

SURVEY OF CURRENT BUSINESS



In This Issue . . .

U.S. International Investment Position for 2005

Direct Investment Positions for 2005

Annual Revision of the U.S. International Accounts

U.S. International Transactions for the First Quarter of 2006

Gross State Product for 1998-2005

State Personal Income for the First Quarter of 2006

U.S. Department of Commerce

Carlos M. Gutierrez, *Secretary*

Economics and Statistics Administration

Bureau of Economic Analysis

J. Steven Landefeld, *Director*

Rosemary D. Marcuss, *Deputy Director and Acting Chief Economist*

Dennis J. Fixler, *Chief Statistician*

Ralph Kozlow, *Associate Director for International Economics*

Alan C. Lorish, Jr., *Chief Information Officer*

Brent R. Moulton, *Associate Director for National Economic Accounts*

Sumiye Okubo, *Associate Director for Industry Accounts*

John W. Ruser, *Associate Director for Regional Economics*

BEA Advisory Committee

The BEA Advisory Committee advises the Director of BEA on matters related to the development and improvement of BEA's national, regional, industry, and international economic accounts, especially in areas of new and rapidly growing economic activities arising from innovative and advancing technologies, and it provides recommendations from the perspective of business economists, academicians, researchers, and experts in government and international affairs.

Dale W. Jorgenson, *Chair, Harvard University*

Alan J. Auerbach, *University of California, Berkeley*

Nariman Behraves, *Global Insight*

Richard B. Berner, *Morgan Stanley*

Michael J. Boskin, *Stanford University*

Barry P. Bosworth, *The Brookings Institution*

Susan M. Collins, *Georgetown University*

Robert J. Gordon, *Northwestern University*

Maurine A. Haver, *Haver Analytics, Inc.*

Charles R. Hulten, *University of Maryland*

Edward E. Leamer, *University of California, Los Angeles*

Therese J. McGuire, *Northwestern University*

William D. Nordhaus, *Yale University*

James Kim, *Editor-in-Chief*

M. Gretchen Gibson, *Managing Editor*

Kristina L. Maze, *Production Manager*

Anita L. Denning, *Editor*

Wm. Ronnie Foster, *Graphic Designer*

Cindy M. Staudt, *Editor*

Danielle M. Wittenberg, *Editor*

To subscribe, call 202-512-1800, or go to
<bookstore.gpo.gov>.

Subscription and single-copy prices

Second-class mail: \$63.00 domestic, \$88.20 foreign,

First-class mail: \$105.00

Single copy: \$25.00 domestic, \$35.00 foreign

The SURVEY OF CURRENT BUSINESS (ISSN 0039-6222) is published monthly by the Bureau of Economic Analysis of the U.S. Department of Commerce. Send editorial correspondence to <customerservice@bea.gov>.

The information in this journal is in the public domain and may be reprinted without the permission of the Bureau of Economic Analysis. Citation of the SURVEY OF CURRENT BUSINESS as the source is appreciated.

Subscriptions to the SURVEY OF CURRENT BUSINESS are maintained, and the prices are set, by the U.S. Government Printing Office, an agency of the U.S. Congress.

The Secretary of Commerce has determined that the publication of this periodical is necessary in the transaction of the public business required by law of the Department.

SURVEY OF CURRENT BUSINESS

July 2006

Volume 86 • Number 7

1 GDP and the Economy: Final Estimates for the First Quarter of 2006

Real GDP increased 5.6 percent after increasing 1.7 percent, reflecting an acceleration in consumer spending, an acceleration in exports, an upturn in Federal Government spending, and an acceleration in equipment and software. Corporate profits slowed.

6 Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade for the First Quarter of 2006

These estimates, including estimates of inventories for manufacturing by stage of fabrication, have been updated.

9 The International Investment Position of the United States at Yearend 2005

The net international investment position at current cost was $-\$2,693.8$ billion; in 2004, it was $-\$2,360.8$ billion. The change was mainly due to record private net foreign purchases of U.S. securities and to depreciation of most major foreign currencies against the dollar.

20 Direct Investment Positions for 2005: Country and Industry Detail

The historical-cost position of U.S. direct investment abroad increased 1 percent after increasing 16 percent in 2004, and the position of foreign direct investment in the United States increased 8 percent after increasing 9 percent.

36 Annual Revision of the U.S. International Accounts for 1995–2005

Each year, these estimates of U.S. transactions and of the U.S. international investment position are revised to incorporate statistical and methodological changes.

49 How BEA Aligns and Augments Source Data From the U.S. Treasury Department for Inclusion in the International Transactions Accounts

Each year, the estimates of financial-account flows in the international transactions accounts, which are based on Treasury Department data, are adjusted to align the estimates with balance-of-payments concepts and to close gaps in coverage.

www.bea.gov

52 U.S. International Transactions: First Quarter of 2006

The U.S. current-account deficit decreased \$14.4 billion, reflecting decreases in net unilateral current transfers and the deficit on goods and a shift to a surplus on income. In the financial account, net recorded financial inflows decreased \$85.1 billion to \$157.6 billion.

108 Gross State Product: Advance Estimates for 2005 and Revised Estimates for 1998–2004

Growth in real gross state product for the Nation slowed to 3.5 percent from 4.2 percent in 2004. Growth slowed in most states; 8 of the 10 fastest growing states were in the Rocky Mountain or Far West region.

133 State Personal Income: First Quarter of 2006

Personal income for the Nation grew 1.4 percent after growing 1.9 percent in the fourth quarter of 2005, reflecting a slowdown in property income.

D–1 BEA Current and Historical Data**iii Director's Message****iv Taking Account**

BEA's Web Site and Contacts (inside back cover)

Schedule of Upcoming News Releases (back cover)

Looking Ahead . . .

Annual Revision of the National Income and Product Accounts. The annual NIPA revision will be published in the August SURVEY. This issue will include an article that describes the effects of the revision on GDP and the principal sources of the revision and an extensive set of NIPA tables.

Director's Message

Among the highlights of this month's SURVEY—traditionally one of the largest of the year—are several articles related to our international accounts, including the annual revision of the international transactions accounts and a presentation of account estimates for the first quarter of 2006. I am pleased to note that the geographical detail available for the full set of international transactions accounts has been expanded. We will now provide quarterly data for 37 countries and regions, including China, India, and the euro area, instead of the previous 10.

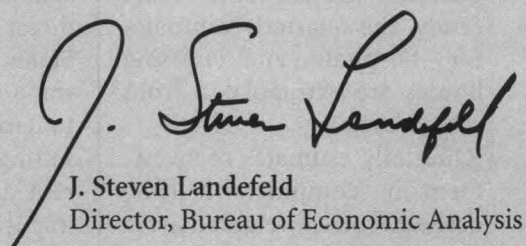
Other articles include a look at the international investment position of the United States for 2005 and a review of the cross-border direct investment positions for 2005.

This month, we also present the annual revision of gross state product (GSP) estimates, which features advance GSP estimates for 2005. For the benefit of our data users, BEA published the advance GSP estimates just 6 months after the reference year for the second consecutive year—an acceleration of 12 months. This issue of the SURVEY also includes an update of state personal income for the first quarter.

As always, the first article—"GDP and the Economy"—presents the most recent gross domestic product estimates and related measures. The information is presented in the new user-friendly format that we launched earlier this year.

One final note: BEA recently launched a new digital library on our Web site. The library, which is searchable and offers a range of features, currently provides electronic access to selected historical SURVEY articles and early volumes from the Conference on Research in Income and Wealth. Plans are underway to expand the available material in the near future.

Please take a look.



J. Steven Landefeld
Director, Bureau of Economic Analysis

Taking Account...

BEA Director Named Shiskin Award Recipient

Steve Landefeld, Director of the Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce since 1995, has been selected as the recipient of the 2006 Julius Shiskin Memorial Award for Economic Statistics.

Landefeld was recognized for his leadership in improving the U.S. economic accounts and related statistics through effective management, collaboration with domestic and international users, and scholarly research. These efforts have enhanced the reputation of BEA and the U.S. economic accounts throughout the world.

The annual Shiskin Award is cosponsored by the Washington Statistical Society, the Business and Economics Statistics Section of the American Statistical Association, and the National Association for Business Economics.

At a recent Washington Statistical Society event, Landefeld accepted the award on behalf of BEA and all of its employees—past and present—noting that the accomplishments are the result of a collective effort that stretches over many years.

Annual Revision of NIPAs To Be Released This Month

The regular annual revision of BEA's national income and

product accounts (NIPAs) is scheduled to be released July 28, 2006. The revision will incorporate source data that are more complete, more detailed, and otherwise more appropriate than those previously available.

The annual revision will also incorporate various methodological refinements, including the following:

- The valuation of unit sales of light trucks and utility vehicles will be based on retail-transactions-price data from J.D. Power (the same data source that BEA currently uses to derive estimates of automobile sales). Currently, the valuation is based on suggested retail prices by manufacturers. The new approach is part of BEA's initiative to acquire and incorporate real-time data into the economic accounts to provide more accurate and timely estimates.
- Quarterly estimates of personal consumption expenditures for hospitals and nursing homes will reflect data from the Census Bureau's expanded quarterly services survey. Currently, the quarterly estimates for hospitals and nursing homes are extrapolated from proxy data.
- Quarterly estimates of investment in computers will be derived from a weighted average of the Federal Reserve

Board's Industrial Production Index (IPI) for computers and peripherals (weighted at 75 percent) and the Census Bureau's Manufacturing Shipments (M3) for computers (weighted at 25 percent). The IPI will be converted to current dollars using a BEA price index. Currently, only the M3 series is used for the extrapolation.

The annual revision will be detailed in an article in next month's SURVEY OF CURRENT BUSINESS. The article will also be available on BEA's Web site.

New FAQ on Dark Matter Available on Web Site

BEA's public Web site has a new FAQ about "dark matter," the theory that advantages in technology and management allow the United States to maintain a surplus on investment income despite being the "so-called" world's largest debtor nation.

The FAQ notes that returns on U.S. direct investments abroad are not abnormally high, that there may be numerous reasons for low returns on foreign direct investment in the United States, and that any unmeasured trade in knowledge capital due to dark matter may result in offsetting changes within the current account and thus have no impact on the current-account balance.

GDP and the Economy

Final Estimates for the First Quarter of 2006

REAL gross domestic product (GDP) accelerated in the first quarter of 2006, and inflation moderated, according to the “final” estimates of the national income and product accounts (NIPAs).¹ Real GDP increased 5.6 percent, the fastest rate of growth since the third quarter of 2003 (chart 1 and table 1).² The final estimate of GDP was 0.3 percentage point more than the “preliminary” estimate released in May. The revision to the final estimate primarily reflected a downward revision to imports.

The first-quarter step-up in real GDP mainly reflected an upturn in consumer spending on durable goods, an acceleration in exports, an upturn in Federal Government spending, and a pickup in equipment and software investment. Growth was muted by a downturn in inventory investment.

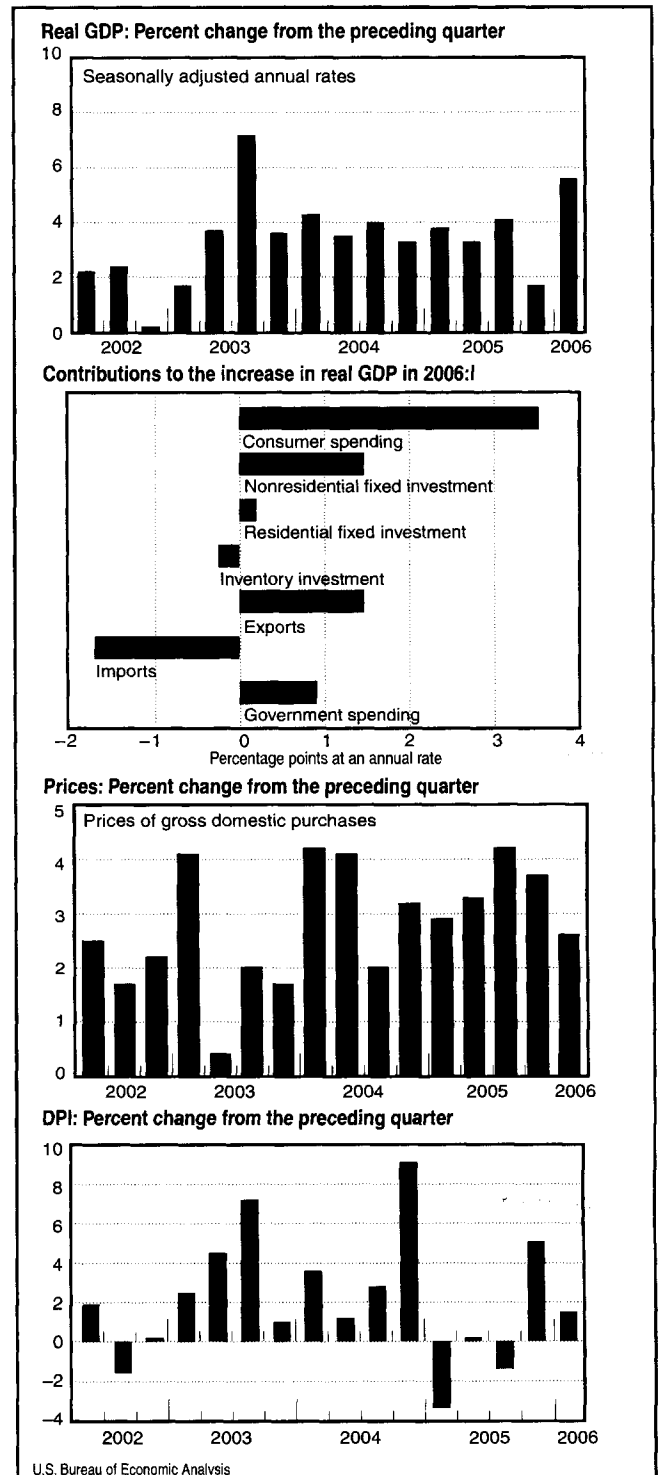
- Corporate profits increased \$176.7 billion (11.9 percent at a quarterly rate) after increasing \$185.8 billion (14.4 percent) in the fourth quarter (page 4).
- Prices of goods and services purchased by U.S. residents increased 2.6 percent, 0.2 percentage point less than the preliminary estimate, after increasing 3.7 percent in the fourth quarter. The deceleration primarily reflected the quarterly pattern of food and energy prices. Excluding food and energy prices, prices rose 3.0 percent after increasing 3.2 percent.
- Real disposable personal income (DPI) increased 1.5 percent, 0.6 percentage point less than the preliminary estimate, mainly because of a downward revision to current-dollar DPI that reflected downward revisions to supplements to wages and salaries and to personal interest income. Real DPI increased 5.1 percent in the fourth quarter.
- Real gross national product increased 6.2 percent after increasing 0.7 percent. The first-quarter increase is 0.6 percentage point more than the increase in real GDP, reflecting an increase in net receipts of income from the rest of the world.

1. Three GDP estimates for each quarter are prepared—advance, preliminary, and final estimates. Each incorporates increasingly comprehensive and improved source data. Quarterly estimates are expressed at seasonally adjusted annual rates. Additional information can be found at <www.bea.gov/bea/about/infoqual.htm> and at <www.bea.gov/bea/faq/national/gdp_accuracy.htm>.

2. “Real” estimates are in chained (2000) dollars, and price indexes are chain-type measures.

Christopher Swann prepared this article.

Chart 1. GDP, Prices, Disposable Personal Income (DPI)



Real GDP Overview

Table 1. Real Gross Domestic Product and Components

[Seasonally adjusted at annual rates]

	Share of current-dollar GDP (percent)	Change from preceding period (percent)				Contribution to percent change in real GDP (percentage points)				
		2005				2006				
		I	II	III	IV	I	II	III	IV	I
Gross domestic product¹.....	100.0	3.3	4.1	1.7	5.6	3.3	4.1	1.7	5.6	
Personal consumption expenditures.....	69.6	3.4	4.1	0.9	5.1	2.35	2.85	0.62	3.53	
Durable goods.....	8.0	7.9	9.3	-16.6	20.3	0.64	0.76	-1.47	1.51	
Nondurable goods.....	20.6	3.6	3.5	5.0	5.9	0.74	0.73	1.02	1.21	
Services.....	41.0	2.3	3.3	2.6	1.9	0.97	1.36	1.08	0.81	
Gross private domestic investment.....	17.4	-3.7	5.3	16.1	8.4	-0.63	0.87	2.54	1.44	
Fixed investment.....	17.2	9.5	8.0	3.9	10.1	1.51	1.31	0.65	1.68	
Nonresidential.....	11.0	8.8	8.5	4.5	14.2	0.90	0.88	0.48	1.47	
Structures.....	2.9	2.7	2.2	3.1	12.5	0.07	0.06	0.09	0.34	
Equipment and software.....	8.1	10.9	10.6	5.0	14.8	0.83	0.82	0.39	1.13	
Residential.....	6.2	10.8	7.3	2.8	3.3	0.62	0.43	0.17	0.21	
Change in private inventories.....	0.2	.....	.....	.....	.....	-2.14	-0.43	1.89	-0.24	
Net exports of goods and services.....	-6.0	.....	.....	.....	.....	1.11	-0.12	-1.36	-0.24	
Exports.....	10.7	10.7	2.5	5.1	14.7	1.07	0.26	0.52	1.47	
Goods.....	7.5	16.0	3.2	8.0	18.5	1.08	0.23	0.56	1.27	
Services.....	3.1	-0.4	1.0	-1.4	6.3	-0.01	0.03	-0.05	0.19	
Imports.....	16.7	-0.3	2.4	12.1	10.7	0.04	-0.38	-1.88	-1.70	
Goods.....	14.1	-1.1	3.5	13.5	11.1	0.15	-0.46	-1.76	-1.49	
Services.....	2.6	4.4	-3.2	4.8	8.5	-0.11	0.09	-0.12	-0.21	
Government consumption expenditures and gross investment.....	19.0	2.5	2.9	-0.8	4.8	0.47	0.54	-0.15	0.91	
Federal.....	7.1	2.4	7.4	-2.6	10.5	0.17	0.52	-0.18	0.72	
National defense.....	4.7	3.7	10.0	-8.9	9.6	0.17	0.46	-0.44	0.44	
Nondefense.....	2.4	-0.2	2.4	11.7	12.2	-0.01	0.06	0.26	0.28	
State and local.....	11.9	2.6	0.2	0.2	1.6	0.31	0.03	0.03	0.19	
Addenda:										
Final sales of domestic product ..	.....	5.6	4.6	-0.2	5.9	5.45	4.58	-0.24	5.88	
Gross domestic purchases price index.....	.....	3.3	4.2	3.7	2.6	.....	.....	.....	.....
GDP price index.....	.....	2.6	3.3	3.5	3.1	.....	.....	.....	.....

1. The estimates for GDP under the contribution columns are also percent changes.

Note. Percent changes are from NIPA table 1.1.1, and contributions to percent change are from NIPA table 1.1.2. Shares are from NIPA table 1.1.10.

Consumer spending accelerated sharply, increasing 5.1 percent and contributing 3.53 percentage points to real GDP growth after increasing 0.9 percent and contributing 0.62 percentage point. The surge mainly reflected an upturn in motor vehicles and parts, particularly in spending for trucks and recreational vehicles and for new cars.

Nonresidential fixed investment increased 14.2 percent and contributed 1.47 percentage points to real GDP growth. The pickup reflected upturns in transportation equipment and in other information processing equipment and software.

Inventory investment turned down and subtracted 0.24 percentage point from real GDP growth, reflecting a downturn by retail automobile dealers.

Exports accelerated sharply, increasing 14.7 percent and contributing 1.47 percentage points to real GDP growth. Goods exports surged. Nondurable industrial supplies and materials and "other" exports turned up. Foods, feeds, and beverages accelerated. "Other" capital goods and automotive vehicles, engines, and parts decelerated. Services exports turned up.

Imports decelerated, increasing 10.7 percent and subtracting 1.70 percentage points from real GDP growth. The deceleration mainly reflected a deceleration in goods imports, which primarily reflected downturns in petroleum and products and in nondurable nonpetroleum industrial supplies and materials.

Federal spending increased 10.5 percent and contributed 0.72 percentage point to real GDP growth.

Real final sales of domestic product—real GDP less the change in private inventories—turned up.

Measuring Saving

The gross saving rate (saving from all sources as a percentage of gross national income) was 14.1 percent in the first quarter of 2006, compared with 13.3 percent in the fourth quarter of 2005.

Net saving, which excludes the consumption of fixed capital, is a measure of the saving that is available for augmenting the stock of fixed assets. The net saving rate was 2.5 percent, compared with -1.3 percent in the fourth quarter.

Personal saving is defined as disposable personal income less consumer spending, interest paid by persons, and personal transfer payments to the rest of the world. The per-

sonal saving rate, which measures personal saving as a percentage of disposable personal income, was -1.4 percent in the first quarter. The rate has been negative for the last four quarters and has been declining steadily since the 1980s.

For more information, see Marshall Reinsdorf, "Saving, Wealth, Investment, and the Current-Account Deficit," SURVEY OF CURRENT BUSINESS 85 (April 2005): 3. Compare personal saving in the NIPAs with personal saving in the Federal Reserve Board's flow of funds accounts at <www.bea.gov/bea/dn/nipaweb/Nipa-Frb.asp>.

Revisions to GDP

Table 2. Final and Preliminary Estimates for the First Quarter of 2006

[Seasonally adjusted at annual rates]

	Change from preceding quarter (percent)			Contribution to percent change in real GDP (percentage points)		
	Preliminary	Final	Final minus preliminary	Preliminary	Final	Final minus preliminary
Gross domestic product (GDP)	5.3	5.6	0.3	5.3	5.6	0.3
Personal consumption expenditures	5.2	5.1	-0.1	3.63	3.53	-0.10
Durable goods.....	20.5	20.3	-0.2	1.51	1.51	0.00
Nondurable goods.....	5.7	5.9	0.2	1.18	1.21	0.03
Services.....	2.2	1.9	-0.3	0.94	0.81	-0.13
Gross private domestic investment	8.3	8.4	0.1	1.41	1.44	0.03
Fixed investment.....	9.3	10.1	0.8	1.56	1.68	0.12
Nonresidential.....	13.1	14.2	1.1	1.37	1.47	0.10
Structures.....	11.3	12.5	1.2	0.31	0.34	0.03
Equipment and software.....	13.8	14.8	1.0	1.05	1.13	0.08
Residential.....	3.1	3.3	0.2	0.19	0.21	0.02
Change in private inventories.....				-0.14	-0.24	-0.10
Net exports of goods and services				-0.55	-0.24	0.31
Exports.....	14.7	14.7	0.0	1.47	1.47	0.00
Goods.....	20.8	18.5	-2.3	1.42	1.27	-0.15
Services.....	1.5	6.3	4.8	0.05	0.19	0.14
Imports.....	12.8	10.7	-2.1	-2.02	-1.70	0.32
Goods.....	13.9	11.1	-2.8	-1.85	-1.49	0.36
Services.....	6.9	8.5	1.6	-0.17	-0.21	-0.04
Government consumption expenditures and gross investment	4.3	4.8	0.5	0.82	0.91	0.09
Federal.....	10.5	10.5	0.0	0.71	0.72	0.01
National defense.....	9.6	9.6	0.0	0.43	0.44	0.01
Nondefense.....	12.2	12.2	0.0	0.28	0.28	0.00
State and local.....	0.8	1.6	0.8	0.10	0.19	0.09
Addenda:						
Final sales of domestic product.....	5.5	5.9	0.4	5.45	5.88	0.43
Gross domestic purchases price index.....	2.8	2.6	-0.2			
GDP price index.....	3.3	3.1	-0.2			

1. The estimates for GDP under the contribution columns are also percent changes.

The final estimate of real GDP growth is 0.3 percentage point more than the preliminary estimate. The upward revision primarily reflects a downward revision to imports. (For the period 1978–2004, the revisions—without regard to sign—averaged 0.3 percentage point from the preliminary estimates to the final estimates.)

Imports were revised down 2.1 percentage points, primarily reflecting downward revisions to nonautomotive consumer goods and to nonpetroleum industrial supplies and materials.

The revision to the gross domestic purchases price index was primarily accounted for by downward revisions to the residential fixed investment price index, which was based on a revision to the Census Bureau's one-unit deflator, and to the state and local consumption expenditures deflator, which was based on revised employer contributions for group health insurance.

Source Data for the Final Estimates

The final estimates of gross domestic product for the first quarter incorporated the following source data.

Personal consumption expenditures: Retail sales for March (revised). Gasoline sales for March (revised). Electricity and natural gas sales to residential consumers for March (new).

Nonresidential fixed investment: Construction put-in-place data for February and March (revised) and manufacturers' shipments of machinery and equipment for March (revised). Exports and imports of equipment and software for March (revised).

Residential investment: Construction put in place for February and March (revised).

Change in private inventories: Manufacturers' and trade inventories for March (revised). Mining inventories for the first quarter (new).

Exports and imports of goods and services: Exports and imports of goods and services for October 2005 through March 2006, reflecting (on a "best-change" basis) the annual revision of BEA's international transactions accounts.

Government consumption expenditures and gross investment: State and local government construction put-in-place data for February and March (revised).

Compensation: Employment, average hourly earnings, and average weekly hours for March (revised) and data on employer costs for employee compensation for the first quarter (new).

GDP prices: Export and import prices for January through March (revised), unit value index for petroleum imports for March (revised), and prices of single-family houses under construction for the first quarter (revised).

Corporate Profits

Table 3. Corporate Profits
[Seasonally adjusted]

	Billions of dollars (annual rate)				Percent change from preceding quarter (quarterly rate)					
	Level		Change from preceding quarter							
	2006		2005		2006		2005			
	I	II	III	IV	I	II	III	IV	I	
Current production measures:										
Corporate profits	1,655.6	59.3	-54.4	185.8	176.7	4.6	-4.0	14.4	11.9	
Domestic industries.....	1,416.9	55.5	-80.4	200.4	146.6	5.1	-7.0	18.7	11.5	
Financial.....	447.2	-26.9	-71.9	104.9	63.5	-7.1	-20.5	37.6	16.5	
Nonfinancial	969.8	82.5	-8.5	95.5	83.2	11.5	-1.1	12.1	9.4	
Rest of the world.....	238.7	3.7	25.9	-14.5	30.1	1.9	13.1	-6.5	14.4	
Receipts from the rest of the world.....	372.6	14.7	10.1	18.3	16.0	4.7	3.1	5.4	4.5	
Less: Payments to the rest of the world.....	134.0	10.9	-15.9	32.9	-14.0	9.1	-12.1	28.5	-9.5	
Less: Taxes on corporate income	447.7	9.9	-12.2	56.8	30.6	2.7	-3.3	15.8	7.3	
Equals: Profits after tax.....	1207.9	49.4	-42.2	129.0	146.1	5.3	-4.3	13.8	13.8	
Net dividends	548.8	11.4	13.8	15.3	13.4	2.3	2.7	2.9	2.5	
Undistributed profits from current production.....	659.0	38.0	-56.1	113.8	132.6	8.8	-12.0	27.6	25.2	
Net cash flow	1504.3	41.7	44.0	43.1	136.3	3.4	3.4	3.3	10.0	

NOTE. Levels of these and other profits series are shown in NIPA tables 1.12, 1.14, 1.15, and 6.16D.

Corporate profits from current production increased \$176.7 billion, or 11.9 percent at a quarterly rate, after increasing \$185.8 billion, or 14.4 percent, in the fourth quarter.

Profits of domestic industries increased \$146.6 billion, or 11.5 percent.

Profits of domestic financial corporations increased \$63.5 billion, or 16.5 percent.

Profits of domestic nonfinancial corporations increased \$83.2 billion, or 9.4 percent.

Profits from the rest of the world turned up, increasing \$30.1 billion, or 14.4 percent, after a 14.5-percent decline in the fourth quarter.

Taxes on corporate income increased 7.3 percent, compared with a 15.8-percent increase.

Undistributed corporate profits (a measure of net saving that equals after-tax profits less dividends) increased 25.2 percent, following a 27.6-percent increase.

Net cash flow from current production, a profits-related measure of internally generated funds available for investment, accelerated sharply, increasing \$136.3 billion, or 10.0 percent. In the fourth quarter, net cash flow increased \$43.1 billion, or 3.3 percent.

Measuring Corporate Profits

Corporate profits is a widely followed economic indicator used to gauge corporate health, assess investment conditions, and analyze the effect on corporations of economic policies and conditions. In addition, corporate profits is an important component in key measures of income.

BEA's measure of corporate profits aims to capture the income earned by corporations from current production in a manner that is fully consistent with the national income and product accounts (NIPAs). The measure is defined as receipts arising from current production less associated expenses. Receipts exclude income in the form of dividends and capital gains, and expenses exclude bad debts, natural resource depletion, and capital losses.

Because direct estimates of NIPA-consistent corporate profits are unavailable, BEA derives these estimates in three steps.

First, BEA measures profits before taxes to reflect corporate income regardless of any redistributions of income through taxes. This measure is partly based on tax return

information from the Internal Revenue Service; BEA uses tax accounting measures as a source of information on profits for two reasons: They are based on well-specified accounting definitions, and they are comprehensive, covering all incorporated businesses—publicly traded and privately held—in all industries. BEA also uses other sources of information to estimate pretax profits, including information from the Census Bureau.

Second, to remove the effects of price changes on inventories valued at historical cost and of tax accounting for inventory withdrawals, BEA adds an inventory valuation adjustment that values inventories at current cost.

Third, to remove the effects of tax accounting on depreciation, BEA adds a capital consumption adjustment (CCAdj). CCAdj is defined as the difference between consumption of fixed capital (the decline in the value of the stock of assets due to wear and tear, obsolescence, accidental damage, and aging) and capital consumption allowances (tax return depreciation).

Corporate Profits by Industry

Table 4. Corporate Profits by Industry
[Seasonally adjusted]

	Billions of dollars (annual rate)					Percent change from preceding quarter (quarterly rate)				
	Level		Change from preceding quarter							
	2006		2005			2006				
	I	II	III	IV	I	II	III	IV	I	
Industry profits:										
Profits with IVA	1,686.8	54.1	-28.2	164.6	157.1	4.0	-2.0	12.1	10.3	
Domestic industries	1,448.2	50.4	-54.1	179.1	127.1	4.4	-4.5	15.7	9.6	
Financial	444.1	-27.7	-70.8	104.0	61.4	-7.4	-20.3	37.3	16.0	
Nonfinancial	1,004.1	78.1	16.7	75.0	65.8	10.2	2.0	8.7	7.0	
Utilities	39.9	2.7	-6.7	19.9	0.3	11.4	-25.5	100.6	0.8	
Manufacturing	273.1	34.5	13.9	19.7	34.8	20.3	6.8	9.0	14.6	
Wholesale trade	100.2	16.7	-2.7	5.2	-0.4	20.5	-2.7	5.4	-0.4	
Retail trade	122.8	4.5	7.8	13.5	-7.6	4.2	7.2	11.5	-5.8	
Transportation and warehousing	37.0	5.0	5.0	-3.8	7.9	21.6	18.1	-11.6	27.2	
Information	58.7	6.8	-3.3	3.8	4.7	14.5	-6.2	7.6	8.7	
Other nonfinancial	372.4	8.0	2.7	16.8	26.0	2.5	0.8	5.1	7.5	
Rest of the world	238.7	3.7	25.9	-14.5	30.1	1.9	13.1	-6.5	14.4	
Addenda:										
Profits before tax (without IVA and CCAj)	1,707.8	33.9	-19.6	177.5	137.7	2.5	-1.4	12.7	8.8	
Profits after tax (without IVA and CCAj)	1,260.1	24.0	-7.4	120.7	107.1	2.4	-0.7	11.7	9.3	
IVA	-21.0	20.2	-8.6	-12.9	19.4					
CCAj	-31.3	5.2	-26.3	21.4	19.4					

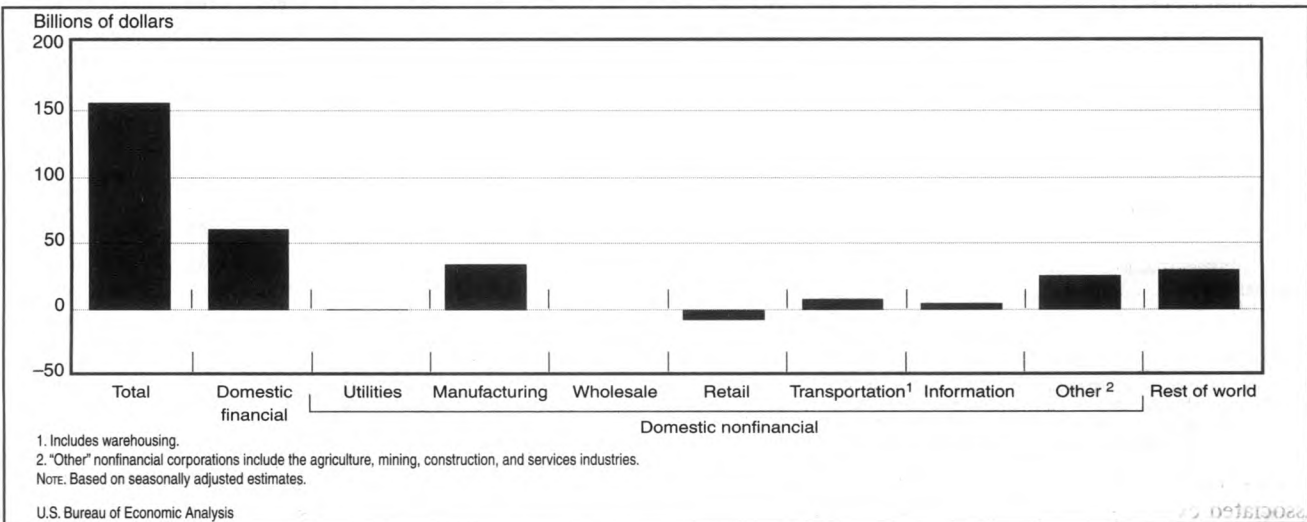
Industry profits with inventory valuation adjustment increased \$157.1 billion, or 10.3 percent at a quarterly rate. This increase is smaller than the increase in profits from current production because it excludes the estimates of capital consumption adjustment, which increased \$19.4 billion in the first quarter.

Profits of manufacturing industries accelerated, increasing \$34.8 billion, or 14.6 percent.

Profits of "other" nonfinancial industries accelerated, increasing \$26.0 billion, or 7.5 percent.

NOTE: Levels of these and other profits series are shown in NIPA tables 1.12, 1.14, 1.15, and 6.16D. IVA Inventory valuation adjustment CCAj Capital consumption adjustment

Chart 2. Corporate Profits With Inventory Valuation Adjustment: Change From the Preceding Quarter, 2006:I



Corporate Profits by Industry

Industry profits are corporate profits by industry with inventory valuation adjustment (IVA). The IVA removes the effect of prices on inventories. The IVA is the difference between the cost of inventory withdrawals at acquisition cost and replacement cost. Ideally, BEA would also add the capital consumption adjustment (CCAj) for each indus-

try. However, estimates of the CCAj are only available for two broad categories: Total financial industries and total nonfinancial industries. For more information about BEA's methodology, see "Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends" at <www.bea.gov/bea/mp_national.htm>.

Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade for the First Quarter of 2006

Quarterly estimates for the fourth quarter of 2005 and the first quarter of 2006, and monthly estimates for November 2005 to April 2006 are presented in this report.

Tables 1B, 2B, 3B, and 4B present chain-weighted estimates. Table 1B presents inventories, and table 2B presents sales. Table 3B presents the inventory-sales ratios that can be used to assess the likelihood that businesses will add to, or reduce, inventories in response to changes in demand; these ratios supplement the quarterly current-dollar and real

estimates of ratios of inventories to final sales of domestic business, of nonfarm business, and of goods and structures that are presented in NIPA tables 5.7.5B and 5.7.6B. Table 4B presents estimates of manufacturing inventories by stage of fabrication.

The estimates for 1967 forward are available in interactive tables on BEA's Web site at <www.bea.gov>. Click on "Gross Domestic Product," and under "Supplemental Estimates," click on "Underlying detail tables" and then on "List of Underlying Detail Tables."

Table 1B. Real Manufacturing and Trade Inventories, Seasonally Adjusted, End of Period

[Billions of chained (2000) dollars]

	2005	2006	2005		2006			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	April ^p
Manufacturing and trade industries	1,240.9	1,247.3	1,238.5	1,240.9	1,241.0	1,240.3	1,247.3	1,248.9
Manufacturing	449.3	451.3	448.5	449.3	451.8	449.1	451.3	452.4
Durable goods	275.4	275.1	276.1	275.4	275.7	273.8	275.1	276.2
Wood products.....	10.4	9.8	10.3	10.4	10.1	10.0	9.8	9.9
Nonmetallic mineral products.....	9.4	9.5	9.3	9.4	9.4	9.4	9.5	9.6
Primary metals.....	18.8	18.8	18.9	18.8	18.8	18.9	18.8	18.8
Fabricated metal products.....	31.8	31.8	31.7	31.8	31.9	31.8	31.8	31.8
Machinery.....	37.5	37.8	37.7	37.5	37.7	37.6	37.8	38.0
Computer and electronic products.....	62.2	63.4	62.7	62.2	63.1	62.0	63.4	64.0
Electrical equipment, appliances, and components.....	12.7	12.7	12.7	12.7	12.8	12.7	12.7	12.7
Transportation equipment.....	67.8	66.8	67.9	67.8	67.3	66.6	66.8	67.2
Furniture and related products.....	8.3	8.4	8.3	8.3	8.3	8.3	8.4	8.4
Miscellaneous manufacturing.....	17.2	16.9	17.4	17.2	17.2	17.1	16.9	16.9
Nondurable goods	174.2	176.3	172.9	174.2	176.2	175.5	176.3	176.3
Food products.....	32.5	32.7	32.4	32.5	32.8	32.8	32.7	32.6
Beverage and tobacco products.....	12.5	12.3	12.5	12.5	12.4	12.4	12.3	12.3
Textile mills.....	5.1	5.0	5.0	5.1	5.1	5.0	5.0	5.0
Textile product mills.....	3.7	3.6	3.6	3.7	3.6	3.6	3.6	3.6
Apparel.....	7.3	7.1	7.3	7.3	7.2	7.2	7.1	7.1
Leather and allied products.....	1.3	1.2	1.3	1.3	1.3	1.2	1.2	1.2
Paper products.....	16.0	16.1	16.0	16.0	16.0	16.0	16.1	16.1
Printing and related support activities.....	6.2	6.2	6.2	6.2	6.2	6.2	6.2	6.2
Petroleum and coal products.....	18.1	18.8	17.9	18.1	18.4	18.5	18.8	19.3
Chemical products.....	52.1	52.9	51.1	52.1	53.2	52.5	52.9	52.5
Plastics and rubber products.....	19.0	19.2	19.0	19.0	19.4	19.3	19.2	19.3
Merchant wholesale trade	337.2	339.9	334.7	337.2	336.6	339.2	339.9	341.8
Durable goods.....	211.1	212.5	210.1	211.1	211.3	212.2	212.5	214.5
Nondurable goods.....	126.6	127.9	125.2	126.6	125.9	127.5	127.9	127.9
Retail trade	454.4	456.1	455.3	454.4	452.2	451.7	456.1	454.4
Motor vehicle and parts dealers.....	154.8	154.6	157.7	154.8	151.6	151.4	154.6	153.1
Furniture and home furnishings and electronics and appliance stores.....	32.0	32.5	31.7	32.0	32.3	32.5	32.5	32.7
Building material and garden equipment and supplies stores.....	49.0	49.4	48.8	49.0	49.2	48.8	49.4	49.6
Food and beverage stores.....	32.2	32.4	32.2	32.2	32.2	32.3	32.4	32.4
Clothing and clothing accessories stores.....	34.7	35.3	34.5	34.7	34.5	34.9	35.3	35.5
General merchandise stores.....	72.2	71.0	71.8	72.2	71.8	71.3	71.0	70.2
Other retail stores.....	79.9	81.0	79.2	79.9	80.6	80.7	81.0	81.0

^p Preliminary

^r Revised

Note. Estimates in this table are based on the North American Industry Classification System (NAICS). Chained (2000) dollar inventory series are calculated to ensure that the chained (2000) dollar change in

inventories for 2000 equals the current-dollar change in inventories for 2000 and that the average of the 1999 and 2000 end-of-year chain-weighted and fixed-weighted inventories are equal. 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 2B. Real Manufacturing and Trade Sales, Seasonally Adjusted at Monthly Rate

[Billions of chained (2000) dollars]

	2005	2006	2005		2006			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	April ^p
Manufacturing and trade industries	956.4	975.9	958.2	965.0	975.7	973.5	978.5	974.8
Manufacturing	354.5	360.6	354.6	359.5	362.0	358.7	361.2	357.8
Durable goods	207.7	210.4	205.6	212.7	210.0	210.5	210.5	208.2
Wood products.....	8.3	8.4	8.4	8.5	8.5	8.4	8.2	7.7
Nonmetallic mineral products.....	7.7	7.8	7.7	7.7	7.8	7.8	7.8	7.5
Primary metals.....	11.5	11.3	11.5	11.3	11.4	11.2	11.3	11.2
Fabricated metal products.....	21.3	22.0	21.1	21.7	22.0	22.0	21.9	21.9
Machinery.....	25.4	26.1	25.1	26.1	26.5	25.7	26.1	26.5
Computer and electronic products.....	53.9	56.4	53.4	55.3	54.9	58.0	56.4	56.1
Electrical equipment, appliances, and components.....	8.8	8.9	8.8	8.7	8.9	8.8	8.9	8.8
Transportation equipment.....	54.9	53.6	53.9	57.4	53.6	53.2	54.1	52.3
Furniture and related products.....	6.5	6.5	6.5	6.6	6.6	6.5	6.5	6.6
Miscellaneous manufacturing.....	11.6	12.1	11.4	11.9	12.3	12.1	12.1	12.2
Nondurable goods	148.4	151.8	150.2	148.8	153.3	149.9	152.1	151.0
Food products.....	36.9	37.2	37.2	37.1	37.2	37.4	37.2	37.5
Beverage and tobacco products.....	8.5	8.5	8.5	8.5	8.5	8.4	8.5	8.5
Textile mills.....	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.2
Textile product mills.....	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Apparel.....	4.5	4.5	4.6	4.7	4.5	4.5	4.6	4.7
Leather and allied products.....	0.8	0.8	0.9	0.8	0.8	0.9	0.8	0.8
Paper products.....	13.9	14.4	13.9	14.1	14.7	14.3	14.2	14.3
Printing and related support activities.....	7.2	7.2	7.1	7.0	7.2	7.2	7.1	7.2
Petroleum and coal products.....	19.0	20.9	19.5	19.5	21.2	20.2	21.3	19.8
Chemical products.....	36.2	36.3	37.0	35.9	37.0	35.6	36.4	37.2
Plastics and rubber products.....	15.9	15.5	16.0	15.8	15.7	15.5	15.3	15.5
Merchant wholesale trade	268.2	272.2	268.3	268.6	269.7	272.6	274.4	273.8
Durable goods.....	146.2	147.9	145.1	147.4	147.9	147.6	148.1	147.1
Nondurable goods.....	123.4	125.7	124.3	122.9	123.4	126.2	127.4	127.7
Retail trade	337.2	347.6	339.1	340.8	348.9	346.5	347.5	347.6
Motor vehicle and parts dealers.....	80.7	83.9	81.9	82.7	85.4	82.8	83.6	84.1
Furniture and home furnishings and electronics and appliance stores.....	27.3	28.8	27.5	27.3	29.3	28.5	28.6	28.9
Building material and garden equipment and supplies stores.....	34.4	36.8	34.8	34.5	36.8	36.4	37.1	36.2
Food and beverage stores.....	42.0	42.2	41.9	42.1	42.0	42.4	42.2	42.4
Clothing and clothing accessories stores.....	19.6	20.0	19.6	19.6	20.0	20.0	20.0	19.9
General merchandise stores.....	50.2	51.2	50.2	50.2	51.2	51.2	51.1	51.4
Other retail stores.....	84.5	86.6	84.8	85.8	86.2	86.8	86.7	86.6

p Preliminary

r Revised

Note: Estimates in this table are based on the North American Industry Classification System (NAICS).

Chained (2000) dollar sales are calculated as the product of the chain-type quantity index and the 2000

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 3B. Real Inventory-Sales Ratios for Manufacturing and Trade, Seasonally Adjusted

[Ratio, based on chained (2000) dollars]

	2005	2006	2005		2006			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	April ^p
Manufacturing and trade industries	1.30	1.28	1.29	1.29	1.27	1.27	1.28	1.28
Manufacturing	1.27	1.25	1.27	1.25	1.25	1.25	1.25	1.26
Durable goods	1.33	1.31	1.34	1.30	1.31	1.30	1.31	1.33
Wood products.....	1.25	1.18	1.22	1.23	1.19	1.19	1.21	1.28
Nonmetallic mineral products.....	1.22	1.22	1.21	1.21	1.22	1.21	1.22	1.27
Primary metals.....	1.63	1.66	1.65	1.66	1.65	1.69	1.66	1.68
Fabricated metal products.....	1.49	1.45	1.50	1.47	1.45	1.45	1.45	1.45
Machinery.....	1.48	1.45	1.50	1.44	1.43	1.47	1.45	1.43
Computer and electronic products.....	1.15	1.12	1.18	1.12	1.15	1.07	1.12	1.14
Electrical equipment, appliances, and components.....	1.43	1.44	1.44	1.46	1.44	1.44	1.44	1.44
Transportation equipment.....	1.24	1.25	1.26	1.18	1.26	1.25	1.24	1.28
Furniture and related products.....	1.28	1.29	1.28	1.26	1.26	1.27	1.30	1.27
Miscellaneous manufacturing.....	1.49	1.40	1.53	1.45	1.40	1.42	1.40	1.39
Nondurable goods	1.17	1.16	1.15	1.17	1.15	1.17	1.16	1.17
Food products.....	0.88	0.88	0.87	0.88	0.88	0.88	0.88	0.87
Beverage and tobacco products.....	1.47	1.46	1.46	1.46	1.46	1.47	1.45	1.45
Textile mills.....	1.55	1.54	1.54	1.55	1.53	1.55	1.54	1.54
Textile product mills.....	1.21	1.20	1.17	1.23	1.21	1.21	1.20	1.20
Apparel.....	1.61	1.58	1.61	1.56	1.62	1.61	1.54	1.49
Leather and allied products.....	1.51	1.41	1.50	1.56	1.54	1.39	1.40	1.43
Paper products.....	1.15	1.12	1.15	1.14	1.09	1.12	1.13	1.13
Printing and related support activities.....	0.87	0.86	0.88	0.88	0.86	0.86	0.86	0.86
Petroleum and coal products.....	0.95	0.90	0.92	0.93	0.87	0.92	0.89	0.97
Chemical products.....	1.44	1.46	1.38	1.45	1.44	1.47	1.46	1.41
Plastics and rubber products.....	1.19	1.24	1.19	1.21	1.23	1.24	1.25	1.25
Merchant wholesale trade	1.26	1.25	1.25	1.26	1.25	1.24	1.24	1.25
Durable goods.....	1.44	1.44	1.45	1.43	1.43	1.44	1.44	1.46
Nondurable goods.....	1.03	1.02	1.01	1.03	1.02	1.01	1.00	1.00
Retail trade	1.35	1.31	1.34	1.33	1.30	1.30	1.31	1.31
Motor vehicle and parts dealers.....	1.92	1.84	1.93	1.87	1.78	1.83	1.85	1.82
Furniture and home furnishings and electronics and appliance stores.....	1.17	1.13	1.15	1.17	1.10	1.14	1.14	1.13
Building material and garden equipment and supplies stores.....	1.43	1.34	1.40	1.42	1.34	1.34	1.33	1.37
Food and beverage stores.....	0.77	0.77	0.77	0.76	0.77	0.76	0.77	0.77
Clothing and clothing accessories stores.....	1.77	1.77	1.76	1.77	1.72	1.74	1.77	1.78
General merchandise stores.....	1.44	1.39	1.43	1.44	1.40	1.39	1.39	1.37
Other retail stores.....	0.95	0.94	0.93	0.93	0.94	0.93	0.94	0.94

p Preliminary

r Revised

Note: Estimates in this table are based on the North American Industry Classification System (NAICS).

Table 4B. Real Manufacturing Inventories, by Stage of Fabrication, Seasonally Adjusted, End of Period

[Billions of chained (2000) dollars]

	2005	2006	2005		2006			
	IV	I	Nov.	Dec.	Jan. ^r	Feb. ^r	Mar. ^r	April ^P
Materials and supplies								
Manufacturing	154.7	154.1	153.7	154.7	153.8	153.5	154.1	154.2
Durable goods	93.3	92.7	93.8	93.3	92.3	92.2	92.7	92.9
Wood products.....	4.5	4.1	4.5	4.5	4.2	4.3	4.1	4.1
Nonmetallic mineral products.....	3.3	3.3	3.2	3.3	3.3	3.3	3.3	3.3
Primary metals.....	6.8	7.1	7.0	6.8	6.9	7.0	7.1	7.0
Fabricated metal products.....	12.0	12.1	12.0	12.0	12.0	12.1	12.1	12.1
Machinery.....	13.0	12.9	12.9	13.0	13.0	12.9	12.9	13.0
Computer and electronic products.....	22.0	22.0	22.1	22.0	21.9	21.4	22.0	22.1
Electrical equipment, appliances, and components.....	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1
Transportation equipment.....	16.8	16.2	16.9	16.8	16.0	16.0	16.2	16.3
Furniture and related products.....	3.8	3.6	3.8	3.8	3.8	3.8	3.6	3.7
Miscellaneous manufacturing.....	5.9	5.9	6.0	5.9	5.8	5.9	5.9	5.8
Nondurable goods	61.4	61.4	60.1	61.4	61.4	61.3	61.4	61.3
Food products.....	9.3	9.3	9.3	9.3	9.4	9.4	9.3	9.3
Beverage and tobacco products.....	5.5	5.4	5.7	5.5	5.5	5.4	5.4	5.3
Textile mills.....	1.8	1.7	1.8	1.8	1.8	1.8	1.7	1.7
Textile product mills.....	1.3	1.3	1.2	1.3	1.3	1.3	1.3	1.3
Apparel.....	1.9	1.8	1.9	1.9	1.9	1.9	1.8	1.8
Leather and allied products.....	0.4	0.3	0.4	0.4	0.4	0.3	0.3	0.3
Paper products.....	7.2	7.3	7.2	7.2	7.2	7.2	7.3	7.3
Printing and related support activities.....	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Petroleum and coal products.....	6.3	6.5	6.0	6.3	6.2	6.3	6.5	6.7
Chemical products.....	17.5	17.4	16.6	17.5	17.6	17.4	17.4	17.2
Plastics and rubber products.....	7.4	7.5	7.5	7.4	7.6	7.6	7.5	7.5
Work-in-process								
Manufacturing	127.7	128.5	127.5	127.7	129.3	127.2	128.5	129.9
Durable goods	100.6	101.0	100.0	100.6	101.0	99.9	101.0	102.3
Wood products.....	1.8	1.9	1.7	1.8	1.9	1.9	1.9	1.9
Nonmetallic mineral products.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1
Primary metals.....	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.6
Fabricated metal products.....	9.0	9.1	9.1	9.0	9.2	9.1	9.1	9.2
Machinery.....	11.4	11.7	11.8	11.4	11.4	11.4	11.7	11.7
Computer and electronic products.....	24.3	25.1	24.3	24.3	25.3	25.1	25.1	25.6
Electrical equipment, appliances, and components.....	4.2	4.3	4.2	4.2	4.2	4.2	4.3	4.3
Transportation equipment.....	38.7	38.0	37.8	38.7	38.2	37.3	38.0	38.5
Furniture and related products.....	1.4	1.5	1.4	1.4	1.4	1.4	1.5	1.5
Miscellaneous manufacturing.....	4.0	3.8	3.9	4.0	4.0	3.9	3.8	3.9
Nondurable goods	27.4	27.7	27.7	27.4	28.4	27.6	27.7	27.9
Food products.....	5.0	4.9	5.0	5.0	5.0	4.9	4.9	4.8
Beverage and tobacco products.....	2.7	2.6	2.7	2.7	2.6	2.7	2.6	2.7
Textile mills.....	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Textile product mills.....	0.6	0.6	0.7	0.6	0.6	0.6	0.6	0.6
Apparel.....	1.3	1.3	1.3	1.3	1.2	1.2	1.3	1.2
Leather and allied products.....	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Paper products.....	1.6	1.6	1.7	1.6	1.6	1.6	1.6	1.6
Printing and related support activities.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Petroleum and coal products.....	2.5	2.3	2.6	2.5	2.8	2.4	2.3	2.5
Chemical products.....	9.7	10.2	9.7	9.7	10.2	10.1	10.2	10.2
Plastics and rubber products.....	1.9	1.9	1.9	1.9	1.9	2.0	1.9	2.0
Finished goods								
Manufacturing	166.9	168.9	167.3	166.9	168.8	168.5	168.9	168.4
Durable goods	81.5	81.5	82.4	81.5	82.5	81.8	81.5	81.2
Wood products.....	4.1	3.8	4.1	4.1	4.0	3.9	3.8	3.8
Nonmetallic mineral products.....	5.0	5.1	5.0	5.0	5.1	5.1	5.1	5.2
Primary metals.....	6.4	6.2	6.4	6.4	6.4	6.3	6.2	6.2
Fabricated metal products.....	10.8	10.6	10.6	10.8	10.6	10.6	10.6	10.4
Machinery.....	13.2	13.3	13.0	13.2	13.4	13.4	13.3	13.3
Computer and electronic products.....	15.9	16.4	16.3	15.9	16.0	15.6	16.4	16.4
Electrical equipment, appliances, and components.....	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Transportation equipment.....	12.4	12.6	13.2	12.4	13.1	13.4	12.6	12.4
Furniture and related products.....	3.2	3.3	3.1	3.2	3.2	3.1	3.3	3.2
Miscellaneous manufacturing.....	7.3	7.3	7.5	7.3	7.4	7.3	7.3	7.2
Nondurable goods	85.5	87.3	85.1	85.5	86.4	86.6	87.3	87.2
Food products.....	18.2	18.6	18.1	18.2	18.4	18.5	18.6	18.5
Beverage and tobacco products.....	4.2	4.3	4.1	4.2	4.2	4.2	4.3	4.2
Textile mills.....	2.2	2.2	2.1	2.2	2.2	2.2	2.2	2.2
Textile product mills.....	1.8	1.7	1.7	1.8	1.7	1.7	1.7	1.7
Apparel.....	4.2	4.1	4.2	4.2	4.1	4.1	4.1	4.1
Leather and allied products.....	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6
Paper products.....	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Printing and related support activities.....	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Petroleum and coal products.....	9.3	10.0	9.4	9.3	9.4	9.9	10.0	10.1
Chemical products.....	24.8	25.3	24.8	24.8	25.4	25.0	25.3	25.1
Plastics and rubber products.....	9.7	9.8	9.6	9.7	9.8	9.8	9.8	9.9

P Preliminary

r Revised

NOTE: Estimates in this table are based on the North American Industry Classification System (NAICS).

Chained (2000) dollar inventory series are calculated to ensure that the chained (2000) dollar change in

inventories for 2000 equals the current-dollar change in inventories for 2000 and that the average of the 1999 and 2000 end-of-year chain-weighted and fixed-weighted inventories are equal. 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 International Investment Position of the United States at Yearend 2005

By Elena L. Nguyen

THE net international investment position of the United States was $-\$2,693.8$ billion (preliminary) at yearend 2005, compared with $-\$2,360.8$ billion (revised) at yearend 2004, with direct investment valued at current cost (table 1, chart 1). The value of foreign-owned assets in the United States continued to exceed the value of U.S.-owned assets abroad.

The $-\$333.0$ billion change in the net investment position from yearend 2004 to yearend 2005 was largely due to record private net foreign purchases of U.S. securities, including Treasury securities, and to depreciation of most major foreign currencies against

the U.S. dollar, which lowered the dollar value of U.S.-owned assets abroad. The impact of these net foreign purchases and exchange-rate changes was partly offset by price appreciation of U.S.-held foreign stocks that surpassed by a large amount price appreciation of foreign-held U.S. stocks.

On an alternative valuation basis with direct investment valued at the current stock market value of owners' equity, the net investment position was $-\$2,546.2$ billion (preliminary) at yearend 2005, compared with $-\$2,448.7$ billion (revised) at yearend 2004. This article features estimates valued at the current cost of direct

Valuing Direct Investment Positions and Other Components of the U.S. International Investment Position

Virtually all of the categories in the international investment position accounts except direct investment positions can be directly estimated with reference to readily observable market prices. For example, the value of positions in portfolio investment securities, gold, loans, currencies, and bank deposits can be directly estimated based on face values or market prices of recent transactions. In contrast, direct investment positions typically involve illiquid ownership interests in companies that may possess many unique attributes—such as customer base, management, and ownership of intangible assets—whose values in the current period are difficult to determine, because there is no widely accepted standard for revaluing company financial statements at historical cost into prices of the current period.

Since 1991, in the series of annual articles on the international investment position of the United States, two measures of valuing direct investment positions—the current-cost method and the market-value method—have been discussed and presented as two alternatives to the historical-cost valuation. The current-cost method values the U.S. and foreign parents' shares of their affiliates' investment in plant and equipment, using the current cost of capital equipment; in land, using general price indexes; and in inventories, using estimates of their replacement cost. The market-value method values the owners' equity share of direct investment, using indexes of stock market prices. (For additional infor-

mation, see J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," *SURVEY OF CURRENT BUSINESS* 71 (May 1991): 40–49.)

In this article, BEA emphasizes the current-cost method, because the estimates prepared using the current-cost method are comparable with BEA's current-cost estimates of the net stock of fixed assets and consumer durable goods and with the Federal Reserve Board's estimates of domestic net worth (the sum of tangible assets located in the United States, including plant and equipment, inventories, and land). Furthermore, BEA's calculation of direct investment income includes a current-cost adjustment to depreciation; this adjustment converts depreciation as reported on company financial statements to the preferred economic accounts measure, which is based on the current cost, rather than on the historical cost, of assets.

The estimates of direct investment in the international investment position continue to be presented on both current-cost and market-value bases in order to highlight that different methods of valuing direct investment may be appropriate for different circumstances and that depending on the valuation method used, the resulting estimates may differ substantially.

For detailed data on direct investment at historical cost by country and industry, see "Direct Investment Positions for 2005: Country and Industry Detail" in this issue.

investment; however, estimates valued at the stock market value of direct investment are mentioned when the two valuations of direct investment differ substantially. The differences between the two methods are limited to the valuation of direct investment. All financial transactions and all asset and liability positions except direct investment are identical under both of these valuation measures.

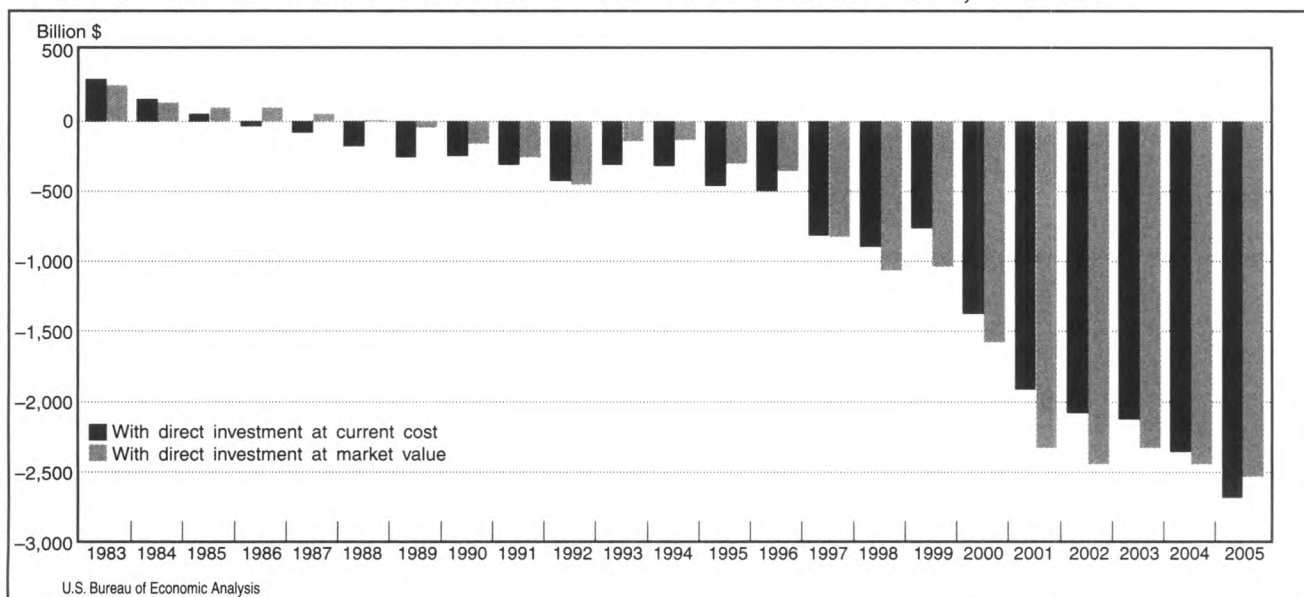
With direct investment valued at current cost, U.S.-owned assets abroad increased to \$10,008.7 billion at yearend 2005 from \$9,186.7 billion at yearend 2004 (table A).

Table A. U.S. International Investment Position at Yearend

[Billions of dollars]

	2003	2004	2005
Net position:			
At current cost	-2,131.2	-2,360.8	-2,693.8
At market value	-2,339.8	-2,448.7	-2,546.2
U.S.-owned assets abroad:			
At current cost	7,648.9	9,186.7	10,008.7
At market value	8,318.2	10,075.3	11,079.2
Foreign-owned assets in the United States:			
At current cost	9,780.1	11,547.4	12,702.5
At market value	10,657.9	12,524.1	13,625.4

Chart 1. Net International Investment Position of the United States at Yearend, 1983–2005



Improvements in the Estimates

As is customary each July, the estimates of the U.S. international investment position incorporate newly available source data and methodological changes that relate to the improvements incorporated in the annual revision of the U.S. international transactions accounts.

This year, the estimates of U.S. holdings of foreign securities for 2003–2004 were revised to incorporate results from the U.S. Treasury Department’s Annual Survey of U.S. Portfolio Investment Abroad as of December 31, 2004. The estimates of foreign holdings of U.S. securities for 2003–2004 were revised to incorporate results from the U.S. Treasury Department’s Annual Survey of Foreign Portfolio Investment in the United States as of June 30, 2005. These estimates also included revised results from the U.S. Treasury Department’s Benchmark Survey of Foreign Portfolio Investment in the United States as of June 30, 2004. The estimates of short-term U.S. Treasury securities and other short-term debt instruments reported by U.S. banks for 2003–2004 were also revised to incorporate results from the U.S. Treasury

Department’s Annual Survey of Foreign Portfolio Investment in the United States as of June 30, 2005. The estimates of foreign direct investment in the United States for 2002–2004 were revised to incorporate results from BEA’s Benchmark Survey of Foreign Direct Investment in the United States for 2002.

In addition to the above improvements, all estimates are revised as a result of the incorporation of newly available or revised quarterly source data. Revisions attributable to these updated source data are for 2002–2004. The net result of revisions from all sources raised the value of U.S.-owned assets abroad relative to the value of foreign-owned assets in the United States for 2002–2004. The net international investment position at yearend 2004 was revised to -\$2,360.8 billion from -\$2,484.2 billion with direct investment at current cost and to -\$2,448.7 billion from -\$2,542.2 billion with direct investment at market value.

For additional information, see “Annual Revision of the U.S. International Accounts, 1995–2005” in this issue.

- Financial transactions increased the value of U.S. investments abroad by \$426.8 billion in 2005 (table B), down significantly from a record increase of \$867.8 billion in 2004. Increases in U.S. direct investment abroad and increases in claims reported by U.S. banks and by U.S. nonbanking concerns slowed sharply from 2004. In contrast, net U.S. purchases of foreign securities, mostly foreign stocks, picked up.
- Valuation adjustments increased the value of U.S. investments abroad by \$395.2 billion (table B). Price appreciation of foreign stocks substantially increased the value of U.S. holdings of foreign stocks abroad. In contrast, exchange-rate depreciation of most major foreign currencies lowered the dollar value of U.S. investments abroad.

Table B. Changes in U.S.-Owned Assets Abroad, 2005
[Billions of dollars]

	At current cost	At market value
Total change	822.0	1,003.9
Financial flows	426.8	426.8
Valuation adjustments	395.2	577.1
Price changes	608.5	993.6
Exchange-rate changes	-279.0	-444.3
Other valuation changes	65.7	27.8

With direct investment valued at current cost, foreign-owned assets in the United States increased to \$12,702.5 billion at yearend 2005 from \$11,547.4 billion at yearend 2004.

- Financial transactions increased the value of foreign investments in the United States by \$1,212.3 billion in 2005 (table C), down from a record increase of \$1,450.2 billion in 2004. Foreign official net purchases of U.S. Treasury securities, as well as increases in U.S. liabilities reported by U.S. banks and by U.S. nonbanking concerns, slowed substantially. In contrast, private net purchases of U.S. securities, including U.S. Treasury securities, increased to a record.

Table C. Changes in Foreign-Owned Assets in the United States, 2005
[Billions of dollars]

	At current cost	At market value
Total change	1,155.0	1,101.3
Financial flows	1,212.3	1,212.3
Valuation adjustments	-57.2	-111.0
Price changes	-16.9	-67.8
Exchange-rate changes	-52.7	-50.7
Other valuation changes	12.4	7.5

- Valuation adjustments decreased the value of foreign investments in the United States by \$57.2

billion, largely as a result of exchange-rate depreciation of foreign-currency-denominated U.S. corporate bonds (table C). Price depreciation of U.S. bonds, including U.S. Treasury securities, lowered the value of foreign-held U.S. bonds and more than offset price appreciation of U.S. stocks.

This article presents the major changes in U.S.-owned assets abroad and in foreign-owned assets in the United States in 2005. Tables 1 and 2 at the end of this article present estimates of the yearend positions by type of investment.

Changes in U.S.-Owned Assets Abroad

Bank and nonbank claims

U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$202.8 billion, to \$2,430.7 billion, in 2005. The increase was more than accounted for by financial transactions of \$213.0 billion. U.S. banks' own claims denominated in dollars increased to \$1,816.5 billion from \$1,653.0 billion (table D). Most of the increase in claims reflected interoffice transfers of funds in the form of loans and deposit placements. In 2005, both U.S.-owned banks and foreign-owned banks participated in sizable international syndicated lending facilities associated with mergers and acquisitions and corporate debt refinancings. Claims on other foreigners decreased to \$357.6 billion from \$383.2 billion as U.S. securities brokers and dealers received payments, mostly through the reversal of resale agreements with investment funds in the Caribbean.

Table D. U.S. Claims Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend
[Billions of dollars]

	2003	2004	2005
Total bank-reported claims	1,772.9	2,227.9	2,430.7
Banks' claims for own accounts, denominated in dollars	1,311.0	1,653.0	1,816.5
On foreign banks	981.5	1,191.9	1,380.6
On foreign nonbanks, excluding foreign official institutions	271.6	383.2	357.6
On foreign official institutions	57.9	77.9	78.3
Banks' claims for customers' accounts, denominated in dollars	358.9	413.3	466.2
Banks' claims, denominated in foreign currencies	103.0	161.6	148.0
Total nonbank-reported claims	594.0	733.5	784.5

U.S. banks' domestic customers' claims denominated in dollars increased to \$466.2 billion from \$413.3 billion, reflecting an upturn in deposits and an increase in holdings of short-term instruments. U.S. banks' claims payable in foreign currencies decreased to \$148.0 billion from \$161.6 billion, as most major foreign currencies depreciated against the dollar in 2005.

U.S. claims on foreigners reported by U.S. nonbanking concerns increased to \$784.5 billion from \$733.5 billion, reflecting a step-up in U.S. deposits in Europe and in Caribbean banking centers (table D).

Foreign securities

U.S. holdings of foreign securities increased \$520.6 billion, to \$4,074.0 billion, in 2005. The increase was largely accounted for by price appreciation of foreign stocks.

U.S. holdings of foreign stocks increased \$526.0 billion, to \$3,086.5 billion, in 2005. Stock price appreciation of \$566.7 billion and net U.S. purchases of \$142.1 billion more than offset exchange-rate depreciation of \$182.8 billion. Foreign stock prices (based on Morgan Stanley broad market indexes) appreciated 27 percent in local currency in 2005, the third consecutive year of double-digit appreciation. In U.S. dollars, foreign stock prices appreciated 14 percent, outperforming U.S. stock prices, which appreciated only 4 percent. Net U.S. purchases of foreign stocks were a record \$142.1 billion, up from \$84.8 billion in 2004. The increase was partly accounted for by a step-up in net U.S. purchases of stocks from the emerging markets in Asia and Latin America. Despite a pickup in cross-border merger and acquisition activity, transactions involving stock swaps were subdued in 2005.

- At yearend 2005, U.S. holdings of European stocks increased to \$1,582.1 billion from \$1,356.2 billion (table E). The increase was mostly attributable to a 22-percent increase in European stock prices (in local currency). Appreciation of European stock prices was partly offset by a 13-percent exchange-rate depreciation of the euro and an 11-percent exchange-rate depreciation of the pound against the U.S. dollar. In dollar terms, European stocks appreciated 7 percent. Net U.S. purchases of European stocks decreased to \$54.9 billion from \$58.7 billion.

**Table E. U.S. Holdings of Foreign Stocks
by Major Area and Country at Yearend**
(Billions of dollars)

	2003	2004	2005
Total holdings	2,079.4	2,560.4	3,086.5
Europe	1,135.3	1,356.2	1,582.1
Of which: United Kingdom	426.2	461.8	553.7
France	130.8	164.6	188.5
Switzerland	117.9	138.2	157.4
Netherlands	115.8	136.5	156.9
Germany	103.2	123.7	140.4
Spain	43.8	63.0	71.7
Italy	39.0	57.5	65.9
Sweden	27.5	38.3	49.2
Finland	35.2	33.9	38.7
Canada	149.3	180.4	207.0
Caribbean financial centers	180.3	257.5	292.3
Of which: Bermuda	107.5	153.5	175.8
Cayman Islands	45.3	69.7	82.1
Latin America, excluding Caribbean financial centers	80.1	105.8	145.9
Of which: Brazil	31.8	43.1	61.4
Mexico	28.5	37.5	50.8
Asia	454.4	565.8	739.6
Of which: Japan	255.5	330.4	411.2
Korea, Republic of	49.1	66.6	88.9
Taiwan	27.0	34.6	54.5
Hong Kong	36.2	35.4	47.5
Africa	18.7	28.9	40.0
Of which: South Africa	15.1	21.6	30.2
Other countries	61.3	65.8	79.6
Of which: Australia	56.5	57.1	68.8

- U.S. holdings of Japanese stocks increased to \$411.2 billion from \$330.4 billion, mostly as a result of a 43-percent increase in Japanese stock prices (in local currency). Appreciation of Japanese stock prices was partly offset by a 14-percent exchange-rate depreciation of the Japanese yen against the dollar. Net U.S. purchases of Japanese stocks rose to \$39.9 billion in 2005 from \$33.1 billion in 2004.
- U.S. holdings of Asian stocks excluding Japanese stocks increased to \$328.4 billion from \$235.4 billion, and U.S. holdings of Latin American stocks increased to \$145.9 billion from \$105.8 billion. The increase in these U.S. holdings reflected appreciation of emerging market stock prices (in local currencies), exchange-rate appreciation of several Asian and Latin American currencies, and strong net U.S. purchases.
- U.S. holdings of Canadian stocks increased to \$207.0 billion from \$180.4 billion, reflecting a 24-percent appreciation of Canadian stock prices (in local currency) and a 5-percent exchange-rate appreciation of the Canadian dollar against the U.S. dollar. Net U.S. purchases of Canadian stocks were \$4.8 billion, down from \$13.5 billion.

U.S. holdings of foreign bonds decreased \$5.4 billion, to \$987.5 billion, in 2005. The decrease resulted from exchange-rate depreciation of \$22.9 billion and price depreciation of \$20.5 billion that more than offset net U.S. purchases. In 2005, U.S. net purchases of foreign bonds were \$38.0 billion, down from \$61.8 billion. U.S. investors sharply curtailed acquisitions of European bonds and continued as net sellers of Asian bonds. In contrast, net purchases of Latin American emerging market bonds, notably of Brazilian bonds, increased to a record.

- At yearend 2005, U.S. holdings of European bonds were \$487.0 billion, up from \$478.2 billion at yearend 2004 (table F). Net U.S. purchases of European bonds were \$30.3 billion, a sharp decrease from net purchases of \$71.5 billion in 2004. Net purchases were mostly offset by exchange-rate depreciation of the euro and the pound against the dollar.
- U.S. holdings of Asian bonds were \$53.7 billion at yearend 2005, down from \$78.9 billion at yearend 2004. Net U.S. sales of \$22.3 billion accounted for most of the decrease. U.S. holdings of Japanese bonds were \$27.8 billion, down from \$36.4 billion.
- U.S. holdings of Latin American emerging market bonds, particularly Mexican and Brazilian bonds, were \$97.0 billion, up from \$83.8 billion. Net U.S. purchases increased to \$17.1 billion from \$3.2 billion and more than accounted for the increase in holdings.

**Table F. U.S. Holdings of Foreign Bonds
by Major Area and Country at Yearend**
[Billions of dollars]

	2003	2004	2005
Total holdings	874.4	993.0	987.5
Europe.....	442.4	478.2	487.0
Of which: United Kingdom.....	148.3	178.6	192.7
Germany.....	71.4	67.9	63.0
Netherlands.....	58.0	55.1	53.1
France.....	43.0	41.8	41.5
Belgium and Luxembourg.....	20.2	31.8	25.9
Sweden.....	12.8	14.6	17.0
Italy.....	25.0	17.4	16.2
Canada.....	139.4	151.9	146.8
Caribbean financial centers.....	89.8	129.3	126.4
Of which: Cayman Islands.....	75.7	114.4	110.3
Latin America, excluding Caribbean financial centers.....	75.2	83.8	97.0
Of which: Mexico.....	27.6	28.6	29.7
Brazil.....	18.4	19.9	26.6
Asia.....	69.3	78.9	53.7
Of which: Japan.....	37.2	36.4	27.8
Africa.....	6.6	6.3	5.8
Of which: South Africa.....	2.7	3.0	3.1
Other countries.....	51.7	64.6	70.7
Of which: Australia.....	29.2	40.4	47.8

- U.S. holdings of bonds issued through the Caribbean financial centers, predominantly the Cayman Islands, were \$126.4 billion, down a little from \$129.3 billion.
- U.S. holdings of Canadian bonds decreased to \$146.8 billion from \$151.9 billion, while holdings of Australian bonds increased to \$47.8 billion from \$40.4 billion.

U.S. direct investment abroad

U.S. direct investment abroad at current cost increased \$54.7 billion, to \$2,453.9 billion, in 2005 (table G). At market value, U.S. direct investment abroad increased \$236.6 billion, to \$3,524.5 billion; the increase was attributable to the price appreciation in owners' equity resulting from an increase in foreign stock prices that more than offset the exchange-rate depreciation (table H). Financial transactions increased U.S. direct investment abroad \$9.1 billion, down sharply from the 2004

Table G. U.S. Direct Investment Abroad at Yearend
[Billions of dollars]

	2003	2004	2005
U.S. direct investment abroad:			
At current cost.....	2,059.9	2,399.2	2,453.9
At market value.....	2,729.1	3,287.9	3,524.5

Table H. U.S. Direct Investment Abroad, 2005
[Billions of dollars]

	At current cost	At market value
Total position at yearend	2,453.9	3,524.5
Total change	54.7	236.6
Financial outflows.....	9.1	9.1
Equity capital.....	39.7	39.7
Intercompany debt.....	-19.4	-19.4
Reinvested earnings.....	-11.2	-11.2
Price changes.....	42.1	427.1
Exchange-rate changes.....	-32.1	-197.4
Other valuation changes.....	35.7	-2.2

increase of \$244.1 billion, largely as a result of tax incentives provided by the American Jobs Creation Act that encouraged the payment of dividends by foreign affiliates to their U.S. parent companies.¹ Net equity capital transactions slowed to \$39.7 billion following a spike in 2004 caused by the restructuring of a large foreign media company, and intercompany debt shifted to a decrease of \$19.4 billion from an increase of \$5.4 billion.

U.S. official reserve assets and other U.S. Government assets

U.S. official reserve assets decreased \$1.5 billion, to \$188.0 billion, in 2005. The U.S. reserve position at the International Monetary Fund (IMF) decreased \$11.5 billion, mostly as a result of large repayments of U.S. dollar funds to the IMF from Brazil, Turkey, Argentina, and Russia. Exchange-rate depreciation also contributed to the decrease in the U.S. reserve position. U.S. official holdings of foreign currencies decreased \$4.9 billion as a result of exchange-rate depreciation that more than offset small financial transactions. U.S. holdings of special drawing rights decreased \$5.4 billion as a result of financial transactions and exchange-rate depreciation. Substantial price appreciation in the market value of the U.S. gold stock nearly offset financial transactions and exchange-rate depreciation of U.S. reserve assets.

U.S. Government assets other than official reserve assets decreased \$5.5 billion, to \$77.5 billion, as repayments of loans exceeded new U.S. Government credits.

Changes in Foreign-Owned Assets in the United States

Foreign official assets

Foreign official assets in the United States increased to \$2,216.1 billion in 2005 from \$2,001.4 billion in 2004. Financial transactions of \$199.5 billion accounted for most of the increase. Foreign official net purchases of U.S. Treasury securities were \$71.7 billion, down sharply from a record \$263.3 billion in 2004, when several Asian monetary authorities intervened heavily in the exchange markets in an attempt to slow the

1. This act, which was signed into law on October 22, 2004, allowed U.S. companies that received dividends from foreign subsidiaries during a specific period (calendar 2004 or calendar year 2005, at taxpayer option, for calendar-year taxpayers) to be taxed on the dividends at reduced rates. Most of these dividends were not paid until 2005, because the act was signed into law late in 2004 and many companies delayed distributions until regulatory guidance had been issued. One condition that had to be satisfied in order to realize the tax savings was the development of a domestic reinvestment plan for the dividends. Another condition was for the dividends to exceed the amount that had historically been paid. For more information on this act and its effects on BEA's international accounts, see FAQs on this topic on BEA's Web site at <www.bea.gov/bea/faq/international/FAQ.htm>.

appreciation of their currencies against the U.S. dollar. In contrast, foreign official net purchases of U.S. agency bonds more than doubled to \$84.7 billion.

Bank and nonbank liabilities

U.S. liabilities to private foreigners and international financial institutions reported by U.S. banks and securities brokers increased \$179.9 billion, to \$2,600.6 billion, in 2005. Financial transactions of \$179.8 billion accounted for nearly all of the increase.

U.S. banks' own liabilities denominated in dollars increased to \$2,082.5 billion from \$1,906.9 billion, mostly as a result of interoffice transfers of funds from affiliates overseas, mainly in Europe, in the form of loans and deposit placements (table I). In 2005, funding demand remained strong as U.S. banks borrowed funds to support considerable international credit growth. Liabilities to foreign nonbanks decreased to \$546.2 billion from \$582.6 billion as a result of payments by U.S. securities brokers and dealers, mostly through the reversal of repurchase agreements with investment funds in the Caribbean. U.S. banks' customers' liabilities denominated in dollars increased \$10.7 billion, to \$418.2 billion, mostly in the form of negotiable certificates of deposit and other short-term instruments. U.S. banks' foreign currency liabilities decreased \$6.5 billion, to \$99.9 billion, as most major foreign currencies depreciated against the dollar in 2005.

Table I. U.S. Liabilities Reported by U.S. Banks and Securities Brokers and U.S. Nonbanks at Yearend

[Billions of dollars]

	2003	2004	2005
Total bank-reported liabilities	1,921.4	2,420.8	2,600.6
Banks' liabilities for own accounts, denominated in dollars	1,527.3	1,906.9	2,082.5
To foreign banks	1,132.5	1,324.3	1,536.3
To foreign nonbanks, including international organizations	394.8	582.6	546.2
Banks' liabilities for customers' accounts, denominated in dollars	327.2	407.5	418.2
Banks' liabilities, denominated in foreign currencies	66.9	106.4	99.9
Total nonbank-reported liabilities	450.9	507.7	563.7

U.S. liabilities to foreigners reported by U.S. nonbanking concerns increased to \$563.7 billion from \$507.7 billion, reflecting an increase in U.S. corporate borrowings, mostly from Europe and Canada (table I).

U.S. Treasury securities

Foreign holdings of U.S. Treasury securities, excluding foreign official holdings, increased \$142.6 billion, to \$704.9 billion, in 2005. Net private foreign purchases of U.S. Treasury securities were a record \$199.5 billion, up from \$102.9 billion, and more than offset small price depreciation. Net purchases were strong despite lower returns on U.S. Treasury bonds relative

to returns on most major foreign government bonds in 2005. At yearend 2005, Japan remained by far the largest holder of U.S. Treasury securities at \$659.0 billion, followed by China at \$335.8 billion. Together, they accounted for half of total foreign holdings (table J). (In table J, foreign private holdings and foreign official holdings are combined in order to avoid the disclosure of sensitive data on individual country holdings by foreign official agencies.)

Table J. Foreign Official and Private Holdings of U.S. Treasury Securities by Selected Countries at Yearend

[Billions of dollars]

	2003	2004	2005
Total holdings	1,513.5	1,803.5	1,993.8
Japan	551.1	683.1	659.0
China	176.2	245.3	335.8
United Kingdom	46.3	60.2	98.5
Korea, Republic of	55.5	56.7	67.8
Taiwan	56.1	66.3	66.9
OPEC Asia	22.8	48.1	60.7
Belgium and Luxembourg	46.1	56.0	51.4
Germany	49.5	41.6	47.4
Hong Kong	47.6	43.3	39.7
Mexico	24.4	31.5	34.5

Other U.S. securities

Foreign holdings of U.S. securities other than U.S. Treasury securities, excluding foreign official holdings, increased \$395.2 billion, to \$4,390.7 billion, in 2005. Net foreign purchases were a record \$474.1 billion, up from \$381.5 billion, and more than offset price depreciation and exchange-rate depreciation of foreign-currency-denominated U.S. corporate bonds.

Foreign holdings of U.S. corporate bonds and agency bonds increased \$240.0 billion to \$2,275.2 billion (table K). Net foreign purchases were \$388.4 billion, up from \$321.9 billion, and more than offset price depreciation and exchange-rate depreciation. Net purchases of corporate bonds were a record \$316.0 billion, up from \$254.6 billion in 2004, and net purchases

Table K. Foreign Private Holdings of U.S. Corporate and Agency Bonds by Major Area and Country at Yearend

[Billions of dollars]

	2003	2004	2005
Total holdings	1,710.8	2,035.1	2,275.2
Europe	1,139.3	1,295.8	1,393.4
Of which: United Kingdom	492.9	463.7	522.4
Belgium and Luxembourg	413.0	517.3	521.7
Netherlands	40.0	60.8	72.9
Germany	44.2	62.5	67.8
Ireland	47.6	56.2	63.6
Switzerland	42.6	60.2	60.6
France	24.7	25.1	30.3
Canada	47.1	52.0	63.2
Caribbean financial centers	255.6	329.8	359.3
Of which: Cayman Islands	140.8	197.6	231.1
Bermuda	78.4	96.0	95.7
Latin America, excluding Caribbean financial centers	20.5	28.3	33.4
Asia	233.3	308.9	398.5
Of which: Japan	158.9	213.7	264.4
Africa	1.6	2.1	2.7
Other countries	13.4	18.2	24.7

of agency bonds were \$72.4 billion, up from \$67.4 billion. Strong net purchases of U.S. corporate bonds were partly attributable to strong earnings and healthy balance sheets. Net purchases were also stimulated by attractive yields on U.S. corporate bonds during a period of historically low Treasury bond yields.

At yearend 2005, investors in Europe accounted for \$1,393.4 billion, or 61 percent, of total foreign holdings of U.S. corporate and agency bonds; most of the European holdings were in the United Kingdom and in Belgium and Luxembourg. Outside of Europe, investment funds in the Caribbean financial centers accounted for \$359.3 billion, or 16 percent, of total foreign holdings, and Japanese investors accounted for \$264.4 billion, or 12 percent, of total foreign holdings.

Foreign holdings of U.S. stocks increased \$155.1 billion, to \$2,115.5 billion, reflecting an increase in net foreign purchases and modest price appreciation (table L). Net purchases in 2005 were \$85.8 billion, up from \$59.5 billion. Stock swap transactions were subdued as cross-border merger and acquisition activity involving U.S. companies during the year was mostly in cash. Net foreign purchases of U.S. stocks picked up in 2005 after declining continuously from a peak in 2000. The increase in net foreign purchases of U.S. equities was partly supported by strong corporate profits and higher dividend payouts by major U.S. companies. In 2005, the U.S. stock market gained a modest 4 percent, well below the gains of its counterparts in Europe and in Asia. Higher interest rates and record oil prices during the year limited the price gain.

Table L. Foreign Private Holdings of U.S. Corporate Stocks by Major Area and Country at Yearend
[Billions of dollars]

	2003	2004	2005
Total holdings	1,712.1	1,960.4	2,115.5
Europe.....	948.5	1,098.7	1,174.5
Of which: United Kingdom.....	247.4	292.4	304.1
Belgium and Luxembourg.....	140.1	162.6	186.0
Netherlands.....	129.8	156.5	167.0
Switzerland.....	123.6	134.4	140.2
Germany.....	75.6	81.9	83.7
France.....	57.0	67.4	80.1
Ireland.....	48.5	56.6	60.6
Sweden.....	43.0	49.9	50.8
Italy.....	33.6	34.2	31.3
Canada.....	203.9	220.2	247.5
Caribbean financial centers.....	243.3	281.7	322.3
Of which: Cayman Islands.....	116.0	139.5	163.7
Bermuda.....	51.9	56.7	63.7
Netherlands Antilles.....	21.8	23.3	25.4
Latin America, excluding Caribbean financial centers.....	29.7	31.8	34.4
Asia.....	230.7	256.1	264.3
Of which: Japan.....	155.8	179.4	186.0
Africa.....	4.3	4.9	4.9
Other countries.....	51.7	67.0	67.6
Of which: Australia.....	45.1	59.3	60.0

At yearend 2005, investors in Europe accounted for \$1,174.5 billion, or 56 percent, of total foreign holdings of U.S. stocks. Outside of Europe, investment

funds in the Caribbean financial centers accounted for \$322.3 billion, or 15 percent, of total foreign holdings, Canadian investors accounted for \$247.5 billion, or 12 percent, of total holdings, and Japanese investors accounted for \$186.0 billion, or 9 percent, of total holdings.

U.S. currency

U.S. currency held by foreigners increased \$19.4 billion, to \$352.2 billion, in 2005. Net U.S. currency shipments to foreigners increased in 2005, largely to Europe, particularly Russia and some countries of the former Soviet Union. Dollars returned from several other countries were significantly higher than in 2004.

Foreign direct investment in the United States

Foreign direct investment in the United States at current cost increased \$147.2 billion, to \$1,874.3 billion, in 2005, mostly as a result of financial transactions (table M). At market value, foreign direct investment in the United States increased \$93.5 billion, to \$2,797.2 billion, as financial transactions more than offset price depreciation in owners' equity (table N). The negative price valuation adjustment resulted from a decline in the adjusted U.S. stock market index used in BEA's market-value revaluation formula. The stock market index is adjusted to remove the effect of reinvested earnings on stock prices to prevent double-counting of reinvested earnings in the revaluation formula. (For additional information, see J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," SURVEY OF CURRENT BUSINESS 71 (May 1991): 49.)

Table M. Foreign Direct Investment in the United States at Yearend
[Billions of dollars]

	2003	2004	2005
Foreign direct investment in the United States:			
At current cost.....	1,577.0	1,727.1	1,874.3
At market value.....	2,454.9	2,703.7	2,797.2

Table N. Foreign Direct Investment in the United States, 2005
[Billions of dollars]

	At current cost	At market value
Total position at yearend	1,874.3	2,797.2
Total change	147.2	93.5
Financial inflows.....	109.8	109.8
Equity capital.....	57.7	57.7
Intercompany debt.....	-6.9	-6.9
Reinvested earnings.....	58.9	58.9
Price changes.....	28.0	-22.9
Exchange-rate changes.....	-2.0	
Other valuation changes.....	11.5	6.6

Financial transactions increased foreign direct investment in the United States \$109.8 billion, down from the 2004 increase of \$133.2 billion. Net equity capital transactions, which have declined in each of the last 5 years since their peak of \$259.6 billion in 2000,

were \$57.7 billion, down from \$74.1 billion. Reinvested earnings increased to \$58.9 billion from \$55.6 billion, and intercompany debt shifted to a decrease of \$6.9 billion from an increase of \$3.5 billion.

Tables 1 and 2 follow.

Table 1. International Investment Position of the United States at Yearend, 2004 and 2005

[Millions of dollars]

Line	Type of investment	Position, 2004 ^r	Changes in position in 2005				Total (a+b+c+d)	Position, 2005 ^p	
			Attributable to			Total			
			Financial flows	Valuation adjustments					
				Price changes	Exchange-rate changes ¹				Other changes ²
(a)	(b)	(c)	(d)	(a+b+c+d)					
Net international investment position of the United States:									
1	With direct investment positions at current cost (line 3 less line 24).....	-2,360,785	-785,449	625,441	-226,283	53,277	-333,014	-2,693,799	
2	With direct investment positions at market value (line 4 less line 25).....	-2,448,744	-785,449	1,061,360	-393,614	20,272	-97,431	-2,546,175	
U.S.-owned assets abroad:									
3	With direct investment positions at current cost (lines 5+10+15).....	9,186,661	426,801	608,509	-278,993	65,698	822,015	10,008,676	
4	With direct investment positions at market value (lines 5+10+16).....	10,075,337	426,801	993,566	-444,317	27,815	1,003,865	11,079,202	
5	U.S. official reserve assets.....	189,591	-14,096	20,241	-7,680	-13	-1,548	188,043	
6	Gold.....	113,947		³ 20,241		⁴ -13	20,228	134,175	
7	Special drawing rights.....	13,628	-4,511		-907		-5,418	8,210	
8	Reserve position in the International Monetary Fund.....	19,544	-10,200		-1,308		-11,508	8,036	
9	Foreign currencies.....	42,472	615		-5,465		-4,850	37,622	
10	U.S. Government assets, other than official reserve assets.....	83,062	-5,539				-5,539	77,523	
11	U.S. credits and other long-term assets ⁵	80,308	-3,348				-3,348	76,960	
12	Repayable in dollars.....	80,035	-3,348				-3,348	76,687	
13	Other ⁶	273						273	
14	U.S. foreign currency holdings and U.S. short-term assets.....	2,754	-2,191				-2,191	563	
U.S. private assets:									
15	With direct investment at current cost (lines 17+19+22+23).....	8,914,008	446,436	588,268	-271,313	65,711	829,102	9,743,110	
16	With direct investment at market value (lines 18+19+22+23).....	9,802,684	446,436	973,325	-436,637	27,828	1,010,952	10,813,636	
Direct investment abroad:									
17	At current cost.....	2,399,224	9,072	42,085	-32,112	35,664	54,709	2,453,933	
18	At market value.....	3,287,900	9,072	427,142	-197,436	-2,219	236,559	3,524,459	
19	Foreign securities.....	3,553,387	180,125	546,183	-205,698		520,610	4,073,997	
20	Bonds.....	992,969	37,991	-20,533	-22,884		-5,426	987,543	
21	Corporate stocks.....	2,560,418	142,134	566,716	-182,814		526,036	3,086,454	
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns.....	733,538	44,221		-18,151	24,913	50,983	784,521	
23	U.S. claims reported by U.S. banks, not included elsewhere.....	2,227,859	213,018		-15,352	5,134	202,800	2,430,659	
Foreign-owned assets in the United States:									
24	With direct investment at current cost (lines 26+33).....	11,547,446	1,212,250	-16,932	-52,710	12,421	1,155,029	12,702,475	
25	With direct investment at market value (lines 26+34).....	12,524,081	1,212,250	-67,794	-50,703	7,543	1,101,296	13,625,377	
Foreign official assets in the United States:									
26	U.S. Government securities.....	2,001,407	199,495	-26,059		41,280	214,716	2,216,123	
27	U.S. Treasury securities.....	1,499,293	156,450	-28,661		22,315	150,104	1,649,397	
28	Other.....	1,241,250	71,749	-21,682		-2,436	47,631	1,288,881	
29	Other U.S. Government liabilities ⁷	258,043	84,701	-6,979		24,751	102,473	360,516	
30	U.S. liabilities reported by U.S. banks, not included elsewhere.....	16,488	-488				-488	16,000	
31	Other foreign official assets.....	270,387	24,275				24,275	294,662	
32	Other foreign official assets.....	215,239	19,258	2,602		18,965	40,825	256,064	
Other foreign assets:									
33	With direct investment at current cost (lines 35+37+38+41+42+43).....	9,546,039	1,012,755	9,127	-52,710	-28,859	940,313	10,486,352	
34	With direct investment at market value (lines 36+37+38+41+42+43).....	10,522,674	1,012,755	-41,735	-50,703	-33,737	886,580	11,409,254	
Direct investment in the United States:									
35	At current cost.....	1,727,062	109,754	27,950	-2,007	11,504	147,201	1,874,263	
36	At market value.....	2,703,697	109,754	-22,912		6,626	93,468	2,797,165	
37	U.S. Treasury securities.....	562,288	199,491	-7,671		-49,233	142,587	704,875	
38	U.S. securities other than U.S. Treasury securities.....	3,995,506	474,140	-11,152	-29,411	-38,401	395,176	4,390,682	
39	Corporate and other bonds.....	2,035,149	388,357	-72,646	-29,411	-46,252	240,048	2,275,197	
40	Corporate stocks.....	1,960,357	85,783	61,494		7,851	155,128	2,115,485	
41	U.S. currency.....	332,735	19,416				19,416	352,151	
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns.....	507,668	30,105		-10,309	36,285	56,081	563,749	
43	U.S. liabilities reported by U.S. banks, not included elsewhere.....	2,420,780	179,849		-10,983	10,986	179,852	2,600,632	

^p Preliminary^r Revised

1. Represents gains or losses on foreign-currency-denominated assets and liabilities due to their revaluation at current exchange rates.

2. Includes changes in coverage, capital gains and losses of direct investment affiliates, and other adjustments to the value of assets and liabilities.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetiza-

tions are not included in international transactions financial flows.

5. Also includes paid-in capital subscriptions to international financial institutions and resources provided to foreigners under foreign assistance programs requiring repayment over several years. Excludes World War I debts that are not being serviced.

6. 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.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

Direct Investment Positions for 2005

Country and Industry Detail

By Jennifer L. Koncz and Daniel R. Yorgason

IN 2005, the historical-cost position of U.S. direct investment abroad (USDIA) grew 1 percent after growing 16 percent in 2004. The historical-cost position of foreign direct investment in the United States (FDIUS) grew 8 percent, down slightly from 9-percent growth in 2004 (table A and chart 1).

The much slower growth in the USDIA position was almost entirely the result of a shift from U.S. outflows to U.S. inflows of direct investment capital.¹ The

slightly slower growth in the FDIUS position reflected lower capital inflows that were partially offset by higher valuation adjustments.

Highlights of the USDIA estimates include the following:

- The 1-percent increase in 2005 was the smallest

1. For U.S. direct investment abroad, direct investment capital *outflows* and positive valuation adjustments increase the U.S. direct investment position abroad; capital *inflows* and negative valuation adjustments decrease the position. For foreign direct investment in the United States, direct investment capital *inflows* and positive valuation adjustments increase the foreign direct investment position in the United States; capital *outflows* and negative valuation adjustments decrease the position. The measure of direct investment capital flows used in this article differs from the measure of direct investment capital flows used in the international transaction accounts in that the reinvested earnings component of these flows excludes a current-cost adjustment. See the box "Key Terms" for more information. For ease of exposition, throughout this article, the term "(direct investment) capital flows" is used as shorthand for "(direct investment) capital flows without current-cost adjustment" and the term "reinvested earnings" is used as shorthand for "reinvested earnings without current-cost adjustment."

Table A. USDIA and FDIUS Positions on a Historical-Cost Basis, 1982–2005

Yearend	Billions of dollars		Percent change from preceding year	
	USDIA	FDIUS	USDIA	FDIUS
1982	207.8	124.7		
1983	212.2	137.1	2.1	9.9
1984	218.1	164.6	2.8	20.1
1985	238.4	184.6	9.3	12.2
1986	270.5	220.4	13.5	19.4
1987	326.3	263.4	20.6	19.5
1988	347.2	314.8	6.4	19.5
1989	381.8	368.9	10.0	17.2
1990	430.5	394.9	12.8	7.0
1991	467.8	419.1	8.7	6.1
1992	502.1	423.1	7.3	1.0
1993	564.3	467.4	12.4	10.5
1994	612.9	480.7	(¹)	(¹)
1995	699.0	535.6	14.1	11.4
1996	795.2	598.0	13.8	11.7
1997	871.3	681.8	9.6	14.0
1998	1,000.7	778.4	14.8	14.2
1999	1,216.0	955.7	21.5	22.8
2000	1,316.2	1,256.9	8.2	31.5
2001	1,460.4	1,344.0	10.9	6.9
2002	1,616.5	1,327.2 ^r	10.7	-1.3
2003	1,769.6 ^r	1,395.2 ^r	9.5	5.1
2004	2,051.2 ^r	1,520.7 ^r	15.9	9.0
2005	2,070.0 ^p	1,635.3 ^p	0.9	7.5

^p Preliminary

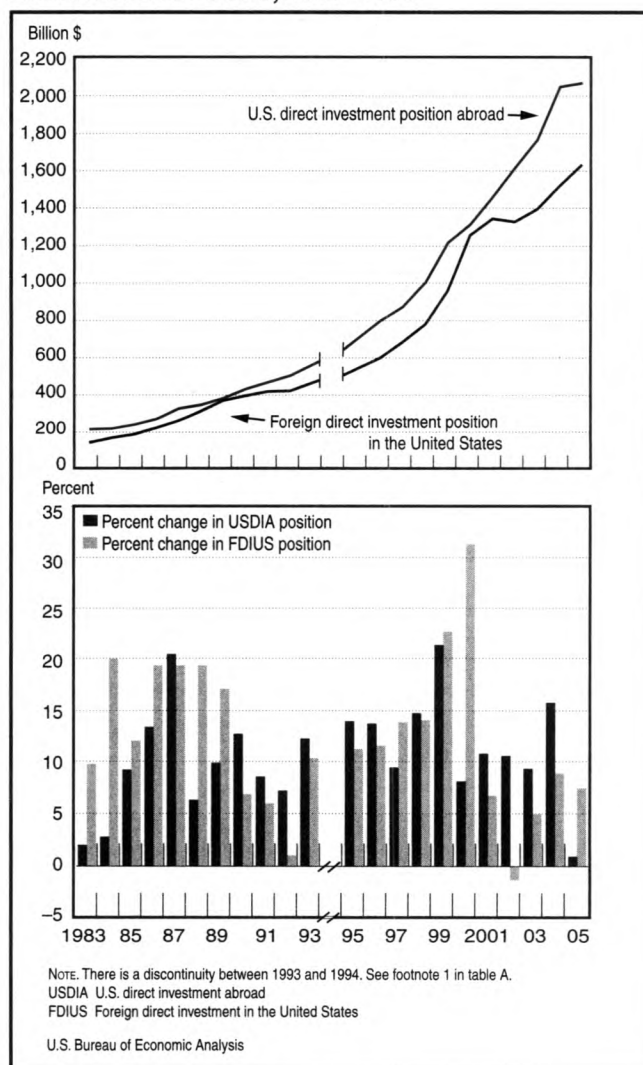
^r Revised

1. The USDIA and FDIUS positions reflect a discontinuity between 1993 and 1994 because of the reclassification of intercompany debt between parent companies and affiliates that are nondepository financial intermediaries from direct investment to other investment accounts.

USDIA U.S. direct investment abroad

FDIUS Foreign direct investment in the United States

Chart 1. Direct Investment Positions on a Historical-Cost Basis, 1983–2005



NOTE: There is a discontinuity between 1993 and 1994. See footnote 1 in table A.

USDIA U.S. direct investment abroad

FDIUS Foreign direct investment in the United States

U.S. Bureau of Economic Analysis

recorded percentage increase since 1982.² For 1994–2004, the average annual growth rate was 13 percent.

2. The USDIA position declined in 1982, but the decline was the result of special factors. Specifically, the decline resulted from the combination of intercompany debt inflows from financial intermediaries in the Netherlands Antilles—flows that, starting with 1994, are not included in direct investment—and a rebenchmarking of the 1982 (but not 1981) data. A discontinuity in the direct investment position data between 1993 and 1994 due to methodological changes does not permit the calculation of a precise growth rate for 1994. However, preliminary estimates for 1994—prior to the introduction of the methodological changes—suggest that the USDIA position grew at a double-digit rate in that year. Prior to 1982, the position had risen in every year since just after World War II.

Alternative Measures of the Direct Investment Positions

The detailed estimates of the positions of U.S. direct investment abroad and of foreign direct investment in the United States by country and industry are prepared only on a historical-cost basis, so these estimates largely reflect the price levels of earlier periods. The estimates are also prepared on current-cost and market-value bases, but only at an aggregate level. The current-cost estimates value the U.S. and foreign parents' shares of their affiliates' investment in plant and equipment, using the current cost of capital equipment; in land, using general price indexes; and in inventories, using estimates of their replacement cost. The market-value estimates value the equity portion of direct investment, using indexes of stock market prices.

The historical-cost estimates are not ordinarily adjusted to reflect the changes in the current costs or the replacement costs of tangible assets or in the stock market valuations of firms. Over time, the current costs of tangible assets and the stock market valuations of firms tend to increase. As a result, the historical-cost estimates of the positions are less than the current-cost and market-value estimates of the positions. The current-cost and market-value estimates of the position are discussed in "The International Investment Position of the United States at Yearend 2005" in this issue.

**Alternative Direct Investment Position Estimates,
2004 and 2005**
[Millions of dollars]

Valuation method	Position at yearend 2004 ^r	Changes in 2005			Position at yearend 2005 ^p
		Total	Capital flows	Valuation adjustments	
USDIA:					
Historical cost.....	2,051,204	18,779	-12,714	31,492	2,069,983
Current cost	2,399,224	54,709	9,072	45,637	2,453,933
Market value.....	3,287,900	236,559	9,072	227,487	3,524,459
FDIUS:					
Historical cost.....	1,520,729	114,562	99,443	15,119	1,635,291
Current cost	1,727,062	147,201	109,754	37,447	1,874,263
Market value.....	2,703,697	93,468	109,754	-16,286	2,797,165

^p Preliminary
^r Revised

- The principal reason for the unusually small increase in the position was that reinvested earnings turned negative in 2005, as cumulative retained earnings of foreign affiliates were drawn down to fund distributions to U.S. parents as a result of tax incentives provided by the American Jobs Creation Act of 2004. The shift to negative reinvested earnings was more than accounted for by holding companies.³ Historically, reinvested earnings have been one of the largest sources of growth in the USDIA position.
- Equity capital outflows and valuation adjustments were the largest positive contributors to the increase, though both were substantially lower than in 2004.

Highlights of the FDIUS estimates include the following:

- The 8-percent increase in the FDIUS position in 2005 was slightly below the 9-percent increase in 2004. Growth in both years was significantly below the 12-percent average annual growth in 1982–2003.
- As in many previous years, the largest contributor to the increase in the FDIUS position in 2005 was equity capital inflows. However, these inflows declined for the fifth consecutive year and were the smallest recorded since 1995.
- Reinvested earnings increased modestly in 2005 after an exceptionally large increase in 2004. The increase in 2005 was a result of stronger earnings and higher shares of earnings reinvested in several industries.

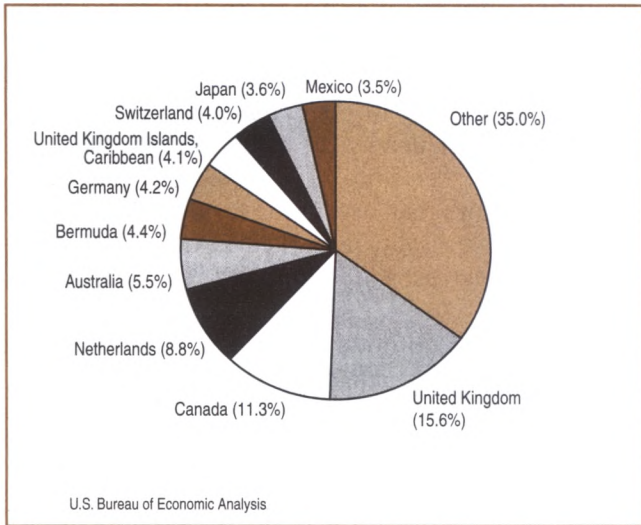
This article presents a discussion of the historical-cost direct investment positions by type of capital flow and by host country for USDIA and by type of capital flow and by country of foreign parent for FDIUS.

U.S. Direct Investment Abroad

The USDIA position valued at historical cost—the book value of U.S. direct investors' equity in, and net outstanding loans to, their foreign affiliates—was \$2,070.0 billion at the end of 2005 (table A and chart 1). Three host countries—the United Kingdom, Canada, and the Netherlands—accounted for over a third of the total position (table 1.2 and chart 2). Positions in the United Kingdom and Canada were more than twice as large as those in any other country except the Netherlands. The position in the United Kingdom was \$323.8 billion, or 16 percent of the total. The position in Canada was \$234.8 billion (11 percent), and the

3. Holding companies derive virtually all of their earnings from affiliates that are classified in other industries and that, in many cases, are located in other foreign countries. For more information, see the box "Holding Companies in the Data on U.S. Direct Investment Abroad."

Chart 2. USDIA Position by Host Country in 2005



position in the Netherlands was \$181.4 billion (9 percent).

The USDIA position increased \$18.8 billion in 2005, less than 1 percent. The increase was the smallest percentage increase since 1982, when the position declined because of special factors (see footnote 2).

Changes by component

The \$18.8 billion increase in the USDIA position was the net result of capital *inflows* (which decrease the USDIA position) of \$12.7 billion and valuation adjustments of \$31.5 billion (table B and chart 3).

Capital flows

Capital flows for USDIA shifted from outflows (which, as noted earlier, increase the USDIA position) of \$222.4 billion in 2004 to inflows of \$12.7 billion in 2005. The inflows in 2005 were composed of -\$33.0 billion of reinvested earnings and \$19.4 billion of intercompany debt inflows.⁴ These inflows were partly offset by \$39.7 billion of equity capital outflows.

4. In BEA's estimates of USDIA, reinvested earnings are negative whenever distributions from foreign affiliates to their U.S. parent companies exceed current-period earnings. In the U.S. international transactions accounts, negative reinvested earnings on USDIA are recorded as capital inflows.

Table B. Change in the USDIA Position by Account
[Billions of dollars]

	2004	2005
Total.....	281.6	18.8
Capital flows without current-cost adjustment.....	222.4	-12.7
Equity capital.....	81.4	39.7
Increases.....	132.4	67.0
Decreases.....	51.0	27.3
Intercompany debt.....	5.4	-19.4
Reinvested earnings without current-cost adjustment.....	135.6	-33.0
Valuation adjustments.....	59.2	31.5
Currency translation.....	28.0	-16.0
Other.....	31.2	47.5

Equity capital transactions. Equity capital outflows fell to \$39.7 billion in 2005, down sharply from \$81.4 billion in 2004, but were nonetheless the largest contributor to the net change in the USDIA position. Equity capital outflows resulted from equity capital increases of \$67.0 billion, partially offset by equity capital decreases of \$27.3 billion. Each of these flows was little more than half of the corresponding flow in 2004. Of the equity capital increases, \$40.0 billion, or 60 percent, financed the acquisition or establishment of new foreign affiliates. Capital contributions to existing foreign affiliates accounted for the remaining \$27.0 billion, or 40 percent.

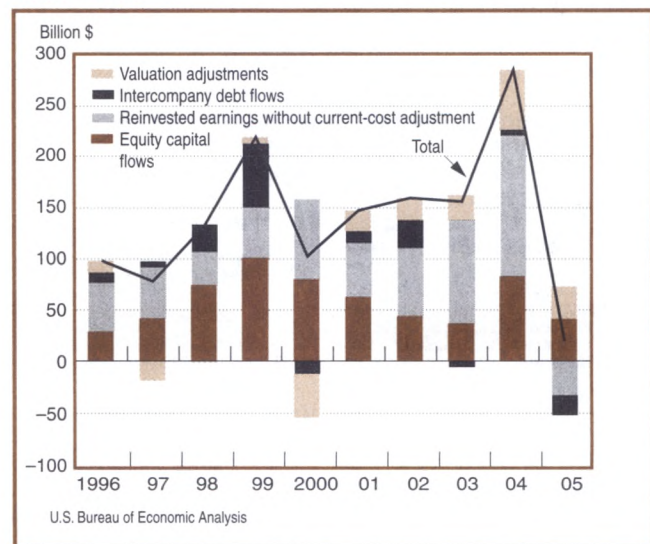
Equity capital increases in Europe and Canada accounted for over four-fifths of all such increases. In Europe, equity capital increases were largest in the United Kingdom, where they were spread among several industries, including “finance (except depository institutions) and insurance.” Equity capital increases in Belgium and the Netherlands were also relatively large. In Canada, increases in “other industries”—mainly oil pipelines—were particularly large.

In contrast to 2004, when decreases in equity capital were largely the result of sales or liquidations of affiliates, the decreases in 2005 were due primarily to returns of capital from ongoing affiliates.⁵ Decreases were largest in Europe, particularly in “finance (except depository institutions) and insurance” and in holding companies.

Reinvested earnings. Reinvested earnings—the difference between U.S. parent companies’ share in their foreign affiliates’ total earnings and the

5. Despite the increasing *relative* prominence of returns of capital from ongoing affiliates, such returns fell slightly in dollar terms from 2004.

Chart 3. Change in the USDIA Position by Account, 1996–2005



distributions made to the parents from the affiliates' cumulative retained earnings—shifted from \$135.6 billion in 2004 to -\$33.0 billion in 2005. While the positive reinvested earnings in 2004 were unusually high, the reversal to negative reinvested earnings in 2005 was unprecedented since at least 1950. The shift occurred even though earnings were up by 13 percent in 2005 because several affiliates paid very large dividends to their U.S. parents, including some that were many times larger than those affiliates' current-year earnings.⁶ Most of these large distributions were encouraged by incentives associated with the American Jobs Creation Act of 2004, which allowed U.S. parent companies that receive dividends from their foreign affiliates during a specified period to be taxed at lower rates.⁷

The phenomenon of negative reinvested earnings was rather concentrated. In only two of the major geographic areas—Europe and “Latin America and Other Western Hemisphere”—were reinvested earnings negative. Fewer than a third of countries with reported reinvested earnings showed negative reinvested earnings. Negative reinvested earnings in Europe more than accounted for the worldwide total. Negative reinvested earnings were particularly large in four European countries: The Netherlands, Luxembourg, Switzerland, and Austria. In “Latin America and Other Western Hemisphere,” negative reinvested earnings in the “United Kingdom Islands, Caribbean” and Bermuda more than offset relatively large positive reinvested earnings in other countries.

Negative reinvested earnings were also highly concentrated by industry. Only three industries—holding companies, depository institutions, and transportation equipment manufacturing—had negative reinvested earnings, with those in holding companies the largest by far. The -\$98.8 billion of reinvested earnings in holding companies contrasts with \$65.8 billion in (positive) reinvested earnings in all other industries combined. Holding companies distributed nearly 2½

times their 2005 earnings to their U.S. parent companies. These distributions were made to U.S. parents in a variety of industries, including pharmaceuticals, petroleum manufacturing, electronic components, and beverages. Partially offsetting the negative reinvested earnings associated with distributions by holding companies, reinvested earnings were positive and relatively strong in wholesale trade, “finance (except depository institutions) and insurance,” and mining.

Earnings were broadly higher in 2005, with growth rates ranging from 2 percent to 26 percent in the broad geographic regions. The largest earnings, and the largest dollar increase in earnings, were in Europe. By industry, earnings and earnings increases were highest in holding companies. Earnings in mining were also strongly higher. The reinvestment ratio—the share of current-year earnings reinvested by affiliates—shifted from 68 percent in 2004 to -15 percent in 2005.

Intercompany debt transactions. In 2005, foreign affiliates reduced their indebtedness to their U.S. parents, while U.S. parents increased their indebtedness to their foreign affiliates. As a result, net intercompany debt *inflows* from foreign affiliates (which reduce the USDIA position), totaling \$19.4 billion, were recorded for the year. In comparison, net outflows of \$5.4 billion were recorded in 2004.⁸ Inflows from Europe, especially Luxembourg and the United Kingdom, accounted for a large majority of all inflows in 2005. By industry, holding companies accounted for all of the inflows.

Valuation adjustments

Valuation adjustments, which are made to account for currency-translation and other valuation changes, were a positive \$31.5 billion in 2005, which more than offset the inflow of capital, resulting in the slight increase in the USDIA position. These positive adjustments did not result from changing currency values; currency-translation adjustments were negative as the U.S. dollar firmed in 2005 following several years of weakening. Rather, the overall increase in valuation adjustments reflected “other” valuation adjustments. These “other” valuation adjustments arose from a variety of sources, including capital gains and losses of foreign affiliates. By area, other valuation adjustments were largest in “Latin America and Other Western Hemisphere,” particularly in the “United Kingdom Islands, Caribbean” and Bermuda.

8. The direction of net intercompany debt flows can be difficult to gauge accurately when the much larger underlying gross outflows and inflows are similar in magnitude. In preliminary estimates published last year, the 2004 intercompany debt flows were estimated to be small net inflows, contrasting with the revised estimates that now show small net outflows.

6. Several affiliates paid dividends of at least \$6 billion during the year.

7. This act, which was signed into law on October 22, 2004, allowed U.S. companies that received dividends from foreign subsidiaries during a specified period (calendar year 2004 or calendar year 2005, at taxpayer option, for calendar year taxpayers) to be taxed on the dividends at reduced rates. Most such dividends were not paid until 2005, as the act was signed into law late in 2004 and many companies delayed distributions until regulatory guidance had been issued. One condition that had to be satisfied to realize the tax savings was the development of a domestic reinvestment plan for the dividends. Another condition was for the dividends to exceed the amount that had historically been paid. (For more information on this act and its effects on BEA's international accounts, see FAQs on this topic on BEA's Web site at <www.bea.gov/bea/faq/international/FAQ.htm>.) Although the distributions associated with this act could potentially continue into 2006 in some circumstances, preliminary data from the first quarter of 2006 give little or no indication that such distributions have continued beyond 2005.

Holding Companies in the Data on U.S. Direct Investment Abroad

In the two decades prior to 2005, U.S. parent companies funneled an increasing share of their direct investments abroad through holding company affiliates.¹ In 2005, this upward trend was abruptly, although possibly temporarily, reversed. In 1982, foreign affiliates classified as holding companies accounted for 9 percent of the U.S. direct investment position abroad; by 2004, they accounted for 35 percent of the position (chart A). In 2005, this share fell to 30 percent. The upward trend of the holding company share is part of a broader trend of indirect ownership in which U.S. parents own foreign affiliates that own other foreign affiliates. The 2005 reversal of this trend was primarily the result of large earnings distributions (and the resulting negative reinvested earnings) associated with the American Jobs Creation Act of 2004 (see the text and footnote 7 for a discussion of this act and its effect on capital flows in 2005). The largest distributions were, by far, from holding companies.

One consequence of the rising use of indirect ownership arrangements is that U.S. direct investment abroad (USDIA) estimates of the position and related flows show industry and country patterns that are increasingly different from the industries and countries in which the production of goods and services by foreign affiliates occurs.²

The Bureau of Economic Analysis (BEA) is currently working on developing a methodology for allocating the equity portion of U.S. direct investment abroad to its ultimate destination, thus effectively “looking through” holding companies and other indirect ownership arrangements. This method would allocate data on positions between U.S. parent companies and their foreign affiliates using company chain-of-ownership information collected on BEA’s survey of the operations of U.S. parent companies and their foreign affiliates.

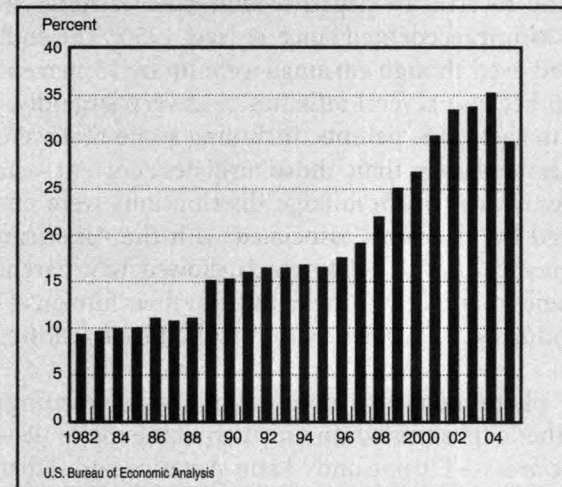
Data from BEA’s survey of the operations of U.S. parent companies and their foreign affiliates give an indication of the degree to which indirect ownership affects the country and industry distribution of the USDIA position data.³ The estimates of the operations of these foreign affiliates are classified in the country where the affiliate’s physical assets are located or where its primary activity is carried out, and they are classified in the industry that reflects the affiliate’s primary activity. Thus, these estimates reflect more closely the countries and industries in which the pro-

1. A holding company is a company whose primary activity is holding the securities or financial assets of other companies.

2. Estimates of the USDIA position and related flows are allocated to the industries and countries of the affiliates with which the U.S. parent companies have direct transactions and positions rather than to the industries and countries of the affiliates whose operations the parents ultimately own or control. This convention follows international guidelines in the International Monetary Fund’s *Balance of Payments Manual*, 5th edition, and in the Organisation for Economic Co-operation and Development’s *Benchmark Definition of Foreign Direct Investment*, 3rd edition.

3. Besides chain-of-ownership information, data collected on the operations survey include items such as assets, sales, employment, value added, and net property, plant, and equipment.

Chart A. Holding Companies as a Percentage of the USDIA Position, 1982–2005



duction of goods and services by foreign affiliates actually occurs than do the estimates classified by the country and industry of the affiliate with which the parent company has a direct position or transaction. (However, as measures of overall operations, these estimates are not adjusted for the percentage of U.S. ownership or for double-counting in some measures of affiliate size or operations—such as assets, liabilities, and earnings—when foreign affiliates hold ownership interests or debt positions in one another.)

As a result of the use of holding-company affiliates, the industry patterns and the country patterns of the position estimates differ from those of the estimates of the operations of foreign affiliates.⁴ For example, in a comparison of the estimates of the USDIA position with the closely related estimates of the net property, plant, and equipment (PP&E) of foreign affiliates, the 22-percent share of the position accounted for by manufacturing (in 2005) differs sharply from the 41-percent share of PP&E accounted for by manufacturing (in 2003, the latest year for which operations data are available). By country, the share of the direct investment position accounted for by the Netherlands was 9 percent, but its share of PP&E was only 3 percent.⁵

For further discussion of the effect of holding companies on the estimates of USDIA series, see the “Technical Note” in Maria Borga and Raymond J. Mataloni, Jr., “Direct Investment Positions for 2000: Country and Industry Detail,” *SURVEY OF CURRENT BUSINESS* 81 (July 2001): 23–25.

4. The use of holding-company affiliates appears to be the primary factor accounting for differences in the patterns of investment by country or by industry between the position estimates and the operations estimates, but other factors might also contribute.

5. The effect of the distributions associated with the American Jobs Creation Act of 2004, with distributions concentrated in holding companies, is to reduce somewhat the disparity in shares such as these. With the 2004 USDIA position data, the disparities were higher still; the share of the position accounted for by manufacturing was 20 percent, and the share accounted for by the Netherlands was 10 percent.

Changes by area and by country

The USDIA position increased in 2005 in each of the major geographic areas except Europe, where the dollar-value decrease in position was larger than the increase in position in any other single major geographic area (table C). However, the percentage decrease in Europe was 4 percent, much smaller than (and the opposite sign of) the percentage changes in most other geographic areas. The position grew 10 percent or more in the Middle East, Africa, and Canada.

Europe. The \$45.4 billion fall in the position in this region resulted from decreases in a relatively small number of countries. Three countries—Switzerland, the Netherlands, and Luxembourg—together accounted for a drop of more than \$65 billion, \$20 billion more than the entire regional drop. In all three countries, drops in the position in holding companies more than accounted for the decreases. The main source of the decreases in all three countries was negative reinvested earnings. Of those European countries in which the position increased, the largest increases were in the United Kingdom and Belgium. In the United Kingdom, several manufacturing industries were responsible for the increase. In Belgium, increases in chemicals manufacturing were largest.

Latin America and Other Western Hemisphere. The increase in the USDIA position—\$22.5 billion—was (slightly) larger in this region than in any other region. The largest increases were in Mexico and in parts

of “Other Western Hemisphere,” including the “United Kingdom Islands, Caribbean,” Bermuda, and the Bahamas. In Mexico, several industries contributed to the overall increase, including “finance (except depository institutions) and insurance.” In the “United Kingdom Islands, Caribbean,” the position became much less negative in depository institutions; in Bermuda, it increased mainly in “finance (except depository institutions) and insurance”; and in the Bahamas, holding companies accounted for nearly the entire increase.

Canada. Several industries contributed to the \$22.0 billion increase in the position. In “other industries” (mainly oil pipelines) and “other manufacturing” (mainly beverages), acquisitions accounted for over half the overall increase. In mining and “finance (except depository institutions) and insurance,” reinvested earnings and valuation adjustments (of which some were positive translation adjustments) combined to increase the position.

Asia and Pacific. The USDIA position rose \$14.0 billion. Substantial increases in Japan and Hong Kong were partially offset by a large drop in the position in Singapore. In Japan and Hong Kong, several industries contributed to the increases, but the increases in both countries were largest in “finance (except depository institutions) and insurance.” These increases were due primarily to reinvested earnings in Japan and to inter-company debt transactions with Hong Kong. The decrease in Singapore was largely due to negative reinvested earnings of holding companies.

Africa. The \$2.8 billion increase in the USDIA position in Africa, though relatively small in dollar terms, represented the second largest percentage increase of the regions. In this region, the largest dollar increases were in Equatorial Guinea, Egypt, and Chad. In each of these three countries, reinvested earnings of affiliates in oil and gas extraction (classified in mining in tables 1.1 and 1.2) accounted for much of the increase. The net position in the rest of Africa declined.

Middle East. The \$2.8 billion increase in the position resulted in the largest percentage increase of any region. In this region, Israel, Qatar, the United Arab Emirates, and Saudi Arabia had the largest dollar increases. In Israel, equity capital increases in pharmaceuticals and medicines (classified in chemicals) accounted for much of the increase. In Qatar, affiliates in oil and gas extraction and holding companies with parents in the petroleum industry reported strong reinvested earnings, as high oil prices boosted earnings. In the United Arab Emirates, affiliates in several industries contributed to the increase in the position. In Saudi Arabia, holding company affiliates of petroleum industry parents contributed to the increase.

**Table C. Change in the USDIA Position
by Country of Foreign Affiliate**

	Change (2004–2005)	
	Billions of dollars	Percent
All countries.....	18.8	1
Canada.....	22.0	10
Europe.....	-45.4	-4
Of which:		
United Kingdom.....	11.6	4
Belgium.....	6.5	22
Germany.....	2.7	3
Austria.....	2.1	31
Ireland.....	-2.4	-4
Luxembourg.....	-19.5	-24
Netherlands.....	-22.9	-11
Switzerland.....	-23.4	-22
Latin America and Other Western Hemisphere.....	22.5	7
Of which:		
Mexico.....	7.9	12
United Kingdom Islands, Caribbean.....	4.5	6
Bermuda.....	3.8	4
Bahamas.....	2.8	28
Brazil.....	2.2	7
Jamaica.....	-2.6	-7
Africa.....	2.8	13
Middle East.....	2.8	15
Asia and Pacific.....	14.0	4
Of which:		
Japan.....	7.4	11
Hong Kong.....	3.0	9
Korea, Republic of.....	2.0	12
Singapore.....	-9.0	-16

Foreign Direct Investment in the United States

The FDIUS position valued at historical cost—the book value of foreign direct investors’ equity in, and outstanding loans to, their U.S. affiliates—was \$1,635.3 billion at the end of 2005 (table A and chart 1). The United Kingdom, Japan, Germany, and the Netherlands had the largest positions in 2005, as they did in 2004 (table 2.2 and chart 4). Foreign parents in these four countries together accounted for 51 percent of the total position in 2005. The position of the United Kingdom was \$282.5 billion, or 17 percent of the total. The position of Japan was \$190.3 billion (12 percent), Germany’s position was \$184.2 billion (11 percent), and the Netherlands’ position was \$170.8 billion (10 percent).

The FDIUS position increased \$114.6 billion, or 8 percent, in 2005, a slight slowdown from the 9-percent growth in 2004.

Changes by component

The \$114.6 billion increase in the FDIUS position consisted of capital inflows of \$99.4 billion, which accounted for 87 percent of the increase, and valuation adjustments of \$15.1 billion, which accounted for 13 percent (table D and chart 5).

Capital flows

Capital inflows (which increase the FDIUS position) decreased from \$122.4 billion in 2004 to \$99.4 billion in 2005. Despite the decrease, inflows in 2005 exceeded those in 2002 and 2003. In 2005, capital inflows consisted of \$57.7 billion in equity capital inflows and reinvested earnings of \$48.6 billion. These inflows were

partially offset by \$6.9 billion in *outflows* of intercompany debt.

Equity capital transactions. Equity capital inflows were \$57.7 billion in 2005, a \$16.4 billion decrease from 2004. Equity capital inflows have decreased in each of the 5 years since their peak of \$259.6 billion in 2000. Equity capital inflows in 2005 resulted from equity capital increases of \$70.6 billion, reflecting both new acquisitions and additional capital contributions to existing affiliates, and partially offsetting equity capital decreases of \$12.9 billion, reflecting selloffs, liquidations, or returns of contributed capital to foreign parents. Equity capital increases were down 27 percent in 2005, reflecting lower capital contributions to existing affiliates by foreign parents, fewer investments by foreigners to establish new U.S. businesses, and slow growth in acquisitions.

Equity capital increases in 2005 largely consisted of acquisitions of U.S. businesses by foreign direct investors, either directly or through their existing U.S. affiliates. The largest acquisitions of U.S. businesses by foreign direct investors were in depository institutions, in “other industries” (mainly mining), and in “finance

Table D. Change in the FDIUS Position by Account

[Billions of dollars]

	2004	2005
Total	125.6	114.6
Capital flows without current-cost adjustment.....	122.4	99.4
Equity capital	74.1	57.7
Increases.....	96.7	70.6
Decreases.....	22.6	12.9
Intercompany debt.....	3.5	-6.9
Reinvested earnings without current-cost adjustment	44.8	48.6
Valuation adjustments.....	3.2	15.1
Currency translation.....	2.1	-2.0
Other.....	1.1	17.1

Chart 4. FDIUS Position by Country of Foreign Parent in 2005

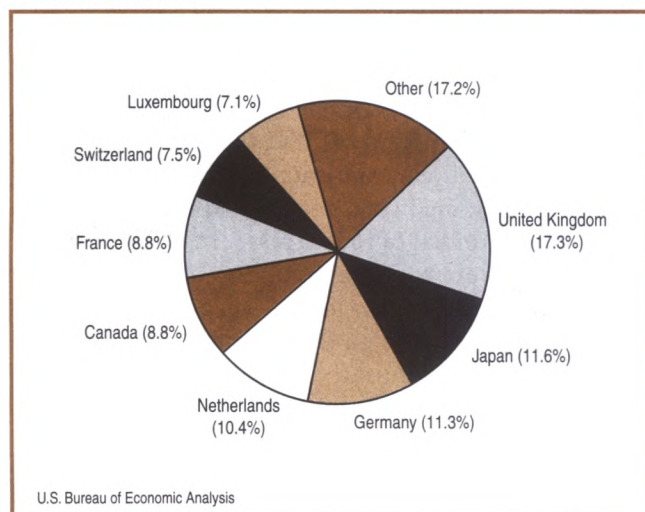
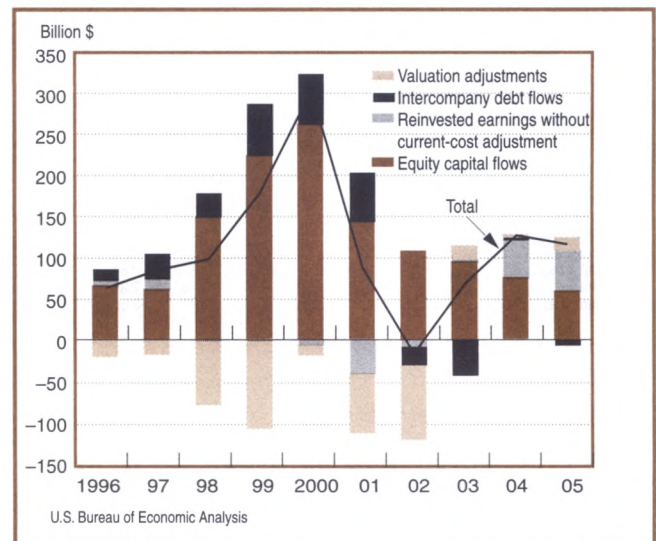


Chart 5. Change in the FDIUS Position by Account, 1996–2005



(except depository institutions) and insurance.”⁹ Additionally, contributions of equity capital from foreign parents to their existing U.S. affiliates for various reasons—such as to offset affiliates’ losses or to convert

9. According to preliminary data for 2005 from BEA’s survey of new foreign direct investment, total outlays to acquire or establish U.S. businesses, including those financed by capital inflows from foreign parents, were virtually unchanged from the previous year, at \$86.8 billion. See Lawrence R. McNeil, “Foreign Direct Investment in the United States: New Investment in 2005,” *SURVEY OF CURRENT BUSINESS* 86 (June 2006): 32–39. These data include only those transactions in which U.S. businesses are newly acquired or established by foreign direct investors, regardless of whether the source of financing is the foreign parent or existing U.S. affiliates. The data on changes to the FDIUS position differ from these data in two ways. First, changes to the FDIUS position reflect transactions of both new and existing U.S. affiliates with members of their foreign parent group, as well as valuation adjustments. Second, changes in the FDIUS position exclude financing from sources other than the foreign parent group.

Despite these differences, the two types of data are related. Any outlays to acquire or establish U.S. businesses that are funded by foreign parent groups are included in the capital flows that largely determine changes in the FDIUS position. In 2005, foreign parent groups financed 79 percent of total outlays to acquire or establish U.S. businesses, according to data from the new investment survey.

debt to equity—and increases in parents’ ownership shares in existing affiliates accounted for part of the increase.

Equity capital increases were spread over several industries in 2005. They were largest in depository institutions, “other industries,” and “finance (except depository institutions) and insurance,” which together accounted for 45 percent of the total increase. In depository institutions, Canada and the United Kingdom had the largest increases, due to both acquisitions and capital contributions to existing affiliates. In “other industries,” the largest increases were in mining and in transportation. Norway and Canada had the largest equity capital increases in “other industries.” In “finance (except depository institutions) and insurance,” the United Kingdom accounted for the largest share of the increase.

Reinvested earnings. Earnings that were reinvested in U.S. affiliates—the foreign parents’ share of affili-

Key Terms—Continues

The key terms used in this statistical presentation are described in this box. For a more detailed discussion of these terms and the methodologies used to prepare the estimates, see *Foreign Direct Investment in the United States: Final Results From the 1997 Benchmark Survey* and *U.S. Direct Investment Abroad: Final Results From the 1999 Benchmark Survey* on BEA’s Web site at <www.bea.gov>.

Direct investment. Investment in which a resident of one country obtains a lasting interest in, and a degree of influence over the management of, a business enterprise in another country. In the United States, the criterion used to distinguish direct investment from other types of investment is ownership of at least 10 percent of the voting securities of an incorporated business enterprise or the equivalent interest in an unincorporated business enterprise.

U.S. direct investment abroad (USDIA). The ownership or control, directly or indirectly, by one U.S. resident of at least 10 percent of the voting securities of an incorporated foreign business enterprise or the equivalent interest in an unincorporated foreign business enterprise.

Foreign direct investment in the United States (FDIUS). The ownership or control, directly or indirectly, by one foreign resident of at least 10 percent of the voting securities of an incorporated U.S. business enterprise or the equivalent interest in an unincorporated U.S. business enterprise.

Foreign affiliate. A foreign business enterprise in which a single U.S. investor (a **U.S. parent**) directly or indirectly owns at least 10 percent of the voting securities, or the equivalent.

U.S. affiliate. A U.S. business enterprise in which a single foreign investor (a **foreign parent**) owns at least 10 percent of the voting securities, or the equivalent.

Ultimate beneficial owner (UBO). For a U.S. affiliate, that person (in the broad legal sense, including a company), proceeding up the affiliate’s ownership chain beginning with the foreign parent, that is not owned more than 50 percent by another person. The UBO ultimately owns or controls the affil-

iate and derives the benefits associated with ownership or control. Unlike the foreign parent, the UBO of a U.S. affiliate may be located in the United States.

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 UBO, 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.

Direct investment capital flows without current-cost adjustment. Funds that parent companies provide to their affiliates net of funds that affiliates provide to their parents. For USDIA, capital flows without current-cost adjustment include the funds that U.S. direct investors pay to unaffiliated foreign parties when affiliates are acquired, the funds that U.S. investors receive from them when affiliates are sold, and debt and equity transactions between U.S. parents and their foreign affiliates. Similarly, FDIUS capital flows without current-cost adjustment include the funds that foreign direct investors pay to U.S. residents when affiliates are acquired, the funds that foreign investors receive from them when affiliates are sold, and debt and equity transactions between U.S. affiliates and members of their foreign parent group.

Direct investment capital flows without current-cost adjustment differ from **direct investment capital flows** as entered in BEA’s international transactions accounts (ITAs), because they do not include a current-cost adjustment. A current-cost adjustment affects direct investment income and the reinvested earnings component of capital flows by converting depreciation charges to a current-cost, or replacement-cost, basis; adding charges for depletion of natural resources back to income and reinvested earnings (because these charges are not treated as production costs in the national income and product accounts); and reallocating expenses for mineral exploration and development across periods.

ates' current-period earnings less affiliates' distributions from current and cumulative retained earnings—increased 8 percent, to \$48.6 billion, making 2005 the second consecutive year of particularly large reinvested earnings. Reinvested earnings in 2005 were largest in chemicals manufacturing and in wholesale trade. By country, affiliates with foreign parents in the United Kingdom, Japan, and France had the largest reinvested earnings. Reinvested earnings increased in several industries in 2005, including chemicals manufacturing, wholesale trade, and machinery manufacturing. Much of the growth in reinvested earnings in these industries was attributable to higher earnings in 2005.

U.S. affiliates' earnings grew 19 percent, to \$92.3 billion, in 2005, enabling the overall increase in reinvested earnings. In particular, earnings grew strongly for affiliates in chemicals manufacturing, in "other industries," in machinery manufacturing, and in wholesale trade (especially petroleum wholesaling). In chemicals, European-owned pharmaceutical companies accounted for much of the increase. In "other

industries," mining and utilities together accounted for most of the increase. In contrast to the increases mentioned above, which enabled growth in reinvested earnings, earnings growth in petroleum manufacturing (included in "other manufacturing" in tables 2.1 and 2.2), reflecting higher oil prices, was exceeded by an even larger increase in distributions to foreign parents, resulting in a shift to negative reinvested earnings in that industry. These negative reinvested earnings partially offset positive reinvested earnings in several other industries and held down the overall reinvestment ratio—the ratio of earnings reinvested to total earnings. The reinvestment ratio decreased overall, from 58 percent in 2004 to 53 percent in 2005.

Intercompany debt transactions. In 2005, foreign parents of U.S. affiliates increased their indebtedness to their affiliates more than U.S. affiliates increased their indebtedness to their foreign parents. As a result of these transactions, net *outflows* of intercompany debt totaling \$6.9 billion were recorded in 2005, which partly offset increases in the FDIUS position

Key Terms

Capital **inflows** arise from transactions that increase U.S. liabilities or decrease U.S. assets. Capital **outflows** arise from transactions that decrease U.S. liabilities or increase U.S. assets.

Direct investment capital flows without current-cost adjustment consist of equity capital, intercompany debt, and reinvested earnings without current-cost adjustment. **Equity capital flows** are the net of equity capital increases and decreases. Equity capital increases consist of parents' establishments of new affiliates, payments by parents to unaffiliated third parties for the purchase of capital stock or other equity interests when they acquire an existing business, payments made to acquire additional ownership interests in their affiliates, and capital contributions to their affiliates. Equity capital decreases are the funds parents receive when they reduce their equity interest in their affiliates. **Intercompany debt flows** result from changes in net outstanding loans between parents (and for FDIUS, other members of the foreign parent groups) and their affiliates, including loans by parents to affiliates and loans by affiliates to parents. **Reinvested earnings without current-cost adjustment** are the parents' claim on the current-period undistributed earnings of their affiliates; unlike the measure of **reinvested earnings** used in the ITAs, these earnings do not include a current-cost adjustment at the aggregate level.

Direct investment position. The value of direct investors' equity in, and net outstanding loans to, their affiliates. The position may be viewed as the direct investors' net financial claims on their affiliates, whether in the form of equity (including reinvested earnings) or debt.

BEA prepares estimates of the positions for USDIA and for FDIUS that are valued on three bases—historical cost, current cost, and market value. See the box "Alternative Measures of the Direct Investment Positions" in this article.

Valuation adjustments to the historical-cost position. Adjustments that are made to account for the differences between changes in the historical-cost position, which are measured at book value, and direct investment capital flows, which

are measured at transaction value. (Unlike the positions on a current-cost and market-value bases, the historical-cost position is not ordinarily adjusted to account for changes in the replacement cost of the tangible assets of affiliates or in the market value of parent companies' equity in affiliates.)

Valuation adjustments to the historical-cost position consist of currency-translation and "other" adjustments. **Currency-translation adjustments** are made to account for changes in the exchange rates that are used to translate affiliates' foreign-currency-denominated assets and liabilities into U.S. dollars. The effects of currency fluctuations on these adjustments depend on the value and currency composition of affiliates' assets and liabilities. If an affiliate's assets exceed its liabilities denominated in a particular foreign currency, depreciation (appreciation) of the currency against the dollar will result in negative (positive) translation adjustments. In the case of a net liability position in a foreign currency, depreciation (appreciation) of the currency will result in positive (negative) translation adjustments.

"Other" valuation adjustments are made to account for differences between the proceeds from the sale or liquidation of affiliates and their book values; for differences between the purchase prices of affiliates and their book values; for writeoffs resulting from uncompensated expropriations of affiliates; and for capital gains and losses (excluding currency-translation adjustments) on transactions, such as the sale of assets (excluding inventories) for an amount that differs from their book value, or capital gains and losses that represent the revaluation of the assets of ongoing affiliates for reasons other than exchange-rate changes, such as the writedown of assets whose value has been impaired. In addition, for individual industries, offsetting adjustments may be made to effect changes in the industry of an affiliate. For individual countries, offsetting adjustments are made when the political boundaries of countries change, such as when countries merge or are newly formed. In addition, for FDIUS, offsetting adjustments are made when transactions between foreign residents result in a change in the country of the foreign parent.

from equity capital transactions and reinvested earnings. In comparison, net inflows of \$3.5 billion were recorded in 2004. Affiliates with parents in “Latin America and Other Western Hemisphere” (particularly Bermuda), France, and the Netherlands had the largest net outflows. Net outflows of intercompany debt were largest in “other industries” and in chemicals manufacturing. In “other industries,” the largest net outflows were in administrative and support services, holding companies, and health care services.

Valuation adjustments

Positive valuation adjustments also contributed to the increase in the FDIUS position. Valuation adjustments totaled \$15.1 billion in 2005, compared with \$3.2 billion in 2004. Currency-translation adjustments of -\$2.0 billion—reflecting the appreciation of the U.S. dollar against some major currencies—partially offset \$17.1 billion in “other” valuation adjustments. “Other” valuation adjustments largely reflected capital gains, as well as differences between affiliates’ sale prices, liquidation proceeds, or purchase prices and their book values. Valuation adjustments were largest in “finance (except depository institutions) and insurance” and in information.

Changes by area and by country

Foreign direct investors in Europe had the largest dollar increase in position in 2005 (table E). In fact, foreign parents in Europe accounted for two-thirds of the increase in the FDIUS position. Asia and Pacific had

the next largest increase in position. “Latin America and Other Western Hemisphere” was the only region for which the position decreased.

Europe. The position for this region increased \$76.7 billion, with equity capital transactions and reinvested earnings accounting for most of the increase. Equity capital transactions were spread across industries, and reinvested earnings were particularly large in chemicals manufacturing. The United Kingdom, Germany, and the Netherlands had the largest dollar increases within this region.

The \$31.0 billion increase in the position for the United Kingdom was the largest dollar increase for any country. The increase in the United Kingdom position was broadly based, with the largest increases in “other manufacturing” (mainly petroleum), in “finance (except depository institutions) and insurance,” in “other industries” (mainly mining and utilities), and in depository institutions. In “other manufacturing,” intercompany debt transactions were the largest component of the increase. In “finance (except depository institutions) and insurance,” the position was boosted by equity capital increases, mainly due to acquisitions. In “other industries” and in depository institutions, reinvested earnings was the largest component of the increase.

For Germany, the \$20.2 billion increase in position was mainly concentrated in information and several manufacturing industries—particularly chemicals, machinery, and transportation equipment. In information, the increase resulted from valuation adjustments, reinvested earnings, and net inflows of intercompany debt. In chemicals manufacturing, the increase was attributable to both reinvested earnings and intercompany debt transactions. In machinery manufacturing, intercompany debt transactions were the largest component of the increase. In transportation equipment manufacturing, much of the increase was attributable to reinvested earnings.

For the Netherlands, the \$15.3 billion increase was largely attributable to “finance (except depository institutions) and insurance”; professional, scientific, and technical services; primary and fabricated metals manufacturing; and information. In nonbank finance and insurance, the increase reflected valuation adjustments and reinvested earnings. In professional, scientific, and technical services and in information, valuation adjustments reflecting transfers of ownership of U.S. affiliates from France and Switzerland to the Netherlands boosted the Dutch position.¹⁰ In primary

**Table E. Change in the FDIUS Position
by Country of Foreign Parent**

	Change (2004–2005)	
	Billions of dollars	Percent
All countries.....	114.6	8
Canada.....	18.5	15
Europe.....	76.7	7
Of which:		
United Kingdom	31.0	12
Germany.....	20.2	12
Netherlands.....	15.3	10
Norway.....	2.8	84
Spain.....	1.5	27
France.....	-0.2	(*)
Belgium.....	-2.0	-17
Latin America and Other Western Hemisphere	-4.7	-5
Of which:		
United Kingdom Islands, Caribbean	2.7	11
Brazil.....	1.3	109
Bermuda.....	-9.6	-86
Africa.....	0.9	53
Middle East.....	2.1	26
Asia and Pacific.....	21.1	9
Of which:		
Japan.....	14.6	8
Australia.....	3.2	8
Hong Kong.....	1.2	81

* Less than 0.5 percent (+/-).

10. Although transfers of ownership of affiliates increases the position for the countries to which ownership is transferred, the overall FDIUS position is not affected because of offsetting decreases for the position of the countries from which ownership was transferred.

and fabricated metals, equity capital increases related to acquisitions accounted for much of the increase.

Asia and Pacific. For this region, most of the \$21.1 billion increase in position was attributable to parents in Japan, and to a lesser extent, Australia. For Japan, 45 percent of the \$14.6 billion increase in position was in wholesale trade, mainly due to reinvested earnings. The position also increased in retail trade and in computers and electronic products manufacturing. In retail trade, the increase was largely attributable to equity capital increases relating to increases in Japanese parents' ownership interest in existing affiliates. In computers and electronic products manufacturing, both equity capital increases—related to acquisitions—and intercompany debt inflows contributed to the increase. For Australia, the largest share of the \$3.2 billion increase was attributable to real estate and rental and leasing, mainly due to equity capital increases that financed acquisitions.

Canada. The position for Canada increased \$18.5 billion in 2005. Most of the increase was attributable to “finance (except depository institutions) and insurance,” “other industries,” depository institutions, and

transportation equipment manufacturing. In nonbank finance and insurance, valuation adjustments reflecting a reclassification of affiliates that were previously in depository institutions accounted for most of the increase, although the reclassification left the overall position unchanged.¹¹ In “other industries,” the increase was mainly in mining, transportation, and waste management, and was attributable to reinvested earnings and equity capital increases. In depository institutions, the increase was mainly attributable to equity capital increases due to both acquisitions and capital contributions to existing affiliates. In transportation equipment manufacturing, much of the increase was due to intercompany debt transactions.

Latin America and Other Western Hemisphere. The \$4.7 billion decrease in the position for this region was more than accounted for by Bermuda, which recorded a \$9.6 billion decrease in position, mainly due to intercompany debt outflows. The largest decreases for Bermuda were in “finance (except depository institutions) and insurance” and in information. Increases in the positions of the “United Kingdom Islands, Caribbean,” Brazil, Venezuela, and Panama partially offset the decrease for Bermuda. For the “United Kingdom Islands, Caribbean,” nonbank finance and insurance and chemicals manufacturing had the largest increases. For both Brazil and Venezuela, the largest increase was in wholesale trade. For Panama, the largest increase was in “finance (except depository institutions) and insurance.”

Middle East and Africa. Although these two regions had relatively small dollar increases, they had the two largest percentage increases in position of all major geographic areas. The position for the Middle East increased \$2.1 billion, with the United Arab Emirates recording the largest dollar increase within the region.¹² The position for Africa increased \$0.9 billion, with the largest increase in wholesale trade.

Data Availability

A summary of the preliminary estimates of direct investment positions for 2005 that are based on BEA's quarterly, annual, and benchmark surveys is presented in this article. A summary of the revised estimates of the USDIA position for 2003 and 2004 and revised estimates of the FDIUS position for 2002–2004 are also presented. More detailed estimates of the positions and capital flows presented here, as well as related income and services transactions, will be presented in the September SURVEY OF CURRENT BUSINESS. Revised estimates for 2004 and 2005 will be released next year.

Detailed estimates of the USDIA position and related capital flows, income, and services transactions for 1982–2005 and detailed estimates of the FDIUS position and related capital flows, income, and services transactions for 1980–2005 are available on BEA's Web site. In addition, detailed estimates by country and by industry will be posted on the Web site when they become available. To access these files, which can be downloaded at no charge, go to BEA's Web site at <www.bea.gov> and, under “International,” click on “Direct Investment.”

For more information on these products and how to access them, see the International Investment Division Product Guide at <www.bea.gov/bea/ai/iid-guide.htm>.

11. Similar to valuation adjustments reflecting transfers of ownership between countries, adjustments to reflect changes in industry classification are offsetting in the overall FDIUS position. That is, adjustments for changes in industry classification decrease the position in the industry in which an affiliate was previously classified and increase the position in the industry to which the affiliate is reclassified.

12. As is consistent with international standards, the estimates of the FDIUS position presented in this article are classified by country of the foreign parent having direct transactions and positions with the U.S. affiliate. The country of the foreign parent may, however, differ from the country where an affiliate's ultimate beneficial owner (UBO) is located, particularly when investments are channeled through affiliates in financial centers in other countries. Because investments from the Middle East are often routed through affiliates in other countries, the positions of these countries as presented in this article will be relatively higher—and the position of the Middle East will be relatively lower—than those positions on a UBO basis.

Estimates of the FDIUS position and related capital flows on a UBO basis will be published in the September 2006 SURVEY OF CURRENT BUSINESS.

Revisions

The estimates of direct investment positions presented here for 2005 are preliminary. The revised estimates of the USDIA position for 2003–2004 and of the FDIUS position for 2002–2004 incorporate new information from BEA's quarterly, annual, and benchmark surveys.¹³

The historical-cost USDIA position for 2003 was revised down \$22.3 billion, to \$1,769.6 billion, as a downward revision of valuation adjustments of \$32.2 billion exceeded a \$9.9 billion upward revision in capital outflows. The preliminary estimate for the 2004 USDIA position was revised down \$12.8 billion to \$2,051.2 billion. This revision was the net result of the \$22.3 billion downward revision to the 2003 position, a \$6.9 billion downward revision to 2004 capital outflows, and a \$16.3 billion upward revision to 2004 valuation adjustments.

13. For the previously published estimates, see Jennifer L. Koncz and Daniel R. Yorgason, "Direct Investment Positions for 2004: Country and Industry Detail," *SURVEY* 85 (July 2005): 40–53.

Acknowledgments

The estimates of the U.S. direct investment position abroad are based on data from BEA's quarterly survey of transactions between U.S. parent companies and their foreign affiliates. The survey was conducted under the supervision of Mark W. New, who was assisted by Laura A. Downey, Marie K. Laddomada, Sherry Lee, Leila C. Morrison, and Dwayne Torney. Computer programming for data estimation and tabulation was provided by Marie Colosimo, assisted by Alexandra E. Karaer.

The estimates of the foreign direct investment position in the United States are based on data from BEA's quarterly survey of transactions between U.S. affiliates of foreign companies and their foreign parents. The survey was conducted under the supervision of Gregory G. Fouch, who was assisted by Peter J. Fox, Michelle L. Granson, Barbara C. Huang, Y. Louise Ku-Graf, Susan M. LaPorte, and Beverly E. Palmer. Computer programming for data estimation and tabulation was provided by Karen E. Poffel, Paula D. Brown, and Tracy K. Leigh.

The estimates of the historical-cost FDIUS position and related flows for 2002 have been revised to incorporate data collected on BEA's benchmark survey of foreign direct investment in the United States for 2002, which covers the universe of FDIUS. The estimates for the position and related flows for 2003 and 2004 have been revised by extrapolating the 2002 universe based on data collected in BEA's quarterly surveys, which cover foreign-owned U.S. businesses above a certain exemption level. Previously, the estimates for 2002–2004 were extrapolated based on the prior benchmark survey, which covered 1997.

The historical-cost FDIUS position for 2002 was revised down \$17.5 billion, to \$1,327.2 billion. The revision was the net result of a \$20.7 billion downward revision (to a larger negative value) to valuation adjustments and a \$3.1 billion upward revision to capital inflows. Although the revision to the position was small—about 1 percent—the direction of the change in position from 2001 to 2002 was reversed from a small positive rate of growth (0.1 percent) to a small negative rate (–1.3 percent). When changes are very close to zero, both the uncertainty in correctly predicting the direction of change and the sensitivity of the estimates to the incorporation of new information increase. The estimate for the 2003 FDIUS position was revised down \$15.5 billion, to \$1,395.2 billion. Most of the revision was attributable to the downward revision to the 2002 position, as well as a \$3.7 billion downward revision to capital inflows and an offsetting \$5.7 billion upward revision to valuation adjustments. The preliminary estimate for the 2004 position was revised down \$5.6 billion, to \$1,520.7 billion. The revision was the net result of the downward revision to the 2003 position, a \$16.6 billion downward revision to valuation adjustments, and a partly offsetting \$26.5 billion upward revision to capital inflows.

For additional information, see "Annual Revision of the U.S. International Accounts, 1995–2005" in this issue. A more detailed discussion of the benchmark revisions to the estimates for 2002 forward, as well as detailed revisions by area and by major industry for 2002, will be published in the September *SURVEY*.

Tables 1.1–2.2 follow.

Annual Revision of the U.S. International Accounts, 1995–2005

By Christopher L. Bach

AS is customary each June, the estimates of U.S. international transactions and of the U.S. international investment position have been revised to incorporate statistical, methodological, and presentational revisions. This year, the Bureau of Economic Analysis (BEA) has continued to address gaps in coverage. In large part, the gaps have arisen because of the dynamic nature of the international financial markets. Most revisions this year resulted from improved coverage of securities transactions, both for U.S. holdings of foreign securities and foreign holdings of U.S. securities. In addition, results of BEA's benchmark surveys of foreign direct investment in the United States for 2002 and of financial services for 2004 are incorporated. Finally, the geographic presentation of the accounts has been substantially expanded. Estimates of international transactions were revised for 1995–2005, and estimates of the international investment position were revised for 2002–2004.

This year, the major revisions were as follows:

- U.S. holdings and transactions in foreign stocks, bonds, short-term instruments, and related dividend and interest receipts were revised for 2003–2005 to incorporate results of the U.S. Treasury Department's annual survey of securities claims for December 2004.
- Foreign holdings and transactions in U.S. stocks, U.S. corporate bonds, U.S. Treasury bonds, U.S. agency bonds, U.S. short-term instruments, and related dividend and interest payments were revised for 2003–2005 to incorporate results from the U.S. Treasury Department's annual survey of securities liabilities for June 2005 and revisions to its benchmark survey of securities liabilities for June 2004.
- Foreign direct investment income, financial transactions, royalties and license fees, and "other" private services were revised to incorporate results from BEA's benchmark survey of foreign direct investment in the United States for 2002.
- "Other" private services were revised to incorporate results from BEA's benchmark survey of financial services transactions with unaffiliated foreigners for 2004.
- Beginning with estimates for 2005, the geographic detail of the accounts is presented in a substantially

expanded format.

The improved statistical coverage and measurement in the accounts, new methodologies, and new presentation are discussed in the remainder of this article. In addition to these major changes, revisions to the accounts resulted from the incorporation of regularly available data from BEA's annual and quarterly surveys, from the U.S. Treasury Department's and Federal Reserve System's quarterly and monthly surveys, and from other U.S. Government agencies and private sources. These revisions affected the estimates for 2003–2005.

For 2005, as a result of all the changes, the current-account deficit was decreased \$13.4 billion to \$791.5 billion (table 1). By account, \$2.0 billion was added to goods exports and \$3.1 billion was added to goods imports, resulting in a deficit that was \$1.1 billion higher than previously estimated. For services, \$1.0 billion was added to services exports, and \$7.0 billion was removed from services imports, resulting in a surplus that was \$8.0 billion higher than previously estimated. For income, \$6.0 billion was added to income receipts and \$3.8 billion was removed from income payments, resulting in a surplus that was \$9.7 billion higher than previously estimated. For net current unilateral transfers, \$3.2 billion in net transfers to foreign residents was added. Net financial account inflows (net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad) were revised down \$15.5 billion, to \$785.4 billion. Details on revisions to individual series are shown in table 2.

For 2004, as a result of all the changes, the net international investment position with direct investment at current cost was revised to $-\$2,360.8$ billion from $-\$2,484.2$ billion: U.S. assets abroad were revised to \$9,186.7 billion from \$9,052.8 billion, and foreign assets in the United States were revised to \$11,547.4 billion from \$11,537.0 billion. On an alternative valuation basis, the position with direct investment at market value was revised to $-\$2,448.7$ billion from $-\$2,542.2$ billion: U.S. assets abroad were revised to \$10,075.3 billion from \$9,972.8 billion, and foreign assets in the United States were revised to \$12,524.1 billion from \$12,515.0 billion. Details on revisions to individual series are shown in table 3.

Geographic presentation

Beginning with estimates for 2005, the presentation of the accounts has been greatly expanded to portray U.S. international transactions with foreigners in substantially greater geographic detail. A complete set of accounts is now presented for most countries that have substantial transactions in goods, services, income, or financial assets with the United States in table 11 of the standard presentation of the accounts. In addition, the presentation of U.S. trade in goods in table 2a of the standard presentation now includes additional countries.

Extensive geographic detail for some of the accounts—such as those for goods, for services, and for direct investment transactions—has been part of BEA's quarterly and annual presentations for some time, but the estimates have been presented in several locations, making it difficult to place the detailed information by account and by country or area in a broader context. Geographic detail of other accounts—such as for “other” income, unilateral transfers, and financial transactions—is introduced for the first time with this year's annual revision. The new presentation places in one location the entire set of accounts for many additional countries and areas.

Accounts for several countries previously presented only annually in table 12 are now presented quarterly and integrated with accounts of other countries and areas in an expanded table 11. New quarterly estimates are provided for Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Venezuela, and South Africa. Table 12, in which the previous annual accounts appeared, has been discontinued.

The previous table 11 included only combined estimates for all of the countries in Asia and Africa. The new presentation shows separate, newly developed estimates for Africa, for the Middle East, and for Asia and Pacific, making it possible to distinguish between the different types of cross-border activity and the comparative size of transactions among the three regions.

Additional countries in South and Central America have been added to the presentation: These are Argentina, Brazil, and Venezuela. Additional countries in the Asia and Pacific region include China, Hong Kong, India, the Republic of Korea, Singapore, and Taiwan.

The presentation for Europe, the region with the largest U.S. exports of goods and services and the second largest imports, has also been updated. The presentation now groups countries in Europe into those in the European Union (the European Union total was previously available) and those in the euro area (the individual euro area countries and the euro area total are newly available).

Within the European Union, which accounts for almost 90 percent of U.S. trade with Europe, there are separate estimates for the euro area, the United Kingdom, and for all other European Union countries combined. Within the euro area, which accounts for a substantial part of U.S. trade with the European Union, there are separate estimates for Belgium, France, Germany, Italy, Luxembourg, the Netherlands, and for all other euro area countries combined.

In addition to these changes in table 11, the geographic detail for table 2a (which contains estimates for goods exports and goods imports) has been expanded to include many additional countries in each major region: In Europe, Austria, Belgium, Finland, Greece, Ireland, Luxembourg, Norway, Portugal, Russia, Spain, Sweden, Switzerland, and Turkey are added to the major countries previously shown; in South and Central America, Argentina, Chile, and Colombia are added; in Asia and Pacific, India, Indonesia, Malaysia, the Philippines, and Thailand are added; in the Middle East, Israel and Saudi Arabia are added; and in Africa, Algeria, Nigeria, and South Africa are added.

The updated geographic presentation opens new avenues for bilateral and regional analysis and provides additional opportunities for analysis of macroeconomic developments among major trading blocs and regions. The new presentation is also flexible enough to permit expansion in the future as countries' international transactions with the United States grow. The new estimates will be published quarterly and revised both quarterly and annually. Because of space constraints, the SURVEY OF CURRENT BUSINESS will contain a slightly abbreviated list of countries and estimates for only the most recent year and most recent two quarters. The full set of countries and estimates for the complete time period are available in the interactive data tables on BEA's Web site.¹

Foreign securities

Positions. U.S. holdings of foreign securities (table 3, line 19) were revised up \$116.7 billion to \$3,553.4 billion for 2004 to incorporate the results of the December 2004 Treasury Department annual survey of securities claims and other updated source data. The annual survey results caused upward revisions to both bond and stock positions because the positions reported on the survey were higher than the previously published estimates. Information from the annual survey was also used to adjust the weights used to estimate price changes. The position for foreign bonds was revised up \$32.7 billion because of the annual survey and

1. The BEA Web site address for the interactive tables is <www.bea.gov/bean/international/bp_web>.

up \$43.6 billion because of updated source data. The position for foreign stocks was revised up \$38.6 billion because of the annual survey and up \$1.8 billion because of updated source data.

Transactions. Transactions in foreign securities (table 2, line 52) were revised for 2003–2005 to incorporate updated monthly transactions data from the Treasury International Capital (TIC) reporting system. In part, this resulted from concerted efforts that were made by the Federal Reserve and the Treasury Department to improve the reporting of TIC data.² Net U.S. purchases of foreign securities were revised down \$9.3 billion in 2003, up \$44.2 billion in 2004, and up \$24.9 billion in 2005.

Income. Income on foreign securities (table 2, part of line 15) was revised for 2003–2005 to incorporate the results of the December 2004 annual survey of securities claims and other updated source data. The revisions to positions in foreign securities (described above) are carried through to the income estimates, which are estimated by applying market yields to positions estimates. Information from the annual survey was also used to adjust the weights for the market yields. Income on foreign securities was revised down \$0.1 billion for 2003 because of updated source data, up \$2.3 billion for 2004, and up \$5.9 billion for 2005 for both the annual survey results and updated source data.

U.S. corporate bonds and stocks

Positions. Foreign holdings of U.S. corporate bonds and stocks were revised for 2003 and 2004 to incorporate the results of two Treasury Department surveys of securities liabilities—the June 2004 revised benchmark survey and the June 2005 annual survey—and other updated source data. The revised June 2004 survey results showed positions in both bonds and stocks that were higher than last year's preliminary results and that resulted in upward revisions to positions for yearend 2003. The June 2005 annual survey caused a downward revision to bonds and an upward revision to stocks for 2004. Liabilities surveys are conducted each June and BEA's estimates of positions are for yearend. BEA estimates yearend positions using the June position data plus transactions data and estimates of valuation changes. Information from the surveys was also used to adjust the weights used to estimate price changes for bonds.

For 2003, foreign official holdings of corporate

bonds and stocks (table 3, line 32) were revised up \$1.4 billion because of the survey results; for 2004, holdings were revised up \$21.7 billion because of the survey results and down \$0.3 billion because of updated source data. For 2003, the private holdings of bonds (table 3, part of line 39) were revised up \$14.3 billion because of the survey results and down \$3.8 billion because of updated source data. For 2004, holdings are revised down \$13.5 billion because of the survey results and up \$3.9 billion because of updated source data. For 2003, private holdings of stocks (table 3, line 40) were revised up \$11.5 billion because of the survey results and down \$0.3 billion because of updated source data; for 2004, holdings were revised up \$32.0 billion because of the survey results and down \$0.1 billion because of updated source data.

Transactions. Transactions in U.S. corporate bonds and stocks were revised for 2003–2005 to incorporate updated monthly TIC transactions data. Net foreign official purchases of corporate bonds and stocks (table 2, line 62) were unrevised in 2003, revised up \$0.9 billion in 2004, and revised down \$0.1 billion in 2005. Net private foreign purchases of corporate bonds (table 2, part of line 66) were revised down \$1.2 billion for 2003, up \$11.6 billion for 2004, and down \$16.3 billion for 2005. Net private foreign purchases of corporate stocks (table 2, part of line 66) were revised down \$1.0 billion for 2003, down \$1.0 billion for 2004, and down \$2.8 billion for 2005.

Income. Income on U.S. corporate bonds and stocks (table 2, part of line 32) was revised for 2003–2005 to incorporate the results of the June 2004 revised benchmark survey, the June 2005 annual survey, and other updated source data. The revisions to the positions (described above) were carried through to the income estimates, which were estimated by applying market yields to positions estimates. Information from the surveys was also used to adjust the weights for the market yields for bonds. The weight of the nondollar bond yield was reduced, and the weight of the eurodollar bond yield was raised, leading to a slight increase in average yields for 2004–2005. Income on corporate bonds and stocks was revised up \$0.2 billion for 2003, up \$1.4 billion for 2004, and up \$0.4 billion for 2005.

U.S. Treasury and agency bonds

Positions. Foreign holdings of U.S. Treasury and agency bonds were revised for 2003 and 2004 to incorporate the results of two Treasury Department surveys of securities liabilities—the June 2004 revised benchmark survey and the June 2005 annual survey—and other updated source data. The revised June 2004

2. For more information on the improvements to the TIC data see: Carol C. Bertaut, William L. Grier, Ralph W. Tryon, "Understanding U.S. Cross-Border Securities Data," *Federal Reserve Bulletin* (2006): A71; <www.federalreserve.gov/pubs/bulletin/>.

survey results showed positions in both Treasury and agency bonds that were lower than last year's preliminary results, causing downward revisions to positions for yearend 2003. The June 2005 annual survey caused a downward revision to Treasury bonds and an upward revision to agency bonds for 2004. Liabilities surveys are conducted each June and BEA's estimates of positions are for yearend. BEA estimates yearend positions using the June position data plus transactions data and estimates of valuation changes.

Foreign official holdings of Treasury bonds (table 3, part of line 28) were revised down \$4.1 billion for 2003 and down \$19.3 billion for 2004 because of the survey results. Foreign official holdings of agency bonds (table 3, line 29) were revised down \$1.6 billion for 2003 and up \$19.0 billion for 2004, mostly because of the survey results. Private holdings of U.S. Treasury bonds (table 3, part of line 37) were revised down \$13.7 billion for 2003 and down \$71.5 billion for 2004 because of the survey results. Private holdings of U.S. agency bonds (table 3, part of line 39) were revised down \$4.0 billion because of the survey results and down \$3.0 billion because of updated source data for 2003; for 2004, holdings were revised down \$14.5 billion, mostly because of the survey results.

Transactions. Transactions in U.S. Treasury bonds and notes were revised for 2003–2005 to incorporate updated monthly TIC transactions data and a change to the quarterly adjustment to net purchases prompted by the survey results. Survey results indicate that net purchases reported by the TIC data are too high, likely due to underreporting of redemptions. BEA has increased its downward adjustment to private net foreign purchases of U.S. Treasury bonds and notes from \$2.0 billion each quarter to \$8.0 billion each quarter. Foreign official net purchases of Treasury bonds and notes (table 2, line 58) were revised down \$9.3 billion for 2004 and down \$12.3 billion for 2005. Foreign private net purchases (table 2, line 65) were revised down \$12.9 billion for 2003, down \$4.0 billion for 2004, and up \$2.7 billion for 2005.

Transactions in U.S. agency bonds were revised for 2003–2005 to incorporate updated monthly TIC transactions data. Foreign official net purchases of agency bonds (table 2, line 59) were unrevised for 2003, revised up \$3.2 billion for 2004, and down \$8.4 billion for 2005. Foreign private net purchases of agency bonds (table 2, part of line 66) were revised down \$3.4 billion for 2003, up \$1.1 billion for 2004, and up \$4.0 billion for 2005.

Income. Income on Treasury bonds was revised for 2003–2005 to incorporate the results of the June 2004 revised benchmark survey, the June 2005 annual survey, other updated source data, and a refinement to the

methodology. The revisions to the positions (described above) were carried through to the income estimates, reflecting the survey results and updated source data. Position estimates are a key input for estimating income. In addition, BEA is introducing new data to refine its estimation of income on Treasury bonds. Under BEA's methodology, interest paid on Treasury bonds to all holders is multiplied by an estimate of the percentage of bonds held by foreigners. In the calculation of this percentage, BEA uses information on the face value of Treasury debt from the Treasury Department's Monthly Statement of the Public Debt (MSPD) and adjusts it to a market value basis (which is the basis used by BEA in measuring U.S. assets and liabilities in the international investment position). Until now, BEA used annual ratios derived from annual Treasury liabilities surveys to adjust the MSPD data from face values to market values. The Federal Reserve Board has now provided quarterly ratios for the period from the June 2003 annual survey through the June 2005 annual survey. These more frequent ratios also include U.S. Treasury STRIPS, whereas the previous annual ratios included only interest bearing U.S. Treasury bonds and notes. The greater frequency and comprehensiveness of this component make the estimates of income on Treasury bonds more complete and more accurate. As a result of revisions from all sources, income on Treasury bonds (table 2, part of line 33) was revised up \$0.4 billion for 2003, down \$1.1 billion for 2004, and down \$3.1 billion for 2005.

Income on U.S. agency bonds (table 2, part of line 33) was revised for 2003–2005 to incorporate the results of the June 2004 revised benchmark survey, the June 2005 annual survey, and other updated source data. The revisions to the positions (described above) were carried through to the income estimates, which were estimated by applying market yields to positions estimates. Income on U.S. agency bonds was revised down slightly for 2003, down \$0.2 billion for 2004, and up \$0.5 billion for 2005.

Short-term financial instruments (claims)

Positions. U.S. holdings of short-term financial instruments (claims) held in custody by banks (table 3, part of line 23) were revised up \$14.0 billion for 2003 and up \$11.6 billion for 2004 to incorporate results of the December 2003 Treasury Department annual claims survey. The December 2003 annual claims survey revealed that Treasury Department's coverage of transactions and positions was incomplete; however, the results were not immediately incorporated into BEA's estimates because 2003 was only the first time that short-term instruments were reported on the survey. Since then, the Federal Reserve and the Treasury

have further expanded the coverage of the survey, and as a result, significant improvements in the TIC data have been realized, beginning with data for 2005. To account for less complete coverage before 2005, BEA increased its estimates for 2003 and 2004, making them more consistent with the December 2003 Treasury annual survey and improved TIC data for 2005.

Transactions. Transactions in short-term financial instruments (claims) held in custody by banks (table 2, part of line 54) were revised for 2003–2005 to incorporate results from the December 2003 Treasury Department annual claims survey and other updated source data. Increases in banks' claims in short-term instruments were revised up \$4.2 billion for 2003, down \$4.5 billion for 2004, and up \$5.3 billion for 2005.

Income. Income on short-term financial instruments (claims) held in custody by banks (table 2, part of line 15) were revised for 2003–2005 to incorporate results from the December 2003 Treasury Department annual claims survey and other updated source data. Interest receipts on banks' claims in short-term instruments were revised up \$0.1 billion for 2003, up \$0.2 billion for 2004, and up \$0.1 billion for 2005.

Short-term financial instruments (liabilities)

Positions. Foreign private holdings of U.S. Treasury bills (table 3, part of line 37) were revised down \$6.8 billion for 2004, and foreign private holdings of other U.S. short-term instruments (table 3, part of line 43) were revised up \$2.7 billion for 2004, to incorporate results of the June 2004 Treasury Department benchmark survey and the June 2005 Treasury Department annual survey.

Transactions. Foreign private transactions in U.S. Treasury bills and foreign private transactions in other short-term financial instruments (liabilities) held in custody by banks were revised for 2004, to incorporate results of the June 2004 Treasury Department benchmark survey and the June 2005 Treasury Department annual survey. Transactions in foreign private holdings of U.S. Treasury bills (table 2, part of line 65) were revised down \$2.6 billion for 2004 because of the surveys. Increases in banks' liabilities in other short-term financial instruments held in custody by banks (table 2, part of line 69) were revised up \$1.4 billion for 2004 and revised up \$1.4 billion for 2005 because of the surveys.

Income. Income payments on foreign private holdings of U.S. Treasury bills (table 2, part of line 33) and other short-term-financial instruments (liabilities) held in custody by banks (table 2, part of line 32) were revised for 2004–2005 to incorporate results of the June 2004 Treasury Department benchmark survey and the June 2005 Treasury Department annual survey.

Interest payments on foreign private holdings of U.S. Treasury bills were revised down slightly for 2004 and down \$0.2 billion for 2005 because of the surveys. Interest payments on other short-term financial instruments (liabilities) held in custody by banks (table 2, part of line 32) were revised up \$0.1 billion for 2004 and up \$0.1 billion for 2005 because of the surveys.

Foreign direct investment in the United States

Results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States were incorporated into the accounts. The 2002 benchmark survey covers the universe of U.S. affiliates of foreign direct investors. In nonbenchmark years, universe estimates of the direct investment position and related financial transactions and income flows are derived from data reported quarterly by a sample of foreign-owned U.S. businesses and from estimates for affiliates not in the sample. The estimates for affiliates not in the sample are derived by extrapolating data from the benchmark survey, using data from affiliates in the sample as the basis for extrapolation.

Direct investment financial transactions. Net financial transactions for foreign direct investment in the United States were revised for 2002–2005 to incorporate the results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States and to incorporate new or adjusted data from quarterly surveys for those years. The revisions also reflect revised estimates of depreciation, depletion, and expensed exploration and development costs that are used to adjust the reinvested earnings component of financial flows to a current-cost basis. Net financial inflows (increases in direct investment) were revised up \$3.5 billion for 2002, down \$3.1 billion for 2003, up \$26.3 billion for 2004, and down \$18.9 billion for 2005.

Direct investment income. Net payments of income by U.S. affiliates to their foreign parents were revised for 2002–2005 to incorporate the results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States and to incorporate new or adjusted data from quarterly surveys for those years. The revisions also reflect revised estimates of depreciation, depletion, and expensed exploration and development costs that are used to adjust the earnings component of direct investment income to a current-cost basis and related withholding tax adjustments. Net direct investment income payments were revised down \$2.6 billion for 2002, up \$2.5 billion for 2003, down \$2.8 billion for 2004, and down \$2.0 billion for 2005.

Royalties and license fees payments and receipts, affiliated. Payments and receipts of royalties and license fees between U.S. affiliates and their foreign parents were revised for 2002–2005 to incorporate the

results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States and to incorporate new or adjusted data from sample surveys for those years. U.S. affiliates' payments were virtually unrevised for 2002, revised down \$0.5 billion for 2003, down \$0.6 billion for 2004, and down \$0.5 billion for 2005. U.S. affiliates' receipts were virtually unrevised for 2002, revised down \$0.2 billion for 2003, down \$0.3 billion for 2004, and down \$1.4 billion for 2005.

Other private service payments and receipts, affiliated. Payments and receipts for other private services between U.S. affiliates and their foreign parents were revised for 2002–2005 to incorporate the results of BEA's 2002 Benchmark Survey of Foreign Direct Investment in the United States and to incorporate new or adjusted data from quarterly surveys for those years. U.S. affiliates' payments were revised down for all 4 years—\$2.2 billion for 2002, \$3.7 billion for 2003, \$5.3 billion for 2004, and \$1.0 billion for 2005. U.S. affiliates' receipts are revised down for all 4 years—\$2.4 billion for 2002, \$3.7 billion for 2003, \$4.6 billion for 2004, and \$0.6 billion for 2005. For both payments and receipts, the revisions reflect largely offsetting corrections to remove a duplication of transactions of U.S. affiliates that were reported on BEA surveys. The corrections extend back to 1997.

Financial services

This year's revision incorporates results of BEA's Benchmark Survey of Financial Services Transactions Between U.S. Financial Services Providers and Unaffiliated Foreign Persons for 2004. The benchmark survey is more comprehensive than BEA's quarterly surveys of financial services transactions, principally because of much lower reporting thresholds. The survey asks financial service providers to report explicit fees and brokerage commissions received and paid for equity trading; brokerage commissions for transactions in other financial instruments, including futures and derivatives; underwriting and private placement fees; financial management fees; credit-related fees excluding credit card fees; credit card fees; financial advisory and custody fees; securities lending fees; electronic funds transfer fees; and fees from all other financial services. Because of the small number of major reporters in some of these categories, BEA must combine several reporting categories when it presents the estimates. This year's revision also includes revised results from BEA's annual survey for 2003 and revised results from BEA's quarterly surveys for 2004 and 2005.

In addition to revised survey results, BEA conducted research into bid-ask spreads used to estimate dealer fees and commissions on U.S. and foreign bond transactions. Bond dealer earnings derive both from

bid-ask price spreads on securities as well as earnings from changes in the prices of securities that they hold in inventory (which BEA records as a capital gain or loss). Because their bid-ask price spreads are an undifferentiated component of their overall earnings that includes capital gain or loss income, it is often not possible for a company to separately identify the amount of their implicit commissions. Thus, unlike commissions on U.S. and foreign stocks for which commissions are usually explicit, commissions for trading in outstanding bonds are not separately identifiable and not easily reported on survey questionnaires. Therefore, BEA estimates bond commissions by applying average, market-based bid-ask spreads to cross-border transactions in bonds reported by the U.S. Treasury. BEA's research indicates that in recent years, these bid-ask spreads have fallen significantly, both in the United States and abroad. The decline is attributable to technological advances in executing trades in global bond markets, to heightened transparency of bond transactions cost data, and to increased efficiency and competition in global and U.S. bond markets. In recognition that bid-ask spreads in recent years have dropped below those included in previously published estimates, the estimates have been revised to incorporate updated, smaller spreads. The smaller bid-ask spreads were the principal reason for the lowering of bond commission receipts and payments for 2003–2005.

As a result of the new survey data and the change in methodology, financial services receipts from unaffiliated foreigners were revised down \$0.4 billion for 2003, were revised up \$3.3 billion for 2004, and were revised up \$2.3 billion for 2005. The small revision to 2003 resulted mostly from downward revisions to brokerage commissions received, largely as a result of lower bond commissions estimated by BEA, as well as from results of the benchmark survey of financial services for 2004 extended backward into 2003. The upward revisions to 2004 and 2005 resulted from the inclusion of new reporters, mostly newly formed hedge funds and private equity groups, which reported financial management fees for the first time on the 2004 benchmark survey. Estimates of transactions by these new reporters were carried forward into 2005. In addition, both the 2004 benchmark and 2005 quarterly surveys indicated financial advisory and underwriting fees that were significantly above preliminary survey reports.

Financial services payments to unaffiliated foreigners were revised down \$0.2 billion for 2003, were revised up \$0.3 billion for 2004, and were revised down \$0.1 billion for 2005. These relatively small revisions were the result of changes in foreign bond bid-ask spreads used in the estimation of foreign bond

commissions and small revisions to survey data across several reporting categories.

Insurance services

BEA's estimate of insurance services consists of three components: (1) Earned premiums less "normal" losses, where normal losses are inferred from the relationship between actual losses and premiums, averaged over several years, (2) auxiliary insurance services, such as agents' commissions, actuarial services, brokerage and agency services, and salvage administration services, and (3) premium supplements, representing income on funds held by insurance companies on which policyholders have a claim.³ With this annual revision, BEA is refining its method of calculating the shares of premiums attributable to insurance services and to normal losses.

In calculating "normal" losses, BEA previously had averaged past actual losses in relation to premiums separately for primary insurance and reinsurance. Separate averaging was done because the relationship between premiums and losses varies systematically by type of insurance, with losses generally being higher in relation to premiums for reinsurance than for primary insurance. Premiums over and above those required to cover normal losses were regarded as payments for the provision of insurance services. With this annual revision, BEA is treating "finite reinsurance" as a third category of services for which premium-related service charges are separately calculated. Finite reinsurance is a type of insurance in which the reinsurer's risk is substantially reduced by a number of possible contractual conditions, such as loss caps or rights to receive rebates of premiums if actual losses are lower than expected. Because the reinsurer's obligation for claims is known with a high degree of confidence to be within narrow bounds, the share of premiums attributable to the provision of services is assumed to be much lower for this type reinsurance than it is for either primary insurance or other types of reinsurance. In essence, finite reinsurance in some aspects may have more in common with financial intermediation that it does with ordinary insurance, with the original insurer freeing itself of liabilities to pay future losses by paying a premium, ostensibly reflecting the value of those losses, and usually a small additional sum for the (limited) risks assumed by the reinsurer. BEA's estimate of the amount that is not for payment of losses is included

entirely in premium supplements, which represent the expected income earned on the technical reserves of insurance companies.⁴

BEA's surveys of insurance transactions currently do not distinguish between finite reinsurance and other types of reinsurance, so this methodological change has been implemented only on a case-by-case basis, when these transactions are large and come to BEA's attention. In such cases, BEA replaces the estimate for services that would have been generated under the previously described formula with a low, judgmental estimate for the value of these services.

Other private transfers

Many foreigners come to the United States to receive medical treatment. As services are provided and billed, foreigners make payments for the treatments received. For those few services that are billed but for which no payment is received, the charges are considered to be "written off" of the books of the billing entity. Previously, these transactions were considered as transfers (or gifts) to foreigners, or a provided service for which there was no return payment, and were included as a small component of "private remittances and other transfers" (table 2, line 38). However, beginning with this revision, they are now considered as a writeoff of bad debts. Such writeoffs should not be included in the transactions accounts and are now excluded from "other private transfers" for 1995–2005. Estimates for bad debts of foreign medical patients were not made prior to 1995 and those estimates remain unchanged. Other private transfers were revised down \$0.2 billion in 2005.

Immigrants' transfers

Estimates of the value of belongings and other assets and liabilities that immigrants own when they arrive in the United States were revised for 1996–2005. These transfers (receipts) represent the net worth of immigrants. BEA's estimates of net worth are based on the product of three variables: The number of individuals immigrating to the United States each year, the per capita gross domestic product (GDP) of their home countries (a proxy for income), and wealth-to-income ratios.

The total number of individuals immigrating to the United States in a given year is the sum of three components: Legal, new-arrival immigrants; legal, adjusted-status immigrants (that is, those who arrived in earlier years but who only recently disclosed their

3. For a detailed description of BEA's method for estimating insurance services, see Christopher L. Bach, "Annual Revision of the U.S. International Transactions Accounts, 1989–2003," *SURVEY OF CURRENT BUSINESS* 83 (July 2003): 35–37, and Christopher L. Bach, "Annual Revision of the U.S. International Transactions Accounts, 1992–2002," *SURVEY* 84 (July 2004): 60–62.

4. Premium supplements represent the investment income of insurance companies on funds that are treated as belonging to policyholders. See Bach, "Annual Revision, 1992–2002."

intentions to permanently immigrate); and undocumented immigrants. BEA's estimates of legal, new-arrival immigrants were little changed. However, BEA's estimates of legal, adjusted-status immigrants and undocumented immigrants have been improved by the following: Updated source data, a new distribution of immigrants by year of arrival in the United States that allows for more accurate estimates of legal-adjusted status immigrants, and the estimation of undocumented immigration flows on a gross basis rather than a net basis. In addition, BEA's estimates of the per capita GDP of the immigrants' countries of origin and BEA's estimates of the wealth-to-income ratios have been updated with the most recently available source data.⁵

Legal, adjusted-status immigrants. Data on persons who initially arrive in the United States on a temporary basis—for example, as students or intracorporate transferees—but who later convert to a permanent immigration status are from the U.S. Citizenship and Immigration Service (USCIS). The USCIS counts adjusted-status immigrants as immigrants in the year in which they convert to a permanent immigration status, not in the year in which they arrive in the United States. However, BEA records the immigrants' transfers in the year in which the immigrants arrive in the United States, not in the year in which they adjust to a permanent immigration status. To do

this, BEA estimates the number of temporary immigrants who will eventually adjust their status and then replaces its estimates with updated source data periodically. BEA replaced its estimates with updated USCIS source data (through 2002) on the calendar year of entry for immigrants who adjusted their status between 1996 and 2002. After 2002, the USCIS ceased publishing information on the calendar year of entry, so BEA developed a distribution based on past USCIS data to allocate the adjusted-status immigrants to their appropriate year of entry. BEA will continue to use this distribution to assign each future year's legal, adjusted-status immigrants to their calendar year of arrival in the United States. As a result of replacing BEA's estimates with USCIS source data and the new method of distribution, BEA's estimates of legal, adjusted-status immigrants by calendar year of entry are revised downward for most years in 1996–2005.

Undocumented immigrants. Data on the annual number of undocumented immigrants for 1996–2005 are from the U.S. Citizenship and Immigration Service (1996–2000) and the Pew Hispanic Center (2001–2005). The latest report from the USCIS shows, for the first time, data on gross “entries” into, and “exits” from, the undocumented population of the United States. The USCIS data show that the number of people who “exit” the undocumented population each year (through emigration, death, deportation, or adjustment to legal status) is significant.

Previously, BEA calculated the difference between the USCIS's published estimates of the undocumented population in the United States at two points in time and assumed that the average annual change was a good proxy for the gross inflow of undocumented immigrants to the United States each year. The new USCIS and Pew Hispanic Center source data on the undocumented population allow BEA to measure the gross flow of undocumented immigrants rather than the net change in the undocumented population. This increased BEA's estimates of undocumented immigration for each year in 1996–2005. The upward revisions to the number of undocumented immigrants more than offset the downward revisions to the number of legal, adjusted-status immigrants.

Per capita GDP of the home countries. BEA updated the per capita GDP of each country of origin (used as a proxy for income), using the most recently available data from the United Nations Statistics Division's database.

Wealth-to-income ratios. BEA's estimates of wealth-to-income ratios are updated to incorporate recent data from the Census Bureau on household wealth and asset ownership in the United States for 1995, 1998, and 2000. Previously, BEA's estimates were

5. For a discussion of BEA's immigrants' transfers methodology, see Christopher L. Bach, “U.S. International Transactions: Annual Revision of the International Transactions Accounts, 1992–2002,” *SURVEY* 83 (July, 2003): 44.

Acknowledgments

The revised estimates were prepared under the general direction of Paul Farello with the assistance of Renee Sauers. Renee Sauers prepared the new estimates of foreign securities. Elena Nguyen and Jessica Melton prepared the new estimates of U.S. securities and Treasury and agency securities. Jessica Melton and Barbara Berman prepared the new estimates of short-term instruments. Kristy Howell prepared the new estimates of income receipts and payments. Christopher Emond and Matthew Argersinger prepared the benchmark estimates of financial services. Erin Nephew prepared the new estimates of immigrants' transfers. Gregory Fouch and the staff of the International Investment Division prepared the benchmark estimates of foreign direct investment in the United States. The combined staffs of the Balance of Payments Division and the International Investment Division prepared the estimates for the expanded geographic presentation of the accounts under the direction of Paul Farello and Douglas Weinberg.

Table 2. Major Sources of Revisions, International Transactions Accounts, 1995–2005—Continues

[Millions of dollars]

(Credits +; debits -) ¹	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Current account											
Royalties and license fees receipts (line 9):											
Revised.....	30,289	32,470	33,228	35,626	39,670	43,233	40,696	44,508	46,988	52,512	57,410
Changes due to 2002 foreign direct investment benchmark survey.....								19	(²)	(²)	(²)
Changes due to 2002 foreign direct investment benchmark survey.....								(²)	-1,149	-131	-711
Revisions due to updated source data.....											
Previously published.....	30,289	32,470	33,228	35,626	39,670	43,233	40,696	44,489	48,137	52,643	58,121
Other private services receipts (line 10):											
Revised.....	65,048	73,340	83,929	91,774	103,934	107,904	113,857	122,207	130,561	144,654	158,223
Changes due to 2004 financial services benchmark survey and quarterly surveys.....									-382	3,288	2,283
Changes due to 2002 foreign direct investment benchmark survey.....								-2,355	(²)	(²)	(²)
Revisions due to updated source data.....			-184	-321	-559	-877	-2,242	-219	-5,117	-4,067	-786
Previously published.....	65,048	73,340	84,113	92,095	104,493	108,791	116,099	124,781	136,060	145,433	156,726
Other private income receipts (line 15):											
Revised.....	108,092	116,852	135,652	151,818	156,354	192,398	153,146	118,948	108,802	142,813	217,637
Amount of revision.....								-8	-66	2,389	3,591
Previously published.....	108,092	116,852	135,652	151,818	156,354	192,398	153,146	118,956	108,868	140,424	214,046
Interest on foreign bonds:											
Revised.....	24,622	28,197	31,108	35,498	37,459	37,943	31,995	30,424	28,848	36,784	44,206
Changes due to 2004 Treasury annual survey.....										1,416	2,792
Revisions due to updated source data.....									-54	668	2,389
Previously published.....	24,622	28,197	31,108	35,498	37,459	37,943	31,995	30,424	28,902	34,700	39,025
Dividends on foreign stocks:											
Revised.....	19,510	23,260	24,589	26,507	29,950	33,295	33,970	38,248	41,432	54,164	63,662
Changes due to 2004 Treasury annual survey.....										218	624
Revisions due to updated source data.....									-5	18	75
Previously published.....	19,510	23,260	24,589	26,507	29,950	33,295	33,970	38,248	41,437	53,928	62,963
Other:											
Revised.....	63,960	65,395	79,955	89,813	88,945	121,160	87,181	50,276	38,522	51,865	109,769
Changes to interest on short-term instruments due to 2003 Treasury annual survey.....									71	173	108
Revisions due to updated source data.....								-8	-78	-104	-2,397
Previously published.....	63,960	65,395	79,955	89,813	88,945	121,160	87,181	50,284	38,529	51,796	112,058
Royalties and license fees payments (line 26):											
Revised.....	-6,919	-7,837	-9,161	-11,235	-13,107	-16,468	-16,538	-19,353	-19,033	-23,211	-24,501
Changes due to 2002 foreign direct investment benchmark survey.....								-18	(²)	(²)	(²)
Changes due to 2002 foreign direct investment benchmark survey.....								(²)	357	690	537
Revisions due to updated source data.....											
Previously published.....	-6,919	-7,837	-9,161	-11,235	-13,107	-16,468	-16,538	-19,335	-19,390	-23,901	-25,038
Other private services payments (line 27):											
Revised.....	-35,199	-39,679	-43,154	-47,591	-55,510	-60,520	-66,021	-72,604	-79,710	-90,390	-98,714
Changes due to 2004 financial services benchmark survey and quarterly surveys.....									-236	341	-131
Changes due to 2002 foreign direct investment benchmark survey.....								2,245	(²)	(²)	(²)
Revisions due to updated source data.....			545	724	667	1,600	2,176	441	6,267	4,935	6,471
Previously published.....	-35,199	-39,679	-43,699	-48,315	-56,177	-62,120	-68,197	-75,290	-85,741	-95,666	-105,054
Direct investment income payments (line 31):											
Revised.....	-30,318	-33,093	-42,950	-38,418	-53,437	-56,910	-12,783	-43,244	-73,961	-102,357	-116,953
Changes due to 2002 foreign direct investment benchmark survey.....								2,576	(²)	(²)	(²)
Changes due to 2002 foreign direct investment benchmark survey.....								(²)	-2,514	2,789	2,038
Revisions due to updated source data.....											
Previously published.....	-30,318	-33,093	-42,950	-38,418	-53,437	-56,910	-12,783	-45,820	-71,447	-105,146	-118,991
Other private income payments (line 32):											
Revised.....	-97,149	-97,800	-112,878	-127,988	-138,120	-180,918	-159,825	-130,177	-110,125	-147,569	-223,612
Amount of revision.....								-243	-20	-2,199	-444
Previously published.....	-97,149	-97,800	-112,878	-127,988	-138,120	-180,918	-159,825	-129,934	-110,105	-145,370	-223,168
Interest on U.S. corporate bonds:											
Revised.....	-21,404	-24,282	-28,169	-30,583	-40,239	-51,697	-55,114	-58,840	-52,048	-64,479	-81,004
Changes due to 2004 and 2005 Treasury surveys.....									-144	-858	672
Changes due to 2004 and 2005 Treasury surveys.....									36	33	134
Revisions due to updated source data.....											
Previously published.....	-21,404	-24,282	-28,169	-30,583	-40,239	-51,697	-55,114	-58,840	-51,940	-63,654	-81,810
Dividends on U.S. corporate stocks:											
Revised.....	-12,031	-13,194	-13,976	-15,765	-17,058	-19,645	-21,129	-23,560	-25,661	-37,037	-38,074
Changes due to 2004 and 2005 Treasury surveys.....									-49	-601	-1,273
Changes due to 2004 and 2005 Treasury surveys.....										1	57
Revisions due to updated source data.....											
Previously published.....	-12,031	-13,194	-13,976	-15,765	-17,058	-19,645	-21,129	-23,560	-25,612	-36,437	-36,858
Other:											
Revised.....	-63,714	-60,324	-70,733	-81,640	-80,823	-109,576	-83,582	-47,777	-32,416	-46,053	-104,534
Changes to interest on short-term instruments due to 2004 and 2005 Treasury surveys.....										-80	-114
Changes to interest on short-term instruments due to 2004 and 2005 Treasury surveys.....										137	80
Revisions due to updated source data.....								-243	137	-694	80
Previously published.....	-63,714	-60,324	-70,733	-81,640	-80,823	-109,576	-83,582	-47,534	-32,553	-45,279	-104,500

See the footnotes and note at the end of the table.

Table 2. Major Sources of Revisions, International Transactions Accounts, 1995–2005—Continues

[Millions of dollars]

(Credits +; debits -) ¹	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
U.S. Government income payments (line 33):											
Revised.....	-55,623	-66,618	-81,701	-84,154	-80,525	-84,517	-82,426	-76,642	-73,871	-88,474	-113,559
Amount of revision.....									-403	1,265	2,507
Previously published.....	-55,623	-66,618	-81,701	-84,154	-80,525	-84,517	-82,426	-76,642	-73,468	-89,739	-116,066
Interest on U.S. Treasury bonds and notes:											
Revised.....	-36,832	-45,300	-58,382	-62,817	-58,155	-53,929	-53,155	-51,636	-52,473	-60,957	-69,632
Changes due to 2004 and 2005 Treasury surveys.....									280	1,969	5,149
Changes due to new data from the Federal Reserve Board.....									-746	-839	-2,589
Revisions due to updated source data.....									75	-2	492
Previously published.....	-36,832	-45,300	-58,382	-62,817	-58,155	-53,929	-53,155	-51,636	-52,082	-62,085	-72,684
Interest on U.S. Treasury bills:											
Revised.....	-10,168	-11,363	-11,189	-9,144	-8,453	-10,252	-7,760	-4,519	-3,332	-3,614	-7,717
Changes due to 2004 and 2005 Treasury surveys.....										39	201
Revisions due to updated source data.....									-55	88	-247
Previously published.....	-10,168	-11,363	-11,189	-9,144	-8,453	-10,252	-7,760	-4,519	-3,277	-3,565	-7,671
Interest on U.S. agency bonds:											
Revised.....	-8,623	-9,955	-12,130	-12,193	-13,917	-20,336	-21,511	-20,487	-18,066	-23,903	-36,210
Changes due to 2004 and 2005 Treasury surveys.....									52	209	-367
Revisions due to updated source data.....									-9	-23	-132
Previously published.....	-8,623	-9,955	-12,130	-12,193	-13,917	-20,336	-21,511	-20,487	-18,109	-24,089	-35,711
Private remittances and other transfers (line 38):											
Revised.....	-23,433	-23,150	-28,399	-35,612	-32,248	-37,226	-33,980	-41,365	-42,035	-52,001	-48,407
Changes due to medical patient transfers.....	103	130	143	133	126	136	130	127	137	145	175
Revisions due to updated source data.....							485	332	1,822	-797	-2,360
Previously published.....	-23,536	-23,280	-28,542	-35,745	-32,374	-37,362	-34,595	-41,824	-43,994	-51,349	-46,222
Capital account											
Capital account transactions, net (line 39):											
Revised.....	-927	-735	-1,027	-766	-4,939	-1,010	-1,270	-1,470	-3,321	-2,261	-4,351
Changes due to immigrants' transfers.....		-104	-13	-64	-51	-81	-47	-107	-107	-82	-82
Revisions due to updated source data.....										-531	1,378
Previously published.....	-927	-631	-1,014	-702	-4,888	-929	-1,223	-1,363	-3,214	-1,648	-5,647
Financial account											
U.S. private assets:											
Foreign securities (line 52):											
Revised.....	-122,394	-149,315	-116,852	-130,204	-122,236	-127,908	-90,644	-48,568	-146,722	-146,549	-180,125
Amount of revision.....									9,342	-44,166	-24,881
Previously published.....	-122,394	-149,315	-116,852	-130,204	-122,236	-127,908	-90,644	-48,568	-156,064	-102,383	-155,244
Foreign bonds:											
Revised.....	-56,885	-66,609	-59,566	-28,842	-7,925	-21,194	18,475	-31,614	-28,719	-61,793	-37,991
Revisions due to updated source data.....									13,160	-42,613	-19,405
Previously published.....	-56,885	-66,609	-59,566	-28,842	-7,925	-21,194	18,475	-31,614	-41,879	-19,180	-18,586
Foreign stocks:											
Revised.....	-65,509	-82,706	-57,286	-101,362	-114,311	-106,714	-109,119	-16,954	-118,003	-84,756	-142,134
Revisions due to updated source data.....									-3,818	-1,553	-5,476
Previously published.....	-65,509	-82,706	-57,286	-101,362	-114,311	-106,714	-109,119	-16,954	-114,185	-83,203	-136,658
U.S. claims reported by U.S. banks, n.i.e (line 54):											
Revised.....	-75,108	-91,555	-141,118	-35,572	-70,685	-133,382	-135,706	-38,260	-13,014	-361,623	-213,018
Changes to short-term instruments due to 2003 Treasury annual survey.....									-4,171	4,531	-5,324
Revisions due to updated source data.....									731	-10,021	10,464
Previously published.....	-75,108	-91,555	-141,118	-35,572	-70,685	-133,382	-135,706	-38,260	-9,574	-356,133	-218,158
Foreign official assets in the United States:											
U.S. Treasury securities (line 58):											
Revised.....	68,977	115,671	-6,690	-9,921	12,177	-5,199	33,700	60,466	184,931	263,338	71,749
Changes to bonds and notes due to 2004 and 2005 Treasury surveys.....										-10,144	-10,144
Revisions due to updated source data.....										834	-2,153
Previously published.....	68,977	115,671	-6,690	-9,921	12,177	-5,199	33,700	60,466	184,931	272,648	84,046
Other (line 59):											
Revised.....	3,735	5,008	4,529	6,332	20,350	40,909	20,920	30,505	39,943	41,662	84,701
Revisions due to updated source data.....										3,177	-8,432
Previously published.....	3,735	5,008	4,529	6,332	20,350	40,909	20,920	30,505	39,943	38,485	93,133
Other foreign official assets (line 62):											
Revised.....	3,265	1,323	-208	-3,487	915	3,127	5,726	3,616	5,275	13,703	19,258
Revisions due to updated source data.....										943	-101
Previously published.....	3,265	1,323	-208	-3,487	915	3,127	5,726	3,616	5,275	12,760	19,359

See the footnotes and note at the end of the table.

Table 2. Major Sources of Revisions, International Transactions Accounts, 1995–2005

[Millions of dollars]

(Credits +; debits -) ¹	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Other foreign assets in the United States:											
Foreign direct investment in the United States (line 64):											
Revised.....	57,776	86,502	105,603	179,045	289,444	321,274	167,021	84,372	63,961	133,162	109,754
Changes due to 2002 foreign direct investment benchmark survey.....								3,531	(²)	(²)	(²)
Revisions due to updated source data.....									-3,130	26,330	-18,876
Previously published.....	57,776	86,502	105,603	179,045	289,444	321,274	167,021	80,841	67,091	106,832	128,630
U.S. Treasury securities (line 65):											
Revised.....	91,544	147,022	130,435	28,581	-44,497	-69,983	-14,378	100,403	91,455	102,940	199,491
Changes to bonds and notes due to 2004 and 2005 Treasury surveys.....										-1,856	-13,856
Changes to bills due to 2004 and 2005 Treasury surveys.....										-2,596	
Revisions due to updated source data.....									-12,925	434	16,553
Previously published.....	91,544	147,022	130,435	28,581	-44,497	-69,983	-14,378	100,403	104,380	106,958	196,794
U.S. securities other than U.S. Treasury securities (line 66):											
Revised.....	77,249	103,272	161,409	156,315	298,834	459,889	393,885	283,299	220,705	381,493	474,140
Amount of revision.....									-5,601	11,700	-15,063
Previously published.....	77,249	103,272	161,409	156,315	298,834	459,889	393,885	283,299	226,306	369,793	489,203
U.S. corporate bonds:											
Revised.....	49,883	70,251	66,865	105,948	142,821	166,403	191,616	145,415	223,215	254,564	316,005
Revisions due to updated source data.....									-1,234	11,593	-16,349
Previously published.....	49,883	70,251	66,865	105,948	142,821	166,403	191,616	145,415	224,449	242,971	332,354
U.S. agency bonds:											
Revised.....	13,889	21,765	25,784	4,720	43,096	100,994	82,769	81,832	-36,801	67,380	72,352
Revisions due to updated source data.....									-3,378	1,093	4,044
Previously published.....	13,889	21,765	25,784	4,720	43,096	100,994	82,769	81,832	-33,423	66,287	68,308
U.S. corporate stocks:											
Revised.....	13,477	11,256	68,760	45,647	112,917	192,492	119,500	56,052	34,291	59,549	85,783
Revisions due to updated source data.....									-989	-986	-2,758
Previously published.....	13,477	11,256	68,760	45,647	112,917	192,492	119,500	56,052	35,280	60,535	88,541
U.S. liabilities reported by U.S. banks, n.i.e. (line 69):											
Revised.....	30,176	16,478	149,026	39,769	54,232	116,971	118,379	96,410	97,207	336,740	179,849
Changes to short-term instruments due to 2004 and 2005 Treasury surveys.....										1,420	1,420
Revisions due to updated source data.....									532	12,693	2,687
Previously published.....	30,176	16,478	149,026	39,769	54,232	116,971	118,379	96,410	96,675	322,627	175,742

n.i.e. Not included elsewhere.

1. Credits +: An increase in U.S. receipts and U.S. liabilities, or a decrease in U.S. payments and U.S. claims. Debits -: An increase in U.S. payments and U.S. claims, or a decrease in U.S. receipts and U.S. liabilities.

2. Revisions due to benchmark surveys are not separately identifiable for this period.

3. Revisions due to updated source data other than the benchmark survey are not separately identifiable for this period.

NOTE: Line numbers refer to table 1 of the article on U.S. international transactions in this issue of the Survey.

Table 3. Major Sources of Revisions, International Investment Position at Yearend, 2002–2005

[Millions of dollars]

	2002	2003	2004	2005
U.S. private assets:				
Foreign securities (line 19):				
Revised	2,079,891	2,953,778	3,553,387	4,073,997
Amount of revision.....			116,669	(³)
Previously published	2,079,891	2,953,778	3,436,718	(³)
Foreign bonds (line 20):				
Revised	705,226	874,356	992,969	987,543
Changes due to 2004 Treasury annual survey.....			32,740	(³)
Revisions due to updated source data			43,574	(³)
Previously published	705,226	874,356	916,655	(³)
Foreign stocks (line 21):				
Revised	1,374,665	2,079,422	2,560,418	3,086,454
Changes due to 2004 Treasury annual survey.....			38,594	(³)
Revisions due to updated source data			1,761	(³)
Previously published	1,374,665	2,079,422	2,520,063	(³)
U.S. claims reported by U.S. banks, n.i.e (line 23):				
Revised	1,559,457	1,772,899	2,227,859	2,430,659
Changes to short-term instruments due to 2003 Treasury annual survey		13,969	11,553	(³)
Revisions due to updated source data		-417	42,297	(³)
Previously published	1,559,457	1,759,347	2,174,009	(³)
Foreign official assets in the United States:				
U.S. Government securities (line 27):				
Revised	970,359	1,186,500	1,499,293	1,649,397
Amount of revision.....		-5,742	-284	(³)
Previously published	970,359	1,192,242	1,499,577	(³)
U.S. Treasury securities (line 28):				
Revised	811,995	986,301	1,241,250	1,288,881
Changes to bonds and notes due to 2004 and 2005 Treasury surveys		-4,110	-19,252	(³)
Previously published	811,995	990,411	1,260,502	(³)
Other (line 29):				
Revised	158,364	200,199	258,043	360,516
Changes due to 2004 and 2005 Treasury surveys.....		-1,600	18,557	(³)
Revisions due to updated source data		-32	411	(³)
Previously published	158,364	201,831	239,075	(³)
Other foreign official assets (line 32):				
Revised	107,598	158,589	215,239	256,064
Changes due to 2004 and 2005 Treasury surveys.....		1,388	21,668	(³)
Revisions due to updated source data			-258	(³)
Previously published	107,598	157,201	193,829	(³)
Other foreign assets in the United States:				
Foreign direct investment in the United States (lines 35 and 36):				
Revised:				
At current cost.....	1,499,952	1,576,983	1,727,062	1,874,263
At market value	2,021,817	2,454,877	2,703,697	2,797,165
Changes due to 2002 foreign direct investment benchmark survey:				
At current cost.....	-17,451	(¹)	(¹)	(³)
At market value	-5,603	(¹)	(¹)	(³)
Revisions due to updated source data:				
At current cost.....	(²)	-8,915	18,185	(³)
At market value	(²)	-2,340	16,807	(³)
Previously published:				
At current cost.....	1,517,403	1,585,898	1,708,877	(³)
At market value	2,027,420	2,457,217	2,686,890	(³)
U.S. Treasury securities (line 37):				
Revised	473,503	527,223	562,288	704,875
Changes to bonds and notes due to 2004 and 2005 Treasury surveys		-13,659	-71,484	(³)
Changes to bills due to 2004 and 2005 Treasury surveys			-6,803	(³)
Revisions due to updated source data		-2,327	859	(³)
Previously published	473,503	543,209	639,716	(³)
U.S. securities other than U.S. Treasury securities (line 38):				
Revised	2,779,067	3,422,856	3,995,506	4,390,682
Amount of revision.....		14,743	7,709	(³)
Previously published	2,779,067	3,408,113	3,987,797	(³)
U.S. corporate bonds (part of line 39):				
Revised	1,126,381	1,333,509	1,584,304	1,770,690
Changes due to 2004 and 2005 Treasury surveys.....		14,306	-13,463	(³)
Revisions due to updated source data		-3,761	3,856	(³)
Previously published	1,126,381	1,322,964	1,593,911	(³)
U.S. agency bonds (part of line 39):				
Revised	404,601	377,278	450,845	504,507
Changes due to 2004 and 2005 Treasury surveys.....		-3,978	-14,115	(³)
Revisions due to updated source data		-2,986	-379	(³)
Previously published	404,601	384,242	465,339	(³)
U.S. corporate stocks (line 40):				
Revised	1,248,085	1,712,069	1,960,357	2,115,485
Changes due to 2004 and 2005 Treasury surveys.....		11,476	31,959	(³)
Revisions due to updated source data		-314	-149	(³)
Previously published	1,248,085	1,700,907	1,928,547	(³)
U.S. liabilities reported by U.S. banks, n.i.e (line 43):				
Revised	1,538,154	1,921,426	2,420,780	2,600,632
Changes to short-term instruments due to 2004 and 2005 Treasury surveys			2,697	(³)
Revisions due to updated source data		306	113,443	(³)
Previously published	1,538,154	1,921,120	2,304,640	(³)

n.i.e. Not included elsewhere.

1. Revisions due to the benchmark survey are not separately identifiable for this period.

2. Revisions due to updated source data other than the benchmark survey are not separately identifiable for this period.

3. Estimates were not previously published.

Note: Line numbers refer to table 1 of the article on the U.S. international investment position in this issue of the Survey.

How BEA Aligns and Augments Source Data From the U.S. Treasury Department for Inclusion in the International Transactions Accounts

Like most of the U.S. economic accounts produced by the Bureau of Economic Analysis (BEA), the estimates of financial-account transactions in the international transactions accounts (ITAs) are based on source data collected by other Government agencies—in this case, by the Treasury International Capital (TIC) reporting system of the U.S. Department of the Treasury. The presentation of the adjustments undertaken by BEA to align and to augment these data for inclusion in the financial account can help data users reconcile BEA's financial-account estimates with the TIC data that are available to the public on the Treasury Department's Web site and in the *Treasury Bulletin*.

The relationship between the estimates in the ITAs that are prepared by BEA and the data from the TIC reporting system are shown in tables 1–3. Table 1 presents the estimates of transactions in foreign long-term securities; in U.S. long-term securities, excluding U.S. Treasury securities; and in U.S. Treasury securities. Table 2 presents the estimates of claims on, and liabilities to, foreigners reported by U.S. nonbanking concerns, and table 3 presents the estimates of claims on, and liabilities to, foreigners reported by U.S. banks.

In tables 1–3, the numerous adjustments that BEA makes to the TIC source data in order to align the data with balance-of-payments concepts and to close gaps in coverage are identified. In addition, examples of both types of adjustments are presented below.

Aligning with balance-of-payments concepts. The TIC data for gross U.S. purchases of foreign stocks and bonds (table 1, line A1) include the com-

missions that are paid by the U.S. purchasers to foreign brokers. In the ITAs, the payments of commissions to foreigners are treated as payments for financial services, not as purchases of securities, and these payments are included in the current account, not in the financial account. Therefore, BEA adjusts the TIC data for gross U.S. purchases by subtracting an estimate of the payments of brokerage commissions (line A3) from the data for gross purchases.

Similarly, the TIC data for gross U.S. sales of foreign stocks and bonds (line A6) represent the proceeds from sales less the commissions paid by U.S. sellers to foreign brokers. To capture the total value of securities sold, BEA adds an estimate of brokerage commissions (line A7) to the TIC sales data.

Closing gaps in coverage. The TIC data for gross U.S. purchases of foreign stocks and bonds do not fully cover some transactions, such as acquisitions of U.S. companies by foreigners who finance their purchases through exchanges of stock. These stock swap transactions may bypass the U.S. brokers and dealers who are the primary respondents to the TIC survey on securities transactions. When stock is exchanged, the U.S. persons who previously held securities in the acquired U.S. company receive shares in the acquiring foreign corporation, and the receipt of these shares should be recorded in the ITAs as the acquisition, or purchase, of foreign long-term securities.

In order to account for this gap in coverage in the TIC data, BEA adds an estimate of security swap transactions and other coverage adjustments (line A2) to the TIC data.

Table 1. Relation of Transactions in Foreign Long-Term Securities, U.S. Long-Term Securities Excluding U.S. Treasury Securities, and U.S. Treasury Securities in the U.S. International Transactions Accounts (ITAs) to Treasury International Capital (TIC) Reporting System Data

(Millions of dollars)

Line		2003 ^r	2004 ^r	2005 ^p
Foreign Long-Term Securities				
A1	Gross U.S. purchases of foreign stocks and bonds, TIC	2,818,387	3,275,961	3,796,012
2	Plus: Security swap transactions and other coverage adjustments	90,041	-6,467	24,595
3	Minus: Brokerage commissions	501	626	815
4	Plus: Underwriting and private placement fees	1,124	1,400	1,783
5	Equals: Gross U.S. purchases of foreign stocks and bonds, ITAs	2,909,051	3,270,268	3,821,575
6	Gross U.S. sales of foreign stocks and bonds, TIC	2,761,846	3,123,119	3,640,674
7	Plus: Brokerage commissions	483	600	776
8	Plus: Coverage adjustment for gross sales			
9	Equals: Gross U.S. sales of foreign stocks and bonds, ITAs	2,762,329	3,123,719	3,641,450
10	Net U.S. purchases (-) or sales (+) of foreign stocks and bonds, TIC (A6 - A1)	-56,541	-152,842	-155,338
11	Plus: Coverage adjustments ((A7 + A8) - (A2 - A3 + A4))	-90,181	6,293	-24,787
12	Net U.S. purchases (-) or sales (+) of foreign long-term securities, ITAs (A9 - A5) (table 1, line 52)	-146,722	-146,549	-180,125
U.S. Long-Term Securities, Excluding U.S. Treasury Securities				
B1	Gross foreign purchases of other U.S. long-term securities, TIC	5,524,444	6,242,839	6,857,803
2	Plus: Security swap transactions and other coverage adjustments	2,200	(D)	11,034
3	Minus: Brokerage commissions	2,023	(D)	2,449
4	Plus: Underwriting and private placement fees	246	(D)	221
5	Equals: Gross foreign purchases of other U.S. long-term securities, ITAs	5,524,867	6,277,653	6,866,609
6	Gross foreign sales of other U.S. long-term securities, TIC	5,068,164	5,678,462	6,178,748
7	Plus: Brokerage commissions	1,856	2,170	2,228
8	Plus: Coverage adjustment for gross sales	188,924	160,163	107,534
9	Equals: Gross foreign sales of other U.S. long-term securities, ITAs	5,258,944	5,840,795	6,288,510
10	Net foreign purchases (+) or sales (-) of other U.S. long-term securities, TIC (B1 - B6)	456,280	564,377	679,055
11	Plus: Coverage adjustments ((B2 - B3 + B4) - (B7 + B8))	-190,357	-127,519	-100,956
12	Net foreign purchases (+) or sales (-) of other U.S. long-term securities, ITAs (B5 - B9) (table 1, line 59 + 62 + 66)	265,923	436,858	578,099
13	Other U.S. Government securities, foreign official assets (table 1, line 59)	39,943	41,662	84,701
14	Other foreign official assets (table 1, line 62)	5,275	13,703	19,258
15	Other U.S. securities, other foreign assets (table 1, line 66)	220,705	381,493	474,140
U.S. Treasury Securities				
C1	Gross foreign purchases of U.S. Treasury marketable bonds and notes, TIC	8,001,517	8,936,045	10,052,960
2	Minus: Brokerage commissions and other fees	520	581	685
3	Equals: Gross foreign purchases of U.S. Treasury marketable bonds and notes, ITAs	8,000,997	8,935,464	10,052,275
4	Gross foreign sales of U.S. Treasury marketable bonds and notes, TIC	7,737,937	8,583,966	9,689,069
5	Plus: Brokerage commissions and other fees	520	581	685
6	Plus: Coverage adjustment for gross sales	8,000	20,613	31,391
7	Equals: Gross foreign sales of U.S. Treasury marketable bonds and notes, ITAs	7,746,457	8,605,160	9,721,145
8	Net foreign purchases (+) or sales (-) of U.S. Treasury marketable bonds and notes, TIC (C1 - C4)	263,580	352,079	363,891
9	Plus: Coverage adjustments (-C2) - (C5 + C6))	-9,040	-21,775	-32,761
10	Net foreign purchases (+) or sales (-) of U.S. Treasury marketable bonds and notes, ITAs (C3 - C7)	254,540	330,304	331,130
11	Plus: Nonmarketable bonds and notes	-155	-982	-682
12	Plus: Short-term U.S. Treasury obligations	22,001	36,956	-59,208
13	Net foreign purchases (+) or sales (-) of U.S. Treasury securities, ITAs (C10 + C11 + C12) (table 1, line 58 + line 65)	276,386	366,278	271,240
14	U.S. Treasury securities, foreign official assets (table 1, line 58)	184,931	263,338	71,749
15	U.S. Treasury securities, other foreign assets (table 1, line 65)	91,455	102,940	199,491

p Preliminary

r Revised

D Suppressed to avoid disclosure of individual companies.

Table 2. Relation of Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns Except Securities Brokers in the International Transactions Accounts (ITAs) to Treasury International Capital (TIC) Reporting System Data

[Millions of dollars]

Line		2003 ^r	2004 ^r	2005 ^p
Claims				
(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)				
A1	Total claims outstanding, beginning of year, TIC.....	102,398	100,949	143,232
2	Total claims outstanding, end of year, TIC.....	100,949	143,232	141,511
3	Change in claims, TIC (A1 - A2).....	1,449	-42,283	1,721
4	Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments ¹	-17,813	-10,619	18,151
5	Minus: Break in series.....	1,373		
6	Plus: Financial intermediaries' accounts ²	5,092	-4,152	-1,168
7	Plus: Supplemental source data ³	-42,446	-129,201	-51,561
8	Plus: Other coverage adjustments ⁴	614	45,000	24,938
9	Equals: Claims on unaffiliated foreigners reported by U.S. nonbanking concerns, except securities brokers, ITAs (A3 - A4 - A5 + A6 + A7 + A8) (table 1, line 53).....	-18,851	-120,017	-44,221
Liabilities				
(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)				
B1	Total liabilities outstanding, beginning of year, TIC.....	67,304	73,935	92,009
2	Total liabilities outstanding, end of year, TIC.....	73,935	92,009	81,480
3	Change in liabilities, TIC (B2 - B1).....	6,631	18,074	-10,529
4	Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments ¹	11,209	5,850	-10,309
5	Minus: Break in series.....	-113		
6	Plus: Financial intermediaries' accounts ²	-65,626	5,642	13,838
7	Plus: Supplemental source data ³	168,773	72,119	52,054
8	Plus: Other coverage adjustments ⁴	-2,156	3,265	-35,567
9	Equals: Liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns, except securities brokers, ITAs (B3 - B4 - B5 + B6 + B7 + B8) (table 1, line 68).....	96,526	93,250	30,105

p Preliminary

r Revised

1. Includes unrealized gains or losses only on foreign-currency-denominated assets and liabilities.

2. Financial intermediaries' accounts represent transactions between firms in a direct investment relationship (that is, between U.S. parents and their foreign affiliates or between U.S. affiliates and their foreign parent groups) where both the U.S. and the foreign firm are classified in a finance industry, but the firms are neither banks nor securities brokers.

3. Includes supplemental transactions from the Bank of England, the Bank for International Settlements (BIS), and the Federal Reserve Board.

4. Includes supplemental insurance transactions and adjustments to avoid double-counting U.S. claims on foreigners.

5. Includes supplemental futures trading transactions and adjustments to avoid double-counting U.S. liabilities to foreigners.

Table 3. Relation of Claims on and Liabilities to Foreigners Reported by U.S. Banks and Securities Brokers in the International Transactions Accounts (ITAs) to Treasury International Capital (TIC) Reporting System Data

[Millions of dollars]

Line		2003 ^r	2004 ^r	2005 ^p
Claims				
(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)				
A1	Total claims outstanding, beginning of year, TIC.....	1,516,742	1,707,337	2,188,441
2	Total claims outstanding, end of year, TIC.....	1,707,337	2,188,441	2,427,729
3	Change in claims, TIC (A1 - A2).....	-190,595	-481,104	-239,288
4	Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments ¹	-22,733	-29,130	10,218
5	Minus: Break in series.....	-167,583	-61,714	
6	Minus: Direct investment.....	-434	119	-2,355
7	Plus: Coverage adjustments including commercial paper and other adjustments ²	-13,169	28,756	34,133
8	Equals: Claims on foreigners reported by U.S. banks, not included elsewhere, ITAs (A3 - A4 - A5 - A6 + A7) (table 1, line 54).....	-13,014	-361,623	-213,018
Liabilities				
(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)				
B1	Total liabilities outstanding, beginning of year, TIC.....	2,066,131	2,382,470	3,017,873
2	Total liabilities outstanding, end of year, TIC.....	2,382,470	3,017,873	3,159,447
3	Change in liabilities, TIC (B2 - B1).....	316,339	635,403	141,574
4	Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments.....	10,900	5,927	3
5	Minus: Break in series.....	132,882	186,944	
6	Minus: Direct investment.....	4,706	-1,585	-1,925
7	Plus: Coverage adjustments including short-term U.S. Treasury obligations and other adjustments ³	-22,001	-38,132	60,628
8	Equals: Liabilities to foreigners reported by U.S. banks, not included elsewhere, ITAs (B3 - B4 - B5 - B6 + B7) (table 1, lines 61 + 69).....	145,850	405,985	204,124
9	Liabilities to foreign official agencies (table 1, line 61).....	48,643	69,245	24,275
10	Liabilities to other foreigners (table 1, line 69).....	97,207	336,740	179,849

p Preliminary

r Revised

1. Includes adjustments for claims on foreigners written off by U.S. reporters.

2. Includes adjustments for supplemental transactions in foreign commercial paper and other instruments.

3. Includes adjustments for transactions that are included in other international transactions accounts, including transactions in short-term U.S. Treasury obligations and in other liabilities held in custody by U.S. reporters.

U.S. International Transactions

First Quarter of 2006

By Renee M. Sauers and Matthew J. Argersinger

The estimates presented in this article reflect the annual revision of the international transactions accounts. For more information, see "Annual Revision of the U.S. International Accounts, 1995–2005" in this issue.

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—decreased to \$208.7 billion (preliminary) in the first quarter of 2006 from \$223.1 billion (revised) in the fourth quarter of 2005 (table A, chart 1).¹ The decrease was attributable to decreases in payments for net unilateral current transfers and in the deficit on goods and a shift to a surplus from a deficit on income. These changes were partly offset by a decrease in the surplus

on services.

In the financial account, net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—decreased to \$157.6 billion in the first quarter from \$242.7 billion in the fourth quarter. Both acquisitions of U.S.-owned assets abroad and acquisitions of foreign-owned assets in the United States increased strongly, but U.S.-owned assets increased more than foreign-owned assets.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$52.8 billion in the first quarter, compared with a negative \$19.1 billion in the fourth quarter.

1. Quarterly estimates of U.S. current-account and financial-account components are seasonally adjusted when series demonstrate statistically significant seasonal patterns. The accompanying tables present both adjusted and unadjusted estimates.

Table A. Summary of U.S. International Transactions

(Millions of dollars, quarters seasonally adjusted)

Line	Lines in tables 1 and 11 in which transactions are included are indicated in () (Credits +; debits -)	2004	2005	2004				2005				2006	Change: 2005:IV– 2006:I
				I	II	III	IV	I	II	III	IV		
Current account													
1	Exports of goods and services and income receipts (1).....	1,526,855	1,749,892	362,895	375,770	384,648	403,536	415,277	429,326	442,935	462,357	485,444	23,087
2	Goods, balance of payments basis (3).....	807,516	894,631	194,056	199,617	204,340	209,503	214,189	222,591	224,947	232,904	244,512	11,608
3	Services (4).....	344,426	380,614	83,313	85,276	85,349	90,488	92,391	94,054	95,906	96,261	100,134	1,873
4	Income receipts (12).....	374,913	474,647	85,526	90,877	94,959	103,545	108,697	112,681	122,081	131,192	140,796	9,606
5	Imports of goods and services and income payments (18).....	-2,110,559	-2,455,328	-486,179	-521,646	-534,451	-568,283	-579,764	-599,390	-616,886	-659,290	-674,261	-14,971
6	Goods, balance of payments basis (20).....	-1,472,926	-1,677,371	-344,010	-364,709	-373,143	-391,064	-397,457	-410,811	-423,693	-445,410	-452,481	-7,071
7	Services (21).....	-290,312	-314,604	-69,507	-71,573	-73,218	-76,013	-77,231	-77,892	-78,952	-80,529	-82,906	-2,377
8	Income payments (29).....	-347,321	-463,353	-72,662	-85,364	-86,090	-101,206	-105,076	-110,687	-114,240	-133,351	-138,874	-5,523
9	Unilateral current transfers, net (35).....	-81,582	-86,072	-22,554	-20,895	-16,524	-21,609	-27,237	-23,194	-9,464	-26,176	-19,855	6,321
Capital account													
10	Capital account transactions, net (39).....	-2,261	-4,351	-457	-399	-923	-482	-2,691	-589	-557	-514	-1,756	-1,242
Financial account													
11	U.S.-owned assets abroad, net (increase/financial outflow (-)) (40).....	-867,802	-426,801	-309,212	-135,173	-144,528	-278,884	-87,391	-196,376	-132,380	-10,656	-333,925	-323,269
12	U.S. official reserve assets, net (41).....	2,805	14,096	557	1,122	429	697	5,331	-797	4,766	4,796	513	-4,283
13	U.S. Government assets, other than official reserve assets, net (46).....	1,710	5,539	727	-2	484	501	2,591	989	1,501	459	943	484
14	U.S. private assets, net (50).....	-872,317	-446,436	-310,496	-136,293	-145,441	-280,082	-95,313	-196,568	-138,647	-15,911	-335,381	-319,470
15	Foreign-owned assets in the United States, net (increase/financial inflow (+)) (55).....	1,450,221	1,212,250	438,930	314,152	260,132	437,006	224,128	346,179	388,592	253,350	491,554	238,204
16	Foreign official assets in the United States, net (56).....	387,809	199,495	147,627	79,944	71,285	88,953	18,965	74,613	33,983	71,934	75,207	3,273
17	Other foreign assets in the United States, net (63).....	1,062,412	1,012,755	291,303	234,208	188,847	348,053	205,163	271,566	354,609	181,416	416,347	234,931
18	Statistical discrepancy (sum of above items with sign reversed) (70).....	85,128	10,410	16,577	-11,809	51,646	28,716	57,678	44,044	-72,240	-19,071	52,799	71,870
Memoranda:													
19	Balance on current account (76).....	-665,286	-791,508	-145,838	-166,771	-166,327	-186,356	-191,724	-193,258	-183,415	-223,109	-208,672	14,437
20	Net financial flows (40 and 55).....	582,419	785,449	129,718	178,979	115,604	158,122	136,737	149,803	256,212	242,694	157,629	-85,065

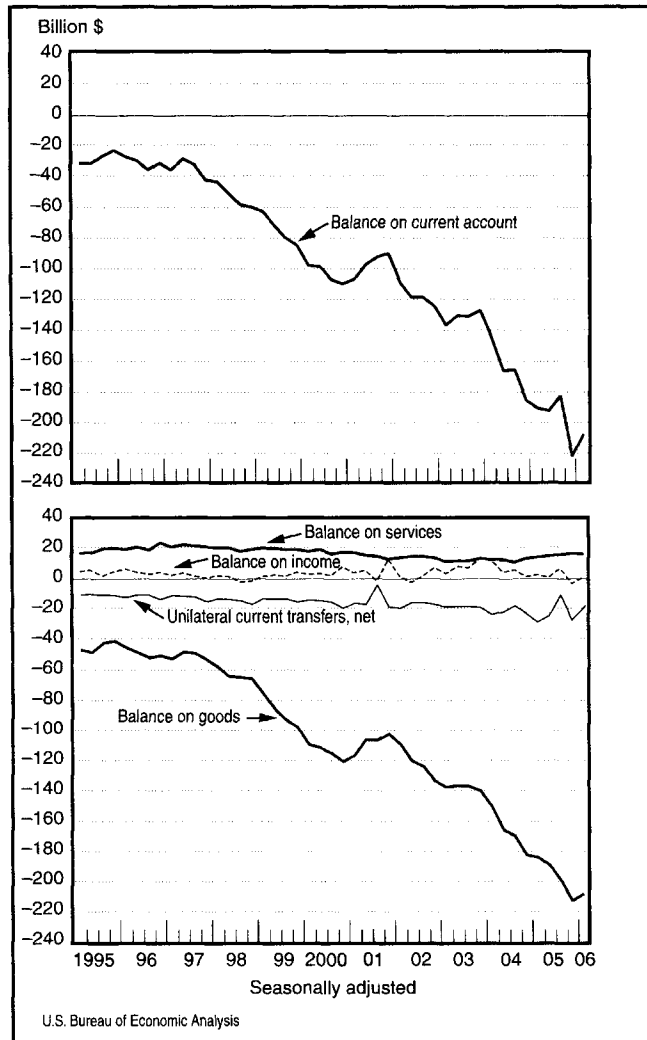
p Preliminary

The following are highlights for the first quarter of 2006:

- Goods exports increased at the strongest rate in more than 2 years. Goods imports slowed as a result of a drop in petroleum products and a slowdown in nonpetroleum products.
- Both receipts and payments of “other” private and U.S. Government income continued to increase strongly as a result of increases in interest rates.

- Transactions in U.S. Treasury securities by private foreigners shifted to net sales, and net purchases of other U.S. securities by private foreigners increased to a record level.
- U.S. direct investment abroad increased after two quarters of unusual decreases, largely as a result of the ending of the tax incentives associated with the American Jobs Creation Act of 2004.
- Both U.S. claims and U.S. liabilities reported by banks increased very strongly.

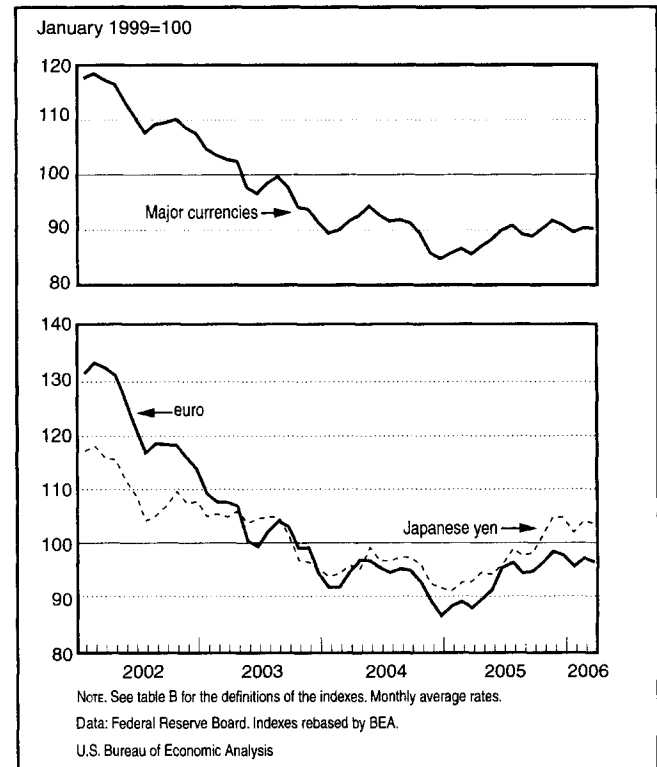
Chart 1. U.S. Current-Account Balance and Its Components



Selected economic and financial market developments

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

Chart 2. Nominal Indexes of Foreign Currency Price of the U.S. Dollar



Canadian dollar, 1 percent against the euro, and less than 1 percent against the Japanese yen.

In the United States, data releases in the first quarter indicated that the U.S. economy in the fourth quarter grew considerably less than in recent quarters. Releases indicated that the U.S. deficit on trade in goods and services on a 3-month moving-average basis continued to increase. U.S. monetary authorities raised the target level for the Federal funds rate by 50 basis points in two steps, to 4.75 percent. U.S. long-term interest rates and U.S. stock prices increased.

In Europe, data releases indicated that euro area economic growth in the fourth quarter slowed. Among countries with the largest economies, economic activity in Germany and France weakened, and activity in Spain remained relatively strong. Euro area monetary authorities raised the minimum bid rate on main refinancing operations, a key policy-controlled interest rate, to 2.5 percent.

In Japan, reports showed that economic growth in the fourth quarter was strong. Growth has been strong in three of the last four quarters. In a policy shift, Japanese monetary authorities announced they would resume targeting the overnight call rate, which has been zero for several years.

In Canada, reported economic growth in the fourth

quarter weakened. Canadian monetary authorities raised the target for the overnight rate by 50 basis points in two steps, to 3.75 percent.

Revisions to the Estimates

The estimates presented in this article incorporate methodological and statistical improvements and incorporate newly available source data. The following estimates have been revised: Goods for 2003–2005; services for 1997–2005; income for 2001–2005; unilateral current transfers for 1995–2005; capital account transactions for 1996–2005; and financial flows for 2002–2005. For more information, see "Annual Revision of the U.S. International Accounts, 1995–2005" in this issue.

For the fourth quarter of 2005, the current-account deficit was revised to \$223.1 billion from \$224.9 billion. The goods deficit was revised to \$212.5 billion from \$212.4 billion; the services surplus was revised to \$17.7 billion from \$15.1 billion; the deficit on income was revised to \$2.2 billion from \$2.4 billion; and unilateral current transfers were revised to net outflows of \$26.2 billion from \$25.1 billion. Net recorded financial inflows were revised to \$242.7 billion from \$235.0 billion.

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

[January 1999=100]

	2005				2006	2005											2006		
	I	II	III	IV	I	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	
Nominal:¹																			
Broad ²	95.7	96.8	97.2	98.0	96.5	95.4	96.2	96.6	97.6	98.0	96.8	96.7	97.7	98.4	97.8	96.3	96.6	96.7	
Major currencies ³	86.0	88.4	89.5	90.8	89.9	85.6	87.0	88.2	89.9	90.7	89.1	88.7	90.1	91.6	90.8	89.4	90.2	90.1	
Other important trading partners ⁴	108.4	107.8	107.1	107.1	105.1	108.2	108.2	107.5	107.6	107.5	106.7	107.1	107.5	107.1	106.6	105.3	104.8	105.2	
Real:¹																			
Broad ²	96.9	98.8	99.9	100.4	98.9	96.9	98.2	98.5	99.6	100.3	99.3	100.0	100.8	100.7	99.6	98.7	98.8	99.3	
Major currencies ³	91.6	94.6	96.6	98.2	97.5	91.5	93.3	94.3	96.2	97.5	96.0	96.3	98.0	99.0	97.7	96.8	97.8	97.9	
Other important trading partners ⁴	102.9	103.5	103.4	102.6	100.3	103.1	103.9	103.2	103.5	103.3	102.9	104.1	103.9	102.4	101.5	100.6	99.6	100.7	
Selected currencies: (nominal)⁵																			
Canada	80.7	81.8	79.1	77.2	76.0	80.0	81.3	82.6	81.6	80.5	79.3	77.5	77.5	77.8	76.4	76.2	75.6	76.2	
European currencies:																			
Euro area ⁶	88.4	92.1	95.1	97.5	96.4	87.9	89.6	91.3	95.4	96.3	94.3	94.7	96.4	98.3	97.7	95.6	97.1	96.4	
United Kingdom	87.3	88.9	92.5	94.4	94.1	86.6	87.0	88.9	90.8	94.2	91.9	91.3	93.5	95.1	94.5	93.3	94.4	94.6	
Switzerland	85.3	88.5	92.0	93.9	93.5	84.8	86.3	87.8	91.4	93.4	91.1	91.4	93.0	94.6	94.2	92.2	94.2	94.2	
Japan	92.2	94.9	98.2	103.5	103.1	92.9	94.6	94.1	96.0	98.8	97.6	98.2	101.4	104.6	104.6	101.9	104.0	103.5	
Mexico	110.4	108.3	105.8	105.8	104.6	110.1	109.7	108.4	106.8	105.4	105.5	106.5	107.0	105.4	104.9	104.1	103.5	106.1	
Brazil	176.2	164.2	154.9	148.7	145.0	179.0	170.4	162.4	159.7	156.8	156.1	151.8	149.0	146.2	150.9	149.9	142.8	142.4	

1. For more information on the nominal and real indexes of the foreign exchange value of the U.S. dollar, see *Federal Reserve Bulletin*, vol. 84 (October 1998): 811–18.

2. Weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of U.S. trading partners, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, United Kingdom, Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that circulate widely outside the country of issue, including the currencies of the euro-area countries, Australia, Canada, Japan, Sweden, Switzerland, and the United Kingdom. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the major currency index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

4. Weighted average of the foreign exchange value of the U.S. dollar against broad-index currencies that do not circulate widely outside the country of issue, including the currencies of Argentina, Brazil, Chile, Colombia, Mexico, Venezuela, China, Hong Kong, India, Indonesia, Korea, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Israel, Saudi Arabia, and Russia. The weight for each currency is its broad-index weight divided by the sum of the broad-index weights for all of the currencies included in the other important trading partners index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

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

6. The euro area includes Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain.

Current Account

Goods and services

The deficit on goods and services decreased \$4.0 billion to \$190.7 billion in the first quarter from \$194.8 billion in the fourth quarter. The decrease was attributable to a \$4.5 billion decrease in the deficit on goods. In contrast, the surplus on services decreased \$0.5 billion.

Goods

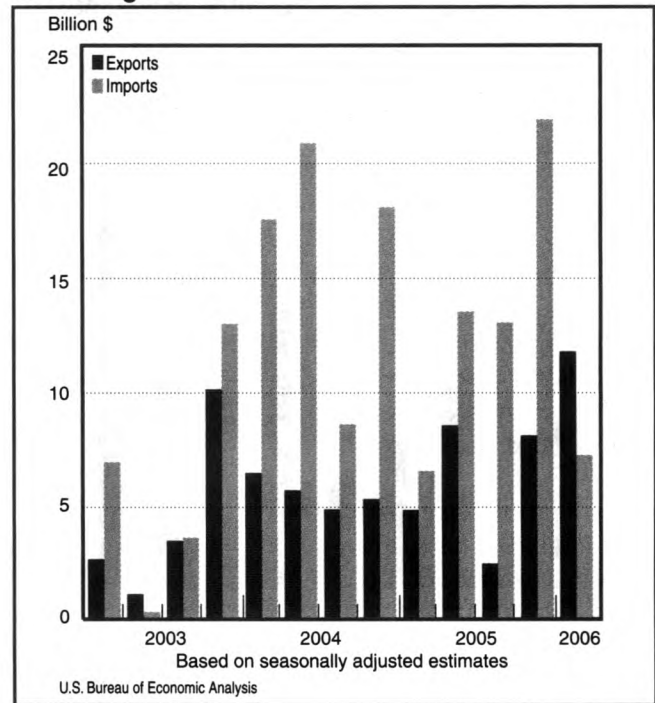
The deficit on goods decreased to \$208.0 billion in the first quarter from \$212.5 billion in the fourth quarter. The decrease, the first in 11 quarters, followed strong increases in the second half of 2005. In the first quarter, exports increased significantly more than imports.

Exports. Exports increased \$11.6 billion, or 5.0 percent, to \$244.5 billion in the first quarter (chart 3, table C). The strong increase was largely accounted for by increases in industrial supplies and materials and in capital goods, but all other major end-use commodity categories also increased. Real exports increased 4.3 percent, and export prices increased 0.7 percent (chart 4).²

Nonagricultural industrial supplies and materials increased \$4.6 billion. Nonferrous metals increased the most in nearly a decade; nonmonetary gold, other

precious metals, and other nonferrous metals all increased strongly, partly because of higher prices. In addition, both petroleum and products and chemicals

Chart 3. U.S. Trade in Goods: Change in Value From Preceding Quarter



2. Quantity (real) estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarterly weights for all quarters. Real estimates are expressed as chained (2000) dollars. Price indexes (2000=100) are also calculated using a chain-type Fisher formula.

Table C. U.S. Trade in Goods in Current and Chained (2000) Dollars and Percent Changes From Previous Period
[Balance of payments basis, millions of dollars, quarters seasonally adjusted]

	Current dollars								Chained (2000) dollars ¹							
	2004	2005	2005				2006	2004	2005	2005				2006		
			I	II	III	IV				I ^p	I	II	III		IV	I ^p
Exports	807,516	894,631	214,189	222,591	224,947	232,904	244,512	773,431	830,878	200,598	206,975	208,470	214,717	223,939		
Agricultural products	62,939	64,883	15,610	16,511	16,291	16,471	17,385	50,843	53,911	13,276	13,587	13,409	13,633	14,385		
Nonagricultural products	744,577	829,748	198,579	206,080	208,656	216,433	227,127	723,726	778,258	187,599	193,691	195,404	201,459	209,928		
Imports	1,472,926	1,677,371	397,457	410,811	423,693	445,410	452,481	1,430,442	1,531,230	375,182	378,722	380,923	395,786	403,284		
Petroleum and products	180,459	251,856	53,157	58,261	67,284	73,154	72,129	137,795	141,199	36,855	34,540	33,642	36,617	36,167		
Nonpetroleum products	1,292,467	1,425,515	344,300	352,550	356,409	372,256	380,352	1,292,622	1,391,126	338,172	344,927	348,720	359,106	368,119		
	Percent change from previous period (current dollars)								Percent change from previous period (chained (2000) dollars)							
	2004	2005	2005				2006	2004	2005	2005				2006		
			I	II	III	IV				I ^p	I	II	III		IV	I ^p
Exports	13.2	10.8	2.2	3.9	1.1	3.5	5.0	9.1	7.4	1.1	3.2	0.7	3.0	4.3		
Agricultural products	3.4	3.1	-1.9	5.8	-1.3	1.1	5.4	-5.6	6.0	-3.2	2.3	-1.3	1.7	5.5		
Nonagricultural products	14.1	11.4	2.6	3.8	1.3	3.7	4.9	10.5	7.5	1.5	3.2	0.9	3.1	4.2		
Imports	16.8	13.9	1.6	3.4	3.1	5.1	1.6	11.3	7.0	1.2	0.9	0.6	3.9	1.9		
Petroleum and products	35.6	39.6	-0.7	9.6	15.5	8.7	-1.4	6.5	2.5	1.7	-5.8	-2.6	8.8	-1.2		
Nonpetroleum products	14.6	10.3	2.0	2.4	1.1	4.4	2.2	11.8	7.6	1.1	2.0	1.1	3.0	2.5		

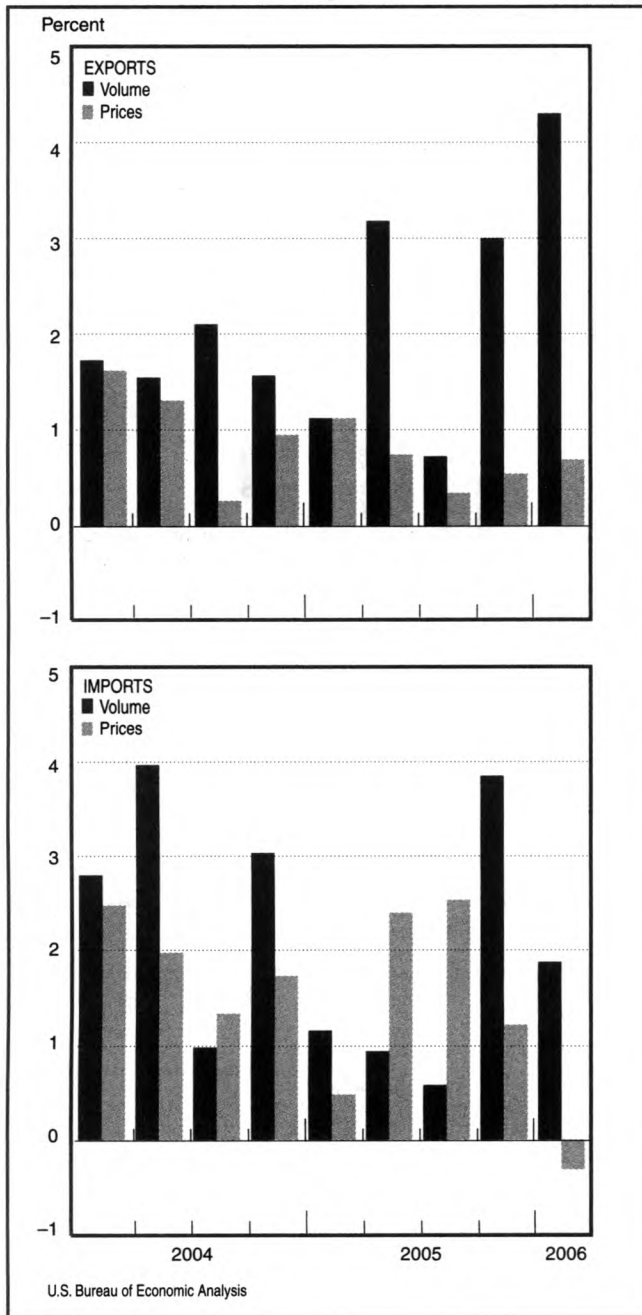
^p Preliminary

¹ Because chain indexes use weights of more than one period, the corresponding chained dollar estimates are usually not additive. Note: Percent changes in quarterly estimates are not annualized and are expressed at quarterly rates.

rebounded after falling for two consecutive quarters. The rebounds resulted from increases in export volumes after damage caused by Hurricanes Katrina and Rita had hampered the production of petroleum and chemicals in the U.S. Gulf Coast region in the second half of 2005.

Capital goods increased \$4.1 billion. More than half

Chart 4. U.S. Trade in Goods: Change in Volume and Prices From Preceding Quarter



of the increase was accounted for by a strong increase in civilian aircraft, engines, and parts. Electric generating machinery and parts, mainly to Mexico, and "other" industrial, agricultural, and service industry machinery also increased. In addition, both scientific, hospital, and medical equipment and machine tools and metalworking machinery increased by record amounts.

Consumer goods increased \$1.2 billion. Nondurable goods—mainly medical, dental, and pharmaceutical preparations—increased strongly for the second consecutive quarter. Durable goods, mainly recreational equipment, and unmanufactured goods, mainly gemstones, also increased.

Agricultural products increased \$0.9 billion. Soybean exports rebounded—mainly to Mexico, Japan, and Taiwan—after declining for two quarters. Raw cotton increased after decreasing in the fourth quarter.

Automotive vehicles, parts, and engines increased \$0.2 billion. An increase in exports of passenger cars, trucks, and other vehicles, mainly to Canada and Europe, was partly offset by a decrease in exports of engines and other parts and accessories to Canada.

Imports. Imports increased \$7.1 billion, or 1.6 percent, to \$452.5 billion in the first quarter, following three quarters of more substantial increases (table C). The first-quarter increase was mostly attributable to increases in capital goods, in consumer goods, and in automotive vehicles, parts, and engines. In contrast, petroleum and petroleum products decreased after three quarters of sizable increases. Real imports increased 1.9 percent, and import prices decreased 0.3 percent.

Capital goods increased \$3.6 billion. After changing little for several quarters, computers, peripherals, and parts increased substantially in the first quarter largely as a result of higher imports from China and Malaysia. Civilian aircraft, engines, and parts—mainly completed aircraft from France and engines and parts from Europe—increased the most in over a year. "Other" industrial, agricultural, and service industry machinery also increased. In contrast, telecommunications equipment changed little for the second consecutive quarter.

Consumer goods increased \$2.3 billion. More than two-thirds of the increase was accounted for by durable goods; a strong increase in household and kitchen appliances, mostly from Asia, was partly offset by a decrease in radio and stereo equipment from China. Nondurable goods also increased, as a rise in medical, dental, and pharmaceutical products from Europe was partly offset by a fall in textile, apparel, and household

goods from Latin America and Hong Kong.

Automotive vehicles, parts, and engines increased \$2.0 billion. A small decrease in imports from Canada was more than offset by a large increase from other areas, mainly passenger cars from Japan and Korea.

Foods, feeds, and beverages increased \$0.9 billion. Agricultural products were boosted by a rise in vegetables, fruits, nuts, and preparations. Nonagricultural products also increased, mostly as a result of increases in fish and shellfish and in whiskey and other alcoholic beverages.

After a record increase in the fourth quarter, nonpetroleum industrial supplies and materials decreased \$1.4 billion in the first quarter, the first quarterly decrease in 4 years. The decrease was more than accounted for by a sharp decline in nonpetroleum energy products, mostly natural gas. The decline in natural gas largely reflected a drop in natural gas prices, which had increased substantially in the second half of 2005 as a result of hurricane-related disruption to natural gas production in the U.S. Gulf Coast region. Imports of chemicals also decreased, following a record increase in the fourth quarter. In contrast, metals and nonmetallic products increased strongly as a result of increases in iron and steel products and in nonferrous metals.

After rising strongly for three quarters, petroleum and products decreased \$1.0 billion in the first quarter (chart 5). U.S. domestic petroleum production increased 8 percent in the first quarter after falling sharply in the second half of 2005 because of the hurricane-related disruption of petroleum production in the Gulf Coast region. In the first quarter, the average price per barrel decreased 1 percent, to \$55.10, and the average number of barrels imported daily decreased 1 percent, to 14.33 million. Imports from Europe decreased, while imports from Mexico and members of

OPEC increased.

Balances by area. The deficit with Asia and Pacific decreased, largely as a result of a substantial decline in imports from China.³ The deficit with Europe also decreased, mainly as a result of an increase in exports to, and a decrease in imports from, the United Kingdom. In contrast, the deficit with Latin America increased, mostly as a result of increases in imports from Mexico and Venezuela.

Services

The surplus on services decreased to \$17.2 billion in the first quarter from \$17.7 billion in the fourth quarter, as services payments increased more than services receipts.

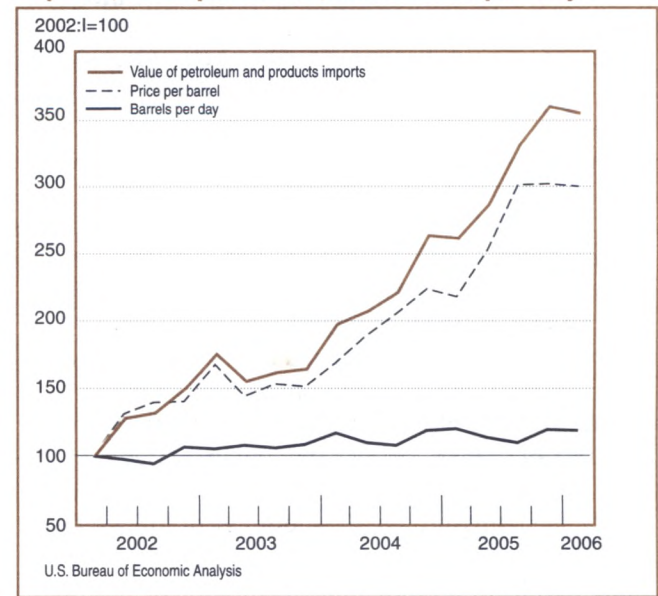
Travel receipts increased \$0.3 billion, to \$20.7 billion, as a result of increases in receipts from visitors to the United States from countries overseas and from Canada. Travel payments were virtually unchanged at \$17.2 billion, as an increase in U.S. travelers' payments to Mexico was mostly offset by decreases in

3. Seasonally adjusted estimates of exports for areas and countries are derived by applying seasonal factors for total U.S. agricultural and nonagricultural exports to the unadjusted agricultural and nonagricultural exports for areas and countries and then summing the seasonally adjusted estimates. Seasonally adjusted estimates of imports for areas and countries are derived by applying seasonal factors for total petroleum and nonpetroleum imports to the unadjusted petroleum and nonpetroleum imports for areas and countries and then summing the seasonally adjusted estimates. (The seasonal factors are derived from the seasonal adjustment of U.S. exports and U.S. imports by 5-digit end-use commodity categories.)

Data Availability

The estimates that are presented in tables 1–11 of the U.S. international transactions accounts are available interactively on BEA's Web site at <www.bea.gov>. Users may view and download the most recent quarterly estimates for an entire table, or they may select the period, frequency, and lines that they wish to view. The estimates are available in an HTML table, in an Excel file, or as comma-separated values.

Chart 5. Growth in Value of Petroleum and Products Imports, Price per Barrel, and Barrels per Day



U.S. travelers' payments to Canada and countries overseas. Passenger fare receipts increased \$0.1 billion, to \$5.5 billion, and passenger fare payments increased \$0.1 billion, to \$6.8 billion.

"Other" transportation receipts increased \$0.4 billion, to \$11.7 billion. The increase was more than accounted for by port services, which increased strongly for the second consecutive quarter; the first-quarter rise resulted from increases in both air and port services. "Other" transportation payments increased \$0.2 billion, to \$16.3 billion, as a result of an increase in freight services, mostly for ocean freight.

"Other" private services receipts increased \$0.9 billion, to \$42.5 billion. The increase was mostly attributable to a rise in receipts for affiliated services. "Other" private services payments increased \$1.5 billion, to \$27.4 billion. The increase was mostly accounted for by a step up in payments for insurance services and a rise in payments for affiliated services.

Income

The balance on income shifted to a surplus of \$1.9 billion in the first quarter from a deficit of \$2.2 billion in the fourth quarter, as income receipts increased more than income payments.

Receipts of income on U.S. direct investment abroad increased \$2.6 billion, to \$70.1 billion. The increase largely resulted from higher earnings by foreign affiliates in manufacturing, mainly chemicals, and in wholesale trade. The composition of earnings returned to more typical proportions. Distributed earnings fell sharply, and reinvested earnings shifted to a positive amount from a negative amount, as the tax incentives associated with the American Jobs Creation Act of 2004 that caused distributed earnings to be especially high in 2005 expired for most companies at yearend 2005.

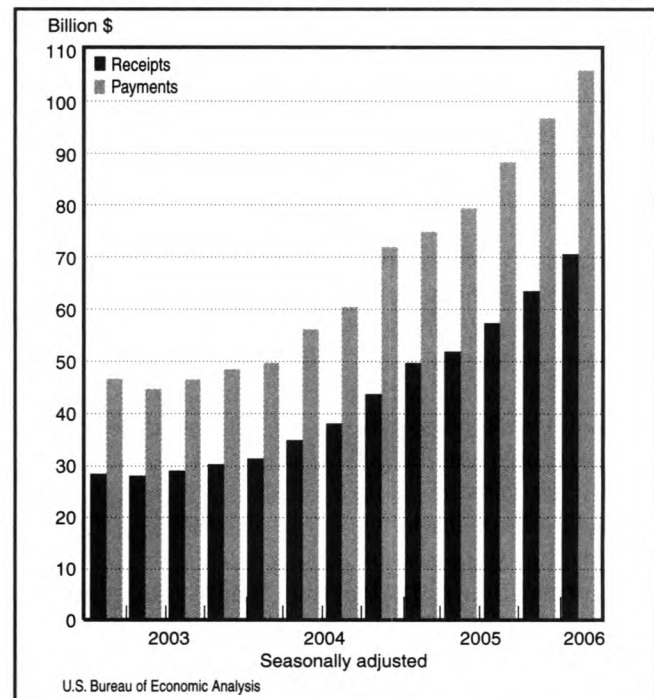
Payments of income on foreign direct investment in the United States decreased \$3.7 billion, to \$31.2 billion. Earnings of U.S. affiliates in all major industries decreased. The largest decreases were in "other" industries, especially information, and in finance and insurance, mostly depository institutions.

Both receipts and payments of "other" private and U.S. Government income continued to rise strongly, mostly because of increases in interest rates (chart 6). Receipts of "other" private income increased \$7.1 billion, to \$69.4 billion. Interest receipts on bank and nonbank claims and on U.S. holdings of foreign bonds increased mostly as a result of a rise in yields. In addition, dividend receipts on U.S. holdings of foreign

stocks were boosted by a rise in average holdings. Receipts of income on U.S. Government assets decreased \$0.1 billion, to \$0.6 billion.

Payments of "other" private income increased \$7.7 billion, to \$72.5 billion. The increase largely reflected increases in interest payments on bank and nonbank liabilities and on foreign holdings of U.S. bonds that resulted from a rise in yields. Payments of income on U.S. Government liabilities increased \$1.6 billion, to \$32.9 billion, largely as a result of a rise in payments on U.S. agency bonds.

Chart 6. Other Private and U.S. Government Income



Unilateral current transfers

Unilateral current transfers were net outflows (payments) of \$19.9 billion in the first quarter, down from net outflows of \$26.2 billion in the fourth quarter. The decrease was more than accounted for by decreases in U.S. Government grants, which were high in the fourth quarter, and in private remittances and other transfers.

Capital Account

Capital account transactions were net outflows (payments) of \$1.8 billion in the first quarter, up from net outflows of \$0.5 billion in the fourth quarter. The increase resulted from debt forgiveness for a few countries in Africa.

Financial Account

Net recorded financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$157.6 billion in the first quarter, down from \$242.7 billion in the fourth quarter. Both acquisitions of U.S.-owned assets abroad and acquisitions of foreign-owned assets in the United States increased strongly, but U.S.-owned assets increased more than foreign-owned assets.

U.S.-owned assets abroad

Net U.S.-owned assets abroad increased a record \$333.9 billion in the first quarter after an increase of \$10.7 billion in the fourth quarter. The substantial pickup resulted from a surge in U.S. claims on foreigners reported by U.S. banks and a shift to an increase in U.S. direct investment abroad.

U.S. official reserve assets. U.S. official reserve assets decreased \$0.5 billion in the first quarter after a decrease of \$4.8 billion in the fourth quarter. The first-quarter decrease was more than accounted for by a decline in the U.S. reserve position in the International Monetary Fund (IMF), reflecting the net repayment of U.S. dollars to the IMF, mostly by Argentina, which completed the repayment of its IMF debts ahead of schedule.

Claims reported by banks and by nonbanks. U.S. claims on foreigners reported by U.S. banks and securities brokers increased a record \$183.6 billion in the first quarter, in contrast to a decrease of \$10.4 billion in the fourth quarter (chart 7).

Banks' own claims denominated in dollars increased \$135.6 billion in the first quarter, in contrast to a decrease of \$31.1 billion in the fourth quarter. The strong increase was largely attributable to a substantial rise in deposits and brokerage balances, as banks moved funds to offshore offices. Resale agreements also increased, mostly as a result of an upturn in lending by securities brokers and dealers.

Banks' domestic customers' claims denominated in dollars increased \$26.8 billion, up from \$16.7 billion. In the first quarter, the largest increases were in foreign commercial paper and in deposits and brokerage balances.

Claims reported by U.S. nonbanking concerns increased \$36.4 billion after an increase of \$4.8 billion. The first-quarter increase mostly reflected an increase in deposits in the United Kingdom.

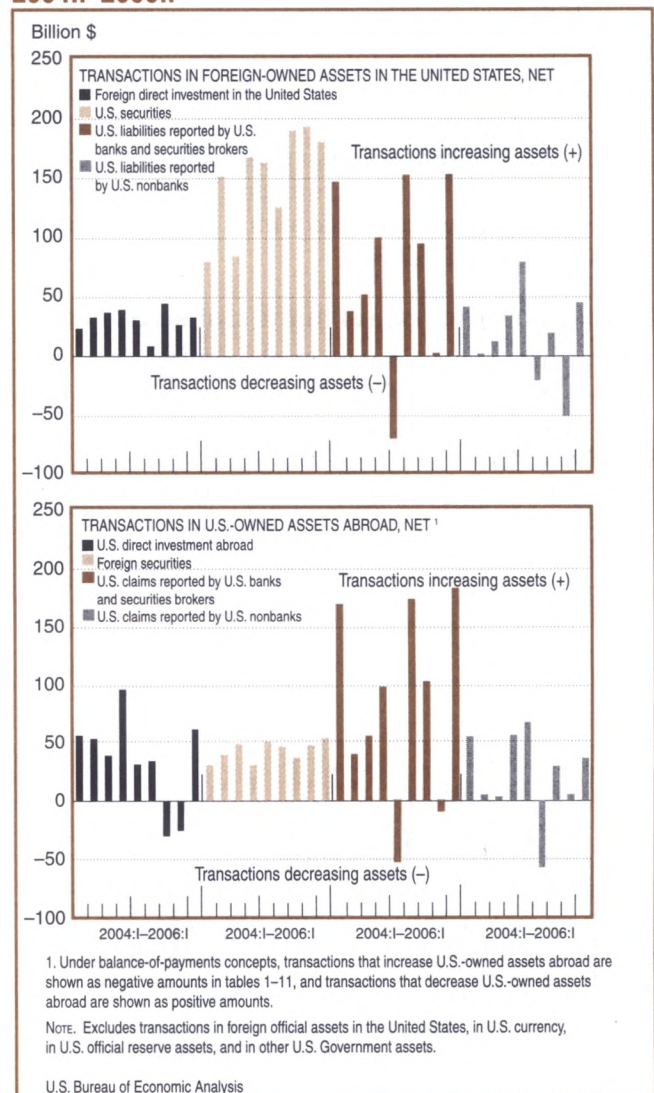
Foreign securities. Net U.S. purchases of foreign securities were \$53.5 billion in the first quarter, up from

\$47.3 billion in the fourth quarter. An increase in net U.S. purchases of foreign bonds was partly offset by a decrease in net U.S. purchases of foreign stocks.

Net U.S. purchases of foreign bonds were \$12.4 billion, up from \$4.5 billion. Prices of foreign bonds decreased, partly in response to the tightening of foreign monetary policies by several central banks, and total returns were negative. U.S. investors may have been attracted to the resultant higher yields, as transactions shifted to net U.S. purchases of bonds from the United Kingdom and from Canada, and net U.S. purchases of bonds from Latin America increased.

Net U.S. purchases of foreign stocks were \$41.1 billion, down from \$42.8 billion. U.S. demand for foreign

Chart 7. Selected Financial-Account Transactions, 2004:1–2006:1



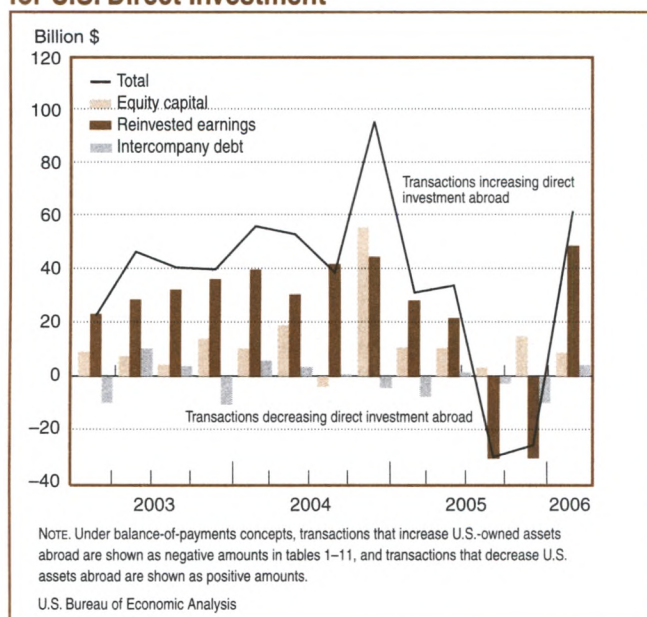
stocks, which was strong throughout 2005, remained robust in the first quarter, as foreign stock markets outperformed the U.S. stock market substantially both in local currency and in dollar terms. Net U.S. purchases of stocks from emerging markets were a record, accounting for about a third of total net U.S. purchases. In contrast, net U.S. purchases from Japan slowed after sizable net U.S. purchases in the previous two quarters, when Japanese stock prices rose sharply.

Direct investment. U.S. direct investment abroad increased \$61.8 billion in the first quarter after decreasing \$25.8 billion in the fourth quarter (chart 8). The shift largely resulted from a shift to positive reinvested earnings from highly unusual negative reinvested earnings. Dividends had exceeded earnings in the third and fourth quarters of 2005 and were also elevated in the first and second quarters of 2005, as U.S. parent companies took advantage of the tax incentives associated with the American Jobs Creation Act of 2004. The act expired for most companies at yearend 2005, and dividends and reinvested earnings returned to more typical levels in the first quarter of 2006. The shift in direct investment also partly reflected a shift to an increase in net intercompany debt investment abroad from a decrease. In contrast, net equity capital investment abroad slowed.

Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased a record \$491.6 billion in the first quarter after

Chart 8. Financial-Account Transactions for U.S. Direct Investment



an increase of \$253.4 billion in the fourth quarter. The pickup was attributable to a surge in U.S. liabilities reported by U.S. banks, to a sizeable shift to an increase in U.S. liabilities reported by U.S. nonbanks, and to a rise in net foreign purchases of U.S. securities other than U.S. Treasury securities.

Foreign official assets. Foreign official assets in the United States increased \$75.2 billion in the first quarter after an increase of \$71.9 billion in the fourth quarter. Assets of European countries increased more in the first quarter than in the fourth quarter, and assets of Asian countries increased slightly less in the first quarter than in the fourth quarter.

Liabilities reported by banks and by nonbanks. U.S. liabilities reported by U.S. banks and securities brokers, excluding U.S. Treasury securities, increased a record \$154.0 billion in the first quarter after an increase of \$2.1 billion in the fourth quarter.

Banks' own liabilities denominated in dollars increased \$136.0 billion in the first quarter after an increase of \$31.5 billion in the fourth quarter. U.S.- and foreign-owned banks in the United States stepped up their borrowing, mostly in the form of deposits and "other" liabilities, partly to support increased lending abroad. Borrowing by U.S. securities brokers and dealers also increased substantially, mainly through repurchase agreements.

Banks' customers' liabilities denominated in dollars increased \$10.5 billion, mostly in negotiable certificates of deposit and other short-term instruments, after a decrease of \$7.6 billion. U.S. liabilities reported by U.S. nonbanking concerns increased \$46.0 billion, in contrast to a decrease of \$50.3 billion. The increase was more than accounted for by an increase in borrowing from the United Kingdom.

U.S. Treasury securities. Transactions in U.S. Treasury securities shifted to net foreign sales of \$1.9 billion in the first quarter from net foreign purchases of \$62.0 billion in the fourth quarter (chart 9). The shift came on the heels of record net foreign purchases of U.S. Treasury securities in 2005. In the first quarter, total returns on U.S. Treasury securities were lower than returns on U.S. corporate and agency bonds. Transactions in U.S. Treasury securities by Caribbean financial centers and by Japan shifted to net sales, and net purchases by the United Kingdom decreased.

Other U.S. securities. Net foreign purchases of U.S. securities other than U.S. Treasury securities were a record \$183.0 billion in the first quarter, up from \$131.9 billion in the fourth quarter. The step-up resulted from significant increases in net foreign purchases of U.S. stocks and of U.S. federally sponsored

agency bonds. In contrast, net foreign purchases of U.S. corporate bonds fell modestly from the record fourth-quarter level.

Net foreign purchases of U.S. stocks increased to \$54.1 billion, the second highest level on record, from \$23.7 billion. Net foreign purchases increased though the U.S. stock market underperformed most major foreign stock markets for the fifth consecutive quarter. The increase in net foreign purchases was mostly attributable to net purchases from Europe, especially the United Kingdom.

Net foreign purchases of U.S. federally sponsored agency bonds increased to \$41.4 billion, the second highest level on record, from \$16.8 billion. Shifts to net purchases from Caribbean financial centers and Europe were partly offset by a decrease in net purchases from Japan. Spreads on U.S. agency bonds over U.S. Treasury bonds decreased.

Net foreign purchases of U.S. corporate bonds were \$87.6 billion, down from a record \$91.3 billion. Foreign demand for U.S. corporate bonds remained strong partly as a result of the higher yields that were available on U.S. bonds than on foreign bonds (chart 10). Strong U.S. corporate profits have increased corporate net cash flows and cash levels, reducing the potential for bond defaults during a period of rising

interest rates. Spreads on investment-grade and on high-yield U.S. corporate bonds over U.S. Treasury bonds decreased. Decreases in net purchases of U.S. corporate bonds by investors in Europe and Japan were largely offset by an increase in net purchases by investors in Caribbean financial centers.

Direct investment. Foreign direct investment in the United States increased \$33.3 billion in the first quarter after increasing \$26.5 billion in the fourth quarter. The pickup resulted from a rise in reinvested earnings, mostly by U.S. wholesale trade affiliates, and from a pickup in net equity capital investment in the United States, mostly due to acquisitions of U.S. companies by foreign investors in the Middle East. In addition, net intercompany debt investment in the United States fell by a smaller amount in the first quarter than in the fourth quarter.

Chart 9. Transactions in U.S. Securities, 2004:I–2006:I

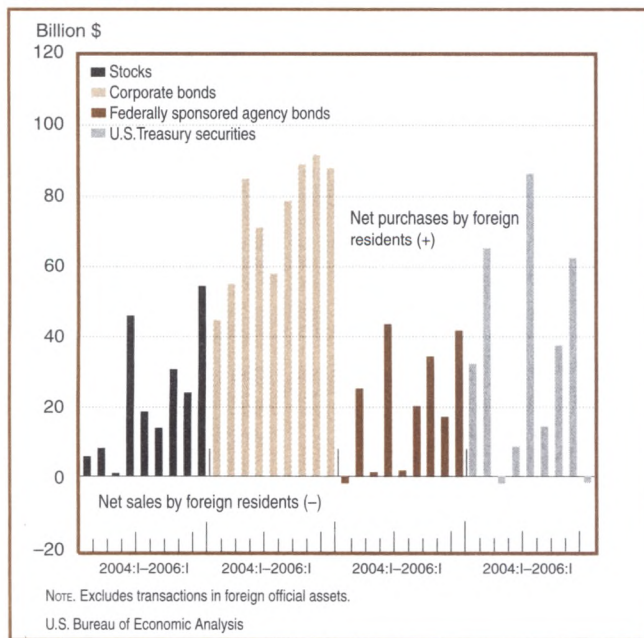
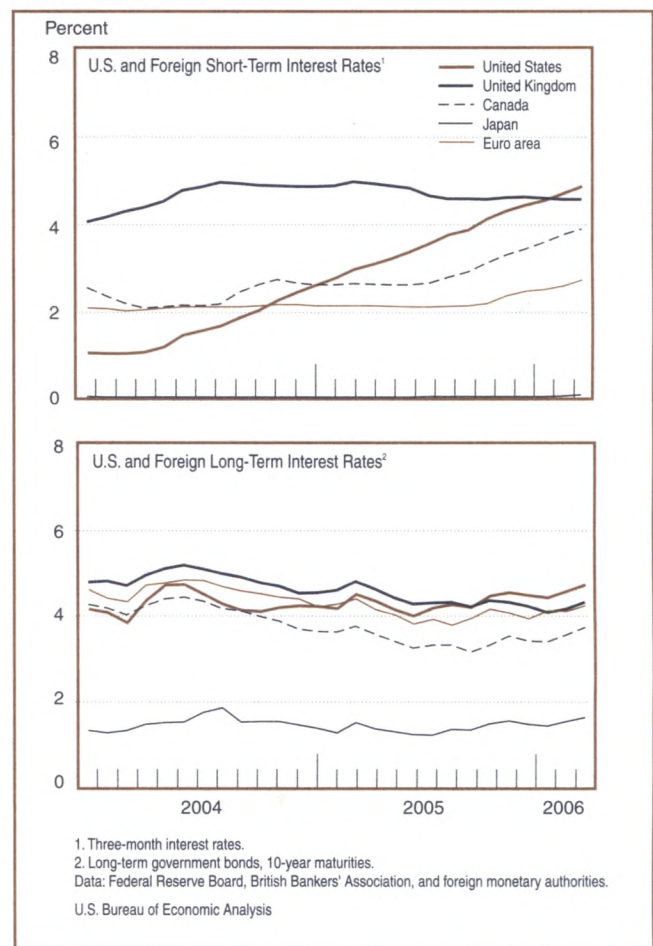


Chart 10. Interest Rates



Tables 1–11 follow.

Table 1. U.S. International (Millions)

Table with columns for Line, (Credits +, debits -), and quarterly data for 1992, 1993, and 1994. The table is divided into Current account, Capital and financial account, and Statistical discrepancy.

See the footnotes on pages 106-107.

Transactions
of dollars]

Table with columns for years (2002-2006) and quarterly data (I-IV), plus a 'Line' column. The table is titled 'Seasonally adjusted' and contains a dense grid of numerical values representing transactions over time.

Table 2a. U.S. Trade in Goods—Continues
 (Millions of dollars)

Line	2005	Not seasonally adjusted					Seasonally adjusted					
		2005				2006	2005				2006	
		I	II	III	IV	I ^P	I	II	III	IV	I ^P	
A	Balance of payments adjustments to Census trade data:											
	EXPORTS											
1	Exports of goods, Census basis ¹ including reexports and including military grant shipments	905,978	214,723	230,550	222,364	238,341	244,679	216,657	225,615	227,742	235,964	247,174
	Adjustments:											
2	Private gift parcel remittances	663	158	160	160	185	173	158	160	160	185	173
3	Gold exports, nonmonetary											
4	Inland U.S. freight to Canada											
5	U.S.-Canadian reconciliation adjustments, n.e.c., net ²											
6	Exports transferred under U.S. military agency sales contracts identified in U.S. documents ³	-8,167	-1,729	-2,176	-2,066	-2,196	-2,012	-1,729	-2,176	-2,066	-2,196	-2,012
7	Other adjustments, net ⁴	-3,843	-896	-1,010	-890	-1,047	-820	-896	-1,010	-890	-1,047	-820
8	Equals: Exports of goods, adjusted to balance of payments basis excluding "military" (table 1, line 3)	894,631	212,256	227,524	219,568	235,283	242,020	214,189	222,591	224,947	232,904	244,512
	IMPORTS											
9	Imports of goods, Census basis ¹ (general imports)	1,673,455	380,584	413,073	429,129	450,669	435,011	396,599	409,813	422,654	444,389	451,358
	Adjustments:											
10	Electric energy	756	82	206	269	199	198	82	206	269	199	198
11	Gold imports, nonmonetary											
12	Inland freight in Canada	4,693	1,150	1,200	1,124	1,219	1,294	1,150	1,200	1,124	1,219	1,294
13	U.S.-Canadian reconciliation adjustments, n.e.c., net ²											
14	Imports of U.S. military agencies identified in Census documents ³	-1,223	-300	-322	-276	-325	-250	-300	-322	-276	-325	-250
15	Other adjustments, net ^{5 6}	-310	-75	-86	-78	-71	-121	-75	-86	-78	-71	-121
16	Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20)	1,677,371	381,441	414,071	430,168	451,691	436,132	397,457	410,811	423,693	445,410	452,481

See the footnotes on pages 106-107.

Table 2a. U.S. Trade in Goods—Continues
 (Millions of dollars)

Line	2005	Not seasonally adjusted					Seasonally adjusted					
		2005				2006	2005				2006	
		I	II	III	IV	I ^P	I	II	III	IV	I ^P	
B	Trade in goods, by area and country, adjusted to balance of payments basis, excluding military: ⁷											
	EXPORTS											
1	Total, all countries (A-8)	894,631	212,256	227,524	219,568	235,283	242,020	214,189	222,591	224,947	232,904	244,512
2	Europe	207,891	51,520	53,585	48,515	54,271	56,798	52,067	52,287	49,660	53,877	57,415
3	European Union	183,466	45,404	47,354	42,682	48,026	49,644	45,937	46,158	43,657	47,714	50,223
4	Euro area	135,712	33,691	34,606	31,376	36,039	36,418	34,087	33,729	32,086	35,810	36,877
5	Austria	2,586	547	730	625	684	692	550	712	640	684	700
6	Belgium	18,563	4,532	4,874	4,446	4,711	4,741	4,589	4,749	4,542	4,683	4,812
7	France	22,255	5,671	5,850	4,821	5,913	6,226	5,753	5,691	4,923	5,888	6,307
8	Germany	33,584	8,214	8,330	8,193	8,847	9,387	8,301	8,116	8,368	8,799	9,481
9	Ireland	9,323	2,618	2,131	1,932	2,642	2,385	2,651	2,075	1,968	2,629	2,408
10	Italy	11,245	2,875	2,875	2,506	2,989	2,952	2,905	2,806	2,569	2,965	3,005
11	Netherlands	26,288	6,553	6,715	6,105	6,915	7,010	6,634	6,546	6,248	6,860	7,109
12	Norway	1,873	448	442	445	538	562	449	432	457	535	569
13	Russia	3,970	904	1,039	975	1,052	1,032	1,032	1,037	1,013	1,017	1,037
14	Spain	6,768	1,536	1,877	1,651	1,704	1,839	1,547	1,841	1,703	1,677	1,858
15	Sweden	3,647	1,021	926	780	920	957	1,035	902	797	913	970
16	Switzerland	10,646	2,805	2,521	2,574	2,746	3,421	2,825	2,453	2,630	2,738	3,432
17	Turkey	4,081	1,053	1,043	929	1,056	1,181	1,045	1,042	964	1,030	1,189
18	United Kingdom	37,570	9,187	10,059	8,955	9,369	10,473	9,299	9,799	9,162	9,310	10,572
19	Other Europe	15,492	3,556	4,173	3,578	3,940	3,940	3,581	4,086	3,676	4,149	3,966
20	Canada ²	212,192	50,604	55,160	51,420	55,008	56,125	51,127	53,951	52,538	54,576	56,720
21	Latin America and Other Western Hemisphere	192,387	44,446	48,494	48,220	51,227	52,636	44,918	47,454	49,379	50,636	53,275
22	South and Central America	177,318	41,029	44,671	44,391	47,227	48,398	41,496	43,687	45,438	46,697	48,997
23	Argentina	4,111	892	1,180	991	1,048	1,045	904	1,149	1,014	1,044	1,057
24	Brazil	15,174	3,344	3,782	3,956	4,092	4,132	3,387	3,673	4,037	4,077	4,201
25	Chile	5,207	1,127	1,437	1,332	1,311	1,445	1,133	1,399	1,371	1,304	1,454
26	Colombia	5,413	1,309	1,399	1,281	1,424	1,464	1,318	1,376	1,317	1,402	1,475
27	Mexico	120,264	28,111	29,859	30,149	32,145	32,634	28,434	29,221	30,851	31,758	33,038
28	Venezuela	6,410	1,465	1,522	1,683	1,740	1,888	1,486	1,484	1,719	1,721	1,915
29	Other	20,739	4,781	5,492	4,999	5,467	5,790	4,834	5,385	5,129	5,391	5,857
30	Other Western Hemisphere	15,069	3,417	3,823	3,829	4,000	4,238	3,422	3,767	3,941	3,939	4,278
31	Asia and Pacific	237,515	55,803	58,935	60,449	62,328	64,022	56,170	57,777	62,066	61,502	64,519
32	Australia	15,300	3,582	3,978	3,884	3,856	4,104	3,619	3,671	3,976	3,834	4,191
33	China	41,799	9,021	10,011	10,697	12,070	12,483	9,078	9,843	11,002	11,876	12,488
34	Hong Kong	16,319	3,857	4,092	4,341	4,029	3,984	3,883	4,000	4,438	3,998	4,013
35	India	7,972	1,792	2,027	2,127	2,026	2,120	1,804	1,975	2,180	2,013	2,141
36	Indonesia	3,049	884	780	653	732	691	879	784	679	707	693
37	Japan	53,264	12,622	13,246	13,684	13,712	13,886	12,650	13,051	14,108	13,455	13,968
38	Korea, Republic of	27,135	6,694	6,662	6,772	7,007	7,763	6,767	6,506	6,946	6,916	7,840
39	Malaysia	10,386	2,275	2,513	2,780	2,818	3,104	2,301	2,449	2,839	2,797	3,108
40	Philippines	6,863	1,555	1,637	1,793	1,878	1,888	1,565	1,608	1,836	1,854	1,912
41	Singapore	20,259	5,146	4,986	4,948	5,179	5,266	5,192	4,855	5,053	5,159	5,337
42	Taiwan	21,453	5,227	5,596	5,496	5,134	4,928	5,263	5,495	5,642	5,053	4,968
43	Thailand	7,192	1,803	1,835	1,778	1,776	1,667	1,819	1,795	1,825	1,753	1,688
44	Other	6,524	1,345	1,572	1,496	2,111	2,138	1,350	1,545	1,542	2,087	2,172
45	Middle East	29,760	6,301	7,508	7,260	8,691	8,677	6,316	7,339	7,459	8,646	8,800
46	Israel	8,608	2,033	2,265	2,157	2,593	2,278	2,058	2,194	2,209	2,147	2,316
47	Saudi Arabia	6,526	1,329	1,610	1,520	2,067	1,562	1,338	1,573	1,560	2,055	1,585
48	Other	14,626	2,939	3,633	3,583	4,471	4,837	2,920	3,572	3,690	4,444	4,899
49	Africa	14,886	3,582	3,842	3,704	3,758	3,762	3,591	3,783	3,845	3,667	3,783
50	Algeria	1,161	272	247	400	242	184	270	244	409	238	188
51	Nigeria	1,625	321	394	452	458	438	315	393	477	440	436
52	South Africa	3,894	991	999	953	951	956	1,005	973	975	941	971
53	Other	8,206	1,996	2,202	1,899	2,107	2,184	2,001	2,173	1,984	2,048	2,186
54	International organizations and unallocated											
55	Memorandum:											
	Members of OPEC ⁷	31,308	6,711	7,653	7,774	9,170	8,991	6,716	7,517	7,999	9,076	9,105

See the footnotes on pages 106-107.

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

Line	2005	Not seasonally adjusted					Seasonally adjusted					
		2005				2006	2005				2006	
		I	II	III	IV	I P	I	II	III	IV	I P	
B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military: ⁷												
BALANCE (EXCESS OF EXPORTS +)												
111	Total, all countries.....	-782,740	-169,185	-186,547	-210,600	-216,408	-194,112	-183,268	-188,220	-198,746	-212,506	-207,969
112	Europe.....	-146,378	-31,140	-37,445	-38,585	-39,208	-33,496	-33,856	-38,100	-36,327	-38,095	-35,952
113	European Union.....	-124,443	-26,318	-31,222	-33,165	-33,738	-28,906	-28,558	-31,910	-31,297	-32,678	-30,870
114	Euro area.....	-92,812	-19,926	-23,623	-24,927	-24,336	-22,496	-21,578	-24,133	-23,571	-23,530	-23,930
115	Austria.....	-3,517	-812	-796	-891	-1,018	-1,098	-858	-809	-862	-988	-1,132
116	Belgium.....	5,545	1,542	1,631	1,163	1,209	1,052	1,476	1,536	1,299	1,234	1,008
117	France.....	-11,512	-2,291	-2,928	-3,375	-2,918	-2,794	-2,518	-3,025	-3,176	-2,793	-3,017
118	Germany.....	-51,004	-11,465	-13,013	-12,839	-13,687	-12,240	-12,101	-13,117	-12,449	-13,337	-12,822
119	Ireland.....	-19,421	-4,530	-5,500	-4,694	-4,697	-4,817	-4,776	-5,502	-4,580	-4,563	-4,993
120	Italy.....	-19,721	-4,397	-4,976	-5,388	-4,960	-4,684	-4,641	-5,001	-5,241	-4,838	-4,878
121	Netherlands.....	11,486	3,407	3,106	2,256	2,717	3,230	3,352	2,966	2,462	2,706	3,168
122	Norway.....	-4,855	-1,082	-1,090	-1,198	-1,184	-1,147	-1,147	-1,463	-1,037	-1,208	-1,281
123	Russia.....	-11,336	-2,774	-3,151	-2,714	-2,697	-2,903	-2,961	-3,088	-2,571	-2,716	-3,107
124	Spain.....	-1,845	-549	-348	-630	-309	-624	-624	-304	-624	-373	-624
125	Sweden.....	-10,171	-2,361	-3,005	-2,352	-2,453	-2,559	-2,466	-3,004	-2,304	-2,397	-2,660
126	Switzerland.....	-2,337	-347	-904	-473	-613	161	-446	-386	-446	-551	72
127	Turkey.....	-1,096	-191	-255	-456	-194	-105	-252	-248	-400	-196	-142
128	United Kingdom.....	-12,966	-2,295	-2,592	-3,454	-4,625	-1,800	-2,658	-2,759	-3,074	-4,475	-2,110
129	Other Europe.....	-13,628	-2,995	-3,259	-3,930	-3,444	-3,446	-3,236	-3,298	-3,741	-3,353	-3,685
130	Canada ⁷	-81,122	-17,427	-16,244	-21,394	-26,057	-22,158	-19,663	-16,945	-19,163	-25,351	-24,506
131	Latin America and Other Western Hemisphere.....	-102,606	-22,634	-26,030	-26,674	-27,268	-28,190	-25,110	-26,310	-24,056	-27,130	-30,872
132	South and Central America.....	-99,442	-22,268	-25,290	-25,686	-26,198	-27,802	-24,572	-25,559	-23,270	-26,041	-30,326
133	Argentina.....	-472	-161	57	-218	-150	-54	-206	44	-160	-150	-92
134	Brazil.....	-9,260	-2,348	-2,393	-2,246	-2,273	-1,959	-2,535	-2,453	-2,073	-2,199	-2,111
135	Chile.....	-1,450	-605	-69	-133	-643	-996	-669	-93	-67	-621	-1,066
136	Colombia.....	-3,436	-617	-763	-1,034	-1,022	-838	-694	-755	-934	-1,053	-936
137	Mexico.....	-51,846	-11,069	-14,224	-12,522	-14,031	-15,418	-12,361	-14,529	-11,162	-13,794	-16,776
138	Venezuela.....	-27,568	-6,059	-6,938	-7,908	-6,663	-7,343	-6,494	-6,768	-7,499	-6,807	-7,945
139	Other.....	-5,410	-1,409	-960	-1,625	-1,416	-1,194	-1,613	-1,005	-1,375	-1,417	-1,400
140	Other Western Hemisphere.....	-3,164	-366	-740	-988	-1,070	-388	-538	-751	-786	-1,089	-546
141	Asia and Pacific.....	-369,633	-81,366	-88,463	-99,248	-100,556	-89,036	-86,487	-88,838	-96,024	-98,284	-93,463
142	Australia.....	7,994	2,038	2,053	1,885	2,018	2,278	2,019	1,954	1,994	2,027	2,315
143	China.....	-201,673	-41,989	-48,166	-56,293	-55,225	-47,333	-44,162	-48,057	-55,365	-54,089	-49,271
144	Hong Kong.....	7,394	1,970	2,340	1,619	1,465	2,031	1,909	2,254	1,742	1,489	1,995
145	India.....	-10,831	-2,545	-2,386	-2,796	-3,104	-3,145	-2,698	-2,419	-2,690	-3,024	-3,292
146	Indonesia.....	-8,965	-1,975	-2,069	-2,568	-2,353	-2,467	-2,088	-2,050	-2,508	-2,319	-2,565
147	Japan.....	-84,744	-21,304	-21,309	-20,007	-22,124	-21,574	-22,477	-21,317	-19,251	-21,699	-22,596
148	Korea, Republic of.....	-16,646	-4,536	-4,236	-3,556	-4,318	-3,447	-4,908	-4,304	-3,236	-4,198	-3,762
149	Malaysia.....	-23,300	-4,608	-5,865	-6,416	-6,411	-5,066	-4,854	-5,893	-6,278	-6,275	-5,323
150	Philippines.....	-2,387	-576	-552	-726	-533	-469	-646	-570	-658	-513	-518
151	Singapore.....	5,168	1,614	1,237	1,169	1,148	1,241	1,517	1,130	1,321	1,200	1,189
152	Taiwan.....	-13,374	-3,064	-3,006	-3,398	-3,906	-3,830	-3,354	-3,052	-3,149	-3,819	-4,075
153	Thailand.....	-12,697	-2,623	-3,079	-3,491	-3,504	-3,507	-2,774	-3,098	-3,393	-3,432	-3,642
154	Other.....	-15,572	-3,768	-3,425	-4,670	-3,709	-3,748	-3,971	-3,416	-4,553	-3,632	-3,918
155	Middle East.....	-32,677	-6,975	-7,344	-10,182	-8,176	-7,336	-7,709	-7,253	-9,456	-8,259	-8,119
156	Israel.....	-8,216	-2,000	-1,837	-2,408	-1,971	-2,256	-2,119	-1,886	-2,306	-1,905	-2,362
157	Saudi Arabia.....	-20,666	-4,210	-4,918	-6,343	-5,195	-5,586	-4,581	-4,795	-5,982	-5,308	-6,062
158	Other.....	-3,795	-765	-589	-1,431	-1,010	506	-1,009	-572	-1,168	-1,046	305
159	Africa.....	-50,324	-9,643	-11,021	-14,517	-15,143	-13,896	-10,443	-10,774	-13,720	-15,387	-15,057
160	Algeria.....	-9,286	-1,556	-2,265	-2,694	-2,771	-2,540	-1,698	-2,218	-2,568	-2,802	-2,730
161	Nigeria.....	-22,614	-4,608	-5,226	-6,130	-6,650	-6,472	-4,937	-5,079	-5,820	-6,778	-6,985
162	South Africa.....	-1,989	-329	-536	-493	-631	-648	-366	-553	-458	-612	-680
163	Other.....	-16,435	-3,150	-2,994	-5,200	-5,091	-4,236	-3,442	-2,924	-4,874	-5,195	-4,662
164	International organizations and unallocated.....											
Memorandum:												
165	Members of OPEC ⁷	-93,631	-19,095	-22,303	-27,382	-24,851	-24,157	-20,700	-21,786	-25,863	-25,282	-26,235

See the footnotes on pages 106-107.

in Goods—Continues

of dollars]

Not seasonally adjusted										Seasonally adjusted									Line
2004				2005				2006	2004				2005				2006		
I	II	III	IV	I	II	III	IV	I ^P	I	II	III	IV	I	II	III	IV	I ^P		
196,696	206,131	201,372	214,576	214,723	230,550	222,364	238,341	244,679	196,970	202,533	207,008	212,264	216,657	225,615	227,742	235,964	247,174	1	
139	125	113	110	158	160	160	185	173	139	125	113	110	158	160	160	185	173	2	
-2,214	-2,172	-1,901	-1,940	-1,729	-2,176	-2,066	-2,196	-2,012	-2,214	-2,172	-1,901	-1,940	-1,729	-2,176	-2,066	-2,196	-2,012	6	
-839	-869	-880	-931	-896	-1,010	-890	-1,047	-820	-839	-869	-880	-931	-896	-1,010	-890	-1,047	-820	7	
193,782	203,215	198,704	211,815	212,256	227,524	219,568	235,283	242,020	194,056	199,617	204,340	209,503	214,189	222,591	224,947	232,904	244,512	8	
332,277	364,813	376,462	396,152	380,584	413,073	429,129	450,669	435,011	343,234	363,924	372,315	390,231	396,599	409,813	422,654	444,389	451,358	9	
31	16	41	35	82	206	269	199	198	31	16	41	35	82	206	269	199	198	10	
		40									40							11	
1,050	1,101	1,078	1,118	1,150	1,200	1,124	1,219	1,294	1,050	1,101	1,078	1,118	1,150	1,200	1,124	1,219	1,294	12	
																			13
-228	-250	-245	-241	-300	-322	-276	-325	-250	-228	-250	-245	-241	-300	-322	-276	-325	-250	14	
-77	-83	-86	-78	-75	-86	-78	-71	-121	-77	-83	-86	-78	-75	-86	-78	-71	-121	15	
333,053	365,597	377,290	396,986	381,441	414,071	430,168	451,691	436,132	344,010	364,709	373,143	391,064	397,457	410,811	423,693	445,410	452,481	16	
																			B
193,782	203,215	198,704	211,815	212,256	227,524	219,568	235,283	242,020	194,056	199,617	204,340	209,503	214,189	222,591	224,947	232,904	244,512	1	
46,373	47,903	44,814	50,321	51,520	53,585	48,515	54,271	56,798	46,534	46,941	46,007	49,929	52,067	52,287	49,660	53,877	57,415	2	
40,815	42,323	40,087	44,470	45,404	47,354	42,682	48,026	49,644	40,981	41,430	41,132	44,152	45,937	46,158	43,657	47,714	50,223	3	
4,213	4,533	4,184	4,488	4,667	4,960	4,557	5,104	4,895	4,227	4,436	4,293	4,462	4,730	4,629	4,654	5,075	4,964	4	
5,143	5,385	4,659	5,925	5,671	5,850	4,821	5,913	6,226	5,156	5,271	4,777	5,908	5,753	5,691	4,923	5,888	6,307	5	
7,525	7,643	7,624	8,050	8,214	8,330	8,193	8,847	9,387	7,564	7,480	7,817	7,981	8,301	8,116	8,368	8,799	9,481	6	
2,426	2,856	2,333	2,805	2,875	2,875	2,506	2,989	2,952	2,435	2,801	2,399	2,785	2,905	2,806	2,569	2,965	3,005	7	
5,760	6,058	5,818	6,484	6,553	6,715	6,105	6,915	7,010	5,786	5,934	5,962	6,438	6,634	6,546	6,248	6,860	7,109	8	
8,927	8,857	8,472	8,868	9,187	10,059	8,955	9,369	10,473	8,969	8,659	8,690	8,806	9,299	9,799	9,162	9,310	10,572	9	
6,821	6,991	6,997	7,850	8,297	8,565	7,545	8,889	8,701	6,844	6,849	7,194	7,772	8,315	8,371	7,733	8,817	8,785	10	
5,558	5,580	4,727	5,851	6,116	6,231	5,833	6,245	7,154	5,553	5,511	4,875	5,777	6,130	6,129	6,003	6,163	7,192	11	
44,896	48,791	46,591	49,704	50,604	55,160	51,420	55,008	56,125	44,991	47,886	47,809	49,296	51,127	53,951	52,538	54,576	56,720	12	
12,804	13,355	12,812	13,317	12,622	13,246	13,684	13,712	13,886	12,742	13,219	13,266	13,061	12,650	13,051	14,108	13,455	13,968	13	
																			14
3,158	3,342	3,634	3,629	3,582	3,978	3,884	3,856	4,104	3,173	3,261	3,728	3,601	3,619	3,871	3,976	3,834	4,191	15	
40,442	42,832	42,955	45,662	44,446	48,494	48,220	51,227	52,636	40,516	42,084	44,166	45,125	44,918	47,454	49,379	50,636	53,275	16	
3,607	3,273	3,476	3,371	3,344	3,782	3,956	4,092	4,132	3,627	3,193	3,556	3,351	3,387	3,673	4,037	4,077	4,201	17	
25,847	27,698	27,898	29,255	28,111	29,859	30,149	32,145	32,634	25,899	27,212	28,676	28,911	28,434	29,221	30,851	31,758	33,038	18	
963	1,155	1,216	1,408	1,465	1,522	1,683	1,740	1,888	959	1,134	1,254	1,395	1,486	1,484	1,719	1,721	1,915	19	
10,025	10,706	10,365	11,628	11,526	13,331	12,432	13,250	13,982	10,031	10,545	10,680	11,468	11,611	13,076	12,772	13,080	14,121	20	
46,109	46,992	47,898	49,182	49,482	53,061	53,845	57,209	58,471	46,100	46,226	49,364	48,491	49,808	51,977	55,286	56,526	58,943	21	
42,892	43,884	44,696	45,600	45,825	49,126	50,043	53,302	54,629	42,897	43,143	46,026	45,006	46,142	48,101	51,338	52,715	55,080	22	
2,954	3,559	3,598	4,167	4,639	5,468	5,219	6,702	6,437	2,945	3,509	3,715	4,109	4,631	5,375	5,373	6,649	6,521	23	
8,955	8,371	8,183	9,129	9,021	10,011	10,697	12,070	12,483	8,934	8,287	8,469	8,948	9,078	9,843	11,002	11,876	12,488	24	
3,703	3,851	4,097	4,134	3,857	4,092	4,341	4,029	3,984	3,710	3,774	4,206	4,095	3,883	4,000	4,438	3,998	4,013	25	
6,317	6,455	6,582	6,376	6,694	6,662	6,772	7,007	7,763	6,316	6,345	6,768	6,301	6,767	6,506	6,946	6,916	7,840	26	
4,490	5,174	5,403	4,185	5,146	4,986	4,948	5,179	5,266	4,485	5,058	5,540	4,169	5,192	4,855	5,053	5,159	5,337	27	
5,019	5,398	5,099	5,780	5,227	5,596	5,496	5,134	4,928	5,013	5,315	5,254	5,714	5,263	5,495	5,642	5,053	4,968	28	
3,152	3,030	3,097	3,498	3,582	3,842	3,704	3,758	3,762	3,138	3,006	3,228	3,405	3,591	3,783	3,845	3,667	3,783	29	
527	519	609	909	607	663	872	728	666	522	522	636	884	599	658	907	706	669	30	
																			31
106,377	112,391	107,031	115,753	117,390	124,572	116,382	125,928	129,749	106,599	110,300	109,947	114,706	118,539	121,760	119,112	124,861	131,171	32	
30,469	31,442	29,555	33,327	33,691	34,606	31,376	36,039	36,418	30,595	30,786	30,323	33,089	34,087	33,729	32,086	35,810	36,877	33	
4,444	5,233	5,423	6,484	6,711	7,653	7,774	9,170	8,991	4,426	5,165	5,605	6,388	6,716	7,517	7,999	9,076	9,105	34	
82,961	85,591	86,250	89,578	88,155	95,299	95,412	100,185	103,280	83,031	84,152	88,788	88,409	88,934	93,314	97,836	98,967	104,236	35	

Table 2b. U.S. Trade (Millions)

Table with 16 columns (Line, 1991-2005) and 16 rows of trade categories. Total value for 2005 is 25,023 million. Categories include Trade in goods, Imports of goods, and Consumer goods.

See the footnotes on pages 106-107.

Table 3. Private

[Millions]

Line		2003	2004	2005	Not seasonally adjusted			
					2004			
					I	II	III	IV
1	Exports of private services	289,102	328,000	360,489	77,623	78,844	84,337	87,196
2	Travel (table 1, line 6)	64,348	74,547	81,680	16,042	18,817	21,452	18,236
3	Passenger fares (table 1, line 7)	15,693	18,851	20,931	4,224	4,577	5,386	4,664
4	Other transportation (table 1, line 8)	31,512	37,436	42,245	8,728	9,323	9,481	9,904
5	Freight	14,037	15,958	17,340	3,874	4,042	3,825	4,217
6	Port services	17,475	21,478	24,905	4,854	5,281	5,656	5,687
7	Royalties and license fees (table 1, line 9)	46,988	52,512	57,410	12,139	12,449	12,512	15,412
8	Affiliated	35,539	39,074	42,106	8,919	9,260	9,197	11,698
9	U.S. parents' receipts	32,324	35,414	37,939	8,382	8,564	8,651	9,817
10	U.S. affiliates' receipts	3,215	3,660	4,167	537	696	546	1,881
11	Unaffiliated	11,449	13,438	15,304	3,220	3,189	3,315	3,714
12	Industrial processes ¹	4,617	5,660	6,633	1,452	1,334	1,495	1,379
13	Other ²	6,833	7,778	8,671	1,768	1,856	1,820	2,334
14	Other private services (table 1, line 10)	130,561	144,654	158,223	36,490	33,678	35,506	38,980
15	Affiliated services	43,006	45,175	49,389	10,251	11,243	10,940	12,741
16	U.S. parents' receipts	26,313	27,445	29,506	6,482	6,684	6,668	7,611
17	U.S. affiliates' receipts	16,693	17,730	19,883	3,769	4,559	4,272	5,130
18	Unaffiliated services	87,555	99,479	108,834	26,239	22,435	24,566	26,239
19	Education	13,312	13,643	14,123	5,600	1,699	3,769	2,575
20	Financial services	18,699	25,185	29,281	6,004	6,057	5,666	7,458
21	Insurance services	5,974	6,838	6,831	1,662	1,648	1,771	1,757
22	Telecommunications	4,452	4,463	4,724	1,164	1,132	1,103	1,064
23	Business, professional, and technical services	30,781	34,523	39,491	8,208	8,210	8,595	9,510
24	Other unaffiliated services ³	14,337	14,827	14,384	3,600	3,690	3,662	3,875
25	Imports of private services	221,849	257,235	280,563	57,502	65,324	68,509	65,900
26	Travel (table 1, line 23)	57,444	65,750	69,175	13,498	18,376	19,268	14,608
27	Passenger fares (table 1, line 24)	20,957	23,723	26,066	5,335	6,246	6,458	5,684
28	Other transportation (table 1, line 25)	44,705	54,161	62,107	12,349	13,287	13,944	14,581
29	Freight	31,772	39,225	44,156	8,926	9,628	10,088	10,583
30	Port services	12,933	14,936	17,951	3,423	3,659	3,856	3,998
31	Royalties and license fees (table 1, line 26)	19,033	23,211	24,501	5,031	5,272	6,346	6,562
32	Affiliated	15,179	17,946	20,360	3,856	4,143	4,440	5,507
33	U.S. parents' payments	2,645	2,699	3,155	633	644	648	774
34	U.S. affiliates' payments	12,534	15,247	17,205	3,223	3,499	3,792	4,733
35	Unaffiliated	3,854	5,265	4,141	1,175	1,129	1,906	1,055
36	Industrial processes ¹	2,358	2,778	2,747	734	674	710	660
37	Other ²	1,495	2,487	1,394	442	455	1,196	394
38	Other private services (table 1, line 27)	79,710	90,390	98,714	21,289	22,143	22,493	24,465
39	Affiliated services	31,459	33,915	38,989	7,754	8,277	8,187	9,697
40	U.S. parents' payments	18,841	21,437	22,245	4,935	5,211	5,190	6,101
41	U.S. affiliates' payments	12,618	12,478	16,744	2,819	3,066	2,997	3,596
42	Unaffiliated services	48,251	56,475	59,725	13,535	13,866	14,306	14,768
43	Education	3,148	3,556	4,029	668	886	1,165	837
44	Financial services	3,996	5,309	6,549	1,240	1,278	1,350	1,441
45	Insurance services	25,234	29,038	28,482	7,162	7,257	7,081	7,538
46	Telecommunications	4,255	4,542	4,658	1,171	1,134	1,122	1,115
47	Business, professional, and technical services	10,915	13,078	14,516	3,120	3,106	3,267	3,585
48	Other unaffiliated services ³	705	952	1,493	175	205	321	251
Supplemental detail on insurance transactions:								
49	Premiums received ⁴	16,193	18,953	18,409	4,517	4,395	5,051	4,990
50	Actual losses paid	11,573	10,843	14,625	2,566	2,665	2,677	2,935
51	Premiums paid ⁴	54,956	65,260	63,997	15,846	16,185	15,745	17,484
52	Actual losses recovered	33,778	32,150	43,867	7,161	7,156	10,686	7,147
Memoranda:								
53	Balance on goods (table 1, line 71)	-547,302	-665,410	-782,740	-139,271	-162,382	-178,586	-185,171
54	Balance on private services (line 1 minus line 25)	67,253	70,765	79,926	20,121	13,520	15,828	21,296
55	Balance on goods and private services (lines 53 and 54)	-480,049	-594,645	-702,814	-119,150	-148,862	-162,758	-163,875

See the footnotes on pages 106-107.

Table 4. U.S. Official Reserve Assets and Foreign Official Assets in the United States

(Millions of dollars)

Line	(Credits +; decrease in U.S. assets or increase in foreign assets. Debits -; increase in U.S. assets or decrease in foreign assets.)	2003	2004	2005	Not seasonally adjusted										Amounts outstanding March 31, 2006
					2004				2005				2006		
					I	II	III	IV	I	II	III	IV		I P	
A1	U.S. official reserve assets, net (table 1, line 41)	1,523	2,805	14,096	557	1,122	429	697	5,331	-797	4,766	4,796	513	206,293	
2	Gold (table 1, line 42)													152,221	
3	Special drawing rights (table 1, line 43)	601	-398	4,511	-100	-90	-98	-110	1,713	-97	2,976	-81	-87	8,344	
4	Reserve position in the International Monetary Fund (table 1, line 44)	1,494	3,826	10,200	815	1,345	676	990	3,763	-564	1,951	5,050	729	7,376	
5	Foreign currencies (table 1, line 45)	-572	-623	-615	-158	-133	-149	-183	-145	-136	-161	-173	-149	38,352	
B1	Foreign official assets in the United States, net (table 1, line 56)	278,275	387,809	199,495	147,627	79,944	71,285	88,953	18,965	74,613	33,983	71,934	75,207	2,279,395	
	By instrument:														
2	U.S. Treasury securities (table 1, line 58)	184,931	263,338	71,749	112,586	62,841	51,193	36,718	9,226	16,892	8,213	37,418	41,684	1,315,282	
3	Bills and certificates	21,588	17,440	-43,336	19,861	1,242	11,623	-15,286	-9,354	-30,933	-9,543	6,494	13,626	215,489	
4	Bonds and notes, marketable	163,498	246,880	115,767	93,798	61,569	39,540	51,973	18,549	48,575	17,738	30,905	28,039	1,098,826	
5	Bonds and notes, nonmarketable	-155	-982	-682	-1,073	30	30	31	31	-750	18	19	19	967	
6	Other U.S. Government securities (table 1, line 59)	39,943	41,662	84,701	11,465	3,202	11,932	15,063	23,781	19,421	17,713	23,786	24,809	382,036	
7	Other U.S. Government liabilities (table 1, line 60)	-517	-139	-488	-225	-220	476	-170	-740	112	395	-255	23	16,024	
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61)	48,643	69,245	24,275	22,058	11,353	4,317	31,517	-15,814	34,187	824	5,078	-1,201	293,461	
9	Banks' liabilities for own account ¹	27,318	27,779	23,483	8,148	15,119	-259	4,771	1,223	15,537	7,301	-578	23,175	192,174	
10	Repurchase agreements	28,558	23,910	3,565	1,855	18,609	6,428	-2,982	-2,904	6,883	6,852	-7,266	22,081	137,223	
11	Deposits and brokerage balances ²	3,361	2,405	18,768	1,079	3,004	-5,286	3,608	6,305	6,764	7	5,692	-783	44,598	
12	Other liabilities	-4,601	1,464	1,150	5,214	-6,494	-1,401	4,145	-2,178	1,890	442	996	1,877	10,353	
13	Banks' customers' liabilities ¹	21,325	41,466	792	13,910	-3,766	4,576	26,746	-17,037	18,650	-6,477	5,656	-24,376	101,287	
14	Negotiable certificates of deposit and other short-term instruments	18,940	42,209	1,373	16,018	-5,925	5,876	26,240	-15,702	14,483	-2,926	5,518	-23,252	101,286	
15	Other liabilities	2,385	-743	-581	-2,108	2,159	-1,300	506	-1,335	4,167	-3,551	138	-1,124	1	
16	Other foreign official assets (table 1, line 62)	5,275	13,703	19,258	1,743	2,768	3,367	5,825	2,512	4,001	6,838	5,907	9,892	272,592	
	By area:														
17	Europe	8,096	44,151	24,478	4,696	22,546	5,270	11,639	-7,260	17,354	266	14,118	21,637	393,312	
18	Canada	-1,860	1,668	249	1,572	-114	996	-786	-664	457	-4	460	-117	7,173	
19	Latin America and Caribbean	15,894	24,516	5,405	7,618	9,055	3,769	4,074	-768	1,373	-1,841	6,641	8,168	134,356	
20	Asia	251,493	307,072	166,935	133,493	50,206	61,602	61,771	26,322	47,576	47,426	45,611	44,423	1,693,296	
21	Africa	1,082	1,369	5,288	1,252	187	1,169	-1,239	2,733	929	-3,281	4,907	-1,674	18,297	
22	Other	3,570	9,033	-2,860	-1,004	-1,936	-1,521	13,494	-1,398	6,924	-8,583	197	2,770	32,961	

See the footnotes on pages 106-107.

Table 6a. Direct Investment: Income, Capital, Royalties and

[Millions]

Line	(Credits +; debits-)	2003	2004	2005	Not seasonally adjusted			
					2004			
					I	II	III	IV
U.S. direct investment abroad:								
1	Income (table 1, line 14)	186,750	226,224	251,370	53,551	57,209	56,121	59,343
2	Earnings	180,481	219,826	245,085	51,992	55,613	54,534	57,687
3	Distributed earnings	59,460	62,489	256,323	9,153	21,253	10,095	21,987
4	Reinvested earnings	121,022	157,337	-11,238	42,839	34,359	44,439	35,700
5	Reinvested earnings without current-cost adjustment	100,478	135,645	-33,023	37,485	28,945	38,986	30,229
6	Current-cost adjustment	20,544	21,692	21,785	5,354	5,414	5,453	5,471
7	Interest	6,269	6,396	6,287	1,559	1,596	1,587	1,656
8	U.S. parents' receipts	8,991	9,224	9,696	2,244	2,266	2,273	2,440
9	U.S. parents' payments	-2,722	-2,826	-3,410	-685	-670	-687	-785
10	Income without current-cost adjustment	166,207	204,532	229,587	48,197	51,795	50,668	53,872
11	Manufacturing	34,876	48,253	50,534	11,255	12,996	11,680	12,321
12	Wholesale trade	18,571	24,101	27,812	5,361	5,646	5,875	7,218
13	Finance (including depository institutions) and insurance	21,966	26,972	29,293	6,891	7,499	6,849	5,731
14	Holding companies, except bank holding companies	59,567	60,181	69,322	14,797	14,832	14,934	15,617
15	Other	31,226	45,027	52,626	9,891	10,822	11,329	12,986
16	Earnings without current-cost adjustment (line 2 less line 6)	159,937	198,134	223,300	46,638	50,199	49,081	52,216
17	Manufacturing	33,518	46,986	48,951	10,953	12,689	11,365	11,979
18	Wholesale trade	18,166	23,639	27,337	5,253	5,535	5,751	7,099
19	Finance (including depository institutions) and insurance	22,131	27,081	29,600	6,909	7,505	6,879	5,787
20	Holding companies, except bank holding companies	57,586	58,602	68,091	14,413	14,455	14,546	15,187
21	Other	28,536	41,827	49,321	9,109	10,014	10,540	12,163
22	Interest	6,269	6,396	6,287	1,559	1,596	1,587	1,656
23	Manufacturing	1,358	1,267	1,584	303	307	315	341
24	Wholesale trade	405	462	475	109	110	124	118
25	Finance (including depository institutions) and insurance ¹	-165	-109	-308	-18	-7	-30	-55
26	Holding companies, except bank holding companies	1,980	1,579	1,231	384	377	388	429
27	Other	2,691	3,200	3,304	782	808	789	822
28	Capital (table 1, line 51)	-149,897	-244,128	-9,072	-59,022	-56,905	-41,208	-86,993
29	Equity capital	-35,484	-81,387	-39,706	-10,380	-19,151	3,880	-55,735
30	Increases in equity capital	-66,759	-132,401	-67,032	-13,316	-27,966	-8,771	-82,348
31	Decreases in equity capital	31,275	51,013	27,326	2,936	8,814	12,650	26,613
32	Reinvested earnings (line 4 with sign reversed)	-121,022	-157,337	11,238	-42,839	-34,359	-44,439	-35,700
33	Intercompany debt	6,609	-5,405	19,397	-5,803	-3,395	-649	4,442
34	U.S. parents' receivables	-18,020	-31,333	11,782	-5,495	-5,495	-7,772	-12,571
35	U.S. parents' payables	24,629	25,928	7,614	-308	2,101	7,122	17,013
36	Capital without current-cost adjustment	-129,382	-222,437	12,714	-53,668	-51,491	-35,755	-81,522
37	Manufacturing	-31,207	-53,680	-38,765	-13,455	-21,689	-8,795	-9,741
38	Wholesale trade	-12,239	-10,603	-17,194	-1,972	-2,475	-4,298	-1,858
39	Finance (including depository institutions) and insurance	-21,167	-23,782	-16,300	-8,496	-10,506	-4,924	144
40	Holding companies, except bank holding companies	-50,437	-101,353	118,634	-17,151	-10,302	-10,223	-63,678
41	Other	-14,302	-33,018	-33,661	-12,595	-6,519	-7,515	-6,389
42	Equity capital	-35,484	-81,387	-39,706	-10,380	-19,151	3,880	-55,735
43	Manufacturing	-9,951	-20,672	-19,084	-5,700	-13,572	-1,737	337
44	Wholesale trade	-1,549	-436	-1,444	112	88	-18	-618
45	Finance (including depository institutions) and insurance	-12,153	-5,690	-3,938	-2,931	-547	502	-2,714
46	Holding companies, except bank holding companies	-9,283	-56,728	-5,979	-1,884	-2,334	1,513	-54,024
47	Other	-2,547	2,139	-9,261	22	-2,788	3,620	1,284
48	Reinvested earnings without current-cost adjustment (line 5 with sign reversed)	-100,478	-135,645	33,023	-37,485	-28,945	-38,986	-30,229
49	Manufacturing	-23,474	-34,527	-14,869	-8,823	-8,691	-9,014	-7,999
50	Wholesale trade	-12,235	-16,904	-13,996	-3,754	-4,516	-4,817	-3,816
51	Finance (including depository institutions) and insurance	-11,916	-18,072	-9,844	-4,938	-5,972	-5,145	-2,017
52	Holding companies, except bank holding companies	-34,060	-41,253	98,835	-12,355	-9,480	-11,498	-7,920
53	Other	-18,793	-24,888	-27,102	-7,614	-286	-8,512	-8,476
54	Intercompany debt	6,609	-5,405	19,397	-5,803	-3,395	-649	4,442
55	Manufacturing	2,218	1,519	-4,812	1,069	573	1,956	-2,079
56	Wholesale trade	1,545	6,736	-1,754	1,670	1,953	537	2,576
57	Finance (including depository institutions) and insurance ²	2,902	-20	-2,518	-627	-3,988	-281	4,876
58	Holding companies, except bank holding companies	-7,094	-3,372	25,778	-2,912	1,512	-238	-1,734
59	Other	7,038	-10,268	2,702	-5,003	-3,445	-2,623	803
60	Royalties and license fees, net	29,680	32,715	34,784	7,750	7,920	8,002	9,043
61	U.S. parents' receipts (table 1, part of line 9)	32,324	35,414	37,939	8,382	8,564	8,651	9,817
62	U.S. parents' payments (table 1, part of line 26)	-2,645	-2,699	-3,155	-633	-644	-648	-774
63	Other private services, net	7,472	6,007	7,261	1,547	1,472	1,478	1,510
64	U.S. parents' receipts (table 1, part of line 10)	26,313	27,445	29,506	6,482	6,684	6,668	7,611
65	U.S. parents' payments (table 1, part of line 27)	-18,841	-21,437	-22,245	-4,935	-5,211	-5,190	-6,101

See the footnotes on pages 106-107.

Table 6a. Direct Investment: Income, Capital, Royalties and

[Millions]

Line	(Credits +; debits -)	2003	2004	2005	Not seasonally adjusted			
					2004			
					I	II	III	IV
Foreign direct investment in the United States:								
66	Income (table 1, line 31)	-73,961	-102,357	-116,953	-21,408	-28,406	-26,487	-26,056
67	Earnings	-57,755	-88,356	-102,649	-18,269	-24,956	-22,570	-22,562
68	Distributed earnings	-43,257	-32,769	-43,743	-12,502	-7,773	-2,260	-10,235
69	Reinvested earnings	-14,498	-55,587	-58,906	-5,768	-17,183	-20,310	-12,327
70	Reinvested earnings without current-cost adjustment	-3,683	-44,802	-48,596	-3,042	-14,471	-17,622	-9,668
71	Current-cost adjustment	-10,815	-10,785	-10,310	-2,726	-2,712	-2,688	-2,659
72	Interest	-16,207	-14,001	-14,305	-3,139	-3,450	-3,917	-3,494
73	U.S. affiliates' payments	-17,772	-16,244	-18,205	-3,535	-3,948	-4,451	-4,310
74	U.S. affiliates' receipts	1,565	2,244	3,899	396	498	534	816
75	Income without current-cost adjustment	-63,147	-91,572	-106,643	-18,682	-25,694	-23,799	-23,397
76	Manufacturing	-23,912	-36,432	-47,202	-7,095	-10,024	-10,532	-8,780
77	Wholesale trade	-19,470	-24,866	-25,704	-6,060	-6,866	-5,506	-6,434
78	Finance (including depository institutions) and insurance	-9,539	-11,695	-9,575	-2,637	-3,510	-3,278	-2,270
79	Other	-10,225	-18,580	-24,162	-2,890	-5,294	-4,483	-5,913
80	Earnings without current-cost adjustment (line 67 less line 71)	-46,940	-77,571	-92,339	-15,543	-22,244	-19,882	-19,903
81	Manufacturing	-15,589	-28,712	-39,144	-5,458	-8,046	-8,370	-6,837
82	Wholesale trade	-18,608	-24,438	-25,428	-5,940	-6,764	-5,411	-6,323
83	Finance (including depository institutions) and insurance	-8,362	-11,012	-8,778	-2,494	-3,380	-2,998	-2,140
84	Other	-4,379	-13,410	-18,987	-1,652	-4,054	-3,102	-4,603
85	Interest	-16,207	-14,001	-14,305	-3,139	-3,450	-3,917	-3,494
86	Manufacturing	-8,323	-7,720	-8,057	-1,638	-1,978	-2,162	-1,943
87	Wholesale trade	-862	-428	-276	-120	-102	-95	-110
88	Finance (including depository institutions) and insurance ¹	-1,177	-683	-796	-143	-130	-280	-131
89	Other	-5,845	-5,170	-5,175	-1,239	-1,240	-1,381	-1,310
90	Capital (table 1, line 64)	63,961	133,162	109,754	24,192	34,661	38,730	35,579
91	Equity capital	93,420	74,116	57,744	9,889	25,983	19,736	18,509
92	Increases in equity capital	113,477	96,732	70,639	15,659	29,568	25,180	26,396
93	Decreases in equity capital	-20,057	-22,616	-12,895	-5,680	-3,605	-5,445	-7,886
94	Reinvested earnings (line 69 with sign reversed)	14,498	55,587	58,906	5,768	17,183	20,310	12,327
95	Intercompany debt	-43,957	3,459	-6,897	8,536	-8,505	-1,315	4,743
96	U.S. affiliates' payables	-20,992	26,486	6,465	16,239	-1,631	5,490	6,387
97	U.S. affiliates' receivables	-22,965	-23,027	-13,361	-7,704	-6,874	-6,805	-1,644
98	Capital without current-cost adjustment	53,146	122,377	99,443	21,466	31,949	36,042	32,920
99	Manufacturing	18,235	20,266	51,738	4,071	3,373	7,864	4,958
100	Wholesale trade	-5,339	24,380	8,407	9,736	242	5,845	8,557
101	Finance (including depository institutions) and insurance	23,627	47,514	13,700	2,917	18,420	17,165	9,012
102	Other	16,623	30,217	25,599	4,742	9,913	5,169	10,393
103	Equity capital	93,420	74,116	57,744	9,889	25,983	19,736	18,509
104	Manufacturing	24,495	12,863	20,568	3,026	3,566	1,427	4,844
105	Wholesale trade	4,298	1,539	1,894	438	2,009	133	-1,041
106	Finance (including depository institutions) and insurance	37,579	39,189	15,972	195	17,878	12,409	8,707
107	Other	27,049	20,525	19,310	6,229	2,529	5,767	5,999
108	Reinvested earnings without current-cost adjustment (line 70 with sign reversed)	3,683	44,802	48,596	3,042	14,471	17,622	9,668
109	Manufacturing	11,198	23,051	23,917	3,192	7,210	7,255	5,394
110	Wholesale trade	-7,886	6,979	8,931	-2,434	1,247	5,368	2,797
111	Finance (including depository institutions) and insurance	177	4,920	1,053	1,393	2,364	2,335	-1,171
112	Other	194	9,852	14,695	891	3,650	2,664	2,648
113	Intercompany debt	-43,957	3,459	-6,897	8,536	-8,505	-1,315	4,743
114	Manufacturing	-17,458	-15,648	7,252	-2,147	-7,403	-819	-5,280
115	Wholesale trade	-1,751	15,862	-2,419	11,732	-3,015	344	6,801
116	Finance (including depository institutions) and insurance ²	-14,129	3,405	-3,324	1,328	-1,821	2,421	1,476
117	Other	-10,619	-160	-8,405	-2,378	3,734	-3,262	1,746
118	Royalties and license fees, net	-9,319	-11,586	-13,038	-2,685	-2,803	-3,246	-2,852
119	U.S. affiliates' payments (table 1, part of line 26)	-12,534	-15,247	-17,205	-3,223	-3,499	-3,792	-4,733
120	U.S. affiliates' receipts (table 1, part of line 9)	3,215	3,660	4,167	537	696	546	1,881
121	Other private services, net	4,075	5,252	3,139	950	1,493	1,275	1,534
122	U.S. affiliates' payments (table 1, part of line 27)	-12,618	-12,478	-16,744	-2,819	-3,066	-2,997	-3,596
123	U.S. affiliates' receipts (table 1, part of line 10)	16,693	17,730	19,883	3,769	4,559	4,272	5,130

See the footnotes on pages 106-107.

Table 10a. Liabilities to Foreigners, except Foreign Official Agencies, Reported by U.S. Banks and Securities Brokers ¹

(Millions of dollars)

Line	(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)	2003	2004	2005	Not seasonally adjusted										Amounts Outstanding March 31, 2006
					2004				2005				2006		
					I	II	III	IV	I	II	III	IV		P	
1	Liabilities reported by U.S. banks and securities brokers, total (table 1, part of line 65 and table 1, line 69)	97,620	356,256	163,977	151,904	41,857	54,459	108,036	-69,561	152,741	79,766	1,031	158,670	2,820,340	
2	U.S. Treasury bills and certificates (table 1, part of line 65).....	413	19,516	-15,872	4,685	4,358	2,741	7,732	581	-197	-15,146	-1,110	4,629	67,226	
3	Other U.S. liabilities, total (table 1, line 69)	97,207	336,740	179,849	147,219	37,499	51,718	100,304	-70,142	152,938	94,912	2,141	154,041	2,753,114	
4	Liabilities for own accounts	108,742	319,035	172,860	141,767	18,779	43,014	115,475	-72,866	146,874	88,647	10,205	143,509	2,310,012	
5	Denominated in dollars.....	137,330	303,151	175,548	139,458	16,202	38,341	109,150	-70,669	131,709	82,996	31,512	135,965	2,215,213	
	By instrument: ²														
6	Repurchase agreements.....	131,176	156,937	32,153	67,031	3,366	43,209	43,331	4,342	1,185	37,603	-10,977	39,248	624,951	
7	Deposits and brokerage balances.....	37,610	89,375	67,874	12,021	14,604	2,704	60,046	-59,467	94,133	44,644	-11,436	59,874	1,056,207	
8	Other liabilities (including loans).....	-31,456	56,839	75,521	60,406	-1,768	-7,572	5,773	-15,544	36,391	749	53,925	36,843	534,055	
	By foreign holder:														
	Liabilities to:														
9	Foreign banks.....	27,029	118,801	211,923	79,076	355	-3,080	42,450	-50,888	146,722	50,016	66,073	98,583	1,634,089	
10	Foreign nonbanks, including international organizations.....	110,301	184,350	-36,375	60,382	15,847	41,421	66,700	-19,781	-15,013	32,980	-34,561	37,382	581,124	
	By type of U.S. reporting institution: ³														
	U.S.-owned banks' liabilities to:														
11	Foreign banks.....	-10,062	28,594	89,116	15,521	23,577	-11,993	1,489	-29,675	71,276	13,252	34,263	24,946	643,157	
12	Foreign nonbanks, including international organizations.....	24,880	16,193	1,365	-1,942	8,511	1,385	8,239	-2,714	5,225	4,645	-5,791	7,338	100,498	
	Foreign-owned banks' liabilities to:														
13	Foreign banks.....	-50,537	89,660	70,497	32,672	-8,948	3,845	62,091	-32,803	57,383	42,096	3,821	42,038	666,111	
14	Foreign nonbanks, including international organizations.....	-9,018	1,643	1,530	4,469	-5,513	3,117	-430	139	342	-784	1,833	621	66,238	
	Brokers' and dealers' liabilities to:														
15	Foreign banks.....	87,628	547	52,310	30,883	-14,274	5,068	-21,130	11,590	18,063	-5,332	27,989	31,599	324,821	
16	Foreign nonbanks, including international organizations.....	94,439	166,514	-39,270	57,855	12,849	36,919	58,891	-17,206	-20,560	29,119	-30,603	29,423	414,388	
17	Denominated in foreign currencies.....	-28,588	15,884	-2,688	2,309	2,577	4,673	6,325	-2,197	15,165	5,651	-21,307	7,544	94,799	
	By instrument: ²														
18	Deposits and brokerage balances.....	-18,679	13,646	11,877	2,553	-6,768	5,306	12,555	6,994	6,804	5,225	-7,146	502	60,769	
19	Other liabilities (including loans).....	-9,909	2,238	-14,565	-244	9,345	-633	-6,230	-9,191	8,361	426	-14,161	7,042	34,030	
20	Liabilities for customers' accounts	-11,535	17,705	6,989	5,452	18,720	8,704	-15,171	2,724	6,064	6,265	-8,064	10,532	443,102	
21	Denominated in dollars.....	-14,732	13,824	-312	2,703	18,582	9,979	-17,440	1,665	2,411	3,180	-7,568	10,464	428,645	
	By instrument: ²														
22	Negotiable certificates of deposit and other short-term instruments.....	-5,740	21,776	10,936	427	7,241	7,470	6,638	8,215	781	-870	2,810	8,178	228,215	
23	Other liabilities (including loans).....	-8,992	-7,952	-11,248	2,276	11,341	2,509	-24,078	-6,550	1,630	4,050	-10,378	2,286	200,430	
24	Denominated in foreign currencies.....	3,197	3,881	7,301	2,749	138	-1,275	2,269	1,059	3,653	3,085	-496	68	14,457	
	Other U.S. liabilities, total (line 3), by area:														
25	Europe.....	5,514	140,461	160,773	91,401	12,912	44,964	-8,816	40,003	70,386	60,670	-10,286	83,210	1,146,870	
26	Canada.....	3,360	-3,380	1,606	-4,112	1,222	128	-618	1,042	-783	6,316	-4,969	-1,669	34,405	
27	Caribbean financial centers ⁴	95,239	203,364	5,500	55,933	39,326	1,702	106,403	-88,750	79,800	10,052	4,398	70,514	1,282,663	
28	Latin America, excluding Caribbean financial centers.....	-416	5,858	12,604	4,486	-2,082	300	3,154	4,279	6,303	496	1,526	8,424	105,092	
29	Asia.....	-6,487	-3,491	-103	1,374	-14,260	7,555	1,840	-28,815	2,143	14,095	12,474	-11,966	152,337	
30	Africa.....	2,841	-152	801	197	453	-559	-243	-396	-18	786	429	85	9,322	
31	Other.....	-2,844	-5,920	-1,332	-2,060	-72	-2,372	-1,416	2,495	-4,893	2,497	-1,431	5,443	22,425	
	Memoranda:														
1	International banking facilities (IBFs) own liabilities, denominated in dollars (in lines 3-14 above).....	-40,366	2,380	78,008	40,671	-15,697	6,092	-28,686	-33,543	72,943	44,256	-5,648	5,352	452,936	
	By bank ownership: ³														
2	U.S.-owned IBFs.....	6,567	1,892	25,569	13,974	799	10,496	-23,377	-3,417	30,047	-8,771	7,710	11,372	113,984	
3	Foreign-owned IBFs.....	-46,933	488	52,439	26,697	-16,496	-4,404	-5,309	-30,126	42,896	53,027	-13,358	-6,020	338,952	

See the footnotes on pages 106-107.

Table 11. U.S. International

[Millions]

Line	(Credits +, debits -) ¹	Middle East			Africa		
		2005	2005:IV	2006:1 ^P	2005	2005:IV	2006:1 ^P
Current account							
1	Exports of goods and services and income receipts	55,326	15,147	15,116	30,498	7,955	7,898
2	Exports of goods and services	48,824	13,398	13,140	23,830	6,077	5,884
3	Goods, balance of payments basis ²	29,760	8,691	8,677	14,886	3,758	3,762
4	Services ³	19,064	4,707	4,463	8,944	2,319	2,122
5	Transfers under U.S. military agency sales contracts ⁴	9,285	2,057	1,815	1,504	407	283
6	Travel	1,819	382	298	1,179	244	210
7	Passenger fares	250	64	67	42	7	15
8	Other transportation	1,971	538	516	778	201	202
9	Royalties and license fees ⁵	397	131	111	491	145	151
10	Other private services ⁶	5,228	1,510	1,632	4,887	1,297	1,241
11	U.S. Government miscellaneous services	114	25	24	63	18	20
12	Income receipts	6,502	1,749	1,976	6,668	1,878	2,014
13	Income receipts on U.S.-owned assets abroad	6,410	1,726	1,952	6,600	1,861	1,996
14	Direct investment receipts	4,670	1,254	1,445	5,303	1,509	1,573
15	Other private receipts	1,549	452	479	951	260	286
16	U.S. Government receipts	191	20	28	346	92	137
17	Compensation of employees	92	23	24	68	17	18
18	Imports of goods and services and income payments	-87,560	-23,472	-22,636	-70,849	-20,442	-19,192
19	Imports of goods and services	-80,664	-21,431	-20,583	-69,525	-20,053	-18,758
20	Goods, balance of payments basis ²	-62,437	-16,867	-16,013	-65,210	-18,901	-17,658
21	Services ³	-18,227	-4,564	-4,570	-4,315	-1,152	-1,100
22	Direct defense expenditures	-12,837	-3,214	-3,226	-301	-75	-67
23	Travel	-1,362	-310	-323	-1,497	-421	-360
24	Passenger fares	-760	-155	-155	-472	-113	-108
25	Other transportation	-1,112	-291	-273	-295	-78	-80
26	Royalties and license fees ⁵	-111	-43	-31	-6	-1	-2
27	Other private services ⁶	-1,767	-455	-496	-1,522	-405	-422
28	U.S. Government miscellaneous services	-278	-67	-66	-222	-59	-61
29	Income payments	-6,896	-2,041	-2,053	-1,324	-389	-434
30	Income payments on foreign-owned assets in the United States	-6,838	-2,021	-2,033	-1,214	-353	-398
31	Direct investment payments	-616	-252	-94	-180	-37	-26
32	Other private payments	-3,094	-907	-952	-622	-198	-228
33	U.S. Government payments	-3,128	-862	-987	-412	-118	-144
34	Compensation of employees	-58	-20	-20	-110	-36	-36
35	Unilateral current transfers, net	-16,628	-5,034	-2,455	-7,839	-3,071	-1,175
36	U.S. Government grants ⁴	-13,516	-4,200	-1,695	-5,179	-2,410	-463
37	U.S. Government pensions and other transfers	-120	-29	-32	-25	-7	-6
38	Private remittances and other transfers ⁶	-2,992	-805	-728	-2,635	-654	-706
Capital and financial account							
Capital account							
39	Capital account transactions, net	-2,405	-76	-78	-156	-24	-1,118
Financial account							
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-6,953	-2,778	944	-3,987	-1,786	-858
41	U.S. official reserve assets, net						
42	Gold ⁷						
43	Special drawing rights						
44	Reserve position in the International Monetary Fund						
45	Foreign currencies						
46	U.S. Government assets, other than official reserve assets, net	2,212	48	61	268	90	1,351
47	U.S. credits and other long-term assets	-74	-6	-4	-383	-54	-48
48	Repayments on U.S. credits and other long-term assets ⁸	257	48	60	663	146	1,399
49	U.S. foreign currency holdings and U.S. short-term assets, net	2,029	6	5	-12	-2	
50	U.S. private assets, net	-9,165	-2,826	883	-4,255	-1,876	-2,209
51	Direct investment	-3,466	-1,654	-763	-2,066	-618	-1,062
52	Foreign securities	384	667	-2,104	-1,636	-841	-1,075
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-540	-365	-55	-337	-124	27
54	U.S. claims reported by U.S. banks, not included elsewhere	-5,543	-1,474	3,805	-216	-293	-99
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	18,951	6,377	23,120	9,071	5,882	-663
56	Foreign official assets in the United States, net	2,312	5,632	12,979	5,288	4,907	-1,674
57	U.S. Government securities	(17)	(17)	(17)	(17)	(17)	(17)
58	U.S. Treasury securities ⁹	(17)	(17)	(17)	(17)	(17)	(17)
59	Other ¹⁰	(17)	(17)	(17)	(17)	(17)	(17)
60	Other U.S. Government liabilities ¹¹	-132	-241	32	-110	-420	-11
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)
62	Other foreign official assets ¹²	(17)	(17)	(17)	(17)	(17)	(17)
63	Other foreign assets in the United States, net	16,639	745	10,141	3,783	975	1,011
64	Direct investment	1,572	111	(17)	651	60	-4
65	U.S. Treasury securities	(17)	(17)	(17)	(17)	(17)	(17)
66	U.S. securities other than U.S. Treasury securities	6,346	947	1,746	586	-29	167
67	U.S. currency						
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	(17)	(17)	(17)	(17)	(17)	(17)
69	U.S. liabilities reported by U.S. banks, not included elsewhere	4,683	-2,499	-1,978	801	429	85
70	Statistical discrepancy (sum of above items with sign reversed) ¹⁹	39,269	9,836	-14,011	43,262	11,486	15,108
Memoranda:							
71	Balance on goods (lines 3 and 20)	-32,677	-8,176	-7,336	-50,324	-15,143	-13,896
72	Balance on services (lines 4 and 21)	837	143	-107	4,629	1,167	1,022
73	Balance on goods and services (lines 2 and 19)	-31,840	-8,033	-7,443	-45,695	-13,976	-12,874
74	Balance on income (lines 12 and 29)	-394	-292	-77	5,344	1,489	1,580
75	Unilateral current transfers, net (line 35)	-16,628	-5,034	-2,455	-7,839	-3,071	-1,175
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) ¹⁹	-48,862	-13,359	-9,975	-48,190	-15,558	-12,469

See the footnotes on pages 106-107.

Transactions, by Area
of dollars]

South Africa			Other Africa			International organizations and unallocated ¹⁶			Line
2005	2005:IV	2006:1 P	2005	2005:IV	2006:1 P	2005	2005:IV	2006:1 P	
6,518	1,640	1,677	23,980	6,315	6,221	44,161	11,351	11,547	1
5,317	1,342	1,331	18,513	4,735	4,553	5,509	1,484	1,401	2
3,894	951	956	10,992	2,807	2,806				3
1,423	391	375	7,521	1,928	1,747	5,509	1,484	1,401	4
2	(*)	(*)	1,502	407	283	256	93	58	5
314	81	56	865	163	154				6
1	(*)	(*)	41	7	15				7
157	45	44	621	156	158	1,035	272	296	8
305	87	96	186	58	55	2,113	595	529	9
640	177	178	4,247	1,120	1,063	2,101	523	517	10
4	1	1	59	17	19	4	1	1	11
1,201	298	346	5,467	1,580	1,668	38,653	9,867	10,146	12
1,193	296	344	5,407	1,565	1,652	36,960	9,420	9,731	13
593	133	163	4,710	1,376	1,410	21,785	5,463	5,479	14
595	163	181	356	97	105	14,773	3,876	4,186	15
5			341	92	137	402	81	66	16
8	2	2	60	15	16	1,693	447	415	17
-7,073	-1,886	-1,930	-63,776	-18,556	-17,262	-21,487	-5,525	-6,150	18
-6,865	-1,826	-1,877	-62,660	-18,227	-16,881	-5,179	-1,354	-1,905	19
-5,883	-1,582	-1,604	-59,327	-17,319	-16,054				20
-982	-244	-273	-3,333	-908	-827	-5,179	-1,354	-1,905	21
-12	-5	-2	-289	-70	-65				22
-264	-49	-73	-1,233	-372	-287				23
-177	-43	-48	-295	-70	-60				24
-72	-18	-20	-223	-60	-60	-4,223	-1,089	-1,061	25
-2		-1	-4	-1	-1	-931	-259	-838	26
-403	-115	-115	-1,119	-290	-307	-15	-4	-4	27
-52	-14	-14	-170	-45	-47	-10	-2	-2	28
-208	-60	-53	-1,116	-329	-381	-16,308	-4,171	-4,245	29
-199	-57	-50	-1,015	-296	-348	-16,308	-4,171	-4,245	30
-10		(D)	-170	-37	(D)	-10,310	-2,546	-2,532	31
-149	-45	-56	-473	-153	-172	-5,093	-1,377	-1,470	32
-40	-12	(D)	-372	-106	(D)	-905	-248	-243	33
-9	-3	-3	-101	-33	-33				34
-474	-130	-116	-7,365	-2,941	-1,059	-16,066	-3,731	-4,468	35
-103	-33	-28	-5,076	-2,377	-435	-4,958	-670	-1,008	36
-6	-2	-1	-19	-5	-5	-2,131	-771	-749	37
-365	-95	-87	-2,270	-559	-619	-8,977	-2,290	-2,711	38
-4	-1	-1	-152	-23	-1,117				39
-1,601	-755	-725	-2,386	-1,031	-133	-9,357	1,760	-7,204	40
						14,711	4,969	662	41
									42
						4,511	-81	-67	43
						10,200	5,050	729	44
									45
1	1	1	267	89	1,350	-961	-240	-1,278	46
			-383	-54	-48	-953	-240	-1,270	47
			663	146	1,399	2			48
1	1	1	-13	-3	-1	-10		-8	49
-1,602	-756	-726	-2,853	-1,120	-1,483	-23,107	-2,969	-6,588	50
-17	-133	-68	-2,049	-485	-994	-21,785	-5,463	-5,479	51
-1,767	-471	-633	131	-370	-442	-118	71	-468	52
-17	-46	-6	-320	-78	33	3	1		53
199	-106	-19	-415	-187	-80	-1,207	2,422	-641	54
-309	-609	862	9,380	6,491	-1,525	33,663	12,015	8,324	55
(18)	(18)	(18)	(18)	(18)	(18)	190	49	17	56
(18)	(18)	(18)	(18)	(18)	(18)				57
(18)	(18)	(18)	(18)	(18)	(18)				58
(18)	(18)	(18)	(18)	(18)	(18)				59
(18)	(18)	(18)	(18)	(18)	(18)				60
(18)	(18)	(18)	(18)	(18)	(18)				61
(18)	(18)	(18)	(18)	(18)	(18)				62
(18)	(18)	(18)	(18)	(18)	(18)				63
(18)	(18)	(18)	(18)	(18)	(18)				64
(18)	(18)	(18)	(18)	(18)	(18)				65
(18)	(18)	(18)	(18)	(18)	(18)				66
(18)	(18)	(18)	(18)	(18)	(18)				67
39	23	10	(18)	(18)	(18)				68
18 -370	18 -660	18 933	18 8,275	18 6,908	18 -1,758	18 2,744	18 3	18 3,433	69
2,943	1,741	233	40,319	9,745	14,875	-30,915	-15,870	-2,049	70
-1,989	-631	-648	-48,335	-14,512	-13,248				71
441	147	102	4,188	1,020	920	330	130	-504	72
-1,548	-484	-546	-44,147	-13,492	-12,328	330	130	-504	73
993	238	293	4,351	1,251	1,287	22,345	5,696	5,901	74
-474	-130	-116	-7,365	-2,941	-1,059	-16,066	-3,731	-4,468	75
-1,029	-376	-369	-47,161	-15,182	-12,100	6,608	2,095	929	76

Footnotes to U.S. International Transactions Tables 1–11

General notes for all tables: ^p Preliminary. ^r Revised. * Less than \$500,000 (+/-). ^o Suppressed to avoid disclosure of data of individual companies. Quarterly estimates are not annualized and are expressed at quarterly rates.

Table 1:

1. Credits, +: Exports of goods and services and income receipts; unilateral current transfers to the United States; capital account transactions receipts; financial inflows—increase in foreign-owned assets (U.S. liabilities) or decrease in U.S.-owned assets (U.S. claims).

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

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

3. Includes some goods: Mainly military equipment in line 5; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 22; and fuels purchased by airline and steamship operators in lines 8 and 25.

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

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

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

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

8. Includes sales of foreign obligations to foreigners.

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

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

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 5.

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

13. Conceptually, the sum of line 76 and line 39 is equal to "net lending or net borrowing" in the national income and product accounts (NIPAs). However, the foreign transactions account in the NIPAs (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in reconciliation table 2 in appendix A in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.3B of the full set of NIPA tables.

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

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

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

16. Break in series. See Technical Notes in the June 1989–90, 1992–95, and July 1996–2006 issues of the SURVEY.

Table 2a:

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974–81, when they represent transactions values, f.a.s. foreign port of exportation (see July issues of the SURVEY for historical data). From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" monthly data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY). Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The sea-

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

2. Adjustments in lines A5 and A13, B24, B83, and B142 (in table 2b, lines A5 and A13, B12, B47, and B82) reflect the Census Bureau's reconciliation of discrepancies between the goods statistics published by the United States and the counterpart statistics published in Canada. These adjustments are distributed to the affected end-use categories in section C. Beginning in 1986, estimates for undocumented exports to Canada, the largest item in the U.S.-Canadian reconciliation, are included in Census basis data shown in line A1.

3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 11, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 11, line 22 (direct defense expenditures).

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

5. Coverage adjustments for special situations in which shipments were omitted from Census data; the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair; and the adjustment of software imports to market value. Also includes addition of understatement of inland freight in f.a.s. values of U.S. imports of goods from Canada in 1974–81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975–82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see July issues of the SURVEY for historical data).

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

7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 11, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: Members of OPEC: Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995). Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates.

Table 2b:

For footnotes 1–6, see table 2a.

7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 11, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries*: Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC*: Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (excludes Ecuador beginning in January 1993 and Gabon beginning in January 1995.); *Other countries*: Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."

8. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.

9. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."

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

Table 3:

1. Includes royalties, license fees, and other fees associated with the use of intangible assets, including patents, trade secrets, and other proprietary rights, that are used in connection with the production of goods.

2. Includes royalties, license fees, and other fees associated with the use of copyrights, trademarks, franchises, rights to broadcast live events, software licensing fees, and other intangible property rights.

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

4. These reflect the amount of premiums explicitly charged by, or paid to, insurers and reinsurers.

Table 4:

1. Complete instrument detail is only available beginning with 2003.

2. Prior to 2003, includes only demand deposits and nonnegotiable time and savings deposits.

Table 5:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A4. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A4 items, part of these military expenditures is applied in lines A43 and A46 to reduce short-term assets previously recorded in lines A41 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A4 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A42 and C9. A third part of line A4, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A37. A fourth part of line A4, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A48.

2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are *not* included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.

3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.

4. Line A38 includes foreign currency collected as interest and line A43 includes foreign currency collected as principal, as recorded in lines A16 and A17, respectively.

5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contra-entry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.

6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.

7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

8. Excludes transactions of the U.S. Enrichment Corporation since it became a non-government entity in July 1998.

Table 6a:

1. For bank affiliates, includes only interest on permanent debt investment by their parent companies. Excludes interest between financial parent companies and nonbank financial affiliates.

2. For bank affiliates, includes only permanent debt investment by their parent companies. Excludes intercompany debt between financial parent companies and nonbank financial affiliates.

Table 7a:

1. Beginning with 2005, source data for new issue estimates are no longer separately available. New issues continue to be included in net purchases.

2. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 8a:

1. Prior to 2003, securities brokers' claims on and liabilities to their foreign

affiliates are included in the estimates. They are excluded beginning in 2003.

2. Estimates of commercial claims and liabilities with unaffiliated foreigners are not available.

3. Complete instrument detail is only available beginning with 2003.

4. Financial intermediaries' accounts are shown under "other claims (liabilities)" because the majority of these claims (liabilities) are in the form of intercompany balances. Financial intermediaries' accounts represent transactions between firms in a direct investment relationship (that is, between U.S. parents and their foreign affiliates or between U.S. affiliates and their foreign parent groups), where both the U.S. and foreign firms are classified in a finance industry. But the firms are neither banks nor securities brokers.

5. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 9a:

1. Beginning with 2003, includes securities brokers' claims on their foreign affiliates.

2. Complete instrument detail is only available beginning with 2003.

3. Includes foreign official agencies and international and regional organizations. Prior to 2003, also includes government-owned corporations and state, provincial, and local governments and their agencies.

4. U.S.-owned banks include U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. Brokers and dealers may be U.S.-owned or foreign-owned.

5. Commercial paper issued in the U.S. market by foreign incorporated entities and held in U.S. customers' accounts. Excludes commercial paper issued through foreign direct investment affiliates in the United States.

6. Prior to 2003, includes negotiable certificates of deposit and other negotiable and transferable instruments.

7. Prior to 2003, includes only deposits.

8. Bahamas, Bermuda, British West Indies (Cayman Islands), and Netherlands Antilles.

Table 10a:

1. Beginning with 2003, includes securities brokers' liabilities to their foreign affiliates.

2. Complete instrument detail is only available beginning with 2003.

3. U.S.-owned banks include U.S.-chartered banks, Edge Act subsidiaries, and U.S. bank holding companies. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States. Brokers and dealers may be U.S.-owned or foreign-owned.

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

Table 11:

For footnotes 1-13, see table 1.

14. The "European Union" includes Belgium, Denmark, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, United Kingdom; beginning with the first quarter of 1995, also includes Austria, Finland, and Sweden; and beginning with the second quarter of 2004, also includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia. The "European Union" also includes the European Atomic Energy Community, the European Coal and Steel Community (through the third quarter of 2002), and the European Investment Bank.

15. Quarterly estimates for Mexico are available beginning with 2004.

16. Includes, as part of international and unallocated, taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; and net U.S. currency flows. Before 1999, also includes the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Before 1996, also includes small transactions in business services that are not reported by country.

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

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

19. At the global level, the statistical discrepancy represents net errors and omissions in recorded transactions. For individual countries and regions, it may also reflect discrepancies that arise when transactions with one country or region are settled through transactions with another country or region.

NOTE. Country data are based on information available from U.S. reporting sources. In some instances the statistics may not necessarily reflect the ultimate foreign transactor. For instance: U.S. goods export statistics reflect country of reported destination; in many cases the goods may be transhipped to third countries (especially true for the Netherlands and Germany). The geographic breakdown of securities transactions reflects the country with which transactions occurred but may not necessarily reflect the ultimate sources of foreign funds or ultimate destination of U.S. funds.

Gross State Product

Advance Estimates for 2005 and Revised Estimates for 1998–2004

By Clifford H. Woodruff III, Sharon D. Panek, and Eric C. Erickson

ECONOMIC growth in the United States was widespread in 2005, as inflation-adjusted estimates of gross state product (GSP) grew in 49 states and the District of Columbia, according to the latest estimates released by the Bureau of Economic Analysis (BEA). Growth moderated in most states, and real U.S. GSP growth slowed to 3.5 percent in 2005 from 4.2 percent in 2004.

GSP is the most comprehensive measure of overall

economic activity in individual states—the state counterpart to gross domestic product. For the second consecutive year, BEA published the advance estimates of GSP 6 months after the reference year, an acceleration of 12 months from the previous publication schedule.¹

1. The 2005 estimates are based on a prototype methodology to speed up the release of BEA's GSP estimates—one of BEA's major goals in its strategic plan. Estimates for 2004 and earlier years are based on BEA's standard GSP methodology. See the box below.

Advance Estimates of Gross State Product (GSP) for 2005

This annual revision of BEA's regional accounts presents advance estimates of total current-dollar and real chained (2000) dollar GSP for 2005. The advance estimates for total GSP are derived from the sum-of-industry estimates for broad industry groups based on the North American Industry Classification System (NAICS). The industry estimates are based on limited state source data and an abbreviated estimation methodology that differs from the standard methodology used to prepare the state estimates for 1997–2004.

Detailed state source data on value added by industry, company financial data, and state and local taxes by industry are not available for 2005. The advance 2005 GSP estimates draw heavily on the preliminary 2005 estimates of state earnings by industry from the Regional Economic Measurement Division, which were released on March 28, 2006. The advance GSP estimates also draw on the advance 2005 current-dollar and real chained (2000) dollar estimates from BEA's integrated annual industry accounts. As a result, the advance 2005 GSP estimates are consistent with the national gross-domestic-product-(GDP)-by-industry accounts, the national annual input-output accounts, and the state personal income accounts.

The advance 2005 GSP current-dollar estimates were extrapolated from industry value added for 2004 by the change in state earnings by industry from the state personal income accounts. The resulting extrapolated estimates of GSP by state and industry for 2005 were scaled to the advance 2005 GDP-by-industry estimates by allocating the difference between the two measures among the states. The industries were then summed to total GSP for the states. The advance estimates of real GSP are derived by applying chained (2000) dollar national implicit price deflators to the current-dollar GSP industry estimates. The chain-type index formula that is used in the national accounts is then used to calculate the estimates of total real GSP for the states.

In October 2006, BEA plans to release advance estimates of GSP for 2005 at the NAICS-based sector level in current and real chained (2000) dollars, and revised estimates of total GSP for 2005 in current and real chained (2000) dollars. This release of advance estimates is planned for October 2006 in order to incorporate state farming data and revised data on earnings by industry. Farming is one of several industries whose GSP growth often deviates significantly from earnings growth (the growth in value added for capital-intensive industries does not always mirror the growth in earnings). BEA believes that an October release of the advance GSP industry estimates—an 8-month acceleration from previous release schedules—will significantly improve the accuracy of the advance industry estimates.

The advance GSP estimates were prepared using a prototype methodology that is currently being reviewed and evaluated by BEA staff and by users of the GSP estimates. BEA is interested in its data users' views on the proposed methodologies, the appropriate level of industry detail, the inclusion of the GSP income components, and the tradeoff between accuracy and timeliness.

BEA is especially interested in learning if the availability of the real and current-dollar GSP estimates at the NAICS-based sector level in June is important, if the availability of the three major income components by state and industry in June is important, and if the availability of more industry detail in the early fall is important, given that some of the advance estimates by detailed industry for some states may be significantly revised when they are published the following June. BEA encourages your feedback on the value of this initiative in BEA's Strategic Plan. Please e-mail your comments to BEA's Associate Director for Regional Economics, John W. Ruser, at <gspread@bea.gov>.

Clifford H. Woodruff III

This newly released statistical information provides a first look at detailed industry estimates of GSP for 2004 and revised estimates for 1998–2003.² The estimates include advance current-dollar and inflation-adjusted estimates of GSP for 2005, new industry detail based on the North American Industry Classification System (NAICS) for 2004, and revised NAICS-based industry detail for 1998–2003. The revisions to GSP reflect the incorporation of new state data from

2. BEA released accelerated estimates of 2004 GSP at the NAICS-based sector-level in October 2005; thus, the 2004 total and sector-level GSP estimates presented here are revised.

the Economic Census for 2002, the Annual Survey of Manufactures (ASM) for 2003 and 2004, and other newly available source data (see the section “Revisions to the Estimates”). The 2005 estimates will be revised in October 2006 and will incorporate more detailed industry source data for states and more up-to-date data from BEA’s industry accounts and state personal income accounts.

The remainder of this article examines state economic growth in 2005, industry contributions to real growth by state in 2004, and the revisions to the GSP estimates.

Gross State Product (GSP) Estimates

The estimates of GSP for each state are derived as the sum of GSP originating in all industries in the state. An industry’s GSP, or its value added, is equal to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). Thus, the GSP accounts provide data by industry and state that are consistent with gross domestic product (GDP) in the national income and product accounts (NIPAs) and with the GDP-by-industry accounts.

However, for the GSP estimates for 1997 forward that are based on the North American Industry Classification System (NAICS), total GSP for the Nation differs from GDP in the NIPAs. First, GSP excludes, and GDP and GDP by industry include, compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment except domestically located office equipment. Second, the revision schedules for GSP and GDP often differ. Third, the GSP estimates for 1963–97 that are based on the Standard Industry Classification (SIC) also differ from GDP for the Nation because like the national estimates of GDP by industry, GSP is measured as the sum of the distributions by industry of the components of gross domestic income, which differs from GDP by the statistical discrepancy.¹

The GSP estimates are prepared for 81 NAICS-based industries for 1997 forward and for 75 SIC-based industries for 1963–97. For each industry, for 1963–97 and 2001–2004, the three components of GSP are presented: Compensation of employees, taxes on production and imports less subsidies, and gross operating surplus.² Compensation of employees is the sum of wage and salary accruals, employer contributions for government social insurance, and other labor income. Taxes on pro-

duction and imports is the sum of Federal excise taxes and customs duties, state and local government sales taxes, property taxes (including residential real estate taxes), motor vehicle licenses, severance taxes, other taxes, and special assessments. Gross operating surplus is the sum of corporate profits, proprietors’ income, rental income of persons, net interest, capital consumption allowances, business transfer payments, nontax payments, and the current surplus of government enterprises.

Current-dollar estimates of GSP are scaled to national totals of current-dollar GDP by industry by allocating the difference between the two measures to the states.

The estimates of real GSP are prepared in chained (2000) dollars. Real GSP is an inflation-adjusted measure of each state’s gross product that is based on national prices for the goods and services produced within that state. The estimates of real GSP and of quantity indexes with a base year of 2000 were derived by applying national implicit price deflators to the current-dollar GSP estimates for 1977–97 for the 63 detailed SIC-based industries and to the current-dollar GSP estimates for 1997 forward for the 64 detailed NAICS-based industries. The chain-type index formula that is used in the national accounts is then used to calculate the estimates of total real GSP and of real GSP at more aggregated industry levels.³ Real GSP may reflect a substantial volume of output that is sold to other states and countries. To the extent that a state’s output is produced and sold in national markets at relatively uniform prices (or sold locally at national prices), GSP captures the differences across states that reflect the relative differences in the mix of goods and services that the states produce. However, real GSP does not capture geographic differences in the prices of goods and services that are produced and sold locally.

1. For 1997 forward, the statistical discrepancy is distributed among all private industries. For 1963–97, the statistical discrepancy is not allocated by industry for the SIC-based estimates in both the GDP-by-industry accounts and the GSP-by-industry accounts.

2. For an explanation of why the components of GSP for 1997–2000 are not available, see the data availability box.

3. For additional information, see J. Steven Landefeld and Robert P. Parker, “BEA’s Chain Indexes, Time Series, and Measures of Long-Term Economic Growth,” *SURVEY* 77 (May 1997): 58–68; and Gerard P. Aman, George K. Downey, and Sharon D. Panek, “Comprehensive Revision of Gross State Product,” *SURVEY* 85 (January 2005): 80–106.

George K. Downey

State Economic Growth in 2005

Real U.S. GSP growth slowed to 3.5 percent in 2005 from 4.2 percent in 2004, as economic growth decelerated in 36 states. The 2005 deceleration occurred after 3 consecutive years of accelerating growth following the 2001 economic slowdown (chart 1).

Most of the deceleration in U.S. GSP in 2005 stemmed from the private goods-producing industry group, which grew 2.6 percent in 2005 after growing 3.9 percent in 2004.³ The slower growth among private goods-producing industries was caused by a deceleration in manufacturing and declines in agriculture and mining.

Private services-producing industries also decelerated but not as much as the private goods-producing industries.⁴ Private services-producing industries grew 4.1 percent in 2005, after growing 4.9 percent in 2004. Financial activities were the largest contributor to growth in the services-producing sector.⁵ Unsurpris-

3. Private goods-producing industries consist of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.

4. Private services-producing industries consist of utilities; wholesale trade; retail trade; transportation and warehousing, excluding Postal Service; information; finance and insurance; real estate, rental, and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and waste management services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services, except government.

5. Financial activities consist of finance and insurance and "real estate, rental, and leasing."

Data Availability

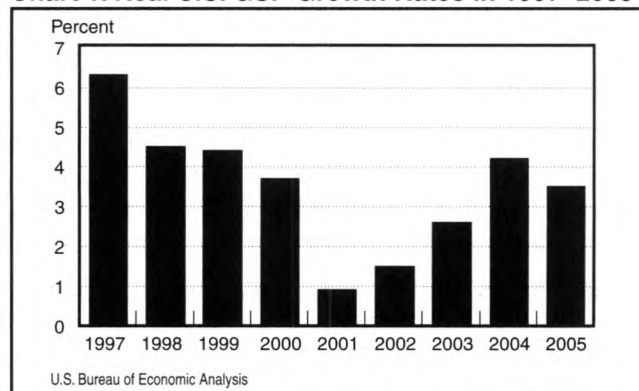
Summary estimates of gross state product (GSP) in current dollars for 2002–2005 and in chained (2000) dollars for 1997–2005 are presented in this article. More detailed GSP estimates for states, BEA regions, and the United States can be accessed interactively on BEA's Web site.

The following annual estimates are available at www.bea.gov/bea/regional/gsp.htm:

- Advance estimates of total GSP in current and chained (2000) dollars for 2005
- GSP in current dollars, real GSP in chained (2000) dollars, and quantity indexes for 1997–2004 for 81 NAICS-based industries
- Compensation of employees, taxes on production and imports, subsidies, and gross operating surplus in current dollars for 2001–2004 for 81 NAICS-based industries

Only GSP by industry and state for 1997–2000 is available because the NAICS-based estimates for these years are based on unpublished data on wages and salaries from the Bureau of Labor Statistics; the estimates of the components of GSP for these years are not available. For further information, e-mail gspspread@bea.gov or call 202–606–5340.

Chart 1. Real U.S. GSP Growth Rates in 1997–2005



ingly, many of the fastest growing states have large concentrations in this sector. In fact, the three fastest growing states—Arizona (8.7 percent), Nevada (8.2 percent), and Florida (7.8 percent)—each have large concentrations in financial activities.

The information-communications-technology- (ICT)-producing industries continued to experience double-digit growth. These industries were strong contributors to growth; several fast-growing states, such as Idaho (7.5 percent) and Oregon (6.7 percent), have large concentrations in these industries.⁶

In 2005, economic growth was widespread across the states (table 1 and chart 2). Real GSP grew in all states except Louisiana, where the economy declined because of the effects of Hurricanes Katrina and Rita. Eight of the ten fastest growing states were west of the Mississippi River.⁷ Six of the fastest growing states in 2005—Florida, Idaho, Nevada, Oregon, Utah, and Virginia—were also among the fastest growing states in 2004.

Industry Contributions to Real GSP Growth in 2004

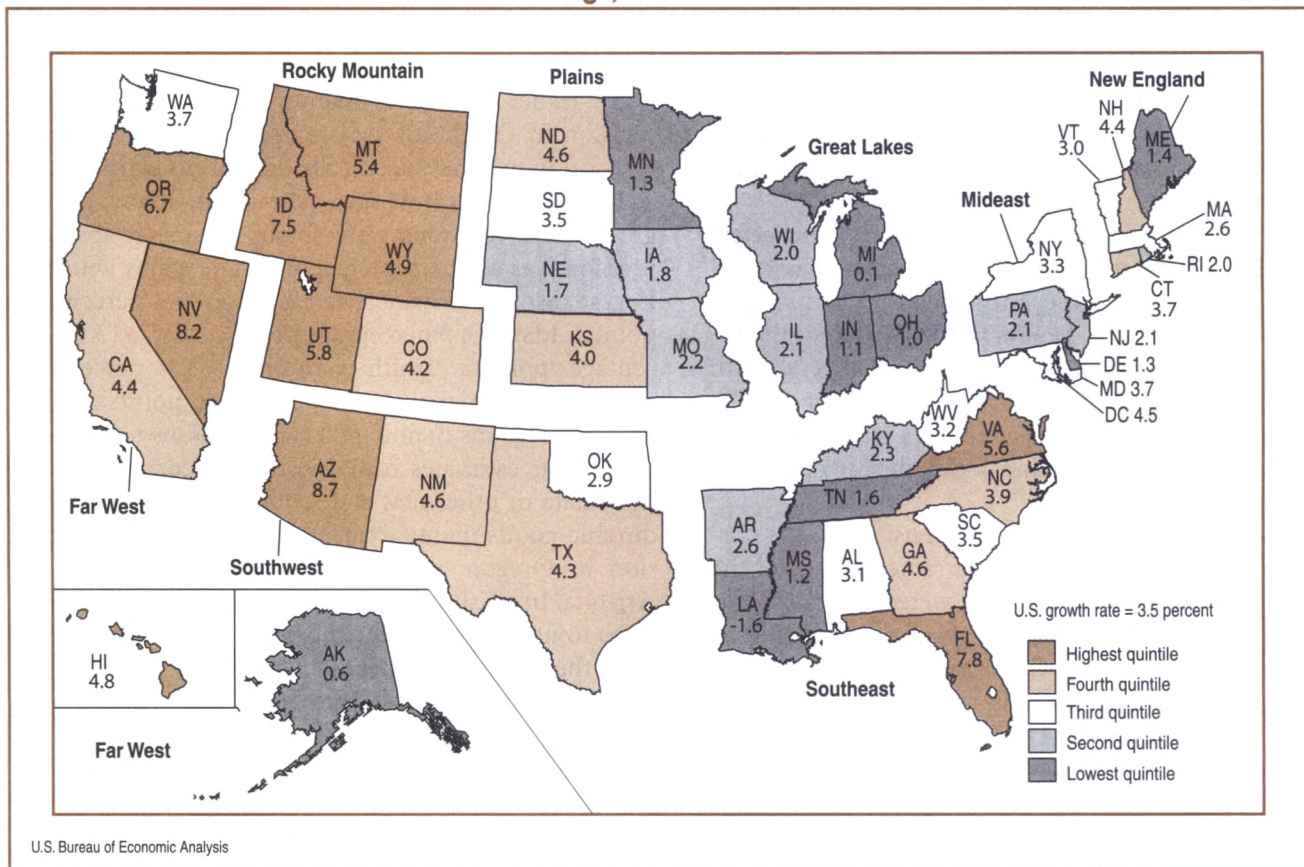
This release of GSP estimates provided a new look at detailed industry contributions to economic growth for 2004 (tables 2 and 3). For the United States, growth in services-producing industries was strong, accounting for 80 percent of the 4.2-percent growth in real U.S. GSP in 2004. The goods-producing industries continued to recover from the 2001 economic slowdown, accounting for 18 percent of growth in 2004.

The largest industry contributor to growth in 41 states was one of three industry groups—financial activities, trade, or durable-goods manufacturing. Durable-goods manufacturing industries include the

6. ICT-producing industries consist of computer and electronic products within durable-goods manufacturing; publishing, including software, and information and data processing services within information; and computer systems design and related services within professional and business services.

7. Seven coterminous states and Hawaii.

Chart 2. Real Gross State Product: Percent Change, 2005



U.S. Bureau of Economic Analysis

computer and electronic product manufacturing industry, which is also included in ICT-producing industries. ICT-producing industries powered strong growth in several states. In contrast, many of the slowest growing states experienced declines in noncomputer-related manufacturing and “natural resources and mining.”

Financial activities. Nationally, financial activities grew 3.8 percent and accounted for 19 percent of real GSP growth. This group was the largest contributor to real GSP growth in 11 states. In several of the fastest growing states, the contributions of the financial activities sector to GSP growth were pronounced, most notably in Nevada (27 percent), Florida (23 percent), and New Hampshire (22 percent).

Trade. Nationally, trade industries grew 5.6 percent and accounted for 17 percent of real GSP growth. This industry group was the largest contributor to real GSP growth in 17 states, notably Arizona (27 percent) and Utah (26 percent).

Durable-goods manufacturing. Nationally, durable-goods manufacturing grew 6.3 percent and accounted for 11 percent of real GSP growth. This group was the largest contributor to growth in 13 states, notably Oregon (65 percent) and New Mexico (50 percent).

tably Oregon (65 percent) and New Mexico (50 percent).

ICT-producing industries. Nationally, ICT-producing industries grew 13 percent and accounted for 11 percent of real GSP growth. Contributions by ICT-producing industries to real GSP growth were most significant in several states in the West, notably the two fastest growing states, Idaho (38 percent) and Oregon (57 percent).

Revisions to the Estimates

The revisions to the GSP estimates primarily reflect the incorporation of new state data by industry from the Economic Census for 2002 and the Annual Survey of Manufactures (ASM) for 2003 and 2004. The incorporation of the 2004 ASM data resulted in several large revisions to the previously published accelerated estimates for 2004. The incorporation of the 2002 Economic Census data resulted in revisions to GSP for most states and industries. For economic census years, the level of GSP for most industries is derived from the census values. Because GSP levels for all other years for an industry are extrapolated or interpolated from the levels of GSP for economic census years, the levels for

other years may change when there are GSP revisions in economic census years. For the states and industries where the economic census data indicated a level significantly different from the previously published GSP level, the revisions were significant.

The GSP estimates also incorporated the results of the annual revisions to the annual industry accounts, national income and product accounts, and state personal income.⁸

This release marks the first revision to the accelerated 2004 GSP by industry estimates that were released in October 2005 (see the box “Advance Estimates of Gross State Product (GSP) for 2005”). Overall, the revisions had a moderate impact on relative growth across states. The estimates released in October 2005 successfully indicated whether a state’s growth rate was high or low (relative to national growth) for 71 percent of the states.

Current-dollar estimates. The revisions to the current-dollar estimates, measured as a percentage of the previously published estimates, were significant for only a few states. For 2004, the revisions ranged from –3.7 percent in North Carolina to 5.8 percent in Alaska. Many of the revisions ranged from –1.0 percent to 1.0 percent (table 4).

Most of the revisions to the 2003 estimates were smaller than the revisions to the 2004 estimates. The 2003 revisions ranged from –4.7 percent in Idaho and Delaware to 2.6 percent in Oklahoma. The downward

revision in Idaho was mainly accounted for by a downward revision to manufacturing, specifically computer and electronic product manufacturing. In Delaware, revisions reflected significant downward revisions to chemical manufacturing; banking; and motor vehicle, body, trailer, and parts manufacturing. The upward revision in Oklahoma was mainly due to an upward revision in mining, specifically oil and gas extraction.

Real growth rates. For 2003–2004, many of the growth-rate revisions were small; the mean absolute revision was 1.0 percentage point. The states with the largest absolute revisions were Oregon (5.1 percentage points), Idaho (4.3 percentage points), Alaska (3.8 percentage points), South Carolina (–3.5 percentage points), and Arizona (–2.9 percentage points) (table 5). The revisions mainly reflected revisions to the current-dollar estimates resulting from incorporation of ASM data or other new state source data. Revisions to durable-goods manufacturing led to the upward revision in Oregon and to the downward revision in Arizona. In Alaska, the revisions reflected upward revisions to natural resources and mining. In South Carolina, the revisions reflected downward revisions to manufacturing (durable and nondurable goods). In Idaho, the revisions reflected downward revisions to computer and electronic product manufacturing in 2003, which caused the 2003–2004 growth rate to be revised upward.

For 2002–2003, most of the growth-rate revisions were small; the mean absolute revision was 0.7 percentage point. The states with the largest absolute revisions to the growth rates of real GSP were South Dakota (–2.1 percentage points), Connecticut (–1.8 percentage points), Illinois (1.7 percentage points), and New York (–1.7 percentage points). The revisions mainly reflected revisions to the current-dollar estimates resulting from incorporation of economic census data, ASM data or other new state source data. In Connecticut, revisions reflected downward revisions to several manufacturing industries, while in Illinois, revisions reflected an upward revision to state and local government. In South Dakota and New York, the revisions were caused by upward revisions to the 2002 estimates, which caused the 2002–2003 growth rate to be revised downward. In South Dakota, the upward revision was to computer and electronic products manufacturing, while in New York, the upward revision was to real estate.

Appendix A and tables 1–8 follow.

8. See George M. Smith and Sherlene K.S. Lum, “Annual Industry Accounts: Revised Estimates for 2002–2004,” *SURVEY* 85 (December 2005): 18–31; and Eugene P. Seskin, Shelly Smith and Teresa L. Weadock, “Annual Revision of the National Income and Product Accounts,” *SURVEY* 85 (August 2005): 13–35; and David G. Lenze, “State Personal Income: Second Quarter of 2005 and Revised Estimates for 2002–2005:1,” *SURVEY* 85 (October 2005): 111–120.

Acknowledgements

The estimates of gross state product (GSP) were prepared by staff in the Regional Economic Analysis Division under the direction of John R. Kort, Chief, and George K. Downey, Chief of the Regional Product Branch. John W. Ruser, Associate Director for Regional Economics, provided general guidance. Contributing staff members were Gerard P. Aman; Clifford H. Woodruff III, Chief of the GSP Goods Section; Sharon D. Panek, Chief of the GSP Services Section; Frank T. Baumgardner; John E. Broda; Eric C. Erickson; Timothy P. McInerney; Joseph A. Polka; Daniel A. Reed; and Caitlin E. Wenum.

Appendix A. Industries for Which Gross State Product Estimates Are Available

	1997 NAICS code		1997 NAICS code
Private industries		Information	51
Agriculture, forestry, fishing, and hunting	11	Publishing including software.....	511
Crop and animal production.....	111, 112	Motion picture and sound recording industries.....	512
Forestry, fishing, and related activities.....	113-115	Broadcasting and telecommunications.....	513
		Information and data processing services.....	514
Mining	21	Finance and insurance	52
Oil and gas extraction.....	211	Federal Reserve banks, credit intermediation and related services.....	521, 522
Mining, except oil and gas.....	212	Securities, commodity contracts, investments.....	523
Support activities for mining.....	213	Insurance carriers and related activities.....	524
		Funds, trusts, and other financial vehicles.....	525
Utilities	22	Real estate, rental, and leasing	53
Construction	23	Real estate.....	531
		Rental and leasing services and lessors of intangible assets.....	532, 533
Manufacturing	31-33	Professional and technical services	54
Durable goods	33, 321, 327	Legal services.....	5411
Wood product manufacturing.....	321	Computer systems design and related services.....	5415
Nonmetallic mineral product manufacturing.....	327	Other professional, scientific and technical services.....	5412-5414, 5416-5419
Primary metal manufacturing.....	331	Management of companies and enterprises	55
Fabricated metal product manufacturing.....	332	Administrative and waste services	56
Machinery manufacturing.....	333	Administrative and support services.....	561
Computer and electronic product manufacturing.....	334	Waste management and remediation services.....	562
Electrical equipment and appliance manufacturing.....	335	Educational services	61
Motor vehicle, body, trailer, and parts manufacturing.....	3361-3363	Health care and social assistance	62
Other transportation equipment manufacturing.....	3364-3366, 3369	Ambulatory health care services.....	621
Furniture and related product manufacturing.....	337	Hospitals and nursing and residential care facilities.....	622, 623
Miscellaneous manufacturing.....	339	Social assistance.....	624
Nondurable goods	31, 32 (excludes 321, 327)	Arts, entertainment, and recreation	71
Food product manufacturing.....	311, 312	Performing arts, museums, and related activities.....	711, 712
Textile and textile product mills.....	313, 314	Amusements, gambling, and recreation.....	713
Apparel manufacturing.....	315, 316	Accommodation and food services	72
Paper manufacturing.....	322	Accommodation.....	721
Printing and related support activities.....	323	Food services and drinking places.....	722
Petroleum and coal products manufacturing.....	324	Other services, except government	81
Chemical manufacturing.....	325	Government	92
Plastics and rubber products manufacturing.....	326	Federal civilian.....	
Wholesale trade	42	Federal military.....	
Retail trade	44, 45	State and local.....	
Transportation and warehousing, excluding Postal Service	48, 49		
Air transportation.....	481		
Rail transportation.....	482		
Water transportation.....	483		
Truck transportation.....	484		
Transit and ground passenger transportation.....	485		
Pipeline transportation.....	486		
Other transportation and support activities.....	487, 488, 492		
Warehousing and storage.....	493		

NAICS North American Industry Classification System

Table 1. Percent Change in Real Gross State Product, 2002–2005

	Percent change			
	2002	2003	2004	2005 ^a
United States	1.5	2.6	4.2	3.5
New England	-0.3	2.3	4.1	3.0
Connecticut	-1.6	0.7	4.4	3.7
Maine	1.5	1.9	4.7	1.4
Massachusetts	-0.6	2.7	3.6	2.6
New Hampshire	2.3	3.3	5.4	4.4
Rhode Island	2.2	4.4	3.7	2.0
Vermont	2.0	3.7	4.5	3.0
Mideast	0.8	1.9	3.9	2.8
Delaware	-0.1	4.0	5.2	1.3
District of Columbia	2.0	2.3	4.7	4.5
Maryland	3.2	2.9	4.7	3.7
New Jersey	0.8	2.3	3.1	2.1
New York	-0.3	1.4	4.5	3.3
Pennsylvania	1.9	1.8	2.7	2.1
Great Lakes	1.9	2.5	2.0	1.3
Illinois	0.3	2.6	2.2	2.1
Indiana	3.4	4.1	3.4	1.1
Michigan	3.1	2.4	-0.7	0.1
Ohio	2.1	1.6	3.0	1.0
Wisconsin	1.6	2.5	3.1	2.0
Plains	2.5	2.9	3.4	2.2
Iowa	3.9	3.0	4.4	1.8
Kansas	1.6	1.3	3.2	4.0
Minnesota	2.6	3.6	4.6	1.3
Missouri	1.2	2.0	2.6	2.2
Nebraska	2.0	5.5	1.1	1.7
North Dakota	5.1	5.8	0.3	4.6
South Dakota	8.4	1.6	3.9	3.5
Southeast	1.7	3.0	4.7	4.3
Alabama	2.2	3.2	5.1	3.1
Arkansas	2.9	2.7	6.0	2.6
Florida	2.6	4.3	6.5	7.8
Georgia	0.4	1.8	4.6	4.6
Kentucky	3.0	2.4	3.0	2.3
Louisiana	0.4	1.5	4.5	-1.6
Mississippi	0.9	3.6	2.9	1.2
North Carolina	1.5	2.2	2.8	3.9
South Carolina	1.5	3.1	0.6	3.5
Tennessee	3.9	3.6	5.3	1.6
Virginia	0.6	3.7	5.8	5.6
West Virginia	1.3	1.0	3.3	3.2
Southwest	2.0	2.1	4.9	4.9
Arizona	2.1	4.7	4.2	8.7
New Mexico	1.4	4.0	6.6	4.6
Oklahoma	1.2	2.0	3.3	2.9
Texas	2.0	1.4	5.1	4.3
Rocky Mountain	0.9	2.2	4.9	5.0
Colorado	0.4	1.4	3.9	4.2
Idaho	1.4	3.1	10.1	7.5
Montana	2.7	4.7	3.8	5.4
Utah	1.2	2.7	5.5	5.8
Wyoming	1.6	3.2	3.7	4.9
Far West	1.5	3.0	5.3	4.6
Alaska	8.8	-1.1	7.2	0.6
California	1.3	3.2	5.2	4.4
Hawaii	1.1	3.6	5.0	4.8
Nevada	2.6	7.4	7.8	8.2
Oregon	4.1	1.6	9.6	6.7
Washington	0.4	1.5	2.8	3.7

a Advance

Table 3. Contributions to Percent Change in Real Gross State Product by Broad Industry Group, 2002–2004

	Percentage points								
	2002			2003			2004		
	Private goods-producing industries ¹	Private services-producing industries ²	ICT-producing industries ³	Private goods-producing industries ¹	Private services-producing industries ²	ICT-producing industries ³	Private goods-producing industries ¹	Private services-producing industries ²	ICT-producing industries ³
United States	0.25	1.02	0.08	0.23	2.19	0.26	0.76	3.31	0.48
New England	-0.13	-0.25	0.05	0.09	2.20	0.42	0.42	3.55	0.44
Connecticut.....	-0.42	-1.25	-0.10	-0.91	1.83	0.00	1.11	3.18	0.30
Maine.....	-0.52	1.92	-0.18	0.12	1.67	0.14	1.25	3.18	0.36
Massachusetts.....	-0.02	-0.65	0.05	0.65	2.07	0.71	-0.23	3.76	0.44
New Hampshire.....	0.35	1.76	0.54	0.43	2.58	0.45	0.71	4.48	0.77
Rhode Island.....	0.43	1.51	0.24	-0.33	4.56	0.38	0.69	2.99	0.44
Vermont.....	-0.54	2.20	0.18	0.36	2.93	0.43	1.13	3.17	0.81
Mideast	0.13	0.57	0.21	-0.13	2.08	0.18	0.07	3.69	0.37
Delaware.....	-2.30	1.64	0.00	-0.03	4.06	0.41	2.75	2.25	0.27
District of Columbia.....	0.22	1.21	0.80	0.00	2.45	0.48	-0.07	4.29	0.74
Maryland.....	0.36	2.47	0.69	-0.26	3.25	0.27	0.58	4.09	0.60
New Jersey.....	-0.54	1.18	0.28	0.15	2.07	0.26	-0.15	2.95	0.14
New York.....	0.31	-0.62	0.03	-0.24	1.76	0.13	0.14	4.32	0.41
Pennsylvania.....	0.48	1.28	0.19	-0.14	1.90	0.08	-0.38	3.01	0.33
Great Lakes	1.20	0.59	0.00	0.52	1.52	0.12	0.46	1.93	0.24
Illinois.....	0.01	0.15	-0.11	0.27	1.01	0.16	1.02	2.59	0.34
Indiana.....	3.12	0.40	0.12	1.95	2.03	0.13	1.48	1.75	0.17
Michigan.....	2.52	0.49	-0.09	0.82	1.54	0.00	-1.63	0.90	0.09
Ohio.....	1.08	0.91	0.03	-0.10	1.67	0.09	0.94	1.96	0.26
Wisconsin.....	0.06	1.47	0.27	0.37	1.94	0.26	0.76	2.27	0.26
Plains	0.67	1.71	0.32	0.70	2.15	0.23	1.27	1.95	0.36
Iowa.....	2.07	1.81	-0.09	0.21	2.76	0.51	4.12	0.11	0.35
Kansas.....	-0.28	1.82	-0.04	-0.24	1.44	0.16	0.54	2.30	0.27
Minnesota.....	0.87	1.53	0.82	0.85	2.85	0.52	1.52	3.04	0.52
Missouri.....	0.36	0.81	-0.19	0.63	1.23	0.29	0.71	1.76	0.31
Nebraska.....	-0.76	2.48	0.26	2.36	3.01	0.43	-0.32	1.20	0.29
North Dakota.....	2.15	2.44	0.43	2.86	2.32	0.15	-1.82	2.34	0.29
South Dakota.....	1.79	6.84	3.26	-0.30	1.49	-3.69	1.53	2.07	0.22
Southeast	-0.10	1.59	0.12	0.32	2.53	0.30	0.81	3.65	0.36
Alabama.....	-0.03	1.75	0.24	1.30	1.76	0.17	2.56	2.47	0.29
Arkansas.....	1.02	1.70	0.05	0.79	1.60	0.10	2.58	3.06	0.39
Florida.....	0.43	1.97	0.12	0.21	3.84	0.19	1.01	5.21	0.38
Georgia.....	-0.45	0.59	0.21	-0.12	1.72	0.31	0.72	3.73	0.08
Kentucky.....	0.92	1.81	0.32	1.18	1.09	-0.41	0.29	2.47	0.11
Louisiana.....	-0.67	0.65	0.10	-0.30	1.47	0.06	1.97	2.33	0.08
Mississippi.....	-0.44	1.16	0.16	1.45	1.76	0.05	0.67	1.91	0.05
North Carolina.....	-1.00	2.49	-0.11	-0.05	1.99	0.35	-0.16	2.71	0.28
South Carolina.....	0.87	0.46	0.21	1.60	1.52	-0.04	-2.04	2.44	0.29
Tennessee.....	0.94	2.28	0.34	1.05	2.56	0.67	2.06	3.18	0.48
Virginia.....	-1.12	1.46	-0.06	-0.33	3.98	0.94	0.36	4.92	0.99
West Virginia.....	-0.72	1.61	0.18	-0.95	1.77	0.15	1.01	2.10	0.14
Southwest	0.62	0.98	0.39	0.06	1.87	0.40	1.42	3.30	0.75
Arizona.....	-0.13	2.04	1.43	1.43	3.08	1.50	-0.56	4.48	-0.79
New Mexico.....	-1.37	2.04	-1.16	2.34	1.37	2.63	3.30	2.78	3.22
Oklahoma.....	-0.60	1.65	-0.42	0.72	1.44	0.08	0.47	2.63	0.13
Texas.....	1.06	0.60	0.36	-0.47	1.69	0.05	1.84	3.17	0.99
Rocky Mountain	-0.08	0.65	0.21	0.28	1.84	0.25	1.49	3.23	0.85
Colorado.....	0.14	-0.12	0.29	0.00	1.35	0.04	0.88	2.93	0.66
Idaho.....	-1.22	2.28	-0.33	0.02	2.99	1.09	5.06	4.56	3.79
Montana.....	0.18	2.26	0.21	1.01	2.95	0.10	0.76	2.92	0.18
Utah.....	0.14	0.85	0.33	0.77	1.98	0.45	1.51	3.70	0.29
Wyoming.....	-1.17	2.19	0.10	0.57	2.34	0.05	1.31	2.17	0.07
Far West	-0.16	1.38	-0.31	0.23	2.70	0.28	1.04	4.16	0.77
Alaska.....	5.07	3.18	0.10	-3.80	2.64	0.08	4.77	2.19	0.06
California.....	-0.55	1.64	-0.48	0.31	2.80	0.26	0.76	4.35	0.62
Hawaii.....	0.78	-0.12	-0.04	0.02	3.39	0.06	-0.20	4.66	0.10
Nevada.....	0.01	2.45	0.00	1.20	5.62	0.03	1.44	5.95	0.11
Oregon.....	1.97	0.66	1.32	0.48	1.34	1.39	6.81	2.56	5.41
Washington.....	0.22	-0.11	-0.33	-0.10	1.60	0.02	-0.60	3.32	-0.24

1. Private goods-producing industries consist of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.

2. Private services-producing industries consist of utilities; wholesale trade; retail trade; transportation and warehousing, excluding Postal Service; information; finance and insurance; real estate, rental, and leasing; professional and technical services; management of companies and enterprises; administration and waste

services; educational services; healthcare and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services, except government.

3. Information-communications-technology-(ICT)-producing industries consist of computer and electronic product manufacturing; publishing including software, information and data processing services; and computer systems design and related services.

Table 4. Revisions to Current-Dollar Gross State Product, 2002-2004

	2002			2003			2004		
	Millions of dollars		Percent revision ¹	Millions of dollars		Percent revision ¹	Millions of dollars		Percent revision ¹
	Revised	Revision		Revised	Revision		Revised	Revision	
United States	10,398,402	-13,842	-0.1	10,896,356	-27,493	-0.3	11,655,335	-10,260	-0.1
New England	591,733	-4,284	-0.7	614,590	-5,546	-0.9	654,346	-8,062	-1.2
Connecticut	166,073	-1,162	-0.7	170,235	-3,850	-2.2	182,468	-3,334	-1.8
Maine	38,625	-402	-1.0	40,197	-632	-1.5	43,258	-78	-0.2
Massachusetts	284,386	-2,805	-1.0	295,938	-1,175	-0.4	312,700	-5,098	-1.6
New Hampshire	46,188	82	0.2	48,380	178	0.4	52,084	213	0.4
Rhode Island	36,909	-131	-0.4	39,260	-103	-0.3	41,844	165	0.4
Vermont	19,553	134	0.7	20,580	36	0.2	21,992	71	0.3
Mideast	1,934,602	12,086	0.6	2,008,885	-1,126	-0.1	2,141,348	1,518	0.1
Delaware	45,324	-1,667	-3.5	48,109	-2,377	-4.7	52,298	-1,976	-3.6
District of Columbia	67,717	541	0.8	71,280	612	0.9	77,510	825	1.1
Maryland	204,120	1,280	0.6	214,488	1,415	0.7	230,698	2,707	1.2
New Jersey	372,754	-5,070	-1.3	388,645	-5,395	-1.4	410,306	-5,747	-1.4
New York	821,577	18,711	2.3	847,123	9,088	1.1	906,783	10,044	1.1
Pennsylvania	423,110	-1,710	-0.4	439,241	-4,468	-1.0	463,752	-4,337	-0.9
Great Lakes	1,620,354	8,696	0.5	1,687,538	18,011	1.1	1,762,697	9,577	0.5
Illinois	487,129	947	0.2	509,161	9,430	1.9	533,735	11,835	2.3
Indiana	205,015	1,719	0.8	216,650	3,308	1.6	229,449	1,880	0.8
Michigan	349,837	2,823	0.8	362,805	3,365	0.9	366,601	-5,568	-1.5
Ohio	389,773	4,116	1.1	402,607	3,689	0.9	425,173	5,307	1.3
Wisconsin	188,600	-908	-0.5	196,316	-1,780	-0.9	207,739	-3,877	-1.8
Plains	680,069	-380	-0.1	714,275	268	0.0	759,984	2,552	0.3
Iowa	97,356	-454	-0.5	102,358	-42	0.0	110,210	-94	-0.8
Kansas	89,573	-302	-0.3	93,076	-187	-0.2	98,927	-179	-0.2
Minnesota	198,558	-713	-0.4	209,335	-849	-0.4	224,620	798	0.4
Missouri	188,351	1,261	0.7	195,615	1,787	0.9	205,847	2,553	1.3
Nebraska	59,934	-637	-1.1	64,789	-610	-0.9	67,989	-194	-0.3
North Dakota	19,880	-127	-0.6	21,703	106	0.5	22,692	5	0.0
South Dakota	26,416	590	2.3	27,399	62	0.2	29,699	313	1.1
Southeast	2,288,917	-9,415	-0.4	2,410,162	-11,917	-0.5	2,592,632	-4,792	-0.2
Alabama	123,805	42	0.0	130,526	-266	-0.2	141,366	1,526	1.1
Arkansas	72,203	982	1.4	75,564	1,024	1.4	82,712	1,810	2.2
Florida	522,719	379	0.1	556,748	3,039	0.5	609,372	10,304	1.7
Georgia	306,680	-763	-0.2	317,480	-3,709	-1.2	339,730	-3,395	-1.0
Kentucky	120,726	-907	-0.7	125,832	-2,483	-1.9	133,003	-3,443	-2.5
Louisiana	134,308	-52	0.0	146,105	1,784	1.2	160,186	7,242	4.7
Mississippi	68,144	-406	-0.6	72,532	660	0.9	77,107	941	1.2
North Carolina	296,435	-4,819	-1.6	307,871	-7,585	-2.4	323,962	-12,436	-3.7
South Carolina	121,582	-692	-0.6	127,459	-504	-0.4	131,492	-4,633	-3.4
Tennessee	191,525	131	0.1	201,522	-1,549	-0.8	216,769	-857	-0.4
Virginia	285,759	-3,081	-1.1	301,867	-2,249	-0.7	327,032	-2,300	-0.7
West Virginia	45,032	-227	-0.5	46,645	-81	-0.2	49,903	449	0.9
Southwest	1,105,103	7,835	0.7	1,172,147	8,687	0.7	1,272,937	20,237	1.6
Arizona	171,942	-1,110	-0.6	182,414	-858	-0.5	194,246	-5,707	-2.9
New Mexico	52,510	-904	-1.7	57,453	375	0.7	63,645	2,633	4.3
Oklahoma	97,170	1,827	1.9	103,824	2,656	2.6	111,838	4,238	3.9
Texas	783,480	8,021	1.0	828,456	6,513	0.8	903,208	19,072	2.2
Rocky Mountain	334,649	-2,759	-0.8	350,805	-2,487	-0.7	379,121	1,508	0.4
Colorado	182,154	908	0.5	188,873	476	0.3	201,392	1,423	0.7
Idaho	36,651	-1,625	-4.2	38,468	-1,890	-4.7	43,509	-62	-0.1
Montana	23,560	-353	-1.5	25,477	-107	-0.4	27,583	101	0.4
Utah	72,665	-981	-1.3	76,180	-494	-0.6	82,546	-65	-0.1
Wyoming	19,619	-707	-3.5	21,806	-473	-2.1	24,092	113	0.5
Far West	1,842,975	-25,622	-1.4	1,937,953	-33,384	-1.7	2,092,270	-32,798	-1.5
Alaska	29,186	-555	-1.9	31,488	-216	-0.7	35,988	1,965	5.8
California	1,340,446	-23,131	-1.7	1,410,539	-27,595	-1.9	1,519,202	-31,551	-2.0
Hawaii	43,476	-330	-0.8	46,386	-285	-0.6	50,238	-84	-0.2
Nevada	81,274	-1,115	-1.4	89,035	-676	-0.8	99,143	-1,174	-1.2
Oregon	117,131	2,018	1.8	120,480	507	0.4	134,615	6,512	5.1
Washington	231,463	-2,508	-1.1	240,025	-5,118	-2.1	253,085	-8,464	-3.2

1. Revision is a percentage of the previously published estimate.

Table 5. Revisions to Percent Change in Real Gross State Product, 1998–2004

	1998–2002 [average annual]			2003			2004		
	Previously published	Revised	Difference (percentage points)	Previously published	Revised	Difference (percentage points)	Previously published	Revised	Difference (percentage points)
United States	2.7	2.6	-0.1	2.8	2.6	-0.2	4.3	4.2	-0.1
New England	2.9	2.7	-0.2	2.6	2.3	-0.3	4.6	4.1	-0.5
Connecticut	1.5	1.3	-0.2	2.5	0.7	-1.8	4.5	4.4	-0.1
Maine	2.5	2.4	-0.1	2.7	1.9	-0.8	3.9	4.7	0.8
Massachusetts	3.6	3.4	-0.2	2.2	2.7	0.5	4.8	3.6	-1.2
New Hampshire	3.0	3.0	0.0	3.1	3.3	0.2	5.4	5.4	0.0
Rhode Island	3.1	3.1	0.0	4.3	4.4	0.1	3.5	3.7	0.2
Vermont	3.8	3.9	0.1	4.3	3.7	-0.6	4.6	4.5	-0.1
Mideast	2.6	2.7	0.1	2.9	1.9	-1.0	4.2	3.9	-0.3
Delaware	3.4	2.5	-0.9	5.4	4.0	-1.4	5.0	5.2	0.2
District of Columbia	3.2	3.3	0.1	2.5	2.3	-0.2	6.2	4.7	-1.5
Maryland	3.4	3.5	0.1	3.0	2.9	-0.1	4.8	4.7	-0.1
New Jersey	2.8	2.4	-0.4	2.4	2.3	-0.1	3.4	3.1	-0.3
New York	2.7	3.2	0.5	3.1	1.4	-1.7	4.7	4.5	-0.2
Pennsylvania	1.8	1.7	-0.1	2.6	1.8	-0.8	3.0	2.7	-0.3
Great Lakes	1.1	1.3	0.2	1.9	2.5	0.6	2.4	2.0	-0.4
Illinois	1.4	1.5	0.1	0.9	2.6	1.7	1.9	2.2	0.3
Indiana	1.3	1.5	0.2	3.2	4.1	0.9	3.8	3.4	-0.4
Michigan	0.9	1.0	0.1	2.2	2.4	0.2	1.2	-0.7	-1.9
Ohio	0.5	0.7	0.2	1.7	1.6	-0.1	2.6	3.0	0.4
Wisconsin	2.1	1.9	-0.2	2.9	2.5	-0.4	4.1	3.1	-1.0
Plains	2.0	2.0	0.0	2.8	2.9	0.1	3.4	3.4	0.0
Iowa	1.9	1.8	-0.1	2.5	3.0	0.5	5.5	4.4	-1.1
Kansas	1.9	1.8	-0.1	1.2	1.3	0.1	3.6	3.2	-0.4
Minnesota	2.7	2.9	0.2	3.6	3.6	0.0	3.9	4.6	0.7
Missouri	1.2	1.2	0.0	1.7	2.0	0.3	2.4	2.6	0.2
Nebraska	1.7	1.5	-0.2	5.3	5.5	0.2	1.5	1.1	-0.4
North Dakota	1.3	1.8	0.5	4.6	5.8	1.2	2.1	0.3	-1.8
South Dakota	4.0	4.7	0.7	3.7	1.6	-2.1	4.5	3.9	-0.6
Southeast	2.4	2.3	-0.1	3.2	3.0	-0.2	4.8	4.7	-0.1
Alabama	1.8	1.6	-0.2	3.8	3.2	-0.6	4.3	5.1	0.8
Arkansas	1.6	1.8	0.2	2.5	2.7	0.2	5.3	6.0	0.7
Florida	3.5	3.4	-0.1	4.0	4.3	0.3	5.9	6.5	0.6
Georgia	2.6	2.5	-0.1	2.8	1.8	-1.0	4.5	4.6	0.1
Kentucky	0.4	0.5	0.1	3.6	2.4	-1.2	3.7	3.0	-0.7
Louisiana	-1.0	-0.9	0.1	0.1	1.5	1.4	2.2	4.5	2.3
Mississippi	0.8	0.5	-0.3	2.2	3.6	1.4	3.3	2.9	-0.4
North Carolina	3.4	3.0	-0.4	3.1	2.2	-0.9	4.4	2.8	-1.6
South Carolina	2.0	1.9	-0.1	3.0	3.1	0.1	4.1	0.6	-3.5
Tennessee	2.2	2.2	0.0	4.4	3.6	-0.8	4.7	5.3	0.6
Virginia	3.7	3.4	-0.3	3.4	3.7	0.3	6.3	5.8	-0.5
West Virginia	1.0	1.0	0.0	1.1	1.0	-0.1	2.6	3.3	0.7
Southwest	3.4	3.5	0.1	2.4	2.1	-0.3	4.8	4.9	0.1
Arizona	5.0	4.7	-0.3	4.5	4.7	0.2	7.1	4.2	-2.9
New Mexico	3.4	2.8	-0.6	3.2	4.0	0.8	4.3	6.6	2.3
Oklahoma	2.0	2.4	0.4	2.1	2.0	-0.1	3.3	3.3	0.0
Texas	3.3	3.4	0.1	1.8	1.4	-0.4	4.6	5.1	0.5
Rocky Mountain	3.9	3.7	-0.2	2.4	2.2	-0.2	4.4	4.9	0.5
Colorado	4.2	4.4	0.2	2.1	1.4	-0.7	3.9	3.9	0.0
Idaho	5.6	4.4	-1.2	3.8	3.1	-0.7	5.8	10.1	4.3
Montana	2.4	1.9	-0.5	3.9	4.7	0.8	4.3	3.8	-0.5
Utah	2.7	2.3	-0.4	2.2	2.7	0.5	5.2	5.5	0.3
Wyoming	4.7	3.4	-1.3	2.1	3.2	1.1	3.3	3.7	0.4
Far West	4.0	3.6	-0.4	3.4	3.0	-0.4	5.5	5.3	-0.2
Alaska	1.7	1.1	-0.6	-2.1	-1.1	1.0	3.4	7.2	3.8
California	4.5	4.0	-0.5	3.4	3.2	-0.2	5.6	5.2	-0.4
Hawaii	1.1	0.9	-0.2	3.8	3.6	-0.2	6.0	5.0	-1.0
Nevada	3.8	3.6	-0.2	7.0	7.4	0.4	9.3	7.8	-1.5
Oregon	2.8	3.3	0.5	2.8	1.6	-1.2	4.5	9.6	5.1
Washington	2.4	2.0	-0.4	2.8	1.5	-1.3	4.4	2.8	-1.6

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
United States										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.1	0.9	1.5	2.6	4.2	3.1	0.9	1.5	2.6	4.2
Natural resources and mining.....	0.2	-5.9	-1.2	2.5	2.0	0.01	-0.13	-0.02	0.05	0.05
Construction.....	0.9	0.2	-2.0	-1.3	2.5	0.04	0.01	-0.09	-0.06	0.12
Durable goods.....	5.0	-6.0	1.7	4.3	6.3	0.41	-0.50	0.13	0.31	0.45
Nondurable goods.....	0.0	-5.0	4.2	-1.2	2.7	0.00	-0.28	0.23	-0.07	0.14
Trade.....	4.7	7.0	1.6	3.0	5.6	0.60	0.85	0.21	0.38	0.70
Transportation and utilities.....	2.6	-3.7	3.1	5.3	2.8	0.14	-0.18	0.15	0.26	0.14
Information.....	7.4	4.0	2.1	2.7	12.8	0.32	0.18	0.10	0.12	0.56
Financial activities.....	3.7	3.8	0.9	3.4	3.8	0.75	0.74	0.19	0.71	0.79
Professional and business services.....	3.2	-0.7	-0.2	3.2	6.4	0.36	-0.07	-0.02	0.37	0.73
Education and health services.....	2.7	3.2	4.2	2.8	3.2	0.20	0.22	0.31	0.22	0.25
Leisure and hospitality.....	2.5	-0.7	1.7	2.9	3.0	0.09	-0.02	0.06	0.11	0.11
Other services, except government.....	0.2	-1.7	0.3	1.1	1.2	0.01	-0.04	0.01	0.03	0.03
Government.....	1.3	1.0	1.7	1.1	0.6	0.16	0.12	0.21	0.14	0.08
New England										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.1	0.8	-0.3	2.3	4.1	3.1	0.8	-0.3	2.3	4.1
Natural resources and mining.....	6.1	-3.4	0.1	5.0	1.0	0.03	-0.01	0.00	0.02	0.00
Construction.....	1.2	4.1	-2.7	-2.5	2.1	0.05	0.16	-0.12	-0.11	0.09
Durable goods.....	5.4	-1.2	-3.0	4.7	2.5	0.48	-0.11	-0.26	0.37	0.20
Nondurable goods.....	-0.9	-11.3	6.7	-5.0	3.6	-0.04	-0.47	0.24	-0.19	0.12
Trade.....	4.5	8.0	0.8	3.4	4.7	0.56	0.92	0.09	0.40	0.57
Transportation and utilities.....	2.2	-5.4	-1.2	7.0	4.5	0.08	-0.19	-0.04	0.23	0.16
Information.....	6.7	5.6	1.0	0.9	12.5	0.27	0.23	0.04	0.04	0.49
Financial activities.....	3.9	2.2	-0.9	3.9	4.4	0.98	0.55	-0.24	0.99	1.15
Professional and business services.....	2.6	-3.6	-4.0	1.7	6.8	0.33	-0.50	-0.53	0.22	0.86
Education and health services.....	1.8	1.1	3.4	2.3	2.2	0.18	0.11	0.33	0.23	0.23
Leisure and hospitality.....	3.0	0.5	2.3	2.8	2.5	0.10	0.02	0.07	0.10	0.08
Other services, except government.....	-0.1	-1.9	0.8	-0.6	0.4	0.00	-0.04	0.02	-0.01	0.01
Government.....	1.2	1.5	1.1	-0.3	1.0	0.11	0.14	0.10	-0.02	0.10
Connecticut										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.0	0.5	-1.6	0.7	4.4	2.0	0.5	-1.6	0.7	4.4
Natural resources and mining.....	4.7	-10.7	-2.8	-0.9	-7.4	0.01	-0.03	-0.01	0.00	-0.02
Construction.....	0.7	-0.5	-2.5	-1.0	6.3	0.02	-0.02	-0.08	-0.03	0.22
Durable goods.....	-0.4	2.7	-8.6	-2.7	1.2	-0.04	0.24	-0.77	-0.22	0.09
Nondurable goods.....	2.4	-3.2	11.1	-15.1	22.9	0.10	-0.13	0.43	-0.65	0.82
Trade.....	3.2	4.0	-0.1	1.6	4.1	0.38	0.46	-0.01	0.18	0.48
Transportation and utilities.....	2.7	-4.7	-3.5	7.8	10.8	0.10	-0.16	-0.11	0.24	0.36
Information.....	6.4	3.3	0.5	2.4	13.1	0.25	0.13	0.02	0.09	0.49
Financial activities.....	3.1	-0.9	-2.7	3.6	3.5	0.90	-0.27	-0.79	1.04	1.05
Professional and business services.....	1.2	0.3	-4.1	0.7	4.2	0.15	0.04	-0.55	0.10	0.55
Education and health services.....	0.9	1.0	2.3	1.5	1.8	0.08	0.08	0.19	0.13	0.16
Leisure and hospitality.....	2.4	-0.3	0.9	2.8	3.0	0.06	-0.01	0.02	0.08	0.08
Other services, except government.....	-3.0	-2.7	-1.0	-1.7	0.0	-0.07	-0.06	-0.02	-0.04	0.00
Government.....	1.0	2.2	0.9	-2.3	1.7	0.09	0.19	0.08	-0.22	0.16
Maine										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.3	1.8	1.5	1.9	4.7	2.3	1.8	1.5	1.9	4.7
Natural resources and mining.....	4.4	-16.0	-6.4	6.8	3.5	0.06	-0.29	-0.09	0.09	0.05
Construction.....	3.9	1.6	-3.6	3.7	1.4	0.17	0.08	-0.19	0.19	0.08
Durable goods.....	4.5	-6.8	-2.1	1.4	13.1	0.27	-0.45	-0.12	0.08	0.72
Nondurable goods.....	-3.5	-16.6	-1.9	-4.1	7.7	-0.23	-1.29	-0.12	-0.24	0.40
Trade.....	5.8	10.4	3.7	5.7	6.4	0.81	1.41	0.53	0.82	0.94
Transportation and utilities.....	1.7	-2.0	-2.6	4.2	4.1	0.07	-0.09	-0.12	0.18	0.18
Information.....	7.0	8.7	4.1	4.6	13.6	0.19	0.24	0.12	0.13	0.37
Financial activities.....	0.3	7.3	2.9	0.0	3.1	0.08	1.41	0.60	0.00	0.63
Professional and business services.....	2.5	0.0	2.5	1.4	5.5	0.19	0.00	0.20	0.11	0.43
Education and health services.....	3.8	3.8	3.6	2.1	4.7	0.38	0.40	0.39	0.24	0.53
Leisure and hospitality.....	3.2	1.3	4.7	4.1	1.5	0.12	0.05	0.18	0.16	0.06
Other services, except government.....	-0.9	-1.1	0.7	1.9	1.3	-0.02	-0.03	0.02	0.04	0.03
Government.....	1.7	2.5	0.7	0.9	1.9	0.23	0.35	0.10	0.14	0.27
Massachusetts										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.7	0.6	-0.8	2.7	3.6	3.7	0.6	-0.6	2.7	3.6
Natural resources and mining.....	8.3	9.7	10.5	6.7	3.9	0.02	0.02	0.03	0.02	0.01
Construction.....	0.8	6.2	-3.7	-6.1	0.3	0.03	0.26	-0.17	-0.28	0.01
Durable goods.....	9.3	-2.3	-1.9	11.8	0.0	0.81	-0.21	-0.16	0.91	0.00
Nondurable goods.....	-1.5	-14.9	8.9	0.0	-7.8	-0.05	-0.55	0.28	0.00	-0.25
Trade.....	4.4	9.2	-0.9	3.4	4.6	0.53	1.01	-0.11	0.38	0.52
Transportation and utilities.....	1.5	-4.7	-2.0	5.4	0.9	0.05	-0.15	-0.06	0.16	0.03
Information.....	6.2	5.3	-0.2	-1.6	10.9	0.28	0.25	-0.01	-0.08	0.48
Financial activities.....	4.6	3.2	-0.6	4.3	5.1	1.14	0.76	-0.15	1.06	1.30
Professional and business services.....	3.3	-5.2	-4.8	1.5	8.0	0.49	-0.84	-0.73	0.22	1.15
Education and health services.....	1.6	0.2	3.1	2.4	1.9	0.18	0.02	0.31	0.26	0.20
Leisure and hospitality.....	3.2	0.3	2.1	2.6	2.3	0.10	0.01	0.07	0.09	0.08
Other services, except government.....	1.7	-1.3	1.7	-0.6	0.1	0.03	-0.03	0.04	-0.01	0.00
Government.....	0.7	0.8	0.9	-0.5	0.3	0.07	0.07	0.08	-0.04	0.03

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
New Hampshire										
Annual percent change					Contributions to annual percent change					
Total gross state product	4.1	0.2	2.3	3.3	5.4	4.1	0.2	2.3	3.3	5.4
Natural resources and mining	5.2	-13.0	-4.9	11.1	7.3	0.03	-0.07	-0.02	0.05	0.04
Construction	2.3	10.5	2.2	-0.8	3.2	0.11	0.45	0.11	-0.04	0.16
Durable goods	4.0	-12.9	6.4	4.4	6.3	0.52	-1.59	0.62	0.43	0.58
Nondurable goods	-4.2	-8.7	-9.2	-0.2	-2.1	-0.17	-0.38	-0.36	-0.01	-0.07
Trade	6.7	10.7	3.8	4.4	5.4	0.97	1.52	0.57	0.66	0.82
Transportation and utilities.....	5.2	-6.0	9.1	11.3	7.8	0.26	-0.29	0.41	0.54	0.40
Information	12.6	5.9	7.1	4.0	18.6	0.35	0.18	0.23	0.13	0.58
Financial activities	4.9	2.9	1.1	3.1	5.1	1.06	0.66	0.26	0.73	1.20
Professional and business services	3.0	-7.2	-3.4	0.7	10.6	0.30	-0.82	-0.36	0.07	1.00
Education and health services	3.8	4.0	5.8	3.9	3.0	0.34	0.35	0.54	0.38	0.30
Leisure and hospitality.....	3.3	3.2	2.6	2.4	4.1	0.13	0.12	0.10	0.10	0.16
Other services, except government.....	0.1	-2.9	0.8	-0.7	1.0	0.00	-0.07	0.02	-0.02	0.03
Government.....	2.4	0.9	1.8	3.6	1.8	0.22	0.08	0.16	0.34	0.17
Rhode Island										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.1	1.7	2.2	4.4	3.7	3.1	1.7	2.2	4.4	3.7
Natural resources and mining	10.5	84.6	4.1	1.6	-1.2	0.03	0.13	0.01	0.00	0.00
Construction	0.1	-2.1	-2.8	6.4	-1.7	0.01	-0.10	-0.14	0.31	-0.09
Durable goods	2.9	-0.1	2.9	-10.2	14.9	0.23	-0.01	0.23	-0.79	0.96
Nondurable goods	-2.7	-12.5	10.8	4.6	-5.7	-0.10	-0.45	0.33	0.15	-0.18
Trade	6.1	6.6	7.0	5.2	3.9	0.69	0.74	0.80	0.60	0.46
Transportation and utilities.....	1.0	-12.0	-1.9	9.6	-1.2	0.04	-0.49	-0.07	0.32	-0.04
Information	6.2	15.5	5.0	8.5	16.2	0.24	0.51	0.18	0.31	0.58
Financial activities	5.1	5.6	-0.5	7.2	4.4	1.26	1.46	-0.15	1.91	1.20
Professional and business services	2.6	-3.6	-1.4	12.0	4.9	0.24	-0.35	-0.13	1.04	0.45
Education and health services	1.7	0.9	6.0	2.1	2.4	0.19	0.10	0.64	0.24	0.27
Leisure and hospitality.....	3.8	1.9	3.6	4.0	1.0	0.13	0.07	0.13	0.15	0.04
Other services, except government.....	0.8	-0.4	4.1	-0.2	1.4	0.02	-0.01	0.09	0.00	0.03
Government.....	1.4	0.6	1.9	1.0	0.2	0.17	0.07	0.23	0.13	0.03
Vermont										
Annual percent change					Contributions to annual percent change					
Total gross state product	4.1	4.3	2.0	3.7	4.5	4.1	4.3	2.0	3.7	4.5
Natural resources and mining	5.2	-3.2	-5.8	2.9	-2.9	0.10	-0.07	-0.12	0.05	-0.06
Construction	3.6	8.1	0.0	2.8	7.5	0.17	0.37	0.00	0.14	0.39
Durable goods	10.6	19.5	-3.8	1.8	4.9	1.15	2.24	-0.45	0.19	0.48
Nondurable goods	-1.9	-18.7	0.7	-0.7	10.6	-0.08	-0.80	0.02	-0.02	0.32
Trade	5.8	13.9	5.8	5.9	6.6	0.79	1.70	0.75	0.78	0.89
Transportation and utilities.....	0.9	-11.0	1.1	8.4	1.3	0.04	-0.58	0.05	0.37	0.06
Information	7.8	9.3	5.9	8.7	14.7	0.31	0.35	0.23	0.34	0.57
Financial activities	2.7	5.4	2.4	2.6	3.1	0.48	0.94	0.43	0.47	0.56
Professional and business services	2.8	-8.1	-0.7	5.9	8.5	0.21	-0.66	-0.05	0.42	0.61
Education and health services	3.9	4.8	5.6	3.2	3.0	0.40	0.49	0.59	0.35	0.33
Leisure and hospitality.....	2.2	-1.6	5.1	2.3	2.3	0.12	-0.09	0.27	0.12	0.12
Other services, except government.....	0.6	-3.3	-2.3	2.7	1.2	0.01	-0.09	-0.06	0.07	0.03
Government.....	2.7	3.8	2.4	3.0	1.3	0.35	0.48	0.31	0.40	0.17
Mideast										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.9	2.5	0.8	1.9	3.9	2.9	2.5	0.8	1.9	3.9
Natural resources and mining	3.8	-6.7	-5.3	4.8	-1.7	0.02	-0.03	-0.02	0.02	-0.01
Construction	1.0	3.1	-0.9	-1.8	0.7	0.04	0.12	-0.04	-0.07	0.03
Durable goods	2.6	-5.4	1.2	-0.3	3.4	0.12	-0.26	0.05	-0.01	0.13
Nondurable goods	0.3	0.1	2.6	-1.3	-1.5	0.02	0.01	0.14	-0.07	-0.08
Trade	4.6	7.5	2.1	4.0	5.0	0.54	0.85	0.24	0.46	0.58
Transportation and utilities.....	2.0	-1.2	1.4	5.0	1.2	0.09	-0.05	0.06	0.22	0.05
Information	7.1	8.8	5.0	4.7	11.5	0.38	0.46	0.27	0.26	0.62
Financial activities	3.8	4.4	-1.8	2.1	5.1	0.95	1.12	-0.46	0.54	1.29
Professional and business services	3.3	1.0	0.5	2.1	6.1	0.42	0.13	0.07	0.27	0.80
Education and health services	2.0	2.0	3.6	2.3	2.5	0.17	0.16	0.31	0.20	0.23
Leisure and hospitality.....	2.1	-1.6	1.7	2.7	2.5	0.07	-0.05	0.05	0.09	0.08
Other services, except government.....	0.6	-1.9	0.8	1.9	1.7	0.01	-0.04	0.02	0.05	0.04
Government.....	0.6	1.0	0.9	-0.2	1.1	0.08	0.12	0.11	-0.02	0.13
Delaware										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.0	3.6	-0.1	4.0	5.2	3.0	3.6	-0.1	4.0	5.2
Natural resources and mining	9.2	5.7	6.8	17.2	0.4	0.07	0.03	0.04	0.11	0.00
Construction	0.6	0.0	0.1	-0.8	7.2	0.02	0.00	0.00	-0.03	0.26
Durable goods	3.8	18.5	-28.5	0.8	9.0	0.09	0.53	-0.95	0.02	0.17
Nondurable goods	1.9	2.2	-22.3	-2.8	56.6	0.13	0.13	-1.39	-0.12	2.32
Trade	6.2	9.8	2.2	7.3	7.5	0.50	0.74	0.18	0.57	0.59
Transportation and utilities.....	4.1	4.8	4.5	1.8	4.1	0.12	0.15	0.15	0.06	0.13
Information	10.2	6.7	6.7	9.5	11.5	0.19	0.13	0.14	0.20	0.24
Financial activities	1.9	0.8	1.6	6.0	0.1	0.84	0.37	0.76	2.68	0.07
Professional and business services	4.6	12.0	0.4	1.1	6.3	0.53	1.44	0.06	0.14	0.78
Education and health services	3.3	2.7	3.5	4.4	5.1	0.18	0.14	0.20	0.24	0.29
Leisure and hospitality.....	3.5	-0.2	3.5	1.1	6.2	0.08	-0.01	0.08	0.03	0.14
Other services, except government.....	1.6	-5.9	3.9	8.0	0.8	0.03	-0.10	0.07	0.14	0.01
Government.....	2.3	0.4	6.5	-0.3	2.3	0.20	0.04	0.59	-0.03	0.21

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
District of Columbia										
	Annual percent change					Contributions to annual percent change				
Total gross state product	3.0	4.9	2.0	2.3	4.7	3.0	4.9	2.0	2.3	4.7
Natural resources and mining.....	-16.3	-16.4	3.5	-38.4	-45.8	-0.01	0.00	0.00	-0.01	-0.01
Construction.....	5.5	9.3	14.8	1.4	-5.6	0.06	0.11	0.19	0.02	-0.08
Durable goods.....	18.0	6.0	23.7	2.8	18.8	0.03	0.01	0.03	0.00	0.03
Nondurable goods.....	-7.1	-1.7	-3.4	-6.1	0.9	-0.02	0.00	-0.01	-0.01	0.00
Trade.....	3.3	1.7	0.3	6.0	6.6	0.08	0.04	0.01	0.13	0.15
Transportation and utilities.....	3.3	-4.7	-3.2	7.3	-2.0	0.05	-0.09	-0.05	0.11	-0.03
Information.....	6.5	13.1	9.5	3.6	14.2	0.43	0.79	0.59	0.23	0.87
Financial activities.....	5.5	6.7	-0.3	6.5	7.9	0.71	0.91	-0.04	0.87	1.08
Professional and business services.....	5.4	4.7	1.5	3.6	7.4	1.15	1.08	0.34	0.82	1.68
Education and health services.....	2.0	1.7	4.2	1.6	2.1	0.14	0.12	0.29	0.12	0.16
Leisure and hospitality.....	3.2	-4.7	-1.5	5.0	2.6	0.11	-0.18	-0.05	0.17	0.09
Other services, except government.....	2.2	0.1	2.0	0.1	5.1	0.13	0.00	0.12	0.01	0.31
Government.....	0.3	6.2	1.8	-0.4	1.5	0.13	2.10	0.62	-0.15	0.51
Maryland										
	Annual percent change					Contributions to annual percent change				
Total gross state product	3.6	3.9	3.2	2.9	4.7	3.6	3.9	3.2	2.9	4.7
Natural resources and mining.....	6.0	-11.1	-2.1	17.8	2.2	0.03	-0.05	-0.01	0.07	0.01
Construction.....	2.3	3.3	1.0	1.5	4.8	0.13	0.18	0.06	0.09	0.29
Durable goods.....	4.7	3.3	11.0	-4.8	7.7	0.16	0.11	0.33	-0.14	0.20
Nondurable goods.....	-0.6	-0.7	-0.6	-7.5	2.7	-0.02	-0.03	-0.02	-0.27	0.08
Trade.....	4.7	8.6	2.3	3.4	5.7	0.59	1.04	0.28	0.41	0.68
Transportation and utilities.....	1.4	-2.2	1.4	4.2	-1.0	0.07	-0.11	0.07	0.20	-0.05
Information.....	8.4	6.5	4.0	10.8	12.2	0.33	0.26	0.15	0.41	0.47
Financial activities.....	5.0	5.5	4.3	5.1	6.5	1.06	1.15	0.93	1.12	1.45
Professional and business services.....	5.5	5.9	4.5	5.4	8.7	0.70	0.76	0.58	0.70	1.13
Education and health services.....	3.0	3.8	4.5	2.9	3.2	0.25	0.30	0.37	0.25	0.28
Leisure and hospitality.....	2.1	0.8	1.5	4.1	2.8	0.07	0.03	0.05	0.14	0.10
Other services, except government.....	0.9	-1.7	1.1	1.3	1.7	0.02	-0.05	0.03	0.04	0.04
Government.....	1.3	2.0	2.2	-0.4	0.2	0.22	0.35	0.38	-0.07	0.04
New Jersey										
	Annual percent change					Contributions to annual percent change				
Total gross state product	2.6	3.0	0.8	2.3	3.1	2.6	3.0	0.8	2.3	3.1
Natural resources and mining.....	1.2	-10.9	-3.5	0.0	-8.9	0.00	-0.03	-0.01	0.00	-0.02
Construction.....	0.7	6.4	-0.4	-2.8	2.1	0.03	0.25	-0.02	-0.12	0.09
Durable goods.....	4.1	0.1	-0.1	7.4	-6.3	0.14	0.01	0.00	0.25	-0.22
Nondurable goods.....	-1.0	-3.0	-6.8	0.1	0.0	-0.08	-0.24	-0.51	0.01	0.00
Trade.....	4.4	8.4	1.4	3.4	2.3	0.66	1.24	0.20	0.51	0.35
Transportation and utilities.....	1.4	-5.1	-0.3	6.0	1.2	0.07	-0.27	-0.01	0.29	0.06
Information.....	4.3	8.0	2.4	-2.5	10.2	0.22	0.40	0.12	-0.12	0.46
Financial activities.....	4.2	6.2	2.3	3.2	5.2	0.98	1.41	0.55	0.76	1.26
Professional and business services.....	1.7	-1.7	-1.2	2.1	4.7	0.22	-0.24	-0.16	0.28	0.61
Education and health services.....	2.4	4.0	4.4	2.7	1.9	0.18	0.28	0.32	0.20	0.15
Leisure and hospitality.....	1.7	1.0	4.0	3.0	0.8	0.06	0.03	0.13	0.10	0.03
Other services, except government.....	0.9	-0.2	0.9	2.0	2.0	0.02	0.00	0.02	0.04	0.04
Government.....	0.8	1.6	1.6	1.3	2.6	0.08	0.15	0.16	0.14	0.27
New York										
	Annual percent change					Contributions to annual percent change				
Total gross state product	3.2	2.2	-0.3	1.4	4.5	3.2	2.2	-0.3	1.4	4.5
Natural resources and mining.....	5.3	1.0	-9.8	5.6	-5.1	0.01	0.00	-0.03	0.01	-0.02
Construction.....	1.2	2.7	-2.1	-2.9	-1.6	0.04	0.08	-0.07	-0.10	-0.06
Durable goods.....	2.6	-6.9	3.5	-3.7	4.2	0.10	-0.28	0.12	-0.13	0.13
Nondurable goods.....	1.3	-2.9	8.2	-0.7	2.3	0.05	-0.11	0.29	-0.02	0.08
Trade.....	4.6	7.0	1.9	4.1	6.1	0.51	0.71	0.20	0.43	0.65
Transportation and utilities.....	1.7	1.6	-0.5	3.8	1.0	0.07	0.06	-0.02	0.14	0.04
Information.....	8.2	9.7	6.8	6.3	11.9	0.57	0.64	0.47	0.45	0.86
Financial activities.....	4.1	3.7	-5.0	1.2	5.7	1.20	1.13	-1.52	0.34	1.67
Professional and business services.....	3.2	0.6	-0.4	0.6	5.5	0.41	0.08	-0.05	0.08	0.73
Education and health services.....	1.7	0.7	3.2	2.1	2.4	0.15	0.06	0.27	0.19	0.22
Leisure and hospitality.....	2.3	-3.1	0.8	2.9	3.5	0.08	-0.11	0.03	0.10	0.12
Other services, except government.....	0.1	-2.7	0.0	1.8	1.0	0.00	-0.06	0.00	0.04	0.02
Government.....	0.6	-0.1	-0.3	-1.1	0.7	0.06	-0.01	-0.03	-0.11	0.08
Pennsylvania										
	Annual percent change					Contributions to annual percent change				
Total gross state product	2.2	1.5	1.9	1.8	2.7	2.2	1.5	1.9	1.8	2.7
Natural resources and mining.....	2.9	-9.1	-4.6	2.5	0.3	0.04	-0.12	-0.05	0.03	0.00
Construction.....	0.1	0.9	-1.6	-1.7	0.2	0.00	0.04	-0.07	-0.07	0.01
Durable goods.....	1.5	-8.5	-0.9	0.6	5.9	0.13	-0.77	-0.07	0.05	0.42
Nondurable goods.....	0.6	5.1	7.6	-1.5	-9.2	0.05	0.45	0.68	-0.14	-0.82
Trade.....	4.5	7.0	3.2	4.5	5.4	0.57	0.83	0.38	0.55	0.67
Transportation and utilities.....	2.7	-1.3	5.2	6.2	2.2	0.16	-0.08	0.30	0.36	0.13
Information.....	6.0	6.5	0.6	4.7	10.1	0.21	0.23	0.02	0.16	0.35
Financial activities.....	2.2	5.0	-0.4	0.9	3.7	0.41	0.93	-0.08	0.16	0.70
Professional and business services.....	3.2	-0.2	2.1	3.2	7.2	0.35	-0.02	0.23	0.34	0.78
Education and health services.....	1.7	2.1	3.4	2.1	2.8	0.17	0.21	0.35	0.22	0.30
Leisure and hospitality.....	1.6	-1.5	1.8	0.9	1.5	0.05	-0.05	0.05	0.03	0.04
Other services, except government.....	0.2	-2.2	1.1	2.6	1.3	0.01	-0.06	0.03	0.07	0.03
Government.....	0.1	-0.8	0.9	0.8	0.7	0.01	-0.07	0.09	0.08	0.07

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
Great Lakes										
	Annual percent change					Contributions to annual percent change				
Total gross state product	1.8	-1.2	1.9	2.5	2.0	1.8	-1.2	1.9	2.5	2.0
Natural resources and mining.....	1.4	-2.0	3.8	5.8	6.7	0.02	-0.02	0.03	0.05	0.07
Construction.....	-1.3	-3.8	-2.5	-3.2	-1.1	-0.06	-0.17	-0.11	-0.15	-0.05
Durable goods.....	2.3	-9.7	6.0	5.8	1.7	0.31	-1.40	0.78	0.75	0.22
Nondurable goods.....	0.6	-5.3	7.7	-2.0	3.4	0.04	-0.35	0.50	-0.13	0.22
Trade.....	3.7	5.9	0.9	1.9	4.1	0.47	0.74	0.12	0.25	0.51
Transportation and utilities.....	1.8	-3.2	0.8	3.4	2.4	0.09	-0.17	0.04	0.17	0.12
Information.....	4.9	5.7	2.0	1.3	12.8	0.15	0.17	0.06	0.04	0.36
Financial activities.....	1.9	1.3	0.3	2.9	0.7	0.36	0.25	0.07	0.55	0.14
Professional and business services.....	1.8	-2.8	0.5	2.6	5.0	0.19	-0.32	0.05	0.28	0.55
Education and health services.....	2.0	2.3	2.7	2.1	2.3	0.15	0.16	0.21	0.16	0.18
Leisure and hospitality.....	1.8	-0.7	1.0	1.8	1.9	0.05	-0.02	0.03	0.06	0.06
Other services, except government.....	-0.6	-2.7	0.3	0.4	0.5	-0.01	-0.06	0.01	0.01	0.01
Government.....	0.8	0.2	0.7	4.3	-3.3	0.08	0.02	0.07	0.45	-0.37
Illinois										
	Annual percent change					Contributions to annual percent change				
Total gross state product	2.0	0.2	0.3	2.6	2.2	2.0	0.2	0.3	2.6	2.2
Natural resources and mining.....	2.0	-1.7	11.6	9.2	14.8	0.03	-0.01	0.08	0.07	0.14
Construction.....	-0.1	-0.3	-0.1	-1.7	-2.7	0.00	-0.01	0.00	-0.08	-0.13
Durable goods.....	2.1	-7.6	-1.4	3.9	11.0	0.18	-0.66	-0.11	0.28	0.78
Nondurable goods.....	0.2	-3.3	0.6	-0.1	4.0	0.01	-0.21	0.04	-0.01	0.23
Trade.....	4.0	6.2	0.6	1.3	4.8	0.52	0.80	0.07	0.16	0.61
Transportation and utilities.....	2.2	-3.3	2.3	2.5	2.6	0.12	-0.20	0.13	0.14	0.15
Information.....	4.0	5.6	0.7	-1.8	11.4	0.15	0.21	0.03	-0.07	0.40
Financial activities.....	2.2	1.3	-1.0	1.9	2.1	0.48	0.29	-0.23	0.42	0.46
Professional and business services.....	2.2	-1.3	-0.5	1.7	5.7	0.28	-0.17	-0.06	0.23	0.74
Education and health services.....	2.0	2.1	1.9	1.7	1.8	0.13	0.15	0.14	0.13	0.13
Leisure and hospitality.....	1.2	-0.9	1.1	1.6	3.0	0.04	-0.03	0.03	0.05	0.09
Other services, except government.....	-0.5	-3.2	1.6	-2.1	0.4	-0.01	-0.08	0.04	-0.05	0.01
Government.....	1.0	0.9	1.2	13.3	-12.2	0.10	0.09	0.11	1.35	-1.39
Indiana										
	Annual percent change					Contributions to annual percent change				
Total gross state product	2.6	-2.1	3.4	4.1	3.4	2.6	-2.1	3.4	4.1	3.4
Natural resources and mining.....	2.2	9.0	-0.5	17.1	11.8	0.04	0.09	-0.01	0.18	0.16
Construction.....	-2.4	-4.5	-2.7	-0.7	0.5	-0.11	-0.20	-0.12	-0.03	0.02
Durable goods.....	4.9	-7.9	11.5	10.1	3.6	0.91	-1.52	2.04	1.85	0.68
Nondurable goods.....	3.1	-12.6	13.4	-0.5	6.6	0.29	-1.28	1.22	-0.05	0.61
Trade.....	4.0	6.3	2.1	3.7	4.2	0.48	0.72	0.25	0.44	0.49
Transportation and utilities.....	1.5	-3.9	-0.5	3.4	3.7	0.09	-0.23	-0.03	0.19	0.20
Information.....	5.3	3.5	4.2	4.3	19.0	0.12	0.07	0.09	0.09	0.38
Financial activities.....	1.8	1.8	-1.7	3.7	-0.5	0.28	0.28	-0.28	0.59	-0.07
Professional and business services.....	2.3	-0.7	0.5	5.2	6.1	0.16	-0.05	0.03	0.37	0.43
Education and health services.....	2.5	3.3	3.4	2.9	2.7	0.18	0.23	0.26	0.23	0.21
Leisure and hospitality.....	3.1	0.3	1.1	2.6	2.4	0.10	0.01	0.04	0.09	0.09
Other services, except government.....	-0.3	-4.8	1.3	1.2	0.8	-0.01	-0.11	0.03	0.03	0.02
Government.....	0.8	-1.2	-1.1	0.9	1.4	0.08	-0.11	-0.11	0.09	0.14
Michigan										
	Annual percent change					Contributions to annual percent change				
Total gross state product	1.1	-3.1	3.1	2.4	-0.7	1.1	-3.1	3.1	2.4	-0.7
Natural resources and mining.....	1.2	-8.8	3.1	-0.1	4.5	0.01	-0.06	0.02	0.00	0.03
Construction.....	-2.2	-7.1	-5.1	-7.0	-1.7	-0.10	-0.34	-0.24	-0.32	-0.07
Durable goods.....	1.6	-10.8	13.2	7.1	-8.8	0.28	-1.98	2.15	1.22	-1.52
Nondurable goods.....	-1.0	-9.5	15.2	-1.9	-1.8	-0.05	-0.39	0.58	-0.08	-0.07
Trade.....	2.9	5.1	0.3	1.7	2.1	0.38	0.63	0.04	0.21	0.26
Transportation and utilities.....	1.9	-2.6	0.2	6.4	0.6	0.09	-0.12	0.01	0.28	0.03
Information.....	5.4	5.6	1.7	3.8	11.4	0.14	0.14	0.05	0.10	0.29
Financial activities.....	0.5	1.3	2.2	2.7	-1.0	0.09	0.22	0.39	0.47	-0.17
Professional and business services.....	0.8	-7.8	-1.8	2.6	2.9	0.10	-1.11	-0.24	0.33	0.37
Education and health services.....	1.4	0.7	3.2	2.0	1.7	0.10	0.05	0.23	0.15	0.12
Leisure and hospitality.....	2.3	-1.3	1.9	0.9	0.6	0.07	-0.04	0.06	0.03	0.02
Other services, except government.....	-1.7	-0.9	-1.9	-0.9	-0.6	-0.04	-0.02	-0.04	-0.02	-0.01
Government.....	0.2	-0.5	0.5	0.4	-0.2	0.02	-0.05	0.06	0.04	-0.02
Ohio										
	Annual percent change					Contributions to annual percent change				
Total gross state product	1.6	-1.7	2.1	1.6	3.0	1.6	-1.7	2.1	1.6	3.0
Natural resources and mining.....	-2.2	-12.0	-0.9	3.0	-0.9	-0.02	-0.11	-0.01	0.02	-0.01
Construction.....	-2.2	-5.6	-3.6	-4.4	-0.2	-0.09	-0.24	-0.15	-0.18	-0.01
Durable goods.....	1.1	-12.6	3.9	1.9	6.2	0.17	-2.00	0.53	0.26	0.80
Nondurable goods.....	-0.2	-2.1	10.8	-2.9	2.3	-0.01	-0.14	0.71	-0.20	0.15
Trade.....	3.4	5.9	0.4	2.4	4.4	0.45	0.75	0.05	0.31	0.57
Transportation and utilities.....	1.3	-3.9	0.6	2.6	3.1	0.07	-0.20	0.03	0.13	0.15
Information.....	4.7	4.7	2.8	2.3	12.2	0.13	0.13	0.08	0.06	0.32
Financial activities.....	2.4	0.8	0.9	3.2	0.1	0.41	0.14	0.18	0.60	0.03
Professional and business services.....	2.0	-1.4	4.0	2.7	5.7	0.20	-0.14	0.41	0.28	0.60
Education and health services.....	1.8	2.2	2.1	1.7	2.7	0.14	0.17	0.18	0.15	0.23
Leisure and hospitality.....	1.2	-1.0	0.0	1.6	1.3	0.03	-0.03	0.00	0.05	0.04
Other services, except government.....	0.2	-3.1	-0.7	3.7	0.9	0.00	-0.08	-0.02	0.09	0.02
Government.....	0.8	0.5	1.1	0.3	1.0	0.08	0.06	0.13	0.04	0.11

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
Wisconsin										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.5	1.0	1.6	2.5	3.1	2.5	1.0	1.6	2.5	3.1
Natural resources and mining.....	4.1	8.0	3.3	0.9	1.3	0.08	0.12	0.05	0.01	0.02
Construction.....	0.2	-1.8	-1.6	-1.1	0.9	0.01	-0.08	-0.07	-0.05	0.04
Durable goods.....	2.5	-6.0	-2.0	7.1	2.3	0.34	-0.88	-0.27	0.89	0.29
Nondurable goods.....	1.0	-1.2	3.8	-5.2	4.9	0.09	-0.12	0.36	-0.49	0.41
Trade.....	4.8	6.7	3.1	1.4	4.8	0.59	0.81	0.38	0.17	0.59
Transportation and utilities.....	1.9	-1.4	-0.7	3.1	2.2	0.09	-0.07	-0.03	0.15	0.10
Information.....	7.0	10.4	4.2	3.3	15.7	0.19	0.27	0.12	0.09	0.42
Financial activities.....	2.8	2.3	2.2	4.8	1.9	0.52	0.42	0.41	0.90	0.36
Professional and business services.....	1.6	1.3	2.1	3.2	5.3	0.14	0.10	0.17	0.26	0.43
Education and health services.....	3.2	4.2	4.3	2.7	3.5	0.26	0.33	0.36	0.23	0.30
Leisure and hospitality.....	2.3	0.6	1.4	3.5	1.6	0.06	0.02	0.04	0.10	0.05
Other services, except government.....	-0.7	-1.2	1.3	1.6	1.1	-0.02	-0.03	0.03	0.04	0.02
Government.....	1.4	0.6	0.9	1.4	1.1	0.16	0.07	0.10	0.16	0.13
Plains										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.5	0.5	2.5	2.9	3.4	2.5	0.5	2.5	2.9	3.4
Natural resources and mining.....	1.9	-1.9	8.2	15.0	8.8	0.08	-0.05	0.20	0.38	0.29
Construction.....	-0.2	-1.9	-3.1	-1.1	1.1	-0.01	-0.09	-0.15	-0.05	0.05
Durable goods.....	4.2	-4.2	3.3	2.9	10.0	0.38	-0.41	0.29	0.25	0.84
Nondurable goods.....	-0.8	-5.9	5.1	1.8	1.5	-0.05	-0.40	0.33	0.12	0.09
Trade.....	3.9	7.4	1.5	2.2	4.8	0.51	0.97	0.20	0.29	0.62
Transportation and utilities.....	2.2	0.6	2.2	2.8	0.8	0.12	0.04	0.13	0.16	0.04
Information.....	6.7	1.4	2.2	2.7	12.9	0.27	0.06	0.10	0.11	0.51
Financial activities.....	3.5	2.5	4.7	5.3	-0.3	0.60	0.44	0.86	0.99	-0.05
Professional and business services.....	1.9	-1.8	0.8	3.4	5.5	0.18	-0.17	0.08	0.33	0.52
Education and health services.....	2.8	2.2	3.6	2.6	2.9	0.21	0.17	0.29	0.21	0.24
Leisure and hospitality.....	1.7	-0.8	1.6	2.2	1.5	0.06	-0.03	0.05	0.07	0.05
Other services, except government.....	-0.5	-2.1	0.3	-0.5	0.6	-0.01	-0.05	0.01	-0.01	0.01
Government.....	1.1	0.4	0.8	0.6	1.1	0.13	0.05	0.10	0.07	0.14
Iowa										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.2	-0.9	3.9	3.0	4.4	2.2	-0.9	3.9	3.0	4.4
Natural resources and mining.....	1.9	3.3	36.0	-18.5	57.1	0.12	0.10	1.11	-0.74	2.12
Construction.....	-1.0	-2.1	-0.8	1.9	3.8	-0.04	-0.08	-0.03	0.07	0.15
Durable goods.....	4.4	-3.0	5.1	0.8	17.8	0.51	-0.36	0.59	0.09	1.91
Nondurable goods.....	0.8	-2.4	4.1	8.1	-0.6	0.08	-0.24	0.40	0.78	-0.06
Trade.....	3.0	5.7	1.8	1.0	3.2	0.37	0.72	0.24	0.13	0.39
Transportation and utilities.....	3.2	-2.2	0.6	3.4	4.5	0.16	-0.13	0.04	0.19	0.25
Information.....	5.6	-1.2	-0.6	4.6	13.6	0.16	-0.04	-0.02	0.13	0.39
Financial activities.....	2.9	-4.8	7.4	9.7	-6.9	0.49	-0.91	1.37	1.86	-1.42
Professional and business services.....	0.6	-0.3	-1.2	6.0	4.5	0.04	-0.02	-0.07	0.32	0.25
Education and health services.....	2.1	1.9	1.8	1.1	2.8	0.14	0.14	0.14	0.09	0.21
Leisure and hospitality.....	1.4	-1.8	3.5	0.8	0.7	0.04	-0.06	0.11	0.02	0.02
Other services, except government.....	-0.4	-7.0	-0.1	0.5	0.7	-0.01	-0.17	0.00	0.01	0.02
Government.....	1.1	1.1	0.0	-0.1	1.6	0.12	0.13	0.00	-0.02	0.19
Kansas										
Annual percent change					Contributions to annual percent change					
Total gross state product	2.3	1.3	1.6	1.3	3.2	2.3	1.3	1.6	1.3	3.2
Natural resources and mining.....	-2.1	1.5	-5.3	26.2	-12.2	-0.11	0.05	-0.18	0.85	-0.59
Construction.....	-2.4	-5.2	-6.8	-3.0	-1.1	-0.10	-0.23	-0.29	-0.12	-0.04
Durable goods.....	2.2	-2.9	-3.1	-11.5	16.5	0.22	-0.32	-0.33	-1.14	1.40
Nondurable goods.....	0.7	-3.4	9.5	2.9	-3.9	0.04	-0.19	0.52	0.17	-0.22
Trade.....	3.4	6.7	1.3	1.2	4.1	0.49	0.91	0.17	0.16	0.55
Transportation and utilities.....	1.6	2.6	-0.9	3.6	-0.8	0.10	0.15	-0.06	0.21	-0.05
Information.....	11.3	-0.8	5.2	2.9	12.4	0.64	-0.05	0.34	0.19	0.78
Financial activities.....	2.1	3.1	4.5	1.2	0.4	0.32	0.46	0.68	0.18	0.07
Professional and business services.....	3.7	4.2	5.3	6.5	7.4	0.32	0.34	0.43	0.54	0.64
Education and health services.....	2.5	2.7	3.0	1.6	3.3	0.18	0.19	0.22	0.12	0.25
Leisure and hospitality.....	1.1	-0.5	-0.4	2.3	3.3	0.03	-0.01	-0.01	0.07	0.10
Other services, except government.....	-1.2	-2.8	1.9	-1.0	-1.1	-0.03	-0.07	0.05	-0.03	-0.03
Government.....	1.2	0.6	0.6	0.6	2.2	0.17	0.09	0.08	0.09	0.32
Minnesota										
Annual percent change					Contributions to annual percent change					
Total gross state product	3.5	0.7	2.6	3.6	4.6	3.5	0.7	2.6	3.6	4.6
Natural resources and mining.....	2.8	-7.7	20.2	-1.5	11.8	0.06	-0.12	0.29	-0.02	0.21
Construction.....	1.5	-0.2	-1.6	-0.9	1.1	0.07	-0.01	-0.08	-0.05	0.05
Durable goods.....	6.9	-5.7	3.0	12.2	12.9	0.66	-0.54	0.25	1.00	1.09
Nondurable goods.....	-0.1	-11.8	7.9	-1.4	3.3	0.00	-0.68	0.40	-0.07	0.16
Trade.....	4.8	8.9	0.4	2.4	6.0	0.64	1.15	0.05	0.32	0.78
Transportation and utilities.....	2.6	-3.4	1.5	4.3	3.7	0.12	-0.17	0.07	0.20	0.17
Information.....	7.0	5.1	6.0	1.6	13.7	0.24	0.18	0.22	0.06	0.47
Financial activities.....	4.7	5.2	3.6	7.4	2.2	0.95	1.04	0.77	1.60	0.50
Professional and business services.....	1.9	-3.2	-0.6	2.6	6.7	0.23	-0.40	-0.07	0.30	0.76
Education and health services.....	4.2	3.3	5.7	4.2	3.4	0.32	0.26	0.47	0.36	0.29
Leisure and hospitality.....	3.0	-0.4	-0.3	2.9	1.2	0.09	-0.01	-0.01	0.09	0.04
Other services, except government.....	-0.2	0.4	1.3	-2.6	1.0	-0.01	0.01	0.03	-0.07	0.02
Government.....	1.0	-0.3	1.6	-0.8	0.7	0.11	-0.03	0.17	-0.08	0.07

Table 6. Percent Change and Contributions to Percent Change in Real Gross State Product, 1997–2004—Continues

	1997–2004 [average annual]	2001	2002	2003	2004	1997–2004 [average annual]	2001	2002	2003	2004
Alabama										
Annual percent change						Contributions to annual percent change				
Total gross state product.....	2.5	0.9	2.2	3.2	5.1	2.5	0.9	2.2	3.2	5.1
Natural resources and mining	3.3	-0.1	-10.5	14.2	-1.4	0.11	0.00	-0.32	0.40	-0.05
Construction	-0.3	-0.3	-3.9	-2.7	1.7	-0.02	-0.02	-0.20	-0.14	0.09
Durable goods	6.0	-5.7	7.3	6.6	20.1	0.60	-0.56	0.65	0.60	1.83
Nondurable goods	0.1	-5.3	-1.9	6.1	9.7	0.01	-0.45	-0.15	0.45	0.70
Trade	4.0	6.3	2.0	3.2	6.4	0.56	0.87	0.28	0.45	0.88
Transportation and utilities.....	1.9	-2.1	1.5	7.5	-0.6	0.11	-0.12	0.09	0.42	-0.03
Information	6.4	8.7	6.0	-2.2	15.0	0.20	0.28	0.20	-0.07	0.46
Financial activities.....	2.8	6.2	2.9	0.2	1.2	0.39	0.90	0.45	0.03	0.19
Professional and business services.....	4.2	3.7	2.7	8.9	6.9	0.33	0.30	0.22	0.73	0.59
Education and health services.....	1.8	1.6	6.1	1.4	4.1	0.13	0.11	0.44	0.11	0.31
Leisure and hospitality.....	1.6	-1.2	-0.2	2.3	2.0	0.04	-0.03	-0.01	0.06	0.06
Other services, except government.....	0.0	-4.1	2.9	1.6	0.7	0.00	-0.11	0.08	0.04	0.02
Government.....	0.5	-1.8	3.3	1.0	0.7	0.08	-0.28	0.51	0.16	0.10
Arkansas										
Annual percent change						Contributions to annual percent change				
Total gross state product.....	2.6	0.3	2.9	2.7	6.0	2.6	0.3	2.9	2.7	6.0
Natural resources and mining	3.4	9.1	-14.7	26.3	17.6	0.20	0.33	-0.58	0.88	0.82
Construction	-1.7	-2.1	0.9	-8.4	1.3	-0.07	-0.09	0.04	-0.39	0.06
Durable goods	2.7	-9.0	4.0	1.3	8.4	0.30	-1.11	0.43	0.14	0.86
Nondurable goods	1.5	-8.4	12.8	1.6	9.2	0.14	-0.81	1.13	0.16	0.84
Trade	5.4	9.0	3.3	3.7	7.6	0.72	1.18	0.45	0.50	1.03
Transportation and utilities.....	1.9	-4.8	4.5	3.8	0.7	0.13	-0.36	0.32	0.27	0.05
Information	7.0	14.0	5.5	-0.7	14.7	0.23	0.46	0.20	-0.03	0.48
Financial activities.....	3.0	3.1	3.0	1.2	3.7	0.38	0.40	0.41	0.16	0.51
Professional and business services.....	2.4	-0.7	0.4	6.9	7.2	0.19	-0.05	0.03	0.51	0.55
Education and health services.....	2.7	3.7	3.3	2.8	3.8	0.19	0.27	0.25	0.22	0.31
Leisure and hospitality.....	1.7	0.8	1.2	0.7	3.3	0.04	0.02	0.03	0.02	0.09
Other services, except government.....	-1.1	-3.5	0.3	-2.7	1.6	-0.03	-0.09	0.01	-0.07	0.04
Government.....	1.7	0.9	1.1	2.1	2.8	0.22	0.11	0.14	0.28	0.38
Florida										
Annual percent change						Contributions to annual percent change				
Total gross state product.....	4.2	2.9	2.6	4.3	6.5	4.2	2.9	2.6	4.3	6.5
Natural resources and mining	1.1	-11.6	4.8	-4.2	-4.7	0.02	-0.16	0.06	-0.05	-0.06
Construction	5.0	5.3	3.8	3.9	9.0	0.29	0.30	0.23	0.25	0.58
Durable goods	5.4	-3.1	3.0	1.1	12.9	0.21	-0.12	0.10	0.04	0.41
Nondurable goods	-0.8	-5.7	1.6	-1.1	4.4	-0.02	-0.13	0.03	-0.02	0.08
Trade	5.9	8.4	1.7	4.2	8.4	0.89	1.24	0.25	0.62	1.21
Transportation and utilities.....	1.7	-5.1	-4.6	8.2	3.5	0.09	-0.27	-0.22	0.36	0.16
Information	8.7	7.5	5.9	5.3	15.2	0.37	0.32	0.25	0.23	0.63
Financial activities.....	4.9	6.0	4.5	5.7	6.6	1.09	1.29	0.99	1.30	1.53
Professional and business services.....	5.7	1.6	3.0	5.1	7.3	0.66	0.20	0.37	0.63	0.90
Education and health services.....	2.8	4.4	3.4	4.1	4.2	0.22	0.34	0.27	0.33	0.34
Leisure and hospitality.....	2.5	-0.3	0.1	4.0	6.6	0.14	-0.02	0.01	0.22	0.35
Other services, except government.....	1.2	-1.4	1.2	5.2	2.4	0.03	-0.04	0.03	0.15	0.07
Government.....	1.5	-0.6	1.5	2.1	2.6	0.19	-0.07	0.18	0.25	0.32
Georgia										
Annual percent change						Contributions to annual percent change				
Total gross state product.....	3.2	0.7	0.4	1.8	4.6	3.2	0.7	0.4	1.8	4.6
Natural resources and mining	1.8	-3.6	-12.2	11.8	-1.4	0.03	-0.05	-0.17	0.14	-0.02
Construction	0.8	-2.4	-4.5	-0.7	3.0	0.04	-0.12	-0.23	-0.04	0.15
Durable goods	2.0	-9.0	-1.9	-5.1	6.3	0.12	-0.61	-0.12	-0.29	0.32
Nondurable goods	-0.1	-6.9	0.7	0.8	3.4	-0.01	-0.62	0.06	0.06	0.27
Trade	4.7	6.8	-0.3	1.4	5.6	0.70	0.98	-0.05	0.20	0.81
Transportation and utilities.....	4.0	-5.9	4.6	5.2	6.4	0.25	-0.37	0.26	0.30	0.38
Information	8.4	7.2	1.8	1.4	11.3	0.50	0.45	0.12	0.09	0.69
Financial activities.....	4.0	3.5	0.7	3.3	4.5	0.66	0.57	0.11	0.56	0.79
Professional and business services.....	3.4	-0.1	-0.8	2.8	6.5	0.38	-0.01	-0.09	0.31	0.72
Education and health services.....	3.7	6.5	3.5	3.3	3.8	0.23	0.36	0.22	0.21	0.25
Leisure and hospitality.....	2.4	-1.5	-0.4	1.7	2.6	0.08	-0.05	-0.01	0.05	0.09
Other services, except government.....	-0.5	-4.6	1.1	-0.6	0.3	-0.01	-0.10	0.02	-0.01	0.01
Government.....	2.0	2.0	2.4	1.8	0.8	0.26	0.24	0.30	0.24	0.10
Kentucky										
Annual percent change						Contributions to annual percent change				
Total gross state product.....	1.3	0.2	3.0	2.4	3.0	1.3	0.2	3.0	2.4	3.0
Natural resources and mining	0.8	-9.5	-8.2	-0.1	3.4	0.03	-0.40	-0.31	0.00	0.12
Construction	-1.9	-2.8	-5.5	-1.6	-1.7	-0.08	-0.13	-0.26	-0.07	-0.07
Durable goods	-1.1	-1.9	6.8	9.2	1.5	-0.15	-0.23	0.80	1.07	0.18
Nondurable goods	-3.3	-7.7	8.3	2.2	0.7	-0.30	-0.69	0.69	0.19	0.06
Trade	4.7	5.9	3.6	2.5	5.9	0.58	0.76	0.47	0.32	0.77
Transportation and utilities.....	3.3	-2.2	2.6	4.5	4.6	0.19	-0.14	0.17	0.28	0.29
Information	7.6	11.7	8.1	1.8	12.9	0.17	0.28	0.21	0.05	0.32
Financial activities.....	3.2	7.1	3.5	-0.8	2.6	0.39	0.93	0.49	-0.11	0.36
Professional and business services.....	2.1	-3.2	0.1	0.5	5.9	0.14	-0.25	0.01	0.04	0.42
Education and health services.....	2.6	4.0	4.2	3.4	2.7	0.19	0.30	0.34	0.28	0.23
Leisure and hospitality.....	2.0	-1.2	3.7	3.3	2.5	0.06	-0.04	0.12	0.11	0.08
Other services, except government.....	0.4	-5.1	0.3	5.7	0.1	0.01	-0.12	0.01	0.13	0.00
Government.....	0.2	-0.3	1.6	0.8	1.3	0.03	-0.04	0.23	0.11	0.19

Table 7. Gross State Product in Current Dollars, 2002–2005

	Millions of dollars				Percent of U.S. total			
	2002	2003	2004	2005 ^a	2002	2003	2004	2005 ^a
United States	10,398,402	10,896,356	11,655,335	12,402,967	100.0	100.0	100.0	100.0
New England	591,733	614,590	654,346	690,690	5.7	5.6	5.6	5.6
Connecticut	166,073	170,235	182,468	194,469	1.6	1.6	1.6	1.6
Maine	38,625	40,197	43,258	45,070	0.4	0.4	0.4	0.4
Massachusetts	284,386	295,938	312,700	328,535	2.7	2.7	2.7	2.6
New Hampshire	46,188	48,380	52,084	55,690	0.4	0.4	0.4	0.4
Rhode Island	36,909	39,260	41,844	43,791	0.4	0.4	0.4	0.4
Vermont	19,553	20,580	21,992	23,134	0.2	0.2	0.2	0.2
Mideast	1,934,602	2,008,885	2,141,348	2,263,453	18.6	18.4	18.4	18.2
Delaware	45,324	48,109	52,298	54,354	0.4	0.4	0.4	0.4
District of Columbia	67,717	71,280	77,510	82,777	0.7	0.7	0.7	0.7
Maryland	204,120	214,488	230,698	244,899	2.0	2.0	2.0	2.0
New Jersey	372,754	388,645	410,306	430,787	3.6	3.6	3.5	3.5
New York	821,577	847,123	906,783	963,466	7.9	7.8	7.8	7.8
Pennsylvania	423,110	439,241	463,752	487,169	4.1	4.0	4.0	3.9
Great Lakes	1,620,354	1,687,538	1,762,697	1,836,745	15.6	15.5	15.1	14.8
Illinois	487,129	509,161	533,735	560,236	4.7	4.7	4.6	4.5
Indiana	205,015	216,650	229,449	238,638	2.0	2.0	2.0	1.9
Michigan	349,837	362,805	366,601	377,895	3.4	3.3	3.1	3.0
Ohio	389,773	402,607	425,173	442,440	3.7	3.7	3.6	3.6
Wisconsin	186,600	196,316	207,739	217,537	1.8	1.8	1.8	1.8
Plains	680,069	714,275	759,984	794,607	6.5	6.6	6.5	6.4
Iowa	97,356	102,358	110,210	114,291	0.9	0.9	0.9	0.9
Kansas	89,573	93,076	98,927	105,448	0.9	0.9	0.8	0.9
Minnesota	198,558	209,335	224,620	233,292	1.9	1.9	1.9	1.9
Missouri	188,351	195,615	205,847	216,069	1.8	1.8	1.8	1.7
Nebraska	59,934	64,789	67,989	70,263	0.6	0.6	0.6	0.6
North Dakota	19,880	21,703	22,692	24,178	0.2	0.2	0.2	0.2
South Dakota	26,416	27,399	29,699	31,066	0.3	0.3	0.3	0.3
Southeast	2,288,917	2,410,162	2,592,632	2,779,264	22.0	22.1	22.2	22.4
Alabama	123,805	130,526	141,366	149,796	1.2	1.2	1.2	1.2
Arkansas	72,203	75,564	82,712	86,802	0.7	0.7	0.7	0.7
Florida	522,719	556,748	609,372	674,049	5.0	5.1	5.2	5.4
Georgia	306,680	317,490	339,730	364,310	2.9	2.9	2.9	2.9
Kentucky	120,726	125,832	133,003	140,359	1.2	1.2	1.1	1.1
Louisiana	134,308	146,105	160,186	166,310	1.3	1.3	1.4	1.3
Mississippi	68,144	72,532	77,107	80,197	0.7	0.7	0.7	0.6
North Carolina	296,435	307,871	323,962	344,641	2.9	2.8	2.8	2.8
South Carolina	121,582	127,459	131,492	139,771	1.2	1.2	1.1	1.1
Tennessee	191,525	201,522	216,769	226,502	1.8	1.8	1.9	1.8
Virginia	285,759	301,867	327,032	352,745	2.7	2.8	2.8	2.8
West Virginia	45,032	46,645	49,903	53,782	0.4	0.4	0.4	0.4
Southwest	1,105,103	1,172,147	1,272,937	1,388,034	10.6	10.8	10.9	11.2
Arizona	171,942	182,414	194,246	215,759	1.7	1.7	1.7	1.7
New Mexico	52,510	57,453	63,645	69,324	0.5	0.5	0.5	0.6
Oklahoma	97,170	103,824	111,838	120,549	0.9	1.0	1.0	1.0
Texas	783,480	828,456	903,208	982,403	7.5	7.6	7.7	7.9
Rocky Mountain	334,649	350,805	379,121	410,350	3.2	3.2	3.3	3.3
Colorado	182,154	188,873	201,392	216,064	1.8	1.7	1.7	1.7
Idaho	36,651	38,468	43,509	47,178	0.4	0.4	0.4	0.4
Montana	23,560	25,477	27,583	29,851	0.2	0.2	0.2	0.2
Utah	72,665	76,180	82,546	89,836	0.7	0.7	0.7	0.7
Wyoming	19,619	21,806	24,092	27,422	0.2	0.2	0.2	0.2
Far West	1,842,975	1,937,953	2,092,270	2,239,824	17.7	17.8	18.0	18.1
Alaska	29,186	31,488	35,988	39,872	0.3	0.3	0.3	0.3
California	1,340,446	1,410,539	1,519,202	1,621,843	12.9	12.9	13.0	13.1
Hawaii	43,476	46,386	50,238	53,710	0.4	0.4	0.4	0.4
Nevada	81,274	89,035	99,143	110,546	0.8	0.8	0.9	0.9
Oregon	117,131	120,480	134,615	145,351	1.1	1.1	1.2	1.2
Washington	231,463	240,025	253,085	268,502	2.2	2.2	2.2	2.2

a Advance

State Personal Income

First Quarter of 2006

By David G. Lenze

PERSONAL income in the United States grew 1.4 percent in the first quarter of 2006, slower than the 1.9-percent increase in the fourth quarter of 2005 but at a pace equal to the average of the last 3 years (table 1). Most nonfarm state growth rates were clustered around the national average, while farm state growth rates varied more (chart 1). Double-digit increases in farm income made South Dakota the fastest growing state in the Nation, while double-digit declines in farm income made Iowa's growth slower than in all but one state.

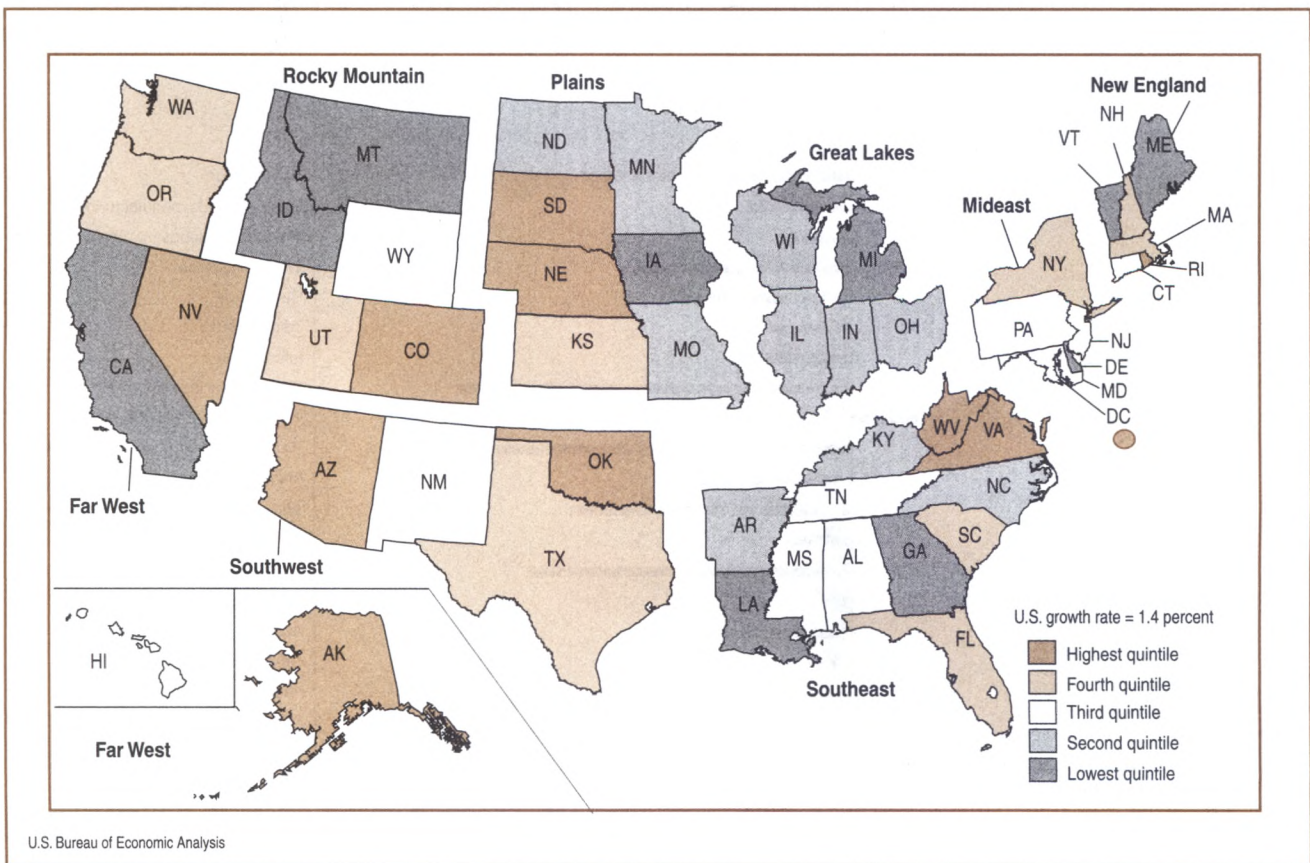
Components of personal income

The slowdown in personal income growth nationally can be attributed to a slowdown in property income, which more than offset accelerations in net earnings growth and transfer receipts.

Property income. Nationally, income from dividends, interest, and rent increased only 0.7 percent in the first quarter of 2006 after a 9.3-percent rebound in the fourth quarter of 2005. The large fourth-quarter rebound reflected third-quarter levels that were severely reduced by Hurricanes Katrina and Rita. Excluding Alabama, Mississippi, and Louisiana, whose rental income growth was most distorted by the hurricanes, property income grew 2.4 percent in the fourth quarter of 2005.

Earnings. Net earnings growth accelerated to 1.3 percent from 1.0 percent in the first quarter. Professional services (such as legal and engineering services), finance, health care, administrative services (such as employee leasing and temporary help services), and construction accounted for at least half of the earnings growth in the first quarter for the United States and all

Chart 1. Personal Income: Percent Change, 2006:I



regions except the Southwest (table 2 and chart 2). In contrast, in the fourth quarter of 2005, just four industries—state and local government, construction, professional services, and real estate—accounted for almost half of earnings growth.

First-quarter earnings growth was moderated slightly by a decrease in real estate earnings, a response to the continuing decline in house sales and sales commissions.¹ Earnings growth was also moderated by declines in farm earnings. Lower crop and livestock prices reduced the cash receipts component of farm earnings across most of the country. This reduction was reinforced by falling Government subsidies. As a result, farm sector earnings reduced personal income by a percentage point or more in Iowa, Idaho, and Montana.

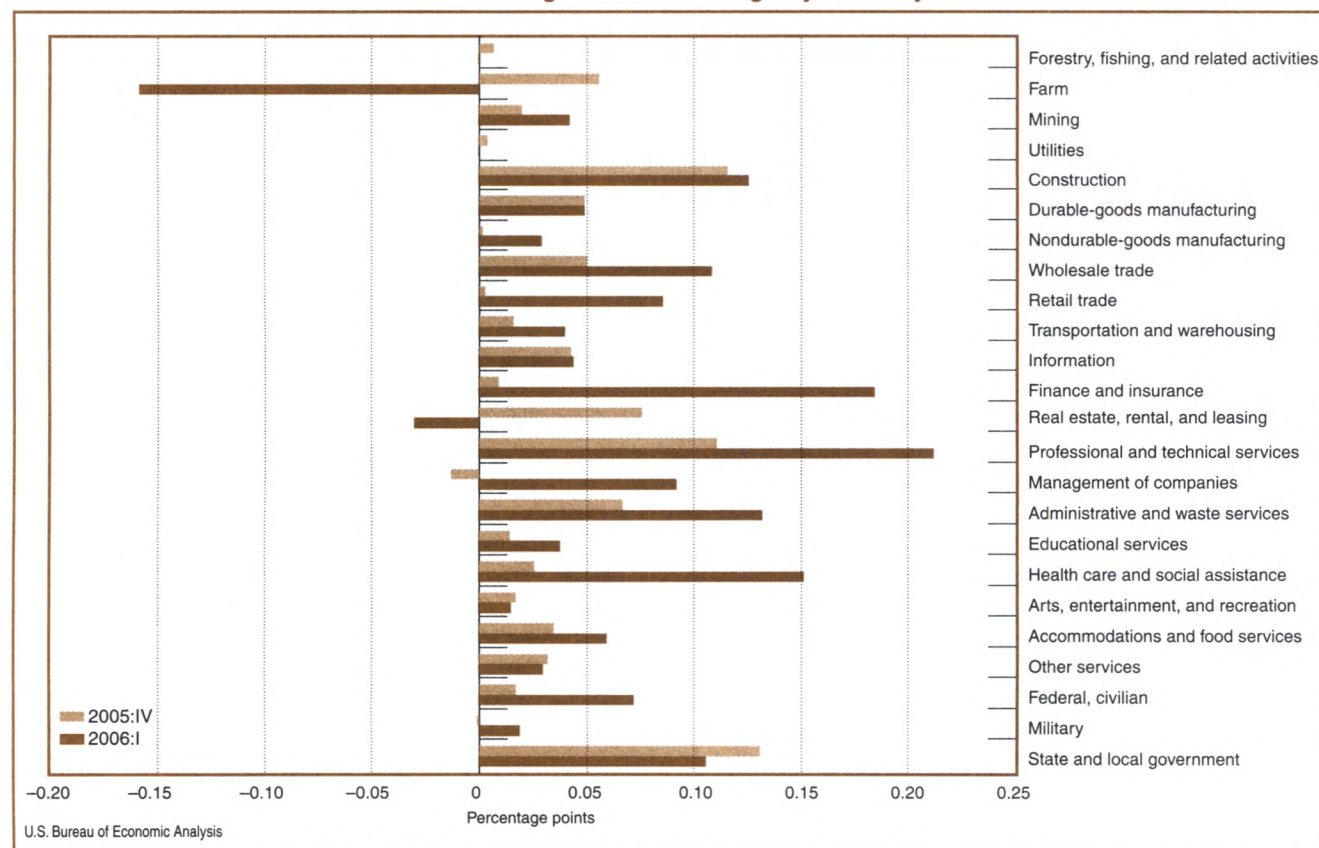
1. In the fourth quarter, proprietors' income without the capital consumption adjustment (CCAdj) and the inventory valuation adjustment (IVA) also fell in the real estate industry, mirroring the sales decline. However, the fall was masked in proprietors' income with CCAdj and IVA (and in real estate earnings) by a higher CCAdj (the difference between depreciation on an historical-cost basis as used in source data and depreciation on a replacement-cost basis as used in personal income accounting) and by a slight uptick in wages.

In Colorado, South Dakota, Nebraska, Kansas, Texas, Tennessee, Florida, Mississippi, and Louisiana, farm earnings rose notably in the first quarter. The increase in the latter three states can be attributed to a recovery from last year's hurricanes. In the other six states, rising farm earnings was largely accounted for by sharp declines in production expenses. In South Dakota, the gain in farm earnings added almost a percentage point to that state's personal income growth.

In Delaware, earnings fell 2.8 percent (more than \$1 billion), enough to cause a 1.1-percent decline in personal income. In fact, Delaware was the only state in which personal income declined in the first quarter. Almost the entire decline stemmed from the finance industry and was attributable to a one-time exercise of stock options in the fourth quarter that was associated with a corporate acquisition. In contrast, New York's and Connecticut's finance industries contributed 0.5 percentage point to their earnings growth. Nationally, the finance industry contributed 0.2 percentage point to earnings growth.

Several industries had substantial impacts in particular locations, even though these industries did not significantly affect national personal income growth.

Chart 2. Contributions to the Percent Change in U.S. Earnings by Industry



For example, in most states, the Federal Government contributed little to earnings growth, less than 0.1 percentage point. However, in the District of Columbia, it contributed 0.8 percentage point, reflecting first-quarter civil service pay raises. Together with professional services, it accounted for more than half of the District's 2.2-percent earnings growth. Mining contributed a mere 0.04 percentage point to earnings growth nationally; however, it contributed 0.5 percentage point in Alaska and 1.1 percentage points in Wyoming (more than twice as much as all other industries combined).

Transfer receipts. Transfer receipts increased 2.4 percent after declining 0.9 percent. Transfer receipts were boosted by the new Medicare prescription drug benefit and cost-of-living adjustments to programs such as social security.

Personal income by region

Personal income in the Southwest region (Texas, Oklahoma, New Mexico, and Arizona) grew 1.7 percent in the first quarter, faster than any other region. The Southwest has led the rest of the country in personal income growth for more than a year now. Continued strong growth in the region's mining industry gave it the edge over other regions in the first quarter. The farming sector, which largely escaped the huge declines recorded in other states, also boosted growth.

Personal income in the Great Lakes Region (Michigan, Ohio, Indiana, Illinois, and Wisconsin) grew 1.1 percent, slower than any other region. Personal income growth in this region has generally lagged growth in the rest of the country for the last 3 years. The relatively sluggish gains in first-quarter earnings were pervasive across most industries.

Tables 1 and 2 follow.

BEA Current and Historical Data

National, International, and Regional Data

A selection of estimates from the national, industry, international, and regional accounts of the Bureau of Economic Analysis (BEA) are presented in this section. BEA's estimates are not copyrighted and may be reprinted without BEA's permission, and citing the SURVEY OF CURRENT BUSINESS and BEA as the source is appreciated.

More detailed estimates from BEA's accounts are available on BEA's Web site at <www.bea.gov>. These estimates are available in a variety of formats, including interactive access. In addition, news releases, articles, and other information, including methodologies and working papers, are available.

The tables present annual [A], quarterly [Q], and monthly [M] data.

National Data

A. Selected NIPA tables [A, Q]	
1. Domestic product and income	D-2
2. Personal income and outlays	D-18
3. Government current receipts and expenditures ...	D-21
4. Foreign transactions	D-33
5. Saving and investment	D-37
6. Income and employment by industry	D-42
7. Supplemental tables.....	D-43
B. Other NIPA and NIPA-related tables	
B.1 Personal income and its disposition [A, M]	D-46
B.2 Value added by industry [A].....	D-47
C. Historical measures [A, Q]	
C.1 GDP and other major NIPA aggregates.....	D-48
D. Charts	
Selected NIPA series	D-52

International Data

E. Transactions tables	
E.1 U.S. international transactions in goods and services [A, M]	D-58

Regional Data

H. State and regional tables	
H.1 Personal income [Q]	D-59
H.2 Personal income and per capita personal income [A].....	D-60
H.3 Disposable personal income and per capita disposable personal income [A]	D-61
H.4 Gross state product [A].....	D-62
I. Local area table	
I.1 Personal income and per capita personal income by metropolitan area [A]	D-63
J. Charts	
Selected regional estimates.....	D-68

Appendixes

A: Additional information about the NIPA estimates	
Statistical conventions.....	D-70
Reconciliation table [A, Q]	D-71
B: Suggested reading	
	D-72

As a result of the annual revision of the U.S. international transactions accounts, tables E.2–E.4 and sections F and G are not included in this issue. See “Annual Revision of the U.S. International Accounts for 1995–2005” and “U.S. International Transactions: First Quarter of 2006.” See also “The International Investment Position at Yearend 2005” and “Direct Investment Positions for 2005: Country and Industry Detail.”

National Data

A. Selected NIPA Tables

The selected set of NIPA tables presents the most recent estimates of gross domestic product (GDP) and its components that were released on June 29, 2006. These estimates include the “final” estimates for the first quarter of 2005.

The selected set presents quarterly estimates

that are updated monthly. Annual estimates are presented in most of the tables.

The GDP news release is available on BEA's Web site within minutes after the release. To receive an e-mail notification of the release, go to <www.bea.gov> and subscribe. The “Selected NIPA Tables” are available later that day.

1. Domestic Product and Income

Table 1.1.1. Percent Change From Preceding Period in Real Gross Domestic Product
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Gross domestic product ...	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6
Personal consumption expenditures	2	3.9	3.5	3.5	3.4	4.1	0.9	5.1
Durable goods	3	6.0	4.5	2.6	7.9	9.3	-16.6	20.3
Nondurable goods	4	4.7	4.4	5.3	3.6	3.5	5.0	5.9
Services	5	3.0	2.9	2.8	2.3	3.3	2.6	1.9
Gross private domestic investment	6	11.9	6.1	8.6	-3.7	5.3	16.1	8.4
Fixed investment	7	9.7	8.1	7.0	9.5	8.0	3.9	10.1
Nonresidential	8	9.4	8.6	5.7	8.8	8.5	4.5	14.2
Structures	9	2.2	2.0	-2.0	2.7	2.2	3.1	12.5
Equipment and software	10	11.9	10.9	8.3	10.9	10.6	5.0	14.8
Residential	11	10.3	7.1	9.5	10.8	7.3	2.8	3.3
Change in private inventories	12							
Net exports of goods and services	13							
Exports	14	8.4	6.9	7.5	10.7	2.5	5.1	14.7
Goods	15	8.9	7.3	5.3	16.0	3.2	8.0	18.5
Services	16	7.4	6.0	12.5	-0.4	1.0	-1.4	6.3
Imports	17	10.7	6.3	7.4	-0.3	2.4	12.1	10.7
Goods	18	11.0	6.9	8.2	-1.1	3.5	13.5	11.1
Services	19	9.6	3.6	3.7	4.4	-3.2	4.8	8.5
Government consumption expenditures and gross investment	20	2.2	1.8	1.9	2.5	2.9	-0.8	4.8
Federal	21	5.2	2.3	2.4	2.4	7.4	-2.6	10.5
National defense	22	7.0	2.6	3.0	3.7	10.0	-8.9	9.6
Nondefense	23	1.8	1.8	1.1	-0.2	2.4	11.7	12.2
State and local	24	0.4	1.5	1.6	2.6	0.2	0.2	1.6

Table 1.1.2. Contributions to Percent Change in Real Gross Domestic Product

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Percent change at annual rate:								
Gross domestic product ...	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6
Percentage points at annual rates:								
Personal consumption expenditures	2	2.71	2.48	2.44	2.35	2.85	0.62	3.53
Durable goods	3	0.51	0.37	0.22	0.64	0.76	-1.47	1.51
Nondurable goods	4	0.94	0.90	1.07	0.74	0.73	1.02	1.21
Services	5	1.27	1.21	1.15	0.97	1.36	1.08	0.81
Gross private domestic investment	6	1.82	1.00	1.42	-0.63	0.87	2.54	1.44
Fixed investment	7	1.47	1.29	1.12	1.51	1.31	0.65	1.68
Nonresidential	8	0.92	0.88	0.58	0.90	0.88	0.48	1.47
Structures	9	0.06	0.05	-0.05	0.07	0.06	0.09	0.34
Equipment and software	10	0.86	0.82	0.64	0.83	0.82	0.39	1.13
Residential	11	0.55	0.41	0.54	0.62	0.43	0.17	0.21
Change in private inventories	12	0.35	-0.29	0.29	-2.14	-0.43	1.89	-0.24
Net exports of goods and services	13	-0.73	-0.29	-0.40	1.11	-0.12	-1.36	-0.24
Exports	14	0.80	0.70	0.74	1.07	0.26	0.52	1.47
Goods	15	0.59	0.51	0.37	1.08	0.23	0.56	1.27
Services	16	0.22	0.18	0.37	-0.01	0.03	-0.05	0.19
Imports	17	-1.53	-0.98	-1.14	0.04	-0.38	-1.88	-1.70
Goods	18	-1.30	-0.89	-1.05	0.15	-0.46	-1.76	-1.49
Services	19	-0.23	-0.09	-0.10	-0.11	0.09	-0.12	-0.21
Government consumption expenditures and gross investment	20	0.41	0.34	0.35	0.47	0.54	-0.15	0.91
Federal	21	0.36	0.16	0.17	0.17	0.52	-0.18	0.72
National defense	22	0.32	0.12	0.14	0.17	0.46	-0.44	0.44
Nondefense	23	0.04	0.04	0.03	-0.01	0.06	0.26	0.28
State and local	24	0.05	0.17	0.19	0.31	0.03	0.03	0.19

Table 1.2.1. Percent Change From Preceding Period in Real Gross Domestic Product by Major Type of Product
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6
Final sales of domestic product.....	2	3.9	3.8	3.5	5.6	4.6	-0.2	5.9
Change in private inventories.....	3							
Goods	4	6.5	4.7	4.4	5.0	5.3	2.3	11.7
Final sales.....	5	5.4	5.7	3.5	12.3	6.8	-3.7	12.7
Change in private inventories.....	6							
Durable goods.....	7	8.5	6.0	4.2	5.4	14.6	0.2	8.5
Final sales.....	8	7.0	7.3	3.1	16.1	11.3	-6.6	15.3
Change in private inventories ¹	9							
Nondurable goods.....	10	4.8	3.6	4.5	4.6	-1.7	4.1	14.4
Final sales.....	11	4.1	4.3	3.8	9.3	3.2	-1.2	10.6
Change in private inventories ¹	12							
Services ²	13	2.7	2.7	3.2	1.5	3.6	1.1	2.6
Structures	14	5.7	4.8	5.2	8.4	3.3	2.6	4.6
Addenda:								
Motor vehicle output.....	15	4.6	3.4	4.3	-0.3	17.6	-17.2	-6.4
Gross domestic product excluding motor vehicle output.....	16	4.2	3.5	3.8	3.4	3.7	2.4	6.1
Final sales of computers ³	17	20.4	39.6	54.9	45.4	20.3	45.9	6.0
Gross domestic product excluding final sales of computers.....	18	4.1	3.3	3.5	3.0	4.0	1.3	5.6
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	4.5	3.3	3.6	1.8	3.9	2.5	5.4

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

Table 1.2.2. Contributions to Percent Change in Real Gross Domestic Product by Major Type of Product

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Percent change at annual rate: Gross domestic product	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6
Percentage points at annual rates:								
Final sales of domestic product.....	2	3.87	3.82	3.51	5.45	4.58	-0.24	5.88
Change in private inventories.....	3	0.35	-0.29	0.29	-2.14	-0.43	1.89	-0.24
Goods	4	2.06	1.49	1.41	1.58	1.70	0.73	3.59
Final sales.....	5	1.71	1.78	1.12	3.72	2.14	-1.17	3.84
Change in private inventories.....	6	0.35	-0.29	0.29	-2.14	-0.43	1.89	-0.24
Durable goods.....	7	1.21	0.85	0.61	0.78	2.00	0.04	1.22
Final sales.....	8	0.99	1.03	0.44	2.16	1.57	-0.97	2.08
Change in private inventories ¹	9	0.22	-0.17	0.17	-1.37	0.43	1.00	-0.85
Nondurable goods.....	10	0.85	0.64	0.80	0.80	-0.30	0.69	2.37
Final sales.....	11	0.72	0.76	0.67	1.57	0.56	-0.20	1.76
Change in private inventories ¹	12	0.13	-0.12	0.12	-0.77	-0.86	0.89	0.61
Services ²	13	1.59	1.54	1.86	0.88	2.09	0.65	1.54
Structures	14	0.57	0.49	0.53	0.85	0.35	0.28	0.50
Addenda:								
Motor vehicle output.....	15	0.16	0.12	0.15	-0.01	0.56	-0.64	-0.21
Gross domestic product excluding motor vehicle output.....	16	4.05	3.41	3.66	3.32	3.58	2.29	5.85
Final sales of computers ³	17	0.15	0.28	0.37	0.32	0.16	0.33	0.05
Gross domestic product excluding final sales of computers.....	18	4.07	3.24	3.44	2.98	3.98	1.32	5.58

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

Table 1.2.3. Real Gross Domestic Product by Major Type of Product, Quantity Indexes
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	109.562	113.424	112.044	112.959	114.112	114.580	116.162
Final sales of domestic product.....	2	109.650	113.856	112.088	113.613	114.896	114.825	116.487
Change in private inventories.....	3							
Goods	4	109.533	114.656	112.717	114.088	115.582	116.239	119.500
Final sales.....	5	109.680	115.910	112.734	116.053	117.972	116.880	120.425
Change in private inventories.....	6							
Durable goods.....	7	108.766	115.273	112.169	113.665	117.595	117.663	120.082
Final sales.....	8	108.732	116.713	112.429	116.708	119.865	117.850	122.121
Change in private inventories ¹	9							
Nondurable goods.....	10	110.465	114.466	113.479	114.751	114.246	115.389	119.347
Final sales.....	11	110.678	115.489	113.211	115.752	116.668	116.324	119.289
Change in private inventories ¹	12							
Services ²	13	110.211	113.148	112.244	112.667	113.680	114.001	114.747
Structures	14	106.801	111.900	109.603	111.823	112.729	113.444	114.720
Addenda:								
Motor vehicle output.....	15	115.415	119.322	118.364	118.275	123.167	117.483	115.569
Gross domestic product excluding motor vehicle output.....	16	109.356	113.216	111.822	112.771	113.799	114.470	116.167
Final sales of computers ³	17	169.498	236.583	209.734	230.293	241.200	265.105	268.997
Gross domestic product excluding final sales of computers.....	18	109.144	112.711	111.442	112.269	113.379	113.755	115.325
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	110.642	114.331	113.236	113.732	114.820	115.538	117.060

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

Table 1.2.4. Price Indexes for Gross Domestic Product by Major Type of Product
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	109.102	112.176	110.950	111.655	112.567	113.532	114.409
Final sales of domestic product.....	2	109.124	112.196	110.963	111.667	112.589	113.563	114.452
Change in private inventories.....	3							
Goods	4	100.140	100.404	100.575	100.555	100.452	100.032	100.446
Final sales.....	5	100.170	100.403	100.561	100.533	100.459	100.058	100.502
Change in private inventories.....	6							
Durable goods.....	7	92.833	92.444	92.828	92.667	92.288	91.992	91.993
Final sales.....	8	92.801	92.375	92.741	92.593	92.222	91.945	91.956
Change in private inventories ¹	9							
Nondurable goods.....	10	106.869	107.751	107.720	107.833	107.996	107.457	108.271
Final sales.....	11	106.965	107.819	107.779	107.863	108.078	107.558	108.418
Change in private inventories ¹	12							
Services ²	13	112.975	117.058	115.364	116.360	117.558	118.949	119.901
Structures	14	118.857	126.514	122.785	124.501	127.544	131.225	133.404
Addenda:								
Motor vehicle output.....	15	96.427	97.574	98.393	98.133	96.739	97.031	98.016
Gross domestic product excluding motor vehicle output.....	16	109.599	112.751	111.441	112.185	113.192	114.184	115.057
Final sales of computers ³	17	49.837	41.393	44.535	42.259	40.396	38.383	36.910
Gross domestic product excluding final sales of computers.....	18	109.887	113.182	111.861	112.629	113.602	114.636	115.568

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

Table 1.2.5. Gross Domestic Product by Major Type of Product
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	11,734.3	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,042.3	
Final sales of domestic product.....	2	11,678.9	12,468.3	12,138.9	12,382.1	12,625.4	12,726.7	13,011.9	
Change in private inventories.....	3	55.4	18.9	59.9	-4.2	-19.7	39.4	30.4	
Goods	4	3,783.0	3,967.3	3,906.3	3,954.4	4,001.3	4,007.4	4,136.7	
Final sales.....	5	3,727.6	3,948.5	3,846.4	3,958.5	4,021.0	3,967.9	4,106.4	
Change in private inventories.....	6	55.4	18.9	59.9	-4.2	-19.7	39.4	30.4	
Durable goods.....	7	1,705.7	1,800.0	1,758.9	1,779.4	1,833.2	1,828.7	1,866.2	
Final sales.....	8	1,668.3	1,782.4	1,723.9	1,786.6	1,827.6	1,791.5	1,856.6	
Change in private inventories ¹	9	37.4	17.6	35.0	-7.3	5.6	37.2	9.6	
Nondurable goods.....	10	2,077.4	2,167.3	2,147.4	2,175.0	2,168.1	2,178.7	2,270.6	
Final sales.....	11	2,059.4	2,166.1	2,122.5	2,171.9	2,193.4	2,176.4	2,249.8	
Change in private inventories ¹	12	18.0	1.2	24.9	3.1	-25.3	2.3	20.8	
Services ²	13	6,755.4	7,186.1	7,025.1	7,112.4	7,250.2	7,356.8	7,464.2	
Structures ²	14	1,195.8	1,333.7	1,267.4	1,311.2	1,354.1	1,402.0	1,441.3	
Addenda:									
Motor vehicle output.....	15	406.2	425.2	425.0	423.7	435.5	416.6	413.5	
Gross domestic product excluding motor vehicle output.....	16	11,328.1	12,062.0	11,773.8	11,954.3	12,170.2	12,349.6	12,628.8	
Final sales of computers ³	17	92.5	107.4	102.9	107.2	107.3	112.1	109.4	
Gross domestic product excluding final sales of computers.....	18	11,641.8	12,379.8	12,095.9	12,270.7	12,498.4	12,654.1	12,932.9	

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

Table 1.2.6. Real Gross Domestic Product by Major Type of Product, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	10,755.7	11,134.8	10,999.3	11,089.2	11,202.3	11,248.3	11,403.6	
Final sales of domestic product.....	2	10,702.4	11,112.8	10,940.3	11,089.2	11,214.4	11,207.5	11,369.7	
Change in private inventories.....	3	52.0	20.3	58.2	-1.7	-13.3	37.9	29.5	
Residual.....	4	1.3	1.7	0.8	1.7	1.2	2.9	4.4	
Goods	5	3,778.2	3,954.9	3,888.0	3,935.3	3,986.8	4,009.5	4,122.0	
Final sales.....	6	3,721.3	3,932.6	3,824.9	3,937.5	4,002.6	3,965.6	4,085.8	
Change in private inventories.....	7	52.0	20.3	58.2	-1.7	-13.3	37.9	29.5	
Durable goods.....	8	1,837.5	1,947.4	1,894.9	1,920.2	1,986.6	1,987.8	2,028.6	
Final sales.....	9	1,797.7	1,929.6	1,858.8	1,929.6	1,981.7	1,948.4	2,019.0	
Change in private inventories ¹	10	36.5	16.8	33.4	-6.9	5.6	35.3	8.9	
Nondurable goods.....	11	1,944.2	2,014.6	1,997.2	2,019.6	2,010.7	2,030.8	2,100.5	
Final sales.....	12	1,925.3	2,009.0	1,969.3	2,013.5	2,029.5	2,023.5	2,075.1	
Change in private inventories ¹	13	16.4	4.3	25.3	4.6	-17.4	5.0	19.9	
Services ²	14	5,979.6	6,138.9	6,089.9	6,112.8	6,167.8	6,185.2	6,225.7	
Structures	15	1,006.1	1,054.2	1,032.5	1,053.4	1,062.0	1,068.7	1,080.7	
Residual.....	16	-5.9	-18.0	-9.9	-17.8	-26.9	-17.8	-25.7	
Addenda:									
Motor vehicle output.....	17	421.2	435.5	432.0	431.7	449.5	428.8	421.8	
Gross domestic product excluding motor vehicle output.....	18	10,336.3	10,701.1	10,569.4	10,659.1	10,756.3	10,819.7	10,980.1	
Final sales of computers ³	19	186.3	260.1	230.6	253.2	265.2	291.4	295.7	
Gross domestic product excluding final sales of computers.....	20	10,594.6	10,940.9	10,817.7	10,898.0	11,005.7	11,042.2	11,194.6	

1. Estimates for durable goods and nondurable goods for 1996 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).
 2. Includes government consumption expenditures, which are for services (such as education and national defense) produced by government. In current dollars, these services are valued at their cost of production.
 3. For some components of final sales of computers, includes computer parts.

NOTE: Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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 private inventories is the difference between gross domestic product and the sum of final sales of domestic product and of change in private inventories; the residual line following structures is the difference between gross domestic product and the sum of the detailed lines of goods, of services, and of structures.

Table 1.3.1. Percent Change From Preceding Period in Real Gross Value Added by Sector
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6	
Business ¹	2	4.8	4.0	4.4	4.0	4.8	1.8	6.9	
Nonfarm ²	3	4.8	4.2	4.3	4.4	4.7	1.5	6.9	
Farm.....	4	0.0	-8.0	7.3	-31.1	20.9	36.7	3.2	
Households and institutions	5	4.1	2.7	3.1	1.8	2.7	1.3	3.7	
Households.....	6	6.5	3.5	3.3	1.6	2.9	4.1	6.8	
Nonprofit institutions serving households ³	7	1.1	1.7	2.8	2.2	2.5	-1.9	0.1	
General government ⁴	8	0.8	1.0	0.7	0.2	1.2	1.0	-0.7	
Federal.....	9	0.9	0.5	0.5	-1.1	-0.5	1.3	-3.6	
State and local.....	10	0.8	1.2	0.8	0.8	1.9	0.9	0.6	
Addendum:									
Gross housing value added.....	11	5.2	3.0	2.3	1.1	1.9	2.9	5.7	

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
 2. Equals gross domestic business value added excluding gross farm value added.
 3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
 4. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 1.3.3. Real Gross Value Added by Sector, Quantity Indexes
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	109.562	113.424	112.044	112.959	114.112	114.580	116.162	
Business ¹	2	110.275	114.716	113.082	114.193	115.536	116.051	117.994	
Nonfarm ²	3	110.327	114.937	113.252	114.479	115.789	116.227	118.182	
Farm.....	4	106.171	97.651	100.170	91.260	95.701	103.473	104.293	
Households and institutions	5	108.443	111.374	110.528	111.030	111.785	112.154	113.185	
Households.....	6	108.254	112.084	111.075	111.505	112.315	113.442	115.314	
Nonprofit institutions serving households ³	7	108.796	110.620	109.967	110.558	111.247	110.708	110.737	
General government ⁴	8	106.182	107.226	106.951	107.015	107.335	107.605	107.422	
Federal.....	9	106.207	106.790	106.999	106.692	106.561	106.908	105.945	
State and local.....	10	106.157	107.404	106.917	107.143	107.660	107.897	108.053	
Addendum:									
Gross housing value added.....	11	104.215	107.311	106.647	106.945	107.444	108.207	109.724	

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
 2. Equals gross domestic business value added excluding gross farm value added.
 3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
 4. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 1.3.4. Price Indexes for Gross Value Added by Sector
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	109.102	112.176	110.950	111.655	112.567	113.532	114.409	
Business ¹	2	106.982	109.771	108.576	109.272	110.138	111.096	111.826	
Nonfarm ²	3	106.599	109.560	108.318	109.023	109.965	110.932	111.696	
Farm.....	4	147.789	129.487	134.561	133.924	124.847	124.616	121.282	
Households and institutions	5	115.209	119.067	117.886	118.461	119.413	120.509	121.727	
Households.....	6	112.732	114.503	113.755	114.127	114.686	115.442	116.126	
Nonprofit institutions serving households ³	7	118.345	124.953	123.196	124.042	125.513	127.062	129.003	
General government ⁴	8	117.958	122.332	120.826	121.735	122.947	123.821	125.470	
Federal.....	9	121.881	125.986	125.296	125.757	126.357	126.534	129.793	
State and local.....	10	116.332	120.817	118.972	120.067	121.534	122.696	123.681	
Addendum:									
Gross housing value added.....	11	112.729	114.105	113.438	113.666	114.266	115.049	115.779	

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
2. Equals gross domestic business value added excluding gross farm value added.
3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
4. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 1.3.5. Gross Value Added by Sector
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	11,734.3	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,042.3	
Business ¹	2	9,041.2	9,647.6	9,405.3	9,559.9	9,748.3	9,877.1	10,108.3	
Nonfarm ²	3	8,928.9	9,560.5	9,312.5	9,475.2	9,665.8	9,788.3	10,021.3	
Farm.....	4	112.2	87.2	92.8	84.7	82.5	88.8	87.0	
Households and institutions	5	1,353.5	1,436.5	1,411.4	1,424.7	1,445.9	1,464.0	1,492.4	
Households.....	6	751.3	790.1	777.8	783.4	793.0	806.2	824.3	
Nonprofit institutions serving households ³	7	602.2	646.4	633.5	641.3	653.0	657.8	668.1	
General government ⁴	8	1,339.7	1,403.0	1,382.1	1,393.4	1,411.4	1,425.0	1,441.6	
Federal.....	9	408.2	424.3	422.8	423.1	424.6	426.6	433.6	
State and local.....	10	931.4	978.7	959.4	970.2	986.8	998.4	1,007.9	
Addendum:									
Gross housing value added.....	11	933.1	972.6	960.9	965.5	975.1	988.8	1,009.0	

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
2. Equals gross domestic business value added excluding gross farm value added.
3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
4. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 1.3.6. Real Gross Value Added by Sector, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	10,755.7	11,134.8	10,999.3	11,089.2	11,202.3	11,248.3	11,403.6	
Business ¹	2	8,454.4	8,794.9	8,669.6	8,754.8	8,857.8	8,897.2	9,046.2	
Nonfarm ²	3	8,379.5	8,729.6	8,601.7	8,694.8	8,794.3	8,827.6	8,976.1	
Farm.....	4	75.9	69.8	71.6	65.3	68.5	74.0	74.6	
Households and institutions	5	1,172.0	1,203.6	1,194.5	1,199.9	1,208.1	1,212.1	1,223.2	
Households.....	6	666.5	690.0	683.8	686.5	691.5	698.4	709.9	
Nonprofit institutions serving households ³	7	506.0	514.5	511.4	514.2	517.4	514.9	515.0	
General government ⁴	8	1,135.7	1,146.9	1,143.9	1,144.6	1,148.0	1,150.9	1,149.0	
Federal.....	9	334.9	336.8	337.4	336.5	336.1	337.1	334.1	
State and local.....	10	800.7	810.1	806.4	808.1	812.0	813.8	815.0	
Residual.....	11	-7.8	-16.0	-13.0	-16.2	-17.5	-17.5	-21.1	
Addendum:									
Gross housing value added.....	12	827.8	852.4	847.1	849.4	853.4	859.5	871.5	

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.
2. Equals gross domestic business value added excluding gross farm value added.
3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.
4. Equals compensation of general government employees plus general government consumption of fixed capital.
Note: Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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.

Table 1.4.1. Percent Change From Preceding Period in Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2005					2006
				I	II	III	IV	I	
Gross domestic product	1	4.2	3.5	3.8	3.3	4.1	1.7	5.6	
Less: Exports of goods and services.....	2	8.4	6.9	7.5	10.7	2.5	5.1	14.7	
Plus: Imports of goods and services.....	3	10.7	6.3	7.4	-0.3	2.4	12.1	10.7	
Equals: Gross domestic purchases	4	4.7	3.6	4.0	2.1	4.0	2.9	5.5	
Less: Change in private inventories.....	5								
Equals: Final sales to domestic purchasers	6	4.4	3.9	3.7	4.2	4.5	1.1	5.8	
Addendum:									
Final sales of domestic product.....	7	3.9	3.8	3.5	5.6	4.6	-0.2	5.9	

Table 1.4.3. Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers, Quantity Indexes

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	109.562	113.424	112.044	112.959	114.112	114.580	116.162
Less: Exports of goods and services	2	101.970	109.028	106.295	109.037	109.710	111.070	114.953
Plus: Imports of goods and services	3	116.495	123.892	122.698	122.620	123.340	126.908	130.175
Equals: Gross domestic purchases	4	111.301	115.325	114.112	114.695	115.836	116.658	118.243
Less: Change in private inventories	5							
Equals: Final sales to domestic purchasers	6	111.394	115.750	114.164	115.332	116.598	116.905	118.566
Addendum: Final sales of domestic product	7	109.650	113.856	112.088	113.613	114.896	114.825	116.487

Table 1.4.4. Price Indexes for Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	109.102	112.176	110.950	111.655	112.567	113.532	114.409
Less: Exports of goods and services	2	104.999	108.867	107.559	108.534	109.323	110.052	110.701
Plus: Imports of goods and services	3	104.571	110.937	107.783	109.925	112.413	113.626	113.480
Equals: Gross domestic purchases	4	108.899	112.401	110.883	111.785	112.953	113.981	114.721
Less: Change in private inventories	5							
Equals: Final sales to domestic purchasers	6	108.921	112.421	110.898	111.798	112.976	114.013	114.763
Addendum: Final sales of domestic product	7	109.124	112.196	110.963	111.667	112.589	113.563	114.452

Table 1.4.5. Relation of Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	11,734.3	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,042.3
Less: Exports of goods and services	2	1,173.8	1,301.2	1,253.2	1,297.1	1,314.6	1,339.8	1,394.8
Plus: Imports of goods and services	3	1,797.8	2,027.7	1,950.6	1,988.1	2,045.1	2,126.9	2,178.9
Equals: Gross domestic purchases	4	12,358.3	13,213.7	12,896.3	13,069.0	13,336.1	13,553.3	13,826.3
Less: Change in private inventories	5	55.4	18.9	59.9	-4.2	-19.7	39.4	30.4
Equals: Final sales to domestic purchasers	6	12,302.9	13,194.8	12,836.4	13,073.1	13,355.8	13,513.8	13,796.0
Addendum: Final sales of domestic product	7	11,678.9	12,468.3	12,138.9	12,382.1	12,625.4	12,726.7	13,011.9

Table 1.4.6. Relation of Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers, Chained Dollars

[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	10,755.7	11,134.8	10,999.3	11,089.2	11,202.3	11,248.3	11,403.6
Less: Exports of goods and services	2	1,117.9	1,195.3	1,165.3	1,195.4	1,202.7	1,217.6	1,260.2
Plus: Imports of goods and services	3	1,719.2	1,828.3	1,810.7	1,809.6	1,820.2	1,872.9	1,921.1
Equals: Gross domestic purchases	4	11,348.7	11,759.1	11,635.4	11,694.8	11,811.2	11,895.0	12,056.6
Less: Change in private inventories	5	52.0	20.3	58.2	-1.7	-13.3	37.9	29.5
Equals: Final sales to domestic purchasers	6	11,295.3	11,737.0	11,576.2	11,694.6	11,823.0	11,854.1	12,022.5
Addendum: Final sales of domestic product	7	10,702.4	11,112.8	10,940.3	11,089.2	11,214.4	11,207.5	11,369.7

Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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 1.7.5. Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	11,734.3	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,042.3
Plus: Income receipts from the rest of the world.....	2	415.4	507.6	462.3	489.4	520.8	558.0	596.6
Less: Income payments to the rest of the world.....	3	361.7	474.0	422.9	453.9	476.6	542.6	564.4
Equals: Gross national product	4	11,788.0	12,520.8	12,238.2	12,413.5	12,650.0	12,781.6	13,074.6
Less: Consumption of fixed capital.....	5	1,435.3	1,574.1	1,448.4	1,457.2	1,863.8	1,526.9	1,522.2
Private.....	6	1,206.2	1,327.0	1,210.9	1,216.9	1,603.6	1,276.7	1,267.8
Domestic business.....	7	973.3	1,041.8	980.4	984.5	1,177.9	1,024.4	1,023.6
Capital consumption allowances.....	8	1,228.6	1,055.4	1,011.1	1,023.9	1,127.0	1,059.5	1,090.0
Less: Capital consumption adjustment.....	9	255.3	13.6	30.8	39.4	-50.9	35.1	66.5
Households and institutions.....	10	232.8	285.2	230.5	232.4	425.7	252.3	244.3
Government.....	11	229.1	247.0	237.5	240.4	260.2	250.1	254.3
General government.....	12	192.0	203.5	198.8	201.1	205.3	208.9	212.2
Government enterprises.....	13	37.2	43.5	38.7	39.3	54.9	41.2	42.1
Equals: Net national product	14	10,352.8	10,946.7	10,789.8	10,956.3	10,786.2	11,254.7	11,552.4
Less: Statistical discrepancy	15	76.8	55.0	39.4	78.3	44.3	58.0	23.0
Equals: National income	16	10,275.9	10,891.7	10,750.4	10,878.0	10,741.9	11,196.7	11,529.4
Less: Corporate profits with inventory valuation and capital consumption adjustments.....	17	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,655.6
Taxes on production and imports less subsidies.....	18	809.4	848.0	833.2	848.0	853.4	857.2	881.2
Contributions for government social insurance.....	19	822.2	869.7	861.0	864.9	875.4	877.4	900.7
Net interest and miscellaneous payments on assets.....	20	505.5	498.3	498.3	488.7	497.6	508.5	534.2
Business current transfer payments (net).....	21	91.1	80.2	99.0	99.6	21.8	100.3	95.8
Current surplus of government enterprises.....	22	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.4
Wage accruals less disbursements.....	23	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Plus: Personal income receipts on assets.....	24	1,396.5	1,457.4	1,407.9	1,439.8	1,468.9	1,512.9	1,531.8
Personal current transfer receipts.....	25	1,427.5	1,525.3	1,488.8	1,509.6	1,558.1	1,544.7	1,582.4
Equals: Personal income	26	9,713.3	10,237.7	10,073.4	10,185.7	10,250.4	10,441.1	10,581.6
Addenda:								
Gross domestic income.....	27	11,657.5	12,432.2	12,159.4	12,299.7	12,561.4	12,708.2	13,019.3
Gross national income.....	28	11,711.2	12,465.8	12,198.8	12,335.2	12,605.7	12,723.6	13,051.6
Gross national factor income ¹	29	10,813.7	11,548.9	11,272.6	11,394.6	11,753.3	11,775.3	12,080.1
Net domestic product.....	30	10,299.0	10,913.1	10,750.4	10,920.7	10,741.9	11,239.3	11,520.1
Net domestic income.....	31	10,222.2	10,858.1	10,711.0	10,842.5	10,697.6	11,181.3	11,497.1
Net national factor income ²	32	9,378.4	9,974.9	9,824.2	9,937.4	9,889.5	10,248.4	10,557.9

1. Consists of compensation of employees, proprietors' income with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAAdj), rental income of persons with CCAAdj, corporate profits with IVA and CCAAdj, net interest and miscellaneous payments, and consumption of fixed capital.

2. Consists of gross national factor income less consumption of fixed capital.

Table 1.7.6. Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic product	1	10,755.7	11,134.8	10,999.3	11,089.2	11,202.3	11,248.3	11,403.6
Plus: Income receipts from the rest of the world.....	2	383.7	455.5	420.4	441.7	465.5	494.4	525.1
Less: Income payments to the rest of the world.....	3	333.5	423.7	383.3	408.2	424.4	478.9	494.7
Equals: Gross national product	4	10,805.7	11,166.4	11,036.3	11,122.5	11,243.2	11,263.5	11,433.6
Less: Consumption of fixed capital.....	5	1,391.6	1,501.0	1,390.4	1,398.7	1,772.4	1,442.7	1,426.2
Private.....	6	1,174.0	1,274.7	1,169.0	1,175.7	1,537.0	1,217.2	1,199.7
Government.....	7	217.7	226.9	221.5	223.0	237.5	225.4	226.3
General government.....	8	183.2	187.9	186.3	187.5	188.5	189.4	190.1
Government enterprises.....	9	34.5	38.8	35.2	35.5	48.7	36.0	36.3
Equals: Net national product	10	9,415.5	9,671.9	9,645.3	9,723.1	9,496.9	9,822.0	10,005.6
Addenda:								
Gross domestic income ¹	11	10,685.2	11,085.8	10,963.8	11,019.1	11,163.0	11,197.2	11,383.5
Gross national income ²	12	10,735.3	11,117.4	11,000.8	11,052.4	11,203.8	11,212.5	11,413.5
Net domestic product.....	13	9,365.5	9,840.1	9,808.3	9,689.7	9,456.1	9,806.5	9,975.5
Net domestic income ³	14	9,295.6	9,591.5	9,573.1	9,620.2	9,417.1	9,756.0	9,955.5

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.

3. Net domestic income deflated by the implicit price deflator for net domestic product.

Note. Except as noted in footnotes 1, 2 and 3, chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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 1.8.3. Command-Basis Real Gross National Product, Quantity Indexes
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Gross national product	1	109.637	113.296	111.977	112.851	114.076	114.282	116.008
Less: Exports of goods and services and income receipts from the rest of the world.....	2	101.584	111.740	107.308	110.796	112.931	115.924	120.898
Plus: Command-basis exports of goods and services and income receipts from the rest of the world ¹	3	102.059	110.087	107.180	109.686	110.456	113.027	118.555
Equals: Command-basis gross national product	4	109.708	113.048	111.958	112.684	113.704	113.847	115.656
Addendum:								
Percent change from preceding period in command-basis real gross national product.....	5	3.9	3.0	4.0	2.6	3.7	0.5	6.5

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

Table 1.8.6. Command-Basis Real Gross National Product, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross national product	1	10,805.7	11,166.4	11,036.3	11,122.5	11,243.2	11,263.5	11,433.6
Less: Exports of goods and services and income receipts from the rest of the world.....	2	1,502.4	1,652.6	1,587.0	1,638.6	1,670.2	1,714.4	1,788.0
Plus: Command-basis exports of goods and services and income receipts from the rest of the world ¹	3	1,509.4	1,628.2	1,585.2	1,622.2	1,633.6	1,671.7	1,753.4
Equals: Command-basis gross national product	4	10,812.7	11,142.0	11,034.5	11,106.1	11,206.7	11,220.7	11,399.0
Addendum:								
Terms of trade ²	5	100.467	98.550	99.884	99.001	97.811	97.503	98.065

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

2. Ratio of the implicit price deflator for exports of goods and services and income receipts to the corresponding implicit price deflator for imports divided by 100.

Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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 1.10. Gross Domestic Income by Type of Income

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross domestic income	1	11,657.5	12,432.2	12,159.4	12,299.7	12,561.4	12,708.2	13,019.3
Compensation of employees, paid	2	6,693.4	7,118.9	7,007.3	7,065.8	7,183.6	7,218.8	7,327.6
Wage and salary accruals	3	5,395.2	5,718.0	5,635.5	5,677.9	5,768.3	5,790.4	5,871.0
Disbursements	4	5,395.2	5,718.0	5,635.5	5,677.9	5,768.3	5,790.4	5,871.0
To persons	5	5,386.4	5,709.2	5,626.9	5,669.3	5,759.3	5,781.4	5,862.1
To the rest of the world	6	8.8	8.8	8.6	8.6	9.0	9.0	8.9
Wage accruals less disbursements	7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplements to wages and salaries	8	1,298.1	1,400.8	1,371.8	1,387.9	1,415.3	1,428.3	1,456.6
Taxes on production and imports	9	852.8	903.1	883.8	900.1	909.5	919.1	934.3
Less: Subsidies	10	43.5	55.2	50.6	52.1	56.1	61.9	53.1
Net operating surplus	11	2,719.4	2,891.3	2,870.4	2,928.7	2,660.6	3,105.4	3,288.4
Private enterprises	12	2,722.4	2,902.5	2,876.5	2,935.7	2,683.4	3,114.5	3,293.8
Net interest and miscellaneous payments, domestic industries	13	630.9	664.5	646.8	644.8	670.5	695.8	734.7
Business current transfer payments (net)	14	91.1	80.2	99.0	99.6	21.8	100.3	95.8
Proprietors' income with inventory valuation and capital consumption adjustments	15	889.6	938.7	917.9	936.6	932.4	967.7	977.1
Rental income of persons with capital consumption adjustment	16	134.2	72.9	118.0	104.4	-11.1	80.3	69.3
Corporate profits with inventory valuation and capital consumption adjustments, domestic industries	17	976.6	1,146.3	1,094.8	1,150.3	1,069.9	1,270.3	1,416.9
Taxes on corporate income	18	271.1	378.1	362.6	372.5	360.3	417.1	447.7
Profits after tax with inventory valuation and capital consumption adjustments	19	705.5	768.2	732.1	777.8	709.6	853.2	969.2
Net dividends	20	457.1	309.1	375.4	364.3	222.4	274.2	566.1
Undistributed corporate profits with inventory valuation and capital consumption adjustments	21	248.4	459.1	356.7	413.5	487.2	579.0	403.1
Current surplus of government enterprises	22	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.4
Consumption of fixed capital	23	1,435.3	1,574.1	1,448.4	1,457.2	1,863.8	1,526.9	1,522.2
Private	24	1,206.2	1,327.0	1,210.9	1,216.9	1,603.6	1,276.7	1,267.8
Government	25	229.1	247.0	237.5	240.4	260.2	250.1	254.3
Addendum:								
Statistical discrepancy	26	76.8	55.0	39.4	78.3	44.3	58.0	23.0

Table 1.12. National Income by Type of Income

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
National income	1	10,275.9	10,891.7	10,750.4	10,878.0	10,741.9	11,196.7	11,529.4
Compensation of employees	2	6,687.6	7,113.1	7,001.7	7,060.2	7,177.6	7,212.9	7,321.8
Wage and salary accruals	3	5,389.4	5,712.3	5,629.9	5,672.3	5,762.3	5,784.6	5,865.1
Government	4	939.5	971.6	961.8	967.3	975.0	982.3	991.1
Other	5	4,450.0	4,740.7	4,668.1	4,705.0	4,787.3	4,802.3	4,874.0
Supplements to wages and salaries	6	1,298.1	1,400.8	1,371.8	1,387.9	1,415.3	1,426.3	1,456.6
Employer contributions for employee pension and insurance funds	7	895.5	975.0	950.0	964.4	966.8	998.9	1,017.7
Employer contributions for government social insurance	8	402.7	425.8	421.9	423.5	428.5	429.4	439.0
Proprietors' income with IVA and CCAAdj	9	889.6	938.7	917.9	936.6	932.4	967.7	977.1
Farm	10	35.8	20.8	24.7	19.6	18.0	21.0	15.1
Nonfarm	11	853.8	917.8	893.2	917.1	914.3	946.7	961.9
Rental income of persons with CCAAdj	12	134.2	72.9	118.0	104.4	-11.1	80.3	69.3
Corporate profits with IVA and CCAAdj	13	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,655.6
Taxes on corporate income	14	271.1	378.1	362.6	372.5	360.3	417.1	447.7
Profits after tax with IVA and CCAAdj	15	890.3	973.8	925.6	975.0	932.8	1,061.8	1,207.9
Net dividends	16	493.0	514.2	494.9	506.3	520.1	535.4	548.8
Undistributed profits with IVA and CCAAdj	17	397.3	459.6	430.7	468.7	412.6	526.4	659.0
Net interest and miscellaneous payments	18	505.5	498.3	498.3	488.7	497.6	508.5	534.2
Taxes on production and imports	19	852.8	903.1	883.8	900.1	909.5	919.1	934.3
Less: Subsidies	20	43.5	55.2	50.6	52.1	56.1	61.9	53.1
Business current transfer payments (net)	21	91.1	80.2	99.0	99.6	21.8	100.3	95.8
To persons (net)	22	33.0	41.6	29.1	29.2	74.8	33.1	29.3
To government (net)	23	51.5	33.8	55.7	56.1	-30.3	53.7	60.1
To the rest of the world (net)	24	6.6	4.8	14.2	14.2	-22.8	13.5	6.4
Current surplus of government enterprises	25	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.4
Cash flow:								
Net cash flow with IVA and CCAAdj	26	1,196.9	1,303.3	1,239.2	1,280.9	1,324.9	1,368.0	1,504.3
Undistributed profits with IVA and CCAAdj	27	397.3	459.6	430.7	468.7	412.6	526.4	659.0
Consumption of fixed capital	28	799.6	843.6	808.5	812.2	912.3	841.6	845.2
Less: Inventory valuation adjustment	29	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-21.0
Equals: Net cash flow	30	1,236.6	1,334.7	1,278.3	1,299.8	1,352.4	1,408.5	1,525.3
Addenda:								
Proprietors' income with IVA and CCAAdj	31	889.6	938.7	917.9	936.6	932.4	967.7	977.1
Farm	32	35.8	20.8	24.7	19.6	18.0	21.0	15.1
Proprietors' income with IVA	33	41.7	26.7	30.8	25.4	23.9	26.8	21.0
Capital consumption adjustment	34	-5.9	-5.9	-6.0	-5.9	-5.8	-5.8	-5.9
Nonfarm	35	853.8	917.8	893.2	917.1	914.3	946.7	961.9
Proprietors' income (without IVA and CCAAdj)	36	723.9	825.2	796.4	815.1	845.3	844.2	846.4
Inventory valuation adjustment	37	-4.7	-4.2	-4.5	-2.5	-4.8	-5.0	-1.9
Capital consumption adjustment	38	134.6	96.8	101.3	104.5	73.9	107.4	117.4
Rental income of persons with CCAAdj	39	134.2	72.9	118.0	104.4	-11.1	80.3	69.3
Rental income of persons (without CCAAdj)	40	149.5	95.3	131.5	117.8	35.8	96.1	83.0
Capital consumption adjustment	41	-15.3	-22.4	-13.5	-13.4	-46.9	-15.8	-13.7
Corporate profits with IVA and CCAAdj	42	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,655.6
Corporate profits with IVA	43	1,019.7	1,406.8	1,339.2	1,393.3	1,365.1	1,529.7	1,686.8
Profits before tax (without IVA and CCAAdj)	44	1,059.3	1,438.3	1,378.3	1,412.2	1,392.6	1,570.1	1,707.8
Taxes on corporate income	45	271.1	378.1	362.6	372.5	360.3	417.1	447.7
Profits after tax (without IVA and CCAAdj)	46	788.2	1,060.2	1,015.7	1,039.7	1,032.3	1,153.0	1,260.1
Net dividends	47	493.0	514.2	494.9	506.3	520.1	535.4	548.8
Undistributed profits (without IVA and CCAAdj)	48	295.2	546.0	520.8	533.4	512.2	617.6	711.3
Inventory valuation adjustment	49	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-21.0
Capital consumption adjustment	50	141.8	-54.9	-51.0	-45.8	-72.1	-50.7	-31.3

IVA Inventory valuation adjustment
 CCAAdj Capital consumption adjustment

Table 1.14. Gross Value Added of Domestic Corporate Business in Current Dollars and Gross Value Added of Nonfinancial Domestic Corporate Business in Current and Chained Dollars

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Gross value added of corporate business ¹	1	6,914.4	7,454.5	7,275.5	7,386.2	7,487.5	7,668.8	7,897.2
Consumption of fixed capital.....	2	799.6	843.6	808.5	812.2	912.3	841.6	845.2
Net value added.....	3	6,114.8	6,610.8	6,467.0	6,574.0	6,575.2	6,827.1	7,052.0
Compensation of employees.....	4	4,395.0	4,694.6	4,618.3	4,657.7	4,741.2	4,761.2	4,838.5
Wage and salary accruals.....	5	3,571.6	3,804.6	3,746.3	3,775.9	3,842.1	3,854.0	3,911.5
Supplements to wages and salaries.....	6	823.4	890.0	872.0	881.8	899.0	907.2	927.0
Taxes on production and imports less subsidies.....	7	561.5	594.6	581.6	592.6	598.8	605.5	615.6
Net operating surplus.....	8	1,158.3	1,321.6	1,267.1	1,323.8	1,235.2	1,460.5	1,597.9
Net interest and miscellaneous payments.....	9	97.4	95.8	93.3	93.9	96.4	99.6	105.9
Business current transfer payments.....	10	84.3	79.5	79.1	79.6	68.9	90.5	75.0
Corporate profits with IVA and CCAAdj.....	11	976.6	1,146.3	1,094.8	1,150.3	1,069.9	1,270.3	1,416.9
Taxes on corporate income.....	12	271.1	378.1	362.6	372.5	360.3	417.1	447.7
Profits after tax with IVA and CCAAdj.....	13	705.5	768.2	732.1	777.8	709.6	853.2	969.2
Net dividends.....	14	457.1	309.1	375.4	364.3	222.4	274.2	566.1
Undistributed profits with IVA and CCAAdj.....	15	248.4	459.1	356.7	413.5	487.2	579.0	403.1
Gross value added of financial corporate business ¹	16	918.9	989.2	992.7	972.2	959.5	1,032.2	1,077.8
Gross value added of nonfinancial corporate business ¹	17	5,995.4	6,465.3	6,282.8	6,414.0	6,528.0	6,636.5	6,819.5
Consumption of fixed capital.....	18	690.3	729.1	697.5	700.4	792.8	725.7	728.1
Net value added.....	19	5,305.1	5,736.2	5,585.3	5,713.6	5,735.2	5,910.8	6,091.4
Compensation of employees.....	20	3,906.8	4,173.3	4,105.4	4,140.5	4,214.7	4,232.5	4,301.3
Wage and salary accruals.....	21	3,168.6	3,375.3	3,323.6	3,349.9	3,408.6	3,419.2	3,470.2
Supplements to wages and salaries.....	22	738.3	798.0	781.8	790.6	806.1	813.4	831.1
Taxes on production and imports less subsidies.....	23	519.1	549.7	537.7	547.9	553.7	559.8	569.2
Net operating surplus.....	24	879.2	1,013.2	942.2	1,025.2	966.8	1,118.5	1,220.9
Net interest and miscellaneous payments.....	25	164.9	171.5	167.0	167.3	172.8	179.0	189.8
Business current transfer payments.....	26	60.4	43.1	58.0	58.4	2.9	52.9	61.3
Corporate profits with IVA and CCAAdj.....	27	653.9	798.6	717.1	799.6	791.1	886.6	969.8
Taxes on corporate income.....	28	165.9	254.7	231.9	248.6	258.0	280.3	291.6
Profits after tax with IVA and CCAAdj.....	29	487.9	543.9	485.2	550.9	533.1	606.3	678.2
Net dividends.....	30	361.2	252.5	306.7	297.6	181.7	224.0	462.5
Undistributed profits with IVA and CCAAdj.....	31	126.7	291.4	178.5	253.4	351.4	382.3	215.7
Addenda:								
Corporate business:								
Profits before tax (without IVA and CCAAdj).....	32	874.4	1,232.7	1,184.8	1,215.0	1,169.5	1,361.5	1,469.2
Profits after tax (without IVA and CCAAdj).....	33	603.3	854.6	822.2	842.5	809.2	944.4	1,021.5
Inventory valuation adjustment.....	34	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-21.0
Capital consumption adjustment.....	35	141.8	-54.9	-51.0	-45.8	-72.1	-50.7	-31.3
Nonfinancial corporate business:								
Profits before tax (without IVA and CCAAdj).....	36	573.9	885.7	807.6	865.5	890.8	978.8	1,025.1
Profits after tax (without IVA and CCAAdj).....	37	407.9	630.9	575.6	616.9	632.8	698.5	733.5
Inventory valuation adjustment.....	38	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-21.0
Capital consumption adjustment.....	39	119.7	-55.6	-51.3	-47.0	-72.2	-51.7	-34.3
				Value added, in billions of chained (2000) dollars				
Gross value added of nonfinancial corporate business ²	40	5,714.1	6,077.2	5,943.3	6,046.0	6,121.9	6,197.6	6,322.1
Consumption of fixed capital ³	41	656.5	686.9	660.2	663.6	745.2	678.6	675.9
Net value added ⁴	42	5,057.6	5,390.3	5,283.1	5,382.4	5,376.6	5,519.0	5,646.2

1. Estimates for financial corporate business and nonfinancial corporate business for 2000 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).

2. The current-dollar gross value added is deflated using the gross value added chain-type price index for nonfinancial industries from the GDP-by-industry accounts. For periods when this price index is not available, the chain-type price index for GDP goods and structures is used.

3. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 2000 current-dollar value of the corresponding series, divided by 100.

4. Chained-dollar net value added of nonfinancial corporate business is the difference between the gross product and the consumption of fixed capital.

IVA Inventory valuation adjustment
CCAAdj Capital consumption adjustment

Table 1.15. Price, Costs, and Profit Per Unit of Real Gross Value Added of Nonfinancial Domestic Corporate Business

[Dollars]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Price per unit of real gross value added of nonfinancial corporate business ¹	1	1.049	1.064	1.057	1.061	1.066	1.071	1.079
Compensation of employees (unit labor cost)	2	0.684	0.687	0.691	0.685	0.688	0.683	0.680
Unit nonlabor cost	3	0.251	0.246	0.245	0.244	0.249	0.245	0.245
Consumption of fixed capital.....	4	0.121	0.120	0.117	0.116	0.130	0.117	0.115
Taxes on production and imports less subsidies plus business current transfer payments.....	5	0.101	0.098	0.100	0.100	0.091	0.099	0.100
Net interest and miscellaneous payments.....	6	0.029	0.028	0.028	0.028	0.028	0.029	0.030
Corporate profits with IVA and CCAAdj (unit profits from current production)	7	0.114	0.131	0.121	0.132	0.129	0.143	0.153
Taxes on corporate income.....	8	0.029	0.042	0.039	0.041	0.042	0.045	0.046
Profits after tax with IVA and CCAAdj.....	9	0.085	0.089	0.082	0.091	0.087	0.098	0.107

1. The implicit price deflator for gross value added of nonfinancial corporate business divided by 100. Estimates for nonfinancial corporate business for 2000 and earlier periods are based on the 1987 Standard Industrial Classification (SIC); later estimates for these industries are based on the North American Industry Classification System (NAICS).

Note: The current-dollar gross value added is deflated using the gross value added chain-type price index for nonfinancial industries from the GDP-by-industry accounts. For periods when this price index is not available, the chain-type price index for GDP goods and structures is used.

IVA Inventory valuation adjustment
CCAAdj Capital consumption adjustment

2. Personal Income and Outlays

Table 2.1. Personal Income and Its Disposition

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Personal income	1	9,713.3	10,237.7	10,073.4	10,185.7	10,250.4	10,441.1	10,581.6
Compensation of employees, received.....	2	6,687.6	7,113.1	7,001.7	7,060.2	7,177.6	7,212.9	7,321.8
Wage and salary disbursements.....	3	5,389.4	5,712.3	5,629.9	5,672.3	5,762.3	5,784.6	5,865.1
Private industries.....	4	4,450.0	4,740.7	4,668.1	4,705.0	4,787.3	4,802.3	4,874.0
Government.....	5	939.5	971.6	961.8	967.3	975.0	982.3	991.1
Supplements to wages and salaries.....	6	1,298.1	1,400.8	1,371.8	1,387.9	1,415.3	1,428.3	1,456.6
Employer contributions for employee pension and insurance funds.....	7	895.5	975.0	950.0	964.4	986.8	998.9	1,017.7
Employer contributions for government social insurance.....	8	402.7	425.8	421.9	423.5	428.5	429.4	439.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	9	889.6	938.7	917.9	936.6	932.4	967.7	977.1
Farm.....	10	35.8	20.8	24.7	19.6	18.0	21.0	15.1
Nonfarm.....	11	853.8	917.8	893.2	917.1	914.3	946.7	961.9
Rental income of persons with capital consumption adjustment.....	12	134.2	72.9	118.0	104.4	-11.1	80.3	69.3
Personal income receipts on assets.....	13	1,396.5	1,457.4	1,407.9	1,439.8	1,468.9	1,512.9	1,531.8
Personal interest income.....	14	905.9	945.7	915.4	936.0	951.2	980.1	985.6
Personal dividend income.....	15	490.6	511.7	492.5	503.8	517.6	532.9	546.2
Personal current transfer receipts.....	16	1,427.5	1,525.3	1,488.8	1,509.6	1,558.1	1,544.7	1,582.4
Government social benefits to persons.....	17	1,394.5	1,483.7	1,459.7	1,480.4	1,483.2	1,511.5	1,553.1
Old-age, survivors, disability, and health insurance benefits.....	18	789.3	844.7	828.0	842.2	850.1	858.6	919.2
Government unemployment insurance benefits.....	19	36.0	28.9	29.4	28.0	28.5	29.7	26.5
Veterans benefits.....	20	34.2	36.6	36.2	36.4	36.4	37.5	39.2
Family assistance ¹	21	18.5	18.8	18.7	18.7	18.8	18.9	19.0
Other.....	22	516.5	554.7	547.3	555.1	549.3	566.9	549.1
Other current transfer receipts, from business (net).....	23	33.0	41.6	29.1	29.2	74.8	33.1	29.3
Less: Contributions for government social insurance.....	24	822.2	869.7	861.0	864.9	875.4	877.4	900.7
Less: Personal current taxes	25	1,049.1	1,207.7	1,171.4	1,206.0	1,220.4	1,233.1	1,292.8
Equals: Disposable personal income	26	8,664.2	9,029.9	8,902.0	8,979.7	9,030.0	9,208.0	9,288.8
Less: Personal outlays	27	8,512.5	9,072.1	8,854.6	9,001.2	9,173.9	9,258.5	9,416.9
Personal consumption expenditures.....	28	8,214.3	8,745.7	8,535.8	8,677.0	8,844.0	8,926.2	9,081.7
Personal interest payments ²	29	186.7	205.9	198.1	205.3	210.1	210.2	213.7
Personal current transfer payments.....	30	111.5	120.4	120.8	118.8	119.9	122.1	121.5
To government.....	31	68.6	74.8	72.5	73.9	75.4	77.3	79.2
To the rest of the world (net).....	32	42.9	45.6	48.3	44.9	44.4	44.8	42.3
Equals: Personal saving	33	151.8	-42.1	47.4	-21.5	-143.9	-50.5	-128.1
Personal saving as a percentage of disposable personal income	34	1.8	-0.5	0.5	-0.2	-1.6	-0.5	-1.4
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ³	35	8,004.3	8,112.2	8,098.1	8,102.6	8,074.2	8,175.6	8,206.7
Per capita:								
Current dollars.....	36	29,477	30,437	30,111	30,307	30,401	30,926	31,135
Chained (2000) dollars.....	37	27,232	27,344	27,391	27,347	27,183	27,458	27,508
Population (midperiod, thousands).....	38	293,933	296,677	295,643	296,289	297,027	297,748	298,340
Percent change from preceding period:								
Disposable personal income, current dollars.....	39	6.1	4.2	-1.3	3.5	2.3	8.1	3.6
Disposable personal income, chained (2000) dollars.....	40	3.4	1.3	-3.4	0.2	-1.4	5.1	1.5

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. Consists of nonmortgage interest paid by households.

3. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 2.2B. Wage and Salary Disbursements by Industry

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Wage and salary disbursements	1	5,389.4	5,712.3	5,629.9	5,672.3	5,762.3	5,784.6	5,865.1
Private industries	2	4,450.0	4,740.7	4,668.1	4,705.0	4,787.3	4,802.3	4,874.0
Goods-producing industries.....	3	1,049.9	1,117.4	1,099.2	1,107.2	1,130.0	1,133.0	1,141.7
Manufacturing.....	4	687.7	720.0	715.3	715.5	724.7	724.5	726.0
Services-producing industries.....	5	3,400.1	3,623.3	3,568.8	3,597.9	3,657.4	3,669.3	3,732.4
Trade, transportation, and utilities.....	6	899.7	953.9	937.8	951.1	962.8	963.8	974.7
Other services-producing industries ¹	7	2,500.4	2,669.5	2,631.0	2,646.8	2,694.5	2,705.5	2,757.7
Government	8	939.5	971.6	961.8	967.3	975.0	982.3	991.1

1. Other services-producing industries consists of information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services.

Note: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Table 2.3.5. Personal Consumption Expenditures by Major Type of Product
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Personal consumption expenditures	1	8,214.3	8,745.7	8,535.8	8,677.0	8,844.0	8,926.2	9,081.7
Durable goods	2	987.8	1,026.5	1,017.3	1,035.5	1,050.9	1,002.1	1,047.6
Motor vehicles and parts.....	3	441.8	446.8	449.6	458.5	468.7	410.5	432.3
Furniture and household equipment.....	4	354.1	373.2	366.9	370.0	374.9	381.1	397.7
Other.....	5	191.9	206.4	200.8	207.0	207.2	210.5	217.6
Nondurable goods	6	2,368.3	2,564.4	2,476.6	2,533.7	2,604.9	2,642.5	2,687.7
Food.....	7	1,134.7	1,218.6	1,184.2	1,207.1	1,229.9	1,253.3	1,282.4
Clothing and shoes.....	8	329.0	345.4	340.5	344.9	343.9	352.3	358.4
Gasoline, fuel oil, and other energy goods.....	9	249.9	310.6	275.2	296.4	338.3	332.6	327.4
Gasoline and oil.....	10	230.4	287.3	253.1	273.9	313.9	308.2	305.4
Fuel oil and coal.....	11	19.5	23.3	22.0	22.5	24.4	24.4	22.0
Other.....	12	654.8	689.8	676.8	685.3	692.8	704.2	719.5
Services	13	4,858.2	5,154.9	5,041.8	5,107.8	5,188.3	5,281.6	5,346.4
Housing.....	14	1,221.1	1,281.5	1,260.6	1,275.3	1,288.2	1,301.8	1,318.9
Household operation.....	15	446.2	481.8	465.3	471.4	484.4	506.1	495.2
Electricity and gas.....	16	175.9	201.7	189.5	192.4	202.1	222.9	209.8
Other household operation.....	17	270.2	280.1	275.8	279.0	282.3	283.2	285.4
Transportation.....	18	306.9	321.2	312.3	318.5	324.1	329.9	337.1
Medical care.....	19	1,401.1	1,510.0	1,470.5	1,492.6	1,522.0	1,554.7	1,578.9
Recreation.....	20	338.8	355.2	350.3	353.1	356.6	360.7	365.2
Other.....	21	1,144.1	1,205.3	1,182.8	1,196.8	1,213.0	1,228.4	1,251.2
Addenda:								
Energy goods and services ¹	22	425.9	512.4	464.7	488.8	540.4	555.5	537.2
Personal consumption expenditures excluding food and energy.....	23	6,653.8	7,014.8	6,886.9	6,981.1	7,073.7	7,117.4	7,262.1

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

Table 2.3.6. Real Personal Consumption Expenditures by Major Type of Product, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Personal consumption expenditures	1	7,588.6	7,856.9	7,764.9	7,829.5	7,907.9	7,925.4	8,023.6
Durable goods	2	1,089.9	1,138.4	1,122.3	1,143.9	1,169.7	1,117.7	1,170.6
Motor vehicles and parts.....	3	457.0	452.8	455.0	463.3	477.3	415.5	434.4
Furniture and household equipment.....	4	442.9	485.0	469.2	475.9	490.5	504.4	531.8
Other.....	5	195.8	211.3	206.5	212.9	211.0	214.7	223.0
Nondurable goods	6	2,200.4	2,297.9	2,265.6	2,285.9	2,305.8	2,334.2	2,367.8
Food.....	7	1,029.1	1,081.1	1,060.9	1,072.2	1,088.7	1,102.8	1,120.8
Clothing and shoes.....	8	355.0	376.5	367.9	374.4	377.2	386.7	394.3
Gasoline, fuel oil, and other energy goods.....	9	201.4	204.9	207.7	205.2	203.0	203.5	203.4
Gasoline and oil.....	10	185.9	190.4	192.1	190.5	188.7	190.4	191.1
Fuel oil and coal.....	11	15.5	14.5	15.6	14.8	14.4	13.4	12.5
Other.....	12	616.7	639.7	631.2	637.7	641.9	648.0	658.0
Services	13	4,310.9	4,436.4	4,392.0	4,417.6	4,453.5	4,482.6	4,504.2
Housing.....	14	1,078.4	1,103.7	1,095.6	1,101.4	1,106.6	1,111.0	1,116.2
Household operation.....	15	405.6	416.3	414.3	413.8	418.5	418.5	403.8
Electricity and gas.....	16	149.2	155.0	155.2	153.2	155.5	156.1	143.8
Other household operation.....	17	256.3	261.0	258.8	260.5	262.7	262.0	261.8
Transportation.....	18	283.4	287.3	284.6	286.3	287.6	290.6	294.7
Medical care.....	19	1,233.5	1,291.6	1,269.1	1,282.3	1,299.6	1,315.2	1,331.0
Recreation.....	20	302.4	308.6	307.7	308.3	308.9	309.4	311.7
Other.....	21	1,006.7	1,027.8	1,019.5	1,024.3	1,031.1	1,036.5	1,046.1
Residual.....	22	-19.2	-29.4	-24.0	-28.5	-33.8	-31.3	-47.6
Addenda:								
Energy goods and services ¹	23	350.6	359.6	362.8	358.4	358.0	359.1	347.5
Personal consumption expenditures excluding food and energy.....	24	6,209.5	6,417.4	6,340.9	6,400.1	6,463.3	6,465.1	6,563.4

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.
Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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.

3. Government Current Receipts and Expenditures

Table 3.1. Government Current Receipts and Expenditures

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Current receipts	1	3,208.2	3,553.7	3,497.2	3,564.3	3,486.0	3,667.1	3,808.4
Current tax receipts.....	2	2,169.9	2,484.3	2,413.0	2,473.2	2,486.1	2,565.0	2,669.4
Personal current taxes.....	3	1,049.1	1,207.7	1,171.4	1,206.0	1,220.4	1,233.1	1,292.8
Taxes on production and imports.....	4	852.8	903.1	883.8	900.1	909.5	919.1	934.3
Taxes on corporate income.....	5	258.9	363.9	348.1	358.5	346.2	402.6	433.2
Taxes from the rest of the world.....	6	9.2	9.6	9.7	8.5	10.0	10.2	9.2
Contributions for government social insurance.....	7	822.2	869.7	861.0	864.9	875.4	877.4	900.7
Income receipts on assets.....	8	99.0	102.3	101.2	103.1	102.2	102.7	104.4
Interest and miscellaneous receipts.....	9	96.6	99.8	98.8	100.7	99.7	100.2	101.8
Dividends.....	10	2.4	2.5	2.4	2.5	2.5	2.5	2.6
Current transfer receipts.....	11	120.1	108.6	128.2	130.1	45.1	131.0	139.3
From business (net).....	12	51.5	33.8	55.7	56.1	-30.3	53.7	60.1
From persons.....	13	68.6	74.8	72.5	73.9	75.4	77.3	79.2
Current surplus of government enterprises.....	14	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.4
Current expenditures	15	3,620.6	3,877.2	3,788.1	3,840.3	3,900.4	3,979.9	4,018.1
Consumption expenditures.....	16	1,843.4	1,962.6	1,918.6	1,938.5	1,988.6	2,004.9	2,049.1
Current transfer payments.....	17	1,423.4	1,518.1	1,501.2	1,507.1	1,512.4	1,551.6	1,576.4
Government social benefits.....	18	1,397.5	1,487.0	1,462.9	1,483.6	1,486.5	1,514.9	1,556.5
To persons.....	19	1,394.5	1,483.7	1,459.7	1,480.4	1,483.2	1,511.5	1,553.1
To the rest of the world.....	20	3.0	3.3	3.2	3.2	3.3	3.4	3.4
Other current transfer payments to the rest of the world (net).....	21	25.9	31.1	38.3	23.5	25.9	36.7	19.9
Interest payments.....	22	310.3	341.3	317.8	342.6	343.3	361.5	339.5
To persons and business.....	23	220.6	225.4	213.7	231.2	223.3	233.4	208.3
To the rest of the world.....	24	89.7	115.9	104.1	111.5	120.0	128.1	131.2
Subsidies.....	25	43.5	55.2	50.6	52.1	56.1	61.9	53.1
Less: Wage accruals less disbursements.....	26	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net government saving	27	-412.3	-323.5	-290.9	-276.1	-414.3	-312.8	-209.6
Social insurance funds.....	28	54.0	54.7	61.0	53.0	56.1	48.6	14.6
Other.....	29	-466.3	-378.2	-352.0	-329.1	-470.4	-361.5	-224.3
Addenda:								
Total receipts	30	3,238.4	3,584.2	3,527.6	3,594.2	3,516.6	3,698.3	3,842.4
Current receipts.....	31	3,208.2	3,553.7	3,497.2	3,564.3	3,486.0	3,667.1	3,808.4
Capital transfer receipts.....	32	30.2	30.5	30.4	29.9	30.6	31.2	34.0
Total expenditures	33	3,792.0	4,062.5	3,978.7	4,026.9	4,071.3	4,173.2	4,223.5
Current expenditures.....	34	3,620.6	3,877.2	3,788.1	3,840.3	3,900.4	3,979.9	4,018.1
Gross government investment.....	35	372.5	400.3	383.4	399.1	404.1	414.8	425.4
Capital transfer payments.....	36	16.3	20.0	32.2	16.0	16.0	15.8	21.2
Net purchases of nonproduced assets.....	37	11.8	12.0	12.5	11.8	11.0	12.8	13.2
Less: Consumption of fixed capital.....	38	229.1	247.0	237.5	240.4	260.2	250.1	254.3
Net lending or net borrowing (-).....	39	-553.6	-478.4	-451.0	-432.7	-554.7	-475.0	-381.1

Table 3.9.5. Government Consumption Expenditures and Gross Investment
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Government consumption expenditures and gross investment	1	2,215.9	2,362.9	2,302.0	2,337.6	2,392.7	2,419.6	2,474.5
Consumption expenditures ¹	2	1,843.4	1,962.6	1,918.6	1,938.5	1,988.6	2,004.9	2,049.1
Gross investment ²	3	372.5	400.3	383.4	399.1	404.1	414.8	425.4
Structures.....	4	232.0	251.2	241.8	249.5	252.7	260.9	265.1
Equipment and software.....	5	140.5	149.1	141.5	149.6	151.4	153.8	160.3
Federal	6	827.6	877.7	860.2	869.8	892.2	888.5	924.4
Consumption expenditures.....	7	725.7	769.6	759.6	762.8	782.9	773.1	805.7
Gross investment.....	8	101.9	108.1	100.7	107.0	109.4	115.4	118.7
Structures.....	9	14.5	15.6	14.3	13.8	15.0	19.3	17.0
Equipment and software.....	10	87.4	92.5	86.3	93.3	94.4	96.1	101.7
National defense	11	552.7	587.1	575.3	582.5	601.7	589.1	610.8
Consumption expenditures.....	12	484.2	515.9	508.9	512.3	528.6	514.0	534.2
Gross investment.....	13	68.5	71.2	66.4	70.2	73.1	75.1	76.7
Structures.....	14	5.1	5.2	5.1	5.1	5.1	5.5	5.3
Equipment and software.....	15	63.4	66.0	61.3	65.1	68.0	69.6	71.4
Nondefense	16	274.9	290.6	285.0	287.3	290.5	299.4	313.6
Consumption expenditures.....	17	241.4	253.7	250.7	250.5	254.3	259.1	271.6
Gross investment.....	18	33.4	36.9	34.3	36.8	36.3	40.3	42.0
Structures.....	19	9.4	10.4	9.2	8.7	9.8	13.8	11.7
Equipment and software.....	20	24.0	26.5	25.0	28.2	26.4	26.5	30.3
State and local	21	1,388.3	1,485.2	1,441.7	1,467.7	1,500.4	1,531.1	1,550.1
Consumption expenditures.....	22	1,117.7	1,193.0	1,159.0	1,175.7	1,205.7	1,231.7	1,243.4
Gross investment.....	23	270.6	292.2	282.7	292.0	294.7	299.4	306.7
Structures.....	24	217.6	235.7	227.5	235.7	237.7	241.7	248.1
Equipment and software.....	25	53.0	56.6	55.2	56.3	57.1	57.7	58.6

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

Table 3.9.6. Real Government Consumption Expenditures and Gross Investment, Chained Dollars
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Government consumption expenditures and gross investment	1	1,952.3	1,987.1	1,971.9	1,994.1	1,998.1	1,994.1	2,017.5
Consumption expenditures ¹	2	1,602.1	1,626.7	1,619.9	1,620.7	1,636.5	1,629.7	1,648.7
Gross investment ²	3	350.1	360.7	351.9	364.1	362.0	365.0	369.5
Structures.....	4	205.4	208.6	207.1	211.3	207.6	208.3	207.3
Equipment and software.....	5	146.4	154.6	146.3	155.0	157.1	159.8	166.5
Federal	6	723.7	740.5	731.8	736.1	749.5	744.6	763.4
Consumption expenditures.....	7	622.1	635.0	632.5	631.3	642.6	633.5	649.5
Gross investment.....	8	101.9	106.2	99.1	105.4	107.6	112.8	115.6
Structures.....	9	12.7	12.7	12.1	11.4	12.2	15.3	13.3
Equipment and software.....	10	89.7	94.0	87.5	94.8	96.1	97.6	103.1
National defense	11	481.3	493.6	487.3	491.7	503.6	492.0	503.3
Consumption expenditures.....	12	413.3	424.1	421.9	422.9	432.2	419.6	429.7
Gross investment.....	13	68.5	70.0	65.3	69.2	72.0	73.5	74.7
Structures.....	14	4.4	4.3	4.3	4.3	4.2	4.3	4.1
Equipment and software.....	15	64.4	66.0	61.2	65.2	68.1	69.5	71.1
Nondefense	16	242.2	246.6	244.3	244.2	245.6	252.5	259.9
Consumption expenditures.....	17	208.6	210.6	210.4	208.2	210.1	213.7	219.6
Gross investment.....	18	33.4	36.3	33.8	36.3	35.6	39.4	40.9
Structures.....	19	8.3	8.5	7.8	7.2	8.0	10.9	9.2
Equipment and software.....	20	25.3	28.0	26.3	29.7	28.0	28.1	32.2
State and local	21	1,228.4	1,246.3	1,239.8	1,247.8	1,248.5	1,249.3	1,254.2
Consumption expenditures.....	22	979.5	981.1	986.8	988.8	993.3	995.6	998.6
Gross investment.....	23	248.9	255.4	253.2	259.4	255.4	253.7	255.7
Structures.....	24	192.8	195.8	195.0	199.9	195.5	193.0	194.1
Equipment and software.....	25	56.6	60.5	58.8	60.1	61.0	62.1	63.1
Residual.....	26	-0.9	-1.8	-0.6	-2.2	-2.3	-2.7	-4.2

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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.

Table 3.10.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and General Government Gross Output

[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Government consumption expenditures ¹	1	2.1	1.5	2.8	0.2	4.0	-1.6	4.7
Gross output of general government	2	2.4	2.0	3.5	0.5	4.2	-0.8	4.5
Value added	3	0.8	1.0	0.7	0.2	1.2	1.0	-0.7
Compensation of general government employees	4	0.6	0.7	0.3	-0.1	1.0	0.8	-1.0
Consumption of general government fixed capital ²	5	2.4	2.5	2.9	2.5	2.1	2.1	1.3
Intermediate goods and services purchased ³	6	4.9	3.7	8.1	0.8	9.0	-3.5	12.6
Durable goods	7	7.5	4.1	-8.5	12.8	8.6	10.7	-5.4
Nondurable goods	8	2.9	2.9	12.1	-6.4	2.9	5.7	6.5
Services	9	5.3	3.9	8.4	2.4	11.3	-7.9	16.7
Less: Own-account investment ⁴	10	-0.5	4.8	8.4	11.4	1.4	3.0	3.5
Sales to other sectors	11	4.0	4.7	7.6	1.2	6.1	3.6	3.1
Federal consumption expenditures ¹	12	4.8	2.1	5.9	-0.7	7.3	-5.6	10.5
Gross output of general government	13	4.8	2.4	7.3	-1.7	8.3	-5.6	9.8
Value added	14	0.9	0.5	0.5	-1.1	-0.5	1.3	-3.6
Compensation of general government employees	15	0.7	0.1	0.0	-2.1	-1.1	1.2	-5.0
Consumption of general government fixed capital ²	16	1.7	2.1	2.2	2.3	1.8	1.9	1.7
Intermediate goods and services purchased ³	17	9.9	4.6	16.3	-2.4	19.6	-13.1	27.4
Durable goods	18	12.2	5.5	-15.5	20.7	13.6	17.0	-11.0
Nondurable goods	19	11.3	7.0	82.1	-41.6	7.6	27.2	25.1
Services	20	9.5	4.3	14.3	1.5	21.8	-20.0	33.2
Less: Own-account investment ⁴	21	-3.7	6.5	19.5	4.2	8.1	1.3	-8.8
Sales to other sectors	22	6.0	36.4	268.8	-63.2	157.8	-16.9	-32.6
Defense consumption expenditures ¹	23	6.4	2.6	8.5	1.0	9.1	-11.2	10.0
Gross output of general government	24	6.3	2.7	9.5	0.9	9.3	-12.0	10.7
Value added	25	1.8	0.8	0.6	-1.0	0.4	0.8	-4.7
Compensation of general government employees	26	1.8	0.3	0.1	-2.2	-0.2	0.3	-6.8
Consumption of general government fixed capital ²	27	1.8	2.3	2.3	2.6	2.0	2.2	1.8
Intermediate goods and services purchased ³	28	11.9	5.0	20.6	3.2	19.9	-24.0	30.4
Durable goods	29	11.9	4.8	-17.0	20.8	13.6	17.1	-13.7
Nondurable goods	30	14.9	7.4	72.9	8.0	-14.8	7.1	32.6
Services	31	11.6	4.7	23.9	0.4	24.9	-31.5	39.1
Less: Own-account investment ⁴	32	-7.6	1.5	-6.2	2.0	3.4	1.4	-4.2
Sales to other sectors	33	-1.4	21.5	646.3	-8.5	52.9	-82.8	288.7
Nondefense consumption expenditures ¹	34	1.9	0.9	0.8	-4.1	3.8	7.1	11.5
Gross output of general government	35	2.0	1.7	3.1	-6.8	6.3	8.3	8.1
Value added	36	-0.6	0.1	0.2	-1.3	-2.1	2.3	-1.5
Compensation of general government employees	37	-1.0	-0.2	-0.1	-1.9	-2.7	2.6	-2.0
Consumption of general government fixed capital ²	38	1.3	1.6	1.8	1.5	1.3	1.0	1.5
Intermediate goods and services purchased ³	39	5.9	3.9	7.3	-13.9	18.9	16.6	21.5
Durable goods	40	15.1	13.8	3.9	19.8	12.8	15.9	25.6
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	13.9	3.6	27.2	-15.9	-13.9	27.3	26.5
Services	44	5.4	3.2	-4.0	3.9	15.2	10.7	22.2
Less: Own-account investment ⁴	45	-0.2	10.8	46.7	6.0	11.9	1.3	-12.3
Sales to other sectors	46	12.0	46.6	159.8	-80.4	280.6	77.7	-72.1
State and local consumption expenditures ¹	47	0.4	1.2	0.8	0.8	1.8	0.9	1.2
Gross output of general government	48	1.2	1.8	1.6	1.6	2.2	1.7	1.9
Value added	49	0.8	1.2	0.8	0.8	1.9	0.9	0.6
Compensation of general government employees	50	0.5	1.0	0.4	0.6	1.9	0.7	0.5
Consumption of general government fixed capital ²	51	3.0	2.9	3.5	2.6	2.4	2.3	1.0
Intermediate goods and services purchased ³	52	1.8	3.0	3.2	2.9	2.7	3.0	4.2
Durable goods	53	1.6	2.2	2.3	2.7	1.9	2.3	3.2
Nondurable goods	54	1.5	2.2	2.2	2.4	2.1	2.2	3.3
Services	55	2.0	3.5	3.8	3.2	3.1	3.5	4.8
Less: Own-account investment ⁴	56	0.3	4.3	5.7	13.4	-0.2	3.4	6.9
Sales to other sectors	57	3.9	4.1	4.5	3.8	3.8	4.2	4.2
Tuition and related educational charges	58	-0.2	2.2	4.3	3.9	3.9	4.3	4.3
Health and hospital charges	59	6.2	5.0	4.3	3.9	3.9	4.3	4.3
Other sales	60	3.1	3.8	4.9	3.6	3.7	3.9	4.0

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software in table 3.9.5.

Table 3.10.4. Price Indexes for Government Consumption Expenditures and General Government Gross Output
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	
Government consumption expenditures ¹	1	115.061	120.651	118.448	119.614	121.521	123.023	124.293
Gross output of general government	2	115.428	120.904	118.771	119.923	121.686	123.237	124.456
Value added	3	117.958	122.332	120.826	121.735	122.947	123.821	125.470
Compensation of general government employees	4	120.433	124.966	123.477	124.455	125.580	126.352	128.054
Consumption of general government fixed capital ²	5	104.759	108.302	106.719	107.265	108.921	110.304	111.675
Intermediate goods and services purchased ³	6	111.158	118.248	115.203	116.711	119.273	121.805	122.396
Durable goods	7	102.169	104.068	103.596	103.942	104.258	104.476	105.018
Nondurable goods	8	112.261	128.506	121.054	124.771	131.785	136.414	134.148
Services	9	111.829	116.473	114.590	115.492	116.859	118.953	120.473
Less: Own-account investment ⁴	10	113.680	118.544	116.857	117.889	119.113	120.319	121.647
Sales to other sectors	11	117.819	122.667	120.912	121.991	122.952	124.813	125.722
Federal consumption expenditures ¹	12	116.647	121.206	120.102	120.830	121.838	122.055	124.067
Gross output of general government	13	116.628	121.205	120.079	120.808	121.804	122.130	124.062
Value added	14	121.881	125.986	125.296	125.757	126.357	126.534	129.793
Compensation of general government employees	15	128.117	132.704	131.998	132.509	133.096	133.213	137.286
Consumption of general government fixed capital ²	16	103.806	106.507	105.867	106.180	106.817	107.164	108.110
Intermediate goods and services purchased ³	17	109.628	114.675	113.091	114.105	115.511	115.992	116.513
Durable goods	18	101.232	102.646	102.373	102.612	102.806	102.794	103.118
Nondurable goods	19	99.603	114.356	106.999	111.869	120.212	118.343	114.827
Services	20	112.044	116.374	115.336	115.948	116.687	117.526	118.598
Less: Own-account investment ⁴	21	119.522	124.106	122.928	123.784	124.471	125.239	127.655
Sales to other sectors	22	112.325	118.449	115.450	116.279	116.291	125.776	120.313
Defense consumption expenditures ¹	23	117.172	121.652	120.631	121.144	122.308	122.526	124.333
Gross output of general government	24	117.181	121.664	120.642	121.158	122.316	122.540	124.351
Value added	25	123.092	127.359	126.854	127.168	127.652	127.764	131.073
Compensation of general government employees	26	130.783	135.589	135.135	135.452	135.853	135.917	140.167
Consumption of general government fixed capital ²	27	104.740	107.705	107.076	107.382	108.069	108.295	109.373
Intermediate goods and services purchased ³	28	109.658	114.283	112.768	113.479	115.278	115.607	115.920
Durable goods	29	102.080	103.672	103.309	103.612	103.863	103.903	104.287
Nondurable goods	30	92.183	108.610	100.118	103.002	117.033	114.285	108.006
Services	31	113.021	116.965	115.970	116.521	117.334	118.034	119.048
Less: Own-account investment ⁴	32	119.365	124.526	123.167	124.154	124.708	126.076	128.820
Sales to other sectors	33	116.979	121.649	120.741	121.361	122.075	122.419	124.148
Nondefense consumption expenditures ¹	34	115.720	120.443	119.173	120.334	121.026	121.240	123.657
Gross output of general government	35	115.667	120.432	119.101	120.253	120.922	121.450	123.617
Value added	36	119.818	123.641	122.626	123.345	124.151	124.443	127.616
Compensation of general government employees	37	124.171	128.428	127.330	128.142	129.021	129.220	133.025
Consumption of general government fixed capital ²	38	101.377	103.388	102.720	103.051	103.556	104.223	104.820
Intermediate goods and services purchased ³	39	109.623	115.586	113.861	115.565	116.052	116.866	117.827
Durable goods	40	91.907	91.495	92.110	91.707	91.344	90.818	90.570
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	109.179	120.265	115.081	122.232	122.249	121.499	121.445
Services	44	110.383	115.538	114.406	115.150	115.733	116.861	118.052
Less: Own-account investment ⁴	45	119.601	123.702	122.667	123.419	124.210	124.511	126.666
Sales to other sectors	46	109.619	116.241	112.368	113.335	112.897	126.362	118.189
State and local consumption expenditures ¹	47	114.116	120.372	117.462	118.909	121.395	123.722	124.517
Gross output of general government	48	114.860	120.794	118.149	119.515	121.669	123.840	124.698
Value added	49	116.332	120.817	118.972	120.067	121.534	122.696	123.681
Compensation of general government employees	50	117.748	122.259	120.494	121.638	122.952	123.953	124.831
Consumption of general government fixed capital ²	51	105.652	109.923	107.526	108.273	110.808	113.083	114.822
Intermediate goods and services purchased ³	52	112.136	120.586	116.563	118.397	121.738	125.848	126.286
Durable goods	53	103.310	105.905	105.144	105.642	106.136	106.599	107.567
Nondurable goods	54	114.582	131.099	123.657	127.100	133.826	139.814	137.838
Services	55	111.625	116.540	113.948	115.092	116.988	120.131	122.024
Less: Own-account investment ⁴	56	112.254	117.187	115.377	116.451	117.803	119.116	120.186
Sales to other sectors	57	117.935	122.747	121.026	122.112	123.099	124.751	125.828
Tuition and related educational charges	58	133.191	143.178	139.381	142.402	144.474	146.453	148.890
Health and hospital charges	59	117.203	121.174	119.820	120.494	121.389	122.994	123.604
Other sales	60	109.511	112.598	111.514	112.128	112.611	114.140	115.188

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).
2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.
3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.
4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software in table 3.9.5.

Table 3.10.5. Government Consumption Expenditures and General Government Gross Output
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Government consumption expenditures ¹	1	1,843.4	1,962.6	1,918.6	1,938.5	1,988.6	2,004.9	2,049.1
Gross output of general government	2	2,176.8	2,326.1	2,272.3	2,297.0	2,355.1	2,380.0	2,430.1
Value added	3	1,339.7	1,403.0	1,382.1	1,393.4	1,411.4	1,425.0	1,441.6
Compensation of general government employees	4	1,147.7	1,199.5	1,183.3	1,192.3	1,206.2	1,216.1	1,229.3
Consumption of general government fixed capital ²	5	192.0	203.5	198.8	201.1	205.3	208.9	212.2
Intermediate goods and services purchased ³	6	837.2	923.1	890.2	903.7	943.6	955.0	988.5
Durable goods	7	53.8	57.0	54.6	56.4	57.8	59.4	58.9
Nondurable goods	8	193.4	227.9	215.8	218.8	232.8	244.3	244.1
Services	9	590.0	638.2	619.8	628.4	653.1	651.3	685.6
Less: Own-account investment ⁴	10	22.3	24.3	23.4	24.3	24.6	25.0	25.5
Sales to other sectors	11	311.2	339.2	330.3	334.3	341.9	350.1	355.4
Federal consumption expenditures ¹	12	725.7	769.6	759.6	762.8	782.9	773.1	805.7
Gross output of general government	13	736.2	783.2	773.5	774.8	796.9	787.5	818.9
Value added	14	408.2	424.3	422.8	423.1	424.6	426.6	433.6
Compensation of general government employees	15	319.8	331.7	331.5	331.0	331.5	332.8	338.6
Consumption of general government fixed capital ²	16	88.4	92.6	91.3	92.1	93.1	93.8	95.1
Intermediate goods and services purchased ³	17	327.9	358.9	350.7	351.7	372.3	360.9	385.2
Durable goods	18	31.3	33.4	31.3	32.9	34.1	35.4	34.5
Nondurable goods	19	29.2	35.9	36.2	33.1	36.2	37.9	38.9
Services	20	267.5	289.6	283.1	285.6	302.0	287.6	311.8
Less: Own-account investment ⁴	21	4.5	5.0	4.8	4.9	5.0	5.1	5.1
Sales to other sectors	22	6.0	8.6	9.1	7.1	9.0	9.3	8.1
Defense consumption expenditures ¹	23	484.2	515.9	508.9	512.3	528.6	514.0	534.2
Gross output of general government	24	488.8	521.3	514.3	517.7	534.4	518.6	539.8
Value added	25	262.6	273.9	273.1	273.1	274.4	275.1	278.9
Compensation of general government employees	26	198.2	206.1	206.3	205.6	206.1	206.4	209.1
Consumption of general government fixed capital ²	27	64.5	67.8	66.8	67.5	68.2	68.8	69.7
Intermediate goods and services purchased ³	28	226.1	247.3	241.2	244.6	280.0	243.5	260.9
Durable goods	29	28.8	30.7	28.7	30.2	31.3	32.5	31.5
Nondurable goods	30	15.0	19.1	17.6	18.5	20.2	20.1	20.3
Services	31	182.2	197.6	194.8	195.9	208.6	190.9	209.1
Less: Own-account investment ⁴	32	2.1	2.2	2.1	2.2	2.2	2.2	2.3
Sales to other sectors	33	2.5	3.1	3.3	3.2	3.6	2.3	3.3
Nondefense consumption expenditures ¹	34	241.4	253.7	250.7	250.5	254.3	259.1	271.6
Gross output of general government	35	247.4	261.9	259.2	257.1	262.5	268.9	279.1
Value added	36	145.6	150.4	149.7	150.1	150.3	151.5	154.8
Compensation of general government employees	37	121.7	125.6	125.2	125.4	125.4	126.4	129.5
Consumption of general government fixed capital ²	38	23.9	24.8	24.5	24.7	24.9	25.1	25.3
Intermediate goods and services purchased ³	39	101.8	111.6	109.5	107.1	112.3	117.5	124.3
Durable goods	40	2.4	2.7	2.6	2.7	2.8	2.9	3.0
Nondurable goods	41	14.2	16.8	18.6	14.6	16.1	17.8	18.5
Commodity Credit Corporation inventory change	42	-1.0	-0.5	1.4	-2.8	-0.8	0.1	-0.3
Other nondurable goods	43	15.2	17.3	17.2	17.5	16.8	17.8	18.8
Services	44	85.2	92.0	88.3	89.7	93.4	96.8	102.8
Less: Own-account investment ⁴	45	2.4	2.8	2.7	2.7	2.8	2.8	2.8
Sales to other sectors	46	3.5	5.5	5.8	3.9	5.4	7.0	4.7
State and local consumption expenditures ¹	47	1,117.7	1,193.0	1,159.0	1,175.7	1,205.7	1,231.7	1,243.4
Gross output of general government	48	1,440.7	1,542.9	1,498.9	1,522.2	1,558.2	1,592.5	1,611.2
Value added	49	931.4	978.7	959.4	970.2	986.8	998.4	1,007.9
Compensation of general government employees	50	827.9	867.8	851.9	861.3	874.7	883.3	890.7
Consumption of general government fixed capital ²	51	103.6	110.9	107.5	108.9	112.2	115.1	117.2
Intermediate goods and services purchased ³	52	509.2	564.2	539.5	552.0	571.3	594.1	603.3
Durable goods	53	22.5	23.6	23.2	23.5	23.7	24.0	24.4
Nondurable goods	54	164.2	192.1	179.6	185.7	196.5	206.4	205.2
Services	55	322.5	348.6	336.7	342.8	351.1	363.7	373.7
Less: Own-account investment ⁴	56	17.8	19.4	18.6	19.4	19.6	20.0	20.5
Sales to other sectors	57	305.1	330.5	321.2	327.1	332.9	340.8	347.3
Tuition and related educational charges	58	64.1	70.4	67.6	69.7	71.4	73.1	75.1
Health and hospital charges	59	155.0	168.4	164.1	166.5	169.4	173.4	176.1
Other sales	60	86.0	91.7	89.6	90.9	92.1	94.3	96.1

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software in table 3.9.5.

**Table 3.10.6. Real Government Consumption Expenditures and General Government
Gross Output, Chained Dollars**

[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	
Government consumption expenditures ¹	1	1,602.1	1,626.7	1,619.9	1,620.7	1,636.5	1,629.7	1,648.7
Gross output of general government	2	1,885.9	1,923.9	1,913.3	1,915.5	1,935.5	1,931.4	1,952.7
Value added	3	1,135.7	1,146.9	1,143.9	1,144.6	1,148.0	1,150.9	1,149.0
Compensation of general government employees	4	953.0	959.9	958.4	958.0	960.5	962.5	960.0
Consumption of general government fixed capital ²	5	183.2	187.9	186.3	187.5	188.5	189.4	190.1
Intermediate goods and services purchased ³	6	753.1	780.7	772.8	774.4	791.3	784.2	807.7
Durable goods	7	52.6	54.8	52.7	54.3	55.4	56.8	56.0
Nondurable goods	8	172.3	177.4	178.3	175.4	176.7	179.1	182.0
Services	9	527.6	547.9	540.9	544.2	558.9	547.6	569.1
Less: Own-account investment ⁴	10	19.6	20.5	20.0	20.6	20.7	20.8	21.0
Sales to other sectors	11	264.1	276.5	273.2	274.1	278.1	280.6	282.7
Federal consumption expenditures ¹	12	622.1	635.0	632.5	631.3	642.6	633.5	649.5
Gross output of general government	13	631.2	646.2	644.2	641.4	654.3	644.9	660.1
Value added	14	334.9	336.8	337.4	336.5	336.1	337.1	334.1
Compensation of general government employees	15	249.6	249.9	251.1	249.8	249.1	249.8	246.6
Consumption of general government fixed capital ²	16	85.2	86.9	86.3	86.8	87.2	87.6	87.9
Intermediate goods and services purchased ³	17	299.1	313.0	310.1	308.3	322.4	311.2	330.7
Durable goods	18	30.9	32.6	30.6	32.1	33.1	34.5	33.5
Nondurable goods	19	29.3	31.4	33.8	29.6	30.1	32.0	33.8
Services	20	238.7	248.9	245.5	246.4	258.8	244.8	263.0
Less: Own-account investment ⁴	21	3.8	4.0	3.9	4.0	4.0	4.1	4.0
Sales to other sectors	22	5.4	7.3	7.9	6.1	7.8	7.4	6.7
Defense consumption expenditures ¹	23	413.3	424.1	421.9	422.9	432.2	419.6	429.7
Gross output of general government	24	417.1	428.5	426.3	427.3	436.9	423.2	434.1
Value added	25	213.4	215.1	215.3	214.7	214.9	215.3	212.8
Compensation of general government employees	26	151.5	152.0	152.6	151.8	151.7	151.8	149.2
Consumption of general government fixed capital ²	27	61.6	63.0	62.4	62.8	63.2	63.5	63.8
Intermediate goods and services purchased ³	28	206.2	216.5	213.9	215.6	225.6	210.7	225.1
Durable goods	29	28.2	29.6	27.8	29.2	30.1	31.3	30.2
Nondurable goods	30	16.3	17.5	17.6	17.2	17.5	17.5	18.8
Services	31	161.3	168.9	168.0	168.1	177.8	161.7	175.6
Less: Own-account investment ⁴	32	1.7	1.8	1.7	1.8	1.8	1.8	1.8
Sales to other sectors	33	2.1	2.6	2.7	2.7	3.0	1.9	2.7
Nondefense consumption expenditures ¹	34	208.6	210.6	210.4	208.2	210.1	213.7	219.6
Gross output of general government	35	213.9	217.5	217.6	213.8	217.1	221.4	225.8
Value added	36	121.5	121.6	122.1	121.7	121.0	121.7	121.3
Compensation of general government employees	37	98.0	97.8	98.3	97.9	97.2	97.8	97.3
Consumption of general government fixed capital ²	38	23.6	24.0	23.8	23.9	24.0	24.1	24.2
Intermediate goods and services purchased ³	39	92.9	96.5	96.2	92.7	96.7	100.5	105.5
Durable goods	40	2.6	3.0	2.8	3.0	3.0	3.2	3.3
Nondurable goods	41	12.9	13.6	16.0	11.2	12.8	14.4	15.0
Commodity Credit Corporation inventory change	42	-1.0	-0.8	1.1	-3.1	-0.9	-0.2	-0.5
Other nondurable goods	43	13.9	14.4	14.9	14.3	13.8	14.6	15.5
Services	44	77.2	79.7	77.2	77.9	80.7	82.8	87.1
Less: Own-account investment ⁴	45	2.0	2.2	2.2	2.2	2.3	2.3	2.2
Sales to other sectors	46	3.2	4.7	5.2	3.4	4.8	5.5	4.0
State and local consumption expenditures ¹	47	979.5	991.1	986.8	988.8	993.3	995.6	998.6
Gross output of general government	48	1,254.3	1,277.3	1,268.7	1,273.7	1,280.7	1,286.0	1,292.2
Value added	49	800.7	810.1	806.4	808.1	812.0	813.8	815.0
Compensation of general government employees	50	703.1	709.8	707.0	708.1	711.4	712.7	713.6
Consumption of general government fixed capital ²	51	98.0	100.9	100.0	100.6	101.2	101.8	102.1
Intermediate goods and services purchased ³	52	454.1	467.9	462.9	466.3	469.4	472.9	477.8
Durable goods	53	21.8	22.3	22.1	22.2	22.3	22.5	22.6
Nondurable goods	54	143.3	146.5	145.3	146.1	146.9	147.7	148.9
Services	55	288.9	299.1	295.5	297.9	300.1	302.7	306.3
Less: Own-account investment ⁴	56	15.9	16.5	16.1	16.6	16.6	16.8	17.0
Sales to other sectors	57	258.7	269.3	265.5	267.9	270.5	273.2	276.1
Tuition and related educational charges	58	48.2	49.2	48.5	48.9	49.4	49.9	50.5
Health and hospital charges	59	132.3	136.9	136.9	138.2	139.6	141.0	142.5
Other sales	60	78.5	81.5	80.4	81.1	81.8	82.6	83.4
Residual	61	-2.3	-3.6	-2.8	-3.0	-3.9	-4.0	-5.2

1. Government consumption expenditures are services (such as education and national defense) produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software in table 3.9.5.

Note. Chained (2000) dollar series are calculated as the product of the chain-type quantity index and the 2000 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.

Table 3.11.1. Percent Change From Preceding Period in Real National Defense Consumption Expenditures and Gross Investment by Type
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
National defense consumption expenditures and gross investment	1	7.0	2.6	3.0	3.7	10.0	-8.9	9.6
Consumption expenditures ¹	2	6.4	2.6	8.5	1.0	9.1	-11.2	10.0
Gross output of general government	3	6.3	2.7	9.5	0.9	9.3	-12.0	10.7
Value added	4	1.8	0.8	0.6	-1.0	0.4	0.8	-4.7
Compensation of general government employees	5	1.8	0.3	0.1	-2.2	-0.2	0.3	-6.8
Military	6	1.1	-0.6	0.1	-4.7	-1.7	1.3	-8.4
Civilian	7	3.3	2.3	0.0	3.1	3.2	-1.7	-3.3
Consumption of general government fixed capital ²	8	1.8	2.3	2.3	2.6	2.0	2.2	1.8
Intermediate goods and services purchased ³	9	11.9	5.0	20.6	3.2	19.9	-24.0	30.4
Durable goods	10	11.9	4.8	-17.0	20.8	13.6	17.1	-13.7
Aircraft	11	7.5	-1.2	-22.6	6.9	-11.5	23.1	-21.8
Missiles	12	12.7	15.1	60.1	72.9	-31.2	62.6	-40.4
Ships	13	8.1	-6.0	-2.9	23.5	51.0	-67.6	89.8
Vehicles	14	-5.1	45.1	0.5	65.0	169.8	36.2	46.5
Electronics	15	17.8	25.7	0.0	61.4	85.2	7.3	-17.4
Other durable goods	16	18.9	-4.9	-40.0	-4.2	18.3	21.4	-4.9
Nondurable goods	17	14.9	7.4	72.9	8.0	-14.8	7.1	32.6
Petroleum products	18	9.2	18.7	271.3	65.7	-37.3	17.1	82.2
Ammunition	19	31.2	5.4	-14.7	21.7	27.3	-4.4	-15.1
Other nondurable goods	20	11.8	-5.5	24.5	-42.2	5.9	-0.1	6.1
Services	21	11.6	4.7	23.9	0.4	24.9	-31.5	39.1
Research and development	22	13.1	2.7	13.4	13.0	6.0	-38.3	71.5
Installation support	23	2.4	1.0	8.8	-7.5	48.2	-30.5	61.9
Weapons support	24	18.9	8.2	41.6	-6.3	52.6	-41.0	42.3
Personnel support	25	19.3	4.9	18.6	-1.1	31.0	-21.7	13.3
Transportation of material	26	-10.9	11.3	85.3	-2.4	3.2	-23.5	-5.3
Travel of persons	27	15.2	20.7	140.9	-13.4	1.1	-30.9	-10.7
Less: Own-account investment ⁴	28	-7.6	1.5	-6.2	2.0	3.4	1.4	-4.2
Sales to other sectors	29	-1.4	21.5	646.3	-8.5	52.9	-82.8	288.7
Gross investment ⁵	30	11.8	2.1	-29.0	26.2	16.7	8.9	6.8
Structures	31	-6.0	-2.5	-13.7	-1.9	-9.1	17.9	-23.1
Equipment and software	32	13.5	2.5	-30.1	28.8	19.0	8.2	9.5
Aircraft	33	36.7	10.2	-25.6	28.7	21.2	11.7	15.2
Missiles	34	15.4	1.9	-49.5	181.0	-64.5	327.4	-13.0
Ships	35	-3.2	-8.2	4.9	-13.1	58.9	-49.8	17.1
Vehicles	36	-9.8	46.8	12.0	654.6	30.4	-44.2	97.2
Electronics and software	37	10.8	13.2	3.5	34.1	32.8	8.0	-8.6
Other equipment	38	15.6	-6.9	-53.4	-2.0	17.4	32.0	7.0

1. National defense consumption expenditures are defense services produced by government that are valued at their cost of production. Excludes government sales to other sectors and government own-account investment (construction and software).

2. Consumption of fixed capital, or depreciation, is included in government gross output as a partial measure of the services of general government fixed assets; the use of depreciation assumes a zero net return on these assets.

3. Includes general government intermediate inputs for goods and services sold to other sectors and for own-account investment.

4. Own-account investment is measured in current dollars by compensation of general government employees and related expenditures for goods and services and is classified as investment in structures and in software.

5. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

4. Foreign Transactions

Table 4.1. Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Current receipts from the rest of the world	1	1,589.2	1,808.8	1,715.4	1,786.6	1,835.5	1,897.8	1,991.5
Exports of goods and services	2	1,173.8	1,301.2	1,253.2	1,297.1	1,314.6	1,339.8	1,394.8
Goods ¹	3	818.1	905.6	865.4	904.7	914.8	937.4	984.5
Durable	4	561.4	623.7	590.9	615.3	630.0	658.8	686.4
Nondurable	5	256.7	281.8	274.5	289.3	284.8	278.7	298.1
Services ¹	6	355.7	395.6	387.7	392.5	399.9	402.4	410.3
Income receipts	7	415.4	507.6	462.3	489.4	520.8	558.0	596.6
Wage and salary receipts	8	3.0	3.0	3.0	3.0	3.1	3.1	3.0
Income receipts on assets	9	412.4	504.6	459.3	486.4	517.8	554.9	593.6
Interest	10	102.9	170.4	145.8	158.2	179.5	198.3	221.0
Dividends	11	104.3	281.4	195.9	201.3	383.4	344.8	42.1
Reinvested earnings on U.S. direct investment abroad	12	205.2	52.8	117.6	126.9	-45.2	11.8	330.5
Current payments to the rest of the world	13	2,240.9	2,591.1	2,482.4	2,533.4	2,576.6	2,772.1	2,820.6
Imports of goods and services	14	1,797.8	2,027.7	1,950.6	1,988.1	2,045.1	2,126.9	2,178.9
Goods ¹	15	1,495.9	1,700.7	1,627.6	1,661.8	1,718.6	1,794.8	1,837.2
Durable	16	930.2	1,020.5	999.0	1,010.7	1,022.4	1,050.1	1,101.2
Nondurable	17	565.7	680.2	628.6	651.1	696.3	744.7	736.0
Services ¹	18	301.9	327.0	323.0	326.3	326.4	332.1	341.6
Income payments	19	361.7	474.0	422.9	453.9	476.6	542.6	564.4
Wage and salary payments	20	8.8	8.8	8.6	8.6	9.0	9.0	8.9
Income payments on assets	21	352.8	465.2	414.3	445.3	467.6	533.6	555.5
Interest	22	228.2	336.6	294.3	314.3	352.4	385.6	421.5
Dividends	23	68.4	76.3	76.4	59.3	85.7	83.6	59.4
Reinvested earnings on foreign direct investment in the United States	24	56.2	52.3	43.6	71.7	29.4	64.4	74.5
Current taxes and transfer payments to the rest of the world (net)	25	81.5	89.4	108.8	91.3	54.9	102.6	77.3
From persons (net)	26	42.9	45.6	48.3	44.9	44.4	44.8	42.3
From government (net)	27	19.7	24.8	31.8	18.2	19.2	29.9	14.1
From business (net)	28	18.9	19.1	28.7	28.2	-8.7	28.0	20.9
Balance on current account, NIPAs	29	-651.7	-782.3	-767.0	-746.8	-741.1	-874.3	-829.1
Addenda:								
Net lending or net borrowing (-), NIPAs	30	-653.4	-787.0	-784.3	-747.3	-741.6	-874.8	-834.5
Balance on current account, NIPAs	31	-651.7	-782.3	-767.0	-746.8	-741.1	-874.3	-829.1
Less: Capital account transactions (net) ²	32	1.6	4.7	17.3	0.5	0.5	0.5	5.5

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 services.

2. Consists of capital transfers and the acquisition and disposal of nonproduced nonfinancial assets.

5. Saving and Investment

Table 5.1. Saving and Investment

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Gross saving	1	1,572.0	1,668.0	1,635.5	1,628.4	1,718.2	1,689.9	1,843.5
Net saving	2	136.8	93.9	187.1	171.2	-145.6	163.1	321.3
Net private saving.....	3	549.1	417.5	478.1	447.2	268.7	475.9	531.0
Personal saving.....	4	151.8	-42.1	47.4	-21.5	-143.9	-50.5	-128.1
Undistributed corporate profits with inventory valuation and capital consumption adjustments.....	5	397.3	459.6	430.7	468.7	412.6	526.4	659.0
Undistributed profits.....	6	295.2	546.0	520.8	533.4	512.2	617.6	711.3
Inventory valuation adjustment.....	7	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-21.0
Capital consumption adjustment.....	8	141.8	-54.9	-51.0	-45.8	-72.1	-50.7	-31.3
Wage accruals less disbursements.....	9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net government saving.....	10	-412.3	-323.5	-290.9	-276.1	-414.3	-312.8	-209.6
Federal.....	11	-406.5	-326.5	-298.3	-297.3	-407.9	-302.7	-231.0
State and local.....	12	-5.9	3.0	7.4	21.3	-6.4	-10.2	21.4
Consumption of fixed capital	13	1,435.3	1,574.1	1,448.4	1,457.2	1,863.8	1,526.9	1,522.2
Private.....	14	1,206.2	1,327.0	1,210.9	1,216.9	1,603.6	1,276.7	1,267.8
Domestic business.....	15	973.3	1,041.8	980.4	984.5	1,177.9	1,024.4	1,023.6
Households and institutions.....	16	232.8	285.2	230.5	232.4	425.7	252.3	244.3
Government.....	17	229.1	247.0	237.5	240.4	260.2	250.1	254.3
Federal.....	18	93.8	98.3	96.9	97.7	99.2	99.5	100.8
State and local.....	19	135.3	148.7	140.6	142.6	161.0	150.6	153.5
Gross domestic investment, capital account transactions, and net lending, NIPAs	20	1,648.9	1,723.0	1,675.0	1,706.6	1,762.5	1,747.9	1,866.5
Gross domestic investment.....	21	2,300.6	2,505.3	2,441.9	2,453.5	2,503.6	2,622.2	2,695.6
Gross private domestic investment.....	22	1,928.1	2,105.0	2,058.5	2,054.4	2,099.5	2,207.5	2,270.2
Gross government investment.....	23	372.5	400.3	383.4	399.1	404.1	414.8	425.4
Capital account transactions (net) ¹ Net lending or net borrowing (-), NIPAs.....	24	1.6	4.7	17.3	0.5	0.5	0.5	5.5
25	-653.4	-787.0	-784.3	-747.3	-741.6	-874.8	-834.5	
Statistical discrepancy	26	76.8	55.0	39.4	78.3	44.3	58.0	23.0
Addenda:								
Gross private saving.....	27	1,755.3	1,744.5	1,688.9	1,664.1	1,872.4	1,752.7	1,798.8
Gross government saving.....	28	-183.2	-76.5	-53.4	-35.7	-154.2	-62.7	-44.7
Federal.....	29	-312.7	-228.2	-201.4	-199.6	-308.8	-203.1	-130.2
State and local.....	30	129.4	151.7	148.0	163.9	154.6	140.4	174.9
Net domestic investment.....	31	865.3	931.2	993.5	996.3	639.8	1,095.3	1,173.4
Gross saving as a percentage of gross national income	32	13.4	13.4	13.4	13.2	13.6	13.3	14.1
Net saving as a percentage of gross national income	33	1.2	0.8	1.5	1.4	-1.2	1.3	2.5

1. Consists of capital transfers and the acquisition and disposal of nonproduced nonfinancial assets.

Table 5.3.1. Percent Change From Preceding Period in Real Private Fixed Investment by Type

[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV		I
Private fixed investment	1	9.7	8.1	7.0	9.5	8.0	3.9	10.1
Nonresidential	2	9.4	8.6	5.7	8.8	8.5	4.5	14.2
Structures	3	2.2	2.0	-2.0	2.7	2.2	3.1	12.5
Commercial and health care.....	4	2.2	0.1	3.3	0.5	1.7	-1.6	5.0
Manufacturing.....	5	4.8	16.3	9.9	-2.9	-6.7	15.5	36.3
Power and communication.....	6	-11.7	-8.9	4.5	-22.8	-14.5	-1.9	25.3
Mining exploration, shafts, and wells.....	7	16.4	16.5	-3.9	40.9	17.7	16.4	7.7
Other structures ¹	8	0.5	-5.5	-17.1	-8.2	-0.9	-5.8	21.4
Equipment and software	9	11.9	10.9	8.3	10.9	10.6	5.0	14.8
Information processing equipment and software.....	10	13.6	13.0	20.3	14.5	11.1	8.4	20.2
Computers and peripheral equipment.....	11	27.5	32.9	45.5	31.7	13.9	39.3	17.5
Software ²	12	7.4	11.2	15.2	20.1	9.0	6.0	9.1
Other ³	13	13.7	5.2	13.0	0.5	11.8	-3.8	35.0
Industrial equipment.....	14	3.4	7.0	18.8	-18.9	16.7	13.5	-3.4
Transportation equipment.....	15	12.7	13.2	-11.2	27.4	13.9	-12.7	31.3
Other equipment ⁴	16	14.8	6.6	-10.0	18.5	1.1	7.2	3.5
Residential	17	10.3	7.1	9.5	10.8	7.3	2.8	3.3
Structures	18	10.3	7.2	9.6	11.0	7.4	2.7	3.2
Permanent site.....	19	12.0	7.2	14.2	3.8	7.2	7.6	6.7
Single family.....	20	12.8	6.3	11.3	3.6	7.1	7.3	5.1
Multifamily.....	21	4.2	16.0	45.3	5.1	7.5	10.8	22.2
Other structures ⁵	22	7.6	7.1	2.3	23.9	7.7	-5.0	-2.6
Equipment	23	10.2	4.2	-0.3	1.2	2.0	9.9	12.7
Addenda:								
Private fixed investment in structures.....	24	7.6	5.6	5.9	8.4	5.8	2.9	6.1
Private fixed investment in equipment and software.....	25	11.9	10.8	8.2	10.8	10.5	5.1	14.7
Private fixed investment in new structures ⁶	26	6.7	5.0	7.4	2.6	4.9	6.9	8.2
Nonresidential structures.....	27	2.1	2.1	-2.1	2.7	2.1	3.0	12.3
Residential structures.....	28	9.3	6.6	12.6	2.6	6.4	9.0	6.0

1. Consists primarily of religious, educational, vocational, lodging, railroads, farm, and amusement and recreational structures, net purchases of used structures, and brokers' commissions on the sale of structures.

2. Excludes software "embedded" or bundled, in computers and other equipment.

3. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.

4. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.

5. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.

6. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

Table 5.3.2. Contributions to Percent Change in Real Private Fixed Investment by Type

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Percent change at annual rate:								
Private fixed investment	1	9.7	8.1	7.0	9.5	8.0	3.9	10.1
Percentage points at annual rates:								
Nonresidential	2	6.07	5.50	3.64	5.66	5.38	2.87	8.87
Structures	3	0.37	0.33	-0.32	0.44	0.36	0.51	2.08
Commercial and health care	4	0.15	0.01	0.21	0.03	0.11	-0.10	0.32
Manufacturing	5	0.05	0.16	0.11	-0.03	-0.07	0.16	0.37
Power and communication	6	-0.31	-0.19	0.09	-0.51	-0.28	-0.03	0.42
Mining exploration, shafts, and wells	7	0.46	0.54	-0.13	1.21	0.64	0.67	0.37
Other structures ¹	8	0.02	-0.19	-0.60	-0.26	-0.03	-0.17	0.60
Equipment and software	9	5.71	5.17	3.96	5.22	5.02	2.36	6.79
Information processing equipment and software	10	3.25	3.02	4.43	3.31	2.57	1.90	4.45
Computers and peripheral equipment	11	1.23	1.49	1.94	1.46	0.68	1.68	0.84
Software ²	12	0.74	1.04	1.35	1.80	0.86	0.56	0.86
Other ³	13	1.28	0.49	1.14	0.05	1.03	-0.34	2.76
Industrial equipment	14	0.28	0.54	1.40	-1.62	1.21	0.98	-0.26
Transportation equipment	15	0.99	1.06	-0.99	2.07	1.13	-1.10	2.31
Other equipment ⁴	16	1.19	0.55	-0.88	1.46	0.10	0.58	0.29
Residential	17	3.62	2.59	3.36	3.88	2.66	1.03	1.24
Structures	18	3.57	2.57	3.36	3.88	2.65	0.99	1.19
Permanent site	19	2.55	1.61	3.06	0.87	1.60	1.68	1.53
Single family	20	2.46	1.28	2.23	0.75	1.44	1.44	1.05
Multifamily	21	0.09	0.33	0.83	0.12	0.17	0.23	0.48
Other structures ⁵	22	1.02	0.96	0.31	3.01	1.05	-0.69	-0.34
Equipment	23	0.05	0.02	0.00	0.01	0.01	0.04	0.05
Addenda:								
Private fixed investment in structures	24	3.94	2.90	3.04	4.32	3.01	1.50	3.27
Private fixed investment in equipment and software	25	5.75	5.19	3.96	5.23	5.03	2.40	6.85
Private fixed investment in new structures ⁶	26	3.15	2.36	3.42	1.27	2.32	3.17	3.93
Nonresidential structures	27	0.35	0.34	-0.33	0.43	0.35	0.50	2.05
Residential structures	28	2.80	2.02	3.75	0.84	1.97	2.68	1.88

1. Consists primarily of religious, educational, vocational, lodging, railroads, farm, and amusement and recreational structures, net purchases of used structures, and brokers' commissions on the sale of structures.
 2. Excludes software "embedded," or bundled, in computers and other equipment.
 3. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.
 4. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.
 5. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.
 6. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

Table 5.3.3. Real Private Fixed Investment by Type, Quantity Indexes
 [Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Private fixed investment	1	104.534	112.990	109.722	112.252	114.443	115.544	118.360
Nonresidential	2	96.314	104.622	101.633	103.806	105.935	107.116	110.722
Structures	3	79.314	80.925	80.145	80.680	81.123	81.753	84.197
Commercial and health care	4	76.354	76.464	76.307	76.404	76.732	76.414	77.352
Manufacturing	5	50.864	59.153	59.452	59.019	58.004	60.138	64.974
Power and communication	6	76.316	69.532	74.454	69.782	67.109	66.785	70.663
Mining exploration, shafts, and wells	7	123.477	143.882	130.707	142.413	148.341	154.068	156.964
Other structures ¹	8	77.197	72.927	74.460	72.888	72.717	71.643	75.201
Equipment and software	9	103.126	114.355	110.376	113.274	116.170	117.600	121.718
Information processing equipment and software	10	111.723	126.297	120.857	125.013	128.350	130.969	137.128
Computers and peripheral equipment	11	154.137	204.908	187.116	200.445	207.082	224.990	234.251
Software ²	12	107.171	119.140	113.411	118.726	121.318	123.106	125.815
Other ³	13	99.409	104.590	103.280	103.420	106.346	105.314	113.527
Industrial equipment	14	87.556	93.652	94.766	89.922	93.461	96.458	95.621
Transportation equipment	15	86.219	97.632	92.529	98.301	101.543	98.154	105.066
Other equipment ⁴	16	114.335	121.843	117.325	122.398	122.743	124.908	125.972
Residential	17	125.714	134.678	130.695	134.100	136.484	137.434	138.562
Structures	18	125.784	134.799	130.781	134.226	136.633	137.557	138.650
Permanent site	19	128.605	137.854	135.073	136.336	138.717	141.292	143.609
Single family	20	129.876	138.048	135.332	136.549	138.923	141.387	143.152
Multifamily	21	117.433	136.278	132.906	134.579	137.029	140.597	147.832
Other structures ⁵	22	121.390	130.009	124.080	130.919	133.368	131.669	130.812
Equipment	23	121.085	126.214	124.882	125.251	125.858	128.867	132.785
Addenda:								
Private fixed investment in structures	24	106.293	112.199	109.546	111.766	113.340	114.142	115.843
Private fixed investment in equipment and software	25	103.272	114.453	110.496	113.373	116.251	117.694	121.810
Private fixed investment in new structures ⁶	26	103.392	108.561	106.933	107.626	108.929	110.756	112.962
Nonresidential structures	27	79.452	81.102	80.340	80.869	81.295	81.905	84.318
Residential structures	28	123.099	131.163	128.809	129.639	131.673	134.531	136.521

1. Consists primarily of religious, educational, vocational, lodging, railroads, farm, and amusement and recreational structures, net purchases of used structures, and brokers' commissions on the sale of structures.
 2. Excludes software "embedded," or bundled, in computers and other equipment.
 3. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.
 4. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.
 5. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.
 6. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

Table 5.3.4. Price Indexes for Private Fixed Investment by Type

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
Private fixed investment	1	106.697	109.970	108.522	109.254	110.318	111.787	112.740
Nonresidential	2	101.025	103.161	102.244	102.715	103.359	104.327	105.226
Structures	3	120.124	132.228	125.876	128.886	133.914	140.234	144.640
Commercial and health care	4	116.112	123.788	120.213	122.191	124.881	127.868	130.211
Manufacturing	5	113.535	121.440	117.930	119.871	122.514	125.446	127.747
Power and communication	6	111.944	118.317	116.260	117.815	118.698	120.493	122.032
Mining exploration, shafts, and wells	7	167.444	207.918	183.991	194.012	214.024	239.646	256.115
Other structures ¹	8	114.805	121.536	118.366	120.104	122.514	125.160	127.224
Equipment and software	9	95.022	94.661	95.067	94.910	94.491	94.174	94.231
Information processing equipment and software	10	85.559	82.801	83.958	83.222	82.382	81.641	81.052
Computers and peripheral equipment	11	58.577	50.894	53.972	51.837	49.866	47.903	46.136
Software ²	12	94.540	94.256	94.243	94.354	94.203	94.223	94.606
Other ³	13	93.659	93.297	93.564	93.436	93.149	93.037	92.839
Industrial equipment	14	104.261	108.176	106.962	108.209	108.453	109.080	109.815
Transportation equipment	15	109.542	109.260	110.053	109.319	108.922	108.745	109.811
Other equipment ⁴	16	104.117	108.188	106.952	108.165	108.685	108.952	109.835
Residential	17	119.935	125.661	123.062	124.359	126.335	128.889	129.967
Structures	18	120.357	126.132	123.509	124.809	126.808	129.403	130.480
Permanent site	19	122.059	127.848	124.574	126.145	128.912	131.761	132.950
Single family	20	122.771	128.604	125.311	126.891	129.674	132.541	133.737
Multifamily	21	116.000	120.984	117.886	119.372	121.991	124.687	125.813
Other structures ⁵	22	117.728	123.515	121.926	122.789	123.576	125.767	126.661
Equipment	23	94.208	96.834	95.785	96.867	97.359	97.325	98.495
Addenda:								
Private fixed investment in structures	24	120.461	128.163	124.417	126.236	129.144	132.854	134.931
Private fixed investment in equipment and software	25	95.011	94.676	95.070	94.924	94.512	94.198	94.264
Private fixed investment in new structures ⁶	26	120.753	128.888	124.614	126.690	130.169	134.079	136.354
Nonresidential structures	27	120.218	132.383	126.002	129.028	134.078	140.425	144.855
Residential structures	28	120.741	126.810	123.605	125.196	127.875	130.564	131.761

1. Consists primarily of religious, educational, vocational, lodging, railroads, farm, and amusement and recreational structures, net purchases of used structures, and brokers' commissions on the sale of structures.
 2. Excludes software "embedded" or bundled, in computers and other equipment.
 3. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.
 4. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.
 5. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.
 6. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

Table 5.3.5. Private Fixed Investment by Type

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Private fixed investment	1	1,872.6	2,086.1	1,998.7	2,058.5	2,119.2	2,168.0	2,239.8
Nonresidential	2	1,198.8	1,329.8	1,280.1	1,313.5	1,348.9	1,376.7	1,435.3
Structures	3	298.4	335.1	315.9	325.6	340.2	359.0	381.3
Commercial and health care	4	121.9	130.2	126.2	128.4	131.8	134.4	138.5
Manufacturing	5	18.4	22.8	22.3	22.5	22.6	24.0	26.4
Power and communication	6	40.0	38.5	40.6	38.5	37.3	37.7	40.4
Mining exploration, shafts, and wells	7	56.2	81.7	65.3	75.0	86.2	100.3	109.2
Other structures ¹	8	61.9	61.9	61.5	61.1	62.2	62.6	66.8
Equipment and software	9	900.4	994.7	964.3	987.9	1,008.7	1,017.7	1,054.0
Information processing equipment and software	10	447.0	488.9	474.6	486.6	494.5	500.1	519.8
Computers and peripheral equipment	11	91.6	105.7	102.7	105.6	105.0	109.6	109.9
Software ²	12	178.5	197.8	188.3	197.3	201.3	204.3	209.7
Other ³	13	176.9	185.4	183.6	183.6	188.2	186.2	200.3
Industrial equipment	14	145.3	161.3	161.3	154.9	161.3	167.5	167.1
Transportation equipment	15	151.9	171.5	163.8	172.8	177.9	171.6	185.5
Other equipment ⁴	16	156.2	172.9	164.6	173.7	175.0	178.5	181.5
Residential	17	673.8	756.3	718.5	745.0	770.3	791.4	804.5
Structures	18	665.4	747.3	709.7	736.1	761.3	782.1	794.9
Permanent site	19	416.1	467.1	445.8	455.7	473.8	493.3	505.9
Single family	20	377.6	420.5	401.6	410.3	426.6	443.7	453.3
Multifamily	21	38.5	46.6	44.3	45.4	47.2	49.5	52.6
Other structures ⁵	22	249.4	280.2	263.9	280.4	287.5	288.9	289.0
Equipment	23	8.4	9.0	8.8	8.9	9.0	9.2	9.6
Addenda:								
Private fixed investment in structures	24	963.8	1,082.5	1,025.6	1,061.7	1,101.4	1,141.1	1,176.2
Private fixed investment in equipment and software	25	908.8	1,003.6	973.1	996.9	1,017.7	1,026.9	1,063.6
Private fixed investment in new structures ⁶	26	870.4	975.6	928.7	950.3	988.2	1,035.0	1,073.5
Nonresidential structures	27	298.1	335.1	315.9	325.6	340.1	358.9	381.2
Residential structures	28	572.2	640.4	612.8	624.7	648.1	676.1	692.4

1. Consists primarily of religious, educational, vocational, lodging, railroads, farm, and amusement and recreational structures, net purchases of used structures, and brokers' commissions on the sale of structures.
 2. Excludes software "embedded" or bundled, in computers and other equipment.
 3. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.
 4. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.
 5. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.
 6. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

Table 5.7.5B. Private Inventories and Domestic Final Sales by Industry

[Billions of dollars]

	Line	Seasonally adjusted quarterly totals				
		2005				2006
		I	II	III	IV	I
Private inventories ¹	1	1,761.5	1,763.0	1,792.3	1,832.3	1,834.0
Farm	2	170.1	165.4	164.3	168.6	158.2
Mining, utilities, and construction	3	71.8	75.9	80.5	91.9	84.9
Manufacturing	4	512.8	510.7	522.9	531.4	538.2
Durable goods industries	5	300.8	295.5	300.5	305.2	309.7
Nondurable goods industries	6	212.0	215.2	222.4	226.2	228.5
Wholesale trade	7	414.9	419.5	430.4	437.2	444.0
Durable goods industries	8	243.1	244.6	249.0	255.0	259.0
Nondurable goods industries	9	171.7	174.9	181.5	182.2	185.0
Retail trade	10	470.8	468.8	469.2	476.7	480.7
Motor vehicle and parts dealers	11	156.2	150.7	147.8	150.9	151.6
Food and beverage stores	12	36.3	36.5	36.0	36.9	36.8
General merchandise stores	13	73.9	74.4	75.6	76.4	75.5
Other retail stores	14	204.4	207.2	209.8	212.6	216.9
Other industries	15	121.1	122.7	124.9	126.5	127.9
Addenda:						
Private inventories	16	1,761.5	1,763.0	1,792.3	1,832.3	1,834.0
Durable goods industries	17	800.8	792.6	799.9	816.4	828.1
Nondurable goods industries	18	960.7	970.4	992.4	1,015.9	1,005.9
Nonfarm industries	19	1,591.4	1,597.6	1,628.0	1,663.7	1,675.8
Wholesale trade	20	414.9	419.5	430.4	437.2	444.0
Merchant wholesale trade	21	355.8	359.7	366.7	374.0	379.8
Durable goods industries	22	212.7	214.5	218.1	224.2	228.0
Nondurable goods industries	23	143.0	145.2	148.6	149.8	151.8
Nonmerchant wholesale trade	24	59.1	59.9	63.7	63.2	64.2
Final sales of domestic business ²	25	691.3	707.8	721.3	726.3	743.8
Final sales of goods and structures of domestic business ²	26	426.2	439.1	447.9	447.5	462.3
Ratios of private inventories to final sales of domestic business:						
Private inventories to final sales	27	2.55	2.49	2.48	2.52	2.47
Nonfarm inventories to final sales	28	2.30	2.26	2.26	2.29	2.25
Nonfarm inventories to final sales of goods and structures	29	3.73	3.64	3.63	3.72	3.62

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in private inventories component of GDP. The former is the difference between two inventory stocks, each valued at its respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas, the change in private inventories is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross output of general government, gross value added of nonprofit institutions, compensation paid to domestic workers, and space rent for owner-occupied housing. It includes a small amount of final sales by farm and by government enterprises.

Note: Estimates in this table are based on the North American Industry Classification System (NAICS).

Table 5.7.6B. Real Private Inventories and Real Domestic Final Sales by Industry, Chained Dollars

[Billions of chained (2000) dollars]

	Line	Seasonally adjusted quarterly totals				
		2005				2006
		I	II	III	IV	I
Private inventories ¹	1	1,583.4	1,583.0	1,579.7	1,589.2	1,596.5
Farm	2	126.0	124.9	123.8	122.9	121.8
Mining, utilities, and construction	3	55.5	56.7	55.8	56.3	56.5
Manufacturing	4	451.8	449.7	449.1	449.3	451.3
Durable goods industries	5	274.6	273.9	275.8	275.4	275.1
Nondurable goods industries	6	177.2	175.9	173.8	174.2	176.3
Wholesale trade	7	379.7	383.2	385.9	388.6	392.0
Durable goods industries	8	231.4	234.7	237.1	240.7	242.1
Nondurable goods industries	9	148.1	148.9	149.3	148.7	150.7
Retail trade	10	454.5	451.1	447.7	454.4	456.1
Motor vehicle and parts dealers	11	159.7	153.6	149.8	154.8	154.6
Food and beverage stores	12	32.1	32.2	31.8	32.2	32.4
General merchandise stores	13	70.8	71.0	71.9	72.2	71.0
Other retail stores	14	192.4	194.4	194.2	195.4	198.1
Other industries	15	116.6	117.4	117.7	118.8	120.1
Residual	16	-1.0	-0.6	-1.3	-2.4	-2.2
Addenda:						
Private inventories	17	1,583.4	1,583.0	1,579.7	1,589.2	1,596.5
Durable goods industries	18	759.8	758.1	759.5	768.3	770.5
Nondurable goods industries	19	824.9	826.0	821.7	822.9	827.9
Nonfarm industries	20	1,458.4	1,459.3	1,457.2	1,468.0	1,476.8
Wholesale trade	21	379.1	383.2	385.9	388.6	392.0
Merchant wholesale trade	22	327.5	331.5	334.0	337.2	339.9
Durable goods industries	23	202.0	205.4	207.3	211.1	212.5
Nondurable goods industries	24	125.8	126.4	127.1	126.6	127.9
Nonmerchant wholesale trade	25	51.6	51.7	51.9	51.5	52.2
Final sales of domestic business ²	26	642.0	653.7	661.9	661.5	672.9
Final sales of goods and structures of domestic business ²	27	403.0	414.0	420.0	417.7	428.3
Ratios of private inventories to final sales of domestic business:						
Private inventories to final sales	28	2.47	2.42	2.39	2.40	2.37
Nonfarm inventories to final sales	29	2.27	2.23	2.20	2.22	2.19
Nonfarm inventories to final sales of goods and structures	30	3.62	3.52	3.47	3.51	3.45

1. Inventories are as of the end of the quarter. The quarter-to-quarter changes calculated from this table are at quarterly rates, whereas the change in private inventories component of GDP is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross output of general government, gross value added of nonprofit institutions, compensation paid to domestic workers, and space rent for owner-occupied housing. It includes a small amount of final sales by farm and by government enterprises.

Note: Estimates in this table are based on the North American Industry Classification System (NAICS).

Chained (2000) dollar inventory series are calculated to ensure that the chained (2000) dollar change in inventories for 2000 equals the current-dollar change in inventories for 2000 and that the average of the 1999 and 2000 end-of-year chain-weighted and fixed-weighted inventories are equal.

Table 5.7.9B. Implicit Price Deflators for Private Inventories by Industry

[Index numbers, 2000=100]

	Line	Seasonally adjusted				
		2005				2006
		I	II	III	IV	I
Private inventories ¹	1	111.243	111.369	113.459	115.301	114.873
Farm	2	135.002	132.396	132.713	137.228	129.949
Mining, utilities, and construction	3	129.452	133.811	144.430	163.362	150.194
Manufacturing	4	113.494	113.557	116.438	118.284	119.261
Durable goods industries	5	109.518	107.879	108.992	110.823	112.548
Nondurable goods industries	6	119.611	122.319	127.974	129.840	129.642
Wholesale trade	7	109.426	109.488	111.541	112.504	113.252
Durable goods industries	8	105.088	104.215	104.999	105.926	106.993
Nondurable goods industries	9	115.940	117.466	121.521	122.537	122.768
Retail trade	10	103.585	103.927	104.807	104.918	105.408
Motor vehicle and parts dealers	11	97.828	98.124	98.636	97.456	98.044
Food and beverage stores	12	113.099	113.365	113.365	114.658	113.524
General merchandise stores	13	104.402	104.793	105.207	105.812	106.342
Other retail stores	14	106.206	106.579	108.062	108.806	109.470
Other industries	15	103.859	104.502	106.104	106.522	106.494
Addenda:						
Private inventories	16	111.243	111.369	113.459	115.301	114.873
Durable goods industries	17	105.397	104.557	105.323	106.270	107.477
Nondurable goods industries	18	116.461	117.475	120.782	123.452	121.500
Nonfarm industries	19	109.118	109.479	111.718	113.333	113.475
Wholesale trade	20	109.426	109.488	111.541	112.504	113.252
Merchant wholesale trade	21	108.611	108.495	109.790	110.918	111.740
Durable goods industries	22	105.329	104.418	105.228	106.197	107.282
Nondurable goods industries	23	113.678	114.845	116.926	118.312	118.693
Nonmerchant wholesale trade	24	114.692	115.891	122.819	122.712	122.970

1. Implicit price deflators are as of the end of the quarter and are consistent with inventory stocks.

Note: Estimates in this table are based on the North American Industry Classification System (NAICS).

6. Income and Employment by Industry**Table 6.1D. National Income Without Capital Consumption Adjustment by Industry**

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
National income without capital consumption adjustment	1	10,020.7	10,878.1	10,719.6	10,838.6	10,792.8	11,161.6	11,462.9
Domestic industries	2	9,966.9	10,844.5	10,680.2	10,803.1	10,748.5	11,146.2	11,430.6
Private industries.....	3	8,711.5	9,542.9	9,389.8	9,503.6	9,451.1	9,827.0	10,091.6
Agriculture, forestry, fishing, and hunting.....	4	96.9	81.3	86.9	79.4	77.5	81.5	79.9
Mining.....	5	124.1	158.7	140.3	154.6	149.4	190.5	194.2
Utilities.....	6	157.0	180.6	174.2	179.1	172.8	196.2	199.8
Construction.....	7	529.8	609.0	589.2	605.3	613.9	627.5	635.0
Manufacturing.....	8	1,190.2	1,335.8	1,287.6	1,326.3	1,347.3	1,382.0	1,428.6
Durable goods.....	9	690.2	754.6	719.9	746.1	784.1	768.2	799.5
Nondurable goods.....	10	500.0	581.2	567.7	580.1	563.2	613.9	629.1
Wholesale trade.....	11	618.4	684.0	662.5	685.7	687.0	700.6	710.9
Retail trade.....	12	772.5	836.8	815.0	831.1	840.4	860.7	865.5
Transportation and warehousing.....	13	279.8	318.3	308.0	316.8	323.8	324.5	335.8
Information.....	14	338.6	388.0	378.9	386.4	389.9	396.9	405.5
Finance, insurance, real estate, rental, and leasing.....	15	1,766.7	1,853.6	1,896.1	1,862.6	1,731.0	1,924.9	1,996.2
Professional and business services ¹	16	1,334.8	1,473.7	1,453.1	1,447.3	1,489.2	1,505.1	1,557.8
Educational services, health care, and social assistance.....	17	877.7	947.4	932.9	952.0	949.4	955.1	976.6
Arts, entertainment, recreation, accommodation, and food services.....	18	365.5	398.9	392.7	401.5	401.2	400.2	421.6
Other services, except government.....	19	259.6	276.8	272.5	275.4	278.2	281.2	284.2
Government	20	1,255.4	1,301.6	1,290.4	1,299.5	1,297.4	1,319.2	1,339.1
Rest of the world	21	53.8	33.6	39.4	35.5	44.3	15.4	32.3

1. Consists of professional, scientific, and technical services; management of companies and enterprises; and administrative and waste management services.
 Note: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Table 6.16D. Corporate Profits by Industry

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Corporate profits with inventory valuation and capital consumption adjustments	1	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,655.6
Domestic industries	2	976.6	1,146.3	1,094.8	1,150.3	1,069.9	1,270.3	1,416.9
Financial ¹	3	322.7	347.7	377.6	350.7	278.8	383.7	447.2
Nonfinancial.....	4	653.9	798.6	717.1	799.6	791.1	886.6	969.8
Rest of the world	5	184.9	205.6	193.5	197.2	223.1	208.6	238.7
Receipts from the rest of the world.....	6	309.5	334.2	313.5	328.2	338.3	356.6	372.6
Less: Payments to the rest of the world.....	7	124.6	128.5	120.1	131.0	115.1	148.0	134.0
Corporate profits with inventory valuation adjustment	8	1,019.7	1,406.8	1,339.2	1,393.3	1,365.1	1,529.7	1,686.8
Domestic industries	9	834.8	1,201.2	1,145.7	1,196.1	1,142.0	1,321.1	1,448.2
Financial.....	10	300.6	347.0	377.2	349.5	278.7	382.7	444.1
Federal Reserve banks.....	11	20.3	26.8	23.1	26.2	27.0	30.8	31.2
Other financial ²	12	280.3	320.3	354.2	323.2	251.7	352.0	412.9
Nonfinancial.....	13	534.2	854.2	768.5	846.6	863.3	938.3	1,004.1
Utilities.....	14	12.1	27.4	23.7	26.4	19.7	39.6	39.9
Manufacturing.....	15	118.9	207.9	170.2	204.7	218.6	238.3	273.1
Durable goods.....	16	34.8	55.9	35.5	59.9	62.0	66.2	91.4
Fabricated metal products.....	17	10.3	12.4	8.8	11.4	15.7	13.6	17.1
Machinery.....	18	1.0	4.7	0.9	2.9	7.6	7.2	9.4
Computer and electronic products.....	19	-3.2	5.0	0.5	4.2	6.7	8.5	12.3
Electrical equipment, appliances, and components.....	20	0.3	4.5	-1.3	5.5	8.6	5.2	7.6
Motor vehicles, bodies and trailers, and parts.....	21	-3.4	-22.2	-20.8	-15.7	-25.3	-27.0	-20.7
Other durable goods ³	22	29.9	51.6	47.3	51.6	48.8	58.7	65.6
Nondurable goods.....	23	84.0	152.0	134.7	144.8	156.6	172.1	181.7
Food and beverage and tobacco products.....	24	24.0	39.8	39.6	37.7	40.8	41.1	41.9
Petroleum and coal products.....	25	31.0	70.2	62.8	66.3	70.8	80.7	78.5
Chemical products.....	26	13.5	21.4	18.8	20.5	22.7	23.4	32.4
Other nondurable goods ⁴	27	15.6	20.7	13.5	20.3	22.3	26.9	28.9
Wholesale trade.....	28	63.5	93.9	81.4	98.1	95.4	100.6	100.2
Retail trade.....	29	90.0	115.2	104.6	109.1	116.9	130.4	122.8
Transportation and warehousing.....	30	8.4	28.2	22.9	27.9	32.9	29.1	37.0
Information.....	31	17.0	51.1	46.7	53.5	50.2	54.0	58.7
Other nonfinancial ⁵	32	224.3	330.4	318.9	326.9	329.6	346.4	372.4
Rest of the world	33	184.9	205.6	193.5	197.2	223.1	208.6	238.7

1. Consists of finance and insurance and bank and other holding companies.
 2. Consists of credit intermediation and related activities; securities, commodity contracts, and other financial investments and related activities; insurance carriers and related activities; funds, trusts, and other financial vehicles; and bank and other holding companies.
 3. Consists of wood products; nonmetallic mineral products; primary metals; other transportation equipment; furniture and related products; and miscellaneous manufacturing.
 4. Consists of textile mills and textile product mills; apparel, leather and allied products; paper products; printing and related support activities; and plastics and rubber products.
 5. Consists of agriculture, forestry, fishing, and hunting; mining; construction; real estate and rental and leasing; professional, scientific, and technical services; administrative and waste management services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services, except government.
 Note: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

7. Supplemental Tables

Table 7.1. Selected Per Capita Product and Income Series in Current and Chained Dollars
[Dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
Current dollars:								
Gross domestic product	1	39,922	42,090	41,262	41,777	42,440	42,876	43,716
Gross national product	2	40,105	42,203	41,395	41,896	42,589	42,927	43,824
Personal income	3	33,046	34,508	34,073	34,378	34,510	35,067	35,468
Disposable personal income	4	29,477	30,437	30,111	30,307	30,401	30,926	31,135
Personal consumption expenditures	5	27,946	29,479	28,872	29,286	29,775	29,979	30,441
Durable goods	6	3,361	3,460	3,441	3,495	3,538	3,366	3,511
Nondurable goods	7	8,057	8,644	8,377	8,551	8,770	8,875	9,009
Services	8	16,528	17,375	17,054	17,239	17,467	17,738	17,921
Chained (2000) dollars:								
Gross domestic product	9	36,592	37,532	37,205	37,427	37,715	37,778	38,223
Gross national product	10	36,763	37,638	37,330	37,539	37,853	37,829	38,324
Disposable personal income	11	27,232	27,344	27,391	27,347	27,183	27,458	27,508
Personal consumption expenditures	12	25,817	26,483	26,264	26,425	26,623	26,618	26,894
Durable goods	13	3,708	3,837	3,796	3,861	3,938	3,754	3,924
Nondurable goods	14	7,486	7,745	7,663	7,715	7,763	7,840	7,937
Services	15	14,666	14,954	14,856	14,910	14,993	15,055	15,097
Population (midperiod, thousands)	16	293,933	296,677	295,643	296,289	297,027	297,748	298,340

Table 7.2.1B. Percent Change from Preceding Period in Real Motor Vehicle Output
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates											
				2005				2006							
				I	II	III	IV	I							
Motor vehicle output	1	4.6	3.4	4.3	-0.3	17.6	-17.2	-6.4							
Auto output	2	-2.6	9.0	45.1	-7.5	18.7	4.9	3.9							
Truck output	3	8.3	0.8	-10.7	3.5	17.1	-26.9	-11.7							
Final sales of domestic product	4	5.4	6.0	-0.7	14.3	17.0	-47.6	22.5							
Personal consumption expenditures								5	0.8	-2.1	-10.0	8.0	15.4	-48.4	21.3
New motor vehicles	6	1.0	-0.4	-15.5	45.4	23.9	-60.8	29.8							
Autos	7	0.1	4.1	-4.5	47.5	18.0	-35.2	24.4							
Light trucks (including utility vehicles)	8	1.5	-3.0	-21.3	44.1	27.5	-71.9	33.9							
Net purchases of used autos and used light trucks	9	0.4	-6.1	3.9	-48.0	-5.5	4.4	3.7							
Used autos	10	-1.2	-2.6	6.0	-49.1	12.6	2.7	-14.7							
Used light trucks (including utility vehicles)	11	2.1	-9.6	1.7	-46.7	-22.1	6.5	28.9							
Private fixed investment	12	18.8	22.0	3.2	28.6	23.4	0.2	23.6							
New motor vehicles	13	12.6	9.7	-9.0	10.9	16.9	4.1	33.4							
Autos	14	1.4	0.7	-20.5	-13.3	38.4	14.5	-0.6							
Trucks	15	19.6	14.4	-2.8	24.2	8.3	-0.5	52.9							
Light trucks (including utility vehicles)	16	15.1	12.3	-11.6	40.2	11.0	-8.1	65.4							
Other	17	34.9	20.5	23.8	-8.8	1.5	21.6	25.7							
Net purchases of used autos and used light trucks	18	2.9	-13.0	-31.1	-22.8	1.5	14.9	61.2							
Used autos	19	3.4	-4.2	-22.7	-19.2	26.3	22.2	18.2							
Used light trucks (including utility vehicles)	20	2.4	-21.7	-39.0	-26.6	-21.9	6.1	134.8							
Gross government investment								21	17.1	4.4	46.8	-28.9	9.4	25.1	17.4
Autos	22	-8.7	4.8	30.6	-38.6	15.6	-11.1	-6.1							
Trucks	23	25.5	4.3	51.1	-26.4	8.0	35.1	22.9							
Net exports								24	10.8	18.5	52.0	-13.9	18.1	15.3	31.0
Exports	25	2.9	22.9	74.4	-18.3	16.8	32.4	36.7							
Autos	26	18.3	14.9	35.3	-9.9	19.3	2.1	26.0							
Trucks	27	5.0	1.2	-6.3	-4.2	18.6	31.9	22.9							
Imports	28	0.2	-3.4	-16.9	-12.0	22.5	29.1	11.4							
Autos	29	10.3	5.8	5.2	3.5	15.2	34.5	34.0							
Trucks	30														
Change in private inventories								31							
Autos	32														
New	33														
Domestic	34														
Foreign	35														
Used	36														
Trucks	37														
New	38														
Domestic	39														
Foreign	40														
Used ¹	41														
Addenda:								42	4.9	3.7	-5.4	11.6	17.3	-36.1	21.9
Final sales of motor vehicles to domestic purchasers	43	9.0	7.5	-15.3	16.2	20.8	0.3	35.3							
Private fixed investment in new autos and new light trucks	44	-4.7	9.5	17.7	11.7	22.9	11.7	0.7							
Domestic output of new autos ²	45	3.2	0.3	-23.3	10.5	30.2	-4.8	3.0							
Sales of imported new autos ³															

1. Consists of used light trucks only.
 2. Consists of final sales and change in private inventories of new autos assembled in the United States.
 3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.

Table 7.2.3B. Real Motor Vehicle Output, Quantity Indexes
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	
Motor vehicle output.....	1	115.415	119.322	118.364	118.275	123.167	117.483	115.569
Auto output.....	2	88.174	96.137	95.173	93.338	97.428	98.607	99.548
Truck output.....	3	134.897	135.910	134.979	136.136	141.601	130.924	126.901
Final sales of domestic product	4	117.301	124.293	123.552	127.741	132.850	113.030	118.913
Personal consumption expenditures.....	5	119.924	117.443	118.293	120.578	124.987	105.915	111.160
New motor vehicles.....	6	129.846	129.157	123.801	135.938	143.412	113.479	121.126
Autos.....	7	98.103	102.159	95.458	105.197	109.631	98.348	103.871
Light trucks (including utility vehicles).....	8	159.282	154.481	150.429	164.821	175.159	127.516	137.172
Net purchases of used autos and used light trucks.....	9	101.603	95.426	108.031	91.758	90.464	91.453	92.286
Used autos.....	10	91.612	89.223	99.400	83.957	86.477	87.057	83.673
Used light trucks (including utility vehicles).....	11	113.728	102.836	118.455	101.202	95.087	96.600	102.935
Private fixed investment.....	12	94.677	115.535	107.220	114.178	120.338	120.402	126.964
New motor vehicles.....	13	97.179	106.567	102.199	104.876	109.047	110.145	118.367
Autos.....	14	85.899	86.537	84.542	81.579	88.486	91.539	91.402
Trucks.....	15	104.927	119.506	113.601	119.922	122.335	122.168	135.849
Light trucks (including utility vehicles).....	16	107.869	121.123	112.707	122.649	125.885	123.251	139.772
Other.....	17	94.709	114.097	114.434	111.842	112.250	117.863	124.797
Net purchases of used autos and used light trucks.....	18	99.341	86.419	89.723	84.113	84.432	87.409	98.493
Used autos.....	19	91.971	88.148	87.929	83.362	88.381	92.919	96.884
Used light trucks (including utility vehicles).....	20	107.688	84.300	91.657	84.851	79.755	80.939	100.197
Gross government investment	21	118.459	123.646	128.460	117.945	120.615	127.566	132.775
Autos.....	22	84.316	88.345	95.662	84.663	87.795	85.260	83.928
Trucks.....	23	131.217	136.822	140.760	130.368	132.890	143.268	150.861
Net exports.....	24							
Exports.....	25	132.298	156.760	156.434	150.704	157.111	162.791	174.147
Autos.....	26	129.451	159.081	159.106	151.281	157.256	168.682	182.378
Trucks.....	27	134.481	154.582	153.961	150.003	156.765	157.598	166.964
Imports.....	28	107.932	109.184	105.798	104.660	109.227	117.052	123.249
Autos.....	29	100.226	96.775	95.026	92.034	96.832	103.208	106.027
Trucks.....	30	116.986	123.736	118.440	119.461	123.763	133.281	143.401
Change in private inventories.....	31							
Autos.....	32							
New.....	33							
Domestic.....	34							
Foreign.....	35							
Used.....	36							
Trucks.....	37							
New.....	38							
Domestic.....	39							
Foreign.....	40							
Used ¹	41							
Addenda:								
Final sales of motor vehicles to domestic purchasers.....	42	113.700	117.919	116.353	119.585	124.458	111.280	116.923
Private fixed investment in new autos and new light trucks.....	43	97.463	104.750	99.380	103.185	108.174	108.263	116.763
Domestic output of new autos ²	44	82.494	90.327	85.556	87.948	92.606	95.199	95.369
Sales of imported new autos ³	45	107.794	108.142	102.926	105.535	112.741	111.364	112.183

1. Consists of used light trucks only.
 2. Consists of final sales and change in private inventories of new autos assembled in the United States.
 3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.

Table 7.2.4B. Price Indexes for Motor Vehicle Output
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	
Motor vehicle output.....	1	96.427	97.574	98.393	98.133	96.739	97.031	98.016
Auto output.....	2	96.047	98.842	98.639	98.896	97.881	99.953	101.367
Truck output.....	3	96.432	96.768	98.095	97.582	96.006	95.390	96.141
Final sales of domestic product	4	96.291	97.502	98.200	97.928	96.767	97.112	98.127
Personal consumption expenditures.....	5	95.345	97.320	97.649	97.762	96.655	97.216	97.944
New motor vehicles.....	6	95.777	96.243	97.117	96.772	95.334	95.749	96.134
Autos.....	7	95.987	96.880	97.067	96.969	96.340	97.147	97.831
Light trucks (including utility vehicles).....	8	95.589	95.800	97.086	96.595	94.680	94.839	95.010
Net purchases of used autos and used light trucks.....	9	93.908	99.676	98.553	99.810	99.691	100.651	102.220
Used autos.....	10	95.492	102.645	100.584	102.177	102.734	105.085	106.332
Used light trucks (including utility vehicles).....	11	92.254	96.588	96.446	97.368	96.542	95.994	97.894
Private fixed investment.....	12	107.069	105.253	106.451	105.390	104.714	104.455	105.373
New motor vehicles.....	13	97.250	97.496	97.870	97.438	97.639	97.038	97.515
Autos.....	14	95.982	96.878	97.064	96.965	96.341	97.142	97.833
Trucks.....	15	97.979	97.910	98.380	97.792	98.372	97.149	97.474
Light trucks (including utility vehicles).....	16	96.022	94.174	95.542	94.250	94.514	92.389	92.810
Other.....	17	104.582	109.811	107.630	109.073	110.629	111.912	112.160
Net purchases of used autos and used light trucks.....	18	84.256	87.936	86.617	87.417	89.555	88.155	87.737
Used autos.....	19	85.025	88.775	87.649	88.458	90.191	88.802	88.661
Used light trucks (including utility vehicles).....	20	83.502	87.140	85.591	86.382	89.002	87.585	86.833
Gross government investment	21	102.089	104.396	103.408	103.682	104.850	105.645	105.866
Autos.....	22	99.049	99.555	99.218	97.848	99.155	101.998	101.720
Trucks.....	23	102.995	105.759	104.597	105.287	106.422	106.732	107.062
Net exports.....	24							
Exports.....	25	105.715	107.334	107.097	107.152	107.355	107.731	107.796
Autos.....	26	103.984	104.790	104.598	104.564	104.733	105.267	105.298
Trucks.....	27	107.437	109.621	109.347	109.480	109.713	109.945	110.043
Imports.....	28	103.818	104.767	104.405	104.646	104.831	105.186	105.061
Autos.....	29	103.081	103.675	103.507	103.542	103.710	103.942	103.642
Trucks.....	30	104.658	105.940	105.398	105.831	106.031	106.501	106.533
Change in private inventories.....	31							
Autos.....	32							
New.....	33							
Domestic.....	34							
Foreign.....	35							
Used.....	36							
Trucks.....	37							
New.....	38							
Domestic.....	39							
Foreign.....	40							
Used ¹	41							
Addenda:								
Final sales of motor vehicles to domestic purchasers.....	42	97.764	98.882	99.388	99.219	98.287	98.633	99.392
Private fixed investment in new autos and new light trucks.....	43	96.079	95.324	96.230	95.397	95.325	94.342	94.868
Domestic output of new autos ²	44	97.382	98.121	98.334	98.226	97.634	96.289	98.858
Sales of imported new autos ³	45	95.987	96.884	97.070	96.972	96.343	97.149	97.832

1. Consists of used light trucks only.
 2. Consists of final sales and change in private inventories of new autos assembled in the United States.
 3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.

C. Historical Measures

This table is derived from the "Selected NIPA Tables" that are published in this issue and from the "GDP and Other Major NIPA Series" tables that were published in the August 2005 issue. (The changes in prices are calculated from indexes expressed to three decimal places.)

Table C.1. GDP and Other Major NIPA Aggregates—Continues

(Quarterly estimates are seasonally adjusted at annual rates)

Year and quarter	Billions of chained (2000) dollars			Percent change from preceding period		Chain-type price indexes [2000=100]		Implicit price deflators [2000=100]		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price indexes		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1959	2,441.3	2,442.7	2,457.4	7.1	6.2	20,754	20,365	20,751	20,727	1.2	1.2	1.2	1.2
1960	2,501.8	2,506.8	2,519.4	2.5	2.6	21,044	20,646	21,041	21,018	1.4	1.4	1.4	1.4
1961	2,560.0	2,566.8	2,579.3	2.3	2.4	21,281	20,865	21,278	21,255	1.1	1.1	1.1	1.1
1962	2,715.2	2,708.5	2,736.9	6.1	5.5	21,572	21,139	21,569	21,547	1.4	1.3	1.4	1.4
1963	2,834.0	2,830.3	2,857.2	4.4	4.5	21,801	21,385	21,798	21,777	1.1	1.2	1.1	1.1
1964	2,998.6	2,999.9	3,023.6	5.8	6.0	22,134	21,725	22,131	22,111	1.5	1.6	1.5	1.5
1965	3,191.1	3,173.8	3,217.3	6.4	5.8	22,538	22,102	22,535	22,516	1.8	1.7	1.8	1.8
1966	3,399.1	3,364.8	3,423.7	6.5	6.0	23,180	22,724	23,176	23,158	2.8	2.8	2.8	2.9
1967	3,484.6	3,467.6	3,510.1	2.5	3.1	23,897	23,389	23,893	23,874	3.1	2.9	3.1	3.1
1968	3,652.7	3,640.3	3,680.0	4.8	5.0	24,916	24,380	24,913	24,893	4.3	4.2	4.3	4.3
1969	3,765.4	3,753.7	3,792.0	3.1	3.1	26,153	25,580	26,149	26,127	5.0	4.9	5.0	5.0
1970	3,771.9	3,787.7	3,798.2	0.2	0.9	27,538	26,964	27,534	27,512	5.3	5.4	5.3	5.3
1971	3,898.6	3,893.4	3,927.8	3.4	2.8	28,916	28,351	28,911	28,889	5.0	5.1	5.0	5.0
1972	4,105.0	4,098.6	4,136.2	5.3	5.3	30,171	29,619	30,166	30,145	4.3	4.5	4.3	4.3
1973	4,341.5	4,315.9	4,383.6	5.8	5.3	31,854	31,343	31,849	31,830	5.6	5.8	5.6	5.6
1974	4,319.6	4,305.5	4,367.5	-0.5	-0.2	34,721	34,546	34,725	34,699	9.0	10.2	9.0	9.0
1975	4,311.2	4,352.5	4,348.4	-0.2	1.1	38,007	37,761	38,002	37,976	9.5	9.3	9.4	9.4
1976	4,540.9	4,522.3	4,585.3	5.3	3.9	40,202	39,938	40,196	40,175	5.8	5.8	5.8	5.8
1977	4,750.5	4,721.6	4,800.3	4.6	4.4	42,758	42,634	42,752	42,731	6.4	6.8	6.4	6.4
1978	5,015.0	4,981.6	5,064.4	5.6	5.5	45,762	45,663	45,757	45,737	7.0	7.1	7.0	7.0
1979	5,173.4	5,161.2	5,240.1	3.2	3.6	49,553	49,669	49,548	49,527	8.3	8.8	8.3	8.3
1980	5,161.7	5,196.7	5,227.6	-0.2	0.7	54,062	54,876	54,043	54,015	9.1	10.5	9.1	9.1
1981	5,291.7	5,265.1	5,349.7	2.5	1.3	59,128	59,896	59,119	59,095	9.4	9.1	9.4	9.4
1982	5,189.3	5,233.4	5,249.7	-1.9	-0.6	62,738	63,296	62,726	62,699	6.1	5.7	6.1	6.1
1983	5,423.8	5,454.0	5,482.5	4.5	4.2	65,214	65,515	65,207	65,184	3.9	3.5	4.0	4.0
1984	5,813.6	5,739.2	5,869.3	7.2	5.2	67,664	67,822	67,655	67,631	3.8	3.5	3.8	3.8
1985	6,053.7	6,042.1	6,093.4	4.1	5.3	69,724	69,760	69,713	69,695	3.0	2.9	3.0	3.1
1986	6,263.6	6,271.8	6,290.6	3.5	3.8	71,269	71,338	71,250	71,227	2.2	2.3	2.2	2.2
1987	6,475.1	6,457.2	6,500.9	3.4	3.0	73,204	73,527	73,196	73,181	2.7	3.1	2.7	2.7
1988	6,742.7	6,734.5	6,775.2	4.1	4.3	75,706	76,043	75,684	75,679	3.4	3.4	3.4	3.4
1989	6,981.4	6,962.2	7,015.4	3.5	3.4	78,569	78,934	78,556	78,549	3.8	3.8	3.8	3.8
1990	7,112.5	7,108.5	7,155.2	1.9	2.1	81,614	82,144	81,590	81,589	3.9	4.1	3.9	3.9
1991	7,100.5	7,115.0	7,136.8	-0.2	0.1	84,457	84,836	84,444	84,440	3.5	3.3	3.5	3.5
1992	7,336.6	7,331.1	7,371.8	3.3	3.0	86,402	86,828	86,385	86,375	2.3	2.3	2.3	2.3
1993	7,532.7	7,522.3	7,568.6	2.7	2.6	88,390	88,730	88,381	88,382	2.3	2.2	2.3	2.3
1994	7,835.5	7,777.8	7,864.2	4.0	3.4	90,265	90,583	90,259	90,262	2.1	2.1	2.1	2.1
1995	8,031.7	8,010.2	8,069.8	2.5	3.0	92,115	92,483	92,106	92,114	2.0	2.1	2.0	2.1
1996	8,328.9	8,306.5	8,365.3	3.7	3.7	93,859	94,145	93,852	93,863	1.9	1.8	1.9	1.9
1997	8,703.5	8,636.6	8,737.5	4.5	4.0	95,415	95,440	95,414	95,420	1.7	1.4	1.7	1.7
1998	9,066.9	8,997.6	9,088.7	4.2	4.2	96,475	96,060	96,472	96,475	1.1	0.6	1.1	1.1
1999	9,470.3	9,404.0	9,504.7	4.5	4.5	97,868	97,556	97,868	97,869	1.4	1.6	1.4	1.4
2000	9,817.0	9,760.5	9,855.9	3.7	3.8	100,000	100,000	100,000	100,000	2.2	2.5	2.2	2.2
2001	9,890.7	9,920.9	9,933.6	0.8	1.6	102,402	101,994	102,399	102,396	2.4	2.0	2.4	2.4
2002	10,048.8	10,036.5	10,079.0	1.6	1.2	104,193	103,583	104,187	104,179	1.7	1.6	1.7	1.7
2003	10,320.6	10,303.6	10,385.2	2.7	2.7	106,310	105,863	106,305	106,299	2.0	2.2	2.0	2.0
2004	10,755.7	10,702.4	10,805.7	4.2	3.9	109,102	108,899	109,099	109,091	2.6	2.9	2.6	2.6
2005	11,134.8	11,112.8	11,166.4	3.5	3.8	112,176	112,401	112,145	112,129	2.8	3.2	2.8	2.8

Table C.1. GDP and Other Major NIPA Aggregates—Continues

[Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (2000) dollars			Percent change from preceding period		Chain-type price indexes [2000=100]		Implicit price deflators [2000=100]		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price indexes		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1959: I.....	2,392.9	2,396.9	2,408.1	7.9	8.1	20.680	20.296	20.704	20.680	1.8	2.1	0.9	0.9
1959: II.....	2,455.8	2,440.3	2,471.1	10.9	7.4	20.711	20.326	20.704	20.681	0.6	0.6	0.0	0.0
1959: III.....	2,453.9	2,471.1	2,470.3	-0.3	5.1	20.770	20.379	20.753	20.730	1.1	1.0	1.0	1.0
1959: IV.....	2,462.6	2,462.3	2,479.8	1.4	-1.4	20.853	20.460	20.840	20.817	1.6	1.6	1.7	1.7
1960: I.....	2,517.4	2,488.1	2,534.1	9.2	4.3	20.903	20.505	20.931	20.909	1.0	0.9	1.8	1.8
1960: II.....	2,504.8	2,511.5	2,521.8	-2.0	3.8	20.995	20.598	21.004	20.982	1.8	1.8	1.4	1.4
1960: III.....	2,508.7	2,507.9	2,526.5	0.6	-0.6	21.093	20.694	21.084	21.061	1.9	1.9	1.5	1.5
1960: IV.....	2,476.2	2,519.8	2,494.9	-5.1	1.9	21.186	20.787	21.146	21.122	1.8	1.8	1.2	1.2
1961: I.....	2,491.2	2,522.0	2,510.8	2.4	0.4	21.210	20.807	21.192	21.169	0.5	0.4	0.9	0.9
1961: II.....	2,538.0	2,549.1	2,556.7	7.7	4.4	21.249	20.831	21.237	21.214	0.7	0.5	0.9	0.9
1961: III.....	2,579.1	2,568.9	2,598.3	6.6	3.1	21.305	20.887	21.303	21.280	1.1	1.1	1.2	1.3
1961: IV.....	2,631.8	2,627.3	2,651.4	8.4	9.4	21.360	20.933	21.375	21.352	1.0	0.9	1.4	1.4
1962: I.....	2,679.1	2,659.5	2,698.6	7.4	5.0	21.482	21.041	21.501	21.479	2.3	2.1	2.4	2.4
1962: II.....	2,708.4	2,704.5	2,729.7	4.4	6.9	21.538	21.109	21.531	21.511	1.0	1.3	0.6	0.6
1962: III.....	2,733.3	2,725.6	2,754.8	3.7	3.2	21.596	21.163	21.585	21.564	1.1	1.0	1.0	1.0
1962: IV.....	2,740.0	2,744.5	2,764.5	1.0	2.8	21.671	21.241	21.653	21.632	1.4	1.5	1.3	1.3
1963: I.....	2,775.9	2,762.8	2,799.4	5.3	2.7	21.732	21.308	21.702	21.681	1.1	1.3	0.9	0.9
1963: II.....	2,810.6	2,809.7	2,833.3	5.1	7.0	21.754	21.335	21.745	21.724	0.4	0.5	0.8	0.8
1963: III.....	2,863.5	2,859.4	2,886.6	7.7	7.3	21.794	21.382	21.788	21.768	0.7	0.9	0.8	0.8
1963: IV.....	2,885.8	2,889.5	2,909.6	3.1	4.3	21.923	21.514	21.951	21.930	2.4	2.5	3.0	3.0
1964: I.....	2,950.5	2,952.7	2,976.3	9.3	9.0	22.001	21.596	22.016	21.995	1.4	1.5	1.2	1.2
1964: II.....	2,984.8	2,986.1	3,009.6	4.7	4.9	22.073	21.674	22.073	22.053	1.3	1.5	1.0	1.1
1964: III.....	3,025.5	3,025.4	3,051.1	5.6	5.1	22.180	21.769	22.180	22.140	2.0	1.8	1.6	1.6
1964: IV.....	3,033.6	3,033.2	3,057.5	1.1	1.0	22.282	21.860	22.270	22.250	1.9	1.7	2.0	2.0
1965: I.....	3,108.2	3,081.0	3,135.2	10.2	6.5	22.380	21.940	22.383	22.363	1.8	1.5	2.0	2.0
1965: II.....	3,150.2	3,136.6	3,178.0	5.5	7.4	22.479	22.037	22.480	22.460	1.8	1.8	1.7	1.7
1965: III.....	3,214.1	3,195.5	3,240.0	8.4	7.7	22.578	22.140	22.563	22.544	1.8	1.9	1.5	1.5
1965: IV.....	3,291.8	3,282.4	3,315.7	10.0	11.3	22.717	22.292	22.707	22.688	2.5	2.8	2.6	2.6
1966: I.....	3,372.3	3,337.0	3,396.9	10.1	6.8	22.857	22.416	22.855	22.837	2.5	2.2	2.6	2.7
1966: II.....	3,384.0	3,352.4	3,408.7	1.4	1.9	23.071	22.629	23.048	23.029	3.8	3.9	3.4	3.4
1966: III.....	3,406.3	3,380.2	3,430.4	2.7	3.4	23.293	22.831	23.291	23.272	3.9	3.6	4.3	4.3
1966: IV.....	3,433.7	3,389.6	3,458.9	3.3	1.1	23.498	23.018	23.505	23.486	3.6	3.3	3.7	3.7
1967: I.....	3,464.1	3,424.2	3,489.0	3.6	4.1	23.611	23.109	23.612	23.593	1.9	1.6	1.8	1.8
1967: II.....	3,464.3	3,460.2	3,488.5	0.0	4.3	23.759	23.254	23.741	23.722	2.5	2.5	2.2	2.2
1967: III.....	3,491.8	3,477.8	3,518.5	3.2	2.0	23.977	23.469	23.975	23.955	3.7	3.7	4.0	4.0
1967: IV.....	3,518.2	3,508.2	3,544.1	3.1	3.5	24.242	23.723	24.241	24.221	4.5	4.4	4.5	4.5
1968: I.....	3,590.7	3,581.7	3,617.2	8.5	8.6	24.503	23.979	24.506	24.487	4.4	4.4	4.4	4.5
1968: II.....	3,651.6	3,617.7	3,678.7	7.0	4.1	24.777	24.230	24.763	24.743	4.5	4.3	4.3	4.2
1968: III.....	3,676.5	3,669.4	3,704.4	2.7	5.8	25.017	24.483	25.008	24.988	3.9	4.2	4.0	4.0
1968: IV.....	3,692.0	3,692.2	3,719.6	1.7	2.5	25.367	24.826	25.362	25.342	5.7	5.7	5.8	5.8
1969: I.....	3,750.2	3,730.5	3,778.0	6.5	4.2	25.622	25.062	25.626	25.605	4.1	3.9	4.2	4.2
1969: II.....	3,760.9	3,748.6	3,787.7	1.1	2.0	25.966	25.402	25.958	25.937	5.5	5.5	5.3	5.3
1969: III.....	3,784.2	3,767.6	3,810.0	2.5	2.0	26.345	25.764	26.332	26.310	6.0	5.8	5.9	5.9
1969: IV.....	3,766.3	3,768.1	3,792.1	-1.9	0.1	26.678	26.093	26.675	26.652	5.2	5.2	5.3	5.3
1970: I.....	3,760.0	3,778.0	3,786.3	-0.7	1.1	27.051	26.474	27.056	27.034	5.7	6.0	5.8	5.9
1970: II.....	3,767.1	3,771.0	3,794.3	0.8	-0.7	27.437	26.841	27.428	27.406	5.8	5.7	5.6	5.6
1970: III.....	3,800.5	3,804.6	3,827.4	3.6	3.6	27.655	27.093	27.647	27.624	3.2	3.8	3.2	3.2
1970: IV.....	3,759.8	3,797.2	3,784.5	-4.2	-0.8	28.009	27.449	28.004	27.982	5.2	5.4	5.3	5.3
1971: I.....	3,864.1	3,844.7	3,893.1	11.6	5.1	28.429	27.854	28.425	28.403	6.1	6.0	6.2	6.2
1971: II.....	3,885.9	3,871.3	3,916.4	2.3	2.8	28.809	28.230	28.798	28.777	5.5	5.5	5.4	5.4
1971: III.....	3,916.7	3,905.2	3,944.4	3.2	3.5	29.097	28.539	29.089	29.069	4.1	4.5	4.1	4.1
1971: IV.....	3,927.9	3,952.5	3,957.1	1.1	4.9	29.329	28.779	29.322	29.300	3.2	3.4	3.2	3.2
1972: I.....	3,997.7	4,006.9	4,028.1	7.3	5.6	29.814	29.234	29.781	29.759	6.8	6.5	6.4	6.4
1972: II.....	4,092.1	4,073.0	4,122.1	9.8	6.8	29.989	29.437	29.959	29.937	2.4	2.8	2.4	2.4
1972: III.....	4,131.1	4,109.6	4,163.5	3.9	3.6	30.264	29.728	30.250	30.229	3.7	4.0	3.9	4.0
1972: IV.....	4,198.7	4,204.8	4,231.0	6.7	9.6	30.620	30.078	30.652	30.631	4.8	4.8	5.4	5.4
1973: I.....	4,305.3	4,296.4	4,342.5	10.6	9.0	31.025	30.478	31.020	31.000	5.4	5.4	4.9	4.9
1973: II.....	4,355.1	4,317.4	4,394.6	4.7	2.0	31.542	31.052	31.500	31.481	6.8	7.7	6.3	6.4
1973: III.....	4,331.9	4,322.6	4,377.8	-2.1	0.5	32.147	31.625	32.114	32.095	7.9	7.6	8.0	8.0
1973: IV.....	4,373.3	4,327.3	4,419.5	3.9	0.4	32.703	32.218	32.750	32.731	7.1	7.7	8.2	8.2
1974: I.....	4,335.4	4,322.7	4,389.4	-3.4	-0.4	33.371	33.068	33.376	33.354	8.4	11.0	7.9	7.8
1974: II.....	4,347.9	4,328.7	4,399.1	1.2	0.6	34.110	34.007	34.162	34.137	9.2	11.9	9.8	9.7
1974: III.....	4,305.8	4,316.3	4,352.4	-3.8	-1.1	35.164	35.045	35.166	35.141	12.9	12.8	12.3	12.3
1974: IV.....	4,288.9	4,254.5	4,329.3	-1.6	-5.6	36.240	36.062	36.218	36.188	12.8	12.1	12.5	12.5

Table C.1. GDP and Other Major NIPA Aggregates—Continues

[Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (2000) dollars			Percent change from preceding period		Chain-type price indexes [2000=100]		Implicit price deflators [2000=100]		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price indexes		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1975: I.....	4,237.6	4,287.8	4,271.5	-4.7	3.2	37,077	36,849	37,050	37,022	9.6	9.0	9.5	9.5
II.....	4,268.6	4,331.0	4,302.8	3.0	4.1	37,622	37,612	37,614	37,586	6.0	6.3	6.2	6.2
III.....	4,340.9	4,370.1	4,377.7	6.9	3.7	38,324	38,060	38,313	38,288	7.7	7.1	7.6	7.7
IV.....	4,397.8	4,421.1	4,441.7	5.4	4.8	39,005	38,724	38,987	38,961	7.3	7.2	7.2	7.2
1976: I.....	4,496.8	4,482.1	4,539.3	9.3	5.6	39,443	39,163	39,418	39,396	4.6	4.6	4.5	4.5
II.....	4,530.3	4,496.3	4,574.6	3.0	1.3	39,866	39,595	39,840	39,818	4.4	4.5	4.4	4.4
III.....	4,552.0	4,523.7	4,596.7	1.9	2.5	40,405	40,168	40,385	40,365	5.5	5.9	5.6	5.6
IV.....	4,584.6	4,587.1	4,630.4	2.9	5.7	41,096	40,828	41,122	41,101	7.0	6.7	7.5	7.5
1977: I.....	4,640.0	4,631.5	4,692.2	4.9	3.9	41,781	41,591	41,796	41,773	6.8	7.7	6.7	6.7
II.....	4,731.1	4,705.5	4,782.3	8.1	6.5	42,452	42,306	42,401	42,381	6.6	7.1	5.9	6.0
III.....	4,815.8	4,755.2	4,866.4	7.4	4.3	43,036	42,917	42,950	42,917	5.6	6.2	5.0	5.0
IV.....	4,815.3	4,794.1	4,860.4	0.0	3.3	43,762	43,688	43,852	43,831	6.9	7.1	9.0	9.0
1978: I.....	4,830.8	4,799.5	4,882.9	1.3	0.5	44,493	44,410	44,505	44,483	6.9	6.8	6.1	6.1
II.....	5,021.2	4,989.9	5,064.7	16.7	16.8	45,350	45,266	45,321	45,301	7.9	7.9	7.5	7.6
III.....	5,070.7	5,036.0	5,118.2	4.0	3.7	46,133	46,048	46,072	46,052	7.1	7.1	6.8	6.8
IV.....	5,137.4	5,100.6	5,191.9	5.4	5.2	47,074	46,928	47,047	47,027	8.4	7.9	8.7	8.7
1979: I.....	5,147.4	5,117.8	5,203.1	0.8	1.4	47,929	47,828	47,876	47,857	7.5	7.9	7.2	7.2
II.....	5,152.3	5,117.9	5,214.9	0.4	0.0	49,092	49,044	49,058	49,034	10.1	10.6	10.2	10.2
III.....	5,189.4	5,192.3	5,263.8	2.9	5.9	50,102	50,289	50,115	50,093	8.5	10.5	8.9	8.9
IV.....	5,204.7	5,216.9	5,278.6	1.2	1.9	51,088	51,515	51,117	51,093	8.1	10.1	8.2	8.2
1980: I.....	5,221.3	5,227.3	5,296.5	1.3	0.8	52,209	52,930	52,195	52,172	9.1	11.4	8.7	8.7
II.....	5,115.9	5,126.2	5,185.5	-7.8	-7.5	53,362	54,220	53,349	53,324	9.1	10.1	9.1	9.1
III.....	5,107.4	5,193.5	5,173.0	-0.7	5.4	54,572	55,446	54,560	54,534	9.4	9.4	9.4	9.4
IV.....	5,202.1	5,239.7	5,255.6	7.6	3.6	56,105	56,907	56,071	56,043	11.7	11.0	11.5	11.5
1981: I.....	5,307.5	5,261.7	5,364.5	8.4	1.7	57,566	58,397	57,517	57,492	10.8	10.9	10.7	10.8
II.....	5,266.1	5,272.8	5,319.8	-3.1	0.8	58,582	59,434	58,598	58,571	7.2	7.3	7.7	7.7
III.....	5,329.8	5,278.5	5,386.8	4.9	0.4	59,661	60,355	59,641	59,616	7.6	6.3	7.3	7.3
IV.....	5,263.4	5,247.4	5,327.3	-4.9	-2.3	60,704	61,400	60,729	60,706	7.2	7.1	7.5	7.5
1982: I.....	5,177.1	5,232.9	5,237.7	-6.4	-1.1	61,563	62,213	61,555	61,530	5.8	5.4	5.6	5.5
II.....	5,204.9	5,230.5	5,272.8	2.2	-0.2	62,330	62,883	62,302	62,276	5.1	4.4	4.9	4.9
III.....	5,185.2	5,196.6	5,242.9	-1.5	-2.6	63,193	63,717	63,182	63,155	5.7	5.4	5.8	5.8
IV.....	5,189.8	5,273.3	5,245.3	0.4	6.0	63,866	64,372	63,863	63,837	4.3	4.2	4.4	4.4
1983: I.....	5,253.8	5,329.2	5,308.8	5.0	4.3	64,413	64,768	64,388	64,363	3.5	2.5	3.3	3.3
II.....	5,372.3	5,404.6	5,430.9	9.3	5.8	64,881	65,213	64,853	64,831	2.9	2.8	2.9	2.9
III.....	5,478.4	5,505.1	5,538.0	8.1	7.7	65,542	65,849	65,517	65,495	4.1	4.0	4.2	4.2
IV.....	5,590.5	5,577.0	5,652.4	8.4	5.3	66,020	66,231	66,012	65,991	2.9	2.3	3.1	3.1
1984: I.....	5,699.8	5,614.4	5,757.1	8.1	2.7	66,838	67,052	66,837	66,815	5.0	5.1	5.1	5.1
II.....	5,797.9	5,717.5	5,855.5	7.1	7.5	67,439	67,647	67,414	67,392	3.6	3.6	3.5	3.5
III.....	5,854.3	5,770.2	5,911.3	3.9	3.7	67,989	68,114	67,953	67,930	3.3	2.8	3.2	3.2
IV.....	5,902.4	5,854.6	5,953.2	3.3	6.0	68,392	68,476	68,385	68,359	2.4	2.1	2.6	2.6
1985: I.....	5,956.9	5,953.0	5,997.4	3.8	6.9	69,180	69,137	69,155	69,127	4.7	3.9	4.6	4.6
II.....	6,007.8	5,998.5	6,050.8	3.5	3.1	69,542	69,537	69,550	69,529	2.1	2.3	2.3	2.3
III.....	6,101.7	6,095.8	6,137.4	6.4	6.6	69,876	69,907	69,838	69,827	1.9	2.1	1.7	1.7
IV.....	6,148.6	6,121.2	6,188.2	3.1	1.7	70,299	70,459	70,289	70,276	2.4	3.2	2.6	2.6
1986: I.....	6,207.4	6,184.1	6,242.5	3.9	4.2	70,660	70,851	70,652	70,635	2.1	2.2	2.1	2.1
II.....	6,232.0	6,230.5	6,257.3	1.6	3.0	71,001	70,985	71,015	70,993	1.9	0.8	2.1	2.0
III.....	6,291.7	6,317.8	6,320.1	3.9	5.7	71,455	71,493	71,426	71,401	2.6	2.9	2.3	2.3
IV.....	6,323.4	6,355.0	6,342.8	2.0	2.4	71,960	72,025	71,893	71,866	2.9	3.0	2.6	2.6
1987: I.....	6,365.0	6,344.4	6,386.8	2.7	-0.7	72,514	72,728	72,487	72,465	3.1	4.0	3.3	3.4
II.....	6,435.0	6,431.4	6,461.8	4.5	5.6	72,904	73,229	72,882	72,870	2.2	2.8	2.2	2.3
III.....	6,493.4	6,510.8	6,519.5	3.7	5.0	73,450	73,819	73,425	73,412	3.0	3.3	3.0	3.0
IV.....	6,606.8	6,542.5	6,635.4	7.2	2.0	73,948	74,332	73,958	73,944	2.7	2.8	2.9	2.9
1988: I.....	6,639.1	6,637.2	6,675.0	2.0	5.9	74,564	74,975	74,587	74,571	3.4	3.5	3.4	3.4
II.....	6,723.5	6,716.4	6,756.2	5.2	4.9	75,296	75,706	75,300	75,285	4.0	4.0	3.9	3.9
III.....	6,759.4	6,749.5	6,788.9	2.1	2.0	76,178	76,406	76,141	76,124	4.8	3.8	4.5	4.5
IV.....	6,848.6	6,835.1	6,880.9	5.4	5.2	76,786	77,086	76,712	76,700	3.2	3.6	3.0	3.1
1989: I.....	6,918.1	6,873.3	6,950.1	4.1	2.3	77,588	77,937	77,580	77,566	4.2	4.5	4.6	4.6
II.....	6,963.5	6,933.6	6,993.9	2.6	3.6	78,342	78,764	78,324	78,316	3.9	4.3	3.9	3.9
III.....	7,013.1	7,015.3	7,046.2	2.9	4.8	78,913	79,227	78,913	78,875	2.9	2.4	2.9	2.9
IV.....	7,030.9	7,026.8	7,071.4	1.0	0.7	79,433	79,807	79,425	79,422	2.7	3.0	2.8	2.8
1990: I.....	7,112.1	7,110.6	7,150.0	4.7	4.9	80,389	80,878	80,375	80,376	4.9	5.5	4.9	4.9
II.....	7,130.3	7,103.8	7,169.9	1.0	-0.4	81,326	81,629	81,311	81,301	4.7	3.8	4.7	4.7
III.....	7,130.8	7,118.3	7,163.9	0.0	0.8	82,053	82,531	82,045	82,028	3.6	4.5	3.6	3.6
IV.....	7,076.9	7,101.3	7,137.1	-3.0	-1.0	82,689	83,536	82,646	82,652	3.1	5.0	3.0	3.1

Table C.1. GDP and Other Major NIPA Aggregates

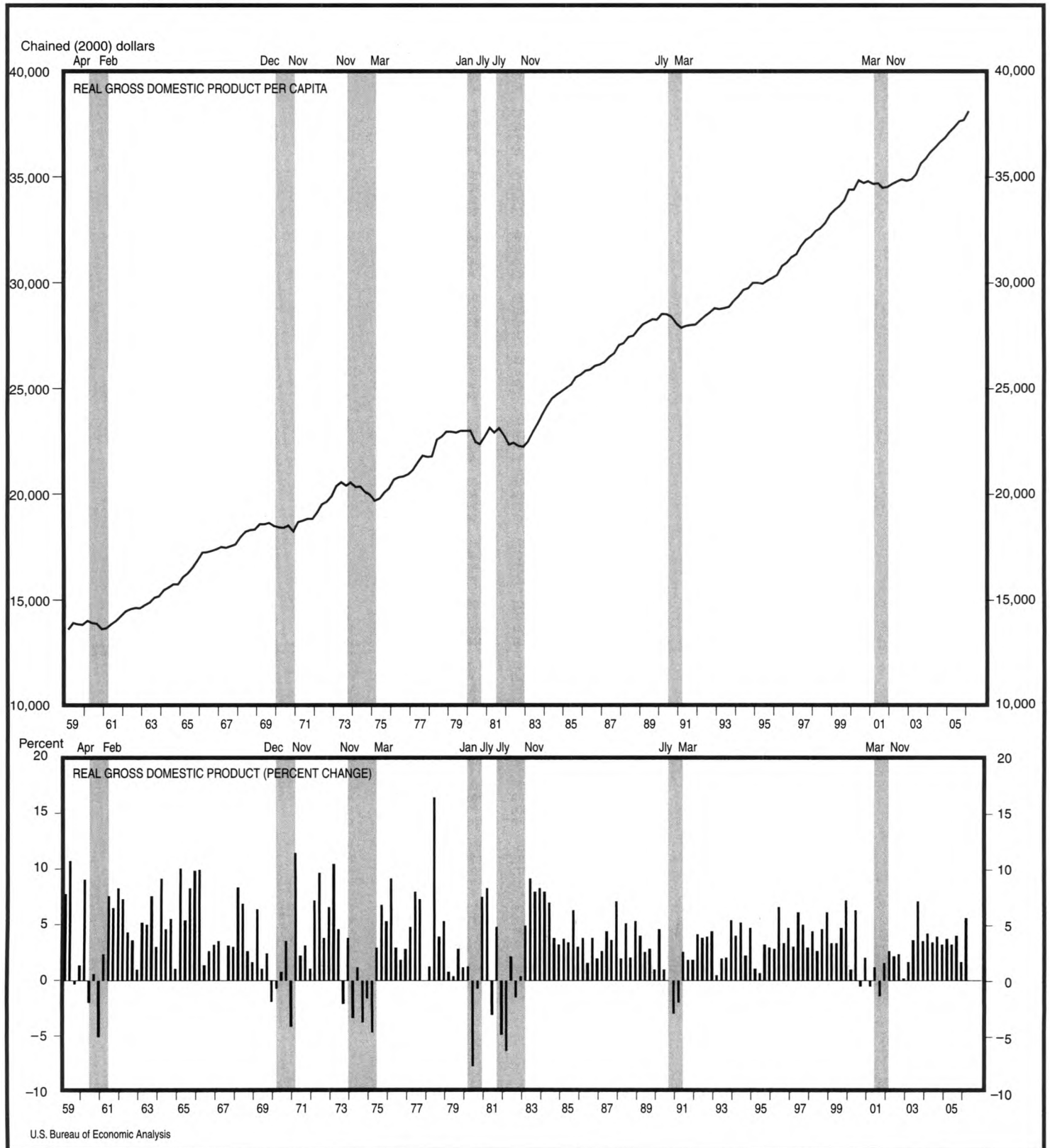
[Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (2000) dollars			Percent change from preceding period		Chain-type price indexes [2000=100]		Implicit price deflators [2000=100]		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price indexes		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1991: I.....	7,040.8	7,071.5	7,087.0	-2.0	-1.7	83.662	84.197	83.626	83.623	4.8	3.2	4.8	4.8
1991: II.....	7,086.5	7,120.2	7,119.1	2.6	2.8	84.194	84.533	84.165	84.164	2.6	1.6	2.6	2.6
1991: III.....	7,120.7	7,134.6	7,149.3	1.9	0.8	84.772	85.058	84.762	84.758	2.8	2.5	2.9	2.9
1991: IV.....	7,154.1	7,133.8	7,191.8	1.9	0.0	85.200	85.556	85.206	85.202	2.0	2.4	2.1	2.1
1992: I.....	7,228.2	7,239.3	7,265.5	4.2	6.0	85.766	86.093	85.721	85.710	2.7	2.5	2.4	2.4
1992: II.....	7,297.9	7,284.3	7,334.5	3.9	2.5	86.212	86.588	86.190	86.181	2.1	2.3	2.2	2.2
1992: III.....	7,369.5	7,360.5	7,402.6	4.0	4.2	86.587	87.098	86.580	86.567	1.8	2.4	1.8	1.8
1992: IV.....	7,450.7	7,440.3	7,485.0	4.5	4.4	87.042	87.531	87.029	87.019	2.1	2.0	2.1	2.1
1993: I.....	7,459.7	7,431.2	7,502.4	0.5	-0.5	87.729	88.076	87.707	87.705	3.2	2.5	3.2	3.2
1993: II.....	7,497.5	7,483.7	7,532.8	2.0	2.9	88.204	88.595	88.190	88.189	2.2	2.4	2.2	2.2
1993: III.....	7,536.0	7,540.6	7,577.7	2.1	3.1	88.599	88.916	88.570	88.574	1.8	1.5	1.7	1.8
1993: IV.....	7,637.4	7,633.7	7,661.5	5.5	5.0	89.030	89.331	89.038	89.048	2.0	1.9	2.1	2.2
1994: I.....	7,715.1	7,677.5	7,747.2	4.1	2.3	89.598	89.800	89.578	89.583	2.6	2.1	2.4	2.4
1994: II.....	7,815.7	7,737.2	7,843.7	5.3	3.1	89.980	90.271	89.954	89.963	1.7	2.1	1.7	1.7
1994: III.....	7,859.5	7,814.3	7,886.8	2.3	4.0	90.525	90.921	90.530	90.527	2.4	2.9	2.6	2.5
1994: IV.....	7,951.6	7,882.3	7,979.2	4.8	3.5	90.958	91.340	90.952	90.953	1.9	1.9	1.9	1.9
1995: I.....	7,973.7	7,918.7	8,014.3	1.1	1.9	91.554	91.877	91.530	91.534	2.6	2.4	2.6	2.6
1995: II.....	7,988.0	7,962.3	8,032.0	0.7	2.2	91.891	92.329	91.859	91.868	1.5	2.0	1.4	1.5
1995: III.....	8,053.1	8,055.0	8,081.0	3.3	4.7	92.281	92.662	92.289	92.299	1.7	1.5	1.9	1.9
1995: IV.....	8,112.0	8,104.8	8,152.0	3.0	2.5	92.734	93.065	92.733	92.743	2.0	1.8	1.9	1.9
1996: I.....	8,169.2	8,175.4	8,213.3	2.9	3.5	93.302	93.602	93.328	93.338	2.5	2.3	2.6	2.6
1996: II.....	8,303.1	8,285.8	8,337.6	6.7	5.5	93.615	93.897	93.659	93.671	1.3	1.3	1.4	1.4
1996: III.....	8,372.7	8,319.9	8,402.7	3.4	1.7	94.064	94.286	93.951	93.962	1.9	1.7	1.3	1.2
1996: IV.....	8,470.6	8,444.7	8,507.6	4.8	6.1	94.455	94.796	94.450	94.458	1.7	2.2	2.1	2.1
1997: I.....	8,536.1	8,507.3	8,566.0	3.1	3.0	94.963	95.189	95.054	95.058	2.2	1.7	2.6	2.6
1997: II.....	8,665.8	8,574.6	8,707.0	6.2	3.2	95.291	95.296	95.206	95.212	1.4	0.5	0.6	0.6
1997: III.....	8,773.7	8,705.7	8,808.7	5.1	6.3	95.541	95.494	95.534	95.542	1.1	0.8	1.4	1.4
1997: IV.....	8,836.4	8,758.6	8,868.1	3.0	2.5	95.864	95.781	95.846	95.851	1.4	1.2	1.3	1.3
1998: I.....	8,936.2	8,821.1	8,965.5	4.5	2.9	96.096	95.773	96.089	96.091	1.0	0.0	1.0	1.0
1998: II.....	8,995.3	8,948.7	9,022.2	2.7	5.9	96.284	95.881	96.249	96.254	0.8	0.5	0.7	0.7
1998: III.....	9,098.9	9,038.4	9,112.2	4.7	4.1	96.620	96.141	96.600	96.604	1.4	1.1	1.5	1.5
1998: IV.....	9,237.1	9,182.2	9,255.2	6.2	6.5	96.901	96.444	96.934	96.932	1.2	1.3	1.4	1.4
1999: I.....	9,315.5	9,239.7	9,346.7	3.4	2.5	97.274	96.761	97.328	97.330	1.5	1.3	1.6	1.7
1999: II.....	9,392.6	9,353.7	9,429.1	3.4	5.0	97.701	97.317	97.674	97.675	1.8	2.3	1.4	1.4
1999: III.....	9,502.2	9,453.5	9,532.7	4.8	4.3	98.022	97.790	98.013	98.014	1.3	2.0	1.4	1.4
1999: IV.....	9,671.1	9,589.3	9,710.4	7.3	5.0	98.475	98.356	98.432	98.433	1.9	2.3	1.7	1.7
2000: I.....	9,695.6	9,668.8	9,729.0	1.0	4.2	99.292	99.275	99.317	99.311	3.4	3.8	3.6	3.6
2000: II.....	9,847.9	9,746.4	9,885.3	6.4	3.3	99.780	99.714	99.745	99.741	2.0	1.8	1.7	1.7
2000: III.....	9,836.6	9,780.4	9,867.8	-0.5	1.3	100.241	100.283	100.259	100.262	1.9	2.3	2.1	2.1
2000: IV.....	9,887.7	9,844.3	9,941.6	2.1	2.6	100.687	100.727	100.666	100.672	1.8	1.8	1.6	1.6
2001: I.....	9,875.6	9,883.2	9,913.6	-0.5	1.6	101.507	101.403	101.478	101.480	3.3	2.7	3.3	3.2
2001: II.....	9,905.9	9,908.7	9,949.8	1.2	1.0	102.290	101.974	102.252	102.248	3.1	2.3	3.1	3.1
2001: III.....	9,871.1	9,899.9	9,887.7	-1.4	-0.4	102.690	102.223	102.675	102.671	1.6	1.0	1.7	1.7
2001: IV.....	9,910.0	9,992.3	9,983.1	1.6	3.8	103.122	102.378	103.191	103.183	1.7	0.6	2.0	2.0
2002: I.....	9,977.3	9,986.8	10,004.1	2.7	-0.2	103.553	102.755	103.568	103.552	1.7	1.5	1.5	1.4
2002: II.....	10,031.6	10,028.4	10,048.6	2.2	1.7	103.944	103.385	103.938	103.928	1.5	2.5	1.4	1.5
2002: III.....	10,090.7	10,063.5	10,119.7	2.4	1.4	104.347	103.816	104.328	104.321	1.6	1.7	1.5	1.5
2002: IV.....	10,095.8	10,067.3	10,143.8	0.2	0.1	104.926	104.374	104.907	104.903	2.2	2.2	2.2	2.3
2003: I.....	10,138.6	10,114.7	10,182.0	1.7	1.9	105.724	105.418	105.705	105.695	3.1	4.1	3.1	3.1
2003: II.....	10,230.4	10,228.2	10,294.1	3.7	4.6	106.019	105.513	106.004	105.997	1.1	0.4	1.1	1.1
2003: III.....	10,410.9	10,399.5	10,474.7	7.2	6.9	106.500	106.040	106.498	106.493	1.8	2.0	1.9	1.9
2003: IV.....	10,502.6	10,471.8	10,590.0	3.6	2.8	106.996	106.483	106.983	106.981	1.9	1.7	1.8	1.8
2004: I.....	10,812.5	10,568.9	10,689.5	4.3	3.8	107.951	107.586	107.958	107.957	3.6	4.2	3.7	3.7
2004: II.....	10,704.1	10,637.4	10,747.7	3.5	2.6	108.976	108.683	108.987	108.980	3.9	4.1	3.9	3.8
2004: III.....	10,808.9	10,757.1	10,854.1	4.0	4.6	109.371	109.235	109.343	109.334	1.5	2.0	1.3	1.3
2004: IV.....	10,897.1	10,846.0	10,931.8	3.3	3.3	110.111	110.092	110.077	110.064	2.7	3.2	2.7	2.7
2005: I.....	10,999.3	10,940.3	11,036.3	3.8	3.5	110.950	110.883	110.905	110.890	3.1	2.9	3.0	3.0
2005: II.....	11,089.2	11,089.2	11,122.5	3.3	5.6	111.655	111.785	111.622	111.607	2.6	3.3	2.6	2.6
2005: III.....	11,202.3	11,214.4	11,243.2	4.1	4.6	112.567	112.527	112.527	112.512	3.3	4.2	3.3	3.3
2005: IV.....	11,248.3	11,207.5	11,263.5	1.7	-0.2	113.532	113.981	113.494	113.477	3.5	4.7	3.5	3.5
2006: I.....	11,403.6	11,369.7	11,433.6	5.6	5.9	114.409	114.721	114.370	114.352	3.1	2.6	3.1	3.1

D. Charts

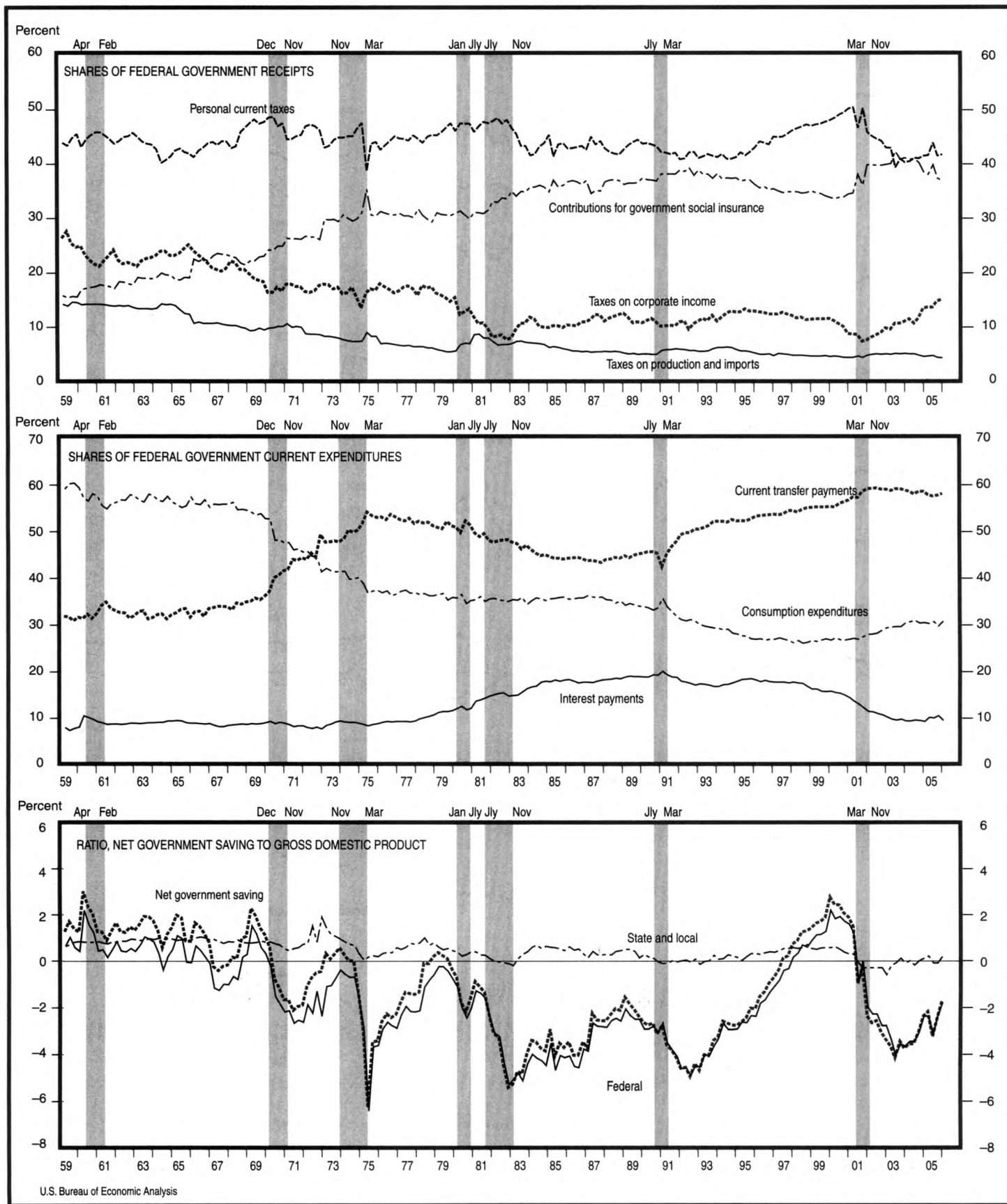
The percent changes shown are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates. The levels of series are also expressed at seasonally adjusted annual rates as appropriate.

SELECTED NIPA SERIES

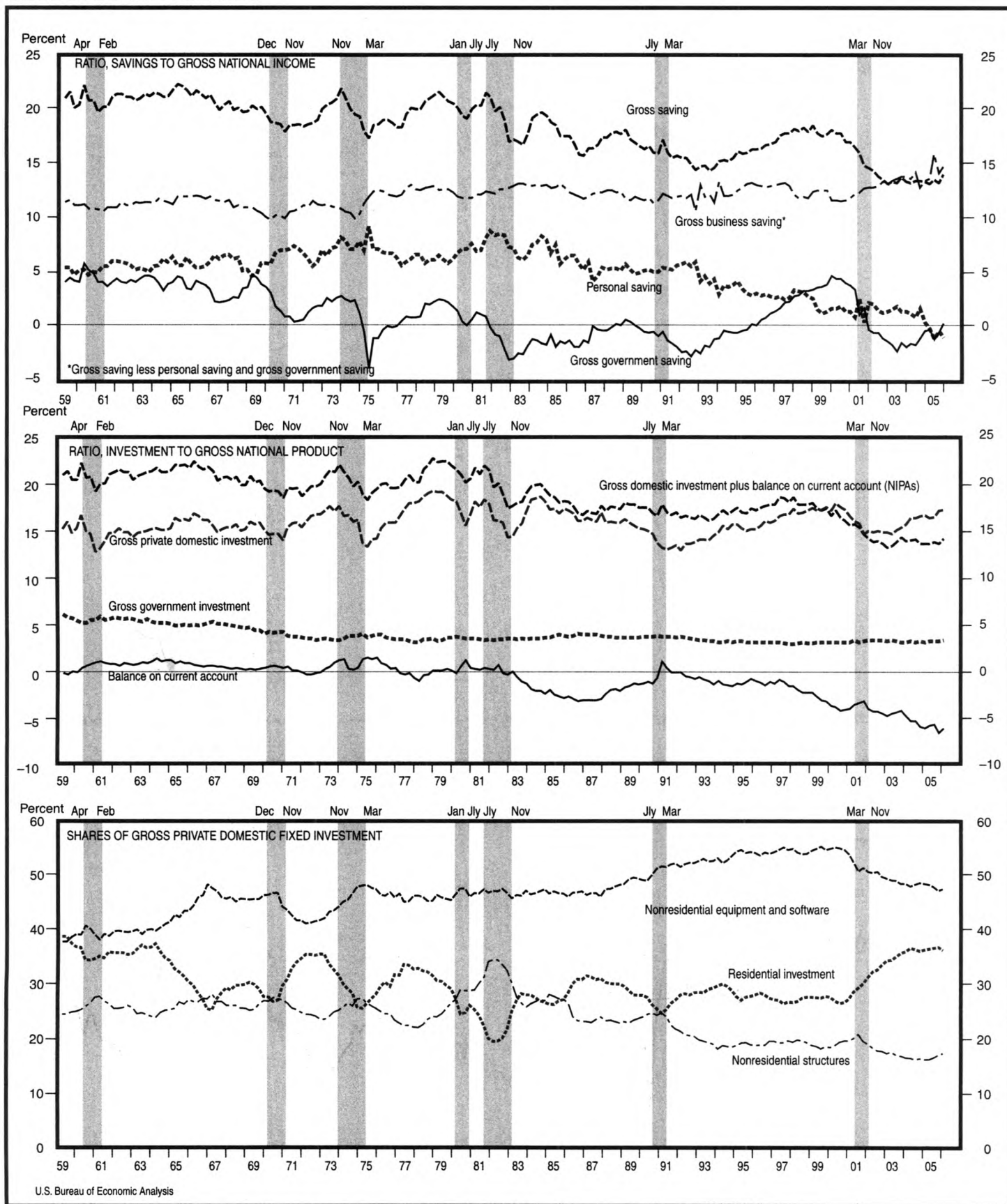


U.S. Bureau of Economic Analysis

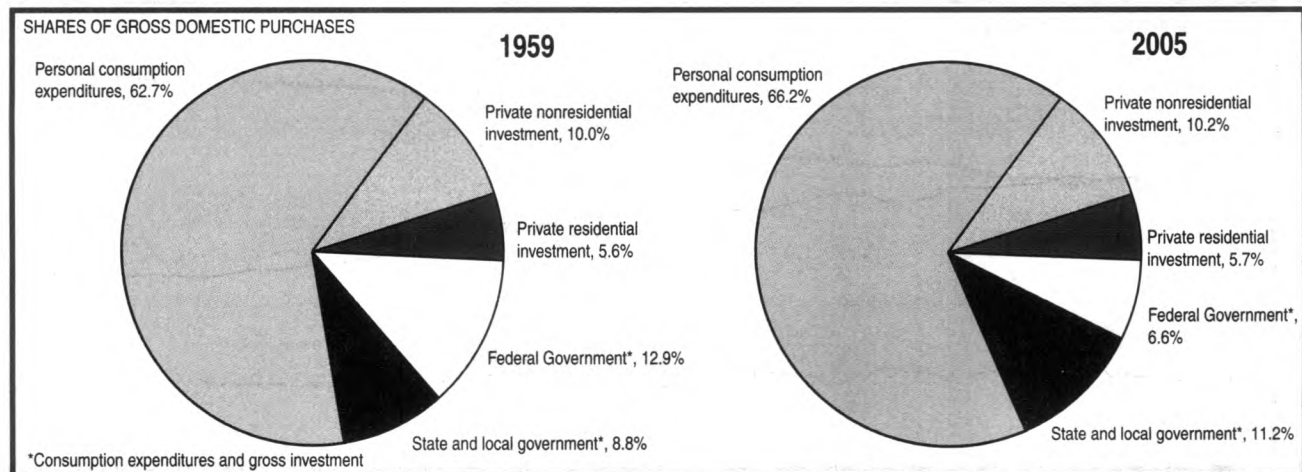
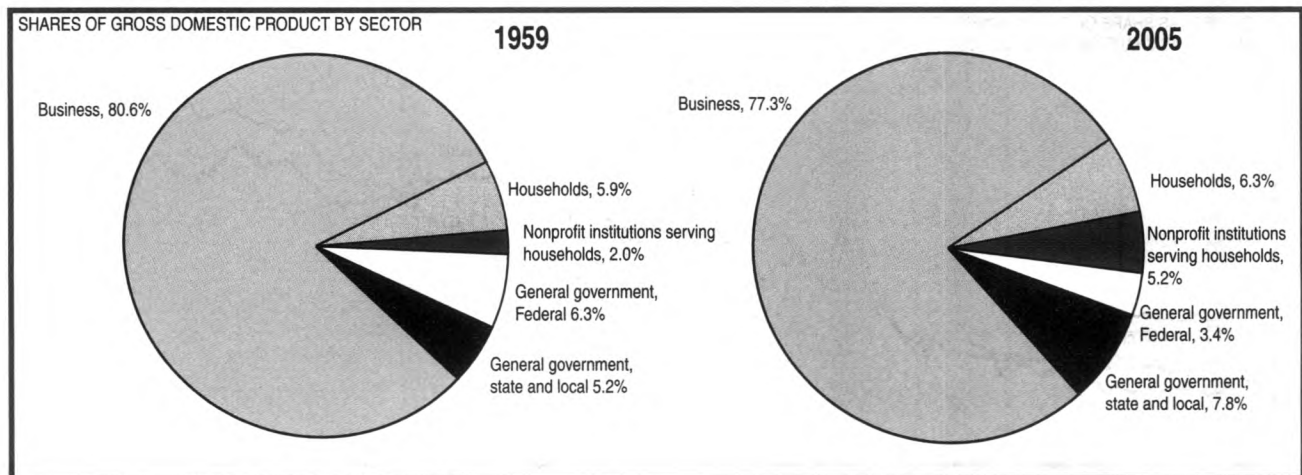
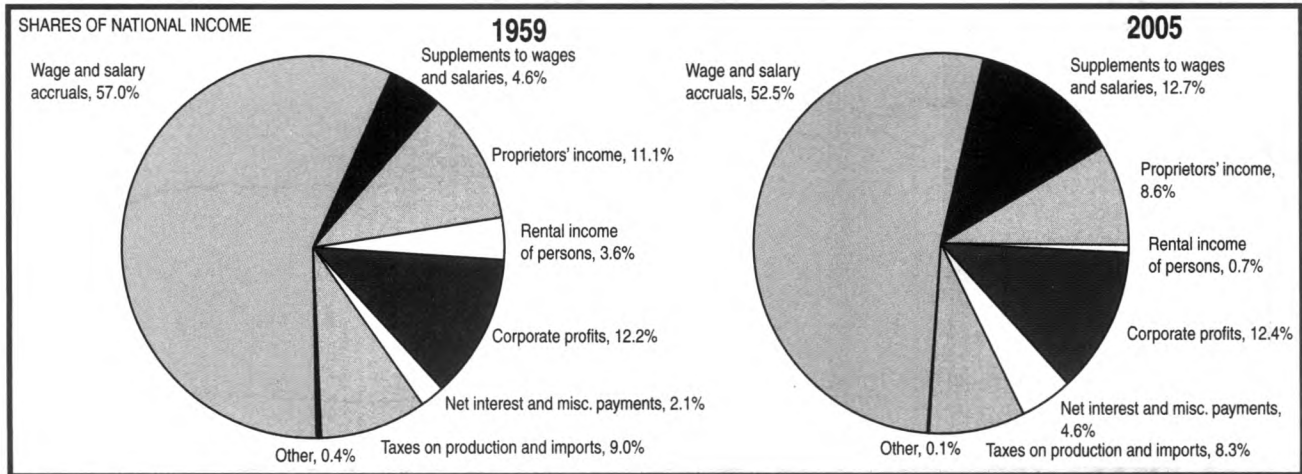
SELECTED NIPA SERIES



SELECTED NIPA SERIES

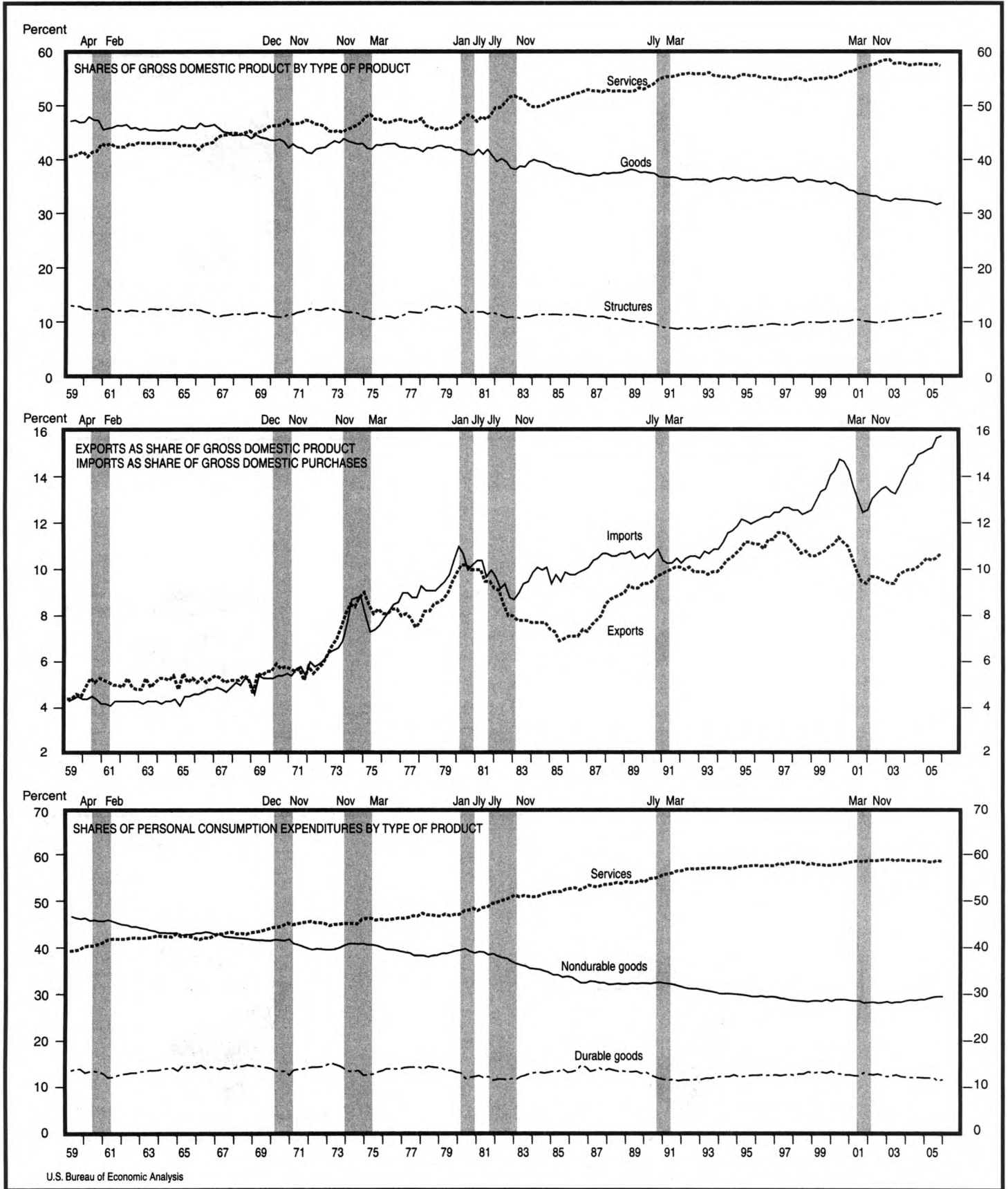


SELECTED NIPA SERIES

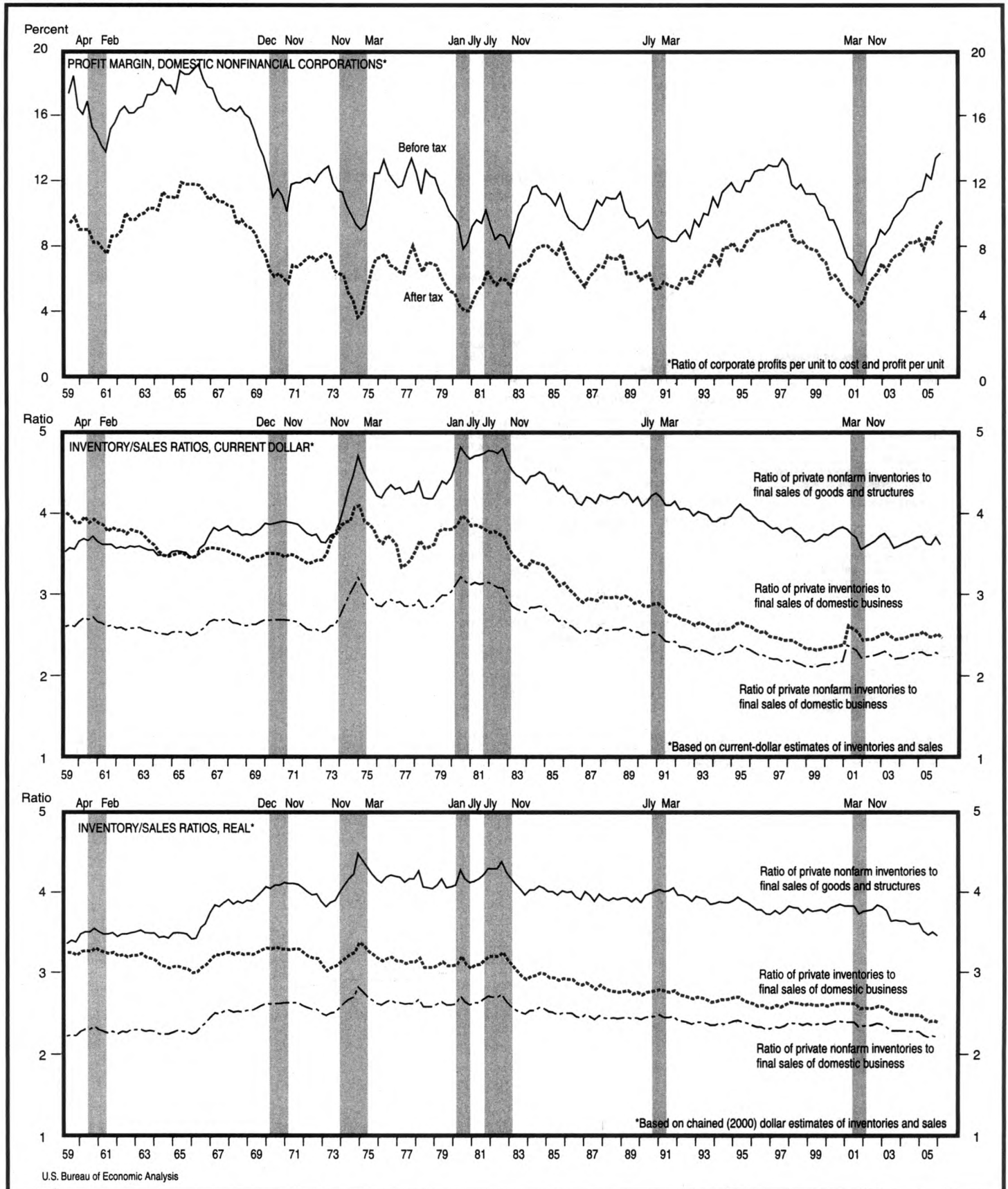


U.S. Bureau of Economic Analysis

SELECTED NIPA SERIES



SELECTED NIPA SERIES



International Data

E. Transactions Tables

Table E.1 presents estimates of U.S. international trade in goods and services that were released on July 12, 2006. It includes preliminary estimates for May 2006 and revised estimates for April 2006.

Table E.1. U.S. International Transactions in Goods and Services

(Millions of dollars; monthly estimates seasonally adjusted)

	2004	2005	2005									2006				
			April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April ^r	May ^p
Exports of goods and services	1,151,942	1,275,245	105,333	105,363	105,950	106,536	107,992	106,327	108,593	110,006	112,567	114,825	113,882	115,940	115,927	118,661
Goods	807,516	894,631	74,230	73,990	74,371	74,846	76,213	73,888	75,964	77,511	79,429	81,404	80,753	82,355	81,832	84,212
Foods, feeds, and beverages	56,570	58,955	4,880	5,249	5,005	4,885	4,917	4,876	5,042	4,926	4,979	5,334	4,993	5,222	5,172	5,560
Industrial supplies and materials	203,960	233,079	19,604	19,745	19,574	19,605	20,029	19,210	19,297	19,517	20,145	21,063	20,650	22,181	22,243	23,009
Capital goods, except automotive	331,555	362,686	30,274	29,573	30,253	30,327	31,082	29,193	31,223	32,188	32,661	33,257	33,445	33,446	33,285	34,088
Automotive vehicles, parts, and engines	89,213	98,578	7,953	7,836	7,890	8,294	8,426	8,504	8,530	8,655	8,939	8,844	8,951	8,576	8,660	8,539
Consumer goods (nonfood), except automotive	103,075	115,715	9,318	9,576	9,517	9,589	9,641	9,908	9,541	10,006	10,461	10,401	10,299	10,514	10,098	10,622
Other goods	34,404	36,964	3,141	3,056	3,172	2,857	3,202	3,198	3,252	3,192	3,408	3,349	3,323	3,325	3,311	3,448
Adjustments ¹	-11,259	-11,347	-941	-1,044	-1,040	-711	-1,084	-1,001	-922	-973	-1,164	-843	-909	-910	-937	-1,055
Services	344,426	380,614	31,103	31,373	31,579	31,690	31,779	32,439	32,629	32,495	33,138	33,421	33,129	33,585	34,095	34,449
Travel	74,547	81,680	7,000	6,978	6,956	6,750	6,704	6,935	6,877	6,633	6,864	7,030	6,778	6,891	7,239	7,346
Passenger fares	18,851	20,931	1,707	1,741	1,713	1,864	1,801	1,843	1,834	1,744	1,793	1,887	1,763	1,834	1,811	1,875
Other transportation	37,436	42,245	3,488	3,390	3,475	3,458	3,495	3,592	3,703	3,752	3,789	3,871	3,825	3,988	4,127	4,095
Royalties and license fees	52,512	57,410	4,637	4,640	4,666	4,745	4,798	4,854	4,936	4,979	5,008	4,999	5,022	5,042	5,078	5,102
Other private services	144,654	158,223	12,696	12,930	13,101	12,987	13,181	13,371	13,707	13,894	14,043	14,070	14,150	14,287	14,230	14,379
Transfers under U.S. military agency sales contracts ²	15,467	19,038	1,489	1,607	1,579	1,790	1,702	1,747	1,484	1,407	1,555	1,475	1,502	1,454	1,520	1,563
U.S. Government miscellaneous services	959	1,087	86	87	89	96	98	97	88	86	86	89	89	89	90	89
Imports of goods and services	1,763,238	1,991,975	162,342	161,992	164,369	164,616	166,734	171,295	175,191	174,008	176,741	181,042	176,543	177,802	179,268	182,495
Goods	1,472,926	1,677,371	136,484	136,063	138,263	138,443	140,574	144,676	148,537	147,225	149,648	153,629	148,782	150,070	151,400	154,295
Foods, feeds, and beverages	62,143	68,094	5,549	5,617	5,631	5,635	5,735	5,880	5,791	5,895	5,964	6,209	5,958	6,360	6,214	6,068
Industrial supplies and materials	412,827	523,881	41,439	40,423	41,594	42,797	44,506	47,082	50,221	49,082	49,320	50,238	49,567	46,434	48,859	52,257
Capital goods, except automotive	343,491	379,227	31,724	31,280	32,252	31,733	31,820	32,235	32,156	32,339	32,980	34,145	32,542	34,420	34,519	34,690
Automotive vehicles, parts, and engines	228,195	239,512	19,097	19,803	19,756	19,829	20,310	20,170	20,725	20,747	21,136	22,315	21,259	21,007	21,427	20,905
Consumer goods (nonfood), except automotive	372,943	407,168	33,597	33,998	34,148	33,435	33,357	34,133	34,531	34,011	35,233	35,190	34,366	36,559	35,365	35,325
Other goods	50,106	55,572	4,665	4,629	4,610	4,632	4,536	4,829	4,776	4,827	4,656	5,129	4,757	4,902	4,651	4,689
Adjustments ¹	3,221	3,916	413	314	272	382	310	347	338	324	360	401	332	388	365	360
Services	290,312	314,604	25,858	25,929	26,106	26,173	26,160	26,619	26,654	26,783	27,093	27,413	27,761	27,732	27,868	28,200
Travel	65,750	69,175	5,884	5,868	5,837	5,732	5,677	5,772	5,739	5,620	5,776	5,776	5,569	5,815	6,036	6,067
Passenger fares	23,723	26,066	2,177	2,177	2,201	2,220	2,164	2,204	2,229	2,211	2,237	2,233	2,282	2,341	2,369	
Other transportation	54,161	62,107	5,027	5,019	5,089	5,025	5,017	5,163	5,348	5,422	5,380	5,552	5,321	5,441	5,270	5,447
Royalties and license fees	23,211	24,501	1,978	1,998	2,028	2,102	2,124	2,130	2,052	2,076	2,133	2,068	2,683	2,076	2,097	2,109
Other private services	90,390	98,714	7,977	8,057	8,136	8,247	8,324	8,430	8,477	8,605	8,764	8,954	9,128	9,276	9,293	9,364
Direct defense expenditures ²	29,299	30,062	2,494	2,491	2,493	2,511	2,514	2,514	2,503	2,501	2,499	2,493	2,493	2,509	2,501	2,514
U.S. Government miscellaneous services	3,778	3,979	321	319	322	336	340	340	331	330	330	333	334	333	330	330
Memoranda:																
Balance on goods	-665,410	-782,740	-62,255	-62,074	-63,892	-63,597	-64,361	-70,788	-72,573	-69,714	-70,219	-72,224	-68,028	-67,715	-69,568	-70,084
Balance on services	54,114	66,011	5,245	5,444	5,473	5,517	5,619	5,820	5,975	5,712	6,045	6,008	5,368	5,853	6,227	6,249
Balance on goods and services	-611,296	-716,730	-57,010	-56,630	-58,419	-58,080	-58,742	-64,968	-66,598	-64,002	-64,174	-66,216	-62,660	-61,862	-63,341	-63,835

p Preliminary

r Revised

¹ Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and definitions used to

prepare BEA's international and national accounts.

² Contains goods that cannot be separately identified.

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of the Census.

Regional Data

H. 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 estimates of state personal income are available on CD-ROM. For information on state personal income, e-mail reis.remnd@bea.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.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 H.1. Personal Income by State and Region

(Millions of dollars, seasonally adjusted at annual rates)

Area name	2002			2003				2004				2005				2006	Percent change ¹
	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	
United States	8,876,427	8,888,413	8,923,886	9,004,711	9,106,950	9,202,945	9,314,423	9,473,036	9,607,693	9,723,125	10,018,162	10,076,392	10,187,218	10,252,277	10,444,012	10,588,304	1.4
New England	530,492	528,461	528,020	531,609	535,776	541,887	548,759	559,109	566,832	574,930	589,388	592,120	596,917	604,457	609,843	619,337	1.6
Connecticut	147,563	147,156	146,643	146,661	148,243	149,488	150,895	155,181	156,071	159,175	163,835	165,286	165,938	168,228	169,308	171,867	1.5
Maine	35,965	36,150	36,218	36,727	36,951	37,360	38,087	38,569	39,189	39,667	40,616	40,703	41,153	41,326	41,698	42,080	0.9
Massachusetts	251,711	249,896	249,527	251,739	253,370	256,922	259,811	263,869	268,298	271,116	277,660	278,177	280,597	284,687	287,722	292,511	1.7
New Hampshire	43,598	43,420	43,514	43,736	44,095	44,619	45,237	46,263	47,006	47,897	49,113	49,321	49,922	50,405	50,715	51,562	1.7
Rhode Island	33,640	33,767	33,914	34,435	34,591	35,035	35,607	36,065	36,605	37,194	37,897	38,201	38,705	38,986	39,488	40,210	1.8
Vermont	18,016	18,074	18,203	18,311	18,526	18,692	19,123	19,162	19,662	19,882	20,266	20,432	20,557	20,825	20,912	21,107	0.9
Mideast	1,652,423	1,649,416	1,647,032	1,656,252	1,679,649	1,695,310	1,716,021	1,748,455	1,767,312	1,796,613	1,849,947	1,860,543	1,872,446	1,898,621	1,920,061	1,949,142	1.5
Delaware	26,420	26,654	26,554	27,147	27,410	27,811	28,111	28,943	29,415	29,584	30,685	30,925	31,007	31,532	32,443	32,093	-1.1
District of Columbia	25,859	25,797	25,924	26,170	26,536	26,706	27,065	27,691	28,019	28,420	29,279	29,562	29,954	30,426	30,599	31,158	1.8
Maryland	198,778	199,364	200,335	202,263	205,134	207,635	210,137	215,229	218,136	220,694	227,550	229,497	232,272	236,025	238,760	242,311	1.5
New Jersey	337,565	336,914	336,291	336,502	341,139	344,710	347,096	352,873	356,964	362,783	373,477	375,123	378,462	382,995	385,860	391,527	1.5
New York	681,119	677,570	674,818	677,180	688,808	694,590	703,916	720,929	726,285	740,670	763,140	768,268	769,320	782,304	792,262	805,717	1.7
Pennsylvania	382,682	383,118	383,111	386,990	390,623	393,859	399,696	402,790	408,493	414,462	425,816	427,168	431,430	435,339	440,137	446,336	1.4
Great Lakes	1,387,747	1,389,906	1,396,850	1,413,016	1,429,119	1,439,518	1,456,049	1,462,839	1,476,062	1,488,416	1,522,258	1,524,885	1,540,084	1,552,623	1,562,048	1,579,925	1.1
Illinois	414,627	413,396	416,079	419,156	426,419	430,499	431,936	436,744	437,762	439,730	451,253	452,829	456,827	461,953	466,085	471,672	1.2
Indiana	171,856	173,078	174,850	176,114	177,720	179,323	182,557	184,522	187,229	188,394	192,113	192,694	195,011	197,085	197,767	199,976	1.1
Michigan	304,614	305,121	306,232	313,756	316,924	318,931	323,523	320,155	322,176	324,468	329,737	330,162	334,096	335,369	336,035	339,249	1.0
Ohio	333,103	334,743	335,185	338,628	341,061	342,512	347,499	348,793	353,887	357,521	366,983	366,565	372,099	373,099	375,285	380,160	1.3
Wisconsin	163,547	163,568	164,504	165,361	166,995	168,253	170,534	172,625	175,007	178,302	182,171	182,635	184,265	186,117	186,877	188,867	1.1
Plains	574,276	578,297	583,167	590,504	595,878	602,829	608,120	621,974	629,649	636,193	652,895	657,869	661,151	666,738	676,575	684,669	1.2
Iowa	82,211	82,539	83,181	82,686	83,322	84,456	85,741	90,309	91,390	91,372	93,777	95,076	95,592	96,074	97,058	97,059	0.0
Kansas	78,247	78,666	79,498	80,149	80,282	81,148	82,036	82,985	84,036	85,426	87,382	88,805	89,243	89,879	91,972	93,457	1.6
Minnesota	166,404	167,749	168,654	170,414	172,615	175,290	175,256	180,024	182,214	185,024	190,393	189,637	189,743	192,313	193,441	195,753	1.2
Missouri	160,439	161,274	162,690	165,103	166,279	167,694	169,093	171,984	173,840	175,836	180,438	181,515	183,841	185,425	188,366	190,690	1.2
Nebraska	50,091	50,551	51,010	52,588	53,207	53,544	54,413	55,476	56,286	56,514	57,817	58,419	58,781	59,677	60,392	61,501	1.8
North Dakota	16,541	16,794	17,131	17,767	18,098	18,428	18,707	18,341	18,599	18,753	19,376	19,952	19,710	19,736	20,622	20,884	1.3
South Dakota	20,342	20,704	21,003	21,797	22,075	22,259	22,875	22,855	23,263	23,268	23,711	24,465	24,241	24,344	24,725	25,324	2.4
Southeast	1,973,506	1,978,147	1,989,517	2,009,559	2,026,833	2,049,403	2,080,670	2,117,802	2,153,799	2,177,714	2,245,852	2,268,810	2,298,313	2,258,551	2,357,585	2,390,478	1.4
Alabama	113,461	114,291	115,220	116,983	117,605	118,672	120,804	122,025	124,697	125,602	128,996	130,442	132,318	133,202	136,544	138,657	1.9
Arkansas	63,134	63,342	63,887	65,041	65,804	66,558	67,896	69,439	70,572	71,121	72,820	73,763	74,162	74,927	76,253	77,261	1.3
Florida	494,568	496,725	501,667	502,536	507,971	514,692	522,709	530,991	542,104	545,632	569,702	575,872	585,188	595,696	601,793	611,762	1.7
Georgia	245,465	244,932	246,164	247,975	249,299	251,350	254,318	258,099	263,063	266,171	274,063	276,022	280,225	283,407	288,775	291,070	0.8
Kentucky	103,826	104,074	104,859	105,259	106,214	107,247	108,264	110,946	112,008	112,975	115,772	116,932	118,689	119,288	120,302	121,869	1.3
Louisiana	112,431	112,847	113,955	114,206	115,612	116,852	118,112	120,933	121,919	123,040	126,191	127,545	128,270	129,476	131,538	132,060	0.4
Mississippi	63,881	64,157	64,568	66,037	66,514	67,290	68,309	69,539	70,773	71,416	72,760	73,422	74,151	74,807	77,839	78,906	1.4
North Carolina	229,198	229,211	229,199	231,171	232,488	235,331	239,564	243,915	247,787	251,542	258,462	261,891	263,579	266,000	268,636	272,055	1.3
South Carolina	104,218	104,170	104,682	106,514	106,939	107,832	109,519	111,209	113,267	114,561	117,447	118,533	120,042	121,106	122,518	124,489	1.6
Tennessee	159,328	159,206	160,463	163,435	165,082	166,700	169,323	171,418	174,272	176,978	180,854	181,862	184,367	186,569	189,095	191,893	1.5
Virginia	240,835	241,814	241,686	246,501	249,159	252,401	256,496	262,677	266,864	271,771	280,775	283,902	287,880	292,516	294,213	299,485	1.8
West Virginia	43,159	43,378	43,665	43,903	44,147	44,479	44,996	45,611	46,473	46,905	48,010	48,623	49,193	49,557	50,078	50,972	1.8
Southwest	904,421	907,621	913,517	924,239	937,227	947,202	961,143	977,389	993,373	1,006,037	1,035,226	1,052,654	1,069,167	1,088,710	1,108,216	1,127,107	1.7
Arizona	143,488	144,410	146,108	148,464	150,530	152,570	155,268	159,072	162,313	165,854	170,741	173,590	177,474	182,683	183,382	186,846	1.9
New Mexico	44,933	45,120	45,494	45,881	46,421	46,879	47,935	48,765	49,469	49,881	51,195	52,328	52,877	53,447	54,148	54,929	1.4
Oklahoma	89,899	90,342	90,754	91,534	92,608	93,410	94,814	95,848	97,405	98,342	100,786	102,355	103,326	104,802	107,058	109,198	2.0
Texas	626,102	627,749	631,161	638,360	647,668	654,344	663,126	673,704	684,185	691,960	712,503	724,381	735,490	747,778	763,627	776,133	1.6
Rocky Mountain	282,925	283,633	285,306	287,691	290,221	294,826	296,129	302,895	308,6								

Table H.2. Annual Personal Income and Per Capita Personal Income by State and Region

Area name	Personal income						Percent change ²	Per capita personal income ¹					Rank in U.S.	
	[Millions of dollars]							[Dollars]						
	2000	2001	2002	2003	2004	2005		2000	2001	2002	2003	2004		2005
United States	8,422,074	8,716,992	8,872,871	9,157,257	9,705,504	10,251,639	5.6	29,845	30,574	30,810	31,484	33,050	34,586	
New England	503,961	524,402	528,030	539,508	572,565	602,533	5.2	36,118	37,342	37,379	38,009	40,260	42,314	
Connecticut.....	141,570	147,356	146,997	148,822	158,566	167,858	5.9	41,489	42,930	42,505	42,693	45,318	47,819	1
Maine.....	33,173	35,107	35,998	37,281	39,510	41,300	4.5	25,969	27,292	27,756	28,497	30,046	31,252	34
Massachusetts.....	240,209	249,095	249,954	255,403	270,236	283,391	4.9	37,756	38,953	38,985	39,798	42,176	44,289	2
New Hampshire.....	41,429	42,624	43,393	44,422	47,570	50,312	5.8	33,396	33,868	34,043	34,500	36,616	38,408	6
Rhode Island.....	30,697	32,478	33,635	34,917	36,940	38,907	5.3	29,214	30,687	31,478	32,459	34,207	36,153	13
Vermont.....	16,883	17,742	18,051	18,663	19,743	20,764	5.2	27,680	28,951	29,291	30,146	31,780	33,327	22
Mideast	1,580,733	1,627,895	1,648,005	1,686,808	1,790,582	1,890,698	5.6	34,076	34,906	35,155	35,797	37,851	39,891	
Delaware.....	24,277	25,537	26,530	27,620	29,657	31,265	5.4	30,869	32,105	32,925	33,772	35,728	37,065	10
District of Columbia.....	23,102	25,525	25,786	26,619	28,352	30,270	6.8	40,456	44,834	45,670	47,718	51,155	54,985	
Maryland.....	181,957	191,657	198,824	206,292	220,402	233,874	6.1	34,257	35,627	36,533	37,423	39,631	41,780	4
New Jersey.....	323,554	332,951	337,009	342,362	361,524	381,595	5.6	38,364	39,148	39,296	39,625	41,626	43,771	3
New York.....	663,005	679,886	677,604	691,123	737,756	779,941	5.7	34,897	35,612	35,357	35,944	38,264	40,507	5
Pennsylvania.....	364,838	372,339	382,251	392,792	412,890	433,752	5.1	29,695	30,281	31,016	31,767	33,312	34,897	18
Great Lakes	1,333,971	1,359,189	1,386,117	1,434,426	1,487,393	1,550,492	4.2	29,496	29,914	30,381	31,300	32,337	33,592	
Illinois.....	400,373	407,254	413,711	427,003	441,373	461,014	4.5	32,185	32,532	32,869	33,755	34,721	36,120	14
Indiana.....	165,285	167,881	172,474	178,929	188,065	196,160	4.3	27,132	27,406	28,023	28,877	30,204	31,276	33
Michigan.....	294,227	299,542	303,465	318,283	324,134	335,164	3.4	29,552	29,946	30,227	31,582	32,079	33,116	24
Ohio.....	320,538	325,623	333,158	342,425	356,796	372,332	4.4	28,207	28,601	29,212	29,954	31,161	32,478	26
Wisconsin.....	153,548	158,888	163,309	167,786	177,026	185,821	5.0	28,570	29,400	30,025	30,664	32,166	33,565	21
Plains	545,882	562,733	576,806	599,330	635,178	666,481	4.9	28,326	29,047	29,622	30,607	32,247	33,634	
Iowa.....	77,763	79,456	82,398	84,051	91,712	95,858	4.5	26,554	27,106	28,081	28,576	31,058	32,315	28
Kansas.....	74,570	77,564	78,606	80,904	84,957	90,126	6.1	27,694	28,718	28,980	29,698	31,078	32,836	25
Minnesota.....	157,964	162,578	166,968	173,394	184,414	191,830	4.0	32,017	32,616	33,237	34,256	36,184	37,373	9
Missouri.....	152,722	156,937	161,104	167,042	175,524	185,026	5.4	27,241	27,809	28,358	29,210	30,475	31,899	20
Nebraska.....	47,329	49,303	50,390	53,438	56,523	59,124	4.6	27,625	28,682	29,182	30,747	32,341	33,616	30
North Dakota.....	16,097	16,465	16,743	18,250	18,768	19,988	6.5	25,106	25,879	26,427	28,828	29,494	31,395	32
South Dakota.....	19,438	20,429	20,596	22,251	23,280	24,530	5.4	25,720	26,949	27,087	29,102	30,209	31,614	31
Southwest	1,840,460	1,922,935	1,973,853	2,041,617	2,173,791	2,297,393	5.7	26,484	27,348	27,733	28,332	29,756	31,003	
Alabama.....	105,807	110,421	113,835	118,516	125,330	132,796	6.0	23,764	24,717	25,409	26,326	27,695	29,136	41
Arkansas.....	58,726	61,967	63,234	66,325	70,988	74,687	5.2	21,925	23,023	23,363	24,329	25,814	26,874	48
Florida.....	457,539	478,637	495,489	511,977	547,107	590,954	8.0	28,509	29,273	29,709	30,128	31,469	33,219	23
Georgia.....	230,356	240,616	244,957	250,735	265,599	282,347	6.3	27,989	28,592	28,544	28,666	29,782	31,121	35
Kentucky.....	98,845	101,346	103,866	106,836	112,925	118,998	5.4	24,412	24,920	25,404	25,951	27,265	28,513	42
Louisiana.....	103,151	110,256	112,744	116,196	123,021	112,275	-8.7	23,079	24,692	25,194	25,877	27,297	24,820	50
Mississippi.....	59,837	62,739	63,979	67,038	71,122	73,955	4.0	21,005	21,955	22,321	23,271	24,518	25,318	49
North Carolina.....	218,668	225,395	228,684	234,638	250,427	265,296	5.9	27,068	27,493	27,510	27,859	29,322	30,553	37
South Carolina.....	98,270	101,468	104,046	107,701	114,121	120,639	5.7	24,424	24,994	25,361	25,972	27,185	28,352	43
Tennessee.....	148,833	154,416	159,173	166,135	175,880	185,488	5.5	26,097	26,870	27,490	28,440	29,844	31,107	36
Virginia.....	220,845	233,770	240,534	251,139	270,522	290,511	7.4	31,087	32,505	33,013	34,014	36,160	38,390	7
West Virginia.....	39,582	41,902	43,312	44,381	46,750	49,445	5.8	21,899	23,261	24,002	24,515	25,792	27,215	47
Southwest	850,326	892,795	905,918	942,453	1,003,006	1,079,209	7.6	27,088	27,963	27,872	28,506	29,818	31,486	
Arizona.....	132,558	138,854	144,150	151,708	164,495	179,765	9.3	25,660	26,219	26,507	27,199	28,658	30,267	38
New Mexico.....	40,318	44,138	44,987	46,779	49,828	53,308	7.0	22,134	24,085	24,246	24,892	26,184	27,644	46
Oklahoma.....	84,310	90,161	90,178	93,092	98,095	104,060	6.1	24,407	26,015	25,861	26,560	27,840	29,330	40
Texas.....	593,139	619,642	626,604	650,875	690,588	742,074	7.5	28,313	29,045	28,846	29,452	30,732	32,462	27
Rocky Mountain	264,024	279,678	283,369	292,217	311,061	332,793	7.0	28,490	29,639	29,553	30,060	31,578	33,250	
Colorado.....	144,394	152,700	153,066	157,035	166,188	177,025	6.5	33,371	34,493	34,027	34,528	36,113	37,946	8
Idaho.....	31,290	33,054	33,849	34,654	37,497	40,241	7.3	24,075	25,019	25,185	25,330	26,877	28,158	44
Montana.....	20,716	22,359	22,819	24,028	25,635	27,497	7.3	22,929	24,676	25,065	26,177	27,657	29,387	39
Utah.....	53,561	56,594	58,172	60,298	64,399	69,299	7.6	23,878	24,738	24,895	25,349	26,603	28,061	45
Wyoming.....	14,063	14,972	15,463	16,202	17,341	18,731	8.0	28,460	30,305	30,986	32,279	34,279	36,778	12
Far West	1,502,717	1,547,366	1,570,773	1,620,899	1,731,928	1,832,041	5.8	31,835	32,276	32,307	32,886	34,713	36,339	
Alaska.....	18,741	20,050	20,722	21,416	22,363	23,634	5.7	29,867	31,711	32,343	33,023	34,000	35,612	16
California.....	1,103,842	1,135,304	1,147,716	1,184,265	1,262,306	1,338,181	6.0	32,463	32,882	32,803	33,400	35,219	37,036	11
Hawaii.....	34,451	35,126	36,370	38,115	41,176	44,044	7.0	28,422	28,748	30,536	32,625	34,539	37,199	19
Nevada.....	61,428	64,367	66,632	71,606	78,822	86,650	9.9	30,437	30,727	30,736	31,943	33,787	35,883	15
Oregon.....	96,402	99,020	101,882	103,890	109,757	116,889	6.5	28,097	28,507	28,924	29,161	30,561	32,103	29
Washington.....	187,853	193,498	197,452	201,607	217,503	222,643	2.4	31,779	32,291	32,549	32,882	35,041	35,409	17

1. Per capita personal income was computed using midyear population estimates of the Bureau of the Census.

2. Percent change was calculated from 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 estimate of personal income in the national income and product accounts because of differences in coverage, in the

methodologies used to prepare the estimates, and in the timing of the availability of source data.

Source: Table 2 in "State Personal Income" in the April 2006 SURVEY OF CURRENT BUSINESS.

Table H.3. Disposable Personal Income and Per Capita Disposable Personal Income by State and Region

Area name	Disposable personal income						Percent change ²	Per capita disposable personal income ¹					Rank in U.S.	
	[Millions of dollars]							[Dollars]						
	2000	2001	2002	2003	2004			2005	2000	2001	2002	2003		2004	2005
United States	7,187,588	7,480,971	7,822,136	8,158,445	8,657,562	9,043,159	4.5	25,470	26,239	27,162	28,050	29,482	30,509	
New England	411,889	432,904	454,473	469,157	498,574	516,151	3.5	29,520	30,826	32,172	33,053	35,057	36,247	
Connecticut.....	113,910	118,825	123,813	126,725	135,035	140,322	3.9	33,383	34,618	35,801	36,354	38,593	39,974	1
Maine.....	28,728	30,508	31,984	33,458	35,493	36,726	3.5	22,489	23,717	24,660	25,574	26,991	27,791	35
Massachusetts.....	192,839	203,390	214,288	221,055	234,334	241,302	3.0	30,310	31,806	33,422	34,445	36,573	37,711	3
New Hampshire.....	35,438	36,774	38,709	40,076	43,027	44,983	4.5	28,566	29,220	30,366	31,124	33,119	34,339	5
Rhode Island.....	26,330	27,949	29,644	31,037	32,878	34,327	4.4	25,059	26,407	27,742	28,852	30,445	31,897	14
Vermont.....	14,645	15,457	16,036	16,807	17,807	18,490	3.8	24,010	25,223	26,021	27,148	28,664	29,677	22
Midwest	1,325,573	1,362,089	1,422,594	1,471,617	1,560,984	1,626,579	4.2	28,576	29,207	30,347	31,231	32,998	34,318	
Delaware.....	20,666	21,688	23,183	24,405	26,240	27,456	4.6	26,278	27,267	28,771	29,841	31,612	32,549	10
District of Columbia.....	19,078	21,447	22,308	23,166	24,666	26,020	5.5	33,408	37,671	39,510	41,527	44,505	47,265	
Maryland.....	152,970	161,723	171,570	179,659	191,994	201,538	5.0	28,800	30,062	31,526	32,591	34,523	35,986	4
New Jersey.....	269,958	279,149	291,335	299,127	316,156	329,682	4.3	32,009	32,822	33,971	34,621	36,402	37,817	2
New York.....	548,702	556,722	576,527	595,093	633,709	658,662	3.9	28,881	29,161	30,083	30,949	32,867	34,208	6
Pennsylvania.....	314,199	321,359	337,670	350,168	368,219	383,220	4.1	25,573	26,135	27,398	28,319	29,708	30,831	18
Great Lakes	1,145,681	1,173,332	1,221,717	1,280,351	1,329,478	1,371,019	3.1	25,332	25,824	26,778	27,938	28,904	29,704	
Illinois.....	340,996	348,839	362,767	379,755	393,133	405,070	3.0	27,412	27,866	28,821	30,020	30,926	31,737	17
Indiana.....	144,059	146,577	153,422	160,914	169,350	175,099	3.4	23,647	23,928	24,927	25,970	27,198	27,918	34
Michigan.....	253,237	260,068	269,198	286,045	291,696	299,098	2.5	25,435	26,000	26,814	28,383	28,869	29,553	24
Ohio.....	275,725	280,988	292,555	304,647	317,680	328,287	3.3	24,263	24,681	25,652	26,649	27,762	28,636	30
Wisconsin.....	131,663	136,860	143,775	148,989	157,418	163,466	3.8	24,496	25,324	26,433	27,229	28,603	29,527	25
Plains	473,377	489,385	512,013	537,967	571,185	593,517	3.9	24,564	25,261	26,295	27,473	28,998	29,952	
Iowa.....	68,496	70,140	74,161	76,221	83,423	86,399	3.6	23,390	23,928	25,274	25,913	28,251	29,127	28
Kansas.....	64,751	67,684	70,049	72,878	76,602	80,624	5.3	24,047	25,060	25,825	26,752	28,021	29,375	26
Minnesota.....	134,132	138,730	145,240	152,572	162,638	166,874	2.6	27,187	27,832	28,912	30,143	31,911	32,511	11
Missouri.....	132,734	136,441	143,294	150,347	158,344	165,718	4.7	23,676	24,177	25,223	26,290	27,493	28,570	31
Nebraska.....	41,271	43,184	45,123	48,450	51,274	53,042	3.4	24,089	25,122	26,132	27,677	29,338	30,158	20
North Dakota.....	14,487	14,763	15,266	16,815	17,252	18,256	5.8	22,595	23,203	24,095	25,561	27,113	28,674	29
South Dakota.....	17,505	18,443	18,879	20,684	21,653	22,603	4.4	23,163	24,329	24,829	27,052	28,098	29,130	27
Southeast	1,604,611	1,682,999	1,762,224	1,841,704	1,963,924	2,057,049	4.7	23,090	23,936	24,760	25,558	26,883	27,759	
Alabama.....	93,705	98,257	102,725	107,902	114,184	120,090	5.2	21,046	21,994	22,929	23,968	25,232	26,348	41
Arkansas.....	51,897	55,026	56,919	60,348	64,677	67,432	4.3	19,375	20,444	21,029	22,137	23,519	24,264	48
Florida.....	398,172	418,855	443,369	464,529	496,824	530,376	6.8	24,810	25,617	26,584	27,366	28,577	29,813	21
Georgia.....	197,964	207,824	216,481	223,764	237,476	250,157	5.3	24,054	24,695	25,226	25,828	26,628	27,573	36
Kentucky.....	86,423	88,537	92,299	95,722	101,483	106,124	4.6	21,344	21,770	22,575	23,252	24,502	25,429	43
Louisiana.....	91,957	98,406	102,141	106,455	112,693	103,196	-8.4	20,574	22,038	22,825	23,707	25,006	22,813	50
Mississippi.....	53,940	56,692	58,542	61,896	65,844	67,902	3.1	18,935	19,839	20,424	21,466	22,699	23,246	49
North Carolina.....	189,004	195,424	202,246	209,484	224,312	235,191	4.8	23,396	23,837	24,330	24,872	26,265	27,086	38
South Carolina.....	86,509	89,602	93,514	97,634	103,734	108,767	4.9	21,501	22,072	22,794	23,545	24,711	25,562	42
Tennessee.....	133,501	138,817	145,548	153,202	162,409	169,935	4.6	23,409	24,155	25,137	26,226	27,558	28,498	32
Virginia.....	186,232	198,134	209,201	220,228	237,519	252,892	6.5	26,215	27,549	28,712	29,828	31,748	33,418	8
West Virginia.....	35,308	37,425	39,240	40,539	42,769	44,987	5.2	19,535	20,775	21,745	22,393	23,596	24,761	47
Southwest	748,309	789,375	818,959	860,359	917,265	980,249	6.9	23,838	24,724	25,196	26,023	27,269	28,599	
Arizona.....	115,336	121,547	129,279	137,224	148,908	161,457	8.4	22,326	22,951	23,772	24,602	25,943	27,185	37
New Mexico.....	35,661	39,388	40,631	42,633	45,471	48,296	6.2	19,578	21,493	21,899	22,686	23,894	25,045	46
Oklahoma.....	74,327	79,731	81,087	84,409	88,997	93,836	5.4	21,517	23,005	23,254	24,083	25,258	26,449	39
Texas.....	522,986	548,709	567,962	596,093	633,889	676,658	6.7	24,964	25,720	26,146	26,974	28,209	29,600	23
Rocky Mountain	226,461	242,403	251,784	262,493	279,901	296,040	5.8	24,436	25,689	26,259	27,020	28,415	29,578	
Colorado.....	122,175	130,976	134,727	140,086	148,537	156,281	5.2	28,236	29,586	29,950	30,801	32,278	33,499	7
Idaho.....	27,240	28,945	30,512	31,449	34,118	36,233	6.2	20,959	21,909	22,703	22,987	24,455	25,354	44
Montana.....	18,281	19,835	20,572	21,830	23,278	24,681	6.0	20,233	21,891	22,597	23,783	25,113	26,378	40
Utah.....	46,661	49,627	52,123	54,457	58,235	62,157	6.7	20,802	21,693	22,306	22,893	24,057	25,169	45
Wyoming.....	12,105	13,019	13,850	14,671	15,732	16,688	6.1	24,497	26,352	27,754	29,231	31,098	32,768	9
Far West	1,251,686	1,308,485	1,378,371	1,434,796	1,536,251	1,602,556	4.3	26,517	27,293	28,350	29,110	30,791	31,788	
Alaska.....	16,582	17,801	18,684	19,501	20,385	21,415	5.1	26,426	28,155	29,162	30,070	30,992	32,268	12
California.....	908,421	949,844	1,001,232	1,042,318	1,112,993	1,163,008	4.5	26,716	27,510	28,616	29,397	31,053	32,168	13
Hawaii.....	30,111	30,701	32,308	34,113	36,843	38,981	5.8	24,842	25,127	26,173	27,330	29,191	30,569	19
Nevada.....	53,123	56,117	59,195	64,243	70,795	76,889	8.6	26,322	26,788	27,306	28,658	30,346	31,841	15
Oregon.....	82,019	85,137	89,801	92,086	97,320	102,505	5.3	23,905	24,510	25,495	25,847	27,098	28,153	33
Washington.....	161,429	168,885	177,151	182,535	197,915	199,757	0.9	27,309	28,183	29,202	29,772	31,885	31,769	16

1. Per capita disposable personal income was computed using midyear population estimates of the Bureau of the Census.
 2. Percent change was calculated from 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 estimate of personal income in the national income and product accounts because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data.
 Source: Table 3 in "State Personal Income" in the April 2006 Survey of Current Business.

Table H.4. Gross State Product (GSP) by Industry for States and Regions, 2004
[Millions of dollars]

State and region	Rank of total GSP	Total GSP	Natural resources and mining	Construction	Durable-goods manufacturing	Nondurable-goods manufacturing	Trade	Transportation and utilities	Information	Financial activities	Professional and business services	Education and health services	Leisure and hospitality	Other services	Government
United States		11,655,335	313,505	549,506	824,058	596,064	1,485,142	568,170	538,739	2,412,884	1,351,866	908,969	424,337	277,746	1,404,349
New England		654,346	2,927	28,383	48,657	22,132	79,168	22,682	26,977	171,497	85,079	67,596	21,868	14,066	63,312
Connecticut.....	23	182,468	450	6,549	13,423	7,534	21,025	6,480	7,204	54,363	23,722	16,421	5,064	3,734	16,499
Maine.....	43	43,258	632	2,338	2,568	2,275	6,400	1,861	1,246	8,731	3,407	4,934	1,717	977	6,172
Massachusetts.....	13	312,700	1,004	13,646	22,862	8,942	36,032	9,226	14,213	80,728	47,245	33,969	10,355	6,655	27,823
New Hampshire.....	39	52,084	277	2,619	4,740	1,519	7,856	2,737	1,769	12,223	5,157	5,105	2,037	1,245	4,800
Rhode Island.....	44	41,844	119	2,039	2,969	1,176	4,842	1,377	1,634	11,520	3,921	4,716	1,527	910	5,094
Vermont.....	50	21,992	445	1,193	2,096	686	3,014	1,000	912	3,931	1,628	2,451	1,168	545	2,924
Mideast		2,141,348	11,170	84,115	81,715	104,303	250,655	93,623	119,999	545,108	285,461	193,388	69,614	51,490	250,709
Delaware.....	38	52,298	447	1,962	1,009	3,147	4,214	1,609	1,112	22,585	6,580	2,954	1,186	916	4,576
District of Columbia..		77,510	12	1,054	118	114	1,728	1,150	4,981	10,858	17,854	5,553	2,622	4,698	26,767
Maryland.....	15	230,698	1,158	13,960	6,181	6,881	27,389	10,378	9,302	52,123	31,013	19,558	7,981	6,027	38,750
New Jersey.....	8	410,306	868	17,147	12,637	26,672	60,937	19,835	19,360	101,616	54,577	31,975	13,809	8,481	42,392
New York.....	2	906,783	2,683	29,433	27,752	31,453	98,119	33,098	68,579	268,653	122,724	82,371	30,649	19,041	92,229
Pennsylvania.....	6	463,752	6,002	20,559	34,017	36,035	58,269	27,553	16,666	89,272	52,713	50,977	13,367	12,328	45,994
Great Lakes		1,762,697	21,385	77,878	222,924	110,932	224,668	90,453	52,765	338,082	200,855	140,225	54,807	42,325	185,396
Illinois.....	5	533,735	6,293	24,996	40,455	30,437	69,314	30,107	19,585	118,989	71,720	39,338	16,958	12,882	52,661
Indiana.....	16	229,449	3,640	10,174	43,264	21,882	27,022	12,677	5,169	35,260	16,758	17,874	8,083	5,365	22,281
Michigan.....	9	366,601	3,166	15,931	56,713	14,239	46,869	16,553	10,146	66,206	49,203	28,384	11,232	8,471	39,489
Ohio.....	7	425,173	4,175	17,182	56,594	27,172	55,985	21,249	11,863	78,055	45,902	36,238	12,486	10,780	47,512
Wisconsin.....	19	207,739	4,112	9,616	25,899	17,202	25,477	9,867	6,002	39,572	17,273	18,391	6,048	4,827	23,452
Plains		759,984	28,986	34,160	66,408	45,280	99,439	41,867	31,575	141,152	73,907	63,112	24,437	18,223	91,438
Iowa.....	30	110,210	6,756	4,435	13,092	10,092	13,205	6,188	3,289	20,221	6,035	8,324	3,295	2,422	12,857
Kansas.....	32	98,927	4,386	3,858	9,362	5,138	13,260	5,703	6,573	15,124	8,899	7,483	2,865	2,379	13,895
Minnesota.....	17	224,620	4,740	11,056	20,041	10,722	29,531	10,091	8,111	49,675	26,349	19,384	6,694	5,355	22,872
Missouri.....	20	205,847	4,035	9,616	16,526	14,629	27,657	10,751	9,517	33,678	24,284	17,625	8,089	5,158	24,281
Nebraska.....	36	67,989	4,492	2,928	3,912	3,307	8,522	6,377	2,437	11,464	5,660	5,424	1,766	1,608	10,091
North Dakota.....	49	22,692	1,985	1,088	1,340	696	3,535	1,513	861	3,437	1,286	2,136	674	553	3,588
South Dakota.....	46	29,699	2,591	1,178	2,134	696	3,729	1,244	787	7,554	1,394	2,736	1,055	748	3,853
Southeast		2,592,632	66,235	134,945	168,581	174,802	349,043	134,467	106,149	469,048	279,407	192,397	100,454	63,910	353,194
Alabama.....	25	141,366	4,994	6,802	14,579	10,497	19,494	7,763	4,580	20,713	12,223	10,528	3,726	3,723	21,745
Arkansas.....	33	82,712	4,620	3,461	8,707	7,508	11,359	5,666	2,855	10,965	6,443	6,457	2,158	1,864	10,651
Florida.....	4	609,372	7,021	41,053	20,027	11,045	89,443	26,826	26,628	140,827	76,268	49,031	32,688	16,904	71,611
Georgia.....	10	339,730	4,994	17,350	17,763	26,117	49,584	20,106	21,584	59,421	38,638	22,227	10,907	7,019	44,019
Kentucky.....	27	133,003	5,076	5,740	15,635	10,640	17,746	8,449	3,500	18,580	9,625	11,355	4,369	3,072	19,217
Louisiana.....	24	160,186	19,816	6,870	6,697	18,028	19,079	10,326	3,925	19,821	12,908	11,585	7,406	3,645	20,082
Mississippi.....	35	77,107	4,174	3,114	7,358	4,661	10,416	4,844	1,896	10,251	4,800	5,853	4,032	2,158	13,550
North Carolina.....	12	323,962	4,810	15,257	23,612	40,561	40,051	14,246	10,682	63,092	30,642	22,700	9,815	6,794	41,699
South Carolina.....	28	131,492	1,623	7,539	12,883	10,988	18,260	6,708	3,507	20,540	11,396	8,320	5,393	3,277	21,077
Tennessee.....	18	216,769	1,896	8,953	24,258	15,411	32,427	11,502	7,127	34,749	21,841	19,940	8,666	6,004	23,997
Virginia.....	11	327,032	3,204	16,808	14,033	16,963	34,684	13,933	18,454	63,585	51,326	19,412	9,409	8,243	56,978
West Virginia.....	41	49,903	4,008	1,997	3,049	2,382	6,502	4,098	1,411	6,506	3,298	4,990	1,885	1,207	8,568
Southwest		1,272,937	103,511	66,649	85,650	59,837	170,511	79,876	50,268	209,069	134,887	85,923	41,629	28,455	156,672
Arizona.....	22	194,246	4,134	13,214	15,389	2,482	27,884	8,904	6,289	43,023	21,633	14,735	8,334	3,971	24,253
New Mexico.....	37	63,645	8,262	2,797	5,191	962	6,661	3,052	1,646	8,627	6,246	4,412	2,207	1,333	12,249
Oklahoma.....	29	111,838	13,593	4,374	7,094	4,197	13,801	6,672	4,040	16,075	9,711	8,204	3,112	2,700	18,265
Texas.....	3	903,208	77,521	46,263	57,976	52,197	122,166	61,248	38,293	141,345	97,296	58,572	27,975	20,451	101,906
Rocky Mountain		379,121	23,170	22,657	20,761	9,578	46,156	18,604	23,349	71,950	43,171	25,027	15,077	9,439	50,182
Colorado.....	21	201,392	8,712	12,586	8,716	4,470	23,762	7,800	17,943	41,008	26,040	12,813	8,693	4,663	24,186
Idaho.....	42	43,509	2,699	2,456	4,476	1,366	5,926	1,948	1,013	7,099	4,953	3,107	1,429	889	6,148
Montana.....	47	27,583	2,404	1,700	834	487	3,626	2,194	837	4,487	1,872	2,568	1,280	704	4,588
Utah.....	34	82,546	2,271	4,632	6,419	2,590	10,578	4,132	3,140	16,672	9,274	5,455	2,756	2,773	11,856
Wyoming.....	48	24,092	7,083	1,283	316	665	2,265	2,529	416	2,684	1,033	1,085	920	410	3,404
Far West		2,092,270	56,120	100,720	129,362	69,200	265,500	86,599	127,657	466,978	249,098	141,302	96,452	49,837	253,446
Alaska.....	45	35,988	9,481	1,779	130	664	2,480	4,105	917	4,016	1,953	2,083	1,190	605	6,586
California.....	1	1,519,202	34,226	69,778	89,508	55,708	194,461	59,441	99,311	354,501	193,211	101,080	59,984	36,936	171,054
Hawaii.....	40	50,238	420	2,691	247	562	5,582	2,676	1,305	10,645	4,669	3,879	4,996	1,310	11,257
Nevada.....	31	99,143	1,804	9,038	2,398	1,278	11,586	4,797	2,076	21,520	10,401	5,176	17,428	1,715	9,926
Oregon.....	26	134,615	4,005	5,606	21,209	4,108	16,681	5,733	4,261	24,869	12,158	10,607	4,108	2,907	18,361
Washington.....	14	253,085	6,183	11,827	15,871	6,880	34,712	9,846	19,786	51,426	26,705	18,477	8,747	6,363	36,262

Note. Totals shown for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GSP excludes and GDP includes the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except office equipment. GSP and GDP also have different revision schedules.

Source: This table reflects the GSP estimates for 2004 that were released on June 6, 2006. Detailed estimates are available on BEA's Web site at <www.bea.gov>.

</

I. Local Area Table

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area—Continues

Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change ²	Dollars			Rank in United States
	2002	2003	2004		2002	2003	2004	
United States³	8,872,871	9,157,257	9,705,504	6.0	30,810	31,484	33,050	
Metropolitan portion	7,740,296	7,978,326	8,458,879	6.0	32,414	33,047	34,668	
Nonmetropolitan portion	1,132,575	1,178,931	1,246,625	5.7	23,024	23,853	25,104	
Metropolitan statistical areas⁴								
Abilene, TX.....	3,783	3,964	4,188	5.6	23,935	25,074	26,432	275
Akron, OH.....	20,993	21,756	22,783	4.7	29,999	31,017	32,462	96
Albany, GA.....	3,658	3,743	3,886	3.8	22,844	23,147	23,938	334
Albany-Schenectady-Troy, NY.....	26,264	27,278	28,686	5.2	31,498	32,453	33,950	69
Albuquerque, NM.....	20,984	21,731	23,014	5.9	27,852	28,339	29,453	168
Alexandria, LA.....	3,692	3,740	4,049	8.3	25,385	25,589	27,557	223
Allentown-Bethlehem-Easton, PA-NJ.....	23,540	24,309	25,589	5.3	31,051	31,606	32,817	87
Altoona, PA.....	3,127	3,218	3,387	5.3	24,499	25,255	26,630	266
Amarillo, TX.....	5,758	6,048	6,391	5.7	24,958	25,904	27,114	244
Ames, IA.....	2,190	2,281	2,418	6.0	27,136	28,417	30,133	151
Anchorage, AK.....	11,800	12,205	12,831	5.1	35,461	35,942	37,058	32
Anderson, IN.....	3,518	3,604	3,697	2.6	26,664	27,517	28,337	192
Anderson, SC.....	4,260	4,370	4,556	4.2	25,030	25,434	26,249	284
Ann Arbor, MI.....	12,227	12,989	13,391	3.1	36,783	38,706	39,528	18
Anniston-Oxford, AL.....	2,608	2,765	2,950	6.7	23,408	24,686	26,343	280
Appleton, WI.....	6,326	6,518	6,986	7.2	30,339	30,911	32,821	86
Asheville, NC.....	9,934	10,038	10,660	6.2	26,290	26,251	27,518	225
Athens-Clarke County, GA.....	4,025	4,176	4,432	6.1	23,776	24,307	25,264	316
Atlanta-Sandy Springs-Marietta, GA.....	149,831	153,070	162,297	6.0	32,925	32,739	33,838	73
Atlantic City, NJ.....	8,071	8,276	8,730	5.5	31,132	31,384	32,538	94
Auburn-Opelika, AL.....	2,523	2,653	2,849	7.4	21,461	22,283	23,632	340
Augusta-Richmond County, GA-SC.....	12,939	13,267	14,007	5.6	25,529	25,994	27,128	242
Austin-Round Rock, TX.....	41,908	43,142	45,855	6.3	31,128	31,353	32,494	95
Bakersfield, CA.....	15,635	16,558	17,864	7.9	22,565	23,215	24,335	331
Baltimore-Towson, MD.....	93,255	96,583	102,650	6.3	35,903	36,757	38,813	21
Bangor, ME.....	3,764	3,857	4,068	5.5	25,741	26,193	27,733	214
Barnstable Town, MA.....	8,610	8,902	9,430	5.9	37,839	38,878	41,362	11
Baton Rouge, LA.....	18,528	19,131	20,208	5.6	25,919	26,531	27,780	213
Battle Creek, MI.....	3,635	3,749	3,851	2.7	26,210	26,968	27,601	221
Bay City, MI.....	2,864	2,978	3,019	1.4	26,106	27,228	27,658	220
Beaumont-Port Arthur, TX.....	9,559	10,041	10,352	3.1	24,991	26,244	27,012	250
Bellingham, WA.....	4,437	4,746	5,055	6.5	25,493	26,884	28,049	204
Bend, OR.....	3,529	3,707	4,019	8.4	28,108	28,616	29,853	158
Billings, MT.....	4,043	4,196	4,486	6.9	28,548	29,341	31,028	130
Binghamton, NY.....	6,461	6,439	6,692	3.9	25,681	25,713	26,836	258
Birmingham-Hoover, AL.....	32,545	33,658	35,770	6.3	30,538	31,348	33,067	78
Bismarck, ND.....	2,642	2,839	3,044	7.2	27,485	29,288	31,096	129
Blacksburg-Christiansburg-Radford, VA.....	3,220	3,352	3,515	4.9	21,328	22,228	23,337	344
Bloomington, IN.....	4,110	4,274	4,527	5.9	23,416	24,183	25,535	304
Bloomington-Normal, IL.....	4,646	5,057	5,024	-0.7	29,932	32,255	31,826	107
Boise City-Nampa, ID.....	14,494	14,847	16,030	8.0	29,059	29,035	30,545	139
Boston-Cambridge-Quincy, MA-NH.....	188,434	191,958	203,527	6.0	42,512	43,345	46,060	5
Boulder, CO.....	11,275	11,541	12,200	5.7	40,469	41,517	43,640	7
Bowling Green, KY.....	2,545	2,691	2,856	6.1	24,014	25,050	26,193	286
Bremerton-Silverdale, WA.....	7,476	7,731	8,176	5.8	31,336	32,215	33,865	72
Bridgeport-Stamford-Norwalk, CT.....	53,471	53,174	56,796	6.8	59,759	59,108	62,979	1
Brownsville-Harlingen, TX.....	5,662	5,989	6,302	5.2	16,042	16,538	16,994	360
Brunswick, GA.....	2,554	2,638	2,825	7.1	26,727	27,272	28,957	179
Buffalo-Niagara Falls, NY.....	32,951	34,135	35,773	4.8	28,400	29,477	31,006	132
Burlington, NC.....	3,516	3,532	3,740	5.9	25,928	25,863	27,016	249
Burlington-South Burlington, VT.....	6,457	6,704	7,080	5.6	31,905	32,962	34,618	54
Canton-Massillon, OH.....	10,918	11,125	11,547	3.8	26,716	27,148	28,164	196
Cape Coral-Fort Myers, FL.....	14,799	15,569	17,030	9.4	31,130	31,629	33,073	76
Carson City, NV.....	1,751	1,882	2,016	7.1	32,105	34,055	36,055	42
Casper, WY.....	2,280	2,369	2,580	8.9	33,763	34,717	37,401	30
Cedar Rapids, IA.....	7,337	7,533	8,038	6.7	30,370	31,058	32,901	84
Champaign-Urbana, IL.....	5,745	6,786	6,204	-8.6	27,009	31,643	28,858	182
Charleston, WV.....	8,740	8,958	9,365	4.5	28,496	29,161	30,480	140
Charleston-North Charleston, SC.....	15,141	15,854	16,991	7.2	26,893	27,719	29,120	174
Charlotte-Gastonia-Concord, NC-SC.....	46,684	47,998	51,349	7.0	33,195	33,363	34,816	51
Charlottesville, VA.....	5,641	5,905	6,371	7.9	31,215	32,236	34,333	60
Chattanooga, TN-GA.....	13,402	13,864	14,617	5.4	27,741	28,519	29,912	157
Cheyenne, WY.....	2,623	2,783	2,939	6.4	31,545	32,766	34,559	56
Chicago-Naperville-Joliet, IL-IN-WI.....	328,703	335,618	349,141	4.0	35,457	35,967	37,169	31
Chico, CA.....	4,899	5,074	5,393	6.3	23,481	24,037	25,357	312
Cincinnati-Middletown, OH-KY-IN.....	65,108	66,984	70,689	5.5	31,999	32,736	34,368	59
Clarks Summit-Scranton, PA.....	5,792	6,189	6,591	6.5	24,740	26,218	27,667	219
Cleveland, TN.....	2,558	2,678	2,874	7.3	24,224	25,221	26,868	255
Cleveland-Elyria-Mentor, OH.....	68,877	69,859	73,111	4.7	32,161	32,651	34,264	63
Coeur d'Alene, ID.....	2,714	2,845	3,098	8.9	23,752	24,194	25,297	314
College Station-Bryan, TX.....	3,940	4,177	4,425	5.9	21,164	22,224	23,446	342
Colorado Springs, CO.....	16,916	17,474	18,536	6.1	29,928	30,559	31,991	104
Columbia, MO.....	4,057	4,231	4,537	7.2	27,293	28,197	30,019	153
Columbia, SC.....	18,327	18,963	20,271	6.9	27,663	28,234	29,808	159
Columbus, GA-AL.....	7,395	7,562	7,939	5.0	26,200	27,047	27,909	211
Columbus, IN.....	2,147	2,258	2,399	6.2	29,891	31,219	32,930	83
Columbus, OH.....	53,427	54,931	57,700	5.0	32,278	32,794	34,128	65
Corpus Christi, TX.....	10,047	10,664	11,200	5.0	24,845	26,271	27,340	231
Corvallis, OR.....	2,455	2,562	2,664	4.0	31,066	32,375	33,988	67
Cumberland, MD-WV.....	2,251	2,305	2,415	4.8	22,248	22,817	23,907	335

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area—Continues

Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change ²	Dollars			Rank in United States
	2002	2003	2004		2002	2003	2004	
Metropolitan statistical areas⁴—Continued								
Dallas-Fort Worth-Arlington, TX.....	185,863	190,517	202,219	6.1	33,959	34,109	35,502	43
Dalton, GA.....	3,101	3,214	3,407	6.0	24,719	25,257	26,301	283
Danville, IL.....	1,865	1,999	2,060	3.1	22,412	24,135	24,929	320
Danville, VA.....	2,534	2,620	2,711	3.4	23,234	24,074	25,037	319
Davenport-Moline-Rock Island, IA-IL.....	10,656	11,003	11,711	6.4	28,418	29,359	31,205	125
Dayton, OH.....	25,130	25,681	26,518	3.3	29,747	30,385	31,387	120
Decatur, AL.....	3,738	3,949	4,129	4.6	25,530	26,795	28,012	205
Decatur, IL.....	3,121	3,222	3,389	5.2	27,769	28,998	30,667	137
Deltona-Daytona Beach-Ormond Beach, FL.....	11,357	11,719	12,509	6.7	24,730	25,062	26,118	290
Denver-Aurora, CO.....	88,322	90,184	95,238	5.6	38,827	39,212	40,939	12
Des Moines-West Des Moines, IA.....	16,646	17,303	18,641	7.7	33,519	34,326	36,384	39
Detroit-Warren-Livonia, MI.....	155,403	162,957	164,543	1.0	34,708	36,330	36,650	34
Dothan, AL.....	3,334	3,438	3,671	6.8	25,268	25,744	27,188	241
Dover, DE.....	3,374	3,529	3,797	7.6	25,640	26,215	27,292	233
Dubuque, IA.....	2,421	2,501	2,682	7.2	27,071	27,631	29,447	170
Duluth, MN-WI.....	7,449	7,685	8,122	5.7	26,978	27,826	29,451	169
Durham, NC.....	13,814	14,040	14,863	5.9	31,329	31,529	33,011	80
Eau Claire, WI.....	3,980	4,073	4,284	5.2	26,481	26,943	28,004	207
El Centro, CA.....	2,985	3,151	3,320	5.9	20,491	21,149	21,794	351
Elizabethtown, KY.....	2,833	2,981	3,157	5.4	26,061	27,356	28,883	181
Elkhart-Goshen, IN.....	5,204	5,662	5,976	5.6	28,002	29,960	31,187	126
Elmira, NY.....	2,165	2,190	2,291	4.6	23,881	24,268	25,464	308
El Paso, TX.....	14,201	14,641	15,556	6.2	20,471	20,841	21,829	350
Erie, PA.....	7,067	7,150	7,516	5.1	25,025	25,267	26,764	262
Eugene-Springfield, OR.....	8,672	8,727	9,214	5.6	26,531	26,445	27,788	212
Evansville, IN-KY.....	9,976	10,409	10,934	5.0	28,965	30,044	31,435	118
Fairbanks, AK.....	2,522	2,615	2,748	5.1	29,757	30,687	31,618	115
Fargo, ND-MN.....	5,196	5,433	5,803	6.8	29,359	30,397	31,769	110
Farmington, NM.....	2,428	2,519	2,720	8.0	20,239	20,588	21,899	349
Fayetteville, NC.....	8,591	9,129	9,769	7.0	25,227	26,495	28,224	194
Fayetteville-Springdale-Rogers, AR-MO.....	9,062	9,599	10,603	10.5	24,703	25,376	27,122	243
Flagstaff, AZ.....	2,909	3,012	3,234	7.4	24,259	24,871	26,362	279
Flint, MI.....	11,769	12,509	12,475	-0.3	26,707	28,277	28,130	198
Florence, SC.....	4,799	4,950	5,208	5.2	24,600	25,204	26,399	278
Florence-Muscle Shoals, AL.....	3,228	3,327	3,506	5.4	22,763	23,482	24,658	328
Fond du Lac, WI.....	2,867	2,955	3,094	4.7	29,312	30,096	31,366	121
Fort Collins-Loveland, CO.....	8,267	8,379	8,847	5.6	31,347	31,444	32,893	85
Fort Smith, AR-OK.....	6,330	6,529	6,994	7.1	22,765	23,345	24,802	324
Fort Walton Beach-Crestview-Destin, FL.....	5,166	5,507	5,982	8.6	29,481	30,969	33,068	77
Fort Wayne, IN.....	11,587	11,685	12,138	3.9	29,204	29,212	30,214	148
Fresno, CA.....	19,691	20,637	22,136	7.3	23,672	24,267	25,573	301
Gadsden, AL.....	2,361	2,464	2,616	6.2	22,936	23,923	25,379	311
Gainesville, FL.....	5,835	6,102	6,565	7.6	24,773	25,757	27,528	224
Gainesville, GA.....	3,772	3,915	4,187	6.9	24,830	25,029	26,043	292
Glens Falls, NY.....	3,089	3,181	3,398	6.8	24,602	25,119	26,590	268
Goldensboro, NC.....	2,616	2,659	2,844	7.0	23,123	23,458	24,901	321
Grand Forks, ND-MN.....	2,456	2,611	2,691	3.1	25,644	27,286	27,733	214
Grand Junction, CO.....	3,113	3,261	3,487	6.9	25,491	26,161	27,400	230
Grand Rapids-Wyoming, MI.....	21,821	22,810	23,553	3.3	28,839	29,926	30,739	135
Great Falls, MT.....	2,149	2,202	2,337	6.1	26,956	27,592	29,231	171
Greeley, CO.....	4,940	5,046	5,374	6.5	24,150	23,795	24,432	330
Green Bay, WI.....	8,678	8,883	9,420	6.0	30,023	30,453	31,925	106
Greensboro-High Point, NC.....	18,600	18,948	19,992	5.5	28,334	28,629	29,999	154
Greenville, NC.....	3,777	3,912	4,198	7.3	24,142	24,693	26,177	287
Greenville, SC.....	15,436	15,873	16,660	5.0	26,957	27,453	28,531	187
Gulfport-Biloxi, MS.....	6,131	6,408	6,704	4.6	24,638	25,742	26,518	272
Hagerstown-Martinsburg, MD-WV.....	6,118	6,382	6,872	7.7	26,431	26,841	28,139	197
Hanford-Corcoran, CA.....	2,541	2,774	3,024	9.0	18,890	20,013	21,253	355
Harrisburg-Carlisle, PA.....	16,247	16,684	17,640	5.7	31,608	32,272	34,004	66
Harrisonburg, VA.....	2,565	2,717	2,856	5.1	23,327	24,642	25,780	298
Hartford-West Hartford-East Hartford, CT.....	44,297	45,274	48,353	6.8	37,901	38,389	40,880	14
Hattiesburg, MS.....	2,880	2,917	3,119	6.9	22,719	22,725	24,000	333
Hickory-Lenoir-Morganton, NC.....	8,733	8,782	9,297	5.9	25,034	25,058	26,329	281
Hinesville-Fort Stewart, GA.....	1,278	1,380	1,493	8.2	17,863	19,592	20,904	356
Holland-Grand Haven, MI.....	6,868	7,253	7,518	3.6	27,878	29,047	29,720	160
Honolulu, HI.....	27,819	29,090	31,404	8.0	31,390	32,573	34,911	48
Hot Springs, AR.....	2,227	2,283	2,418	5.9	24,748	25,036	26,222	285
Houma-Bayou Cane-Thibodaux, LA.....	4,761	4,921	5,149	4.6	24,260	24,916	25,953	295
Houston-Sugar Land-Baytown, TX.....	171,890	179,138	190,771	6.5	34,599	35,304	36,852	33
Huntington-Ashland, WV-KY-OH.....	6,681	6,902	7,207	4.4	23,327	24,065	25,180	317
Huntsville, AL.....	10,237	10,898	11,474	5.3	28,982	30,434	31,626	114
Idaho Falls, ID.....	2,592	2,717	2,941	8.3	24,683	25,295	26,604	267
Indianapolis-Carmel, IN.....	52,022	53,807	57,040	6.0	33,013	33,631	35,266	46
Iowa City, IA.....	4,079	4,197	4,502	7.3	30,224	30,831	32,729	91
Ithaca, NY.....	2,465	2,619	2,710	3.5	25,077	26,338	27,078	245
Jackson, MI.....	4,092	4,249	4,376	3.0	25,392	26,136	26,902	254
Jackson, MS.....	13,582	14,284	15,290	7.0	26,902	28,002	29,571	167
Jackson, TN.....	2,738	2,867	3,019	5.3	25,050	26,218	27,432	226
Jacksonville, FL.....	35,123	36,882	39,505	7.1	29,931	30,826	32,283	98
Jacksonville, NC.....	3,580	3,874	4,344	12.1	23,910	25,579	28,104	199
Janesville, WI.....	4,177	4,403	4,436	0.7	27,126	28,442	28,399	191
Jefferson City, MO.....	3,712	3,889	4,134	6.3	26,116	27,175	29,039	175
Johnson City, TN.....	4,194	4,361	4,657	6.8	22,837	23,424	24,873	323
Johnstown, PA.....	3,535	3,620	3,797	4.9	23,514	24,221	25,541	303
Jonesboro, AR.....	2,385	2,602	2,751	5.8	21,857	23,641	24,773	325
Joplin, MO.....	3,669	3,817	4,049	6.1	22,924	23,541	24,686	327

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area—Continues

Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change ²	Dollars			Rank in United States
	2002	2003	2004		2002	2003	2004	
Metropolitan statistical areas⁴—Continued								
Kalamazoo-Portage, MI.....	8,884	9,343	9,571	2.4	27,955	29,228	30,070	152
Kankakee-Bradley, IL.....	2,701	2,804	2,870	2.3	25,656	26,408	26,810	261
Kansas City, MO-KS.....	61,797	63,337	66,654	5.2	32,724	33,191	34,585	55
Kennewick-Richland-Pasco, WA.....	5,442	5,690	6,017	5.8	26,774	27,078	27,915	210
Killeen-Temple-Fort Hood, TX.....	8,208	8,740	9,321	6.7	24,270	25,411	26,944	252
Kingsport-Bristol-Bristol, TN-VA.....	7,301	7,490	7,894	5.4	24,425	24,983	26,316	282
Kingston, NY.....	4,732	4,856	5,105	5.1	26,255	26,806	28,076	201
Knoxville, TN.....	17,655	18,384	19,545	6.3	27,931	28,703	30,209	149
Kokomo, IN.....	2,946	3,190	3,159	-1.0	29,089	31,478	31,236	123
La Crosse, WI-MN.....	3,503	3,638	3,814	4.9	27,385	28,334	29,707	161
Lafayette, IN.....	4,553	4,613	4,888	6.0	25,367	25,491	26,943	253
Lafayette, LA.....	6,546	6,753	7,130	5.6	27,033	27,706	29,019	176
Lake Charles, LA.....	4,856	4,906	5,134	4.6	25,173	25,323	26,427	276
Lakeland, FL.....	12,462	13,031	13,997	7.4	24,927	25,518	26,698	264
Lancaster, PA.....	13,670	14,216	14,975	5.3	28,576	29,456	30,790	134
Lansing-East Lansing, MI.....	12,660	13,340	13,480	1.1	27,995	29,392	29,588	165
Laredo, TX.....	3,432	3,636	3,888	6.9	16,599	17,097	17,769	359
Las Cruces, NM.....	3,580	3,746	4,022	7.4	20,050	20,523	21,677	353
Las Vegas-Paradise, NV.....	45,203	48,916	54,340	11.1	29,826	31,054	32,963	82
Lawrence, KS.....	2,704	2,740	2,907	6.1	26,643	26,860	28,291	193
Lawton, OK.....	2,691	2,837	2,989	5.4	24,091	25,745	26,438	274
Lebanon, PA.....	3,335	3,428	3,626	5.8	27,425	27,891	29,225	172
Lewiston, ID-WA.....	1,478	1,519	1,596	5.1	25,601	26,078	27,222	239
Lewiston-Auburn, ME.....	2,822	2,945	3,084	4.7	26,831	27,770	28,791	183
Lexington-Fayette, KY.....	12,745	13,180	13,896	5.4	30,683	31,319	32,722	92
Lima, OH.....	2,794	2,840	2,901	2.2	25,857	26,530	27,286	234
Lincoln, NE.....	8,255	8,595	9,121	6.1	30,237	31,071	32,749	88
Little Rock-North Little Rock, AR.....	18,143	18,672	19,888	6.5	29,157	29,690	31,283	122
Logan, UT-ID.....	2,096	2,202	2,378	8.0	19,493	20,259	21,761	352
Longview, TX.....	5,053	5,313	5,639	6.1	25,633	26,750	28,201	195
Longview, WA.....	2,325	2,326	2,434	4.6	24,565	24,476	25,298	313
Los Angeles-Long Beach-Santa Ana, CA.....	412,753	427,041	453,902	6.3	32,522	33,318	35,188	47
Louisville-Jefferson County, KY-IN.....	36,619	37,575	39,650	5.5	31,033	31,580	33,058	79
Lubbock, TX.....	6,248	6,524	6,927	6.2	24,578	25,398	26,867	256
Lynchburg, VA.....	5,949	6,097	6,476	6.2	25,864	26,274	27,690	216
Macon, GA.....	6,188	6,155	6,483	5.3	27,520	27,170	28,442	190
Madera, CA.....	2,557	2,738	3,049	11.4	19,851	20,481	21,949	348
Madison, WI.....	17,980	18,658	19,894	6.6	34,710	35,554	37,447	29
Manchester-Nashua, NH.....	13,988	14,345	15,343	7.0	35,684	36,339	38,515	23
Mansfield, OH.....	3,222	3,372	3,419	1.4	25,103	26,298	26,690	265
McAllen-Edinburg-Mission, TX.....	8,978	9,491	10,162	7.1	14,651	14,938	15,460	361
Medford, OR.....	4,940	5,157	5,507	6.8	26,398	27,089	28,531	187
Memphis, TN-MS-AR.....	37,396	38,592	40,877	5.9	30,496	31,172	32,741	90
Merced, CA.....	4,645	4,977	5,538	11.3	20,653	21,505	23,379	343
Miami-Fort Lauderdale-Miami Beach, FL.....	169,803	172,864	183,587	6.2	32,618	32,762	34,278	62
Michigan City-La Porte, IN.....	2,712	2,800	2,933	4.8	24,612	25,504	26,729	263
Midland, TX.....	3,797	4,056	4,398	8.4	32,339	34,153	36,642	35
Milwaukee-Waukesha-West Allis, WI.....	52,017	52,865	55,217	4.4	34,471	34,949	36,488	38
Minneapolis-St. Paul-Bloomington, MN-WI.....	115,607	119,741	127,365	6.4	37,853	38,836	40,915	13
Missoula, MT.....	2,669	2,783	2,935	5.4	27,294	28,274	29,625	163
Mobile, AL.....	8,963	9,160	9,539	4.1	22,435	22,916	23,840	336
Modesto, CA.....	11,461	11,945	12,880	7.8	23,871	24,337	25,885	296
Monroe, LA.....	4,207	4,264	4,476	5.0	24,762	24,993	26,163	289
Monroe, MI.....	4,329	4,605	4,822	0.4	29,011	30,517	30,320	144
Montgomery, AL.....	9,667	10,035	10,521	4.8	27,537	28,462	29,699	162
Morgantown, WV.....	2,823	2,920	3,099	6.1	25,134	25,739	27,211	240
Morristown, TN.....	2,800	2,923	3,061	4.7	22,134	22,952	23,767	337
Mount Vernon-Anacortes, WA.....	3,136	3,235	3,380	4.5	29,391	29,637	30,415	143
Muncie, IN.....	2,990	3,078	3,152	2.4	25,149	26,006	26,825	260
Muskegon-Norton Shores, MI.....	4,119	4,291	4,424	3.1	23,927	24,775	25,406	309
Myrtle Beach-Conway-North Myrtle Beach, SC.....	5,011	5,298	5,696	7.5	24,326	25,118	26,170	288
Napa, CA.....	4,899	5,055	5,384	6.5	37,677	38,352	40,666	16
Naples-Marco Island, FL.....	11,607	11,993	12,711	6.0	42,102	41,926	42,846	9
Nashville-Davidson-Murfreesboro, TN.....	43,523	45,742	48,690	6.4	32,180	33,354	34,904	49
New Haven-Milford, CT.....	29,761	30,326	32,300	6.5	35,656	36,046	38,254	25
New Orleans-Metairie-Kenner, LA.....	37,517	38,591	40,889	6.0	28,574	29,342	31,024	131
New York-Northern New Jersey-Long Island, NY-NJ-PA.....	749,421	760,159	811,644	6.8	40,281	40,679	43,277	8
Niles-Benton Harbor, MI.....	4,347	4,489	4,670	4.1	26,759	27,572	28,684	186
Norwich-New London, CT.....	9,216	9,563	10,059	5.2	35,099	36,106	37,801	27
Ocala, FL.....	6,295	6,686	7,221	8.0	23,106	23,803	24,749	326
Ocean City, NJ.....	3,498	3,525	3,669	4.1	34,378	34,641	36,525	37
Odessa, TX.....	2,699	2,824	2,988	5.8	22,058	22,971	24,040	332
Ogden-Clearfield, UT.....	11,746	12,275	13,010	6.0	25,542	26,192	27,255	235
Oklahoma City, OK.....	31,545	33,053	34,785	5.2	28,177	29,202	30,449	141
Olympia, WA.....	6,649	6,858	7,230	5.4	30,639	31,034	32,180	100
Omaha-Council Bluffs, NE-IA.....	26,208	27,215	28,980	6.5	33,484	34,363	36,124	40
Orlando-Kissimmee, FL.....	48,319	50,821	55,103	8.4	27,540	28,206	29,576	166
Oshkosh-Neenah, WI.....	4,711	4,883	5,121	4.9	29,738	30,829	32,275	99
Owensboro, KY.....	2,729	2,812	2,980	6.0	24,743	25,378	26,836	258
Oxnard-Thousand Oaks-Ventura, CA.....	26,648	27,980	30,047	7.4	34,140	35,407	37,740	28

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area—Continues

Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change ²	Dollars			Rank in United States
	2002	2003	2004		2002	2003	2004	
Metropolitan statistical areas ⁴—Continued								
Palm Bay-Melbourne-Titusville, FL.....	13,853	14,530	15,638	7.6	27,955	28,754	30,142	150
Panama City-Lynn Haven, FL.....	3,870	4,101	4,429	8.0	25,432	26,475	28,064	203
Parkersburg-Marietta-Vienna, WV-OH.....	4,091	4,130	4,321	4.6	25,009	25,317	26,520	271
Pascagoula, MS.....	3,503	3,701	3,877	4.8	22,896	24,012	24,876	322
Pensacola-Ferry Pass-Brent, FL.....	10,491	10,869	11,532	6.1	24,694	25,288	26,521	270
Peoria, IL.....	10,553	10,948	11,623	6.2	28,816	29,912	31,632	113
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD.....	206,483	213,362	224,811	5.4	35,970	36,971	38,768	22
Phoenix-Mesa-Scottsdale, AZ.....	100,805	106,385	115,604	8.7	28,900	29,609	31,133	128
Pine Bluff, AR.....	2,172	2,287	2,425	6.0	20,413	21,568	23,051	347
Pittsburgh, PA.....	77,738	79,442	83,168	4.7	32,208	32,987	34,685	53
Pittsfield, MA.....	4,321	4,362	4,619	5.9	32,422	32,788	34,887	50
Pocatello, ID.....	1,871	1,893	2,031	7.3	22,155	22,368	23,706	339
Portland-South Portland-Biddeford, ME.....	15,721	16,405	17,540	6.9	31,348	32,327	34,323	61
Portland-Vancouver-Beaverton, OR-WA.....	64,909	65,959	69,853	5.9	32,255	32,328	33,875	71
Port St. Lucie-Fort Pierce, FL.....	10,370	10,752	11,493	6.9	30,767	30,812	31,505	117
Poughkeepsie-Newburgh-Middletown, NY.....	19,291	19,951	21,304	6.8	29,947	30,433	32,140	103
Prescott, AZ.....	3,853	4,075	4,426	8.6	21,517	22,092	23,203	345
Providence-New Bedford-Fall River, RI-MA.....	50,367	52,205	55,181	5.7	31,241	32,176	33,912	70
Provo-Orem, UT.....	8,073	8,420	9,049	7.5	19,370	19,528	20,421	357
Pueblo, CO.....	3,543	3,629	3,863	6.4	24,052	24,372	25,759	300
Punta Gorda, FL.....	3,820	3,900	4,091	4.9	25,489	25,527	26,003	294
Racine, WI.....	5,844	6,038	6,348	5.1	30,615	31,374	32,744	89
Raleigh-Cary, NC.....	28,616	29,407	31,564	7.3	33,227	33,122	34,498	57
Rapid City, SD.....	3,248	3,397	3,576	5.3	28,158	29,310	30,424	142
Reading, PA.....	11,297	11,561	12,056	4.3	29,599	29,924	30,798	133
Redding, CA.....	4,429	4,618	4,875	5.6	25,773	26,304	27,416	228
Reno-Sparks, NV.....	13,373	14,093	15,155	7.5	36,632	37,620	39,430	19
Richmond, VA.....	36,593	38,013	40,978	7.8	32,513	33,316	35,422	44
Riverside-San Bernardino-Ontario, CA.....	84,151	89,307	97,560	9.2	24,021	24,499	25,769	299
Roanoke, VA.....	8,496	8,639	9,201	6.5	29,384	29,779	31,599	116
Rochester, MN.....	5,754	6,030	6,402	6.2	33,925	35,006	36,619	36
Rochester, NY.....	31,618	32,082	33,630	4.8	30,399	30,814	32,303	97
Rockford, IL.....	8,841	9,181	9,376	2.1	27,058	27,723	28,008	206
Rocky Mount, NC.....	3,554	3,644	3,838	5.3	24,723	25,245	26,464	273
Rome, GA.....	2,333	2,406	2,578	7.2	25,202	25,753	27,412	229
Sacramento-Arden-Arcade-Roseville, CA.....	59,704	62,857	67,162	6.8	31,010	31,829	33,338	74
Saginaw-Saginaw Township North, MI.....	5,289	5,503	5,528	0.5	25,211	26,276	26,416	277
St. Cloud, MN.....	4,634	4,834	5,155	6.6	26,489	27,195	28,770	184
St. George, UT.....	1,985	2,137	2,377	11.3	19,939	20,442	21,530	354
St. Joseph, MO-KS.....	2,920	2,988	3,176	6.3	23,723	24,314	26,028	293
St. Louis, MO-IL.....	89,125	92,668	96,170	3.8	32,577	33,667	34,735	52
Salem, OR.....	9,176	9,479	9,995	5.4	25,515	25,992	27,044	247
Salinas, CA.....	12,676	13,456	14,075	4.6	30,800	32,469	33,952	68
Salisbury, MD.....	2,724	2,824	3,040	7.7	24,449	25,011	26,579	269
Salt Lake City, UT.....	29,278	30,071	32,001	6.4	29,413	29,897	31,419	119
San Angelo, TX.....	2,652	2,775	2,921	5.3	25,204	26,261	27,678	217
San Antonio, TX.....	48,132	50,418	53,622	6.4	27,023	27,723	28,946	180
San Diego-Carlsbad-San Marcos, CA.....	100,656	104,050	111,435	7.1	34,719	35,620	37,965	26
Sandusky, OH.....	2,420	2,541	2,607	2.6	30,673	32,215	33,006	81
San Francisco-Oakland-Fremont, CA.....	193,010	193,833	204,346	5.4	46,368	46,652	49,276	2
San Jose-Sunnyvale-Santa Clara, CA.....	79,124	79,313	84,343	6.3	45,726	45,803	48,530	3
San Luis Obispo-Paso Robles, CA.....	7,429	7,685	8,188	6.5	29,482	30,363	32,180	100
Santa Barbara-Santa Maria, CA.....	13,059	13,638	14,493	6.3	32,519	33,851	36,079	41
Santa Cruz-Watsonville, CA.....	9,496	9,428	9,987	5.9	37,488	37,477	39,815	17
Santa Fe, NM.....	4,349	4,528	4,794	5.9	32,253	32,999	34,448	58
Santa Rosa-Petaluma, CA.....	16,967	17,213	18,203	5.8	36,427	36,844	38,901	20
Sarasota-Bradenton-Venice, FL.....	23,098	23,457	24,991	6.5	37,250	36,999	38,348	24
Savannah, GA.....	8,428	8,806	9,408	6.8	27,972	28,870	30,316	145
Scranton-Wilkes-Barre, PA.....	15,082	15,291	16,086	5.2	27,243	27,680	29,183	173
Seattle-Tacoma-Bellevue, WA.....	119,343	120,821	131,886	9.2	38,229	38,447	41,634	10
Sebastian-Vero Beach, FL.....	4,680	4,831	5,071	5.0	39,683	40,162	40,677	15
Sheboygan, WI.....	3,469	3,551	3,793	6.8	30,632	31,295	33,299	75
Sherman-Denison, TX.....	2,626	2,729	2,856	4.7	23,112	23,732	24,652	329
Shreveport-Bossier City, LA.....	9,858	10,296	11,039	7.2	26,158	27,226	28,990	178
Sioux City, IA-NE-SD.....	3,825	3,912	4,079	4.3	26,775	27,365	28,503	189
Sioux Falls, SD.....	6,260	6,587	6,956	5.6	32,128	33,174	34,234	64
South Bend-Mishawaka, IN-MI.....	8,963	9,301	9,748	4.8	28,245	29,324	30,704	136
Spartanburg, SC.....	6,526	6,635	6,897	4.0	25,156	25,340	26,114	291
Spokane, WA.....	11,314	11,576	12,212	5.5	26,498	26,871	28,065	202
Springfield, IL.....	6,407	7,300	6,684	-8.4	31,390	35,661	32,598	93
Springfield, MA.....	19,917	20,415	21,406	4.9	29,123	29,717	31,146	127
Springfield, MO.....	9,407	9,929	10,559	6.4	24,849	25,840	27,012	250
Springfield, OH.....	3,799	3,901	4,000	2.6	26,421	27,346	28,094	200
State College, PA.....	3,496	3,568	3,784	6.1	25,233	25,531	27,041	248
Stockton, CA.....	14,789	15,543	16,573	6.6	24,150	24,620	25,527	305
Sumter, SC.....	2,283	2,368	2,508	5.9	21,714	22,437	23,732	338
Syracuse, NY.....	18,118	18,707	19,557	4.5	27,836	28,660	29,944	156

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area

Area name	Personal income				Per capita personal income ¹			
	Millions of dollars			Percent change ²	Dollars			Rank in United States
	2002	2003	2004		2002	2003	2004	
Metropolitan statistical areas ⁴—Continued								
Tallahassee, FL.....	8,429	8,695	9,272	6.6	26,005	26,507	27,990	208
Tampa-St. Petersburg-Clearwater, FL.....	74,152	76,757	81,929	6.7	29,820	30,341	31,677	111
Terre Haute, IN.....	3,909	4,080	4,304	5.5	23,057	24,079	25,547	302
Texarkana, TX-Texarkana, AR.....	3,073	3,156	3,369	6.8	23,482	23,974	25,386	310
Toledo, OH.....	18,911	19,716	20,132	2.1	28,696	29,914	30,599	138
Topeka, KS.....	6,376	6,398	6,737	5.3	28,253	28,227	29,599	164
Trenton-Ewing, NJ.....	14,856	15,226	16,273	6.9	41,552	42,165	44,661	6
Tucson, AZ.....	21,926	22,953	24,697	7.6	24,994	25,777	27,244	236
Tulsa, OK.....	26,574	26,841	28,315	5.5	30,339	30,523	32,150	102
Tuscaloosa, AL.....	4,913	5,137	5,379	4.7	25,367	26,442	27,571	222
Tyler, TX.....	5,022	5,239	5,603	7.0	27,782	28,493	29,993	155
Utica-Rome, NY.....	7,158	7,322	7,717	5.4	24,043	24,570	25,857	297
Valdosta, GA.....	2,718	2,772	2,907	4.9	22,462	22,716	23,498	341
Vallejo-Fairfield, CA.....	12,029	12,409	13,167	6.1	29,389	30,177	31,967	105
Victoria, TX.....	2,921	3,008	3,163	5.2	25,935	26,624	27,933	209
Vineland-Millville-Bridgeton, NJ.....	3,804	3,888	4,111	5.7	25,698	26,022	27,224	238
Virginia Beach-Norfolk-Newport News, VA-NC.....	46,210	48,892	52,222	6.8	28,803	30,090	31,811	108
Visalia-Porterville, CA.....	8,019	8,477	9,283	9.5	21,035	21,683	23,153	346
Waco, TX.....	5,175	5,399	5,683	5.3	23,827	24,578	25,512	307
Warner Robins, GA.....	3,078	3,203	3,394	5.9	26,436	26,688	27,417	227
Washington-Arlington-Alexandria, DC-VA-MD-WV.....	214,479	223,286	241,286	8.1	42,808	43,913	46,782	4
Waterloo-Cedar Falls, IA.....	4,406	4,484	4,884	8.9	27,189	27,756	30,226	147
Wausau, WI.....	3,676	3,779	3,989	5.5	28,974	29,701	31,206	124
Weirton-Stebensburg, WV-OH.....	3,097	3,143	3,254	3.5	23,951	24,450	25,522	306
Wenatchee, WA.....	2,555	2,637	2,823	7.0	25,445	25,915	27,319	232
Wheeling, WV-OH.....	3,799	3,877	4,042	4.3	25,140	25,818	27,049	246
Wichita, KS.....	17,297	17,556	18,556	5.7	29,847	30,183	31,781	109
Wichita Falls, TX.....	3,956	4,132	4,285	3.7	26,564	27,816	28,998	177
Williamsport, PA.....	2,983	3,070	3,227	5.1	25,116	25,885	27,227	237
Wilmington, NC.....	7,480	7,740	8,392	8.4	26,022	26,354	27,672	218
Winchester, VA-WV.....	2,892	3,010	3,250	8.0	26,717	27,248	28,735	185
Winston-Salem, NC.....	12,802	13,143	13,970	6.3	29,548	30,081	31,645	112
Worcester, MA.....	25,325	26,034	27,550	5.8	32,920	33,576	35,384	45
Yakima, WA.....	5,179	5,458	5,766	5.7	23,071	24,057	25,125	318
York-Hanover, PA.....	11,048	11,459	12,137	5.9	28,358	28,996	30,262	146
Youngstown-Warren-Boardman, OH-PA.....	15,087	15,603	16,015	2.6	25,334	26,314	26,859	257
Yuba City, CA.....	3,409	3,611	3,821	5.8	23,580	24,342	25,278	315
Yuma, AZ.....	3,313	3,284	3,563	8.5	19,875	19,262	20,289	358

1. Per capita personal income was computed using Census Bureau midyear population estimates.

2. Percent change calculated from unrounded data.

3. The personal income level shown for the United States is derived as the sum of the county estimates. It differs from the estimate of personal income in the national income and product accounts because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of

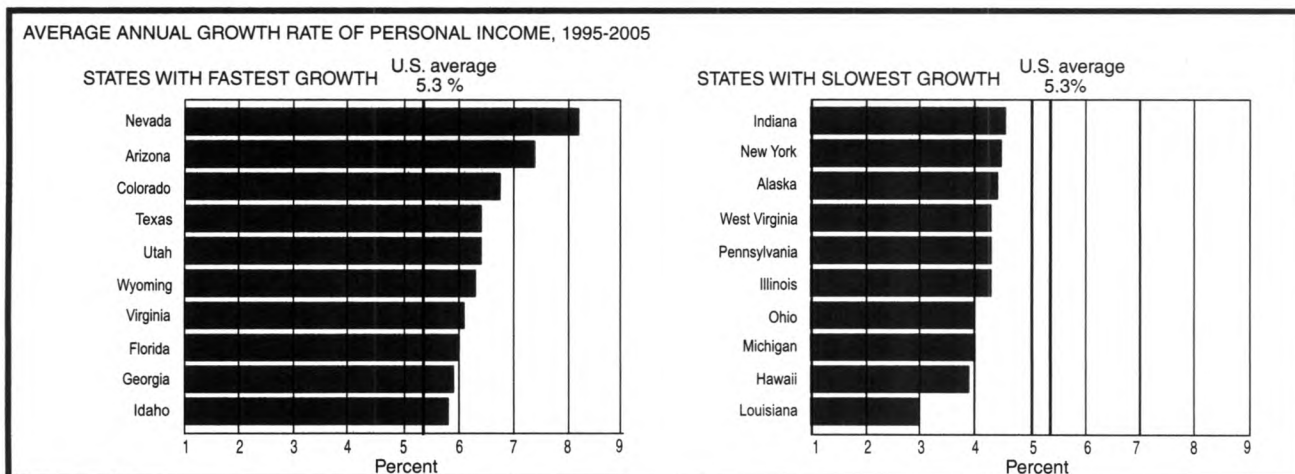
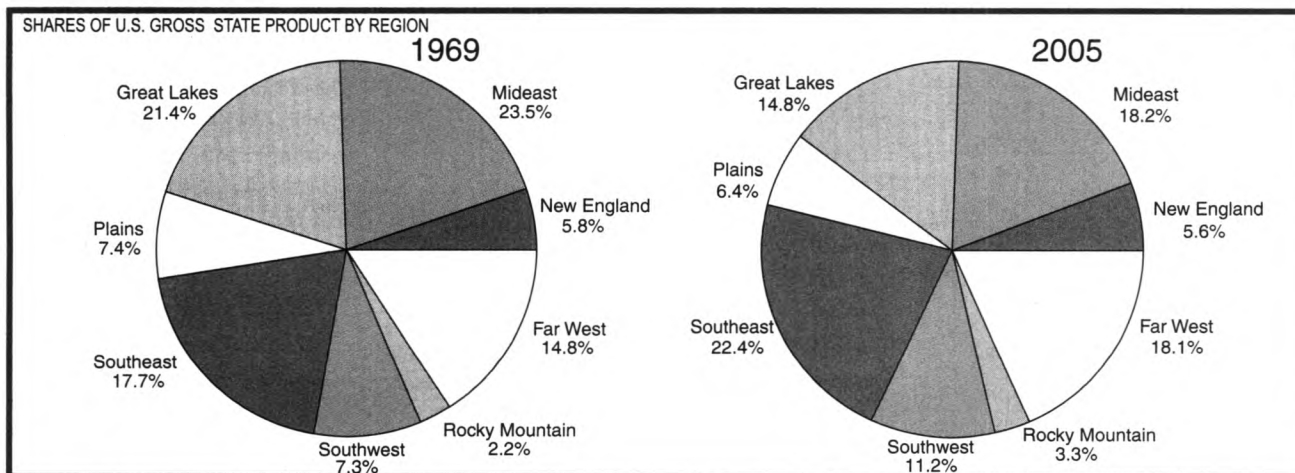
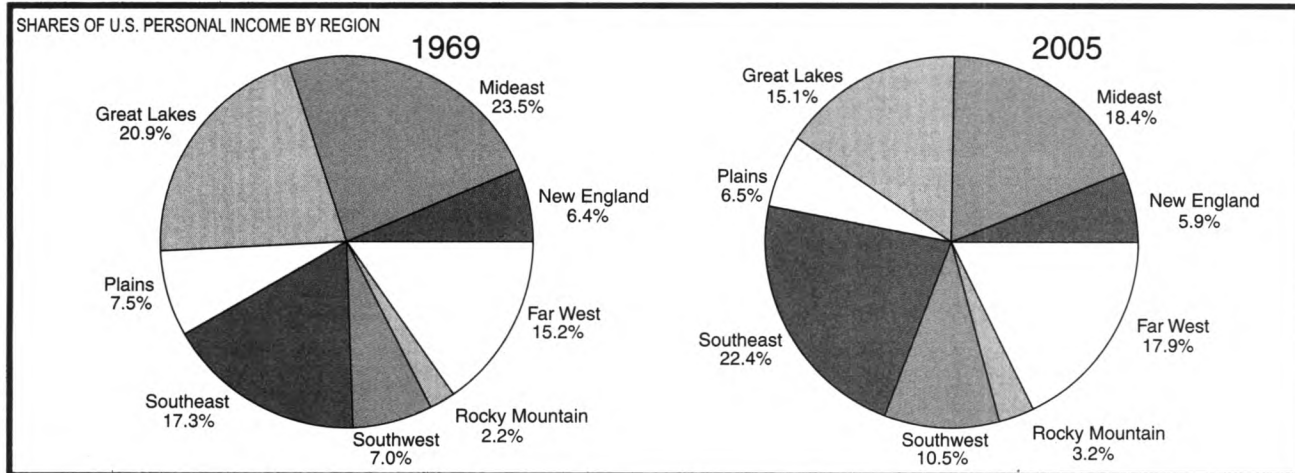
source data.

4. The metropolitan area definitions used by BEA for its personal income estimates are the new county-based definitions issued by the Office of Management and Budget in June 2003 (with revisions released February 2004, March 2005, and December 2005) for federal statistical purposes.

Source: Table 1 in "Local Area Personal Income for 2002-2004" in the May 2006 SURVEY OF CURRENT BUSINESS.

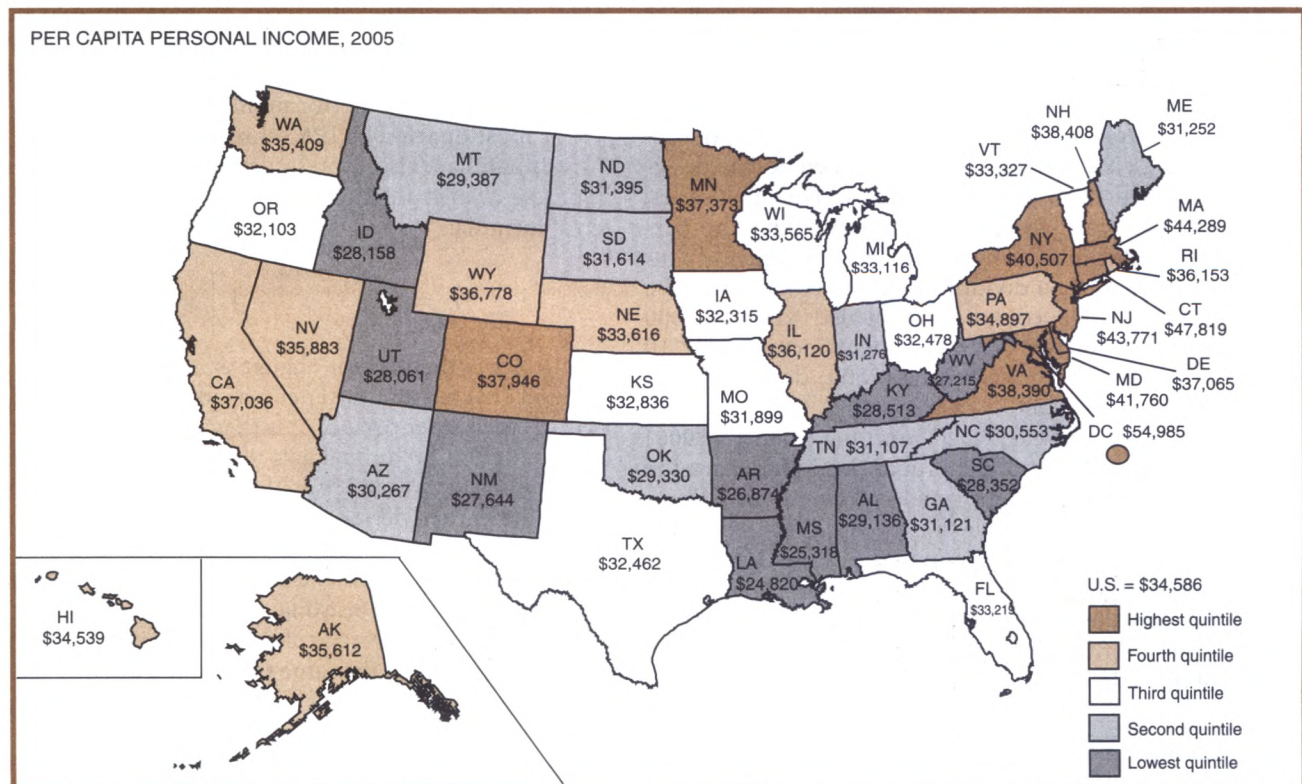
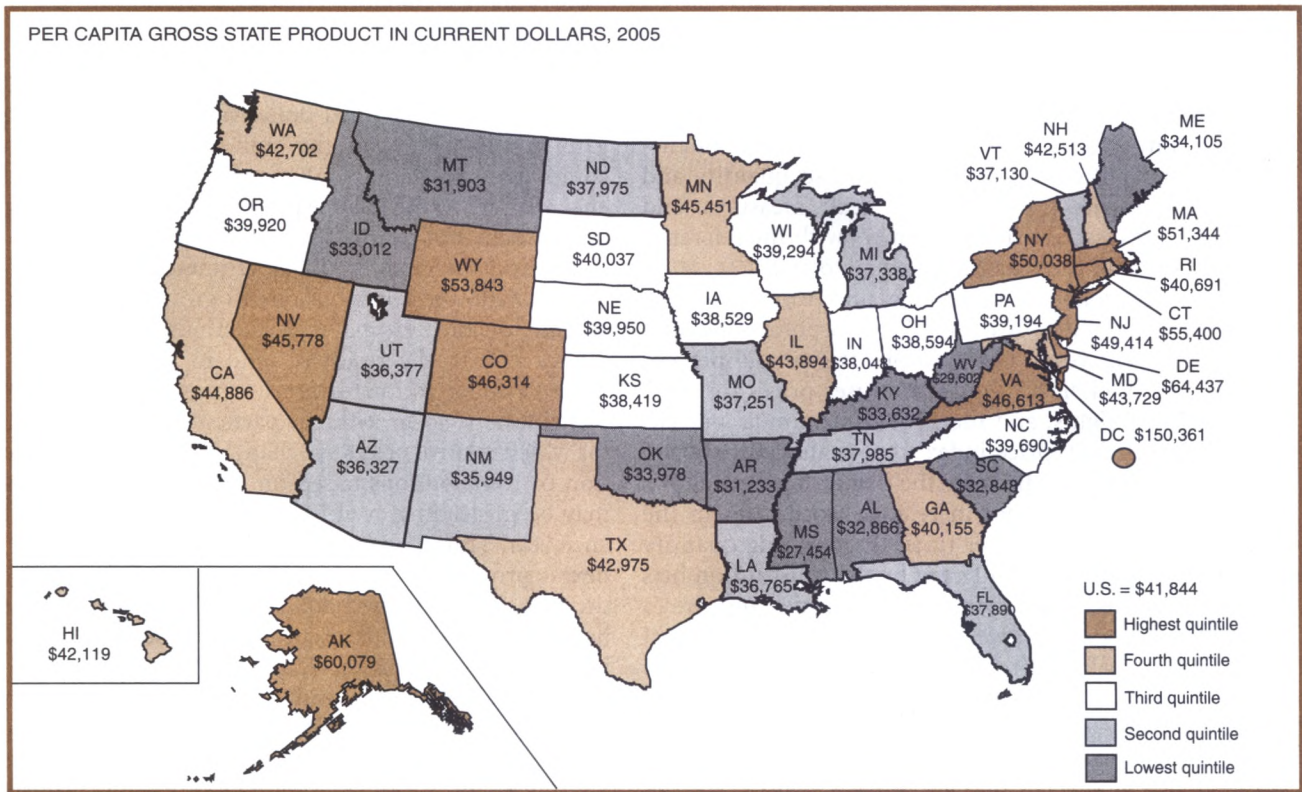
J. Charts

SELECTED REGIONAL ESTIMATES



U.S. Bureau of Economic Analysis

SELECTED REGIONAL ESTIMATES



U.S. Bureau of Economic Analysis

Appendix A

Additional Information About the NIPA Estimates

Statistical Conventions

Current-dollar GDP is a measure of the market value of goods, services, and structures that are produced in the economy in a particular period. The changes in current-dollar GDP can be decomposed into quantity and price components. Quantities, or “real” measures, and prices are expressed as index numbers with the reference year—at present, the year 2000—equal to 100.¹

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the annual percent change in real GDP for 2001–2002 uses prices for 2001 and 2002 as weights, and the 2001–2002 annual percent change in the GDP price index uses quantities for 2001 and 2002 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula. These annual changes are “chained” (multiplied) together to form time series of quantity and price indexes. The percent changes in the Fisher indexes are not affected by the choice of the reference year.

BEA also publishes implicit price deflators (IPDs), which are calculated as the ratio of the current-dollar value of a component to the chained-dollar value of the component, multiplied by 100. The values of an IPD are very close to the values of the corresponding “chain-type” price index.

The measures of real GDP and its major components are also presented in dollar-denominated form, designated “chained (2000) dollar estimates.” For most series, these estimates are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased by 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 would be \$110 ($\100×1.10). The percent changes calculated from the chained (2000) dollar estimates and from the quantity indexes are the same; any differences will be small and due to rounding.

The chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP (or to any intermediate aggregate) in a table, because the relative prices that are used as weights for any period other than the reference year differ from those of the reference year. A measure of the effect of such

differences is provided by a “residual” line—the difference between the chained-dollar value of the main aggregate in the table and the sum of the most detailed components in the table. For periods close to the reference year, when the relative prices that are used as weights have usually not changed much, the residuals tend to be small, and the chained-dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. For periods further from the reference year, the residuals tend to be larger, and the chained-dollar estimates are less useful for analyses of contributions to growth. In particular, for components for which relative prices are changing rapidly, the calculation of contributions based on chained-dollar estimates may be misleading even just a few years from the reference year. Thus, contributions derived from quantity indexes provide a better measure than contributions derived from chained-dollar estimates; contributions based on quantity indexes are shown in selected NIPA tables 1.1.2, 1.2.2, 1.5.2, 2.3.2, 3.9.2, 4.2.2, and 5.3.2.

For quarters and months, NIPA estimates are presented at annual rates, which show the value that would be registered if the rate of activity that is measured for a quarter or for a month were maintained for a full year. Annual rates are used so that periods of different lengths—for example, quarters and years—may be more easily compared. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

For most quarterly NIPA estimates, *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 periodicity of the data (for example, 1 for annual data, 4 for quarterly data, or 12 for monthly data); and n is the number of periods between the earlier periods and the later periods (that is, $t-0$).

Quarterly and monthly NIPA estimates are seasonally adjusted if necessary. Seasonal adjustment removes from the time series the average effects 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.

1. See J. Steven Landefeld, Brent R. Moulton, and Cindy M. Vojtech, “Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes,” *SURVEY OF CURRENT BUSINESS* (November 2003): 8–16.

Reconciliation Table

Table 1. Relation of Net Exports of Goods and Services and Net Receipts of Income in the NIPAs to Balance on Goods and Services and Income in the ITAs

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates					
				2004	2005				2006
					IV	I	II	III	
Exports of goods and services and income receipts, ITAs	1	1,526.8	1,749.9	1,614.1	1,661.1	1,717.3	1,771.7	1,849.4	1,941.8
<i>Less:</i> Gold, ITAs.....	2	4.4	5.5	5.0	5.5	5.5	5.4	5.8	7.6
Statistical differences ¹	3	-4.1	4.9	-6.0	6.4	-6.8	3.1	16.8	16.8
Other items.....	4	0.7	0.9	0.7	0.8	0.8	1.0	1.0	0.8
<i>Plus:</i> Adjustment for grossing of parent/affiliate interest payments.....	5	5.1	7.3	6.2	6.5	7.1	7.4	8.2	7.9
Adjustment for U.S. territories and Puerto Rico.....	6	52.1	56.6	52.5	54.3	55.4	59.4	57.2	60.4
Services furnished without payment by financial intermediaries except life insurance carriers.....	7	6.2	6.4	6.4	6.2	6.3	6.4	6.6	6.7
Equals: Exports of goods and services and income receipts, NIPAs	8	1,589.2	1,808.8	1,679.5	1,715.4	1,786.6	1,835.5	1,897.8	1,991.5
Imports of goods and services and income payments, ITAs	9	2,110.6	2,455.3	2,273.1	2,319.1	2,397.6	2,467.5	2,637.2	2,697.0
<i>Less:</i> Gold, ITAs.....	10	4.1	4.4	4.8	3.8	4.0	4.4	5.4	5.7
Statistical differences ¹	11	-7.6	-3.3	-11.0	-7.6	-3.9	-6.9	5.4	5.4
Other items.....	12	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Plus:</i> Gold, NIPAs.....	13	-3.3	-4.3	-2.9	-4.5	-3.7	-3.9	-5.1	-4.2
Adjustment for grossing of parent/affiliate interest payments.....	14	5.1	7.3	6.2	6.5	7.1	7.4	8.2	7.9
Adjustment for U.S. territories and Puerto Rico.....	15	37.4	38.1	39.1	42.5	35.0	41.7	33.4	47.0
Imputed interest paid to rest of world.....	16	6.2	6.4	6.4	6.2	6.3	6.4	6.6	6.7
Equals: Imports of goods and services and income payments, NIPAs	17	2,159.5	2,501.7	2,328.1	2,373.6	2,442.1	2,521.7	2,669.5	2,743.2
Balance on goods and services and income, ITAs (1-9)	18	-583.8	-705.4	-659.0	-658.0	-680.3	-695.8	-787.8	-755.2
<i>Less:</i> Gold (2-10+13).....	19	-3.0	-3.2	-2.7	-2.8	-2.2	-2.9	-4.7	-2.3
Statistical differences (3-11) ¹	20	3.5	8.2	5.0	14.0	-2.9	10.0	11.4	11.4
Other items (4-12).....	21	0.7	0.9	0.7	0.8	0.8	1.0	1.0	0.8
<i>Plus:</i> Adjustment for U.S. territories and Puerto Rico (6-15).....	22	14.7	18.5	13.4	11.8	20.4	17.7	23.8	13.4
Equals: Net exports of goods and services and net receipts of income, NIPAs (8-17)	23	-570.3	-692.9	-648.6	-658.2	-655.5	-686.2	-771.7	-751.7

1. Consists of statistical revisions to the ITAs that have not yet been incorporated into the NIPAs.
 ITAs International transactions accounts
 NIPAs National income and product accounts

Appendix B

Suggested Reading

The Bureau of Economic Analysis (BEA) has published a wealth of information about the methodologies that are used to prepare its national, industry, international, and regional accounts. In addition, most of this information is available on BEA's Web site at <www.bea.gov>. Look under "Methodologies"; for articles from the SURVEY OF CURRENT BUSINESS, look under "Publications."

National accounts

The national accounts encompass the detailed estimates in the national income and product accounts (including gross domestic product) and the estimates of wealth and related estimates.

National income and product accounts (NIPAs). This series of papers documents the conceptual framework of the NIPAs and the methodologies that have been used to prepare the estimates.

An Introduction to National Economic Accounting (1985) [also in the March 1985 SURVEY]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (2002)

Government Transactions (1988)

Personal Consumption Expenditures (1990)

The methodologies described in these papers have been updated and improved, typically as part of the comprehensive and annual revisions of the NIPAs.

The following SURVEY articles describe the most recent comprehensive revision of the NIPAs.

"Improved Estimates of the National Income and Product Accounts for 1929–2002: Results of the Comprehensive Revision" (February 2004)

"Preview of the Revised NIPA Estimates for 1997 Effects of Incorporating the 1997 Benchmark I-O Accounts and Proposed Definitional and Statistical Changes" (January 2003)

"Preview of the 2003 Comprehensive Revision of the National Income and Product Accounts"

Changes in Definitions and Classifications (June 2003)

New and Redesigned Tables (August 2003)

Statistical Changes (September 2003)

In addition, see the following articles.

"Annual Revision of the National Income and Product Accounts" (August 2005)

"Updated Summary NIPA Methodologies" (November 2005) describes the source data and the methods that are used to prepare the current-dollar and real estimates of GDP.

"Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes" (November 2003) discusses the advantages of using chain-weighted indexes and the challenges of using chained dollars.

"Measuring the Services of Commercial Banks in the NIPAs: Changes in Concepts and Methods" (September 2003)

"Measuring the Services of Property-Casualty Insurance in the NIPAs: Changes in Concepts and Methods" (October 2003)

"Reliability of the NIPA Estimates of U.S. Economic Activity" (February 2005) evaluates the principal NIPA estimates by examining the record of revisions to them.

Fixed assets and consumer durable goods. *Fixed Assets and Consumer Durable Goods in the United States, 1925–97* (2003) discusses the concepts and statistical considerations that underlie the estimates and their derivation.

"Fixed Assets and Consumer Durable Goods for 1925–2002" (May 2004) describes the improvements that were incorporated into these estimates as part of the comprehensive NIPA revision. "Fixed Assets and Consumer Durable Goods for 1993–2003" (September 2004) describes additional improvements that were incorporated into these estimates as part of the annual NIPA revision.

Mission Statement and Strategic Plan

The mission statement of the Bureau of Economic Analysis and the latest update to its strategic plan for improving the accuracy, reliability, and relevance of the national, industry, regional, and international accounts are available on BEA's Web site at <www.bea.gov> under "About BEA."

Industry accounts

The industry accounts consist of the input-output accounts, the gross-domestic-product-by-industry accounts, and one satellite account.

“Improved Annual Industry Accounts for 1998–2003” (June 2004) describes the comprehensive revision of the annual input-output accounts and the GDP-by-industry accounts that features the integration of the two sets of accounts.

In addition, see the following articles.

“Preview of the Benchmark Input-Output Accounts for 2002” (September 2005) includes the proposed new sectors that are based on the 2002 North American Industry Classification System.

“Preview of the Comprehensive Revision of the Annual Industry Accounts: Integrating the Annual Input-Output Accounts and the Gross-Domestic-Product-by-Industry Accounts” (March 2004) provides the details about the comprehensive revision.

“Annual Industry Accounts” (May 2006)

“Benchmark Input-Output Accounts for the U.S. Economy, 1997” (December 2002)

Satellite accounts. These accounts extend the analytical capacity of the input-output accounts by focusing on a particular aspect of economic activity.

“U.S. Travel and Tourism Satellite Accounts”

For 1996 and 1997 (July 2000)

For 1998–2003 (September 2004)

For 2001–2004 (June 2005)

For 2002–2005 (June 2006)

International accounts

The international accounts encompass the international transactions accounts, direct investment, and international transactions in services.

International transactions accounts (ITAs). *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures* (1990) describes the methodologies used to prepare the estimates in the ITAs and the international investment position of the United States. These methodologies are usually updated and improved as part of the annual revisions of the ITAs.

The annual revisions of the ITAs are described in a series of articles, the latest of which was published in the July 2006 SURVEY.

Direct investment. *International Direct Investment: Studies by the Bureau of Economic Analysis* (1999) is a collection of previously published articles on U.S. direct investment abroad and foreign direct investment in the United States. It also includes the following information.

The “Methodology for U.S. Direct Investment Abroad,” which is also available in *U.S. Direct*

Investment Abroad: 1994 Benchmark Survey, Final Results (1998)

“A Guide to BEA Statistics on U.S. Multinational Companies,” which is also available in the March 1995 SURVEY

“A Guide to BEA Statistics on Foreign Direct Investment in the United States,” which is also available in the February 1990 SURVEY

In addition, the updated methodology for foreign direct investment in the United States is available in *Foreign Direct Investment in the United States: Final Results From the 1997 Benchmark Survey* (2001).

International services. *U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis* (1998) describes 11 surveys. It includes classifications, definitions, release schedules, the methods used to prepare the estimates, and samples of the survey forms.

“Selected Issues in the Measurement of U.S. International Services” (June 2002) describes key issues in defining and measuring insurance, wholesale and retail trade, finance, construction, and utilities services and explores possible actions to address these issues.

Regional accounts

The regional accounts include estimates of personal income and gross state product.

Personal income. Estimates of personal income are prepared for states and for local areas.

“Comprehensive Revision of State Personal Income for 1969–2003” (May 2004) describes the improvements in the methodology that are used to prepare the estimates and that are part of a comprehensive revision.

“The Reliability of the State Personal Income Estimates” (December 2003) evaluates the estimates of state personal income and of selected components by examining the revisions of these estimates.

“Comprehensive Revision of Local Area Personal Income for 1969–2002” (June 2004) summarizes the improvements in the methodology that is used to prepare the estimates for counties and metropolitan areas. The detailed methodology is available on the DVD-ROM *Regional Economic Information System, 1969–2004*.

Gross state product. “Comprehensive Revision of Gross State Product” (January 2005) summarizes the sources and the methods that are used to prepare the estimates.

“Gross State Product by Industry for 1998–2005” (July 2006) presents the most recent annual revision of these estimates.

Finding information on BEA's Web site just got easier...

BEA's Web site now includes a powerful new search engine that can help you locate information quickly and efficiently.

Its features include the following:

Clustered Searching

Search results are automatically grouped into a unique set of meaningful categories that can be further explored.

Clustered Results	
gde (51)	
▶ Industry (13)	
▶ NIPA, Historical series (8)	
▶ Bureau of Economic Analysis (10)	
▶ Growth (6)	
▶ Revision, National Income and Product Accounts (6)	
▶ Current Dollar (6)	
▶ FAQ, National Economic Accounts (2)	
▶ Glossary (2)	
▶ Expenditures, Measures (2)	
▶ Other Topics (6)	

Search Within a Search

After an initial search, you can locate specific terms within your search results.

Find in clusters:

Advanced Search

This feature allows you to search by keywords or exact phrases, sort the results by relevance or by date, and choose the number of results returned.

Find results with all the words	<input type="text"/>
with the exact phrase	<input type="text"/>
with any of the words	<input type="text"/>
without the words	<input type="text"/>
Language	any language
Domains	<input type="checkbox"/> Only return results from the domain
Sort	by Relevance
Sources	<input checked="" type="checkbox"/> BEA
Return	200 results
Timeout	5 seconds

Visit BEA's Web site at www.bea.gov,
and find the information you need.