

# SURVEY OF CURRENT BUSINESS



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BEA Personal Income and IRS Adjusted Gross Income

Operations of U.S. Multinational Companies in 2004

United States–Canadian Current-Account Reconciliation  
for 2004–2005

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# SURVEY OF CURRENT BUSINESS

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November 2006

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**Looking Ahead . . .**

**Industry Accounts.** Revised estimates of the annual industry accounts for 2003–2005 will be published in the December SURVEY.

**Integrated Macroeconomic Accounts.** BEA and the Federal Reserve Board have developed a sequence of accounts that relates U.S. economic activity to changes in net worth for major sectors of the economy. An article that describes the accounts will be published in an upcoming issue of the SURVEY.

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## Director's Message

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In this month's SURVEY OF CURRENT BUSINESS, we are pleased to present an article summarizing the preliminary results from BEA's 2004 benchmark survey of U.S. direct investment abroad, which introduces several methodological and statistical improvements.

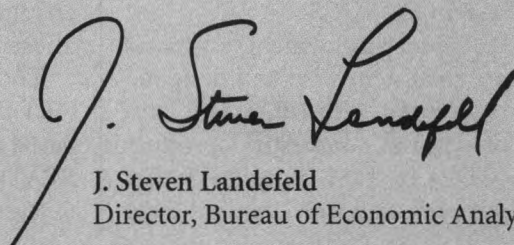
Two annual articles are also presented this month.

The first is our annual summary of the methodologies used to produce the national income and product accounts (NIPAs). The summary features a tabular bird's-eye view of the source data and the methods used to estimate the components of gross domestic product and gross domestic income.

The second is BEA's annual comparison of two widely watched measures of personal income: BEA's personal income and the Internal Revenue Service's adjusted gross income (AGI). The comparison is useful to researchers. For example, some use it to convert AGI into a consistent times series for budgetary and fiscal policy analysis.

You'll also find our annual reconciliation of the United States–Canadian current account. The reconciliation shows how the bilateral current-account estimates would appear if both countries used the same definitions, methodologies, and data sources.

I'd also like to note that BEA held an advisory committee meeting earlier this month and received ample advice and suggestions on several topics, including our new research and development satellite account, the next comprehensive revision of the NIPAs, and our personal consumption expenditures price index. As part of a continuing effort to improve our products and processes, we look forward to incorporating many of the suggestions into our plans.



J. Steven Landefeld  
Director, Bureau of Economic Analysis

## Taking Account...

### **BEA Releases Online NIPA/FFA Comparison**

BEA has released a new set of tables that provide an integrated presentation of the Nation's nonfinancial activities and transactions, as measured by the national income and product accounts (NIPAs), and its financial transactions, as measured by the Federal Reserve Board's flow-of-funds accounts (FFAs).

This set of tables supplements and extends an online comparison of personal saving as measured by the two sets of accounts that was described in the April *SURVEY OF CURRENT BUSINESS*.

The new tables present a sequence of accounts that relate production, income and spending, capital formation, financial transactions, and asset revaluations to changes in net worth between balance sheets for all major sectors of the U.S. economy, not just the personal sector.

BEA and the Federal Reserve Board have been collaborating to integrate the NIPAs and the FFAs for several years. The new tables are based on the internationally accepted standard for national economic accounts set forth by the United Nation's *System of National Accounts*.

The estimates included in the new tables are based on data that were available in the NIPAs and FFAs on September 26, 2006.

The current plan is to revise these estimates on a quarterly basis shortly after the release of the FFAs.

BEA is scheduled to publish an article in an upcoming *SURVEY* that describes these accounts and the efforts to further integrate the NIPAs and FFAs.

The new tables are available at <[www.bea.gov/bea/dn/nipaweb/Ni\\_FedBeaSna/Index.asp](http://www.bea.gov/bea/dn/nipaweb/Ni_FedBeaSna/Index.asp)>. The previously released personal saving comparison is available at <[www.bea.gov/bea/dn/nipaweb/Nipa-Frb.asp](http://www.bea.gov/bea/dn/nipaweb/Nipa-Frb.asp)>.

### **New Jobs Data by Industry Released**

BEA has released estimates of full-time and part-time employment by industry for 1948–97 based on the 1997 North American Industry Classification System (NAICS).

The new employment estimates are provided for 65 detailed industries for 1977–97 and for 22 industry groups for 1948–76. The release marks the complete conversion of BEA's industry series from the Standard Industrial Classification system to NAICS.

These employment estimates are consistent with and designed to be used with BEA's estimates of gross domestic product (GDP) by NAICS industry that were released in November 2004

and December 2005.

The estimates were based on extrapolations of the 1998 NAICS industry estimates from BEA's national and industry accounts back to earlier years. For 1990–97, the estimates were derived from unpublished BEA estimates that were based on Bureau of Labor Statistics data. For the years before 1990, the employment extrapolation was based on procedures that are very similar to those used for the historical GDP-by-industry estimates.

Further information is available at <[www.bea.gov/bea/dn2/NAICSEmployment\\_datarelease.htm](http://www.bea.gov/bea/dn2/NAICSEmployment_datarelease.htm)>.

### **Name Change for Major Regional Indicator**

BEA has a new name for its main indicator of state output: Gross domestic product (GDP) by state. Previously, the data series was known as gross state product (GSP). The new name is consistent with terminology used by statistical agencies in most other developed countries and is also consistent with NIPA terminology. The change did not affect any methodologies.

The most recent estimates of GDP by state and by NAICS-based sectors are available on the BEA Web site under "Current Releases."

# GDP and the Economy

## Advance Estimates for the Third Quarter of 2006

IN the third quarter, U.S. economic growth slowed and inflation decelerated, according to the “advance” estimates of the national income and product accounts (NIPAs).<sup>1</sup>

Real GDP increased 1.6 percent, following a 2.6-percent increase in the second quarter (chart 1 and table 1).<sup>2</sup> The slowdown primarily reflected an acceleration in imports, a downturn in inventory investment, a larger decrease in residential investment, and decelerations in consumer spending for services and in state and local spending.<sup>3</sup>

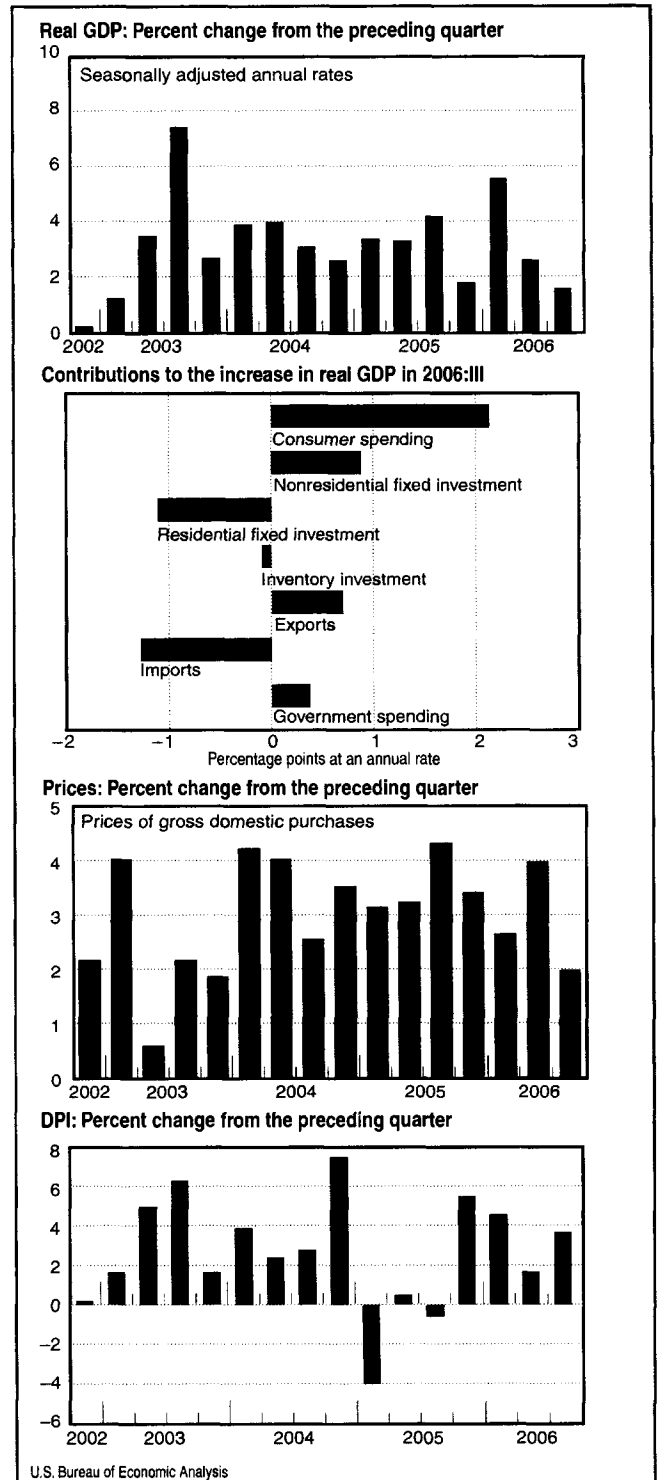
- Prices of goods and services purchased by U.S. residents increased 2.0 percent, following an increase of 4.0 percent. Energy prices decelerated sharply in the third quarter, while food prices accelerated.
- Real disposable personal income (DPI) increased 3.7 percent, stepping up from the 1.7-percent increase in the second quarter.
- The personal saving rate, personal saving as a percentage of current-dollar DPI, was -0.5 percent in the third quarter; it was -0.6 percent in the second quarter.
- Motor vehicle output turned up sharply, rising 25.7 percent after falling 9.4 percent. For more on BEA’s measure of real motor vehicle output and the motor vehicle component of the Federal Reserve Board’s industrial production index, see the box article “Motor Vehicle Output in GDP” (page 6).

1. Each GDP estimate for a quarter (advance, preliminary, and final) incorporates increasingly comprehensive and improved source data. More information can be found at <[www.bea.gov/bea/about/infoqual.htm](http://www.bea.gov/bea/about/infoqual.htm)> and <[www.bea.gov/bea/faq/national/gdp\\_accuracy.htm](http://www.bea.gov/bea/faq/national/gdp_accuracy.htm)>. Quarterly estimates are expressed at seasonally adjusted annual rates, a value that assumes the rate of activity for a quarter were maintained for a year.

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

3. In this article, “consumer spending” refers to the NIPA series “personal consumption expenditures,” “inventory investment” refers to “change in private inventories,” and “Federal Government spending” refers to “Federal Government consumption expenditures and gross investment.”

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



Christopher Swann prepared this article.

## 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)		
	2006	2005	2006			2005	2006			
	III	IV	I	II	III	IV	I	II	III	
<b>Gross domestic product<sup>1</sup>.....</b>	<b>100.0</b>	<b>1.8</b>	<b>5.6</b>	<b>2.6</b>	<b>1.6</b>	<b>1.8</b>	<b>5.6</b>	<b>2.6</b>	<b>1.6</b>	
<b>Personal consumption expenditures.....</b>	<b>70.3</b>	<b>0.8</b>	<b>4.8</b>	<b>2.6</b>	<b>3.1</b>	<b>0.53</b>	<b>3.38</b>	<b>1.81</b>	<b>2.13</b>	
Durable goods.....	8.1	-12.3	19.8	-0.1	8.4	-1.08	1.50	-0.01	0.66	
Nondurable goods.....	20.7	3.9	5.9	1.4	1.6	0.79	1.20	0.30	0.33	
Services.....	41.5	2.0	1.6	3.7	2.8	0.83	0.67	1.52	1.15	
<b>Gross private domestic investment.....</b>	<b>16.7</b>	<b>16.2</b>	<b>7.8</b>	<b>1.0</b>	<b>-2.0</b>	<b>2.51</b>	<b>1.31</b>	<b>0.17</b>	<b>-0.34</b>	
Fixed investment.....	16.3	2.8	8.2	-1.6	-1.4	0.46	1.34	-0.27	-0.24	
Nonresidential.....	10.6	5.2	13.7	4.4	8.6	0.52	1.36	0.45	0.88	
Structures.....	3.2	12.0	8.7	20.3	14.0	0.31	0.25	0.56	0.41	
Equipment and software.....	7.4	2.8	15.6	-1.4	6.4	0.21	1.11	-0.10	0.46	
Residential.....	5.7	-0.9	-0.3	-11.1	-17.4	-0.06	-0.02	-0.72	-1.12	
Change in private inventories.....	0.4	.....	.....	.....	.....	2.05	-0.03	0.44	-0.10	
<b>Net exports of goods and services.....</b>	<b>-6.1</b>	.....	.....	.....	.....	<b>-1.07</b>	<b>-0.04</b>	<b>0.42</b>	<b>-0.58</b>	
Exports.....	11.2	9.6	14.0	6.2	6.5	0.97	1.41	0.66	0.70	
Goods.....	7.9	11.5	17.3	6.0	10.0	0.80	1.20	0.45	0.75	
Services.....	3.2	5.5	6.7	6.7	-1.5	0.17	0.21	0.21	-0.05	
Imports.....	17.3	13.2	9.1	1.4	7.8	-2.04	-1.46	-0.24	-1.28	
Goods.....	14.6	14.1	9.4	-0.1	9.5	-1.84	-1.27	0.01	-1.31	
Services.....	2.7	8.3	7.4	9.9	-1.0	-0.20	-0.19	-0.25	0.03	
<b>Government consumption expenditures and gross investment.....</b>	<b>19.0</b>	<b>-1.1</b>	<b>4.9</b>	<b>0.8</b>	<b>2.0</b>	<b>-0.21</b>	<b>0.94</b>	<b>0.16</b>	<b>0.37</b>	
Federal.....	7.0	-4.6	8.8	-4.5	1.7	-0.33	0.61	-0.32	0.12	
National defense.....	4.6	-9.9	8.9	-2.0	-0.7	-0.49	0.41	-0.09	-0.03	
Nondefense.....	2.3	7.1	8.5	-9.3	6.9	0.16	0.20	-0.23	0.15	
State and local.....	12.1	1.0	2.7	4.0	2.1	0.13	0.33	0.48	0.25	

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

NOTE: Percent changes are from NIPA table 1.1.1, contributions are from NIPA table 1.1.2, and shares are from NIPA table 1.1.10.

Consumer spending increased 3.1 percent after increasing 2.6 percent, and contributed 2.13 percentage points to real GDP growth. An upturn in motor vehicles and parts, especially light trucks, led to an upturn in durable goods. Services decelerated; the largest contributor to the deceleration was net foreign travel.

Nonresidential investment accelerated, reflecting an upturn in equipment and software. Transportation equipment and information-processing equipment and software turned up.

Residential investment decreased for the fourth consecutive quarter. The 17.4-percent decrease subtracted 1.12 percentage points from real GDP growth and was the largest decrease since the first quarter of 1991.

Inventory investment turned down and subtracted 0.10 percentage point from real GDP growth; inventory investment by retail motor vehicle and parts dealers, by "other" industries, and by mining, utilities, and construction industries declined.

Exports picked up slightly, reflecting an upturn in automotive vehicles, engines, and parts and an acceleration in nonautomotive consumer goods.

Imports accelerated sharply, reflecting upturns in petroleum and products and in nonpetroleum industrial supplies and material and an acceleration in nonautomotive consumer goods.

An upturn in nondefense spending and a smaller reduction in defense spending resulted in an upturn in Federal Government spending.

**Table 2. Real Gross Domestic Product (GDP) by Type of Product**

[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)		
	2006	2005	2006			2005	2006			
	III	IV	I	II	III	IV	I	II	III	
<b>Gross domestic product<sup>1</sup>.....</b>	<b>100.0</b>	<b>1.8</b>	<b>5.6</b>	<b>2.6</b>	<b>1.6</b>	<b>1.8</b>	<b>5.6</b>	<b>2.6</b>	<b>1.6</b>	
<b>Final sales of domestic product.....</b>	<b>99.6</b>	<b>-0.3</b>	<b>5.6</b>	<b>2.1</b>	<b>1.7</b>	<b>-0.28</b>	<b>5.61</b>	<b>2.11</b>	<b>1.68</b>	
Change in private inventories.....	0.4	.....	.....	.....	.....	2.05	-0.03	0.44	-0.10	
Goods.....	31.2	3.1	12.8	3.6	2.6	0.97	3.86	1.12	0.81	
Services.....	57.9	0.8	2.4	2.4	2.6	0.46	1.39	1.40	1.50	
Structures.....	10.9	3.1	2.9	0.3	-6.4	0.33	0.33	0.04	-0.73	
<b>Addenda:</b>										
Motor vehicle output.....	3.2	-19.1	3.8	-9.4	25.7	-0.71	0.12	-0.31	0.72	
GDP excluding motor vehicle output.....	96.8	2.6	5.6	3.0	0.9	2.47	5.46	2.87	0.86	
Final sales of computers.....	0.6	33.8	9.5	6.7	16.9	0.20	0.07	0.04	0.10	
GDP excluding final sales of computers.....	99.4	1.6	5.6	2.5	1.5	1.56	5.52	2.51	1.48	

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

NOTE: Percent changes are from NIPA table 1.2.1, contributions are from NIPA table 1.2.2, and shares are calculated from NIPA table 1.2.5.

Real final sales of domestic product, real GDP less inventory investment, increased 1.7 percent after increasing 2.1 percent.

Motor vehicle output turned up sharply, primarily reflecting a strong upturn in light trucks. See "Motor Vehicle Output in GDP."

Final sales of computers increased 16.9 percent, compared with a 6.7-percent increase.



## Prices

**Table 3. Prices for Gross Domestic Purchases**

[Percent change at annual rates; based on seasonally adjusted index numbers (2000=100)]

	Change from preceding period (percent)				Contribution to percent change in gross domestic purchases prices (percentage points)			
	2005		2006		2005		2006	
	IV	I	II	III	IV	I	II	III
<b>Gross domestic purchases<sup>1</sup></b> .....	<b>3.5</b>	<b>2.7</b>	<b>4.0</b>	<b>2.0</b>	<b>3.5</b>	<b>2.7</b>	<b>4.0</b>	<b>2.0</b>
<b>Personal consumption expenditures</b> .....	<b>2.9</b>	<b>2.0</b>	<b>4.0</b>	<b>2.5</b>	<b>1.93</b>	<b>1.35</b>	<b>2.66</b>	<b>1.64</b>
Durable goods .....	-1.3	-1.0	-0.8	-1.1	-0.10	-0.07	-0.06	-0.08
Nondurable goods .....	0.6	1.1	8.3	2.3	0.11	0.21	1.58	0.46
Services .....	5.0	3.1	2.9	3.3	1.92	1.22	1.15	1.26
<b>Gross private domestic investment</b> .....	<b>4.3</b>	<b>3.7</b>	<b>3.1</b>	<b>0.5</b>	<b>0.68</b>	<b>0.58</b>	<b>0.50</b>	<b>0.08</b>
Fixed investment .....	4.6	3.8	3.0	0.4	0.71	0.59	0.47	0.06
Nonresidential .....	3.5	3.7	3.0	0.8	0.34	0.36	0.30	0.08
Structures .....	16.8	12.4	10.7	5.7	0.41	0.32	0.29	0.16
Equipment and software .....	-1.0	0.6	0.1	-1.2	-0.07	0.04	0.01	-0.08
Residential .....	6.3	3.8	2.9	-0.4	0.37	0.23	0.17	-0.02
Change in private inventories .....					-0.03	-0.01	0.03	0.02
<b>Government consumption expenditures and gross investment</b> .....	<b>4.7</b>	<b>4.4</b>	<b>4.8</b>	<b>1.4</b>	<b>0.84</b>	<b>0.79</b>	<b>0.86</b>	<b>0.26</b>
Federal .....	0.4	7.6	3.8	1.3	0.03	0.49	0.25	0.09
National defense .....	1.0	6.7	4.1	1.7	0.04	0.29	0.18	0.07
Nondefense .....	-0.7	9.5	3.2	0.6	-0.01	0.20	0.07	0.01
State and local .....	7.3	2.6	5.4	1.5	0.81	0.30	0.61	0.17
<b>Addenda:</b>								
Gross domestic purchases:								
Food .....	2.3	2.6	1.7	3.0	0.22	0.24	0.16	0.28
Energy goods and services .....	14.8	-2.4	30.6	0.6	0.70	-0.11	1.37	0.03
Excluding food and energy .....	3.0	3.0	2.9	1.9	2.54	2.59	2.49	1.67
Personal consumption expenditures (PCE):								
Food .....	2.3	2.8	1.7	2.9				
Energy goods and services .....	9.8	0.1	29.7	3.7				
Excluding food and energy .....	2.5	2.1	2.7	2.3				
"Market-based" PCE .....	2.5	1.7	4.2	2.3				
Excluding food and energy .....	1.9	1.6	2.7	2.0				
Gross domestic product .....	3.3	3.3	3.3	1.8				

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

Note. Most percent changes are from NIPA table 1.6.7; percent changes for PCE for food and energy goods and services and for PCE excluding food and energy are calculated from index numbers in NIPA table 2.3.4. Contributions are from NIPA table 1.6.8.

Inflation, as measured by the price index for gross domestic purchases, was 2.0 percent, compared with 4.0 percent in the second quarter, and was the slowest rate of inflation since the fourth quarter of 2003.

Consumer prices decelerated, reflecting a sharp deceleration in prices paid for gasoline, fuel oil, and other energy goods.

Prices of private fixed investment decelerated markedly, reflecting a deceleration in the prices paid for nonresidential structures and downturns in the prices paid for equipment and software and for residential investment.

Prices paid by government decelerated, reflecting decelerations in the prices paid by the Federal Government and by state and local governments.

Energy prices increased 0.6 percent after increasing 30.6 percent. Food prices accelerated.

Excluding food and energy prices, inflation was 1.9 percent, slower than the 2.9 percent registered in the second quarter.

Consumer prices excluding food and energy, a measure of the "core" rate of inflation, increased 2.3 percent, following a 2.7-percent increase.

The "market-based" PCE price index increased 2.3 percent after increasing 4.2 percent.

The GDP price index, a measure of prices paid for goods and services made domestically, increased 1.8 percent, 0.2 percentage point less than the increase in the price index for gross domestic purchases.

**Note on Prices**

The gross domestic purchases price index measures the prices paid by U.S. residents for all goods and services. It is derived from the prices of personal consumption expenditures (PCE), gross private domestic investment, government consumption expenditures and gross investment, and imported goods and services. It differs from the GDP price index because it excludes price changes of exported goods and services.

The GDP price index measures the prices paid for the goods and services produced in the United States. It is derived from the prices of PCE, gross private domestic investment, net exports of goods and services, and govern-

ment consumption expenditures and gross investment. It differs from the gross domestic purchases price index because it excludes price changes of imported goods and services.

Differences between the two price indexes reflect the changes in the prices of imports relative to the changes in the prices of exports. For example, quarter-to-quarter changes in the price index for gross domestic purchases are generally greater than changes in the GDP price index if increases in import prices exceed increases in export prices or if decreases in import prices are smaller than decreases in export prices.

## Personal Income

**Table 4. Personal Income and Its Disposition**

[Billions of dollars; quarterly estimates are seasonally adjusted at annual rates]

	Level		Change from preceding period		
	2006	2005	2006		
	III	IV	I	II	III
<b>Personal income</b> .....	<b>11,1052.5</b>	<b>221.0</b>	<b>237.7</b>	<b>179.6</b>	<b>151.5</b>
Compensation of employees, received .....	7,623.7	90.8	215.9	132.9	90.5
Wage and salary disbursements .....	6,152.7	71.8	183.1	111.1	71.5
Private industries .....	5,137.0	64.3	173.1	103.3	61.7
Goods-producing industries .....	1,210.1	11.0	52.4	24.0	8.8
Manufacturing .....	757.5	5.3	27.8	12.8	1.9
Services-producing industries .....	3,926.9	53.2	120.8	79.3	52.9
Trade, transportation, and utilities .....	1,012.9	9.4	28.7	18.2	11.1
Other services-producing industries .....	2,913.9	43.8	92.0	61.2	41.7
Government .....	1,015.7	7.5	10.0	7.8	9.8
Supplements to wages and salaries .....	1,471.0	19.0	32.9	21.7	19.0
Proprietors' income with IVA and CCAAdj .....	1,013.4	29.5	11.5	3.6	1.5
Farm .....	19.6	-1.0	-4.8	-6.4	2.1
Nonfarm .....	993.8	30.4	16.3	9.9	-0.5
Rental income of persons with CCAAdj .....	74.5	93.0	-4.7	-5.4	3.1
Personal income receipts on assets .....	1,685.0	47.5	22.1	45.4	37.3
Personal interest income .....	1,037.2	30.5	7.4	30.1	18.0
Personal dividend income .....	647.8	17.0	14.7	15.3	19.3
Personal current transfer receipts .....	1,618.8	-29.2	30.6	19.3	29.1
Less: Contributions for government social insurance .....	962.8	10.4	37.8	16.2	9.9
Less: Personal current taxes .....	1,384.1	32.6	85.0	46.0	5.5
<b>Equals: Disposable personal income</b> .....	<b>9,668.5</b>	<b>188.4</b>	<b>152.7</b>	<b>133.6</b>	<b>146.1</b>
Less: Personal outlays .....	9,715.2	84.2	154.0	158.5	138.2
<b>Equals: Personal saving</b> .....	<b>-46.8</b>	<b>104.1</b>	<b>-1.2</b>	<b>-24.9</b>	<b>7.8</b>
<b>Addenda: Special factors in personal income</b>					
In government wages and salaries:					
Federal pay raise .....	6.9	0.0	6.5	0.4	0.0
Reservists' pay .....	6.4	0.0	7.2	-1.2	0.4
In supplements to wages and salaries:					
Employer contributions for social insurance .....	4.6	0.0	4.6	0.0	0.0
In nonfarm proprietors' income:					
Hurricane-related destruction of uninsured business property .....	0.0	21.1	0.5	0.0	0.0
In rental income of persons:					
Hurricane-related destruction of uninsured residential property .....	0.0	101.1	2.6	0.0	0.0
In personal current transfer receipts:					
Social security retroactive payments .....	0.0	2.2	-2.2	0.0	0.0
Cost-of-living adjustments under Federal transfer programs .....	24.4	0.0	24.4	0.0	0.0
Medicare part D—prescription drug benefits .....	49.5	0.0	33.1	11.2	5.2
Hurricane-related net insurance settlements (personal property excluding housing) .....	0.0	-41.9	-3.6	0.0	0.0
In contributions for government social insurance:					
Increase in taxable wage base .....	6.5	0.0	6.5	0.0	0.0
Changes in premium for supplementary medical insurance .....	4.9	0.0	4.9	0.0	0.0
In personal current taxes:					
Federal tax law changes .....	-4.1	0.0	-4.1	0.0	0.0
Refunds, settlements, and other .....	26.2	0.0	26.2	0.0	0.0

NOTE: Dollar levels are from NIPA tables 2.1 and 2.2B.  
IVA Inventory valuation adjustment

CCAAdj Capital consumption adjustment

Personal income, which is only measured in current dollars, increased \$151.5 billion after increasing \$179.6 billion. The deceleration primarily reflected decelerations in wages and salaries and in personal interest income.

Compensation increased \$90.5 billion, compared with an increase of \$132.9 billion. A deceleration in wages and salaries was spread across private industries; wages and salaries in government accelerated.

Personal interest income slowed, reflecting a broad decline in interest rates over the quarter.

An acceleration in personal current transfer receipts primarily reflected an acceleration in state and local government benefits (mainly Medicaid payments).

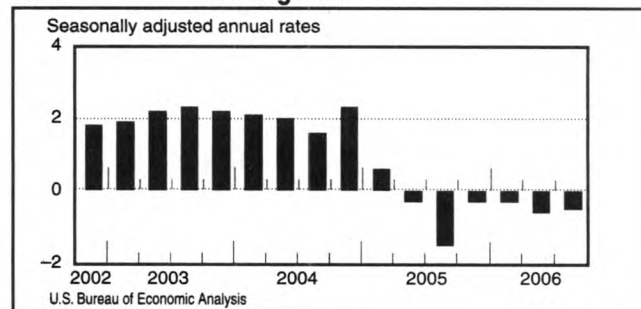
Personal current taxes decelerated sharply as a result of a downturn in state and local taxes and a deceleration in Federal income taxes. The decrease in state and local taxes reflected a return to more normal levels after strong second-quarter growth. The deceleration in Federal taxes was in both withheld taxes and in non-withheld taxes.

Current-dollar disposable personal income accelerated, reflecting a larger deceleration in personal current taxes than in personal income.

### Saving

Personal saving—disposable personal income less personal outlays—was -\$46.8 billion in the third quarter. Saving from current income may be near zero or negative when outlays are financed by borrowing (including borrowing financed through credit cards or home equity loans), by selling investments or other assets, or by using saving from previous periods. See “Personal Saving” on BEA’s Web site at [www.bea.gov/bea/faq/national/faq\\_personalsaving.pdf](http://www.bea.gov/bea/faq/national/faq_personalsaving.pdf).

**Chart 2. Personal Saving Rate**



## Source Data for the Advance Estimates

**Table 5. Monthly Advance Estimates of Key NIPA Components Based on Partial Data, 2006:III**

[Billions of dollars, seasonally adjusted at annual rates]

	2006					
	April	May	June	July	August	Sept. <sup>1</sup>
<b>Private fixed investment:</b>						
Nonresidential structures:						
Value of new nonresidential construction put in place .....	290.7	292.0	297.8	301.7	312.0	309.9
Equipment and software:						
Manufacturers' shipments of complete aircraft .....	27.0	34.0	37.7	30.6	34.8	34.7
Residential structures:						
Value of new residential construction put in place:						
Single family .....	446.5	435.5	424.2	411.5	400.3	394.5
Multifamily .....	56.1	55.0	54.7	55.5	55.7	54.9
<b>Change in private inventories:</b>						
Change in inventories for nondurable manufacturing .....	14.3	16.1	23.4	7.5	12.3	6.4
Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment .....	48.2	76.5	57.6	49.8	76.7	34.5
<b>Net exports:<sup>2</sup></b>						
Exports of goods:						
U.S. exports of goods, international-transactions-accounts basis .....	982.0	1,008.7	1,043.5	1,025.5	1,055.7	1,069.2
Excluding gold .....	975.1	999.3	1,033.2	1,017.8	1,045.4	1,060.2
Imports of goods:						
U.S. imports of goods, international-transactions-accounts basis .....	1,816.8	1,860.9	1,883.6	1,906.9	1,962.2	1,915.1
Excluding gold .....	1,811.4	1,853.9	1,877.5	1,900.9	1,957.2	1,909.6
Net exports of goods .....	-834.8	-852.2	-840.2	-881.4	-906.5	-845.8
Excluding gold .....	-836.4	-854.6	-844.3	-883.1	-911.9	-849.4
<b>State and local government structures:</b>						
Value of new construction put in place .....	247.6	252.3	254.8	251.1	254.7	252.9

1. Assumption.

2. Nonmonetary gold is included in balance-of-payments exports and

imports, but it is not used directly in estimating exports and imports in the national income and product accounts.

### Summary of the Source Data for the Advance Estimates of GDP for the Third Quarter of 2006

The advance estimates of many components of GDP are based on 3 months of source data, but the estimates of some components are based on only 2 months of data. For the following items, the number of months for which data are available is shown in parentheses.

*Personal consumption expenditures:* Sales of retail stores (3), unit auto and truck sales (3), and consumers' shares of auto and truck sales (2);

*Nonresidential fixed investment:* Unit auto and truck sales (3), construction put in place (2), manufacturers' shipments of machinery and equipment other than aircraft (3), shipments of civilian aircraft (2), and exports and imports of machinery and equipment (2);

*Residential investment:* Construction put in place (2), single-family housing starts (3), sales of new homes (2), and sales of existing houses (3);

*Change in private inventories:* Trade and nondurable-goods manufacturing inventories (2), durable-goods manufacturing inventories (3), and unit auto and truck inventories (3);

*Net exports of goods and services:* Exports and imports of goods and services (2);

*Government consumption expenditures and gross investment:* Federal outlays (3), state and local government construction put in place (2), and state and local government employment (3);

*Compensation:* Employment, average hourly earnings, and average weekly hours (3);

*GDP prices:* Consumer price indexes (3), producer price indexes (3), and values and quantities of petroleum imports (2).

#### Unavailable source data

When source data were unavailable, BEA made various assumptions for September, including the following:

- An increase in nondurable-goods manufacturing inventories,
- An increase in nonmotor vehicle merchant wholesale and retail inventories,
- An increase in exports of goods excluding gold and a decrease in imports of goods excluding gold.

Table 5 shows the assumptions for key series; a more comprehensive list is available on BEA's Web site at <[www.bea.gov/bea/dn/home/gdp.htm](http://www.bea.gov/bea/dn/home/gdp.htm)>.



### Motor Vehicle Output in GDP

In the third quarter of 2006, BEA's measure of real motor vehicle output increased 26 percent, compared with a decrease of 9 percent in the second quarter. The strong upturn reflected an acceleration in consumer spending and upturns in business investment and exports. However, motor vehicle unit production, as measured by the Federal Reserve Board, fell about 20 percent.

The divergence of unit production and real output in the third quarter demonstrates that unit production data is not always an accurate rule-of-thumb indicator of real motor vehicle output. These two measures often diverge in magnitude and direction of change (charts 1 and 2). The third-quarter decline in unit production suggests that the strong increase in dealer unit sales mostly came from motor vehicle inventories, which declined in the third quarter after an increase in the second quarter.

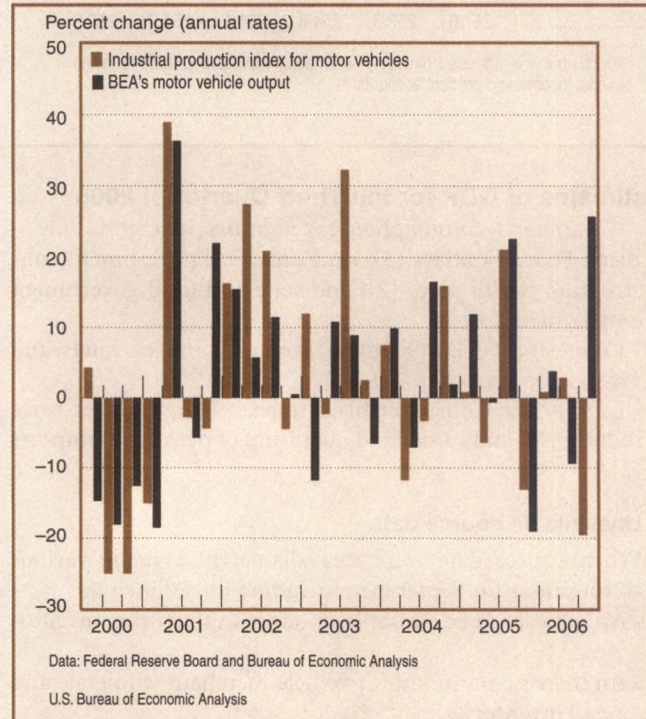
The divergence of unit production and real output also provides an opportunity to discuss key concepts behind BEA's measure of motor vehicle output.

**Margins.** BEA's measure of motor vehicle output includes the value added (including wages and salaries and commissions) from retail and wholesale margins (including sales taxes) for new and used domestic and imported vehicles. In contrast, the Federal Reserve's unit production measure does not include any retail and wholesale activity. In the third quarter, increased motor vehicle sales generated value added by retailers and wholesalers and boosted current-dollar motor vehicle output. Also, in the third quarter, margins on used motor vehicle transactions increased.

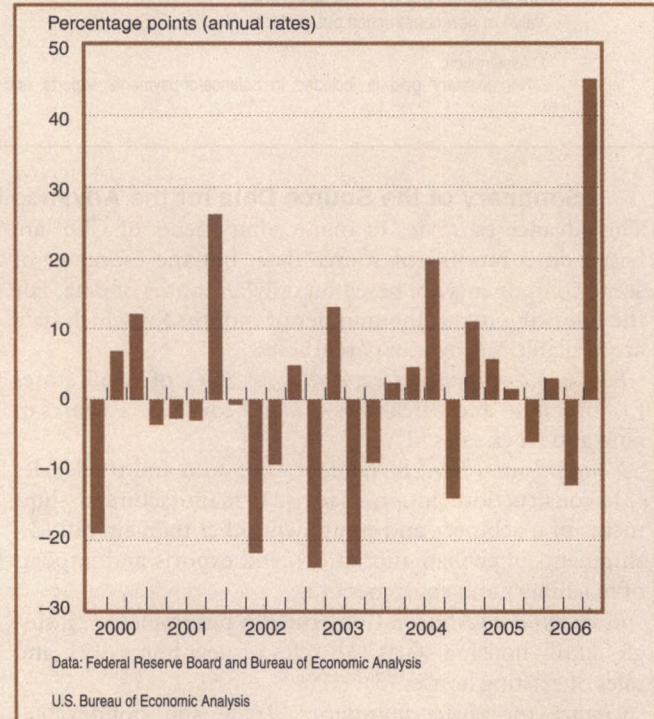
**Price effects.** The increase in BEA's real motor vehicle output was even stronger than the current-dollar measure because the price index that BEA uses to deflate some components of motor vehicle output and inventory values decreased significantly.

**Net exports.** BEA uses balance-of-payments data for nominal and real exports and imports, and the contribution of net exports was larger than that implied by the unit production data.

**Chart 1. Federal Reserve Board Unit Production Index and BEA's Measure of Motor Vehicle Output**



**Chart 2. Difference in Percent Changes in Motor Vehicle Output Measures**





## Newly Available NIPA Tables

As part of the 2006 annual revision of the national income and product accounts (NIPAs), this report presents NIPA tables NIPA tables 7.20 AND 2.9.

The August 2006 SURVEY includes most of the revised NIPA tables. It also includes an article that summarizes the results of the annual revision and describes changes in the data and methods used to prepare the estimates.

The September issue presented newly available NIPA tables 3.15.1–3.15.6, 3.16, 3.17, 5.9, 7.15, and 7.19.

The October issue presented NIPA tables 3.18B, 3.19, and 8.1–8.6 and new NIPA tables 3.20 and 3.21.

The NIPA tables that were published in the August, September, and October issues and in this issue are available on BEA's Web site. For interactive access, go to <[www.bea.gov/bea/dn/nipaweb/index.asp](http://www.bea.gov/bea/dn/nipaweb/index.asp)>.

**Table 7.20. Comparison of Income and Outlays of Nonprofit Institutions Serving Households With Revenue and Expenses as Published by the Internal Revenue Service**

[Billions of dollars]

	Line	2002	2003	2004	2005
<b>Revenue of nonprofit institutions, IRS<sup>1</sup></b> .....	1	<b>1,214.4</b>	<b>1,393.3</b>		
Less: Nonprofit revenue recorded by the IRS not included in nonprofit institution income and receipts from sales .....	2	350.4	466.5		
Capital gains or losses .....	3	-13.1	39.3		
Adjustment for different accounting periods .....	4	4.2	11.9		
Nonresident institutions .....	5	8.4	11.6		
Government hospitals and schools <sup>2</sup> .....	6	93.9	108.7		
Other out-of-scope activity <sup>3</sup> .....	7	197.5	233.4		
Transfer receipts from nonprofit institutions <sup>4</sup> .....	8	59.4	61.7	65.3	68.9
Plus: Nonprofit institution income not recorded by the IRS .....	9	40.2	39.3		
Religious organizations <sup>5</sup> .....	10	38.4	37.9		
Other organizations .....	11	1.7	2.3		
Other accounting differences <sup>6</sup> .....	12	0.2	-0.8		
<b>Equals: IRS-derived nonprofit institution income and receipts from sales</b> .....	13	<b>904.2</b>	<b>966.1</b>		
<b>Nonprofit institution income, NIPAs<sup>7</sup></b> .....	14	<b>241.5</b>	<b>244.3</b>	<b>256.6</b>	<b>264.2</b>
Plus: Receipts from sales of goods and services by nonprofit institutions, NIPAs <sup>8</sup> .....	15	552.8	587.5	621.0	665.7
<b>Equals: BEA-derived nonprofit institution income and receipts from sales</b> .....	16	<b>794.3</b>	<b>831.9</b>	<b>877.6</b>	<b>930.0</b>
<b>Gap, IRS less BEA nonprofit institution income and receipts from sales</b> .....	17	<b>109.9</b>	<b>134.2</b>		
<b>Expenses of nonprofit institutions, IRS<sup>1</sup></b> .....	18	<b>1,202.7</b>	<b>1,285.0</b>		
Less: Nonprofit institution expenses recorded by the IRS not included in nonprofit institution gross consumption expenditures and current transfer payments .....	19	381.2	419.0		
Adjustment for different accounting periods .....	20	6.0	7.9		
Nonresident institutions .....	21	7.6	10.6		
Government hospitals and schools <sup>2</sup> .....	22	110.6	125.3		
Other out-of-scope activity <sup>3</sup> .....	23	204.9	221.4		
Transfer payments to nonprofit institutions <sup>4</sup> .....	24	59.4	61.7	65.3	68.9
Capital consumption adjustment <sup>9</sup> .....	25	-7.4	-7.8		
Plus: Nonprofit institution gross consumption expenditures and current transfer payments not recorded by the IRS .....	26	32.7	31.0		
Religious organizations <sup>5</sup> .....	27	36.9	37.4		
Other organizations .....	28	1.7	2.0		
Adjustment for other accounting differences <sup>10</sup> .....	29	-5.9	-8.4		
<b>Equals: IRS-derived nonprofit institution gross consumption expenditures and current transfer payments</b> .....	30	<b>854.3</b>	<b>897.0</b>		
<b>Nonprofit institution gross consumption expenditures, NIPAs<sup>11</sup></b> .....	31	<b>715.5</b>	<b>756.9</b>	<b>796.0</b>	<b>840.5</b>
Plus: Nonprofit institution current transfer payments, NIPAs <sup>12</sup> .....	32	62.7	66.5	69.8	74.7
<b>Equals: BEA-derived nonprofit institution gross consumption expenditures and current transfer payments</b> .....	33	<b>778.1</b>	<b>823.4</b>	<b>865.8</b>	<b>915.2</b>
<b>Gap, IRS less BEA nonprofit institution gross consumption expenditures and current transfer payments</b> .....	34	<b>76.1</b>	<b>73.6</b>		

1. For 1996, includes an adjustment to account for some classes of tax-exempt institutions not included in the IRS statistics.

2. Primarily reflects adjustment for differences between IRS and BEA in sector definitions and in treatment of scholarships and fellowships.

3. Includes activities of nonprofit institutions serving business, unrelated sales, secondary sales, and sales to business, government, and the rest of the world.

4. Includes grants and allocations made by nonprofit institutions that indirectly support households through the support of other nonprofit institutions, plus their payments to affiliates.

5. Reflects partial coverage in the IRS statistics.

6. Consists of imputed interest received for depositor and insurance services, net insurance settlements, and capital consumption adjustment for rental income.

7. Estimates of income and outlays of nonprofit institutions serving households are provided in table 2.9.

8. Equals table 2.9, line 64.

9. IRS-reported capital consumption allowance less BEA-estimated consumption of fixed capital for structures and for equipment and software of nonprofit institutions serving households.

10. Consists primarily of services furnished without payment by financial intermediaries except life insurance carriers for depositor and insurance services, less expenditures for computer software investment.

11. Equals table 2.9, line 58.

12. Equals table 2.9, line 70.

IRS Internal Revenue Service

Table 2.9. Personal Income and Its Disposition by Households and by Nonprofit Institutions Serving Households

[Billions of dollars]

	Line	2002	2003	2004	2005
<b>Personal income</b> .....	1	<b>8,881.9</b>	<b>9,163.6</b>	<b>9,731.4</b>	<b>10,239.2</b>
Compensation of employees, received.....	2	6,091.2	6,310.4	6,665.3	7,030.3
Proprietors' income with inventory valuation and capital consumption adjustments.....	3	768.4	811.3	911.1	970.7
Rental income of persons with capital consumption adjustment.....	4	152.9	133.0	127.0	72.8
Personal income receipts on assets.....	5	1,333.2	1,336.6	1,427.9	1,519.4
Personal interest income.....	6	936.1	914.1	890.8	945.0
Personal dividend income.....	7	397.2	422.6	537.1	574.4
Personal current transfer receipts.....	8	1,286.2	1,351.0	1,426.5	1,526.6
Government social benefits to persons.....	9	1,248.9	1,316.7	1,398.4	1,480.9
Other current transfer receipts, from business (net).....	10	37.3	34.3	28.1	45.7
Less: Contributions for government social insurance.....	11	750.0	778.6	826.4	880.6
<b>Less: Personal current taxes</b> .....	12	<b>1,051.8</b>	<b>1,001.1</b>	<b>1,049.8</b>	<b>1,203.1</b>
<b>Equals: Disposable personal income</b> .....	13	<b>7,830.1</b>	<b>8,162.5</b>	<b>8,681.6</b>	<b>9,036.1</b>
<b>Less: Personal outlays</b> .....	14	<b>7,645.3</b>	<b>7,987.7</b>	<b>8,507.2</b>	<b>9,070.9</b>
Personal consumption expenditures.....	15	7,350.7	7,703.6	8,211.5	8,742.4
Personal interest payments <sup>1</sup> .....	16	196.4	182.5	186.0	209.4
Personal current transfer payments.....	17	98.2	101.5	109.7	119.2
To government.....	18	58.2	61.3	66.8	72.0
To the rest of the world (net).....	19	40.0	40.2	42.9	47.1
<b>Equals: Personal saving</b> .....	20	<b>184.7</b>	<b>174.9</b>	<b>174.3</b>	<b>-34.8</b>
<b>Personal saving as a percentage of disposable personal income</b> .....	21	<b>2.4</b>	<b>2.1</b>	<b>2.0</b>	<b>-0.4</b>
<b>Household income</b> .....	22	<b>8,873.8</b>	<b>9,157.8</b>	<b>9,726.0</b>	<b>10,234.8</b>
Compensation of employees, received.....	23	6,091.2	6,310.4	6,665.3	7,030.3
Proprietors' income with inventory valuation and capital consumption adjustments.....	24	768.4	811.3	911.1	970.7
Rental income of households with capital consumption adjustment.....	25	150.7	130.8	124.9	70.8
Household income receipts on assets.....	26	1,299.8	1,303.2	1,392.6	1,484.5
Household interest income.....	27	912.8	893.6	868.6	924.2
Household dividend income.....	28	387.0	409.6	523.9	560.3
Household current transfer receipts.....	29	1,313.8	1,380.8	1,458.5	1,559.1
Government social benefits.....	30	1,233.1	1,299.6	1,380.3	1,462.4
From business (net).....	31	26.5	24.0	17.9	32.7
From nonprofit institutions <sup>2</sup> .....	32	54.2	57.2	60.4	64.0
Less: Contributions for government social insurance.....	33	750.0	778.6	826.4	880.6
<b>Less: Household current taxes</b> .....	34	<b>1,051.8</b>	<b>1,001.1</b>	<b>1,049.8</b>	<b>1,203.1</b>
<b>Equals: Disposable household income</b> .....	35	<b>7,822.0</b>	<b>8,156.7</b>	<b>8,676.2</b>	<b>9,031.7</b>
<b>Less: Household outlays</b> .....	36	<b>7,653.4</b>	<b>7,990.3</b>	<b>8,513.6</b>	<b>9,081.3</b>
Household consumption expenditures.....	37	7,188.0	7,534.3	8,036.5	8,567.6
Purchases from business and government.....	38	6,635.2	6,946.7	7,415.5	7,901.9
Purchases from nonprofit institutions <sup>3</sup> .....	39	552.8	587.5	621.0	665.7
Household interest payments <sup>1</sup> .....	40	196.4	182.5	186.0	209.4
Household transfer payments.....	41	269.0	273.5	291.1	304.2
To government.....	42	58.0	61.0	66.5	71.7
To the rest of the world (net).....	43	31.7	31.3	33.8	36.7
To nonprofit institutions <sup>4</sup> .....	44	179.3	181.3	190.8	195.9
<b>Equals: Household saving</b> .....	45	<b>168.6</b>	<b>166.4</b>	<b>162.6</b>	<b>-49.6</b>
<b>Household saving as a percentage of household disposable income</b> .....	46	<b>2.2</b>	<b>2.0</b>	<b>1.9</b>	<b>-0.5</b>
<b>Nonprofit institution income</b> .....	47	<b>241.5</b>	<b>244.3</b>	<b>256.6</b>	<b>264.2</b>
Rental income of nonprofit institutions with capital consumption adjustment.....	48	2.2	2.2	2.1	2.0
Nonprofit institution income receipts on assets.....	49	33.4	33.4	35.3	34.9
Nonprofit institution interest income.....	50	23.3	20.5	22.1	20.8
Nonprofit institution dividend income.....	51	10.2	13.0	13.1	14.1
Nonprofit institution transfer receipts.....	52	205.9	208.7	219.2	227.3
From government.....	53	15.8	17.1	18.1	18.4
From business (net).....	54	10.8	10.3	10.3	13.0
From households <sup>4</sup> .....	55	179.3	181.3	190.8	195.9
<b>Less: Nonprofit institution outlays</b> .....	56	<b>225.4</b>	<b>235.9</b>	<b>244.8</b>	<b>249.5</b>
Final consumption expenditures of nonprofit institutions.....	57	162.7	169.4	175.0	174.7
Nonprofit institution gross consumption expenditures <sup>5</sup> .....	58	715.5	756.9	796.0	840.5
Medical care.....	59	407.9	436.5	461.2	493.6
Recreation.....	60	27.0	27.9	28.0	29.8
Education and research.....	61	107.6	114.7	120.0	126.2
Religious and welfare activities.....	62	152.2	155.8	163.7	166.5
Personal business.....	63	20.8	22.0	23.1	24.4
Less: Receipts from sales of goods and services by nonprofit institutions <sup>3</sup> .....	64	552.8	587.5	621.0	665.7
Medical care.....	65	403.1	430.1	453.3	491.6
Recreation.....	66	20.1	20.9	22.0	23.5
Education and research.....	67	60.6	64.6	68.6	73.3
Religious and welfare activities.....	68	48.8	51.5	54.0	55.8
Personal business.....	69	20.1	20.4	21.1	21.5
Nonprofit institution current transfer payments.....	70	62.7	66.5	69.8	74.7
To government <sup>6</sup> .....	71	0.2	0.3	0.3	0.3
To the rest of the world (net).....	72	8.2	9.0	9.1	10.4
To households <sup>2</sup> .....	73	54.2	57.2	60.4	64.0
<b>Equals: Nonprofit institution saving</b> .....	74	<b>16.2</b>	<b>8.5</b>	<b>11.8</b>	<b>14.8</b>
<b>Nonprofit institution saving as a percentage of nonprofit income and receipts from sales</b> .....	75	<b>2.0</b>	<b>1.0</b>	<b>1.3</b>	<b>1.6</b>
<b>Addenda:</b>					
Nonprofit institution income included in personal income <sup>7</sup> .....	76	62.3	63.1	65.8	68.4
Transfer payments between nonprofit institutions <sup>8</sup> .....	77	59.4	61.7	65.3	68.9
Nonprofit institution income and receipts from sales.....	78	794.3	831.9	877.6	930.0

1. Consists of nonmortgage interest paid by households.

2. Includes benefits paid to members, specific assistance to individuals, and grants and allocations.

3. Excludes unrelated sales, secondary sales, and sales to business, government, and the rest of the world; includes membership dues and fees.

4. Includes individual contributions and bequests from households.

5. Expenditures are net of unrelated sales, secondary sales, and sales to business, government, and the rest of the world.

6. Consists of excise taxes paid by nonprofit institutions serving households.

7. Consists of rental income of nonprofit institutions (line 48), income receipts on assets (line 49), transfer receipts from government (line 53), and transfer receipts from business (line 54).

8. Includes grants and allocations made by nonprofit institutions that indirectly support households through the support of other nonprofit institutions, plus their payments to affiliates.

Note. Estimates in this table exclude nonprofit institutions serving business and government.

**A Guide to the**

# **NATIONAL INCOME AND PRODUCT ACCOUNTS**

**of the United States**

This newly updated guide provides information on the structure, definitions, and presentation underlying the national income and product accounts (NIPAs), including:

- Definitions of major NIPA aggregates, such as GDP and personal income
- A guide to the seven summary accounts that show the composition of production and the distribution of incomes earned in production
- Information about quantity and price indexes, contributions, and chained-dollar measures
- Classifications by type of product, sector, legal form, and industry
- Overview of the GDP release schedule
- Organization of the tables
- Statistical conventions and formulas used
- Background and history
- Print-friendly PDF format

**<http://www.bea.gov/bea/an/nipaguid.pdf>**

## Updated Summary of NIPA Methodologies

The Bureau of Economic Analysis (BEA) has recently improved its estimates of current-dollar gross domestic product (GDP), current-dollar gross domestic income (GDI), and real GDP as part of the 2006 annual revision of the national income and product accounts (NIPAs).<sup>1</sup> The sources of data and methodologies that are now used to prepare the NIPA estimates are presented in this report.

### Current-dollar estimates of GDP and GDI

The current-dollar estimates of GDP and GDI for 2005 are presented in table 1. The components and subcomponents of GDP and GDI are listed according to the estimation method used by BEA (column 1). Information about the sources of data and the methods that are used to prepare the estimates for the comprehensive benchmark revisions and for the annual revisions in nonbenchmark years are also presented, and the major differences between the data and the methods used in benchmark revisions and those used in the annual revisions are noted (column 2). For example, for “most durable and nondurable goods” in personal consumption expenditures (PCE)(the first item in table 1), the table indicates that one methodology (commodity flow) is used to prepare estimates for benchmark years, and another methodology (retail control) is used to prepare the estimates for all the other years.

Additionally, information about the advance quarterly estimates, which are prepared about a month after the end of the quarter, are presented (column 3). Information about the advance quarterly estimates rather than about the preliminary or final quarterly estimates are provided because more attention tends to be focused on this “first look” at the estimate for a quarter. Only the source data and methods are listed; the number of months of available source data or whether the source data will be revised by the source agency are not listed.<sup>2</sup>

1. The concepts and methodologies that underlie the NIPAs are subject to periodic improvements as part of the comprehensive and annual NIPA revisions, and these improvements are described in a series of articles in the *SURVEY OF CURRENT BUSINESS*; for a list of these articles, see appendix B at the back of this issue. See also Eugene P. Seskin and Shelly Smith, “Annual Revision of the National Income and Product Accounts,” *SURVEY* 86 (August 2006): 7–31.

2. For information on the key monthly source data, see “GDP and the Economy” in the *SURVEY*.

### Source data

The source data include a variety of economic measures, such as sales or receipts, wages and salaries, unit sales, housing stock, insurance premiums, expenses, interest rates, mortgage debt, and tax collections.

For most components, the estimates are derived from source data that are “value data”: They encompass both the quantity data and the price data required to prepare current-dollar estimates. For these components, the value data are adjusted to derive estimates that are consistent with NIPA definitions and coverage (see table 1).

For the estimates that are not derived from value data, the sources of the quantity and price data that are used to prepare value estimates are indicated, and the major adjustments that are needed to derive estimates that are consistent with NIPA definitions and coverage are specified.

For the current-dollar estimates of GDP, a “physical quantity times price” method is used for several components. For example, the annual estimate of expenditures on new autos in a nonbenchmark year is calculated as unit sales times expenditure per auto (the average list price with options adjusted for transportation charges, sales tax, dealer discounts, and rebates).

For the current-dollar estimates of GDI, two methods are used for several components—an “employment times earnings times hours” method and variations of a “stock of assets/liabilities times an effective interest rate” method.

Some of the source data are used as indicators to interpolate or extrapolate annual estimates. In some cases, extrapolation and interpolation may be based on trends; in that case, the use of “judgmental trend” is indicated.<sup>3</sup>

### Estimation methods

In some cases, BEA also uses four methods to estimate values: The commodity-flow method, the retail control method, the perpetual inventory method, and the fiscal year analysis method.

**The commodity-flow method** involves estimating values based on various measures of output. For example, the estimates of personal expenditures on new autos in benchmark years are based on data on manufacturers’ shipments from the Census Bureau, and BEA adjusts the

3. For a few components, the final quarterly estimates are based on newly available source data that replace judgmental trends.



data for imports and exports. In general, this method is used to derive estimates of various components of PCE, equipment and software, and of the commodity detail for state and local government consumption expenditures and gross investment.<sup>4</sup> An abbreviated form of this method is used to prepare estimates of equipment and software in nonbenchmark years, and an even more abbreviated form is used to prepare the current quarterly estimates of equipment and software.

**The retail control method** uses retail sales data, usually compiled by the Census Bureau, to estimate expenditures.<sup>5</sup> It is used to prepare estimates of many subcomponents of durable and nondurable goods in nonbenchmark years.

**The perpetual inventory method** is used to derive estimates of fixed capital stock, which are used to estimate consumption of fixed capital. This method is based on investment flows and a geometric depreciation formula.<sup>6</sup>

**The fiscal year analysis method** is used to estimate annual and quarterly estimates of consumption expenditures and gross investment by the Federal Government. The estimates of expenditures are calculated by program, that is, by activity for a single line item or for a group of line items in the Budget of the U.S. Government. For most programs, BEA adjusts budget outlays so that they conform to the NIPAs and classifies the expenditures in the appropriate NIPA category—such as current transfer payments and interest payments—with nondefense consumption expenditures and gross investment that are determined residually. When a fiscal year analysis is completed, the detailed array of NIPA expenditures by program and by type of expenditure provides a set of control totals for the quarterly estimates.<sup>7</sup>

### International transactions accounts

The source data for the foreign transactions that are reflected in most NIPA components—such as net exports of goods and services, net income receipts and rest-of-the-world corporate profits—are from the international transactions accounts (ITAs) that are prepared by BEA.<sup>8</sup> As noted in table 1, for some NIPA components, the ITA

estimates are adjusted to conform to NIPA concepts and definitions. For the annual estimates of these adjustments and their definitions, see NIPA table 4.3B in the August 2006 SURVEY (page 117); for summary quarterly estimates, see the reconciliation table in appendix A in the SURVEY.

**Reconciliation tables.** In preparing the annual estimates of several components of GDI, BEA adjusts the source data to conform to the NIPA concepts and coverage. For each subcomponent, an annual NIPA table reconciles the value published by the source agency with the NIPA value published by BEA, and the adjustments are listed. Reconciliation tables for the following subcomponents were published in “National Income and Product Accounts Tables” in the August 2006 SURVEY: Consumption of fixed capital in table 7.13, nonfarm proprietors’ income in table 7.14, corporate profits in table 7.16, net monetary interest in table 7.17, and wages and salaries in table 7.18.

### Real estimates of GDP

BEA uses three methods to estimate real GDP: The deflation method, the quantity extrapolation method, and the direct valuation method. These methods and the source data that are used are presented in table 2.

**The deflation method** is used for most components of GDP. The quantity index is derived by dividing the current-dollar index by an appropriate price index that has the base year—currently 2000—equal to 100. The result is then multiplied by 100.

**The quantity extrapolation method** uses quantity indexes that are obtained by using a quantity indicator to extrapolate from the base-year value of 100.

**The direct valuation method** uses quantity indexes that are obtained by multiplying the base-year price by actual quantity data for the index period. The result is then expressed as an index with the base year equal to 100.

The subcomponents in table 2 are the same as those shown in table 1, but the detail differs to highlight the alternative methodologies that are used to calculate the real estimates.<sup>9</sup>

4. For additional information on the commodity-flow method, see the BEA methodology paper *Personal Consumption Expenditures* at <[www.bea.gov/bea/mp.htm](http://www.bea.gov/bea/mp.htm)>, 31–34.

5. See *Personal Consumption Expenditures*, 41–54.

6. For additional information, see *Fixed Assets and Consumer Durable Goods in the United States, 1925–97* (September 2003): M–5—M–11; <[www.bea.gov/bea/mp.htm](http://www.bea.gov/bea/mp.htm)>.

7. For details, see the methodology paper *Government Transactions* at <[www.bea.gov/bea/mp.htm](http://www.bea.gov/bea/mp.htm)>.

8. See *The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures* at <[www.bea.gov/bea/mp.htm](http://www.bea.gov/bea/mp.htm)>. Improvements in methodology are usually introduced as part of the annual ITA revision; see Christopher L. Bach, “Annual Revision of the U.S. International Transactions Accounts,” SURVEY 86 (July 2006): 36–48.

9. For real estimates, the distinction between annual and quarterly methodologies is less important than it is for the current-dollar estimates. For the relatively few cases in which the annual and quarterly source data differ, the major differences are noted.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
<b>Gross domestic product of \$12,455.8 billion for 2005</b>		
<b>Personal consumption expenditures (\$8,742.4 billion)</b>		
<b>Durable and nondurable goods (\$3,572.4 billion)<sup>1</sup></b>		
Most durable and nondurable goods except those listed below (\$2,902.1 billion) <sup>2</sup>	Benchmark years. Commodity-flow method, starting with manufacturers' shipments from Census Bureau quinquennial census and including an adjustment for exports and imports from Census Bureau foreign trade data. Other years. Retail-control method, using retail sales from Census Bureau annual survey of retail trade or, for the most recent year, monthly survey of retail trade.	Same as the annual estimates for other years.
New autos (\$103.7 billion)	Benchmark years. Commodity-flow method, starting with manufacturers' shipments from Census Bureau quinquennial census and including an adjustment for exports and imports from Census Bureau foreign trade data. Other years. Physical quantity purchased times average retail price: Unit sales, information to allocate sales among consumers and other purchasers, and average transactions prices that reflect all discounts and customer rebates, all from trade sources. Sales tax rate from Census Bureau annual survey of retail trade.	Same as the annual estimates for other years.
Net purchases of used autos and used light trucks (\$116.9 billion)	Benchmark years. For net transactions, residual based on net sales by other sectors. For dealers' margin, retail sales from Census Bureau quinquennial census and margin rate from Census Bureau annual survey of retail trade. Other years except the most recent year. For net transactions, change in consumer stock of autos from trade sources. For dealers' margin, for franchised dealers, unit sales and sales price from trade sources times margin rate for independent dealers from Census Bureau annual survey of retail trade; for independent dealers, margin from Census Bureau annual survey of retail trade. Most recent year. For net transactions, same as other years except the most recent. For dealers' margin, for franchised dealers, unit sales and sales price from trade sources; for independent dealers, sales from Census Bureau monthly survey of retail trade.	For net transactions, extrapolated by retail sales of used vehicle dealers from Census Bureau monthly survey of retail trade. For dealers' margin, judgmental trend.
New light trucks (including utility vehicles) (\$152.7 billion)	Benchmark years. Commodity-flow method, starting with manufacturers' shipments from Census Bureau quinquennial census and including an adjustment for exports and imports from Census Bureau foreign trade data. Other years. Physical quantity purchased times average retail price: Unit sales, information to allocate sales among consumers and other purchasers, and average transactions prices that reflect all discounts and customer rebates, all from trade sources.	Same as the annual estimates for other years.
Gasoline and oil (\$280.2 billion) <sup>2</sup>	Benchmark years. Physical quantity purchased times average retail price: Gallons consumed from the Department of Transportation; information to allocate that total among consumers and other purchasers from Federal agencies and trade sources; average retail price from the Energy Information Administration (EIA). Other years except the most recent year. Same as benchmark years. Most recent year. Physical quantity purchased times average retail price: Gallons consumed and average price from EIA.	Same as the annual estimate for the most recent year.
Food furnished to employees (including military) (\$11.8 billion)	Benchmark years. For commercial employees, number of employees of relevant industries from BLS tabulations times BEA estimate of per capita expenditures for food; for military personnel, outlays from the <i>Budget of the United States</i> prepared by the Office of Management and Budget (OMB). Other years. Same as benchmark years except per capita expenditures for food based on BLS consumer price index (CPI) for food.	For commercial employees, same as the annual estimates for other years; for military personnel, judgmental trend.
Expenditures abroad by U.S. residents (\$7.3 billion) less personal remittances in kind to nonresidents (\$2.3 billion)	Estimated as part of the international transactions accounts; see the entry for exports and imports of services under net exports of goods and services.	Judgmental trend.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
<b>Services (\$5,170.0 billion)</b>		
Nonfarm dwellings: Space rent for owner-occupied dwellings and rent for tenant-occupied dwellings (\$1,220.3 billion)	Benchmark years. Based on data on housing stock and average annual rent from Census Bureau decennial census of housing and survey of residential finance, adjusted for utilities included in rent. Other years. Based on data on housing stock and average annual rent from Census Bureau biennial housing survey or on the number of housing units from Census Bureau monthly current population survey and BLS CPI for rent.	For housing stock, judgmental trend; for average rent, BLS CPI for rent.
Rental value of farm dwellings (\$13.8 billion)	U.S. Department of Agriculture (USDA) data on gross rental value of farm dwellings.	Judgmental trend.
Motor vehicle repair, rental, and other services; other repair services; other purchased intercity transportation; legal and funeral services; barber-shops, beauty parlors, and health clubs; nursing homes; laundries; employment agency fees; accounting and tax return preparation services; recreation (except cable TV, parimutuel net receipts, lotteries, and computer online services); hotels and motels; commercial business, trade, and correspondence schools; educational services not elsewhere classified; research organizations and foundations (\$892.1 billion)	Benchmark years. Receipts and expenses from Census Bureau quinquennial census adjusted for receipts from business and governments. Other years. For educational services not elsewhere classified and foundations, BLS tabulations from the Quarterly Census of Employment and Wages (QCEW); for others in this group, receipts and expenses from Census Bureau service annual survey.	For nursing homes, research organizations and foundations, employment agency fees, and clubs and fraternal organizations, wages and salaries derived from BLS monthly employment times earnings times hours; for commercial business, trade, and correspondence schools, and for education services not elsewhere classified, employment times BLS CPI for technical and business school tuition and fees; for legitimate theaters and motion pictures, receipts from trade sources; for radio and TV repair, number of TVs based on stock and sales from trade source times BLS CPI for video and audio; for hotels and motels, rooms rented times average price per room from trade source; for casino gambling, receipts from state agencies; for others in this group, judgmental trend.
Physicians, dentists, home health care, medical laboratories, eye examinations, all other professional medical services (\$660.0 billion)	Benchmark years. For nonprofit professional services, expenses, and for others in this group, receipts, adjusted for government consumption, all from Census Bureau quinquennial census. Other years. Receipts and expenses, adjusted for government consumption, from Census Bureau service annual survey.	For home health care, wages and salaries derived from BLS monthly employment times earnings times hours; for others in this group, judgmental trend.
Private nursery schools, elementary and secondary schools, day care, museums and libraries, welfare activities, political organizations, foundations, and trade unions and professional associations (\$234.2 billion)	Benchmark years. For elementary and secondary schools, expenses from the Department of Education; for nursery schools and day care, expenditures from BLS consumer expenditure survey; for others in this group, receipts and expenses from Census Bureau quinquennial census. Other years. For nursery schools and day care, same as benchmark years; for welfare activities, receipts and expenses from Census Bureau service annual survey; for others in this group, BLS tabulations from the QCEW.	For political organizations and foundations, judgmental trend; for elementary and secondary schools, employment times BLS CPI for all items less food and energy; for others in this group, wages and salaries derived from BLS monthly employment times earnings times hours.
Financial services furnished without payment by banks, other depository institutions, and investment companies (\$203.7 billion) <sup>3</sup>	See the entry for banks, credit agencies, and investment companies under net interest and miscellaneous payments.	Judgmental trend.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
<p>Brokerage charges and investment counseling, bank service charges, intercity transportation except "other," and private higher education (\$291.8 billion)</p>	<p>All years except the most recent year. For private higher education, expenses, and for others in this group, receipts from annual reports of government administrative agencies. Most recent year. For brokerage charges, bank service charges, and intercity transportation, receipts from annual reports of government administrative agencies; for investment counseling, receipts from Census Bureau service annual survey; for private higher education, enrollment from the Department of Education times price index for higher education from trade source.</p>	<p>For stock brokerage charges, stock exchange transactions from trade sources; for income from sales of investment company securities, sales of open-end investment company shares from trade source; for imputed commissions on debt securities, dealer transactions in U.S. government and agency securities from Federal Reserve Bank of New York; for commodities commissions, futures contracts from trade source; for investment counseling, wages and salaries derived from BLS monthly employment times earnings times hours; for other brokerage charges and investment counseling and for bank service charges, judgmental trend; for intercity transportation, receipts from trade sources; for private higher education, employment times BLS CPI for all items less food and energy.</p>
<p>Domestic service (\$19.9 billion)</p>	<p>Benchmark years. For cleaning services, receipts from Census Bureau quinquennial census; for other domestic services, number of workers times weekly hours times earnings from BLS. Other years. Number of workers times weekly hours times earnings from BLS.</p>	<p>Judgmental trend.</p>
<p>Public education and hospitals, water and other sanitary services, and lotteries (\$271.3 billion)</p>	<p>All years except the most recent year. For lotteries, net receipts from Census Bureau quinquennial census and annual surveys of state and local governments, adjusted to a calendar year basis from a fiscal year basis; for others in this group, receipts from the same sources. Most recent year. Judgmental trend.</p>	<p>Judgmental trend.</p>
<p>Insurance, private hospitals, religious activities, cable TV, electricity, natural gas, telephone, and local transport (\$1,238.3 billion)</p>	<p>Benchmark years. For life insurance, expenses from trade sources; for medical and hospitalization insurance, premiums from the Agency for Healthcare Research and Quality and benefits based on ratio of benefits to premiums from Census Bureau quinquennial census; for other insurance, premiums and dividends to policyholders from trade source, normal losses and expected investment income derived using incurred losses and investment gains, respectively, from trade source; for private hospitals, receipts and expenses from Census Bureau quinquennial census; for cable TV and telephone, receipts from Census Bureau quinquennial census; for religious activities, expenses based on contributions and membership from trade sources; for electricity and gas, receipts from EIA; for local transport, receipts from trade source. Other years except the most recent year. For private and nonprofit hospitals, expenses from trade source; for private proprietary hospitals and cable TV, receipts from Census Bureau service annual survey; for telephone, receipts from the Federal Communications Commission; for others in this group, same as benchmark years. Most recent year. For life insurance, wages and salaries from BLS tabulations from QCEW; for medical and hospitalization insurance, BLS employer costs for employee health insurance and wages and salaries from BLS tabulations of employees from QCEW; for other insurance, judgmental trend; for private hospitals, receipts and expenses from Census Bureau service annual survey; for religious activities, expenses based on population from the Census Bureau and per capita disposable personal income from BEA; for local transport, passenger trips from trade sources times BLS CPI for intracity mass transit; for electricity and natural gas, same as benchmark years; for cable TV, receipts from Census Bureau service annual survey; for telephone, receipts from company reports and trade sources.</p>	<p>For life insurance and private hospitals, wages and salaries derived from BLS monthly employment times earnings times hours; for cable TV, number of cable TV and direct broadcast satellite subscribers from trade source; for electricity and gas, projected quantities based on degree-day data from the National Oceanic and Atmospheric Administration times prices based on BLS CPIs for electricity and gas; for cellular telephone, number of subscribers from trade source times BLS CPI for cellular telephone service; for others in this group, judgmental trend.</p>

See the footnotes at the end of the table.



**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
Foreign travel by U.S. residents (\$99.9 billion) less expenditures in the United States by non-residents (\$104.9 billion) Other services: Motor vehicle leasing; parimutuel net receipts; other housing except hotels and motels; bridge, etc. tolls; other household operation except repairs and insurance; travel and entertainment card fees; stenographic and reproduction services; money orders and classified advertising; and computer online services (\$129.6 billion)	Estimated as part of the international transactions accounts; see the entry for exports and imports of services under net exports of goods and services.  Various source data.	Same as the annual estimates.  For motor vehicle leasing, number of leased vehicles based on registrations and terms from trade source, and lease payments based on new vehicle prices, BEA depreciation schedules, and Federal Reserve Board (FRB) interest rates on new motor vehicle loans; for others in this group, judgmental trend.
<b>Fixed investment (\$2,036.2 billion)</b>		
<b>Nonresidential structures (\$338.6 billion)</b>		
Commercial and health care (\$132.5 billion)	Benchmark years. BEA's benchmark input-output table. Other years. Value put in place from Census Bureau monthly construction survey.	Same as the annual estimates for other years.
Manufacturing (\$24.1 billion)	Value put in place from Census Bureau monthly construction survey.	Same as the annual estimates.
Power and communication (\$41.2 billion)	Value put in place from Census Bureau monthly construction survey.	Same as the annual estimates.
Mining exploration, shafts, and wells (\$76.4 billion)	Benchmark years. Expenditures from Census Bureau quinquennial census. All years except the most recent year. For petroleum and natural gas, physical quantity times average price: Footage drilled and cost per foot from trade sources; for other mining, expenditures from Census Bureau annual capital expenditure survey. Most recent year. For petroleum and natural gas, physical quantity times average price: Footage drilled and cost per foot from trade sources extrapolated by BLS producer price index for oil and gas well drilling.	For petroleum and natural gas, same as the annual estimate for the most recent year; for mining, judgmental trend.
Other structures (\$64.3 billion)	Benchmark years. BEA's benchmark input-output table. Other years. Value put in place from Census Bureau monthly construction survey.	Same as the annual estimates for other years.
<b>Nonresidential equipment and software (\$927.1 billion)</b>		
Equipment except new autos, new light trucks, and net purchases of used autos and used light trucks (\$635.0 billion)	Benchmark years. Commodity-flow method, starting with manufacturers' shipments from Census Bureau quinquennial census and including an adjustment for exports and imports from Census Bureau foreign trade data. Other years. Abbreviated commodity-flow method, starting with manufacturers' shipments from Census Bureau annual survey or, for the most recent year (except aircraft, computers, and heavy trucks), monthly survey of manufacturers and including an adjustment for exports and imports from Census Bureau foreign trade data. For aircraft, manufacturers' shipments from Census Bureau current industrial report, adjusted for exports and imports. For computers, manufacturers' shipments from FRB industrial production index and Census Bureau monthly survey of manufacturers, adjusted for exports and imports. For heavy trucks, physical quantity purchased times average price: Unit sales and information to allocate sales among business and other purchasers, from trade sources; for truck trailers, shipments from trade source.	Same as the annual estimates for other years but with less detail.
New autos, new light trucks, and net purchases of used autos and used light trucks (\$98.1 billion)	See the entries under personal consumption expenditures.	See the entries under personal consumption expenditures.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
Software (\$194.0 billion)	<p>Benchmark years. For purchased software, commodity-flow method, starting with industry receipts data from Census Bureau quinquennial census and including an adjustment for exports and imports from Census Bureau foreign trade data; for own-account software, production costs based on BLS employment data and on Census Bureau quinquennial census.</p> <p>Other years. For purchased software, commodity-flow method, starting with industry receipts data from Census Bureau service annual survey and including an adjustment for exports and imports from Census Bureau foreign trade data; for own-account software, production costs based on BLS employment data.</p>	For purchased software, receipts from company reports to the Securities and Exchange Commission; for own-account software, private fixed investment in computers and peripheral equipment.
<b>Residential investment (\$770.4 billion)<sup>4</sup></b>		
Permanent-site new single-family housing units (\$433.5 billion).	Value put in place based on phased housing starts and average construction cost from Census Bureau monthly construction survey.	Same as the annual estimates.
Permanent-site new multi-family housing units (\$48.2 billion)	Value put in place from Census Bureau monthly construction survey.	Same as the annual estimates.
Manufactured homes (\$9.0 billion)	<p>Benchmark years. See the entry for "Equipment except new autos, new light trucks, and net purchases of used autos and used light trucks" under nonresidential equipment and software.</p> <p>Other years. Physical quantity shipped times price: Shipments from trade source and average retail price from Census Bureau monthly survey.</p>	Same as the annual estimates for other years.
Improvements (\$162.2 billion)	<p>Benchmark years. For 1997, value put in place from Census Bureau construction survey based on expenditures by owner-occupants from BLS quarterly consumer expenditure survey and by landlords from Census Bureau quarterly survey of landlords.</p> <p>Others years. A weighted 3-year moving average of the improvements estimates from Census Bureau value put in place construction survey.</p>	Judgmental trend.
Brokers' commissions (\$110.0 billion)	Physical quantity times price times BEA estimate of average commission rate: Number of single-family houses sold and mean sales price from Census Bureau monthly construction survey and trade source.	Same as the annual estimates.
Equipment (\$9.1 billion)	See the entry for "Most durable and nondurable goods" under personal consumption expenditures.	Same as the annual estimates.
<b>Change in private inventories (\$21.3 billion)</b>		
Manufacturing and trade (\$19.3 billion)	<p>Benchmark years. Inventories from Census Bureau quinquennial census revalued to current replacement cost, with information on the proportions of inventories reported using different accounting methods, on the commodity composition of goods held in inventory, and on the turnover period, all from Census Bureau quinquennial censuses and annual surveys, combined with prices, largely based on BLS producer price indexes. (The difference between Census Bureau change in inventories and BEA change in private inventories is the inventory valuation adjustment.)</p> <p>Other years except the most recent year. Inventories from Census Bureau annual surveys, revalued as described above.</p> <p>Most recent year. For retail auto dealers, quantities times average prices from trade sources; for all other, inventories from Census Bureau monthly surveys, revalued as described above.</p>	Same as the annual estimate for the most recent year.
Mining, utilities, construction, and other nonfarm industries (\$1.7 billion)	<p>Benchmark years. Mining and construction inventories from Census Bureau quinquennial census revalued to current replacement cost as described above for manufacturing and trade.</p> <p>Other years except the most recent. Internal Revenue Service (IRS) tabulations of business tax returns, revalued as described above.</p> <p>Most recent year. Census Bureau quarterly survey of mining corporations, monthly physical quantities from EIA combined with BLS producer price indexes for electric utilities, and for all others, judgmental trend, revalued as described above (except when noted as physical quantity times price).</p>	For electric utilities, same as the annual estimate for the most recent year; for all others, judgmental trend.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
Farm (\$0.3 billion)	USDA change in inventories adjusted to exclude Commodity Credit Corporation (CCC) forfeitures and to include net CCC loans at market value.	For crops, BEA quarterly allocation of USDA annual projections of crop output and cash receipts; for livestock, USDA quarterly data.
<b>Net exports of goods and services (–\$716.7 billion)</b>		
Exports and imports of goods, net (–\$791.5 billion)	Estimated as part of the international transactions accounts: Export and import documents compiled monthly by the Census Bureau with adjustments by BEA for coverage and valuation to convert the data to a balance-of-payments basis. Adjusted for the balance-of-payments coverage of U.S. territories and Puerto Rico with data from the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and the Census Bureau, and coverage of gold transactions adjusted with data from the U.S. Geological Survey and trade sources.	For territorial adjustment, Census Bureau foreign trade data and judgmental trend; for gold, judgmental trend; for all others, same as the annual estimates.
Exports and imports of services, net (\$74.8 billion)	Estimated as part of the international transactions accounts: For government transactions, reports by Federal agencies on their purchases and sales abroad; for most others in this group (including travel, passenger fares, other transportation, and royalties and license fees), BEA quarterly or annual surveys (supplemented by data from other sources). Adjusted for the balance-of-payments coverage of U.S. territories and Puerto Rico (see the above entry); adjusted to include financial services furnished without payment (see the entry for banks, credit agencies, and investment companies under net interest miscellaneous payments).	For territorial adjustment, judgmental trend; for all others, same as the annual estimates.
<b>Government consumption expenditures and gross investment (\$2,372.8 billion)</b>		
<b>Federal Government (\$878.3 billion)</b>		
National defense except consumption of general government fixed capital (\$521.3 billion)	Within a control total established by fiscal year analysis: For compensation, military wages from OMB's <i>Budget of the United States</i> , civilian wages from BLS tabulations from the Quarterly Census of Employment and Wages (QCEW), civilian benefits from the Office of Personnel Management (OPM), and employer contributions for Federal employee retirement plans from outlays from the <i>Monthly Treasury Statement</i> ; for other than compensation by type, based mainly on data from Department of Defense (DOD) reports; for software, see the entry for software under nonresidential equipment and software.	For components of compensation, military employment from DOD and civilian employment from BLS; for other than compensation, same as the annual estimates; for software, see the entry for software under nonresidential equipment and software.
National defense consumption of general government fixed capital (\$68.0 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.
Nondefense except consumption of general government fixed capital (\$263.8 billion)	Within a control total established by fiscal year analysis: For CCC inventory change, book values of acquisitions and physical quantities of dispositions from agency reports times average market prices from USDA; for compensation, civilian wages from BLS tabulations from the QCEW, civilian benefits from OPM, and employer contributions for Federal employee retirement plans from outlays from the <i>Monthly Treasury Statement</i> ; for petroleum sales (Naval Petroleum Reserve), distribution and price data from the Department of Energy; for research and development, obligations from the National Science Foundation and disbursements from the National Aeronautics and Space Administration; for construction, value put in place from Census Bureau monthly construction survey; for software, see the entry for software under nonresidential equipment and software; for all others, outlays from the <i>Monthly Treasury Statement</i> . For financial services furnished without payment, see the entry for banks, credit agencies, and investment companies under net interest and miscellaneous payments.	For components of compensation, employment from BLS; for software, see the entry for software under nonresidential equipment and software; for other than compensation and software, same as the annual estimates.
Nondefense consumption of general government fixed capital (\$25.2 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
<b>State and local government (\$1,494.4 billion)</b>		
Consumption expenditures and gross investment except those items listed below (\$251.1 billion)	All years except the 3 most recent years. Total expenditures from Census Bureau quinquennial census and annual surveys of state and local governments, selectively replaced with source data that are more appropriate for the NIPAs and adjusted as follows: For coverage; for netting and grossing differences; to a calendar year basis from a fiscal year basis; for other timing differences; to exclude items not directly included in GDP (interest, subsidies, net expenditures of government enterprises, and transfer payments); and to exclude items described below. The 3 most recent years. Judgmental trend.	Judgmental trend.
Compensation of general government employees (\$872.3 billion)	For wages and salaries, BLS tabulations from the QCEW for employer contributions for government social insurance, tabulations from the Social Security Administration and other agencies administering social insurance programs; for employer contributions for employee pension and insurance funds, data from trade sources, Centers for Medicare and Medicaid Services, Census Bureau annual surveys of state and local government retirement funds, adjusted to a calendar year basis from a fiscal year basis, and Census Bureau annual surveys of state and local governments, adjusted to a calendar year basis from a fiscal year basis.	For wages and salaries, derived from BLS monthly employment times earnings from BLS employment cost index; for other compensation, judgmental trend.
Consumption of general government fixed capital (\$113.9 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.
Structures (\$233.5 billion)	Value of construction put in place from Census Bureau monthly construction survey.	Same as the annual estimates.
Software (\$11.0 billion)	See the entry for software under nonresidential equipment and software.	Same as the annual estimates.
Brokerage charges and financial services furnished without payment (\$12.6 billion)	See the entries for brokerage charges and financial services furnished without payment under personal consumption expenditures.	Same as the annual estimates.

**Gross domestic income of \$12,384.8 billion for 2005****Compensation of employees, paid (\$7,036.6 billion)<sup>5</sup>****Wage and salary accruals (\$5,671.1 billion)**

Private industries (\$4,693.4 billion)	For most industries, BLS tabulations from the QCEW; for others, wages from a variety of sources (such as USDA for farms and the Railroad Retirement Board for railroad transportation), adjusted for understatement of income on tax returns and for coverage differences.	For most industries, wages and salaries derived from BLS monthly employment times earnings times hours; for others, judgmental trend.
Federal Government (\$261.1 billion)	For civilians, wages from BLS tabulations from the QCEW; for military personnel, wages from OMB's <i>Budget of the United States</i> .	For civilians, employment from BLS and judgmental trend; for military personnel, DOD employment and judgmental trend.
State and local governments (\$716.6 billion)	BLS tabulations from the QCEW.	Derived from BLS monthly employment times earnings from BLS employment cost index.

**Employer contributions for employee pension and insurance funds (\$933.2 billion)**

Group health insurance (\$514.5 billion)	All years except the 2 most recent years. For private and state and local governments, total contributions from the Centers for Medicare and Medicaid Services (CMS) less employee contributions from BLS consumer expenditure survey. The 2 <sup>nd</sup> most recent year. For private, preliminary CMS tabulations; for state and local governments, judgmental trend. Most recent year. Judgmental trend.	Judgmental trend.
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See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
Private pension and profit-sharing funds (\$184.1 billion)	All years except the 3 most recent. Tabulations from the Department of Labor. The 3 most recent years. Tabulations from the Pension Benefit Guaranty Corporation, employer costs for employee compensation from BLS, IRS tabulations of business tax returns, and corporate financial data.	Judgmental trend.
Government employee retirement plans (\$161.4 billion)	All years except the most recent year. For Federal plans, outlays from the <i>Monthly Treasury Statement</i> ; for state and local government plans, Census Bureau annual surveys of state and local government retirement funds, adjusted to a calendar year basis from a fiscal year basis. Most recent year. For Federal plans, same as all years except the most recent; for state and local government plans, Census Bureau annual surveys of state retirement funds, adjusted to a calendar year basis from a fiscal year basis.	For Federal plans, same as the annual estimate for the most recent year; for state and local government plans, judgmental trend.
Workers' compensation (\$58.3 billion)	All years except the most recent year. Employer contributions from trade sources. Most recent year. Judgmental trend.	Judgmental trend.
Group life insurance (\$13.0 billion)	All years except the most recent year. Group premiums and estimates of employer share from trade sources. Most recent year. Judgmental trend.	Judgmental trend.
Employer contributions for government social insurance (\$432.3 billion)	Tabulations from the Social Security Administration and other agencies administering social insurance programs.	For Federal programs, BEA-derived wages and salaries of employees covered by the programs; for state and local government programs, judgmental trend.

**Taxes on production and imports (\$922.4 billion)**

Federal Government (\$101.1 billion)	For excise taxes, collections from the Office of Tax Analysis, from the Bureau of Alcohol, Tobacco, Firearms and Explosives, and from the IRS; for customs duties, receipts from the <i>Monthly Treasury Statement</i> .	For customs duties, receipts from the <i>Monthly Treasury Statement</i> ; for most excise taxes, derived from indicators of activity (such as gasoline production for gasoline tax); for others, judgmental trend.
State and local governments (\$821.2 billion)	Receipts from Census Bureau quinquennial census and annual surveys, adjusted to a calendar year basis from a fiscal year basis.	Judgmental trend.

**Less: Subsidies (\$57.3 billion)**

Federal Government (\$56.9 billion)	Payments by the CCC from agency reports and, for most other agencies, outlays from the <i>Monthly Treasury Statement</i> .	CCC reports and judgmental trend.
State and local governments (\$0.4 billion)	For railroad and electric power, Census Bureau annual surveys of expenditures adjusted to a calendar year basis from a fiscal year basis and California administrative records.	Judgmental trend and California administrative records.

**Net operating surplus (\$2,878.2 billion)****Private enterprises (\$2,893.6 billion)****Net interest and miscellaneous payments (\$642.3 billion)<sup>6</sup>**

Domestic monetary interest, net (\$198.1 billion)	All years except the most recent year. For farm interest paid, USDA surveys; for residential mortgage interest paid, Census Bureau decennial survey of residential finance and mortgage debt from FRB times a BEA interest rate; for most other interest paid and received by business, IRS tabulations of business tax returns, adjusted for misreporting on tax returns and for conceptual differences. Most recent year. For farm and mortgage interest paid, same as all years except the most recent; for other interest, interest receipts and payments from regulatory agencies (such as the Federal Deposit Insurance Corporation), from trade sources, or derived by applying BEA interest rates to interest-bearing assets/liabilities from FRB flow-of-funds accounts.	Derived by combining estimates of (1) interest received by persons, (2) government interest paid less received, and (3) interest paid by persons. For (1), judgmental trend; for (2), data from the <i>Monthly Treasury Statement</i> and the Bureau of the Public Debt for Federal and judgmental trend for state and local; and for (3), consumer debt from FRB times BEA estimates of interest rates.
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See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
<b>Domestic imputed interest, net (\$427.6 billion)</b>		
Banks, credit agencies, and investment companies (\$225.1 billion) Depositor services (\$197.5 billion)	For commercial banks, data from FRB tabulations of Federal Financial Examination Council <i>Call Reports</i> used to calculate the interest rate spread between a risk-free reference rate and the average interest rate paid to depositors times the average balance of deposits. Depositor services allocated to persons, government, and to the rest of the world on the basis of deposit liabilities from FRB. For credit agencies and investment companies, property income earned on investment of deposits less monetary interest paid to depositors (and for mutual depositories, profits from IRS tabulations of business tax returns) from annual reports of regulatory agencies and FRB. Depositor services allocated to persons, government, and to the rest of the world on the basis of deposit liabilities from FRB.	Judgmental trend.
Borrower services (\$27.5 billion)	For commercial banks, data from FRB tabulations of Federal Financial Examination Council <i>Call Reports</i> used to calculate the interest rate spread between the average rate paid by borrowers and the reference rate times the average balance of borrowers.	Judgmental trend.
Life insurance carriers (\$193.5 billion)	Property income earned on investment of policyholders' reserves from a trade source.	Judgmental trend.
Property and casualty insurance companies (\$9.0 billion)	Expected investment income derived using premiums earned and investment gains from a trade source.	Judgmental trend.
<b>Business current transfer payments (net) (\$74.2 billion)</b>		
To persons (net) (\$45.7 billion)	All years except the most recent year. Payments to persons for charitable contributions, IRS tabulations of business tax returns; for other components (such as liability payments for personal injury and net insurance settlements), information from government agency reports and trade sources.	Judgmental trend.
To government (net) (\$30.1 billion)	Most recent year. Judgmental trend. For Federal, receipts from OMB's <i>Budget of the United States</i> ; for state and local, receipts from Census Bureau quinquennial census and annual surveys, adjusted to a calendar year basis from a fiscal year basis and net insurance settlements, as described above.	Judgmental trend.
To the rest of the world (net) (-\$1.6 billion)	Estimated as part of the international transactions accounts.	Same as the annual estimates.
<b>Proprietors' income with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAdj) (\$970.7 billion)</b>		
Farm proprietors' income with IVA (\$36.8 billion)	USDA data on net income, obtained by deriving gross income (cash receipts from marketing, inventory change, government payments, other cash income, and nonmoney income) and subtracting production expenses, adjusted to exclude corporate income based on USDA quinquennial census and annual survey data.	For crops, BEA quarterly allocation of USDA annual projections of crop output; for livestock, USDA quarterly projections of cash receipts and inventories; for both crops and livestock, quarterly allocation of USDA annual projections of government subsidy payments and production expenses.
Farm proprietors' income with CCAdj (-\$6.5 billion)	See the entry "Less: Capital consumption adjustment" under consumption of fixed capital.	
Nonfarm proprietors' income (\$866.2 billion)	All years except the most recent year. Income from IRS tabulations of business tax returns, adjusted for understatement of income on tax returns and for conceptual differences. Most recent year. For construction, trade, and services, indicators of activity (such as value of housing put in place); for most others, judgmental trend.	Same as the annual estimate for the most recent year.
Nonfarm proprietors' income with IVA (-\$5.1 billion)	See the entry for inventory valuation adjustment under corporate profits.	

See the footnotes at the end of the table.



**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Continues**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
Nonfarm proprietors' income with CCAj (\$79.3 billion)	See the entry "Less: Capital consumption adjustment" under consumption of fixed capital.	
<b>Rental income of persons with capital consumption adjustment (\$72.8 billion)</b>		
Owner-occupied nonfarm housing (\$30.7 billion)	Benchmark years. Derived as space rent (see the entry for nonfarm dwellings under personal consumption expenditures) less related expenses, including property insurance from trade source and mortgage interest and property taxes from Census Bureau decennial survey of residential finance. Other years. Same as benchmark years, except mortgage interest, based on mortgage debt from FRB times a BEA interest rate, and property taxes from Census Bureau annual surveys of state and local tax collections.	For owner-occupied space rent, same as the annual estimates; for depreciation, interest, closing costs, real estate dealers' commissions, and taxes, based on NIPA estimates of those components; for other expenses, judgmental trend.
Tenant-occupied nonfarm housing (\$13.1 billion)	Same as owner-occupied nonfarm housing, adjusted to cover only rental income accruing to persons not primarily engaged in the real estate business from Census Bureau decennial survey of residential finance.	Same as owner-occupied nonfarm housing.
Farm housing (\$9.2 billion)	Benchmark years. Owner- and tenant-occupied housing derived as space rent (see the entry for farm dwellings under personal consumption expenditures) less related expenses, such as mortgage interest and property taxes, from USDA. Farms owned by nonoperator landlords derived from USDA data. Other years. Space rent (see the entry for farm dwellings under personal consumption expenditures); expenses from USDA data. Farms owned by nonoperator landlords derived from USDA data.	Judgmental trend.
Nonfarm nonresidential properties (\$0.7 billion)	Benchmark years. Nonfarm nonresidential fixed assets from BEA capital stock series times a rate of return on capital based on IRS tabulations of business tax returns. Other years. BEA capital stock series and judgmental trend.	Judgmental trend.
Royalties (\$19.1 billion)	All years except the most recent year. IRS tabulations of royalties reported on individual income tax returns. Most recent year. Judgmental trend.	Judgmental trend.
<b>Corporate profits with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAj) (\$1,133.7 billion)</b>		
Domestic profits before tax (\$1,321.7 billion)	All years except the most recent year. Receipts less deductions from IRS tabulations of business tax returns, adjusted for understatement of income on tax returns and for conceptual differences. Most recent year. Profits from Census Bureau quarterly survey of corporate profits, regulatory agency reports, and compilations of publicly available corporate financial statements.	For some industries in transportation and in finance, judgmental trend; for others, same as the annual estimates for the most recent year. (Released with the preliminary estimate of GDP for the first, second, and third quarters and the final estimate for the fourth quarter.)
Inventory valuation adjustment (IVA) (-\$32.6 billion)	The IVA on the income side (for corporations and for nonfarm sole proprietorships and partnerships) and the IVA on the product side (see the entry "Change in private inventories") differ because the source data reflect different proportions of inventories reported using different accounting methods (last-in-first out (LIFO)). The income-side IVA is based on the product-side IVA, adjusted by the relationship between non-LIFO inventories from IRS tabulations of business tax returns and non-LIFO inventories from the Census Bureau.	Same as the annual estimates.
Capital consumption adjustment (CCAj) (-\$155.5 billion)	See the entry "Less: Capital consumption adjustment" under consumption of fixed capital.	
<b>Current surplus of government enterprises (-\$15.4 billion)</b>		
Federal Government (-\$4.9 billion)	Mainly reports of various agencies, such as the Postal Service, and consumption of fixed capital (CFC) estimates derived with perpetual-inventory calculations at current cost, based on gross investment and on investment prices.	Judgmental trend; for CFC estimates, the same as the annual estimates.

See the footnotes at the end of the table.

**Table 1. Source Data and Methods for Current-Dollar GDP and Current-Dollar GDI—Table Ends**

Component	Annual estimates: Source data and methods used to determine level for benchmark and other years or used to prepare an extrapolator or interpolator	Advance quarterly estimates: Source data and methods used to prepare an extrapolator
State and local governments (–\$10.5 billion)	For current operating receipts, mainly revenue data from Census Bureau annual surveys of state and local governments, adjusted to a calendar year basis from a fiscal year basis; for current operating expenditures, see the entries for “Consumption expenditures and gross investment” and “Consumption of general government fixed capital” under state and local government.	Judgmental trend.
<b>Consumption of fixed capital (\$1,604.8 billion)</b>		
<b>Government (\$252.2 billion)</b>		
General government (\$207.2 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.
Government enterprises (\$45.1 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.
<b>Private (\$1,352.6 billion)</b>		
Domestic business (\$1,059.1 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.
Capital consumption allowances (\$953.1 billion)	All years except the most recent year. For depreciation of corporations and of nonfarm sole proprietorships and partnerships, IRS tabulations of business tax returns, adjusted for conceptual differences; for other depreciation (including farm proprietorships and partnerships and other private business), perpetual-inventory calculations based on investment at acquisition cost; for accidental damage to fixed capital, losses reported to insurance companies and to government agencies.	Judgmental trend.
Less: Capital consumption adjustment (–\$106.1 billion)	Most recent year. For depreciation of corporations and of nonfarm sole proprietorships and partnerships, BEA estimates of tax-return-based depreciation; for other depreciation and accidental damage to fixed capital, same as above.	Judgmental trend.
Households and institutions (\$293.5 billion)	The difference between capital consumption allowances and consumption of fixed capital.	Judgmental trend.
Households and institutions (\$293.5 billion)	Perpetual-inventory method, based on gross investment and on investment prices.	Same as the annual estimates.

## NIPAs National income and product accounts

1. Personal consumption expenditures (PCE) for durable and nondurable goods includes \$0.8 billion for food produced and consumed on farms and standard clothing issued to military personnel.

2. The Census Bureau data for retail sales include sales of gasoline service stations. The estimates of PCE for gasoline and oil are derived from the sources listed and are deducted from the retail-control estimates of most durable and nondurable goods.

3. This line item is also referred to as “services furnished without payment by financial intermediaries, except life insurance carriers.”

4. Residential investment includes –\$1.6 billion for dormitories and net purchases of used structures.

5. Compensation of employees includes \$1.7 billion for supplemental unemployment.

6. Net interest and miscellaneous payments includes \$16.6 billion for government rents and royalties.

**Table 2. Methodology Used in Preparing Estimates of Real GDP—Continues**

Component	Deflation, using price based on		Using quantity for extrapolation or direct valuation
	CPI or PPI	Other index	
<b>Personal consumption expenditures</b>			
<b>Durable and nondurable goods</b>			
Most durable and nondurable goods except those listed below	CPI		Direct valuation. For used autos and used light trucks, in two parts: (1) Margin, unit sales from trade sources with dealers' margins from Census Bureau and trade sources; (2) net transactions, net change in unit stock of autos held by consumers by year of original sale, valued by depreciated original value in base-year dollars.
New autos	PPI, for military clothing		
Net purchases of used autos and used light trucks	CPI		
	.....	.....	
New trucks	CPI		
Gasoline and oil	CPI		
Food furnished to employees (including military)	CPI		
Expenditures abroad by U.S. residents less personal remittances in kind to nonresidents	.....	Foreign CPIs <sup>1</sup>	
<b>Services</b>			
Nonfarm dwellings: Space rent for owner-occupied dwellings and rent for tenant-occupied dwellings	CPI		Quantity extrapolation. Real dollar net stock of farm housing from BEA capital stock estimates.
Rental value of farm dwellings	.....	.....	
Motor vehicle repair, rental, and other services; other repair services; other purchased intercity transportation; legal and funeral services; barber-shops, beauty parlors, and health clubs; nursing homes; laundries; employment agency fees; accounting and tax return preparation services; recreation (except cable TV, parimutuel net receipts, lotteries, and computer online services); hotels and motels; commercial business, trade, and correspondence schools; educational services not elsewhere classified; research organizations and foundations	CPI PPI, for proprietary and government nursing homes and employment agency fees	Composite index of input prices from the Centers for Medicare and Medicaid Services for private nonprofit nursing homes; for clubs and fraternal organizations, and for nonprofit research and foundation expenses, BEA composite indexes of input prices.	
Physicians, dentists, and other professional medical services	CPI PPI, for physicians, home health care, and medical laboratories		
Private nursery schools, elementary and secondary schools, day care, welfare activities, political organizations, foundations, and trade unions and professional associations	.....	BEA composite indexes of input prices.	

See the footnotes at the end of the table.

Table 2. Methodology Used in Preparing Estimates of Real GDP—Continues

Component	Deflation, using price based on		Using quantity for extrapolation or direct valuation
	CPI or PPI	Other index	
Financial services furnished without payment by banks, other depository institutions, and investment companies <sup>2</sup>	PPI, for investment companies' securities commissions	BEA composite index of input prices, for investment companies' "total deductions."	Quantity extrapolation. Banks, BLS index of total output (less BEA real bank service charges) times consumer share based on shares of deposits and loans; for other depository institutions, paid employee hours of relevant financial institutions; for investment companies' "implicit charges," BEA orders derived from volume data from trade sources.
Brokerage charges and investment counseling, bank service charges, intercity transportation except "other," and private higher education	CPI PPI, for securities commissions	BEA index based on revenue per passenger mile from DOT and trade source for air transportation; for private higher education, BEA composite index of input prices.	Quantity extrapolation. For mutual fund sales charges, value of new sales deflated by CPI.
Domestic service	CPI		
Public education and hospitals, water and other sanitary services, and lotteries	CPI PPI, for public hospitals		
Insurance, private hospitals, religious activities, cable TV, electricity, natural gas, telephone, and local transport	CPI PPI, for private for-profit hospitals	BEA composite indexes of input prices, for life insurance and religious activities; for private nonprofit hospitals, composite index of input prices from the Centers for Medicare and Medicaid Services.	Quantity extrapolation. For auto insurance, premiums deflated by CPI; for medical care and hospitalization insurance, benefits deflated by PPI; for workers' compensation, premiums deflated by PPI.
Foreign travel by U.S. residents less expenditures in the United States by nonresidents	CPI, for expenditures in the United States	BEA composite index of foreign CPIs, <sup>1</sup> for foreign travel; for airfares in foreign travel, BLS import price index.	
Other services: Motor vehicle leasing; parimutuel net receipts; other housing except hotels and motels; tolls; other household operation except repairs and insurance; travel and entertainment card fees; stenographic and reproduction services; money orders and classified advertising; and computer online services	CPI	.....	Quantity extrapolation. For parimutuel net receipts, gross winnings deflated by CPI.
<b>Fixed investment</b>			
<b>Nonresidential structures</b>			
Commercial and health care	PPI, for warehouses	BEA index based on costs per square foot from trade source for commercial structures; for health care, BEA index based on cost index from trade source and on Census Bureau price deflator for single-family houses under construction.	
Manufacturing	.....	BEA index based on costs per square foot from trade source.	
Power and communication	PPI, for power excluding electric	Cost indexes from trade sources and government agencies, for power; for communication, cost index from trade source.	
Mining exploration, shafts, and wells	PPI, for casing, oil and gas well drilling, and oil and gas field services	BEA index based on cost index from trade source and on Census Bureau price deflator for single-family houses under construction, for mines.	Quantity extrapolation. For drilling, footage by geographic area from a trade source.

See the footnotes at the end of the table.

Table 2. Methodology Used in Preparing Estimates of Real GDP—Continues

Component	Deflation, using price based on		Using quantity for extrapolation or direct valuation
	CPI or PPI	Other index	
Other structures	PPI, for brokers' commissions	BEA index based on costs per square foot from trade source, for educational and vocational structures; for railroads, BEA price index; for other components, BEA index based on cost index from trade source and on Census Bureau price deflator for single-family houses under construction.	
<b>Nonresidential equipment and software</b>			
Equipment except those listed below	PPI, for most domestic components and for imported transportation equipment	BLS import price indexes, for imported components except transportation equipment.	
New autos, new light trucks, and net purchases of used autos and used light trucks	CPI, for new autos PPI, for new light trucks	.....	Direct valuation. For used autos and used light trucks, see the entry "Net purchases of used autos and used light trucks" under personal consumption expenditures.
Telephone and telegraph installation	.....	BEA cost index	
Telephone switching equipment	.....	BEA price index	
Photocopying equipment	.....	BEA price index	
Software	PPI, for prepackaged software	BEA cost index, BLS employment cost index, and PPI, for own-account and custom software.	
<b>Residential investment</b>			
Permanent-site new single-family housing units	.....	Census Bureau price deflator for single-family houses under construction.	
Permanent-site new multifamily housing units	.....	BEA price index	
Manufactured homes	PPI	BEA composite index of input prices, for major replacements; for additions and alterations, BEA index based on Census Bureau price deflator for single-family houses under construction and BEA index for major replacements.	
Improvements	.....		
Brokers' commissions	PPI		
Equipment	CPI		
<b>Change in private inventories</b>			
<b>Nonfarm</b>			
Purchased goods of all industries	PPI	Composite price from the Energy Information Administration, for crude petroleum; BLS import price indexes, for imported goods purchased by trade industries.	Direct valuation. Quantities and prices of stocks of coal, petroleum, and natural gas for utilities from Energy Information Administration.
Work-in-process and finished goods, manufacturing	PPI	BEA indexes of unit labor costs.	
Farm	.....	USDA average market prices	

See the footnotes at the end of the table.

**Table 2. Methodology Used in Preparing Estimates of Real GDP—Continues**

Component	Deflation, using price based on		Using quantity for extrapolation or direct valuation
	CPI or PPI	Other index	
<b>Net exports of goods and services</b>			
Exports and imports of goods	PPI, for gold; semi-conductor exports, selected transportation equipment; selected agricultural foods, feeds, and beverages; and selected imports of refined petroleum	BLS export and import price indexes; for electric energy exports and imports, and for petroleum imports, unit-value indexes based on Census Bureau values and quantities.	
Exports and imports of services	CPI, for travel receipts, medical receipts, and nonresident students' expenditures PPI, for selected other transportation	Selected deflators, for military transfers and defense expenditures: see "National defense except consumption of general government fixed capital" below. BLS export and import price indexes, for passenger fares; BEA composite index of foreign CPIs, <sup>1</sup> for travel payments, for miscellaneous services, and U.S. students' expenditures abroad; BLS exports and imports price indexes, for selected other transportation; and for royalties and fees, and other private services, BEA price indexes, CPI, PPI, and implicit price deflator for final sales to domestic purchasers.	Quantity extrapolation. For exports of financial services furnished without payment, <sup>2</sup> BLS index of total bank output (less BEA real bank service charges).
<b>Government consumption expenditures and gross investment</b>			
<b>Federal Government</b>			
National defense except consumption of general government fixed capital	PPI, for selected goods and services CPI and PPI, for utilities and communications	BEA indexes based on DOD prices paid, for some goods and services and for most military structures; for some services, BLS employment cost indexes; for nonmilitary structures, cost indexes from trade sources and government agencies; for own-account software, BEA index derived from nondefense compensation; for custom software, BEA index derived from nondefense compensation price index and PPI.	Quantity extrapolation. For military compensation, full-time equivalent employment by rank and length of service; for civilian compensation, full-time equivalent employment by grade, adjusted for change from base year in hours worked. Direct valuation. For some goods and services and a few military structures, quantities and prices from DOD reports; for electricity and natural gas, quantities from DOE.
National defense consumption of general government fixed capital	.....	.....	Direct valuation. Perpetual-inventory calculations based on gross investment.
Nondefense except consumption of general government fixed capital	PPI, for most goods and selected services CPI, for rent, utilities, and communications	Cost indexes from trade sources and government agencies, for structures; for some services, BLS employment cost indexes; for own-account software, BEA index derived from nondefense compensation; for custom software, BEA index derived from nondefense compensation price index and PPI.	Quantity extrapolation. For compensation, full-time equivalent employment by grade, adjusted for change from base year in hours worked; for financial services furnished without payment, <sup>2</sup> BLS index of total bank output (less BEA real bank service charges). Direct valuation. For net purchases of agricultural commodities by the Commodity Credit Corporation, quantities by crop from agency reports and USDA prices; for selected petroleum transactions, DOE quantities and prices.

See the footnotes at the end of the table.



**Table 2. Methodology Used in Preparing Estimates of Real GDP—Table Ends**

Component	Deflation, using price based on		Using quantity for extrapolation or direct valuation
	CPI or PPI	Other index	
Nondefense consumption of general government fixed capital			Direct valuation. Perpetual-inventory calculations based on gross investment.
<b>State and local government</b>			
Consumption expenditures and gross investment except those listed below	CPI, for services PPI, for electricity, hospitals, most professional services, and goods	BEA indexes based on Federal nondefense prices paid, for transportation, books, and postal services; for elementary and secondary education, welfare, and libraries, BEA composite indexes of input prices; for maintenance and repair services, BEA composite price index for state and local construction.	
Compensation of general government employees			Quantity extrapolation. For employees in education, full-time equivalent employment by education and experience, adjusted for change from base year in hours worked; for other employees, full-time equivalent employment, adjusted for change from base year in hours worked.
Consumption of general government fixed capital			Direct valuation. Perpetual-inventory calculations based on gross investment.
Structures		Cost indexes from trade sources and government agencies.	
Software		See the entry for software under nonresidential equipment and software.	
Brokerage charges and financial services furnished without payment			Quantity extrapolation. See the entries for brokerage charges and for financial services under personal consumption expenditures.

BEA Bureau of Economic Analysis  
 BLS Bureau of Labor Statistics  
 CPI Consumer price index  
 DOD Department of Defense  
 DOE Department of Energy  
 DOT Department of Transportation

PPI Producer price index  
 USDA U.S. Department of Agriculture  
 1. The foreign CPIs have been adjusted for differences in exchange rates.  
 2. This line item is also referred to as "services furnished without payment by financial intermediaries, except life insurance carriers."

## Federal Personal Income Tax Liabilities and Payments for 1959–2004

By Mark A. Ledbetter

Each year, the Bureau of Economic Analysis updates its estimates of Federal personal income tax liabilities and Federal personal income tax payments.<sup>1</sup> The Federal tax payments estimates incorporate the results of the 2006 annual revision of the national income and product accounts. The Federal tax liability estimates include newly available tax return data for 2004 and revised earned income tax credit data for 2003 from the Internal Revenue Service (IRS).

For 2003, income tax payments exceed income tax liabilities by \$31.9 billion. The difference can be partly attributed to the effects of the Economic Growth and Tax Relief Reconciliation Act of 2003, the Trade Act of 2002,

and \$14.2 billion in net advance payments for 2003.<sup>2</sup>

For 2004, income tax liabilities exceeded income tax payments by \$40.8 billion. The difference can be accounted for by the faster-than-expected growth of the economy and individual incomes in 2004 and timing differences that arise from nonwithheld tax liabilities incurred in tax year 2004 (included in the liability estimate) and the payment for those liabilities at a later date. Specifically, most of the \$40.8 billion difference stems from final settlements for tax liabilities incurred in 2004 but paid in 2005. Similarly, the 2004 income tax payments estimates include final settlement payments for tax liabilities incurred in 2003.

1. For details about the estimates of tax liabilities and payments, see Mark A. Ledbetter, "Federal Personal Income Tax Liabilities and Payments for 1959–2001," *SURVEY OF CURRENT BUSINESS* 84 (June 2004): 17–20.

2. For more information on the provisions of these acts and advance payments, see Ledbetter, "Federal Personal Income Tax Liabilities and Payments for 1959–2003," *SURVEY* 85 (November 2005): 29.

**Table 1. Federal Personal Income Tax Liabilities and Payments for 1959–2004**

[Billions of dollars]

	Federal personal income taxes				Federal personal income taxes		
	Liabilities basis <sup>1</sup>	Payments basis <sup>2</sup>	Difference		Liabilities basis <sup>1</sup>	Payments basis <sup>2</sup>	Difference
1959	39.0	38.5	0.6	1982	280.2	295.0	-14.8
1960	39.9	41.8	-2.0	1983	277.8	286.2	-8.4
1961	42.7	42.7	0.0	1984	306.7	301.4	5.3
1962	45.4	46.5	-1.1	1985	331.5	336.0	-4.5
1963	48.8	49.1	-0.4	1986	374.9	350.1	24.8
1964	47.8	46.0	1.8	1987	378.7	392.5	-13.8
1965	50.2	51.1	-0.8	1988	422.0	402.9	19.1
1966	56.8	58.6	-1.8	1989	440.1	451.5	-11.5
1967	63.7	64.4	-0.7	1990	453.4	470.2	-16.8
1968	77.5	76.4	1.1	1991	455.4	461.3	-5.9
1969	87.4	91.7	-4.3	1992	483.1	475.3	7.8
1970	84.5	88.9	-4.4	1993	508.5	505.5	3.0
1971	86.1	85.8	0.3	1994	540.3	542.7	-2.4
1972	94.3	102.8	-8.4	1995	592.9	586.0	6.9
1973	108.9	109.6	-0.6	1996	664.5	663.4	1.1
1974	124.4	126.5	-2.1	1997	742.5	744.3	-1.8
1975	117.3	120.7	-3.5	1998	800.5	825.8	-25.3
1976	142.8	141.2	1.6	1999	892.4	893.0	-0.6
1977	161.0	162.2	-1.1	2000	994.2	999.1	-4.9
1978	189.6	188.9	0.7	2001	857.6	994.5	-136.9
1979	216.1	224.6	-8.6	2002	800.2	830.5	-30.3
1980	252.3	250.0	2.3	2003	742.6	774.5	-31.9
1981	286.7	290.6	-3.8	2004	842.3	801.4	40.8

1. For the data sources, see footnote 1 above.

2. This series is presented as personal current taxes (line 3) in table 3.2 in the national income and product accounts.

# Comparison of BEA Estimates of Personal Income and IRS Estimates of Adjusted Gross Income

## New Estimates for 2004

## Revised Estimates for 2003

By Mark A. Ledbetter

THE Bureau of Economic Analysis (BEA) annually publishes a comparison of BEA's measure of personal income and the Internal Revenue Service (IRS) measure of adjusted gross income (AGI); both are widely used measures of household income. However, each measure is based on different concepts, and each is used for different purposes. This comparison features the "AGI gap," which is the difference between the BEA-derived estimates of adjusted gross income and the IRS estimate of adjusted gross income.<sup>1</sup> (For more information, see "Estimating the AGI gap.")

Adjusted gross income is the key measure of indi-

vidual income that is defined by the Internal Revenue Code. It is used as the basis for computing certain tax credits and itemized deductions. The definition of AGI can change from year to year because of changes in the tax code.

BEA's personal income estimate is a more comprehensive income measure than the IRS AGI measure. The personal income and outlay account records the distribution of income to the household sector and measures its value and composition in the national economy. It represents a component of a sequence of interconnected, macroeconomic flow accounts that is often used to examine trends in national economic activity because its definition is consistent through all years measured.

Analysts use this comparison of personal income and adjusted gross income in a variety of ways. For example, because major changes in the tax law affect the

1. For more information about the source data and the methodologies that are used to prepare BEA-derived estimates of AGI and the AGI gap, see Mark A. Ledbetter, "Comparison of BEA Estimates of Personal Income and IRS Estimates of Adjusted Gross Income," *SURVEY OF CURRENT BUSINESS* 84 (April 2004): 8–22.

### Key Terms

**Adjusted gross income (AGI)**, for Federal income tax purposes, includes all income that is received in the form of money, property, and services and that is not explicitly exempt by law.

**Personal income** is the income received by individuals, nonprofit institutions serving households, private noninsured welfare funds, and private trust funds from all sources. It includes income that is taxed, that is partly taxed (such as social security benefit payments), and that is tax-exempt (such as tax-exempt interest, nontaxable transfer payments, and Medicare, Medicaid, and welfare benefit payments). It is the sum of "compensation of employees (received)," proprietors' income, rental income, personal income receipts on assets, and personal current transfer receipts; contributions for government social insurance is subtracted. Personal income includes imputed income, but it excludes net gains from the sale of assets (capital gains), pension benefit payments, and employee and self-employed contributions for government social insurance. For more information about personal income, see <[www.bea.gov/bea/regional/articles/spi2005](http://www.bea.gov/bea/regional/articles/spi2005)>.

**BEA-derived adjusted gross income** is BEA's concep-

tual measure of adjusted gross income without taxpayer misreporting. It is based on IRS tabulations of data from individual income tax returns, corporate income tax returns, nonfarm sole proprietorship income tax returns, partnership income tax returns, and extrapolated estimates for tax-exempt income and for private foundation income.

The **AGI gap** is the difference between the BEA-derived adjusted gross income and IRS adjusted gross income. The AGI gap for each type of income is the difference between the BEA-derived adjusted gross income for that type of income and the reallocated IRS adjusted gross income.

The **relative AGI gap** for each type of income shows the AGI gap by type of income as a percentage of the BEA-derived adjusted gross income by type of income.

**Misreporting adjustments** are adjustments to IRS source data that are designed to correct for the effects of taxpayer misreporting in the tax return tabulations and economic census data used in the NIPAs. These adjustments account for income that is underreported on tax returns and for the income that is earned by individuals who do not file tax returns.

IRS estimates of adjusted gross income, the reconciliation tables are often used by analysts to convert adjusted gross income into a consistent time series for budget and fiscal policy analyses or to extrapolate projections of adjusted gross income.

The components of personal income and adjusted gross income are similar. The major differences are that personal income consists of both taxable income and tax-exempt income and that adjusted gross income consists only of taxable income. Personal income includes other items, such as misreporting adjustments, imputed income, income of nonprofit institutions serving households, the investment income of insurance carriers, and employer contributions for government social insurance.

This year's article includes two changes to the comparison between personal income and AGI:

- Three lines have been added to tables 1 and 2, showing the AGI gap, the percent distribution of the AGI gap, and the relative gap excluding the misreporting adjustment. Table 5, "The AGI Gap Less Misreporting Adjustment and Relative AGI Gap by Type of Income, 1990–2004," has also been added.
- A double-counting correction was made for unemployment compensation received by state government employees that reduced the BEA-derived AGI \$2.1 billion in 2004 (for more information, see the section "Estimating the AGI gap").

### The AGI gap for 2004

The total AGI gap for 2004—the most recent year for which AGI data are available—was \$1,088.2 billion (table 1). The misreporting adjustment, which adjusts the IRS data for underreported and unreported income, accounts for \$458.4 billion of the gap. For the remaining \$629.8 billion "AGI gap less misreporting adjustment," precise explanations are not easily identifiable. For more information, see the section "Misreporting adjustments and the AGI gap."

The relative AGI gap—the gap as a percentage of BEA-derived adjusted gross income—was 13.8 percent. The "relative AGI gap less misreporting adjustment"—the gap less the misreporting adjustment as a percentage of BEA-derived adjusted gross income—was 8.0 percent

BEA also calculates the AGI gap by type of income (tables 1–4). For each type of income, the unexplained portion of the AGI gap can be calculated by subtracting the misreporting adjustment from the corresponding AGI gap estimate. The "AGI gap less misreporting adjustment" by type of income is only calculated for wage and salary disbursements, nonfarm proprietors' income, rental income, and personal interest income (tables 1, 2, and 5).

### Revisions to the AGI gap for 2003

The AGI gap for 2003 was revised down \$14.0 billion to \$1,027.8 billion (table A and table 2). The relative AGI gap for 2003 was revised to 14.2 percent from 14.4 percent.

**Table A. Sources of Revision to the AGI Gap for 2003**

[Billions of dollars]

Line <sup>1</sup>		2003
1	Personal Income.....	-5.5
2	Less: Portion of personal income not included in AGI.....	8.9
3	Nontaxable transfer payments.....	7.3
4	Employer contributions for employee pension and insurance funds.....	-14.4
5	Imputed income in personal income.....	-0.2
6	Investment income of life insurance carriers and pension plans.....	7.4
7	Investment income received by nonprofit institutions and retained by fiduciaries.....	-2.0
8	Differences in accounting treatment between NIPAs and tax regulations, net.....	14.9
9	Other personal income exempt or excluded from adjusted gross income.....	-4.1
10	Plus: Portion of adjusted gross income not included in personal income.....	0.4
11	Contributions for government social insurance.....	0.0
12	Net gain from sale of assets.....	0.0
13	Taxable pensions.....	2.5
14	Small business corporation income.....	0.0
15	Other types of income.....	-2.1
21	Equals: BEA-derived adjusted gross income.....	-14.0
22	IRS adjusted gross income.....	0.0
28	Adjusted gross income (AGI) gap.....	-14.0
30	Relative AGI Gap.....	-0.2

1. Line numbers in this table correspond to those in table 2.  
 BEA Bureau of Economic Analysis  
 IRS Internal Revenue Service  
 NIPAs National income and product accounts

Because IRS adjusted gross income for 2003 was unrevised, the entire revision to the 2003 AGI gap is accounted for by a revision to BEA-derived adjusted gross income. The downward revision to BEA-derived adjusted gross income reflects a \$5.5 billion downward revision to BEA personal income, an \$8.9 billion upward revision to items included in personal income but not in adjusted gross income, and a \$0.4 billion upward revision to items included in adjusted gross income but not in personal income.

The revision to BEA-derived adjusted gross income can also be viewed as the sum of revisions to the following: BEA data (\$7.1 billion), IRS data that underlie estimates of BEA-derived adjusted gross income but not IRS adjusted gross income (-\$2.1 billion), and data that are derived independently of both BEA personal income and IRS adjusted gross income (-\$19.0 billion) (table B).

All revisions to estimates of the reconciliation items that are prepared independently of personal income and of adjusted gross income carry through to BEA-derived adjusted gross income.<sup>2</sup> (These estimates are derived from source data that are not used to prepare

2. "Carry through" is used to describe a revision to a reconciliation item in personal income or in adjusted gross income that results in a revision to the AGI gap. The revision to a reconciliation item in one measure of income that is not offset by an identical revision to the other measure of income is said to carry through to the AGI gap.

estimates of personal income or adjusted gross income.) Revisions to the components of adjusted gross income (parts of lines 9, 12, 14, and 15 in table 1) also carry through to BEA-derived adjusted gross income.

**Table B. Revisions That Carry Through to BEA-derived Adjusted Gross Income Gap**  
(Billions of dollars)

	2003
<b>Revisions to the BEA-derived adjusted gross income (AGI) gap</b> .....	<b>-14.0</b>
<b>Due to revisions to personal income</b> .....	<b>7.1</b>
Personal income .....	-5.5
Contributions for government social insurance .....	0.0
Less .....	-12.7
Employer contributions to pension and insurance funds .....	-14.4
Imputed income included in personal income .....	-0.2
Gain on internal revenue code section 1231 assets .....	0.1
Inventory valuation and capital consumption adjustments .....	0.0
Nonfarm proprietors' income .....	4.9
Excess farm inventories .....	0.2
Small business corporation dividends in personal income .....	-3.3
<b>Due to revisions to AGI components</b> .....	<b>-2.1</b>
Net gain from sale of assets .....	0.0
Small business corporation income .....	0.0
Miscellaneous components .....	-2.1
<b>Due to revisions to reconciliation items with source data unrelated to personal income or AGI</b> .....	<b>-19.0</b>
Taxable Pensions .....	2.5
Less .....	21.5
Nontaxable personal current transfer receipts .....	7.3
Investment income retained by life insurance carriers and pensions plans .....	7.4
Fiduciary income .....	-1.1
Nonprofit income .....	-0.9
IRA-Keogh excluding capital gain .....	1.9
Exempt military pay .....	-0.8
Tax-exempt interest .....	0.0
Other miscellaneous items .....	7.8

NOTE: Subtotals may not sum to totals because of rounding.

### Misreporting adjustments and the AGI gap

The misreporting adjustment is a measure of income that is not reported on tax returns and is added to reported income in BEA's estimation of personal income. The misreporting adjustment comprises a filer adjustment, measuring the amount of income that is underreported on tax returns, and a nonfiler adjustment, which measures the amount of income earned by tax return nonfilers. The income adjustment for filers of tax returns is based on the Taxpayer Compliance Measurement Program (TCMP) and the Information Returns Program (IRP).<sup>3</sup> The nonfiler adjustment is based on the 1999 Census Bureau's exact match study. That study attempted to match income levels reported to the IRS with income data of individuals in the Social Security Administration's records and with income

3. The most recent TCMP and IRP studies were prepared in 1988. Data for the National Research Program will replace the TCMP and IRP estimates. During the next comprehensive revision of the national income and product accounts, which is tentatively scheduled for October 2008, BEA plans to incorporate the results of the IRS National Research Program (NRP) study of individual tax compliance for 2001. The NRP study includes measures of filing compliance, reporting compliance, and payment compliance. For more information, see Charles Bennett, "Preliminary Results of the National Research Program's Reporting Compliance Study of Tax Year 2001 Individual Returns," *IRS Research Bulletin* (2005): 3-14; <[www.irs.gov/pub/irs-soi/05bennett.pdf](http://www.irs.gov/pub/irs-soi/05bennett.pdf)>.

data reported for sole proprietorships and partnerships in the Census Bureau's Current Population Survey.<sup>4</sup>

The filer adjustments for underreported income are the largest component of the misreporting estimate. In 2004, filer adjustments accounted for 90 percent of the total misreporting adjustment, 89 percent of the wages and salaries misreporting adjustment, approximately 92 percent of the nonfarm proprietorships misreporting adjustment, and the entire rental and interest income misreporting adjustment. For 2004, the nonfiler adjustment accounted for 10 percent of the total misreporting adjustment, 11 percent of the wages and salaries misreporting adjustment, and approximately 8 percent of the nonfarm proprietorships misreporting adjustment. The nonfiler adjustment includes both the income of those not legally required to file tax returns and the income of those who are required to file tax returns.<sup>5</sup> Because the nonfiler adjustment includes some legal nonfiling of income, it should not be used as a measure of noncompliance.<sup>6</sup>

The "AGI gap less misreporting adjustment" is the gap between personal income and AGI after all known and measurable statistical and definitional differences are taken into account. The remaining difference results from known definitional differences that cannot be estimated, statistical discrepancies, data sampling and nonsampling errors, differences in source data for AGI and personal income, incomplete source data, timing anomalies, and other unknown factors.<sup>7</sup> The "AGI gap less misreporting adjustment" should also not be used as a measure of noncompliance, because it contains immeasurable sources of tax-exempt income and other discrepancies previously mentioned.

### Estimating the AGI gap

The AGI gap by type of income is estimated in three steps. First, an estimate of BEA-derived adjusted gross income is prepared by adjusting the estimates of BEA personal income to conform to the IRS definition of

4. A 2003 exact match study will be used in the 2007 annual NIPA revision. Both filer and nonfiler adjustments are extrapolated forward to the present to prepare estimates for missing years. For more information, see Robert P. Parker, "Improved Adjustments for Misreporting of Tax Return Information Used to Estimate the National Income and Product Accounts, 1977," *SURVEY* 64 (June 1984): 17-25; and Ledbetter, 12.

5. The Census Bureau's exact match studies do not differentiate between the incomes of those required and not required to file tax returns. In 2004, taxpayers are required to file tax returns if their incomes are above the \$7,150 taxable threshold.

6. The IRS publishes an official estimate of the level of tax avoidance. For more information, please read the online article "Understanding the Tax Gap" on the IRS Web site at <[www.irs.gov/newsroom/article/0,,id=137246,00.html](http://www.irs.gov/newsroom/article/0,,id=137246,00.html)>.

7. For more information on the statistical discrepancy in the national income and product accounts, see Robert P. Parker and Eugene P. Seskin, "Annual Revision of the National Income and Product Accounts," *SURVEY* 77 (August 1997): 19.

adjusted gross income. Certain types of income are subtracted from personal income because they are not included in adjusted gross income (lines 3–9 in tables 1 and 2), and certain types of income are added to personal income to be consistent with adjusted gross income (lines 11–15).

Second, certain types of personal income are reallocated so that BEA-derived estimates of adjusted gross income by type of income conform to the definitions of adjusted gross income (lines 17–20). In addition, certain types of adjusted gross income that are undefined in personal income, such as estate and trust income, are reallocated so that adjusted gross income by type of income conforms to the BEA-derived adjusted gross income (lines 24–26).

Third, the estimates of “AGI reallocated” (line 27) are subtracted from the estimates of BEA-derived adjusted gross income (line 21) to yield an estimate of the AGI gap (line 28).

The relative AGI gap (line 30) is the AGI gap as a percentage of BEA-derived adjusted gross income.

To correct for double-counting that was reflected in previous estimates of the AGI gap, an adjustment was made to eliminate the double-recording of unemployment compensation received by state government em-

ployees because of classification differences between the BEA and IRS treatments of unemployment compensation received by state government employees. BEA classifies the unemployment compensation received by state government employees as unemployment compensation. The IRS classifies this income as “other income” on Form 1040 because the unemployment compensation drawn from state unemployment compensation funds is ultimately reimbursed by state governments.

In order to correct for this double-counting, BEA’s estimate of unemployment compensation received by state employees was removed from IRS “other income” in line 15 of tables 1 and 2. To correct for a classification difference, BEA’s estimate of unemployment compensation received by state employees was also reallocated within line 26, “other allocations.” For line 26, the amount of unemployment compensation received by state employees was subtracted from the column “income not included in personal income,” and added to the column “taxable unemployment compensation.”

*Tables 1–5 follow.*



Table 1. Comparison of Personal Income With Adjusted Gross Income (AGI) by Type of Income for 2004

[Billions of dollars]

Line	Personal Income											Income not included in personal income
	Total	Wage and salary disbursements	Proprietors' income with IVA and CCAj		Rental income of persons with CCAj	Income receipts on assets		Taxable pensions and annuities	Taxable unemployment compensation	Taxable social security <sup>1</sup>	Other personal income <sup>2</sup>	
			Farm	Nonfarm		Personal dividend income	Personal interest income					
1	9,731.4	5,392.1	36.2	874.9	127.0	537.1	890.8	( <sup>3</sup> ) 3.2	37.0	119.3	1,713.8	0.0
2	3,597.2	157.1	30.2	58.5	98.5	321.7	699.4	0.0	0.0	0.0	2,133.7	98.0
3	1,266.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,266.4	0.0
4	866.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	866.1	0.0
5	287.4	13.6	0.2	3.6	78.1	0.0	191.8	0.0	0.0	0.0	0.0	0.0
6	439.8	0.0	0.0	0.0	1.5	44.4	393.9	0.0	0.0	0.0	0.0	0.0
7	57.7	0.0	0.0	0.5	6.2	22.6	27.2	0.0	0.0	0.0	1.2	0.0
8	160.1	0.0	30.0	54.4	12.6	28.6	34.4	0.0	0.0	0.0	0.0	0.0
9	519.7	143.5	0.0	0.0	0.0	226.1	52.0	0.0	0.0	0.0	0.0	( <sup>4</sup> ) 98.0
10	1,742.8	30.5	0.0	5.9	5.7	0.0	0.0	525.1	0.0	0.0	418.7	756.9
11	419.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	419.3	0.0
12	476.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	476.2
13	525.0	0.0	0.0	0.0	0.0	0.0	0.0	525.0	0.0	0.0	0.0	0.0
14	195.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	195.1
15	127.2	30.5	0.0	5.9	5.7	0.0	0.0	0.0	0.0	0.0	-0.6	85.6
16	0.0	21.4	0.0	-1.2	0.0	23.6	-23.6	-21.4	0.0	0.0	1.2	0.0
17	0.0	0.0	0.0	-1.2	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.0
18	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	0.0	0.0	0.0	0.0	0.0	23.6	-23.6	0.0	0.0	0.0	0.0	0.0
20	0.0	21.4	0.0	0.0	0.0	0.0	0.0	-21.4	0.0	0.0	0.0	0.0
21	7,877.0	5,286.8	5.9	821.1	34.2	239.0	167.8	506.9	37.0	119.3	0.0	658.9
22	6,788.8	4,921.8	-13.2	247.2	27.4	146.8	125.5	394.3	32.7	110.5	134.9	661.0
23	0.0	0.0	0.2	126.6	8.1	0.0	0.0	0.0	2.1	0.0	-134.9	-2.1
24	0.0	0.0	0.0	5.9	8.1	0.0	0.0	0.0	0.0	0.0	-14.0	0.0
25	0.0	0.0	0.2	120.7	0.0	0.0	0.0	0.0	0.0	0.0	-120.9	0.0
26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.1	0.0	0.0	-2.1
27	6,788.8	4,921.8	-13.1	373.8	35.5	146.8	125.5	394.3	34.9	110.5	0.0	658.9
28	1,088.2	365.0	19.0	447.3	-1.2	92.2	42.3	112.7	2.1	8.8	0.0	0.0
29	100.0	33.5	1.7	41.1	-0.1	8.5	3.9	10.4	0.2	0.8	.....	.....
30	13.8	6.9	319.5	54.5	-3.6	38.6	25.2	22.2	5.7	7.4	.....	.....
31	458.4	115.3	.....	356.7	2.2	.....	-15.8	.....	.....	.....	.....	.....
32	629.8	249.7	19.0	90.6	-3.5	92.2	58.1	112.7	2.1	8.8	0.0	0.0
33	100.0	39.7	3.0	14.4	-0.6	14.6	9.2	17.9	0.3	1.4	.....	.....
34	8.0	4.7	319.5	11.0	-10.1	38.6	34.6	22.2	5.7	7.4	.....	.....

1. These benefits also include a social security equivalent benefit portion of tier 1 railroad retirement benefits.

2. Consists primarily of employer contributions for employee pension and insurance funds and nontaxable transfer payments to persons less contributions to government social insurance.

3. Includes tier 2 railroad retirement benefits that are taxed as if the benefits were paid under private employer retirement plans.

4. Consists of all the imputations in personal income in NIPA table 7.12 except for employer contributions for health and life insurance premiums; these premiums are included in line 4.

5. Consists of imputed interest received by persons from life insurance carriers (NIPA table 7.11) and the investment income of private and government employee pension plans.

6. Statutory adjustments or specific adjustments ("above-the-line deductions") from total income included to arrive at AGI.

7. Consists of the taxable portion of private and government employee retirement plan benefit payments.

8. Consists of partnership income retained by fiduciaries.

9. Adjusted gross income gap (line 28) as a percentage of BEA-derived AGI (line 21).

10. Adjusted gross income gap less misreporting adjustment (line 32) as a percentage of BEA-derived AGI (line 21) without misreporting adjustment (line 31).

BEA Bureau of Economic Analysis  
CCAj Capital consumption adjustment

IRS Internal Revenue Service

IVA Inventory valuation adjustment

NIPAs National income and product accounts

Table 2. Comparison of Personal Income With Adjusted Gross Income (AGI) by Type of Income for 2003

[Billions of dollars]

Line	Personal Income												Income not included in personal income
	Total	Wage and salary disbursements	Proprietors' income with IVA and CCAdj		Rental income of persons with CCAdj	Income receipts on assets		Taxable pensions and annuities	Taxable unemployment compensation	Taxable social security <sup>1</sup>	Other personal income <sup>2</sup>		
			Farm	Nonfarm		Personal dividend income	Personal interest income						
1	Personal income.....	9,163.6	5,112.7	29.2	782.1	133.0	422.6	914.1	( <sup>3</sup> ) 3.2	53.6	106.2	1,607.1	0.0
2	Less: Portion of personal income not included in adjusted gross income.....	3,368.7	152.0	20.3	43.1	101.5	263.5	696.7	0.0	0.0	0.0	2,004.0	87.6
3	Nontaxable transfer payments to persons.....	1,187.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,187.3	0.0
4	Employer contributions to pension and insurance funds.....	815.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	815.6	0.0
5	Imputed income in personal income <sup>4</sup> .....	271.6	13.2	0.2	3.0	78.2	0.0	177.1	0.0	0.0	0.0	0.0	0.0
6	Investment income retained by life insurance carriers and pensions plans <sup>5</sup> .....	429.2	0.0	0.0	0.0	2.2	32.0	395.0	0.0	0.0	0.0	0.0	0.0
7	Investment income received by nonprofit institutions and retained by fiduciaries.....	55.8	0.0	0.0	0.5	7.8	20.9	25.6	0.0	0.0	0.0	1.1	0.0
8	Differences in accounting treatment between NIPAs and tax regulations, net.....	142.0	0.0	20.1	39.6	13.3	23.7	45.3	0.0	0.0	0.0	0.0	0.0
9	Other personal income exempt or excluded from adjusted gross income.....	467.2	138.8	0.0	0.0	0.0	187.0	53.8	0.0	0.0	0.0	0.0	( <sup>6</sup> ) 87.6
10	Plus: Portion of adjusted gross income not included in personal income.....	1,440.0	22.0	0.0	4.3	5.4	0.0	0.0	491.4	0.0	0.0	395.8	521.1
11	Contributions for government social insurance.....	396.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	396.5	0.0
12	Net gain from sale of assets.....	294.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	294.0
13	Taxable pensions <sup>7</sup> .....	491.4	0.0	0.0	0.0	0.0	0.0	0.0	491.4	0.0	0.0	0.0	0.0
14	Small business corporation income.....	148.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	148.6
15	Other types of income.....	109.4	22.0	0.0	4.3	5.4	0.0	0.0	0.0	0.0	0.0	-0.7	78.5
16	Plus: Reallocation by type of NIPA income.....	0.0	17.1	0.0	-1.1	0.0	21.0	-21.0	-17.1	0.0	0.0	1.1	0.0
17	Fiduciaries' share of partnership income <sup>8</sup> .....	0.0	0.0	0.0	-1.1	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0
18	Interest received by nonfarm proprietors.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Interest distributed by regulated investment companies.....	0.0	0.0	0.0	0.0	0.0	21.0	-21.0	0.0	0.0	0.0	0.0	0.0
20	Taxable disability income payments.....	0.0	17.1	0.0	0.0	0.0	0.0	0.0	-17.1	0.0	0.0	0.0	0.0
21	Equals: BEA-derived adjusted gross income.....	7,234.9	4,999.8	8.9	742.2	36.8	180.1	196.3	477.5	53.6	106.2	0.0	433.5
22	IRS adjusted gross income (as reported).....	6,207.1	4,649.9	-12.4	229.7	29.2	115.1	127.2	372.9	44.0	97.8	117.9	435.8
23	Plus: Reallocation by type of IRS income.....	0.0	0.0	0.0	110.2	7.7	0.0	0.0	0.0	2.3	0.0	-117.9	-2.3
24	Estate or trust income.....	0.0	0.0	0.0	4.7	7.7	0.0	0.0	0.0	0.0	0.0	-12.4	0.0
25	Partnership income.....	0.0	0.0	0.0	105.5	0.0	0.0	0.0	0.0	0.0	0.0	-105.4	0.0
26	Other reallocations.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.3	0.0	0.0	-2.3
27	IRS adjusted gross income (reallocated).....	6,207.1	4,649.9	-12.4	339.9	36.9	115.1	127.2	372.9	46.3	97.8	0.0	433.5
28	Adjusted gross income gap (line 21–line 27).....	1,027.8	349.9	21.3	402.3	-0.1	64.9	69.2	104.6	7.3	8.4	0.0	0.0
29	Percent distribution of AGI gap.....	100.0	34.0	2.1	39.1	0.0	6.3	6.7	10.2	0.7	0.8	.....	.....
30	Relative AGI gap <sup>9</sup> .....	14.2	7.0	239.9	54.2	-0.3	36.1	35.2	21.9	13.6	7.9	.....	.....
31	Addendum: Misreporting adjustment included in personal income.....	425.4	111.8	.....	326.0	2.1	.....	-14.5	.....	.....	.....	.....	.....
32	AGI gap less misreporting adjustment (line 28–line 31).....	602.3	238.1	21.3	76.4	-2.2	64.9	83.6	104.6	7.3	8.4	0.0	0.0
33	Percent distribution of AGI gap less misreporting adjustments.....	100.0	39.5	3.5	12.7	-0.4	10.8	13.9	17.4	1.2	1.4	.....	.....
34	Relative AGI gap less misreporting adjustments <sup>10</sup> .....	8.3	4.8	239.9	10.3	-6.1	36.1	42.6	21.9	13.6	7.9	.....	.....

1. These benefits also include a social security equivalent benefit portion of tier 1 railroad retirement benefits.

2. Consists primarily of employer contributions for employee pension and insurance funds and nontaxable transfer payments to persons less contributions to government social insurance.

3. Includes tier 2 railroad retirement benefits that are taxed as if the benefits were paid under private employer retirement plans.

4. Consists of all the imputations in personal income in NIPA table 7.12 except for employer contributions for health and life insurance premiums; these premiums are included in line 4.

5. Consists of imputed interest received by persons from life insurance carriers (NIPA table 7.11) and the investment income of private and government employee pension plans.

6. Statutory adjustments or specific adjustments ("above-the-line deductions") from total income included to arrive at AGI.

7. Consists of the taxable portion of private and government employee retirement plan benefit payments.

8. Consists of partnership income retained by fiduciaries.

9. Adjusted gross income gap (line 28) as a percentage of BEA-derived AGI (line 21).

10. Adjusted gross income gap less misreporting adjustment (line 32) as a percentage of BEA-derived AGI (line 21) without misreporting adjustment (line 31).

BEA Bureau of Economic Analysis

CCAdj Capital consumption adjustment

IRS Internal Revenue Service

IVA Inventory valuation adjustment

NIPAs National income and product accounts

**Table 3. The BEA and IRS Measures of AGI and the AGI Gap by Type of Income for 1990–2004**  
[Billions of Dollars]

Year	BEA-derived AGI	IRS AGI	AGI gap	Wage and salary disbursements	Proprietors' income with IVA and CCAj		Rental income of persons with CCAj	Income receipts on assets			Taxable pension and annuities	Taxable unemployment compensation	Taxable social security benefits
					Farm	Nonfarm		Total	Personal dividend income	Personal interest income			
1990	3,798.4	3,405.4	393.0	106.4	27.7	134.8	4.2	59.2	44.7	14.6	54.5	2.8	3.0
1991	3,856.8	3,464.5	392.3	92.1	29.8	138.7	8.2	66.1	45.2	20.9	50.1	3.6	3.2
1992	4,092.0	3,629.1	462.9	121.9	30.6	162.7	12.5	65.2	34.4	30.8	56.6	8.3	4.5
1993	4,245.4	3,723.3	522.1	139.3	38.1	195.6	12.3	65.4	31.2	34.2	57.1	7.4	6.1
1994	4,473.7	3,907.5	566.2	146.1	27.0	214.8	15.4	86.5	48.1	38.4	64.0	3.8	8.0
1995	4,759.8	4,189.4	570.4	153.5	36.9	233.1	17.0	49.0	31.2	17.9	68.6	2.6	8.8
1996	5,144.5	4,536.0	608.5	178.2	31.2	259.3	16.1	44.8	40.0	4.8	70.2	3.2	7.2
1997	5,578.0	4,970.0	608.0	190.2	31.3	264.4	16.4	23.8	43.8	-20.0	71.3	3.1	6.5
1998	6,120.2	5,416.0	704.3	227.6	26.3	286.0	15.8	71.0	47.2	23.8	72.2	3.1	6.7
1999	6,553.5	5,855.5	698.0	251.1	25.4	322.9	16.6	-5.1	6.3	-11.4	77.0	3.3	6.9
2000	7,125.4	6,365.4	760.1	280.8	21.2	368.4	13.8	-17.8	17.1	-34.9	91.4	3.8	7.3
2001	7,005.0	6,170.6	834.4	281.8	18.5	377.9	10.2	42.0	39.7	2.3	90.8	5.3	7.7
2002	6,976.8	6,033.6	943.2	314.5	13.7	379.2	6.9	113.6	78.2	35.4	96.5	10.7	8.1
2003	7,234.9	6,207.1	1,027.8	349.9	21.3	402.3	-0.1	134.1	64.9	69.2	104.6	7.3	8.4
2004	7,877.0	6,788.8	1,088.2	365.0	19.0	447.3	-1.2	134.5	92.2	42.3	112.7	2.1	8.8

AGI Adjusted gross income  
BEA Bureau of Economic Analysis  
CCAj Capital consumption adjustment  
IRS Internal Revenue Service  
IVA Inventory valuation adjustment

**Table 4. The Relative AGI Gap by Type of Income for 1990–2004**  
[Percent]

Year	Total relative AGI gap	Wage and salary disbursements	Proprietors' income with IVA and CCAj		Rental income of persons with CCAj	Income receipts on assets			Taxable pension and annuities	Taxable unemployment compensation	Taxable social security benefits	Addenda	
			Farm	Nonfarm		Total	Personal dividend income	Personal interest income				The sum of income items except wages, subject to the requirements for filing information returns <sup>1</sup>	The sum of income items not subject to the requirements for filing information returns <sup>2</sup>
1990	10.3	3.9	96.1	44.0	38.5	16.2	35.8	6.0	25.5	15.5	13.2	19.2	48.1
1991	10.2	3.3	105.2	44.5	50.4	18.7	36.9	9.1	22.1	13.5	13.1	19.5	49.6
1992	11.3	4.2	103.8	45.7	49.4	21.3	30.6	15.9	23.3	21.0	16.2	21.8	50.1
1993	12.3	4.6	107.9	49.8	42.0	23.7	28.1	20.7	22.8	21.0	20.0	22.9	53.7
1994	12.7	4.6	134.4	50.6	43.3	29.3	36.9	23.3	23.8	15.8	17.2	25.6	53.5
1995	12.0	4.6	125.7	51.7	43.8	16.4	24.8	10.3	23.7	11.8	16.2	19.4	55.3
1996	11.8	5.0	127.7	52.2	38.0	14.2	27.7	2.8	22.7	14.0	12.0	17.7	54.4
1997	10.9	5.0	125.2	51.0	36.7	7.5	26.7	-13.2	21.5	15.3	9.5	14.2	53.1
1998	11.5	5.5	141.5	50.7	35.3	19.3	28.5	11.8	20.5	15.5	8.9	18.3	52.3
1999	10.7	5.7	129.5	52.2	36.3	-1.7	4.5	-6.9	20.2	15.7	8.4	10.4	53.3
2000	10.7	5.9	174.1	54.9	29.8	-5.4	10.4	-21.3	21.9	18.3	7.5	9.8	55.3
2001	11.9	5.8	243.0	54.6	20.2	11.7	25.0	1.1	21.1	16.4	7.6	15.8	54.2
2002	13.5	6.5	( <sup>3</sup> )	53.9	15.9	31.0	43.1	19.2	21.2	19.8	8.0	23.5	53.6
2003	14.2	7.0	239.9	54.2	-0.3	35.6	36.1	35.2	21.9	13.6	7.9	25.1	53.8
2004	13.8	6.9	319.5	54.5	-3.6	33.1	38.6	25.2	22.2	5.7	7.4	24.1	54.0

1. Consists of personal dividend income, personal interest income, taxable pensions, taxable unemployment compensation, and taxable social security benefits. These types of income have been subject to varying degrees of withholding since 1984.

2. Consists of farm proprietors' income, nonfarm proprietors' income, and rental income of persons.

3. The calculation of the relative AGI gap for farm proprietors' income is not applicable because of a negative BEA-derived AGI value.

NOTE: The relative AGI gap is the AGI gap as a percentage of the BEA-derived AGI; see line 31 in tables 1 and 2.

AGI Adjusted gross income  
CCAj Capital consumption adjustment  
IVA Inventory valuation adjustment

Table 5. The AGI Gap Less Misreporting Adjustment and Relative AGI Gap by Type of Income for 1990–2004

[Billions of dollars]

Year	Total		Wage and salary disbursements		Nonfarm proprietors' income with IVA and CCAj		Rental income of persons with CCAj		Personal interest income	
	AGI gap	Relative gap (percent)	AGI gap	Relative gap (percent)	AGI gap	Relative gap (percent)	AGI gap	Relative gap (percent)	AGI gap	Relative gap (percent)
1990.....	172.9	4.6	43.6	1.6	-30.6	-10.0	3.3	30.0	23.7	9.8
1991.....	171.3	4.4	28.3	1.0	-26.2	-8.4	7.2	44.4	29.6	12.9
1992.....	229.7	5.6	54.2	1.9	-9.6	-2.7	11.5	45.5	38.7	20.0
1993.....	277.3	6.5	72.7	2.4	10.6	2.7	11.3	38.7	42.1	25.5
1994.....	308.1	6.9	76.7	2.4	18.4	4.3	14.5	40.6	46.9	28.5
1995.....	294.9	6.2	80.9	2.4	21.9	4.8	16.0	41.3	27.2	15.7
1996.....	319.6	6.2	101.2	2.8	38.6	7.8	14.9	35.2	14.8	8.7
1997.....	312.6	5.6	111.7	2.9	37.5	7.2	15.1	33.7	-8.7	-5.7
1998.....	386.3	6.3	143.4	3.5	40.1	7.1	14.7	32.7	36.9	18.3
1999.....	344.4	5.3	155.7	3.6	52.5	8.5	15.3	33.5	2.0	1.2
2000.....	381.8	5.4	181.0	3.8	75.1	11.2	12.2	26.3	-18.6	-11.3
2001.....	446.2	6.4	178.5	3.7	77.9	11.3	8.1	16.0	19.5	9.7
2002.....	541.8	7.8	208.1	4.3	71.3	10.1	5.3	12.3	49.8	27.0
2003.....	602.3	8.3	238.1	4.8	76.4	10.3	-2.2	-6.1	83.6	42.6
2004.....	629.8	8.0	249.7	4.7	90.6	11.0	-3.5	-10.1	58.1	34.6

AGI Adjusted gross income  
 CCAj Capital consumption adjustment  
 IVA inventory valuation adjustment

# Operations of U.S. Multinational Companies

## Preliminary Results From the 2004 Benchmark Survey

By Raymond J. Mataloni Jr. and Daniel R. Yorgason

THIS article presents preliminary results from BEA's 2004 benchmark survey of U.S. direct investment abroad, which provides detailed information on the operations of U.S. multinational companies (MNCs)—U.S. parents and their majority-owned foreign affiliates.<sup>1</sup> The 2004 benchmark survey introduces several methodological and statistical improvements, and compared with BEA's annual surveys of U.S. direct investment abroad, it is more comprehensive in its coverage of companies and subject matter. The preliminary 2004 estimates in this article supersede the advance estimates of U.S. MNC employment, capital expenditures, and sales, which were released earlier this year; revisions to the estimated growth rates in 2003–2004 for each of these items were all less than 1.5 percentage points.

In 1999–2004, the value added of U.S. MNCs grew at an average annual rate of 4 percent, to \$3,040.1 billion (table 1). U.S. parents grew more slowly than their foreign affiliates; in 1999–2004, the value added of parents grew at a rate of 3 percent, to \$2,215.8 billion, and value added of majority-owned foreign affiliates grew at a rate of 8 percent, to \$824.3 billion. Parents' growth was slower than the growth of U.S. gross domestic product (GDP) (5 percent on average), but foreign affiliates' growth was faster than the growth of worldwide GDP (6 percent on average).<sup>2</sup> The value added of

U.S. MNCs grew more slowly in 1999–2004 than in 1994–99 when it grew at an average rate of 8 percent.

The pattern of growth of U.S. MNCs in 1999–2004 partly reflected the distribution of their production by industry and by geographic area. The value added of U.S. parent companies grew at a slower rate than total U.S. GDP, partly reflecting the concentration of U.S. parent companies in U.S. industries—such as manufacturing, telecommunications, and utilities—in which total U.S. production grew relatively slowly. The value added of foreign affiliates grew at a faster rate than total GDP in foreign countries, partly reflecting the expansion of production by foreign affiliates in

### Data Availability

The final estimates of the worldwide operations of U.S. multinational companies (MNCs) for 2003 and the preliminary estimates for 2004 are presented in this article. The estimates are based on the 2003 Annual Survey of U.S. Direct Investment Abroad and the 2004 Benchmark Survey of U.S. Direct Investment Abroad. More detailed estimates from the surveys are posted on BEA's Web site. The preliminary 2004 estimates of research and development expenditures, and of employees engaged in research and development activities, of U.S. MNCs will be published in the SURVEY OF CURRENT BUSINESS early next year.

The final estimates of U.S. MNC operations for 1977 and for 2003 are available in publications or in files that can be downloaded free of charge from our Web site at <[www.bea.gov](http://www.bea.gov)>.

For more information about these products and how to obtain them, go to <[www.bea.gov/bea/ai/iidguide.htm](http://www.bea.gov/bea/ai/iidguide.htm)>.

The Bureau has also recently launched a free service on its Web site that allows users to interactively access detailed data on the operations of U.S. multinational companies, on the operations of foreign-owned companies in the United States, and on other aspects of U.S. direct investment abroad and foreign direct investment in the United States. For an introductory guide to this service, see Ned G. Howenstine, "Primer: Accessing BEA Direct Investment Data Interactively," SURVEY 86 (May 2006): 61–64.

1. A U.S. MNC comprises a U.S. parent company and its foreign affiliates. For both conceptual and practical reasons, the examination of foreign operations of U.S. MNCs in this article generally focuses on data for majority-owned foreign affiliates (MOFAs) rather than data for all foreign affiliates. Conceptually, most data users prefer using the data for majority-owned affiliates because such affiliates are unambiguously under U.S. control; foreign affiliates that are minority-owned by a U.S. resident could also be under the influence or control of foreign investors. In addition, some of the data items necessary for the examination of foreign operations of U.S. MNCs are more easily collected for MOFAs, and most foreign affiliates are majority owned; for example, in 2004, MOFAs accounted for 86 percent of the employment by all nonbank foreign affiliates.

In this article, historical comparisons of the 2004 benchmark survey results are generally made against 1999 and 1994—the two most recent preceding benchmark survey years.

2. Estimates of worldwide GDP are at current prices in U.S. dollars, as obtained from the Economic Statistics section of the United Nations Statistics Division Web site at <[unstats.un.org/unsd/economic\\_main.htm](http://unstats.un.org/unsd/economic_main.htm)>.

*Marilyn Ibarra prepared the estimates of real value added of foreign affiliates in manufacturing.*



several rapidly growing low-to-middle-income host countries, such as China, Poland, and India.<sup>3</sup>

The primary destination of sales by affiliates in both low-to-middle-income countries and high-income countries is the local market, and much of the growth in production by foreign affiliates in both groups of countries reflected growth in those markets. Local sales

3. The total value added of foreign affiliates in low-to-middle-income countries grew at an average annual rate of 11 percent (to \$169 billion in 2004 from \$101 billion in 1999), compared with the 6-percent average annual rate of growth of GDP in this group. Value added of foreign affiliates in high-income countries grew at a 7-percent rate (to \$655 billion in 2004 from \$465 billion in 1999), compared with a 6-percent average rate of growth of GDP in this group.

The income classifications used here are the latest classifications issued by the World Bank. The income levels of countries are currently classified in the following four tiers on the basis of their annual per capita gross national income in 2005 dollars: High-income countries, in which income is \$10,726 or more; upper middle-income countries, in which income ranges from \$3,466 to \$10,725; lower middle-income countries, in which income ranges from \$876 to \$3,465; and low-income countries, in which income is \$875 or less. For a list of the countries in each tier, see <[www.worldbank.org/data/countryclass/countryclass.html](http://www.worldbank.org/data/countryclass/countryclass.html)>.

accounted for 67.4 percent of total sales by affiliates in low-to-middle-income countries in 2004 and for 62.0 percent of sales by affiliates in high-income countries.

The following are additional highlights of the benchmark survey:

- Methodological and statistical improvements introduced in the 2004 benchmark survey include the collection of new detail on sales of services and on employment by occupational class, the incorporation of the 2002 North American Industry Classification System (NAICS) industry classifications, and a new treatment of nonbank units of U.S. banks. The new detail on sales of services will significantly improve BEA's comprehensive estimates of U.S. international services.
- The operations of U.S. MNCs in 2004 remained concentrated in the United States: U.S. parents accounted for a little more than 70 percent, and foreign affiliates for a little less than 30 percent, of their combined value added of \$3,040.1 billion, capital

Table 1. Selected Data for Nonbank U.S. MNCs, U.S. Parents, and Foreign Affiliates, 1982–2004

	U.S. MNCs			Affiliates				U.S. MNCs			Affiliates		
	Parents and all affiliates	Parents and MOFAs	Parents	Total	MOFAs	Other		Parents and all affiliates	Parents and MOFAs	Parents	Total	MOFAs	Other
<b>Value added</b>							<b>Number of employees</b>						
<b>Millions of dollars</b>							<b>Thousands</b>						
1982	n.a.	1,019,734	796,017	n.a.	223,717	n.a.	1982	26,334.0	24,867.0	18,790.0	7,544.0	6,077.0	1,467.0
1983	n.a.	n.a.	n.a.	n.a.	216,683	n.a.	1983	27,851.0	26,358.0	19,878.0	7,973.0	6,480.0	1,493.0
1984	n.a.	n.a.	n.a.	n.a.	220,331	n.a.	1984	28,003.6	26,592.9	19,819.8	8,183.8	6,773.1	1,410.7
1985	n.a.	n.a.	n.a.	n.a.	220,074	n.a.	1985	32,227.0	30,772.6	23,006.8	9,220.2	7,765.8	1,454.4
1986	n.a.	n.a.	n.a.	n.a.	231,644	n.a.	1986	33,598.2	32,056.6	23,885.2	9,713.0	8,171.4	1,541.6
1987	n.a.	n.a.	n.a.	n.a.	269,734	n.a.	1987	32,538.7	30,929.2	22,735.1	9,803.6	8,194.1	1,609.5
1988	n.a.	n.a.	n.a.	n.a.	297,556	n.a.	1988	31,893.6	30,373.2	22,117.6	9,776.0	8,255.6	1,520.4
1989	n.a.	1,364,878	1,044,884	n.a.	319,994	n.a.	1989	30,762.3	29,347.0	21,104.8	9,657.5	8,242.2	1,415.3
1990	n.a.	n.a.	n.a.	n.a.	356,033	n.a.	1990	31,405.5	29,994.7	21,377.5	10,028.0	8,617.2	1,410.8
1991	n.a.	n.a.	n.a.	n.a.	355,963	n.a.	<b>Percent change at annual rates:</b>						
1992	n.a.	n.a.	n.a.	n.a.	361,524	n.a.	1982–89	(*)	0.1	(*)	(*)	0.3	-1.0
1993	n.a.	n.a.	n.a.	n.a.	359,179	n.a.	1989–94	0.2	0.3	-0.2	1.4	2.2	-1.5
1994	n.a.	1,717,488	1,313,792	n.a.	403,696	n.a.	1994–99	4.7	4.9	4.4	5.4	6.4	0.8
1995	n.a.	1,831,046	1,365,470	n.a.	465,576	n.a.	1999–2004	-0.5	-0.5	-1.5	1.7	2.1	-0.6
1996	n.a.	1,978,948	1,480,638	n.a.	498,310	n.a.	<b>Capital expenditures</b>						
1997	n.a.	2,094,318	1,573,451	n.a.	520,867	n.a.	<b>Millions of dollars</b>						
1998	n.a.	2,100,773	1,594,504	n.a.	506,269	n.a.	1982	248,262	233,078	188,266	59,996	44,812	15,184
1999	n.a.	2,480,739	1,914,343	n.a.	566,396	n.a.	1983	n.a.	197,534	160,656	n.a.	36,878	n.a.
2000	n.a.	2,748,106	2,141,480	n.a.	606,626	n.a.	1984	n.a.	203,791	168,692	n.a.	35,099	n.a.
2001	n.a.	2,478,056	1,892,399	n.a.	585,657	n.a.	1985	n.a.	221,509	185,027	n.a.	36,482	n.a.
2002	n.a.	2,460,411	1,858,805	n.a.	601,606	n.a.	1986	n.a.	203,809	169,131	n.a.	34,678	n.a.
2003 <sup>p</sup>	n.a.	2,655,903	1,958,125	n.a.	697,778	n.a.	1987	n.a.	199,171	162,139	n.a.	37,032	n.a.
2004 <sup>p</sup>	n.a.	3,040,136	2,215,800	n.a.	824,336	n.a.	1988	n.a.	223,814	177,203	n.a.	46,611	n.a.
<b>Percent change at annual rates:</b>							1989	276,790	260,488	201,808	74,982	58,680	16,302
1982–89	n.a.	4.3	4.0	n.a.	5.2	n.a.	1990	n.a.	274,614	213,079	n.a.	61,535	n.a.
1989–94	n.a.	4.7	4.7	n.a.	4.8	n.a.	1991	n.a.	269,221	206,290	n.a.	62,931	n.a.
1994–99	n.a.	7.6	7.8	n.a.	7.0	n.a.	1992	n.a.	272,049	208,834	n.a.	63,215	n.a.
1999–2004	n.a.	4.2	3.0	n.a.	7.8	n.a.	1993	n.a.	271,661	207,437	n.a.	64,224	n.a.
<b>Number of employees</b>							<b>Thousands</b>						
1982	25,344.8	23,727.0	18,704.6	6,640.2	5,022.4	1,617.8	1994	328,240	303,364	231,917	96,323	71,447	24,876
1983	24,782.6	23,253.1	18,399.5	6,383.1	4,853.6	1,529.5	1995	n.a.	323,616	248,017	n.a.	75,599	n.a.
1984	24,548.4	22,972.6	18,130.9	6,417.5	4,841.7	1,575.8	1996	n.a.	340,510	260,048	n.a.	80,462	n.a.
1985	24,531.9	22,923.0	18,112.6	6,419.3	4,810.4	1,608.9	1997	n.a.	398,037	309,247	n.a.	88,790	n.a.
1986	24,082.0	22,543.1	17,831.8	6,250.2	4,711.3	1,538.9	1998	n.a.	411,155	317,184	n.a.	93,971	n.a.
1987	24,255.4	22,650.0	17,985.8	6,269.6	4,664.2	1,805.4	1999	514,038	483,032	369,728	144,310	113,304	31,006
1988	24,141.1	22,498.1	17,737.6	6,403.5	4,760.5	1,843.0	2000	n.a.	506,950	396,313	n.a.	110,637	n.a.
1989	25,387.5	23,879.4	18,765.4	6,622.1	5,114.0	1,508.1	2001	n.a.	524,215	413,457	n.a.	110,758	n.a.
1990	25,263.6	23,785.7	18,429.7	6,833.9	5,356.0	1,477.9	2002	n.a.	443,388	333,113	n.a.	110,275	n.a.
1991	24,837.1	23,345.4	17,958.9	6,878.2	5,386.5	1,491.7	2003 <sup>p</sup>	n.a.	425,068	315,480	n.a.	109,588	n.a.
1992	24,189.7	22,812.0	17,529.6	6,660.1	5,282.4	1,377.7	2004 <sup>p</sup>	n.a.	431,788	308,720	n.a.	123,068	n.a.
1993	24,221.5	22,760.2	17,536.9	6,684.6	5,223.3	1,461.3	<b>Percent change at annual rates:</b>						
1994	25,670.0	24,272.5	18,565.4	7,104.6	5,707.1	1,397.5	1982–89	n.a.	4.8	4.1	n.a.	7.6	n.a.
1995	25,921.1	24,499.7	18,576.2	7,344.9	5,923.5	1,421.4	1989–94	n.a.	3.3	3.1	n.a.	4.2	n.a.
							1994–99	n.a.	9.4	9.8	n.a.	7.9	n.a.
							1999–2004	n.a.	-3.2	-4.9	n.a.	2.2	n.a.

p Preliminary

r Revised

\* Less than 0.05 percent (+/-)

n.a. Not available.

1. Break in series. (Beginning with 1999, BEA expanded its estimates to include data for "very small"

foreign affiliates and for parents that had only "very small" foreign affiliates. For details, see the technical note on page 121 of the December 2002 Survey of Current Business.)

MNC Multinational company

MOFA Majority-owned foreign affiliate

expenditures of \$431.8 billion, and employment of 30.0 million (table 1). The parent shares in 2004 were down more than 4 percentage points in comparison with the shares in 1999.

- High-income countries remained the most important location for production by foreign affiliates. The value added of foreign affiliates in these countries, at \$655.2 billion, accounted for 79.5 percent of the worldwide value added of foreign affiliates in 2004. This share, however, was down from 82.2 percent in 1999, as value added of foreign affiliates in low-to-middle-income countries in Africa, Asia and Pacific, and Eastern Europe grew at an above-average rate in 1999–2004 (chart 1).
- Goods-producing industries remained the most important industry group for value added of U.S. MNCs. The value added of U.S. MNCs in these industries, at \$1,653.8 billion, accounted for 54.4 percent of total value added of MNCs. (In the United States, these industries accounted for a much smaller share, 23.3 percent, of the total GDP of nonbank private industries in 2004.)
- In 27 major host countries, real value added of foreign affiliates in manufacturing grew at an average annual rate of less than 1 percent in 1999–2004, compared with a 1.8-percent average annual increase in total value added in manufacturing in the host countries during the period.
- Sales by U.S. parents were \$6,949.0 billion in 2004. Sales to customers in the United States accounted for 86.6 percent of these sales, down from 90.9 percent in 1999. In 2004, sales by their foreign affiliates were \$3,238.5 billion. Sales to U.S. customers accounted for 10.4 percent of these sales, unchanged from the share in 1999. Sales to host-country customers accounted for 63.0 percent of these sales, down from 67.4 percent in 1999. Sales to customers in foreign countries other than the host country were 26.6 percent of sales, up from 22.2 percent in 1999.
- MNC-associated U.S. exports declined to \$428.8 billion in 2004 from \$441.6 billion in 1999, and MNC-associated U.S. imports rose to \$503.0 billion from \$391.0 billion. As a share of total U.S. trade, however, both MNC-associated exports and imports declined substantially. The decline in the export share—to 52.4 percent in 2004 from 62.5 percent in 1999—was particularly sharp. The ratio of MNC-associated exports to MNC-associated imports dropped to 85.3 percent in 2004 from 112.9 percent in 1999.

Benchmark surveys are BEA's most comprehensive surveys of U.S. direct investment abroad: They are conducted every 5 years and cover virtually the entire universe of U.S. direct investment abroad in terms of value. They collect more data items than the annual surveys that are conducted in nonbenchmark years (for further information on the coverage of the benchmark survey, see the appendix).

The first two sections of this article focus on the geographic and industry distributions of value added of U.S. MNCs in 2004 and the changes in these distributions since 1999. The third section examines the MNC shares of U.S. and foreign economies, and the fourth section examines the changes in MNC value added from 2003 to 2004. The fifth section examines selected aspects of MNC operations, using data that are collected only in benchmark surveys; it focuses on the destination of sales by U.S. MNCs, on U.S. MNC-related trade in goods, and on the composition of the employment of U.S. MNCs by broad occupational category. The sixth section summarizes the revisions to the estimates of MNC operations for 2003, and the coverage of the 2004 benchmark survey is described in the appendix.

### **Geographic Distribution of MNC Value Added**

As in past years, most of the value added of U.S. MNCs in 2004 was in the United States, and the value added abroad by U.S. MNCs was centered in other high-income countries, particularly Canada and countries in Europe. However, since 1999, value added has grown most rapidly in several low-to-middle-income countries (including China, Poland, and India).

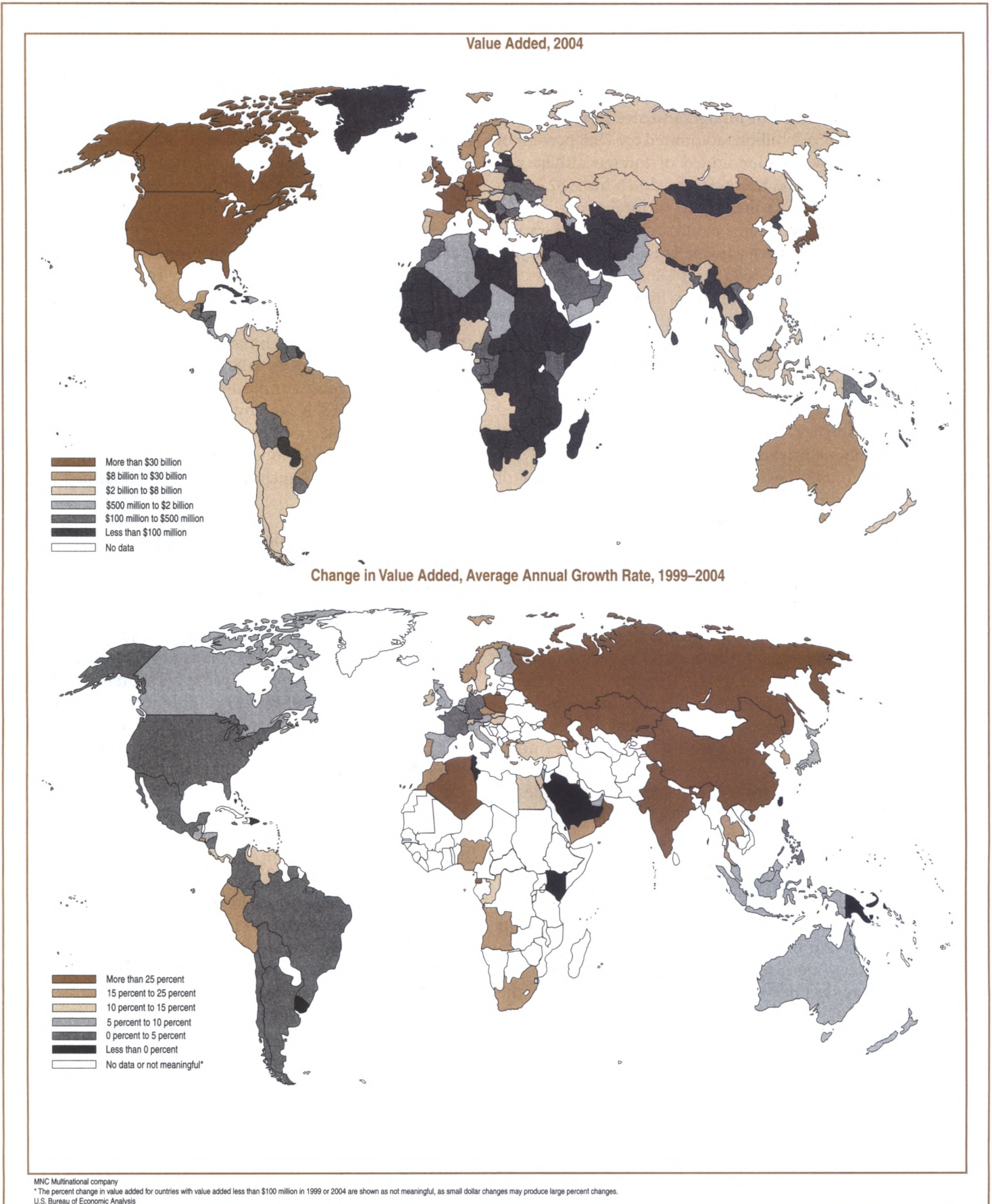
#### **Domestic value added**

U.S. parents continued to account for much more of the value added of U.S. MNCs worldwide than their foreign affiliates. In 2004, U.S. parents accounted for a little more than 70 percent, and foreign affiliates for a little less than 30 percent, of this measure of global production by U.S. MNCs. Most production by MNCs is done at home, regardless of the home country, partly because that is where the firm originated and partly because producing abroad often entails costs and risks above those incurred at home.

#### **Foreign value added**

In 2004, as in other recent years, six host countries accounted for more than half of the worldwide value added of foreign affiliates: The United Kingdom (16.1

Chart 1. Value Added and Change in Value Added of MNCs, by Country





percent), Canada (11.4 percent), Germany (9.0 percent), France (5.8 percent), Japan (5.6 percent), and Italy (3.6 percent) (table 2). These countries were among the world's largest economies in 2004. Thus, value added of foreign affiliates has been, and continues to be, centered in host economies that are large and highly developed. This tendency suggests that access to markets in which to sell goods and services is generally a more significant factor for direct investors than access to low-cost labor and other resources with which to produce goods and services.

Since 1999, however, the share of worldwide value added of foreign affiliates that was accounted for by these six large economies has decreased, to 51.5 percent from 56.7 percent, as shares for some countries in Africa, Asia and Pacific, and Eastern Europe increased. For example, shares for South Africa, China, India, and Poland increased.

In Europe, value added of foreign affiliates of U.S. MNCs in 1999–2004 grew at an average annual rate of 7 percent, compared with 8-percent growth in value added of foreign affiliates in all countries, and the share accounted for by this region decreased 1.5 percentage points, to 55.8 percent. The largest decreases in shares were in the United Kingdom, Germany, and France. In the United Kingdom, U.S. companies sold

their interests in several large electric utilities soon after they had invested in them; these investments had been made as part of the privatization wave that occurred in the British electric utility industry in the mid-1990s. The decreases in share for Germany and France were less pronounced and were not concentrated in a single industry. In contrast, the share of affiliates' value added accounted for by several Eastern European countries, such as Poland and Russia, increased but remained small.

In Canada, value added of foreign affiliates in 1999–2004 grew at an average annual rate of 7 percent, and Canadian affiliates' share edged down 0.2 percentage point to 11.4 percent. Growth in value added was particularly slow in manufacturing, partly reflecting decreases in the production of automobiles for the U.S. market. In 1999–2004, the value of exports to the United States by Canadian affiliates in transportation equipment decreased at an average annual rate of 1 percent, in contrast to an average annual increase of 9 percent in 1994–99.

In Asia and Pacific, value added of foreign affiliates in 1999–2004 grew at an average annual rate of 9 percent, and the region's share increased 1.2 percentage points, to 19.0 percent; the largest increases in shares were in China, India, and Japan. In China, value added of affiliates in manufacturing accounted for more than two-thirds of the value added of all Chinese affiliates in 2004, and in 1999–2004, value added of Chinese affiliates in manufacturing grew at an average annual rate of 23 percent. In 2004, more than two-thirds of the sales by Chinese affiliates in manufacturing were to customers in China, and only 7.4 percent of these sales were to U.S. customers, down from 16.3 percent in 1999. In India, the growth in value added was widespread by industry, but it was most notable in manufacturing and wholesale trade, in which affiliates sell almost exclusively to local customers, and in computer

**Table 2. Value Added of Majority-Owned Nonbank Foreign Affiliates by Major Area of Affiliate, 1999 and 2004**

	Millions of dollars		Percent		
	1999	2004	Average annual rate of growth, 1999–2004	Share of the all-areas total	
				1999	2004
<b>All areas</b> .....	<b>566,396</b>	<b>824,336</b>	<b>7.8</b>	<b>100.0</b>	<b>100.0</b>
Canada.....	65,780	94,205	7.4	11.6	11.4
Europe.....	324,634	460,010	7.2	57.3	55.8
<i>Of which:</i>					
France.....	37,485	47,717	4.9	6.6	5.8
Germany.....	61,913	74,184	3.7	10.9	9.0
Ireland.....	14,845	27,022	12.7	2.6	3.3
Italy.....	22,408	29,292	5.5	4.0	3.6
Netherlands.....	19,018	28,220	8.2	3.4	3.4
Norway.....	6,296	14,329	17.9	1.1	1.7
Poland.....	1,151	4,604	32.0	0.2	0.6
Russia.....	141	2,703	80.5	(*)	0.3
Spain.....	10,786	14,821	6.6	1.9	1.8
Sweden.....	6,198	11,028	12.2	1.1	1.3
Switzerland.....	8,941	17,636	14.6	1.6	2.1
United Kingdom.....	103,048	132,527	5.2	18.2	16.1
Latin America and Other Western Hemisphere.....	60,641	82,181	6.3	10.7	10.0
<i>Of which:</i>					
Argentina.....	7,256	7,334	0.2	1.3	0.9
Bermuda.....	2,037	6,321	25.4	0.4	0.8
Brazil.....	16,593	18,261	1.9	2.9	2.2
Mexico.....	17,556	22,383	5.0	3.1	2.7
Africa.....	8,917	23,519	21.4	1.6	2.9
Middle East.....	5,348	7,634	7.4	0.9	0.9
Asia and Pacific.....	101,077	156,786	9.2	17.8	19.0
<i>Of which:</i>					
Australia.....	19,625	29,853	8.8	3.5	3.6
China.....	3,945	13,336	27.6	0.7	1.6
Hong Kong.....	8,011	8,345	0.8	1.4	1.0
India.....	1,068	3,937	29.8	0.2	0.5
Japan.....	30,269	46,491	9.0	5.3	5.6
Korea, Republic of.....	3,302	6,902	15.9	0.6	0.8
Singapore.....	9,848	13,353	6.3	1.7	1.6
Taiwan.....	6,066	5,927	-0.5	1.1	0.7

\* Less than 0.05 percent.

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systems design and related services (part of professional, scientific, and technical services), in which affiliates sell mainly to customers in the United States. In Japan, most of the growth in value added was in manufacturing, mainly reflecting the acquisition or establishment of new foreign affiliates to serve the local market.

In Latin America and Other Western Hemisphere, value added of foreign affiliates in 1999–2004 grew at an average annual rate of 6 percent, and the region's share decreased 0.7 percentage point, to 10.0 percent; the largest decreases in shares were in Brazil and Mexico. In Brazil, the largest decreases in share were in mining, in information, and in professional, scientific, and technical services. In Mexico, the largest decreases

in share were in manufacturing and in finance.

In Africa, value added of foreign affiliates in 1999–2004 grew at an average annual rate of 21 percent, and the region's share of worldwide value added of foreign affiliates increased 1.3 percentage points, to 2.9 percent. The largest increases in shares were in Nigeria, Angola, Equatorial Guinea, and South Africa. In Nigeria, Angola, and Equatorial Guinea, the increases in value added were concentrated in oil and gas extraction (part of mining), reflecting sharp increases in the price of crude oil and the continued worldwide growth in petroleum demand. The increase in South Africa was partly related to the rising oil prices, which affected the downstream petroleum activities in that country; however, it also reflected increases in other

### Key Terms

The following key terms are used to describe U.S. multinational companies (MNCs) and their operations.<sup>1</sup>

#### U.S. MNCs

**U.S. multinational company (U.S. MNC).** The U.S. parent and its foreign affiliates. (In this article, an MNC is usually defined as the U.S. parent and its majority-owned foreign affiliates.)

**U.S. parent.** A person, resident in the United States, that owns or controls 10 percent or more of the voting securities, or the equivalent, of a foreign business enterprise. "Person" is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any state), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (1) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation and (2) proceeding down each ownership chain from that U.S. corporation, any U.S. corporation whose voting securities are more than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic operations of a U.S. MNC, covering operations in the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and all other U.S. areas.

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

**Foreign affiliate.** A foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls (directly or indirectly) 10 percent or more of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a

U.S. MNC over which the parent is presumed to have a degree of managerial influence.

This article focuses on the operations of majority-owned foreign affiliates; for these affiliates, the combined ownership of all U.S. parents exceeds 50 percent. In 2004, these affiliates accounted for 86 percent of the employment of all foreign affiliates of U.S. MNCs, up from 84 percent in 1999.

#### Measures of operations<sup>2</sup>

**Value added.** The portion of the goods and services sold or added to inventory or fixed investment by a firm that reflects the production of the firm itself. It represents the firm's contribution to gross domestic product in its country of residence, which is the value of goods and services produced by labor and property located in that country. Compared to sales, value added is a preferable measure of production because it indicates the extent to which a firm's sales result from its own production rather than from production that originates elsewhere, whereas sales data do not distinguish between these two sources of production. Value added can be measured as gross output minus intermediate inputs; alternatively, it can be measured as the sum of the costs incurred (except for intermediate inputs) and the profits earned in production. The value-added estimates presented in this article were prepared by summing the cost and profits data collected in the annual and benchmark surveys of USDIA.<sup>3</sup>

**Employment.** The number of full-time and part-time employees on the payroll at yearend. If the employment of a parent or an affiliate was unusually high or low because of temporary factors (such as a strike) or large seasonal variations, the number that reflected normal operations or an average for the year was requested.

2. Data on the operations of U.S. MNCs cover the survey respondent's fiscal year ending in the reference year of the data.

3. For the derivation of the current-dollar value-added estimates, see Raymond J. Mataloni Jr. and Lee Goldberg, "Gross Product of U.S. Multinational Companies, 1977–91," *SURVEY 74* (February 1994): 57.

1. For a comprehensive discussion of the terms and the concepts used, see Raymond J. Mataloni Jr., "A Guide to BEA Statistics on U.S. Multinational Companies," *SURVEY 75* (March 1995): 38–55.



industries, some of which were related to the reestablishment of business operations by U.S. companies that had previously operated there but had divested during the final years of apartheid.

In the Middle East, value added of foreign affiliates grew at an average annual rate of 7 percent, and the region's share was unchanged at 0.9 percent, the smallest share of any of the major geographic areas shown in table 2. The largest increases in shares were in Yemen and Kuwait and were offset by decreases in shares in Saudi Arabia and Lebanon.

**Real value added in manufacturing.** In addition to the current-dollar estimates of value added of foreign affiliates, BEA prepares estimates of the real value added of foreign affiliates in manufacturing.<sup>4</sup> These es-

4. These estimates were last published in Raymond J. Mataloni Jr., "U.S. Multinational Companies: Operations in 2000," *SURVEY OF CURRENT BUSINESS* 82 (December 2002): 111-131. This series was then suspended because the necessary source data on host-country producer price indexes from the Organisation for Economic Co-operation and Development were discontinued. Since then, alternative sources for price data have been identified; the new sources are Eurostat, Statistics Canada, Banco de Mexico, the Japan Statistics Bureau, the National Statistical Office of Korea, and the Australian Bureau of Statistics. In addition to providing the data needed to resume the creation of the estimates, the new source data enabled several improvements; specifically, the new estimates are based on producer price indexes for 22 manufacturing industries, compared with 6 manufacturing industries in the older series, so that the underlying price deflators are more closely related to the products produced by foreign affiliates, and the new estimates provide country detail for six countries that were not shown separately in the older series: Bulgaria, Lithuania, Mexico, Slovakia, Slovenia, and South Korea.

timates provide more meaningful comparisons of value added of foreign affiliates across countries and over time than do the current-dollar estimates. Comparisons across countries are enhanced because the estimates in real terms are based on purchasing power parity (PPP) exchange rates rather than on market exchange rates.<sup>5</sup> Comparisons over time are enhanced because the estimates are denominated in chained (2002) dollars that account for changes in the industry mix of production by manufacturing affiliates.<sup>6</sup> The estimates are restricted to manufacturing because the source data necessary for the adjustments are unavailable for other industries.

The real value added of foreign affiliates in manufacturing was \$344.4 billion in 2004 (table 3). The 27

5. To translate the value-added estimates that are denominated in foreign currencies into U.S. dollars for international comparisons, PPP exchange rates generally are preferable, because they approximate the number of foreign currency units required in a foreign country to buy the goods and services that are equivalent to those that can be bought in the United States with 1 U.S. dollar. A distinguishing feature of PPP exchange rates is that they are based on the prices of all goods and services produced or sold in a country, both those that are traded internationally and those that are not. For details, see the appendix to Raymond J. Mataloni Jr., "Real Gross Product of U.S. Companies' Majority-Owned Foreign Affiliates in Manufacturing," *SURVEY* 77 (April 1997): 8-17.

6. For a summary of the methodology used to derive the estimates of real value added, see Mataloni, "Affiliates in Manufacturing," 12-17. Footnote 14 to the article specifies the Fisher quantity index used in the methodology. The estimates presented here differ from the earlier estimates because they have been rebased to a more current year (2002).

**Table 3. Real Value Added by Majority-Owned Foreign Affiliates in Manufacturing by Country, 1998-2004**

	Billions of chained (2002) dollars								Share of all-countries total (percent)					
	1998	1999	2000	2001	2002	2003	2004	1998	1999	2000	2001	2002	2003	2004
<b>All countries</b> .....	<b>312.8</b>	<b>335.2</b>	<b>341.8</b>	<b>334.3</b>	<b>338.6</b>	<b>335.3</b>	<b>344.4</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
27 selected countries.....	258.4	283.7	282.7	279.4	282.5	271.7	264.6	82.6	84.6	82.7	83.6	83.4	81.0	76.8
Australia.....	8.1	8.9	9.9	10.1	9.1	7.4	8.0	2.6	2.7	2.9	3.0	2.7	2.2	2.3
Austria.....	1.4	1.8	1.8	1.8	1.6	1.4	1.6	0.5	0.5	0.5	0.5	0.5	0.4	0.5
Bulgaria.....	(*)	(*)	0.2	0.1	0.2	0.2	0.2	(*)	(*)	0.1	(*)	0.1	0.1	0.1
Canada.....	43.8	52.2	54.3	50.7	49.6	49.2	47.0	14.0	15.6	15.9	15.2	14.6	14.7	13.6
Czech Republic.....	1.8	2.1	2.2	2.6	2.6	2.4	3.0	0.6	0.6	0.6	0.8	0.8	0.7	0.9
Denmark.....	0.7	0.8	0.9	0.7	0.9	0.7	0.7	0.2	0.2	0.3	0.2	0.3	0.2	0.2
Finland.....	0.8	0.7	0.7	0.7	0.6	0.4	0.7	0.3	0.2	0.2	0.2	0.2	0.1	0.2
France.....	22.8	22.3	22.1	22.0	21.6	21.2	20.4	7.3	6.7	6.5	6.6	6.4	6.3	5.9
Germany.....	44.8	45.4	37.0	36.5	35.6	30.6	31.0	14.3	13.6	10.8	10.9	10.5	9.1	9.0
Greece.....	0.5	0.5	0.6	0.5	0.5	0.5	1.8	0.2	0.2	0.2	0.2	0.1	0.2	0.5
Hungary.....	2.9	1.7	1.8	1.6	2.1	1.6	1.3	0.9	0.5	0.5	0.5	0.6	0.5	0.4
Ireland.....	10.4	12.5	14.1	15.1	19.5	17.0	13.2	3.3	3.7	4.1	4.5	5.8	5.1	3.8
Italy.....	20.0	19.9	19.1	20.0	18.7	17.7	17.4	6.4	5.9	5.6	6.0	5.5	5.3	5.1
Japan.....	9.5	10.3	13.1	15.6	13.6	13.6	13.2	3.0	3.1	3.8	4.7	4.0	4.0	3.8
Lithuania.....	(D)	0.1	0.2	0.2	0.1	0.1	0.1	(D)	(*)	0.1	0.1	(*)	(*)	(*)
Mexico.....	17.9	19.6	20.5	20.7	21.4	23.9	21.8	5.7	5.9	6.0	6.2	6.3	7.1	6.3
Netherlands.....	12.2	11.7	11.9	11.6	12.0	11.0	10.8	3.9	3.5	3.5	3.5	3.5	3.3	3.1
Norway.....	1.4	1.4	1.3	1.4	1.4	1.5	1.6	0.4	0.4	0.4	0.4	0.4	0.4	0.5
Poland.....	1.3	1.9	3.3	3.8	4.2	4.9	4.8	0.4	0.6	1.0	1.1	1.2	1.4	1.4
Portugal.....	1.1	1.2	2.9	2.8	2.8	2.6	2.5	0.3	0.4	0.8	0.8	0.8	0.8	0.7
Slovak Republic.....	0.1	0.2	0.2	0.9	1.4	1.5	1.7	(*)	0.1	(*)	0.3	0.4	0.4	0.5
Slovenia.....	(D)	0.1	0.2	0.2	0.1	0.1	0.1	(D)	(*)	(*)	(*)	(*)	(*)	(*)
South Korea.....	2.1	2.5	3.4	3.2	3.9	3.4	3.9	0.7	0.8	1.0	1.0	1.1	1.0	1.1
Spain.....	9.0	9.3	9.3	9.4	9.4	8.8	8.7	2.9	2.8	2.7	2.8	2.8	2.6	2.5
Sweden.....	1.9	2.6	3.2	3.1	3.2	4.1	3.5	0.6	0.8	0.9	0.9	1.0	1.2	1.0
Switzerland.....	2.0	2.5	3.0	1.8	2.0	2.1	2.7	0.7	0.8	0.9	0.5	0.6	0.6	0.8
United Kingdom.....	43.5	50.1	46.2	43.2	44.3	44.1	44.0	13.9	14.9	13.5	12.9	13.1	13.2	12.8
All other countries.....	53.9	51.9	59.1	54.9	56.0	63.8	80.8	17.2	15.5	17.3	16.4	16.6	19.0	23.5
Residual <sup>1</sup> .....	-1.3	0.7	-0.5	-0.9	(*)	-0.2	-2.2							

\* Less than \$500,000 or less than 0.05 percent.

D Suppressed to avoid disclosure of data of individual companies.

1. Because the formula for the chain-type quantity indexes use weights of more than one period, the corre-

sponding 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.

countries for which estimates are available accounted for 76.8 percent of the total real value added of foreign affiliates in manufacturing in 2004. Among these countries, the largest shares were in Canada (13.6 percent), the United Kingdom (12.8 percent), Germany (9.0 percent), and Mexico (6.3 percent).

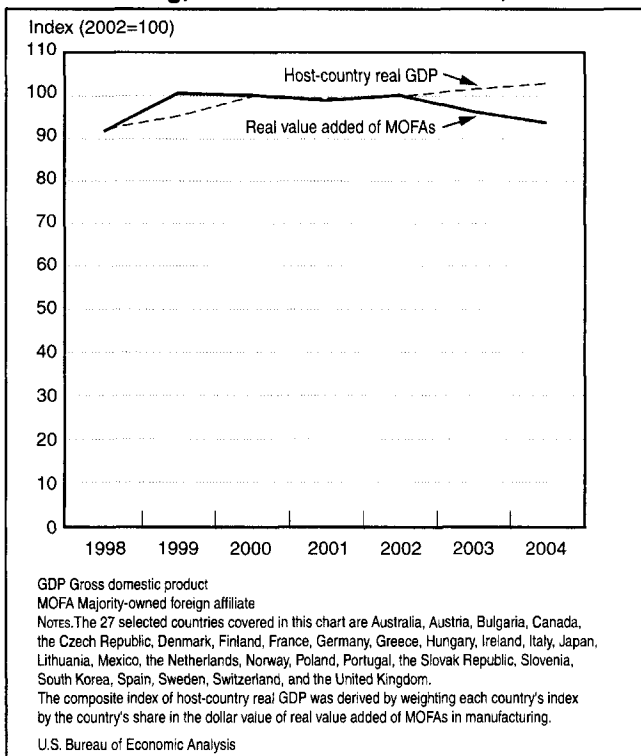
In 1998–2004, the real value added of manufacturing foreign affiliates in the 27 host countries grew at an average annual rate of 0.4 percent, compared with a 1.8-percent average annual increase in total value added in manufacturing in the host countries during the period (chart 2). Among these countries, the largest increases in shares were in Poland, Japan, Ireland, and the Slovak Republic.

### Industry Distribution of MNC Value Added

In 2004, the value added of U.S. MNCs was mostly in manufacturing, particularly in petroleum and coal products, transportation equipment (especially motor vehicles), and chemicals (especially pharmaceuticals).<sup>7</sup> It was next largest in information (mainly telecommunications), finance and insurance, and the retail trade sector in “other industries.” In 1999–2004, value added

7. In this section, the data for U.S. MNCs are classified by the primary industry of the U.S. parent company.

**Chart 2. Real Value Added of Majority-Owned Foreign Affiliates in Manufacturing, and Real GDP in Manufacturing, in 27 Selected Countries, 1998–2004**



by U.S. MNCs grew most rapidly in nonmanufacturing industries, particularly in insurance, oil and gas extraction, and retail trade.

### Industry distribution in 2004

By industry, MNCs in manufacturing accounted for more than half of the value added of all nonbank U.S. MNCs (table 4), compared with only a 14.5-percent share for manufacturing for all U.S. private businesses. This relatively high concentration of MNCs in manufacturing may reflect characteristics of firms in this industry. For example, multinational firms often possess some proprietary asset (such as a patent) that allows them to generate earnings sufficient to overcome the added costs and risks of operating abroad. A common source for these proprietary assets is research and development activities, which are significant in many manufacturing industries.<sup>8</sup> In addition, manufacturing firms often must create their output through processes that are complex or rapidly evolving, especially firms in high-technology manufacturing industries. Some elements of the production process, such as tacit knowledge, may be difficult to codify and to license to unrelated firms. This constraint can lead to the creation and expansion of multinational firms when the firms find that the most economical way to replicate their domestic activity abroad is to freely share information between related domestic and foreign units.<sup>9</sup> The relatively high share of MNC value added in manufacturing may also reflect restrictions on foreign investment in some services industries; for example, U.S. direct investment in health care services may be constrained, or even precluded, in countries where the government plays a prominent role in the delivery of health care.

### Changes in industry distribution in 1999–2004

The value added of U.S. MNCs was slightly less concentrated in goods-producing industries (manufacturing, mining, construction, and agriculture, forestry and fishing) in 2004 than in 1999. The share of U.S. MNC value added accounted for by goods-producing industries edged down to 54.4 percent in 2004 from 55.0 percent in 1999. The declining share may have reflected a general decline in the share of these industries in the United States and abroad.

Below the industry-sector level, the largest increases in the shares of value added of U.S. MNCs were in

8. Other sources of proprietary assets include advertising, capital-cost advantages, and scale economies. See Richard E. Caves, “Patterns of Market Competition” in *Multinational Enterprise and Economic Analysis*, 2nd ed. (New York: Cambridge University Press, 1996).

9. For example, see Bruce Kogut and Udo Zander, “Knowledge of the Firm and the Evolutionary Theory of the Multinational Corporation,” *Journal of International Business Studies* 24 (1993): 625–645.

Table 4. Value Added of Nonbank U.S. Multinational Companies by Industry of U.S. Parent, 1999 and 2004

	Millions of dollars						Share of all-industries total (percent)						Average annual rate of growth (percent)		
	MNCs worldwide		U.S. parents		MOFAs		MNCs worldwide		U.S. parents		MOFAs		MNCs worldwide	U.S. parents	MOFAs
	1999	2004	1999	2004	1999	2004	1999	2004	1999	2004	1999	2004			
<b>All industries.....</b>	<b>2,480,739</b>	<b>3,040,136</b>	<b>1,914,343</b>	<b>2,215,800</b>	<b>566,396</b>	<b>824,336</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>4.2</b>	<b>3.0</b>	<b>7.8</b>
Mining.....	36,751	64,274	18,688	40,362	18,063	23,912	1.5	2.1	1.0	1.8	3.2	2.9	11.8	16.6	5.8
Oil and gas extraction.....	22,957	37,299	8,645	22,530	14,312	14,769	0.9	1.2	0.5	1.0	2.5	1.8	10.2	21.1	0.6
Other.....	13,794	26,975	10,043	17,832	3,751	9,143	0.6	0.9	0.5	0.8	0.7	1.1	14.4	12.2	19.5
<b>Utilities.....</b>	<b>98,275</b>	<b>101,205</b>	<b>90,109</b>	<b>92,968</b>	<b>8,166</b>	<b>8,237</b>	<b>4.0</b>	<b>3.3</b>	<b>4.7</b>	<b>4.2</b>	<b>1.4</b>	<b>1.0</b>	<b>0.6</b>	<b>0.6</b>	<b>0.2</b>
<b>Manufacturing.....</b>	<b>1,308,640</b>	<b>1,574,003</b>	<b>931,180</b>	<b>1,010,683</b>	<b>377,460</b>	<b>563,320</b>	<b>52.8</b>	<b>51.8</b>	<b>48.6</b>	<b>45.6</b>	<b>66.6</b>	<b>68.3</b>	<b>3.8</b>	<b>1.7</b>	<b>8.3</b>
Food.....	62,513	98,373	48,894	73,398	13,619	24,975	2.5	3.2	2.6	3.3	2.4	3.0	9.5	8.5	12.9
Beverages and tobacco products.....	74,832	99,077	47,316	54,126	27,516	44,951	3.0	3.3	2.5	2.4	4.9	5.5	5.8	2.7	10.3
Textiles, apparel, and leather products.....	20,512	13,406	17,887	10,796	2,625	2,610	0.8	0.4	0.9	0.5	0.5	0.3	-8.2	-9.6	-0.1
Wood products.....	3,940	11,517	3,440	9,419	500	2,098	0.2	0.4	0.2	0.4	0.1	0.3	23.9	22.3	33.2
Paper.....	57,095	51,230	46,877	36,274	10,218	14,956	2.3	1.7	2.4	1.6	1.8	1.8	-2.1	-5.0	7.9
Printing and related support activities.....	11,925	13,905	10,964	12,507	961	1,398	0.5	0.5	0.6	0.6	0.2	0.2	3.1	2.7	7.8
Petroleum and coal products.....	172,659	282,011	82,817	119,681	89,842	162,330	7.0	9.3	4.3	5.4	15.9	19.7	10.3	7.6	12.6
Chemicals.....	205,984	274,806	133,977	175,604	72,007	99,202	8.3	9.0	7.0	7.9	12.7	12.0	5.9	5.6	6.6
Basic chemicals.....	25,181	27,718	18,954	18,039	6,227	9,679	1.0	0.9	1.0	0.8	1.1	1.2	1.9	-1.0	9.2
Resins and synthetic rubber, fibers, and filaments.....	28,214	28,518	19,121	18,180	9,093	10,338	1.1	0.9	1.0	0.8	1.6	1.3	0.2	-1.0	2.6
Pharmaceuticals and medicines.....	89,989	144,939	56,060	93,953	33,929	50,986	3.6	4.8	2.9	4.2	6.0	6.2	10.0	10.9	8.5
Soap, cleaning compounds, and toilet preparations.....	31,148	40,092	18,099	21,246	13,049	18,846	1.3	1.3	0.9	1.0	2.3	2.3	5.2	3.3	7.6
Other.....	31,453	33,538	21,743	24,186	9,710	9,352	1.3	1.1	1.1	1.1	1.7	1.1	1.3	2.2	-0.7
Plastics and rubber products.....	31,455	33,079	23,334	22,857	8,121	10,222	1.3	1.1	1.2	1.0	1.4	1.2	1.0	-0.4	4.7
Nonmetallic mineral products.....	16,968	19,062	13,905	14,299	3,063	4,763	0.7	0.6	0.7	0.6	0.5	0.6	2.4	0.6	9.2
Primary and fabricated metals.....	57,635	73,270	46,283	54,247	11,352	19,023	2.3	2.4	2.4	2.4	2.0	2.3	4.9	3.2	10.9
Primary metals.....	29,033	38,511	23,271	28,886	5,762	9,625	1.2	1.3	1.2	1.3	1.0	1.2	5.8	4.4	10.8
Fabricated metal products.....	28,602	34,760	23,012	25,361	5,590	9,399	1.2	1.1	1.2	1.1	1.0	1.1	4.0	2.0	11.0
Machinery.....	69,398	75,636	51,042	52,333	18,356	23,303	2.8	2.5	2.7	2.4	3.2	2.8	1.7	0.5	4.9
Agriculture, construction, and mining machinery.....	17,594	21,519	12,686	13,905	4,908	7,614	0.7	0.7	0.6	0.7	0.6	0.9	4.1	1.9	9.2
Industrial machinery.....	8,979	10,588	7,020	6,667	1,959	3,921	0.4	0.3	0.4	0.3	0.5	0.4	-1.0	14.9	
Other.....	42,826	43,530	31,336	31,762	11,490	11,768	1.7	1.4	1.6	1.4	2.0	1.4	3.4	0.3	0.5
Computers and electronic products.....	143,072	164,462	106,122	110,962	36,950	53,500	5.8	5.4	5.5	5.0	6.5	6.5	2.8	0.9	7.7
Computers and peripheral equipment.....	30,251	44,222	19,493	24,960	10,758	19,262	1.2	1.5	1.0	1.1	1.9	2.3	7.9	5.1	12.4
Communications equipment.....	42,690	37,564	34,583	29,530	8,107	8,034	1.7	1.2	1.8	1.3	1.4	1.0	-2.5	-3.1	-0.2
Audio and video equipment.....	6,863	2,982	5,503	2,358	1,360	624	0.3	0.1	0.3	0.1	0.2	0.1	-15.4	-15.6	-14.4
Semiconductors and other electronic components.....	52,861	46,228	39,053	30,372	13,808	15,856	2.1	1.5	2.0	1.4	2.4	1.9	-2.6	-4.9	2.8
Navigational, measuring, and other instruments.....	8,725	32,941	6,234	23,538	2,491	9,403	0.4	1.1	0.3	1.1	0.4	0.1	30.4	30.4	30.4
Magnetic and optical media.....	1,682	524	1,256	203	426	321	0.1	(*)	0.1	(*)	0.1	(*)	-20.8	-30.5	-5.5
Electrical equipment, appliances, and components.....	40,065	21,156	31,528	15,948	8,537	5,208	1.6	0.7	1.6	0.7	1.5	0.6	-12.0	-12.7	-9.4
Transportation equipment.....	304,213	281,201	236,705	201,827	67,508	79,374	12.3	9.2	12.4	9.1	11.9	9.6	-1.6	-3.1	3.3
Motor vehicles, bodies and trailers, and parts.....	182,506	140,079	132,030	81,932	50,476	58,147	7.4	4.6	6.9	3.7	8.9	7.1	-5.2	-9.1	2.9
Other.....	121,707	141,123	104,675	119,896	17,032	21,227	4.9	4.6	5.5	5.4	3.0	2.8	3.0	2.8	4.5
Furniture and related products.....	8,200	10,024	7,464	8,226	736	1,798	0.3	0.3	0.4	0.4	0.1	0.2	4.1	2.0	19.6
Miscellaneous manufacturing.....	28,173	51,788	22,625	38,178	5,548	13,610	1.1	1.7	1.2	1.7	1.2	1.9	12.9	11.0	19.7
<b>Wholesale trade.....</b>	<b>109,999</b>	<b>134,044</b>	<b>80,610</b>	<b>103,900</b>	<b>29,389</b>	<b>30,144</b>	<b>4.4</b>	<b>4.4</b>	<b>4.2</b>	<b>4.7</b>	<b>5.2</b>	<b>3.7</b>	<b>4.0</b>	<b>5.2</b>	<b>0.5</b>
Professional and commercial equipment and supplies.....	35,401	22,352	22,179	16,258	13,222	6,094	1.4	0.7	1.2	0.7	2.3	0.7	-8.8	-6.0	-14.4
Petroleum and petroleum products.....	24,729	39,210	19,719	29,525	5,010	9,685	1.0	1.3	1.0	1.3	0.9	1.2	9.7	8.4	14.1
Drugs and druggists' sundries.....	11,764	5,257	9,507	4,453	2,257	804	0.5	0.2	0.5	0.2	0.1	-14.9	-14.1	-18.7	
Other.....	38,105	67,225	29,205	53,664	8,900	13,561	1.5	2.2	1.5	2.4	1.6	1.6	12.0	12.9	8.8
<b>Information.....</b>	<b>270,699</b>	<b>295,382</b>	<b>248,859</b>	<b>259,466</b>	<b>21,840</b>	<b>35,916</b>	<b>10.9</b>	<b>9.7</b>	<b>13.0</b>	<b>11.7</b>	<b>3.9</b>	<b>4.4</b>	<b>1.8</b>	<b>0.8</b>	<b>10.5</b>
Publishing industries.....	45,669	63,090	39,849	50,364	5,820	12,726	1.8	2.1	2.1	2.3	1.0	1.5	6.7	4.8	16.9
Motion picture and sound recording industries.....	9,155	3,927	7,738	2,816	1,417	1,111	0.4	0.1	0.4	0.1	0.3	0.1	-15.6	-18.3	-4.7
Broadcasting (except internet) and telecommunications.....	188,114	175,353	180,355	165,050	7,759	10,303	7.6	5.8	9.4	7.4	1.4	1.2	-1.4	-1.8	5.8
Broadcasting (except internet).....	32,919	41,023	30,622	35,220	2,297	5,803	1.3	1.3	1.6	1.6	0.4	0.7	4.5	2.8	20.4
Telecommunications.....	155,195	134,330	149,734	129,831	5,461	4,499	6.3	4.4	7.8	5.9	1.0	0.5	-2.8	-2.8	-3.8
Internet, data processing, and other information services.....	27,761	53,011	20,917	41,235	6,844	11,776	1.1	1.7	1.1	1.9	1.2	1.4	13.8	14.5	11.5
<b>Finance (except depository institutions) and insurance.....</b>	<b>134,157</b>	<b>217,166</b>	<b>108,961</b>	<b>177,321</b>	<b>25,196</b>	<b>39,845</b>	<b>5.4</b>	<b>7.1</b>	<b>5.7</b>	<b>8.0</b>	<b>4.4</b>	<b>4.8</b>	<b>10.1</b>	<b>10.2</b>	<b>9.6</b>
Finance, except depository institutions.....	63,136	84,977	51,656	70,893	11,480	14,084	2.5	2.8	2.7	3.2	2.0	1.7	6.1	6.5	4.2
Securities, commodity contracts, and other intermediation and related activities.....	59,283	66,662	49,097	55,319	10,186	11,343	2.4	2.2	2.6	2.5	1.8	1.4	2.4	2.4	2.2
Other finance, except depository institutions.....	3,853	18,314	2,559	15,573	1,294	2,741	0.2	0.6	0.1	0.7	0.2	0.3	36.6	43.5	16.2
Insurance carriers and related activities.....	71,022	132,190	57,306	106,429	13,716	25,761	2.9	4.3	3.0	4.8	2.4	3.1	13.2	13.2	13.4
<b>Professional, scientific, and technical services.....</b>	<b>134,973</b>	<b>165,612</b>	<b>96,069</b>	<b>114,725</b>	<b>38,904</b>	<b>50,887</b>	<b>5.4</b>	<b>5.4</b>	<b>5.0</b>	<b>5.2</b>	<b>6.9</b>	<b>6.2</b>	<b>4.2</b>	<b>3.6</b>	<b>5.5</b>
Architectural, engineering, and related services.....	8,838	17,377	6,868	14,141	1,970	3,236	0.4	0.6	0.4	0.6	0.3	0.4	14.5	15.5	10.4
Computer systems design and related services.....	70,284	77,754	42,168	43,370	28,116	34,384	2.8	2.6	2.2	2.0	5.0	4.2	2.0	0.6	4.1
Management, scientific, and technical consulting.....	12,224	17,415	9,790	11,810	2,434	5,605	0.5	0.6	0.5	0.5	0.5	0.7	7.3	3.8	18.2
Advertising and related services.....	12,347	13,347	8,313	9,863	4,034	3,484	0.5	0.4	0.4	0.4	0.4	0.4	1.6	3.5	-2.9
Other.....	31,280	39,720	28,930	35,541	2,350	4,179	1.3	1.3	1.5	1.6	0.4	0.5	4.9	4.2	12.2
<b>Other industries.....</b>	<b>387,246</b>	<b>488,449</b>	<b>339,867</b>	<b>416,374</b>	<b>47,379</b>	<b>72,075</b>	<b>15.6</b>	<b>16.1</b>	<b>17.8</b>	<b>18.8</b>	<b>8.4</b>	<b>8.7</b>	<b>4.8</b>	<b>4.1</b>	<b>8.8</b>
Agriculture, forestry, fishing, and hunting.....	1,361	2,209	1,202	1,801	159	408	0.1	0.1	0.1	0.1	(*)	(*)	10.2	8.4	20.7

petroleum and coal products manufacturing, insurance, and pharmaceuticals and medicine manufacturing. In petroleum and coal products manufacturing, MNC value added increased at a 10-percent average annual rate in 1999–2004 mainly because of the rapid rise in the price of crude oil and petroleum products that lifted the value of a given volume of production and that encouraged an expansion of production capacity. In insurance, value added increased at a 13-percent average rate, reflecting both the expansion of existing parent companies (mainly through acquisitions of other U.S. companies) and the addition of new parent companies as some U.S. insurers established or acquired their first foreign affiliates. In pharmaceuticals, value added increased at a 10-percent average rate, reflecting the expansion of MNCs through acquisitions.

The largest decreases in the shares of value added of U.S. MNCs were in motor vehicle manufacturing and in telecommunications. In motor vehicle manufacturing, value added decreased at a 5-percent average annual rate; this decrease was indirectly related to the sharp rise in petroleum prices, which contributed to U.S. automakers losing market share to foreign competitors whose product lines were more heavily weighted toward more fuel-efficient vehicles. In telecommunications, value added decreased at a 3-percent average rate, reflecting poor business conditions in the U.S. telecommunications industry, business divestitures, and some business failures for U.S. parents.

### MNC Share of U.S. and Foreign Economies

Estimates of MNC value added or employment can be compared with national estimates for the United States or for foreign countries to compute the U.S. MNC share of economic activity in a country or a region. This section examines the U.S. parent share of the U.S. economy and the foreign affiliate shares of selected foreign host economies in 2004, as well as changes in those shares since 1999.

### Parent share of U.S. GDP and employment

In 2004, the value added of U.S. parents accounted for 22.6 percent of the GDP originating in all private nonbank U.S. businesses. The U.S. parents' shares of the U.S. economy in terms of both value added and employment were down slightly from the shares in 1999. However, the change in the U.S. parents' share of employment varied across industries (table 5).<sup>10</sup> At the

10. Employment data are the best available indicator of the U.S. parents' shares of the U.S. economy in specific industries because these data, unlike the data on value added, can be disaggregated by industry of sales, a basis that approximates the disaggregation of the data for all U.S. businesses by industry of establishment. See the box "U.S. Parent and Foreign Affiliate Shares of GDP and Employment."

sector level, one of the largest decreases in the shares of employment was in "finance (except depository institutions) and insurance," and one of the largest increases was in manufacturing. In "finance (except depository institutions) and insurance," the decrease was mainly in nonbank finance and mainly reflected a change in the reporting requirements on BEA's surveys that led to the dropping of nonbank units of U.S. banks from the nonbank data set (see the appendix for details). In manufacturing, the increase reflected increases in the parents' share of employment in petroleum and coal products manufacturing, in chemical

**Table 5. Employment by Nonbank U.S. Parents by Industry of Sales, 1999 and 2004**

	Thousands of employees		Average annual rate of growth in 1999–2004 (percent)	Percentage of total U.S. employment in nonbank private industries <sup>1</sup>	
	1999	2004		1999	2004
<b>All industries</b> .....	<b>23,006.8</b>	<b>21,377.5</b>	<b>-1.5</b>	<b>20.7</b>	<b>19.0</b>
Agriculture, forestry, fishing, and hunting .....	53.1	35.0	-8.0	3.5	2.3
Mining, excluding oil and gas extraction .....	130.1	157.5	3.9	34.1	39.3
Utilities .....	316.0	295.5	-1.3	52.4	52.1
Construction .....	144.5	190.0	5.6	2.1	2.6
Manufacturing <sup>2</sup> .....	7,954.9	7,212.2	-1.9	45.7	49.7
Food and beverage and tobacco products .....	841.3	884.7	1.0	48.0	51.9
Textiles, apparel, and leather products .....	371.6	230.0	-9.1	29.9	30.3
Wood products .....	122.2	77.5	-8.7	19.3	13.6
Paper .....	321.1	282.1	-2.6	52.6	57.0
Printing and related support activities .....	131.5	152.0	2.9	15.9	22.5
Petroleum and coal products <sup>2</sup> .....	165.9	220.3	5.8	64.1	94.1
Chemicals <sup>3</sup> .....	829.7	887.6	1.4	84.8	100.2
Plastics and rubber products .....	300.3	267.6	-2.3	32.0	33.2
Nonmetallic mineral products .....	155.9	130.2	-3.5	28.9	25.9
Primary metals .....	258.1	218.2	-3.3	41.8	46.7
Fabricated metal products .....	321.1	270.0	-3.4	18.7	18.0
Machinery .....	700.7	579.1	-3.7	48.0	50.6
Computers and electronic products .....	1,110.1	909.9	-3.9	63.2	69.0
Electrical equipment, appliances, and components .....	360.7	250.2	-7.1	62.0	56.1
Transportation equipment .....	1,496.5	1,410.4	-1.2	72.2	79.8
Motor vehicles, bodies and trailers, and parts .....	932.9	761.5	-4.0	71.6	68.2
Other .....	563.6	648.9	2.9	73.2	99.2
Furniture and related products .....	130.0	102.0	-4.7	19.8	17.8
Miscellaneous manufacturing .....	338.3	340.2	0.1	45.4	50.4
Wholesale trade .....	848.0	983.2	3.0	14.2	17.1
Retail trade .....	3,866.0	3,944.6	0.4	25.5	25.4
Transportation and warehousing .....	1,161.5	1,004.3	-2.9	26.9	23.4
Information .....	1,767.8	1,648.8	-1.4	52.4	52.8
Publishing industries .....	334.4	333.9	(*)	32.5	35.5
Motion picture and sound recording industries .....	164.5	108.7	-8.0	42.1	28.2
Other .....	1,268.9	1,206.2	-1.0	64.9	67.2
Finance (except depository institutions) and insurance .....	1,356.3	1,187.4	-2.6	42.4	37.4
Finance, except depository institutions .....	603.6	489.0	-4.1	64.8	55.7
Insurance carriers and related activities .....	752.7	698.5	-1.5	33.1	30.5
Real estate and rental and leasing .....	202.3	355.9	12.0	9.9	16.5
Professional, scientific, and technical services .....	1,090.7	1,048.0	-0.8	15.4	14.5
Holding companies (nonbank) .....	3.4	25.5	49.6	0.2	1.5
Administration, support, waste management, and remediation services .....	1,288.2	796.4	-9.2	15.1	10.2
Health care and social assistance .....	460.8	425.2	-1.6	3.6	2.9
Accommodation and food services .....	1,117.0	1,230.0	1.9	11.4	11.4

\* Less than 0.05 percent (+/-).

1. The data on U.S. employment in private industries that are used in calculating these percentages are from table 6.4D of the "National Income and Product Account Tables."

2. Includes oil and gas extraction.

3. The estimated U.S.-parent share of all U.S. employment may exceed 100 percent because the MNC data on employment by industry of sales may not be fully compatible with the data for all U.S. companies which is by industry of establishment.

Note. See the box "U.S. Parent and Foreign Affiliate Shares of GDP and Employment."

manufacturing, and in “other transportation equipment” manufacturing. In petroleum and coal products manufacturing, the increase reflected the addition of new parent companies when some U.S. petroleum refiners established or acquired their first foreign affiliates. The increase in chemical manufacturing reflected the divestiture by some chemical and pharmaceutical companies of their secondary lines of business and increases in employment in their core activities. The increase in “other transportation equipment” (mainly aerospace products) partly reflected the expansion of U.S. parents’ activities through acquisitions.

Parents’ shares of U.S. employment increased in 1999–2004 for several manufacturing industries (such as wood products) despite a decline in parents’ employment in these industries because the decline was not as substantial as declines in employment of other U.S. businesses in these industries.

### Affiliate share of host-country GDP

Value added of foreign affiliates represents these firms’ contribution to a host country’s GDP. Among the 51 host countries listed in table 6, the value added of foreign affiliates of U.S. MNCs in 2004 accounted for 2.8 percent, on average, of the host country’s GDP; the foreign affiliates’ shares of a host country’s GDP ranged from 14.9 percent in Ireland to less than 0.1

percent in Saudi Arabia.<sup>11</sup> In all but 2 of the 51 host countries, the value added of foreign affiliates of U.S. MNCs accounted for less than 10 percent of the host country’s GDP.

In 1999–2004, the average foreign affiliate share of host-country GDP increased 0.6 percentage point. The largest increases in affiliates’ shares were in Argentina, Peru, and Venezuela, and the largest decreases were in Ireland, the United Kingdom, and Indonesia. The increases in the South American countries were related to the rapid rise in petroleum prices, which increased the current-dollar value of production by foreign affiliates and encouraged the expansion of production. In Ireland, the decrease was due to slower growth in production by affiliates in the manufacturing sector than production by other Irish firms in this sector. In the United Kingdom, the decrease was mainly in the utilities sector. In Indonesia, the decrease was mainly in the mining sector.

### Changes in MNC Value Added in 2003–2004

The 2003–2004 changes in measures of MNC operations, such as value added, can be estimated as the net

11. Except for a few small Caribbean and Central American countries, table 6 shows all the countries that are shown in BEA’s standard tables for data on U.S. direct investment abroad by country (table 16, for example).

### U.S. Parent and Foreign Affiliate Shares of GDP and Employment

In this article, data on U.S. parent companies are compared with data on employment and value added (or GDP) for all private nonbank U.S. businesses, and data on foreign affiliates are compared with data on value added for individual foreign countries. Comparisons of affiliate and host-country employment levels are not included in this article, although such comparisons would be valid. For value added for U.S. parents and foreign affiliates, these comparisons are performed at the all-industries level because industry classification differences between the data collected by BEA (on U.S. parent and foreign affiliate operations) and data on total economic activity might cause distortions in industry level comparisons.

In addition, data on employment are used to estimate U.S. parent shares of the U.S. economy by industry, because these data can be disaggregated by industry of sales. This breakdown of the data approximates the disaggregation of data for all U.S. businesses by industry of establishment. Thus, the data on parent employment may be used to calculate the parent shares of the U.S. economy at a greater level of industry detail than can be calculated using the value-added estimates or other data that can only be disaggregated on the basis of the primary

industry of the parent.

In the classification by industry of sales, data on parent employment (and sales) are distributed among all of the industries in which a parent reports sales. As a result, employment classified by industry of sales should approximate that classified by industry of establishment (or plant), because a parent that has an establishment in an industry usually also has sales in that industry.<sup>1</sup> In contrast, in the classification by industry of parent, all of the operations data (including employment and value-added data) for a parent are assigned to that parent’s “primary” industry—that is, the industry in which it has the most sales.<sup>2</sup> As a result, any parent operations that take place in secondary industries are classified as operations in the primary industry.

1. However, this is not the case if one establishment of a parent provides all of its output to another establishment of that parent. For example, if a parent operates both a metal mine and metal-manufacturing plant and if the entire output of the mine is used by the manufacturing plant, all of the parent’s sales will be in metal manufacturing, and none in metal mining. When the mining employees are distributed by industry of sales, they are classified in manufacturing even though the industry of that establishment is mining.

2. A parent’s primary industry is based on a breakdown of the parent’s sales by BEA international surveys industry classification code.

effect of changes that result from several factors—(1) parents entering the MNC universe by acquiring or establishing their first foreign affiliate; (2) foreign affiliates entering the MNC universe by being newly acquired or established; (3) changes in the existing operations of parents and affiliates; (4) parents and affiliates leaving the survey universe because they were sold or liquidated; (5) parents and affiliates leaving the survey universe because of a change in the definition of the nonbank survey universe; and (6) other changes (table 7). Most of the increase in the estimates of MNC value added between the 2003 annual survey and the 2004 benchmark survey resulted from increases in the

existing operations of U.S. parent companies and their foreign affiliates. Another significant factor in the increase was “other changes,” which probably reflect improvements in coverage in the benchmark survey, but which may also reflect other factors, such as measurement errors in other items in table 7 (“other changes” in table 7 is estimated as a residual item). The increase due to these two factors was partly offset by a decrease related to a change in the definition of the nonbank survey universe (for details on the improved coverage and the change in definition of the survey universe, see the appendix).

**Newly acquired or established affiliates.** The growth in the value added of foreign affiliates in 2004 resulted partly from the addition of affiliates that were newly acquired or established in 2004. Data for these affiliates show where U.S. MNCs have been expanding their operations through new business enterprises and, thus, can provide some evidence of the countries and

**Table 6. Value Added of Majority-Owned Nonbank Foreign Affiliates as a Percentage of GDP of Selected Host Countries, 1999 and 2004**

	1999	2004
Ireland .....	15.9	14.9
Singapore .....	11.7	12.4
Canada .....	10.4	9.6
Nigeria .....	8.2	8.2
United Kingdom .....	7.1	6.2
Norway .....	4.1	5.7
Malaysia .....	6.0	5.5
Honduras .....	4.7	5.3
Belgium .....	5.3	5.2
Hong Kong .....	5.1	5.0
Switzerland .....	3.5	4.9
Netherlands .....	4.8	4.9
Argentina .....	2.6	4.8
Venezuela .....	3.0	4.8
Australia .....	4.8	4.7
Thailand .....	2.7	4.3
Costa Rica .....	2.8	4.1
Peru .....	2.1	4.1
Philippines .....	3.6	3.4
Mexico .....	3.7	3.3
Sweden .....	2.6	3.2
Chile .....	4.0	3.2
New Zealand .....	3.5	3.1
Portugal .....	2.2	3.1
Brazil .....	3.1	3.0
Indonesia .....	3.7	2.8
Czech Republic .....	2.2	2.8
Ecuador .....	1.6	2.7
Germany .....	2.9	2.7
Egypt .....	1.2	2.7
Colombia .....	2.7	2.4
France .....	2.6	2.3
Hungary .....	2.5	2.3
Denmark .....	1.7	2.3
Israel .....	1.6	2.0
South Africa .....	1.3	1.9
Taiwan .....	2.1	1.8
Poland .....	0.7	1.8
Italy .....	1.9	1.7
Austria .....	1.6	1.6
Finland .....	1.7	1.6
Spain .....	1.8	1.4
Greece .....	0.8	1.4
Turkey .....	1.0	1.2
United Arab Emirates .....	1.5	1.1
Republic of Korea .....	0.8	1.0
Japan .....	0.7	1.0
China .....	0.4	0.7
India .....	0.2	0.6
Russia .....	0.1	0.5
Saudi Arabia .....	0.7	(*)
<b>Weighted average of countries shown<sup>1</sup></b> .....	<b>2.2</b>	<b>2.8</b>

\* Less than 0.05 percent.

1. The average share of host-country GDP in these countries was derived as a weighted average in terms of host-country GDP.

Notes. The countries are sorted in descending order of their 2004 values. If two countries have the same 2004 value, they were sorted using unrounded values.

Gross domestic product data for host countries were obtained from the World Bank Web site.  
GDP Gross domestic product

**Table 7. Sources of Change in the Value Added of Nonbank U.S. Multinational Companies, 2003–2004**

Line		Millions of dollars
<b>U.S. MNCs</b>		
1	2003 level .....	2,655,903
2	Total change .....	384,233
3	New parents or affiliates .....	10,490
4	Changes in existing operations <sup>1</sup> .....	239,256
5	Sales or liquidations .....	-35,227
6	Change in definition of nonbank universe <sup>2</sup> .....	-19,331
7	Other changes <sup>3</sup> .....	189,045
8	2004 level .....	3,040,136
<b>Parents</b>		
9	2003 level .....	1,958,125
10	Total change .....	257,875
11	New parents <sup>4</sup> .....	1,906
12	Changes in existing operations <sup>1</sup> .....	150,357
13	Parents departing the universe <sup>5</sup> .....	-22,371
14	Change in definition of nonbank universe <sup>2</sup> .....	-17,158
15	Other changes <sup>3</sup> .....	144,941
16	2004 level .....	2,215,800
<b>MOFAs</b>		
17	2003 level .....	697,778
18	Total change .....	126,558
19	New affiliates .....	8,584
<i>Of which:</i>		
20	Acquired by U.S. parents .....	2,674
21	Established by U.S. parents .....	5,910
22	Changes in existing operations <sup>1</sup> .....	88,899
23	Sales or liquidations of foreign affiliates .....	-12,856
24	Change in definition of nonbank universe <sup>2</sup> .....	-2,173
25	Other changes <sup>3</sup> .....	44,104
26	2004 level .....	824,336

1. Includes changes resulting from parents (line 12) or affiliates (line 22) acquiring, establishing, selling, or liquidating parts of their consolidated operations. BEA generally requires survey respondents to fully consolidate their U.S.-parent operations but does not generally permit survey respondents to consolidate affiliate operations unless they are in the same country and the same industry or are integral parts of a single business operation.

2. In 2004, nonbank units of U.S. banks have been defined out of the nonbank dataset. For more information, see the appendix.

3. Changes that could not be allocated, such as the addition of parents and affiliates to the survey universe that were required to report on earlier surveys but did not. These lines will also capture any measurement error in the identifiable sources of change because they are calculated as residuals. For example, line 7 is calculated as the difference between line 2 and the sum of lines 3–6.

4. Parents that established or acquired their first foreign affiliate in 2004.

5. Parents that sold or liquidated their last foreign affiliate and those that went out of business in 2004.

MNC Multinational company

MOFA Majority-owned foreign affiliate



industries that have offered attractive investment opportunities to U.S. MNCs. In 2004, U.S. MNCs acquired or established 525 new foreign affiliates, which had a combined value added of \$8.6 billion and a combined employment of 116,400 workers (table 8).

By area, high-income countries continued to be the most popular location for new affiliates in 2004. The new affiliates in these countries accounted for 74.1 percent of the total value added of all new affiliates and for 60.3 percent of the total employment of all new affiliates. The longstanding tendency for U.S. MNCs to concentrate their investments in high-income countries suggests that a key factor in the decisions of U.S. companies about foreign locations is access to large and affluent markets; other important factors may include access to a highly trained labor force and access to supplying firms.

By industry, manufacturing continued to be one of the most popular industries for new investments in 2004. New manufacturing affiliates accounted for 29.5 percent of all new affiliates, for 52.8 percent of their

value added, and for 63.7 percent of their employment.<sup>12</sup>

### Selected Aspects of MNC Operations

This section analyzes selected aspects of the operations of U.S. MNCs, including some based on detailed data collected only in benchmark survey years. Specifically, this analysis focuses on three main aspects of MNC operations—sales, U.S. trade in goods, and employment by broad occupational class.

### Sales by U.S. MNCs

In 2004, total sales of U.S. parents were \$6,949.0 billion, and total sales of majority-owned foreign affiliates were \$3,238.5 billion (table 9). In 1999–2004, parents' sales grew at an average annual rate of 3 percent, and foreign affiliates' sales grew at an average rate of 8 percent; both growth rates matched the corresponding growth rates of value added over this

12. "Holding companies" also accounted for a large share (14.1 percent) of new affiliates, but for very little of the employment or value added of new affiliates. In the last two decades, the number of foreign affiliate holding companies has increased, but this trend has had little effect on the value added or employment of foreign affiliates because the primary activity of these companies is holding the securities or financial assets of other companies.

**Table 8. Newly Acquired or Established Nonbank Majority-Owned Foreign Affiliates by Major Area and Industry of Affiliate, 2004**

	Number of newly acquired or established affiliates			Value added (millions of dollars)	Number of employees (thousands)
	Total	Acquired	Established		
<b>Total</b> .....	<b>525</b>	<b>235</b>	<b>290</b>	<b>8,584</b>	<b>116.4</b>
<b>By major area</b>					
Canada.....	33	16	17	385	7.2
Europe.....	318	160	158	4,452	53.3
Latin America and Other Western Hemisphere.....					
Africa.....	64	20	44	1,570	10.8
Middle East.....	12	1	11	(D)	(D)
Asia and Pacific.....	5	1	4	(D)	(D)
High-income countries <sup>1</sup> .....	93	37	56	1,521	39.8
Upper-middle-income countries <sup>1</sup> .....	421	190	231	6,357	70.2
Lower-middle-income countries <sup>1</sup> .....	44	18	26	1,095	12.1
Low-income countries <sup>1</sup> .....	51	24	27	583	29.6
	9	3	6	548	4.6
<b>By major industry</b>					
Mining.....	11	1	10	744	0.9
Utilities.....	1	1	0	(D)	(D)
Manufacturing.....					
Of which:	155	98	57	4,533	74.1
Food.....	5	2	3	8	0.5
Chemicals.....	16	8	8	122	3.1
Primary and fabricated metals.....	11	5	6	229	4.1
Machinery.....	42	26	16	1,418	18.6
Computers and electronic products.....	26	19	7	277	13.9
Electrical equipment, appliances, and components.....	3	1	2	(D)	(D)
Transportation equipment.....	13	8	5	278	6.3
Wholesale trade.....	83	50	33	926	11.9
Information.....	22	12	10	297	4.4
Finance (except depository institutions) and insurance.....	79	13	66	534	4.3
Professional, scientific, and technical services.....	44	22	22	370	11.5
Other industries.....	130	38	92	1,180	9.3
Of which:					
Holding companies.....	74	16	58	778	0.1

D Suppressed to avoid disclosure of data of individual companies.

1. As classified by the World Bank. (See footnote 3 to the text.)

Note: The estimates in this table cover only newly acquired or established foreign affiliates. They exclude data for consolidated units of existing foreign affiliates that were acquired or established during the year.

**Table 9. Sales of Goods and Services by Nonbank U.S. Parents and Majority-Owned Nonbank Foreign Affiliates by Destination, Transactor, and Industry, 2004**

[Billions of dollars]

	U.S. parents			MOFAs		
	Total <sup>1</sup>	Of which:		Total <sup>1</sup>	Of which:	
		Goods	Services		Goods	Services
<b>Total</b> .....	<b>6,949.0</b>	<b>4,586.5</b>	<b>2,125.4</b>	<b>3,238.5</b>	<b>2,618.3</b>	<b>525.2</b>
<b>By destination</b>						
To U.S. persons.....	6,020.2	3,834.7	1,972.1	335.9	285.1	35.6
To foreign countries.....	928.8	751.7	153.3	2,902.6	2,333.2	489.6
<b>By transactor</b>						
To affiliated persons.....	600.2	496.6	87.2	911.8	796.4	78.2
To unaffiliated persons.....	6,348.8	4,089.8	2,038.2	2,326.7	1,822.0	447.0
<b>By industry</b>						
Mining.....	73.7	56.8	16.4	139.3	126.2	13.0
Utilities.....	259.4	(D)	246.5	35.2	(D)	(D)
Manufacturing.....	3,236.9	3,050.5	136.5	1,524.7	1,511.8	12.7
Wholesale trade.....	651.4	(D)	47.0	820.0	793.8	25.8
Information.....	540.0	14.7	525.0	117.0	22.9	94.0
Finance (except depository institutions) and insurance.....	804.7	70.9	561.0	221.8	(*)	132.6
Professional, scientific, and technical services.....	210.9	24.3	185.8	103.6	(D)	(D)
Other industries.....	1,171.9	755.8	407.1	276.9	(D)	(D)
<b>Addenda:</b>						
Total sales in 1994.....	3,990.0	2,762.1	1,073.9	1,435.9	1,231.8	171.2
Total sales in 1999.....	5,975.5	3,842.4	1,854.3	2,218.9	1,782.7	372.9

D Suppressed to avoid disclosure of data of individual companies.

\* Less than \$50 million.

1. Investment income included by companies in their operating revenues is included in total sales but is not shown separately. Some parents and MOFAs, primarily those in finance and insurance, include investment income in sales or gross operating revenues. Most parents and MOFAs not in finance or insurance consider investment income an incidental revenue source and include it in their income statements in a separate "other income" category, rather than in sales. BEA collects separate data on investment income to ensure that—where it is included in total sales—it is not misclassified as sales of services. U.S. parents' investment income was \$237.2 billion in 2004, of which \$172.8 billion was accounted for by parents in finance and insurance. MOFAs' investment income was \$95.0 billion, of which \$89.2 billion was accounted for by MOFAs in finance and insurance.

MOFA Majority-owned foreign affiliate

period.<sup>13</sup> The growth rate of parents' sales was substantially lower in 1999–2004 than in 1994–99 (8 percent), and the growth rate of affiliates' sales was slightly lower than in 1994–99 (9 percent). The sales of parents and those of foreign affiliates were mainly targeted to different customers: 86.6 percent of parents' sales were to customers in the United States, and 89.9 percent of foreign affiliates' sales were to customers outside the United States.

Sales by U.S. parents and foreign affiliates to all customers are not added together to give total U.S. MNC sales, because the inclusion of outputs sold to other related firms that subsequently become embodied in the future sales of the second firm can result in duplication. To avoid the duplication resulting from intra-MNC sales, only sales by parents and foreign affiliates to unaffiliated customers are added together; these sales totaled \$8,675.6 billion in 2004 and \$7,372.3 billion in 1999.<sup>14</sup> Of the \$8,675.6 billion, \$5,911.8 billion (68.1

percent) were sales of goods, and \$2,485.2 billion (28.6 percent) were sales of services (the remainder was investment income); the shares attributable to sales of goods and sales of services were little changed from the shares in 1999.

#### Sales by U.S. parents

In 2004, sales by U.S. parents totaled \$6,949.0 billion; 86.6 percent of total sales were to customers in the United States, down from 90.9 percent in 1999, and 13.4 percent were to customers in foreign countries, up from 9.1 percent. By transactor, 91.4 percent of the sales were to unaffiliated customers, down from 95.9 percent in 1999. (Sales to unaffiliated customers include all of the sales to U.S. customers and in 2004, included more than a third of the sales to foreign customers.) Sales to affiliated customers (to parents' foreign affiliates) rose to 8.6 percent in 2004 from 4.1 percent in 1999.

By type of product, sales of goods were \$4,586.5 billion (or 66.0 percent) of U.S. parents' sales, and sales of services were \$2,125.4 billion (or 30.6 percent). The share of goods sales rose 1.7 percentage points from the share in 1999, and the share of services sales fell 0.4 percentage point. The shift towards sales of goods and away from sales of services contributed to the rising share of sales to foreign affiliates as, relative to the sales

13. The depreciation of the U.S. dollar over this period may have contributed to the more rapid growth in sales by affiliates than in sales by parents. For any given fixed sales total in a given foreign currency, a depreciation of the U.S. dollar against that currency will result in a higher sales total in U.S. dollars.

14. This total can be allocated between sales by parents and sales by foreign affiliates, but such an allocation as an indication of the shares of production may be misleading because the firm making the final sale to an unaffiliated customer may not be the firm responsible for most of the value added in production.

#### Data on U.S. Direct Investment Abroad

BEA collects two broad sets of data on U.S. direct investment abroad (USDIA): (1) Financial and operating data of U.S. multinational companies and (2) international transactions and direct investment position data. This article presents highlights of the first set of data; the second set of data is generally published in the July and September issues of the *SURVEY OF CURRENT BUSINESS*.<sup>1</sup>

**Financial and operating data.** The financial and operating data provide a picture of the overall activities of foreign affiliates and U.S. parent companies, using a variety of indicators of their financial structure and operations. The data on foreign affiliates cover the entire operations of the affiliate, irrespective of the percentage of U.S. ownership. These data cover items that are needed in analyzing the characteristics, performance, and economic impact of multinational companies, such as sales, value added, employment and compensation of employees, capital expenditures, exports and imports, and research and development expenditures. Separate tabulations are

available for all affiliates and for affiliates that are majority-owned by their U.S. parent(s).

**International transactions and direct investment position data.** The international transactions data cover a foreign affiliate's transactions with its U.S. parent(s), so these data focus on the U.S. parent's share, or interest, in its affiliate rather than on the affiliate's size or level of operations. These data are essential to the compilation of the U.S. international transactions accounts (ITAs), the international investment position, and the national income and product accounts. The major data items include capital flows (recorded in the financial account of the ITAs), which measure the funds that U.S. parents provide to their foreign affiliates, and income (recorded in the current account), which measures the return on those funds. The data also cover royalties and license fees and other service charges that parents receive from, or pay to, their affiliates. All of these items measure flows in a particular period, such as a quarter or a year.

Direct investment position data are stock (cumulative) data; they measure the total outstanding level of U.S. direct investment abroad at yearend. Estimates are provided both at historical cost and in terms of current-period prices. The historical-cost estimates are published by country and by industry.

1. The most recent articles are Jennifer L. Koncz and Daniel R. Yorgason, "Direct Investment Positions for 2005: Country and Industry Detail," *SURVEY* 86 (July 2006) and Jeffrey H. Lowe, "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 2003–2005," *SURVEY* 86 (September 2006): 87–129.

of services, sales of goods by U.S. parents were disproportionately to foreign affiliates: 10.8 percent of sales of goods were to foreign affiliates, while only 4.1 percent of sales of services were to foreign affiliates. In addition to the shift towards sales of goods, sales to foreign affiliates accounted for rising shares of both sales of goods and sales of services. In 1999, sales to foreign affiliates were 5.6 percent of goods sales and 1.5 percent of services sales.

By industry, the largest sales were by U.S. parents in manufacturing (\$3,236.9 billion), "other industries" (\$1,171.9 billion), and "finance (except depository institutions) and insurance" (\$804.7 billion). Sales by U.S. parents in manufacturing accounted for 46.6 percent of total sales, up 0.9 percentage point from the share in 1999; shares of sales by U.S. parents in "other industries" and in "finance (except depository institutions) and insurance" were little changed.<sup>15</sup>

### Sales by foreign affiliates

In 2004, sales by foreign affiliates of U.S. MNCs totaled \$3,238.5 billion. Most of their sales were to customers outside of the United States; 89.6 percent of total sales were to foreign customers, and 10.4 percent were to U.S. customers. These shares were little changed from the shares in 1999. In addition, most of foreign affiliates' sales were to unaffiliated customers; 71.8 percent of total sales were to unaffiliated customers, and 28.2 percent were to affiliated customers. The share of sales to affiliated customers increased 1.9 percentage points from the share in 1999.

By type of product, the mix between foreign affiliates' sales of goods and sales of services was little changed from 1999 to 2004. In 2004, sales of goods accounted for 80.9 percent of total sales, and sales of services accounted for 16.2 percent of total sales; the goods share was up 0.5 percentage point from the share in 1999, and the services share was down 0.6 percentage point. In sales of each of these two types of products, the share going to affiliated customers rose; the affiliated customer share of goods sales was up to 30.4 percent in 2004 from 29.4 percent in 1999, and the affiliated customer share of services sales was up to 14.9 percent from 10.3 percent.

By industry of foreign affiliate, the largest sales were by affiliates in manufacturing (\$1,524.7 billion) and in wholesale trade (\$820.0 billion); together, they accounted for nearly three-quarters of total sales. Sales by affiliates in manufacturing accounted for 47.1 percent of total sales in 2004, down 2.8 percentage points from

the share in 1999; sales by affiliates in wholesale trade accounted for 25.3 percent, little changed from the share in 1999. The share of affiliates in "other industries" increased 1.5 percentage points, and the share of affiliates in mining increased 1.4 percentage points.

By destination, sales by foreign affiliates to customers in the affiliates' host countries were 63.0 percent of total sales; in 1999, these sales accounted for 67.4 percent (table 10). This decrease in share was counterbalanced by a 4.4-percentage-point increase, to 26.6 percent, in the share of sales to customers in "other foreign countries" (foreign countries other than the host country).<sup>16</sup> (The share of sales to customers in the United States, at 10.4 percent, was unchanged.) Sales to customers in Europe accounted for the largest share of sales to "other foreign countries."<sup>17</sup> Sales to customers in Asia and Pacific accounted for the second largest share of sales to "other foreign countries." Asia and Pacific's share (as a destination) of sales to "other foreign countries" increased more strongly than other areas' shares, rising from 4.0 percent to 5.9 percent of total sales.

By location of affiliate, the destination of sales by affiliates differed substantially. Sales by affiliates in Canada and Mexico to U.S. customers each accounted for a relatively large share—approximately 23 percent—of their total sales (down from approximately 28 percent and 27 percent, respectively, in 1999). A much smaller share—approximately 3 percent—of the sales by affiliates in Japan and Australia were to U.S. customers. The share of foreign affiliates' sales to customers in their host countries varied even more: 90.3 percent of sales by affiliates in Japan were local, but only 43.8 percent of sales by affiliates in the Netherlands were local (most of their sales were to other European countries).

Since 1999, the distribution of sales has changed more in some areas than in others. The change was particularly significant for affiliates in the Middle East, whose sales to "other foreign countries" rose to 29.4 percent from 18.0 percent, reflecting relatively slow growth in local sales and sales to the United States. The rise in the share of sales to "other foreign countries" was distributed among several destination areas, including Europe, other countries in the Middle East, and Asia and Pacific. By industry, most of the increase in these sales by affiliates in the Middle East was in

16. More detailed data on the destination of sales to "other foreign countries" are collected in the benchmark surveys than in annual surveys.

17. Some portion of the sales to customers in Europe was from sellers in one European Union (EU) country to customers in another EU country. Intra-EU sales, though regarded as foreign customer sales in the benchmark survey, have certain elements in common with local sales because they lack many of the impediments to commerce that are usually associated with foreign country sales. Apart from the EU, other regional economic groupings might also generate similar advantages for intraregional sales.

15. The 2004 distribution of sales by parents in the other major industries was similar to the 1999 distribution. Of these other industries, mining had the largest change in share, to 1.1 percent of total sales in 2004 from 0.7 percent in 1999.

Table 10. Sales by Majority-Owned Nonbank Foreign Affiliates by Source and Destination, 2004

Location of affiliate	Area of Destination									
	All areas	United States	Host country	Foreign countries other than the host country						
				Total	Canada	Europe	Latin America and Other Western Hemisphere	Africa	Middle East	Asia and Pacific
<b>Billions of dollars</b>										
Total .....	3,238.5	335.9	2,041.1	861.5	13.6	566.9	53.2	16.5	21.2	190.1
Canada .....	416.4	94.8	309.9	11.8		4.3	3.1	0.1	0.2	3.6
Europe .....	1,709.4	102.3	1,005.8	601.3	7.5	502.9	19.2	10.4	12.8	48.5
Of which:										
France .....	163.0	6.7	122.0	34.3	0.3	29.9	1.1	0.6	0.5	1.9
Germany .....	252.1	9.1	163.8	79.2	0.8	66.6	4.9	1.0	1.2	4.6
Netherlands .....	140.0	8.8	61.4	69.9	0.5	62.0	1.1	0.7	1.0	4.6
United Kingdom .....	436.2	34.2	310.2	91.8	1.1	73.0	3.4	2.6	3.1	8.6
Latin America and Other Western Hemisphere .....	357.6	71.2	220.7	65.7	1.6	24.6	24.5	1.5	0.9	12.6
Of which:										
Brazil .....	71.5	2.9	57.1	11.5	0.2	4.2	5.6	0.1	(*)	1.5
Mexico .....	114.7	26.4	82.7	5.6	0.4	1.4	2.7	0.1	(*)	0.9
Africa .....	50.0	9.9	26.4	13.7	0.4	7.4	0.8	2.7	0.1	2.2
Middle East .....	20.4	3.5	10.8	6.0	(D)	0.9	(*)	0.5	(D)	2.2
Asia and Pacific .....	684.7	54.1	467.5	163.1	(D)	26.7	5.6	1.3	(D)	121.2
Of which:										
Australia .....	85.9	2.6	71.0	12.3	0.3	1.8	0.3	0.3	1.4	8.2
Japan .....	181.7	5.3	164.1	12.2	0.1	5.1	0.2	0.1	0.2	6.6
<b>Percent</b>										
Total .....	100.0	10.4	63.0	26.6	0.4	17.5	1.6	0.5	0.7	5.9
Canada .....	100.0	22.8	74.4	2.8		1.0	0.8	(*)	(*)	0.9
Europe .....	100.0	6.0	58.8	35.2	0.4	29.4	1.1	0.6	0.7	2.8
Of which:										
France .....	100.0	4.1	74.8	21.0	0.2	18.4	0.7	0.4	0.3	1.1
Germany .....	100.0	3.6	65.0	31.4	0.3	26.4	1.9	0.4	0.5	1.8
Netherlands .....	100.0	6.3	43.8	49.9	0.4	44.3	0.8	0.5	0.7	3.3
United Kingdom .....	100.0	7.8	71.1	21.0	0.3	16.7	0.8	0.6	0.7	2.0
Latin America and Other Western Hemisphere .....	100.0	19.9	61.7	18.4	0.4	6.9	6.9	0.4	0.3	3.5
Of which:										
Brazil .....	100.0	4.1	79.8	16.1	0.2	5.8	7.8	0.1	0.1	2.0
Mexico .....	100.0	23.0	72.1	4.9	0.4	1.2	2.4	0.1	(*)	0.8
Africa .....	100.0	19.8	52.8	27.4	0.9	14.8	1.6	5.5	0.2	4.3
Middle East .....	100.0	17.4	53.3	29.4	(D)	4.4	(*)	2.3	(D)	10.6
Asia and Pacific .....	100.0	7.9	68.3	23.8	(D)	3.9	0.8	0.2	(D)	17.7
Of which:										
Australia .....	100.0	3.0	82.7	14.3	0.3	2.0	0.4	0.3	1.6	9.6
Japan .....	100.0	2.9	90.3	6.7	(*)	2.8	0.1	(*)	0.1	3.7
<b>Percent</b>										
<b>Addenda: 1999 shares of sales</b>										
Total .....	100.0	10.4	67.4	22.2	0.3	15.7	1.4	0.4	0.5	4.0
Canada .....	100.0	27.8	70.1	2.1		1.1	0.4	0.0	0.0	0.6
Europe .....	100.0	4.4	65.9	29.7	0.3	26.1	0.7	0.4	0.5	1.6
Of which:										
France .....	100.0	3.3	72.5	24.2	0.2	21.9	0.4	0.5	0.5	0.6
Germany .....	100.0	2.7	73.0	24.3	0.2	23.1	0.2	0.1	0.2	0.6
Netherlands .....	100.0	2.5	56.2	41.3	0.1	37.2	0.7	0.2	0.5	2.6
United Kingdom .....	100.0	5.1	76.3	18.7	0.1	16.2	0.5	0.3	0.4	1.1
Latin America and Other Western Hemisphere .....	100.0	17.3	65.9	16.8	0.5	5.7	7.3	0.3	0.1	3.0
Of which:										
Brazil .....	100.0	5.8	84.2	10.0	(D)	3.2	5.9	(D)	0.0	0.5
Mexico .....	100.0	26.7	64.8	8.5	1.3	1.6	4.6	0.0	0.0	(D)
Africa .....	100.0	20.1	62.4	17.5	(D)	6.4	(D)	7.1	(D)	(D)
Middle East .....	100.0	24.0	58.0	18.0	0.0	2.0	(D)	(*)	9.5	(D)
Asia and Pacific .....	100.0	11.1	71.4	17.6	(D)	2.6	(D)	0.2	(D)	(D)
Of which:										
Australia .....	100.0	3.5	86.2	10.4	0.3	1.1	0.2	0.2	0.8	7.7
Japan .....	100.0	3.3	92.1	4.5	(D)	0.8	0.2	(D)	(D)	3.4

D Suppressed to avoid disclosure of data of individual companies.

\* Less than \$50 million or less than 0.05 percent.

mining (which includes oil and gas extraction). Shares of sales to “other foreign countries” by affiliates in Africa and in Asia and Pacific, like those by affiliates in the Middle East, rose relative to local sales and sales to the United States. For affiliates in Europe (particularly those in Germany, Netherlands, and the United Kingdom), shares of sales to “other foreign countries” and to the United States increased, and the share of sales to the host countries fell.

### MNC-associated U.S. trade in goods

U.S. MNC-associated U.S. trade in goods consists of all U.S. exports and U.S. imports of goods that involve U.S. parents or their majority-owned and minority-owned foreign affiliates. This trade accounts for an important, but falling, share of total U.S. trade. In 2004, MNC-associated U.S. exports were \$428.8 billion, or 52.4 percent of total U.S. exports, and MNC-associated U.S. imports were \$503.0 billion, or 34.2 percent of total U.S. imports (table 11). Intra-MNC trade accounted for 38.5 percent of total MNC-associated U.S. exports, and MNC trade with others accounted for 61.5 percent. Intra-MNC trade accounted for 41.6 percent of MNC-associated U.S. imports, and MNC trade

with others accounted for 58.4 percent.<sup>18</sup>

In 1999–2004, the shares of both U.S. exports and imports attributable to MNC-associated trade fell.<sup>19</sup> For MNC-associated U.S. exports, the share fell to 52.4 percent in 2004 from 62.5 percent in 1999; for MNC-associated U.S. imports, the share fell to 34.2 percent from 37.9 percent.

The drop in shares from 1999 to 2004 represents an acceleration of a trend that began in 1994, when growth in MNC-associated trade started to fall behind the growth in total U.S. trade. MNC-associated U.S. exports rose from \$344.5 billion in 1994 to \$441.6 billion in 1999 and then fell to \$428.8 billion in 2004, an average annual growth rate of 2 percent over the decade, well below the 5-percent average annual growth of total U.S. exports. Similarly, MNC-associated U.S. imports grew at an average annual rate of 7 percent, but total U.S. imports grew at an average annual rate of 8 percent. For both exports and imports, both the share of total U.S. trade accounted for by intra-MNC trade and the share accounted for by MNC trade with others fell, and the drop in each share accounted for roughly half of the drop in the (respective) MNC-associated trade shares.

In addition to lagging behind the growth in total U.S. exports, the growth in MNC-associated U.S. exports also lagged behind the growth in MNC value added in 1994–2004. In contrast, MNC-associated U.S. imports grew more quickly than MNC value added. In this respect, MNC-associated trade reflected the changing pattern in total U.S. trade: U.S. exports grew more slowly, and U.S. imports grew more quickly, than U.S. (current-dollar) GDP over this decade. The trend toward increasing imports in both MNC-associated

**Table 11. U.S. Trade in Goods Associated With Nonbank U.S. MNCs, Selected Years**  
[Millions of dollars]

	1994	1999	2004
<b>MNC-associated U.S. exports, total</b> .....	<b>344,504</b>	<b>441,598</b>	<b>428,815</b>
Intra-MNC trade.....	138,281	168,909	164,964
Shipped by U.S. parents to MOFAs.....	132,694	158,575	154,812
Shipped by U.S. parents to other foreign affiliates <sup>1</sup> .....	5,587	10,334	10,152
MNC trade with others.....	208,376	272,689	263,851
Shipped by U.S. parents to other foreigners.....	185,050	238,693	234,521
Of which:			
Shipped to foreign parent groups of U.S. parents <sup>2</sup> .....	18,207	26,140	31,744
Shipped to foreign affiliates by other U.S. persons.....	23,326	33,996	29,330
To MOFAs.....	20,774	31,973	29,330
To other foreign affiliates <sup>3</sup> .....	2,552	2,023	n.a.
<b>MNC-associated U.S. imports, total</b> .....	<b>256,819</b>	<b>391,022</b>	<b>502,953</b>
Intra-MNC trade.....	114,881	166,990	209,094
Shipped by MOFAs to U.S. parents.....	107,203	158,958	198,559
Shipped by other foreign affiliates to U.S. parents <sup>1</sup> .....	7,678	8,032	10,535
MNC trade with others.....	143,405	224,032	293,859
Shipped by other foreigners to U.S. parents.....	122,638	193,969	249,391
Of which:			
Shipped by foreign parent groups of U.S. parents <sup>2</sup> .....	43,243	78,002	90,824
Shipped by foreign affiliates to other U.S. persons.....	20,767	30,063	44,468
By MOFAs.....	15,161	23,288	32,958
By other foreign affiliates <sup>3</sup> .....	5,606	6,775	11,510
<b>Addenda:</b>			
All U.S. exports of goods.....	512,626	695,797	818,775
MNC-associated U.S. exports as a percentage of total.....	67.2	62.5	52.4
Intra-MNC exports as a percentage of total.....	26.6	22.8	20.1
All U.S. imports of goods.....	663,256	1,024,618	1,469,704
MNC-associated U.S. imports as a percentage of total.....	38.7	37.9	34.2
Intra-MNC imports as a percentage of total.....	17.1	16.0	14.2

n.a. Not available.

1. This number is calculated as total exports (imports) between U.S. parents and all of their foreign affiliates (as reported for U.S. parents) less exports (imports) between U.S. parents and MOFAs (as reported for MOFAs).

2. Pertains to U.S. parents that are, in turn, owned 10 percent or more by a foreign person. The foreign parent group consists of (1) the foreign parent of the U.S. parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, 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.

3. This number is calculated as total exports (imports) associated with “other” (that is, minority-owned and 50-percent owned) foreign affiliates (as reported for affiliates) less the estimate of exports (imports) between U.S. parents and “other” foreign affiliates that are calculated as described in footnote 1. However, these estimates may be imprecise because of differences in the coverage of the data reported for U.S. parents and for foreign affiliates. No estimate of exports is available for 2004, because the differences were especially large that year.

MNC Multinational company

MOFA Majority-owned foreign affiliate

18. U.S. MNC-associated U.S. trade in goods may be disaggregated into two broad categories: (1) Intra-MNC trade (trade between U.S. parents and their foreign affiliates) and (2) MNC trade with others (trade between U.S. parents and foreigners other than their foreign affiliates and trade between foreign affiliates and U.S. persons other than their U.S. parents).

BEA's data on intra-MNC trade are distinct from a similar data series on related-party trade from the Census Bureau. Unlike BEA's data that are from surveys of MNC operations, the Census Bureau data are based on checkoff questions on export and import declarations. For exports, the definition of “related party” in the Census Bureau series is based on an ownership share of at least 10 percent, which is consistent with the definition of direct investment used in BEA's surveys; however, for imports, the Census Bureau definition is based on a 6-percent ownership share. In addition, the data on related-party trade, unlike BEA's data, do not distinguish the trade between U.S. and foreign units of U.S. MNCs from the trade between U.S. and foreign units of foreign MNCs; however, they do provide extensive product detail that is unavailable in the BEA data. For additional information on BEA's data, see William J. Zeile, “Trade in Goods Within Multinational Companies: Survey-Based Data and Findings for the United States of America” (paper presented at the Organisation for Economic Co-operation and Development Committee on Industry and Business Environment, Working Party on Statistics, Session on Globalisation, Paris, France, November 3–4, 2003); <[www.bea.gov/beatpapers.htm](http://www.bea.gov/beatpapers.htm)>.

19. Data from the annual surveys conducted between the benchmark years show that the largest drops in the export shares occurred in 2000 and 2004 and that most of the drop in the import shares occurred in 2004.

trade and in total U.S. trade is also seen by comparison of the ratio of exports to imports; the ratio of total U.S. exports to total U.S. imports fell to 55.7 percent in 2004 from 77.3 percent in 1994, while the ratio of MNC-associated U.S. exports to MNC-associated U.S. imports fell to 85.3 percent from 134.1 percent.

### U.S. trade in goods with foreign affiliates

U.S. exports of goods to majority-owned foreign affiliates were \$184.1 billion in 2004 (table 12).<sup>20</sup> U.S. imports of goods from foreign affiliates were \$231.5

20. Data by country on U.S. parent trade flows are only available for trade with their foreign affiliates. Data by country on U.S. parent trade with other foreign persons were collected in some previous benchmark surveys but not in the 2004 benchmark survey.

billion. Most of this trade—84.1 percent for exports and 85.8 percent for imports—was intra-MNC trade. The distribution between trade with U.S. parents and trade with other U.S. persons was very similar in 2004 to these distributions in 1994 and 1999.

By area, U.S. trade with affiliates in Canada was largest for both exports (\$58.9 billion) and imports (\$84.5 billion); trade with affiliates in Europe was next largest. By country, after Canada, the U.S. trade with affiliates in Mexico (exports of \$29.5 billion and imports of \$41.2 billion) and in the United Kingdom (exports of \$11.9 billion and imports of \$9.8 billion) were largest.

Exports shipped to foreign affiliates accounted for 22.5 percent of total U.S. exports, and imports shipped

**Table 12. U.S. Trade in Goods Associated with Majority-Owned Nonbank Foreign Affiliates by Area of Destination or Origin and Industry, by Transactor and Intended Use, 2004**

	Exports shipped to MOFAs					Imports shipped by MOFAs		Addenda: Percentage of total U.S. trade	
	Total (millions of dollars) <sup>1</sup>	Percentage of total shipped by U.S. parents <sup>2</sup>	Percentage of total intended for			Total (millions of dollars) <sup>1</sup>	Percentage of total shipped to U.S. parents <sup>2</sup>	Exports <sup>4</sup>	Imports <sup>4</sup>
			Capital equipment <sup>3</sup>	Resale without further manufacture <sup>3</sup>	Further manufacture <sup>3</sup>				
<b>All areas, all products</b> .....	<b>184,143</b>	<b>84.1</b>	<b>1.0</b>	<b>31.6</b>	<b>64.8</b>	<b>231,518</b>	<b>85.8</b>	<b>22.5</b>	<b>15.8</b>
<b>By area of destination or origin</b>									
Canada.....	58,898	76.8	0.7	25.7	72.5	84,518	85.8	31.0	33.0
Europe.....	47,820	90.7	0.5	40.3	56.0	54,045	86.9	24.7	16.8
<i>Of which:</i>									
France.....	3,831	87.8	0.2	23.6	74.5	4,182	91.5	18.0	13.2
Germany.....	6,168	92.8	0.6	35.2	62.7	6,146	77.5	19.6	8.0
Netherlands.....	7,781	91.9	0.0	44.7	45.5	2,626	82.4	32.0	21.1
United Kingdom.....	11,850	90.4	0.8	39.2	56.9	9,783	83.1	32.9	21.1
Latin America and Other Western Hemisphere.....	37,508	80.6	1.5	20.5	74.3	52,630	86.3	21.8	20.7
<i>Of which:</i>									
Brazil.....	3,149	71.6	0.2	16.8	80.3	2,279	72.6	22.7	10.8
Mexico.....	29,461	81.6	0.4	17.4	78.5	41,203	89.3	26.6	26.4
Africa.....	1,674	71.1	27.8	35.9	34.5	2,403	59.8	12.6	5.3
Middle East.....	1,191	91.6	7.8	16.5	72.6	1,166	69.0	5.1	2.3
Asia and Pacific.....	37,053	91.0	0.3	41.2	55.6	36,754	85.5	16.4	6.8
<i>Of which:</i>									
Australia.....	4,433	92.1	0.2	46.8	51.0	1,663	87.7	31.1	22.0
Japan.....	9,409	91.9	0.4	57.1	36.9	2,644	97.4	17.3	2.0
<b>By industry of MOFA</b>									
Mining.....	1,769	41.2	99.4	0.0	0.0	14,006	73.6	n.a.	n.a.
Utilities.....	2	65.1	100.0	0.0	0.0	(D)	(D)	n.a.	n.a.
Manufacturing.....	125,168	82.1	0.1	4.5	94.1	182,380	86.4	n.a.	n.a.
<i>Of which:</i>									
Food.....	3,190	64.5	(*)	0.2	99.1	3,749	63.1	n.a.	n.a.
Chemicals.....	20,169	87.9	(*)	0.5	98.3	17,158	91.8	n.a.	n.a.
Primary and fabricated metals.....	3,037	69.5	(*)	0.1	99.9	3,557	65.9	n.a.	n.a.
Machinery.....	7,518	87.9	(*)	0.7	99.3	8,824	84.0	n.a.	n.a.
Computers and electronic products.....	20,350	91.7	0.1	(*)	99.5	37,562	86.7	n.a.	n.a.
Electrical equipment, appliances, and components.....	2,631	88.0	(*)	(*)	100.0	3,512	81.3	n.a.	n.a.
Transportation equipment.....	53,816	76.0	0.1	10.1	88.0	82,428	90.2	n.a.	n.a.
Wholesale trade.....	46,318	92.0	(*)	98.3	0.1	32,993	87.7	n.a.	n.a.
Information.....	569	88.6	0.3	0.2	0.0	108	52.8	n.a.	n.a.
Finance (except depository institutions) and insurance.....	6	26.6	0.0	0.0	0.8	0		n.a.	n.a.
Professional, scientific, and technical services.....	1,677	96.1	0.3	52.0	0.0	(D)	(D)	n.a.	n.a.
Other industries.....	8,633	76.4	(*)	70.1	17.9	1,594	(D)	n.a.	n.a.

D Suppressed to avoid disclosure of data of individual companies.

\* Less than \$500,000 or less than 0.05 percent.

n.a. Not available.

1. The all-areas, all-products value in the total columns can be computed from the 2004 column in table 11 as the sum of the row giving intra-MNC trade between U.S. parents' MOFAs and the row giving trade between MOFAs and other U.S. persons. For exports, this computation is \$154,812 million plus \$29,330 million (rounding causes this sum to be \$1 million less than the value shown in this table).

2. Total U.S. trade consists of trade with U.S. parents plus trade with unaffiliated U.S. persons. This column gives the share of such trade with U.S. parents; the share of such trade with unaffiliated U.S. persons is not

shown separately. The share of trade with unaffiliated U.S. persons can be computed as 100 percent minus the share (in percent) of trade with U.S. parents. Overall, exports shipped by unaffiliated persons were 16 percent of total exports associated with MOFAs in 2004, and imports shipped to unaffiliated U.S. persons were 14 percent of total imports associated with MOFAs in 2004.

3. U.S. exports to MOFAs for "other" intended uses is also included in total exports but is not shown separately. Overall, exports intended for "other" uses were 3 percent of total exports associated with MOFAs in 2004.

4. These estimates are computed from data from the Census Bureau.

MOFA Majority-owned foreign affiliate



by affiliates accounted for 15.8 percent of total U.S. imports. These shares varied across host countries and areas; foreign affiliates' trade accounted for nearly a third of total U.S. trade with Canada, but for much smaller shares of trade with the Middle East, Africa, and Asia and Pacific. In most of the areas and in most of the major host countries, the foreign affiliates' share of total U.S. exports exceeded the corresponding foreign affiliate import share. In particular, for Japan, foreign affiliates' share of U.S. exports (17.3 percent) was 15.3 percentage points more than their share of U.S. imports (2.0 percent), and for Germany, foreign affiliates' share of exports (19.6 percent) was 11.6 percentage points more than their share of imports (8.0 percent). For Canada, however, foreign affiliates' share of U.S. exports was slightly less than their share of U.S. imports.

The benchmark survey collects data on the intended uses of the U.S. exports shipped to foreign affiliates. In 2004, 64.8 percent of exports shipped to foreign affiliates were intended for further manufacture (down from 67.4 percent in 1999). Most of the remaining exports were intended to be resold without any further manufacture. By industry of affiliate, the share of exports to foreign affiliates in manufacturing intended for further manufacture, at 94.1 percent (up slightly from the share in 1999), was much higher than the all industry share. Most of the exports to wholesale trade affiliates and affiliates in "other industries" were to be resold. Small shares of exports were for use as capital equipment (especially important for mining affiliates) and "other" purposes (especially important for affiliates in information). By area, relatively large shares of exports to affiliates in Latin America and Other Western Hemisphere, Canada, and the Middle East were for further manufacture, but relatively small shares of exports to affiliates in Africa and Asia and Pacific were for further manufacture; 27.8 percent of exports to Africa were capital equipment, and 41.2 percent of exports to Asia and Pacific were for resale.

The ratio of exports shipped to foreign affiliates to imports shipped from foreign affiliates fell to 79.5 percent in 2004 from 104.6 percent in 1999 after falling from 125.4 percent in 1994. The decline in the ratio between 1999 and 2004 was relatively widespread across countries and industries but was not uniform (chart 3 and table 13). For example, the ratio dropped 15–50 percentage points for the four areas with the largest foreign-affiliate-associated trade flows (Canada, Europe, Latin America and Other Western Hemisphere,

and Asia and Pacific). The ratio for 78 host countries fell, and the ratio for only 40 host countries rose.

### Employment by occupation

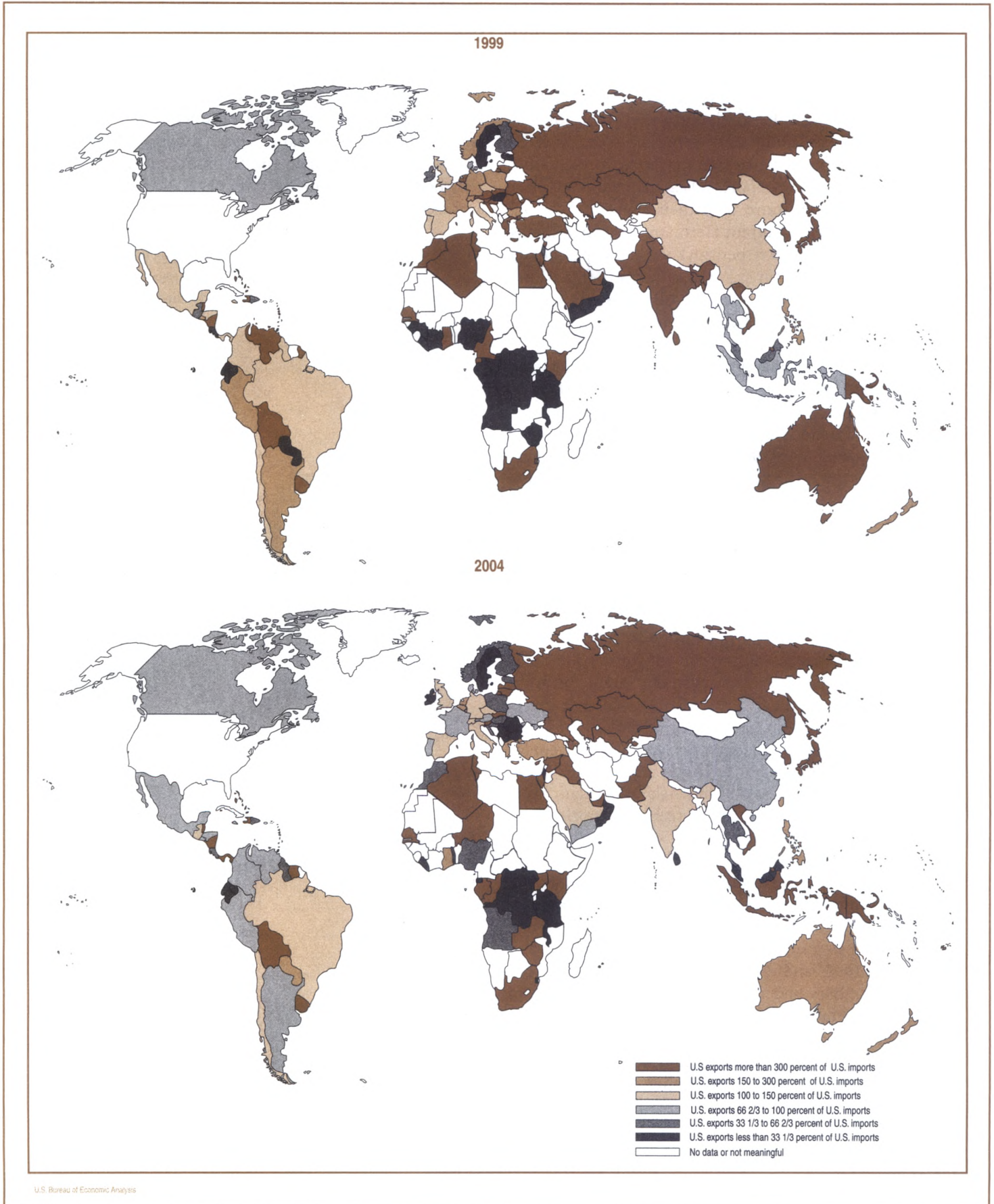
The 2004 benchmark survey was the first BEA survey to collect data on two broad occupational classes of employment by U.S. parents and foreign affiliates—managerial, professional, and technical employees and all other employees. In 2004, managerial, professional, and technical employees accounted for 25.9 percent of

**Table 13. U.S. Trade in Goods Associated With Majority-Owned Nonbank Foreign Affiliates by Area of Destination or Origin and Industry, 2004**  
[Millions of dollars]

	U.S. exports shipped to MOFAs (1)	U.S. imports shipped by MOFAs (2)	Export-to-import ratio as a percentage ((col. 1 / col. 2) x100) (3)	Addenda: Export-to-import ratio in prior benchmark years (percent)	
				1994 (4)	1999 (5)
<b>All areas, all products</b> .....	<b>184,143</b>	<b>231,518</b>	<b>79.5</b>	<b>125.4</b>	<b>104.6</b>
<b>By area of destination or origin</b>					
Canada .....	58,898	84,518	69.7	106.7	84.2
Europe .....	47,820	54,045	88.5	219.0	139.7
<i>Of which:</i>					
France .....	3,831	4,182	91.6	175.3	160.7
Germany .....	6,168	6,146	100.4	252.1	182.4
Netherlands .....	7,781	2,626	296.3	473.3	356.7
United Kingdom .....	11,850	9,783	121.1	169.4	135.3
Latin America and Other Western Hemisphere .....	37,508	52,630	71.3	103.8	107.0
<i>Of which:</i>					
Brazil .....	3,149	2,279	138.2	103.8	130.6
Mexico .....	29,461	41,203	71.5	96.8	102.7
Africa .....	1,674	2,403	69.7	28.1	52.0
Middle East .....	1,191	1,166	102.1	56.1	73.0
Asia and Pacific .....	37,053	36,754	100.8	121.0	116.3
<i>Of which:</i>					
Australia .....	4,433	1,663	266.6	478.6	362.1
Japan .....	9,409	2,644	355.8	354.2	486.0
<b>By industry of MOFA</b>					
Mining .....	1,769	14,006	12.6	n.a.	25.3
Utilities .....	2	(D)	(D)	n.a.	186.2
Manufacturing .....	125,168	182,380	68.6	n.a.	85.3
<i>Of which:</i>					
Food .....	3,190	3,749	85.1	n.a.	58.0
Chemicals .....	20,169	17,158	117.5	n.a.	140.0
Primary and fabricated metals .....	3,037	3,557	85.4	n.a.	74.5
Machinery .....	7,518	8,824	85.2	n.a.	89.9
Computers and electronic products .....	20,350	37,562	54.2	n.a.	81.5
Electrical equipment, appliances, and components .....	2,631	3,512	74.9	n.a.	78.3
Transportation equipment .....	53,816	82,428	65.3	n.a.	80.4
Wholesale trade .....	46,318	32,993	140.4	n.a.	287.4
Information .....	569	108	528.6	n.a.	434.4
Finance (except depository institutions) and insurance .....	6	0		n.a.	
Professional, scientific, and technical services .....	1,677	(D)	(D)	n.a.	230.5
Other industries .....	8,633	1,594	541.7	n.a.	455.1

\* Less than \$500,000 or less than 0.5 percent.  
(D) Suppressed to avoid disclosure of data of individual companies.  
n.a. Not available.  
MOFA Majority-owned foreign affiliate

Chart 3. Ratio of U.S. Exports and Imports Associated With Majority-Owned Foreign Affiliates, by Country



U.S. Bureau of Economic Analysis

the total employment of U.S. parent companies and for 27.2 percent of the total employment of foreign affiliates (table 14). These shares are about the same as the 28.0-percent share of these employees in total U.S. employment.<sup>21</sup>

For most industries, the share of these occupations in total employment was nearly the same as that for U.S. parents and foreign affiliates, but in some cases, the shares differed substantially. Foreign affiliates had larger shares of managerial, professional, and technical employees in industry sectors such as mining and information, and they had smaller shares in industry sectors such as manufacturing, finance, and professional, scientific, and technical services.

### Revisions

The estimates of MNC operations in 2004 are preliminary. The estimates of employment, capital expenditures, and sales supersede the advance summary estimates that were released on April 20, 2006 (BEA news release 06-14). From the advance estimates to the preliminary estimates, the estimate of employment was revised up 1.4 percent, the estimate of capital expenditures was revised down 1.5 percent, and the estimate of sales was revised up 0.4 percent.

The final estimates of MNC operations in 2003 are also presented. The final estimates of employment, capital expenditures, and sales supersede the summary

estimates in the April news release and the preliminary estimates that were published in the July 2005 SURVEY.<sup>22</sup> From the summary estimates to the final estimates, the estimate of employment was revised down 0.7 percent, the estimate of capital expenditures was revised down 2.0 percent, and the estimate of sales was revised up 0.7 percent. From the preliminary estimates to the final estimates, the estimate of employment was revised down 2.4 percent, the estimate of capital expenditures was revised down 2.6 percent, and the estimate of sales was revised down 1.1 percent.

In addition to the estimates of the levels of U.S. MNC's employment, capital expenditures, and sales, the April news release included estimates of 2003–2004 growth rates. The revisions to the estimates of 2003 and 2004 levels discussed above resulted in revisions to the growth rates; employment growth was revised up 1.4 percentage points, capital expenditures growth was revised down 1.5 percentage points, and sales growth was revised up 0.4 percentage point.

### Appendix: The Benchmark Survey

Benchmark surveys are BEA's most comprehensive surveys of U.S. direct investment abroad in terms of both coverage of companies and subject matter. The 2004 survey covered virtually the entire universe of U.S. direct investment abroad in terms of value. The preliminary results presented in this article are based

21. This share is based on the Occupational Employment Statistics series from the U.S. Bureau of Labor Statistics at <[www.bls.gov/oes/home.htm](http://www.bls.gov/oes/home.htm)>.

22. See Raymond J. Mataloni Jr., "U.S. Multinational Companies: Operations in 2003," SURVEY 85 (July 2005): 9–29.

**Table 14. Employment by Nonbank U.S. Parents and Majority-Owned Nonbank Foreign Affiliates, Industry of Parent or Affiliate by Type of Occupation**  
(Thousands of employees)

	U.S. parents			Majority-owned foreign affiliates (MOFAs)			Addenda: Managerial, professional, and technical employee share of total (percent)	
	Total	Managerial, professional, and technical employees	Other employees	Total	Managerial, professional, and technical employees	Other employees		
							U.S. parents	MOFAs
<b>All industries</b> .....	<b>21,377.5</b>	<b>5,526.2</b>	<b>15,851.3</b>	<b>8,617.2</b>	<b>2,342.1</b>	<b>6,275.1</b>	<b>25.9</b>	<b>27.2</b>
Mining .....	182.6	42.9	139.8	163.6	50.9	112.7	23.5	31.1
Utilities .....	310.0	96.3	213.6	59.9	18.0	42.0	31.1	30.1
Manufacturing .....	7,864.4	2,339.4	5,525.0	4,309.2	1,161.2	3,148.0	29.7	26.9
<i>Of which:</i>								
Food .....	716.7	118.1	598.6	370.3	70.1	300.2	16.5	18.9
Chemicals .....	923.9	384.2	539.6	562.1	212.0	350.1	41.6	37.7
Primary and fabricated metals .....	530.8	105.3	425.5	234.3	46.4	187.9	19.8	19.8
Machinery .....	595.3	161.2	434.1	342.3	67.9	274.5	27.1	19.8
Computers and electronic products .....	944.2	460.7	483.6	644.8	283.8	361.0	48.8	44.0
Electrical equipment, appliances, and components .....	203.8	50.9	152.9	247.0	65.8	181.2	25.0	26.6
Transportation equipment .....	1,858.1	665.9	1,192.1	945.6	197.6	748.0	35.8	20.9
Wholesale trade .....	795.3	285.0	510.3	733.5	279.6	453.8	35.8	38.1
Information .....	1,787.2	712.2	1,075.0	318.3	185.6	132.7	39.9	58.3
Finance (except depository institutions) and insurance .....	1,217.3	575.9	641.4	242.8	104.5	138.3	47.3	43.0
Professional, scientific, and technical services .....	958.7	567.9	390.8	475.1	265.1	210.1	59.2	55.8
Other industries .....	8,262.1	906.6	7,355.5	2,314.8	277.3	2,037.5	11.0	12.0

on reported or estimated data for 3,348 nonbank U.S. parent companies and for 23,928 nonbank foreign affiliates (of which, 22,279 were majority owned by their U.S. parents). The survey collected detailed information on the financial structure and operations of U.S. parent companies and their foreign affiliates and on the transactions and positions between parents and their affiliates.

The concepts and definitions underlying the 2004 benchmark survey are very similar to those underlying the previous (1999) benchmark survey. The methodology of the 2004 survey will be published with the final results of the survey.

The financial and operating data from the benchmark survey extend the time series that begin with 1982 and that are derived from data reported on both annual and benchmark surveys.

Benchmark survey reports were required for any foreign affiliate with total assets, sales, or net income of more than \$10 million and for the affiliate's U.S. parent(s). Affiliates that were too small to meet one of these criteria and the parents that had only such affiliates were required to file an exemption form that provided a few major data items (including assets, sales, and employment) for each affiliate and for the U.S. parent. These data were included in the estimates presented in this article and were also used as a basis for estimating other items covered by the survey.

To reduce the reporting burden of small enterprises, the exemption level for the 2004 benchmark survey was raised to \$10 million from the exemption level of \$7 million for the 1999 benchmark survey. This change has virtually no effect on the published totals, because the amounts involved are negligible.

To further reduce the burden on respondents, detailed reports were required only for U.S. parents and foreign affiliates with assets, sales, or net income of more than \$150 million. Less detailed reports were required for smaller parents and affiliates; for these entities and for the exempt foreign affiliates and the parents that had only such affiliates, BEA prepared estimates of the items that appear only on the detailed reports, so that the published results are presented in the same detail for all parents and affiliates.

The data collected in the 2004 benchmark survey will provide the basis for further evaluation and improvement of other BEA estimates of U.S. direct investment abroad. For the financial and operating data, the benchmark survey data will allow BEA to improve its estimates, both by providing a basis for the construction of estimates for affiliates too small to be reported on the annual survey and by identifying new U.S. parents that will provide data in the annual sur-

vey. For the international transactions and direct investment position data, the survey will provide a basis for revising the estimates derived from BEA's quarterly survey of U.S. direct investment abroad.

The preliminary results from the benchmark survey include estimates of data for reports that could not be fully processed in time for publication. The final results will incorporate data from the reports processed after the publication of the preliminary results.

**New treatment of nonbank units of U.S. banks.** Beginning with the 2004 benchmark survey, the nonbank units of U.S. banks (including bank and financial holding companies) were consolidated in the reports of the banks that owned them; previously, these units were required to file separate reports.<sup>23</sup> This change aligns the BEA treatment of bank and financial holding companies with that of other U.S. Government agencies. In addition, under BEA's usual consolidation rules, all of the U.S. activities of a U.S. parent company are consolidated onto a single report, and the consolidated entity is classified in a single industry. In contrast, BEA had previously split the reporter's operations apart into bank and nonbank units when the reporter's U.S. activities included a bank. Thus, the change eliminates an exception to BEA's usual rules regarding consolidating U.S. activities. Because BEA's annual time series on the operations of U.S. multinational companies currently cover only nonbank U.S. parent companies and their nonbank foreign affiliates, the nonbank foreign affiliates of these nonbank units of U.S. banks were dropped out of the data on foreign affiliate sales and other measures of operations. As shown in table 7, the change in reporting requirements reduced the measured year-to-year increase in value added of nonbank U.S. MNCs in 2004 by about 1 percentage point.

**Improvements in coverage.** In addition to its benchmark surveys of U.S. direct investment abroad, BEA conducts annual surveys of the operations of nonbank U.S. parent companies and their nonbank foreign affiliates. In the annual surveys for 2000–2003, data were required to be filed only for foreign affiliates with assets, sales, or net income of more than \$30 million and for their U.S. parents. The estimates for 2000–2003 of the operations of “small” affiliates with assets, sales, or net income below \$30 million—and of

23. Similarly, reporting requirements for U.S. affiliates of foreign companies have also been changed, beginning with the 2002 benchmark survey of foreign direct investment in the United States. U.S. affiliates that are banks or bank holding companies have been consolidated with their majority-owned U.S. affiliates in nonbanking industries and are required to report as banks. The reclassification of U.S. affiliates did not create the same discontinuity as the change in the treatment of U.S. parents, because fewer U.S. affiliates were affected by the change and the size of those affiliates was smaller, on average.

the parents who have only these affiliates—were derived by extrapolating the data from the 1999 benchmark survey. When the 2004 benchmark survey forms were received, some new small affiliates and some parents of only small affiliates were identified and were added to the universe. Conversely, other small affiliates that had been carried forward since the last benchmark survey were discovered to have been sold or liquidated since the 1999 benchmark survey, so they and the parents having only such affiliates were removed from the data set. The net result of these additions and subtractions is included in table 7 under “other changes.”

**New industry classification system.** The industry classification system used in the 2004 benchmark survey is now based on the 2002 revision to the North American Industry Classification System. The revised industry classification system includes several new

industries in the information sector.

**New detail to improve estimates of sales of services.** New data were collected on the 2004 benchmark survey, and these data will significantly improve the estimates of sales of services through foreign affiliates, which are a major component of BEA’s comprehensive estimates of U.S. international services. The new data will provide the basis for improved estimates of sales of insurance services, of sales of services through bank affiliates, and of services provided by wholesale and retail trade affiliates. BEA’s annual estimates of international services are published in the SURVEY OF CURRENT BUSINESS. For the latest estimates, see Michael Mann, Jennifer Koncz, and Erin Nephew, “U.S. International Services: Cross-Border Trade in 2005 and Sales Through Affiliates in 2004,” SURVEY 86 (October 2006): 18–74.

*Tables 15.1–19.2 follow.*

Table 15.1. Selected Data for Nonbank U.S. Parents by Industry of U.S. Parent, 2003

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	Value added	Compensation of employees	
		Total	Goods	Services	Investment income <sup>1</sup>						
<b>All industries</b> .....	<b>15,823,607</b>	<b>6,543,937</b>	<b>4,216,133</b>	<b>1,989,002</b>	<b>338,802</b>	<b>427,647</b>	<b>315,480</b>	<b>139,884</b>	<b>1,958,125</b>	<b>1,161,355</b>	<b>21,104.8</b>
<b>Mining</b> .....	<b>197,394</b>	<b>61,945</b>	<b>45,544</b>	<b>15,864</b>	<b>537</b>	<b>7,619</b>	<b>13,476</b>	<b>472</b>	<b>33,159</b>	<b>12,069</b>	<b>146.6</b>
Oil and gas extraction.....	98,993	28,978	26,614	2,354	10	7,572	9,276	25	19,753	2,708	20.7
Other.....	98,402	32,967	18,930	13,510	527	47	4,200	447	13,406	9,361	125.9
<b>Utilities</b> .....	<b>682,090</b>	<b>236,806</b>	<b>10,107</b>	<b>224,527</b>	<b>2,172</b>	<b>-2,222</b>	<b>32,043</b>	<b>60</b>	<b>84,318</b>	<b>26,635</b>	<b>325.9</b>
<b>Manufacturing</b> .....	<b>4,563,936</b>	<b>2,978,104</b>	<b>2,762,162</b>	<b>143,539</b>	<b>72,403</b>	<b>176,332</b>	<b>122,636</b>	<b>112,681</b>	<b>865,391</b>	<b>525,552</b>	<b>8,017.6</b>
Food.....	261,869	248,726	245,390	3,336	0	16,143	7,071	1,367	62,531	35,084	730.0
Beverages and tobacco products.....	164,929	91,430	89,712	(D)	(D)	17,570	3,815	448	43,491	14,992	234.0
Textiles, apparel, and leather products.....	25,882	29,368	29,233	50	84	409	808	85	10,070	7,478	207.1
Wood products.....	34,045	24,808	24,176	(D)	(D)	538	758	84	8,347	5,294	79.3
Paper.....	138,954	95,001	94,941	46	13	5,487	3,582	1,325	34,667	21,831	318.8
Printing and related support activities.....	23,765	25,210	21,539	3,495	175	1,036	1,012	174	12,420	8,649	181.9
Petroleum and coal products.....	417,587	411,588	378,191	31,052	2,345	39,356	17,521	1,266	94,254	21,343	217.8
Chemicals.....	654,284	402,896	399,696	2,689	511	38,643	18,668	35,500	137,100	78,453	899.9
Basic chemicals.....	90,010	57,800	57,419	335	46	736	2,943	1,502	15,427	9,953	118.8
Resins and synthetic rubber, fibers and filaments.....	87,116	51,772	51,342	(D)	(D)	1,155	2,571	2,553	16,363	9,375	119.0
Pharmaceuticals and medicines.....	333,282	190,491	190,215	193	83	27,523	9,355	26,471	69,988	38,814	381.5
Soap, cleaning compounds, and toilet preparations.....	70,174	52,924	52,366	(D)	(D)	7,129	2,323	2,683	18,727	8,691	111.8
Other.....	73,701	49,908	48,354	1,552	2	2,101	1,476	2,292	16,594	11,621	168.7
Plastics and rubber products.....	69,758	63,627	63,086	540	1	1,189	2,258	978	21,756	15,444	280.6
Nonmetallic mineral products.....	57,325	39,093	39,022	72	0	1,149	2,095	435	14,188	8,595	153.6
Primary and fabricated metals.....	154,446	141,196	136,360	4,318	518	4,824	4,675	1,412	45,653	32,191	581.0
Primary metals.....	84,185	79,316	75,104	3,724	488	1,013	2,871	501	22,608	17,231	293.1
Fabricated metal products.....	70,260	61,880	61,256	594	30	3,812	1,804	911	22,954	14,960	287.8
Machinery.....	223,796	153,455	146,179	4,285	2,991	4,980	5,205	5,431	45,169	36,088	591.9
Agriculture, construction, and mining machinery.....	102,528	54,655	50,539	1,182	2,935	1,573	2,000	1,700	12,110	10,468	146.5
Industrial machinery.....	30,005	17,830	17,595	197	38	27	561	1,469	4,302	4,132	69.9
Other.....	91,263	80,970	78,046	2,906	18	3,380	2,644	2,263	28,757	21,488	375.5
Computers and electronic products.....	490,494	305,204	284,043	19,818	1,343	6,379	14,780	33,255	109,667	71,818	951.7
Computers and peripheral equipment.....	115,962	90,955	82,008	8,904	43	4,482	2,977	7,064	24,431	15,702	206.3
Communications equipment.....	146,075	79,860	74,249	4,471	1,141	-1,106	4,683	10,359	29,346	19,330	235.4
Audio and video equipment.....	10,079	(D)	(D)	786	156	(D)	(D)	(D)	2,758	2,245	35.5
Semiconductors and other electronic components.....	139,372	72,382	71,613	766	4	4,226	5,092	11,508	30,829	17,830	228.4
Navigational, measuring, and other instruments.....	77,702	51,652	46,772	4,880	0	1,730	1,586	3,824	21,967	16,445	242.6
Magnetic and optical media.....	1,305	(D)	(D)	11	0	(D)	(D)	(D)	337	266	3.5
Electrical equipment, appliances, and components.....	57,833	47,646	46,914	(D)	(D)	1,498	1,631	1,350	14,866	10,415	215.3
Transportation equipment.....	1,637,490	799,954	670,523	65,530	63,901	30,928	34,798	25,565	170,234	130,924	1,867.6
Motor vehicles, bodies and trailers, and parts.....	983,752	527,972	464,863	18,381	44,728	8,166	24,652	17,251	76,430	64,497	977.5
Other.....	653,738	271,982	205,660	47,149	19,173	22,762	10,146	8,314	93,804	66,427	890.1
Furniture and related products.....	20,055	22,485	22,456	(D)	(D)	1,112	606	116	8,611	5,764	142.7
Miscellaneous manufacturing.....	131,425	76,418	70,701	5,701	15	5,091	3,353	3,890	32,459	21,189	364.3
<b>Wholesale trade</b> .....	<b>410,403</b>	<b>593,854</b>	<b>541,723</b>	<b>49,273</b>	<b>2,859</b>	<b>19,880</b>	<b>17,447</b>	<b>2,850</b>	<b>91,055</b>	<b>48,272</b>	<b>752.8</b>
Professional and commercial equipment and supplies.....	(D)	73,781	66,083	7,225	473	1,619	1,850	1,164	16,955	11,112	155.5
Other durable goods.....	114,087	150,088	139,209	8,602	2,277	3,835	5,932	790	22,455	14,239	215.1
Petroleum and petroleum products.....	(D)	144,519	114,609	(D)	(D)	7,680	(D)	195	23,133	5,118	57.4
Other nondurable goods.....	101,898	225,467	221,823	(D)	(D)	6,745	3,331	701	28,512	17,803	324.7
<b>Information</b> .....	<b>1,375,327</b>	<b>536,450</b>	<b>53,223</b>	<b>482,728</b>	<b>498</b>	<b>69,413</b>	<b>50,637</b>	<b>9,933</b>	<b>254,494</b>	<b>116,086</b>	<b>1,788.4</b>
Publishing industries.....	190,256	90,852	38,988	51,823	41	15,174	3,314	7,202	50,236	27,311	335.5
Motion picture and sound recording industries.....	47,473	14,006	635	13,315	56	438	411	30	4,182	1,686	46.1
Broadcasting and telecommunications.....	932,279	347,180	8,653	338,176	352	47,505	41,778	442	161,277	68,596	1,080.4
Broadcasting, cable networks, and program distribution.....	436,639	110,433	6,008	104,192	233	6,162	9,211	72	38,528	19,489	405.1
Telecommunications.....	495,640	236,747	2,644	233,984	119	41,343	32,568	369	122,749	49,106	675.3
Information services and data processing services.....	205,320	84,411	4,948	79,414	49	6,297	5,134	2,259	38,798	18,428	326.5
<b>Finance (except depository institutions) and insurance</b> .....	<b>7,328,002</b>	<b>851,240</b>	<b>37,377</b>	<b>571,314</b>	<b>242,549</b>	<b>90,660</b>	<b>22,179</b>	<b>369</b>	<b>159,397</b>	<b>130,241</b>	<b>1,356.8</b>
Finance, except depository institutions.....	3,550,387	283,270	(D)	149,194	(D)	43,910	11,777	249	73,725	67,008	521.3
Securities, commodity contracts, and other intermediation.....	3,074,376	233,317	(D)	127,081	(D)	36,719	4,371	126	64,619	57,638	418.2
Other finance, except depository institutions.....	476,011	49,953	1	22,113	27,839	7,191	7,406	123	9,106	9,370	103.2
Insurance carriers and related activities.....	3,777,615	567,970	(D)	422,120	(D)	46,750	10,402	120	85,672	63,233	835.5
<b>Professional, scientific, and technical services</b> .....	<b>245,735</b>	<b>180,659</b>	<b>22,283</b>	<b>156,895</b>	<b>1,480</b>	<b>21,729</b>	<b>7,985</b>	<b>10,560</b>	<b>95,243</b>	<b>66,682</b>	<b>862.4</b>
Architectural, engineering, and related services.....	12,633	21,494	5,504	15,976	14	211	209	(D)	6,981	6,240	85.8
Computer systems design and related services.....	128,284	81,808	(D)	65,802	(D)	11,002	5,432	8,920	42,606	29,649	348.8
Management, scientific, and technical consulting.....	22,884	18,580	(D)	18,479	(D)	1,642	300	554	10,055	7,889	92.0
Advertising and related services.....	43,759	18,344	975	17,369	0	734	475	(D)	10,456	8,009	91.6
Other.....	38,175	40,433	(D)	39,269	(D)	8,139	1,570	982	25,145	14,896	244.2
<b>Other industries</b> .....	<b>1,020,719</b>	<b>1,104,880</b>	<b>743,714</b>	<b>344,863</b>	<b>16,304</b>	<b>44,237</b>	<b>49,077</b>	<b>2,958</b>	<b>375,069</b>	<b>235,819</b>	<b>7,854.3</b>
Agriculture, forestry, fishing, and hunting.....	4,307	4,239	4,202	21	16	109	229	(D)	1,503	967	34.8
Construction.....	19,025	33,588	29,202	4,374	13	780	234	(D)	7,810	6,281	120.7
Retail trade.....	363,912	703,424	694,293	4,112	5,018	29,483	24,364	(D)	169,921	89,074	3,794.6
Transportation and warehousing.....	189,096	130,642	1,159	129,255	229	5,038	9,961	1	71,849	54,239	846.1
Real estate and rental and leasing.....	93,605	37,561	1,512	26,710	9,339	1,592	2,705	5	17,714	8,358	171.7
Real estate.....	31,135	8,690	194	3,439	5,057	97	1,098	0	2,690	1,523	24.7
Rental and leasing (except real estate).....	62,470	28,871	1,317	23,271	4,283	1,494	1,607	5	15,024	6,835	147.0
Management of nonbank companies and enterprises.....	100,553	149	0	149	0	1,682	82	0	2,370	279	5.0
Administration, support, and waste management.....	65,034	55,271	(D)	50,704	(D)	1,169	2,432	(D)	30,844	25,121	923.2
Health care and social assistance.....	49,456	48,435	875	47,338	221	18	2,997	32	27,045	20,537	459.0
Accommodation and food services.....	101,866	71,806	(D)	65,656	(D)	4,034	4,974	37	36,229	24,625	1,256.4
Accommodation.....	64,919	28,977	(D)	28,071	(D)	955	2,149	0	15,155	9,731	405.7
Food services and drinking places.....	36,947	42,829	(D)	37,585	(D)	3,079	2,826	37	21,074	14,894	850.6
Miscellaneous services.....	33,865	19,765	3,215	16,542	7	332	1,098	143	9,783	6,338	242.9

\* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data of individual companies.

1. Some parents and foreign affiliates primarily in finance and insurance include investment income in sales or gross operating revenues. Most other parents and affiliates consider investment income an incidental

revenue source and include it in their income statements in an "other income" category rather than in sales. BEA collects data on investment income to ensure that—where it is included in total sales—it is not misclassified as sales of services.



Table 15.2. Selected Data for Nonbank U.S. Parents by Industry of U.S. Parent, 2004

	Millions of dollars										Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	Value added	Compensation of employees		
		Total	Goods	Services	Investment income <sup>1</sup>						
<b>All industries</b> .....	<b>15,777,761</b>	<b>6,948,995</b>	<b>4,586,463</b>	<b>2,125,377</b>	<b>237,155</b>	<b>449,633</b>	<b>308,720</b>	<b>2,215,800</b>	<b>1,236,060</b>	<b>21,377.5</b>	
<b>Mining</b> .....	<b>226,783</b>	<b>73,745</b>	<b>56,790</b>	<b>16,441</b>	<b>515</b>	<b>12,372</b>	<b>15,390</b>	<b>40,362</b>	<b>13,498</b>	<b>182.6</b>	
Oil and gas extraction.....	124,445	35,560	33,922	1,611	28	10,473	11,365	22,530	3,252	22.9	
Other.....	102,338	38,185	22,868	14,830	487	1,898	4,025	17,832	10,247	159.8	
<b>Utilities</b> .....	<b>685,352</b>	<b>259,409</b>	<b>(D)</b>	<b>246,507</b>	<b>(D)</b>	<b>7,208</b>	<b>29,359</b>	<b>92,968</b>	<b>27,398</b>	<b>310.0</b>	
<b>Manufacturing</b> .....	<b>4,848,403</b>	<b>3,236,912</b>	<b>3,050,549</b>	<b>136,486</b>	<b>49,877</b>	<b>230,429</b>	<b>119,145</b>	<b>1,010,683</b>	<b>545,661</b>	<b>7,864.4</b>	
Food.....	275,411	262,388	258,193	4,195	0	18,007	5,976	73,398	36,364	716.7	
Beverages and tobacco products.....	190,975	100,814	99,105	1,309	400	18,800	3,715	54,126	16,210	243.4	
Textiles, apparel, and leather products.....	25,469	29,349	29,304	45	0	455	757	10,796	7,900	179.3	
Wood products.....	36,042	28,237	(D)	(D)	0	1,818	848	9,419	4,796	76.6	
Paper.....	137,006	95,535	95,502	34	0	5,624	4,052	36,274	20,719	304.9	
Printing and related support activities.....	28,569	25,187	23,431	1,719	37	1,512	911	12,507	7,851	182.2	
Petroleum and coal products.....	426,974	520,656	511,295	9,360	0	59,059	19,969	119,681	22,656	212.1	
Chemicals.....	769,770	444,964	442,808	2,088	68	49,157	19,427	175,604	85,806	923.9	
Basic chemicals.....	102,046	70,352	70,093	235	24	2,869	2,353	18,039	10,809	119.7	
Resins and synthetic rubber, fibers and filaments.....	83,283	55,247	(D)	(D)	0	1,339	2,156	18,180	10,119	94.0	
Pharmaceuticals and medicines.....	400,306	211,273	210,929	302	41	33,916	11,176	93,953	43,789	426.8	
Soap, cleaning compounds, and toilet preparations.....	104,616	53,258	(D)	(D)	0	7,996	2,377	21,246	8,398	112.7	
Other.....	79,519	54,833	(D)	(D)	3	3,037	1,364	24,186	12,692	170.6	
Plastics and rubber products.....	75,414	65,824	(D)	(D)	0	1,878	1,920	12,857	15,507	263.3	
Nonmetallic mineral products.....	55,818	38,292	38,159	133	0	2,060	2,039	14,299	8,147	143.2	
Primary and fabricated metals.....	174,760	158,077	154,113	3,944	20	10,594	5,107	54,247	31,515	530.8	
Primary metals.....	94,089	96,669	94,295	2,354	20	6,219	3,284	28,886	18,340	267.7	
Fabricated metal products.....	80,670	61,408	59,818	1,590	0	4,376	1,823	25,361	14,675	263.0	
Machinery.....	236,678	167,699	158,740	7,436	1,523	7,511	5,485	52,333	38,148	595.3	
Agriculture, construction, and mining machinery.....	99,516	55,777	52,233	2,060	1,485	3,556	2,100	13,905	9,865	129.9	
Industrial machinery.....	37,691	22,284	21,030	1,216	38	392	511	6,667	5,036	78.6	
Other.....	99,472	89,638	85,478	4,160	0	3,563	2,874	31,762	23,248	386.9	
Computers and electronic products.....	508,018	321,196	301,465	18,389	1,342	13,493	13,483	110,962	73,237	944.2	
Computers and peripheral equipment.....	118,293	97,001	88,410	(D)	(D)	729	3,060	24,960	16,137	211.1	
Communications equipment.....	140,163	77,458	71,726	4,592	1,141	3,152	4,175	29,530	18,703	220.3	
Audio and video equipment.....	9,030	(D)	(D)	(D)	156	(D)	342	2,358	1,789	25.2	
Semiconductors and other electronic components.....	147,961	81,202	79,817	1,385	0	7,458	4,376	30,372	18,908	229.5	
Navigational, measuring, and other instruments.....	91,266	56,544	53,094	(D)	(D)	2,105	1,501	23,538	17,449	255.0	
Magnetic and optical media.....	1,305	(D)	(D)	(D)	0	(D)	30	203	251	3.1	
Electrical equipment, appliances, and components.....	58,255	52,151	51,680	433	38	1,686	1,573	15,948	10,840	203.8	
Transportation equipment.....	1,678,210	818,185	691,157	80,595	46,433	32,889	34,169	201,827	136,535	1,858.1	
Motor vehicles, bodies and trailers, and parts.....	1,024,406	530,372	466,457	36,983	26,932	7,901	23,409	81,932	61,710	963.2	
Other.....	653,804	287,813	224,700	43,612	19,502	24,988	10,760	119,896	74,825	894.8	
Furniture and related products.....	19,512	21,927	(D)	(D)	0	762	354	5,226	5,534	126.4	
Miscellaneous manufacturing.....	151,522	86,429	80,851	5,564	15	5,124	3,361	38,178	22,397	360.2	
<b>Wholesale trade</b> .....	<b>431,652</b>	<b>651,449</b>	<b>(D)</b>	<b>46,987</b>	<b>(D)</b>	<b>24,521</b>	<b>18,913</b>	<b>103,900</b>	<b>50,624</b>	<b>795.3</b>	
Professional and commercial equipment and supplies.....	61,477	73,386	69,481	3,905	0	2,642	(D)	16,258	10,683	139.9	
Other durable goods.....	(D)	153,782	(D)	(D)	0	8,080	(D)	29,252	4,783	52.7	
Petroleum and petroleum products.....	24,548	95,803	95,504	299	0	751	509	4,453	2,471	57.7	
Other nondurable goods.....	(D)	328,478	316,157	(D)	(D)	13,048	9,553	53,664	32,686	545.1	
<b>Information</b> .....	<b>1,406,574</b>	<b>540,026</b>	<b>14,723</b>	<b>524,978</b>	<b>324</b>	<b>21,517</b>	<b>47,210</b>	<b>259,466</b>	<b>129,500</b>	<b>1,787.2</b>	
Publishing industries.....	237,422	88,177	4,871	83,303	3	14,102	2,437	50,370	31,454	322.0	
Motion picture and sound recording industries.....	21,192	9,843	1,747	8,040	56	475	361	2,816	1,317	37.9	
Broadcasting and telecommunications.....	930,783	353,007	6,793	345,963	251	-92	39,483	165,050	71,478	1,054.4	
Broadcasting, cable networks, and program distribution.....	293,435	86,485	5,114	81,309	62	-2,122	2,858	35,220	15,085	266.5	
Telecommunications.....	637,349	266,522	1,680	264,653	189	2,030	36,625	129,831	56,393	787.9	
Information services and data processing services.....	217,177	88,999	1,312	87,673	15	7,033	4,928	41,235	25,251	372.8	
<b>Finance (except depository institutions) and insurance</b> <sup>2</sup> .....	<b>6,805,349</b>	<b>804,685</b>	<b>70,871</b>	<b>561,046</b>	<b>172,767</b>	<b>90,931</b>	<b>17,926</b>	<b>177,321</b>	<b>124,336</b>	<b>1,217.3</b>	
Finance, except depository institutions.....	3,105,729	189,889	(D)	(D)	(D)	29,455	7,641	70,893	54,478	342.7	
Securities, commodity contracts, and other intermediation.....	2,710,495	145,233	(D)	(D)	(D)	22,797	2,286	55,319	46,763	259.4	
Other finance, except depository institutions.....	395,234	44,656	(D)	(D)	30,275	6,657	5,355	15,573	7,715	83.3	
Insurance carriers and related activities.....	3,699,620	614,796	(D)	(D)	(D)	61,476	10,286	106,429	69,858	874.6	
<b>Professional, scientific, and technical services</b> .....	<b>263,746</b>	<b>210,899</b>	<b>24,326</b>	<b>185,799</b>	<b>773</b>	<b>26,228</b>	<b>7,887</b>	<b>114,725</b>	<b>80,721</b>	<b>958.7</b>	
Architectural, engineering, and related services.....	21,074	37,993	7,347	30,642	4	640	386	14,141	12,018	144.5	
Computer systems design and related services.....	132,656	84,627	15,931	67,931	765	10,610	5,167	43,370	32,069	357.6	
Management, scientific, and technical consulting.....	23,563	16,362	78	16,284	0	2,240	715	11,810	8,826	97.1	
Advertising and related services.....	36,455	16,432	0	16,432	0	601	349	9,863	6,937	78.6	
Other.....	49,999	55,484	969	54,510	5	12,137	1,270	35,541	20,871	280.7	
<b>Other industries</b> .....	<b>1,109,903</b>	<b>1,171,871</b>	<b>755,830</b>	<b>407,132</b>	<b>8,909</b>	<b>36,426</b>	<b>52,890</b>	<b>416,374</b>	<b>264,322</b>	<b>8,262.1</b>	
Agriculture, forestry, fishing, and hunting.....	3,839	5,074	4,882	175	17	(D)	105	1,801	1,019	23.4	
Construction.....	34,386	38,432	36,309	1,000	1,123	2,131	333	12,168	8,444	131.0	
Retail trade.....	344,309	697,910	693,489	4,480	42	23,686	22,848	174,913	93,453	3,919.2	
Transportation and warehousing.....	238,532	166,335	1,154	164,976	205	1,890	12,377	88,461	65,943	1,009.0	
Real estate and rental and leasing.....	102,408	47,464	(D)	(D)	7,085	1,907	3,336	19,494	10,857	295.4	
Real estate.....	38,528	11,105	(D)	(D)	6,817	835	1,493	4,429	2,833	45.6	
Rental and leasing (except real estate).....	63,880	36,360	2,654	33,437	269	1,072	1,843	15,065	8,025	249.8	
Management of nonbank companies and enterprises.....	111,458	(D)	0	(D)	0	(D)	238	1,149	757	14.7	
Administration, support, and waste management.....	72,988	61,092	(D)	(D)	32	2,536	2,397	37,692	29,875	787.2	
Health care and social assistance.....	47,882	47,429	624	46,805	0	233	2,978	25,046	18,157	403.5	
Accommodation and food services.....	107,803	78,735	8,169	70,166	401	4,426	4,967	39,980	26,849	1,335.7	
Accommodation.....	70,557	32,258	334	31,924	1	1,994	2,472	17,985	10,830	415.0	
Food services and drinking places.....	37,246	46,477	7,835	38,242	400	2,432	2,495	21,994	16,018	920.7	
Miscellaneous services.....	46,298	(D)	(D)	24,086	4	(D)	3,311	15,671	8,968	343.1	

\* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 15.1.

2. The 2003-2004 decrease in measures of the operations of U.S. parents in this industry mainly reflected a

change in the reporting requirements on BEA's surveys that led to the dropping of nonbank units of U.S. banks from the nonbank data set (see the appendix for details).

NOTE: The preliminary 2004 estimates of research and development expenditures of U.S. parents will be published in the Survey next year.

Table 16. Selected Data for All Nonbank Foreign Affiliates by Country of Affiliate, 2003 and 2004

	2003							2004						
	Millions of dollars						Thousands of employees	Millions of dollars						Thousands of employees
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees		Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	Compensation of employees	
<b>All countries</b> .....	<b>7,946,240</b>	<b>3,319,498</b>	<b>359,655</b>	<b>183,976</b>	<b>232,522</b>	<b>338,113</b>	<b>9,657.5</b>	<b>8,757,063</b>	<b>3,768,733</b>	<b>398,611</b>	<b>191,929</b>	<b>253,563</b>	<b>372,050</b>	<b>10,028.0</b>
<b>Canada</b> .....	<b>588,320</b>	<b>399,902</b>	<b>23,407</b>	<b>59,329</b>	<b>84,159</b>	<b>40,748</b>	<b>1,118.1</b>	<b>634,677</b>	<b>442,607</b>	<b>36,867</b>	<b>60,427</b>	<b>91,054</b>	<b>43,029</b>	<b>1,092.1</b>
<b>Europe</b> .....	<b>4,836,218</b>	<b>1,677,224</b>	<b>211,742</b>	<b>46,559</b>	<b>49,957</b>	<b>194,981</b>	<b>4,110.5</b>	<b>5,376,372</b>	<b>1,909,697</b>	<b>206,641</b>	<b>49,225</b>	<b>55,003</b>	<b>219,591</b>	<b>4,290.9</b>
Austria.....	25,732	12,892	1,370	195	(D)	1,785	31.3	29,238	16,315	1,334	212	(D)	2,071	34.2
Belgium.....	229,533	72,063	6,908	4,690	(D)	9,071	145.3	241,203	79,932	9,619	(D)	(D)	9,209	129.9
Czech Republic.....	8,131	8,833	396	29	38	651	52.0	10,737	10,146	621	(D)	(D)	968	64.2
Denmark.....	(D)	21,076	3,521	(D)	188	3,535	63.0	49,941	21,521	6,671	190	237	3,485	42.4
Finland.....	10,237	8,988	335	132	204	952	20.4	(D)	(D)	(D)	(D)	252	1,098	20.9
France.....	219,759	156,731	6,571	4,508	3,349	26,967	580.7	256,211	176,266	9,581	4,502	4,417	29,093	603.4
Germany.....	394,364	250,384	19,183	6,273	5,127	36,800	614.3	419,052	286,710	12,599	6,303	6,160	42,442	636.4
Greece.....	(D)	(D)	48	16	(D)	48	L	16,303	10,991	595	101	35	1,439	53.7
Hungary.....	8,468	9,108	203	301	751	769	49.7	16,871	10,709	69	339	799	992	53.4
Ireland.....	307,003	112,228	31,300	2,093	15,059	3,741	84.4	277,167	121,514	27,080	2,227	(D)	4,377	83.6
Italy.....	130,024	105,731	7,488	2,123	(D)	11,402	254.3	141,045	117,733	6,203	(D)	1,885	13,348	271.2
Luxembourg.....	412,232	9,884	23,122	(D)	(D)	718	10.9	496,501	14,111	17,083	606	389	789	11.6
Netherlands.....	661,052	161,052	45,962	7,915	(D)	11,554	221.8	753,827	180,417	39,280	(D)	2,878	13,102	224.7
Norway.....	33,633	22,028	2,022	(D)	(D)	1,806	30.9	39,361	28,551	2,843	448	752	2,426	35.4
Poland.....	14,594	15,058	931	155	244	1,234	88.7	19,489	19,164	1,465	190	328	1,587	107.3
Portugal.....	25,449	(D)	(D)	99	77	(D)	K	28,987	10,726	5,353	95	96	1,235	36.0
Russia.....	10,601	8,613	92	98	98	567	32.1	(D)	22,250	1,794	130	(*)	773	57.6
Spain.....	115,632	69,301	6,399	716	557	8,245	220.9	126,330	77,974	6,901	1,022	771	9,708	227.1
Sweden.....	98,115	48,508	3,668	1,522	5,173	4,895	97.7	107,484	54,161	4,540	1,449	5,320	5,443	101.9
Switzerland.....	238,167	122,820	19,515	3,520	1,862	5,172	63.7	296,305	138,978	18,104	3,377	2,469	5,698	75.6
Turkey.....	7,952	10,799	455	97	92	812	35.3	8,989	14,064	556	141	140	955	32.4
United Kingdom.....	1,772,209	416,374	25,342	10,894	10,157	60,750	1,232.3	1,938,209	464,968	28,430	11,983	9,882	67,643	1,272.0
Other.....	35,631	15,484	3,524	(D)	111	1,144	91.8	48,045	(D)	(D)	158	144	1,709	115.8
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,094,382</b>	<b>382,367</b>	<b>63,056</b>	<b>38,106</b>	<b>(D)</b>	<b>31,209</b>	<b>1,952.3</b>	<b>1,208,716</b>	<b>417,185</b>	<b>62,360</b>	<b>39,721</b>	<b>56,665</b>	<b>30,817</b>	<b>1,935.7</b>
<b>South America</b> .....	<b>230,489</b>	<b>139,917</b>	<b>6,576</b>	<b>5,956</b>	<b>(D)</b>	<b>14,585</b>	<b>749.6</b>	<b>222,315</b>	<b>153,922</b>	<b>12,678</b>	<b>6,428</b>	<b>7,224</b>	<b>14,071</b>	<b>754.2</b>
Argentina.....	37,444	20,059	1,009	798	599	1,866	92.3	33,321	23,178	1,531	751	820	1,587	94.0
Brazil.....	107,819	72,036	1,553	2,871	1,979	7,707	391.7	99,033	78,382	3,756	3,348	2,498	7,662	397.2
Chile.....	25,636	11,403	918	442	(D)	1,238	79.1	24,775	11,569	1,130	476	(D)	1,122	70.3
Colombia.....	11,303	9,509	545	621	(D)	865	63.1	10,618	10,390	810	(D)	731	903	72.1
Ecuador.....	2,886	2,993	146	(D)	415	187	12.6	(D)	3,045	343	139	(D)	209	8.4
Peru.....	12,032	6,169	605	261	514	508	23.1	13,041	7,137	1,271	212	292	520	28.7
Venezuela.....	29,097	14,524	1,654	709	(D)	1,999	75.1	34,559	17,168	3,573	786	(D)	1,898	73.3
Other.....	4,272	3,225	144	(D)	25	215	12.6	(D)	3,051	263	(D)	27	170	10.3
<b>Central America</b> .....	<b>168,941</b>	<b>153,650</b>	<b>9,951</b>	<b>31,114</b>	<b>44,548</b>	<b>14,875</b>	<b>1,138.4</b>	<b>171,906</b>	<b>160,195</b>	<b>10,799</b>	<b>32,306</b>	<b>45,218</b>	<b>14,864</b>	<b>1,112.4</b>
Costa Rica.....	6,685	3,204	427	322	907	347	30.5	7,281	3,097	225	404	916	375	30.7
Honduras.....	1,306	1,720	138	260	234	171	19.4	1,325	1,743	92	221	317	194	20.4
Mexico.....	131,062	137,195	7,107	29,612	43,047	13,528	1,030.6	134,617	143,276	7,886	31,148	43,611	13,350	984.4
Panama.....	24,645	6,781	2,058	378	16	544	32.8	23,838	(D)	(D)	86	13	(D)	K
Other.....	5,243	4,749	222	542	343	285	25.1	4,846	(D)	(D)	447	362	(D)	K
<b>Other Western Hemisphere</b> .....	<b>694,952</b>	<b>88,799</b>	<b>46,528</b>	<b>1,036</b>	<b>(D)</b>	<b>1,748</b>	<b>64.3</b>	<b>814,495</b>	<b>103,068</b>	<b>38,883</b>	<b>987</b>	<b>4,223</b>	<b>1,881</b>	<b>69.1</b>
Barbados.....	17,960	4,346	2,024	69	(D)	47	1.4	20,580	4,521	2,311	112	(D)	67	1.6
Bermuda.....	368,326	41,520	31,931	79	(D)	309	5.3	436,632	51,565	22,601	47	(D)	337	6.0
Dominican Republic.....	(D)	(D)	(D)	111	(D)	(D)	J	(D)	(D)	(D)	(D)	(D)	(D)	J
United Kingdom Islands, Caribbean.....	228,637	(D)	(D)	167	638	468	7.3	262,407	26,942	9,868	160	692	492	8.6
Other.....	(D)	14,799	2,311	609	(D)	(D)	K	(D)	(D)	(D)	(D)	(D)	(D)	K
<b>Africa</b> .....	<b>92,336</b>	<b>49,796</b>	<b>5,512</b>	<b>1,113</b>	<b>(D)</b>	<b>3,917</b>	<b>224.5</b>	<b>102,824</b>	<b>61,134</b>	<b>8,689</b>	<b>1,789</b>	<b>(D)</b>	<b>4,675</b>	<b>226.7</b>
Egypt.....	8,111	5,605	431	(D)	2	233	29.2	10,009	6,139	671	(D)	5	279	27.2
Nigeria.....	12,728	6,716	1,384	(D)	232	8.7	(D)	(D)	(D)	(D)	(D)	(D)	(D)	I
South Africa.....	18,203	18,773	892	564	(D)	2,231	116.7	22,111	23,657	1,513	(D)	(D)	2,856	112.6
Other.....	53,294	18,702	2,806	(D)	1,809	1,222	69.9	(D)	(D)	(D)	669	(D)	(D)	L
<b>Middle East</b> .....	<b>66,885</b>	<b>41,341</b>	<b>6,753</b>	<b>839</b>	<b>1,063</b>	<b>3,449</b>	<b>87.0</b>	<b>72,412</b>	<b>51,514</b>	<b>10,144</b>	<b>1,286</b>	<b>(D)</b>	<b>3,422</b>	<b>86.6</b>
Israel.....	21,049	12,095	1,502	228	631	1,983	53.0	21,252	12,181	1,088	(D)	923	2,073	54.9
Saudi Arabia.....	16,981	11,732	2,003	73	6	679	14.1	18,060	15,239	4,082	(D)	(D)	493	11.2
United Arab Emirates.....	8,355	7,786	265	335	(D)	352	9.0	(D)	(D)	(D)	271	(D)	388	9.9
Other.....	20,500	9,728	2,984	203	(D)	435	11.0	(D)	(D)	(D)	727	172	468	10.7
<b>Asia and Pacific</b> .....	<b>1,268,100</b>	<b>768,868</b>	<b>49,185</b>	<b>38,031</b>	<b>42,088</b>	<b>63,808</b>	<b>2,165.0</b>	<b>1,362,061</b>	<b>886,596</b>	<b>73,911</b>	<b>39,482</b>	<b>46,953</b>	<b>70,517</b>	<b>2,396.1</b>
Australia.....	178,070	88,274	4,754	4,257	1,339	12,350	321.4	179,521	105,071	12,224	4,486	1,686	14,218	323.5
China.....	52,048	56,895	4,863	3,570	2,482	3,139	375.2	63,783	71,721	7,284	3,608	3,340	4,257	454.5
Hong Kong.....	128,722	56,765	6,054	2,829	(D)	3,683	112.2	150,929	64,318	7,645	2,461	6,634	3,585	121.0
India.....	19,705	11,412	411	(D)	268	1,383	143.5	23,600	14,976	727	521	373	1,971	182.5
Indonesia.....	34,547	16,275	2,933	300	63	995	78.1	30,539	14,918	3,437	114	31	973	72.0
Japan.....	508,227	279,690	11,219	10,700	11,223	29,196	499.1	537,378	301,506	14,442	10,374	10,895	30,196	521.0
Korea, Republic of.....	39,466	40,736	1,989	1,987	873	3,227	102.4	50,266	51,047	3,248	2,239	1,442	4,262	111.5
Malaysia.....	30,773	35,008	2,029	1,703	8,172	1,269	94.9	33,252	38,871	3,178	(D)	8,496	1,451	102.8
New Zealand.....	18,694	10,589	370	362	144	1,252	40.2	16,766	11,478	671	290	(D)	1,531	49.7
Philippines.....	20,915	12,261	1,266	1,345	648	690	85.0	20,238	12,212	1,351	1,314	610	686	90.5
Singapore.....	136,972	103,589	8,934	(D)	(D)	3,544	98.3	136,771	130,091	12,692	(D)	10,350	3,804	122.1
Taiwan.....	59,8													

Table 17.1. Selected Data for Majority-Owned Nonbank Foreign Affiliates by Country of Affiliate, 2003

	Millions of dollars											Thousands of employees	
	Total assets	Sales				Net income	Capital expenditures	Research and development expenditures	U.S. exports of goods shipped to MOFAs	U.S. imports of goods shipped by MOFAs	Value added		Compensation of employees
		Total	Goods	Services	Investment income <sup>1</sup>								
<b>All countries</b> .....	<b>7,272,791</b>	<b>2,865,226</b>	<b>2,292,457</b>	<b>480,822</b>	<b>91,947</b>	<b>325,684</b>	<b>109,588</b>	<b>22,793</b>	<b>175,450</b>	<b>211,378</b>	<b>697,778</b>	<b>293,618</b>	<b>8,242.2</b>
<b>Canada</b> .....	<b>556,905</b>	<b>373,751</b>	<b>318,149</b>	<b>45,745</b>	<b>9,857</b>	<b>22,340</b>	<b>20,404</b>	<b>2,444</b>	<b>57,372</b>	<b>77,723</b>	<b>83,958</b>	<b>37,627</b>	<b>1,060.5</b>
<b>Europe</b> .....	<b>4,555,349</b>	<b>1,514,279</b>	<b>1,209,117</b>	<b>257,067</b>	<b>48,095</b>	<b>196,791</b>	<b>50,062</b>	<b>14,890</b>	<b>45,293</b>	<b>49,173</b>	<b>393,567</b>	<b>178,053</b>	<b>3,703.8</b>
Austria .....	22,180	12,330	10,193	2,069	68	1,321	609	34	195	(D)	3,624	1,751	30.7
Belgium .....	203,586	60,919	51,559	6,599	2,761	6,740	1,776	463	4,688	1,708	15,972	7,214	117.0
Czech Republic .....	7,083	7,339	6,384	850	105	402	267	18	29	38	1,882	602	50.1
Denmark .....	44,852	11,150	8,388	2,538	224	3,164	444	60	137	188	3,335	1,919	37.8
Finland .....	10,154	8,887	7,228	1,583	76	329	217	102	131	204	2,103	914	20.0
France .....	203,860	148,690	120,425	26,673	1,592	6,627	3,909	1,777	3,883	3,192	42,402	25,526	547.2
Germany .....	356,626	218,550	184,712	28,207	5,631	15,549	6,408	3,907	6,219	5,118	67,004	34,535	579.4
Greece .....	6,379	5,056	4,616	380	60	259	77	16	48	16	1,056	467	13.6
Hungary .....	8,075	8,767	7,654	1,079	34	180	371	15	301	751	1,876	715	47.2
Ireland .....	305,671	111,878	101,692	8,889	1,297	31,281	2,761	583	2,048	15,024	28,100	3,694	83.2
Italy .....	96,894	86,791	73,796	12,027	968	3,315	2,579	625	2,114	1,342	25,245	9,976	222.4
Luxembourg .....	399,784	7,455	5,902	906	647	22,749	207	91	506	(D)	884	563	9.4
Netherlands .....	608,345	125,039	102,977	18,045	4,017	41,742	3,405	513	7,567	2,373	22,995	9,045	171.6
Norway .....	32,190	20,930	18,141	2,559	230	1,820	1,992	21	327	533	9,634	1,709	29.0
Poland .....	11,784	12,633	(D)	(D)	(D)	720	504	37	152	244	3,489	1,015	71.3
Portugal .....	23,745	7,967	6,938	918	111	2,766	238	21	94	77	3,588	960	33.0
Russia .....	6,726	7,741	6,975	739	27	430	559	1	70	0	1,713	509	28.2
Spain .....	103,281	60,655	52,369	7,536	750	5,249	1,866	290	703	556	13,110	7,453	190.1
Sweden .....	98,026	48,444	36,349	11,393	702	3,665	1,209	1,398	1,522	5,173	9,174	4,866	97.4
Switzerland .....	236,890	121,826	111,712	8,807	1,307	19,466	1,042	523	3,520	1,862	12,766	5,032	60.3
Turkey .....	4,804	7,804	(D)	(D)	(D)	272	152	17	67	16	2,678	663	28.4
United Kingdom .....	1,731,807	399,926	260,545	112,097	27,284	25,359	16,683	4,368	10,883	10,144	115,219	57,904	1,153.1
Other .....	32,606	13,503	12,149	1,296	58	3,387	2,788	8	87	111	5,658	1,022	83.3
<b>Latin America and Other Western Hemisphere</b> .....	<b>971,478</b>	<b>328,986</b>	<b>253,177</b>	<b>60,391</b>	<b>15,418</b>	<b>55,397</b>	<b>11,750</b>	<b>680</b>	<b>36,547</b>	<b>49,758</b>	<b>69,245</b>	<b>24,399</b>	<b>1,572.9</b>
South America .....	188,402	121,521	94,089	25,378	2,054	4,289	5,485	370	5,704	5,058	31,785	12,115	630.0
Argentina .....	33,111	18,105	14,736	3,016	353	744	1,042	22	796	599	5,652	1,693	81.3
Brazil .....	86,662	64,079	50,625	12,366	1,088	557	2,245	316	2,752	1,897	14,444	6,630	347.8
Chile .....	20,917	8,793	5,527	2,955	311	697	266	9	441	472	2,599	849	52.6
Colombia .....	10,178	8,686	7,341	1,275	70	520	325	7	620	659	2,417	766	48.0
Ecuador .....	2,731	2,777	2,280	457	40	145	221	(*)	94	414	579	165	10.3
Peru .....	10,305	5,222	4,509	679	34	507	419	2	261	505	1,619	424	20.5
Venezuela .....	21,481	10,998	6,668	4,213	117	1,008	625	12	655	488	3,935	1,418	60.3
Other .....	3,019	2,860	2,402	417	41	110	142	1	85	25	541	169	9.2
Central America .....	123,880	125,441	110,813	12,319	2,309	6,363	4,641	(D)	29,864	42,342	25,772	11,592	899.3
Costa Rica .....	6,628	3,132	3,015	106	11	425	156	6	322	907	973	333	29.9
Honduras .....	1,298	1,697	1,678	8	11	136	44	0	260	234	473	170	18.9
Mexico .....	104,485	112,439	100,024	10,189	2,226	5,372	4,160	(D)	28,367	40,855	22,583	10,694	818.5
Panama .....	6,708	3,673	2,555	1,092	26	235	92	(*)	373	16	453	140	11.2
Other .....	4,760	4,499	3,541	923	35	194	188	(*)	542	330	1,290	255	20.8
Other Western Hemisphere .....	659,196	82,024	48,275	22,695	11,054	44,746	1,625	(D)	979	2,358	11,688	1,232	43.6
Barbados .....	17,290	4,162	2,218	1,808	136	2,005	27	(D)	69	(D)	1,799	30	0.9
Bermuda .....	357,052	38,893	20,527	12,304	6,062	30,927	85	0	79	(D)	4,276	157	2.1
Dominican Republic .....	3,714	2,943	1,737	1,205	1	342	278	1	98	(D)	656	187	18.3
United Kingdom Islands, Caribbean .....	213,587	24,096	16,434	3,208	4,454	9,484	401	(D)	167	638	1,846	465	7.3
Other .....	67,553	11,930	7,360	4,170	400	1,987	835	1	564	1,391	3,110	393	14.9
<b>Africa</b> .....	<b>73,964</b>	<b>40,465</b>	<b>35,745</b>	<b>4,606</b>	<b>114</b>	<b>4,740</b>	<b>6,793</b>	<b>31</b>	<b>914</b>	<b>2,115</b>	<b>16,861</b>	<b>2,745</b>	<b>149.8</b>
Egypt .....	6,532	4,597	4,293	298	6	351	474	4	143	2	1,568	170	19.9
Nigeria .....	12,307	6,594	5,985	608	1	1,297	2,178	0	34	(D)	5,012	225	7.4
South Africa .....	9,028	12,516	11,056	1,401	59	585	207	24	514	(D)	2,721	1,231	61.4
Other .....	46,096	16,758	14,411	2,298	49	2,506	3,935	3	223	1,809	7,560	1,118	61.2
<b>Middle East</b> .....	<b>33,076</b>	<b>17,868</b>	<b>14,966</b>	<b>2,779</b>	<b>123</b>	<b>2,672</b>	<b>1,830</b>	<b>687</b>	<b>745</b>	<b>1,000</b>	<b>6,582</b>	<b>2,281</b>	<b>52.6</b>
Israel .....	13,648	6,720	5,706	986	28	878	228	687	224	631	2,521	1,474	34.9
Saudi Arabia .....	4,338	1,529	948	568	13	400	12	0	9	(*)	224	224	4.6
United Arab Emirates .....	5,709	4,373	3,799	535	39	186	72	(*)	333	(D)	849	280	5.2
Other .....	9,380	5,246	4,513	690	43	1,208	1,517	0	178	(D)	2,989	303	8.0
<b>Asia and Pacific</b> .....	<b>1,082,019</b>	<b>589,878</b>	<b>461,304</b>	<b>110,234</b>	<b>18,340</b>	<b>43,743</b>	<b>18,749</b>	<b>4,062</b>	<b>34,580</b>	<b>31,609</b>	<b>127,564</b>	<b>47,973</b>	<b>1,702.6</b>
Australia .....	167,013	73,230	52,391	18,075	2,764	4,330	6,198	420	4,176	1,336	23,668	10,915	272.7
China .....	44,825	48,754	44,543	4,133	78	3,713	1,582	565	2,257	2,310	8,747	2,782	338.9
Hong Kong .....	126,524	55,734	43,886	9,398	2,450	5,958	669	227	2,787	5,840	8,350	3,603	108.5
India .....	16,997	9,684	7,710	1,661	313	375	513	81	472	235	2,402	1,172	119.8
Indonesia .....	26,775	12,867	11,561	1,131	175	2,499	1,190	4	298	63	6,124	852	65.5
Japan .....	392,603	168,337	113,776	45,870	8,691	9,150	3,066	1,649	9,489	2,030	39,942	16,977	235.9
Korea, Republic of .....	22,313	20,913	16,554	4,075	284	1,454	718	202	1,671	298	5,447	2,522	77.4
Malaysia .....	24,764	32,163	30,424	1,558	181	1,918	1,055	251	1,618	8,172	5,438	1,152	88.5
New Zealand .....	17,387	9,840	7,701	1,874	265	300	352	9	362	144	2,606	1,189	38.5
Philippines .....	18,720	11,380	9,286	1,847	247	1,114	474	52	1,345	648	2,890	633	78.4
Singapore .....	134,999	97,030	89,191	6,999	840	8,922	1,267	514	6,736	8,314	11,880	3,402	95.5
Taiwan .....	54,807	25,748	14,653	9,600	1,495	2,150	416	64	2,436	1,101	3,793	1,614	68.5
Thailand .....	25,176	18,974	15,837	2,638	499	1,224	857	24	807	1,113	4,661	923	95.1
Other .....	9,115	5,224	3,792	1,375	57	636	392	(*)	128	5	1,617	238	19.4
<b>Addenda:</b>													
European Union (15) <sup>2</sup> .....	4,215,191	1,313,737	1,027,691	239,860	46,186	170,114	42,388	14,249	40,739	45,619	353,872	166,786	3,305.9
OPEC <sup>3</sup> .....	82,212	40,878	32,882	7,646	350	6,440	5,408	17	1,500	1,022	18,969	3,329	148.4

\* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data

Table 17.2. Selected Data for Majority-Owned Nonbank Foreign Affiliates by Country of Affiliate, 2004

	Millions of dollars											Thousands of employees
	Total assets	Sales				Net income	Capital expenditures	U.S. exports of goods shipped to MOFAs	U.S. imports of goods shipped by MOFAs	Value added	Compensation of employees	
		Total	Goods	Services	Investment income <sup>1</sup>							
<b>All countries</b> .....	<b>8,065,229</b>	<b>3,238,471</b>	<b>2,618,345</b>	<b>525,167</b>	<b>94,959</b>	<b>354,016</b>	<b>123,068</b>	<b>184,143</b>	<b>231,518</b>	<b>824,336</b>	<b>326,734</b>	<b>8,617.2</b>
<b>Canada</b> .....	<b>619,822</b>	<b>416,435</b>	<b>355,467</b>	<b>50,511</b>	<b>10,457</b>	<b>35,336</b>	<b>24,267</b>	<b>58,898</b>	<b>84,518</b>	<b>94,205</b>	<b>40,475</b>	<b>1,065.1</b>
<b>Europe</b> .....	<b>5,046,136</b>	<b>1,709,354</b>	<b>1,378,467</b>	<b>281,350</b>	<b>49,537</b>	<b>189,612</b>	<b>54,088</b>	<b>47,820</b>	<b>54,045</b>	<b>460,010</b>	<b>200,925</b>	<b>3,879.3</b>
Austria .....	25,489	15,465	12,693	2,658	114	1,288	749	212	(D)	4,576	2,035	33.3
Belgium .....	225,546	72,129	61,745	7,409	2,975	8,517	1,620	5,083	1,964	18,343	8,200	120.0
Czech Republic .....	9,257	9,609	8,626	849	134	614	549	192	143	2,974	899	60.3
Denmark .....	46,871	12,317	9,334	2,798	185	5,103	483	189	237	5,475	2,129	38.3
Finland .....	12,553	10,116	8,344	1,713	59	410	413	95	252	2,899	1,028	19.6
France .....	235,409	163,038	131,962	28,398	2,678	9,081	4,987	3,831	4,182	47,717	27,180	562.8
Germany .....	378,802	252,097	218,218	31,004	2,875	11,419	8,562	6,168	6,146	74,184	40,194	601.7
Greece .....	7,840	6,239	5,544	618	77	358	96	101	35	2,778	612	15.8
Hungary .....	16,544	10,111	8,682	1,322	107	49	547	338	799	2,337	942	51.3
Ireland .....	276,460	121,189	109,685	9,704	1,800	27,063	2,373	2,224	15,533	27,022	4,327	82.8
Italy .....	105,401	99,146	82,866	15,020	1,260	2,486	2,586	2,208	1,771	29,292	11,915	238.5
Luxembourg .....	474,823	10,710	6,511	2,723	1,476	16,716	389	606	(D)	-636	604	9.8
Netherlands .....	693,167	140,028	114,659	20,825	4,544	35,621	2,560	7,781	2,626	28,220	10,453	175.1
Norway .....	37,725	27,361	23,877	3,415	69	2,594	2,349	448	752	14,329	2,340	33.4
Poland .....	16,834	16,671	14,501	1,969	201	1,256	905	187	326	4,604	1,329	90.7
Portugal .....	27,558	9,247	7,928	1,215	104	5,190	426	95	96	5,179	1,067	31.3
Russia .....	8,675	10,514	9,313	1,184	17	783	1,036	129	(*)	2,703	711	54.0
Spain .....	112,426	68,799	59,240	8,718	841	5,943	2,245	1,009	768	14,821	8,585	197.2
Sweden .....	107,124	54,011	41,293	12,058	660	4,532	1,227	1,449	5,316	11,028	5,411	101.2
Switzerland .....	293,900	135,159	124,285	9,454	1,410	17,972	1,213	3,377	2,466	17,636	5,348	67.3
Turkey .....	5,292	10,359	9,716	616	27	296	224	88	(D)	3,698	793	25.6
United Kingdom .....	1,884,334	436,246	292,276	116,160	27,810	27,251	15,907	11,850	9,783	132,527	63,379	1,166.3
Other .....	44,105	18,793	17,158	1,521	114	5,068	2,640	158	143	8,307	1,444	102.8
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,083,754</b>	<b>357,600</b>	<b>277,216</b>	<b>63,541</b>	<b>16,843</b>	<b>52,875</b>	<b>13,017</b>	<b>37,508</b>	<b>52,630</b>	<b>82,181</b>	<b>25,197</b>	<b>1,580.2</b>
South America .....	184,873	134,984	107,214	25,932	1,838	9,806	6,979	5,978	5,687	40,623	12,032	650.3
Argentina .....	29,031	21,194	18,146	2,866	182	1,117	1,694	750	820	7,334	1,445	81.5
Brazil .....	85,052	71,495	57,058	13,233	1,204	3,066	2,592	3,149	2,279	18,261	6,739	345.8
Chile .....	20,099	9,152	5,674	3,180	298	889	328	476	466	2,994	854	58.5
Colombia .....	9,436	8,628	7,399	1,167	62	772	509	576	731	2,346	840	66.4
Ecuador .....	2,777	2,899	2,406	491	2	340	259	139	(D)	903	193	7.2
Peru .....	11,117	6,424	5,693	699	32	1,183	704	211	282	2,812	445	26.2
Venezuela .....	24,210	12,366	8,393	3,931	42	2,196	749	569	(D)	5,251	1,364	54.9
Other .....	3,151	2,826	2,446	364	16	244	144	107	27	721	151	10.0
Central America .....	123,853	128,380	114,465	11,976	1,939	6,656	4,050	30,619	42,810	25,319	11,868	885.3
Costa Rica .....	7,222	3,032	2,892	139	1	219	178	404	916	758	364	30.2
Honduras .....	1,324	1,740	(D)	(D)	(D)	92	37	221	317	391	194	20.4
Mexico .....	103,723	114,726	103,393	9,421	1,912	5,594	3,675	29,461	41,203	22,383	10,810	785.2
Panama .....	7,219	3,979	2,543	1,423	13	515	96	86	13	635	222	15.4
Other .....	4,365	4,903	(D)	(D)	(D)	236	63	447	362	1,153	277	34.0
Other Western Hemisphere .....	775,028	94,236	55,537	25,634	13,065	36,412	1,988	911	4,133	16,239	1,298	44.6
Barbados .....	18,746	3,995	2,739	1,114	142	2,252	6	112	(D)	1,893	27	0.8
Bermuda .....	425,365	48,354	25,098	15,677	7,579	21,732	378	47	(D)	6,321	180	2.3
Dominican Republic .....	4,493	3,143	1,879	1,263	1	282	306	71	(D)	613	172	18.5
United Kingdom Islands, Caribbean .....	246,668	25,929	17,377	3,616	4,936	8,875	467	159	692	3,766	485	8.3
Other .....	79,756	12,815	8,444	3,965	406	3,271	831	522	3,135	3,647	435	14.7
<b>Africa</b> .....	<b>86,827</b>	<b>50,008</b>	<b>44,142</b>	<b>5,785</b>	<b>81</b>	<b>7,416</b>	<b>7,226</b>	<b>1,674</b>	<b>2,403</b>	<b>23,519</b>	<b>3,331</b>	<b>160.8</b>
Egypt .....	8,266	5,098	4,808	284	6	569	714	5	(D)	2,106	215	17.6
Nigeria .....	15,629	7,825	7,494	331	0	1,501	2,120	(D)	(D)	5,883	276	7.3
South Africa .....	12,074	16,147	13,868	2,221	58	798	294	802	(D)	4,149	1,711	67.9
Other .....	50,858	20,938	17,972	2,948	18	4,549	4,098	656	2,058	11,381	1,129	68.1
<b>Middle East</b> .....	<b>34,819</b>	<b>20,352</b>	<b>17,119</b>	<b>3,139</b>	<b>94</b>	<b>3,433</b>	<b>2,241</b>	<b>1,191</b>	<b>1,166</b>	<b>7,634</b>	<b>2,392</b>	<b>54.4</b>
Israel .....	14,390	6,914	5,912	984	18	525	363	(D)	923	2,331	1,502	36.4
Saudi Arabia .....	5,012	1,707	1,172	526	9	844	14	33	(D)	113	220	4.0
United Arab Emirates .....	5,334	4,238	3,571	639	28	348	224	271	(D)	1,193	331	6.0
Other .....	10,083	7,493	6,463	991	39	1,717	1,641	(D)	(D)	3,998	338	8.0
<b>Asia and Pacific</b> .....	<b>1,193,871</b>	<b>684,722</b>	<b>545,934</b>	<b>120,841</b>	<b>17,947</b>	<b>65,345</b>	<b>22,230</b>	<b>37,053</b>	<b>36,754</b>	<b>156,786</b>	<b>54,414</b>	<b>1,877.4</b>
Australia .....	168,103	85,878	63,950	18,867	3,061	11,387	5,192	4,433	1,663	29,853	12,561	271.9
China .....	55,436	60,435	54,706	5,639	90	6,092	2,781	2,974	3,188	13,336	3,853	407.9
Hong Kong .....	147,744	63,096	50,324	10,475	2,297	7,515	741	2,428	6,531	8,345	3,502	117.8
India .....	20,188	13,100	9,801	3,174	125	637	679	508	373	3,937	1,826	165.6
Indonesia .....	25,445	11,553	10,900	1,047	116	2,920	(D)	109	23	7,071	818	59.7
Japan .....	445,552	181,687	123,928	50,389	7,370	11,265	3,616	9,409	2,644	46,491	18,738	227.6
Korea, Republic of .....	29,344	25,209	20,299	4,484	426	1,922	1,466	1,917	303	6,902	2,847	79.9
Malaysia .....	26,798	35,182	33,583	1,419	180	2,666	1,234	1,513	8,492	6,526	1,337	97.5
New Zealand .....	14,858	10,385	8,509	1,609	267	462	393	289	122	3,065	1,414	46.4
Philippines .....	18,098	11,347	9,266	1,886	195	1,201	687	1,313	608	3,086	628	83.9
Singapore .....	132,835	122,200	114,303	6,915	982	12,675	1,570	7,946	9,895	13,353	3,638	110.7
Taiwan .....	68,182	31,109	18,833	10,238	2,038	3,206	1,362	3,099	1,184	5,927	1,906	75.2
Thailand .....	31,175	27,755	23,975	3,040	740	2,513	1,011	929	1,724	6,875	1,089	114.4
Other .....	10,112	5,787	4,067	1,658	62	882	(D)	186	2	2,019	258	19.1
<b>Addenda:</b>												
European Union (15) <sup>2</sup> .....	4,663,995	1,514,186	1,200,500	265,734	47,952	163,648	47,096	43,710	50,668	415,617	191,023	3,640.3
OPEC <sup>3</sup> .....	88,843	44,139	36,747	7,194	198	9,369	5,545	1,799	934	23,225	3,366	137.2

\* Less than \$500,000 (+/-).

D Suppressed to avoid disclosure of data of individual companies.

1. See footnote 1 to table 15.1.

2. See footnote 1 to table 16.

3. See footnote 2 to table 16.

NOTE: The preliminary 2004 estimates of research and development expenditures of majority-owned foreign affiliates will be published in the Survey early next year.

MOFA Majority-owned foreign affiliate

Table 18.1. Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 2003

[Thousands of employees]

	All industries	Mining	Utilities	Manufacturing								Wholesale trade	Information	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Other industries
				Total	Of which:											
					Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment					
<b>All countries</b> .....	<b>8,242.2</b>	<b>161.6</b>	<b>67.5</b>	<b>4,217.2</b>	<b>364.5</b>	<b>592.3</b>	<b>243.9</b>	<b>331.2</b>	<b>581.7</b>	<b>234.0</b>	<b>940.0</b>	<b>759.9</b>	<b>325.4</b>	<b>287.1</b>	<b>430.2</b>	<b>1,993.1</b>
<b>Canada</b> .....	<b>1,060.5</b>	<b>20.1</b>	<b>3.4</b>	<b>432.7</b>	<b>39.5</b>	<b>43.2</b>	<b>25.2</b>	<b>21.8</b>	<b>38.9</b>	<b>11.2</b>	<b>123.8</b>	<b>77.2</b>	<b>32.5</b>	<b>32.0</b>	<b>25.1</b>	<b>437.6</b>
<b>Europe</b> .....	<b>3,703.8</b>	<b>31.1</b>	<b>18.8</b>	<b>1,840.9</b>	<b>125.9</b>	<b>294.1</b>	<b>148.6</b>	<b>170.4</b>	<b>156.0</b>	<b>96.5</b>	<b>454.6</b>	<b>404.3</b>	<b>165.2</b>	<b>117.4</b>	<b>246.6</b>	<b>879.5</b>
Austria.....	30.7	(*)	0.1	16.2	1.9	1.8	0.7	1.6	2.5	0.6	2.7	7.8	1.9	0.1	2.0	2.6
Belgium.....	117.0	0.2	0.0	63.5	6.7	18.3	2.2	5.6	0.6	3.7	11.8	17.2	2.9	2.6	9.4	21.2
Czech Republic.....	50.1	0.0	G	41.0	0.6	3.0	1.4	3.1	6.7	1.7	18.2	2.8	0.5	0.4	2.4	G
Denmark.....	37.8	0.4	0.0	16.9	G	1.1	0.9	6.5	1.3	(*)	0.3	5.4	1.3	0.2	9.8	3.9
Finland.....	20.0	0.0	0.0	9.5	0.1	1.2	0.2	1.1	4.6	0.1	0.6	5.8	0.5	0.1	1.6	2.4
France.....	547.2	0.3	0.0	250.5	12.7	58.1	16.1	25.1	24.3	10.4	44.4	62.7	12.2	9.8	20.2	191.5
Germany.....	579.4	1.6	0.2	359.6	11.4	42.0	28.1	35.1	30.5	21.5	129.7	73.0	14.2	11.1	31.1	88.6
Greece.....	13.6	0.0	0.0	7.1	2.0	1.5	0.7	0.0	0.1	0.0	0.0	3.9	(*)	0.4	0.9	1.3
Hungary.....	47.2	0.0	0.4	38.8	H	2.0	H	1.3	3.4	J	8.7	2.5	1.9	0.2	1.6	2.0
Ireland.....	83.2	(*)	0.0	57.8	1.7	12.2	2.2	1.0	19.5	2.5	0.9	5.9	5.2	1.7	4.8	7.8
Italy.....	222.4	0.1	0.2	123.8	4.3	30.2	9.0	15.7	7.8	10.8	23.4	25.4	9.6	3.7	17.1	42.6
Luxembourg.....	9.4	0.0	0.0	7.3	0.0	0.7	0.0	0.0	0.0	0.0	0.0	0.6	(*)	0.3	0.6	0.5
Netherlands.....	171.6	5.1	(*)	84.9	10.1	24.0	9.9	9.6	5.7	1.6	9.3	26.8	9.1	2.9	13.4	29.3
Norway.....	29.0	4.2	(*)	9.9	F	0.4	0.2	3.1	0.8	0.2	0.4	2.9	0.7	0.4	3.0	7.8
Poland.....	71.3	0.0	(*)	57.0	11.9	3.8	2.1	1.2	0.6	G	20.4	3.2	2.5	1.1	2.1	5.4
Portugal.....	33.0	0.0	0.0	21.9	3.3	1.9	0.5	1.0	2.2	0.3	9.6	6.1	0.7	0.8	1.3	2.2
Russia.....	28.2	2.9	0.0	14.0	4.1	G	0.0	G	0.1	0.6	1.2	3.2	1.0	0.2	1.4	5.5
Spain.....	190.1	0.1	0.2	114.4	10.5	17.7	8.8	6.2	6.1	7.9	35.8	22.9	5.8	5.6	8.9	32.4
Sweden.....	97.4	0.0	0.0	59.3	G	5.6	1.9	4.2	3.0	1.1	33.4	13.8	4.2	1.4	2.6	16.0
Switzerland.....	60.3	0.7	0.0	19.8	2.0	5.2	0.6	2.3	2.9	2.3	0.6	22.9	2.5	1.1	3.7	9.5
Turkey.....	28.4	0.1	(*)	15.6	0.9	4.5	0.1	(*)	0.0	(*)	4.9	9.5	(*)	0.2	0.6	2.3
United Kingdom.....	1,153.1	10.4	9.8	391.1	29.5	54.8	28.2	42.2	32.3	13.6	91.8	75.6	87.1	72.5	106.7	399.8
Other.....	83.3	5.0	I	60.9	5.0	H	K	G	0.8	2.7	6.6	4.3	1.3	0.5	1.3	H
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,572.9</b>	<b>51.8</b>	<b>28.2</b>	<b>979.5</b>	<b>111.8</b>	<b>123.5</b>	<b>37.2</b>	<b>67.3</b>	<b>106.4</b>	<b>47.8</b>	<b>269.4</b>	<b>78.2</b>	<b>70.1</b>	<b>37.7</b>	<b>23.9</b>	<b>303.7</b>
South America.....	630.0	34.7	22.2	347.2	50.3	75.0	16.1	40.1	12.8	10.6	66.3	45.1	K	18.9	13.3	M
Argentina.....	81.3	7.1	2.8	35.6	7.1	9.3	1.0	1.2	0.2	0.2	7.2	6.1	5.8	6.9	2.3	14.7
Brazil.....	347.8	2.6	11.3	244.3	24.9	47.5	12.5	36.7	12.6	9.9	51.1	19.7	27.7	5.7	4.2	32.2
Chile.....	52.6	2.2	2.3	10.7	1.9	4.0	0.4	0.5	0.0	(*)	0.5	4.5	3.7	2.8	1.5	24.9
Colombia.....	48.0	4.2	(*)	16.6	4.1	5.3	0.5	0.0	0.0	0.4	1.1	5.6	2.8	1.6	1.1	16.2
Ecuador.....	10.3	1.2	0.1	5.4	2.2	0.8	(*)	0.0	0.0	0.0	F	1.6	F	0.1	0.3	F
Peru.....	20.5	11.0	0.2	3.1	1.1	0.7	0.3	0.0	0.0	0.0	0.0	2.6	1.6	0.1	0.4	1.5
Venezuela.....	60.3	5.2	5.0	27.8	7.4	6.8	1.3	1.6	(*)	0.1	5.4	3.8	2.9	1.3	3.0	11.3
Other.....	9.2	1.2	0.5	3.6	1.7	0.5	0.0	0.2	0.0	0.0	A	1.2	1.3	0.3	0.7	0.4
Central America.....	899.3	12.1	3.0	611.7	60.4	46.8	20.1	27.0	93.5	37.2	203.1	29.8	20.1	16.8	10.3	195.5
Costa Rica.....	29.9	(*)	0.0	15.5	2.3	0.9	0.4	(*)	H	2.8	0.0	H	0.6	0.1	1.5	I
Honduras.....	18.9	0.0	(*)	10.5	1.3	0.2	0.0	0.0	0.0	0.1	H	0.4	(*)	0.4	0.0	7.7
Mexico.....	818.5	12.0	0.8	570.8	53.9	42.4	19.6	27.0	88.2	34.3	198.0	24.0	18.1	15.8	8.7	168.2
Panama.....	11.2	(*)	0.4	2.4	0.1	0.5	0.0	0.0	0.0	0.0	G	1.1	(*)	0.3	(*)	7.0
Other.....	20.8	(*)	1.8	12.5	2.7	2.7	0.1	0.0	G	0.0	0.0	G	1.3	0.3	0.1	H
Other Western Hemisphere.....	43.6	4.9	3.0	20.6	1.1	1.8	1.0	0.2	0.1	0.0	0.0	3.3	H	2.0	0.2	I
Barbados.....	0.9	0.0	0.0	0.5	0.2	0.1	0.0	0.0	(*)	0.0	0.0	0.2	0.1	(*)	0.1	(*)
Bermuda.....	2.1	(*)	0.0	0.2	0.0	(*)	0.0	0.2	0.0	0.0	0.0	0.4	(*)	1.0	0.1	0.5
Dominican Republic.....	18.3	0.0	G	13.0	0.8	0.5	0.2	0.0	0.0	0.0	0.0	0.6	H	0.0	(*)	0.4
United Kingdom Islands, Caribbean.....	7.3	1.9	0.0	3.4	(*)	0.0	0.4	(*)	(*)	(*)	0.0	0.2	0.1	0.3	0.1	1.3
Other.....	14.9	3.1	G	3.6	0.1	1.2	0.3	(*)	(*)	0.0	0.0	1.9	0.1	0.7	(*)	H
<b>Africa</b> .....	<b>149.8</b>	<b>16.1</b>	<b>I</b>	<b>72.2</b>	<b>11.7</b>	<b>8.8</b>	<b>3.4</b>	<b>5.4</b>	<b>H</b>	<b>1.9</b>	<b>J</b>	<b>15.8</b>	<b>2.3</b>	<b>1.2</b>	<b>4.9</b>	<b>K</b>
Egypt.....	19.9	1.0	0.0	13.7	G	1.8	0.3	3.2	0.0	0.0	0.0	G	0.1	0.1	0.1	H
Nigeria.....	7.4	5.4	0.1	0.4	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.1	0.9
South Africa.....	61.4	(*)	0.0	31.9	2.4	4.6	1.5	2.2	0.2	1.9	J	8.8	2.1	0.3	4.7	13.5
Other.....	61.2	9.7	I	26.2	I	2.2	1.6	0.1	H	(*)	H	H	0.1	0.8	0.1	J
<b>Middle East</b> .....	<b>52.6</b>	<b>6.4</b>	<b>A</b>	<b>24.3</b>	<b>2.1</b>	<b>1.5</b>	<b>0.6</b>	<b>1.9</b>	<b>J</b>	<b>0.1</b>	<b>A</b>	<b>5.0</b>	<b>2.3</b>	<b>1.2</b>	<b>4.4</b>	<b>I</b>
Israel.....	34.9	0.0	0.0	21.4	1.9	1.0	0.2	1.4	J	0.1	A	3.6	2.1	0.5	3.1	4.3
Saudi Arabia.....	4.6	0.3	(*)	1.1	0.0	0.2	0.4	0.2	0.2	0.0	(*)	0.2	0.0	0.1	0.7	2.2
United Arab Emirates.....	5.2	1.9	0.0	0.5	0.0	0.1	0.0	0.3	0.0	0.0	0.0	1.1	0.2	0.3	0.5	0.7
Other.....	8.0	4.1	A	1.4	0.2	0.2	(*)	(*)	0.0	0.0	0.0	0.2	(*)	0.3	0.1	G
<b>Asia and Pacific</b> .....	<b>1,702.6</b>	<b>36.3</b>	<b>9.3</b>	<b>867.7</b>	<b>73.4</b>	<b>121.1</b>	<b>28.9</b>	<b>64.4</b>	<b>262.0</b>	<b>76.4</b>	<b>77.5</b>	<b>179.4</b>	<b>53.0</b>	<b>97.7</b>	<b>125.4</b>	<b>333.8</b>
Australia.....	272.7	5.3	2.2	100.0	20.8	15.6	9.4	6.9	3.5	0.8	22.8	24.5	14.4	11.5	28.5	86.4
China.....	338.9	1.6	2.6	217.9	10.5	25.2	12.0	22.0	69.7	40.9	14.3	25.3	4.2	G	4.3	L
Hong Kong.....	108.5	0.0	F	56.4	G	1.6	0.5	1.6	8.9	20.4	0.3	14.6	2.9	7.5	6.6	J
India.....	119.8	0.4	0.0	52.6	1.7	10.5	G	12.6	5.3	3.1	7.1	18.9	4.3	2.9	27.6	13.1
Indonesia.....	65.5	23.1	0.4	28.4	H	7.4	0.2	1.2	0.2	G	1.9	1.6	0.1	4.0	0.9	7.0
Japan.....	235.9	(*)	0.0	76.5	1.0	30.9	G	5.4	19.8	2.8	3.7	35.6	11.0	38.6	37.8	36.4
Korea, Republic of.....	77.4	0.0	0.0	36.2	1.0	3.9	0.9	5.4	12.6	0.8	6.7	8.1	2.4	6.3	4.0	20.5
Malaysia.....	88.5	G	0.0	74.3	0.9	3.2	0.1	1.0	54.3	0.7	2.3	4.8	0.5	2.0	2.2	H
New Zealand.....	38.5	0.3	0.7	16.0	G	0.9	0.3	0.2	0.1	(*)	0.1	5.6	3.3	1.0	3.0	8.6
Philippines.....	78.4	(*)	2.2	58.1	12.0	4.7	0.0	0.5	27.5	G	H	5.6	5.3	3.0	1.2	2.9
Singapore.....	95.5	1.0	0.1	55.0	0.2	4.5	0.5	3.2	33.9	2.0	4.7	13.1	3.4	3.7	5.7	13.5
Taiwan.....	68.5	0.0	0.0	24.1	0.8	3.9	0.9	1.6	10.6	0.7	H	11.1</				

**Table 18.2. Employment of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 2004**  
 [Thousands of employees]

	All industries	Mining	Utilities	Manufacturing								Wholesale trade	Information	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Other industries
				Of which:												
				Total	Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment					
<b>All countries</b> .....	<b>8,617.2</b>	<b>163.6</b>	<b>59.9</b>	<b>4,309.2</b>	<b>370.3</b>	<b>562.1</b>	<b>234.3</b>	<b>342.3</b>	<b>644.8</b>	<b>247.0</b>	<b>945.6</b>	<b>733.5</b>	<b>318.3</b>	<b>242.8</b>	<b>475.1</b>	<b>2,314.8</b>
<b>Canada</b> .....	<b>1,065.1</b>	<b>20.9</b>	<b>2.6</b>	<b>414.0</b>	<b>38.7</b>	<b>34.4</b>	<b>24.9</b>	<b>20.2</b>	<b>38.5</b>	<b>11.4</b>	<b>113.0</b>	<b>74.5</b>	<b>26.0</b>	<b>21.9</b>	<b>23.4</b>	<b>481.8</b>
<b>Europe</b> .....	<b>3,879.3</b>	<b>31.8</b>	<b>14.5</b>	<b>1,883.2</b>	<b>132.0</b>	<b>285.9</b>	<b>144.2</b>	<b>182.3</b>	<b>168.2</b>	<b>109.6</b>	<b>467.3</b>	<b>383.0</b>	<b>172.2</b>	<b>104.5</b>	<b>262.4</b>	<b>1,027.7</b>
Austria.....	33.3	(*)	A	J	1.8	1.9	F	G	2.6	0.5	2.9	7.5	1.9	0.2	1.6	6.5
Belgium.....	120.0	0.1	(*)	67.2	6.5	16.2	2.8	7.0	1.1	3.8	15.5	15.4	5.1	2.6	8.6	21.0
Czech Republic.....	60.3	0.4	G	50.2	0.3	2.3	1.8	5.5	8.3	3.4	22.8	3.1	0.7	0.7	1.1	H
Denmark.....	38.3	0.3	0.0	17.2	2.0	1.1	0.8	6.8	1.3	0.3	0.1	4.4	0.9	0.5	10.0	5.1
Finland.....	19.6	0.0	0.0	I	0.0	1.4	0.3	G	3.5	0.2	0.3	3.9	0.4	0.3	3.8	G
France.....	562.8	0.4	(*)	243.4	16.9	45.1	15.6	25.3	24.8	10.0	46.5	54.8	12.6	8.2	21.0	222.3
Germany.....	601.7	3.4	0.2	380.3	11.2	39.3	26.3	37.7	29.9	32.0	133.9	78.1	13.0	7.6	33.7	85.1
Greece.....	15.8	(*)	0.0	6.3	1.7	1.5	0.4	(*)	0.1	0.0	0.0	3.9	1.1	0.4	0.7	3.4
Hungary.....	51.3	(*)	0.4	41.1	2.7	1.6	4.0	1.6	4.7	12.8	9.6	2.1	2.4	0.2	2.6	2.5
Ireland.....	82.8	0.1	0.0	54.6	1.8	12.6	1.0	1.4	19.9	1.3	1.1	4.9	4.7	2.8	5.3	10.4
Italy.....	238.5	0.1	0.1	129.1	4.1	32.3	9.4	18.8	9.6	10.1	24.6	23.3	10.4	4.6	22.6	48.3
Luxembourg.....	9.8	0.0	0.0	7.3	0.0	0.7	0.5	0.1	0.0	0.0	0.0	0.3	0.5	0.5	0.1	1.0
Netherlands.....	175.1	4.3	0.1	86.9	10.1	24.0	9.0	9.9	5.3	1.8	10.0	27.3	11.3	4.5	15.3	25.3
Norway.....	33.4	4.1	(*)	10.4	F	0.7	G	H	0.7	0.2	0.3	2.9	5.3	0.3	2.2	8.1
Poland.....	90.7	0.0	0.4	68.1	13.0	3.1	5.2	1.5	2.5	H	23.9	3.5	2.8	1.3	3.0	11.6
Portugal.....	31.3	0.0	0.0	19.4	2.2	2.0	0.6	1.7	2.2	0.1	8.0	5.9	1.1	0.8	0.7	3.5
Russia.....	54.0	4.9	0.0	18.4	6.5	1.8	(*)	2.5	0.6	0.6	0.4	3.6	1.4	0.2	1.5	24.0
Spain.....	197.2	0.1	0.1	115.5	10.4	19.1	8.7	6.5	6.9	8.9	36.7	16.4	5.7	4.8	15.0	39.5
Sweden.....	101.2	0.0	0.0	58.2	G	5.7	1.5	4.3	4.5	0.7	31.6	12.9	5.0	1.5	2.4	21.2
Switzerland.....	67.3	0.8	0.0	22.7	2.1	5.6	0.6	2.2	2.9	2.7	0.6	25.3	1.8	1.8	3.8	11.1
Turkey.....	25.6	(*)	(*)	15.7	0.7	4.1	0.1	0.2	(*)	(*)	4.8	4.8	0.2	0.2	0.9	3.6
United Kingdom.....	1,166.3	6.9	5.2	373.4	30.6	58.2	24.2	39.7	31.1	13.3	85.5	74.6	82.3	59.8	103.5	460.6
Other.....	5.8	5.8	I	73.3	4.7	5.6	K	3.9	5.7	H	8.3	4.1	1.4	0.5	2.8	I
<b>Latin America and Other Western Hemisphere</b> .....	<b>1,580.2</b>	<b>54.2</b>	<b>28.2</b>	<b>944.6</b>	<b>110.9</b>	<b>110.0</b>	<b>31.1</b>	<b>69.8</b>	<b>104.4</b>	<b>46.8</b>	<b>260.4</b>	<b>67.8</b>	<b>52.5</b>	<b>23.1</b>	<b>25.6</b>	<b>384.2</b>
South America.....	650.3	35.7	23.3	348.4	44.7	63.8	14.8	39.5	J	10.9	76.3	40.9	30.6	13.2	12.5	145.7
Argentina.....	81.5	7.6	2.8	40.2	7.8	9.1	0.4	1.2	0.6	0.1	8.4	5.3	6.3	3.0	1.3	15.0
Brazil.....	345.8	2.6	11.5	245.0	22.9	38.7	11.4	35.2	15.0	10.3	59.7	21.1	16.2	5.4	6.4	37.6
Chile.....	58.5	1.2	2.9	10.1	G	3.8	A	F	(*)	0.0	0.5	3.7	4.7	2.0	1.2	32.6
Colombia.....	66.4	4.6	(*)	15.2	3.3	3.6	F	0.3	A	0.3	G	4.7	0.6	1.3	0.8	39.2
Ecuador.....	7.2	1.1	(*)	3.2	0.5	0.6	(*)	(*)	(*)	0.0	F	1.4	0.1	0.1	(*)	1.2
Peru.....	26.2	11.5	0.4	4.2	1.3	1.4	0.2	0.2	(*)	0.0	0.1	1.8	1.1	0.1	0.3	6.9
Venezuela.....	54.9	5.5	5.1	27.6	I	6.3	1.9	G	0.1	0.2	5.3	G	0.3	G	2.4	10.7
Other.....	10.0	1.7	0.6	2.9	G	0.4	0.1	0.0	0.1	0.0	(*)	F	1.3	A	0.1	2.4
Central America.....	885.3	13.6	3.1	577.7	65.0	44.2	15.8	30.1	87.7	35.9	184.1	24.9	14.7	7.9	12.7	230.8
Costa Rica.....	30.2	0.0	0.1	14.6	2.2	1.2	0.3	0.0	H	2.0	0.0	0.5	0.2	0.0	2.8	12.0
Honduras.....	20.4	0.0	0.0	12.0	G	0.4	0.1	(*)	0.0	0.0	H	0.1	(*)	0.1	(*)	8.2
Mexico.....	785.2	13.5	0.4	526.1	55.9	39.5	15.4	30.0	81.4	33.9	180.4	21.6	13.6	7.1	9.4	193.5
Panama.....	15.4	0.1	0.8	1.3	0.3	0.5	(*)	0.0	0.0	0.0	0.0	1.0	(*)	0.2	(*)	12.0
Other.....	34.0	(*)	1.7	23.7	H	2.6	(*)	(*)	G	0.0	A	1.8	0.8	0.5	0.4	5.1
Other Western Hemisphere.....	44.6	4.9	1.9	18.6	1.2	2.0	0.5	0.2	F	0.0	0.0	2.0	7.3	2.0	0.3	7.7
Barbados.....	0.8	(*)	0.1	0.1	(*)	(*)	(*)	(*)	(*)	0.0	0.0	0.1	0.2	(*)	0.2	0.2
Bermuda.....	2.3	0.1	(*)	0.2	0.0	(*)	0.0	0.2	(*)	0.0	0.0	0.4	(*)	1.0	0.1	0.4
Dominican Republic.....	18.5	0.0	1.3	12.1	F	0.7	0.2	0.0	F	0.0	0.0	0.6	H	0.0	0.0	F
United Kingdom Islands, Caribbean.....	8.3	1.9	0.1	H	0.1	(*)	(*)	0.0	(*)	0.0	0.0	0.3	0.5	0.5	(*)	G
Other.....	14.7	2.9	0.3	H	A	1.2	0.3	0.0	(*)	0.0	0.0	0.5	H	0.4	(*)	4.4
<b>Africa</b> .....	<b>160.8</b>	<b>14.9</b>	<b>7.7</b>	<b>78.7</b>	<b>9.3</b>	<b>8.2</b>	<b>3.4</b>	<b>4.2</b>	<b>3.8</b>	<b>2.5</b>	<b>20.7</b>	<b>17.3</b>	<b>3.3</b>	<b>1.5</b>	<b>4.4</b>	<b>33.2</b>
Egypt.....	17.6	0.9	0.0	12.2	2.1	1.2	0.2	1.8	0.0	0.3	0.0	3.2	0.1	0.3	0.1	0.8
Nigeria.....	7.3	5.6	0.1	0.4	0.0	0.3	(*)	0.0	0.0	0.0	0.0	0.4	(*)	0.0	0.1	0.6
South Africa.....	67.9	(*)	0.0	37.4	3.4	5.1	1.1	2.2	0.3	2.2	14.3	9.7	2.3	0.6	3.9	13.9
Other.....	68.1	8.4	7.6	28.7	3.7	1.7	2.0	0.1	3.6	0.0	6.4	4.0	0.8	0.6	0.3	17.8
<b>Middle East</b> .....	<b>54.4</b>	<b>7.0</b>	<b>0.3</b>	<b>28.5</b>	<b>2.1</b>	<b>1.7</b>	<b>0.2</b>	<b>2.1</b>	<b>17.1</b>	<b>0.2</b>	<b>(*)</b>	<b>3.1</b>	<b>2.9</b>	<b>1.2</b>	<b>4.8</b>	<b>6.7</b>
Israel.....	36.4	0.0	0.0	24.0	2.1	1.1	0.0	1.3	16.8	0.2	0.0	1.7	2.4	0.5	3.1	4.9
Saudi Arabia.....	4.0	1.4	(*)	0.6	0.0	0.2	0.0	0.2	0.2	0.0	(*)	0.5	0.1	0.1	0.4	0.9
United Arab Emirates.....	6.0	1.5	0.0	1.3	(*)	0.2	0.2	0.6	0.1	(*)	0.0	0.9	0.2	0.3	1.0	0.8
Other.....	8.0	4.1	0.2	2.5	0.0	0.2	0.0	0.4	(*)	0.0	0.0	0.1	0.2	0.4	0.3	0.2
<b>Asia and Pacific</b> .....	<b>1,877.4</b>	<b>34.9</b>	<b>6.7</b>	<b>960.2</b>	<b>77.3</b>	<b>121.9</b>	<b>30.6</b>	<b>63.8</b>	<b>312.7</b>	<b>76.5</b>	<b>84.1</b>	<b>187.8</b>	<b>61.4</b>	<b>90.6</b>	<b>154.6</b>	<b>381.2</b>
Australia.....	271.9	6.1	0.7	104.8	20.4	15.4	9.6	5.7	3.3	5.0	23.6	24.7	14.5	11.1	27.5	82.5
China.....	407.9	1.0	2.0	257.9	13.7	27.7	11.6	22.0	89.8	39.6	14.6	27.0	7.7	H	5.9	M
Hong Kong.....	117.8	(*)	F	62.3	G	2.0	1.2	G	11.3	15.5	(*)	14.9	2.7	7.0	6.0	J
India.....	165.6	0.5	(*)	60.1	3.4	10.4	1.9	12.8	6.5	3.5	9.6	29.5	11.2	2.8	47.8	13.6
Indonesia.....	59.7	21.3	0.5	K	I	7.2	0.0	A	0.4	G	0.5	2.3	0.3	G	0.4	6.7
Japan.....	227.6	(*)	0.0	73.5	0.6	29.4	1.6	5.1	18.5	2.2	4.3	34.6	13.2	33.5	37.2	35.6
Korea, Republic of.....	79.9	(*)	(*)	41.4	1.1	4.2	1.1	5.7	14.8	0.8	8.6	7.7	1.7	4.8	5.1	19.1
Malaysia.....	97.5	G	(*)	80.1	0.7	4.0	0.2	1.3	61.2	G	1.5	5.4	0.6	1.7	2.3	I
New Zealand.....	46.4	0.3	0.1	17.0	G	1.0	0.2	0.3	0.6	0.2	0.3	3.6	3.6	1.2	2.1	18.5
Philippines.....	83.9	(*)	2.2	58.3	12.2	5.3	(*)	0.3	26.4	4.4	I	3.2	0.3	3.2	11.2	5.4
Singapore.....	110.7	1.0	0.0	61.2	0.2	4.8	0.6	3.5	38.4	1.5	4.5	10.3	4.1	3.9	5.2	25.0
Taiwan.....	75.2	0.0	0.0	25.9	0.8	3.5	1.1	2.0	12.4	0.2	G	12.6	1			



Table 19.1. Value Added of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 2003

(Millions of dollars)

	All industries	Mining	Utilities	Manufacturing								Wholesale trade	Information	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Other industries
				Total	Of which:											
					Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment					
<b>All countries</b> .....	<b>697,778</b>	<b>71,130</b>	<b>10,340</b>	<b>344,406</b>	<b>21,706</b>	<b>74,043</b>	<b>13,775</b>	<b>17,796</b>	<b>33,014</b>	<b>9,259</b>	<b>51,441</b>	<b>106,909</b>	<b>29,099</b>	<b>32,213</b>	<b>37,582</b>	<b>66,099</b>
<b>Canada</b> .....	<b>83,958</b>	<b>12,488</b>	<b>862</b>	<b>44,351</b>	<b>2,663</b>	<b>4,926</b>	<b>2,113</b>	<b>1,514</b>	<b>2,505</b>	<b>666</b>	<b>10,892</b>	<b>6,062</b>	<b>1,599</b>	<b>2,508</b>	<b>1,366</b>	<b>14,723</b>
<b>Europe</b> .....	<b>393,567</b>	<b>22,234</b>	<b>2,880</b>	<b>204,707</b>	<b>12,236</b>	<b>49,717</b>	<b>8,430</b>	<b>11,348</b>	<b>12,784</b>	<b>6,013</b>	<b>29,536</b>	<b>68,135</b>	<b>19,634</b>	<b>15,307</b>	<b>24,131</b>	<b>36,541</b>
Austria.....	3,624	1	12	1,606	273	175	29	127	404	45	152	1,344	329	-14	172	175
Belgium.....	15,972	13	0	9,728	632	3,377	181	347	69	220	943	2,531	158	138	1,695	1,707
Czech Republic.....	1,882	(*)	(D)	1,523	22	78	27	53	79	31	428	146	46	-4	37	(D)
Denmark.....	3,335	681	0	1,138	(D)	139	64	298	68	(*)	9	529	87	28	699	173
Finland.....	2,163	0	0	560	7	125	3	63	175	7	44	1,201	40	-7	164	205
France.....	42,402	74	0	23,763	1,138	6,030	1,178	1,732	1,471	855	3,604	7,140	886	1,017	1,966	7,555
Germany.....	67,004	1,275	23	36,295	1,780	5,463	2,025	2,514	2,202	2,223	8,936	17,061	1,637	2,148	3,028	5,537
Greece.....	1,056	(*)	0	485	87	198	49	0	9	0	0	494	1	46	31	(*)
Hungary.....	1,876	(*)	60	1,181	(D)	21	(D)	23	6	(D)	206	364	58	10	133	71
Ireland.....	28,100	6	(*)	21,992	173	13,814	73	81	3,945	160	52	2,545	2,032	475	591	460
Italy.....	25,245	-16	16	17,579	600	3,211	599	1,383	602	621	1,264	3,356	799	62	1,730	1,719
Luxembourg.....	884	0	0	696	0	193	51	(*)	0	0	0	257	2	123	61	-255
Netherlands.....	22,995	894	17	12,570	1,320	3,620	524	718	481	81	1,467	4,157	1,419	658	1,715	1,566
Norway.....	9,634	6,417	(*)	1,984	(D)	54	12	236	95	-101	32	198	119	-5	317	603
Poland.....	3,489	(*)	12	2,776	367	193	64	22	64	(D)	544	237	51	108	92	213
Portugal.....	3,588	(*)	(*)	2,530	148	191	14	44	118	13	278	751	40	-9	85	192
Russia.....	1,713	140	0	926	150	(D)	0	(D)	6	4	65	334	42	1	26	245
Spain.....	13,110	30	32	8,279	627	2,366	712	498	319	405	2,025	2,038	300	279	579	1,574
Sweden.....	9,174	0	0	5,049	(D)	1,115	131	252	147	56	2,819	1,312	1,823	-142	362	770
Switzerland.....	12,766	40	0	3,071	189	1,045	71	241	383	215	77	7,948	388	139	969	211
Turkey.....	2,678	2	38	2,172	97	237	20	(*)	(*)	(*)	171	403	2	10	24	27
United Kingdom.....	115,219	9,237	2,540	47,130	3,859	7,848	1,845	2,624	2,139	808	6,354	13,430	9,394	10,200	9,614	13,673
Other.....	5,658	3,440	(D)	1,674	121	(D)	(D)	(D)	(*)	94	66	358	-19	47	44	(D)
<b>Latin America and Other Western Hemisphere</b> .....	<b>69,245</b>	<b>8,239</b>	<b>3,629</b>	<b>34,531</b>	<b>4,117</b>	<b>7,837</b>	<b>1,219</b>	<b>2,061</b>	<b>3,027</b>	<b>868</b>	<b>6,904</b>	<b>9,851</b>	<b>3,285</b>	<b>3,271</b>	<b>1,613</b>	<b>4,826</b>
<b>South America</b> .....	<b>31,785</b>	<b>5,532</b>	<b>3,337</b>	<b>15,332</b>	<b>2,048</b>	<b>4,216</b>	<b>729</b>	<b>1,391</b>	<b>550</b>	<b>222</b>	<b>1,460</b>	<b>3,575</b>	(D)	95	1,024	(D)
Argentina.....	5,652	1,713	279	2,918	665	542	25	74	10	-26	196	592	177	-261	96	137
Brazil.....	14,444	182	2,099	9,404	828	2,710	604	1,190	539	233	1,015	1,489	784	135	310	40
Chile.....	2,599	494	447	580	57	257	18	10	(*)	1	18	486	187	122	63	220
Colombia.....	2,417	698	1	659	111	270	6	0	1	6	56	490	139	53	48	328
Ecuador.....	579	280	18	131	12	12	-2	0	0	0	(D)	57	(D)	-25	3	(D)
Peru.....	1,619	1,058	52	151	21	45	13	0	0	(*)	-2	185	102	22	17	31
Venezuela.....	3,935	947	397	1,345	272	359	66	111	1	8	131	155	362	65	479	184
Other.....	541	161	44	142	83	21	(*)	6	0	0	(D)	121	59	-16	9	22
<b>Central America</b> .....	<b>25,772</b>	<b>563</b>	<b>527</b>	<b>17,099</b>	<b>2,015</b>	<b>3,391</b>	<b>454</b>	<b>628</b>	<b>1,274</b>	<b>641</b>	<b>5,448</b>	<b>1,640</b>	<b>692</b>	<b>1,441</b>	<b>440</b>	<b>3,370</b>
Costa Rica.....	973	(*)	0	485	62	36	15	1	(D)	27	0	(D)	13	-8	47	(D)
Honduras.....	473	0	(*)	219	39	6	0	0	0	3	(D)	93	(*)	5	0	154
Mexico.....	22,583	561	208	15,705	1,854	3,264	443	627	1,120	611	5,408	993	635	1,429	385	2,667
Panama.....	453	1	77	51	2	22	0	0	0	(D)	84	(*)	12	6	222	0
Other.....	1,290	1	242	638	58	62	-4	0	(D)	0	0	(D)	44	2	(D)	(D)
<b>Other Western Hemisphere</b> .....	<b>11,688</b>	<b>2,143</b>	<b>-235</b>	<b>2,101</b>	<b>54</b>	<b>230</b>	<b>36</b>	<b>42</b>	<b>1,203</b>	<b>5</b>	<b>-4</b>	<b>4,636</b>	(D)	<b>1,735</b>	<b>149</b>	<b>(D)</b>
Barbados.....	1,799	(*)	0	118	8	3	0	(*)	95	5	-4	1,325	180	116	24	36
Bermuda.....	4,276	18	(*)	42	(*)	(*)	0	42	(*)	0	0	2,348	18	1,106	105	639
Dominican Republic.....	656	0	(D)	342	25	31	3	0	0	0	0	46	(D)	(*)	1	2
United Kingdom Islands, Caribbean.....	1,846	387	-227	1,316	9	0	-8	1	1,107	0	0	498	47	103	5	-282
Other.....	3,110	1,739	(D)	282	11	196	42	(*)	1	0	0	419	4	411	13	(D)
<b>Africa</b> .....	<b>16,861</b>	<b>11,680</b>	(D)	<b>2,113</b>	<b>325</b>	<b>399</b>	<b>124</b>	<b>140</b>	(D)	<b>85</b>	(D)	<b>1,219</b>	<b>65</b>	<b>59</b>	<b>246</b>	(D)
Egypt.....	1,568	1,288	0	111	(D)	43	11	60	0	0	-4	(D)	3	4	2	(D)
Nigeria.....	5,012	4,807	51	47	0	5	0	0	0	0	0	67	0	(*)	20	21
South Africa.....	2,721	-13	0	1,029	52	255	51	78	9	83	(D)	514	91	47	219	834
Other.....	7,560	5,598	(D)	925	(D)	96	63	2	(D)	2	(D)	(D)	-29	8	5	(D)
<b>Middle East</b> .....	<b>6,582</b>	<b>3,313</b>	(D)	<b>1,633</b>	<b>71</b>	<b>152</b>	<b>15</b>	<b>98</b>	(D)	<b>-2</b>	(D)	<b>478</b>	<b>365</b>	<b>167</b>	<b>344</b>	(D)
Israel.....	2,521	(*)	0	1,531	64	67	3	47	(D)	-2	(D)	239	326	32	275	117
Saudi Arabia.....	224	96	1	-34	0	26	11	6	-78	0	(*)	49	(*)	13	43	55
United Arab Emirates.....	849	439	0	108	0	59	0	35	0	0	(*)	168	34	58	23	19
Other.....	2,989	2,779	(D)	27	8	(*)	1	9	0	0	0	22	6	63	2	(D)
<b>Asia and Pacific</b> .....	<b>127,564</b>	<b>13,176</b>	<b>2,782</b>	<b>57,072</b>	<b>2,294</b>	<b>11,013</b>	<b>1,873</b>	<b>2,635</b>	<b>13,526</b>	<b>1,630</b>	<b>3,824</b>	<b>21,164</b>	<b>4,152</b>	<b>10,901</b>	<b>9,882</b>	<b>8,436</b>
Australia.....	23,668	3,358	697	8,931	1,181	1,557	1,250	398	105	88	1,586	4,131	1,015	703	2,275	2,559
China.....	8,747	412	126	6,352	263	1,330	242	466	2,123	480	339	995	189	(D)	223	(D)
Hong Kong.....	8,350	(*)	(D)	1,206	(D)	190	36	114	147	171	12	3,462	250	1,375	412	(D)
India.....	2,402	40	-7	1,197	37	393	(D)	186	126	28	146	643	135	-71	438	27
Indonesia.....	6,124	5,194	163	627	(D)	191	8	6	-3	(D)	19	91	(*)	-9	1	55
Japan.....	39,942	4	0	18,503	159	3,804	(D)	535	2,199	468	430	6,752	1,637	5,982	5,108	1,957
Korea, Republic of.....	5,447	(*)	0	3,075	146	405	33	394	710	107	472	713	182	721	471	287
Malaysia.....	5,438	(D)	-1	3,080	9	227	2	22	2,447	2	19	371	20	134	159	(D)
New Zealand.....	2,606	84	264	979	(D)	92	9	8	-4	2	4	668	118	36	148	310
Philippines.....	2,890	353	687	1,307	153	265	(*)	32	499	(D)	(D)	161	27	88	39	229
Singapore.....	11,880	56	1	7,814	30	1,683	29	268	4,243	190	488	1,853	506	748	311	592
Taiwan.....	3,793	(*)	0	1,613	51	532	38	119	527	31	(D)	788	73	891	94	332
Thailand.....	4,661															

Table 19.2. Value Added of Majority-Owned Nonbank Foreign Affiliates, Country by Industry of Affiliate, 2004

[Millions of dollars]

	All industries	Mining	Utilities	Manufacturing								Wholesale trade	Information	Finance (except depository institutions) and insurance	Professional, scientific, and technical services	Other industries
				Total	Of which:											
					Food	Chemicals	Primary and fabricated metals	Machinery	Computers and electronic products	Electrical equipment, appliances, and components	Transportation equipment					
<b>All countries</b> .....	<b>824,336</b>	<b>94,662</b>	<b>9,545</b>	<b>390,714</b>	<b>24,367</b>	<b>76,457</b>	<b>15,605</b>	<b>20,996</b>	<b>39,118</b>	<b>10,516</b>	<b>55,476</b>	<b>121,597</b>	<b>36,514</b>	<b>38,570</b>	<b>45,804</b>	<b>86,930</b>
<b>Canada</b> .....	<b>94,205</b>	<b>15,259</b>	<b>843</b>	<b>47,554</b>	<b>3,511</b>	<b>5,442</b>	<b>2,409</b>	<b>1,603</b>	<b>2,701</b>	<b>730</b>	<b>11,680</b>	<b>7,366</b>	<b>1,921</b>	<b>2,656</b>	<b>2,027</b>	<b>16,580</b>
<b>Europe</b> .....	<b>460,010</b>	<b>29,250</b>	<b>2,691</b>	<b>231,170</b>	<b>13,942</b>	<b>48,253</b>	<b>9,474</b>	<b>13,454</b>	<b>16,062</b>	<b>6,730</b>	<b>31,565</b>	<b>77,489</b>	<b>24,914</b>	<b>16,297</b>	<b>29,474</b>	<b>48,724</b>
Austria.....	4,576	2	(D)	(D)	313	226	(D)	(D)	448	66	413	1,126	510	8	204	672
Belgium.....	18,343	19	(*)	11,311	834	3,416	226	539	96	316	1,283	2,845	357	317	1,594	1,900
Czech Republic.....	2,974	6	(D)	2,131	6	170	35	81	152	60	687	278	142	-8	24	(D)
Denmark.....	5,475	1,127	0	1,277	179	139	67	371	79	33	9	904	108	92	791	1,174
Finland.....	2,899	0	0	(D)	0	281	115	(D)	171	15	107	1,356	75	6	310	(D)
France.....	47,717	105	(*)	26,194	1,610	6,278	1,050	2,333	1,783	840	3,851	7,792	1,450	1,135	2,371	8,669
Germany.....	74,184	1,478	303	41,825	1,885	5,286	2,139	3,212	2,680	2,835	11,162	18,165	1,507	778	3,725	6,403
Greece.....	2,778	2	0	1,945	84	324	46	(*)	11	0	648	44	43	36	59	59
Hungary.....	2,337	(*)	60	1,188	77	91	212	55	64	231	-106	446	204	9	202	227
Ireland.....	27,022	17	0	19,187	331	8,696	68	121	5,083	122	63	3,027	2,613	224	569	1,386
Italy.....	29,292	18	-2	20,230	627	3,914	673	1,720	1,005	799	1,396	4,221	713	383	1,529	2,200
Luxembourg.....	-636	(*)	0	822	0	194	49	6	0	0	0	289	169	-416	14	-1,514
Netherlands.....	28,220	1,025	3	14,900	1,698	3,933	657	769	547	-335	1,896	4,442	1,860	815	2,323	2,852
Norway.....	14,329	9,756	0	2,396	(D)	71	(D)	(D)	102	1	30	515	521	7	296	838
Poland.....	4,604	0	60	3,003	436	240	167	58	77	(D)	692	414	361	170	199	397
Portugal.....	5,179	0	0	2,860	154	249	13	119	160	4	239	988	107	40	73	1,110
Russia.....	2,703	276	0	1,377	292	183	(*)	52	13	6	38	445	80	-8	120	412
Spain.....	14,821	20	10	9,360	692	2,807	768	773	409	415	2,082	2,082	454	333	1,096	1,466
Sweden.....	11,028	(*)	0	4,903	(D)	1,142	140	257	326	106	2,156	2,370	1,897	1	382	1,475
Switzerland.....	17,636	35	0	4,253	231	1,447	65	200	419	276	88	9,813	1,007	276	1,206	1,044
Turkey.....	3,698	(*)	25	2,978	85	261	16	4	2	(*)	125	517	61	11	41	64
United Kingdom.....	132,527	11,081	2,072	53,473	3,910	8,648	1,859	2,185	2,437	830	5,222	13,890	10,600	12,000	12,260	17,152
Other.....	8,307	4,283	(D)	2,578	148	258	(D)	82	-1	(D)	133	916	72	80	110	(D)
<b>Latin America and Other Western Hemisphere</b> .....	<b>82,181</b>	<b>12,332</b>	<b>3,567</b>	<b>38,492</b>	<b>4,012</b>	<b>8,200</b>	<b>1,330</b>	<b>2,032</b>	<b>3,172</b>	<b>1,187</b>	<b>7,309</b>	<b>10,037</b>	<b>3,419</b>	<b>4,349</b>	<b>1,656</b>	<b>8,329</b>
<b>South America</b> .....	<b>40,623</b>	<b>8,451</b>	<b>3,382</b>	<b>19,632</b>	<b>2,099</b>	<b>4,648</b>	<b>825</b>	<b>1,404</b>	<b>(D)</b>	<b>581</b>	<b>2,536</b>	<b>3,592</b>	<b>1,644</b>	<b>867</b>	<b>972</b>	<b>2,083</b>
Argentina.....	7,334	2,335	269	4,065	733	632	46	63	18	6	264	464	53	94	47	7
Brazil.....	18,261	66	1,993	11,827	915	2,842	664	1,196	593	551	1,875	1,668	822	474	419	993
Chile.....	2,994	493	522	601	(D)	253	(D)	(D)	1	0	21	561	295	114	69	340
Colombia.....	2,346	770	1	775	86	273	(D)	6	(D)	4	(D)	238	56	63	37	407
Ecuador.....	903	499	15	184	7	45	-2	1	1	0	(D)	113	61	-1	3	28
Peru.....	2,812	2,139	79	231	18	95	14	3	1	0	1	171	64	15	15	97
Venezuela.....	5,251	2,006	461	1,708	(D)	487	89	(D)	4	20	261	(D)	214	(D)	380	169
Other.....	721	143	43	240	(D)	22	-1	(*)	2	0	3	(D)	78	(D)	2	42
<b>Central America</b> .....	<b>25,319</b>	<b>1,238</b>	<b>512</b>	<b>16,002</b>	<b>1,859</b>	<b>3,284</b>	<b>440</b>	<b>574</b>	<b>1,330</b>	<b>606</b>	<b>4,688</b>	<b>1,584</b>	<b>894</b>	<b>582</b>	<b>493</b>	<b>4,016</b>
Costa Rica.....	758	(*)	-6	586	37	34	17	0	(D)	32	0	-23	10	0	65	126
Honduras.....	391	0	0	203	(D)	10	3	(*)	0	0	(D)	81	(*)	2	(*)	105
Mexico.....	22,383	1,228	173	14,703	1,706	3,158	419	573	1,089	574	4,646	1,116	853	560	415	3,335
Panama.....	635	5	122	3	24	3	(*)	0	0	0	123	3	5	6	339	6
Other.....	1,153	5	222	478	(D)	58	(*)	1	(D)	0	(D)	287	28	15	6	111
<b>Other Western Hemisphere</b> .....	<b>16,239</b>	<b>2,643</b>	<b>-327</b>	<b>2,858</b>	<b>55</b>	<b>269</b>	<b>65</b>	<b>53</b>	<b>(D)</b>	<b>0</b>	<b>86</b>	<b>4,862</b>	<b>882</b>	<b>2,899</b>	<b>191</b>	<b>2,231</b>
Barbados.....	1,893	1	-2	123	11	2	(*)	(*)	110	0	0	1,321	242	184	4	21
Bermuda.....	6,321	160	0	138	0	2	0	53	1	0	86	1,907	35	2,024	145	1,912
Dominican Republic.....	613	0	-152	301	(D)	37	3	0	(D)	0	0	53	(D)	0	0	(D)
United Kingdom Islands, Caribbean.....	3,766	233	-195	(D)	13	4	3	(*)	1,108	0	0	1,290	154	526	32	(D)
Other.....	3,647	2,249	21	(D)	(D)	224	59	0	(*)	0	0	291	(D)	165	11	163
<b>Africa</b> .....	<b>23,519</b>	<b>16,450</b>	<b>178</b>	<b>2,954</b>	<b>254</b>	<b>514</b>	<b>118</b>	<b>211</b>	<b>41</b>	<b>94</b>	<b>558</b>	<b>1,225</b>	<b>204</b>	<b>138</b>	<b>252</b>	<b>2,119</b>
Egypt.....	2,106	1,734	0	79	(*)	42	2	32	0	4	0	157	6	15	7	106
Nigeria.....	5,883	5,702	51	63	0	19	-1	0	0	0	0	47	2	(*)	10	8
South Africa.....	4,149	109	0	1,657	89	363	40	176	20	90	513	653	177	93	230	1,230
Other.....	11,381	8,905	127	1,154	165	90	77	3	21	0	44	368	19	29	5	774
<b>Middle East</b> .....	<b>7,634</b>	<b>4,473</b>	<b>53</b>	<b>1,424</b>	<b>69</b>	<b>213</b>	<b>20</b>	<b>115</b>	<b>793</b>	<b>12</b>	<b>-6</b>	<b>394</b>	<b>434</b>	<b>145</b>	<b>378</b>	<b>333</b>
Israel.....	2,331	0	0	1,361	64	80	0	57	994	11	0	130	374	31	286	148
Saudi Arabia.....	113	131	1	-178	0	26	0	7	-205	0	-6	70	8	14	35	31
United Arab Emirates.....	1,193	616	0	208	5	103	20	49	4	1	0	184	46	54	57	27
Other.....	3,998	3,726	51	32	0	4	0	1	0	0	0	10	5	46	-1	127
<b>Asia and Pacific</b> .....	<b>156,786</b>	<b>16,897</b>	<b>2,214</b>	<b>69,119</b>	<b>2,580</b>	<b>13,835</b>	<b>2,255</b>	<b>3,582</b>	<b>16,350</b>	<b>1,763</b>	<b>4,371</b>	<b>25,086</b>	<b>5,623</b>	<b>14,985</b>	<b>12,018</b>	<b>10,844</b>
Australia.....	29,853	4,393	305	11,227	1,297	1,882	1,471	478	205	273	1,853	4,870	1,199	1,062	2,720	4,076
China.....	13,336	1,257	103	9,018	462	1,878	252	714	2,931	567	378	1,569	278	(D)	384	(D)
Hong Kong.....	8,345	1	(D)	1,361	(D)	268	54	(D)	129	131	6	3,582	291	1,540	505	(D)
India.....	3,937	67	(*)	1,689	41	556	67	303	184	46	202	931	346	30	812	62
Indonesia.....	7,071	5,985	241	(D)	(D)	177	-5	(D)	6	(D)	10	84	13	(D)	19	44
Japan.....	46,491	4	0	20,244	73	4,664	155	626	2,276	454	490	7,525	2,292	8,303	6,006	2,117
Korea, Republic of.....	6,902	1	-3	4,029	108	679	97	497	1,059	89	580	902	150	784	560	478
Malaysia.....	6,526	(D)	1	3,587	37	314	9	45	2,921	(D)	3	391	45	152	125	(D)
New Zealand.....	3,065	105	2	1,289	(D)	127	19	34	34	13	10	718	216	148	172	416
Philippines.....	3,086	414	667	1,437	134	347	(*)	21	528	39	(D)	126	22	89	82	250
Singapore.....	13,353	132	11	8,331	31	1,979	35	426	4,502	75	394	2,223	642	870		

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# Reconciliation of the U.S.-Canadian Current Account, 2004 and 2005

By Renee Sauers, Edward Dozier, and Denis Caron

ON a reconciled basis, the U.S. deficit, or Canadian surplus, is \$52.8 billion for 2004 and \$67.5 billion for 2005 (chart 1, table 1).<sup>1</sup> The U.S.-published current-account balance with Canada is a U.S. deficit of \$43.0 billion for 2004 and a U.S. deficit of \$51.5 billion for 2005; the corresponding Canadian-published balance is a Canadian surplus of \$51.3 billion for 2004 and a Canadian surplus of \$67.0 billion for 2005.<sup>2</sup>

The results of the reconciliation of the bilateral current-account estimates of Canada and the United States for 2004 and 2005 are presented in this article.<sup>3</sup> The details of the current-account reconciliation for 2004 and 2005 are presented in the tables that follow this article. Tables 2.1 and 2.2 show the details of the major types of reconciliation adjustments—definitional, methodological, and statistical—that were made to the major current-account components. Tables 3.1 and 3.2 present the published estimates, the estimates on a common basis (after the estimates have been adjusted for definitional and methodological differences), the reconciled estimates, and the amounts of the adjustments for each major current-account com-

ponent. Tables 4–7 present the reconciliation details for goods, services, and investment income.<sup>4</sup>

4. For the reconciliation, some of the details presented in the tables in this article differ from those presented in the balance-of-payments tables regularly published by the U.S. Bureau of Economic Analysis and by Statistics Canada.

Chart 1. U.S.-Canadian Current-Account Balance

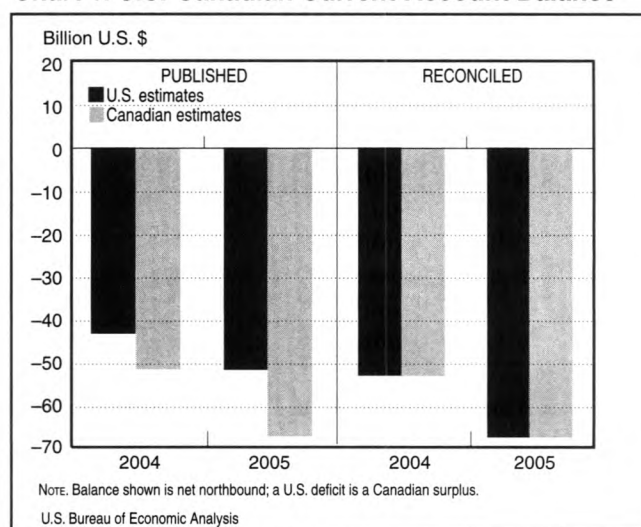


Table 1. Major U.S.-Canadian Balances  
[Billions of U.S. dollars]

	Published estimates		Reconciled estimates	
	United States	Canada	United States	Canada
<b>2004</b>				
Goods and services .....	-60.4	70.1	-72.4	72.4
Goods .....	-69.1	77.0	-78.7	78.7
Services .....	8.6	-6.9	6.3	-6.3
Income .....	17.8	-21.5	19.9	-19.9
Current unilateral transfers .....	-0.4	2.7	-0.3	0.3
<b>Current account .....</b>	<b>-43.0</b>	<b>51.3</b>	<b>-52.8</b>	<b>52.8</b>
<b>2005</b>				
Goods and services .....	-70.9	82.0	-86.3	86.3
Goods .....	-81.1	89.8	-94.0	94.0
Services .....	10.2	-7.8	7.7	-7.7
Income .....	19.4	-18.0	18.6	-18.6
Current unilateral transfers .....	(*)	3.0	0.2	-0.2
<b>Current account .....</b>	<b>-51.5</b>	<b>67.0</b>	<b>-67.5</b>	<b>67.5</b>

\* Less than \$500 million (+/-).

NOTES: A U.S. surplus (+) is a Canadian deficit (-), and a Canadian surplus (+) is a U.S. deficit (-). Details may not add to totals because of rounding.

1. The reconciled estimates are intended to show how the current-account estimates would appear if both countries used the same definitions, methodologies, and data sources. In this article, all values are expressed in U.S. dollars.

2. For this year's reconciliation, the U.S. deficit for 2004 is revised up from the previously published deficit of \$42.2 billion used in last year's reconciliation, and the Canadian surplus for 2004 is revised down from the previously published surplus of \$53.4 billion used in last year's reconciliation.

3. The reconciliation of the current account has been undertaken each year since 1970. Summary results of the reconciliations were published in the United States in the following issues of the SURVEY OF CURRENT BUSINESS: June 1975, September 1976 and 1977, December 1978 and 1979, June 1981, and December 1981–91. Complete details of the reconciliations were published in the following issues of the SURVEY: November 1992, each October of 1993–95, and each November of 1996–2005. In Canada, the results were published in the following issues of *Canada's Balance of International Payments* (catalogue 67–001), a publication of Statistics Canada: Fourth Quarter 1973, Second Quarter 1976 and 1977, Third Quarter 1978 and 1979, First Quarter 1981, and each Third Quarter of 1981–2005.

*This article will also be published in Canada's Balance of International Payments, Third Quarter 2006.*



### Reconciled Current-Account Balances

In the U.S. current account, the reconciliation adjustments result in an increase of \$9.8 billion in the U.S. deficit for 2004 and an increase of \$16.0 billion in the U.S. deficit for 2005. For both years, the increases reflect larger upward adjustments to the U.S. southbound estimates than to the U.S. northbound estimates (tables 2.1 and 2.2).<sup>5</sup> For both years, the largest increases in the U.S. southbound estimates result from the addition of Canadian reexports to U.S. goods imports (a definitional adjustment), from statistical adjustments to southbound services, and from the valuation of U.S. natural gas imports to include inland freight (a definitional adjustment). For both years, the

5. In this article, the term "northbound" refers to U.S. exports of goods and services, U.S. income receipts, and current unilateral transfers to the United States, and it refers to Canadian imports of goods and services, Canadian income payments, and current unilateral transfers from Canada. The term "southbound" refers to U.S. imports of goods and services, U.S. income payments, and current unilateral transfers from the United States, and it refers to Canadian exports of goods and services, Canadian income receipts, and current unilateral transfers to Canada.

largest increases in the U.S. northbound estimates result from upward adjustments to investment income for statistical differences in income on U.S. holdings of Canadian bonds and from adjustments for statistical differences in "other" services.

In the Canadian current account, the reconciliation adjustments result in an increase of \$1.5 billion in the Canadian surplus for 2004 and in an increase of \$0.5 billion in the Canadian surplus for 2005. For both years, the increases in the Canadian surplus reflect larger downward adjustments to the Canadian northbound estimates than to the Canadian southbound estimates. For both years, the largest downward adjustments to the Canadian southbound estimates are from definitional adjustments to goods, from the elimination of the withholding taxes in current unilateral transfers (definitional adjustment), and from adjustments for statistical differences in affiliated services. In the Canadian northbound estimates, the largest downward adjustments are to eliminate statistical differences in income on U.S. holdings of Canadian

#### Note on the U.S.-Canadian Current-Account Reconciliation

The U.S.-Canadian current-account reconciliation, which explains the differences between the estimates of the bilateral current account published by the U.S. Bureau of Economic Analysis (BEA) and those published by Statistics Canada, is undertaken because of the extensive economic links between Canada and the United States. The reconciled estimates are intended to assist analysts who use both countries' statistics and to show how the current-account estimates would appear if both countries used common definitions, methodologies, and data sources.<sup>1</sup>

In principle, the bilateral current account of one country should mirror the bilateral current account of the other country. Differences occur in the published estimates of the U.S. and Canadian current accounts because of variations in the definitions, methodologies, and statistical sources that are used by each country. Some of the differences for 2005 are in components of the current account for which data are still preliminary and subject to revision; these differences may be eliminated when final data for these components become available.

The longstanding Canadian-U.S. current-account reconciliation is among the leading examples of the benefits

of international data exchanges. As a part of the reconciliation process, Canada and the United States have evaluated the accuracy of each other's estimates, and as a result, each country now includes in its published estimates some data that are provided by the other country. The exchange of data between Canada and the United States for transactions such as trade in goods, travel, passenger fares, Canadian and U.S. Government transactions, and some large transportation transactions covers a substantial portion of the value of the Canadian and U.S. current account and has eliminated some of the differences in the Canadian- and U.S.-published estimates. In addition, the reconciliation process has highlighted areas where errors and omissions may exist in each country's estimates, which has helped in targeting data improvement efforts.

Although the U.S.- and Canadian-published estimates are reconciled and there is extensive exchange of data between Canada and the United States, differences in the published estimates remain. Complete substitution of the reconciled estimates for published estimates and complete exchange of data are not feasible for several reasons. For trade in goods, imports in the U.S. accounts would be affected because the United States attributes Canadian reexports to the country of origin rather than to Canada, the last country of shipment. For some accounts, the protection of the confidentiality of the source data bars the exchange of data. Finally, a few differences are attributable to different requirements for integrating the international and national (domestic) accounts in each country.

1. A detailed article on the methodology was published by BEA in "Reconciliation of the U.S.-Canadian Current Account" in the November 1992 SURVEY OF CURRENT BUSINESS and by Statistics Canada in *Reconciliation of the Canadian-United States Current Account, 1990-1991*. Statistics Canada also published a shortened version in the December 1992 *Canadian Economic Observer* and in Canada's *Balance of International Payments, Third Quarter 1992*.



bonds, to eliminate statistical differences in affiliated services, and to eliminate withholding taxes from direct investment and “other” investment income (definitional adjustments).

### Summary of Reconciliation Methodology

In reconciling the U.S.- and Canadian-published bilateral current-account estimates, the estimates are first restated to a common basis—that is, they are adjusted for definitional and methodological differences; the remaining adjustments that are needed to reach the reconciled values are the statistical adjustments. The framework for reconciling the U.S. and Canadian estimates to a common basis mainly follows the international standards published in the International Monetary Fund’s *Balance of Payments Manual* (fifth edition). The U.S.- and Canadian-published estimates now largely conform to the international standards, but some differences with the international standards—and between the U.S. and Canadian estimates—remain in the published estimates because of data limitations, difficulties in determining country attribution, and differences in classification, and because in a few cases, international standards provide for more than one acceptable treatment.

The definitional adjustments mainly reflect data limitations and differences in country attribution. For example, as part of the reconciliation, U.S.-published estimates of imports of goods from Canada are adjusted to include Canadian reexports to the United States (goods imported by Canada from third countries and then reexported to the United States without substantial changes) because U.S. imports of goods are recorded on a country-of-origin basis. Another example of a definitional adjustment is that the Canadian estimates, mainly investment income, are adjusted to a basis that is net of withholding taxes because the U.S. withholding tax estimates—which are included on a global basis in the U.S.-published accounts—cannot be allocated by country for comparison with the Canadian estimates. This definitional adjustment causes the reconciled estimates to depart from the international statistical standards, but without this adjustment, the data could not be compared on a common basis.

The methodological adjustments mainly reflect differences in classification. For example, parts of the U.S. estimates of film rentals and courier services are recorded in various services accounts; for reconciliation, they are reclassified to a single account. A few U.S. and Canadian accounts, mainly interest income, are adjusted to a net or gross basis for comparability. These adjustments do not affect the current-account balance because the northbound and the southbound methodological adjustments are offsetting.

Statistical differences reflect the use of different source data in the United States and Canada, the difficulty in determining country attribution because of insufficient data, the preliminary nature of some of the data (particularly for the most recent year), and the use of sample data between benchmarks. For both the northbound and the southbound estimates, most of the statistical differences are in the U.S. and Canadian estimates of “other” services and investment income.

### Acknowledgments

The reconciliations were carried out under the direction of Denis Caron, Chief, Current Account, at Statistics Canada and Edward Dozier and Renee Sauers, international economists at BEA. At Statistics Canada, Angela Yuan was responsible for the production and coordination of reconciliation tables and for reconciling Canadian goods; Denis Caron was responsible for reconciling Canadian services; Christian Lajule, for Canadian direct investment income; and Barry Mersereau, for Canadian portfolio investment income, with the collaboration and assistance of Heather Collier, François Lavoie, Éric Simard and Robert Théberge. At BEA, Mai-Chi Hoang was responsible for reconciling goods; Edward Dozier and Erin Nephew, for services, with the assistance of Matthew Argersinger for financial services; Gregory Fouch, for the accounts related to Canadian direct investment in the United States; Mark New, for the accounts related to U.S. direct investment in Canada; and Kristy Howell, for the portfolio income accounts.

*Tables 2.1 through 7.2 follow.*

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2004

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis.....	-4	-673	152		980	-699	1,128	-1,372
Definitional adjustments.....	-4	-673					-4	-673
Reclassification of equipment repairs from unaffiliated services.....			152				152	
Statistical adjustments.....					980	-699	980	-699
Services.....	-89	-930	-152	-96	1,397	-1,679	1,156	-2,705
Travel.....			941		-140	-74	801	-74
Reclassification of education from unaffiliated services.....			695				695	
Reclassification of medical services from unaffiliated services.....			246				246	
Statistical adjustments.....					-140	-74	-140	-74
Passenger fares.....					-666		-666	
Other transportation.....		-158		188	-29	-44	-29	-14
Definitional adjustments.....		-158						-158
Reclassification of transportation services from unaffiliated services.....				188				188
Statistical adjustments.....					-29	-44	-29	-44
Other services.....	-89	-772	-1,093	-284	2,232	-1,561	1,050	-2,617
Affiliated.....		-144	-350	-280	1,252	-2,207	902	-2,631
Definitional adjustments.....		-144						-144
Reclassification of film rentals and courier services to unaffiliated services.....			-350					-350
Reclassification of selected services from unaffiliated services.....				-280				-280
Statistical adjustments.....					1,252	-2,207	1,252	-2,207
Unaffiliated.....		-628	-743	-4	980	605	237	-27
Definitional adjustments.....		-628						-628
Reclassification of transactions to or from other accounts.....			-743	-4				-4
Statistical adjustments.....					980	605	980	605
U.S. military sales.....	-89					41	-89	41
Definitional adjustments.....	-89						-89	
Statistical adjustments.....						41		41
Income.....	590	-1,390	-519	-606	144	2,609	215	613
Direct investment.....	-146	-408		-125	-2,909	4,955	-3,055	4,422
Definitional adjustments.....	-146	-408					-146	-408
Adjustment of interest income to a net basis.....				-125				-125
Statistical adjustments.....					-2,909	4,955	-2,909	4,955
Other investment.....	736	-982	-519	-586	3,053	-2,351	3,270	-3,919
Definitional adjustments.....	736	-982					736	-982
Adjustment of interest income to a net basis.....			-519	-586			-519	-586
Statistical adjustments.....					3,053	-2,351	3,053	-2,351
Compensation of employees.....				105		5		110
Reclassification from unaffiliated services.....				105		5		110
Current unilateral transfers.....		-466	947		-56	515	891	49
Definitional adjustments.....		-466						-466
Adjustment of U.S. transfers to a gross basis.....			947				947	
Statistical adjustments.....					-56	515	-56	515
<b>Total adjustments.....</b>	<b>497</b>	<b>-3,459</b>	<b>428</b>	<b>-702</b>	<b>2,465</b>	<b>746</b>	<b>3,390</b>	<b>-3,415</b>

Table 2.1. Summary of Reconciliation Adjustments, Northbound, 2005

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	United States	Canada	United States	Canada	United States	Canada	United States	Canada
Goods, balance-of-payments basis	-79	-902	197		376	-826	494	-1,728
Definitional adjustments	-79	-902					-79	-902
Reclassification of equipment repairs from unaffiliated services			197				197	
Statistical adjustments					376	-826	376	-826
Services	-116	-1,003	-197	-108	1,695	-973	1,382	-2,084
Travel			1,003		158	-135	1,161	-135
Reclassification of education from unaffiliated services			739				739	
Reclassification of medical services from unaffiliated services			264				264	
Statistical adjustments					158	-135	158	-135
Passenger fares					-147		-147	
Other transportation		-143		176	-67	33	-67	66
Definitional adjustments		-143						-143
Reclassification of transportation services from unaffiliated services				176				176
Statistical adjustments					-67	33	-67	33
Other services	-116	-860	-1,200	-284	1,751	-871	435	-2,015
Affiliated		-150	-434	-320	722	-1,624	288	-2,094
Definitional adjustments		-150						-150
Reclassification of film rentals and courier services to unaffiliated services			-434					-434
Reclassification of selected services from unaffiliated services				-320				-320
Statistical adjustments					722	-1,624	722	-1,624
Unaffiliated		-710	-766	36	1,029	707	263	33
Definitional adjustments		-710						-710
Reclassification of transactions to or from other accounts			-766	36			-766	36
Statistical adjustments					1,029	707	1,029	707
U.S. military sales	-116					46	-116	46
Definitional adjustments	-116						-116	
Statistical adjustments						46		46
Income	557	-2,623	-1,016	-1,149	556	4,445	97	673
Direct investment	-305	-1,408		-141	-1,101	6,147	-1,406	4,598
Definitional adjustments	-305	-1,408					-305	-1,408
Adjustment of interest income to a net basis				-141				-141
Statistical adjustments					-1,101	6,147	-1,101	6,147
Other investment	862	-1,215	-1,016	-1,126	1,657	-1,704	1,503	-4,045
Definitional adjustments	862	-1,215					862	-1,215
Adjustment of interest income to a net basis			-1,016	-1,126			-1,016	-1,126
Statistical adjustments					1,657	-1,704	1,657	-1,704
Compensation of employees				118		2		120
Reclassification from unaffiliated services				118		2		120
Current unilateral transfers		-588	1,366		-18	859	1,348	271
Definitional adjustments		-588						-588
Adjustment of U.S. transfers to a gross basis			1,366				1,366	
Statistical adjustments					-18	859	-18	859
<b>Total adjustments</b>	<b>362</b>	<b>-5,116</b>	<b>350</b>	<b>-1,257</b>	<b>2,609</b>	<b>3,505</b>	<b>3,321</b>	<b>-2,868</b>

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2004

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis .....	-1,728	10,629		32	2,008	81	280	10,742
Canadian reexports to the United States .....		7,091						7,091
Inland freight adjustment .....	2,627	2,964					2,627	2,964
Other definitional adjustments .....	-4,355	574					-4,355	574
Reclassification of equipment repairs from unaffiliated services .....				32				32
Statistical adjustments .....					2,008	81	2,008	81
Services .....	-582	-20	-303	-32	-1,182	3,552	-2,067	3,500
Travel .....				142		145		287
Reclassification of education from unaffiliated services .....				78				78
Reclassification of medical services from unaffiliated services .....				64				64
Statistical adjustments .....						145		145
Passenger fares .....						-22		-22
Other transportation .....	-94		64	-207	107	-88	77	-295
Definitional adjustments .....	-94						-94	
Reclassification of courier services to unaffiliated services .....				-207				-207
Reclassification of transportation services from unaffiliated services .....			64				64	
Statistical adjustments .....					107	-88	107	-88
Other services .....	-488	-20	-367	33	-1,289	3,517	-2,144	3,530
Affiliated .....	-44		136	-56	-1,564	1,457	-1,472	1,401
Definitional adjustments .....	-44						-44	
Reclassification of selected services to or from unaffiliated services .....			136	-56			136	-56
Statistical adjustments .....					-1,564	1,457	-1,564	1,457
Unaffiliated .....	-444		-503	89	274	2,060	-673	2,149
Definitional adjustments .....	-444						-444	
Reclassification of transactions to or from other accounts .....			-503	89			-503	89
Statistical adjustments .....					274	2,060	274	2,060
U.S. defense expenditures .....		-20				1	1	-20
Definitional adjustments .....		-20						-20
Statistical adjustments .....						1	1	
Income .....	-195	-152	-444	-519	2,830	-1,234	2,191	-1,905
Direct investment .....	-89	-152	-125		1,479	-512	1,265	-664
Definitional adjustments .....	-89	-152					-89	-152
Adjustment of interest income to a net basis .....			-125				-125	
Statistical adjustments .....					1,479	-512	1,479	-512
Other investment .....	-106		-586	-519	1,234	-722	542	-1,241
Definitional adjustments .....	-106						-106	
Adjustment of interest income to a net basis .....			-586	-519			-586	-519
Statistical adjustments .....					1,234	-722	1,234	-722
Compensation of employees .....			267		117		384	
Reclassification from unaffiliated services .....			267				267	
Statistical adjustments .....					117		117	
Current unilateral transfers .....	-2,443		45	947	109	-79	-2,289	868
Definitional adjustments .....	-2,443						-2,443	
Reclassification from unaffiliated services .....			45				45	
Adjustment of U.S. transfers to a gross basis .....				947				947
Statistical adjustments .....					109	-79	109	-79
<b>Total adjustments .....</b>	<b>-4,948</b>	<b>10,457</b>	<b>-702</b>	<b>428</b>	<b>3,765</b>	<b>2,320</b>	<b>-1,885</b>	<b>13,205</b>

Table 2.2. Summary of Reconciliation Adjustments, Southbound, 2005

[Millions of U.S. dollars]

	Definitional		Methodological		Statistical		Total	
	Canada	United States	Canada	United States	Canada	United States	Canada	United States
Goods, balance-of-payments basis .....								
Canadian reexports to the United States .....	-2,221	13,239		20	4,664	77	2,443	13,336
Inland freight adjustment .....		8,776						8,776
Other definitional adjustments .....	3,604	3,949					3,604	3,949
Reclassification of equipment repairs from unaffiliated services .....	-5,825	514					-5,825	514
Statistical adjustments .....				20	4,664	77	4,664	20
Services .....	-746	-20	-329	-20	-909	3,965	-1,984	3,925
Travel .....				161		267		428
Reclassification of education from unaffiliated services .....				90				90
Reclassification of medical services from unaffiliated services .....				71				71
Statistical adjustments .....						267		267
Passenger fares .....						10		10
Other transportation .....	-123		116	-219	-38	-9	-45	-228
Definitional adjustments .....	-123						-123	
Reclassification of courier services to unaffiliated services .....				-219				-219
Reclassification of transportation services from unaffiliated services .....			116				116	
Statistical adjustments .....					-38	-9	-38	-9
Other services .....	-623	-20	-445	38	-871	3,697	-1,939	3,715
Affiliated .....	-46		124	-77	-1,204	1,243	-1,126	1,166
Definitional adjustments .....	-46						-46	
Reclassification of selected services to or from unaffiliated services .....			124	-77			124	-77
Statistical adjustments .....					-1,204	1,243	-1,204	1,243
Unaffiliated .....	-577		-569	115	334	2,454	-812	2,569
Definitional adjustments .....	-577						-577	
Reclassification of transactions to or from other accounts .....			-569	115			-569	115
Statistical adjustments .....					334	2,454	334	2,454
U.S. defense expenditures .....		-20			-1		-1	-20
Definitional adjustments .....		-20						-20
Statistical adjustments .....					-1		-1	
Income .....	-784	-79	-945	-1,016	1,784	1,977	55	682
Direct investment .....	-255	-79	-141		986	2,138	590	2,059
Definitional adjustments .....	-255	-79					-255	-79
Adjustment of interest income to a net basis .....			-141				-141	
Statistical adjustments .....					986	2,138	986	2,138
Other investment .....	-529		-1,126	-1,016	689	-161	-966	-1,177
Definitional adjustments .....	-529						-529	
Adjustment of interest income to a net basis .....			-1,126	-1,016			-1,126	-1,016
Statistical adjustments .....					689	-161	689	-161
Compensation of employees .....			322		109		431	
Reclassification from unaffiliated services .....			322				322	
Statistical adjustments .....					109		109	
Current unilateral transfers .....	-2,761		17	1,366	-121	-153	-2,865	1,213
Definitional adjustments .....	-2,761						-2,761	
Reclassification from unaffiliated services .....			17				17	
Adjustment of U.S. transfers to a gross basis .....				1,366				1,366
Statistical adjustments .....					-121	-153	-121	-153
<b>Total adjustments .....</b>	<b>-6,512</b>	<b>13,140</b>	<b>-1,257</b>	<b>350</b>	<b>5,418</b>	<b>5,866</b>	<b>-2,351</b>	<b>19,356</b>

**Table 3.1. U.S.-Canadian Current-Account Reconciliation, Northbound**  
[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada
<b>2004</b>										
Goods and services .....	219,683	226,044	-6,361	219,590	224,345	-4,755	221,967	221,967	2,284	-4,077
Goods, balance-of-payments basis .....	189,982	192,482	-2,500	190,130	191,809	-1,679	191,110	191,110	1,128	-1,372
Services .....	29,701	33,562	-3,861	29,460	32,536	-3,076	30,857	30,857	1,156	-2,705
Travel .....	7,996	8,871	-875	8,937	8,871	66	8,797	8,797	801	-74
Passenger fares .....	2,499	1,833	666	2,499	1,833	666	1,833	1,833	-666	
Other transportation .....	2,787	2,772	15	2,787	2,802	-15	2,758	2,758	-29	-14
Other services .....	16,419	20,086	-3,667	15,237	19,030	-3,793	17,469	17,469	1,050	-2,617
Income .....	32,358	31,960	398	32,429	29,964	2,465	32,573	32,573	215	613
Investment income .....	32,248	31,960	288	32,319	29,859	2,460	32,463	32,463	215	503
Direct investment .....	22,127	14,650	7,477	21,981	14,117	7,864	19,072	19,072	-3,055	4,422
Other investment .....	10,121	17,310	-7,189	10,338	15,742	-5,404	13,391	13,391	3,270	-3,919
Compensation of employees .....	110	( <sup>1</sup> )	110	110	105	5	110	110		110
Current unilateral transfers .....	( <sup>2</sup> )	842	-842	947	376	571	891	891	891	49
<b>Current account, northbound .....</b>	<b>252,041</b>	<b>258,846</b>	<b>-6,805</b>	<b>252,966</b>	<b>254,685</b>	<b>-1,719</b>	<b>255,431</b>	<b>255,431</b>	<b>3,390</b>	<b>-3,415</b>
<b>2005</b>										
Goods and services .....	244,964	250,652	-5,688	244,769	248,639	-3,870	246,840	246,840	1,876	-3,812
Goods, balance-of-payments basis .....	212,192	214,414	-2,222	212,310	213,512	-1,202	212,686	212,686	494	-1,728
Services .....	32,772	36,238	-3,466	32,459	35,127	-2,668	34,154	34,154	1,382	-2,084
Travel .....	8,952	10,248	-1,296	9,955	10,248	-293	10,113	10,113	1,161	-135
Passenger fares .....	2,634	2,487	147	2,634	2,487	147	2,487	2,487	-147	
Other transportation .....	3,031	2,898	133	3,031	2,931	100	2,964	2,964	-67	66
Other services .....	18,155	20,605	-2,450	16,839	19,461	-2,622	18,590	18,590	435	-2,015
Income .....	35,885	35,309	576	35,426	31,537	3,889	35,982	35,982	97	673
Investment income .....	35,765	35,309	456	35,306	31,419	3,887	35,862	35,862	97	553
Direct investment .....	22,564	16,560	6,004	22,259	15,011	7,248	21,158	21,158	-1,406	4,598
Other investment .....	13,201	18,749	-5,548	13,047	16,408	-3,361	14,704	14,704	1,503	-4,045
Compensation of employees .....	120	( <sup>1</sup> )	120	120	118	2	120	120		120
Current unilateral transfers .....	( <sup>2</sup> )	1,077	-1,077	1,366	489	877	1,348	1,348	1,348	271
<b>Current account, northbound .....</b>	<b>280,849</b>	<b>287,038</b>	<b>-6,189</b>	<b>281,561</b>	<b>280,665</b>	<b>896</b>	<b>284,170</b>	<b>284,170</b>	<b>3,321</b>	<b>-2,868</b>

1. In the Canadian published accounts, compensation of employees is included in "other" services.

2. Current unilateral transfers are published on a net basis in the U.S. accounts and appear as net payments in table 3.2.

**Table 3.2. U.S.-Canadian Current-Account Reconciliation, Southbound**  
[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates	
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States
<b>2004</b>										
Goods and services .....	296,135	280,106	16,029	293,522	290,715	2,807	294,348	294,348	-1,787	14,242
Goods, balance-of-payments basis .....	269,497	259,035	10,462	267,769	269,696	-1,927	269,777	269,777	280	10,742
Services .....	26,638	21,071	5,567	25,753	21,019	4,734	24,571	24,571	-2,067	3,500
Travel .....	7,580	7,293	287	7,580	7,435	145	7,580	7,580		287
Passenger fares .....	442	464	-22	442	464	-22	442	442		-22
Other transportation .....	3,677	4,049	-372	3,647	3,842	-195	3,754	3,754	77	-295
Other services .....	14,939	9,265	5,674	14,084	9,278	4,806	12,795	12,795	-2,144	3,530
Income .....	10,495	14,591	-4,096	9,856	13,920	-4,064	12,686	12,686	2,191	-1,905
Investment income .....	10,495	14,207	-3,712	9,589	13,536	-3,947	12,302	12,302	1,807	-1,905
Direct investment .....	4,942	6,871	-1,929	4,728	6,719	-1,991	6,207	6,207	1,265	-664
Other investment .....	5,553	7,336	-1,783	4,861	6,817	-1,956	6,095	6,095	542	-1,241
Other private investment .....	4,581	6,319	-1,738	3,928	5,800	-1,872	5,119	5,119	538	-1,200
U.S. Government liabilities .....	972	1,017	-45	933	1,017	-84	976	976	4	-41
Compensation of employees .....	( <sup>1</sup> )	384	-384	267	384	-117	384	384	384	
Current unilateral transfers .....	3,520	363	3,157	1,122	1,310	-188	1,231	1,231	-2,289	868
<b>Current account, southbound .....</b>	<b>310,150</b>	<b>295,060</b>	<b>15,090</b>	<b>304,500</b>	<b>305,945</b>	<b>-1,445</b>	<b>308,265</b>	<b>308,265</b>	<b>-1,885</b>	<b>13,205</b>
<b>2005</b>										
Goods and services .....	332,665	315,863	16,802	329,369	329,082	287	333,124	333,124	459	17,261
Goods, balance-of-payments basis .....	304,207	293,314	10,893	301,986	306,573	-4,587	306,650	306,650	2,443	13,336
Services .....	28,458	22,549	5,909	27,383	22,509	4,874	26,474	26,474	-1,984	3,925
Travel .....	7,430	7,002	428	7,430	7,163	267	7,430	7,430		428
Passenger fares .....	358	348	10	358	348	10	358	358		10
Other transportation .....	4,204	4,387	-183	4,197	4,168	29	4,159	4,159	-45	-228
Other services .....	16,466	10,812	5,654	15,398	10,830	4,568	14,527	14,527	-1,939	3,715
Income .....	17,325	16,988	337	15,596	15,403	193	17,380	17,380	55	882
Investment income .....	17,325	16,067	1,258	15,274	14,972	302	16,949	16,949	-376	882
Direct investment .....	8,759	7,290	1,469	8,363	7,211	1,152	9,349	9,349	590	2,059
Other investment .....	8,566	8,777	-211	6,911	7,761	-850	7,600	7,600	-966	-1,177
Other private investment .....	7,139	7,618	-479	5,566	6,602	-1,036	6,348	6,348	-791	-1,270
U.S. Government liabilities .....	1,427	1,159	268	1,345	1,159	186	1,252	1,252	-175	93
Compensation of employees .....	( <sup>1</sup> )	431	-431	322	431	-109	431	431	431	
Current unilateral transfers .....	4,052	-26	4,078	1,308	1,340	-32	1,187	1,187	-2,865	1,213
<b>Current account, southbound .....</b>	<b>354,042</b>	<b>332,335</b>	<b>21,707</b>	<b>346,273</b>	<b>345,825</b>	<b>448</b>	<b>351,691</b>	<b>351,691</b>	<b>-2,351</b>	<b>19,356</b>

1. In the Canadian published accounts, compensation of employees is included in "other" services.



**Table 4.1. Trade in Goods, Northbound**

[Millions of US dollars]

	U.S. receipts	Canadian payments
<b>2004</b>		
<b>Balance-of-payments basis, published</b> .....	<b>189,982</b>	<b>192,482</b>
Definitional and methodological adjustments:		
Definitional adjustments .....	-4	-673
Reclassification of equipment repairs from unaffiliated services .....	152	
Common basis after definitional and methodological adjustments .....	190,130	191,809
Statistical adjustments .....	980	-699
<b>Reconciled, including statistical adjustments</b> .....	<b>191,110</b>	<b>191,110</b>
<b>2005</b>		
<b>Balance-of-payments basis, published</b> .....	<b>212,192</b>	<b>214,414</b>
Definitional and methodological adjustments:		
Definitional adjustments .....	-79	-902
Reclassification of equipment repairs from unaffiliated services .....	197	
Common basis after definitional and methodological adjustments .....	212,310	213,512
Statistical adjustments .....	376	-826
<b>Reconciled, including statistical adjustments</b> .....	<b>212,686</b>	<b>212,686</b>

**Table 4.2. Trade in Goods, Southbound**

[Millions of U.S. dollars]

	Canadian receipts	U.S. payments
<b>2004</b>		
<b>Balance-of-payments basis, published</b> .....	<b>269,497</b>	<b>259,035</b>
Definitional and methodological adjustments:		
Canadian reexports to the United States .....		7,091
Inland freight adjustment .....	2,627	2,964
Other definitional adjustments .....	-4,355	574
Reclassification of equipment repairs from unaffiliated services .....		32
Common basis after definitional and methodological adjustments .....	267,769	269,696
Statistical adjustments .....	2,008	81
<b>Reconciled, including statistical adjustments</b> .....	<b>269,777</b>	<b>269,777</b>
<b>2005</b>		
<b>Balance-of-payments basis, published</b> .....	<b>304,207</b>	<b>293,314</b>
Definitional and methodological adjustments:		
Canadian reexports to the United States .....		8,776
Inland freight adjustment .....	3,604	3,949
Other definitional adjustments .....	-5,825	514
Reclassification of equipment repairs from unaffiliated services .....		20
Common basis after definitional and methodological adjustments .....	301,986	306,573
Statistical adjustments .....	4,664	77
<b>Reconciled, including statistical adjustments</b> .....	<b>306,650</b>	<b>306,650</b>

Table 5.1. Travel, Passenger Fares, and Other Transportation, Northbound

[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
<b>2004</b>											
<b>Travel</b> .....	<b>7,996</b>	<b>8,871</b>	<b>-875</b>	<b>8,937</b>	<b>8,871</b>	<b>66</b>	<b>8,797</b>	<b>8,797</b>	<b>801</b>	<b>-74</b>	
Business and personal .....	7,996	7,856	140	7,996	7,856	140	7,856	7,856	-140		Statistical
Education .....		769	-769	695	769	-74	695	695		-74	Methodological and statistical
Medical .....		246	-246	246	246		246	246	246		Methodological
<b>Passenger fares</b> .....	<b>2,499</b>	<b>1,833</b>	<b>666</b>	<b>2,499</b>	<b>1,833</b>	<b>666</b>	<b>1,833</b>	<b>1,833</b>	<b>-666</b>		Statistical
<b>Other transportation</b> .....	<b>2,787</b>	<b>2,772</b>	<b>15</b>	<b>2,787</b>	<b>2,802</b>	<b>-15</b>	<b>2,758</b>	<b>2,758</b>	<b>-29</b>	<b>-14</b>	
Freight .....	2,160	2,318	-158	2,156	2,160	-4	2,117	2,117	-43	-201	
Ocean .....	204	429	-225	200	271	-71	236	236	32	-193	Definitional, methodological, and statistical
Air .....	115	42	73	115	42	73	36	36	-79	-6	Statistical
Truck .....	1,429	1,429		1,429	1,429		1,429	1,429			
Other .....	412	418	-6	412	418	-6	416	416	4	-2	Statistical
Port services .....	627	400	227	627	588	39	587	587	-40	187	
Vessel operators .....	86	46	40	86	46	40	46	46	-40		Statistical
Airline operators .....	328	329	-1	328	329	-1	328	328		-1	Statistical
Other .....	213	25	188	213	213		213	213		188	Methodological and statistical
Other .....		54	-54	4	54	-50	54	54	54		Methodological and statistical
<b>2005</b>											
<b>Travel</b> .....	<b>8,952</b>	<b>10,248</b>	<b>-1,296</b>	<b>9,955</b>	<b>10,248</b>	<b>-293</b>	<b>10,113</b>	<b>10,113</b>	<b>1,161</b>	<b>-135</b>	
Business and personal .....	8,952	9,110	-158	8,952	9,110	-158	9,110	9,110	158		Statistical
Education .....		875	-875	739	875	-136	739	739	739	-136	Methodological and statistical
Medical .....		263	-263	264	263	1	264	264	264	1	Methodological and statistical
<b>Passenger fares</b> .....	<b>2,634</b>	<b>2,487</b>	<b>147</b>	<b>2,634</b>	<b>2,487</b>	<b>147</b>	<b>2,487</b>	<b>2,487</b>	<b>-147</b>		Statistical
<b>Other transportation</b> .....	<b>3,031</b>	<b>2,898</b>	<b>133</b>	<b>3,031</b>	<b>2,931</b>	<b>100</b>	<b>2,964</b>	<b>2,964</b>	<b>-67</b>	<b>66</b>	
Freight .....	2,284	2,361	-77	2,280	2,218	62	2,275	2,275	-9	-86	
Ocean .....	178	390	-212	174	247	-73	260	260	82	-130	Definitional, methodological, and statistical
Air .....	136	40	96	136	40	96	33	33	-103	-7	Statistical
Truck .....	1,534	1,533	1	1,534	1,533	1	1,534	1,534		1	Statistical
Other .....	436	398	38	436	398	38	448	448	12	50	Statistical
Port services .....	747	487	260	747	663	84	630	630	-117	143	
Vessel operators .....	100	42	58	100	42	58	73	73	-27	31	Statistical
Airline operators .....	447	421	26	447	421	26	358	358	-89	-63	Statistical
Other .....	200	24	176	200	200		199	199	-1	175	Methodological and statistical
Other .....		50	-50	4	50	-46	59	59	59	9	Methodological and statistical

**Table 5.2. Travel, Passenger Fares, and Other Transportation, Southbound**  
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
<b>2004</b>											
<b>Travel</b> .....	7,580	7,293	287	7,580	7,435	145	7,580	7,580		287	
Business and personal .....	7,361	7,293	68	7,361	7,293	68	7,361	7,361		68	Statistical
Education .....	155		155	155	78	77	155	155		155	Methodological and statistical
Medical .....	64		64	64	64		64	64		64	Methodological
<b>Passenger fares</b> .....	442	464	-22	442	464	-22	442	442		-22	Statistical
<b>Other transportation</b> .....	3,677	4,049	-372	3,647	3,842	-195	3,754	3,754	77	-295	
Freight .....	2,923	3,183	-260	2,923	2,997	-74	2,999	2,999	76	-184	
Ocean .....	221	414	-193	221	372	-151	297	297	76	-117	Methodological and statistical
Air .....	33	33		33	33		33	33			
Truck .....	2,485	2,485		2,485	2,485		2,485	2,485			
Other .....	184	251	-67	184	107	77	184	184		-67	Methodological and statistical
Port services .....	609	866	-257	678	803	-125	713	713	104	-153	
Vessel operators .....	91	149	-58	95	149	-54	95	95	4	-84	Definitional and statistical
Airline operators .....	440	647	-207	440	440		440	440		-207	Methodological
Other .....	78	70	8	142	214	-72	178	178	100	108	Methodological and statistical
Other .....	145		145	46	42	4	42	42	-103	42	Definitional, methodological, and statistical
<b>2005</b>											
<b>Travel</b> .....	7,430	7,002	428	7,430	7,163	267	7,430	7,430		428	
Business and personal .....	7,160	7,002	158	7,160	7,002	158	7,160	7,160		158	Statistical
Education .....	201		201	201	90	111	201	201		201	Methodological and statistical
Medical .....	69		69	69	71	-2	69	69		69	Methodological and statistical
<b>Passenger fares</b> .....	358	348	10	358	348	10	358	358		10	Statistical
<b>Other transportation</b> .....	4,204	4,387	-183	4,197	4,168	29	4,159	4,159	-45	-228	
Freight .....	3,272	3,438	-166	3,272	3,246	26	3,283	3,283	11	-155	
Ocean .....	302	474	-172	302	433	-131	341	341	39	-133	Methodological and statistical
Air .....	26	27	-1	26	27	-1	27	27	1		Statistical
Truck .....	2,672	2,673	-1	2,672	2,673	-1	2,673	2,673	1		Statistical
Other .....	272	264	8	272	113	159	242	242	-30	-22	Methodological and statistical
Port services .....	741	949	-208	862	881	-19	835	835	94	-114	
Vessel operators .....	119	111	8	124	111	13	118	118	-1	7	Definitional and statistical
Airline operators .....	538	757	-219	538	538		502	502	-36	-255	Methodological and statistical
Other .....	84	81	3	200	232	-32	215	215	131	134	Methodological and statistical
Other .....	191		191	63	41	22	41	41	-150	41	Definitional, methodological, and statistical

**Table 6.1. Other Services, Northbound**  
[Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
<b>2004</b>											
<b>Total</b> .....	<b>16,419</b>	<b>20,086</b>	<b>-3,667</b>	<b>15,237</b>	<b>19,030</b>	<b>-3,793</b>	<b>17,469</b>	<b>17,469</b>	<b>1,050</b>	<b>-2,617</b>	
Affiliated .....	7,781	11,314	-3,533	7,431	10,890	-3,459	8,683	8,683	902	-2,631	Definitional, methodological, and statistical
Royalties and license fees .....	3,083	3,698	-615	3,083	3,696	-613	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Other services .....	4,698	7,616	-2,918	4,348	7,194	-2,846	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Unaffiliated .....	8,508	8,772	-264	7,765	8,140	-375	8,745	8,745	237	-27	
Royalties, license fees, and selected services	1,482	2,175	-693	1,476	2,099	-623	1,476	1,476	-6	-699	Definitional, methodological, and statistical
Insurance .....	858	564	294	858	481	377	858	858		294	Definitional and statistical
Financial services .....	1,363	923	440	1,363	817	546	1,449	1,449	86	526	Definitional and statistical
Education and training .....	726	7	719	31	12	19	31	31	-695	24	Methodological and statistical
Communications .....	758	588	170	758	540	218	758	758		170	Methodological and statistical
Computer services .....	842	1,166	-324	842	1,170	-328	842	842		-324	Methodological and statistical
Business services .....	1,646	1,328	318	1,418	1,514	-96	1,785	1,785	139	457	Methodological and statistical
Sports and entertainment .....	606	1,519	-913	792	1,311	-519	1,338	1,338	732	-181	Definitional, methodological, and statistical
Other private .....		228	-228							-228	Definitional and methodological
Government:											
United States (nonmilitary) .....	96	84	12	96	84	12	96	96		12	Statistical
Canada .....	131	190	-59	131	112	19	112	112	-19	-78	Definitional, methodological, and statistical
U.S. military sales .....	130		130	41		41	41	41	-89	41	Definitional and statistical
<b>2005</b>											
<b>Total</b> .....	<b>18,155</b>	<b>20,605</b>	<b>-2,450</b>	<b>16,839</b>	<b>19,461</b>	<b>-2,622</b>	<b>18,590</b>	<b>18,590</b>	<b>435</b>	<b>-2,015</b>	
Affiliated .....	9,229	11,611	-2,382	8,795	11,141	-2,346	9,517	9,517	288	-2,094	Definitional, methodological, and statistical
Royalties and license fees .....	3,676	3,648	28	3,676	3,646	30	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Other services .....	5,553	7,963	-2,410	5,119	7,495	-2,376	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Unaffiliated .....	8,764	8,994	-230	7,998	8,320	-322	9,027	9,027	263	33	
Royalties, license fees, and selected services	1,764	2,174	-410	1,756	2,108	-352	1,756	1,756	-8	-418	Definitional, methodological, and statistical
Insurance .....	982	523	459	982	434	548	982	982		459	Definitional and statistical
Financial services .....	1,590	985	605	1,590	779	811	1,561	1,561	-29	576	Definitional and statistical
Education and training .....	772	8	764	33	12	21	33	33	-739	25	Methodological and statistical
Communications .....	588	577	11	588	538	50	588	588		11	Methodological and statistical
Computer services .....	664	1,281	-617	664	1,285	-621	664	664		-617	Methodological and statistical
Business services .....	1,630	1,443	187	1,380	1,650	-270	1,882	1,882	252	439	Methodological and statistical
Sports and entertainment .....	539	1,492	-953	770	1,306	-536	1,331	1,331	792	-161	Definitional, methodological, and statistical
Other private .....		220	-220							-220	Definitional and methodological
Government:											
United States (nonmilitary) .....	103	81	22	103	81	22	103	103		22	Statistical
Canada .....	132	210	-78	132	127	5	127	127	-5	-83	Definitional, methodological, and statistical
U.S. military sales .....	162		162	46		46	46	46	-116	46	Definitional and statistical

1. Royalties and license fees are combined with "other" services for reconciliation.

**Table 6.2. Other Services, Southbound**  
 [Millions of U.S. dollars]

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
<b>2004</b>											
<b>Total</b> .....	<b>14,939</b>	<b>9,265</b>	<b>5,674</b>	<b>14,084</b>	<b>9,278</b>	<b>4,806</b>	<b>12,795</b>	<b>12,795</b>	<b>-2,144</b>	<b>3,530</b>	
Affiliated.....	6,820	3,947	2,873	6,912	3,891	3,021	5,348	5,348	-1,472	1,401	Definitional, methodological, and statistical
Royalties and license fees .....	780	542	238	780	542	238	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Other services .....	6,040	3,405	2,635	6,132	3,349	2,783	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Unaffiliated.....	8,004	5,182	2,822	7,057	5,271	1,786	7,331	7,331	-673	2,149	
Royalties, license fees, and selected services	2,392	955	1,437	2,086	954	1,132	2,179	2,179	-213	1,224	Definitional and statistical
Insurance.....	152	677	-525	150	677	-527	677	677	525		Definitional and statistical
Financial services.....	414	214	200	417	214	203	254	254	-160	40	Definitional and statistical
Education and training.....	54	138	-84	24	60	-36	60	60	6	-78	Methodological and statistical
Communications.....	856	328	528	660	328	332	494	494	-362	166	Methodological and statistical
Computer services.....	1,293	1,252	41	1,293	1,252	41	1,227	1,227	-66	-25	Statistical
Business services.....	1,390	1,246	144	1,533	1,034	499	1,465	1,465	75	219	Definitional, methodological, and statistical
Sports and entertainment.....	971	61	910	544	441	103	620	620	-351	559	Definitional, methodological, and statistical
Other private.....	132		132						-132		Definitional and methodological
Government:											
Canada.....	44		44	44		44	44	44		44	Statistical
United States (nondefense).....	306	311	-5	306	311	-5	311	311	5		Statistical
U.S. defense expenditures.....	115	136	-21	115	116	-1	116	116	1	-20	Definitional and statistical
<b>2005</b>											
<b>Total</b> .....	<b>16,466</b>	<b>10,812</b>	<b>5,654</b>	<b>15,398</b>	<b>10,830</b>	<b>4,568</b>	<b>14,527</b>	<b>14,527</b>	<b>-1,939</b>	<b>3,715</b>	
Affiliated.....	7,327	5,035	2,292	7,405	4,958	2,447	6,201	6,201	-1,126	1,166	Definitional, methodological, and statistical
Royalties and license fees .....	966	591	375	966	591	375	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Other services .....	6,361	4,444	1,917	6,439	4,367	2,072	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	
Unaffiliated.....	8,972	5,591	3,381	7,826	5,706	2,120	8,160	8,160	-812	2,569	
Royalties, license fees, and selected services	2,564	893	1,671	2,217	889	1,328	2,335	2,335	-229	1,442	Definitional and statistical
Insurance.....	156	668	-512	155	668	-513	668	668	512		Definitional and statistical
Financial services.....	626	342	284	544	342	202	400	400	-226	58	Definitional and statistical
Education and training.....	54	119	-65	27	29	-2	29	29	-25	-90	Methodological and statistical
Communications.....	960	337	623	747	337	410	542	542	-418	205	Methodological and statistical
Computer services.....	1,442	1,362	80	1,442	1,362	80	1,367	1,367	-75	5	Statistical
Business services.....	1,593	1,357	236	1,727	1,207	520	1,695	1,695	102	338	Definitional, methodological, and statistical
Sports and entertainment.....	921	173	748	503	532	-29	733	733	-188	560	Definitional, methodological, and statistical
Other private.....	192		192						-192		Definitional and methodological
Government:											
Canada.....	51		51	51		51	51	51		51	Statistical
United States (nondefense).....	413	340	73	413	340	73	340	340	-73		Statistical
U.S. defense expenditures.....	167	186	-19	167	166	1	166	166	-1	-20	Definitional and statistical

1. Royalties and license fees are combined with "other" services for reconciliation.

Table 7.1. Investment Income, Northbound

(Millions of U.S. dollars)

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	Difference	U.S. receipts	Canadian payments	United States	Canada	Type of adjustment
<b>2004</b>											
<b>Investment Income</b> .....	<b>32,248</b>	<b>31,960</b>	<b>288</b>	<b>32,319</b>	<b>29,859</b>	<b>2,460</b>	<b>32,463</b>	<b>32,463</b>	<b>215</b>	<b>503</b>	
<b>Direct investment income</b> .....	<b>22,127</b>	<b>14,650</b>	<b>7,477</b>	<b>21,981</b>	<b>14,117</b>	<b>7,864</b>	<b>19,072</b>	<b>19,072</b>	<b>-3,055</b>	<b>4,422</b>	
Earnings of incorporated affiliates.....	20,681	12,606	8,075	20,582	12,557	8,025	17,504	17,504	-3,177	4,898	
Dividends.....	3,184	4,318	-1,134	3,085	3,935	-850	3,831	3,831	647	-487	Definitional and statistical
Reinvested earnings.....	17,497	8,288	9,209	17,497	8,622	8,875	13,673	13,673	-3,824	5,385	Definitional and statistical
Earnings of unincorporated affiliates.....	663	1,012	-349	663	999	-336	832	832	169	-180	Definitional and statistical
Interest.....	783	1,032	-249	736	561	175	736	736	-47	-296	Definitional, methodological, and statistical
<b>Other investment income</b> .....	<b>10,121</b>	<b>17,310</b>	<b>-7,189</b>	<b>10,338</b>	<b>15,742</b>	<b>-5,404</b>	<b>13,391</b>	<b>13,391</b>	<b>3,270</b>	<b>-3,919</b>	
Securities.....	8,228	14,409	-6,181	8,964	14,774	-5,810	12,234	12,234	4,006	-2,175	
Dividends.....	3,305	2,899	406	3,305	3,264	41	3,285	3,285	-20	386	Definitional and statistical
Interest.....	4,923	11,510	-6,587	5,659	11,510	-5,851	8,949	8,949	4,026	-2,561	Definitional and statistical
U.S. claims/Canadian liabilities.....	1,893	2,901	-1,008	1,374	968	406	1,157	1,157	-736	-1,744	
U.S. bank claims.....	1,226	961	265	719	376	343	547	547	-679	-414	Definitional, methodological, and statistical
Other private U.S. claims.....	667	1,940	-1,273	655	592	63	610	610	-57	-1,330	Definitional, methodological, and statistical
<b>2005</b>											
<b>Investment Income</b> .....	<b>35,765</b>	<b>35,309</b>	<b>456</b>	<b>35,306</b>	<b>31,419</b>	<b>3,887</b>	<b>35,862</b>	<b>35,862</b>	<b>97</b>	<b>553</b>	
<b>Direct investment income</b> .....	<b>22,564</b>	<b>16,560</b>	<b>6,004</b>	<b>22,259</b>	<b>15,011</b>	<b>7,248</b>	<b>21,158</b>	<b>21,158</b>	<b>-1,406</b>	<b>4,598</b>	
Earnings of incorporated affiliates.....	21,000	14,521	6,479	20,749	13,581	7,168	19,556	19,556	-1,444	5,035	
Dividends.....	16,322	7,781	8,541	16,071	7,199	8,872	14,417	14,417	-1,905	6,636	Definitional and statistical
Reinvested earnings.....	4,678	6,740	-2,062	4,678	6,382	-1,704	5,139	5,139	461	-1,601	Definitional and statistical
Earnings of unincorporated affiliates.....	711	907	-196	711	893	-182	803	803	92	-104	Definitional and statistical
Interest.....	853	1,132	-279	799	537	262	799	799	-54	-333	Definitional, methodological, and statistical
<b>Other investment income</b> .....	<b>13,201</b>	<b>18,749</b>	<b>-5,548</b>	<b>13,047</b>	<b>16,408</b>	<b>-3,361</b>	<b>14,704</b>	<b>14,704</b>	<b>1,503</b>	<b>-4,045</b>	
Securities.....	9,522	14,604	-5,082	10,384	15,013	-4,629	12,808	12,808	3,286	-1,796	
Dividends.....	3,750	3,033	717	3,750	3,442	308	3,596	3,596	-154	563	Definitional and statistical
Interest.....	5,772	11,571	-5,799	6,634	11,571	-4,937	9,212	9,212	3,440	-1,44	Definitional and statistical
U.S. claims/Canadian liabilities.....	3,679	4,145	-466	2,663	1,395	1,268	1,896	1,896	-1,783	-2,249	
U.S. bank claims.....	2,217	1,699	518	1,218	573	645	933	933	-1,284	-766	Methodological and statistical
Other private U.S. claims.....	1,462	2,446	-984	1,445	822	623	963	963	-499	-1,483	Definitional, methodological, and statistical

Table 7.2. Investment Income, Southbound

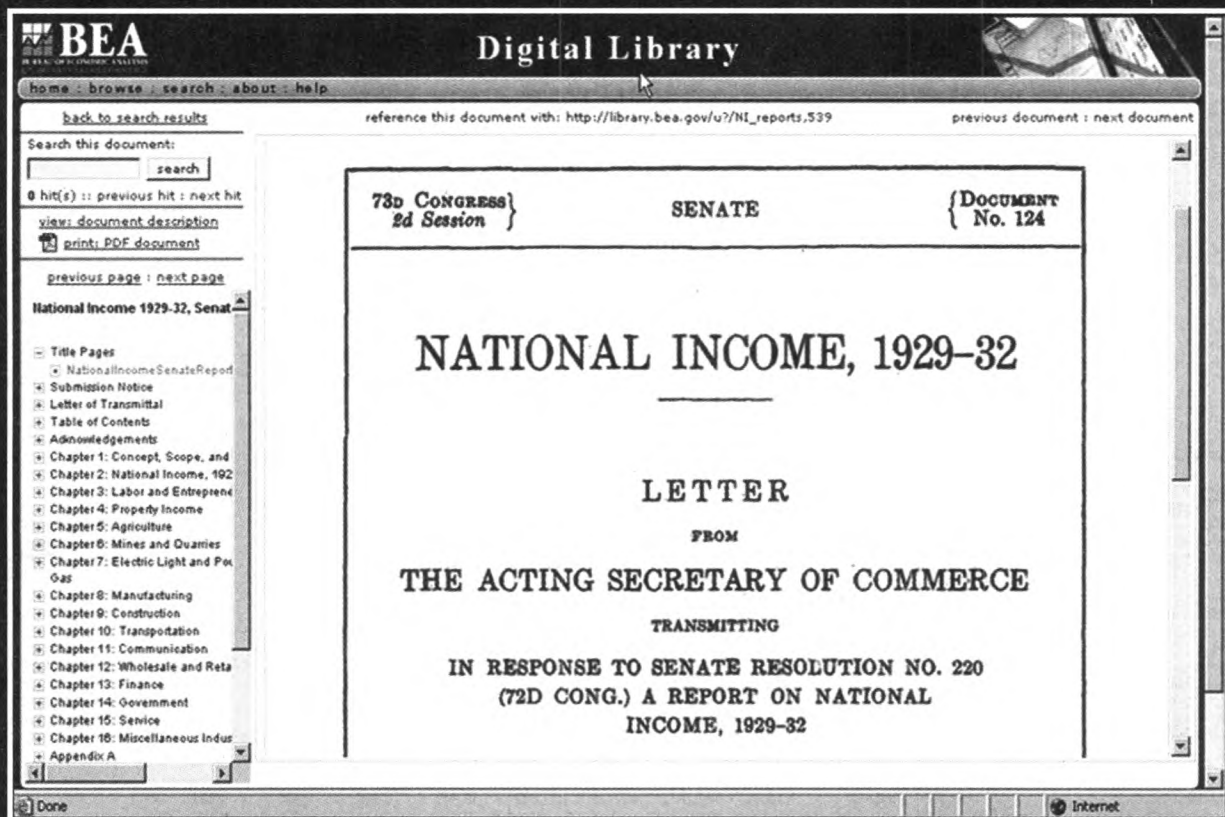
(Millions of U.S. dollars)

	Published estimates			Common-basis estimates after definitional and methodological adjustments			Reconciled estimates, including statistical adjustments		Total adjustments to published estimates		
	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Difference	Canadian receipts	U.S. payments	Canada	United States	Type of adjustment
<b>2004</b>											
<b>Investment Income</b> .....	<b>10,495</b>	<b>14,207</b>	<b>-3,712</b>	<b>9,589</b>	<b>13,536</b>	<b>-3,947</b>	<b>12,302</b>	<b>12,302</b>	<b>1,807</b>	<b>-1,905</b>	
<b>Direct investment income</b> .....	<b>4,942</b>	<b>6,871</b>	<b>-1,929</b>	<b>4,728</b>	<b>6,719</b>	<b>-1,991</b>	<b>6,207</b>	<b>6,207</b>	<b>1,265</b>	<b>-664</b>	
Earnings of incorporated affiliates.....	4,489	6,076	-1,587	4,887	5,917	-1,030	5,770	5,770	1,281	-306	
Dividends.....	1,205	1,582	-377	1,495	1,423	72	1,420	1,420	215	-162	Definitional, methodological, and statistical
Reinvested earnings.....	3,284	4,494	-1,210	3,392	4,494	-1,102	4,350	4,350	1,066	-144	Definitional, methodological, and statistical
Earnings of unincorporated affiliates.....	370	620	-250	-110	620	-730	255	255	-115	-365	Methodological and statistical
Interest.....	83	175	-92	-49	182	-231	182	182	99	7	Definitional, methodological, and statistical
<b>Other investment income</b> .....	<b>5,553</b>	<b>7,336</b>	<b>-1,783</b>	<b>4,861</b>	<b>6,817</b>	<b>-1,956</b>	<b>6,095</b>	<b>6,095</b>	<b>542</b>	<b>-1,241</b>	
Securities.....	3,216	5,466	-2,250	3,308	5,593	-2,285	4,450	4,450	1,234	-1,016	
Dividends.....	2,621	3,555	-934	2,409	3,555	-1,146	2,982	2,982	361	-573	Definitional and statistical
Interest.....	595	1,911	-1,316	899	2,038	-1,139	1,468	1,468	873	-443	Definitional, methodological, and statistical
Canadian claims/U.S. liabilities.....	1,365	853	512	620	207	413	669	669	-696	-184	
Canadian bank claims.....	747	329	418	7	88	-81	67	67	-680	-262	Definitional, methodological, and statistical
Other private Canadian claims.....	618	524	94	613	119	494	602	602	-16	78	Definitional, methodological, and statistical
U.S. Government liabilities.....	972	1,017	-45	933	1,017	-84	976	976	4	-41	Definitional and statistical
<b>2005</b>											
<b>Investment Income</b> .....	<b>17,325</b>	<b>16,067</b>	<b>1,258</b>	<b>15,274</b>	<b>14,972</b>	<b>302</b>	<b>16,949</b>	<b>16,949</b>	<b>-376</b>	<b>882</b>	
<b>Direct investment income</b> .....	<b>8,759</b>	<b>7,290</b>	<b>1,469</b>	<b>8,363</b>	<b>7,211</b>	<b>1,152</b>	<b>9,349</b>	<b>9,349</b>	<b>590</b>	<b>2,059</b>	
Earnings of incorporated affiliates.....	6,687	8,881	-2,194	8,233	8,795	-562	9,043	9,043	2,356	162	
Dividends.....	2,153	1,201	952	3,227	1,115	2,112	1,656	1,656	-497	455	Definitional, methodological, and statistical
Reinvested earnings.....	4,534	7,680	-3,146	5,006	7,680	-2,674	7,387	7,387	2,853	-293	Definitional, methodological, and statistical
Earnings of unincorporated affiliates.....	1,709	-2,008	3,717	-11	-2,008	1,997	-118	-118	-1,827	1,890	Definitional, methodological, and statistical
Interest.....	363	417	-54	141	424	-283	424	424	61	7	Definitional, methodological, and statistical
<b>Other investment income</b> .....	<b>8,566</b>	<b>8,777</b>	<b>-211</b>	<b>6,911</b>	<b>7,761</b>	<b>-850</b>	<b>7,600</b>	<b>7,600</b>	<b>-966</b>	<b>-1,177</b>	
Securities.....	4,968	6,019	-1,051	4,635	6,286	-1,651	5,460	5,460	492	-559	
Dividends.....	3,089	3,548	-459	2,858	3,548	-690	3,203	3,203	114	-345	Definitional and statistical
Interest.....	1,879	2,471	-592	1,777	2,738	-961	2,257	2,257	378	-214	Definitional, methodological, and statistical
Canadian claims/U.S. liabilities.....	2,171	1,599	572	931	316	615	888	888	-1,283	-711	
Canadian bank claims.....	1,459	801	658	219	-107	326	-2	-2	-1,461	-803	Definitional, methodological, and statistical
Other private Canadian claims.....	712	798	-86	712	423	289	890	890	178	92	Methodological and statistical
U.S. Government liabilities.....	1,427	1,159	268	1,345	1,159	186	1,252	1,252	-175	93	Definitional and statistical



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# 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.

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## 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 October 27, 2006. These estimates include the "advance" estimates for the third quarter of 2006.

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		
				III	IV	I	II	III
<b>Gross domestic product</b> ....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Personal consumption expenditures</b> .....	2	3.9	3.5	3.9	0.8	4.8	2.6	3.1
Durable goods.....	3	6.4	5.5	9.0	-12.3	19.8	-0.1	8.4
Nondurable goods.....	4	3.6	4.5	3.4	3.9	5.9	1.4	1.6
Services.....	5	3.5	2.6	3.2	2.0	1.6	3.7	2.8
<b>Gross private domestic investment</b> .....	6	9.8	5.4	5.2	16.2	7.8	1.0	-2.0
Fixed investment.....	7	7.3	7.5	6.3	2.8	8.2	-1.6	-1.4
Nonresidential.....	8	5.9	6.8	5.9	5.2	13.7	4.4	8.6
Structures.....	9	2.2	1.1	-7.0	12.0	8.7	20.3	14.0
Equipment and software.....	10	7.3	8.9	11.0	2.8	15.6	-1.4	6.4
Residential.....	11	9.9	8.6	7.1	-0.9	-0.3	-11.1	-17.4
Change in private inventories.....	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	9.2	6.8	3.2	9.6	14.0	6.2	6.5
Goods.....	15	9.0	7.5	3.7	11.5	17.3	6.0	10.0
Services.....	16	9.7	5.1	2.1	5.5	6.7	6.7	-1.5
Imports.....	17	10.8	6.1	2.5	13.2	9.1	1.4	7.8
Goods.....	18	10.9	6.7	2.7	14.1	9.4	-0.1	9.5
Services.....	19	10.0	2.8	1.2	8.3	7.4	9.9	-1.0
<b>Government consumption expenditures and gross investment</b> .....	20	1.9	0.9	3.4	-1.1	4.9	0.8	2.0
Federal.....	21	4.3	1.5	9.6	-4.6	8.8	-4.5	1.7
National defense.....	22	5.9	1.7	11.2	-9.9	8.9	-2.0	-0.7
Nondefense.....	23	1.2	1.1	6.2	7.1	8.5	-9.3	6.9
State and local.....	24	0.5	0.5	-0.1	1.0	2.7	4.0	2.1

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

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate: Gross domestic product</b> ....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Percentage points at annual rates:</b>								
<b>Personal consumption expenditures</b> .....	2	2.71	2.44	2.76	0.53	3.38	1.81	2.13
Durable goods.....	3	0.54	0.45	0.74	-1.08	1.50	-0.01	0.66
Nondurable goods.....	4	0.73	0.90	0.70	0.79	1.20	0.30	0.33
Services.....	5	1.45	1.09	1.32	0.83	0.67	1.52	1.15
<b>Gross private domestic investment</b> .....	6	1.49	0.87	0.84	2.51	1.31	0.17	-0.34
Fixed investment.....	7	1.11	1.17	1.02	0.46	1.34	-0.27	-0.24
Nonresidential.....	8	0.58	0.67	0.59	0.52	1.36	0.45	0.88
Structures.....	9	0.06	0.03	-0.20	0.31	0.25	0.56	0.41
Equipment and software.....	10	0.52	0.64	0.78	0.21	1.11	-0.10	0.46
Residential.....	11	0.53	0.50	0.43	-0.06	-0.02	-0.72	-1.12
Change in private inventories.....	12	0.38	-0.30	-0.18	2.05	-0.03	0.44	-0.10
<b>Net exports of goods and services</b> .....	13	-0.65	-0.26	-0.06	-1.07	-0.04	0.42	-0.58
Exports.....	14	0.88	0.68	0.33	0.97	1.41	0.66	0.70
Goods.....	15	0.60	0.52	0.27	0.80	1.20	0.45	0.75
Services.....	16	0.28	0.16	0.06	0.17	0.21	0.21	-0.05
Imports.....	17	-1.53	-0.94	-0.39	-2.04	-1.46	-0.24	-1.28
Goods.....	18	-1.29	-0.87	-0.36	-1.84	-1.27	0.01	-1.31
Services.....	19	-0.24	-0.07	-0.03	-0.20	-0.19	-0.25	0.03
<b>Government consumption expenditures and gross investment</b> .....	20	0.36	0.17	0.64	-0.21	0.94	0.16	0.37
Federal.....	21	0.30	0.11	0.66	-0.33	0.61	-0.32	0.12
National defense.....	22	0.27	0.08	0.52	-0.49	0.41	-0.09	-0.03
Nondefense.....	23	0.03	0.03	0.14	0.16	0.20	-0.23	0.15
State and local.....	24	0.06	0.06	-0.01	0.13	0.33	0.48	0.25

**Table 1.1.3. Real Gross Domestic Product, Quantity Indexes**

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
<b>Personal consumption expenditures</b> .....	2	112.430	116.349	117.152	117.373	118.761	119.521	120.430
Durable goods.....	3	125.753	132.666	136.207	131.799	137.893	137.868	140.677
Nondurable goods.....	4	111.913	116.924	117.481	118.608	120.313	120.742	121.224
Services.....	5	110.055	112.925	113.379	113.945	114.398	115.440	116.240
<b>Gross private domestic investment</b> .....	6	102.026	107.537	106.938	111.034	113.143	113.429	112.861
Fixed investment.....	7	102.080	109.708	111.032	111.811	114.033	113.570	113.159
Nonresidential.....	8	92.995	99.326	100.025	101.308	104.606	105.738	107.952
Structures.....	9	79.418	80.302	78.903	81.174	82.893	86.819	89.715
Equipment and software.....	10	98.400	107.180	108.889	109.653	113.704	113.313	115.096
Residential.....	11	125.281	136.050	138.821	138.495	138.391	134.368	128.094
Change in private inventories.....	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	102.201	109.105	109.503	112.054	115.783	117.536	119.403
Goods.....	15	100.002	107.507	108.050	111.027	115.535	117.228	120.063
Services.....	16	107.667	113.118	113.158	114.693	116.564	118.463	118.005
Imports.....	17	115.962	123.007	122.520	126.377	129.146	129.608	132.060
Goods.....	18	116.786	124.640	124.159	128.331	131.236	131.218	134.225
Services.....	19	112.051	115.170	114.652	116.954	119.055	121.896	121.586
<b>Government consumption expenditures and gross investment</b> .....	20	112.720	113.731	114.358	114.048	115.423	115.657	116.217
Federal.....	21	123.813	125.701	127.545	126.053	128.728	127.262	127.815
National defense.....	22	128.374	130.593	133.423	130.002	132.808	132.141	131.905
Nondefense.....	23	115.606	116.896	116.939	118.971	121.411	118.488	120.483
State and local.....	24	107.094	107.660	107.674	107.954	108.682	109.762	110.326

**Table 1.1.4. Price Indexes for Gross Domestic Product**

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
<b>Personal consumption expenditures</b> .....	2	108.373	111.493	112.067	112.873	113.445	114.573	115.278
Durable goods.....	3	90.845	90.198	89.908	89.606	89.385	89.206	88.968
Nondurable goods.....	4	107.617	111.530	113.016	113.177	113.484	115.769	116.443
Services.....	5	112.863	116.529	116.858	118.281	119.194	120.059	121.026
<b>Gross private domestic investment</b> .....	6	106.645	110.284	110.675	111.853	112.860	113.717	113.857
Fixed investment.....	7	106.811	110.542	110.946	112.194	113.238	114.074	114.187
Nonresidential.....	8	100.834	103.428	103.607	104.510	105.471	106.266	106.486
Structures.....	9	120.951	134.647	136.089	141.476	145.684	149.432	151.520
Equipment and software.....	10	94.503	94.134	93.983	93.754	93.887	93.920	93.646
Residential.....	11	120.618	126.714	127.573	129.536	130.765	131.696	131.569
Change in private inventories.....	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	105.151	108.949	109.341	110.108	110.737	112.400	113.780
Goods.....	15	104.392	107.628	107.846	108.450	109.192	110.852	112.289
Services.....	16	106.985	112.115	112.918	114.080	114.430	116.098	117.333
Imports.....	17	104.678	111.268	112.919	114.117	114.918	116.608	117.998
Goods.....	18	102.962	109.622	111.383	112.790	112.331	115.197	116.634
Services.....	19	113.786	119.933	120.945	120.913	122.242	123.890	124.996
<b>Government consumption expenditures and gross investment</b> .....	20	114.718	121.183	122.029	123.444	124.791	126.262	126.715
Federal.....	21	115.249	120.726	121.353	121.479	123.721	124.871	125.282
National defense.....	22	115.954	121.855	122.467	122.760	124.752	126.006	126.536
Nondefense.....	23	113.963	118.606	119.261	119.059	121.787	122.736	122.913
State and local.....	24	114.417	121.463	122.438	124.620	125.434	127.095	127.574

**Table 1.1.5. Gross Domestic Product**

[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
<b>Personal consumption expenditures</b> .....	2	8,211.5	8,742.4	8,847.3	8,927.8	9,079.2	9,228.1	9,355.5
Durable goods.....	3	986.3	1,033.1	1,057.3	1,019.6	1,064.1	1,061.8	1,080.6
Nondurable goods.....	4	2,345.2	2,539.3	2,584.9	2,613.5	2,658.2	2,721.4	2,748.2
Services.....	5	4,880.1	5,170.0	5,205.1	5,294.7	5,356.8	5,444.9	5,526.7
<b>Gross private domestic investment</b> .....	6	1,888.0	2,057.4	2,052.6	2,154.5	2,214.8	2,237.1	2,227.6
Fixed investment.....	7	1,830.6	2,036.2	2,067.9	2,105.8	2,167.7	2,174.8	2,169.1
Nonresidential.....	8	1,155.3	1,265.7	1,276.7	1,304.3	1,359.2	1,384.3	1,416.2
Structures.....	9	300.8	338.6	336.3	359.7	378.2	406.3	425.7
Equipment and software.....	10	854.5	927.1	940.4	944.7	981.0	977.9	990.4
Residential.....	11	675.3	770.4	791.2	801.5	808.5	790.6	752.9
Change in private inventories.....	12	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
<b>Net exports of goods and services</b> .....	13	-613.2	-716.7	-728.8	-775.4	-765.2	-781.8	-810.0
Exports.....	14	1,178.1	1,303.1	1,312.4	1,352.4	1,405.4	1,448.1	1,489.1
Goods.....	15	818.8	907.5	913.9	944.3	989.3	1,019.1	1,057.3
Services.....	16	359.3	395.6	398.5	408.1	416.0	429.0	431.9
Imports.....	17	1,791.4	2,019.9	2,041.2	2,127.8	2,170.6	2,229.8	2,299.1
Goods.....	18	1,495.2	1,699.0	1,719.1	1,799.3	1,832.6	1,879.0	1,946.1
Services.....	19	296.2	320.9	322.1	328.5	338.1	350.8	353.0
<b>Government consumption expenditures and gross investment</b> .....	20	2,226.2	2,372.8	2,402.4	2,423.6	2,479.6	2,513.9	2,535.2
Federal.....	21	825.9	878.3	895.8	886.2	921.7	919.7	926.8
National defense.....	22	551.2	589.3	605.0	590.9	613.5	616.5	618.0
Nondefense.....	23	274.7	289.0	290.7	295.3	308.2	303.2	308.7
State and local.....	24	1,400.3	1,494.4	1,506.6	1,537.4	1,557.9	1,594.2	1,608.4

**Table 1.1.6. Real Gross Domestic Product, Chained Dollars**

[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
<b>Personal consumption expenditures</b> .....	2	7,577.1	7,841.2	7,895.3	7,910.2	8,003.8	8,055.0	8,116.2
Durable goods.....	3	1,085.7	1,145.3	1,175.9	1,137.9	1,190.5	1,190.3	1,214.5
Nondurable goods.....	4	2,179.2	2,276.8	2,287.6	2,309.6	2,342.8	2,351.1	2,360.5
Services.....	5	4,323.9	4,436.6	4,454.5	4,476.7	4,494.5	4,535.4	4,566.9
<b>Gross private domestic investment</b> .....	6	1,770.6	1,866.3	1,855.9	1,927.0	1,963.6	1,968.5	1,958.7
Fixed investment.....	7	1,713.9	1,842.0	1,864.2	1,877.3	1,914.6	1,906.8	1,899.9
Nonresidential.....	8	1,145.8	1,223.8	1,232.4	1,248.2	1,288.8	1,302.8	1,330.0
Structures.....	9	248.7	251.5	247.1	254.2	259.6	271.9	281.0
Equipment and software.....	10	904.2	984.9	1,000.6	1,007.6	1,044.8	1,041.2	1,057.6
Residential.....	11	559.9	608.0	620.4	618.9	618.5	600.5	572.5
Change in private inventories.....	12	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
<b>Net exports of goods and services</b> .....	13	-590.9	-619.2	-607.6	-636.6	-636.6	-624.2	-639.9
Exports.....	14	1,120.4	1,196.1	1,200.5	1,228.4	1,269.3	1,288.5	1,309.0
Goods.....	15	784.4	843.2	847.5	870.8	906.2	919.5	941.7
Services.....	16	335.9	352.9	353.0	357.8	363.6	369.5	368.1
Imports.....	17	1,711.3	1,815.3	1,808.1	1,865.0	1,905.9	1,912.7	1,948.9
Goods.....	18	1,452.2	1,549.9	1,543.9	1,595.8	1,631.9	1,631.7	1,669.1
Services.....	19	260.3	267.5	266.3	271.7	276.6	283.2	282.4
<b>Government consumption expenditures and gross investment</b> .....	20	1,940.6	1,958.0	1,968.8	1,963.5	1,987.1	1,991.2	2,000.8
Federal.....	21	716.6	727.5	738.2	729.6	745.1	736.6	739.8
National defense.....	22	475.4	483.6	494.1	481.4	491.8	489.3	488.5
Nondefense.....	23	241.0	243.7	243.8	248.0	253.1	247.0	251.2
State and local.....	24	1,223.9	1,230.4	1,230.5	1,233.7	1,242.0	1,254.4	1,260.8
Residual.....	25	0.4	-10.5	-17.0	-8.8	-23.7	-20.8	-29.6

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 1.1.7. Percent Change From Preceding Period in Prices for Gross Domestic Product**  
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	2.8	3.0	3.3	3.3	3.3	3.3	1.8
<b>Personal consumption expenditures</b> .....	2	2.6	2.9	4.1	2.9	2.0	4.0	2.5
Durable goods.....	3	-1.6	-0.7	-2.9	-1.3	-1.0	-0.8	-1.1
Nondurable goods.....	4	3.3	3.6	9.0	0.6	1.1	8.3	2.3
Services.....	5	3.2	3.2	3.2	5.0	3.1	2.9	3.3
<b>Gross private domestic investment</b> .....	6	3.3	3.4	3.7	4.3	3.7	3.1	0.5
Fixed investment.....	7	3.4	3.5	4.0	4.6	3.8	3.0	0.4
Nonresidential.....	8	1.2	2.6	2.2	3.5	3.7	3.0	0.8
Structures.....	9	6.2	11.3	13.2	16.8	12.4	10.7	5.7
Equipment and software.....	10	-0.4	-0.4	-1.5	-1.0	0.6	0.1	-1.2
Residential.....	11	7.3	5.1	6.9	6.3	3.8	2.9	-0.4
Change in private inventories.....	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	3.7	3.6	2.6	2.8	2.3	6.1	5.0
Goods.....	15	3.7	3.1	1.3	2.3	2.8	6.2	5.3
Services.....	16	3.5	4.8	5.6	4.2	1.2	6.0	4.3
Imports.....	17	5.0	6.3	10.2	4.3	-0.7	9.8	4.9
Goods.....	18	5.0	6.5	11.3	5.1	-1.6	10.6	5.1
Services.....	19	5.1	5.4	4.3	-0.1	4.5	5.5	3.6
<b>Government consumption expenditures and gross investment</b> .....	20	4.4	5.6	5.9	4.7	4.4	4.8	1.4
Federal.....	21	4.7	4.8	3.3	0.4	7.6	3.8	1.3
National defense.....	22	4.7	5.1	3.4	1.0	6.7	4.1	1.7
Nondefense.....	23	4.7	4.1	3.2	-0.7	9.5	3.2	0.6
State and local.....	24	4.3	6.2	7.4	7.3	2.6	5.4	1.5
<b>Addendum:</b>								
Gross national product.....	25	2.8	3.0	3.3	3.2	3.3	3.3	

**Table 1.1.8. Contributions to Percent Change in the Gross Domestic Product Price Index**

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
<b>Gross domestic product</b> .....	1	2.8	3.0	3.3	3.3	3.3	3.3	1.8
<b>Percentage points at annual rates:</b>								
<b>Personal consumption expenditures</b> .....	2	1.85	2.02	2.87	2.04	1.44	2.80	1.73
Durable goods.....	3	-0.14	-0.06	-0.25	-0.11	-0.08	-0.06	-0.09
Nondurable goods.....	4	0.67	0.73	1.78	0.12	0.23	1.66	0.48
Services.....	5	1.33	1.35	1.33	2.03	1.29	1.21	1.34
<b>Gross private domestic investment</b> .....	6	0.52	0.56	0.61	0.72	0.62	0.52	0.08
Fixed investment.....	7	0.52	0.56	0.64	0.75	0.62	0.49	0.07
Nonresidential.....	8	0.12	0.26	0.22	0.36	0.38	0.32	0.09
Structures.....	9	0.16	0.29	0.33	0.43	0.34	0.31	0.17
Equipment and software.....	10	-0.03	-0.03	-0.11	-0.07	0.04	0.01	-0.09
Residential.....	11	0.39	0.30	0.42	0.39	0.24	0.18	-0.02
Change in private inventories.....	12	0.00	0.00	-0.03	-0.03	-0.01	0.03	0.02
<b>Net exports of goods and services</b> .....	13	-0.37	-0.61	-1.29	-0.40	0.37	-0.92	-0.27
Exports.....	14	0.36	0.37	0.27	0.30	0.25	0.65	0.54
Goods.....	15	0.25	0.22	0.10	0.17	0.21	0.47	0.40
Services.....	16	0.10	0.15	0.17	0.13	0.04	0.19	0.14
Imports.....	17	-0.73	-0.98	-1.57	-0.70	0.12	-1.57	-0.81
Goods.....	18	-0.60	-0.84	-1.46	-0.70	0.23	-1.43	-0.72
Services.....	19	-0.12	-0.14	-0.11	0.00	-0.11	-0.14	-0.09
<b>Government consumption expenditures and gross investment</b> .....	20	0.84	1.06	1.10	0.89	0.84	0.90	0.28
Federal.....	21	0.32	0.33	0.24	0.03	0.52	0.26	0.09
National defense.....	22	0.22	0.24	0.16	0.05	0.31	0.19	0.08
Nondefense.....	23	0.11	0.09	0.07	-0.02	0.22	0.07	0.01
State and local.....	24	0.51	0.73	0.86	0.86	0.32	0.64	0.18

**Table 1.1.9. Implicit Price Deflators for Gross Domestic Product**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.426	112.737	113.121	114.034	114.951	115.887	116.403
<b>Personal consumption expenditures</b> .....	2	108.373	111.493	112.058	112.865	113.436	114.564	115.269
Durable goods.....	3	90.844	90.198	89.912	89.610	89.389	89.210	88.972
Nondurable goods.....	4	107.617	111.531	112.998	113.158	113.466	115.750	116.424
Services.....	5	112.863	116.529	116.850	118.273	119.185	120.051	121.018
<b>Gross private domestic investment</b> .....	6	106.628	110.243	110.601	111.807	112.797	113.644	113.732
Fixed investment.....	7	106.811	110.542	110.927	112.175	113.219	114.056	114.188
Nonresidential.....	8	100.834	103.428	103.596	104.499	105.459	106.255	106.474
Structures.....	9	120.951	134.647	136.087	141.478	145.685	149.434	151.522
Equipment and software.....	10	94.503	94.134	93.987	93.756	93.889	93.922	93.648
Residential.....	11	120.618	126.714	127.533	129.496	130.724	131.654	131.527
Change in private inventories.....	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	105.152	108.950	109.324	110.091	110.720	112.383	113.763
Goods.....	15	104.393	107.628	107.832	108.435	109.176	110.836	112.273
Services.....	16	106.985	112.114	112.906	114.069	114.420	116.087	117.322
Imports.....	17	104.678	111.269	112.890	114.090	113.890	116.581	117.970
Goods.....	18	102.962	109.622	111.347	112.756	112.297	115.162	116.598
Services.....	19	113.786	119.933	120.944	120.914	122.243	123.892	124.998
<b>Government consumption expenditures and gross investment</b> .....	20	114.719	121.183	122.022	123.437	124.784	126.254	126.708
Federal.....	21	115.249	120.726	121.346	121.472	123.715	124.865	125.276
National defense.....	22	115.954	121.855	122.461	122.753	124.746	125.999	126.529
Nondefense.....	23	113.962	118.606	119.257	119.056	121.783	122.733	122.909
State and local.....	24	114.417	121.463	122.434	124.615	125.428	127.090	127.568
<b>Addendum:</b>								
Gross national product.....	25	109.416	112.726	113.113	114.025	114.942	115.879	

**Table 1.1.10. Percentage Shares of Gross Domestic Product**  
[Percent]

	Line	2004	2005	2005			2006		
				III	IV	I	II	III	
				<b>Gross domestic product</b> .....	1	100.0	100.0	100.0	100.0
<b>Personal consumption expenditures</b> .....	2	70.1	70.2	70.4	70.1	69.8	69.9	70.3	
Durable goods.....	3	8.4	8.3	8.4	8.0	8.2	8.0	8.1	
Nondurable goods.....	4	20.0	20.4	20.6	20.5	20.4	20.6	20.7	
Services.....	5	41.7	41.5	41.4	41.6	41.2	41.3	41.5	
<b>Gross private domestic investment</b> .....	6	16.1	16.5	16.3	16.9	17.0	17.0	16.7	
Fixed investment.....	7	15.6	16.3	16.4	16.5	16.7	16.5	16.3	
Nonresidential.....	8	9.9	10.2	10.2	10.2	10.4	10.5	10.6	
Structures.....	9	2.6	2.7	2.7	2.8	2.9	3.1	3.2	
Equipment and software.....	10	7.3	7.4	7.5	7.4	7.5	7.4	7.4	
Residential.....	11	5.8	6.2	6.3	6.3	6.2	6.0	5.7	
Change in private inventories.....	12	0.5	0.2	-0.1	0.4	0.4	0.5	0.4	
<b>Net exports of goods and services</b> .....	13	-5.2	-5.8	-5.8	-6.1	-5.9	-5.9	-6.1	
Exports.....	14	10.1	10.5	10.4	10.6	10.8	11.0	11.2	
Goods.....	15	7.0	7.3	7.3	7.4	7.6	7.7	7.9	
Services.....	16	3.1	3.2	3.2	3.2	3.2	3.3	3.2	
Imports.....	17	15.3	16.2	16.2	16.7	16.7	16.9	17.3	
Goods.....	18	12.8	13.6	13.7	14.1	14.1	14.2	14.6	
Services.....	19	2.5	2.6	2.6	2.6	2.6	2.7	2.7	
<b>Government consumption expenditures and gross investment</b> .....	20	19.0	19.0	19.1	19.0	19.1	19.0	19.0	
Federal.....	21	7.1	7.1	7.1	7.0	7.1	7.0	7.0	
National defense.....	22	4.7	4.7	4.8	4.6	4.7	4.7	4.6	
Nondefense.....	23	2.3	2.3	2.3	2.3	2.4	2.3	2.3	
State and local.....	24	12.0	12.0	12.0	12.1	12.0	12.1	12.1	

**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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
Final sales of domestic product.....	2	3.5	3.5	4.4	-0.3	5.6	2.1	1.7
Change in private inventories.....	3							
<b>Goods</b> .....	4	4.9	4.6	6.7	3.1	12.8	3.6	2.6
Final sales.....	5	3.7	5.6	7.3	-3.4	13.1	2.2	3.0
Change in private inventories.....	6							
Durable goods.....	7	6.0	6.1	13.4	4.1	9.0	2.3	5.8
Final sales.....	8	4.7	7.1	11.5	-5.4	16.0	-0.2	7.0
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	4.0	3.4	1.6	2.3	16.1	4.7	0.1
Final sales.....	11	2.9	4.4	4.1	-1.8	10.8	4.1	-0.1
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	3.2	2.3	3.5	0.8	2.4	2.4	2.6
<b>Structures</b> .....	14	5.2	4.6	0.7	3.1	2.9	0.3	-6.4
<b>Addenda:</b>								
Motor vehicle output.....	15	3.5	5.9	22.6	-19.1	3.8	-9.4	25.7
Gross domestic product excluding motor vehicle output.....	16	3.9	3.1	3.6	2.6	5.6	3.0	0.9
Final sales of computers <sup>3</sup> .....	17	8.2	24.5	11.6	33.8	9.5	6.7	16.9
Gross domestic product excluding final sales of computers.....	18	3.9	3.1	4.1	1.6	5.6	2.5	1.5
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	4.2	3.1	3.9	2.5	5.1	1.9	1.9

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Percentage points at annual rates:</b>								
Final sales of domestic product.....	2	3.53	3.52	4.36	-0.28	5.61	2.11	1.68
Change in private inventories.....	3	0.38	-0.30	-0.18	2.05	-0.03	0.44	-0.10
<b>Goods</b> .....	4	1.56	1.43	2.07	0.97	3.86	1.12	0.81
Final sales.....	5	1.18	1.73	2.26	-1.08	3.89	0.67	0.91
Change in private inventories.....	6	0.38	-0.30	-0.18	2.05	-0.03	0.44	-0.10
Durable goods.....	7	0.85	0.84	1.79	0.58	1.26	0.31	0.79
Final sales.....	8	0.66	0.96	1.56	-0.77	2.11	-0.03	0.93
Change in private inventories <sup>1</sup> .....	9	0.18	-0.12	0.23	1.35	-0.85	0.34	-0.14
Nondurable goods.....	10	0.71	0.58	0.28	0.39	2.60	0.80	0.03
Final sales.....	11	0.52	0.76	0.70	-0.31	1.78	0.70	-0.02
Change in private inventories <sup>1</sup> .....	12	0.20	-0.18	-0.42	0.70	0.82	0.10	0.04
<b>Services</b> <sup>2</sup> .....	13	1.84	1.31	2.02	0.46	1.39	1.40	1.50
<b>Structures</b> .....	14	0.51	0.49	0.09	0.33	0.33	0.04	-0.73
<b>Addenda:</b>								
Motor vehicle output.....	15	0.12	0.20	0.70	-0.71	0.12	-0.31	0.72
Gross domestic product excluding motor vehicle output.....	16	3.79	3.03	3.48	2.47	5.46	2.87	0.86
Final sales of computers <sup>3</sup> .....	17	0.06	0.16	0.08	0.20	0.07	0.04	0.10
Gross domestic product excluding final sales of computers.....	18	3.85	3.07	4.10	1.56	5.52	2.51	1.48

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
Final sales of domestic product.....	2	109.096	112.958	113.965	113.883	115.455	116.060	116.549
Change in private inventories.....	3							
<b>Goods</b> .....	4	107.604	112.515	113.448	114.326	117.831	118.877	119.646
Final sales.....	5	107.656	113.689	115.696	114.689	118.277	118.917	119.796
Change in private inventories.....	6							
Durable goods.....	7	105.478	111.888	113.586	114.743	117.231	117.887	119.565
Final sales.....	8	105.719	113.219	116.131	114.523	118.845	118.780	120.809
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	109.703	113.386	113.690	114.342	118.691	120.058	120.100
Final sales.....	11	109.497	114.342	115.616	115.095	118.096	119.302	119.270
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	110.477	112.963	113.513	113.738	114.408	115.094	115.839
<b>Structures</b> .....	14	106.297	111.235	111.852	112.698	113.518	113.612	111.744
<b>Addenda:</b>								
Motor vehicle output.....	15	111.420	118.006	122.582	116.260	117.341	114.487	121.229
Gross domestic product excluding motor vehicle output.....	16	108.947	112.359	112.907	113.626	115.197	116.043	116.299
Final sales of computers <sup>3</sup> .....	17	153.070	190.534	192.596	207.153	211.907	215.393	223.970
Gross domestic product excluding final sales of computers.....	18	108.699	112.053	112.722	113.162	114.703	115.421	115.849
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	110.114	113.571	114.095	114.796	116.235	116.787	117.324

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
Final sales of domestic product.....	2	109.455	112.783	113.181	114.101	115.025	115.961	116.483
Change in private inventories.....	3							
<b>Goods</b> .....	4	100.063	100.162	100.248	99.734	100.237	100.768	100.783
Final sales.....	5	100.102	100.206	100.299	99.811	100.325	100.841	100.842
Change in private inventories.....	6							
Durable goods.....	7	92.651	92.214	92.090	91.803	91.830	91.650	91.188
Final sales.....	8	92.650	92.186	92.063	91.789	91.824	91.652	91.167
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	106.851	107.452	107.738	107.008	107.963	109.165	109.634
Final sales.....	11	106.940	107.574	107.872	107.181	108.149	109.319	109.784
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	113.413	117.810	118.273	119.744	120.745	121.811	122.646
<b>Structures</b> .....	14	119.911	128.721	129.859	132.758	134.749	136.479	137.141
<b>Addenda:</b>								
Motor vehicle output.....	15	97.041	97.656	96.976	96.857	97.636	97.564	96.338
Gross domestic product excluding motor vehicle output.....	16	109.910	113.332	113.772	114.721	115.646	116.624	117.217
Final sales of computers <sup>3</sup> .....	17	49.625	41.430	40.421	38.476	37.234	35.362	33.814
Gross domestic product excluding final sales of computers.....	18	110.215	113.724	114.144	115.107	116.067	117.060	117.628

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
Final sales of domestic product .....	2	11,655.1	12,434.6	12,588.8	12,681.9	12,961.2	13,135.1	13,249.8
Change in private inventories .....	3	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
<b>Goods</b> .....	4	3,713.7	3,886.5	3,921.9	3,932.6	4,073.2	4,131.0	4,157.3
Final sales .....	5	3,656.3	3,865.3	3,937.2	3,883.9	4,026.1	4,068.7	4,098.8
Change in private inventories .....	6	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
Durable goods .....	7	1,651.0	1,742.9	1,767.0	1,779.6	1,818.6	1,825.1	1,841.9
Final sales .....	8	1,619.4	1,725.6	1,767.7	1,738.1	1,804.3	1,800.0	1,821.0
Change in private inventories <sup>1</sup> .....	9	31.6	17.3	-0.8	41.6	14.3	25.1	20.8
Nondurable goods .....	10	2,062.7	2,143.6	2,155.0	2,152.9	2,254.6	2,305.9	2,315.5
Final sales .....	11	2,036.9	2,139.7	2,169.5	2,145.9	2,221.7	2,268.7	2,277.7
Change in private inventories <sup>1</sup> .....	12	25.8	4.0	-14.5	7.0	32.9	37.2	37.7
<b>Services</b> <sup>2</sup> .....	13	6,798.0	7,220.4	7,283.6	7,388.9	7,494.5	7,606.0	7,707.7
<b>Structures</b> .....	14	1,200.8	1,348.9	1,368.0	1,409.1	1,440.6	1,460.3	1,443.3
<b>Addenda:</b>								
Motor vehicle output .....	15	394.6	420.5	433.3	411.8	418.0	408.2	425.8
Gross domestic product excluding motor vehicle output .....	16	11,317.9	12,035.3	12,140.2	12,318.8	12,590.4	12,789.1	12,882.5
Final sales of computers <sup>3</sup> .....	17	83.5	86.8	85.9	87.9	87.0	84.0	83.5
Gross domestic product excluding final sales of computers .....	18	11,629.0	12,369.1	12,487.6	12,642.6	12,921.3	13,113.3	13,224.8

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
Final sales of domestic product .....	2	10,648.3	11,025.2	11,123.5	11,115.5	11,269.0	11,328.0	11,375.7
Change in private inventories .....	3	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
Residual .....	4	1.8	3.8	4.3	4.8	6.2	6.4	6.5
<b>Goods</b> .....	5	3,711.6	3,881.0	3,913.2	3,943.5	4,064.4	4,100.5	4,127.0
Final sales .....	6	3,652.6	3,857.3	3,925.4	3,891.2	4,013.0	4,034.7	4,064.5
Change in private inventories .....	7	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
Durable goods .....	8	1,781.9	1,890.2	1,918.9	1,938.4	1,980.5	1,991.5	2,019.9
Final sales .....	9	1,747.9	1,871.9	1,920.0	1,893.4	1,964.9	1,963.8	1,997.4
Change in private inventories <sup>1</sup> .....	10	30.7	16.4	-0.5	39.2	13.4	23.1	18.8
Nondurable goods .....	11	1,930.7	1,995.6	2,000.9	2,012.4	2,088.9	2,113.0	2,113.7
Final sales .....	12	1,904.7	1,989.0	2,011.2	2,002.1	2,054.3	2,075.3	2,074.7
Change in private inventories <sup>1</sup> .....	13	23.1	3.9	-11.6	6.4	27.1	30.3	31.3
<b>Services</b> <sup>2</sup> .....	14	5,994.0	6,128.9	6,158.7	6,170.9	6,207.3	6,244.5	6,284.9
<b>Structures</b> .....	15	1,001.4	1,047.9	1,053.7	1,061.7	1,069.4	1,070.3	1,052.7
Residual .....	16	1.7	-9.4	-16.4	-9.9	-20.0	-19.2	-26.9
<b>Addenda:</b>								
Motor vehicle output .....	17	406.6	430.7	447.4	424.3	428.3	417.8	442.4
Gross domestic product excluding motor vehicle output .....	18	10,297.7	10,620.2	10,672.0	10,739.9	10,888.4	10,968.4	10,992.6
Final sales of computers <sup>3</sup> .....	19	168.3	209.5	211.7	227.7	233.0	236.8	246.2
Gross domestic product excluding final sales of computers .....	20	10,551.4	10,877.0	10,942.0	10,984.7	11,134.3	11,204.0	11,245.5

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. Some components of final sales of computers include 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Business</b> <sup>1</sup> .....	2	4.4	3.8	4.9	1.8	6.7	2.7	1.4
Nonfarm <sup>2</sup> .....	3	4.3	3.8	4.9	1.8	6.7	2.7	1.6
Farm .....	4	7.4	1.0	11.3	8.1	14.1	3.9	-12.3
<b>Households and institutions</b> .....	5	4.2	2.1	2.6	2.3	4.4	3.0	2.3
Households .....	6	6.9	3.1	2.3	4.1	7.4	4.0	3.1
Nonprofit institutions serving households <sup>3</sup> .....	7	0.9	0.8	3.0	0.0	0.6	1.8	1.2
<b>General government</b> <sup>4</sup> .....	8	0.6	0.9	0.8	0.9	-0.7	0.8	2.0
Federal .....	9	1.0	0.6	-0.4	1.5	-3.5	-0.1	3.2
State and local .....	10	0.5	1.0	1.4	0.7	0.6	1.2	1.4
<b>Addendum:</b>								
Gross housing value added .....	11	5.6	2.7	1.9	2.8	7.1	4.0	3.2

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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
<b>Business</b> <sup>1</sup> .....	2	109.596	113.706	114.542	115.057	116.942	117.735	118.152
Nonfarm <sup>2</sup> .....	3	109.547	113.690	114.545	115.044	116.911	117.700	118.154
Farm .....	4	114.112	115.266	114.172	116.415	120.316	121.458	117.553
<b>Households and institutions</b> .....	5	108.826	111.086	111.349	111.972	113.180	114.028	114.679
Households .....	6	109.250	112.605	112.658	113.798	115.853	116.985	117.895
Nonprofit institutions serving households <sup>3</sup> .....	7	108.391	109.294	109.815	109.805	109.982	110.484	110.819
<b>General government</b> <sup>4</sup> .....	8	105.732	106.666	106.731	106.982	106.795	107.014	107.532
Federal .....	9	106.265	106.947	106.726	107.121	106.167	106.148	107.000
State and local .....	10	105.491	106.536	106.726	106.915	107.065	107.389	107.760
<b>Addendum:</b>								
Gross housing value added .....	11	104.980	107.857	107.927	108.674	110.563	111.642	112.525

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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
<b>Business</b> <sup>1</sup> .....	2	107.243	110.324	110.720	111.581	112.325	113.179	113.545
Nonfarm <sup>2</sup> .....	3	106.924	110.268	110.690	111.582	112.379	113.320	113.599
Farm.....	4	140.433	116.270	113.998	111.773	106.945	98.811	108.306
<b>Households and institutions</b> .....	5	115.057	117.960	118.146	119.389	120.628	122.104	123.526
Households.....	6	112.530	114.495	114.683	115.448	116.397	118.148	119.886
Nonprofit institutions serving households <sup>3</sup> .....	7	118.278	122.437	122.618	124.508	126.142	127.233	128.209
<b>General government</b> <sup>4</sup> .....	8	119.235	124.718	125.330	126.237	128.170	129.182	129.985
Federal.....	9	122.817	129.479	130.093	129.782	133.763	134.390	134.550
State and local.....	10	117.747	122.735	123.347	124.764	125.844	127.015	128.084
<b>Addendum:</b>								
Gross housing value added.....	11	112.580	114.694	114.898	115.764	116.716	118.361	120.060

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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
<b>Business</b> <sup>1</sup> .....	2	9,007.6	9,613.4	9,717.7	9,837.9	10,065.4	10,210.4	10,278.8
Nonfarm <sup>2</sup> .....	3	8,893.0	9,517.5	9,624.7	9,745.0	9,973.6	10,124.8	10,188.4
Farm.....	4	114.6	95.9	93.0	92.9	91.8	85.6	90.3
<b>Households and institutions</b> .....	5	1,356.5	1,419.6	1,425.1	1,448.2	1,479.0	1,508.3	1,534.6
Households.....	6	756.9	793.7	795.4	808.8	830.2	850.9	870.1
Nonprofit institutions serving households <sup>3</sup> .....	7	599.6	625.8	629.7	639.4	648.8	657.4	664.4
<b>General government</b> <sup>4</sup> .....	8	1,348.4	1,422.9	1,430.7	1,444.5	1,464.0	1,478.6	1,495.0
Federal.....	9	411.6	436.7	437.9	438.4	447.9	449.9	454.0
State and local.....	10	936.8	986.2	992.9	1,006.0	1,016.2	1,028.7	1,041.0
<b>Addendum:</b>								
Gross housing value added.....	11	938.7	982.6	984.9	999.2	1,025.0	1,049.6	1,073.0

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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
<b>Business</b> <sup>1</sup> .....	2	8,402.4	8,717.5	8,781.6	8,821.0	8,965.6	9,026.4	9,058.3
Nonfarm <sup>2</sup> .....	3	8,320.3	8,634.9	8,699.9	8,737.8	8,879.6	8,939.5	8,974.0
Farm.....	4	81.6	82.4	81.7	83.3	86.1	86.9	84.1
<b>Households and institutions</b> .....	5	1,176.1	1,200.5	1,203.4	1,210.1	1,223.1	1,232.3	1,239.3
Households.....	6	672.6	693.2	693.6	700.6	713.2	720.2	725.8
Nonprofit institutions serving households <sup>3</sup> .....	7	504.1	508.3	510.7	510.7	511.5	513.8	515.4
<b>General government</b> <sup>4</sup> .....	8	1,130.9	1,140.9	1,141.6	1,144.3	1,142.3	1,144.6	1,150.1
Federal.....	9	335.1	337.3	336.6	337.8	334.8	334.8	337.4
State and local.....	10	795.6	803.5	805.0	806.4	807.5	810.0	812.8
Residual.....	11	-5.8	-11.0	-12.4	-12.8	-16.3	-17.1	-16.6
<b>Addendum:</b>								
Gross housing value added.....	12	833.8	856.7	857.2	863.2	878.2	886.8	893.8

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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
Less: Exports of goods and services.....	2	9.2	6.8	3.2	9.6	14.0	6.2	6.5
Plus: Imports of goods and services.....	3	10.8	6.1	2.5	13.2	9.1	1.4	7.8
<b>Equals: Gross domestic purchases</b> .....	4	4.4	3.3	4.0	2.7	5.3	2.0	2.1
Less: Change in private inventories.....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	4.0	3.6	4.2	0.7	5.4	1.6	2.2
<b>Addendum:</b>								
Final sales of domestic product.....	7	3.5	3.5	4.4	-0.3	5.6	2.1	1.7

**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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
Less: Exports of goods and services .....	2	102.201	109.105	109.503	112.054	115.783	117.536	119.403
Plus: Imports of goods and services .....	3	115.962	123.007	122.520	126.377	129.146	129.608	132.060
<b>Equals: Gross domestic purchases</b> .....	4	110.691	114.351	114.889	115.657	117.161	117.746	118.345
Less: Change in private inventories .....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	110.761	114.755	115.610	115.825	117.345	117.810	118.440
<b>Addendum:</b> Final sales of domestic product	7	109.096	112.958	113.965	113.883	115.455	116.060	116.549

**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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
Less: Exports of goods and services .....	2	105.151	108.949	109.341	110.108	110.737	112.400	113.780
Plus: Imports of goods and services .....	3	104.678	111.268	112.919	114.117	113.918	116.608	117.998
<b>Equals: Gross domestic purchases</b> .....	4	109.210	112.981	113.572	114.541	115.313	116.455	117.026
Less: Change in private inventories .....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	109.235	113.021	113.614	114.594	115.371	116.510	117.080
<b>Addendum:</b> Final sales of domestic product	7	109.455	112.783	113.181	114.101	115.025	115.961	116.483

**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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
Less: Exports of goods and services .....	2	1,178.1	1,303.1	1,312.4	1,352.4	1,405.4	1,448.1	1,489.1
Plus: Imports of goods and services .....	3	1,791.4	2,019.9	2,041.2	2,127.8	2,170.6	2,229.8	2,299.1
<b>Equals: Gross domestic purchases</b> .....	4	12,325.7	13,172.5	13,302.3	13,505.9	13,773.6	13,979.1	14,118.3
Less: Change in private inventories .....	5	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
<b>Equals: Final sales to domestic purchasers</b> .....	6	12,268.4	13,151.3	13,317.6	13,457.3	13,726.4	13,916.8	14,059.8
<b>Addendum:</b> Final sales of domestic product	7	11,655.1	12,434.6	12,588.8	12,681.9	12,961.2	13,135.1	13,249.8

**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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
Less: Exports of goods and services .....	2	1,120.4	1,196.1	1,200.5	1,228.4	1,269.3	1,288.5	1,309.0
Plus: Imports of goods and services .....	3	1,711.3	1,815.3	1,808.1	1,865.0	1,905.9	1,912.7	1,948.9
<b>Equals: Gross domestic purchases</b> .....	4	11,286.5	11,659.7	11,714.6	11,792.9	11,946.3	12,005.9	12,067.0
Less: Change in private inventories .....	5	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
<b>Equals: Final sales to domestic purchasers</b> .....	6	11,231.1	11,636.1	11,722.8	11,744.6	11,898.7	11,945.9	12,009.8
<b>Addendum:</b> Final sales of domestic product	7	10,648.3	11,025.2	11,123.5	11,115.5	11,269.0	11,328.0	11,375.7

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 1.5.1. Percent Change From Preceding Period in Real Gross Domestic Product, Expanded Detail**  
(Percent)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Personal consumption expenditures</b> .....	2	3.9	3.5	3.9	0.8	4.8	2.6	3.1
Durable goods.....	3	6.4	5.5	9.0	-12.3	19.8	-0.1	8.4
Motor vehicles and parts.....	4	1.9	0.6	10.5	-34.9	18.9	-1.2	12.8
Furniture and household equipment.....	5	12.1	10.0	13.7	11.6	22.8	3.3	7.3
Other.....	6	6.8	8.7	-2.0	6.1	16.3	-3.7	1.8
Nondurable goods.....	7	3.6	4.5	3.4	3.9	5.9	1.4	1.6
Food.....	8	3.4	5.4	6.4	4.1	6.7	2.0	-0.6
Clothing and shoes.....	9	5.0	6.2	3.0	10.3	8.6	-3.8	5.7
Gasoline, fuel oil, and other energy goods.....	10	1.0	-0.5	-5.8	-2.3	-1.3	0.7	4.1
Other.....	11	4.3	4.1	2.9	3.6	6.4	3.4	2.3
Services.....	12	3.5	2.6	3.2	2.0	1.6	3.7	2.8
Housing.....	13	3.8	2.8	2.3	1.7	2.3	2.4	2.6
Household operation.....	14	2.6	2.1	2.4	0.3	-14.0	8.4	4.9
Electricity and gas.....	15	1.6	2.6	2.1	2.0	-29.7	15.8	8.4
Other household operation.....	16	3.3	1.8	2.7	-0.8	-0.1	3.4	2.5
Transportation.....	17	1.2	0.1	-1.7	-0.2	4.0	1.7	1.5
Medical care.....	18	3.1	3.6	4.4	3.7	4.3	2.6	2.9
Recreation.....	19	4.8	2.7	1.8	1.5	3.1	0.8	3.2
Other.....	20	4.2	2.0	4.6	1.7	3.2	6.1	2.4
<b>Gross private domestic investment</b> .....	21	9.8	5.4	5.2	16.2	7.8	1.0	-2.0
Fixed investment.....	22	7.3	7.5	6.3	2.8	8.2	-1.6	-1.4
Nonresidential.....	23	5.9	6.8	5.9	5.2	13.7	4.4	8.6
Structures.....	24	2.2	1.1	-7.0	12.0	8.7	20.3	14.0
Equipment and software.....	25	7.3	8.9	11.0	2.8	15.6	-1.4	6.4
Information processing equipment and software.....	26	10.1	8.5	7.3	7.0	21.8	-1.1	7.6
Computers and peripheral equipment.....	27	14.2	17.9	8.6	27.1	24.9	4.7	24.6
Software <sup>1</sup> .....	28	10.0	5.8	4.6	2.8	12.2	4.2	5.4
Other.....	29	8.1	7.2	9.9	3.0	31.6	-9.0	2.9
Industrial equipment.....	30	-4.1	8.1	20.1	16.2	-3.6	13.6	2.9
Transportation equipment.....	31	13.2	12.9	23.0	-21.8	27.7	-22.8	9.9
Other equipment.....	32	5.6	7.0	2.0	6.6	8.5	7.4	3.7
Residential.....	33	9.9	8.6	7.1	-0.9	-0.3	-11.1	-17.4
Change in private inventories.....	34							
Farm.....	35							
Nonfarm.....	36							
<b>Net exports of goods and services</b> .....	37							
Exports.....	38	9.2	6.8	3.2	9.6	14.0	6.2	6.5
Goods.....	39	9.0	7.5	3.7	11.5	17.3	6.0	10.0
Services.....	40	9.7	5.1	2.1	5.5	6.7	6.7	-1.5
Imports.....	41	10.8	6.1	2.5	13.2	9.1	1.4	7.8
Goods.....	42	10.9	6.7	2.7	14.1	9.4	-0.1	9.5
Services.....	43	10.0	2.8	1.2	8.3	7.4	9.9	-1.0
<b>Government consumption expenditures and gross investment</b> .....	44	1.9	0.9	3.4	-1.1	4.9	0.8	2.0
Federal.....	45	4.3	1.5	9.6	-4.6	8.8	-4.5	1.7
National defense.....	46	5.9	1.7	11.2	-9.9	8.9	-2.0	-0.7
Consumption expenditures.....	47	5.4	1.2	11.1	-10.8	9.1	-4.1	-0.6
Gross investment.....	48	9.5	5.5	11.7	-3.1	7.9	14.1	-1.6
Nondefense.....	49	1.2	1.1	6.2	7.1	8.5	-9.3	6.9
Consumption expenditures.....	50	1.3	0.1	4.0	2.4	8.1	-5.0	7.7
Gross investment.....	51	1.2	8.1	22.8	43.8	10.8	-32.9	1.7
State and local.....	52	0.5	0.5	-0.1	1.0	2.7	4.0	2.1
Consumption expenditures.....	53	1.0	0.9	1.4	1.0	1.7	2.1	2.6
Gross investment.....	54	-1.6	-0.9	-6.4	1.4	7.0	12.5	0.1

1. Excludes software "embedded" or bundled, in computers and other equipment.

**Table 1.5.2. Contributions to Percent Change in Real Gross Domestic Product, Expanded Detail**

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
<b>Gross domestic product</b> .....	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
<b>Percentage points at annual rates:</b>								
<b>Personal consumption expenditures</b> .....	2	2.71	2.44	2.76	0.53	3.38	1.81	2.13
Durable goods.....	3	0.54	0.45	0.74	-1.08	1.50	-0.01	0.66
Motor vehicles and parts.....	4	0.07	0.02	0.38	-1.51	0.60	-0.04	0.41
Furniture and household equipment.....	5	0.35	0.29	0.40	0.33	0.65	0.10	0.21
Other.....	6	0.11	0.14	-0.03	0.10	0.26	-0.06	0.03
Nondurable goods.....	7	0.73	0.90	0.70	0.79	1.20	0.30	0.33
Food.....	8	0.33	0.51	0.61	0.39	0.64	0.19	-0.06
Clothing and shoes.....	9	0.14	0.17	0.08	0.27	0.23	-0.10	0.15
Gasoline, fuel oil, and other energy goods.....	10	0.02	-0.01	-0.15	-0.06	-0.03	0.02	0.11
Other.....	11	0.24	0.23	0.16	0.19	0.36	0.19	0.13
Services.....	12	1.45	1.09	1.32	0.83	0.67	1.52	1.15
Housing.....	13	0.40	0.30	0.24	0.18	0.24	0.25	0.27
Household operation.....	14	0.10	0.08	0.09	0.01	-0.58	0.31	0.18
Electricity and gas.....	15	0.02	0.04	0.03	0.03	-0.58	0.23	0.13
Other household operation.....	16	0.08	0.04	0.06	-0.02	0.00	0.08	0.05
Transportation.....	17	0.03	0.00	-0.04	0.00	0.10	0.04	0.04
Medical care.....	18	0.37	0.43	0.53	0.44	0.52	0.31	0.34
Recreation.....	19	0.14	0.08	0.05	0.04	0.09	0.02	0.09
Other.....	20	0.41	0.20	0.44	0.16	0.31	0.58	0.23
<b>Gross private domestic investment</b> .....	21	1.49	0.87	0.84	2.51	1.31	0.17	-0.34
Fixed investment.....	22	1.11	1.17	1.02	0.46	1.34	-0.27	-0.24
Nonresidential.....	23	0.58	0.67	0.59	0.52	1.36	0.45	0.88
Structures.....	24	0.06	0.03	-0.20	0.31	0.25	0.56	0.41
Equipment and software.....	25	0.52	0.64	0.78	0.21	1.11	-0.10	0.46
Information processing equipment and software.....	26	0.36	0.30	0.26	0.25	0.74	-0.04	0.27
Computers and peripheral equipment.....	27	0.10	0.12	0.06	0.16	0.15	0.03	0.14
Software <sup>1</sup> .....	28	0.15	0.09	0.07	0.04	0.18	0.07	0.08
Other.....	29	0.11	0.10	0.13	0.04	0.40	-0.14	0.04
Industrial equipment.....	30	-0.05	0.10	0.23	0.19	-0.05	0.16	0.04
Transportation equipment.....	31	0.14	0.15	0.27	-0.31	0.31	-0.32	0.11
Other equipment.....	32	0.07	0.09	0.03	0.08	0.11	0.09	0.05
Residential.....	33	0.53	0.50	0.43	-0.06	-0.02	-0.72	-1.12
Change in private inventories.....	34	0.38	-0.30	-0.18	2.05	-0.03	0.44	-0.10
Farm.....	35	0.07	-0.06	0.28	0.14	-0.01	-0.09	-0.01
Nonfarm.....	36	0.31	-0.24	-0.46	1.90	-0.02	0.54	-0.09
<b>Net exports of goods and services</b> .....	37	-0.55	-0.26	-0.06	-1.07	-0.04	0.42	-0.58
Exports.....	38	0.88	0.68	0.33	0.97	1.41	0.66	0.70
Goods.....	39	0.60	0.52	0.27	0.80	1.20	0.45	0.75
Services.....	40	0.28	0.16	0.06	0.17	0.21	0.21	-0.05
Imports.....	41	-1.53	-0.94	-0.39	-2.04	-1.46	-0.24	-1.28
Goods.....	42	-1.29	-0.87	-0.36	-1.84	-1.27	0.01	-1.31
Services.....	43	-0.24	-0.07	-0.03	-0.20	-0.19	-0.25	0.03
<b>Government consumption expenditures and gross investment</b> .....	44	0.36	0.17	0.64	-0.21	0.94	0.16	0.37
Federal.....	45	0.30	0.11	0.66	-0.33	0.61	-0.32	0.12
National defense.....	46	0.27	0.08	0.52	-0.49	0.41	-0.09	-0.03
Consumption expenditures.....	47	0.22	0.05	0.45	-0.47	0.37	-0.17	-0.02
Gross investment.....	48	0.05	0.03	0.07	-0.02	0.05	0.08	-0.01
Nondefense.....	49	0.03	0.03	0.14	0.16	0.20	-0.23	0.15
Consumption expenditures.....	50	0.03	0.00	0.08	0.05	0.16	-0.10	0.15
Gross investment.....	51	0.00	0.02	0.06	0.11	0.03	-0.12	0.01
State and local.....	52	0.06	0.06	-0.01	0.13	0.33	0.48	0.25
Consumption expenditures.....	53	0.10	0.08	0.14	0.09	0.17	0.20	0.25
Gross investment.....	54	-0.04	-0.02	-0.15	0.03	0.16	0.28	0.00

1. Excludes software "embedded" or bundled, in computers and other equipment.

**Table 1.5.3. Real Gross Domestic Product, Expanded Detail, Quantity Indexes**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
<b>Personal consumption expenditures</b> .....	2	112.430	116.349	117.152	117.373	118.761	119.521	120.430
Durable goods .....	3	125.753	132.666	136.207	131.799	137.893	137.868	140.677
Motor vehicles and parts .....	4	116.518	117.173	122.801	110.286	115.158	114.799	118.317
Furniture and household equipment .....	5	142.541	156.790	159.059	163.472	172.097	173.496	176.570
Other .....	6	119.370	129.696	130.021	131.958	137.039	135.754	136.366
Nondurable goods .....	7	111.913	116.924	117.481	118.608	120.313	120.742	121.224
Food .....	8	109.273	115.191	116.189	117.349	119.265	119.853	119.681
Clothing and shoes .....	9	117.869	125.195	125.581	128.686	131.367	130.113	131.919
Gasoline, fuel oil, and other energy goods .....	10	104.727	104.204	103.288	102.679	102.348	102.532	103.562
Other .....	11	116.072	120.838	121.368	122.432	124.356	125.409	126.122
Services .....	12	110.055	112.925	113.379	113.945	114.398	115.440	116.240
Housing .....	13	108.459	111.540	111.918	112.394	113.035	113.713	114.437
Household operation .....	14	104.922	107.145	107.506	107.598	103.628	105.735	107.002
Electricity and gas .....	15	104.569	107.317	107.443	107.963	98.875	102.566	104.654
Other household operation .....	16	105.147	107.016	107.543	107.320	107.289	108.190	108.848
Transportation .....	17	97.510	97.652	97.376	97.330	98.298	98.722	99.059
Medical care .....	18	118.550	122.799	123.437	124.563	125.887	126.690	127.586
Recreation .....	19	113.618	116.727	117.009	117.445	118.336	118.581	119.522
Other .....	20	107.403	109.540	110.176	110.634	111.521	113.175	113.844
<b>Gross private domestic investment</b> .....	21	102.026	107.537	106.938	111.034	113.143	113.429	112.861
Fixed investment .....	22	102.080	109.708	111.032	111.811	114.033	113.570	113.159
Nonresidential .....	23	92.995	99.326	100.025	101.308	104.606	105.738	107.952
Structures .....	24	79.418	80.302	78.903	81.174	82.893	86.819	89.715
Equipment and software .....	25	98.400	107.180	108.889	109.653	113.704	113.313	115.096
Information processing equipment and software .....	26	108.905	118.169	119.268	121.307	127.437	127.088	129.447
Computers and peripheral equipment .....	27	138.489	163.269	163.804	173.913	183.839	185.956	196.465
Software <sup>1</sup> .....	28	110.703	117.072	118.092	118.920	122.383	123.658	125.305
Other .....	29	95.076	101.880	103.171	103.947	111.339	108.753	109.540
Industrial equipment .....	30	83.354	90.147	90.994	94.468	93.602	96.640	97.325
Transportation equipment .....	31	80.063	90.382	94.682	89.030	94.635	88.698	90.826
Other equipment .....	32	104.902	112.290	113.399	115.224	117.597	119.702	120.792
Residential .....	33	125.281	136.050	138.821	138.495	138.391	134.368	128.094
Change in private inventories .....	34	.....	.....	.....	.....	.....	.....	.....
Farm .....	35	.....	.....	.....	.....	.....	.....	.....
Nonfarm .....	36	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	37	.....	.....	.....	.....	.....	.....	.....
Exports .....	38	102.201	109.105	109.503	112.054	115.783	117.536	119.403
Goods .....	39	100.002	107.507	108.050	111.027	115.535	117.228	120.063
Services .....	40	107.667	113.118	113.158	114.693	116.564	118.463	118.005
Imports .....	41	115.962	123.007	122.520	126.377	129.146	129.608	132.060
Goods .....	42	116.786	124.640	124.159	128.331	131.236	131.218	134.225
Services .....	43	112.051	115.170	114.652	116.954	119.055	121.896	121.586
<b>Government consumption expenditures and gross investment</b> .....	44	112.720	113.731	114.358	114.048	115.423	115.657	116.217
Federal .....	45	123.813	125.701	127.545	126.053	128.728	127.262	127.815
National defense .....	46	128.374	130.593	133.423	130.002	132.808	132.141	131.905
Consumption expenditures .....	47	127.006	128.551	131.236	127.544	130.343	128.981	128.794
Gross investment .....	48	138.370	145.920	149.882	148.703	151.544	156.631	155.987
Nondefense .....	49	115.606	118.896	118.939	118.971	121.411	118.488	120.483
Consumption expenditures .....	50	116.431	118.593	116.675	117.362	119.666	118.137	120.341
Gross investment .....	51	106.674	119.670	119.443	130.801	134.201	121.448	121.970
State and local .....	52	107.094	107.660	107.674	107.954	108.682	109.762	110.326
Consumption expenditures .....	53	106.736	107.655	107.817	108.074	108.536	109.095	109.788
Gross investment .....	54	108.488	107.563	106.963	107.335	109.177	112.448	112.466

1. Excludes software "embedded," or bundled, in computers and other equipment.

**Table 1.5.4. Price Indexes for Gross Domestic Product, Expanded Detail**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
<b>Personal consumption expenditures</b> .....	2	108.373	111.493	112.067	112.873	113.445	114.573	115.278
Durable goods .....	3	90.845	90.198	89.908	89.606	89.385	89.206	88.968
Motor vehicles and parts .....	4	97.242	98.967	98.607	98.906	99.460	99.532	99.632
Furniture and household equipment .....	5	79.929	76.884	76.315	75.435	74.671	73.894	73.046
Other .....	6	98.044	97.688	98.189	98.005	97.567	98.351	98.950
Nondurable goods .....	7	107.617	111.530	113.016	113.177	113.484	115.769	116.443
Food .....	8	110.270	112.732	113.012	113.642	114.414	114.905	115.727
Clothing and shoes .....	9	92.655	91.706	91.265	91.101	90.870	91.651	91.342
Gasoline, fuel oil, and other energy goods .....	10	124.064	151.423	167.157	163.612	161.126	182.632	185.639
Other .....	11	106.139	107.775	107.930	108.619	109.301	109.737	110.041
Services .....	12	112.863	116.529	116.858	118.281	119.194	120.059	121.026
Housing .....	13	113.234	116.165	116.453	117.279	118.269	119.717	121.055
Household operation .....	14	109.943	115.554	115.498	120.579	122.403	121.019	121.387
Electricity and gas .....	15	117.821	129.900	129.526	142.169	145.582	140.799	140.316
Other household operation .....	16	105.374	107.233	107.364	108.047	108.977	109.447	110.285
Transportation .....	17	108.373	112.663	113.621	114.970	115.411	116.826	117.675
Medical care .....	18	114.660	118.438	118.752	119.949	120.482	121.332	122.297
Recreation .....	19	112.059	115.168	115.535	116.702	117.311	118.582	119.454
Other .....	20	113.086	116.625	116.985	117.959	119.116	119.970	120.836
<b>Gross private domestic investment</b> .....	21	106.645	110.284	110.675	111.853	112.860	113.717	113.857
Fixed investment .....	22	106.811	110.542	110.946	112.194	113.238	114.074	114.187
Nonresidential .....	23	100.834	103.428	103.607	104.510	105.471	106.266	106.486
Structures .....	24	120.951	134.647	136.089	141.476	145.684	149.432	151.520
Equipment and software .....	25	94.503	94.134	93.983	93.754	93.887	93.920	93.646
Information processing equipment and software .....	26	84.741	82.218	81.863	81.313	80.940	80.737	80.431
Computers and peripheral equipment .....	27	58.599	51.407	50.407	48.634	47.125	45.443	43.871
Software <sup>1</sup> .....	28	94.503	94.067	94.012	94.009	94.430	95.005	95.359
Other .....	29	91.294	90.492	90.369	90.343	90.186	90.523	90.736
Industrial equipment .....	30	104.249	108.064	108.373	108.973	109.659	110.544	111.689
Transportation equipment .....	31	109.923	108.882	108.351	107.933	108.867	109.257	106.501
Other equipment .....	32	103.914	108.174	108.742	109.100	109.841	109.608	110.350
Residential .....	33	120.618	126.714	127.573	129.536	130.765	131.696	131.569
Change in private inventories .....	34	.....	.....	.....	.....	.....	.....	.....
Farm .....	35	.....	.....	.....	.....	.....	.....	.....
Nonfarm .....	36	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	37	.....	.....	.....	.....	.....	.....	.....
Exports .....	38	105.151	108.949	109.341	110.108	110.737	112.400	113.780
Goods .....	39	104.392	107.628	107.846	108.450	109.192	110.852	112.289
Services .....	40	106.985	112.115	112.918	114.080	114.430	116.098	117.333
Imports .....	41	104.678	111.268	112.919	114.117	113.918	116.608	117.998
Goods .....	42	102.962	109.622	111.383	112.790	112.331	115.197	116.634
Services .....	43	113.786	119.933	120.945	120.913	122.242	123.890	124.996
<b>Government consumption expenditures and gross investment</b> .....	44	114.718	121.183	122.029	123.444	124.791	126.262	126.715
Federal .....	45	115.249	120.726	121.353	121.479	123.721	124.871	125.282
National defense .....	46	115.954	121.855	122.467	122.760	124.752	126.006	126.536
Consumption expenditures .....	47	118.472	125.071	125.833	126.061	128.927	129.681	130.175
Gross investment .....	48	99.911	101.628	101.370	102.026	102.438	103.109	103.823
Nondefense .....	49	113.963	118.606	119.261	119.059	121.787	122.736	122.913
Consumption expenditures .....	50	116.274	121.381	122.127	121.810	124.944	125.958	126.144
Gross investment .....	51	100.007	101.913	102.051	102.470	103.035	103.623	

**Table 1.5.5. Gross Domestic Product, Expanded Detail**  
(Billions of dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
<b>Personal consumption expenditures</b> .....	2	8,211.5	8,742.4	8,847.3	8,927.8	9,079.2	9,228.1	9,355.5
Durable goods.....	3	986.3	1,033.1	1,057.3	1,019.6	1,064.1	1,061.8	1,080.6
Motor vehicles and parts.....	4	437.9	448.2	468.1	421.6	442.7	441.7	455.6
Furniture and household equipment.....	5	356.5	377.2	380.0	386.0	402.3	401.3	403.8
Other.....	6	191.8	207.7	209.2	212.0	219.1	218.8	221.1
Nondurable goods.....	7	2,345.2	2,539.3	2,584.9	2,613.5	2,658.2	2,721.4	2,748.2
Food.....	8	1,114.8	1,201.4	1,214.7	1,233.7	1,262.3	1,274.0	1,281.3
Clothing and shoes.....	9	325.1	341.8	341.3	349.1	355.4	355.1	358.8
Gasoline, fuel oil, and other energy goods.....	10	248.8	302.1	331.0	322.1	316.2	359.1	368.7
Other.....	11	656.5	694.0	698.0	708.6	724.2	733.3	739.5
Services.....	12	4,860.1	5,170.0	5,205.1	5,294.7	5,356.8	5,444.9	5,526.7
Housing.....	13	1,236.1	1,304.1	1,311.7	1,326.6	1,345.4	1,370.1	1,394.2
Household operation.....	14	450.0	483.0	484.3	506.1	494.8	499.1	506.7
Electricity and gas.....	15	176.6	199.8	199.4	219.9	206.2	206.9	210.4
Other household operation.....	16	273.5	283.2	285.0	286.2	288.6	292.2	296.3
Transportation.....	17	307.8	320.4	322.3	325.9	330.4	335.9	339.7
Medical care.....	18	1,395.7	1,493.4	1,505.0	1,534.0	1,572.2	1,578.2	1,602.0
Recreation.....	19	341.6	360.6	362.6	367.7	372.4	377.2	383.0
Other.....	20	1,148.9	1,208.4	1,219.1	1,234.4	1,256.5	1,284.3	1,301.2
<b>Gross private domestic investment</b> .....	21	1,888.0	2,057.4	2,052.6	2,154.5	2,214.8	2,237.1	2,227.6
Fixed investment.....	22	1,830.6	2,036.2	2,067.9	2,105.8	2,167.7	2,174.8	2,169.1
Nonresidential.....	23	1,155.3	1,265.7	1,276.7	1,304.3	1,359.2	1,384.3	1,416.2
Structures.....	24	300.8	338.6	336.3	359.7	378.2	406.3	425.7
Equipment and software.....	25	854.5	927.1	940.4	944.7	981.0	977.9	990.4
Information processing equipment and software.....	26	431.6	454.3	456.6	461.3	482.4	479.9	486.9
Computers and peripheral equipment.....	27	82.3	85.1	83.9	85.9	88.0	85.9	87.6
Software <sup>1</sup> .....	28	184.3	194.0	195.6	196.9	203.6	207.0	210.5
Other.....	29	164.9	175.2	177.2	178.4	190.8	187.1	188.9
Industrial equipment.....	30	138.4	155.1	157.0	163.9	163.4	170.1	173.0
Transportation equipment.....	31	141.6	158.3	165.0	154.6	165.7	155.9	155.6
Other equipment.....	32	143.0	159.4	161.8	164.9	169.4	172.1	174.9
Residential.....	33	675.3	770.4	791.2	801.5	808.5	790.6	752.9
Change in private inventories.....	34	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
Farm.....	35	8.4	0.3	1.3	5.8	5.4	2.3	1.6
Nonfarm.....	36	49.0	21.0	-16.6	42.8	41.8	59.9	57.0
<b>Net exports of goods and services</b> .....	37	-613.2	-716.7	-728.8	-775.4	-765.2	-781.8	-810.0
Exports.....	38	1,178.1	1,303.1	1,312.4	1,352.4	1,405.4	1,448.1	1,489.1
Goods.....	39	818.8	907.5	913.9	944.3	989.3	1,019.1	1,057.3
Services.....	40	359.3	395.6	398.5	408.1	416.0	429.0	431.9
Imports.....	41	1,791.4	2,019.9	2,041.2	2,127.8	2,170.6	2,229.8	2,299.1
Goods.....	42	1,495.2	1,699.0	1,719.1	1,799.3	1,832.6	1,879.0	1,946.1
Services.....	43	296.2	320.9	322.1	328.5	338.1	350.8	353.0
<b>Government consumption expenditures and gross investment</b> .....	44	2,226.2	2,372.8	2,402.4	2,423.6	2,479.6	2,513.9	2,535.2
Federal.....	45	825.9	878.3	895.8	886.2	921.7	919.7	926.8
National defense.....	46	551.2	589.3	605.0	590.9	613.5	616.5	618.0
Consumption expenditures.....	47	483.7	516.9	530.9	516.9	537.7	537.7	539.0
Gross investment.....	48	67.5	72.4	74.2	74.1	75.8	78.8	79.1
Nondefense.....	49	274.7	289.0	290.7	295.3	308.2	303.2	308.7
Consumption expenditures.....	50	240.7	251.7	253.4	254.2	265.9	264.6	269.9
Gross investment.....	51	33.9	37.4	37.4	41.1	42.4	38.6	38.8
State and local.....	52	1,400.3	1,494.4	1,506.6	1,537.4	1,557.9	1,594.2	1,608.4
Consumption expenditures.....	53	1,130.3	1,207.2	1,217.8	1,243.4	1,256.2	1,280.7	1,293.2
Gross investment.....	54	270.0	287.3	288.7	294.0	301.7	313.5	315.2

1. Excludes software "embedded" or bundled, in computers and other equipment.

**Table 1.5.6. Real Gross Domestic Product, Expanded Detail, Chained Dollars**  
(Billions of chained (2000) dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
<b>Personal consumption expenditures</b> .....	2	7,577.1	7,841.2	7,895.3	7,910.2	8,003.8	8,055.0	8,116.2
Durable goods.....	3	1,085.7	1,145.3	1,175.9	1,137.9	1,190.5	1,190.3	1,214.5
Motor vehicles and parts.....	4	450.4	452.9	474.6	426.3	445.1	443.7	457.3
Furniture and household equipment.....	5	446.0	490.6	497.7	511.5	538.5	542.9	552.5
Other.....	6	195.6	212.6	213.1	216.3	224.6	222.5	223.5
Nondurable goods.....	7	2,179.2	2,276.8	2,287.6	2,309.6	2,342.8	2,351.1	2,360.5
Food.....	8	1,011.0	1,065.7	1,074.9	1,085.7	1,103.4	1,108.8	1,107.2
Clothing and shoes.....	9	350.9	372.7	373.9	383.1	391.1	387.4	392.7
Gasoline, fuel oil, and other energy goods.....	10	200.5	199.5	197.8	196.6	196.0	196.3	198.3
Other.....	11	618.5	643.9	646.7	652.4	662.6	668.3	672.1
Services.....	12	4,323.9	4,436.6	4,454.5	4,476.7	4,484.5	4,535.4	4,566.9
Housing.....	13	1,091.6	1,122.6	1,126.4	1,131.2	1,137.6	1,144.5	1,151.8
Household operation.....	14	409.3	418.0	419.4	419.8	404.3	412.5	417.4
Electricity and gas.....	15	149.8	153.8	154.0	154.7	147.1	147.0	150.0
Other household operation.....	16	259.5	264.1	265.4	264.9	264.8	267.0	268.6
Transportation.....	17	284.0	284.4	283.6	283.5	286.3	287.5	288.6
Medical care.....	18	1,217.3	1,260.9	1,267.5	1,279.0	1,292.6	1,300.9	1,310.1
Recreation.....	19	304.8	313.1	313.9	315.1	317.5	318.1	320.6
Other.....	20	1,016.0	1,036.2	1,042.2	1,046.5	1,054.9	1,070.6	1,076.9
<b>Gross private domestic investment</b> .....	21	1,770.6	1,866.3	1,855.9	1,927.0	1,963.6	1,968.5	1,958.7
Fixed investment.....	22	1,713.9	1,842.0	1,864.2	1,877.3	1,914.6	1,906.8	1,899.9
Nonresidential.....	23	1,145.8	1,223.8	1,232.4	1,248.2	1,288.8	1,302.8	1,330.0
Structures.....	24	248.7	251.5	247.1	254.2	259.6	271.9	281.0
Equipment and software.....	25	904.2	984.9	1,000.6	1,007.6	1,044.8	1,041.2	1,057.6
Information processing equipment and software.....	26	509.3	552.6	557.7	567.3	595.9	594.3	605.3
Computers and peripheral equipment.....	27	82.3	85.1	83.9	85.9	88.0	85.9	87.6
Software <sup>1</sup> .....	28	195.0	206.2	208.0	209.5	215.6	217.8	220.7
Other.....	29	180.7	193.6	196.0	197.5	211.6	206.7	208.1
Industrial equipment.....	30	132.7	143.5	144.9	150.4	149.0	153.9	155.0
Transportation equipment.....	31	128.8	145.4	152.3	143.2	152.2	142.7	146.1
Other equipment.....	32	137.6	147.3	148.8	151.2	154.3	157.1	158.5
Residential.....	33	559.9	608.0	620.4	618.9	618.5	600.5	572.5
Change in private inventories.....	34	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
Farm.....	35	6.1	0.2	1.1	4.8	4.3	1.9	1.6
Nonfarm.....	36	47.0	19.6	-14.0	38.6	36.8	52.2	49.5
<b>Net exports of goods and services</b> .....	37	-590.9	-619.2	-607.6	-636.6	-636.6	-624.2	-639.9
Exports.....	38	1,120.4	1,196.1	1,200.5	1,228.4	1,269.3	1,288.5	1,309.0
Goods.....	39	784.4	843.2	847.5	870.8	906.2	919.5	941.7
Services.....	40	335.9	352.9	353.0	357.8	363.6	369.5	368.1
Imports.....	41	1,711.3	1,815.3	1,808.1	1,865.0	1,905.9	1,912.7	1,948.9
Goods.....	42	1,452.2	1,549.9	1,543.9	1,595.8	1,631.9	1,631.7	1,669.1
Services.....	43	260.3	267.5	266.3	271.7	276.6	283.2	282.4
<b>Government consumption expenditures and gross investment</b> .....	44	1,940.6	1,958.0	1,968.8	1,963.5	1,987.1	1,991.2	2,000.8
Federal.....	45	716.6	727.5	738.2	729.6	745.1	736.6	739.8
National defense.....	46	475.4	483.6	494.1	481.4	491.8	489.3	488.5
Consumption expenditures.....	47	408.3	413.3	421.9	410.0	419.0	414.7	414.1
Gross investment.....	48	67.5	71.2	73.2	72.6	74.0	76.5	76.1
Nondefense.....	49	241.0	243.7	243.8	248.0	253.1	247.0	251.2
Consumption expenditures.....	50	207.0	207.3	207.5	208.7	212.8	210.1	214.0
Gross investment.....	51	33.9	36.7	36.6	40.1	41.1	37.2	37.4
State and local.....	52	1,223.9	1,230.4	1,230.5	1,233.7	1,242.0	1,254.4	1,260.8
Consumption expenditures.....	53	979.6	988.0	989.5	991.9	996.1	1,001.2	1,007.6
Gross investment.....	54	244.1	242.1	240.7	241.6	245.7	253.1	253.1
Residual.....	55	-17.6	-42.6	-47.1	-53.7	-78.7	-77.6	-90.2

1. The quantity index for computers can be used to accurately measure the real growth of this component. However, because computers exhibit rapid changes in prices relative to other prices in the economy, the chained-dollar estimates should not be used to measure the component's relative importance or its contribution to the growth rate of more aggregate series; accurate estimates of these contributions are shown in table 1.5.2 and real growth rates are shown in table 1.5.1.

2. Excludes software "embedded



**Table 1.6.4. Price Indexes for Gross Domestic Purchases**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic purchases</b> .....	1	109.210	112.981	113.572	114.541	115.313	116.455	117.026
<b>Personal consumption expenditures</b> .....	2	108.373	111.493	112.067	112.873	113.445	114.573	115.278
Durable goods .....	3	90.845	90.198	89.908	89.606	89.385	89.206	88.968
Motor vehicles and parts .....	4	97.242	98.967	98.607	98.906	99.460	99.532	99.632
Furniture and household equipment.....	5	79.929	76.884	76.315	75.435	74.671	73.894	73.046
Other .....	6	98.044	97.688	98.189	98.005	97.567	98.351	98.950
Nondurable goods .....	7	107.617	111.530	113.016	113.177	113.484	115.769	116.443
Food .....	8	110.270	112.732	113.012	113.642	114.414	114.905	115.727
Clothing and shoes .....	9	92.655	91.706	91.265	91.101	90.870	91.651	91.342
Gasoline, fuel oil, and other energy goods.....	10	124.064	151.423	167.157	163.612	161.126	182.632	185.639
Other .....	11	106.139	107.775	107.930	108.619	109.301	109.737	110.041
Services .....	12	112.863	116.529	116.858	118.281	119.194	120.059	121.026
Housing .....	13	113.234	116.165	116.453	117.279	118.269	119.717	121.055
Household operation .....	14	109.943	115.554	115.498	120.579	122.403	121.019	121.387
Electricity and gas .....	15	117.821	129.900	129.526	142.169	145.582	140.799	140.316
Other household operation .....	16	105.374	107.233	107.364	108.047	108.977	109.447	110.285
Transportation .....	17	108.373	112.663	113.621	114.970	115.411	116.826	117.675
Medical care .....	18	114.660	118.438	118.752	119.949	120.482	121.332	122.297
Recreation .....	19	112.059	115.168	115.535	116.702	117.311	118.582	119.454
Other .....	20	113.086	116.625	116.985	117.959	119.116	119.970	120.836
<b>Gross private domestic investment</b> .....	21	106.645	110.284	110.675	111.853	112.860	113.717	113.857
Fixed investment .....	22	106.811	110.542	110.946	112.194	113.238	114.074	114.187
Nonresidential .....	23	100.834	103.428	103.607	104.510	105.471	106.266	106.486
Structures .....	24	120.951	134.647	136.089	141.476	145.684	149.432	151.520
Equipment and software... Information processing equipment and software .....	25	94.503	94.134	93.983	93.754	93.887	93.920	93.646
Computers and peripheral equipment .....	26	84.741	82.218	81.863	81.313	80.940	80.737	80.431
Software <sup>1</sup> .....	27	58.599	51.407	50.407	48.634	47.125	45.443	43.871
Other .....	28	94.503	94.067	94.012	94.009	94.430	95.005	95.359
Industrial equipment.....	29	91.294	90.492	90.369	90.343	90.186	90.523	90.736
Transportation .....	30	104.249	108.064	108.373	108.973	109.659	110.544	111.689
equipment .....	31	109.923	108.882	108.351	107.933	108.867	109.257	106.501
Other equipment .....	32	103.914	108.174	108.742	109.100	109.841	109.608	110.350
Residential .....	33	120.618	126.714	127.573	129.536	130.765	131.696	131.569
Change in private inventories .....	34							
Farm .....	35							
Nonfarm .....	36							
<b>Government consumption expenditures and gross investment</b> .....	37	114.718	121.183	122.029	123.444	124.791	126.262	126.715
Federal .....	38	115.249	120.726	121.353	121.479	123.721	124.871	125.282
National defense .....	39	115.954	121.855	122.467	122.760	124.752	126.006	126.536
Consumption expenditures .....	40	118.472	125.071	125.833	126.061	128.327	129.681	130.175
Gross investment .....	41	99.911	101.628	101.370	102.026	102.438	103.109	103.823
Nondefense .....	42	113.963	118.606	119.261	119.059	121.787	122.736	122.913
Consumption expenditures .....	43	116.274	121.381	122.127	121.810	124.944	125.958	126.144
Gross investment .....	44	100.007	101.913	102.051	102.470	103.035	103.623	103.746
State and local .....	45	114.417	121.483	122.438	124.620	125.434	127.095	127.574
Consumption expenditures .....	46	115.388	122.177	123.079	125.365	126.112	127.916	128.352
Gross investment .....	47	110.587	118.679	119.954	121.716	122.799	123.893	124.541
<b>Addenda:</b>								
Final sales of computers to domestic purchasers <sup>2</sup> .....	48	51.421	44.424	43.470	41.803	40.388	38.697	37.397
Gross domestic purchases excluding final sales of computers to domestic purchasers .....	49	110.188	114.210	114.838	115.873	116.704	117.922	118.547
Food .....	50	110.211	112.598	112.842	113.482	114.220	114.697	115.551
Energy goods and services .....	51	121.649	144.830	153.098	158.485	157.543	168.404	168.661
Gross domestic purchases excluding food and energy .....	52	108.555	111.638	111.939	112.758	113.605	114.420	114.973
Gross domestic product .....	53	109.429	112.744	113.139	114.048	114.967	115.905	116.431
Gross domestic product excluding final sales of computers .....	54	110.215	113.724	114.144	115.107	116.067	117.060	117.628
Food .....	55	110.929	112.925	113.269	113.749	114.442	114.970	115.896
Energy goods and services .....	56	116.292	126.526	129.409	131.589	135.113	140.609	137.983
Gross domestic product excluding food and energy .....	57	109.047	112.298	112.624	113.545	114.417	115.272	115.843
Final sales of domestic product .....	58	109.455	112.783	113.181	114.101	115.025	115.961	116.483
Final sales of domestic purchasers .....	59	109.235	113.021	113.614	114.594	115.371	116.510	117.080

1. Excludes software "embedded" or bundled, in computers and other equipment.  
2. Some components of final sales of computers include computer parts.

**Table 1.6.7. Percent Change From Preceding Period in Prices for Gross Domestic Purchases**  
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic purchases</b> .....	1	3.1	3.5	4.4	3.5	2.7	4.0	2.0
<b>Personal consumption expenditures</b> .....	2	2.6	2.9	4.1	2.9	2.0	4.0	2.5
Durable goods .....	3	-1.6	-0.7	-2.9	-1.3	-1.0	-0.8	-1.1
Motor vehicles and parts .....	4	-0.4	1.8	-2.7	1.2	2.3	0.3	0.4
Furniture and household equipment.....	5	-4.1	-3.8	-6.7	-4.5	-4.0	-4.1	-4.5
Other .....	6	0.1	-0.4	3.9	-0.7	-1.8	3.3	2.5
Nondurable goods .....	7	3.3	3.6	9.0	0.6	1.1	8.3	2.3
Food .....	8	3.1	2.2	1.4	2.2	2.7	1.7	2.9
Clothing and shoes .....	9	-0.4	-1.0	-3.2	-0.7	-1.0	3.5	-1.3
Gasoline, fuel oil, and other energy goods.....	10	17.5	22.1	91.6	-8.2	-5.9	65.1	6.8
Other .....	11	0.9	1.5	2.0	2.6	2.5	1.6	1.1
Services .....	12	3.2	3.2	3.2	5.0	3.1	2.9	3.3
Housing .....	13	2.5	2.6	2.2	2.9	3.4	5.0	4.5
Household operation .....	14	2.1	5.1	6.2	18.8	6.2	-4.4	1.2
Electricity and gas .....	15	3.9	10.3	13.6	45.1	10.0	-12.5	-1.4
Other household operation .....	16	1.0	1.8	1.3	2.6	3.5	1.7	3.1
Transportation .....	17	2.3	4.0	6.2	4.8	1.5	5.0	2.9
Medical care .....	18	4.1	3.3	2.9	4.1	1.8	2.9	3.2
Recreation .....	19	2.6	2.8	3.5	4.1	2.1	4.4	3.0
Other .....	20	3.7	3.1	2.9	3.4	4.0	2.9	2.9
<b>Gross private domestic investment</b> .....	21	3.3	3.4	3.7	4.3	3.7	3.1	0.5
Fixed investment .....	22	3.4	3.5	4.0	4.6	3.8	3.0	0.4
Nonresidential .....	23	1.2	2.6	2.2	3.5	3.7	3.0	0.8
Structures .....	24	6.2	11.3	13.2	16.8	12.4	10.7	5.7
Equipment and software... Information processing equipment and software .....	25	-0.4	-0.4	-1.5	-1.0	0.6	0.1	-1.2
Computers and peripheral equipment .....	26	-3.6	-3.0	-3.2	-2.7	-1.8	-1.0	-1.5
Software <sup>1</sup> .....	27	-7.3	-12.3	-13.7	-13.3	-11.8	-13.5	-13.1
Other .....	28	-2.3	-0.5	-0.8	0.0	1.8	2.5	1.5
Industrial equipment.....	29	-3.1	-0.9	-0.6	-0.1	-0.7	1.5	0.9
Transportation .....	30	2.6	3.7	1.2	2.2	2.5	3.3	4.2
equipment .....	31	5.7	-0.9	-3.2	-1.5	3.5	1.4	-9.7
Other equipment .....	32	0.7	4.1	2.6	1.3	2.7	-0.8	2.7
Residential .....	33	7.3	5.1	6.9	6.3	3.8	2.9	-0.4
Change in private inventories .....	34							
Farm .....	35							
Nonfarm .....	36							
<b>Government consumption expenditures and gross investment</b> .....	37	4.4	5.6	5.9	4.7	4.4	4.8	1.4
Federal .....	38	4.7	4.8	3.3	0.4	7.6	3.8	1.3
National defense .....	39	4.7	5.1	3.4	1.0	6.7	4.1	1.7
Consumption expenditures .....	40	5.1	5.6	3.9	0.7	7.4	4.3	1.5
Gross investment .....	41	1.9	1.7	-0.4	2.6	1.6	2.6	2.8
Nondefense .....	42	4.7	4.1	3.2	-0.7	9.5	3.2	0.6
Consumption expenditures .....	43	5.2	4.4	3.5	-1.0	10.7	3.3	0.6
Gross investment .....	44	0.8	1.9	1.3	1.7	2.2	2.3	0.5
State and local .....	45	4.3	6.2	7.4	7.3	2.6	5.4	1.5
Consumption expenditures .....	46	4.2	5.9	7.1	7.6	2.4	5.8	1.4
Gross investment .....	47	4.6	7.3	8.4	6.0	3.6	3.6	2.1
<b>Addenda:</b>								
Final sales of computers to domestic purchasers <sup>2</sup> .....	48	-9.1	-13.6	-15.6	-14.5	-12.9	-15.7	-12.8
Gross domestic purchases excluding final sales of computers to domestic purchasers .....	49	3.2	3.7	4.6	3.7	2.9	4.2	2.1
Food .....	50	3.1	2.2	1.2	2.3	2.6	1.7	3.0
Energy goods and services .....	51	11.9	19.1	54.1	14.8	-2.4	30.6	0.6
Gross domestic purchases excluding food and energy .....	52	2.7	2.8	2.5	3.0	3.0	2.9	1.9
Gross domestic product .....	53	2.8	3.0	3.3	3.3	3.3	3.3	1.8
Gross domestic product excluding final sales of computers .....	54	2.9	3.2	3.4	3.4	3.4	3.5	2.0
Food .....	55	3.3	1.8	1.5	1.7	2.5	1.9	3.3
Energy goods and services .....	56	5.9	8.8	25.7	6.9	11.2	17.3	-7.3
Gross domestic product excluding food and energy .....</								

**Table 1.6.8. Contributions to Percent Change in the Gross Domestic Purchases Price Index**

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
Gross domestic purchases ...	1	3.1	3.5	4.4	3.5	2.7	4.0	2.0
<b>Percentage points at annual rates:</b>								
<b>Personal consumption expenditures</b>	2	1.76	1.92	2.74	1.93	1.35	2.66	1.64
Durable goods	3	-0.14	-0.06	-0.23	-0.10	-0.07	-0.06	-0.08
Motor vehicles and parts	4	-0.02	0.06	-0.10	0.04	0.07	0.01	0.01
Furniture and household equipment	5	-0.12	-0.11	-0.20	-0.13	-0.12	-0.12	-0.13
Other	6	0.00	-0.01	0.06	-0.01	-0.03	0.05	0.04
Non-durable goods	7	0.64	0.70	1.70	0.11	0.21	1.58	0.46
Food	8	0.28	0.20	0.13	0.20	0.25	0.16	0.26
Clothing and shoes	9	-0.01	-0.03	-0.08	-0.02	-0.03	0.09	-0.03
Gasoline, fuel oil, and other energy goods	10	0.32	0.44	1.55	-0.21	-0.14	1.24	0.17
Other	11	0.05	0.08	0.10	0.13	0.13	0.09	0.06
Services	12	1.27	1.28	1.27	1.92	1.22	1.15	1.26
Housing	13	0.25	0.26	0.22	0.28	0.33	0.48	0.44
Household operation	14	0.08	0.19	0.22	0.65	0.22	-0.16	0.04
Electricity and gas	15	0.06	0.15	0.19	0.59	0.15	-0.20	-0.02
Other household operation	16	0.02	0.04	0.03	0.05	0.07	0.04	0.06
Transportation	17	0.06	0.10	0.15	0.12	0.04	0.12	0.07
Medical care	18	0.46	0.37	0.33	0.46	0.20	0.32	0.36
Recreation	19	0.07	0.08	0.10	0.11	0.06	0.12	0.08
Other	20	0.34	0.29	0.26	0.31	0.36	0.27	0.27
<b>Gross private domestic investment</b>	21	0.50	0.53	0.59	0.68	0.58	0.50	0.08
Fixed investment	22	0.49	0.53	0.62	0.71	0.59	0.47	0.06
Nonresidential	23	0.12	0.25	0.21	0.34	0.36	0.30	0.08
Structures	24	0.15	0.27	0.32	0.41	0.32	0.29	0.16
Equipment and software	25	-0.03	-0.03	-0.11	-0.07	0.04	0.01	-0.08
Information processing equipment and software	26	-0.13	-0.11	-0.11	-0.09	-0.06	-0.03	-0.05
Computers and peripheral equipment	27	-0.05	-0.09	-0.09	-0.09	-0.08	-0.09	-0.09
Software <sup>1</sup>	28	-0.04	-0.01	-0.01	0.00	0.03	0.04	0.02
Other	29	-0.04	-0.01	-0.01	0.00	-0.01	0.02	0.01
Industrial equipment	30	0.03	0.04	0.01	0.03	0.03	0.04	0.05
Transportation equipment	31	0.06	-0.01	-0.04	-0.02	0.04	0.02	-0.11
Other equipment	32	0.01	0.05	0.03	0.02	0.03	-0.01	0.03
Residential	33	0.38	0.28	0.40	0.37	0.23	0.17	-0.02
Change in private inventories	34	0.00	0.00	-0.03	-0.03	-0.01	0.03	0.02
Farm	35	0.00	0.00	-0.01	0.00	0.00	0.00	0.01
Nonfarm	36	0.00	0.00	-0.03	-0.03	-0.01	0.03	0.01
<b>Government consumption expenditures and gross investment</b>	37	0.80	1.01	1.05	0.84	0.79	0.86	0.26
Federal	38	0.31	0.32	0.23	0.03	0.49	0.25	0.09
National defense	39	0.21	0.23	0.15	0.04	0.29	0.18	0.07
Consumption expenditures	40	0.20	0.22	0.16	0.03	0.28	0.17	0.06
Gross investment	41	0.01	0.01	0.00	0.01	0.01	0.01	0.02
Nondefense	42	0.10	0.09	0.07	-0.01	0.20	0.07	0.01
Consumption expenditures	43	0.10	0.08	0.07	-0.02	0.20	0.06	0.01
Gross investment	44	0.00	0.01	0.00	0.00	0.01	0.01	0.00
State and local	45	0.49	0.69	0.82	0.81	0.30	0.61	0.17
Consumption expenditures	46	0.39	0.53	0.64	0.69	0.22	0.53	0.13
Gross investment	47	0.10	0.16	0.18	0.13	0.08	0.08	0.05
<b>Addenda:</b>								
Final sales of computers to domestic purchasers <sup>2</sup>	48	-0.10	-0.16	-0.17	-0.16	-0.14	-0.17	-0.14
Gross domestic purchases excluding final sales of computers to domestic purchasers	49	3.16	3.61	4.55	3.61	2.86	4.19	2.11
Food	50	0.29	0.20	0.12	0.22	0.24	0.16	0.28
Energy goods and services	51	0.47	0.79	2.08	0.70	-0.11	1.37	0.03
Gross domestic purchases excluding food and energy	52	2.30	2.46	2.18	2.54	2.59	2.49	1.67

1. Excludes software "embedded" or bundled, in computers and other equipment.  
2. Some components of final sales of computers include computer parts.

**Table 1.7.1. Percent Change from Preceding Period in Real Gross Domestic Product, Real Gross National Product, and Real Net National Product**  
[Percent]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
Gross domestic product	1	3.9	3.2	4.2	1.8	5.6	2.6	1.6
Plus: Income receipts from the rest of the world	2	18.4	21.3	29.6	27.1	26.8	38.8	
Less: Income payments to the rest of the world	3	26.3	28.2	8.6	76.3	13.8	47.1	
<b>Equals: Gross national product</b>	4	3.8	3.1	4.9	0.5	6.1	2.3	
Less: Consumption of fixed capital	5	4.9	8.1	152.7	-55.8	-4.9	2.3	2.3
Private	6	5.4	8.8	185.2	-60.4	-6.4	2.2	2.1
Government	7	2.5	4.2	28.7	-18.5	3.0	3.0	3.2
General government	8	2.3	2.6	2.3	2.3	3.4	2.8	3.1
Government enterprises	9	3.9	12.7	243.8	-69.1	1.4	3.5	3.6
<b>Equals: Net national product</b>	10	3.6	2.4	-8.5	14.4	7.7	2.3	
<b>Addenda:</b>								
Gross domestic income <sup>1</sup>	11	3.8	3.2	4.4	2.1	10.2	2.8	
Gross national income <sup>2</sup>	12	3.7	3.1	5.1	0.8	10.7	2.6	
Net domestic product	13	3.8	2.5	-9.3	16.1	7.1	2.6	1.5
Net domestic income <sup>3</sup>	14	3.6	2.5	-9.2	16.7	12.4	2.9	

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.

**Table 1.7.3. Real Gross Domestic Product, Real Gross National Product, and Real Net National Product, Quantity Indexes**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
Gross domestic product	1	109.031	112.546	113.223	113.719	115.274	116.004	116.461
Plus: Income receipts from the rest of the world	2	98.438	119.374	122.075	129.623	137.541	149.298	
Less: Income payments to the rest of the world	3	96.969	124.286	122.148	140.747	145.380	160.106	
<b>Equals: Gross national product</b>	4	109.039	112.399	113.252	113.390	115.085	115.753	
Less: Consumption of fixed capital	5	116.601	125.998	148.411	121.012	119.495	120.187	120.867
Private	6	117.814	128.179	154.123	122.285	120.271	120.931	121.561
Government	7	110.561	115.240	120.608	114.612	115.475	116.321	117.237
General government	8	110.062	112.865	113.225	113.863	114.812	115.621	116.508
Government enterprises	9	113.234	127.575	159.062	118.606	119.022	120.063	121.129
<b>Equals: Net national product</b>	10	108.018	110.597	108.658	112.366	114.475	115.140	
<b>Addendum:</b>								
Net domestic product	11	108.004	110.755	108.604	112.733	114.687	115.421	115.849

**Table 1.7.4. Price Indexes for Gross Domestic Product, Gross National Product, and Net National Product**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
Gross domestic product	1	109.429	112.744	113.139	114.048	114.967	115.905	116.431
Plus: Income receipts from the rest of the world	2	108.894	112.377	112.934	113.959	114.707	115.839	
Less: Income payments to the rest of the world	3	109.180	112.704	113.221	114.269	115.000	116.124	
<b>Equals: Gross national product</b>	4	109.419	112.733	113.131	114.038	114.958	115.897	
Less: Consumption of fixed capital	5	103.694	107.229	107.709	108.746	109.110	110.216	110.104
Private	6	103.261	106.498	106.933	107.959	108.207	109.363	109.121
Government	7	105.956	111.117	111.852	112.953	113.936	114.778	115.347
General government	8	105.231	110.292	111.007	112.121	113.134	113.965	114.551
Government enterprises	9	109.825	115.495	116.338	117.373	118.200	119.101	119.580
<b>Equals: Net national product</b>	10	110.250	113.529	113.915	114.800	115.800	116.716	
<b>Addendum:</b>								
Net domestic product	11	110.266	113.546	113.929	114.814	115.814	116.729	117.345

**Table 1.7.5. Relation of Gross Domestic Product, Gross National Product, National Product, National Income, and Personal Income**  
(Billions of dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	11,712.5	12,455.8	12,573.5	12,730.5	13,008.4	13,197.3	13,308.3
Plus: Income receipts from the rest of the world .....	2	410.2	513.3	527.2	564.9	603.3	661.4	.....
Less: Income payments to the rest of the world .....	3	363.9	481.5	475.0	552.4	574.3	638.6	.....
<b>Equals: Gross national product</b> .....	4	11,758.7	12,487.7	12,625.7	12,743.0	13,037.4	13,220.1	.....
Less: Consumption of fixed capital .....	5	1,436.2	1,604.8	1,898.0	1,562.5	1,548.0	1,572.8	1,580.1
Private .....	6	1,205.4	1,352.6	1,632.3	1,307.5	1,288.9	1,309.8	1,313.8
Domestic business .....	7	969.5	1,059.1	1,197.6	1,044.4	1,035.1	1,050.4	1,052.5
Capital consumption allowances .....	8	1,155.9	953.1	1,019.7	941.5	960.7	964.3	968.3
Less: Capital consumption adjustment .....	9	186.4	-106.1	-177.9	-102.9	-74.4	-86.1	-84.2
Households and institutions .....	10	235.9	293.5	434.7	263.1	253.8	259.5	261.3
Government .....	11	230.8	252.2	265.7	255.0	259.1	262.9	266.3
General government .....	12	192.7	207.2	209.1	212.4	216.1	219.2	222.0
Government enterprises .....	13	38.0	45.1	56.6	42.6	43.0	43.7	44.3
<b>Equals: Net national product</b> .....	14	10,322.6	10,882.9	10,727.7	11,180.5	11,489.4	11,647.3	.....
Less: Statistical discrepancy .....	15	66.7	71.0	84.5	74.3	-61.9	-72.0	.....
<b>Equals: National income</b> .....	16	10,255.9	10,811.8	10,643.2	11,106.2	11,551.3	11,719.3	.....
Less: Corporate profits with inventory valuation and capital consumption adjustments .....	17	1,182.6	1,330.7	1,266.3	1,393.5	1,569.1	1,591.8	.....
Taxes on production and imports less subsidies .....	18	819.4	865.1	872.1	874.2	897.4	914.0	923.4
Contributions for government social insurance .....	19	826.4	880.6	888.5	898.9	936.7	952.9	962.8
Net interest and miscellaneous payments on assets .....	20	485.1	483.4	482.9	490.0	514.8	513.2	504.7
Business current transfer payments (net) .....	21	85.5	74.2	0.2	99.1	93.8	93.1	93.4
Current surplus of government enterprises .....	22	-5.0	-15.4	-27.7	-13.3	-9.2	-9.4	-9.9
Wage accruals less disbursements .....	23	-15.0	0.0	0.0	0.0	0.0	0.0	0.0
Plus: Personal income receipts on assets .....	24	1,427.9	1,519.4	1,532.7	1,580.2	1,602.3	1,647.7	1,685.0
Personal current transfer receipts .....	25	1,426.5	1,526.6	1,569.0	1,539.8	1,570.4	1,589.7	1,618.8
<b>Equals: Personal income</b> .....	26	9,731.4	10,239.2	10,262.7	10,483.7	10,721.4	10,901.0	11,052.5
<b>Addenda:</b>								
Gross domestic income .....	27	11,645.8	12,384.8	12,489.0	12,656.2	13,070.3	13,269.3	.....
Gross national income .....	28	11,692.0	12,416.6	12,541.2	12,668.7	13,099.3	13,292.1	.....
Gross national factor income <sup>1</sup> .....	29	10,792.2	11,492.7	11,696.6	11,708.6	12,117.4	12,294.2	.....
Net domestic product .....	30	10,276.3	10,851.0	10,675.5	11,168.0	11,460.3	11,624.6	11,728.2
Net domestic income .....	31	10,209.6	10,780.0	10,591.0	11,093.8	11,522.2	11,696.5	.....
Net national factor income <sup>2</sup> .....	32	9,356.1	9,887.9	9,798.7	10,146.2	10,569.3	10,721.5	.....

1. Consists of compensation of employees, proprietors' income with inventory valuation adjustment (IVA) and capital consumption adjustment (CCAdj), rental income of persons with CCAdj, corporate profits with IVA and CCAdj, 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		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	1	10,703.5	11,048.6	11,115.1	11,163.8	11,316.4	11,388.1	11,432.9
Plus: Income receipts from the rest of the world .....	2	376.7	456.9	467.2	496.1	526.4	571.4	.....
Less: Income payments to the rest of the world .....	3	333.3	427.2	419.9	483.8	499.7	550.3	.....
<b>Equals: Gross national product</b> .....	4	10,746.8	11,077.9	11,162.0	11,175.6	11,342.7	11,408.5	.....
Less: Consumption of fixed capital .....	5	1,385.0	1,496.6	1,762.9	1,437.4	1,419.4	1,427.6	1,435.7
Private .....	6	1,167.4	1,270.1	1,527.1	1,211.7	1,191.7	1,198.2	1,204.5
Government .....	7	217.8	227.0	237.6	225.8	227.5	229.1	230.9
General government .....	8	183.1	187.8	188.4	189.5	191.0	192.4	193.9
Government enterprises .....	9	34.6	39.0	48.7	36.3	36.4	36.7	37.1
<b>Equals: Net national product</b> .....	10	9,363.1	9,586.6	9,418.5	9,740.0	9,922.8	9,980.4	.....
<b>Addenda:</b>								
Gross domestic income <sup>1</sup> .....	11	10,642.6	10,985.6	11,040.4	11,098.7	11,370.3	11,450.2	.....
Gross national income <sup>2</sup> .....	12	10,685.9	11,014.9	11,087.3	11,110.5	11,396.5	11,470.6	.....
Net domestic product .....	13	9,319.8	9,557.2	9,371.6	9,727.9	9,896.5	9,959.8	9,996.8
Net domestic income <sup>3</sup> .....	14	9,259.3	9,494.7	9,297.4	9,663.2	9,949.9	10,021.5	.....

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		
				III	IV	I	II	III
<b>Gross national product</b> .....	1	109.039	112.399	113.252	113.390	115.085	115.753	.....
Less: Exports of goods and services and income receipts from the rest of the world .....	2	101.276	111.906	112.914	116.793	121.636	126.043	.....
Plus: Command-basis exports of goods and services and income receipts from the rest of the world <sup>1</sup> .....	3	101.813	110.121	110.147	113.619	119.044	122.488	.....
<b>Equals: Command-basis gross national product</b> .....	4	109.120	112.131	112.837	112.914	114.696	115.219	.....
<b>Addendum:</b>								
Percent change from preceding period in command-basis real gross national product .....	5	3.6	2.8	4.1	0.3	6.5	1.8	.....

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		
				III	IV	I	II	III
<b>Gross national product</b> .....	1	10,746.8	11,077.9	11,162.0	11,175.6	11,342.7	11,408.5	.....
Less: Exports of goods and services and income receipts from the rest of the world .....	2	1,497.8	1,655.0	1,669.9	1,727.3	1,798.9	1,864.1	.....
Plus: Command-basis exports of goods and services and income receipts from the rest of the world <sup>1</sup> .....	3	1,505.8	1,628.6	1,629.1	1,680.4	1,760.6	1,811.6	.....
<b>Equals: Command-basis gross national product</b> .....	4	10,754.7	11,051.5	11,121.1	11,128.7	11,304.4	11,356.0	.....
<b>Addendum:</b>								
Terms of trade <sup>2</sup> .....	5	100.531	98.406	97.552	97.286	97.872	97.183	.....

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		
				III	IV	I	II	III
<b>Gross domestic income</b> .....	1	<b>11,645.8</b>	<b>12,384.8</b>	<b>12,489.0</b>	<b>12,656.2</b>	<b>13,070.3</b>	<b>13,269.3</b>	
<b>Compensation of employees, paid</b> .....	2	<b>6,656.3</b>	<b>7,036.6</b>	<b>7,100.1</b>	<b>7,190.7</b>	<b>7,406.6</b>	<b>7,539.5</b>	<b>7,630.0</b>
Wage and salary accruals .....	3	5,383.2	5,671.1	5,721.7	5,793.3	5,976.4	6,087.5	6,159.0
Disbursements .....	4	5,398.2	5,671.1	5,721.7	5,793.3	5,976.4	6,087.5	6,159.0
To persons .....	5	5,389.2	5,661.9	5,712.2	5,784.0	5,967.2	6,078.3	
To the rest of the world .....	6	8.9	9.2	9.4	9.3	9.2	9.2	
Wage accruals less disbursements .....	7	-15.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplements to wages and salaries .....	8	1,273.2	1,365.5	1,378.4	1,397.4	1,430.3	1,452.0	1,471.0
<b>Taxes on production and imports</b> .....	9	<b>864.0</b>	<b>922.4</b>	<b>930.2</b>	<b>937.3</b>	<b>952.5</b>	<b>966.4</b>	<b>975.4</b>
<b>Less: Subsidies</b> .....	10	<b>44.7</b>	<b>57.3</b>	<b>58.1</b>	<b>63.1</b>	<b>55.1</b>	<b>52.3</b>	<b>52.0</b>
<b>Net operating surplus</b> .....	11	<b>2,733.9</b>	<b>2,878.2</b>	<b>2,618.9</b>	<b>3,028.8</b>	<b>3,218.2</b>	<b>3,243.0</b>	
Private enterprises .....	12	2,738.9	2,893.6	2,646.6	3,042.1	3,227.4	3,252.3	
Net interest and miscellaneous payments, domestic industries .....	13	609.0	642.3	647.7	667.5	705.5	724.0	
Business current transfer payments (net) .....	14	85.5	74.2	0.2	99.1	93.8	93.1	93.4
Proprietors' income with inventory valuation and capital consumption adjustments .....	15	911.1	970.7	967.3	996.8	1,008.3	1,011.9	1,013.4
Rental income of persons with capital consumption adjustment .....	16	127.0	72.8	-11.5	81.5	76.8	71.4	74.5
Corporate profits with inventory valuation and capital consumption adjustments, domestic industries .....	17	1,006.3	1,133.7	1,042.9	1,197.2	1,343.0	1,351.9	
Taxes on corporate income .....	18	300.1	399.3	378.9	424.6	456.9	476.1	
Profits after tax with inventory valuation and capital consumption adjustments .....	19	706.2	734.4	664.0	772.6	886.1	875.9	
Net dividends .....	20	492.7	338.7	237.9	234.9	528.1	549.4	
Undistributed corporate profits with inventory valuation and capital consumption adjustments .....	21	213.6	395.7	426.1	537.7	357.9	326.5	
Current surplus of government enterprises .....	22	-5.0	-15.4	-27.7	-13.3	-9.2	-9.4	-9.9
<b>Consumption of fixed capital</b> .....	23	<b>1,436.2</b>	<b>1,604.8</b>	<b>1,898.0</b>	<b>1,562.5</b>	<b>1,548.0</b>	<b>1,572.8</b>	<b>1,580.1</b>
Private .....	24	1,205.4	1,352.6	1,632.3	1,307.5	1,288.9	1,309.8	1,313.8
Government .....	25	230.8	252.2	265.7	255.0	259.1	262.9	266.3
<b>Addendum:</b>								
Statistical discrepancy .....	26	66.7	71.0	84.5	74.3	-61.9	-72.0	

**Table 1.12. National Income by Type of Income**  
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>National income</b> .....	1	10,255.9	10,811.8	10,643.2	11,106.2	11,551.3	11,719.3	.....
<b>Compensation of employees</b> .....	2	6,650.3	7,030.3	7,093.6	7,184.4	7,400.3	7,533.2	7,623.7
Wage and salary accruals .....	3	5,377.1	5,664.8	5,715.2	5,787.0	5,970.1	6,081.2	6,152.7
Government .....	4	941.8	977.7	980.6	988.1	998.1	1,005.9	1,015.7
Other .....	5	4,435.3	4,687.1	4,734.6	4,798.9	4,972.0	5,075.3	5,137.0
Supplements to wages and salaries .....	6	1,273.2	1,365.5	1,378.4	1,397.4	1,430.3	1,452.0	1,471.0
Employer contributions for employee pension and insurance funds .....	7	866.1	933.2	942.1	956.1	971.6	985.7	1,000.1
Employer contributions for government social insurance .....	8	407.1	432.3	436.3	441.3	458.7	466.3	470.9
<b>Proprietors' income with IVA and CCAdj</b> .....	9	911.1	970.7	967.3	996.8	1,008.3	1,011.9	1,013.4
Farm .....	10	36.2	30.2	29.7	28.7	23.9	17.5	19.6
Nonfarm .....	11	874.9	940.4	937.7	968.1	984.4	994.3	993.8
<b>Rental income of persons with CCAdj</b> .....	12	127.0	72.8	-11.5	81.5	76.8	71.4	74.5
<b>Corporate profits with IVA and CCAdj</b> .....	13	1,182.6	1,330.7	1,266.3	1,393.5	1,569.1	1,591.8	.....
Taxes on corporate income .....	14	300.1	399.3	378.9	424.6	456.9	476.1	.....
Profits after tax with IVA and CCAdj .....	15	882.5	931.4	887.5	968.9	1,112.1	1,115.7	.....
Net dividends .....	16	539.5	576.9	584.0	601.0	615.7	631.1	650.4
Undistributed profits with IVA and CCAdj .....	17	343.0	354.5	303.5	367.9	496.4	484.6	.....
<b>Net interest and miscellaneous payments</b> .....	18	485.1	483.4	482.9	490.0	514.8	513.2	504.7
<b>Taxes on production and imports</b> .....	19	864.0	922.4	930.2	937.3	952.5	966.4	975.4
<b>Less: Subsidies</b> .....	20	44.7	57.3	58.1	63.1	55.1	52.3	52.0
<b>Business current transfer payments(net)</b> .....	21	85.5	74.2	0.2	99.1	93.8	93.1	93.4
To persons (net) .....	22	28.1	45.7	79.8	39.0	34.5	35.0	35.5
To government (net) .....	23	49.8	30.1	-34.3	49.4	55.6	56.7	57.9
To the rest of the world (net) .....	24	7.5	-1.6	-45.4	10.7	3.7	1.4	0.0
<b>Current surplus of government enterprises</b> .....	25	-5.0	-15.4	-27.7	-13.3	-9.2	-9.4	-9.9
<b>Cash flow:</b>								
Net cash flow with IVA and CCAdj .....	26	1,139.2	1,211.3	1,230.7	1,223.9	1,349.2	1,350.3	.....
Undistributed profits with IVA and CCAdj .....	27	343.0	354.5	303.5	367.9	496.4	484.6	.....
Consumption of fixed capital .....	28	796.2	856.8	927.2	856.0	852.8	865.6	867.8
Less: Inventory valuation adjustment .....	29	-39.8	-32.6	-30.9	-39.2	-22.9	-58.9	.....
Equals: Net cash flow .....	30	1,178.9	1,243.9	1,261.5	1,263.2	1,372.1	1,409.2	.....
<b>Addenda:</b>								
Proprietors' income with IVA and CCAdj .....	31	911.1	970.7	967.3	996.8	1,008.3	1,011.9	1,013.4
Farm .....	32	36.2	30.2	29.7	28.7	23.9	17.5	19.6
Proprietors' income with IVA .....	33	42.0	36.8	36.3	35.4	30.5	24.3	26.2
Capital consumption adjustment .....	34	-5.8	-6.5	-6.6	-6.7	-6.6	-6.7	-6.5
Nonfarm .....	35	874.9	940.4	937.7	968.1	984.4	994.3	993.8
Proprietors' income (without IVA and CCAdj) .....	36	750.3	866.2	887.8	887.7	891.1	904.7	898.4
Inventory valuation adjustment .....	37	-5.2	-5.1	-5.5	-6.2	-2.4	-6.9	-3.8
Capital consumption adjustment .....	38	129.8	79.3	55.3	86.5	95.7	96.5	99.2
Rental income of persons with CCAdj .....	39	127.0	72.8	-11.5	81.5	76.8	71.4	74.5
Rental income of persons (without CCAdj) .....	40	142.7	96.2	36.5	98.6	91.6	86.5	89.3
Capital consumption adjustment .....	41	-15.7	-23.4	-48.0	-17.1	-14.8	-15.1	-14.8
Corporate profits with IVA and CCAdj .....	42	1,182.6	1,330.7	1,266.3	1,393.5	1,569.1	1,591.8	.....
Corporate profits with IVA .....	43	1,104.5	1,486.1	1,444.9	1,559.1	1,717.7	1,752.6	.....
Profits before tax (without IVA and CCAdj) .....	44	1,144.3	1,518.7	1,475.8	1,598.3	1,740.6	1,811.5	.....
Taxes on corporate income .....	45	300.1	399.3	378.9	424.6	456.9	476.1	.....
Profits after tax (without IVA and CCAdj) .....	46	844.2	1,119.4	1,096.9	1,173.7	1,283.7	1,335.4	.....
Net dividends .....	47	539.5	576.9	584.0	601.0	615.7	631.1	650.4
Undistributed profits (without IVA and CCAdj) .....	48	304.7	542.5	513.0	572.7	668.0	704.3	.....
Inventory valuation adjustment .....	49	-39.8	-32.6	-30.9	-39.2	-22.9	-58.9	.....
Capital consumption adjustment .....	50	78.1	-155.5	-178.6	-165.6	-148.6	-160.8	-162.0

IVA Inventory valuation adjustment  
CCAdj 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		
				III	IV	I	II	III
<b>Gross value added of corporate business</b> <sup>1</sup>	1	6,873.2	7,357.0	7,424.5	7,539.4	7,823.0	7,952.5	
Consumption of fixed capital	2	796.2	856.8	927.2	856.0	852.8	865.6	867.8
Net value added	3	6,077.1	6,500.2	6,497.3	6,683.4	6,970.2	7,086.9	
Compensation of employees	4	4,354.6	4,612.5	4,658.7	4,723.2	4,884.1	4,981.6	5,043.0
Wage and salary accruals	5	3,558.9	3,761.0	3,799.2	3,850.6	3,989.3	4,072.1	4,121.6
Supplements to wages and salaries	6	795.7	851.5	859.4	872.6	894.8	909.5	921.4
Taxes on production and imports less subsidies	7	567.0	604.9	610.1	614.8	625.0	634.4	640.1
Net operating surplus	8	1,155.4	1,282.7	1,228.6	1,345.4	1,461.1	1,470.9	
Net interest and miscellaneous payments	9	78.3	56.3	54.3	57.1	60.9	62.8	
Business current transfer payments	10	70.8	92.7	131.4	91.2	57.1	56.1	56.0
Corporate profits with IVA and CCAAdj	11	1,006.3	1,133.7	1,042.9	1,197.2	1,343.0	1,351.9	
Taxes on corporate income	12	300.1	399.3	378.9	424.6	456.9	476.1	
Profits after tax with IVA and CCAAdj	13	706.2	734.4	664.0	772.6	886.1	875.9	
Net dividends	14	492.7	338.7	237.9	234.9	528.1	549.4	
Undistributed profits with IVA and CCAAdj	15	213.6	395.7	426.1	537.7	357.9	326.5	
<b>Gross value added of financial corporate business</b> <sup>1</sup>	16	940.3	987.3	998.8	1,004.5	1,034.9	1,085.5	
<b>Gross value added of nonfinancial corporate business</b> <sup>1</sup>	17	5,932.9	6,369.7	6,425.7	6,534.8	6,788.2	6,867.0	
Consumption of fixed capital	18	686.2	739.7	804.9	737.2	733.7	744.4	745.9
Net value added	19	5,246.7	5,630.1	5,620.8	5,797.6	6,054.5	6,122.6	
Compensation of employees	20	3,873.4	4,099.7	4,140.7	4,198.0	4,341.0	4,427.6	4,482.2
Wage and salary accruals	21	3,158.4	3,335.1	3,369.0	3,414.5	3,537.5	3,610.9	3,654.8
Supplements to wages and salaries	22	714.9	764.6	771.7	783.5	803.5	816.6	827.4
Taxes on production and imports less subsidies	23	522.9	558.1	562.9	567.2	576.7	585.3	590.6
Net operating surplus	24	850.4	972.2	917.3	1,032.4	1,136.8	1,109.7	
Net interest and miscellaneous payments	25	137.8	156.6	159.3	165.1	175.1	180.0	
Business current transfer payments	26	60.0	51.4	11.1	60.9	60.9	61.7	62.5
Corporate profits with IVA and CCAAdj	27	652.6	764.2	746.8	806.4	900.9	868.1	
Taxes on corporate income	28	185.3	251.4	255.8	266.4	280.9	283.3	
Profits after tax with IVA and CCAAdj	29	467.4	512.9	491.0	540.0	620.0	584.8	
Net dividends	30	366.9	228.5	126.3	120.1	377.7	392.8	
Undistributed profits with IVA and CCAAdj	31	100.5	284.4	364.7	419.9	242.3	192.0	
<b>Addenda:</b>								
<b>Corporate business:</b>								
Profits before tax (without IVA and CCAAdj)	32	968.0	1,321.7	1,252.4	1,402.0	1,514.6	1,571.6	
Profits after tax (without IVA and CCAAdj)	33	667.9	922.4	873.5	977.4	1,057.6	1,095.6	
Inventory valuation adjustment	34	-39.8	-32.6	-30.9	-39.2	-22.9	-58.9	
Capital consumption adjustment	35	78.1	-155.5	-178.6	-165.6	-148.6	-160.8	-162.0
<b>Nonfinancial corporate business:</b>								
Profits before tax (without IVA and CCAAdj)	36	623.8	932.6	935.0	988.7	1,050.6	1,063.5	
Profits after tax (without IVA and CCAAdj)	37	436.6	681.3	679.2	722.3	769.7	780.2	
Inventory valuation adjustment	38	-39.8	-32.6	-30.9	-39.2	-22.9	-58.9	
Capital consumption adjustment	39	68.6	-135.8	-157.3	-143.0	-126.8	-136.5	-136.8
				Value added, in billions of chained (2000) dollars				
<b>Gross value added of nonfinancial corporate business</b> <sup>2</sup>	40	5,654.5	5,959.9	5,994.7	6,079.8	6,288.0	6,295.2	
Consumption of fixed capital <sup>3</sup>	41	650.9	681.6	738.9	670.5	666.1	669.2	672.0
Net value added <sup>4</sup>	42	5,003.6	5,278.3	5,255.8	5,409.3	5,601.8	5,626.1	

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		
				III	IV	I	II	III
<b>Price per unit of real gross value added of nonfinancial corporate business</b> <sup>1</sup>	1	1.049	1.069	1.072	1.075	1.083	1.091	
<b>Compensation of employees (unit labor cost)</b>	2	0.685	0.688	0.691	0.690	0.693	0.703	
<b>Unit nonlabor cost</b>	3	0.248	0.252	0.257	0.251	0.247	0.250	
Consumption of fixed capital	4	0.121	0.124	0.134	0.121	0.117	0.118	
Taxes on production and imports less subsidies plus business current transfer payments	5	0.103	0.102	0.096	0.103	0.102	0.103	
Net interest and miscellaneous payments	6	0.024	0.026	0.027	0.027	0.028	0.029	
<b>Corporate profits with IVA and CCAAdj (unit profits from current production)</b>	7	0.115	0.128	0.125	0.133	0.144	0.138	
Taxes on corporate income	8	0.033	0.042	0.043	0.044	0.045	0.045	
Profits after tax with IVA and CCAAdj	9	0.083	0.086	0.082	0.089	0.099	0.093	

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		
				III	IV	I	II	III
<b>Personal income</b> .....	1	9,731.4	10,239.2	10,262.7	10,483.7	10,721.4	10,901.0	11,052.5
Compensation of employees, received.....	2	6,665.3	7,030.3	7,093.6	7,184.4	7,400.3	7,533.2	7,623.7
Wage and salary disbursements.....	3	5,392.1	5,664.8	5,715.2	5,787.0	5,970.1	6,081.2	6,152.7
Private industries.....	4	4,450.3	4,687.1	4,734.6	4,798.9	4,972.0	5,075.3	5,137.0
Government.....	5	941.8	977.7	980.6	988.1	998.1	1,005.9	1,015.7
Supplements to wages and salaries.....	6	1,273.2	1,365.5	1,378.4	1,397.4	1,430.3	1,452.0	1,471.0
Employer contributions for employee pension and insurance funds.....	7	866.1	933.2	942.1	956.1	971.6	985.7	1,000.1
Employer contributions for government social insurance.....	8	407.1	432.3	436.3	441.3	458.7	466.3	470.9
Proprietors' income with inventory valuation and capital consumption adjustments.....	9	911.1	970.7	967.3	996.8	1,008.3	1,011.9	1,013.4
Farm.....	10	36.2	30.2	29.7	28.7	23.9	17.5	19.6
Nonfarm.....	11	874.9	940.4	937.7	968.1	984.4	994.3	993.8
Rental income of persons with capital consumption adjustment.....	12	127.0	72.8	-11.5	81.5	76.8	71.4	74.5
Personal income receipts on assets.....	13	1,427.9	1,519.4	1,532.7	1,580.2	1,602.3	1,647.7	1,685.0
Personal interest income.....	14	890.8	945.0	951.2	981.7	989.1	1,019.2	1,037.2
Personal dividend income.....	15	537.1	574.4	581.5	598.5	613.2	628.5	647.8
Personal current transfer receipts.....	16	1,426.5	1,526.6	1,569.0	1,539.8	1,570.4	1,589.7	1,618.8
Government social benefits to persons.....	17	1,398.4	1,480.9	1,489.2	1,500.8	1,536.0	1,554.7	1,583.3
Old-age, survivors, disability, and health insurance benefits.....	18	791.4	844.9	848.5	854.6	909.9	928.1	936.7
Government unemployment insurance benefits.....	19	36.0	31.3	30.2	31.6	27.8	27.0	27.3
Veterans benefits.....	20	34.3	36.8	37.0	37.2	39.1	39.8	40.2
Family assistance.....	21	18.4	18.3	18.4	18.5	18.6	18.8	18.9
Other.....	22	518.4	549.4	555.1	558.8	540.6	541.0	560.1
Other current transfer receipts, from business(net).....	23	28.1	45.7	79.8	39.0	34.5	35.0	35.5
Less: Contributions for government social insurance.....	24	826.4	880.6	888.5	898.9	936.7	952.9	962.8
<b>Less: Personal current taxes</b> .....	25	1,049.8	1,203.1	1,215.0	1,247.6	1,332.6	1,378.6	1,384.1
<b>Equals: Disposable personal income</b> .....	26	8,681.6	9,036.1	9,047.7	9,236.1	9,388.8	9,522.4	9,668.5
<b>Less: Personal outlays</b> .....	27	8,507.2	9,070.9	9,180.3	9,264.5	9,418.5	9,577.0	9,715.2
Personal consumption expenditures.....	28	8,211.5	8,742.4	8,847.3	8,927.8	9,079.2	9,228.1	9,355.5
Personal interest payments <sup>2</sup> .....	29	186.0	209.4	214.6	214.9	218.5	222.9	230.6
Personal current transfer payments.....	30	109.7	119.2	118.5	121.8	120.9	126.0	129.2
To government.....	31	66.8	72.0	72.7	74.2	75.7	77.3	79.0
To the rest of the world (net).....	32	42.9	47.1	45.8	47.6	45.2	48.7	50.2
<b>Equals: Personal saving</b> .....	33	174.3	-34.8	-132.6	-28.5	-29.7	-54.6	-46.8
Personal saving as a percentage of disposable personal income.....	34	2.0	-0.4	-1.5	-0.3	-0.3	-0.6	-0.5
<b>Addenda:</b>								
Disposable personal income:								
Total, billions of chained (2000) dollars <sup>3</sup> .....	35	8,010.8	8,104.6	8,074.1	8,183.3	8,276.8	8,311.9	8,387.7
Per capita:								
Current dollars.....	36	29,536	30,458	30,461	31,020	31,470	31,849	32,259
Chained (2000) dollars.....	37	27,254	27,318	27,183	27,484	27,743	27,801	27,986
Population (midperiod, thousands).....	38	293,933	296,677	297,027	297,748	298,340	298,982	299,716
Percent change from preceding period:								
Disposable personal income, current dollars.....	39	6.4	4.1	3.5	8.6	6.8	5.8	6.3
Disposable personal income, chained (2000) dollars.....	40	3.6	1.2	-0.6	5.5	4.6	1.7	3.7

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		
				III	IV	I	II	III
<b>Wage and salary disbursements</b> .....	1	5,392.1	5,664.8	5,715.2	5,787.0	5,970.1	6,081.2	6,152.7
<b>Private industries</b> .....	2	4,450.3	4,687.1	4,734.6	4,798.9	4,972.0	5,075.3	5,137.0
Goods-producing industries.....	3	1,050.8	1,101.3	1,113.9	1,124.9	1,177.3	1,201.3	1,210.1
Manufacturing.....	4	688.0	704.7	709.7	715.0	742.8	755.6	757.5
Services-producing industries.....	5	3,399.5	3,585.8	3,620.7	3,673.9	3,794.7	3,874.0	3,926.9
Trade, transportation, and utilities.....	6	899.2	937.2	945.5	954.9	983.6	1,001.8	1,012.9
Other services-producing industries <sup>1</sup> .....	7	2,500.3	2,648.5	2,675.2	2,719.0	2,811.0	2,872.2	2,913.9
<b>Government</b> .....	8	941.8	977.7	980.6	988.1	998.1	1,005.9	1,015.7

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 2.3.1. Percent Change From Preceding Period in Real Personal Consumption Expenditures by Major Type of Product**  
(Percent)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Personal consumption expenditures</b> .....	1	3.9	3.5	3.9	0.8	4.8	2.6	3.1
<b>Durable goods</b> .....	2	6.4	5.5	9.0	-12.3	19.8	-0.1	8.4
Motor vehicles and parts.....	3	1.9	0.6	10.5	-34.9	18.9	-1.2	12.8
Furniture and household equipment.....	4	12.1	10.0	13.7	11.6	22.8	3.3	7.3
Other.....	5	6.8	8.7	-2.0	6.1	16.3	-3.7	1.8
<b>Nondurable goods</b> .....	6	3.6	4.5	3.4	3.9	5.9	1.4	1.6
Food.....	7	3.4	5.4	6.4	4.1	6.7	2.0	-0.6
Clothing and shoes.....	8	5.0	6.2	3.0	10.3	8.6	-3.8	5.7
Gasoline, fuel oil, and other energy goods.....	9	1.0	-0.5	-5.8	-2.3	-1.3	0.7	4.1
Gasoline and oil.....	10	1.5	0.0	-5.2	-0.8	0.0	-0.8	6.4
Fuel oil and coal.....	11	-5.1	-6.2	-12.2	-20.9	-17.6	25.1	-25.1
Other.....	12	4.3	4.1	2.9	3.6	6.4	3.4	2.3
<b>Services</b> .....	13	3.5	2.6	3.2	2.0	1.6	3.7	2.8
Housing.....	14	3.8	2.8	2.3	1.7	2.3	2.4	2.6
Household operation.....	15	2.6	2.1	2.4	0.3	-14.0	8.4	4.9
Electricity and gas.....	16	1.6	2.6	2.1	2.0	-29.7	15.8	8.4
Other household operation.....	17	3.3	1.8	2.7	-0.8	-0.1	3.4	2.5
Transportation.....	18	1.2	0.1	-1.7	-0.2	4.0	1.7	1.5
Medical care.....	19	3.1	3.6	4.4	3.7	4.3	2.6	2.9
Recreation.....	20	4.8	2.7	1.8	1.5	3.1	0.8	3.2
Other.....	21	4.2	2.0	4.6	1.7	3.2	6.1	2.4
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ....	22	1.3	0.8	-2.8	-0.7	-13.8	6.2	5.6
Personal consumption expenditures excluding food and energy.....	23	4.1	3.3	4.0	0.3	6.0	2.4	3.5

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

**Table 2.3.2. Contributions to Percent Change in Real Personal Consumption Expenditures by Major Type of Product**

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
<b>Personal consumption expenditures</b> .....	1	3.9	3.5	3.9	0.8	4.8	2.6	3.1
<b>Percentage points at annual rates:</b>								
<b>Durable goods</b> .....	2	0.76	0.65	1.05	-1.54	2.14	-0.01	0.94
Motor vehicles and parts.....	3	0.10	0.03	0.54	-2.15	0.85	-0.06	0.59
Furniture and household equipment.....	4	0.51	0.42	0.56	0.47	0.92	0.14	0.31
Other.....	5	0.16	0.20	-0.05	0.14	0.37	-0.09	0.04
<b>Nondurable goods</b> .....	6	1.03	1.28	1.00	1.12	1.71	0.42	0.48
Food.....	7	0.46	0.73	0.86	0.55	0.92	0.27	-0.08
Clothing and shoes.....	8	0.20	0.24	0.12	0.38	0.33	-0.15	0.21
Gasoline, fuel oil, and other energy goods.....	9	0.03	-0.02	-0.21	-0.09	-0.05	0.03	0.16
Gasoline and oil.....	10	0.04	0.00	-0.18	-0.03	0.00	-0.03	0.23
Fuel oil and coal.....	11	-0.01	-0.02	-0.03	-0.06	-0.05	0.05	-0.07
Other.....	12	0.34	0.33	0.23	0.26	0.51	0.27	0.18
<b>Services</b> .....	13	2.06	1.55	1.87	1.18	0.96	2.17	1.66
Housing.....	14	0.57	0.43	0.34	0.25	0.34	0.36	0.38
Household operation.....	15	0.15	0.12	0.13	0.02	-0.84	0.44	0.26
Electricity and gas.....	16	0.03	0.06	0.05	0.05	-0.83	0.34	0.18
Other household operation.....	17	0.11	0.06	0.09	-0.03	0.00	0.11	0.08
Transportation.....	18	0.05	0.01	-0.06	-0.01	0.15	0.06	0.06
Medical care.....	19	0.53	0.61	0.75	0.62	0.74	0.44	0.49
Recreation.....	20	0.20	0.11	0.07	0.06	0.13	0.03	0.13
Other.....	21	0.58	0.28	0.63	0.23	0.45	0.83	0.33
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ....	22	0.06	0.04	-0.16	-0.04	-0.88	0.36	0.34
Personal consumption expenditures excluding food and energy.....	23	3.33	2.71	3.22	0.25	4.77	1.95	2.81

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

**Table 2.3.3. Real Personal Consumption Expenditures by Major Type of Product, Quantity Indexes**  
(Index numbers, 2000=100)

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Personal consumption expenditures</b> .....	1	112.430	116.349	117.152	117.373	118.761	119.521	120.430
<b>Durable goods</b> .....	2	125.753	132.666	136.207	131.799	137.893	137.868	140.677
Motor vehicles and parts.....	3	116.518	117.173	122.801	110.286	115.158	114.799	118.317
Furniture and household equipment.....	4	142.541	156.790	159.059	163.472	172.097	173.496	176.570
Other.....	5	119.370	129.696	130.021	131.958	137.039	135.754	136.366
<b>Nondurable goods</b> .....	6	111.913	116.924	117.481	118.608	120.313	120.742	121.224
Food.....	7	109.273	115.191	116.189	117.349	119.265	119.853	119.681
Clothing and shoes.....	8	117.869	125.195	125.581	128.686	131.367	130.113	131.919
Gasoline, fuel oil, and other energy goods.....	9	104.727	104.204	103.288	102.679	102.348	102.532	103.562
Gasoline and oil.....	10	105.861	105.824	104.887	104.683	104.696	104.481	106.121
Fuel oil and coal.....	11	92.479	86.762	86.060	81.167	77.338	81.795	76.093
Other.....	12	116.072	120.838	121.368	122.432	124.356	125.409	126.122
<b>Services</b> .....	13	110.055	112.925	113.379	113.945	114.398	115.440	116.240
Housing.....	14	108.459	111.540	111.918	112.394	113.035	113.713	114.437
Household operation.....	15	104.922	107.145	107.506	107.598	103.628	105.735	107.002
Electricity and gas.....	16	104.569	107.317	107.443	107.963	98.875	102.566	104.654
Other household operation.....	17	105.147	107.016	107.543	107.320	107.289	108.190	108.848
Transportation.....	18	97.510	97.652	97.376	97.330	98.298	98.722	99.099
Medical care.....	19	118.550	122.799	123.437	124.563	125.887	126.690	127.586
Recreation.....	20	113.618	116.727	117.009	117.445	118.336	118.581	119.522
Other.....	21	107.403	109.540	110.176	110.634	111.521	113.175	113.844
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ....	22	104.676	105.473	104.963	104.786	100.967	102.498	103.912
Personal consumption expenditures excluding food and energy.....	23	113.455	117.255	118.125	118.216	119.953	120.674	121.723

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

**Table 2.3.4. Price Indexes for Personal Consumption Expenditures by Major Type of Product**  
(Index numbers, 2000=100)

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Personal consumption expenditures</b> .....	1	108.373	111.493	112.067	112.873	113.445	114.573	115.278
<b>Durable goods</b> .....	2	90.845	90.198	89.908	89.606	89.385	89.206	88.968
Motor vehicles and parts.....	3	97.242	98.967	98.607	98.906	99.460	99.532	99.632
Furniture and household equipment.....	4	79.929	76.884	76.315	75.435	74.671	73.894	73.046
Other.....	5	98.044	97.888	98.189	98.005	97.567	98.351	98.950
<b>Nondurable goods</b> .....	6	107.617	111.530	113.016	113.177	113.484	115.769	116.443
Food.....	7	110.270	112.732	113.012	113.642	114.414	114.905	115.727
Clothing and shoes.....	8	92.655	91.706	91.265	91.101	90.870	91.651	91.342
Gasoline, fuel oil, and other energy goods.....	9	124.064	151.423	167.157	163.612	161.126	182.632	185.639
Gasoline and oil.....	10	123.925	150.760	167.116	162.470	160.254	182.620	185.375
Fuel oil and coal.....	11	125.377	159.465	166.678	178.440	172.031	180.783	187.476
Other.....	12	106.139	107.775	107.930	108.619	109.301	109.737	110.041
<b>Services</b> .....	13	112.863	116.529	116.858	118.261	119.194	120.059	121.026
Housing.....	14	113.234	116.165	116.453	117.279	118.269	119.717	121.055
Household operation.....	15	109.943	115.554	115.498	120.579	122.403	121.019	121.387
Electricity and gas.....	16	117.821	129.900	129.526	142.169	145.582	140.799	140.316
Other household operation.....	17	105.374	107.233	107.364	108.047	108.977	109.447	110.285
Transportation.....	18	108.373	112.663	113.621	114.970	115.411	116.826	117.675
Medical care.....	19	114.660	118.438	118.752	119.949	120.482	121.332	122.297
Recreation.....	20	112.059	115.168	115.535	116.702	117.311	118.582	119.454
Other.....	21	113.086	116.625	116.985	117.959	119.116	119.970	120.836
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ....	22	121.376	142.141	150.861	154.420	154.467	164.836	166.347
Personal consumption expenditures excluding food and energy.....	23	107.314	109.559	109.732	110.418	110.983	111.738	112.381

1. Consists of gasoline, fuel oil, and other energy goods and of electricity and gas.

**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		
				III	IV	I	II	III
<b>Personal consumption expenditures</b> .....	1	8,211.5	8,742.4	8,847.3	8,927.8	9,079.2	9,228.1	9,355.5
<b>Durable goods</b> .....	2	986.3	1,033.1	1,057.3	1,019.6	1,064.1	1,061.8	1,080.6
Motor vehicles and parts.....	3	437.9	448.2	468.1	421.6	442.7	441.7	455.6
Furniture and household equipment.....	4	356.5	377.2	380.0	386.0	402.3	401.3	403.8
Other.....	5	191.8	207.7	209.2	212.0	219.1	218.8	221.1
<b>Nondurable goods</b> .....	6	2,345.2	2,539.3	2,584.9	2,613.5	2,658.2	2,721.4	2,748.2
Food.....	7	1,114.8	1,201.4	1,214.7	1,233.7	1,262.3	1,274.0	1,281.3
Clothing and shoes.....	8	325.1	341.8	341.3	349.1	355.4	355.1	358.8
Gasoline, fuel oil, and other energy goods.....	9	248.8	302.1	331.0	322.1	316.2	359.1	368.7
Gasoline and oil.....	10	230.4	280.2	308.2	299.1	295.1	335.6	346.0
Fuel oil and coal.....	11	18.4	21.9	22.8	23.0	21.1	23.5	22.7
Other.....	12	656.5	694.0	698.0	708.6	724.2	733.3	739.5
<b>Services</b> .....	13	4,880.1	5,170.0	5,205.1	5,294.7	5,356.8	5,444.9	5,526.7
Housing.....	14	1,236.1	1,304.1	1,311.7	1,326.6	1,345.4	1,370.1	1,394.2
Household operation.....	15	450.0	483.0	484.3	506.1	494.8	499.1	506.7
Electricity and gas.....	16	176.6	199.8	199.4	219.9	206.2	206.9	210.4
Other household operation.....	17	273.5	283.2	285.0	286.2	288.6	292.2	296.3
Transportation.....	18	307.8	320.4	322.3	325.9	330.4	335.9	339.7
Medical care.....	19	1,395.7	1,493.4	1,505.0	1,534.0	1,557.2	1,578.2	1,602.0
Recreation.....	20	341.6	360.6	362.6	367.7	372.4	377.2	383.0
Other.....	21	1,148.9	1,208.4	1,219.1	1,234.4	1,256.5	1,284.3	1,301.2
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> .....	22	425.3	501.9	530.4	542.0	522.4	566.0	579.0
Personal consumption expenditures excluding food and energy.....	23	6,671.4	7,039.1	7,102.2	7,152.1	7,294.4	7,388.1	7,495.2

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		
				III	IV	I	II	III
<b>Personal consumption expenditures</b> .....	1	7,577.1	7,841.2	7,895.3	7,910.2	8,003.8	8,055.0	8,116.2
<b>Durable goods</b> .....	2	1,085.7	1,145.3	1,175.9	1,137.9	1,190.5	1,190.3	1,214.5
Motor vehicles and parts.....	3	450.4	452.9	474.6	426.3	445.1	443.7	457.3
Furniture and household equipment.....	4	446.0	490.6	497.7	511.5	538.5	542.9	552.5
Other.....	5	195.6	212.6	213.1	216.3	224.6	222.5	223.5
<b>Nondurable goods</b> .....	6	2,179.2	2,276.8	2,287.6	2,309.6	2,342.8	2,351.1	2,360.5
Food.....	7	1,011.0	1,065.7	1,074.9	1,085.7	1,103.4	1,108.8	1,107.2
Clothing and shoes.....	8	350.9	372.7	373.9	383.1	391.1	387.4	392.7
Gasoline, fuel oil, and other energy goods.....	9	200.5	199.5	197.8	196.6	196.0	196.3	198.3
Gasoline and oil.....	10	186.0	185.9	184.2	183.9	183.9	183.5	186.4
Fuel oil and coal.....	11	14.6	13.7	13.6	12.8	12.2	12.9	12.0
Other.....	12	618.5	643.9	646.7	652.4	662.6	668.3	672.1
<b>Services</b> .....	13	4,323.9	4,436.6	4,454.5	4,476.7	4,494.5	4,535.4	4,566.9
Housing.....	14	1,091.6	1,122.6	1,126.4	1,131.2	1,137.6	1,144.5	1,151.8
Household operation.....	15	409.3	416.0	419.4	419.8	404.3	412.5	417.4
Electricity and gas.....	16	149.8	153.8	154.0	154.7	141.7	147.0	150.0
Other household operation.....	17	259.5	264.1	265.4	264.9	264.8	267.0	268.6
Transportation.....	18	284.0	284.4	283.6	283.5	286.3	287.5	288.6
Medical care.....	19	1,217.3	1,260.9	1,267.5	1,279.0	1,292.6	1,300.9	1,310.1
Recreation.....	20	304.8	313.1	313.9	315.1	317.5	318.1	320.6
Other.....	21	1,016.0	1,036.2	1,042.2	1,046.5	1,054.9	1,070.6	1,076.9
Residual.....	22	-18.9	-31.9	-36.4	-36.7	-53.0	-50.6	-54.1
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> .....	23	350.4	353.1	351.4	350.8	338.0	343.1	347.9
Personal consumption expenditures excluding food and energy.....	24	6,216.7	6,424.9	6,472.6	6,477.6	6,572.7	6,612.3	6,669.7

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		
				III	IV	I	II	III
<b>Current receipts</b> .....	1	<b>3,244.5</b>	<b>3,586.3</b>	<b>3,518.4</b>	<b>3,712.5</b>	<b>3,895.1</b>	<b>3,993.2</b>	.....
Current tax receipts.....	2	2,211.1	2,520.7	2,520.8	2,604.8	2,736.2	2,814.0	.....
Personal current taxes.....	3	1,049.8	1,203.1	1,215.0	1,247.6	1,332.6	1,378.6	1,384.1
Taxes on production and imports.....	4	864.0	922.4	930.2	937.3	952.5	966.4	975.4
Taxes on corporate income.....	5	287.6	384.4	364.2	408.4	440.7	458.2	.....
Taxes from the rest of the world.....	6	9.7	10.8	11.4	11.4	10.4	10.9	10.8
Contributions for government social insurance.....	7	826.4	880.6	888.5	898.9	936.7	952.9	962.8
Income receipts on assets.....	8	95.4	98.3	98.4	98.5	100.0	101.6	103.1
Interest and miscellaneous receipts.....	9	93.0	95.8	95.9	96.1	97.5	99.0	100.5
Dividends.....	10	2.4	2.4	2.4	2.5	2.5	2.6	2.6
Current transfer receipts.....	11	116.6	102.1	38.4	123.6	131.4	134.1	136.9
From business (net).....	12	49.8	30.1	-34.3	49.4	55.6	56.7	57.9
From persons.....	13	66.8	72.0	72.7	74.2	75.7	77.3	79.0
Current surplus of government enterprises.....	14	-5.0	-15.4	-27.7	-13.3	-9.2	-9.4	-9.9
<b>Current expenditures</b> .....	15	<b>3,639.4</b>	<b>3,898.8</b>	<b>3,933.8</b>	<b>3,993.3</b>	<b>4,029.3</b>	<b>4,098.6</b>	<b>4,168.7</b>
Consumption expenditures.....	16	1,854.8	1,975.7	2,002.1	2,014.5	2,059.7	2,083.0	2,102.1
Current transfer payments.....	17	1,427.2	1,517.8	1,523.9	1,542.8	1,561.2	1,581.2	1,612.1
Government social benefits.....	18	1,401.4	1,484.0	1,492.3	1,504.0	1,539.2	1,558.0	1,586.6
To persons.....	19	1,398.4	1,480.9	1,489.2	1,500.8	1,536.0	1,554.7	1,583.3
To the rest of the world.....	20	3.0	3.1	3.1	3.2	3.2	3.3	3.4
Other current transfer payments to the rest of the world (net).....	21	25.9	33.9	31.6	38.9	22.0	23.2	25.5
Interest payments.....	22	312.7	348.0	349.6	372.9	353.3	382.0	402.5
To persons and business.....	23	224.2	234.4	232.4	247.6	218.5	236.9	.....
To the rest of the world.....	24	88.5	113.6	117.2	125.3	134.8	145.1	.....
Subsidies.....	25	44.7	57.3	58.1	63.1	55.1	52.3	52.0
Less: Wage accruals less disbursements.....	26	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net government saving.....	27	-394.9	-312.5	-415.4	-280.8	-134.3	-105.4	.....
Social insurance funds.....	28	57.8	65.4	71.2	75.3	62.3	62.4	65.0
Other.....	29	-452.7	-377.9	-486.6	-356.0	-196.6	-167.8	.....
<b>Addenda:</b>								
<b>Total receipts</b> .....	30	<b>3,274.8</b>	<b>3,616.5</b>	<b>3,548.5</b>	<b>3,744.0</b>	<b>3,928.8</b>	<b>4,025.7</b>	.....
Current receipts.....	31	3,244.5	3,586.3	3,518.4	3,712.5	3,895.1	3,993.2	.....
Capital transfer receipts.....	32	30.3	30.2	30.1	31.4	33.7	32.5	31.2
<b>Total expenditures</b> .....	33	<b>3,807.9</b>	<b>4,072.8</b>	<b>4,093.8</b>	<b>4,175.5</b>	<b>4,223.6</b>	<b>4,294.4</b>	<b>4,365.3</b>
Current expenditures.....	34	3,639.4	3,898.8	3,933.8	3,993.3	4,029.3	4,098.6	4,168.7
Gross government investment.....	35	371.4	397.1	400.3	409.1	419.9	430.9	433.0
Capital transfer payments.....	36	16.8	18.3	16.1	16.1	21.3	18.1	16.8
Net purchases of nonproduced assets.....	37	11.1	10.9	9.3	11.8	12.2	9.8	13.1
Less: Consumption of fixed capital.....	38	230.8	252.2	265.7	255.0	259.1	262.9	266.3
<b>Net lending or net borrowing (-)</b> .....	39	<b>-533.1</b>	<b>-456.3</b>	<b>-545.3</b>	<b>-431.5</b>	<b>-294.8</b>	<b>-268.8</b>	.....

**Table 3.2. Federal Government Current Receipts and Expenditures**

(Billions of dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Current receipts</b> .....	1	<b>2,001.0</b>	<b>2,246.8</b>	<b>2,182.4</b>	<b>2,349.8</b>	<b>2,490.9</b>	<b>2,554.7</b>	
Current tax receipts.....	2	1,150.2	1,368.2	1,364.2	1,428.4	1,524.9	1,570.7	
Personal current taxes.....	3	801.4	927.9	941.0	968.4	1,039.2	1,067.4	1,086.1
Taxes on production and imports...	4	94.6	101.1	102.4	101.6	101.1	103.0	100.6
Excise taxes.....	5	71.4	75.8	77.0	75.9	75.4	75.9	73.2
Customs duties.....	6	23.3	25.3	25.4	25.7	25.7	27.1	27.4
Taxes on corporate income.....	7	244.5	326.4	309.5	347.1	374.3	389.4	
Federal Reserve banks.....	8	18.1	21.5	21.7	24.6	25.0	27.3	
Other.....	9	226.4	304.9	287.8	322.5	349.3	362.1	
Taxes from the rest of the world....	10	9.7	10.8	11.4	11.4	10.4	10.9	10.8
Contributions for government social insurance.....	11	802.2	855.3	863.2	873.8	911.9	928.1	938.1
Income receipts on assets.....	12	22.1	22.9	22.8	22.3	23.3	24.2	25.1
Interest receipts.....	13	15.5	15.9	15.7	15.3	15.0	15.3	15.8
Rents and royalties.....	14	6.6	7.1	7.1	6.9	8.3	8.9	9.3
Current transfer receipts.....	15	27.7	7.1	-61.7	30.6	32.2	32.8	33.6
From business.....	16	15.2	-6.6	-75.7	16.3	17.5	17.7	18.0
From persons.....	17	12.5	13.8	14.0	14.3	14.7	15.2	15.6
Current surplus of government enterprises.....	18	-1.2	-4.9	-6.0	-5.4	-1.4	-1.1	-1.5
<b>Current expenditures</b> .....	19	<b>2,383.0</b>	<b>2,555.9</b>	<b>2,578.5</b>	<b>2,613.3</b>	<b>2,637.9</b>	<b>2,686.2</b>	<b>2,732.1</b>
Consumption expenditures.....	20	724.5	768.6	784.3	771.1	803.6	802.3	808.9
Current transfer payments.....	21	1,393.3	1,476.7	1,481.3	1,502.4	1,522.0	1,546.6	1,566.7
Government social benefits.....	22	1,018.4	1,081.7	1,087.8	1,096.7	1,148.8	1,166.4	1,175.6
To persons.....	23	1,015.4	1,078.6	1,084.7	1,093.5	1,145.5	1,163.1	1,172.3
To the rest of the world.....	24	3.0	3.1	3.1	3.2	3.2	3.3	3.4
Other current transfer payments....	25	374.9	395.0	393.5	405.7	373.3	380.3	391.1
Grants-in-aid to state and local governments.....	26	349.0	361.1	361.9	366.8	351.3	357.0	365.6
To the rest of the world (net)....	27	25.9	33.9	31.6	38.9	22.0	23.2	25.5
Interest payments.....	28	220.9	253.8	255.2	277.1	257.5	285.4	304.9
To persons and business.....	29	132.4	140.3	137.9	151.8	122.7	140.3	
To the rest of the world.....	30	88.5	113.6	117.2	125.3	134.8	145.1	
Subsidies.....	31	44.3	56.9	57.7	62.7	54.7	51.9	51.6
Less: Wage accruals less disbursements.....	32	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Federal Government saving</b> .....	33	<b>-382.0</b>	<b>-309.2</b>	<b>-396.0</b>	<b>-263.6</b>	<b>-147.0</b>	<b>-131.5</b>	
Social insurance funds.....	34	50.3	58.1	64.0	68.5	56.2	56.6	59.5
Other.....	35	-432.3	-367.3	-460.0	-332.0	-203.2	-188.2	
<b>Addenda:</b>								
<b>Total receipts</b> .....	36	<b>2,025.6</b>	<b>2,271.7</b>	<b>2,207.3</b>	<b>2,376.1</b>	<b>2,519.7</b>	<b>2,582.4</b>	
Current receipts.....	37	2,001.0	2,246.8	2,182.4	2,349.8	2,490.9	2,554.7	
Capital transfer receipts.....	38	24.6	25.0	24.9	26.3	28.8	27.7	26.5
<b>Total expenditures</b> .....	39	<b>2,453.4</b>	<b>2,633.0</b>	<b>2,653.2</b>	<b>2,692.7</b>	<b>2,725.8</b>	<b>2,766.9</b>	<b>2,815.8</b>
Current expenditures.....	40	2,383.0	2,555.9	2,578.5	2,613.3	2,637.9	2,686.2	2,732.1
Gross government investment....	41	101.4	109.8	111.5	115.1	118.2	117.4	117.8
Capital transfer payments.....	42	63.1	67.0	65.3	64.8	72.0	69.2	70.1
Net purchases of nonproduced assets.....	43	0.0	-0.6	-2.3	0.0	0.2	-2.3	0.8
Less: Consumption of fixed capital.....	44	94.1	99.0	99.8	100.7	102.4	103.7	105.0
<b>Net lending or net borrowing (-)</b>	45	<b>-427.8</b>	<b>-361.3</b>	<b>-445.9</b>	<b>-316.6</b>	<b>-206.1</b>	<b>-184.5</b>	

**Table 3.3. State and Local Government Current Receipts and Expenditures**

(Billions of dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Current receipts</b> .....	1	<b>1,592.6</b>	<b>1,700.6</b>	<b>1,697.8</b>	<b>1,729.6</b>	<b>1,755.4</b>	<b>1,795.5</b>	
Current tax receipts.....	2	1,060.9	1,154.4	1,156.6	1,176.3	1,211.3	1,243.3	
Personal current taxes.....	3	248.4	275.2	274.0	279.3	293.4	311.1	298.0
Income taxes.....	4	225.1	250.9	249.5	254.3	268.3	285.6	272.1
Other.....	5	23.4	24.4	24.4	25.0	25.1	25.5	25.9
Taxes on production and imports....	6	769.4	821.2	827.9	835.7	851.4	863.3	874.8
Sales taxes.....	7	370.3	394.1	397.9	397.2	407.9	413.2	417.6
Property taxes.....	8	329.8	350.4	353.0	358.1	363.2	368.6	374.1
Other.....	9	69.3	76.7	76.9	80.5	80.3	81.5	83.0
Taxes on corporate income.....	10	43.1	58.0	54.7	61.3	66.4	68.8	
Contributions for government social insurance.....	11	24.2	25.3	25.3	25.2	24.8	24.7	24.7
Income receipts on assets.....	12	73.3	75.3	75.6	76.3	76.7	77.4	78.1
Interest receipts.....	13	62.1	63.4	63.6	64.0	64.1	64.5	64.9
Dividends.....	14	2.4	2.4	2.4	2.5	2.5	2.6	2.6
Rents and royalties.....	15	8.7	9.5	9.6	9.8	10.1	10.3	10.6
Current transfer receipts.....	16	438.0	456.1	462.0	459.8	450.5	458.3	468.8
Federal grants-in-aid.....	17	349.0	361.1	361.9	366.8	351.3	357.0	365.6
From business (net).....	18	34.7	36.7	41.4	33.1	38.2	39.1	39.9
From persons.....	19	54.3	58.3	58.8	59.9	61.0	62.2	63.3
Current surplus of government enterprises.....	20	-3.8	-10.5	-21.7	-7.9	-7.8	-8.2	-8.5
<b>Current expenditures</b> .....	21	<b>1,605.5</b>	<b>1,703.9</b>	<b>1,717.2</b>	<b>1,746.8</b>	<b>1,742.7</b>	<b>1,769.4</b>	<b>1,802.2</b>
Consumption expenditures.....	22	1,130.3	1,207.2	1,217.8	1,243.4	1,256.2	1,280.7	1,293.2
Government social benefit payments to persons.....	23	382.9	402.3	404.5	407.3	390.4	391.7	411.0
Interest payments.....	24	91.8	94.2	94.5	95.8	95.8	96.6	97.6
Subsidies.....	25	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Less: Wage accruals less disbursements.....	26	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net state and local government saving</b> .....	27	<b>-12.9</b>	<b>-3.3</b>	<b>-19.3</b>	<b>-17.2</b>	<b>12.7</b>	<b>26.1</b>	
Social insurance funds.....	28	7.5	7.3	7.2	6.8	6.2	5.8	5.5
Other.....	29	-20.4	-10.6	-26.6	-24.0	6.5	20.4	
<b>Addenda:</b>								
<b>Total receipts</b> .....	30	<b>1,644.5</b>	<b>1,754.6</b>	<b>1,752.3</b>	<b>1,783.4</b>	<b>1,811.1</b>	<b>1,851.5</b>	
Current receipts.....	31	1,592.6	1,700.6	1,697.8	1,729.6	1,755.4	1,795.5	
Capital transfer receipts.....	32	51.9	53.9	54.4	53.8	55.6	56.0	58.0
<b>Total expenditures</b> .....	33	<b>1,749.8</b>	<b>1,849.6</b>	<b>1,851.7</b>	<b>1,898.3</b>	<b>1,899.7</b>	<b>1,935.8</b>	<b>1,968.3</b>
Current expenditures.....	34	1,605.5	1,703.9	1,717.2	1,746.8	1,742.7	1,769.4	1,802.2
Gross government investment....	35	270.0	287.3	288.7	294.0	301.7	313.5	315.2
Capital transfer payments.....	36							
Net purchases of nonproduced assets.....	37	11.0	11.6	11.6	11.8	12.0	12.2	12.3
Less: Consumption of fixed capital.....	38	136.7	153.2	165.9	154.3	156.7	159.2	161.4
<b>Net lending or net borrowing (-)</b>	39	<b>-105.3</b>	<b>-95.0</b>	<b>-99.4</b>	<b>-114.9</b>	<b>-88.7</b>	<b>-84.3</b>	

**Table 3.9.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and Gross Investment**  
(Percent)

Line	2004	2005	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	
<b>Government consumption expenditures and gross investment</b>	1	1.9	0.9	3.4	-1.1	4.9	0.8	2.0
Consumption expenditures <sup>1</sup>	2	2.1	0.9	4.2	-2.1	4.4	-0.5	2.4
Gross investment <sup>2</sup>	3	0.5	1.1	-0.9	4.0	7.6	7.4	-0.1
Structures	4	-3.1	-2.0	-7.2	4.3	5.5	10.3	-1.2
Equipment and software	5	7.2	6.4	10.8	3.5	11.1	2.6	1.9
<b>Federal</b>	6	4.3	1.5	9.6	-4.6	8.8	-4.5	1.7
Consumption expenditures	7	4.0	0.9	8.8	-6.7	8.7	-4.4	2.1
Gross investment	8	6.6	6.4	15.3	11.1	8.9	-4.9	-0.5
Structures	9	-9.1	-1.6	14.6	69.9	-17.0	-40.9	-5.2
Equipment and software	10	9.7	7.7	15.4	3.5	14.2	2.5	0.2
<b>National defense</b>	11	5.9	1.7	11.2	-9.9	8.9	-2.0	-0.7
Consumption expenditures	12	5.4	1.2	11.1	-10.8	9.1	-4.1	-0.6
Gross investment	13	9.5	5.5	11.7	-3.1	7.9	14.1	-1.6
Structures	14	-8.5	-3.5	0.4	11.3	-19.0	-10.7	19.5
Equipment and software	15	11.3	6.2	12.6	-4.1	10.2	16.1	-3.0
<b>Nondefense</b>	16	1.2	1.1	6.2	7.1	8.5	-9.3	6.9
Consumption expenditures	17	1.3	0.1	4.0	2.4	8.1	-5.0	7.7
Gross investment	18	1.2	8.1	22.8	43.8	10.8	-32.9	1.7
Structures	19	-9.5	-0.6	22.9	108.3	-16.1	-51.4	-16.1
Equipment and software	20	6.0	11.7	22.8	24.6	23.9	-24.5	8.7
<b>State and local</b>	21	0.5	0.5	-0.1	1.0	2.7	4.0	2.1
Consumption expenditures	22	1.0	0.9	1.4	1.0	1.7	2.1	2.6
Gross investment	23	-1.6	-0.9	-6.4	1.4	7.0	12.5	0.1
Structures	24	-2.7	-2.0	-8.4	0.9	7.4	14.8	-1.0
Equipment and software	25	3.1	4.2	3.0	3.7	5.6	2.9	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. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

**Table 3.9.2. Contributions to Percent Change in Real Government Consumption Expenditures and Gross Investment**

Line	2004	2005	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	
<b>Percent change at annual rate:</b>								
<b>Government consumption expenditures and gross investment</b>	1	1.9	0.9	3.4	-1.1	4.9	0.8	2.0
<b>Percentage points at annual rates:</b>								
Consumption expenditures <sup>1</sup>	2	1.78	0.72	3.50	-1.74	3.65	-0.41	1.97
Gross investment <sup>2</sup>	3	0.09	0.18	-0.14	0.66	1.26	1.22	-0.02
Structures	4	-0.34	-0.21	-0.78	0.44	0.59	1.06	-0.14
Equipment and software	5	0.43	0.59	0.65	0.22	0.67	0.16	0.12
<b>Federal</b>	6	1.56	0.56	3.44	-1.73	3.17	-1.69	0.64
Consumption expenditures	7	1.26	0.28	2.78	-2.23	2.76	-1.45	0.67
Gross investment	8	0.29	0.28	0.66	0.49	0.42	-0.24	-0.02
Structures	9	-0.07	-0.01	0.08	0.36	-0.13	-0.34	-0.03
Equipment and software	10	0.36	0.30	0.58	0.13	0.55	0.10	0.01
<b>National defense</b>	11	1.40	0.43	2.70	-2.57	2.15	-0.50	-0.17
Consumption expenditures	12	1.13	0.26	2.36	-2.47	1.91	-0.91	-0.12
Gross investment	13	0.27	0.16	0.34	-0.10	0.24	0.41	-0.05
Structures	14	-0.02	-0.01	0.00	0.02	-0.05	-0.02	0.04
Equipment and software	15	0.29	0.17	0.34	-0.12	0.28	0.43	-0.09
<b>Nondefense</b>	16	0.15	0.14	0.74	0.84	1.02	-1.19	0.81
Consumption expenditures	17	0.14	0.02	0.42	0.25	0.85	-0.55	0.79
Gross investment	18	0.02	0.12	0.32	0.59	0.18	-0.65	0.03
Structures	19	-0.05	0.00	0.08	0.33	-0.09	-0.31	-0.07
Equipment and software	20	0.06	0.12	0.24	0.26	0.26	-0.33	0.10
<b>State and local</b>	21	0.32	0.33	-0.08	0.66	1.74	2.50	1.31
Consumption expenditures	22	0.52	0.44	0.72	0.49	0.89	1.05	1.30
Gross investment	23	-0.20	-0.10	-0.80	0.17	0.85	1.46	0.01
Structures	24	-0.27	-0.20	-0.87	0.09	0.72	1.39	-0.10
Equipment and software	25	0.07	0.10	0.07	0.08	0.13	0.06	0.11

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 3.9.3. Real Government Consumption Expenditures and Gross Investment, Quantity Indexes**

[Index numbers, 2000=100]

Line	2004	2005	Seasonally adjusted					
			2005		2006			
			III	IV	I	II	III	
<b>Government consumption expenditures and gross investment</b>	1	112.720	113.731	114.358	114.048	115.423	115.657	116.217
Consumption expenditures <sup>1</sup>	2	112.595	113.564	114.298	113.700	114.925	114.784	115.461
Gross investment <sup>2</sup>	3	113.210	114.431	114.517	115.649	117.777	119.898	119.868
Structures	4	106.884	104.770	103.781	104.881	106.305	108.939	108.600
Equipment and software	5	125.107	133.146	135.523	136.707	140.345	141.261	141.930
<b>Federal</b>	6	123.813	125.701	127.545	126.053	128.728	127.262	127.815
Consumption expenditures	7	123.279	124.339	126.115	123.952	126.577	125.156	125.804
Gross investment	8	127.622	135.726	138.068	141.739	144.796	142.979	142.786
Structures	9	96.691	95.106	91.922	104.947	100.160	87.820	86.664
Equipment and software	10	134.445	144.848	148.557	149.824	154.873	155.821	155.883
<b>National defense</b>	11	128.374	130.593	133.423	130.002	132.808	132.141	131.905
Consumption expenditures	12	127.006	128.551	131.236	127.544	130.343	128.981	128.794
Gross investment	13	138.674	145.920	149.882	148.703	151.544	156.631	155.987
Structures	14	88.381	85.263	83.766	86.045	81.631	79.347	82.961
Equipment and software	15	144.478	153.436	158.129	156.470	160.333	166.443	165.188
<b>Nondefense</b>	16	115.606	116.896	116.939	118.971	121.411	118.488	120.483
Consumption expenditures	17	116.431	116.593	116.675	117.362	119.666	118.137	120.341
Gross investment	18	110.674	119.670	119.443	130.801	134.201	121.448	121.970
Structures	19	101.631	100.972	96.771	116.262	111.254	92.865	88.891
Equipment and software	20	114.658	128.100	129.796	137.125	144.679	134.864	137.693
<b>State and local</b>	21	107.094	107.660	107.674	107.954	108.682	109.762	110.326
Consumption expenditures	22	106.736	107.655	107.817	108.074	108.536	109.095	109.788
Gross investment	23	108.488	107.563	106.963	107.335	109.177	112.448	112.466
Structures	24	107.653	105.501	104.672	104.901	106.780	110.517	110.237
Equipment and software	25	112.239	116.965	117.464	118.538	120.176	121.051	122.598

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 3.9.4. Price Indexes for Government Consumption Expenditures and Gross Investment**

[Index numbers, 2000=100]

Line	2004	2005	Seasonally adjusted					
			2005		2006			
			III	IV	I	II	III	
<b>Government consumption expenditures and gross investment</b>	1	114.718	121.183	122.029	123.444	124.791	126.262	126.715
Consumption expenditures <sup>1</sup>	2	116.248	122.768	123.614	125.034	126.480	128.065	128.483
Gross investment <sup>2</sup>	3	107.736	113.947	114.798	116.192	117.085	118.041	118.652
Structures	4	115.179	125.497	127.072	129.603	131.056	132.477	133.483
Equipment and software	5	95.994	96.580	96.467	96.399	96.566	96.915	97.012
<b>Federal</b>	6	115.249	120.726	121.353	121.479	123.721	124.871	125.282
Consumption expenditures	7	117.695	123.792	124.548	124.594	127.152	128.391	128.781
Gross investment	8	99.994	101.776	101.650	102.226	102.693	103.336	103.856
Structures	9	114.151	121.970	123.055	125.790	127.651	129.602	130.670
Equipment and software	10	97.495	98.436	98.160	98.446	98.721	99.199	99.652
<b>National defense</b>	11	115.954	121.855	122.467	122.760	124.752	126.006	126.536
Consumption expenditures	12	118.472	125.071	125.833	126.061	128.327	129.681	130.175
Gross investment	13	99.911	101.628	101.370	102.026	102.438	103.109	103.823
Structures	14	115.424	122.288	123.410	126.785	128.116	129.674	129.750
Equipment and software	15	98.529	99.901	99.558	100.044	100.399	101.016	101.761
<b>Nondefense</b>	16	113.963	118.606	119.281	119.059	121.787	122.736	122.913
Consumption expenditures	17	116.274	121.381	122.127	121.810	124.944	125.956	126.144
Gross investment	18	100.007	101.913	102.051	102.470	103.035	103.623	103.746
Structures	19	113.512	121.819	122.873	125.301	127.394	129.531	131.128
Equipment and software	20	95.009	94.902	94.783	94.603	94.703	94.861	94.617
<b>State and local</b>	21	114.417	121.463	122.438	124.620	125.434	127.095	127.574
Consumption expenditures	22	115.388	122.177	123.079	125.365	126.112	127.916	128.352
Gross investment	23	110.587	118.679	119.954	121.716	122.799	123.893	124.541
Structures	24	115.249	125.737	127.344	129.860	131.283	132.670	133.672
Equipment and software	25	93.789	93.793	93.956	93.282	93.263	93.389	92.873

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 3.9.5. Government Consumption Expenditures and Gross Investment**  
[Billions of dollars]

Line	2004	2005	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	
<b>Government consumption expenditures and gross investment</b> .....	1	2,226.2	2,372.8	2,402.4	2,423.6	2,479.6	2,513.9	2,535.2
Consumption expenditures <sup>1</sup> .....	2	1,854.8	1,975.7	2,002.1	2,014.5	2,059.7	2,083.0	2,102.1
Gross investment <sup>2</sup> .....	3	371.4	397.1	400.3	409.1	419.9	430.9	433.0
Structures.....	4	233.1	248.9	249.7	257.3	263.7	273.2	274.4
Equipment and software.....	5	138.3	148.1	150.6	151.8	156.1	157.7	158.6
<b>Federal</b> .....	6	825.9	878.3	895.8	886.2	921.7	919.7	926.8
Consumption expenditures.....	7	724.5	768.6	784.3	771.1	803.6	802.3	808.9
Gross investment.....	8	101.4	109.8	111.5	115.1	118.2	117.4	117.8
Structures.....	9	14.7	15.4	15.0	17.5	17.0	15.1	15.0
Equipment and software.....	10	86.7	94.4	96.5	97.6	101.2	102.3	102.8
<b>National defense</b> .....	11	551.2	589.3	605.0	590.9	613.5	616.5	618.0
Consumption expenditures.....	12	483.7	516.9	530.9	516.9	537.7	537.7	539.0
Gross investment.....	13	67.5	72.4	74.2	74.1	75.8	78.8	79.1
Structures.....	14	5.1	5.2	5.1	5.4	5.2	5.1	5.3
Equipment and software.....	15	62.4	67.2	69.0	68.6	70.6	73.7	73.7
<b>Nondefense</b> .....	16	274.7	289.0	290.7	295.3	308.2	303.2	308.7
Consumption expenditures.....	17	240.7	251.7	253.4	254.2	265.9	264.6	269.9
Gross investment.....	18	33.9	37.4	37.4	41.1	42.4	38.6	38.8
Structures.....	19	9.6	10.2	9.9	12.1	11.8	10.0	9.7
Equipment and software.....	20	24.3	27.1	27.5	29.0	30.6	28.6	29.1
<b>State and local</b> .....	21	1,400.3	1,494.4	1,506.6	1,537.4	1,557.9	1,594.2	1,608.4
Consumption expenditures.....	22	1,130.3	1,207.2	1,217.8	1,243.4	1,256.2	1,280.7	1,293.2
Gross investment.....	23	270.0	287.3	288.7	294.0	301.7	313.5	315.2
Structures.....	24	218.4	233.5	234.6	239.8	246.8	258.1	259.4
Equipment and software.....	25	51.6	53.8	54.1	54.2	54.9	55.4	55.8

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			
			III	IV	I	II	III	
<b>Government consumption expenditures and gross investment</b> .....	1	1,940.6	1,958.0	1,968.8	1,963.5	1,987.1	1,991.2	2,000.8
Consumption expenditures <sup>1</sup> .....	2	1,595.6	1,609.3	1,619.7	1,611.2	1,628.6	1,626.6	1,636.2
Gross investment <sup>2</sup> .....	3	344.7	348.5	348.7	352.2	358.6	365.1	365.0
Structures.....	4	202.4	198.4	196.5	198.6	201.3	206.2	205.6
Equipment and software.....	5	144.1	153.4	156.1	157.5	161.7	162.7	163.5
<b>Federal</b> .....	6	716.6	727.5	738.2	729.6	745.1	736.6	739.8
Consumption expenditures.....	7	615.6	620.8	629.7	618.9	632.0	624.9	628.2
Gross investment.....	8	101.4	107.9	109.7	112.6	115.1	113.6	113.5
Structures.....	9	12.9	12.6	12.2	14.0	13.3	11.7	11.5
Equipment and software.....	10	89.0	95.8	98.3	99.1	102.5	103.1	103.2
<b>National defense</b> .....	11	475.4	483.6	494.1	481.4	491.8	489.3	488.5
Consumption expenditures.....	12	408.3	413.3	421.9	410.0	419.0	414.7	414.1
Gross investment.....	13	67.5	71.2	73.2	72.6	74.0	76.5	76.1
Structures.....	14	4.4	4.2	4.2	4.3	4.1	3.9	4.1
Equipment and software.....	15	63.3	67.3	69.3	68.6	70.3	73.0	72.4
<b>Nondefense</b> .....	16	241.0	243.7	243.8	248.0	253.1	247.0	251.2
Consumption expenditures.....	17	207.0	207.3	207.5	208.7	212.8	210.1	214.0
Gross investment.....	18	33.9	36.7	36.6	40.1	41.1	37.2	37.4
Structures.....	19	8.5	8.4	8.1	9.7	9.3	7.7	7.4
Equipment and software.....	20	25.6	28.6	29.0	30.6	32.3	30.1	30.7
<b>State and local</b> .....	21	1,223.9	1,230.4	1,230.5	1,233.7	1,242.0	1,254.4	1,260.8
Consumption expenditures.....	22	979.6	988.0	989.5	991.9	996.1	1,001.2	1,007.6
Gross investment.....	23	244.1	242.1	240.7	241.6	245.7	253.1	253.1
Structures.....	24	189.5	185.7	184.3	184.7	188.0	194.5	194.1
Equipment and software.....	25	55.0	57.3	57.6	58.1	58.9	59.3	60.1
Residual.....	26	-0.6	-2.1	-2.6	-3.1	-3.7	-3.3	-3.7

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		
				III	IV	I	II	III
<b>Government consumption expenditures</b> <sup>1</sup>	1	2.1	0.9	4.2	-2.1	4.4	-0.5	2.4
Gross output of general government	2	2.0	1.1	4.1	-1.5	3.9	0.2	2.3
Value added	3	0.6	0.9	0.8	0.9	-0.7	0.8	2.0
Compensation of general government employees	4	0.3	0.6	0.6	0.7	-1.4	0.5	1.7
Consumption of general government fixed capital <sup>2</sup>	5	2.3	2.6	2.3	2.3	3.4	2.8	3.1
Intermediate goods and services purchased <sup>3</sup>	6	4.2	1.3	9.5	-5.3	11.5	-0.9	2.9
Durable goods	7	6.8	2.5	9.8	6.1	-5.2	0.0	15.6
Nondurable goods	8	3.6	1.2	3.5	0.8	3.8	-0.4	4.3
Services	9	4.2	1.3	11.8	-8.4	16.3	-1.1	1.2
Less: Own-account investment <sup>4</sup>	10	-0.7	1.4	-0.8	5.0	3.7	8.9	1.6
Sales to other sectors	11	1.0	2.3	3.8	1.6	1.0	3.6	1.9
<b>Federal consumption expenditures</b> <sup>1</sup>	12	4.0	0.9	8.8	-6.7	8.7	-4.4	2.1
Gross output of general government	13	3.9	1.1	9.7	-6.7	8.1	-3.9	1.9
Value added	14	1.0	0.6	-0.4	1.5	-3.5	-0.1	3.2
Compensation of general government employees	15	0.7	0.1	-1.2	1.2	-5.1	-0.7	3.6
Consumption of general government fixed capital <sup>2</sup>	16	1.8	2.6	2.6	2.6	2.6	2.3	2.1
Intermediate goods and services purchased <sup>3</sup>	17	7.9	1.8	23.8	-16.0	24.4	-8.3	0.3
Durable goods	18	10.2	3.1	16.4	9.3	-10.2	-2.0	26.1
Nondurable goods	19	9.6	0.7	16.4	-1.4	2.2	-22.3	6.0
Services	20	7.5	1.8	25.7	-20.4	32.6	-7.1	-3.0
Less: Own-account investment <sup>4</sup>	21	-3.7	-0.2	7.3	4.0	-8.8	2.5	9.7
Sales to other sectors	22	5.5	37.2	158.6	-17.0	-33.1	60.9	-16.2
<b>Defense consumption expenditures</b> <sup>1</sup>	23	5.4	1.2	11.1	-10.8	9.1	-4.1	-0.6
Gross output of general government	24	5.3	1.3	11.4	-11.5	9.8	-3.3	-1.0
Value added	25	1.8	0.8	0.5	0.9	-4.7	-0.7	3.6
Compensation of general government employees	26	1.8	0.3	-0.2	0.4	-6.9	-1.6	4.1
Consumption of general government fixed capital <sup>2</sup>	27	1.8	2.5	2.5	2.4	2.4	2.1	1.9
Intermediate goods and services purchased <sup>3</sup>	28	9.7	1.8	25.5	-24.0	29.6	-6.2	-6.0
Durable goods	29	10.0	2.4	16.3	9.8	-12.3	-1.1	28.5
Nondurable goods	30	12.7	-3.0	4.8	-22.7	-0.6	-29.8	7.2
Services	31	9.3	2.2	29.6	-28.6	42.1	-4.1	-11.7
Less: Own-account investment <sup>4</sup>	32	-7.6	-5.5	1.8	5.5	-3.9	2.1	5.4
Sales to other sectors	33	-1.6	21.7	60.1	-81.3	316.1	195.8	-41.7
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	1.3	0.1	4.0	2.4	8.1	-5.0	7.7
Gross output of general government	35	1.4	0.9	6.5	3.6	4.7	-4.9	7.9
Value added	36	-0.5	0.3	-1.8	2.7	-1.2	1.1	2.6
Compensation of general government employees	37	-1.0	-0.2	-2.7	2.6	-2.1	0.8	2.6
Consumption of general government fixed capital <sup>2</sup>	38	1.8	2.7	2.9	2.9	3.3	3.0	2.7
Intermediate goods and services purchased <sup>3</sup>	39	4.3	1.7	19.9	5.0	13.6	-12.9	15.7
Durable goods	40	13.1	11.8	17.9	3.1	17.8	-11.7	1.1
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	12.6	2.2	-21.5	10.9	15.5	-18.9	6.3
Services	44	3.7	0.8	17.6	0.2	14.9	-13.1	18.3
Less: Own-account investment <sup>4</sup>	45	0.0	4.3	11.8	2.9	-12.6	2.8	13.2
Sales to other sectors	46	11.1	48.1	272.6	71.8	-74.5	-4.9	16.8
<b>State and local consumption expenditures</b> <sup>1</sup>	47	1.0	0.9	1.4	1.0	1.7	2.1	2.6
Gross output of general government	48	1.0	1.0	1.3	1.3	1.9	2.3	2.5
Value added	49	0.5	1.0	1.4	0.7	0.6	1.2	1.4
Compensation of general government employees	50	0.2	0.8	1.3	0.5	0.1	0.9	1.1
Consumption of general government fixed capital <sup>2</sup>	51	2.7	2.6	2.1	2.0	4.0	3.3	3.9
Intermediate goods and services purchased <sup>3</sup>	52	2.0	1.0	1.3	2.2	4.2	4.1	4.5
Durable goods	53	2.4	1.7	1.1	1.8	2.2	2.8	2.2
Nondurable goods	54	2.6	1.3	1.2	1.3	4.1	4.1	4.0
Services	55	1.6	0.9	1.4	2.8	4.4	4.1	4.9
Less: Own-account investment <sup>4</sup>	56	0.0	1.8	-2.7	5.3	7.0	10.4	-0.2
Sales to other sectors	57	0.9	1.5	1.3	2.2	2.1	2.4	2.4
Tuition and related educational charges	58	-2.1	-0.1	1.2	4.6	2.0	2.4	2.4
Health and hospital charges	59	0.7	0.8	0.4	0.1	2.0	2.4	2.4
Other sales	60	3.5	4.0	2.8	3.8	2.4	2.5	2.4

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 3.10.3. Real Government Consumption Expenditures and  
General Government Gross Output, Quantity Indexes**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Government consumption expenditures</b> <sup>1</sup>	1	112.595	113.564	114.298	113.700	114.925	114.784	115.461
Gross output of general government	2	112.198	113.382	114.052	113.618	114.712	114.756	115.411
Value added	3	105.732	106.666	106.731	106.982	106.795	107.014	107.532
Compensation of general government employees	4	105.000	105.633	105.654	105.844	105.475	105.601	106.059
Consumption of general government fixed capital <sup>2</sup>	5	110.062	112.885	113.225	113.863	114.812	115.621	116.508
Intermediate goods and services purchased <sup>3</sup>	6	124.301	125.958	127.769	126.054	129.540	129.256	130.168
Durable goods	7	118.990	121.957	123.603	125.453	123.777	123.767	128.330
Nondurable goods	8	117.204	118.582	118.717	118.964	120.087	119.971	121.244
Services	9	127.301	128.934	131.429	128.568	133.507	133.128	133.534
Less: Own-account investment <sup>4</sup>	10	107.331	108.787	108.900	110.242	111.243	113.632	114.088
Sales to other sectors	11	110.131	112.623	112.945	113.391	113.676	114.697	115.233
<b>Federal consumption expenditures</b> <sup>1</sup>	12	123.279	124.339	126.115	123.952	126.577	125.156	125.804
Gross output of general government	13	122.671	124.079	125.916	123.736	126.160	124.925	125.519
Value added	14	106.265	106.947	106.726	107.121	106.167	106.148	107.000
Compensation of general government employees	15	106.798	106.928	106.551	106.867	105.465	105.274	106.199
Consumption of general government fixed capital <sup>2</sup>	16	104.590	107.277	107.636	108.320	109.028	109.659	110.240
Intermediate goods and services purchased <sup>3</sup>	17	150.650	153.353	158.882	152.088	160.611	157.173	157.291
Durable goods	18	128.212	132.188	135.100	138.132	134.476	133.782	141.774
Nondurable goods	19	148.512	149.585	149.459	148.933	149.736	140.591	142.638
Services	20	154.361	157.103	163.780	154.720	166.028	163.015	161.767
Less: Own-account investment <sup>4</sup>	21	115.710	115.435	116.551	117.699	115.007	115.717	118.416
Sales to other sectors	22	80.240	110.081	117.265	111.937	101.235	114.020	109.105
<b>Defense consumption expenditures</b> <sup>1</sup>	23	127.006	128.551	131.236	127.544	130.343	128.981	128.794
Gross output of general government	24	126.979	128.619	131.402	127.446	130.460	129.366	129.054
Value added	25	107.144	108.048	107.976	108.206	106.903	106.707	107.654
Compensation of general government employees	26	109.051	109.389	109.180	109.277	107.336	106.895	107.987
Consumption of general government fixed capital <sup>2</sup>	27	102.268	104.858	105.202	105.838	106.467	107.024	107.537
Intermediate goods and services purchased <sup>3</sup>	28	160.172	163.094	170.916	159.574	170.275	167.587	165.032
Durable goods	29	122.772	129.812	132.649	135.799	131.412	131.040	139.526
Nondurable goods	30	145.555	141.149	147.394	138.197	137.986	126.313	128.532
Services	31	169.398	173.189	182.313	167.614	182.994	181.077	175.520
Less: Own-account investment <sup>4</sup>	32	151.975	143.678	143.760	145.681	144.245	145.007	146.935
Sales to other sectors	33	108.080	131.580	152.501	100.221	143.135	187.707	164.001
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	116.431	116.593	116.675	117.362	119.666	118.137	120.341
Gross output of general government	35	114.982	115.974	116.099	117.140	118.495	117.004	119.242
Value added	36	104.712	104.998	104.511	105.200	104.874	105.173	105.855
Compensation of general government employees	37	103.363	103.165	102.520	103.184	102.635	102.838	103.501
Consumption of general government fixed capital <sup>2</sup>	38	111.132	114.097	114.500	115.322	116.260	117.111	117.890
Intermediate goods and services purchased <sup>3</sup>	39	133.055	135.352	136.611	138.297	142.770	137.929	143.060
Durable goods	40	146.541	163.760	167.703	168.987	176.035	170.628	171.083
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	178.567	182.531	175.346	179.923	186.530	177.024	179.739
Services	44	129.965	131.001	133.715	133.788	138.511	133.728	139.463
Less: Own-account investment <sup>4</sup>	45	96.177	100.285	101.973	102.699	99.301	99.986	103.128
Sales to other sectors	46	68.422	101.312	102.681	117.558	83.558	82.507	85.782
<b>State and local consumption expenditures</b> <sup>1</sup>	47	106.736	107.655	107.817	108.074	108.536	109.095	109.788
Gross output of general government	48	107.542	108.625	108.777	109.116	109.622	110.234	110.916
Value added	49	105.491	106.536	106.726	106.915	107.065	107.389	107.760
Compensation of general government employees	50	104.326	105.152	105.327	105.468	105.499	105.748	106.026
Consumption of general government fixed capital <sup>2</sup>	51	115.264	118.215	118.538	119.137	120.303	121.272	122.435
Intermediate goods and services purchased <sup>3</sup>	52	111.493	112.652	112.730	113.354	114.528	115.678	116.945
Durable goods	53	108.138	109.924	110.095	110.576	111.177	111.953	112.569
Nondurable goods	54	112.658	114.080	114.247	114.608	115.776	116.955	118.115
Services	55	111.166	112.139	112.160	112.945	114.163	115.323	116.701
Less: Own-account investment <sup>4</sup>	56	105.541	107.398	107.281	108.670	110.519	113.298	113.241
Sales to other sectors	57	111.028	112.737	112.864	113.474	114.077	114.768	115.456
Tuition and related educational charges	58	105.618	105.537	105.352	106.533	107.065	107.709	108.354
Health and hospital charges	59	113.121	113.985	114.112	114.140	114.711	115.399	116.092
Other sales	60	111.762	116.208	116.581	117.672	118.381	119.112	119.825

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		
				III	IV	I	II	III
<b>Government consumption expenditures</b> <sup>1</sup>	1	116.248	122.768	123.614	125.034	126.480	128.065	128.483
Gross output of general government	2	116.454	122.760	123.534	125.031	126.402	127.905	128.491
Value added	3	119.235	124.718	125.330	126.237	128.170	129.182	129.985
Compensation of general government employees	4	121.865	127.425	128.016	128.881	130.995	132.042	132.887
Consumption of general government fixed capital <sup>2</sup>	5	105.231	110.292	111.007	112.121	113.134	113.965	114.551
Intermediate goods and services purchased <sup>3</sup>	6	111.778	119.320	120.341	122.728	123.245	125.475	125.735
Durable goods	7	102.208	104.161	104.345	104.587	105.113	106.044	106.613
Nondurable goods	8	113.758	130.408	133.343	138.589	136.627	144.244	143.268
Services	9	112.219	117.323	117.798	119.469	120.800	121.416	122.047
Less: Own-account investment <sup>4</sup>	10	114.279	119.227	119.819	120.962	122.470	123.723	124.425
Sales to other sectors	11	117.920	122.970	123.303	125.310	126.196	127.211	128.834
<b>Federal consumption expenditures</b> <sup>1</sup>	12	117.695	123.792	124.548	124.594	127.152	128.391	128.781
Gross output of general government	13	117.666	123.761	124.486	124.640	127.083	128.312	128.695
Value added	14	122.817	129.479	130.093	129.782	133.763	134.390	134.550
Compensation of general government employees	15	129.376	137.416	138.198	137.540	142.519	143.102	143.049
Consumption of general government fixed capital <sup>2</sup>	16	103.803	106.480	106.616	107.295	108.456	109.199	109.945
Intermediate goods and services purchased <sup>3</sup>	17	110.752	116.145	116.999	117.673	118.384	120.254	120.879
Durable goods	18	101.277	102.688	102.783	102.780	103.098	104.131	104.637
Nondurable goods	19	109.625	127.253	132.557	133.584	131.526	139.058	139.939
Services	20	112.235	116.691	117.122	117.848	118.935	120.289	120.900
Less: Own-account investment <sup>4</sup>	21	119.837	124.946	125.697	125.626	128.460	129.596	129.463
Sales to other sectors	22	112.767	118.928	117.072	126.346	118.459	118.899	118.939
<b>Defense consumption expenditures</b> <sup>1</sup>	23	118.472	125.071	125.833	126.061	128.327	129.681	130.175
Gross output of general government	24	118.475	125.063	125.822	126.044	128.300	129.649	130.135
Value added	25	124.019	131.671	132.233	132.009	135.894	136.388	136.645
Compensation of general government employees	26	132.100	141.713	142.466	141.844	146.796	147.173	147.127
Consumption of general government fixed capital <sup>2</sup>	27	104.718	107.623	107.730	108.456	109.818	110.581	111.536
Intermediate goods and services purchased <sup>3</sup>	28	111.334	116.727	117.692	118.382	118.923	121.112	121.826
Durable goods	29	102.127	103.728	103.845	103.896	104.288	105.421	106.001
Nondurable goods	30	111.656	137.758	145.561	148.658	144.162	156.904	158.696
Services	31	113.246	117.386	117.881	118.490	119.505	121.022	121.673
Less: Own-account investment <sup>4</sup>	32	120.112	126.127	127.102	127.119	130.097	131.602	131.556
Sales to other sectors	33	117.603	122.661	122.866	121.976	122.008	122.699	122.394
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	116.274	121.381	122.127	121.810	124.944	125.958	126.144
Gross output of general government	35	116.213	121.351	122.013	122.035	124.838	125.836	126.022
Value added	36	120.762	125.685	126.391	125.929	130.080	130.937	130.929
Compensation of general government employees	37	125.333	130.947	131.776	131.059	136.088	136.985	136.922
Consumption of general government fixed capital <sup>2</sup>	38	101.430	103.518	103.726	104.285	104.924	105.616	105.823
Intermediate goods and services purchased <sup>3</sup>	39	109.583	114.981	115.586	116.232	117.305	118.476	118.907
Durable goods	40	91.890	91.303	91.174	90.620	90.214	90.280	90.040
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	108.213	115.953	118.310	117.371	117.844	120.175	120.125
Services	44	110.499	115.631	115.928	116.899	118.138	119.148	119.679
Less: Own-account investment <sup>4</sup>	45	119.529	123.897	124.473	124.336	127.055	127.901	127.700
Sales to other sectors	46	109.934	116.681	113.980	127.844	116.921	117.159	117.502
<b>State and local consumption expenditures</b> <sup>1</sup>	47	115.388	122.177	123.079	125.365	126.112	127.916	128.352
Gross output of general government	48	115.879	122.293	123.091	125.267	126.097	127.740	128.427
Value added	49	117.747	122.735	123.347	124.764	125.844	127.015	128.084
Compensation of general government employees	50	119.234	123.913	124.437	125.841	126.948	128.157	129.315
Consumption of general government fixed capital <sup>2</sup>	51	106.538	113.684	114.904	116.399	117.285	118.192	118.640
Intermediate goods and services purchased <sup>3</sup>	52	112.459	121.419	122.549	126.080	126.468	128.939	128.959
Durable goods	53	103.349	106.072	106.383	106.986	107.816	108.600	109.260
Nondurable goods	54	114.432	130.870	133.343	139.407	137.466	145.093	143.782
Services	55	112.174	117.817	118.328	120.797	122.333	122.317	122.964
Less: Own-account investment <sup>4</sup>	56	112.918	117.826	118.379	119.808	121.008	122.287	123.175
Sales to other sectors	57	118.031	123.047	123.446	125.236	126.372	127.402	129.071
Tuition and related educational charges	58	133.203	143.186	144.423	146.403	148.838	151.492	154.238
Health and hospital charges	59	117.214	121.443	121.631	123.593	124.394	125.142	126.717
Other sales	60	109.789	113.066	113.284	114.703	115.580	116.090	117.271

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		
				III	IV	I	II	III
<b>Government consumption expenditures</b> <sup>1</sup>	1	1,854.8	1,975.7	2,002.1	2,014.5	2,059.7	2,083.0	2,102.1
Gross output of general government	2	2,172.0	2,313.8	2,342.1	2,361.4	2,410.3	2,439.9	2,465.1
Value added	3	1,348.4	1,422.9	1,430.7	1,444.5	1,464.0	1,478.6	1,495.0
Compensation of general government employees	4	1,155.7	1,215.7	1,221.6	1,232.1	1,247.9	1,259.4	1,273.0
Consumption of general government fixed capital <sup>2</sup>	5	192.7	207.2	209.1	212.4	216.1	219.2	222.0
Intermediate goods and services purchased <sup>3</sup>	6	823.6	890.9	911.4	917.0	946.3	961.3	970.1
Durable goods	7	53.6	56.0	56.9	57.8	57.4	57.9	60.3
Nondurable goods	8	193.7	224.7	230.0	239.5	238.4	251.4	252.4
Services	9	576.3	610.2	624.5	619.6	650.5	652.0	657.4
Less: Own-account investment <sup>4</sup>	10	22.2	23.5	23.6	24.1	24.7	25.4	25.7
Sales to other sectors	11	295.0	314.6	316.4	322.8	325.9	331.5	337.3
<b>Federal consumption expenditures</b> <sup>1</sup>	12	724.5	768.6	784.3	771.1	803.6	802.3	808.9
Gross output of general government	13	734.9	781.9	798.1	785.2	816.3	816.1	822.5
Value added	14	411.6	436.7	437.9	438.4	447.9	449.9	454.0
Compensation of general government employees	15	323.0	343.5	344.2	343.6	351.4	352.2	355.1
Consumption of general government fixed capital <sup>2</sup>	16	88.6	93.2	93.6	94.8	96.5	97.7	98.9
Intermediate goods and services purchased <sup>3</sup>	17	323.4	345.2	360.2	346.8	368.5	366.3	368.4
Durable goods	18	31.2	32.6	33.4	34.1	33.3	33.5	35.6
Nondurable goods	19	30.8	36.0	37.5	37.6	37.3	37.0	37.8
Services	20	261.4	276.6	289.4	275.1	297.9	295.8	295.0
Less: Own-account investment <sup>4</sup>	21	4.5	4.7	4.7	4.8	4.8	4.8	5.0
Sales to other sectors	22	6.0	8.7	9.1	9.4	7.9	9.0	8.6
<b>Defense consumption expenditures</b> <sup>1</sup>	23	483.7	516.9	530.9	516.9	537.7	537.7	539.0
Gross output of general government	24	488.3	522.1	536.6	521.4	543.2	544.4	545.1
Value added	25	264.7	283.4	284.4	284.5	289.3	289.9	293.0
Compensation of general government employees	26	200.2	215.4	216.1	215.4	218.9	218.6	220.8
Consumption of general government fixed capital <sup>2</sup>	27	64.5	68.0	68.3	69.1	70.4	71.3	72.2
Intermediate goods and services purchased <sup>3</sup>	28	223.6	238.7	252.2	236.9	253.9	254.5	252.1
Durable goods	29	28.8	30.0	30.7	31.4	30.5	30.8	32.9
Nondurable goods	30	16.9	20.3	22.3	21.3	20.6	20.6	21.2
Services	31	177.9	188.5	199.3	184.1	202.8	203.2	198.0
Less: Own-account investment <sup>4</sup>	32	2.1	2.1	2.1	2.1	2.1	2.2	2.2
Sales to other sectors	33	2.5	3.1	3.6	2.4	3.4	4.5	3.9
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	240.7	251.7	253.4	254.2	265.9	264.6	269.9
Gross output of general government	35	246.7	259.8	261.5	263.9	273.1	271.8	277.4
Value added	36	146.9	153.3	153.5	153.9	158.5	160.0	161.0
Compensation of general government employees	37	122.8	128.1	128.1	128.2	132.4	133.6	134.4
Consumption of general government fixed capital <sup>2</sup>	38	24.1	25.2	25.4	25.7	26.1	26.4	26.7
Intermediate goods and services purchased <sup>3</sup>	39	99.7	106.5	108.0	109.9	114.6	111.8	116.4
Durable goods	40	2.4	2.6	2.7	2.7	2.8	2.7	2.7
Nondurable goods	41	13.9	15.7	15.2	16.3	16.6	16.4	16.6
Commodity Credit Corporation inventory change	42	-1.0	-0.5	-0.8	0.1	-0.3	0.1	0.0
Other nondurable goods	43	14.8	16.3	15.9	16.2	16.9	16.4	16.6
Services	44	83.5	88.1	90.1	90.9	95.1	92.6	97.0
Less: Own-account investment <sup>4</sup>	45	2.4	2.6	2.7	2.7	2.6	2.7	2.8
Sales to other sectors	46	3.5	5.5	5.4	7.0	4.5	4.5	4.7
<b>State and local consumption expenditures</b> <sup>1</sup>	47	1,130.3	1,207.2	1,217.8	1,243.4	1,256.2	1,280.7	1,293.2
Gross output of general government	48	1,437.1	1,531.9	1,544.0	1,576.2	1,594.0	1,623.8	1,642.6
Value added	49	936.8	986.2	992.9	1,006.0	1,016.2	1,028.7	1,041.0
Compensation of general government employees	50	832.7	872.3	877.4	888.5	896.5	907.2	917.8
Consumption of general government fixed capital <sup>2</sup>	51	104.1	113.9	115.5	117.6	119.6	121.5	123.1
Intermediate goods and services purchased <sup>3</sup>	52	500.3	545.7	551.1	570.1	577.8	595.0	601.6
Durable goods	53	22.4	23.4	23.5	23.7	24.0	24.4	24.7
Nondurable goods	54	162.9	188.7	192.5	201.9	201.1	214.4	214.6
Services	55	314.9	333.6	335.1	344.5	352.6	356.2	362.3
Less: Own-account investment <sup>4</sup>	56	17.7	18.8	18.9	19.4	19.9	20.6	20.7
Sales to other sectors	57	289.0	306.0	307.3	313.4	318.0	322.5	328.7
Tuition and related educational charges	58	62.3	67.0	67.4	69.1	70.6	72.3	74.1
Health and hospital charges	59	139.9	146.1	146.4	148.8	150.6	152.4	155.2
Other sales	60	86.8	92.9	93.4	95.5	96.8	97.8	99.4

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		
				III	IV	I	II	III
<b>Government consumption expenditures</b> <sup>1</sup>	1	1,595.6	1,609.3	1,619.7	1,611.2	1,628.6	1,626.6	1,636.2
Gross output of general government	2	1,865.1	1,884.8	1,896.0	1,888.8	1,906.9	1,907.7	1,918.6
Value added	3	1,130.9	1,140.9	1,141.6	1,144.3	1,142.3	1,144.6	1,150.1
Compensation of general government employees	4	948.4	954.1	954.3	956.0	952.7	953.8	957.9
Consumption of general government fixed capital <sup>2</sup>	5	183.1	187.8	188.4	189.5	191.0	192.4	193.9
Intermediate goods and services purchased <sup>3</sup>	6	736.8	746.7	757.4	747.2	767.9	766.2	771.6
Durable goods	7	52.5	53.8	54.5	55.3	54.6	54.6	56.6
Nondurable goods	8	170.3	172.3	172.5	172.9	174.5	174.3	176.2
Services	9	513.5	520.1	530.2	518.6	538.6	537.0	538.7
Less: Own-account investment <sup>4</sup>	10	19.4	19.7	19.7	20.0	20.1	20.6	20.6
Sales to other sectors	11	250.2	255.9	256.6	257.6	258.3	260.6	261.8
<b>Federal consumption expenditures</b> <sup>1</sup>	12	615.6	620.8	629.7	618.9	632.0	624.9	628.2
Gross output of general government	13	624.6	631.8	641.1	630.0	642.4	636.1	639.1
Value added	14	335.1	337.3	336.6	337.8	334.8	334.8	337.4
Compensation of general government employees	15	249.7	250.0	249.1	249.8	246.5	246.1	248.3
Consumption of general government fixed capital <sup>2</sup>	16	85.3	87.5	87.8	88.4	89.0	89.5	90.0
Intermediate goods and services purchased <sup>3</sup>	17	292.0	297.2	307.9	294.8	311.3	304.6	304.8
Durable goods	18	30.8	31.8	32.5	33.2	32.3	32.1	34.1
Nondurable goods	19	28.1	28.3	28.3	28.2	28.3	26.6	27.0
Services	20	232.9	237.0	247.1	233.4	250.5	245.9	244.1
Less: Own-account investment <sup>4</sup>	21	3.7	3.7	3.8	3.8	3.7	3.7	3.8
Sales to other sectors	22	5.3	7.3	7.8	7.4	6.7	7.5	7.2
<b>Defense consumption expenditures</b> <sup>1</sup>	23	408.3	413.3	421.9	410.0	419.0	414.7	414.1
Gross output of general government	24	412.1	417.5	426.5	413.7	423.4	419.9	418.9
Value added	25	213.4	215.2	215.1	215.5	212.9	212.5	214.4
Compensation of general government employees	26	151.5	152.0	151.7	151.8	149.1	148.5	150.0
Consumption of general government fixed capital <sup>2</sup>	27	61.6	63.2	63.4	63.7	64.1	64.5	64.8
Intermediate goods and services purchased <sup>3</sup>	28	200.9	204.5	214.3	200.1	213.5	210.2	207.0
Durable goods	29	28.2	28.9	29.5	30.2	29.3	29.2	31.1
Nondurable goods	30	15.2	14.7	15.4	14.4	14.4	13.2	13.4
Services	31	157.1	160.6	169.0	155.4	169.7	167.9	162.7
Less: Own-account investment <sup>4</sup>	32	1.7	1.6	1.6	1.7	1.6	1.6	1.7
Sales to other sectors	33	2.1	2.6	3.0	2.0	2.8	3.7	3.2
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	207.0	207.3	207.5	208.7	212.8	210.1	214.0
Gross output of general government	35	212.3	214.1	214.3	216.2	218.7	216.0	220.1
Value added	36	121.7	122.0	121.4	122.2	121.9	122.2	123.0
Compensation of general government employees	37	98.0	97.8	97.2	97.8	97.3	97.5	98.1
Consumption of general government fixed capital <sup>2</sup>	38	23.8	24.4	24.5	24.6	24.8	25.0	25.2
Intermediate goods and services purchased <sup>3</sup>	39	91.0	92.6	93.4	94.6	97.7	94.3	97.9
Durable goods	40	2.6	2.9	3.0	3.0	3.1	3.0	3.0
Nondurable goods	41	12.7	13.4	12.7	13.9	14.1	13.7	13.8
Commodity Credit Corporation inventory change	42	-1.0	-0.6	-0.8	0.1	-0.2	0.1	0.0
Other nondurable goods	43	13.7	14.0	13.5	13.8	14.3	13.6	13.8
Services	44	75.6	76.2	77.8	77.8	80.5	77.8	81.1
Less: Own-account investment <sup>4</sup>	45	2.0	2.1	2.1	2.2	2.1	2.1	2.2
Sales to other sectors	46	3.2	4.7	4.8	5.5	3.9	3.9	4.0
<b>State and local consumption expenditures</b> <sup>1</sup>	47	979.6	988.0	989.5	991.9	996.1	1,001.2	1,007.6
Gross output of general government	48	1,240.2	1,252.7	1,254.4	1,258.3	1,264.2	1,271.2	1,279.1
Value added	49	795.6	803.5	805.0	806.4	807.5	810.0	812.8
Compensation of general government employees	50	698.4	703.9	705.1	706.0	706.3	707.9	709.8
Consumption of general government fixed capital <sup>2</sup>	51	97.7	100.2	100.5	101.0	102.0	102.8	103.8
Intermediate goods and services purchased <sup>3</sup>	52	444.8	449.5	449.8	452.3	456.9	461.5	466.6
Durable goods	53	21.7	22.1	22.1	22.2	22.3	22.5	22.6
Nondurable goods	54	142.4	144.2	144.4	144.9	146.3	147.8	149.3
Services	55	280.7	283.2	283.2	285.2	288.3	291.2	294.7
Less: Own-account investment <sup>4</sup>	56	15.7	16.0	15.9	16.2	16.4	16.8	16.8
Sales to other sectors	57	244.9	248.7	248.9	250.3	251.6	253.1	254.7
Tuition and related educational charges	58	46.8	46.8	46.7	47.2	47.4	47.7	48.0
Health and hospital charges	59	119.4	120.3	120.4	120.4	121.0	121.8	122.5
Other sales	60	79.1	82.2	82.5	83.2	83.7	84.3	84.8
Residual	61	-1.6	-2.1	-2.8	-2.3	-4.1	-4.0	-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.

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		
				III	IV	I	II	III
<b>National defense consumption expenditures and gross investment</b>	1	<b>5.9</b>	<b>1.7</b>	<b>11.2</b>	<b>-9.9</b>	<b>8.9</b>	<b>-2.0</b>	<b>-0.7</b>
<b>Consumption expenditures</b> <sup>1</sup>	2	<b>5.4</b>	<b>1.2</b>	<b>11.1</b>	<b>-10.8</b>	<b>9.1</b>	<b>-4.1</b>	<b>-0.6</b>
Gross output of general government	3	5.3	1.3	11.4	-11.5	9.8	-3.3	-1.0
Value added	4	1.8	0.8	0.5	0.9	-4.7	-0.7	3.6
Compensation of general government employees	5	1.8	0.3	-0.2	0.4	-6.9	-1.6	4.1
Military	6	1.1	-0.6	-1.7	1.3	-8.5	-2.3	5.1
Civilian	7	3.3	2.3	3.2	-1.6	-3.5	-0.1	2.2
Consumption of general government fixed capital <sup>2</sup>	8	1.8	2.5	2.5	2.4	2.4	2.1	1.9
Intermediate goods and services purchased <sup>3</sup>	9	9.7	1.8	25.5	-24.0	29.6	-6.2	-6.0
Durable goods	10	10.0	2.4	16.3	9.8	-12.3	-1.1	28.5
Aircraft	11	4.3	-10.2	-2.6	14.4	-22.9	-15.8	24.5
Missiles	12	7.3	24.0	-15.5	100.3	-37.8	25.2	-26.0
Ships	13	8.4	-5.9	51.8	-67.6	89.5	4.7	86.4
Vehicles	14	-4.2	37.7	143.8	12.8	21.5	-0.9	66.8
Electronics	15	17.8	26.1	85.7	7.7	-17.0	5.4	70.4
Other durable goods	16	18.9	-1.7	1.4	-0.9	5.6	3.1	19.9
Non-durable goods	17	12.7	-3.0	4.8	-22.7	-0.6	-29.8	7.2
Petroleum products	18	5.5	-4.7	-2.7	-37.1	1.0	-20.0	6.2
Ammunition	19	31.2	5.6	30.1	-2.9	-14.8	-42.3	42.7
Other non-durable goods	20	11.4	-5.8	5.7	-0.5	7.5	-37.1	-11.3
Services	21	9.3	2.2	29.6	-28.6	42.1	-4.1	-11.7
Research and development	22	10.9	-0.9	13.5	-40.5	94.8	0.4	-20.4
Installation support	23	-0.3	-0.8	22.2	-17.2	6.8	-16.2	-7.6
Weapons support	24	14.3	-0.1	105.7	-49.5	71.3	-22.7	-31.3
Personnel support	25	17.4	8.4	54.5	-23.1	28.6	7.4	-1.6
Transportation of material	26	-11.8	-2.2	-16.5	9.4	10.2	-1.3	3.6
Travel of persons	27	20.3	11.1	-29.5	7.2	5.0	-5.4	4.2
Less: Own-account investment <sup>4</sup>	28	-7.6	-5.5	1.8	5.5	-3.9	2.1	5.4
Sales to other sectors	29	-1.6	21.7	60.1	-81.3	316.1	195.8	-41.7
<b>Gross investment</b> <sup>5</sup>	30	<b>9.5</b>	<b>5.5</b>	<b>11.7</b>	<b>-3.1</b>	<b>7.9</b>	<b>14.1</b>	<b>-1.6</b>
Structures	31	-8.5	-3.5	0.4	11.3	-19.0	-10.7	19.5
Equipment and software	32	11.3	6.2	12.6	-4.1	10.2	16.1	-3.0
Aircraft	33	24.1	21.6	23.5	-4.9	18.0	0.9	-14.6
Missiles	34	16.1	6.4	-54.3	314.3	-38.2	83.7	-76.1
Ships	35	-3.2	-8.5	57.6	-50.0	15.5	64.8	-24.7
Vehicles	36	-9.6	44.9	28.9	-44.9	33.2	38.5	81.6
Electronics and software	37	10.0	13.5	33.2	7.8	-6.9	9.8	31.0
Other equipment	38	15.7	-2.9	-4.4	0.1	24.8	-1.4	12.1

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.

**Table 3.11.3. Real National Defense Consumption Expenditures and Gross Investment by Type, Quantity Indexes**

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>National defense consumption expenditures and gross investment</b> .....	1	128.374	130.593	133.423	130.002	132.808	132.141	131.905
<b>Consumption expenditures</b> <sup>1</sup> .....	2	127.006	128.551	131.236	127.544	130.343	128.981	128.794
Gross output of general government .....	3	126.979	128.619	131.402	127.446	130.460	129.366	129.054
Value added .....	4	107.144	108.048	107.976	108.206	106.903	106.707	107.654
Compensation of general government employees ..	5	109.051	109.389	109.180	109.277	107.336	106.895	107.987
Military .....	6	112.829	112.152	111.478	111.842	109.385	108.738	110.091
Civilian .....	7	102.068	104.400	105.118	104.682	103.765	103.732	104.308
Consumption of general government fixed capital <sup>2</sup>	8	102.268	104.858	105.202	105.838	106.467	107.024	107.537
Intermediate goods and services purchased <sup>3</sup> .....	9	160.172	163.094	170.916	159.574	170.275	167.587	165.032
Durable goods .....	10	126.772	129.812	132.649	135.799	131.412	131.040	139.526
Aircraft .....	11	116.020	104.160	102.940	106.450	99.736	95.525	100.909
Missiles .....	12	103.597	128.465	125.010	148.713	132.061	139.700	129.587
Ships .....	13	103.945	97.810	111.454	84.079	98.650	98.789	116.600
Vehicles .....	14	104.373	143.721	162.361	167.311	175.653	175.243	199.142
Electronics .....	15	159.330	200.845	221.019	225.152	214.920	217.765	248.799
Other durable goods .....	16	151.612	149.019	148.117	147.784	149.794	150.949	157.964
Nondurable goods .....	17	145.555	141.149	147.394	138.197	137.986	126.313	128.532
Petroleum products .....	18	142.708	135.949	148.565	132.296	132.636	125.420	127.331
Ammunition .....	19	188.553	199.202	208.667	207.138	198.988	173.415	189.531
Other nondurable goods ..	20	131.042	123.436	119.782	119.627	121.802	108.465	105.273
Services .....	21	169.398	173.189	182.313	167.614	182.994	181.077	175.520
Research and development .....	22	186.412	184.690	194.216	170.603	201.544	201.760	190.555
Installation support .....	23	131.545	130.523	135.776	129.517	131.661	125.960	123.495
Weapons support .....	24	183.997	183.742	205.583	173.265	198.225	185.876	169.243
Personnel support .....	25	190.028	205.921	220.458	206.460	219.853	223.795	222.895
Transportation of material ..	26	172.084	168.245	163.098	166.799	170.900	170.331	171.858
Travel of persons .....	27	143.334	159.254	149.686	152.315	154.189	152.072	153.633
Less: Own-account investment <sup>4</sup>	28	151.975	143.678	143.760	145.681	144.245	145.007	146.935
Sales to other sectors .....	29	108.080	131.580	152.501	100.221	143.135	187.707	164.001
<b>Gross investment</b> <sup>5</sup> .....	30	138.370	145.920	149.882	148.703	151.544	156.631	155.987
Structures .....	31	88.381	85.263	83.766	86.045	81.631	79.347	82.961
Equipment and software .....	32	144.478	153.436	158.129	156.470	160.333	166.443	165.188
Aircraft .....	33	165.043	200.755	211.065	208.420	217.205	217.708	209.273
Missiles .....	34	142.652	151.840	132.654	189.261	167.819	195.380	136.623
Ships .....	35	137.456	125.840	137.614	115.745	120.001	135.964	126.641
Vehicles .....	36	149.871	217.174	255.464	220.092	236.426	256.475	297.725
Electronics and software .....	37	124.579	141.432	148.380	151.179	148.485	151.980	162.589
Other equipment .....	38	150.486	146.192	143.964	144.000	152.199	151.670	156.068

**Table 3.11.4. Price Indexes for National Defense Consumption Expenditures and Gross Investment by Type**

[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>National defense consumption expenditures and gross investment</b> .....	1	115.954	121.855	122.467	122.760	124.752	126.006	126.536
<b>Consumption expenditures</b> <sup>1</sup> .....	2	118.472	125.071	125.833	126.061	128.327	129.681	130.175
Gross output of general government .....	3	118.475	125.063	125.822	126.044	128.300	129.649	130.135
Value added .....	4	124.019	131.671	132.233	132.009	135.894	136.388	136.645
Compensation of general government employees ..	5	132.100	141.713	142.466	141.844	146.796	147.173	147.127
Military .....	6	135.002	146.516	147.164	146.573	151.951	152.024	152.008
Civilian .....	7	126.513	132.396	133.353	132.675	136.805	137.760	137.657
Consumption of general government fixed capital <sup>2</sup>	8	104.718	107.623	107.730	108.456	109.818	110.581	111.536
Intermediate goods and services purchased <sup>3</sup> .....	9	111.334	116.727	117.692	118.382	118.923	121.112	121.826
Durable goods .....	10	102.127	103.728	103.845	103.896	104.288	105.421	106.001
Aircraft .....	11	103.859	104.937	105.151	104.933	105.222	106.750	107.428
Missiles .....	12	103.611	105.609	105.523	105.262	106.187	107.151	107.964
Ships .....	13	104.453	106.894	106.693	107.871	108.235	109.735	110.303
Vehicles .....	14	114.848	117.881	116.940	118.410	118.073	118.643	116.581
Electronics .....	15	93.768	93.937	93.849	93.767	93.899	94.873	95.751
Other durable goods .....	16	101.205	104.060	104.495	104.730	105.365	106.211	106.791
Nondurable goods .....	17	111.656	137.758	145.561	148.658	144.162	156.904	158.696
Petroleum products .....	18	121.590	184.637	205.241	214.186	199.547	229.490	232.587
Ammunition .....	19	106.422	111.615	111.450	112.270	114.872	119.216	120.953
Other nondurable goods ..	20	104.981	107.787	108.107	108.830	109.264	110.729	111.252
Services .....	21	113.246	117.386	117.881	118.490	119.505	121.022	121.673
Research and development .....	22	110.808	115.975	116.403	117.453	118.530	120.063	120.852
Installation support .....	23	114.787	119.578	119.778	120.566	121.821	123.346	124.365
Weapons support .....	24	110.892	114.430	114.951	115.459	116.397	117.528	117.858
Personnel support .....	25	113.986	116.705	116.979	117.355	118.523	119.528	119.620
Transportation of material ..	26	119.954	124.019	125.720	125.491	124.984	128.077	129.592
Travel of persons .....	27	116.423	121.155	123.459	122.998	123.160	127.507	129.426
Less: Own-account investment <sup>4</sup>	28	120.112	126.127	127.102	127.119	130.097	131.602	131.556
Sales to other sectors .....	29	117.603	122.661	122.866	121.976	122.008	122.699	122.394
<b>Gross investment</b> <sup>5</sup> .....	30	99.911	101.628	101.370	102.026	102.438	103.109	103.823
Structures .....	31	115.424	122.288	123.410	126.785	128.116	129.674	129.750
Equipment and software .....	32	98.529	99.901	99.558	100.044	100.399	101.016	101.761
Aircraft .....	33	89.015	86.839	85.693	85.933	85.092	85.464	86.100
Missiles .....	34	100.981	102.142	102.520	101.402	102.223	100.889	101.843
Ships .....	35	111.408	118.372	117.161	120.674	123.783	127.160	131.342
Vehicles .....	36	98.482	99.263	98.719	99.866	99.343	99.159	96.942
Electronics and software .....	37	90.678	89.167	88.934	88.413	88.472	88.727	88.726
Other equipment .....	38	102.485	105.822	106.207	106.590	107.120	107.688	108.324

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.

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.

**Table 3.11.5. National Defense Consumption Expenditures and Gross Investment by Type**  
[Billions of dollars]

	Line	Seasonally adjusted at annual rates						
		2004	2005	2005		2006		
				III	IV	I	II	III
<b>National defense consumption expenditures and gross investment</b>	1	551.2	589.3	605.0	590.9	613.5	616.5	618.0
<b>Consumption expenditures<sup>1</sup></b>	2	483.7	516.9	530.9	516.9	537.7	537.7	539.0
Gross output of general government	3	488.3	522.1	536.6	521.4	543.2	544.4	545.1
Value added	4	264.7	283.4	284.4	284.5	289.3	289.9	293.0
Compensation of general government employees	5	200.2	215.4	216.1	215.4	218.9	218.6	220.8
Military	6	136.2	146.9	146.7	146.6	148.6	147.8	149.7
Civilian	7	63.9	68.4	69.4	68.8	70.3	70.8	71.1
Consumption of general government fixed capital <sup>2</sup>	8	64.5	68.0	68.3	69.1	70.4	71.3	72.2
Intermediate goods and services purchased <sup>3</sup>	9	223.6	238.7	252.2	236.9	253.9	254.5	252.1
Durable goods	10	28.8	30.0	30.7	31.4	30.5	30.8	32.9
Aircraft	11	11.8	10.7	10.6	11.0	10.3	10.0	10.7
Missiles	12	2.6	3.3	3.2	3.8	3.4	3.7	3.4
Ships	13	1.4	1.4	1.6	1.2	1.4	1.4	1.7
Vehicles	14	0.9	1.3	1.5	1.5	1.6	1.8	1.8
Electronics	15	4.4	5.5	6.1	6.2	5.9	6.0	7.0
Other durable goods	16	7.6	7.7	7.7	7.7	7.8	8.0	8.4
Nondurable goods	17	16.9	20.3	22.3	21.3	20.6	20.6	21.2
Petroleum products	18	7.0	10.2	12.2	11.2	10.4	11.3	11.7
Ammunition	19	3.6	4.0	4.2	4.2	4.1	3.7	4.2
Other nondurable goods	20	6.3	6.1	5.9	5.9	6.1	5.5	5.3
Services	21	177.9	188.5	199.3	184.1	202.8	203.2	198.0
Research and development	22	54.3	56.3	59.4	52.7	62.8	63.7	60.5
Installation support	23	37.6	38.9	40.5	38.9	40.0	38.7	38.3
Weapons support	24	19.6	20.2	22.6	19.2	22.1	20.9	19.1
Personnel support	25	49.7	55.2	59.2	55.6	59.8	61.4	61.2
Transportation of material	26	8.9	9.0	8.8	9.0	9.2	9.4	9.6
Travel of persons	27	7.8	9.1	8.7	8.8	8.9	9.1	9.3
Less: Own-account investment <sup>4</sup>	28	2.1	2.1	2.1	2.1	2.1	2.2	2.2
Sales to other sectors	29	2.5	3.1	3.6	2.4	3.4	4.5	3.9
<b>Gross investment<sup>5</sup></b>	30	67.5	72.4	74.2	74.1	75.8	78.8	79.1
Structures	31	5.1	5.2	5.1	5.4	5.2	5.1	5.3
Equipment and software	32	62.4	67.2	69.0	68.6	70.6	73.7	73.7
Aircraft	33	11.4	13.5	14.0	13.9	14.3	14.4	14.0
Missiles	34	3.9	4.2	3.7	5.2	4.6	5.3	3.7
Ships	35	10.1	9.8	10.6	9.2	9.8	11.4	11.0
Vehicles	36	2.7	3.9	4.6	4.0	4.3	4.7	5.3
Electronics and software	37	11.4	12.8	13.3	13.5	13.3	13.6	14.6
Other equipment	38	22.9	23.0	22.7	22.8	24.3	24.3	25.1

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.

**Table 3.11.6. Real National Defense Consumption Expenditures and Gross Investment by Type, Chained Dollars**  
[Billions of chained (2000) dollars]

	Line	Seasonally adjusted at annual rates						
		2004	2005	2005		2006		
				III	IV	I	II	III
<b>National defense consumption expenditures and gross investment</b>	1	475.4	483.6	494.1	481.4	491.8	489.3	488.5
<b>Consumption expenditures<sup>1</sup></b>	2	408.3	413.3	421.9	410.0	419.0	414.7	414.1
Gross output of general government	3	412.1	417.5	426.5	413.7	423.4	419.9	418.9
Value added	4	213.4	215.2	215.1	215.5	212.9	212.5	214.4
Compensation of general government employees	5	151.5	152.0	151.7	151.8	149.1	148.5	150.0
Military	6	100.9	100.3	99.7	100.0	97.8	97.2	98.4
Civilian	7	50.5	51.7	52.1	51.8	51.4	51.4	51.7
Consumption of general government fixed capital <sup>2</sup>	8	61.6	63.2	63.4	63.7	64.1	64.5	64.8
Intermediate goods and services purchased <sup>3</sup>	9	200.9	204.5	214.3	200.1	213.5	210.2	207.0
Durable goods	10	28.2	28.9	29.5	30.2	29.3	29.2	31.1
Aircraft	11	11.4	10.2	10.1	10.5	9.8	9.4	9.9
Missiles	12	2.5	3.2	3.1	3.6	3.2	3.4	3.2
Ships	13	1.4	1.3	1.5	1.1	1.3	1.3	1.5
Vehicles	14	0.8	1.1	1.3	1.3	1.4	1.4	1.5
Electronics	15	4.7	5.9	6.5	6.6	6.3	6.4	7.3
Other durable goods	16	7.5	7.4	7.4	7.3	7.4	7.5	7.9
Nondurable goods	17	15.2	14.7	15.4	14.4	14.4	13.2	13.4
Petroleum products	18	5.8	5.5	6.0	5.4	5.4	5.1	5.2
Ammunition	19	3.4	3.6	3.8	3.8	3.6	3.1	3.4
Other nondurable goods	20	6.0	5.6	5.5	5.5	5.6	4.9	4.8
Services	21	157.1	160.6	169.0	155.4	169.7	167.9	162.7
Research and development	22	49.0	48.5	51.0	44.8	53.0	53.0	50.1
Installation support	23	32.8	32.5	33.8	32.3	32.8	31.4	30.8
Weapons support	24	17.6	17.6	19.7	16.6	19.0	17.8	16.2
Personnel support	25	43.6	47.3	50.6	47.4	50.5	51.4	51.2
Transportation of material	26	7.4	7.2	7.0	7.2	7.3	7.3	7.4
Travel of persons	27	6.7	7.5	7.0	7.1	7.2	7.1	7.2
Less: Own-account investment <sup>4</sup>	28	1.7	1.6	1.6	1.7	1.6	1.6	1.7
Sales to other sectors	29	2.1	2.6	3.0	2.0	2.8	3.7	3.2
<b>Gross investment<sup>5</sup></b>	30	67.5	71.2	73.2	72.6	74.0	76.5	76.1
Structures	31	4.4	4.2	4.2	4.3	4.1	3.9	4.1
Equipment and software	32	63.3	67.3	69.3	68.6	70.3	73.0	72.4
Aircraft	33	12.8	15.6	16.4	16.2	16.8	16.9	16.2
Missiles	34	3.8	4.1	3.6	5.1	4.5	5.3	3.7
Ships	35	9.0	8.3	9.1	7.6	7.9	9.0	8.3
Vehicles	36	2.7	4.0	4.7	4.0	4.3	4.7	5.4
Electronics and software	37	12.6	14.3	15.0	15.3	15.0	15.4	16.4
Other equipment	38	22.4	21.7	21.4	21.4	22.6	22.6	23.2
Residual	39	-2.1	-4.0	-5.2	-4.8	-6.1	-6.8	-6.4

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.

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.

## 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		
				III	IV	I	II	III
Current receipts from the rest of the world .....	1	1,588.3	1,816.5	1,839.6	1,917.3	2,008.7	2,109.5	.....
Exports of goods and services .....	2	1,178.1	1,303.1	1,312.4	1,352.4	1,405.4	1,448.1	1,489.1
Goods <sup>1</sup> .....	3	818.8	907.5	913.9	944.3	989.3	1,019.1	1,057.3
Durable .....	4	561.8	625.6	631.0	662.5	689.1	705.0	731.6
Nondurable .....	5	257.1	281.9	282.8	281.8	300.3	314.1	325.7
Services <sup>1</sup> .....	6	359.3	395.6	398.5	408.1	416.0	429.0	431.9
Income receipts .....	7	410.2	513.3	527.2	564.9	603.3	661.4	.....
Wage and salary receipts .....	8	2.9	2.9	2.9	3.0	2.9	2.9	.....
Income receipts on assets .....	9	407.3	510.4	524.3	561.9	600.4	658.5	.....
Interest .....	10	105.3	172.4	180.3	201.3	224.1	256.5	.....
Dividends .....	11	116.7	320.0	437.7	453.3	150.7	150.8	.....
Reinvested earnings on U.S. direct investment abroad .....	12	185.4	18.0	-93.7	-92.8	225.6	251.2	.....
Current payments to the rest of the world .....	13	2,237.4	2,587.9	2,554.5	2,785.4	2,824.8	2,952.0	.....
Imports of goods and services .....	14	1,791.4	2,019.9	2,041.2	2,127.8	2,170.6	2,229.8	2,299.1
Goods <sup>1</sup> .....	15	1,495.2	1,699.0	1,719.1	1,799.3	1,832.6	1,879.0	1,946.1
Durable .....	16	929.9	1,017.5	1,020.8	1,049.9	1,095.8	1,112.2	1,150.0
Nondurable .....	17	565.3	681.5	698.3	749.4	736.8	766.8	796.1
Services <sup>1</sup> .....	18	296.2	320.9	322.1	328.5	338.1	350.8	353.0
Income payments .....	19	363.9	481.5	475.0	552.4	574.3	638.6	.....
Wage and salary payments .....	20	8.9	9.2	9.4	9.3	9.2	9.2	.....
Income payments on assets .....	21	355.0	472.2	465.6	543.1	565.1	629.4	.....
Interest .....	22	229.2	331.2	345.1	378.9	414.8	467.3	.....
Dividends .....	23	69.8	81.8	91.6	87.3	63.1	69.0	.....
Reinvested earnings on foreign direct investment in the United States .....	24	56.0	59.2	28.9	77.0	87.1	93.1	.....
Current taxes and transfer payments to the rest of the world (net) .....	25	82.1	86.6	38.4	105.2	79.9	83.5	86.2
From persons (net) .....	26	42.9	47.1	45.8	47.6	45.2	48.7	50.2
From government (net) .....	27	19.2	26.1	23.3	30.6	14.9	15.6	18.0
From business (net) .....	28	20.0	13.3	-30.7	26.9	19.9	19.3	18.0
Balance on current account, NIPAs .....	29	-649.1	-771.4	-714.9	-868.2	-816.1	-842.6	.....
Addenda:								
Net lending or net borrowing (-), NIPAs .....	30	-651.3	-775.8	-717.2	-870.2	-823.1	-846.1	.....
Balance on current account, NIPAs .....	31	-649.1	-771.4	-714.9	-868.2	-816.1	-842.6	.....
Less: Capital account transactions (net) <sup>2</sup> .....	32	2.3	4.4	2.2	2.1	7.0	3.5	.....

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.

**Table 4.2.1. Percent Change From Preceding Period in Real Exports and in Real Imports of Goods and Services by Type of Product**  
(Percent)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Exports of goods and services</b>	1	9.2	6.8	3.2	9.6	14.0	6.2	6.5
<b>Exports of goods<sup>1</sup></b>	2	9.0	7.5	3.7	11.5	17.3	6.0	10.0
Foods, feeds, and beverages...	3	-6.3	5.6	-13.1	11.8	15.8	20.7	14.0
Industrial supplies and materials...	4	6.4	2.6	-5.2	-10.3	26.5	14.4	-1.2
Durable goods	5	4.5	8.0	20.9	11.1	8.0	4.8	4.1
Nondurable goods	6	7.3	-0.2	-16.7	-20.6	38.9	20.3	-4.1
Capital goods, except automotive	7	13.0	9.2	3.0	28.3	16.3	6.6	7.8
Civilian aircraft, engines, and parts	8	2.9	16.7	-36.0	69.9	55.2	-20.9	-3.9
Computers, peripherals, and parts	9	8.8	15.3	17.8	3.9	9.8	12.0	4.2
Other	10	16.1	6.6	12.6	24.8	9.0	14.1	11.5
Automotive vehicles, engines, and parts	11	9.8	9.3	27.6	13.6	2.7	-4.6	38.9
Consumer goods, except automotive	12	13.6	11.0	10.8	11.7	15.7	1.1	20.6
Durable goods	13	16.3	15.1	18.6	9.1	16.8	12.5	13.2
Nondurable goods	14	10.7	6.6	2.3	14.8	14.5	-11.2	30.6
Other	15	0.9	8.9	18.9	0.2	20.5	-19.7	4.1
<b>Exports of services<sup>1</sup></b>	16	9.7	5.1	2.1	5.5	6.7	6.7	-1.5
Transfers under U.S. military agency sales contracts	17	18.8	19.4	48.8	-53.3	2.5	-14.7	-29.8
Travel	18	12.0	5.3	-16.6	-3.6	4.4	8.7	-6.2
Passenger fares	19	8.9	3.0	22.8	10.5	11.9	-24.4	-9.2
Other transportation	20	13.7	-0.8	-10.2	1.2	28.8	12.8	7.0
Royalties and license fees	21	8.6	5.9	9.0	11.3	1.1	11.3	4.7
Other private services	22	7.5	5.9	6.7	20.8	4.1	9.7	-0.3
Other	23	7.5	-2.7	3.9	-5.8	7.2	4.1	4.4
<b>Imports of goods and services</b>	24	10.8	6.1	2.5	13.2	9.1	1.4	7.8
<b>Imports of goods<sup>1</sup></b>	25	10.9	6.7	2.7	14.1	9.4	-0.1	9.5
Foods, feeds, and beverages...	26	5.7	3.7	14.5	1.9	16.5	-4.8	10.9
Industrial supplies and materials, except petroleum and products	27	15.6	6.8	4.8	15.6	1.9	-1.2	18.6
Durable goods	28	20.6	7.5	-5.4	29.1	25.2	-6.8	25.7
Nondurable goods	29	10.8	6.1	16.7	4.3	-17.4	6.0	10.0
Petroleum and products	30	6.6	2.3	-12.5	40.6	-4.8	-18.3	10.2
Capital goods, except automotive	31	17.4	11.2	5.9	9.7	16.1	11.6	15.4
Civilian aircraft, engines, and parts	32	-2.7	2.4	-46.9	19.7	50.1	-14.1	-20.2
Computers, peripherals, and parts	33	23.8	14.3	19.6	9.3	34.3	17.0	20.3
Other	34	17.4	11.0	8.6	9.0	7.6	12.7	17.6
Automotive vehicles, engines, and parts	35	6.8	3.9	11.2	15.6	14.3	-1.3	-5.1
Consumer goods, except automotive	36	10.9	8.2	-2.6	12.1	8.4	5.7	13.4
Durable goods	37	15.5	10.9	12.3	9.0	10.9	-4.2	15.2
Nondurable goods	38	6.2	5.1	-17.5	15.9	5.5	18.6	11.4
Other	39	-0.7	3.0	27.8	-22.4	44.1	1.9	-18.7
<b>Imports of services<sup>1</sup></b>	40	10.0	2.8	1.2	8.3	7.4	9.9	-1.0
Direct defense expenditures	41	3.8	-5.9	-4.2	1.5	-2.7	-11.0	-5.9
Travel	42	6.7	-1.4	-11.7	11.9	-5.4	15.4	-12.6
Passenger fares	43	15.1	5.5	3.1	-6.3	1.1	25.0	-17.7
Other transportation	44	10.8	5.2	-10.1	17.8	12.4	8.7	15.1
Royalties and license fees	45	18.5	2.3	20.4	-9.2	37.7	-2.8	-12.2
Other private services	46	11.1	6.9	15.4	11.9	12.0	14.4	6.8
Other	47	5.6	0.7	6.7	1.6	0.7	-0.6	0.4
<b>Addenda:</b>								
Exports of durable goods	48	11.3	9.6	10.8	20.5	13.2	4.1	12.0
Exports of nondurable goods	49	4.1	3.0	-10.3	-6.8	27.4	10.4	5.8
Exports of agricultural goods <sup>2</sup>	50	-5.5	5.2	-5.1	6.4	23.8	19.1	0.2
Exports of nonagricultural goods	51	10.3	7.7	4.5	11.9	16.8	5.1	10.8
Imports of durable goods	52	13.7	8.5	7.8	11.7	16.8	2.0	10.1
Imports of nondurable goods	53	6.5	4.0	-4.4	17.8	-0.5	-3.0	8.6
Imports of nonpetroleum goods	54	11.5	7.4	5.7	9.7	12.3	3.9	9.3

**Table 4.2.2. Contributions to Percent Change in Real Exports and in Real Imports of Goods and Services by Type of Product**

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
<b>Exports of goods and services</b>	1	9.2	6.8	3.2	9.6	14.0	6.2	6.5
<b>Percentage points at annual rates:</b>								
<b>Exports of goods<sup>1</sup></b>	2	6.25	5.20	2.60	7.94	11.92	4.22	6.95
Foods, feeds, and beverages...	3	-0.34	0.26	-0.62	0.52	0.69	0.86	0.62
Industrial supplies and materials...	4	1.06	0.45	-0.97	-1.86	4.36	2.48	-0.21
Durable goods	5	0.26	0.47	1.18	0.68	0.52	0.32	0.28
Nondurable goods	6	0.81	-0.02	-2.14	-2.54	3.83	2.16	-0.49
Capital goods, except automotive	7	3.59	2.55	0.82	7.24	4.59	1.85	2.19
Civilian aircraft, engines, and parts	8	0.13	0.71	-2.08	2.54	2.40	-1.21	-0.19
Computers, peripherals, and parts	9	0.33	0.53	0.58	0.14	0.34	0.38	0.14
Other	10	3.14	1.31	2.31	4.56	1.85	2.67	2.25
Automotive vehicles, engines, and parts	11	0.75	0.69	1.86	1.02	0.22	-0.35	2.52
Consumer goods, except automotive	12	1.16	0.95	0.92	1.02	1.39	0.10	1.70
Durable goods	13	0.71	0.68	0.83	0.44	0.80	0.57	0.62
Nondurable goods	14	0.45	0.27	0.09	0.58	0.59	-0.47	1.08
Other	15	0.03	0.30	0.60	0.01	0.68	-0.72	0.13
<b>Exports of services<sup>1</sup></b>	16	2.94	1.55	0.62	1.71	2.07	1.97	-0.45
Transfers under U.S. military agency sales contracts	17	0.22	0.24	0.58	-1.04	0.03	-0.18	-0.38
Travel	18	0.74	0.34	-1.15	-0.23	0.27	0.50	-0.38
Passenger fares	19	0.14	0.05	0.34	0.17	0.19	-0.42	-0.14
Other transportation	20	0.42	-0.03	-0.35	0.04	0.90	0.41	0.23
Royalties and license fees	21	0.39	0.26	0.38	0.48	0.05	0.47	0.20
Other private services	22	0.93	0.73	0.78	2.36	0.53	1.14	-0.04
Other	23	0.11	-0.04	0.05	-0.08	0.09	0.05	0.05
<b>Percent change at annual rate:</b>								
<b>Imports of goods and services</b>	24	10.8	6.1	2.5	13.2	9.1	1.4	7.8
<b>Percentage points at annual rates:</b>								
<b>Imports of goods<sup>1</sup></b>	25	9.10	5.62	2.28	11.88	7.90	-0.05	7.94
Foods, feeds, and beverages...	26	0.21	0.13	0.46	0.07	0.54	-0.16	0.35
Industrial supplies and materials, except petroleum and products	27	1.82	0.87	0.58	2.03	0.27	-0.15	2.31
Durable goods	28	1.19	0.49	-0.38	1.74	1.55	-0.50	1.74
Nondurable goods	29	0.64	0.38	0.96	0.28	-1.29	0.35	0.57
Petroleum and products	30	0.63	0.26	-1.67	4.85	-0.67	-2.78	1.45
Capital goods, except automotive	31	3.24	2.08	1.10	1.82	2.88	2.05	2.76
Civilian aircraft, engines, and parts	32	-0.04	0.03	-0.82	0.23	0.53	-0.19	-0.27
Computers, peripherals, and parts	33	1.12	0.66	0.84	0.43	1.38	0.72	0.86
Other	34	2.16	1.39	1.08	1.17	0.96	1.53	2.16
Automotive vehicles, engines, and parts	35	0.91	0.48	1.27	1.81	1.65	-0.15	-0.59
Consumer goods, except automotive	36	2.32	1.66	-0.53	2.38	1.64	1.07	2.52
Durable goods	37	1.69	1.17	1.26	0.98	1.15	-0.45	1.52
Nondurable goods	38	0.64	0.49	-1.80	1.40	0.49	1.52	0.99
Other	39	-0.04	0.14	1.08	-1.06	1.61	0.08	-0.85
<b>Imports of services<sup>1</sup></b>	40	1.67	0.46	0.19	1.32	1.15	1.49	-0.16
Direct defense expenditures	41	0.06	-0.10	-0.06	0.02	-0.04	-0.16	-0.08
Travel	42	0.25	-0.05	-0.43	0.39	-0.18	0.46	-0.43
Passenger fares	43	0.20	0.07	0.04	-0.08	0.01	0.29	-0.25
Other transportation	44	0.32	0.16	-0.32	0.52	0.37	0.25	0.42
Royalties and license fees	45	0.23	0.03	0.23	-0.11	0.40	-0.04	-0.16
Other private services	46	0.57	0.34	0.70	0.58	0.58	0.69	0.34
Other	47	0.03	0.00	0.03	0.01	0.00	0.00	0.00

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.

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. Includes parts of foods, feeds, and beverages, of nondurable industrial supplies and materials, and of nondurable nonautomotive consumer goods.

**Table 4.2.3. Real Exports and Imports of Goods and Services by Type of Product, Quantity Indexes**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Exports of goods and services</b> .....	1	102.201	109.105	109.503	112.054	115.783	117.536	119.403
<b>Exports of goods</b> <sup>1</sup> .....	2	100.002	107.507	108.050	111.027	115.535	117.228	120.063
Foods, feeds, and beverages....	3	96.066	101.447	99.827	102.645	106.488	111.621	115.340
Industrial supplies and materials.....	4	105.125	107.833	108.578	105.673	112.078	115.906	115.570
Durable goods.....	5	91.591	98.919	101.543	104.254	106.269	107.520	108.611
Nondurable goods.....	6	113.662	113.494	113.052	106.719	115.851	121.333	120.068
Capital goods, except automotive.....	7	95.131	103.891	103.797	110.480	114.725	116.563	118.786
Civilian aircraft, engines, and parts.....	8	88.738	103.567	97.640	111.470	124.414	117.316	116.143
Computers, peripherals, and parts.....	9	88.326	101.824	104.890	105.896	108.409	111.517	112.676
Other.....	10	98.334	104.790	105.529	111.535	113.977	117.807	121.064
Automotive vehicles, engines, and parts.....	11	108.457	118.503	121.209	125.128	125.976	124.494	135.163
Consumer goods, except automotive.....	12	114.592	127.235	128.214	131.801	136.707	137.093	143.675
Durable goods.....	13	114.430	131.759	134.398	137.358	142.791	147.050	151.667
Nondurable goods.....	14	114.793	122.322	121.489	125.763	130.094	126.284	134.996
Other.....	15	84.415	91.957	94.202	94.244	98.749	93.468	94.426
<b>Exports of services</b> <sup>1</sup> .....	16	107.667	113.118	113.158	114.693	116.564	118.483	118.005
Transfers under U.S. military agency sales contracts.....	17	114.039	136.148	149.600	123.654	124.407	119.562	109.439
Travel.....	18	86.251	90.829	89.715	88.889	89.850	91.735	90.268
Passenger fares.....	19	71.415	73.532	75.745	77.656	79.862	74.462	72.683
Other transportation.....	20	114.782	118.820	111.450	111.794	119.059	122.718	124.803
Royalties and license fees.....	21	111.585	118.215	118.015	121.215	121.581	124.840	126.286
Other private services.....	22	126.922	134.469	134.081	140.579	142.014	145.332	145.221
Other.....	23	105.777	102.867	103.664	102.124	103.914	104.960	106.108
<b>Imports of goods and services</b> .....	24	115.962	123.007	122.520	126.377	129.146	129.608	132.060
<b>Imports of goods</b> <sup>1</sup> .....	25	116.786	124.640	124.159	128.331	131.236	131.218	134.225
Foods, feeds, and beverages....	26	125.491	130.080	132.425	133.045	138.226	136.554	140.139
Industrial supplies and materials, except petroleum and products.....	27	116.566	124.516	124.135	128.729	129.337	128.956	134.577
Durable goods.....	28	120.472	129.471	126.209	134.534	142.299	139.807	148.046
Nondurable goods.....	29	112.677	119.572	121.965	123.254	117.500	119.216	122.104
Petroleum and products.....	30	114.691	117.307	111.191	121.068	119.584	113.702	116.509
Capital goods, except automotive.....	31	108.414	120.594	122.186	125.060	129.823	133.442	138.305
Civilian aircraft, engines, and parts.....	32	84.088	86.106	80.208	83.894	92.853	89.382	84.491
Computers, peripherals, and parts.....	33	135.875	155.319	158.741	162.326	174.749	181.738	190.334
Other.....	34	102.473	113.789	115.859	118.385	120.560	124.213	129.359
Automotive vehicles, engines, and parts.....	35	113.679	118.057	118.838	123.221	127.403	126.991	125.336
Consumer goods, except automotive.....	36	134.128	145.091	143.921	148.093	151.104	153.195	158.098
Durable goods.....	37	137.067	152.070	153.181	156.529	160.621	158.898	164.633
Nondurable goods.....	38	131.024	137.669	134.085	139.130	140.995	147.147	151.161
Other.....	39	99.822	102.828	106.287	99.746	109.283	109.807	104.272
<b>Imports of services</b> <sup>1</sup> .....	40	112.051	115.170	114.652	116.954	119.055	121.896	121.586
Direct defense expenditures.....	41	155.867	146.715	146.838	147.388	146.392	142.187	140.034
Travel.....	42	86.964	85.774	83.367	85.753	84.568	87.650	84.757
Passenger fares.....	43	84.818	89.466	91.317	89.837	90.088	95.250	90.711
Other transportation.....	44	111.040	116.843	112.610	117.312	120.798	123.349	127.765
Royalties and license fees.....	45	129.503	132.485	136.824	133.554	144.675	143.654	139.076
Other private services.....	46	135.966	145.354	147.409	151.602	155.946	161.263	163.938
Other.....	47	108.373	109.179	109.043	109.471	109.667	109.496	109.618
<b>Addenda:</b>								
Exports of durable goods.....	48	97.700	107.101	108.099	113.262	116.815	117.999	121.377
Exports of nondurable goods.....	49	106.614	109.802	109.286	107.389	114.084	116.936	118.605
Exports of agricultural goods <sup>2</sup> .....	50	96.382	101.382	100.906	102.485	108.099	112.931	112.978
Exports of nonagricultural goods.....	51	100.439	108.165	108.798	111.899	116.323	117.765	120.831
Imports of durable goods.....	52	115.688	125.519	126.302	129.834	134.971	135.633	138.945
Imports of nondurable goods.....	53	119.478	124.267	121.908	126.999	126.830	125.883	128.494
Imports of nonpetroleum goods.....	54	117.067	125.768	126.357	129.327	133.131	134.425	137.456

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. Includes parts of foods, feeds, and beverages, of nondurable industrial supplies and materials, and of nondurable nonautomotive consumer goods.

**Table 4.2.4. Price Indexes for Exports and Imports of Goods and Services by Type of Product**  
[Index numbers, 2000=100]

	Line	2004	2005	Seasonally adjusted				
				2005		2006		
				III	IV	I	II	III
<b>Exports of goods and services</b> .....	1	105.151	108.949	109.341	110.108	110.737	112.400	113.780
<b>Exports of goods</b> <sup>1</sup> .....	2	104.392	107.628	107.846	108.450	109.192	110.852	112.289
Foods, feeds, and beverages....	3	123.011	121.396	122.908	121.758	122.087	123.100	127.273
Industrial supplies and materials.....	4	113.905	126.641	127.123	130.596	132.748	138.162	141.855
Durable goods.....	5	116.348	126.819	125.841	129.080	134.752	142.545	147.112
Nondurable goods.....	6	112.480	126.371	127.612	131.214	131.308	135.386	138.586
Capital goods, except automotive.....	7	97.626	97.788	97.792	97.423	97.800	98.357	98.819
Civilian aircraft, engines, and parts.....	8	117.106	122.042	122.317	123.363	125.280	126.753	127.100
Computers, peripherals, and parts.....	9	87.257	80.519	79.663	77.761	77.934	77.094	76.438
Other.....	10	95.838	96.557	96.692	96.393	96.507	97.172	97.885
Automotive vehicles, engines, and parts.....	11	102.365	103.523	103.603	103.941	104.215	104.636	105.049
Consumer goods, except automotive.....	12	100.640	101.755	101.708	101.892	102.184	102.867	103.624
Durable goods.....	13	100.587	101.606	101.710	101.771	101.689	102.405	103.122
Nondurable goods.....	14	100.676	101.901	101.674	102.007	102.747	103.388	104.194
Other.....	15	106.826	111.135	111.421	112.368	113.279	115.170	116.792
<b>Exports of services</b> <sup>1</sup> .....	16	106.985	112.115	112.918	114.080	114.430	116.098	117.333
Transfers under U.S. military agency sales contracts.....	17	100.918	103.662	103.935	105.137	105.674	106.575	107.059
Travel.....	18	104.891	109.135	110.323	111.265	111.833	114.587	115.217
Passenger fares.....	19	127.600	137.593	140.606	133.733	132.775	138.013	140.918
Other transportation.....	20	109.435	124.536	126.829	134.803	131.495	133.346	134.487
Royalties and license fees.....	21	108.855	112.332	112.873	113.908	114.658	115.796	117.438
Other private services.....	22	104.257	107.635	107.910	108.404	109.532	110.600	111.967
Other.....	23	114.447	120.959	120.575	123.267	122.703	123.341	124.185
<b>Imports of goods and services</b> .....	24	104.678	111.268	112.919	114.117	113.918	116.608	117.998
<b>Imports of goods</b> <sup>1</sup> .....	25	102.962	109.622	111.383	112.790	112.331	115.197	116.634
Foods, feeds, and beverages....	26	107.701	113.852	113.336	115.427	116.617	116.628	119.045
Industrial supplies and materials, except petroleum and products.....	27	111.786	123.104	122.042	132.065	128.709	129.290	131.947
Durable goods.....	28	111.904	117.748	116.368	117.929	121.580	128.973	133.294
Nondurable goods.....	29	111.450	128.925	128.244	147.671	135.882	127.928	128.464
Petroleum and products.....	30	130.918	178.639	201.397	201.102	200.744	232.096	239.226
Capital goods, except automotive.....	31	91.300	90.618	90.350	89.830	89.758	89.726	89.924
Civilian aircraft, engines, and parts.....	32	109.560	113.386	113.960	114.529	116.052	117.306	117.872
Computers, peripherals, and parts.....	33	72.672	66.928	66.024	64.567	63.393	62.125	61.281
Other.....	34	97.447	99.027	99.020	98.925	99.326	99.885	100.641
Automotive vehicles, engines, and parts.....	35	102.481	103.575	103.640	103.762	103.519	103.810	104.228
Consumer goods, except automotive.....	36	98.625	99.547	99.495	99.432	99.636	99.696	100.486
Durable goods.....	37	96.423	96.665	96.433	96.437	96.739	97.117	98.175
Nondurable goods.....	38	101.065	102.810	102.982	102.830	102.909	102.571	103.030
Other.....	39	104.085	107.658	107.667	109.418	109.308	110.088	111.061
<b>Imports of services</b> <sup>1</sup> .....	40	113.786	119.933	120.945	120.913	122.242	123.890	124.996
Direct defense expenditures.....	41	139.523	152.087	152.454	151.195	152.061	160.023	163.170
Travel.....	42	116.848	124.639	127.402	123.525	125.440	128.249	130.250
Passenger fares.....	43	115.223	120.026	120.082	121.874	123.509	125.759	126.988

**Table 4.2.5. Exports and Imports of Goods and Services by**

**Type of Product**

[Billions of dollars]

Line	2004	2005	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	
<b>Exports of goods and services</b> .....	1	1,178.1	1,303.1	1,312.4	1,352.4	1,405.4	1,448.1	1,489.1
<b>Exports of goods</b> <sup>1</sup> .....	2	818.8	907.5	913.9	944.3	989.3	1,019.1	1,057.3
Foods, feeds, and beverages....	3	56.6	59.0	58.7	59.8	62.2	65.7	70.2
Industrial supplies and materials.....	4	199.5	227.5	230.0	230.0	248.0	266.9	273.3
Durable goods.....	5	67.8	79.8	81.3	85.6	91.1	97.5	101.6
Nondurable goods.....	6	131.7	147.7	148.8	144.5	156.9	169.5	171.7
Capital goods, except automotive.....	7	331.6	362.7	362.4	384.3	400.6	409.3	419.1
Civilian aircraft, engines, and parts.....	8	50.0	60.8	57.4	66.1	74.9	71.5	71.0
Computers, peripherals, and parts.....	9	42.8	45.5	46.5	45.8	47.0	47.8	47.9
Other.....	10	238.8	256.4	258.5	272.4	278.7	290.0	300.2
Automotive vehicles, engines, and parts.....	11	89.2	98.6	100.9	104.5	105.5	104.7	114.1
Consumer goods, except automotive.....	12	103.1	115.7	116.6	120.0	124.9	126.0	133.1
Durable goods.....	13	53.8	62.5	63.8	65.3	67.8	70.3	73.0
Nondurable goods.....	14	49.3	53.2	52.7	54.7	57.0	55.7	60.0
Other.....	15	38.9	44.1	45.2	45.6	48.2	46.4	47.5
<b>Exports of services</b> <sup>1</sup> .....	16	359.3	395.6	398.5	408.1	416.0	429.0	431.9
Transfers under U.S. military agency sales contracts.....	17	14.8	18.1	19.9	16.7	16.9	16.3	15.0
Travel.....	18	74.5	81.7	81.6	81.5	82.8	86.6	85.7
Passenger fares.....	19	18.9	20.9	22.0	21.5	21.9	21.3	21.2
Other transportation.....	20	37.4	42.2	42.2	45.0	46.7	48.9	50.1
Royalties and license fees.....	21	52.5	57.4	57.6	59.7	60.3	62.5	64.1
Other private services.....	22	144.7	158.2	158.1	166.6	170.0	175.7	177.7
Other.....	23	16.6	17.0	17.1	17.2	17.4	17.7	18.0
<b>Imports of goods and services</b> .....	24	1,791.4	2,019.9	2,041.2	2,127.8	2,170.6	2,229.8	2,299.1
<b>Imports of goods</b> <sup>1</sup> .....	25	1,495.2	1,699.0	1,719.1	1,799.3	1,832.6	1,879.0	1,946.1
Foods, feeds, and beverages....	26	62.1	68.1	69.0	70.6	74.1	73.2	76.7
Industrial supplies and materials, except petroleum and products.....	27	225.2	264.9	261.6	293.6	287.5	287.9	306.7
Durable goods.....	28	119.2	134.8	129.9	140.4	153.1	159.6	174.6
Nondurable goods.....	29	105.9	130.0	131.7	153.2	134.4	128.4	132.0
Petroleum and products.....	30	180.5	251.9	269.1	292.6	288.5	317.2	335.0
Capital goods, except automotive.....	31	343.5	379.2	383.2	389.9	404.4	415.6	431.6
Civilian aircraft, engines, and parts.....	32	24.3	25.8	24.1	25.4	28.4	27.7	26.3
Computers, peripherals, and parts.....	33	88.6	93.3	94.2	94.2	99.5	101.4	104.8
Other.....	34	230.6	260.2	264.9	270.4	276.5	286.4	300.6
Automotive vehicles, engines, and parts.....	35	228.2	239.5	241.2	250.4	258.3	258.2	255.9
Consumer goods, except automotive.....	36	373.1	407.3	403.8	415.3	424.6	430.7	448.0
Durable goods.....	37	197.6	219.8	220.9	225.7	232.4	230.8	241.7
Nondurable goods.....	38	175.4	187.5	182.9	189.5	192.2	199.9	206.3
Other.....	39	82.7	88.1	91.1	86.9	95.1	96.2	92.2
<b>Imports of services</b> <sup>1</sup> .....	40	296.2	320.9	322.1	328.5	338.1	350.8	353.0
Direct defense expenditures.....	41	29.3	30.1	30.2	30.0	30.0	30.6	30.8
Travel.....	42	65.8	69.2	68.7	68.5	68.6	72.7	71.4
Passenger fares.....	43	23.7	26.1	26.6	26.6	27.0	29.1	28.0
Other transportation.....	44	54.2	62.1	60.8	64.6	65.3	65.9	67.0
Royalties and license fees.....	45	23.2	24.5	25.4	25.0	27.3	27.4	26.9
Other private services.....	46	90.4	98.7	100.0	103.4	109.4	114.5	118.4
Other.....	47	9.6	10.2	10.4	10.3	10.4	10.6	10.7
<b>Addenda:</b>								
Exports of durable goods.....	48	561.8	625.6	631.0	662.5	689.1	705.0	731.6
Exports of nondurable goods....	49	257.1	281.9	282.8	281.8	300.3	314.1	325.7
Exports of agricultural goods <sup>2</sup> .....	50	62.9	64.9	65.2	65.9	69.5	73.1	75.4
Exports of nonagricultural goods.....	51	755.9	842.7	848.7	878.4	919.8	946.0	981.9
Imports of durable goods.....	52	929.9	1,017.5	1,020.8	1,049.9	1,095.8	1,112.2	1,150.0
Imports of nondurable goods....	53	565.3	681.5	698.3	749.4	736.8	766.8	796.1
Imports of nonpetroleum goods.....	54	1,314.8	1,447.1	1,449.9	1,506.7	1,544.0	1,561.9	1,611.1

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. Includes parts of foods, feeds, and beverages, of nondurable industrial supplies and materials, and of nondurable nonautomotive consumer goods.

**Table 4.2.6. Real Exports and Imports of Goods and Services by**

**Type of Product, Chained Dollars**

[Billions of chained (2000) dollars]

Line	2004	2005	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	
<b>Exports of goods and services</b> .....	1	1,120.4	1,196.1	1,200.5	1,228.4	1,269.3	1,288.5	1,309.0
<b>Exports of goods</b> <sup>1</sup> .....	2	784.4	843.2	847.5	870.8	906.2	919.5	941.7
Foods, feeds, and beverages....	3	46.0	48.6	47.8	49.1	51.0	53.4	55.2
Industrial supplies and materials.....	4	175.2	179.7	180.9	176.1	186.7	193.1	192.6
Durable goods.....	5	58.3	62.9	64.6	66.3	67.6	68.4	69.1
Nondurable goods.....	6	117.1	116.9	116.5	109.9	119.3	125.0	123.7
Capital goods, except automotive.....	7	339.6	370.9	370.6	394.4	409.6	416.1	424.1
Civilian aircraft, engines, and parts.....	8	42.7	49.8	47.0	53.6	59.8	56.4	55.9
Computers, peripherals, and parts <sup>2</sup> .....	9							
Other.....	10	249.1	265.5	267.4	282.6	288.8	298.5	306.7
Automotive vehicles, engines, and parts.....	11	87.2	95.2	97.4	100.5	101.2	100.0	108.6
Consumer goods, except automotive.....	12	102.4	113.7	114.6	117.8	122.2	122.5	128.4
Durable goods.....	13	53.4	61.5	62.8	64.2	66.7	68.7	70.8
Nondurable goods.....	14	49.0	52.2	51.8	53.7	55.5	53.9	57.6
Other.....	15	36.4	39.6	40.6	40.6	42.6	40.3	40.7
<b>Exports of services</b> <sup>1</sup> .....	16	335.9	352.9	353.0	357.8	363.6	369.5	368.1
Transfers under U.S. military agency sales contracts.....	17	14.6	17.5	19.2	15.9	16.0	15.3	14.0
Travel.....	18	71.1	74.8	73.9	73.2	74.0	75.6	74.4
Passenger fares.....	19	14.8	15.2	15.7	16.1	16.5	15.4	15.0
Other transportation.....	20	34.2	33.9	33.2	33.3	35.5	36.6	37.2
Royalties and license fees.....	21	48.2	51.1	51.0	52.4	52.5	54.0	54.6
Other private services.....	22	138.7	147.0	146.6	153.7	155.2	158.9	158.8
Other.....	23	14.5	14.1	14.2	14.0	14.2	14.4	14.5
Residual.....	24	-4.0	-6.3	-7.5	-9.5	-7.3	-8.2	-10.4
<b>Imports of goods and services</b> .....	25	1,711.3	1,815.3	1,808.1	1,865.0	1,905.9	1,912.7	1,948.9
<b>Imports of goods</b> <sup>1</sup> .....	26	1,452.2	1,549.9	1,543.9	1,595.8	1,631.9	1,631.7	1,669.1
Foods, feeds, and beverages....	27	57.7	59.8	60.9	61.2	63.6	62.8	64.4
Industrial supplies and materials, except petroleum and products.....	28	201.4	215.2	214.5	222.4	223.5	222.8	232.5
Durable goods.....	29	106.5	114.5	111.6	119.0	125.8	123.6	130.9
Nondurable goods.....	30	95.1	100.9	102.9	104.0	99.1	100.6	103.0
Petroleum and products.....	31	137.8	141.0	133.6	145.5	143.7	136.7	140.0
Capital goods, except automotive.....	32	376.2	418.5	424.0	434.0	450.5	463.1	480.0
Civilian aircraft, engines, and parts.....	33	22.2	22.7	21.2	22.1	24.5	23.6	22.3
Computers, peripherals, and parts <sup>2</sup> .....	34							
Other.....	35	236.6	262.7	267.5	273.3	278.4	286.8	298.7
Automotive vehicles, engines, and parts.....	36	222.7	231.2	232.8	241.4	249.6	248.7	245.5
Consumer goods, except automotive.....	37	378.3	409.2	405.9	417.6	426.1	432.0	445.9
Durable goods.....	38	205.0	227.4	229.1	234.1	240.2	237.6	246.2
Nondurable goods.....	39	173.6	182.4	177.6	184.3	186.8	194.9	200.2
Other.....	40	79.5	81.9	84.6	79.4	87.0	87.4	83.0
<b>Imports of services</b> <sup>1</sup> .....	41	260.3	267.5	266.3	271.7	276.6	283.2	282.4
Direct defense expenditures.....	42	21.0	19.8	19.8	19.9	19.7	19.2	18.9
Travel.....	43	56.3	55.5	53.9	55.5	54.7	56.7	54.8
Passenger fares.....	44	20.6	21.7	22.2	21.8	21.9	23.1	22.0
Other transportation.....	45	46.0	48.4	46.7	48.6	50.0	51.1	52.9
Royalties and license fees.....	46	21.3	21.8	22.5	22.0	23.8	23.7	22.9
Other private services.....	47	87.0	93.1	94.4	97.1	99.8	103.2	105.0
Other.....	48	8.6	8.6	8.6	8.7	8.7	8.7	8.7
Residual.....	49	-8.2	-17.5	-24.3	-18.6	-28.3	-38.8	-41.3
<b>Addenda:</b>								
Exports of durable goods.....	50	556.1	609.7	615.3	644.7	665.0	671.7	690.9
Exports of nondurable goods....	51	229.3	236.2	235.1	231.0	245.4	251.5	255.1
Exports of agricultural goods <sup>3</sup> .....	52	50.9	53.5	53.3	54.1	57.1	59.6	59.7
Exports of nonagricultural goods.....	53	734.8	791.3	795.9	818.6	850.9	861.5	883.9
Imports of durable goods.....	54	949.4	1,030.1	1,036.5	1,065.5	1,107.7	1,113.1	1,140.3
Imports of nondurable goods....	55	505.1	525.4	515.4	536.9	536.2	532.2	543.3
Imports of nonpetroleum goods.....	56	1,315.0	1,412.7	1,419.4	1,452.7	1,495.4	1,	



## 5. Saving and Investment

**Table 5.1. Saving and Investment**  
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Gross saving</b> .....	1	1,543.7	1,612.0	1,653.5	1,621.2	1,880.5	1,897.4	
<b>Net saving</b> .....	2	107.5	7.2	-244.5	58.7	332.4	324.6	
<b>Net private saving</b> .....	3	502.4	319.7	170.9	339.5	466.7	430.0	
<b>Personal saving</b> .....	4	174.3	-34.8	-132.6	-28.5	-29.7	-54.6	-46.8
Undistributed corporate profits with inventory valuation and capital consumption adjustments.....	5	343.0	354.5	303.5	367.9	496.4	484.6	
Undistributed profits.....	6	304.7	542.5	513.0	572.7	668.0	704.3	
Inventory valuation adjustment.....	7	-39.8	-32.6	-30.9	-39.2	-22.9	-58.9	
Capital consumption adjustment.....	8	78.1	-155.5	-178.6	-165.6	-148.6	-160.8	-162.0
Wage accruals less disbursements.....	9	-15.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net government saving</b> .....	10	-394.9	-312.5	-415.4	-280.8	-134.3	-105.4	
<b>Federal</b> .....	11	-382.0	-309.2	-396.0	-263.6	-147.0	-131.5	
<b>State and local</b> .....	12	-12.9	-3.3	-19.3	-17.2	12.7	26.1	
<b>Consumption of fixed capital</b> .....	13	1,436.2	1,604.8	1,898.0	1,562.5	1,548.0	1,572.8	1,580.1
<b>Private</b> .....	14	1,205.4	1,352.6	1,632.3	1,307.5	1,288.9	1,309.8	1,313.8
<b>Domestic business</b> .....	15	969.5	1,059.1	1,197.6	1,044.4	1,035.1	1,050.4	1,052.5
<b>Households and institutions</b> .....	16	235.9	293.5	434.7	263.1	253.8	259.5	261.3
<b>Government</b> .....	17	230.8	252.2	265.7	255.0	259.1	262.9	266.3
<b>Federal</b> .....	18	94.1	99.0	99.8	100.7	102.4	103.7	105.0
<b>State and local</b> .....	19	136.7	153.2	165.9	154.3	156.7	159.2	161.4
<b>Gross domestic investment,   capital account   transactions, and net   lending, NIPAs</b> .....	20	1,610.3	1,683.1	1,737.9	1,695.4	1,818.6	1,825.5	
<b>Gross domestic investment</b> .....	21	2,259.4	2,454.5	2,452.9	2,563.6	2,634.7	2,668.0	2,660.7
<b>Gross private domestic     investment</b> .....	22	1,888.0	2,057.4	2,052.6	2,154.5	2,214.8	2,237.1	2,227.6
<b>Gross government investment</b> .....	23	371.4	397.1	400.3	409.1	419.9	430.9	433.0
<b>Capital account transactions (net)</b> <sup>1</sup>	24	2.3	4.4	2.2	2.1	7.0	3.5	
<b>Net lending or net borrowing (-)</b> .....	25	-651.3	-775.8	-717.2	-870.2	-823.1	-846.1	
<b>NIPAs</b> .....	25	-651.3	-775.8	-717.2	-870.2	-823.1	-846.1	
<b>Statistical discrepancy</b> .....	26	66.7	71.0	84.5	74.3	-61.9	-72.0	
<b>Addenda:</b>								
<b>Gross private saving</b> .....	27	1,707.8	1,672.3	1,803.2	1,647.0	1,755.7	1,739.9	
<b>Gross government saving</b> .....	28	-164.1	-60.2	-149.7	-25.8	124.8	157.5	
<b>Federal</b> .....	29	-287.9	-210.1	-296.2	-162.9	-44.6	-27.8	
<b>State and local</b> .....	30	123.8	149.9	146.6	137.1	169.4	185.4	
<b>Net domestic investment</b> .....	31	823.2	849.7	554.9	1,001.1	1,086.7	1,095.2	1,080.6
<b>Gross saving as a percentage of gross national income</b> .....	32	13.2	13.0	13.2	12.8	14.4	14.3	
<b>Net saving as a percentage of gross national income</b> .....	33	0.9	0.1	-1.9	0.5	2.5	2.4	

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		
				III	IV	I	II	III
<b>Private fixed investment</b> .....	1	7.3	7.5	6.3	2.8	8.2	-1.6	-1.4
<b>Nonresidential</b> .....	2	5.9	6.8	5.9	5.2	13.7	4.4	8.6
<b>Structures</b> .....	3	2.2	1.1	-7.0	12.0	8.7	20.3	14.0
<b>Commercial and health care</b> .....	4	2.6	-0.8	-3.7	3.2	7.1	11.7	23.6
<b>Manufacturing</b> .....	5	5.1	21.1	17.8	32.0	-1.7	28.0	26.4
<b>Power and communication</b> .....	6	-12.6	-6.7	-25.2	12.4	14.3	4.9	11.8
Mining exploration, shafts, and wells.....	7	13.2	11.0	-9.0	22.4	2.0	28.0	9.1
<b>Other structures</b> <sup>1</sup> .....	8	3.1	-5.2	-6.8	11.1	23.6	35.1	0.8
<b>Equipment and software</b> .....	9	7.3	8.9	11.0	2.8	15.6	-1.4	6.4
<b>Information processing     equipment and software</b> .....	10	10.1	8.5	7.3	7.0	21.8	-1.1	7.6
<b>Computers and peripheral     equipment</b> .....	11	14.2	17.9	8.6	27.1	24.9	4.7	24.6
<b>Software</b> <sup>2</sup> .....	12	10.0	5.8	4.6	2.8	12.2	4.2	5.4
<b>Other</b> <sup>3</sup> .....	13	8.1	7.2	9.9	3.0	31.6	-9.0	2.9
<b>Industrial equipment</b> .....	14	-4.1	8.1	20.1	16.2	-3.6	13.6	2.9
<b>Transportation equipment</b> .....	15	13.2	12.9	23.0	-21.8	27.7	-22.8	9.9
<b>Other equipment</b> <sup>4</sup> .....	16	5.6	7.0	2.0	6.6	8.5	7.4	3.7
<b>Residential</b> .....	17	9.9	8.6	7.1	-0.9	-0.3	-11.1	-17.4
<b>Structures</b> .....	18	9.9	8.6	7.1	-1.1	-0.5	-11.2	-17.6
<b>Permanent site</b> .....	19	11.5	10.6	10.6	5.6	0.8	-17.6	-23.7
<b>Single family</b> .....	20	11.9	10.3	9.8	4.8	-1.8	-19.2	-26.5
<b>Multifamily</b> .....	21	7.8	14.1	17.9	12.5	25.7	-2.6	1.7
<b>Other structures</b> <sup>5</sup> .....	22	7.4	5.3	1.5	-11.6	-2.7	1.1	-6.4
<b>Equipment</b> .....	23	10.8	5.0	2.1	9.9	13.6	-2.9	-1.6
<b>Addenda:</b>								
<b>Private fixed investment in   structures</b> .....	24	7.4	6.3	2.6	2.8	2.4	-1.8	-7.6
<b>Private fixed investment in   equipment and software</b> .....	25	7.3	8.9	10.9	2.9	15.6	-1.4	6.4
<b>Private fixed investment in new   structures</b> <sup>6</sup> .....	26	6.4	6.1	3.2	7.9	3.9	-1.7	-5.8
<b>Nonresidential structures</b> .....	27	2.0	1.0	-7.1	11.9	8.6	20.2	13.9
<b>Residential structures</b> .....	28	8.8	8.9	8.8	5.9	1.5	-12.3	-16.3

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		
				III	IV	I	II	III
<b>Percent change at annual rate:</b>								
Private fixed investment ....	1	7.3	7.5	6.3	2.8	8.2	-1.6	-1.4
<b>Percentage points at annual rates:</b>								
<b>Nonresidential</b> .....	2	3.82	4.28	3.65	3.19	8.30	2.72	5.34
Structures .....	3	0.37	0.19	-1.19	1.92	1.50	3.34	2.51
Commercial and health care .....	4	0.18	-0.06	-0.25	0.21	0.46	0.74	1.49
Manufacturing .....	5	0.05	0.22	0.19	0.34	-0.02	0.32	0.33
Power and communication .....	6	-0.35	-0.15	-0.57	0.23	0.27	0.10	0.23
Mining exploration, shafts, and wells .....	7	0.37	0.36	-0.34	0.81	0.09	1.16	0.44
Other structures <sup>1</sup> .....	8	0.11	-0.18	-0.22	0.33	0.71	1.03	0.03
<b>Equipment and software</b> .....	9	3.45	4.09	4.84	1.27	6.80	-0.62	2.83
Information processing equipment and software .....	10	2.40	1.95	1.60	1.50	4.52	-0.24	1.64
Computers and peripheral equipment .....	11	0.63	0.75	0.35	0.98	0.94	0.18	0.88
Software <sup>2</sup> .....	12	1.01	0.57	0.44	0.26	1.12	0.39	0.51
Other <sup>3</sup> .....	13	0.75	0.63	0.82	0.25	2.46	-0.82	0.25
Industrial equipment .....	14	-0.35	0.62	1.41	1.16	-0.28	0.98	0.22
Transportation equipment .....	15	0.96	0.98	1.67	-1.89	1.90	-1.91	0.68
Other equipment <sup>4</sup> .....	16	0.45	0.55	0.16	0.50	0.66	0.56	0.29
<b>Residential</b> .....	17	3.51	3.19	2.68	-0.36	-0.11	-4.33	-6.78
Structures .....	18	3.46	3.17	2.67	-0.40	-0.17	-4.32	-6.77
Permanent site .....	19	2.46	2.44	2.46	1.30	0.19	-4.46	-3.91
Single family .....	20	2.29	2.12	2.06	1.02	-0.39	-4.39	-5.95
Multifamily .....	21	0.17	0.31	0.40	0.29	0.58	-0.07	0.04
Other structures <sup>5</sup> .....	22	1.00	0.74	0.21	-1.70	-0.36	0.14	-0.86
<b>Equipment</b> .....	23	0.05	0.02	0.01	0.04	0.06	-0.01	-0.01
<b>Addenda:</b>								
Private fixed investment in structures .....	24	3.82	3.36	1.49	1.52	1.33	-0.98	-4.26
Private fixed investment in equipment and software .....	25	3.50	4.11	4.85	1.31	6.86	-0.63	2.82
Private fixed investment in new structures <sup>6</sup> .....	26	3.00	2.98	1.61	3.76	1.98	-0.85	-2.94
Nonresidential structures .....	27	0.33	0.18	-1.19	1.90	1.48	3.31	2.48
Residential structures .....	28	2.67	2.81	2.79	1.87	0.50	-4.16	-5.42

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		
				III	IV	I	II	III
<b>Private fixed investment</b> .....	1	102.080	109.708	111.032	111.811	114.033	113.570	113.159
<b>Nonresidential</b> .....	2	92.995	99.326	100.025	101.308	104.606	105.738	107.952
Structures .....	3	79.418	80.302	78.903	81.174	82.893	86.819	89.715
Commercial and health care .....	4	76.507	75.875	75.296	75.888	77.193	79.366	83.680
Manufacturing .....	5	50.993	61.759	61.647	66.082	65.797	69.992	74.218
Power and communication .....	6	76.571	71.479	67.615	69.626	71.989	72.859	74.916
Mining exploration, shafts, and wells .....	7	120.793	134.078	132.582	139.450	140.128	149.062	152.335
Other structures <sup>1</sup> .....	8	78.836	74.770	72.821	74.755	78.828	84.988	85.148
<b>Equipment and software</b> .....	9	98.400	107.180	108.889	109.653	113.704	113.313	115.096
Information processing equipment and software .....	10	108.905	118.169	119.268	121.307	127.437	127.088	129.447
Computers and peripheral equipment .....	11	138.489	163.269	163.804	173.913	183.839	185.956	196.465
Software <sup>2</sup> .....	12	110.703	117.072	118.092	118.920	122.383	123.658	125.305
Other <sup>3</sup> .....	13	95.076	101.880	103.171	103.947	111.339	108.753	109.540
Industrial equipment .....	14	83.354	90.147	90.994	94.468	93.602	96.640	97.325
Transportation equipment .....	15	80.063	90.382	94.682	89.030	94.635	88.698	90.826
Other equipment <sup>4</sup> .....	16	104.902	112.290	113.399	115.224	117.597	119.702	120.792
<b>Residential</b> .....	17	125.281	136.050	138.821	138.495	138.391	134.368	128.094
Structures .....	18	125.330	136.160	138.967	138.599	138.440	134.378	128.032
Permanent site .....	19	128.052	141.681	144.340	146.307	146.598	139.692	130.555
Single family .....	20	128.786	142.013	144.686	146.396	145.741	138.160	127.906
Multifamily .....	21	121.575	138.770	141.299	145.525	154.078	153.066	153.697
Other structures <sup>5</sup> .....	22	121.081	127.527	130.562	126.591	125.738	126.070	124.019
<b>Equipment</b> .....	23	122.148	128.239	128.186	131.261	135.523	134.514	133.984
<b>Addenda:</b>								
Private fixed investment in structures .....	24	106.071	112.707	113.715	114.497	115.170	114.647	112.411
Private fixed investment in equipment and software .....	25	98.593	107.352	109.046	109.829	113.882	113.485	115.249
Private fixed investment in new structures <sup>6</sup> .....	26	103.100	109.439	109.841	111.947	113.031	112.543	110.888
Nonresidential structures .....	27	79.472	80.287	78.891	81.141	82.832	86.729	89.598
Residential structures .....	28	122.551	133.472	135.406	137.357	137.880	133.419	127.630

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		
				III	IV	I	II	III
<b>Private fixed investment</b> .....	1	106.811	110.542	110.946	112.194	113.238	114.074	114.187
<b>Nonresidential</b> .....	2	100.834	103.428	103.607	104.510	105.471	106.266	106.486
<b>Structures</b> .....	3	120.951	134.647	136.089	141.476	145.684	149.432	151.520
Commercial and health care .....	4	116.235	127.001	128.421	131.210	133.482	135.627	137.274
Manufacturing .....	5	113.985	122.924	123.944	126.615	129.037	131.133	132.494
Power and communication .....	6	116.231	123.233	123.340	124.987	126.637	128.151	129.716
Mining exploration, shafts, and wells .....	7	167.286	209.732	213.626	236.244	252.697	267.060	272.706
Other structures <sup>1</sup> .....	8	115.251	123.118	124.092	126.442	128.550	130.395	131.680
<b>Equipment and software</b> .....	9	94.503	94.134	93.983	93.754	93.887	93.920	93.646
Information processing equipment and software .....	10	84.741	82.218	81.863	81.313	80.940	80.737	80.431
Computers and peripheral equipment .....	11	58.599	51.407	50.407	48.634	47.125	45.443	43.871
Software <sup>2</sup> .....	12	94.503	94.067	94.012	94.009	94.430	95.005	95.359
Other <sup>3</sup> .....	13	91.294	90.492	90.369	90.343	90.186	90.523	90.736
Industrial equipment .....	14	104.249	108.064	108.373	108.973	109.659	110.544	111.689
Transportation equipment .....	15	109.923	108.882	108.351	107.933	108.867	109.257	106.501
Other equipment <sup>4</sup> .....	16	103.914	108.174	108.742	109.100	109.841	109.608	110.350
<b>Residential</b> .....	17	120.618	126.714	127.573	129.536	130.765	131.696	131.569
<b>Structures</b> .....	18	121.052	127.205	128.069	130.063	131.293	132.236	132.094
Permanent site .....	19	123.013	128.285	128.944	130.869	132.247	133.034	132.697
Single family .....	20	123.810	128.918	129.493	131.398	132.782	133.572	133.233
Multifamily .....	21	116.268	122.984	123.881	125.973	127.300	128.058	127.733
Other structures <sup>5</sup> .....	22	118.016	125.627	126.832	128.948	129.920	131.133	131.312
<b>Equipment</b> .....	23	94.223	96.852	97.378	97.347	98.518	98.710	99.455
<b>Addenda:</b>								
Private fixed investment in structures .....	24	121.199	129.651	130.690	133.679	135.796	137.602	138.182
Private fixed investment in equipment and software .....	25	94.496	94.156	94.012	93.785	93.928	93.962	93.697
Private fixed investment in new structures <sup>6</sup> .....	26	121.579	130.078	131.059	134.145	136.448	138.434	139.105
Nonresidential structures .....	27	121.057	134.842	136.290	141.714	145.953	149.726	151.831
Residential structures .....	28	121.561	127.366	128.109	130.072	131.433	132.510	132.396

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		
				III	IV	I	II	III
<b>Private fixed investment</b> .....	1	1,830.6	2,036.2	2,067.9	2,105.8	2,167.7	2,174.8	2,169.1
<b>Nonresidential</b> .....	2	1,155.3	1,265.7	1,276.7	1,304.3	1,359.2	1,384.3	1,416.2
<b>Structures</b> .....	3	300.8	338.6	336.3	359.7	378.2	406.3	425.7
Commercial and health care .....	4	122.3	132.5	133.0	137.0	141.7	148.1	158.0
Manufacturing .....	5	18.5	24.1	24.3	26.6	27.0	29.2	31.3
Power and communication .....	6	41.7	41.2	39.0	40.7	42.7	43.7	45.5
Mining exploration, shafts, and wells .....	7	54.9	76.4	76.8	89.3	96.0	107.9	112.6
Other structures <sup>1</sup> .....	8	63.5	64.3	63.1	66.1	70.8	77.4	78.4
<b>Equipment and software</b> .....	9	854.5	927.1	940.4	944.7	981.0	977.9	990.4
Information processing equipment and software .....	10	431.6	454.3	456.6	461.3	482.4	479.9	486.9
Computers and peripheral equipment .....	11	82.3	85.1	83.9	85.9	88.0	85.9	87.6
Software <sup>2</sup> .....	12	184.3	194.0	195.6	196.9	203.6	207.0	210.5
Other <sup>3</sup> .....	13	164.9	175.2	177.2	178.4	190.8	187.1	188.9
Industrial equipment .....	14	138.4	155.1	157.0	163.9	163.4	170.1	173.0
Transportation equipment .....	15	141.6	158.3	165.0	154.6	165.7	155.9	155.6
Other equipment <sup>4</sup> .....	16	143.0	159.4	161.8	164.9	169.4	172.1	174.9
<b>Residential</b> .....	17	675.3	770.4	791.2	801.5	808.5	790.6	752.9
<b>Structures</b> .....	18	666.8	761.3	782.0	792.1	798.7	780.8	743.1
Permanent site .....	19	417.5	481.7	493.1	507.3	513.7	492.4	459.0
Single family .....	20	377.6	433.5	443.6	455.5	458.2	437.0	403.5
Multifamily .....	21	39.9	48.2	49.5	51.8	55.4	55.4	55.5
Other structures <sup>5</sup> .....	22	249.3	279.6	288.9	284.8	285.0	288.4	284.1
<b>Equipment</b> .....	23	8.5	9.1	9.2	9.4	9.8	9.8	9.8
<b>Addenda:</b>								
Private fixed investment in structures .....	24	967.7	1,099.9	1,118.3	1,151.8	1,176.9	1,187.1	1,168.9
Private fixed investment in equipment and software .....	25	863.0	936.2	949.6	954.1	990.8	987.7	1,000.2
Private fixed investment in new structures <sup>6</sup> .....	26	873.9	992.4	1,003.2	1,046.5	1,074.8	1,085.7	1,075.0
Nonresidential structures .....	27	300.3	337.9	335.6	358.9	377.4	405.3	424.6
Residential structures .....	28	573.6	654.5	667.6	687.6	697.4	680.4	650.3

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 5.3.6. Real Private Fixed Investment by Type, Chained Dollars

(Billions of chained (2000) dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Private fixed investment</b> .....	1	1,713.9	1,842.0	1,864.2	1,877.3	1,914.6	1,906.8	1,899.9
<b>Nonresidential</b> .....	2	1,145.8	1,223.8	1,232.4	1,248.2	1,288.8	1,302.8	1,330.0
<b>Structures</b> .....	3	248.7	251.5	247.1	254.2	259.6	271.9	281.0
Commercial and health care	4	105.2	104.4	103.6	104.4	106.2	109.2	115.1
Manufacturing .....	5	16.2	19.6	19.6	21.0	20.9	22.3	23.6
Power and communication ..	6	35.8	33.5	31.6	32.6	33.7	34.1	35.1
Mining exploration, shafts, and wells	7	32.8	36.4	36.0	37.9	38.1	40.5	41.4
Other structures <sup>1</sup> .....	8	55.1	52.2	50.9	52.2	55.1	59.4	59.5
<b>Equipment and software</b> .....	9	904.2	984.9	1,000.6	1,007.6	1,044.8	1,041.2	1,057.6
Information processing equipment and software ..	10	509.3	552.6	557.7	567.3	595.9	594.3	605.3
Computers and peripheral equipment <sup>2</sup> .....	11							
Software <sup>3</sup> .....	12	195.0	206.2	208.0	209.5	215.6	217.8	220.7
Other <sup>4</sup> .....	13	180.7	193.6	196.0	197.5	211.6	206.7	208.1
Industrial equipment .....	14	132.7	143.5	144.9	150.4	149.0	153.9	155.0
Transportation equipment .....	15	128.8	145.4	152.3	143.2	152.2	142.7	146.1
Other equipment <sup>5</sup> .....	16	137.6	147.3	148.8	151.2	154.3	157.1	158.5
<b>Residential</b> .....	17	559.9	608.0	620.4	618.9	618.5	600.5	572.5
<b>Structures</b> .....	18	550.9	598.5	610.8	609.2	608.5	590.6	562.8
Permanent site .....	19	339.4	375.5	382.6	387.6	388.6	370.2	346.0
Single family .....	20	305.0	336.3	342.6	346.6	345.1	327.1	302.9
Multifamily .....	21	34.4	39.2	39.9	41.1	43.5	43.3	43.4
Other structures <sup>6</sup> .....	22	211.3	222.5	227.8	220.9	219.4	220.0	216.4
<b>Equipment</b> .....	23	9.0	9.4	9.4	9.7	10.0	9.9	9.9
Residual .....	24	-6.2	-13.1	-13.4	-17.3	-26.6	-25.8	-35.1
<b>Addenda:</b>								
Private fixed investment in structures .....	25	798.4	848.4	856.0	861.9	866.9	863.0	846.1
Private fixed investment in equipment and software .....	26	913.2	994.3	1,010.0	1,017.3	1,054.8	1,051.2	1,067.5
Private fixed investment in new structures <sup>7</sup> .....	27	718.8	762.9	765.7	780.4	788.0	784.6	773.0
Nonresidential structures .....	28	248.1	250.6	246.2	253.3	258.6	270.7	279.7
Residential structures .....	29	471.8	513.9	521.3	528.8	530.8	513.7	491.4

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. The quantity index for computers can be used to accurately measure the real growth rate of this component. However, because computers exhibit rapid changes in prices relative to other prices in the economy, the chained-dollar estimates should not be used to measure the component's relative importance or its contribution to the growth rate of more aggregate series; accurate estimates of these contributions are shown in table 5.3.2 and real growth rates are shown in table 5.3.1.

3. Excludes software "embedded," or bundled, in computers and other equipment.

4. Includes communication equipment, nonmedical instruments, medical equipment and instruments, photocopy and related equipment, and office and accounting equipment.

5. Consists primarily of furniture and fixtures, agricultural machinery, construction machinery, mining and oilfield machinery, service industry machinery, and electrical equipment not elsewhere classified.

6. Consists primarily of manufactured homes, improvements, dormitories, net purchases of used structures, and brokers' commissions on the sale of residential structures.

7. Excludes net purchases of used structures and brokers' commissions on the sale of structures.

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 5.6.5B. Change in Private Inventories by Industry

(Billions of dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Change in private inventories</b> .....	1	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
Farm .....	2	8.4	0.3	1.3	5.8	5.4	2.3	1.6
Mining, utilities, and construction	3	1.0	1.8	-1.5	-0.4	-3.1	7.7	5.3
<b>Manufacturing</b> .....	4	-0.7	-3.2	-14.5	0.1	9.2	13.9	14.5
Durable goods industries .....	5	-0.1	1.2	0.5	-1.5	-0.2	6.5	8.9
Nondurable goods industries .....	6	-0.6	-4.3	-15.0	1.6	9.4	7.4	5.6
<b>Wholesale trade</b> .....	7	19.1	17.1	11.0	14.7	16.8	22.0	30.2
Durable goods industries .....	8	16.9	14.3	7.9	18.8	6.8	16.5	17.5
Nondurable goods industries .....	9	2.2	2.8	3.1	-4.1	10.0	5.5	12.7
<b>Retail trade</b> .....	10	22.2	5.4	-9.8	27.6	13.5	8.3	1.5
Motor vehicle and parts dealers	11	7.2	-2.7	-13.1	19.5	5.5	1.0	-8.4
Food and beverage stores .....	12	0.5	0.0	-1.7	1.5	1.1	1.2	1.0
General merchandise stores .....	13	4.3	2.9	3.2	1.2	-4.9	-0.5	4.1
Other retail stores .....	14	10.2	5.2	1.8	5.4	11.8	6.7	4.9
Other industries .....	15	7.4	-0.1	-1.8	0.9	5.5	8.0	5.4
<b>Addenda:</b>								
Change in private inventories .....	16	57.3	21.3	-15.3	48.6	47.2	62.3	58.5
Durable goods industries .....	17	31.6	17.3	-0.8	41.6	14.3	25.1	20.8
Nondurable goods industries .....	18	25.8	4.0	-14.5	7.0	32.9	37.2	37.7
<b>Nonfarm industries</b> .....	19	49.0	21.0	-16.6	42.8	41.8	59.9	57.0
Nonfarm change in book value <sup>1</sup> .....	20	107.7	72.3	35.8	115.7	47.1	117.6	99.7
Nonfarm inventory valuation adjustment <sup>2</sup> .....	21	-58.7	-51.3	-52.4	-72.9	-5.3	-57.7	-42.7
<b>Wholesale trade</b> .....	22	19.1	17.1	11.0	14.7	16.8	22.0	30.2
Merchant wholesale trade .....	23	18.4	16.7	12.9	16.4	14.0	22.5	28.0
Durable goods industries .....	24	16.5	13.7	7.7	19.7	7.4	18.0	16.3
Nondurable goods industries .....	25	1.9	3.0	5.1	-3.2	6.6	4.5	11.6
<b>Nonmerchandise trade</b> .....	26	0.7	0.4	-1.9	-1.7	2.8	-0.5	2.3

1. This series is derived from the Census Bureau series "current cost inventories."

2. The inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (such as first-in, first-out and last-in, first-out) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics.

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

Table 5.6.6B. Real Change in Private Inventories by Industry, Chained Dollars

(Billions of chained (2000) dollars)

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Change in private inventories</b> .....	1	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
Farm .....	2	6.1	0.2	1.1	4.8	4.3	1.9	1.6
Mining, utilities, and construction	3	0.7	1.2	-1.1	-0.5	-2.0	5.4	3.7
<b>Manufacturing</b> .....	4	-0.4	-2.4	-12.2	0.5	7.6	11.1	11.6
Durable goods industries .....	5	-0.2	1.1	0.6	-1.3	-0.1	5.7	7.5
Nondurable goods industries .....	6	-0.2	-3.3	-11.8	1.5	7.1	5.2	4.2
<b>Wholesale trade</b> .....	7	18.2	15.7	10.2	13.3	15.0	19.3	26.4
Durable goods industries .....	8	16.4	13.5	7.5	17.8	6.4	15.3	16.0
Nondurable goods industries .....	9	2.3	2.6	2.8	-3.3	8.2	4.5	10.4
<b>Retail trade</b> .....	10	21.9	5.2	-9.2	26.4	12.8	7.8	1.5
Motor vehicle and parts dealers	11	7.5	-2.7	-13.3	19.8	5.5	1.0	-8.6
Food and beverage stores .....	12	0.4	0.0	-1.5	1.3	1.0	1.0	0.8
General merchandise stores .....	13	4.2	2.7	3.1	1.1	-4.7	-0.5	3.8
Other retail stores .....	14	9.9	4.9	1.8	5.1	10.8	6.1	4.5
Other industries .....	15	7.4	-0.1	-1.6	0.8	5.2	7.4	5.0
Residual .....	16	-1.1	-0.5	-0.3	-3.6	-0.5	0.7	1.8
<b>Addenda:</b>								
Change in private inventories .....	17	53.4	19.6	-12.7	43.5	41.2	53.7	50.7
Durable goods industries .....	18	30.7	16.4	-0.5	39.2	13.4	23.1	18.8
Nondurable goods industries .....	19	23.1	3.9	-11.6	6.4	27.1	30.3	31.3
<b>Nonfarm industries</b> .....	20	47.0	19.6	-14.0	38.6	36.8	52.2	49.5
Wholesale trade .....	21	18.2	15.7	10.2	13.3	15.0	19.3	26.4
Merchant wholesale trade .....	22	17.6	15.4	11.9	15.0	12.6	20.0	24.8
Durable goods industries .....	23	16.0	12.9	7.3	18.6	6.9	16.7	14.9
Nondurable goods industries .....	24	1.9	2.7	4.6	-2.7	5.6	3.8	9.9
<b>Nonmerchandise trade</b> .....	25	0.7	0.5	-1.5	-1.4	2.3	-0.4	1.7

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

Chained (2000) dollar series for real change in private inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.7.5B. Private Inventories and Domestic Final Sales by Industry

[Billions of dollars]

	Line	Seasonally adjusted quarterly totals				
		2005		2006		
		III	IV	I	II	III
<b>Private inventories</b> <sup>1</sup> .....	1	1,780.3	1,817.0	1,839.2	1,896.9	1,918.4
Farm.....	2	160.4	165.6	173.1	175.7	184.0
Mining, utilities, and construction.....	3	80.1	89.8	82.1	80.6	82.5
Manufacturing.....	4	509.2	515.6	523.9	550.0	554.4
Durable goods industries.....	5	293.4	296.3	301.4	316.1	322.3
Nondurable goods industries.....	6	215.8	219.3	222.5	233.9	232.1
Wholesale trade.....	7	423.7	430.6	437.8	456.7	461.4
Durable goods industries.....	8	244.4	250.9	255.0	265.1	270.4
Nondurable goods industries.....	9	179.2	179.8	182.8	191.6	190.9
Retail trade.....	10	478.7	486.4	492.0	499.2	499.3
Motor vehicle and parts dealers.....	11	154.4	157.6	159.7	160.5	156.8
Food and beverage stores.....	12	36.0	36.8	36.7	37.4	38.3
General merchandise stores.....	13	76.0	76.7	75.9	76.4	77.9
Other retail stores.....	14	212.3	215.3	219.7	224.9	226.4
Other industries.....	15	128.3	128.9	130.2	134.7	136.9
<b>Addenda:</b>						
Private inventories.....	16	1,780.3	1,817.0	1,839.2	1,896.9	1,918.4
Durable goods industries.....	17	795.1	810.5	823.8	850.7	860.3
Nondurable goods industries.....	18	985.2	1,006.5	1,015.4	1,046.2	1,058.1
Nonfarm industries.....	19	1,619.9	1,651.4	1,666.2	1,721.2	1,734.3
Wholesale trade.....	20	423.7	430.6	437.8	456.7	461.4
Merchant wholesale trade.....	21	363.5	370.8	377.0	392.5	398.9
Durable goods industries.....	22	215.2	221.7	225.8	235.7	240.6
Nondurable goods industries.....	23	148.2	149.0	151.2	156.9	158.4
Nonmerchant wholesale trade.....	24	60.2	59.9	60.8	64.2	62.4
<b>Final sales of domestic business</b> <sup>2</sup> .....	25	720.0	724.3	741.4	751.1	756.3
<b>Final sales of goods and structures of domestic business</b> <sup>2</sup> .....	26	442.1	441.1	455.6	460.8	461.8
<b>Ratios of private inventories to final sales of domestic business:</b>						
Private inventories to final sales.....	27	2.47	2.51	2.48	2.53	2.54
Nonfarm inventories to final sales.....	28	2.25	2.28	2.25	2.29	2.29
Nonfarm inventories to final sales of goods and structures.....	29	3.66	3.74	3.66	3.74	3.76

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		
		III	IV	I	II	III
<b>Private inventories</b> <sup>1</sup> .....	1	1,577.8	1,588.7	1,599.0	1,612.4	1,625.1
Farm.....	2	129.5	130.7	131.8	132.3	132.7
Mining, utilities, and construction.....	3	55.4	55.3	54.8	56.1	57.0
Manufacturing.....	4	434.6	434.7	436.6	439.4	442.3
Durable goods industries.....	5	265.5	265.2	265.1	266.6	268.4
Nondurable goods industries.....	6	169.4	169.8	171.5	172.9	173.9
Wholesale trade.....	7	380.2	383.5	387.3	392.1	398.7
Durable goods industries.....	8	232.6	237.1	238.7	242.5	246.5
Nondurable goods industries.....	9	148.0	147.2	149.2	150.4	152.9
Retail trade.....	10	457.0	463.6	466.8	468.8	469.1
Motor vehicle and parts dealers.....	11	156.4	161.3	162.7	163.0	160.8
Food and beverage stores.....	12	31.7	32.1	32.3	32.6	32.8
General merchandise stores.....	13	72.2	72.5	71.3	71.2	72.2
Other retail stores.....	14	196.8	198.1	200.8	202.3	203.5
Other industries.....	15	120.9	121.1	122.4	124.3	125.5
Residual.....	16	-0.6	-1.7	-1.6	-1.8	-1.1
<b>Addenda:</b>						
Private inventories.....	17	1,577.8	1,588.7	1,599.0	1,612.4	1,625.1
Durable goods industries.....	18	751.0	760.8	764.1	769.9	774.6
Nondurable goods industries.....	19	827.6	829.2	836.0	843.6	851.4
Nonfarm industries.....	20	1,448.5	1,458.2	1,467.4	1,480.4	1,492.8
Wholesale trade.....	21	380.2	383.5	387.3	392.1	398.7
Merchant wholesale trade.....	22	331.0	334.7	337.9	342.9	349.1
Durable goods industries.....	23	204.4	209.1	210.8	215.0	218.7
Nondurable goods industries.....	24	126.8	126.1	127.5	128.5	131.0
Nonmerchant wholesale trade.....	25	49.3	48.9	49.5	49.4	49.8
<b>Final sales of domestic business</b> <sup>2</sup> .....	26	657.2	656.6	667.5	671.8	674.2
<b>Final sales of goods and structures of domestic business</b> <sup>2</sup> .....	27	413.0	411.1	421.4	423.1	423.6
<b>Ratios of private inventories to final sales of domestic business:</b>						
Private inventories to final sales.....	28	2.40	2.42	2.40	2.40	2.41
Nonfarm inventories to final sales.....	29	2.20	2.22	2.20	2.20	2.21
Nonfarm inventories to final sales of goods and structures.....	30	3.51	3.55	3.48	3.50	3.52

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		
		III	IV	I	II	III
<b>Private inventories</b> <sup>1</sup> .....	1	112.835	114.369	115.022	117.640	118.047
Farm.....	2	123.857	126.709	131.303	132.816	138.707
Mining, utilities, and construction.....	3	144.613	162.533	150.009	143.636	144.564
Manufacturing.....	4	117.161	118.596	119.993	125.162	125.332
Durable goods industries.....	5	110.501	111.721	113.688	118.579	120.057
Nondurable goods industries.....	6	127.422	129.193	129.701	135.299	133.453
Wholesale trade.....	7	111.427	112.278	113.052	116.485	115.720
Durable goods industries.....	8	105.078	105.825	106.870	109.330	109.716
Nondurable goods industries.....	9	121.113	122.137	122.471	127.453	124.836
Retail trade.....	10	104.745	104.909	105.399	106.496	106.429
Motor vehicle and parts dealers.....	11	98.748	97.666	98.143	98.522	97.489
Food and beverage stores.....	12	113.448	114.670	113.712	114.876	116.735
General merchandise stores.....	13	105.236	105.842	106.366	107.262	107.968
Other retail stores.....	14	107.836	108.676	109.397	111.133	111.253
Other industries.....	15	106.060	106.444	106.386	108.340	109.023
<b>Addenda:</b>						
Private inventories.....	16	112.835	114.369	115.022	117.640	118.047
Durable goods industries.....	17	105.881	106.541	107.808	110.493	111.060
Nondurable goods industries.....	18	119.046	121.377	121.467	124.020	124.281
Nonfarm industries.....	19	111.833	113.248	113.548	116.264	116.183
Wholesale trade.....	20	111.427	112.278	113.052	116.485	115.720
Merchant wholesale trade.....	21	109.814	110.761	111.585	114.482	114.282
Durable goods industries.....	22	105.297	106.067	107.126	109.629	110.019
Nondurable goods industries.....	23	116.886	118.131	118.562	122.103	120.917
Nonmerchant wholesale trade.....	24	122.160	122.378	122.809	129.926	125.228

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		
				III	IV	I	II	III
<b>National income without capital consumption adjustment</b> .....	1	10,069.5	10,917.9	10,821.1	11,209.1	11,625.7	11,805.3	
<b>Domestic industries</b> .....	2	10,023.2	10,886.0	10,768.9	11,196.6	11,596.6	11,782.6	
<b>Private industries</b> .....	3	8,763.1	9,574.6	9,463.4	9,865.6	10,245.2	10,419.1	
Agriculture, forestry, fishing, and hunting .....	4	95.3	87.6	85.8	86.9	87.4	82.6	
Mining .....	5	123.7	158.9	154.8	184.4	188.0	187.8	
Utilities .....	6	155.9	176.7	168.7	187.5	192.1	201.1	
Construction .....	7	522.8	604.2	612.7	628.1	652.5	655.5	
Manufacturing .....	8	1,211.0	1,365.8	1,374.0	1,392.2	1,472.8	1,481.9	
Durable goods .....	9	674.6	746.0	751.5	759.9	815.7	806.8	
Nondurable goods .....	10	536.4	619.8	622.5	632.3	657.0	675.1	
Wholesale trade .....	11	625.0	689.3	688.4	713.8	732.9	736.8	
Retail trade .....	12	766.0	825.3	829.6	852.6	866.1	874.8	
Transportation and warehousing .....	13	280.8	306.3	309.2	310.4	327.0	344.8	
Information .....	14	359.6	417.1	420.2	430.8	447.8	450.1	
Finance, insurance, real estate, rental, and leasing .....	15	1,797.4	1,832.9	1,685.0	1,897.2	1,975.5	2,033.3	
Professional and business services <sup>1</sup> .....	16	1,327.3	1,510.4	1,532.1	1,560.2	1,623.4	1,654.2	
Educational services, health care, and social assistance .....	17	876.1	938.2	939.8	954.4	981.7	1,003.3	
Arts, entertainment, recreation, accommodation, and food services .....	18	366.0	394.2	394.1	394.2	420.7	431.8	
Other services, except government .....	19	256.2	267.6	268.9	272.9	277.5	281.1	
<b>Government</b> .....	20	1,260.2	1,311.4	1,305.5	1,331.1	1,351.4	1,363.4	
<b>Rest of the world</b> .....	21	46.3	31.9	52.2	12.5	29.1	22.7	

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		
				III	IV	I	II	III
<b>Corporate profits with inventory valuation and capital consumption adjustments</b> .....	1	1,182.6	1,330.7	1,266.3	1,393.5	1,569.1	1,591.8	
<b>Domestic industries</b> .....	2	1,006.3	1,133.7	1,042.9	1,197.2	1,343.0	1,351.9	
Financial <sup>1</sup> .....	3	353.7	369.4	296.1	390.8	442.2	483.9	
Nonfinancial .....	4	652.6	764.2	746.8	806.4	900.9	868.1	
<b>Rest of the world</b> .....	5	176.3	197.0	223.4	196.3	226.1	239.9	
Receipts from the rest of the world .....	6	302.0	338.0	344.0	360.6	376.3	402.0	
Less: Payments to the rest of the world .....	7	125.8	141.0	120.5	164.2	150.2	162.1	
<b>Corporate profits with inventory valuation adjustment</b> .....	8	1,104.5	1,486.1	1,444.9	1,559.1	1,717.7	1,752.6	
<b>Domestic industries</b> .....	9	928.2	1,289.1	1,221.5	1,362.8	1,491.6	1,512.7	
Financial .....	10	344.2	389.0	317.4	413.3	463.9	508.2	
Federal Reserve banks .....	11	20.0	26.6	26.9	30.4	30.9	33.7	
Other financial <sup>2</sup> .....	12	324.1	362.5	290.6	382.9	433.0	474.4	
Nonfinancial .....	13	584.0	900.1	904.1	949.4	1,027.7	1,004.5	
Utilities .....	14	16.2	30.3	22.4	38.3	39.7	46.8	
Manufacturing .....	15	150.2	254.8	260.7	258.9	300.7	289.9	
Durable goods .....	16	31.3	73.8	75.4	72.9	102.2	78.7	
Fabricated metal products .....	17	12.3	20.6	22.8	21.2	25.7	24.1	
Machinery .....	18	7.0	13.8	14.5	15.0	19.1	18.3	
Computer and electronic products .....	19	-6.7	3.9	6.7	8.0	12.3	13.1	
Electrical equipment, appliances, and components .....	20	0.2	5.7	6.7	5.6	8.4	6.8	
Motor vehicles, bodies and trailers, and parts .....	21	-11.2	-17.9	-19.8	-25.3	-18.2	-25.4	
Other durable goods <sup>3</sup> .....	22	29.7	47.7	44.5	48.5	54.9	41.9	
Nondurable goods .....	23	118.9	181.0	185.2	186.0	198.5	211.2	
Food and beverage and tobacco products .....	24	22.4	28.5	29.3	28.6	29.6	29.5	
Petroleum and coal products .....	25	49.3	70.4	74.2	76.0	74.5	92.4	
Chemical products .....	26	23.8	45.3	43.3	44.4	54.1	53.6	
Other nondurable goods <sup>4</sup> .....	27	23.4	36.8	38.4	37.0	40.1	35.7	
Wholesale trade .....	28	69.9	97.6	94.1	105.9	107.2	98.3	
Retail trade .....	29	89.3	113.7	115.9	129.1	123.0	121.2	
Transportation and warehousing .....	30	11.8	21.0	23.1	19.0	27.3	38.6	
Information .....	31	37.7	77.5	77.8	83.6	89.8	85.9	
Other nonfinancial <sup>5</sup> .....	32	208.8	305.2	310.1	314.6	340.1	323.9	
<b>Rest of the world</b> .....	33	176.3	197.0	223.4	196.3	226.1	239.9	

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; and 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		
				III	IV	I	II	III
<b>Current dollars:</b>								
Gross domestic product .....	1	39,847	41,984	42,331	42,756	43,602	44,141	44,403
Gross national product .....	2	40,005	42,092	42,507	42,798	43,700	44,217	.....
Personal income .....	3	33,108	34,513	34,551	35,210	35,937	36,460	36,877
Disposable personal income .....	4	29,536	30,458	30,461	31,020	31,470	31,849	32,259
Personal consumption expenditures .....								
Durable goods .....	5	27,937	29,468	29,786	29,985	30,432	30,865	31,215
Nondurable goods .....	6	3,355	3,482	3,560	3,424	3,567	3,551	3,605
Services .....	7	7,979	8,559	8,703	8,777	8,910	9,102	9,169
Population (midperiod, thousands)	8	16,603	17,426	17,524	17,783	17,955	18,211	18,440
<b>Chained (2000) dollars:</b>								
Gross domestic product .....	9	36,415	37,241	37,421	37,494	37,931	38,090	38,146
Gross national product .....	10	36,562	37,340	37,579	37,534	38,019	38,158	.....
Disposable personal income .....	11	27,254	27,318	27,183	27,484	27,743	27,801	27,986
Personal consumption expenditures .....								
Durable goods .....	12	25,778	26,430	26,581	26,567	26,828	26,941	27,080
Nondurable goods .....	13	3,694	3,861	3,959	3,822	3,990	3,981	4,052
Services .....	14	7,414	7,674	7,702	7,757	7,853	7,864	7,876
Population (midperiod, thousands)	15	14,710	14,954	14,997	15,035	15,065	15,170	15,237
Population (midperiod, thousands)	16	293,933	296,677	297,027	297,748	298,340	298,982	299,716

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		
				III	IV	I	II	III
<b>Motor vehicle output</b> .....								
Auto output .....	1	3.5	5.9	22.6	-19.1	3.8	-9.4	25.7
Truck output .....	2	-0.6	14.1	20.0	9.4	-6.7	-12.5	4.0
<b>Final sales of domestic product</b> .....	3	5.7	1.8	24.1	-31.9	10.7	-7.5	39.9
<b>Personal consumption expenditures</b> .....	4	5.1	7.1	24.2	-44.1	19.9	-4.0	36.2
<b>Private fixed investment</b> .....								
New motor vehicles .....	5	1.3	-0.5	12.3	-40.1	20.7	1.0	17.6
Autos .....	6	1.2	-1.7	15.4	-54.1	20.6	2.1	18.9
Light trucks (including utility vehicles) .....	7	1.1	5.2	9.2	-28.5	6.1	21.6	7.1
Net purchases of used autos and used light trucks .....	8	1.3	-5.8	19.5	-66.5	32.9	-10.9	29.2
Used autos .....	9	1.6	2.2	5.5	6.4	20.8	-0.9	15.0
Used light trucks (including utility vehicles) .....	10	-0.4	2.1	0.6	-3.8	17.9	-1.3	13.2
<b>Gross government investment</b> .....	11	3.8	2.4	10.7	17.5	23.7	-0.6	16.8
Autos .....	12	18.1	20.9	35.1	-11.8	14.2	-16.6	12.4
Light trucks (including utility vehicles) .....	13	12.5	12.7	30.2	-4.5	28.9	-24.6	6.1
Other .....	14	1.8	7.5	35.3	0.4	-1.5	-23.5	-8.2
Imports .....	15	19.5	15.6	27.7	-6.9	47.4	-25.1	13.5
Exports .....	16	14.9	13.5	38.3	-16.6	59.2	-32.0	20.0
Imports .....	17	35.4	21.5	2.7	23.9	21.2	-4.7	-0.7
Exports .....	18	4.3	-1.5	20.3	12.3	62.5	-37.7	-5.3
Imports .....	19	4.3	-0.4	17.4	26.3	14.8	-36.1	14.3
Exports .....	20	4.3	-2.6	23.2	0.0	125.3	-39.0	-20.3
<b>Gross government investment</b> .....								
Autos .....	21	0.6	4.2	95.4	-34.0	62.1	8.2	11.3
Light trucks (including utility vehicles) .....	22	-1.7	7.4	14.6	-27.4	-13.4	64.4	5.8
Other .....	23	1.4	3.3	127.8	-35.7	90.0	-2.1	12.8
<b>Net exports</b> .....								
Autos .....	24	10.8	18.6	28.3	7.5	30.8	-14.5	99.9
Light trucks (including utility vehicles) .....	25	2.9	23.0	26.8	23.5	36.5	-14.9	114.6
Other .....	26	18.3	15.0	29.6	-4.7	25.8	-14.2	87.1
Imports .....	27	5.0	1.0	8.9	25.6	23.3	-6.7	-9.4
Exports .....	28	0.2	-3.6	12.4	22.9	11.8	-4.8	35.7
Imports .....	29	10.3	5.6	5.7	28.1	34.5	-8.2	-38.3
Exports .....	30	.....	.....	.....	.....	.....	.....	.....
<b>Change in private inventories</b> .....								
Autos .....	31	.....	.....	.....	.....	.....	.....	.....
New .....	32	.....	.....	.....	.....	.....	.....	.....
Domestic .....	33	.....	.....	.....	.....	.....	.....	.....
Foreign .....	34	.....	.....	.....	.....	.....	.....	.....
Used .....	35	.....	.....	.....	.....	.....	.....	.....
Trucks .....	36	.....	.....	.....	.....	.....	.....	.....
New .....	37	.....	.....	.....	.....	.....	.....	.....
Domestic .....	38	.....	.....	.....	.....	.....	.....	.....
Foreign .....	39	.....	.....	.....	.....	.....	.....	.....
Used <sup>1</sup> .....	40	.....	.....	.....	.....	.....	.....	.....
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers .....	41	.....	.....	.....	.....	.....	.....	.....
Private fixed investment in new autos and new light trucks .....	42	4.6	4.5	19.6	-33.4	20.0	-3.8	16.0
Domestic output of new autos <sup>2</sup> .....	43	8.9	11.0	37.1	-9.9	30.7	-28.7	7.8
Sales of imported new autos <sup>3</sup> .....	44	-2.9	12.5	13.7	26.1	-1.7	-21.9	7.6
.....	45	3.7	2.9	27.0	-12.4	-6.5	17.9	14.0

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		
				III	IV	I	II	III
<b>Motor vehicle output</b> .....	1	111.420	118.006	122.582	116.260	117.341	114.487	121.229
Auto output.....	2	88.713	101.241	102.226	104.537	102.738	99.360	100.351
Truck output.....	3	127.680	130.020	137.182	124.609	127.804	125.338	136.303
<b>Final sales of domestic product</b> .....	4	113.606	121.646	130.742	113.029	118.267	117.064	126.469
<b>Personal consumption expenditures</b> .....	5	118.040	117.472	124.076	109.174	114.425	114.718	119.461
New motor vehicles.....	6	126.304	124.212	134.944	111.062	116.382	116.974	122.154
Autos.....	7	98.182	103.256	108.266	99.558	101.054	106.108	107.951
Light trucks (including utility vehicles).....	8	152.721	143.876	160.031	121.728	130.703	126.993	135.386
Net purchases of used autos and used light trucks.....	9	102.477	104.778	103.754	105.366	110.474	110.219	114.149
Used autos.....	10	92.401	94.308	93.767	92.857	96.765	96.455	99.483
Used light trucks (including utility vehicles).....	11	114.716	117.501	115.875	120.631	127.222	127.035	132.073
<b>Private fixed investment</b> .....	12	89.800	108.561	114.416	110.868	114.600	109.501	112.741
New motor vehicles.....	13	94.384	106.399	110.980	109.710	116.892	108.923	110.539
Autos.....	14	85.316	91.722	94.880	94.982	94.629	88.508	86.634
Trucks.....	15	100.250	115.885	121.391	119.228	131.380	122.206	126.138
Light trucks (including utility vehicles).....	16	103.588	117.601	125.979	120.404	135.256	122.829	128.552
Other.....	17	90.592	110.045	108.496	114.464	120.090	118.653	118.448
Net purchases of used autos and used light trucks.....	18	100.182	98.660	100.708	103.676	117.049	103.996	102.587
Used autos.....	19	92.732	92.350	92.135	97.672	101.093	90.369	93.438
Used light trucks (including utility vehicles).....	20	108.623	105.785	110.447	110.442	135.307	119.581	113.000
<b>Gross government investment</b> .....	21	111.690	116.428	128.760	116.072	130.972	133.593	137.224
Autos.....	22	94.333	101.294	101.898	94.066	90.752	102.756	104.203
Trucks.....	23	118.269	122.206	138.799	124.313	145.957	145.172	149.608
<b>Net exports</b> .....	24	.....	.....	.....	.....	.....	.....	.....
Exports.....	25	132.298	156.912	160.763	163.705	175.063	168.320	200.137
Autos.....	26	129.451	159.191	160.873	169.585	183.291	176.051	213.074
Trucks.....	27	134.481	154.709	160.371	158.442	167.800	161.487	188.861
Imports.....	28	107.932	109.052	108.677	115.048	121.243	119.170	116.279
Autos.....	29	100.226	96.653	96.340	101.435	104.294	103.020	111.181
Trucks.....	30	116.986	123.581	123.134	130.993	141.060	138.060	122.382
<b>Change in private inventories</b> .....	31	.....	.....	.....	.....	.....	.....	.....
Autos.....	32	.....	.....	.....	.....	.....	.....	.....
New.....	33	.....	.....	.....	.....	.....	.....	.....
Domestic.....	34	.....	.....	.....	.....	.....	.....	.....
Foreign.....	35	.....	.....	.....	.....	.....	.....	.....
Used.....	36	.....	.....	.....	.....	.....	.....	.....
Trucks.....	37	.....	.....	.....	.....	.....	.....	.....
New.....	38	.....	.....	.....	.....	.....	.....	.....
Domestic.....	39	.....	.....	.....	.....	.....	.....	.....
Foreign.....	40	.....	.....	.....	.....	.....	.....	.....
Used <sup>1</sup> .....	41	.....	.....	.....	.....	.....	.....	.....
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers.....	42	110.859	115.830	122.441	110.610	115.758	114.641	118.976
Private fixed investment in new autos and new light trucks.....	43	94.937	105.345	111.238	108.382	115.889	106.489	108.514
Domestic output of new autos <sup>2</sup> .....	44	82.473	92.758	92.528	98.050	97.627	91.765	93.471
Sales of imported new autos <sup>3</sup> .....	45	108.382	111.560	116.991	113.186	111.314	115.981	119.839

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		
				III	IV	I	II	III
<b>Motor vehicle output</b> .....	1	97.041	97.656	96.976	96.857	97.636	97.564	96.338
Auto output.....	2	97.161	98.771	97.852	99.077	100.179	99.370	99.739
Truck output.....	3	96.815	96.914	96.373	95.507	96.097	96.441	94.355
<b>Final sales of domestic product</b> .....	4	96.994	97.644	96.977	96.883	97.690	97.617	96.431
<b>Personal consumption expenditures</b> .....	5	96.006	97.623	97.113	97.295	97.827	97.633	97.444
New motor vehicles.....	6	95.842	96.320	95.491	95.863	96.251	95.913	95.738
Autos.....	7	96.022	96.921	96.412	97.201	97.886	97.570	97.979
Light trucks (including utility vehicles).....	8	95.674	95.884	94.840	94.921	95.087	94.731	94.111
Net purchases of used autos and used light trucks.....	9	96.068	100.329	100.580	100.330	101.157	101.256	101.036
Used autos.....	10	98.006	102.345	102.446	102.573	103.002	102.702	102.813
Used light trucks (including utility vehicles).....	11	94.062	98.241	98.636	98.032	99.221	99.683	99.163
<b>Private fixed investment</b> .....	12	107.616	105.085	104.358	103.785	104.628	104.842	101.720
New motor vehicles.....	13	97.212	97.191	97.271	96.446	96.863	97.368	95.713
Autos.....	14	96.019	96.927	96.425	97.206	97.895	97.577	97.983
Trucks.....	15	97.929	97.410	97.786	96.131	96.415	97.308	94.704
Light trucks (including utility vehicles).....	16	95.970	94.063	94.367	91.988	92.264	92.871	89.292
Other.....	17	104.561	108.306	108.896	109.465	109.773	111.536	111.778
Net purchases of used autos and used light trucks.....	18	83.907	87.784	89.293	88.006	87.753	88.739	89.504
Used autos.....	19	84.868	88.761	90.166	88.914	88.808	89.771	90.359
Used light trucks (including utility vehicles).....	20	82.967	86.829	88.437	87.117	86.728	87.731	88.656
<b>Gross government investment</b> .....	21	101.952	103.257	103.534	103.713	103.906	104.798	104.078
Autos.....	22	99.228	99.679	99.330	101.697	101.473	100.253	101.573
Trucks.....	23	102.789	104.358	104.823	104.385	104.687	106.113	104.848
<b>Net exports</b> .....	24	.....	.....	.....	.....	.....	.....	.....
Exports.....	25	105.714	107.262	107.275	107.646	107.711	107.799	107.864
Autos.....	26	103.984	104.802	104.733	105.266	105.298	105.298	105.398
Trucks.....	27	107.436	109.627	109.713	109.945	110.042	110.214	110.247
Imports.....	28	103.819	104.770	104.834	105.188	105.064	105.095	105.228
Autos.....	29	103.081	103.680	103.710	103.942	103.642	103.742	103.809
Trucks.....	30	104.659	105.954	106.031	106.499	106.531	106.502	106.700
<b>Change in private inventories</b> .....	31	.....	.....	.....	.....	.....	.....	.....
Autos.....	32	.....	.....	.....	.....	.....	.....	.....
New.....	33	.....	.....	.....	.....	.....	.....	.....
Domestic.....	34	.....	.....	.....	.....	.....	.....	.....
Foreign.....	35	.....	.....	.....	.....	.....	.....	.....
Used.....	36	.....	.....	.....	.....	.....	.....	.....
Trucks.....	37	.....	.....	.....	.....	.....	.....	.....
New.....	38	.....	.....	.....	.....	.....	.....	.....
Domestic.....	39	.....	.....	.....	.....	.....	.....	.....
Foreign.....	40	.....	.....	.....	.....	.....	.....	.....
Used <sup>1</sup> .....	41	.....	.....	.....	.....	.....	.....	.....
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers.....	42	98.336	99.002	98.467	98.456	99.055	98.999	98.070
Private fixed investment in new autos and new light trucks.....	43	96.051	95.314	95.293	94.196	94.637	94.886	92.825
Domestic output of new autos <sup>2</sup> .....	44	97.365	98.174	97.713	98.431	98.976	98.660	98.980
Sales of imported new autos <sup>3</sup> .....	45	96.023	96.924	96.417	97.203	97.887	97.574	97.980

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 7.2.5B. Motor Vehicle Output**  
[Billions of dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Motor vehicle output</b> .....	1	394.6	420.5	433.3	411.8	418.0	408.2	425.8
Auto output.....	2	130.2	151.0	151.0	156.5	155.4	149.1	151.1
Truck output.....	3	264.4	269.5	282.2	255.3	262.5	259.1	274.7
<b>Final sales of domestic product</b>	4	390.6	421.0	449.4	388.1	409.5	405.0	432.3
<b>Personal consumption expenditures</b> .....	5	368.9	373.3	392.2	345.7	364.4	364.6	378.9
New motor vehicles.....	6	259.3	256.3	276.1	228.1	240.0	240.4	250.6
Autos.....	7	97.7	103.7	108.1	100.2	102.5	107.3	109.6
Light trucks (including utility vehicles).....	8	161.7	152.7	168.0	127.9	137.5	133.1	141.0
Net purchases of used autos and used light trucks.....	9	109.5	116.9	116.1	117.6	124.3	124.2	128.3
Used autos.....	10	54.9	58.5	58.3	57.8	60.5	60.1	62.0
Used light trucks (including utility vehicles).....	11	54.6	58.4	57.8	59.9	63.9	64.1	66.3
<b>Private fixed investment</b> .....	12	114.3	134.9	141.3	136.1	141.9	135.8	135.7
New motor vehicles.....	13	177.4	200.0	208.8	204.6	219.0	205.1	204.6
Autos.....	14	62.6	67.9	69.9	70.5	70.8	66.0	64.8
Trucks.....	15	114.8	132.1	138.9	134.1	148.2	139.1	139.8
Light trucks (including utility vehicles).....	16	85.6	95.2	102.4	95.4	107.5	98.2	98.8
Other.....	17	29.3	36.9	36.5	38.7	40.8	40.9	40.9
Net purchases of used autos and used light trucks.....	18	-63.1	-65.1	-67.5	-68.5	-77.1	-69.3	-68.9
Used autos.....	19	-31.4	-32.7	-33.1	-34.6	-35.8	-32.3	-33.7
Used light trucks (including utility vehicles).....	20	-31.8	-32.4	-34.4	-33.9	-41.3	-37.0	-35.3
<b>Gross government investment</b> .....	21	14.1	14.9	16.5	14.9	16.9	17.3	17.7
Autos.....	22	3.2	3.4	3.5	3.3	3.1	3.5	3.6
Trucks.....	23	10.9	11.4	13.1	11.6	13.7	13.8	14.1
<b>Net exports</b> .....	24	-106.7	-102.1	-100.6	-108.7	-113.6	-112.7	-100.0
Exports.....	25	36.5	44.0	45.1	46.0	49.3	47.4	56.4
Autos.....	26	16.5	20.4	20.6	21.8	23.6	22.7	27.5
Trucks.....	27	20.1	23.6	24.4	24.2	25.6	24.7	28.9
Imports.....	28	143.2	146.1	145.6	154.7	162.8	160.1	156.4
Autos.....	29	71.7	69.6	69.4	73.2	75.0	74.2	80.1
Trucks.....	30	71.5	76.5	76.3	81.5	87.8	85.9	76.3
<b>Change in private inventories</b> .....	31	4.0	-0.5	-16.1	23.6	8.5	3.2	-6.4
Autos.....	32	-1.5	-0.7	-6.9	10.6	5.8	-3.9	-2.6
New.....	33	-2.0	0.5	-5.4	9.7	5.4	1.0	0.6
Domestic.....	34	-1.1	0.3	-4.3	10.0	3.7	0.7	0.5
Foreign.....	35	-0.9	0.2	-1.1	-0.3	1.6	0.3	0.1
Used.....	36	0.5	-1.2	-1.4	0.9	0.4	-4.9	-3.3
Trucks.....	37	5.5	0.3	-9.2	13.0	2.7	7.1	-3.8
New.....	38	5.1	1.7	-9.1	15.2	0.1	10.7	1.1
Domestic.....	39	5.2	1.1	-9.9	13.8	-1.4	11.9	-2.2
Foreign.....	40	-0.1	0.7	0.8	1.3	1.6	-1.2	3.3
Used <sup>1</sup> .....	41	0.5	-1.5	-0.2	-2.2	2.5	-3.6	-4.8
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers.....	42	497.3	523.1	550.0	496.8	523.1	517.7	532.3
Private fixed investment in new autos and new light trucks.....	43	148.1	163.1	172.3	165.9	178.2	164.2	163.7
Domestic output of new autos <sup>2</sup> .....	44	88.7	100.6	99.8	106.6	106.7	100.0	102.1
Sales of imported new autos <sup>3</sup> .....	45	87.3	90.7	94.6	92.3	91.4	94.9	98.5

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 7.2.6B. Real Motor Vehicle Output, Chained Dollars**  
[Billions of chained (2000) dollars]

	Line	2004	2005	Seasonally adjusted at annual rates				
				2005		2006		
				III	IV	I	II	III
<b>Motor vehicle output</b> .....	1	406.6	430.7	447.4	424.3	428.3	417.8	442.4
Auto output.....	2	134.0	153.0	154.4	157.9	155.2	150.1	151.6
Truck output.....	3	273.1	278.1	293.4	266.5	273.3	268.1	291.5
<b>Final sales of domestic product</b>	4	402.7	431.1	463.4	400.6	419.2	414.9	448.2
<b>Personal consumption expenditures</b> .....	5	384.2	382.4	403.9	355.4	372.4	373.4	388.8
New motor vehicles.....	6	270.6	266.1	289.1	237.9	249.3	250.6	261.7
Autos.....	7	101.7	107.0	112.1	103.1	104.7	109.9	111.8
Light trucks (including utility vehicles).....	8	169.0	159.2	177.1	134.7	144.6	140.5	149.8
Net purchases of used autos and used light trucks.....	9	114.0	116.6	115.4	117.2	122.9	122.6	127.0
Used autos.....	10	56.0	57.2	56.9	56.3	58.7	58.5	60.3
Used light trucks (including utility vehicles).....	11	58.0	59.5	58.6	61.0	64.4	64.3	66.8
<b>Private fixed investment</b> .....	12	106.2	128.4	135.3	131.1	135.5	129.5	133.3
New motor vehicles.....	13	182.5	205.7	214.6	212.2	226.0	210.6	213.8
Autos.....	14	65.2	70.1	72.5	72.6	72.3	67.6	66.2
Trucks.....	15	117.3	135.6	142.0	139.5	153.7	143.0	147.6
Light trucks (including utility vehicles).....	16	89.2	101.2	108.4	103.6	116.4	105.7	110.6
Other.....	17	28.0	34.0	33.5	35.4	37.1	36.7	36.6
Net purchases of used autos and used light trucks.....	18	-75.2	-74.1	-75.6	-77.9	-87.9	-78.1	-77.1
Used autos.....	19	-37.0	-36.8	-36.7	-38.9	-40.3	-36.0	-37.2
Used light trucks (including utility vehicles).....	20	-38.3	-37.3	-38.9	-38.9	-47.7	-42.1	-39.8
<b>Gross government investment</b> .....	21	13.8	14.4	15.9	14.4	16.2	16.5	17.0
Autos.....	22	3.2	3.5	3.5	3.2	3.1	3.5	3.6
Trucks.....	23	10.6	11.0	12.5	11.2	13.1	13.0	13.4
<b>Net exports</b> .....	24	-103.4	-98.4	-96.9	-104.3	-109.3	-108.4	-96.4
Exports.....	25	34.6	41.0	42.0	42.8	45.7	44.0	52.3
Autos.....	26	15.8	19.5	19.7	20.7	22.4	21.5	26.1
Trucks.....	27	18.7	21.5	22.3	22.0	23.3	22.4	26.2
Imports.....	28	138.0	139.4	138.9	147.1	155.0	152.3	148.7
Autos.....	29	69.6	67.1	66.9	70.4	72.4	71.5	77.2
Trucks.....	30	68.3	72.2	71.9	76.5	82.4	80.7	71.5
<b>Change in private inventories</b> .....	31	4.0	-0.4	-15.7	23.4	8.5	3.0	-6.5
Autos.....	32	-1.6	-0.7	-7.1	11.2	6.1	-4.3	-2.9
New.....	33	-2.0	0.5	-5.4	9.9	5.5	1.0	0.7
Domestic.....	34	-1.1	0.3	-4.4	10.4	3.9	0.7	0.6
Foreign.....	35	-0.9	0.2	-1.1	-0.3	1.6	0.3	0.1
Used.....	36	0.6	-1.3	-1.6	1.0	0.5	-5.4	-3.6
Trucks.....	37	5.1	0.3	-8.5	12.0	2.6	6.4	-3.6
New.....	38	4.3	1.5	-7.8	13.2	0.2	9.2	1.0
Domestic.....	39	4.4	0.9	-8.5	11.9	-1.3	10.4	-2.1
Foreign.....	40	-0.1	0.6	0.7	1.3	1.5	-1.2	3.1
Used <sup>1</sup> .....	41	0.5	-1.6	-0.2	-2.4	2.8	-3.9	-5.3
Residual.....	42	1.0	1.3	-0.2	3.3	2.0	3.6	3.9
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers.....	43	505.7	528.4	558.5	504.5	528.0	522.9	542.7
Private fixed investment in new autos and new light trucks.....	44	154.2	171.1	180.7	176.1	188.3	173.0	176.3
Domestic output of new autos <sup>2</sup> .....	45	91.1	102.5	102.2	108.3	107.9	101.4	103.3
Sales of imported new autos <sup>3</sup> .....	46	90.9	93.6	98.1	94.9	93.4	97.3	100.5

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.
- 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, excluding the lines in the addenda.



The estimates in this table were published in tables 1 and 4 in "Annual Industry Accounts: Advance Estimates for 2005" in the May 2006 SURVEY.

Table B.2. Current-Dollar and Real Value Added by Industry for 2003–2005

	Billions of dollars			Billions of chained (2000) dollars				Billions of dollars			Billions of chained (2000) dollars		
	2003	2004	2005	2003	2004	2005		2003	2004	2005	2003	2004	2005
<b>Gross domestic product</b> .....	<b>10,971.2</b>	<b>11,734.3</b>	<b>12,487.1</b>	<b>10,320.6</b>	<b>10,755.7</b>	<b>11,134.8</b>							
<b>Private industries</b> .....	<b>9,556.8</b>	<b>10,251.0</b>	<b>10,934.8</b>	<b>9,060.3</b>	<b>9,481.7</b>	<b>9,838.8</b>							
<b>Agriculture, forestry, fishing, and hunting</b> .....	<b>114.2</b>	<b>141.6</b>	<b>119.1</b>	<b>104.2</b>	<b>106.0</b>	<b>101.3</b>							
Farms.....	88.0	112.2	.....	76.0	75.9	.....							
Forestry, fishing, and related activities.....	26.2	29.4	.....	28.1	30.5	.....							
<b>Mining</b> .....	<b>142.3</b>	<b>171.9</b>	<b>213.6</b>	<b>106.0</b>	<b>108.4</b>	<b>105.6</b>							
Oil and gas extraction.....	93.1	115.2	.....	77.4	76.6	.....							
Mining, except oil and gas.....	27.4	30.6	.....	24.3	25.1	.....							
Support activities for mining.....	21.7	26.1	.....	7.8	9.1	.....							
<b>Utilities</b> .....	<b>222.6</b>	<b>235.3</b>	<b>238.9</b>	<b>202.3</b>	<b>204.5</b>	<b>205.4</b>							
<b>Construction</b> .....	<b>501.0</b>	<b>549.5</b>	<b>593.5</b>	<b>422.4</b>	<b>432.9</b>	<b>444.7</b>							
<b>Manufacturing</b> .....	<b>1,369.2</b>	<b>1,420.1</b>	<b>1,486.5</b>	<b>1,410.4</b>	<b>1,478.1</b>	<b>1,536.6</b>							
Durable goods.....	785.5	824.1	868.4	863.2	917.8	970.1							
Wood products.....	33.0	39.2	.....	31.4	32.4	.....							
Nonmetallic mineral products.....	46.2	49.7	.....	46.6	49.0	.....							
Primary metals.....	38.7	50.9	.....	42.6	46.5	.....							
Fabricated metal products.....	109.1	115.4	.....	107.5	110.7	.....							
Machinery.....	95.1	100.2	.....	92.3	100.7	.....							
Computer and electronic products.....	125.6	132.6	.....	215.0	260.3	.....							
Electrical equipment, appliances, and components.....	48.6	48.2	.....	49.9	49.3	.....							
Motor vehicles, bodies and trailers, and parts.....	129.9	120.1	.....	143.2	139.2	.....							
Other transportation equipment.....	65.0	66.9	.....	57.9	58.0	.....							
Furniture and related products.....	30.7	31.4	.....	28.9	31.0	.....							
Miscellaneous manufacturing.....	63.7	69.4	.....	59.6	66.3	.....							
Nondurable goods.....	583.7	596.1	628.1	548.8	563.8	572.8							
Food and beverage and tobacco products.....	170.6	167.9	.....	153.3	155.8	.....							
Textile mills and textile product mills.....	22.7	23.3	.....	23.1	23.2	.....							
Apparel and leather and allied products.....	18.4	18.9	.....	18.7	19.7	.....							
Paper products.....	46.4	48.9	.....	48.9	53.5	.....							
Printing and related support activities.....	44.5	45.9	.....	42.5	44.4	.....							
Petroleum and coal products.....	33.5	34.8	.....	26.1	24.7	.....							
Chemical products.....	181.8	186.0	.....	172.9	173.6	.....							
Plastics and rubber products.....	65.6	70.3	.....	64.0	70.8	.....							
<b>Wholesale trade</b> .....	<b>633.0</b>	<b>694.7</b>	<b>733.1</b>	<b>653.6</b>	<b>683.7</b>	<b>692.0</b>							
<b>Retail trade</b> .....	<b>751.0</b>	<b>790.4</b>	<b>828.6</b>	<b>749.9</b>	<b>797.7</b>	<b>821.1</b>							
<b>Transportation and warehousing</b> .....	<b>321.6</b>	<b>332.9</b>	<b>362.2</b>	<b>311.2</b>	<b>323.8</b>	<b>335.7</b>							
Air transportation.....	55.3	53.4	.....	71.1	79.5	.....							
Rail transportation.....	27.1	29.0	.....	24.7	25.7	.....							
Water transportation.....	9.1	8.0	.....	5.8	5.3	.....							
Truck transportation.....	98.8	104.7	.....	88.7	91.4	.....							
Transit and ground passenger transportation.....	16.2	16.8	.....	14.4	14.4	.....							
Pipeline transportation.....	10.5	10.7	.....	10.1	10.4	.....							
Other transportation and support activities.....	76.4	83.2	.....	72.0	75.5	.....							
Warehousing and storage.....	28.3	27.1	.....	26.9	26.1	.....							
<b>Information</b> .....	<b>491.8</b>	<b>538.7</b>	<b>578.3</b>	<b>500.0</b>	<b>563.8</b>	<b>605.6</b>							
Publishing industries (includes software).....	118.8	125.3	.....	118.8	130.8	.....							
Motion picture and sound recording industries.....	42.4	47.3	.....	36.7	39.8	.....							
Broadcasting and telecommunications.....	280.4	312.0	.....	296.7	340.2	.....							
Information and data processing services.....	50.1	54.1	.....	47.2	53.0	.....							
<b>Finance, insurance, real estate, rental, and leasing</b> .....	<b>2,260.4</b>	<b>2,412.9</b>	<b>2,574.4</b>	<b>2,093.3</b>	<b>2,173.1</b>	<b>2,262.5</b>							
<b>Finance and insurance</b> .....	<b>885.2</b>	<b>927.4</b>	<b>1,011.5</b>	<b>837.0</b>	<b>845.3</b>	<b>902.0</b>							
							<b>Federal Reserve banks, credit intermediation, and related activities</b> .....	451.8	464.7	.....	409.9	406.6	.....
							<b>Securities, commodity contracts, and investments</b> .....	153.3	170.9	.....	175.2	192.9	.....
							<b>Insurance carriers and related activities</b> .....	260.4	269.6	.....	233.7	230.3	.....
							<b>Funds, trusts, and other financial vehicles</b> .....	19.7	22.2	.....	14.1	14.9	.....
							<b>Real estate and rental and leasing</b> .....	<b>1,375.2</b>	<b>1,485.5</b>	<b>1,562.9</b>	<b>1,257.2</b>	<b>1,328.0</b>	<b>1,361.2</b>
							Real estate.....	1,268.6	1,374.7	.....	1,154.0	1,224.0	.....
							Rental and leasing services and lessors of intangible assets.....	106.6	110.8	.....	102.7	103.3	.....
							<b>Professional and business services</b> .....	<b>1,235.9</b>	<b>1,351.9</b>	<b>1,468.5</b>	<b>1,168.1</b>	<b>1,243.4</b>	<b>1,316.5</b>
							<b>Professional, scientific, and technical services</b> .....	727.4	784.3	862.4	684.2	732.7	784.1
							Legal services.....	155.8	164.1	.....	136.5	135.6	.....
							Computer systems design and related services.....	126.3	133.1	.....	129.3	139.7	.....
							Miscellaneous professional, scientific, and technical services.....	445.3	487.2	.....	418.5	458.8	.....
							<b>Management of companies and enterprises</b> .....	191.5	220.8	230.6	191.8	203.4	204.0
							<b>Administrative and waste management services</b> .....	317.1	346.8	375.5	292.3	307.5	328.7
							Administrative and support services.....	289.0	316.3	.....	267.1	282.2	.....
							Waste management and remediation services.....	28.1	30.5	.....	25.2	25.4	.....
							<b>Educational services, health care, and social assistance</b> .....	850.6	909.0	977.4	749.8	773.6	806.7
							<b>Educational services</b> .....	99.6	106.3	113.1	82.1	82.7	83.4
							<b>Health care and social assistance</b> .....	751.0	802.7	864.4	667.9	691.2	724.1
							Ambulatory health care services.....	384.7	413.0	.....	357.8	375.4	.....
							Hospitals and nursing and residential care facilities.....	299.0	318.8	.....	247.8	250.9	.....
							Social assistance.....	67.3	70.9	.....	63.2	66.7	.....
							<b>Arts, entertainment, recreation, accommodation, and food services</b> .....	398.8	424.3	455.9	364.1	375.2	390.6
							<b>Arts, entertainment, and recreation</b> .....	106.3	111.6	117.9	95.4	97.3	99.4
							Performing arts, spectator sports, museums, and related activities.....	49.5	50.2	.....	43.7	42.7	.....
							Amusements, gambling, and recreation industries.....	56.8	61.3	.....	51.7	54.7	.....
							<b>Accommodation and food services</b> .....	292.5	312.8	338.0	268.7	277.9	291.2
							Accommodation.....	94.0	100.8	.....	90.0	91.4	.....
							Food services and drinking places.....	198.5	212.0	.....	178.7	186.4	.....
							<b>Other services, except government</b> .....	264.3	277.7	294.6	228.6	231.4	237.0
							<b>Government</b> .....	<b>1,414.5</b>	<b>1,483.3</b>	<b>1,552.3</b>	<b>1,248.0</b>	<b>1,260.0</b>	<b>1,274.3</b>
							<b>Federal</b> .....	447.1	475.9	494.8	387.1	393.1	397.3
							General government.....	382.6	408.2	.....	331.8	334.9	.....
							Government enterprises.....	64.5	67.7	.....	55.6	58.5	.....
							<b>State and local</b> .....	967.4	1,007.4	1,057.5	860.8	866.8	876.9
							General government.....	893.7	931.4	.....	794.4	800.7	.....
							Government enterprises.....	73.7	75.9	.....	66.6	66.2	.....
							<b>Not allocated by industry<sup>1</sup></b> .....				-8.4	-41.3	.....
							<b>Addenda:</b>						
							Private goods-producing industries <sup>2</sup> .....	2,126.7	2,283.1	2,422.7	2,040.0	2,119.2	2,174.9
							Private services-producing industries <sup>3</sup> .....	7,430.0	7,967.9	8,512.1	7,019.6	7,361.6	7,662.9
							Information-communications-technology-producing industries <sup>4</sup> .....	420.9	445.2	481.0	505.0	570.1	638.0

1. 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 value of not allocated by industry reflects the difference between the first line and the sum of the most detailed lines, as well as the differences in source data used to estimate GDP by industry and the expenditures measure of real GDP.

2. Consists of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.

3. Consists of utilities; wholesale trade; retail trade; transportation and warehousing; information; finance, insurance, real estate, rental, and leasing; professional and business services; educational services, health care, and social assistance; arts, entertainment, recreation, accommodation, and food services; and other services, except government.

4. Consists of computer and electronic products; publishing industries (includes software); information and data processing services; and computer systems design and related services.

Note: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

### 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 2006 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 index		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	23.369	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	75.694	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	10,301.0	10,285.1	10,355.3	2.5	2.5	106.409	105.966	106.404	106.396	2.1	2.3	2.1	2.1
2004	10,703.5	10,648.3	10,746.8	3.9	3.5	109.429	109.210	109.426	109.416	2.8	3.1	2.8	2.8
2005	11,048.6	11,025.2	11,077.9	3.2	3.5	112.744	112.981	112.737	112.726	3.0	3.5	3.0	3.0

**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 index		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	21.533	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	7.7	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	2,988.1	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	22.160	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	23.252	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
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
1975: II.....	4,268.6	4,331.0	4,302.8	3.0	4.1	37.622	37.412	37.614	37.586	6.0	6.3	6.2	6.2
1975: 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
1975: 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

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 index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
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
1976: 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
1976: 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
1976: 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
1977: 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
1977: III	4,815.8	4,755.2	4,866.4	7.4	4.3	43,036	42,950	42,917	42,899	5.6	6.2	5.0	5.0
1977: 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
1978: 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
1978: 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
1978: 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
1979: 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
1979: 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
1979: 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
1980: II	5,115.9	5,126.2	5,185.5	-7.8	-7.5	53,962	54,220	53,349	53,324	9.1	10.1	9.1	9.1
1980: 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
1980: 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
1981: 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
1981: 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
1981: 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
1982: 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
1982: 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
1982: 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
1983: 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
1983: 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
1983: 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
1984: 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
1984: 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
1984: 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
1985: 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
1985: 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
1985: 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
1986: 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
1986: 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
1986: 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
1987: 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
1987: III	6,493.4	6,510.9	6,519.5	3.7	5.0	73,450	73,819	73,425	73,412	3.0	3.3	3.0	3.0
1987: 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
1988: 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
1988: 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
1988: 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
1989: 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
1989: III	7,013.1	7,015.3	7,046.2	2.9	4.8	78,913	79,227	78,879	78,875	2.9	2.4	2.9	2.9
1989: 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
1990: 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
1990: III	7,130.8	7,118.3	7,163.9	0.0	0.8	82,053	82,531	82,031	82,028	3.6	4.5	3.6	3.6
1990: 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
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



Table C.1. GDP and Other Major NIPA Aggregates—Table Ends

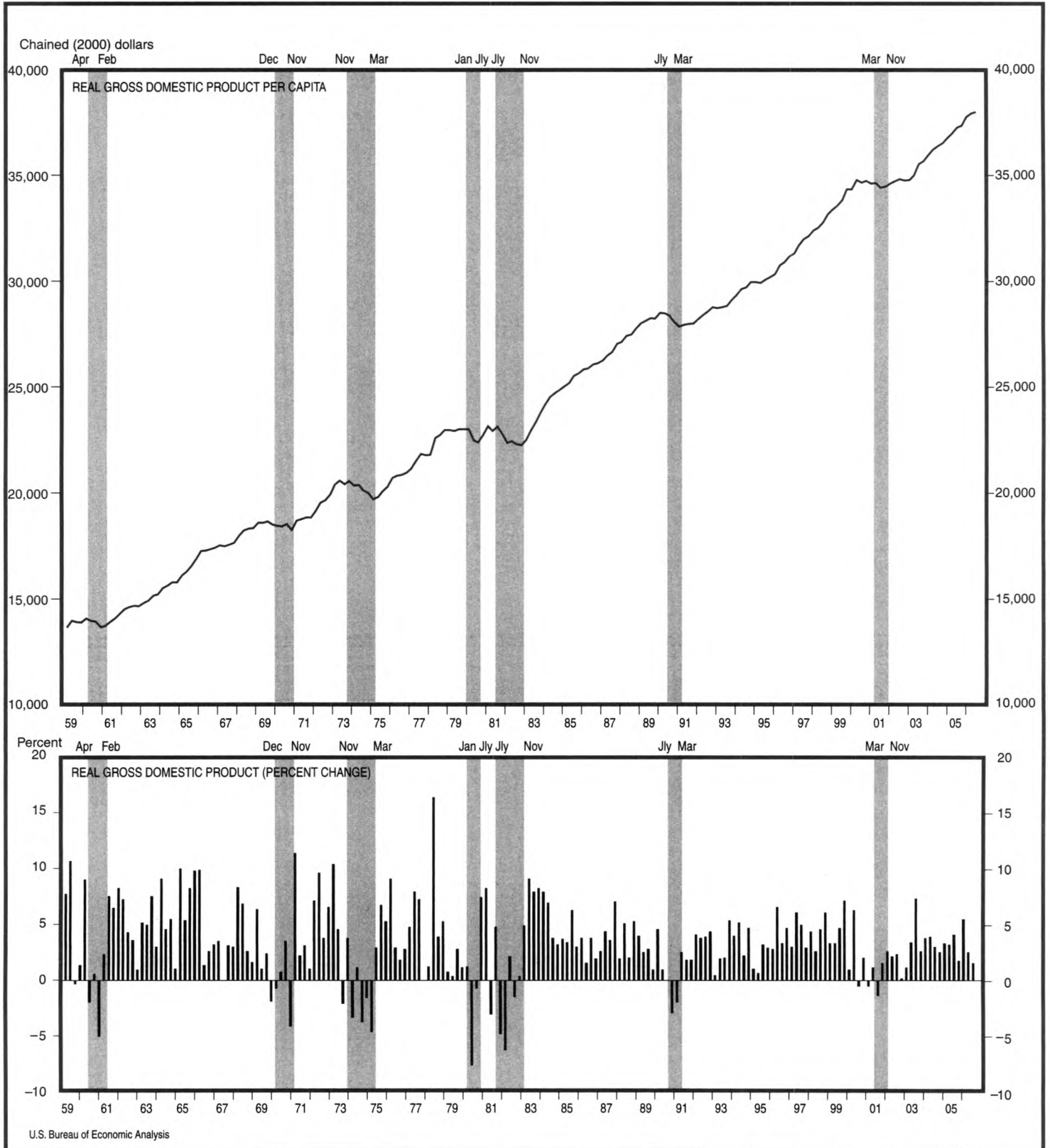
[Quarterly estimates are seasonally adjusted at annual rates]

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 index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
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.....	8,838.4	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	9,569.3	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	9,748.4	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.....	10,126.0	10,100.9	10,163.8	1.2	1.3	105.742	105.435	105.724	105.718	3.1	4.1	3.2	3.1
2003: II.....	10,212.7	10,213.7	10,266.9	3.5	4.5	106.076	105.587	106.062	106.053	1.3	0.6	1.3	1.3
2003: III.....	10,398.7	10,385.9	10,449.9	7.5	6.9	106.616	106.170	106.611	106.602	2.1	2.2	2.1	2.1
2003: IV.....	10,467.0	10,440.0	10,540.5	2.7	2.1	107.204	106.671	107.190	107.180	2.2	1.9	2.2	2.2
2004: I.....	10,566.3	10,528.7	10,632.2	3.9	3.4	108.190	107.803	108.183	108.177	3.7	4.3	3.8	3.8
2004: II.....	10,671.5	10,596.1	10,709.4	4.0	2.6	109.172	108.880	109.162	109.154	3.7	4.1	3.7	3.7
2004: III.....	10,753.3	10,700.1	10,796.3	3.1	4.0	109.744	109.588	109.728	109.717	2.1	2.6	2.1	2.1
2004: IV.....	10,822.9	10,768.2	10,849.3	2.6	2.6	110.610	110.567	110.601	110.592	3.2	3.6	3.2	3.2
2005: I.....	10,913.8	10,856.5	10,946.0	3.4	3.3	111.558	111.449	111.539	111.525	3.5	3.2	3.4	3.4
2005: II.....	11,001.8	11,005.3	11,028.2	3.3	5.6	112.229	112.362	112.219	112.209	2.4	3.3	2.5	2.5
2005: III.....	11,115.1	11,123.5	11,162.0	4.2	4.4	113.139	113.572	113.121	113.113	3.3	4.4	3.3	3.3
2005: IV.....	11,163.8	11,115.5	11,175.6	1.8	-0.3	114.048	114.541	114.034	114.025	3.3	3.5	3.3	3.3
2006: I.....	11,316.4	11,269.0	11,342.7	5.6	5.6	114.967	115.313	114.951	114.942	3.3	2.7	3.3	3.3
2006: II.....	11,388.1	11,328.0	11,408.5	2.6	2.1	115.905	116.455	115.887	115.879	3.3	4.0	3.3	3.3
2006: III.....	11,432.9	11,375.7	.....	1.6	1.7	116.431	117.026	116.403	.....	1.8	2.0	1.8	.....

### D. Charts

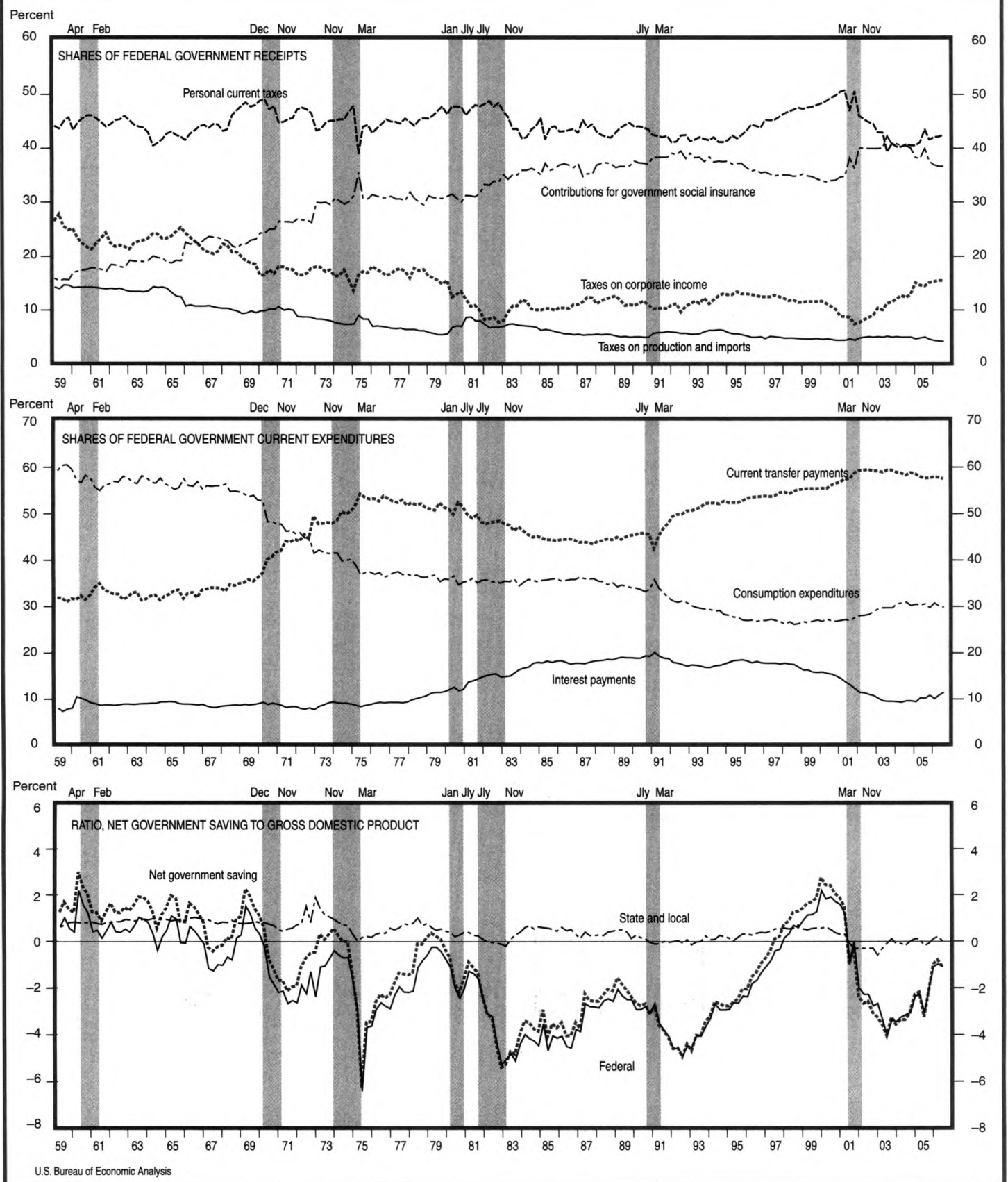
The percent changes shown are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates. The levels of series are also expressed at seasonally adjusted annual rates as appropriate.

### SELECTED NIPA SERIES

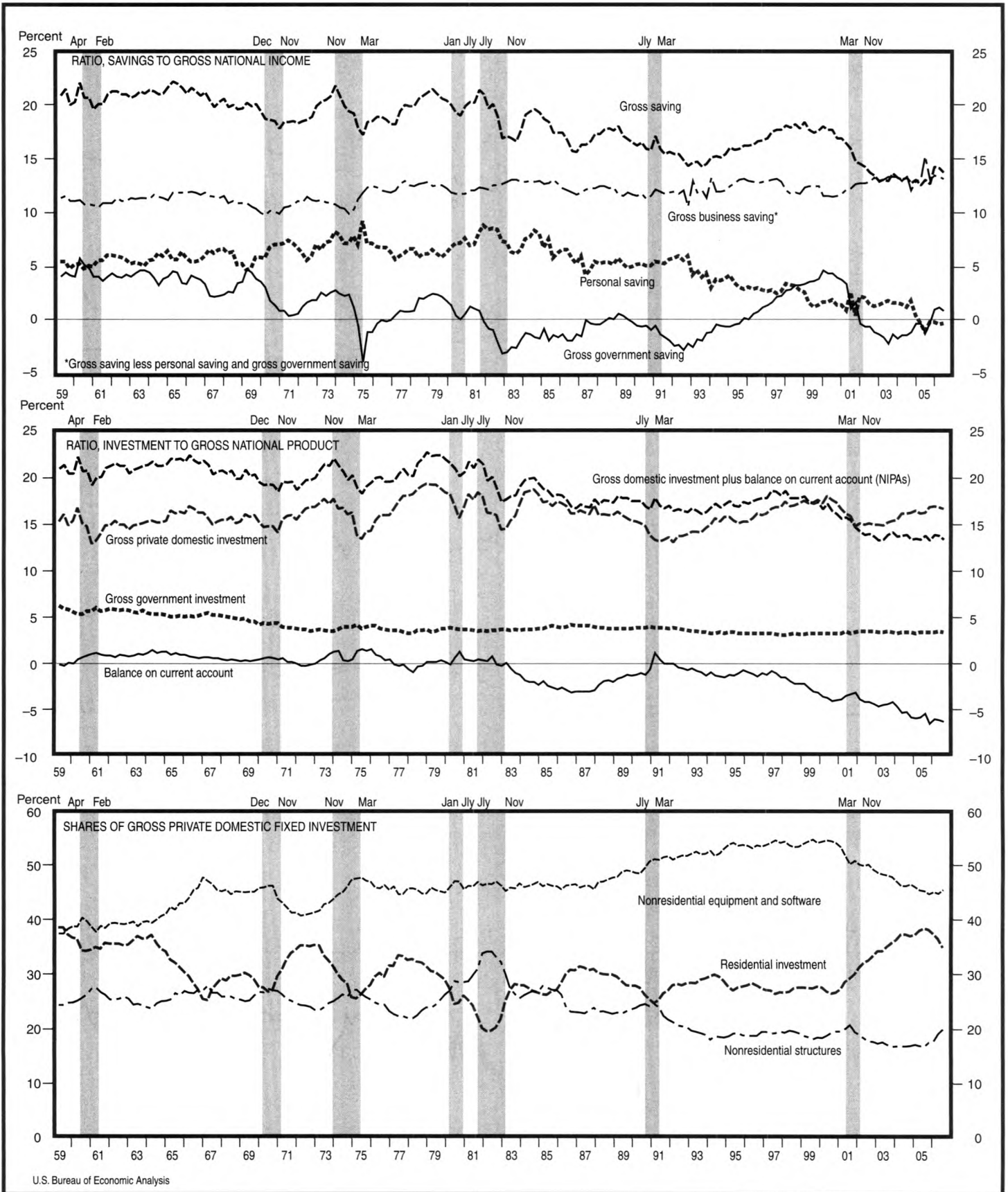


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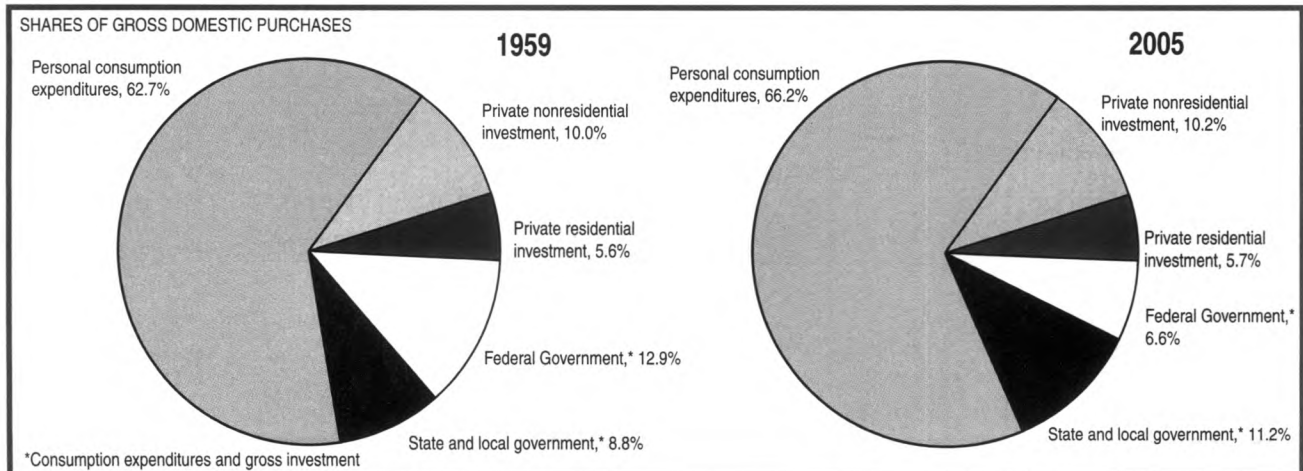
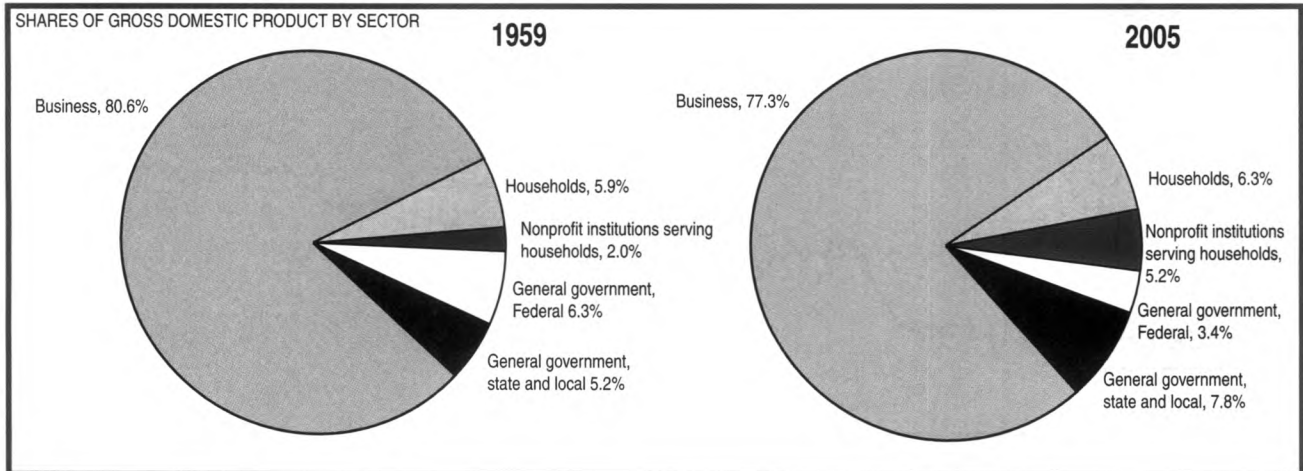
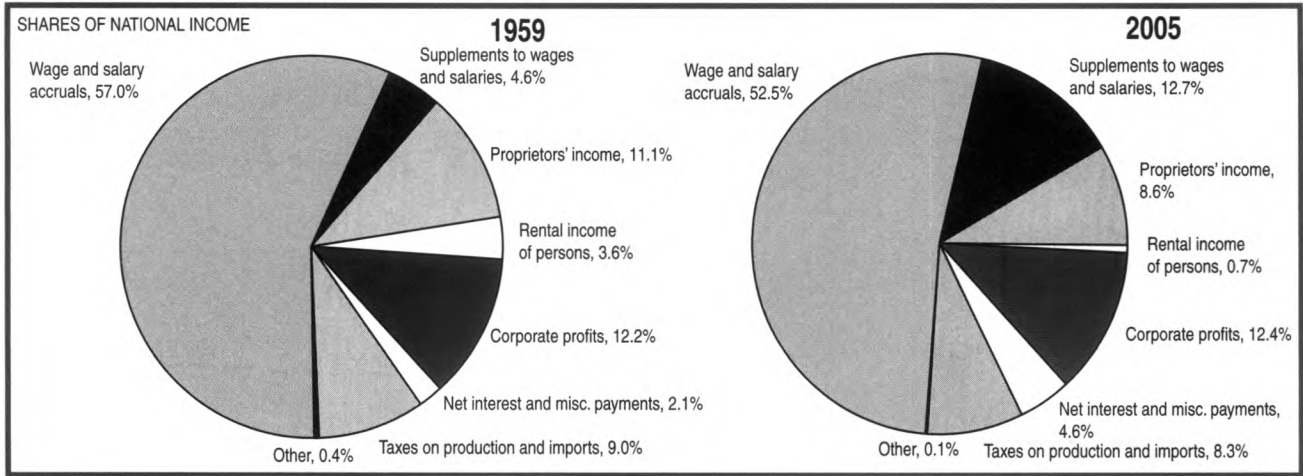
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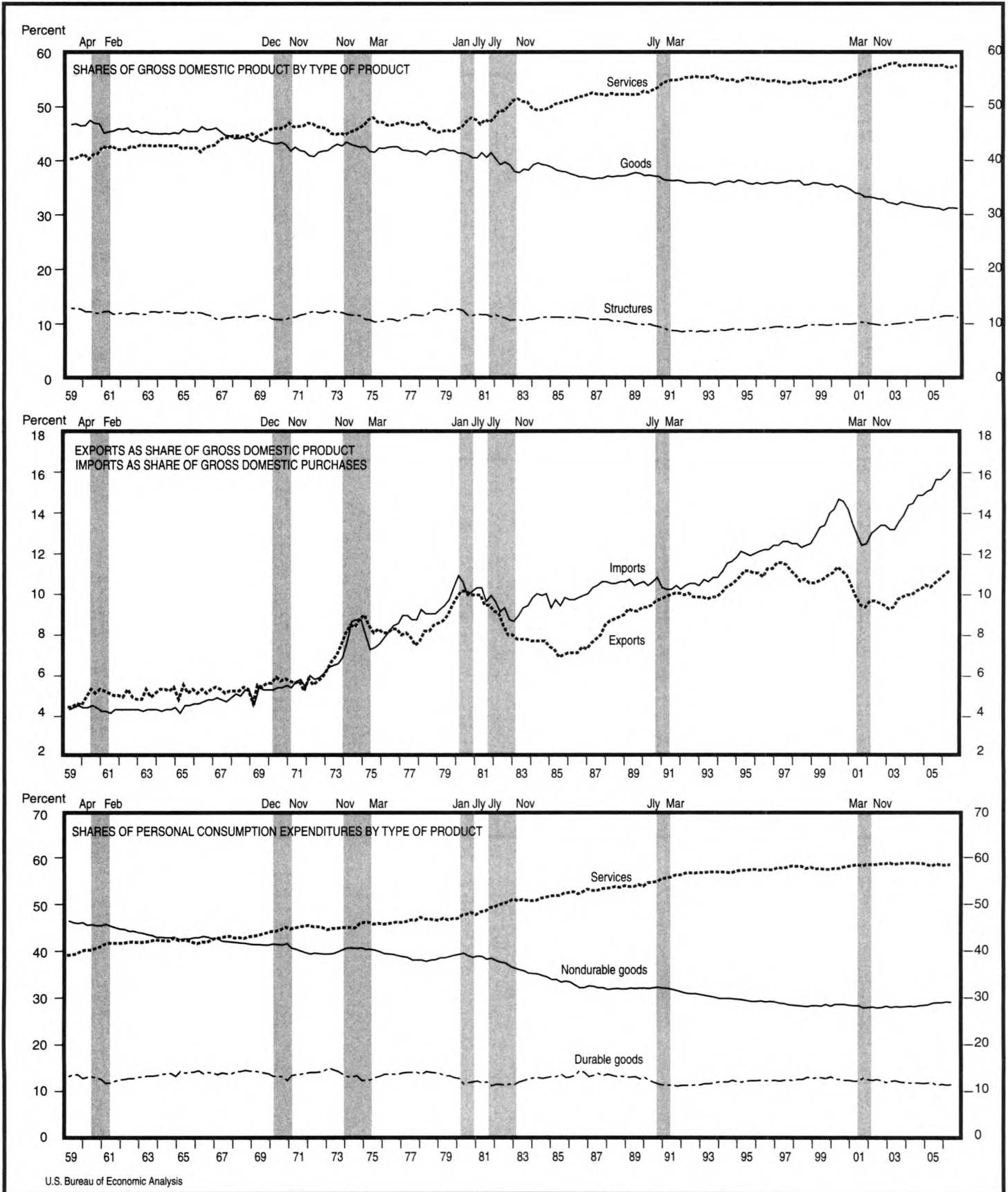
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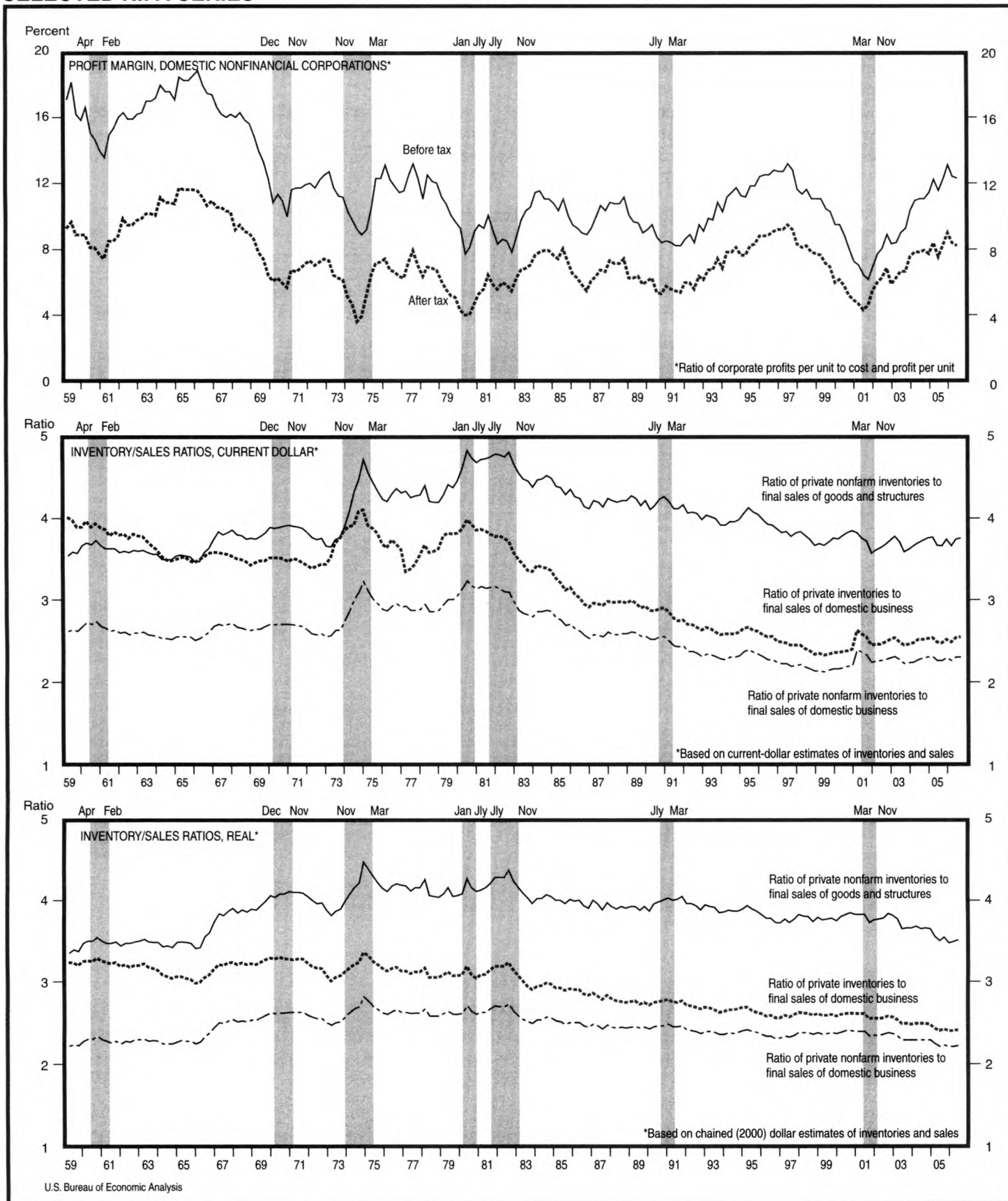
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## International Data

### E. Transactions Tables

Table E.1 presents estimates of U.S. international trade in goods and services that were released on November 9, 2006. It includes preliminary estimates for September 2006 and revised estimates for August 2006.

The sources for the other tables in this section are noted.

For BEA's full set of detailed estimates of U.S. international transactions, visit BEA's Web site at <www.bea.gov>.

**Table E.1. U.S. International Transactions in Goods and Services**

(Millions of dollars; monthly estimates seasonally adjusted)

	2004	2005	2005					2006								
			Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Aug. <sup>p</sup>	Sept. <sup>p</sup>
<b>Exports of goods and services</b> .....	<b>1,151,942</b>	<b>1,275,245</b>	<b>107,992</b>	<b>106,327</b>	<b>108,593</b>	<b>110,006</b>	<b>112,567</b>	<b>114,733</b>	<b>113,787</b>	<b>115,910</b>	<b>116,063</b>	<b>118,571</b>	<b>121,246</b>	<b>119,723</b>	<b>122,609</b>	<b>123,163</b>
<b>Goods</b> .....	<b>807,516</b>	<b>894,631</b>	<b>76,213</b>	<b>73,888</b>	<b>75,964</b>	<b>77,511</b>	<b>79,429</b>	<b>81,404</b>	<b>80,753</b>	<b>82,355</b>	<b>81,832</b>	<b>84,057</b>	<b>86,954</b>	<b>85,457</b>	<b>88,023</b>	<b>88,625</b>
Foods, feeds, and beverages.....	56,570	58,955	4,917	4,876	5,042	4,926	4,979	5,334	4,993	5,222	5,172	5,524	5,737	5,689	6,045	5,761
Industrial supplies and materials.....	203,960	233,079	20,029	19,210	19,297	19,517	20,145	21,063	20,650	22,181	22,243	22,965	23,727	23,111	23,647	24,657
Capital goods, except automotive.....	331,555	362,886	31,082	29,193	31,223	32,188	32,661	33,257	33,445	33,446	33,285	34,067	34,979	33,658	34,939	35,652
Automotive vehicles, parts, and engines.....	89,213	98,578	8,426	8,504	8,530	8,655	8,939	8,844	8,951	8,576	8,660	8,544	8,963	9,604	9,474	8,798
Consumer goods (nonfood), except automotive.....	103,075	115,715	9,641	9,908	9,541	10,006	10,461	10,401	10,299	10,514	10,098	10,611	10,802	10,928	11,162	10,804
Other goods.....	34,404	36,964	3,202	3,198	3,252	3,192	3,408	3,349	3,323	3,325	3,311	3,396	3,700	3,558	3,972	4,224
Adjustments <sup>1</sup> .....	-11,259	-11,347	-1,084	-1,001	-922	-973	-1,164	-843	-909	-910	-937	-1,052	-954	-1,090	-1,217	-1,272
<b>Services</b> .....	<b>344,426</b>	<b>380,614</b>	<b>31,779</b>	<b>32,439</b>	<b>32,629</b>	<b>32,495</b>	<b>33,138</b>	<b>33,329</b>	<b>33,034</b>	<b>33,555</b>	<b>34,231</b>	<b>34,514</b>	<b>34,292</b>	<b>34,266</b>	<b>34,586</b>	<b>34,538</b>
Travel.....	74,547	81,680	6,704	6,935	6,877	6,633	6,864	7,043	6,793	6,906	7,337	7,272	7,088	7,129	7,169	7,105
Passenger fares.....	18,851	20,931	1,801	1,843	1,834	1,744	1,793	1,908	1,783	1,854	1,813	1,796	1,767	1,769	1,810	1,801
Other transportation.....	37,436	42,245	3,495	3,592	3,703	3,752	3,789	3,831	3,793	3,964	4,051	4,013	4,058	4,029	4,158	4,019
Royalties and license fees.....	52,512	57,410	4,798	4,854	4,936	4,979	5,008	4,979	5,007	5,054	5,146	5,202	5,253	5,291	5,335	5,380
Other private services.....	144,654	158,223	13,181	13,371	13,707	13,894	14,043	13,979	14,052	14,242	14,363	14,685	14,643	14,593	14,727	14,850
Transfers under U.S. military agency sales contracts <sup>2</sup> .....	15,467	19,038	1,702	1,747	1,484	1,407	1,555	1,498	1,513	1,442	1,428	1,452	1,389	1,341	1,293	1,289
U.S. Government miscellaneous services.....	959	1,087	98	97	88	86	86	91	93	93	93	94	94	94	94	94
<b>Imports of goods and services</b> .....	<b>1,763,238</b>	<b>1,991,975</b>	<b>166,734</b>	<b>171,295</b>	<b>175,191</b>	<b>174,008</b>	<b>176,741</b>	<b>181,035</b>	<b>176,531</b>	<b>178,006</b>	<b>179,653</b>	<b>183,978</b>	<b>186,064</b>	<b>187,721</b>	<b>191,567</b>	<b>187,463</b>
<b>Goods</b> .....	<b>1,472,926</b>	<b>1,677,371</b>	<b>140,574</b>	<b>144,676</b>	<b>148,537</b>	<b>147,225</b>	<b>149,648</b>	<b>153,629</b>	<b>148,782</b>	<b>150,070</b>	<b>151,400</b>	<b>155,074</b>	<b>156,967</b>	<b>158,907</b>	<b>162,891</b>	<b>158,738</b>
Foods, feeds, and beverages.....	62,143	68,094	5,735	5,880	5,791	5,895	5,964	6,209	5,958	6,360	6,214	6,065	6,027	6,264	6,469	6,366
Industrial supplies and materials.....	412,827	523,881	44,506	47,082	50,221	49,082	49,320	50,238	49,567	46,434	48,859	52,737	52,072	54,193	55,865	52,292
Capital goods, except automotive.....	343,491	379,227	31,820	32,235	32,156	32,339	32,980	34,145	32,542	34,420	34,519	34,707	34,662	35,378	36,318	35,762
Automotive vehicles, parts, and engines.....	228,195	239,512	20,310	20,170	20,725	20,747	21,136	22,315	21,259	21,007	21,427	20,913	22,212	20,948	21,412	20,999
Consumer goods (nonfood), except automotive.....	372,943	407,168	33,357	34,133	34,531	34,011	35,233	35,190	34,366	36,559	35,365	35,572	36,719	36,832	37,397	37,958
Other goods.....	50,106	55,572	4,536	4,829	4,776	4,827	4,656	5,129	4,757	4,902	4,651	4,723	4,894	4,901	4,994	5,023
Adjustments <sup>1</sup> .....	3,221	3,916	310	347	338	324	360	401	332	388	365	357	381	392	437	337
<b>Services</b> .....	<b>290,312</b>	<b>314,604</b>	<b>26,160</b>	<b>26,619</b>	<b>26,654</b>	<b>26,783</b>	<b>27,093</b>	<b>27,406</b>	<b>27,749</b>	<b>27,936</b>	<b>28,253</b>	<b>28,904</b>	<b>29,097</b>	<b>28,814</b>	<b>28,676</b>	<b>28,725</b>
Travel.....	65,750	69,175	5,677	5,772	5,739	5,620	5,776	5,887	5,685	6,062	6,159	6,313	6,186	6,104	5,912	5,917
Passenger fares.....	23,723	26,066	2,164	2,270	2,204	2,229	2,211	2,214	2,213	2,322	2,355	2,435	2,476	2,343	2,278	2,249
Other transportation.....	54,161	62,107	5,017	5,163	5,348	5,422	5,380	5,521	5,295	5,416	5,353	5,537	5,500	5,510	5,545	5,505
Royalties and license fees.....	23,211	24,501	2,124	2,130	2,052	2,076	2,133	2,031	2,649	2,061	2,155	2,187	2,418	2,265	2,182	2,189
Other private services.....	90,390	98,714	8,324	8,430	8,477	8,605	8,764	8,878	9,011	9,158	9,285	9,473	9,550	9,633	9,764	9,881
Direct defense expenditures <sup>2</sup> .....	29,299	30,062	2,514	2,514	2,503	2,501	2,499	2,544	2,564	2,584	2,609	2,621	2,628	2,620	2,656	2,644
U.S. Government miscellaneous services.....	3,778	3,979	340	340	331	330	330	331	332	333	337	338	339	339	339	340
<b>Memoranda:</b>																
Balance on goods.....	-665,410	-782,740	-64,361	-70,788	-72,573	-69,714	-70,219	-72,224	-68,028	-67,715	-69,568	-71,017	-70,013	-73,450	-74,868	-70,113
Balance on services.....	54,114	66,011	5,619	5,820	5,975	5,712	6,045	5,923	5,285	5,619	5,978	5,610	5,195	5,452	5,910	5,813
Balance on goods and services.....	-611,296	-716,730	-69,980	-76,608	-78,548	-75,426	-76,264	-78,147	-73,313	-73,384	-75,547	-76,627	-75,208	-78,902	-80,778	-75,926

<sup>p</sup> Preliminary

<sup>r</sup> 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. Census Bureau.

Table E.2. U.S. International Transactions

(Millions of dollars)

Line	(Credits +, debits -) <sup>1</sup>	2005	Not seasonally adjusted						Seasonally adjusted					
			2005			2006			2005			2006		
			I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>	I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>
<b>Current account</b>														
1	Exports of goods and services and income receipts .....	1,749,892	411,141	433,516	440,354	464,872	480,005	515,030	415,277	429,326	442,935	462,357	484,396	510,062
2	Exports of goods and services .....	1,275,245	302,781	319,639	318,819	334,007	340,515	359,563	306,580	316,645	320,853	331,165	344,430	355,879
3	Goods, balance of payments basis <sup>2</sup> .....	894,631	212,256	227,524	219,568	235,283	242,020	258,642	214,189	222,591	224,947	232,904	244,512	252,843
4	Services <sup>3</sup> .....	380,614	90,525	92,115	99,251	98,724	98,495	100,921	92,391	94,054	95,906	98,261	99,918	103,036
5	Transfers under U.S. military agency sales contracts <sup>4</sup> .....	19,038	4,679	4,675	5,239	4,446	4,453	4,269	4,679	4,675	5,239	4,446	4,453	4,269
6	Travel .....	81,680	17,786	21,425	23,545	18,924	18,781	22,324	19,983	20,934	20,389	20,374	20,742	21,697
7	Passenger fares .....	20,931	4,664	5,104	5,933	5,229	5,257	5,311	4,890	5,161	5,508	5,371	5,545	5,376
8	Other transportation .....	42,245	9,682	10,358	10,754	11,451	11,394	11,962	10,103	10,353	10,545	11,244	11,588	12,122
9	Royalties and license fees <sup>5</sup> .....	57,410	13,618	13,742	13,958	16,092	14,632	15,390	14,146	13,943	14,397	14,923	15,040	15,601
10	Other private services <sup>5</sup> .....	158,223	39,822	36,549	39,531	42,321	43,701	41,384	38,316	38,726	39,538	41,643	42,273	43,690
11	U.S. Government miscellaneous services .....	1,087	274	262	291	260	277	281	274	262	291	260	277	281
12	Income receipts .....	474,647	108,360	113,877	121,545	130,865	139,490	155,467	108,697	112,681	122,081	131,192	139,966	154,183
13	Income receipts on U.S.-owned assets abroad .....	471,722	107,650	113,147	120,814	130,110	138,762	154,741	107,988	111,952	121,350	130,437	139,238	153,457
14	Direct investment receipts .....	251,370	58,427	61,906	63,889	67,148	68,195	74,368	58,846	60,572	64,476	67,481	68,738	72,911
15	Other private receipts .....	217,637	48,437	50,674	56,247	62,729	69,923	79,831	48,437	50,674	56,247	62,279	69,923	79,831
16	U.S. Government receipts .....	2,715	786	567	678	683	644	542	705	706	627	577	577	715
17	Compensation of employees .....	2,925	709	729	731	755	728	729	709	729	731	755	728	726
18	Imports of goods and services and income payments .....	-2,455,328	-559,425	-606,110	-627,388	-662,406	-657,039	-715,850	-579,764	-599,390	-616,886	-659,290	-678,052	-708,028
19	Imports of goods and services .....	-1,991,975	-454,406	-494,629	-512,645	-530,295	-514,631	-556,733	-474,688	-488,703	-502,645	-525,939	-535,570	-549,696
20	Goods, balance of payments basis <sup>2</sup> .....	-1,677,371	-381,441	-414,071	-430,168	-451,691	-436,132	-467,446	-397,457	-410,811	-423,693	-445,410	-462,441	-463,441
21	Services <sup>3</sup> .....	-314,604	-72,985	-80,558	-82,477	-78,604	-78,499	-89,287	-77,231	-77,892	-78,952	-80,529	-83,089	-86,255
22	Direct defense expenditures .....	-30,062	-7,542	-7,478	-7,539	-7,503	-7,692	-7,858	-7,542	-7,478	-7,539	-7,503	-7,692	-7,858
23	Travel .....	-19,065	-14,860	-19,904	-19,657	-14,754	-15,071	-21,285	-17,270	-17,589	-17,181	-17,135	-17,634	-18,658
24	Passenger fares .....	-26,066	-5,771	-7,007	-7,089	-6,199	-6,159	-7,800	-6,213	-6,555	-6,654	-6,644	-6,749	-7,266
25	Other transportation .....	-62,107	-14,999	-15,352	-15,622	-16,174	-15,553	-16,605	-15,617	-15,135	-15,205	-16,150	-16,232	-16,390
26	Royalties and license fees <sup>5</sup> .....	-24,501	-5,635	-5,737	-6,340	-6,789	-6,552	-6,474	-5,880	-6,004	-6,356	-6,261	-6,741	-6,760
27	Other private services <sup>5</sup> .....	-98,714	-23,188	-24,118	-25,214	-26,194	-26,476	-28,251	-23,699	-24,169	-25,001	-25,845	-27,045	-28,309
28	U.S. Government miscellaneous services .....	-3,979	-1,010	-962	-1,016	-991	-996	-1,014	-1,010	-962	-1,016	-991	-996	-1,014
29	Income payments .....	-463,353	-105,019	-111,481	-114,742	-132,111	-142,408	-159,117	-105,076	-110,687	-114,240	-133,351	-142,482	-158,332
30	Income payments on foreign-owned assets in the United States .....	-454,124	-102,817	-109,299	-112,387	-129,611	-140,126	-156,874	-102,817	-108,403	-111,887	-131,018	-140,132	-155,983
31	Direct investment payments .....	-116,953	-28,490	-30,416	-24,615	-33,432	-34,437	-37,780	-28,490	-29,520	-24,105	-34,839	-34,443	-36,889
32	Other private payments .....	-223,612	-48,786	-51,490	-58,479	-64,857	-72,813	-82,827	-48,786	-51,490	-58,479	-64,857	-72,813	-82,827
33	U.S. Government payments .....	-113,559	-25,541	-27,393	-29,303	-31,322	-32,876	-36,267	-25,541	-27,393	-29,303	-31,322	-32,876	-36,267
34	Compensation of employees .....	-9,229	-2,202	-2,182	-2,345	-2,500	-2,282	-2,243	-2,259	-2,284	-2,353	-2,333	-2,350	-2,349
35	Unilateral current transfers, net .....	-86,072	-27,496	-22,509	-10,140	-25,927	-20,323	-19,398	-27,237	-23,194	-9,484	-26,176	-19,542	-20,444
36	U.S. Government grants <sup>4</sup> .....	-31,362	-9,221	-5,780	-7,270	-9,091	-4,631	-4,940	-9,221	-5,780	-7,270	-9,091	-4,631	-4,940
37	U.S. Government pensions and other transfers .....	-6,303	-1,071	-1,451	-1,909	-1,872	-1,740	-1,275	-1,558	-1,569	-1,584	-1,592	-1,742	-1,753
38	Private remittances and other transfers <sup>6</sup> .....	-48,407	-17,204	-15,278	-961	-14,964	-13,952	-13,183	-16,458	-15,845	-610	-15,493	-13,169	-13,751
<b>Capital and financial account</b>														
<b>Capital account</b>														
39	Capital account transactions, net .....	-4,351	-2,691	-589	-557	-514	-1,756	-882	-2,691	-589	-557	-514	-1,756	-882
<b>Financial account</b>														
40	U.S.-owned assets abroad, net (increase/financial outflow (-)) .....	-426,801	-90,729	-201,345	-138,434	3,708	-361,910	-217,024	-87,391	-196,376	-132,380	-10,656	-355,978	-212,339
41	U.S. official reserve assets, net .....	14,096	5,331	-797	4,766	4,796	513	-560	5,331	-797	4,766	4,796	513	-560
42	Gold <sup>7</sup> .....	4,511	1,713	-97	2,976	-81	-67	-51	1,713	-97	2,976	-81	-67	-51
43	Special drawing rights .....	10,200	3,763	-564	1,951	5,050	729	-351	3,763	-564	1,951	5,050	729	-351
44	Reserve position in the International Monetary Fund .....	-615	-145	-136	-161	-173	-149	-158	-145	-136	-161	-173	-149	-158
45	Foreign currencies .....	5,539	2,591	989	1,501	459	1,049	1,479	2,591	989	1,501	459	1,049	1,479
46	U.S. Government assets, other than official reserve assets, net .....	2,255	-519	-708	-518	-509	-1,517	-373	-519	-708	-518	-509	-1,517	-373
47	U.S. credits and other long-term assets .....	5,603	1,083	1,586	1,957	977	2,558	1,861	1,083	1,586	1,957	977	2,558	1,861
48	Repayments on U.S. credits and other long-term assets <sup>8</sup> .....	2,191	2,027	111	62	-9	8	-9	2,027	111	62	-9	8	-9
49	U.S. foreign currency holdings and U.S. short-term assets, net .....	-446,436	-98,651	-201,537	-144,701	-1,547	-363,472	-217,943	-95,313	-196,568	-138,647	-15,911	-357,540	-213,258
50	U.S. private assets, net .....	-9,072	-34,997	-38,926	-24,288	40,163	-67,183	-51,787	-31,259	-30,342	25,799	-25,799	-47,102	-47,102
51	Foreign securities .....	-180,125	-50,367	-45,702	-36,790	-47,266	-53,692	-52,215	-50,367	-45,702	-36,790	-47,266	-53,692	-52,215
52	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....	-44,221	-67,170	57,244	-29,483	-4,812	-46,190	-32,408	-67,170	57,244	-29,483	-4,812	-46,190	-32,408
53	U.S. claims reported by U.S. banks, not included elsewhere .....	-213,018	53,483	-174,153	-102,716	10,368	-196,407	-81,533	53,483	-174,153	-102,716	10,368	-196,407	-81,533
54	Foreign-owned assets in the United States, net (increase/financial inflow (+)) .....	1,212,250	224,714	348,132	390,846	248,558	528,026	368,557	224,128	346,179	388,592	253,350	527,498	366,397
55	Foreign official assets in the United States, net .....	199,495	18,965	74,613	33,983	71,934	75,697	74,874	18,965	74,613	33,983	71,934	75,697	74,874
56	U.S. Government securities .....	156,450	33,007	36,313	25,926	61,204	66,219	21,553	33,007	36,313	25,926	61,204	66,219	21,553
57	U.S. Treasury securities <sup>9</sup> .....	71,749	9,226	16,892	8,213	37,418	42,156	-8,905	9,226	16,892	8,213	37,418	42,156	-8,905
58	Other <sup>10</sup> .....	84,701	23,781	19,421	17,713	23,796	24,063	30,458	23,781	19,421	17,713	23,781	24,063	30,458
59	Other U.S. Government liabilities <sup>11</sup> .....	-488	-740	112	395	-255	37	637	-740	112	395	-255	37	637
60	U.S. liabilities reported by U.S. banks, not included elsewhere .....	24,275	-15,814	34,187	824	5,078	-821	41,730	-15,814	34,187	824	5,078	-821	41,730
61	Other foreign official assets <sup>12</sup> .....	19,258	2,512	4,001	6,838	5,907	10,262	10,954	2,512	4,001	6,838	5,907	10,262	10,954
62	Other foreign assets in the United States, net .....	1,012,755	205,749	273,519	356,863	176,624	452,329	293,683	205,163	271,566	354,609	181,416	451,801	291,523
63	Direct investment .....	109,754	31,125	10,198	46,713	21,718	45,796	50,573	30,539	8,245	44,459	26,510	45,268	48,413
64	U.S. Treasury securities .....	199,491	86,108	14,103	37,239	62,041	-5,212	10,065	86,108	14,103	37,239	62,041	-5,212	10,065
65	U.S. securities other than U.S. Treasury securities .....	474,140	77,412	111,808	153,049	131,871	186,009	121,556	77,412	111,808	153,049	131,871	186,009	121,556
66	U.S. currency .....	19,416	1,072	4,507	4,679	9,158	1,932	1,127	1,072	4,5				

Table E.3. U.S. International Transactions, by Area—Continues

(Millions of dollars)

Line	(Credits +, debits -) <sup>1</sup>	Europe		European Union <sup>14</sup>		Euro area		United Kingdom	
		2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>
<b>Current account</b>									
1	Exports of goods and services and income receipts	156,753	173,800	135,688	150,706	84,510	93,154	43,232	48,190
2	Exports of goods and services	94,125	102,479	81,447	89,450	54,482	58,762	21,327	24,252
3	Goods, balance of payments basis <sup>2</sup>	56,798	62,297	49,644	54,436	36,418	39,171	10,473	11,909
4	Services <sup>3</sup>	37,327	40,182	31,803	35,014	18,064	19,591	10,854	12,343
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	927	688	610	432	404	293	107	58
6	Travel	5,463	7,294	5,003	6,736	2,400	3,378	2,193	2,800
7	Passenger fares	1,491	1,754	1,342	1,601	708	827	611	695
8	Other transportation	4,205	4,560	3,747	4,070	2,166	2,359	957	1,027
9	Royalties and license fees <sup>5</sup>	7,129	7,347	5,538	5,992	3,906	4,143	1,202	1,359
10	Other private services <sup>5</sup>	18,404	18,467	15,506	16,126	8,449	8,560	5,762	6,382
11	U.S. Government miscellaneous services	72	72	57	57	31	31	22	22
12	Income receipts	62,628	71,321	54,241	61,256	30,028	34,392	21,905	23,938
13	Income receipts on U.S.-owned assets abroad	62,538	71,228	54,162	61,174	29,984	34,347	21,883	23,914
14	Direct investment receipts	28,718	31,976	24,017	26,698	16,892	19,592	6,117	5,881
15	Other private receipts	33,548	39,013	29,971	34,302	12,918	14,603	15,766	18,033
16	U.S. Government receipts	272	239	174	174	174	152		
17	Compensation of employees	90	93	79	82	44	45	22	24
18	Imports of goods and services and income payments	-193,602	-218,727	-171,434	-190,391	-108,532	-120,348	-51,142	-56,661
19	Imports of goods and services	-123,177	-139,539	-106,384	-119,226	-75,568	-83,693	-21,099	-24,584
20	Goods, balance of payments basis <sup>2</sup>	-90,294	-98,839	-78,550	-84,599	-58,914	-62,721	-12,273	-13,929
21	Services <sup>3</sup>	-32,883	-40,700	-27,834	-34,627	-16,654	-20,972	-8,826	-10,655
22	Direct defense expenditures	-3,043	-3,089	-2,633	-2,699	-2,116	-2,149	-382	-370
23	Travel	-3,889	-8,223	-3,513	-7,464	-1,901	-4,778	-1,413	-2,265
24	Passenger fares	-2,799	-4,284	-2,613	-4,008	-1,572	-2,336	-925	-1,460
25	Other transportation	-5,783	-6,360	-5,023	-5,542	-2,874	-3,159	-1,077	-1,163
26	Royalties and license fees <sup>5</sup>	-3,366	-3,914	-2,368	-2,652	-1,738	-2,003	-404	-358
27	Other private services <sup>5</sup>	-13,531	-14,343	-11,315	-11,893	-6,156	-6,248	-4,568	-4,982
28	U.S. Government miscellaneous services	-472	-487	-369	-369	-297	-299	-57	-57
29	Income payments	-70,425	-79,188	-65,050	-71,165	-32,964	-36,655	-30,043	-32,077
30	Income payments on foreign-owned assets in the United States	-70,263	-79,055	-64,922	-71,055	-32,871	-36,572	-30,018	-32,055
31	Direct investment payments	-22,807	-24,845	-23,306	-24,160	-12,081	-13,893	-10,512	-9,223
32	Other private payments	-40,266	-46,364	-35,624	-40,442	-16,884	-18,549	-18,050	-21,159
33	U.S. Government payments	-7,190	-7,846	-5,992	-6,453	-3,906	-4,130	-1,456	-1,673
34	Compensation of employees	-162	-133	-128	-110	-93	-83	-25	-22
35	Unilateral current transfers, net	-3,823	-3,085	-2,964	-2,035	-2,049	-1,510	96	339
36	U.S. Government grants <sup>4</sup>	-549	-625	-30	-27				
37	U.S. Government pensions and other transfers	-428	-433	-397	-403	-285	-280	-67	-69
38	Private remittances and other transfers <sup>6</sup>	-2,846	-2,027	-2,537	-1,605	-1,764	-1,230	163	408
<b>Capital and financial account</b>									
<b>Capital account</b>									
39	Capital account transactions, net	-291	-208	-119	-119	-80	-80	-13	-13
<b>Financial account</b>									
40	U.S.-owned assets abroad, net (increase/financial outflow (-))	-234,756	-99,172	-203,186	-142,473	-57,539	-58,518	-139,842	-82,750
41	U.S. official reserve assets, net	-141	-148	-116	-118	-116	-118		
42	Gold <sup>7</sup>								
43	Special drawing rights								
44	Reserve position in the International Monetary Fund								
45	Foreign currencies	-141	-148	-116	-118	-116	-118		
46	U.S. Government assets, other than official reserve assets, net	321		73	5	64	3	3	-1
47	U.S. credits and other long-term assets	-71	-143	-59	-113				
48	Repayments on U.S. credits and other long-term assets <sup>8</sup>	385	146	128	120	64	3		
49	U.S. foreign currency holdings and U.S. short-term assets, net	7	-3	4	-2			3	-1
50	U.S. private assets, net	-234,936	-99,024	-203,143	-142,360	-57,487	-58,403	-139,845	-82,749
51	Direct investment	-31,024	-19,954	-28,304	-17,209	-20,068	-13,492	-7,730	-2,443
52	Foreign securities	-20,465	-52,936	-20,679	-50,246	366	-15,383	-21,146	-35,163
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-53,757	-36,713	-53,902	-38,186	-14,577	-8,890	-35,341	-34,621
54	U.S. claims reported by U.S. banks, not included elsewhere	-129,690	10,579	-100,258	-36,719	-23,208	-22,638	-75,628	-10,522
55	Foreign-owned assets in the United States, net (increase/financial inflow (+))	331,760	84,692	326,304	112,478	87,266	37,761	241,382	73,033
56	Foreign official assets in the United States, net	21,871	10,657	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
57	U.S. Government securities	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
58	U.S. Treasury securities <sup>9</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
59	Other <sup>10</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
60	Other U.S. Government liabilities <sup>11</sup>	-139	164	-122	93	-28	-30	-26	10
61	U.S. liabilities reported by U.S. banks, not included elsewhere	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
62	Other foreign official assets <sup>12</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
63	Other foreign assets in the United States, net	309,889	74,035	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
64	Direct investment	24,998	36,179	35,107	29,512	30,951	21,147	4,631	7,996
65	U.S. Treasury securities	4,626	-16,596	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
66	U.S. securities other than U.S. Treasury securities	104,052	64,026	97,366	63,220	21,389	17,709	75,532	44,055
67	U.S. currency								
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	93,103	20,528	96,928	20,902	15,966	7,371	80,760	14,000
69	U.S. liabilities reported by U.S. banks, not included elsewhere	83,110	-30,102	<sup>18</sup> 97,025	<sup>18</sup> -1,249	<sup>18</sup> 18,988	<sup>18</sup> -8,436	<sup>18</sup> 80,485	<sup>18</sup> 6,972
70	Statistical discrepancy (sum of above items with sign reversed) <sup>19</sup>	-56,041	62,700	-84,289	71,834	-3,576	49,541	-93,713	17,862
<b>Memoranda:</b>									
71	Balance on goods (lines 3 and 20)	-33,496	-36,542	-28,906	-30,163	-22,496	-23,550	-1,800	-2,020
72	Balance on services (lines 4 and 21)	4,444	-518	3,969	387	1,410	-1,381	2,028	1,688
73	Balance on goods and services (lines 2 and 19)	-29,052	-37,060	-24,937	-29,776	-21,086	-24,931	228	-332
74	Balance on income (lines 12 and 29)	-7,797	-7,867	-10,809	-9,909	-2,936	-2,633	-8,138	-8,139
75	Unilateral current transfers, net (line 35)	-3,823	-3,085	-2,964	-2,035	-2,049	-1,510	96	339
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-40,672	-48,012	-38,710	-41,720	-26,071	-28,704	-7,814	-8,132

p Preliminary  
r Revised  
See the footnotes on page D-63.

Source: Table 11 in "U.S. International Transactions: Second Quarter of 2006" in the October 2006 Survey of Current Business.

Table E.3. U.S. International Transactions, by Area—Continues

(Millions of dollars)

Line	(Credits +, debits -) <sup>1</sup>	Canada		Latin America and Other Western Hemisphere		Mexico <sup>15</sup>		Asia and Pacific		Australia	
		2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>	2006:I <sup>r</sup>	2006:II <sup>p</sup>
<b>Current account</b>											
1	<b>Exports of goods and services and income receipts</b>	<b>76,016</b>	<b>81,834</b>	<b>99,706</b>	<b>106,150</b>	<b>40,773</b>	<b>42,805</b>	<b>113,305</b>	<b>117,193</b>	<b>9,003</b>	<b>9,314</b>
2	Exports of goods and services	65,866	70,102	68,151	71,652	37,825	39,672	92,051	94,030	6,061	6,223
3	Goods, balance of payments basis <sup>2</sup>	56,125	60,484	52,636	55,520	32,634	34,018	64,022	67,237	4,104	4,101
4	Services <sup>3</sup>	9,741	9,618	15,515	16,132	5,191	5,654	28,029	26,793	1,957	2,122
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	52	45	195	189	1	2	1,094	906	83	78
6	Travel	2,946	3,048	4,111	4,706	1,608	1,821	5,655	6,429	465	628
7	Passenger fares	822	839	1,392	1,424	469	525	1,495	1,207	117	150
8	Other transportation	779	849	1,364	1,408	366	415	4,039	4,097	88	87
9	Royalties and license fees <sup>5</sup>	1,123	1,226	1,015	1,071	338	400	4,659	4,995	246	324
10	Other private services <sup>5</sup>	3,987	3,579	7,400	7,294	2,405	2,487	10,995	9,068	953	850
11	U.S. Government miscellaneous services	32	32	38	39	4	4	92	91	5	5
12	Income receipts	10,150	11,732	31,555	34,498	2,948	3,133	21,254	23,163	2,942	3,091
13	Income receipts on U.S.-owned assets abroad	10,118	11,697	31,504	34,448	2,940	3,125	21,157	23,066	2,935	3,084
14	Direct investment receipts	6,085	7,178	11,619	11,702	2,074	2,194	13,521	14,842	1,774	1,803
15	Other private receipts	4,033	4,519	19,858	22,668	863	929	7,533	8,136	1,161	1,281
16	U.S. Government receipts			27	78	3	2	103	88		
17	Compensation of employees	32	35	51	50	8	8	97	97	7	7
18	<b>Imports of goods and services and income payments</b>	<b>-89,712</b>	<b>-91,537</b>	<b>-121,270</b>	<b>-129,724</b>	<b>-54,918</b>	<b>-58,235</b>	<b>-204,655</b>	<b>-220,947</b>	<b>-4,583</b>	<b>-5,232</b>
19	Imports of goods and services	-83,529	-85,143	-94,815	-99,217	-52,050	-55,059	-172,167	-185,473	-3,066	-3,391
20	Goods, balance of payments basis <sup>2</sup>	-78,283	-78,711	-80,826	-84,940	-48,052	-51,173	-153,058	-164,825	-1,826	-2,021
21	Services <sup>3</sup>	-5,246	-6,432	-13,989	-14,277	-3,998	-3,886	-19,109	-20,648	-1,240	-1,370
22	Direct defense expenditures	-64	-60	-65	-67	-4	-4	-1,347	-1,270	-60	-40
23	Travel	-1,057	-1,975	-6,021	-5,946	-2,804	-2,611	-3,395	-4,244	-291	-308
24	Passenger fares	-87	-106	-754	-787	-248	-252	-2,216	-2,232	-254	-236
25	Other transportation	-1,140	-1,222	-1,682	-1,604	-255	-286	-5,535	-6,010	-85	-87
26	Royalties and license fees <sup>5</sup>	-186	-199	-314	-313	(D)	(D)	-1,988	-1,969	-60	-66
27	Other private services <sup>5</sup>	-2,613	-2,780	-5,017	-5,413	-601	-649	-4,465	-4,761	-471	-616
28	U.S. Government miscellaneous services	-89	-90	-136	-137	(D)	(D)	-163	-162	-19	-17
29	Income payments	-6,183	-6,394	-26,455	-30,507	-2,868	-3,176	-32,488	-35,474	-1,517	-1,841
30	Income payments on foreign-owned assets in the United States	-6,067	-6,280	-24,795	-28,739	-1,254	-1,445	-32,200	-35,281	-1,513	-1,837
31	Direct investment payments	-3,286	-3,178	-832	-1,714	-40	-2	-4,765	-5,087	-694	-844
32	Other private payments	-2,275	-2,475	-20,454	-23,182	-523	-627	-7,140	-7,881	-607	-772
33	U.S. Government payments	-506	-627	-3,509	-3,843	-691	-816	-20,295	-22,313	-212	-221
34	Compensation of employees	-116	-114	-1,660	-1,768	-1,614	-1,731	-288	-193	-4	-4
35	<b>Unilateral current transfers, net</b>	<b>889</b>	<b>-3</b>	<b>-5,903</b>	<b>-5,875</b>	<b>-2,875</b>	<b>-2,846</b>	<b>-2,486</b>	<b>-2,482</b>	<b>-76</b>	<b>-46</b>
36	U.S. Government grants <sup>4</sup>			-421	-530	-10	-8	-605	-357		
37	U.S. Government pensions and other transfers	-155	-159	-184	-193	-69	-70	-184	-178	-17	-17
38	Private remittances and other transfers <sup>5</sup>	1,044	156	-5,298	-5,152	-2,796	-2,768	-2,697	-1,947	-58	-29
<b>Capital and financial account</b>											
<b>Capital account</b>											
39	<b>Capital account transactions, net</b>	<b>5</b>	<b>30</b>	<b>-61</b>	<b>-38</b>	<b>-20</b>	<b>-20</b>	<b>-213</b>	<b>-208</b>	<b>-8</b>	<b>-8</b>
<b>Financial account</b>											
40	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	<b>-11,562</b>	<b>-23,576</b>	<b>-84,813</b>	<b>-65,305</b>	<b>-3,903</b>	<b>-2,742</b>	<b>-24,478</b>	<b>-13,945</b>	<b>-4,219</b>	<b>-4,867</b>
41	U.S. official reserve assets, net							-8	-10		
42	Gold										
43	Special drawing rights										
44	Reserve position in the International Monetary Fund										
45	Foreign currencies							-8	-10		
46	U.S. Government assets, other than official reserve assets, net			324	171	11	7	249	162		
47	U.S. credits and other long-term assets			-8	-63		-3	-74	-6		
48	Repayments on U.S. credits and other long-term assets <sup>6</sup>			330	242	11	11	327	162		
49	U.S. foreign currency holdings and U.S. short-term assets, net			2	-8		-1	-4	6		
50	U.S. private assets, net	-11,562	-23,576	-85,137	-65,476	-3,914	-2,749	-24,719	-14,097	-4,219	-4,867
51	Direct investment	-5,292	-5,548	-13,273	-6,073	-1,353	-982	-10,920	-12,443	-1,395	-1,898
52	Foreign securities	-7,163	-1,931	-4,485	-1,340	-2,977	735	-18,005	6,391	-1,161	-2,350
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	163	-408	5,438	5,423	572	531	1,892	246	407	666
54	U.S. claims reported by U.S. banks, not included elsewhere	730	-15,689	-72,817	-63,486	-156	-3,033	2,314	-8,291	-2,070	-1,285
55	<b>Foreign-owned assets in the United States, net (increase/financial inflow (+))</b>	<b>22,053</b>	<b>21,416</b>	<b>82,981</b>	<b>134,850</b>	<b>7,760</b>	<b>12,145</b>	<b>62,034</b>	<b>104,137</b>	<b>6,529</b>	<b>8,031</b>
56	Foreign official assets in the United States, net	124	-451	8,412	11,692	( <sup>18</sup> )	( <sup>18</sup> )	33,520	35,149	( <sup>18</sup> )	( <sup>18</sup> )
57	U.S. Government securities	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
58	U.S. Treasury securities <sup>9</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
59	Other <sup>10</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
60	Other U.S. Government liabilities <sup>11</sup>	27	44	57	-44	1	-2	87	376	31	237
61	U.S. liabilities reported by U.S. banks, not included elsewhere	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
62	Other foreign official assets <sup>12</sup>	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
63	Other foreign assets in the United States, net	21,929	21,867	74,569	123,158	( <sup>18</sup> )	( <sup>18</sup> )	28,514	68,988	( <sup>18</sup> )	( <sup>18</sup> )
64	Direct investment	5,892	803	596	4,262	582	514	( <sup>17</sup> )	6,226	650	532
65	U.S. Treasury securities	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>18</sup> )	( <sup>18</sup> )
66	U.S. securities other than U.S. Treasury securities	9,492	7,647	31,970	11,304	2,106	681	38,143	35,798	4,110	2,981
67	U.S. currency										
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	528	179	( <sup>17</sup> )	( <sup>17</sup> )	-189	101
69	U.S. liabilities reported by U.S. banks, not included elsewhere	-2,144	6,443	77,113	104,491	<sup>18</sup> 4,543	<sup>18</sup> 10,773	-7,939	7,054	<sup>18</sup> 1,927	<sup>18</sup> 4,180
70	<b>Statistical discrepancy (sum of above items with sign reversed) <sup>19</sup></b>	<b>2,311</b>	<b>11,836</b>	<b>29,359</b>	<b>-40,058</b>	<b>13,183</b>	<b>8,893</b>	<b>57,493</b>	<b>16,252</b>	<b>-6,646</b>	<b>-7,192</b>
<b>Memoranda:</b>											
71	Balance on goods (lines 3 and 20)	-22,158	-18,227	-28,190	-29,420	-15,418	-17,155	-89,036	-97,588	2,278	2,080
72	Balance on services (lines 4 and 21)	4,495	3,186	1,527	1,855	1,193	1,768	8,920	6,145	717	752
73	Balance on goods and services (lines 2 and 19)	-17,663	-15,041	-26,663	-27,565	-14,225	-15,387	-80,116	-91,443	2,995	2,832
74	Balance on income (lines 12 and 29)	3,967	5,338	5,100	3,991	80	-43	-11,234	-12,311	1,425	1,250
75	Unilateral current transfers, net (line 35)	889	-3	-5,903	-5,875	-2,875	-2,846	-2,486	-2,482	-76	-46
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-12,807	-9,706	-27,466	-29,449	-17,020	-18,276	-94,836	-106,236	4,344	4,036

See the footnotes on page D-63.

Table E.3. U.S. International Transactions, by Area—Table Ends

[Millions of dollars]

Line	(Credits +, debits -) <sup>1</sup>	China		India		Japan		Middle East		Africa	
		2006:I <sup>1</sup>	2006:II <sup>2</sup>	2006:I <sup>1</sup>	2006:II <sup>2</sup>	2006:I <sup>1</sup>	2006:II <sup>2</sup>	2006:I <sup>1</sup>	2006:II <sup>2</sup>	2006:I <sup>1</sup>	2006:II <sup>2</sup>
<b>Current account</b>											
1	<b>Exports of goods and services and income receipts</b>	16,303	16,842	4,455	4,365	31,361	31,733	14,974	15,575	7,772	8,445
2	Exports of goods and services	15,096	15,493	3,871	3,747	24,930	25,095	13,074	13,593	5,916	6,270
3	Goods, balance of payments basis <sup>2</sup>	12,483	13,172	2,120	2,544	13,886	14,232	8,677	8,994	3,762	4,110
4	Services <sup>3</sup>	2,613	2,321	1,751	1,203	11,044	10,863	4,397	4,599	2,154	2,160
5	Transfers under U.S. military agency sales contracts <sup>4</sup>	( <sup>1</sup> )	( <sup>1</sup> )	1	3	144	163	1,796	1,988	332	400
6	Travel	293	298	332	522	3,146	3,122	394	504	212	343
7	Passenger fares	95	80	158	6	1,046	844	51	76	6	11
8	Other transportation	565	613	110	107	1,138	1,108	510	538	201	178
9	Royalties and license fees <sup>5</sup>	310	322	58	65	2,147	2,326	100	107	143	144
10	Other private services <sup>6</sup>	1,344	1,002	1,080	488	3,399	3,277	1,522	1,360	1,241	1,065
11	U.S. Government miscellaneous services	6	6	12	12	24	23	24	28	19	19
12	Income receipts	1,207	1,349	584	618	6,431	6,638	1,900	1,982	1,856	2,175
13	Income receipts on U.S.-owned assets abroad	1,198	1,340	580	614	6,412	6,619	1,876	1,958	1,838	2,157
14	Direct investment receipts	934	1,103	386	414	2,701	2,622	1,371	1,402	1,402	1,771
15	Other private receipts	242	227	188	196	3,703	3,987	478	540	287	315
16	U.S. Government receipts	22	10	6	4	8	10	27	16	149	71
17	Compensation of employees	9	9	4	4	19	19	24	24	18	18
18	<b>Imports of goods and services and income payments</b>	-68,959	-78,191	-6,604	-6,361	-57,371	-60,181	-22,583	-26,862	-19,213	-22,607
19	Imports of goods and services	-61,399	-69,640	-6,350	-6,086	-41,592	-43,405	-20,432	-24,138	-18,777	-22,152
20	Goods, balance of payments basis <sup>2</sup>	-59,816	-67,720	-5,265	-5,109	-35,460	-36,598	-16,013	-19,231	-17,658	-20,900
21	Services <sup>3</sup>	-1,583	-1,920	-1,085	-977	-6,132	-6,807	-4,419	-4,907	-1,119	-1,252
22	Direct defense expenditures	-1	-1	-1	-1	-368	-370	-3,094	-3,295	-79	-77
23	Travel	-419	-638	-517	-431	-618	-924	-318	-465	-391	-432
24	Passenger fares	-103	-128	-43	-54	-328	-361	-179	-238	-114	-143
25	Other transportation	-818	-889	-93	-68	-1,618	-1,825	-272	-318	-80	-74
26	Royalties and license fees <sup>5</sup>	-12	-16	-4	-5	-1,875	-1,832	-28	-29	-3	-2
27	Other private services <sup>6</sup>	-223	-241	-422	-413	-1,288	-1,458	-455	-487	-391	-463
28	U.S. Government miscellaneous services	-7	-7	-5	-5	-37	-37	-73	-75	-61	-61
29	Income payments	-7,560	-8,551	-254	-275	-15,779	-16,776	-2,151	-2,724	-436	-455
30	Income payments on foreign-owned assets in the United States	-7,460	-8,470	-197	-243	-15,744	-16,753	-2,131	-2,712	-400	-432
31	Direct investment payments	18	-29	-1	-1	-3,766	-4,012	-185	-412	-30	-22
32	Other private payments	-1,072	-1,188	-91	-101	-2,909	-3,059	-959	-1,096	-226	-237
33	U.S. Government payments	-6,406	-7,253	-105	-141	-9,069	-9,682	-987	-1,204	-144	-173
34	Compensation of employees	-100	-81	-57	-32	-35	-23	-20	-12	-36	-23
35	<b>Unilateral current transfers, net</b>	-565	-424	-621	-414	190	343	-2,236	-2,602	-1,479	-1,072
36	U.S. Government grants <sup>4</sup>			-51	-25			-1,388	-1,766	-734	-430
37	U.S. Government pensions and other transfers	-1	-1	-5	-6	-43	-42	-32	-32	-8	-7
38	Private remittances and other transfers <sup>6</sup>	-564	-423	-565	-383	233	385	-816	-804	-737	-635
<b>Capital and financial account</b>											
<b>Capital account</b>											
39	<b>Capital account transactions, net</b>	-37	-37	-51	-50	3	3	-78	-78	-1,118	-375
<b>Financial account</b>											
40	<b>U.S.-owned assets abroad, net (increase/financial outflow (-))</b>	176	-866	74	-1,648	-7,164	5,431	1,037	-5,807	-236	-1,070
41	U.S. official reserve assets, net					-8	-10				
42	Gold <sup>7</sup>										
43	Special drawing rights										
44	Reserve position in the International Monetary Fund										
45	Foreign currencies					-8	-10				
46	U.S. Government assets, other than official reserve assets, net	43	23	24	23	-1	1	77	35	1,252	1,148
47	U.S. credits and other long-term assets							-1	-6	-188	-125
48	Repayments on U.S. credits and other long-term assets <sup>8</sup>	44	22	30	21			79	38	1,437	1,273
49	U.S. foreign currency holdings and U.S. short-term assets, net	-1	1	-6	2	-1	1	-1	3	3	
50	U.S. private assets, net	133	-889	50	-1,671	-7,155	5,440	960	-5,842	-1,488	-2,218
51	Direct investment	90	-870	-602	-422	-1,924	-2,235	-893	-1,056	-302	-1,216
52	Foreign securities	1,689	2,613	382	-1,389	-2,494	8,058	-2,057	-350	-1,049	-1,035
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	369	-27	-7	-178	84	-167	135	-1,068	-59	121
54	U.S. claims reported by U.S. banks, not included elsewhere	-2,015	-2,605	277	318	-2,821	-216	3,775	-3,368	-78	-88
55	<b>Foreign-owned assets in the United States, net (increase/financial inflow (+))</b>	43,502	65,840	-1,199	2,221	-14,894	13,298	24,611	19,074	-921	2,826
56	Foreign official assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	13,195	15,089	-1,442	2,726
57	U.S. Government securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
58	U.S. Treasury securities <sup>9</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
59	Other <sup>10</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
60	Other U.S. Government liabilities <sup>11</sup>	-2		2	-1	-6	48	47	203	-59	-108
61	U.S. liabilities reported by U.S. banks, not included elsewhere	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
62	Other foreign official assets <sup>12</sup>	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
63	Other foreign assets in the United States, net	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	11,416	9,375	521	100
64	Direct investment	-160	-68	7	1	2,205	4,621	( <sup>17</sup> )	450	-14	131
65	U.S. Treasury securities	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>18</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
66	U.S. securities other than U.S. Treasury securities	6,631	10,275	-65	117	8,895	11,972	1,779	2,430	166	479
67	U.S. currency										
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-52	304	146	9	-10	646	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
69	U.S. liabilities reported by U.S. banks, not included elsewhere	<sup>18</sup> 37,085	<sup>18</sup> 55,329	<sup>18</sup> -1,289	<sup>18</sup> 2,095	<sup>18</sup> -25,978	<sup>18</sup> -3,989	-2,090	372	80	-1,247
70	<b>Statistical discrepancy (sum of above items with sign reversed) <sup>19</sup></b>	9,580	-3,164	3,946	1,887	47,875	9,373	-15,725	700	15,195	13,853
<b>Memoranda:</b>											
71	Balance on goods (lines 3 and 20)	-47,333	-54,548	-3,145	-2,565	-21,574	-22,366	-7,336	-10,237	-13,896	-16,790
72	Balance on services (lines 4 and 21)	1,030	401	666	226	4,912	4,056	-22	-308	1,035	908
73	Balance on goods and services (lines 2 and 19)	-46,303	-54,147	-2,479	-2,339	-16,662	-18,310	-7,358	-10,545	-12,861	-15,882
74	Balance on income (lines 12 and 29)	-6,353	-7,202	330	343	-9,348	-10,138	-251	-742	1,420	1,720
75	Unilateral current transfers, net (line 35)	-565	-424	-621	-414	190	343	-2,236	-2,602	-1,479	-1,072
76	Balance on current account (lines 1, 18, and 35 or lines 73, 74, and 75) <sup>13</sup>	-53,221	-61,773	-2,770	-2,410	-25,820	-28,105	-9,845	-13,889	-12,920	-15,234

See the footnotes on page D-63.

**Table E.4. Private Services Transactions**  
[Millions of dollars]

Line	2005	Not seasonally adjusted						Seasonally adjusted					
		2005			2006			2005			2006		
		I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>	I	II	III	IV	I <sup>r</sup>	II <sup>p</sup>
<b>Exports of private services</b>	<b>360,489</b>	<b>85,572</b>	<b>87,178</b>	<b>93,721</b>	<b>94,018</b>	<b>93,765</b>	<b>96,371</b>	<b>87,438</b>	<b>89,117</b>	<b>90,377</b>	<b>93,555</b>	<b>95,188</b>	<b>98,486</b>
1 Travel (table E.2, line 6)	81,680	17,786	21,425	23,545	18,924	18,781	22,324	19,983	20,934	20,389	20,374	20,742	21,697
2 Passenger fares (table E.2, line 7)	20,931	4,664	5,104	5,933	5,229	5,257	5,311	4,890	5,161	5,508	5,371	5,545	5,376
3 Other transportation (table E.2, line 8)	42,245	9,682	10,358	10,754	11,451	11,394	11,962	10,103	10,353	10,545	11,244	11,588	12,122
4 Freight	17,340	4,215	4,317	4,307	4,501	4,330	4,573	4,283	4,257	4,332	4,468	4,402	4,507
5 Port services	24,905	5,467	6,041	6,447	6,950	7,064	7,389	5,820	6,096	6,213	6,776	7,186	7,615
6 Royalties and license fees (table E.2, line 9)	57,410	13,618	13,742	13,958	16,092	14,632	15,390	14,146	13,943	14,397	14,923	15,040	15,601
7 Affiliated	42,106	10,012	10,131	10,105	11,858	10,550	11,120	10,540	10,332	10,544	10,689	10,958	11,331
8 U.S. parents' receipts	37,939	9,317	9,313	9,383	9,926	9,218	9,958	9,554	9,343	9,663	9,380	9,457	9,993
9 U.S. affiliates' receipts	4,167	695	818	722	1,332	1,332	1,162	986	889	881	1,309	1,501	1,338
10 Unaffiliated	15,304	3,606	3,611	3,853	4,234	4,082	4,270	3,606	3,611	3,853	4,234	4,082	4,270
11 Industrial processes <sup>1</sup>	6,633	1,684	1,544	1,762	1,643	1,905	1,915	1,684	1,544	1,762	1,643	1,905	1,915
12 Other <sup>2</sup>	8,671	1,922	2,067	2,091	2,591	2,177	2,355	1,922	2,067	2,091	2,591	2,177	2,355
13 Other private services (table E.2, line 10)	158,223	39,822	36,549	39,531	42,321	43,701	41,384	38,316	38,726	39,538	41,643	42,273	43,690
14 Affiliated services	49,389	11,634	11,733	11,863	14,159	12,921	13,691	12,203	12,075	12,318	12,793	13,553	14,104
15 U.S. parents' receipts	29,506	7,090	7,196	6,968	8,252	7,387	7,747	7,358	7,281	7,307	7,559	7,664	7,836
16 U.S. affiliates' receipts	19,883	4,544	4,537	4,895	5,907	5,534	5,944	4,845	4,794	5,011	5,234	5,889	6,268
17 Unaffiliated services	108,834	28,188	24,816	27,668	28,162	30,780	27,693	26,113	26,651	27,220	28,850	28,720	29,586
18 Education	14,123	5,830	1,749	3,932	2,612	5,961	1,778	3,498	3,517	3,549	3,560	3,576	3,592
19 Financial services	29,281	6,809	6,924	7,355	8,193	8,415	8,819	6,809	6,924	7,355	8,193	8,415	8,819
20 Insurance, net	6,831	1,642	1,714	1,852	1,909	1,997	1,642	1,623	1,714	1,852	1,909	1,997	1,997
21 Telecommunications	4,724	1,157	1,207	1,265	1,095	1,183	1,191	1,157	1,207	1,265	1,095	1,183	1,191
22 Business, professional, and technical services	39,491	8,846	9,612	10,098	10,935	9,930	10,327	9,019	9,658	10,103	10,712	10,162	10,387
23 Other unaffiliated services <sup>3</sup>	14,384	3,904	3,701	3,304	3,475	3,382	3,582	3,987	3,723	3,235	3,439	3,475	3,601
24 <b>Imports of private services</b>	<b>280,563</b>	<b>64,413</b>	<b>72,118</b>	<b>73,922</b>	<b>70,110</b>	<b>69,811</b>	<b>80,415</b>	<b>68,679</b>	<b>69,452</b>	<b>70,397</b>	<b>72,035</b>	<b>74,401</b>	<b>77,383</b>
25 Travel (table E.2, line 23)	69,175	14,860	19,904	19,657	14,754	15,071	21,285	17,270	17,589	17,181	17,135	17,634	18,658
26 Passenger fares (table E.2, line 24)	26,066	5,771	7,007	7,089	6,199	6,159	7,800	6,213	6,555	6,654	6,644	6,749	7,266
27 Other transportation (table E.2, line 25)	62,107	14,959	15,352	15,622	16,174	15,553	16,605	15,617	15,135	15,205	16,150	16,232	16,390
28 Freight	44,156	10,834	10,896	10,934	11,492	11,068	11,494	11,373	10,695	10,641	11,447	11,630	11,293
29 Port services	17,951	4,125	4,456	4,688	4,682	4,485	5,111	4,244	4,440	4,564	4,703	4,602	5,097
30 Royalties and license fees (table E.2, line 26)	24,501	5,635	5,737	6,340	6,789	6,552	6,474	5,880	6,004	6,356	6,261	6,741	6,760
31 Affiliated	20,360	4,622	4,708	5,305	5,725	4,869	5,118	4,867	4,975	5,321	5,197	5,058	5,404
32 U.S. parents' payments	3,155	733	782	811	829	806	846	733	782	811	829	806	846
33 U.S. affiliates' payments	17,205	3,889	3,926	4,494	4,896	4,063	4,272	4,134	4,193	4,510	4,368	4,252	4,558
34 Unaffiliated	4,141	1,013	1,029	1,035	1,064	1,683	1,356	1,013	1,029	1,035	1,064	1,683	1,356
35 Industrial processes <sup>1</sup>	2,747	701	677	677	692	689	750	701	677	677	692	689	750
36 Other <sup>2</sup>	1,394	312	352	358	372	994	606	312	352	358	372	994	606
37 Other private services (table E.2, line 27)	98,714	23,188	24,118	25,214	26,194	26,476	28,251	23,699	24,169	25,001	25,845	27,045	28,309
38 Affiliated services	38,989	8,800	9,387	9,653	11,149	11,169	12,069	9,110	9,445	9,734	10,700	11,509	12,139
39 U.S. parents' payments	22,245	5,274	5,513	5,457	6,001	5,787	6,625	5,584	5,571	5,538	5,552	6,127	6,695
40 U.S. affiliates' payments	16,744	3,526	3,874	4,196	5,148	5,382	5,444	3,526	3,874	4,196	5,148	5,382	5,444
41 Unaffiliated services	59,725	14,388	14,731	15,561	15,045	15,307	16,182	14,589	14,724	15,267	15,145	15,536	16,170
42 Education	4,029	755	1,002	1,318	954	860	1,144	956	995	1,024	1,054	1,089	1,131
43 Financial services	6,549	1,540	1,626	1,668	1,715	1,811	1,911	1,540	1,626	1,668	1,715	1,811	1,911
44 Insurance, net	28,482	7,167	6,896	7,359	7,060	7,545	7,790	7,167	6,896	7,359	7,060	7,545	7,790
45 Telecommunications	4,658	1,109	1,159	1,259	1,131	1,029	1,058	1,109	1,159	1,259	1,131	1,029	1,058
46 Business, professional, and technical services	14,516	3,511	3,659	3,582	3,764	3,711	3,928	3,511	3,659	3,582	3,764	3,711	3,928
47 Other unaffiliated services <sup>3</sup>	1,493	306	390	375	422	353	351	306	390	375	422	353	351
<b>Supplemental data on insurance transactions:</b>													
48 Premiums received <sup>4</sup>	18,409	4,201	4,176	4,675	5,357	5,459	5,512	4,201	4,176	4,675	5,357	5,459	5,512
49 Actual losses paid	14,625	3,242	3,586	3,838	3,959	3,787	3,775	3,242	3,586	3,838	3,959	3,787	3,775
50 Premiums paid <sup>4</sup>	63,997	16,000	15,308	16,807	15,882	15,051	15,019	16,000	15,308	16,807	15,882	15,051	15,019
51 Actual losses recovered	43,867	6,804	6,967	22,591	7,505	7,783	8,165	6,804	6,967	22,591	7,505	7,783	8,165
<b>Memoranda:</b>													
52 Balance on goods (table E.2, line 71)	-782,740	-169,185	-186,547	-210,600	-216,408	-194,112	-208,804	-183,268	-188,220	-198,746	-212,506	-207,969	-210,598
53 Balance on private services (line 1 minus line 25)	79,926	21,159	15,606	19,799	23,908	23,954	15,956	18,759	19,665	19,980	21,521	20,787	21,103
54 Balance on goods and private services (lines 53 and 54)	-702,814	-148,026	-171,487	-190,801	-192,500	-170,158	-192,848	-164,509	-168,555	-178,766	-190,985	-187,182	-189,495

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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.

Source: Table 3 in "U.S. International Transactions: Second Quarter of 2006" in the October Issue of the SURVEY OF CURRENT BUSINESS.

**Footnotes to Tables E.2. and E.3.**

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 tables 2a and 2b in "U.S. International Transactions, First Quarter of 2006" in the July 2006 Survey of Current Business.

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 in "U.S. International Transactions, First Quarter of 2006" in the July 2006 Survey.

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 nonresident 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 the Survey. 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 to Table E.3:**

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 (not shown here), 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.

## F. Investment Tables

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

[Millions of dollars]

Line	Type of investment	Position, 2004 <sup>r</sup>	Changes in position in 2005				Total (a+b+c+d)	Position, 2005 <sup>r</sup>
			Attributable to					
			Financial flows	Valuation adjustments				
				Price changes	Exchange-rate changes <sup>1</sup>	Other changes <sup>2</sup>		
(a)	(b)	(c)	(d)	(a+b+c+d)				
<b>Net international investment position of the United States:</b>								
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
<b>U.S.-owned assets abroad:</b>								
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		<sup>3</sup> 20,241		<sup>4</sup> -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 <sup>5</sup> .....	80,308	-3,348				-3,348	76,960
12	Repayable in dollars.....	80,035	-3,348				-3,348	76,687
13	Other <sup>6</sup> .....	273						273
14	U.S. foreign currency holdings and U.S. short-term assets.....	2,754	-2,191				-2,191	563
<b>U.S. private assets:</b>								
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
<b>Direct investment abroad:</b>								
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
<b>Foreign-owned assets in the United States:</b>								
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
26	Foreign official assets in the United States.....	2,001,407	199,495	-26,059		41,280	214,716	2,216,123
27	U.S. Government securities.....	1,499,293	156,450	-28,661		22,315	150,104	1,649,397
28	U.S. Treasury securities.....	1,241,250	71,749	-21,682		-2,436	47,631	1,288,881
29	Other.....	258,043	84,701	-6,979		24,751	102,473	360,516
30	Other U.S. Government liabilities <sup>7</sup> .....	16,488	-488				-488	16,000
31	U.S. liabilities reported by U.S. banks, not included elsewhere.....	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
<b>Other foreign assets:</b>								
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
<b>Direct investment in the United States:</b>								
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

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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/monetizations 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.

Source: Table F in "The International Investment Position of the United States at Yearend 2005" in the July 2006 Survey of Current Business.



Table F.2. U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 2002-2005

[Millions of dollars]

	Direct investment position on a historical-cost basis				Capital outflows without current-cost adjustment (inflows(-))				Income without current-cost adjustment and net of withholding taxes			
	2002	2003	2004	2005	2002	2003	2004	2005	2002	2003	2004	2005
<b>All countries, all industries</b> .....	<b>1,616,548</b>	<b>1,769,613</b>	<b>2,051,204</b>	<b>2,069,983</b>	<b>134,946</b>	<b>129,352</b>	<b>222,437</b>	<b>-12,714</b>	<b>124,940</b>	<b>165,203</b>	<b>203,484</b>	<b>227,864</b>
<b>By country of foreign affiliate</b>												
Canada .....	166,473	187,953	212,829	234,831	15,003	17,340	23,255	16,789	13,297	15,826	21,979	22,259
Europe .....	859,378	976,889	1,104,886	1,059,443	79,492	87,509	99,284	-37,488	64,777	86,480	97,996	105,990
<i>Of which:</i>												
France .....	43,348	51,229	61,200	60,860	4,604	1,074	8,385	859	2,699	4,034	4,816	4,565
Germany .....	61,073	72,262	83,588	86,319	2,416	4,376	8,960	7,140	2,977	4,584	6,237	6,716
Ireland .....	51,598	60,604	63,983	61,596	10,700	7,408	3,991	-3,025	6,355	9,134	11,287	12,411
Netherlands .....	158,415	186,366	204,319	181,384	14,790	15,502	13,810	-28,503	11,756	16,595	18,548	20,383
Switzerland .....	74,229	92,750	106,849	83,424	7,924	14,462	9,281	-11,821	10,921	12,643	12,613	11,636
United Kingdom .....	247,952	277,246	312,156	323,796	15,265	26,738	26,604	10,873	11,043	13,829	16,601	19,924
Latin America and Other Western Hemisphere .....	289,413	297,222	330,468	353,011	15,192	3,901	18,812	-10,545	16,583	24,480	31,850	39,301
<i>Of which:</i>												
Bermuda .....	89,473	84,508	86,547	90,358	4,313	-3,778	2,254	-10,169	4,569	7,089	7,799	8,230
Brazil .....	27,598	29,553	30,226	32,420	-266	-290	1,418	1,183	837	1,465	2,481	3,521
Mexico .....	56,303	56,851	63,502	71,423	7,656	3,664	6,361	6,771	3,834	5,343	7,294	8,628
United Kingdom Islands, Caribbean .....	48,305	61,882	80,824	85,295	6,146	3,314	6,480	-11,470	4,161	5,388	5,657	7,710
Africa .....	16,040	19,835	21,414	24,257	-578	2,697	1,325	2,066	1,895	3,156	4,540	5,284
Middle East .....	15,158	16,885	18,775	21,591	2,559	1,315	1,352	3,467	1,891	2,640	3,717	4,670
Asia and Pacific .....	270,066	270,830	362,833	376,849	23,277	16,592	78,409	12,999	26,498	32,621	43,402	50,361
<i>Of which:</i>												
Australia .....	39,074	48,447	(D)	113,385	8,036	7,717	(D)	(D)	2,037	3,406	5,088	5,624
Hong Kong .....	40,329	36,426	34,848	37,884	1,226	-689	(D)	4,168	3,906	3,718	4,981	5,066
Japan .....	66,468	57,794	68,071	75,491	8,711	867	9,198	7,636	7,146	8,103	9,998	11,205
Singapore .....	50,955	51,053	57,075	48,051	530	5,446	(D)	-10,406	4,438	5,987	8,089	10,726
<b>By industry of foreign affiliate</b>												
Mining .....	81,822	85,473	102,058	114,386	6,732	3,930	14,059	11,378	8,915	11,189	16,869	22,225
Manufacturing .....	337,741	371,078	414,353	451,402	32,277	31,207	53,680	38,765	26,411	34,594	47,910	49,782
Food .....	19,236	27,692	29,452	31,524	3,184	3,420	1,391	2,921	2,604	3,631	3,810	3,956
Chemicals .....	82,543	91,435	99,435	109,354	8,087	6,983	11,336	9,078	8,632	9,921	12,930	14,403
Primary and fabricated metals .....	20,790	21,349	23,629	21,671	1,340	-306	-306	-393	1,158	1,710	2,485	2,221
Machinery .....	18,349	20,825	25,251	29,224	288	3,200	3,426	3,831	1,926	2,314	2,817	3,279
Computers and electronic products .....	49,580	47,171	54,317	58,785	-1,594	2,217	6,108	6,094	1,519	4,345	6,516	7,174
Electrical equipment, appliances, and components .....	9,763	10,774	11,679	13,079	1,809	311	941	730	509	583	1,124	1,367
Transportation equipment .....	45,320	47,903	50,732	48,930	4,682	2,961	2,313	-667	1,190	2,152	4,576	2,531
Other manufacturing .....	92,160	103,929	119,859	138,836	14,481	12,422	25,869	17,171	8,872	9,937	13,652	14,850
Wholesale trade .....	111,153	119,891	130,594	142,960	3,048	12,239	10,603	17,194	13,382	18,440	24,003	27,615
Information .....	41,723	46,728	49,155	55,479	-1,200	3,918	-3,526	6,932	1,320	6,221	9,528	9,983
Depository institutions (banking) .....	54,679	58,695	64,719	70,331	-1,934	1,255	-304	-3,941	1,347	2,268	2,657	1,045
Finance (except depository institutions) and insurance .....	285,195	316,847	369,281	393,723	37,815	19,912	24,086	20,242	14,585	19,623	24,201	28,162
Professional, scientific, and technical services .....	31,068	35,832	45,167	49,202	-1,082	3,156	8,389	4,281	2,219	3,250	5,394	5,778
Holding companies (nonbank) .....	541,566	598,964	724,229	623,076	45,855	50,437	101,353	-118,634	48,277	59,248	59,902	69,014
Other industries .....	131,599	136,106	151,647	169,424	13,435	3,298	14,096	11,070	8,484	10,370	13,021	14,260

D Suppressed to avoid disclosure of data of individual companies.

NOTE: The data in this table are from tables 16 and 17 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 2005" in the September 2006 SURVEY OF CURRENT BUSINESS.

Table F.3. Selected Financial and Operating Data of Nonbank Foreign Affiliates of U.S. Companies by Country and by Industry of Affiliate, 2004

	All nonbank foreign affiliates						Majority-owned nonbank foreign affiliates						
	Millions of dollars					Thousands of employees	Millions of dollars						Thousands of employees
	Total assets	Sales	Net income	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates		Total assets	Sales	Net income	Value added	U.S. exports of goods shipped to affiliates	U.S. imports of goods shipped by affiliates	
<b>All countries, all industries</b> .....	<b>8,757,063</b>	<b>3,768,733</b>	<b>398,611</b>	<b>191,929</b>	<b>253,563</b>	<b>10,028.0</b>	<b>8,065,229</b>	<b>3,238,471</b>	<b>354,016</b>	<b>824,336</b>	<b>184,143</b>	<b>231,518</b>	<b>8,617.2</b>
<b>By country of foreign affiliate</b>													
Canada .....	634,677	442,607	36,867	60,427	91,054	1,092.1	619,822	416,435	35,336	94,205	58,898	84,518	1,065.1
Europe .....	5,376,372	1,909,697	206,641	49,225	55,003	4,290.9	5,046,136	1,709,354	189,612	460,010	47,820	54,045	3,879.3
<i>Of which:</i>													
France .....	256,211	176,266	9,581	4,502	4,417	603.4	235,409	163,038	9,081	47,717	3,831	4,182	562.8
Germany .....	419,052	286,710	12,599	6,303	6,160	636.4	378,802	252,097	11,419	74,184	6,168	6,146	601.7
Netherlands .....	753,827	180,417	39,280	(D)	2,878	224.7	693,167	140,028	35,621	28,220	7,781	2,626	175.1
United Kingdom .....	1,938,209	464,968	28,430	11,983	9,882	1,272.0	1,884,334	436,246	27,251	132,527	11,850	9,783	1,166.3
Latin America and Other Western Hemisphere .....	1,208,716	417,185	62,360	39,721	56,665	1,935.7	1,083,754	357,600	52,875	82,181	37,508	52,630	1,580.2
<i>Of which:</i>													
Brazil .....	99,033	78,382	3,756	3,348	2,498	397.2	85,052	71,495	3,066	18,261	3,149	2,279	345.8
Mexico .....	134,617	143,276	7,886	31,148	43,611	984.4	103,723	114,726	5,594	22,383	29,461	41,203	785.2
Africa .....	102,824	61,134	8,689	1,789	(D)	226.7	86,827	50,008	7,416	23,519	1,674	2,403	160.8
Middle East .....	72,412	51,514	10,144	1,286	(D)	86.6	34,819	20,352	3,433	7,634	1,191	1,166	54.4
Asia and Pacific .....	1,362,061	886,596	73,911	39,482	46,953	2,396.1	1,193,871	684,722	65,345	156,786	37,053	36,754	1,877.4
<i>Of which:</i>													
Australia .....	179,521	105,071	12,224	4,486	1,666	323.5	168,103	85,878	11,387	29,853	4,433	1,663	271.9
China .....	63,783	71,721	7,284	3,608	3,340	454.5	55,436	60,435	6,092	13,336	2,974	3,188	407.9
India .....	23,600	14,976	727	521	373	182.5	20,188	13,100	637	3,937	508	373	165.6
Japan .....	537,378	301,506	14,442	10,374	10,895	521.0	445,552	181,687	11,265	46,491	9,409	2,644	227.6
<b>By industry of affiliate</b>													
Mining .....	413,619	167,218	40,833	1,818	15,486	183.3	348,534	139,264	34,359	94,662	1,769	14,006	163.6
Utilities .....	111,275	59,981	3,375	7	(D)	89.9	76,962	35,240	2,190	9,545	2	(D)	59.9
Manufacturing .....	1,684,472	1,794,682	88,580	130,242	202,687	4,979.2	1,447,019	1,524,737	72,530	390,714	125,168	182,380	4,309.2
<i>Of which:</i>													
Food .....	103,174	121,861	6,251	3,522	3,934	404.4	95,373	110,587	5,477	24,367	3,190	3,749	370.3
Chemicals .....	438,191	317,318	25,602	20,727	18,393	613.8	390,313	282,354	21,181	76,457	20,169	17,158	562.1
Primary and fabricated metals .....	77,266	57,673	4,167	3,074	3,620	243.5	72,627	52,629	3,938	15,605	3,037	3,557	234.3
Machinery .....	91,386	94,431	4,618	7,834	(D)	400.9	78,956	78,369	4,145	20,996	7,518	8,824	342.3
Computers and electronic products .....	183,906	230,390	9,408	20,465	37,796	676.8	177,108	225,152	9,367	39,118	20,350	37,562	644.8
Electrical equipment, appliances, and components .....	39,516	38,278	1,028	2,648	4,282	271.4	36,283	35,341	915	10,516	2,631	3,512	247.0
Transportation equipment .....	321,927	443,053	6,328	55,935	97,219	1,123.7	246,536	339,688	3,440	55,476	53,816	82,428	945.6
Wholesale trade .....	583,126	862,523	38,534	48,408	33,168	787.5	557,239	819,982	37,050	121,597	46,318	32,993	733.5
Information .....	269,748	202,864	17,023	(D)	(D)	480.6	156,127	116,992	6,641	36,514	569	108	318.3
Finance (except depository institutions) and insurance .....	3,036,831	234,727	37,856	6	0	269.7	2,962,810	221,785	36,745	38,570	6	0	242.8
Professional, scientific, and technical services .....	189,960	109,999	11,008	1,698	(D)	500.1	184,925	103,611	10,841	45,804	1,677	(D)	475.1
Other industries .....	2,468,033	336,739	161,402	(D)	(D)	2,737.7	2,331,614	276,860	153,659	86,930	8,633	1,594	2,314.8

D Suppressed to avoid disclosure of data of individual companies.

NOTE: The data in this table are from "Operations of U.S. Multinational Companies: Preliminary Results From the 2004 Benchmark Survey" in the November 2006 SURVEY OF CURRENT BUSINESS.

**Table F.4. Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 2002-2005**  
(Millions of dollars)

	Direct investment position on a historical-cost basis				Capital inflows without current-cost adjustment (outflows(-))				Income without current-cost adjustment and net of withholding taxes			
	2002	2003	2004	2005	2002	2003	2004	2005	2002	2003	2004	2005
<b>All countries, all industries</b> .....	<b>1,327,170</b>	<b>1,395,159</b>	<b>1,520,729</b>	<b>1,635,291</b>	<b>74,457</b>	<b>53,146</b>	<b>122,377</b>	<b>99,443</b>	<b>32,297</b>	<b>60,964</b>	<b>90,105</b>	<b>104,742</b>
<b>By country of foreign parent</b>												
Canada .....	92,529	95,707	125,503	144,033	4,611	7,090	30,713	17,079	-1,703	2,306	6,715	7,195
Europe .....	958,330	1,001,237	1,066,908	1,143,614	45,368	22,756	68,896	66,064	26,696	48,711	62,517	76,962
<i>Of which:</i>												
France .....	133,914	136,434	143,586	143,378	4,624	4,526	11,599	4,446	3,763	6,526	8,761	11,354
Germany .....	138,301	160,691	163,981	184,213	1,990	12,280	1,055	16,166	-3,767	2,183	6,239	7,840
Luxembourg .....	97,416	109,212	115,688	116,736	-1,108	14,344	6,981	2,554	528	683	1,276	1,544
Netherlands .....	145,596	146,601	155,452	170,770	4,337	6,365	9,348	7,113	4,337	8,840	13,583	16,771
Switzerland .....	118,342	124,247	121,634	122,399	9,751	-3,127	7,985	-1,396	5,771	6,928	6,142	1,645
United Kingdom .....	211,699	217,841	251,422	282,457	21,267	-4,385	22,888	28,878	10,152	17,610	19,848	29,844
Latin America and Other Western Hemisphere .....	74,867	84,134	87,259	82,530	10,342	9,186	766	-7,605	-623	1,305	3,413	2,085
<i>Of which:</i>												
Bermuda .....	11,215	9,854	11,116	1,517	-91	-3,470	-169	-9,358	-2,251	-1,205	-448	-1,730
Mexico .....	7,829	9,022	8,167	8,653	2,349	2,173	-363	349	21	616	103	(D)
Panama .....	5,841	8,874	10,360	11,470	1,871	2,664	1,407	1,128	630	1,081	(D)	1,340
United Kingdom Islands, Caribbean .....	24,255	26,202	23,777	26,501	2,094	3,757	-3,382	-35	404	1,027	317	498
Venezuela .....	4,304	4,349	5,525	6,730	123	-86	1,134	1,216	-89	425	(D)	(D)
Africa .....	2,228	2,196	1,671	2,564	-9	-34	-530	652	2	-8	175	180
Middle East .....	6,758	7,177	7,888	9,965	1,138	393	665	1,572	-215	154	491	615
Asia and Pacific .....	192,457	204,708	231,500	252,584	13,008	13,755	21,867	21,681	8,141	8,496	16,793	17,705
<i>Of which:</i>												
Australia .....	34,197	37,059	40,884	44,061	6,594	3,422	3,958	4,188	489	1,178	2,613	3,667
Japan .....	147,372	157,176	175,728	190,279	6,500	8,544	17,840	14,043	7,562	7,346	12,949	12,186
<b>By industry of U.S. affiliate</b>												
Manufacturing .....	451,985	465,401	485,659	538,122	26,011	18,235	20,266	51,738	23,484	23,736	36,275	46,503
Food .....	36,034	17,433	17,883	19,779	3,779	1,749	2,054	1,790	3,895	912	690	1,996
Chemicals .....	94,896	127,776	138,081	151,624	-5,953	8,757	11,569	13,404	5,986	9,072	9,497	15,838
Primary and fabricated metals .....	17,898	17,049	20,893	28,651	517	508	1,575	8,112	90	471	2,655	2,894
Machinery .....	43,836	43,887	45,666	48,673	3,876	2,137	346	2,839	594	70	713	2,504
Computers and electronic products .....	46,560	42,652	39,546	47,016	-6,658	2,408	-900	7,811	-2,398	725	2,261	2,263
Electrical equipment, appliances, and components .....	14,249	12,220	12,009	14,191	4,483	-1,914	1,094	2,447	-711	-531	580	849
Transportation equipment .....	58,766	63,201	67,837	76,036	6,233	2,968	3,896	8,114	4,353	4,143	4,619	5,155
Other manufacturing .....	139,745	141,184	143,743	152,152	19,734	1,622	634	7,219	11,675	8,874	15,260	15,005
Wholesale trade .....	189,790	187,883	219,085	230,104	9,160	-5,339	24,380	8,407	11,328	18,170	23,960	24,870
Retail trade .....	21,677	25,672	25,886	29,686	282	3,957	424	2,445	1,158	922	2,054	2,493
Information .....	136,362	135,841	137,871	142,556	5,153	1,380	8,646	2,296	-4,143	1,381	4,096	3,948
Depository institutions (banking) .....	73,305	85,195	122,700	130,940	2,106	4,168	17,928	10,239	1,563	2,156	4,698	4,903
Finance (except depository institutions) and insurance .....	162,817	182,951	193,743	207,552	7,860	19,460	29,586	3,462	-4,185	6,962	6,736	4,438
Real estate and rental and leasing .....	42,129	36,702	38,964	41,006	1,628	-3,561	2,936	1,780	1,897	1,411	1,977	2,508
Professional, scientific, and technical services .....	34,640	38,280	38,209	41,879	1,122	1,974	1,750	6,895	-423	321	1,261	1,834
Other industries .....	214,464	237,236	258,612	273,444	21,136	12,873	16,462	12,183	1,618	5,905	9,047	13,245

D Suppressed to avoid disclosure of data of individual companies.

NOTE: The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States:

Detail for Historical-Cost Position and Related Capital and Income Flows, 2005" in the September 2006 Survey of Current Business.

**Table F.5. Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies  
by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 2004**

	All nonbank affiliates						Majority-owned nonbank affiliates						
	Millions of dollars			Thousands of employees	Millions of dollars		Millions of dollars				Thousands of employees	Millions of dollars	
	Total assets	Sales	Net income		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates	Total assets	Sales	Net income	Value added		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
<b>All countries, all industries</b> .....	<b>6,384,667</b>	<b>2,521,353</b>	<b>87,623</b>	<b>5,562.3</b>	<b>163,685</b>	<b>393,243</b>	<b>5,539,810</b>	<b>2,303,543</b>	<b>68,101</b>	<b>514,957</b>	<b>5,116.4</b>	<b>153,902</b>	<b>378,111</b>
<b>By country of ultimate beneficial owner</b>													
Canada.....	391,472	153,092	5,636	444.4	6,643	24,027	372,276	144,474	4,863	40,333	382.8	6,551	23,919
Europe.....	4,353,568	1,476,673	54,304	3,732.7	80,654	154,935	4,192,440	1,391,269	47,581	336,453	3,548.0	78,059	151,055
<i>Of which:</i>													
France.....	609,759	184,838	3,245	481.1	10,343	18,046	596,645	172,383	3,788	43,071	451.6	9,365	15,393
Germany.....	649,967	333,060	6,501	694.7	32,678	62,103	632,103	319,726	7,008	66,424	668.6	32,343	61,744
Netherlands.....	587,295	232,654	13,026	493.0	(D)	15,357	574,862	224,915	10,811	43,775	481.1	5,406	15,266
Sweden.....	36,348	44,104	320	207.9	3,681	(D)	36,310	44,037	321	12,540	207.8	3,678	5,766
Switzerland.....	1,152,864	136,338	2,184	408.6	5,281	9,893	1,134,495	129,717	2,096	32,430	383.2	5,052	9,735
United Kingdom.....	1,113,838	415,041	27,407	1,003.7	15,356	26,831	1,018,285	372,179	21,771	107,220	920.8	14,752	26,339
Latin America and Other Western Hemisphere.....	317,080	166,182	3,154	390.5	11,438	26,629	272,328	146,554	2,506	38,609	326.3	11,058	22,161
<i>Of which:</i>													
Bermuda.....	(D)	67,766	2,249	198.3	8,653	(D)	161,482	65,592	2,213	21,619	194.7	8,375	3,698
Mexico.....	(D)	(D)	(D)	M	(D)	(D)	19,130	16,695	-137	3,167	51.1	835	(D)
United Kingdom Islands, Caribbean.....	(D)	13,525	-382	26.2	75	1,210	64,721	12,454	-269	2,200	25.3	75	(D)
Venezuela.....	11,341	41,270	1,541	1	338	12,899	(D)	(D)	(D)	(D)	H	(D)	(D)
Africa.....	(D)	(D)	(D)	1	(D)	335	5,028	6,232	-45	1,101	9.6	409	331
Middle East.....	(D)	45,926	951	51.5	(D)	(D)	31,465	43,906	894	9,502	45.3	566	6,642
Asia and Pacific.....	677,455	593,947	12,920	840.3	59,845	177,012	645,825	552,389	11,347	83,322	764.0	54,437	170,985
<i>Of which:</i>													
Australia.....	111,095	35,595	2,227	66.0	(D)	518	108,847	32,998	2,137	9,462	63.4	563	512
Japan.....	512,890	479,250	10,315	667.5	49,386	141,651	492,356	447,225	8,909	66,054	614.2	44,260	136,924
Korea, Republic of.....	17,281	41,654	484	15.3	(D)	(D)	16,617	40,462	456	2,422	14.1	7,295	28,632
United States.....	605,093	(D)	(D)	L	(D)	(D)	20,447	18,719	956	5,638	40.5	2,821	3,018
<b>By industry of U.S. affiliate</b>													
Manufacturing.....	1,142,989	1,001,026	34,687	2,169.0	96,618	153,280	1,075,992	927,115	30,367	239,641	2,039.9	88,956	141,628
<i>Of which:</i>													
Food.....	47,710	53,267	-940	114.6	5,886	2,363	46,641	50,718	-1,015	9,991	109.0	5,731	2,329
Chemicals.....	276,434	196,910	14,834	325.5	18,393	23,405	259,269	179,413	12,371	49,917	299.2	17,600	22,844
Primary and fabricated metals.....	55,878	67,488	2,755	172.4	5,843	9,021	47,341	57,707	2,290	16,044	155.9	4,163	7,917
Machinery.....	98,640	70,503	-978	240.6	8,664	(D)	98,190	69,499	-983	21,136	239.2	8,637	7,878
Computers and electronic products.....	90,794	80,411	339	181.7	13,367	21,845	80,269	70,893	821	18,946	163.8	(D)	18,753
Electrical equipment, appliances, and components.....	22,951	19,091	203	71.4	2,132	2,113	22,839	18,955	213	4,894	70.8	2,108	2,093
Transportation equipment.....	244,688	224,540	4,227	394.4	27,815	57,367	240,107	214,749	3,973	36,651	375.9	27,380	55,703
Wholesale trade.....	476,601	736,568	21,742	546.3	62,178	228,652	469,393	719,566	20,935	92,485	528.4	60,107	225,944
Retail trade.....	68,851	141,481	603	697.6	212	(D)	61,116	129,662	495	28,989	613.6	212	4,187
Information.....	350,837	116,901	5,699	284.8	(D)	626	266,387	84,391	1,870	30,975	220.0	988	624
<i>Of which:</i>													
Publishing industries.....	(D)	29,885	158	105.8	675	160	77,519	27,738	133	11,801	95.2	674	160
Telecommunications.....	(D)	(D)	(D)	L	(D)	(D)	62,945	19,719	-243	6,327	37.5	1	(D)
Finance (except depository institutions) and insurance.....	3,664,775	(D)	(D)	260.3	0	0	3,046,258	172,743	6,986	24,957	200.7	0	0
Real estate and rental and leasing.....	111,992	24,514	2,470	42.4	(D)	(D)	91,511	21,350	1,953	10,965	38.5	(D)	418
Professional, scientific, and technical services.....	75,221	54,172	485	181.0	253	280	70,403	52,078	1,292	16,881	171.4	(D)	279
Other industries.....	493,401	(D)	(D)	1,380.8	3,165	5,062	458,749	196,639	4,203	70,062	1,303.9	3,125	5,031

D Suppressed to avoid disclosure of data of individual companies.

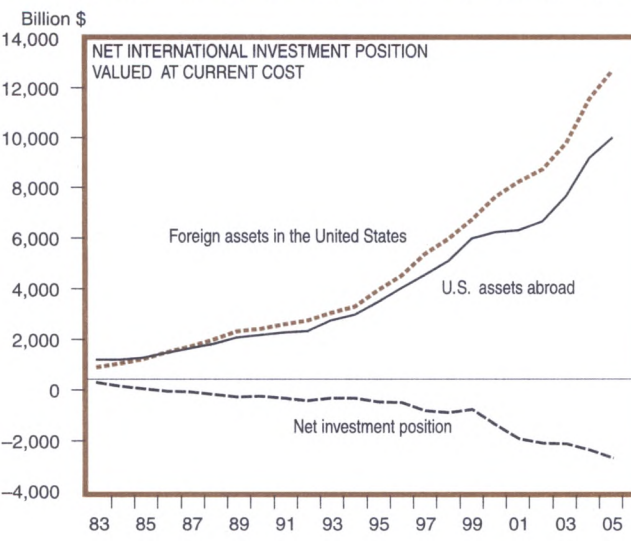
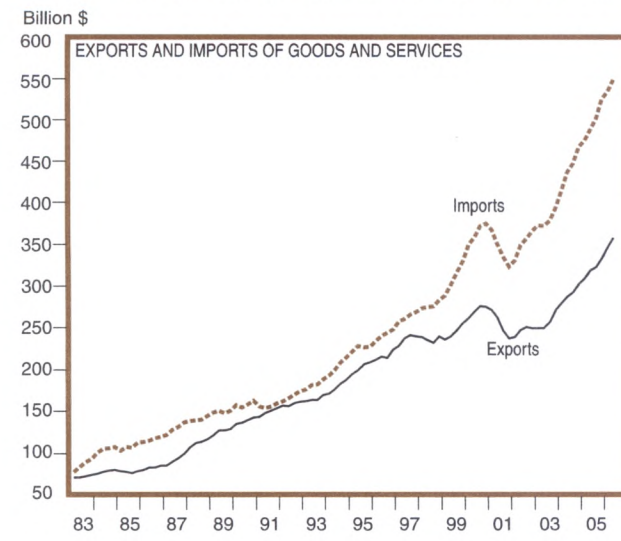
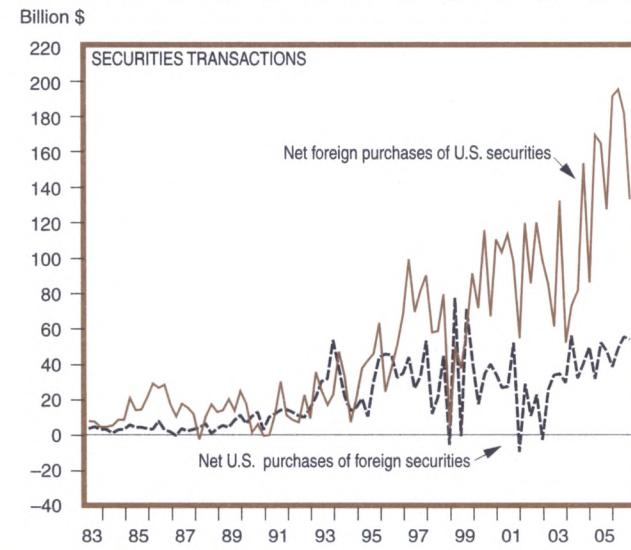
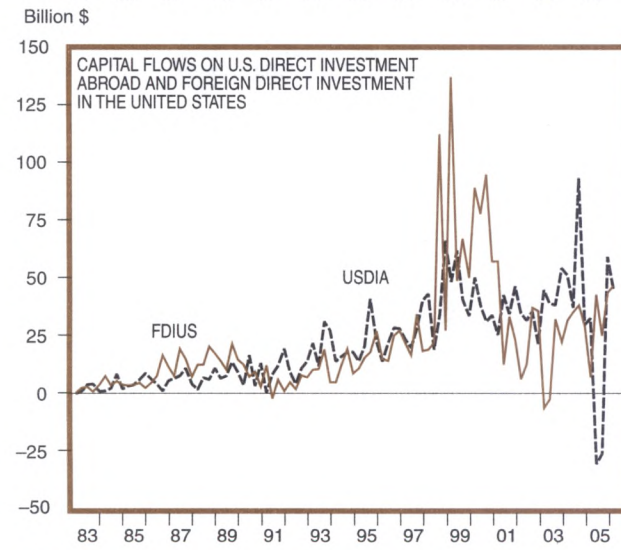
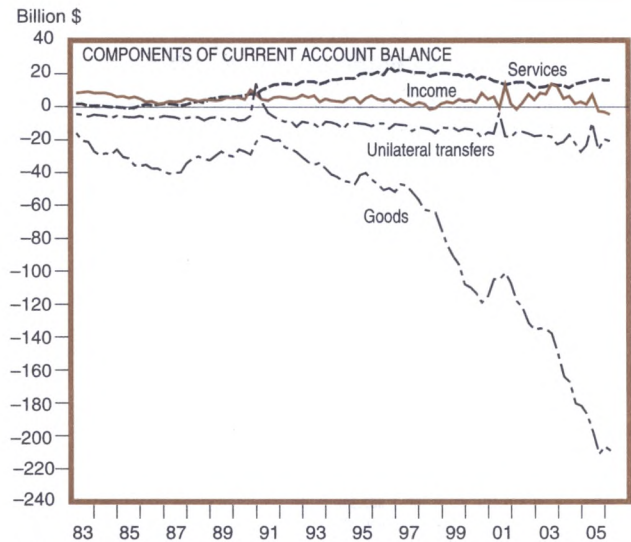
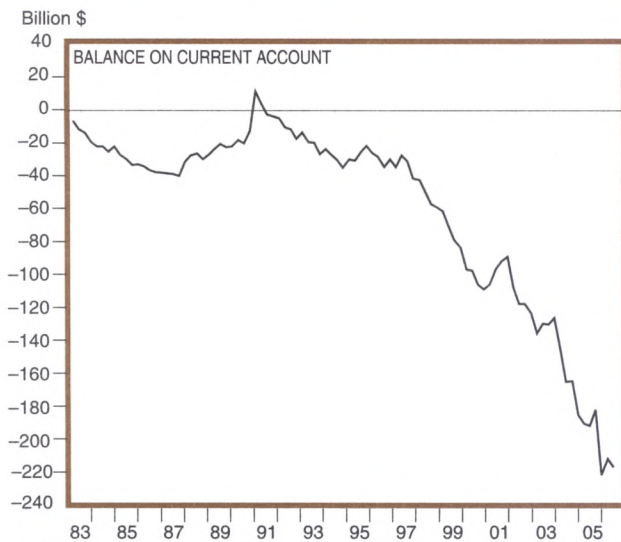
\* Less than \$500,000.

Notes. The data in this table are from BEA's annual survey of the operations of U.S. affiliates of foreign companies; see "U.S. Affiliates of Foreign Companies: Operations in 2004" in the August 2006 Survey of Current Business.

The following ranges are given in employment cells that are suppressed: A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

G. Charts

THE U.S. IN THE INTERNATIONAL ECONOMY



U.S. Bureau of Economic Analysis

# Regional Data

## H. State and Regional Tables

The tables in this section include the most recent estimates of state personal income and gross domestic product by state. 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.remd@bea.gov](mailto:reis.remd@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 domestic product by state, e-mail [gdpbystate@bea.gov](mailto:gdpbystate@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 <sup>1</sup> 2006:I-2006:II
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
<b>United States</b> .....	<b>8,888,413</b>	<b>8,923,886</b>	<b>8,986,340</b>	<b>9,098,741</b>	<b>9,190,913</b>	<b>9,327,639</b>	<b>9,483,599</b>	<b>9,626,515</b>	<b>9,753,508</b>	<b>10,005,070</b>	<b>10,034,020</b>	<b>10,146,966</b>	<b>10,248,460</b>	<b>10,469,598</b>	<b>10,702,740</b>	<b>10,882,821</b>	1.7
<b>New England</b> .....	<b>528,461</b>	<b>528,020</b>	<b>530,375</b>	<b>535,211</b>	<b>541,098</b>	<b>549,835</b>	<b>557,346</b>	<b>565,265</b>	<b>573,071</b>	<b>583,150</b>	<b>584,837</b>	<b>589,641</b>	<b>599,190</b>	<b>606,385</b>	<b>621,275</b>	<b>631,756</b>	1.7
Connecticut .....	147,156	146,643	146,514	148,263	149,429	151,696	155,544	156,791	159,903	163,346	164,426	165,097	167,969	169,737	174,579	177,315	1.6
Maine .....	36,150	36,218	36,938	37,260	37,673	38,481	38,505	39,047	39,475	40,228	40,130	40,571	40,874	41,279	42,118	42,819	1.7
Massachusetts .....	249,896	249,527	250,196	252,170	255,455	259,004	262,134	266,535	269,199	273,415	274,279	276,771	281,800	285,692	292,489	297,686	1.8
New Hampshire .....	43,420	43,514	43,789	44,197	44,684	45,524	46,255	46,998	47,858	48,739	48,657	49,269	49,942	50,376	51,614	52,509	1.7
Rhode Island .....	33,767	33,914	34,562	34,713	35,141	35,835	35,915	36,375	36,924	37,394	37,248	37,704	38,049	38,609	39,353	40,025	1.7
Vermont .....	18,074	18,203	18,376	18,608	18,716	19,296	18,995	19,518	19,713	20,027	20,097	20,229	20,555	20,692	21,122	21,403	1.3
<b>Mideast</b> .....	<b>1,649,416</b>	<b>1,647,032</b>	<b>1,656,086</b>	<b>1,681,950</b>	<b>1,698,386</b>	<b>1,724,258</b>	<b>1,757,698</b>	<b>1,777,872</b>	<b>1,808,141</b>	<b>1,851,145</b>	<b>1,852,217</b>	<b>1,864,467</b>	<b>1,896,216</b>	<b>1,924,070</b>	<b>1,964,448</b>	<b>1,998,224</b>	1.7
Delaware .....	26,654	26,554	26,986	27,318	27,706	27,973	28,651	29,198	29,453	30,513	30,632	30,733	31,339	32,421	33,096	33,695	1.8
District of Columbia .....	25,797	25,924	26,615	27,044	27,259	27,758	28,561	29,004	29,428	30,118	30,426	30,783	31,328	31,504	32,247	32,744	1.5
Maryland .....	199,364	200,335	201,716	205,273	207,741	210,750	216,263	219,568	221,759	227,544	230,107	233,004	237,110	240,561	245,124	249,151	1.6
New Jersey .....	336,914	336,291	336,510	341,860	345,718	349,654	355,302	359,943	365,832	374,330	375,318	378,835	384,623	389,388	398,798	405,518	1.7
New York .....	677,570	674,818	676,831	688,992	695,170	706,854	725,042	730,500	745,842	763,716	759,570	760,912	776,615	789,174	805,598	819,913	1.8
Pennsylvania .....	383,118	383,111	387,428	391,462	394,792	401,269	403,879	409,659	415,827	424,923	426,164	430,199	435,201	441,021	449,583	457,203	1.7
<b>Great Lakes</b> .....	<b>1,389,906</b>	<b>1,396,850</b>	<b>1,411,464</b>	<b>1,423,704</b>	<b>1,429,422</b>	<b>1,452,374</b>	<b>1,453,600</b>	<b>1,468,992</b>	<b>1,483,652</b>	<b>1,512,798</b>	<b>1,513,561</b>	<b>1,529,929</b>	<b>1,547,714</b>	<b>1,564,552</b>	<b>1,592,309</b>	<b>1,620,187</b>	1.8
Illinois .....	413,396	416,079	421,511	426,677	429,039	432,480	435,978	438,591	442,372	453,134	454,080	458,998	465,682	472,668	483,823	492,289	1.7
Indiana .....	173,078	174,850	176,544	177,730	178,841	182,863	184,214	187,021	188,387	191,501	191,894	194,370	196,748	198,475	202,238	205,512	1.6
Michigan .....	305,121	306,232	310,709	312,394	312,968	318,825	316,314	318,328	321,291	325,740	326,453	330,416	333,008	335,339	339,481	345,353	1.7
Ohio .....	334,743	335,185	337,121	339,326	340,340	346,572	344,716	349,932	353,670	360,940	359,760	363,305	366,928	371,284	376,936	383,726	1.8
Wisconsin .....	163,568	164,504	165,668	167,577	168,234	171,633	172,378	175,120	177,933	181,483	182,840	185,348	186,786	189,831	193,308	193,308	1.8
<b>Plains</b> .....	<b>578,297</b>	<b>583,167</b>	<b>589,293</b>	<b>595,976</b>	<b>602,902</b>	<b>609,183</b>	<b>619,028</b>	<b>628,208</b>	<b>636,064</b>	<b>650,851</b>	<b>650,459</b>	<b>655,750</b>	<b>664,791</b>	<b>673,357</b>	<b>686,831</b>	<b>697,538</b>	1.6
Iowa .....	82,539	83,181	82,414	83,305	84,541	85,959	89,329	90,576	91,690	94,149	92,751	93,455	94,956	96,103	98,301	99,706	1.4
Kansas .....	78,686	79,498	80,085	80,452	81,460	82,507	83,335	84,839	86,342	87,969	88,919	89,722	90,830	92,261	94,604	95,947	1.4
Minnesota .....	167,749	168,654	170,323	173,048	175,394	176,257	180,291	182,987	185,260	189,748	189,238	189,817	193,051	194,165	196,607	199,933	1.7
Missouri .....	161,274	162,690	164,508	165,563	166,969	168,500	170,118	171,905	174,002	177,807	178,001	180,396	182,289	185,474	189,693	193,164	1.8
Nebraska .....	50,551	51,010	52,448	53,185	53,619	54,300	54,445	55,540	56,111	57,425	57,143	57,503	58,201	59,231	60,654	61,294	1.1
North Dakota .....	16,794	17,131	17,554	18,025	18,379	18,592	18,053	18,377	18,417	19,419	19,445	19,707	19,979	20,402	20,526	20,733	1.0
South Dakota .....	20,704	21,003	21,961	22,298	22,540	23,008	23,457	24,074	24,240	24,835	24,963	25,149	25,477	25,722	26,446	26,760	1.2
<b>Southeast</b> .....	<b>1,978,147</b>	<b>1,989,517</b>	<b>2,007,431</b>	<b>2,027,431</b>	<b>2,050,915</b>	<b>2,086,039</b>	<b>2,129,974</b>	<b>2,166,614</b>	<b>2,194,496</b>	<b>2,253,892</b>	<b>2,271,064</b>	<b>2,302,275</b>	<b>2,272,542</b>	<b>2,379,509</b>	<b>2,423,245</b>	<b>2,463,640</b>	1.7
Alabama .....	114,291	115,220	116,897	117,716	118,967	120,775	123,270	125,829	127,639	131,080	131,839	133,920	135,287	139,024	141,622	143,965	1.7
Arkansas .....	63,342	63,887	65,170	65,841	66,766	68,074	68,928	70,297	71,303	73,085	72,691	73,525	74,249	75,695	77,746	79,069	1.7
Florida .....	496,725	501,167	504,546	510,954	518,431	528,470	549,118	561,557	566,265	588,550	589,618	600,346	613,711	622,772	635,039	648,046	2.0
Georgia .....	244,932	246,164	248,364	250,250	252,281	255,551	259,055	262,750	266,170	272,820	276,353	280,105	284,531	290,928	296,419	301,031	1.6
Kentucky .....	104,074	104,859	104,777	105,654	106,593	108,144	110,029	111,007	112,334	114,593	115,777	117,558	118,973	120,413	121,782	123,992	1.8
Louisiana .....	112,847	113,955	113,651	115,165	116,521	118,156	119,854	120,972	122,387	124,988	124,577	125,620	126,640	131,147	131,382	132,438	0.8
Mississippi .....	64,157	64,568	65,441	65,761	66,571	67,587	67,959	68,937	69,869	71,048	71,594	72,388	70,551	76,703	76,862	77,692	1.1
North Carolina .....	229,211	229,199	231,189	232,986	235,772	240,615	245,727	249,860	254,374	260,497	265,488	267,328	270,894	274,031	280,402	284,438	1.4
South Carolina .....	104,170	104,682	105,929	106,518	107,427	109,112	110,768	112,812	114,355	116,737	117,592	119,280	120,794	122,507	125,538	127,509	1.6
Tennessee .....	159,206	160,463	163,005	164,657	165,998	168,829	170,484	173,332	176,033	179,057	180,333	182,905	185,880	189,148	191,771	195,265	1.8
Virginia .....	241,814	241,686	245,574	248,795	252,183	256,800	260,528	264,269	268,352	275,116	278,695	282,285	286,675	289,043	295,482	300,163	1.6
West Virginia .....	43,378	43,665	42,888	43,133	43,406	43,943	44,254	44,992	45,417	46,319	46,508	47,016	47,539	48,099	49,200	50,034	1.7
<b>Southwest</b> .....	<b>907,621</b>	<b>913,517</b>	<b>919,454</b>	<b>934,519</b>	<b>944,642</b>	<b>960,645</b>	<b>979,413</b>	<b>996,927</b>	<b>1,011,682</b>	<b>1,037,627</b>	<b>1,055,595</b>	<b>1,071,251</b>	<b>1,094,349</b>	<b>1,116,324</b>	<b>1,148,978</b>	<b>1,171,746</b>	2.0
Arizona .....	144,410	146,108	147,464	149,683	151,470	154,770	159,362	162,546	165,776	169,968	173,078	176,955	182,481	183,942	190,510	194,295	2.0
New Mexico .....	45,120	45,494	45,649	46,398	46,814	47,930	49,514	50,337	50,946	52,372	52,728	53,399	54,196	54,980	56,609	57,653	1.8
Oklahoma .....	90,342	90,754	90,709	92,136	92,969	94,549	97,100	99,201	100,609	102,940	103,977	104,958	106,645	108,862	112,545	114,207	1.5
Texas .....	627,749	631,161	635,632	646,302	653,390	663,396	673,437	684,843	694,351	712,347	725,812	735,938	751,026	768,540	789,314	805,591	2.1
<b>Rocky Mountain</b> .....	<b>283,633</b>	<b>285,306</b>	<b>284,309</b>	<b>287,641</b>	<b>291,846</b>	<b>293,920</b>	<b>301,684</b>	<b>307,516</b>	<b>310,319</b>	<b>31</b>							

Table H.2. Annual Personal Income and Per Capita Personal Income by State and Region

Area name	Personal income							Per capita personal income <sup>1</sup>							Rank in U.S.
	[Millions of dollars]						Percent change <sup>2</sup>	[Dollars]					2005		
	2000	2001	2002	2003	2004	2005		2000	2001	2002	2003	2004		2005	
<b>United States</b> .....	<b>8,422,074</b>	<b>8,716,992</b>	<b>8,872,871</b>	<b>9,150,908</b>	<b>9,717,173</b>	<b>10,224,761</b>	<b>5.2</b>	<b>29,845</b>	<b>30,574</b>	<b>30,810</b>	<b>31,463</b>	<b>33,090</b>	<b>34,495</b>	.....	
<b>New England</b> .....	<b>503,961</b>	<b>524,402</b>	<b>528,030</b>	<b>539,130</b>	<b>569,708</b>	<b>595,013</b>	<b>4.4</b>	<b>36,118</b>	<b>37,342</b>	<b>37,379</b>	<b>37,983</b>	<b>40,059</b>	<b>41,785</b>	.....	
Connecticut.....	141,570	147,356	146,997	148,975	158,896	166,807	5.0	41,489	42,930	42,505	42,737	45,412	47,519	1	
Maine.....	33,173	35,107	35,998	37,588	39,314	40,714	3.6	25,969	27,292	27,756	28,732	29,897	30,808	37	
Massachusetts.....	240,209	249,095	249,954	254,206	267,821	279,635	4.4	37,756	38,953	38,985	39,611	41,799	43,702	3	
New Hampshire.....	41,429	42,624	43,393	44,549	47,463	49,561	4.4	33,396	33,868	34,043	34,598	36,533	37,835	6	
Rhode Island.....	30,697	32,478	33,635	35,063	36,652	37,903	3.4	29,214	30,687	31,478	32,594	33,940	35,219	17	
Vermont.....	16,883	17,742	18,051	18,749	19,563	20,393	4.2	27,680	28,951	29,291	30,284	31,491	32,731	25	
<b>Mideast</b> .....	<b>1,580,733</b>	<b>1,627,895</b>	<b>1,648,005</b>	<b>1,690,170</b>	<b>1,798,714</b>	<b>1,884,242</b>	<b>4.8</b>	<b>34,076</b>	<b>34,906</b>	<b>35,155</b>	<b>35,869</b>	<b>38,023</b>	<b>39,755</b>	.....	
Delaware.....	24,277	25,537	26,530	27,496	29,454	31,281	6.2	30,869	32,105	32,925	33,620	35,484	37,084	11	
District of Columbia.....	23,102	25,525	25,786	27,169	29,278	31,010	5.9	40,456	44,834	45,670	48,703	52,825	56,329	.....	
Maryland.....	181,957	191,657	198,824	206,370	221,284	235,196	6.3	34,257	35,627	36,533	37,437	39,790	41,996	4	
New Jersey.....	323,554	332,951	337,009	343,435	363,852	382,041	5.0	38,364	39,148	39,296	39,749	41,893	43,822	2	
New York.....	663,005	679,886	677,604	691,962	741,275	771,568	4.1	34,897	35,612	35,357	35,987	38,446	40,072	5	
Pennsylvania.....	364,838	372,339	382,251	393,738	413,572	433,146	4.7	29,695	30,281	31,016	31,843	33,367	34,848	18	
<b>Great Lakes</b> .....	<b>1,333,971</b>	<b>1,359,189</b>	<b>1,386,117</b>	<b>1,429,241</b>	<b>1,479,761</b>	<b>1,538,939</b>	<b>4.0</b>	<b>29,496</b>	<b>29,914</b>	<b>30,381</b>	<b>31,187</b>	<b>32,171</b>	<b>33,342</b>	.....	
Illinois.....	400,373	407,254	413,711	427,427	442,519	462,857	4.6	32,185	32,532	32,869	33,789	34,811	36,284	13	
Indiana.....	165,285	167,881	172,474	178,972	187,781	195,372	4.0	27,132	27,406	28,023	28,884	30,158	31,150	34	
Michigan.....	294,227	299,542	303,465	313,724	320,418	331,304	3.4	29,552	29,946	30,227	31,129	31,711	32,735	24	
Ohio.....	320,538	325,623	333,158	340,840	352,315	365,319	3.7	28,207	28,207	29,212	29,815	30,769	31,867	29	
Wisconsin.....	153,548	158,888	163,309	168,278	176,728	184,087	4.2	28,570	29,400	30,025	30,754	32,112	33,251	21	
<b>Plains</b> .....	<b>545,882</b>	<b>562,733</b>	<b>576,806</b>	<b>599,339</b>	<b>633,538</b>	<b>661,089</b>	<b>4.3</b>	<b>28,326</b>	<b>29,047</b>	<b>29,622</b>	<b>30,607</b>	<b>32,164</b>	<b>33,362</b>	.....	
Iowa.....	77,763	79,456	82,398	84,055	91,436	94,316	3.1	26,554	27,106	28,081	28,577	30,965	31,795	30	
Kansas.....	74,570	77,564	78,606	81,126	85,596	90,433	5.7	27,694	28,718	28,980	29,780	31,312	32,948	23	
Minnesota.....	157,964	162,578	166,968	173,756	184,571	191,568	3.8	32,017	32,616	33,237	34,328	36,215	37,322	9	
Missouri.....	152,722	156,937	161,104	166,425	173,458	181,542	4.7	27,241	27,809	28,358	29,102	30,117	31,299	31	
Nebraska.....	47,329	49,303	50,390	53,388	55,858	58,019	3.9	27,625	28,682	29,182	30,718	31,961	32,988	22	
North Dakota.....	16,097	16,465	16,743	18,137	18,467	19,883	7.7	25,106	25,879	26,427	28,651	29,021	31,230	32	
South Dakota.....	19,438	20,429	20,596	22,452	24,151	25,328	4.9	25,720	26,949	27,087	29,364	31,340	32,642	26	
<b>Southeast</b> .....	<b>1,840,460</b>	<b>1,922,935</b>	<b>1,973,853</b>	<b>2,042,954</b>	<b>2,186,244</b>	<b>2,306,347</b>	<b>5.5</b>	<b>26,484</b>	<b>27,348</b>	<b>27,733</b>	<b>28,350</b>	<b>29,927</b>	<b>31,123</b>	.....	
Alabama.....	105,807	110,421	113,835	118,585	126,955	135,018	6.4	23,764	24,717	25,409	26,341	28,054	29,623	40	
Arkansas.....	58,726	61,967	63,234	66,463	70,903	74,040	4.4	21,925	23,023	23,363	24,380	25,783	26,641	47	
Florida.....	457,539	478,637	495,489	515,600	566,372	606,612	7.1	28,509	29,273	29,709	30,341	32,577	34,099	20	
Georgia.....	230,356	240,616	244,957	251,612	265,199	282,979	6.7	27,989	28,592	28,544	28,766	29,737	31,191	33	
Kentucky.....	98,845	101,346	103,866	106,292	111,991	118,180	5.5	24,412	24,920	25,404	25,819	27,039	28,317	43	
Louisiana.....	103,151	110,256	112,744	115,873	122,050	111,201	-8.9	23,079	24,692	25,194	25,805	27,082	24,582	50	
Mississippi.....	59,837	62,739	63,979	66,340	69,454	72,809	4.8	21,005	21,955	22,321	23,028	23,943	24,925	49	
North Carolina.....	218,668	225,395	228,684	235,140	252,614	269,435	6.7	27,068	27,493	27,510	27,919	29,579	31,029	35	
South Carolina.....	98,270	101,468	104,046	107,247	113,668	120,043	5.6	24,424	24,994	25,361	25,863	27,077	28,212	44	
Tennessee.....	148,833	154,416	159,173	165,622	174,726	184,566	5.6	26,097	26,870	27,490	28,352	29,648	30,952	36	
Virginia.....	220,845	233,770	240,534	250,838	267,066	284,174	6.4	31,087	32,505	33,013	33,973	35,698	37,552	7	
West Virginia.....	39,582	41,902	43,312	43,342	45,245	47,290	4.5	21,899	23,261	24,002	23,941	24,962	26,029	48	
<b>Southwest</b> .....	<b>850,326</b>	<b>892,795</b>	<b>905,918</b>	<b>939,815</b>	<b>1,006,412</b>	<b>1,084,380</b>	<b>7.7</b>	<b>27,088</b>	<b>27,963</b>	<b>27,872</b>	<b>28,427</b>	<b>29,919</b>	<b>31,637</b>	.....	
Arizona.....	132,558	138,854	144,150	150,847	164,413	179,114	8.9	25,660	26,219	26,507	27,044	28,644	30,157	38	
New Mexico.....	40,318	44,138	44,987	46,698	50,792	53,826	6.0	22,134	24,085	24,246	24,849	26,690	27,912	45	
Oklahoma.....	84,310	90,161	90,178	92,591	99,963	106,111	6.2	24,407	26,015	25,861	26,417	28,370	29,908	39	
Texas.....	593,139	619,642	626,604	649,860	691,245	745,329	7.8	28,313	29,045	28,846	29,398	30,761	32,604	27	
<b>Rocky Mountain</b> .....	<b>264,024</b>	<b>279,678</b>	<b>283,369</b>	<b>289,429</b>	<b>309,467</b>	<b>329,271</b>	<b>6.4</b>	<b>28,490</b>	<b>29,639</b>	<b>29,553</b>	<b>29,793</b>	<b>31,416</b>	<b>32,898</b>	.....	
Colorado.....	144,394	152,700	153,066	154,887	164,586	174,754	6.2	33,371	34,493	34,027	34,056	35,766	37,459	8	
Idaho.....	31,290	33,054	33,849	34,687	38,090	40,584	6.5	24,075	25,019	25,185	25,354	27,302	28,398	42	
Montana.....	20,716	22,359	22,819	24,073	25,670	27,046	5.4	22,929	24,676	25,065	26,227	27,694	28,906	41	
Utah.....	53,561	56,594	58,172	59,367	63,401	67,906	7.1	23,878	24,738	24,895	24,958	26,191	27,497	46	
Wyoming.....	14,063	14,972	15,463	16,415	17,720	18,982	7.1	28,460	30,305	30,986	32,704	35,028	37,270	10	
<b>Far West</b> .....	<b>1,502,717</b>	<b>1,547,366</b>	<b>1,570,773</b>	<b>1,620,831</b>	<b>1,733,330</b>	<b>1,825,479</b>	<b>5.3</b>	<b>31,835</b>	<b>32,276</b>	<b>32,307</b>	<b>32,884</b>	<b>34,741</b>	<b>36,209</b>	.....	
Alaska.....	16,741	20,050	20,722	21,134	22,207	23,515	5.9	29,867	31,711	32,343	32,588	33,761	35,433	15	
California.....	1,103,842	1,135,304	1,147,716	1,184,455	1,264,422	1,332,919	5.4	32,463	32,882	32,803	33,406	35,278	36,890	12	
Hawaii.....	34,451	35,126	36,370	37,803	41,178	43,953	6.7	28,422	28,748	29,464	30,286	32,626	34,468	19	
Nevada.....	61,428	64,367	66,632	71,226	79,453	86,403	8.7	30,437	30,727	30,736	31,773	34,058	35,780	14	
Oregon.....	96,402	99,020	101,882	104,660	110,695	117,149	5.8	28,097	28,507	28,924	29,377	30,823	32,174	28	
Washington.....	187,853	193,498	197,452	201,552	215,376	221,540	2.9	31,779	32,291	32,549	32,874	34,699	35,234	16	

1. Per capita personal income was computed using midyear population estimates of the Bureau of the Census. The population estimates were released by the Bureau of the Census in December 2005.

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: Second Quarter of 2006 and Revised Estimates for 2003-2006:1" in the October 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							Per capita disposable personal income <sup>1</sup>							Rank in U.S.
	[Millions of dollars]						Percent change <sup>2</sup> 2004-2005	[Dollars]					2005		
	2000	2001	2002	2003	2004	2005		2000	2001	2002	2003	2004			
<b>United States</b> .....	<b>7,187,588</b>	<b>7,480,971</b>	<b>7,822,136</b>	<b>8,150,921</b>	<b>8,668,465</b>	<b>9,022,941</b>	<b>4.1</b>	<b>25,470</b>	<b>26,239</b>	<b>27,162</b>	<b>28,024</b>	<b>29,519</b>	<b>30,441</b>	.....	
<b>New England</b> .....	<b>411,889</b>	<b>432,904</b>	<b>454,473</b>	<b>468,808</b>	<b>495,748</b>	<b>511,080</b>	<b>3.1</b>	<b>29,520</b>	<b>30,826</b>	<b>32,172</b>	<b>33,028</b>	<b>34,859</b>	<b>35,891</b>	.....	
Connecticut.....	113,910	118,825	123,813	126,882	135,234	139,455	3.1	33,383	34,618	35,801	36,399	38,650	39,727	1	
Maine.....	28,728	30,508	31,984	33,768	35,370	36,299	2.6	22,489	23,717	24,660	25,812	26,898	27,468	37	
Massachusetts.....	192,839	203,390	214,288	219,879	231,866	239,280	3.2	30,310	31,806	33,422	34,262	36,188	37,395	3	
New Hampshire.....	35,438	36,774	38,709	40,200	43,016	44,443	3.3	28,566	29,220	30,368	31,221	33,110	33,928	5	
Rhode Island.....	26,330	27,949	29,644	31,183	32,621	33,405	2.4	25,059	26,407	27,742	28,988	30,207	31,040	17	
Vermont.....	14,645	15,457	16,036	16,895	17,638	18,197	3.2	24,010	25,223	26,021	27,290	28,392	29,206	27	
<b>Mideast</b> .....	<b>1,325,573</b>	<b>1,362,089</b>	<b>1,422,594</b>	<b>1,474,520</b>	<b>1,570,197</b>	<b>1,623,751</b>	<b>3.4</b>	<b>28,576</b>	<b>29,207</b>	<b>30,347</b>	<b>31,292</b>	<b>33,192</b>	<b>34,259</b>	.....	
Delaware.....	20,666	21,688	23,183	24,284	26,004	27,293	5.0	26,278	27,267	28,771	29,693	31,327	32,356	11	
District of Columbia.....	19,078	21,447	22,308	23,691	25,544	26,663	4.4	33,408	37,671	39,510	42,468	46,088	48,432	.....	
Maryland.....	152,970	161,723	171,570	179,434	192,564	202,617	5.2	28,800	30,062	31,526	32,551	34,626	36,179	4	
New Jersey.....	269,958	279,149	291,335	300,251	319,714	331,443	3.7	32,009	32,822	33,971	34,751	36,811	38,019	2	
New York.....	548,702	556,722	576,527	595,843	636,733	652,273	2.4	28,881	29,161	30,083	30,988	33,024	33,876	6	
Pennsylvania.....	314,199	321,359	337,760	351,017	369,638	383,462	3.7	25,573	26,135	27,398	28,388	29,823	30,851	18	
<b>Great Lakes</b> .....	<b>1,145,681</b>	<b>1,173,332</b>	<b>1,221,717</b>	<b>1,274,867</b>	<b>1,323,294</b>	<b>1,363,602</b>	<b>3.0</b>	<b>25,332</b>	<b>25,824</b>	<b>26,778</b>	<b>27,819</b>	<b>28,770</b>	<b>29,543</b>	.....	
Illinois.....	340,996	348,839	362,767	380,365	394,488	408,081	3.4	27,412	27,866	28,821	30,069	31,033	31,973	14	
Indiana.....	144,059	146,577	153,422	160,973	169,528	174,960	3.2	23,647	23,928	24,927	25,979	27,227	27,896	34	
Michigan.....	253,237	260,068	269,198	281,494	288,691	296,291	2.6	25,435	26,000	26,814	27,331	28,571	29,275	26	
Ohio.....	275,725	280,988	292,555	302,534	313,008	321,643	2.8	24,263	24,681	25,652	26,464	27,337	28,057	32	
Wisconsin.....	131,663	136,860	143,775	149,501	157,580	162,626	3.2	24,498	25,324	26,433	27,322	28,633	29,375	25	
<b>Plains</b> .....	<b>473,377</b>	<b>489,385</b>	<b>512,013</b>	<b>537,931</b>	<b>570,469</b>	<b>589,956</b>	<b>3.4</b>	<b>24,564</b>	<b>25,261</b>	<b>26,295</b>	<b>27,471</b>	<b>28,962</b>	<b>29,722</b>	.....	
Iowa.....	68,496	70,140	74,161	76,233	83,305	85,199	2.3	23,390	23,928	25,274	25,918	28,211	28,772	28	
Kansas.....	64,751	67,684	70,049	73,103	77,432	81,133	4.8	24,047	25,060	25,825	26,835	28,325	29,560	24	
Minnesota.....	134,132	138,730	145,240	152,881	162,984	167,521	2.8	27,187	27,832	28,912	30,204	31,979	32,637	9	
Missouri.....	132,734	136,441	143,294	149,725	156,628	162,417	3.7	23,676	24,177	25,223	26,182	27,195	28,001	33	
Nebraska.....	41,271	43,184	45,123	48,400	50,689	52,121	2.9	24,089	25,122	26,132	27,848	28,992	29,635	23	
North Dakota.....	14,487	14,763	15,266	16,703	16,984	18,172	7.0	22,595	23,203	24,095	26,385	26,691	28,542	29	
South Dakota.....	17,505	18,443	18,879	20,885	22,466	23,393	4.1	23,163	24,329	24,829	27,315	29,154	30,148	21	
<b>Southeast</b> .....	<b>1,604,611</b>	<b>1,682,999</b>	<b>1,762,224</b>	<b>1,843,071</b>	<b>1,974,244</b>	<b>2,062,572</b>	<b>4.5</b>	<b>23,090</b>	<b>23,936</b>	<b>24,760</b>	<b>25,577</b>	<b>27,025</b>	<b>27,834</b>	.....	
Alabama.....	93,705	98,257	102,725	107,969	115,993	122,383	5.5	21,046	21,994	22,929	23,983	25,632	26,851	40	
Arkansas.....	51,897	55,026	56,919	60,491	64,648	66,899	3.5	19,375	20,444	21,029	22,189	23,508	24,072	47	
Florida.....	398,172	418,855	443,369	468,140	511,355	541,101	5.8	24,810	25,617	26,584	27,548	29,413	30,416	20	
Georgia.....	197,964	207,824	216,481	224,649	237,416	251,349	5.9	24,054	24,695	25,226	25,683	26,622	27,704	35	
Kentucky.....	86,423	88,537	92,299	95,172	100,782	105,600	4.8	21,344	21,770	22,575	23,118	24,333	25,303	45	
Louisiana.....	91,957	98,406	102,141	106,138	112,305	101,914	-9.3	20,574	22,038	22,825	23,637	24,920	22,529	50	
Mississippi.....	53,940	56,692	58,542	61,200	64,521	67,140	4.1	18,935	19,839	20,424	21,244	22,243	22,985	49	
North Carolina.....	189,004	195,424	202,246	210,003	226,480	239,204	5.6	23,396	23,837	24,330	24,934	26,518	27,548	36	
South Carolina.....	86,509	89,602	93,514	97,178	103,181	108,134	4.8	21,501	22,072	22,794	23,435	24,579	25,413	43	
Tennessee.....	133,501	138,817	145,548	152,690	161,505	169,401	4.9	23,409	24,155	25,137	26,139	27,405	28,409	30	
Virginia.....	186,232	198,134	209,201	219,937	234,640	246,533	5.1	26,215	27,549	28,712	29,788	31,363	32,578	10	
West Virginia.....	35,308	37,425	39,240	39,502	41,417	42,914	3.6	19,535	20,775	21,745	22,820	22,850	23,620	48	
<b>Southwest</b> .....	<b>748,309</b>	<b>789,375</b>	<b>818,959</b>	<b>857,651</b>	<b>921,144</b>	<b>984,220</b>	<b>6.8</b>	<b>23,838</b>	<b>24,724</b>	<b>25,196</b>	<b>25,941</b>	<b>27,384</b>	<b>28,715</b>	.....	
Arizona.....	115,336	121,547	129,279	136,292	148,293	159,763	7.7	22,326	22,951	23,772	24,435	25,836	26,899	39	
New Mexico.....	35,661	39,388	40,631	42,540	46,462	48,943	5.3	19,578	21,493	21,899	22,637	24,415	25,380	44	
Oklahoma.....	74,327	79,731	81,087	83,920	90,847	95,713	5.4	21,517	23,005	23,254	23,944	25,783	26,978	38	
Texas.....	522,986	548,709	567,962	594,899	635,542	679,800	7.0	24,964	25,720	26,146	26,920	28,282	29,738	22	
<b>Rocky Mountain</b> .....	<b>226,461</b>	<b>242,403</b>	<b>251,784</b>	<b>259,704</b>	<b>278,321</b>	<b>293,149</b>	<b>5.3</b>	<b>24,436</b>	<b>25,689</b>	<b>26,259</b>	<b>26,733</b>	<b>28,255</b>	<b>29,289</b>	.....	
Colorado.....	122,175	130,976	134,727	137,940	147,003	154,530	5.1	28,236	29,586	29,950	30,329	31,945	33,124	8	
Idaho.....	27,240	28,945	30,512	31,474	34,612	36,565	5.6	20,959	21,909	22,703	23,005	24,809	25,586	42	
Montana.....	18,281	19,835	20,572	21,877	23,338	24,314	4.2	20,233	21,891	22,597	23,834	25,178	25,985	41	
Utah.....	46,661	49,627	52,123	53,529	57,260	60,681	6.0	20,802	21,693	22,306	22,504	23,654	24,571	46	
Wyoming.....	12,105	13,019	13,850	14,884	16,108	17,059	5.9	24,497	26,352	27,754	29,655	31,840	33,495	7	
<b>Far West</b> .....	<b>1,251,686</b>	<b>1,308,485</b>	<b>1,378,371</b>	<b>1,434,369</b>	<b>1,535,048</b>	<b>1,594,611</b>	<b>3.9</b>	<b>26,517</b>	<b>27,293</b>	<b>28,350</b>	<b>29,101</b>	<b>30,767</b>	<b>31,630</b>	.....	
Alaska.....	16,582	17,801	18,684	19,219	20,323	21,338	5.0	26,426	28,155	29,162	29,635	30,898	32,151	12	
California.....	908,421	949,844	1,001,232	1,042,151	1,112,900	1,156,600	3.9	26,716	27,510	28,616	29,392	31,050	32,010	13	
Hawaii.....	30,111	30,701	32,308	33,807	36,842	38,877	5.5	24,842	25,127	26,173	27,085	29,190	30,487	19	
Nevada.....	53,123	56,117	59,195	63,854	70,835	75,989	7.3	26,322	26,788	27,306	28,485	30,364	31,468	16	
Oregon.....	82,019	85,137	89,801	92,864	98,276	102,882	4.7	23,905	24,510	25,495	26,066	27,365	28,256	31	
Washington.....	161,429	168,885	177,151	182,473	195,872	198,926	1.6	27,309	28,183	29,202	29,762	31,556	31,637	15	

1. Per capita disposable personal income was computed using midyear population estimates of the Bureau of the Census. The population estimates were released by the Bureau of the Census in December 2005.  
 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: Second Quarter of 2006 and Revised Estimates for 2003-2006:II" in the October 2006 SURVEY OF CURRENT BUSINESS.

Table H.4. Gross Domestic Product (GDP) by State for Industries, 2005

(Millions of dollars)

State and region	Rank of total GDP by state	Total	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
<b>United States</b> .....		<b>12,409,555</b>	<b>332,640</b>	<b>593,535</b>	<b>868,438</b>	<b>628,103</b>	<b>1,561,724</b>	<b>601,155</b>	<b>578,345</b>	<b>2,574,412</b>	<b>1,468,529</b>	<b>977,437</b>	<b>455,878</b>	<b>294,611</b>	<b>1,474,748</b>
<b>New England</b> .....		<b>686,547</b>	<b>3,106</b>	<b>29,600</b>	<b>50,452</b>	<b>23,143</b>	<b>80,981</b>	<b>22,948</b>	<b>29,050</b>	<b>179,784</b>	<b>91,259</b>	<b>72,371</b>	<b>23,025</b>	<b>14,810</b>	<b>66,017</b>
Connecticut .....	23	193,745	448	6,927	14,178	7,795	21,907	6,372	7,707	59,247	25,097	17,524	5,361	3,939	17,244
Maine .....	43	44,971	664	2,406	2,613	2,359	6,511	1,952	1,347	9,068	3,520	5,268	1,816	1,033	6,415
Massachusetts .....	13	325,917	1,098	14,102	23,321	9,503	36,231	9,490	15,341	82,446	51,124	36,366	10,894	6,994	29,007
New Hampshire .....	39	55,061	296	2,754	5,043	1,557	8,181	2,676	1,942	13,107	5,560	5,507	2,101	1,308	5,030
Rhode Island .....	44	43,787	125	2,153	3,087	1,219	5,042	1,421	1,756	11,881	4,211	5,057	1,624	973	5,239
Vermont .....	50	23,065	474	1,258	2,210	711	3,109	1,037	958	4,036	1,748	2,649	1,229	563	3,083
<b>Midwest</b> .....		<b>2,262,524</b>	<b>11,804</b>	<b>88,445</b>	<b>86,100</b>	<b>107,844</b>	<b>260,593</b>	<b>97,278</b>	<b>128,545</b>	<b>575,329</b>	<b>308,545</b>	<b>206,978</b>	<b>74,429</b>	<b>55,189</b>	<b>261,445</b>
Delaware .....	38	56,483	(D)	(D)	1,060	3,144	4,372	1,673	1,218	25,251	6,843	3,215	1,256	977	4,859
District of Columbia .....		81,830	(D)	(D)	96	118	1,822	1,230	5,320	10,867	19,273	5,736	2,995	5,143	28,153
Maryland .....	15	246,234	1,077	15,018	6,369	7,189	28,645	11,099	10,072	55,616	34,127	21,037	8,691	6,383	40,911
New Jersey .....	8	431,079	886	17,850	13,055	27,979	62,751	20,753	20,268	106,323	58,816	34,355	14,693	9,125	44,228
New York .....	3	957,873	2,910	30,344	28,751	32,240	102,083	34,264	74,306	283,664	132,381	88,018	32,551	20,420	95,941
Pennsylvania .....	6	489,025	6,490	21,981	38,770	37,174	60,920	28,260	17,361	93,608	57,106	54,617	14,242	13,142	47,353
<b>Great Lakes</b> .....		<b>1,832,089</b>	<b>16,616</b>	<b>80,314</b>	<b>226,238</b>	<b>114,817</b>	<b>231,314</b>	<b>97,153</b>	<b>56,014</b>	<b>350,823</b>	<b>214,016</b>	<b>150,091</b>	<b>57,818</b>	<b>44,290</b>	<b>192,585</b>
Illinois .....	5	560,032	3,734	26,010	42,974	31,853	71,703	32,384	20,858	124,175	77,624	42,170	18,315	13,568	54,666
Indiana .....	16	298,568	2,597	10,549	44,407	22,800	28,108	13,611	5,412	36,590	17,905	19,195	8,462	5,658	23,274
Michigan .....	9	376,243	3,051	16,231	54,827	14,359	47,674	17,324	10,847	68,168	51,466	30,617	11,636	8,817	41,225
Ohio .....	7	440,923	3,984	17,535	57,112	28,166	57,329	23,247	12,410	80,550	48,730	38,552	13,021	11,155	49,128
Wisconsin .....	21	216,322	3,251	9,989	26,918	17,638	26,500	10,586	6,487	41,338	18,292	19,558	6,381	5,092	24,292
<b>Plains</b> .....		<b>795,735</b>	<b>23,912</b>	<b>35,607</b>	<b>70,301</b>	<b>47,275</b>	<b>103,478</b>	<b>44,475</b>	<b>33,406</b>	<b>149,833</b>	<b>79,405</b>	<b>67,453</b>	<b>25,831</b>	<b>19,142</b>	<b>95,616</b>
Iowa .....	30	113,552	3,914	4,783	14,043	10,667	13,755	6,269	3,495	21,619	6,578	8,871	3,519	2,537	13,503
Kansas .....	32	105,574	5,102	4,104	10,193	5,343	13,768	6,166	6,712	16,056	10,075	8,023	2,990	2,518	14,523
Minnesota .....	17	234,552	4,317	11,104	20,820	11,216	30,502	10,595	8,693	52,768	27,326	20,674	6,976	5,608	23,951
Missouri .....	22	216,065	3,086	10,184	17,243	15,105	28,976	11,329	10,124	35,337	26,375	18,860	8,630	5,438	25,377
Nebraska .....	36	70,676	3,262	3,021	4,199	3,473	8,782	7,080	2,571	12,268	6,142	5,802	1,875	1,698	10,503
North Dakota .....	49	24,397	2,284	1,144	1,474	731	3,777	1,652	925	3,605	1,438	2,302	722	591	3,751
South Dakota .....	46	30,919	1,946	1,267	2,328	740	3,919	1,384	886	8,180	1,471	2,921	1,118	752	4,007
<b>Southeast</b> .....		<b>2,786,296</b>	<b>67,449</b>	<b>148,940</b>	<b>179,270</b>	<b>182,910</b>	<b>371,148</b>	<b>142,123</b>	<b>116,136</b>	<b>512,048</b>	<b>308,270</b>	<b>207,398</b>	<b>108,688</b>	<b>67,724</b>	<b>374,190</b>
Alabama .....	25	151,610	5,192	7,399	16,223	10,770	20,773	8,070	4,939	22,367	13,321	11,509	4,052	4,018	22,975
Arkansas .....	34	86,752	3,374	9,210	9,210	7,665	12,067	6,174	3,120	11,738	6,819	6,957	2,327	1,938	11,523
Florida .....	4	673,274	7,075	47,723	22,026	11,721	97,049	28,717	28,977	160,367	86,586	52,867	36,341	18,133	75,891
Georgia .....	10	363,839	4,489	18,680	18,938	27,138	52,748	20,737	23,585	64,131	43,074	24,115	11,833	7,491	46,879
Kentucky .....	27	140,501	5,700	5,998	16,213	10,827	18,385	9,017	3,755	19,485	10,405	12,206	4,604	3,218	20,688
Louisiana .....	24	168,204	21,791	7,096	6,741	20,834	19,613	10,604	4,147	20,037	13,471	11,758	7,553	3,670	20,890
Mississippi .....	35	81,290	4,127	3,536	7,798	4,848	10,942	5,163	2,073	10,836	5,133	6,185	4,200	2,255	14,194
North Carolina .....	12	346,640	4,285	16,549	25,202	42,031	42,439	14,722	12,573	68,715	33,080	24,513	10,475	7,116	44,941
South Carolina .....	28	140,019	1,379	7,997	13,658	11,253	19,621	6,995	3,881	22,317	12,274	9,027	5,795	3,503	22,318
Tennessee .....	18	229,215	1,927	9,635	24,966	15,931	34,237	12,607	7,687	36,341	23,554	21,848	9,328	6,889	24,845
Virginia .....	11	351,903	3,382	18,304	15,119	17,504	36,430	15,018	19,938	68,856	56,997	21,120	10,185	8,813	60,236
West Virginia .....	41	53,050	4,727	2,182	3,155	2,388	6,843	4,301	1,462	6,856	3,556	5,292	1,997	1,280	9,010
<b>Southwest</b> .....		<b>1,396,331</b>	<b>127,288</b>	<b>74,080</b>	<b>93,957</b>	<b>65,999</b>	<b>183,026</b>	<b>85,708</b>	<b>53,596</b>	<b>226,975</b>	<b>150,693</b>	<b>93,195</b>	<b>45,283</b>	<b>30,461</b>	<b>166,070</b>
Arizona .....	20	216,528	4,088	15,579	17,009	2,635	30,713	9,917	6,678	49,831	24,129	16,419	9,192	4,331	26,006
New Mexico .....	37	68,870	9,904	3,133	5,447	1,041	7,026	3,310	1,802	9,021	6,722	4,778	2,382	1,432	12,872
Oklahoma .....	29	121,490	17,780	4,735	7,395	4,426	14,640	7,123	4,306	16,540	10,172	8,820	3,384	2,831	19,339
Texas .....	2	989,443	95,517	50,633	64,106	57,897	130,648	65,358	40,809	151,583	109,670	63,178	30,325	21,866	107,854
<b>Rocky Mountain</b> .....		<b>411,658</b>	<b>26,979</b>	<b>25,136</b>	<b>22,459</b>	<b>10,204</b>	<b>49,164</b>	<b>20,060</b>	<b>24,895</b>	<b>78,557</b>	<b>47,621</b>	<b>27,157</b>	<b>16,318</b>	<b>10,031</b>	<b>53,079</b>
Colorado .....	19	216,537	10,414	13,669	9,217	4,758	24,893	8,175	18,729	44,203	28,762	13,793	9,337	4,916	25,673
Idaho .....	42	47,189	2,371	2,811	4,897	1,410	6,648	2,119	1,180	8,092	5,375	3,776	1,555	959	6,397
Montana .....	47	29,885	2,574	1,930	900	552	3,830	2,388	901	4,941	2,093	2,793	1,391	770	4,823
Utah .....	33	90,778	2,928	5,292	7,086	2,736	11,361	4,525	3,654	18,400	10,255	6,021	3,017	2,940	12,563
Wyoming .....	48	27,269	8,691	1,434	3,860	748	2,432	2,854	431	2,921	1,137	1,175	1,017	447	3,624
<b>Far West</b> .....		<b>2,238,377</b>	<b>55,487</b>	<b>111,412</b>	<b>139,660</b>	<b>75,911</b>	<b>282,019</b>	<b>91,410</b>	<b>136,703</b>	<b>501,062</b>	<b>268,719</b>	<b>152,795</b>	<b>104,486</b>	<b>52,966</b>	<b>265,747</b>
Alaska .....	45	39,314	11,029	1,932	151	758	2,591	4,351	997	4,247	2,155	2,212	1,271	630	6,990
California .....	1	1,622,116	32,816	76,487	95,590	61,559	206,451	62,483	107,120	380,401	208,157	109,366	64,082	39,174	178,431
Hawaii .....	40	54,019	383	3,157	271	611	5,908	2,959	1,389	11,294	4,965	4,191	5,448	1,420	12,022
Nevada .....	31	111,342	1,990	10,639	2,720	1,382	12,695	5,191	2,509	24,492	11,740	5,733	19,732	1,912	10,607
Oregon .....	26	144,278	3,895	6,233	22,934	4,240	17,718	5,994	4,476	27,024	13,300	11,507	4,453	3,090	19,413
Washington .....	14	267,308	5,374	12,963	17,994	7,361	36,656	10,432	20,212	53,604	28,401	19,785	9,501	6,741	38,284

D Suppressed to avoid disclosure of data of individual companies.

NOTE: Totals for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GDP by state excludes, and national 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. GDP by state and national GDP also have different revision schedules.

Source: This table reflects the GDP-by-state estimates for 2005 that were released on October 26, 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, 2003-2005—Continues

Area name	Personal income				Per capita personal income <sup>1</sup>			
	Millions of dollars			Percent change <sup>2</sup>	Dollars			Rank in United States
	2003	2004	2005 <sup>3</sup>		2003	2004	2005 <sup>3</sup>	
<b>Metropolitan portion of the United States</b> .....	<b>7,978,326</b>	<b>8,458,879</b>	<b>8,885,062</b>	<b>5.0</b>	<b>33,047</b>	<b>34,668</b>	<b>36,048</b>	.....
<b>Metropolitan statistical areas<sup>3</sup></b>								
Abilene, TX.....	3,964	4,188	4,378	4.5	25,074	26,432	27,660	264
Akron, OH.....	21,756	22,783	23,672	3.9	31,017	32,462	33,709	94
Albany, GA.....	3,743	3,886	4,049	4.2	23,147	23,938	24,865	334
Albany-Schenectady-Troy, NY.....	27,278	28,686	29,707	3.6	32,453	33,950	34,996	73
Albuquerque, NM.....	21,731	23,014	24,319	5.7	28,339	29,453	30,477	170
Alexandria, LA.....	3,740	4,049	4,411	8.9	25,589	27,557	29,813	184
Allentown-Bethlehem-Easton, PA-NJ.....	24,309	25,589	26,729	4.5	31,606	32,817	33,811	91
Altoona, PA.....	3,218	3,387	3,492	3.1	25,255	26,630	27,543	271
Amarillo, TX.....	6,048	6,391	6,712	5.0	25,904	27,114	28,122	241
Ames, IA.....	2,281	2,418	2,529	4.6	28,417	30,133	31,827	139
Anchorage, AK.....	12,205	12,831	13,522	5.4	35,942	37,058	38,519	33
Anderson, IN.....	3,604	3,697	3,755	1.6	27,517	28,337	28,796	217
Anderson, SC.....	4,370	4,556	4,725	3.7	25,434	26,249	26,922	285
Ann Arbor, MI.....	12,989	13,391	13,752	2.7	38,706	39,528	40,228	23
Anniston-Oxford, AL.....	2,765	2,950	3,120	5.8	24,686	26,343	27,820	255
Appleton, WI.....	6,518	6,986	7,270	4.1	30,911	32,821	33,792	92
Asheville, NC.....	10,038	10,660	11,169	4.8	26,251	27,518	28,432	229
Athens-Clarke County, GA.....	4,176	4,432	4,637	4.6	24,307	25,264	26,486	304
Atlanta-Sandy Springs-Marietta, GA.....	153,070	162,297	172,164	6.1	32,739	33,838	35,009	72
Atlantic City, NJ.....	8,276	8,730	9,168	5.0	31,384	32,538	33,827	89
Auburn-Opelika, AL.....	2,653	2,849	3,008	5.6	22,283	23,632	24,406	339
Augusta-Richmond County, GA-SC.....	13,267	14,007	14,624	4.4	25,994	27,128	28,105	242
Austin-Round Rock, TX.....	43,142	45,855	49,394	7.7	31,353	32,494	34,005	84
Bakersfield, CA.....	16,558	17,864	18,876	5.7	23,215	24,335	24,941	332
Baltimore-Towson, MD.....	96,583	102,650	108,475	5.7	36,757	38,813	40,846	20
Bangor, ME.....	3,857	4,068	4,252	4.5	26,193	27,733	28,912	212
Barnstable Town, MA.....	8,902	9,430	9,735	3.2	38,878	41,362	42,978	10
Baton Rouge, LA.....	19,131	20,208	21,795	7.9	26,531	27,780	29,702	186
Battle Creek, MI.....	3,749	3,851	3,936	2.2	26,968	27,601	28,281	233
Bay City, MI.....	2,978	3,019	3,075	1.9	27,228	27,658	28,206	237
Beaumont-Port Arthur, TX.....	10,041	10,352	11,068	6.9	26,244	27,012	28,859	214
Bellingham, WA.....	4,746	5,055	5,382	6.5	26,884	28,049	29,333	198
Bend, OR.....	3,707	4,019	4,374	8.8	28,616	29,853	30,935	158
Billings, MT.....	4,196	4,486	4,803	7.1	29,341	31,028	32,766	115
Binghamton, NY.....	6,439	6,692	6,948	3.8	25,713	26,836	27,969	246
Birmingham-Hoover, AL.....	33,658	35,770	38,006	6.3	31,348	33,067	34,864	76
Bismarck, ND.....	2,839	3,044	3,232	6.2	29,288	31,096	32,531	118
Blacksburg-Christiansburg-Radford, VA.....	3,352	3,515	3,723	5.9	22,228	23,337	24,645	337
Bloomington, IN.....	4,274	4,527	4,687	3.5	24,183	25,535	26,375	305
Bloomington-Normal, IL.....	5,057	5,024	5,076	1.0	32,255	31,826	31,924	131
Boise City-Nampa, ID.....	14,847	16,030	17,180	7.2	29,035	30,545	31,569	141
Boston-Cambridge-Quincy, MA-NH.....	191,958	203,527	212,464	4.4	43,345	46,060	48,158	5
Boulder, CO.....	11,541	12,200	12,884	5.6	41,517	43,640	45,944	7
Bowling Green, KY.....	2,691	2,856	3,027	6.0	25,050	26,193	27,271	273
Bremerton-Silverdale, WA.....	7,731	8,176	8,561	4.7	32,215	33,865	35,572	62
Bridgeport-Stamford-Norwalk, CT.....	53,174	56,796	60,232	6.1	59,108	62,979	66,719	1
Brownsville-Harlingen, TX.....	5,989	6,302	6,573	4.3	16,538	16,994	17,374	360
Brunswick, GA.....	2,638	2,825	2,957	4.7	27,272	28,957	30,041	180
Buffalo-Niagara Falls, NY.....	34,135	35,773	36,741	2.7	29,477	31,006	32,012	130
Burlington, NC.....	3,532	3,740	3,875	3.6	25,863	27,016	27,575	268
Burlington-South Burlington, VT.....	6,704	7,080	7,378	4.2	32,962	34,618	35,948	58
Canton-Massillon, OH.....	11,125	11,547	11,948	3.5	27,148	28,164	29,141	202
Cape Coral-Fort Myers, FL.....	15,569	17,030	18,554	8.9	31,629	33,073	34,059	83
Carson City, NV.....	1,882	2,016	2,140	6.1	34,055	36,055	38,170	37
Casper, WY.....	2,369	2,580	2,811	8.9	34,717	37,401	40,266	22
Cedar Rapids, IA.....	7,533	8,038	8,438	5.0	31,058	32,901	34,242	79
Champaign-Urbana, IL.....	6,786	6,204	6,166	-0.6	31,643	28,858	28,579	223
Charleston, WV.....	8,958	9,365	9,815	4.8	29,161	30,480	32,028	129
Charleston-North Charleston, SC.....	15,854	16,991	18,153	6.8	27,719	29,120	30,514	168
Charlotte-Gastonia-Concord, NC-SC.....	47,998	51,349	54,996	7.1	33,363	34,816	36,151	56
Charlottesville, VA.....	5,905	6,371	6,823	7.1	32,236	34,333	36,213	53
Chattanooga, TN-GA.....	13,864	14,617	15,311	4.8	28,519	29,912	31,113	153
Cheyenne, WY.....	2,763	2,939	3,096	5.4	32,766	34,559	36,355	49
Chicago-Naperville-Joliet, IL-IN-WI.....	335,618	349,141	362,994	4.0	35,967	37,169	38,439	34
Chico, CA.....	5,074	5,393	5,694	5.6	24,037	25,357	26,586	301
Cincinnati-Middletown, OH-KY-IN.....	66,984	70,689	73,745	4.3	32,738	34,368	35,618	61
Clarksville, TN-KY.....	6,189	6,591	7,281	10.5	26,218	27,667	29,882	182
Cleveland, TN.....	2,678	2,874	2,985	3.9	25,221	26,868	27,634	266
Cleveland-Elyria-Mentor, OH.....	69,859	73,111	75,573	3.4	32,651	34,264	35,542	63
Coeur d'Alene, ID.....	2,845	3,098	3,330	7.5	24,194	25,297	26,086	313
College Station-Bryan, TX.....	4,177	4,425	4,731	6.9	22,224	23,446	24,933	333
Colorado Springs, CO.....	17,474	18,536	19,694	6.2	30,559	31,991	33,521	99
Columbia, MO.....	4,231	4,537	4,799	5.8	28,197	30,019	31,309	148
Columbia, SC.....	18,963	20,271	21,336	5.3	28,234	29,808	30,927	159
Columbus, GA-AL.....	7,562	7,939	8,433	6.2	27,047	27,909	29,661	187
Columbus, IN.....	2,258	2,399	2,479	3.3	31,219	32,930	33,706	95
Columbus, OH.....	54,931	57,700	60,188	4.3	32,794	34,128	35,226	68
Corpus Christi, TX.....	10,664	11,200	11,802	5.4	26,271	27,340	28,539	225
Corvallis, OR.....	2,562	2,664	2,826	6.1	32,375	33,988	35,937	59
Cumberland, MD-WV.....	2,305	2,415	2,525	4.5	22,817	23,907	25,084	330

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area, 2003-2005—Continues

Area name	Personal income				Per capita personal income <sup>1</sup>			
	Millions of dollars			Percent change <sup>2</sup>	Dollars			Rank in United States
	2003	2004	2005 <sup>3</sup>		2003	2004	2005 <sup>3</sup>	
<b>Metropolitan statistical areas<sup>3</sup>—Continued</b>								
Dallas-Fort Worth-Arlington, TX.....	190,517	202,219	215,756	6.7	34,109	35,502	37,075	44
Dalton, GA.....	3,214	3,407	3,555	4.3	25,257	26,301	26,996	284
Danville, IL.....	1,999	2,060	2,084	1.2	24,135	24,929	25,308	325
Danville, VA.....	2,620	2,711	2,794	3.1	24,074	25,037	25,872	316
Davenport-Moline-Rock Island, IA-IL.....	11,003	11,711	12,147	3.7	29,359	31,205	32,280	127
Dayton, OH.....	25,681	26,518	27,306	3.0	30,385	31,387	32,369	124
Decatur, AL.....	3,949	4,129	4,300	4.1	26,795	28,012	28,984	210
Decatur, IL.....	3,222	3,389	3,512	3.6	28,998	30,667	31,876	132
Deltona-Daytona Beach-Ormond Beach, FL.....	11,719	12,509	13,335	6.6	25,062	26,118	27,211	276
Denver-Aurora, CO.....	90,184	95,238	100,473	5.5	39,212	40,939	42,574	13
Des Moines-West Des Moines, IA.....	17,303	18,641	19,680	5.6	34,326	36,384	37,668	40
Detroit-Warren-Livonia, MI.....	162,957	164,543	169,183	2.8	36,330	36,650	37,694	39
Dothan, AL.....	3,438	3,671	3,859	5.1	25,744	27,188	28,255	234
Dover, DE.....	3,529	3,797	4,005	5.5	26,215	27,292	27,820	255
Dubuque, IA.....	2,501	2,682	2,828	5.4	27,631	29,447	30,864	162
Duluth, MN-WI.....	7,685	8,122	8,356	2.9	27,826	29,451	30,342	175
Durham, NC.....	14,040	14,863	15,556	4.7	31,529	33,011	34,099	82
Eau Claire, WI.....	4,073	4,284	4,473	4.4	26,943	28,004	29,041	206
El Centro, CA.....	3,151	3,320	3,450	3.9	21,149	21,794	22,143	354
Elizabethtown, KY.....	2,981	3,157	3,252	3.0	27,356	28,883	29,389	197
Elkhart-Goshen, IN.....	5,662	5,976	6,188	3.5	29,960	31,187	31,674	136
Elmira, NY.....	2,190	2,291	2,422	5.7	24,268	25,464	27,055	281
El Paso, TX.....	14,641	15,556	16,434	5.6	20,841	21,829	22,775	349
Erie, PA.....	7,150	7,516	7,830	4.2	25,267	26,764	27,921	249
Eugene-Springfield, OR.....	8,727	9,214	9,752	5.8	26,445	27,788	29,093	205
Evansville, IN-KY.....	10,409	10,934	11,307	3.4	30,044	31,435	32,348	125
Fairbanks, AK.....	2,615	2,748	2,923	6.4	30,687	31,618	33,380	104
Fargo, ND-MN.....	5,433	5,803	6,135	5.7	30,397	31,769	33,190	109
Farmington, NM.....	2,519	2,720	2,932	7.8	20,588	21,899	23,230	348
Fayetteville, NC.....	9,129	9,769	10,537	7.9	26,495	28,224	30,493	169
Fayetteville-Springdale-Rogers, AR-MO.....	9,599	10,603	11,264	6.2	25,376	27,122	27,806	257
Flagstaff, AZ.....	3,012	3,234	3,454	6.8	24,871	26,362	27,881	251
Flint, MI.....	12,509	12,475	12,361	-0.9	28,277	28,130	27,847	252
Florence, SC.....	4,950	5,208	5,401	3.7	25,204	26,399	27,217	275
Florence-Muscle Shoals, AL.....	3,327	3,506	3,686	5.1	23,482	24,658	25,894	315
Fond du Lac, WI.....	2,955	3,094	3,216	4.0	30,096	31,366	32,379	123
Fort Collins-Loveland, CO.....	8,379	8,847	9,305	5.2	31,444	32,893	34,219	80
Fort Smith, AR-OK.....	6,529	6,994	7,433	6.3	23,345	24,802	26,081	314
Fort Walton Beach-Crestview-Destin, FL.....	5,507	5,982	6,369	6.5	30,969	33,068	34,961	74
Fort Wayne, IN.....	11,685	12,138	12,486	2.9	29,212	30,214	30,873	161
Fresno, CA.....	20,637	22,136	22,974	3.8	24,267	25,573	26,179	310
Gadsden, AL.....	2,464	2,616	2,739	4.7	23,923	25,379	26,548	303
Gainesville, FL.....	6,102	6,565	6,964	6.1	25,757	27,528	28,986	209
Gainesville, GA.....	3,915	4,187	4,409	5.3	25,029	26,043	26,596	300
Glens Falls, NY.....	3,181	3,398	3,555	4.6	25,119	26,590	27,651	265
Goldsboro, NC.....	2,659	2,844	2,926	2.9	23,458	24,901	25,653	323
Grand Forks, ND-MN.....	2,611	2,691	2,817	4.7	27,286	27,733	29,015	208
Grand Junction, CO.....	3,261	3,487	3,743	7.3	26,161	27,400	28,821	216
Grand Rapids-Wyoming, MI.....	22,810	23,553	24,328	3.3	29,926	30,739	31,546	142
Great Falls, MT.....	2,202	2,337	2,444	4.6	27,592	29,231	30,720	164
Greeley, CO.....	5,046	5,374	5,652	5.2	23,795	24,432	24,687	336
Green Bay, WI.....	8,883	9,420	9,748	3.5	30,453	31,925	32,768	114
Greensboro-High Point, NC.....	18,948	19,992	20,848	4.3	28,629	29,999	30,909	160
Greenville, NC.....	3,912	4,198	4,363	3.9	24,693	26,177	26,834	290
Greenville, SC.....	15,873	16,680	17,522	5.2	27,453	28,531	29,636	189
Gulfport-Biloxi, MS.....	6,408	6,704	6,713	0.1	25,742	26,518	26,288	307
Hagerstown-Martinsburg, MD-WV.....	6,382	6,872	7,326	6.6	26,841	28,139	29,152	201
Hanford-Corcoran, CA.....	2,774	3,024	3,100	2.5	20,013	21,253	21,613	355
Harrisburg-Carlisle, PA.....	16,684	17,640	18,298	3.7	32,272	34,004	35,067	71
Harrisonburg, VA.....	2,717	2,856	2,980	4.3	24,642	25,780	26,680	297
Hartford-West Hartford-East Hartford, CT.....	45,274	48,353	50,745	4.9	38,389	40,880	42,706	12
Hattiesburg, MS.....	2,917	3,119	3,306	6.0	22,725	24,000	25,073	331
Hickory-Lenoir-Morganton, NC.....	8,782	9,297	9,560	2.8	25,058	26,329	26,879	288
Hinesville-Fort Stewart, GA.....	1,380	1,493	1,638	9.7	19,592	20,904	23,872	344
Holland-Grand Haven, MI.....	7,253	7,518	7,733	2.9	29,047	29,720	30,278	176
Honolulu, HI.....	29,090	31,404	33,941	6.2	32,573	34,911	36,830	46
Hot Springs, AR.....	2,283	2,418	2,530	4.6	25,036	26,222	27,048	282
Houma-Bayou Cane-Thibodaux, LA.....	4,921	5,149	5,371	4.3	24,916	25,953	26,900	287
Houston-Sugar Land-Baytown, TX.....	179,138	190,771	206,198	8.1	35,304	36,852	39,052	31
Huntington-Ashland, WV-KY-OH.....	6,902	7,207	7,532	4.5	24,065	25,180	26,333	306
Huntsville, AL.....	10,898	11,474	12,210	6.4	30,434	31,826	33,119	110
Idaho Falls, ID.....	2,717	2,941	3,139	6.7	25,295	26,604	27,674	263
Indianapolis-Carmel, IN.....	53,807	57,040	59,440	4.2	33,631	35,266	36,231	52
Iowa City, IA.....	4,197	4,502	4,706	4.5	30,831	32,729	33,971	85
Ithaca, NY.....	2,619	2,710	2,803	3.4	26,338	27,078	28,024	245
Jackson, MI.....	4,249	4,376	4,503	2.9	26,136	26,902	27,518	272
Jackson, MS.....	14,284	15,290	16,111	5.4	28,002	29,571	30,830	163
Jackson, TN.....	2,867	3,019	3,144	4.1	26,218	27,432	28,359	231
Jacksonville, FL.....	36,882	39,505	42,110	6.6	30,826	32,283	33,732	93
Jacksonville, NC.....	3,874	4,344	4,785	10.1	25,579	28,104	31,387	145
Janesville, WI.....	4,403	4,436	4,561	2.8	28,442	28,399	28,954	211
Jefferson City, MO.....	3,889	4,134	4,266	3.2	27,175	29,039	29,656	188
Johnson City, TN.....	4,361	4,657	4,852	4.2	23,424	24,873	25,682	321
Johnstown, PA.....	3,620	3,797	3,965	4.4	24,221	25,541	26,780	292
Jonesboro, AR.....	2,602	2,751	2,815	2.3	23,641	24,773	25,113	329
Joplin, MO.....	3,817	4,049	4,196	3.6	23,541	24,686	25,249	326

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area, 2003–2005—Continues

Area name	Personal income				Per capita personal income <sup>1</sup>			
	Millions of dollars			Percent change <sup>2</sup>	Dollars			Rank in United States
	2003	2004	2005 <sup>3</sup>		2003	2004	2005 <sup>3</sup>	
<b>Metropolitan statistical areas<sup>3</sup>—Continued</b>								
Kalamazoo-Portage, MI.....	9,343	9,571	9,706	1.4	29,228	30,070	30,394	172
Kankakee-Bradley, IL.....	2,804	2,870	2,902	1.1	26,408	26,810	26,876	289
Kansas City, MO-KS.....	63,337	66,654	69,843	4.8	33,191	34,585	35,859	60
Kennewick-Richland-Pasco, WA.....	5,690	6,017	6,254	3.9	27,078	27,915	28,304	232
Killeen-Temple-Fort Hood, TX.....	8,740	9,321	10,162	9.0	25,411	26,944	28,907	213
Kingsport-Bristol-Bristol, TN-VA.....	7,490	7,894	8,184	3.7	24,983	26,316	27,163	278
Kingston, NY.....	4,856	5,105	5,345	4.7	26,806	28,076	29,258	200
Knoxville, TN.....	18,384	19,545	20,474	4.8	28,703	30,209	31,238	150
Kokomo, IN.....	3,190	3,159	3,154	-0.2	31,478	31,236	31,115	152
La Crosse, WI-MN.....	3,638	3,814	3,946	3.5	28,334	29,707	30,613	166
Lafayette, IN.....	4,613	4,888	5,081	3.9	25,491	26,943	27,711	261
Lafayette, LA.....	6,753	7,130	7,727	8.4	27,706	29,019	31,180	151
Lake Charles, LA.....	4,906	5,134	4,695	-8.6	25,323	26,427	24,078	342
Lakeland, FL.....	13,031	13,997	15,168	8.4	25,518	26,698	27,938	248
Lancaster, PA.....	14,216	14,975	15,605	4.2	29,456	30,790	31,809	133
Lansing-East Lansing, MI.....	13,340	13,480	13,817	2.5	29,392	29,588	30,345	174
Laredo, TX.....	3,636	3,888	4,217	8.5	17,097	17,769	18,770	359
Las Cruces, NM.....	3,746	4,022	4,302	7.0	20,523	21,677	22,706	350
Las Vegas-Paradise, NV.....	48,916	54,340	59,682	9.8	31,054	32,963	34,890	75
Lawrence, KS.....	2,740	2,907	3,040	4.6	26,860	28,291	29,536	192
Lawton, OK.....	2,837	2,989	3,129	4.7	25,745	26,438	27,828	254
Lebanon, PA.....	3,428	3,626	3,753	3.5	27,891	29,225	29,890	181
Lewiston, ID-WA.....	1,519	1,596	1,646	3.1	26,078	27,222	27,846	253
Lewiston-Auburn, ME.....	2,945	3,084	3,177	3.0	27,770	28,791	29,404	196
Lexington-Fayette, KY.....	13,180	13,896	14,539	4.6	31,319	32,722	33,821	90
Lima, OH.....	2,840	2,901	2,991	3.1	26,530	27,286	28,155	240
Lincoln, NE.....	8,595	9,121	9,464	3.8	31,071	32,749	33,612	97
Little Rock-North Little Rock, AR.....	18,672	19,888	20,842	4.8	29,690	31,283	32,399	122
Logan, UT-ID.....	2,202	2,378	2,483	4.4	20,259	21,761	22,481	351
Longview, TX.....	5,313	5,639	6,021	6.8	26,750	28,201	29,880	183
Longview, WA.....	2,326	2,434	2,544	4.5	24,476	25,298	26,139	312
Los Angeles-Long Beach-Santa Ana, CA.....	427,041	453,902	477,101	5.1	33,318	35,188	36,917	45
Louisville-Jefferson County, KY-IN.....	37,575	39,650	41,208	3.9	31,580	33,058	34,100	81
Lubbock, TX.....	6,524	6,927	7,346	6.0	25,398	26,867	28,364	230
Lynchburg, VA.....	6,097	6,476	6,830	5.5	26,274	27,690	28,828	215
Macon, GA.....	6,155	6,483	6,739	3.9	27,170	28,442	29,466	194
Madera, CA.....	2,738	3,049	3,182	4.4	20,481	21,949	22,284	353
Madison, WI.....	18,658	19,894	20,836	4.7	35,554	37,447	38,799	32
Manchester-Nashua, NH.....	14,345	15,343	16,053	4.6	36,339	38,515	40,004	25
Mansfield, OH.....	3,372	3,419	3,472	1.6	26,298	26,690	27,139	279
McAllen-Edinburg-Mission, TX.....	9,491	10,162	10,867	6.9	14,938	15,460	16,022	361
Medford, OR.....	5,157	5,507	5,817	5.6	27,089	28,531	29,783	185
Memphis, TN-MS-AR.....	38,592	40,877	42,720	4.5	31,172	32,741	33,880	88
Merced, CA.....	4,977	5,538	5,668	2.4	21,505	23,379	23,450	346
Miami-Fort Lauderdale-Miami Beach, FL.....	172,864	183,587	196,789	7.2	32,762	34,278	36,293	51
Michigan City-La Porte, IN.....	2,800	2,933	3,006	2.5	25,504	26,729	27,204	277
Midland, TX.....	4,056	4,398	4,847	10.2	34,153	36,642	39,939	266
Milwaukee-Waukesha-West Allis, WI.....	52,865	55,217	57,279	3.7	34,949	36,488	37,862	38
Minneapolis-St. Paul-Bloomington, MN-WI.....	119,741	127,365	132,258	3.8	38,836	40,915	42,083	14
Missoula, MT.....	2,783	2,935	3,102	5.7	28,274	29,625	30,991	157
Mobile, AL.....	9,160	9,539	10,127	6.2	22,916	23,840	25,227	327
Modesto, CA.....	11,945	12,880	13,605	5.6	24,337	25,885	26,915	286
Monroe, LA.....	4,264	4,476	4,744	6.0	24,993	25,885	26,723	259
Monroe, MI.....	4,605	4,622	4,677	1.2	30,517	30,320	30,384	173
Montgomery, AL.....	10,035	10,521	11,104	5.5	28,462	29,699	31,083	155
Morgantown, WV.....	2,920	3,099	3,294	6.3	25,739	27,211	28,768	219
Morristown, TN.....	2,923	3,061	3,176	3.8	22,952	23,767	24,323	341
Mount Vernon-Anacortes, WA.....	3,235	3,380	3,598	6.5	29,637	30,415	31,793	134
Muncie, IN.....	3,078	3,152	3,234	2.6	26,006	26,825	27,792	258
Muskegon-Norton Shores, MI.....	4,291	4,424	4,523	2.2	24,775	25,406	25,764	319
Myrtle Beach-Conway-North Myrtle Beach, SC.....	5,298	5,696	6,057	6.4	25,118	26,170	26,686	296
Napa, CA.....	5,055	5,384	5,672	5.3	38,352	40,666	42,720	11
Naples-Marco Island, FL.....	11,993	12,711	13,659	7.5	41,926	42,846	44,458	9
Nashville-Davidson-Murfreesboro, TN.....	45,742	48,690	51,845	6.5	33,354	34,904	36,445	48
New Haven-Milford, CT.....	30,326	32,300	33,550	3.9	36,046	38,254	39,622	29
New Orleans-Metairie-Kenner, LA.....	38,591	40,889	42,340	-33.1	29,342	31,024	20,722	357
New York-Northern New Jersey-Long Island, NY-NJ-PA.....	760,159	811,644	854,317	5.3	40,679	43,277	45,570	8
Niles-Benton Harbor, MI.....	4,489	4,670	4,734	1.4	27,572	28,684	29,114	203
Norwich-New London, CT.....	9,563	10,059	10,454	3.9	36,106	37,801	39,209	30
Ocala, FL.....	6,686	7,221	7,760	7.5	23,803	24,749	25,574	322
Ocean City, NJ.....	3,525	3,669	3,810	3.8	34,641	36,525	38,379	35
Odessa, TX.....	2,824	2,988	3,234	8.2	22,971	24,040	25,805	318
Ogden-Clearfield, UT.....	12,275	13,010	13,733	5.6	26,192	27,255	28,208	236
Oklahoma City, OK.....	33,053	34,785	36,590	5.2	29,202	30,449	31,630	138
Olympia, WA.....	6,858	7,230	7,660	6.0	31,034	32,180	33,469	102
Omaha-Council Bluffs, NE-IA.....	27,215	28,980	30,391	4.9	34,363	36,124	37,373	41
Orlando-Kissimmee, FL.....	50,821	55,103	60,148	9.2	28,206	29,576	31,112	154
Oshkosh-Neenah, WI.....	4,883	5,121	5,321	3.9	30,829	32,275	33,362	106
Owensboro, KY.....	2,812	2,980	3,076	3.2	25,378	26,836	27,536	269
Oxnard-Thousand Oaks-Ventura, CA.....	27,980	30,047	31,692	5.5	35,407	37,740	39,809	28

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area, 2003-2005—Continues

Area name	Personal income				Per capita personal income <sup>1</sup>			
	Millions of dollars			Percent change <sup>2</sup>	Dollars			Rank in United States
	2003	2004	2005 <sup>3</sup>		2003	2004	2005 <sup>3</sup>	
<b>Metropolitan statistical areas<sup>3</sup>—Continued</b>								
Palm Bay-Melbourne-Titusville, FL .....	14,530	15,638	16,659	6.5	28,754	30,142	31,359	146
Panama City-Lynn Haven, FL .....	4,101	4,429	4,768	7.7	26,475	28,064	29,515	193
Parkersburg-Marietta-Vienna, WV-OH .....	4,130	4,321	4,427	2.5	25,317	26,520	27,241	274
Pascagoula, MS .....	3,701	3,877	3,998	3.1	24,012	24,876	25,433	324
Pensacola-Ferry Pass-Brent, FL .....	10,869	11,532	12,185	5.7	25,288	26,521	27,701	262
Peoria, IL .....	10,948	11,623	12,226	5.2	29,912	31,632	33,118	111
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD .....	213,362	224,811	235,657	4.8	36,971	38,768	40,468	21
Phoenix-Mesa-Scottsdale, AZ .....	106,385	115,604	125,755	8.8	29,609	31,133	32,536	117
Pine Bluff, AR .....	2,287	2,425	2,467	1.7	21,568	23,051	23,526	345
Pittsburgh, PA .....	79,442	83,168	86,396	3.9	32,987	34,685	36,208	54
Pittsfield, MA .....	4,362	4,619	4,852	5.1	32,788	34,887	36,798	47
Pocatello, ID .....	1,893	2,031	2,132	5.0	22,368	23,706	24,820	335
Portland-South Portland-Biddeford, ME .....	16,405	17,540	18,191	3.7	32,327	34,323	35,375	67
Portland-Vancouver-Beaverton, OR-WA .....	65,959	69,853	73,806	5.7	32,328	33,875	35,215	69
Port St. Lucie-Fort Pierce, FL .....	10,752	11,493	12,368	7.6	30,812	31,505	32,458	119
Poughkeepsie-Newburgh-Middletown, NY .....	19,951	21,304	22,367	5.0	30,433	32,140	33,497	101
Prescott, AZ .....	4,075	4,426	4,772	7.8	22,092	23,203	24,015	343
Providence-New Bedford-Fall River, RI-MA .....	52,205	55,181	57,588	4.4	32,176	33,912	35,493	64
Provo-Orem, UT .....	8,420	9,049	9,748	7.7	19,528	20,421	21,527	356
Pueblo, CO .....	3,629	3,863	3,957	2.4	24,372	25,759	26,150	311
Punta Gorda, FL .....	3,900	4,091	4,351	6.4	25,527	26,003	27,618	267
Racine, WI .....	6,038	6,348	6,540	3.0	31,374	32,744	33,417	103
Raleigh-Cary, NC .....	29,407	31,564	33,416	5.9	33,122	34,498	35,186	70
Rapid City, SD .....	3,397	3,576	3,754	5.0	29,310	30,424	31,757	135
Reading, PA .....	11,561	12,056	12,543	4.0	29,924	30,798	31,648	137
Redding, CA .....	4,618	4,875	5,071	4.0	26,304	27,416	28,189	239
Reno-Sparks, NV .....	14,093	15,155	16,112	6.3	37,620	39,430	40,898	18
Richmond, VA .....	38,013	40,978	43,697	6.6	33,316	35,422	37,169	43
Riverside-San Bernardino-Ontario, CA .....	89,307	97,560	103,944	6.5	24,499	25,769	26,584	302
Roanoke, VA .....	8,639	9,201	9,555	3.9	29,779	31,599	32,614	116
Rochester, MN .....	6,030	6,402	6,583	2.8	35,006	36,619	37,198	42
Rochester, NY .....	32,082	33,630	34,930	3.9	30,814	32,303	33,618	96
Rockford, IL .....	9,181	9,376	9,651	2.9	27,723	28,008	28,453	228
Rocky Mount, NC .....	3,644	3,838	3,946	2.8	25,245	26,464	27,116	280
Rome, GA .....	2,406	2,578	2,704	4.9	25,753	27,412	28,704	221
Sacramento-Arden-Arcade-Roseville, CA .....	62,857	67,162	71,082	5.8	31,829	33,338	34,805	77
Saginaw-Saginaw Township North, MI .....	5,503	5,528	5,556	0.5	26,276	26,416	26,667	298
St. Cloud, MN .....	4,834	5,155	5,312	3.0	27,195	28,770	29,323	199
St. George, UT .....	2,137	2,377	2,651	11.5	20,442	21,530	22,299	352
St. Joseph, MO-KS .....	2,988	3,176	3,294	3.7	24,314	26,028	27,009	283
St. Louis, MO-IL .....	92,668	96,170	100,511	4.5	33,667	34,735	36,174	55
Salem, OR .....	9,479	9,995	10,553	5.6	25,992	27,044	28,100	243
Salinas, CA .....	13,456	14,075	14,607	3.8	32,469	33,952	35,444	65
Salisbury, MD .....	2,824	3,040	3,203	5.4	25,011	26,579	27,557	270
Salt Lake City, UT .....	30,071	32,001	34,426	7.6	29,897	31,419	33,279	108
San Angelo, TX .....	2,775	2,921	3,032	3.8	26,261	27,678	28,777	218
San Antonio, TX .....	50,418	53,622	56,901	6.1	27,773	28,946	30,109	178
San Diego-Carlsbad-San Marcos, CA .....	104,050	111,435	116,986	5.0	35,620	37,965	39,880	27
Sandusky, OH .....	2,541	2,607	2,671	2.5	32,215	33,006	33,955	86
San Francisco-Oakland-Fremont, CA .....	193,833	204,346	215,791	5.6	46,652	49,276	51,964	2
San Jose-Sunnyvale-Santa Clara, CA .....	79,313	84,343	88,404	4.8	45,803	48,530	50,373	3
San Luis Obispo-Paso Robles, CA .....	7,685	8,188	8,559	4.5	30,363	32,180	33,503	100
Santa Barbara-Santa Maria, CA .....	13,638	14,493	15,342	5.9	33,851	36,079	38,282	36
Santa Cruz-Watsonville, CA .....	9,428	9,987	10,375	3.9	37,477	39,815	41,555	57
Santa Fe, NM .....	4,528	4,794	5,066	5.7	32,999	34,448	35,964	17
Santa Rosa-Petaluma, CA .....	17,213	18,203	19,065	4.7	36,844	38,901	40,871	19
Sarasota-Bradenton-Venice, FL .....	23,457	24,991	26,997	8.0	36,999	38,348	40,112	24
Savannah, GA .....	8,806	9,408	10,066	7.0	28,870	30,316	32,069	128
Scranton-Wilkes-Barre, PA .....	15,291	16,086	16,766	4.2	27,680	29,183	30,453	171
Seattle-Tacoma-Bellevue, WA .....	120,821	131,886	133,452	1.2	38,447	41,634	41,661	15
Sebastian-Vero Beach, FL .....	4,831	5,071	5,344	5.4	40,162	40,677	41,560	16
Sheboygan, WI .....	3,551	3,793	3,952	4.2	31,295	33,299	34,481	78
Sherman-Denison, TX .....	2,729	2,856	3,016	5.6	23,732	24,652	25,810	317
Shreveport-Bossier City, LA .....	10,296	11,039	11,699	6.0	27,226	28,990	30,527	167
Sioux City, IA-NE-SD .....	3,912	4,079	4,221	3.5	27,365	28,503	29,605	191
Sioux Falls, SD .....	6,587	6,956	7,356	5.8	33,174	34,234	35,379	66
South Bend-Mishawaka, IN-MI .....	9,301	9,748	10,032	2.9	29,324	30,704	31,530	143
Spartanburg, SC .....	6,635	6,897	7,126	3.3	25,340	26,114	26,710	294
Spokane, WA .....	11,576	12,212	12,828	5.0	26,871	28,065	29,107	204
Springfield, IL .....	7,300	6,684	6,783	1.5	35,661	32,598	33,003	113
Springfield, MA .....	20,415	21,406	22,285	4.1	29,717	31,146	32,425	120
Springfield, MO .....	9,929	10,559	11,177	5.9	25,840	27,012	28,075	244
Springfield, OH .....	3,901	4,000	4,088	2.2	27,346	28,094	28,712	220
State College, PA .....	3,568	3,784	3,967	4.8	25,531	27,041	28,223	235
Stockton, CA .....	15,543	16,573	17,387	4.9	24,620	25,527	26,181	309
Sumter, SC .....	2,368	2,508	2,583	3.0	22,437	23,732	24,482	338
Syracuse, NY .....	18,707	19,557	20,256	3.6	28,660	29,944	31,078	156

See the footnotes at the end of the table.

Table I.1. Personal Income and Per Capita Personal Income by Metropolitan Area, 2003–2005—Table Ends

Area name	Personal income				Per capita personal income <sup>1</sup>			
	Millions of dollars			Percent change <sup>2</sup>	Dollars			Rank in United States
	2003	2004	2005 <sup>p</sup>		2003	2004	2005 <sup>p</sup>	
<b>Metropolitan statistical areas<sup>3</sup>—Continued</b>								
Tallahassee, FL.....	8,695	9,272	9,721	4.8	26,507	27,990	29,026	207
Tampa-St. Petersburg-Clearwater, FL.....	76,757	81,929	87,393	6.7	30,341	31,677	33,008	112
Terre Haute, IN.....	4,080	4,304	4,409	2.4	24,079	25,547	26,237	308
Texarkana, TX-Texarkana, AR.....	3,156	3,369	3,571	6.0	23,974	25,386	26,687	295
Toledo, OH.....	19,716	20,132	20,639	2.5	29,914	30,599	31,429	144
Topeka, KS.....	6,398	6,737	7,016	4.1	28,227	29,599	30,629	165
Trenton-Ewing, NJ.....	15,226	16,273	17,123	5.2	42,165	44,661	46,751	6
Tucson, AZ.....	22,953	24,697	26,339	6.6	25,777	27,244	28,481	227
Tulsa, OK.....	26,841	28,315	30,111	6.3	30,523	32,150	33,920	87
Tuscaloosa, AL.....	5,137	5,379	5,790	7.6	26,442	27,571	29,408	195
Tyler, TX.....	5,239	5,603	5,958	6.3	28,493	29,993	31,258	149
Utica-Rome, NY.....	7,322	7,717	7,982	3.4	24,570	25,857	26,796	291
Valdosta, GA.....	2,772	2,907	3,044	4.7	22,716	23,498	24,386	340
Vallejo-Fairfield, CA.....	12,409	13,167	13,822	5.0	30,177	31,967	33,581	98
Victoria, TX.....	3,008	3,163	3,358	6.2	26,624	27,933	29,624	190
Vineland-Millville-Bridgeton, NJ.....	3,888	4,111	4,275	4.0	26,022	27,224	27,894	250
Virginia Beach-Norfolk-Newport News, VA-NC.....	48,892	52,222	54,883	5.1	30,090	31,811	33,316	107
Visalia-Porterville, CA.....	8,477	9,283	9,575	3.1	21,683	23,153	23,304	347
Waco, TX.....	5,399	5,683	6,006	5.7	24,578	25,512	26,733	293
Warner Robins, GA.....	3,203	3,394	3,603	6.2	26,688	27,417	28,559	224
Washington-Arlington-Alexandria, DC-VA-MD-WV.....	223,286	241,286	258,281	7.0	43,913	46,782	49,530	4
Waterloo-Cedar Falls, IA.....	4,484	4,884	5,072	3.8	27,756	30,226	31,331	147
Wausau, WI.....	3,779	3,989	4,181	4.8	29,701	31,206	32,422	121
Weirton-Steubenville, WV-OH.....	3,143	3,254	3,371	3.6	24,450	25,522	26,653	299
Wenatchee, WA.....	2,637	2,823	2,954	4.7	25,915	27,319	28,198	238
Wheeling, WV-OH.....	3,877	4,042	4,242	4.9	25,818	27,049	28,528	226
Wichita, KS.....	17,556	18,556	19,589	5.6	30,183	31,781	33,368	105
Wichita Falls, TX.....	4,132	4,285	4,407	2.8	27,816	28,998	30,125	177
Williamsport, PA.....	3,070	3,227	3,311	2.6	25,885	27,227	27,964	247
Wilmington, NC.....	7,740	8,392	9,008	7.3	26,354	27,672	28,584	222
Winchester, VA-WV.....	3,010	3,250	3,500	7.7	27,248	28,735	30,104	179
Winston-Salem, NC.....	13,143	13,970	14,511	3.9	30,081	31,645	32,345	126
Worcester, MA.....	26,034	27,550	28,454	3.3	33,576	35,384	36,328	50
Yakima, WA.....	5,458	5,766	5,830	1.1	24,057	25,125	25,173	328
York-Hanover, PA.....	11,459	12,137	12,923	6.5	28,996	30,262	31,611	140
Youngstown-Warren-Boardman, OH-PA.....	15,603	16,015	16,443	2.7	26,314	26,859	27,720	260
Yuba City, CA.....	3,611	3,821	4,008	4.9	24,342	25,278	25,685	320
Yuma, AZ.....	3,284	3,563	3,702	3.9	19,262	20,289	20,424	358

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1. Per capita personal income was computed using Census Bureau midyear population estimates.

2. Percent change calculated from unrounded data.

3. The metropolitan area definitions used by BEA for its personal income estimates are the new county-

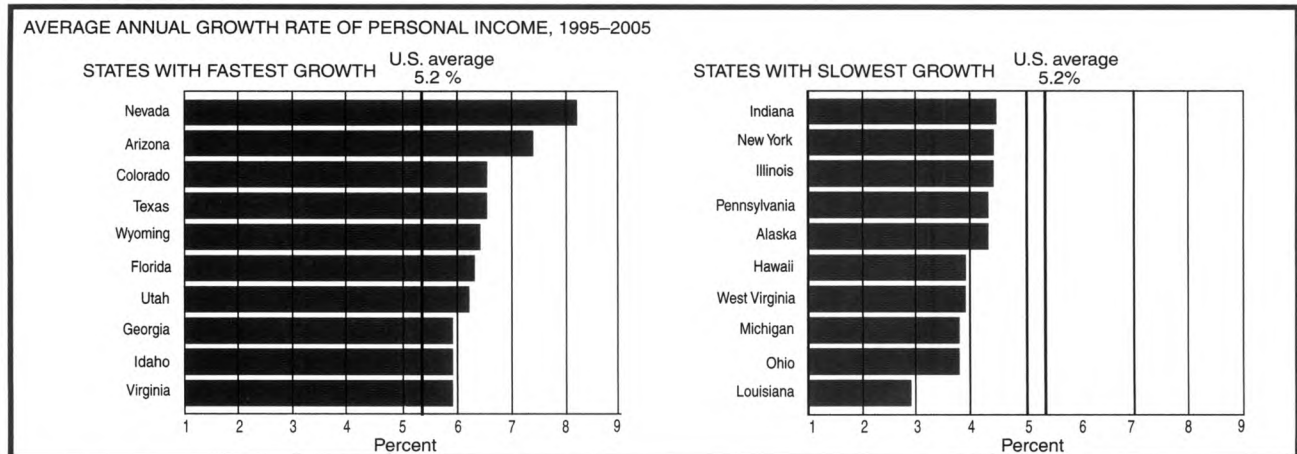
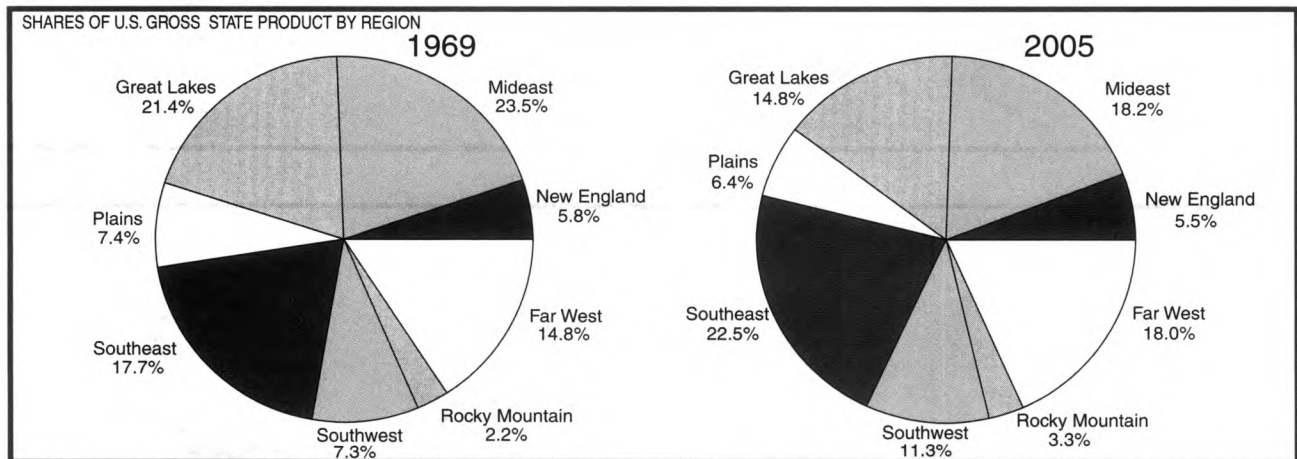
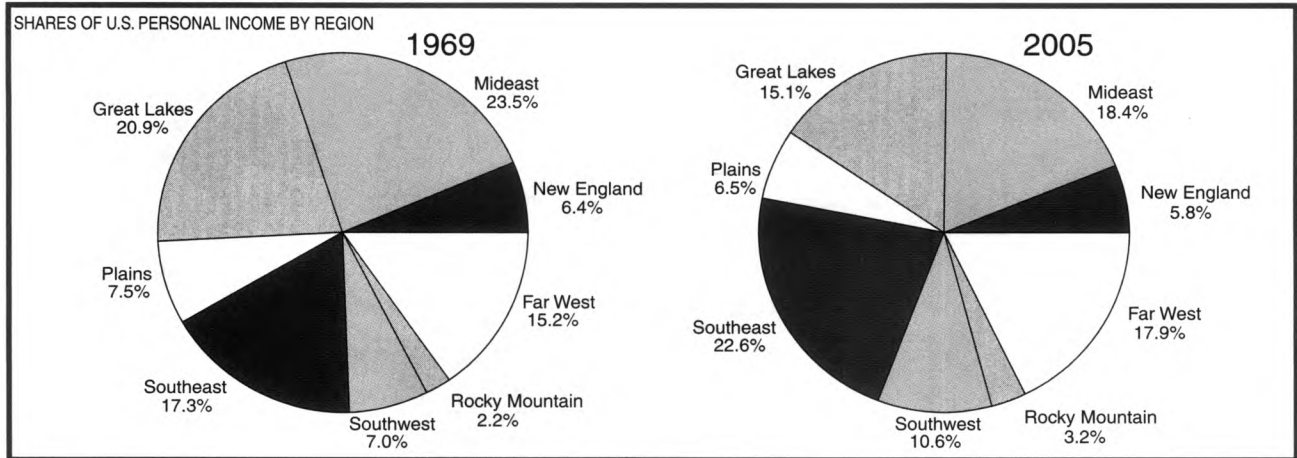
based definitions issued by the Office of Management and Budget in June 2003 (with revisions released February 2004, March 2005, and December 2005) for federal statistical purposes.

Source: Table 1 in "Personal Income for Metropolitan Areas for 2005" in the September 2006 Survey of Current Business.



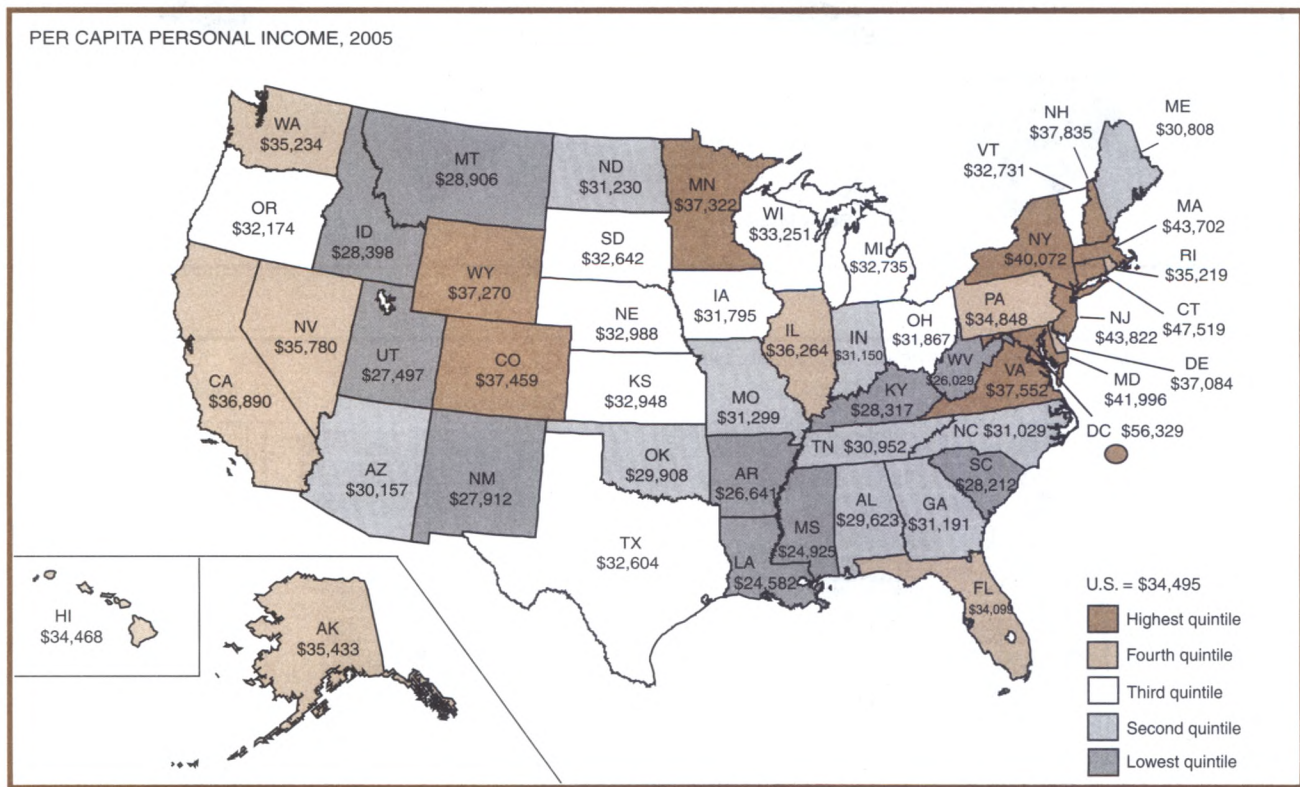
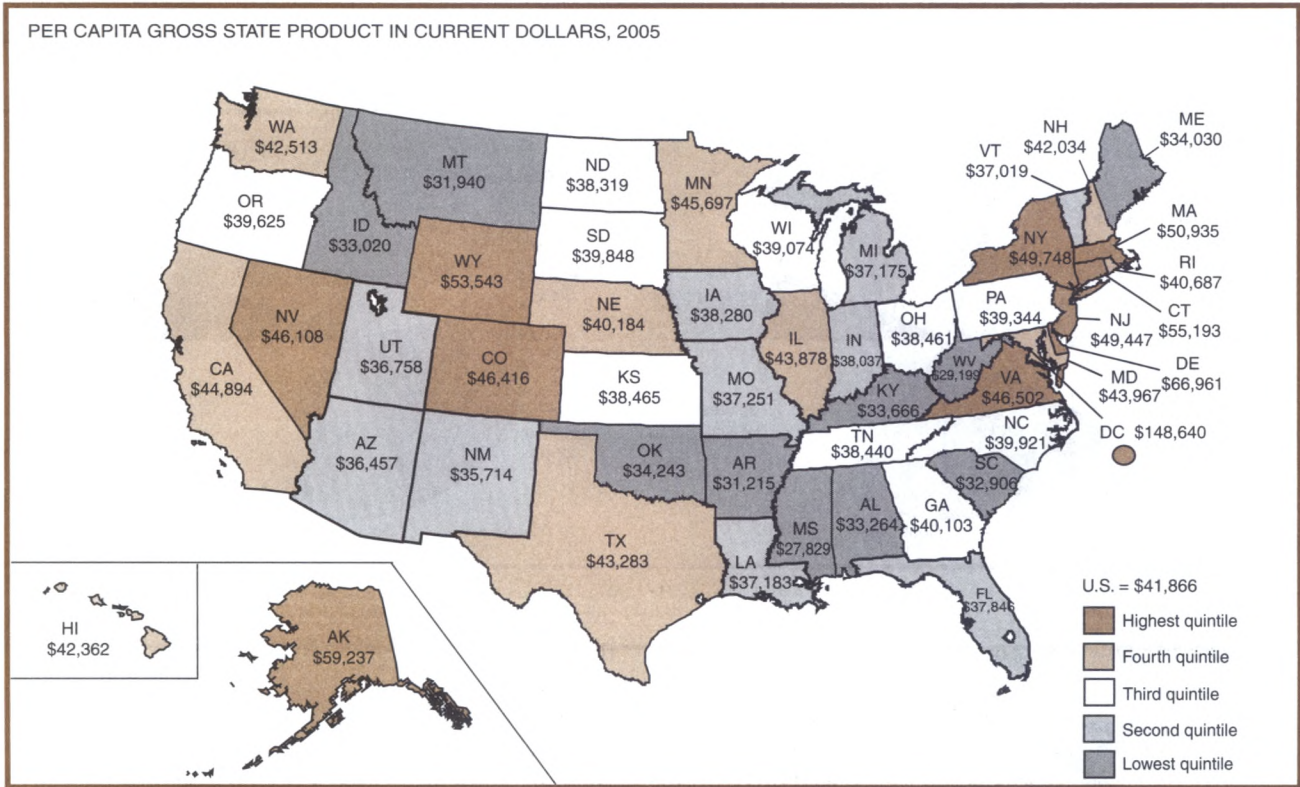
J. Charts

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

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in “real GDP.”) For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

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 in 1997–98 uses prices for 1997 and 1998 as weights, and the 1997–98 annual percent change in the GDP price index uses quantities for 1997 and 1998 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.<sup>1</sup> These annual changes are “chained” (multiplied) together to form time series of quantity and price; the percent changes that are calculated from these time series are not affected by the choice of reference period.

The quarterly changes in quantities and prices are calculated with weights from two adjacent quarters. As part of an annual or comprehensive revision, the quarterly indexes through the most recent complete year are adjusted to ensure that the average of the quarterly indexes conforms to the corresponding annual index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated “chained (1996) dollar estimates.” These estimates are computed by multiplying the 1996 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component increased by 10 percent in 1997, then the “chained (1996) dollar” value of this com-

ponent in 1997 would be \$110 ( $\$100 \times 1.10$ ). Note that percentage changes in the chained (1996) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1996) dollar estimates for detailed GDP components do not add to the chained-dollar value of GDP or to any intermediate aggregates. A “residual” line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. Accurate measures of component contributions to the percentage changes in real GDP and its major components are shown in NIPA tables 8.2–8.6.

BEA also publishes the “implicit price deflator” (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding “chain-type” price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

*Percent changes* in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left[ \left( \frac{x_t}{x_o} \right)^{m/n} - 1 \right] \times 100,$$

where  $r$  is the percent change at an annual rate;  $x_t$  is the level of activity in the later period;  $x_o$  is the level of activity in the earlier period;  $m$  is the periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and  $n$  is the number of periods between the earlier and later periods (that is,  $t - o$ ).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

1. In addition, because the changes in quantities and prices calculated using these weights are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

## 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					
				2005				2006	
				I	II	III	IV	I	II
<b>Exports of goods and services and income receipts, ITAs</b> .....	1	1,526.8	1,749.9	1,661.1	1,717.3	1,771.7	1,849.4	1,937.6	2,040.2
Less: Gold, ITAs.....	2	4.4	5.5	5.5	5.5	5.4	5.8	7.6	8.8
Statistical differences <sup>1</sup> .....	3	0.0	0.0	0.0	0.0	0.0	0.0	-4.1	-4.1
Other items.....	4	0.7	0.9	0.8	0.8	1.0	1.1	1.0	0.8
Plus: Adjustment for grossing of parent/affiliate interest payments.....	5	5.1	7.3	6.5	7.1	7.4	8.2	8.2	8.9
Adjustment for U.S. territories and Puerto Rico.....	6	52.3	56.7	55.7	55.7	57.8	57.4	58.3	56.5
Services furnished without payment by financial intermediaries except life insurance carriers.....	7	9.3	9.1	9.2	9.0	9.0	9.2	9.2	9.4
<b>Equals: Exports of goods and services and income receipts, NIPAs</b> .....	8	1,588.3	1,816.5	1,726.2	1,782.8	1,839.6	1,917.3	2,008.7	2,109.5
<b>Imports of goods and services and income payments, ITAs</b> .....	9	2,110.6	2,455.3	2,319.1	2,397.6	2,467.5	2,637.2	2,712.2	2,832.1
Less: Gold, ITAs.....	10	4.1	4.4	3.8	4.0	4.4	5.4	5.7	6.2
Statistical differences <sup>1</sup> .....	11	0.0	0.0	0.0	0.0	0.0	0.0	15.5	15.4
Other items.....	12	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Plus: Gold, NIPAs.....	13	-3.3	-3.5	-3.5	-3.3	-3.5	-3.6	-4.0	-4.3
Adjustment for grossing of parent/affiliate interest payments.....	14	5.1	7.3	6.5	7.1	7.4	8.2	8.2	8.9
Adjustment for U.S. territories and Puerto Rico.....	15	37.7	37.5	40.6	34.5	40.1	34.8	40.5	43.9
Imputed interest paid to rest of world.....	16	9.3	9.1	9.2	9.0	9.0	9.2	9.2	9.4
<b>Equals: Imports of goods and services and income payments, NIPAs</b> .....	17	2,155.3	2,501.3	2,368.1	2,440.8	2,516.2	2,680.2	2,744.9	2,868.5
<b>Balance on goods and services and income, ITAs (1-9)</b> .....	18	-583.8	-705.4	-658.0	-680.3	-695.8	-787.8	-774.6	-791.9
Less: Gold (2-10+13).....	19	-3.0	-2.4	-1.8	-1.8	-2.5	-3.2	-2.1	-1.7
Statistical differences (3-11) <sup>1</sup> .....	20	0.0	0.0	0.0	0.0	0.0	0.0	-19.6	-19.5
Other items (4-12).....	21	0.7	0.9	0.8	0.8	1.0	1.1	1.0	0.8
Plus: Adjustment for U.S. territories and Puerto Rico (6-15).....	22	14.6	19.2	15.1	21.2	17.7	22.6	17.8	12.6
<b>Equals: Net exports of goods and services and net receipts of income, NIPAs (8-17)</b> .....	23	-567.0	-684.8	-641.9	-658.0	-676.6	-762.9	-736.2	-759.0

<sup>1</sup> 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. Most of this information is available on BEA's Web site at <www.bea.gov>; see "Methodology Papers" and the SURVEY OF CURRENT BUSINESS 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 fixed assets and consumer durable goods.

**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)

"Measuring the Services of Commercial Banks in the NIPAs: Changes in Concepts and Methods" (September 2003)

"Measuring the Services of Property-Casualty In-

urance in the NIPAs: Changes in Concepts and Methods" (October 2003)

In addition, see the following articles.

"Annual Revision of the National Income and Product Accounts" (August 2006) presents revisions and describes any changes in the data and the methods that are used to prepare the estimates.

"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.

"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.

"Gross Domestic Product: Revisions and Source Data" (February 2006) describes the categories of data that are used for the advance, preliminary, and final quarterly estimates of GDP.

**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 its most recently updated 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 annual industry accounts (the input-output accounts and the gross-domestic-product-by-industry accounts) and one satellite account.

**Annual industry accounts.** “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.

“Annual Industry Accounts” (December 2005) presents the annual revision of these accounts and describes the source data and any changes in the methods that are used to prepare the estimates.

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.

“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. di-

rect investment abroad and foreign direct investment in the United States. It includes “A Guide to BEA Statistics on U.S. Multinational Companies,” which is also available in the March 1995 SURVEY, and “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 methodologies are available in *U.S. Direct Investment Abroad: Final Results From the 1999 Benchmark Survey* (2004), and 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.