuquerque, AM | 12.071 | 13,056 | 14,188 | 8.7 | 19,145 | 20,175 | 21,452 | 142 | Fayetevile NC |  |  |  |  |  |  |  |  |
|  |  |  |  |  | 1754 |  |  | 4 | Fayellevile, NC |  |  |  |  | 16,813 | 7,252 | 18,289 | 271 |
| Alentown-betl | 12,287 | $\stackrel{1}{2} 2.379$ | 14,580 2 | 4.9 | ${ }^{217,338}$ | 17,963 | 18.891 | 244 | raye | +,679 | 1,820 | + | 8.1 | 18.381 | 19,293 | 20,060 | 192 |
| Amarillo, TX | ${ }_{3,673}^{2,68}$ | 3,916 | 4,188 | 7.0 | 18,801 | 19,664 | 20,464 | 177 | ${ }_{\text {Flint, }}$ M1 ${ }^{\text {F }}$ | ${ }_{8,418}$ | 9,407 | 9,908 | 5.3 | 19,469 | 15,959 | ${ }_{22,815}^{16,73}$ | 101 |
| Anchorage, AK .... | 6,616 | 6,921 | 7,015 | 1.4 | 26,465 | 27,484 | 27,914 | 22 | Florence, | 2,256 | 2,397 | 2,547 | 6.3 | 16,67 | 17.801 | 18.837 | 248 |
| Afn Arbor, Mi* | 12,251 | 13,472 | 14.508 | 7.7 | 24,101 | 26,255 | 27,829 | 24 | Florence, SC | 2.067 | 2,177 | 2,301 | 5.7 | 17,285 | 17,981 | 18,767 | 251 |
| Anniston, AL | 1,8 | 1,916 | 2,024 | 5.6 | 15,859 | 16,989 | 17,840 | 289 | Fort Colins-Loveland | 4,075 | 4,368 | 4,26 | 8.2 | 19,875 | 2,538 | 21,747 | ${ }^{130}$ |
| Appleton-Oshkos | 6,735 | 7,178 | 7,672 | 6.9 | 20,497 | 21,596 | 22,810 | 102 | Fort Myers-Cape Coral, FL | 7,784. | 8,259 | 8,880 | 7.5 | 21,672 | 2,2450 | 23,66 | 78 |
|  | 3,920 | 4,095 | 4,391 | 7.2 | 19,491 | 20,050 | 21,181 | 154 | Fort Pierce-Port St. Lucie, FL. | 6,126 | 6,362 | 6,866 | 7.9 | 22,491 | 22,847 | 24,313 | 64 |
| Athens, GA | 2,276 | 2,416 | 2,606 | 7.8 | 17,390 | 18.094 | 19,320 |  |  |  |  |  |  |  |  |  |  |
| Attanta, GA | 75,166 | 80,871 | 87,956 | 8.8 | 23,260 | 24,299 | 25,563 | 42 | Fort Smith, AR-OK | 3,014 | 3,244 | 3,428 | 5.7 | 16,410 | 17,515 | 18,167 | 276 |
| Atlantic-Cape May, $\mathrm{NJ}^{*}$ Augusta-Aiken, GA-SC | 8,192 8,114 | 8, 8,502 | 8,964 8,809 | 5.4 4.5 | ${ }^{24,973}$ | 25,768 18790 | 27,020 | 29 | Fort Wation Beach, | 2,914 | 3,060 | 3,237 | 5.8 | 18,491 | 19,007 | 19,795 | 208 |
| Austin-San Marcos, TX. | 18,737 | 20,31 |  | 9.9 | 20,048 | 20,977 | 22,185 | 123 | Fort Wayne, iN | 9,698 | 10,202 | 10,867 | 6.5 | 20,803 | 21.768 | 23,048 |  |
| Bakerstield, CA .... | 10,073 | 10,218 | 10,860 | 6.3 | 16,798 | 16,711 | 17,625 | 291 | Fort Worth-Arlington, $\mathrm{TX}^{*}$ | 30,015 | 31.585 | 33,896 | 73 | 20,86 | 21,527 | 22,66 | 106 |
| Batimore, MD* | 56,91 | 59,799 | 62.55 | 4.6 | 23,282 | 24.326 | 25,347 | 44 | Gadsden, AL | 1,639 | 1,727 | 1,839 | 6.4 | 16,42S | 16,995 |  | 281 |
| Bangor, ME (NECMA) | 2,518 | 2,601 | 2,728 | 4.9 | 17,228 | 17,777 | 18,747 | 252 | Gainesville, FL | 3,473 | 3,663 | 3,905 | 6.6 | 18,193 | 18,961 | 19,984 | 198 |
| Barnstable-Yarmouth, MA |  |  |  |  |  |  |  |  | Galveston-Texas City, TX $^{*} \ldots . . . . . . . . . .$. | 4,497 | 4,731 | 5,065 | 7.0 | 19,381 | 20,130 | 21,300 | 149 |
| (NECMA) | 4,870 | 5,106 | 5,492 | 7.6 | 25,286 | 26,090 | 27.568 | 25 | Gary, $\mathbb{N}^{*}$. | 11,998 2 | ${ }^{12} 26.613$ | $\xrightarrow{13,369}$ | 6.0 | 19,472 | 20,397 | 21,534 | 139 |
| Baton Rouge, LA | 10,492 | 11,233 | 11,919 | 6.1 | 18,962 | 20,114 | 21,159 | 156 | Glens Falls, NY ..... | 2,146 | 2,267 | 2,364 | 4.3 | 17,602 | 18,598 | 19,326 | 227 |
| Beaumont-Port Arthur, TX Bellingham, WA | $\stackrel{6,711}{2,593}$ | 6,951 2,789 | 7,348 | 5.7 5.9 | 178,973 | 19,097 | 19,541 | 221 210 | Goldsboro, NC | 1,664 | 1.768 | 1,895 | 7.2 | 15,408 | 16,261 | 17,127 | 295 |
| Benton Harbor, | 3,073 | 3,257 | 3.442 | 5.7 | 19,018 | 20,193 | 21,284 | 150 | Grand Forks, ND-MN ... | 1,707 | 1,809 | 1,906 | 5.4 | 16,492 | 17326 | 18,297 | 270 |
| Bergen-Passaic, N | 40,789 | 42,024 | 44,345 | 5.5 | 31,489 | 32,291 |  | 4 | Grand Jun | 1,768 | 1,866 | 2,007 | 7.6 | 17,553 | 18,016 | 18,904 | 243 |
| Bilings, MT ........... | 2,361 5 5 | 2.515 | ${ }_{6}^{2.662}$ | 4.8 | 19,543 16315 | 20,472 | 21,345 | 146 288 |  |  |  |  |  |  |  |  |  |
| Bilox-Gultpor-Pascagoula, MS ...... | 5,374 | 5,852 | 6,104 | 4.3 | 16,3 | 17, | 17,8 | 288 | Great Falls, | 20,059 1,500 | 21,527 | $\xrightarrow{23,232} 1$ | 7.6 | ${ }_{\text {18,682 }}^{20,59}$ | 21,811 | 20,043 | 91 94 |
| Binghamton, NY | 5,071 | 5,172 | 5,269 | 1.9 | -19,165 | 19,727 | 20,446 | 178 | Greeley, $\mathrm{CO}^{+}$ | 2,466 | 2.529 | 2,700 | 6.8 | 17,548 | 17,470 | 18,178 | 275 |
| Birmingham, AL | 17,846 | 18.960 | 20,283 | 7.0 | 20,644 | 21.547 | 22,830 | 99 | Green Bay, WI. | 4,349 | 4,622 | 4,936 | 6.8 | 21,236 | 22,267 | 23,429 | 85 |
| Bismarck, ND Bloomington, $\mathrm{IN}^{2}$ | 1,627 1,939 | 1,697 2,029 | $\begin{array}{r}1,814 \\ 2 \\ 2 \\ \hline 147\end{array}$ | 6.9 5.8 | 17,634 | -17,844 | 20,342 | 182 261 | Greensboro-Winston-Salem-High |  |  |  |  |  |  |  |  |
| Bioomington-Normal, | 2,797 | 3,056 | 3,213 | 5.1 | 20,722 | 22,417 | 23,229 | 90 | Greenville, NC | 2,041 | 2,174 | ${ }_{2}^{26339}$ | 7.6 | 17,889 | 188,712 | 19,813 | 8 |
| Boise City, ID...................... | 6,932 | 7,629 | 8,330 | 9.2 | 20,711 | 21,885 | 23,052 | 94 | Greenville-Spartanburg-An |  |  |  |  |  |  |  |  |
| Boston-Worcester-Lawrence-Lo |  |  |  |  |  |  |  |  | SC | 15,643 | 16,66 | 17,948 | 7.7 | 18,14 | 19,08 | 20,30 | 184 |
| Boulder-Longmont, $\mathrm{CO}^{+}$ | 146,890 6 | 153,74 <br> 6,632 | 764,7817 | 7.3 | 25,451 | 26,535 | ${ }_{27,978}$ | 20 | Hagerstown, M0* | 2,156 | 2,296 | 2,382 | 3.8 | 17,134 | 18,162 | 18,740 | 253 |
| Brazoria, TX | 3,775 | 3,970 | 4,240 | 6.8 | 18,112 | 18,662 | 19,595 | 218 | Hamilton-Middletewn; $\mathrm{OH}^{+}$ | 6,076 | 6,438 | 6,882 | 6.9 | 19,679 | 20,377 | 21,527 | 141 |
| Bremerton, WA* ......................... | 4,108 | 4,293 | 4,529 | 5.5 | 19,292 | 19,802 | 20,004 | 197 | Harrisburg-Lebanon-Carisle, PA .... | 13,179 | 13,751 | 14,533 | 5.7 | 21,753 | 22,546 | 23,752 | 75 |
| Brownsville-Hartingen-San |  |  |  |  |  |  |  |  | Hartiord, CT (NECMA) | $\underset{\substack{29,95 \\ 1,52}}{1}$ | ${ }^{30,762}$ | 32,169 1,761 | 7.6 | 26,813 | 15,773 | ${ }^{28,962}$ | 304 |
| T1.. | 3,259 | 3,476 | 3,682 | 5.9 | 11.246 | 11,610 | 11,960 | 313 | Hickory-Morganton-Len | 5,602 | 5,945 | 6,286 | 5.7 | 18,527 | 19,402 | 20,235 | 186 |
| Bryan-College Station, TX | 1,877 | 1,985 | 2,086 | 5.1 | 14,524 | 15.187 | +5,872 | 306 | Honolilu, Hi | 21,675 | 22,254 | 22,901 | 2.9 | 25,150 | 25,602 | 26,300 | 35 |
| Butfialo-Niagara, Falls, NY. | 24,140 | 25.509 | 26.766 | 4.9 | 20,254 | 21.475 | 22,645 | 109 | Houma, LA | 2,759 | 2,963 | 3,126 | 5.5 | 14,808 | 15,807 | 16,585 | 302 |
| Burlington, VT (NECMA) ... | 3,864 | 4,018 | 4,280 | 6.5 | 21,053 | 21.518 | 22.687 | 105 | Houston, TX. | 84,734 | 88,628 | 94,768 | 6.9 | 23,571 | 24,214 | 25,449 | 43 |
| Canton-Massillon, OH ....... | 7,625 | 8,052 | 8,535 <br> 1550 | 6.0 5 | 19,014 | 20,054 | - 21,222 | ${ }^{152}$ | Huntington-Ashland, WV-KY-OH .... | 5,123 | 5,341 | 5,566 | 4.2 | 16,188 | 16,865 | 17,570 | 292 |
|  | 1,414 3,835 | 1,469 4,094 | 1,350 | 6.6 | ${ }_{21} 1,928$ | 23,184 | 24,448 | 61 | Huntsville, AL | 6.547 | 6.784 | 7.091 | 4.5 | 20,818 | 20.714 | 21.624 | 135 |
| Champaign-U'ibana, IL | 3,125 | 3,235 | 3,390 | 4.8 | 18,442 | 19.518 | 20,376 | 181 | Indianapolis, IN | 32.605 | 34,440 | 36,402 | 5.7 | 22,605 | 23,58 | 24,664 | 55 |
| Charlestor-North Charleston, SC ... | 8,879 | 9,168 | 9.447 | 3.0 | 16,919 | 17.769 | 18,840 | 247 | lowa City, IA | 2,042 | 2,206 | 2.321 | 5.2 | 20,612 | 21,926 | 22,894 | 98 |
| Charleston, W ........................ | 5,201 | 5,434 | 5,744 | 5.7 | 20,465 | 21,352 | 22,562 | 112 | Jackson, M1. | 2,715 | 2,887 | 3,055 | 5.8 | 17,779 | 18,936 | 19,913 | 203 |
| Chariott-Gastonia-Rock |  |  |  |  |  |  |  |  | Jackson, MS | 7,4,678 | 7,188 1,829 | 8,594 1,963 | 7.7 | 18,693 | 19,355 | 20,646 | 170 190 |
| SC ............. | 26.536 | 28,472 | 30,989 | 8.8 | 21,505 | 22,580 | 24,022 | 71 | Jacksonville, FL | 19,606 | 20,630 | 22,209 | 7.7 | 20,401 | 21,234 | 22,617 | 110 |
| Charottesville, VA. | 3,172 | 3,318 | 3,512 | 5.8 | 22,926 | 23,622 | 24,630 | 56 | Jacksonville, NG | 1,962 | 2,030 | 2,149 | 5.9 | 13,474 | 14,005 | 14,897 | 310 |
| Chattanooga, TN-GA Cheyenne WY | 8,461 1,570 | 8,887 1,597 | 9,453 | 6.4 4.2 | 19,450 | 20,230 | 21,201 | 147 | Jamestown, NY | 2,385 | 2,503 | 2,595 | 3.7 | 16,763 | 17,635 | 18,366 | 269 |
| Chicago, $\mathrm{IL}^{*}$.... | 193,676 | 202,969 | 216,553 | 6.7 | 25,501 | 26,553 | 28,177 | 19 | Janesville-Beloit; WI. | 2,831 | 3,018 | 3,247 | 7.6 | +9,580 | 20,635 | 21,865 | 127 |
| Crico-Paradise, CA | 3,225 | 3.317 | 3.482 | 5.0 | 16,881 | 17,249 | 18,040 | 280 | sey City, NJ* | 11,975 | 12,24 | 12,987 | 6.1 | 21,7 | 22,22 | 23,56 | 80 |
| Cincinnati, OH-KY-N** | 34,473 | 36,084 | 38,428 | 6.5 | 21,928 | 22,848 | 24,199 | ${ }^{66}$ | Inson City-Kingsport-Bristo, TN- |  |  |  |  |  |  |  |  |
| Clarksvilie-Hopkinsvile, TN-KY ...... | 2,694 | 2,854 | 3,053 | 7.0 | 14,943 | 15,405 | 16,833 | 298 | VA ................................ | 7,596 | 7,936 | 8,442 | 6.4 | 16,959 | 17,622 | 18,582 | 262 |
| veland-Lorain-Elyria, $\mathrm{OH}^{*}$......... | 50,869 | 53,136 | 56,482 | 6.3 | 22,910 | 23,809 | 25,303 |  | Johnstown, PA .......................... | 4,080 |  | 4,431 | 5.2 |  | 17,482 | 18,425 | 268 |

See footnotes at the end of the table.

Table K.1.-Personal Income and Per Capita Personal Income by Metropolitan Area, 1993-95-Continued

| Area name | Personal income |  |  |  | Per capita personal income ${ }^{3}$ |  |  |  | Area name | Personal income |  |  |  | Per capita personal income ${ }^{3}$ |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Millions of dollars |  |  | Percent change ${ }^{2}$ | Dollars |  |  | Rank in <br> U.S. <br> 1995 |  | Millions of dollars |  |  | Percent change ${ }^{2}$1994-95 | Dollars |  |  | Rank in <br> U.S. <br> 1995 |
|  | 1993 | 1994 | 1995 | 1994-95 | 1993 | 1994 | 1995 |  |  | 1993 | 1994 | 1995 |  | 1993 | 1994 | 1995 |  |
| Jones | 1,154 | 1,226 | 1,335 | 8.9 | 15,905 | 16,704 | 17,826 | 290 | Raleigh-Durham-Chapel Hill, NC | 21,293 | 22,694 | 24,596 | 8.4 | 22,661 | 23,448 | 24,675 | 54 |
| Joplin, MO | 2,357 | 2,543 | 2,739 | 7.7 | 16,857 | 17,960 | 19,088 | 241 |  |  |  |  |  |  |  |  |  |
| Kalamazoo-Battle Creek, MI . | 8,737 | 9,229 | 9,821 | 6.4 | 19,895 | 20,964 | 22,203 | 122 | Rapid City, SD | 1,564 | 1,645 | 1,760 | 7.0 | 18.181 | 18,991 | 20,176 | 189 |
| Kankakee, $1 L^{*}$ | 1,808 | 1,892 | 2.020 | 6.7 | 18.003 | 18.699 | 19,901 | 204 | Reading, PA | 7.698 | 8,020 | 8,455 | 5.4 | 22,268 | 23,008 | 24,139 | 67 |
| Kansas City, MO-KS | 36,359 | 38,533 | 41,123 | 6.7 | 22,290 | 23,244 | 24,576 | 58 | Redding, CA | 2,909 | 3,007 | 3,146 | 4.6 | 18,319 | 18,785 | 19,558 | 219 |
| Kenosha, W1 ${ }^{\text {P }}$... | 2,597 | 2,751 | 2,948 | 7.2 | 19,092 | 19,990 | 21,417 | 158 | Reno, NV | 6,933 | 7,506 | 8,110 | 8.0 | 25,189 | 26,448 | 27,866 | 23 |
| Killeen-Temple, TX .. | 4,202 | 4,530 | 4,828 | 6.6 | 15,600 | 15,682 | 16,508 | 303 | Richland-Kennewick-Pasco, WA | 3,388 | 3,605 | 3,699 | 2.6 | 20,220 | 20,691 | 20,618 | 71 |
| Knoxville, TN | 12,153 | 12,964 | 13,814 | 6.6 | 19,627 | 20,566 | 21,558 | 138 | Richmond-Petersburg, VA | 21,378 50,578 | 22,540 | - 55,477 | 6.2 | 23,600 17,584 | 24,587 17,892 | 25,851 18,685 | 41 255 |
| Kokomo, $\mathbb{N}$ | 2,071 | 2,203 | 2,368 | 7.5 | 20,848 | 22,130 | 23,715 | 77 | Roanoke, VA ........................ | 5 5,017 | 5,207 | 5,575 | 7.1 | 22,045 | 22,753 | 24,378 | - 62 |
| La crosse, WIMM | 2,314 | 2,430 | 2,550 | 4.9 | 19,385 | 20,210 | 21,088 | 159 | Rochester, MN | 2,608 | 2,667 | 2,784 | 4.4 | 23,141 | 23,574 | 24,720 | 52 |
| Lafayette, LA | 5,720 | 6,161 | 6,527 | 5.9 | 15,999 | 17.060 | 17,867 <br> 19734 | 287 | Rochester, NY | 24,339 | 25,451 | 26,703 | 4.9 | 22,372 | 23,386 | 24,566 | 59 |
| Lafayette, $\mathbb{N}$ | 2,994 | 3,164 | 3,353 | 6.0 | 18,070 | 18,806 | 19,734 | 215 |  |  |  |  |  |  |  |  |  |
| Lake Charles, LA ........... | 2,957 | 3,176 | 3,394 | 6.9 | 17,188 | 18,258 | 19,262 | 230 | Rockiord, IL .............................. | 6,837 <br> 375 | 7,381 | 7,888 | 6.9 | 19,923 | 21,330 | 22,602 | 111 |
| Lakeland-Winter Haven, FL ............ | 7,175 9 937 | 7,709 988 | 8,344 10,321 | 8.2 5.5 | 16,972 21745 | 17,930 | 19,126 <br> 23,056 <br> 1 | 238 93 | Rocky Mount, NC ...................... | $\begin{array}{r}2,375 \\ 30.464 \\ \hline\end{array}$ | 2,481 31.962 | $\begin{array}{r}2,656 \\ 34,258 \\ \hline\end{array}$ | 7.1 | 17,147 | 17,631 22.173 | 18,615 23,459 | 260 84 |
| Lancaster, PA ................................ | 9,537 <br> 8,531 <br> 1 | 9,785 <br> 9,168 <br> 18 | $\begin{array}{r}10,321 \\ 9,686 \\ \hline\end{array}$ | 5.5 5.7 | 21,745 19,553 | 22,084 | 23,056 21,717 1 | 93 132 | Sacramento, CA* ${ }_{\text {Saginaw-Bay City-Midiland, M1.......... }}$ | 30,464 7,973 | $\begin{array}{r}31,962 \\ 8.478 \\ \hline\end{array}$ | $\begin{array}{r}34,258 \\ 8,996 \\ \\ \hline\end{array}$ | 7.2 | 21,306 19,787 | 22,173 | 23,459 | 84 118 |
| Laredo, TX .................. | 1,730 | 1,885 | t,966 | 4.3 | 10,998 | 11,430 | 11,402 | 314 | St. Cloud, MN ...................... | 2,609 | 2,777 | 2,902 | 4.5 | 16,825 | 17,708 | 18,278 | 272 |
| Las Cruces, NM | 2.059 | 2.160 | 2,343 | 8.5 | 13,487 | 13,752 | 14,643 | 311 | St. Joseph, MO | 1,697 | 1,781 59 59 | 1,872 63,929 | 5.1 | 17,251 | 18,214 | 19,222 | 233 |
| Las Vegas, NV-AZ | 21,342 | 23,786 | 26,198 | 10.1 | 21,054 | 21,974 | 22,927 | 97 | St | 56,900 | 59,826 | 63,929 | 6.9 | 172,529 | 23,634 | 25,170 | 48 |
| Lawrence, KS ...... | t,417 | 1,505 | 1,608 | 6.8 | 16,483 | 17,266 | 18,191 | 274 | Sam, | 7,946 | 7,922 | 8,452 | 6.7 | 22,577 | 23804 | -9,270 | 236 47 |
| Lawton, OK ... | 1,778 | 1,803 | 1,880 | 4.3 | 15,041 | 15,866 | 16,870 | 297 | Sall Lake City-Ogden, UT | 20,413 | 22,030 | 23,739 | 7.8 | 17,674 | 18,703 | 19,825 | 205 |
| Lewiston-Auburn, ME (NECMA) | 1,849 | 1,918 | 2,019 | 5.3 | 17.808 | 18,558 | 19,626 | 217 |  |  |  |  |  |  |  |  |  |
| Lexington, KY ... | 8,660 | 9,080 | 9,743 | 7.3 | 20,331 | 21,060 | 22,394 | 116 | San Angelo, TX | 1,754 | 1,845 | 1,958 | 6.1 | 17,553 | 18,247 | 19,231 | 232 |
| Lima, OH | 2,795 | 2,988 | 3,117 | 4.3 | 17,897 | 19,168 | 20,042 | 195 | San Antonio, TX | 25,644 | 27,298 | 29,313 | 7.4 | 18,214 | 19,055 | 20,034 | 196 |
| Lincoln, NE | 4,541 | 4,831 | 5,156 | 6.7 | 20,275 | 21,325 | 22,446 | 114 | San Diego, CA | 56,001 | 57,820 | 61,106 | 5.7 | 21,484 | 22,114 | 23,263 | 88 |
| Little Rock-North Little Rock, AR ... | 10,489 | 11,105 | 11,916 | 7.3 | 19,680 | 20,652 | 21,954 | 126 | San Francisco, $\mathrm{CA}^{*}$ | 55,375 | 56,964 | 60,853 | 6.8 | 33,891 | 34,745 | 36,989 | 1 |
| Longview-Marshall, TX ................. | 3,507 | 3,660 | 3,905 | 6.7 | 17,531 | 18,166 | 19,132 | 237 | San Jose, CA* | 43,786 | 45,784 | 49,548 | 8.2 | 28,362 | 29,439 | 31,487 | 10 |
| Los Angeles-Long Beach, CA* | 199,770 | 201,754 | 213,337 | 5.7 | 21,984 | 22,218 | 23,501 | 82 | San Luis Obispo-Atascadero-Paso Robles, CA $\qquad$ | 4,216 | 4,361 | 4,645 | 6.5 | 18,970 | 19,444 | 20,490 | 176 |
| Louisville, KY-IN. | 20,804 | 21,834 | 23,232 | 6.4 | 21,363 | 22,267 | 23,552 | 81 | Santa Babara-Santa Maria- |  |  |  |  |  |  |  |  |
| Lubbock, TX ............................. | 4,100 | 4,330 | 4,590 | 6.0 | 18,027 | 18,776 | 19,783 | 209 | Lompoc, CA | 9,193 | 9,378 | 9,929 | 5.9 | 24,216 | 24,435 | 25,860 | 40 |
| Lynchourg, VA | 3,723 | 3,922 | 4,127 | 5.2 | 18.550 | 19,314 | 20,199 | 188 | Santa Cruz-Watsonville, $\mathrm{CA}^{*}$ | 5,618 | 5,788 | 6,193 | 7.0 | 24,049 | 24,587 | 26,202 | 36 |
| Macon, GA | 5,490 | 5,740 | 6,085 | 6.0 | 18,129 | 18,686 | 19,674 | 216 | Santa $\mathrm{Fe}, \mathrm{NM}$ | 2,913 | 3,087 | 3,350 | 8.5 | 22,812 | 23,461 | 24,691 | 53 |
| Madison, W | 9,206 | 9,765 | 10,391 | 6.4 | 23,822 | 25,032 | 26,449 | 331 | Santa Rosa, $\mathrm{CA}^{*}$. | 9,703 | 10,103 | 10,779 | 6.7 | 23,799 | 24,533 | 25,888 | 39 |
| Mansfield, OH | 3,039 | 3,201 | 3,373 | 5.4 | 17,343 | 18,265 | 19,243 | 231 |  |  |  |  |  |  |  |  |  |
| McAllen-Edinburg-Mission, TX | 4,521 | 4,893 | 5,248 | 7.3 | 10,170 | 10,525 | 10,878 | 315 | Sarasota-Bradenton, FL | 13,489 | 14,375 | +5,557 | 8.2 | 26,406 | 27,704 | 29,641 | 13 |
| Mediord-Ashland, OR | 2,859 | 3,070 | 3,272 | 6.6 | 18,080 | 18.913 | 19,746 | 213 | Savannah, GA ................ | 5,292 | 5,612 | 5,971 | 6.4 | 19,473 | 20,318 | 21,351 | 145 |
| Melbourne-Titusville-Palm Bay, FL | 8,564 | 8,938 | 9,341 | 4.5 | 19,663 | 20,161 | 20,747 | 167 | Scranton-Wikes-Barre-Hazleton, PA | 11.963 | 12,316 | 12,927 | 5.0 | 18,695 | 19,363 | 20,442 | 179 |
| Memphis, TN-AR-MS | 21,862 | 23,432 | 25,222 | 7.6 | 20,988 | 22,215 | 23,640 | 79 | Seatle-Bellevue-Everett, WA. | 57,079 | 59,763 | 63,422 | 6.1 | 26,458 | 27,422 | 28,773 | 15 |
| Merced, CA ................ | 3,025 | 3,043 | 3,017 | -.9 | 15,735 | 15,494 | 15,653 | 307 | Sharon, PA | 2,042 | 2,141 | 2,259 | 5.5 | 16,702 | 17,545 | 18,498 | 263 |
| Miami, Fl* | 39,110 | 40,344 | 43,087 | 6.8 | 19,699 | 20,056 | 21,058 | 160 | Sheboygan, WI | 2,188 | 2,314 | 2,456 | 6.2 | 20,589 | 21,526 | 22,560 | 113 |
| Middlesex-Somerset-Hunter |  |  |  |  |  |  |  |  | Sherman-Denison, TX | 1,677 | 1,751 | 1,879 | 7.3 | 17,420 | 17,963 | 19,090 | 240 |
| $\mathrm{NJ}^{*}$...................... | 31,640 33 | 33,117 | 35,087 | 5.9 | 29,967 | 30,997 | 32,507 | 38 | Shreveport-Bossier City, LA. | 6,963 | 7,296 | 7,672 | 5.2 | 18,495 | 19,321 | ${ }^{20,228}$ | 187 |
| Miwaukee-Waukesha, W* | 33.779 | 35.519 | 37,698 | 6.1 | 23,263 | 24,422 | 25,906 | 38 | Sioux City, IA-NE | 2,196 | 2,336 | 2,517 | 7.7 | 18,493 | 19,544 | 20,874 | 165 |
| Minneapolis-St. Paul, MN-WI | 66,474 | 70,555 | 74,901 | 6.2 | 25,026 | 26,197 | 27,436 | 26 | Sioux Falls, SD | 3,208 | 3,504 | 3,747 | 6.9 | 21,573 | 23,045 | 24,320 | 63 |
| Mobile, AL | 8,495 | 87.967 | 7,469 | 5.6 | 16,811 | 17,614 | 18,429 | 266 278 |  |  |  |  |  |  |  |  |  |
| Modesto, CA Monmouthene..................... | 6,992 27,308 | $\begin{array}{r}7,139 \\ 28,058 \\ \hline\end{array}$ | $\begin{array}{r}7,449 \\ 29,635 \\ \hline\end{array}$ | 4.3 5.6 | 17,379 26,720 | 17,537 27.089 | 18,122 <br> 28,187 <br> 8. | 278 18 |  | 5,126 7,409 | 5,399 7,849 | 5,741 8,271 | 6.3 5.4 | 20,215 18,932 | 21,150 19,788 | 22,350 | 117 173 |
| Monmouth-Ocean, $\mathrm{NJ}^{+}$ <br> Monroe, LA | 27,308 2,390 | 28,058 2,528 | 29,635 2,708 | 5.6 | 16,395 | 17,304 | 18,444 | 264 | Spokane, WA ............................ | 4,409 | 4,881 | 5,274 4,554 | 5.4 3.9 7 | 21,311 | 121,857 | 22,426 | 173 115 |
|  |  |  |  |  |  |  |  |  | Springfield, MO | 5,243 | 5,640 | 6,053 | 7.3 | 18,562 | 19,556 | 20,616 | 172 |
| Monitgomery, AL | 5,840 | 6,178 | 6,558 | 6.1 | 18,996 | 19,964 | 21,000 | 162 | Springfield, MA (NEC | 12,124 | 12.566 | 13,264 | 5.6 | 20,321 | 21,080 | 22,342 | 118 |
| Muncie, $\mathbb{N}$ | 2,180 | 2,287 | 2,384 | 4.2 | 18,185 | 19,204 | 20,044 | 193 | State College, PA . | 2,247 | 2,333 | 2,475 | 6.1 | 17,403 | 17,977 | 18,957 | 242 |
| Myrtie Beach, SC ........................ | 2,544 | 2,771 | 3,034 | 9.5 | 17,143 | 18,177 | 19,220 | 234 | Steubenville-Weirton, $\mathrm{OH}-\mathrm{WV}$........ | 2,326 | 2.420 | 2,521 | 4.2 | 16,519 | 17,278 | 18,079 | 279 |
| Naples, FL.............................. | 5,343 | 5,601 | 6,015 | 7.4 | 31,084 | 31,447 | 32,878 | 5 | Stockton-Lodi, CA ....................... | 9,115 | 9,385 | 9,924 | 5.7 | 17,826 | 18,085 | 18,874 | 245 |
| Nashville, TN .......................... | 23,385 | 25,394 | 27,453 | 8.1 | ${ }^{22,367}$ | 23,716 | 25,077 | 50 | Sumter, SC | 1,463 | 1,549 | 1,645 | 6.2 | 13,811 | 14,557 | 15,387 | 308 |
| Nassau-Suffok, $\mathrm{NY}^{*}$........... | 77,581 | 80,864 | 85,250 | 5.4 | 29,373 | 30,527 | 32,108 | 9 | Syracuse, NY | 14,898 | 15,544 | 16,171 | 4.0 | 19,745 | 20,676 | 21,592 | 136 |
| New Haven-Bridgeport-Stamford-Danbury-Waterbury, CT* | 52,715 | 54,255 | 57,566 | 6.1 | 32,372 | 33,352 | 35,400 | 3 | Tacoma | 12,125 | 12,706 | 13,586 | 6.9 | 19,231 | 19,899 | 20,945 |  |
| New London-Norwich, CT |  |  |  |  |  |  |  |  | Tallahassee, FL | 4,504 | 4,784 | 5,083 | 6.3 | 18,014 | 18,760 | 19,753 | 212 |
| (NECMA) .................. | 5,907 |  | 6,615 | 5.6 | 23,761 | 25,157 | 26,436 | 34 | Tamoa-St. Peterst |  |  |  |  |  |  |  |  |
| New Orleans, LA | 25.439 | 26,568 | 28,089 | 5.7 | 19,497 | 20,277 | 21,374 | 144 | FL | 43,934 | 45,864 | 49,391 | 7.7 | 20,567 | 21,246 | 22,646 | 108 |
| New York, NY* ...... | 242,044 | 251,831 | 266,669 | 5.9 | 28,163 | 29,227 | 30,896 | 11 | Tere Haute, IN....... | 2,574 1,975 | 2,654 2,080 | 2,789 2,215 | 5.1 | 17,160 | 17,757 | 18,640 | 258 |
| Newark, $\mathrm{Nu}^{+}$ | 57,117 | 58,947 | 62,684 | 6.3 | 29,599 | 30,459 | 32,346 | 8 | Toledo, OH ..... | 12,583 | 13,292 | 14,038 | 5.6 | 20,521 | 21,730 | 22,971 | 96 |
| Newburgh, NY-PA* | 7,061 | 7,395 | 7,729 | 4.5 | 20,037 | 20,813 | 21,528 | 140 | Topeka, KS | 3,409 | 3,554 | 3.753 | 5.6 | 20,775 | 21,540 | 22,752 | 104 |
| Nortolk-Virginia Beach-Newport |  |  |  |  |  |  |  |  | Trenton, $\mathrm{NJ}^{*}$. | 9,809 | 10,194 | 10,770 | 5.7 | 29,853 | 30,964 | 32,633 | 6 |
| News, VA-NC .......... | 28,554 | 29.768 | 31,217 | 4.9 | 18,826 | 19,485 | 20,332 | 183 16 | Tueson, AZ | 12,644 | 13,782 | 14,770 | 7.2 | 17,767 | 18,761 | 19,556 | 220 |
| Oakland, CA' | 56,796 | 58,801 | 62,995 | 7.1 | 26,966 | 26,973 | 28,729 | 16 | Tulsa, OK | 14,918 | 15,473 | 16,274 | 5.2 | 20,192 | 20,823 | 21,789 | 129 |
| Ocala, FL, ........... | 3,533 | 3,804 | 4,090 | 7.5 | -16,673 | 17,318 | 18,130 | 277 |  |  |  |  |  |  |  |  |  |
| Odessa-Midiand, TX | 4,650 | 4,875 | 5,152 | 5.7 | 19,829 | 20,618 | 21,674 | 131 | Tuscaloosa, AL .......................... | 2,678 | ${ }_{3}^{2,856}$ | 3,045 | 6.6 | 17,306 | 18,411 | 19,281 | 229 |
| Oklahoma City, OK .. | 18,503 3791 | 19,443 3 3 | $\begin{array}{r}20,474 \\ 4 \\ 4 \\ \hline 188\end{array}$ | 5.3 7.3 | 18,575 | 19,277 21,301 | 20,139 | 191 120 | Tyler, IX Ufica-Rome NY | 5,632 | 3,238 5 | 8,085 | 6.7 | 17,357 | 18, 245 | 21,253 19 | 151 |
| Omana, NE-IA | 14,167 | 14,958 | 16,108 | 7.7 | 21,535 | 22,540 | 24,002 | 72 | Vallejo-Fairfield-Napa, CA* ... | 10,108 | 10,476 | 11,174 | 6.7 | 21,138 | 21,820 | 23,328 | 87 |
| Orange County, CA* ................... | 65,005 | 67,212 | 71,272 | 6.0 | 25,681 | 26,213 | 27,420 | 27 | Ventura, CA* ............................. | 16,035 | 16,494 | 17,485 | 6.0 | 23,196 | 23,527 | 24,736 | 51 |
|  |  |  |  | 7.1 | 19621 |  |  |  | Victoria, IX | 1,513 | 1,594 | 1,700 | 6.6 | 19,197 | 19,892 | 21,042 | 161 |
| Owensboro KY | 1,562 | 1,669 | 1,758 | 5.3 | 17,468 | 18,496 | 19,390 | 223 | Vineland-Milville-Bridgeton, $\mathrm{NJ}^{\text {a }}$ | 5,120 | ${ }_{5}{ }^{2,786}$ | ${ }^{2}, 936$ | 5.4 | 15,567 | 20,063 | 21,314 | 148 |
| Panama City, FL | 2,373 | 2471 | 2,592 | 4.9 | 17,295 | 17,680 | 18,229 | 273 | Waco, TX ................................ | 3,297 | 3,474 | 3,6154 | 4.7 | 16,5963 | 17,528 | 16,144 <br> 18,674 | 305 |
| Parkersburg-Marietta, WV-OH | 2,739 | 2,853 | 2,999 | 5.1 | 18,115 | 18,816 | 19,774 | 211 | Washington, DC-MD-VA-WV ${ }^{\text {a }}$......... | 126,237 | +32,361 | 139,085 | 5.1 | 28,631 | 29,644 | 30,824 | 25 |
| Pensacola, FL ............ | 6,229 | 6,484 | 6,818 | 5.1 | 17,195 | 17,391 | 18,025 | 282 |  |  |  |  |  |  |  |  |  |
| Peoria-Pekin, IL | 7,005. | 7.418 | 7,692 | 3.7 | 20,428 | 21,551 | 22,235 | 121 | Waterloo-Cedar Falls, IA ....... | 2,258 | ${ }^{2,406}$ | 2,540 | 5.6 | 18,142 | 19,419 | 20,660 | 169 |
| Philadelphia, PA-NJ* | 122,479 | 126,364 | 133,528 | 5.7 | 24,775 | 25,521 | 26,959 | 30 | Wausau, WI ........................... | 2,247 | 2,370 | 2,530 | 6.8 | 18,772 | 19,688 | 20,902 | 164 |
| Phoenix-Mesa, AZ .. | 48,394 | 52,629 | 58,036 | 10.3 | 20,180 | 21,178 | 21,839 | 128 | West Palm Beach-Boca Raton, FL | 30,995 | 32,424 | 35,204 | 8.6 | 33,197 | 33,862 | 36,057 | 2 |
| Pine Blutf, AR ........... | 1,290 | 1,319 | 1,397 | 5.8 | 15,294 | 15,649 | 16,685 | 300 | Wheeling, WV-OH ........................ | 2,717 | 2,796 | 2,926 | 4.7 | 17,138 | 17,723 | 18,682 | 256 |
| Pitsburgh, PA .................................... | 53,184 | 54,634 | 57,518 | 5.3 | 22,090 | 22,760 | 24,071 | 70 | Wichita, KS ............................. | 10,710 | 10,934 | 11,617 | 6.2 | 21,238 | 21,574 | 22,823 | 100 |
| Pitssield, MA (NECMA) | 3.048 | 3,145 | 3,326 | 5.8 | 22,395 | 23,151 | 24,611 | 57 | Wichita Falls, TX ......................... | 2,384 2,119 | 2,519 2,184 1,3 | 2,707 2,290 | 7.5 4.9 | 17,295 | 19,020 | +9,933 | 201 |
| Pocatello, ID ..................... | 1,121 | 1,182 | 1,245 | 5.3 | 16,056 | 16,404 | 17,033 | 296 | Wimingoion-Newark, DE-MD* | 13,709 | 14,321 | 15,249 | 6.5 | 25.649 | 28,080 | 19,102 | 239 |
| Portland, ME (NECMA) | 5,649 | 5,896 | 6,253 | 6.1 | 23,032 | 23,839 | 25,127 | 49 | Wimington, NC ........................ | 3,499 | 14,741 | 4,062 | 8.6 | 18,667 | 19,314 | 20,247 | 85 |
| Portland-Vancouver, OR-WA ${ }^{*}$ $\qquad$ Providence-Warwick-Pawtucket, Ril | 36,081 | 38,758 | 42,160 | 8.8 | 21,897 | 23,046 | 24,553 | 60 | Yakima, WA ................................ | 3,599 | 3,738 | 3,934 | 5.2 | 17,559 | 17,810 | 18,427 | 267 |
| (NECMA) ............................... | 19,832 | 20,241 | 21.576 | 6.6 | 21,687 | 22,185 | 23,730 | 76 | Yolo, CA* ....... | 2,952 | 3,055 | 3,276 | 7.2 | 20,293 | 20,864 | 22,083 | 125 |
| Provo-Orem, UT .. | 3,895 | 4,248 | 4,691 | 10.4 | 13,736 | 14,063 | 15,099 | 309 | York, PA .................................. | 7,632 | 7,823 | 8,299 | 6.1 | 21.563 | 21,727 | 22,759 | 103 |
| Puebio, CO | 2,061 | 2,176 | 2,390 | 9.9 | 16,378 | 17,025 | 18,441 | 265 | Youngstown-Warren, OH ............... | 11,051 | 11,641 | 12,302 | 5.7 | 18.249 | 19,317 | 20,512 | 175 |
| Punta Gorda, FL | 2,294 | 2,456 | 2,649 | 7.9 | 18,636 | 19,483 | 20,539 | 174 | Yuba City, CA ............................ | 2,191 | 2,233 | 2,366 | 5.9 | 16,566 | 16,569 | 17,414 | 294 |
| Racine, W1* ............................. | 3,849 | 4,073 | 4,327 | 6.2 | 21,217 | 22,275 | 23,498 | 83 | Yuma, AZ ................................. | 1,757 | 1,687 | 1,976 | 17.1 | 14,112 | 13,228 | 16,221 | 304 |

[^65]1993-95 reflect county population estimates available as of March 1997.
4. Includes Metropolitan Statistical Areas, Primary Metropolitan Statisitical Areas (PMSA's designated by ${ }^{\circ}$ ), and
New Endiand County Metroooitan Areas (NECMA's). The New Haven-Bridgeport-Stamford-Danbury-Waterbury, CT New Engiand County Metropoitan Areas (NECMA's). The New
NECMA is presented as a PMSA (part of the New York CMSA).
NECMA is presented as a PMSA (part of the New York CMSA).
Source: Table 1 in "Comprenensive Revision of Local Area Personal Income, 1969-95" in the September 1997 SuRvey of Current Business.

## L. Charts

## SELECTED REGIONAL ESTIMATES



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

## SELECTED REGIONAL ESTIMATES



PERSOMAL INCOME GROWTH: AVERAGE QUARTERLY PERCENT CHANGE, 1996:III-1997:III


## Appendix A

## Additional Information About bea's nipa Estimates

## Statistical Conventions

Changes in current-dollar gDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most gDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)
Except for the most recent period, the annual and quarterly changes in real GDP and prices are "chaintype" measures that are both based on the "Fisher Ideal" formula that incorporates weights from two adjacent years. For example, the 1992-93 percent change in real GDP uses prices for 1992 and 1993 as weights, and the 1992-93 percent change in price uses quantities for 1992 and 1993 as weights. Because the quantity and price index numbers calculated in this way are symmetric, the product of the index of real GDP and the index of prices equals the index of current-dollar GDP.

In the most recent period, a variant of the formula is used because only 1 year's information is available for computing the index number weights. Accordingly, bea uses the prices and quantities from the two adjacent quarters as weights to calculate Fisher chaintype measures for those estimates. For example, the 1996:II-1996:III percent change in real GDP uses prices for 1996:II and 1996:1I as weights, and the 1996:II1996:III percent change in the GDP price index uses quantities for 1996:II and 1996:1II as weights.
bea also presents another measure, known as the "implicit price deflator," in the nipa tables. The implicit price deflator is calculated as the ratio of currentdollar value to the corresponding chained-dollar value multiplied by 100 .

In addition, bea prepares measures of real gDp and its components in a dollar-denominated form, designated "chained (1992) dollar estimates." These estimates are computed by multiplying the 1992 currentdollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled $\$ 100$ in

1992 and if real output for this component increased by 10 percent in 1993, then the "chained (1992) dollar" value of this component in 1993 would be $\$ 110$ ( $\$ 100$ $\times 1.10$ ). Note that percentage changes in the chained (1992) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1992) dollar estimates for detailed GDP components do not add to the chained-dollar value of GDP or to any intermediate aggregates. A "residual" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. The table of contributions of the major components to the change in real GDP (NIPA table 8.2) provides a better basis for determining the composition of GDP growth than the chained-dollar estimates.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths-for example, quarters and years-may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these changes requires a variant of the compound interest formula:

$$
r=\left[\left(\frac{X_{t}}{X_{o}}\right)^{m / n}-1\right] \times 100
$$

where $r$ is the percent change at an annual rate;
$X_{t}$ is the level of activity in the later period;
$X_{o}$ is the level of activity in the earlier period;
$m$ is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and
$n$ is the number of periods between the earlier and later periods (that is, $t-o$ ).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year-for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

## Reconciliation Tables

Table 1.-Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings [Percent change from preceding period]

|  | 1995 | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | $\begin{gathered} \hline 1996 \\ \hline \mathrm{~N} \end{gathered}$ | 1997 |  |  |  |
|  |  |  |  |  | 1 | II | III | IV |
| BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) $\qquad$ | 2.5 | 3.8 | 3.8 | 3.4 | 4.3 | 3.2 | 3.8 | 5.2 |
| Less: Contribution of supplements to wages and salaries per hour .................................. | -. 6. | -. 6 | -. 4 | -. 7 | -. 6 | -. 1 | -. 1 | -. 6 |
| Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions $\qquad$ | 0 | -. 1 | -. 1 | 0 | -. 4 | -. 3 | -. 2 | -. 4 |
| Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed $\qquad$ | -. 2 | -. 1 | -. 1 | -. 1 | -. 2 | -. 3 | -. 3 | -. 1 |
| Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector $\qquad$ | 2.8 | 4.3 | 4.1 | 4.0 | 4.6 | 3.3 | 3.5 | 5.6 |
| Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing $\qquad$ | -. 1 | -. 2 | -. 2 | -. 8 | -. 1 | -. 3 | -. 1 | -. 1 |
| Less: Other differences ${ }^{1}$.......................................................................................... | -. 1 | 1.2 | -. 5 | -. 9 | -. 6 | -. 5 | -. 2 | -. 4 |
| Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls $\qquad$ | 2.9 | 3.3 | 3.8 | 3.9 | 4.2 | 3.0 | 3.8 | 5.1 |
| Addendum: <br> BLS estimates of compensation per hour in the nonfarm business sector ${ }^{2}$ $\qquad$ | 2.5 | 3.8 | 3.8 | 3.4 | 4.3 | 3.2 | 3.8 | 5.2 |
| 1. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterty estimates also include differences in seasonal adjustment procedures. | 2. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing. |  |  |  |  |  |  |  |

Table 2.-Relation of Net Exports of Goods and Services and Net Receipts of Factor Income in the National Income and Product Accounts (NIPA's) to Balance on Goods, Services, and Income in the Balance of Payments Accounts (BPA's) [Billions of doliars]

|  | Line | 1996 | 1997 | Seasonally adjusted at annual rates |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 1996 |  | 1997 |  |  |  |
|  |  |  |  | III | IV | 1 | 11 | III | IV |
| Exports of goods, services, and income, BPA's | 2 | 1,055.2 | 1,167.6 | 1,047.9 | 1,098.2 | 1,117.3 | 1,174.7 | 1,182.1 | 1,196.4 |
| Less: Gold, BPA's $\qquad$ Statistical differences ${ }^{1}$ $\qquad$ |  | $\begin{gathered} 6.9 \\ 0 \\ 1.1 \end{gathered}$ | 5.74.0.7 | $\begin{gathered} 5.2 \\ 0 \\ 1.5 \end{gathered}$ | $\begin{gathered} 3.7 \\ 0 \\ 1.1 \end{gathered}$ | 6.7-.2.8 | $\begin{aligned} & 9.3 \\ & 4.8 \\ & .7 \end{aligned}$ | 3.45.4.6 | 3.46.2.8 |
|  |  |  |  |  |  |  |  |  |  |
| Plus: Adjustment for grossing of parentaffiliate interest payments $\qquad$ Adjustment for U.S. territories and Puerto Rico | 6 | $\begin{array}{r} 8.7 \\ 34.0 \end{array}$ | $\begin{array}{r} 9.1 \\ 36.2 \end{array}$ | 8.4 33.6 | $\begin{array}{r} 8.9 \\ 34.9 \end{array}$ | $\begin{array}{r} 8.6 \\ 35.4 \end{array}$ | $\begin{array}{r} 8.4 \\ 36.5 \end{array}$ | $\begin{array}{r} 9.5 \\ 36.0 \end{array}$ | 9.8 37.0 |
| Sevices furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans $\qquad$ | 7 | 15.3 <br> 1.0 | 16.9 | 15.9 | 16.3$1,153.4$ | 16.5 | 17.0 | 17.1$1,235.2$ | $\begin{array}{r} 17.1 \\ 1,249.9 \end{array}$ |
| Equals: Exports of goods and services and receipts of factor income, NIPA's .... | 8 | 1,105.1 | 1,219.3 | 1,099.0 |  | 1,170.4 | 1,221.9 |  |  |
| Imports of goods, services, and income, BPA's ..................................................... | 9 | 1,163.4 | 1,295.5 | 1,183.5 | 1,198.0 | 1,242.6 | 1,290.4 | 1,318.3 | 1,330.8 |
| Less: Gold, BPA's $\qquad$ Statistical differences ${ }^{1}$ | $\begin{aligned} & 10 \\ & 11 \\ & 12 \end{aligned}$ | $\begin{aligned} & 7.7 \\ & 0 \\ & 0 \end{aligned}$ | $\begin{array}{r} 6.6 \\ -2.4 \\ 0 \end{array}$ | $\begin{aligned} & 6.2 \\ & 0 \\ & 0 \end{aligned}$ | $\begin{gathered} 3.4 \\ 0 \\ 0 \end{gathered}$ | $\begin{array}{r} 8.7 \\ -4.0 \end{array}$ | $\begin{gathered} 11.0 \\ -4.2 \\ 0 \end{gathered}$ | $\begin{array}{r} 3.0 \\ -1.0 \\ 0 \end{array}$ | 3.8-.40 |
| Other items ............... |  |  |  |  |  |  |  |  |  |
| Plus: Gold, NIPA's | $\begin{aligned} & 13 \\ & 14 \\ & 15 \\ & 16 \end{aligned}$ | $\begin{array}{r} 3.8 \\ 8.7 \\ 22.4 \\ 15.3 \end{array}$ | $\begin{array}{r} -3.7 \\ 9.1 \\ 26.5 \\ 16.9 \end{array}$ | $\begin{array}{r} -4.0 \\ 8.4 \\ 22.4 \\ 15.9 \end{array}$ | $\begin{array}{r} -4.2 \\ 8.9 \\ 23.4 \\ 16.3 \end{array}$ | $\begin{array}{r} -3.6 \\ 8.6 \\ 24.1 \\ 1.5 \end{array}$ | $\begin{array}{r} -3.9 \\ 8.4 \\ 26.1 \\ 17.0 \end{array}$ | $\begin{array}{r} -3.6 \\ 9.5 \\ 27.9 \\ 17.1 \end{array}$ | -3.79.827.917.1 |
| Adjustment for grossing of parent/affiliate interest payments |  |  |  |  |  |  |  |  |  |
| Adjustment for U.S. teritories and Puerto Rico |  |  |  |  |  |  |  |  |  |
| Imputed interest paid to rest of world |  |  |  |  |  |  |  |  |  |
| Equals: Imports of goods and services and payments of factor income, NIPA's... | 17 | 1,198.3 | 1,340.1 | 1,219.9 | 1,238,8 | 1,283.5 | 1,331.3 | 1,367.2 | 1,378.4 |
| Balance on goods, services, and income, BPA's (1-9) ... | 18 | -108.2 | -127.9 | -135.6 | -99.8 | -125.3 | -115.7 | -136.2 | -134.4 |
| Less: Gold (2-10+13) $\qquad$ Statistical differences (3-11) ${ }^{1}$ | $\begin{aligned} & 19 \\ & 20 \\ & 21 \end{aligned}$ | $\begin{gathered} -4.6 \\ 0 \\ 1.1 \end{gathered}$ | $\begin{array}{r} -4.6 \\ 6.4 \\ 7 \end{array}$ | $\begin{gathered} -5.0 \\ 0 \\ 1.5 \end{gathered}$ | $\begin{gathered} -3.9 \\ 0 \\ 1.1 \end{gathered}$ | -5.63.8.8 | -5.69.0.7 | -3.26.4.6 | -4.16.6.8 |
| Other items (4-12) ..................................................................................................................................................... |  |  |  |  |  |  |  |  |  |
| Plus: Adjustment for U.S. territories and Puerto Rico (6-15) ................................................. | 22 | 11.6 | 9.7 | 11.2 | 11.5 | 11.3 | 10.4 | 8.1 | 9.1 |
| Equals: Net exports of goods and services and net receipts of factor income, NIPA's (8-17) | 23 | -93.2 | -120.8 | -120.9 | -85.4 | -113.1 | -109.4 |  | -128.5 |

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

BPA's (1997:IV) and statistical revisions in the BPA's that have not yet been incorporated in the NIPA's (1997:1-1997:IV).

# Appendix B Suggested Reading 

## Mid-Decade Strategic Plan

bea has published the following articles in the Survey of Current Business on the development and implementation of its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts.
"Mid-Decade Strategic Review of bea's Economic Accounts: Maintaining and Improving Their Performance" (February 1995)*
"Mid-Decade Strategic Review of bea's Economic Accounts: An Update" (April 1995)*
"bea's Mid-Decade Strategic Plan: A Progress Report" (June 1996)*

Mid-Decade Strategic Review of bea's Economic Accounts: Background Papers (1995) presents seven background papers that evaluate the state of the U.S. economic accounts and that identify the problems and the prospects for improving the accounts.

## Methodology

bea has published a wealth of information about the methodology used to prepare its national, regional, and international estimates.

## National

## National income and product accounts (NIPA's)

nipa Methodology Papers: This series documents the conceptual framework of the NIPA's and the methodology used to prepare the estimates.

An Introduction to National Economic Accounting (NIPA Methodology Paper No. 1, 1985)* [Also appeared in the March 1985 issue of the Survey] Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (nIPA Methodology Paper No. 2, 1985)*
Foreign Transactions (nipa Methodology Paper No. 3, 1987) [Revised version forthcoming] gnp: An Overview of Source Data and Estimating Methods (nipa Methodology Paper No. 4, 1987) [Largely superseded by "A Guide to the nipa's" (March 1998 SURVEy)*]
Government Transactions (NIPA Methodology Paper No. 5, 1988)*
Personal Consumption Expenditures (nipa Methodology Paper No. 6, 1990)*

[^66]The methodologies described in these papers are subject to periodic improvements that are typically introduced as part of the annual and comprehensive revisions of the nIPA's; these improvements are described in the Survey articles that cover these revisions.
"Annual Revision of the U.S. National Income and Product Accounts": This series of Survey articles, the latest of which was published in the August 1997 issue,* describes the annual nipa revisions and the improvements in methodology.

The most recent comprehensive revision of the nipa's is described in the following series of Survey articles.
"Preview of the Comprehensive Revision of the National Income and Product Accounts: bea's New Featured Measures of Output and Prices" (July 1995)*
"Preview of the Comprehensive Revision of the National Income and Product Accounts: Recognition of Government Investment and Incorporation of a New Methodology for Calculating Depreciation" (September 1995)*
"Preview of the Comprehensive Revision of the National Income and Product Accounts: New and Redesigned Tables" (October 1995)*
"Improved Estimates of the National Income and Product Accounts for 1959-95: Results of the Comprehensive Revision" (January/February 1996) ${ }^{*}$
"Completion of the Comprehensive Revision of the National Income and Product Accounts, 1929-96" (May 1997)*
"A Guide to the nipa's" (March 1998 Survey)* provides the definitions of the major NIPA aggregates and components; discusses the measures of real output and prices; explains how production is classified and how the nipa's are presented; describes the statistical conventions that are used; and lists the principal source

## Availability

For the availability of some of these publications, see the inside back cover of this issue. See also the User's Guide to bea Information: To request a copy, write to the Public Information Office, be-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington DC 20230, call 202-606-9900, or visit BEA's Internet site at [http://www.bea.doc.gov](http://www.bea.doc.gov).
data and methods used to prepare the estimates of gross domestic product (GDP).
Information on the sources and methods used to prepare the national estimates of personal income, which provide the basis for the State estimates of personal income, can be found in State Personal Income, 1929-93 (1995).*
"Gross Domestic Product as a Measure of U.S. Production" (August 1991 SURVEY)* briefly explains the difference between GDP and gross national product.

The conceptual basis for the chain-type measures of real output and prices used in the NIPA's is described in the following Survey articles.
"Alternative Measures of Change in Real Output and Prices" (April 1992)*
"Economic Theory and bea's Alternative Quantity and Price Indexes" (April 1992)*
"Alternative Measures of Change in Real Output and Prices, Quarterly Estimates for 1959-92" (March 1993)*
"Preview of the Comprehensive Revision of the National Income and Product Accounts: bea's New Featured Measures of Output and Prices" (July 1995)*
"bea's Chain Indexes, Time Series, and Measures of Long-Term Economic Growth" (May 1997)*
"Reliability and Accuracy of the Quarterly Estimates of gdp" (October 1993 Survey)* evaluates gdp estimates by examining the record of revisions in the quarterly estimates.

## Wealth and related estimates

"Improved Estimates of Fixed Reproducible Tangible Wealth, 1929-95" (May 1997 Survey)* describes the most recent comprehensive revision of the estimates of fixed reproducible tangible wealth.

## Gross product by industry

"Improved Estimates of Gross Product by Industry, 1959-94" (August 1996 Survey)* describes the most recent comprehensive revision of the estimates of gross product by industry.
"Gross Product by Industry, 1947-96" (November 1997 SURVEy)* presents the most recent revision to the estimates of gross product by industry and briefly describes changes in methodology.

## Input-output accounts

"Benchmark Input-Output Accounts for the U.S. Economy, 1992" (November 1997 Survey)* describes the preparation of the 1992 input-output accounts and the concepts and methods underlying the U.S. input-output accounts.

## International

## Balance of payments accounts (BPA's)

The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures (1990)* describes the methodologies used in preparing the estimates in the bPA's and of the international investment position of the United States. These methodologies are subject to periodic improvements that are typically introduced as part of the annual revisions of the BPA's.
"U.S. International Transactions, Revised Estimates": This series of Survey articles, the latest of which was published in the July 1997 issue,* describes the annual bpa revisions and the improvements in methodology.

## Direct investment

The coverage, concepts, definitions, and classifications used in the benchmark surveys of U.S. direct investment abroad and of foreign direct investment in the United States are presented in the publications of the final results of the following benchmark surveys.
U.S. Direct Investment Abroad: 1989 Benchmark Survey, Final Results (1992)*
Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results (1995)*

The types of data on direct investment that are collected and published by bea and the clarifications of the differences between the data sets are presented in the following Survey articles.
"A Guide to bea Statistics on U.S. Multinational Companies" (March 1995)*
"A Guide to bea Statistics on Foreign Direct Investment in the United States" (February 1990)*

## Regional

## Personal income

State Personal Income, 1929-93 (1995)* includes a description of the methodology used to prepare the estimates of State personal income. [Also available on the CD-вом "State Personal Income, 1958-96"]
Local Area Personal Income, 1969-92 (1994)* includes a description of the methodology used to prepare the estimates of local area personal income. [Also available on the cD-rom "Regional Economic Information System, 1969-95"]

## Gross state product

"Comprehensive Revision of Gross State Product by Industry, 1977-94" (June 1997 Survey)* summarizes the sources and methods for bea's estimates of gross state product.

## BEA INFORMATION

The economic information prepared by the Bureau of Economic Analysis (BEA) is available in news releases, in publications, on computer diskettes, on CD-ROM's, and on the Internet. For a description of these products in the free User's Guide to BEA Information, write to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or call (202) 6069900. The User's Guide and other information are also available on bea's home page at http://www.bea.doc.gov.

In addition, the following publications are available from the Superintendent of Documents of the Government Printing Office (GPO). To order, write to Superintendent of Documents, p.o. Box 371954; Pittsburgh, PA 15250-7954, call (202) 512-1800 or fax (202) 512-2250. Pay by check to the Superintendent of Documents or charge to a gPo deposit account, to VISA, or to MasterCard.

Benchmark Input-Output Accounts of the United States, 1987. (1994) Presents summary and detailed make and use tables for industries and commodities; tables showing commodity- and industry-output-requirements per dollar of commodity demanded; and tables showing the inputoutput ( $1-0$ ) commodity composition of personal consumption expenditures and producers' durable equipment expenditures in the national income and product accounts. Presents concepts and methods used in the 1987 benchmark accounts; concordance beween $1-0$ and 1987 Standard Industrial Classification codes; description of the components of the measures of output, intermediate inputs, and value added; and mathematical derivation of total requirements tables: (468 pages) $\$ 29.00$, stock no. 003-010-00251-4

Regional Multipliers: A User Handbook for the Regional Input- Output Modeling System (rims m), Third Edition. (1997) This handbook describes the five types of rims in multipliers that are available for nearly 500 industries and for any county or for any group of counties. It details the information that the users need in order to effectively use the Rims in multipliers to analyze the economic and industrial impact of public and private projects and programs on State and local areas. The handbook also includes case studies that illustrate the uses of the rims in multipliers and a description of the methodology that the Bureau of Economic Analysis uses to estimate the multipliers. (63 pages) \$6.00, stock no. 003-010-$00264-6$.

Foreign Direct Investment in the United States: 1992. Benchmark Survey, Final Results. (1995) Presents detailed data on the financial structure and operations of U.S. affiliates of foreign direct investors, on the foreign direct investment position in the United States, and on the balance-ofpayments transactions between U.S. affiliates and their foreign parent companies in 1992. Includes data for items, such as employment covered by collective bargaining agreements and merchandise trade by product and country of destination and origin, that are only collected in benchmark surveys. Benchmark surveys are conducted every 5 years and are BEA'S most comprehensive surveys in terms of both the number of companies covered and the amount of information gathered. The data are classified by industry of affiliate and by country of ultimate beneficial owner, and selected data are classified by State. Provides information
about the coverage, the concepts and definitions, and the classifications used in the survey. ( 312 pages) $\$ 20.00$, stock no. 003-010-00259-0

Foreign Direct Investment in the United States: Operations of U.S. Affiliates of Foreign Companies. (1997) Two publications: One presents the revised estimates for 1994 , and the other, the preliminary estimates for 1995 from BEA's annual surveys of the financial structure and operations of nonbank U.S: affiliates of foreign direct investors. The estimates are presented by industry of the U.S. affiliate and by country of the ultimate beneficial owner (UBO) and for selected estimates, by industry of Ubo and by State. Preliminary 1995 Estimates ( 108 pages) $\$ 8.50$, stock no. 003-010-00268-9; Revised 1994 Estimates (108 pages) \$8.50, stock no: 003-010-00267-1.

Foreign Direct Investment in the United States: EstablishmentData for 1992. (1997) This publication, which presents the results of a project by BEA and the Bureau of the Census, provides the most recently available data on the number, employment, payroll, and shipments or sales of foreign-owned U.S. establishments in more than 800 industries at the Standard Industrial Classification four-digit level and by State and by country of owner. Presents additional information-such as data on value added, employee benefits, hourly wage rates of production workers, and expenditures for plant and equipment-for manufacturing establishments. (364 pages) \$28.00, stock no, 003-010-00265-4.
U.S. Direct Investment Abroad: 1994 Benchmark Survey, Preliminary Results. (1997) Presents preliminary results from the latest benchmark survey of the worldwide operations of U.S. multinational companies. Contains detailed 1994 data on the operations of U.S. parent companies and their foreign affiliates in 103 tables organized by country and by industry ( 140 pages) $\$ 14.00$, stock no. 003-010-00263-8.
U.S. Direct Investment Abroad: Operations of U.S. Parent Companies and Their Foreign Affiliates, Preliminary 1995 Estimates. (1997) Provides preliminary results for 1995 from eea's annual survey of the worldwide operations of U.S. multinational companies. Contains information on the financial structure and operations of U.S. parent companies and their foreign affiliates. Data are classified by country and industry of affiliate and by industry of U.S. parent. (116 pages) $\$ 9.00$, stock no. 003-010-00270-1.

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[^67]For information, call (202) 606-9900, Bureau of Economic Analysis, U.S. Department of Commerce.


[^0]:    1. Quarterly estimates in the NIPA's are expressed at seasonally adjusted annual rates unless otherwise specified. Quarter-to-quarterdollar changes are differences between published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data. Real estimates are expressed in chained (1992) dollars, and price indexes are chain-type indexes.
[^1]:    NOTE--Dollar levels are found in NIPA tables 3.1, 3.2, and 3.3

[^2]:    11. For NIPA estimates of government receipts and current expenditures for calendar years 1996 and 1997, see NIPA tables $3.1,3.2$, and 3.3 in this issue.
    12. The NIPA budget estimates differ from the official Federal budget estimates in several respects, including the timing of transactions, the treatment of investment, and other coverage differences. For more information, see "Federal Budget Estimates, Fiscal Year 1999," Survey 78 (March 1998): 8-16.
[^3]:    3. The detailed estimates of personal tax and nontax receipts are shown annually in nips table 3.4, most recently in the August 1997 Survey.
    4. The detailed estimates of indirect business tax and nontax accruals are shown annually in NIPA table 3.5 , most recently in the August 1997 SURvEY.
[^4]:    8. The detailed estimates of government transfer payments to persons are shown annually in NIPA table 3.12, most recently in the August 1997 'Survey. 9. Through 1995, family assistance consists of aid to families with dependent children; beginning in 1996, it also includes additional programs under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
[^5]:    10. The detailed estimates of current surplus of government enterprises are shown annually in nIPA table 3.13, most recently in the August 1997 Survey.
    11. The detailed estimates of gross government investment by type are shown annually in NIPA tables 5.14 and 5.15 , most recently in the August 1997 Surver.
[^6]:    12. One of the reasons that beA prepares these projections is that source data for a number of the components of State and local government receipts and expenditures are not available at the time nipa estimates are made. For these components, estimates are made using indicator series or judgmental trends. These trends are used in conjunction with the available source data to prepare the current quarterly nipa estimates. For more information, see "A Guide to the nIPA's," Survey 78 (March 1998): 56-61.
    13. Economic Report of the President (Washington, dc: U.S. Government Printing Office, February 1998).
    14. Grants-in-aid have been appropriated for fiscal year 1998 and estimated for fiscal year 1999; they are shown in the 1999 Budget Appendix of the United States (Washington, dc: U.S. Government Printing Office, 1998) and in "Federal Budget Estimates, Fiscal Year 1999," Survey 78 (March 1998): 8-16.
[^7]:    15. "All other" grants consists of a variety of programs; the largest programs are human development services, employment training, unemployment insurance trust fund administrative expenditures, disaster relief, justice assistance, and atomic energy defense activities.
[^8]:    1. For a description of the I-O accounts, see Ann M. Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992: Make, Use, and Supplementary Tables," Survey of Current Business 77 (November 1997): 36-82; and "Benchmark Input-Output Accounts for the U.S. Economy, 1992: Requirements Tables," Survey 77 (December 1997): 22-47.
    2. The 1991 Intermodal Surface Transportation Efficiency Act (Isten) established bTs and charged it with carrying out various statistical functions, including "compiling, analyzing, and publishing a comprehensive set of transportation statistics to provide timely summaries and totals (including industry-wide aggregates and multi-year averages) of transportation-related information." ISTEA also mandated that "such statistics shall be suitable for conducting cost-benefit studies (including comparisons among individual transportation modes and intermodal transport systems) and shall include information on-(A) productivity in various parts of the transportation sector." See appendix A of The Bureau of Transportation Statistics-Priorities for the Future (National Academy Press, 1997) by the National Research Council. In its first annual report to the U.S. Congress, BTS recommended that special studies be undertaken to measure total transportation services in a way that is consistent with the national economic accounts. See pages $4-5$ of the Transportation Statistics Annual Report, 1994, prepared by втs.
    3. For a description of the environmental satellite accounts, see "Integrated Economic and Environmental Satellite Accounts" and "Accounting for Mineral Resources: Issues and bea's Initial Estimates," Survey 74 (April 1994): 33-72; for a description of the research and development account, see "A Satellite Account for Research and Development," Surver 74 (November 1994): 37-71. For the travel and tourism satellite accounts, bea is proceeding with funding provided by the International Trade Administration of the Department of Commerce.
[^9]:    4. Industries in the I-O accounts that provide transportation commodities for hire as their primary products include the following: Railroads and related services and passenger ground transportation; motor freight transportation and warehousing; water transportation; air transportation; pipelines, freight forwarders, and related services; and State and local government passenger transit. These industries are described in table 2.
[^10]:    5. The Census Bureau collects information-such as revenues, payroll, and employment - for all for-hire transportation industries except railroads and air transportation in the quinquennial Census of Transportation, Communications, and Utilities ( TCU ). In addition, the Census publishes in the quinquennial rcu data collected by other sources on railroads and air transportation. Data on railroad transportation were collected by the Association of American Railroads. Data on air transportation were collected by the Office of Airline Statistics, U.S. Department of Transportation.

    Data on revenues and expenses for the trucking and warehousing industries are from the annual Motor Freight Transportation and Warehousing Survey. Data on flows of commodities are from the Commodity Flow Survey, and those on flows of passengers are from the American Travel Survey, both of which are collected every 5 years. Data on the physical and operational characteristics of trucks are collected from the Truck Inventory and Use Survey, which is conducted at the same time as the quinquennial census.
    6. The sic system defines an establishment as an economic unit that is typically at a single location where business is conducted or where services or industrial operations are performed. An establishment is classified into an industry on the basis of the primary activity of the establishment, which is the activity that makes up the largest proportion of the establishment's output. All other activities of the establishment are secondary. See Office of Management and Budget, Standard Industrial Classification Manual, 1987 (Springfield, Virginia: National Technical Information Service): $\mathbf{n - 1 8}$ and 265.
    7. Auxiliaries that primarily produce goods and services for other establishments of the same enterprise are generally classified as establishments in the industry where the goods or services are primary.

[^11]:    9. For a discussion of the purposes and characteristics of satellite accounts, see Commission of the European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, World Bank, System of National Accounts 1993, pages 489-518.
    10. See sNa 1993, page 490.
[^12]:    11. United Nations, Statistics Division, Handbook of National Accounting-Input-Output Table Compilation and Analysis, Manuscript (November 1997): 149-50.
    12. France's satellite account provides estimates of transportation expenditures by transportation modes in a framework similar to beA's national income and product accounts. See Commission Des Comites Des Transports de la Nation, Le Compte Satellite Des Transports En 1992.
[^13]:    13. Though total value added for the total economy remains unchanged, the value-added estimate for transportation industries is increased by the amount of the value added of the own-account transportation that is subtracted from other industries' value added. In addition, though the output for each industry remains unchanged, the total output for all industries is increased by the amount of output identified for the own-account transportation industry; this is because the total of all purchases of intermediate inputs-including own-account transportation commodities-by industries is increased by the same amount as the sum of the own-account transportation industry output.
[^14]:    14. The capital flow table (CFt) shows how much each industry used of each type of new structures and equipment contained in gross private fixed investment (GPFI) in the i-o use table. In other words, the CFT disaggregates GPFI to show the flows of structures and equipment to using industries.
[^15]:    15. This article presents these tables at a highly aggregated level of industry and commodity detail. For additional detail, see the box "Data Availability" on page 26.
[^16]:    16. When using the tsA industry-by-commodity total requirements coefficients to estimate the effects of changes in final uses on industries and commodities, the underlying 1-o assumptions have to be kept in mind. For example, the table is based on a set of relationships that exist between producers and consumers in a given year; these relationships assume that technology and relative prices are constant. The interindustry relationships reflect the average input structure in each industry for that year, but these relationships do not necessarily reflect the input structure of an additional unit of production. Therefore, for analyses that require alternative assumptions, other
[^17]:    1. "Other" consists of government enterprises (except state and local government passenger transit) and other
    input-output special industries. See Ann M. Lawson, "Benchmark Input-Output Accounts for the U.S. Economy, 1992: Make, Use, and Supplementary Tables," SURVEY OF CURRENT BUSiNESS 77 (November 1997): 58-62.
[^18]:    18. Adjustments were made before and after applying the for-hire relationship. First, some commodities, such as advertising and brokerage services that are used by for-hire transportation industries but not by other industries for own-account transportation, were excluded. Second, estimates were made to reflect the total use in the I-o accounts. Third, the estimates of value-added inputs were adjusted to exclude profits.
    19. Inputs for for-hire transportation industries in this matrix are all zeros because it is assumed that these industries do not have any own-account transportation activities.
[^19]:    20. See the section "Conceptual Overview" for an explanation of the different treatment of the uses of own-account and for-hire transportation in the TSA's.
[^20]:    21. The total direct use of own-account transportation for an industry from the tsa use table is distributed to the commodities produced by the industry, using the industry's output mix from the I-O make table. Repeating this procedure for every industry results in a table that shows the contributions of own-account transportation within each industry to the output of various commodities, that is, the direct costs of own-account transportation in the producers' prices of commodities.

    The direct costs of for-hire transportation are distributed to commodities in the same manner. If a commodity is produced in more than one industry, then the commodity will receive the distributed own-account and for-hire transportation costs from more than one industry; the sum of all these costs is the direct cost of transportation in the producers' prices of that commodity.

[^21]:    1. As an indicator of the increased importance of foreign-owned affiliates in U.S. manufacturing, the share of U.S. manufacturing employment that is accounted for by U.S. affiliates of foreign companies increased steadily from 7.6 percent in 1987 to 11.7 percent in 1994 before dipping to 11.4 percent in 1995. The employment shares for $1990-95$ are shown in table 12 of "Foreign Direct Investment in the United States: New Investment in 1996 and Affiliate Operations in 1995," Survey of Current Business 77 (June 1997): 54.
    2. In this article, the term "domestic content" refers to the difference between gross output and direct imports of intermediate inputs. This terminology is used for analytical purposes only and does not constitute an official definition.
    3. In bea's data on direct investment, manufacturing excludes petroleum and coal products manufacturing, which is classified under the major industry "petroleum."
    4. See Jeffrey H. Lowe, "Gross Product of U.S. Affiliates of Foreign Companies, 1977-87," Survey 70 (June 1990): 45-53; and William J. Zeile, "Merchandise Trade of U.S. Affiliates of Foreign Companies," Survey 73 (October 1993): 52-65.

    In addition, estimates of domestic content for all nonbank U.S. affiliates were presented as supplementary items in two articles in the Survey

[^22]:    that featured an alternative disaggregation of the U.S. current account based on ownership. See J. Steven Landefeld, Obie G. Whichard, and Jeffrey H. Lowe, "Alternative Frameworks for U.S. International Transactions," Survey 73 (December 1993): 50-61; and Obie G. Whichard and Jeffrey H. Lowe, "An Ownership-Based Disaggregation of the U.S. Current Account, 1982-93," Survey 75 (October 1995): 52-61.
    5. In addition to the two Survey articles cited above, the analysis in this article builds on earlier work by the author that will be presented in William J. Zeile, "Imported Inputs and the Domestic Content of Production by Foreign-Owned Manufacturing Affliates in the United States," in Geography and Ownership as Bases for Economic Accounting, ed. Robert E. Baldwin, Robert E. Lipsey, and J. David Richardson (Chicago: University of Chicago Press, forthcoming in 1998).

[^23]:    6. See the section "Data used to construct measures" in the appendix.
    7. See the discussion of affiliate linkages with host-country suppliers in John H. Dunning, Multinational Enterprises and the Global Economy (Wokingham, England: Addison-Wesley, 1993): 446-459.
[^24]:    8. The ubo is that person, proceeding up a U.S. affiliate's ownership chain, beginning with and including the foreign parent, that is not owned more than 50 percent by another person. "Person" is broadly defined to include any individual, corporation, branch, partnership, associated group, association, estate, trust, or other organization and any government (including any corporation, institution, or other entity or instrumentality of a government). The foreign parent is the first foreign person in the affiliate's ownership chain. Unlike the foreign parent, the Ubo of an affiliate is identified to ascertain the person that ultimately owns or controls the U.S. affiliate and that, therefore, ultimately derives the benefits from owning or controlling the affiliate.
[^25]:    9. The data for affiliates are enterprise data that include some output unrelated to manufacturing: In 1994; about 15 percent of the sales by affiliates classified in manufacturing were accounted for by sales associated with secondary activities in other industries, most notably wholesale trade.
    10. Intermediate inputs are goods and services that are consumed in production and that are purchased from other U.S. or foreign businesses.
    11. However, in terms of the distribution of value added in the form of payments factors to production, some of the value added of an affiliate can be viewed as "foreign" insofar as it includes property income paid to the affiliate's foreign owners.
[^26]:    15. Across the 32 industries, the coefficient of correlation between the domestic-content measures for U.S. affiliates and the domestically owned companies is 0.68 in 1989 and 0.79 in 1994.
[^27]:    16. The 12 industries are construction and mining machinery; metalworking machinery; special industrial machinery; general industrial machinery; computer and office equipment; other industrial machinery and equipment; audio, video, and communications equipment; electronic components and accessories; household appliances and other electrical machinery; motor vehicles and equipment; other transportation equipment; and instruments and related products.

    In 1994, these industries accounted for 32 percent of the gross output of all manufacturing affiliates and for 50 percent of the gross output of all domestically owned companies in manufacturing.

[^28]:    17. A substantial portion of the data for affiliates in motor vehicles and equipment is accounted for by affiliates that produce motor vehicle parts and accessories. In addition, some of the largest affiliates with operations in automobile manufacturing are classified in wholesale trade (where their sales are largest) rather than in manufacturing. In 1994, five affiliates that were classified in motor vehicles wholesale trade had at least one-fourth of their sales in motor vehicles manufacturing; these affiliates were primarily engaged
[^29]:    in the distribution of vehicles or parts manufactured by their foreign parents. As might be expected, their domestic-content share of output- 60 percentwas significantly below that of the affiliates classified as manufacturers of motor vehicles and equipment.

[^30]:    18. The value-added shares for affiliates and for domestically owned companies tend to be higher or lower in the same industries: Across the 32 industries, the coefficient of correlation between the value-added shares for U.S. affiliates and those for domestically owned companies is 0.69 in 1989 and 0.61 in 1994. For both U.S. affiliates and domestically owned companies, the machinery-type industries are among the industries with the highest and lowest value-added shares.
[^31]:    19. As noted before, these estimates understate the import content of intermediate inputs to the extent that imports are embodied in the inputs purchased from domestic suppliers. A rough estimate indicates that the share of imports in inputs purchased from domestic suppliers may be as high as 7 percent for all manufacturing affiliates and as high as 4 percent for all domestically owned companies in manufacturing. This share, which probably represents an upper bound, is based on an estimate of the imports used by all manufacturing establishments computed from data in bea's 1992 benchmark input-output accounts. Adding the estimated value of imports in domestically supplied intermediate inputs to the data on direct imports, the respective import shares of intermediate inputs for U.S. manufacturing affiliates and domestically owned U.S. parent companies in manufacturing in 1994 are estimated to be 24 percent and 15 percent; their domestic content shares are estimated to be 83 percent and 90 percent.
    20. The relatively high import share for affiliates in the beverage industry appears to reflect their secondary operations in wholesale trade: As shown in the appendix, most of the imports by these affiliates are goods for resale without further manufacture by the affiliates.
    21. Across the 32 industries, the coefficient of correlation between the import share of intermediate inputs for U.S. affiliates and that for the domestically owned companies is 0.65 in 1989 and 0.74 in 1994.
[^32]:    22. The foreign parent group consists of (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, up to and including the ultimate beneficial owner, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.
[^33]:    24. The export shares of sales for U.S. affiliates and domestically owned companies tend to be higher or lower in the same industries: Across the 32 industries, the coefficient of correlation between the export share for U.S. affiliates and that for domestically owned companies is 0.69 in 1989 and 0.75 in 1994.
[^34]:    25. As noted earlier, differences between years in the measures for the universe of affiliates may reflect not only changes in the behavior of individual affiliates but also changes in the population of affiliates. While working with a panel of affiliates is an important step towards isolating changes in the behavior of economic entities from changes in the population of entities, there may be some problems in drawing inferences based on changes in operating behavior even for the same set of affiliates, because some of these affiliates may have acquired or sold off operating units during this period.
[^35]:    26. In 1985-88, the multilateral trade-weighted value of the U.S. dollar in real terms depreciated 33 percent. See the Economic Report of the President (Washington, Dc: U.S. Government Printing Office, February 1997): Table B108.
[^36]:    28. Each sample consists of all the manufacturing affiliates that had at least $\$ 5$ million in sales. Smaller affiliates were excluded to prevent the averages from being skewed by the presence of large outliers that may result when the denominator (total output, purchased inputs, or sales) in the measure for an affiliate is very small. The extreme measures for some small affiliates may reflect the start-up or shutdown of affiliate operations in the year for which the measures are constructed.
[^37]:    29. In interpreting the figures in tables 9.1 and 9.2, it should be noted that the all-country averages for the normalized measures are conceptually different from the aggregate ratios shown in tables $2-4$ and 6 , because in those tables, the numerator of each ratio is the industry-level measure for the affiliates and is constructed by aggregating the data for all the affiliates in the industry. In contrast, the figures in tables 9.1 and 9.2 are unweighted averages (across the sample of affiliates) of the affiliate-level measures relative to the industry-level measures for U.S. parent companies in corresponding industries.
[^38]:    31. See, for example, Masahiko Aoki, "Toward an Economic Model of the Japanese Firm," Journal of Economic Literature 28 (March 1990): 1-27.
[^39]:    32. Outlays to acquire existing U.S. businesses accounted for 96 percent of the total outlays by British direct investors to acquire or establish U.S. manufacturing enterprises in 1987-92, according to data from bea's survey of new investment; in comparison, 86 percent of total outlays by Japanese direct investors and 92 percent of total outlays by direct investors from all countries were to acquire existing U.S. businesses.
    33. The relatively high domestic content for these Canadian-owned affiliates may also reflect the fact that Canadian direct investment has mainly been to acquire existing U.S. companies: Outlays to acquire existing U.S. businesses accounted for 97 percent of the total outlays by Canadian direct investors in 1987-92.
[^40]:    NOTE.-Size ranges are given in the percentage cells that are suppressed; these ranges are
    -0.01 to 19.9: B-20.0 to 39.9; C-40.0 to 59.9; E-60.0 to 79.9; F-80.0 to 100
    UBO Ulitimate beneficial owner

[^41]:    34. However, imports from the investing country do not account for a uniformly large share of the affiliates' imports from their foreign parent groups: Only 56 percent of the intrafirm imports by British-owned affiliates originate in the United Kingdom and only 69 percent of the intrafirm imports by French-owned affliates originate in France.
    35. The data on affiliate sales can be broken down by each industry in which the given affiliate reports sales. In 1994, manufacturing sales accounted
[^42]:    42. Data on imports intended for further manufacture have been collected annually beginning with the 1992 benchmark survey. The benchmark-survey data also include separate data on imports of goods for resale without further manufacture and on imports of capital equipment; in 1992, imports for resale accounted for 95 percent of manufacturing affiliates' imports of goods that were not intended for further manufacture.
[^43]:    43. For most of the affiliates in the restricted sample, the shares of imports accounted for by goods intended for further manufacture are much higher than 50 percent. As shown in column 6 of table 13, imports for further manufacture accounted for 88 percent of the total imports of affiliates in the restricted sample; at the industry level, the shares in two-thirds of the 32 industries are more than 90 percent.
[^44]:    1. Quarterly estimates of U.S. current- and capital-account components are seasonally adjusted when statistically significant seasonal patterns are present. The accompanying tables present both adjusted and unadjusted estimates.
[^45]:    1. Currencies of Beigium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.
    Kingdom. Data: Federal Reserve Board. Monthly and quartery average rates. Index rebased by BEA.
    2. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.
[^46]:    $r$ Revised.

[^47]:    - Revised.
    - Preliminary

[^48]:    U.S. Department of Commerce, Bureau of Economic Analysis

[^49]:    See footnotes on page 91.

[^50]:    See footnotes on page 91.

[^51]:    See footnotes on page 91.

[^52]:    See footnotes on page 91 .

[^53]:    See footnotes on page 91.

[^54]:    See footnotes on page 91

[^55]:    dollar output multiplied by 100 .
    Percent change from preceding period for items in this table are shown in table 8.1. (Contributions to the percen change in real gross domestic product are shown in table 8.2).

[^56]:    See footnotes at the end of the table.

[^57]:    U.S. Department of Commerce, Bureau of Economic Analysis

[^58]:    See footnotes to table F. 3

[^59]:    $p$ Preliminary.
    ${ }^{r}$ Revised.

    1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production
    2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.
    3. Other
[^60]:    ${ }^{p}$ Preliminary.

    1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation 1. Represents gains or
    at current exchange rates.
    at current exchange rates.
    2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value
    of assets.
    3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.
    4. Also includes paid-in capital subscriptions to international financial institutions and outstanding
[^61]:    ${ }^{\text {D }}$ Suppressed to avoid disclosure of data of individual companies. NoTE--The data in this table are from tables A1 and A2 in Foreign Direct Invesiment in the
    United'States: Operations of U.S. Affitiates of Foreign Companies, Preliminary 1995 Estimates.

[^62]:    U.S. Department of Commerce, Bureau of Economic Analysis

[^63]:    abroad temporarily by private U.S. firms. It can also differ from the NIPA estimate because of different data sources
    Source: Table 1 in "Personal Income by State and Region, Third Quarter 1997" in the February 1998 issue of the Surver of Current business.

[^64]:    1. Per capita personal income and per capita disposable personal income are computed using midyear population estimates of the Bureau of the Census.
    NOTE.-The personal income level shown for the United States is derived as the sum of the sonal income because, by definition, it omits the earnings of Federal civilian and military personne
    stationed abroad and of U.S. residents empioyed abroad temporarily by private U.S firms. It can also differ from the NIPA estimate because of difterent data sources and revision schedules. Source: Tables 2 and 4 in "State Personal Income, Revised Estimates for 1958-96" in the October 1997 SURVEY OF CURRENT BUSINESS.
[^65]:    1. The personal income level shown for the United States is derived as the sum of the county estimates; , difters from the national income and product accounts (NPPA) estimate of personal income because, by definition abroad temporarily by private U.S. firms. It can also differ from the NIPA estimate because of different data sources abroad temporarily by priv
    and revision schedules.
    and revision schedules.
    2. Percent change was calculated from unrounded data.
    3. Percent change was calculated from unrounded data.
[^66]:    * Items with an asterisk can be found on bea's Internet site at [http://www.bea.doc.gov](http://www.bea.doc.gov).

[^67]:    * Joint release by the Bureau of the Census and bea.

