

# SURVEY OF CURRENT BUSINESS



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- Direct Investment Positions for 2007
- Annual Revision of the U.S. International Accounts
- U.S. International Transactions for the First Quarter of 2008
- Gross Domestic Product by State for 2004-2007
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# SURVEY OF CURRENT BUSINESS

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July 2008

Volume 88 • Number 7

**1 GDP and the Economy: Final Estimates for the First Quarter of 2008**

Real GDP increased 1.0 percent after increasing 0.6 percent in the fourth quarter. Consumer spending for services, exports, federal government spending, and inventory investment increased. In contrast, consumer spending for durable goods and housing investment decreased.

**6 Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade for the First Quarter of 2008**

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

**9 The International Investment Position of the United States at Yearend 2007**

The net international investment position was  $-\$2,441.8$  billion; in 2006, it was  $-\$2,225.8$  billion. The change was mainly due to strong foreign acquisitions of U.S. financial assets.

**20 Direct Investment Positions for 2007: Country and Industry Detail**

The historical-cost positions of both U.S. direct investment abroad and foreign direct investment in the United States increased 14 percent. In 2006, U.S. direct investment abroad increased 10 percent, and foreign direct investment in the United States increased 13 percent.

**36 Annual Revision of the U.S. International Accounts, 1974–2007**

Each year, U.S. transactions and international investment position statistics are revised to incorporate updated data and various statistical improvements. The main improvements this year were in services and securities.

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

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

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[www.bea.gov](http://www.bea.gov)

**56 U.S. International Transactions: First Quarter of 2008**

The U.S. current-account deficit increased \$9.1 billion to \$176.4 billion, mainly reflecting a decrease in the surplus on income. In the financial account, net financial inflows decreased \$89.1 billion to \$124.3 billion.

**108 Gross Domestic Product by State: Advance Estimates for 2007 and Revised Estimates for 2004–2006**

Economic growth slowed in 36 states in 2007. Contractions in construction and in finance and insurance restrained growth in many states.

**140 State Personal Income: First Quarter of 2008**

Growth ranged from 7.6 percent in North Dakota to –1.9 percent in Arkansas in the first quarter. Nationally, personal income grew 1.1 percent, compared with 1.2 percent in the fourth quarter.

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**Schedule of Upcoming News Releases (back cover)**

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**Looking Ahead . . .**

**Annual Revision of the National Income and Product Accounts.** The effects of the revision on GDP, the principal sources of the revisions, and an extensive set of NIPA tables.

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## Director's Message

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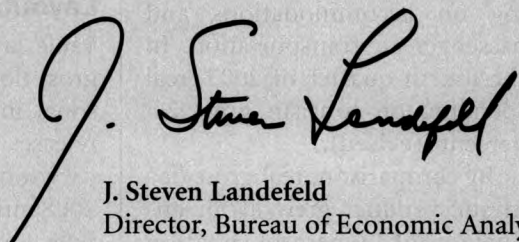
In June through October, the SURVEY OF CURRENT BUSINESS traditionally features a host of articles that present new estimates from the Bureau of Economic Analysis' (BEA) international accounts. The July issue presents an overview of the 2008 annual revision of the U.S. international transactions statistics, detailing several improvements, especially in services transactions. Other articles discuss U.S. international transactions for the first quarter of 2008, direct investment for 2007, and the international investment position of the United States at the end of 2007.

In addition, we are pleased to present advance gross domestic product (GDP)-by-state statistics for 2007 and state personal income statistics for the first quarter of 2008.

As always, we present recent GDP statistics, in this case the final estimates for the first quarter of 2008, in our signature easy-to-read format.

I'd like to briefly note that we've posted BEA's strategic plan for 2008–2012 on our Web site at <[www.bea.gov/about/pdf/strategic\\_plan\\_matrix\\_2008-2012.pdf](http://www.bea.gov/about/pdf/strategic_plan_matrix_2008-2012.pdf)>.

At BEA, our mission is to promote a better understanding of the economy by providing timely, relevant, and accurate economic statistics. To that end, our strategic plan calls for us to improve our statistics, stay abreast of a more complex economy, develop future leaders, and help our customers in various ways—despite a challenging fiscal environment. The strategic plan details 178 milestones in these areas. Please take a look. As always, comments are welcome.



J. Steven Landefeld  
Director, Bureau of Economic Analysis

## Taking Account...

### Supplementary Benchmark I-O Tables Now Available

The Bureau of Economic Analysis (BEA) has released several supplementary 2002 benchmark input-output (I-O) account tables, which are available on BEA's Web site.

The newly available tables include the following:

- The 2002 benchmark I-O requirements tables. These four tables quantify the changes in final demand on the economy. The tables include a commodity-by-industry direct requirements table, a commodity-by-commodity total requirements table, an industry-by-commodity total requirements table, and an industry-by-industry total requirements table.
- Make and use tables after redefinition, that is after secondary products are reclassified to the industry in which they are a primary product. The make table shows the commodities that are produced by each industry. The use table shows the inputs to industry production and the commodities that are consumed by final users.

These newly released tables supplement the main 2002 benchmark I-O make and use tables, which were released in September 2007.

Benchmark I-O tables prepared roughly every 5 years incorporate detailed data from the up-to-date economic censuses conducted by the Census Bureau.

The I-O accounts, which also include annual I-O accounts, are used by statisticians and economists for a wide range of research and other purposes. The I-O accounts can be used to study changes in the structure of the U.S. economy or as a framework for preparing other economic statistics. The accounts also show the detailed production functions of individual industries and the interactions among producers and between producers and final users in the domestic economy.

To access the supplementary tables, visit <[www.bea.gov](http://www.bea.gov)> and click on "Industry."

### Travel Activity in the First Quarter Declines

Real spending on tourism decreased at an annual rate of 3.7 percent in the first quarter of 2008, according to the most recent estimates from BEA's travel and tourism satellite accounts. The overall drop in spending reflected steep declines in spending on accommodations and passenger air transportation. In the fourth quarter of 2007, real spending on tourism grew 2.3 percent (revised).

By comparison, real gross domestic product grew at an annual rate of 1.0 percent (final) in the first quarter of 2008 and 0.6 percent in the fourth quarter of 2007.

Real spending on accommodations decreased 10.8 percent in the first quarter of 2008, after increasing 12.1 percent (revised) in the fourth quarter of 2007. Meanwhile, prices for accom-

modations increased slightly (0.9 percent) in the first quarter of 2008 after declining (1.9 percent) in the previous quarter.

Real spending on passenger air transportation also turned down, decreasing 5.6 percent after increasing 2.1 percent. Prices for passenger air transportation accelerated, increasing 4.7 percent after increasing just 1.3 percent (revised).

In addition, employment supported directly by travel and tourism spending rose 2.8 percent in the fourth quarter of 2007, the most recent quarter for which data are available. In the third quarter of 2007, employment grew 0.9 percent (revised). By comparison, overall U.S. employment grew 0.8 percent in the third and fourth quarters of 2007.

The release is available at <[www.bea.gov/newsreleases/industry/tourism/tournewsrelease.htm](http://www.bea.gov/newsreleases/industry/tourism/tournewsrelease.htm)>.

### 2008 Annual Revision Layouts Now Available

Table layouts for the upcoming gross domestic product and personal income and outlays news releases are now available at <[www.bea.gov/national/2008annual.htm](http://www.bea.gov/national/2008annual.htm)>. These layouts reflect changes to the national income and products accounts that will be introduced by the 2008 annual revision. The layouts can be used to make preparations for user programs and to download data from these news releases soon after they appear on their release dates in late July and early August.

# GDP and the Economy

## Final Estimates for the First Quarter of 2008

REAL GROSS domestic product (GDP) increased 1.0 percent in the first quarter of 2008 after increasing 0.6 percent in the fourth quarter of 2007, according to the “final” estimates of the national income and product accounts (NIPAs) (chart 1 and table 1).<sup>1</sup> The final GDP growth was revised up 0.1 percentage point from the “preliminary” estimate (page 3).<sup>2</sup>

The small acceleration in real GDP growth primarily reflected an upturn in inventory investment that was muted by a deceleration in consumer spending.<sup>3</sup>

- Prices of goods and services purchased by U.S. residents increased 3.6 percent after increasing 3.7 percent in the fourth quarter. The first-quarter increase was revised up 0.1 percentage point from the “preliminary” estimate. Energy prices decelerated, and food prices picked up slightly. Excluding food and energy, gross domestic purchases prices increased 2.3 percent. About 0.3 percentage point of the first-quarter increase was accounted for by the pay raise for federal civilian and military personnel.
- Real disposable personal income (DPI) increased 1.4 percent, a downward revision of 0.4 percentage point from the “preliminary” estimate; in the fourth quarter, it increased 0.9 percent. The pickup reflected a small acceleration in current-dollar DPI that was due to a deceleration in personal current taxes that exceeded a deceleration in personal income.
- The personal saving rate was 0.4 percent in the first quarter, compared with 0.2 percent in the fourth quarter. The first-quarter estimate was 0.2 percentage point less than the “preliminary” estimate.
- Corporate profits fell \$5.2 billion in the first quarter after falling \$52.9 billion in the fourth quarter. First-quarter profits reflected the effects of the Economic Stimulus Act of 2008 (see the box on page 4).

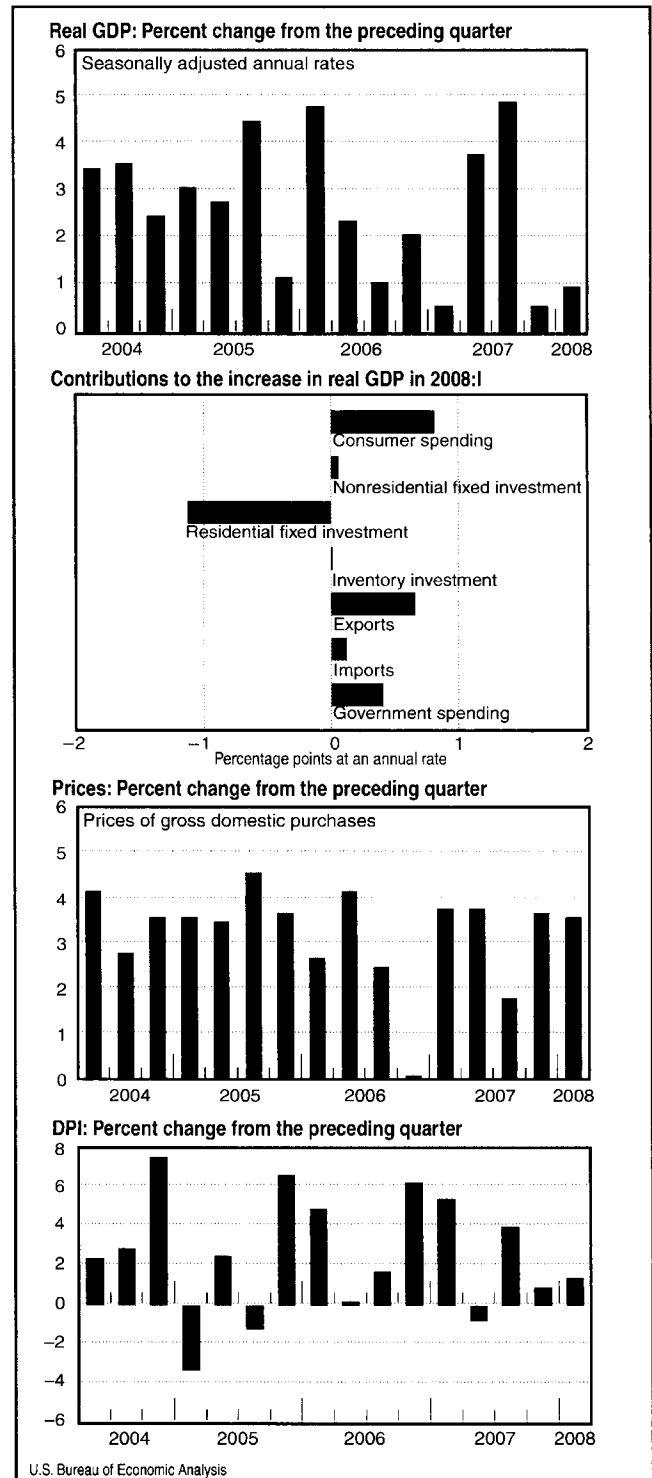
1. “Real” estimates are in chained (2000) dollars, and price indexes are chain-type measures.

2. 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, which assume that a rate of activity for a quarter is maintained for a year.

3. In this article, “consumer spending” refers to “personal consumption expenditures,” inventory investment” refers to “change in private inventories,” and “government spending” refers to “government consumption expenditures and gross investment.”

*Christopher Swann prepared this article.*

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



## Real GDP Overview

Table 1. Real Gross Domestic Product and Components

[Seasonally adjusted at annual rates]

	Share of current-dollar GDP (percent)		Change from preceding period (percent)				Contribution to percent change in real GDP (percentage points)			
	2008		2007		2008		2007		2008	
	I	II	III	IV	I	II	III	IV	I	
<b>Gross domestic product</b> <sup>1</sup> .....	<b>100.0</b>	<b>3.8</b>	<b>4.9</b>	<b>0.6</b>	<b>1.0</b>	<b>3.8</b>	<b>4.9</b>	<b>0.6</b>	<b>1.0</b>	
<b>Personal consumption expenditures</b> .....	<b>70.8</b>	<b>1.4</b>	<b>2.8</b>	<b>2.3</b>	<b>1.1</b>	<b>1.00</b>	<b>2.01</b>	<b>1.58</b>	<b>0.81</b>	
Durable goods.....	7.5	1.7	4.5	2.0	-6.0	0.14	0.35	0.15	-0.47	
Nondurable goods.....	20.8	-0.5	2.2	1.2	-0.2	-0.10	0.46	0.25	-0.03	
Services.....	42.5	2.3	2.8	2.8	3.1	0.96	1.20	1.18	1.31	
<b>Gross private domestic investment</b> .....	<b>14.4</b>	<b>4.6</b>	<b>5.0</b>	<b>-14.6</b>	<b>-6.9</b>	<b>0.71</b>	<b>0.77</b>	<b>-2.40</b>	<b>-1.04</b>	
Fixed investment.....	14.6	3.2	-0.7	-4.0	-6.9	0.49	-0.11	-0.62	-1.06	
Nonresidential.....	10.8	11.0	9.3	6.0	0.6	1.12	0.96	0.63	0.06	
Structures.....	3.6	26.2	16.4	12.4	1.2	0.78	0.52	0.41	0.04	
Equipment and software.....	7.2	4.7	6.2	3.1	0.2	0.34	0.44	0.22	0.02	
Residential.....	3.8	-11.8	-20.5	-25.2	-24.6	-0.62	-1.08	-1.25	-1.12	
Change in private inventories.....	-0.2	.....	.....	.....	.....	0.22	0.89	-1.79	0.02	
<b>Net exports of goods and services</b> .....	<b>-5.0</b>	.....	.....	.....	.....	<b>1.32</b>	<b>1.38</b>	<b>1.02</b>	<b>0.79</b>	
Exports.....	12.7	7.5	19.1	6.5	5.4	0.85	2.10	0.77	0.66	
Goods.....	8.9	6.6	26.2	3.9	4.4	0.53	1.96	0.33	0.38	
Services.....	3.8	9.6	4.0	13.2	7.9	0.33	0.14	0.45	0.28	
Imports.....	17.7	-2.7	4.4	-1.4	-0.7	0.47	-0.72	0.24	0.12	
Goods.....	14.9	-2.9	4.8	-2.6	-1.9	0.42	-0.67	0.39	0.28	
Services.....	2.8	-1.7	1.7	5.5	6.0	0.05	-0.05	-0.15	-0.16	
<b>Government consumption expenditures and gross investment</b> .....	<b>19.9</b>	<b>4.1</b>	<b>3.8</b>	<b>2.0</b>	<b>2.1</b>	<b>0.79</b>	<b>0.74</b>	<b>0.38</b>	<b>0.41</b>	
Federal.....	7.2	6.0	7.1	0.5	4.3	0.41	0.50	0.04	0.30	
National defense.....	4.9	8.5	10.1	-0.5	5.6	0.39	0.47	-0.03	0.27	
Nondefense.....	2.3	0.9	1.1	2.8	1.7	0.02	0.03	0.06	0.04	
State and local.....	12.7	3.0	1.9	2.8	0.8	0.37	0.24	0.34	0.10	
<b>Addenda:</b>										
Final sales of domestic product.....	.....	3.6	4.0	2.4	0.9	3.60	4.02	2.36	0.94	
Gross domestic purchases price index.....	.....	3.8	1.8	3.7	3.6	.....	.....	.....	.....	
GDP price index.....	.....	2.6	1.0	2.4	2.7	.....	.....	.....	.....	

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 slowed in the first quarter, as spending for durable goods and nondurable goods turned down. Spending for services picked up. The 1.1 percent increase added 0.81 percentage point to real GDP growth. In the fourth quarter, consumer spending increased 2.3 percent and added 1.58 percentage points to real GDP growth.

Nonresidential fixed investment decelerated, reflecting slowdowns in investment in structures and in equipment and software.

Residential fixed investment decreased slightly less in the first quarter than in the fourth quarter, reducing real GDP growth by 1.12 percentage points.

Inventory investment turned up, mainly reflecting an upturn in retail trade and a smaller decrease in wholesale trade. In retail trade, the upturn mainly reflected an upturn in motor vehicle and parts dealers.

Exports slowed somewhat, mainly reflecting a deceleration in exports of services. Foreign travel in the United States turned down, and "other" private services slowed. Exports of goods picked up.

Imports decreased in the first quarter but by less than in the fourth quarter, reflecting the quarter-to-quarter changes in the imports of goods. Imports of services picked up slightly.

Federal government spending accelerated, increasing 4.3 percent after increasing 0.5 percent. National defense spending turned up.

State and local government spending slowed, reflecting a downturn in gross investment.

## GDP and Gross Domestic Purchases

In addition to gross domestic product (GDP), another related measure of economic growth—gross domestic purchases—is included in the national income and product accounts (NIPAs).

GDP measures the market value of final goods and services produced by labor and property in the United States, including the goods that are added to, or subtracted from, inventories. GDP is defined as the sum of consumer spending, business and residential investment, inventory investment, government spending, and exports less imports.

Gross domestic purchases is defined as GDP less exports plus imports. It measures domestic demand for goods and services regardless of their origin. Exports represent foreign demand for U.S. goods and services. Subtracting exports

from GDP yields a measure of expenditures that focuses on domestic buyers. Imports can be viewed as the value of goods and services that exceed the domestic supply and that expand the consumption and investment alternatives for domestic purchasers.

Differences between GDP and gross domestic purchases reflect patterns in imports less exports: As imports exceed exports, gross domestic purchases exceeds GDP.

For annual and quarterly estimates of these measures, see NIPA tables 1.4.1 and 1.4.3–1.4.6.

For more information on GDP and gross domestic purchases, see also "A Guide to the National Income and Product Accounts of the United States" on BEA's Web site at <[www.bea.gov/bea/an/nipaguid.pdf](http://www.bea.gov/bea/an/nipaguid.pdf)>.



## Revisions to GDP

**Table 2. Preliminary and Final Estimates for the First Quarter of 2008**  
[Seasonally adjusted at annual rates]

	Change from preceding quarter (percent)			Contribution to percent change in real GDP (percentage points)		
	Preliminary	Final	Final minus preliminary	Preliminary	Final	Final minus preliminary
<b>Gross domestic product (GDP) <sup>1</sup></b> .....	<b>0.9</b>	<b>1.0</b>	<b>0.1</b>	<b>0.9</b>	<b>1.0</b>	<b>0.1</b>
<b>Personal consumption expenditures</b> .....	<b>1.0</b>	<b>1.1</b>	<b>0.1</b>	<b>0.70</b>	<b>0.81</b>	<b>0.11</b>
Durable goods .....	-6.2	-6.0	0.2	-0.49	-0.47	0.02
Nondurable goods .....	-0.3	-0.2	0.1	-0.07	-0.03	0.04
Services .....	3.0	3.1	0.1	1.25	1.31	0.06
<b>Gross private domestic investment</b> .....	<b>-6.5</b>	<b>-6.9</b>	<b>-0.4</b>	<b>-0.98</b>	<b>-1.04</b>	<b>-0.06</b>
Fixed investment .....	-7.8	-6.9	0.9	-1.20	-1.06	0.14
Nonresidential .....	-0.2	0.6	0.8	-0.03	0.06	0.09
Structures .....	1.1	1.2	0.1	0.04	0.04	0.00
Equipment and software .....	-0.9	0.2	1.1	-0.07	0.02	0.09
Residential .....	-25.5	-24.6	0.9	-1.17	-1.12	0.05
Change in private inventories .....				0.21	0.02	-0.19
<b>Net exports of goods and services</b> .....				<b>0.80</b>	<b>0.79</b>	<b>-0.01</b>
Exports .....	2.8	5.4	2.6	0.34	0.66	0.32
Goods .....	1.5	4.4	2.9	0.13	0.38	0.25
Services .....	5.8	7.9	2.1	0.21	0.28	0.07
Imports .....	-2.6	-0.7	1.9	0.46	0.12	-0.34
Goods .....	-3.6	-1.9	1.7	0.54	0.28	-0.26
Services .....	2.8	6.0	3.2	-0.08	-0.16	-0.08
<b>Government consumption expenditures and gross investment</b> .....	<b>2.0</b>	<b>2.1</b>	<b>0.1</b>	<b>0.38</b>	<b>0.41</b>	<b>0.03</b>
Federal .....	4.4	4.3	-0.1	0.31	0.30	-0.01
National defense .....	5.6	5.6	0.0	0.27	0.27	0.00
Nondefense .....	1.8	1.7	-0.1	0.04	0.04	0.00
State and local .....	0.6	0.8	0.2	0.08	0.10	0.02
<b>Addenda:</b>						
Final sales of domestic product .....	0.7	0.9	0.2	0.69	0.94	0.25
Gross domestic purchases price index .....	3.5	3.6	0.1			
GDP price index .....	2.6	2.7	0.1			

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

The “final” real GDP growth estimate is 0.1 percentage point more than the “preliminary” estimate. Upward revisions to exports, consumer spending, and investment in equipment and software were largely offset by an upward revision to imports and a downward revision to inventory investment. The average revision (without regard to sign) historically from the preliminary to the final estimate is 0.3 percentage point.

The largest contributor to the upward revision to consumer spending was medical care services, specifically hospitals and nursing homes.

The largest contributor to the upward revision to equipment and software was prepackaged software.

The largest contributor to the downward revision to inventory investment was “mining, utilities, and construction inventories.”

The revision to exports was to goods and services. In goods, the upward revisions were widespread; computers, peripherals, and parts was revised down. In services, “other” transportation, “other” private services, and transfers under U.S. military agency sales contracts were revised up; passenger fares were revised down.

The revision to imports was to goods and services. In goods, the revision primarily reflected upward revisions to nonautomotive consumer goods and to automotive vehicles, engines, and parts. These revisions were partly offset by downward revisions to computers, peripherals, and parts and to nonpetroleum industrial supplies and materials. In services, travel and “other” transportation services were revised up. “Other” private services was revised down.

### Source Data for the Final Estimates

The final estimates of gross domestic product for the first quarter of 2008 incorporated the following source data.

*Personal consumption expenditures:* Retail sales for March (revised) and quarterly services survey for the first quarter (new), motor vehicle registrations for March (revised), and retail natural gas sales for March (new).

*Nonresidential fixed investment:* Construction put in place for February and March (revised) and quarterly services survey for the first quarter (new).

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

*Change in private inventories:* Manufacturers’ and trade inventories for March (revised), Quarterly Financial

Report data for mining, and Energy Information Administration data for utilities.

*Exports and imports of goods and services:* International transactions accounts data for October 2007–March 2008 (revised).

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

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

## Corporate Profits

**Table 3. Corporate Profits**  
[Seasonally adjusted]

	Billions of dollars (annual rate)				Percent change from preceding quarter (quarterly rate)					
	Level	Change from preceding quarter								
		2008	2007			2008				
		I	II	III	IV	I	II	III	IV	I
<b>Current production measures:</b>										
Corporate profits .....	1,563.8	94.7	-20.5	-52.9	-5.2	6.1	-1.2	-3.3	-0.3	
Domestic industries.....	1,189.8	78.0	-46.9	-108.7	17.6	6.2	-3.5	-8.5	1.5	
Financial .....	428.7	52.7	-32.5	-74.4	14.2	11.2	-6.2	-15.2	3.4	
Nonfinancial .....	761.1	25.3	-14.4	-34.3	3.4	3.2	-1.8	-4.3	0.4	
Rest of the world .....	374.0	16.7	26.4	55.8	-22.8	5.6	8.4	16.4	-5.7	
Receipts from the rest of the world .....	526.2	33.9	27.6	12.3	3.7	7.6	5.7	2.4	0.7	
Less: Payments to the rest of the world .....	152.2	17.2	1.1	-43.4	26.5	11.4	0.7	-25.7	21.1	
Less: Taxes on corporate income .....	421.8	37.6	-20.7	-15.0	-32.6	8.3	-4.2	-3.2	-7.2	
<b>Equals: Profits after tax.....</b>	<b>1,141.9</b>	<b>57.0</b>	<b>0.3</b>	<b>-37.9</b>	<b>27.3</b>	<b>5.2</b>	<b>0.0</b>	<b>-3.3</b>	<b>2.5</b>	
Net dividends .....	846.2	24.8	23.5	21.7	16.8	3.3	3.0	2.7	2.0	
Undistributed profits from current production .....	295.8	32.2	-23.3	-59.5	10.6	9.6	-6.3	-17.3	3.7	
<b>Net cash flow .....</b>	<b>1,227.2</b>	<b>37.4</b>	<b>-21.1</b>	<b>-55.7</b>	<b>15.1</b>	<b>3.0</b>	<b>-1.6</b>	<b>-4.4</b>	<b>1.3</b>	

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

IVA Inventory valuation adjustment  
CCAdj Capital consumption adjustment

Profits from current production fell \$5.2 billion, or 0.3 percent at a quarterly rate, in the first quarter; in the fourth quarter, profits fell \$52.9 billion. Profits in the first quarter reflected the effects of the Economic Stimulus Act of 2008 (see the box).

Profits of domestic financial corporations rose \$14.2 billion, or 3.4 percent, after decreasing \$74.4 billion.

Profits of domestic nonfinancial corporations increased \$3.4 billion, or 0.4 percent, after decreasing \$34.3 billion.

Profits from the rest of the world decreased \$22.8 billion, or 5.7 percent, after increasing \$55.8 billion. The decrease was accounted for by a much smaller increase in receipts than in payments.

Taxes on corporate income decreased \$32.6 billion, or 7.2 percent, after decreasing \$15.0 billion.

Profits after tax increased \$27.3 billion, or 2.5 percent, after decreasing \$37.9 billion.

Net cash flow, a profits-related measure of internally generated funds available for investment, rose \$15.1 billion, or 1.3 percent, after falling \$55.7 billion.

### The Effects of the Economic Stimulus Act of 2008 on Corporate Profits

As of the first quarter of 2008, NIPA corporate profits reflect bonus depreciation provisions and higher ceilings for small business expenses provided by the Economic Stimulus Act of 2008. The law offers a first-year bonus depreciation of 50 percent for qualifying property purchased and put in place in 2008. It also raises the ceiling for small business expenses under Internal Revenue Code Section 179 from \$128,000 to \$250,000. Because the deductible amount summed across 2008 and future tax years equals the cost of the property, the accelerated deductions in 2008 will lead to lower deductions in the future.

Profits from current production were not affected by the act, because they do not depend on the depreciation-accounting practices used for federal taxes. This profits measure includes inventory valuation and capital consumption adjustments to put it on an economic-accounting basis, not a tax basis. But industry profits adjusted for inventory valuations and profits before taxes are affected by the inventory and depreciation-accounting practices used for federal corporate taxes.

The act's provisions increased the depreciation that corporations could claim in the first quarter by \$139.7 billion, thus reducing profits before taxes by the same amount. As a result, taxes on profits was reduced \$37.8 billion, and profits after tax was reduced \$102.0 billion.

The capital consumption adjustment (CCAdj) is the difference between the tax-based depreciation and economic-accounting depreciation. Because the tax-based depreciation estimate was raised by \$139.7 billion, the CCAdj was raised by the same amount.

Historically, similar adjustments were made for the Job Creation and Worker Assistance Act of 2002 (see the April 2002 SURVEY OF CURRENT BUSINESS) and the Jobs and Growth Tax Relief Reconciliation Act of 2003 (see the July 2003 SURVEY).

The effects are net of offsetting bonus depreciation that was claimed in earlier years. See the table "Net Effects of the Tax Acts of 2002, 2003, and 2008 on Selected Measures of Corporate Profits" at <[www.bea.gov/national/xls/technote\\_tax\\_acts.xls](http://www.bea.gov/national/xls/technote_tax_acts.xls)>.

# Corporate Profits by Industry

**Table 4. Corporate Profits by Industry**  
[Seasonally adjusted]

	Billions of dollars (annual rate)				Percent change from preceding quarter (quarterly rate)					
	Level	Change from preceding quarter								
	2008	2007				2008	2007			
	I	II	III	IV	I	II	III	IV	I	
<b>Industry profits:</b>										
Profits with IVA .....	1,637.6	101.2	-17.4	-48.9	-172.9	5.7	-0.9	-2.6	-9.5	
Domestic industries .....	1,263.6	84.4	-43.8	-104.6	-150.1	5.7	-2.8	-6.9	-10.6	
Financial .....	435.9	53.4	-32.2	-73.9	-4.4	10.8	-5.9	-14.4	-1.0	
Nonfinancial .....	827.7	31.0	-11.6	-30.7	-145.7	3.2	-1.1	-3.1	-15.0	
Utilities .....	36.1	4.8	5.2	7.3	-17.6	13.3	12.7	15.7	-32.8	
Manufacturing .....	224.3	48.1	-50.2	-16.5	-56.0	16.1	-14.5	-5.6	-20.0	
Wholesale trade .....	57.0	7.1	4.9	-27.6	-25.2	7.3	4.6	-25.2	-30.6	
Retail trade .....	130.6	0.1	5.8	1.1	-10.7	0.1	4.3	0.8	-7.6	
Transportation and warehousing .....	28.8	6.7	9.6	-7.1	-19.5	17.2	21.1	-12.9	-40.4	
Information .....	115.3	-16.6	7.9	9.6	4.9	-15.2	8.5	9.5	4.4	
Other nonfinancial .....	235.7	-19.2	5.2	2.5	-21.5	-7.1	2.1	1.0	-8.4	
Rest of the world .....	374.0	16.7	26.4	55.8	-22.8	5.6	8.4	16.4	-5.7	
<b>Addenda:</b>										
Profits before tax (without IVA and CCAadj) .....	1,735.7	115.7	-51.8	0.2	-144.2	6.4	-2.7	0.0	-7.7	
Profits after tax (without IVA and CCAadj) .....	1,313.8	78.1	-31.2	15.3	-111.7	5.7	-2.2	1.1	-7.8	
IVA .....	-98.1	-14.5	34.4	-49.1	-28.7	.....	.....	.....	.....	
CCAadj .....	-73.8	-6.5	-3.0	-4.1	167.7	.....	.....	.....	.....	

Profits with inventory valuation adjustment decreased \$172.9 billion, or 9.5 percent, in the first quarter after decreasing \$48.9 billion in the fourth quarter. The difference between the first-quarter decrease in this measure of profits and the \$5.2 billion decrease in profits from current production reflects the capital consumption adjustment, which increased \$167.7 billion (see the box on page 4).

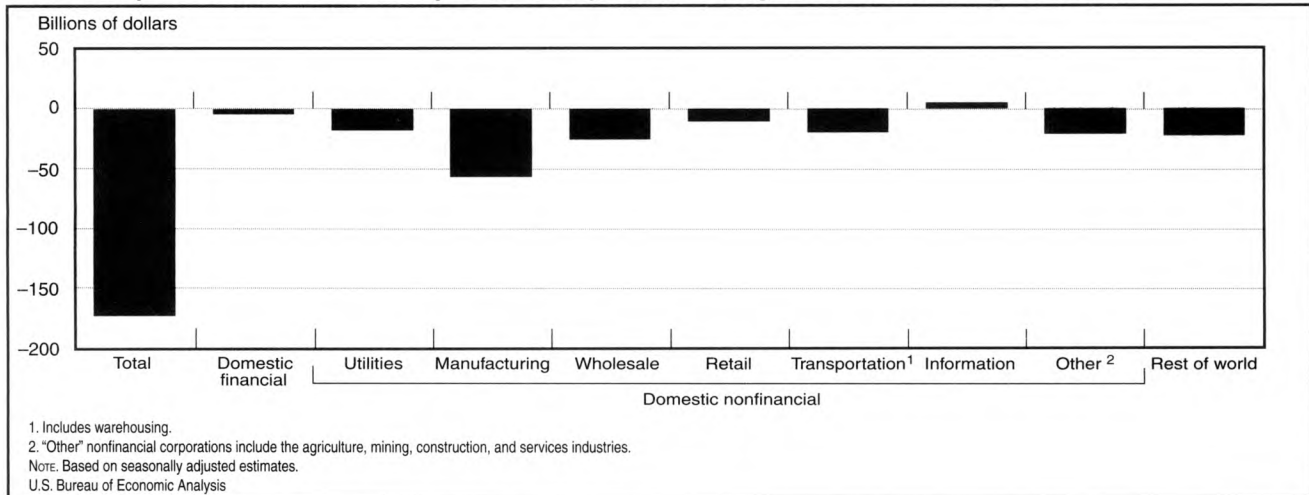
Profits from domestic industries decreased \$150.1 billion, or 10.6 percent, following a \$104.6 billion decrease.

Profits of domestic financial industries decreased \$4.4 billion, or 1.0 percent, after decreasing \$73.9 billion.

Profits of domestic nonfinancial industries decreased \$145.7 billion, or 15.0 percent, following a \$30.7 billion decrease in the fourth quarter. The larger first-quarter decrease reflected a larger decrease in manufacturing, downturns in utilities and in "other" industries, a larger decrease in transportation and warehousing, and a downturn in retail trade.

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

**Chart 2. Corporate Profits With Inventory Valuation Adjustment: Change From the Preceding Quarter, 2008:I**



**Corporate Profits by Industry**

Industry profits are corporate profits by industry with inventory valuation adjustment (IVA). The IVA removes the effect of prices on inventories. The IVA is the difference between the cost of inventory withdrawals at acquisition cost and replacement cost. Ideally, BEA would also add the capital consumption adjustment (CCAadj) for each industry. However, estimates of the CCAadj are only available for two broad categories: Total financial industries and total nonfinancial industries. For more information about BEA's methodology, see "Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends" at <[www.bea.gov/nea/mp\\_national.htm](http://www.bea.gov/nea/mp_national.htm)>.

## Real Inventories, Sales, and Inventory-Sales Ratios for Manufacturing and Trade for the First Quarter of 2008

This report presents quarterly estimates for the fourth quarter of 2007, first quarter of 2008 and monthly estimates for November 2007 to April 2008.

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

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

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

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

[Billions of chained (2000) dollars]

	2007	2008	2007		2008			
	IV	I	November	December	January <sup>r</sup>	February <sup>r</sup>	March <sup>r</sup>	April <sup>p</sup>
<b>Manufacturing and trade industries</b> .....	<b>1,280.7</b>	<b>1,280.3</b>	<b>1,281.4</b>	<b>1,280.7</b>	<b>1,285.9</b>	<b>1,286.2</b>	<b>1,280.3</b>	<b>1,278.7</b>
<b>Manufacturing</b> .....	<b>458.2</b>	<b>462.3</b>	<b>456.9</b>	<b>458.2</b>	<b>461.6</b>	<b>461.7</b>	<b>462.3</b>	<b>458.5</b>
<b>Durable goods</b> .....	<b>286.7</b>	<b>288.0</b>	<b>284.4</b>	<b>286.7</b>	<b>287.4</b>	<b>287.4</b>	<b>288.0</b>	<b>287.1</b>
Wood products.....	9.6	8.9	9.5	9.6	9.5	9.1	8.9	8.7
Nonmetallic mineral products.....	10.0	9.9	9.9	10.0	9.9	9.9	9.9	9.8
Primary metals.....	19.7	19.5	19.7	19.7	19.6	19.5	19.5	19.4
Fabricated metal products.....	32.7	32.1	32.6	32.7	32.6	32.4	32.1	31.9
Machinery.....	37.5	38.0	37.3	37.5	37.6	37.7	38.0	37.7
Computer and electronic products.....	68.5	69.7	68.0	68.5	68.7	69.2	69.7	69.8
Electrical equipment, appliances, and components.....	13.0	13.0	12.9	13.0	13.1	13.1	13.0	13.0
Transportation equipment.....	71.7	73.7	70.0	71.7	72.2	72.9	73.7	73.9
Furniture and related products.....	7.7	7.5	7.7	7.7	7.6	7.6	7.5	7.4
Miscellaneous manufacturing.....	18.2	17.9	18.2	18.2	18.2	18.0	17.9	17.8
<b>Non-durable goods</b> .....	<b>172.7</b>	<b>175.3</b>	<b>173.5</b>	<b>172.7</b>	<b>175.2</b>	<b>175.3</b>	<b>175.3</b>	<b>172.7</b>
Food products.....	32.1	31.7	32.3	32.1	32.1	31.9	31.7	31.6
Beverage and tobacco products.....	11.5	11.6	11.5	11.5	11.5	11.6	11.6	11.6
Textile mills.....	4.8	4.7	4.8	4.8	4.8	4.7	4.7	4.7
Textile product mills.....	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.3
Apparel.....	6.3	6.4	6.4	6.3	6.3	6.4	6.4	6.4
Leather and allied products.....	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.2
Paper products.....	17.1	16.7	16.8	17.1	16.8	16.7	16.7	16.6
Printing and related support activities.....	6.5	6.1	6.3	6.5	5.9	6.0	6.1	6.0
Petroleum and coal products.....	18.0	19.7	18.0	18.0	19.2	19.3	19.7	18.8
Chemical products.....	52.3	52.3	53.2	52.3	53.1	52.9	52.3	51.9
Plastics and rubber products.....	18.6	18.6	18.7	18.6	18.5	18.6	18.6	18.6
<b>Merchant wholesale trade</b> .....	<b>356.5</b>	<b>356.3</b>	<b>356.6</b>	<b>356.5</b>	<b>357.7</b>	<b>358.8</b>	<b>356.3</b>	<b>358.3</b>
Durable goods.....	220.6	223.6	219.4	220.6	222.3	223.6	223.6	224.9
Non-durable goods.....	136.1	133.6	136.3	136.1	135.8	135.8	133.6	134.3
<b>Retail trade</b> .....	<b>465.5</b>	<b>460.1</b>	<b>468.8</b>	<b>465.5</b>	<b>465.8</b>	<b>464.7</b>	<b>460.1</b>	<b>460.9</b>
Motor vehicle and parts dealers.....	148.8	145.2	154.2	148.8	148.5	147.8	145.2	144.6
Furniture and home furnishings and electronics and appliance stores.....	36.2	35.6	36.5	36.2	36.2	36.0	35.6	36.1
Building material and garden equipment and supplies stores.....	47.0	47.3	46.9	47.0	47.4	47.3	47.3	47.4
Food and beverage stores.....	33.4	33.5	33.3	33.4	33.3	33.4	33.5	33.7
Clothing and clothing accessories stores.....	40.0	38.9	39.8	40.0	39.7	39.5	38.9	39.0
General merchandise stores.....	74.1	73.6	73.5	74.1	74.5	74.6	73.6	74.1
Other retail stores.....	85.4	85.1	84.6	85.4	85.5	85.4	85.1	85.0

<sup>p</sup> Preliminary

<sup>r</sup> Revised

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

inventories for 2000 equals the current-dollar change in inventories for 2000 and that the average of the 1999 and 2000 end-of-year chain-weighted and fixed-weighted inventories are equal. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

**Table 2B. Real Manufacturing and Trade Sales, Seasonally Adjusted at Monthly Rate**  
 [Billions of chained (2000) dollars]

	2007	2008	2007		2008			
	IV	I	November	December	January <sup>r</sup>	February <sup>r</sup>	March <sup>r</sup>	April <sup>p</sup>
<b>Manufacturing and trade industries</b> .....	<b>976.3</b>	<b>963.2</b>	<b>974.6</b>	<b>967.8</b>	<b>973.2</b>	<b>958.6</b>	<b>957.9</b>	<b>967.3</b>
<b>Manufacturing</b> .....	<b>334.6</b>	<b>327.6</b>	<b>332.5</b>	<b>331.5</b>	<b>333.9</b>	<b>325.0</b>	<b>323.7</b>	<b>330.0</b>
<b>Durable goods</b> .....	<b>191.2</b>	<b>190.9</b>	<b>191.2</b>	<b>190.1</b>	<b>195.7</b>	<b>190.2</b>	<b>186.8</b>	<b>189.3</b>
Wood products.....	7.0	7.0	7.0	7.0	6.9	7.0	7.0	6.9
Nonmetallic mineral products.....	7.0	6.7	7.1	6.8	6.7	6.7	6.7	6.7
Primary metals.....	12.0	11.8	11.9	12.0	12.0	11.9	11.4	11.4
Fabricated metal products.....	20.5	20.2	20.7	20.2	20.3	20.2	20.2	20.2
Machinery.....	23.7	24.2	23.6	23.8	23.8	24.6	24.3	23.9
Computer and electronic products.....	45.8	47.6	45.7	46.0	51.3	46.0	45.4	48.5
Electrical equipment, appliances, and components.....	8.6	8.5	8.6	8.6	8.7	8.5	8.4	8.5
Transportation equipment.....	51.4	50.6	51.5	50.7	52.4	50.6	48.7	49.4
Furniture and related products.....	5.7	5.4	5.7	5.6	5.4	5.4	5.4	5.3
Miscellaneous manufacturing.....	11.4	11.4	11.4	11.4	11.5	11.4	11.4	11.4
<b>Nondurable goods</b> .....	<b>144.3</b>	<b>138.5</b>	<b>142.5</b>	<b>142.4</b>	<b>140.3</b>	<b>136.8</b>	<b>138.2</b>	<b>141.7</b>
Food products.....	35.5	34.4	35.5	35.5	35.0	34.2	34.0	34.8
Beverage and tobacco products.....	9.7	9.3	9.6	9.4	9.4	9.0	9.6	9.7
Textile mills.....	2.6	2.5	2.6	2.6	2.6	2.5	2.5	2.5
Textile product mills.....	2.5	2.4	2.5	2.4	2.4	2.4	2.3	2.3
Apparel.....	3.0	3.1	3.0	3.1	3.1	3.1	3.1	3.1
Leather and allied products.....	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Paper products.....	11.8	11.8	11.9	11.7	11.9	11.6	11.7	11.7
Printing and related support activities.....	8.1	7.8	8.1	7.9	7.8	7.6	7.8	7.8
Petroleum and coal products.....	18.2	16.6	17.3	17.6	16.8	16.1	16.8	18.2
Chemical products.....	37.7	36.8	37.4	37.5	37.3	36.7	36.4	36.3
Plastics and rubber products.....	15.1	14.7	15.2	14.8	14.9	14.8	14.6	14.6
<b>Merchant wholesale trade</b> .....	<b>286.7</b>	<b>282.3</b>	<b>285.9</b>	<b>283.1</b>	<b>285.3</b>	<b>280.9</b>	<b>280.5</b>	<b>282.6</b>
Durable goods.....	153.9	153.0	155.0	152.0	154.4	150.9	153.8	155.2
Nondurable goods.....	132.9	129.3	130.9	131.1	130.9	130.0	126.7	127.4
<b>Retail trade</b> .....	<b>360.1</b>	<b>358.4</b>	<b>361.5</b>	<b>357.8</b>	<b>358.9</b>	<b>357.7</b>	<b>358.8</b>	<b>359.8</b>
Motor vehicle and parts dealers.....	83.8	81.6	83.7	82.3	82.6	81.3	80.9	79.4
Furniture and home furnishings and electronics and appliance stores.....	35.4	35.2	35.8	35.2	35.1	35.3	35.3	35.9
Building material and garden equipment and supplies stores.....	34.3	33.5	34.8	33.9	33.7	33.6	33.1	34.0
Food and beverage stores.....	43.5	43.5	43.5	43.6	43.4	43.4	43.7	43.6
Clothing and clothing accessories stores.....	21.5	21.7	21.7	21.2	21.7	21.5	21.9	21.8
General merchandise stores.....	56.6	57.3	56.7	56.9	56.7	57.4	57.8	57.9
Other retail stores.....	89.1	89.7	89.6	88.6	89.7	89.3	90.0	91.3

p Preliminary  
 r Revised

NOTE: Estimates in this table are based on the North American Industry Classification System (NAICS).  
 Chained (2000) dollar sales are calculated as the product of the chain-type quantity index and the 2000

current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

**Table 3B. Real Inventory-Sales Ratios for Manufacturing and Trade, Seasonally Adjusted**  
 [Ratio, based on chained (2000) dollars]

	2007	2008	2007		2008			
	IV	I	November	December	January <sup>r</sup>	February <sup>r</sup>	March <sup>r</sup>	April <sup>p</sup>
<b>Manufacturing and trade industries</b> .....	<b>1.31</b>	<b>1.33</b>	<b>1.32</b>	<b>1.32</b>	<b>1.32</b>	<b>1.34</b>	<b>1.34</b>	<b>1.32</b>
<b>Manufacturing</b> .....	<b>1.37</b>	<b>1.41</b>	<b>1.37</b>	<b>1.38</b>	<b>1.38</b>	<b>1.42</b>	<b>1.43</b>	<b>1.39</b>
<b>Durable goods</b> .....	<b>1.50</b>	<b>1.51</b>	<b>1.49</b>	<b>1.51</b>	<b>1.47</b>	<b>1.51</b>	<b>1.54</b>	<b>1.52</b>
Wood products.....	1.37	1.28	1.37	1.38	1.36	1.31	1.28	1.26
Nonmetallic mineral products.....	1.43	1.47	1.40	1.48	1.47	1.47	1.47	1.46
Primary metals.....	1.65	1.66	1.66	1.64	1.63	1.64	1.71	1.70
Fabricated metal products.....	1.59	1.59	1.58	1.62	1.61	1.61	1.59	1.58
Machinery.....	1.58	1.57	1.58	1.57	1.58	1.53	1.56	1.58
Computer and electronic products.....	1.50	1.46	1.49	1.49	1.34	1.50	1.53	1.44
Electrical equipment, appliances, and components.....	1.51	1.52	1.50	1.51	1.50	1.54	1.55	1.53
Transportation equipment.....	1.39	1.46	1.36	1.41	1.38	1.44	1.51	1.50
Furniture and related products.....	1.35	1.40	1.36	1.38	1.41	1.41	1.40	1.39
Miscellaneous manufacturing.....	1.59	1.57	1.60	1.59	1.58	1.58	1.58	1.55
<b>Nondurable goods</b> .....	<b>1.20</b>	<b>1.27</b>	<b>1.22</b>	<b>1.21</b>	<b>1.25</b>	<b>1.28</b>	<b>1.27</b>	<b>1.22</b>
Food products.....	0.90	0.92	0.91	0.91	0.92	0.93	0.93	0.91
Beverage and tobacco products.....	1.19	1.24	1.19	1.22	1.23	1.29	1.21	1.20
Textile mills.....	1.82	1.87	1.84	1.83	1.86	1.89	1.87	1.87
Textile product mills.....	1.38	1.42	1.38	1.40	1.42	1.43	1.44	1.43
Apparel.....	2.08	2.06	2.08	2.06	2.03	2.09	2.05	2.07
Leather and allied products.....	2.03	2.15	2.10	2.07	2.13	2.19	2.16	2.05
Paper products.....	1.44	1.42	1.41	1.45	1.41	1.43	1.42	1.41
Printing and related support activities.....	0.80	0.79	0.78	0.81	0.75	0.79	0.78	0.77
Petroleum and coal products.....	0.99	1.19	1.04	1.03	1.14	1.20	1.17	1.03
Chemical products.....	1.39	1.42	1.42	1.39	1.42	1.44	1.44	1.43
Plastics and rubber products.....	1.24	1.26	1.23	1.26	1.25	1.26	1.28	1.28
<b>Merchant wholesale trade</b> .....	<b>1.24</b>	<b>1.26</b>	<b>1.24</b>	<b>1.26</b>	<b>1.25</b>	<b>1.28</b>	<b>1.27</b>	<b>1.27</b>
Durable goods.....	1.43	1.46	1.42	1.45	1.44	1.48	1.45	1.45
Nondurable goods.....	1.02	1.02	1.03	1.03	1.03	1.04	1.04	1.04
<b>Retail trade</b> .....	<b>1.29</b>	<b>1.28</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>	<b>1.28</b>	<b>1.28</b>
Motor vehicle and parts dealers.....	1.78	1.78	1.84	1.81	1.80	1.82	1.80	1.82
Furniture and home furnishings and electronics and appliance stores.....	1.02	1.01	1.02	1.03	1.03	1.02	1.01	1.01
Building material and garden equipment and supplies stores.....	1.37	1.41	1.35	1.39	1.41	1.41	1.43	1.40
Food and beverage stores.....	0.77	0.77	0.77	0.76	0.77	0.77	0.77	0.77
Clothing and clothing accessories stores.....	1.86	1.79	1.83	1.89	1.84	1.83	1.77	1.79
General merchandise stores.....	1.31	1.28	1.30	1.30	1.31	1.30	1.27	1.28
Other retail stores.....	0.96	0.95	0.95	0.96	0.95	0.96	0.95	0.93

p Preliminary  
 r Revised

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

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

[Billions of chained (2000) dollars]

	2007		2008		2007		2008	
	IV	I	November	December	January	February	March	April <sup>p</sup>
<b>Materials and supplies</b>								
<b>Manufacturing</b> .....	<b>154.2</b>	<b>154.5</b>	<b>154.8</b>	<b>154.2</b>	<b>155.9</b>	<b>155.4</b>	<b>154.5</b>	<b>153.4</b>
<b>Durable goods</b> .....	<b>94.5</b>	<b>94.6</b>	<b>94.5</b>	<b>94.5</b>	<b>94.9</b>	<b>94.7</b>	<b>94.6</b>	<b>94.1</b>
Wood products .....	4.1	3.9	4.1	4.1	4.1	4.0	3.9	3.8
Nonmetallic mineral products .....	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.8
Primary metals .....	7.3	7.2	7.3	7.3	7.3	7.3	7.2	7.3
Fabricated metal products .....	12.2	12.0	12.1	12.2	12.3	12.0	12.0	12.0
Machinery .....	13.4	13.4	13.4	13.4	13.3	13.4	13.4	13.3
Computer and electronic products .....	22.1	22.3	22.3	22.1	22.0	22.1	22.3	22.1
Electrical equipment, appliances, and components .....	5.3	5.4	5.2	5.3	5.4	5.5	5.4	5.5
Transportation equipment .....	16.4	16.7	16.3	16.4	16.6	16.7	16.7	16.5
Furniture and related products .....	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.6
Miscellaneous manufacturing .....	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
<b>Nondurable goods</b> .....	<b>60.0</b>	<b>60.2</b>	<b>60.5</b>	<b>60.0</b>	<b>61.2</b>	<b>60.8</b>	<b>60.2</b>	<b>59.7</b>
Food products .....	9.9	9.7	10.0	9.9	9.9	9.8	9.7	9.7
Beverage and tobacco products .....	5.5	5.6	5.5	5.5	5.5	5.7	5.6	5.5
Textile mills .....	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Textile product mills .....	1.1	1.2	1.1	1.1	1.1	1.1	1.2	1.2
Apparel .....	1.8	1.8	1.8	1.8	1.7	1.8	1.8	1.8
Leather and allied products .....	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Paper products .....	8.0	7.9	8.0	8.0	8.1	7.9	7.9	7.9
Printing and related support activities .....	2.6	2.5	2.6	2.6	2.4	2.4	2.5	2.5
Petroleum and coal products .....	5.9	6.3	6.0	5.9	6.4	6.2	6.3	6.2
Chemical products .....	15.8	15.6	15.9	15.8	16.1	16.2	15.6	15.3
Plastics and rubber products .....	7.4	7.4	7.5	7.4	7.4	7.4	7.4	7.4
<b>Work-in-process</b>								
<b>Manufacturing</b> .....	<b>140.2</b>	<b>144.4</b>	<b>138.1</b>	<b>140.2</b>	<b>142.4</b>	<b>143.6</b>	<b>144.4</b>	<b>143.6</b>
<b>Durable goods</b> .....	<b>110.2</b>	<b>112.8</b>	<b>108.5</b>	<b>110.2</b>	<b>111.1</b>	<b>111.8</b>	<b>112.8</b>	<b>113.3</b>
Wood products .....	1.9	1.9	2.0	1.9	1.9	1.9	1.9	1.9
Nonmetallic mineral products .....	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Primary metals .....	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.7
Fabricated metal products .....	9.9	9.8	9.8	9.9	9.8	9.9	9.8	9.6
Machinery .....	11.6	11.7	11.4	11.6	11.6	11.6	11.7	11.5
Computer and electronic products .....	28.2	29.1	28.0	28.2	28.6	28.9	29.1	29.0
Electrical equipment, appliances, and components .....	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.2
Transportation equipment .....	44.1	46.3	42.8	44.1	44.7	45.3	46.3	46.9
Furniture and related products .....	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Miscellaneous manufacturing .....	3.6	3.6	3.7	3.6	3.7	3.6	3.6	3.5
<b>Nondurable goods</b> .....	<b>30.4</b>	<b>31.9</b>	<b>30.0</b>	<b>30.4</b>	<b>31.5</b>	<b>32.0</b>	<b>31.9</b>	<b>30.9</b>
Food products .....	4.3	4.3	4.4	4.3	4.4	4.4	4.3	4.3
Beverage and tobacco products .....	1.9	1.8	1.9	1.9	1.9	1.9	1.8	1.8
Textile mills .....	0.9	0.8	0.9	0.9	0.8	0.8	0.8	0.8
Textile product mills .....	0.5	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Apparel .....	1.1	1.0	1.1	1.1	1.1	1.1	1.0	1.0
Leather and allied products .....	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Paper products .....	1.8	1.7	1.6	1.8	1.7	1.7	1.7	1.6
Printing and related support activities .....	0.9	0.8	0.9	0.9	0.7	0.8	0.8	0.7
Petroleum and coal products .....	4.9	5.6	4.5	4.9	5.1	5.6	5.6	5.2
Chemical products .....	10.7	11.1	11.0	10.7	11.6	11.2	11.1	11.0
Plastics and rubber products .....	2.2	2.1	2.1	2.2	2.1	2.1	2.1	2.1
<b>Finished goods</b>								
<b>Manufacturing</b> .....	<b>164.3</b>	<b>164.1</b>	<b>164.4</b>	<b>164.3</b>	<b>164.0</b>	<b>163.4</b>	<b>164.1</b>	<b>162.2</b>
<b>Durable goods</b> .....	<b>82.3</b>	<b>81.0</b>	<b>81.6</b>	<b>82.3</b>	<b>81.8</b>	<b>81.2</b>	<b>81.0</b>	<b>80.1</b>
Wood products .....	3.6	3.2	3.5	3.6	3.5	3.3	3.2	3.1
Nonmetallic mineral products .....	5.2	5.0	5.2	5.2	5.1	5.0	5.0	5.0
Primary metals .....	6.5	6.5	6.5	6.5	6.5	6.4	6.5	6.4
Fabricated metal products .....	10.5	10.3	10.6	10.5	10.5	10.4	10.3	10.3
Machinery .....	12.6	12.8	12.4	12.6	12.7	12.7	12.8	12.9
Computer and electronic products .....	18.6	18.7	18.1	18.6	18.5	18.6	18.7	18.2
Electrical equipment, appliances, and components .....	3.4	3.3	3.4	3.4	3.3	3.4	3.3	3.3
Transportation equipment .....	11.3	10.9	11.1	11.3	11.1	11.0	10.9	10.7
Furniture and related products .....	2.9	2.8	2.9	2.9	2.9	2.8	2.8	2.7
Miscellaneous manufacturing .....	8.7	8.5	8.8	8.7	8.7	8.6	8.5	8.5
<b>Nondurable goods</b> .....	<b>82.3</b>	<b>83.1</b>	<b>83.0</b>	<b>82.3</b>	<b>82.4</b>	<b>82.4</b>	<b>83.1</b>	<b>82.1</b>
Food products .....	17.9	17.6	17.8	17.9	17.8	17.8	17.6	17.6
Beverage and tobacco products .....	4.1	4.2	4.0	4.1	4.1	4.1	4.2	4.2
Textile mills .....	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Textile product mills .....	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.6
Apparel .....	3.5	3.6	3.5	3.5	3.5	3.6	3.6	3.6
Leather and allied products .....	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Paper products .....	7.3	7.1	7.1	7.3	7.0	7.0	7.1	7.0
Printing and related support activities .....	2.9	2.9	2.9	2.9	2.8	2.8	2.9	2.9
Petroleum and coal products .....	7.3	7.8	7.4	7.3	7.7	7.5	7.8	7.4
Chemical products .....	25.7	25.7	26.3	25.7	25.5	25.6	25.7	25.6
Plastics and rubber products .....	9.0	9.1	9.0	9.0	9.0	9.1	9.1	9.1

p Preliminary

r Revised

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

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

inventories for 2000 equals the current-dollar change in inventories for 2000 and that the average of the 1999 and 2000 end-of-year chain-weighted and fixed-weighted inventories are equal. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

# The International Investment Position of the United States at Yearend 2007

By Elena L. Nguyen

**T**HE NET international investment position of the United States was  $-\$2,441.8$  billion (preliminary) at yearend 2007, compared with  $-\$2,225.8$  billion (revised) at yearend 2006 (table 1, chart 1). At yearend 2007, the value of foreign-owned assets in the United States continued to exceed the value of U.S.-owned assets abroad.

The  $-\$216.0$  billion change in the U.S. net investment position from yearend 2006 to yearend 2007 reflected net foreign acquisitions of financial assets in the United States that substantially exceeded net U.S. acquisitions of financial assets abroad. The impact of this disparity was partly offset by large exchange-rate changes resulting from strong appreciation of most major foreign currencies against the U.S. dollar, which raised the dollar value of U.S.-owned assets abroad, and by price appreciation of U.S.-held foreign stocks that surpassed by a large amount the price appreciation of foreign-held U.S. stocks.

U.S.-owned assets abroad increased to  $\$17,640.0$  billion at yearend 2007 from  $\$14,381.3$  billion at yearend 2006 (table A).

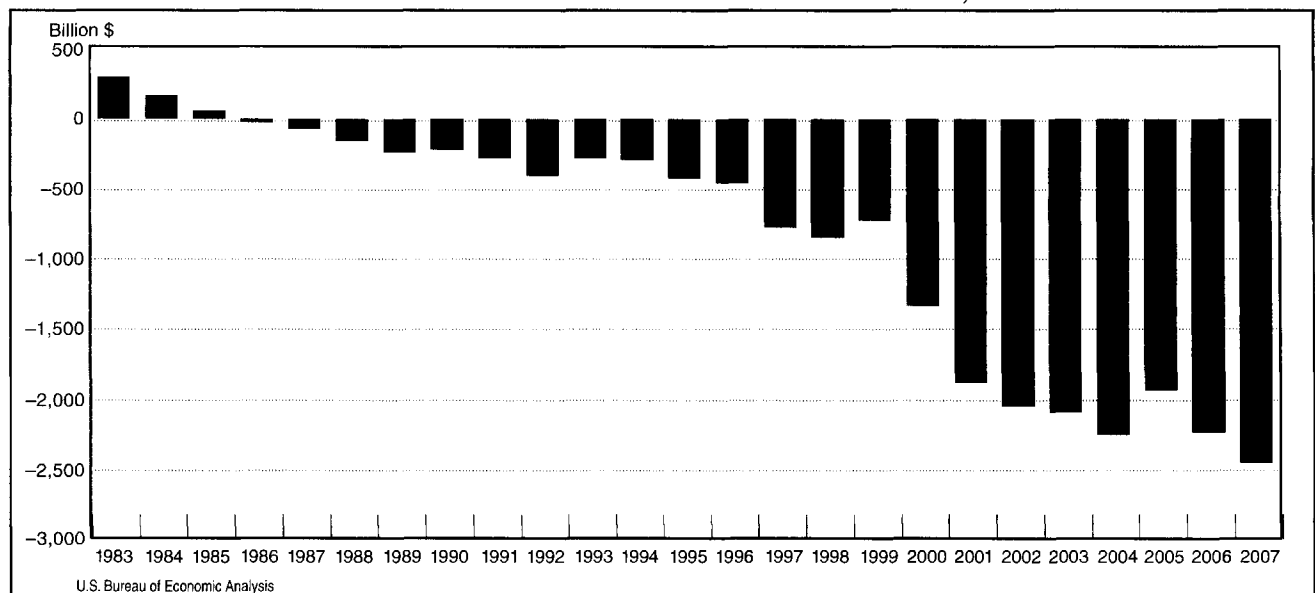
**Table A. U.S. Net International Investment Position at Yearend**

[Billions of dollars]

	2005	2006	2007
<b>Net position</b> .....	<b>-1,925.1</b>	<b>-2,225.8</b>	<b>-2,441.8</b>
Financial derivatives, net .....	57.9	59.8	83.5
Net position, excluding financial derivatives .....	-1,983.1	-2,285.6	-2,525.4
<b>U.S.-owned assets abroad</b> .....	<b>11,961.6</b>	<b>14,381.3</b>	<b>17,640.0</b>
Financial derivatives (gross positive fair value) .....	1,190.0	1,239.0	2,284.6
U.S.-owned assets abroad, excluding financial derivatives .....	10,771.5	13,142.3	15,355.4
<b>Foreign-owned assets in the United States</b> .....	<b>13,886.7</b>	<b>16,607.1</b>	<b>20,081.8</b>
Financial derivatives (gross negative fair value) .....	1,132.1	1,179.2	2,201.1
Foreign-owned assets in the United States, excluding financial derivatives .....	12,754.6	15,427.9	17,880.7

- Financial flows excluding financial derivatives increased the value of U.S. investments abroad by  $\$1,289.9$  billion in 2007, up slightly from  $\$1,251.7$  billion in 2006 (table B). In 2007, increases in claims reported by U.S. banks and U.S. direct investment abroad were especially strong. Net U.S. purchases of foreign securities declined somewhat but remained robust. Increases in claims reported by U.S. nonbanks weakened considerably.
- Valuation adjustments excluding financial derivatives increased the value of U.S. investments

**Chart 1. Net International Investment Position of the United States at Yearend, 1983–2007**



abroad by \$923.2 billion (table B). Strong exchange-rate appreciation of most major foreign currencies against the U.S. dollar from yearend 2006 to yearend 2007 raised the value of U.S.-owned assets abroad, especially of U.S.-owned foreign stocks. Price appreciation also raised the value of U.S.-owned assets abroad, especially of U.S.-owned foreign stocks.

**Table B. Changes in U.S.-Owned Assets Abroad, Excluding Financial Derivatives**  
[Billions of dollars]

	2006	2007
<b>Total change</b> .....	<b>2,370.8</b>	<b>2,213.1</b>
<b>Financial flows</b> .....	<b>1,251.7</b>	<b>1,289.9</b>
<b>Valuation adjustments</b> .....	<b>1,119.1</b>	<b>923.2</b>
Price changes .....	753.3	420.6
Exchange-rate changes .....	269.7	517.0
Other valuation changes .....	96.1	-14.3

- Financial flows and valuation adjustments for U.S. holdings of financial derivatives with gross positive fair value increased the value of U.S. investments abroad by \$1,045.6 billion.

Foreign-owned assets in the United States increased to \$20,081.8 billion at yearend 2007 from \$16,607.1 billion at yearend 2006 (table A).

- Financial flows excluding financial derivatives increased the value of foreign investments in the United States by \$2,057.7 billion in 2007, down slightly from \$2,061.1 billion in 2006 (table C). In 2007, net foreign private purchases of U.S. securi-

ties and increases in liabilities reported by U.S. banks were especially strong. Net foreign official acquisitions of U.S. assets and foreign direct investment in the United States remained robust. Increases in liabilities reported by U.S. nonbanks weakened.

**Table C. Changes in Foreign-Owned Assets in the United States, Excluding Financial Derivatives**  
[Billions of dollars]

	2006	2007
<b>Total change</b> .....	<b>2,673.4</b>	<b>2,452.8</b>
<b>Financial flows</b> .....	<b>2,061.1</b>	<b>2,057.7</b>
<b>Valuation adjustments</b> .....	<b>612.3</b>	<b>395.1</b>
Price changes .....	333.3	222.9
Exchange-rate changes .....	47.3	78.3
Other valuation changes .....	231.6	93.9

- Valuation adjustments excluding financial derivatives increased the value of foreign investments in the United States by \$395.1 billion, largely as a result of price appreciation of foreign-owned U.S. stocks and U.S. government bonds (table C).
- Financial flows and valuation adjustments for U.S. holdings of financial derivatives with gross negative fair value increased the value of foreign investments in the United States by \$1,021.9 billion.

This article presents the major changes in U.S.-owned assets abroad and in foreign-owned assets in the United States in 2007. Tables 1 and 2 at the end of this article present estimates of the yearend positions by type of asset.

### Improvements in the Estimates

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

This year, the revised position estimates reflect the incorporation of results from BEA's benchmark survey of U.S. direct investment abroad for 2004 and results from the U.S. Treasury Department's benchmark survey of securities claims for December 2006 and annual survey of securities liabilities for June 2007. Claims reported by U.S. nonbanking concerns were revised for 2005 and 2006 to account for new estimates of lending by U.S. financial intermediaries related to the intermediaries' issuance of asset-backed commercial paper in the United States. The U.S. net international investment

position was also revised for 1976–2006, as a result of improved estimates of U.S. currency shipments.

In addition to the inclusion of benchmark and improved source data, estimates were revised to incorporate newly available or revised quarterly source data. Revisions attributable to these updated source data were for 2002–2006. The net result of revisions from all sources caused the difference between the value of U.S. assets abroad and the value of foreign assets in the United States to change by small amounts for 2002–2004 and by much larger amounts for 2005 and 2006. The net international investment position at yearend 2006 was revised to -\$2,225.8 billion from -\$2,539.6 billion.

For additional information, see "Annual Revision of the U.S. International Accounts, 1974–2007" in this issue.



## Changes in U.S.-Owned Assets Abroad

### Financial derivatives

U.S. holdings of financial derivatives with gross positive fair value increased \$1,045.6 billion to \$2,284.6 billion in 2007 (table D).<sup>1</sup> The gross positive fair value of financial derivatives increased strongly in the second half of the year, when global financial markets experienced severe strains as a result of the collapse of the U.S. subprime mortgage market. Most of the increase was attributable to increases in over-the-counter (OTC) single currency interest-rate contracts, especially swaps, and "other" OTC contracts, such as equity, credit, and commodity derivatives. By area, most of U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

**Table D. Gross Positive Fair Value of Financial Derivatives**  
[Billions of dollars]

	2005	2006	2007	Change		
				1st half 2007	2nd half 2007	2006-2007
<b>Financial derivatives</b> .....	<b>1,190.0</b>	<b>1,239.0</b>	<b>2,284.6</b>	<b>307.7</b>	<b>737.9</b>	<b>1,045.6</b>
By type:						
Over-the-counter contracts .....	1,171.2	1,213.4	2,251.3	303.3	734.7	1,038.0
Single-currency interest rate contracts .....	854.0	793.1	1,321.6	211.3	317.3	528.6
Foreign exchange contracts .....	147.1	176.3	279.7	20.2	83.2	103.4
Other .....	170.1	244.0	650.0	71.8	334.1	406.0
Exchange-traded contracts .....	18.9	25.6	33.2	4.4	3.2	7.6
By area:						
Europe .....	1,024.1	1,048.0	1,975.7	283.7	644.0	927.8
Of which: United Kingdom .....	707.0	658.9	1,393.0	227.5	506.6	734.1
Canada .....	33.1	31.6	49.6	5.5	12.5	18.0
Caribbean financial centers .....	55.1	67.2	126.0	8.2	50.7	58.9
Of which: Cayman Islands .....	41.7	49.7	105.6	9.1	46.9	55.9
Latin America, excluding Caribbean financial centers .....	10.6	14.3	16.0	2.6	-0.9	1.8
Asia .....	49.0	57.9	92.1	5.5	28.7	34.2
Of which: Japan .....	33.4	38.3	56.1	2.5	15.3	17.8
Africa .....	3.6	3.1	4.3	0.0	1.2	1.2
Other .....	14.5	17.0	20.8	2.2	1.6	3.8

### U.S. official reserve assets and other U.S. government assets

U.S. official reserve assets increased \$57.4 billion to \$277.2 billion in 2007. The increase mostly resulted from a \$52.8 billion increase in the market value of the official U.S. gold stock. U.S. official holdings of foreign currencies and Special Drawing Rights also increased, mostly as a result of exchange-rate changes. In contrast, the U.S. reserve position at the International Monetary Fund (IMF) decreased, mostly as a result of repayments of U.S. dollar funds to the IMF from several European countries.

1. A derivatives contract with a positive fair value represents the amount that a foreign resident would have to pay to a U.S. resident if the contract was terminated or settled. A contract with a negative fair value represents the amount that a U.S. resident would have to pay to a foreign resident if the contract was terminated or settled. The gross positive (or negative) fair value is the sum of all contracts with positive (or negative) fair values. Fair values are different from notional values, which are the underlying amounts used to calculate payments on contracts.

U.S. government assets other than official reserve assets increased \$22.3 billion to \$94.5 billion. The increase resulted from drawings under temporary reciprocal currency arrangements between the Federal Reserve System and foreign central banks that do not meet the strict definition of U.S. reserve assets.

### Bank and nonbank claims

U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$679.4 billion to \$3,826.2 billion in 2007, mostly as a result of especially strong financial flows. In 2007, financial flows increased U.S. banks' and securities brokers' claims on foreigners by \$644.8 billion, up from an increase of \$488.4 billion in 2006. U.S. banks' and securities brokers' claims increased substantially in the first half of 2007, when demand for international syndicated loans was strong, global merger and acquisition activity picked up, and foreign investors acquired U.S. corporate bonds and stocks at a record pace. In the second half of 2007, lending by U.S. banks was lower but remained robust; banks in the United States continued to provide substantial dollar liquidity, mostly to affiliated banks in Europe, where liquidity in interbank markets tightened considerably. Lending by U.S. securities brokers came to a halt, partly as a result of a cutback in lending to highly leveraged investment funds overseas.

U.S. banks' and securities brokers' own claims denominated in dollars increased \$504.2 billion to \$2,789.4 billion (table E). Most of the increase in banks' claims reflected interoffice transfers of funds, mostly in the form of short-term loans, to offices overseas, mainly in Europe and Caribbean financial centers. Lending by U.S. securities brokers was mostly in the form of resale agreements with investment funds in Western Europe and Caribbean financial centers.

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

	2005	2006	2007
<b>U.S. claims reported by U.S. banks and securities brokers</b> .....	<b>2,506.5</b>	<b>3,146.7</b>	<b>3,826.2</b>
Claims for own accounts, denominated in dollars .....	1,856.5	2,285.2	2,789.4
U.S.-owned banks' claims .....	488.4	545.5	663.2
Foreign-owned banks' claims .....	917.7	1,108.7	1,364.4
Brokers' and dealers' claims .....	450.4	631.0	761.8
Claims for customers' accounts, denominated in dollars .....	493.8	665.4	793.5
Claims, denominated in foreign currencies .....	156.2	196.1	243.3
<b>U.S. claims reported by U.S. nonbanking concerns</b> .....	<b>1,018.5</b>	<b>1,163.1</b>	<b>1,176.0</b>

U.S. banks' domestic customers' claims denominated in dollars increased \$128.1 billion to \$793.5 billion, reflecting a substantial increase in offshore deposits and brokerage balances. U.S. banks' claims payable in foreign currencies increased \$47.2 billion to \$243.3 billion as a result of an upturn in deposits and of exchange-rate changes.

U.S. claims on foreigners reported by U.S. non-banking concerns increased only \$12.9 billion to \$1,176.0 billion, reflecting exchange-rate changes of \$12.3 billion (table E). Financial flows increased U.S. claims by only \$0.7 billion in 2007, compared with an increase of \$164.6 billion in 2006.

### Foreign securities

U.S. holdings of foreign securities increased \$1,044.2 billion to \$6,648.7 billion in 2007. The increase resulted from exchange-rate changes of \$413.2 billion, price changes of \$342.2 billion, and net U.S. purchases of foreign securities of \$288.7 billion.

U.S. holdings of foreign stocks increased \$841.6 billion to \$5,170.6 billion in 2007. The increase was attributable to exchange-rate changes of \$385.3 billion, stock price appreciation of \$338.3 billion, and net U.S. purchases of \$118.0 billion. From yearend 2006 to yearend 2007, the Federal Reserve Board's broad index of foreign currencies appreciated 9 percent against the U.S. dollar. Morgan Stanley Capital International's broad index of foreign stocks appreciated 6 percent in local currency, surpassing U.S. stock price appreciation for the fourth consecutive year. Net U.S. purchases of foreign stocks were down in 2007, reflecting a sharp reduction in net U.S. purchases of Asian stocks.

- U.S. holdings of European stocks increased \$359.6 billion to \$2,550.7 billion (table F). The increase was mostly attributable to appreciation of the euro and the pound against the U.S. dollar and to increases in European stock prices. Net U.S. pur-

chases of European stocks were \$82.5 billion, down slightly from \$87.1 billion.

- U.S. holdings of Asian stocks increased \$181.1 billion to \$1,231.4 billion, mostly as a result of price appreciation and exchange-rate changes. Net U.S. purchases of Asian stocks were only \$4.8 billion, down sharply from \$46.3 billion. U.S. holdings of Japanese stocks decreased \$25.5 billion to \$518.0 billion. The decrease was attributable to an 11 percent price depreciation of Japanese stocks in local currency that more than offset a 6 percent appreciation of the yen against the dollar. Net U.S. purchases of Japanese stocks were only \$1.5 billion. In contrast, U.S. holdings of other Asian stocks increased \$206.7 billion to \$713.4 billion. The increase was mostly attributable to strong stock price appreciation, including appreciations (in local currencies) of 38 percent for Hong Kong stocks, 16 percent for Singapore stocks, and 36 percent for Asian emerging market stocks. Net U.S. purchases of stocks from Asia excluding Japan were only \$3.3 billion, down sharply from \$44.4 billion.
- U.S. holdings of Latin American stocks increased \$108.3 billion to \$315.2 billion, reflecting strong price appreciation and exchange-rate changes. Latin American emerging market stock prices appreciated 32 percent in local currencies. Net U.S. purchases were \$11.3 billion, up from \$8.3 billion.
- U.S. holdings of Canadian stocks increased \$95.4 billion to \$393.5 billion, mostly as a result of a 15 percent appreciation of the Canadian dollar against the U.S. dollar and an 8 percent price appreciation of Canadian stocks in local currency. Net U.S. purchases of Canadian stocks were \$7.9 billion, up slightly from \$7.5 billion.
- U.S. holdings of stocks from Caribbean financial centers increased \$50.5 billion to \$468.6 billion, mostly as a result of price appreciation. Net U.S. purchases were \$6.8 billion, a shift from net sales of \$20.8 billion.

U.S. holdings of foreign bonds increased \$202.6 billion to \$1,478.1 billion in 2007, reflecting net U.S. purchases of \$170.7 billion, exchange-rate changes of \$27.9 billion, and price changes of \$3.9 billion. Net U.S. purchases of foreign bonds were down in 2007 from record net purchases of \$227.8 billion in 2006. Net U.S. purchases of European bonds and bonds from Caribbean financial centers slowed slightly but remained brisk. Transactions in Latin American bonds shifted to net sales from net purchases, and net sales of Asian bonds picked up.

- U.S. holdings of European bonds increased \$151.4 billion to \$798.3 billion (table G). Net U.S. purchases of European bonds were \$149.5 billion,

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

	2005	2006	2007
<b>Total holdings</b> .....	<b>3,317.7</b>	<b>4,329.0</b>	<b>5,170.6</b>
Europe .....	1,614.0	2,191.1	2,550.7
<i>Of which:</i> United Kingdom .....	544.5	689.1	797.0
France .....	205.1	306.9	350.5
Germany .....	158.0	220.4	306.3
Switzerland .....	191.9	262.9	275.1
Netherlands .....	132.8	161.5	186.0
Spain .....	63.5	85.6	108.5
Italy .....	63.9	92.7	94.6
Finland .....	44.4	55.9	82.7
Sweden .....	40.5	59.4	55.7
Canada .....	247.8	298.1	393.5
Caribbean financial centers .....	330.1	418.1	468.6
<i>Of which:</i> Bermuda .....	173.8	191.9	220.5
Cayman Islands .....	102.6	160.6	175.3
Latin America, excluding Caribbean financial centers .....	154.3	207.0	315.2
<i>Of which:</i> Brazil .....	68.6	92.0	180.5
Mexico .....	57.9	84.6	92.2
Asia .....	849.9	1,050.2	1,231.4
<i>Of which:</i> Japan .....	493.3	543.5	518.0
Korea, Republic of .....	110.3	114.2	151.7
China .....	26.9	73.9	123.3
Hong Kong .....	44.5	85.8	112.8
Taiwan .....	57.1	74.2	79.6
Africa .....	39.9	49.4	61.9
<i>Of which:</i> South Africa .....	31.6	39.6	47.2
Other countries .....	81.7	115.1	149.3
<i>Of which:</i> Australia .....	71.1	102.0	132.2

**Table G. U.S. Holdings of Foreign Bonds  
by Major Area and Country at Yearend**

[Billions of dollars]

	2005	2006	2007
<b>Total holdings</b> .....	<b>1,011.6</b>	<b>1,275.5</b>	<b>1,478.1</b>
Europe.....	474.8	646.9	798.3
<i>Of which:</i> United Kingdom.....	193.9	256.1	340.4
Belgium and Luxembourg.....	33.5	42.8	104.1
Netherlands.....	51.8	67.9	70.8
France.....	43.9	58.9	65.4
Ireland.....	16.9	38.3	47.2
Germany.....	45.7	58.2	44.1
Spain.....	5.7	24.2	34.5
Canada.....	157.5	162.1	170.5
Caribbean financial centers.....	137.1	199.0	250.4
<i>Of which:</i> Cayman Islands.....	118.4	177.9	224.8
Latin America, excluding Caribbean financial centers.....	87.0	82.1	80.7
<i>Of which:</i> Mexico.....	28.2	23.8	22.6
Brazil.....	21.7	18.2	16.8
Asia.....	75.5	93.4	79.1
<i>Of which:</i> Japan.....	25.6	35.5	30.7
Africa.....	6.4	6.7	3.8
<i>Of which:</i> South Africa.....	2.6	3.0	3.3
Other countries.....	73.3	85.4	95.3
<i>Of which:</i> Australia.....	48.6	61.6	66.3

down from \$171.3 billion. Exchange-rate changes resulting from appreciation of the euro and the pound against the dollar were mostly offset by price depreciation of European bonds.

- In addition, U.S. holdings of bonds from Caribbean financial centers increased \$51.4 billion to \$250.4 billion, largely as a result of net U.S. purchases of

\$42.2 billion from the Cayman Islands. U.S. holdings of Canadian bonds increased to \$170.5 billion from \$162.1 billion.

- In contrast, U.S. holdings of Asian bonds decreased \$14.4 billion to \$79.1 billion. The decrease was more than accounted for by net U.S. sales of \$31.4 billion, reflecting sizable net U.S. sales to China, Singapore, and Japan. Net U.S. sales were partly offset by exchange-rate changes resulting from appreciations of several Asian currencies, including the Japanese yen and the Chinese yuan, against the dollar.

### U.S. direct investment abroad

The stock of U.S. direct investment abroad increased \$396.9 billion to \$3,332.8 billion in 2007, mostly as a result of strong financial flows (table H). Financial flows increased U.S. direct investment abroad by \$333.3 billion, mostly as a result of reinvested earnings. In 2007, reinvested earnings were \$263.3 billion, up from \$231.6 billion in 2006, reflecting strong growth in foreign affiliate earnings resulting from robust growth in many foreign economies and appreciation of major foreign currencies, particularly the euro, against the dollar. U.S. net equity capital investment

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

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

Direct investment at current cost is BEA's featured measure of direct investment in current-period prices. The current-cost method values the U.S. and foreign parents' shares of their affiliates' investment in plant and equipment, using the current cost of capital equipment; in land, using general price indexes; and in inventories, using estimates of their replacement cost. Direct investment at market value is an alternative measure of direct investment in current-period prices. The market-value method values the owners' equity share of direct invest-

ment, using indexes of stock market prices. BEA also publishes direct investment at historical cost, which values assets and liabilities at their book value. Country and industry detail can be shown only for direct investment at historical cost. (For additional information, see J. Steven Landefeld and Ann M. Lawson, "Valuation of the U.S. Net International Investment Position," SURVEY OF CURRENT BUSINESS 71 (May 1991): 40–49.)

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

For detailed data on direct investment at historical cost by country and industry, see "Direct Investment Positions for 2007: Country and Industry Detail" in this issue.

abroad increased \$88.0 billion in 2007, up from an increase of \$32.3 billion in 2006. The pickup mostly reflected a rise in global merger and acquisition activity, particularly in Europe. Net intercompany debt investment abroad decreased \$18.0 billion, mostly with affiliates in Europe.

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

	2006	2007
<b>Total position at yearend</b> .....	<b>2,936.0</b>	<b>3,332.8</b>
<b>Total change</b> .....	<b>284.3</b>	<b>396.9</b>
Financial outflows.....	241.2	333.3
Equity capital.....	32.3	88.0
Intercompany debt.....	-22.6	-18.0
Reinvested earnings.....	231.6	263.3
Price changes.....	43.4	25.6
Exchange-rate changes.....	40.5	69.6
Other valuation changes.....	-40.9	-31.6

## Changes in Foreign-Owned Assets in the United States

### Financial derivatives

U.S. holdings of financial derivatives with gross negative fair value increased \$1,021.9 billion to \$2,201.1 billion (table I). As with U.S. holdings of financial derivatives with gross positive fair value, U.S. holdings with gross negative fair value increased strongly in the second half of 2007, when global financial markets experienced severe strains as a result of the collapse of the U.S. subprime mortgage market. Most of the increase was attributable to increases in over-the-counter (OTC) single currency interest-rate contracts, especially swaps, and "other" OTC contracts, such as equity, credit, and commodity derivatives. By area, most of U.S. positions were with counterparties in Europe, predominantly the United Kingdom.

**Table I. Gross Negative Fair Value of Financial Derivatives**  
[Billions of dollars]

	2005	2006	2007	Change		
				1st half 2007	2nd half 2007	2006- 2007
<b>Financial derivatives</b> .....	<b>1,132.1</b>	<b>1,179.2</b>	<b>2,201.1</b>	<b>310.7</b>	<b>711.2</b>	<b>1,021.9</b>
By type:						
Over-the-counter contracts.....	1,116.5	1,156.2	2,169.3	306.5	706.6	1,013.1
Single-currency interest rate contracts	815.1	749.0	1,294.8	220.2	325.7	545.8
Foreign exchange contracts.....	132.1	151.0	229.1	15.5	62.5	78.0
Other.....	169.3	256.2	645.4	70.8	318.5	389.2
Exchange-traded contracts.....	15.6	22.9	31.8	4.3	4.6	8.8
By area:						
Europe.....	977.0	994.4	1,908.2	283.7	630.2	913.9
Of which: United Kingdom.....	680.0	632.4	1,362.5	230.7	499.5	730.2
Canada.....	28.9	27.2	41.6	4.9	9.4	14.3
Caribbean financial centers.....	50.9	72.9	125.4	13.2	39.2	52.5
Of which: Cayman Islands.....	40.1	57.2	103.6	12.3	34.1	46.4
Latin America, excluding Caribbean financial centers.....	10.5	13.3	13.7	1.4	-0.9	0.4
Asia.....	46.7	53.4	90.3	7.8	29.0	36.8
Of which: Japan.....	32.3	37.1	58.0	1.5	19.4	20.9
Africa.....	3.0	2.2	3.0	0.1	0.8	0.9
Other.....	15.1	15.8	18.9	-0.4	3.5	3.1

### Foreign official assets

Foreign official assets in the United States increased \$511.4 billion to \$3,337.0 billion in 2007. Financial flows increased foreign official assets by \$411.1 billion, reflecting net purchases of U.S. securities and especially strong increases in short-term assets held at U.S. banks. Net foreign official purchases of U.S. government securities were \$230.3 billion in 2007, down sharply from \$428.4 billion in 2006. In contrast, short-term assets held at U.S. banks increased \$108.7 billion in 2007, compared with an increase of \$22.4 billion in 2006, and net purchases of U.S. corporate bonds and stocks nearly doubled to \$66.7 billion from \$34.4 billion.

In 2007, China continued to accumulate foreign reserves at a rapid pace and accounted for much of the increase in foreign official assets in the United States, as it has in 2006; increases in recent years have reflected rising Chinese trade surpluses. Dollar assets of OPEC members increased slightly less in 2007 than in 2006 despite higher oil revenues.

### Bank and nonbank liabilities

U.S. liabilities to private foreigners and international financial institutions reported by U.S. banks and securities brokers increased \$591.9 billion to \$4,022.2 billion in 2007, reflecting especially strong financial flows. Financial flows increased U.S. banks' and securities brokers' liabilities by \$532.8 billion in 2007, up from an increase of \$461.1 billion in 2006. U.S. banks' and securities brokers' own liabilities denominated in dollars increased \$370.4 billion to \$3,071.5 billion (table J). Liabilities increased strongly in the first half of 2007, when securities brokers borrowed heavily from abroad, mainly through repurchase agreements with investment funds in Europe and Caribbean financial centers. In the second half of 2007, U.S. securities brokers repaid substantial funds to banks and nonbanks abroad, mostly in Europe, where liquidity in interbank markets tightened considerably. In contrast, borrowing by U.S.-owned banks

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

	2005	2006	2007
<b>U.S. liabilities reported by U.S. banks and securities brokers</b> .....	<b>2,606.9</b>	<b>3,430.3</b>	<b>4,022.2</b>
Liabilities for own accounts, denominated in dollars.....	2,100.6	2,701.1	3,071.5
U.S.-owned banks' liabilities.....	725.1	852.0	1,042.7
Foreign-owned banks' liabilities.....	688.8	783.2	865.2
Brokers' and dealers' liabilities.....	686.7	1,065.9	1,163.6
Liabilities for customers' accounts, denominated in dollars.....	400.5	570.4	671.5
Liabilities, denominated in foreign currencies.....	105.8	158.8	279.2
<b>U.S. liabilities reported by U.S. nonbanking concerns</b> .....	<b>658.2</b>	<b>797.5</b>	<b>959.5</b>

strengthened considerably, particularly in the fourth quarter, when many U.S. banks faced substantial financial difficulties, including large asset write-downs and continued funding pressures in the U.S. interbank market.

U.S. banks' customers' liabilities denominated in dollars increased \$101.1 billion to \$671.5 billion. U.S. banks' liabilities payable in foreign currencies increased \$120.4 billion to \$279.2 billion, reflecting a sharp increase in short-term loans and some nondollar deposits.

U.S. liabilities to foreigners reported by U.S. non-banking concerns increased \$162.0 billion to \$959.5 billion, reflecting an increase in loans, advances, and other U.S. corporate borrowing, mostly from Europe (table J).

### U.S. Treasury securities

Total foreign official and private holdings of U.S. Treasury securities increased \$305.9 billion to \$2,432.1 billion in 2007 (table K). The increase reflected net foreign purchases of \$215.7 billion and price changes of \$76.8 billion. Transactions by private foreign investors shifted to record net purchases of \$156.8 billion in 2007 from net sales of \$58.2 billion in 2006. In contrast, net purchases by foreign official agencies decreased to \$58.9 billion from \$208.6 billion.

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

[Billions of dollars]

	2005	2006	2007
<b>Total holdings</b> .....	<b>1,984.4</b>	<b>2,126.2</b>	<b>2,432.1</b>
Japan.....	659.1	636.4	606.8
China.....	327.1	445.2	479.8
United Kingdom.....	80.9	13.6	157.5
Brazil.....	28.9	53.0	134.5
OPEC Asia.....	69.5	101.5	118.9
Belgium and Luxembourg.....	61.3	72.8	85.5
Cayman Islands.....	27.4	33.8	59.0
Hong Kong.....	40.5	53.2	53.5
Switzerland.....	36.3	37.4	42.5
Singapore.....	33.2	33.0	41.2

At yearend 2007, Japan remained the largest holder of U.S. Treasury securities at \$606.8 billion, but its holdings have been declining since 2004 (table K). (In table K, foreign official and private holdings are combined in order to avoid the disclosure of sensitive data on individual country holdings by foreign official agencies.) China's holdings increased \$34.6 billion to \$479.8 billion at yearend 2007. Net purchases of U.S. Treasury securities by China slowed sharply in 2007 after several years of rapid accumulation. The United Kingdom became the third-largest holder of U.S. Treasury securities at \$157.5 billion, as a result of strong net purchases in 2007.

### Other U.S. securities

Foreign private holdings of U.S. securities other than U.S. Treasury securities increased \$760.1 billion to \$6,132.4 billion in 2007. The increase reflected net foreign purchases of \$573.9 billion, price changes of \$97.4 billion, and exchange-rate changes of \$53.0 billion.

Foreign holdings of U.S. bonds increased \$474.4 billion to \$3,299.3 billion, mostly as a result of net foreign purchases. Exchange-rate appreciation of foreign-currency-denominated U.S. corporate bonds also raised the value of foreign holdings somewhat. Net foreign purchases of corporate bonds were \$372.1 billion in 2007, down from record net purchases of \$517.8 billion in 2006. Foreign demand for U.S. corporate bonds was strong in the first half of 2007 as a result of favorable economic and credit market conditions, including strong corporate profits and low corporate default rates. However, demand for corporate bonds weakened substantially in the second half of the year, when conditions in U.S. credit markets deteriorated rapidly. Net foreign purchases of agency bonds were \$19.4 billion, down from \$25.8 billion.

At yearend 2007, investors in Europe accounted for \$2,095.0 billion, or 63 percent, of total foreign holdings of U.S. corporate and agency bonds; most of the holdings were by investors in the United Kingdom and in Belgium and Luxembourg (table L). Outside of Europe, investment funds in Caribbean financial centers accounted for \$568.1 billion, or 17 percent, of total foreign holdings. Investors in Asia accounted for \$456.0 billion, or 14 percent, of total foreign holdings, mostly in Japan.

Foreign holdings of U.S. stocks increased \$285.6 billion to \$2,833.1 billion, reflecting strong net

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

[Billions of dollars]

	2005	2006	2007
<b>Total holdings</b> .....	<b>2,243.1</b>	<b>2,824.9</b>	<b>3,299.3</b>
Europe.....	1,396.1	1,762.4	2,095.0
<i>Of which:</i> United Kingdom.....	482.8	593.4	767.4
Belgium and Luxembourg.....	542.7	648.3	720.3
Ireland.....	69.8	120.8	160.3
Germany.....	70.6	90.4	114.3
Netherlands.....	83.1	103.3	107.5
Switzerland.....	63.8	88.6	101.4
France.....	31.5	54.6	64.7
Canada.....	63.8	77.3	87.1
Caribbean financial centers.....	356.4	503.9	568.1
<i>Of which:</i> Cayman Islands.....	228.9	353.7	431.8
Bermuda.....	96.5	110.8	96.6
Latin America, excluding Caribbean financial centers.....	30.0	38.3	46.6
Asia.....	370.7	407.2	456.0
<i>Of which:</i> Japan.....	241.2	253.3	288.5
China.....	48.9	65.6	59.5
Hong Kong.....	24.5	26.2	31.6
Africa.....	2.8	3.1	2.7
Other countries.....	23.3	32.7	43.8
<i>Of which:</i> Australia.....	13.9	22.7	31.2

purchases and modest price changes (table M). In 2007, net foreign purchases of U.S. stocks were \$182.4 billion, the strongest since 2000 when net purchases were a record \$192.5 billion. Price changes were \$103.2 billion, as the S&P 500 Index gained 4 percent and the Dow Jones Industrial Average gained 6 percent, well below their double-digit gains in 2006. Returns for U.S. stocks in 2007 were attributable to strong performance in the first half of the year, fueled by strong corporate profits, robust merger and acquisition activity, and increases in dividend payouts and share buybacks amid relatively calm credit conditions. However, gains in U.S. stock prices were limited by sharp price declines in July and November, when concerns about U.S. credit markets heightened.

At yearend 2007, investors in Europe accounted for \$1,533.7 billion, or 54 percent, of total foreign holdings of U.S. stocks. Outside of Europe, investment funds in Caribbean financial centers accounted for \$456.7 billion, or 16 percent, of total foreign holdings, Canadian investors accounted for \$348.8 billion, or 12 percent, of total holdings, and Japanese investors accounted for \$213.9 billion, or 8 percent, of total holdings.

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

	2005	2006	2007
<b>Total holdings</b> .....	<b>2,109.9</b>	<b>2,547.5</b>	<b>2,833.1</b>
Europe.....	1,162.4	1,397.1	1,533.7
<i>Of which:</i> United Kingdom.....	291.4	377.8	444.5
Belgium and Luxembourg.....	191.9	243.5	246.6
Netherlands.....	163.1	167.6	178.6
Switzerland.....	139.8	162.2	168.6
France.....	82.9	116.1	135.8
Germany.....	80.2	84.3	97.0
Ireland.....	63.4	75.3	79.1
Sweden.....	47.7	50.6	53.0
Denmark.....	26.4	31.1	31.5
Italy.....	30.2	29.1	24.1
Canada.....	253.6	318.4	348.8
Caribbean financial centers.....	317.2	391.8	456.7
<i>Of which:</i> Cayman Islands.....	164.8	220.8	272.7
Bermuda.....	59.9	72.0	84.2
Netherlands Antilles.....	25.8	25.3	18.5
Latin America, excluding Caribbean financial centers.....	33.9	40.4	43.5
Asia.....	268.4	310.1	349.3
<i>Of which:</i> Japan.....	187.6	213.3	213.9
Singapore.....	32.0	45.5	45.5
Hong Kong.....	13.1	11.1	41.8
Africa.....	4.7	5.5	5.8
Other countries.....	69.7	84.2	95.3
<i>Of which:</i> Australia.....	61.2	74.8	86.4

### U.S. currency

U.S. currency held by foreigners decreased \$10.7 billion to \$272.0 billion in 2007. Net U.S. currency shipments to foreigners slowed considerably in recent years, and in 2007, there were net returns of currency to the United States for first time since 2000. More stable economic and political conditions in countries where dollars have been used for savings and transactions as a result of instability appear to have encouraged local residents to shift to bank deposits and local currencies for a larger share of their savings and transactions.

### Foreign direct investment in the United States

The stock of foreign direct investment in the United States increased \$271.2 billion to \$2,422.8 billion in 2007, mostly as a result of financial flows (table N). Financial flows were \$237.5 billion in 2007, down slightly from \$242.0 billion in 2006. Net equity capital investment in the United States increased \$147.4 billion in 2007, up from an increase of \$117.8 billion in 2006, reflecting the strengthening global merger and acquisition activity for both years. Reinvested earnings were \$68.5 billion in 2007, virtually unchanged from \$68.8 billion in 2006. Net intercompany debt investment in the United States increased \$21.6 billion, compared with an increase of \$55.3 billion in 2006.

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

	2006	2007
<b>Total position at yearend</b> .....	<b>2,151.6</b>	<b>2,422.8</b>
<b>Total change</b> .....	<b>245.6</b>	<b>271.2</b>
Financial inflows.....	242.0	237.5
Equity capital.....	117.8	147.4
Intercompany debt.....	55.3	21.6
Reinvested earnings.....	68.8	68.5
Price changes.....	31.4	18.6
Exchange-rate changes.....	3.3	3.9
Other valuation changes.....	-31.0	11.1

Tables 1 and 2 follow.

Table 1. International Investment Position of the United States at Yearend, 2006 and 2007

[Millions of dollars]

Line	Type of investment	Position, 2006 <sup>p</sup>	Changes in position in 2007					Position, 2007 <sup>p</sup>
			Attributable to					
			Valuation adjustments				Total (a+b+c+d)	
			Financial flows (a)	Price changes (b)	Exchange-rate changes <sup>1</sup> (c)	Other changes <sup>2</sup> (d)		
1	<b>Net international investment position of the United States (lines 2+3)</b>	<b>-2,225,804</b>	<b>-774,345</b>	<b>197,683</b>	<b>438,711</b>	<b>-78,074</b>	<b>-216,025</b>	<b>-2,441,829</b>
2	Financial derivatives, net (line 5 less line 25) <sup>3</sup>	59,836	-6,496	( <sup>4</sup> )	( <sup>4</sup> )	*30,189	23,693	83,529
3	Net international investment position, excluding financial derivatives (line 6 less line 26)	-2,285,640	-767,849	197,683	438,711	-108,263	-239,718	-2,525,358
4	<b>U.S.-owned assets abroad (lines 5-6)</b>	<b>14,381,297</b>	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	<b>3,258,657</b>	<b>17,639,954</b>
5	Financial derivatives (gross positive fair value)	1,238,995	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	1,045,586	2,284,581
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17)	13,142,302	1,289,854	420,581	516,968	-14,332	2,213,071	15,355,373
7	U.S. official reserve assets	219,853	122	52,758	4,478	0	57,358	277,211
8	Gold	165,267	0	\$ 52,758		* 0	52,758	218,025
9	Special drawing rights	8,870	154		452	0	606	9,476
10	Reserve position in the International Monetary Fund	5,040	-1,021		225	0	-796	4,244
11	Foreign currencies	40,676	989		3,801	0	4,790	45,466
12	U.S. government assets, other than official reserve assets	72,189	22,273			9	22,282	94,471
13	U.S. credits and other long-term assets <sup>7</sup>	71,635	-1,629			9	-1,620	70,015
14	Repayable in dollars	71,362	-1,629			9	-1,620	69,742
15	Other <sup>8</sup>	273	0		( <sup>9</sup> )		0	273
16	U.S. foreign currency holdings and U.S. short-term assets	554	23,902		( <sup>9</sup> )		23,902	24,456
17	U.S. private assets	12,850,260	1,267,459	367,823	512,490	-14,341	2,133,431	14,983,691
18	Direct investment at current cost	2,935,977	333,271	25,579	69,631	-31,630	396,851	3,332,828
19	Foreign securities	5,604,475	288,731	342,244	413,236	0	1,044,211	6,648,686
20	Bonds	1,275,515	170,708	3,918	27,946	0	202,572	1,478,087
21	Corporate stocks	4,328,960	118,023	338,326	385,290	0	841,639	5,170,599
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	1,163,102	706		12,329	-110	12,925	1,176,027
23	U.S. claims reported by U.S. banks, not included elsewhere	3,146,706	644,751		17,294	17,399	679,444	3,826,150
24	<b>Foreign-owned assets in the United States (lines 25+26)</b>	<b>16,607,101</b>	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	<b>3,474,682</b>	<b>20,081,783</b>
25	Financial derivatives (gross negative fair value)	1,179,159	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	1,021,893	2,201,052
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34)	15,427,942	2,057,703	222,898	78,257	93,931	2,452,789	17,880,731
27	Foreign official assets in the United States	2,825,628	411,058	84,554		15,790	511,402	3,337,030
28	U.S. government securities	2,167,112	230,330	73,387		32,002	335,719	2,502,831
29	U.S. Treasury securities	1,558,317	58,865	54,397		25,786	139,048	1,697,365
30	Other	608,795	171,465	18,990		6,216	196,671	805,466
31	Other U.S. government liabilities <sup>9</sup>	18,682	5,342			0	5,342	24,024
32	U.S. liabilities reported by U.S. banks, not included elsewhere	297,012	108,695			0	108,695	405,707
33	Other foreign official assets	342,822	66,691	11,167		-16,212	61,646	404,468
34	Other foreign assets	12,602,314	1,646,645	138,344	78,257	78,141	1,941,387	14,543,701
35	Direct investment at current cost	2,151,616	237,542	18,628	3,935	11,075	271,180	2,422,796
36	U.S. Treasury securities	567,885	156,825	22,362		-12,296	166,891	734,776
37	U.S. securities other than U.S. Treasury securities	5,372,361	573,850	97,354	52,974	35,899	760,077	6,132,438
38	Corporate and other bonds	2,824,879	391,440	-5,867	52,974	35,899	474,446	3,299,325
39	Corporate stocks	2,547,482	182,410	103,221		0	285,631	2,833,113
40	U.S. currency	282,627	-10,675			0	-10,675	271,952
41	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	797,495	156,290		6,895	-1,136	162,049	959,544
42	U.S. liabilities reported by U.S. banks, not included elsewhere	3,430,330	532,813		14,453	44,599	591,865	4,022,195
<b>Memoranda:</b>								
43	Direct investment abroad at market value	4,454,635	333,271	108,353	267,198	-15,505	693,317	5,147,952
44	Direct investment in the United States at market value	3,293,739	237,542	6,264		-13,945	229,861	3,523,600

p Preliminary

r Revised

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

..... Not applicable

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 due to year-to-year changes in the composition of reporting panels, primarily for bank and nonbank estimates, and to the incorporation of survey results. Also includes capital gains and losses of direct investment affiliates and changes in positions that cannot be allocated to financial flows, price changes, or exchange-rate changes.

3. Financial flows and valuation adjustments for financial derivatives are available only on a net basis, which is shown on line 2; they are not separately available for gross positive fair values and gross negative fair values of financial derivatives. Consequently, columns (a) through (d) on lines 4, 5, and 24, 25 are not available.

4. Data are not separately available for the three types of valuation adjustments; therefore, the sum of all three types is shown in column (d). Price changes result from changes in the value of derivatives contracts due to changes in the value

of their underlying assets or reference rates, which may arise from movements in interest rates, stock prices, commodity prices, or other variables. Exchange-rate changes result from the revaluation of foreign-currency-denominated derivatives contracts at current exchange rates. "Other changes" can result when data on investment positions that had accumulated in prior periods are covered by a new or more complete survey.

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

6. 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.

7. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

8. 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.

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







# Direct Investment Positions for 2007

## Country and Industry Detail

By Marilyn Ibarra and Jennifer Koncz

**T**HE U.S. direct investment abroad and the foreign direct investment in the United States positions, valued at historical-cost, each grew 14 percent in 2007. This marked a pickup in growth of both positions compared with 2006, when the U.S. direct investment abroad—or “outward”—position rose 10 percent and the foreign direct investment in the United States—or “inward”—position rose 13 percent.<sup>1</sup>

The stronger growth in the outward direct investment position reflected larger net direct investment capital flows from the United States to foreign countries and a shift in valuation adjustments from negative to positive.<sup>2</sup> The pickup in growth in the inward direct investment position reflected both larger net equity capital flows into the United States and a shift from negative to positive valuation adjustments.

Highlights of the U.S. direct investment abroad estimates include the following:

- The 14 percent increase in the outward investment position in 2007 was significantly higher than the 10 percent increase in 2006 and marked the largest percentage increase since 1999. However, growth in 2007 was in line with the 13 percent average annual growth in 1995–2005.
- The largest contributor to the increase was reinvested earnings, which grew modestly in 2007 because of higher earnings and higher shares of earnings reinvested in several industries. The increase in earnings partly reflected a continued depreciation of the U.S. dollar against major foreign currencies, particularly the euro.

1. In this article, “outward direct investment” and “outward” are shorthand for “U.S. direct investment abroad.” Likewise, “inward direct investment” or “inward” are shorthand for “foreign direct investment in the United States.”

2. The measure of direct investment capital flows used in this article differs from the measure of direct investment capital flows used in the international transaction accounts because the reinvested earnings component of capital flows included here excludes a current-cost adjustment. See the box “Key Terms” for more information. In this article, “(direct investment) capital flows” is shorthand for “(direct investment) capital flows without current-cost adjustment” and “reinvested earnings” is shorthand for “reinvested earnings without current-cost adjustment.”

- Equity investments also contributed to the increase in the outward position. Net equity investment, much of which was for acquisitions of foreign businesses by U.S. companies, increased in 2007, a turnaround after declining each year since 2004. The increase in 2007 coincided with a pickup in global merger and acquisition activity, much of which was in Europe.

Highlights of the foreign direct investment in the United States estimates include the following:

- The inward direct investment position increased 14 percent in 2007, up from 13 percent in 2006. Growth in both 2006 and 2007 exceeded the 12 percent average annual growth in 1995–2005. The 2007 increase was the largest percentage increase since 2000, when the position increased 32 percent.
- Net equity capital investment contributed the most to the increase in position, as acquisitions of U.S. businesses by foreign investors remained strong for the second consecutive year. Historically, equity capital investment has contributed the most to increases in the inward position. In 2007, equity capital investment increased 25 percent, marking a second year of growth in these flows after declines in 2001–2005.
- Reinvested earnings in 2007, as in 2006, were a large component of the increase in the foreign direct investors’ position in the United States. Intercompany debt transactions and valuation adjustments also increased the position, though to a lesser extent.

This article presents detail on the direct investment positions valued at historical-cost by type of capital flow. It also presents detail for outward investment by country of foreign affiliate, and for inward investment by country of foreign parent.<sup>3</sup>

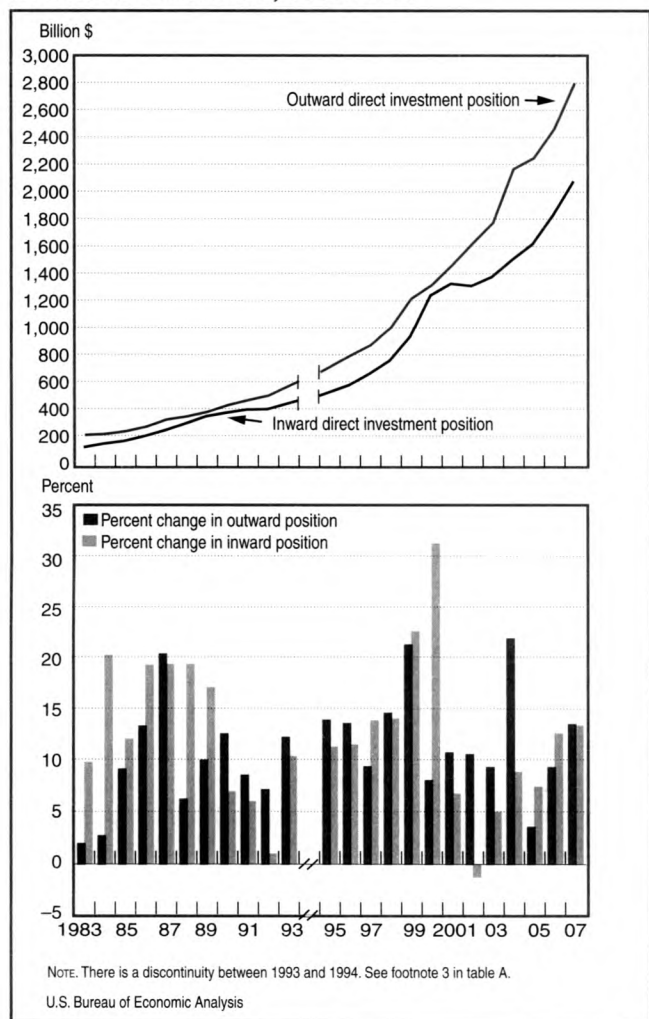
3. The outward direct investment position and related capital flow estimates are classified by country of the foreign affiliate with which the U.S. parents has direct transactions and positions. The inward direct investment position and related capital flow estimates are classified by country of the foreign parent or of other members of the foreign parent group that have direct transactions and positions with the U.S. affiliate.

### U.S. Direct Investment Abroad

The U.S. direct investment position abroad valued at historical cost—the book value of U.S. direct investors' equity in, and net outstanding loans to, their foreign affiliates—was \$2,791.3 billion at the end of 2007 (table A and chart 1). As in previous years, the United Kingdom remained the largest host country, with a position of \$398.8 billion, or 14 percent of the total, followed by the Netherlands and Canada (table 1.2 and chart 2). The position in the Netherlands was \$370.2 billion (13 percent), and the position in Canada was \$257.1 billion (9 percent).

In 2007, the outward direct investment position increased \$336.6 billion, or 14 percent, the second largest percentage increase since 1999. The growth was significantly higher than the 10 percent increase in 2006 but was in line with the 13 percent average annual growth in 1995–2005.

**Chart 1. Direct Investment Positions on a Historical-Cost Basis, 1983–2007**



### Changes by component

The \$336.6 billion increase in the outward direct investment position resulted from capital flows of \$313.8 billion, which accounted for 93 percent of the increase, and valuation adjustments of \$22.8 billion, which accounted for the remainder (table B and chart 3).

### Capital flows

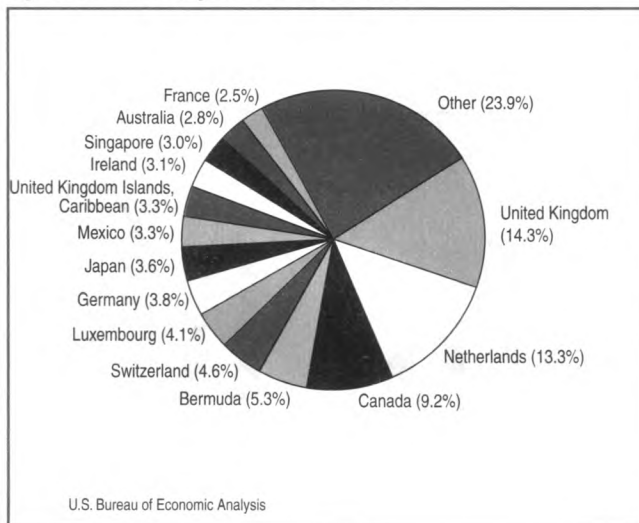
The \$313.8 billion in capital flows for outward direct investment consisted of \$243.8 billion of reinvested

**Table A. Direct Investment Positions on a Historical-Cost Basis, 1982–2007**

Yearend	Billions of dollars		Percent change from preceding year	
	Outward position <sup>1</sup>	Inward position <sup>2</sup>	Outward position <sup>1</sup>	Inward position <sup>2</sup>
1982	207.8	124.7		
1983	212.2	137.1	2.1	9.9
1984	218.1	164.6	2.8	20.1
1985	238.4	184.6	9.3	12.2
1986	270.5	220.4	13.5	19.4
1987	326.3	263.4	20.6	19.5
1988	347.2	314.8	6.4	19.5
1989	381.8	368.9	10.0	17.2
1990	430.5	394.9	12.8	7.0
1991	467.8	419.1	8.7	6.1
1992	502.1	423.1	7.3	1.0
1993	564.3	467.4	12.4	10.5
1994	612.9	480.7	( <sup>3</sup> )	( <sup>3</sup> )
1995	699.0	535.6	14.1	11.4
1996	795.2	598.0	13.8	11.7
1997	871.3	681.8	9.6	14.0
1998	1,000.7	778.4	14.8	14.2
1999	1,216.0	955.7	21.5	22.8
2000	1,316.2	1,256.9	8.2	31.5
2001	1,460.4	1,344.0	10.9	6.9
2002	1,616.5	1,327.2	10.7	-1.3
2003	1,769.6	1,395.2	9.5	5.1
2004	2,160.8	1,520.3	22.1	9.0
2005	2,241.7	1,634.1	3.7	7.5
2006	2,454.7	1,843.9	9.5	12.8
2007	2,791.3 <sup>p</sup>	2,093.0 <sup>p</sup>	13.7	13.5

p Preliminary  
r Revised  
1. U.S. direct investment position abroad.  
2. Foreign direct investment position in the United States.  
3. The direct investment positions reflect a discontinuity between 1993 and 1994 because of the reclassification of intercompany debt between parent companies and affiliates that are nondepository financial intermediaries from direct investment to other investment accounts.

**Chart 2. Outward Direct Investment Position by Host Country at Yearend 2007**



earnings and \$88.0 billion of net equity capital investment. These outflows were partly offset by an \$18.0 billion reduction in U.S. parents' net intercompany debt claims on their foreign affiliates.

**Equity capital investment.** U.S. parents' net equity capital investment in their foreign affiliates was \$88.0 billion in 2007, up from \$32.3 billion in 2006. The net investment resulted from equity capital increases of \$152.3 billion, which were partly offset by equity capital decreases of \$64.3 billion. Equity capital increases, which increase the outward direct investment position, were up 66 percent in 2007. Of the equity capital increases, \$82.4 billion, or 54 percent, financed the acquisition or establishment of new foreign affiliates. Capital contributions to existing foreign affiliates accounted for the remaining \$69.9 billion, or 46 percent.

In 2007, equity capital increases for the acquisition or establishment of affiliates were largest in two European countries: the Netherlands and the United Kingdom. In the Netherlands, the increase was concentrated in holding companies, whose holdings include pharmaceutical affiliates in Latin America and

Asia, and in oil and gas extraction affiliates in Africa. In the United Kingdom, the increases were mainly in manufacturing (primarily transportation equipment) and "finance (except depository institutions) and insurance."<sup>4</sup>

Over half of the capital contributions to existing foreign affiliates were to affiliates in Europe, primarily in Sweden, the Netherlands, the United Kingdom, and Luxembourg. Among industries, the largest contributions were to affiliates in holding companies, manufacturing (particularly chemicals), and "finance (except banks) and insurance."

Similar to 2006, equity capital decreases in 2007 were primarily due to liquidations or sales of affiliates rather than to returns of capital from continuing affiliates. In 2007, equity capital decreases were largest in Europe and "Latin America and Other Western Hemisphere."

**Reinvested earnings.** Reinvested earnings—the difference between U.S. parent companies' shares in their foreign affiliates' total earnings and the distributions to the parents from the affiliates' current and cumulative retained earnings—increased 15 percent in 2007, to \$243.8 billion. Reinvested earnings accounted for more than three-fourths of capital flows for outward direct investment in 2007 and for more than 70 percent of the increase in the outward position. The growth in reinvested earnings in 2007 largely reflected growth in foreign affiliate earnings.

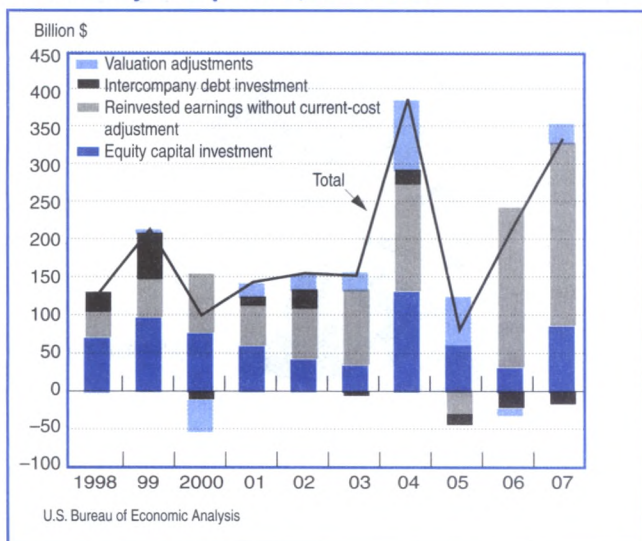
In 2007, reinvested earnings were positive in almost all major industries. Affiliates in holding companies accounted for the largest share of the total. By region, reinvested earnings were highest in Europe, which accounted for 57 percent of the worldwide total. The largest reinvested earnings were in four European countries—the Netherlands, the United Kingdom, Ireland, and Luxembourg. The reinvestment ratio—reinvested earnings relative to current-year earnings—grew slightly from 70 percent in 2006 to 71 percent in 2007.

Earnings grew 13 percent in 2007, virtually the same as in 2006. Despite a slowdown in real economic growth in many industrial and developing economies, depreciation of the U.S. dollar against the euro, the Canadian dollar, and the British pound contributed to the strong increase in earnings. By region, the largest dollar increases in earnings were in Europe, primarily in Switzerland, the Netherlands, the United Kingdom, and Luxembourg. By major industry, the largest earnings increases were in holding companies, manufacturing (particularly rubber and glass products), and

**Table B. Change in the Outward Direct Investment Position on a Historical-Cost Basis by Component**  
[Billions of dollars]

	2006	2007
Total .....	213.0	336.6
Capital flows without current-cost adjustment .....	221.7	313.8
Equity capital .....	32.3	88.0
Increases .....	91.7	152.3
Decreases .....	59.4	64.3
Intercompany debt .....	-22.6	-18.0
Reinvested earnings without current-cost adjustment .....	212.0	243.8
Valuation adjustments .....	-8.6	22.8
Currency translation .....	24.1	47.1
Other .....	-32.8	-24.3

**Chart 3. Change in the Outward Direct Investment Position by Component, 1998–2007**



4. In this article, "banks" refers to "depository institutions," which is the industry title that appears in the tables.

“finance (except banks) and insurance.”

**Intercompany debt investment.** In 2007, U.S. parents' borrowing and lending transactions with their foreign affiliates reduced their net intercompany debt position in their foreign affiliates \$18.0 billion, following a \$22.6 billion reduction in 2006. The reduction in 2007 occurred as parents' indebtedness to their foreign affiliates increased more than the foreign affiliates' indebtedness to their U.S. parents. Most of the reduction in the debt position was in foreign affiliates in Europe, particularly in the Netherlands and in Ireland. By industry, holding companies more than accounted for the overall reduction in the debt position.

### Valuation adjustments

Valuation adjustments, which are made to account for currency-translation and other valuation changes, totaled \$22.8 billion in 2007, compared with -\$8.6 billion in 2006. Currency-translation adjustments were \$47.1 billion, reflecting the change in the U.S. dollar value of investments in foreign affiliates caused by depreciation of the U.S. dollar, particularly against the euro. These currency-translation adjustments more than offset -\$24.3 billion in “other” valuation adjustments. These “other” valuation adjustments largely reflect capital gains and losses as well as differences between affiliates' sale prices, liquidation proceeds, or purchase prices and their book values.

### Changes by area and by country

In 2007, the outward direct investment position increased in each of the major geographic areas (table

C). Europe, which accounted for 62 percent of the increase, was by far the largest source of the increase in the position. Outside of Europe, the largest increases were in Asia and Pacific and in “Latin America and Other Western Hemisphere.”

**Europe.** The direct investment position in Europe rose \$210.0 billion in 2007. The largest component of the increase was reinvested earnings, which accounted for nearly two-thirds of the increase. The largest dollar

**Table C. Change in the Outward Direct Investment Position on a Historical-Cost Basis by Country of Foreign Affiliate**

	Change (2006–2007)	
	Billions of dollars	Percent
All countries.....	336.6	14
Canada.....	27.0	12
Europe.....	210.0	16
Of which:		
Netherlands.....	89.6	32
United Kingdom.....	23.5	6
Luxembourg.....	19.1	20
Ireland.....	16.0	22
Switzerland.....	12.5	11
Germany.....	11.1	12
France.....	6.5	10
Spain.....	5.1	10
Latin America and Other Western Hemisphere.....	44.6	10
Of which:		
Bermuda.....	14.0	10
Brazil.....	8.5	26
Mexico.....	8.4	10
Netherlands Antilles.....	4.3	47
Africa.....	2.7	11
Middle East.....	3.8	15
Asia and Pacific.....	48.5	12
Of which:		
Australia.....	10.5	15
Japan.....	9.2	10
Hong Kong.....	6.4	16
China.....	4.9	21
India.....	4.4	48
Singapore.....	4.2	5
Thailand.....	4.1	37

### Alternative Measures of the Direct Investment Positions

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

The historical-cost estimates are not ordinarily adjusted to reflect the changes in the current costs or the replacement costs of tangible assets or in the stock market valuations of firms. Over time, the current costs of tangible assets and the stock market valuations of firms tend to increase. As a result, the historical-cost estimates

of the positions tend to be less than the current-cost and market-value estimates of the positions. The current-cost estimates of the position are discussed in “The International Investment Position of the United States at Yearend 2007” in this issue.

### Alternative Direct Investment Position Estimates, 2006 and 2007

[Millions of dollars]

Valuation method	Position at yearend 2006 <sup>r</sup>	Changes in 2007			Position at yearend 2007 <sup>p</sup>
		Total	Capital flows	Valuation adjustments	
<b>U.S. direct investment abroad:</b>					
Historical cost.....	2,454,674	336,595	313,787	22,808	2,791,269
Current cost.....	2,935,977	396,851	333,271	63,580	3,332,828
Market value.....	4,454,635	693,317	333,271	360,046	5,147,952
<b>Foreign direct investment in the United States:</b>					
Historical cost.....	1,843,885	249,164	232,839	16,326	2,093,049
Current cost.....	2,151,616	271,180	237,542	33,638	2,422,796
Market value.....	3,293,739	229,861	237,542	-7,681	3,523,600

<sup>p</sup> Preliminary  
<sup>r</sup> Revised

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

For the past two decades, U.S. parent companies have funneled an increasing share of their direct investments abroad through holding company affiliates.<sup>1</sup> Foreign affiliates classified as holding companies accounted for 33 percent of the U.S. direct investment position abroad in 2007.<sup>2</sup> In 1982, foreign affiliates classified as holding companies accounted for 9 percent of the U.S. direct investment position abroad (chart A). The upward trend of the holding company share is part of a broader trend of indirect ownership in which U.S. parents own foreign affiliates that, in turn, own other foreign affiliates.

One consequence of the rising use of indirect ownership arrangements is that U.S. direct investment abroad estimates of the position and related flows show industry and country patterns that are increasingly different from the industries and countries in which the production and sale of goods and services by foreign affiliates occurs.<sup>3</sup>

The Bureau of Economic Analysis (BEA) is conducting research on methodologies for allocating the equity portion of U.S. direct investment abroad to its ultimate destination, thus effectively “looking through” holding companies and other indirect ownership arrangements. The research is evaluating the feasibility of allocating data on positions between U.S. parent companies and their foreign affiliates using company chain-of-ownership information collected on BEA’s benchmark surveys of the operations of U.S. parent companies and their foreign affiliates.

Data from BEA’s surveys of the operations of U.S. parent companies and their foreign affiliates suggest the degree to which indirect ownership structures may affect the country and industry distributions of the outward position data.<sup>4</sup> The estimates of the operations of these foreign affiliates are classified in the country where the affiliate’s physical assets are located or where its primary activity is carried out, and they are classified in the industry that reflects the affiliate’s primary activity. Thus, these estimates reflect more closely the countries and industries in which the production of goods and services by foreign affiliates actually occurs than do the estimates

classified by the country and industry of the affiliate with which the parent company has a direct position or transaction.

The use of holding company affiliates appears to be the most important reason for differences in the patterns of investment by country or by industry between the position estimates and the operations estimates. However, other factors also contribute, including indirect ownership through other types of affiliates, the fact that the operations estimates, unlike the position estimates, are not adjusted for percentage of U.S. ownership, and duplication in some measures of affiliate operations—such as assets and earnings—when affiliates hold equity or debt positions in one another. A comparison of the estimates of the outward direct investment position with the estimates of the assets and the net property, plant, and equipment (PP&E) of foreign affiliates for 2005 (the latest year for which detailed operations estimates are available) illustrates the differences in distribution between the position estimates and the estimates of the operations. In that year, manufacturing’s share of the outward position, 19 percent, was similar to its 16 percent share of assets, but much lower than its 41 percent share of the PP&E of foreign affiliates in manufacturing. By country, the share of the direct investment position accounted for by the Netherlands was 10 percent, compared with a 9 percent share of assets and a 3 percent share of PP&E.<sup>5</sup>

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

5. The estimates used to derive the share of the assets and the share of the PP&E covers majority-owned foreign affiliates.

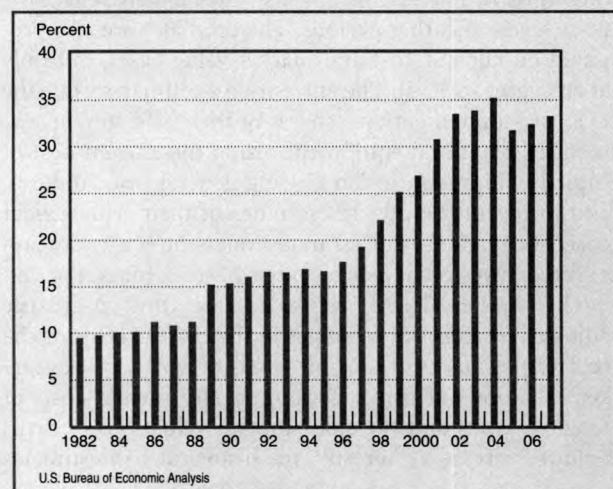
1. A holding company is a company whose primary activity is holding the securities or financial assets of other companies.

2. In 2006, the share, 32 percent, was virtually unchanged from the previous year. In 2004, the share was 35 percent. The lower shares in 2005–2007, compared with the share in 2004, were primarily the result of large earnings distributions (and the resulting negative reinvested earnings) in 2005 associated with the American Jobs Creation Act of 2004. The largest distributions by far were from holding companies.

3. Estimates of the outward position and related flows are allocated to the industries and countries of the affiliates with whom the U.S. parent companies have direct transactions and positions rather than to the industries and countries of the affiliates whose operations the parents ultimately own or control. This convention follows international guidelines in the International Monetary Fund’s *Balance of Payments Manual*, 5<sup>th</sup> edition.

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

Chart A. Holding Companies as a Percentage of the Outward Direct Investment Position, 1982–2007



increase and the largest percent increase were in the Netherlands—\$89.6 billion and 32 percent. The United Kingdom, Luxembourg and Ireland each had increases larger than \$15.0 billion.

In the Netherlands, holding companies accounted for more than two-thirds of the increase, which reflected reinvested earnings and equity capital increases for acquisitions. In the United Kingdom, the increase was spread over several industries, including manufacturing (particularly transportation equipment), “other industries” (particularly food services and drinking places and rental and leasing services), and holding companies. In transportation equipment manufacturing, the increase was entirely attributable to equity capital increases for acquisitions.

**Asia and Pacific.** The \$48.5 billion increase in the position in Asia and Pacific was spread over several industries, with the largest increases in holding companies, manufacturing (especially computers and electronic products), and information. In holding companies, capital contributions to existing affiliates in Japan accounted for virtually all of the increase.

The largest increases were in Australia, Japan, and Hong Kong. In Australia and Japan, the largest increases were in holding companies. The increase in Hong Kong was broad based by industry, but the largest increases were in wholesale trade, “finance (except banks) and insurance,” and professional, scientific, and technical services.

Within this region, the largest percent increases in the position were in India, Thailand, and China. In India, the 48 percent increase primarily reflected acquisitions of affiliates in the information sector. In Thailand, the 37 percent increase was largely attributable to increases in manufacturing (particularly petroleum refining), banking, and mining. In China, the 21 percent increase reflected reinvested earnings in manufacturing, especially in computers and electronic products and chemicals.

**Latin America and Other Western Hemisphere.** The outward position rose \$44.6 billion, with reinvested earnings more than accounting for the increase. Bermuda, Brazil and Mexico had the largest dollar increases. In Bermuda, holding companies more than accounted for the increase, which was mainly due to valuation adjustments. In Brazil, the increase was spread over several industries, the largest of which were manufacturing (particularly transportation equipment and chemicals) and banks. In Mexico, the increase was widespread by industry, with the largest increases in holding companies, manufacturing (particularly chemicals), “finance (except banks) and insurance,” and mining.

**Canada.** The position increased \$27.0 billion in

2007, with the largest increase in “finance (except banks) and insurance,” followed by smaller increases in manufacturing (particularly beverages and petroleum refining and extraction) and “other industries” (particularly food services and drinking places). In “finance (except banks) and insurance,” intercompany debt investment accounted for over half of the overall increase.

**Middle East and Africa.** The \$3.8 billion increase in the position in the Middle East represented the second largest percentage increase—15 percent—of any major region. The largest dollar increases were in Qatar, Israel, and Saudi Arabia. In Africa, the \$2.7 billion increase in the position, though relatively small in dollar terms, represented growth of 11 percent. Three countries—Mauritius, Egypt, and South Africa—more than accounted for the increase.

### Foreign Direct Investment in the United States

At the end of 2007, the foreign direct investment position in the United States valued at historical cost—the book value of foreign direct investors’ equity in, and

#### Changes in Presentation of Detailed Statistics on Direct Investment

This year, several changes in presentation will be made in the September SURVEY OF CURRENT BUSINESS reports that provide detailed statistics on the historical-cost direct investment position and related capital and income flows for U.S. direct investment abroad and foreign direct investment in the United States.

- Table 9, which had shown country and industry detail for royalties and license fees and other private services, will be dropped. Global (all countries, all industries) totals for these accounts will continue to be shown in tables 2 and 3 and additional detail, including new detail by type of service or intangible asset, will be available in the October SURVEY article on U.S. international services. This change is being made to reflect the recent integration of data collection for affiliated and unaffiliated services transactions on the same survey forms.
- As a result of the elimination of table 9, table numbers for all of the following tables will change; table 10 will become 9, table 11 will become table 10, and so forth.
- A new table will be added to the foreign direct investment in the United States presentation that will show the historical cost direct investment position and income by industry of ultimate beneficial owner. Similar changes will be made to the tables that present detailed statistics of direct investment on BEA’s Web site. For additional information, email <internationalaccounts@bea.gov>.

outstanding loans to, their U.S. affiliates—was \$2,093.0 billion (table A and chart 1). The United Kingdom had the largest position, \$410.8 billion, or 20 percent of the total (table 2.2 and chart 4). Japan had the next largest position, \$233.1 billion, or 11 percent of the total. Foreign direct investors in Canada, the Netherlands, and Germany each accounted for 10 percent of the total position.

In 2007, the inward direct investment position grew 14 percent, or \$249.2 billion, up slightly from 13 percent growth in 2006. The 2007 increase was the largest percentage increase in the position since 2000, when the position increased 32 percent.

**Changes by component**

The \$249.2 billion increase in the inward direct investment position was attributable to capital flows of \$232.8 billion, which accounted for 93 percent of the increase, and valuation adjustments of \$16.3 billion (table D and chart 5).

**Capital flows**

Direct investment capital flows were \$232.8 billion in 2007, up from \$236.7 billion in 2006. Capital flows in 2007 consisted of net equity capital investment of \$147.4 billion, reinvested earnings of \$63.8 billion, and net intercompany debt investment of \$21.6 billion.

**Equity capital investment.** In 2007, foreign parents' net equity capital investment in their U.S. affiliates was \$147.4 billion, up from \$117.8 billion in 2006. Net equity investments in 2007 were the highest since 2000, when net equity investment peaked at \$259.6 billion. Net equity investment resulted from equity capital increases of \$213.2 billion and partly offsetting equity

capital decreases of \$65.8 billion. Equity capital increases grew 29 percent in 2007, as the pickup in acquisitions and establishments of U.S. businesses by foreign direct investors that began in 2006 strengthened.<sup>5</sup> There were a number of acquisitions of U.S. businesses with activities complementary to those of the foreign acquirer in 2007 as some foreign firms

5. According to preliminary data from BEA's survey of new foreign direct investment, total outlays to acquire or establish U.S. businesses, which include those financed by capital inflows from foreign parents, were \$276.8 billion in 2007, the second highest on record. See Y. Louise Ku-Graf, "Foreign Direct Investment in the United States: New Investment in 2007," SURVEY OF CURRENT BUSINESS 88 (June 2008): 33–40. The new investment data include only those transactions in which U.S. businesses are newly acquired or established by foreign direct investors, regardless of the source of funding. Changes in the inward direct investment position differ from new investment outlays by excluding investment financed by sources other than the foreign parent group and by including transactions that fund ongoing operations of U.S. affiliates, subtractions from investment as well as additions and valuation adjustments.

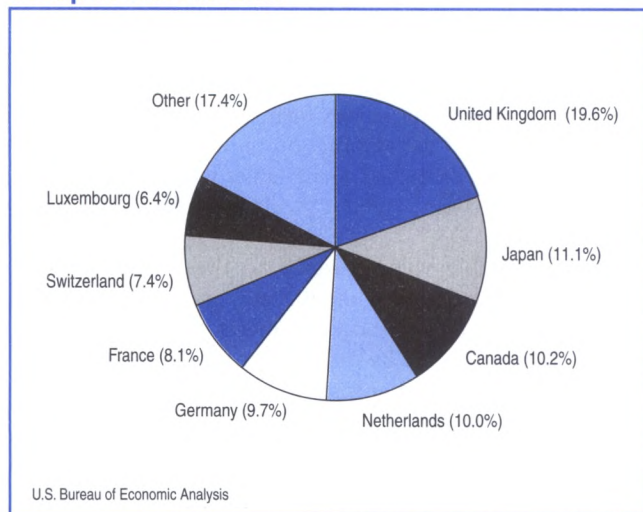
Despite these differences, the two types of data are related because any outlays to acquire or establish U.S. businesses that are funded by foreign parent groups are included in the capital transactions that largely determine the changes in the inward direct investment position. It is of note that although foreign parent-funded outlays to acquire or establish U.S. businesses typically appear in the direct investment capital transactions as equity investments, these transactions are sometimes funded in part, or in whole, by debt investment from the foreign parent. According to data from the new investment survey, foreign parent groups financed 80 percent of total outlays to acquire or establish U.S. businesses in 2007.

**Table D. Change in the Inward Direct Investment Position on a Historical-Cost Basis by Component**

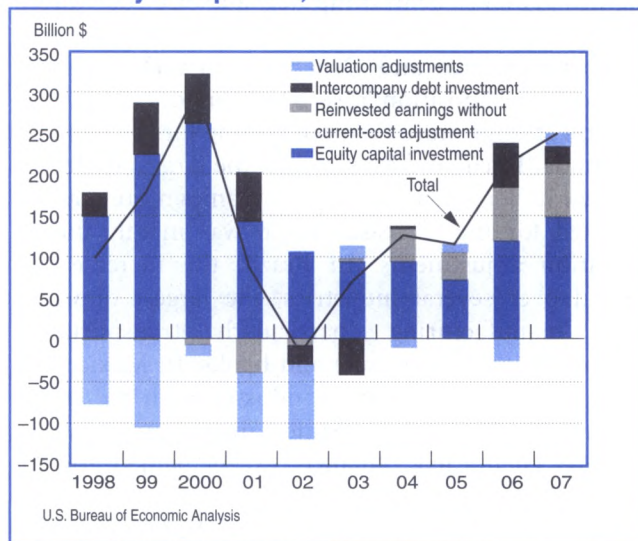
[Billions of dollars]

	2006	2007
Total .....	209.8	249.2
Capital flows without current-cost adjustment.....	236.7	232.8
Equity capital .....	117.8	147.4
Increases .....	165.5	213.2
Decreases.....	47.8	65.8
Intercompany debt .....	55.3	21.6
Reinvested earnings without current-cost adjustment .....	63.6	63.8
Valuation adjustments.....	-26.9	16.3
Currency translation.....	3.3	3.9
Other.....	-30.3	12.4

**Chart 4. Inward Direct Investment Position by Country of Each Member of the Foreign Parent Group at Yearend 2007**



**Chart 5. Change in the Inward Direct Investment Position by Component, 1998–2007**





### Key Terms

The key terms used in this statistical presentation are described in this box. For a more detailed discussion of these terms and the methodologies used to prepare the estimates, see *Foreign Direct Investment in the United States: Final Results From the 2002 Benchmark Survey* and *U.S. Direct Investment Abroad: Final Results From the 1999 Benchmark Survey*. These methodologies are also available on BEA's Web site at <www.bea.gov>.

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

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

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

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

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

**Ultimate beneficial owner (UBO).** For a U.S. affiliate, that person (in the broad legal sense, including a company), proceeding up the affiliate's ownership chain beginning with the foreign parent, that is not owned more than 50 percent by another person. The UBO ultimately owns or controls the affiliate and derives the benefits and assumes the risks associated with ownership or control. Unlike the foreign parent, the UBO of a U.S. affiliate may be located in the United States.

**Foreign parent group.** Consists of (1) the foreign parent, (2) any foreign person, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the person below it, up to and including the UBO, and (3) any foreign person, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the person above it.

**Direct investment position.** The value of direct investors' equity in, and net outstanding loans to, their affi-

ates. The position may be viewed as the direct investors' net financial claims on their affiliates, whether in the form of equity (including reinvested earnings) or debt.

BEA prepares estimates of the positions for outward direct investment and for inward direct investment that are valued on three bases—historical cost, current cost, and market value. See the box “Alternative Measures of the Direct Investment Positions” in this article.

**Direct investment capital flows** arise from transactions in financial claims (assets) and liabilities between U.S. parents and their foreign affiliates or between U.S. affiliates and their foreign parents. For outward direct investment, capital flows include the funds that U.S. direct investors pay to unaffiliated foreign parties when affiliates are acquired from them and the funds that U.S. investors receive from them when their affiliates are sold. Similarly, inward direct investment capital flows include the funds that foreign direct investors pay to unaffiliated U.S. residents when affiliates are acquired from them and the funds that foreign investors receive from them when their affiliates are sold.

As presented in the international transactions accounts (ITAs), these capital flows include a **current-cost adjustment** to direct investment reinvested earnings (a component of both direct investment income and direct investment capital flows) that reflects current-period prices. This adjustment converts depreciation charges to a current-cost, or replacement-cost, basis; it adds charges for depletion of natural resources back to income and reinvested earnings, because these charges are not treated as production costs in the national income and product accounts; it reallocates expenses for mineral exploration and development across periods, so that they are written off over their economic lives rather than all at once.

**Direct investment capital flows without current-cost adjustment** does not include the adjustment to reinvested earnings.

Direct investment capital flows consist of equity capital investment, intercompany debt investment, and reinvested earnings. **Equity capital investment** is the net of equity capital increases and decreases. Equity capital increases arise from parents' establishments of new affiliates, payments by parents to unaffiliated third parties for the purchase of capital stock or other equity interests when they acquire an existing business, payments made to acquire additional ownership interests in their affiliates, and capital contributions to their affiliates. Equity capital decreases are the funds parents receive when they reduce their equity interest in their affiliates. **Intercompany debt investment** results from changes in net outstanding loans between parents (and for inward direct investment, other members of the foreign parent groups) and their affiliates, including loans by parents to affiliates and loans by affiliates to parents. **Reinvested earnings without current-cost adjustment** are the parents' share of

sought to diversify their product offerings or to expand their presence in the U.S. market. Equity capital decreases, which decrease the inward position, grew 38 percent in 2007, mainly reflecting a step-up in selloffs of U.S. affiliates to U.S. companies and some repatriations of capital by foreign parents.

Equity capital increases were widespread by industry and by country of foreign parent in 2007. Increases were largest in manufacturing and in “other industries,” which together accounted for 59 percent of equity capital investment in U.S. affiliates in 2007. Within manufacturing, equity capital investment was largest in chemicals and mainly reflected acquisitions; investors from the Netherlands and Luxembourg had the largest equity increases. In “other industries,” the increases were mainly in utilities, mining, health care, and transportation and were largely attributable to acquisitions. Investors from the United Kingdom and the Netherlands accounted for the largest increases in “other industries.” Overall, by country, the largest eq-

uity capital increases were by investors from the Netherlands, the United Kingdom, and Canada. Equity capital decreases were largest in banking.

**Reinvested earnings.** Reinvested earnings—the foreign parents’ share of affiliates’ current-period earnings less affiliates’ distributions to the parents from their current and cumulated retained earnings—were virtually flat in 2007 but remained at a historically high level. Reinvested earnings added \$63.8 billion to the inward direct investment position in 2007, continuing the trend that began in 2004 in which earnings reinvested in U.S. affiliates have been a substantial component of capital flows for inward investment.

In 2007, reinvested earnings were largest for affiliates in manufacturing and in wholesale trade, which together accounted for 75 percent of the total. In manufacturing, affiliates in chemicals had the largest reinvested earnings. By country, affiliates with parents in Japan, Canada, and France had the largest reinvested earnings.

### Key Terms

the current-period operating earnings of their affiliates less distributions of earnings that affiliates make to their parents; unlike the measure of **reinvested earnings** used in the ITAs, these earnings do not include a current-cost adjustment at the aggregate level.

**Historical-cost (book value)** position estimates are consistent with U.S. generally accepted accounting principles (GAAP). These estimates are principally derived from the books of the affiliate and generally reflect the acquisition cost of the investment, cumulative reinvested earnings, and cumulative depreciation of fixed assets. However, under U.S. GAAP, the holdings of most financial instruments are valued at current-period prices rather than at cost. The position also includes cumulative capital gains and losses of the affiliate, including translation adjustments.

**Valuation adjustments to the historical-cost position** are made to account for the differences between changes in the historical-cost positions, which are measured at book value, and direct investment capital flows, which are measured at transaction value. (Unlike the positions on a current-cost and market-value basis, the historical-cost position is not usually adjusted to account for changes in the replacement cost of the tangible assets of affiliates or in the market value of parent companies’ equity in affiliates.)

Valuation adjustments to the historical-cost position consist of currency-translation and “other” adjustments. **Currency-translation adjustments** are made to account for changes in the exchange rates that are used to translate affiliates’ foreign-currency-denominated assets and liabilities into U.S. dollars. The effects of currency fluctu-

ations on these adjustments depend on the value and currency composition of affiliates’ assets and liabilities. If an affiliate’s assets exceed its liabilities denominated in a particular foreign currency, depreciation (appreciation) of the currency against the dollar will result in negative (positive) translation adjustments. In the case of a net liability position in a foreign currency, depreciation (appreciation) of the currency will result in positive (negative) translation adjustments.

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

Reinvested earnings were virtually unchanged in 2007 despite a \$15.8 billion, or 13 percent, decline in affiliates' earnings, to \$105.1 billion. This marked the first earnings decrease for U.S. affiliates since 2001 and coincided with the broader slowdown in growth of U.S. corporate profits from 14 percent in 2006 to 4 percent in 2007.<sup>6</sup> U.S. affiliates' earnings were down in several industries in 2007. A shift to losses for banks, which reflected the turmoil in credit markets in the latter part of 2007, accounted for most of the overall decline. The reinvestment ratio—the ratio of reinvested earnings to total earnings—was 61 percent in 2007, up from 53 percent in 2006. The largest increases in reinvested earnings were in wholesale trade and in manufacturing. Affiliates in chemicals more than accounted for the increase in manufacturing. In wholesale trade, the increase occurred despite a decline in earnings and was largely attributable to a dropoff in dividends to foreign parents. In chemicals manufacturing, the increase mainly reflected strong earnings growth in 2007. In contrast, reinvested earnings for banks shifted from positive to negative as a result of a shift to losses in that industry.

**Intercompany debt investment.** In 2007, foreign direct investors' borrowing and lending transactions with U.S. affiliates increased the inward position \$21.6 billion, compared with net debt investments of \$55.3 billion in 2006. Net debt investment in 2007 resulted from a \$79.4 billion increase in U.S. affiliates' debt obligations to their foreign parents and other members of their foreign parent groups, which was partly offset by a \$57.8 billion increase in affiliates' debt claims on foreign parents. Affiliates in "other industries" accounted for the largest portion of the increase in the net intercompany debt position; affiliates classified as holding companies, especially those with subsidiaries in telecommunications, and affiliates in health care contributed most to the increase. By country, Luxembourg and the Netherlands together more than accounted for the overall increase in the net debt investment position.

### Valuation adjustments

In 2007, valuation adjustments increased the inward position \$16.3 billion after reducing the position \$26.9 billion in 2006. Valuation adjustments in 2007 consisted of currency-translation adjustments of \$3.9 billion and "other" valuation adjustments, which include capital gains and losses, of \$12.4 billion. Valuation adjustments were largest in chemicals manufacturing.

6. The measure of corporate profits discussed here is most comparable with the measure of affiliates' earnings because it excludes inventory valuation and capital consumption adjustments (see table 1.12, line 46 of the National Income and Product Accounts).

### Changes by area and by country

The inward direct investment position increased for each of the major areas except Africa in 2007 (table E). Foreign direct investors in Europe had by far the largest increase, accounting for 64 percent of the overall increase in position.<sup>7</sup>

**Europe.** The position increased \$158.6 billion in 2007. Increases in the position were broadly based by industry and by country; the largest dollar increases were attributable to the Netherlands and Luxembourg, which together accounted for 42 percent of the increase for the region. Increases for France and Switzerland were also sizable.

The position for the Netherlands increased \$36.2 billion. The largest increases were in manufacturing, especially chemicals, and in "other industries," particularly in health care and transportation. In chemicals manufacturing, both valuation adjustments made to

7. The estimates of the inward direct investment position in this article are classified by country of foreign parent or of other members of the foreign parent group having direct transactions and positions with the U.S. affiliate as is consistent with international standards. For particular countries, estimates classified on this basis may be higher or lower than those classified by country of ultimate beneficial owner (UBO), particularly when investments have been channeled through affiliates in financial centers in other countries. For tabulations on both bases through 2006 (preliminary), see Jeffrey H. Lowe, "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 2004–2006" SURVEY 87 (September 2007): 33–77. Revised estimates for 2006 and preliminary estimates for 2007, on both bases, will be published in September 2008.

**Table E. Change in the Inward Direct Investment Position on a Historical-Cost Basis by Country of Each Member of the Foreign Parent Group**

	Change (2006–2007)	
	Billions of dollars	Percent
All countries.....	249.2	14
Canada.....	38.0	22
Europe.....	158.6	12
Of which:		
Netherlands.....	36.2	21
Luxembourg.....	30.4	29
France.....	21.5	15
Switzerland.....	21.5	16
Sweden.....	13.4	72
Spain.....	13.2	91
Belgium.....	8.3	74
Italy.....	6.3	69
Ireland.....	5.0	18
United Kingdom.....	4.5	1
Germany.....	-2.1	-1
Latin America and Other Western Hemisphere.....	0.3	(*)
Of which:		
United Kingdom Islands, Caribbean.....	8.0	32
Bermuda.....	-8.9	(†)
Africa.....	-0.7	-38
Middle East.....	3.6	38
Asia and Pacific.....	49.3	18
Of which:		
Japan.....	28.3	14
Australia.....	9.4	24
Singapore.....	4.9	90

\* Less than 0.5 percent.

† The percent change cannot be computed because of a change in sign attributable to a negative inward position in 2007. A negative direct investment position may result when affiliates' financial claims on direct investors exceed direct investors' claims on their affiliates. Typically, a negative position will result from debt transactions in which affiliates act as net lenders to their foreign parents.

effect changes in industry classifications and capital flows related to acquisitions of U.S. firms were large components of the increase.<sup>8</sup> The increase in “other industries” was largely attributable to acquisitions.

For Luxembourg, the \$30.4 billion increase was largely attributable to increases in the position in “other industries,” especially holding companies, and in manufacturing, especially chemicals. In “other industries,” increased net debt investment in U.S. affiliates accounted for much of the increase; in chemicals, equity capital increases related to acquisitions were the largest component of the increase.

For France, the position increased \$21.5 billion and was largely attributable to manufacturing, which accounted for 73 percent the increase. The increase in manufacturing was due to reinvested earnings and equity capital increases related to acquisitions. For Switzerland, the \$21.5 billion increase was attributable to growth in the position in manufacturing; the largest increase was in petroleum.

In percentage terms, several European countries had large increases that were mainly attributable to acquisitions, including Spain, Sweden, and Italy. Belgium also had a large percentage increase, which was attributable to an increase in outstanding loans to U.S. affiliates.

**Asia and Pacific.** The position increased \$49.3 billion in 2007. Japan accounted for 57 percent of the change, increasing its position \$28.3 billion. For Japan, the largest increase was in manufacturing, especially computers and electronic products, transportation equipment, and chemicals. The increase in computers and electronic products reflected valuation adjustments to effect changes in affiliates’ primary industry classifications and equity and debt investments in existing affiliates. In transportation equipment, much of the increase was attributable to reinvested earnings.

In percentage terms, there was a large increase in the position for Singapore, which was largely attributable to acquisitions and establishments of affiliates.

**Canada.** The position increased \$38.0 billion in 2007. The largest increase was in “finance (except banks) and insurance,” followed by manufacturing. In “finance (except banks) and insurance,” the largest contributor to the increase was equity capital increases for acquisitions. In manufacturing, acquisitions and establishments of affiliates in petroleum and in paper were large contributors to the increase. The position in computers and electronic products increased as a result of changes in industry classification.

**Middle East and Africa.** The position for the Mid-

8. A change in the primary industry classification of an affiliate from one industry to another increases the position in the industry to which the affiliate has been reclassified and decreases the position in the industry in which it was previously classified, leaving the overall position unchanged.

dle East increased \$3.6 billion, with wholesale trade and “other industries” contributing the most to the change. Africa was the only region that did not increase its direct investment position in 2007; its position decreased \$0.7 billion.

**Latin America and Other Western Hemisphere.** The position increased \$0.3 billion in 2007 as increases in the positions of some countries were largely offset by decreases in those of other countries. The largest increase was an \$8.0 billion increase for the United Kingdom Islands, Caribbean, where investments to establish new affiliates in real estate and rental and leasing and in “finance (except banks) and insurance” contributed the most to the increase. In contrast, the position for Bermuda decreased \$8.9 billion; it was mainly attributable to an increase in outstanding loans made by U.S. affiliates in insurance to their foreign parents.

## Revisions

The estimates of direct investment positions presented in this article for 2007 are preliminary. The revised estimates of the outward direct investment position for 2004–2006 and the revised estimates of the inward position for 2005–2006 incorporate new survey data.<sup>9</sup>

9. For the previously published estimates, see Marilyn Ibarra and Jennifer Koncz, “Direct Investment Positions for 2006: Country and Industry Detail,” *SURVEY* 87 (July 2007): 21–36.

## Data Availability

This article summarizes the preliminary estimates of direct investment positions for 2007 based on BEA’s quarterly, annual, and benchmark surveys. This article also presents revised estimates of outward direct investment for 2004–2006 and of inward direct investment for 2005 and 2006. More detailed estimates covering the positions and capital transactions discussed in this article and related income and services transactions, for both outward and inward investment will appear in the September 2008 *SURVEY OF CURRENT BUSINESS*.

Detailed estimates of the outward direct investment position and related capital flows, income, and services transactions for 1982–2007 are available on BEA’s Web site, as are estimates of the inward direct investment position and related capital flows, income, and services transactions for 1980–2007. To access these files, which can be downloaded at no charge, go to BEA’s Web site at <[www.bea.gov](http://www.bea.gov)>.

For more information on these products and how to access them, see the guide to BEA information on direct investment at <[www.bea.gov/scb/account\\_articles/international/iidguide.htm](http://www.bea.gov/scb/account_articles/international/iidguide.htm)>.

The estimates of the historical-cost U.S. direct investment abroad position and related flows for 2004 have been revised to incorporate data collected on BEA's benchmark survey of U.S. direct investment abroad for 2004, which covers the universe of U.S. direct investment abroad. The estimates for the position and related flows for 2005 and 2006 have been revised by extrapolating the 2004 universe based on data collected in BEA's quarterly surveys, which cover U.S.-owned businesses abroad above a certain exemption level. Previously, the estimates for 2004–2006 were extrapolated based on the prior benchmark survey, which covered 1999.

#### Acknowledgments

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

The estimates of the foreign direct investment position in the United States are based on data from BEA's quarterly survey of transactions between U.S. affiliates of foreign companies and their foreign parents. The survey was conducted under the supervision of Gregory G. Fouch, who was assisted by George M. Bogachevsky, Peter J. Fox, Barbara C. Huang, Susan M. LaPorte, and Helen P. Yiu. Computer programming for data estimation and tabulation was provided by Karen E. Poffel and Paula D. Brown.

The historical-cost outward position for 2004 was revised up \$36.1 billion, to \$2,160.8 billion, as capital flows were revised up \$36.9 billion and valuation adjustments were revised down \$0.9 billion. The estimate for the 2005 outward position was revised up \$106.2 billion to \$2,241.7 billion. This revision was the result of the \$36.1 billion upward revision to the 2004 position, a \$43.1 billion upward revision to 2005 capital flows, and a \$26.9 billion upward revision to 2005 valuation adjustments. The 2006 outward position was revised up \$70.7 billion to \$2,454.7 billion. The upward revision to the 2006 position was attributable to a \$106.2 billion upward revision to the 2005 position, a \$5.1 billion upward revision to 2006 capital flows, and a partially offsetting \$40.5 billion downward revision to 2006 valuation adjustments.

The estimates of the foreign direct investment position in the United States and the related capital flows have been revised to incorporate data collected on BEA's quarterly surveys of transactions between U.S. affiliates and their foreign parents and annual surveys of financial and operating data on U.S. affiliates.

The historical-cost inward direct investment position for 2005 was revised up \$39.6 billion, to \$1,634.1 billion. The upward revision was attributable to a \$35.9 billion revision to valuation adjustments from negative to positive and a \$3.7 billion upward revision to capital flows. The inward position for 2006 was revised up \$54.8 billion, to \$1,843.9 billion. The revision was the net result of the \$39.6 billion upward revision to the 2005 position and a \$61.3 billion upward revision to capital flows, which were partly offset by a \$46.1 billion downward revision of valuation adjustments from positive to negative.

*Tables 1.1–2.2 follow.*











# Annual Revision of the U.S. International Accounts, 1974–2007

By Christopher L. Bach

AS IS customary each June, the estimates of the U.S. international transactions and of the U.S. international investment position have been revised to incorporate statistical and methodological revisions as well as changes in the details presented in the tables. This year, the Bureau of Economic Analysis (BEA) has continued to address gaps in coverage. In large part, the gaps have arisen because of the dynamic nature of the international financial markets. However, services markets have also changed rapidly in recent years.

Major revisions this year were as follows:

- Services receipts and payments were revised for 2006–2007 to incorporate the results of BEA's benchmark survey of international services for 2006 and BEA's new follow-on survey of international services for 2007. Services receipts and payments were also revised for 2004–2005 to incorporate updated source data for those years.
- For foreign securities, financial flows and interest receipts for foreign bonds and dividend receipts for foreign stocks were revised for 2006–2007 to incorporate results of the U.S. Treasury Department's benchmark survey of securities claims for December 2006. The same accounts were revised for 2002–2005 to adjust the results from earlier annual surveys.
- For U.S. securities, financial flows and interest payments for U.S. corporate bonds, U.S. Treasury bonds, and U.S. agency bonds and dividend payments for U.S. stocks were revised for 2006–2007 to incorporate results of the U.S. Treasury Department's annual survey of securities liabilities for June 2007.
- Claims on foreigners reported by U.S. nonbanking concerns were revised to account for financial intermediaries' claims associated with the issuance of asset-backed commercial paper for 2005–2007.
- Net U.S. currency shipments to foreign banks from U.S. banks were revised for 1974–2007.
- U.S. direct investment abroad financial flows and income receipts were revised to incorporate the results of BEA's benchmark survey of U.S. direct investment abroad for 2004.

Significant changes in presentation have been made to the standard tables on services (table 3) and goods

(table 2), and a new standard table on investment income has been introduced (table 4). The standard tables follow the article "U.S. International Transactions: First Quarter of 2008" in this issue of the *SURVEY OF CURRENT BUSINESS*.

Estimates of the international transactions accounts were revised for 1974–2007, and estimates of the international investment position were revised for 1976–2006. The revisions to the international transactions accounts were concentrated in 2002–2007, and the revisions to the investment position were concentrated in 2002–2006.

The improved statistical coverage and measurement in the accounts, new methodologies, and changes in presentation are discussed in the remainder of this article. In addition to these major changes, revisions to the accounts resulted from the incorporation of regularly available data from BEA's quarterly surveys, from the U.S. Treasury Department's and Federal Reserve System's monthly surveys, and from other U.S. government agencies and private sources. These revisions affected the estimates for 2005–2007.

For 2007, as a result of all the changes, the current-account deficit was reduced \$7.4 billion, to \$731.2 billion (table 1). By account, \$0.7 billion was removed from goods exports and \$3.3 billion was added to goods imports, resulting in a deficit that was \$4.0 billion higher than previously estimated. For services, \$18.1 billion was added to services exports and \$5.8 billion was added to services imports, resulting in a surplus that was \$12.3 billion higher than previously estimated. For income, \$35.6 billion was added to income receipts and \$28.1 billion was added to income payments, resulting in a surplus that was \$7.4 billion higher than previously estimated. For net current unilateral transfers, \$8.3 billion in net outflows (transfers to foreign residents) was added. Net financial account inflows (net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad) were revised up \$117.0 billion, to \$774.3 billion. Details on revisions to individual series are shown in table 2.

For 2006, as a result of all the changes, the net international investment position with direct investment at current cost was revised to  $-\$2,225.8$  billion from

-\$2,539.6 billion: U.S. assets abroad were revised to \$14,381.3 billion from \$13,755.0 billion, and foreign assets in the United States were revised to \$16,607.1 billion from \$16,294.6 billion. Details on revisions to individual series are shown in table 3.

### Services

BEA has recently completed a benchmark survey of international services for 2006 that significantly expands the coverage of transactions and improves their accuracy. The benchmark survey also requested for the first time data from affiliated parties on their transactions by detailed type of service. These improvements were incorporated into the follow-on quarterly surveys beginning with the first quarter of 2007. Estimates based on the new data now provide a complete picture of trade by detailed type of service, which was not previously possible.

These changes are the latest steps taken in a larger BEA effort to rethink its approach to collecting data on international business services. The effort began in 2004 when annual reporting was converted to quarterly reporting for most services, and three sample surveys were consolidated into a single survey. In this latest effort, a major emphasis was to further consolidate data collection, with data for nearly all business services collected on a single form. Historically, BEA's data collection system had utilized several forms. These forms were sometimes completed by different parts of a business organization, which often led to inconsistent responses. It was hoped that the consolidation of reporting requirements, as well as the requests for new information that are identified below, would lead companies to locate all reporting responsibilities to a single area of the company's administrative structure that would have direct knowledge of service transactions and the ability to provide accurate data. A second emphasis was to convert all reporting of remaining annual data to quarterly data in order to better capture the increased volatility of business services transactions. A third emphasis was to improve coverage of international services that were in the forefront of changes brought about by the rapid increase in globalization, especially business, professional, and technical services. A fourth emphasis was to request from affiliated reporters the same detail by type of service as requested from unaffiliated reporters; these details had been absent from previous reporting and impeded analysis by detailed type of service, but they had been included in totals by major type of service.

By design, the latest changes were planned to begin in the same year as a scheduled benchmark survey (2006) so that, in principle, comprehensive data would be captured at the lowest level of detail. Exemption

levels were lowered sharply, as they normally are in a benchmark survey, and the exemption level for payments was placed at a much lower level than the exemption level for receipts in recognition of the perceived greater difficulty in identifying and collecting payments transactions. In addition, the newly expanded follow-on quarterly survey of services, which replaced a more limited survey, retained the full amount of detail by type of service and country as the benchmark survey, the only difference being the higher exemption levels.

The results of the benchmark survey for 2006 and the newly expanded follow-on quarterly survey beginning with estimates for the first quarter of 2007 are included in this year's annual revision. Services covered by the surveys include royalties and license fees and the many types of services that comprise "other" private services. These estimates are supplemented with the results of the benchmark survey of U.S. direct investment abroad for 2004, which updated some of the previously collected service data, and with the final results of an annual survey of services for 2005. Most of the revisions result from the benchmark and follow-on surveys and are concentrated in 2006 and 2007. For these years, total royalties and license fee receipts are revised up and payments are revised down, and total "other" private services (which include financial services, insurance services, telecommunications services,

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The new services estimates for royalties and license fees and "other" private services were prepared under the direction of Michael Mann and Christopher Emond by members of the Current-Account Services Branch and of the Special Surveys Branch.

The benchmark estimates of U.S. direct investment abroad were prepared under the direction of Mark New by members of the Direct Investment Abroad Branch.

Mai-Chi Hoang prepared the updated presentation of merchandise trade transactions, Kristy Howell prepared the new table on investment income, and Barbara Berman prepared the currency flow estimates.

and business, professional, and technical services) are revised up for receipts and up for payments (table 2, lines 9, 10, 26, 27).

The benchmark and follow-on quarterly surveys of selected business services, as well as the quarterly surveys of financial services, also collect for the first time data for affiliated transactions by detailed type of service. Affiliated transactions by major type of service had previously been included in the aggregate services estimates, but affiliation by type of detailed service had not previously been available. That shortcoming has now been removed because the new surveys now col-

lect data on affiliated transactions by detailed type of service. Consequently, presentations of services data by type, such as those that appear in standard table 3 of the international transactions accounts, now include both affiliated and unaffiliated transactions by detailed type of service, whereas the previous estimates included only unaffiliated transactions by detailed type of service. The new estimates fill a long-standing gap in the accounts and now provide a more complete picture of trade by detailed type of service.

Table A summarizes the new estimates of affiliated transactions for the detailed components of royalties

**Table A. Exports of Private Services by Detailed Type of Service—Continues**

(Millions of dollars)

	2003	2004	2005	2006	2007
<b>Exports of private services (table 3, line 1)</b> .....	<b>290,217</b>	<b>336,332</b>	<b>368,496</b>	<b>415,321</b>	<b>479,980</b>
<i>Of which:</i>					
Royalties and license fees (table 1, line 9 or table 3, line 7).....	46,988	56,715	64,395	72,191	82,614
By type:					
Industrial processes.....	n.a.	n.a.	n.a.	33,650	37,441
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	22,647	26,217
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	3,173	3,294
U.S. receipts from unaffiliated foreigners.....	4,617	5,657	6,480	7,829	7,931
Other.....	n.a.	n.a.	n.a.	38,541	45,172
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	26,205	28,510
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	444	861
U.S. receipts from unaffiliated foreigners.....	6,833	7,984	9,420	11,893	15,802
By affiliation:					
U.S. parents' receipts from their foreign affiliates.....	32,324	39,399	44,408	48,852	54,726
U.S. affiliates' receipts from their foreign parent groups.....	3,215	3,675	4,088	3,617	4,154
U.S. receipts from unaffiliated foreigners.....	11,449	13,642	15,900	19,723	23,733
Other private services (table 1, line 10 or table 3, line 13).....	131,563	149,262	160,051	189,050	223,483
By type:					
Education.....	13,312	13,634	14,021	14,645	15,732
U.S. parents' receipts from their foreign affiliates.....					
U.S. affiliates' receipts from their foreign parent groups.....					
U.S. receipts from unaffiliated foreigners.....	13,312	13,634	14,021	14,645	15,732
Financial services.....	n.a.	n.a.	n.a.	47,439	58,266
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	8,632	10,113
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	1,761	2,179
U.S. receipts from unaffiliated foreigners.....	19,699	27,766	31,004	37,046	45,974
Insurance services.....	5,974	7,314	7,566	10,095	10,286
U.S. parents' receipts from their foreign affiliates.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
U.S. affiliates' receipts from their foreign parent groups.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
U.S. receipts from unaffiliated foreigners.....	5,974	7,314	7,566	10,095	10,286
Telecommunications.....	n.a.	n.a.	n.a.	7,278	8,283
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	1,577	2,413
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	590	955
U.S. receipts from unaffiliated foreigners.....	4,452	4,651	4,748	5,111	4,915
Business, professional, and technical services.....	n.a.	n.a.	n.a.	89,692	107,675
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	24,462	30,401
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	17,903	20,918
U.S. receipts from unaffiliated foreigners.....	30,781	34,546	40,454	47,327	56,355
Other services.....	n.a.	n.a.	n.a.	19,901	23,241
U.S. parents' receipts from their foreign affiliates.....	n.a.	n.a.	n.a.	2,738	6,311
U.S. affiliates' receipts from their foreign parent groups.....	n.a.	n.a.	n.a.	0	0
U.S. receipts from unaffiliated foreigners.....	14,337	14,877	14,257	17,162	16,929
By affiliation:					
U.S. parents' receipts from their foreign affiliates.....	26,313	28,841	31,496	37,410	49,238
U.S. affiliates' receipts from their foreign parent groups.....	16,693	17,634	16,506	20,254	24,052
U.S. receipts from unaffiliated foreigners.....	88,557	102,787	112,050	131,386	150,193

n.a. Not available

..... Not applicable

1. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies because the services are deemed to be provided to the policyholders who pay the insurance

premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated insurance transactions are not available separately.

and license fees and for “other” private services. Within royalties and license fees receipts, industrial processes by affiliated parties totaled \$25.8 billion in 2006, and “other” royalties and license fees totaled \$26.6 billion. Within royalties and license fees payments, industrial processes by affiliated parties totaled \$13.9 billion, and “other” royalties and fees totaled \$4.3 billion. Within “other” private services, the largest increases resulting from the introduction of affiliated transactions were for business, professional, and technical services, which totaled \$42.4 billion for 2006 for receipts and \$41.8 billion for payments, and for finan-

cial services, which totaled \$10.4 billion for 2006 for receipts and \$6.0 billion for payments. Within business, professional, and technical services, the largest increases for both receipts and payments were in management, consulting, and public relations services, in computer and data base services, and in research, development, and testing. Detailed transactions by affiliation by type of detailed service are not available prior to 2006.

Additional results from the benchmark survey and follow-on survey will be presented in their most complete form in the October SURVEY.

**Table A. Imports of Private Services by Detailed Type of Service—Table Ends**

[Millions of dollars]

	2003	2004	2005	2006	2007
<b>Imports of private services (table 3, line 23)</b> .....	<b>221,938</b>	<b>258,147</b>	<b>279,486</b>	<b>313,865</b>	<b>341,126</b>
<i>Of which:</i>					
Royalties and license fees (table 1, line 26 or table 3, line 29).....	19,033	23,266	24,612	23,777	25,048
By type:					
Industrial processes.....	n.a.	n.a.	n.a.	16,983	18,093
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	1,476	1,426
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	12,396	13,030
U.S. payments to unaffiliated foreigners.....	2,358	2,881	2,843	3,111	3,637
Other.....	n.a.	n.a.	n.a.	6,794	6,955
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	573	807
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	3,715	4,390
U.S. payments to unaffiliated foreigners.....	1,495	2,513	1,438	2,506	1,758
By affiliation:					
U.S. parents' payments to their foreign affiliates.....	2,645	2,612	3,181	2,049	2,233
U.S. affiliates' payments to their foreign parent groups.....	12,534	15,261	17,150	16,112	17,420
U.S. payments to unaffiliated foreigners.....	3,854	5,393	4,281	5,617	5,396
Other private services (table 1, line 27 or table 3, line 35).....	79,764	90,252	97,818	125,221	144,375
By type:					
Education.....	3,148	3,542	3,992	4,465	4,523
U.S. parents' payments to their foreign affiliates.....					
U.S. affiliates' payments to their foreign parent groups.....					
U.S. payments to unaffiliated foreigners.....	3,148	3,542	3,992	4,465	4,523
Financial services.....	n.a.	n.a.	n.a.	14,242	18,928
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	4,855	6,047
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	1,176	1,426
U.S. payments to unaffiliated foreigners.....	3,996	5,486	6,420	8,211	11,455
Insurance services.....	25,234	29,090	28,710	37,373	42,761
U.S. parents' payments to their foreign affiliates.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
U.S. affiliates' payments to their foreign parent groups.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
U.S. payments to unaffiliated foreigners.....	25,234	29,090	28,710	37,373	42,761
Telecommunications.....	n.a.	n.a.	n.a.	6,367	7,334
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	479	757
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	1,094	1,398
U.S. payments to unaffiliated foreigners.....	4,255	4,601	4,519	4,794	5,179
Business, professional, and technical services.....	n.a.	n.a.	n.a.	61,068	68,763
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	26,775	29,177
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	14,995	17,693
U.S. payments to unaffiliated foreigners.....	10,971	13,771	14,810	19,298	21,893
Other services.....	n.a.	n.a.	n.a.	1,706	2,065
U.S. parents' payments to their foreign affiliates.....	n.a.	n.a.	n.a.	251	564
U.S. affiliates' payments to their foreign parent groups.....	n.a.	n.a.	n.a.	6	2
U.S. payments to unaffiliated foreigners.....	705	927	1,541	1,449	1,500
By affiliation:					
U.S. parents' payments to their foreign affiliates.....	18,841	20,380	22,544	32,360	36,545
U.S. affiliates' payments to their foreign parent groups.....	12,618	12,457	15,282	17,271	20,518
U.S. payments to unaffiliated foreigners.....	48,305	57,416	59,992	75,590	87,312

n.a. Not available  
.... Not applicable

1. Most insurance services transactions are deemed to be unaffiliated even when they are between affiliated companies because the services are deemed to be provided to the policyholders who pay the insurance

premiums and who are unaffiliated with either company. Only primary insurance services between a U.S. company that is not an insurance company and an affiliated foreign insurance company, such as a captive foreign insurance affiliate, are considered to be affiliated. Data on affiliated insurance transactions are not available separately.

## Securities

BEA is revising its estimates of securities transactions and of U.S. nonbank financial intermediaries' claims because recent developments in securitization have led to transactions that have not been fully captured in the Treasury International Capital (TIC) reporting system and BEA's direct investment reporting system.

Securitization has grown rapidly in recent years as a result of strong demand for securitized products, which contributed to product innovation. The rapid growth has presented numerous challenges to statistical reporting systems. Consequently, purchases and sales of assets by offshore securitization vehicles and the funding of the vehicles have not always been fully captured in the international accounts.

Securitization is the pooling of preexisting, often illiquid assets, such as mortgage loans, in a separate legal entity called a special purpose vehicle (SPV) that finances the assets by issuing debt and a small, sometimes nominal, amount of equity. SPVs are partly distinguished by the types of debt that they issue. Some vehicles are funded solely through the issuance of very short-term asset-backed commercial paper (ABCP). These vehicles are known as ABCP conduits. Structured investment vehicles (SIVs) also issue ABCP as well as medium-term notes. Other vehicles are financed solely or in large part through the issuance of long-term debt. Examples of these vehicles include mortgage-backed securities (MBSs) and collateralized debt obligations (CDOs).

Some transactions in long-term securities resulting from the securitization process that should have been captured in the TIC reporting system were not fully captured. The most recent benchmark survey of securities claims by the Treasury Department indicated that U.S. holdings of foreign securities were substantially higher than estimated positions previously published by BEA. In addition, the most recent annual survey of securities liabilities by the Treasury Department indicated that foreign holdings of U.S. securities were substantially higher than estimated positions previously published by BEA. For U.S. securities, BEA's analysis suggests that the unreported transactions were mainly purchases of U.S. asset-backed securities by offshore SPVs, such as SIVs and CDOs. For foreign securities, BEA's analysis suggests that the unreported transactions were mainly U.S. purchases of foreign asset-backed securities issued by some of these same offshore SPVs.

BEA has also determined that much of the short-term U.S. funding for these offshore vehicles should have been reported in BEA's direct investment reporting system but was not reported. The short-term funding should have been reported as changes in nonbank

financial intermediaries' claims resulting from the transfer of ABCP proceeds from Delaware affiliates to offshore SPVs through intercompany loans or note purchases.

The difficulties in reporting transactions associated with the securitization process are the source of nearly all of the revisions to foreign securities, U.S. securities, and U.S. nonbank financial intermediaries' accounts in this year's annual revision.

## Foreign securities

**Positions.** U.S. holdings of foreign securities (table 3, line 19) were revised up \$172.2 billion to \$5,604.5 billion for 2006 to incorporate the results of the December 2006 Treasury Department benchmark survey of securities claims and other updated source data. The benchmark survey results caused upward revisions to both bond and stock positions for 2006 because the positions reported on the survey were higher than the previously published positions. The position for foreign bonds for 2006 was revised up \$108.3 billion because of the benchmark survey and up \$5.0 billion because of updated source data. The upward revisions were largely attributable to the underreporting of U.S. holdings of asset-backed bonds. In addition, positions were revised down \$18.5 billion to remove positions for U.S. official holdings of foreign sovereign debt, which were already accounted for in the U.S. reserve asset position. The position for foreign stocks for 2006 was revised up \$78.8 billion because of the benchmark survey and down \$1.4 billion because of updated source data.

Information from the survey was also used to adjust the weights used to estimate price changes on bonds. In addition, BEA is modifying its measure of stock price changes used to estimate stock position estimates. The new methodology uses 47 individual country indexes and 9 regional Morgan Stanley Capital International (MSCI) stock price indexes stated in dollars to estimate stock position estimates. Previously, more aggregated indexes had been used. The new methodology will provide more accurate individual country and area stock positions as well as individual country and area income estimates (which are estimated by applying a dividend yields to position estimates).

**Transactions.** Transactions in foreign securities (table 2, line 52) were revised for 2004–2007 to incorporate updated monthly transactions data from the Treasury International Capital (TIC) reporting system and to incorporate a change to the quarterly adjustments to net purchases of foreign bonds and foreign stocks prompted by the benchmark survey results.

For foreign bonds, survey results indicate that net

U.S. purchases reported in the TIC reporting system were too low. Some net purchases in primary and secondary markets of asset-backed bonds issued by offshore SPVs may have been missed. In addition, some U.S. purchases of foreign bonds may have been misreported as foreign sales of U.S. corporate bonds, thus understating net U.S. purchases of foreign bonds. This misreporting may have occurred because offshore SPVs were viewed by market participants as extensions of their U.S. sponsors rather than as separate foreign entities.

To remedy the underreporting and misreporting of net U.S. purchases, BEA has increased its upward adjustment of net U.S. purchases of foreign bonds from \$2.0 billion each quarter to \$8.0 billion each quarter in 2004, to \$4.5 billion each quarter in 2005, to \$20.0 billion each quarter in 2006, and to \$17.5 billion in the first and second quarters of 2007. The adjustment returns to \$2.0 billion each quarter from the third quarter of 2007 onward because the issuance of asset-backed bonds fell off sharply in the second half of 2007 in the midst of the market turmoil related to the U.S. subprime mortgage market.

For foreign stocks, survey results indicate that net U.S. purchases do not need any additional adjustments for 2006. However, BEA took this opportunity to review all 5 years of data between the 2006 benchmark survey and the 2001 benchmark survey and concluded that additional adjustments were needed for 2005. As a result, BEA increased its upward adjustment to net U.S. purchases of foreign stocks for 2005 from \$12.6 billion to \$56.6 billion spread over the four quarters of the year.

In total, net U.S. purchases of foreign securities were revised up \$24.0 billion for 2004, up \$54.1 billion for 2005, up \$75.8 billion for 2006, and up \$14.9 billion for 2007 because of the change in quarterly adjustments and updated source data.

**Income.** Income on foreign securities (excluding income earned on asset-backed commercial paper) (table 2, part of line 15) was revised for 2002–2007 to incorporate the results of the December 2006 benchmark survey of securities claims and other updated source data. The revisions to positions in foreign securities from the benchmark survey described above were carried through to the income estimates, which were estimated by applying coupon and dividend yields to position estimates. Information from the annual survey was also used to adjust the weights for the yields. Income on foreign securities was revised down \$0.3 billion for 2002, down \$0.1 billion for 2003, down \$0.5 billion for 2004, down \$0.8 billion for 2005, up \$4.4 billion for 2006, and up \$14.1 billion for 2007 because of the benchmark survey results, the removal of

reserve positions for foreign bonds, and updated source data.

### U.S. corporate bonds and stocks

**Positions.** Foreign holdings of U.S. corporate bonds and stocks were revised for yearend 2006 to incorporate results of the June 2007 Treasury Department annual survey of securities liabilities and other updated source data. The annual survey results caused a small downward revision to foreign official holdings of U.S. corporate bonds and stocks, a sizable upward revision to private holdings of U.S. corporate bonds, and a small upward revision to private holdings of corporate stocks. (Securities liabilities surveys are conducted for each June and BEA's estimates of positions are for yearend. BEA estimates yearend positions by using the June position data from the liabilities survey plus monthly TIC transactions and estimates of valuation changes.)

For 2006, foreign official holdings of U.S. corporate bonds and stocks (table 3, line 33) were revised down \$7.0 billion because the survey results were lower than the previously published estimates. Private holdings of U.S. corporate bonds (table 3, part of line 38) were revised up \$110.3 billion because the survey results were higher than the previously published estimates and up \$10.5 billion because of updated transactions data. Private holdings of stocks (table 3, line 39) were revised up \$10.4 billion because of the survey results and down \$1.6 billion because of updated transactions data.

**Transactions.** Net private foreign purchases of U.S. corporate bonds (table 2, part of line 66) were revised up \$96.0 billion for 2006 and \$114.0 billion for 2007 as a result of the June 2007 Treasury annual survey of securities liabilities, and were revised up \$9.5 billion for 2006 and up \$11.3 billion for 2007 as a result of updated transactions data.

BEA's estimate of foreign private holdings of U.S. corporate bonds as of June 2007 was \$238.0 billion, or 9 percent, lower than the annual survey result, in stark contrast to the discrepancy pattern in recent years. BEA's June 2006 estimate was \$19.8 billion, or 1 percent, higher than the 2006 survey result, and BEA's June 2005 estimate was \$18.3 billion, or 1 percent, higher than the 2005 survey result. The unusually large underestimation for 2007 was mostly related to transactions associated with offshore SPVs that were unreported entirely or misreported in the TIC transactions reporting system.

Transactions related to both the assets and liabilities of SPVs may have been missed or misreported. On the asset side, the initial transfer of U.S. corporate debt securities to offshore SPVs by U.S. sponsors should have been reported as foreign purchases of U.S. securities

but may not have been fully reported because some U.S. sponsors did not consider these transfers to be reportable transactions. In addition, secondary market transactions in U.S. corporate bonds by offshore SPVs may not have been fully reported.

On the liabilities side, transactions between U.S. and foreign residents in long-term debt securities issued by offshore SPVs may have been misreported to some extent as transactions in U.S. securities rather than as transactions in foreign securities. Specifically, U.S. purchases of foreign bonds issued by offshore SPVs may have been misreported as foreign sales of U.S. corporate bonds. Hence, net foreign purchases of U.S. corporate bonds, which are gross purchases minus gross sales, may have been understated. Since BEA's position estimates are partly based on transactions data, the misreporting of transactions helps to explain the underestimate of foreign holdings of U.S. corporate bonds.

Net private foreign purchases of corporate stocks (table 2, part of line 66) were revised down \$2.9 billion for 2006 and down \$0.9 billion for 2007 as a result of updated transactions data.

**Income.** Income payments on U.S. corporate bonds and stocks (table 2, part of line 32) were revised for 2006 and 2007 to incorporate results from the June 2007 annual survey and other updated source data. As a result, income payments on U.S. corporate bonds and stocks were revised up \$1.5 billion for 2006 and \$13.7 billion for 2007.

Interest payments on U.S. corporate bonds were revised up \$1.2 billion for 2006 and \$9.5 billion for 2007 as a result of a June 2007 annual survey position that was higher than BEA's previously published estimates. Updated transactions data led to upward revisions of \$0.2 billion for 2006 and \$3.6 billion for 2007.

Dividend payments on U.S. corporate stocks were revised up \$0.1 billion for 2006 and \$0.6 billion for 2007 as a result of a June 2007 annual survey position that was slightly higher than BEA's previously published estimates.

### **U.S. claims reported by U.S. nonbanking concerns**

**Positions.** U.S. claims reported by U.S. nonbanking concerns (table 3, line 22) were revised up to account for U.S. nonbank financial intermediaries claims associated with the issuance of asset-backed commercial paper (ABCP) that were not captured in BEA's direct investment reporting system. Claims were revised up \$226.0 billion for 2005 and up \$316.0 billion for 2006. The reasons are the same as those for financial flows.

**Financial flows.** Short-term funds raised in U.S. markets by offshore SPVs should have been reported

in BEA's direct investment reporting system but were not. Many offshore SIVs and ABCP conduits set up 100 percent owned affiliates in Delaware for the sole purpose of issuing ABCP in the U.S. market. The ABCP proceeds were then lent to the offshore SPVs, which used the funds to purchase other assets. Beginning in the third quarter of 2007, many offshore SPVs were forced to repay funds to their Delaware affiliates that were suddenly unable to roll over maturing ABCP. The intercompany debt transactions between Delaware affiliates and their offshore parents took the form of increases and decreases in U.S. nonbank claims on financial intermediaries' accounts.

BEA has developed a proxy measure to estimate the intercompany debt transactions between Delaware affiliates and their offshore parents in lieu of reporting by the affiliates. (The affiliates are now included in the direct investment reporting system, and the need to continue use of the proxy measure will be reexamined as data are reported.) The proxy measure is based on quarterly changes in U.S. ABCP outstanding for the affiliates as reported by industry sources. Quarterly changes in ABCP outstanding are assumed to lead to intercompany debt transactions between affiliates and their foreign parents. Therefore, if affiliates' ABCP outstanding increased in a quarter, it is assumed affiliates had net lending to their foreign parents in the amount that ABCP increased. If ABCP outstanding decreased in the quarter, it is assumed that foreign parents repaid their Delaware affiliates.

BEA initially included estimates for these intercompany debt transactions beginning with the third quarter of 2007, when very large decreases in ABCP outstanding led to very large repayments of funds by offshore SPVs to their Delaware affiliates. BEA has now included estimates beginning with 2005, when ABCP borrowing by affiliates of offshore SPVs began to accelerate. U.S. nonbank financial intermediaries' claims were revised up \$55.0 billion for 2005, \$90.0 billion for 2006, and \$30.0 billion for 2007 (table 2, line 53).

**Income.** Income earned on U.S. nonbank claims on financial intermediaries' accounts is included in other private income receipts (table 2, line 15). As a result of the additional claims that arise from the inclusion of ABCP, income receipts are revised up \$4.9 billion for 2005, up \$10.0 billion for 2006, and up \$4.3 billion for 2007.

### **U.S. Treasury and agency bonds**

**Positions.** Foreign holdings of U.S. Treasury bonds and agency bonds were revised for 2006 to incorporate the results of the 2007 Treasury Department annual survey of securities liabilities and other updated source data.



For 2006, foreign official holdings of Treasury bonds (table 3, line 29) were revised up \$37.7 billion as a result of the annual survey and were revised down \$0.2 billion as a result of updated source data. For 2006, private holdings of U.S. Treasury bonds (table 3, line 36) were revised down \$26.4 billion as a result of the annual survey.

For 2006, foreign official holdings of agency bonds (table 3, line 30) were revised up \$24.6 billion as a result of the annual survey and up \$0.3 billion as a result of updated source data. For 2006, private holdings of U.S. agency bonds (table 3, part of line 38) were revised up \$17.2 billion as a result of the survey and were revised down \$3.0 billion as a result of updated source data.

**Transactions.** Transactions in U.S. Treasury bonds and notes were revised for 2006 and 2007 to incorporate the annual survey results and other updated source data. The findings are similar to those for the position estimates; that is, the survey results indicate that net purchases reported in the TIC reporting system for private foreigners were too high, while net purchases for official foreigners were too low. BEA, using estimates provided by the Federal Reserve Board based on the survey results, has adjusted the transactions data to correct for the misclassification that can occur when foreign official transactions are mistakenly attributed to the private sector rather than to the official sector of the accounts.

Foreign official net purchases of Treasury bonds and notes (table 2, line 58) were revised up \$19.4 billion for 2006 and up \$8.4 billion for 2007 as a result of the annual survey and were revised up \$0.6 billion for 2007 as a result of updated source data. Foreign private purchases (table 2, line 65) were revised down \$19.4 billion for 2006 and down \$8.4 billion for 2007 as a result of the annual survey and were revised down \$2.9 billion for 2006 and down \$1.1 billion for 2007 as a result of updated source data.

Transactions in U.S. agency bonds were revised for 2006 and 2007 to incorporate the annual survey results and updated monthly source data, a change to the methodology for the adjustment of net foreign purchases for prepayments of mortgage-backed securities and “other redemptions,” and a reclassification of some net foreign purchases to official holdings from private holdings.

The 2007 annual liabilities survey highlighted a shortage of net purchases reported in the TIC reporting system. BEA has added additional net purchases to both the private and official foreign accounts to bring BEA estimates in line with the annual liabilities survey.

BEA has also revised its methodology for adjusting net purchases of agency bonds for prepayments of

mortgage-backed securities and “other redemptions”. With the availability of results from the 2007 annual liabilities survey, it has become clear that the size of adjustments for “other redemptions” had become too large. Therefore, for now, BEA is removing this adjustment. The adjustment for prepayments of mortgage-backed securities has been retained.

Similar to the situation for U.S. Treasury bonds, some net foreign purchases of agency bonds initially reported as private transactions should be classified as official transactions. BEA, using estimates provided by the Federal Reserve Board based on the survey results, has adjusted the transactions data to correct for the misclassification that can occur when foreign official transactions are mistakenly attributed to the private sector rather than to the official sector of the accounts.

In total, foreign official net purchases of agency bonds (table 2, line 59) were revised up \$28.3 billion for 2006 and down \$10.5 billion for 2007. Foreign private purchases (table 2, part of line 66) were revised down \$11.2 billion for 2006 and up \$57.6 billion for 2007.

**Income.** Income on U.S. Treasury bonds was revised for 2006 and 2007 to incorporate the results of the June 2007 annual liabilities survey and other updated source data. Income on U.S. Treasury bonds (table 2, part of line 33) was revised up \$0.5 billion for 2006 and up \$2.3 billion for 2007.

Income on U.S. agency bonds was revised for 2006 and 2007 to incorporate the results of the June 2007 annual liabilities survey and other updated source data. Income on U.S. agency bonds (table 2, part of line 33) was revised up \$0.8 billion for 2006 and up \$5.6 billion for 2007.

### U.S. currency flows

U.S. currency—particularly Federal Reserve notes—is widely held by foreigners. The currency is used for many of the same reasons as in the United States. It serves as a unit of account, a medium of exchange, and a store of value, especially when the purchasing power of the domestic currency is uncertain. As a safe asset in an unpredictable world, dollars flow into a country during periods of economic and political upheaval and sometimes remain there well after the crisis has subsided. In other situations, the dollar co-circulates with the domestic currency for extended time periods.

Although the amount of U.S. currency outstanding is known, the shares in domestic and in foreign circulation are notoriously difficult to measure accurately. The difficulty is not surprising, given the diversity of channels through which currency may flow abroad, the destinations of the currency, and its varied uses.

The international transactions accounts have

included estimates of currency flows to and from the United States since 1997.<sup>1</sup> At that time, a method of measurement was developed in close cooperation with the research staff at the Federal Reserve Board. The Federal Reserve staff maintains the statistical series, and the estimates are for the period from 1974 to the present. Recent developments have led to refinement of the method used to prepare the estimates, but the basic methodology remains sound and is unchanged.

The exact amount of currency flowing abroad is not known. As a proxy, the previous estimates used total net disbursements of \$100 notes from the New York City and Los Angeles cash offices of the Federal Reserve district banks. At the time of the introduction of the estimates, these were the only cash offices with sizable net disbursements of \$100 notes. Over the past decade, net disbursements from other cash offices have become larger. In recognition of this development, adjustments have been made to the set of offices used in the proxy measure, and the entire series has been revised for 1974–2007.

Net shipments to foreigners for the revised series are lower for all years of 1974–2007 because the revised series records more completely return flows of currency to the United States. The quarterly pattern of movements in the previously published and revised series is very similar. The outstanding stock of U.S. currency held abroad, which is included in the international investment position, is also lower for all years.

Revised estimates of net currency flows to foreigners, foreign holdings at yearend, and the total amount of currency in circulation are shown in table B. At yearend 2007, U.S. currency held abroad had grown to \$272.0 billion, or 36 percent, of the \$763.8 billion in circulation.

The new measure of net currency flows is believed to represent nearly all of the currency transactions that occur through wholesale banking channels. Currency that flows abroad through other channels—through tourists, through business persons, through personal remittances, and through U.S. military personnel stationed overseas—is not covered in this estimate. Currency smuggled and other illegal activities involving cash, such as drug trafficking, are also not covered in this estimate.

### U.S. direct investment abroad

Results of BEA's 2004 benchmark survey of U.S. direct investment abroad are incorporated into the accounts. For years after 2004, the estimates were revised by extrapolating forward the 2004 universe data by using

**Table B. U.S. Currency, 1973–2007**

(Millions of dollars)

	Net flows to foreigners	Foreign holdings at yearend	Currency in circulation at yearend <sup>1</sup>
1973.....	n.a.	7,743	61,929
1974.....	986	8,729	68,188
1975.....	1,200	9,929	74,138
1976.....	1,321	11,250	80,967
1977.....	1,451	12,701	89,043
1978.....	2,239	14,940	97,963
1979.....	1,702	16,642	106,882
1980.....	2,773	19,415	117,379
1981.....	1,559	20,974	124,641
1982.....	2,467	23,441	134,805
1983.....	4,105	27,546	148,604
1984.....	2,396	29,942	158,449
1985.....	3,316	33,258	170,094
1986.....	2,421	35,679	182,852
1987.....	3,866	39,545	199,128
1988.....	4,111	43,656	214,646
1989.....	3,749	47,405	224,977
1990.....	16,586	63,991	249,041
1991.....	12,813	76,804	269,487
1992.....	11,086	87,890	294,540
1993.....	16,618	104,508	324,343
1994.....	20,585	125,093	357,589
1995.....	8,840	133,933	376,272
1996.....	14,151	148,084	398,047
1997.....	22,425	170,509	428,954
1998.....	13,847	184,356	464,261
1999.....	24,407	208,763	522,071
2000.....	-3,357	205,406	535,565
2001.....	23,794	229,200	585,229
2002.....	18,861	248,061	630,267
2003.....	10,591	258,652	666,670
2004.....	13,301	271,953	702,385
2005.....	8,447	280,400	728,924
2006.....	2,227	282,627	754,548
2007.....	-10,675	271,952	763,758

1. Measured as a component of U.S. money stock.  
n.a. Not available

data collected in BEA's quarterly cutoff sample survey, which covers all U.S.-owned foreign businesses above a specified size-exemption level, and by incorporating new or adjusted data from the sample surveys for those years. Previously, the estimates for 2004 forward were extrapolated from the 1999 benchmark survey.

The 2004 benchmark survey covers the universe of foreign affiliates of U.S. direct investors. In nonbenchmark years, universe estimates of the direct investment position and related capital and income flows are derived from data reported quarterly by a sample of affiliates and from estimates for affiliates not in the sample. The estimates for affiliates not in the sample are derived by extrapolating data from the benchmark survey using matched sample data as the basis for extrapolation.

**Direct investment financial flows.** Net financial outflows for U.S. direct investment abroad are revised for 2004–2007 to incorporate the results of BEA's 2004 benchmark survey of U.S. direct investment abroad and to incorporate new or adjusted data from sample surveys from those years. The revisions also reflected revised estimates of depreciation, depletion, and expensed exploration and development costs used to adjust the reinvested earnings component of capital to a

1. See Christopher L. Bach, "U.S. International Accounts: Revised Estimates for 1974–96," *SURVEY OF CURRENT BUSINESS* (July 1997): 48–50.

current-cost basis. Net capital outflows were revised up \$37.1 billion for 2004, up \$43.9 billion for 2005, up \$5.9 billion for 2006, and down \$2.1 billion for 2007 (table 2, line 51). For 2004, the upward revisions reflected revisions to equity capital investment and intercompany debt investment, particularly U.S. parents' receivables. For 2005, the same accounts were revised upward, and an upward revision to reinvested earnings also contributed. For 2006, the upward revision was more than accounted for by reinvested earnings. For 2007, the downward revision resulted from downward revisions to equity capital and intercompany debt investment, particularly U.S. parents' payables.

**Direct investment income.** Net receipts of income by U.S. parents from their foreign affiliates are revised for 2004–2007 to incorporate the results of BEA's 2004 benchmark survey of U.S. direct investment abroad and to incorporate new or adjusted data from sample surveys for those years. The revisions also reflected revised estimates of depreciation, depletion, and expensed exploration and development costs used to adjust the earnings component of direct investment income to a current-cost basis and of related withholding tax adjustments. Net direct investment income receipts were revised up \$11.6 billion for 2004, up \$25.2 billion for 2005, up \$18.3 billion for 2006, and up \$15.6 billion for 2007 (table 2, line 14). For all years, the revision was mainly, or entirely, accounted for by holding company affiliates. In recent years, U.S. parent companies have funneled an increasing share of their direct investment abroad through these vehicles.

### Changes in presentation

**Goods.** Several modifications have been made in standard table 2 of the international transactions accounts to the presentation of U.S. trade in goods by principal end-use category. The most substantive changes occur within the category *consumer goods (nonfood)*, except *automotive*, which has been expanded to present a more detailed and informative description of the underlying components. The most significant change is the separate identification of medical, dental, and pharmaceutical preparations, which have grown rapidly in recent years and now constitute a sizable share of both goods exports and imports. These commodities are also often important determinants of quarterly variations in total consumer goods. The grouping of other components has been changed to more easily identify patterns in electronic products and in toys, games, and sporting goods, and to regroup all household products and appliances under a single heading. Gems, jewelry, and collectibles are now shown as a category clearly separated from other consumer goods.

Other changes occur within the category *industrial*

*supplies and materials*, where *natural gas* is now separately identified as a component of energy products in recognition of its importance to both energy exports and imports. The category *fuels and lubricants* is no longer shown separately but continues to be included in total energy exports and imports.

Within capital goods, except automotive, the terminology *machinery, except consumer-type* is changed to the more comprehensive *machinery and equipment, except consumer-type*, and the category *nonelectric, including parts* and attachments is deleted.

**Investment income.** A new table on investment income (table 4) is introduced as part of the standard presentation of tables of the international transactions accounts. This table fills a gap that has existed for many years in the standard tables but that can no longer be ignored because of the growing size and increased volatility of investment income flows.

Investment income is grouped according to the direct investment, other private, and U.S. government classifications used in table 1 of the standard presentation of the international transactions accounts. Direct investment income receipts and payments, including separate identification of earnings and interest, have been available as part of the direct investment estimates in standard table 7 (previously designated as table 6) for many years. Within "other" private income, details are introduced for income received and paid on securities, including separate identification for dividends and interest, and income received and paid by banks is shown separately from income received and paid by nonbanks. The details are available beginning with the first quarter of 1999. Within U.S. government income, receipts and payments are shown separately. A balance on investment income is shown as a memorandum item.

The availability of these new details in a single table each quarter should aid in the analysis of income flows in the current account and in the analysis of rates of return on investments when related to the position estimates in the international investment position accounts.

**Services.** Table 3 of the standard presentation of the accounts has been revised to incorporate newly available details from BEA's recently completed benchmark survey of selected business services for 2006 and BEA's new follow-on quarterly survey of international services beginning in the first quarter of 2007.

As detailed earlier, the statistical collection system for the 2006 and 2007 surveys was completely redesigned to provide a more rational and consolidated system of data collection and, for affiliated transactions, to request a significant amount of additional detail by type of service. The improvements and

information requested on the benchmark survey were, by design, carried over directly to the quarterly survey, the only difference being the increase in the exemption levels on the quarterly survey from the low levels used in the benchmark survey.

BEA's surveys of business services for royalties and license fees and for "other" private services have long collected data on both affiliated and unaffiliated services at the aggregate, or total, level for major types of services. Previously, however, estimates of activity for the more detailed types of services were available only for transactions among unaffiliated parties. Thus, estimates presented in table 3 by detailed type of service were only for transactions among unaffiliated parties. The new surveys collected information on transactions among affiliated parties in the same detail as those for unaffiliated transactions, and the new information presented in table 3 now includes by detailed type of service the combined estimates of transactions between both affiliated and unaffiliated parties. The new estimates fill a long-standing gap in the accounts and the accounts now provide a complete picture of trade by detailed type of service. The new estimates are dis-

cussed in an earlier section of this article and will be presented in full detail in the October SURVEY. The details for affiliated transactions by detailed type of service are only available beginning with the first quarter of 2006.

**New geographic area.** A complete set of accounts for OPEC has been added to the quarterly presentation of international transactions in table 12. Earlier estimates of accounts for OPEC were only partial and were presented only annually. The inclusion of the new estimates extends the significant advances made in recent years that have provided greatly expanded geographic details for the accounts.

**Financial derivatives.** New estimates of transactions in financial derivatives were introduced in the annual revision of June 2007. A technical note in the July 2007 SURVEY presented an explanation of the new source data, and supplemental tables presented estimates for the four quarters of 2006. The accompanying tables C, D, and E present, in the same format as last year, revised estimates for 2006 and updated estimates for the four quarters of 2007.

*Tables C through E and 1 through 3 follow.*

**Table C. Transactions in Financial Derivatives**

(Millions of dollars)

Line	(Credits+; debits -)	2006	2007	2006				2007			
				I	II	III	IV	I	II	III	IV
1	<b>Financial derivatives, net</b> .....	<b>29,710</b>	<b>6,496</b>	<b>1,633</b>	<b>14,090</b>	<b>15,134</b>	<b>-1,147</b>	<b>14,795</b>	<b>-1,007</b>	<b>5,942</b>	<b>-13,234</b>
	By type of contract:										
2	Over-the-counter contracts .....	15,516	7,126	-3,142	11,039	9,093	-1,474	10,206	862	5,001	-8,943
3	Single-currency interest rate contracts.....	12,092	9,636	670	6,341	6,911	-1,830	507	6,557	3,849	-1,277
4	Foreign exchange contracts .....	-231	-3,601	741	-1,033	-61	122	2,053	-2,814	-2,229	-611
5	Other contracts .....	3,655	1,091	-4,553	5,731	2,243	234	7,646	-2,881	3,381	-7,055
6	Exchange-traded contracts .....	14,194	-630	4,775	3,051	6,041	327	4,589	-1,869	941	-4,291
7	U.S. residents' contracts on foreign exchanges .....	10,350	6,195	2,549	3,141	3,619	1,041	2,497	2,529	1,726	-557
8	Own contracts .....	6,613	3,569	679	3,684	2,103	147	1,079	1,229	2,353	-1,092
9	Customers' contracts .....	3,737	2,626	1,870	-543	1,516	894	1,418	1,300	-627	535
10	Foreign residents' contracts on U.S. exchanges .....	3,844	-6,825	2,226	-90	2,422	-714	2,092	-4,398	-785	-3,734
	By area or country:										
11	Europe .....	19,724	16,309	-2,615	11,367	10,859	113	11,731	3,841	10,123	-9,386
	Of which:										
12	European Union .....	n.a.	10,018	n.a.	10,105	6,698	2,035	7,958	2,187	8,190	-8,317
	Of which:										
13	Euro area .....	9,200	-3,260	3,675	4,590	3,380	-2,445	-3,380	3,462	-1,018	-2,324
	Of which:										
14	Belgium .....	-317	-2,396	-595	171	124	-17	-503	139	381	-2,413
15	France .....	775	-3,782	813	450	66	-554	-728	-1,679	-1,175	-200
16	Germany .....	-687	-101	2,422	-1,182	-412	-1,515	1,974	-424	-1,804	153
17	Ireland .....	4,435	-258	391	2,741	943	360	-3,114	1,103	605	1,148
18	Italy .....	217	741	-181	102	850	-554	-269	55	641	314
19	Netherlands .....	1,912	516	573	288	614	437	-56	928	-401	45
20	United Kingdom .....	6,378	13,133	-7,103	5,984	3,150	4,347	11,476	-1,185	8,408	-5,566
21	Switzerland .....	4,848	6,420	557	1,659	4,004	-1,372	3,458	1,847	2,080	-965
22	Canada .....	-3,425	-2,953	-1,700	-1,159	-1,281	715	2,630	-3,865	-625	-1,093
23	Caribbean financial centers .....	5,331	-1,450	3,339	1,272	1,322	-602	1,995	-1,271	-3,754	1,580
24	Of which: Cayman Islands .....	4,846	-1,196	2,812	1,056	1,677	-699	1,073	-1,238	-3,732	2,701
25	Latin America, excluding Caribbean financial centers .....	-1,464	-1,317	565	-591	-69	-1,369	-805	485	1,346	-2,343
26	Asia .....	5,853	-2,629	1,105	2,071	2,584	93	181	1,105	-1,374	-2,541
27	Of which: Japan .....	-355	-2,490	257	742	-412	-942	-14	-936	511	-2,051
28	Africa .....	610	-267	146	151	70	243	-263	-212	329	-121
29	Other .....	3,081	-1,197	793	979	1,649	-340	-674	-1,090	-103	670
	Of which:										
30	Australia .....	-2,494	-1,617	689	-733	-813	-1,637	-649	-2,012	-36	1,080
31	International and regional organizations .....	5,396	651	-32	1,734	2,491	1,203	112	959	-2	-418
32	<b>Memorandum:</b>										
	Contracts with foreign official institutions .....	2,120	1,521	1,203	399	307	211	-443	1,315	-309	958

n.a. Not available

**Table D. Fair Value of Financial Derivatives by Type of Contract at Quarterend**  
[Millions of dollars]

Line	2006				2007			
	I	II	III	IV	I	II	III	IV
1	<b>66,356</b>	<b>67,939</b>	<b>60,307</b>	<b>59,836</b>	<b>56,972</b>	<b>56,814</b>	<b>70,949</b>	<b>83,529</b>
2	63,513	65,957	58,141	57,113	55,451	53,959	66,099	82,040
3	42,056	42,042	37,349	44,048	38,048	35,179	33,786	26,811
4	492	-4,337	-174	486	453	270	163	-191
5	25,397	33,162	18,296	23,973	19,650	22,463	19,138	11,251
6	16,167	13,217	19,227	19,589	17,945	12,446	14,485	15,751
7	14,859	18,617	16,884	25,221	29,028	29,863	37,109	50,626
8	-2,281	-4,838	-3,039	-2,127	-3,176	-4,069	-5,883	3,283
9	15,436	21,264	17,210	24,405	29,298	29,336	37,789	42,266
10	1,704	2,191	2,713	2,943	2,906	4,596	5,203	5,077
11	6,598	5,298	3,908	-12,156	-11,625	-11,083	-4,796	4,603
12	2,843	1,982	2,166	2,723	1,521	2,855	4,850	1,489
13	873	881	524	692	536	665	1,036	220
14	1,397	424	674	548	672	1,202	1,264	456
15	-524	457	-150	144	-136	527	-228	-236
16	1,970	1,101	1,642	2,031	985	2,190	3,814	1,269
17	<b>1,189,856</b>	<b>1,296,050</b>	<b>1,194,164</b>	<b>1,238,995</b>	<b>1,255,575</b>	<b>1,546,712</b>	<b>1,720,605</b>	<b>2,284,581</b>
18	1,168,623	1,270,737	1,173,055	1,213,354	1,232,097	1,516,672	1,687,484	2,251,340
19	839,046	902,011	803,357	793,057	798,480	1,004,345	960,242	1,321,630
20	2,353	5,240	1,688	1,027	1,003	2,312	1,646	1,047
21	755,082	814,689	715,285	702,386	703,564	902,124	839,023	1,168,805
22	81,611	82,082	86,384	89,644	93,913	99,909	119,573	151,778
23	139,673	159,565	148,117	176,267	169,301	196,449	279,826	279,695
24	31,316	40,094	33,783	44,941	38,584	47,015	79,290	69,624
25	82,534	92,413	88,817	102,795	101,064	114,228	153,116	157,772
26	25,823	27,058	25,517	28,531	29,653	35,206	47,420	52,299
27	189,904	209,161	221,581	244,030	264,316	315,878	447,416	650,015
28	21,233	25,313	21,109	25,641	23,478	30,040	33,121	33,241
29	7,442	9,197	7,364	7,472	7,433	8,197	8,172	7,964
30	4,378	5,587	4,571	4,590	4,724	6,005	5,063	4,557
31	3,064	3,610	2,793	2,882	2,709	2,192	3,109	3,407
32	13,791	16,116	13,745	18,169	16,045	21,843	24,949	25,277
33	<b>1,123,500</b>	<b>1,228,111</b>	<b>1,133,857</b>	<b>1,179,159</b>	<b>1,198,603</b>	<b>1,489,898</b>	<b>1,649,656</b>	<b>2,201,052</b>
34	1,105,110	1,204,780	1,114,914	1,156,241	1,176,646	1,462,713	1,621,385	2,169,300
35	796,990	859,969	766,008	749,009	760,432	969,166	926,456	1,294,819
36	1,861	9,577	1,862	541	550	2,042	1,483	1,238
37	729,685	781,527	696,989	678,413	683,914	879,661	819,885	1,157,554
38	65,444	68,865	67,157	70,055	75,968	87,463	105,088	136,027
39	124,814	140,948	131,233	151,046	140,273	166,586	242,717	229,069
40	33,597	44,932	36,822	47,068	41,760	51,084	85,173	66,341
41	67,098	71,149	71,607	78,390	71,766	84,892	115,327	115,506
42	24,119	24,867	22,804	25,588	26,747	30,610	42,217	47,222
43	183,306	203,863	217,673	256,186	275,941	326,961	452,212	645,412
44	18,390	23,331	18,943	22,918	21,957	27,185	28,271	31,752
45	6,569	8,316	6,840	6,780	6,897	7,532	7,136	7,744
46	2,981	5,163	3,897	4,042	4,052	4,803	3,799	4,101
47	3,588	3,153	2,943	2,738	2,845	2,729	3,337	3,643
48	11,821	15,015	12,103	16,138	15,060	19,653	21,135	24,008
<b>Memoranda:</b>								
Net fair value of contracts:								
49	15,847	9,969	9,395	6,146	1,507	6,395	4,242	6,418
50	-328	-1,124	838	799	967	249	-2,899	-1,256
51	19,121	19,910	9,778	15,646	13,336	16,106	14,972	21,309
Gross positive fair value of contracts:								
52	282,355	275,686	277,792	318,870	337,374	427,383	479,632	597,010
53	13,807	12,050	10,961	10,385	9,846	10,821	11,017	12,633
54	405,034	483,430	407,250	407,594	408,855	501,678	526,490	811,889
Gross negative fair value of contracts:								
55	266,508	265,717	268,397	312,724	335,867	420,988	475,390	590,592
56	14,135	13,174	10,123	9,586	8,879	10,572	13,916	13,889
57	385,913	463,520	397,472	391,948	395,519	485,572	511,518	790,580





Table 2. Major Sources of Revisions, International Transactions Accounts, 2002–2007—Continues

[Millions of dollars]

(Credits +; debits -) <sup>1</sup>	2002	2003	2004	2005	2006	2007
<b>Current account</b>						
<b>Royalties and license fees receipts (line 9):</b>						
Revised .....	44,508	46,988	56,715	64,395	72,191	82,614
Changes due to 2004 U.S. direct investment benchmark survey .....			2,225	( <sup>(2)</sup> )	( <sup>(2)</sup> )	( <sup>(2)</sup> )
Changes due to 2006 services benchmark survey .....					9,813	( <sup>(2)</sup> )
Revisions due to updated source data .....			( <sup>(3)</sup> )	4,986	( <sup>(3)</sup> )	11,269
Previously published .....	44,508	46,988	54,490	59,409	62,378	71,345
<b>Other private services receipts (line 10):</b>						
Revised .....	122,207	131,563	149,262	160,051	189,050	223,483
Changes due to 2004 U.S. direct investment benchmark survey .....			1,113	( <sup>(2)</sup> )	( <sup>(2)</sup> )	( <sup>(2)</sup> )
Changes due to 2006 services benchmark survey .....					1,279	( <sup>(2)</sup> )
Revisions due to updated source data .....			( <sup>(3)</sup> )	-4,250	( <sup>(3)</sup> )	6,874
Previously published .....	122,207	131,563	148,149	164,301	187,771	216,609
<b>Direct investment income receipts (line 14):</b>						
Revised .....	145,590	186,417	250,606	294,538	328,543	368,275
Changes due to 2004 U.S. direct investment benchmark survey .....			11,598	( <sup>(2)</sup> )	( <sup>(2)</sup> )	( <sup>(2)</sup> )
Revisions due to updated source data .....			( <sup>(3)</sup> )	25,192	18,319	15,639
Previously published .....	145,590	186,417	239,008	269,346	310,224	352,636
<b>Other private income receipts (line 15):</b>						
Revised .....	129,238	126,529	157,313	235,120	351,327	444,299
Amount of revision .....	-273	-112	199	4,583	16,369	19,866
Previously published .....	129,511	126,641	157,114	230,537	334,958	424,433
<b>Interest on foreign bonds:</b>						
Revised .....	40,911	46,454	50,472	55,391	63,866	79,344
Changes due to 2006 Treasury benchmark survey .....			-20		3,800	9,810
Changes due to removal of reserve positions .....	-76	-233	-369	-683	-994	-1,067
Revisions due to updated source data .....					163	136
Previously published .....	40,987	46,687	50,861	56,074	60,897	70,465
<b>Dividends on foreign stocks:</b>						
Revised .....	38,229	41,554	54,087	64,628	84,330	114,617
Changes due to 2006 Treasury benchmark survey .....				-85	1,718	4,364
Changes due to new stock price methodology .....	-197	121	-77	-8	-214	1,148
Revisions due to updated source data .....					-25	-243
Previously published .....	38,426	41,433	54,164	64,721	82,851	109,348
<b>Other:</b>						
Revised .....	50,098	38,521	52,754	115,101	203,131	250,338
Changes due to new data on asset-backed commercial paper .....				4,931	9,976	4,256
Revisions due to updated source data .....			665	428	1,945	1,462
Previously published .....	50,098	38,521	52,089	109,742	191,210	244,620
<b>Royalties and license fees payments (line 26):</b>						
Revised .....	-19,353	-19,033	-23,266	-24,612	-23,777	-25,048
Changes due to 2004 U.S. direct investment benchmark survey .....			8	( <sup>(2)</sup> )	( <sup>(2)</sup> )	( <sup>(2)</sup> )
Changes due to 2006 services benchmark survey .....					2,655	( <sup>(2)</sup> )
Revisions due to updated source data .....			( <sup>(3)</sup> )	20	( <sup>(3)</sup> )	2,876
Previously published .....	-19,353	-19,033	-23,274	-24,632	-26,432	-27,924
<b>Other private services payments (line 27):</b>						
Revised .....	-72,604	-79,764	-90,252	-97,818	-125,221	-144,375
Changes due to 2004 U.S. direct investment benchmark survey .....			1,015	( <sup>(2)</sup> )	( <sup>(2)</sup> )	( <sup>(2)</sup> )
Changes due to 2006 services benchmark survey .....					-8,697	( <sup>(2)</sup> )
Revisions due to updated source data .....			( <sup>(3)</sup> )	2,109	( <sup>(3)</sup> )	-9,090
Previously published .....	-72,604	-79,764	-91,267	-99,927	-116,524	-135,285
<b>Other private income payments (line 32):</b>						
Revised .....	-127,012	-119,051	-155,266	-228,408	-339,088	-426,515
Amount of revision .....			-781	-977	-4,443	-14,591
Previously published .....	-127,012	-119,051	-154,485	-227,431	-334,645	-411,924
<i>Of which:</i>						
<b>Interest on U.S. corporate bonds:</b>						
Revised .....	-55,676	-60,974	-71,501	-85,303	-106,564	-139,536
Changes due to 2007 Treasury annual survey .....					-1,218	-9,546
Revisions due to updated source data .....					-186	-3,645
Previously published .....	-55,676	-60,974	-71,501	-85,303	-105,160	-126,345
<b>Dividends on U.S. corporate stocks:</b>						
Revised .....	-23,560	-25,661	-37,037	-38,084	-44,884	-54,344
Changes due to 2007 Treasury annual survey .....					-70	-584
Revisions due to updated source data .....					7	55
Previously published .....	-23,560	-25,661	-37,037	-38,084	-44,821	-53,815
<b>U.S. government income payments (line 33):</b>						
Revised .....	-74,908	-73,834	-82,536	-103,874	-134,981	-165,102
Amount of revision .....					-1,226	-7,858
Previously published .....	-74,908	-73,834	-82,536	-103,874	-133,755	-157,244
<i>Of which:</i>						
<b>Interest on U.S. Treasury bonds and notes:</b>						
Revised .....	-44,541	-43,717	-50,785	-59,723	-73,575	-86,254
Changes due to 2007 Treasury annual survey .....					-451	-2,263
Revisions due to updated source data .....					-9	-40
Previously published .....	-44,541	-43,717	-50,785	-59,723	-73,115	-83,951
<b>Interest on U.S. agency bonds:</b>						
Revised .....	-25,849	-26,786	-28,137	-36,431	-49,872	-66,372
Changes due to 2007 Treasury annual survey .....					-779	-5,577
Revisions due to updated source data .....					15	13
Previously published .....	-25,849	-26,786	-28,137	-36,431	-49,108	-60,808

See the footnotes at the end of the table.



Table 2. Major Sources of Revisions, International Transactions Accounts, 2002–2007—Table Ends

[Millions of dollars]

(Credits +; debits -) <sup>1</sup>	2002	2003	2004	2005	2006	2007
<b>Financial account</b>						
<b>U.S. private assets abroad</b>						
<b>U.S. direct investment abroad (line 51):</b>						
Revised .....	-154,460	-149,564	-316,223	-36,235	-241,244	-333,271
Changes due to 2004 U.S. direct investment benchmark survey .....			-37,137	(?)	(?)	(?)
Revisions due to updated source data .....			-43,897	-43,897	-5,886	2,144
Previously published .....	-154,460	-149,564	-279,086	7,662	-235,358	-335,415
<b>Foreign securities (line 52):</b>						
Revised .....	-48,568	-146,722	-170,549	-251,199	-365,204	-288,731
Amount of revision .....			-24,000	-54,101	-75,782	-14,880
Previously published .....	-48,568	-146,722	-146,549	-197,098	-289,422	-273,851
<b>Foreign bonds:</b>						
Revised .....	-31,614	-28,719	-85,793	-64,513	-227,795	-170,708
Changes due to 2006 Treasury benchmark survey .....			-24,000	-10,000	-72,000	-31,000
Revisions due to updated source data .....				-16	-4,911	3,144
Previously published .....	-31,614	-28,719	-61,793	-54,497	-150,884	-142,852
<b>Foreign stocks:</b>						
Revised .....	-16,954	-118,003	-84,756	-186,686	-137,409	-118,023
Changes due to 2006 Treasury benchmark survey .....				-44,000		
Revisions due to updated source data .....				-85	1,129	12,976
Previously published .....	-16,954	-118,003	-84,756	-142,601	-138,538	-130,999
<b>U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns (line 53):</b>						
Revised .....	-50,022	-18,184	-152,566	-71,207	-164,597	-706
Changes due to new data on asset-backed commercial paper .....				-55,000	-90,000	-30,000
Revisions due to updated source data .....			-28,429	23,396	8,934	13,475
Previously published .....	-50,022	-18,184	-124,137	-39,603	-83,531	15,819
<b>Foreign official assets in the United States</b>						
<b>U.S. Treasury securities (line 58):</b>						
Revised .....	60,466	184,931	273,279	112,841	208,564	58,865
Changes to bonds and notes due to 2007 Treasury annual survey .....					19,383	8,390
Revisions due to updated source data .....						575
Previously published .....	60,466	184,931	273,279	112,841	189,181	49,900
<b>Other (line 59):</b>						
Revised .....	30,505	39,943	41,662	100,493	219,837	171,465
Changes to agency bonds due to 2007 Treasury annual survey .....					28,284	-9,804
Revisions due to updated source data .....						-683
Previously published .....	30,505	39,943	41,662	100,493	191,553	181,952
<b>Other foreign assets in the United States</b>						
<b>U.S. Treasury securities (line 65):</b>						
Revised .....	100,403	91,455	93,608	132,300	-58,204	156,825
Changes to bonds and notes due to 2007 Treasury annual survey .....					-19,382	-8,390
Revisions due to updated source data .....					-2,891	-1,086
Previously published .....	100,403	91,455	93,608	132,300	-35,931	166,301
<b>U.S. securities other than U.S. Treasury securities (line 66):</b>						
Revised .....	283,299	220,705	381,493	450,386	683,363	573,850
Amount of revision .....					91,412	181,966
Previously published .....	283,299	220,705	381,493	450,386	591,951	391,884
<b>U.S. corporate bonds:</b>						
Revised .....	145,415	223,215	254,564	312,314	517,773	372,087
Changes due to 2007 Treasury annual survey .....					96,000	114,000
Revisions due to updated source data .....					9,513	11,349
Previously published .....	145,415	223,215	254,564	312,314	412,260	246,738
<b>U.S. agency bonds:</b>						
Revised .....	81,832	-36,801	67,380	49,768	25,783	19,353
Changes due to 2007 Treasury annual survey .....					-7,915	53,734
Revisions due to updated source data .....					-3,236	3,830
Previously published .....	81,832	-36,801	67,380	49,768	36,934	-38,211
<b>U.S. corporate stocks:</b>						
Revised .....	56,052	34,291	59,549	88,304	139,807	182,410
Revisions due to updated source data .....					-2,950	-947
Previously published .....	56,052	34,291	59,549	88,304	142,757	183,357
<b>U.S. currency (line 67):</b>						
Revised .....	18,861	10,591	13,301	8,447	2,227	-10,675
Changes due to updated methodology <sup>4</sup> .....	-2,652	-6,049	-1,528	-10,522	-10,344	-21,612
Previously published .....	21,513	16,640	14,829	18,969	12,571	10,937

1. Credits +: An increase in U.S. receipts and U.S. liabilities, or a decrease in U.S. payments and U.S. claims.  
 Debits -: An increase in U.S. payments and U.S. claims, or a decrease in U.S. receipts and U.S. liabilities.  
 2. Revisions due to benchmark surveys are not separately identifiable for this period.  
 3. Revisions due to updated source data other than the benchmark survey are not separately identifiable for

this period.

4. U.S. currency was revised back to 1974. See table B in this article for the revised estimates.

NOTE: Line numbers refer to table 1 in "U.S. International Transactions: First Quarter of 2008" in this issue of the Survey.

Table 3. Major Sources of Revisions, International Investment Position at Yearend, 2002–2007

[Millions of dollars]

	2002	2003	2004	2005	2006	2007
<b>U.S. private assets</b>						
<b>U.S. direct investment abroad (lines 18 and 43):</b>						
Revised:						
At current cost.....	1,867,043	2,054,464	2,498,494	2,651,721	2,935,977	3,332,828
At market value.....	2,022,588	2,729,126	3,362,796	3,637,996	4,454,635	5,147,952
Changes due to 2004 U.S. direct investment benchmark survey:						
At current cost.....			34,886	(1)	(1)	(2)
At market value.....			26,375	(1)	(1)	(2)
Revisions due to updated source data:						
At current cost.....			(2)	116,533	80,358	(2)
At market value.....				67,744	76,805	(2)
Previously published:						
At current cost.....	1,867,043	2,054,464	2,463,608	2,535,188	2,855,619	(2)
At market value.....	2,022,588	2,729,126	3,336,421	3,570,252	4,377,830	(2)
<b>Foreign securities (line 19):</b>						
Revised.....	2,076,722	2,948,370	3,545,396	4,329,259	5,604,475	6,648,686
Amount of revision.....	-3,169	-5,408	-7,991	-16,625	172,211	(2)
Previously published.....	2,079,891	2,953,778	3,553,387	4,345,884	5,432,264	(2)
<b>Foreign bonds (line 20):</b>						
Revised.....	702,742	868,948	984,978	1,011,554	1,275,515	1,478,087
Changes due to 2006 Treasury benchmark survey.....					108,269	(2)
Changes due to removal of reserve positions.....	-2,484	-5,408	-7,991	-16,625	-18,544	(2)
Revisions due to updated source data.....					5,032	(2)
Previously published.....	705,226	874,356	992,969	1,028,179	1,180,758	(2)
<b>Foreign stocks (line 21):</b>						
Revised.....	1,373,980	2,079,422	2,560,418	3,317,705	4,328,960	5,170,599
Changes due to 2006 Treasury benchmark survey.....					78,827	(2)
Changes due to new stock price methodology.....	-685					(2)
Revisions due to updated source data.....					-1,373	(2)
Previously published.....	1,374,665	2,079,422	2,560,418	3,317,705	4,251,506	(2)
<b>U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns (line 22):</b>						
Revised.....	901,946	594,004	793,556	1,018,462	1,163,102	1,176,027
Changes due to new data on asset-backed commercial paper.....				226,000	316,000	(2)
Revisions due to updated source data.....			55,918	58,428	-1,362	(2)
Previously published.....	901,946	594,004	737,638	734,034	848,464	(2)
<b>Foreign official assets in the United States</b>						
<b>U.S. government securities (line 28):</b>						
Revised.....	970,359	1,186,500	1,509,986	1,725,193	2,167,112	2,502,831
Amount of revision.....					62,416	(2)
Previously published.....	970,359	1,186,500	1,509,986	1,725,193	2,104,696	(2)
<b>U.S. Treasury securities (line 29):</b>						
Revised.....	811,995	986,301	1,251,943	1,340,598	1,558,317	1,697,365
Changes to bonds and notes due to 2007 Treasury annual survey.....					37,724	(2)
Revisions due to updated source data.....					-175	(2)
Previously published.....	811,995	986,301	1,251,943	1,340,598	1,520,768	(2)
<b>Other (line 30):</b>						
Revised.....	158,364	200,199	258,043	384,595	608,795	805,466
Changes to agency bonds due to 2007 Treasury annual survey.....					24,566	(2)
Revisions due to updated source data.....					301	(2)
Previously published.....	158,364	200,199	258,043	384,595	583,928	(2)
<b>Other foreign official assets (line 33):</b>						
Revised.....	107,598	158,589	215,239	268,586	342,822	404,468
Changes to corporate bonds and stocks due to 2007 Treasury annual survey.....					-6,961	(2)
Revisions due to updated source data.....						(2)
Previously published.....	107,598	158,589	215,239	268,586	349,783	(2)
<b>Other foreign assets in the United States</b>						
<b>U.S. Treasury securities (line 36):</b>						
Revised.....	473,503	527,223	561,610	643,793	567,885	734,776
Changes to bonds and notes due to 2007 Treasury annual survey.....					-26,361	(2)
Revisions due to updated source data.....					3	(2)
Previously published.....	473,503	527,223	561,610	643,793	594,243	(2)
<b>U.S. securities other than U.S. Treasury securities (line 37):</b>						
Revised.....	2,779,067	3,422,856	3,995,506	4,352,998	5,372,361	6,132,438
Amount of revision.....					143,825	(2)
Previously published.....	2,779,067	3,422,856	3,995,506	4,352,998	5,228,536	(2)
<b>U.S. corporate bonds (part of line 38):</b>						
Revised.....	1,126,381	1,333,509	1,584,304	1,758,370	2,289,301	2,712,252
Changes due to 2007 Treasury annual survey.....					110,347	(2)
Revisions due to updated source data.....					10,481	(2)
Previously published.....	1,126,381	1,333,509	1,584,304	1,758,370	2,168,473	(2)
<b>U.S. agency bonds (part of line 38):</b>						
Revised.....	404,601	377,278	450,845	484,765	535,578	587,073
Changes due to 2007 Treasury annual survey.....					17,246	(2)
Revisions due to updated source data.....					-3,011	(2)
Previously published.....	404,601	377,278	450,845	484,765	521,343	(2)
<b>U.S. corporate stocks (line 39):</b>						
Revised.....	1,248,085	1,712,069	1,960,357	2,109,863	2,547,482	2,833,113
Changes due to 2007 Treasury annual survey.....					10,357	(2)
Revisions due to updated source data.....					-1,595	(2)
Previously published.....	1,248,085	1,712,069	1,960,357	2,109,863	2,538,720	(2)
<b>U.S. currency (line 40):</b>						
Revised.....	248,061	258,652	271,953	280,400	282,627	271,952
Changes due to updated methodology.....	-53,207	-59,256	-60,784	-71,306	-81,650	(2)
Previously published.....	301,268	317,908	332,737	351,706	364,277	(2)

1. Revisions due to benchmark surveys are not separately identifiable for this period.  
2. Revisions due to updated source data other than the benchmark survey are not separately identifiable for this period.  
3. Estimates were not previously published.

4. U.S. currency was revised back to 1976. See table B in this article for revised estimates.  
Note: Line numbers refer to table 1 in "The International Investment Position of the United States at Yearend 2007" in this issue of the Survey.

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

Like most of the economic statistics produced by the Bureau of Economic Analysis (BEA), the estimates of financial-account transactions in the international transactions accounts (ITAs) are based largely on source data from other government agencies—in this case, from the Treasury International Capital (TIC) reporting system of the U.S. Department of the Treasury. These data are available on the Treasury Department's Web site and in the *Treasury Bulletin*.

The following tables present the adjustments made by BEA to align and augment the TIC data for inclusion in the financial account. Table 1 presents transactions in foreign long-term securities, in U.S. long-term securities, excluding U.S. Treasury securities, and in U.S. Treasury securities. Table 2 presents claims on, and liabilities to, foreigners reported by U.S. nonbanking concerns, and table 3 presents claims on, and liabilities to, foreigners reported by U.S. banks. Examples of the adjustments that BEA makes to align the TIC data with balance-of-payments concepts and to close gaps in coverage are presented below.

**Aligning with balance-of-payments concepts.** The TIC data for gross U.S. purchases of foreign stocks and bonds (table 1, line A1) include the commissions that are paid by the U.S. purchasers to foreign brokers. In the ITAs, payments of commissions to foreigners are treated as payments for financial services, not as purchases of

securities, and these payments are included in the current account, not in the financial account. Therefore, BEA adjusts the TIC data for gross U.S. purchases by subtracting an estimate of payments of brokerage commissions (line A3) from the data for gross purchases.

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

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

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

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

[Millions of dollars]

Line		2005 <sup>r</sup>	2006 <sup>r</sup>	2007 <sup>p</sup>
<b>Foreign Long-Term Securities</b>				
A1	Gross U.S. purchases of foreign stocks and bonds, TIC .....	3,872,378	5,784,488	8,411,334
2	Plus: Security swap transactions and other coverage adjustments .....	78,595	112,740	63,520
3	Minus: Brokerage commissions .....	820	1,163	1,433
4	Plus: Underwriting and private placement fees .....	1,813	3,913	4,861
5	<b>Equals: Gross U.S. purchases of foreign stocks and bonds, ITAs .....</b>	<b>3,951,966</b>	<b>5,899,978</b>	<b>8,478,282</b>
6	Gross U.S. sales of foreign stocks and bonds, TIC .....	3,699,986	5,533,652	8,188,148
7	Plus: Brokerage commissions .....	781	1,122	1,403
8	<b>Equals: Gross U.S. sales of foreign stocks and bonds, ITAs .....</b>	<b>3,700,767</b>	<b>5,534,774</b>	<b>8,189,551</b>
9	Net U.S. purchases (-) or sales (+) of foreign stocks and bonds, TIC (A6 - A1) .....	-172,392	-250,836	-223,186
10	Plus: Coverage adjustments ((A7) - (A2 - A3 + A4)) .....	-78,807	-114,368	-65,545
11	<b>Net U.S. purchases (-) or sales (+) of foreign long-term securities, ITAs (A8 - A5) (table 1, line 52) .....</b>	<b>-251,199</b>	<b>-365,204</b>	<b>-288,731</b>
<b>U.S. Long-Term Securities, Excluding U.S. Treasury Securities</b>				
B1	Gross foreign purchases of other U.S. long-term securities, TIC .....	7,106,213	10,127,445	14,602,142
2	Plus: Security swap transactions and other coverage adjustments .....	11,034	2,009	10,655
3	Minus: Brokerage commissions .....	2,490	4,665	5,536
4	Plus: Underwriting and private placement fees .....	225	325	386
5	<b>Equals: Gross foreign purchases of other U.S. long-term securities, ITAs .....</b>	<b>7,114,982</b>	<b>10,125,114</b>	<b>14,607,647</b>
6	Gross foreign sales of other U.S. long-term securities, TIC .....	6,432,785	9,179,747	13,798,680
7	Plus: Brokerage commissions .....	2,311	3,996	4,944
8	Plus: Coverage adjustment for gross sales .....	108,912	3,814	-7,983
9	<b>Equals: Gross foreign sales of other U.S. long-term securities, ITAs .....</b>	<b>6,544,008</b>	<b>9,187,557</b>	<b>13,795,641</b>
10	Net foreign purchases (+) or sales (-) of other U.S. long-term securities, TIC (B1 - B6) .....	673,428	947,698	803,462
11	Plus: Coverage adjustments ((B2 - B3 + B4) - (B7 + B8)) .....	-102,454	-10,141	8,544
12	<b>Net foreign purchases (+) or sales (-) of other U.S. long-term securities, ITAs (B5 - B9) (table 1, line 59 + 62 + 66) .....</b>	<b>570,974</b>	<b>937,557</b>	<b>812,006</b>
13	Other U.S. Government securities, foreign official assets (table 1, line 59) .....	100,493	219,837	171,465
14	Other foreign official assets (table 1, line 62) .....	20,095	34,357	66,691
15	Other U.S. securities, other foreign assets (table 1, line 66) .....	450,386	683,363	573,850
<b>U.S. Treasury Securities</b>				
C1	Gross foreign purchases of U.S. Treasury marketable bonds and notes, TIC .....	10,051,249	10,958,018	15,127,646
2	Minus: Brokerage commissions and other fees .....	675	926	1,044
3	<b>Equals: Gross foreign purchases of U.S. Treasury marketable bonds and notes, ITAs .....</b>	<b>10,050,574</b>	<b>10,957,092</b>	<b>15,126,602</b>
4	Gross foreign sales of U.S. Treasury marketable bonds and notes, TIC .....	9,713,136	10,762,487	14,926,466
5	Plus: Brokerage commissions and other fees .....	675	927	1,045
6	Plus: Coverage adjustment for gross sales .....	32,000	32,000	32,000
7	<b>Equals: Gross foreign sales of U.S. Treasury marketable bonds and notes, ITAs .....</b>	<b>9,745,811</b>	<b>10,795,414</b>	<b>14,959,511</b>
8	Net foreign purchases (+) or sales (-) of U.S. Treasury marketable bonds and notes, TIC (C1 - C4) .....	338,113	195,531	201,180
9	Plus: Coverage adjustments (-(C2) - (C5 + C6)) .....	-33,350	-33,853	-34,089
10	<b>Net foreign purchases (+) or sales (-) of U.S. Treasury marketable bonds and notes, ITAs (C3 - C7) .....</b>	<b>304,763</b>	<b>161,678</b>	<b>167,091</b>
11	Plus: Non-marketable bonds and notes .....	-682	79	84
12	Plus: Short-term U.S. Treasury obligations .....	-58,940	-11,397	48,515
13	<b>Net foreign purchases (+) or sales (-) of U.S. Treasury securities, ITAs (C10 + C11 + C12) (table 1, line 58 + line 65) .....</b>	<b>245,141</b>	<b>150,360</b>	<b>215,690</b>
14	U.S. Treasury securities, foreign official assets (table 1, line 58) .....	112,841	208,564	58,865
15	U.S. Treasury securities, other foreign assets (table 1, line 65) .....	132,300	-58,204	156,825

p Preliminary  
r Revised

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

[Millions of dollars]

Line		2005 <sup>r</sup>	2006 <sup>r</sup>	2007 <sup>p</sup>
<b>Claims</b>				
(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)				
A1	Total claims outstanding, beginning of year, TIC .....	143,232	144,950	126,032
2	Total claims outstanding, end of year, TIC .....	144,950	126,032	136,019
3	<b>Change in claims, TIC (A1 - A2)</b> .....	-1,718	18,918	-9,987
4	<b>Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments <sup>1</sup></b> .....	18,105	-13,085	-12,329
5	<b>Plus: Financial intermediaries' accounts <sup>2</sup></b> .....	-61,152	-110,621	96,873
6	<b>Plus: Supplemental source data <sup>3</sup></b> .....	7,830	-84,741	-100,792
7	<b>Plus: Other coverage adjustments <sup>4</sup></b> .....	1,938	-1,238	871
8	<b>Equals: Claims on unaffiliated foreigners reported by U.S. nonbanking concerns, except securities brokers, ITAs (A3 - A4 + A5 + A6 + A7) (table 1, line 53)</b> .....	-71,207	-164,597	-706
<b>Liabilities</b>				
(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)				
B1	Total liabilities outstanding, beginning of year, TIC .....	92,009	76,710	89,217
2	Total liabilities outstanding, end of year, TIC .....	76,710	89,217	103,801
3	<b>Change in liabilities, TIC (B2 - B1)</b> .....	-15,299	12,507	14,584
4	<b>Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments <sup>1</sup></b> .....	-9,596	9,576	6,895
5	<b>Plus: Financial intermediaries' accounts <sup>2</sup></b> .....	12,962	55,305	25,658
6	<b>Plus: Supplemental source data <sup>3</sup></b> .....	58,884	146,491	122,507
7	<b>Plus: Other coverage adjustments <sup>4</sup></b> .....	3,429	38,000	436
8	<b>Equals: Liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns, except securities brokers, ITAs (B3 - B4 + B5 + B6 + B7) (table 1, line 68)</b> .....	69,572	242,727	156,290

p Preliminary  
r Revised  
1. Includes unrealized gains or losses only on foreign-currency-denominated assets and liabilities.  
2. Financial intermediaries' accounts represent transactions between firms in a direct investment relationship (that is, between U.S. parents and their foreign affiliates or between U.S. affiliates and their foreign parent groups), where both the U.S. and the foreign firm are classified in a finance industry, but the firms are neither banks nor securities brokers.  
3. Includes supplemental transactions from the Bank of England, the Bank for International Settlements (BIS), and the Federal Reserve Board.  
4. Includes supplemental insurance transactions and adjustments to avoid double-counting U.S. claims on foreigners.  
5. Includes adjustments to avoid double counting U.S. liabilities to foreigners, and, in 2005, includes supplemental futures trading transactions.

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

[Millions of dollars]

Line		2005 <sup>r</sup>	2006 <sup>r</sup>	2007 <sup>p</sup>
<b>Claims</b>				
(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)				
A1	Total claims outstanding, beginning of year, TIC .....	2,188,441	2,500,399	3,140,590
2	Total claims outstanding, end of year, TIC .....	2,500,399	3,140,590	3,812,388
3	<b>Change in claims, TIC (A1 - A2)</b> .....	-311,958	-640,191	-671,798
4	<b>Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments <sup>1</sup></b> .....	-67,883	-151,767	-34,694
5	<b>Minus: Direct investment</b> .....	-1,498	2,229	2,125
6	<b>Plus: Coverage adjustments including commercial paper and other adjustments <sup>2</sup></b> .....	34,952	2,229	-5,522
7	<b>Equals: Claims on foreigners reported by U.S. banks, not included elsewhere, ITAs (A3 - A4 - A5 + A6) (table 1, line 54)</b> .....	-207,625	-488,424	-644,751
<b>Liabilities</b>				
(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)				
B1	Total liabilities outstanding, beginning of year, TIC .....	3,017,873	3,186,745	4,010,427
2	Total liabilities outstanding, end of year, TIC .....	3,186,745	4,010,427	4,750,213
3	<b>Change in liabilities, TIC (B2 - B1)</b> .....	168,872	823,682	739,786
4	<b>Minus: Valuation adjustments including unrealized exchange-rate gain or loss and other adjustments</b> .....	-10,902	347,782	59,337
5	<b>Minus: Direct investment</b> .....	-2,282	3,832	-9,574
6	<b>Plus: Coverage adjustments including short-term U.S. Treasury obligations and other adjustments <sup>3</sup></b> .....	58,940	11,397	-48,515
7	<b>Equals: Liabilities to foreigners reported by U.S. banks, not included elsewhere, ITAs (B3 - B4 - B5 + B6) (table 1, lines 61 + 69)</b> .....	240,996	483,465	641,508
8	Liabilities to foreign official agencies (table 1, line 61) .....	26,260	22,365	108,695
9	Liabilities to other foreigners (table 1, line 69) .....	214,736	461,100	532,813

p Preliminary  
r Revised  
1. Includes adjustments for claims on foreigners written off by U.S. reporters.  
2. Includes adjustments for supplemental transactions in foreign commercial paper and other instruments.  
3. Includes adjustments for transactions that are included in other international transactions accounts, including transactions in short-term U.S. Treasury obligations and in other liabilities held in custody by U.S. reporters.

# U.S. International Transactions

## First Quarter of 2008

By Renee M. Sauers and Kristy L. Howell

*The estimates presented in this article reflect the annual revision of the international transactions accounts. For more information, see "Annual Revision of the U.S. International Accounts, 1974–2007" in this issue.*

THE U.S. current-account deficit—the combined balances on trade in goods and services, income, and net unilateral current transfers—increased to \$176.4 billion (preliminary) in the first quarter of 2008 from \$167.2 billion (revised) in the fourth quarter of 2007 (table A, chart 1).<sup>1</sup> The increase mostly resulted from a decrease in the surplus on income. In addition, the deficit on goods and net unilateral current trans-

fers to foreigners both increased. An increase in the surplus on services was partly offsetting.

In the financial account, net financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$124.3 billion in the first quarter, down from \$213.4 billion in the fourth quarter. Net acquisitions by U.S. residents picked up more than net acquisitions by foreign residents.

The statistical discrepancy—errors and omissions in recorded transactions—was a positive \$52.6 billion in the first quarter, compared with a negative \$45.6 billion in the fourth quarter. The following are highlights

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

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

[Millions of dollars, quarters seasonally adjusted]

Line	Corresponding lines in tables 1 and 12 are indicated in ( ) (Credits +; debits -)	2006	2007	2006				2007				2008	Change: 2007:IV- 2008:I
				I	II	III	IV	I	II	III	IV		
<b>Current account</b>													
1	Exports of goods and services and income receipts (1).....	2,142,164	2,463,505	504,862	529,782	543,893	563,627	572,182	602,122	638,393	650,808	653,728	2,920
2	Goods, balance of payments basis (3).....	1,023,109	1,148,481	244,679	253,332	259,277	265,821	270,318	279,488	295,494	303,180	317,813	14,633
3	Services (4).....	433,905	497,245	104,500	106,439	108,365	114,600	115,118	120,463	129,378	132,285	136,458	4,173
4	Income receipts (12).....	685,150	817,779	155,683	170,011	176,251	183,205	186,746	202,171	213,520	215,343	199,457	-15,886
5	Imports of goods and services and income payments (18).....	-2,838,254	-3,082,014	-679,297	-705,572	-730,083	-723,303	-738,938	-771,262	-783,548	-788,264	-798,877	-10,613
6	Goods, balance of payments basis (20).....	-1,861,380	-1,967,853	-453,286	-465,016	-477,900	-465,178	-473,681	-485,375	-496,698	-512,099	-528,845	-16,746
7	Services (21).....	-348,918	-378,130	-84,981	-86,586	-87,213	-90,129	-91,298	-93,395	-96,288	-97,149	-100,346	-3,197
8	Income payments (29).....	-627,956	-736,030	-141,031	-153,960	-164,969	-167,996	-173,959	-192,492	-190,562	-179,016	-169,686	9,330
9	Unilateral current transfers, net (35).....	-92,027	-112,705	-21,516	-24,116	-24,716	-21,679	-30,174	-24,953	-27,796	-29,784	-31,227	-1,443
<b>Capital account</b>													
10	Capital account transactions, net (39).....	-3,880	-1,843	-1,716	-1,005	-533	-626	-543	-112	-617	-571	-597	-26
<b>Financial account</b>													
11	U.S.-owned assets abroad, excluding financial derivatives (increase/financial outflow (-)) (40).....	-1,251,749	-1,289,854	-359,608	-234,828	-286,769	-370,543	-442,065	-523,556	-170,476	-153,757	-286,627	-132,870
12	U.S. official reserve assets (41).....	2,374	-122	513	-560	1,006	1,415	-72	26	-54	-22	-276	-254
13	U.S. government assets, other than official reserve assets (46).....	5,346	-22,273	1,049	1,765	1,570	962	445	-596	623	-22,744	3,346	26,090
14	U.S. private assets (50).....	-1,259,469	-1,267,459	-361,170	-236,033	-289,346	-372,920	-442,438	-522,985	-171,045	-130,990	-289,697	-158,707
15	Foreign-owned assets in the United States, excluding financial derivatives (increase/financial inflow (+)) (55).....	2,061,113	2,057,703	537,649	405,008	524,858	593,598	692,713	718,112	266,476	380,402	410,962	30,560
16	Foreign official assets in the United States (56).....	487,939	411,058	130,427	127,303	121,843	108,366	163,270	88,822	13,469	145,497	173,501	28,004
17	Other foreign assets in the United States (63).....	1,573,174	1,646,645	407,222	277,705	403,015	485,232	529,443	629,290	253,007	234,905	237,461	2,556
18	Financial derivatives, net (70).....	29,710	6,496	1,633	14,090	15,134	-1,147	14,795	-1,007	5,942	-13,234	n.a.	13,234
19	Statistical discrepancy (sum of above items with sign reversed) (71).....	-47,078	-41,287	17,994	16,641	-41,784	-39,927	-67,970	656	71,627	-45,600	52,638	98,238
<b>Memoranda:</b>													
20	Balance on current account (77).....	-788,116	-731,214	-195,952	-199,906	-210,906	-181,355	-196,930	-194,093	-172,952	-167,241	-176,376	-9,135
21	Net financial flows (40, 55, and 70).....	839,074	774,345	179,674	184,270	253,223	221,908	265,443	193,549	101,942	213,411	124,335	-89,076

p Preliminary  
n.a. Not available

for the first quarter of 2008:

- Exports and imports of goods both increased strongly. The increase in imports resulted mostly from petroleum and products, which increased very strongly for the second consecutive quarter.
- Income receipts and income payments both decreased substantially, but receipts decreased more than payments. The decreases resulted mostly from large declines in “other” private receipts and payments.
- Net private foreign transactions in U.S. securities other than U.S. Treasury securities shifted substantially to net sales from net purchases.
- U.S. claims reported by U.S. banks increased strongly. In contrast, U.S. claims reported by U.S. nonbanking concerns decreased for the third consecutive quarter.

- U.S. liabilities reported by U.S. nonbanking concerns increased in the first quarter after decreasing sharply in the fourth quarter.

### Current Account

#### Goods and services

The deficit on goods and services increased to \$174.9 billion in the first quarter from \$173.8 billion in the fourth quarter. A \$2.1 billion increase in the deficit on goods was partly offset by a \$1.0 billion increase in the surplus on services.

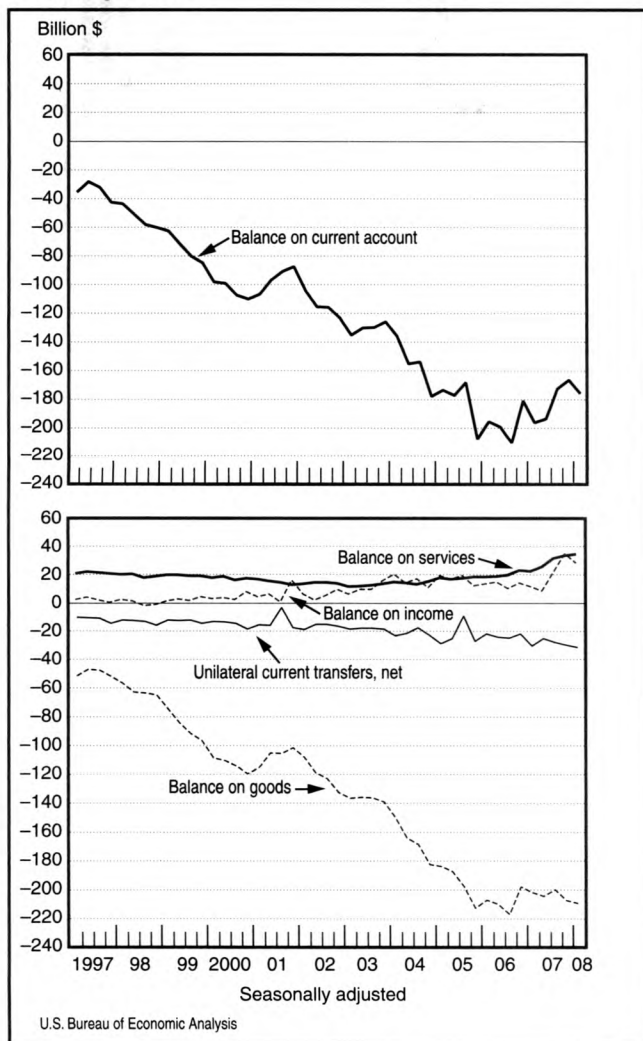
#### Goods

The deficit on goods increased to \$211.0 billion in the first quarter from \$208.9 billion in the fourth quarter, as imports increased more than exports. The deficit on petroleum and products increased for the fifth consecutive quarter. In contrast, the deficit on nonpetroleum products decreased for the fourth consecutive quarter.

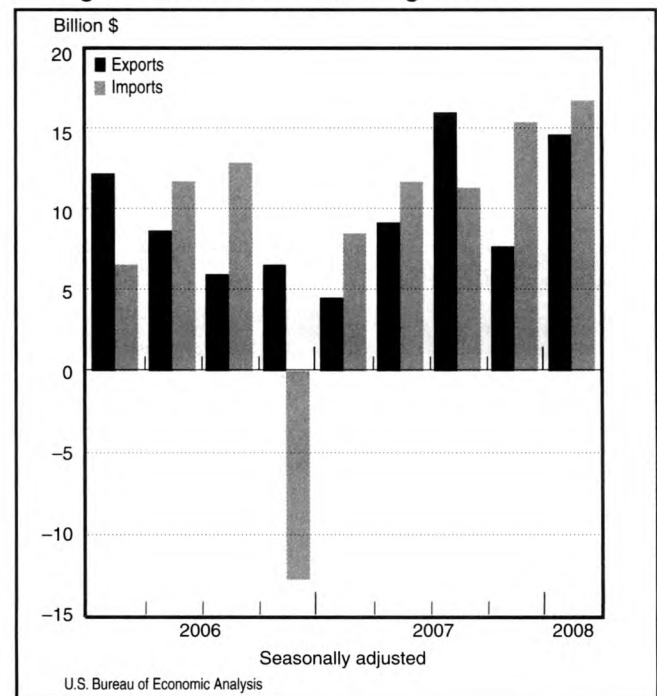
On a price-adjusted, or real, basis, total exports increased, and total imports changed little. As a result, real net exports of goods contributed substantially to real gross domestic product growth for the fifth time in the last six quarters.

**Exports.** In the first quarter, current-dollar exports of goods increased \$14.6 billion, or 4.8 percent, to \$317.8 billion (table B, chart 2). Real exports increased

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



**Chart 2. Goods Exports and Imports: Change in Value From Preceding Quarter**



2.3 percent, and export prices increased 2.5 percent.<sup>2</sup> The current-dollar increase was largely accounted for by increases in nonagricultural industrial supplies and materials and in agricultural products.

Nonagricultural industrial supplies and materials increased \$8.7 billion. The increase largely resulted from increases in metals and nonmetallic products, particularly nonmonetary gold, in energy products, particularly petroleum and products, and in chemicals. Nonmonetary gold more than doubled after declining for two consecutive quarters partly as a result of an increase in gold prices. Petroleum and products were also boosted by higher prices.

Agricultural products increased \$3.8 billion. The increase was largely accounted for by strong increases in soybeans, corn, and meat products and poultry, partly reflecting substantial increases in prices (chart 3). Soybean production has fallen, and prices have risen as strong demand for corn has caused agricultural production to shift towards corn and away from other crops. Corn exports continued to be underpinned by a shortage of world supply, resulting both from strong demand, partly by ethanol producers, and from reduced shipments from some exporting countries.

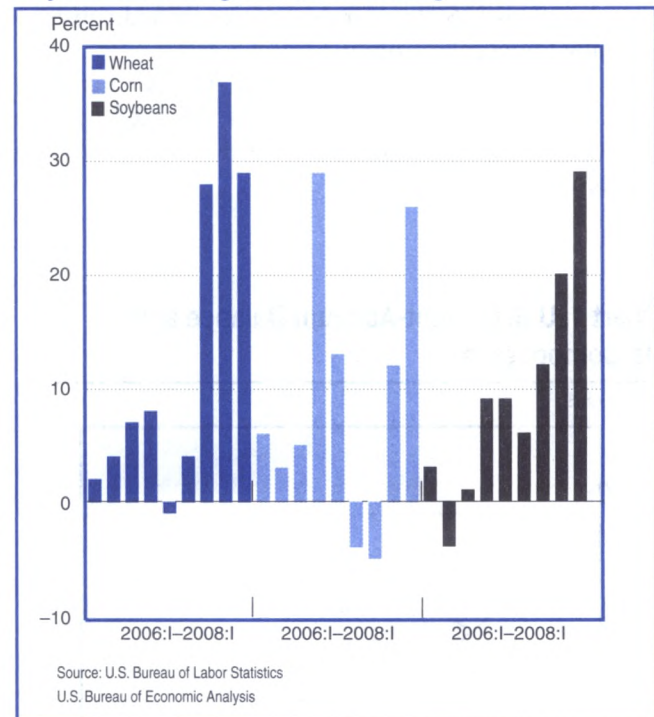
Consumer goods increased \$1.6 billion, as a result of increases in both durable and nondurable goods. Among durable goods, the largest increase was in gems, jewelry, and collectibles, mainly to the United Kingdom and France. The rise in nondurable goods re-

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

flected exports of medicinal, dental, and pharmaceutical preparations, mostly to the Netherlands and Spain.

Capital goods decreased \$0.7 billion. The decrease resulted from a decline in civilian aircraft, as decreases in deliveries of completed aircraft to several countries in Asia, the Middle East, and Latin America were only partly offset by an increase in deliveries to Europe.

**Chart 3. Export Prices of Corn, Wheat, and Soybeans: Change from Preceding Quarter**



**Table B. U.S. Trade in Goods in Current and Chained (2000) Dollars and Percent Changes From Previous Period**

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

	Current dollars							Chained (2000) dollars <sup>1</sup>						
	2006	2007	2007				2008	2006	2007	2007				2008
			I	II	III	IV				I <sup>p</sup>	I	II	III	
<b>Exports</b> .....	<b>1,023,109</b>	<b>1,148,481</b>	<b>270,318</b>	<b>279,488</b>	<b>295,494</b>	<b>303,180</b>	<b>317,813</b>	<b>920,741</b>	<b>997,196</b>	<b>238,755</b>	<b>243,830</b>	<b>255,766</b>	<b>258,452</b>	<b>264,417</b>
Agricultural products .....	72,869	92,115	19,933	21,517	24,960	25,705	29,455	58,085	61,786	14,248	15,104	16,566	15,739	16,191
Nonagricultural products .....	950,240	1,056,366	250,385	257,971	270,534	277,475	288,358	864,444	937,484	225,112	229,200	239,500	243,433	248,941
<b>Imports</b> .....	<b>1,861,380</b>	<b>1,967,853</b>	<b>473,681</b>	<b>485,375</b>	<b>496,698</b>	<b>512,099</b>	<b>528,845</b>	<b>1,630,244</b>	<b>1,663,752</b>	<b>417,156</b>	<b>414,624</b>	<b>416,497</b>	<b>415,520</b>	<b>415,657</b>
Petroleum and products .....	302,430	330,978	70,797	78,131	83,019	99,031	112,172	138,180	135,144	35,787	33,624	32,420	33,758	35,113
Nonpetroleum products.....	1,558,950	1,636,875	402,884	407,244	413,679	413,068	416,673	1,504,894	1,547,946	384,556	386,163	390,942	386,265	382,606
	Current dollars							Chained (2000) dollars <sup>1</sup>						
	2006	2007	2007				2008	2006	2007	2007				2008
			I	II	III	IV	I <sup>p</sup>			I	II	III	IV	I <sup>p</sup>
<b>Exports</b> .....	<b>14.4</b>	<b>12.3</b>	<b>1.7</b>	<b>3.4</b>	<b>5.7</b>	<b>2.6</b>	<b>4.8</b>	<b>10.7</b>	<b>8.3</b>	<b>0.8</b>	<b>2.1</b>	<b>4.9</b>	<b>1.1</b>	<b>2.3</b>
Agricultural products .....	12.3	26.4	6.1	7.9	16.0	3.0	14.6	8.5	6.4	-0.2	6.0	9.7	-5.0	2.9
Nonagricultural products .....	14.5	11.2	1.4	3.0	4.9	2.6	3.9	10.8	8.4	0.9	1.8	4.5	1.6	2.3
<b>Imports</b> .....	<b>10.7</b>	<b>5.7</b>	<b>1.8</b>	<b>2.5</b>	<b>2.3</b>	<b>3.1</b>	<b>3.3</b>	<b>6.2</b>	<b>2.1</b>	<b>1.6</b>	<b>-0.6</b>	<b>0.5</b>	<b>-0.2</b>	<b>0.0</b>
Petroleum and products .....	20.1	9.4	5.0	10.4	6.3	19.3	13.3	-2.0	-2.2	6.9	-6.0	-3.6	4.1	4.0
Nonpetroleum products.....	9.0	5.0	1.3	1.1	1.6	-0.1	0.9	7.7	2.9	0.8	0.4	1.2	-1.2	-0.9

<sup>p</sup> Preliminary

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



Capital goods other than civilian aircraft increased slightly. The largest increases were in “other” office and business machines and in telecommunications equipment. In contrast, industrial engines, pumps, and compressors dropped substantially, and computers, parts, and peripherals and semiconductors also decreased.

Automotive vehicles, parts, and engines decreased \$0.8 billion. Automotive exports to Canada fell substantially as a result of decreases in parts and in trucks and buses.

**Imports.** Imports of goods increased \$16.7 billion, or 3.3 percent, to \$528.8 billion (table B, chart 2). Real imports changed little, and import prices increased 3.3 percent. More than three-fourths of the increase in value was accounted for by petroleum and products. In the last two quarters, petroleum imports have increased especially strongly (chart 4).

In the first quarter, petroleum and products increased \$13.1 billion as a result of increases in petroleum prices and import volume. The average price per barrel of petroleum rose 9 percent, to \$87.44 in the first quarter from \$80.12 in the fourth quarter. The average number of barrels imported daily increased to 14.07 million from 13.47 million. The largest increases in imports were from members of OPEC, particularly Iraq, Saudi Arabia, and Angola.

Nonpetroleum industrial supplies and materials increased \$4.2 billion. The increase was more than accounted for by increases in metals and nonmetallic products and in chemicals. The increase in metals and nonmetallic products largely resulted from a surge in nonmonetary gold, mostly from Switzerland; iron and steel products also increased strongly. Chemicals increased at the highest rate in many quarters, mostly as a result of a strong rise in prices. In contrast, building products continued to decline amid weak U.S. residential construction.

Foods, feeds, and beverages increased \$0.4 billion. The increase mostly reflected an increase in imports of “other” agricultural foods, feeds, and beverages from Canada.

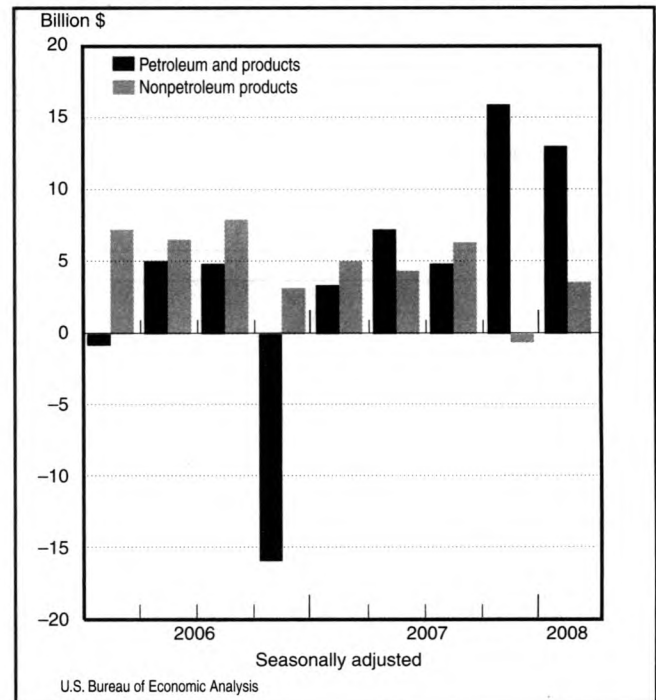
Capital goods increased \$0.3 billion. The largest increases were in civilian aircraft, in machine tools and metalworking machinery, and in oil drilling, mining, and construction machinery. These increases were largely offset by decreases in telecommunications equipment, in computers, peripherals, and parts, and in semiconductors.

Consumer goods decreased \$0.7 billion as a result of a decline in durable goods. The largest decreases were in televisions and video receivers, in gems, jewelry, and collectibles, and in household and kitchen appliances. In contrast, nondurable goods increased, mostly as a

result of a surge in medicinal, dental, and pharmaceutical products.

Automotive vehicles, parts, and engines decreased \$0.7 billion. Like automotive exports, automotive imports from Canada fell sharply. Imports of trucks and buses and of passenger cars from Canada dropped

**Chart 4. Imports of Petroleum and Nonpetroleum Products: Change in Value From Preceding Year**



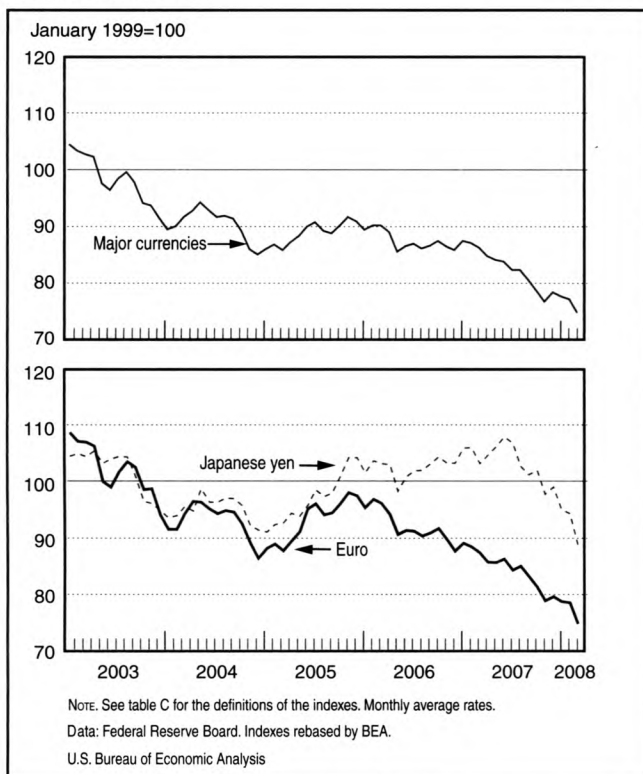
**Revisions to Estimates**

The estimates presented in this article incorporate methodological and statistical improvements and newly available source data. The following estimates have been revised: goods for 2007; services for 2004–2007; income for 2002–2007; unilateral current transfers for 2002–2007; capital-account transactions for 2005–2007; and financial flows for 1974–2007. For more information, see “Annual Revision of the U.S. International Accounts, 1974–2007” in this issue.

For the fourth quarter of 2007, the current-account deficit was revised to \$167.2 billion from \$172.9 billion. The goods deficit was revised to \$208.9 billion from \$208.1 billion; the services surplus was revised to \$35.1 billion from \$30.2 billion; the income surplus was revised to \$36.3 billion from \$33.0 billion; and unilateral current transfers were revised to net outflows of \$29.8 billion from \$28.1 billion. Net financial inflows were revised to \$213.4 billion from \$230.1 billion.

substantially, partly reflecting decreased vehicle production at some Canadian plants as a result of strikes at parts suppliers. In contrast, automotive imports from other countries increased.

**Chart 5. Nominal Indexes of Foreign Currency Price of the U.S. Dollar**



**Balances by area.** The goods deficit increased \$2.1 billion to \$211.0 billion in the first quarter. The deficit with the Middle East increased \$7.5 billion, reflecting increases in the deficits with Saudi Arabia and Iraq. The deficit with Canada increased \$6.3 billion, and the deficit with Africa increased \$3.4 billion, reflecting increases in the deficits with Angola, Nigeria, and Algeria. In contrast, the deficit with Asia and Pacific decreased \$7.5 billion, mostly as a result of a \$9.2 billion decrease in the deficit with China. The deficit with Europe decreased \$6.8 billion.

### Services

The surplus on services increased to \$36.1 billion in the first quarter from \$35.1 billion in the fourth quarter. Services receipts increased \$4.2 billion to \$136.5 billion, and services payments increased \$3.2 billion to \$100.3 billion.

Travel receipts increased \$0.3 billion to \$26.8 billion. The rise was more than accounted for by an increase in receipts from overseas visitors to the United States. Travel payments increased \$0.8 billion to \$20.3 billion. The rise was mostly accounted for by an increase in payments by U.S. travelers to countries overseas.

Passenger fare receipts decreased \$0.1 billion to \$7.2 billion, and passenger fare payments increased \$0.7 billion to \$8.1 billion.

“Other” transportation receipts increased \$1.1 billion to \$14.9 billion. Receipts have increased strongly in the last two quarters. The first-quarter increase was

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

(January 1999=100)

	2007				2008	2007												2008		
	I	II	III	IV	I	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March		
<b>Nominal:</b> <sup>1</sup>																				
Broad <sup>2</sup>	93.7	91.5	89.8	86.7	85.1	93.3	92.1	91.3	91.0	89.9	90.4	89.1	87.3	86.0	86.8	86.1	85.4	83.7		
Major currencies <sup>3</sup>	86.7	83.9	81.4	77.6	76.2	86.0	84.5	83.8	83.5	82.0	80.3	78.3	76.4	78.0	77.3	76.8	74.4	74.4		
Other important trading partners <sup>4</sup>	102.9	101.2	100.6	98.7	96.8	102.8	101.9	101.0	100.8	100.1	101.2	100.6	99.1	98.7	98.3	97.6	96.7	96.0		
<b>Real:</b> <sup>1</sup>																				
Broad <sup>2</sup>	95.9	95.0	92.7	89.0	87.1	96.0	95.3	95.0	94.7	93.1	93.2	91.9	89.7	88.3	88.9	88.3	87.0	86.0		
Major currencies <sup>3</sup>	94.5	92.8	90.1	85.6	84.6	94.3	93.2	92.8	92.5	90.8	90.6	88.8	86.4	84.5	86.0	85.6	85.1	83.0		
Other important trading partners <sup>4</sup>	97.5	97.5	95.8	92.7	90.1	97.9	97.8	97.5	97.2	95.8	96.2	95.4	93.3	92.6	92.1	91.5	89.3	89.4		
<b>Selected currencies: (nominal)</b> <sup>5</sup>																				
Canada	77.1	72.3	68.8	64.6	66.1	76.9	74.7	72.1	70.1	69.1	69.6	67.6	64.2	63.7	66.0	66.5	65.7	66.0		
<b>European currencies:</b>																				
Euro area <sup>6</sup>	88.4	86.0	84.3	80.0	77.3	87.5	85.8	85.7	86.4	84.4	85.1	83.3	81.4	78.9	79.6	78.7	78.5	74.7		
United Kingdom	84.4	83.1	81.6	80.7	77.0	84.7	83.0	83.1	83.0	81.1	82.0	81.7	80.7	79.7	81.8	77.1	77.1	76.9		
Switzerland	89.0	88.2	86.5	82.7	77.0	87.9	87.5	88.1	89.0	87.1	86.8	85.5	84.7	81.1	82.3	79.4	78.6	73.1		
Japan	105.4	106.6	103.9	99.9	92.9	103.5	105.0	106.6	108.3	107.2	103.0	101.5	102.3	98.0	99.3	95.2	94.5	88.9		
Mexico	108.8	107.4	108.2	107.1	106.7	109.7	108.4	106.9	107.0	106.8	109.0	108.9	106.8	107.4	107.1	107.7	106.3	106.0		
Brazil	139.3	131.1	126.7	118.0	114.8	138.1	134.3	131.2	127.8	124.4	129.8	125.8	119.0	116.9	118.1	117.1	114.4	113.0		

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

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

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

index. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

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

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

6. The euro area includes Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Slovenia, and Spain; beginning with the first quarter of 2008, also includes Cyprus and Malta.

especially large as a result of a strong rise in port services, mostly reflecting foreign air carriers' increased fuel expenditures in U.S. air ports. "Other" transportation payments increased \$0.7 billion to \$17.9 billion. The increase mostly reflected U.S. air carriers' increased fuel expenditures in foreign air ports.

"Other" private services receipts increased \$1.8 billion to \$60.9 billion. The increase was mostly accounted for by an increase in receipts for business, professional, and technical services.<sup>3</sup> In contrast, receipts for financial services decreased. "Other" private services payments increased \$0.7 billion to \$38.0 billion. Increases in payments for business, professional, and technical services and for insurance services were partly offset by a decrease in payments for financial services.

**Income**

The surplus on income decreased to \$29.8 billion in the first quarter from \$36.3 billion in the fourth quarter. Income receipts decreased \$15.9 billion to \$199.5 billion, and income payments decreased \$9.3 billion to \$169.7 billion.

Receipts of income on U.S. direct investment abroad decreased \$3.2 billion to \$97.1 billion. The decrease was more than accounted for by lower earnings of foreign affiliates in holding companies and in "other" industries. The decline in holding companies' earnings was almost entirely by affiliates in Europe, particularly in the Netherlands, Luxembourg, and the United Kingdom.

Payments of income on foreign direct investment in the United States increased \$4.8 billion to \$30.2 billion. The increase resulted mostly from a shift from a large loss to a small profit by finance and insurance affiliates. Losses by banks were much lower in the first quarter

3. Beginning with this article, detailed types of "other" private services now include both affiliated and unaffiliated transactions. In previous articles, detailed types of "other" private services included only unaffiliated transactions. For information about the change, see "Annual Revision of the U.S. International Accounts, 1974–2007" in this issue.

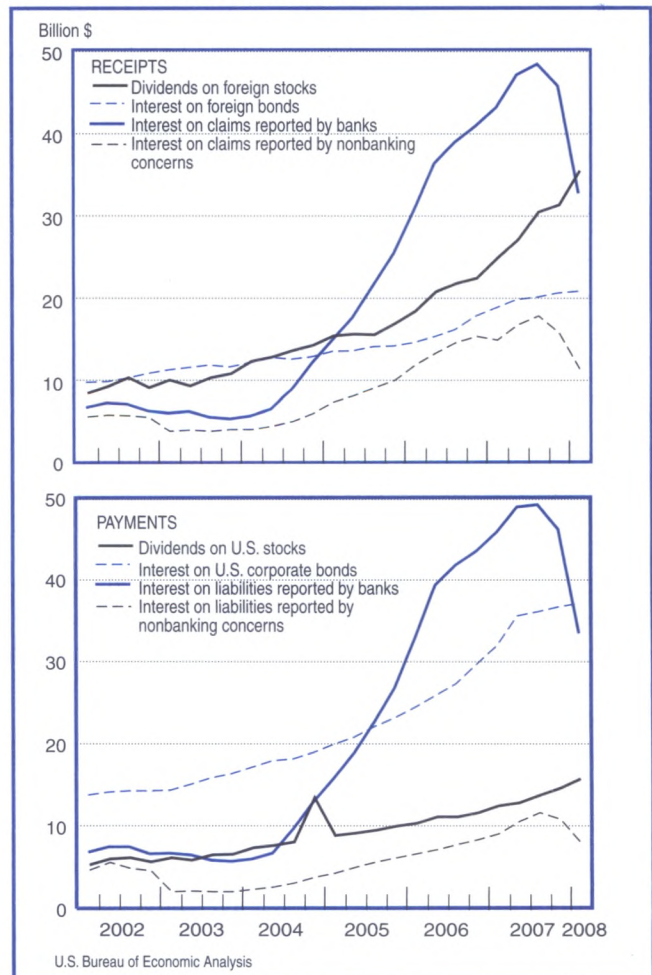
**Data Availability**

The estimates that are presented in tables 1–12 of the U.S. international transactions accounts are available interactively on BEA's Web site at <www.bea.gov>. Users may view and download the most recent quarterly estimates for an entire table, or they may select the period, frequency, and lines that they wish to view. The estimates are available in an HTML table, in a spreadsheet file (.xls format), or as comma-separated values.

than in the fourth quarter, and earnings of other finance and insurance affiliates increased. In addition, earnings of wholesale trade affiliates increased substantially as a result of higher earnings by petroleum wholesale trade affiliates. In contrast, earnings of manufacturing affiliates decreased.

Both receipts and payments of "other" private income decreased substantially as a result of much lower average yields on bank and nonbank claims and liabilities. Receipts of "other" private income decreased \$12.9 billion to \$100.8 billion. The decline was attributable to decreases in income receipts on U.S. bank and nonbank claims; income receipts on U.S. holdings of foreign securities increased (chart 6). Payments of "other" private income decreased \$14.2 billion to \$94.1 billion. The decrease was attributable to decreases in income payments on U.S. bank and nonbank liabilities; income payments on foreign holdings of U.S. securities other than U.S. government securities increased.

**Chart 6. Other Private Income**



U.S. government income receipts increased \$0.2 billion to \$0.8 billion, and U.S. government income payments were little changed at \$42.8 billion.

### Unilateral current transfers

Net unilateral current transfers to foreigners were \$31.2 billion in the first quarter, up from \$29.8 billion in the fourth quarter. The increase was largely attributable to an increase in private remittances and other transfers.

### Capital Account

Net capital account payments (outflows) were virtually unchanged at \$0.6 billion in the first quarter.<sup>4</sup>

### Financial Account

Net financial inflows—net acquisitions by foreign residents of assets in the United States less net acquisitions by U.S. residents of assets abroad—were \$124.3 billion in the first quarter, down from \$213.4 billion in the fourth quarter.<sup>5</sup> Net U.S. acquisitions of assets abroad picked up more than net foreign acquisitions of assets in the United States.

### U.S.-owned assets abroad

Net U.S.-owned assets abroad increased \$286.6 billion in the first quarter after an increase of \$153.8 billion in the fourth quarter. The pickup mostly resulted from a larger increase in claims reported by U.S. banks in the first quarter than in the fourth quarter. In addition, claims reported by U.S. nonbanking concerns decreased less in the first quarter than in the fourth quarter, and net U.S. purchases of foreign securities picked up.

**U.S. official reserve assets.** U.S. official reserve assets increased \$0.3 billion in the first quarter after an increase of less than \$0.1 billion in the fourth quarter. In the first quarter, an increase in U.S. official holdings of foreign currencies more than offset a decrease in the U.S. reserve position in the International Monetary Fund.

**U.S. government assets other than official reserve assets.** U.S. government assets other than official reserve assets decreased \$3.3 billion in the first quarter after an increase of \$22.7 billion in the fourth quarter. The decrease reflected the repayment to the U.S. Federal Reserve System of funds associated with reciprocal currency arrangements between the Federal Reserve

and foreign central banks. These arrangements do not meet the strict definition of U.S. reserve assets.

**Claims reported by banks and by nonbanks.** U.S. claims on foreigners reported by U.S. banks and securities brokers increased \$218.9 billion in the first quarter after an increase of \$115.9 billion in the fourth quarter.

Banks' own claims denominated in dollars increased \$214.6 billion after an increase of \$103.5 billion. The first-quarter increase mostly reflected a strong increase in interbank lending by U.S. and foreign-owned banks to their own offices in Europe and in Caribbean financial centers. The lending was mostly in the form of deposit placements. Interbank funding conditions remained tight and central banks in the United States and Europe expanded measures to provide U.S. dollar funds to banks in Europe. In addition, lending by securities brokers and dealers to banks in Europe increased, mostly through resale agreements.

Banks' domestic customers' claims denominated in dollars decreased \$22.7 billion after an increase of \$2.2 billion. The decrease mostly reflected decreases in deposits and brokerage balances and in "other" short-term instruments. In contrast, customers' holdings of foreign commercial paper and of negotiable certificates of deposit both increased.

Claims reported by U.S. nonbanking concerns decreased \$53.6 billion in the first quarter after a decrease of \$100.0 billion in the fourth quarter. The first-quarter decrease mainly reflected a decrease in deposits in the United Kingdom.

**Foreign securities.** Net U.S. purchases of foreign securities were \$38.8 billion in the first quarter, up from \$4.2 billion in the fourth quarter. The increase resulted from a shift to net U.S. purchases of foreign stocks (chart 7). Net U.S. purchases of foreign bonds slowed slightly.

Transactions in foreign stocks shifted to net U.S. purchases of \$28.0 billion from net U.S. sales of \$9.3 billion despite a broad-based decline in foreign stock prices. The Morgan Stanley Capital International stock price index for the world excluding the United States fell nearly 14 percent in local currency terms, the largest quarterly decline in 5½ years. U.S. investors were net purchasers of foreign stocks in every month of the first quarter; net purchases were strongest in February, when stock prices rose abroad and fell in the United States. In the quarter, transactions with Caribbean financial centers shifted to net U.S. purchases from net U.S. sales, net U.S. purchases from Europe picked up, and net U.S. sales to Asia slowed. Transactions with Caribbean financial centers have shifted between net purchases and net sales in recent quarters, mostly as a result of transactions with the Cayman Islands, where

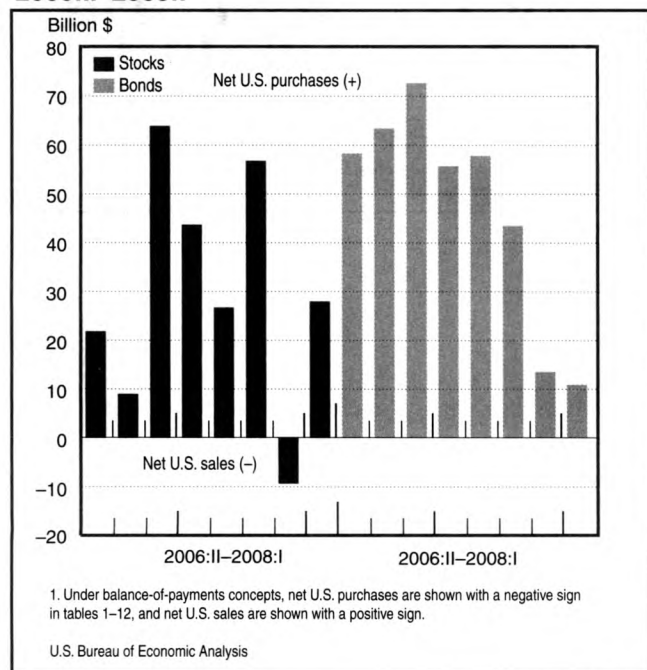
4. Capital-account transactions largely consist of changes in financial assets of migrants as they enter or leave the United States and U.S. government debt forgiveness.

5. In the first quarter, net financial inflows exclude transactions in financial derivatives because data are not yet available. In the fourth quarter, net financial inflows excluding transactions in financial derivatives were \$226.6 billion.

many hedge funds are located.

Net U.S. purchases of foreign bonds were \$10.8 billion, down from \$13.5 billion. Net U.S. purchases were very weak for the second consecutive quarter, compared with the level of net purchases in earlier quarters (chart 7). In the first quarter, net purchases were substantial in January, when sharp declines in foreign stock prices may have prompted some investors to shift funds into foreign bonds. Net U.S. sales of foreign bonds in February and March occurred amid indications that inflationary pressures in the United States and abroad were rising. In the quarter, net U.S. purchases from Caribbean financial centers slowed, and net U.S. sales to Latin America increased to a record, mostly as a result of net sales to Brazil and Mexico. In contrast, net U.S. purchases from Australia and Europe picked up.

**Chart 7. Transactions in Foreign Securities, 2006:II–2008:I<sup>1</sup>**



**Direct investment.** Net financial outflows for U.S. direct investment abroad were \$85.6 billion in the first quarter, down from \$110.9 billion in the fourth quarter. The slowdown resulted from a decrease in reinvested earnings and slowdowns in net intercompany debt investment abroad and in net equity capital investment abroad. The decrease in reinvested earnings mostly reflected a substantial increase in earnings distributed by foreign affiliates. The slowdown in net equity capital investment abroad resulted from a decrease in the value of U.S. acquisitions of foreign companies in the first quarter after several large and medium-

sized acquisitions in the fourth quarter.

### Foreign-owned assets in the United States

Net foreign-owned assets in the United States increased \$411.0 billion in the first quarter after an increase of \$380.4 billion in the fourth quarter. Transactions in U.S. securities other than U.S. Treasury securities shifted substantially to net foreign sales from net foreign purchases, and liabilities reported by U.S. banks increased less in the first quarter than in the fourth quarter. In contrast, liabilities reported by U.S. nonbanking concerns increased in the first quarter after decreasing sharply in the fourth quarter.

**Foreign official assets.** Foreign official assets in the United States increased \$173.5 billion in the first quarter after an increase of \$145.5 billion in the fourth quarter. The increases in both quarters were substantial. The first-quarter increase was mostly accounted for by an increase in the assets of Asian and European countries.

**Liabilities reported by banks and by nonbanks.** U.S. liabilities reported by U.S. banks and securities brokers, excluding U.S. Treasury securities, increased \$85.7 billion in the first quarter after an increase of \$124.0 billion in the fourth quarter.

Banks' own liabilities denominated in dollars increased \$44.7 billion after an increase of \$60.1 billion. The first-quarter increase partly reflected continued borrowing from abroad by U.S.-owned banks to bolster their liquidity. U.S. securities brokers and dealers borrowed substantially from foreign nonbanks, but they repaid funds to foreign banks for the third consecutive quarter as those banks continued to draw in funds to bolster their liquidity. Foreign-owned banks in the United States also repaid funds to banks abroad.

Banks' customers' liabilities denominated in dollars increased \$41.0 billion after an increase of \$21.5 billion. The first-quarter increase was mostly accounted for by an increase in negotiable certificates of deposit and other short-term instruments.

U.S. liabilities reported by U.S. nonbanking concerns increased \$57.2 billion after a decrease of \$111.8 billion. The increase mostly reflected an increase in borrowing from the United Kingdom and Germany.

**U.S. Treasury securities.** Net foreign purchases of U.S. Treasury securities were \$68.9 billion in the first quarter, up from \$60.1 billion in the fourth quarter (chart 8). Net foreign purchases have been strong for three consecutive quarters, as foreign investors responded to the heightened uncertainty in world financial markets by purchasing low-risk U.S. Treasury securities. In the first quarter, net foreign purchases of short-term U.S. Treasury securities increased strongly. Yields on short-term U.S. Treasury securities fell

sharply, and yields on long-term U.S. Treasury securities also decreased.

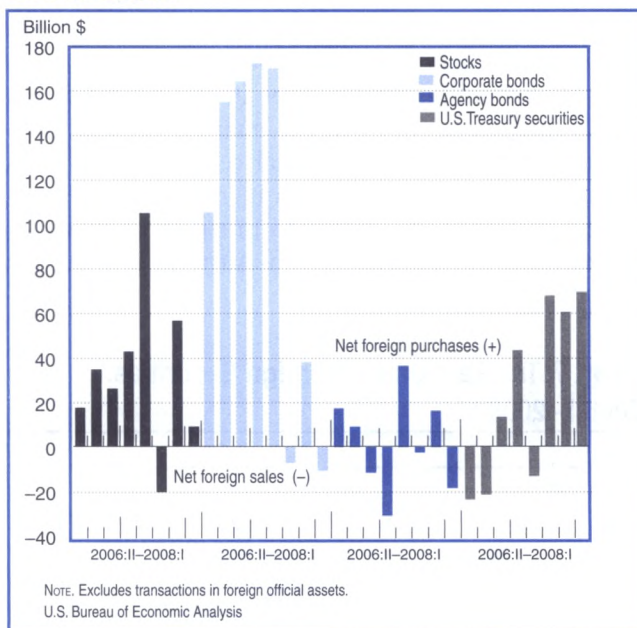
**Other U.S. securities.** Transactions in U.S. securities other than U.S. Treasury securities shifted to net foreign sales of \$20.1 billion in the first quarter from net foreign purchases of \$110.5 billion in the fourth quarter. The substantial shift resulted from a slowdown in net foreign purchases of U.S. stocks and shifts to net foreign sales of U.S. corporate bonds and of U.S. federally sponsored agency bonds.

Net foreign purchases of U.S. stocks were \$8.7 billion, down from \$56.2 billion (chart 8). U.S. stock prices fell sharply in January, and by mid-March, the S&P 500 stock price index had declined 13 percent for the quarter. Thereafter, stock prices moved somewhat higher. In the first quarter, transactions in U.S. stocks by investors from Europe and Caribbean financial centers shifted to net sales from net purchases, and net purchases from Canada slowed. In contrast, net purchases from Asia picked up.

Transactions in U.S. corporate bonds shifted to net foreign sales of \$10.6 billion from net foreign purchases of \$37.9 billion. In the last three quarters, foreigners have had net sales or small net purchases after several quarters of very strong net purchases (chart 8). In the first quarter of 2008, credit markets remained unsettled, and U.S. economic activity remained weak.

These factors contributed to a continued rise in spreads on U.S. corporate bonds; spreads on investment-grade bonds increased 109 basis points, and

**Chart 8. Transactions in U.S. Securities, 2006:II–2008:I**

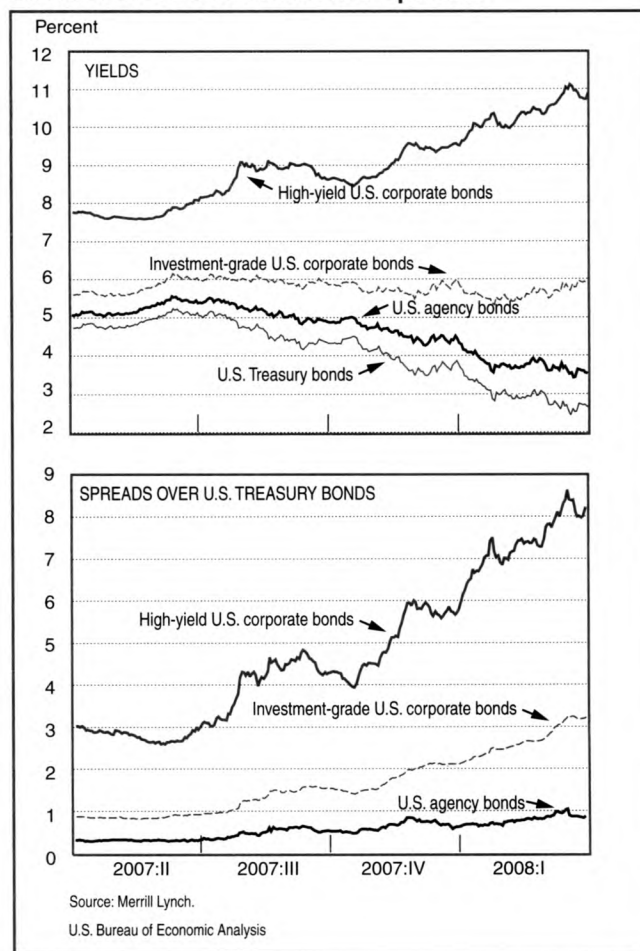


spreads on non-investment-grade bonds increased 235 basis points (chart 9). Net sales of U.S. corporate bonds by investors in Europe picked up, largely as a result of a shift to record net sales by investors in the United Kingdom. Transactions by Caribbean financial centers shifted to small net sales from net purchases, and net purchases from Asia, mainly Japan, slowed.

Transactions in U.S. federally sponsored agency bonds shifted to net foreign sales of \$18.3 billion from net foreign purchases of \$16.4 billion. Spreads on agency bonds over U.S. Treasury bonds widened by 15 basis points, and gross foreign trading volume in U.S. agency bonds increased significantly. Transactions in agency bonds by investors in Caribbean financial centers shifted to strong net sales, largely as a result of a shift to net sales by investors in the Cayman Islands. In addition, net purchases by European investors slowed.

**Direct investment.** Net financial inflows for foreign direct investment in the United States were \$46.6 billion in the first quarter, down from \$55.7 billion in the fourth quarter. The slowdown was more than accounted for by a shift from a substantial increase to a decrease in net intercompany debt investment in the United States, mostly reflecting smaller increases and shifts to decreases in intercompany debt investment from foreign parent companies in Luxembourg and the Netherlands. In contrast, both net equity capital investment in the United States and reinvested earnings picked up. Net equity capital investment was boosted by a reduction in equity capital decreases, and reinvested earnings were boosted by a rebound in earnings.

Chart 9. U.S. Bond Yields and Spreads



Tables 1 through 12 follow.















**Table 2. U.S. Trade**  
 [Millions]

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>A Balance of payments adjustments to Census trade data:</b>									
<b>EXPORTS</b>									
<b>1 Exports of goods, Census basis <sup>1</sup> including reexports and including military grant shipments</b>	<b>695,797</b>	<b>781,918</b>	<b>729,100</b>	<b>693,103</b>	<b>724,771</b>	<b>818,775</b>	<b>905,978</b>	<b>1,036,635</b>	<b>1,162,479</b>
Adjustments:									
2 Private gift parcel remittances	646	511	458	394	394	487	663	877	1,115
3 Gold exports, nonmonetary	27	0	0	0	0	0	0	0	0
4 Inland U.S. freight to Canada									
5 U.S.-Canadian reconciliation adjustments, n.e.c., net <sup>2</sup>									
6 Exports transferred under U.S. military agency sales contracts identified in Census documents <sup>3</sup>	-10,658	-8,086	-7,935	-7,393	-8,431	-8,228	-8,167	-10,630	-11,057
7 Other adjustments, net <sup>4</sup>	-1,847	-2,349	-2,911	-3,682	-3,319	-3,518	-3,841	-3,772	-4,057
<b>8 Equals: Exports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 3)</b>	<b>683,965</b>	<b>771,994</b>	<b>718,712</b>	<b>682,422</b>	<b>713,415</b>	<b>807,516</b>	<b>894,631</b>	<b>1,023,109</b>	<b>1,148,481</b>
<b>IMPORTS</b>									
<b>9 Imports of goods, Census basis <sup>1</sup> (general imports)</b>	<b>1,024,618</b>	<b>1,218,022</b>	<b>1,140,999</b>	<b>1,161,366</b>	<b>1,257,121</b>	<b>1,469,704</b>	<b>1,673,455</b>	<b>1,853,938</b>	<b>1,956,962</b>
Adjustments:									
10 Electric energy	6	4	25	2	74	123	756	549	460
11 Gold imports, nonmonetary	2,727	3,214	2,220	400	625	40	0	0	4,147
12 Inland freight in Canada	3,654	3,929	3,609	3,782	3,857	4,347	4,694	5,208	4,846
13 U.S.-Canadian reconciliation adjustment, n.e.c., net <sup>2</sup>									
14 Imports of U.S. military agencies identified in Census documents <sup>3</sup>	-615	-608	-603	-753	-788	-891	-963	-1,242	-1,706
15 Other adjustments, net <sup>5 6</sup>	1,394	2,123	1,981	2,580	3,418	3,771	3,838	2,925	3,144
<b>16 Equals: Imports of goods, adjusted to balance of payments basis, excluding "military" (table 1, line 20)</b>	<b>1,031,784</b>	<b>1,226,684</b>	<b>1,148,231</b>	<b>1,167,377</b>	<b>1,264,307</b>	<b>1,477,094</b>	<b>1,681,780</b>	<b>1,861,380</b>	<b>1,967,853</b>

See the footnotes on pages 106-107.

**in Goods—Continues**  
of dollars]

Not seasonally adjusted									Seasonally adjusted									Line
2006				2007				2008	2006				2007				2008	
I	II	III	IV	I	II	III	IV	I P	I	II	III	IV	I	II	III	IV	I P	
244,654	261,465	257,659	272,856	271,350	288,690	291,067	311,373	317,564	247,314	256,260	262,877	270,184	273,952	283,170	298,637	306,721	320,027	A 1
215 0	219 0	209 0	234 0	256 0	262 0	265 0	332 0	248 0	215 0	219 0	209 0	234 0	256 0	262 0	265 0	332 0	248 0	2 3 4 5
-2,027	-2,148	-2,880	-3,575	-2,866	-2,788	-2,508	-2,895	-1,546	-2,027	-2,148	-2,880	-3,575	-2,866	-2,788	-2,508	-2,895	-1,546	6
-823	-999	-929	-1,021	-1,024	-1,156	-899	-978	-915	-823	-999	-929	-1,021	-1,024	-1,156	-899	-978	-915	7
242,019	258,537	254,059	268,494	267,716	285,008	287,925	307,832	315,351	244,679	253,332	259,277	265,821	270,318	279,488	295,494	303,180	317,813	8
433,304	466,570	483,796	470,269	451,989	484,369	500,303	520,301	502,982	451,348	463,298	475,966	463,327	471,246	482,440	493,488	509,788	524,810	9
167	94	137	151	115	71	131	143	120	167	94	137	151	115	71	131	143	120	10
0	0	0	0	838	1,397	1,414	498	2,550	0	0	0	0	838	1,397	1,414	498	2,550	11
1,298	1,358	1,299	1,253	1,235	1,248	1,185	1,178	1,208	1,298	1,358	1,299	1,253	1,235	1,248	1,185	1,178	1,208	12
-273	-385	-264	-320	-400	-453	-417	-436	-534	-273	-385	-264	-320	-400	-453	-417	-436	-534	14
746	651	762	766	647	672	897	928	691	746	651	762	766	647	672	897	928	691	15
435,242	468,288	485,730	472,119	454,424	487,304	503,513	522,612	507,017	453,286	465,016	477,900	465,178	473,681	485,375	496,698	512,099	528,845	16

Table 2. U.S. Trade

[Millions]

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military: <sup>7</sup></b>									
<b>EXPORTS</b>									
1 Total, all countries (A-8).....	683,965	771,994	718,712	682,422	713,415	807,516	894,631	1,023,109	1,148,481
2 Europe.....	168,298	184,657	178,229	160,045	168,314	189,416	207,895	241,274	280,845
3 European Union.....	149,021	162,483	155,763	140,447	147,425	167,666	183,439	210,169	242,244
4 Euro area.....	104,631	114,930	111,026	103,837	109,898	124,762	135,685	153,696	178,328
5 Austria.....	2,565	2,579	2,589	2,414	1,752	1,936	2,586	2,975	3,163
6 Belgium.....	12,305	13,888	13,414	13,195	15,111	16,789	18,562	21,232	25,153
7 Finland.....	1,505	1,490	1,538	1,492	1,667	2,011	2,206	2,602	3,068
8 France.....	18,498	20,161	19,693	18,871	16,849	21,083	22,228	23,990	27,133
9 Germany.....	26,359	28,921	29,363	26,027	28,290	30,842	33,585	40,743	49,025
10 Greece.....	823	858	1,089	880	963	1,225	1,055	1,243	1,822
11 Ireland.....	6,355	7,693	7,131	6,736	7,689	8,159	9,324	8,503	8,997
12 Italy.....	9,878	10,951	9,715	9,810	10,286	10,420	11,245	12,272	13,893
13 Luxembourg.....	959	325	432	428	222	629	725	546	941
14 Netherlands.....	19,342	21,714	19,328	18,110	20,535	24,120	26,288	30,882	32,670
15 Norway.....	1,362	1,522	1,808	1,356	1,407	1,494	1,873	2,289	2,929
16 Portugal.....	862	956	1,199	826	842	1,019	1,114	1,448	2,447
17 Russia.....	1,849	2,096	2,714	2,397	2,449	2,966	3,969	4,703	7,334
18 Spain.....	6,004	6,252	5,536	5,048	5,693	6,528	6,768	7,261	9,718
19 Sweden.....	4,224	4,483	3,486	3,093	3,164	3,206	3,647	4,072	4,450
20 Switzerland.....	8,296	9,895	9,754	7,724	8,577	9,200	10,647	14,314	16,940
21 Turkey.....	2,951	3,604	2,905	2,918	2,636	3,153	4,081	5,475	6,306
22 United Kingdom.....	37,657	40,725	39,701	32,085	32,871	35,124	37,569	44,215	48,733
23 Other Europe.....	6,504	6,544	6,834	6,635	7,311	9,512	10,423	12,509	16,121
24 Canada <sup>2</sup> .....	166,713	178,877	163,259	160,916	169,930	189,981	212,192	230,983	249,712
25 Latin America and Other Western Hemisphere.....	141,492	170,267	158,969	148,158	148,955	171,887	192,382	222,298	243,063
26 South and Central America.....	131,204	158,837	147,858	137,068	137,447	159,429	177,318	204,735	223,158
27 Argentina.....	4,919	4,652	3,892	1,573	2,431	3,384	4,111	4,760	5,831
28 Brazil.....	13,116	15,257	15,790	12,267	11,125	13,727	15,173	19,088	24,497
29 Chile.....	3,016	3,431	3,068	2,601	2,697	3,583	5,207	6,469	8,199
30 Colombia.....	3,536	3,629	3,489	3,548	3,717	4,471	5,413	6,644	8,466
31 Mexico.....	86,758	111,172	101,181	97,242	97,242	110,697	120,264	133,892	135,962
32 Venezuela.....	5,314	5,509	5,600	3,967	2,782	4,743	6,411	8,977	10,193
33 Other.....	14,545	15,187	14,838	15,870	17,471	18,824	20,738	24,903	30,009
34 Other Western Hemisphere.....	10,288	11,430	11,111	11,090	11,508	12,458	15,064	17,563	19,905
35 Asia and Pacific.....	179,847	211,043	188,731	185,665	198,047	221,860	237,511	274,532	308,248
36 Australia.....	11,535	12,184	10,592	12,756	12,695	13,752	15,297	17,151	18,637
37 China.....	13,047	16,141	19,108	22,040	28,287	34,638	41,800	55,038	65,073
38 Hong Kong.....	12,565	14,510	13,943	12,539	13,453	15,785	16,319	17,749	20,087
39 India.....	3,682	3,668	3,754	4,097	4,977	6,091	7,973	9,990	17,516
40 Indonesia.....	2,040	2,430	2,536	2,551	2,504	2,662	3,049	3,062	4,214
41 Japan.....	56,073	63,473	55,879	49,670	50,252	52,288	53,265	57,593	60,898
42 Korea, Republic of.....	22,256	27,150	21,203	21,756	23,481	25,730	27,136	31,418	33,646
43 Malaysia.....	8,979	10,854	9,296	10,259	10,837	10,848	10,386	12,463	11,587
44 Philippines.....	7,183	8,760	7,614	7,252	7,954	7,019	6,862	7,584	7,673
45 Singapore.....	16,009	17,620	17,337	15,977	16,147	19,252	20,259	24,255	25,874
46 Taiwan.....	17,430	23,832	17,394	17,886	16,987	21,296	21,454	22,645	25,961
47 Thailand.....	4,927	6,494	5,934	4,751	5,557	6,275	7,192	8,043	8,367
48 Other.....	4,121	3,927	4,141	4,131	4,916	6,224	6,520	7,542	8,714
49 Middle East.....	18,122	16,984	18,141	17,867	18,047	21,594	29,765	35,795	43,646
50 Israel.....	6,827	7,363	6,972	6,669	6,459	8,008	8,607	9,534	11,794
51 Saudi Arabia.....	6,312	4,974	5,562	4,386	4,111	4,833	6,526	7,337	10,012
52 Other.....	4,983	4,647	5,607	6,812	7,477	8,753	14,631	18,923	21,841
53 Africa.....	9,493	10,165	11,383	9,771	10,122	12,778	14,886	18,228	22,966
54 Algeria.....	461	857	1,032	964	484	965	1,162	1,098	1,649
55 Nigeria.....	631	724	958	1,061	1,023	1,559	1,625	2,227	2,788
56 South Africa.....	2,580	3,082	2,953	2,515	2,815	3,165	3,894	4,450	5,500
57 Other.....	5,821	5,502	6,440	5,231	5,800	7,089	8,205	10,453	13,029
58 International organizations and unallocated.....	0	1	0	0	0	0	0	0	0
59 Memorandum:									
Members of OPEC.....	18,315	17,625	19,503	17,808	16,554	21,579	31,305	39,108	48,659

See the footnotes on pages 106-107.





Table 2. U.S. Trade

[Millions]

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007	
<b>B</b>	<b>Trade in goods, by area and country, adjusted to balance of payments basis, excluding military <sup>1</sup>—Continued:</b>									
	<b>IMPORTS</b>									
60	<b>Total, all countries (A-16)</b>	<b>1,031,784</b>	<b>1,226,684</b>	<b>1,148,231</b>	<b>1,167,377</b>	<b>1,264,307</b>	<b>1,477,094</b>	<b>1,681,780</b>	<b>1,861,380</b>	<b>1,967,853</b>
61	Europe	227,204	259,848	255,988	261,340	285,270	321,486	355,404	383,812	411,179
62	European Union	195,078	220,200	220,047	225,870	245,436	278,645	308,950	330,381	356,180
63	Euro area	144,598	163,636	166,508	172,762	187,937	209,746	229,206	246,862	268,772
64	Austria	2,917	3,230	4,007	3,871	4,503	5,809	6,119	8,341	10,691
65	Belgium	9,195	9,940	10,172	9,811	10,146	12,460	13,026	14,406	15,284
66	Finland	2,915	3,255	3,398	3,453	3,608	3,900	4,448	4,980	5,270
67	France	25,749	29,809	30,421	28,289	29,244	31,609	33,848	37,037	41,544
68	Germany	55,271	58,588	59,141	62,540	68,188	77,349	84,967	89,237	94,280
69	Greece	561	588	500	546	599	719	876	950	1,174
70	Ireland	11,018	16,498	18,536	22,486	25,805	27,492	28,790	28,591	30,483
71	Italy	22,349	25,034	23,768	24,209	25,398	28,096	30,975	32,660	35,027
72	Luxembourg	315	333	312	307	268	292	390	534	526
73	Netherlands	8,464	9,657	9,492	9,843	11,550	12,433	14,826	17,294	18,371
74	Norway	4,035	5,698	5,189	5,808	5,193	6,460	6,732	6,978	7,213
75	Portugal	1,355	1,577	1,555	1,667	1,961	2,240	2,325	3,059	3,047
76	Russia	5,922	7,662	6,263	6,871	8,617	11,891	15,309	19,830	19,315
77	Spain	5,048	5,713	5,206	5,738	6,666	7,347	8,618	9,773	12,586
78	Sweden	8,124	9,625	8,943	9,271	11,172	12,726	13,873	13,901	13,087
79	Switzerland	12,072	13,049	11,877	9,768	10,678	11,674	13,005	14,239	16,794
80	Turkey	2,627	3,040	3,052	3,520	3,794	4,957	5,185	5,351	4,596
81	United Kingdom	38,975	43,379	41,185	40,597	42,610	46,087	50,800	53,187	56,367
82	Other Europe	10,292	13,173	12,971	12,745	15,270	17,945	21,294	23,464	25,524
83	Canada <sup>2</sup>	201,752	234,084	219,243	212,225	224,955	259,871	294,080	306,066	320,323
84	Latin America and Other Western Hemisphere	169,043	210,186	199,660	205,193	218,526	256,746	295,914	334,876	348,378
85	South and Central America	160,996	199,855	190,268	196,135	206,719	242,663	277,698	316,292	329,621
86	Argentina	2,599	3,101	3,014	3,187	3,170	3,746	4,589	3,981	4,489
87	Brazil	11,318	13,854	14,467	15,782	17,917	21,164	24,441	26,373	25,550
88	Chile	2,953	3,268	3,495	3,785	3,706	4,732	6,659	9,563	9,000
89	Colombia	6,260	6,969	5,711	5,605	6,385	7,257	8,850	9,269	9,436
90	Mexico	110,574	136,829	132,279	135,701	139,695	158,096	173,034	201,195	213,552
91	Venezuela	11,335	16,623	15,251	15,093	17,136	24,921	33,978	37,134	39,910
92	Other	15,957	17,211	16,051	16,982	18,710	22,747	26,147	28,778	27,585
93	Other Western Hemisphere	8,047	10,331	9,392	9,058	11,807	14,083	18,216	18,584	18,758
94	Asia and Pacific	391,435	455,941	411,473	432,214	462,063	542,072	608,703	684,298	718,562
95	Australia	5,284	6,442	6,461	6,478	6,406	7,519	7,291	8,146	8,570
96	China	81,840	100,112	102,403	125,316	152,671	196,973	243,886	288,126	321,685
97	Hong Kong	10,770	11,943	10,018	9,763	9,327	9,935	9,342	8,160	7,090
98	India	9,073	10,691	9,755	11,821	13,068	15,577	18,819	21,845	24,102
99	Indonesia	9,526	10,371	10,104	9,646	9,516	10,811	12,015	13,425	14,302
100	Japan	131,039	146,711	126,685	121,617	118,264	130,094	138,375	148,560	146,037
101	Korea, Republic of	31,160	40,309	35,207	35,606	37,238	46,177	43,791	45,811	47,547
102	Malaysia	21,434	25,580	22,353	24,015	25,448	28,191	33,693	36,537	32,640
103	Philippines	12,356	13,942	11,329	11,052	10,071	9,144	9,255	9,696	9,411
104	Singapore	18,224	19,273	15,080	14,821	15,161	15,406	15,131	17,712	18,423
105	Taiwan	35,444	40,980	33,642	32,611	32,118	34,986	35,103	38,414	38,489
106	Thailand	14,330	16,388	14,728	14,796	15,181	17,581	19,894	22,470	22,757
107	Other	10,955	13,199	13,708	14,672	17,594	19,678	22,107	25,397	27,510
108	Middle East	25,365	38,977	36,424	34,304	41,469	51,283	62,467	71,907	77,405
109	Israel	9,808	12,975	11,971	12,417	12,766	14,574	16,850	19,173	20,780
110	Saudi Arabia	8,254	14,365	13,272	13,148	18,068	20,958	27,193	31,688	35,626
111	Other	7,303	11,637	11,181	8,739	10,635	15,751	18,424	21,047	20,999
112	Africa	16,985	27,648	25,443	22,101	32,024	45,636	65,211	80,420	92,005
113	Algeria	1,824	2,724	2,702	2,360	4,749	7,409	10,446	15,456	17,816
114	Nigeria	4,385	10,537	8,775	5,945	10,394	16,249	24,239	27,863	32,770
115	South Africa	3,190	4,217	4,439	4,036	4,627	5,942	5,884	7,501	9,047
116	Other	7,586	10,170	9,527	9,760	12,254	16,036	24,642	29,600	32,372
117	International organizations and unallocated	0	0	0	0	0	0	0	0	0
	<b>Memorandum:</b>									
118	Members of OPEC	41,978	67,094	59,755	53,246	68,346	94,109	124,942	145,367	174,340

See the footnotes on pages 106-107.



Table 2. U.S. Trade  
[Millions]

Line	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>B Trade in goods, by area and country, adjusted to balance of payments basis, excluding military: —Continued:</b>									
<b>BALANCE (EXCESS OF EXPORTS +)</b>									
119 <b>Total, all countries</b> .....	<b>-347,819</b>	<b>-454,690</b>	<b>-429,519</b>	<b>-484,955</b>	<b>-550,892</b>	<b>-669,578</b>	<b>-787,149</b>	<b>-838,270</b>	<b>-819,373</b>
120 <b>Europe</b> .....	<b>-58,906</b>	<b>-75,191</b>	<b>-77,759</b>	<b>-101,295</b>	<b>-116,956</b>	<b>-132,070</b>	<b>-147,509</b>	<b>-142,538</b>	<b>-130,334</b>
121 European Union.....	-46,057	-57,717	-64,284	-85,423	-98,011	-110,979	-125,512	-120,212	-113,936
122 Euro area.....	-39,967	-48,706	-55,482	-68,925	-78,039	-84,984	-93,521	-93,166	-90,445
123 Austria.....	-352	-651	-1,418	-1,457	-2,751	-3,873	-3,532	-5,365	-7,528
124 Belgium.....	3,110	3,948	3,242	3,384	4,965	4,329	5,536	6,826	9,869
125 Finland.....	-1,410	-1,765	-1,860	-1,961	-1,941	-1,889	-2,242	-2,377	-2,202
126 France.....	-7,251	-9,648	-10,728	-9,418	-12,395	-10,526	-11,620	-13,047	-14,411
127 Germany.....	-28,912	-29,667	-29,778	-36,513	-39,898	-46,507	-51,382	-48,494	-45,255
128 Greece.....	262	270	589	334	364	506	179	293	648
129 Ireland.....	-4,663	-8,805	-11,405	-15,750	-18,116	-19,333	-19,466	-20,088	-21,486
130 Italy.....	-12,471	-14,083	-14,053	-14,399	-15,112	-17,676	-19,730	-20,388	-21,134
131 Luxembourg.....	644	-8	120	121	-46	337	335	11	415
132 Netherlands.....	10,878	12,057	9,836	8,267	8,985	11,687	11,462	13,587	14,299
133 Norway.....	-2,673	-4,176	-3,381	-4,452	-3,786	-4,966	-4,859	-4,689	-4,283
134 Portugal.....	-493	-621	-356	-841	-1,119	-1,221	-1,211	-1,612	-600
135 Russia.....	-4,073	-5,566	-3,549	-4,474	-6,168	-8,925	-11,340	-15,127	-11,980
136 Spain.....	956	539	330	-690	-819	-973	-1,850	-2,512	-2,868
137 Sweden.....	-3,900	-5,142	-5,457	-6,178	-8,008	-9,520	-10,226	-9,830	-8,637
138 Switzerland.....	-3,776	-3,154	-2,123	-2,044	-2,101	-2,474	-2,358	75	146
139 Turkey.....	324	564	-147	-602	-1,158	-1,804	-1,104	124	1,710
140 United Kingdom.....	-1,318	-2,654	-1,484	-8,512	-9,739	-10,963	-13,231	-8,971	-7,634
141 Other Europe.....	-3,788	-6,629	-6,137	-6,110	-7,959	-8,433	-10,871	-10,955	-9,403
142 <b>Canada</b> .....	<b>-35,039</b>	<b>-55,207</b>	<b>-55,984</b>	<b>-51,309</b>	<b>-55,025</b>	<b>-69,890</b>	<b>-81,888</b>	<b>-75,083</b>	<b>-70,611</b>
143 <b>Latin America and Other Western Hemisphere</b> .....	<b>-27,551</b>	<b>-39,919</b>	<b>-40,691</b>	<b>-57,035</b>	<b>-69,571</b>	<b>-84,859</b>	<b>-103,532</b>	<b>-112,579</b>	<b>-105,316</b>
144 South and Central America.....	-29,792	-41,018	-42,410	-59,067	-69,272	-83,234	-100,380	-111,558	-106,463
145 Argentina.....	2,320	1,551	878	-1,614	-739	-362	-478	779	1,342
146 Brazil.....	1,798	1,403	1,323	-3,515	-6,792	-7,437	-9,268	-7,285	-1,153
147 Chile.....	63	163	-427	-1,184	-1,009	-1,149	-1,452	-3,095	-801
148 Colombia.....	-2,724	-3,340	-2,222	-2,057	-2,668	-2,786	-3,436	-2,624	-970
149 Mexico.....	-23,816	-25,657	-31,098	-38,459	-42,471	-47,399	-52,770	-67,302	-77,589
150 Venezuela.....	-6,021	-13,114	-9,651	-11,126	-14,354	-20,178	-27,568	-28,157	-29,717
151 Other.....	-1,412	-2,024	-1,213	-1,112	-1,239	-3,923	-5,409	-3,874	2,424
152 Other Western Hemisphere.....	2,241	1,099	1,719	2,032	-299	-1,625	-3,152	-1,021	1,147
153 <b>Asia and Pacific</b> .....	<b>-211,588</b>	<b>-244,898</b>	<b>-222,742</b>	<b>-246,549</b>	<b>-264,016</b>	<b>-320,212</b>	<b>-371,192</b>	<b>-409,766</b>	<b>-410,314</b>
154 Australia.....	6,251	5,742	4,131	6,278	6,289	6,233	8,005	9,005	10,067
155 China.....	-68,793	-83,971	-83,295	-103,276	-124,384	-162,335	-202,085	-233,087	-256,611
156 Hong Kong.....	1,795	2,567	3,925	2,776	4,126	5,850	6,978	9,589	12,997
157 India.....	-5,391	-7,023	-6,001	-7,724	-8,091	-9,486	-10,846	-11,854	-6,586
158 Indonesia.....	-7,486	-7,941	-7,568	-7,095	-7,012	-8,149	-8,966	-10,363	-10,087
159 Japan.....	-74,966	-83,238	-70,806	-71,947	-68,012	-77,806	-85,110	-90,967	-85,139
160 Korea, Republic of.....	-8,904	-13,159	-14,004	-13,850	-13,757	-20,447	-16,655	-14,393	-13,901
161 Malaysia.....	-12,455	-14,726	-13,057	-13,756	-14,611	-17,343	-23,306	-24,074	-21,052
162 Philippines.....	-5,173	-5,182	-3,715	-3,800	-2,117	-2,125	-2,393	-2,113	-1,738
163 Singapore.....	-2,215	-1,653	2,257	1,156	986	3,846	5,127	6,543	7,451
164 Taiwan.....	-18,014	-17,148	-16,248	-14,725	-15,131	-13,690	-13,650	-15,769	-12,528
165 Thailand.....	-9,403	-9,894	-8,794	-10,045	-9,624	-11,306	-12,702	-14,427	-14,390
166 Other.....	-6,834	-9,272	-9,567	-10,541	-12,678	-13,454	-15,587	-17,855	-18,796
167 <b>Middle East</b> .....	<b>-7,243</b>	<b>-21,993</b>	<b>-18,283</b>	<b>-16,437</b>	<b>-23,422</b>	<b>-29,689</b>	<b>-32,702</b>	<b>-36,112</b>	<b>-33,759</b>
168 Israel.....	-2,981	-5,612	-4,999	-5,748	-6,307	-6,566	-8,242	-9,639	-8,986
169 Saudi Arabia.....	-1,942	-9,391	-7,710	-8,762	-13,957	-16,125	-20,667	-24,350	-25,614
170 Other.....	-2,320	-6,990	-5,574	-1,927	-3,158	-6,998	-3,793	-2,123	842
171 <b>Africa</b> .....	<b>-7,492</b>	<b>-17,483</b>	<b>-14,060</b>	<b>-12,330</b>	<b>-21,902</b>	<b>-32,858</b>	<b>-50,325</b>	<b>-62,192</b>	<b>-69,039</b>
172 Algeria.....	-1,363	-1,867	-1,670	-1,396	-4,265	-6,444	-9,285	-14,358	-16,167
173 Nigeria.....	-3,754	-9,813	-7,817	-4,884	-9,371	-14,690	-22,614	-25,636	-29,983
174 South Africa.....	-610	-1,135	-1,486	-1,521	-1,812	-2,777	-1,990	-3,051	-3,547
175 Other.....	-1,765	-4,668	-3,087	-4,529	-6,454	-8,947	-16,436	-19,147	-19,343
176 <b>International organizations and unallocated</b> .....	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Memorandum:</b>									
177 <b>Members of OPEC</b> .....	<b>-23,663</b>	<b>-49,469</b>	<b>-40,252</b>	<b>-35,438</b>	<b>-51,792</b>	<b>-72,530</b>	<b>-93,637</b>	<b>-106,259</b>	<b>-125,681</b>

See the footnotes on pages 106–107.













**Table 3. Private Services**  
[Millions]

Line		2005	2006	2007	Not seasonally adjusted			
					2006			
					I	II	III	IV
1	<b>Exports of private services</b> .....	<b>368,496</b>	<b>415,321</b>	<b>479,980</b>	<b>98,089</b>	<b>100,431</b>	<b>106,134</b>	<b>110,666</b>
2	Travel (table 1, line 6) .....	81,799	85,720	96,712	18,785	22,044	24,011	20,880
3	Passenger fares (table 1, line 7) .....	20,970	22,036	25,586	5,215	5,222	6,038	5,560
4	Other transportation (table 1, line 8) .....	41,281	46,323	51,586	10,841	11,676	11,958	11,848
5	Freight .....	16,470	17,408	19,596	4,047	4,349	4,418	4,594
6	Port services .....	24,811	28,915	31,990	6,794	7,327	7,540	7,254
7	Royalties and license fees (table 1, line 9) .....	64,395	72,191	82,614	16,478	17,401	17,858	20,455
8	By type: <sup>1</sup>							
9	Industrial processes <sup>2</sup> .....	n.a.	33,650	37,441	7,708	8,240	8,295	9,407
9	Other <sup>3</sup> .....	n.a.	38,541	45,172	8,770	9,160	9,563	11,049
10	By affiliation:							
11	U.S. parents' receipts from their foreign affiliates .....	44,408	48,852	54,726	11,292	12,231	12,145	13,184
11	U.S. affiliates' receipts from their foreign parent groups .....	4,088	3,617	4,154	712	874	857	1,174
12	U.S. receipts from unaffiliated foreigners .....	15,900	19,723	23,733	4,474	4,296	4,856	6,097
13	Other private services (table 1, line 10) .....	160,051	189,050	223,483	46,771	44,088	46,269	51,922
14	By type: <sup>1</sup>							
14	Education .....	14,021	14,645	15,732	5,987	1,794	4,052	2,813
15	Financial services .....	n.a.	47,439	58,266	11,419	11,323	11,077	13,619
16	Insurance services .....	7,566	10,095	10,286	2,531	2,563	2,449	2,552
17	Telecommunications .....	n.a.	7,278	8,283	1,633	1,710	1,960	1,975
18	Business, professional, and technical services .....	n.a.	89,692	107,675	20,227	21,910	22,050	25,506
19	Other services <sup>4</sup> .....	n.a.	19,901	23,241	4,974	4,788	4,681	5,458
20	By affiliation:							
21	U.S. parents' receipts from their foreign affiliates .....	31,496	37,410	49,238	8,389	8,941	9,262	10,818
21	U.S. affiliates' receipts from their foreign parent groups .....	16,506	20,254	24,052	4,431	4,801	4,689	6,333
22	U.S. receipts from unaffiliated foreigners .....	112,050	131,386	150,193	33,951	30,346	32,319	34,771
23	<b>Imports of private services</b> .....	<b>279,486</b>	<b>313,865</b>	<b>341,126</b>	<b>71,666</b>	<b>80,897</b>	<b>81,562</b>	<b>79,740</b>
24	Travel (table 1, line 23) .....	68,970	72,104	76,167	14,933	20,560	20,565	16,046
25	Passenger fares (table 1, line 24) .....	26,149	27,501	28,486	6,176	7,530	7,258	6,537
26	Other transportation (table 1, line 25) .....	61,937	65,262	67,050	15,471	16,528	17,030	16,233
27	Freight .....	43,920	45,700	45,576	11,005	11,430	11,785	11,480
28	Port services .....	18,017	19,562	21,474	4,466	5,098	5,245	4,753
29	Royalties and license fees (table 1, line 26) .....	24,612	23,777	25,048	5,949	5,485	5,383	6,960
30	By type: <sup>1</sup>							
31	Industrial processes <sup>2</sup> .....	n.a.	16,983	18,093	4,050	3,881	3,897	5,155
31	Other <sup>3</sup> .....	n.a.	6,794	6,955	1,898	1,604	1,486	1,806
32	By affiliation:							
32	U.S. parents' payments to their foreign affiliates .....	3,181	2,049	2,233	527	469	508	545
33	U.S. affiliates' payments to their foreign parent groups .....	17,150	16,112	17,420	3,650	3,673	3,585	5,205
34	U.S. payments to unaffiliated foreigners .....	4,281	5,617	5,396	1,771	1,343	1,291	1,211
35	Other private services (table 1, line 27) .....	97,818	125,221	144,375	29,137	30,794	31,326	33,964
36	By type: <sup>1</sup>							
36	Education .....	3,992	4,465	4,523	855	1,143	1,509	958
37	Financial services .....	n.a.	14,242	18,928	3,133	3,494	3,534	4,081
38	Insurance services .....	28,710	37,373	42,761	8,696	9,160	9,609	9,908
39	Telecommunications .....	n.a.	6,367	7,334	1,516	1,558	1,579	1,714
40	Business, professional, and technical services .....	n.a.	61,068	68,763	14,504	14,992	14,666	16,906
41	Other services <sup>4</sup> .....	n.a.	1,706	2,065	433	447	429	397
42	By affiliation:							
42	U.S. parents' payments to their foreign affiliates .....	22,544	32,360	36,545	7,290	8,093	7,876	9,102
43	U.S. affiliates' payments to their foreign parent groups .....	15,282	17,271	20,518	4,372	4,080	4,032	4,787
44	U.S. payments to unaffiliated foreigners .....	59,992	75,590	87,312	17,476	18,621	19,418	20,075
	<b>Supplemental detail on insurance transactions:</b>							
45	Premiums received <sup>5</sup> .....	20,969	23,336	20,951	6,002	5,977	5,431	5,925
46	Actual losses paid .....	14,015	10,910	11,619	2,999	2,733	2,589	2,590
47	Premiums paid <sup>5</sup> .....	65,993	67,625	74,848	16,409	16,752	17,149	17,315
48	Actual losses recovered .....	41,345	29,755	30,430	7,092	7,398	7,596	7,668
	<b>Memoranda:</b>							
49	Balance on goods (table 1, line 72) .....	-787,149	-838,270	-819,373	-193,223	-209,751	-231,671	-203,626
50	Balance on private services (line 1 minus line 25) .....	89,010	101,455	138,854	26,423	19,534	24,572	30,925
51	Balance on goods and private services (lines 53 and 54) .....	-698,139	-736,815	-680,519	-166,800	-190,217	-207,099	-172,700

See the footnotes on pages 106-107.

Transactions  
of dollars]

Not seasonally adjusted					Seasonally adjusted										Line
2007				2008	2006				2007				2008		
I	II	III	IV	I P	I	II	III	IV	I	II	III	IV	I P		
108,560	115,171	128,718	127,532	128,975	99,621	101,900	103,728	110,071	110,193	116,176	125,188	128,423	132,075	1	
19,658	24,387	29,159	23,508	23,958	20,906	21,284	21,475	22,055	21,818	23,154	25,241	26,499	26,848	2	
5,529	5,848	6,868	7,340	6,680	5,376	5,465	5,647	5,547	5,800	5,996	6,530	7,259	7,188	3	
11,873	12,575	13,018	14,120	14,531	11,114	11,625	11,788	11,796	12,076	12,639	13,081	13,790	14,922	4	
4,412	4,895	4,951	5,338	5,330	4,137	4,301	4,436	4,534	4,520	4,848	4,964	5,264	5,458	5	
7,461	7,680	8,067	8,782	9,202	6,977	7,324	7,352	7,262	7,556	7,791	8,117	8,526	9,463	6	
18,490	19,683	21,588	22,853	21,607	16,845	17,530	18,219	19,597	18,991	19,866	21,940	21,817	22,267	7	
8,611	8,789	10,177	9,864	9,584	7,708	8,240	8,295	9,407	8,611	8,789	10,177	9,864	9,584	8	
9,879	10,894	11,411	12,989	12,023	9,137	9,290	9,925	10,190	10,380	11,077	11,763	11,953	12,683	9	
12,157	12,993	14,354	15,223	14,055	11,534	12,292	12,349	12,677	12,506	13,080	14,537	14,603	14,515	10	
1,062	918	1,123	1,052	1,141	712	874	857	1,174	1,062	918	1,123	1,052	1,141	11	
5,271	5,772	6,111	6,578	6,410	4,598	4,364	5,014	5,746	5,423	5,868	6,280	6,162	6,611	12	
53,010	52,679	58,084	59,710	62,200	45,380	45,996	46,599	51,076	51,508	54,521	58,396	59,058	60,850	13	
6,453	1,923	4,386	2,970	6,865	3,576	3,616	3,665	3,788	3,848	3,897	3,962	4,025	4,090	14	
12,870	13,996	15,567	15,833	15,559	11,419	11,323	11,077	13,619	12,870	13,996	15,567	15,833	15,559	15	
2,351	2,554	2,676	2,706	2,842	2,531	2,563	2,449	2,552	2,351	2,554	2,676	2,706	2,842	16	
1,967	2,079	2,128	2,109	2,180	1,633	1,710	1,960	1,975	1,967	2,079	2,128	2,109	2,180	17	
24,129	26,647	27,260	29,639	28,154	21,247	21,995	22,766	23,684	25,231	26,515	27,996	27,932	29,579	18	
5,241	5,479	6,067	6,453	6,600	4,974	4,788	4,681	5,458	5,241	5,479	6,067	6,453	6,600	19	
10,843	12,453	12,515	13,428	13,076	8,698	8,870	9,531	10,311	11,226	12,232	12,804	12,976	13,556	20	
5,802	6,112	5,626	6,512	6,364	4,714	4,939	5,046	5,556	5,985	6,140	6,031	5,897	6,657	21	
36,365	34,113	39,944	39,770	42,760	31,968	32,186	32,022	35,210	34,297	36,149	39,561	40,185	40,637	22	
77,695	87,298	90,532	85,602	85,300	76,262	77,846	78,207	81,551	82,367	84,292	87,087	87,380	90,480	23	
15,837	21,390	21,916	17,024	17,434	17,624	17,956	18,021	18,503	18,538	18,849	19,247	19,533	20,324	24	
6,158	7,588	7,841	6,899	7,372	6,748	6,928	6,890	6,935	6,721	6,979	7,422	7,364	8,051	25	
15,570	16,903	17,476	17,101	17,212	15,877	16,375	16,621	16,389	16,022	16,767	17,119	17,142	17,864	26	
10,798	11,626	11,848	11,304	11,081	11,327	11,520	11,608	11,547	11,059	11,547	11,656	11,314	11,479	27	
4,772	5,277	5,628	5,797	6,131	4,632	5,048	5,101	4,781	4,963	5,220	5,463	5,828	6,385	28	
6,386	6,011	6,004	6,646	6,002	6,230	5,756	5,507	6,285	6,643	6,260	6,155	5,991	6,209	29	
4,694	4,405	4,348	4,646	4,145	4,267	4,090	3,992	4,635	4,887	4,590	4,460	4,156	4,291	30	
1,691	1,607	1,656	2,001	1,856	1,963	1,666	1,515	1,650	1,756	1,669	1,694	1,836	1,918	31	
553	528	636	515	562	527	469	508	545	553	528	636	515	562	32	
4,499	4,168	4,017	4,736	3,942	3,931	3,944	3,708	4,529	4,756	4,416	4,167	4,081	4,150	33	
1,334	1,315	1,351	1,396	1,497	1,771	1,343	1,291	1,211	1,334	1,315	1,351	1,396	1,497	34	
33,744	35,406	37,294	37,931	37,279	29,783	30,831	31,169	33,440	34,444	35,437	37,145	37,350	38,032	35	
866	1,156	1,523	978	883	1,104	1,126	1,133	1,104	1,119	1,135	1,140	1,129	1,145	36	
4,430	4,798	4,727	4,973	4,813	3,133	3,494	3,534	4,081	4,430	4,798	4,727	4,973	4,813	37	
10,426	10,172	11,113	11,050	11,292	8,696	9,160	9,609	9,908	10,426	10,172	11,113	11,050	11,292	38	
1,667	1,912	1,908	1,847	1,901	1,516	1,558	1,579	1,714	1,667	1,912	1,908	1,847	1,901	39	
15,895	16,855	17,460	18,553	17,837	14,901	15,045	14,885	16,237	16,342	16,907	17,694	17,820	18,328	40	
459	514	562	530	553	433	447	429	397	459	514	562	530	553	41	
8,273	8,804	9,302	10,166	9,037	7,686	8,146	8,095	8,433	8,720	8,856	9,536	9,434	9,528	42	
4,927	5,327	5,046	5,218	5,361	4,372	4,080	4,032	4,787	4,927	5,327	5,046	5,218	5,361	43	
20,544	21,275	22,945	22,547	22,882	17,725	18,604	19,042	20,220	20,797	21,254	22,562	22,698	23,143	44	
4,879	5,226	5,532	5,314	5,366	6,002	5,977	5,431	5,925	4,879	5,226	5,532	5,314	5,366	45	
2,706	2,856	2,988	3,069	3,097	2,999	2,733	2,589	2,590	2,706	2,856	2,988	3,069	3,097	46	
18,596	17,704	19,454	19,093	19,304	16,409	16,752	17,149	17,315	18,596	17,704	19,454	19,093	19,304	47	
7,642	7,595	7,577	7,616	7,713	7,092	7,398	7,596	7,668	7,642	7,595	7,577	7,616	7,713	48	
-186,708	-202,296	-215,588	-214,780	-191,666	-208,607	-211,684	-218,623	-199,356	-203,363	-205,887	-201,204	-208,919	-211,032	49	
30,865	27,873	38,186	41,930	43,676	23,359	24,055	25,521	28,520	27,825	31,884	38,101	41,043	41,595	50	
-155,843	-174,423	-177,402	-172,850	-147,990	-185,248	-187,629	-193,102	-170,837	-175,538	-174,004	-163,103	-167,876	-169,437	51	

**Table 4. Investment**  
[Millions of

Line		2005	2006	2007	Not seasonally adjusted			
					2006			
					I	II	III	IV
1	<b>Income receipts on U.S.-owned assets abroad (table 1, line 13)</b>	<b>532,373</b>	<b>682,270</b>	<b>814,807</b>	<b>153,919</b>	<b>170,649</b>	<b>175,448</b>	<b>182,253</b>
2	Direct investment receipts (table 1, line 14)	294,538	328,543	368,275	77,081	83,939	82,832	84,690
3	Earnings	288,396	322,674	361,869	75,667	82,389	81,355	83,263
4	Interest	6,142	5,869	6,407	1,414	1,550	1,477	1,427
5	Other private receipts (table 1, line 15)	235,120	351,327	444,299	76,194	86,208	92,034	96,891
6	Income on foreign securities	120,019	148,196	193,961	33,256	36,271	38,225	40,443
7	Dividends	64,628	84,330	114,617	18,661	21,010	22,000	22,659
8	Interest	55,391	63,866	79,344	14,595	15,261	16,225	17,785
9	Interest on claims reported by banks	79,574	146,769	184,055	30,732	36,314	38,893	40,830
10	Banks' own claims	63,603	113,979	142,587	24,170	28,375	29,936	31,498
11	Banks' customers' claims	15,971	32,790	41,468	6,561	7,939	8,957	9,333
12	Interest on claims reported by nonbanking concerns	35,527	56,363	66,284	12,207	13,622	14,916	15,618
13	U.S. government receipts (table 1, line 16)	2,715	2,400	2,233	644	502	582	672
14	<b>Income payments on foreign-owned assets in the United States (table 1, line 30)</b>	<b>453,615</b>	<b>618,466</b>	<b>726,031</b>	<b>137,793</b>	<b>152,895</b>	<b>162,438</b>	<b>165,341</b>
15	Direct investment payments (table 1, line 31)	121,333	144,397	134,414	33,001	36,471	39,742	35,184
16	Earnings	106,129	126,121	109,784	29,259	32,371	34,695	29,795
17	Interest	15,204	18,276	24,630	3,742	4,100	5,046	5,388
18	Other private payments (table 1, line 32)	228,408	339,088	426,515	74,307	83,504	88,063	93,214
19	Income on U.S. corporate securities	123,386	151,448	193,880	34,770	37,023	38,397	41,259
20	Dividends	38,084	44,884	54,344	10,470	11,300	11,320	11,795
21	Interest	85,303	106,564	139,536	24,300	25,723	27,077	29,464
22	Interest on liabilities reported by banks	83,423	157,070	189,884	32,701	39,212	41,720	43,438
23	Banks' own liabilities	62,421	123,508	147,141	25,992	31,472	32,163	33,881
24	Banks' customers' liabilities	21,002	33,562	42,743	6,709	7,739	9,557	9,557
25	Interest on liabilities reported by nonbanking concerns	21,599	30,569	42,751	6,836	7,270	7,946	8,518
26	U.S. government payments (table 1, line 33)	103,874	134,981	165,102	30,485	32,920	34,633	36,943
27	<b>Memorandum:</b> Balance on investment income (line 1 minus line 14)	<b>78,759</b>	<b>63,802</b>	<b>88,776</b>	<b>16,126</b>	<b>17,754</b>	<b>13,010</b>	<b>16,912</b>

**Income**  
dollars]

Not seasonally adjusted					Seasonally adjusted										Line
2007				2008	2006				2007				2008		
I	II	III	IV	I P	I	II	III	IV	I	II	III	IV	I P		
<b>184,606</b>	<b>203,160</b>	<b>212,901</b>	<b>214,141</b>	<b>196,879</b>	<b>154,962</b>	<b>169,284</b>	<b>175,539</b>	<b>182,485</b>	<b>186,013</b>	<b>201,434</b>	<b>212,774</b>	<b>214,587</b>	<b>198,700</b>	1	
81,973	91,434	95,105	99,764	95,276	78,178	82,489	82,911	84,965	83,391	89,673	94,953	100,259	97,094	2	
80,452	89,925	93,391	98,101	93,426	76,764	80,939	81,433	83,538	81,870	88,164	93,239	98,596	95,243	3	
1,521	1,509	1,714	1,663	1,851	1,414	1,550	1,477	1,427	1,521	1,509	1,714	1,663	1,851	4	
102,063	111,187	117,275	113,774	100,831	76,194	86,208	92,034	96,891	102,063	111,187	117,275	113,774	100,831	5	
43,916	47,155	50,815	52,075	56,433	33,256	36,271	38,225	40,443	43,916	47,155	50,815	52,075	56,433	6	
25,140	27,342	30,676	31,459	35,667	18,661	21,010	22,000	22,659	25,140	27,342	30,676	31,459	35,667	7	
18,776	19,813	20,139	20,616	20,766	14,595	15,261	16,225	17,785	18,776	19,813	20,139	20,616	20,766	8	
42,990	47,043	48,338	45,684	32,700	30,732	36,314	38,893	40,830	42,990	47,043	48,338	45,684	32,700	9	
33,527	36,860	37,095	35,105	25,526	24,170	28,375	29,936	31,498	33,527	36,860	37,095	35,105	25,526	10	
9,463	10,183	11,243	10,579	7,174	6,561	7,939	8,957	9,333	9,463	10,183	11,243	10,579	7,174	11	
15,157	16,989	18,123	16,015	11,697	12,207	13,622	14,916	15,618	15,157	16,989	18,123	16,015	11,697	12	
570	539	521	603	772	590	587	594	629	559	574	546	554	775	13	
<b>170,529</b>	<b>191,353</b>	<b>187,602</b>	<b>176,548</b>	<b>165,922</b>	<b>138,674</b>	<b>151,608</b>	<b>162,623</b>	<b>165,561</b>	<b>171,560</b>	<b>189,991</b>	<b>188,045</b>	<b>176,436</b>	<b>167,125</b>	14	
32,097	41,982	34,800	25,536	29,041	33,882	35,184	39,927	35,404	33,128	40,620	35,243	25,424	30,244	15	
26,866	36,220	28,549	18,149	22,395	30,140	31,084	34,880	30,016	27,897	34,858	28,992	18,037	23,599	16	
5,231	5,762	6,250	7,387	6,645	3,742	4,100	5,046	5,388	5,231	5,762	6,250	7,387	6,645	17	
99,373	107,963	110,898	108,281	94,103	74,307	83,504	88,063	93,214	99,373	107,963	110,898	108,281	94,103	18	
44,375	48,383	49,845	51,276	52,793	34,770	37,023	38,397	41,259	44,375	48,383	49,845	51,276	52,793	19	
12,622	13,003	13,913	14,806	15,876	10,470	11,300	11,320	11,795	12,622	13,003	13,913	14,806	15,876	20	
31,753	35,380	35,932	36,471	36,917	24,300	25,723	27,077	29,464	31,753	35,380	35,932	36,471	36,917	21	
45,766	48,854	49,212	46,053	33,259	32,701	39,212	41,720	43,438	45,766	48,854	49,212	46,053	33,259	22	
35,693	38,297	38,007	35,144	25,075	25,992	31,472	32,163	33,881	35,693	38,297	38,007	35,144	25,075	23	
10,072	10,556	11,205	10,909	8,185	6,709	7,739	9,557	9,557	10,072	10,556	11,205	10,909	8,185	24	
9,232	10,727	11,840	10,952	8,052	6,836	7,270	7,946	8,518	9,232	10,727	11,840	10,952	8,052	25	
39,059	41,408	41,904	42,731	42,778	30,485	32,920	34,633	36,943	39,059	41,408	41,904	42,731	42,778	26	
14,077	11,807	25,299	37,593	30,957	16,288	17,676	12,916	16,924	14,453	11,443	24,729	38,151	31,575	27	

**Table 5. U.S. Official Reserve Assets and Foreign Official Assets in the United States**  
 (Millions of dollars)

Line	(Credits +; decrease in U.S. assets or increase in foreign assets. Debits -; increase in U.S. assets or decrease in foreign assets.)	2005	2006	2007	Not seasonally adjusted										Amounts outstanding March 31, 2008
					2006				2007				2008		
					I	II	III	IV	I	II	III	IV		I <sup>a</sup>	
A1	<b>U.S. official reserve assets, net (table 1, line 41)</b>	<b>14,096</b>	<b>2,374</b>	<b>-122</b>	<b>513</b>	<b>-560</b>	<b>1,006</b>	<b>1,415</b>	<b>-72</b>	<b>26</b>	<b>-54</b>	<b>-22</b>	<b>-276</b>	<b>308,493</b>	
2	Gold (table 1, line 42)	0	0	0	0	0	0	0	0	0	0	0	0	244,109	
3	Special drawing rights (table 1, line 43)	4,511	-223	-154	-67	-51	-54	-51	-43	-39	-37	-35	-29	9,892	
4	Reserve position in the International Monetary Fund (table 1, line 44)	10,200	3,331	1,021	729	-351	1,275	1,678	212	294	230	285	112	4,302	
5	Foreign currencies (table 1, line 45)	-615	-734	-989	-149	-158	-215	-212	-241	-229	-247	-272	-359	50,190	
B1	<b>Foreign official assets in the United States, net (table 1, line 56)</b>	<b>259,268</b>	<b>487,939</b>	<b>411,058</b>	<b>130,427</b>	<b>127,303</b>	<b>121,843</b>	<b>108,366</b>	<b>163,270</b>	<b>88,822</b>	<b>13,469</b>	<b>145,497</b>	<b>173,501</b>	<b>3,542,613</b>	
	By instrument:														
2	U.S. Treasury securities (table 1, line 58)	112,841	208,564	58,865	65,573	26,391	60,641	55,959	40,337	1,610	-25,810	42,728	88,647	1,829,738	
3	Bills and certificates	-43,336	-25,031	19,648	13,270	-27,462	-8,224	-2,615	22,275	-38,152	17,352	18,173	6,221	202,701	
4	Bonds and notes, marketable	156,859	233,516	39,133	52,284	53,834	68,845	58,553	18,042	39,741	-43,183	24,533	82,404	1,625,904	
5	Bonds and notes, nonmarketable	-682	79	84	19	19	20	21	20	21	21	22	22	1,133	
6	Other U.S. government securities (table 1, line 59)	100,493	219,837	171,465	52,006	44,908	61,266	61,657	81,303	60,031	18,022	12,109	79,035	899,124	
7	Other U.S. government liabilities (table 1, line 60)	-421	2,816	5,342	-45	760	913	1,188	366	-69	913	4,132	1,792	25,816	
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 61)	26,260	22,365	108,695	2,394	43,366	-7,871	-15,524	30,329	15,956	9,873	52,537	-26,906	378,801	
9	Banks' liabilities for own account <sup>1</sup>	25,468	42,155	32,556	25,839	20,919	4,189	-8,792	30,331	15,367	-27,354	14,212	-20,973	202,722	
10	Repurchase agreements	5,505	22,737	40,668	24,477	17,390	-8,010	-11,120	34,569	7,813	-21,118	19,404	-18,277	140,210	
11	Deposits and brokerage balances <sup>2</sup>	18,813	15,105	-6,411	583	6,028	8,158	336	1,432	4,955	-4,927	-7,871	-3,448	50,672	
12	Other liabilities	1,150	4,313	-1,701	779	-2,499	4,041	1,992	-5,670	2,599	-1,309	2,679	752	11,840	
13	Banks' customers' liabilities <sup>1</sup>	792	-19,790	76,139	-23,445	22,447	-12,060	-6,732	-2	589	37,227	38,325	-5,933	176,079	
14	Negotiable certificates of deposit and other short-term instruments	1,373	-18,767	75,240	-22,321	22,405	-12,306	-6,545	80	-131	36,823	38,468	-13,560	167,451	
15	Other liabilities	-581	-1,023	899	-1,124	42	246	-187	-82	720	404	-143	7,627	8,628	
16	Other foreign official assets (table 1, line 62)	20,095	34,357	66,691	10,499	11,878	6,894	5,086	10,935	11,294	10,471	33,991	30,933	409,134	
	By area:														
17	Europe	24,948	106,782	73,375	41,203	14,661	13,855	37,063	18,394	-7,127	15,707	46,401	42,988	645,153	
18	Canada	293	-964	721	229	-417	-422	-354	626	304	-1,056	847	-18	12,007	
19	Latin America and Caribbean	5,667	44,564	80,352	8,179	12,692	12,477	11,216	22,823	33,079	15,640	8,810	8,729	289,794	
20	Asia	225,630	324,897	278,384	78,638	93,419	99,899	52,941	111,395	50,498	10,678	105,813	115,280	2,541,125	
21	Africa	5,528	-1,927	6,976	-1,450	2,730	144	-3,351	1,735	4,168	-593	1,666	1,692	29,541	
22	Other	-2,798	14,587	-28,750	3,628	4,218	-4,110	10,851	8,297	7,900	-26,907	-18,040	4,830	24,993	

See the footnotes on pages 106-107.



Table 7. Direct Investment: Income, Capital, Royalties and

[Millions]

Line	(Credits +; debits -)	2005	2006	2007	Not seasonally adjusted			
					2006			
					I	II	III	IV
<b>U.S. direct investment abroad:</b>								
1	<b>Income (table 1, line 14)</b> .....	<b>294,538</b>	<b>328,543</b>	<b>368,275</b>	<b>77,081</b>	<b>83,939</b>	<b>82,832</b>	<b>84,690</b>
2	Earnings.....	288,396	322,674	361,869	75,667	82,389	81,355	83,263
3	Distributed earnings.....	298,712	91,108	98,558	16,821	25,396	13,618	35,274
4	Reinvested earnings.....	-10,316	231,565	263,311	58,846	56,993	67,737	47,990
5	Reinvested earnings without current-cost adjustment.....	-31,182	211,985	243,827	53,868	52,086	62,878	43,154
6	Current-cost adjustment.....	20,866	19,580	19,484	4,978	4,907	4,859	4,836
7	Interest.....	6,142	5,869	6,407	1,414	1,550	1,477	1,427
8	U.S. parents' receipts.....	9,292	9,750	10,882	2,284	2,467	2,437	2,562
9	U.S. parents' payments.....	-3,150	-3,881	-4,475	-870	-917	-959	-1,135
10	Income without current-cost adjustment.....	273,672	308,963	348,791	72,103	79,032	77,973	79,854
11	Manufacturing.....	47,545	55,465	65,127	12,489	14,281	14,090	14,605
12	Wholesale trade.....	24,734	28,108	30,238	5,910	7,951	6,319	7,927
13	Finance (including depository institutions) and insurance.....	28,175	32,011	40,557	8,196	8,247	8,154	7,413
14	Holding companies, except bank holding companies.....	109,883	122,785	136,875	29,658	30,387	31,358	31,382
15	Other.....	63,336	70,594	75,994	15,851	18,165	18,051	18,527
16	Earnings without current-cost adjustment (line 2 less line 6).....	267,530	303,094	342,385	70,689	77,482	76,496	78,427
17	Manufacturing.....	46,088	53,894	64,015	12,121	13,860	13,675	14,238
18	Wholesale trade.....	24,341	27,706	29,863	5,822	7,831	6,224	7,829
19	Finance (including depository institutions) and insurance.....	28,307	32,713	40,802	8,330	8,414	8,322	7,648
20	Holding companies, except bank holding companies.....	108,265	120,904	134,879	29,185	29,867	30,901	30,951
21	Other.....	60,529	67,876	72,826	15,231	17,509	17,374	17,761
22	Interest.....	6,142	5,869	6,407	1,414	1,550	1,477	1,427
23	Manufacturing.....	1,456	1,571	1,112	368	421	416	366
24	Wholesale trade.....	393	402	376	88	120	96	98
25	Finance (including depository institutions) and insurance <sup>1</sup> .....	-132	-702	-244	-133	-167	-167	-234
26	Holding companies, except bank holding companies.....	1,618	1,881	1,995	473	520	457	431
27	Other.....	2,807	2,717	3,168	619	656	677	766
28	<b>Capital (table 1, line 51)</b> .....	<b>-36,235</b>	<b>-241,244</b>	<b>-333,271</b>	<b>-63,342</b>	<b>-48,280</b>	<b>-72,977</b>	<b>-56,646</b>
29	Equity capital.....	-61,937	-32,306	-87,969	-15,283	1,018	-5,407	-12,635
30	Increases in equity capital.....	-103,331	-91,672	-152,297	-26,528	-13,695	-17,959	-33,490
31	Decreases in equity capital.....	41,394	59,366	64,328	11,245	14,713	12,552	20,856
32	Reinvested earnings (line 4 with sign reversed).....	10,316	-231,565	-263,311	-58,846	-56,993	-67,737	-47,990
33	Intercompany debt.....	15,386	22,627	18,008	10,787	7,695	166	3,979
34	U.S. parents' receivables.....	4,370	-9,605	-11,635	-7,737	-2,047	-5,525	5,704
35	U.S. parents' payables.....	11,016	32,232	29,643	18,524	9,742	5,692	-1,725
36	Capital without current-cost adjustment.....	-15,369	-221,664	-313,787	-58,364	-43,373	-68,118	-51,810
37	Manufacturing.....	-28,121	-46,719	-55,249	-2,624	-9,913	-15,831	-18,351
38	Wholesale trade.....	-12,517	-20,124	-26,385	-6,830	-1,989	-6,153	-5,152
39	Finance (including depository institutions) and insurance.....	-8,328	-19,900	-53,079	-2,124	-10,150	-1,001	-6,626
40	Holding companies, except bank holding companies.....	66,351	-96,794	-115,260	-37,388	-17,242	-30,852	-11,313
41	Other.....	-32,754	-38,128	-63,814	-9,398	-4,080	-14,282	-10,369
42	Equity capital.....	-61,937	-32,306	-87,969	-15,283	1,018	-5,407	-12,635
43	Manufacturing.....	-16,221	-14,491	-14,081	327	239	-3,305	-11,752
44	Wholesale trade.....	-1,926	-3,210	-3,763	-717	-332	-1,046	-1,115
45	Finance (including depository institutions) and insurance.....	-10,618	-8,139	-33,827	-5,217	-4,732	885	925
46	Holding companies, except bank holding companies.....	-16,862	-16,436	-36,358	-12,759	332	-2,059	-1,950
47	Other.....	-16,310	9,969	60	3,083	5,511	118	1,257
48	Reinvested earnings without current-cost adjustment (line 5 with sign reversed).....	31,182	-211,985	-243,827	-53,868	-52,086	-62,878	-43,154
49	Manufacturing.....	-11,753	-39,789	-48,515	-7,949	-11,149	-11,155	-9,536
50	Wholesale trade.....	-8,490	-20,740	-22,168	-4,619	-5,774	-5,257	-5,089
51	Finance (including depository institutions) and insurance.....	-4,174	-18,525	-22,531	-4,986	-4,284	-6,110	-3,145
52	Holding companies, except bank holding companies.....	80,540	-93,055	-98,232	-25,334	-23,294	-26,561	-17,867
53	Other.....	-24,941	-39,877	-52,380	-10,979	-7,585	-13,795	-7,518
54	Intercompany debt.....	15,386	22,627	18,008	10,787	7,695	166	3,979
55	Manufacturing.....	-147	7,561	7,347	4,998	997	-1,372	2,937
56	Wholesale trade.....	-2,102	3,826	-454	-1,494	4,118	150	1,052
57	Finance (including depository institutions) and insurance <sup>2</sup> .....	6,464	6,764	3,278	8,079	-1,134	4,225	-4,406
58	Holding companies, except bank holding companies.....	2,674	12,997	19,331	705	5,720	-2,232	8,504
59	Other.....	8,497	-8,220	-11,494	-1,502	-2,005	-605	-4,108
60	<b>Royalties and license fees, net</b> .....	<b>41,227</b>	<b>46,803</b>	<b>52,494</b>	<b>10,764</b>	<b>11,762</b>	<b>11,638</b>	<b>12,639</b>
61	U.S. parents' receipts (table 1, part of line 9).....	44,408	48,852	54,726	11,292	12,231	12,145	13,184
62	U.S. parents' payments (table 1, part of line 26).....	-3,181	-2,049	-2,233	-527	-469	-508	-545
63	<b>Other private services, net</b> .....	<b>8,952</b>	<b>5,050</b>	<b>12,693</b>	<b>1,099</b>	<b>848</b>	<b>1,386</b>	<b>1,716</b>
64	U.S. parents' receipts (table 1, part of line 10).....	31,496	37,410	49,238	8,389	8,941	9,262	10,818
65	U.S. parents' payments (table 1, part of line 27).....	-22,544	-32,360	-36,545	-7,290	-8,093	-7,876	-9,102

See the footnotes on pages 106-107.



License Fees, and Other Private Services—Continues

of dollars]

Not seasonally adjusted					Seasonally adjusted										Line
2007				2008	2006				2007				2008		
I	II	III	IV	I*	I	II	III	IV	I	II	III	IV	I*		
81,973	91,434	95,105	99,764	95,276	78,178	82,489	82,911	84,965	83,391	89,673	94,953	100,259	97,094	1	
80,452	89,925	93,391	98,101	93,426	76,764	80,939	81,433	83,538	81,870	88,164	93,239	98,596	95,243	2	
15,083	22,007	17,376	44,093	24,627	25,290	24,324	20,682	20,813	23,149	22,853	26,196	26,360	37,327	3	
65,369	67,918	76,015	54,009	68,798	51,474	56,615	60,751	62,725	58,721	65,311	67,043	72,236	57,916	4	
60,493	63,042	71,144	49,148	63,975	46,496	51,708	55,892	57,889	53,845	60,435	62,172	67,375	53,093	5	
4,876	4,876	4,871	4,861	4,823	4,978	4,907	4,859	4,836	4,876	4,876	4,871	4,861	4,823	6	
1,521	1,509	1,714	1,663	1,851	1,414	1,550	1,477	1,427	1,521	1,509	1,714	1,663	1,851	7	
2,598	2,686	2,803	2,795	2,912	2,284	2,467	2,437	2,562	2,598	2,686	2,803	2,795	2,912	8	
-1,077	-1,177	-1,089	-1,133	-1,062	-870	-917	-959	-1,135	-1,077	-1,177	-1,089	-1,133	-1,062	9	
77,097	86,558	90,234	94,903	90,453	73,200	77,582	78,052	80,129	78,515	84,797	90,082	95,398	92,271	10	
13,907	17,004	16,956	17,032	17,260	13,166	13,365	14,140	14,794	14,727	15,925	16,988	17,487	18,058	11	
6,328	7,554	7,595	8,761	7,138	6,548	7,774	6,626	7,160	7,014	7,362	7,947	7,915	7,902	12	
8,960	10,337	11,237	10,023	11,077	7,978	7,891	8,786	8,266	8,873	9,846	10,701	11,137	11,103	13	
31,525	33,348	35,392	36,610	34,082	29,658	30,387	31,358	31,382	31,525	33,348	35,392	36,610	34,082	14	
16,376	18,315	19,054	22,248	21,125	15,851	18,165	18,051	18,527	16,376	18,315	19,054	22,248	21,125	15	
75,576	85,049	88,520	93,240	88,603	71,786	76,032	76,574	78,702	76,994	83,288	88,368	93,735	90,420	16	
13,589	16,701	16,704	17,021	16,744	12,798	12,944	13,725	14,428	14,410	15,622	16,735	17,249	17,771	17	
6,252	7,471	7,492	8,648	7,034	6,460	7,654	6,531	7,062	6,937	7,280	7,844	7,801	7,798	18	
9,055	10,436	11,287	10,024	11,042	8,112	8,058	8,044	8,500	8,967	9,945	10,751	11,138	11,069	19	
31,042	32,884	34,824	36,129	33,490	29,185	29,867	30,901	30,951	31,042	32,884	34,824	36,129	33,490	20	
15,638	17,557	18,213	21,418	20,292	15,231	17,509	17,509	17,374	15,638	17,557	18,213	21,418	20,292	21	
1,521	1,509	1,714	1,663	1,851	1,414	1,550	1,477	1,427	1,521	1,509	1,714	1,663	1,851	22	
317	303	252	239	288	368	421	416	366	317	303	252	239	288	23	
77	82	103	114	104	88	120	96	88	77	82	103	114	104	24	
-94	-99	-50	-1	34	-133	-167	-167	-234	-94	-99	-50	-1	34	25	
483	464	568	480	592	473	520	457	431	483	464	568	480	592	26	
738	758	841	831	834	619	656	677	766	738	758	841	831	834	27	
-73,354	-96,224	-71,015	-92,678	-96,490	-55,969	-47,902	-65,992	-71,381	-66,706	-93,616	-62,043	-110,905	-85,608	28	
-17,777	-44,019	2,718	-28,690	-24,461	-15,283	1,018	-5,407	-12,635	-17,777	-44,019	2,718	-28,690	-24,461	29	
-25,568	-59,358	-20,706	-46,664	-30,239	-26,528	-13,695	-17,959	-33,490	-25,568	-59,358	-20,706	-46,664	-30,239	30	
7,791	15,339	23,424	17,774	5,778	11,245	14,713	12,552	20,856	7,791	15,339	23,424	17,774	5,778	31	
-65,369	-67,918	-76,015	-54,009	-68,798	-51,474	-56,615	-60,751	-62,725	-58,721	-65,311	-67,043	-72,236	-57,916	32	
9,792	15,713	2,282	-9,779	3,231	10,787	7,695	166	3,979	9,792	15,713	2,282	-9,779	-3,231	33	
1,109	7,649	-10,878	-9,515	-7,437	-7,737	-2,047	-5,525	5,704	1,109	7,649	-10,878	-9,515	-7,437	34	
8,683	8,064	13,160	-264	4,206	18,524	9,742	5,692	-1,725	8,683	8,064	13,160	-264	4,206	35	
-68,478	-91,348	-66,144	-87,817	-91,667	-50,991	-42,995	-61,133	-66,545	-61,830	-88,740	-57,172	-106,044	-80,785	36	
-8,708	-26,660	-13,541	-6,341	-15,531	-1,778	-8,713	-15,681	-20,548	-8,347	-24,938	-12,961	-9,003	-15,004	37	
-11,103	-3,492	-6,470	-5,319	-10,227	-6,940	-1,336	-6,140	-5,707	-11,332	-2,897	-6,322	-5,835	-10,669	38	
-11,631	-18,019	-13,402	-10,027	-20,091	-1,197	-9,066	-336	-9,301	-10,542	-16,711	-12,049	-13,777	-19,250	39	
-16,459	-36,715	-17,890	-44,196	-27,016	-35,003	-16,917	-27,545	-17,328	-13,358	-35,963	-13,298	-52,641	-19,968	40	
-20,576	-6,463	-14,841	-21,934	-18,802	-6,074	-6,963	-11,430	-13,661	-18,251	-8,231	-12,543	-24,789	-15,894	41	
-17,777	-44,019	2,718	-28,690	-24,461	-15,283	1,018	-5,407	-12,635	-17,777	-44,019	2,718	-28,690	-24,461	42	
-4,871	-14,252	-1,540	6,582	-1,597	327	239	-3,305	-11,752	-4,871	-14,252	-1,540	6,582	-1,597	43	
-58	-2,101	-1,250	-355	-781	-717	-332	-1,046	-1,115	-58	-2,101	-1,250	-355	-781	44	
-7,388	-16,968	-7,225	-2,246	-10,150	-5,217	-4,732	885	925	-7,388	-16,968	-7,225	-2,246	-10,150	45	
-2,002	-17,134	11,130	-28,353	-3,059	-12,759	332	-2,059	-1,950	-2,002	-17,134	11,130	-28,353	-3,059	46	
-3,459	6,435	1,603	-4,519	-8,873	3,083	5,511	118	1,257	-3,459	6,435	1,603	-4,519	-8,873	47	
-60,493	-63,042	-71,144	-49,148	-63,975	-46,496	-51,708	-55,892	-57,889	-53,845	-60,435	-62,172	-67,375	-53,093	48	
-11,261	-13,883	-13,013	-10,358	-13,496	-7,103	-9,949	-11,005	-11,732	-10,900	-12,162	-12,433	-13,020	-12,968	49	
-5,123	-5,295	-5,866	-5,885	-6,397	-4,729	-5,122	-5,245	-5,644	-5,351	-4,699	-5,717	-6,400	-6,838	50	
-4,987	-6,673	-7,776	-3,094	-7,630	-4,059	-3,200	-5,446	-5,820	-3,899	-5,365	-6,422	-6,845	-6,789	51	
-27,066	-25,095	-29,782	-16,289	-23,265	-22,949	-22,970	-23,254	-23,882	-23,965	-24,344	-25,190	-24,733	-16,217	52	
-12,055	-12,097	-14,707	-13,522	-13,188	-7,656	-10,468	-10,943	-10,810	-9,730	-13,865	-12,409	-16,377	-10,280	53	
9,792	15,713	2,282	-9,779	3,231	10,787	7,695	166	3,979	9,792	15,713	2,282	-9,779	-3,231	54	
7,424	1,475	1,012	-2,564	-439	4,998	997	-1,372	2,937	7,424	1,475	1,012	-2,564	-439	55	
-5,923	3,903	646	920	-3,049	-1,494	4,118	150	1,052	-5,923	3,903	646	920	-3,049	56	
744	5,622	1,598	-4,687	-2,311	8,079	-1,134	4,225	-4,406	744	5,622	1,598	-4,687	-2,311	57	
12,610	5,514	762	445	-692	705	5,720	-2,232	8,504	12,610	5,514	762	445	-692	58	
-5,063	-801	-1,737	-3,893	3,260	-1,502	-605	-4,108	-5,063	-801	-1,737	-3,893	3,260	-1,502	59	
11,603	12,465	13,717	14,708	13,493	11,007	11,823	11,841	12,132	11,953	12,552	13,901	14,088	13,953	60	
12,157	12,993	14,354	15,223	14,055	11,534	12,292	12,349	12,677	12,506	13,080	14,537	14,803	14,515	61	
-553	-528	-636	-515	-562	-527	-469	-508	-545	-553	-528	-636	-515	-562	62	
2,569	3,649	3,212	3,262	4,039	1,012	724	1,436	1,878	2,506	3,376	3,268	3,543	4,028	63	
10,843	12,453	12,515	13,428	13,076	8,698	8,870	9,531	10,311	11,226	12,232	12,804	12,976	13,556	64	
-8,273	-8,804	-9,302	-10,166	-9,037	-7,686	-8,146	-8,095	-8,433	-8,720	-8,856	-9,536	-9,434	-9,528	65	

Table 7. Direct Investment: Income, Capital, Royalties and

[Millions]

Line	(Credits +; debits -)	2005	2006	2007	Not seasonally adjusted			
					2006			
					I	II	III	IV
<b>Foreign direct investment in the United States:</b>								
66	<b>Income (table 1, line 31)</b>	<b>-121,333</b>	<b>-144,397</b>	<b>-134,414</b>	<b>-33,001</b>	<b>-36,471</b>	<b>-39,742</b>	<b>-35,184</b>
67	Earnings	-106,129	-126,121	-109,784	-29,259	-32,371	-34,695	-29,795
68	Distributed earnings	-64,395	-57,276	-41,256	-6,688	-6,343	-10,191	-34,054
69	Reinvested earnings	-41,734	-68,844	-68,528	-22,570	-26,028	-24,504	4,258
70	Reinvested earnings without current-cost adjustment	-33,869	-63,584	-63,825	-21,083	-24,682	-23,260	5,441
71	Current-cost adjustment	-7,865	-5,260	-4,703	-1,487	-1,346	-1,244	-1,183
72	Interest	-15,204	-18,276	-24,630	-3,742	-4,100	-5,046	-5,388
73	U.S. affiliates' payments	-18,699	-22,881	-31,033	-4,719	-5,251	-6,327	-6,584
74	U.S. affiliates' receipts	3,496	4,604	6,403	977	1,151	1,280	1,196
75	Income without current-cost adjustment	-113,468	-139,137	-129,711	-31,514	-35,125	-38,498	-34,001
76	Manufacturing	-47,337	-54,349	-60,890	-11,815	-13,541	-14,597	-14,396
77	Wholesale trade	-27,300	-26,214	-23,773	-6,050	-6,678	-6,543	-6,942
78	Finance (including depository institutions) and insurance	-8,879	-15,706	-6,411	-4,051	-4,787	-5,068	-1,800
79	Other	-29,952	-42,968	-38,638	-9,597	-10,119	-12,289	-10,863
80	Earnings without current-cost adjustment (line 67 less line 71)	-98,264	-120,861	-105,081	-27,772	-31,025	-33,451	-28,612
81	Manufacturing	-39,464	-45,843	-49,069	-9,978	-11,835	-12,117	-11,913
82	Wholesale trade	-26,694	-25,245	-22,686	-5,796	-6,458	-6,281	-6,711
83	Finance (including depository institutions) and insurance	-8,213	-14,854	-4,475	-3,905	-4,574	-4,877	-1,498
84	Other	-23,892	-34,919	-28,851	-8,092	-8,159	-10,177	-8,491
85	Interest	-15,204	-18,276	-24,630	-3,742	-4,100	-5,046	-5,388
86	Manufacturing	-7,872	-8,506	-11,821	-1,837	-1,707	-2,480	-2,483
87	Wholesale trade	-606	-968	-1,087	-254	-220	-263	-231
88	Finance (including depository institutions) and insurance	-665	-853	-1,936	-146	-213	-191	-302
89	Other	-6,060	-7,949	-9,787	-1,505	-1,960	-2,112	-2,372
90	<b>Capital (table 1, line 64)</b>	<b>112,638</b>	<b>241,961</b>	<b>237,542</b>	<b>38,466</b>	<b>65,392</b>	<b>56,287</b>	<b>81,816</b>
91	Equity capital	70,725	117,771	147,432	23,105	22,089	14,910	57,667
92	Increases in equity capital	112,505	165,543	213,206	36,018	27,847	26,337	75,341
93	Decreases in equity capital	-41,780	-47,772	-65,774	-12,914	-5,757	-11,426	-17,675
94	Reinvested earnings (line 69 with sign reversed)	41,734	68,844	68,528	22,570	26,028	24,504	-4,258
95	Intercompany debt	180	55,346	21,581	-7,209	17,274	16,872	28,408
96	U.S. affiliates' payables	14,853	73,955	79,418	5,429	28,689	18,583	21,253
97	U.S. affiliates' receivables	-14,674	-18,609	-57,837	-12,638	-11,415	-1,711	7,155
98	Capital without current-cost adjustment	104,773	236,701	232,839	36,979	64,046	55,043	80,633
99	Manufacturing	55,530	93,911	108,113	9,775	15,766	28,750	39,620
100	Wholesale trade	19,905	20,443	28,314	2,096	6,312	8,837	3,197
101	Finance (including depository institutions) and insurance	13,280	53,056	-4,715	9,552	13,548	10,252	19,704
102	Other	16,058	69,292	101,127	15,557	28,419	7,204	18,112
103	Equity capital	70,725	117,771	147,432	23,105	22,089	14,910	57,667
104	Manufacturing	25,834	49,046	75,630	5,515	6,470	3,821	33,240
105	Wholesale trade	4,808	13,167	5,850	7,357	1,901	1,243	2,666
106	Finance (including depository institutions) and insurance	21,620	33,387	18,513	4,120	7,739	4,852	16,676
107	Other	18,463	22,171	47,438	6,112	5,980	4,995	5,085
108	Reinvested earnings without current-cost adjustment (line 70 with sign reversed)	33,869	63,584	63,825	21,083	24,682	23,260	-5,441
109	Manufacturing	14,500	22,364	26,448	7,596	9,723	10,221	-5,175
110	Wholesale trade	7,097	7,888	21,252	3,979	5,372	1,693	-3,156
111	Finance (including depository institutions) and insurance	-1,717	6,580	-4,943	2,830	2,633	3,056	-1,939
112	Other	13,989	26,752	21,069	6,679	6,953	8,290	4,829
113	Intercompany debt	180	55,346	21,581	-7,209	17,274	16,872	28,408
114	Manufacturing	15,197	22,501	6,035	-3,336	-427	14,708	11,556
115	Wholesale trade	7,999	-613	1,213	-9,240	-961	5,901	3,688
116	Finance (including depository institutions) and insurance	-6,622	13,088	-18,286	2,602	3,177	2,343	4,967
117	Other	-16,394	20,369	32,620	2,765	15,486	-6,080	8,198
118	<b>Royalties and license fees, net</b>	<b>-13,062</b>	<b>-12,495</b>	<b>-13,265</b>	<b>-2,938</b>	<b>-2,799</b>	<b>-2,728</b>	<b>-4,031</b>
119	U.S. affiliates' payments (table 1, part of line 26)	-17,150	-16,112	-17,420	-3,650	-3,673	-3,585	-5,205
120	U.S. affiliates' receipts (table 1, part of line 9)	4,088	3,617	4,154	712	874	857	1,174
121	<b>Other private services, net</b>	<b>1,223</b>	<b>2,984</b>	<b>3,534</b>	<b>59</b>	<b>721</b>	<b>657</b>	<b>1,546</b>
122	U.S. affiliates' payments (table 1, part of line 27)	-15,282	-17,271	-20,518	-4,372	-4,080	-4,032	-4,787
123	U.S. affiliates' receipts (table 1, part of line 10)	16,506	20,254	24,052	4,431	4,801	4,689	6,333

See the footnotes on pages 106-107.

License Fees, and Other Private Services—Table Ends

(of dollars)

Table with columns: Not seasonally adjusted (2007, 2008) and Seasonally adjusted (2006, 2007, 2008). Rows include various license fee categories (I, II, III, IV, I\*) and line numbers (66-123). Values range from -32,097 to 13,917.



Table 9. Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns Except Securities Brokers<sup>1</sup>

(Millions of dollars)

Line	(Credits +; decrease in U.S. assets or increase in U.S. liabilities. Debits -: increase in U.S. assets or decrease in U.S. liabilities.)	2005	2006	2007	Not seasonally adjusted										Amounts outstanding March 31, 2008
					2006				2007				2008		
					I	II	III	IV	I	II	III	IV		P	
A1	<b>Claims, total (table 1, line 53)</b>	-71,207	-164,597	-706	-24,771	-48,334	-57,000	-34,492	-46,048	-134,713	80,012	100,043	53,644	1,137,065	
2	<b>Financial claims</b>	-69,921	-161,064	9,620	-23,372	-46,601	-57,955	-33,136	-45,302	-129,507	80,119	104,310	52,375	1,090,185	
3	Denominated in U.S. dollars	-60,457	-162,325	34,959	-21,748	-39,902	-61,624	-39,051	-26,162	-109,428	73,658	96,891	67,136	864,751	
4	Denominated in foreign currencies	-9,464	1,261	-25,339	-1,624	-6,699	3,669	5,915	-19,140	-20,079	6,461	7,419	-14,761	225,434	
	By instrument: <sup>2</sup>														
5	Resale agreements	6,972	-13,007	5,626	1,893	236	-12,468	-2,668	-4,750	4,013	1,591	4,772	2,044	8,814	
6	Negotiable certificates of deposit	38	50	-16	63	-16	6	-3	9	-14	6	-17	3	28	
7	Other short-term instruments (including money market instruments)	-3,343	-8,901	1,528	756	-324	-8,745	-588	2,157	-1,625	878	118	-336	1,548	
8	Deposits	-1,467	-44,361	-88,141	-27,456	-50,729	-135	33,959	-40,978	-70,201	-26,250	49,288	43,384	669,585	
9	Other claims	-72,121	-94,845	90,623	1,372	4,232	-36,613	-63,836	-1,740	-61,680	103,894	50,149	7,280	410,210	
10	Of which: Financial intermediaries' accounts <sup>3</sup>	-61,152	-110,621	96,873	-6,615	-1,127	-37,386	-65,493	3,641	-58,072	102,680	48,624	8,296	362,592	
	By area:														
11	Europe	-74,406	-173,669	-39,235	-43,545	-45,893	-63,892	-20,339	-41,202	-37,219	29,152	10,034	45,775	752,163	
	Of which:														
12	United Kingdom	-34,734	-78,041	-29,659	-26,762	-37,088	-40,548	26,357	-22,345	-50,259	44,371	-1,426	43,734	383,672	
13	Germany	13,965	5,562	12,029	2,036	2,534	-7,881	8,873	6,169	-1,079	1,743	5,196	901	46,524	
14	Caribbean financial centers <sup>4</sup>	7,801	10,830	50,291	16,657	-3,719	11,302	-13,410	-3,739	-88,656	49,599	93,087	-4,280	297,081	
15	Other	-3,316	1,775	-1,436	3,516	3,011	-5,365	613	-361	-3,632	1,368	1,189	10,880	40,941	
16	<b>Commercial claims</b>	-1,286	-3,533	-10,326	-1,399	-1,733	955	-1,356	-746	-5,206	-107	-4,267	1,269	46,880	
17	Denominated in U.S. dollars	-2,459	-3,262	-9,838	-969	-2,672	1,167	-788	-1,129	-5,355	-492	-2,862	158	42,814	
18	Denominated in foreign currencies	1,173	-271	-488	-430	939	-212	-568	383	149	385	-1,405	1,111	4,066	
	By instrument:														
19	Trade receivables	-356	-3,337	-8,347	-1,264	-1,897	1,243	-1,419	-440	-2,668	-389	-4,850	2,097	39,445	
20	Advance payments and other claims	-930	-196	-1,979	-135	164	-288	63	-306	-2,538	282	583	-828	7,435	
	By area:														
21	Europe	1,179	-1,898	-2,451	-2,376	551	-16	-57	-733	-1,896	324	-146	-77	16,796	
22	Canada	-761	-633	-1,779	431	-845	696	-915	554	-1,253	529	-1,609	619	4,612	
23	Asia	-1,241	-858	-4,312	887	-900	-179	-666	167	-1,639	-471	-2,369	1,222	14,243	
24	Other	-463	-144	-1,784	-341	-539	454	282	-734	-418	-489	-143	-495	11,229	
B1	<b>Liabilities, total (table 1, line 68)</b>	69,572	242,727	156,290	63,888	59,875	69,984	48,980	90,061	122,476	55,599	-111,846	57,185	1,041,535	
2	<b>Financial liabilities</b>	57,519	239,869	141,184	60,206	55,979	71,955	51,729	87,949	111,324	51,786	-109,875	47,891	976,327	
3	Denominated in U.S. dollars	45,181	218,910	89,749	55,262	45,188	68,084	50,376	78,162	95,364	42,583	-126,360	45,039	747,774	
4	Denominated in foreign currencies	12,338	20,959	51,435	4,944	10,791	3,871	1,353	9,787	15,960	9,203	16,485	2,852	228,553	
	By instrument: <sup>2</sup>														
5	Repurchase agreements	-16,594	-2,271	-11,557	92	-16,081	8,056	5,662	2,430	3,767	-10,193	-7,561	-2,740	5,027	
6	Short-term instruments	-1,830	2,244	-6,937	-3,427	5,622	974	-925	-3,949	-953	-2,250	215	2,537	7,751	
7	Other liabilities	75,943	239,896	159,678	63,541	66,438	62,925	46,992	89,468	108,510	64,229	-102,529	48,094	963,549	
8	Of which: Financial intermediaries' accounts <sup>3</sup>	12,962	55,306	25,659	18,072	4,193	9,994	23,047	23,863	397	40,878	-39,479	2,279	237,001	
	By area:														
9	Europe	60,378	256,018	115,194	88,525	51,208	61,126	55,159	89,259	73,052	51,108	-98,225	58,795	913,970	
	Of which:														
10	United Kingdom	27,476	160,186	71,450	75,928	48,102	28,345	7,811	63,391	65,860	-15,991	-41,810	47,630	543,594	
11	Germany	-795	16,694	-739	-3,496	4,885	3,870	11,435	-9,401	9,419	1,611	-2,368	9,176	114,187	
12	Caribbean financial centers <sup>4</sup>	-620	-11,582	23,516	-29,411	7,077	7,954	2,798	-1,480	35,807	-454	-10,357	-10,780	38,152	
13	Other	-2,239	-4,567	2,474	1,092	-2,306	2,875	-6,228	170	2,465	1,132	-1,293	-124	24,205	
14	<b>Commercial liabilities</b>	12,053	2,858	15,106	3,682	3,896	-1,971	-2,749	2,112	11,152	3,813	-1,971	9,294	65,208	
15	Denominated in U.S. dollars	12,256	2,661	15,354	3,596	3,762	-1,824	-2,873	1,816	11,326	4,529	-2,317	8,533	61,218	
16	Denominated in foreign currencies	-203	197	-248	86	134	-147	124	296	-174	-716	346	761	3,990	
	By instrument:														
17	Trade payables	7,009	2,549	2,038	3,133	3,864	-1,554	-2,894	1,480	1,017	1,020	-1,479	4,537	32,403	
18	Advance receipts and other liabilities	5,044	309	13,068	549	32	-417	145	632	10,135	2,793	-492	4,757	32,805	
	By area:														
19	Europe	2,311	345	4,281	788	129	85	-657	792	3,103	153	233	298	15,645	
20	Canada	1,744	1,323	1,910	478	1,250	-593	188	417	602	-477	1,368	-285	5,378	
21	Asia	5,690	1,952	4,539	2,983	382	-143	-1,270	-11	5,266	2,724	-3,440	7,072	30,492	
22	Other	2,308	-762	4,376	-567	2,135	-1,320	-1,010	914	2,181	1,413	-132	2,209	13,693	

See the footnotes on pages 106-107.

**Table 10. Claims on Foreigners Reported by U.S. Banks and Securities Brokers<sup>1</sup>**  
 (Millions of dollars)

Line	(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)	2005	2006	2007	Not seasonally adjusted											Amounts outstanding March 31, 2008
					2006				2007				2008			
					I	II	III	IV	I	II	III	IV		I <sup>P</sup>		
1	<b>Claims reported by U.S. banks and securities brokers, total (table 1, line 54)</b> .....	-207,625	-488,424	-644,751	-204,731	-59,545	-93,796	-130,352	-230,143	-209,985	-88,697	-115,926	-218,907	-218,907	4,041,662	
2	<b>Claims for own accounts</b> .....	-152,956	-335,108	-523,293	-153,537	-8,160	-46,977	-126,434	-222,213	-123,041	-56,992	-121,047	-231,053	-231,053	3,186,740	
3	Denominated in dollars.....	-166,014	-312,035	-496,754	-135,477	-11,905	-60,616	-104,037	-222,320	-111,686	-59,212	-103,536	-214,550	-214,550	3,003,942	
	By instrument: <sup>2</sup>															
4	Resale agreements.....	-2,668	-52,583	-136,054	-37,355	37,365	-39,833	-12,760	-75,037	-54,991	-49,384	43,358	-51,199	-51,199	851,626	
5	Negotiable certificates of deposit.....	1,556	-3,858	442	1,566	-1,023	-919	-3,482	-3,522	513	3,328	123	3,730	3,730	2,100	
6	Other short-term instruments (including money market instruments).....	-3,436	-1,912	-7,910	-2,507	1,571	653	-1,629	977	-2,293	-2,151	-4,443	-583	-583	17,729	
7	Deposits and brokerage balances.....	-60,065	-180,238	-47,870	-84,486	-52,379	-1,627	-41,746	-64,938	-11,022	76,673	-48,583	-143,283	-143,283	1,115,111	
8	Other claims (including loans).....	-101,401	-73,444	-305,362	-12,695	2,561	-18,890	-44,420	-79,800	-43,893	-87,678	-93,991	-23,215	-23,215	1,017,376	
	By foreign borrower:															
	Claims on:															
9	Foreign banks.....	-177,689	-232,347	-394,250	-106,992	-23,480	-45,210	-56,665	-182,961	-51,556	-61,176	-98,557	-175,706	-175,706	2,247,652	
10	Foreign nonbanks, excluding foreign official institutions.....	13,976	-52,673	-91,280	-31,260	26,230	-2,206	-45,437	-44,952	-56,657	-7,729	18,058	-45,118	-45,118	644,154	
11	Foreign official institutions <sup>3</sup> .....	-2,301	-27,015	-11,224	2,775	-14,655	-13,200	-1,935	5,593	-3,473	9,693	-23,037	6,274	6,274	112,136	
	By type of U.S. reporting institution: <sup>4</sup>															
	U.S.-owned banks' claims on:															
12	Foreign banks.....	-56,954	-37,507	-75,013	-31,628	-47,438	41,538	21	-21,555	-8,119	17,264	-62,603	-80,611	-80,611	617,485	
13	Foreign nonbanks and foreign official institutions.....	-10,315	-29,731	-35,193	-14,920	2,182	-11,257	-5,736	-8,581	-22,928	-1,646	-2,038	-26,237	-26,237	138,968	
	Foreign-owned banks' claims on:															
14	Foreign banks.....	-103,079	-184,562	-226,817	-46,663	12,409	-60,277	-90,031	-107,574	-18,740	-35,029	-65,474	-50,833	-50,833	1,304,728	
15	Foreign nonbanks and foreign official institutions.....	-2,257	-6,311	-28,942	-3,989	-9,587	6,040	1,225	-10,272	-2,501	-9,048	-7,121	-8,152	-8,152	118,654	
	Brokers' and dealers' claims on:															
16	Foreign banks.....	-17,656	-10,278	-92,420	-28,701	11,549	-26,471	33,345	-53,832	-24,697	-43,411	29,520	-44,262	-44,262	325,439	
17	Foreign nonbanks and foreign official institutions.....	24,247	-43,646	-36,369	-9,576	18,980	-10,189	-42,861	-20,506	-34,701	12,658	4,180	-4,455	-4,455	498,668	
18	Denominated in foreign currencies.....	13,058	-23,073	-26,539	-18,060	3,745	13,639	-22,397	107	-11,355	2,220	-17,511	-16,503	-16,503	182,798	
	By instrument: <sup>2</sup>															
19	Deposits and brokerage balances.....	2,313	-11,245	-9,089	-11,328	-1,546	11,100	-9,471	-4,008	-1,925	1,039	-4,195	-2,234	-2,234	75,216	
20	Other claims (including loans).....	10,745	-11,828	-17,450	-6,732	5,291	2,539	-12,926	4,115	-9,930	1,181	-13,316	-14,269	-14,269	107,582	
21	<b>Claims for customers' accounts</b> .....	-54,669	-153,316	-121,458	-51,194	-51,385	-46,819	-3,918	-7,930	-86,944	-31,705	5,121	12,146	12,146	854,922	
22	Denominated in dollars.....	-26,750	-151,586	-118,139	-42,741	-36,891	-45,989	-25,965	4,700	-84,030	-36,611	-2,198	22,656	22,656	770,837	
	By instrument: <sup>2</sup>															
23	Commercial paper <sup>5</sup> .....	921	-18,859	1,728	-15,526	2,343	-17,174	11,498	6,071	-6,462	6,074	-3,955	-17,972	-17,972	148,693	
24	Negotiable certificates of deposit.....	16,337	-77,108	-1,295	-731	-17,927	-32,899	-25,551	19,591	-26,455	-19,720	25,289	-15,665	-15,665	195,264	
	Other short-term instruments (including money market instruments) <sup>6</sup> .....	-18,409	-23,183	-319	-2,845	-563	-20,911	1,136	-5,400	-31,885	16,036	20,930	31,695	31,695	33,526	
25	Deposits and brokerage balances (including sweep accounts) <sup>7</sup> .....	-20,165	-30,049	-116,725	-22,444	-17,596	24,346	-14,355	-13,897	-18,893	-30,173	-53,762	23,576	23,576	370,883	
26	Other claims.....	-5,434	-2,387	-1,528	-1,195	-3,148	649	1,307	-1,665	-335	-8,828	9,300	1,022	1,022	22,471	
27	Denominated in foreign currencies.....	-27,919	-1,730	-3,319	-8,453	-14,494	-830	22,047	-12,630	-2,914	4,906	7,319	-10,510	-10,510	84,085	
	By instrument: <sup>2</sup>															
29	Deposits and brokerage balances.....	-13,744	-11,250	-10,310	-1,794	-1,879	-7,897	320	-16,053	-3,229	7,184	1,788	-8,296	-8,296	57,797	
30	Other claims.....	-14,175	9,520	6,991	-6,659	-12,615	7,067	21,727	3,423	315	-2,278	5,531	-2,214	-2,214	26,288	
	<b>Claims, total (line 1), by area:</b>															
31	Europe.....	-101,054	-234,130	-463,738	-131,050	27,953	-89,023	-42,010	-177,034	-118,245	-133,606	-34,853	-136,761	-136,761	2,228,407	
	Of which:															
32	United Kingdom.....	-30,768	-197,712	-200,111	-86,592	5,164	-40,484	-75,800	-43,294	-69,231	-108,692	21,106	-47,677	-47,677	1,224,002	
33	Switzerland.....	-38,426	45,901	-75,511	-19,083	50,776	-17,612	31,820	-57,821	-4,124	-5,067	-8,499	16,748	16,748	183,949	
34	Canada.....	-17,211	-11,453	-30,957	-824	-11,988	6,106	-4,747	-3,764	-23,832	-5,067	1,706	-21,950	-21,950	164,968	
35	Caribbean financial centers <sup>8</sup> .....	-44,383	-183,165	-138,732	-81,095	-60,066	28,722	-70,726	-61,164	-50,223	21,649	-48,994	-51,932	-51,932	1,281,112	
36	Latin America, excluding Caribbean financial centers.....	-1,520	-8,916	-27,798	-880	-2,710	373	-5,699	-4,275	-5,968	-15,405	-2,150	-1,635	-1,635	91,754	
37	Asia.....	-35,961	-40,371	41,149	14,044	-13,447	-33,946	-7,022	19,484	-6,734	48,137	-19,738	496	496	197,308	
38	Of which: Japan.....	-14,632	-43,735	62,072	2,232	-1,690	-25,848	-18,429	21,511	5,347	26,965	8,249	-11,503	-11,503	106,134	
39	Africa.....	-296	-1,388	-5,794	-663	-95	12	-642	604	277	-390	-6,285	-8,006	-8,006	16,570	
40	Other.....	-7,200	-9,001	-18,881	-4,263	808	-6,040	494	-3,994	-5,260	-4,015	-5,612	881	881	61,543	
	<b>Memoranda:</b>															
1	International banking facilities <sup>1</sup> (IBFs) own claims, denominated in dollars (in lines 1-15 above) <sup>4</sup> .....	-82,764	-76,876	-119,295	-40,223	-9,762	-13,007	-13,884	-94,936	12,964	28,542	-65,865	36,536	36,536	607,666	
	By bank ownership: <sup>4</sup>															
2	U.S.-owned IBFs.....	-10,008	-7,380	-38,693	-13,622	-33,235	30,626	8,851	-22,137	559	20,280	-37,395	-13,157	-13,157	116,179	
3	Foreign-owned IBFs.....	-72,756	-69,496	-80,602	-26,601	-23,473	-43,633	-22,735	-72,799	12,405	8,262	-28,470	49,693	49,693	491,487	

See the footnotes on pages 106-107.

Table 11. Liabilities to Foreigners, Except Foreign Official Agencies, Reported by U.S. Banks and Securities Brokers<sup>1</sup>

[Millions of dollars]

Line	(Credits +; increase in U.S. liabilities. Debits -; decrease in U.S. liabilities.)	2005	2006	2007	Not seasonally adjusted										Amounts outstanding March 31, 2008
					2006				2007				2008		
					I	II	III	IV	I	II	III	IV		I <sup>a</sup>	
1	<b>Liabilities reported by U.S. banks and securities brokers, total (table 1, part of line 65 and table 1, line 69).....</b>	199,132	474,734	561,680	167,984	39,307	103,852	163,591	209,602	137,083	69,416	145,579	133,558	4,259,776	
2	U.S. Treasury bills and certificates (table 1, part of line 65).....	-15,604	13,634	28,867	5,080	-2,346	-365	11,265	4,470	-12,686	15,491	21,592	47,812	153,178	
3	<b>Other U.S. liabilities, total (table 1, line 69).....</b>	<b>214,736</b>	<b>461,100</b>	<b>532,813</b>	<b>162,904</b>	<b>41,653</b>	<b>104,217</b>	<b>152,326</b>	<b>205,132</b>	<b>149,769</b>	<b>53,925</b>	<b>123,987</b>	<b>85,746</b>	<b>4,106,598</b>	
4	<b>Liabilities for own accounts.....</b>	<b>206,947</b>	<b>301,232</b>	<b>443,997</b>	<b>160,648</b>	<b>-50,378</b>	<b>62,478</b>	<b>128,484</b>	<b>172,822</b>	<b>137,330</b>	<b>32,113</b>	<b>101,732</b>	<b>41,819</b>	<b>3,373,215</b>	
5	Denominated in dollars.....	203,783	259,727	370,401	151,593	-53,964	62,380	99,718	168,304	113,168	28,823	60,106	44,713	3,116,214	
	By instrument: <sup>2</sup>														
6	Repurchase agreements.....	42,715	54,343	29,981	60,259	-55,516	63,946	-14,346	125,520	19,136	-65,729	-48,946	10,774	951,908	
7	Deposits and brokerage balances.....	79,916	212,184	227,005	74,038	35,873	-10,679	112,952	32,518	55,052	62,272	77,163	21,695	1,503,459	
8	Other liabilities (including loans).....	81,152	-6,800	113,415	17,296	-34,321	9,113	1,112	10,266	38,980	32,280	31,889	12,244	660,847	
	By foreign holder:														
9	Liabilities to:														
10	Foreign banks.....	225,468	225,740	270,328	106,178	-10,352	44,852	85,062	96,035	76,608	46,890	50,795	-29,434	2,128,185	
	Foreign nonbanks, including international organizations.....	-21,685	33,987	100,073	45,415	-43,612	17,528	14,656	72,269	36,560	-18,067	9,311	74,147	988,029	
	By type of U.S. reporting institution: <sup>3</sup>														
	U.S.-owned banks' liabilities to:														
11	Foreign banks.....	101,948	110,895	184,778	21,214	45,538	-13,757	57,900	2,347	37,075	31,822	113,534	22,032	928,598	
12	Foreign nonbanks, including international organizations.....	6,259	16,711	5,859	3,966	7,957	6,893	-2,105	-3,552	4,071	-9,991	15,331	21,334	143,923	
	Foreign-owned banks' liabilities to:														
13	Foreign banks.....	69,811	80,512	58,344	40,766	-41,778	14,078	67,446	4,417	33,434	46,585	-26,092	-17,833	757,909	
14	Foreign nonbanks, including international organizations.....	1,352	13,852	23,739	-2,336	4,324	782	11,082	6,823	9,180	-1,952	9,688	-6,024	97,006	
	Brokers' and dealers' liabilities to:														
15	Foreign banks.....	53,709	34,333	27,206	44,198	-14,112	44,531	-40,284	89,271	6,099	-31,517	-36,647	-33,633	441,678	
16	Foreign nonbanks, including international organizations.....	-29,296	3,424	70,475	43,785	-55,893	9,853	5,679	68,998	23,309	-6,124	-15,708	58,837	747,100	
17	Denominated in foreign currencies.....	3,164	41,505	73,596	9,055	3,586	98	28,766	4,518	24,162	3,290	41,626	-2,894	257,001	
	By instrument: <sup>2</sup>														
18	Deposits and brokerage balances.....	11,877	32,140	16,037	5,398	3,133	2,616	20,993	532	5,664	-3,939	13,780	-6,326	114,688	
19	Other liabilities (including loans).....	-8,713	9,365	57,559	3,657	453	-2,518	7,773	3,986	18,498	7,229	27,846	3,432	142,313	
20	<b>Liabilities for customers' accounts.....</b>	<b>7,789</b>	<b>159,868</b>	<b>88,816</b>	<b>2,256</b>	<b>92,031</b>	<b>41,739</b>	<b>23,842</b>	<b>32,310</b>	<b>12,439</b>	<b>21,812</b>	<b>22,255</b>	<b>43,927</b>	<b>733,383</b>	
21	Denominated in dollars.....	490	157,353	89,750	2,187	91,086	40,472	23,608	30,812	1,360	36,035	21,543	41,025	712,536	
	By instrument: <sup>2</sup>														
22	Negotiable certificates of deposit and other short-term instruments.....	9,491	60,244	46,017	2,047	38,117	10,051	10,029	13,056	15,761	13,276	3,924	33,724	357,102	
23	Other liabilities (including loans).....	-9,001	97,109	43,733	140	52,969	30,421	13,579	17,756	-14,401	22,759	17,619	7,301	355,434	
24	Denominated in foreign currencies.....	7,299	2,515	-934	69	945	1,267	234	1,498	11,079	-14,223	712	2,902	20,847	
	<b>Other U.S. liabilities, total (line 3), by area:</b>														
25	Europe.....	187,736	22,873	199,872	104,361	-79,148	-9,416	7,076	201,893	48,569	-83,012	32,422	60,376	1,656,252	
26	Canada.....	3,444	9,925	12,762	-1,496	5,771	6,386	-736	3,208	8,740	8,424	-7,610	12,041	71,615	
27	Caribbean financial centers <sup>4</sup> .....	4,756	381,968	231,839	62,884	108,363	99,226	111,495	4,534	59,366	96,129	71,810	13,891	1,946,143	
28	Latin America, excluding Caribbean financial centers.....	12,631	8,586	10,058	8,303	1,373	-507	-583	1,112	2,780	-447	6,613	867	116,207	
29	Asia.....	3,445	36,628	68,490	-14,349	9,389	4,977	36,611	-5,534	26,939	34,460	12,625	-12,383	264,953	
30	Africa.....	668	-629	7,705	345	-1,289	-222	537	3	1,375	-1,310	7,637	5,806	21,986	
31	Other.....	2,056	1,749	2,087	2,856	-2,806	3,773	-2,074	-84	2,000	-319	490	5,148	29,442	
	<b>Memoranda:</b>														
1	International banking facilities' (IBFs) own liabilities, denominated in dollars (in lines 3-14) above.....	78,008	-69,653	104,067	5,656	-19,196	-55,019	-1,094	16,024	20,005	37,911	30,127	13,924	495,922	
	By bank ownership: <sup>3</sup>														
2	U.S.-owned IBFs.....	25,642	18,680	56,968	11,632	24,580	-29,457	11,925	17,925	2,406	-2,057	38,694	34,901	213,234	
3	Foreign-owned IBFs.....	52,366	-88,333	47,099	-5,976	-43,776	-25,562	-13,019	-1,901	17,599	39,968	-8,567	-20,977	282,688	

See the footnotes on pages 106-107.









Transactions, by Area—Continues

of dollars]

Table with columns for Area (Brazil, Mexico, Venezuela, Other South and Central America, Other Western Hemisphere) and rows for years 2007 and 2008, subdivided by quarter (IV, I^p). Includes a 'Line' column on the right.





Table 12. U.S. International

(Millions)

Line	(Credits +; debits -) <sup>1</sup>	Middle East			Africa		
		2007	2007	2008	2007	2007	2008
			IV	I P		IV	I P
<b>Current account</b>							
1	Exports of goods and services and income receipts .....	73,572	22,292	19,908	41,351	11,335	11,722
2	Exports of goods and services .....	63,093	19,271	17,030	33,628	9,223	9,343
3	Goods, balance of payments basis <sup>2</sup> .....	43,646	14,488	12,110	22,966	6,509	6,533
4	Services <sup>3</sup> .....	19,447	4,783	4,920	10,662	2,714	2,810
5	Transfers under U.S. military agency sales contracts <sup>4</sup> .....	5,267	1,142	1,090	1,292	248	262
6	Travel .....	2,432	488	549	1,397	308	282
7	Passenger fares .....	326	85	95	267	82	58
8	Other transportation .....	2,403	662	740	1,185	348	299
9	Royalties and license fees <sup>5</sup> .....	838	226	217	951	296	280
10	Other private services <sup>6</sup> .....	8,111	2,162	2,211	5,482	1,409	1,605
11	U.S. government miscellaneous services .....	70	18	19	88	23	23
12	Income receipts .....	10,479	3,021	2,878	7,723	2,112	2,378
13	Income receipts on U.S.-owned assets abroad .....	10,379	2,996	2,852	7,647	2,093	2,358
14	Direct investment receipts .....	7,437	2,252	2,216	6,030	1,683	1,810
15	Other private receipts .....	2,857	722	619	1,429	382	478
16	U.S. government receipts .....	85	22	17	188	28	70
17	Compensation of employees .....	100	25	26	76	19	20
18	Imports of goods and services and income payments .....	-110,505	-30,649	-34,317	-99,787	-27,314	-29,272
19	Imports of goods and services .....	-96,725	-27,477	-31,063	-97,822	-26,814	-28,765
20	Goods, balance of payments basis <sup>2</sup> .....	-77,405	-22,646	-26,232	-92,005	-25,379	-27,319
21	Services <sup>3</sup> .....	-19,321	-4,831	-4,831	-5,817	-1,435	-1,446
22	Direct defense expenditures .....	-13,031	-3,213	-3,340	-360	-94	-94
23	Travel .....	-1,657	-404	-325	-2,240	-508	-530
24	Passenger fares .....	-757	-192	-170	-293	-83	-76
25	Other transportation .....	-1,241	-322	-327	-445	-111	-125
26	Royalties and license fees <sup>5</sup> .....	-211	-67	-72	-29	-8	-8
27	Other private services <sup>6</sup> .....	-2,193	-577	-539	-2,193	-566	-547
28	U.S. government miscellaneous services .....	-230	-56	-58	-257	-65	-67
29	Income payments .....	-13,780	-3,172	-3,254	-1,965	-500	-506
30	Income payments on foreign-owned assets in the United States .....	-13,720	-3,154	-3,236	-1,874	-470	-475
31	Direct investment payments .....	-563	206	-18	-25	22	8
32	Other private payments .....	-6,228	-1,600	-1,535	-1,019	-258	-243
33	U.S. government payments .....	-6,929	-1,760	-1,683	-830	-234	-240
34	Compensation of employees .....	-60	-18	-18	-92	-31	-31
35	Unilateral current transfers, net .....	-12,044	-2,883	-4,048	-8,882	-1,867	-1,879
36	U.S. government grants <sup>4</sup> .....	-9,496	-2,263	-3,407	-4,953	-825	-777
37	U.S. government pensions and other transfers .....	-134	-37	-38	-48	-8	-8
38	Private remittances and other transfers <sup>6</sup> .....	-2,414	-583	-603	-3,881	-1,034	-1,094
<b>Capital account</b>							
39	Capital account transactions, net .....	-345	-88	-89	-80	-11	-12
<b>Financial account</b>							
40	U.S.-owned assets abroad, excluding financial derivatives (increase/financial outflow (-)) .....	-13,274	-7,855	9,292	-6,746	-3,736	-9,962
41	U.S. official reserve assets .....	0	0	0	0	0	0
42	Gold <sup>7</sup> .....	0	0	0	0	0	0
43	Special drawing rights .....	0	0	0	0	0	0
44	Reserve position in the International Monetary Fund .....	0	0	0	0	0	0
45	Foreign currencies .....	0	0	0	0	0	0
46	U.S. government assets, other than official reserve assets .....	125	24	12	126	-25	57
47	U.S. credits and other long-term assets .....	-50	-14	-10	-250	-58	-91
48	Repayments on U.S. credits and other long-term assets <sup>8</sup> .....	173	41	39	396	49	147
49	U.S. foreign currency holdings and U.S. short-term assets .....	2	-3	-17	-22	-16	1
50	U.S. private assets .....	-13,400	-7,879	9,280	-6,872	-3,711	-10,019
51	Direct investment .....	-3,683	-992	-1,789	-2,003	965	-1,940
52	Foreign securities .....	1,773	292	1,131	1,094	1,644	256
53	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns .....	-892	-302	516	-169	-35	-329
54	U.S. claims reported by U.S. banks, not included elsewhere .....	-10,598	-6,877	9,422	-5,794	-6,285	-8,006
55	Foreign-owned assets in the United States, excluding financial derivatives (increase/financial inflow (+)) .....	38,650	16,045	24,279	15,310	10,061	8,130
56	Foreign official assets in the United States .....	18,573	13,849	21,710	6,976	1,666	1,692
57	U.S. government securities .....	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
58	U.S. Treasury securities <sup>9</sup> .....	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
59	Other <sup>10</sup> .....	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
60	Other U.S. government liabilities <sup>11</sup> .....	11	251	319	-647	27	144
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>17</sup> )	( <sup>17</sup> )
62	Other foreign official assets <sup>12</sup> .....	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
63	Other foreign assets in the United States .....	20,077	2,196	2,569	8,334	8,395	6,438
64	Direct investment .....	3,149	880	-14	-675	110	621
65	U.S. Treasury securities .....	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )	( <sup>17</sup> )
66	U.S. securities other than U.S. Treasury securities .....	10,027	2,866	2,068	-839	-298	-2,663
67	U.S. currency .....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
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> )	( <sup>17</sup> )	( <sup>17</sup> )
69	U.S. liabilities reported by U.S. banks, not included elsewhere .....	508	-733	-2,847	7,705	7,637	5,806
70	Financial derivatives, net .....	( <sup>19</sup> )	( <sup>19</sup> )	n.a.	-267	-121	n.a.
71	Statistical discrepancy (sum of above items with sign reversed) <sup>14</sup> .....	23,946	3,139	-15,025	59,102	11,653	21,273
<b>Memoranda:</b>							
72	Balance on goods (lines 3 and 20) .....	-33,759	-8,158	-14,122	-69,039	-18,870	-20,786
73	Balance on services (lines 4 and 21) .....	126	-48	89	4,845	1,279	1,364
74	Balance on goods and services (lines 2 and 19) .....	-33,632	-8,206	-14,033	-64,194	-17,590	-19,422
75	Balance on income (lines 12 and 29) .....	-3,301	-151	-376	5,758	1,611	1,872
76	Unilateral current transfers, net (line 35) .....	-12,044	-2,883	-4,048	-8,882	-1,867	-1,879
77	Balance on current account (lines 1, 18, and 35 or lines 74, 75, and 76) <sup>13</sup> .....	-48,977	-11,241	-18,457	-67,318	-17,846	-19,429

See the footnotes on pages 106-107.

Transactions, by Area—Table Ends  
of dollars]

2007	South Africa		Other Africa			International organizations and unallocated <sup>20</sup>			Line
	2007	2008	2007	2007	2008	2007	2007	2008	
	IV	I P		IV	I P		IV	I P	
9,367	2,559	2,596	31,984	8,776	9,125	51,414	13,322	13,899	1
7,630	2,070	2,113	25,999	7,153	7,230	4,269	1,147	1,236	2
5,500	1,456	1,520	17,466	5,053	5,014	0	0	0	3
2,130	614	593	8,533	2,100	2,217	4,269	1,147	1,236	4
1	(*)	(*)	1,291	248	261	110	34	52	5
346	89	78	1,051	219	204	0	0	0	6
32	11	4	235	71	54	0	0	0	7
191	55	59	994	293	240	1,558	435	509	8
539	174	164	412	123	117	(*)	(*)	(*)	9
1,017	285	287	4,465	1,125	1,319	2,596	678	675	10
4	1	2	84	22	22	2	(*)	(*)	11
1,737	489	484	5,986	1,623	1,895	47,145	12,175	12,663	12
1,729	487	482	5,918	1,606	1,877	45,569	11,774	12,263	13
835	251	225	5,195	1,432	1,586	19,484	4,861	4,823	14
883	230	256	546	152	222	25,927	6,876	7,411	15
11	6	1	177	22	69	158	37	29	16
8	2	2	68	17	17	401	401	400	17
-10,727	-2,658	-2,955	-89,060	-24,656	-26,317	-17,463	-4,428	-4,335	18
-10,527	-2,634	-2,905	-87,295	-24,179	-25,860	-4,636	-1,135	-1,031	19
-9,047	-2,270	-2,534	-82,958	-23,109	-24,785	0	0	0	20
-1,481	-364	-371	-4,337	-1,075	-1,071	-4,636	-1,135	-1,031	21
-5	-1	-1	-355	-93	-93	0	0	0	22
-541	-98	-116	-1,699	-410	-414	0	0	0	23
-163	-46	-44	-130	-37	-32	0	0	0	24
-86	-20	-28	-359	-91	-97	-4,554	-1,099	-991	25
-20	-5	-5	-8	-3	-3	-27	-29	26	26
-609	-180	-163	-1,584	-386	-384	-18	-5	-5	27
-56	-14	-15	-201	-51	-52	-11	-4	-6	28
-200	-24	-50	-1,765	-477	-456	-12,827	-3,293	-3,304	29
-190	-21	-47	-1,684	-449	-428	-12,827	-3,293	-3,304	30
(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	31
-144	-32	-34	-875	-226	-209	-7,493	-1,999	-2,060	32
(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	(D)	33
-10	-3	-3	-82	-28	-28	0	0	0	34
-718	-183	-183	-8,164	-1,685	-1,696	-27,151	-8,340	-7,550	35
-155	-30	-28	-4,796	-795	-795	-5,379	-1,697	-1,598	36
-8	-2	-2	-40	-6	-6	-3,022	-1,653	-580	37
-555	-151	-153	-3,326	-884	-941	-18,750	-4,990	-5,372	38
-4	-1	-1	-76	-10	-11	1	(*)	(*)	39
-2,418	-890	-1,877	-4,328	-2,846	-8,084	-14,997	-5,809	-4,737	40
0	0	0	0	0	0	867	250	83	41
0	0	0	0	0	0	0	0	0	42
						-154	-35	-29	43
						1,021	285	112	44
									45
-2	-11	3	128	-14	54	-1,246	-23	-27	46
0	0	0	-250	-58	-91	-1,337	-23	-28	47
0	1	1	398	49	146	0	0	0	48
-2	-11	2	-20	-5	-1	91	0	1	49
-2,416	-879	-1,880	-4,456	-2,832	-8,138	-14,618	-6,036	-4,793	50
-722	-127	-281	-1,281	1,092	-1,658	-19,484	-4,861	-4,823	51
-1,731	-519	-1,681	2,825	2,163	1,937	3,699	67	139	52
-29	54	-11	-140	-89	-318	-146	-133	-58	53
66	-287	93	-5,860	-5,998	-8,099	1,313	-1,109	-51	54
265	614	3,498	15,044	9,447	4,632	-3,265	-1,757	359	55
(18)	(18)	(18)	(18)	(18)	(18)	273	1	4	56
(18)	(18)	(18)	(18)	(18)	(18)	0	0	0	57
(18)	(18)	(18)	(18)	(18)	(18)	0	0	0	58
(18)	(18)	(18)	(18)	(18)	(18)	0	0	0	59
0	0	0	-647	27	144	273	1	4	60
(18)	(18)	(18)	(18)	(18)	(18)	0	0	0	61
(18)	(18)	(18)	(18)	(18)	(18)	0	0	0	62
(18)	(18)	(18)	(18)	(18)	(18)	-3,538	-1,758	355	63
-447	19	449	-229	91	172	4,703	1,144	1,098	64
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	65
-144	36	41	-695	-334	-2,704	483	81	-293	66
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-10,675	-3,530	-914	67
18	20	31	(18)	(18)	(18)	2	-1	-1	68
18 838	18 539	18 2,977	18 16,615	18 9,663	18 7,020	18 1,949	18 548	18 465	69
(19)	(19)	(19)	(19)	(19)	(19)	651	-418	n.a.	70
4,235	559	-1,079	54,867	11,094	22,351	10,811	7,429	2,363	71
-3,547	-814	-1,014	-65,492	-18,056	-19,772	0	0	0	72
649	250	222	4,196	1,030	1,142	-368	12	205	73
-2,898	-564	-792	-61,296	-17,026	-18,630	-368	12	205	74
1,537	465	433	4,220	1,146	1,439	34,318	8,882	9,359	75
-718	-183	-183	-8,164	-1,685	-1,696	-27,151	-8,340	-7,550	76
-2,078	-282	-541	-65,240	-17,565	-18,887	6,800	555	2,015	77

## Footnotes to U.S. International Transactions Tables 1–12

**General notes for all tables:** <sup>p</sup> Preliminary. <sup>r</sup> Revised. 0 Transactions are possible, but are zero for a given period. (\*) Transactions are less than \$500,000(±). <sup>Ⓜ</sup> Suppressed to avoid disclosure of data of individual companies. n.a. Transactions are possible, but data are not available. .... Not applicable, or for data periods 1960–1997, transactions that are 0, “not available,” or “not applicable.” Quarterly estimates are not annualized and are expressed at quarterly rates.

### Table 1:

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

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

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

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

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

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

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

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

8. Includes sales of foreign obligations to foreigners.

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

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

11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 6.

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

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

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

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

16. Break in series. See Technical Notes in the June 1989–90, 1992–95, and July 1996–2008 issues of the SURVEY.

### Table 2:

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

cal Notes in the December 1985 SURVEY). Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975–80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.

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

3. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 12, line 5 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 12, line 22 (direct defense expenditures).

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

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

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

7. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 12, lines 3 and 20. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: Members of OPEC: Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, Venezuela, beginning with the first quarter of 2007, Angola, and beginning with the fourth quarter of 2007, Ecuador.

### Table 3:

1. Royalties and license fees and “other private services” by detailed type of service include both affiliated and unaffiliated transactions.

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

3. Includes royalties, license fees, and other fees associated with copyrights, trademarks, franchises, rights to broadcast live events, software licensing fees, and other intellectual property rights.

4. 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.

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

### Table 4:

No footnotes.

### Table 5:

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

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

### Table 6:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales



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

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

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

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

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

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

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

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

9. Beginning in the fourth quarter of 2007, includes drawings and repayments under temporary reciprocal currency arrangements between the U.S. Federal Reserve System and foreign central banks that do not meet the strict definition of U.S. reserve assets.

**Table 7:**

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

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

**Table 8:**

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

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

**Table 9:**

1. Prior to 2003, securities brokers' claims on and liabilities to their foreign affiliates are included in the estimates. They are excluded beginning in 2003.

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

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

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

**Table 10:**

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

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

3. Includes foreign official agencies and international and regional organi-

zations. Prior to 2003, also includes government-owned corporations and state, provincial, and local governments and their agencies.

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

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

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

7. Prior to 2003, includes only deposits.

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

**Table 11:**

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

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

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

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

**Table 12:**

For footnotes 1–13, see table 1.

14. 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.

15. 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, and the United Kingdom; beginning with the first quarter of 1995, also includes Austria, Finland, and Sweden; beginning with the second quarter of 2004, also includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia; and beginning with the first quarter of 2007, also includes Bulgaria and Romania. 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.

16. The "Euro area" includes Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Portugal, and Spain; beginning with the first quarter of 2001, also includes Greece; beginning with the first quarter of 2007, also includes Slovenia; and beginning with the first quarter of 2008, also includes Cyprus and Malta.

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

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

19. Estimates of financial derivatives for several countries are not available separately. Estimates for Luxembourg are included in Other Euro area. Estimates for Argentina, Brazil, Mexico, and Venezuela are included in Other South and Central America. Estimates for China, Hong Kong, India, Korea, Singapore, and Taiwan are included in Other Asia and Pacific. Estimates for South Africa are included in Other Africa. In addition, estimates for the Middle East are combined with estimates for Asia and Pacific and included in Other Asia and Pacific.

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

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

# Gross Domestic Product by State

## Advance Estimates for 2007 and Revised Estimates for 2004–2006

By John E. Broda and Caitlin E. Coakley

**E**CONOMIC growth across the United States slowed in 2007, as growth in inflation-adjusted gross domestic product (GDP) decelerated in 36 states, according to estimates released by the Bureau of Economic Analysis (BEA) in June 2008. Contractions in the construction and finance and insurance sectors restrained growth in many states.

GDP by state is the most comprehensive measure of overall economic activity in individual states—the state counterpart to GDP in the national income and product accounts (NIPAs). In June, BEA released advance current-dollar and real (inflation-adjusted) estimates of GDP by state for 2007 based on North American Industry Classification System (NAICS) sectors. The release also provided statistics at the subsector industry level for 2006 and revised statistics for 2004–2005.<sup>1</sup>

1. For a description of the abbreviated methodology used to generate the advance estimates, see the box “Advance Estimates of Gross Domestic Product (GDP) by State for 2007.” BEA released advance estimates of 2006 GDP by state at the NAICS-based sector level in June 2007; thus, the 2006 total and sector-level GDP-by-state estimates are revised.

The revisions to GDP by state reflect the incorporation of new data from the Census Bureau, specifically, the Annual Survey of Manufactures (ASM) for 2006, revised ASM for 2005, State and Local Government Finances data for 2005, State Government Finances data for 2006, and other newly available source data (see the section “Revisions”).

The remainder of this article examines state economic growth in 2007, industry (sector) contributions to state growth in 2007, state contributions to U.S. growth in 2007, composition of GDP by state, per capita real GDP by state in 2007, and the revisions to the GDP-by-state estimates.

### Economic growth in 2007

U.S. real GDP-by-state growth—a measure of nationwide growth—slowed to 2.0 percent in 2007 from 3.1 percent in 2006.<sup>2</sup> Economic growth decelerated in six

2. This measure differs conceptually from GDP in the NIPAs, though the estimates are similar. For a description of the differences between GDP in the NIPAs and U.S. GDP by state, see the box “Gross Domestic Product (GDP) by State.”

#### Advance Estimates of Gross Domestic Product (GDP) by State for 2007

The advance estimates of GDP by state are based on limited state source data and an abbreviated estimation methodology that differs from the standard methodology used to prepare the state estimates for 1997–2006. These estimates are prepared at the sector level of the North American Industry Classification System (NAICS). Detailed state source data on value added by industry, company financial data, and state and local taxes by industry are not available for 2007. The advance 2007 GDP-by-state estimates draw heavily on the preliminary 2007 estimates of state earnings by industry, released March 26, 2008, and on the advance 2007 estimates of GDP by industry, released April 29, 2008. As a result, the advance 2007 GDP-by-state estimates are consistent with statistics from the national annual industry accounts and the state personal income accounts.

The 2007 advance estimates of current-dollar GDP by state were extrapolated from industry value added (GDP) for 2006 using the change in state earnings by industry from state personal income statistics. For two industries,

preliminary source data was incorporated, which significantly improved the accuracy of the advance estimates. The advance estimates for the agriculture, forestry, fishing, and hunting sector incorporated preliminary data on farm sector cash receipts from the U.S. Department of Agriculture, and the advance estimates for the mining sector incorporated preliminary data on value of production and prices from the U.S. Department of the Interior and the U.S. Department of Energy.

The 2007 advance estimates of GDP by state for all sectors were scaled to the advance 2007 GDP-by-industry estimates by allocating the difference between the two measures among the states. The sector estimates were then summed to total GDP for the states.

The advance estimates of real GDP by state are derived by applying chained (2000) dollar national implicit price deflators to the industry estimates of current-dollar GDP by state. The chain-type index formula that is used in the national accounts is then used to calculate the real estimates for sectors and total real GDP for the states.

Clifford H. Woodruff III

### Gross Domestic Product (GDP) by State

Gross domestic product (GDP) by state is calculated as the sum of incomes earned by labor and capital and the costs incurred in the production of goods and services; it includes workers' wages and salaries, income earned by sole proprietorships and partnerships and corporations, and business taxes—such as sales, property, and federal excise taxes—that count as a business expense.

In contrast, GDP in the national income and product accounts (NIPAs) is calculated as the sum of spending by consumers, businesses, and government on final goods and services, plus investment and net foreign trade. In theory, income earned should equal spending, but because of different data sources, the income measure, gross domestic income (GDI), does not always equal the expenditure measure (GDP). The difference is referred to as the "statistical discrepancy."

Starting with the 2004 comprehensive revision, BEA's GDP-by-state accounts allocate the statistical discrepancy across all private-sector industries. Thus, GDP-by-state estimates are now conceptually more similar to the NIPA GDP measure.

U.S. growth rates of real GDP by state for 2004–2006 are nearly identical to GDP-by-industry growth rates released in January 2008. The small differences stem from (1) the GDP-by-state accounts' exclusion of overseas federal military and civilian activity (because it cannot be attributed to a particular state) and (2) the difference between GDP-by-industry and GDP in the NIPAs. In addition, the GDP-by-industry growth rates are identical to those from the 2007 annual revision of the NIPAs released in July 2007. However, because of revisions since July 2007, the NIPA GDP growth rates may differ from the U.S. growth rates of real GDP by state.

The estimates for 1997 forward are prepared for 81 industries defined by the North American Industry Classification System (NAICS), and the estimates for 1963–97 are prepared for 75 industries defined by the Standard Industrial Classification (SIC). For each industry for 1963–97 and 2001–2006, the three GDP-by-state components are presented: compensation of employees, taxes on production and imports less subsidies, and gross operating surplus.<sup>1</sup> Compensation of employees is the sum of wage and salary accruals, employer contributions for employee pension and insurance funds, and employer contributions for government social insurance. Taxes on production and imports is the sum of federal excise taxes and customs duties, state and local government sales taxes, property taxes (including residential real estate taxes), motor vehicle licenses, severance taxes, other taxes, and special assessments. Gross operating surplus is the sum of corporate profits, proprietors' income, rental

1. For an explanation of why the components of GDP by state for 1997–2000 are not available, see the box "Data Availability."

income of persons, net interest, capital consumption allowances, business transfer payments, nontax payments, and the current surplus of government enterprises.

Current-dollar estimates of GDP by state and its components are scaled to equal national totals of current-dollar GDP by industry and its components for all industries except federal military and civilian government. If the national total for an industry differs from the initial sum of the state estimates for the industry, the difference is allocated to the states according to the state distribution of the initial estimates.

The estimates of real GDP by state are prepared in chained (2000) dollars. Real GDP by state is an inflation-adjusted measure of each state's gross domestic product based on national prices. The estimates of real GDP by state and of quantity indexes with a base year of 2000 were derived by applying national implicit price deflators to the current-dollar GDP-by-state estimates for the 64 detailed NAICS-based industries for 1997 forward and for the 63 detailed SIC-based industries for 1977–97.

The chain-type index formula that is used in the national accounts is then used to calculate the estimates of total real GDP by state and of real GDP by state at more aggregated industry levels.<sup>2</sup> Real GDP by state may reflect a substantial volume of output that is sold to other states and countries. To the extent that a state's output is produced and sold in national markets at relatively uniform prices (or sold locally at national prices), real GDP by state captures the differences across states that reflect the relative differences in the mix of goods and services that the states produce. However, real GDP by state does not capture geographic differences in the prices of goods and services that are produced and sold locally.

Longterm, BEA aims to replace the national implicit price deflators used to deflate state-level current-dollar GDP by industry with state-specific price measures. A paper by Bettina H. Aten, "Estimates of State and Metropolitan Price Levels for Consumption Goods and Services in the United States, 2005," presents estimates of spatial price deflators that may be used for adjusting price level differences across geographic areas (but not across time).<sup>3</sup> The study represents an important first step in deriving producer-type price indexes at the state level. Currently, national producer-type price indexes are used to deflate the GDP-by-state measures.

2. For additional information, see J. Steven Landefeld and Robert P. Parker, "BEA's Chain Indexes, Time Series, and Measures of Long-Term Economic Growth," *SURVEY* 77 (May 1997): 58–68; and Gerard P. Aman, George K. Downey, and Sharon D. Panek, "Comprehensive Revision of Gross State Product: Accelerated Estimates for 2003 and Revised Estimates for 1977–2002," *SURVEY* 85 (January 2005): 80–106.

3. This BEA paper can be accessed on BEA's Web site at <[www.bea.gov/papers/pdf/aten\\_estimates\\_state\\_metro\\_2005.pdf](http://www.bea.gov/papers/pdf/aten_estimates_state_metro_2005.pdf)>.

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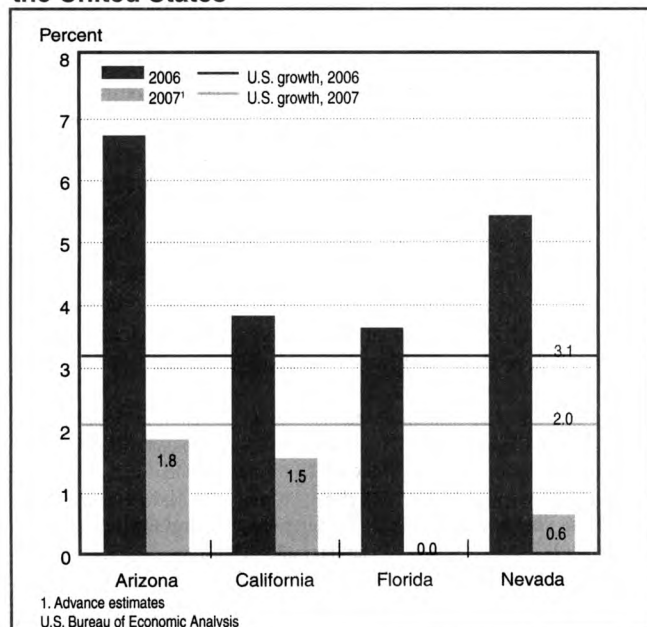
of the eight BEA regions and in 36 states in 2007 (table 1). The largest decelerations in growth were in the Far West region, which slowed 2.2 percentage points, and in the Southeast region, which slowed 1.6 percentage points. The two regions that did not experience decelerating growth—the Great Lakes and Plains regions—were the slowest growing regions in 2006. The Great Lakes was the only region in which all states in the region experienced slower growth than the nation.

Several states with fast-growing economies in 2006 experienced large decelerations in growth in 2007. In many cases, sluggishness reflected weakness in the construction sector and the finance and insurance sector. (See the section “Industry contributions to growth.”)

The deceleration was most pronounced in Arizona, where growth slowed to 1.8 percent in 2007 after growing 6.7 percent in 2006. Growth also slowed considerably in Nevada, Wyoming, Oregon, Alaska, North Carolina, Florida, Rhode Island, and California. Four of these states—Arizona, California, Florida, and Nevada—had grown faster than the nation since 2003 but slowed considerably in 2007, to rates below the national average (chart 1). In 2006, Arizona and Nevada were in the highest growth quintile, and California and Florida were in the second-highest quintile. But in 2007, Arizona dropped to the third quintile, California dropped to the second-lowest quintile, and Florida and Nevada dropped to the lowest quintile.

Real economic growth was close to zero in Rhode

**Chart 1. Percent Change in Real Gross Domestic Product by State, Selected States and the United States**



Island, West Virginia, and Florida (chart 2). In three states—Delaware, Michigan and New Hampshire—economies contracted in 2007.

Utah's economy grew the fastest (5.3 percent) of all states in 2007, even though its growth slowed from 2006 (6.3 percent). Still, it grew at more than twice the national rate in 2007. Eight additional states west of the Mississippi River—Washington, Texas, Oklahoma, Montana, Oregon, North Dakota, Hawaii, and Kansas—were among the 10 fastest growing states. New York was the only eastern state among the 10.

### Industry contributions to growth

The release of real GDP-by-state estimates offers an advance look at growth rates and industry contributions to growth for 2007 (tables 2 and 3). Nationally, the private goods-producing industries subtracted 0.29 percentage point from real economic growth.<sup>3</sup> Construction was the weakest sector, subtracting 0.58 percentage point from growth. Although the private services-producing industries continued to be strong—contributing 2.16 percentage points to

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

### Data Availability

Summary estimates of gross domestic product (GDP) by state in current dollars and in real chained (2000) dollars for 2004–2007 are presented in this article. More detailed GDP-by-state estimates for states, BEA regions, and the United States can be accessed interactively on BEA's Web site.

The following annual statistics are available at <[www.bea.gov/regional/gsp](http://www.bea.gov/regional/gsp)>:

- Advance estimates of current-dollar GDP by state, real GDP by state in chained (2000) dollars, and quantity indexes for 2007 for 24 NAICS-based sectors.
- GDP by state in current dollars, real GDP by state in chained (2000) dollars, and quantity indexes for 1997–2006 for 81 NAICS-based subsectors.
- Current-dollar estimates of compensation of employees, taxes on production and imports, subsidies, and gross operating surplus for 2001–2006 for 81 NAICS-based subsectors.
- Per capita real GDP by state in chained (2000) dollars for 1997–2007.

The estimates of the components of GDP by state for 1997–2000 are not available, because the NAICS-based estimates for these years are based on unpublished data on wages and salaries from the Bureau of Labor Statistics. For further information, e-mail <[gdpbystate@bea.gov](mailto:gdpbystate@bea.gov)> or call 202–606–5340.

national growth—the finance and insurance sector contracted.<sup>4</sup> Among private services-producing industries, information and professional and technical services were the strongest, accounting for nearly 40 percent of national real GDP growth.

Growth in BEA regions and states shared many of the same characteristics as national growth. Private goods-producing industries subtracted from real growth in seven of eight BEA regions and in 35 states and the District of Columbia. Private services-producing industries contributed to growth in all eight BEA regions and in all states except Delaware.

**Construction.** Nationally, this sector declined 12.1 percent in 2007. It contracted in 49 states and the District of Columbia. Wyoming was the only state with real growth in this sector. The construction sector subtracted more than 1 percentage point from growth in Arizona, Florida, and Nevada—three states with large

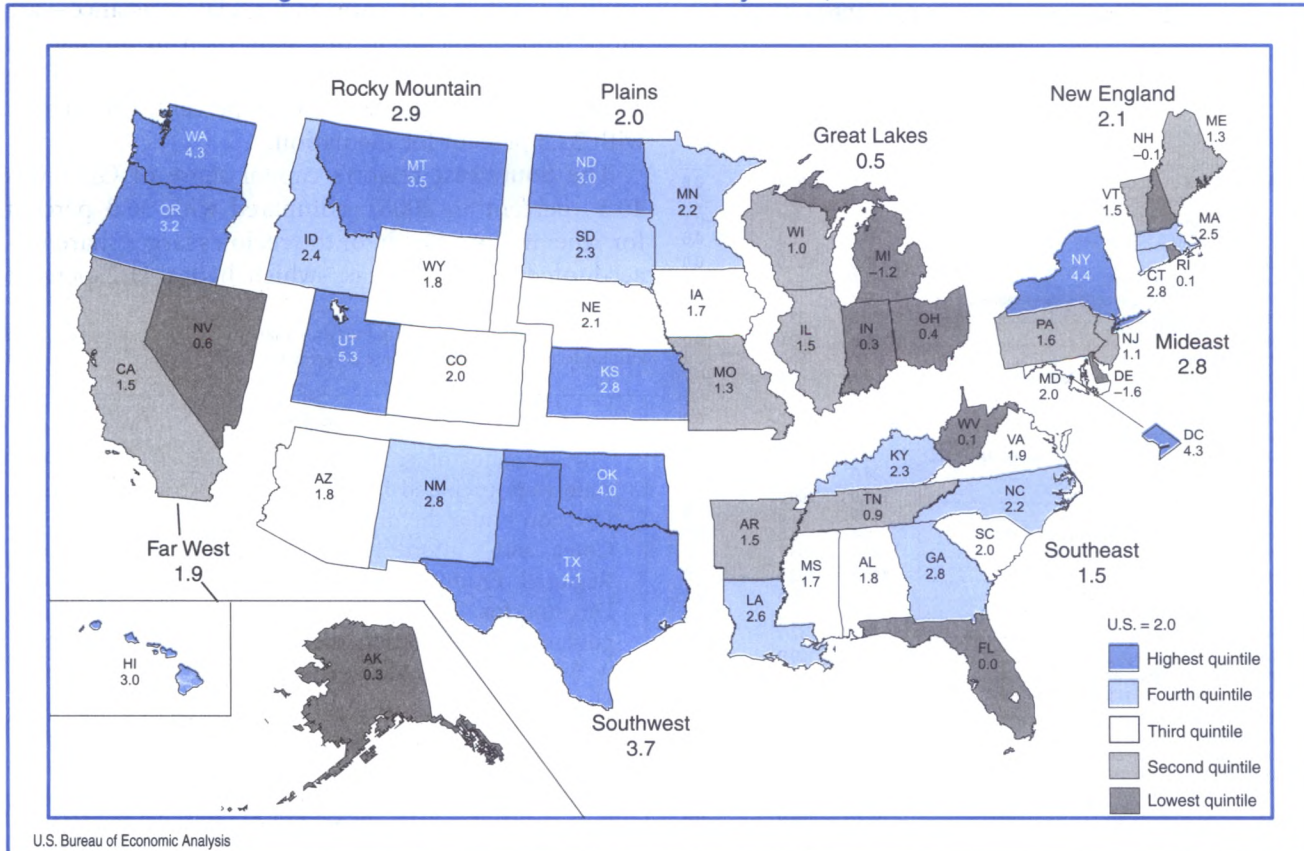
decelerations in economic growth in 2007. For six of the ten states in the lowest growth quintile, construction subtracted the most from growth.

**Finance and insurance.** Nationally, this sector declined by 0.3 percent in 2007. It contracted in 33 states. In Delaware, the state that experienced the largest contraction in 2007, the finance and insurance sector subtracted more than 2 percentage points from growth. This sector also subtracted from growth in Arizona, California, Florida, and Nevada, four states that experienced large decelerations. In contrast, finance and insurance contributed more than 1 percentage point to growth in New York.

**Information and professional and technical services.** Unlike construction and finance and insurance, the information and professional and technical services sectors were strong contributors to growth in 2007. Nationally, the information sector grew 9.0 percent, and the professional and technical services sector grew 5.4 percent. Information was one of the few sectors that grew in all states and the District of Columbia. Information was the largest contributor to growth in seven states, and professional and technical services was the largest contributor for eight states.

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

Chart 2. Percent Change in Real Gross Domestic Product by State, 2007



### State contributions to U.S. growth

State contributions to U.S. real growth measure the percentage points that each state contributes to national real growth (table 4). The two BEA regions contributing the most to real growth were the Mideast (0.50 percentage point) and the Southwest (0.42 percentage point). These two regions contain the two states that contributed the most to U.S. growth—New York (0.34 percentage point) in the Mideast and Texas (0.33 percentage point) in the Southwest. New York's strong growth reflected growth in the finance and insurance sector. In Texas, growth was strong in the information and durable-goods manufacturing sectors. Texas is the only state that has been in the top quintile of state contributors every year since 1997.

From 2003 to 2006, the Far West and Southeast regions were the largest contributing regions. In 2007, the smaller contribution by the Far West was primarily due to decelerating growth in California. California had been the largest contributor to national growth since 2002 but was the third-largest contributor in 2007. The smaller contribution by the Southeast region was mainly due to Florida, where economic growth was zero in 2007. Florida had been one of the top 10 contributing states since 1997, but in 2007, it

**Table A. Components of Gross Domestic Product (GDP) by State in Current Dollars as a Percentage of Total GDP by State**  
[Percent]

	2004	2006	Change from 2004 to 2006 (percentage points)
<b>United States</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	57.2	56.7	-0.5
Taxes on production and imports less subsidies .....	7.1	7.0	-0.1
Gross operating surplus .....	35.7	36.3	0.6
<b>New England</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	60.5	60.2	-0.3
Taxes on production and imports less subsidies .....	6.7	6.5	-0.2
Gross operating surplus .....	32.8	33.3	0.5
<b>Mideast</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	58.8	58.4	-0.4
Taxes on production and imports less subsidies .....	7.1	6.9	-0.2
Gross operating surplus .....	34.1	34.7	0.6
<b>Great Lakes</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	59.1	59.3	0.2
Taxes on production and imports less subsidies .....	6.9	7.1	0.2
Gross operating surplus .....	34.0	33.6	-0.4
<b>Plains</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	57.5	57.8	0.3
Taxes on production and imports less subsidies .....	6.4	6.5	0.1
Gross operating surplus .....	36.1	35.7	-0.4
<b>Southeast</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	56.2	55.5	-0.7
Taxes on production and imports less subsidies .....	7.5	7.5	0.0
Gross operating surplus .....	36.2	37.1	0.9
<b>Southwest</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	52.8	52.2	-0.6
Taxes on production and imports less subsidies .....	7.6	7.3	-0.3
Gross operating surplus .....	39.6	40.5	0.9
<b>Rocky Mountain</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	56.0	55.6	-0.4
Taxes on production and imports less subsidies .....	6.5	6.3	-0.2
Gross operating surplus .....	37.5	38.1	0.6
<b>Far West</b> .....	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Compensation of employees .....	57.0	55.9	-1.1
Taxes on production and imports less subsidies .....	6.6	6.7	0.1
Gross operating surplus .....	36.4	37.4	1.0

dropped to the lowest growth quintile.

Although four of six states in the New England region were in the lowest quintile, New England avoided being one of the two lowest quintile regions because of a strong contribution by Massachusetts. Massachusetts was the 15<sup>th</sup> fastest growing state in 2007, led by strong growth in durable-goods manufacturing. The Great Lakes region contributed the smallest amount to national growth because of overall weakness and a contraction in Michigan's economy.

### Composition of GDP by state

The changes over time in the capital and labor shares of value added (GDP) reflect differences in the growth rates of the components of current-dollar GDP by state.<sup>5</sup> In most regions, the capital share increased while the labor share decreased, mirroring the national trend in 2004–2006 (table A). In two regions—New England and Southwest—the shares of labor and capital differed measurably from the nation.

The New England region's labor share of GDP was 60.2 percent in 2006, compared with 56.7 percent for the nation. The region was influenced heavily by Massachusetts, which had a 63.2 percent labor share of GDP. Several industry sectors in Massachusetts—notably finance and insurance, professional and technical services, and health care and social assistance—are more labor-intensive in this state than in the nation. These industries also account for a larger share of the Massachusetts economy—30.4 percent, compared with 22.3 percent for the nation.

The Southwest region's capital share of GDP was 40.5 percent in 2006, compared with 36.3 percent for the nation. Much of the region's larger share was accounted for by Texas, which had a 41.2 percent

5. The component measuring the labor share of GDP is "compensation of employees," and the capital share is "gross operating surplus."

### Acknowledgments

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capital share of GDP. Two sectors in Texas—mining and nondurable goods manufacturing—are more capital-intensive than in the nation. These two industries also account for a larger share of the Texas economy—16.5 percent, compared with 7.1 percent for the nation.

**Per capita real GDP by state**

The five states with the highest per capita real GDP were in either the New England region or Mideast region. Delaware had the highest per capita real GDP of

any state, \$56,496. That was 49 percent above the national average (tables B and 5 and chart 3).<sup>6</sup> Connecticut, where per capita real GDP was 37 percent above the national average, was the second highest ranked state. New York, Massachusetts, and New Jersey were the remaining five highest ranked states.

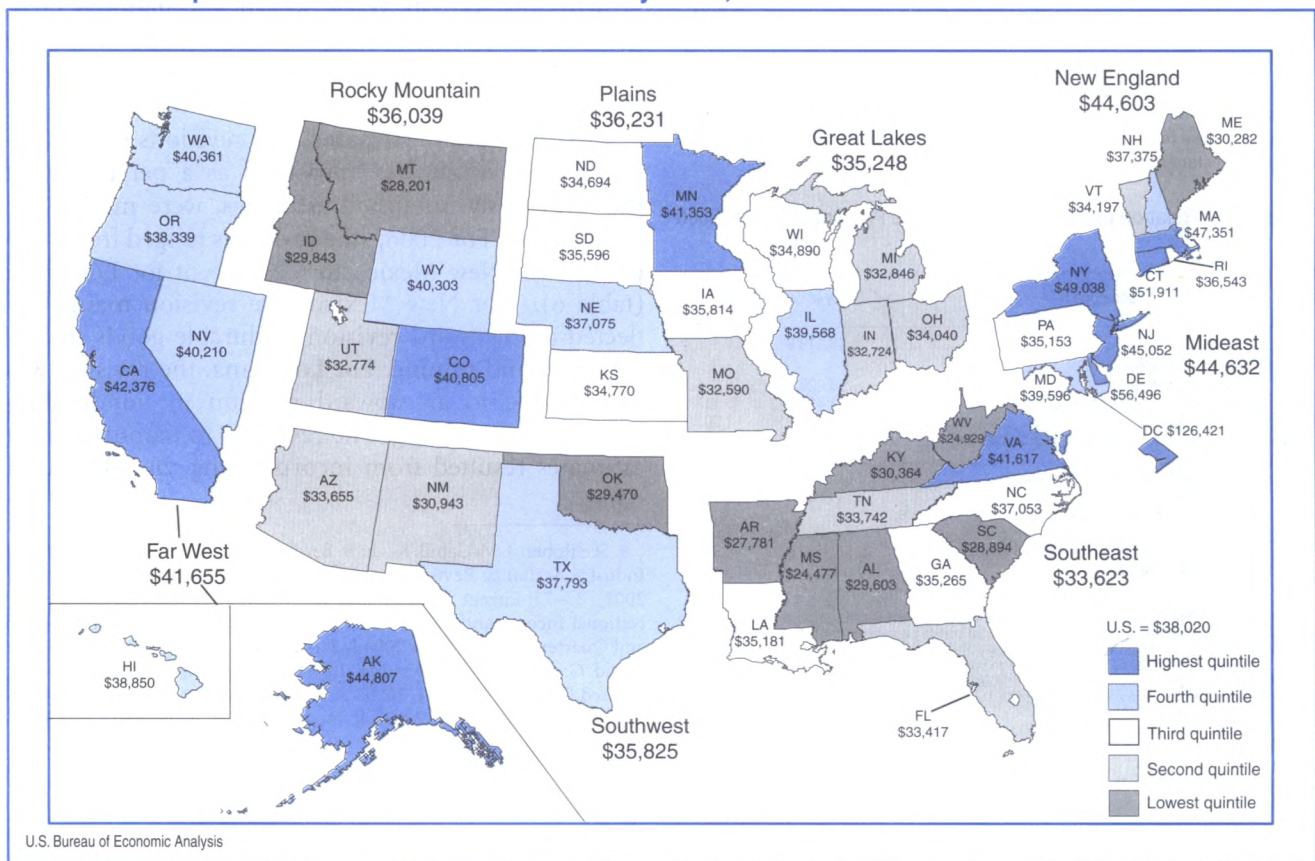
The five states with the lowest per capita real GDP were Mississippi, West Virginia, Arkansas, Montana,

6. Per capita real GDP by state and per capita personal income are computed using Census Bureau midyear population estimates.

**Table B. Per Capita Real GDP by State and Per Capita Personal Income, 2007**

	States with the highest per capita real GDP				States with the lowest per capita real GDP				
	Per capita real GDP by state		Per capita personal income		Per capita real GDP by state		Per capita personal income		
	Chained (2000) dollars	Rank in the United States	Dollars	Rank in the United States	Chained (2000) dollars	Rank in the United States	Dollars	Rank in the United States	
<b>United States</b> .....	<b>38,020</b>		<b>38,611</b>		<b>38,020</b>		<b>38,611</b>		
Delaware.....	56,496	1	40,608	12	Kentucky.....	30,364	41	31,111	46
Connecticut.....	51,911	2	54,117	1	Maine.....	30,282	42	33,722	35
New York.....	49,038	3	47,385	4	Idaho.....	29,843	43	31,197	44
Massachusetts.....	47,351	4	49,082	3	Alabama.....	29,603	44	32,404	42
New Jersey.....	45,052	5	49,194	2	Oklahoma.....	29,470	45	34,153	33
Alaska.....	44,807	6	40,352	15	South Carolina.....	28,894	46	31,013	47
California.....	42,376	7	41,571	7	Montana.....	28,201	47	32,458	41
Virginia.....	41,617	8	41,347	9	Arkansas.....	27,781	48	30,060	48
Minnesota.....	41,353	9	41,034	11	West Virginia.....	24,929	49	29,537	49
Colorado.....	40,805	10	41,042	10	Mississippi.....	24,477	50	28,845	50

**Chart 3. Per Capita Real Gross Domestic Product by State, 2007**



and South Carolina. Mississippi's \$24,477 per capita real GDP was the lowest in the nation—36 percent below the national average. The Southeast had the lowest per capita real GDP of the eight BEA regions, \$33,623. That was 12 percent below the national average. Six of the bottom ten states were in the Southeast region.

Nine of the ten states with the highest per capita real GDP were also the highest in 2006, with Colorado replacing Nevada in 2007. The 10 states with the lowest per capita real GDP were the same in both 2006 and 2007, although the rankings did shift slightly among the 10 states. Because the rankings of real GDP by state tend to be consistent over time, the per capita real GDP rankings do not change much from year to year. A substantial change in a states' per capita GDP ranking implies a significant change to that state's economy or its population growth.

**Comparison with per capita personal income.** Per capita real GDP by state and per capita personal income are two measures of state economies (table C). Per capita real GDP includes corporate income while personal income does not.<sup>7</sup> In addition, personal income includes entitlements, such as social security and Medicare payments, while GDP by state does not.

Per capita real GDP and per capita personal income tend to show similar trends across the states.<sup>8</sup> Seven

states—Connecticut, New York, Massachusetts, New Jersey, California, Virginia, and Colorado—ranked in the top 10 for both measures. However, Delaware, which had the highest per capita real GDP, ranked 12<sup>th</sup> in per capita personal income. Delaware's high ranking in per capita real GDP reflects its large concentration in the finance and insurance sector, a highly capitalized sector in this state. Eight states ranked in the bottom 10 for both per capita real GDP and per capita personal income.

## Revisions

The revisions to the GDP-by-state estimates primarily reflect the incorporation of new state data from the Census Bureau, specifically the Annual Survey of Manufactures (ASM) for 2006, revised ASM for 2005, State and Local Government Finances data for 2005, and State Government Finances for 2006. The incorporation of the ASM data traditionally causes large revisions to the previously published advance estimates. The GDP-by-state estimates also incorporated the results of the annual revisions to the annual industry accounts, national income and product accounts, and state personal income estimates.<sup>9</sup>

The advance estimates continue to provide reliable information on the direction of change in real growth for states and an indication of whether states' real growth was well-above or well-below national GDP growth. The advance estimates for 2006, which were released in June 2007, correctly identified the direction of change for 48 states and the District of Columbia.

**Current-dollar estimates.** The revisions to the current-dollar estimates, measured as a percentage of the previously published estimates, were modest for most states. For 2006, the revisions ranged from -4.9 percent for New Mexico to 5.2 percent for Louisiana (table 6). For New Mexico, the revision mainly reflected a downward revision to durable goods manufacturing and mining. For Louisiana, the revision was mainly due to an upward revision in nondurable-goods manufacturing. The revisions to manufacturing estimates resulted from incorporating the 2006 ASM data.

9. See Robert J. McCahill, Kevin B. Barefoot, and Robert J. Corea, "Annual Industry Accounts: Revised Statistics for 2004–2006," SURVEY 88 (February 2008): 33–75; Eugene P. Seskin and Shelly Smith, "Annual Revision of the National Income and Product Accounts: Annual Estimates for 2004–2006 and Quarterly Estimates for 2004:I–2007:I," SURVEY 87 (August 2007): 6–29; David G. Lenze, "State Personal Income: Second Quarter of 2007 and Revised Estimates for 2004–2006," SURVEY 87 (October 2007): 182–230; and David G. Lenze, "State Personal Income: Fourth Quarter of 2007 and Annual Estimates for 2007," SURVEY 88 (April 2008): 74–126.

7. Personal income includes dividend and interest payments received by individuals from corporations.

8. Although real GDP by state is inflation adjusted and per capita personal income is not, the rankings of the two measures can be compared because deflating per capita personal income by a national series, such as the price index for personal consumption expenditures, does not change the order of state rankings.

**Table C. The Relation of GDP by State to State Personal Income, 2006**  
[Billions of dollars]

Component	GDP by state	State personal income
Total.....	13,119.9	10,968.4
Compensation of employees:		
Wages and salaries <sup>1</sup> .....	6,020.1	6,015.2
Supplements to wages and salaries.....	1,413.9	1,413.9
Proprietors' income <sup>2</sup> .....	1,182.2	1,003.7
Taxes on production and imports less subsidies.....	917.6	
Corporate income.....	3,531.6	
Receipts on assets (dividends, interest).....		1,795.6
Rental income of persons.....	54.5	54.5
Transfer receipts (such as social security benefits, Medicare, and Medicaid).....		1,612.9
Less: Contributions for government social insurance <sup>3</sup> .....		926.1
Plus: Adjustment for residence.....		-1.3

1. Wages and salaries received by U.S. residents employed by international organizations and foreign embassies and consulates in the United States are included in state personal income but not in GDP by state. Wages and salaries are on an accrual basis for GDP by state but on a disbursement basis for state personal income. For 2006, the difference between the accrual and disbursement basis is \$7.5 billion.

2. The difference in proprietors' income reflects different measures for depreciation. State personal income includes the capital consumption adjustment while GDP by state does not.

3. Included in compensation of employees.

Note: This table is shown for 2006 because all components are not available for 2007. The two measures may differ because of different revision schedules.



Most of the revisions to the 2005 estimates were smaller than the revisions to the 2006 estimates. The 2005 revisions ranged from -2.7 percent for Oregon to 2.1 percent for Nevada. The revision for Oregon reflected a downward revision in government, specifically state and local government. The revision for Nevada was largely due to an upward revision in real estate, rental, and leasing, specifically real estate.

**Real growth rates.** The revisions to the real growth rates are measured as a percentage point difference from the previously published growth rate. For 2006, most of the revisions were less than 2 percentage points (in absolute terms); the mean absolute revision was 1.4 percentage points. The states with the largest absolute revisions were Idaho (-4.9 percentage points), Wyoming (4.3 percentage points), Alaska (3.4 percentage points), New Mexico (-3.4 percentage points), and Oklahoma (-3.3 percentage points) (table 7). The revisions mainly reflected revisions to the current-dollar estimates resulting from the incorporation of ASM data or other new state source data. Revisions to min-

ing led to the upward revisions for Alaska and Wyoming and to the downward revision for Oklahoma. For Idaho and New Mexico, the revisions reflected downward revisions to durable-goods manufacturing.

For 2005, most of the revisions were less than 1 percentage point (in absolute terms); the mean absolute revision was 0.7 percentage point. The states with the largest absolute revisions to the growth rates of real GDP were Arizona (2.2 percentage points), Nebraska (-2.1 percentage points), Iowa (-1.6 percentage points), and Montana (1.5 percentage points). For Arizona, the upward revision was primarily due to an upward revision to real estate, rental, and leasing, specifically real estate. For both Nebraska and Iowa, the revisions mainly reflected a downward revision to finance and insurance, specifically insurance carriers and related activities. For Montana, the upward revision was largely due to upward revisions to agriculture, forestry, fishing, and hunting, specifically crop and animal production, and mining, specifically mining, except oil and gas.

*Appendix A and tables 1–10 follow.*

## Appendix A. Industries for Which Gross Domestic Product (GDP) by State Is Available

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

NAICS North American Industry Classification System

Table 1. Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2007

[Percent]

	2004	2005	2006	2007*
<b>United States</b> .....	<b>3.5</b>	<b>3.0</b>	<b>3.1</b>	<b>2.0</b>
<b>New England</b> .....	<b>3.0</b>	<b>1.5</b>	<b>2.8</b>	<b>2.1</b>
Connecticut.....	4.0	3.2	3.4	2.8
Maine.....	4.2	-0.1	1.3	1.3
Massachusetts.....	2.0	1.0	3.0	2.5
New Hampshire.....	4.0	1.3	1.8	-0.1
Rhode Island.....	3.7	-0.6	2.7	0.1
Vermont.....	3.4	2.0	1.2	1.5
<b>Mideast</b> .....	<b>2.5</b>	<b>2.7</b>	<b>3.4</b>	<b>2.8</b>
Delaware.....	3.9	5.9	0.5	-1.6
District of Columbia.....	4.4	2.8	2.8	4.3
Maryland.....	3.8	3.7	2.3	2.0
New Jersey.....	2.5	0.7	2.3	1.1
New York.....	2.7	3.8	5.2	4.4
Pennsylvania.....	1.1	1.4	2.0	1.6
<b>Great Lakes</b> .....	<b>1.5</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>
Illinois.....	1.7	0.6	2.2	1.5
Indiana.....	3.0	-0.9	-0.3	0.3
Michigan.....	-1.0	0.4	-1.4	-1.2
Ohio.....	2.3	0.7	-0.3	0.4
Wisconsin.....	2.1	1.4	1.5	1.0
<b>Plains</b> .....	<b>3.1</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>
Iowa.....	5.9	1.4	2.9	1.7
Kansas.....	1.8	2.0	4.2	2.8
Minnesota.....	4.2	1.1	1.5	2.2
Missouri.....	1.7	1.1	0.4	1.3
Nebraska.....	1.8	1.9	3.8	2.1
North Dakota.....	0.6	5.8	2.0	3.0
South Dakota.....	3.4	1.9	2.4	2.3
<b>Southeast</b> .....	<b>4.1</b>	<b>4.2</b>	<b>3.1</b>	<b>1.5</b>
Alabama.....	5.2	3.2	2.0	1.8
Arkansas.....	4.8	2.3	2.3	1.5
Florida.....	5.4	7.3	3.6	0.0
Georgia.....	3.7	3.7	1.6	2.8
Kentucky.....	2.3	2.4	2.6	2.3
Louisiana.....	5.7	1.3	4.3	2.6
Mississippi.....	2.1	0.4	2.9	1.7
North Carolina.....	3.2	4.8	6.0	2.2
South Carolina.....	0.2	2.2	1.9	2.0
Tennessee.....	4.6	1.8	2.5	0.9
Virginia.....	4.5	4.7	2.2	1.9
West Virginia.....	2.8	1.9	1.1	0.1
<b>Southwest</b> .....	<b>4.4</b>	<b>3.2</b>	<b>5.1</b>	<b>3.7</b>
Arizona.....	3.6	8.8	6.7	1.8
New Mexico.....	6.0	1.4	2.8	2.8
Oklahoma.....	3.2	1.9	3.4	4.0
Texas.....	4.5	2.4	5.2	4.1
<b>Rocky Mountain</b> .....	<b>3.3</b>	<b>5.1</b>	<b>3.9</b>	<b>2.9</b>
Colorado.....	2.3	4.5	3.0	2.0
Idaho.....	8.6	7.6	2.5	2.4
Montana.....	3.0	5.3	3.1	3.5
Utah.....	4.0	6.2	6.3	5.3
Wyoming.....	1.0	2.0	6.5	1.8
<b>Far West</b> .....	<b>5.1</b>	<b>4.6</b>	<b>4.1</b>	<b>1.9</b>
Alaska.....	5.6	1.3	4.1	0.3
California.....	5.2	4.5	3.8	1.5
Hawaii.....	4.8	5.2	3.2	3.0
Nevada.....	10.1	8.3	5.4	0.6
Oregon.....	6.8	2.6	7.8	3.2
Washington.....	2.2	5.1	3.5	4.3

\* Advance estimates

**Table 2. Contributions to Percent Change in Real**  
 [Percentage]

	Percent change in real GDP by state	Agriculture, forestry, and hunting	Mining	Utilities	Construction	Durable goods manufacturing	Nondurable goods manufacturing	Wholesale trade	Retail trade	Transportation and warehousing
<b>United States</b> .....	<b>2.0</b>	<b>0.01</b>	<b>0.00</b>	<b>0.11</b>	<b>-0.58</b>	<b>0.32</b>	<b>-0.06</b>	<b>0.05</b>	<b>0.31</b>	<b>0.09</b>
<b>New England</b> .....	<b>2.1</b>	<b>0.00</b>	<b>0.00</b>	<b>0.14</b>	<b>-0.57</b>	<b>0.55</b>	<b>-0.03</b>	<b>-0.04</b>	<b>0.23</b>	<b>0.05</b>
Connecticut.....	2.8	-0.02	-0.01	0.15	-0.37	0.40	0.02	-0.06	0.24	0.11
Maine.....	1.3	0.06	0.00	0.18	-0.80	0.28	-0.13	-0.05	0.49	0.02
Massachusetts.....	2.5	0.00	0.02	0.12	-0.56	0.71	-0.03	-0.05	0.15	0.05
New Hampshire.....	-0.1	-0.01	0.01	0.19	-0.95	0.48	-0.04	0.02	0.20	-0.02
Rhode Island.....	0.1	-0.01	0.01	0.06	-0.71	0.19	-0.04	0.13	0.43	-0.01
Vermont.....	1.5	0.15	-0.19	0.31	-0.80	0.81	-0.10	-0.16	0.27	0.00
<b>Mideast</b> .....	<b>2.8</b>	<b>0.01</b>	<b>0.00</b>	<b>0.11</b>	<b>-0.41</b>	<b>0.14</b>	<b>-0.04</b>	<b>0.03</b>	<b>0.28</b>	<b>0.06</b>
Delaware.....	-1.6	0.04	0.00	-0.03	-0.69	0.22	0.03	-0.35	0.20	0.01
District of Columbia.....	4.3	0.00	0.00	0.01	-0.13	-0.01	0.00	0.08	0.04	-0.02
Maryland.....	2.0	0.00	0.01	0.22	-0.66	0.14	0.08	-0.01	0.22	0.02
New Jersey.....	1.1	-0.01	0.02	-0.01	-0.57	0.09	0.11	-0.10	0.25	0.08
New York.....	4.4	0.01	-0.01	0.12	-0.22	0.13	-0.07	0.06	0.34	0.07
Pennsylvania.....	1.6	0.02	-0.01	0.18	-0.57	0.21	-0.15	0.13	0.27	0.09
<b>Great Lakes</b> .....	<b>0.5</b>	<b>0.07</b>	<b>-0.02</b>	<b>0.10</b>	<b>-0.60</b>	<b>0.19</b>	<b>-0.06</b>	<b>-0.02</b>	<b>0.22</b>	<b>0.02</b>
Illinois.....	1.5	0.05	-0.01	0.08	-0.66	0.30	0.04	0.05	0.25	-0.05
Indiana.....	0.3	0.15	0.01	0.06	-0.45	0.18	-0.26	-0.02	0.20	0.02
Michigan.....	-1.2	0.04	-0.01	0.19	-0.75	0.01	-0.08	-0.10	0.15	0.06
Ohio.....	0.4	0.06	-0.02	0.11	-0.53	0.09	-0.11	-0.02	0.23	0.06
Wisconsin.....	1.0	0.12	-0.05	0.06	-0.52	0.37	0.06	-0.09	0.26	0.00
<b>Plains</b> .....	<b>2.0</b>	<b>0.15</b>	<b>-0.10</b>	<b>0.14</b>	<b>-0.53</b>	<b>0.35</b>	<b>-0.05</b>	<b>0.00</b>	<b>0.28</b>	<b>0.11</b>
Iowa.....	1.7	0.50	-0.06	0.21	-0.61	0.39	0.01	-0.01	0.23	0.11
Kansas.....	2.8	-0.03	0.01	0.18	-0.38	0.70	-0.19	0.06	0.34	0.05
Minnesota.....	2.2	0.16	-0.17	0.07	-0.65	0.53	-0.03	-0.08	0.22	0.20
Missouri.....	1.3	0.00	-0.25	0.09	-0.55	-0.01	-0.05	0.08	0.31	0.06
Nebraska.....	2.1	0.28	0.08	0.30	-0.19	0.19	-0.08	-0.06	0.30	0.10
North Dakota.....	3.0	0.09	0.52	0.18	-0.42	0.34	0.00	0.09	0.37	0.15
South Dakota.....	2.3	0.11	-0.01	0.13	-0.46	0.50	0.10	0.02	0.40	0.04
<b>Southeast</b> .....	<b>1.5</b>	<b>-0.03</b>	<b>-0.01</b>	<b>0.09</b>	<b>-0.73</b>	<b>0.23</b>	<b>-0.17</b>	<b>0.05</b>	<b>0.34</b>	<b>0.16</b>
Alabama.....	1.8	0.04	0.03	0.28	-0.49	0.40	-0.15	0.01	0.48	0.03
Arkansas.....	1.5	0.18	0.25	0.12	-0.53	-0.04	-0.21	0.00	0.43	-0.05
Florida.....	0.0	-0.11	-0.02	0.05	-2.00	0.18	-0.01	0.04	0.31	0.05
Georgia.....	2.8	0.00	-0.06	0.10	-0.60	0.06	-0.11	0.02	0.34	0.83
Kentucky.....	2.3	-0.08	0.28	0.05	-0.38	0.17	-0.05	0.12	0.33	0.33
Louisiana.....	2.6	-0.03	0.08	0.12	-0.30	0.44	-0.47	0.08	0.34	0.26
Mississippi.....	1.7	0.05	0.29	0.09	-0.60	0.23	-0.26	0.03	0.18	0.09
North Carolina.....	2.2	-0.07	-0.02	0.13	-0.43	0.58	-0.42	0.11	0.45	0.01
South Carolina.....	2.0	-0.04	-0.09	-0.05	-0.76	0.43	-0.18	0.17	0.45	0.02
Tennessee.....	0.9	-0.03	-0.03	0.03	-0.55	-0.04	-0.14	-0.05	0.58	0.06
Virginia.....	1.9	0.00	-0.04	0.10	-0.76	0.24	-0.14	0.07	0.22	-0.03
West Virginia.....	0.1	-0.02	-0.95	0.24	-0.57	0.05	-0.17	-0.17	0.47	0.05
<b>Southwest</b> .....	<b>3.7</b>	<b>-0.02</b>	<b>0.16</b>	<b>0.30</b>	<b>-0.52</b>	<b>0.59</b>	<b>0.05</b>	<b>0.20</b>	<b>0.37</b>	<b>0.16</b>
Arizona.....	1.8	0.03	0.06	0.18	-1.24	0.35	0.01	0.24	0.42	0.12
New Mexico.....	2.8	0.00	0.24	0.27	-0.57	1.01	0.00	0.05	0.39	0.11
Oklahoma.....	4.0	-0.09	1.10	0.35	-0.45	0.41	-0.05	0.01	0.37	0.16
Texas.....	4.1	-0.03	0.07	0.32	-0.37	0.63	0.08	0.22	0.36	0.17
<b>Rocky Mountain</b> .....	<b>2.9</b>	<b>-0.02</b>	<b>0.02</b>	<b>-0.05</b>	<b>-0.50</b>	<b>0.43</b>	<b>0.01</b>	<b>0.25</b>	<b>0.52</b>	<b>0.13</b>
Colorado.....	2.0	-0.05	0.03	-0.18	-0.74	0.19	-0.01	0.28	0.37	0.00
Idaho.....	2.4	0.26	-0.06	0.12	-0.67	0.90	0.04	0.19	0.32	0.05
Montana.....	3.5	-0.10	1.27	0.24	-0.25	0.23	0.02	0.17	0.61	0.07
Utah.....	5.3	-0.01	0.09	0.01	-0.19	0.94	0.05	0.24	0.92	0.43
Wyoming.....	1.8	-0.12	-1.49	0.21	0.22	0.10	0.06	0.22	0.51	0.30
<b>Far West</b> .....	<b>1.9</b>	<b>0.01</b>	<b>-0.05</b>	<b>0.04</b>	<b>-0.61</b>	<b>0.48</b>	<b>-0.03</b>	<b>0.07</b>	<b>0.36</b>	<b>0.06</b>
Alaska.....	0.3	0.01	-1.02	0.06	-0.76	0.04	-0.11	-0.01	0.23	0.62
California.....	1.5	0.02	-0.01	0.04	-0.68	0.40	-0.04	0.08	0.34	0.04
Hawaii.....	3.0	-0.10	0.03	0.08	-0.12	0.06	0.00	0.05	0.38	0.16
Nevada.....	0.6	-0.01	-0.44	-0.17	-1.05	0.20	0.04	0.01	0.26	0.17
Oregon.....	3.2	-0.03	-0.01	0.06	-0.45	1.88	0.02	0.11	0.31	0.03
Washington.....	4.3	0.01	-0.01	0.08	-0.20	0.52	-0.02	0.03	0.55	0.06

\* Advance estimates

## Gross Domestic Product (GDP) by State, 2007\*

points]

Information	Finance and insurance	Real estate, rental, and leasing	Professional and technical services	Management of companies	Administrative and waste services	Educational services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services	Government
0.40	-0.02	0.27	0.38	0.02	0.15	0.03	0.24	0.01	0.06	0.05	0.16
0.35	0.19	0.09	0.37	0.07	0.18	0.07	0.31	0.03	0.02	0.04	0.03
0.45	0.35	0.25	0.40	0.17	0.16	0.06	0.21	0.00	0.03	0.03	0.21
0.24	-0.10	0.15	0.14	0.14	0.12	0.11	0.36	0.02	-0.01	0.01	0.11
0.36	0.35	0.11	0.50	0.03	0.19	0.08	0.37	0.06	0.03	0.06	-0.10
0.31	-0.61	-0.99	0.37	0.03	0.35	0.07	0.44	0.01	-0.01	0.04	0.02
0.10	-0.36	0.32	-0.29	-0.05	0.07	0.06	0.11	0.04	0.00	0.04	0.05
0.22	0.05	0.52	-0.01	0.00	0.09	0.03	0.35	-0.03	-0.03	0.00	0.02
0.50	0.36	0.70	0.44	0.07	0.15	0.03	0.22	-0.01	0.05	0.05	0.01
0.20	-2.27	0.74	0.21	-0.53	0.10	0.00	0.32	0.00	0.01	0.00	0.17
0.61	0.18	0.66	0.85	0.23	0.21	-0.06	0.23	-0.01	0.02	0.32	1.07
0.26	-0.31	0.57	0.42	0.05	0.10	0.04	0.24	0.00	0.05	0.03	0.50
0.48	-0.26	0.47	0.51	-0.06	0.04	0.04	0.16	-0.01	-0.02	0.01	-0.07
0.67	1.22	1.11	0.45	0.08	0.21	0.04	0.20	-0.01	0.08	0.05	-0.15
0.31	-0.15	0.13	0.33	0.22	0.16	0.02	0.30	0.00	0.08	0.02	-0.03
0.27	-0.16	0.09	0.23	-0.08	0.12	0.02	0.17	0.01	0.03	0.02	-0.12
0.38	0.05	0.28	0.20	-0.01	0.23	0.04	0.20	0.01	0.03	0.04	0.00
0.19	-0.29	0.12	0.22	-0.08	0.10	0.01	0.18	0.02	0.01	0.04	-0.13
0.19	-0.26	-0.35	0.21	-0.20	-0.07	0.02	0.20	-0.01	0.01	-0.03	-0.37
0.17	-0.28	0.13	0.30	-0.04	0.11	0.00	0.08	0.01	0.06	0.00	-0.05
0.37	-0.14	0.20	0.20	-0.13	0.15	0.04	0.22	0.01	0.02	0.05	-0.16
0.40	0.06	0.29	0.28	0.03	0.14	0.04	0.25	0.00	0.03	0.02	0.08
0.20	-0.05	0.05	0.18	0.04	0.11	0.03	0.15	0.01	0.06	0.08	0.03
0.75	-0.04	0.10	0.24	0.13	0.16	0.02	0.25	0.00	-0.05	0.09	0.47
0.33	0.21	0.41	0.42	0.15	0.42	0.05	0.34	-0.03	0.02	-0.02	-0.08
0.42	0.02	0.41	0.28	-0.24	0.21	0.05	0.22	0.03	0.08	0.03	0.13
0.42	-0.16	0.43	0.16	0.24	-0.02	0.02	0.22	0.02	0.02	-0.10	-0.04
0.49	0.06	0.28	0.17	0.13	0.07	0.03	0.22	0.00	0.10	0.06	0.09
0.30	0.53	-0.20	0.17	0.07	0.21	0.01	0.33	0.00	0.03	0.06	-0.02
0.25	-0.10	0.22	0.32	0.02	0.10	0.03	0.25	0.02	0.08	0.05	0.37
0.01	-0.14	0.42	0.24	0.02	0.05	0.03	0.12	0.00	0.03	0.05	0.34
0.44	0.02	0.29	0.22	-0.10	0.05	0.02	0.20	0.00	0.08	0.02	0.06
0.31	-0.20	0.05	0.24	0.09	-0.02	0.02	0.45	0.06	0.16	0.08	0.27
0.61	0.02	0.23	0.38	0.06	0.15	0.03	0.31	0.02	0.05	0.03	0.37
0.25	-0.03	0.51	0.20	-0.07	0.03	0.03	0.19	0.02	0.00	0.04	0.33
0.20	-0.03	0.59	0.26	0.00	0.07	0.03	0.24	0.10	0.11	0.06	0.43
0.10	-0.06	0.25	0.11	0.02	0.07	0.01	0.27	0.13	0.20	0.04	0.48
0.26	-0.36	0.38	0.37	-0.03	0.14	0.04	0.27	0.02	0.11	0.09	0.60
0.19	0.00	0.46	0.31	-0.06	0.26	0.02	0.20	0.01	0.09	0.06	0.50
0.18	0.11	0.01	0.18	0.00	0.19	0.04	0.24	-0.03	0.06	0.01	0.05
0.18	-0.18	0.01	0.84	0.04	0.19	0.06	0.22	0.00	0.04	0.08	0.76
0.15	-0.11	0.43	0.09	0.11	0.10	0.01	0.34	0.01	0.01	-0.01	-0.03
0.38	0.00	0.38	0.46	0.17	0.27	0.02	0.30	0.02	0.07	0.07	0.23
0.15	-0.30	0.04	0.52	0.13	0.17	0.02	0.47	-0.02	0.14	0.06	0.23
0.14	-0.09	0.43	1.00	-0.03	0.13	0.02	0.28	0.03	0.04	0.05	-0.70
0.37	-0.08	0.54	0.21	-0.05	0.16	0.02	0.31	0.20	0.04	0.15	0.33
0.45	0.09	0.43	0.44	0.22	0.31	0.02	0.27	0.01	0.06	0.06	0.28
0.46	-0.06	0.29	0.52	-0.03	0.19	0.04	0.28	0.03	0.12	0.09	0.18
0.64	-0.16	0.13	0.66	-0.03	0.21	0.04	0.26	0.02	0.14	0.07	0.15
0.19	-0.07	0.30	0.27	-0.13	0.08	0.06	0.42	0.05	0.12	0.05	-0.07
0.16	-0.10	-0.27	0.31	0.04	0.30	0.02	0.30	0.09	0.14	0.08	0.20
0.36	0.17	0.82	0.51	0.01	0.15	0.03	0.25	0.03	0.13	0.13	0.19
0.14	0.04	0.35	0.23	-0.05	0.18	0.00	0.23	0.00	-0.18	0.19	0.66
0.61	-0.31	0.03	0.50	-0.06	0.13	0.03	0.22	0.00	0.07	0.06	0.29
0.20	0.00	0.10	0.28	-0.03	0.12	0.00	0.06	0.00	0.03	0.03	0.47
0.52	-0.33	-0.07	0.51	-0.09	0.15	0.03	0.21	-0.02	0.09	0.06	0.25
0.11	-0.22	0.59	0.15	-0.01	-0.09	0.02	0.23	0.02	0.09	0.07	1.47
0.19	-0.45	0.64	0.08	0.21	0.00	0.02	0.29	0.06	0.15	0.01	0.38
0.50	-0.20	-0.04	0.27	-0.03	0.07	0.01	0.28	0.05	0.08	0.07	0.21
1.58	-0.25	0.35	0.82	-0.04	0.20	0.03	0.25	0.00	-0.07	0.09	0.29



**Table 4. State Contributions to Percent Change in Real U.S. Gross Domestic Product (GDP) by State, 1998–2007**  
 [Percentage points]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007*
<b>United States, percent change</b> .....	<b>4.5</b>	<b>4.4</b>	<b>3.7</b>	<b>0.9</b>	<b>1.5</b>	<b>2.4</b>	<b>3.5</b>	<b>3.0</b>	<b>3.1</b>	<b>2.0</b>
<b>New England</b> .....	<b>0.28</b>	<b>0.23</b>	<b>0.36</b>	<b>0.05</b>	<b>-0.02</b>	<b>0.11</b>	<b>0.17</b>	<b>0.08</b>	<b>0.15</b>	<b>0.11</b>
Connecticut.....	0.07	0.03	0.08	0.01	-0.03	0.01	0.06	0.05	0.05	0.04
Maine.....	0.00	0.01	0.01	0.01	0.01	0.01	0.02	0.00	0.00	0.00
Massachusetts.....	0.16	0.16	0.21	0.02	-0.02	0.06	0.05	0.03	0.08	0.06
New Hampshire.....	0.04	0.01	0.03	0.00	0.01	0.01	0.02	0.01	0.01	0.00
Rhode Island.....	0.01	0.01	0.02	0.01	0.01	0.02	0.01	0.00	0.01	0.00
Vermont.....	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.00	0.00	0.00
<b>Mideast</b> .....	<b>0.68</b>	<b>0.74</b>	<b>0.67</b>	<b>0.46</b>	<b>0.15</b>	<b>0.42</b>	<b>0.46</b>	<b>0.49</b>	<b>0.63</b>	<b>0.50</b>
Delaware.....	0.01	0.02	0.01	0.02	0.00	0.02	0.02	0.03	0.00	-0.01
District of Columbia.....	0.00	0.04	0.00	0.03	0.01	0.02	0.03	0.02	0.02	0.03
Maryland.....	0.07	0.07	0.05	0.07	0.06	0.05	0.07	0.07	0.05	0.04
New Jersey.....	0.11	0.09	0.11	0.11	0.03	0.09	0.09	0.02	0.08	0.04
New York.....	0.33	0.43	0.43	0.18	-0.03	0.17	0.21	0.29	0.40	0.34
Pennsylvania.....	0.15	0.09	0.06	0.06	0.08	0.09	0.04	0.06	0.08	0.06
<b>Great Lakes</b> .....	<b>0.55</b>	<b>0.42</b>	<b>0.29</b>	<b>-0.19</b>	<b>0.29</b>	<b>0.33</b>	<b>0.23</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>
Illinois.....	0.17	0.14	0.12	0.01	0.01	0.13	0.08	0.03	0.10	0.07
Indiana.....	0.10	0.05	0.05	-0.04	0.07	0.07	0.06	-0.02	-0.01	0.01
Michigan.....	0.07	0.11	0.05	-0.11	0.10	0.04	-0.03	0.01	-0.04	-0.03
Ohio.....	0.14	0.06	0.04	-0.06	0.08	0.05	0.09	0.02	-0.01	0.01
Wisconsin.....	0.08	0.06	0.04	0.02	0.03	0.04	0.04	0.02	0.03	0.02
<b>Plains</b> .....	<b>0.20</b>	<b>0.12</b>	<b>0.21</b>	<b>0.03</b>	<b>0.16</b>	<b>0.17</b>	<b>0.20</b>	<b>0.10</b>	<b>0.13</b>	<b>0.13</b>
Iowa.....	0.01	0.01	0.03	-0.01	0.04	0.02	0.05	0.01	0.03	0.02
Kansas.....	0.04	0.02	0.02	0.01	0.01	0.01	0.02	0.02	0.03	0.02
Minnesota.....	0.09	0.06	0.09	0.01	0.05	0.06	0.08	0.02	0.03	0.04
Missouri.....	0.04	0.01	0.04	0.01	0.02	0.03	0.03	0.02	0.01	0.02
Nebraska.....	0.01	0.01	0.01	0.00	0.01	0.03	0.01	0.01	0.02	0.01
North Dakota.....	0.01	0.00	0.01	0.00	0.01	0.01	0.00	0.01	0.00	0.01
South Dakota.....	0.01	0.01	0.01	0.00	0.02	0.00	0.01	0.00	0.01	0.01
<b>Southeast</b> .....	<b>0.94</b>	<b>0.94</b>	<b>0.40</b>	<b>0.32</b>	<b>0.38</b>	<b>0.64</b>	<b>0.91</b>	<b>0.93</b>	<b>0.70</b>	<b>0.35</b>
Alabama.....	0.04	0.04	0.00	0.01	0.03	0.03	0.06	0.04	0.02	0.02
Arkansas.....	0.02	0.03	0.00	0.00	0.02	0.02	0.03	0.02	0.02	0.01
Florida.....	0.24	0.20	0.19	0.14	0.13	0.23	0.28	0.38	0.19	0.00
Georgia.....	0.18	0.19	0.09	0.02	0.01	0.06	0.11	0.11	0.05	0.08
Kentucky.....	0.02	0.03	-0.04	0.00	0.03	0.02	0.03	0.03	0.03	0.03
Louisiana.....	0.06	0.02	-0.06	-0.02	0.01	0.02	0.08	0.02	0.06	0.04
Mississippi.....	0.02	0.02	0.00	0.00	0.01	0.02	0.01	0.00	0.02	0.01
North Carolina.....	0.13	0.18	0.07	0.05	0.04	0.04	0.09	0.13	0.17	0.06
South Carolina.....	0.04	0.04	0.02	0.02	0.02	0.04	0.00	0.03	0.02	0.02
Tennessee.....	0.06	0.06	0.01	0.01	0.07	0.05	0.08	0.03	0.05	0.02
Virginia.....	0.13	0.12	0.13	0.09	0.02	0.10	0.13	0.13	0.06	0.05
West Virginia.....	0.00	0.01	-0.01	0.00	0.01	0.00	0.01	0.01	0.00	0.00
<b>Southwest</b> .....	<b>0.61</b>	<b>0.55</b>	<b>0.43</b>	<b>0.26</b>	<b>0.21</b>	<b>0.21</b>	<b>0.47</b>	<b>0.36</b>	<b>0.58</b>	<b>0.42</b>
Arizona.....	0.14	0.13	0.09	0.05	0.03	0.07	0.06	0.15	0.12	0.03
New Mexico.....	0.01	0.04	0.01	0.00	0.01	0.02	0.03	0.01	0.02	0.02
Oklahoma.....	0.02	0.03	0.03	0.02	0.01	0.01	0.03	0.02	0.03	0.04
Texas.....	0.45	0.35	0.30	0.19	0.15	0.10	0.35	0.19	0.41	0.33
<b>Rocky Mountain</b> .....	<b>0.17</b>	<b>0.20</b>	<b>0.19</b>	<b>0.05</b>	<b>0.03</b>	<b>0.04</b>	<b>0.11</b>	<b>0.16</b>	<b>0.13</b>	<b>0.10</b>
Colorado.....	0.12	0.13	0.13	0.03	0.01	0.01	0.04	0.08	0.05	0.03
Idaho.....	0.01	0.03	0.02	0.00	0.00	0.01	0.03	0.03	0.01	0.01
Montana.....	0.01	0.00	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01
Utah.....	0.03	0.03	0.02	0.01	0.01	0.01	0.03	0.04	0.05	0.04
Wyoming.....	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.01	0.00
<b>Far West</b> .....	<b>1.02</b>	<b>1.24</b>	<b>1.12</b>	<b>-0.09</b>	<b>0.27</b>	<b>0.51</b>	<b>0.91</b>	<b>0.83</b>	<b>0.74</b>	<b>0.35</b>
Alaska.....	-0.01	0.00	0.00	-0.01	0.02	-0.01	0.02	0.00	0.01	0.00
California.....	0.77	0.99	0.97	-0.06	0.17	0.39	0.67	0.59	0.50	0.20
Hawaii.....	-0.01	0.00	0.00	0.00	0.00	0.02	0.02	0.02	0.01	0.01
Nevada.....	0.03	0.04	0.03	0.01	0.02	0.05	0.08	0.07	0.05	0.01
Oregon.....	0.06	0.04	0.09	-0.02	0.04	0.03	0.08	0.03	0.09	0.04
Washington.....	0.18	0.17	0.03	-0.02	0.01	0.04	0.05	0.11	0.08	0.09

\* Advance estimates

Table 5. Per Capita Real Gross Domestic Product (GDP) by State and Per Capita Personal Income, 2007

	Per capita real GDP by state <sup>1</sup>			Per capita personal income <sup>2</sup>		
	Chained (2000) dollars	Rank in the United States	Percent of U.S. per capita real GDP by state	Dollars	Rank in the United States	Percent of U.S. per capita personal income
<b>United States</b> .....	<b>38,020</b>		<b>100</b>	<b>38,611</b>		<b>100</b>
<b>New England</b> .....	<b>44,603</b>		<b>117</b>	<b>46,948</b>		<b>122</b>
Connecticut.....	51,911	2	137	54,117	1	140
Maine.....	30,282	42	80	33,722	35	87
Massachusetts.....	47,351	4	125	49,082	3	127
New Hampshire.....	37,375	19	98	41,512	8	108
Rhode Island.....	36,543	22	96	39,463	17	102
Vermont.....	34,197	31	90	36,670	23	95
<b>Mideast</b> .....	<b>44,632</b>		<b>117</b>	<b>45,350</b>		<b>117</b>
Delaware.....	56,496	1	149	40,608	12	105
District of Columbia.....	126,421		333	61,092		158
Maryland.....	39,596	14	104	46,021	5	119
New Jersey.....	45,052	5	118	49,194	2	127
New York.....	49,038	3	129	47,385	4	123
Pennsylvania.....	35,153	27	92	38,788	19	100
<b>Great Lakes</b> .....	<b>35,248</b>		<b>93</b>	<b>36,401</b>		<b>94</b>
Illinois.....	39,568	15	104	40,322	16	104
Indiana.....	32,724	38	86	33,616	37	87
Michigan.....	32,846	36	86	35,086	26	91
Ohio.....	34,040	32	90	34,874	28	90
Wisconsin.....	34,890	28	92	36,047	25	93
<b>Plains</b> .....	<b>36,231</b>		<b>95</b>	<b>36,715</b>		<b>95</b>
Iowa.....	35,814	23	94	35,023	27	91
Kansas.....	34,770	29	91	36,768	22	95
Minnesota.....	41,353	9	109	41,034	11	106
Missouri.....	32,590	39	86	34,389	32	89
Nebraska.....	37,075	20	98	36,471	24	94
North Dakota.....	34,694	30	91	34,846	29	90
South Dakota.....	35,596	24	94	33,905	34	88
<b>Southeast</b> .....	<b>33,623</b>		<b>88</b>	<b>34,804</b>		<b>90</b>
Alabama.....	29,603	44	78	32,404	42	84
Arkansas.....	27,781	48	73	30,060	48	78
Florida.....	33,417	35	88	38,444	20	100
Georgia.....	35,265	25	93	33,457	38	87
Kentucky.....	30,364	41	80	31,111	46	81
Louisiana.....	35,181	26	93	34,756	31	90
Mississippi.....	24,477	50	64	28,845	50	75
North Carolina.....	37,053	21	97	33,636	36	87
South Carolina.....	28,894	46	76	31,013	47	80
Tennessee.....	33,742	33	89	33,280	39	86
Virginia.....	41,617	8	109	41,347	9	107
West Virginia.....	24,929	49	66	29,537	49	76
<b>Southwest</b> .....	<b>35,825</b>		<b>94</b>	<b>35,831</b>		<b>93</b>
Arizona.....	33,655	34	89	33,029	40	86
New Mexico.....	30,943	40	81	31,474	43	82
Oklahoma.....	29,470	45	78	34,153	33	88
Texas.....	37,793	18	99	37,187	21	96
<b>Rocky Mountain</b> .....	<b>36,039</b>		<b>95</b>	<b>36,474</b>		<b>94</b>
Colorado.....	40,805	10	107	41,042	10	106
Idaho.....	29,843	43	79	31,197	44	81
Montana.....	28,201	47	74	32,458	41	84
Utah.....	32,774	37	86	31,189	45	81
Wyoming.....	40,303	12	106	43,226	6	112
<b>Far West</b> .....	<b>41,655</b>		<b>110</b>	<b>40,800</b>		<b>106</b>
Alaska.....	44,807	6	118	40,352	15	105
California.....	42,376	7	111	41,571	7	108
Hawaii.....	38,850	16	102	39,239	18	102
Nevada.....	40,210	13	106	40,480	13	105
Oregon.....	38,339	17	101	34,784	30	90
Washington.....	40,361	11	106	40,414	14	105

1. Advance estimates

2. Preliminary estimates

Note: Per capita real GDP by state and per capita personal income were computed using Census Bureau midyear population estimates.



Table 6. Revisions to Current-Dollar Gross Domestic Product (GDP) by State, 2004–2006

	2004			2005			2006		
	Millions of dollars		Percent revision <sup>1</sup>	Millions of dollars		Percent revision <sup>1</sup>	Millions of dollars		Percent revision <sup>1</sup>
	Revised	Revision		Revised	Revision		Revised	Revision	
<b>United States</b> .....	<b>11,607,041</b>	<b>-26,531</b>	<b>-0.2</b>	<b>12,346,871</b>	<b>-25,979</b>	<b>-0.2</b>	<b>13,119,938</b>	<b>-29,095</b>	<b>-0.2</b>
<b>New England</b> .....	<b>647,473</b>	<b>-4,884</b>	<b>-0.7</b>	<b>674,562</b>	<b>-4,687</b>	<b>-0.7</b>	<b>712,051</b>	<b>-2,775</b>	<b>-0.4</b>
Connecticut.....	182,112	-1,761	-1.0	193,281	-215	-0.1	204,964	830	0.4
Maine.....	43,191	60	0.1	44,364	-542	-1.2	46,340	-633	-1.3
Massachusetts.....	306,827	-2,656	-0.9	317,626	-2,424	-0.8	335,313	-2,257	-0.7
New Hampshire.....	51,432	-224	-0.4	53,468	-651	-1.2	56,073	-203	-0.4
Rhode Island.....	42,073	-140	-0.3	43,078	-545	-1.2	45,733	73	0.2
Vermont.....	21,839	-163	-0.7	22,745	-311	-1.3	23,628	-585	-2.4
<b>Mideast</b> .....	<b>2,124,891</b>	<b>-16,433</b>	<b>-0.8</b>	<b>2,245,718</b>	<b>-13,266</b>	<b>-0.6</b>	<b>2,390,856</b>	<b>-397</b>	<b>0.0</b>
Delaware.....	52,305	-149	-0.3	57,334	603	1.1	59,589	-772	-1.3
District of Columbia.....	77,913	131	0.2	82,978	350	0.4	88,174	510	0.6
Maryland.....	228,223	-935	-0.4	243,855	-592	-0.2	257,577	-238	-0.1
New Jersey.....	410,096	940	0.2	425,497	-2,157	-0.5	448,426	-4,751	-1.0
New York.....	896,422	-11,886	-1.3	953,641	-7,744	-0.8	1,028,320	6,376	0.6
Pennsylvania.....	459,932	-4,535	-1.0	482,413	-3,726	-0.8	508,769	-1,524	-0.3
<b>Great Lakes</b> .....	<b>1,755,486</b>	<b>-4,707</b>	<b>-0.3</b>	<b>1,812,433</b>	<b>-10,900</b>	<b>-0.6</b>	<b>1,873,436</b>	<b>-34,613</b>	<b>-1.8</b>
Illinois.....	534,429	65	0.0	554,099	-1,500	-0.3	583,990	-5,608	-1.0
Indiana.....	228,329	-1,289	-0.6	232,799	-3,558	-1.5	236,693	-10,222	-4.1
Michigan.....	363,076	-304	-0.1	372,174	26	0.0	375,759	-5,244	-1.4
Ohio.....	423,735	-827	-0.2	439,271	-2,972	-0.7	451,600	-9,702	-2.1
Wisconsin.....	205,916	-2,353	-1.1	214,090	-2,895	-1.3	223,394	-3,836	-1.7
<b>Plains</b> .....	<b>759,398</b>	<b>1,075</b>	<b>0.1</b>	<b>790,222</b>	<b>-6,871</b>	<b>-0.9</b>	<b>827,927</b>	<b>-12,579</b>	<b>-1.5</b>
Iowa.....	111,937	311	0.3	115,632	-2,003	-1.7	121,945	-2,025	-1.6
Kansas.....	98,426	-699	-0.7	103,305	-1,923	-1.8	110,645	-1,054	-0.9
Minnesota.....	223,454	826	0.4	232,001	564	0.2	242,095	-2,451	-1.0
Missouri.....	204,916	183	0.1	213,012	-2,061	-1.0	220,092	-5,784	-2.6
Nebraska.....	68,404	428	0.6	71,150	-1,092	-1.5	75,290	-410	-0.5
North Dakota.....	22,739	24	0.1	24,648	-287	-1.2	25,851	-534	-2.0
South Dakota.....	29,522	3	0.0	30,473	-68	-0.2	32,008	-322	-1.0
<b>Southeast</b> .....	<b>2,586,745</b>	<b>709</b>	<b>0.0</b>	<b>2,783,933</b>	<b>2,278</b>	<b>0.1</b>	<b>2,964,029</b>	<b>8,561</b>	<b>0.3</b>
Alabama.....	141,527	-175	-0.1	150,513	-829	-0.5	158,566	-2,003	-1.2
Arkansas.....	82,137	385	0.5	86,139	-865	-1.0	90,864	-973	-1.1
Florida.....	607,284	83	0.0	670,237	3,598	0.5	716,505	3,000	0.4
Georgia.....	338,470	848	0.3	359,694	1,329	0.4	376,410	-3,140	-0.8
Kentucky.....	131,741	-98	-0.1	138,542	-74	-0.1	146,415	456	0.3
Louisiana.....	163,427	781	0.5	184,042	3,706	2.1	203,167	10,029	5.2
Mississippi.....	76,499	-35	0.0	79,461	-325	-0.4	84,586	361	0.4
North Carolina.....	324,383	-239	-0.1	349,216	-1,484	-0.4	380,932	6,407	1.7
South Carolina.....	131,851	-497	-0.4	138,619	-1,469	-1.0	146,211	-3,003	-2.0
Tennessee.....	214,849	449	0.2	224,169	-826	-0.4	235,753	-2,276	-1.0
Virginia.....	324,870	-597	-0.2	350,288	-404	-0.1	368,604	-656	-0.2
West Virginia.....	49,706	-197	-0.4	53,013	-78	-0.1	56,016	358	0.6
<b>Southwest</b> .....	<b>1,270,084</b>	<b>-3,723</b>	<b>-0.3</b>	<b>1,384,061</b>	<b>-8,834</b>	<b>-0.6</b>	<b>1,507,770</b>	<b>-1,146</b>	<b>-0.1</b>
Arizona.....	193,448	-686	-0.4	215,844	3,532	1.7	237,397	4,934	2.1
New Mexico.....	63,452	-409	-0.6	68,153	-1,539	-2.2	72,161	-3,749	-4.9
Oklahoma.....	111,511	111	0.1	120,753	-805	-0.7	130,094	-4,557	-3.4
Texas.....	901,673	-2,739	-0.3	979,311	-10,022	-1.0	1,068,119	2,228	0.2
<b>Rocky Mountain</b> .....	<b>371,715</b>	<b>-2,114</b>	<b>-0.6</b>	<b>405,194</b>	<b>-559</b>	<b>-0.1</b>	<b>434,568</b>	<b>-5,450</b>	<b>-1.2</b>
Colorado.....	197,329	-1,078	-0.5	213,326	-1,011	-0.5	226,266	-4,212	-1.8
Idaho.....	42,626	-71	-0.2	46,369	478	1.0	48,441	-1,466	-2.9
Montana.....	27,452	-338	-1.2	29,966	51	0.2	31,994	-328	-1.0
Utah.....	80,889	-170	-0.2	88,944	580	0.7	97,963	214	0.2
Wyoming.....	23,420	-456	-1.9	26,589	-657	-2.4	29,904	343	1.2
<b>Far West</b> .....	<b>2,091,250</b>	<b>3,547</b>	<b>0.2</b>	<b>2,250,748</b>	<b>16,859</b>	<b>0.8</b>	<b>2,409,301</b>	<b>19,303</b>	<b>0.8</b>
Alaska.....	35,102	373	1.1	39,298	-96	-0.2	43,117	2,012	4.9
California.....	1,519,443	3,990	0.3	1,632,822	16,471	1.0	1,742,172	14,817	0.9
Hawaii.....	50,414	-367	-0.7	54,863	90	0.2	58,676	369	0.6
Nevada.....	100,209	867	0.9	112,451	2,293	2.1	123,054	4,655	3.9
Oregon.....	132,835	-2,179	-1.6	138,057	-3,774	-2.7	150,984	-317	-0.2
Washington.....	253,247	863	0.3	273,257	1,876	0.7	291,298	-2,233	-0.8

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

Table 7. Revisions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2006

	2004			2005			2006		
	Previously published	Revised	Difference (percentage points)	Previously published	Revised	Difference (percentage points)	Previously published	Revised	Difference (percentage points)
<b>United States</b> .....	<b>3.7</b>	<b>3.5</b>	<b>-0.2</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>3.4</b>	<b>3.1</b>	<b>-0.3</b>
<b>New England</b> .....	<b>3.9</b>	<b>3.0</b>	<b>-0.9</b>	<b>1.5</b>	<b>1.5</b>	<b>0.0</b>	<b>2.5</b>	<b>2.8</b>	<b>0.3</b>
Connecticut .....	5.2	4.0	-1.2	2.5	3.2	0.7	2.6	3.4	0.8
Maine .....	4.1	4.2	0.1	1.2	-0.1	-1.3	1.9	1.3	-0.6
Massachusetts .....	3.0	2.0	-1.0	1.0	1.0	0.0	2.9	3.0	0.1
New Hampshire .....	4.5	4.0	-0.5	2.0	1.3	-0.7	1.3	1.8	0.5
Rhode Island .....	4.0	3.7	-0.3	0.3	-0.6	-0.9	1.8	2.7	0.9
Vermont .....	4.1	3.4	-0.7	2.5	2.0	-0.5	2.8	1.2	-1.6
<b>Mideast</b> .....	<b>3.4</b>	<b>2.5</b>	<b>-0.9</b>	<b>2.6</b>	<b>2.7</b>	<b>0.1</b>	<b>2.9</b>	<b>3.4</b>	<b>0.5</b>
Delaware .....	4.4	3.9	-0.5	4.6	5.9	1.3	3.3	0.5	-2.8
District of Columbia .....	4.4	4.4	0.0	2.9	2.8	-0.1	4.1	2.8	-1.3
Maryland .....	4.2	3.8	-0.4	3.6	3.7	0.1	2.9	2.3	-0.6
New Jersey .....	2.3	2.5	0.2	1.4	0.7	-0.7	2.9	2.3	-0.6
New York .....	4.1	2.7	-1.4	3.4	3.8	0.4	3.4	5.2	1.8
Pennsylvania .....	2.2	1.1	-1.1	1.2	1.4	0.2	1.7	2.0	0.3
<b>Great Lakes</b> .....	<b>1.9</b>	<b>1.5</b>	<b>-0.4</b>	<b>0.8</b>	<b>0.5</b>	<b>-0.3</b>	<b>1.6</b>	<b>0.5</b>	<b>-1.1</b>
Illinois .....	1.8	1.7	-0.1	0.9	0.6	-0.3	3.0	2.2	-0.8
Indiana .....	3.6	3.0	-0.6	0.0	-0.9	-0.9	2.0	-0.3	-2.3
Michigan .....	-0.8	-1.0	-0.2	0.4	0.4	0.0	-0.5	-1.4	-0.9
Ohio .....	2.6	2.3	-0.3	1.1	0.7	-0.4	1.1	-0.3	-1.4
Wisconsin .....	3.4	2.1	-1.3	1.5	1.4	-0.1	1.8	1.5	-0.3
<b>Plains</b> .....	<b>3.1</b>	<b>3.1</b>	<b>0.0</b>	<b>2.4</b>	<b>1.5</b>	<b>-0.9</b>	<b>2.7</b>	<b>2.0</b>	<b>-0.7</b>
Iowa .....	5.7	5.9	0.2	3.0	1.4	-1.6	2.6	2.9	0.3
Kansas .....	2.5	1.8	-0.7	2.9	2.0	-0.9	3.4	4.2	0.8
Minnesota .....	4.1	4.2	0.1	1.3	1.1	-0.2	2.9	1.5	-1.4
Missouri .....	1.8	1.7	-0.1	2.1	1.1	-1.0	2.1	0.4	-1.7
Nebraska .....	1.3	1.8	0.5	4.0	1.9	-2.1	2.2	3.8	1.6
North Dakota .....	0.4	0.6	0.2	6.6	5.8	-0.8	3.1	2.0	-1.1
South Dakota .....	3.3	3.4	0.1	1.9	1.9	0.0	3.7	2.4	-1.3
<b>Southeast</b> .....	<b>4.1</b>	<b>4.1</b>	<b>0.0</b>	<b>4.0</b>	<b>4.2</b>	<b>0.2</b>	<b>3.4</b>	<b>3.1</b>	<b>-0.3</b>
Alabama .....	5.3	5.2	-0.1	3.5	3.2	-0.3	3.1	2.0	-1.1
Arkansas .....	4.5	4.8	0.3	3.4	2.3	-1.1	2.5	2.3	-0.2
Florida .....	5.3	5.4	0.1	6.7	7.3	0.6	4.2	3.6	-0.6
Georgia .....	3.5	3.7	0.2	3.3	3.7	0.4	3.4	1.6	-1.8
Kentucky .....	2.4	2.3	-0.1	2.2	2.4	0.2	2.2	2.6	0.4
Louisiana .....	5.1	5.7	0.6	0.1	1.3	1.2	1.7	4.3	2.6
Mississippi .....	2.1	2.1	0.0	0.5	0.4	-0.1	2.5	2.9	0.4
North Carolina .....	3.4	3.2	-0.2	4.7	4.8	0.1	4.2	6.0	1.8
South Carolina .....	0.5	0.2	-0.3	2.9	2.2	-0.7	3.5	1.9	-1.6
Tennessee .....	4.4	4.6	0.2	2.2	1.8	-0.4	3.0	2.5	-0.5
Virginia .....	4.8	4.5	-0.3	4.7	4.7	0.0	3.2	2.2	-1.0
West Virginia .....	3.2	2.8	-0.4	1.7	1.9	0.2	0.6	1.1	0.5
<b>Southwest</b> .....	<b>4.6</b>	<b>4.4</b>	<b>-0.2</b>	<b>3.4</b>	<b>3.2</b>	<b>-0.2</b>	<b>5.0</b>	<b>5.1</b>	<b>0.1</b>
Arizona .....	4.0	3.6	-0.4	6.6	8.8	2.2	6.8	6.7	-0.1
New Mexico .....	6.6	6.0	-0.6	2.8	1.4	-1.4	6.2	2.8	-3.4
Oklahoma .....	2.9	3.2	0.3	2.0	1.9	-0.1	6.7	3.4	-3.3
Texas .....	4.8	4.5	-0.3	2.9	2.4	-0.5	4.3	5.2	0.9
<b>Rocky Mountain</b> .....	<b>3.9</b>	<b>3.3</b>	<b>-0.6</b>	<b>4.5</b>	<b>5.1</b>	<b>0.6</b>	<b>5.5</b>	<b>3.9</b>	<b>-1.6</b>
Colorado .....	2.9	2.3	-0.6	4.3	4.5	0.2	4.9	3.0	-1.9
Idaho .....	8.8	8.6	-0.2	6.4	7.6	1.2	7.4	2.5	-4.9
Montana .....	4.2	3.0	-1.2	3.8	5.3	1.5	4.6	3.1	-1.5
Utah .....	4.2	4.0	-0.2	5.2	6.2	1.0	7.2	6.3	-0.9
Wyoming .....	2.9	1.0	-1.9	1.7	2.0	0.3	2.2	6.5	4.3
<b>Far West</b> .....	<b>5.0</b>	<b>5.1</b>	<b>0.1</b>	<b>4.0</b>	<b>4.6</b>	<b>0.6</b>	<b>4.4</b>	<b>4.1</b>	<b>-0.3</b>
Alaska .....	4.2	5.6	1.4	1.9	1.3	-0.6	0.7	4.1	3.4
California .....	4.9	5.2	0.3	3.8	4.5	0.7	4.2	3.8	-0.4
Hawaii .....	5.6	4.8	-0.8	4.3	5.2	0.9	4.3	3.2	-1.1
Nevada .....	9.3	10.1	0.8	7.0	8.3	1.3	4.1	5.4	1.3
Oregon .....	8.6	6.8	-1.8	3.6	2.6	-1.0	5.0	7.8	2.8
Washington .....	1.9	2.2	0.3	4.7	5.1	0.4	5.6	3.5	-2.1















Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2007—Continues

	1997–2007* [average annual]	2004	2005	2006	2007*	1997–2007* [average annual]	2004	2005	2006	2007*
Alabama										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>2.4</b>	<b>5.2</b>	<b>3.2</b>	<b>2.0</b>	<b>1.8</b>	<b>2.4</b>	<b>5.2</b>	<b>3.2</b>	<b>2.0</b>	<b>1.8</b>
Natural resources and mining.....	2.0	1.5	2.7	-10.4	2.1	0.06	0.05	0.10	-0.38	0.07
Construction.....	-1.8	-0.3	4.0	-6.5	-9.9	-0.08	-0.01	0.20	-0.34	-0.49
Durable goods.....	6.1	19.6	10.5	7.9	3.7	0.64	1.75	1.04	0.82	0.40
Nondurable goods.....	-1.3	12.6	-7.3	-7.7	-2.3	-0.10	0.93	-0.58	-0.55	-0.15
Trade.....	4.0	3.5	6.8	3.9	3.6	0.56	0.49	0.92	0.54	0.49
Transportation and utilities.....	2.6	4.9	1.5	2.0	5.3	0.15	0.28	0.09	0.11	0.31
Information.....	6.1	12.2	14.9	5.2	0.4	0.19	0.37	0.45	0.16	0.01
Financial activities.....	2.7	2.7	1.1	4.7	1.9	0.38	0.40	0.16	0.67	0.28
Professional and business services.....	4.1	5.8	3.2	4.5	3.6	0.32	0.50	0.28	0.39	0.32
Education and health services.....	2.3	4.6	3.3	4.8	1.9	0.17	0.35	0.25	0.35	0.14
Leisure and hospitality.....	2.0	2.4	3.4	2.3	1.3	0.05	0.06	0.09	0.06	0.04
Other services, except government.....	0.2	-1.0	2.8	-0.7	2.1	0.01	-0.03	0.07	-0.02	0.05
Government.....	0.7	0.2	0.7	1.4	2.2	0.11	0.03	0.11	0.21	0.34
Arkansas										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>2.3</b>	<b>4.8</b>	<b>2.3</b>	<b>2.3</b>	<b>1.5</b>	<b>2.3</b>	<b>4.8</b>	<b>2.3</b>	<b>2.3</b>	<b>1.5</b>
Natural resources and mining.....	2.7	15.4	-12.5	9.8	9.1	0.15	0.71	-0.63	0.40	0.43
Construction.....	-3.0	0.3	1.9	-6.9	-12.2	-0.13	0.01	0.09	-0.32	-0.53
Durable goods.....	1.9	7.4	0.4	2.6	-0.4	0.21	0.75	0.04	0.27	-0.04
Nondurable goods.....	0.0	6.8	-0.9	-4.9	-2.6	0.00	0.62	-0.08	-0.42	-0.21
Trade.....	4.8	6.3	5.3	3.2	3.1	0.65	0.87	0.72	0.44	0.43
Transportation and utilities.....	2.2	6.1	2.4	1.4	0.9	0.15	0.44	0.17	0.11	0.06
Information.....	9.1	13.5	18.3	8.8	11.7	0.34	0.46	0.63	0.33	0.44
Financial activities.....	2.5	-3.6	3.9	6.4	2.5	0.31	-0.49	0.48	0.79	0.31
Professional and business services.....	2.3	8.0	1.1	2.6	2.1	0.18	0.62	0.09	0.21	0.17
Education and health services.....	2.9	4.1	3.1	3.2	2.8	0.22	0.32	0.25	0.25	0.22
Leisure and hospitality.....	2.4	4.7	3.2	3.2	3.1	0.06	0.13	0.09	0.09	0.09
Other services, except government.....	-0.3	1.7	-1.7	0.4	0.8	-0.01	0.04	-0.04	0.01	0.02
Government.....	1.7	2.7	3.4	1.2	0.4	0.22	0.36	0.45	0.16	0.06
Florida										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>3.9</b>	<b>5.4</b>	<b>7.3</b>	<b>3.6</b>	<b>0.0</b>	<b>3.9</b>	<b>5.4</b>	<b>7.3</b>	<b>3.6</b>	<b>0.0</b>
Natural resources and mining.....	1.1	-5.3	18.1	-3.7	-7.8	0.02	-0.06	0.19	-0.04	-0.13
Construction.....	2.2	7.9	8.5	-2.8	-17.3	0.12	0.52	0.61	-0.22	-2.00
Durable goods.....	6.3	13.4	13.0	9.5	3.5	0.25	0.42	0.42	0.31	0.18
Nondurable goods.....	-1.5	4.4	-10.1	0.8	-0.4	-0.03	0.08	-0.19	0.01	-0.01
Trade.....	5.2	4.9	7.4	3.9	1.6	0.76	0.71	1.07	0.55	0.34
Transportation and utilities.....	2.4	9.7	1.9	2.1	1.5	0.12	0.44	0.09	0.09	0.10
Information.....	8.6	15.7	14.0	5.8	4.9	0.36	0.64	0.59	0.24	0.31
Financial activities.....	5.0	5.2	12.2	5.6	-0.4	1.12	1.19	2.80	1.33	-0.15
Professional and business services.....	5.0	2.7	9.5	5.1	1.6	0.58	0.33	1.13	0.62	0.31
Education and health services.....	3.2	3.6	2.6	4.7	3.9	0.26	0.30	0.21	0.36	0.48
Leisure and hospitality.....	2.9	7.8	4.3	2.3	2.7	0.16	0.42	0.24	0.12	0.22
Other services, except government.....	1.2	3.4	1.7	0.3	1.9	0.03	0.10	0.05	0.01	0.08
Government.....	1.5	2.6	0.9	1.4	1.5	0.18	0.32	0.11	0.16	0.27
Georgia										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>3.0</b>	<b>3.7</b>	<b>3.7</b>	<b>1.6</b>	<b>2.8</b>	<b>3.0</b>	<b>3.7</b>	<b>3.7</b>	<b>1.6</b>	<b>2.8</b>
Natural resources and mining.....	1.4	-4.4	9.3	-3.2	-3.8	0.03	-0.06	0.13	-0.04	-0.05
Construction.....	-1.5	0.5	3.3	-7.0	-11.5	-0.07	0.03	0.17	-0.39	-0.60
Durable goods.....	1.9	7.3	-0.7	4.2	1.3	0.11	0.37	-0.04	0.21	0.06
Nondurable goods.....	-1.5	4.5	0.2	-13.8	-1.7	-0.12	0.36	0.02	-1.04	-0.11
Trade.....	4.0	2.6	4.4	4.1	2.5	0.60	0.38	0.63	0.59	0.36
Transportation and utilities.....	4.7	12.2	0.1	-0.1	16.1	0.30	0.70	0.01	-0.01	0.94
Information.....	8.7	8.8	13.6	8.0	9.8	0.54	0.53	0.81	0.49	0.61
Financial activities.....	4.0	6.3	2.8	6.2	1.3	0.68	1.10	0.51	1.10	0.24
Professional and business services.....	3.4	0.3	8.0	1.2	5.0	0.38	0.04	0.88	0.14	0.58
Education and health services.....	4.0	3.9	3.1	3.7	5.0	0.24	0.25	0.20	0.24	0.34
Leisure and hospitality.....	2.6	3.1	2.8	3.6	2.0	0.08	0.10	0.09	0.12	0.07
Other services, except government.....	0.1	-0.4	0.5	0.2	1.4	0.00	-0.01	0.01	0.00	0.03
Government.....	1.8	-0.7	1.9	1.5	2.8	0.23	-0.10	0.24	0.19	0.37
Kentucky										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>1.4</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.3</b>	<b>1.4</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.3</b>
Natural resources and mining.....	2.2	6.8	3.1	5.2	4.6	0.09	0.25	0.12	0.21	0.20
Construction.....	-3.8	-4.3	1.0	-11.7	-9.5	-0.15	-0.19	0.05	-0.54	-0.38
Durable goods.....	0.2	0.4	3.0	9.9	1.5	0.03	0.05	0.34	1.07	0.17
Nondurable goods.....	-2.7	-1.2	-1.8	2.9	-0.6	-0.25	-0.10	-0.14	0.22	-0.05
Trade.....	3.9	2.3	3.5	1.9	3.6	0.47	0.31	0.46	0.25	0.46
Transportation and utilities.....	3.8	10.5	3.3	0.8	5.8	0.22	0.66	0.22	0.05	0.38
Information.....	8.7	11.3	15.4	9.8	9.1	0.21	0.28	0.39	0.26	0.25
Financial activities.....	2.5	0.7	0.5	2.5	3.6	0.30	0.10	0.07	0.33	0.48
Professional and business services.....	2.6	7.8	2.6	3.0	2.0	0.17	0.56	0.19	0.23	0.15
Education and health services.....	2.6	2.5	2.0	1.9	2.6	0.19	0.21	0.17	0.16	0.22
Leisure and hospitality.....	1.6	2.9	0.3	0.5	0.7	0.05	0.10	0.01	0.02	0.02
Other services, except government.....	0.1	-0.8	-0.6	-1.0	1.7	0.00	-0.02	-0.01	-0.02	0.04
Government.....	0.8	0.6	3.3	2.3	2.2	0.10	0.09	0.48	0.34	0.33

\* Advance estimates

Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004-2007—Continues

	1997-2007* [average annual]	2004	2005	2006	2007*	1997-2007* [average annual]	2004	2005	2006	2007*
<b>Louisiana</b>										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b>	<b>1.6</b>	<b>5.7</b>	<b>1.3</b>	<b>4.3</b>	<b>2.6</b>	<b>1.6</b>	<b>5.7</b>	<b>1.3</b>	<b>4.3</b>	<b>2.6</b>
Natural resources and mining	-3.3	1.0	-11.6	18.6	0.3	-0.40	0.13	-1.59	2.47	0.05
Construction	-2.2	-5.2	2.3	3.1	-7.2	-0.08	-0.24	0.09	0.13	-0.30
Durable goods	6.2	9.5	12.9	12.3	11.1	0.23	0.36	0.47	0.47	0.44
Nondurable goods	4.7	31.8	16.2	-0.3	-2.4	0.61	3.47	2.42	-0.05	-0.47
Trade	3.7	1.6	3.4	7.1	4.1	0.39	0.19	0.37	0.73	0.42
Transportation and utilities	2.8	7.4	0.8	3.0	6.5	0.16	0.48	0.05	0.18	0.38
Information	8.6	12.2	15.1	3.8	9.6	0.18	0.28	0.33	0.08	0.20
Financial activities	1.6	3.1	-2.3	3.8	5.4	0.17	0.39	-0.26	0.40	0.56
Professional and business services	1.9	2.4	2.7	4.4	4.5	0.13	0.19	0.20	0.32	0.32
Education and health services	1.0	3.4	-1.9	-0.5	4.6	0.06	0.25	-0.13	-0.03	0.28
Leisure and hospitality	2.3	2.5	-1.6	-3.6	5.6	0.08	0.11	-0.07	-0.14	0.20
Other services, except government	-0.5	-0.2	-4.1	-0.6	3.3	-0.01	0.00	-0.09	-0.01	0.06
Government	0.7	0.4	-3.8	-2.4	4.2	0.07	0.05	-0.45	-0.26	0.43
<b>Mississippi</b>										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b>	<b>1.5</b>	<b>2.1</b>	<b>0.4</b>	<b>2.9</b>	<b>1.7</b>	<b>1.5</b>	<b>2.1</b>	<b>0.4</b>	<b>2.9</b>	<b>1.7</b>
Natural resources and mining	1.6	10.5	-9.5	-1.0	6.5	0.06	0.51	-0.53	-0.05	0.33
Construction	-2.6	-6.0	8.9	-0.9	-12.5	-0.11	-0.26	0.37	-0.05	-0.60
Durable goods	1.4	5.7	-0.4	8.6	2.5	0.14	0.54	-0.03	0.78	0.23
Nondurable goods	-1.9	-4.5	-2.7	2.3	-3.9	-0.14	-0.30	-0.17	0.15	-0.26
Trade	3.8	2.9	1.2	7.2	1.5	0.52	0.39	0.54	0.98	0.20
Transportation and utilities	2.3	9.6	1.2	0.9	2.7	0.14	0.59	0.08	0.06	0.18
Information	6.0	7.4	18.2	4.0	4.1	0.16	0.18	0.43	0.10	0.10
Financial activities	1.7	-1.6	-0.4	4.9	1.5	0.21	-0.21	-0.05	0.62	0.19
Professional and business services	2.2	2.6	2.7	6.4	3.0	0.13	0.16	0.17	0.41	0.20
Education and health services	2.1	3.7	0.0	4.0	3.7	0.15	0.28	0.00	0.30	0.28
Leisure and hospitality	1.0	2.4	-1.4	-5.6	7.0	0.05	0.13	-0.07	-0.29	0.34
Other services, except government	-0.9	-0.7	-4.0	-0.1	1.7	-0.02	-0.02	-0.10	0.00	0.04
Government	1.2	0.6	-1.1	-0.6	2.8	0.19	0.11	-0.20	-0.10	0.48
<b>North Carolina</b>										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b>	<b>3.4</b>	<b>3.2</b>	<b>4.8</b>	<b>6.0</b>	<b>2.2</b>	<b>3.4</b>	<b>3.2</b>	<b>4.8</b>	<b>6.0</b>	<b>2.2</b>
Natural resources and mining	2.5	31.3	9.8	10.2	-5.0	0.05	0.38	0.15	0.15	-0.08
Construction	-1.6	-0.3	6.0	-5.1	-9.2	-0.07	-0.01	0.28	-0.26	-0.43
Durable goods	5.2	9.2	7.1	18.7	7.7	0.47	0.63	0.50	1.29	0.58
Nondurable goods	-0.4	-6.7	0.2	-1.8	-3.7	-0.05	-0.96	0.03	-0.22	-0.42
Trade	4.5	1.9	5.2	3.8	5.0	0.54	0.23	0.62	0.45	0.56
Transportation and utilities	1.9	6.8	0.4	0.1	3.5	0.09	0.29	0.02	0.01	0.14
Information	8.0	10.4	13.9	7.0	8.5	0.25	0.32	0.43	0.22	0.26
Financial activities	6.5	9.2	8.3	15.5	0.1	1.19	1.75	1.67	3.23	0.02
Professional and business services	4.1	1.3	5.2	4.7	5.2	0.36	0.12	0.48	0.44	0.48
Education and health services	4.3	3.2	3.2	4.6	4.6	0.27	0.22	0.22	0.32	0.31
Leisure and hospitality	3.3	3.0	1.9	5.4	4.3	0.10	0.09	0.06	0.16	0.13
Other services, except government	0.5	-1.7	-1.4	-0.1	4.6	0.01	-0.04	-0.03	0.00	0.09
Government	1.9	1.5	2.7	2.0	4.8	0.24	0.20	0.35	0.26	0.60
<b>South Carolina</b>										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b>	<b>2.1</b>	<b>0.2</b>	<b>2.2</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>0.2</b>	<b>2.2</b>	<b>1.9</b>	<b>2.0</b>
Natural resources and mining	2.3	-1.4	-5.3	11.8	-11.2	0.03	-0.02	-0.06	0.12	-0.14
Construction	-2.4	-2.1	3.9	-3.8	-12.6	-0.13	-0.12	0.23	-0.24	-0.76
Durable goods	4.1	-14.8	4.5	0.2	4.5	0.40	-1.78	0.44	0.02	0.43
Nondurable goods	-4.8	-9.3	-8.6	-5.5	-2.7	-0.46	-0.83	-0.68	-0.39	-0.18
Trade	4.4	5.4	6.3	3.9	4.5	0.61	0.72	0.86	0.54	0.62
Transportation and utilities	1.7	3.0	1.7	1.8	-0.6	0.09	0.15	0.09	0.09	-0.03
Information	8.5	14.8	15.1	11.0	6.8	0.23	0.37	0.39	0.30	0.19
Financial activities	2.7	2.8	1.0	4.6	3.0	0.40	0.44	0.16	0.70	0.46
Professional and business services	4.6	7.5	3.5	2.7	5.4	0.38	0.65	0.32	0.25	0.50
Education and health services	3.7	2.5	3.5	4.2	3.5	0.21	0.15	0.22	0.27	0.23
Leisure and hospitality	2.0	4.3	1.6	2.8	2.4	0.08	0.17	0.07	0.12	0.10
Other services, except government	0.4	2.7	-0.6	-0.9	2.5	0.01	0.07	-0.01	-0.02	0.06
Government	1.7	1.4	1.4	0.8	3.1	0.27	0.22	0.22	0.14	0.50
<b>Tennessee</b>										
	Annual percent change					Contributions to annual percent change				
<b>Total GDP by state</b>	<b>2.5</b>	<b>4.6</b>	<b>1.8</b>	<b>2.5</b>	<b>0.9</b>	<b>2.5</b>	<b>4.6</b>	<b>1.8</b>	<b>2.5</b>	<b>0.9</b>
Natural resources and mining	1.0	-3.3	5.6	1.5	-6.7	0.01	-0.03	0.05	0.01	-0.06
Construction	-2.6	-1.8	4.2	-4.4	-12.5	-0.11	-0.08	0.17	-0.20	-0.55
Durable goods	3.7	8.5	2.2	2.2	-0.4	0.40	0.92	0.24	0.23	-0.04
Nondurable goods	-1.0	14.1	-7.7	-3.3	-2.2	-0.07	0.95	-0.56	-0.22	-0.14
Trade	3.9	3.7	4.5	3.7	3.5	0.61	0.56	0.66	0.55	0.53
Transportation and utilities	3.5	9.9	5.1	3.6	1.5	0.19	0.53	0.28	0.21	0.09
Information	9.1	9.3	13.6	13.3	5.3	0.28	0.28	0.41	0.42	0.18
Financial activities	2.3	1.5	-1.0	3.3	0.7	0.35	0.24	-0.16	0.51	0.12
Professional and business services	4.1	6.8	4.5	4.2	3.3	0.40	0.67	0.46	0.45	0.36
Education and health services	3.1	6.3	2.9	3.5	2.8	0.28	0.58	0.27	0.34	0.28
Leisure and hospitality	1.9	2.1	2.2	3.6	0.7	0.08	0.09	0.09	0.15	0.03
Other services, except government	-0.2	0.1	-1.8	-0.6	0.2	-0.01	0.00	-0.05	-0.02	0.01
Government	0.3	-0.7	-0.3	0.9	0.4	0.04	-0.09	-0.03	0.10	0.05

\* Advance estimates

Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004-2007—Continues

	1997-2007* [average annual]	2004	2005	2006	2007*	1997-2007* [average annual]	2004	2005	2006	2007*
Virginia										
Annual percent change						Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>3.6</b>	<b>4.5</b>	<b>4.7</b>	<b>2.2</b>	<b>1.9</b>	<b>3.6</b>	<b>4.5</b>	<b>4.7</b>	<b>2.2</b>	<b>1.9</b>
Natural resources and mining .....	2.7	13.6	-5.9	1.0	-4.0	0.03	0.12	-0.06	0.01	-0.04
Construction.....	-0.8	5.8	2.7	-8.1	-14.9	-0.03	0.28	0.14	-0.45	-0.76
Durable goods.....	5.7	6.0	8.6	2.3	5.8	0.27	0.26	0.36	0.10	0.24
Nondurable goods.....	-1.3	-6.8	1.3	-0.4	-2.9	-0.08	-0.40	0.07	-0.02	-0.14
Trade.....	4.4	2.6	4.4	3.3	2.9	0.47	0.28	0.46	0.33	0.29
Transportation and utilities.....	2.9	8.7	2.6	2.8	1.6	0.13	0.36	0.11	0.12	0.07
Information.....	7.3	14.7	10.6	2.6	3.6	0.39	0.77	0.57	0.14	0.18
Financial activities.....	4.6	5.0	9.2	2.2	-0.9	0.83	0.97	1.78	0.43	-0.17
Professional and business services.....	6.0	6.5	5.9	5.1	6.6	0.91	0.99	0.92	0.81	1.07
Education and health services.....	3.9	2.7	3.1	4.4	4.7	0.23	0.16	0.18	0.26	0.28
Leisure and hospitality.....	2.9	4.2	2.3	4.0	1.3	0.08	0.12	0.07	0.11	0.04
Other services, except government.....	1.7	1.4	0.3	0.1	3.4	0.04	0.04	0.01	0.00	0.08
Government.....	1.7	3.2	0.8	2.0	4.3	0.30	0.56	0.15	0.35	0.76
West Virginia										
Annual percent change						Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>1.1</b>	<b>2.8</b>	<b>1.9</b>	<b>1.1</b>	<b>0.1</b>	<b>1.1</b>	<b>2.8</b>	<b>1.9</b>	<b>1.1</b>	<b>0.1</b>
Natural resources and mining .....	-1.4	3.8	-1.9	-1.9	-11.0	-0.12	0.28	-0.15	-0.16	-0.97
Construction.....	-4.2	2.4	5.1	-1.0	-12.8	-0.19	0.09	0.21	-0.04	-0.57
Durable goods.....	1.0	5.1	13.5	-4.4	0.8	0.07	0.30	0.81	-0.29	0.05
Nondurable goods.....	-4.5	-0.1	-7.5	1.0	-3.3	-0.31	0.00	-0.40	0.05	-0.17
Trade.....	3.4	3.0	4.3	3.4	2.4	0.44	0.38	0.54	0.42	0.30
Transportation and utilities.....	0.8	3.4	-0.9	2.7	3.4	0.07	0.28	-0.07	0.22	0.28
Information.....	6.9	4.0	12.0	7.2	5.8	0.19	0.11	0.31	0.19	0.15
Financial activities.....	2.2	2.6	1.4	3.6	2.5	0.27	0.34	0.18	0.46	0.32
Professional and business services.....	3.0	7.4	1.9	1.5	4.6	0.18	0.47	0.12	0.10	0.31
Education and health services.....	1.4	2.1	0.4	1.4	3.6	0.13	0.21	0.04	0.13	0.35
Leisure and hospitality.....	2.4	1.5	-1.2	1.5	0.6	0.08	0.06	-0.04	0.05	0.02
Other services, except government.....	-0.9	1.3	0.0	-0.3	-0.3	-0.02	0.03	0.00	-0.01	-0.01
Government.....	1.6	1.3	2.1	-0.1	-0.2	0.26	0.24	0.38	-0.02	-0.03
Southwest										
Annual percent change						Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>3.8</b>	<b>4.4</b>	<b>3.2</b>	<b>5.1</b>	<b>3.7</b>	<b>3.8</b>	<b>4.4</b>	<b>3.2</b>	<b>5.1</b>	<b>3.7</b>
Natural resources and mining .....	-0.4	-0.2	-1.6	3.1	1.4	-0.09	-0.02	-0.15	0.30	0.14
Construction.....	0.7	-1.8	3.7	-0.7	-9.7	0.03	-0.10	0.19	-0.04	-0.52
Durable goods.....	8.8	13.1	7.8	15.5	9.0	0.78	0.83	0.50	0.97	0.59
Nondurable goods.....	1.3	30.0	-10.1	3.9	1.0	0.07	1.34	-0.58	0.21	0.05
Trade.....	4.8	2.2	5.4	5.0	4.6	0.65	0.30	0.69	0.64	0.57
Transportation and utilities.....	5.1	9.4	2.5	3.1	7.3	0.33	0.58	0.16	0.20	0.46
Information.....	7.8	10.1	11.5	9.2	10.4	0.32	0.39	0.43	0.34	0.38
Financial activities.....	3.8	1.2	5.6	6.7	2.4	0.60	0.20	0.88	1.07	0.39
Professional and business services.....	5.4	3.3	6.8	6.7	8.4	0.55	0.34	0.69	0.70	0.89
Education and health services.....	4.0	5.3	1.9	4.9	4.9	0.25	0.36	0.13	0.32	0.32
Leisure and hospitality.....	3.0	2.8	2.6	5.0	3.0	0.10	0.09	0.09	0.16	0.10
Other services, except government.....	0.4	-1.3	0.3	1.5	3.4	0.01	-0.03	0.01	0.03	0.07
Government.....	1.7	0.4	1.8	1.8	2.0	0.20	0.05	0.22	0.22	0.23
Arizona										
Annual percent change						Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>5.3</b>	<b>3.6</b>	<b>8.8</b>	<b>6.7</b>	<b>1.8</b>	<b>5.3</b>	<b>3.6</b>	<b>8.8</b>	<b>6.7</b>	<b>1.8</b>
Natural resources and mining .....	5.3	9.0	29.3	7.4	3.3	0.13	0.16	0.58	0.18	0.08
Construction.....	1.6	3.3	13.7	0.9	-16.9	0.09	-0.21	0.92	0.06	-1.24
Durable goods.....	8.6	-13.0	1.9	13.3	5.2	0.91	-1.26	0.14	0.89	0.35
Nondurable goods.....	-0.7	-1.2	6.3	5.5	0.8	-0.01	-0.02	0.08	0.07	0.01
Trade.....	6.2	5.5	8.1	5.9	4.9	0.88	0.78	1.14	0.82	0.66
Transportation and utilities.....	5.2	7.5	4.1	4.3	7.0	0.24	0.34	0.19	0.19	0.31
Information.....	8.7	8.7	11.6	9.3	5.3	0.26	0.27	0.35	0.27	0.15
Financial activities.....	5.7	6.0	15.4	9.0	-1.0	1.25	1.32	3.47	2.14	-0.26
Professional and business services.....	5.6	7.0	7.5	8.4	7.2	0.63	0.75	0.84	0.93	0.82
Education and health services.....	6.2	7.1	6.3	8.3	6.4	0.44	0.52	0.48	0.62	0.48
Leisure and hospitality.....	3.5	5.1	4.3	5.9	2.9	0.15	0.22	0.19	0.25	0.12
Other services, except government.....	1.5	1.2	2.7	3.5	3.3	0.03	0.02	0.05	0.07	0.06
Government.....	2.2	2.5	2.9	1.7	1.9	0.27	0.32	0.37	0.21	0.23
New Mexico										
Annual percent change						Contributions to annual percent change				
<b>Total GDP by state</b> .....	<b>2.9</b>	<b>6.0</b>	<b>1.4</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>	<b>6.0</b>	<b>1.4</b>	<b>2.8</b>	<b>2.8</b>
Natural resources and mining .....	2.2	-0.3	0.3	-3.7	1.6	0.20	-0.04	0.04	-0.60	0.24
Construction.....	-1.0	1.4	5.8	-1.4	-11.7	-0.03	0.06	0.26	-0.07	-0.57
Durable goods.....	8.4	58.8	-4.9	0.2	18.2	1.02	3.59	-0.38	0.01	1.01
Nondurable goods.....	-3.0	-3.1	-22.2	-9.1	-0.2	-0.04	-0.06	-0.39	-0.14	0.00
Trade.....	3.6	4.4	2.0	7.0	4.3	0.32	0.47	0.20	0.68	0.44
Transportation and utilities.....	3.1	8.1	0.7	5.8	7.7	0.13	0.39	0.03	0.28	0.39
Information.....	7.7	7.7	9.3	17.2	5.2	0.17	0.20	0.22	0.41	0.14
Financial activities.....	2.8	-0.1	6.2	6.6	2.5	0.32	-0.01	0.79	0.87	0.34
Professional and business services.....	5.1	5.4	2.9	13.9	10.2	0.44	0.54	0.27	1.34	1.10
Education and health services.....	4.5	5.8	2.8	5.8	4.2	0.24	0.41	0.19	0.40	0.30
Leisure and hospitality.....	1.3	1.4	-0.2	4.9	1.9	0.04	0.05	-0.01	0.17	0.07
Other services, except government.....	0.2	0.9	-0.1	1.7	2.5	0.00	0.02	0.00	0.04	0.05
Government.....	0.7	1.9	0.7	-3.3	-3.8	0.10	0.38	0.14	-0.63	-0.70

\* Advance estimates

Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2007—Continues

	1997–2007* [average annual]	2004	2005	2006	2007*	1997–2007* [average annual]	2004	2005	2006	2007*
<b>Oklahoma</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b>	<b>2.6</b>	<b>3.2</b>	<b>1.9</b>	<b>3.4</b>	<b>4.0</b>	<b>2.6</b>	<b>3.2</b>	<b>1.9</b>	<b>3.4</b>	<b>4.0</b>
Natural resources and mining	3.2	7.2	0.1	-1.8	6.7	0.26	0.81	0.01	-0.28	1.01
Construction	-1.5	-3.9	1.8	-4.4	-11.9	-0.05	-0.15	0.07	-0.18	-0.45
Durable goods	2.9	7.8	7.7	10.5	6.1	0.25	0.50	0.49	0.68	0.41
Nondurable goods	0.4	-2.0	-3.5	14.0	-1.2	0.02	-0.09	-0.14	0.55	-0.05
Trade	3.7	2.8	4.0	5.3	3.2	0.48	0.35	0.48	0.62	0.38
Transportation and utilities	4.0	11.3	0.5	2.4	8.7	0.25	0.65	0.03	0.14	0.51
Information	7.4	10.6	14.5	3.6	11.5	0.27	0.36	0.48	0.12	0.37
Financial activities	2.4	0.8	-1.3	3.9	3.6	0.32	0.12	-0.17	0.51	0.46
Professional and business services	3.2	2.8	2.6	4.3	3.7	0.27	0.25	0.23	0.37	0.32
Education and health services	3.0	4.2	2.0	4.0	4.7	0.21	0.31	0.15	0.29	0.34
Leisure and hospitality	3.1	3.9	1.7	7.4	8.7	0.09	0.11	0.05	0.20	0.25
Other services, except government	-0.7	-2.0	-4.4	-0.1	7.0	-0.02	-0.05	-0.10	0.00	0.15
Government	1.2	0.2	2.0	2.1	2.1	0.20	0.03	0.32	0.34	0.33
<b>Texas</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b>	<b>3.7</b>	<b>4.5</b>	<b>2.4</b>	<b>5.2</b>	<b>4.1</b>	<b>3.7</b>	<b>4.5</b>	<b>2.4</b>	<b>5.2</b>	<b>4.1</b>
Natural resources and mining	-1.5	-1.9	-3.4	4.5	0.4	-0.21	-0.16	-0.33	0.47	0.04
Construction	0.8	-3.1	0.9	-0.8	-7.1	0.04	-0.17	0.05	-0.04	-0.37
Durable goods	9.7	20.2	10.6	17.7	9.7	0.79	1.14	0.64	1.09	0.63
Nondurable goods	1.5	35.7	-10.9	3.3	1.2	0.11	1.91	-0.78	0.22	0.08
Trade	4.7	1.3	5.1	4.7	4.7	0.64	0.18	0.65	0.60	0.59
Transportation and utilities	5.4	9.5	2.6	2.9	7.2	0.37	0.64	0.18	0.20	0.49
Information	7.8	10.4	11.3	9.4	11.3	0.35	0.43	0.46	0.38	0.45
Financial activities	3.4	-0.1	3.2	6.2	3.5	0.52	-0.01	0.48	0.92	0.52
Professional and business services	5.6	2.4	7.3	6.1	9.0	0.58	0.25	0.74	0.65	0.96
Education and health services	3.6	5.0	0.8	4.0	4.6	0.22	0.33	0.05	0.25	0.29
Leisure and hospitality	3.0	2.2	2.5	4.5	2.5	0.09	0.07	0.08	0.14	0.07
Other services, except government	0.4	-1.8	0.5	1.3	3.0	0.01	-0.04	0.01	0.03	0.06
Government	1.7	-0.3	1.6	2.4	2.6	0.19	-0.03	0.18	0.26	0.28
<b>Rocky Mountain</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b>	<b>3.7</b>	<b>3.3</b>	<b>5.1</b>	<b>3.9</b>	<b>2.9</b>	<b>3.7</b>	<b>3.3</b>	<b>5.1</b>	<b>3.9</b>	<b>2.9</b>
Natural resources and mining	4.2	5.4	10.7	-1.2	0.1	0.23	0.30	0.69	-0.09	0.00
Construction	-0.4	-1.1	6.8	-0.4	-8.1	-0.02	-0.06	0.39	-0.02	-0.50
Durable goods	7.7	16.9	11.2	1.8	9.0	0.48	0.81	0.58	0.09	0.43
Nondurable goods	-0.9	0.7	-0.5	1.3	0.5	-0.03	0.02	-0.01	0.03	0.01
Trade	4.8	3.0	5.2	5.2	6.5	0.60	0.37	0.63	0.62	0.76
Transportation and utilities	3.2	6.5	2.5	7.8	1.6	0.17	0.33	0.13	0.39	0.09
Information	9.5	7.8	11.1	9.8	7.6	0.55	0.48	0.66	0.58	0.46
Financial activities	3.7	0.1	5.4	4.9	1.3	0.65	0.01	1.01	0.90	0.23
Professional and business services	4.7	6.3	5.7	6.5	5.7	0.53	0.71	0.65	0.76	0.68
Education and health services	3.9	3.7	2.8	4.9	4.8	0.24	0.25	0.19	0.32	0.32
Leisure and hospitality	2.8	2.8	1.4	5.6	3.6	0.11	0.12	0.06	0.22	0.14
Other services, except government	1.2	0.0	-0.5	1.6	3.8	0.03	0.00	-0.01	0.04	0.09
Government	1.2	0.0	1.3	0.7	1.4	0.16	0.00	0.18	0.09	0.18
<b>Colorado</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b>	<b>3.7</b>	<b>2.3</b>	<b>4.5</b>	<b>3.0</b>	<b>2.0</b>	<b>3.7</b>	<b>2.3</b>	<b>4.5</b>	<b>3.0</b>	<b>2.0</b>
Natural resources and mining	6.7	4.8	14.0	-6.9	-0.4	0.24	0.19	0.66	-0.40	-0.02
Construction	-0.3	-2.5	4.2	-3.8	-12.0	-0.02	-0.15	0.25	-0.24	-0.74
Durable goods	6.4	12.0	5.4	11.6	4.7	0.35	0.47	0.22	0.45	0.19
Nondurable goods	-1.2	1.0	7.3	0.0	-0.5	-0.04	0.03	0.18	0.00	-0.01
Trade	4.4	0.9	4.3	3.5	5.7	0.53	0.11	0.50	0.40	0.64
Transportation and utilities	3.2	7.1	1.7	9.4	-4.3	0.13	0.27	0.07	0.36	-0.18
Information	9.7	5.7	8.5	11.1	7.3	0.80	0.52	0.74	0.94	0.64
Financial activities	3.1	-0.9	2.8	1.8	-0.2	0.57	-0.18	0.55	0.35	-0.03
Professional and business services	4.8	6.2	7.1	5.4	6.0	0.64	0.79	0.94	0.73	0.84
Education and health services	3.8	3.1	2.1	3.7	4.8	0.23	0.20	0.13	0.23	0.30
Leisure and hospitality	2.5	2.3	0.7	3.9	3.6	0.11	0.10	0.03	0.16	0.16
Other services, except government	1.3	-0.1	-0.1	0.6	3.1	0.03	0.00	0.00	0.02	0.07
Government	1.0	-0.3	1.9	0.3	1.3	0.13	-0.03	0.23	0.04	0.15
<b>Idaho</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b>	<b>4.5</b>	<b>8.6</b>	<b>7.6</b>	<b>2.5</b>	<b>2.4</b>	<b>4.5</b>	<b>8.6</b>	<b>7.6</b>	<b>2.5</b>	<b>2.4</b>
Natural resources and mining	4.1	15.4	14.4	-5.6	3.5	0.26	0.84	0.82	-0.32	0.20
Construction	-2.1	2.8	9.0	1.3	-10.1	-0.14	0.16	0.53	0.08	-0.67
Durable goods	16.8	50.4	26.5	-22.6	13.1	1.52	3.80	2.51	-2.27	0.90
Nondurable goods	-1.3	-7.6	1.4	5.1	1.3	-0.05	-0.29	0.05	0.15	0.04
Trade	5.4	5.3	8.0	6.4	3.6	0.73	0.75	1.10	0.88	0.51
Transportation and utilities	2.7	8.2	0.0	5.5	3.5	0.13	0.40	0.00	0.26	0.17
Information	11.2	21.1	18.5	10.6	7.9	0.23	0.44	0.41	0.25	0.19
Financial activities	4.7	2.1	10.2	9.7	1.3	0.72	0.35	1.60	1.59	0.23
Professional and business services	4.9	11.4	4.2	8.8	1.7	0.53	1.30	0.50	1.04	0.21
Education and health services	4.6	5.2	2.5	6.4	6.5	0.31	0.39	0.18	0.46	0.49
Leisure and hospitality	2.7	3.7	0.0	6.1	5.0	0.09	0.13	0.00	0.20	0.17
Other services, except government	0.0	1.4	-0.7	2.6	2.5	0.00	0.03	-0.01	0.05	0.05
Government	1.3	1.8	-0.3	1.0	-0.5	0.18	0.28	-0.05	0.14	-0.07

\* Advance estimates

Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2007—Continues

	1997–2007* [average annual]	2004	2005	2006	2007*	1997–2007* [average annual]	2004	2005	2006	2007*
Montana										
	Annual percent change					Contributions to annual percent change				
Total GDP by state.....	3.0	3.0	5.3	3.1	3.5	3.0	3.0	5.3	3.1	3.5
Natural resources and mining.....	4.6	11.5	19.6	-5.1	12.2	0.40	0.88	1.67	-0.50	1.16
Construction.....	0.7	2.0	9.5	-5.2	-3.9	0.04	0.12	0.59	-0.36	-0.25
Durable goods.....	0.8	0.7	0.4	-0.1	9.1	0.03	0.02	0.01	0.00	0.23
Nondurable goods.....	-2.5	5.0	-21.5	-3.5	0.9	-0.05	0.10	-0.49	-0.06	0.02
Trade.....	4.1	4.5	3.1	4.3	6.5	0.55	0.59	0.40	0.52	0.79
Transportation and utilities.....	2.7	7.2	2.1	7.2	3.7	0.24	0.58	0.17	0.60	0.32
Information.....	9.3	9.4	16.1	10.6	5.5	0.27	0.27	0.46	0.31	0.16
Financial activities.....	3.4	-3.0	9.6	7.1	-2.2	0.53	-0.51	1.49	1.14	-0.37
Professional and business services.....	5.4	5.6	7.7	8.0	8.9	0.37	0.38	0.52	0.56	0.65
Education and health services.....	3.3	4.7	2.8	4.4	3.4	0.29	0.44	0.26	0.41	0.32
Leisure and hospitality.....	2.6	4.0	1.8	5.6	5.1	0.12	0.19	0.09	0.25	0.24
Other services, except government.....	0.6	1.0	4.4	-1.8	3.4	0.02	0.03	0.11	-0.05	0.08
Government.....	1.2	-0.5	0.3	1.8	1.3	0.20	-0.09	0.05	0.30	0.20
Utah										
	Annual percent change					Contributions to annual percent change				
Total GDP by state.....	3.7	4.0	6.2	6.3	5.3	3.7	4.0	6.2	6.3	5.3
Natural resources and mining.....	4.6	8.4	24.2	10.6	2.0	0.13	0.21	0.69	0.39	0.08
Construction.....	-0.6	1.2	11.5	6.7	-3.1	-0.04	0.06	0.61	0.40	-0.19
Durable goods.....	5.9	8.3	10.9	6.6	12.3	0.53	0.62	0.82	0.51	0.94
Nondurable goods.....	1.2	6.5	-7.0	3.9	1.5	0.04	0.22	-0.25	0.13	0.05
Trade.....	5.3	5.6	5.6	7.9	9.5	0.70	0.71	0.72	0.97	1.17
Transportation and utilities.....	3.3	6.8	6.0	4.1	8.7	0.19	0.35	0.31	0.21	0.44
Information.....	8.3	14.5	21.8	2.5	9.7	0.31	0.52	0.81	0.10	0.36
Financial activities.....	4.7	2.5	9.0	9.2	4.7	0.91	0.52	1.81	1.88	0.99
Professional and business services.....	4.0	4.5	1.8	8.2	6.3	0.41	0.48	0.20	0.85	0.67
Education and health services.....	3.7	3.6	4.6	7.1	4.4	0.23	0.24	0.31	0.46	0.29
Leisure and hospitality.....	3.7	3.1	3.4	6.7	4.8	0.12	0.11	0.12	0.23	0.16
Other services, except government.....	1.4	-0.1	-3.3	2.4	4.4	0.04	0.00	-0.11	0.07	0.13
Government.....	1.2	-0.4	1.3	0.4	1.4	0.16	-0.05	0.20	0.06	0.19
Wyoming										
	Annual percent change					Contributions to annual percent change				
Total GDP by state.....	2.8	1.0	2.0	6.5	1.8	2.8	1.0	2.0	6.5	1.8
Natural resources and mining.....	1.6	-0.1	-1.3	4.8	-4.8	0.40	-0.03	-0.41	1.61	-1.62
Construction.....	2.1	-6.1	7.5	9.6	3.9	0.11	-0.33	0.38	0.52	0.22
Durable goods.....	1.6	13.0	1.0	3.3	8.6	0.02	0.15	0.01	0.04	0.10
Nondurable goods.....	-3.4	-10.8	-12.8	-4.3	2.7	-0.10	-0.31	-0.32	-0.10	0.06
Trade.....	6.0	4.4	8.2	9.3	8.1	0.59	0.41	0.75	0.84	0.73
Transportation and utilities.....	3.7	2.5	1.4	11.8	4.8	0.41	0.27	0.15	1.20	0.51
Information.....	8.9	19.7	12.3	11.8	9.1	0.15	0.30	0.20	0.18	0.14
Financial activities.....	3.2	-0.7	4.2	6.2	4.0	0.33	-0.08	0.44	0.62	0.39
Professional and business services.....	4.9	3.1	6.1	8.9	8.7	0.21	0.13	0.26	0.37	0.37
Education and health services.....	4.9	5.1	3.2	4.2	5.7	0.19	0.23	0.14	0.18	0.24
Leisure and hospitality.....	3.3	4.3	3.1	16.6	-4.4	0.12	0.16	0.12	0.60	-0.18
Other services, except government.....	2.4	-3.6	4.2	11.7	11.2	0.04	-0.06	0.07	0.19	0.19
Government.....	2.2	1.0	1.9	2.0	5.0	0.30	0.15	0.27	0.27	0.66
Far West										
	Annual percent change					Contributions to annual percent change				
Total GDP by state.....	3.9	5.1	4.6	4.1	1.9	3.9	5.1	4.6	4.1	1.9
Natural resources and mining.....	0.9	0.1	6.4	5.2	-1.2	0.01	0.00	0.16	0.14	-0.03
Construction.....	-0.5	4.0	6.1	-7.0	-12.5	-0.02	0.19	0.30	-0.37	-0.61
Durable goods.....	9.8	9.8	11.4	10.4	8.0	0.76	0.60	0.68	0.62	0.48
Nondurable goods.....	1.3	8.2	2.3	-0.1	-0.8	0.05	0.28	0.08	0.00	-0.03
Trade.....	4.8	3.2	5.6	6.0	3.5	0.62	0.40	0.70	0.74	0.43
Transportation and utilities.....	3.1	8.5	1.9	2.8	2.3	0.14	0.36	0.08	0.12	0.10
Information.....	8.5	12.9	8.6	6.9	10.9	0.47	0.73	0.49	0.39	0.61
Financial activities.....	4.2	6.6	7.0	5.2	-1.2	0.89	1.45	1.56	1.18	-0.28
Professional and business services.....	3.0	4.7	2.8	4.9	4.7	0.37	0.56	0.33	0.59	0.57
Education and health services.....	3.8	4.2	2.3	4.2	3.7	0.24	0.29	0.16	0.28	0.25
Leisure and hospitality.....	3.0	5.5	1.5	4.4	1.4	0.14	0.25	0.07	0.20	0.07
Other services, except government.....	0.6	0.5	-0.8	0.0	2.8	0.01	0.01	-0.02	0.00	0.06
Government.....	1.7	-0.1	0.1	1.6	2.4	0.21	-0.01	0.01	0.19	0.29
Alaska										
	Annual percent change					Contributions to annual percent change				
Total GDP by state.....	0.9	5.6	1.3	4.1	0.3	0.9	5.6	1.3	4.1	0.3
Natural resources and mining.....	-4.3	8.9	-3.6	11.3	-2.5	-2.66	1.98	-0.98	3.34	-1.01
Construction.....	-2.2	-0.3	3.3	-11.2	-13.9	-0.18	-0.02	0.16	-0.57	-0.76
Durable goods.....	1.8	8.7	6.5	-2.6	9.7	0.01	0.03	0.02	-0.01	0.04
Nondurable goods.....	-1.7	10.0	-16.1	2.6	-4.8	-0.07	0.21	-0.35	0.05	-0.11
Trade.....	3.3	5.1	5.0	2.2	2.9	0.49	0.37	0.34	0.14	0.23
Transportation and utilities.....	5.3	14.0	6.1	0.3	5.3	1.31	1.62	0.64	0.03	0.68
Information.....	7.2	12.0	16.1	7.4	7.0	0.39	0.30	0.37	0.17	0.20
Financial activities.....	1.6	1.3	3.8	-0.4	0.8	0.34	0.16	0.42	-0.04	0.10
Professional and business services.....	3.0	5.3	6.6	4.3	5.7	0.34	0.30	0.34	0.22	0.37
Education and health services.....	5.2	7.9	1.2	3.6	0.9	0.51	0.48	0.07	0.20	0.06
Leisure and hospitality.....	2.5	3.9	0.6	2.1	0.9	0.16	0.13	0.02	0.07	0.03
Other services, except government.....	0.0	0.9	-0.8	-0.4	1.4	0.00	0.02	-0.01	-0.01	0.03
Government.....	0.6	0.2	1.8	2.7	2.2	0.21	0.04	0.32	0.48	0.47

\* Advance estimates

Table 8. Percent Change and Contributions to Percent Change in Real Gross Domestic Product (GDP) by State, 2004–2007—Table Ends

	1997–2007* [average annual]	2004	2005	2006	2007*	1997–2007* [average annual]	2004	2005	2006	2007*
<b>California</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b> .....	<b>4.0</b>	<b>5.2</b>	<b>4.5</b>	<b>3.8</b>	<b>1.5</b>	<b>4.0</b>	<b>5.2</b>	<b>4.5</b>	<b>3.8</b>	<b>1.5</b>
Natural resources and mining .....	1.2	-1.3	9.3	1.8	0.5	0.01	-0.03	0.20	0.04	0.01
Construction .....	0.1	4.7	5.3	-8.9	-14.8	0.00	0.21	0.25	-0.46	-0.68
Durable goods .....	9.1	4.2	12.1	8.2	7.2	0.71	0.25	0.67	0.46	0.40
Nondurable goods .....	1.8	9.8	0.8	1.7	-0.9	0.08	0.37	0.03	0.07	-0.04
Trade .....	4.9	2.4	5.4	6.5	3.4	0.64	0.31	0.68	0.80	0.42
Transportation and utilities.....	3.1	8.2	1.5	2.6	2.0	0.13	0.33	0.06	0.10	0.08
Information .....	8.6	15.3	8.1	6.0	8.8	0.49	0.88	0.49	0.36	0.52
Financial activities .....	4.5	7.2	7.3	5.0	-1.7	0.99	1.64	1.70	1.20	-0.40
Professional and business services.....	2.7	5.1	2.1	5.1	4.4	0.37	0.65	0.27	0.65	0.57
Education and health services .....	3.7	4.1	2.2	4.1	3.6	0.24	0.28	0.15	0.27	0.24
Leisure and hospitality.....	3.2	5.6	0.3	4.0	1.8	0.12	0.22	0.01	0.15	0.07
Other services, except government.....	0.5	0.0	-1.5	-0.5	2.7	0.01	0.00	-0.04	-0.01	0.06
Government.....	1.9	0.2	0.4	1.3	2.3	0.22	0.03	0.05	0.14	0.25
<b>Hawaii</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b> .....	<b>2.1</b>	<b>4.8</b>	<b>5.2</b>	<b>3.2</b>	<b>3.0</b>	<b>2.1</b>	<b>4.8</b>	<b>5.2</b>	<b>3.2</b>	<b>3.0</b>
Natural resources and mining .....	1.4	-13.1	13.8	-1.3	-9.7	0.01	-0.13	0.11	-0.01	-0.08
Construction .....	0.6	-0.3	11.0	-3.3	-2.0	0.03	-0.02	0.59	-0.20	-0.12
Durable goods .....	4.4	-5.3	27.5	9.9	9.9	0.03	-0.03	0.13	0.06	0.06
Nondurable goods .....	-4.0	-5.6	-14.4	-4.9	-0.3	-0.05	-0.08	-0.19	-0.06	0.00
Trade .....	3.9	5.0	6.1	3.4	4.1	0.43	0.55	0.65	0.36	0.42
Transportation and utilities.....	3.0	13.9	8.9	4.6	4.5	0.18	0.71	0.47	0.25	0.24
Information .....	4.7	14.7	7.9	14.4	4.6	0.13	0.35	0.19	0.34	0.11
Financial activities .....	2.4	6.6	9.5	4.1	1.7	0.52	1.38	1.99	0.88	0.37
Professional and business services.....	2.8	5.8	2.7	3.5	0.6	0.24	0.53	0.25	0.32	0.05
Education and health services .....	2.0	3.0	3.2	3.1	3.4	0.15	0.24	0.25	0.23	0.25
Leisure and hospitality.....	1.6	6.9	2.1	4.3	1.1	0.16	0.66	0.20	0.41	0.11
Other services, except government.....	-0.3	0.7	1.6	1.2	2.6	-0.01	0.02	0.04	0.03	0.07
Government.....	1.4	2.8	2.0	2.4	6.6	0.31	0.65	0.46	0.56	1.47
<b>Nevada</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b> .....	<b>4.8</b>	<b>10.1</b>	<b>8.3</b>	<b>5.4</b>	<b>0.6</b>	<b>4.8</b>	<b>10.1</b>	<b>8.3</b>	<b>5.4</b>	<b>0.6</b>
Natural resources and mining .....	1.3	1.2	12.9	17.5	-17.5	0.03	0.02	0.24	0.37	-0.44
Construction .....	-1.4	9.2	10.9	-2.2	-11.3	-0.13	0.79	0.97	-0.21	-1.05
Durable goods .....	10.7	52.0	11.6	-1.8	6.4	0.31	1.28	0.38	-0.06	0.20
Nondurable goods .....	4.4	6.0	-4.2	6.5	3.4	0.05	0.08	-0.05	0.07	0.04
Trade .....	7.1	9.0	12.3	7.3	2.4	0.86	1.08	1.44	0.85	0.28
Transportation and utilities.....	3.8	5.8	1.6	5.1	0.0	0.19	0.29	0.08	0.23	0.00
Information .....	8.6	5.6	27.9	-1.6	10.1	0.19	0.12	0.54	-0.03	0.19
Financial activities .....	7.2	15.4	10.6	10.3	0.8	1.47	3.19	2.29	2.24	0.18
Professional and business services.....	6.0	12.9	8.2	3.9	2.8	0.58	1.29	0.84	0.41	0.29
Education and health services .....	6.1	7.2	5.3	5.6	6.3	0.29	0.38	0.28	0.28	0.31
Leisure and hospitality.....	3.2	5.2	4.7	5.2	1.2	0.57	0.93	0.82	0.88	0.21
Other services, except government.....	2.2	9.5	5.6	4.2	0.8	0.04	0.17	0.10	0.08	0.01
Government.....	3.5	4.8	3.2	3.3	3.9	0.36	0.51	0.33	0.32	0.38
<b>Oregon</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b> .....	<b>4.2</b>	<b>6.8</b>	<b>2.6</b>	<b>7.8</b>	<b>3.2</b>	<b>4.2</b>	<b>6.8</b>	<b>2.6</b>	<b>7.8</b>	<b>3.2</b>
Natural resources and mining .....	3.4	2.1	6.2	4.3	-1.2	0.09	0.06	0.18	0.12	-0.04
Construction .....	-4.4	-1.3	8.7	-1.2	-9.6	-0.20	-0.06	0.37	-0.06	-0.45
Durable goods .....	17.1	48.9	1.0	37.5	12.0	2.61	5.63	0.14	5.04	1.88
Nondurable goods .....	0.3	10.9	3.6	-2.3	0.7	0.01	0.33	0.11	-0.07	0.02
Trade .....	3.2	4.2	4.1	3.7	3.5	0.36	0.53	0.50	0.46	0.43
Transportation and utilities.....	2.1	5.1	-0.6	3.4	2.1	0.08	0.23	-0.03	0.15	0.09
Information .....	9.0	13.7	11.0	11.4	15.3	0.25	0.42	0.34	0.37	0.50
Financial activities .....	2.6	0.2	5.7	3.2	-1.3	0.41	0.05	1.07	0.63	-0.24
Professional and business services.....	1.6	0.4	6.3	3.7	3.3	0.12	0.04	0.57	0.36	0.31
Education and health services .....	4.0	4.9	2.1	4.7	3.6	0.25	0.40	0.18	0.39	0.30
Leisure and hospitality.....	2.5	3.3	2.5	3.2	4.3	0.07	0.11	0.08	0.10	0.14
Other services, except government.....	0.8	2.0	1.1	0.8	3.1	0.02	0.05	0.03	0.02	0.07
Government.....	0.8	-6.9	-7.0	2.0	1.7	0.09	-1.04	-0.94	0.25	0.21
<b>Washington</b>										
Annual percent change					Contributions to annual percent change					
<b>Total GDP by state</b> .....	<b>3.3</b>	<b>2.2</b>	<b>5.1</b>	<b>3.5</b>	<b>4.3</b>	<b>3.3</b>	<b>2.2</b>	<b>5.1</b>	<b>3.5</b>	<b>4.3</b>
Natural resources and mining .....	3.8	-3.7	4.8	9.8	-0.2	0.09	-0.09	0.10	0.20	0.00
Construction .....	-0.7	0.5	5.8	-1.8	-4.0	-0.03	0.02	0.27	-0.09	-0.20
Durable goods .....	5.4	0.0	19.6	-1.7	7.4	0.39	0.00	1.34	-0.13	0.52
Nondurable goods .....	-1.3	-4.8	20.4	-13.5	-0.6	-0.04	-0.14	0.56	-0.45	-0.02
Trade .....	4.4	4.7	5.3	4.7	4.4	0.61	0.63	0.71	0.62	0.58
Transportation and utilities.....	2.3	10.5	2.5	2.9	3.6	0.09	0.39	0.10	0.11	0.14
Information .....	8.2	3.8	8.0	10.6	19.9	0.68	0.31	0.62	0.81	1.58
Financial activities .....	2.9	2.9	3.9	5.8	0.4	0.56	0.59	0.79	1.16	0.09
Professional and business services.....	4.3	0.9	3.7	4.7	9.4	0.44	0.09	0.38	0.48	0.98
Education and health services .....	4.0	3.6	2.0	4.4	3.9	0.26	0.26	0.14	0.31	0.28
Leisure and hospitality.....	2.8	5.8	2.9	6.2	-1.8	0.09	0.19	0.10	0.22	-0.06
Other services, except government.....	0.9	-0.1	0.1	0.5	4.0	0.02	0.00	0.00	0.01	0.09
Government.....	1.0	-0.1	0.1	2.0	2.0	0.14	-0.02	0.02	0.28	0.29

\* Advance estimates

Table 9. Gross Domestic Product (GDP) by State in Current Dollars, 2004–2007

	Millions of dollars				Percent of United States total			
	2004	2005	2006	2007*	2004	2005	2006	2007*
<b>United States</b> .....	<b>11,607,041</b>	<b>12,346,871</b>	<b>13,119,938</b>	<b>13,743,021</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>New England</b> .....	<b>647,473</b>	<b>674,562</b>	<b>712,051</b>	<b>744,672</b>	<b>5.6</b>	<b>5.5</b>	<b>5.4</b>	<b>5.4</b>
Connecticut.....	182,112	193,281	204,964	216,266	1.6	1.6	1.6	1.6
Maine.....	43,191	44,364	46,340	48,108	0.4	0.4	0.4	0.4
Massachusetts.....	306,827	317,626	335,313	351,514	2.6	2.6	2.6	2.6
New Hampshire.....	51,432	53,468	56,073	57,341	0.4	0.4	0.4	0.4
Rhode Island.....	42,073	43,078	45,733	46,900	0.4	0.3	0.3	0.3
Vermont.....	21,839	22,745	23,628	24,543	0.2	0.2	0.2	0.2
<b>Mideast</b> .....	<b>2,124,891</b>	<b>2,245,718</b>	<b>2,390,856</b>	<b>2,522,240</b>	<b>18.3</b>	<b>18.2</b>	<b>18.2</b>	<b>18.4</b>
Delaware.....	52,305	57,334	59,589	60,118	0.5	0.5	0.5	0.4
District of Columbia.....	77,913	82,978	88,174	93,819	0.7	0.7	0.7	0.7
Maryland.....	228,223	243,855	257,577	268,685	2.0	2.0	2.0	2.0
New Jersey.....	410,096	425,497	448,426	465,484	3.5	3.4	3.4	3.4
New York.....	896,422	953,641	1,028,320	1,103,024	7.7	7.7	7.8	8.0
Pennsylvania.....	459,932	482,413	508,769	531,110	4.0	3.9	3.9	3.9
<b>Great Lakes</b> .....	<b>1,755,486</b>	<b>1,812,433</b>	<b>1,873,436</b>	<b>1,936,573</b>	<b>15.1</b>	<b>14.7</b>	<b>14.3</b>	<b>14.1</b>
Illinois.....	534,429	554,099	583,990	609,570	4.6	4.5	4.5	4.4
Indiana.....	228,329	232,799	238,693	246,439	2.0	1.9	1.8	1.8
Michigan.....	363,076	372,174	375,759	381,963	3.1	3.0	2.9	2.8
Ohio.....	423,735	439,271	451,600	466,309	3.7	3.6	3.4	3.4
Wisconsin.....	205,916	214,090	223,394	232,293	1.8	1.7	1.7	1.7
<b>Plains</b> .....	<b>759,398</b>	<b>790,222</b>	<b>827,927</b>	<b>872,523</b>	<b>6.5</b>	<b>6.4</b>	<b>6.3</b>	<b>6.3</b>
Iowa.....	111,937	115,632	121,945	129,026	1.0	0.9	0.9	0.9
Kansas.....	98,426	103,305	110,645	117,305	0.8	0.8	0.8	0.9
Minnesota.....	223,454	232,001	242,095	254,970	1.9	1.9	1.8	1.9
Missouri.....	204,916	213,012	220,092	229,470	1.8	1.7	1.7	1.7
Nebraska.....	68,404	71,150	75,290	80,093	0.6	0.6	0.6	0.6
North Dakota.....	22,739	24,648	25,851	27,725	0.2	0.2	0.2	0.2
South Dakota.....	29,522	30,473	32,008	33,934	0.3	0.2	0.2	0.2
<b>Southeast</b> .....	<b>2,586,745</b>	<b>2,783,933</b>	<b>2,964,029</b>	<b>3,087,889</b>	<b>22.3</b>	<b>22.5</b>	<b>22.6</b>	<b>22.5</b>
Alabama.....	141,527	150,513	158,566	165,796	1.2	1.2	1.2	1.2
Arkansas.....	82,137	86,139	90,864	95,371	0.7	0.7	0.7	0.7
Florida.....	607,284	670,237	716,505	734,519	5.2	5.4	5.5	5.3
Georgia.....	338,470	359,694	376,410	396,504	2.9	2.9	2.9	2.9
Kentucky.....	131,741	138,542	146,415	154,184	1.1	1.1	1.1	1.1
Louisiana.....	163,427	184,042	203,167	216,146	1.4	1.5	1.5	1.6
Mississippi.....	76,499	79,461	84,586	88,546	0.7	0.6	0.6	0.6
North Carolina.....	324,383	349,216	380,932	399,446	2.8	2.8	2.9	2.9
South Carolina.....	131,851	138,619	146,211	152,830	1.1	1.1	1.1	1.1
Tennessee.....	214,849	224,169	235,753	243,869	1.9	1.8	1.8	1.8
Virginia.....	324,870	350,288	368,604	382,964	2.8	2.8	2.8	2.8
West Virginia.....	49,706	53,013	56,016	57,711	0.4	0.4	0.4	0.4
<b>Southwest</b> .....	<b>1,270,084</b>	<b>1,384,061</b>	<b>1,507,770</b>	<b>1,604,494</b>	<b>10.9</b>	<b>11.2</b>	<b>11.5</b>	<b>11.7</b>
Arizona.....	193,448	215,844	237,397	247,028	1.7	1.7	1.8	1.8
New Mexico.....	63,452	68,153	72,161	76,178	0.5	0.6	0.6	0.6
Oklahoma.....	111,511	120,753	130,094	139,323	1.0	1.0	1.0	1.0
Texas.....	901,673	979,311	1,068,119	1,141,965	7.8	7.9	8.1	8.3
<b>Rocky Mountain</b> .....	<b>371,715</b>	<b>405,194</b>	<b>434,568</b>	<b>458,897</b>	<b>3.2</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>
Colorado.....	197,329	213,326	226,266	236,324	1.7	1.7	1.7	1.7
Idaho.....	42,626	46,369	48,441	51,149	0.4	0.4	0.4	0.4
Montana.....	27,452	29,966	31,994	34,253	0.2	0.2	0.2	0.2
Utah.....	80,889	88,944	97,963	105,658	0.7	0.7	0.7	0.8
Wyoming.....	23,420	26,589	29,904	31,514	0.2	0.2	0.2	0.2
<b>Far West</b> .....	<b>2,091,250</b>	<b>2,250,748</b>	<b>2,409,301</b>	<b>2,515,732</b>	<b>18.0</b>	<b>18.2</b>	<b>18.4</b>	<b>18.3</b>
Alaska.....	35,102	39,298	43,117	44,517	0.3	0.3	0.3	0.3
California.....	1,519,443	1,632,822	1,742,172	1,812,968	13.1	13.2	13.3	13.2
Hawaii.....	50,414	54,863	58,676	61,532	0.4	0.4	0.4	0.4
Nevada.....	100,209	112,451	123,054	127,213	0.9	0.9	0.9	0.9
Oregon.....	132,835	138,057	150,984	158,233	1.1	1.1	1.2	1.2
Washington.....	253,247	273,257	291,298	311,270	2.2	2.2	2.2	2.3

\* Advance estimates

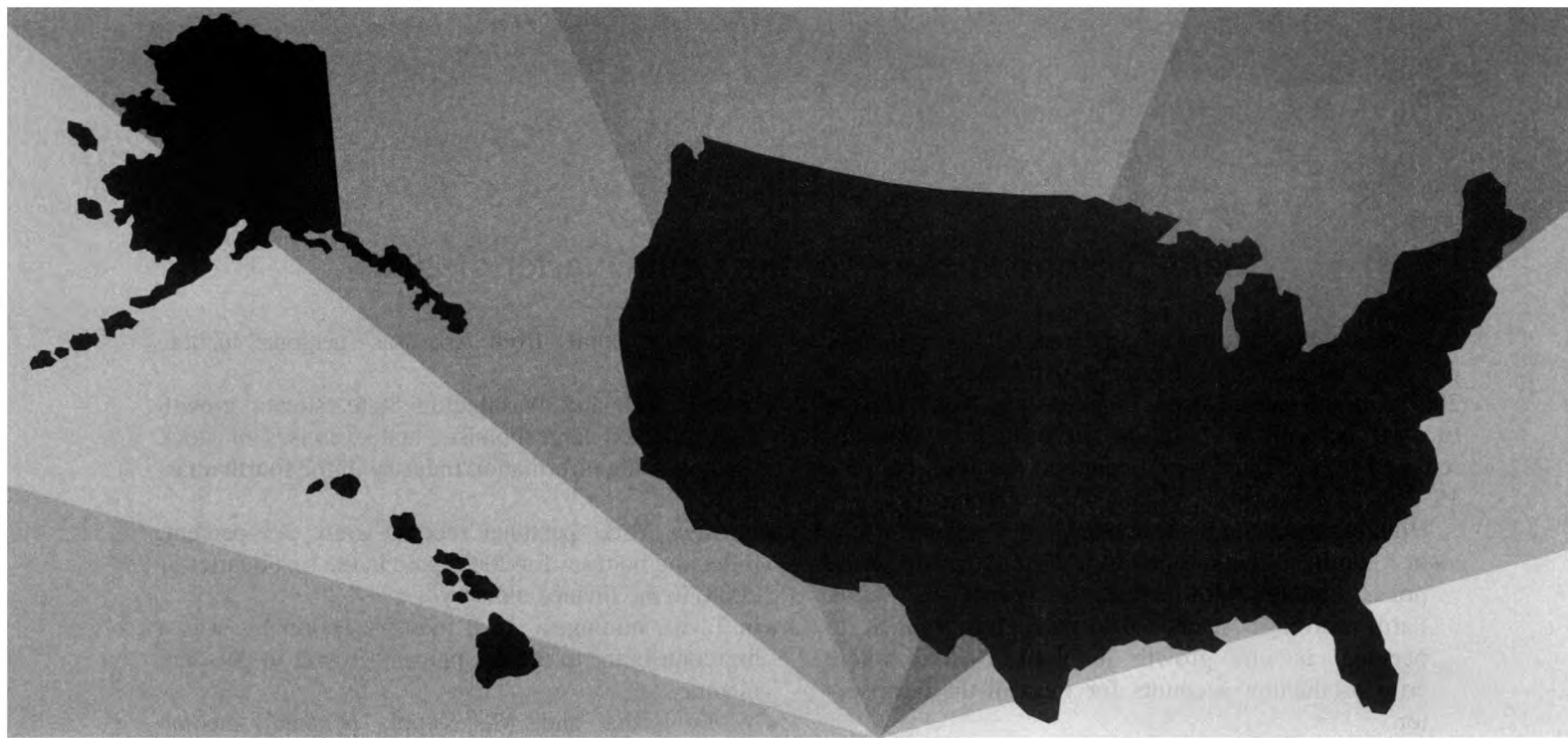
Table 10. Real Gross Domestic Product (GDP) by State, 2004–2007

[Millions of chained (2000) dollars]

	2004	2005	2006	2007*
<b>United States</b> .....	<b>10,580,223</b>	<b>10,899,704</b>	<b>11,240,107</b>	<b>11,467,503</b>
<b>New England</b> .....	<b>597,196</b>	<b>606,068</b>	<b>623,136</b>	<b>636,223</b>
Connecticut .....	165,828	171,123	176,900	181,809
Maine .....	38,918	38,875	39,362	39,888
Massachusetts .....	286,541	289,363	298,036	305,400
New Hampshire .....	47,744	48,359	49,226	49,179
Rhode Island .....	37,830	37,596	38,606	38,657
Vermont .....	20,277	20,674	20,932	21,245
<b>Mideast</b> .....	<b>1,941,817</b>	<b>1,993,953</b>	<b>2,062,634</b>	<b>2,119,489</b>
Delaware .....	46,651	49,418	49,666	48,856
District of Columbia .....	67,537	69,398	71,317	74,372
Maryland .....	205,548	213,221	218,199	222,462
New Jersey .....	375,788	378,352	386,928	391,314
New York .....	829,900	861,473	906,554	946,317
Pennsylvania .....	416,162	421,970	430,365	437,050
<b>Great Lakes</b> .....	<b>1,610,484</b>	<b>1,617,878</b>	<b>1,625,462</b>	<b>1,633,323</b>
Illinois .....	487,557	490,239	501,060	508,551
Indiana .....	209,523	207,692	207,031	207,644
Michigan .....	337,851	339,266	334,680	330,819
Ohio .....	387,436	389,956	388,921	390,334
Wisconsin .....	188,001	190,592	193,422	195,440
<b>Plains</b> .....	<b>688,060</b>	<b>698,250</b>	<b>712,288</b>	<b>726,453</b>
Iowa .....	100,887	102,272	105,269	107,015
Kansas .....	88,316	90,107	93,849	96,522
Minnesota .....	205,055	207,218	210,361	214,938
Missouri .....	186,375	188,373	189,068	191,577
Nebraska .....	60,935	62,084	64,436	65,792
North Dakota .....	19,962	21,122	21,545	22,194
South Dakota .....	26,561	27,059	27,701	28,342
<b>Southeast</b> .....	<b>2,339,419</b>	<b>2,436,610</b>	<b>2,512,144</b>	<b>2,550,718</b>
Alabama .....	127,848	131,902	134,573	136,998
Arkansas .....	74,191	75,866	77,618	78,753
Florida .....	548,566	588,785	609,829	609,899
Georgia .....	310,738	322,132	327,285	336,596
Kentucky .....	119,934	122,758	125,945	128,789
Louisiana .....	139,327	141,202	147,249	151,039
Mississippi .....	67,949	68,242	70,233	71,443
North Carolina .....	295,604	309,696	328,401	335,737
South Carolina .....	119,865	122,542	124,874	127,358
Tennessee .....	197,242	200,875	205,985	207,742
Virginia .....	294,176	308,148	314,945	320,952
West Virginia .....	43,821	44,659	45,147	45,173
<b>Southwest</b> .....	<b>1,140,732</b>	<b>1,177,805</b>	<b>1,238,145</b>	<b>1,283,615</b>
Arizona .....	180,539	196,433	209,581	213,333
New Mexico .....	56,915	57,694	59,293	60,955
Oklahoma .....	97,333	99,161	102,491	106,601
Texas .....	806,005	825,217	867,791	903,430
<b>Rocky Mountain</b> .....	<b>336,196</b>	<b>353,440</b>	<b>367,288</b>	<b>377,935</b>
Colorado .....	180,595	188,719	194,445	198,372
Idaho .....	39,605	42,623	43,685	44,746
Montana .....	24,018	25,301	26,088	27,013
Utah .....	72,960	77,503	82,348	86,698
Wyoming .....	19,039	19,429	20,698	21,072
<b>Far West</b> .....	<b>1,926,021</b>	<b>2,014,937</b>	<b>2,097,009</b>	<b>2,136,951</b>
Alaska .....	28,938	29,329	30,526	30,624
California .....	1,406,809	1,470,434	1,526,176	1,548,966
Hawaii .....	44,636	46,939	48,428	49,860
Nevada .....	89,856	97,270	102,536	103,154
Oregon .....	125,874	129,165	139,200	143,675
Washington .....	230,007	241,836	250,367	261,069

\* Advance estimates





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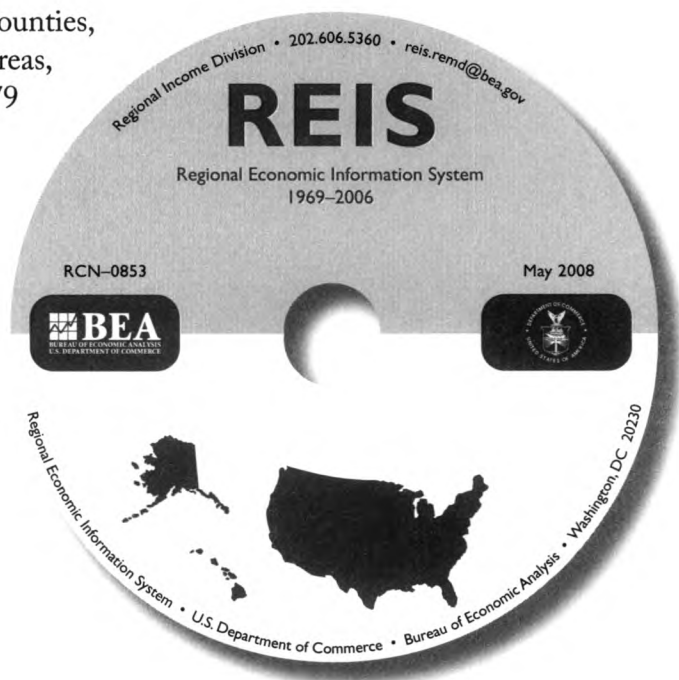
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## State Personal Income for the First Quarter of 2008

U.S. personal income grew 1.1 percent in the first quarter of 2008 after growing 1.2 percent in the fourth quarter of 2007. Growth ranged from 7.6 percent in North Dakota to -1.9 percent in Arkansas, according to statistics released by the Bureau of Economic Analysis on June 19, 2008; the release is available at <[www.bea.gov](http://www.bea.gov)>.

Highlights include the following:

- In North Dakota, growth reflected rising grain prices, notably for wheat, soybeans, and corn. Farm earnings added 6.4 percentage points to personal income growth in North Dakota, where crop production accounts for most of the farm sector.
- In Arkansas, higher grain prices raised expenses for livestock operators and reduced personal income by 1.0 percentage point. Poultry is the largest contributor to the state's farm sector. The decline in personal income also reflected bonuses paid in the fourth quarter of 2007 in the information industry, which includes software publishing, telecommunications, and data processing. Earnings in the industry fell 46 percent in the first quarter of 2008 after growing 141 percent in the fourth quarter of 2007. This decline subtracted 2.4 percentage points from Arkansas' personal income growth.
- In Nebraska and Washington State, slower growth also reflected large bonuses and exercises of stock options in the information industry in the fourth quarter of 2007.
- In New York, personal income grew 2.5 percent, reflecting bonuses for 2007 (paid in the first quarter of 2008) in the finance industry.
- In Texas, mining, a small industry nationally, was a big contributor to the 1.4 percent growth in personal income.
- In Louisiana and Mississippi, personal income declined 0.6 percent and 0.3 percent, respectively, as federal subsidies for reconstruction related to Hurricane Katrina tapered off.
- In Florida and Nevada, unemployment benefits rose 25 percent and 23 percent, respectively in the first quarter of 2008. Unemployment benefit payments for these two states have now reached nominal levels that are comparable to the levels reached during 2002–2003, when the United States was recovering from the recession of 2001.

*Tables 1–4 follow.*





Table 2. Contribution of Earnings to Percent Change in Personal Income by Industry, State, and Region, 2007:IV–2008:I<sup>1</sup>—Table Ends  
 [Percentage points, seasonally adjusted]

	Real estate and rental and leasing	Professional and technical services	Management of companies and enterprises	Administrative and waste services	Educational services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services, except public administration	Government		
										Federal, civilian	Military	State and local
<b>United States</b>	<b>0.04</b>	<b>0.09</b>	<b>0.03</b>	<b>0.01</b>	<b>0.02</b>	<b>0.12</b>	<b>0.00</b>	<b>0.02</b>	<b>0.02</b>	<b>0.08</b>	<b>0.05</b>	<b>0.10</b>
<b>New England</b>												
Connecticut	0.01	0.08	0.06	0.00	0.03	0.10	-0.01	0.01	0.01	0.03	0.00	0.09
Maine	0.02	0.04	0.03	0.01	0.02	0.16	-0.01	0.03	0.01	0.05	0.05	0.08
Massachusetts	0.04	0.14	0.05	0.01	0.06	0.16	0.00	0.02	0.02	0.07	0.01	0.08
New Hampshire	0.04	0.07	0.03	-0.09	0.04	0.12	-0.01	0.01	0.02	0.05	0.01	0.12
Rhode Island	0.02	0.03	0.06	-0.01	0.06	0.13	-0.01	0.02	0.02	0.05	0.08	0.09
Vermont	0.02	0.06	0.00	0.00	0.04	0.15	0.00	0.02	0.02	0.07	0.03	0.12
<b>Mideast</b>												
Delaware	0.03	0.11	0.09	0.01	0.02	0.15	0.01	0.02	0.02	0.05	0.07	0.10
District of Columbia	0.05	0.67	0.03	0.01	0.15	0.09	0.02	-0.01	0.28	2.23	0.16	0.11
Maryland	0.03	0.12	0.02	0.01	0.03	0.11	0.00	0.01	0.02	0.26	0.07	0.10
New Jersey	0.03	0.09	0.04	0.01	0.02	0.09	-0.01	0.02	0.02	0.03	0.01	0.09
New York	0.05	0.07	0.03	-0.05	0.04	0.14	0.01	0.03	0.03	0.04	0.02	0.07
Pennsylvania	0.03	0.10	-0.02	0.01	0.04	0.15	0.00	0.02	0.02	0.07	0.01	0.07
<b>Great Lakes</b>												
Illinois	0.04	0.11	0.06	0.01	0.02	0.11	0.00	0.01	0.01	0.06	0.05	0.07
Indiana	0.03	0.02	0.02	0.00	0.03	0.13	0.01	0.02	0.03	0.06	0.01	0.11
Michigan	0.05	0.09	0.03	0.03	0.02	0.12	0.01	0.01	0.01	0.05	0.01	0.07
Ohio	0.02	0.06	0.07	0.01	0.02	0.14	0.01	0.01	0.02	0.08	0.02	0.08
Wisconsin	0.02	0.03	0.06	0.01	0.01	0.16	0.00	0.00	0.01	0.03	0.03	0.10
<b>Plains</b>												
Iowa	0.02	0.02	0.03	0.03	0.02	0.09	-0.01	0.00	0.02	0.04	0.01	0.15
Kansas	0.02	0.03	-0.07	0.02	0.01	0.11	0.00	0.00	0.01	0.05	0.07	0.14
Minnesota	0.03	0.07	0.08	0.01	0.02	0.15	0.00	0.02	0.02	0.04	0.02	0.11
Missouri	0.02	0.08	0.08	0.01	0.03	0.13	0.01	0.02	0.02	0.09	0.07	0.10
Nebraska	0.02	0.07	0.05	0.04	0.02	0.10	0.00	0.02	0.02	0.07	0.04	0.09
North Dakota	0.02	0.00	0.05	0.05	0.02	0.16	0.00	0.01	0.04	0.08	0.11	0.13
South Dakota	0.04	0.02	0.02	0.00	0.01	0.20	-0.01	-0.01	0.03	0.10	0.09	0.12
<b>Southeast</b>												
Alabama	0.02	0.07	0.02	0.02	0.01	0.09	0.00	0.01	0.02	0.10	0.07	0.13
Arkansas	0.02	0.03	0.06	0.00	0.01	0.12	0.00	0.01	0.02	0.05	0.05	0.11
Florida	0.04	0.10	0.03	0.01	0.01	0.13	0.00	0.02	0.01	0.08	0.04	0.08
Georgia	0.04	0.10	0.03	0.01	0.02	0.10	0.00	0.02	0.02	0.12	0.14	0.11
Kentucky	-0.01	0.05	0.03	0.02	0.01	0.12	0.00	0.02	0.02	0.06	0.21	0.10
Louisiana	0.01	-0.01	0.04	-0.02	0.01	0.08	0.00	0.03	0.01	0.06	0.08	0.16
Mississippi	0.02	0.00	0.02	-0.01	0.01	0.09	0.00	0.02	0.02	0.09	0.12	0.13
North Carolina	0.03	0.06	0.05	0.01	0.02	0.12	0.00	0.02	0.02	0.06	0.15	0.12
South Carolina	0.03	0.06	0.02	-0.01	0.01	0.09	0.00	0.02	0.02	0.03	0.15	0.13
Tennessee	0.04	0.06	0.03	0.00	0.03	0.11	0.00	-0.13	0.02	0.05	0.02	0.10
Virginia	0.03	0.15	0.08	0.01	0.01	0.11	0.00	0.02	0.03	0.17	0.15	0.09
West Virginia	0.01	0.03	0.02	0.02	0.00	0.13	0.00	0.02	0.03	0.12	0.02	0.08
<b>Southwest</b>												
Arizona	0.05	0.11	0.03	0.01	0.00	0.19	0.01	-0.01	0.03	0.09	0.05	0.15
New Mexico	0.02	0.00	0.01	-0.03	0.01	0.13	0.00	0.00	0.02	0.15	0.03	0.05
Oklahoma	0.01	0.00	0.03	-0.03	0.01	0.11	0.01	0.01	0.02	0.10	0.06	0.09
Texas	0.05	0.12	0.04	0.06	0.01	0.11	0.00	0.03	0.02	0.05	0.06	0.11
<b>Rocky Mountain</b>												
Colorado	0.06	0.14	-0.02	-0.02	0.02	0.10	0.03	0.03	0.04	0.07	0.08	0.13
Idaho	0.03	0.06	0.03	-0.02	0.01	0.11	-0.01	0.01	0.02	0.06	0.05	0.14
Montana	0.05	0.06	0.01	0.02	0.01	0.13	0.01	0.02	0.02	0.11	0.07	0.10
Utah	0.03	0.14	0.07	0.02	0.02	0.12	0.02	0.03	0.05	0.11	0.04	0.14
Wyoming	0.05	0.07	0.01	-0.02	0.00	0.05	-0.01	-0.18	0.04	0.08	0.06	0.13
<b>Far West</b>												
Alaska	0.03	0.05	0.01	0.02	0.01	0.13	-0.02	0.05	0.02	0.13	0.45	0.08
California	0.05	0.11	0.04	0.02	0.02	0.10	0.00	0.02	0.02	0.06	0.04	0.12
Hawaii	0.06	0.07	0.04	0.03	0.02	0.12	-0.01	0.05	0.04	0.18	0.25	0.21
Nevada	0.03	0.05	-0.59	-0.05	0.01	0.10	0.00	0.14	0.02	0.05	0.06	0.13
Oregon	0.03	0.05	0.09	0.04	0.02	0.20	0.00	0.01	0.03	0.07	0.02	0.13
Washington	0.03	0.07	0.04	0.05	0.01	0.11	0.01	0.02	0.03	0.06	0.05	0.15
<b>BEA regions</b>												
New England	0.02	0.10	0.05	0.00	0.05	0.14	0.00	0.02	0.02	0.05	0.02	0.09
Mideast	0.04	0.10	0.02	-0.01	0.04	0.13	0.00	0.02	0.03	0.10	0.02	0.08
Great Lakes	0.03	0.07	0.05	0.01	0.02	0.13	0.00	0.01	0.02	0.06	0.03	0.08
Plains	0.02	0.06	0.05	0.02	0.02	0.13	0.00	0.01	0.02	0.06	0.05	0.12
Southeast	0.03	0.08	0.04	0.01	0.01	0.11	0.00	0.01	0.02	0.09	0.10	0.11
Southwest	0.05	0.10	0.04	0.04	0.01	0.13	0.00	0.02	0.02	0.07	0.05	0.11
Rocky Mountain	0.05	0.12	0.01	-0.01	0.02	0.10	0.02	0.02	0.04	0.08	0.07	0.13
Far West	0.04	0.10	0.01	0.02	0.02	0.11	0.00	0.02	0.02	0.07	0.05	0.13



**Table 3. Contribution of Earnings to Percent Change in Personal Income by Industry, State, and Region, 2007:III–2007:IV—Table Ends**  
(Percentage points, seasonally adjusted)

	Real estate and rental and leasing	Professional and technical services	Management of companies and enterprises	Administrative and waste services	Educational services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Other services, except public administration	Government		
										Federal, civilian	Military	State and local
<b>United States</b> .....	-0.03	0.14	0.03	0.04	0.03	0.13	0.01	0.04	0.03	0.01	0.01	0.11
<b>New England</b>												
Connecticut.....	0.01	0.13	-0.18	0.07	0.03	0.19	0.02	0.03	0.00	0.00	0.00	-0.07
Maine.....	-0.05	0.10	-0.13	0.09	0.03	0.15	0.01	0.03	0.01	0.02	0.02	-0.06
Massachusetts.....	-0.03	0.48	0.01	0.01	0.09	0.30	0.02	0.04	0.01	0.01	0.01	-0.01
New Hampshire.....	0.16	0.22	-0.33	0.16	0.05	0.17	0.02	0.02	0.02	0.02	0.02	-0.01
Rhode Island.....	-0.02	0.15	-0.13	0.03	0.04	0.16	0.03	0.03	0.03	0.02	0.00	0.01
Vermont.....	-0.03	0.07	0.00	0.04	0.01	0.22	0.02	0.05	0.01	0.03	0.00	0.05
<b>Midwest</b>												
Delaware.....	-0.05	0.05	0.09	0.12	-0.01	0.03	-0.01	0.12	0.02	-0.02	-0.02	-0.40
District of Columbia.....	-0.08	0.75	-0.57	0.12	0.19	0.25	-0.05	0.15	0.23	0.34	0.00	0.00
Maryland.....	-0.03	0.14	0.05	0.05	0.04	0.16	0.02	0.05	0.04	0.03	0.00	0.10
New Jersey.....	-0.05	0.15	0.06	0.01	0.02	0.08	0.01	0.02	-0.01	0.00	-0.01	0.14
New York.....	0.02	0.20	0.01	0.04	0.04	0.14	0.02	0.04	0.00	0.01	-0.01	0.15
Pennsylvania.....	-0.03	0.13	0.14	0.05	0.03	0.18	0.02	0.04	0.03	0.01	0.00	-0.01
<b>Great Lakes</b>												
Illinois.....	-0.07	0.21	-0.02	0.05	0.01	0.08	0.00	0.05	0.07	0.02	-0.01	0.02
Indiana.....	-0.02	0.06	0.06	0.04	0.01	0.12	-0.02	0.03	0.02	0.01	0.00	0.00
Michigan.....	-0.05	-0.11	-0.05	0.01	0.03	0.08	0.03	0.00	0.01	0.00	0.00	-0.03
Ohio.....	-0.02	0.15	0.11	0.04	0.01	0.13	-0.01	0.02	0.03	0.03	0.00	-0.12
Wisconsin.....	-0.02	0.05	0.20	0.06	0.03	0.14	0.01	0.03	0.06	0.01	0.01	0.42
<b>Plains</b>												
Iowa.....	0.00	0.05	0.02	0.03	0.02	0.12	0.00	0.03	0.05	-0.01	0.02	0.14
Kansas.....	-0.02	0.13	0.14	0.13	0.01	0.11	0.01	0.02	0.06	0.01	0.05	0.26
Minnesota.....	-0.02	0.19	0.15	0.03	0.04	0.29	0.03	0.01	-0.03	0.00	0.00	0.01
Missouri.....	-0.03	0.14	0.17	0.09	0.02	0.14	-0.05	0.03	0.03	0.01	0.00	0.04
Nebraska.....	0.00	0.18	-0.21	-0.07	0.02	0.17	-0.01	0.03	0.08	-0.01	-0.02	0.08
North Dakota.....	0.01	0.14	-0.02	0.05	-0.02	0.37	0.00	0.08	0.08	0.02	-0.02	0.11
South Dakota.....	-0.02	0.05	0.02	0.04	0.03	0.08	0.03	0.06	0.06	0.01	0.00	0.06
<b>Southeast</b>												
Alabama.....	-0.01	0.13	0.06	0.03	-0.01	0.18	0.00	0.04	0.03	0.03	0.00	0.26
Arkansas.....	-0.02	0.04	-0.09	0.01	0.02	0.09	0.01	0.02	0.02	0.01	0.01	-0.07
Florida.....	-0.06	0.02	-0.03	-0.10	0.02	0.09	0.01	0.01	0.02	0.02	-0.01	0.05
Georgia.....	0.01	0.18	-0.16	0.01	0.05	-0.04	0.01	0.03	0.01	0.02	0.03	0.13
Kentucky.....	0.02	0.04	0.08	0.04	0.02	0.24	-0.01	0.02	0.04	0.03	0.04	0.11
Louisiana.....	0.01	0.11	0.07	-0.03	0.04	0.17	0.01	0.08	0.03	0.02	0.01	0.16
Mississippi.....	0.01	0.07	0.02	0.03	0.01	0.04	0.01	0.05	0.01	0.00	-0.01	0.16
North Carolina.....	-0.03	0.09	0.10	0.10	0.05	0.12	0.02	0.03	0.03	0.02	0.06	0.16
South Carolina.....	-0.02	0.12	0.04	0.02	0.01	0.07	0.01	0.02	0.02	0.02	-0.05	0.24
Tennessee.....	-0.01	0.15	-0.03	0.11	0.04	0.23	0.04	0.19	0.05	0.03	0.01	0.23
Virginia.....	-0.02	0.33	-0.10	0.03	0.02	0.12	0.02	3.03	0.05	0.04	0.02	0.02
West Virginia.....	0.01	0.03	-0.04	0.06	0.01	0.06	0.04	0.04	0.00	0.02	0.00	0.06
<b>Southwest</b>												
Arizona.....	-0.10	0.12	0.03	0.02	0.04	0.14	0.04	0.08	0.03	0.03	0.00	0.06
New Mexico.....	-0.01	0.08	0.02	0.07	0.01	0.09	0.00	0.06	0.03	0.03	-0.08	-0.30
Oklahoma.....	-0.07	0.08	-0.07	0.07	0.01	0.08	-0.04	0.03	0.05	0.01	-0.03	0.00
Texas.....	-0.06	0.08	0.00	0.11	0.02	0.11	0.00	0.04	0.05	0.01	0.02	0.14
<b>Rocky Mountain</b>												
Colorado.....	0.01	0.48	0.16	0.05	-0.01	0.21	0.02	0.06	0.04	0.02	0.01	0.14
Idaho.....	-0.04	0.13	-0.22	0.04	0.02	0.21	-0.02	0.04	0.03	0.06	0.00	0.25
Montana.....	0.00	0.11	0.02	0.05	0.04	0.12	0.01	0.04	0.03	-0.05	-0.02	0.11
Utah.....	-0.04	0.24	0.01	-0.02	0.04	0.02	0.01	0.04	0.06	0.02	0.00	0.41
Wyoming.....	0.03	0.11	0.11	0.07	0.01	0.08	-0.01	0.42	0.05	0.03	-0.01	0.23
<b>Far West</b>												
Alaska.....	-0.02	0.15	-0.02	0.04	-0.01	0.15	0.02	0.04	0.04	0.03	-0.02	-0.05
California.....	-0.04	0.24	0.05	0.05	0.03	0.13	0.04	0.03	0.04	0.00	0.01	0.25
Hawaii.....	-0.05	0.10	-0.10	0.05	0.03	-0.03	0.02	0.11	0.02	0.05	0.20	0.04
Nevada.....	-0.12	0.03	1.43	0.02	0.01	0.07	-0.04	0.13	0.05	0.00	0.01	0.06
Oregon.....	-0.06	0.07	0.14	0.03	0.03	0.23	-0.05	0.03	0.01	0.02	-0.01	0.14
Washington.....	0.00	-0.45	0.02	0.05	0.01	0.16	-0.01	0.04	0.06	-0.01	0.06	0.12
<b>BEA regions</b>												
New England.....	0.00	0.30	-0.09	0.05	0.06	0.24	0.02	0.03	0.01	0.01	-0.01	0.08
Midwest.....	-0.01	0.18	0.04	0.04	0.03	0.14	0.02	0.04	0.01	0.02	0.00	0.10
Great Lakes.....	-0.04	0.09	0.04	0.04	0.02	0.10	0.00	0.03	0.04	0.02	0.00	0.02
Plains.....	-0.02	0.14	0.09	0.05	0.02	0.19	0.00	0.03	0.03	0.01	0.01	0.08
Southeast.....	-0.02	0.12	-0.02	0.00	0.02	0.11	0.01	0.04	0.03	0.02	0.01	0.12
Southwest.....	-0.07	0.08	0.00	0.09	0.02	0.11	0.00	0.04	0.05	0.02	0.01	0.09
Rocky Mountain.....	-0.01	0.33	0.07	0.04	0.01	0.15	0.01	0.07	0.04	0.02	0.00	0.21
Far West.....	-0.04	0.13	0.11	0.05	0.02	0.13	0.02	0.04	0.04	0.00	0.02	0.21















Table 4. Personal Income by Major Source and [Millions of dollars,

Table with columns for Item, Line, and years 2006-2008 for Indiana and Iowa. Rows include categories like Personal income, Earnings by place of work, and Earnings by industry.

See the footnotes at the end of the table.









**Table 4. Personal Income by Major Source and**

[Millions of dollars.

Item	Line	Mississippi							Missouri						
		2006		2007				2008	2006		2007				2008
		III	IV	I'	II'	III'	IV'	I <sup>c</sup>	III	IV	I'	II'	III'	IV'	I <sup>c</sup>
<b>Income by place of residence</b>															
Personal income (lines 2-11)	1	78,605	79,647	81,220	84,072	85,585	85,666	85,386	191,867	194,486	198,381	200,742	203,883	206,792	209,292
<b>Derivation of personal income</b>															
Earnings by place of work (lines 12-18 or 19-46)	2	53,828	54,667	55,407	55,658	56,875	57,543	57,957	146,971	149,356	151,654	153,190	155,509	157,899	160,093
Less: Contributions for government social insurance <sup>2</sup>	3	6,062	6,176	6,295	6,302	6,426	6,475	6,624	16,275	16,553	16,910	17,012	17,286	17,526	17,950
Employee and self-employed contributions for government social insurance	4	3,320	3,383	3,455	3,461	3,529	3,557	3,644	8,551	8,693	8,892	8,959	9,104	9,234	9,470
Employer contributions for government social insurance	5	2,742	2,794	2,840	2,841	2,897	2,918	2,980	7,724	7,860	8,017	8,053	8,182	8,293	8,480
Plus: Adjustment for residence <sup>3</sup>	6	2,351	2,445	2,457	2,496	2,510	2,589	2,602	-4,336	-4,303	-4,360	-4,386	-4,567	-4,575	-4,685
Equals: Net earnings by place of residence	7	50,117	50,935	51,569	51,852	52,959	53,657	53,934	126,360	128,500	130,385	131,793	133,656	135,798	137,458
Plus: Dividends, interest, and rent <sup>4</sup>	8	10,901	10,965	11,337	13,824	13,944	13,193	12,344	32,204	32,324	33,046	33,879	34,659	35,160	35,376
Plus: Personal current transfer receipts	9	17,587	17,748	18,314	18,396	18,882	18,816	19,107	33,303	33,662	34,950	35,071	35,569	35,834	36,459
State unemployment insurance benefits	10	145	144	145	156	169	156	150	412	428	459	445	431	420	485
Personal current transfer receipts excluding state unemployment insurance benefits	11	17,442	17,604	18,169	18,240	18,513	18,660	18,958	32,891	33,234	34,492	34,626	35,137	35,414	35,974
<b>Earnings by place of work</b>															
Components of earnings:															
Wage and salary disbursements	12	37,762	38,497	39,066	39,180	39,881	40,275	40,787	106,088	108,218	109,987	110,936	112,542	114,369	115,953
Supplements to wages and salaries	13	10,017	10,153	10,236	10,325	10,543	10,617	10,810	25,830	26,121	26,424	26,701	27,177	27,527	28,024
Employer contributions for employee pension and insurance funds	14	7,275	7,359	7,396	7,484	7,646	7,699	7,830	18,106	18,260	18,407	18,648	18,995	19,234	19,544
Employer contributions for government social insurance	15	2,742	2,794	2,840	2,841	2,897	2,918	2,980	7,724	7,860	8,017	8,053	8,182	8,293	8,480
Proprietors' income <sup>5</sup>	16	6,048	6,017	6,105	6,153	6,451	6,651	6,360	15,052	15,018	15,243	15,553	15,790	16,003	16,116
Farm proprietors' income	17	491	492	511	523	777	939	646	473	487	489	730	903	1,089	1,144
Nonfarm proprietors' income	18	5,557	5,524	5,594	5,631	5,674	5,712	5,713	14,579	14,532	14,753	14,823	14,887	14,914	14,972
<b>Earnings by industry</b>															
Farm earnings	19	665	667	687	701	957	1,120	830	708	723	727	970	1,145	1,334	1,391
Nonfarm earnings	20	53,162	53,999	54,720	54,957	55,917	56,422	57,127	146,262	148,634	150,927	152,219	154,363	156,565	158,702
Private earnings	21	40,393	41,069	41,632	41,647	42,351	42,729	43,137	122,664	124,683	126,859	127,866	129,484	131,583	133,203
Forestry, fishing, related activities, and other <sup>6</sup>	22	512	506	516	519	506	517	487	313	336	298	329	358	354	333
Mining	23	835	892	897	924	949	970	1,021	551	597	607	679	675	844	886
Utilities	24	650	667	669	687	685	668	695	1,235	1,231	1,243	1,277	1,333	1,325	1,371
Construction	25	3,384	3,340	3,399	3,342	3,414	3,485	3,494	9,941	9,914	10,314	10,148	10,234	10,345	10,276
Manufacturing	26	8,513	8,811	8,765	8,643	8,803	8,841	8,912	19,703	19,805	20,125	20,127	20,159	20,453	20,681
Durable goods	27	5,687	5,915	5,881	5,749	5,875	5,919	5,962	12,597	12,714	12,750	12,775	12,880	13,041	13,192
Nondurable goods	28	2,825	2,896	2,884	2,894	2,927	2,923	2,950	7,105	7,091	7,376	7,352	7,280	7,412	7,489
Wholesale trade	29	2,277	2,297	2,315	2,369	2,381	2,387	2,429	8,326	8,507	8,662	8,766	8,968	9,154	9,290
Retail trade	30	4,265	4,263	4,242	4,273	4,299	4,310	4,320	9,758	9,824	9,961	10,072	10,097	10,191	10,209
Transportation and warehousing	31	2,204	2,231	2,278	2,271	2,299	2,317	2,332	5,810	5,854	5,986	5,911	6,032	6,040	6,109
Information	32	805	791	819	810	817	790	825	5,093	5,227	5,234	5,114	5,339	5,393	5,629
Finance and insurance	33	1,949	1,989	2,046	2,075	2,102	2,137	2,163	8,653	8,649	9,180	8,987	9,228	9,305	9,421
Real estate and rental and leasing	34	695	706	728	713	701	709	726	2,502	2,522	2,605	2,558	2,522	2,465	2,516
Professional and technical services	35	2,537	2,591	2,638	2,660	2,688	2,751	2,747	12,018	12,483	12,451	12,800	12,987	13,278	13,434
Management of companies and enterprises	36	717	657	747	778	781	797	812	6,100	6,300	6,118	6,507	6,559	6,903	7,074
Administrative and waste services	37	1,441	1,442	1,468	1,497	1,546	1,568	1,564	4,832	5,006	5,135	5,255	5,343	5,524	5,540
Educational services	38	423	423	425	424	436	442	452	2,559	2,586	2,641	2,670	2,737	2,778	2,837
Health care and social assistance	39	5,198	5,267	5,413	5,414	5,587	5,619	5,699	14,583	14,908	15,178	15,401	15,580	15,872	16,140
Arts, entertainment, and recreation	40	372	413	440	413	454	466	467	1,972	2,055	2,001	2,035	2,115	2,018	2,028
Accommodation and food services	41	2,050	2,200	2,208	2,222	2,248	2,291	2,309	3,968	4,059	4,204	4,285	4,263	4,324	4,367
Other services, except public administration	42	1,567	1,583	1,620	1,613	1,654	1,663	1,682	4,750	4,821	4,918	4,925	4,953	5,017	5,062
Government and government enterprises	43	12,769	12,930	13,088	13,310	13,567	13,694	13,990	23,598	23,951	24,068	24,354	24,879	24,982	25,499
Federal, civilian	44	2,266	2,245	2,277	2,293	2,315	2,314	2,390	4,870	4,887	5,069	5,060	5,120	5,144	5,321
Military	45	1,685	1,674	1,700	1,726	1,804	1,800	1,906	2,143	2,117	2,160	2,152	2,241	2,242	2,381
State and local	46	8,818	9,011	9,111	9,291	9,447	9,580	9,693	16,585	16,948	16,839	17,141	17,519	17,596	17,797

See the footnotes at the end of the table.



Table 4. Personal Income by Major Source and  
[Millions of dollars,

Item	Line	New Hampshire							New Jersey						
		2006		2007			2008	2006		2007			2008		
		III	IV	I'	II'	III'	IV'	I <sup>a</sup>	III	IV	I'	II'	III'	IV'	I <sup>a</sup>
<b>Income by place of residence</b>															
Personal income (lines 2-11).....	1	52,115	53,677	53,739	54,582	54,610	55,207	55,667	405,387	412,096	423,670	425,074	427,945	433,076	438,955
<b>Derivation of personal income</b>															
Earnings by place of work (lines 12-18 or 19-46).....	2	38,199	39,834	39,190	39,981	39,553	39,911	40,277	290,932	296,051	302,468	303,902	303,239	307,271	310,884
Less: Contributions for government social insurance <sup>2</sup> .....	3	4,213	4,402	4,352	4,438	4,393	4,436	4,529	32,980	33,537	34,464	34,529	34,480	34,919	35,681
Employee and self-employed contributions for government social insurance.....	4	2,305	2,411	2,385	2,435	2,409	2,432	2,487	17,357	17,646	18,175	18,231	18,203	18,443	18,874
Employer contributions for government social insurance.....	5	1,909	1,991	1,967	2,003	1,984	2,003	2,042	15,622	15,892	16,289	16,298	16,277	16,476	16,807
Plus: Adjustment for residence <sup>3</sup> .....	6	4,127	4,176	4,443	4,366	4,518	4,638	4,681	33,604	35,157	36,051	36,272	37,461	37,862	39,557
Equals: Net earnings by place of residence.....	7	38,112	39,608	39,281	39,909	39,678	40,114	40,429	291,556	297,671	306,055	305,645	306,220	310,014	314,760
Plus: Dividends, interest, and rent <sup>4</sup> .....	8	7,768	7,771	7,925	8,111	8,283	8,393	8,431	62,791	62,919	64,342	66,011	67,566	68,551	68,931
Plus: Personal current transfer receipts.....	9	6,235	6,297	6,533	6,561	6,649	6,700	6,807	51,039	51,506	53,273	53,418	54,159	54,511	55,264
State unemployment insurance benefits.....	10	89	89	98	102	97	98	104	1,745	1,753	1,835	1,801	1,857	1,839	1,843
Personal current transfer receipts excluding state unemployment insurance benefits.....	11	6,146	6,208	6,435	6,460	6,552	6,602	6,703	49,294	49,753	51,438	51,617	52,302	52,672	53,421
<b>Earnings by place of work</b>															
Components of earnings:															
Wage and salary disbursements.....	12	27,499	28,915	28,419	29,046	28,687	29,026	29,339	211,241	215,712	220,754	221,670	220,961	224,314	226,923
Supplements to wages and salaries.....	13	5,912	6,163	6,029	6,185	6,145	6,198	6,291	44,819	45,516	46,460	46,712	46,558	47,158	47,877
Employer contributions for employee pension and insurance funds.....	14	4,003	4,172	4,062	4,182	4,161	4,194	4,249	29,197	29,624	30,172	30,413	30,281	30,682	31,070
Employer contributions for government social insurance.....	15	1,909	1,991	1,967	2,003	1,984	2,003	2,042	15,622	15,892	16,289	16,298	16,277	16,476	16,807
Proprietors' income <sup>5</sup> .....	16	4,788	4,757	4,742	4,750	4,720	4,688	4,647	34,871	34,823	35,254	35,520	35,720	35,799	36,084
Farm proprietors' income.....	17	1	2	1	1	0	1	1	45	46	42	63	15	11	29
Nonfarm proprietors' income.....	18	4,787	4,755	4,741	4,749	4,721	4,687	4,646	34,826	34,777	35,212	35,457	35,705	35,787	36,055
<b>Earnings by industry</b>															
Farm earnings.....	19	39	40	39	40	38	40	40	243	244	241	264	218	216	235
Nonfarm earnings.....	20	38,160	39,794	39,151	39,942	39,514	39,871	40,237	290,689	295,808	302,227	303,638	303,021	307,055	310,648
Private earnings.....	21	33,521	35,113	34,422	35,154	34,631	34,977	35,243	248,511	252,741	258,787	258,087	259,581	263,023	266,034
Forestry, fishing, related activities, and other <sup>6</sup> .....	22	120	123	124	125	125	140	131	121	128	135	142	146	150	141
Mining.....	23	51	49	62	60	61	58	61	346	354	367	371	380	388	408
Utilities.....	24	375	400	374	378	400	379	392	2,309	2,302	2,255	2,326	2,330	2,389	2,474
Construction.....	25	2,733	2,718	2,579	2,544	2,482	2,381	2,337	15,838	15,824	15,785	15,836	15,910	15,863	15,767
Manufacturing.....	26	5,887	6,345	6,196	6,385	6,335	6,482	6,536	30,924	32,082	33,712	32,878	32,403	32,851	33,231
Durable goods.....	27	4,472	4,906	4,747	4,910	4,853	4,964	5,008	12,011	12,456	12,526	12,535	12,435	12,717	12,932
Non-durable goods.....	28	1,416	1,439	1,449	1,476	1,482	1,518	1,528	18,914	19,626	21,186	20,344	19,968	20,134	20,299
Wholesale trade.....	29	2,392	2,413	2,516	2,555	2,510	2,511	2,546	20,751	20,973	21,474	21,407	21,563	22,204	22,462
Retail trade.....	30	3,507	3,536	3,549	3,560	3,559	3,549	3,550	18,797	18,859	19,145	19,249	19,413	19,607	19,566
Transportation and warehousing.....	31	701	732	724	720	718	730	737	10,329	10,490	10,950	10,611	10,798	10,943	11,074
Information.....	32	1,032	1,035	1,026	1,121	1,076	1,105	1,150	11,846	12,105	11,995	12,345	12,541	12,678	13,239
Finance and insurance.....	33	2,861	2,929	2,863	2,971	2,892	2,906	2,939	27,762	27,805	28,763	28,220	28,193	28,752	29,100
Real estate and rental and leasing.....	34	789	805	824	795	667	755	777	6,820	6,813	6,933	6,929	6,698	6,501	6,634
Professional and technical services.....	35	3,255	3,196	3,231	3,236	3,264	3,384	3,425	33,603	34,450	35,813	35,854	36,349	37,004	37,405
Management of companies and enterprises.....	36	850	1,676	910	1,132	858	676	691	9,011	9,068	9,347	9,457	9,678	9,946	10,123
Administrative and waste services.....	37	1,218	1,289	1,384	1,387	1,452	1,540	1,488	11,361	11,328	11,547	11,830	11,925	11,964	12,017
Educational services.....	38	948	971	987	1,041	1,010	1,040	1,064	3,494	3,577	3,730	3,728	3,750	3,827	3,903
Health care and social assistance.....	39	4,184	4,257	4,384	4,422	4,491	4,582	4,648	27,780	28,326	28,938	28,952	29,368	29,718	30,119
Arts, entertainment, and recreation.....	40	375	375	379	389	398	406	401	2,296	2,490	2,446	2,487	2,557	2,591	2,557
Accommodation and food services.....	41	1,121	1,137	1,161	1,174	1,168	1,178	1,181	7,596	7,662	7,770	7,745	7,777	7,882	7,963
Other services, except public administration.....	42	1,119	1,125	1,151	1,160	1,166	1,179	1,190	7,526	7,506	7,683	7,719	7,802	7,766	7,850
Government and government enterprises.....	43	4,639	4,682	4,729	4,788	4,883	4,894	4,994	42,177	43,067	43,440	45,551	43,440	44,032	44,614
Federal, civilian.....	44	756	752	771	764	768	779	806	6,106	6,110	6,192	6,243	6,078	6,092	6,207
Military.....	45	150	142	138	142	147	143	150	1,276	1,258	1,280	1,272	1,297	1,272	1,334
State and local.....	46	3,733	3,788	3,821	3,882	3,968	3,972	4,037	34,796	35,698	35,968	38,036	36,065	36,668	37,073

See the footnotes at the end of the table.













Table 4. Personal Income by Major Source and

[Millions of dollars,

Item	Line	Utah						Vermont							
		2006		2007			2008	2006		2007			2008		
		III	IV	I <sup>1</sup>	II <sup>2</sup>	III <sup>3</sup>	IV <sup>4</sup>	I <sup>1</sup>	III	IV	I <sup>1</sup>	II <sup>2</sup>	III <sup>3</sup>	IV <sup>4</sup>	I <sup>5</sup>
<b>Income by place of residence</b>															
Personal income (lines 2-11)	1	76,416	78,382	80,372	82,262	83,208	84,668	85,677	21,713	21,899	22,387	22,611	22,923	23,168	23,276
<b>Derivation of personal income</b>															
Earnings by place of work (lines 12-18 or 19-46)	2	62,123	64,138	65,594	67,195	67,611	68,823	69,725	15,782	15,897	16,210	16,339	16,557	16,733	16,778
Less: Contributions for government social insurance <sup>2</sup>	3	6,932	7,173	7,386	7,564	7,617	7,745	7,961	1,824	1,837	1,877	1,888	1,913	1,931	1,966
Employee and self-employed contributions for government social insurance	4	3,362	3,477	3,587	3,677	3,705	3,770	3,882	986	993	1,016	1,023	1,037	1,047	1,068
Employer contributions for government social insurance	5	3,570	3,696	3,798	3,888	3,912	3,974	4,079	838	845	861	865	876	884	898
Plus: Adjustment for residence <sup>3</sup>	6	49	44	43	32	37	40	37	347	387	374	378	367	373	383
Equals: Net earnings by place of residence	7	55,240	57,009	58,251	59,663	60,032	61,118	61,801	14,305	14,446	14,707	14,829	15,011	15,175	15,194
Plus: Dividends, interest, and rent <sup>4</sup>	8	12,654	12,755	13,143	13,589	14,006	14,287	14,420	3,623	3,627	3,695	3,777	3,853	3,901	3,918
Plus: Personal current transfer receipts	9	8,521	8,618	8,978	9,009	9,170	9,263	9,456	3,785	3,826	3,985	4,005	4,059	4,092	4,164
State unemployment insurance benefits	10	95	94	96	90	105	120	153	83	82	89	94	87	86	90
Personal current transfer receipts excluding state unemployment insurance benefits	11	8,427	8,524	8,882	8,920	9,065	9,144	9,303	3,703	3,744	3,895	3,911	3,973	4,006	4,073
<b>Earnings by place of work</b>															
Components of earnings:															
Wage and salary disbursements	12	44,343	46,034	47,190	48,417	48,710	49,666	50,548	11,292	11,407	11,602	11,695	11,829	11,968	12,066
Supplements to wages and salaries	13	11,074	11,380	11,581	11,932	12,023	12,243	12,503	2,723	2,731	2,760	2,796	2,835	2,856	2,890
Employer contributions for employee pension and insurance funds	14	7,503	7,684	7,783	8,045	8,111	8,269	8,424	1,886	1,887	1,900	1,931	1,959	1,972	1,992
Employer contributions for government social insurance	15	3,570	3,696	3,798	3,888	3,912	3,974	4,079	838	845	861	865	876	884	898
Proprietors' income <sup>5</sup>	16	6,707	6,724	6,823	6,845	6,878	6,914	6,674	1,766	1,759	1,848	1,847	1,892	1,910	1,822
Farm proprietors' income	17	16	17	13	7	35	62	-150	37	37	116	112	167	188	116
Nonfarm proprietors' income	18	6,691	6,707	6,810	6,853	6,843	6,852	6,824	1,728	1,722	1,732	1,735	1,725	1,722	1,705
<b>Earnings by industry</b>															
Farm earnings	19	178	180	177	158	202	230	20	98	98	177	174	230	251	180
Nonfarm earnings	20	61,945	63,959	65,417	67,037	67,409	68,593	69,706	15,683	15,799	16,033	16,165	16,327	16,482	16,598
Private earnings	21	50,677	52,507	53,875	55,274	55,473	56,305	57,177	12,776	12,899	13,107	13,212	13,319	13,457	13,522
Forestry, fishing, related activities, and other <sup>6</sup>	22	64	69	76	81	76	83	78	72	75	74	76	75	78	73
Mining	23	1,111	1,176	1,178	1,322	1,265	1,292	1,370	51	53	52	53	52	52	55
Utilities	24	470	545	481	465	541	547	569	224	231	234	270	249	225	233
Construction	25	5,372	5,752	5,945	5,965	5,872	5,930	5,823	1,189	1,199	1,198	1,177	1,132	1,113	1,100
Manufacturing	26	7,589	7,798	8,125	8,249	8,406	8,613	8,758	2,374	2,433	2,446	2,489	2,501	2,492	2,517
Durable goods	27	5,017	5,202	5,450	5,510	5,646	5,776	5,862	1,779	1,834	1,843	1,876	1,891	1,880	1,900
Nondurable goods	28	2,572	2,596	2,674	2,738	2,760	2,837	2,896	595	599	603	613	610	612	617
Wholesale trade	29	2,828	2,982	3,075	3,108	3,136	3,293	3,378	638	638	643	637	647	650	660
Retail trade	30	4,747	4,887	5,108	5,199	5,323	5,407	5,407	1,318	1,328	1,342	1,360	1,356	1,377	1,380
Transportation and warehousing	31	2,721	2,791	2,841	3,391	2,989	2,912	2,961	379	382	385	383	386	393	396
Information	32	1,852	1,798	1,803	1,907	1,927	1,928	2,015	324	329	326	326	335	331	345
Finance and insurance	33	3,583	3,728	3,894	3,902	3,938	4,008	4,101	737	697	773	751	793	864	815
Real estate and rental and leasing	34	1,289	1,320	1,337	1,344	1,335	1,298	1,320	210	209	219	214	214	206	211
Professional and technical services	35	5,195	5,284	5,521	5,682	5,717	5,915	6,035	1,186	1,180	1,206	1,218	1,246	1,263	1,277
Management of companies and enterprises	36	1,266	1,437	1,397	1,367	1,398	1,403	1,466	23	24	25	26	25	25	26
Administrative and waste services	37	2,262	2,433	2,332	2,429	2,454	2,439	2,451	339	349	359	361	372	381	381
Educational services	38	953	982	983	1,005	1,025	1,059	1,081	471	474	478	479	495	496	505
Health care and social assistance	39	4,765	4,770	4,908	4,872	5,069	5,089	5,186	1,994	2,050	2,083	2,108	2,156	2,207	2,241
Arts, entertainment, and recreation	40	540	558	593	616	601	608	621	137	137	138	138	141	147	146
Accommodation and food services	41	1,617	1,673	1,720	1,742	1,782	1,814	1,841	648	648	651	675	669	680	684
Other services, except public administration	42	2,452	2,524	2,560	2,608	2,619	2,669	2,715	462	464	474	471	473	476	480
Government and government enterprises	43	11,268	11,451	11,542	11,763	11,937	12,288	12,529	2,908	2,900	2,925	2,953	3,008	3,025	3,075
Federal, civilian	44	3,036	3,016	3,071	3,096	3,079	3,096	3,189	528	531	533	538	547	553	568
Military	45	879	870	867	874	891	889	921	146	142	144	141	149	149	155
State and local	46	7,353	7,565	7,604	7,793	7,966	8,303	8,419	2,234	2,227	2,248	2,274	2,311	2,323	2,351

See the footnotes at the end of the table.



**Table 4. Personal Income by Major Source and**  
[Millions of dollars.]

Item	Line	Wisconsin							Wyoming						
		2006		2007				2008	2006		2007				2008
		III	IV	I'	II'	III'	IV'	I <sup>P</sup>	III	IV	I'	II'	III'	IV'	I <sup>P</sup>
<b>Income by place of residence</b>															
Personal income (lines 2-11) .....	1	192,397	194,860	199,217	200,438	202,750	205,723	206,925	21,217	21,613	22,066	22,503	22,851	23,470	23,663
<b>Derivation of personal income</b>															
Earnings by place of work (lines 12-18 or 19-46) .....	2	144,346	146,668	149,573	149,746	150,959	153,384	154,360	15,546	15,950	16,248	16,591	16,805	17,416	17,597
Less: Contributions for government social insurance <sup>2</sup> .....	3	16,549	16,817	17,180	17,159	17,277	17,516	17,887	1,730	1,777	1,825	1,863	1,883	1,955	2,017
Employee and self-employed contributions for government social insurance .....	4	8,598	8,732	8,939	8,937	8,995	9,126	9,333	891	913	940	962	971	1,009	1,042
Employer contributions for government social insurance .....	5	7,951	8,086	8,241	8,222	8,282	8,391	8,554	839	864	885	902	912	946	975
Plus: Adjustment for residence <sup>3</sup> .....	6	3,556	3,600	3,706	3,773	3,784	3,859	3,889	-10	-11	-11	-12	-11	-16	-19
Equals: Net earnings by place of residence .....	7	131,354	133,450	136,099	136,360	137,465	139,727	140,363	13,806	14,162	14,411	14,715	14,911	15,445	15,561
Plus: Dividends, interest, and rent <sup>4</sup> .....	8	33,303	33,390	34,136	35,009	35,822	36,342	36,551	4,845	4,859	4,962	5,078	5,188	5,255	5,284
Plus: Personal current transfer receipts .....	9	27,740	28,020	28,981	29,069	29,463	29,654	30,012	2,566	2,591	2,694	2,709	2,752	2,770	2,818
State unemployment insurance benefits .....	10	780	811	862	853	877	867	820	29	28	31	37	39	35	39
Personal current transfer receipts excluding state unemployment insurance benefits .....	11	26,960	27,208	28,119	28,216	28,587	28,786	29,192	2,536	2,563	2,662	2,673	2,713	2,735	2,779
<b>Earnings by place of work</b>															
Components of earnings:															
Wage and salary disbursements .....	12	106,667	108,715	110,571	110,678	111,205	113,045	114,282	10,798	11,106	11,368	11,639	11,737	12,215	12,475
Supplements to wages and salaries .....	13	25,684	25,978	26,303	26,337	26,609	26,994	27,380	2,566	2,638	2,678	2,745	2,780	2,870	2,944
Employer contributions for employee pension and insurance funds .....	14	17,733	17,892	18,062	18,115	18,327	18,604	18,826	1,727	1,774	1,793	1,843	1,868	1,924	1,969
Employer contributions for government social insurance .....	15	7,951	8,086	8,241	8,222	8,282	8,391	8,554	839	864	885	902	912	946	975
Proprietors' income <sup>5</sup> .....	16	11,996	11,976	12,700	12,732	13,145	13,345	12,698	2,183	2,206	2,202	2,289	2,289	2,331	2,178
Farm proprietors' income .....	17	105	109	690	662	1,027	1,214	553	-59	-58	-108	-136	-85	-62	-257
Nonfarm proprietors' income .....	18	11,891	11,866	12,010	12,069	12,118	12,131	12,146	2,241	2,263	2,310	2,343	2,374	2,393	2,435
<b>Earnings by industry</b>															
Farm earnings .....	19	826	831	1,418	1,398	1,769	1,962	1,308	57	58	9	-18	34	58	-136
Nonfarm earnings .....	20	143,520	145,837	148,156	148,349	149,189	151,422	153,052	15,489	15,891	16,238	16,609	16,771	17,358	17,733
Private earnings .....	21	122,549	125,203	126,825	127,489	128,225	129,566	130,893	12,061	12,393	12,674	12,948	13,066	13,597	13,907
Forestry, fishing, related activities, and other <sup>6</sup> .....	22	355	362	359	364	374	402	378	41	43	45	46	42	44	41
Mining .....	23	273	275	278	278	280	284	296	2,961	3,085	3,136	3,170	3,151	3,294	3,473
Utilities .....	24	1,257	1,290	1,280	1,251	1,319	1,288	1,330	209	264	250	257	274	290	300
Construction .....	25	8,974	9,106	9,318	9,208	9,220	9,281	9,162	1,395	1,510	1,569	1,614	1,718	1,801	1,844
Manufacturing .....	26	31,769	32,845	33,054	32,835	33,147	32,954	33,263	704	740	755	766	772	787	801
Durable goods .....	27	20,388	21,157	21,033	21,005	21,190	20,933	21,126	278	292	295	302	305	313	319
Non-durable goods .....	28	11,381	11,688	12,021	11,830	11,956	12,021	12,138	425	448	460	464	467	474	482
Wholesale trade .....	29	7,970	8,111	8,110	8,178	8,236	8,287	8,411	544	577	588	588	600	607	624
Retail trade .....	30	9,119	9,167	9,219	9,323	9,298	9,305	9,297	941	981	998	1,019	1,031	1,060	1,075
Transportation and warehousing .....	31	5,437	5,469	5,559	5,527	5,522	5,553	5,612	797	817	833	842	861	882	896
Information .....	32	3,170	3,271	3,282	3,363	3,424	3,454	3,595	188	191	191	193	198	203	210
Finance and insurance .....	33	9,398	9,541	9,725	9,948	10,110	10,344	10,500	435	455	460	483	482	492	501
Real estate and rental and leasing .....	34	1,820	1,820	1,900	1,825	1,796	1,759	1,799	406	429	430	426	422	430	443
Professional and technical services .....	35	8,416	8,659	8,720	8,912	9,089	9,185	9,255	706	712	734	786	769	795	813
Management of companies and enterprises .....	36	4,153	4,222	4,401	4,322	4,002	4,398	4,519	101	84	78	95	74	99	101
Administrative and waste services .....	37	3,922	4,020	4,171	4,246	4,236	4,367	4,383	249	266	284	294	302	319	315
Educational services .....	38	1,642	1,682	1,717	1,758	1,783	1,850	1,879	53	53	56	57	55	58	57
Health care and social assistance .....	39	16,174	16,546	16,761	17,037	17,246	17,532	17,854	994	1,014	1,039	1,060	1,086	1,104	1,116
Arts, entertainment, and recreation .....	40	1,167	1,130	1,167	1,233	1,236	1,251	1,253	127	127	130	131	135	133	131
Accommodation and food services .....	41	3,400	3,462	3,509	3,531	3,548	3,599	3,606	809	619	653	643	649	744	701
Other services, except public administration .....	42	4,133	4,226	4,296	4,350	4,361	4,474	4,501	403	425	445	477	445	456	466
Government and government enterprises .....	43	20,971	20,634	21,330	20,859	20,964	21,856	22,159	3,428	3,499	3,565	3,661	3,706	3,761	3,826
Federal, civilian .....	44	2,474	2,474	2,528	2,538	2,556	2,571	2,625	604	605	618	621	627	633	651
Military .....	45	675	662	674	669	768	788	840	359	354	349	349	355	352	367
State and local .....	46	17,822	17,498	18,129	17,652	17,640	18,497	18,694	2,465	2,540	2,597	2,691	2,724	2,776	2,807

See the footnotes at the end of the table.





Earnings by Industry, 2006:III-2008:I<sup>1</sup>—Continues

seasonally adjusted at annual rates]

Southeast						Southwest									Line
2006		2007				2008	2006		2007				2008		
III	IV	I <sup>a</sup>	II <sup>a</sup>	III <sup>a</sup>	IV <sup>a</sup>	I <sup>a</sup>	III	IV	I <sup>a</sup>	II <sup>a</sup>	III <sup>a</sup>	IV <sup>a</sup>	I <sup>a</sup>		
2,500,514	2,535,666	2,588,404	2,623,747	2,657,179	2,683,834	2,704,972	1,203,553	1,225,055	1,254,213	1,273,233	1,296,192	1,314,631	1,331,778	1	
1,834,092	1,865,218	1,893,367	1,905,658	1,923,674	1,941,614	1,958,700	954,939	976,151	995,328	1,009,061	1,025,259	1,040,099	1,055,219	2	
203,970	207,613	212,085	212,857	215,086	216,747	221,383	95,723	98,002	100,562	101,734	103,502	104,830	107,583	3	
108,056	109,964	112,552	113,072	114,285	115,225	117,852	49,697	50,863	52,280	52,956	53,881	54,603	56,116	4	
95,915	97,649	99,533	99,786	100,801	101,522	103,531	46,026	47,139	48,282	48,778	49,621	50,227	51,467	5	
10,999	11,088	11,167	11,238	11,619	11,653	12,072	353	339	333	301	282	360	285	6	
1,641,120	1,668,693	1,692,449	1,704,039	1,720,207	1,736,520	1,749,389	859,570	878,488	895,099	907,628	922,039	935,630	947,921	7	
446,314	449,190	462,086	483,981	494,327	501,043	501,447	179,021	179,624	184,753	190,512	195,954	199,201	200,580	8	
413,079	417,783	433,869	435,727	442,644	446,271	454,136	164,962	166,943	174,362	175,094	178,199	179,800	183,277	9	
4,681	4,964	4,931	5,028	5,222	5,221	5,729	1,718	1,706	1,818	1,766	1,877	1,862	2,064	10	
408,398	412,819	428,938	430,699	437,422	441,050	448,407	163,244	165,237	172,544	173,328	176,322	177,937	181,214	11	
1,327,418	1,354,945	1,378,155	1,386,113	1,398,493	1,412,503	1,428,379	642,856	660,850	674,945	684,487	695,232	705,991	717,258	12	
319,651	323,567	327,480	330,646	334,408	337,117	342,556	148,261	150,952	153,442	155,882	158,743	160,906	163,833	13	
223,737	225,918	227,948	230,860	233,607	235,595	239,025	102,235	103,813	105,159	107,104	109,122	110,679	112,366	14	
95,915	97,649	99,533	99,786	100,801	101,522	103,531	46,026	47,139	48,282	48,778	49,621	50,227	51,467	15	
187,023	186,706	187,731	188,899	190,772	191,994	187,765	163,823	164,348	166,941	168,691	171,285	173,202	174,127	16	
6,385	6,369	5,776	6,117	7,656	8,947	4,202	1,572	1,608	1,221	759	1,624	2,145	783	17	
180,638	180,337	181,955	182,782	183,117	183,046	183,563	162,250	162,740	165,720	167,933	169,661	171,057	173,344	18	
10,265	10,257	9,697	10,075	11,650	12,977	8,269	3,529	3,568	3,198	2,754	3,637	4,176	2,833	19	
1,823,827	1,854,961	1,883,670	1,895,583	1,912,023	1,928,637	1,950,431	951,410	972,583	992,130	1,006,307	1,021,622	1,035,923	1,052,386	20	
1,475,586	1,503,375	1,526,413	1,537,173	1,545,748	1,558,422	1,572,411	797,376	817,140	834,886	847,309	859,507	872,314	885,688	21	
6,802	6,853	6,856	6,904	6,916	7,022	6,620	2,275	2,324	2,346	2,429	2,435	2,528	2,383	22	
16,724	17,179	17,579	17,906	18,191	18,411	19,168	59,255	62,062	62,978	66,750	68,801	70,855	75,038	23	
16,137	16,199	16,362	16,446	17,041	16,974	17,488	16,089	16,501	17,192	17,809	18,129	19,243	19,251	24	
129,177	130,914	129,753	128,601	128,086	126,673	125,715	66,447	67,654	68,144	68,467	69,165	69,647	69,555	25	
215,204	219,032	221,663	221,042	221,596	222,212	224,257	116,978	119,891	121,479	122,455	124,197	125,916	126,240	26	
126,200	128,658	129,505	129,084	129,975	129,317	130,437	68,953	72,599	71,835	72,797	73,730	73,233	74,548	27	
89,003	90,373	92,158	91,958	91,620	92,894	93,820	48,025	47,292	49,644	49,658	50,467	52,683	51,693	28	
97,705	100,050	101,221	102,863	103,989	105,499	107,090	53,756	55,374	56,038	57,443	58,675	60,375	61,238	29	
128,455	129,710	130,946	131,841	132,552	132,573	132,714	61,512	62,063	63,189	63,948	64,251	64,809	65,291	30	
68,845	69,860	70,941	76,282	72,034	72,656	73,314	38,816	39,796	41,068	41,170	41,229	41,690	41,914	31	
54,391	55,093	55,365	55,274	55,600	59,074	59,167	27,033	26,909	27,620	27,662	27,868	28,024	29,380	32	
106,987	108,331	111,356	110,669	112,062	111,884	113,282	56,808	57,485	60,222	59,710	60,871	60,929	61,754	33	
41,290	41,859	42,541	41,640	40,702	40,116	40,913	24,503	25,391	25,533	25,284	24,772	23,906	24,523	34	
157,143	161,647	164,748	166,846	169,577	172,642	174,704	81,085	83,554	85,956	87,128	88,584	89,669	91,039	35	
36,711	37,670	40,117	39,992	40,794	40,263	41,238	10,162	9,713	10,871	10,937	11,439	11,457	11,938	36	
80,235	81,394	82,886	83,041	83,776	83,853	84,053	39,718	41,135	42,509	43,260	43,984	45,194	45,692	37	
19,211	19,724	20,272	20,591	21,105	21,759	22,132	7,567	7,781	7,927	8,167	8,235	8,549	8,670	38	
170,139	174,165	177,406	179,692	182,708	185,603	188,606	78,536	80,761	82,085	84,018	85,340	86,793	88,461	39	
18,780	19,273	19,779	20,109	20,214	20,602	20,616	6,735	7,009	7,229	7,170	7,205	7,245	7,252	40	
55,512	57,030	58,181	58,765	59,546	60,631	60,863	25,360	25,964	26,431	26,938	27,395	27,967	28,253	41	
56,139	57,394	58,441	58,672	59,257	59,976	60,473	24,740	25,773	26,070	26,565	26,933	27,519	27,814	42	
348,241	351,586	357,257	358,410	366,276	370,216	378,020	154,034	155,443	157,244	158,998	162,115	163,609	166,697	43	
68,614	68,887	70,265	70,691	71,112	71,713	74,059	28,438	28,429	28,988	29,188	29,423	29,629	30,541	44	
55,255	55,314	56,446	57,015	57,719	57,994	60,609	19,034	19,177	19,541	19,599	19,889	19,959	20,692	45	
224,372	227,384	230,546	230,704	237,446	240,509	243,352	106,582	107,837	108,715	110,212	112,803	114,021	115,465	46	





## BEA Current and Historical 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. 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. 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 which were released on June 26, 2008. These estimates include the “final” estimates for the first quarter of 2008.

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> ....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
<b>Personal consumption expenditures</b> .....	2	3.1	2.9	3.7	1.4	2.8	2.3	1.1
Durable goods .....	3	3.8	4.7	8.8	1.7	4.5	2.0	-6.0
Nondurable goods .....	4	3.6	2.4	3.0	-0.5	2.2	1.2	-0.2
Services .....	5	2.7	2.8	3.1	2.3	2.8	2.8	3.1
<b>Gross private domestic investment</b> .....	6	2.7	-4.9	-8.2	4.6	5.0	-14.6	-6.9
Fixed investment .....	7	2.4	-2.9	-4.4	3.2	-0.7	-4.0	-6.9
Nonresidential .....	8	6.6	4.7	2.1	11.0	9.3	6.0	0.6
Structures .....	9	8.4	12.9	6.4	26.2	16.4	12.4	1.2
Equipment and software .....	10	5.9	1.3	0.3	4.7	6.2	3.1	0.2
Residential .....	11	-4.6	-17.0	-16.3	-11.8	-20.5	-25.2	-24.6
Change in private inventories .....	12							
<b>Net exports of goods and services</b> .....	13							
Exports .....	14	8.4	8.1	1.1	7.5	19.1	6.5	5.4
Goods .....	15	9.9	7.9	0.9	6.6	26.2	3.9	4.4
Services .....	16	4.8	8.5	1.6	9.6	4.0	13.2	7.9
Imports .....	17	5.9	1.9	3.9	-2.7	4.4	-1.4	-0.7
Goods .....	18	6.0	1.6	4.2	-2.9	4.8	-2.6	-1.9
Services .....	19	5.2	3.5	2.3	-1.7	1.7	5.5	6.0
<b>Government consumption expenditures and gross investment</b> .....	20	1.8	2.0	-0.5	4.1	3.8	2.0	2.1
Federal .....	21	2.2	1.7	-6.3	6.0	7.1	0.5	4.3
National defense .....	22	1.9	2.8	-10.8	8.5	10.1	-0.5	5.6
Nondefense .....	23	2.8	-0.4	3.8	0.9	1.1	2.8	1.7
State and local .....	24	1.6	2.2	3.0	3.0	1.9	2.8	0.8

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

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Percent change at annual rate: Gross domestic product</b> ....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
<b>Percentage points at annual rates:</b>								
<b>Personal consumption expenditures</b> .....	2	2.15	2.02	2.56	1.00	2.01	1.58	0.81
Durable goods .....	3	0.31	0.36	0.67	0.14	0.35	0.15	-0.47
Nondurable goods .....	4	0.74	0.48	0.61	-0.10	0.46	0.25	-0.03
Services .....	5	1.11	1.18	1.28	0.96	1.20	1.18	1.31
<b>Gross private domestic investment</b> .....	6	0.45	-0.82	-1.36	0.71	0.77	-2.40	-1.04
Fixed investment .....	7	0.39	-0.48	-0.70	0.49	-0.11	-0.62	-1.06
Nonresidential .....	8	0.68	0.49	0.22	1.12	0.96	0.63	0.06
Structures .....	9	0.24	0.40	0.20	0.78	0.52	0.41	0.04
Equipment and software .....	10	0.44	0.10	0.02	0.34	0.44	0.22	0.02
Residential .....	11	-0.29	-0.98	-0.93	-0.62	-1.08	-1.25	-1.12
Change in private inventories .....	12	0.06	-0.33	-0.65	0.22	0.89	-1.79	0.02
<b>Net exports of goods and services</b> .....	13	-0.08	0.59	-0.51	1.32	1.38	1.02	0.79
Exports .....	14	0.88	0.91	0.13	0.85	2.10	0.77	0.66
Goods .....	15	0.73	0.62	0.07	0.53	1.96	0.33	0.38
Services .....	16	0.16	0.28	0.05	0.33	0.14	0.45	0.28
Imports .....	17	-0.96	-0.32	-0.63	0.47	-0.72	0.24	0.12
Goods .....	18	-0.83	-0.22	-0.57	0.42	-0.67	0.39	0.28
Services .....	19	-0.13	-0.09	-0.06	0.05	-0.05	-0.15	-0.16
<b>Government consumption expenditures and gross investment</b> .....	20	0.35	0.39	-0.09	0.79	0.74	0.38	0.41
Federal .....	21	0.15	0.12	-0.46	0.41	0.50	0.04	0.30
National defense .....	22	0.09	0.13	-0.54	0.39	0.47	-0.03	0.27
Nondefense .....	23	0.06	-0.01	0.08	0.02	0.03	0.06	0.04
State and local .....	24	0.19	0.27	0.36	0.37	0.24	0.34	0.10

**Table 1.1.3. Real Gross Domestic Product, Quantity Indexes**  
[Index numbers, 2000=100]

Line	2006	2007	Seasonally adjusted					
			2007				2008	
			I	II	III	IV		
<b>Gross domestic product</b> ....	1	115.304	117.825	116.254	117.349	118.763	118.934	119.218
<b>Personal consumption expenditures</b> .....	2	119.359	122.828	121.906	122.331	123.190	123.885	124.238
Durable goods.....	3	136.735	143.096	141.680	142.283	143.852	144.572	142.371
Nondurable goods.....	4	120.051	122.884	122.563	122.419	123.090	123.466	123.415
Services.....	5	115.696	118.987	117.865	118.527	119.360	120.198	121.127
<b>Gross private domestic investment</b> .....	6	110.607	105.187	104.690	105.875	107.172	103.011	101.191
Fixed investment.....	7	111.657	108.369	108.113	108.956	108.756	107.652	105.739
Nonresidential.....	8	106.062	111.061	107.277	110.109	112.597	114.261	114.418
Structures.....	9	85.770	96.871	90.241	95.639	99.330	102.274	102.590
Equipment and software.....	10	114.332	115.842	113.753	115.075	116.821	117.720	117.784
Residential.....	11	127.433	105.795	113.301	109.791	103.665	96.422	89.859
Change in private inventories... ..	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	118.957	128.603	123.568	125.833	131.458	133.555	135.336
Goods.....	15	118.234	127.603	122.091	124.072	131.498	132.750	134.186
Services.....	16	120.897	131.231	127.335	130.293	131.576	135.720	138.339
Imports.....	17	130.683	133.181	133.272	132.363	133.790	133.309	133.075
Goods.....	18	132.446	134.586	134.755	133.770	135.360	134.458	133.814
Services.....	19	122.180	126.474	126.172	125.643	126.189	127.892	129.754
<b>Government consumption expenditures and gross investment</b> .....	20	115.092	117.427	115.865	117.028	118.121	118.693	119.303
Federal.....	21	128.255	130.454	127.886	129.756	132.000	132.175	133.588
National defense.....	22	132.722	136.400	132.744	135.488	138.775	138.592	140.501
Nondefense.....	23	120.234	119.721	119.140	119.414	119.747	120.583	121.085
State and local.....	24	108.418	110.816	109.748	110.564	111.096	111.857	112.082

**Table 1.1.4. Price Indexes for Gross Domestic Product**  
[Index numbers, 2000=100]

Line	2006	2007	Seasonally adjusted					
			2007				2008	
			I	II	III	IV		
<b>Gross domestic product</b> ....	1	116.568	119.668	118.750	119.527	119.837	120.560	121.363
<b>Personal consumption expenditures</b> .....	2	114.675	117.591	116.129	117.345	117.873	119.019	120.079
Durable goods.....	3	88.857	87.276	87.799	87.488	87.091	86.726	86.681
Nondurable goods.....	4	114.989	118.398	115.620	118.413	118.751	120.810	122.751
Services.....	5	120.725	124.556	123.252	124.055	124.921	125.996	126.892
<b>Gross private domestic investment</b> .....	6	115.090	116.458	116.532	116.426	116.325	116.549	116.224
Fixed investment.....	7	115.352	116.637	116.718	116.636	116.498	116.696	116.542
Nonresidential.....	8	106.961	108.293	108.301	108.293	108.140	108.440	108.470
Structures.....	9	150.806	155.709	155.637	155.199	155.392	156.609	157.319
Equipment and software.....	10	94.485	94.857	94.892	95.002	94.751	94.783	94.613
Residential.....	11	134.288	135.450	135.736	135.459	135.367	135.238	134.470
Change in private inventories... ..	12							
<b>Net exports of goods and services</b> .....	13							
Exports.....	14	112.537	116.510	114.433	115.912	116.992	118.704	121.271
Goods.....	15	111.118	115.171	113.220	114.624	115.533	117.306	120.194
Services.....	16	115.917	119.687	117.305	118.964	120.461	122.018	123.797
Imports.....	17	115.610	119.613	115.114	118.408	120.572	124.360	128.110
Goods.....	18	114.178	118.278	113.550	117.064	119.256	123.243	127.231
Services.....	19	123.039	126.462	123.300	125.310	127.298	129.939	132.340
<b>Government consumption expenditures and gross investment</b> .....	20	127.334	133.042	130.765	132.527	133.588	135.286	137.573
Federal.....	21	125.622	129.256	127.886	129.098	129.622	130.416	132.356
National defense.....	22	127.027	130.681	129.153	130.454	131.069	132.049	133.935
Nondefense.....	23	122.959	126.553	125.503	126.539	126.876	127.293	129.345
State and local.....	24	128.370	135.316	132.499	134.586	135.969	138.209	140.706

**Table 1.1.5. Gross Domestic Product**  
[Billions of dollars]

Line	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV		
<b>Gross domestic product</b> ....	1	13,194.7	13,841.3	13,551.9	13,768.8	13,970.5	14,074.2	14,201.1
<b>Personal consumption expenditures</b> .....	2	9,224.5	9,734.2	9,540.5	9,674.0	9,785.7	9,936.6	10,053.7
Durable goods.....	3	1,048.9	1,078.2	1,074.0	1,074.7	1,081.6	1,082.5	1,065.5
Nondurable goods.....	4	2,688.0	2,833.2	2,759.4	2,822.7	2,846.3	2,904.5	2,949.9
Services.....	5	5,487.6	5,822.8	5,707.1	5,776.5	5,857.8	5,949.7	6,038.2
<b>Gross private domestic investment</b> .....	6	2,209.2	2,125.4	2,117.3	2,139.1	2,162.9	2,082.1	2,038.9
Fixed investment.....	7	2,162.5	2,122.4	2,118.9	2,133.9	2,127.5	2,109.5	2,069.2
Nonresidential.....	8	1,397.7	1,481.8	1,431.4	1,469.1	1,500.1	1,526.5	1,529.1
Structures.....	9	405.1	472.1	439.6	464.5	483.1	501.3	505.1
Equipment and software.....	10	992.6	1,009.7	991.8	1,004.5	1,017.1	1,025.3	1,024.0
Residential.....	11	764.8	640.7	687.5	664.8	627.3	582.9	540.2
Change in private inventories... ..	12	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
<b>Net exports of goods and services</b> .....	13	-762.0	-708.0	-714.2	-714.2	-694.7	-708.9	-717.0
Exports.....	14	1,467.5	1,643.0	1,549.9	1,598.7	1,685.7	1,737.7	1,798.9
Goods.....	15	1,030.5	1,152.9	1,084.0	1,115.2	1,191.3	1,221.1	1,264.7
Services.....	16	437.1	490.1	465.9	483.5	494.4	516.5	534.2
Imports.....	17	2,229.5	2,351.0	2,264.0	2,312.9	2,380.4	2,446.6	2,515.9
Goods.....	18	1,880.4	1,979.4	1,902.7	1,947.2	2,007.3	2,060.5	2,117.0
Services.....	19	349.2	371.6	361.4	365.7	373.2	386.0	398.9
<b>Government consumption expenditures and gross investment</b> .....	20	2,523.0	2,689.8	2,608.3	2,670.0	2,716.5	2,764.4	2,825.5
Federal.....	21	932.5	976.0	946.6	969.5	990.3	997.7	1,023.3
National defense.....	22	624.3	660.1	634.8	654.5	673.5	677.7	696.8
Nondefense.....	23	308.2	315.9	311.7	315.0	316.8	320.0	326.5
State and local.....	24	1,590.5	1,713.8	1,661.7	1,700.5	1,726.2	1,766.7	1,802.2

**Table 1.1.6. Real Gross Domestic Product, Chained Dollars**  
[Billions of chained (2000) dollars]

Line	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV		
<b>Gross domestic product</b> ....	1	11,319.4	11,566.8	11,412.6	11,520.1	11,658.9	11,675.7	11,703.6
<b>Personal consumption expenditures</b> .....	2	8,044.1	8,277.8	8,215.7	8,244.3	8,302.2	8,349.1	8,372.9
Durable goods.....	3	1,180.5	1,235.4	1,223.2	1,228.4	1,241.9	1,248.1	1,229.1
Nondurable goods.....	4	2,337.7	2,392.8	2,386.6	2,383.8	2,396.8	2,404.2	2,403.2
Services.....	5	4,545.5	4,674.8	4,630.7	4,656.7	4,689.5	4,722.4	4,758.9
<b>Gross private domestic investment</b> .....	6	1,919.5	1,825.5	1,816.9	1,837.4	1,859.9	1,787.7	1,756.1
Fixed investment.....	7	1,874.7	1,819.5	1,815.2	1,829.3	1,826.0	1,807.5	1,775.3
Nonresidential.....	8	1,306.8	1,368.4	1,321.7	1,356.6	1,387.3	1,407.8	1,409.7
Structures.....	9	268.6	303.4	282.6	299.5	311.1	320.3	321.3
Equipment and software.....	10	1,050.6	1,064.5	1,045.3	1,057.4	1,073.5	1,081.7	1,082.3
Residential.....	11	569.5	472.8	506.3	490.7	463.3	430.9	401.6
Change in private inventories... ..	12	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
<b>Net exports of goods and services</b> .....	13	-624.5	-555.6	-612.1	-573.9	-533.1	-503.2	-480.2
Exports.....	14	1,304.1	1,409.9	1,354.7	1,379.5	1,441.2	1,464.1	1,483.7
Goods.....	15	927.4	1,000.8	957.6	973.1	1,031.4	1,041.2	1,052.5
Services.....	16	377.1	409.4	397.2	406.4	410.4	423.4	431.5
Imports.....	17	1,928.6	1,965.4	1,968.0	1,953.4	1,974.3	1,967.3	1,963.9
Goods.....	18	1,646.9	1,673.5	1,675.6	1,665.4	1,683.2	1,671.9	1,663.9
Services.....	19	283.8	293.8	293.1	291.9	293.1	297.1	301.4
<b>Government consumption expenditures and gross investment</b> .....	20	1,981.4	2,021.6	1,994.7	2,014.8	2,033.6	2,043.4	2,053.9
Federal.....	21	742.3	755.0	740.2	751.0	764.0	765.0	773.2
National defense.....	22	491.5	505.1	491.6	501.7	513.9	513.2	520.3
Nondefense.....	23	250.7	249.6	248.4	248.9	249.6	251.4	252.4
State and local.....	24	1,239.0	1,266.4	1,254.2	1,263.5	1,268.6	1,278.3	1,280.9
Residual.....	25	-28.3	-45.4	-42.5	-40.5	-46.4	-52.1	-45.5

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

Table with 9 columns: Line, 2006, 2007, and four 2007 quarterly sub-columns (I, II, III, IV), and 2008. Rows include Gross domestic product, Personal consumption expenditures, Gross private domestic investment, Net exports of goods and services, Government consumption expenditures and gross investment, and Addendum.

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

Table with 9 columns: Line, 2006, 2007, and four 2007 quarterly sub-columns (I, II, III, IV), and 2008. Rows include Percent change at annual rate, Percentage points at annual rates, Personal consumption expenditures, Gross private domestic investment, Net exports of goods and services, Government consumption expenditures and gross investment, and Addendum.

Table 1.1.9. Implicit Price Deflators for Gross Domestic Product

Table with 9 columns: Line, 2006, 2007, and four 2007 quarterly sub-columns (I, II, III, IV), and 2008. Rows include Gross domestic product, Personal consumption expenditures, Gross private domestic investment, Net exports of goods and services, Government consumption expenditures and gross investment, and Addendum.

Table 1.1.10. Percentage Shares of Gross Domestic Product

Table with 9 columns: Line, 2006, 2007, and four 2007 quarterly sub-columns (I, II, III, IV), and 2008. Rows include Gross domestic product, Personal consumption expenditures, Gross private domestic investment, Net exports of goods and services, Government consumption expenditures and gross investment, and Addendum.

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

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
Final sales of domestic product.....	2	2.8	2.5	1.3	3.6	4.0	2.4	0.9
Change in private inventories.....	3							
<b>Goods</b> .....	4	5.0	3.3	0.2	5.4	11.7	-1.6	0.9
Final sales.....	5	4.8	4.4	2.4	4.7	8.6	4.3	0.8
Change in private inventories.....	6							
Durable goods.....	7	4.2	4.3	6.1	2.2	18.0	7.0	-2.8
Final sales.....	8	5.0	5.7	5.8	8.4	8.9	9.0	0.2
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	5.6	2.5	-4.1	7.9	7.0	-7.8	3.9
Final sales.....	11	4.7	3.5	-0.3	1.8	8.4	0.7	1.3
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	2.3	2.9	2.1	3.1	3.1	3.1	3.3
<b>Structures</b> .....	14	-0.1	-4.7	-6.2	3.0	-4.2	-7.0	-11.9
<b>Addenda:</b>								
Motor vehicle output.....	15	-1.3	-2.1	6.2	1.0	13.1	-26.0	-16.7
Gross domestic product excluding motor vehicle output.....	16	3.0	2.3	0.4	3.9	4.7	1.5	1.5
Final sales of computers <sup>3</sup> .....	17	19.4	20.3	-1.3	35.7	49.8	26.6	14.0
Gross domestic product excluding final sales of computers.....	18	2.8	2.1	0.6	3.6	4.6	0.4	0.9
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	2.6	1.3	0.8	2.2	3.2	-0.7	0.0

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Percent change at annual rate:</b>								
<b>Gross domestic product</b> .....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
<b>Percentage points at annual rates:</b>								
Final sales of domestic product.....	2	2.81	2.52	1.25	3.60	4.02	2.36	0.94
Change in private inventories.....	3	0.06	-0.33	-0.65	0.22	0.89	-1.79	0.02
<b>Goods</b> .....	4	1.53	1.02	0.06	1.65	3.48	-0.49	0.27
Final sales.....	5	1.46	1.35	0.72	1.43	2.59	1.29	0.25
Change in private inventories.....	6	0.06	-0.33	-0.65	0.22	0.89	-1.79	0.02
Durable goods.....	7	0.59	0.57	0.80	0.31	2.27	0.92	-0.39
Final sales.....	8	0.68	0.75	0.76	1.10	1.18	1.17	0.02
Change in private inventories <sup>1</sup> .....	9	-0.09	-0.18	0.03	-0.80	1.08	-0.25	-0.41
Nondurable goods.....	10	0.94	0.44	-0.73	1.34	1.21	-1.41	0.65
Final sales.....	11	0.79	0.60	-0.04	0.32	1.41	0.13	0.23
Change in private inventories <sup>1</sup> .....	12	0.16	-0.15	-0.69	1.02	-0.20	-1.54	0.43
<b>Services</b> <sup>2</sup> .....	13	1.36	1.68	1.21	1.85	1.86	1.80	1.93
<b>Structures</b> .....	14	-0.01	-0.51	-0.68	0.32	-0.43	-0.73	-1.24
<b>Addenda:</b>								
Motor vehicle output.....	15	-0.04	-0.07	0.18	0.03	0.36	-0.86	-0.48
Gross domestic product excluding motor vehicle output.....	16	2.91	2.25	0.42	3.79	4.54	1.43	1.44
Final sales of computers <sup>3</sup> .....	17	0.13	0.13	-0.01	0.21	0.28	0.16	0.09
Gross domestic product excluding final sales of computers.....	18	2.74	2.06	0.61	3.61	4.63	0.41	0.87

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	115.304	117.825	116.254	117.349	118.763	118.934	119.218
Final sales of domestic product.....	2	115.526	118.452	116.916	117.953	119.117	119.822	120.102
Change in private inventories.....	3							
<b>Goods</b> .....	4	117.643	121.503	118.766	120.338	123.700	123.208	123.477
Final sales.....	5	118.243	123.486	120.844	122.228	124.777	126.093	126.346
Change in private inventories.....	6							
Durable goods.....	7	117.200	122.224	118.695	119.342	124.375	126.484	125.584
Final sales.....	8	118.567	125.297	121.425	123.890	126.564	129.309	129.358
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	118.363	121.347	119.206	121.506	123.585	121.091	122.255
Final sales.....	11	118.259	122.375	120.674	121.227	123.684	123.915	124.323
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	115.288	118.624	117.256	118.167	119.083	119.991	120.961
<b>Structures</b> .....	14	109.714	104.576	105.024	105.801	104.684	102.795	99.584
<b>Addenda:</b>								
Motor vehicle output.....	15	115.213	112.741	112.874	113.165	116.692	108.233	103.398
Gross domestic product excluding motor vehicle output.....	16	115.299	117.978	116.354	117.474	118.822	119.260	119.701
Final sales of computers <sup>3</sup> .....	17	240.490	289.426	254.992	275.237	304.496	322.978	333.703
Gross domestic product excluding final sales of computers.....	18	114.622	116.999	115.526	116.561	117.893	118.016	118.273
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	19	116.013	117.567	116.675	117.319	118.239	118.035	118.045

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	116.568	119.668	118.750	119.527	119.837	120.560	121.363
Final sales of domestic product.....	2	116.603	119.692	118.773	119.555	119.860	120.579	121.406
Change in private inventories.....	3							
<b>Goods</b> .....	4	100.852	101.813	101.805	102.250	101.631	101.567	101.698
Final sales.....	5	100.846	101.759	101.756	102.211	101.574	101.497	101.697
Change in private inventories.....	6							
Durable goods.....	7	91.864	90.650	91.358	91.012	90.289	89.943	89.747
Final sales.....	8	91.749	90.527	91.217	90.890	90.171	89.830	89.646
Change in private inventories <sup>1</sup> .....	9							
Nondurable goods.....	10	109.143	112.166	111.475	112.671	112.152	112.364	112.820
Final sales.....	11	109.240	112.192	111.518	112.727	112.171	112.353	112.934
Change in private inventories <sup>1</sup> .....	12							
<b>Services</b> <sup>2</sup> .....	13	122.538	126.833	125.257	126.348	127.250	128.476	129.784
<b>Structures</b> .....	14	139.080	143.290	142.812	142.921	143.322	144.106	144.391
<b>Addenda:</b>								
Motor vehicle output.....	15	97.777	97.272	97.247	97.523	97.415	96.904	95.797
Gross domestic product excluding motor vehicle output.....	16	117.302	120.539	119.587	120.383	120.709	121.478	122.347
Final sales of computers <sup>3</sup> .....	17	34.885	29.747	32.081	30.792	28.771	27.346	26.474
Gross domestic product excluding final sales of computers.....	18	117.760	121.048	120.049	120.873	121.246	122.026	122.871

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	13,194.7	13,841.3	13,551.9	13,768.8	13,970.5	14,074.2	14,201.1
Final sales of domestic product .....	2	13,148.0	13,838.4	13,553.5	13,763.6	13,935.0	14,101.6	14,231.5
Change in private inventories .....	3	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
<b>Goods</b> .....	4	4,092.4	4,266.2	4,170.5	4,243.9	4,335.6	4,314.8	4,329.1
Final sales .....	5	4,045.8	4,263.3	4,172.1	4,238.8	4,300.1	4,342.2	4,359.5
Change in private inventories .....	6	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
Durable goods .....	7	1,818.9	1,871.7	1,832.1	1,835.1	1,897.4	1,922.1	1,904.2
Final sales .....	8	1,798.5	1,875.1	1,831.3	1,861.7	1,886.9	1,920.5	1,917.3
Change in private inventories <sup>1</sup> .....	9	20.4	-3.4	0.9	-26.6	10.5	1.6	-13.1
Nondurable goods .....	10	2,273.5	2,394.5	2,338.3	2,408.8	2,438.2	2,392.7	2,424.9
Final sales .....	11	2,247.2	2,388.2	2,340.8	2,377.0	2,413.3	2,421.7	2,442.2
Change in private inventories <sup>1</sup> .....	12	26.3	6.3	-2.5	31.7	25.0	-29.0	-17.3
<b>Services</b> <sup>2</sup> .....	13	7,664.8	8,163.2	7,968.1	8,100.0	8,221.1	8,363.5	8,517.0
<b>Structures</b> .....	14	1,437.5	1,412.0	1,413.4	1,424.9	1,413.8	1,395.9	1,355.0
<b>Addenda:</b>								
Motor vehicle output .....	15	411.1	400.6	400.1	403.9	415.8	382.5	360.7
Gross domestic product excluding motor vehicle output .....	16	12,783.6	13,440.8	13,151.8	13,364.9	13,554.7	13,691.7	13,840.4
Final sales of computers <sup>3</sup> .....	17	92.2	94.3	90.1	93.3	96.4	97.2	97.3
Gross domestic product excluding final sales of computers .....	18	13,102.5	13,747.1	13,461.9	13,675.5	13,874.0	13,977.0	14,103.8

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	11,319.4	11,566.8	11,412.6	11,520.1	11,658.9	11,675.7	11,703.6
Final sales of domestic product .....	2	11,275.9	11,561.5	11,411.6	11,512.8	11,626.4	11,695.2	11,722.5
Change in private inventories .....	3	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
Residual .....	4	3.2	0.8	0.9	1.5	1.9	-1.2	0.7
<b>Goods</b> .....	5	4,057.9	4,191.0	4,096.6	4,150.9	4,266.8	4,249.9	4,259.1
Final sales .....	6	4,011.8	4,189.7	4,100.1	4,147.0	4,233.5	4,278.1	4,286.7
Change in private inventories .....	7	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
Durable goods .....	8	1,979.9	2,064.8	2,005.2	2,016.1	2,101.2	2,136.8	2,121.6
Final sales .....	9	1,960.3	2,071.6	2,007.5	2,048.3	2,092.5	2,137.9	2,138.7
Change in private inventories <sup>1</sup> .....	10	18.5	-3.0	0.8	-23.4	9.3	1.5	-11.1
Nondurable goods .....	11	2,083.2	2,135.7	2,098.0	2,138.5	2,175.1	2,131.2	2,151.7
Final sales .....	12	2,057.2	2,128.8	2,099.2	2,108.8	2,151.5	2,155.5	2,162.6
Change in private inventories <sup>1</sup> .....	13	21.7	6.9	-0.6	25.7	20.6	-18.1	-8.8
<b>Services</b> <sup>2</sup> .....	14	6,255.0	6,436.1	6,361.8	6,411.2	6,460.9	6,510.2	6,562.8
<b>Structures</b> .....	15	1,033.6	985.2	989.4	996.7	986.2	968.4	938.1
Residual .....	16	-26.9	-58.8	-45.5	-47.2	-62.1	-79.7	-78.7
<b>Addenda:</b>								
Motor vehicle output .....	17	420.5	411.5	412.0	413.0	425.9	395.0	377.4
Gross domestic product excluding motor vehicle output .....	18	10,898.1	11,151.2	10,997.8	11,103.6	11,231.1	11,272.5	11,314.1
Final sales of computers <sup>3</sup> .....	19	264.4	318.2	280.3	302.6	334.8	355.1	366.9
Gross domestic product excluding final sales of computers .....	20	11,126.4	11,357.1	11,214.1	11,314.6	11,443.9	11,455.9	11,480.8

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.

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
<b>Business</b> <sup>1</sup> .....	2	3.1	2.3	0.2	4.4	5.7	0.1	0.7
Nontfarm <sup>2</sup> .....	3	3.2	2.3	0.3	4.2	5.6	0.2	0.8
Farm .....	4	0.6	-0.3	-12.5	14.8	9.6	-3.3	-8.0
<b>Households and institutions</b> .....	5	3.2	2.5	3.3	3.2	3.0	2.3	1.2
Households .....	6	5.2	2.6	3.2	3.1	3.5	2.5	-0.5
Nonprofit institutions serving households <sup>3</sup> .....	7	0.8	2.5	3.3	3.3	2.4	2.1	3.5
<b>General government</b> <sup>4</sup> .....	8	0.6	1.2	0.8	0.9	1.6	1.7	2.3
Federal .....	9	-0.2	0.6	-1.2	-0.7	3.7	1.3	3.7
State and local .....	10	1.0	1.4	1.6	1.6	0.8	1.9	1.7
<b>Addendum:</b>								
Gross housing value added .....	11	5.0	2.5	2.9	3.1	3.4	2.5	-0.7

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.

2. Equals gross domestic business value added excluding gross farm value added.

3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.

4. Equals compensation of general government employees plus general government consumption of fixed capital.

**Table 1.3.3. Real Gross Value Added by Sector,  
Quantity Indexes**  
(Index numbers, 2000=100)

	Line	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	115.304	117.825	116.254	117.349	118.763	118.934	119.218
<b>Business</b> <sup>1</sup> .....	2	116.947	119.624	117.834	119.099	120.759	120.802	121.018
Nontfarm <sup>2</sup> .....	3	116.884	119.588	117.828	119.058	120.704	120.761	121.013
Farm .....	4	122.379	122.013	117.755	121.894	124.715	123.688	121.127
<b>Households and institutions</b> .....	5	113.025	115.887	114.618	115.514	116.373	117.045	117.399
Households .....	6	115.385	118.354	116.997	117.886	118.892	119.640	119.481
Nonprofit institutions serving households <sup>3</sup> .....	7	110.304	113.040	111.873	112.780	113.462	114.044	115.016
<b>General government</b> <sup>4</sup> .....	8	107.192	108.435	107.919	108.157	108.597	109.066	109.696
Federal .....	9	106.820	107.410	106.978	106.789	107.765	108.107	109.099
State and local .....	10	107.352	108.880	108.326	108.753	108.959	109.482	109.956
<b>Addendum:</b>								
Gross housing value added .....	11	111.201	114.015	112.725	113.583	114.528	115.224	115.029

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	116.568	119.668	118.750	119.527	119.837	120.560	121.363
<b>Business</b> <sup>1</sup> .....	2	113.723	116.222	115.558	116.187	116.292	116.850	117.422
Nonfarm <sup>2</sup> .....	3	113.779	115.907	115.341	115.932	115.952	116.402	117.059
Farm.....	4	109.306	149.875	139.118	143.741	152.466	164.176	155.837
<b>Households and institutions</b> .....	5	122.533	127.586	125.645	126.977	128.074	129.647	131.234
Households.....	6	117.435	122.228	120.068	121.678	122.655	124.512	126.241
Nonprofit institutions serving households <sup>3</sup> .....	7	129.125	134.521	132.889	133.835	135.092	136.268	137.653
<b>General government</b> <sup>4</sup> .....	8	130.963	136.652	134.834	136.167	137.252	138.355	140.124
Federal.....	9	136.135	140.769	139.564	140.938	141.032	141.542	144.451
State and local.....	10	128.806	134.933	132.863	134.179	135.671	137.020	138.317
<b>Addendum:</b>								
Gross housing value added.....	11	117.539	122.444	120.342	121.857	122.870	124.705	126.357

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	13,194.7	13,841.3	13,551.9	13,768.8	13,970.5	14,074.2	14,201.1
<b>Business</b> <sup>1</sup> .....	2	10,192.8	10,654.7	10,435.6	10,604.7	10,761.8	10,816.5	10,888.1
Nonfarm <sup>2</sup> .....	3	10,097.2	10,524.8	10,319.0	10,479.8	10,627.2	10,673.3	10,754.7
Farm.....	4	95.7	129.8	116.6	124.9	134.6	143.2	133.5
<b>Households and institutions</b> .....	5	1,500.3	1,601.8	1,560.0	1,588.9	1,614.5	1,643.8	1,668.9
Households.....	6	834.2	890.6	864.8	883.0	897.7	917.0	928.5
Nonprofit institutions serving households <sup>3</sup> .....	7	666.1	711.2	695.2	705.9	716.8	726.8	740.4
<b>General government</b> <sup>4</sup> .....	8	1,501.5	1,584.9	1,556.3	1,575.2	1,594.2	1,613.9	1,644.0
Federal.....	9	458.6	476.8	470.8	474.6	479.3	482.6	497.0
State and local.....	10	1,042.9	1,108.1	1,085.5	1,100.5	1,114.9	1,131.4	1,147.0
<b>Addendum:</b>								
Gross housing value added.....	11	1,038.2	1,108.9	1,077.4	1,099.3	1,117.6	1,141.2	1,154.4

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	11,319.4	11,566.8	11,412.6	11,520.1	11,658.9	11,675.7	11,703.6
<b>Business</b> <sup>1</sup> .....	2	8,965.9	9,171.1	9,033.9	9,130.9	9,258.2	9,261.5	9,278.1
Nonfarm <sup>2</sup> .....	3	8,877.5	9,082.9	8,949.2	9,042.6	9,167.6	9,172.0	9,191.1
Farm.....	4	87.5	87.3	84.2	87.2	89.2	88.5	86.6
<b>Households and institutions</b> .....	5	1,221.5	1,252.4	1,238.7	1,248.4	1,257.7	1,264.9	1,268.7
Households.....	6	710.4	728.6	720.3	725.8	732.0	736.6	735.6
Nonprofit institutions serving households <sup>3</sup> .....	7	513.0	525.7	520.3	524.5	527.7	530.4	534.9
<b>General government</b> <sup>4</sup> .....	8	1,146.5	1,159.8	1,154.3	1,156.8	1,161.5	1,166.6	1,173.3
Federal.....	9	336.9	338.7	337.4	336.8	339.9	340.9	344.1
State and local.....	10	809.7	821.2	817.0	820.2	821.8	825.7	829.3
Residual.....	11	-15.6	-17.6	-15.8	-17.0	-19.3	-18.4	-18.0
<b>Addendum:</b>								
Gross housing value added.....	12	883.3	905.6	895.4	902.2	909.7	915.2	913.7

1. Equals gross domestic product excluding gross value added of households and institutions and of general government.  
 2. Equals gross domestic business value added excluding gross farm value added.  
 3. Equals compensation of employees of nonprofit institutions, the rental value of nonresidential fixed assets owned and used by nonprofit institutions serving households, and rental income of persons for tenant-occupied housing owned by nonprofit institutions.  
 4. Equals compensation of general government employees plus general government consumption of fixed capital.  
 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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Gross domestic product</b> .....	1	2.9	2.2	0.6	3.8	4.9	0.6	1.0
Less: Exports of goods and services.....	2	8.4	8.1	1.1	7.5	19.1	6.5	5.4
Plus: Imports of goods and services.....	3	5.9	1.9	3.9	-2.7	4.4	-1.4	-0.7
<b>Equals: Gross domestic purchases</b> .....	4	2.8	1.5	1.1	2.4	3.3	-0.4	0.2
Less: Change in private inventories.....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	2.7	1.8	1.7	2.1	2.5	1.3	0.1
<b>Addendum:</b>								
Final sales of domestic product.....	7	2.8	2.5	1.3	3.6	4.0	2.4	0.9

**Table 1.4.3. Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers, Quantity Indexes**  
 (Index numbers, 2000=100)

	Line	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	115.304	117.825	116.254	117.349	118.763	118.934	119.218
Less: Exports of goods and services .....	2	118.957	128.603	123.568	125.833	131.458	133.555	135.336
Plus: Imports of goods and services .....	3	130.683	133.181	133.272	132.363	133.780	133.309	133.075
<b>Equals: Gross domestic purchases</b> .....	4	117.071	118.844	117.871	118.560	119.535	119.409	119.457
Less: Change in private inventories .....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	117.292	119.450	118.515	119.146	119.878	120.263	120.306
<b>Addendum:</b> Final sales of domestic product	7	115.526	118.452	116.916	117.953	119.117	119.822	120.102

**Table 1.4.4. Price Indexes for Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers**  
 (Index numbers, 2000=100)

	Line	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	116.568	119.668	118.750	119.527	119.837	120.560	121.363
Less: Exports of goods and services .....	2	112.537	116.510	114.433	115.912	116.992	118.704	121.271
Plus: Imports of goods and services .....	3	115.610	119.613	115.114	118.408	120.572	124.360	128.110
<b>Equals: Gross domestic purchases</b> .....	4	116.920	120.068	118.702	119.809	120.330	121.432	122.497
Less: Change in private inventories .....	5							
<b>Equals: Final sales to domestic purchasers</b> .....	6	116.956	120.093	118.727	119.838	120.355	121.452	122.540
<b>Addendum:</b> Final sales of domestic product	7	116.603	119.692	118.773	119.555	119.860	120.579	121.406

**Table 1.4.5. Relation of Gross Domestic Product, Gross Domestic Purchases, and Final Sales to Domestic Purchasers**  
 (Billions of dollars)

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	13,194.7	13,841.3	13,551.9	13,768.8	13,970.5	14,074.2	14,201.1
Less: Exports of goods and services .....	2	1,467.6	1,643.0	1,549.9	1,598.7	1,685.7	1,737.7	1,798.9
Plus: Imports of goods and services .....	3	2,229.6	2,351.0	2,264.0	2,312.9	2,380.4	2,446.6	2,515.9
<b>Equals: Gross domestic purchases</b> .....	4	13,956.7	14,549.3	14,266.1	14,483.0	14,665.1	14,783.1	14,918.1
Less: Change in private inventories .....	5	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
<b>Equals: Final sales to domestic purchasers</b> .....	6	13,910.1	14,546.4	14,267.7	14,477.9	14,629.7	14,810.5	14,948.4
<b>Addendum:</b> Final sales of domestic product	7	13,148.0	13,838.4	13,553.5	13,763.6	13,935.0	14,101.6	14,231.5

**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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic product</b> .....	1	11,319.4	11,566.8	11,412.6	11,520.1	11,658.9	11,875.7	11,703.6
Less: Exports of goods and services .....	2	1,304.1	1,409.9	1,354.7	1,379.5	1,441.2	1,464.1	1,483.7
Plus: Imports of goods and services .....	3	1,928.6	1,965.4	1,966.8	1,953.4	1,974.3	1,967.3	1,963.9
<b>Equals: Gross domestic purchases</b> .....	4	11,937.1	12,117.8	12,018.7	12,088.9	12,188.3	12,175.5	12,180.4
Less: Change in private inventories .....	5	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
<b>Equals: Final sales to domestic purchasers</b> .....	6	11,893.4	12,112.2	12,017.4	12,081.4	12,155.6	12,194.6	12,199.0
<b>Addendum:</b> Final sales of domestic product	7	11,275.9	11,561.5	11,411.6	11,512.8	11,626.4	11,695.2	11,722.5

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.















Table 1.10. Gross Domestic Income by Type of Income

[Billions of dollars]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Gross domestic income</b> .....	1	<b>13,212.8</b>	<b>13,818.9</b>	<b>13,618.2</b>	<b>13,809.5</b>	<b>13,885.7</b>	<b>13,962.1</b>	<b>14,071.2</b>
<b>Compensation of employees, paid</b> .....	2	<b>7,454.8</b>	<b>7,888.2</b>	<b>7,771.6</b>	<b>7,833.9</b>	<b>7,914.8</b>	<b>8,032.5</b>	<b>8,118.0</b>
Wage and salary accruals .....	3	6,032.2	6,395.7	6,301.1	6,350.9	6,414.9	6,515.8	6,577.5
Disbursements .....	4	6,024.7	6,373.2	6,301.1	6,325.9	6,389.9	6,475.8	6,567.5
To persons .....	5	6,015.3	6,363.1	6,291.5	6,315.9	6,379.8	6,465.4	6,557.2
To the rest of the world .....	6	9.4	10.0	9.6	10.0	10.1	10.4	10.4
Wage accruals less disbursements .....	7	7.5	22.5	0.0	25.0	25.0	40.0	10.0
Supplements to wages and salaries .....	8	1,422.6	1,492.5	1,470.5	1,483.0	1,500.0	1,516.6	1,540.5
<b>Taxes on production and imports</b> .....	9	<b>967.3</b>	<b>1,008.5</b>	<b>990.8</b>	<b>1,004.1</b>	<b>1,014.4</b>	<b>1,024.8</b>	<b>1,030.3</b>
<b>Less: Subsidies</b> .....	10	<b>49.7</b>	<b>47.1</b>	<b>47.0</b>	<b>47.3</b>	<b>46.6</b>	<b>47.5</b>	<b>48.4</b>
<b>Net operating surplus</b> .....	11	<b>3,225.3</b>	<b>3,282.7</b>	<b>3,231.9</b>	<b>3,335.4</b>	<b>3,312.2</b>	<b>3,251.3</b>	<b>3,260.5</b>
Private enterprises .....	12	3,239.2	3,297.2	3,249.8	3,350.4	3,324.5	3,264.3	3,274.9
Net interest and miscellaneous payments, domestic industries .....	13	791.3	837.4	827.6	829.3	832.0	860.5	847.4
Business current transfer payments (net) .....	14	90.2	94.2	91.8	92.8	94.4	97.9	100.9
Proprietors' income with inventory valuation and capital consumption adjustments .....	15	1,006.7	1,042.6	1,027.4	1,038.4	1,048.7	1,055.9	1,055.9
Rental income of persons with capital consumption adjustment .....	16	54.5	65.4	53.2	62.1	68.4	77.8	80.9
Corporate profits with inventory valuation and capital consumption adjustments, domestic industries .....	17	1,296.4	1,257.7	1,249.8	1,327.8	1,280.9	1,172.2	1,189.8
Taxes on corporate income .....	18	453.9	466.6	452.5	490.1	469.4	454.4	421.8
Profits after tax with inventory valuation and capital consumption adjustments .....	19	842.5	791.0	797.3	837.6	811.5	717.8	767.9
Net dividends .....	20	623.1	659.5	650.8	660.8	643.1	683.5	632.5
Undistributed corporate profits with inventory valuation and capital consumption adjustments .....	21	219.4	131.5	146.5	176.8	168.4	34.3	135.4
Current surplus of government enterprises .....	22	-13.9	-14.5	-17.8	-15.0	-12.2	-13.1	-14.4
<b>Consumption of fixed capital</b> .....	23	<b>1,615.2</b>	<b>1,686.6</b>	<b>1,670.9</b>	<b>1,683.4</b>	<b>1,690.9</b>	<b>1,701.1</b>	<b>1,710.8</b>
Private .....	24	1,347.5	1,398.7	1,389.6	1,397.4	1,400.9	1,406.7	1,411.5
Government .....	25	267.7	287.9	281.3	286.0	290.0	294.4	299.3
<b>Addendum:</b>								
Statistical discrepancy .....	26	-18.1	22.4	-66.3	-40.8	84.8	112.0	129.8

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

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>National income</b> .....	1	11,655.6	12,228.0	12,010.5	12,196.8	12,296.0	12,408.9	12,481.3
<b>Compensation of employees</b> .....	2	7,448.3	7,881.1	7,764.9	7,826.9	7,907.7	8,025.0	8,110.7
Wage and salary accruals.....	3	6,025.7	6,388.6	6,294.4	6,343.9	6,407.7	6,508.4	6,570.2
Government.....	4	1,020.6	1,067.8	1,051.7	1,061.9	1,072.9	1,084.7	1,103.9
Other.....	5	5,005.1	5,320.8	5,242.7	5,281.9	5,334.8	5,423.7	5,466.3
Supplements to wages and salaries.....	6	1,422.6	1,492.5	1,470.5	1,483.0	1,500.0	1,516.6	1,540.5
Employer contributions for employee pension and insurance funds.....	7	970.7	1,016.8	999.2	1,010.9	1,022.7	1,034.3	1,048.3
Employer contributions for government social insurance.....	8	451.8	475.8	471.3	472.1	477.3	482.4	492.1
<b>Proprietors' income with IVA and CCAAdj</b> .....	9	1,006.7	1,042.6	1,027.4	1,038.4	1,048.7	1,055.9	1,055.9
Farm.....	10	19.4	36.2	29.1	33.1	38.6	43.8	37.3
Nonfarm.....	11	987.4	1,006.4	998.3	1,005.3	1,010.0	1,012.1	1,018.5
<b>Rental income of persons with CCAAdj</b> .....	12	54.5	65.4	53.2	62.1	68.4	77.8	80.9
<b>Corporate profits with IVA and CCAAdj</b> .....	13	1,553.7	1,595.2	1,547.7	1,642.4	1,621.9	1,569.0	1,563.8
Taxes on corporate income.....	14	453.9	466.6	452.5	490.1	469.4	454.4	421.8
Profits after tax with IVA and CCAAdj.....	15	1,099.8	1,128.6	1,095.2	1,152.2	1,152.5	1,114.6	1,141.9
Net dividends.....	16	698.9	795.2	759.4	784.2	807.7	829.4	846.2
Undistributed profits with IVA and CCAAdj.....	17	400.9	333.5	335.8	368.0	344.7	285.2	295.8
<b>Net interest and miscellaneous payments</b> .....	18	598.5	602.6	599.6	592.4	599.3	619.0	601.6
<b>Taxes on production and imports</b> .....	19	967.3	1,008.5	990.8	1,004.1	1,014.4	1,024.8	1,030.3
<b>Less: Subsidies</b> .....	20	49.7	47.1	47.0	47.3	46.6	47.5	48.4
<b>Business current transfer payments (net)</b> .....	21	90.2	94.2	91.8	92.8	94.4	97.9	100.9
To persons (net).....	22	27.2	27.9	27.6	27.8	28.0	28.1	28.1
To government (net).....	23	60.6	66.2	64.3	65.1	66.4	69.2	72.1
To the rest of the world (net).....	24	2.5	0.2	-0.1	0.0	0.1	0.6	0.6
<b>Current surplus of government enterprises</b> .....	25	-13.9	-14.5	-17.8	-15.0	-12.2	-13.1	-14.4
<b>Cash flow:</b>								
Net cash flow with IVA and CCAAdj.....	26	1,290.9	1,255.1	1,251.5	1,288.9	1,267.8	1,212.1	1,227.2
Undistributed profits with IVA and CCAAdj.....	27	400.9	333.5	335.8	368.0	344.7	285.2	295.8
Consumption of fixed capital.....	28	890.0	921.6	915.7	920.8	923.1	926.9	931.5
Less: Inventory valuation adjustment.....	29	-36.3	-46.2	-40.2	-54.7	-20.3	-69.4	-98.1
Equals: Net cash flow.....	30	1,327.2	1,301.2	1,291.7	1,343.6	1,288.1	1,281.5	1,325.3
<b>Addenda:</b>								
Proprietors' income with IVA and CCAAdj.....	31	1,006.7	1,042.6	1,027.4	1,038.4	1,048.7	1,055.9	1,055.9
Farm.....	32	19.4	36.2	29.1	33.1	38.6	43.8	37.3
Proprietors' income with IVA.....	33	26.4	42.7	36.1	39.9	45.0	49.8	42.9
Capital consumption adjustment.....	34	-7.0	-6.5	-7.0	-6.7	-6.4	-6.0	-5.5
Nonfarm.....	35	987.4	1,006.4	998.3	1,005.3	1,010.0	1,012.1	1,018.5
Proprietors' income (without IVA and CCAAdj).....	36	888.8	901.8	896.6	903.0	900.4	907.2	874.9
Inventory valuation adjustment.....	37	-4.0	-6.3	-5.6	-7.4	-2.7	-9.5	-12.5
Capital consumption adjustment.....	38	102.6	110.9	107.3	109.7	112.3	114.5	156.1
Rental income of persons with CCAAdj.....	39	54.5	65.4	53.2	62.1	68.4	77.8	80.9
Rental income of persons (without CCAAdj).....	40	70.4	81.5	69.5	78.3	84.4	93.6	96.5
Capital consumption adjustment.....	41	-15.9	-16.1	-16.3	-16.2	-16.0	-15.8	-15.5
Corporate profits with IVA and CCAAdj.....	42	1,553.7	1,595.2	1,547.7	1,642.4	1,621.9	1,569.0	1,563.8
Corporate profits with IVA.....	43	1,769.5	1,830.5	1,775.6	1,876.8	1,859.4	1,810.5	1,637.6
Profits before tax (without IVA and CCAAdj).....	44	1,805.8	1,876.7	1,815.8	1,931.5	1,879.7	1,879.9	1,735.7
Taxes on corporate income.....	45	453.9	466.6	452.5	490.1	469.4	454.4	421.8
Profits after tax (without IVA and CCAAdj).....	46	1,351.9	1,410.1	1,363.3	1,441.4	1,410.2	1,425.5	1,313.8
Net dividends.....	47	698.9	795.2	759.4	784.2	807.7	829.4	846.2
Undistributed profits (without IVA and CCAAdj).....	48	653.0	614.9	603.9	657.2	602.5	596.1	467.7
Inventory valuation adjustment.....	49	-36.3	-46.2	-40.2	-54.7	-20.3	-69.4	-98.1
Capital consumption adjustment.....	50	-215.8	-235.3	-227.9	-234.4	-237.4	-241.5	-73.8

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Personal income</b> .....	1	10,983.4	11,665.6	11,469.2	11,577.3	11,735.0	11,880.9	12,012.1
Compensation of employees, received .....	2	7,440.8	7,858.6	7,764.9	7,801.9	7,882.7	7,985.0	8,100.7
Wage and salary disbursements .....	3	6,018.2	6,366.1	6,294.4	6,318.9	6,382.7	6,468.4	6,560.2
Private industries .....	4	4,997.6	5,298.3	5,242.7	5,256.9	5,309.8	5,383.7	5,456.3
Government .....	5	1,020.6	1,067.8	1,051.7	1,061.9	1,072.9	1,084.7	1,103.9
Supplements to wages and salaries .....	6	1,422.6	1,492.5	1,470.5	1,483.0	1,500.0	1,516.6	1,540.5
Employer contributions for employee pension and insurance funds .....	7	970.7	1,016.8	999.2	1,010.9	1,022.7	1,034.3	1,048.3
Employer contributions for government social insurance .....	8	451.8	475.8	471.3	472.1	477.3	482.4	492.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	9	1,006.7	1,042.6	1,027.4	1,038.4	1,048.7	1,055.9	1,055.9
Farm .....	10	19.4	36.2	29.1	33.1	38.6	43.8	37.3
Nonfarm .....	11	987.4	1,006.4	998.3	1,005.3	1,010.0	1,012.1	1,018.5
Rental income of persons with capital consumption adjustment .....	12	54.5	65.4	53.2	62.1	68.4	77.8	80.9
Personal income receipts on assets.....	13	1,796.5	1,947.2	1,882.9	1,930.0	1,976.2	1,999.8	2,004.4
Personal interest income .....	14	1,100.2	1,154.7	1,126.1	1,148.4	1,171.1	1,173.2	1,161.1
Personal dividend income .....	15	696.3	792.5	756.8	781.6	805.0	826.6	843.3
Personal current transfer receipts.....	16	1,612.5	1,731.7	1,710.7	1,717.1	1,742.3	1,756.5	1,786.2
Government social benefits to persons.....	17	1,585.3	1,703.8	1,683.1	1,689.4	1,714.4	1,728.4	1,758.0
Old-age, survivors, disability, and health insurance benefits.....	18	946.4	1,022.5	999.4	1,020.1	1,034.6	1,036.1	1,056.7
Government unemployment insurance benefits.....	19	29.9	31.9	31.8	31.7	31.7	32.4	34.6
Veterans benefits.....	20	39.5	42.9	41.6	43.0	43.5	43.7	45.6
Family assistance <sup>1</sup> .....	21	18.2	18.6	18.4	18.5	18.7	18.8	19.0
Other.....	22	551.3	587.8	591.8	576.1	585.9	597.4	602.1
Other current transfer receipts, from business (net).....	23	27.2	27.9	27.6	27.8	28.0	28.1	28.1
Less: Contributions for government social insurance.....	24	927.6	979.9	969.8	972.2	983.2	994.1	1,015.9
Less: Personal current taxes .....	25	1,354.3	1,483.7	1,454.7	1,477.6	1,489.8	1,512.7	1,514.8
<b>Equals: Disposable personal income</b> .....	26	9,629.1	10,181.9	10,014.5	10,099.7	10,245.2	10,368.2	10,497.4
Less: Personal outlays .....	27	9,590.3	10,134.1	9,917.5	10,069.2	10,200.9	10,348.9	10,453.6
Personal consumption expenditures .....	28	9,224.5	9,734.2	9,540.5	9,674.0	9,785.7	9,936.6	10,053.7
Personal interest payments <sup>2</sup> .....	29	238.0	262.8	243.3	259.5	275.8	272.5	258.4
Personal current transfer payments .....	30	127.8	137.1	133.7	135.7	139.3	139.7	141.6
To government .....	31	78.9	86.1	83.4	85.3	87.1	88.5	89.7
To the rest of the world (net) .....	32	48.9	51.1	50.4	50.5	52.2	51.2	51.8
<b>Personal saving</b> .....	33	38.8	47.8	97.0	30.5	44.4	19.3	43.8
Personal saving as a percentage of disposable personal income.....	34	0.4	0.5	1.0	0.3	0.4	0.2	0.4
<b>Addenda:</b>								
Disposable personal income:								
Total, billions of chained (2000) dollars <sup>3</sup> .....	35	8,396.9	8,658.6	8,623.9	8,607.1	8,692.1	8,711.7	8,742.4
Per capita:								
Current dollars .....	36	32,183	33,705	33,270	33,480	33,874	34,193	34,546
Chained (2000) dollars .....	37	28,064	28,663	28,650	28,532	28,739	28,730	28,770
Population (midperiod, thousands) .....	38	299,199	302,087	301,004	301,667	302,452	303,225	303,868
Percent change from preceding period:								
Disposable personal income, current dollars .....	39	5.9	5.7	9.1	3.4	5.9	4.9	5.1
Disposable personal income, chained (2000) dollars .....	40	3.1	3.1	5.4	-0.8	4.0	0.9	1.4

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Wage and salary disbursements</b> .....	1	6,018.2	6,366.1	6,294.4	6,318.9	6,382.7	6,468.4	6,560.2
<b>Private industries</b> .....	2	4,997.6	5,298.3	5,242.7	5,256.9	5,309.8	5,383.7	5,456.3
Goods-producing industries.....	3	1,166.8	1,217.3	1,208.9	1,212.6	1,217.5	1,230.3	1,237.7
Manufacturing.....	4	731.0	756.2	755.4	754.1	754.7	760.5	765.5
Services-producing industries .....	5	3,830.8	4,081.0	4,033.9	4,044.3	4,092.3	4,153.4	4,218.6
Trade, transportation, and utilities .....	6	985.1	1,033.5	1,020.0	1,033.7	1,033.3	1,046.8	1,056.2
Other services-producing industries <sup>1</sup> .....	7	2,845.7	3,047.5	3,013.8	3,010.6	3,059.0	3,106.6	3,162.4
<b>Government</b> .....	8	1,020.6	1,067.8	1,051.7	1,061.9	1,072.9	1,084.7	1,103.9

1. Other services-producing industries consists of information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services.

NOTE: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).



**Table 2.3.5. Personal Consumption Expenditures by Major Type of Product**  
[Billions of dollars]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Personal consumption expenditures</b> .....	1	9,224.5	9,734.2	9,540.5	9,674.0	9,785.7	9,936.6	10,053.7
<b>Durable goods</b> .....	2	1,048.9	1,078.2	1,074.0	1,074.7	1,081.6	1,082.5	1,065.5
Motor vehicles and parts .....	3	434.2	441.2	444.5	441.5	437.5	441.3	424.2
Furniture and household equipment .....	4	404.1	416.1	414.2	414.5	418.6	417.1	416.4
Other .....	5	210.6	221.0	215.3	218.8	225.6	224.1	224.8
<b>Nondurable goods</b> .....	6	2,688.0	2,833.2	2,759.4	2,822.7	2,846.3	2,904.5	2,949.9
Food .....	7	1,259.3	1,336.4	1,312.2	1,322.7	1,342.4	1,368.2	1,389.8
Clothing and shoes .....	8	357.2	370.5	371.1	368.4	372.4	370.0	371.5
Gasoline, fuel oil, and other energy goods .....	9	340.1	364.2	320.9	373.6	365.9	396.4	414.0
Gasoline and oil .....	10	318.6	339.1	296.2	349.4	341.9	369.1	385.6
Fuel oil and coal .....	11	21.6	25.1	24.7	24.2	24.0	27.3	28.5
Other .....	12	731.4	762.2	755.1	758.1	765.6	769.9	774.6
<b>Services</b> .....	13	5,487.6	5,822.8	5,707.1	5,776.5	5,857.8	5,949.7	6,038.2
Housing .....	14	1,381.3	1,465.9	1,435.1	1,455.4	1,474.9	1,498.3	1,517.3
Household operation .....	15	501.6	531.1	520.0	526.2	533.3	544.8	554.6
Electricity and gas .....	16	209.8	226.9	220.6	223.5	227.3	236.1	246.2
Other household operation .....	17	291.8	304.2	299.4	302.7	305.9	308.7	308.4
Transportation .....	18	340.6	358.4	349.6	355.1	362.5	366.6	372.8
Medical care .....	19	1,587.7	1,689.3	1,656.9	1,674.6	1,695.0	1,730.7	1,757.6
Recreation .....	20	381.0	402.2	395.3	400.2	404.6	408.6	407.9
Other .....	21	1,295.3	1,375.8	1,350.1	1,365.0	1,387.5	1,400.6	1,428.1
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ...	22	550.0	591.1	541.5	597.0	593.2	632.5	660.2
Personal consumption expenditures excluding food and energy .....	23	7,415.3	7,806.7	7,686.7	7,754.2	7,850.1	7,935.9	8,003.6

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Personal consumption expenditures</b> .....	1	8,044.1	8,277.8	8,215.7	8,244.3	8,302.2	8,349.1	8,372.9
<b>Durable goods</b> .....	2	1,180.5	1,235.4	1,223.2	1,228.4	1,241.9	1,248.1	1,229.1
Motor vehicles and parts .....	3	437.3	446.9	451.5	448.2	442.3	445.4	429.7
Furniture and household equipment .....	4	550.9	593.6	579.9	585.9	601.0	607.7	609.2
Other .....	5	213.9	222.2	216.6	220.2	227.2	224.9	222.9
<b>Nondurable goods</b> .....	6	2,337.7	2,392.8	2,386.6	2,383.8	2,396.8	2,404.2	2,403.2
Food .....	7	1,091.8	1,117.0	1,115.3	1,111.4	1,115.0	1,126.4	1,130.7
Clothing and shoes .....	8	391.1	409.1	405.1	407.5	413.7	409.9	412.0
Gasoline, fuel oil, and other energy goods .....	9	198.6	196.2	198.2	195.9	195.6	194.9	191.8
Gasoline and oil .....	10	186.8	183.1	184.1	182.8	183.2	182.1	179.8
Fuel oil and coal .....	11	12.0	13.1	14.1	13.1	12.4	12.7	12.0
Other .....	12	666.2	686.6	681.7	684.7	690.2	689.9	688.3
<b>Services</b> .....	13	4,545.5	4,674.8	4,630.7	4,656.7	4,689.5	4,722.4	4,758.9
Housing .....	14	1,148.3	1,175.6	1,163.7	1,171.6	1,178.9	1,188.3	1,194.7
Household operation .....	15	412.9	426.0	420.1	421.6	427.9	434.2	437.8
Electricity and gas .....	16	148.5	157.1	153.1	153.6	158.5	163.1	167.7
Other household operation .....	17	265.1	268.5	267.1	268.1	268.8	269.9	267.9
Transportation .....	18	291.2	300.2	296.0	299.2	301.7	303.8	305.4
Medical care .....	19	1,300.3	1,336.0	1,323.2	1,330.8	1,338.0	1,352.1	1,369.1
Recreation .....	20	321.3	334.0	332.0	332.7	335.6	335.5	332.2
Other .....	21	1,069.9	1,101.5	1,094.1	1,099.3	1,105.8	1,106.8	1,117.6
Residual .....	22	-50.5	-66.7	-61.8	-64.8	-70.1	-69.4	-66.3
<b>Addenda:</b>								
Energy goods and services <sup>1</sup> ...	23	347.3	352.1	350.9	348.9	352.7	355.8	355.9
Personal consumption expenditures excluding food and energy .....	24	6,613.1	6,819.2	6,759.0	6,795.4	6,845.5	6,877.1	6,896.9

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Current receipts</b> .....	1	<b>3,934.8</b>	<b>4,182.4</b>	<b>4,102.3</b>	<b>4,183.9</b>	<b>4,203.1</b>	<b>4,240.3</b>	<b>4,237.8</b>
Current tax receipts.....	2	2,769.8	2,950.1	2,889.7	2,962.3	2,963.3	2,985.2	2,956.4
Personal current taxes.....	3	1,354.3	1,483.7	1,454.7	1,477.6	1,489.8	1,512.7	1,514.8
Taxes on production and imports.....	4	967.3	1,008.5	990.8	1,004.1	1,014.4	1,024.8	1,030.3
Taxes on corporate income.....	5	435.5	444.5	432.1	468.6	446.6	430.8	396.9
Taxes from the rest of the world.....	6	12.6	13.4	12.0	12.0	12.6	17.0	14.4
Contributions for government social insurance.....	7	927.6	979.9	969.8	972.2	983.2	994.1	1,015.9
Income receipts on assets.....	8	111.9	114.6	112.9	114.0	115.3	116.2	118.0
Interest and miscellaneous receipts.....	9	109.3	111.9	110.3	111.4	112.6	113.4	115.2
Dividends.....	10	2.6	2.7	2.6	2.6	2.7	2.8	2.9
Current transfer receipts.....	11	139.5	152.3	147.6	150.3	153.5	157.7	161.9
From business (net).....	12	60.6	66.2	64.3	65.1	66.4	69.2	72.1
From persons.....	13	78.9	86.1	83.4	85.3	87.1	88.5	89.7
Current surplus of government enterprises.....	14	-13.9	-14.5	-17.8	-15.0	-12.2	-13.1	-14.4
<b>Current expenditures</b> .....	15	<b>4,130.3</b>	<b>4,412.7</b>	<b>4,326.6</b>	<b>4,377.2</b>	<b>4,446.4</b>	<b>4,500.6</b>	<b>4,613.7</b>
Consumption expenditures.....	16	2,089.3	2,221.9	2,156.5	2,205.7	2,242.1	2,283.3	2,343.4
Current transfer payments.....	17	1,618.3	1,742.4	1,729.6	1,716.3	1,749.1	1,774.7	1,805.6
Government social benefits.....	18	1,588.7	1,707.4	1,686.6	1,693.0	1,718.0	1,731.9	1,761.6
To persons.....	19	1,585.3	1,703.8	1,683.1	1,689.4	1,714.4	1,728.4	1,758.0
To the rest of the world.....	20	3.3	3.6	3.5	3.6	3.7	3.5	3.6
Other current transfer payments to the rest of the world (net).....	21	29.6	35.0	43.0	23.3	31.1	42.7	44.0
Interest payments.....	22	372.9	401.3	393.5	407.9	408.6	395.1	416.3
To persons and business.....	23	239.2	244.1	242.9	250.1	249.9	233.7	254.6
To the rest of the world.....	24	133.8	157.2	150.7	157.8	158.7	161.4	161.6
Subsidies.....	25	49.7	47.1	47.0	47.3	46.6	47.5	48.4
Less: Wage accruals less disbursements.....	26	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net government saving</b> .....	27	<b>-195.4</b>	<b>-230.3</b>	<b>-224.3</b>	<b>-193.4</b>	<b>-243.2</b>	<b>-260.3</b>	<b>-375.9</b>
Social insurance funds.....	28	21.5	-4.8	7.2	-10.7	-13.2	-2.6	1.9
Other.....	29	-217.0	-225.5	-231.5	-182.7	-230.0	-257.7	-377.8
<b>Addenda:</b>								
<b>Total receipts</b> .....	30	<b>3,967.5</b>	<b>4,213.1</b>	<b>4,128.7</b>	<b>4,217.1</b>	<b>4,233.4</b>	<b>4,273.0</b>	<b>4,269.6</b>
Current receipts.....	31	3,934.8	4,182.4	4,102.3	4,183.9	4,203.1	4,240.3	4,237.8
Capital transfer receipts.....	32	32.6	30.7	26.5	33.2	30.3	32.7	31.8
<b>Total expenditures</b> .....	33	<b>4,312.3</b>	<b>4,632.5</b>	<b>4,533.2</b>	<b>4,590.6</b>	<b>4,671.2</b>	<b>4,734.7</b>	<b>4,838.1</b>
Current expenditures.....	34	4,130.3	4,412.7	4,326.6	4,377.2	4,446.4	4,500.6	4,613.7
Gross government investment.....	35	433.8	467.9	451.8	464.3	474.4	481.0	482.1
Capital transfer payments.....	36	18.1	29.2	26.0	26.1	26.8	37.8	37.8
Net purchases of nonproduced assets.....	37	-2.1	10.6	10.0	9.0	13.6	9.7	3.8
Less: Consumption of fixed capital.....	38	267.7	287.9	281.3	286.0	290.0	294.4	299.3
<b>Net lending or net borrowing (-)</b> .....	39	<b>-344.8</b>	<b>-419.4</b>	<b>-404.5</b>	<b>-373.6</b>	<b>-437.8</b>	<b>-461.7</b>	<b>-568.5</b>



Table 3.9.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and Gross Investment [Percent]

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

Table with 8 columns: Line, 2006, 2007, 2007 (I-IV), 2008. Rows include Government consumption expenditures and gross investment, Federal, National defense, Nondefense, and State and local, with sub-categories like Consumption expenditures, Structures, and Equipment and software.

Table with 8 columns: Line, 2006, 2007, 2007 (I-IV), 2008. Rows include Percent change at annual rate, Government consumption expenditures and gross investment, Percentage points at annual rates, Federal, National defense, Nondefense, and State and local, with sub-categories like Consumption expenditures, Structures, and Equipment and software.

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.

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]

Table 3.9.4. Price Indexes for Government Consumption Expenditures and Gross Investment [Index numbers, 2000=100]

Table with 8 columns: Line, 2006, 2007, 2007 (I-IV), 2008. Rows include Government consumption expenditures and gross investment, Federal, National defense, Nondefense, and State and local, with sub-categories like Consumption expenditures, Structures, and Equipment and software.

Table with 8 columns: Line, 2006, 2007, 2007 (I-IV), 2008. Rows include Government consumption expenditures and gross investment, Federal, National defense, Nondefense, and State and local, with sub-categories like Consumption expenditures, Structures, and Equipment and software.

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.

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 3.10.1. Percent Change From Preceding Period in Real Government Consumption Expenditures and General Government Gross Output**  
[Percent]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Government consumption expenditures</b> <sup>1</sup>	1	1.4	1.9	-0.4	3.3	3.5	2.0	3.1
Gross output of general government	2	1.4	2.0	0.3	3.2	3.6	1.8	2.9
Value added	3	0.6	1.2	0.8	0.9	1.6	1.7	2.3
Compensation of general government employees	4	0.2	0.9	0.4	0.6	1.4	1.5	2.2
Consumption of general government fixed capital <sup>2</sup>	5	3.0	2.8	2.7	2.8	2.8	3.0	3.1
Intermediate goods and services purchased <sup>3</sup>	6	2.6	3.5	-0.4	7.0	6.7	2.0	3.7
Durable goods	7	6.0	4.2	-13.8	12.5	19.7	-0.6	8.6
Nondurable goods	8	1.4	1.4	1.9	1.1	4.7	-0.5	1.1
Services	9	2.7	4.2	0.2	8.8	6.3	3.1	4.3
Less: Own-account investment <sup>4</sup>	10	5.0	5.7	7.9	7.6	7.1	3.7	-4.8
Sales to other sectors	11	0.9	2.4	4.5	2.4	3.9	0.7	2.3
<b>Federal consumption expenditures</b> <sup>1</sup>	12	1.5	2.1	-4.2	5.4	7.1	1.6	4.4
Gross output of general government	13	1.4	2.1	-3.5	5.3	7.5	0.9	4.1
Value added	14	-0.2	0.6	-1.2	-0.7	3.7	1.3	3.7
Compensation of general government employees	15	-1.1	0.0	-2.2	-1.6	4.1	0.9	4.0
Consumption of general government fixed capital <sup>2</sup>	16	3.4	2.7	2.6	2.6	2.4	2.5	2.6
Intermediate goods and services purchased <sup>3</sup>	17	3.4	3.9	-6.3	13.3	12.3	0.4	4.6
Durable goods	18	8.4	4.6	-24.1	18.9	32.1	-3.1	13.1
Nondurable goods	19	-4.0	-9.2	-6.8	-11.4	13.8	-20.7	-10.7
Services	20	3.8	5.5	-3.8	15.8	10.0	3.5	5.4
Less: Own-account investment <sup>4</sup>	21	-1.7	0.2	-10.8	4.4	12.4	-3.9	-1.2
Sales to other sectors	22	-9.0	-1.6	119.7	-7.2	60.5	-50.9	-22.1
<b>Defense consumption expenditures</b> <sup>1</sup>	23	1.2	3.0	-9.2	8.7	9.6	1.3	5.7
Gross output of general government	24	1.2	3.1	-8.0	7.8	10.5	0.2	5.4
Value added	25	-0.5	0.3	-2.8	-0.8	4.2	1.1	3.1
Compensation of general government employees	26	-1.6	-0.4	-4.4	-1.8	4.8	0.7	3.3
Consumption of general government fixed capital <sup>2</sup>	27	3.0	2.5	2.4	2.5	2.3	2.6	2.7
Intermediate goods and services purchased <sup>3</sup>	28	3.3	6.3	-13.6	18.7	17.9	-0.8	7.9
Durable goods	29	8.5	5.0	-26.4	20.2	34.8	-4.0	13.5
Nondurable goods	30	-7.6	-14.8	-15.6	-23.9	26.4	-44.4	-17.2
Services	31	3.7	8.7	-11.2	23.0	14.8	4.7	9.4
Less: Own-account investment <sup>4</sup>	32	-2.0	0.0	-12.9	3.7	5.4	4.1	-0.5
Sales to other sectors	33	6.8	8.3	760.5	-62.5	265.7	-80.2	-39.7
<b>Nondefense consumption expenditures</b> <sup>1</sup>	34	2.2	0.2	7.3	-0.9	2.0	2.2	1.6
Gross output of general government	35	1.8	0.0	6.4	0.4	1.6	2.3	1.4
Value added	36	0.5	1.0	1.9	-0.5	2.9	1.5	4.8
Compensation of general government employees	37	-0.2	0.5	1.7	-1.2	3.0	1.4	5.4
Consumption of general government fixed capital <sup>2</sup>	38	4.4	3.2	2.9	2.9	2.5	2.1	2.2
Intermediate goods and services purchased <sup>3</sup>	39	3.5	-1.3	13.4	1.7	-0.3	3.5	-3.4
Durable goods	40	7.5	0.2	9.9	4.5	1.6	9.5	7.4
Nondurable goods	41							
Commodity Credit Corporation inventory change	42							
Other nondurable goods	43	-2.0	-2.5	5.8	6.6	-2.2	19.4	-3.5
Services	44	3.9	-1.2	15.2	1.1	-0.6	0.8	-3.7
Less: Own-account investment <sup>4</sup>	45	-1.4	0.3	-9.0	5.0	18.2	-9.7	-1.8
Sales to other sectors	46	-18.8	-9.9	-36.3	130.8	-28.6	18.0	-5.8
<b>State and local consumption expenditures</b> <sup>1</sup>	47	1.4	1.9	2.0	2.0	1.3	2.2	2.3
Gross output of general government	48	1.4	2.0	2.3	2.2	1.7	2.3	2.3
Value added	49	1.0	1.4	1.6	1.6	0.8	1.9	1.7
Compensation of general government employees	50	0.8	1.2	1.5	1.4	0.4	1.7	1.5
Consumption of general government fixed capital <sup>2</sup>	51	2.8	2.9	2.7	3.0	3.2	3.4	3.6
Intermediate goods and services purchased <sup>3</sup>	52	2.1	3.2	3.6	3.3	3.3	3.0	3.2
Durable goods	53	2.5	3.6	4.4	3.8	3.2	3.3	2.1
Nondurable goods	54	2.5	3.3	3.5	3.3	3.3	3.2	3.0
Services	55	1.8	3.1	3.7	3.2	3.3	2.8	3.4
Less: Own-account investment <sup>4</sup>	56	6.5	6.9	12.4	8.3	6.1	5.3	-5.5
Sales to other sectors	57	1.2	2.5	2.8	2.7	2.8	2.5	2.9
Tuition and related educational charges	58	0.9	2.2	2.0	2.4	2.4	2.4	2.4
Health and hospital charges	59	-0.6	2.0	2.0	2.4	2.4	2.4	2.4
Other sales	60	3.9	3.5	4.6	3.2	3.7	2.6	3.8

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. 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 3.11.1. Percent Change From Preceding Period in Real National Defense Consumption Expenditures and Gross Investment by Type**  
[Percent]

Line	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV		
<b>National defense consumption expenditures and gross investment</b>	<b>1</b>	<b>1.9</b>	<b>2.8</b>	<b>-10.8</b>	<b>8.5</b>	<b>10.1</b>	<b>-0.5</b>	<b>5.6</b>
<b>Consumption expenditures</b> <sup>1</sup>	<b>2</b>	<b>1.2</b>	<b>3.0</b>	<b>-9.2</b>	<b>8.7</b>	<b>9.6</b>	<b>1.3</b>	<b>5.7</b>
Gross output of general government	3	1.2	3.1	-8.0	7.8	10.5	0.2	5.4
Value added	4	-0.5	0.3	-2.8	-0.8	4.2	1.1	3.1
Compensation of general government employees	5	-1.6	-0.4	-4.4	-1.8	4.8	0.7	3.3
Military	6	-2.4	-0.8	-4.6	-2.4	6.0	-1.0	5.8
Civilian	7	0.0	0.5	-4.0	-0.6	2.2	4.3	-1.9
Consumption of general government fixed capital <sup>2</sup>	8	3.0	2.5	2.4	2.5	2.3	2.6	2.7
Intermediate goods and services purchased <sup>3</sup>	9	3.3	6.3	-13.6	18.7	17.9	-0.8	7.9
Durable goods	10	8.5	5.0	-26.4	20.2	34.8	-4.0	13.5
Aircraft	11	1.6	4.9	-56.5	49.0	45.3	25.3	-24.0
Missiles	12	20.8	5.7	3.3	12.0	9.7	32.7	-17.5
Ships	13	5.5	0.3	7.3	-3.1	97.3	-51.9	13.4
Vehicles	14	27.5	-14.7	-59.6	91.9	-36.1	-8.7	182.5
Electronics	15	16.5	20.3	14.5	36.7	36.8	-24.2	107.3
Other durable goods	16	4.3	-2.4	-9.0	-20.9	43.0	-22.4	10.6
Nondurable goods	17	-7.6	-14.8	-15.6	-23.9	26.4	-44.4	-17.2
Petroleum products	18	0.2	4.6	54.2	-1.0	17.8	-51.1	-24.6
Ammunition	19	-4.7	-3.5	-11.5	-41.0	95.2	-39.9	75.9
Other nondurable goods	20	-21.8	-62.8	-88.5	-71.1	-20.2	20.4	-74.4
Services	21	3.7	8.7	-11.2	23.0	14.8	4.7	9.4
Research and development	22	8.3	-0.6	-7.3	-9.4	-20.2	21.7	-8.8
Installation support	23	1.3	5.4	-12.7	30.3	15.3	1.0	7.8
Weapons support	24	1.3	19.3	-30.9	92.0	43.7	-4.2	21.8
Personnel support	25	7.2	14.8	-9.6	32.4	39.2	2.3	24.1
Transportation of material	26	-5.9	18.8	38.6	16.0	5.8	13.8	2.1
Travel of persons	27	-19.1	-3.1	-6.1	-10.7	-1.5	-28.3	-23.6
Less: Own-account investment <sup>4</sup>	28	-2.0	0.0	-12.9	3.7	5.4	4.1	-0.5
Sales to other sectors	29	6.8	8.3	760.5	-62.5	265.7	-80.2	-39.7
<b>Gross investment</b> <sup>5</sup>	<b>30</b>	<b>6.9</b>	<b>0.8</b>	<b>-20.6</b>	<b>7.6</b>	<b>13.7</b>	<b>-12.7</b>	<b>4.9</b>
Structures	31	-1.0	11.1	-43.4	20.4	40.5	19.5	-12.0
Equipment and software	32	7.6	-0.1	-18.0	6.5	11.4	-15.5	6.9
Aircraft	33	2.7	-3.4	-32.1	21.8	-0.6	-38.5	-19.7
Missiles	34	16.4	-7.2	-8.3	-59.3	-43.3	18.2	-20.2
Ships	35	0.5	-6.2	-30.3	5.5	-0.8	40.8	-45.0
Vehicles	36	24.1	23.7	6.7	216.9	16.7	-40.5	260.5
Electronics and software	37	12.0	15.3	10.6	27.7	31.4	-15.5	47.3
Other equipment	38	6.9	-7.5	-24.7	-18.7	22.9	-16.7	-4.1

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.







## 4. Foreign Transactions

Table 4.1. Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Current receipts from the rest of the world</b> .....	1	2,159.0	2,460.5	2,302.0	2,412.9	2,541.3	2,585.8	2,583.0
<b>Exports of goods and services</b> .....	2	1,467.6	1,643.0	1,549.9	1,598.7	1,685.7	1,737.7	1,798.9
Goods <sup>1</sup> .....	3	1,030.5	1,152.9	1,084.0	1,115.2	1,191.3	1,221.1	1,264.7
Durable.....	4	717.3	790.4	751.6	766.7	812.9	830.3	833.3
Nondurable.....	5	313.1	362.5	332.4	348.5	378.4	390.9	431.4
Services <sup>1</sup> .....	6	437.1	490.1	465.9	483.5	494.4	516.5	534.2
<b>Income receipts</b> .....	7	691.4	817.5	752.2	814.2	855.6	848.1	784.1
Wage and salary receipts.....	8	2.9	3.0	2.9	2.9	3.0	3.0	3.0
Income receipts on assets.....	9	688.6	814.5	749.2	811.2	852.6	845.1	781.1
Interest.....	10	268.8	323.5	300.5	328.6	342.4	322.6	254.9
Dividends.....	11	167.2	198.0	184.7	189.9	206.7	210.9	271.6
Reinvested earnings on U.S. direct investment abroad.....	12	252.6	293.0	264.0	292.8	303.5	311.5	254.6
<b>Current payments to the rest of the world</b> .....	13	2,953.2	3,171.3	3,058.1	3,143.4	3,232.2	3,251.5	3,289.7
<b>Imports of goods and services</b> .....	14	2,229.6	2,351.0	2,264.0	2,312.9	2,380.4	2,446.6	2,515.9
Goods <sup>1</sup> .....	15	1,880.4	1,979.4	1,902.7	1,947.2	2,007.3	2,060.5	2,117.0
Durable.....	16	1,126.5	1,171.8	1,151.7	1,153.0	1,195.8	1,186.9	1,177.9
Nondurable.....	17	753.9	807.6	751.0	794.2	811.4	873.7	939.1
Services <sup>1</sup> .....	18	349.2	371.6	361.4	365.7	373.2	386.0	398.9
<b>Income payments</b> .....	19	633.4	721.8	689.0	743.5	754.4	700.2	663.3
Wage and salary payments.....	20	9.4	10.0	9.6	10.0	10.1	10.4	10.4
Income payments on assets.....	21	624.0	711.7	679.4	733.5	744.3	689.8	652.9
Interest.....	22	461.5	558.3	528.6	565.5	575.1	564.1	500.7
Dividends.....	23	91.4	62.4	76.1	66.4	42.0	65.1	57.9
Reinvested earnings on foreign direct investment in the United States.....	24	71.1	91.0	74.7	101.6	127.1	60.6	94.3
<b>Current taxes and transfer payments to the rest of the world (net)</b> .....	25	90.1	98.5	105.1	86.9	97.4	104.7	110.5
From persons (net).....	26	48.9	51.1	50.4	50.5	52.2	51.2	51.8
From government (net).....	27	20.3	25.2	34.5	15.0	22.2	29.3	33.1
From business (net).....	28	20.9	22.2	20.2	21.5	23.0	24.2	25.6
<b>Balance on current account, NIPAs</b> .....	29	-794.1	-710.8	-756.0	-730.5	-690.9	-665.7	-706.6
<b>Addenda:</b>								
Net lending or net borrowing (-), NIPAs.....	30	-798.0	-712.4	-757.7	-732.3	-692.4	-667.1	-708.1
Balance on current account, NIPAs.....	31	-794.1	-710.8	-756.0	-730.5	-690.9	-665.7	-706.6
Less: Capital account transactions (net) <sup>2</sup> .....	32	3.9	1.6	1.6	1.7	1.6	1.3	1.4

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment 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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Exports of goods and services</b>	1	8.4	8.1	1.1	7.5	19.1	6.5	5.4
<b>Exports of goods<sup>1</sup></b>	2	9.9	7.9	0.9	6.6	26.2	3.9	4.4
Foods, feeds, and beverages	3	8.0	8.6	2.8	24.4	44.0	-13.4	14.1
Industrial supplies and materials	4	7.5	5.5	-7.6	6.4	19.9	8.2	10.0
Durable goods	5	9.6	5.2	-7.0	3.5	16.5	10.5	-7.6
Nondurable goods	6	6.3	5.7	-8.0	8.3	22.0	6.9	21.1
Capital goods, except automotive	7	13.3	8.2	-2.0	5.1	28.3	10.4	-3.5
Civilian aircraft, engines, and parts	8	18.8	12.4	-20.5	-6.6	79.4	25.4	-23.5
Computers, peripherals, and parts	9	9.4	-2.4	-8.2	-17.8	19.9	-13.3	0.2
Other	10	12.7	8.6	4.8	12.3	18.1	9.8	2.8
Automotive vehicles, engines, and parts	11	7.4	11.6	5.9	24.5	40.7	-9.9	-11.5
Consumer goods, except automotive	12	10.5	10.5	12.0	4.5	21.3	-2.7	15.4
Durable goods	13	13.2	14.9	14.7	11.4	23.6	14.8	14.4
Nondurable goods	14	7.4	5.1	8.7	-3.8	18.4	-22.3	16.7
Other	15	2.0	3.5	40.3	-28.2	1.0	11.1	38.7
<b>Exports of services<sup>1</sup></b>	16	4.8	8.5	1.6	9.6	4.0	13.2	7.9
Transfers under U.S. military agency sales contracts	17	-14.7	-5.3	6.2	-17.7	-21.9	-11.8	63.3
Travel	18	0.5	11.8	4.8	13.7	26.9	21.5	-0.5
Passenger fares	19	5.3	4.5	-5.2	11.4	15.4	-2.9	-8.3
Other transportation	20	5.1	6.0	-1.4	8.1	-3.3	15.5	8.2
Royalties and license fees	21	1.8	7.9	4.2	3.7	6.8	4.5	6.7
Other private services	22	10.8	10.1	0.3	13.2	-3.3	16.8	12.4
Other	23	-2.5	2.8	4.2	1.2	0.9	1.9	-1.3
<b>Imports of goods and services</b>	24	5.9	1.9	3.9	-2.7	4.4	-1.4	-0.7
<b>Imports of goods<sup>1</sup></b>	25	6.0	1.6	4.2	-2.9	4.8	-2.6	-1.9
Foods, feeds, and beverages	26	6.1	1.3	8.1	-5.9	7.2	-13.5	-5.2
Industrial supplies and materials, except petroleum and products	27	4.3	-4.3	-17.8	22.2	4.9	-27.5	-15.7
Durable goods	28	9.7	-9.2	-22.1	-2.1	4.3	-18.3	-9.6
Nondurable goods	29	-1.6	1.7	-12.0	59.0	5.6	-37.0	-22.3
Petroleum and products	30	-2.0	-2.0	29.6	-22.3	-18.3	28.1	16.6
Capital goods, except automotive	31	11.2	6.0	9.8	1.3	9.4	0.3	1.1
Civilian aircraft, engines, and parts	32	6.1	15.4	23.4	17.2	-2.4	-0.2	16.8
Computers, peripherals, and parts	33	17.3	8.6	4.1	-13.1	-3.8	10.3	6.1
Other	34	9.6	4.1	-0.9	5.2	15.6	-2.7	-2.2
Automotive vehicles, engines, and parts	35	6.8	-0.1	-11.0	-2.3	26.2	-13.2	-7.8
Consumer goods, except automotive	36	8.0	5.8	4.7	-3.5	1.8	7.3	-6.5
Durable goods	37	8.2	7.0	2.4	-3.1	8.9	10.9	-15.1
Nondurable goods	38	7.8	4.3	7.6	-4.1	-6.2	2.9	5.3
Other	39	3.2	-1.3	27.9	-16.7	36.0	-31.2	-2.9
<b>Imports of services<sup>1</sup></b>	40	5.2	3.5	2.3	-1.7	1.7	5.5	6.0
Direct defense expenditures	41	-3.0	-4.7	12.9	-14.5	-8.7	4.5	-11.1
Travel	42	5.1	0.9	-0.8	-11.6	5.0	-10.5	8.5
Passenger fares	43	-0.3	0.1	6.7	-1.6	-1.7	13.4	28.4
Other transportation	44	5.4	3.3	-3.0	-4.0	2.9	3.4	5.5
Royalties and license fees	45	4.1	2.6	2.5	3.9	7.7	6.9	8.8
Other private services	46	9.9	8.8	3.7	8.7	2.1	16.4	4.9
Other	47	-0.7	-0.5	1.2	-5.1	-4.0	-5.0	-4.3
<b>Addenda:</b>								
Exports of durable goods	48	11.5	8.8	1.2	6.9	26.9	7.5	-2.4
Exports of nondurable goods	49	6.5	6.1	0.4	6.0	24.6	-3.5	19.7
Exports of agricultural goods <sup>2</sup>	50	8.5	7.5	-4.1	35.5	56.3	-25.2	11.4
Exports of nonagricultural goods	51	10.1	7.9	1.3	4.6	23.8	7.1	3.7
Imports of durable goods	52	8.9	2.3	-1.0	-1.7	13.0	-4.7	-6.3
Imports of nondurable goods	53	1.8	0.8	12.8	-4.6	-6.1	0.4	4.2
Imports of nonpetroleum goods	54	7.5	2.4	0.3	1.2	10.0	-8.3	-6.1

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

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Percent change at annual rate:</b>								
<b>Exports of goods and services</b>	1	8.4	8.1	1.1	7.5	19.1	6.5	5.4
<b>Percentage points at annual rates:</b>								
<b>Exports of goods<sup>1</sup></b>	2	6.88	5.57	0.65	4.66	17.84	2.76	3.11
Foods, feeds, and beverages	3	0.36	0.42	0.13	1.09	2.06	-0.79	0.77
Industrial supplies and materials	4	1.34	1.04	-1.44	1.16	3.67	1.50	1.85
Durable goods	5	0.63	0.37	-0.51	0.25	1.16	0.70	-0.54
Nondurable goods	6	0.71	0.67	-0.93	0.92	2.52	0.80	2.38
Capital goods, except automotive	7	3.65	2.25	-0.56	1.41	7.37	2.75	-0.94
Civilian aircraft, engines, and parts	8	0.88	0.63	-1.22	-0.35	3.35	1.29	-1.47
Computers, peripherals, and parts	9	0.32	-0.07	-0.26	-0.54	0.52	-0.35	0.00
Other	10	2.45	1.68	0.92	2.30	3.51	1.81	0.53
Automotive vehicles, engines, and parts	11	0.55	0.84	0.41	1.64	2.80	-0.78	-0.86
Consumer goods, except automotive	12	0.93	0.92	1.02	0.41	1.89	-0.24	1.27
Durable goods	13	0.63	0.72	0.69	0.56	1.17	0.71	0.70
Nondurable goods	14	0.30	0.20	0.33	-0.15	0.72	-0.95	0.57
Other	15	0.07	0.11	1.08	-1.04	0.03	0.31	1.01
<b>Exports of services<sup>1</sup></b>	16	1.48	2.54	0.48	2.87	1.28	3.78	2.33
Transfers under U.S. military agency sales contracts	17	-0.20	-0.06	0.06	-0.20	-0.23	-0.11	0.45
Travel	18	0.03	0.69	0.27	0.78	1.51	1.24	-0.03
Passenger fares	19	0.08	0.07	-0.08	0.17	0.23	-0.04	-0.13
Other transportation	20	0.16	0.19	-0.04	0.25	-0.10	0.46	0.26
Royalties and license fees	21	0.08	0.33	0.18	0.16	0.29	0.19	0.27
Other private services	22	1.35	1.28	0.05	1.70	-0.44	2.03	1.53
Other	23	-0.03	0.03	0.05	0.01	0.01	0.02	-0.01
<b>Percent change at annual rate:</b>								
<b>Imports of goods and services</b>	24	5.9	1.9	3.9	-2.7	4.4	-1.4	-0.7
<b>Percentage points at annual rates:</b>								
<b>Imports of goods<sup>1</sup></b>	25	5.06	1.35	3.49	-2.44	4.07	-2.25	-1.61
Foods, feeds, and beverages	26	0.20	0.04	0.27	-0.21	0.24	-0.50	-0.18
Industrial supplies and materials, except petroleum and products	27	0.56	-0.59	-2.47	2.53	0.62	-3.91	-1.99
Durable goods	28	0.66	-0.69	-1.77	-0.15	0.29	-1.33	-0.63
Nondurable goods	29	-0.10	0.10	-0.71	2.67	0.33	-2.59	-1.36
Petroleum and products	30	-0.27	-0.31	3.21	-3.27	-2.75	3.71	2.63
Capital goods, except automotive	31	2.05	1.13	1.82	0.24	1.72	0.06	0.19
Civilian aircraft, engines, and parts	32	0.08	0.20	0.30	0.23	-0.04	0.00	0.23
Computers, peripherals, and parts	33	0.75	0.39	1.63	-0.65	-0.17	0.42	0.25
Other	34	1.22	0.53	-0.11	0.66	1.92	-0.35	-0.28
Automotive vehicles, engines, and parts	35	0.79	-0.02	-1.33	-0.26	2.61	-1.55	-0.85
Consumer goods, except automotive	36	1.60	1.15	0.98	-0.73	0.37	1.40	-1.31
Durable goods	37	0.89	0.76	0.28	-0.35	0.95	1.15	-1.76
Nondurable goods	38	0.71	0.40	0.70	-0.39	-0.58	0.25	0.45
Other	39	0.13	-0.05	1.01	-0.73	1.25	-1.46	-0.11
<b>Imports of services<sup>1</sup></b>	40	0.82	0.56	0.38	-0.26	0.28	0.84	0.91
Direct defense expenditures	41	-0.04	-0.06	0.17	-0.22	-0.12	0.06	-0.16
Travel	42	0.17	0.03	-0.03	-0.39	0.16	-0.35	0.26
Passenger fares	43	0.00	0.00	0.08	-0.02	-0.02	0.16	0.32
Other transportation	44	0.16	0.10	-0.09	-0.12	0.08	0.09	0.15
Royalties and license fees	45	0.05	0.03	0.03	0.05	0.09	0.08	0.10
Other private services	46	0.49	0.47	0.20	0.46	0.12	0.83	0.26
Other	47	0.00	0.00	0.01	-0.02	-0.02	-0.02	-0.02

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Exports of goods and services</b>	<b>1</b>	<b>118.957</b>	<b>128.603</b>	<b>123.568</b>	<b>125.833</b>	<b>131.458</b>	<b>133.555</b>	<b>135.336</b>
<b>Exports of goods<sup>1</sup></b>	<b>2</b>	<b>118.234</b>	<b>127.603</b>	<b>122.091</b>	<b>124.072</b>	<b>131.498</b>	<b>132.750</b>	<b>134.186</b>
Foods, feeds, and beverages....	3	109.564	119.036	109.983	116.152	127.249	122.760	126.864
Industrial supplies and materials.....	4	116.105	122.504	117.722	119.564	125.120	127.611	130.678
Durable goods.....	5	111.902	117.740	114.010	114.994	119.462	122.495	120.105
Nondurable goods.....	6	118.785	125.516	120.047	122.453	128.706	130.860	137.270
Capital goods, except automotive.....	7	117.746	127.344	121.422	122.955	130.854	134.144	132.966
Civilian aircraft, engines, and parts.....	8	123.817	139.181	128.719	126.545	146.463	154.996	144.956
Computers, peripherals, and parts.....	9	111.412	108.782	111.287	105.959	110.888	106.995	107.042
Other.....	10	117.931	128.132	121.990	125.584	130.931	134.023	134.967
Automotive vehicles, engines, and parts.....	11	127.262	142.076	131.334	138.716	151.077	147.176	142.742
Consumer goods, except automotive.....	12	141.112	155.868	151.116	152.776	160.330	159.249	165.046
Durable goods.....	13	150.027	172.316	162.868	167.334	176.432	182.628	188.887
Nondurable goods.....	14	131.419	138.132	138.357	137.028	142.931	134.213	139.507
Other.....	15	92.786	96.001	101.291	93.243	93.484	95.986	104.158
<b>Exports of services<sup>1</sup></b>	<b>16</b>	<b>120.897</b>	<b>131.231</b>	<b>127.335</b>	<b>130.293</b>	<b>131.576</b>	<b>135.720</b>	<b>138.339</b>
Transfers under U.S. military agency sales contracts.....	17	115.601	109.496	117.877	112.267	105.554	102.287	115.626
Travel.....	18	91.576	102.385	95.708	98.824	104.891	110.119	109.985
Passenger fares.....	19	77.492	80.943	78.030	80.166	83.091	82.487	80.722
Other transportation.....	20	116.898	123.898	121.499	123.879	122.857	127.358	129.897
Royalties and license fees.....	21	124.106	133.893	131.507	132.717	134.921	136.429	138.673
Other private services.....	22	155.371	171.027	166.151	171.381	169.928	176.647	181.894
Other.....	23	99.040	101.808	101.359	101.650	101.867	102.354	102.007
<b>Imports of goods and services</b>	<b>24</b>	<b>130.683</b>	<b>133.181</b>	<b>133.272</b>	<b>132.363</b>	<b>133.780</b>	<b>133.309</b>	<b>133.075</b>
<b>Imports of goods<sup>1</sup></b>	<b>25</b>	<b>132.446</b>	<b>134.586</b>	<b>134.755</b>	<b>133.770</b>	<b>135.360</b>	<b>134.458</b>	<b>133.814</b>
Foods, feeds, and beverages....	26	137.972	139.732	141.379	139.242	141.667	136.641	134.837
Industrial supplies and materials, except petroleum and products.....	27	129.899	124.259	121.321	127.549	129.078	119.090	114.097
Durable goods.....	28	141.919	128.851	130.315	129.611	130.973	124.504	121.402
Nondurable goods.....	29	117.882	119.904	112.187	125.970	127.697	113.761	106.802
Petroleum and products.....	30	114.973	112.689	119.200	111.918	106.419	113.217	117.657
Capital goods, except automotive.....	31	134.057	142.071	140.115	140.561	143.742	143.865	144.245
Civilian aircraft, engines, and parts.....	32	91.972	106.142	103.341	107.530	106.875	106.819	111.036
Computers, peripherals, and parts.....	33	182.213	197.951	202.963	195.935	194.037	198.870	201.827
Other.....	34	124.570	129.676	126.330	127.939	132.663	131.772	131.048
Automotive vehicles, engines, and parts.....	35	126.025	125.850	123.839	123.112	130.486	125.962	123.427
Consumer goods, except automotive.....	36	158.538	167.672	167.682	166.183	166.935	169.889	167.068
Durable goods.....	37	168.028	179.735	177.683	176.316	180.103	184.829	177.442
Nondurable goods.....	38	148.419	154.820	156.998	155.372	152.916	153.996	155.981
Other.....	39	104.700	103.328	105.265	100.563	108.596	98.886	98.171
<b>Imports of services<sup>1</sup></b>	<b>40</b>	<b>122.180</b>	<b>126.474</b>	<b>126.172</b>	<b>125.643</b>	<b>126.189</b>	<b>127.892</b>	<b>129.754</b>
Direct defense expenditures.....	41	144.115	137.328	142.609	137.123	134.055	135.526	131.610
Travel.....	42	89.904	90.692	92.875	90.067	91.163	88.664	90.495
Passenger fares.....	43	89.425	89.546	89.290	88.936	88.561	91.395	97.295
Other transportation.....	44	123.227	127.232	127.495	126.192	127.094	128.146	129.868
Royalties and license fees.....	45	138.143	141.711	138.803	140.138	142.756	145.148	148.245
Other private services.....	46	163.269	177.676	172.770	176.418	177.336	184.183	186.392
Other.....	47	109.267	108.771	110.748	109.319	108.197	106.821	105.643
<b>Addenda:</b>								
Exports of durable goods.....	48	119.862	130.358	124.296	126.392	134.150	136.592	135.763
Exports of nondurable goods.....	49	116.000	123.095	118.653	120.408	127.215	126.102	131.890
Exports of agricultural goods <sup>2</sup>	50	110.005	118.278	107.343	115.816	129.505	120.450	123.755
Exports of nonagricultural goods.....	51	119.081	128.530	123.496	124.886	131.726	134.014	135.248
Imports of durable goods.....	52	137.284	140.390	139.127	138.516	142.821	141.097	138.818
Imports of nondurable goods.....	53	126.409	127.369	129.458	127.954	125.969	126.096	127.388
Imports of nonpetroleum goods.....	54	135.609	138.819	137.611	138.007	141.336	138.321	136.146

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Exports of goods and services</b>	<b>1</b>	<b>112.537</b>	<b>116.510</b>	<b>114.433</b>	<b>115.912</b>	<b>116.992</b>	<b>118.704</b>	<b>121.271</b>
<b>Exports of goods<sup>1</sup></b>	<b>2</b>	<b>111.118</b>	<b>115.171</b>	<b>113.220</b>	<b>114.624</b>	<b>115.533</b>	<b>117.306</b>	<b>120.194</b>
Foods, feeds, and beverages....	3	125.764	148.419	139.596	142.574	149.295	162.211	181.266
Industrial supplies and materials.....	4	138.170	148.572	142.024	148.164	150.155	153.945	160.713
Durable goods.....	5	142.347	151.880	148.554	153.732	152.083	153.151	159.397
Nondurable goods.....	6	135.641	146.579	138.171	144.869	148.960	154.317	161.372
Capital goods, except automotive.....	7	98.463	98.402	98.771	98.240	98.241	98.355	98.663
Civilian aircraft, engines, and parts.....	8	126.242	131.556	129.906	130.752	132.097	133.470	135.565
Computers, peripherals, and parts.....	9	76.892	71.201	73.316	71.150	70.421	69.918	67.717
Other.....	10	97.438	97.404	97.848	97.362	97.226	97.181	97.553
Automotive vehicles, engines, and parts.....	11	104.791	106.008	105.676	105.901	106.054	106.401	106.763
Consumer goods, except automotive.....	12	103.061	105.223	104.310	105.104	105.456	106.023	106.643
Durable goods.....	13	102.567	103.603	103.150	103.654	103.635	103.972	104.743
Nondurable goods.....	14	103.628	107.254	105.725	106.899	107.750	108.640	109.033
Other.....	15	115.374	120.685	118.154	120.045	121.220	123.322	126.759
<b>Exports of services<sup>1</sup></b>	<b>16</b>	<b>115.917</b>	<b>119.687</b>	<b>117.305</b>	<b>118.964</b>	<b>120.461</b>	<b>122.018</b>	<b>123.797</b>
Transfers under U.S. military agency sales contracts.....	17	107.519	110.178	108.799	109.320	110.721	111.870	112.753
Travel.....	18	113.564	117.515	114.304	117.188	118.495	120.073	121.759
Passenger fares.....	19	138.396	149.082	142.014	148.142	148.742	157.432	159.169
Other transportation.....	20	132.888	137.538	131.012	135.375	139.792	143.972	152.856
Royalties and license fees.....	21	116.261	119.291	117.933	119.047	119.521	120.662	121.713
Other private services.....	22	110.552	113.768	112.733	113.194	114.254	114.893	115.185
Other.....	23	124.661	128.141	124.046	125.445	131.493	131.580	139.167
<b>Imports of goods and services</b>	<b>24</b>	<b>115.610</b>	<b>119.613</b>	<b>115.114</b>	<b>118.408</b>	<b>120.572</b>	<b>124.360</b>	<b>128.110</b>
<b>Imports of goods<sup>1</sup></b>	<b>25</b>	<b>114.178</b>	<b>118.278</b>	<b>113.550</b>	<b>117.064</b>	<b>119.256</b>	<b>123.243</b>	<b>127.231</b>
Foods, feeds, and beverages....	26	118.126	127.277	123.265	125.480	128.497	131.865	136.351
Industrial supplies and materials, except petroleum and products.....	27	129.258	135.748	132.485	136.697	135.104	138.706	147.426
Durable goods.....	28	128.925	138.491	133.694	139.577	140.711	139.981	144.354
Nondurable goods.....	29	129.037	132.173	130.622	132.908	128.389	136.772	150.530
Petroleum and products.....	30	218.866	244.907	197.828	232.368	256.072	293.359	319.460
Capital goods, except automotive.....	31	89.910	90.244	89.967	89.770	90.450	90.790	90.818
Civilian aircraft, engines, and parts.....	32	117.013	122.919	120.325	121.059	124.440	125.851	127.514
Computers, peripherals, and parts.....	33	61.964	58.572	59.515	58.401	58.358	58.013	56.489
Other.....	34	100.321	102.336	101.557	101.840	102.662	103.287	104.079
Automotive vehicles, engines, and parts.....	35	103.973	105.015	104.477	104.630	104.936	106.015	107.084
Consumer goods, except automotive.....	36	99.778	101.119	100.685	100.740	101.291	101.761	102.861
Durable goods.....	37	97.029	98.046	97.699	97.701	98.144	98.641	99.309
Nondurable goods.....	38	102.893	104.647	104.103	104.225	104.914	105.346	107.010
Other.....	39	110.253	113.750	112.615	113.302	113.881	115.201	117.671
<b>Imports of services<sup>1</sup></b>	<b>40</b>	<b>123.039</b>	<b>126.462</b>	<b>123.300</b>	<b>125.310</b>	<b>127.298</b>	<b>129.939</b>	

**Table 4.2.5. Exports and Imports of Goods and Services  
by Type of Product**  
[Billions of dollars]

Line	2006	2007	Seasonally adjusted at annual rates				
			2007				2008
			I	II	III	IV	
<b>Exports of goods and services</b>	<b>1,467.6</b>	<b>1,643.0</b>	<b>1,549.9</b>	<b>1,598.7</b>	<b>1,685.7</b>	<b>1,737.7</b>	<b>1,798.9</b>
<b>Exports of goods<sup>1</sup></b>	<b>1,030.5</b>	<b>1,152.9</b>	<b>1,084.0</b>	<b>1,115.2</b>	<b>1,191.3</b>	<b>1,221.1</b>	<b>1,264.7</b>
Foods, feeds, and beverages...	66.0	84.7	73.5	79.3	90.9	95.3	110.1
Industrial supplies and materials...	267.3	303.4	278.4	295.0	312.9	327.1	349.7
Durable goods	101.3	113.7	107.7	112.4	115.5	119.3	121.7
Nondurable goods	166.0	189.6	170.7	182.6	197.3	207.9	228.0
Capital goods, except automotive...	413.9	447.3	428.1	431.2	458.9	471.0	468.3
Civilian aircraft, engines, and parts	75.2	88.1	80.4	79.5	93.0	99.4	94.5
Computers, peripherals, and parts	47.6	43.0	45.3	41.9	43.4	41.6	40.3
Other	291.1	316.2	302.4	309.8	322.5	330.0	333.6
Automotive vehicles, engines, and parts	107.2	121.0	111.5	118.0	128.7	125.8	122.5
Consumer goods, except automotive...	130.0	146.6	140.9	143.5	151.1	150.9	157.3
Durable goods	71.9	83.4	78.4	81.0	85.4	88.7	92.4
Nondurable goods	58.1	63.2	62.4	62.5	65.7	62.2	64.9
Other	46.2	49.9	51.6	48.3	48.9	51.0	56.9
<b>Exports of services<sup>1</sup></b>	<b>437.1</b>	<b>490.1</b>	<b>465.9</b>	<b>483.5</b>	<b>494.4</b>	<b>516.5</b>	<b>534.2</b>
Transfers under U.S. military agency sales contracts	15.9	15.5	16.5	15.7	15.0	14.7	16.7
Travel	85.7	99.2	90.1	95.4	102.4	109.0	110.3
Passenger fares	22.2	25.0	22.9	24.6	25.6	26.9	26.6
Other transportation	46.3	50.8	47.4	50.0	51.2	54.6	59.2
Royalties and license fees	62.4	69.1	67.0	68.3	69.7	71.2	73.0
Other private services	187.8	212.7	204.7	212.0	221.2	221.8	229.0
Other	16.9	17.8	17.2	17.4	18.3	18.4	19.4
<b>Imports of goods and services</b>	<b>2,229.6</b>	<b>2,351.0</b>	<b>2,264.0</b>	<b>2,312.9</b>	<b>2,380.4</b>	<b>2,446.6</b>	<b>2,515.9</b>
<b>Imports of goods<sup>1</sup></b>	<b>1,880.4</b>	<b>1,979.4</b>	<b>1,902.7</b>	<b>1,947.2</b>	<b>2,007.3</b>	<b>2,060.5</b>	<b>2,117.0</b>
Foods, feeds, and beverages...	74.9	81.7	80.1	80.3	83.7	82.8	84.5
Industrial supplies and materials, except petroleum and products...	290.1	291.5	277.8	301.4	301.4	285.5	290.7
Durable goods	161.8	157.8	154.0	160.0	163.0	154.1	155.0
Nondurable goods	128.3	133.8	123.8	141.4	138.5	131.4	135.8
Petroleum and products	302.4	330.7	283.4	312.6	327.5	399.2	451.7
Capital goods, except automotive...	418.3	444.9	437.4	437.9	451.2	453.3	454.6
Civilian aircraft, engines, and parts	28.4	34.4	32.8	34.3	35.1	35.4	37.3
Computers, peripherals, and parts	101.3	104.1	108.5	102.8	101.7	103.6	102.4
Other	288.5	306.4	296.2	300.8	314.4	314.2	314.9
Automotive vehicles, engines, and parts	256.7	258.9	253.4	252.3	268.2	261.6	258.9
Consumer goods, except automotive...	446.1	478.1	476.0	472.1	476.8	487.5	484.6
Durable goods	243.8	263.5	259.6	257.5	264.3	272.6	263.5
Nondurable goods	202.3	214.6	216.5	214.5	212.5	214.9	221.1
Other	91.9	93.6	94.4	90.7	98.5	90.7	92.0
<b>Imports of services<sup>1</sup></b>	<b>349.2</b>	<b>371.6</b>	<b>361.4</b>	<b>365.7</b>	<b>373.2</b>	<b>386.0</b>	<b>398.9</b>
Direct defense expenditures	31.1	32.6	31.8	32.1	32.3	34.4	34.7
Travel	72.0	75.4	73.6	73.9	76.4	77.8	81.0
Passenger fares	27.5	29.3	28.6	28.4	29.5	30.7	33.4
Other transportation	65.3	66.1	64.9	65.2	66.4	67.9	70.8
Royalties and license fees	26.4	27.8	26.9	27.5	28.1	28.8	29.7
Other private services	116.5	129.7	125.1	128.1	129.9	135.7	138.5
Other	10.4	10.6	10.5	10.6	10.6	10.7	10.8
<b>Addenda:</b>							
Exports of durable goods	717.3	790.4	751.6	766.7	812.9	830.3	833.3
Exports of nondurable goods	313.1	362.5	332.4	348.5	378.4	390.9	431.4
Exports of agricultural goods <sup>2</sup>	72.9	93.3	79.3	87.1	103.0	103.9	118.9
Exports of nonagricultural goods	957.6	1,059.6	1,004.7	1,028.1	1,088.3	1,117.3	1,145.9
Imports of durable goods	1,126.5	1,171.8	1,151.7	1,153.0	1,195.8	1,186.9	1,177.9
Imports of nondurable goods	753.9	807.6	751.0	794.2	811.4	873.7	939.1
Imports of nonpetroleum goods	1,578.0	1,648.8	1,619.2	1,634.7	1,679.7	1,661.4	1,665.3

**Table 4.2.6. Real Exports and Imports of Goods and Services  
by Type of Product, Chained Dollars**  
[Billions of chained (2000) dollars]

Line	2006	2007	Seasonally adjusted at annual rates				
			2007				2008
			I	II	III	IV	
<b>Exports of goods and services</b>	<b>1,304.1</b>	<b>1,409.9</b>	<b>1,354.7</b>	<b>1,379.5</b>	<b>1,441.2</b>	<b>1,464.1</b>	<b>1,483.7</b>
<b>Exports of goods<sup>1</sup></b>	<b>927.4</b>	<b>1,000.8</b>	<b>957.6</b>	<b>973.1</b>	<b>1,031.4</b>	<b>1,041.2</b>	<b>1,052.5</b>
Foods, feeds, and beverages...	52.4	57.0	52.7	55.6	60.9	58.8	60.7
Industrial supplies and materials...	193.5	204.1	196.2	199.2	208.5	212.6	217.7
Durable goods	71.2	74.9	72.5	73.2	76.0	77.9	76.4
Nondurable goods	122.4	129.3	123.7	126.1	132.6	134.8	141.4
Capital goods, except automotive...	420.4	454.6	433.5	438.9	467.1	478.9	474.7
Civilian aircraft, engines, and parts	59.5	66.9	61.9	60.9	70.4	74.5	69.7
Computers, peripherals, and parts	47.6	43.0	45.3	41.9	43.4	41.6	40.3
Other	298.8	324.6	309.1	318.2	331.7	339.6	342.0
Automotive vehicles, engines, and parts	102.3	114.2	105.5	111.5	121.4	118.3	114.7
Consumer goods, except automotive...	126.1	139.3	135.1	136.5	143.3	142.3	147.5
Durable goods	70.1	80.5	76.1	78.2	82.4	85.3	88.2
Nondurable goods	56.1	58.9	59.0	58.5	61.0	57.3	59.5
Other	40.0	41.4	43.7	40.2	40.3	41.4	44.9
<b>Exports of services<sup>1</sup></b>	<b>377.1</b>	<b>409.4</b>	<b>397.2</b>	<b>406.4</b>	<b>410.4</b>	<b>423.4</b>	<b>431.5</b>
Transfers under U.S. military agency sales contracts	14.8	14.0	15.1	14.4	13.5	13.1	14.8
Travel	75.5	84.4	78.9	81.4	86.4	90.7	90.6
Passenger fares	16.0	16.7	16.1	16.6	17.2	17.1	16.7
Other transportation	34.8	36.9	36.2	36.9	36.6	38.0	38.7
Royalties and license fees	53.7	57.9	56.9	57.4	58.3	59.0	60.0
Other private services	169.8	187.0	181.6	187.4	185.8	193.1	198.8
Other	13.5	13.9	13.9	13.9	14.0	13.9	13.9
Residual	-8.7	-9.0	-10.0	-9.8	-8.8	-8.2	-6.8
<b>Imports of goods and services</b>	<b>1,928.6</b>	<b>1,965.4</b>	<b>1,966.8</b>	<b>1,953.4</b>	<b>1,974.3</b>	<b>1,967.3</b>	<b>1,963.9</b>
<b>Imports of goods<sup>1</sup></b>	<b>1,646.9</b>	<b>1,673.5</b>	<b>1,675.6</b>	<b>1,663.4</b>	<b>1,683.2</b>	<b>1,671.9</b>	<b>1,663.9</b>
Foods, feeds, and beverages...	63.4	64.2	65.0	64.0	65.1	62.8	62.0
Industrial supplies and materials, except petroleum and products...	224.5	214.7	209.6	220.4	223.0	205.8	197.2
Durable goods	125.5	114.0	115.3	114.6	115.8	110.1	107.4
Nondurable goods	99.4	101.2	94.6	106.3	107.7	96.0	90.1
Petroleum and products	138.2	135.4	143.3	134.5	127.9	136.1	141.4
Capital goods, except automotive...	465.2	493.0	486.2	487.8	498.8	499.2	500.6
Civilian aircraft, engines, and parts	24.3	28.0	27.3	28.4	28.2	28.2	29.3
Computers, peripherals, and parts	101.3	104.1	108.5	102.8	101.7	103.6	102.4
Other	287.6	299.4	291.7	295.4	306.3	304.2	302.6
Automotive vehicles, engines, and parts	246.9	246.5	242.6	241.1	255.6	246.7	241.8
Consumer goods, except automotive...	447.1	472.9	472.9	468.7	470.8	479.1	471.1
Durable goods	251.3	268.8	265.7	263.7	269.3	276.4	265.3
Nondurable goods	196.6	205.1	208.0	205.8	202.6	204.0	206.6
Other	83.3	82.2	83.8	80.0	86.4	78.7	78.1
<b>Imports of services<sup>1</sup></b>	<b>283.8</b>	<b>293.8</b>	<b>293.1</b>	<b>291.9</b>	<b>293.1</b>	<b>297.1</b>	<b>301.4</b>
Direct defense expenditures	19.4	18.5	19.2	18.5	18.1	18.3	17.7
Travel	58.2	58.7	60.1	58.3	59.0	57.4	58.6
Passenger fares	21.7	21.7	21.7	21.6	21.5	22.2	23.6
Other transportation	51.1	52.7	52.8	52.3	52.7	53.1	53.8
Royalties and license fees	22.7	23.3	22.9	23.1	23.5	23.9	24.4
Other private services	104.5	113.7	110.6	112.9	113.5	117.9	119.3
Other	8.7	8.6	8.8	8.7	8.6	8.5	8.4
Residual	-37.8	-54.3	-48.8	-51.7	-61.7	-55.7	-47.7
<b>Addenda:</b>							
Exports of durable goods	682.3	742.0	707.5	719.5	763.6	777.5	772.8
Exports of nondurable goods	249.5	264.8	255.2	259.0	273.7	271.3	283.7
Exports of agricultural goods <sup>3</sup>	58.1	62.5	56.7	61.2	68.4	63.6	65.3
Exports of nonagricultural goods	871.1	940.3	903.4	913.6	963.6	980.4	989.4
Imports of durable goods	1,126.7	1,152.2	1,141.8	1,136.8	1,172.1	1,158.0	1,139.3
Imports of nondurable goods	534.4	538.5	547.3	541.0	532.6	533.1	538.6
Imports of nonpetroleum goods	1,523.3	1,559.3	1,545.8	1,550.2	1,587.6	1,553.7	1,529.3

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.

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. 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 4.2.2, and real growth rates are shown in table 4.2.1.  
3. Includes parts of foods, feeds, and beverages, of nondurable industrial supplies and materials, and of nondurable nonautomotive consumer goods.

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. For exports and for imports, the residual line is the difference between the aggregate line and the sum of the most detailed lines.

## 5. Saving and Investment

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

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Gross saving</b> .....	1	1,866.9	1,860.0	1,879.4	1,913.6	1,861.7	1,785.3	1,684.5
<b>Net saving</b> .....	2	251.7	173.4	208.5	230.2	170.9	84.2	-26.3
<b>Net private saving</b> .....	3	447.2	403.8	432.8	423.5	414.1	344.5	349.6
Personal saving.....	4	38.8	47.8	97.0	30.5	44.4	19.3	43.8
Undistributed corporate profits with inventory valuation and capital consumption adjustments.....	5	400.9	333.5	335.8	368.0	344.7	285.2	295.8
Undistributed profits.....	6	653.0	614.9	603.9	657.2	602.5	596.1	467.7
Inventory valuation adjustment.....	7	-36.3	-46.2	-40.2	-54.7	-20.3	-69.4	-98.1
Capital consumption adjustment.....	8	-215.8	-235.3	-227.9	-234.4	-237.4	-241.5	-73.8
Wage accruals less disbursements.....	9	7.5	22.5	0.0	25.0	25.0	40.0	10.0
<b>Net government saving</b> .....	10	-195.4	-230.3	-224.3	-193.4	-243.2	-260.3	-375.9
Federal.....	11	-220.0	-218.5	-218.5	-206.8	-230.3	-218.5	-308.4
State and local.....	12	24.6	-11.8	-5.8	13.4	-13.0	-41.9	-67.5
<b>Consumption of fixed capital</b> .....	13	1,615.2	1,686.6	1,670.9	1,683.4	1,690.9	1,701.1	1,710.8
Private.....	14	1,347.5	1,398.7	1,389.6	1,397.4	1,400.9	1,406.7	1,411.5
Domestic business.....	15	1,081.4	1,119.1	1,112.6	1,118.3	1,120.6	1,124.8	1,129.0
Households and institutions.....	16	266.1	279.6	277.1	279.1	280.3	282.0	282.6
Government.....	17	267.7	287.9	281.3	286.0	290.0	294.4	299.3
Federal.....	18	105.4	110.4	108.6	110.2	110.9	112.1	113.5
State and local.....	19	162.3	177.5	172.7	175.9	179.0	182.4	185.8
<b>Gross domestic investment, capital account transactions, and net lending, NIPAs</b> .....	20	1,848.8	1,882.5	1,813.1	1,872.8	1,946.5	1,897.4	1,814.3
Gross domestic investment.....	21	2,642.9	2,593.3	2,569.2	2,603.4	2,637.4	2,563.1	2,521.0
Gross private domestic investment.....	22	2,209.2	2,125.4	2,117.3	2,139.1	2,162.9	2,082.1	2,038.9
Gross government investment.....	23	433.8	467.9	451.8	464.3	474.4	481.0	482.1
Capital account transactions (net) <sup>1</sup>	24	3.9	1.6	1.6	1.7	1.6	1.3	1.4
Net lending or net borrowing (-), NIPAs.....	25	-798.0	-712.4	-757.7	-732.3	-692.4	-667.1	-708.1
<b>Statistical discrepancy</b> .....	26	-18.1	22.4	-66.3	-40.8	84.8	112.0	129.8
<b>Addenda:</b>								
Gross private saving.....	27	1,794.6	1,802.4	1,822.5	1,820.9	1,815.0	1,751.3	1,761.1
Gross government saving.....	28	72.3	57.6	56.9	92.7	46.7	34.1	-76.6
Federal.....	29	-114.6	-108.1	-110.0	-96.6	-119.3	-106.4	-194.9
State and local.....	30	186.9	165.7	166.9	189.3	166.0	140.5	118.3
Net domestic investment.....	31	1,027.7	906.7	898.3	919.9	946.5	862.0	810.1
<b>Gross saving as a percentage of gross national income</b> .....	32	14.1	13.4	13.7	13.8	13.3	12.7	11.9
<b>Net saving as a percentage of gross national income</b> .....	33	1.9	1.2	1.5	1.7	1.2	0.6	-0.2

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	I
<b>Private fixed investment</b> .....	1	2.4	-2.9	-4.4	3.2	-0.7	-4.0	-6.9
<b>Nonresidential</b> .....	2	6.6	4.7	2.1	11.0	9.3	6.0	0.6
<b>Structures</b> .....	3	8.4	12.9	6.4	26.2	16.4	12.4	1.2
Commercial and health care.....	4	7.2	9.1	14.7	2.5	5.2	1.7	-0.7
Manufacturing.....	5	7.7	5.4	-2.2	19.0	-7.2	64.9	28.3
Power and communication.....	6	7.7	19.0	11.6	52.1	21.3	29.2	-1.5
Mining exploration, shafts, and wells.....	7	13.5	14.4	-3.6	48.6	25.5	6.7	-6.5
Other structures <sup>1</sup> .....	8	5.1	18.3	4.0	40.7	34.0	17.2	8.8
<b>Equipment and software</b> .....	9	5.9	1.3	0.3	4.7	6.2	3.1	0.2
Information processing equipment and software.....	10	7.5	8.3	16.7	10.1	6.6	14.7	8.2
Computers and peripheral equipment.....	11	17.7	19.4	43.0	12.3	11.7	32.8	19.2
Software <sup>2</sup> .....	12	3.6	6.6	9.3	10.8	4.4	11.9	10.9
Other <sup>3</sup> .....	13	7.0	5.1	13.5	8.4	6.5	9.7	0.2
Industrial equipment.....	14	3.6	1.4	-2.9	16.3	8.2	-12.9	3.4
Transportation equipment.....	15	7.0	-11.9	-15.2	-23.8	3.0	-16.3	-14.4
Other equipment <sup>4</sup> .....	16	2.8	-4.6	-21.3	9.3	6.1	6.9	-12.7
<b>Residential</b> .....	17	-4.6	-17.0	-16.3	-11.8	-20.5	-25.2	-24.6
<b>Structures</b> .....	18	-4.7	-17.2	-16.6	-11.9	-20.8	-25.5	-24.9
Permanent site.....	19	-6.7	-25.4	-27.7	-14.4	-23.3	-38.3	-37.8
Single family.....	20	-7.8	-27.7	-29.8	-14.2	-24.5	-41.2	-42.3
Multifamily.....	21	3.4	-7.9	-12.6	-15.8	-15.6	-18.5	-7.5
Other structures <sup>5</sup> .....	22	-1.3	-3.7	1.8	-8.5	-17.6	-6.4	-7.9
<b>Equipment</b> .....	23	3.9	-1.2	3.7	-6.0	3.3	-2.0	-5.2
<b>Addenda:</b>								
Private fixed investment in structures.....	24	-0.6	-6.6	-8.4	1.8	-6.7	-10.2	-13.4
Private fixed investment in equipment and software.....	25	5.9	1.3	0.3	4.6	6.2	3.1	0.2
Private fixed investment in new structures <sup>6</sup> .....	26	0.5	-5.7	-9.0	4.6	-3.6	-9.3	-13.3
Nonresidential structures.....	27	8.5	12.9	6.3	26.0	16.3	12.2	1.2
Residential structures.....	28	-3.7	-17.3	-18.6	-9.6	-17.9	-25.8	-26.2

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Percent change at annual rate:</b>								
Private fixed investment ....	1	2.4	-2.9	-4.4	3.2	-0.7	-4.0	-6.9
<b>Percentage points at annual rates:</b>								
<b>Nonresidential</b> .....	2	4.11	3.05	1.42	7.16	6.22	4.19	0.41
Structures .....	3	1.43	2.45	1.28	4.97	3.37	2.71	0.30
Commercial and health care .....	4	0.48	0.66	1.09	0.21	0.42	0.14	-0.06
Manufacturing .....	5	0.09	0.07	-0.03	0.23	-0.10	0.72	0.40
Power and communication .....	6	0.16	0.42	0.26	1.07	0.53	0.76	-0.05
Mining exploration, shafts, and wells .....	7	0.54	0.68	-0.19	2.13	1.27	0.37	-0.39
Other structures .....	8	0.16	0.62	0.14	1.34	1.24	0.72	0.40
<b>Equipment and software</b> .....	9	2.68	0.60	0.15	2.19	2.86	1.48	0.11
Information processing equipment and software .....	10	1.64	1.81	3.54	2.30	1.52	3.35	1.99
Computers and peripheral equipment .....	11	0.72	0.76	1.56	0.53	0.50	1.31	0.84
Software <sup>2</sup> .....	12	0.34	0.61	0.86	1.03	0.44	1.17	1.13
Other <sup>3</sup> .....	13	0.59	0.43	1.11	0.73	0.58	0.87	0.02
Industrial equipment .....	14	0.28	0.11	-0.23	1.22	0.66	-1.16	0.28
Transportation equipment .....	15	0.54	-0.95	-1.27	-2.03	0.21	-1.25	-1.06
Other equipment <sup>4</sup> .....	16	0.23	-0.37	-1.88	0.69	0.47	0.54	-1.10
<b>Residential</b> .....	17	-1.75	-6.00	-5.79	-4.01	-6.95	-8.19	-7.33
Structures .....	18	-1.76	-5.99	-5.80	-3.98	-6.97	-8.18	-7.31
Permanent site .....	19	-1.58	-5.50	-6.05	-2.77	-4.44	-7.34	-6.30
Single family .....	20	-1.66	-5.31	-5.71	-2.35	-4.05	-6.89	-6.14
Multifamily .....	21	0.08	-0.19	-0.34	-0.42	-0.39	-0.45	-0.16
Other structures <sup>5</sup> .....	22	-0.18	-0.49	0.25	-1.21	-2.53	-0.84	-1.01
<b>Equipment</b> .....	23	0.02	-0.01	0.02	-0.03	0.01	-0.01	-0.02
<b>Addenda:</b>								
Private fixed investment in structures .....	24	-0.33	-3.54	-4.53	1.00	-3.60	-5.47	-7.00
Private fixed investment in equipment and software .....	25	2.70	0.59	0.17	2.16	2.87	1.47	0.08
Private fixed investment in new structures <sup>6</sup> .....	26	0.26	-2.82	-4.47	2.20	-1.78	-4.59	-6.49
Nonresidential structures .....	27	1.44	2.44	1.25	4.94	3.34	2.68	0.29
Residential structures .....	28	-1.18	-5.26	-5.71	-2.75	-5.12	-7.26	-6.78

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Private fixed investment</b> .....	1	111.657	108.369	108.113	108.956	108.756	107.652	105.739
<b>Nonresidential</b> .....	2	106.062	111.061	107.277	110.109	112.597	114.261	114.418
<b>Structures</b> .....	3	85.770	96.871	90.241	95.639	99.330	102.274	102.590
Commercial and health care .....	4	81.352	88.728	87.658	88.207	89.339	89.709	89.546
Manufacturing .....	5	64.286	67.765	64.055	66.909	65.675	74.420	79.199
Power and communication .....	6	75.171	89.452	79.185	87.938	92.287	98.397	98.020
Mining exploration, shafts, and wells .....	7	146.641	167.747	150.427	166.098	175.804	178.660	175.682
Other structures <sup>1</sup> .....	8	78.161	92.472	82.564	89.920	96.746	100.657	102.801
<b>Equipment and software</b> .....	9	114.332	115.842	113.753	115.075	116.821	117.720	117.784
Information processing equipment and software .....	10	127.427	138.032	133.287	136.547	138.731	143.563	146.408
Computers and peripheral equipment .....	11	200.789	239.684	226.974	233.652	240.216	257.894	269.442
Software <sup>2</sup> .....	12	120.918	128.874	124.834	128.068	129.453	133.143	136.642
Other <sup>3</sup> .....	13	107.802	113.315	110.077	112.319	114.101	116.764	116.835
Industrial equipment .....	14	93.939	95.281	92.500	96.050	97.955	94.618	95.409
Transportation equipment .....	15	96.487	84.966	90.017	84.103	84.721	81.025	77.938
Other equipment <sup>4</sup> .....	16	119.025	113.514	110.340	112.810	114.494	116.410	112.516
<b>Residential</b> .....	17	127.433	105.795	113.301	109.791	103.665	96.422	89.859
<b>Structures</b> .....	18	127.394	105.506	113.092	109.563	103.347	96.021	89.398
Permanent site .....	19	128.910	96.125	105.061	101.053	94.576	83.808	74.420
Single family .....	20	127.834	92.456	101.442	97.637	91.027	79.716	69.479
Multifamily .....	21	138.163	127.221	135.758	130.041	124.659	118.427	116.150
Other structures <sup>5</sup> .....	22	125.072	120.490	125.963	123.189	117.372	115.435	113.099
<b>Equipment</b> .....	23	131.490	129.869	131.021	128.995	130.051	129.408	127.702
<b>Addenda:</b>								
Private fixed investment in structures .....	24	110.124	102.875	104.099	104.577	102.782	100.041	96.513
Private fixed investment in equipment and software .....	25	114.472	115.956	113.893	115.187	116.928	117.814	117.863
Private fixed investment in new structures <sup>6</sup> .....	26	107.871	101.690	101.919	103.067	102.117	99.657	96.163
Nonresidential structures .....	27	85.706	96.757	90.169	95.539	99.208	102.113	102.417
Residential structures .....	28	125.803	104.025	110.531	107.770	102.586	95.215	88.248

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	2006	2007	Seasonally adjusted				
				2007				2008
				I	II	III	IV	
<b>Private fixed investment</b> .....	1	115.352	116.637	116.718	116.636	116.498	116.696	116.542
<b>Nonresidential</b> .....	2	106.961	108.293	108.301	108.293	108.140	108.440	108.470
<b>Structures</b> .....	3	150.806	155.709	155.637	155.199	155.392	156.609	157.319
Commercial and health care .....	4	137.634	145.010	143.459	144.107	145.179	147.293	147.664
Manufacturing .....	5	130.940	136.286	134.906	135.648	136.727	137.863	138.229
Power and communication .....	6	134.294	139.475	137.784	138.689	140.078	141.350	143.077
Mining exploration, shafts, and wells .....	7	264.531	259.360	267.105	260.237	255.430	254.667	255.840
Other structures <sup>1</sup> .....	8	131.260	138.474	137.175	137.815	138.884	140.022	140.546
<b>Equipment and software</b> .....	9	94.485	94.857	94.892	95.002	94.751	94.783	94.613
Information processing equipment and software .....	10	80.699	79.296	79.840	79.509	79.026	78.809	78.440
Computers and peripheral equipment .....	11	44.843	40.040	41.934	40.706	39.240	38.281	36.868
Software <sup>2</sup> .....	12	95.459	95.881	95.740	95.812	95.840	96.134	96.317
Other <sup>3</sup> .....	13	90.895	91.400	91.061	91.356	91.522	91.661	92.044
Industrial equipment .....	14	111.442	115.429	114.150	115.110	115.793	116.663	117.715
Transportation equipment .....	15	110.759	112.715	112.520	113.338	112.524	112.476	111.727
Other equipment <sup>4</sup> .....	16	110.906	113.299	112.718	113.166	113.486	113.828	113.841
<b>Residential</b> .....	17	134.288	135.450	135.736	135.459	135.367	135.238	134.470
<b>Structures</b> .....	18	134.863	136.016	136.311	136.016	135.930	135.805	135.025
Permanent site .....	19	137.271	137.988	138.997	137.930	137.613	137.411	135.792
Single family .....	20	137.431	138.065	139.076	138.008	137.690	137.488	135.869
Multifamily .....	21	135.797	137.618	138.625	137.560	137.244	137.042	135.428
Other structures <sup>5</sup> .....	22	131.113	132.785	132.186	132.863	133.063	133.029	133.135
<b>Equipment</b> .....	23	99.222	100.897	100.683	101.329	100.948	100.629	100.463
<b>Addenda:</b>								
Private fixed investment in structures .....	24	139.971	142.416	142.556	142.210	142.233	142.664	142.542
Private fixed investment in equipment and software .....	25	94.525	94.909	94.942	95.057	94.804	94.834	94.663
Private fixed investment in new structures <sup>6</sup> .....	26	141.133	143.856	144.045	143.593	143.608	144.178	144.039
Nonresidential structures .....	27	151.128	156.088	156.007	155.571	155.769	157.006	157.723
Residential structures .....	28	135.654	137.018	137.420	136.954	136.833	136.866	135.949

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Private fixed investment</b> .....	1	2,162.5	2,122.4	2,118.9	2,133.9	2,127.5	2,109.5	2,069.2
<b>Nonresidential</b> .....	2	1,397.7	1,481.8	1,431.4	1,469.1	1,500.1	1,526.5	1,529.1
<b>Structures</b> .....	3	405.1	472.1	439.6	464.5	483.1	501.3	505.1
Commercial and health care .....	4	154.0	176.9	172.8	174.7	178.3	181.6	181.7
Manufacturing .....	5	26.8	29.4	27.5	28.9	28.6	32.6	34.8
Power and communication .....	6	47.3	58.4	51.1	57.1	60.5	65.1	65.6
Mining exploration, shafts, and wells .....	7	105.4	118.0	109.1	117.4	121.9	123.6	122.1
Other structures <sup>1</sup> .....	8	71.7	89.4	79.1	86.5	93.8	98.4	100.9
<b>Equipment and software</b> .....	9	992.6	1,009.7	991.8	1,004.5	1,017.1	1,025.3	1,024.0
Information processing equipment and software .....	10	480.9	511.7	497.6	507.7	512.6	529.0	537.0
Computers and peripheral equipment .....	11	91.3	97.3	96.6	96.6	95.7	100.2	100.8
Software <sup>2</sup> .....	12	203.3	217.7	210.5	216.1	218.5	225.5	231.8
Other <sup>3</sup> .....	13	186.2	196.8	190.5	195.0	198.4	203.4	204.3
Industrial equipment .....	14	166.7	175.1	168.1	176.0	180.6	175.7	178.8
Transportation equipment .....	15	171.9	154.0	162.9	153.3	153.3	146.6	140.1
Other equipment <sup>4</sup> .....	16	173.2	168.8	163.2	167.5	170.5	173.9	168.1
<b>Residential</b> .....	17	764.8	640.7	687.5	664.8	627.3	582.9	540.2
<b>Structures</b> .....	18	755.2	631.0	677.8	655.2	617.7	573.4	530.7
Permanent site .....	19	469.0	351.8	387.2	369.6	345.1	305.4	268.0
Single family .....	20	416.0	302.4	334.1	319.1	296.8	259.5	223.5
Multifamily .....	21	53.0	49.5	53.2	50.6	48.3	45.9	44.5
Other structures <sup>5</sup> .....	22	286.2	279.2	290.6	285.6	272.5	268.0	262.8
<b>Equipment</b> .....	23	9.6	9.6	9.7	9.6	9.7	9.6	9.4
<b>Addenda:</b>								
Private fixed investment in structures .....	24	1,160.3	1,103.1	1,117.4	1,119.8	1,100.7	1,074.6	1,035.8
Private fixed investment in equipment and software .....	25	1,002.2	1,019.3	1,001.6	1,014.2	1,026.8	1,034.8	1,033.4
Private fixed investment in new structures <sup>6</sup> .....	26	1,061.3	1,020.1	1,023.8	1,032.1	1,022.7	1,002.0	965.9
Nonresidential structures .....	27	404.3	471.1	438.8	463.6	482.0	500.1	503.8
Residential structures .....	28	657.0	549.0	585.0	568.5	540.6	501.9	462.1

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	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV	I	
<b>Private fixed investment</b> .....	1	1,874.7	1,819.5	1,815.2	1,829.3	1,826.0	1,807.5	1,775.3
<b>Nonresidential</b> .....	2	1,306.8	1,368.4	1,321.7	1,356.6	1,387.3	1,407.8	1,409.7
Structures .....	3	268.6	303.4	282.6	299.5	311.1	320.3	321.3
Commercial and health care .....	4	111.9	122.0	120.6	121.3	122.9	123.4	123.2
Manufacturing .....	5	20.4	21.5	20.4	21.3	20.9	23.7	25.2
Power and communication .....	6	35.2	41.9	37.1	41.2	43.2	46.1	45.9
Mining exploration, shafts, and wells .....	7	39.8	45.6	40.9	45.1	47.8	48.5	47.7
Other structures <sup>1</sup> .....	8	54.6	64.6	57.7	62.8	67.6	70.3	71.8
<b>Equipment and software</b> .....	9	1,050.6	1,064.5	1,045.3	1,057.4	1,073.5	1,081.7	1,082.3
Information processing equipment and software .....	10	595.9	645.5	623.3	638.5	648.7	671.3	684.6
Computers and peripheral equipment <sup>2</sup> .....	11							
Software <sup>3</sup> .....	12	213.0	227.0	219.9	225.6	228.0	234.5	240.7
Other <sup>4</sup> .....	13	204.8	215.3	209.2	213.4	216.8	221.9	222.0
Industrial equipment .....	14	149.6	151.7	147.3	152.9	156.0	150.6	151.9
Transportation equipment .....	15	155.2	136.7	144.8	135.3	136.3	130.3	125.4
Other equipment <sup>5</sup> .....	16	156.2	148.9	144.8	148.0	150.2	152.7	147.6
<b>Residential</b> .....	17	569.5	472.8	506.3	490.7	463.3	430.9	401.6
Structures .....	18	560.0	463.7	497.1	481.6	454.3	422.1	392.9
Permanent site .....	19	341.7	254.8	278.5	267.8	250.7	222.1	197.2
Single family .....	20	302.7	218.9	240.2	231.2	215.5	188.8	164.5
Multifamily .....	21	39.0	36.0	38.4	36.7	35.2	33.5	32.8
Other structures <sup>6</sup> .....	22	218.2	210.3	219.8	215.0	204.8	201.4	197.4
Equipment .....	23	9.7	9.6	9.6	9.5	9.6	9.5	9.4
Residual .....	24	-39.3	-73.6	-65.7	-67.0	-72.5	-89.3	-103.5
<b>Addenda:</b>								
Private fixed investment in structures .....	25	828.9	774.4	783.6	787.2	773.7	753.0	726.5
Private fixed investment in equipment and software .....	26	1,060.3	1,074.0	1,054.9	1,066.9	1,083.0	1,091.3	1,091.7
Private fixed investment in new structures <sup>7</sup> .....	27	752.0	708.9	710.5	718.5	711.9	694.7	670.4
Nonresidential structures .....	28	267.5	302.0	281.5	298.2	309.7	318.7	319.7
Residential structures .....	29	484.3	400.5	425.5	414.9	395.0	366.6	339.8

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	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV	I	
<b>Change in private inventories</b> .....	1	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
Farm .....	2	-1.2	3.4	5.5	4.0	3.8	0.3	-3.8
Mining, utilities, and construction .....	3	5.3	-0.8	6.2	2.9	-3.9	-8.3	-16.8
Manufacturing .....	4	7.8	0.8	-6.6	-5.5	4.6	10.5	21.6
Durable goods industries .....	5	7.2	4.6	0.9	-9.2	1.7	24.9	6.5
Nondurable goods industries .....	6	0.6	-3.8	-7.4	3.7	2.9	-14.4	15.2
Wholesale trade .....	7	23.7	4.4	5.4	-0.4	16.9	-4.2	-5.7
Durable goods industries .....	8	16.9	0.3	9.7	-14.9	-0.4	6.9	6.6
Nondurable goods industries .....	9	6.9	4.1	-4.3	14.5	17.3	-11.1	-12.3
Retail trade .....	10	6.6	-5.7	-14.6	3.5	13.8	-25.4	-24.3
Motor vehicle and parts dealers .....	11	-3.3	-9.9	-15.1	-5.2	11.5	-30.8	-14.6
Food and beverage stores .....	12	0.6	1.0	-0.2	0.8	2.1	1.1	0.6
General merchandise stores .....	13	1.8	0.6	2.4	2.7	-2.0	-0.7	-2.6
Other retail stores .....	14	7.5	2.6	-1.7	5.2	2.1	5.0	-7.7
Other industries .....	15	4.4	0.8	2.5	0.6	0.3	-0.3	-1.4
<b>Addenda:</b>								
Change in private inventories .....	16	46.7	2.9	-1.6	5.1	35.4	-27.4	-30.4
Durable goods industries .....	17	20.4	-3.4	0.9	-26.6	10.5	1.6	-13.1
Nondurable goods industries .....	18	26.3	6.3	-2.5	31.7	25.0	-29.0	-17.3
Nonfarm industries .....	19	47.8	-0.5	-7.0	1.1	31.6	-27.7	-26.6
Nonfarm change in book value <sup>1</sup> .....	20	80.8	52.0	41.1	67.5	45.3	54.0	98.1
Nonfarm inventory valuation adjustment <sup>2</sup> .....	21	-33.0	-52.5	-48.1	-66.4	-13.7	-81.8	-124.7
Wholesale trade .....	22	23.7	4.4	5.4	-0.4	16.9	-4.2	-5.7
Merchant wholesale trade .....	23	19.4	5.7	3.9	3.7	18.7	-3.5	-2.1
Durable goods industries .....	24	13.1	0.4	4.8	-10.6	2.2	5.2	13.5
Nondurable goods industries .....	25	6.4	5.3	-0.9	14.3	16.5	-8.8	-15.6
Nonmerchandise wholesale trade .....	26	4.3	-1.3	1.5	-4.2	-1.8	-0.6	-3.6

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	2006	2007	Seasonally adjusted at annual rates					
			2007				2008	
			I	II	III	IV	I	
<b>Change in private inventories</b> .....	1	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
Farm .....	2	-0.9	3.7	5.0	3.6	4.1	2.2	-1.0
Mining, utilities, and construction .....	3	3.9	-0.5	4.3	1.9	-2.6	-5.5	-10.4
Manufacturing .....	4	5.8	0.6	-5.0	-4.2	3.1	8.5	16.5
Durable goods industries .....	5	6.0	3.8	0.8	-7.5	1.4	20.5	5.2
Nondurable goods industries .....	6	0.1	-2.6	-5.3	2.7	1.7	-9.4	10.3
Wholesale trade .....	7	20.8	3.7	4.4	-0.2	13.9	-3.3	-3.5
Durable goods industries .....	8	15.5	0.3	8.7	-13.3	-0.4	6.1	5.9
Nondurable goods industries .....	9	5.7	3.1	-3.4	10.9	12.7	-7.7	-7.3
Retail trade .....	10	6.3	-5.1	-13.5	3.3	12.7	-22.9	-21.7
Motor vehicle and parts dealers .....	11	-3.3	-10.0	-15.4	-5.2	11.6	-30.8	-14.5
Food and beverage stores .....	12	0.5	0.8	-0.1	0.7	1.8	0.9	0.5
General merchandise stores .....	13	1.7	0.6	2.3	2.5	-1.8	-0.7	-2.3
Other retail stores .....	14	6.8	2.4	-1.5	4.6	1.9	4.5	-6.5
Other industries .....	15	4.0	0.8	2.3	0.6	0.3	-0.2	-1.1
Residual .....	16	0.3	2.1	2.4	4.3	-0.1	1.8	1.6
<b>Addenda:</b>								
Change in private inventories .....	17	40.3	4.5	0.1	5.8	30.6	-18.3	-19.6
Durable goods industries .....	18	18.5	-3.0	0.8	-23.4	9.3	1.5	-11.1
Nondurable goods industries .....	19	21.7	6.9	-0.6	25.7	20.6	-18.1	-8.8
Nonfarm industries .....	20	41.7	0.0	-5.8	1.3	26.0	-21.7	-18.9
Wholesale trade .....	21	20.8	3.7	4.4	-0.2	13.9	-3.3	-3.5
Merchant wholesale trade .....	22	17.3	4.8	3.3	3.3	15.6	-2.8	-0.7
Durable goods industries .....	23	11.9	0.4	4.3	-9.4	1.9	4.6	11.9
Nondurable goods industries .....	24	5.5	4.2	-0.7	11.1	12.5	-6.2	-9.8
Nonmerchandise wholesale trade .....	25	3.4	-1.0	1.1	-3.2	-1.3	-0.5	-2.5

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.





## 6. Income and Employment by Industry

**Table 6.1D. National Income Without Capital Consumption Adjustment by Industry**  
 (Billions of dollars)

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>National income without capital consumption adjustment</b> .....	1	11,791.8	12,375.0	12,154.5	12,344.4	12,443.5	12,557.7	12,420.0
<b>Domestic industries</b> .....	2	11,733.8	12,279.3	12,091.3	12,273.8	12,342.3	12,409.8	12,299.1
<b>Private industries</b> .....	3	10,352.1	10,827.2	10,667.2	10,830.9	10,879.9	10,930.9	10,795.4
Agriculture, forestry, fishing, and hunting.....	4	87.0	111.6	102.1	108.1	115.0	121.2	111.1
Mining.....	5	199.2	201.2	186.8	203.5	208.1	206.3	211.4
Utilities.....	6	193.7	210.5	199.2	206.1	213.3	223.6	206.4
Construction.....	7	621.3	541.3	571.5	535.9	532.4	525.4	519.4
Manufacturing.....	8	1,421.6	1,474.3	1,459.8	1,510.9	1,465.6	1,461.0	1,411.3
Durable goods.....	9	777.6	825.3	811.3	818.8	833.5	837.5	791.9
Nondurable goods.....	10	644.0	649.1	648.5	692.2	632.1	623.5	619.4
Wholesale trade.....	11	721.6	758.6	744.4	761.5	772.6	755.8	737.1
Retail trade.....	12	864.9	906.8	894.8	901.4	911.2	919.9	910.7
Transportation and warehousing.....	13	348.2	369.1	357.7	369.7	376.1	372.9	353.2
Information.....	14	432.6	461.2	459.8	448.4	460.3	476.4	480.6
Finance, insurance, real estate, rental, and leasing.....	15	2,127.6	2,215.8	2,180.3	2,237.8	2,222.7	2,222.5	2,164.7
Professional and business services <sup>1</sup> .....	16	1,630.3	1,767.5	1,749.0	1,751.2	1,785.1	1,784.6	1,841.6
Educational services, health care, and social assistance.....	17	994.5	1,061.6	1,026.6	1,047.3	1,066.9	1,105.6	1,098.4
Arts, entertainment, recreation, accommodation, and food services.....	18	425.8	449.0	440.8	452.2	450.8	452.2	443.3
Other services, except government.....	19	283.8	298.7	294.3	296.9	299.7	303.8	306.2
<b>Government</b> .....	20	1,381.6	1,452.1	1,424.0	1,442.9	1,462.5	1,478.9	1,503.7
<b>Rest of the world</b> .....	21	58.0	95.7	63.2	70.7	101.2	147.9	120.9

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	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Corporate profits with inventory valuation and capital consumption adjustments</b> .....	1	1,553.7	1,595.2	1,547.7	1,642.4	1,621.9	1,569.0	1,563.8
<b>Domestic industries</b> .....	2	1,296.4	1,257.7	1,249.8	1,327.8	1,280.9	1,172.2	1,189.8
Financial <sup>1</sup> .....	3	482.2	473.4	468.7	521.4	488.9	414.5	428.7
Nonfinancial.....	4	814.3	784.3	781.1	806.4	792.0	757.7	761.1
<b>Rest of the world</b> .....	5	257.3	337.6	297.9	314.6	341.0	396.8	374.0
Receipts from the rest of the world.....	6	419.8	491.0	448.7	482.6	510.2	522.5	526.2
Less: Payments to the rest of the world.....	7	162.5	153.4	150.8	168.0	169.1	125.7	152.2
<b>Corporate profits with inventory valuation adjustment</b> .....	8	1,769.5	1,830.5	1,775.6	1,876.8	1,859.4	1,810.5	1,637.6
<b>Domestic industries</b> .....	9	1,512.2	1,493.0	1,477.7	1,562.1	1,518.3	1,413.7	1,263.6
Financial.....	10	505.3	498.5	493.0	546.4	514.2	440.3	435.9
Federal Reserve banks.....	11	33.8	38.4	38.5	39.2	38.4	37.6	36.8
Other financial <sup>2</sup> .....	12	471.4	460.1	454.5	507.2	475.8	402.7	399.1
Nonfinancial.....	13	1,006.9	994.5	984.7	1,015.7	1,004.1	973.4	827.7
Utilities.....	14	35.7	44.4	36.4	41.2	46.4	53.7	36.1
Manufacturing.....	15	293.4	305.7	298.9	347.0	296.8	280.3	224.3
Durable goods.....	16	95.9	121.9	113.0	117.2	128.5	129.2	78.2
Fabricated metal products.....	17	20.3	25.2	23.3	22.2	26.5	28.8	24.5
Machinery.....	18	19.3	21.8	21.8	22.5	22.3	20.4	16.9
Computer and electronic products.....	19	7.7	8.0	9.0	7.7	8.5	7.0	3.2
Electrical equipment, appliances, and components.....	20	-1.9	2.0	1.3	0.7	2.4	3.6	-1.5
Motor vehicles, bodies and trailers, and parts.....	21	-1.1	9.4	4.6	12.3	12.1	8.7	-3.6
Other durable goods <sup>3</sup> .....	22	51.7	55.5	52.9	51.8	56.7	60.7	38.8
Nondurable goods.....	23	197.5	183.8	185.9	229.8	168.3	151.1	146.1
Food and beverage and tobacco products.....	24	29.2	33.4	30.1	35.4	34.3	33.7	29.4
Petroleum and coal products.....	25	110.4	86.5	94.9	136.5	70.6	44.0	63.2
Chemical products.....	26	37.6	43.9	41.0	41.8	43.4	49.2	38.4
Other nondurable goods <sup>4</sup> .....	27	20.3	20.0	20.0	16.1	20.0	24.1	15.1
Wholesale trade.....	28	97.0	98.7	97.8	104.9	109.8	82.2	57.0
Retail trade.....	29	124.5	137.5	134.3	134.4	140.2	141.3	130.6
Transportation and warehousing.....	30	41.9	47.1	39.1	45.8	55.4	48.3	28.8
Information.....	31	85.4	103.4	109.5	92.9	100.8	110.4	115.3
Other nonfinancial <sup>5</sup> .....	32	329.0	257.5	268.7	249.5	254.7	257.2	235.7
<b>Rest of the world</b> .....	33	257.3	337.6	297.9	314.6	341.0	396.8	374.0

1. Consists of finance and insurance and bank and other holding companies.  
 2. Consists of credit intermediation and related activities, securities, commodity contracts, and other financial investments and related activities; insurance carriers and related activities; funds, trusts, and other financial vehicles; and bank and other holding companies.  
 3. Consists of wood products; nonmetallic mineral products; primary metals; other transportation equipment; furniture and related products; and miscellaneous manufacturing.  
 4. Consists of textile mills and textile product mills; apparel; leather and allied products; paper products; printing and related support activities; and plastics and rubber products.  
 5. Consists of agriculture, forestry, fishing, and hunting; mining; construction; real estate and rental and leasing; professional, scientific, and technical services; administrative and waste management services; educational services; health care and social assistance, arts, entertainment, and recreation; accommodation and food services; and other services, except government.  
 Note: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

7. Supplemental Tables

**Table 7.1. Selected Per Capita Product and Income Series in Current and Chained Dollars**  
[Dollars]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Current dollars:</b>								
Gross domestic product .....	1	44,100	45,819	45,022	45,642	46,191	46,415	46,734
Gross national product .....	2	44,294	46,136	45,232	45,877	46,525	46,903	47,132
Personal income .....	3	36,709	38,617	38,103	38,378	38,800	39,182	39,531
Disposable personal income .....	4	32,183	33,705	33,270	33,480	33,874	34,193	34,546
Personal consumption expenditures .....	5	30,831	32,223	31,695	32,068	32,355	32,770	33,086
Durable goods .....	6	3,506	3,569	3,568	3,563	3,576	3,570	3,506
Nondurable goods .....	7	8,984	9,379	9,167	9,357	9,411	9,579	9,708
Services .....	8	18,341	19,275	18,960	19,149	19,368	19,621	19,871
<b>Chained (2000) dollars:</b>								
Gross domestic product .....	9	37,832	38,290	37,915	38,188	38,548	38,505	38,515
Gross national product .....	10	38,002	38,557	38,095	38,387	38,831	38,912	38,847
Disposable personal income .....	11	28,064	28,663	28,650	28,532	28,739	28,730	28,770
Personal consumption expenditures .....	12	26,885	27,402	27,294	27,329	27,450	27,534	27,554
Durable goods .....	13	3,945	4,090	4,064	4,072	4,106	4,116	4,045
Nondurable goods .....	14	7,813	7,921	7,929	7,902	7,925	7,929	7,909
Services .....	15	15,192	15,475	15,384	15,437	15,505	15,574	15,661
Population (midperiod, thousands)	16	299,199	302,087	301,004	301,667	302,452	303,225	303,868

**Table 7.2.1B. Percent Change from Preceding Period in Real Motor Vehicle Output**  
[Percent]

	Line	2006	2007	Seasonally adjusted at annual rates				
				2007				2008
				I	II	III	IV	
<b>Motor vehicle output</b> .....	1	-1.3	-2.1	6.2	1.0	13.1	-26.0	-16.7
Auto output .....	2	3.2	-2.2	-11.7	-0.3	14.9	-4.8	-13.3
Truck output .....	3	-3.8	-2.1	19.1	1.8	12.0	-36.8	-18.9
<b>Final sales of domestic product</b> .....	4	-1.2	-0.4	4.6	-2.6	-9.8	8.1	-21.8
<b>Personal consumption expenditures</b> .....	5	-3.4	2.4	12.2	-3.1	-7.2	5.0	-14.6
New motor vehicles .....	6	-5.5	2.1	20.1	-7.9	-16.4	14.0	-23.3
Autos .....	7	2.0	-3.0	-1.7	5.5	-32.0	45.0	-15.8
Light trucks (including utility vehicles) .....	8	-10.7	6.1	39.5	-16.7	-2.9	-4.5	-28.7
Net purchases of used autos and used light trucks .....	9	1.2	3.2	-2.5	8.1	14.4	-10.6	5.0
Used autos .....	10	-0.8	0.0	-2.9	1.7	8.3	-13.9	6.4
Used light trucks (including utility vehicles) .....	11	3.2	6.2	-2.2	14.3	20.1	-7.6	3.8
<b>Private fixed investment</b> .....	12	11.7	-15.2	-32.8	-28.5	14.8	-11.8	-24.4
New motor vehicles .....	13	8.5	-7.3	-15.0	-22.8	16.6	-11.9	-19.2
Autos .....	14	5.1	1.3	-8.5	0.9	23.7	-7.9	-25.7
Trucks .....	15	10.3	-11.5	-18.2	-33.2	12.8	-14.1	-15.1
Light trucks (including utility vehicles) .....	16	10.3	-0.9	2.3	-12.9	33.7	-19.3	-12.7
Other .....	17	10.2	-36.7	-54.2	-71.7	-43.7	12.5	-24.3
Net purchases of used autos and used light trucks .....	18	1.9	11.4	37.5	-11.0	19.9	-12.0	-9.4
Used autos .....	19	-1.1	6.0	15.8	-9.1	-0.2	-12.6	11.6
Used light trucks (including utility vehicles) .....	20	4.9	16.5	62.0	-12.7	41.0	-11.5	-24.6
<b>Gross government investment</b> .....	21	1.9	-15.5	-45.7	-30.6	-28.9	22.3	-26.3
Autos .....	22	7.6	-4.6	-35.3	24.3	-50.5	106.3	-40.8
Trucks .....	23	0.3	-18.8	-48.5	-43.4	-18.9	0.3	-19.6
<b>Net exports</b> .....	24							
Exports .....	25	10.9	22.6	25.1	53.5	49.2	14.3	-10.9
Autos .....	26	16.4	31.8	28.3	53.9	80.7	23.0	6.4
Trucks .....	27	6.1	13.8	21.9	53.1	21.3	5.0	-28.3
Imports .....	28	9.0	-2.7	-18.0	-15.7	40.2	-10.9	-2.7
Autos .....	29	10.7	-1.6	-37.7	-2.8	58.2	-16.2	7.5
Trucks .....	30	7.5	-3.6	6.0	-26.0	24.6	-5.3	-12.1
<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 .....	41							
<b>Addenda:</b>								
Final sales of motor vehicles to domestic purchasers .....	42	0.6	-3.2	-4.6	-11.2	-2.7	0.8	-17.5
Private fixed investment in new autos and new light trucks .....	43	8.1	0.0	-2.3	-7.4	29.4	-14.7	-18.4
Domestic output of new autos <sup>2</sup> .....	44	2.5	-3.8	-9.0	-8.5	23.1	1.4	4.9
Sales of imported new autos <sup>3</sup> .....	45	8.7	3.5	-5.3	13.6	-10.5	5.1	-30.2

1. Consists of used light trucks only.  
 2. Consists of final sales and change in private inventories of new autos assembled in the United States.  
 3. Consists of personal consumption expenditures, private fixed investment, and gross government investment.







### C. Historical Measures

This table is derived from the “Selected NIPA Tables” that are published in this issue and from the “GDP and Other Major NIPA Series” tables that were published in the August 2007 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	23.389	23.893	23.874	3.1	2.9	3.1	3.1
1968	3,652.7	3,640.3	3,680.0	4.8	5.0	24.916	24.916	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	8,329.7	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	10,675.8	10,619.8	10,746.0	3.6	3.3	109.462	109.235	109.462	109.455	2.9	3.1	2.9	2.9
2005	11,003.4	10,966.9	11,064.7	3.1	3.3	113.005	113.225	113.000	112.994	3.2	3.7	3.2	3.2
2006	11,319.4	11,275.9	11,370.1	2.9	2.8	116.568	116.920	116.567	116.558	3.2	3.3	3.2	3.2
2007	11,566.8	11,561.5	11,647.6	2.2	2.5	119.668	120.068	119.664	119.656	2.7	2.7	2.7	2.7





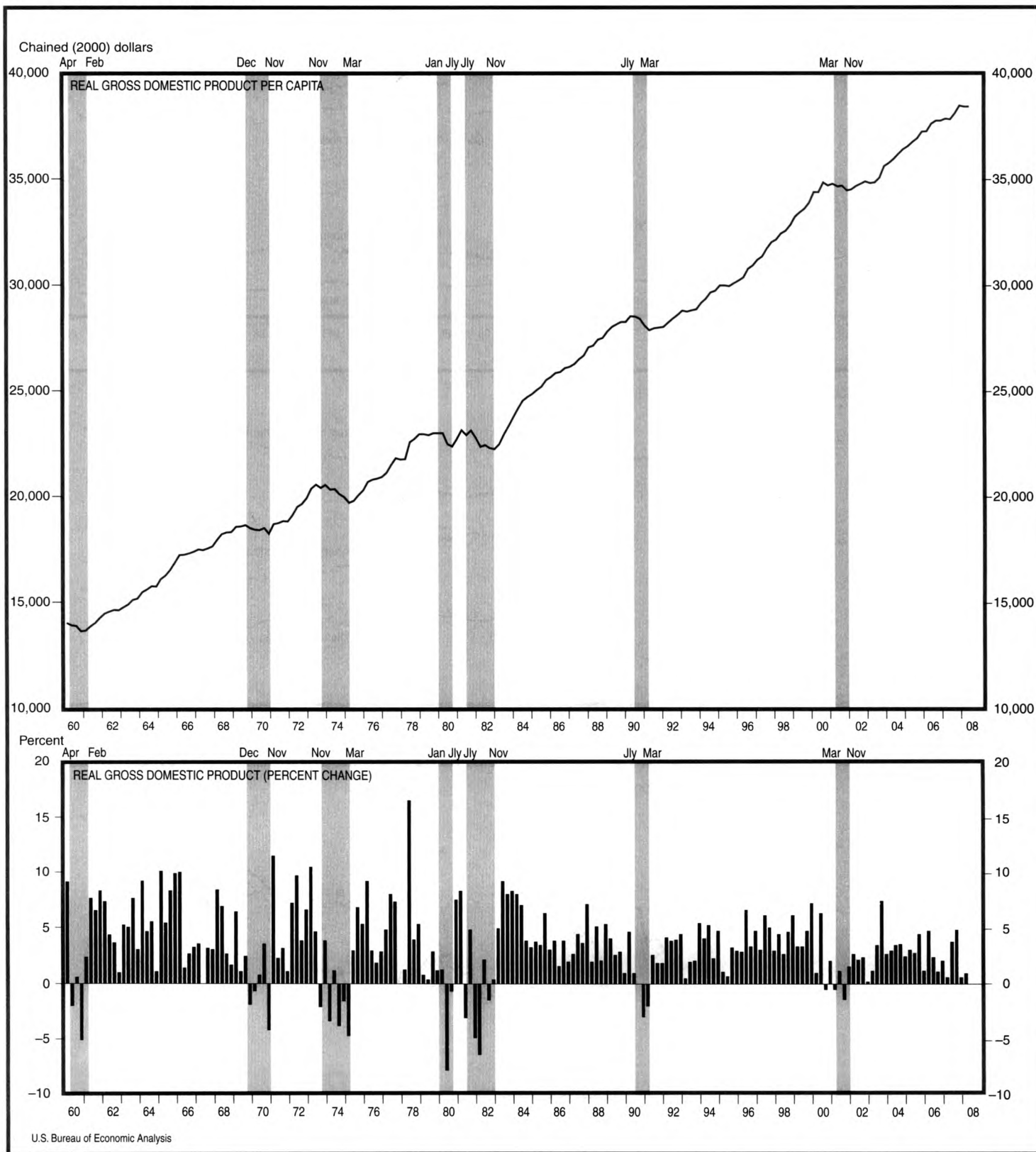




**D. Charts**

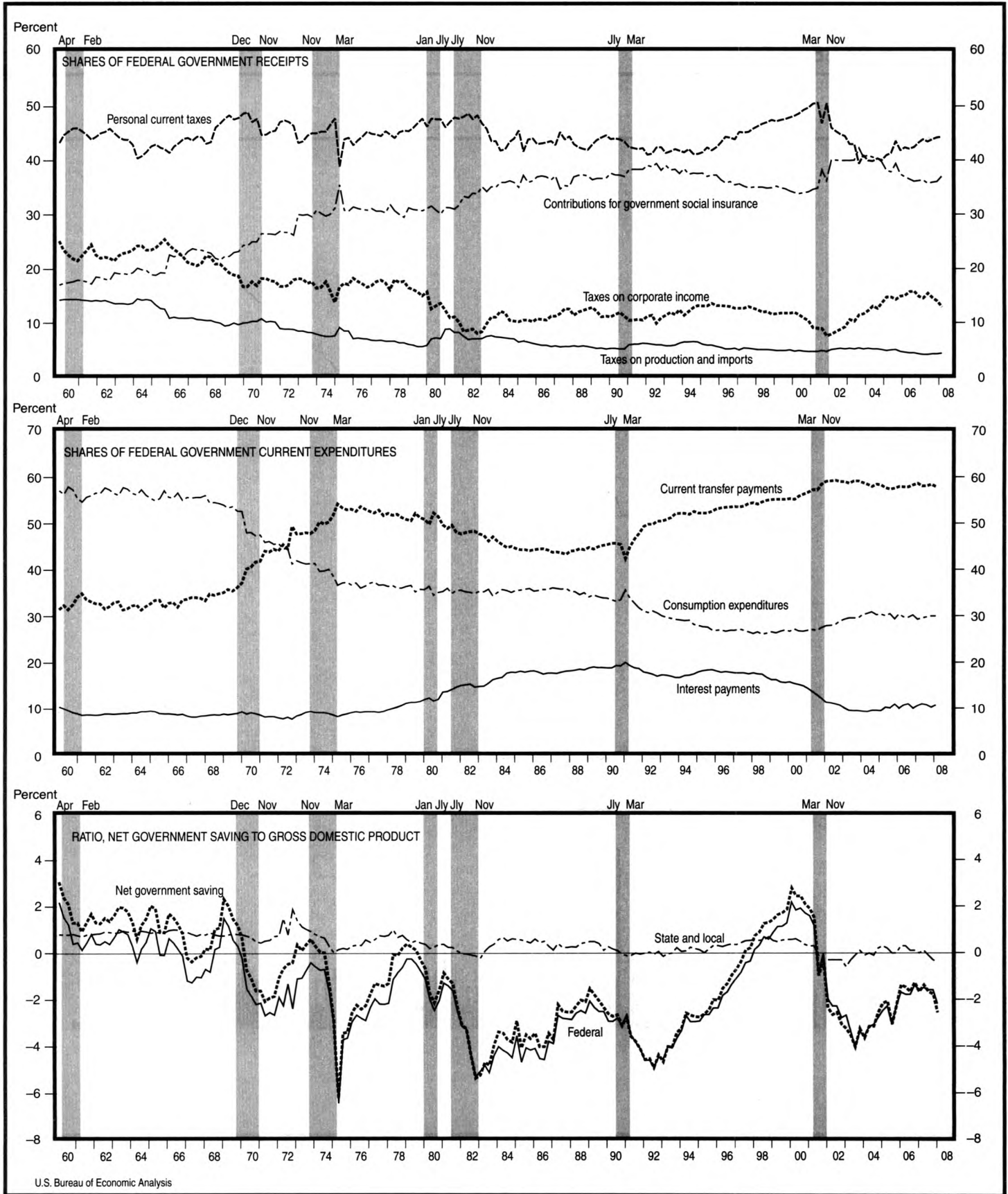
All series are seasonally adjusted at annual rates. The percent changes in real gross domestic product are based on quarter-to-quarter changes.

**SELECTED NIPA SERIES**

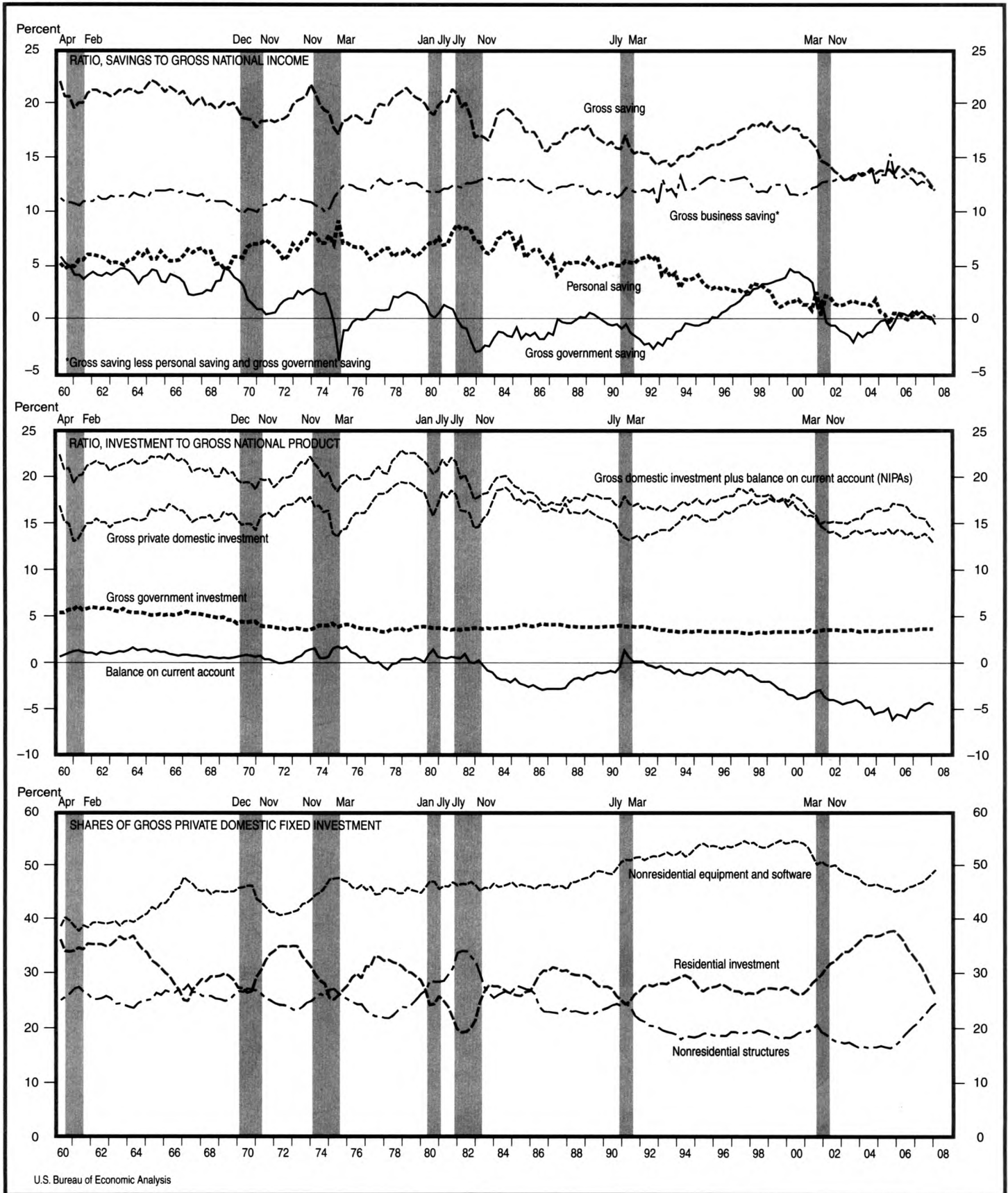


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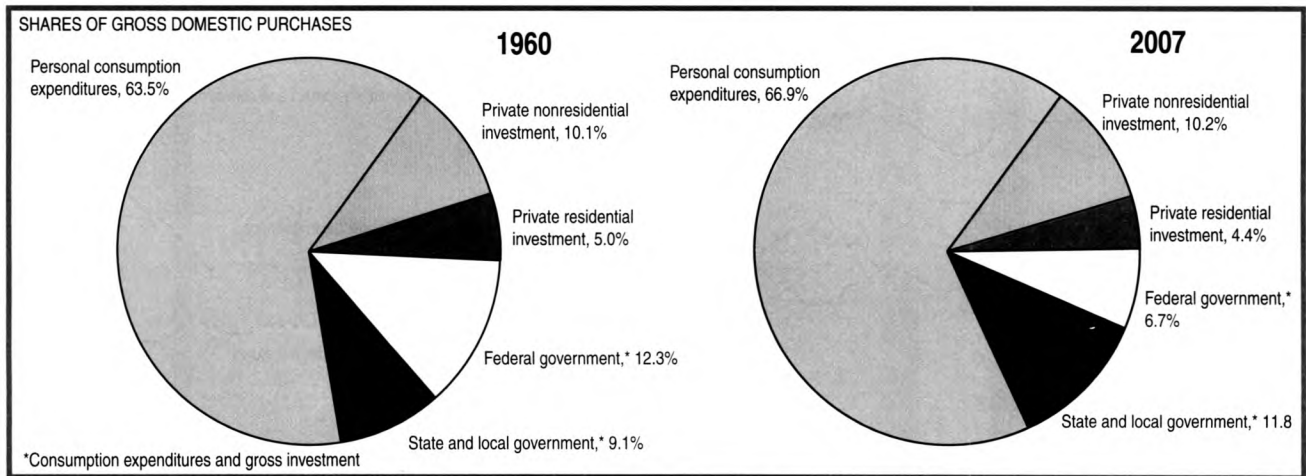
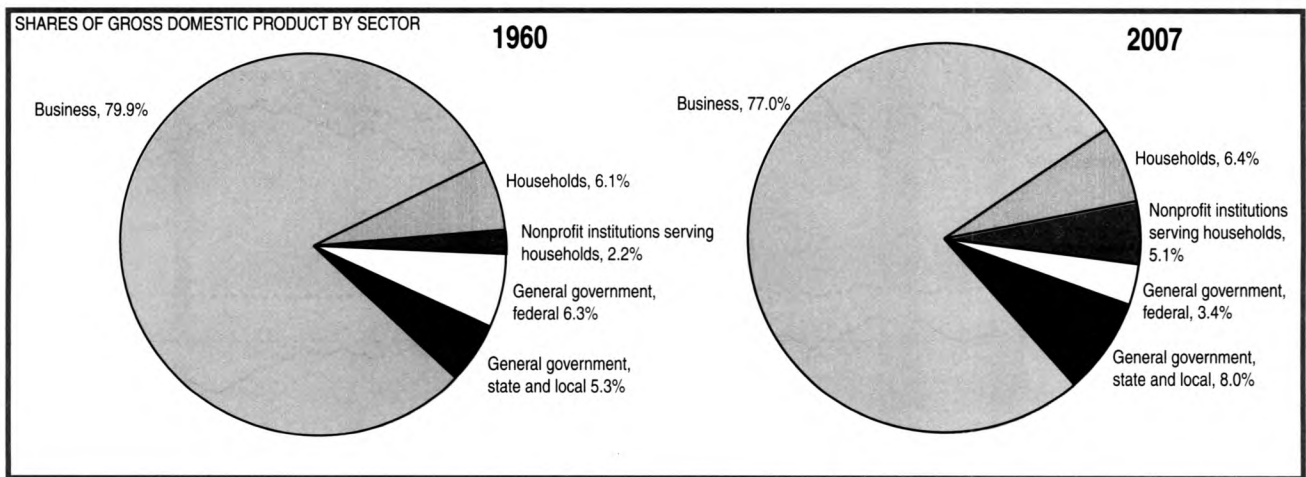
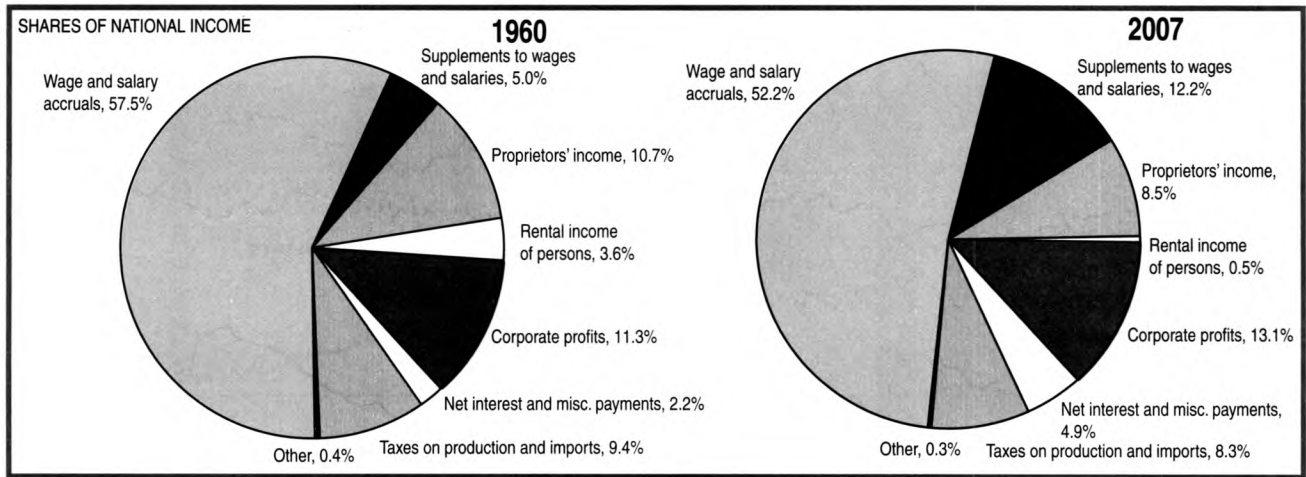
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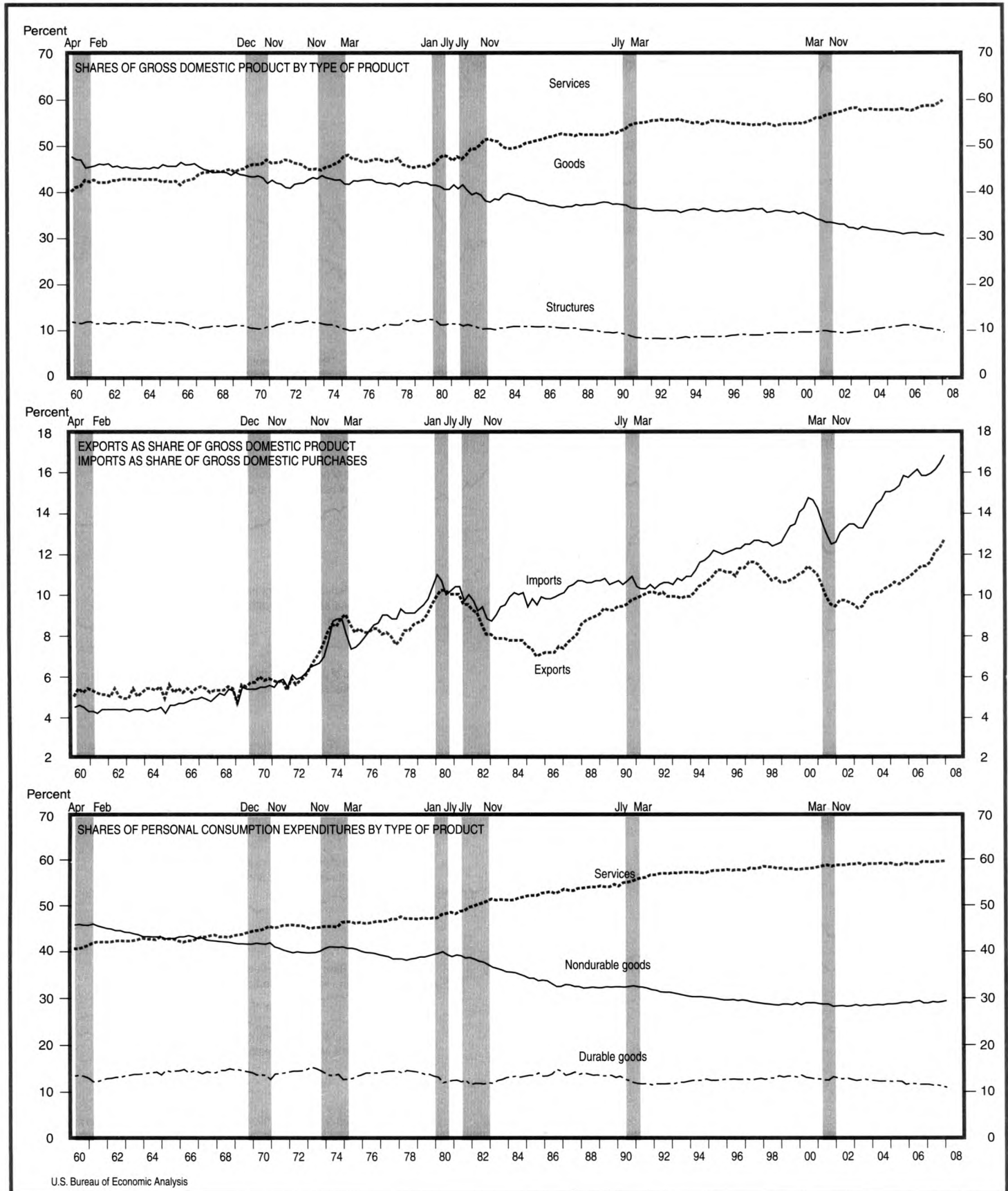


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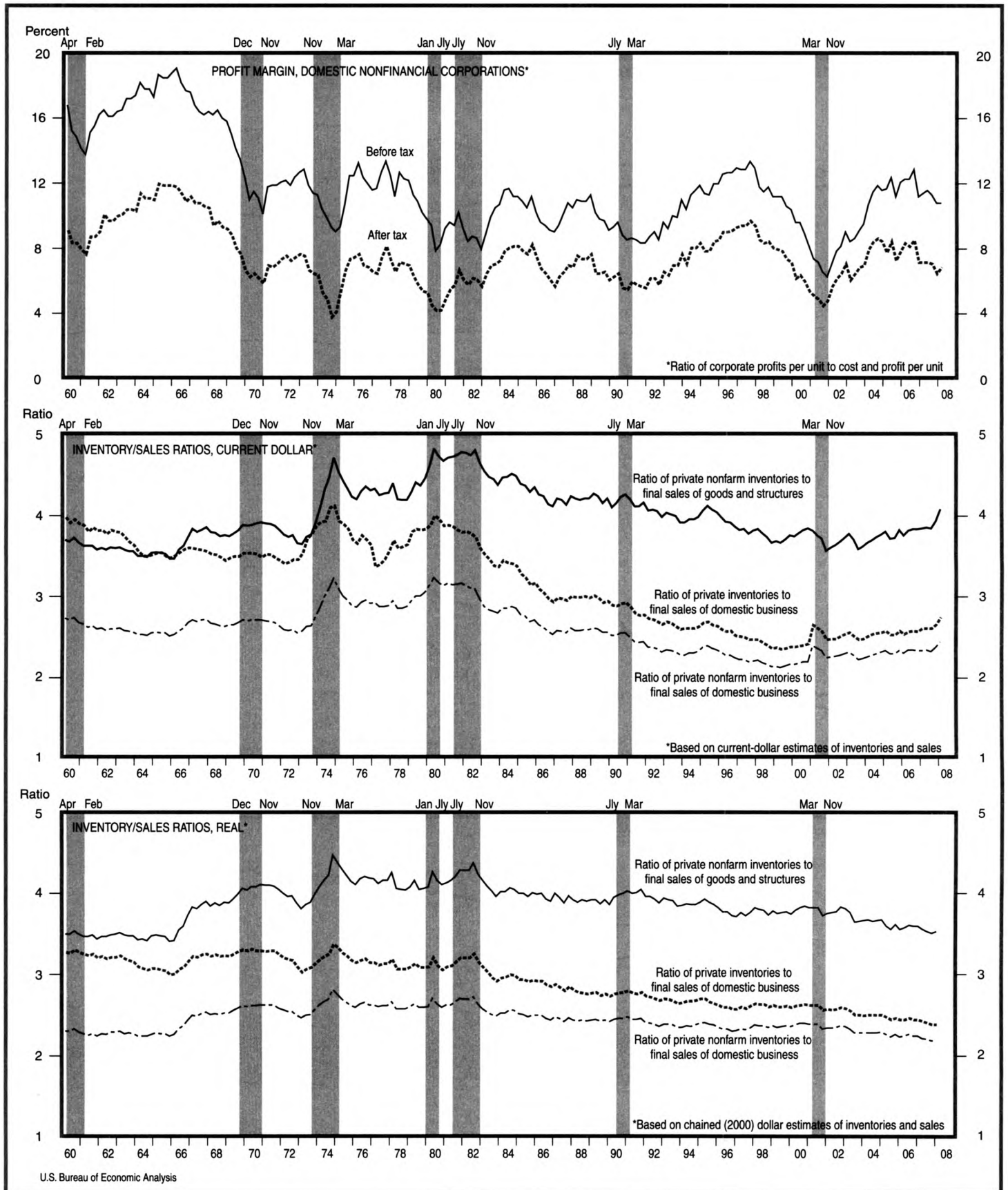


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## Industry Data

### E. Industry Table

The statistics in this table were published in tables 5A and 7A in "Annual Industry Accounts: Advance Statistics on GDP by Industry for 2007" in the May 2008 SURVEY OF CURRENT BUSINESS.

**Table E.1. Percent Changes in Chain-Type Quantity and Price Indexes for Value Added by Industry for 2004–2006**

Line		Chain-type quantity indexes			Chain-type price indexes			Line		Chain-type quantity indexes			Chain-type price indexes		
		2005	2006	2007	2005	2006	2007			2005	2006	2007	2005	2006	2007
1	<b>Gross domestic product</b> .....	3.1	2.9	2.2	3.2	3.2	2.7	50	<b>Finance, insurance, real estate, rental, and leasing</b>	4.8	5.8	1.2	2.2	2.2	2.6
2	<b>Private industries</b> .....	3.4	3.5	2.1	3.0	2.8	2.6	51	<b>Finance and insurance</b> .....	6.2	9.8	-0.3	1.9	1.4	2.1
3	<b>Agriculture, forestry, fishing, and hunting</b> .....	4.9	0.9	1.4	-13.7	-3.5	26.9	52	Federal Reserve banks, credit intermediation, and related activities.....	8.1	8.1	.....	2.3	4.2	.....
4	Farms.....	5.9	0.6	.....	-16.9	-5.7	.....	53	Securities, commodity contracts, and investments	17.9	23.2	.....	-1.5	-3.8	.....
5	Forestry, fishing, and related activities.....	1.3	1.8	.....	0.2	4.7	.....	54	Insurance carriers and related activities.....	-4.7	5.1	.....	3.6	1.1	.....
6	<b>Mining</b> .....	-2.4	6.1	0.0	34.9	9.6	5.1	55	Funds, trusts, and other financial vehicles.....	16.0	0.2	.....	0.8	-10.1	.....
7	Oil and gas extraction.....	-8.4	3.2	.....	42.9	3.2	.....	56	<b>Real estate and rental and leasing</b> .....	4.0	3.4	2.1	2.4	2.7	2.9
8	Mining, except oil and gas.....	8.7	1.7	.....	14.2	13.5	.....	57	Real estate.....	4.6	3.7	.....	2.2	2.8	.....
9	Support activities for mining.....	12.6	20.2	.....	27.7	28.8	.....	58	Rental and leasing services and lessors of intangible assets.....	-3.7	-1.3	.....	4.9	1.9	.....
10	<b>Utilities</b> .....	-2.2	-2.3	5.3	6.2	12.1	2.8	59	<b>Professional and business services</b> .....	4.0	3.8	4.6	4.4	3.5	3.2
11	<b>Construction</b> .....	2.7	-6.0	-12.1	9.8	10.3	1.6	60	<b>Professional, scientific, and technical services</b>	4.4	6.0	5.4	3.0	2.5	2.8
12	<b>Manufacturing</b> .....	1.0	2.9	2.3	2.9	1.5	1.9	61	Legal services.....	-1.6	-0.2	.....	6.2	6.1	.....
13	Durable goods.....	4.9	6.0	4.9	-0.7	-1.0	0.1	62	Computer systems design and related services...	4.8	8.4	.....	0.0	1.6	.....
14	Wood products.....	0.6	6.1	.....	-1.7	-4.8	.....	63	Miscellaneous professional, scientific, and technical services.....	6.3	7.5	.....	2.7	1.5	.....
15	Nonmetallic mineral products.....	-4.4	-4.4	.....	7.6	12.8	.....	64	<b>Management of companies and enterprises</b> .....	0.3	-2.4	0.9	11.4	5.7	7.1
16	Primary metals.....	-7.3	-8.9	.....	14.4	20.4	.....	65	<b>Administrative and waste management services</b>	5.6	2.7	4.9	3.5	4.6	1.6
17	Fabricated metal products.....	2.0	5.7	.....	4.9	0.6	.....	66	Administrative and support services.....	5.5	3.0	.....	4.2	4.3	.....
18	Machinery.....	8.6	6.4	.....	2.2	0.9	.....	67	Waste management and remediation services.....	6.7	-0.7	.....	-3.1	7.4	.....
19	Computer and electronic products.....	21.0	21.5	.....	-12.6	-13.3	.....	68	<b>Educational services, health care, and social assistance</b> .....	1.8	3.5	3.5	3.1	2.7	3.1
20	Electrical equipment, appliances, and components.....	-5.9	-3.9	.....	2.4	6.5	.....	69	<b>Educational services</b> .....	-0.3	1.1	3.3	5.5	5.0	3.6
21	Motor vehicles, bodies and trailers, and parts.....	3.5	10.9	.....	-10.4	-11.9	.....	70	<b>Health care and social assistance</b> .....	2.1	3.9	3.5	2.7	2.4	3.1
22	Other transportation equipment.....	12.2	6.8	.....	3.1	3.2	.....	71	Ambulatory health care services.....	4.6	6.0	.....	1.9	1.1	.....
23	Furniture and related products.....	-4.6	-0.5	.....	3.5	2.4	.....	72	Hospitals and nursing and residential care facilities.....	-1.4	1.1	.....	4.3	4.2	.....
24	Miscellaneous manufacturing.....	2.8	2.4	.....	-0.9	-0.8	.....	73	Social assistance.....	4.2	4.2	.....	0.3	1.8	.....
25	Nondurable goods.....	-3.9	-1.0	-1.1	7.9	4.8	4.5	74	<b>Arts, entertainment, recreation, accommodation, and food services</b> .....	1.3	3.1	1.9	3.5	3.8	3.4
26	Food and beverage and tobacco products.....	0.2	2.2	.....	1.4	-4.0	.....	75	<b>Arts, entertainment, and recreation</b> .....	0.0	3.8	1.0	3.3	3.5	2.9
27	Textile mills and textile product mills.....	-7.1	-11.9	.....	-1.1	3.9	.....	76	Performing arts, spectator sports, museums, and related activities.....	-0.4	5.6	.....	4.8	3.9	.....
28	Apparel and leather and allied products.....	-3.1	-0.7	.....	-1.4	-0.2	.....	77	Amusements, gambling, and recreation industries.....	0.2	2.3	.....	2.1	3.1	.....
29	Paper products.....	2.8	-5.5	.....	0.8	5.7	.....	78	<b>Accommodation and food services</b> .....	1.8	2.8	2.2	3.6	3.9	3.6
30	Printing and related support activities.....	-0.3	0.9	.....	-0.5	1.3	.....	79	Accommodation.....	1.8	4.0	.....	4.9	2.8	.....
31	Petroleum and coal products.....	-14.4	-6.0	.....	60.4	18.1	.....	80	Food services and drinking places.....	1.8	2.3	.....	3.0	4.5	.....
32	Chemical products.....	-6.4	1.3	.....	7.4	5.7	.....	81	<b>Other services, except government</b> .....	-0.6	-0.3	2.1	5.8	4.9	2.9
33	Plastics and rubber products.....	-3.3	-3.8	.....	1.8	12.0	.....	82	<b>Government</b> .....	0.7	0.4	1.2	4.4	4.7	4.3
34	<b>Wholesale trade</b> .....	1.8	1.7	0.9	3.5	3.5	3.9	83	<b>Federal</b> .....	0.2	-0.1	0.4	4.6	4.9	3.5
35	<b>Retail trade</b> .....	6.1	5.0	4.9	-1.4	-0.6	-0.4	84	General government.....	0.7	-0.2	.....	5.7	4.7	.....
36	<b>Transportation and warehousing</b> .....	4.1	5.2	3.1	-0.1	2.2	1.5	85	Government enterprises.....	-2.7	-0.1	.....	-1.9	6.5	.....
37	Air transportation.....	6.2	2.9	.....	-12.8	6.8	.....	86	<b>State and local</b> .....	0.9	0.7	1.5	4.4	4.6	4.7
38	Rail transportation.....	-1.1	27.8	.....	12.8	-11.8	.....	87	General government.....	0.9	1.0	.....	4.5	4.6	.....
39	Water transportation.....	0.9	6.5	.....	-3.8	1.1	.....	88	Government enterprises.....	0.6	-2.8	.....	2.8	4.1	.....
40	Truck transportation.....	4.1	2.1	.....	2.3	3.0	.....	89	<b>Addenda:</b>						
41	Transit and ground passenger transportation.....	-3.2	1.2	.....	2.1	2.7	.....	90	Private goods-producing industries <sup>1</sup> .....	1.3	0.8	-1.5	5.9	4.1	3.4
42	Pipeline transportation.....	6.3	1.0	.....	-19.6	22.5	.....	91	Private services-producing industries <sup>2</sup> .....	4.0	4.2	3.2	2.2	2.5	2.3
43	Other transportation and support activities.....	3.9	4.3	.....	2.2	2.6	.....		Information-communications-technology-producing industries <sup>3</sup> .....	11.3	11.7	13.2	-4.1	-3.8	-5.3
44	Warehousing and storage.....	12.1	4.6	.....	-0.2	1.8	.....								
45	<b>Information</b> .....	11.5	7.2	9.0	-3.5	-2.1	-1.1								
46	Publishing industries (includes software).....	9.0	4.5	.....	-0.2	1.1	.....								
47	Motion picture and sound recording industries.....	1.5	0.5	.....	2.8	2.1	.....								
48	Broadcasting and telecommunications.....	14.0	7.5	.....	-5.9	-3.4	.....								
49	Information and data processing services.....	11.2	16.1	.....	-2.4	-5.1	.....								

1. Consists of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.

2. 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.

3. Consists of computer and electronic products; publishing industries (includes software); information and data processing services; and computer systems design and related services.

## International Data

### F. Transactions Tables

Table F.1 presents estimates of U.S. international trade in goods and services that were released July 11, 2008. It includes preliminary estimates for May 2008 and revised estimates for April 2008.

For BEA's full set of detailed estimates of U.S. international transactions, visit BEA's Web site at [www.bea.gov](http://www.bea.gov).

**Table F.1. U.S. International Transactions in Goods and Services**

(Millions of dollars, monthly estimates seasonally adjusted)

	2006	2007	2007									2008				
			April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April <sup>r</sup>	May <sup>p</sup>
<b>Exports of goods and services</b> .....	<b>1,457,014</b>	<b>1,645,726</b>	<b>130,520</b>	<b>133,687</b>	<b>135,744</b>	<b>139,982</b>	<b>142,113</b>	<b>142,778</b>	<b>144,108</b>	<b>145,214</b>	<b>146,144</b>	<b>150,213</b>	<b>153,478</b>	<b>150,579</b>	<b>156,155</b>	<b>157,550</b>
<b>Goods</b> .....	<b>1,023,109</b>	<b>1,148,481</b>	<b>91,210</b>	<b>93,411</b>	<b>94,867</b>	<b>97,502</b>	<b>98,524</b>	<b>99,468</b>	<b>100,371</b>	<b>100,968</b>	<b>101,842</b>	<b>104,686</b>	<b>108,098</b>	<b>105,029</b>	<b>110,059</b>	<b>110,834</b>
Foods, feeds, and beverages.....	65,962	84,264	6,515	6,475	6,677	6,912	7,505	8,054	7,700	7,967	7,986	8,629	9,113	9,599	9,864	9,703
Industrial supplies and materials.....	276,045	316,335	25,352	25,874	26,979	26,466	27,365	27,636	27,555	27,994	28,704	29,729	31,775	31,549	32,724	33,958
Capital goods, except automotive.....	414,986	447,433	34,950	36,655	36,711	38,225	38,108	38,095	38,991	38,815	39,404	39,377	39,331	37,831	40,111	39,477
Automotive vehicles, parts, and engines.....	106,977	121,045	9,838	9,861	9,945	10,853	10,282	10,428	10,502	10,836	10,101	10,328	10,826	9,442	10,032	10,231
Consumer goods (nonfood), except automotive.....	129,074	146,102	11,937	12,087	11,837	12,349	12,440	12,614	12,480	12,346	12,802	13,281	13,364	12,586	13,426	13,435
Other goods.....	43,589	47,300	3,954	3,707	3,815	3,864	3,901	3,542	4,186	4,443	3,909	4,137	4,594	4,533	4,678	4,575
Adjustments <sup>1</sup> .....	-13,525	-13,999	-1,336	-1,248	-1,097	-1,167	-1,076	-900	-1,043	-1,433	-1,065	-796	-906	-512	-776	-547
<b>Services</b> .....	<b>433,905</b>	<b>497,245</b>	<b>39,310</b>	<b>40,276</b>	<b>40,877</b>	<b>42,480</b>	<b>43,589</b>	<b>43,310</b>	<b>43,737</b>	<b>44,246</b>	<b>44,302</b>	<b>45,527</b>	<b>45,381</b>	<b>45,550</b>	<b>46,096</b>	<b>46,716</b>
Travel.....	85,720	96,712	7,586	7,740	7,828	8,292	8,468	8,481	8,753	8,866	8,880	8,843	9,002	9,003	9,082	9,288
Passenger fares.....	22,036	25,586	1,964	2,007	2,025	2,155	2,165	2,210	2,379	2,399	2,481	2,376	2,375	2,437	2,506	2,527
Other transportation.....	46,323	51,586	4,179	4,231	4,230	4,326	4,389	4,366	4,483	4,695	4,611	4,995	4,970	4,956	5,181	5,248
Royalties and license fees.....	72,191	82,614	6,465	6,607	6,793	7,191	7,341	7,408	7,258	7,265	7,294	7,353	7,418	7,497	7,575	7,691
Other private services.....	189,050	223,483	17,714	18,182	18,626	19,090	19,834	19,472	19,568	19,725	19,765	20,202	20,189	20,460	20,437	20,856
Transfers under U.S. military agency sales contracts <sup>2</sup> .....	17,430	16,052	1,305	1,414	1,281	1,324	1,289	1,268	1,190	1,188	1,163	1,653	1,322	1,093	1,211	1,202
U.S. Government miscellaneous services.....	1,155	1,212	97	96	95	101	103	105	106	107	107	105	105	104	104	104
<b>Imports of goods and services</b> .....	<b>2,210,298</b>	<b>2,345,983</b>	<b>190,779</b>	<b>193,122</b>	<b>194,869</b>	<b>197,299</b>	<b>197,446</b>	<b>198,243</b>	<b>200,441</b>	<b>205,084</b>	<b>203,722</b>	<b>208,069</b>	<b>214,052</b>	<b>207,070</b>	<b>216,653</b>	<b>217,340</b>
<b>Goods</b> .....	<b>1,861,380</b>	<b>1,967,853</b>	<b>159,964</b>	<b>161,883</b>	<b>163,528</b>	<b>165,296</b>	<b>165,196</b>	<b>166,207</b>	<b>168,084</b>	<b>172,664</b>	<b>171,350</b>	<b>174,833</b>	<b>180,580</b>	<b>173,432</b>	<b>183,009</b>	<b>183,312</b>
Foods, feeds, and beverages.....	74,938	81,683	6,616	6,720	6,755	6,883	6,963	6,963	6,922	7,102	6,907	7,081	7,183	7,088	7,379	7,643
Industrial supplies and materials.....	601,988	634,746	50,539	52,042	52,826	53,548	53,483	53,505	55,139	59,198	60,310	63,954	64,510	61,521	67,502	67,169
Capital goods, except automotive.....	418,259	444,486	36,067	36,672	37,186	37,228	37,283	37,907	37,704	37,851	37,712	37,446	38,272	37,882	39,112	39,829
Automotive vehicles, parts, and engines.....	256,627	258,920	21,345	20,732	21,425	22,233	21,928	22,075	22,170	22,099	20,722	21,229	22,794	20,299	21,474	20,632
Consumer goods (nonfood), except automotive.....	442,639	474,892	39,241	39,429	39,940	39,056	39,231	39,377	39,975	40,314	39,727	39,059	40,963	39,531	40,194	41,715
Other goods.....	59,487	62,234	4,983	5,167	5,205	5,268	5,272	5,284	5,299	5,468	5,168	5,272	5,201	5,526	5,757	5,566
Adjustments <sup>1</sup> .....	7,441	10,892	1,173	1,122	641	1,081	1,035	1,094	876	632	804	794	1,657	1,584	1,590	756
<b>Services</b> .....	<b>348,918</b>	<b>378,130</b>	<b>30,815</b>	<b>31,239</b>	<b>31,341</b>	<b>32,003</b>	<b>32,250</b>	<b>32,036</b>	<b>32,357</b>	<b>32,420</b>	<b>32,372</b>	<b>33,236</b>	<b>33,471</b>	<b>33,638</b>	<b>33,644</b>	<b>34,028</b>
Travel.....	72,104	76,167	6,248	6,286	6,315	6,345	6,450	6,452	6,547	6,519	6,467	6,702	6,738	6,884	6,706	6,803
Passenger fares.....	27,501	28,486	2,296	2,309	2,374	2,435	2,501	2,486	2,440	2,447	2,477	2,664	2,678	2,709	2,657	2,691
Other transportation.....	65,262	67,050	5,495	5,706	5,565	5,848	5,746	5,524	5,718	5,752	5,671	5,935	6,040	5,888	6,001	6,125
Royalties and license fees.....	23,777	25,048	2,115	2,083	2,061	2,066	2,052	2,036	1,996	1,992	2,002	2,049	2,071	2,089	2,097	2,114
Other private services.....	125,221	144,375	11,638	11,818	11,981	12,274	12,439	12,431	12,438	12,447	12,465	12,604	12,654	12,774	12,888	13,002
Direct defense expenditures <sup>2</sup> .....	31,032	32,820	2,682	2,697	2,706	2,681	2,704	2,747	2,857	2,902	2,929	2,921	2,929	2,933	2,936	2,934
U.S. Government miscellaneous services.....	4,021	4,184	340	339	339	353	357	359	360	360	361	360	361	361	360	359
<b>Memoranda:</b>																
Balance on goods.....	-838,270	-819,373	-68,754	-68,472	-68,661	-67,794	-66,672	-66,738	-67,713	-71,697	-69,509	-70,147	-72,483	-68,403	-72,950	-72,478
Balance on services.....	84,987	119,115	8,495	9,037	9,536	10,477	11,339	11,274	11,380	11,826	11,930	12,291	11,909	11,911	12,452	12,688
Balance on goods and services.....	-753,283	-700,258	-60,259	-59,435	-59,125	-57,317	-55,333	-55,464	-56,333	-59,871	-57,579	-57,856	-60,573	-56,491	-60,498	-59,790

<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 defini-

tions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.

Source: U.S. Bureau of Economic Analysis and U.S. Bureau of the Census.



















Table J.1. Personal Income and Per Capita Personal Income by Metropolitan Area, 2004–2006—Table Ends

Area	Personal income					Per capita personal income <sup>1</sup>					
	Millions of dollars			Percent change from preceding period <sup>2</sup>		Dollars			Rank in United States	Percent change from preceding period	
	2004	2005	2006	2005	2006	2004	2005	2006	2006	2005	2006
<b>Metropolitan Statistical Areas <sup>4</sup>—Continued</b>											
Tallahassee, FL.....	9,468	10,209	10,840	7.8	6.2	28,038	29,834	31,180	195	6.4	4.5
Tampa-St. Petersburg-Clearwater, FL.....	82,518	89,013	95,750	7.9	7.6	31,961	33,678	35,541	93	5.4	5.5
Terre Haute, IN.....	4,231	4,323	4,524	2.2	4.6	24,962	25,518	26,695	326	2.2	4.6
Texarkana, TX-Texarkana, AR.....	3,410	3,601	3,836	5.6	6.5	25,899	27,202	28,650	278	5.0	5.3
Toledo, OH.....	19,647	20,184	21,021	2.7	4.1	29,902	30,811	32,209	166	3.0	4.5
Topeka, KS.....	6,635	6,903	7,212	4.0	4.5	29,297	30,375	31,679	185	3.7	4.3
Trenton-Ewing, NJ.....	15,896	16,631	18,177	4.6	9.3	43,837	45,740	49,847	8	4.3	9.0
Tucson, AZ.....	25,171	27,496	29,807	9.2	8.4	27,743	29,658	31,418	193	6.9	5.9
Tulsa, OK.....	29,014	31,043	34,131	7.0	9.9	33,051	35,180	38,219	58	6.4	8.6
Tuscaloosa, AL.....	5,347	5,782	6,214	8.1	7.5	27,330	29,143	30,660	214	6.6	5.2
Tyler, TX.....	5,601	6,070	6,539	8.4	7.7	30,043	31,892	33,569	135	6.2	5.3
Utica-Rome, NY.....	7,819	8,086	8,553	3.4	5.8	26,369	27,363	29,013	263	3.8	6.0
Valdosta, GA.....	2,917	3,102	3,258	6.4	5.0	23,426	24,581	25,981	344	4.9	3.3
Vallejo-Fairfield, CA.....	13,091	13,654	14,322	4.3	4.9	31,955	33,445	35,074	103	4.7	4.9
Victoria, TX.....	3,142	3,295	3,567	4.9	8.3	27,901	29,323	31,649	186	5.1	7.9
Vineland-Millville-Bridgeton, NJ.....	4,053	4,176	4,446	3.0	6.5	26,905	27,378	28,834	271	1.8	5.3
Virginia Beach-Norfolk-Newport News, VA-NC.....	51,844	54,862	57,899	5.8	5.5	31,540	33,259	34,858	107	5.5	4.8
Visalia-Porterville, CA.....	9,194	9,615	9,994	4.6	3.9	23,144	23,654	24,153	351	2.2	2.1
Waco, TX.....	5,642	6,081	6,411	7.8	5.4	25,315	27,091	28,340	285	7.0	4.6
Warner Robins, GA.....	3,349	3,590	3,781	7.2	5.3	27,032	28,507	29,525	246	5.5	3.6
Washington-Arlington-Alexandria, DC-VA-MD-WV.....	239,506	258,222	272,861	7.8	5.7	46,452	49,442	51,868	6	6.4	4.9
Waterloo-Cedar Falls, IA.....	4,783	4,958	5,214	3.7	5.2	29,504	30,514	31,949	174	3.4	4.7
Wausau, WI.....	3,906	4,109	4,317	5.2	5.1	30,768	32,148	33,444	140	4.5	4.0
Weirton-Stubenville, WV-OH.....	3,224	3,258	3,388	1.1	4.0	25,467	25,982	27,335	313	2.0	5.2
Wenatchee, WA.....	2,771	2,864	3,082	3.3	7.6	27,132	27,671	29,267	255	2.0	5.8
Wheeling, WV-OH.....	3,963	4,097	4,284	3.4	4.6	26,654	27,764	29,253	256	4.2	5.4
Wichita, KS.....	18,727	20,170	22,081	7.7	9.5	32,173	34,491	37,471	69	7.2	8.6
Wichita Falls, TX.....	4,246	4,461	4,860	5.1	9.4	28,092	29,760	32,653	157	5.9	9.7
Williamsport, PA.....	3,193	3,213	3,345	0.6	4.1	27,023	27,285	28,502	283	1.0	4.5
Wilmington, NC.....	8,585	9,380	10,178	9.3	8.5	28,210	29,620	30,918	204	5.0	4.4
Winchester, VA-WV.....	3,224	3,460	3,670	7.3	6.1	28,556	29,847	30,849	205	4.5	3.4
Winston-Salem, NC.....	14,079	14,599	15,613	3.7	6.9	31,991	32,680	34,311	117	2.2	5.0
Worcester, MA.....	27,327	28,498	30,206	4.3	6.0	35,273	36,666	38,748	51	3.9	5.7
Yakima, WA.....	5,597	5,753	6,120	2.8	6.4	24,587	25,141	26,510	329	2.3	5.4
York-Hanover, PA.....	12,352	13,162	13,708	6.6	4.2	30,922	32,377	33,071	147	4.7	2.1
Youngstown-Warren-Boardman, OH-PA.....	15,794	16,234	16,972	2.8	4.5	26,945	27,927	29,434	249	3.6	5.4
Yuba City, CA.....	3,851	4,004	4,234	4.0	5.7	25,614	25,827	26,391	331	0.8	2.2
Yuma, AZ.....	3,527	3,807	4,075	7.9	7.0	20,202	21,081	21,925	360	4.4	4.0

1. Per capita personal income was computed using Census Bureau midyear population estimates.

2. Percent change calculated from unrounded data.

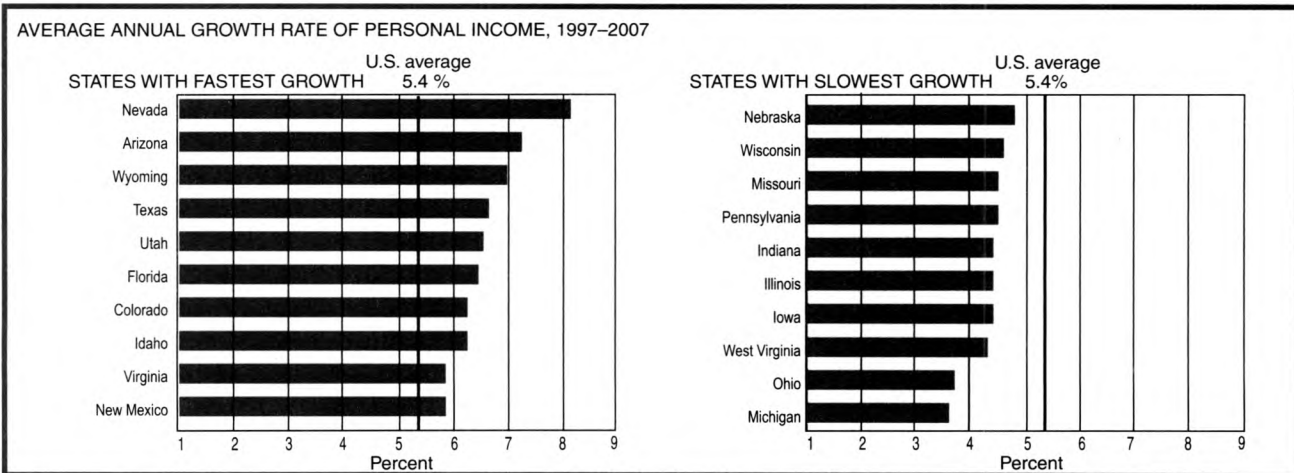
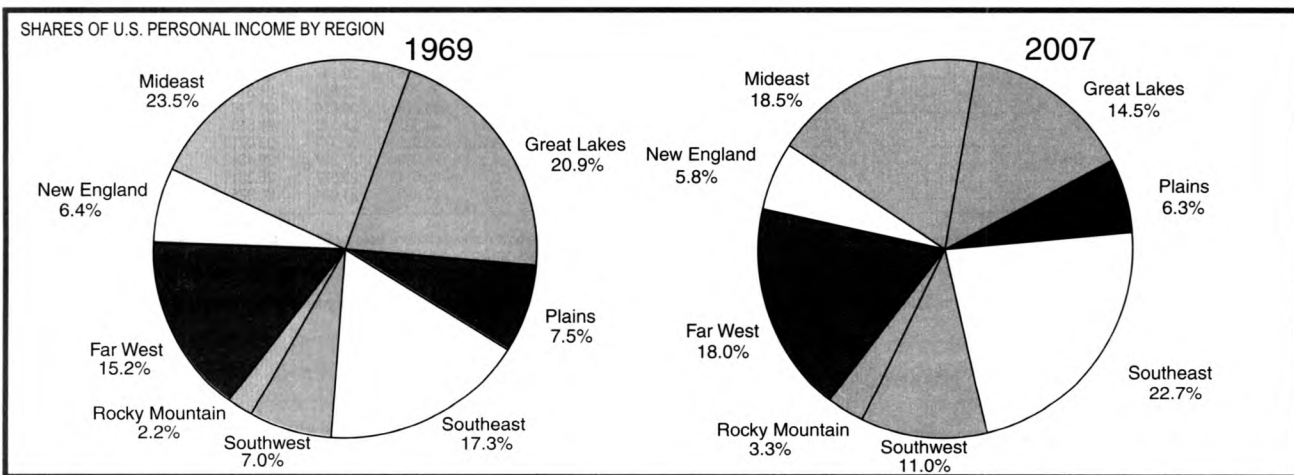
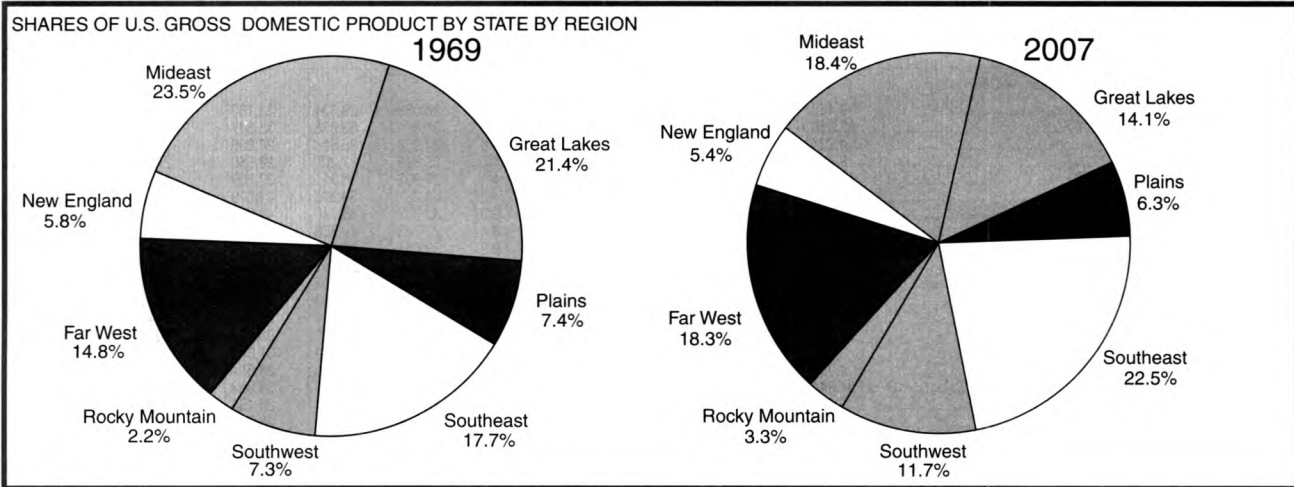
3. The personal income level shown for the United States is derived as the sum of the county estimates. It differs from the estimate of personal income in the national income and product accounts because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data.

4. The metropolitan area definitions used by BEA for its personal income estimates are the new county-based definitions issued by the Office of Management and Budget in June 2003 (with revisions released February 2004, March 2005, December 2005, December 2006, and November 2007) for federal statistical purposes.

Source: Table 1 in "Local Area Personal Income for 2006" in the May 2008 SURVEY OF CURRENT BUSINESS.

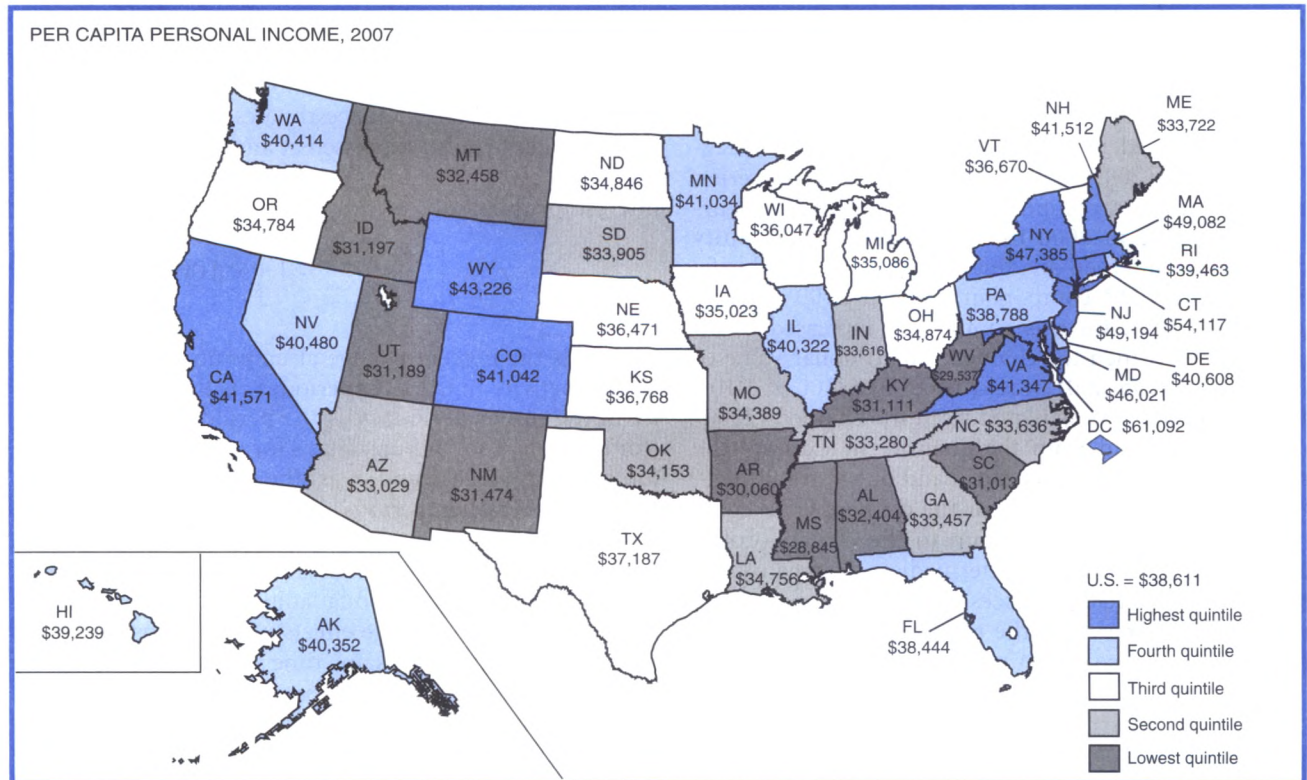
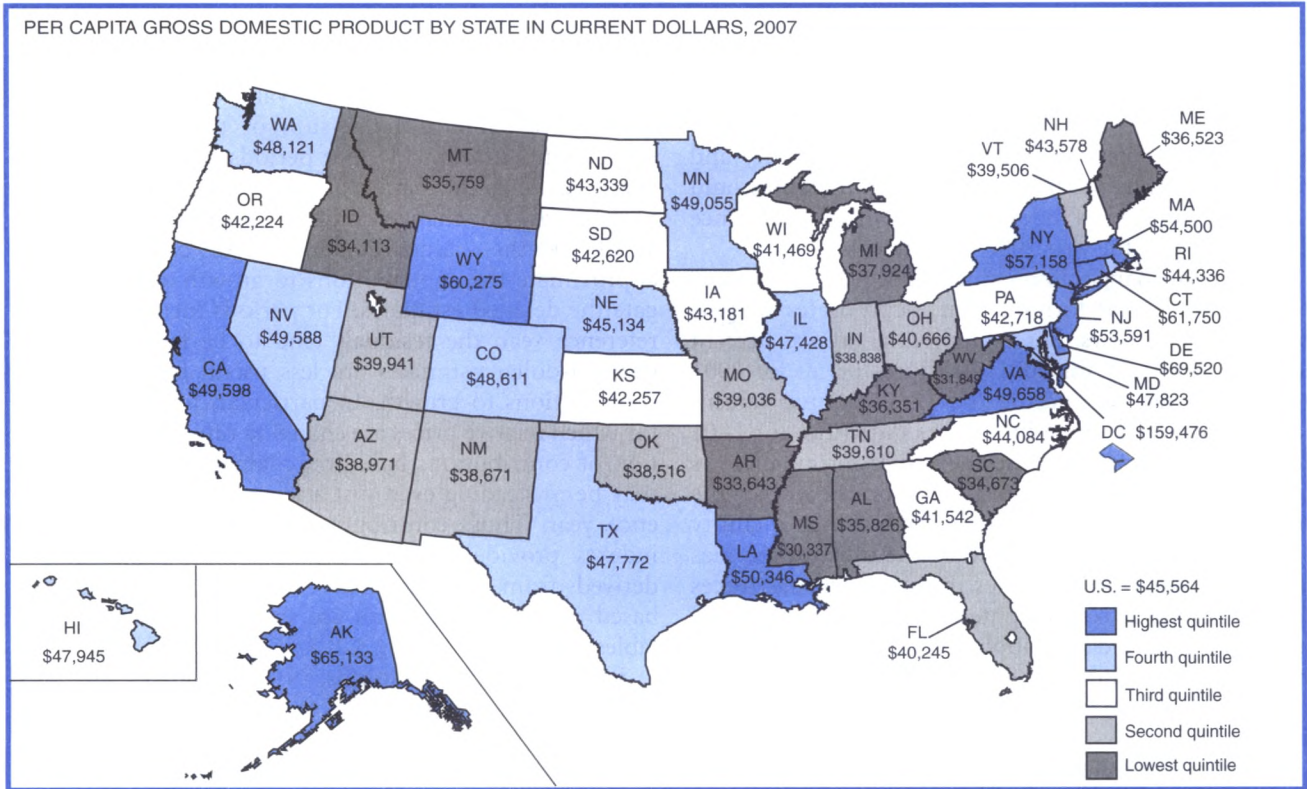
K. Charts

SELECTED REGIONAL ESTIMATES



U.S. Bureau of Economic Analysis

## SELECTED REGIONAL ESTIMATES



U.S. Bureau of Economic Analysis

## Appendixes

### A. Additional Information About the NIPA Estimates

#### Statistical Conventions

Current-dollar GDP is a measure of the market value of goods, services, and structures that are produced in the economy in a particular period. The changes in current-dollar GDP can be decomposed into quantity and price components. Quantities, or “real” measures, and prices are expressed as index numbers with the reference year—at present, the year 2000—equal to 100.<sup>1</sup>

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. For example, the annual percent change in real GDP for 2001–2002 uses prices for 2001 and 2002 as weights, and the 2001–2002 annual percent change in the GDP price index uses quantities for 2001 and 2002 as weights. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula. These annual changes are “chained” (multiplied) together to form time series of quantity and price indexes. The percent changes in the Fisher indexes are not affected by the choice of the reference year.

BEA also publishes implicit price deflators (IPDs), which are calculated as the ratio of the current-dollar value of a component to the chained-dollar value of the component, multiplied by 100. The values of an IPD are very close to the values of the corresponding “chain-type” price index.

The measures of real GDP and its major components are also presented in dollar-denominated form, designated “chained (2000) dollar estimates.” For most series, these estimates are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased by 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 would be \$110 ( $\$100 \times 1.10$ ). The percent changes calculated from the chained (2000) dollar estimates and from the quantity indexes are the same; any differences will be small and due to rounding.

The chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP (or to any intermediate aggregate) in a table, because the relative prices that are used as weights for any period other than the reference year differ from those of the reference year. A measure of the effect of such

differences is provided by a “residual” line—the difference between the chained-dollar value of the main aggregate in the table and the sum of the most detailed components in the table. For periods close to the reference year, when the relative prices that are used as weights have usually not changed much, the residuals tend to be small, and the chained-dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. For periods further from the reference year, the residuals tend to be larger, and the chained-dollar estimates are less useful for analyses of contributions to growth. In particular, for components for which relative prices are changing rapidly, the calculation of contributions based on chained-dollar estimates may be misleading even just a few years from the reference year. Thus, contributions derived from quantity indexes provide a better measure than contributions derived from chained-dollar estimates; contributions based on quantity indexes are shown in selected NIPA tables 1.1.2, 1.2.2, 1.5.2, 2.3.2, 3.9.2, 4.2.2, and 5.3.2.

For quarters and months, NIPA estimates are presented at annual rates, which show the value that would be registered if the rate of activity that is measured for a quarter or for a month were maintained for a full year. Annual rates are used so that periods of different lengths—for example, quarters and years—may be more easily compared. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or by 12 (for monthly data).

For most quarterly NIPA estimates, *percent changes* in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left[ \left( \frac{x_t}{x_0} \right)^{m/n} - 1 \right] \times 100$$

where  $r$  is the percent change at an annual rate;  $x_t$  is the level of activity in the later period;  $x_0$  is the level of activity in the earlier period;  $m$  is the periodicity of the data (for example, 1 for annual data, 4 for quarterly data, or 12 for monthly data); and  $n$  is the number of periods between the earlier periods and the later periods (that is,  $t - 0$ ).

Quarterly and monthly NIPA estimates are seasonally adjusted if necessary. Seasonal adjustment removes from the time series the average effects of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

1. See J. Steven Landefeld, Brent R. Moulton, and Cindy M. Vojtech, “Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes,” *SURVEY OF CURRENT BUSINESS* (November 2003): 8–16.

## Reconciliation Table

**Table 1. Relation of Net Exports of Goods and Services and Net Receipts of Income in the NIPAs to Balance on Goods and Services and Income in the ITAs**

[Billions of dollars]

	Line	2006	2007	Seasonally adjusted at annual rates					
				2006	2007				2008
					IV	I	II	III	
<b>Exports of goods and services and income receipts, ITAs</b> .....	1	2,142.2	2,463.5	2,254.5	2,288.7	2,408.5	2,553.6	2,603.2	2,614.9
Less: Gold, ITAs .....	2	8.8	13.3	9.0	10.6	16.5	14.3	12.0	24.6
Statistical differences <sup>1</sup> .....	3	45.9	63.6	51.9	46.8	53.5	72.8	81.3	81.3
Other items.....	4	1.2	1.4	1.0	1.4	1.3	1.6	1.4	1.5
Plus: Adjustment for grossing of parent/affiliate interest payments .....	5	8.5	10.9	9.3	8.8	11.1	11.1	12.5	11.4
Adjustment for U.S. territories and Puerto Rico .....	6	56.0	55.2	55.8	54.9	55.6	55.5	54.7	52.8
Services furnished without payment by financial intermediaries except life insurance carriers .....	7	8.3	9.3	8.0	8.4	8.9	9.8	10.0	11.3
<b>Equals: Exports of goods and services and income receipts, NIPAs</b> .....	8	2,159.0	2,460.5	2,265.7	2,302.0	2,412.9	2,541.3	2,585.8	2,583.0
<b>Imports of goods and services and income payments, ITAs</b> .....	9	2,838.3	3,082.0	2,893.2	2,955.8	3,085.0	3,134.2	3,153.1	3,195.5
Less: Gold, ITAs .....	10	5.6	8.8	5.1	7.8	9.8	10.7	7.0	17.9
Statistical differences <sup>1</sup> .....	11	20.1	54.2	21.5	48.2	71.5	47.0	50.2	50.3
Other items.....	12	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Plus: Gold, NIPAs .....	13	-4.3	-4.6	-5.1	-4.0	-4.7	-4.5	-5.1	-5.9
Adjustment for grossing of parent/affiliate interest payments .....	14	8.5	10.9	9.3	8.8	11.1	11.1	12.5	11.4
Adjustment for U.S. territories and Puerto Rico .....	15	38.1	38.2	32.2	40.1	37.2	41.8	33.6	35.0
Imputed interest paid to rest of world.....	16	8.3	9.3	8.0	8.4	8.9	9.8	10.0	11.3
<b>Equals: Imports of goods and services and income payments, NIPAs</b> .....	17	2,863.1	3,072.8	2,910.9	2,953.0	3,056.4	3,134.8	3,146.8	3,179.2
<b>Balance on goods and services and income, ITAs (1-9)</b> .....	18	-696.1	-618.5	-638.7	-667.1	-676.5	-580.6	-549.9	-580.6
Less: Gold (2-10+13).....	19	-1.1	-0.1	-1.2	-1.2	2.0	-0.9	-0.1	0.8
Statistical differences (3-11) <sup>1</sup> .....	20	25.8	9.4	30.4	-1.4	-18.0	25.8	31.1	31.0
Other items (4-12) .....	21	1.2	1.4	1.0	1.4	1.3	1.6	1.4	1.5
Plus: Adjustment for U.S. territories and Puerto Rico (6-15).....	22	17.9	17.0	23.6	14.8	18.4	13.7	21.1	17.8
<b>Equals: Net exports of goods and services and net receipts of income, NIPAs (8-17)</b> .....	23	-704.1	-612.3	-645.2	-651.0	-643.5	-593.5	-561.0	-596.2

1. Consists of statistical revisions to the ITAs that have not yet been incorporated into the NIPAs.  
 ITAs International transactions accounts  
 NIPAs National income and product accounts

## 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](http://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 Income and Product Accounts* (2007)

*Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends* (2002)

*Government Transactions* (1988)

*Measuring the Economy: A Primer on GDP and the National Income and Product Accounts* (2007)

*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 article describes the upcoming 2009 comprehensive revision of the NIPAs.

"Preview of the Revised NIPA Estimates for 2002: Effects of Incorporating the 2002 Benchmark I-O Accounts and Proposed Definition and Statistical Changes" (March 2008)

Preview of the 2009 Comprehensive NIPA Revision  
New Classifications for Personal Consumption Expenditures (May 2008)

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 2003 Comprehensive NIPA Revision  
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 Insurance in the NIPAs: Changes in Concepts and Meth-

ods" (October 2003)

In addition, see the following articles.

"Annual Revision of the National Income and Product Accounts" (August 2007) presents revisions and describes any changes in the data and the methods that are used to prepare the estimates.

"Updated Summary NIPA Methodologies" (November 2007) 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 most recent comprehensive NIPA revision.

"Fixed Assets and Consumer Durable Goods for 1997–2006" (September 2007) provides estimates that reflect the incorporation of the most recent annual NIPA revision.

**Satellite accounts.** These accounts extend the analytical capacity of the NIPAs by focusing on the effects of a particular aspect of economic activity on GDP.

"Research and Development Satellite Account"

For 1959–2002 (December 2006)

For 1959–2004 (October 2007)

### 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](http://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), the benchmark input-output 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 2006) 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.

“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.** “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.

“U.S. Benchmark Input-Output Accounts, 2002” (October 2007)

**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 2001–2004 (June 2005)

For 2002–2005 (June 2006)

For 1998–2006 (June 2007)

For 2004–2007 (June 2008)

## International accounts

The international accounts encompass the international transactions accounts, direct investment, and international transactions in services.

**International transactions accounts.** *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 international transactions accounts.

The annual revisions of the international transactions accounts are described in a series of articles, the latest of which was published in the July 2008 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 2002 Benchmark Survey* (2006).

**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 domestic product. The following methodologies are available on BEA’s Web site at <[www.bea.gov/regional/methods.cfm](http://www.bea.gov/regional/methods.cfm)>.

**Personal income.** Estimates of personal income are prepared for states and for local areas.

*State Personal Income* (2007) describes the improvements in the methodology that are used to prepare the estimates.

*Local Area Personal Income* (2007) describes the detailed methodology that is used to prepare the estimates for counties, metropolitan divisions and areas, micropolitan areas, BEA economic areas and regions.

**Gross domestic product.** Estimates of gross domestic product (GDP) are prepared for states and metropolitan areas.

*Gross Domestic Product by State* (2006) describes the sources and the methods that are used to prepare the estimates.

“Gross Domestic Product by State for 2004–2007” (July 2008) presents the most recent annual revision.

“Introducing New Measures of the Metropolitan Economy: Prototype GDP-by-Metropolitan-Area Estimates for 2001–2005” (November 2007) describes the potential uses of the estimates and the methodology used to prepare them.

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